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HONORING NATIONS: 2005 HONOREE

Siyeh Corporation Blackfeet Nation

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For years the Blackfeet Nation struggled to create sustainable tribal enterprises that could produce revenue for the Nation and meet the needs of its citizens for jobs and services. Many of these efforts did not succeed because of conflicts within the tribal government. In 1999, the Nation tried a new strategy. It established a federally chartered, tribally owned corporation designed to manage businesses on behalf of the government and protect those businesses from inappropriate political influence. Named after a great Blackfeet warrior known for his fearless leadership, the Siyeh Corporation today runs multiple businesses and promotes economic growth and stability while preserving Blackfeet cultural and traditional values. Siyeh is changing the economic landscape of an impoverished reservation, increasing the Blackfeet Nation's revenues and enhancing Blackfeet self-government.

With its tribal government headquartered in Browning, Montana, the Blackfeet Nation is located in a rural and remote part of the state. The isolated location of the Nation has made employment opportunities and economic development difficult; the average income of its tribal citizens falls well below both the state and national averages and there are few job opportunities available locally. To compound the problem, there is also a higher cost of living in the area. Many tribal citizens must travel over a 100 miles to reach a city where basic supplies like groceries and dry goods are available at more reasonable prices. In the past, federal funds constituted a large portion of the Nation's budget, along with royalties from oil and natural gas production. However, changing market conditions and federal priorities have affected tribal funding and made self-sustaining economic development efforts ever more pressing.

In an effort to address these concerns and to ensure the economic self-sufficiency, the Blackfeet Nation established a number of tribally owned and operated businesses over the past twenty years. Unfortunately, few of these businesses were able to become well established or make lasting financial contributions to the tribal economy. The Nation operated under a model where the Tribal Council, whose members were political leaders but not necessarily experienced business people, made most of the operating and financial decisions of these business endeavors. The Nation felt that a new model of business development and economic enterprise was needed. In 1999, the Blackfeet Nation reshaped its approach to sustainable business activity and improved its economic growth and established the Siyeh Corporation, a for-profit business.

As tribal nations move into the twenty-first century, economic development remains a top priority. Rural tribes face increased challenges to developing businesses and employment opportunities due to remote locations and lack of reliable transportation. Additionally, the business sectors and political sectors of many tribal governments are not separate and distinct, often creating upheavals in business endeavors as political power factionalizes or changes hands. Creating separate, stable, and independent environments for business activity helps tribal nations meet their goals of economic self-sufficiency.

When the Blackfeet Nation was organized under the Indian Reorganization Act (IRA) in 1935, it was established as both a political entity and business corporation, with every tribal citizen also a shareholder. Under this organization, the nine-member Blackfeet Tribal Business Council manages both the political and the business affairs of the Nation and is responsible for protecting and developing the interests, education, health, well-being, and resources of its tribal citizens. Part of this responsibility lies in successfully increasing economic development and in creating expanded employment opportunities for its tribal citizens. Due to a variety of factors, the sustainability of business ventures has been problematic for the Nation. The Tribal Business Council recognized the need to embrace a new strategic vision of how business activity in the Nation would be conducted.

In response to this need for change, a member of the Board of Directors approached the Blackfeet Tribal Council with a new model for economic development that differed dramatically from the one in place. This model, initially provided for in the IRA, allows for a separation of business operations from tribal politics through the creation of an independent committee to manage business affairs. In 1999, after a great deal of struggle and debate, the Blackfeet Tribal Business Council approved the establishment of the for-profit Siyeh Corporation as a federally chartered corporation, under Section 17 of the IRA.

The Siyeh Corporation was established to generate business, produce revenue, spark job creation, and advance economic self-determination. Taking its name from a Blackfeet warrior who was revered for his fearless leadership, the spirit of Siyeh, according to tribal elders, embodies independent thinking, shouldering responsibility for the work to be done, and taking bold action. The Siyeh Corporation was designed with these things in mind. Today the Corporation controls six tribal businesses that all turn profits and employs over 100 people. In 2004, the payroll exceeded \$1 million.

Several aspects contribute to the Siyeh Corporation's ability to achieve its stated mission of promoting economic growth and stability for the Blackfeet Nation while preserving [their] cultural and traditional values. Among these important aspects was the decision to incorporate under a federal charter to clearly separate the business from political changes. This allows the development of a sound business model based on good business practices, encourages the strong commitment of the Corporation to the Blackfeet community and its tribal citizens, and supports Siyeh's entrepreneurial spirit.

