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Your Small Business Resource



*SBA Acting Administrator
Sandy K. Baruah*

SBA Welcomes Acting Administrator Sandy K. Baruah

In response to President George W. Bush naming Sandy K. Baruah to be the U.S. Small Business Administration's Acting Administrator, the agency has welcomed Baruah and prepared for his arrival.

Baruah, who is pending Senate confirmation as SBA Administrator, is Assistant Secretary for Economic Development at the Department of Commerce, and comes to SBA with deep experience in promoting local business growth, managing organizational change, and responding to federal disasters. He has worked for small businesses, helped small businesses grow, and was raised by a mother who ran her own small business.

Baruah helped lead significant accomplishments for the Economic Development Administration, including the agency's induction into the Balanced Scorecard Hall of Fame, passage of EDA's Congressional reauthorization, the agency's inclusion in President Bush's Executive Order which established the Preserve America Initiative, and achieved the second-highest effectiveness ranking from the White House's Office Management and Budget.

Baruah was nominated June 26, 2008. "I'm honored to be named SBA's Acting Administrator by the President," Baruah said. "I look forward to working with Deputy Administrator Jovita Carranza, who has ably carried on the agency's work with SBA's great team of professional staff. I intend to help SBA carry on its mission as it navigates the height of hurricane season and deals with the current economic challenges and tightening credit opportunities for small business."

"I'm also committed to continuing former SBA Administrator Steve Preston's reform agenda and seeing its improvements through," Baruah added. "SBA's customers and employees deserve an agency that is efficient, effective and customer friendly in fulfilling its important mission. I look forward to working with members of Congress and welcome the opportunity to work in a collaborative and bipartisan manner to bring meaningful help to small business," Baruah concluded. ♦

*A TRIBUTE TO
CONGRESSWOMAN STEPHANIE TUBBS JONES*

- Thanks for the Support

From the time she was sworn in on January 3, 1999, Congresswoman Stephanie Tubbs Jones has been a strong supporter of the SBA, the Cleveland District Office and the small business community in northern Ohio. She was there to support small business as the keynote speaker when we opened the Business Information Center in April of 1999. Since that time, she has referred numerous small businesses to the District for help, and participated in numerous Lender Roundtables as well as numerous Town Hall Meetings with the District.

Who would have thought that our business symposium at Lakeland Community College on August 13th would be the last time we would have seen her tireless efforts on behalf of small business. She not only keynoted and kicked off the symposium, but also found the time to personally introduce me to a small business that needed help. That personal hands-on approach was a hallmark of her dedication.

She will be missed. — —



WANTED: National Small Business Week Nominees

In recognition of the small business community's contribution to the American economy, the President of the United States designates one week each year as National Small Business Week. As part of this special week, SBA presents awards to deserving entrepreneurs and small business champions/advocates at the district, state and national levels. We are already beginning our preparations for Small Business Week '09, but we need your help making the week a success! We are seeking nominees for the awards that will be distributed during Small Business Week.

If you know of someone deserving of consideration for these prestigious awards, please contact Jim Donato at (216) 522-4180, ext. 215. Jim can provide details of the nomination process. We hope to accept applications for various award categories, including Small Business Person of the Year, Small Business Exporter of the Year, Financial Services Champion of the Year, Minority Small Business Champion of the Year, Women in Business Champion of the Year, Veteran Small Business Champion of the Year, Small Business Journalist of the Year, SBA Family-owned Small Business of the Year, and others.

We know we have great small businesses and small business champions here in the area – let's see if we can get one recognized at the National level during Small Business Week '09!!!♦

News For Our Lending Partners

Notice to Lenders of Maturity on Short Term Loans

SBA will begin notifying each lender 30 days after the maturity of any 7(a) loan of 12 months or less that, if the lender wishes to extend the maturity date of that loan, it must contact the appropriate Commercial Loan Servicing Center (or the Office of International Trade for Export Working Capital Program (EWCP) loans) to request an extension of the maturity date. The lender must request this extension by completing SBA Form 2237 and paying the additional guaranty fee required for loans with maturities greater than 12 months, but this must be done within 90 days of the maturity date of the loan.

If SBA does not receive a request for extension from the lender within 90 days following the original maturity date of the loan, SBA will notify the lender that the loan's status has been changed to Paid-In-Full status and SBA's guaranty has been cancelled. The lender may request reinstatement of the guaranty within 30 days, subject to funding availability and provided certain conditions are met.

