

LA MBOC
200 North Spring
Street, 13th Floor
Los Angeles, CA



The LA MBOC:
Where We Can Help You
Grow with the 4 "I"s:
Information, Introductions,
Increased Capacity
and Inspiration

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The LA MBOC Newsletter

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Antonio R. Villaraigosa

MED WEEK 2005 CELEBRATES

MINORITY BUSINESS ENTERPRISE ACHIEVEMENTS

The Los Angeles Minority Business Opportunity Committee (LA MBOC) and the U.S. Small Business Administration (SBA), gathered at the historic Dorothy Chandler Pavilion to recognize the efforts of minority and small business enterprises at the annual MED Week 2005 Celebration in November.

A crowd of 600 guests attended the brunch event which heard speeches from representatives of the MBDA, SBA and City officials.

Ms. Chiling Tong, MBDA Associate Director of Legislation and Intergovernmental Affairs provided greetings on behalf of Ronald Langston, MBDA National Director.

Nelson Davis, Host of "Making It! Minority Success Stories" on KTLA served as MC for the event.



Ms. Tong is joined by Alberto Alvarado, SBA (L) and David Mora, Executive Director, LA MBOC (R)



(Continued on page 3)

City Departments to Report Contract Activity Monthly

All City Departments have been instructed to report contract award activity on a monthly basis to the Los Angeles Minority Business Opportunity Committee (LA MBOC), under a recently issued policy directive. Monthly reports supersede quarterly reporting, which was mandated under executive order 2001-26 issued in February of 2001.

Increased frequency of reporting will allow the LA MBOC to be more responsive to the U.S. Department of Commerce, Minority Business Development Agency in documenting the growth and successes of minority businesses in contracting with the public sector.

The LA MBOC seeks to foster "real-time" reporting to the MBDA from both the City and its private sector partners in the months ahead. "We don't want our clients or contracting partners to delay until the end of any designated period to provide documentation of contract awards," says Amy Richardson, LA MBOC Deputy Director and Contracting Relationship Manager.

"It is our intent to provide continual access and follow-up with our clients to effectuate an immediate and transparent process of response and tracking of contracting opportunities and awards," she says.

Executive Director's Message
David Mora



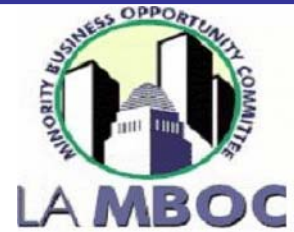
As the new Director of the Los Angeles Minority Business Opportunity Committee (LA MBOC) I am determined to take this program to the next level. With the support of an energetic administration that thinks "BIG" and brings a sense of urgency to everything that is done, there is no doubt that the LA MBOC of 2006 and 2007 will be like no other in the nation. The LA MBOC program has been rightly positioned within the newly restructured Office of Housing and Economic Development and it is poised to be a key priority in the new administration.

The LA MBOC program has also been reorganized to focus on the new minority Business Development Agency (MBDA) Strategic Growth Initiative (SGI). This program gears our services toward growing Minority Business Enterprises (MBEs) with gross sales in the \$500,000 to \$1 million+ range. Here we can have a significant impact on creating more jobs and generational wealth.

Minority business ownership is rising at a phenomenal rate. Census data and a recent federal survey of minority business showed that entrepreneurship is up among all minorities: 45 percent among African-Americans, 31 percent among Hispanics, 20 percent among Asians and 20 percent among women. California ranks first in the nation for number of minority firms, at 23%. In the U.S., Minority firms generate over \$200 billion in gross receipts and employ over 1.3 million people. Minority owned businesses not only compete in price, quality and service, but they are not afraid to think outside of the box. They create opportunity for significant cost savings and access to new markets. Of approximately 3.4 million minority businesses in the U.S., just 3 percent have \$1 million or more in gross receipts.

There are many obstacles that MBE firms face, but the most elusive is reaching catalytic sales growth. The challenge before many MBE's is how they can surpass the \$1 million sales mark. This revenue hurdle prevents many firms from really getting to a level that can lead to long-term economic growth. LA MBOC is ready and able to do our part by providing a coordinated effort to assist MBE's to get to the next level. Whether it is access to capital, procurement opportunities, business and technical assistance or other services.

We must do everything we can to foster MBE growth locally and county-wide as well as, on the state and federal levels. We must recognize and nurture this energy by providing access to markets and financing. We must do this so that our communities are no longer dependent, but become independent.



