

# The key to a stronger economy

Support is crucial because many aspiring and new entrepreneurs have great ideas but lack the guidance to turn them into reality.



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## **Stark County Minority Business Association**

This week, Big Ideas had the honor of sitting down with the team from the Stark County Minority Business Association (SCMBA). This organization was created to support the best interests of minority-owned businesses by providing technical and professional assistance, access to capital, and connection to opportunity. In just the past four years, the organization has experienced astounding growth. The SCMBA team shared with us how they carry out their important mission and what it means for individuals, families, and the community in greater Canton.

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**Big Ideas: Thank you for taking the time to talk with us today! Can you first share with us the basics of your mission at SCMBA?**

SCMBA: Definitely! Our organization evolved to empower and nurture minority-owned businesses and nonprofits in Stark County. We provide resources, mentorship, and an array of opportunities to foster long-term success. We're focused on minority-owned, women-owned, and veteran-friendly businesses and we try to connect business owners with what they tell us they need - access to capital, training, networking opportunities, and essential support they are unlikely to find elsewhere. We've essentially created an ecosystem where budding entrepreneurs receive the guidance, tools, and encouragement needed to thrive.

**Big Ideas: We understand SCMBA has experienced dramatic growth in just a short time. Tell us more about that.**

SCMBA: We're so excited about our growth - we think it's a true testament to our impact! We were run by a volunteer staff until the Ohio Department of Development granted us \$300,000 in 2019. This funding catalyzed our transition from a volunteer-led organization to a much larger nonprofit with permanent paid staff. Our membership soared from 65 to over 300 members, reflecting the substantial strides we've made. Additionally, we formed an instrumental partnership with the Canton Regional Chamber of Commerce. By moving into their downtown Canton office space, we gained access to crucial resources such as IT support, marketing support, and an easily accessible location across from Centennial Plaza. These factors all contribute to our growth and success.

Our growth tells us we are doing something right. Every year, we are setting new goals to reach more businesses and prospective businesses and nonprofits in new

ways. In 2020 we conducted a needs assessment of minority-owned, women-owned and veteran-friendly businesses so we could tailor our programming to meet those needs. They told us the top two things they need are training and access to capital. We set out to close that gap and provide those services in a lot of different ways.

### **Big Idea: Such as?**

SCMBA: The ERA program is a big one for us. ERA stands for Expanding Resources for All. It's in its fourth year now and it's been a game-changer for the local businesses we work with. Every year we select 18 businesses to participate based on their applications and the need they demonstrate. We connect them with training on various aspects crucial for their growth - like business management, planning, marketing strategies, and understanding business law. One big thing we stress is the importance of having solid banking relationships. This was especially highlighted during the chaos of COVID-19 when we discovered some small businesses and start-ups couldn't access financial assistance like the PPP simply because they didn't have these banking connections. We're proud that our program also offers mentorship, linking these businesses with mentors in similar industries. Those connections have not only built relationships but often lead to securing contracts for these businesses. Programming is established in Canton and was piloted last year in Massillon. For 2024, we plan to broaden our reach in Massillon and we're also working to impact nonprofit organizations in addition to the for-profit entities we already assist.

We're also really proud of our training initiative. We organize monthly lunch-and-learn sessions specifically tailored for minority business owners. These sessions run for two hours and are led by experienced professionals in various fields. These gatherings aren't just about learning - they're also a fantastic networking opportunity where connections can even spark mentoring and contract opportunities. To top it off, we have the sessions catered by member businesses. This is just another way we support the minority-owned business ecosystem and help our members see how they can support one another.

We also run regular “Capital Conversations” financial literacy programming. We've teamed up with banking partners like Huntington, PNC, and Key Bank who are collaborating to provide content. It's a year-long initiative focusing on financial literacy, with a different topic covered each month. Our goal is to empower our business owners to handle their finances competently and confidently.

Lastly, here at SCMBA, we believe an entrepreneurial spirit begins with the youth. Our Youth Entrepreneurship Program is designed to inspire, build confidence, and develop a business mindset in youth and young adults. We are coming up in our third year, and we are grateful to be expanding from servicing 12 students to 36 students. During this program, teams can come up with a business opportunity and learn about what they need to start and successfully run a business. One of our SCMBA members creates a logo for them, and they participate in a business pitch at Malone University. In previous years, each student received \$500 in stock in the Hall of Fame Village and financial literacy training for them and their parents!

