

Small Business Administration

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SBA MAINE NEWS

November 2010

America East Conference A Success

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Small Business Administration Seeks Nominations for 2011 Maine Small Business Awards

Nominations are now being accepted by the U.S. Small Business Administration (SBA) for the 2011 Maine Small Business Person of the Year and other small business awards. Winners will be honored during the Maine Small Business Week celebration in May.

Awards will be presented in 10 categories. Any individual or organization dedicated to the support of the small business community may submit nominations for these prestigious awards. Award guidelines and nomination forms are available from the SBA Maine District Office by calling (207) 622-8382.

The Nomination deadline is Friday, November 12, 2010.

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The annual America East SBA Lender Training Conference was held in Portland, Maine, August 29 through September 1, 2010. This is the first time Maine has been chosen to host this important event. Over 300 participants, from California to Caribou, enjoyed perfect weather, the warmest week in the history of Portland, and three days of information packed workshops, keynote speakers and networking receptions. Jeanne A. Hulit, Regional Administrator for New England, facilitated the three days of activities.

Karen G. Mills, Administrator of the SBA delivered the opening address which set the tone for the conference. Administrator Mills highlighted the impact of the efforts of the participants, in cooperation with the SBA and the use of the ARRA programs, on providing capital to our small business community, at a record breaking level, in the harshest of economic times. She also highlighted the importance of our continued collaboration, to assure we maintain this momentum toward full business recovery, job creation and economic growth. Administrator Mills pointed out that the SBA Recovery Act incentives of increased guarantees and the reduced fee structures had helped to bring 1,300 lenders back to SBA lending, over the 2007 participation level. This number includes 100 credit unions. The Recovery Act input of \$680 million dollars in SBA guaranty authority resulted in lenders being able to provide \$30 billion dollars in overall lending support to our mutual customers.

Throughout the three day training and networking get together, speakers, moderated panels and workshops addressed a multitude of topics and provided an opportunity for feedback and networking. Among the many noted speakers, Tom Chappell, founder of 'Tom's of Maine', and a Maine SBA success story, gave an insightful and often humorous presentation of how he and his wife Kate developed their company from a venture backed by a \$35,000 SBA loan in the early '70s, to selling to Colgate in 2006, for \$100 million. Over 30 exhibitors participated in a concurrent trade-show, and were on hand all three days to explain their products and answer questions.

Jeanne Hulit, Regional Administrator, attributed the success of the event to practicing what SBA and our resource partners at the SBDC, SCORE and the WBC preach; keeping the focus on the customer, throughout the six months of preparation. "What do our SBA lender partners want and need?" is the question that guided the process that led to a worthwhile learning experience for all who participated.

Thank you to all who were able to join us!

JOB OPPORTUNITY

SBA is hiring a Lender Relations Specialist - Click on the following link for job description and to apply.

<http://jobview.usajobs.gov/GetJob.aspx?OPMControl=2084707>

Small Business Jobs Act of 2010

On September 27, 2010, President Obama signed into law the Small Business Jobs Act, the most significant piece of small business legislation in over a decade. The new law will provide critical resources to help small businesses continue to drive economic recovery and create jobs. The new law extends the successful SBA enhanced loan provisions while offering billions more in lending support, tax cuts, and other opportunities for entrepreneurs and small business owners.

New Law Puts More Capital in the Hands of Entrepreneurs and Small Business Owners

- SBA Enhanced Loan Provisions – \$14 billion more in lending support

The law extends SBA loan provisions (with the 90% guarantee and reduced fees) through December 31, 2010. The \$505 million in subsidy for Jobs Act loans will support about \$14 billion in overall small business lending. In the first week of the Jobs Act, SBA provided nearly 2,000 loans totaling nearly \$1 billion in lending support.

- Higher Loan Limits – significantly increases maximum loan sizes in top loan programs
 - The law permanently increased 7(a) and 504 limits from \$2 million to \$5 million (for manufacturers in 504 loan program, up to \$5.5 million).
 - The law permanently increased microloan limits from \$35,000 to \$50,000, helping larger entrepreneurs with start-up costs and small business owners in underserved communities.
- Alternate Size Standards – more small businesses eligible to get SBA loans
 - The law expanded the number of small businesses eligible for SBA loans by increasing the alternate size standard to those with less than \$15 million in net worth and \$5 million in average net income.
- Temporary Enhancements to Help with Working Capital, Commercial Real Estate Refinancing
 - The law increased the maximum amount of SBA Express loans from \$350,000 to \$1 million (expires 9/27/2011).
 - In coming months, the law will allow some small businesses to refinance their owner-occupied commercial real estate mortgages into the 504 loan program (expires 9/27/2012).
- Dealer Floor Plan Pilot Extension, Expansion
 - The pilot program (begun 2009) will be extended to 2013. Though the old pilot has expired, the new, larger pilot will be implemented in coming months. This will help small businesses owners who sell cars, RVs, boats, other titleable inventory.
- Small Business Intermediary Lending Pilot
 - In six to twelve months, the law will provide for funding up to \$20 million per year in small business loans over the next three years for an intermediary-facilitated loan program targeting small businesses that need loans up to \$200,000.

Other highlights of the Small Business Jobs Act of 2010, include:

- New Law Strengthens Small Businesses' Ability to Compete for Contracts, Including Recommendations from the President's Task Force on Federal Contracting Opportunities for Small Business
- New Law Promotes Small Business Exporting, Building on the President's National Export Initiative
- Law Expands Training and Counseling
- New Law Provides \$12 Billion in Tax Relief to Help Small Businesses Invest in their Firms, Create Jobs
- Treasury Department Provisions

For more detailed information on the Small Business Jobs Act, go to www.sba.gov/jobsact

SBA Seeking Nominations for 2011—Deadline for one-page Nomination form is November 12, 2010

Nominations are now being accepted by the U.S. Small Business Administration (SBA) for the 2011 Maine Small Business Person of the Year and other small business awards. Winners will be honored during the Maine Small Business Week celebration in May.