STAFF DIRECTORY
Los Angeles Minority Business Opportunity Committee (LA MBOC)
 Tel: (213) 978-0671
 Fax: (213) 978-0690
www.lamboc.org

Executive Director
 David Mora (213) 978-0787

Deputy Director, Contracting Relationship Manager
 Amy Richardson (213) 978-1494

Financing Relationship Manager
 Clarence R. Espinosa
 (213) 978-0786

Outreach Relations Coordinator
 Kathi Aldridge (213) 978-0817

System Support Coordinator
 Tina Ton (213) 978-1587

Budget Manager
 Daisy Rossi (213) 978-0693

Minority Business Development Centers

Los Angeles Metro MBDC
 3550 Wilshire Blvd., Suite 905
 Los Angeles, CA 90010
 Telephone 213 368-1450
 Fax 213/368-1454
 Email: Info@lambdc.org

Native American BDC
 1138 Valley Mall, Suite 200
 El Monte, CA 91731
 Telephone (626) 442-3701
 Fax (626) 442-7115
 Email: schambers@ncaied.org

Inland Empire MBDC
 1533 Spruce Street, Suite 215
 Riverside Ca 92507
 Telephone (951) 320-7020
 Fax (951) 320-7023
 Email: lisa@inlandempire-mbdc.com

(MED Week continued from page 1)

METRO served as the Signature Sponsor of the event as awards were presented to MBE firms in the following categories:

Construction Firm of the Year:

Primestor Development, Inc.

Export Firm of the Year:

Calko Steel, Inc.

Manufacturing Firm of the Year:

Stop Staring! Designs

Retail Firm of the Year

Concessions Management Services, Inc.

Service Firm of the Year:

**Simpson & Simpson,
Certified Public Accountants**

Supplier of the Year

**American Fish &
Seafood Company**

Technology Firm of the Year

Alliance Artforms



Arturo Sneider
Primestor Development, Inc.



Young Tae Kwon
Calko Steel, Inc.



Alicia Estrada
Stop Staring! Designs



Clarence A. Daniels, Jr.
CMS, Inc.



Brainard C. Simpson
Simpson & Simpson, CPAs



Ernest Doizaki
American Fish & Seafood Co.



Art Ishii
Alliance Artforms



Since 1983, the U.S. President has proclaimed a National MED Week observance to recognize the outstanding achievements of MBEs and to honor those corporations and financial institutions that support minority business development. Annual regional conferences and activities are organized by the U.S. Department of Commerce's Minority Business Development Agency (MBDA) in collaboration with the U.S. Small Business Administration's (SBA) Office of Government Contracting and Business Development. These events culminate at the National MED Week Conference in Washington, D.C, which provides a unique forum to address the major issues affecting MBEs.



(Top) Martha Montoya, LBA; Maria Acosta, MBDA; David Mora and Amy Richardson LA MBOC



Sherice Bellamy, Andre Jackson & Kathi Aldridge of LA MBOC enjoy the festivities

(Bottom) Bud Ovrom, Office of Housing and Economic Development and Alberto Alvarado, SBA; Audience listens to keynote address



International Trade Subcommittee Coordinates Belize Trade Mission

Belize is one of the fastest growing trade and tourism destinations in Central America. The LA MBOC International Trade Subcommittee, along with the **Belize Trade and Tourism Board**, will coordinate a trade mission* to the Central American country. A delegation of Los Angeles area businesses will be able to explore the opportunities for trade by way of products and/or services. American franchise operations are under represented in Belize, yet this emerging market counts as a growth sector for selected commodities.



The trip is tentatively scheduled for September 16 through 23, 2006 and will include a complete seven (7) day travel package. This trade mission is planned to coincide with the Belize "BETEX" Trade Show to be held at the beautiful Princess Hotel and Casino. The Belize Trade Show is also being held in conjunction with the 25th Anniversary celebration of Belize's Independence.

This is a great opportunity to explore business possibilities and enjoy this beautiful country that is referred to as "Mother Nature's Best Kept Secret," and to attend the many events that will be taking place in an atmosphere of festive celebration.

Leon Hutchison, Chairman of LA MBOC International Trade Subcommittee and Lucy Hernandez of Hernandez Associates, Inc. will be hosting and coordinating this event. For more information please contact Leon Hutchinson at (626) 449-3604.

