

UTAH DISTRICT NEWSLETTER

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Save the Date:

September 15, 2010
Salt Lake SCORE Workshop
Salt Lake County Building Complex
Salt Lake City, UT
(801) 746-2269

September 28, 2010
8(a) Orientation—SBA Office
125 South State Street, 2nd floor
Salt Lake City, UT
10:00 am to 11:30 am
Contact: (801) 524-6831

October 20, 2010
How to Form a LLC Workshop
Offered by SCORE
111 East Broadway 11th Floor
Salt Lake City, UT
5:30 pm to 8:00 pm
Contact (801) 524-6831

Helping small businesses
start, grow and succeed.



Your Small Business Resource

SBA Encourages the Public to Plan for Disasters During National Preparedness Month

WASHINGTON – In conjunction with the five-year anniversary of the devastating Gulf Coast storms of 2005, the U.S. Small Business Administration is encouraging business owners, homeowners and others to create their own disaster preparedness plan during National Preparedness Month in September.

“There is a tendency to think that a large-scale disaster is not going to happen ‘where I live,’” SBA Administrator Karen Mills said. “The reality is that storms, floods, earthquakes, fires and man-made disasters can strike anytime and anywhere. Planning ahead for your own post-disaster recovery is a good step toward protecting your family, your business and your community.”

SBA, along with many state, local government and private sector coalition partners are participating in this September’s National Preparedness Month.

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. Homeowners, renters 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. Companies 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 in fireproof safe deposit boxes. You should have copies/back ups of important documents ready to take with you if you have to evacuate.

Create a "Disaster Survival Kit." The kit should include a flashlight, a portable radio, extra batteries, first-aid supplies, non-perishable food, bottled water, a basic tool kit, plastic sheeting and garbage bags, cash, and a digital camera to take pictures of the property damage after the storm.



**Long-Term Recovery
After a Declared Disaster**

Businesses of All Sizes

*Repair or replace your
business property, inventory
and equipment*

SBA U.S. Small Business Administration
www.sba.gov 1-800-659-2955
All SBA programs and services are
provided on a nondiscriminatory basis.

More preparedness tips for businesses, homeowners and renters are available on the SBA's website at www.sba.gov.

The Institute for Business and Home Safety (www.disastersafety.org) also has information on protecting your home or business. Additional information on developing an emergency plan is available at the federal government's preparedness website www.ready.gov.

When disaster strikes, 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 website at www.sba.gov/disasterassistance.

*"Planning ahead for your own post-disaster recovery
is a good step toward protecting your family, your business
and your community."*

2011 Small Business Week Nominations

It's time to start thinking about 2011 SBW Nominations

Categories

Small Business Person of the Year
 Small Business Exporter of the Year
 Entrepreneurial Success Award
 SBA Young Entrepreneur of the Year
 Jeffrey Butland Family – Owned Business of the Year
 Financial Services Champion of the Year
 Home-Based Business Champion of the Year
 Minority Small Business Champion of the Year
 Small Business Journalist of the Year
 Veteran Small Business Champion of the Year
 Women in Business Champion of the Year

(The 2011 Nomination Guidelines will be available shortly – For more information, please contact:

Georgia.yoshida@sba.gov

2010 Winning Nominations

Small Business Person of the Year
 Robert Frayser -Lisbon Valley Mining Co. LLC

Financial Services Champion of the Year
 Lori Chillingworth—Zions Bank

Entrepreneurial Success Award
 Jason Budge and Steve Palmer -Shelf Reliance

Women in Business Champion of the Year
 Cecilia Mitchell-Zions Bank

Minority Small Business Champion of the Year
 Luz Robles-Zions Bank BRC

Small Business Development Center Service Excellence and Innovation Center Award
 Steve Clark and Ken Fakler -Orem SBDC

SBA Young Entrepreneur of the Year
 Bevan Collard-Bevan's Precision Alignment

Home-Based Business Champion of the Year
 Douglas Morgan Dyreng -Snow College

Jeffrey Butland Family-Owned Business of the Year
 Duane and Margene Cox -Cox Honeyland and Gifts Inc.

