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Investing in Local Immigrant Entrepreneurs: AN EXPLORATION OF MENTORSHIP MODELS

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I. INTRODUCTION: THE IMPORTANCE OF INVESTING IN IMMIGRANT ENTREPRENEURS

Vermont’s investment in its immigrant communities is a well-supported strategy for statewide economic growth. The American Immigration Council recognizes that Vermont immigrants make up a “vital share of [the state’s] labor force”, despite being a small percentage of the total population; only 4.5% the whole state’s population is foreign-born.1 The majority of Vermont’s immigrants reside in Chittenden County, where the population share is 7.8%.2

Research in Chittenden County reveals that "immigrants are over-represented in key industries", such as manufacturing (13.7%), education and health care (10.6%), recreation and accommodation (9.1%), and other services (9.3%).3 Immigrants across Vermont are also over-represented in the agricultural industry—“an economic mainstay in Vermont”—making up over 10% of its employees.4 Immigrants’ ability to fill these jobs not only improve the total production capacity, but also increases the sustainability of these industries within Vermont.

In addition to being a high share of Vermont’s labor force, immigrants are also overrepresented in entrepreneurship. 5.3% of self-employed Vermonters are foreign-born; they contribute $55.4 million in business income to the state’s economy.5

Over the past five years, net population growth in Vermont was 0.1%.6 While the influx of US-born Vermonters was a moderate 2.6%, foreign-born population growth was 10%.7 These immigrants helped filled gaps made by people leaving Vermont, contributed to job creation and preservation, and bring benefits of cultural diversity.

Despite this drive to do business and ability to excel, as indicated by the aforementioned statistics, aspiring immigrant entrepreneurs face increased barriers to starting a business than their US-born counterparts. These barriers include challenges with language and unfamiliarity with customs and processes, and—for immigrants who are also refugees—psychological baggage and trauma. Additionally, a 2016 census shows that foreign born Vermonters are slightly more likely to have no access to a vehicle (8.3% versus 6.6%); reliable transportation can be a critical

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3 Ibid., 2.
4 Immigrants in Vermont, 2.
5 Ibid.
7 Ibid.
component to starting and running a business.\(^8\) The census also showed that a greater share of foreign-born Vermonters earn less than $35,000 annually than US-born counterparts (42.1% versus 33.6%)—alternatively stated, a greater percentage of US-born Vermonters earn more than $35,000 annually (66.4%) than their foreign-born counterparts (57.9%).\(^9\) This suggests that a greater proportion of foreign-born Vermonters endure challenges of a lower income than US-born counterparts; lower incomes make it harder to start a business.

Any economic disadvantages experienced by immigrants may be amplified by cultural barriers (language, knowledge of the rules of law, etc.). Ultimately, for immigrant Vermonters starting a business, there is a wide variation in the amount and severity of barriers to successful entrepreneurship. However, on average, the barriers faced by the foreign-born are likely greater than the US-born.

In spite of these challenges, many immigrant Vermonters start and run successful businesses. Some use local resources, such as business consultation and loans, while others do it completely on their own. Many immigrants don’t need external support to achieve their entrepreneurial goals. However, given the economic ability proven by immigrants in the labor force and in entrepreneurship, Vermont should increase support for its immigrant entrepreneurs. This will also help incentivize continued high foreign-born population growth, since a supportive ecosystem is an attractive asset. Vermont will enjoy even greater economic activity from its immigrant communities by helping its immigrant entrepreneurs go farther faster.

This paper examines a potential method of immigrant entrepreneurial support: a mentorship model geared toward immigrants interested in starting a business. Mentorship models are the focus of this report due to the findings of recent local research that identified potential support mechanisms for a community of Burlington immigrant entrepreneurs. The report, “Knowing Your Neighbors”, used ethnographic interviews of immigrant business owners to conclude meaningful growth would occur from “the ability to foster and empower human capability of individual community members in tandem with broader local resources”\(^10\). A mentorship model appears to fit well with that conclusion, since its goal is to empower individuals by fostering capability and utilizing broader resources, all with a very local perspective. This paper attempts to


\(^9\) Ibid.

identify whether or a mentorship model would be an effective support mechanism, while also providing recommendations for pursuing a mentorship model, as well as suggestions for alternative methods of support.

II. RESEARCH METHODOLOGY

This research’s objective was to identify whether a mentorship program could provide effective entrepreneurial support to immigrants in Chittenden County interested in starting a business. The classification of “immigrant” for this paper was intentionally vague, due to the broadness of research collected. Potential participants for such a mentorship program could include New Americans (recent US arrivals), longer term US residents who are foreign born, or those who consider themselves to have an immigrant identity (e.g. some first generation/second generation Americans). There is a very high variation in individuals’ experiences when transitioning to a new country, and this research aims to reflect that.

Additional goals were to identify potential structure and practices of an immigrant entrepreneur mentorship program, as well as provide comparison to other support methods. To accomplish these objectives, a three-pronged approach was used:

(1) Explore existing mentorship models and theories
(2) Interview local small/micro business owners of primarily immigrant background

and round off research via

(3) Conversations with community partners

Exploring existing models and theories (1) provided perspective on the best practices of mentorship programs, the amount of success typically seen in helping aspiring immigrant entrepreneurs go farther faster and allowed for comparisons to be made between Chittenden County and the areas where preexisting programs exist.

Section III of this report contains the research findings for exploring mentorship models and theories. The Section is divided into three parts. Part A is a brief literature review that explores the existing research on entrepreneurial mentorship geared toward immigrants. Part B examines a specific model in greater detail. Part C puts fourth four best practices for immigrant entrepreneur mentorship models. These best practices were determined through the literature review, conversations with entrepreneurial academics and an immigrant mentorship program director and are also guided by insight from Chittenden County community partners and local business owners.
Interviewing local business owners (2) is the cornerstone of this research project, and the ideas collected have standalone value outside of this report’s main objective. For that reason, in addition to Section IV’s interview analysis, a summary of each interview is attached to this paper.

The purpose of interviewing local business owners was to get insight from people who might have used an immigrant geared entrepreneurial mentorship program. This research’s goal was to primarily conduct a focus group of/interview local immigrants interested in entrepreneurship, and then use business owner interviews to provide additional perspective. However, attempts to conduct a focus group of/interview aspiring immigrant entrepreneurs failed. It was challenging to identify many individuals interested in entrepreneurship; when individuals were identified, setting up a time to talk proved impossible for the timeframe of this research. To counteract this failure, a greater number of business owner interviews were collected with focus placed on the beginning of their entrepreneurial story.

A wide variety of local business owners were interviewed. While the majority of business owners were of immigrant background, some were US-born, and at least one did not have recent history of immigration in their family. The variety was mostly caused by method of interview collection. Although this paper’s recommendations draw benefit from diverse viewpoints, the wide variety in interviewees limits some analysis to generalizations and may obscure meaningful cause-and-effect relationships involved in immigrant entrepreneurship.

