

FINANCE & COMMERCE

Alliance lends a hand to Indian enterprises

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By Nancy Crotti

Help for members on loans, credit scores and networking

Business owners often reach points in their business lives where they don't know what to do next. Whether they are writing a business plan, looking for financing or figuring out how to manage growth, they sometimes feel they are reinventing the wheel.

It doesn't have to be that way, particularly for American Indian business owners in Minnesota. They may tap into the Minnesota Indian Business Alliance (MNIBA), which has 130 partners statewide, plus regional and national resources, to help Indian businesses launch and grow.

When other lenders turned him down, Bob Rice, a Minneapolis resident who is enrolled in the White Earth Chippewa Tribe, took his business plan for a coffee shop to Courtney Aitken-Gifford, economic development director for the Minnesota Chippewa Tribe and an MNIBA board member. Rice and his business partner, Geno Gelhaye, had been talking about opening such a shop for 10 years when Rice lost his job during the recession.

"They wouldn't touch us," Rice said of traditional lenders. "We were a small business, high-risk."

He was shocked when the tribe gave them a loan and agreed to manage another loan that the partners had obtained from the city of Minneapolis. Rice and Gelhaye opened the 42nd Avenue Station Coffee Shop and Deli in September 2009. On his own, Rice opened a second shop, Pow Wow Grounds, at 1414 E. Franklin St. in February and did not need a loan.

Aitken-Gifford suggested that MNIBA showcase Rice on its website, mniba.org, as an Indian entrepreneur who promotes Native American products in his stores. She also nominated its founder and volunteer co-chairwoman, Pamela Standing, for the Minnesota Minority Small Business Champion of the Year award for her work with MNIBA. The U.S. Small Business Administration announced Standing's selection on March 14.

Standing, a Detroit Lakes resident enrolled in the Cherokee Nation, founded MNIBA as a volunteer in 2008 after serving as executive director of the Minnesota American Indian Chamber of Commerce.



Pamela Standing won the 2011 SBA Minnesota Minority Small Business Champion of the Year award for her work as founder and volunteer co-chairwoman of the MNIBA. (Submitted photo)

Her volunteer co-chairwoman, Madonna Peltier Yawakie, is president of Turtle Island Communication, a Brooklyn Park telecommunications engineering company.

“I love the work that this organization does. I love the people who are associated with it,” said Peltier Yawakie, who is enrolled in the Turtle Mountain Band of Chippewa. “They are all very hardworking, committed individuals who are making a really good commitment to entrepreneurs and to business development on Indian reservations. I’m proud of this organization.”

‘Racism’ plays a role

MNIBA is committed to helping American Indians throughout the state, whether they live on or off a reservation. Minnesota has seven Anishinaabe (also known as Chippewa or Ojibwe) reservations and four Dakota (Sioux) communities. The Bois Forte Band of Chippewa, in far north-central Minnesota, has joined forces with one of MNIBA’s newer partners, Lutheran Social Services’ (LSS) Financial Counseling Service, to help tribal members who have had difficulty opening businesses because of poor credit.

Gordy Adams Jr., business development coordinator for the Bois Forte Economic Development Corp., explained that his tribal members were raised not to trust banks. “My parents grew up that way,” Adams said. “They grew up living payday to payday, paying bills with cash.”

So when band members did want to borrow money, they had no credit or bad credit and were turned down, Adams said. “There was racism playing a key role in that as well,” he said. “People looked down at Indian people as being poor. ‘They don’t work, so why should we give them a loan if they don’t work?’” he said of lenders’ reasoning. “We’re still kind of battling those old stereotypes.”

More than a year ago, six Bois Forte entrepreneurs who could not obtain financing began working with Adams and LSS to improve their credit ratings. Three ultimately received loans while a fourth inherited money and no longer needed one.

“We really focused on their credit score. We’ve got to get that thing up in order for you to look what I call ‘bankable,’” Adams said. “It’s a dream of some of these individuals to go into the business for themselves.”

Services for tribes

MNIBA is working to bring LSS’ “train the trainer” workshops to reservations across Minnesota to enable tribes to deliver financial education and credit counseling services to their members. It’s just one of many rotating business services that Standing hopes to bring to tribal members throughout the state.

She is careful to say, however, that MNIBA is not placing itself ahead of business-boosting entities that tribes already offer.

“We have such a deep respect for tribal sovereignty, we would never tell a tribe what to do,” Standing said. “We bring resources to tribes and options and opportunities. They can look at it and see if it fits the needs of their community and where they’re at in their development.”

Standing sees the alliance as a clearinghouse and resource for Indian businesses. “I do a lot of referrals and take a lot of questions from entrepreneurs,” she said. “I just start pushing them out into the network and I follow up and make sure they got their answers.”

Those who know Standing say she is the consummate networker. “She’s so warm and wonderful when you first meet her,” Aitken-Gifford said. “Her mind works to help Indian business. No matter what she’s doing, she’s working to help tribal business or businesses privately owned by Native Americans...

“I’ve enjoyed working with the alliance,” Aitken-Gifford added. “It’s connected me to a lot of resources that I can give to my clients and bring back a lot of information to the tribal leaders. Our meetings have great energy. We always have new people coming in and they get excited about what we’re trying to do.”