



Success Story

BUFFALO DISTRICT OFFICE District Director, Franklin J. Sciortino

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Robert Palka Finds Success, Growth beyond U.S. Borders

SBA Loan Helps Small Business with Global Market Expansion

If you have watched the hit TV show “The Biggest Loser”, you have seen contestants work out on Robert Palka’s product Jacobs Ladder, a unique, patented cardio fitness machine.

Robert Palka is no stranger to the world of international trade and today, as the economy recovers, Palka is expanding his product offerings to global markets and making business acquisitions that have enabled the business to hire additional assemblers to meet increased demand, and to speed the development of a new model for home use.

Jacobs Ladder was invented in the early 1990s, but due to poor marketing, mechanical flaws, and cash constraints, the manufacturer ceased operations in 2002. Two years later, in July 2004, Mr. Palka purchased the patents and assets and began rebuilding the brand.

Palka initially became a client of the Niagara Small Business Development Center (SBDC) in September 2004, and was assisted by SBDC business advisor Thomas Bruss, who assisted Palka with his business plan preparation and securing a small loan for initial costs. Under Mr. Palka’s leadership, sales have shown a steady and dramatic increase of at least 40 percent each year. He returned to the Niagara SBDC in 2009 and worked with Pauline Soeffing to update his plan and successfully apply for an SBA guaranteed loan through M&T Bank, as well as funding from the Niagara County Industrial Development Agency.

“The SBDC is here to support all small businesses, not just start-ups. We are here to help companies grow,” said Ms. Soeffing, who has advanced training in international trade and global logistics.

“His success in getting a loan is a testament to his financial strength during tough economic times as well as the strategic importance of being an exporter,” said Franklin Sciortino, SBA district director.

In five years, Robert Palka has transformed a business in decline into a profitable, well-run operation whose customers include health clubs, professional sports teams, and universities throughout the United States and internationally.

“We are grateful to the SBA and the Niagara Small Business Development Center for their continuous support. Their assistance has allowed our company to gain a foothold in new markets and expansion,” said Palka.

His excellence in exporting was recently recognized by the U.S. Small Business Administration when he was named the winner of the celebrated 2010 Region II Small Business Exporter of the Year. Mr. Palka was also recognized as “Exporter of the Year” by New York State’s Small Business Development Center.

“Any company considering exporting or expanding their international markets should visit the SBDC. We can help them find the experts to guide them. The SBDC can also help the company estimate the financial impact these sales will have on, not only their bottom line but also, their cash reserves,” said Lynn Oswald, director, Niagara SBDC.

SBA resource partners – Small Business Development Centers, Women’s Business Centers and SCORE – as well as U.S. Export Assistance Centers are available to assist small businesses that are interested in exporting in every U.S. state and territory. These resource partners can help entrepreneurs identify potential export markets, facilitate export transactions, develop links between United States small businesses and prescreened foreign buyers, advise on participation in international trade shows, assist in obtaining export financing and developing or reorienting marketing and production strategies. In addition to counseling resources in every state and territory, there are export specialists available at the eight International Trade Export Assistance Centers and SCORE online international trade advisers.

There are 19 U.S. Export Assistance Centers located in major metropolitan areas throughout the United States. USEACs are one-stop shops ready to provide small- or medium-sized businesses with personalized local export assistance by professionals from the U.S. Small Business Administration, the U.S. Department of Commerce, the U.S. Export-Import Bank and other public and private organizations. For more information on USEACs, please visit <http://www.sba.gov/aboutsba/sbaprograms/internationaltrade/useac/index.html>.

To find your local counseling resources please visit www.sba.gov.