



Hawai'i District Office Lenders Quarterly



LOAN BLITZ

DURING THE MONTH OF APRIL 2006

U.S. Small Business Administration

Hawai'i District Office

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For More Information

- SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk.
- SBA Answer Desk:
1-800 U ASK SBA
- Fax: 202-205-7064
- E-mail: answerdesk@sba.gov
- TDD: 704-344-6640
- Your rights to regulatory fairness:
1-800-REG-FAIR
- SBA Home Page: www.sba.gov

All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

The Hawai'i District Office is taking an aggressive and proactive posture to increase the 7(a) guaranty loan activity for 2006. The District's performance amounts to only 127 loans as of March 24, 2006, which is only 32% of 2005 activity and we are halfway through our fiscal year. Community Express has been a very popular product so the District will conduct a loan blitz in April, focusing on Community Express at the following times and locations:

April 20, 2006

9 am-3 pm

- Small Business Resource Center-1041 Nu'uuanu Ave, Suite A
- Windward Community College-Hale Kuhina Building, Room 107
- Hawai'i Kai Library- 249 Lunalilo Home Road

11:30 am-4 pm

- Kapolei Hale, 1000 Ulu'ohia Street

April 26, 2006

9 am-3 pm

- Maui-Maui Economic Opportunity , Classroom #2
- Kaua'i-Li'hu'e Library, 4344 Hardy Street

12:30pm-4 pm

- Kona-Mayor's Office, 75-5706 Kuakini Hwy.

April 27, 2006

9 am-3 pm

- Hilo-Small Business Development Center, 180 Pauahi St., #109

Potential loan clients will be able to meet with SBA, Technical Assistance Providers and participating Lenders. If you have questions relating to our loan blitz, please call Jerry M. Hirata at (808) 541-2969.

Announcement

The Office of Hawaiian Affairs

Presents

Hawaiian Business Conference and Economic Expo-May 18-19, 2006

Hawai'i Convention Center

To register:

www.oha.org

Call the University of Hawai'i Pacific Asian Center for Entrepreneurship and

E-business at (808) 956-5083

Featured speakers:

Andrew Poepoe, SBA District Director

Michael Youth, SBA Lead Business Development Specialist



“KICKED UP ANOTHER NOTCH”



Kenneth Simon started **Menehune Water Company Inc.** in 1985 and has extensive knowledge as to the technical details in the manufacture of bottled drinking water. At Menehune Water, quality control is paramount resulting in an exceptional product.



Historically, Menehune Water Company Inc. had operations spread over three separate buildings at different locations in Hālawā Industrial Park - one building to handle the bottle

blowing, another to process artesian water and filling bottles and the third to store the finished product. The blown bottles had to be boxed, palletized and trucked to be filled, capped and labeled. The increased lag time between operations also increased the chances of contamination. This condition was tolerated as Menehune Water experienced strong growth since 1985.



In early 2004, using the **504 loan program**, Menehune Water Company Inc. purchased new state-of-the-art equipment and reorganized into only two buildings. One building bottled single serving bottles and the other 5-gallon bottles. **The equipment** financed under the **504 program** manufactures the single serving bottles, fills the bottles and, finally, caps the bottles in a single continuous production line. **The investment increased efficiency and reduced contamination concerns.** Kenneth Simon indicates that robotics and mechanization have produced consistency in quality and, of course, profitability.



Product quality is paramount. The water is from Hawai'i's Premier Source " Hālawā Valley Aquifer." The artesian water is brought directly to the Menehune Water plant facility and goes through reverse osmosis membrane, a process whereby high-pressure pumps are used to force water through a membrane which further removes impurities, and then the water is bottled. The equipment purchased through the 504 program creates an unencumbered production flow—beginning to end. Six steps in processing:

1. UV Treatment
2. Carbon Filtration
3. Water Conditioning
4. Reverse Osmosis
5. UV Treatment
6. Ozone Contact

This six-step process produces a quality product. **The 504 program moved the company “up another notch.”**

Kenneth indicated some “Refreshing Facts About Menehune Water”:

- Over 15 years of phenomenal success in Hawaii, No. 1 bottled water in the islands
- Now available to US, mainland and internationally
- The cleanest water source in the world
- The purest bottled water in the world
- An ultra pure water, less than 5 parts per million dissolved solids (neutral pH). The United States Pharma... which sets water quality standards classifies Menehune Water as “Ultra Pure.” The Ultra Pure classification is the highest standard bottled water can receive from the USP
- Rapidly achieving international acceptance in Saudi Arabia, Japan, Turkey and Russia
- What the Clintons drink when they're in Hawai'i
- A favorite of athletes, endorsed by Iron Man and Honolulu Marathon participants

Owner Kenneth Simon employs 100, including the Kaua'i facility (Puhi Industrial Park, 1810 Haleukana St., Līhu'e, HI). Don't forget to visit their website at www.hawaiiwater.com.

