

JULY 2010



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THE OFFICIAL NEWSLETTER OF THE HISPANIC CHAMBER OF COMMERCE OF METROPOLITAN ST. LOUIS

## MONSANTO RENEWS PLATINUM MEMBERSHIP



The Hispanic Chamber is pleased to announce that **Monsanto** has agreed to renew its Platinum Sponsorship with the organization, representing a \$25,000 investment in the mission of the Hispanic Chamber.

This is the third consecutive year that Monsanto has supported the Chamber at the highest level. This support has translated into the ability for the Chamber to create and execute programs that promote economic development by assisting Hispanic business owners and professionals to be more efficient and productive.

The Hispanic Chamber of Commerce thanks Monsanto for its support of our organization and for promoting the growth of the Hispanic business community in the St. Louis metropolitan area.

## CHAMBER ADDS NEW CORPORATE SPONSORS

**U.S. Cellular** has joined the Chamber as a Bronze Member of the Hispanic Chamber, and **Enterprise Bank & Trust** and the **United Way of Greater St. Louis** have joined as Friend members.

U.S. Cellular is committed to the Hispanic community and will be engaging in a variety of ways with the Chamber, including the sponsoring of seminars at our Technology & Resource Center and participating in our next quarterly career fair in September for minority and women professionals. The company is committed to diversity and has many job opportunities available, including part-time positions with benefits. For more information, contact **Melanie McCormick**, or visit [www.uscellular.jobs](http://www.uscellular.jobs).

Enterprise Bank & Trust shares the Chamber's dedication to the support of small business in St. Louis and is looking forward to working with fellow members. As just one example, the company helps business owners and their

executive teams through Enterprise University with a series of high-impact, university-caliber workshops that deliver real value on subjects that are vital to business and personal success. Each workshop is led by an accomplished expert in that field. This environment also encourages networking and relationship building among participants. For more information about this or any of the services offered by Enterprise Bank & Trust, contact **Jerry Mueller**.

The United Way of Greater St. Louis is a local organization helping about 1 million people in 16 counties in Missouri and Illinois. They are committed to using donations wisely, locally and effectively to make a positive difference in the lives of people in our community. The organization remains a volunteer-driven organization that operates independently of all other United Ways, which means the money raised in our community stays in our community. More than 90 cents of every dollar is allocated to local agencies, fulfilling a mandate of "philanthropy without waste." For more information, call (314) 421-0700.



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MISSION STATEMENT

The mission of the Hispanic Chamber of Commerce of Metropolitan St. Louis is to promote the economic development of Hispanic firms and increase business opportunities for all in the St. Louis region.

WELCOME NEW MEMBERS!

By joining, the following individuals and companies have decided to make an investment in the Hispanic Chamber of Commerce and our community at large. We encourage you to find out more about them and, whenever possible, to use their services.

Al Parks  
11612 Francetta Ln.  
St. Louis, MO 63138  
314-741-2726  
info@divinedzion.com

Elena Solis  
3849-A Juniata St.  
St Louis, MO 63116  
310-666-8941  
www.eenasolis.com

The Hispanic Chamber would also like to express its thanks to these companies and individuals that have renewed their memberships.

DJ Wildhorse  
150 N. Meramec  
116 Coral Terrace  
Ballwin, MO 63011  
314-280-2779

If you would like more information about any of these individuals or organizations, please visit our website: [www.hccstl.com](http://www.hccstl.com).

SPECIAL THANKS



Also, the Chamber wants to say a special thank you to the **University of Missouri – St. Louis (UMSL)** for renewing its Bronze membership and for hosting our upcoming Hispanic Speakers Series. As many of you know, UMSL housed the Hispanic Chamber on its campus for several years before the opening of the Technology & Resource Center, and we remain grateful for the university’s partnership. For more information about UMSL, visit [www.umsl.edu](http://www.umsl.edu).

A limited number of sponsorships and individual tickets are still available for the Hispanic Speakers Series by calling the Chamber at 314-664-4432, or on line at [www.hccstl.com](http://www.hccstl.com). Our speaker is Mr. George Paz, President, Chairman, and CEO of Express Scripts, who will speak about aligning a company for growth. Join us on July 21 at the Touhill Performing Arts Center at 11:30 am. There will be networking until noon, followed by lunch and the keynote address. We will close with approximately 20 minutes of Q&A, wrapping up at 1:30 pm.



