

Enterprise Corporation of the Delta

For Delta Linen Service in Clarksdale, Mississippi, 2001 was a watershed year. After struggling through a difficult start-up period, the business finally reached “break even.”

For the over thirty workers employed at Delta Linen, this stability was particularly gratifying. Nearly two-thirds of the employees were previously on public assistance. After two previous managers failed, the workers were charged with handling the company’s day-to-day management on an interim basis. A former line worker is now general manager.

Delta Linen accomplished this with the help of the Enterprise Corporation of the Delta (ECD). Since its founding in 1994, ECD has shown what can happen when strategic investments are made in a

development. Seeded by a \$20 million, five-year investment from the W.K. Kellogg Foundation, the EMP represents a long-term commitment from the Governors of Arkansas, Mississippi and Louisiana; the Kellogg Foundation; the Fannie Mae Corporation; corporations, banks and others to stimulate growth and economic development throughout the Delta. The EMP is expected to generate \$500 million in new investments in the region, including \$180 million in small business financing that will support more than 4,000 workers and \$350 million in mortgages for 5,500 low- and moderate-income residents.

ECD’s history of bringing together major businesses, government, philanthropy and Delta residents puts them in a

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Bynum and his 45-person staff are using market-driven strategies to identify sectors where there are opportunities to create jobs and build a business environment to “help the Delta work.” ECD has provided management and technical assistance to over 1,400 entrepreneurs in the Delta regions of Arkansas, Louisiana and Mississippi – nearly one-half of whom are women and minorities – and generated over \$70 million in financing for small businesses and homeowners.

This track record laid the groundwork for ECD’s management of the Emerging Markets Partnership (EMP). The EMP invests in financing and training strategies that address small business development, home ownership, child care, health care, telecommunications and workforce

good position to carry out this exciting initiative. Their strong advocacy for increasing public and private investment in the Delta is paying off in positive impact on people’s lives. “The Delta works. ECD’s job is to make sure that people have the tools that they need to be successful,” said Bynum.

Organization mission: To improve the quality of life for low- and moderate-income residents of the Delta regions of Arkansas, Louisiana and Mississippi by providing financing, technical assistance, and training for businesses, entrepreneurs, homebuyers, and communities; and forging strategic partnerships that build the region’s human and economic assets.

Type of organization: Community development financial institution.

Geographic scope: Delta regions (587 counties/parishes) of Arkansas, Louisiana, and Mississippi.

Population served: 1.76 million with 21.48% living below poverty level; median household income of \$16,600; African-American per capita income 60% lower than white (1990 Census).

Year founded: 1993

Primary activities: Commercial lending; technical assistance; low-income mortgage program.

CEO: William J. Bynum

Staff size: 45 FTE

Annual budget: \$6.75 million

Current Heron support: \$125,000 general support grant; \$250,000 program-related investment.



Heron focuses on organizations and communities where there are strong ties between the non-profit, private and government sectors.