LOAN REPORT AS OF AUGUST 30, 2008

7(a) and 504 Loans Combined

Bank	Number Approvals	Dollars (In Thousands)
Huntington National Bank	231	\$37,322
Charter One Bank/RBS Citizens	152	\$7,295
National City Bank	151	\$17,528
JP Morgan Chase Bank	108	\$16,394
U.S. Bank	91	\$11,008

504 Loans

Bank	Number 504 Approvals	Dollars (In Thousands)
Huntington National Bank	18	
National City Bank	14	
FirstMerit Bank	13	
JP Morgan Chase Bank	7	
KeyBank	7	

CDC	Number 504 Approvals	Dollars (In Thousands)
Growth Capital Corp.	44	\$14,665
Cascade Capital Corp.	16	\$11,312
Lake County SBAC	11	\$3,422
Community Capital Dev. Corp.	7	\$4,366
Mahoning Valley Economic Dev. Corp.	6	\$3,530
Ohio Statewide, Inc.	6	\$5,441
Stark Dev. Board Finance Corp	5	\$1,300
Horizon Certified Dev. Co., Inc.	3	\$2,563
Mentor Economic Assistance Corp.	3	\$372
Northwest Ohio Dev. Assistance Corp.	3	\$1,834
SEM Resource, Inc.	3	\$2,651
West Central Partnership	2	\$234

Frequently Asked Questions to Standard Operating Procedure (SOP) 50 10 (5)

SBA has released two Frequently Asked Questions (FAQs) documents that coincide with the recent release of the Agency's revised SOP 50 10 (5) (Lender and Development Company Loan Programs), which was effective August 1, 2008. You may access the FAQ documents at <http://www.sba.gov/aboutsba/sbaprograms/elending/reg/>. ♦

If you have any questions on this or any SBA loan matter, please contact our Lender Relations division at (216) 522-4180.

"Road to Success" Symposium Held in Lake County

The Cleveland District Office, in cooperation with Lakeland Community College, the Lake County Economic Development Center, and Mentor Economic Assistance Corporation, participated in "Road to Success...Learn from the Experts", a Small Business Symposium held on August 13, 2008 at the campus of Lakeland Community College in Kirtland, Ohio. This symposium gave attendees expert small business advice and the opportunity to learn from experienced business owners and experts on such topics as financing/access to capital, marketing, business plans, and exporting. Many local agencies, financial institutions, and small businesses had vendor tables at this event.

We were fortunate to have the late Congresswoman Stephanie Tubbs Jones (Ohio 11th District Representative) as the keynote speaker. "Small Businesses are the cornerstone of our economy," said Rep. Tubbs Jones. "That's why I am so pleased to join with Lakeland Community College and the Small Business Administration of Cleveland in support of this small business symposium that will provide invaluable information to those who have small businesses and those who are looking to start small businesses."



The late Congresswoman Stephanie Tubbs-Jones delivers the keynote address.

SBA Cleveland District Director Gil Goldberg introduced the Congresswoman, and provided an overview of the SBA programs and services. Other speakers for the event included Allen Weaver, Director of the Lake County Small Business Development Center (SBDC), Bob Fenn, Program Director of the Northeast Ohio Procurement Technical Assistance Center (PTAC), Thomas Thielman, Executive Director of the Mentor Economic Assistance Center, Susan Whitney, Director of the U.S. Export Assistance Center, and Patricia Hoyt, Executive Director, Lakeland Institute for Economic Advancement at Lakeland Community College. The symposium included break-out sessions on financing options for small business (including the SBA loan programs), marketing, developing a business plan, exporting and trade assistance, human resources, small business innovation research, and new product development. A program from the Ohio Treasurer of State called Ohio Grow Now - a small business interest program was presented in the finance breakout session.



SBA's Cleveland District Director Gil Goldberg and the Congresswoman.

Among the highlights of the symposium was a customer service program called Give 'Em the Pickle. The symposium provided attendees with advice to help them make informed decisions and move their small businesses forward to success. There were many networking opportunities and the special resource/vendor room assisted attendees with their business questions. ♦

September is National Preparedness Month

Homeowners, Renters and Businesses are Encouraged to Plan Before Disaster Strikes

Recent floods in the Midwest and hurricanes/tropical storms in Texas and Florida have cost homeowners, renters and businesses millions of dollars in damages. These events serve as reminders to the public to have a disaster preparedness plan in place. National Preparedness Month, sponsored by the U.S. Department of Homeland Security (DHS), is designed to enhance the public's awareness of the necessity of having an emergency plan in place to respond to a natural or man-made disaster. The U.S. Small Business Administration is one of the many government and private sector coalition partners participating in this fifth annual National Preparedness Month.

"There's a tendency – and it's human nature – to think that a large-scale disaster is not going to happen where you live," said SBA Acting Administrator Sandy K. Baruah. "Accepting the inevitability of an emergency, and then taking responsibility for your own recovery are the necessary first steps toward protecting your family, your assets, and your community."

