

NEWSLINE EIGHT

Volume 15 June 2009

SBA's Monthly
News Update
SERVING

COLORADO

MONTANA

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UTAH

WYOMING

Newsline Eight is circulated to our resource and lending partners by SBA's Region Eight Office

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Helping small businesses
start, grow and succeed.



Your Small Business Resource

The American Recovery and Reinvestment Act Will Help Small Firms Weather the Current Economic Storm By Stan Nakano, acting Regional Administrator

Whether your small company is located in Salt Lake City or rural Wyoming, the adverse affects that the current recession has on the "bottom-line" are tremendous. It is said that "when the economy sneezes, small businesses catch pneumonia". Small business owners are being squeezed from all sides as they see their profit margins decline due to rising costs and fewer customers. This combination of fewer customers and higher costs can be a fatal blow to most small business concerns. These conditions make enacting the right policies all the more important. Both President Obama and SBA Administrator Karen Mills have successfully leveraged the American Recovery and Reinvestment Act of 2009, and the Small Business Administration, to make a substantial positive impact on the current small business credit crunch. The start job creation, re-ignite new investment in small business and Reinvestment Act eliminate loan fees and raise on most types of 7(a) loans. It fees for both borrowers and compete for construction and SBA to more than double the backed surety bonds – from a \$5 million. An element already program – received additional



new loans. In another step, the Treasury Department plan has committed up to \$15 billion in TARP funds to help unfreeze small business lending by purchasing existing and new SBA-backed loans made by banks. This will free up capital for lenders to use for future lending, particularly benefiting small, community and non-bank lenders. The Recovery Act authorizes the SBA to use its 504 program in various ways: to refinance existing loans for fixed assets in a business expansion project; to use its guarantee authority to establish a secondary market; and to make loans to broker-dealers who buy 504 loans from lenders. Beginning on June 15th, the SBA will begin guaranteeing America's Recovery Capital (ARC) loans. ARC loans are deferred-payment loans of up to \$35,000 available to established, viable, for-profit small businesses that need short-term help to make their principal and interest payments on existing qualifying debt. ARC loans are interest-free to the borrower, 100 percent guaranteed by the SBA, and have no SBA fees associated with them. The "Act" also helps to make venture capital available to smaller businesses by raising the funds SBA-licensed Small Business Investment Companies can receive if they raise small business investments by five percent. Region VIII is a place that embraces the entrepreneurial spirit, a spirit that lives in over one million small businesses across six states. I truly believe that entrepreneurship is a part of our national DNA. Dreaming big - and taking risk, to realize those dreams is part of who we are. America needs to foster the entrepreneurs of the future, who will keep our economy robust and competitive. If you are a small business owner, or are thinking about starting a new small business, and need assistance from the SBA or one of its resource partners, please contact your local district office or go to www.sba.gov for more information.

SOUTH DAKOTA DISTRICT OFFICE

The SBA and the South Dakota SBDC network will present an audio/video training series entitled **Survive and Thrive Small Business Education Series: Marketing Matters** focused on marketing in today's ever changing business environment. There is not cost to participate and are one hour in length. All that is needed to participate is a computer with internet access and a phone to call a toll free 800 number. Each session will begin at 10:00 A.M. Central Time / 9:00 A.M. Mountain Time

July's workshops include:

- **Roadmap to Marketing Success: Steps to Writing a Successful Marketing Plan (July 9, 2009)**
Bringing advertising, communication and public relations together into one cohesive strategy
- **Google Matters: How Does Your Website Measure Up? (July 16, 2009)**
Providing content that your customers want, increasing traffic to your site
- **The First Impression: Building a Positive Customer Experience (July 23, 2009)**
Stand apart from your competition. Increase sales, build loyalty and improve your reputation without spending more on advertising
- **Social Media Marketing: How to Start Your Online Conversation (July 30, 2009)**
Introductory discussion about conversational marketing in a digital world

*The ReadyTalk system is a call in and website login system, which enables us to provide an audio presentation over the phone and a video presentation over the internet. Lines are extremely limited so call 605.330.4243 and press 0 to register NOW!

COLORADO DISTRICT OFFICE



The SBA and The Denver Business Journal product their 16th annual small business guide. This year's guide is entitled "Surviving the Economic Rollercoaster" and was published in the newspaper's May 29th edition. Packed with "how to" advice on surviving the bad economy, this guide is a valuable too for any small business owner. To support next year's guide, contact Chris Chavez at 303-844-0501.

