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BUSINESS NEWS

WBDC aims to aid struggling firms

By Richard Lee
STAFF WRITER

The demand for services offered by the Women's Business Development Center is skyrocketing, but that is not necessarily good news.

"We've seen a dramatic uptick in clients coming to us. Since October 2008, established businesses coming to us has increased by about 48 percent — that's huge," said Fran Pastore, president and chief executive officer of the Stamford-based nonprofit agency. "A lot of those businesses are in trouble, and many are at risk of closing."

Owners have refinanced their homes or gone into debt,

borrowing heavily on their credit cards to keep their businesses during one of the worst recessions since the 1930s.

"The first inclination is to go out and borrow money. It's the wrong thing to do," Pastore said, suggesting that these business owners should first get advice from nonprofit counseling organizations like the WBDC.

The center, which offers classes in Bridgeport, Fairfield, New Haven, Norwalk, Shelton, Stamford and Waterbury, is working with the Ewing Marion Kauffman Foundation to reconfigure its FastTrac entrepreneurial programs to meet the demand.

The Kansas City, Mo.-based

foundation, named after the late owner of the Kansas City Royals, focused on developing programs for entrepreneurs, started working with the Stamford center in 2001 when the agency became the first in Connecticut certified to offer FastTrac curricula.

Demand for the nine-week New Venture and Growth Venture sessions is increasing, according to Pastore, who said the center typically enrolls about 100 clients in FastTrac programs.

More than 1,000 people enrolled in WBDC training in 2007, compared with about 750 in 2008, she said. While the center started 12 years ago to

serve women entrepreneurs, 20 percent of its clients are male, she said.

"People who got severance packages have stopped looking for jobs, and now they are looking within," said Pastore, who added that she is seeing increasingly sophisticated ideas for business startups.

Edward Deak, economics professor at Fairfield University, is not surprised to hear that demand for WBDC programs is increasing. He predicted that before the recession ends, 7 million Americans will lose their jobs, and many will ponder starting businesses.

"In the last two recessions — 1989 through 1992 and 2001-

2003 — we had a jobless recovery, and we're facing that again in spades," he said.

The Norwalk chapter of SCORE has not had a big increase in clientele, but volunteers at the nonprofit agency that dispenses advice to entrepreneurs will be getting busier, said Art Bettauer, a volunteer counselor.

"In the past when the economy goes down, people try to start businesses, so we see a significant uptick. We don't seem to be seeing that now. I suspect it's because bank credit is tight," he said, "but as unemployment compensation runs out, I think we'll see it coming."