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NEWS RELEASE

PRESS OFFICE

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Contact: Mike Stamlcr (202) 205-6740

Release Number: 01-05

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NEW SBA LOAN PROGRAM CHANGES SET SIZE LIMIT FOR LOANS, ADD INCENTIVES FOR SMALLER LOANS

WASHINGTON – Recently enacted changes to the U.S. Small Business Administration's (SBA) premier loan program strengthened the agency's array of incentives designed to encourage private sector lenders to make smaller-sized loans more readily available to small businesses.

Changes were made to SBA's three primary loan programs, the 7(a) General Business Loan Guaranty program, the 504 Certified Development Company loan program and the Microloan program.

The most significant changes were to the 7(a) program. Under SBA-supported legislation signed into law by President Clinton in late December, the SBA bill raises the guaranty percentage to 85 percent for loans up to \$150,000, and greatly simplifies the guaranty fee structure. Both changes will make it easier for lenders to make smaller loans under \$150,000.

"These incentives are needed in the credit markets to boost the availability of small business loans under \$150,000," SBA Administrator Aida Alvarez said. **"These loans are much in demand by new businesses and entrepreneurs with great ideas for start-ups, yet these are the hardest loans to get. This package of changes will make it easier and more attractive for lenders to make these loans."**

The changes were contained in budget and reauthorization bills that were adopted on the closing day of the 106th Congress. The budget agreement appropriates \$901.5 million for agency programs, providing funds for \$10.4 billion in Section 7(a) guaranteed loans, \$3.75 billion in Certified Development Company loans, and nearly \$2.7 billion in venture capital assistance, including \$152 million for the New Markets Venture Capital companies.

The small loan incentives established under the legislation include revisions to the guaranty fee structure that allow the smallest loan fee to apply to loans up to \$150,000, and a change allowing a larger 85 percent guaranty on loans up to \$150,000. Previously, the lower fee and the higher guaranty percentage applied only to loans up to \$100,000.

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Under the 7(a) program, the agency applies a partial guaranty to a loan that is extended to a small business borrower by a commercial lender. The guaranty allows lenders to issue loans to creditworthy small business borrowers who fall outside the lender's normal credit parameters. The incentive is provided by the 7(a) loan guaranty, in which the SBA shares the risk with a lending partner.

More than 5,600 different commercial lenders made SBA-backed loans in FY 2000, when the agency guaranteed more than \$10.5 billion in small business loans.

Under the changes made to the program:

- Small loans are now considered to be those that are \$150,000 (gross amount) and smaller. The maximum guaranty on these loans is now 85 percent. Previously, small loans were considered to be \$100,000 or less and received a maximum guaranty of 80 percent.
- The maximum guaranty on loans greater than \$150,000 is 75 percent. Previously, loans for more than \$100,000 received a maximum guaranty of 75 percent.
- The maximum dollar amount that SBA can guarantee has been raised to \$1 million from \$750,000.
- A maximum loan size of \$2 million has been established for 7(a) loans. Previously, there was no maximum size limit.

The changes also included a simplified loan guaranty fee structure, which replaces the tiered structure in place since 1995. Guaranty fees are paid to SBA by lenders, but the cost is commonly passed on to borrowers. The guaranty fee structure was amended as follows:..

- For loans of \$150,000 or less, the guaranty fee is 2 percent of the guaranteed portion. Lenders are permitted to retain 25 percent of this fee, which is equal to 50 basis points.
- For loans greater than \$150,000, up to and including \$700,000, the guaranty fee is 3 percent of the guaranteed portion. Lenders are not permitted to retain any of this fee.
- For loans greater than \$700,000, the guaranty fee is 3.5 percent of the guaranteed portion (deferred participation share). Lenders are not permitted to retain any of this fee.

The legislation also establishes pre-payment charges for 7(a) loans with maturities of 15 years or more where the borrower voluntarily prepays during the first three years of the loan's term and the prepaid amount exceeds 25 percent of the outstanding loan balance.

The fee is 5 percent of the amount of the prepayment if made in the first year after the loan is made, 3 percent of the prepayment amount if made in the second year of the loan's term, and 1 percent of the prepayment amount if made during the third year.

The legislation also makes some changes in SBA's 504 program. These loans are used by small businesses to finance fixed assets. Generally, the SBA share of such loan packages amounts to about 40 percent of the projects costs, with the remaining 60 percent coming from the borrower and from a conventional commercial loan.

The biggest change increases the maximum loan limit for the SBA portion of the loan. For loans that meet specified job creation or community development goals, the maximum size was increased from \$750,000 to \$1 million. For loans that meet certain public policy goals, the maximum loan size was increased from \$1 million to \$1.3 million.

The reauthorization package also increased the maximum size for loans under the SBA Microloan program from \$25,000 to \$35,000, and allows SBA to continue expanding the number of lenders in the program to a maximum of 300. The current maximum is 200, and the current number of participating non-profit lenders is 150.

The new Microloan rules also will permit a higher limit in cases in which the borrower also secures financing from another source. The previous limit for the combined loans was \$75,000. The new limit will be \$105,000.

For more information about all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: January 5, 2001 **Contact:** Cecelia Taylor (202) 205-6740

Release Number: 01-04

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SBA SIGNS HISTORIC PARTNERSHIP AGREEMENT IN SUB-SAHARAN AFRICA

Helps Create Nigerian Business Information Center

WASHINGTON – The U.S. Small Business Administration (SBA) has signed an historic memorandum of understanding with the United States–Nigeria Development Institute (USNGDI) to develop a business and trade information exchange to establish bilateral trade and business partnerships.

The SBA and USNGDI signed the agreement on November 30 in Abuja, Nigeria, one of 34 countries in Sub-Saharan Africa that is a beneficiary of the African Growth and Opportunity Act (AGOA). President Clinton signed AGOA into law May 18, 2000. It offers incentives for African countries to open their economies and build free markets. The agreement is intended to move Africa from an “aid” dependency to a viable trading partner by reducing and in the case of textiles, eliminating tariffs. A major role of USNGDI is to strengthen ties by developing small businesses and establishing trade linkages between Nigeria and the United States.

“The SBA is dedicated to the growth of small business and is continually encouraging the development of business networks and small business linkages to expand international relations and trade,” said SBA Administrator Aida Alvarez. **“SBA will be an active participant to ensure continued progress toward a stable democracy and economic prosperity in Nigeria.”**

The USNGDI is a business development, and trade and investment organization, based in Nigeria and Washington, that works to expand and diversify the sale of goods and services of Nigeria to the U.S. market. It also works to bring U.S. technology, management expertise and market access opportunities to Nigeria.