LENDING STUDY PROVIDES STATE BY STATE RANKINGS OF BANKS BY JIM HENDERSON, REGIONAL ADVOCATE

Small businesses that are looking for loans will find the latest edition of the Office of Advocacy's annual study useful as it provides state-by-state rankings of lending to small firms. This new report, *Small Business and Micro Business Lending in the United States for Data Years 2007-2008*, gives a detailed account of small business state-by-state rankings show who made the most (\$100,000 to \$1 million) and microloans (under \$100,000) in each of the 50 states and the District of Columbia. The report ranks lenders on their overall small business lending under Small Business Administration programs. It uses the most recent Consolidated Reports of Condition and Income (Call Report) data for June 2007 to June 2008 and the Community Reinvestment Act (CRA) data for 2007 to examine financial institutions' small and micro business lending. The study found that for the year that ended in June 2008, the total value of small business loans outstanding increased 4 percent and the value of micro business loans outstanding increased 6.8 percent. Both rates were down from the previous one-year period, but they were still in positive territory. The full study is available at www.sba.gov/advo/research/lending.html



UTAH DISTRICT OFFICE

ARRA Presentation. On Thursday, June 11th, Steve Price, Utah Deputy District Director will give a presentation on the American Recovery and Reinvestment Act of 2009. Steve will speak to small business clients at a conference sponsored by PTAC and the SBDC entitled "Financing Your Business Conference". This event will be held at the Salt Lake Community College, 9750 South 300 West, Sandy, UT 84070, from 7:30 am – 12:30 pm. Breakout sessions will discuss how to secure business funding and government contracts in a slow economy. For additional information, please contact jim.weeks@slcc.edu.

NORTH DAKOTA DISTRICT OFFICE

The North Dakota District Office will offer BDMIS training for 8(a) firms on July 15, 2009 from 8:30am – 9:30am CDT. This training is for all participating 8(a) firms and will cover how to use the new database system that allows firms to enter their 8(a) Application and/or Annual Review information electronically. For additional information, please contact Tom Linnertz at (701) 239-5131 x.215 or by email at thomas.linnertz@sba.gov.

WYOMING DISTRICT OFFICE

Stimulate Your Business Economy; Merchandising and Customer Service Class to be held Wednesday, June 17th in Cody, Wyoming. Visual Marketing & Merchandising Workshop 7:30 - 9:00AM with continental breakfast. Learn how to pull customers off the sidewalk and into your store. See the good, the bad, and the ugly of retail merchandising. Create terrific displays on a tight budget. **Spontaneous Buying: Sales Techniques & Customer Service Workshop** from 5:30 - 7:00PM with refreshments. Learn what turns customers 'on' and buyers 'off'. Identify body language, both customers and yours. Use 'edutainment' to make shopping fun. \$25 for one OR attend both for the same price! Optional One-on-One site visits with Bruce Baker (\$15). Contact the Powell Chamber of Commerce in advance to register for a site visit. Spaces limited. (307) 754-3494.

MONTANA DISTRICT OFFICE

The Recovery Efforts ARE making a difference and providing a positive impact for businesses throughout Montana:

- **Our SBA Loan Volume Has Increased More than 33 per cent since the signing of the Recovery Act in February:** As of May 31, Montana businesses had received over \$25 million in Recovery Act loans.
- **More Montana Lenders Are Making Loans who were previously inactive in SBA lending programs:** From Feb. 17 to May 31, ten lenders who had not made a SBA loan since Oct. 2008 made 7(a) loans.
- **There is Broad Support to Small Businesses:** A significant share of loans supported by Recovery Act funding has gone to rural businesses, accounting for 71 per cent. Minority owned firms have received 18 percent of the loans, women owned firms received 19 percent, and veteran owned business have accounted for 12 percent of the Recovery Act funding.

The SBA's Montana District Office is working hard to implement the remaining elements of the Recovery legislation with the goal of having the broadest impact on small businesses as rapidly and effectively as possible. For more information on the SBA can help your business, contact the Montana District Office at (406) 441-1095.

SBA SMALL BUSINESS ECONOMIC HOTLINES REMAIN OPEN TO ASSIST REGION VIII SMALL BUSINESS COMMUNITY.

Five district offices in Region VIII have launched their first-ever **Small Business Economic Hotlines** in response to the concerns raised by the nation's small business community during these uncertain economic times. The purpose of this hotline is to give small business owners a single phone number they can call with business related questions. Calls to these phone numbers will be promptly returned by SBA staff in the different district offices. "Small businesses across our region have raised concerns about how they can survive given today's economic situation," states Stan Nakano, acting, Region VIII Administrator. "I believe it is critical that the SBA in each state provide a single phone number for our small business community to get the answers they need on questions relating to surviving in this environment. Our business experts from the Small Business Development Centers, SCORE, and other education organizations can advise them on ways to enhance their marketing plans, re-evaluate their business plans, and look for new sources of financing. Many of these services are "free of charge." The hotline numbers are as follow: Colorado (303) 844-2607 X 401; Montana (406) 441-1095; South Dakota (605) 330-4243 Ext 10; Utah (801) 524-3204; Wyoming (307) 261-6505.