

# Anchorage firm gives Natives business advice

by Carl Gidlund

Tundra Times

Cut-rate business advice is available to Native entrepreneurs from an Anchorage organization funded by the U.S. Department of Commerce.

Francis Gallela, director of the Minority Business Development Center, said MBDC last year provided consulting services to more than 100 Alaska firms, ranging from individuals starting new ventures to regional corporations.

Fees for the firm's services vary according to the size of the business served: Those earning more than \$500,000 a year pay \$17.50 an hour; those whose gross is less than that amount pay \$10 per hour.

"That's a real bargain," according to Gallela. "Other Alaska consulting services charge from \$75 to \$150 an hour."

Any Native or business owned by a minority group member is eligible for assistance, he said, provided the venture is designed for profit.

"So we can help even non-profit organizations if the part of the business we look at is designed to make money."

MBDC began in 1983 as a branch of the Community Enterprise Development Corp., a non-profit economic development firm operating here for 18 years.

And, Gallela said, his organization's capabilities are greatly enhanced by its affiliation with the parent company.

"The CEDC has developed plans for, made loans to, and provided hands-on management assistance to hundreds of businesses in all types of industries throughout rural Alaska.

he said.

"The expertise developed by those who handle the cases is a valuable asset to our operation."

Gallela said MBDC offers technical assistance in management, finance, marketing and procurement to Natives or any minority group members who want to start or expand a business or stabilize one that's faltering.

In addition, according to Gallela, his organization can identify sources of capital and match clients with public- and private-sector firms that want to buy goods or services.

"Cooperation is our policy," he said. "We work with clients to meet their goals and solve their problems because we believe that, for strategies to be successful, the client must be involved in their development."

While declining to specify firms by name, the director sketched case histories of assistance rendered by MBDC:

"We were instrumental in helping two groups form a joint venture, then assisted the new company in preparing bids.

"Those bids resulted in multi-million dollar contracts to provide catering and housekeeping services for construction and pipeline camps on the North Slope," he said.

"On a smaller scale, we helped develop loan applications and obtained initial financing so a village corporation on the Seward Peninsula could open a sport fishing lodge.

"That's bringing in the first tourist dollars ever to the area," he claimed.

Also, he said, the center has prepared timber and log marketing plans that have resulted in multi-

million dollar contracts for village corporation subsidiaries.

Gallela noted advice to clients is not always what they want to hear:

"Officers of one Native business asked us to determine the feasibility of buying Chevron's bulk fuel plant. Our research determined the purchase would result in a negative cash flow and significant management problems, so we told them to skip it.

"We also analyzed a doll manufacturing company a Kodiak entrepreneur wanted to acquire," he said.

"After looking over the situation,

we suggested she start a new doll making business instead. Then, we helped her develop a business plan for that venture," he said.

The current oil-inspired economic downturn hasn't dampened Natives' adventurous nature, according to Gallela:

"I'm constantly amazed that the entrepreneurial spirit is so alive and well in the Alaska Native community.

"Each week, several new clients call or come into the office for advice

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# Most Native businesses small

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on starting a new business or for help with a going concern."

Most, he said, are small and operated by family members, "but some are significantly large companies, including a couple of very large construction firms."

Gallela credits his staff's education and experience for the successes achieved by clients.

MBDC's three professionals all have masters degrees in business ad-

ministration and more than 20 years' combined experience working with businesses throughout the state.

Prior to assuming the directorship, Gallela himself managed his own consulting firm in Anchorage, worked for other consulting organizations and for government agencies promoting economic development in the state.

His advanced degree is from the University of West Virginia.

Ann Campbell and Alicia Quinones both received their MBAs from the University of Alaska, Anchorage.

Campbell, a University of Florida graduate, has been a small business owner, independent business consultant, teacher and air traffic controller.

Quinones, with a bachelor's in chemical engineering from New Mexico State, also has been an independent consultant and held several other jobs, including environmental engineer.

Additional information about MBDC may be obtained by writing Gallela at suite 210, 1011 E. Tudor Rd., Anchorage 99503 or by calling 562-2322.



Francis Gallela (standing), director of the Minority Business Development Center in Anchorage, counsels Nicholas "Tony" Reft of Karluk about a sport fishing lodge Reft wants to build on Kodiak. The center provides Natives business consultation services through a U.S. Department of Commerce grant.

Photo courtesy of MBDC