## LETTER FROM THE EXECUTIVE DIRECTOR

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### Dear Chamber Members:

As we start the second half of the year, I wanted to take a moment to recap what together we've been able to achieve thus far in 2010.

We had a record-setting Adelante Awards on April 30th. Not only was it a financial success, but it also helped to significantly raise the visibility of the Chamber. Most importantly, we were able to honor a number of companies and individuals who have made a significant impact on our community, and who serve as role models for us as we do our part to make St. Louis an even better place in which to live and work.

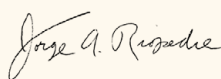
Over the last six months, we have executed over twenty programs with a net attendance of almost 500 people at the Technology & Resource Center. Among these many events are included a seminar facilitated by Lambert International Airport to help guide Hispanic small businesses through the minority certification process; a GSA contracting seminar, presented in collaboration with the Minority Business Council, which employed the Tech Center's computers to give the participants hands-on guidance through the GSA contracting process and to assist them in learning how to prepare accurate and complete bids through the system; a presentation in collaboration with the Professional Latino Action Network to give non-profit organizations assisting the Latino community a place to convene and plan activities and outreach for the second half of the year; and panel discussions about the potential crisis in commercial foreclosures and, in conjunction with SBA Small Business Week, about how small businesses can obtain larger amounts of financing for their companies.

In addition, we have conducted two professional career fairs, with a total of 21 companies and 250 candidates participating. And lastly, we have redesigned the newsletter and email blasts to present a much more professional image for the Chamber.

And now we have another exciting six months ahead of us. Over the next several weeks we have new programs scheduled on retirement planning, Hispanic marketing, and – as part of our Lunch & Learn series - immigration law for businesses and identity theft prevention. We also continue our weekly business seminars, networking sessions, and free legal and financial advice for our members. Make sure to see our weekly email blasts for updates, or visit [www.hccstl.com](http://www.hccstl.com). Additionally, on July 21st we will have our 2nd annual Hispanic Speakers Series, which highlights Hispanics that have an important impact on the region, while on September 15th we will hold our next "Who's Hiring Now" event, connecting minority professionals with businesses who want to diversify their workforces. And, don't forget our golf tournament on September 23rd, with all proceeds benefitting the HCC STL Foundation.

All of this has fueled a 40% growth in membership, including four new corporate sponsors. These are some significant achievements for our organization, and they are made possible by the active engagement of our membership. Please continue to stay involved, including taking advantage of the many programs available free of charge at the Technology & Resource Center. And as always, if there is any way the Chamber can make your membership more valuable, don't hesitate to contact me.

Sincerely,



**Jorge Riopedre**  
Executive Director



## MEMBER NEWS



**ELITE CHIROPRACTIC AND SPORTS REHABILITATION CENTER** has moved to a new location:

12401 Olive Blvd.  
Suite 103  
Creve Coeur, MO 63141  
(Inside Eternity Med Spa)



**DR. HEATHER MORALES** offers a variety of services, including post-operative rehabilitation for knees, ankles, hips, shoulders, and elbows; Sports injury rehabilitation; and Chiropractic Adjustments.

Make sure to check out Dr. Morales' discounts to Hispanic Chamber members by clicking [here](#).



**MARTI CORTEZ**, Senior Vice President for Visitor Experience and Human Resources at the St. Louis Science Center and member of the Hispanic Chamber, has joined the board of directors of FOCUS St. Louis® for 2010-2013.



**STARK & ASSOCIATES** has received a Pinnacle Award from Sandler Training for outstanding performance. Based in St. Louis, Missouri, works with owners, presidents, and CEOs to improve bottom-line performance by evaluating, training, coaching, and developing their sales managers and salespeople on a long-term, ongoing basis. On the Web at [www.starkassociates.com](http://www.starkassociates.com).

## ECONOMIC RECOVERY IN THE UNITED STATES – PART 2

The Hispanic Chamber presents the second of three parts of an analysis of the economic recovery currently underway in the United States. This article is used with the permission of the author, William Emmons, and is entitled, “Economic Hangover: Recovery Is Likely To Be Prolonged, Painful”, published by the Federal Reserve Bank of St. Louis in *Regional Economist*, Vol. 18, No. 2, April 2010, pp. 4-9.

