

# The Street

## NYC: Desperately Seeking Small Businesses

BY Laurie Kulikowski

NEW YORK (TheStreet) - From a "cronut" bakery on Spring Street to the Little Lebowski Shop on Thompson Street, New York City is home to a diverse range of businesses.

As the country's workforce places greater emphasis on entrepreneurship as a career option, especially as big corporations look to remain lean and mean coming out of the recession, New York City and its surrounding boroughs -- home to more than 200,000 small businesses -- is the poster child to small business ownership.

New York wants to maintain its competitive edge, particularly as cities across the country are upping their game as viable places to launch a business. The city is trying to get the word out about its growing Department of Small Business Services.

"Strengthening businesses of all sizes, at all stages, and across all sectors, has helped diversify the city's economy and create more jobs," said Robert Walsh, Commissioner of the NYC Department of Small Business Services.



**Arbuz Cafe, located in Sheepshead Bay, reopened its doors after Hurricane Sandy by working with NYC's Department of Small Business Services to receive a loan and matching grant of \$35,000 and an additional \$5,000 grant for recovery.**

Last year, New York City's Small Business Services helped roughly 10,000 small-business owners grow their businesses, including launches of more than 250 businesses and connecting owners to more than \$63 million in financing.

"You can't discount the brand that New York City has," Gregg Bishop, deputy commissioner of business development at the Department of Small Business Services, said in an interview last week with *TheStreet*.

"The cons are, of course, New York City is expensive. If you're running a storefront in another city your costs to start up might be lower than New York City, but the fact that New York is such a global city, you have a lot of guaranteed foot traffic. So our services are meant to help ease the burden" to launch and expand, Bishop says.

Established in 2002 by Mayor Michael Bloomberg, the department aims to give small businesses "easy access to free, quick, and reliable information on a range of critical business issues," according to its Web site.

Two years later, the department created NYC Business Solutions, the main vehicle through which NYC SBS offers new and established business owners a range of services and resources. These include financing connections, a hiring clearinghouse, business courses and information about incentives, such as saving on energy costs, among other things - most of it free for small-business owners.

"The larger picture is diversifying the city's tax base. In the past New York City was heavily reliant on [financial services]. We're making sure the city's economy is diverse.... that's what helped the city through the downturn," Bishop says.

Besides the obvious popular industries the city is known for, like restaurants, retail and hospitality, New York is looking attract more diverse businesses, such as health care, media and entertainment and tech companies.

New York is making investments in places like downtown Brooklyn's Tech Triangle .

The department is also focusing on services and education for minority and women-owned

businesses, particularly those looking to contract with the city. And perhaps most importantly right now, assistance for Sandy-damaged businesses.

Over the past six months, the agency has assisted roughly 600 businesses with nearly \$15 million in financing to rebuild, Bishop says.

Even in the depths of the recession, the department connected business owners and lenders with \$32 million worth of financing, Bishop says.

"I speak a lot across the city. A lot of folks do not know about the support they can get," Bishop says. "Whether you have yet to put your idea on paper or need to get funding or [real estate] space, we have a team of account managers that will walk you through that process."

Joe Lopez, owner of Kettlebell Kitchen, The Bronx, N.Y., a healthy meal delivery service to gyms, offices and other commercial facilities, launched his business this year with the help of the department's service.

Lopez says he didn't know about the services until a friend mentioned it to him. Once he went to the Web site, he says he was surprised at what was offered.

Lopez took advantage of resources related to legal matters, including help getting incorporated and with trademark questions, tax questions and he attended two educational courses, one related to social media.

Yet probably the biggest benefit was the city's employee hiring services, which pre-screened and interviewed candidates for him, Lopez adds.

"It was really useful. It helped me hire three initial employees and [was] a huge time save for me," Lopez says

The 10-employee company incorporated in January and began delivery in April of this year.

Kettlebell Kitchen is looking to partner with more gyms and companies. It's also considering opening standalone locations to expand its delivery services, Lopez says.