![FIGURE 1. DEMOGRAPHICS OF INTERVIEWED BUSINESSES](image)

Note: Both of the Church Street businesses were food carts.

The most effective method of collecting business owner interviews found by this research was to simply walk into small businesses and ask to speak to the business owner. While this strategy resulted in the greatest possible number of interviews, it diminished the ability to control for the background of the interviewee. Suggestions from community partners were used to target
businesses, and ultimately ten interviews were collected. Figure 1 below shows the variety in location, age, and type of business interviewed. All business owners were classified as small businesses, with the majority also being micro businesses (up to five employees including owner).

Interviews generally lasted ten to thirty minutes. Questions were mostly broad, so as to not guide interviewees toward a certain kind of response and to get the most information possible.

Main questions used were:

- What were the main challenges you faced when you started your business?
- What was your process for starting a business?
- What would you recommend to someone just starting a business?
- What kind of support do you think would be useful for someone just starting a business?

Interviewees were also asked about their previous business and work experience, whether they used entrepreneurial support mechanisms (and if so what were they), as well as whether they thought mentorship would be useful (and if so what would effective mentorship look like).

Interviews were audio recorded when possible, but due to the impromptu nature of most interviews, most interviewees preferred written notes to audio recording. When interviews were audio recorded, a full transcript was created. When written notes were used, the notes were then typed verbatim and the interviewer provided a reflection of the experience.

To round off the research, conversations were held with relevant community partners. These community partners provided meaningful insight into the character of communities, availability of existing resources, and advice for further research. Community partners included representatives from business networks, professors from the University of Vermont, staff from social responsibility organizations, staff from entrepreneurial support programs, and engaged community members. These conversations guided the research process and methods, as well as inform the recommendations of this report.
III. EXPLORING MENTORSHIP MODELS

A. LITERATURE REVIEW

Minimal research exists on immigrant entrepreneur mentorship models; however, extensive studies have been conducted on immigrant mentorship models for employment integration. Although these programs’ specific goals differ, the mechanisms used by employment integration programs should be relevant to entrepreneurial programs. Both types of programs aim to support local immigrants and improve their economic opportunity, using mentorship as the tool to do so.

Immigrant employment integration programs that utilize mentorship are popular worldwide and are run by a variety of actors. Examples of programs include France’s FACE (Action Against Exclusion Foundation), the Dutch Dream Foundation, Canada’s Mentorship Project, Austria’s Mentoring for Migrants program, the US’ Upwardly Global program, among several others. Many programs are orchestrated by nonprofits, which across the board “play a vital role in the development and implementation of mentoring or employment-facility programs”.11 The “outreach and sustainability [of those programs] depends on the type and size of partnerships and collaborators they are able to engage, as well as the type of funding they have at their disposal”, suggesting the organizational structure of a program is critical to its success.12

Immigrant mentorship programs are celebrated for their mutually beneficial results. A study prepared by Hire Immigrants Ottawa claims that “mentoring has proven to be an effective way to help immigrants (mentees) transition to skills-appropriate employment, as well as provide an opportunity for individuals (mentors) already successful in their fields to develop cultural awareness.”13 However, the programs are only worthwhile if the mentee/mentor relationship is productive. Mentors can be ineffective by causing information overload, having unchecked implicit or overt biases and cultural insensitivity, and may prioritize what they think the mentee needs over what the mentee is actually asking for.14

Existing literature on immigrant entrepreneurship reaffirms the need for support. For example, although “immigrants are twice as likely [as US-born individuals] to be self-employed,

12 Ibid.
13 A Collaborative Model for Delivering Mentoring to Immigrants in Ottawa, publication (Ottawa, ON: Hire Immigrants Ottawa, 2012, 3).
14 Francine K Schlosser and Myra Tawfi, Taking an Active Approach in Entrepreneurial Mentoring Programs Geared Toward Immigrants, publication, Odette School of Business, University of Windsor, (Windsor, ON: Odette School of Business Publications, 2012, 15).
higher business failure rates suggest that immigrant entrepreneurs have unmet needs”. Welcoming America theorizes that those unmet needs could include a lack of “business planning experience,” “access to capital”, “information about regulations”, and full understanding of “the importance of network and marketing”. Further research affirms that barriers impede full immigrant entrepreneur success; although immigrants benefit from their novelty, diversity, and creativity, they face problems of “commercial vulnerability stemming directly from their newness”. One study classifies immigrant entrepreneurs as “constrained entrepreneurs” who may be “permanently excluded from the mainstream” market—the cause of this exclusion is motivated, in part, by racial discrimination.

Programming can be effective at combating some of the barriers experienced by immigrant entrepreneurs. Welcoming America’s Seeds of Growth report puts forward “five ways to develop impactful programs with immigrant entrepreneurs and businesses”:

1. Partner with trusted organizations
2. Go to your customer
3. Develop strong relationships
4. Be culturally competent and linguistically accessible
5. Be inclusive

The above qualities are present in many successful immigrant empowerment programs. For example, Bowling Green, Kentucky’s Academy for New Americans fosters the ability of recent immigrants to “understand and participate in City Government” by giving them tools to navigate services, resources, and information, as well as become “key stakeholders in assisting their respective ethnic communities and neighborhoods”. Although the focus of the Academy for New Americans is not entrepreneurial support, there is clear crossover: starting a business requires understanding how to navigate city services, resources, and information. The Academy for New Americans focuses on developing strong relationships between the city and recent immigrants by using free, inclusive, and culturally competent programming.

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16 Ibid.
18 Ibid.
19 Seeds of Growth, 6.
Programs like Bowling Green’s Academy for New Americans and immigrant entrepreneurial mentorship programs are similar because both utilize networking as a mentoring tactic. “Informal industry networks [are] directly related to entrepreneurs’ alertness to new opportunities,” and the presence of mentors often encourages, if not causes, the development of broader networks.\textsuperscript{21} In cases of group mentoring strategies, the mentorship and networking aspects go hand in hand.

In general, existing research is favorable of immigrant empowerment mentorship programs. The greatest cause of concern within these programs is that the mentor/mentee relationship is unproductive; consequently, the matching process is critical for the development of a successful program. Conceptions of mentorship for programs, however, should not be limited to one-on-one mentorship; group mentorship has been shown to be successful and may limit potential problems with mentee/mentor relationships.\textsuperscript{22}

B. EXAMPLE PROGRAM

The Business Immigrant Mentorship Program (BIMP) is an immigrant entrepreneur mentorship program that has received international recognition. BIMP is run by the Fredericton Chamber of Commerce, located in Fredericton, New Brunswick, and is funded by the province government. The program has been expanded to four other Canadian cities since its inception in 2009.

BIMP is an ideal model program to examine because it has earned substantial clout, has pioneered programming strategies, and originated in an area with similar demographics to Chittenden County and Burlington.

Fredericton, New Brunswick, has a population of 58,220, compared to Burlington’s 42,260. Fredericton’s metro population is 105,688, compared to Burlington’s 217,042. While Burlington’s metro population is considerably larger than Fredericton, the cities themselves are about the same size. Fredericton also has an aging population and takes in a relatively high number of immigrants and refugees—these characteristics are consistent with Burlington and Chittenden County.