- To prepare for disasters, SBA offers the following tips:
- Develop a solid emergency response plan.
- Find evacuation routes from the home or business and establish meeting places.
- Make sure everyone understands the plan beforehand.
- Keep emergency phone numbers handy.
- Business owners should designate a contact person to communicate with other employees, customers and vendors.
- Individuals and business owners should ask an out-of-state friend, colleague or family member to be a "post-disaster" point of contact, supporting the flow of information about short-term relocations, recovery, additional sources of assistance, etc.
- Make sure you have adequate insurance coverage. Disaster preparedness begins with having adequate insurance coverage – at least enough to rebuild your home or business. Homeowners and business owners should review their policies to see what is or isn't covered. Businesses should consider "business interruption insurance," which helps cover operating costs during the post-disaster shutdown period. Flood insurance is essential. To find out more about the National Flood Insurance Program, visit the Web site at www.floodsmart.gov.
- Copy important records. It's a good idea to back up vital records and information saved on computer hard drives, and store that information at a distant offsite location. Computer data should be backed up routinely. Copies of important documents and CDs should be stored in fire-proof safe deposit boxes.
- Create a "Disaster Survival Kit." The kit should include a flashlight, a portable radio, extra batteries, a first-aid kit, non-perishable packaged and canned food, bottled water, a basic tool kit, plastic bags, cash, and a digital camera to take pictures of the property damage after the storm.

More preparedness tips for businesses, homeowners and renters are available on the SBA's Web site at www.sba.gov/services/disasterassistance/disasterpreparedness/index.html. The Institute for Business and Home Safety (www.ibhs.org) also has information on protecting your home or business. To learn more about developing an emergency plan, visit the DHS's Ready Campaign Web site at www.ready.gov or call 1-800-BE-READY to receive free materials.

The SBA makes low-interest loans to homeowners, renters and non-farm businesses of all sizes. Homeowners may borrow up to \$200,000 to repair or replace damaged real estate. Individuals may borrow up to \$40,000 to cover losses to personal property. Non-farm businesses and non-profit organizations of any size may apply for up to \$2 million to repair or replace disaster damaged business assets and real property. Small businesses that suffered economic losses as a direct result of the declared disaster may apply for a working capital loan up to \$2 million, even if the property was not physically damaged. To learn more about the SBA's disaster assistance program, visit the Web site at <http://www.sba.gov/services/disasterassistance/index.html>. ♦

KRBA Hosts Seminar and Lenders' Roundtable



The Kent Regional Business Alliance (KRBA) hosted a small business seminar and lenders' roundtable August 20 at their main office at Kent State University. Over 40 business owners and entrepreneurs attended the half-day event that featured sessions on loan programs, business planning and procurement. KRBA President Jack Crews and KRBA Director Virginia Mullenax welcomed the participants.

Among the various speakers, KRBA's Todd Packer focused on the importance of the business plan and PTAC Director Kerry Macomber discussed federal procurement. Gil Goldberg, SBA Cleveland District Director, led the lenders' roundtable discussion. Several lenders attended and actively discussed current market conditions and the credit environment. Jim Cogan, Director of the US Department of Agriculture's Rural Development office in Columbus, also participated in the roundtable along with Nick Perez of the Ohio Treasurer's office. Perez talked about Ohio's GrowNow linked-deposit program. Cleveland SBA staff members John Renner and Mark Hansel also attended and participated in the day's events. ♦



SBA Lender Relations Specialist Mark Hansel (left) and KRBA Counselor Todd Packer

Top SBA Execs Mark Anniversary of Women's Business Ownership Act, Celebrate 20 Years of Growth

U.S. Small Business Administration Acting Administrator Sandy K. Baruah and SBA Deputy Administrator Jovita Carranza have highlighted the tremendous growth of women business owners at an event honoring the 20th anniversary of the Women's Business Ownership Act of 1988. The pioneering legislation, also known as H.R. 5050, created the SBA's Office of Women's Business Ownership, the SBA's Women's Business Center (WBC) program, and the National Women's Business Council (NWBC), which serves as an independent source of advice and counsel on economic issues of importance to women business owners.

SBA's Women's Business Center program, administered by its Office of Women's Business Ownership, promotes the growth of women-owned businesses by providing business training and technical assistance, helping with access to credit and capital, and identifying federal contract and international trade opportunities. The program provided business counseling and training assistance to 148,106 individuals during fiscal year 2007.

The SBA is proud of the many women business owners who have become small business leaders and a driving force in the U.S. economy. There are nearly 10.4 million privately-held women-owned businesses across the nation. These companies employ almost 13 million people and generate nearly \$2 trillion in sales. The SBA has helped thousands of women achieve their dream of starting a small business, and has seen continued growth in its loan volume to women. The SBA approved more than 24,000 loans worth more than \$3.5 billion to women in fiscal year 2007. ♦