

Certification can benefit minority-owned firms

SMALL BUSINESS

BY LINDA CHIEM
PACIFIC BUSINESS NEWS

Last November, Jim Cadell of Aiea began seeking new opportunities to expand his 15-year-old flooring contractor business beyond the dwindling residential market.



Cadell

His search resulted in three months of intense paperwork and \$350 in fees. By March, his company, Ceramic Stile Inc., had become certified as a minority-owned business, making it eligible for military and large private contracts.

Cadell already has bid on at least three contracts, worth about \$60,000 each, for projects such as design-build and renovation work at Schofield Barracks.

"It's opened up the opportunities in the market I was aiming myself towards," he said. "Every little connection is a good connection and I was looking at getting longevity and more resilient contracts. Like anything, they said, 'We're opening the door but you have to take the step in.'"

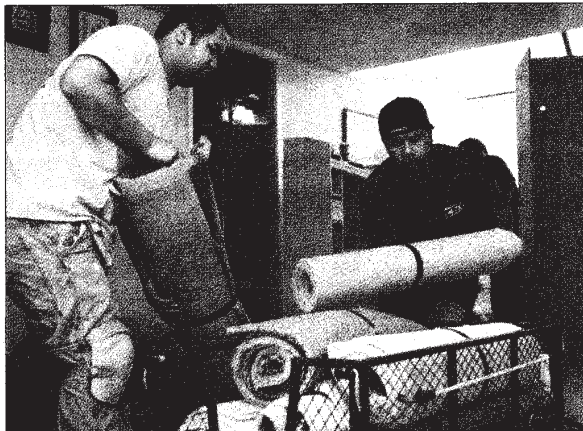
A national nonprofit group is pushing Hawaii's minority-owned businesses, like Cadell's, to become certified under a little-known program that will allow them to better compete for lucrative contracts with the government and large corporate companies—a move meant to stimulate new business in the recession.

Hawaii businesses that are at least 51 percent minority-owned can become certified through the National Minority Supplier Development Council's regional affiliate in Northern California or go through a self-certification process through the U.S. Small Business Administration.

Due to overwhelming demand for the

Ceramic Stile employees Kaniha Kahoonei, left, and Keoki Kaeha load old carpeting into a wagon after ripping it off the floors of an apartment they are renovating.

CHRISTINA FAILMA PBN



SBA's resources and programs, the National Minority Supplier Development Council has emerged as the standardized certification agency. But few companies in Hawaii, with its dominant minority-owned business population, seem to know about the benefits of certification.

Of the more than 15,000 businesses certified as minority business enterprise suppliers nationwide, just 22 are based in Hawaii, said Melissa Buss, vice president of the Northern California Minority Supplier Development Council, which covers Hawaii.

To get the word out, representatives from the Oakland-based council have teamed up with the nonprofit Latin Business Hawaii and several other local chambers of commerce to host a three-day workshop at the Hawaii Women's Business Center in downtown Honolulu next month. With representatives from The Walt Disney Co., Wyndham Worldwide and Johnson Controls scheduled to participate, the goal is to educate Hawaii companies about minority business enterprise opportuni-

ties and doing business with corporate America, organizers say.

Certification on average takes between three and six months and requires rigorous paperwork and a site visit in addition to the \$350 fee. Companies then have to renew their certification every year at a cost of \$150.

Buss says diversification is more important than ever and the council is encouraging Hawaii companies to do business beyond the state, which can be made easier by attaining MBE certification.

Federal agencies already are required to award approximately 25 percent of their contracts to disadvantaged, women-owned or minority-owned businesses and many large corporate companies have similar procurement requirements.

Because of that, employers say clients are consciously looking for vendors with the certification.

"We feel that it is an advantage to obtain this certification because many of our potential clients understand the program and look for it in qualifications

About the workshop

What: Three-day workshop on minority business enterprise certification and doing business with corporate America

Sponsors: Northern California Minority Supplier Development Council and Latin Business Hawaii

Program: Featured guests from The Walt Disney Co., Wyndham Worldwide and Johnson Controls will discuss Hawaii-specific contracting strategies and opportunities.

When: Aug. 24-26 (morning or evening sessions)

Where: Hawaii Women's Business Center, 1041 Nuuanu Ave., Suite A

Cost: \$10 per session

For more information or to register, e-mail: info@latinbusinesshawaii.com or call (808) 638-3098.

submittals," said Mike Terry, president of Belt Collins Hawaii Ltd., which is 70 percent minority-owned. "It's also a way to network with other firms who are seeking or have MBE status who may be able to assist us with our federal work."

Realizing the benefits from certification can take some time.

Maui Chemical and Paper Products Inc. received its MBE certification through the Northern California Minority Supplier Development Council last year but it has yet to generate much new business for the Wailuku distributor, said Vice President and General Manager Harry Nakagawa.

"It would be nice if it did," he said. "But in essence, the organizations will do business with you based on your merit as opposed to just seeking a small business that is minority owned and trying to figure out if they have the merits for the job."

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