



Micro Business Development Program

A Program of the Vermont
Community Action Agencies

The Micro Business Development Program of the Vermont Community Action Agencies provides training and counseling for low to moderate income Vermonters who are planning to start or expand a microenterprise.

MBDP has a vital role to play in a down economy because we start businesses, and new businesses are the primary source of new jobs.¹

Also, we create jobs for people who need them most. Low income people tend to have significantly higher unemployment rates in a downturn than middle and high income individuals.²

Our program works: With a small investment from the state, our program creates enormous returns for low income Vermonters and our communities.

Since 1988, MBDP has helped to strengthen the economic self-sufficiency of more than 10,000 Vermonters and the vitality of our communities. We have launched or expanded more than 2,000 Vermont businesses, created thousands of jobs, and helped entrepreneurs leverage more than \$14 million in financing.

Celebrate Microenterprise in Vermont! (See reverse)

Average Annual Outcomes 2010-13

- **97 businesses starts or expansions**
- **91 new FTE jobs created**
- **\$880,152 in business capital accessed**
- **Cost per job = \$3,284 (VT General Fund)**

A 2008 Evaluation by UVM's Center for Rural Studies found:

41% of clients started a business while working with MBDP. 31% were already in business (starting up or established).

91% of the businesses MBDP helped to start were still in business. (range: 16 m—8.5 yrs)

Of those who started the program with an established business, 94% remained in business.

26% of business owners hired part or full time employees to work for them.

Almost three quarters said that self-employment provides income to their household as they take an owner's draw from business revenue.

Almost half (48%) of clients said their business revenue has increased since working with MBDP.

32% indicated that their business is their primary source of income.

64% indicated that at one time they have relied on some form of public assistance, with 52% of self-employed clients saying their reliance has decreased to little or no assistance.

¹ From a study by the Marion Kauffman Foundation released in July 2010.

² From a study by Andrew Sum, an economist at Northeastern University, cited by "Spotlight on Poverty and Opportunity," April 14, 2010.

Celebrate Vermont Microenterprises!

Winooski Falls Market & Deli, Williston Laurie Chicoine & Larry Rondeau, Owners

Champlain Valley Office of Economic Opportunity
(CVOEO)

Laurie began working with the MBDP in June 2008 with the dream of opening her own small grocery store. Her business counselor helped with business development issues, creation of the business plan, and the loan application process. By combining a loan from Community Capital of Vermont, personal equity, help from their landlord and an ARRA micro grant, Laurie and her partner were able to generate enough capital to launch the Market in September 2010.

The store's success has exceeded the owners' expectations. Prior to starting the business, Laurie and her partner were both unemployed, with Laurie receiving Food Stamps. Brisk sales, however, have allowed both partners to draw income. Laurie, in fact, has been able to end her enrollment in the Food Stamps program, as a result.

Winooski Falls Market and Deli is already giving to the community. For one, the steady flow of customers shows

the need for the service. Also, the owners' are planning to hire an employee in 2011. Moreover, in the short period since opening, they have paid approximately \$5,000 in state taxes. Laurie is pleased to be benefiting others, and she thanks MBDP for helping her get on the path to self-sufficiency.



Magic Spoon Bakery, Walden Carmela Ram, Owner

Northeast Kingdom Community Action
(NEKCA)

Carmela Ram's grandmother first introduced her to baking over 50 years ago in Israel. In 1984, Carmela moved to the United States with her two sons and helped start the Hallelujah Bakery at the community farm in Walden.

As chef, Carmela learned the ins and outs of operating a bakery. Unfortunately, the bakery closed in 2007, and was sold. Soon after, Carmela approached NEKCA's MBDP for help exploring her options of opening her own bakery. MBDP worked with her to find a location and funding. Carmela eventually decided to install a commercial kitchen in her own apartment. MBDP helped her meet Act 250 and other requirements, and to successfully apply for a loan from the Town of Hardwick. With the loan and her own equity, she opened the Magic Spoon Bakery in January, 2010.

Magic Spoon Bakery now has 4 full time and 2 part time employees. Her business market has expanded west to Burlington and east to Franconia NH. A former employee even started her own enterprise delivering for Magic Spoon and other businesses. It's not hard to imagine that Carmela's grandmother would be pleased.

Smalltown Cleaners, Waitsfield Lana Kenyon & Andrea Smith, Owners

Central Vermont Community Action (CVAC)

Lana Kenyon, at an early age, worked for minimum wage, barely saw her two children, and lived paycheck to paycheck. Eventually, she sought public assistance. Responding to her frustration at being unable to move ahead, a neighbor suggested a cleaning business. Kenyon liked the idea of setting

her own hours. She started with one client in 2007, and realized she'd be able to take on more clients with a partner. Enter Andrea Smith, a housekeeper for a resort, who lacked adequate income, though working fulltime, plus.

Another partner was CVAC's MBDP. Kenyon initially found herself overwhelmed at the process for formalizing her business. Her MBDP counselor



helped with regulations, resources, and the business plan. Kenyon says, "[Micro Business] will be there for me when I need them." She is thankful for such an ally, "It's a little scary when I think about the likelihood of losing the infrastructure (of social services) that allows me to make ends meet - things like Food Stamps and the child care subsidy. That is the goal. I want to be able to run my business and not worry about whether I can buy my children good food with my own money."

J. Lucinda Sayre, Fair Haven, Owner

BROC-Community Action in Southwestern Vermont

J. Lucinda Sayre, a native Vermonter, discovered at an early age the joys of nature. This sensitivity evolved over time into a creative vocation -- making art that captures Vermont's beautiful landscapes. Her great love of the outdoors and of the older ways of life inspire much of her work.

Over her career, Ms. Sayre has been the sole or featured artist at numerous exhibitions and group shows. Further, she has received first place awards in both oil paintings and photography. Her work has been shown at Witt Gallery, Art & Antique Center, Southern Vermont Art Center, Moonbrook Gallery, Annual Equinox Art Show, Vermont Welcome Center and at a national show staged at the Vermont Institute of Natural Science. She has pieces in both corporate and private collections throughout the country.

Lucinda came to BROC's MBDP to develop a business plan so that she could apply for funding for working capital to pursue juried art shows. With MBDP's assistance, her funding application was successful. The fruits of this strategy are already apparent. Most recently, her work was chosen to be part of a 2011 art calendar.



The Downstreet Cafe, Bellows Falls Jenny Strecker & Ana Porteur, Owners

Southeastern Vermont Community Action (SEVCA)

The Downstreet Café, located on Canal Street in Bellows Falls, opened for business in December, 2009. Owners Jenny Strecker and Ana Porteur purchased an existing business, and then renovated the interior space, and made major changes to the menu. With previous food and beverage, and marketing, experience, they were natural candidates for operating the business.

Jenny and Ana approached SEVCA's MBDP for assistance in writing the business plan, required as part of a loan application. When they approached the Bellows Falls Community Development Office for capital, officials embraced the business concept, and gave them the loan.

Since opening its doors, The Downstreet Café has become a popular place to meet for food and even live music. Business has been vigorous, and sales have exceeded projections. The owners created full time jobs for themselves, and hired a part time baker. And they have plans for more improvement, including outside seating, local produce and flowers, and evening music. It adds up to a real asset for Bellows Falls.