The other awards include: Entrepreneurial Success Award, Jeffrey Butland Family-Owned Business of the Year, SBA Young Entrepreneur of the Year, Small Business Exporter of the Year, Financial Services Champion, Minority Small Business Champion, Veteran Small Business Champion, Home-based Business Champion, and Women in Business Champion.

The Maine Small Business Person of the Year will also have the opportunity to participate in the National Small Business Week activities and meetings with government officials in Washington, DC, and will compete for the National Small Business Person of the Year Award.

Champion awards are presented to persons who have used their professional skills or personal talents to further public understanding and awareness of small business. Candidates must have taken an active role in creating opportunities to promote the interests of small business. Persons nominated for Champion awards need not be an entrepreneur.

For more information about the SBA Small Business Awards, contact Marilyn Geroux at (207) 622-8382, or by e-mail at marilyn.geroux@sba.gov . For more information go to <http://www.sba.gov/nominationsguidelines/index.html> .

Watch for our new and improved SBA.gov to go live later this month

- **This month SBA is rolling out a redesigned and reorganized SBA.gov Web site—with many new capabilities for proactively communicating timely and topical information. New features will give users direct access to essential information based on their business type and location.**
- **In January 2011, SBA will introduce a Community, with discussion forums and blogs, along with even more robust capabilities for personalizing and localizing the experience of using SBA.gov. At this time enhanced lender tools including online application and submission capabilities will be available.**

SBA Marks it Highest Loan Volume Ever!

Maine small business owners received 616 loans totaling \$102 million from the U.S. Small Business Administration in 2010 (the period from October 1, 2009 through September 30, 2010) through its various loan programs.

As you can see from the report on the next page, our participating lenders, certified development companies and microloan intermediaries all helped to make this possible.

We would like to take this opportunity to thank you and our resource partners, for all your support to the small business community in Maine.

MAINE DISTRICT OFFICE—FY 2010 LOAN VOLUME BY BANK AS OF SEPTEMBER 30, 2010

<u>NAME OF LENDER</u>	<u>TOTAL LOANS</u>	<u>7a LOANS</u>	<u>504 LOANS</u>	<u>TOTAL 7a DOLLARS</u>	<u>3rd Party 504 \$\$\$</u>
Camden National Bank	59	57	2	\$7,413,300	\$383,750
Norway Savings Bank	51	47	4	\$4,802,200	\$2,029,750
Bangor Savings Bank	46	45	1	\$5,003,900	\$185,000
Northeast Bank	42	40	2	\$5,611,500	\$1,064,770
Bar Harbor Bank & Trust	39	38	1	\$1,888,341	\$4,212,500
Merrill Bank	37	37		\$7,907,500	
TD Bank	34	32	2	\$5,539,200	\$648,082
KeyBank, NA	29	27	2	\$7,510,000	\$2,933,824
Machias Savings Bank	28	25	3	\$7,372,000	\$1,804,429
Bath Savings Institution	28	26	2	\$2,717,000	\$5,892,220
Kennebunk Savings Bank	23	15	8	\$2,157,000	\$3,123,000
Saco & Biddeford Savings Inst.	20	17	3	\$1,329,900	\$1,947,500
Katahdin Trust Company	17	17		\$4,345,462	
Franklin Savings Bank	17	16	1	\$1,816,500	\$291,000
Biddeford Savings Bank	16	14	2	\$2,527,000	\$770,000
Superior Financial Group, LLC	16	16		\$150,000	
Gorham Savings Bank	9	1	8	\$128,500	\$2,251,000
Atlantic Regional FCU	8	8		\$950,000	
Androscoggin Savings Bank	8	8		\$609,000	
Norstate FCU	8	8		\$350,000	
The First, NA	6	5	1	\$156,000	\$300,000
Northway Bank	5	5		\$255,000	
Maine Bank & Trust	4	3	1	\$570,000	\$272,500
Skowhegan Savings Bank	3	3		\$1,070,000	
Mechanics Savings Bank	3	1	2	\$35,000	\$987,500
Bank America, NA	2		2		\$1,200,750
Damariscotta Bank & Trust	2	2		\$870,000	
RBS Citizens National Bank	2	2		\$325,000	
Centrix Bank & Trust	2	2		\$72,000	
Sanford Institution for Savings	2	1	1	\$21,100	\$187,500
University Credit Union	2	2		\$40,000	
Bank of New England	1		1		\$6,912,825
Auburn Savings Bank, FSB	1	1		\$850,000	
Live Oak Banking Company	1	1		\$700,000	
Evergreen Credit Union	1		1		\$410,000
Sovereign Bank	1	1		\$300,000	
Kennebec Savings Bank	1		1		\$209,849
Pentucket Bank	1		1		\$137,500
Savings Bank of Maine	1	1		\$35,000	
The County FCU	1	1		\$35,000	
TOTALS	577	525	52	\$75,462,403	\$38,155,249

<u>NAME OF CDC</u>	504 Loans	Total Amount
Granite State Eco. Dev. Corp.	41	\$21,763,000
Coastal Enterprises, Inc.	10	\$4,075,000
Eastern Maine Dev. Corp.	1	\$540,000
Totals	52	\$26,378,000

MicroLoans for FY2010	Totals	39	\$796,100
Grand Total 7(a), 504 & Microloans	616	\$102,636,503	