

## **CACCI Official Response to US Financial and Economic Crisis: Its impact, Implications and Opportunities for Small Business Owners**

**Delivered by Dr. Roy A. Hastick, Sr. at CACCI's Small Business Breakfast Meeting,  
Friday, October 3, 2008 at the Flatbush Caton Market Conference Center, Brooklyn,  
NY**

Today we come together to explore resources and opportunities at a critical time in our nation's history. We have brought government and private sector experts to address the current US economic crisis and to help us to assess the situation and provide information and make recommendations that will be beneficial to us in the weeks and months. I would also like to share with you what services are available through CACCI, and encourage you to take advantage of these services as well as the resources that our special speakers will share with us today.

### **Special thanks to our speakers and moderator:**

Preston Niblack, Director of Finance Division, Office of NYC Council, Christine Quinn, Speaker. Topic: *Update on the Budget of the City of New York*; Mary Oyedijo, Director of Marketing & Development, Housing Partnership Development Corporation, Topic: *Affordable Home Ownership Opportunities for Lower Income New Yorkers*; Kevin Edwards, Business Development Officers, Citibank N.A., Topic: *Opportunities for Small Business such as Small Business Loans and Credit*; Scott Nigro, Owner, Nationwide Credit Counseling, Topic: *Credit Repair and Credit Management*; Marvin Lieberman, Topic: Counselor, Service Core of Retired Executives, *Available Free Business Counseling Services*. Halim Majeed, Director, MWBE and International Programs served as Moderator.

The Caribbean American Chamber of Commerce and Industry sees the impact of the current financial and economic crisis on small business owners from two perspectives: First, in the short run, this crisis has a negative, adverse effect, particularly on our real estate industry which has a market value of hundreds of millions of dollars.

From all indications, this economic crisis has caused a substantial number of real estate brokers and companies to go out of business. Almost overnight, many offices have been closed and real estate salespersons have become unemployed. And it has caused a contraction of the mortgage industry.

The construction industry is also decreasing and laying off workers. This has led to a major drop in sales in the retail sector where home owners and others would buy building materials, furniture, household appliances and so forth. Small retail companies in many areas are also going out of business. These are companies that sell carpets, furniture, household items, and office supplies.

Small business owners face a great deal of difficulty securing lines of credit and loans to keep their operations afloat, or to expand. Terms of borrowing have become so restrictive that reports are that many entrepreneurs now seek loans from non-traditional money lenders who charge excessive rates of interest between 15-20 per cent on loans - sometimes up to 30 per cent.

On the other hand, this economic crisis presents an opportunity for self-examination, a time for adjustments, a time to put our businesses in order: This is a time to pay attention to your tax returns, the level of debt you have incurred and your credit score. Having done this, the next step is to rethink how you have been doing

business. Shift the paradigm: For example: seek out opportunities to explore joint venture partnerships; to look at investment opportunities both in the United States and in the global marketplace, especially in the Caribbean.

My friends: Let me tell you what we have done and will continue to do to assist our members and the wider small business community:

For some time now, the Caribbean American Chamber of Commerce and Industry has offered several creative initiatives to assist small business.

1. We organize monthly seminars like today's breakfast meeting to bring CACCI members together with each other and with City, State and federal government experts and business resources from public and private industry, from CACCI members banks who provide valuable information, offer support and share their expertise.
2. We have partnered with SCORE to provide free confidential business counseling services. Counselors are available by appointment;
3. We provide assistance to women and minority-owned businesses who want to become certified. Certification allows you as a small business owner to have access to procurement opportunities, and the ability to bid on New York City and New York State contracts.
4. We provide small business clinics that allow members to have hands time with CACCI staff and consultants to complete an application, develop a business plan, or to receive technical assistance.
5. We help small businesses to prepare themselves to seek out grants from the United States Small Business Administration, or the United States Department of Commerce Minority Business Development Administration, or loans from CACCI member banks.

So while you listen to the news and as you follow the events of the day, you also have an opportunity to turn a new page. Don't bury your head in the sand. Make sure that you are fully aware of what is happening with the global economy and in your local community.

At the same time, my friends, let us look at this economic crisis as an opportunity to reassess our thinking and to set some priorities.

Entrepreneurs are risk takers. You cannot succeed in business unless you are willing to take risks. CACCI has a membership which is made up of persons who are willing to take a risk and accept the challenge of entrepreneurship.

I am confident that although we are currently experiencing tough times, America will return to normalcy and pave the way to growth and even greater prosperity. In the meantime, come to CACCI and get the assistance you need to prepare yourself.

So, whether it is business plan preparation, budget and credit counseling services, certification preparation, or preparation for small business financing, please take advantage of our services.

Thank you ladies and gentlemen. God bless you and God bless America. Remember: Networking Works!