U.S. household spending grew considerably faster during the 1997-2007 decade than personal income. Per-person expenditures on goods and services grew about 29 percent in inflation-adjusted terms between 1997 and 2007, while per-person after-tax income grew only about 25 percent. Per-person inflation-adjusted gross domestic product (GDP) grew only about 22 percent.

The result of spending growth exceeding income growth is a falling saving rate, whether for an individual family or for the nation as a whole. The U.S. household saving rate fell from about 5 percent during 1997-98 (already at historically low level) to about 2 percent during 2005-07. Also, U.S. household borrowing rate—defined as the annual increase in the amount of household debt outstanding as a percent of disposable income—was very high during the decade.

The period 1997-2007, thus, was a decade of rising household debt. Inflation-adjusted per-person debt increased more than 80 percent between 1997 and 2007, the largest increase over a 10-year span since the 1960s. The lion’s share of household borrowing during the decade was secured against owner-occupied housing—that is, in the form of mortgage debt. The amount of inflation-adjusted mortgage debt outstanding per person nearly doubled between 1997 and 2007, while the value of household real estate grew a bit less than 90 percent through 2007. Aggressive mortgage borrowing might have seemed like a good idea as long as housing and other asset values were rising. Now that housing values have declined sharply in many parts of the country, the inherent risk of leverage has been exposed.

Debt magnifies both the gains and losses on the asset being financed. The 65 percent of U.S. home-owning households that have any mortgage debt together appear to have lost virtually all of their homeowners’ equity between early 2006 and early 2009, almost \$6 trillion. Compounded by rising unemployment, the loss of homeowners’ equity has been a major factor driving mortgage-foreclosure rates to historic highs.

### A GROWING BUT UNBALANCED U.S. ECONOMY

Although overall U.S. economic growth during the decade through 2007 averaged about 3 percent annually, just as it had during the previous 10 years, the composition and financing of U.S. growth were quite different across the two decades. The economy after 1997 became dominated by consumer and government spending at the expense of business investment and exports, while the domestic investment that took place was skewed toward residential building and increasingly relied on funds provided by foreign investors in the U.S.

### THE COMPOSITION OF U.S. GDP GROWTH

While consumer spending accounted for about 65 percent of economic growth during the 1988-1997 decade, it constituted 82.5 percent of growth during the 1998-2007 decade. Government spending on goods and services contributed a further 14 percent to economic growth during the later decade, compared with only 7 percent during the earlier decade. Thus, consumer and government spending together accounted for 72 percent of GDP growth during the 1988-97 decade, but 96 percent during the 1998-2007 decade.

Compared with the longer U.S. post-World War II history, the composition of GDP growth during 1998-2007 also was unusual. Consumer and government spending together constituted about 81 percent of GDP growth during the 1950-87 period, while business investment and net exports together accounted for about 11 percent. The corresponding figures of 96 and 3 percent, respectively, for the 1998-2007 period betray a significant shift toward consumer and government spending at the expense of business investment and net exports.

### THE FINANCING OF U.S. INVESTMENT

Another way to look at the economy is to see how its investment is financed. Any nation has two sources of funds for investment— domestic saving and borrowing from abroad. Because the household sector is such a large part of the U.S. economy, it should come as no surprise that the declining household saving rate during the 1997-2007 decade was echoed by a shift toward foreign borrowing by the nation as a whole. The U.S. trade deficit increased sharply after 1997. This implies, as a matter of accounting, that the U.S. greatly increased its borrowing from foreigners. U.S. net borrowing from abroad exceeded 4 percent of GDP each year from 2000 through 2008 (with the exception of 2001, at 3.9 percent), a level not previously exceeded since the early part of the 20th century.

### IS UNBALANCED GROWTH BETTER THAN NO GROWTH AT ALL?

While the trends just described were visible at the time, many commentators dismissed them as harmless or, indeed, beneficial aspects of an increasingly globalized world economy. Their argument was seductively simple: Just as individuals and nations specialize in activities they do best and trade with others to increase the welfare of all, perhaps the globalization of goods, services and capital markets would allow the United States to concentrate on what it did best and then trade with others that specialized differently.