Nigeria has been a priority for U.S. assistance by the Clinton Administration since the country achieved democratic transition after decades of military dictatorship. **“I am proud that the SBA has chosen Nigeria and the USNGDI to be its first partner in Sub-Saharan Africa,”** said Charles Williams, president of USNGDI.

While in Nigeria, Jim Wilfong, assistant administrator for SBA’s Office of International Trade, represented Administrator Alvarez and signed a letter of intent with the Nasarawa State Government during a Nasarawa State Economic Summit to establish business linkages between small and medium-sized Nigerian enterprises and U.S. small businesses.

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The purpose of the signing is to build and reinforce the economic and community development of Nigeria and the United States. Photos of the signing with Nasarawa State can be viewed online at <http://www.nasarawastate.org/pictures/sba.htm>.

The signing followed a visit last July to the SBA by the Executive Governor of Nasarawa State, Alhaji Abdullahi Adamu. Since his visit, Gov. Adamu has shown a great interest in piloting SBA-type programs in his state. The SBA pledged its support to help build the first ever business information center in Nigeria to promote the development of small business and job creation.

"Creating market-opening agreements contributes to the ongoing economic expansion of our countries," Administrator Alvarez said. "We believe our cooperation and support will assist Nigerian small business efforts to be included in today's global marketplace."

The size of the Nigerian market provides an abundance of opportunities for small businesses. Boasting a population of more than 120 million people, Nigeria is the most populous country in Africa. It is also the world's sixth largest oil exporter, providing 7 percent of oil imports to the U.S.

The SBA is a member of the Inter-Agency Working Group on Africa and has been working with the Department of State and U.S. Agency for International Development to participate in U.S. economic assistance programs. The agency is part of the U.S.-Nigeria Joint Economic Partnership Committee, established by the Department of State, to oversee social and economic development policy decisions with respect to Nigeria.

Administrator Alvarez, who serves as the chair of the working group on small and medium-sized enterprises of the Organization for Economic Cooperation and Development, also recently signed similar agreements with the Republic of Korea and the Russian Ministry of Antimonopoly Policy and Entrepreneurial Support.

To more effectively open access to foreign markets for U.S. small businesses, the agency has also entered into trade partnership agreements with Mexico, Argentina, Canada, Egypt and Ireland. These partnerships are based on formal agreements that will help SBA more effectively reach business owners with information about SBA's programs.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

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Contact: Tiffani Clements (202) 205-6740

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WOMEN AND MINORITY BUSINESSES ELECT SBA AS AMERICA'S TOP GOVERNMENT AGENCY

WASHINGTON –In the first Internet poll geared towards businesses with a diversity focus, more than 50,000 women-owned and minority businesses voted the U.S. Small Business Administration (SBA) America's top government agency for promoting multicultural business opportunities.

The four-day online poll was conducted by DIV2000.com, a business portal providing the link between women - and minority-owned businesses, Fortune 1000 companies, government agencies, colleges and universities.

"I am delighted that the SBA was selected for this honor," said SBA Administrator Aida Alvarez. **"Women-owned and minority-owned businesses are the fastest growing corporations in the business sector. They contribute to the nation's economy and the workforce. It is our job at the SBA to ensure that they receive their fair share of contracting opportunities in the \$200 billion federal marketplace and to keep those doors of opportunity open."**

The SBA led the list of top government agencies by a wide margin. Other government agencies that received notable mention were: the Postal Service, General Services Administration, Department of the Army, Department of Defense, Department of Transportation and Department of the Air Force. A complete list of all winners is available at www.DIV2000.com.

The winners, collectively known as the DIV Top Ten, will be recognized for their contributions to minority - and women-owned businesses at an awards ceremony on January 18, at Fairfield University in Connecticut.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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PRESS OFFICE

NEWS RELEASE

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Contact: Cecelia Taylor (202) 205-6740

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SBA AND RUSSIA TO COOPERATE ON SMALL BUSINESS DEVELOPMENT

WASHINGTON – An agreement to help develop a business support network to encourage small business growth in Russia was signed today by the United States and Russian small business development agencies.

The U.S. Small Business Administration (SBA) and the Ministry of Antimonopoly Policy and Entrepreneurship Support (MAP) moved another step forward in their efforts to promote the development of private sector enterprise.

The SBA will host a Russian delegation, led by MAP Minister Iliya Yuzhanov, for a week long international collaboration on business and economic expansion. The purpose of the signing is to establish cooperation on small business development between the United States and Russia.

“As co-chair of the U.S.–Russian Bi-National Commission (BNC), we hope that our relationship continues to grow for many years,” said SBA Administrator Aida Alvarez. We believe that the plan of action we sign today will facilitate democracy, sustained economic development and cooperation between our two nations.”

Administrator Alvarez is co-chair of the United States–Russian Small Business Working Group under the BNC, lead by Vice President Gore. Since 1996, the SBA has partnered with the U.S. Agency for International Development and the U.S. Department of State in an inter-agency effort to support the BNC. The BNC works to promote peace, stability, economic development, democracy and cooperation between Russia and the United States.

The SBA signed a memorandum of understanding with Russia in 1996, under the Gore-Chernomyrdin Commission, to encourage economic and technological cooperation for small business. The signing of two succeeding action plans in 1999 and 2000 renewed the memorandum. As part of the on-going relationship between the SBA and MAP, this week's activities will exhibit Russia's small business policymakers to the role of small business in a country's economic growth and development.

The delegation, including chairman of the Federal Fund for Small Business Support, will take part in roundtable discussions on small business issues and tour four small businesses in Maine, including Maine Balsam Fir Products, a small company that manufactures balsam fir pillows. Wendy Newmeyer, president of Maine Balsam Fir, Inc., was selected as that state's 2000 Small Business Person of the Year. The SBA will also demonstrate how local economic development organizations work with state, regional and federal organizations to advance business and economic development.

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"As we move forward, we do so with the knowledge that small business has been and will continue to be the anchor that steadies economic prosperity," said Administrator Alvarez. **"We hope that your visit will strengthen the role that small businesses play in the growth of the national economy."**

The SBA and Russia's small business policymakers will encourage the role of small business in Russia's economic growth by offering technical assistance to the emerging Russian market, and by transferring technology and resources in the development of small business. SBA's participation with the BNC will help to promote U.S. foreign policy interests, including economic development and small business diplomacy.

The SBA will continue in its effort to assist in the development of economic reform through the role of small business in a market-based economy and its potential application to Russia by encouraging economic democracy, and job and income generation through the liberalization of the financial sector.

For more information on SBA's programs, visit the SBA's Web site at www.sba.gov or call the SBA Answer Desk at 1-800 U ASK SBA.

