



Hibbs Outlook of East Texas

Hibbs Institute for Business & Economic Research

East Texas Growth Through Entrepreneurship: The Economic Impact of the UT Tyler-Longview SBDC

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In East Texas, small businesses are more than signs and shelves — they are the backbone of community resilience and economic growth. From the family-owned café on the square to the new tech firm testing ideas in Longview, small businesses reflect the entrepreneurial spirit that drives local prosperity. Supporting many of these success stories is a quiet but steady partner: the UT Tyler-Longview Small Business Development Center (SBDC).

The UT Tyler-Longview SBDC is one of more than 50 centers in Texas and part of a 1,000-center national network. Funded by the U.S. Small Business Administration (SBA), the State of Texas and UT Tyler, it offers free consulting and technical assistance to entrepreneurs across six counties: Gregg, Harrison, Marion, Rusk, Panola and Upshur (see **Figure 1**). Since its launch in 2018, the center has become a trusted source of expertise, helping entrepreneurs shape business concepts, secure funding, sharpen strategies and adapt to changing markets.

Figure 1. UT Tyler-Longview SBDC's Serving Counties



Source: The Hibbs Institute for Business & Economic Research.

Measuring the SBDC's Economic Impact

In partnership with The University of Texas at Tyler, the Hibbs Institute conducted an economic impact analysis of the UT Tyler-Longview SBDC. The study examined both the center's operational spending and payroll, along with the broader economic contributions generated through its technical assistance to businesses across East Texas. The analysis covers fiscal years 2019-2020 through 2023-2024, with projections through 2026-2027.

The findings highlight the SBDC's dual role as both an institutional contributor through its operations and a catalyst for regional growth through its technical assistance. Together, these impacts highlight the center's importance in strengthening the entrepreneurial ecosystem of East Texas and its ability to generate sustained economic value for the communities it serves.

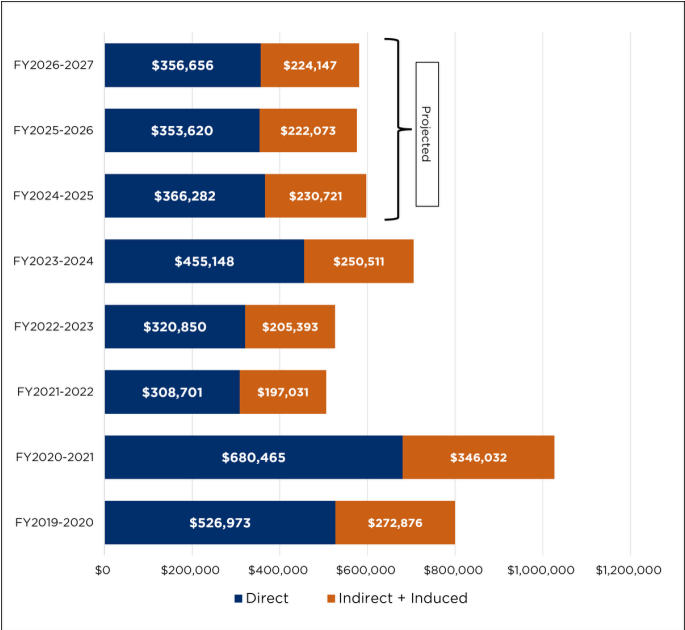
Every dollar spent by the UT Tyler-Longview SBDC recirculates through the local economy. From staff salaries to office rent and everyday expenses like utilities and supplies, the center's spending produces ripple effects that extend well beyond Gregg County.

To measure this impact, the Hibbs Institute used an input-output model — a standard tool in economic analysis — that breaks effects into three categories.¹ Direct effects capture the immediate spending of the SBDC, such as salaries and office costs. Indirect effects reflect how that spending flows to suppliers and contractors who, in turn, expand their own business activity. Induced effects represent the household spending that occurs when employees and suppliers use their income in the local economy. This framework reveals not only what the SBDC spends directly, but also how those dollars ripple outward across the East Texas economy.

Between fiscal years 2019-2020 and 2023-2024, the center's operations generated \$3.5 million in total economic output. Looking ahead, projections estimate another \$2.6 million in output through fiscal year 2026-2027.

Even as a small office with no more than six staff members, the SBDC’s footprint is notable. **Figure 2** illustrates this impact, showing the breakdown of direct, indirect and induced effects from operations, salaries and investment across multiple years.

Figure 2. Economic Impact of Operational Expenses, Salaries and Infrastructure Investments (Fiscal Years 2019-2020 to 2026-2027)



Notes: Dollar figures in 2025 current dollars.
Source: The Hibbs Institute for Business & Economic Research.