Loan Activity, FY 2006
Six Months Ended 3/31/06

<u>Bank</u>	<u>No. of Loans</u>	<u>Loan Amount(000's)</u>	
		<u>Gross</u>	<u>SBA</u>
Bank of Hawaii	40	3325.5	1834.8
First Hawaiian Bank	17	2459.6	1552.5
Capital One	17	705.0	352.5
Central Pacific Bank	11	579.0	387.2
Citizens Security Bank	8	1579.0	1081.6
Hawaii National Bank	3	568.6	448.3
Bank of Guam	2	90.0	76.5
Branch Banking & Trust Co.	1	400.0	300.0
Center Bank	1	350.0	262.5
Stearns Bank National Association	1	200.0	170.0
Sub-total	101	10256.7	6465.9
Business Loan Center LLC	19	535.0	454.8
Innovative Bank	15	165.0	140.2
Microloan	1	21.5	21.5
Total 7(a) Loans	136	10978.2	7082.4
HEDCO 504 Loans	11	4454.0	4454.0
Lokahi Pacific 504 Loans	1	1122.0	1122.0
Grand Total	148	16554.2	12658.4

NUMBER OF LOANS BY COUNTY & GUAM

	<u>Oahu</u>	<u>Guam</u>	<u>Hawaii</u>	<u>Maui</u>	<u>Kauai</u>	<u>Samoa</u>	<u>Total</u>
Bank of Hawaii	17	11	8	3	1		40
First Hawaiian Bank	13		3		1		17
Capital One	14		1	2			17
Central Pacific Bank	8		2	1			11
Citizens Security Bank		8					8
Hawaii National Bank	3						3
Bank of Guam		2					2
Branch Banking & Trust Co.	1						1
Center Bank	1						1
Stearns Bank National Association	1						1
Sub-total	58	21	14	6	2	0	101
Business Loan Center LLC	11	3	2	3			19
Innovative Bank	11				4		15
Microloan	1						1
Total 7(a) Loans	81	24	16	9	6	0	136
HEDCO 504 Loans	8		2	1			11
Lokahi Pacific 504 Loans				1			1
Grand Total	89	24	18	11	6	0	148

Lending Officer Awards Status as of
March 2006-6 months

Lending Officer	Bank	Branch	# Loans	Pts. = # Loans X 2	Bonus Points		Total = Pts. + Bonus Pts.
<i>Oahu</i>							
Au, Randy	BOH	Waipahu	4	8	1	1	10
Masuno, Naomi	CPB	Kaimuki	3	6	3		9
Nguyen, Dan	CPB	Kalihi	2	4	1	1	6
Yost, Lesley Ann	BOH	Pearlridge	2	4	1		5
Kihe, Demaney	FHB	Kaneohe	2	4			4
Mukai, Spencer	FHB	Makiki	2	4			4
Corpuz, Victor	FHB	Waikiki	1	2	1		3
Koyanagi, Jason	BOH	Kailua	2	4	1		3
Olanolan, Beulah	BOH	Pearlridge	1	2	1		3
Pingree, Gayle	FHB	Waipahu	1	2		1	3
Wong, Dennis	HNB	Airport	1	2			2
Yit, Joe	HNB	Main	1	2			2
Pak, Chong	BOH	Main	1	2			2
Oshiro, Jarrett	HNB	Pearl City	1	2			2
Lee, Martha	FHB	University	1	2			2
Bond, Seth	FHB	Kapiolani	1	2			2
Comes, Steve	FHB	Ewa Beach	1	2			2
Ikeda, Jan	FHB	University	1	2			2
Iwana, Iris	FHB	Main	1	2			2
Kaneko, Steven	BoH	Waialae-Kahala	1	2			2
Kanoa, Manly	BOH	Pearlridge	1	2			2
Kaalii, Mitchell	FHB	Manoa	1	2			2
Shigeta, Darin	BOH	Waialae-Kahala	1	2			2
Lum, Robert	BOH	Main	1	2			2
Nakama, Gail	FHB	Main	1	2			2
Pai, Lawrence	CPB	Main	1	2			2
Rostron, Sean	BOH	Ala Moana	1	2			2
Tanicala, Edie	BOH	Ala Moana	1	2			2
Wong, Alison	BOH	Waikiki	1	2			2
Oshima, Dan	ASB	Main				1	1
Muraki, Diane	BOH	Waialae-Kahala				1	1
Higa, Shawn	HNB	Main				1	1
Kanzaki, Clay	HNB	Main				1	1
Nakachi, Paul	FHB	Pearlridge				1	1
Yamagata, Darrell	ASB	Main				1	1
Total			39				
<i>Kauai</i>							
Rezentes, Wally	FHB	Lihue	1	2	1		3
Mayfield, Jim	BOH	Kauai	1	2			2
Total			2	0			0
<i>Maui</i>							
Feliciano, Lolita	BOH	Kahului	1	2		1	3
Santander, Alvin	BOH	Wailuku	1	2			2
Matsumoto, Pat	CPB	Kahului	1	2			2
Baker, Sue	BOH	Kihei	1	2			2
Peroff, Rod	FHB	Kahului				1	1
Kuitake, Glenn	HNB	Maui				1	1
Total			4	0			0
<i>East Hawaii</i>							
Fujinaka, Keene	BOH	Kaikoo	4	8	1	1	10
Uyetake, Roxann	BOH	Kaiko'o	2	4			4
Kang, Calvin	CPB	Hilo	2	4			4
Kouchi, Don	FHB	Kamehameha	2	4			4
				0			0
				0			0
Total			10	0			0
<i>West Hawaii</i>							
Potter, Emily	BOH	Kamuela	1	2	1		3
Binney, Jocelyn	BOH	Kailua Kona	1	2			2
Hughes, Harold	FHB	Kona	1	2		1	3
Total			3				