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NEWS RELEASE

PRESS OFFICE

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SBA SIGNS AGREEMENT WITH REPUBLIC OF KOREA'S SMALL AND MEDIUM BUSINESS ADMINISTRATION TO SPUR BUSINESS OPPORTUNITIES

WASHINGTON - U.S. Small Business Administration (SBA) Administrator Aida Alvarez today signed a partnership agreement with the Small and Medium Business Administration of the Republic of Korea (SMBA) to encourage the development of bilateral trade and promote trade opportunities for U.S. and Korean small businesses.

"Signing this agreement will continue the SBA's outreach effort to increase trading with our overseas partners," Administrator Alvarez said. "I look forward to working with the Korean Small and Medium Business Administration, and to establishing formal partnerships with other international organizations in the future."

The SMBA is the central government agency for growth and support of small- and medium-sized enterprises (SMEs). Korea has a well-established program of assistance to SMEs that includes credit guarantees, financial assistance, support for women-owned businesses, marketing assistance, import and export opportunities, and e-commerce.

The partnership agreement commits SBA and the SMBA to combine their efforts to encourage dialogue among U.S. and Korean businesses and foster strategic alliances among U.S. and Korean business owners.

"Today, we become partners in promoting the growth of small business," Administrator Alvarez added. "Our partnership illustrates SBA's commitment to ensure that small businesses have the opportunity to benefit from the nation's strong economy."

Last month President Clinton ordered the establishment of a new Interagency Task Force on Small Business Exports to develop strategies to help small businesses take advantage of the Clinton Administration's foreign trade agreements, particularly those included in under-represented populations.

"The establishment of the task force is another step forward for the Clinton-Gore Administration's support of free trade," Administrator Aida Alvarez said. "SBA has effective resources to help identify opportunities and unleash the untapped potential of new market communities created by these initiatives aimed at lowering barriers to trade for U.S. small businesses."

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The establishment of the Small Business Exports Task Force will expand the federal government's outreach to new market communities and increase international opportunities for small business owners to tap into the growing global economy.

New market communities are population and geographic sectors of the country that have economic potential, yet have been bypassed in securing the benefits of the expanding U.S. economy. Encouraging and assisting companies to export their products is a key part of the growth of the U.S. economy and a focus of the SBA.

In 1997, Korea was the United States' fifth largest export market overall, and the fourth largest for agricultural products. Merchandise trade between the United States and Korea totaled \$48.3 billion. U.S. imports from Korea in 1997 were \$23.2 billion.

Korea is one of the top 10 Big Emerging Markets for U.S. exporters. There are 2.67 million SMEs in Korea that employ 8.26 million workers. Korea produced \$177.9 billion of U.S. manufactured goods in 1997.

Ninety-seven percent of all U.S. exporters are small businesses. Between 1987 and 1997, the number of U.S. small business exporters tripled. Of the 209,000 U.S. businesses that export, more than 202,000 are small businesses. The fastest growth has been among the "smallest of the small" - businesses with fewer than 20 employees.

The SBA has also entered into trade partnership agreements with Mexico, Argentina, Canada, Egypt and Ireland. These partnerships are based on formal agreements that will help SBA more effectively reach business owners with information about SBA's programs.

For more information on SBA's programs, visit the SBA's website at www.sba.gov or call the SBA Answer Desk at 1-800 U ASK SBA.

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NEWS RELEASE

PRESS OFFICE

Release Date: October 3, 2000

Contact: Cecelia Taylor (202) 205-6740

Release Number: 00-90

Internet Address: www.sba.gov/news/indexheadline.html

NEW SBA LOAN PACKAGE HELPS U.S. SMALL BUSINESS EXPORT GOODS AND SERVICES

WASHINGTON – A new loan program launched by the U.S. Small Business Administration (SBA) will offer more flexibility to both borrowers and lenders, which translates to more financing options for U.S. entrepreneurs wanting to do business overseas.

The program was announced today by SBA Administrator Aida Alvarez during a visit to the Miami Free Zone in Miami, FL. Administrator Alvarez visited several business exporters in the 47-acre international trade business park, including Miami Jet Thrust Inc., a jet-leasing firm.

"Exporting can mean big profits for a small business," said Administrator Alvarez. "Ninety-five percent of the world's population and two-thirds of the total world purchasing power are located outside our borders. Encouraging American companies to export their products is a key part of the growth of our economy. Since 1989, exporters have accounted for 70 percent of the growth in the U.S. economy, and 97 percent of all exporters are small businesses."

During the Clinton Administration, the SBA has continued in its commitment to American small business development in international markets. The SBA has developed numerous trade partners across the globe including Africa, Argentina, Canada, Egypt, Ireland, Mexico and Turkey to facilitate business linkages and promote strategic business alliances with small United States companies.

Available nationwide, SBA Export *Express* is a streamlined small loan program that allows participating lenders to use their own forms, procedures and analyses, with a loan application turnaround of 36 hours. SBA Export *Express* combines those streamlined procedures with a high guaranty percentage to encourage lenders to make loans to small business exporters that otherwise could not get financing.

The SBA Export *Express* Pilot Loan Program can be used by small businesses, including export trading companies and export management companies, to develop foreign markets. Businesses can use the program to finance their participation in foreign trade shows and trade missions, to translate their product literature for use in foreign markets, to finance specific export orders or to finance working capital and fixed asset loans, which will allow them to export their products to foreign markets.

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SBA Export Express offers small business owners several unique features:

- An SBA loan guaranty of up to 80 percent on a loan of \$100,000 or less and 75 percent on larger loans, with the maximum loan amount of \$150,000.
- Enhanced ability to export by increased access to capital.
- Private sector lenders that take a more aggressive role in developing the small business export community
- An expedited loan review and approval process for small business exporters.
- Technical assistance, provided by SBA's U.S. Export Assistance Centers (USEACs), in cooperation with SBA's network of resource partners, including the Small Business Development Centers (SBDCs), Service Corps of Retired Executives (SCORE) and other state and local export service providers.

Loan proceeds may be used to finance standby letters of credit, revolving lines of credit for export purposes and term loans that are used to finance expansions, equipment purchases, inventory or real estate acquisitions.

Administrator Alvarez added: "Small business exporters play a significant role in improving the U.S. balance of trade while protecting their competitiveness and improving their profits. Exporting creates jobs and provides small firms with growth, new markets and additional profits. Every \$1 billion in exports creates 20,000 jobs."

Small business owners and entrepreneurs who want to know more about applying for a loan under the program should contact the nearest SBA field office.

