



Small Business Beat

News from the Michigan SBA Office

January 2010

In This Issue

[e200 Graduation](#)

[Conrad Valle Honored](#)

[Strategies for Growth](#)

[From the Director](#)

[SBA Opens West Michigan Office](#)

[Michigan Celebrates Small Business](#)

[Powderhorn Mountain Resort](#)

[IRS Tax Workshop Online](#)

[MPowered Career Fair](#)

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e200 Graduates Inaugural Class

Sixteen Detroit-based business owners recently graduated from a national program sponsored by the SBA. The Emerging 200 Initiative is an intensive training program designed to accelerate growth of high potential businesses located in America's inner-cities. Detroit was one of fifteen cities selected to participate in the SBA-sponsored program.

The business owners committed to a rigorous curriculum, including 90 hours of training from April through November 2009. To be eligible for the program, participants had to have been in business for a minimum of three years with sales of at least \$400,000, and be located in the inner-city.

From the Director

Update on the Road to Recovery

It has been nearly 11 months since The American Recovery and Reinvestment Act was passed on February 17, 2009. As part of the ARRA, SBA received \$730 million, which included \$375 million to increase the SBA guaranty on 7(a) loans to 90 percent and to waive borrower fees on most 7(a) and 504 loans. These funds, which were instrumental in helping to jump start the economic recovery for small businesses across the nation, ran out on November 23.

However, on December 19 President Obama signed the U.S. Department of Defense appropriations bill, which included \$125 million to continue the enhancements to SBA's loan programs through February 28, 2010. This is good news, as these provisions had a significant impact: our guaranty loans increased by 93% after the changes went into effect in mid March.

ARRA funding still remains for the America's Recovery Capital loan program and microloan program, so they are not affected by the extension.

While these incentives and loan programs helped to alleviate the drastic decline in SBA loan activity in the first half of last year, more still needs to be done to increase the availability of credit for Michigan's small businesses. This office will continue to work with our lending partners to improve access to capital.

The role that our resource partners play is more crucial than ever. We rely on the Michigan Small Business and

Classes were held at TechTown in Detroit. Other participating resource partners included: Detroit Economic Growth Corporation, Detroit Regional Chamber, Mayor's Office of Targeted Business Development, Michigan Economic Development Corporation, Michigan Minority Business Development Council, and the Michigan Small Business & Technology Development Center.

"All sixteen of the businesses completed the requirements of the program," said Constance Logan, *e200* Program Manager for the Michigan District Office. The class celebrated their achievement at a graduation ceremony on November 17. The group found the program to be very valuable and plan to build on the connections they made in *e200*.



SBA's

Conrad Valle Receives National Award

Conrad Valle, Michigan Assistant District Director for Minority Enterprise Development, has been recognized for his dedication and commitment in helping hundreds of small businesses for over 25 years. On December 9, Valle received the Society of American Military Engineers prestigious **2009 Government Small Business Advocate Award** at the organization's annual conference held outside of Dallas. The national award is given to a select group of individuals who have demonstrated outstanding support

Technology Development Center, SCORE, Women's Business Centers, Veteran's Business Resource Center, and our microlenders to help businesses shape the new economy for our state. We greatly appreciate their dedication, expertise and vision.

As always, we will keep you informed as new developments occur that impact delivery of our programs to the small businesses in our state.

Richard Temkin
District Director

SBA OPENS WEST MICHIGAN OFFICE IN GRAND RAPIDS

The SBA has opened an office in Grand Rapids and selected Brian Picarazzi as its Senior Area Manager. This is the first SBA office that has been located in West Michigan.

Richard Temkin, SBA's Michigan District Director, said, "We are excited to have Brian Picarazzi represent SBA in West Michigan where he will work to increase the visibility of all SBA programs. He will be responsible for working with our lending partners to increase SBA-backed loans to small businesses. In addition, he will work with local SBA resource partners, as well as business and community organizations, to assist more small businesses. Picarazzi will serve a 12-county region of West Michigan.

New to the SBA, Picarazzi most recently was a Branch Manager for Regions Financial bank in Florida. Originally from upstate New York, Brian is married with two young children and resides in the Grand Rapids area.

The SBA office is located in the Ford Federal Building in Grand Rapids. Picarazzi can be reached at 616-456-5512. The counties he will serve are Allegan, Barry, Berrien, Cass, Kalamazoo, Kent, Muskegon, Newaygo, Oceana, Ottawa, St. Joseph, and Van Buren.

Michigan Celebrates Small Business 2010 Awards Ceremony

Entrepreneurs Building Michigan's Future

On April 29th, we will celebrate the achievements and contributions of small business owners and their supporters at the Sixth Annual Michigan Celebrates Small Business awards dinner in Lansing with Governor Jennifer Granholm.