Seven Alternative Ways Small Business Owners Can Access Working Capital

Dennis Wengert, Business Development Specialist
 Utah District Office

The Recession has zapped many small companies, restricting their ability to get traditional bank financing. Until commercial lending loosens up, here are seven alternative ways small business owners can access capital to stabilize and grow their businesses:

Sell a minority stake in the company. Large companies typically have numerous owners, and many large private companies go public by offering stock for a minority share of the business. But why should large companies have all the fun? While a public offering for small companies is probably not feasible in most cases, selling a minority share of the company to a private individual may be the answer.

Look for a new business partner among competitors. Maybe it's time to view strong competitors in a different light. After all, if they are *that* good, they must be doing something right. Perhaps, there could be some synergies your two organizations could realize by joining forces. If so, a merger may be good for both companies.

The right partner and the right merger terms can mean your company gets access to capital, and you get to stay involved in day-to-day operations...if you want to.

Leverage an existing strategic business relationship. Some companies do specialized sub-contracting work for larger companies on a regular basis. If both companies are happy with the relationship, perhaps there is an opportunity for the larger company to take an equity interest in the sub-contractor. Or maybe the larger company can provide short-term working capital for upcoming projects.

Factor your receivables. Many small companies may be seeing their accounts receivable start to stagnate with the economic downturn. Factoring receivables can provide an immediate cash infusion, and let owners focus on generating new business, not collecting money for products or services already sold. These days, a bird in the hand is worth two in the bush.

Leverage your supplier relationships. Most suppliers don't want to see their customers (you!) go out of business any more than you want to throw in the towel. Since you both have a mutual desire to get through the tough times, try reworking your supplier agreements to a) delay payment, b) reduce unit costs, and especially c) create special customer promotions. If suppliers can help you sell more, both organizations benefit.

Explore non-bank financing options. Banks aren't the only source of money these days. More and more credit unions are getting into commercial lending, and there's several so-called peer-to-peer lending networks actively involved in lending money (Prosper.com, Virgin Money, etc). Some credit card companies are even doing small commercial loans (Capital One and others). Sam's Club is working with a non-bank lender to provide small commercial loans to Sam's Club business members.

Convert unused assets or capacity to cash. Almost every business has some sort of asset or excess capacity that is not being fully used. If so, think about turning it into a source of cash. Sell excess inventory, supplies, furniture or fixtures. Sub-lease excess space, even if it's merely to allow another firm to store their equipment, inventory or records. Sub-leasing excess retail space within a store doesn't necessarily mean the sub-lessee has to be a retail operation.

Thinking outside the box should be a normal mode of operation for any savvy business owner. And that goes for meeting funding and financing needs as well. Accessing capital shouldn't be restricted to just borrowing money or selling off a piece of the company. Exploring options for raising cash should include leveraging relationships, assets, capacity, and anything else of value to others. Until commercial lending provides a more predictable source of small business capital, taking advantage of a wide range of possible alternative opportunities to access capital may be the next best solution.