For additional information on SBA Export Express and other export finance programs, visit the SBA Web site at www.sba.gov/oit. To locate the SBA field office nearest to you, visit online at <http://www.sba.gov/regions/states.html>.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

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Contact: Nancy Singer (202) 205-6740

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SBA OUTLINES VISION TO BRIDGE THE CREDIT GAP FOR RURAL SMALL BUSINESSES

WASHINGTON - Small business financing and development programs offered by the U.S. Small Business Administration (SBA) must be a key component in solving the opportunity gap that has kept rural American communities from participating fully in the nation's booming economy, SBA announced today.

In a conference organized by the Appalachian Regional Commission in Batavia, Ohio, to address rural economic opportunity concerns, Administrator Alvarez told conferees that SBA programs can make a crucial difference.

"I am proud to share the Clinton-Gore Administration's vision of bringing opportunity to communities that haven't experienced this prosperity before," SBA Administrator Aida Alvarez said. "SBA has powerful tools to help create those opportunities and unleash the untapped potential of these communities."

Last year, President Clinton and the SBA announced the New Markets Initiative, a sweeping new public/private partnership to provide tax credits, investment capital and credit, and technical assistance to businesses in economically distressed rural and inner city areas.

One important element of the New Markets Initiative that will help fill the gap in investment in inner cities, poor rural areas, and Native American reservations is the New Markets Venture Capital Companies (NMVCs). They will provide a combination of equity venture capital financing and technical assistance to smaller businesses located in low and moderate-income areas. The NMVC program will involve community-based development organizations whose managers have established successful records in venture capital investing in small businesses.

"These venture capital companies (NMVC) are tailor-made for new markets. They will fill an important gap in raising capital and in providing hands-on operational assistance. In addition, they have the resources and flexibility to ensure the long-term success of their investments in small business," Administrator Alvarez emphasized.

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Additional information about SBA's programs and services is available at SBA's Web site: <http://www.sba.gov> or by calling the SBA's Answer Desk at 1-800 U ASK SBA.



NEWS RELEASE

PRESS OFFICE

Release Date: September 11, 2000

Contact: Tiffani Clements (202) 205-6740

Release Number: 00-81

Internet Address: www.sba.gov/news/indexheadline.html

SBA UNVEILS NEW WEB SITE, OFFICE TO HELP WOMEN BUSINESS OWNERS GET FEDERAL CONTRACTS

WASHINGTON – A new Web site launched by the U.S. Small Business Administration (SBA) will increase procurement and networking opportunities to women-owned businesses by placing all contracting assistance information at a single on-line site, SBA Administrator Aida Alvarez announced today at the White House.

The new Web site – WomenBiz.gov – is a joint project of SBA's new Office of Federal Contract Assistance for Women Business Owners, SBA's Office of Women's Business Ownership, the Interagency Committee for Women's Business Enterprise and the National Women's Business Council.

WomenBiz.gov will provide women-owned businesses with direct access to the federal acquisition tools and government networks to tap into the \$200 billion federal marketplace. The site will serve as the official gateway to more than 100 procurement and acquisition sites hosted by various Federal agencies.

It also includes links to PRO-Net, Electronic Posting System, CBDNet, the GSA Federal Supply Schedule Program, DefenseLINK, and SBA's Government Contracting page.

"The President has called on the SBA to pave the way to ensure that women-owned businesses receive their fair share of federal contracts," said Administrator Alvarez. "I believe we are answering that call and reaffirming our commitment to the Administration's initiative by endorsing the launch of this Web site and creating this office. These are two important vehicles for providing women-owned businesses with procurement opportunities."

The Web site has information pages especially developed to assist women business owners who want to participate in government procurement. Some topics that are highlighted on the Web site are the following:

- **Getting Started:** Register your company as a contractor or vendor with PRO-Net, Central Contractor Registration (CCR) and the Electronic Posting System (EPS).
- **Subcontracting:** Exclusive to WomenBiz.gov – the most comprehensive resource for subcontracting opportunities. Locate prime contractors for business opportunities and find other small businesses to team with for large contracts.
- **Forecasts:** If a Federal department or agency prepares a procurement forecast, you will find it here!

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- **Best Practices:** WomenBiz.gov also congratulates departments and agencies that meet or exceed the 5 percent goal by featuring their women-owned business outreach initiative.
- **Mentor-Protégé Programs:** WomenBiz.gov is the only site that brings together government mentor-protégé programs as one source of information.
- **Acquisition News and Calendar of Events:** A source of information on procurement conferences and seminars hosted by government departments and agencies as well as a monthly column provided by government officials about how to do business with their department or agency.

The new women's contracting office is one of many initiatives the White House has implemented to increase procurement opportunities for women-owned businesses. President Clinton required in Executive Order 13157 that all federal agencies "meet or exceed" the five percent government contracting goal that now exists for women-owned businesses. President Clinton specifically called on the SBA to establish an office that will assist women business owners and provide them with:

- more extensive training and technical assistance;
- a single Web site with detailed procurement information; and
- an interactive electronic commerce database containing information on women-owned businesses.

Effective October 1, 2000, Sheryl J. Swed will become the assistant administrator for the Office of Federal Contract Assistance for Women Business Owners in the Office of Government Contracting. Ms. Swed brings over 25 years of public service related to small business, international trade and women's issues to this important new position.

During today's White House event, SBA also presented the first ever *Dietra L. Ford Award of Excellence* to the Department of State in recognition of its exemplary performance in meeting aggressive contracting goals and developing strategic initiatives for women-owned businesses. The White House endorsed this award in memory of Dietra L. Ford, former director of the Office of Small and Disadvantaged Business Utilization at the General Services Administration, for her outstanding contributions to women-owned businesses.

"I am honored to present this award to the State Department in memory of my esteemed colleague, whose commitment to women businesses was unyielding throughout her career," said Administrator Alvarez.

Administrator Alvarez will present the award today at 4:00 p.m. The award will be presented during SBA's Annual Procurement Conference in future years.

For more information on government contracting for women business owners, visit the Web site at <http://www.womenbiz.gov>. Additional information about SBA's programs and services is available at SBA's Web site: <http://www.sba.gov> or by calling the SBA's Answer Desk at 1-800 U ASK SBA.

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NEWS RELEASE

PRESS OFFICE

Release Date: July 28, 2000
Release Number: 00-71

Contact: Dave Helfert (202) 205-6740
Internet Address: www.sba.gov/news/

SBA COMMUNITY EXPRESS LOANS TO GO NATIONWIDE

Innovative Program Will Spur "New Markets" Investment

CHICAGO – An innovative U.S. Small Business Administration program that matches loans to New Markets entrepreneurs with technical assistance is going nationwide, SBA Administrator Aida Alvarez announced today.

The program is an important expansion in the agency's efforts to bring traditionally under-served markets into the mainstream of the economy.

