

From the Cincinnati Business Courier

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Black-owned businesses to grow via joint ventures

Minority Business Accelerator helped World Pac, Myca

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Two local African-American entrepreneurs have formed new joint ventures in recent months with the help of the Tri-State's Minority Business Accelerator program.

The two firms are World Pac Paper LLC, led by Edgar Smith, and Myca Material Handling Solutions, led by Joan Carroll-Flowers.

While the companies declined to release revenue figures for the new ventures, firms must have annual, sustained revenues of \$1 million or more to participate in the MBA program.

The MBA program is housed at the Greater Cincinnati Chamber of Commerce and was started by the Cincinnati CAN Commission in the wake of the April 2001 riots. The program's goal is to help minority-owned companies grow and to help in the creation of sizable new minority business enterprises in order to create new jobs and wealth.

World Pac is a joint venture between World Packaging Co. LLC, Smith's packaging company, and Clifford Paper Inc., based in New Jersey. The venture is a national distributor of printing and packaging paper with eight full-time employees, Smith said. The company also has four additional employees it can contract with depending on the size of the job, he said.

Smith said he worked for 18 months to establish the joint venture after deciding he wanted to create a paper distributorship instead of starting a new company from scratch. He said Calvin Buford, the director of the MBA program, approached him to offer assistance after hearing about his work. Smith credited the MBA with introducing him to important potential clients.

"There have been a lot of good connections made with possible customers," Smith said.

Smith declined to reveal the names of clients or potential clients, but said World Pac would market to commercial printers, catalogers and publishers, among others. He said the company has positioned itself to service major corporations as either a Tier 1 or Tier 2 supplier.

Myca Material Handling Solutions is a joint venture between Carroll-Flowers' Myca Group and MH Equipment Co., led by Coit Edison. MH Equipment is headquartered in Peoria, Ill., and has

locations around the country.

Carroll-Flowers and her partners sought to form a joint venture for a materials handling business after learning that the Procter & Gamble Co. wanted to create a national outsourcing agreement for servicing the company's fleet of lift trucks. They connected with Edison, who had read about the MBA in the Courier and was interested in forming a joint venture with a minority-owned business, she said.

The venture used the MBA for advice on its business organization, ownership structure and business plan development, Buford said.

The company will be the first minority-owned Hyster Co. dealership in the country, Carroll-Flowers said, and will distribute Hyster forklift equipment. It also can provide training and other material-handling services. Already, the firm has a contract to purchase Hyster equipment for P&G that can be delivered anywhere in North America, Carroll-Flowers said.

"We have aggressive goals and want to be bigger," she said. "But at the same time we're focused on controlled growth so we can exceed the expected levels of customer satisfaction."

Carroll-Flowers is best known locally as one of the former owners of Mycom, a \$10 million business the owners took public through a reverse merger. After selling their interest in Mycom, Carroll-Flowers and her business partner, Patti Massey, created Myca Group & Associates, a business that provided repair and maintenance to instant ticket lottery machines.

Carroll-Flowers, Massey and Debbie Bernal Holford, the third partner, decided to change directions after Myca Group began losing lottery machine work to a larger competitor, Carroll-Flowers said.

In addition to the new joint venture, Carroll-Flowers also has formed the Myca Material Handling Institute as a public/private partnership to train residents of Cincinnati's Empowerment Zone for careers as lift-truck operators, she said.