This is the state's premier small business event; a collaboration of the SBA, the Michigan Economic Development Corporation, the Michigan Small Business and Technology Development Center, the Small Business

to the Department of Defense Small Business Programs. Lt. Robert L. VanAntwerp, Jr. presented the award to Valle.

"Conrad Valle has worked very hard with Michigan's entrepreneurs to help them gain access to government contracting," said Richard Temkin, SBA District Director. "Business owners constantly commend Conrad for his passion and expertise in helping them secure government contracts to grow their businesses."

Valle has helped secure several multi-million dollar contracts for small businesses in Michigan. Focusing heavily on 8(a) and HUBZone certification, he has assisted hundreds of businesses to secure necessary certifications.

Valle has worked for SBA for 25 years, and has won numerous awards, including the Detroit News' 1991 Michiganian of the Year and Corp! Magazine's 56 Most Influential Hispanics in Michigan in 2004.

Congratulations Conrad!

SBA and Dell Offer Strategies for Growth

A partnership with Dell, and the SBA, entitled Strategies for Growth, provides a series of online interviews with successful entrepreneurs and business experts.

Real stories and topic-specific advice is offered to assist businesses to determine if they are ready to grow. Topics include:

- Preparing for Growth
- Team Building
- Technology for Growth
- Marketing
- Federal Contracting

Association of Michigan, and the Edward Lowe Foundation.

The evening will feature the unveiling of the Michigan 50 Companies to Watch, a celebration of the contribution, innovation and energy of diverse second-stage companies, as well as SBA's Small Business Awards for outstanding contributions to the Michigan economy. Business owners, entrepreneurs, and supporters of small business are encouraged to attend this elegant evening of celebration. The program will also include a reception, a keynote address, and dinner.

For reservations, click here: [Michigan Celebrates](#)

Western Upper Peninsula Ski Resort Remains Open for Business With Help from the SBA and its Partners

With the help of the SBA and the Michigan Small Business and Technology Development Center, Big Powderhorn Mountain Resort in Bessemer, is under new ownership. Executive managing member of the company Bruce Noren and his partners are passionate skiers who have been visiting and enjoying the slopes of Big Powderhorn for many years. They have a strong desire to grow the resort into one of the best in the Midwest.

The acquisition of the facility was not an easy process, so Noren turned to the MI-SBTDC Regional Director Joel Schultz and Gogebic County Economic Development Corporation Director Donna Scorse for help. Schultz worked with Noren and his management team and developed cash flow projections, made connections with bankers, and guided Noren through the financing process.

The partners were successful in receiving a \$1.76 million loan from mBank, guaranteed at 85% by the SBA. mBank, headquartered in Manistique, ranked number seven in SBA guaranteed loans in Michigan and number one in the U.P. for fiscal 2009.

"This project will bring over \$2 million dollars in capital investment to Gogebic County. It was a complicated and large project for our area and took us over two years to pull together," said Noren. "We could not have done this without the assistance provided to us by Donna and Joel and the SBA loan guaranty."

"Bruce Noren was a dream client who utilized professional support every step of the way," said Schultz. "He worked extremely hard, asked for help when he was uncertain, and did everything right. He deserves all the credit for bringing this opportunity to Gogebic County."

As the new owners prepare for the fast approaching ski season, the future looks bright for Big Powderhorn. The company will retain 10 year round jobs and employ 60

Exporting Opportunities

- Disaster Recovery

Profiles of Success

Avinash Rachmale, President of Lakeshore Engineering in Detroit, is one of the featured entrepreneurs. To see the interviews online, click here: [Strategies](#)

seasonal workers, add summer and fall events, and eventually provide catering services as well.

SBA, the SBTDC, MI Works!, and the Gogebic County Economic Development Corporation hosted a press conference on December 17 to announce the successful acquisition of the resort. Over fifty community and business leaders gathered at Big Powderhorn to congratulate the new owners. Speakers included representatives for U.S. Senators Carl Levin and Debbie Stabenow, U.S. Representative Bart Stupak, and Governor Jennifer Granholm.

Our Belief... SBA is the entry point to help you start, grow, and prosper. We offer customized counseling, specialized financing, and contract opportunities. Through our unique resource network, we provide the tools to help you succeed. We are your Small Business Resource.

IRS Updates Virtual Small Business Tax Workshop

The Virtual Small Business Tax Workshop is updated and available online at [VSBTW](#). This is a great resource for business owners and our resource partners.

MPowered Career Fair

Linking Students to Small Businesses

The 2010 MPowered Career Fair will be held on Tuesday, January 26, 2010 from 2:00 p.m. to 6:00 p.m. at the University of Michigan - Ann Arbor Campus Union.

This annual fair is a great opportunity for students across all majors to get jobs and internships with ambitious small companies and start-up firms, and truly experience entrepreneurship. It is also an opportunity for small firms to tap into one of the greatest talent resources in the country at the University of Michigan. To learn more click on: [Mpowered](#)

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