The obvious flaw in this argument is that what the U.S. appeared to do best on a large scale— consumer spending, homebuilding, borrowing and the provision of sophisticated financial services, such as mortgage securitization—did not result in a stable, let alone balanced, international trade position or a stable saving rate. In fact, the U.S. trade deficit—more precisely, the current account deficit—doubled as a percent of GDP between 1997 and 1999, then nearly doubled again by 2006. Had this trend continued, financing our burgeoning trade deficit would have become increasingly difficult. At the same time, the household (and national) saving rate was falling persistently— which it could not do forever. It now appears that, by 1997 or 1998 at the latest, the U.S. economy had embarked on a path of unbalanced growth. Sooner or later, a major course correction was inevitable.

As it turned out, some of the rebalancing had begun before the financial crisis and recession hit. In particular, house prices stopped rising in about 2006. Increasing numbers of households defaulted on their unsupportable debts, a fate merely postponed by rising house prices during the preceding years. As mortgage defaults and market value losses on mortgage-backed securities rippled through the financial system, the economy itself began to slow sharply. The severe financial and economic shocks of 2008 and 2009 were the ultimate result and have accelerated the reversal of the trends in place for a decade.

### GLOBAL IMBALANCES—PART OF THE SOLUTION OR THE PROBLEM?

Just as the U.S. economy evolved in an unbalanced and historically unusual way after the Asian crisis of 1997-98, unusual international developments were taking place. Average rates of U.S. and world economic growth were healthy during the 1997-2007 decade, but individual economies diverged markedly in how they grew. Consumer spending, housing investment and government spending took on increasing importance in the United States and in some other high-income countries like the United Kingdom, while business investment and exports lagged. At the same time, many other countries—including both high income and developing countries—were virtual mirror images of the U.S., increasing business investment and exports faster than consumer or government spending. The U.S. personal and national saving rates declined to historic lows, while these “mirror-image” countries experienced sharply higher saving rates.

To secure a more even pattern of investment around the world, the countries with a surplus of savings together lent hundreds of billions of dollars each year to the countries generating insufficient domestic savings to fund desired investment. By accounting necessity, these growing international capital flows were associated with offsetting imbalances in the trade accounts of the respective countries.

Countries in the first group incurred increasing deficits on their international current accounts, while countries in the second group accumulated large surpluses. The deficit countries—including the U.S., the U.K., Spain and a few others—had in common

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relatively sophisticated financial systems and relaxed attitudes toward borrowing. Surplus countries—including China, a number of other emerging-market countries, Japan, Germany and several oil-exporting countries—typically had less well-developed financial sectors and a less borrower-friendly climate. Some surplus countries also appeared to follow an “export-led growth strategy,” defined by the International Monetary Fund (IMF) to include an undervalued exchange rate together with measures to compress domestic spending.<sup>3</sup> The result of these

policies was to increase the country’s trade surplus and, at the same time, increase its financial-account deficit (lending abroad). The emergence of large global imbalances during the decade after the Asian crisis has been studied in great detail, while their interpretation remains open to debate.

Bill Emmons is an economist at the Federal Reserve Bank of St. Louis. For more on his work, see [http://www.stlouisfed.org/banking/pdf/SPA/Emmons\\_vitae.pdf](http://www.stlouisfed.org/banking/pdf/SPA/Emmons_vitae.pdf)

## BUSINESS AFTER HOURS IN JUNE

Thanks to everyone who was able to come to our June edition of Business After Hours (BAH) at Fritanga. It was great event with delicious Nicaraguan food.

Make sure to come out for our next BAH on July 22nd, sponsored by Arbonne International.

## DON'T MISS THE NEXT BUSINESS AFTER HOURS

**WHEN:** Thursday, July 22nd

**WHERE:** Chamber’s Technology & Resource Center

3611 S. Grand, St. Louis, 63118.

Sign up now by clicking [here!](#)



## WHO'S HIRING NOW

The Hispanic Chamber is pleased to announce our next "Who's Hiring Now," a quarterly career fair for minority and women professionals. More than 150 candidates turned out to speak with eleven area companies at our previous event in June. Participating companies are ones that pledge a good faith effort to hire within the next two business quarters. This is a great opportunity to connect talented professionals with area corporations that are committed to attracting and retaining diverse and dynamic talent.

The fair takes place on [Wednesday, September 15 from 6:00 - 8:30 pm](#). If you are interested in attending as a candidate, there is no charge and you can sign up by clicking [here](#). To submit your resume prior to the event (highly suggested), click [here](#) and then click on "view details" for Who's Hiring Now. The cost for companies to participate is \$100 (free for Bronze or higher corporate sponsors of the Chamber). For more information or to request a registration form, please contact the Chamber at [info@hccstl.com](mailto:info@hccstl.com), or 314-664-4432.