LENDER	August Loan Numbers	August Total Dollars	YTD Loan Numbers	YTD Dollars
1ST BANK	0	0	2	\$240,000
ALLIANCE COMMUNITY FCU	0	0	12	\$1,369,300
AMEGY BANK NATIONAL ASSOC	0	0	1	\$228,000
AMERICA FIRST FCU	0	0	51	\$1,619,000.00
AMERICAN BANK OF COMMERCE D/B/A AMBANK	0	0	9	\$5,856,900
AMERICAN BANK OF THE NORTH	0	0	3	\$3,290,000
BANKFIRST	0	0	1	\$150,000
BANK OF AMERICAN FORK	2	\$300,000	13	\$2,867,000
BANK OF UTAH	0	0	14	\$4,603,300
BARNES BANKING COMPANY	0	0	1	\$35,000
BEEHIVE CU	0	0	16	\$477,000
BRIGHTON BANK	0	0	11	\$519,000
CACHE VALLEY BANK	0	0	7	\$770,000
CAPITAL COMMUNITY BANK	0	0	7	\$709,000
CELTIC BANK CORPORATION	3	\$531,500	32	\$18,135,000
CENNTENNIAL BANK	0	0	2	\$376,900
CENTRAL BANK	3	\$111,400	22	\$1,813,500
CHARTWAY FCU	4	\$180,000	17	\$960,900
COMMUNITY W. BANK NATL ASSOC	0	0	1	\$440,000
COMPASS BANK	0	0	1	\$66,000
CYPRUS FCU	3	\$339,000	15	\$1,469,200
D.L. EVANS BANK	0	0	1	\$35,000
EXCEL NATIONAL BANK	0	0	1	\$618,200
FIRST BANK & TRUST CO.	0	0	1	\$120,000
FIRST UTAH BANK	0	0	8	\$863,200
FRONTIER BANK, FSB	0	0	1	\$161,000
GOLDENWEST FCU	1	\$10,000	18	\$946,000
GRAND VALLEY BANK	2	\$1,020,000	2	\$1,020,00
GRANITE FCU	0	0	6	\$355,200
HORIZON UTAH FCU D/B/A HORIZON CU	0	0	3	\$134,500
JORDAN FCU	0	0	13	\$375,000
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	7	\$1,991,000	67	\$16,198,300
KEYBANK NATIONAL ASSOCIATION	1	\$165,000	21	\$2,115,500
LEWISTON STATE BANK	0	0	1	\$25,000
LIBERTY BANK, INC.	0	0	2	\$650,000
LIVE OAK BANKING COMPANY	0	0	10	\$5,187,000
MEADOWS BANK	0	0	4	\$2,489,400
MOUNTAIN AMERICA FCU	13	\$315,000	172	\$8,654,600
MOUNTAIN WEST SMALL BUSINESS FINANCE	13	\$6,246,000	130	\$57,882,000
NATIONAL BANK OF ARIZONA	2	\$50,000	2	\$50,000
NEVADA COMMERCE BANK	0	0	4	\$1,322,500
NUMERICA CU	0	0	1	\$35,000
PRIME ALLIANCE BANK	0	0	3	\$1,433,500
PROFICIO BANK	1	\$245,000	1	\$245,000
SPIRIT OF TEXAS BANK, SSB	0	0	1	\$163,000
STATE BANK OF SOUTHERN UTAH	7	\$560,400	70	\$6,522,500
SUNFIRST BANK	0	0	2	\$265,000
SUPERIOR FINANCIAL GROUP, LLC	0	0	17	\$172,500
THE FIRST NATIONAL BANK OF LAYTON	0	0	8	\$3,135,600

LENDER	August Loan Numbers	August Total Dollars	YTD Loan Numbers	YTD Dollars
THUNDER BANK	0	0	1	\$33,800
U.S. BANK NATIONAL ASSOCIATION	3	\$819,100	30	\$4,035,700
UNITED CENTRAL BANK	0	0	1	\$700,000
UNITED MIDWEST SAVINGS	0	0	1	\$1,400,000
UNIVERSITY FIRST FCU	3	\$145,000	20	\$2,771,500
USU CHARTER FCU	0	0	2	\$90,000
UTAH CERTIFIED DEVELOPMENT COMPANY	2	\$288,000	53	\$18,783,000
UTAH FIRST FCU	0	0	11	\$445,000
VECTRA BANK COLORADO NATL ASSOC	0	0	1	\$10,000
WELLS FARGO BANK, NATIONAL ASSOCIATION	3	\$1,316,100	48	\$12,699,700
WILSHIRE STATE BANK	0	0	1	\$1,136,000
ZIONS FIRST NATIONAL BANK	38	\$2,960,700	553	\$45,598,800
TOTALS	111	\$17,593,200	1530	\$244,873,000