BIMP’s most recent cohort was twenty individuals of mixed nationalities. The director of Fredericton Immigrant Business Services with the Chamber, Janet Moser, said that BIMP’s


\textsuperscript{22} Janet Moser, Fredericton Chamber of Commerce, Fredericton Immigrant Business Services, Director
mentorship format has changed a great deal since its inception. The initial format was a one-on-one mentoring relationship. One challenge of the one-on-one dynamic was tackling language barriers, since having interpreters present for individual conversations between mentors and mentees was not feasible. The language barrier amplified other challenges; for example, many mentees were in the pre-ideation stage of starting a business—the individuals knew they wanted to pursue entrepreneurship but did not have a plan for a specific business. Mentors found it challenging to help with this stage. Another issue was that mentors tended to give a lot of opinions, and there was not very much back and forth in mentee/mentor conversations. For many pairings, the dynamic was not productive.

To counteract these problems, BIMP transitioned to group mentoring. Rather than pairing up mentors and mentees one-on-one, mentees had the opportunity to get advice from a wide variety of mentors.

Examples of group mentoring programming used by BIMP include:

- **Fireside Chats**: casual conversations orchestrated between newcomers interested in a particular field and professionals in that field; a space for specific questions and advice

- **Speed Mentoring**: an event where local business professionals, drawn from the Chamber’s network, sit in pairs, and a single newcomer is placed with each pair. The newcomer gives their business pitch in twenty minutes to the pair; after that, both local business professionals are required to give at least one referral that relates to the pitch and make an introductory email for the newcomer. The newcomer then rotates to a different pair.

- **Panels**: newcomers have the opportunity to ask a panel of people with relevant experience questions and hear their stories/get their advice

In addition to BIMP’s group mentoring aspect, newcomers are simultaneously enrolled in a course called “Doing Business in New Brunswick”. The training curriculum was formatted using elements of a business plan and was crafted with help from education academics. As a supplemental resource for the course, a glossary of business terms was also created. Janet commented that it was essential to have course facilitators speak at a pace the mentees could understand, and that in developing a program, it is important to consider the small details.

The Chamber is currently working on developing a refugee-specific version of BIMP that utilizes materials translated into multiple languages and has interpreters in the classroom.
Additionally, for this variation, the second half of the course will place students into the sector they want to work in, helping them get experience by shadowing businesses.

Along with BIMP, the Fredericton Chamber of Commerce has two other programs that fall under Fredericton Immigrant Business Services: The Hive and Succession Connect.

The Hive is an incubator and cowering space located near Fredericton’s hub of economic development. The space is newcomer oriented and allows individuals to have a workspace in highly valued real estate for an affordable price ($300/month). A workspace comes with a desk, phone, computer, access to office supplies, and access to conference/meeting rooms. With a workspace rental, individuals also receive complementary membership in the Chamber.

Succession Connect is a program that attempts to capitalize on high rates of immigration to mitigate negative effects of an aging population. Many small Fredericton businesses are being sold or closed because the owners are retiring or transitioning. Many businesses are closing because the owners have no clear successor in place; the closure of these local businesses is disappointing to many community members, as it depletes the local community ecosystem.

Succession Connect connects newcomers to its extensive database of businesses for sale. Since many newcomers are interested in entrepreneurship, the result is often mutually beneficial. Newcomers have the opportunity to purchase businesses that are already developed, with infrastructure and a customer base established, as well as a legal and tax process that is already in part complete. The larger community also benefits, since local businesses are maintained.

The Fredericton Chamber of Commerce has found that its immigrant business services “are not redundant with other available solutions and [address] a real pain point” and has experienced “only positive interest and feedback from all stakeholders in [its] ecosystem”.23

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C. BEST PRACTICES

Using the perspective of the literature review, a closer examination of a successful mentorship model, and insight from community conversations within Chittenden County, the following best practices were determined:

Successful models utilize programming that is…

• Culturally Relevant
• Community Oriented
• Tailored to Individual Needs

and features

• Group Mentoring
IV. LISTENING TO BUSINESS OWNERS: ANALYSIS

No business owner shared the same story. Each path to entrepreneurial ship was a very personal one with unique challenges and sources of strength. In the attachment to this report, Listening to Business Owners: Interview Summaries, the individual character of each interview is preserved. This section, alternatively, aims to identify larger themes.

This report utilizes word clouds to best illuminate trends in qualitative data. From the ten interviews collected, words and phrases related to a specific question or theme (e.g. challenges, sources of strength) were collected into one list and then processed into a word cloud. Words/phrases that were present at a higher frequency on the list appear larger on the word cloud—the phrase that was repeated the most frequently appears the largest.

![Word Cloud Image]

**FIGURE 2. BUSINESS OWNERS’ CHALLENGES IN STARTING THEIR BUSINESS**

Figure 2 shows the responses business owners gave to the question “What were the main challenges you faced when you started your business?” The issue cited at the highest frequency was “no time”—people felt like they lacked enough time to meet all of their responsibilities. This made it challenging to achieve their business goals as fast as they wanted to, and in many cases pushed back the date that they would see a profit from their venture.

Starting a business takes time and money. The majority of business owners interviewed continued to work as they started their business, or else they depleted their savings. A clear
tradeoff exists for aspiring business owners: give more time to the business and have less money to support the venture and oneself or work more—bring in more money—but have less time to start the business. In order to create a business successfully, a balance between time and money must be achieved.

Unfortunately for aspiring business owners, Burlington is an expensive place to live. The weight of Burlington’s high cost of living was felt in multiple dimensions; business owners struggled as consumers and producers. High costs made it more difficult for them to give adequate time and investment to their business start-up. High costs also meant that early customers would have less money to spend. Consumers’ low disposable income amplified the effects of “competition” on business owners—consumers had limited money to spend, and this problem was compounded if they chose to spend it elsewhere.

Another commonly experienced challenge was feeling “unfamiliar” with the business ecosystem. This contributed to some individuals feeling “alone”, thereby negatively impacting the psychological state of business owners. Unfamiliarity with rules of law, business customs, and entrepreneurial processes slowed the start-up process for multiple individuals.

Business owner Nurbu Sherpa, of Sherpa Foods, moved to Burlington from New York City to start a business and be closer to his family. When asked about challenges getting started, he said, “I had no idea about food regulations or the licensing I had to get. It took me a while to gather and fill out all the documents, and those documents are very complex. I almost gave up because I just couldn’t understand some of the things.”

Nurbu has spent the majority of his life in the United States; he went to school and graduated college in Texas, before working at Macy’s in New York for over a decade, gaining experience as a buyer, marketing manager, group sales manager, and business manager. Even though Nurbu had a good grasp on the New York retail business ecosystem, he was very unfamiliar with the Burlington food service business ecosystem. For individuals without Nurbu’s highly developed knowledge of US business culture and customs, the navigation of a new business ecosystem is even harder.