Speaking to more than 200 small business owners and Rainbow/PUSH delegates meeting in Chicago, Administrator Alvarez announced the expansion of the SBA Community Express Loan Program from a pilot involving nine banks in 20 locations to as many as 500 lenders nationwide. Community Express is a joint initiative between SBA and the National Community Reinvestment Coalition (NCRC). The program is aimed at New Markets areas, usually comprised of small businesses owned by minorities, women and veterans, particularly those located in low and moderate income urban and rural areas.

"Community Express brings together the SBA's program experience and lending capability with the lending and community development expertise of the NCRC," Administrator Alvarez said. **"And now that we are expanding this program nationwide, more Americans will have the opportunity to fully participate in the mainstream of the U.S. economy by starting and growing successful small businesses."**

The Administrator was participating in a Rainbow/PUSH Roundtable discussion on promoting diversity and moving people "from the margins to the mainstream."

"The partnership between the SBA and the NCRC provides critically-needed access to capital for small businesses in traditionally under-served areas of the country, along with technical and management assistance to loan recipients," added Administrator Alvarez.

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Community Express is an innovative approach to bring SBA financing to areas where commercial loans have been difficult to get. Additionally, lenders will use expedited loan review and approval procedures to process these SBA-guaranteed loans.

The loans include term loans, lines of credit and commercial mortgages. Loan proceeds can be used for purchasing inventory, machinery and equipment, land and buildings and for working capital.

The critical element of the program is the link between the SBA-backed loans and the technical assistance that will be funded by lenders and provided by NCRC member organizations. Borrowers will receive hands-on training and support, both before and after loan closings.

Since the pilot began in June 1999, participating lenders have made 110 loans ranging from \$5,000 to \$250,000. The total is about \$11.1 million. About two-thirds of the loans have gone to minority-owned businesses, and about 43 percent have been to businesses owned by women.

The expansion announced today widens the pilot program from the original nine lenders to as many as 500 additional lenders – the better performing lenders participating in the agency's Preferred Lenders Program (PLP), as well as selected non-PLP lenders in some areas.

SBA will review the performance of its 7(a) lenders to determine which are eligible, and those lenders will be notified that they are eligible to participate.

The Community Express pilot program is part of SBA's New Markets Initiative, designed to spur economic development and job creation in untapped rural and inner city communities with venture capital, commercial loan credits and technical assistance.

NCRC is a nonprofit trade association comprised of 680 dues-paying community development and advocacy groups. Members are committed to revitalizing distressed communities. NCRC's mission is to ensure fair and equal access to credit, capital and banking services and products to these communities. NCRC seeks to develop and support long-term solutions that provide resources, knowledge, and skills to build community and individual net wealth.

For more information on these and other SBA programs, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive website at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: July 27, 2000

Release Number: 00-70

Contact: Cecelia Taylor (202) 205-6740

Internet Address: www.sba.gov/news/

SBA FOCUSES OUTREACH ON AMERICANS WITH DISABILITIES

Announces New Head of SBA's Disabilities Initiative

WASHINGTON – The U.S. Small Business Administration (SBA) has renewed its commitment to improve entrepreneurial opportunities for Americans with disabilities with the appointment of Jeanette Harvey to head the Agency's Disabilities Initiative. She will plan and implement activities that provide information, training, counseling and education to prospective and existing small business owners.

"Jeanette brings to the SBA a solid track record as an effective small business advocate for individuals with disabilities," said SBA Administrator Aida Alvarez. **"I look forward to working closely with her to open new opportunities and to strengthen our outreach to disabled Americans."**

Ms. Harvey will also work with public and private-sector partners to provide small business owners with information, education and training that is cost-effective, of high quality and reflective of trends in small business development.

Ms. Harvey, who is herself an individual with a disability, previously served as the national director of the United Cerebral Palsy Association in Washington, D.C. She also operated her own small business, developing policies and programs for the advancement of people with disabilities. Ms. Harvey oversaw a graduate program in Management at the University of San Francisco where she created the first global graduate program integrating disability services in a business context. She has lectured internationally on disability rights and served as a consultant to a number of Fortune 500 companies. Ms. Harvey holds a bachelor of science degree from Portland State University.

SBA Deputy Administrator Fred Hochberg announced the appointment while marking the 10th anniversary of the Americans with Disabilities Act (ADA) in Collinsville, Ill., this morning. **"At the SBA, we have come to appreciate that people with disabilities are a key element – and an untapped resource – in sustaining our nation's historic economic growth,"** said Deputy Administrator Hochberg. **"The ADA provides 54 million Americans access to services, programs, benefits, and employment opportunities to level the playing field."**

While in Collinsville, the Deputy Administrator visited a business owned by Jerry Buck, a disabled Vietnam veteran who started his business in 1989 with a \$200,000 loan backed by the SBA.

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The SBA is a key federal agency in President Clinton's Task Force on Employment of Adults with Disabilities. The task force was created in 1998 to ensure access to services and other resources for adults with disabilities. The SBA and 10 other federal agencies are working together to develop small business and entrepreneurial activities for adults with disabilities.

The SBA's Disabilities Initiative, part of the Office of Entrepreneurial Development, is dedicated to ensuring that Americans with disabilities have full access to the necessary business development and expansion tools available through the Agency's entrepreneurial development, lending and procurement programs.

Additional information about SBA's programs and services is available at SBA's Web site:
<http://www.sba.gov> or by calling the SBA's Answer Desk at 1-800 U ASK SBA.

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NEWS

RELEASE

PRESS OFFICE

Release Date: June 28, 2000

Release Number: 00-60

Contact: Nancy Singer (202) 205-6740

Internet Address: www.sba.gov/news/

SBA TO OPEN NEW ONE-STOP CAPITAL SHOPS IN FOUR EMPOWERMENT ZONES

Refurbished Web Site to Include Spanish

WASHINGTON — The U.S. Small Business Administration (SBA) announced today that it is expanding its One-Stop Capital Shops (OSCSs) network with the addition of new locations in four designated Empowerment Zones, bringing the total to 23 OSCSs in 17 states.

The first of these, scheduled to open next month, will be located in Chicago. The other three sites, in Southernmost Illinois Delta, El Paso, Texas and Griggs/Steele, North Dakota, will open by the end of the year.

“The success of this initiative is due largely to the strong partnerships each One-Stop Capital Shop has with local governments, non-profit organizations and the community,” said SBA Administrator Aida Alvarez. **“Our goal is to have a One-Stop Capital Shop in every Empowerment Zone.”**

OSCSs are partnerships between SBA and local communities designed to offer small business assistance from easy-to-access retail locations. They are located in distressed urban and rural areas and generally target underserved communities. They provide a multitude of services to these communities, including state-of-the-art computer resources, Internet access, business software, research materials, and access to lenders, training and counseling.

