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Sent: Thu, 18 Sep 2014 14:41:17 -0400
From: "Jarrett, Valerie" <valerie_jarrett@who.eop.gov>
To: [REDACTED]
Subject: Fw: DetroitFreePress (Buffet,Bloomberg, Blankfein, Porter): Buffett, Bloomberg: What country is learning from Detroit

I just returned from speaking at the 10,000 Small Business commencement. Warren, Bloomberg, and Lloyd all said to tell you hello and they will ask you again next year.
They penned a terrific piece below!

From: Hakim, Neema
Sent: Thursday, September 18, 2014 12:26 PM
To: DL-WHO-Press; DL-WHO-Financial
Subject: DetroitFreePress (Buffet,Bloomberg, Blankfein, Porter): Buffett, Bloomberg: What country is learning from Detroit

<http://www.freep.com/story/opinion/contributors/2014/09/17/rest-country-learning-detroit/15804003/>

Buffett, Bloomberg: What country is learning from Detroit

Warren Buffett, Lloyd Blankfein, Michael Bloomberg and Michael Porter, Detroit Free Press guest writers 11:43 a.m. EDT September 18, 2014

Detroit has shifted from being the prime example of a dying city into a test case for how to revitalize an American city in the 21st century. We know it can be done. The New York City of the 1970s – hollowed out from crime and population loss – is a dim memory.

We are in Detroit today to celebrate the graduation of small-business owners from the inaugural class of Goldman Sachs' 10,000 Small Businesses in Southeast Michigan – a \$20-million program to spur small-business growth and encourage and support entrepreneurship.

The program in Detroit, as in 22 other cities across the country, is designed to address the challenges that small-business owners face by creating a targeted educational curriculum delivered through local colleges and institutions. Its 100-hour curriculum covers all of the traditional business disciplines and culminates with each participant's development of a step-by-step plan for growth. Businesses are trained in topics including accounting, leadership, marketing, negotiations and operations.

One of the graduates, Carla Walker-Miller, owns a company that performs energy audits and other efficiency services. This year, Walker-Miller has already matched her 2013 revenue, and is on track to grow by 56% by the end of 2014 – and double her number of employees, from 30 to 60.

The program's graduates are optimistic for the future of their city, for four main reasons:

Detroit's leaders are making the tough decisions necessary to begin bringing it back from bankruptcy. In June, Michigan Gov. Rick Snyder signed a \$195-million state aid package for the city as part of a "grand bargain" to remove Detroit from bankruptcy. Emergency manager Kevyn Orr has not shied away from the toughest issues. And Detroit Mayor Duggan has focused his first year on streamlining and improving city services. In addition, the Obama administration allocated \$300 million to Detroit to support public transit, remove blight, and hire police officers and firefighters. Together, this bipartisan leadership is making it possible for Detroit to turn the corner.

Private sector leaders and organizations have joined together to make Detroit more of a magnet for entrepreneurs and small-business owners. For example, a new organization called the Detroit BizGrid provides a one-stop shop for entrepreneurs seeking help. The private sector has also invested in nonprofits that are working to revitalize depressed areas with commercial developments.

The program is expanding their access to capital. Small businesses often struggle to secure the financing they need to grow. We've learned that expanding the pool of options for small-business owners into nontraditional financing has been important. By forming partnerships with local lending institutions, and helping small businesses through the lending process, the average loan size that program participants received from banks increased from about \$250,000 to about \$1 million after graduating from the program.

We've seen that bringing small-business owners together leads to greater business opportunities among them. In other words, communication breeds commerce. In fact, 80% of program graduates across the U.S. report doing some form of business with a classmate. In Detroit and southeast Michigan, building economic bridges between urban and suburban businesses will be key to Detroit's recovery.

Detroit can once again become a leading — and growing — city. It will take time, but the opportunity for growth in Detroit is stronger now than it has been in decades. With effective bipartisan leadership, vibrant economic development organizations, access to greater capital, and a support network that also offers business opportunities, entrepreneurs and small-business owners have a much better chance of succeeding.

The graduates of the program have good reason to be optimistic. Detroit can make a historic comeback. And that makes it one of the most exciting places to be opening a business.