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**FOR IMMEDIATE RELEASE**

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## **MICROENTERPRISE LEADERS WORKING TO HELP SMALL BUSINESSES AFFECTED BY US FINANCIAL CRISIS**

**WASHINGTON, DC, December 2, 2008**— Responding to the sharp economic downturn facing the nation, a group of seven leading nonprofits that offer lending and support services to small businesses are taking swift actions to help entrepreneurs challenged by higher costs, declining sales, and tightening credit. Leaders of the seven organizations came together last month in Albuquerque, NM, to share their approaches, including: customizing their counseling and coaching services to help businesses adapt to the economic downturn, implementing new technology and reconfiguring staff to increase loan production, and developing new loan products and financial counseling services for credit-challenged customers.

The meeting in Albuquerque, NM, served as a continuation of work begun months ago, when the organizations, recognizing the warning signs in our economy and that many of the businesses they work with had little experience operating during a recession, began taking steps to create new services and adapt old ones to meet the changing environment.

Known as “microenterprise development organizations” because of their work with very small businesses started with \$35,000 or less in capital and employing five or fewer employees, these organizations are part of a select group of leaders that has been meeting together for two years to find ways to reach more clients and achieve greater impact. The seven are: ACCION New Mexico, Albuquerque, NM; ACCION USA, New York, NY; ACEnet, Athens, OH; Justine Petersen, St. Louis, MO.; Mountain BizWorks, Asheville, NC; Opportunity Fund, San Jose, CA.; and WESST Corp, Albuquerque, NM.

Their work together is coordinated by the Aspen Institute and the Association for Enterprise Opportunity, the national trade association for U.S. microenterprise programs. Funding is provided by the Charles Stewart Mott and the Citi foundations.

The Aspen Institute’s Elaine Edgcomb, who has been overseeing and guiding the group’s activities, said “they were selected because they are among the largest and most effective of the nation’s cadre of some 500 nonprofit microenterprise programs. The very small businesses that they serve are the bedrock of our economy. In the face of ever more disheartening reports

— *MORE* —

from the nation's mainstream financial institutions, it is important that leaders like these are working creatively and collaboratively to keep these businesses moving and our economy going.”

In 2007, the seven groups served 5,302 clients and made 1,728 loans totaling just under \$13 million, with a loan loss rate of 3%.

Other business-assistance strategies the organizations are using include:

- Creating new distance-learning tools and products to better reach entrepreneurs in rural areas;
- Helping clients develop and implement new marketing strategies to stabilize sales;
- Developing business incubation facilities to provide affordable space and business services to entrepreneurs;
- Expanding services across states to serve more entrepreneurs.

The Institute's microenterprise program, known as **FIELD (Fund for Innovation, Effectiveness, Learning and Dissemination)**, is a research and development program that works to expand and improve microenterprise programs in the United States. For more information about FIELD, visit [www.fieldus.org](http://www.fieldus.org).

**The Association for Enterprise Opportunity (AEO)** is the national leadership organization and the voice of the U.S. microenterprise movement. Its members include non-profit organizations who provide services that include lending, training, technical assistance and mentoring to current and aspiring entrepreneurs often in underserved populations such as, immigrants, women heads of households, Native Americans and others. Learn more at: [www.microenterpriseworks.org](http://www.microenterpriseworks.org).

**The Aspen Institute** mission is twofold: to foster values-based leadership, encouraging individuals to reflect on the ideals and ideas that define a good society, and to provide a neutral and balanced venue for discussing and acting on critical issues. The Aspen Institute does this primarily in four ways: seminars, young-leader fellowships around the globe, policy programs and public conferences and events. The Institute is based in Washington, DC, Aspen, Colorado, and on the Wye River on Maryland's Eastern Shore and has an international network of partners. For more information, visit [www.aspeninstitute.org](http://www.aspeninstitute.org).

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