The SBA also is launching a new and improved OSCS Web site at www.sba.gov/onestop that will include detailed information on the OSCS programs and how to access OSCS products and services. It also will contain information and links to each OSCS site. The Web site guides visitors directly to state pages containing information about local resources available to small businesses.

The refurbished Web site also will include a Spanish language version directly accessible from the home page.

“Hispanic-owned businesses are growing at an explosive rate. We are expanding our outreach efforts to these individuals with the addition of the One-Stop Capital Shops Web site in Spanish,” Administrator Alvarez added.

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Last year, OSCSs served more than 53,000 small business customers. A large percentage of those small business customers are Hispanic-Americans. More than 18,000 Hispanic-Americans received business counseling and training under SBA's Small Business Development Center program, and one-fourth of the 6,000 participants in the SBA's 8(a) Business Development Program are Hispanic-owned businesses.

The first OSCS opened in 1994 in support of the Empowerment Zone and Enterprise Community (EZ/EC) Initiative, a central focus of President Clinton's and Vice President Gore's efforts to revitalize distressed inner cities and rural communities. The initiative calls on the federal government and local communities together to work in alliance to achieve sustained economic growth by targeting the most impoverished communities.

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For more information about the One-Stop Capital Shops Initiative, visit the Web site at www.sba.gov/onestop.

For more information about SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA, or visit SBA's comprehensive Web site at www.sba.gov.



NEWS RELEASE

PRESS OFFICE

Release Date: June 13, 2000
Release Number: 00-57

Contact: Nancy Singer (202) 205-6740
Internet Address: www.sba.gov/news/

SBA EXPANDS WOMEN'S BUSINESS CENTER NETWORK TO 93 CENTERS

WASHINGTON — Aída Alvarez, Administrator of the U.S. Small Business Administration (SBA), today announced the opening of eight new women's business centers this year and new funding for 16 others. The Women's Business Center Program offers training, counseling, and mentoring services to current and potential women entrepreneurs.

"The SBA's Women's Business Center Program is one of the best resources for women entrepreneurs who need assistance in starting or growing a business," said Administrator Alvarez. "It's an excellent example of how public and private sectors can work together to help women business owners.

"With these eight new centers, there will be 93 centers nationwide — in 46 states, Puerto Rico, the District of Columbia, American Samoa, and the Virgin Islands. We are closer to our goal of having at least one center in every state and territory now that Virginia, Kansas, and American Samoa have centers."

Under the Sustainability Pilot Program, the SBA will also provide additional grants for 16 existing centers that have either completed their SBA funding cycle or are in their fifth year of funding. Each of these centers is required to match federal grant funds with private contributions.

Women's business centers are located in rural, urban and suburban areas, and direct much of their training and counseling assistance toward socially and economically disadvantaged women. They offer mentoring and technical assistance and many innovative training programs in financial management, marketing, and procurement. Some centers offer training and mentoring in several languages. The centers also provide specialized programs that address issues facing displaced workers and rural home-based entrepreneurs.

The Women's Business Center Program was established by Congress in 1988 and is administered by the SBA's Office of Women's Business Ownership. For additional information on the programs available at each new center, refer to the attached list and contact the organizations directly. For more information and a complete listing of the existing women's business center locations, visit the Online Women's Business Center at www.onlinewbc.org/docs/wbc/.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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New Women's Business Center Awards, FY-2000
Contact List

American Samoa Women's Business Center

P.O. Box 6849
Pago Pago, American Samoa, 96799

Enterprise Center of Johnson County

9875 Widmer Road
Lenexa, KS 66215

Center for Business Innovation, Inc.

4747 Troost Avenue
Kansas City, MO 64110-1727

South Fairfax Regional Business Partnership, Inc.

6911 Richmond Highway, Suite 290
Alexandria, VA 22306

The Local Development Corporation of East New York

80 Jamaica Avenue
Brooklyn, NY 11207

Arizona Council for Economic Conversion (ACEC)

P.O. Box 42108
Tucson, Arizona 85733

NC Institute of Minority Economic Development

114 S. Parrish Street, 6th Floor
P.O. Box 1331
Durham, North Carolina 27701

WomenVenture

2324 University Avenue West
St. Paul, MN 55114

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NEWS RELEASE

PRESS OFFICE

Release Date: June 1, 2000

Release Number: 00-51

Contact: Dave Helfert (202) 205-6740

Internet Address: www.sba.gov/news/

SBA-NATIONAL ASSOCIATION OF GAY AND LESBIAN COMMUNITY CENTERS PARTNERSHIP TO FOCUS ON SMALL BUSINESS INFORMATION

WASHINGTON - U. S. Small Business Administration (SBA) Administrator Aida Alvarez will sign a partnership agreement Thursday with the National Association of Gay and Lesbian Community Centers (NAGLCC) in Los Angeles. The partnership is intended to increase the participation of lesbian- and gay-owned small businesses in SBA's capital-access, contract procurement and technical assistance programs.

Under the agreement, SBA will work closely with 106 gay and lesbian community centers in 36 states to disseminate information about SBA's small business assistance programs and services to America's gay and lesbian small business owners and potential entrepreneurs.

"The Small Business Administration is absolutely committed to the idea that every citizen deserves an opportunity for full participation in the American dream," said Administrator Alvarez. "This agreement will help us get this message out to the gay and lesbian community that the tools SBA offers are available to anyone with the creativity and determination to use them to build a business."

As part of the agreement, SBA District Offices and NAGLCC members around the country will conduct "Meet-the-Lender" forums, orientation sessions on SBA interactive assistance for small businesses, and workshops on the many loan and government contract procurement programs and services available.

"SBA's job is helping people start and grow businesses to provide jobs, shore up neighborhoods and stabilize communities," the Administrator said. "That goes for every community."

The two-year agreement will be signed today at a 1 p.m. news conference at the Los Angeles Gay and Lesbian Community Center, 1125 North McCadden Place, in the Village at Ed Gould Plaza.

For more information about all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive Web site at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: May 25, 2000
Release Number: 00-47

Contact: Mike Stamler (202) 205-6740
Internet Address: www.sba.gov/news/

SBA PROVIDES NEARLY \$80 BILLION IN LOANS FOR SMALL BUSINESSES SINCE 1992

Total is More than in the Entire Prior History of the SBA

WASHINGTON – SBA Administrator Aida Alvarez today announced that the U.S. Small Business Administration (SBA) delivered almost \$80 billion in loans to small business owners since 1992 – more than in the entire prior history of the Agency.

President Clinton said, “I am proud of what we have been able to accomplish in the last seven years. America’s small business entrepreneurs are the cornerstone of our free enterprise system.”

