

Ritchie: Minn. business taking a hit

High-profile scams, 'deadbeat' survey putting state in a bad light, says secretary of state

By Tim Krohn

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MANKATO — Minnesota's reputation for honest, hard-working, dependable businesses may be taking a bit of a beating, Secretary of State Mark Ritchie told a group of entrepreneurs.

Major business scams involving Tom Petters, Denny Hecker, mortgage companies and others have gotten national attention.

And a new survey showing how slowly, on average, businesses pay their bills placed Minnesota in the bottom five states. " We're being known as being among the 'deadbeat five,' " Ritchie said. While that may not be noticed by the general public, it is by other businesses, investors and financial institutions.

And he said, things such as the 35W bridge collapse and stories of a deteriorating infrastructure have slowly helped take the glow off Minnesota's halo.

But, Ritchie said, a resurgence in entrepreneurial start-ups is one way to rebuild the state's reputation. Likening start-up business owners to the pioneers and state's early business giants, he said entrepreneurs have a special courage and character.

" The microbusiness sector is booming," he said, noting that the number of new business filings with his office jumped 14 percent last year, to 65,000.

Those new businesses have zero to 10 employees, a

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Minnesota Secretary of State Mark Ritchie

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category that makes up 95 percent of all businesses in the state.

The surge in entrepreneurship has been driven by people who've lost their job and either can't find another one, or are using the occasion to try out a business dream.

Whatever the motivation, Ritchie said the new small businesses that survive and thrive will be a big part of the

state's recovery.

"It's the place we'll see the resurgence in jobs, in family income."

Ritchie spoke Tuesday at the second annual Minnesota Marketplace for Entrepreneurs at the Verizon Wireless Center.

The event allowed attendees to access educational sessions, visit with business development service providers, showcase and view entrepreneurial activity, and participate in business-plan competitions.

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