Other aspects of the word cloud, such as “no wholesale”, are more industry specific. Half of the business owners I interviewed ran grocery stores, and each had problems with their supply chain. Grocery stores such as Thai Phat, Sagarmatha Grocery, A&A Market, the Community Halal Store, and Gagan Grocery offer their customers many products outside of the United States mainstream. For example, Gagan Grocery offers varieties of naan that would be impossible to find at supermarkets like Price Chopper, Hannaford’s, or even City Market. Acquiring such goods to sell, however, requires access to specific wholesale suppliers.
Vermont’s market is too small for such wholesale suppliers to operate within the state, or even for deliveries to be run through the state. Consequently, business owners must either travel to large cities like New York or Boston ever month (if not every week), pay for an expensive delivery, or pay someone to make the trip for them. Prior to September 11, 2001, grocers like Kuljit from Gagan Grocery would purchase wholesale from Montreal—Montreal is about a two-hour drive from Burlington while New York and Boston are closer to five. However, since the September 11 terrorist attack, border security is far more intense, making the process far slower and causing grocers like Kuljit to say, “it’s not worth it”.

The issue of “no wholesale” is relevant to business owners involved in food service and restaurants as well, though to a lesser degree. While getting ingredients quickly and cheaply can be complicated, a smaller variety is needed for restaurants as opposed to markets. The word cloud in Figure 2 fails to suggest whether challenges are industry specific, and if they are, what industry they impact.

Figure 2 also fails to communicate why particular phrases appear more or less frequently. For example, “regulations, permits, and licensing”, “financing”, and “taxes” are all medium sized, meaning they occurred at a medium level of frequency. This is not because those challenges were deemed less important, and therefore talked about less. For some individuals, navigating financing was the single biggest challenge faced; the reason that financing appears medium sized in Figure 2 is because not everyone had that experience. For individuals who faced challenges with regulations, financing, or taxes, those challenges were typically very impactful. However, while some people struggled with financing, others found financing straightforward but struggled with understanding taxes. Regulations, financing, and taxes are medium sized because of a wide disparity of experience—a cause that is not obvious from the word cloud alone.

The majority of challenges faced by the interviewed business owners are very common entrepreneurial challenges. While the majority of business owners had an immigrant background, whether potential challenges such as “language” barriers or cultural differences had an impact depended on the individual. Bikash Pondyel from Sagarmatha grocery said he believed language barriers could be overcome if someone had a business mindset; Bhakta from A&A market said that the language barrier he experienced was one of his greatest challenges.

Some individuals were impacted by cultural differences. Some business owners were of Muslim faith and could not take out loans to start their business, since usury goes against their religion. While the business owners I spoke to, such as Abdi at the Community Halal Store, found ways to successfully work around taking out a loan, this challenge may prevent many potential
business owners to gather the funds necessary to start a business. The US financial system is unsupportive of an anti-loan approach.

Along with identifying challenges faced by beginning entrepreneurs, interviews also aimed to identify business owners’ sources of strength. While business owners were asked what people, services, and traits helped them start their business, many sources of strength were named through the process of telling their story (represented in Figure 3). Characteristics such as having “experience”, valuing “independence”, and being “persistent” were frequently cited as important to starting a business. Many business owners had experience with previous businesses, or in relevant industries. Almost every business owner agreed that successful startups are difficult and take a long time to get off the ground—the ability to be patient and push ahead in the face of pressure are critical.

Community was also a common source of strength for business owners, though the definition of community varied. To some, like the Dang family of Winooski restaurant Pho Dang, community meant a supportive customer base. Christina Dang, who parents started Pho Dang, said “I feel like any business can thrive here, just because of how supportive Vermont is. They’re not closed minded. They’ll try anything, which is really cool.” However, some business owners disagree. Muzo Vurgun of Cafe Istanbul operates a food cart on Church Street opposite corporate giants Starbucks and Five Guys. Every day, he watches customers choose big brand stores over...
local businesses like him. However, community is still very important to Muzo because he builds it. Muzo gets strength and encouragement from the people who buy his food and love it—during Muzo’s interview, multiple recent customers came up to tell him how much they enjoyed their meal.

For others, community means friends and family. 80% of the businesses interviewed were either family run or had family members as employees. Multiple of the businesses had been purchased by the business owner from friends. Many business owners cited those connections as critical to their success.

Ultimately, interviewed business owners suggested relevant support that mitigates challenges and acknowledges strengths for individuals starting a business. Everyone interviewed thought that emerging entrepreneurs could benefit from specific services; however, there was disparity in what kind of service they recommended. While nine out of ten business owners thought getting some kind of help early on would be worth the time it took, three of those business owners said that they personally would not have pursued those services if they were to do it over again.

A mentorship strategy fits the idea of relevant support that mitigates challenges and acknowledges strengths. Mentorship capitalizes on common strengths, such as community and persistence, while mitigating the challenges of being unfamiliar with the business ecosystem and feeling alone. Also, since lack of time is such a prevalent issue, it is very important that support does not waste people’s time with services they don’t need. Mentorship is well suited to be relevant individually, since models have opportunities to tailor the support to those involved.

While most business owners viewed a mentorship program for new entrepreneurs favorably, many thought other methods of support, like classes, financial assistance, and training to do business online, as preferable. Still, some business owners enthusiastically supported mentorship. Nurbu said that a mentorship program would be one of the top two most helpful support mechanisms for starting entrepreneurs. Nurbu said it takes about 7-8 months to start a business, but with a mentor, that could be shortened to 4-5 months.

The most popular recommended support mechanisms are listed below, in order of frequency mentioned:

- Financial Assistance
- Classes
- Training for Online Businesses
V. CONCLUSIONS FOR CHITTENDEN COUNTY: RECOMMENDATIONS

Research shows a preference for a grass-roots program, primarily driven by those seeking entrepreneurial support. A program that is driven by those using it will help maintain cultural relevance and is more likely to be tailored to individual needs. The utilization of both informal and formal programming—such as casual opportunities for networking and more structured coursework, respectively—will encourage a more dynamic, well-rounded learning experience, and offers participants flexibility in pursuing the support they need.

While research indicates a mentorship program for aspiring entrepreneurs, geared towards immigrants, would be successful and could address problem points felt by local immigrant communities, mentorship is not obviously superior to other support mechanisms. A variety of quality entrepreneurial programming already exists in Burlington, some of which is geared toward immigrants already. Improving the accessibility and awareness of that programming is a better short-term solution. Burlington has already seen an increase in providing effective entrepreneurial and economic support to New Americans—for example, the Community & Economic Development Organization (CEDO) has more than doubled their technical assistance to support New Americans, and a partnership between co-working space the Generator and CVOEO resulting in a pilot Somali-focused sewing program.

Much of the programming that exists already is culturally relevant and was developed around specific need, making it very individual focused. Increasing investment in existing programming, and developing similar spin-off programs, is advantageous for Burlington/Chittenden County, because the success of those initiatives in this area is already proven.

