

# Middletown business owners seek solutions during Delaware Gov. Jack Markell's visit

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Andrea Patterson (left) gives Gov. Jack Markell (right) some views about the hardships that many of her clients face due to economic changes. Markell visited Middletown to learn what his administration could do to help small business owners there. / The News Journal/ SAQUAN STIMPSON



Steffon Anthony Newsum, Barber (left) followed by Phillip Lucas of The News Journal watched as Anthony gives Gov. Jack Markell (right) a handshake as he was being introduced by Andrea Patterson. Anthony is Xanadu Salon's latest addition and seems to have been quite acclimated to the team. / The News Journal/ SAQUAN STIMPSON



**Gov. Jack Markell (left at counter) orders coffee at Java House on Main Street in Middletown. Employee Roel Springer and owner Mark Harper (from left behind counter) help him with his purchase. Markell visited Middletown to meet with business owners there. / The News Journal/BOB HERBERT**



**Keith Jackson (center) gives Gov. Jack Markell (left) a quick lesson in barbershop skills on customer Mike Young. Markell visited Middletown to learn what his administration could do to help small business owners there. / The News Journal/BOB HERBERT**

MIDDLETOWN -- At Xanadu Salon on East Main Street, owner Andrea Patterson has grown used to negotiating payment arrangements with customers who have lost jobs or have seen their income drastically diminish.

Mark Harper, owner of Java House Cafe, said the current economic climate makes it hard for new business owners to get the help they need.

"We didn't know about a lot of the things that existed on the state and federal level," Harper said about agencies that offer startup assistance.

In fact, Harper said, finding the time to research the help that's available became almost a full-time job.

Because of their experiences, Patterson and Harper took advantage of a visit by Gov. Jack Markell on Thursday to question him about what the state is doing to encourage entrepreneurs.

Markell's visit was partially motivated by a story published in The News Journal in January about black entrepreneurs starting small businesses in Middletown.

"Our interests are very much aligned," Markell said to Patterson. "We just want to get more people working so that your clients have more money to spend."

The state's unemployment rate rested at 8.5 percent in December, up slightly from 8.4 percent in November and 8.3 percent in October.

"What is it that we can do to facilitate your success?" Markell asked. "The purpose is to get people thinking about how we can put more people to work."

Bigger businesses and franchises likely have employees and departments dedicated to finding financial and regulatory assistance, but the same is not true for startup businesses with limited cash and personnel, Harper said.

Small business owners knowing which resources are available before starting up is critical to their success, said Jayne Armstrong, director of the Small Business Administration in Delaware.

As the state branch of the larger federal agency, the SBA helps entrepreneurs establish themselves in local business markets and grow in the face of economic uncertainty.

Among other things, the administration helps business owners secure government financing and provides specialized business development training sessions.

"We work with them at every stage of their growth from the startup stage to the point where they're too big to be considered a small business anymore," Armstrong said.

But Patterson believes other hurdles are created when new business owners are forced to comply with municipal regulations.

"For many people, they're not familiar with the city codes that we have to deal with," she said, adding that navigating licensing regulations and city ordinances with nearly no help created major stumbling blocks in opening the salon.

Aside from regulations and resources, the ever-present issue of small cash reserves has been an ongoing concern for Middletown's small business owners looking to find their footing. As a small business with limited cash flow, something as seemingly insignificant as a single snow day could mean major financial uncertainty, and possibly failure, the business owners told Markell.

"Any little thing that could cause a hiccup in your normal routine could be catastrophic," Harper said. "Every day you're basically looking out your window trying to figure out how your day is gonna be."

Cutting costs and lowering overhead, Patterson said, has been a reliable way for her to keep the salon open.

"When there's downtime, unfortunately, bills don't stop," she said. "We have to learn how to compensate for that."

During his visit, Markell met with Andrew Johnson, owner of Atmosphere Barbershop on Broad Street, to discuss his plans for eventual expansion.

"I remember when Middletown was nothing," Johnson said. "I think this is a good area where businesses can get in."



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