“This shows the Clinton-Gore Administration’s commitment to making credit and financing available to small businesses,” said Administrator Alvarez. “This has helped propel the formation of more than a million small businesses each year and has created 20 million new jobs since 1992.”

From the start of FY 1993 to the present, Administrator Alvarez said, three SBA programs – the 7(a) General Business Loan Guaranty program, the Certified Development Company (or 504) loan program, and the Microloan program – have provided 367, 826 loans with a total value of \$78.7 billion.

The total for the SBA for all business loan programs from the inception of the agency in 1953 through the end of FY 1992 amounted to 669,232 loans with a total value of \$78.4 billion.

Several hundred entrepreneurs gathered in Washington, D.C., this week to celebrate the accomplishments of America’s 25.5 million small business owners. The small business owners present at the celebration included bakers, spaghetti sauce makers, stone casters, women-owned contractors, fiber optic developers, candy makers, wood crafters, language consultants, caterers, and employment agents.

Ranging in age from 11 to 86, the entrepreneurs engaged in dialogue and attended small business issue forums focusing on 21st century business challenges and solutions.

Attending the national celebration were 53 State Small Business Persons of the Year representing all fifty states, Washington, DC, Puerto Rico and Guam.

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NEWS RELEASE

PRESS OFFICE

Release Date: May 23, 2000
Release Number: 00-44

Contact: D.J. Caulfield (202) 205-6740
Internet Address: www.sba.gov/news

PRESIDENT ISSUES EXECUTIVE ORDER CALLING FOR GOVERNMENT TO "MEET OR EXCEED" FIVE PERCENT CONTRACT GOAL FOR WOMEN

WASHINGTON – President Clinton signed an Executive Order today calling on all federal agencies to take immediate steps that will lead the government to “meet or exceed” the five percent government contracting goal that now exists for women-owned small businesses.

The order comes at the start of National Small Business Week when recognition is given to the accomplishments of the more than 25 million small businesses nationwide. It's estimated that women own more than nine million U.S. businesses.

The President's order directs departments and agencies to develop long-term comprehensive strategies to expand opportunities for women-owned small businesses.

“The President's order is strong and unequivocal about this Administration's commitment to ensuring that women-owned small businesses receive a fair share of federal contracts,” said SBA Administrator Aida Alvarez. **“I am extremely pleased that this order is being issued during Small Business Week. Women-owned businesses are among the fastest growing sectors in the economy and their contributions to the current economic expansion are considerable.”**

The Executive Order directs the U.S. Small Business Administration to:

- establish an Office of Women's Procurement;
- provide more extensive training and technical assistance to women-owned small businesses;
- develop a single Web site to provide procurement information to women-owned small businesses;
- develop an interactive database containing information on women-owned small businesses; and
- work with state governments to share information concerning procurement opportunities.

-more-

The *National Foundation of Women Business Owners* (NFWBO) estimates that in 1999 there were 9.1 million women-owned small businesses, employing 27.5 million people and generating over \$3.6 trillion in sales and revenues. In fiscal year 1999, women-owned small businesses secured just under \$4.6 billion in federal contracts, which amounts to 2.5 percent of the nearly \$186 billion in U.S. contracts accessible to small businesses.

"The National Women's Business Council applauds the President's efforts in increasing competitive contracting opportunities for women business owners," said Kay Koplovitz, Chair of the National Women's Business Council. **"This Executive Order provides the federal agencies with a clear action plan for meeting and exceeding the statutory five percent women's procurement goal. As always, we look forward to working closely with the Federal departments and agencies in implementing this important directive."**

The order also requires departments and agencies to take specific steps such as:

- designating a senior acquisition official to identify and promote contracting opportunities for women-owned small businesses;
- requiring contracting officers, to the maximum extent practicable, to include women-owned small businesses in competitive acquisitions;
- implementing mentor-protégé programs to include women-owned firms;
- offering industry-wide as well as industry specific outreach, training, and technical assistance programs for women-owned small businesses; and
- requiring agencies that fail to meet their goals to establish an action plan to increase participation in the future.

For more information on *Small Business Week* and a complete list of award winners, visit the SBA's *Small Business Week* Web site at <http://smallbusinesssuccess.sba.gov>.

Additional information about SBA programs and services is available at SBA's Web site: <http://www.sba.gov>. Or call the SBA Answer Desk at 1-800-U-ASK-SBA.

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NEWS RELEASE

PRESS OFFICE

Release Date: May 18, 2000
Release Number: 00-40

Dave Helfert (202) 205-6740
Internet Address: www.sba.gov/news

SBA ADMINISTRATOR AIDA ALVAREZ LAUNCHES SMALL BUSINESS PARTNERSHIP WITH EGYPT

WASHINGTON - Administrator Aida Alvarez of the U.S. Small Business Administration (SBA) returned Monday from Cairo, following the launch of the SBA/Egypt Initiative, a partnership to expand trade linkages and joint venture opportunities between American and Egyptian small businesses. The Initiative is part of the U.S.-Egypt Partnership for Economic Growth and Development of 1998, known as the Gore-Mubarak Partnership.

In Cairo, Administrator Alvarez conferred with Prime Minister Atef Ebeid on the scope of the Initiative, which also involves training for Egyptian small business experts and program managers in SBA-style processes. The Prime Minister and Administrator discussed strategies to develop stronger and more diverse small business economies, including the need for entrepreneurial education for the nation's young people.

Egypt's Minister of Finance Medhat Hassanein and Administrator Alvarez co-chaired the inaugural meeting of the SBA/Egypt Initiative's bilateral steering committee. The steering committee will meet semi-annually to review the program's operation and provide policy and strategic advice on the best ways to build a stronger small business economy and increase trade between the two countries.

Minister Hassanein was enthusiastic about the SBA-Egypt partnership's prospects for bringing about real progress in small business development, saying, "We already have too many studies and too many experts. What we need now is action."

The Administrator conferred with Egypt's First Lady, Suzanne Mubarak, focusing on the need to expand the important role of women business owners in the economy. They also explored the potential for SBA-style Women's Business Centers and microlending programs in Egypt. The Administrator toured a successful woman-owned business, Silk in Silk, a manufacturer of intricately embroidered silk linens. Thouraya Helmy began Silk and Silk with an initial investment of \$30, the entire proceeds of her savings account. She now operates a thriving enterprise with eight full-time employees and more than \$235,000 in annual revenue.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: May 11, 2000
Release Number: 00-35

Contact: Dave Helfert (202) 205-6740
Internet Address: www.sba.gov/news/

SBA ADMINISTRATOR ALVAREZ JOINED BY EGYPTIAN FINANCE MINISTER TO CO-CHAIR SBA/EGYPT SMALL BUSINESS INITIATIVE

CAIRO - Egypt's Minister of Finance and Economy, Medhat Hassanein, was named today to join U.S. Small Business Administration (SBA) Administrator Aida Alvarez as co-chair of the SBA/Egypt Partnership Steering Committee for the development of small businesses in Egypt.