* The City of Los Angeles, the MBDA and the LA MBOC makes no representations or warranties with respect to the services provided in conjunction with this trade mission.

\$92 Million Business Tax Relief Package Takes Effect

The Los Angeles City Council made history in 2004 by passing legislation that is projected to provide more than \$92 million in tax relief to Los Angeles local businesses. Beginning January 1, 2006, the small business tax exemption will take effect by eliminating the gross receipts tax for businesses grossing \$50,000 or less. The exemption will extend to receipts of \$100,000 or less on January 1, 2007. Among the highlights of the tax bill:

SMALL BUSINESS RELIEF: Businesses with gross receipts of \$100,000 or less will not pay the business tax. This will eliminate the gross receipts tax for nearly 60% of the businesses currently in the City's tax database.

RATE REDUCTION: More than 260,000 businesses, large and small will receive an automatic 3.1 percent reduction in their business taxes as a result of this proposal. An additional 12% reduction is planned for future years.

CREATIVE ARTIST EXEMPTION: Entertainment-related businesses, including creative artists such as writers, directors and producers, will also qualify for an exemption on up to \$300,000 in gross income. Motion picture, television and radio producers will also receive tax relief.

MOTION PICTURE, TELEVISION AND RADIO PRODUCERS: Changes to the way that taxes are calculated will provide relief to small and medium sized production companies. This eliminates 44 tax ranges and decreases taxes at all levels of production cost. This also raises the floor at which the minimum tax is paid from \$50,000 to \$2.5 million. Taxes are capped at \$12,495.

For more information call the Office of Finance at (213) 473-5901 or logon to www.lacity.org/finance. Please note that the small business and creative artist exemptions only apply if you file your taxes on or before February 28, 2006.

BAP LA Holds City Hall Workshop

On November 29, 2005 the Citywide Bond Assistance Program (BAP LA) conducted a workshop, co-sponsored by the Los Angeles Minority Business Opportunity Committee (LAMBOC), Department of Public Works, and Merriwether & Williams Insurance Services, Inc. (MWIS) administrator of BAP LA. Over fifty construction firms, several bankers, brokers, and CPA's were in attendance. James Zabala, Assistant Division Manager - Public Works, gave valuable information on contracting opportunities in the Public Works division. David Mora, Executive Director, LA MBOC gave opening remarks that were warmly received by all. Paulette Williams, Senior Vice President/Manager-MWIS, provided information on BAP LA and how this program can benefit contractors as well as subcontractors. Diane Castano Sallee, BAP LA Outreach Director strongly encouraged contractors to take advantage of this unique program.

The City, in their ongoing efforts to increase the level of small local and Disadvantaged/Minority/Women owned business enterprises' (DBE/MBE/WBE) participation in the bidding process for City contracts, approved the establishment of BAP LA. Through the Office of the City Administrative Officer, Risk Management, the City provides small local and DBE/MBE/WBE the needed technical assistance and financial guidance to help them obtain the statutorily required bid, performance and payment bonds necessary to bid on City projects. BAP LA provides bond assistance for both prime and sub contractors.

BAP LA services include:

- Bid, Performance, and Payment bond guarantees to surety companies
- Accounting – Cost subsidy for financial statements
- Funds Control – Payment of funds control fees
- Individual counseling focusing on specific business needs to prepare contractors for bonding underwriting
- Group workshops that provide information on bonding, financing, and business management

The City of Los Angeles is committed to significantly increasing the participation of small, local and DBE/MBE/WBE interested in bidding on City contracts. For more information, please contact Margarita Lopez at (213) 228-1083.

Greater Los Angeles Vendor Fair Slated for April 2006



LA MBOC and the Mayor's Office of Housing and Economic Development are proud sponsors of the 13th Annual Greater Los Angeles Vendor Fair (GLAVF). Other sponsors include the County of Los Angeles, LAUSD, Metropolitan Water District and METRO. The fair will be held at the Los Angeles Convention Center on Wednesday, April 12, 2006.

Elected officials will be present for the ribbon-cutting ceremony and a Buyer's Breakfast beginning at 7:00 a.m. Companies willing to do business with the sponsoring organizations will have the opportunity to meet with their procurement managers and buyers.

There will be workshops on topics such as certification, finance and doing business with the City and other local agencies.

