



---

## Doing Business with Native Americans

Cherokee Nation Businesses, L.L.C., is the economic engine of the Cherokee Nation, the nation's second largest Indian tribe. CNB owns companies in the gaming, hospitality, personnel services, distribution, manufacturing, telecommunications and environmental services industries. These businesses have revenues of nearly \$500 million annually and earn nearly \$100 million in profits.

### Advantages at a Glance

CNB actively seeks business partners who are interested in working with the Cherokee Nation. There are many advantages to working or contracting with CNB. Some examples include:

- Access to excellent branding opportunities, with the positive name identification of the Cherokee Nation to build brand recognition and goodwill.
- Access to the 8(a) program of the U.S. Small Business Administration (SBA). Companies that are certified under the 8(a) program are eligible for unlimited set-aside contracts from the federal government. Several of the companies owned or overseen by CNB qualify as 8(a) companies.
- Access to the HubZone program of the SBA. The federal government has set-aside contracts for companies, such as CNB, that are located in a designated HubZone, areas in need of economic development. In addition, when companies located in HubZones compete for federal contracts their bid prices are automatically discounted by 10 percent for purposes of evaluating contract bids.
- Access to the Small Disadvantaged Business (SDB) program of the SBA. The federal government sets aside 5 percent of all contracts for SDB companies. Companies owned by CNB automatically qualify for this designation. Like the HubZone program, bids from SDB companies are automatically discounted by 10 percent for purposes of evaluating contract bids.
- Access the Department of Defense Indian Subcontracting Program that provides a 5 percent rebate to prime contractors who subcontract to Indian owned enterprises.
- Exemption from the cumbersome A-76 processes, a cost comparison study, when securing federal government outsourcing contracts.

### Investing and Partnering

Cherokee Nation Businesses seeks to invest in new businesses and to form partnerships with existing businesses. Our success has come in teaming with other companies as a strategic partner with the ability to leverage the unique advantages of a business relationship with tribally owned, Cherokee entities. Those advantages, when matched with



---

the unparalleled financial strength of the Cherokee Nation and the added benefit of dedicated, experienced professionals, can give your company the competitive edge it's looking for.

## Types of Partnerships

There are many ways to partner with Cherokee Nation Businesses. With a very diverse business portfolio CNB can serve in many different capacities. From serving as a liaison to our companies to investing in a new venture, CNB can work for you. CNB can bring multiple tribally owned businesses together to create excellent teaming options.

### *Business Options:*

- Traditional Prime/ Sub Arrangement
- Prime Contractor
- Subcontractor
- Joint Venture
- Mentor-Protégé
- Teaming
- Consulting

## New Market Tax Credits

Cherokee Nation Businesses was awarded \$60 million in New Market Tax Credits that will be used to encourage businesses to locate and expand operations in northeastern Oklahoma. CNB Economic Development Company, L.L.C., a Community Development Entity established by Cherokee Nation, will provide below-market rate subordinated loans and equity to non-real estate businesses and real estate development projects that will bring jobs and economic growth to communities within 14 counties in northeast Oklahoma.

### *CNB Focus*

CNB will focus on bringing economic growth by utilizing a significant portion of its allocations to invest in non-real estate businesses that:

1. Need capital for facility expansion or relocation.
2. Require working capital for growth.
3. Will provide services to low-income community residents.



---

### *Only Tribal Allocation of New Market Tax Credits*

Cherokee Nation Businesses was the only tribally affiliated entity in the nation to receive New Market Tax Credits for the Community Development Financial Institutions Fund's 2008 allocations. CNB's allocation was the largest of any organization seeking to use the tax credits in a localized region.

### *About New Market Tax Credits*

The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to 5 percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is 6 percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

For questions regarding the New Markets Tax Credit Program, please contact Marguerite McKinney at (918) 384-7834 or Andy McMillan at (918) 384-7774.

## Cherokee Business Development Staff

### **Jay Calhoun**

Director Strategic Investments  
(918) 384-7992

### **Andy McMillan**

Sr. Special Projects Analyst  
(918) 384-7774

### **Ed Bryce**

Principal Investments  
(918) 384-7713

<http://www.cherokeenationbusinesses.com/>