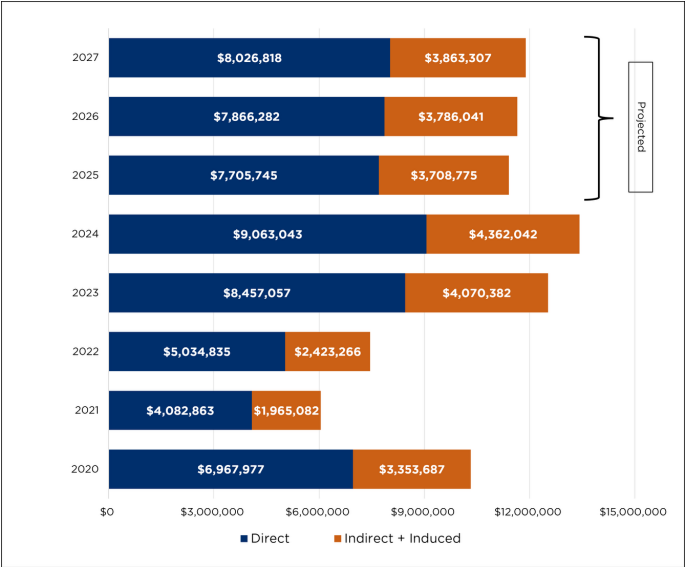
Supporting Resilience, Driving Growth

The most significant impact comes from the entrepreneurs supported by the SBDC. Between 2020 and 2024, businesses launched or expanded under the center’s guidance contributed \$49.8 million in economic output across East Texas. Projections for 2025-2027 suggest an additional \$34.9 million in output, underscoring the center’s role in driving regional growth.

This record is especially notable given the challenges of recent years. When COVID-19 hit, many small businesses faced closures and layoffs. The UT Tyler-Longview SBDC stepped in to help owners navigate federal relief programs such as the Paycheck Protection Program (PPP) and Economic Injury Disaster Loans (EIDL). With CARES Act funding,² the center expanded its services and resources, ensuring that local businesses could navigate the financial and operational pressures of the crisis.

Today, the numbers reflect not just recovery, but resilience. **Figure 3** shows the economic impact of the SBDC’s technical assistance to local businesses, broken down into direct, indirect and induced effects.

Figure 3. Economic Impact of Technical Assistance and Services Provided to Local Businesses (Fiscal Years 2019-2020 to 2026-2027)



Notes: Dollar figures in 2025 current dollars.
Source: The Hibbs Institute for Business & Economic Research.

This dedication has not gone unnoticed. In 2024, the UT Tyler-Longview SBDC was recognized as SBDC of the Year by the North Texas SBDC Network. The award highlights the center’s excellence in service, advocacy and measurable impact — ranging from helping entrepreneurs secure capital to creating jobs and launching new ventures.



Why It Matters for East Texas

East Texas’ economy has long been defined by its resilience and ability to adapt. While healthcare and manufacturing remain key anchors, the region’s future also relies on the continued growth of small businesses — enterprises that spark innovation, expand opportunities for underrepresented groups, and strengthen community identity. The UT Tyler-Longview SBDC plays a central role in the region’s future. By providing entrepreneurs with the tools, guidance and confidence they need, the center makes

starting or expanding a business more accessible to residents. From first-generation entrepreneurs in Marshall to second-location expansions in Henderson, the SBDC helps turn business aspirations into tangible outcomes.

The cumulative economic impact is substantial. Between 2019–2020 and the projected 2026–2027 period, the SBDC's operations have generated \$6.1 million in economic impact through salaries, operating expenses and infrastructure investments. During a similar period, businesses assisted by

the center are projected to contribute nearly \$85 million in additional economic output across East Texas. As the region faces demographic and economic change, the UT Tyler-Longview SBDC continues to serve as a key driver of resilience and growth.

For the complete study, detailed analysis, calculations and a full list of sources, visit the working papers section on the Hibbs Institute website: uttyler.edu/hibbs-institute.

End Notes

¹ Among the various I-O software tools available, the Hibbs Institute relies on IMPLAN model for its analyses. IMPLAN is a widely respected platform used by numerous public and private organizations, including universities, to conduct economic impact studies. Utilizing a hierarchical, top-down approach, IMPLAN integrates national datasets—such as those from the U.S. Census Bureau, the Bureau of Economic Analysis and the Bureau of Labor Statistics — to generate localized estimates for employment, wages and business output.

² The CARES Act, signed into law in March 2020, provided rapid economic relief to workers, families, small businesses and industries impacted by the COVID-19 pandemic through a range of emergency support programs.

The Hibbs Institute has created a [LinkedIn](#) page that frequently releases business and economic information. Follow our page for future brief updates, announcements and links to our periodic publications.

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