We will also have a Construction Pavilion where government representatives can talk about upcoming mega-construction projects and answer questions.

Along with the Finance Pavilion, there will be information on the Bonding Assistance Program administered by the City of Los Angeles to help MBE firms secure adequate coverage to compete for large construction contracts.

For more information contact Kathi Aldridge of LA MBOC at (213) 978-0671 or kathi.adlridge@lacity.org

Introducing: DeLynne Ano - Chair, LA MBOC

DeLynne Ano has been tapped as the new Chair of LA MBOC. Mrs. Ano is currently the Director of Supplier Diversity and Development within the Strategic Sourcing and Procurement Division for The Walt Disney Company. She is responsible for the strategy and vision for Supplier Diversity throughout the Disney organization. Previously, she served as the Chair of the Board of Directors of the Southern California Minority Business Development Council (SCMBDC). The SCMBDC is an organization that orchestrates procurement and contracting opportunities as well as relevant introductions to MBEs in Southern California.

In her LA MBOC role as Chairperson, Mrs. Ano will play pivotal role in attracting high-profile executives from both financing institutions and procurement and contracting entities. Given her exceptional background in the procurement sector, she will have a tremendous positive impact in LA MBOC's ability to tailor our client relationship model to procurement and contracting organizations. Furthermore, her current role with Disney presents LA MBOC natural entry points to facilitate continuing relationships with one of the most prominent contracting organizations in Southern California.

Prior to joining Disney, Mrs. Ano spent 17 years with Nestle USA in a number of sourcing positions throughout the country. She was responsible for Supplier Diversity as well as \$200 million in annual marketing spent for the organization. Under her direction, Nestlé was awarded the Governor of Ohio's Corporation of the Year and Mrs. Ano received the Governor or Arkansas' Advocate of the Year award in 2002. She holds both Bachelor and Master degrees in Business Administration from California Coast University.

IT'S NOT YOUR FATHER'S MBOC

Starting January 1, 2006, there will be a new look to the LA MBOC. First and foremost the acronym will change from the Los Angeles Minority Business Opportunity Committee to the "Center" and our focus will be slightly different as it relates to our outreach to the MBE community. We will now work primarily with those medium and large MBE firms that help us to achieve goals pursued through the MBDA's Strategic Growth Policy and Strategic Growth Initiative.

This does not mean we will abandon our efforts with the traditional small businesses we currently serve, but in addition we are committing ourselves "to promote medium and large business enterprises that can have a significant impact on employment and the tax base in their communities.*"

The core mission of the MBDA and LA MBOC remains in that we will continue to provide MBE firms the "keys to entrepreneurial success", which are:

1. Access to Financing;
2. Access to Marketplace;
3. Access to Education; and
4. Access to Technology.

Making these keys available will be critical in achieving the goals for the new LA MBOC in the areas of contracting and procurement, access to capital as well as our new performance measurement: job creation and retention.

It is vitally important that our efforts on behalf of MBE firms result in job creation and/or retention to stabilize and grow our local economy.

We are looking to create first-tier and second-tier opportunities for MBE firms that will fuel expansion efforts and subsequent hiring. We have created alliances with old and new partners both public and private that share our vision to serve the MBE community. LA MBOC is positive that the new direction of the MBDA will result in increased participation of MBE firms in commercial and municipal projects during the coming year.

As we move forward into 2006 and beyond, look for more issue-specific workshops; events that merge contracting and access to capital; as well as an emphasis on technical assistance with "How I Did It" roundtable discussions from business owners.

It is definitely not your father's MBOC.

* EXCERPT FROM *DIVERSITY NEWS* JUNE 2005 INTERVIEW WITH DR. RONALD LANGSTON, NATIONAL DIRECTOR, MBDA

LA MBOC Public and Private Partners

The LA MBOC would like to thank its Public/Private Partners for their continued support and contributions.