The Corporation founders knew they needed multiple layers of protection from potential political instability so they incorporated under Section 17 of the Indian Reorganization Act. Section 17 provides for the creation of a business corporation to handle commerce matters separate from the governmental affairs handled under a tribal constitution. In approving this process, the Blackfeet Tribal Business Council is able to establish a new hands-off attitude towards business practice by the Nation, emphasizing trust in the ability for separate sectors to handle specific matters for the overall increased wellbeing of the Nation.

The creation of a sound business model allowed Siyeh to remain independent and to institute

good business practices. The Corporation's business governance model specifically restricts Tribal Council members from being a part of Board of Directors. The Board is comprised of six tribal citizens appointed by Tribal Council that serve staggered terms. Board members are required to either have a four-year degree from an accredited institution or have minimum one year of management experience with a successful business. While the Tribal Council relinquished authority to direct day-to-day corporate affairs, the Board of Directors remains accountable to the Blackfeet Nation and its citizen shareholders.

The independence of this model made it possible for Siyeh to survive a political power change before it even opened its doors. The Tribal Council that approved the incorporation documents and submitted materials to the U.S. Department of Interior (DOI) was no longer in office. Every person on that Council was replaced in the next election. When the DOI approved the charter and sent the materials back to the Blackfeet Tribal Council, this new Council approved the charter as well. To date, Siyeh has worked successfully under three different Tribal Councils.

The soundness of the Siyeh's business model is also demonstrated by a high level of accountability. To better provide for the implementation of basic principles of operations management, the Board requires the accurate and timely use of financial statements provided by a certified public accountant for decision making and regular external audit schedules. In addition, Siyeh start reports regularly to the Tribal Business Council, federal regulators, and lenders.

Siyeh's success is also tied to its dedication to an entrepreneurial spirit and its willingness to explore new markets and business concepts. This can-do business attitude enables the Corporation to create new business opportunities. Siyeh turned several businesses that were on the verge of closure into profit generating operations. For example, Glacier Peaks Casino was under threat of being shut down by the National Indian Gaming Commission for failing to meet gaming regulations. Seven months after taking it over, the Casino not only met all compliance regulations, but it also began generating a profit. Today Glacier Peaks employs over fifty-seven people and is open seven days a week. In 1999, Siyeh acquired the local cable television system in the Browning and East Glacier Park region that was close to losing programming. Under Siyeh's management, the renamed StarLink Cable increased its customer base; upgraded its service; and provided local programming, including tribal events and activities. Siyeh has also established a number of new businesses over five years. Kimi Bottled Water, Commemorative Coins, the Discovery Lodge Casino, and Blackfeet Heritage Center & Art Gallery have all been profitable ventures. By strategically diversifying its business interests, Siyeh Corporation has been able to manage and sustain economic growth while protecting itself from major setbacks should a future business fail.

A final contributor to Siyeh's success lies in its commitment to serve the needs of the community. In 2002, Siyeh established the Blackfeet Heritage Center & Art Gallery to exhibit and sell a large selection of authentic, historical and traditional American Indian items. The Heritage Center not only promotes Blackfeet artisans by giving them a place to market their work, but it also provides a way for the Blackfeet Nation to share its heritage with the community and visitors. The creation of Kimi Bottled Water was a way to address the poor water quality available in the region. Kimi offers delivery of five gallon water jugs and installation of water dispenser systems to tribal citizens and non-Natives. Additionally, StarLink provides Native programming and serves as a community network. From providing quality Native programming through its cable company to ensuring its construction is environmentally conscious, Siyeh exhibits community values while advancing self-sufficiency.

The Siyeh Corporation has proven that good design and entrepreneurial spirit can lead a nation to realizing its goals of economic self-sufficiency and revenue generation in a variety of business settings. Incorporating under a federal charter makes it possible for the Blackfeet Nation to utilize the government's IRA constitution to its advantage. By establishing a separate Board of Directors, Siyeh is able to remain independent from changes in the political leadership of the tribe. In doing these things, the Siyeh Corporation created stable business operations in a changing political environment. This model enables the Blackfeet Nation to create much needed employment opportunities, provide goods and services for the community, and generate strong revenues for a better future for its citizens.

Lessons:

- Clearly defined roles and responsibilities for elected officials and executives in the management and operations of tribal corporations that separate business and politics can allow for better interactions and decision-making around economic ventures.
- Tribally owned corporations that follow diversified business models promote a robust mix of operations and decrease dependency on one particular business or industry for employment and/or revenues.
- Community based economic ventures can generate opportunities for employment. This encourages return migration and residency on tribal lands, building a visible and tangible strategy to self-determination.

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