**Big Ideas: That’s an impressive array of programming. What can access to this programming mean to the individual business owner?**

SMCBA: Our support is crucial because many aspiring and new entrepreneurs have great ideas but lack the guidance to turn them into reality. At SCMBA, we provide essential services like state registration assistance, aid in developing business plans, and financial projections for businesses that might not initially qualify for bank loans. Our goal is to establish a solid foundation for success by providing capital and necessary support. The harsh reality is that small businesses face daunting odds, with 18% of first-time owners failing and 65% closing within the first ten years. Our ecosystem is designed to combat these challenges and increase the odds of not just survival but thriving in the competitive business landscape.

Our services also mean members are connected up with valuable statewide resources. Last year, the SCMBA became a Minority Business Assistance Center (

[MBAC](#)) in Ohio - one of only a few statewide. Our MBAC operates as a Tier One center, focusing on the startup and ideation phases of businesses. The goal is to educate individuals on the various financial opportunities available at the state level. We help minority-owned businesses find special contract opportunities for minority-owners businesses that are accessible through a statewide database. The MBAC also provides tangible financial assistance, offering several loan programs tailored specifically for minority business development.

Through our MBAC, businesses can get various certifications that assist with their access to capital:

- Minority Business Enterprise (MBE)
- Veteran-Friendly Business Enterprise (VFBE)
- Women-owned Business Enterprise (WBE)
- Encouraging Diversity, Growth, and Equity (EDGE)

Our MBAC assists businesses in obtaining these certifications through the Ohio Department of Development. The benefits of becoming certified include becoming accessible through the database as a certified business for contract and financial opportunities. There are several loan programs specifically from the Department of Development Minority Business Development Division. Examples include the Ohio Micro Loan which offers up to \$45K at a 0% interest rate, a Women's Business Enterprise Loan which offers up to \$500,000 for certified WBEs at a 1.5% interest rate, the Minority Business Direct Loan which offers up to \$1.5 million at 1.5% interest rate, and several others.

We're actively engaged in disseminating this information to our community, as it represents an unparalleled opportunity for business growth and success.

**Big Ideas: What are your plans for 2024?**

SCMBA: For 2024, we have a new program in the works. The CLIMB program will complement our existing ERA program. Since many businesses don't meet the qualifications for ERA programming, CLIMB will be tailored for businesses that haven't been operational for at least a year. CLIMB focuses on providing essential general business education, personalized mentorship, and access to grant funding to catalyze growth. These businesses often fall through the cracks when dealing with traditional banking systems, missing out on crucial support. Our goal with CLIMB is simple yet profound: to offer assistance to those who require it the most.

**Big Ideas: Can you share a success story?**

SCMBA: There are so many, but one comes to mind: Family Life Home and Healthcare Services. They were founded in 2017 and started with just a team of two. The company weathered the COVID-19 pandemic and today flourishes with an impressive 37-member staff. This remarkable growth even caught the eye of the Canton Regional Chamber of Commerce, earning the company the prestigious Business of the Year award. Family Life Home and Healthcare Services actively engaged in our ERA mentorship program, which played a pivotal role in their growth story.

**Big Ideas: So many successes! Are there any key challenges you or your members are facing?**

SCMBA: One of the biggest challenges for our members is sustainability. We talked about those stats earlier. We are constantly thinking about creative long-term ways to enhance sustainability for our members. For example, we partner with entities like the Hall of Fame Village to secure contracts and increase revenue and job creation. This uplifts the businesses and enriches the entire county's economy. Another example - we work to ensure inclusivity in the procurement departments of large contractors. This can be a win-win situation, creating a cycle of success that benefits our member businesses, corporations, and the community.

**Big Ideas: To close, tell us about what we have to look forward to in Stark County as a result of SCMBA's work and the growth of its membership over time?**

SCMBA: The development and growth of minority-owned businesses will be critical to a healthy future in Stark County. As these enterprises flourish and thrive over time, they become engines of economic progress, job creation, and community empowerment. Each successful business represents more than mere commerce; it symbolizes resilience, innovation, and diversity. Over time, our economy will become more robust as prosperity is accessible to all. This success isn't just about financial gains - it's about creating a more inclusive, vibrant, and interconnected community where every member has the tools they need.

To learn more about SCMBA, or the Minority Business Assistance Center (MBAC), please visit [starkminoritybusiness.org](http://starkminoritybusiness.org).

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