ADT Security Services, Inc.	Graybar Electric	Raytheon
African-American Business Association of South Central Los Angeles	HANMI BANK	Roy F. Weston, Inc.
American Indian Chamber of Commerce of California	Harris & Associates	RR Donnelley & Sons Company
Asian Business Association	HNTB Corporation	Saehan Bank
Asian Business Association On-Line	Host Marriott Services Corporation	Sampra Energy
Associated Builder & Contractors, Inc.	HoT Z International	Small Business Consulting Agency
Bank of America	HSBC Bank	Smith Barney/Whelan Group
Bechtel Infrastructure Corporation	J.R. Olsen Bonds & Insurance Brokers, Inc.	South Coast Air Quality Management District
Black Business Association	Jacobs	South Los Angeles Economic Alliance
Boeing Company	Jet Propulsion Laboratory	South Los Angeles Economic Development Partnership
Bovis Lend Lease LMB, Inc.	Job Starts	Southern California Edison
Business Resource Group	Kaiser Foundation Health Plan, Inc.	STA International
California Manufacturing Technology Center	KCET	STAPLES Center Affiliated Companies
Carter & Burgess, Inc.	Los Angeles County Economic Development Corporation (LAEDC)	State of California, CALTRANS
Cathay Bank	Los Angeles Regional Technology Alliance	STV, Inc.
CGI Management Consultants	Los Angeles Unified School District	Turner Construction
CH2Mhill	Los Angeles World Airports (LAWA)	U.S. Army Corps of Engineers, Los Angeles District
CITIBANK	Magic Johnson Theatres & Johnson Development	U.S. Bank
City of Inglewood	Mallcraft, Inc.	U.S. Postal Service
City of Long Beach	Marta/Metroplex Corporation	U.S. Small Business Administration
City of Los Angeles, Community Development Department	MBDC-East LA Region, BAC-East LA Region, Barrio Planners, Inc.	United Parcel Service
City of Los Angeles, Department of Water and Power	McDonald's Corporation	United Riggers & Erectors, Inc.
City of Pasadena	Metropolitan Transportation Authority - METRO	University of California, Los Angeles
Colich Construction	Metropolitan Water District	University of Southern California, SBDO
Comerica Bank – California	Minorities in Business, Inc.	URS Corporation
County of Los Angeles, Fire Department	Mirae Bank	USC Business Expansion Network West LA County MBDC
County of Los Angeles, Office of Affirmative Action	Miron Electric Construction Corp	Valley Economic Development Corporation
Creative Answers Incorporated	MWH Americas, Inc.	Vanir Construction Management, Inc.
Curtom Building & Development Corporation	NARA BANK	Wachovia Securities, LLC
DreamWorks SKG	National Association of Minority Contractors	Walt Disney Company
Employers' First Choice	Northrop Grumman Space Technology	Wesco Infrastructure Technologies
FAME Renaissance	OneUnited Bank	West Los Angeles College, Center for Economic Development and Continuing Education
Federal Reserve Bank of San Francisco	OWEN Group, Inc.	White Memorial Medical Center
Garfield Medical Center	Parsons, Brinkerhoff, Quada & Douglas, Inc.	Wilshire State Bank
Genesis LA Economic Growth Corporation	Playa Vista	Women in Technology International
	Preferred Bonding & Insurance Services	Xerox Corporation
	Pueblo Contracting Services	

Los Angeles Minority Business
Opportunity Committee — LA MBOC
200 North Spring Street, 13th Floor
Los Angeles, CA 90012

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**Receive bid notification
on City contracts.**
**Visit us at:
www.LABAVN.org**

LA MBOC SERVICE REQUEST FORM

Mr. Ms. Last Name: _____ First Name: _____ Date: _____

Company Name: _____

Address: _____ City: _____
State: _____ Zip: _____

Email: _____ Telephone: () _____ Fax: () _____

Ethnicity of Business Owner(s): _____ Legal Form (e.g. Sole-Proprietorship, Partnership, Corporation, etc.): _____

Date Business Established: _____ Number of Employees: _____

List Services, Products, and/or Special Capabilities (e.g. Supplies, Plumbing, Consulting, etc.): _____

Ownership (check all that apply): Minority business enterprise Women business enterprise Disadvantaged business enterprise
 Small business enterprise Other business enterprise

Certified as (please check):

MBE WBE DBE SBE OBE

BUSINESS ASSISTANCE INFORMATION:

Bonding & Insurance Capital Access MBDA Phoenix/Opportunity National Database Certification
 Entrepreneurial Training Los Angeles Minority Business Opportunity Committee (LA MBOC) International Trade
 Management & Business Assistance Federal Empowerment Zone/Renewal Community
 Resources for Entrepreneurs State Enterprise Zone

Please fax or mail to: LA MBOC, 200 N. Spring St., 13th Floor, Los Angeles, CA 90012 (213) 978-0671-Tel (213) 978-0690-Fax