New center could spell success for minority-run businesses

By DONNA FONTENOT
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It sounded at first like a reading of alphabet soup.

Someone contacts HUD in D.C. to see about working through LNEDC to establish the MBDC. Not exactly Lafayette's own SBA — but similar. And everything's going OK.

Don't let the acronyms fool you. From out of an arrangement between the City's Community Development Department and Lafayette Neighborhood Economic Development Corp. should come a set-up to ease, not complicate, the work of small, minority-owned businesses in Lafayette Parish.

Enter the Minority Business Development Center.

Basically a concept for now, the MBDC has ambitions of soon becoming a local source of information and technical assistance for blacks, women, the handicapped and other minorities wanting to start and maintain small companies.

The U.S. Department of Housing and Urban Development is expected to provide $125,000 in seed money through a grant sought by the Community Development Department on LNEDC's behalf.

A City-staffed group with a revolving loan program for small businesses, LNEDC will then act as "agent" in disbursing money to the new center.

The need certainly exists, says center board member J'nelle Chargois, who spearheaded the move.

Granted, national studies show the number of small businesses annually growing twice as fast as that of large corporations. But Chargois warns statistic-believers to look beyond those to less impressive figures on how few survive.

She points to rising unemployment and bankruptcy figures, despite available monetary assistance programs.

At least five locally-owned black businesses faced closure between January and March for lack of marketing, management, accounting, legal or technical know-how, Chargois says.

Women-owned businesses in the parish face similar problems and small businesses in general — typically within building trades, food industries and consultant or professional groups — don't seem to have the wherewithal larger companies do.

Giving such businesses access to more money can be pointless if they aren't shown, at the same time, some direction on how best to use it, Chargois notes.

This new center "won't get into loans," but prepare businesses to obtain money through traditional

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"We'll put them in touch with bankers, help them develop business plans...prepare them to compete in the bid process and hopefully, in doing that, help create more jobs and more self-sustaining businesses." J'nelle Chargois

The idea for a Minority Business Development Center came to mind when she switched political party affiliation last fall.