Suggestions for further development/research include:

- Expand and improve current research
  - Collect a wide sample of interviews of specifically New American business owners
  - Collect a wide sample of interviews of New American aspiring business owners

- Easy Online Access to Forms
- Training for Social Media
- Mentorship
- Increased Government Leniency
- Use the “go to customer” strategy; visit spaces aspiring entrepreneurs would likely occupy by working with local groups (AALV, VRRP, Old North End Arts and Business Association, etc.)

- Market/Grocery store support
  - Develop partnership/official network for local markets/grocery stores
  - Investigate ability to provide wholesale option/affordable wholesale delivery for local markets/grocery stores

- Potential partners/contributors
  - Women Business Owners Network (Vermont) is interested in getting their network involved
    - Stated: “We’ve realized we don’t do many social projects. We’ve been very busy building ourselves up, but now that we’re stronger we want to help build up others. Please make sure we’re kept in mind if a program is developed.”
  - Professors at the University of Vermont expressed interest getting involved (names available upon request)
  - Student groups at University of Vermont could be utilized

- Additional thoughts
  - Improve understanding of different cultures via programming geared toward US-born Vermonters (e.g. understanding how different cultures process time, interact with customers, etc.)
  - Provide opportunity for entrepreneurs to learn how to do business online, and make this accessible to recent immigrants
  - The high cost of housing impacts every local challenge, including starting a business
V. REFERENCES AND SOURCES

BUSINESS OWNERS
Christina Dang, Pho Dang
Kathleen Donahue, King’s Corner Deli
Kuljit Kaur, Gagan Grocery
Bikash Pondyel, Sagarmatha Grocery
Abdi Sharif, Community Halal Store
Nurbu Sherpa, Sherpa Foods
Anthony Tran, Thai Phat
Muzo Vurgun, Cafe Istanbul
Bhakta*, A&A Asian Market
*full name not acquired
one business owner wished to remain anonymous

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ATTACHMENT:

LISTENING TO BUSINESS OWNERS: INTERVIEW SUMMARIES

i. Christina Dang, Pho Dang

“Stick to your roots... that’s how you’ll get the farthest.”

I met with Christina on July 9th, 2018. She is the daughter of the owners of Pho Dang, a Vietnamese restaurant in Winooski. Pho Dang has been operating for twelve years. The family is from Vietnam, and Christina was born in the United States. Pho Dang has recently transitioned to a larger location in Winooski, along the same road.

Christina says that she and her family “were on our own twelve years ago” in starting the business. “My parents didn’t have much outside help”; “we had a lot of support when it came to people coming to support us, eating our food. But other than that, there wasn’t really any financial help or advice we would get from other people. My parents kind of figured it out for themselves.”

Christina theorized that barriers to pursuing entrepreneurial help could be “pride”.

Her advice to aspiring business owners is to “just stick to your roots. A lot of time, when you’re opening businesses, there’s a lot of outside opinions and ideas of what they want out of your business. But, at the end of the day, if you stick to what you believe in, what you know, and what you want out of it, that’s how you’ll get the farthest.”

Christina says you don’t have much free time when you’re running a business, and that running a business is a full-time job, 24/7, 365 days out of the year. She personally doesn’t have time to get involved with the community now—in way of mentoring new business owners, supporting other programs, etc.—but she thinks if someone really wanted to do that, they could make time.

She says “Vermont is definitely a melting pot,” and said the state was very accepting and open to trying new things. “I feel like any business can thrive here, just because of how supportive Vermont is. They’re not closed minded. They’ll try anything, which is really cool.”

Christina said her parents didn’t have a formal business plan. Her parents did apply for loans, which was essential to renting their first property. Now, they’re leasing to own. They found the licensing part of starting a business to be pretty straightforward, and “definitely didn’t struggle with that. The city worked with us a lot and let us know what we needed to get.”
Christina says one of the main strategies that worked for Pho Dang was to make customers feel at home—providing service that is family to family rather than business to customer. She also encourages aspiring business owners to have patience and stick the venture out. She says her family has watched a lot of small businesses around them open for a few months and then sell when they don’t have the success they expected. Christina says “you can’t expect something to blow up overnight.”

As for mentorship, Christina says “as long as it’s following, at the end of the day, what the business owner wants, then it is definitely an asset. But sometimes with mentors and other factors, it can definitely steer in another direction. But as long as the business owner knows exactly what they want, they’re not going to settle for that, and the mentorship would be an asset.” Christina thinks group mentoring would be more successful than one-on-one mentoring.

ii. Kathleen Donahue, King’s Corner Deli

“Fitting in a fifteen-minute meeting to get help is really challenging once your business is started.”

I stopped by King’s Corner Deli on July 11th, 2018. Kathleen is a 30-something former lawyer who opened up the Deli in the summer of 2014. A native of Colchester, Vermont, she practiced law for five years, mostly in New York, before returning to Vermont. She always wanted to have her own business but had decided to follow a traditional career path initially.

Kathleen knew she wanted to run her own business, and she knew she wanted to do something social. First, she found the location—a building on the corner of King Street and South Champlain.

She decided to build her business around the community. At first, Kathleen wanted to run a coffee shop, but realized the area already offered several options for that service. She did more research to see what service would suit the community’s needs, and ultimately decided on a deli.

She then talked to people who could be potential partners and did begin her business with a partner (though their involvement did not persist).

She sought out resources from VtSBDC (Vermont Small Business Development Center) and Community Capital of Vermont. A google search also took her to the Women’s Small Business Center who provided her with a list of business resources.
VtSBDC pressured her to have a very good business plan, which Kathleen cites as one of the most important things for the success of her business. From her experience, she thinks there is good support for small businesses getting started.

Kathleen’s challenges presented themselves after she got her business off the ground. She said that she feels as though business resources “assume you know how [to successfully run your business] after it’s started”, and that she lost some money in the early period. She acknowledges that she might not have reached out for help as much as she should have but commented that “fitting in a fifteen-minute meeting to get help is really challenging once your business is started”, especially during normal business hours.

Kathleen thinks a network of small business owners that offers support and programming would be incredibly useful. Her suggestions evoked something more casual and accessible than the existing networks—she wanted something like small business owners meeting for dinner after work hours. Just talking about your experiences would be helpful, she thought, so “you don’t feel so alone”.

Kathleen also though mentorship could be helpful, in terms of questions that arise—figuring out what’s smart to do and what’s not. “Talking to someone more seasoned is helpful”.

In terms of mentorship, she praised the bank with Community Capital who provided her with a consultant. The mentorship she got from this consultant was really valuable in financing her business.

Kathleen’s first advice to people interested in starting a business is to go work in a similar industry. She also comments that “it will take you just as much time as they tell you it will,” and not to assume that you’ll be able to do it any faster than that. She also commented on the importance of reaching out for help.

Another useful technique Kathleen suggested was observing the area she planned to open a business in long before she actually opened. She sat on the corner before opening her business and counted the people who walked or drove by. She then was able to use this information in her loan application, and it additionally gave her more insight into who might be her future customers.