## UPCOMING PROGRAMS

### JOIN THE BIG BASH

The Hispanic Chamber joins a host of metro-area business groups to bring you a huge networking event at the famous Cabanne House in Forest Park on July 15th from 5:30 – 9:00 pm. You will not want to miss this special event! Past events have attracted more than 500 local business professionals who want to build relationships with other like-minded people in a relaxed, fun environment.

The cost to attend is only \$15, which includes great food, beer and wine. Business attire, please. Reserve your spot today by clicking [here](#), and be part of the premier business-connection event of the season! For more information, contact the Chamber at [info@hccstl.com](mailto:info@hccstl.com).

### RETIREMENT RED ZONE

The "Retirement Red Zone" is a term used to describe the critical years before and after retirement. This is a crucial time when poor market performance can have a serious effect on your portfolio - because time to recover is generally not on your side. The result may be a retirement that lasts longer than your assets.

If you are changing jobs, retiring soon, recently retired or are simply concerned about both growing and protecting your retirement assets, please consider attending the Retirement Red Zone seminar at the Technology & Resource Center. In addition to learning valuable information about planning for retirement, there will also be a representative from the Social Security Administration to discuss social security and its place in retirement planning.

The seminar, which is made possible by Prudential, takes

place on Tuesday, July 13. A continental breakfast will be served starting at 7:30 am, with the formal program running from 8:00 - 9:30 am. The complimentary program is a service of the HCC STL Foundation, in cooperation with the St. Louis RCGA. You can make a reservation by clicking [here](#).

### LUNCH & LEARN

Our Lunch & Learn Series returns on Thursday, August 12, with Chamber member Adell Smith, co-owner of Metro Business Consultants, and Special Agent Peyton Tucker of the St. Louis division of the FBI, who will present an overview of the current threats associated with identity theft and demonstrate techniques for its prevention, both in your personal life and in your place of business.

Then, on Tuesday, August 17th, Jasha McQueen Gadberry, a St. Louis-based attorney providing high-quality legal counsel on matters of corporate, international, and immigration law, will make a presentation on the U.S. immigration system with the intent of demonstrating how the system functions. The audience will be provided with practical information (things to know as an employer) as well as the theoretical knowledge that is necessary for a good understanding of current immigration issues.

Both events take place at the Technology & Resource Center, 3611 S. Grand Blvd, St. Louis, 63118. Lunch will be served at 11:30, with the program running from noon until 1:15. The Lunch & Learn series is presented free of charge by the HCC STL Foundation. Click [here](#) to make your reservation for the identity theft program, and [here](#) for the immigration law program.

## CHAMBER SERVICES



• On Tuesday, July 13, Jasha McQueen Gadberry will be available at the Technology & Resource Center from 11:00 - 6:00 pm to answer member's legal questions. For an appointment please click [here](#).



• On Friday, July 16, Mac McDougell of Regions Bank will be available at the Technology & Resource Center from 11:00 - 6:00 pm to answer member's financial questions. For an appointment please click [here](#).



• On Wednesday, July 28, Amanda Miranda from Early & Miranda, P.C. will be available at the Technology & Resource Center to answer members' legal questions from 11:00 am - 6:00 pm. For an appointment click [here](#).



• Every Tuesday, a counselor from SCORE will be available from 9:00 am - 5:00 pm to answer your questions or concerns about small business issues. For an appointment, please click [here](#).



• Every Tuesday from 4:00 -5:00 pm the Hispanic Chamber offers its Business Networking Roundtable, a forum to learn about area businesses and identify potential sales opportunities by utilizing a structured referral system. You can RSVP by clicking [here](#).

For additional information about any of these services, call the Chamber at 314-664-4432, or [info@hccstl.com](mailto:info@hccstl.com).

**VISUAL POETRY PHOTOGRAPHY** is the creative outlet for board member and long time friend of the Chamber, Lee Lewis. You can see his work at the Technology & Resource Center, especially in the board room. All of the prints are available for sale.

Lee also donated the artwork for the program cover of Adelante 2010 as well our soon to be released membership brochure. Lee specializes in art photography but also does portraiture.

Visit his website at [www.visualpoetryphotography.com](http://www.visualpoetryphotography.com) or contact him at 314.517.2198 for information on how his work can be obtained or commissioned.

