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Sberbank, Others Help Small Business

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Vladimir Filonov

"Why does a carwash need the Internet?"

That was a running joke at Wednesday's miniconference on small business and the Internet in downtown Moscow, as guests questioned how a modest brick-and-mortar business could make use of online services.

The discussion played out between tech entrepreneurs, bank managers and small-business representatives at the event, which was sponsored by the Russian office of Internet giant Google and Opora, the national small-business association.

But at least one guest, Stanislav Kirpichyov, project chief for Sberbank's small-business sales division, wasn't convinced that the country's small businesses need more of a web presence.

"What is this 'Go to the Internet'?" he asked the other guests.

Instead, Sberbank is convinced that they need more of everything: loans, advice, services.

The state-owned lender has just introduced a lending and consulting program for entrepreneurs looking to start a company or franchise. It is also running a pilot version of a program for small businesses that need back-office services.

Wednesday's conference and Sberbank's initiatives are just a handful of the measures being aimed at small- and medium-sized businesses by the government, small-business associations and more-experienced entrepreneurs. At a rash of conferences this past week — Opora held a session with Sberbank on Friday, with a couple of banks and business organizations on Tuesday and with Google on Wednesday — these groups promised to help the country's self-starters.

There are roughly 17 million Russians employed by small- and medium-sized businesses, according to Opora figures in an October press statement, or about 12 percent of the country's population.

Sberbank is aiming its Biznes-Start program, which it introduced about a month ago, at would-be founders of small companies and at franchisers. Yakov Novikov, deputy chief for Sberbank's small-business division, called the financial product "unique in the market" at Friday's round table at the Central House of the Entrepreneur in Moscow.

Saying the product is for both retailers and service companies, he noted that it will lend up to 3 million rubles ($94,000). Other terms include loan duration of up to 3 1/2 years, startup capital equal to up to 70 percent of the cost of the project and marketing assistance for franchisers, Sberbank said on its web site. Extensive consulting services were a much-touted part of the product.

It carries a hefty interest rate, however: 17.5 percent per year for loans of six to 24 months and 18.5 percent for loans of 25 to 42 months.

Sberbank's pilot program, which has the working title Delovaya Sreda, or Business Environment, is aimed at helping businesses with "infrastructure," Kirpichyov told The Moscow Times on the sidelines of Wednesday's conference. It will connect them with legal, accounting and other services, he said. Sberbank expects to launch the product on the market in the second half of 2012, Kirpichyov said.

Mikhail Gerasimov, deputy chief of Moscow's department of science, industrial technologies and enterprise, spoke at Friday's conference, talking about the role of higher education, grants and even the city's online calendar of free events for entrepreneurs.

No matter what is offered by banks, associations or other groups, entrepreneurship isn't easy for the obvious reasons of red tape and capricious bureaucrats.

Entrepreneur Alyona Gavrilova reminded the 40 guests at Friday's round table of that fact when she told Gerasimov about getting a call on a Friday afternoon about paperwork that needed to be submitted Monday morning.

Gerasimov thanked her for speaking up — and then said the quality of government service for entrepreneurs depends on which city office you visit.

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