Overall, Kathleen says the local community is really supportive of small businesses and buying local. She commented that people are even really good about paying in cash, since they recognize credit card fees can be burdensome on small businesses. It’s a “neighborly” place, Kathleen said.
iii. **Kuljit Kaur, Gagan Grocery**

“*Transporting the product is the biggest challenge.*”

It was around 2pm on July 11th, 2018, when I stopped by Gagan Grocery. I’d called beforehand to see when would be a good time, and I was told they started to get busy after 4pm.

Kuljit told me that she opened Gagan Grocery in 2001. She was the sole operator at first, but in 2010 her husband joined her in running the business.

When Kuljit started her business, she did so independently of community business resources. The operation was very small. She took no loans from the bank.

Prior to opening her business, Kuljit had substantial experience in retail. She worked in retail part time from the 1990s until she opened her grocery shop, all in the local Burlington area. During that same time, she also helped with her husband’s local restaurant, which he had started in the 80s. Kuljit came to this area of Vermont in 1986—her husband was already here.

Kuljit identified the largest challenge of her business as acquiring and transporting product. Goods to stock her store have to be acquired from outside of Vermont, due to the lack of wholesale options that service her product. Additionally, due to Vermont’s low population, there are no companies that currently have truck delivery routes through Vermont. To get her products delivered, Kuljit says, it’s very expensive. Today, though, she doesn’t see any viable alternative. Her husband used to go to New York City frequently to pick goods up himself; however, nowadays the couple is nearing retirement, and they would rather pay to have the goods delivered. Unfortunately, the price of delivery is only increasing.

Before September 11, Kuljit was able to get a lot of goods from Canada—specifically from Montreal. However, following the terrorist attack, deliveries across the border became more complicated, and Kuljit turned to farther, southern United States cities like New York.

Despite the challenge of getting the products, Kuljit says there is good community support for businesses. When she opened Gagan Grocery, people were happy to have an Indian grocery store in the area. At the time, she was the only Asian market around. Kuljit commented that recently more and more Nepalese stores have opened with the development of the Nepalese and Bhutanese communities in Vermont.
Kuljit says her location in South Burlington, near the Price Chopper and Euro Market, is a better than average place for a small business. They chose the location for the high activity of shoppers and have built a loyal customer base.

Kuljit has no employees to run Gagan Grocery for her—all help is from her husband and occasionally some people she trusts. She enjoys being able to pick her own hours and work without a boss; she’s always wanted to work for herself.

Owning a business, she says, is a different challenge. You have to either be there for your small business or find someone loyal and reliable. The latter can be tricky.

In terms of mentorship, Kuljit thinks advice from any experienced business owner is useful to someone just getting started. However, the advice is much more useful if it comes from a business owner in the same industry, since they’ll know more about specific challenges.

For example, for grocery stores it’s important to have a large back door and loading dock so that deliveries can be easily transported into the store. Gagan Grocery has a small back door and no loading dock, which has been a significant challenge. Fewer boxes can be loaded into the store at once, which means multiple trips—this quickly becomes physically tiring, as well as inefficient. Kuljit noted that it would be useful to someone starting a grocery business to receive advice on things like that before looking for a property.

In terms of group mentorship versus one-on-one mentorship, Kuljit thought one-on-one mentorship was probably better.

Kuljit’s long experience in retail and small businesses gives her a considerable amount of expertise. Her experience prior to starting Gagan was very helpful in moving the grocery store toward success. For example, she learned how to handle customers from her retail background.

Kuljit told me that a long time ago, there was a partnership between the markets. At the time, each market sold a different type of foodstuff, so there wasn’t very much competition between them (for example, she—an Indian grocery store—and the Euro Market next door were both a part of the partnership). However, the partnership was too complicated and Kuljit said it didn’t help accomplish much.

She believes it could be helpful for markets to come together again today, in terms of sharing insight and trying to encourage better access to product. She thinks it could be helpful for the city to reach out to product delivery groups to encourage them to move product through Vermont again, especially with the recent increase in Asian markets.
Kuljit thinks many things could be helpful to people starting businesses, but for her own business journey, she’s looking ahead toward retirement. Within five to ten years, Kuljit and her husband both hope to be retired.

iv. Bikash Pondyel, Sagarmatha Grocery

“Having a business mindset is more important than language skills.”

When I walked into Sagarmatha Grocery Store (235 Main Street in Winooski), it was around 11am on July 9th, 2018. I spoke to one of the owners, Bikash Pondyel. He and his uncle started Sagarmatha Grocery one year ago. His uncle started around August, and Bikash joined in September. Neither man wanted to work for other people—they wanted to work for themselves. They made a plan, thought it through, and brought the business into being. Bikash later commented that he has a “business mindset”, which he thinks is extremely important to success.

I asked Bikash about the challenges he and his Uncle faced. He immediately said, being sure about the vegetables. He said they went to New York or Boston one to two times a week to acquire the vegetables—a respective eleven hour and seven hour round trip commute, not accounting for time spent in wholesale outlets. Bikash noted that the transportation was challenging, as well as making sure the food was fresh while out in the store. He said they throw some produce away, not having the chance to sell it before it goes bad.

When I asked if Bikash and his uncle used any community resources to get their business started, he said no. They were very independent—they didn’t use any banks.

Just because he didn’t use resources doesn’t mean Bikash thinks they’re worthless. He said it would be helpful to have resources for people interested in starting a business, especially in training and financial help. With the latter, he commented that everything is getting expensive. People are moving to Ohio and Pennsylvania, he said, because prices are lower there.

An additional help, he says, would be bigger wholesale options closer to home. They would save on transportation costs, have more time for their business, and wouldn’t have to worry as much about getting too much food and having some go bad.

If Bikash could give advice to his former self, he would say to write a better business plan. Throughout our discussion, he identified planning as important.
When asked about mentorship, Bikash said it would be helpful, but it would be more beneficial if classes on managing a business were offered.

Bikash has very strong English skills; during our conversation, language was never a barrier. He moved to Vermont from Nepal in 2009. I asked him if he thought language could be a substantial barrier to having a business in Vermont. Bikash said no. He said having business mindset skills was much more important than language skills, and that a person could definitely have a business without good English.

Sagarmatha is Bikash’s first business. He has no prior experience in the US or Nepal in running a business and has taken no business classes. However, he has always wanted to work for himself.

In terms of the future, Bikash is online focused. He hopes in five to ten years to offer services like delivery and features for people to place orders online or over the phone.

v. Abdi Sharif, Community Halal Store

“Don’t be scared; be persistent.”

Abdi Sharif runs the Community Halal Store on North Street. I spoke to Abdi about his business on July 13th, 2018. Abdi was very willing to answer my questions, though didn’t have very much time to talk that day.

When asked about challenges getting the business started, He said “it was very hard to get distributors—it took a very long time.” Now, he gives a list of distributors to friends wanting to start a business, since he knows how big of an obstacle that is.

What makes it more challenging is that some distributors won’t sell to you directly but will sell to some other larger local place. You then have to go through the extra step of making partnerships with those places so that you can get the products.

