

Building Sustainable Economies

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Today's Presentation

- Our History
- The Value of An Alternative Lender
- Sectors of Emphasis
- Growing and Sharing Data

The Start



- 1985 – unemployment throughout the UP was over 15%
- Two thirds of students were from the UP
- The economic welfare of UP families was clearly in the interest of the University
- What could a University do to build a more robust and resilient UP economy?
- 7 years inside University in 1992 launched non profit corporation Northern Initiatives



Purposes

- Serve rural communities to help make them vibrant and prosperous.
- Value the rural communities and the businesses served beyond “just the numbers.”
- Take innovative approaches to funding small business owners’ capital needs by having the ability to tap multiple resources and combining public and private funding and grants.
- Offer business development services to our customers, ranging from marketing to manufacturing efficiencies to financial management of operations.

The 501 c 3

- Northern Initiatives partnership with NMU and ShoreBank
 - Jane Jacobs writing that rural needed access to urban for access to capital, access to information and access to markets
- That theory of growing
 - capital,
 - Information and
 - markets

Our Rural Communities in the Great Lakes Region



Service Area



Leading with Lending

- Micro loans <\$50,000
- Small Business loans \$50,000- \$500,000
- Government Guaranteed loans – SBA 7A Community Advantage, less than <\$250,000
- USDA Business and Industry Guarantee loans of up to \$10M

Supporting Manufacturing

- Jacquart Fabric Products, Ironwood, Michigan



Reviving Tourism

- Sunshine Motel, Ontonagon, Michigan



Building on What is Local Fresh Natural and Authentic

- Karl's Cuisine, Café and Winery, Sault Ste. Marie, Michigan



Aiding Rural Businesses to Overcome Distance, Seasonality and Isolation

Risak Pottery, Marquette, Michigan



Cumulative Performance

	Thru April 2013 loans closed	1994-2012	Total
Region 1; Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, and Schoolcraft Counties	3 loans / \$306,000	561 loans / \$30,577,000	564 loans / \$30,883,590
Region 2*; Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties	6 loans / \$563,000	46 loans / \$1,890,000	52 loans / \$2,453,022
Region 3*; Alcona, Alpena, Cheboygan, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle, and Roscommon Counties	5 loans / \$206,000	47 loans / \$4,306,000	52 loans / \$4,512,097
Region 4*(that fit NI's Service Area) Lake, Mason, Mecosta, Newaygo, Oceana and Osceola Counties	1 loan / \$30,000	4 loans / \$280,000	5 loans / \$310,220
Region 5* (that fit NI's Service Area) Arenac, Clare, Gladwin and Isabella Counties	1 loan / \$200,000	5 loans / \$305,000	6 loans / \$505,658
Wisconsin Border Counties* Forest, Florence, Iron, Marinette and Vilas Counties	1 loan / \$62,500	5 loans / \$620,000	6 loans / \$682,500
Total *lending in Region began in 2008	17 loans / \$1,367,581	668 loans / \$37,979,506	685 loans / \$39,347,087

Data Driven Tourism

- Tourism Surveys
 - Summers of 2010, 2012
- Using Social Media
 - Demonstrating effects of campaigns
- Encouraging partner data to be shared with communities
 - The Department of Natural Resources and the US Forest Service

Conclusion

- Sustainability and Economic Diversity are Tied Together
- There is growing market support for that which is local, fresh, natural and authentic
- Family owned businesses contribute greatly to sustainable economies and to bringing “flavor” to a community economy
- Provide Data and Encourage its Strategic Use

A stylized, handwritten-style logo in a dark green color. The letters 'M' and 'i' are connected, with the 'M' having a thick, brush-like stroke and the 'i' having a dot above it. The overall appearance is that of a signature or a brand mark.