

There is virtue in being small

The Capital Region's economy is built on small business.

The role small business plays in our economy is the theme of this week's Focus section on pages 19 to 27.

Companies with 150 or 300 employees are pretty big in our market. This is true more than ever as the manufacturing base has been replaced by small technology startups, retail and service companies.

Of more than 35,755 business establishments in our immediate area, 35,124 have fewer than 100 employees and 22,607 have one to four employees.

Although taxes are constantly cited as a drag on the business climate in New York, there are many advantages for small businesses. What are they? Ease of entry? Low costs?

In their Focus cover story on page 19, *Business Review* writers Barbara Pinckney and Adam Sichko describe how in three decades **DynaBil Industries Inc.** has grown from two men working in a garage to a company making parts for Boeing jetliners and generating millions in annual revenue. Today, with its nearly 300 employees, DynaBil is still small

Editor's Notebook



MIKE HENDRICKS

to the rest of the world, but it is the big employer in Greene County. It once won *The Business Review's* large company of the year award.

We have Tim Conley putting the area's market size in dramatic perspective—one

Manhattan skyscraper will have as much class A office space as all of the Capital Region.

The lack of scale creates opportunities for small business.

"The labor is cheaper, the real estate is cheaper, the taxes are cheaper," Conley told our reporters.

That means opportunity for people who want to go into business for themselves, people like Jeane Spinelli and her son, Michael Spinelli.

Michael DeMasi tells how the mother and son capitalized their new restaurant on credit cards. Try doing that 150 miles down the road in Manhattan.

It is said that 70 percent of all new job growth in the United States comes from small business. That is certainly true here.

The best example of that is over at the **University at Albany's** nanotech complex, which has grown in recent years to the point where more than 2,000 people now work there. But those people are not working for any one company. It all started just seven years ago with 72 people and a vision. They are expecting that to grow by yet another 500 employees in the next year.

It is a point not wasted on Schenectady Mayor Brian Stratton, whose city's economy was devastated for decades by the shrinkage of the **General Electric** work force from a post-war high of 28,000 employees to 3,200 now.

The people in Schenectady have been staking their city's revival on small business, rather than trying to find any one company to fill GE's void.

"No single entity, no single business segment is going to dominate our landscape," Stratton told our reporter, Richard A. D'Errico.

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