To get started, you have to do extensive research on where to get the goods.

Abdi purchased the Community Halal Store from a previous owner. He heard they wanted to sell and was looking to own his own family business. The main challenge then was the money—the seller was asking for 25 grand, and Abdi could not take out a loan to afford it, because the
principle of interest goes against his religious beliefs; usury is just “making the rich richer”. Abdi worked around this by paying in installments.

As an entrepreneur, recognizing the needs of the community is very important in deciding what business to create. He recommends people start with their own money. He says, “don’t be scared; be persistent.”

vi. Nurbu Sherpa, Sherpa Foods

“A mentor would really help guide and keep people from wasting time.”

I spoke with Nurbu, the owner of Sherpa Foods, on July 7th, 2018. Nurbu moved from Nepal to the United States when he was a kid, went to school in Texas and graduated from the University of Texas. After his graduation, he got a job offer from Macy’s in New York City. At Macy’s, Nurbu got experience as a group sales manager, a marketing manager, a buyer, and a business manager— he was with the company for about twelve years.

He moved to Vermont after the birth of his first child; it made more sense to be closer to family, and Nurbu had interest in starting a business in Vermont. “I felt like people here are really, really appreciative of the ethnic specialties and local food. So I decided, why not combine my experience at Macy’s and my family’s food, and do a little start-up and see how it goes.”

“So I came and it took me a while. It was a new place for me, and I had no idea about food regulations, the licensing I had to get.” Nurbu sought out community resources for help, like CVOEO’s microbusiness development program.

Nurbu says he appreciated how helpful and patient the inspectors from the Department of Agriculture were. “They were up in Montpelier and they came down to Burlington, they walked me through, and I had to fill out one form alone like six or seven times. I was missing things every time.” The process of starting a business took Nurbu seven to eight months. For a good portion of that time, he had no income due to the move. “By the end of 2014, [he] finally got all the licenses together, and then I was able to produce and start supplying.”

Nurbu pursued opportunities like supplying to City Market and participating in the farmer’s market. “After a while, word of mouth was going around, and people would see us at the farmer’s market and recognize our logos.”
“We kept growing, and it’s about our third year in food business. We have 19 accounts, we supply to Amazon and do ecommerce though our own website.”

When asked about what would make starting a business process easier, two big ideas came to Nurbu’s mind. “First of all,” he said, “if the forms were online, if you could easily fill it out and someone could immediately look at it, turn around would be quicker.”

“Second, if there was some kind of—and I’m pretty sure there is, but me being new to this town, I didn’t know about anything—but some kind of mentorship program. And if there were mentors available to guide people like me through the process. Because I would just go in on my own and try to find the documents—those types of things, a mentor would really help guide and help keep people from wasting time.” Nurbu thought mentorship should be industry focused.

When asked about the first three steps he would give someone just starting a business, Nurbu listed:

(1) “The first step would be to find a mentor, because that would save you so much time. Instead of spending 12-13 hours trying to figure out a document, you find a mentor and sit down with them and say “I’m at this phase right now, what should my focus be, what should I be looking at”. So, I would say that first, if they could find someone.”

(2) “Second would be gathering the documents together and having a clear business plan and mission statement of what you’re trying to do. Sometimes people have a business idea in their head, but they’re not able to communicate that clearly. They’ll be talking to a loan officer or inspector and not be able to verbalize it clearly. You don’t want to waste anyone’s time, because everyone’s busy. So you want to make it as easy as possible for them to understand.”

(3) “Third would be trying to find your finances. Finding somehow to put that together. If you don’t have enough investment to put the money in, you’ll just be wasting everyone’s time.”

Nurbu recognizes that he, like all business owners, is a very busy person. But he also believes people make time for their passions. On top of running Sherpa Foods, Nurbu also runs a nonprofit for women’s empowerment based in Nepal.
vii. Anthony Tran, Thai Phat

“You need to understand the struggle of the customers & work with them.”

Anthony runs Thai Phat: Oriental Food Market North St.

Anthony’s father bought Thai Phat from its previous owner in 2007, though the store was in existence since the 1990s. In 2017, they completely revamped the business. Family is an integral part of Anthony’s business experience. While we talked, his wife ran the cash register, and Anthony directed customers to ask her questions—one customer was pursuing a new recipe, and Anthony recommended he talk to his wife about how to execute it.

I first asked Anthony what advice he would give someone who wanted to start a business. He told me it’s all about understanding the customer. In Anthony’s business, he thinks it’s “more about the service than the product”. It’s essential to think about what the customer wants, and to be someone your customers want to buy from.

Anthony said it’s taken at least ten years since they started in 2007 for customer engagement to be where it is today. He said getting a good customer relationship is up to you, your attitude, and your actions.

When Anthony started working at Thai Phat, he didn’t have any business ownership experience, but he did have considerable retail experience. He’d worked at Dunkin Donuts and Bath and Bodyworks previously—this specifically gave him skills in customer service. Anthony says he learned a lot about how to do business from people at those companies.

When he arrived in the United States from Vietnam in 1994, Anthony didn’t speak any English. Anthony said it was from older American people that he learned English and business operations. At Dunkin Donuts, he got an insight from an “older American on how to grow a business”. At Bath and Bodyworks, a cashier taught him about customer service, teaching through example. He told me he gained a lot by being able to watch people work in a business. He said it was very formative for him, and he gained a lot by working in the field, paying attention, and learning.

Customer service is truly at the heart of Anthony’s business philosophy. He told me, “if you help people, they will help you when you’re in trouble.” Just doing things like “if someone’s car breaks down outside in the winter, I’ll help them, even if they’re not a customer yet.” This neighborly attitude is what Anthony recommends to people wanted to have their own business.
Although Anthony encourages people to think about the service they’re providing, he recognizes that the product is still very important. “They go together”, he tells me.

In the market business, you need to know connections to where to get products. It’s important to have connections to good suppliers—you need people to refer you to the suppliers, so that suppliers have more trust in your business. “You need them to believe in you,” Anthony said. “They want you to sell their product [well].”

Business ownership is intense. “When you work on it, there’s so many different things” you have to do. It’s important to “be flexible”. “Sometimes the economy is good, and it’s easy. But other times it’s very hard. You need to understand the struggle of the customers and work with them. When the economy is doing well, and people have money to spend, then it’s easy. But when things are hard, and people don’t spend money, you need to be flexible.”

Anthony told me that it’s also important to have high quality products and to know your products very well. If you don’t know your products, you can’t provide effective customer service. While we were talking, a customer came up to Anthony and asked him which packs of rice paper he should by for Spring Rolls. Anthony was able to answer him promptly and confidently, advising him to get a certain brand, saying it was sturdier and would therefore break less easily.

Beyond navigating day to day operations, it’s also a challenge to finance a business. Anthony mentioned that working with the ban wasn’t easy, and it’s tough to have everything planned out. Still, thinking about finance and working on that is very important.

Sean told me that Anthony has his business primarily to support his family, and he doesn’t plan on his kids continuing to run it.

Anthony’s final comments was that running a business never ends, and that time is a huge challenge.

**viii. Muzo Vurgun, Cafe Istanbul**

“Be honest, clean, and have a quality product.”

I stopped by Cafe Istanbul on 2pm on a Friday afternoon, July 13th, 2018. The cart’s owner, Muzo, was happy to answer questions, but told me he wasn’t sure if he would be of much help since he thought his business wasn’t too successful.
Muzo started his business seven years ago, in 2011. This was the same time he moved to Vermont. He’d had a business previously, but not in food service. He said his previous business experience wasn’t of much help with starting Cafe Istanbul because it wasn’t in food service. The food cart was unlike anything he’d done before.

The first three years were quite difficult. The biggest problem was that people didn’t know his food or culture. Since they didn’t know what to expect, they didn’t purchase anything. His method of solving this problem was giving out samples and visibly existing in a prominent, highly trafficked location—Church Street.

Aside from his customer base not knowing his product, Muzo also faced challenges in terms of finance. He is in prime food cart real estate on Church Street, and Muzo said he spent years in debt after initially purchasing the location. “Finding the money to buy it was tough,” he told me, but acquiring the proper licenses was easy once he had the spot.

In terms of advice he would give to someone looking to start a business, Muzo said: “being honest, clean, and having a quality product”. He says being clean and having a good personality are incredibly important. Always have a smile and communicate with your customers.

Muzo wanted to tell me that the local community supports small businesses, but unfortunately, he doesn’t believe it. He’s stationed across of massive businesses—his cart is opposite of a Starbucks, and a Five Guys is next door. The truth, he says, is that many people choose the big businesses over small local ones. He believes the big businesses take advantage of people and push inferior quality products.

Muzo was incredibly kind, and excited to share his food with me. I didn’t bring my wallet with me when I left the office to do interviews, but Muzo insisted on giving me a falafel anyway. He said it would be good for me to be able to describe the food when I shared my notes with people. And Muzo was right; my falafel was thoroughly delicious—maybe even the best one I’ve ever had!


“I’d like to learn how to do business online.”

When I walked into A&A Asian Market and Grocery Store (88 Malletts Bay Avenue in Winooski), it was around noon on July 9th, 2018. The shop was empty, except for a man behind the counter. As soon as I approached the counter and he noticed my presence, he offered a warm smile.
Bhakta’s English was limited, and he was very patient and happy to answer my questions. He told me he’d had the business for two years. His friend had started the business, but it wasn’t thriving, so the friend ultimately sold it to Bhakta.

Bhakta arrived in Vermont in 2011—he’s lived here for six years. He came as a refugee from Nepal. In Nepal, he had a business before; this encouraged him to pursue business ownership in Vermont.

Bhakta told me nothing was easy about running his business here; everything was a challenge. He identified language as a very big problem for him. Additionally, he had difficulty adjusting to the tax system, and understanding how to do “taxable items”. Parking is another challenge—there are very few spaces available around A&A for customers to park. He also struggled with where to find products as wholesale in the beginning.

Running the business is very time consuming, as well. For the products, Bhakta must go to New York every few weeks (at least an eleven-hour drive round trip). He has no other employees besides the help of his family, making it very hard to be away or take time off. His shop is open every day of the week from 9am-9pm.

Despite this, Bhakta would like to take classes to help his business, though he worries that the language barrier would prevent him from being able to get the information he needs. He’s particularly interested in learning how to do add online features to his business. He also wants to secure licenses for providing liquor and meats but doesn’t know how to proceed. Difficulties with language and lack of time make it difficult for him to research on his own.

x. Anonymous, Church Street Food Cart

“There’s no real support for small businesses here; it’s hard to survive.”

I spoke to this individual on July 10th, 2018. They were operating a food cart that they had opened two weeks prior. The individual had lived in Vermont for twenty-six years—the person was in their forties and had spent the majority of their adult life in this region. They had owned businesses before, including a gas station and Vietnamese/Thai restaurant, both in Vermont. This person had always wanted to be an entrepreneur and hoped the food cart venture would prove successful.
They said that some of the challenges in starting a business are acquiring permits and qualifications and making sure one met the requirements for the health department. They told me about “four months” to sort through the permits process.

I asked if they had used any business support resources while getting started, such as business management classes or banks. They echoed what I’d heard from multiple local small business owners prior—they did it independently; no banks.

When asked what they thought about support for small businesses in Burlington, they told me, “there’s no real support for small businesses here; it’s hard to survive.” They acknowledged they weren’t familiar with specific resources but had a strong belief that many resources were superficial, with little substantial help beneath the surface. They told me there was a lot of “advertisement for resources, but it’s not real. It’s just jumping through hoops” with little reward at the end. They told me they didn’t want to try to pursue offered resources, because they doubted they would gain anything by the end. They estimated “only like ten percent of people” actually got significant help from local business resources, while the majority wasted time with the process.

I asked them what sort of resources would be valuable, if they could get access to them. “Financial assistance,” they said, and maybe help “getting started on a business”. As it is now, they reiterated, “it’s not worth the hoops to get it.” The Burlington area was “not a good place for business”. Over their different ventures, they saw many businesses struggle in relation to theirs—which, they told me, hadn’t been doing well either.

They suggested that nonprofits and community organizations might lack the money needed to help small businesses—that perhaps they don’t have enough resources themselves to provide resources to others.

Our conversation then moved to what they believe caused small businesses to struggle in Burlington. “Everything is expensive,” they immediately said.

First, they discussed the impact of real estate prices and real estate tax law. They described how landlords must pay taxes on unoccupied buildings, and how this added cost to them goes into future tenants’ rent, pushing up already high rent prices. The government should be focusing on how to make housing more affordable for small business owners, rather than contributing to the expense.

Additionally, they were concerned about the push to raise the minimum wage. They’d seen many small businesses struggle and continue to struggle; their analysis was that increasing the price floor for labor would diminish accounting profit for small businesses already struggling to
keep the lights on. The added expense would disincentivize small business owners to hire outside help and would make it harder to grow. While employees might have more money, small businesses would be significantly hurt.

They also commented that the local community doesn’t have very much disposable income because housing prices are so high while salaries remain quite low. While we were talking, they told me to look around at the activity on Church Street (it was about 1:45pm). Indeed, where we were standing it was pretty quiet. “I spend a lot of time watching how many people visit businesses,” they said. They didn’t understand how many places could survive long term.

They also talked about how “there are very rich people with a lot of money, and there are people with barely any extra money to spend.” This high-income inequality meant that there were only a small portion of people who really could afford visit small business frequently, while a very large chunk of potential customers couldn’t. Losing that market base also hurt small businesses.

They added that they believed small businesses across Vermont were struggling, not just Burlington. They specifically commented that “South Burlington is just as bad.”

“More leniency from the government would be helpful,” they said, in terms of more financial breaks for small businesses, and help with navigating regulations.

They said many people are moving to places where it’s cheaper to live and do business. They would move too if it weren’t for their kids being rooted here.