The SBA/Egypt Partnership will help to jump-start the growth of small businesses in Egypt, and expand trade and strengthen ties between the U.S. and Egypt.

The SBA/Egypt Initiative also sets in motion the U.S.-Egypt Partnership for Economic Growth and Development, signed in 1998 and known as the Gore-Mubarak Partnership.

In a letter addressed to Egyptian entrepreneurs, Vice President Al Gore stated: "Small business is the engine of economic growth in the United States and is playing an ever more prominent role in the Egyptian economy. It is my hope and belief that this initiative will further strengthen and expand the already close ties between our business communities."

SBA Administrator Alvarez added: "Mr. Hassanein brings vision, leadership and experience that will help make this initiative successful. I am looking forward to working with him to expand opportunities for entrepreneurs in both of our countries. A healthier small business economy in Egypt will mean more jobs and increased trade for both our countries."

Minister Hassanein stated: "We already have too many studies and too many experts. What we need now is action. SBA brings to the table nearly 50 years of successfully helping small business owners in the U.S. I believe something similar will also work in Egypt."

The steering committee will meet semi-annually to review the program's operation and provide policy and strategic advice on the best ways to build a stronger small business economy.

At the steering committee meeting, Administrator Alvarez presented a video history of the White House Conference on Small Business, in which U.S. government officials listened to the opinions and suggestions of 2,500 small business people who met in Washington to propose changes in laws, policy and regulation. Today more than 80 percent of the proposed changes have been implemented.

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NEWS RELEASE

PRESS OFFICE

Release Date: May 2, 2000
Release Number: 00-29

Contact: Mike Stamler (202) 205-6740
Internet Address: www.sba.gov/news/

SBA, ASIAN AMERICAN GROUP SIGN PACT TO BOOST SMALL BUSINESS OUTREACH

Agreement Will Spur Business Opportunities

WASHINGTON - U.S. Small Business Administration (SBA) Administrator Aida Alvarez today announced her intent to sign a partnership agreement with the National Coalition for Asian Pacific American Community Development (CAPACD) to increase outreach efforts and business opportunities for Asian American entrepreneurs.

Administrator Alvarez made the announcement in a speech today at the inaugural convention of National CAPACD here in Washington D.C.

"With the signing of this agreement, we will continue a national outreach effort to increase Asian American participation in SBA's programs and services," Administrator Alvarez said. "I look forward to working with the National Coalition for Asian Pacific American Community Development, and to establishing formal partnerships with other local and national Asian American organizations in the near future."

"Our partnership illustrates the Clinton-Gore Administration's commitment to ensure that all Americans have the opportunity to benefit from the strongest U.S. economy in a generation. This agreement is a fitting way to mark the start of Asian Pacific American Heritage Month."

National CAPACD is a new umbrella organization of smaller groups representing Americans from Asian and Pacific island nations. Dedicated to meeting the housing and community development needs of the Asian Pacific American population, National CAPACD provides a vast array of services to Asian American, immigrant, refugee, minority and low-income populations.

The partnership agreement commits SBA and each participant to combine their efforts to reach out to Asian Americans who may benefit from SBA's services, and to help more small firms succeed.

Overall, the number of Asian American-owned businesses has skyrocketed by 180 percent from 1987 to 1997, to a total of 1.06 million businesses, nationally. Estimated revenue from these businesses is \$275 billion, a 463 percent increase since 1987.

— more —

As a group, Asian Americans also have shown strong growth among the ranks of SBA customers. Since 1992, SBA-backed loans to Asian American businesses have nearly quadrupled, from \$568.5 million in FY 1992 to more than \$2.13 billion in FY 1999. In FY 1992, loans to Asian Americans represented 6 percent of the loans made by the SBA, and 9 percent of the total value of those loans. In FY 1999, SBA-backed loans to Asian Americans represented 11 percent of the loans made and a full 18 percent of the total dollars lent.

Over the past seven years, (FY 1993-1999) the SBA has backed 27,544 loans worth more than \$9 billion in loans to Asian American businesses.

The agreement with National CAPACD follows agreements signed this year with 23 other national, state and local organizations in a broadening of SBA's effort to enlist Asian American organizations in the agency's finance, business development and contracting outreach efforts.

The Asian American outreach effort is part of a broader initiative by Administrator Alvarez to reach New Markets, such as women, veterans and minorities, as well as businesses located in distressed rural and urban areas.

Beginning in October 1997, SBA Administrator Aida Alvarez set aggressive new three-year lending and outreach goals for financing business formation and job creation in the minority business sector, focusing especially on African Americans, Hispanic Americans and Asian Americans.

The SBA will achieve the lending goals by working in partnership with a variety of major business and civic associations and local community groups. Thus far, SBA has reached partnership agreements with national and local organizations representing more than a million minority-owned small businesses, including the National Black Chamber of Commerce, the National Association for the Advancement of Colored People, the National Urban League, the U.S. Hispanic Chamber of Commerce and the National Council of La Raza.

These partnerships are based on formal agreements that will help SBA more effectively reach business owners in minority communities with information about SBA's programs.

For more information on SBA's programs, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive website at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: April 25, 2000
Release Number: 00-26

Contact: Mike Stamler (202) 205-6740
Internet Address: www.sba.gov/news/

SBA LENDING TO HISPANIC-OWNED SMALL BUSINESSES TRIPLED SINCE FY 1992

WASHINGTON - Loans backed by the U.S. Small Business Administration (SBA) for small businesses owned by Hispanics have nearly tripled since FY 1992, from 1,356 loans worth almost \$285.7 million to nearly 4,982 loans worth \$751 million last year, SBA Administrator Aida Alvarez announced today.

The increase pushed the total volume of loans made to Hispanic-owned small businesses since the end of FY 1992 to 47,704 loans worth more than \$4.25 billion.

According to SBA's Office of Advocacy, the number of businesses owned by Hispanics grew by 232 percent between 1987 and 1997, to a total of 1.4 million businesses. Revenues grew by 417 percent, to \$184 billion.

In remarks taped for broadcast May 6 on Univision's *Sabado Gigante*, Administrator Alvarez commented on these advances, noting: "We still have a long way to go. Despite their business creation rates, minorities still remain under-represented in the ranks of business owners. Hispanics make up 10.9 percent of America's total population, yet they own only 4.5 percent of all businesses.

"By the mid-point of this new century, Hispanics will account for a full quarter of the U.S. population," Administrator Alvarez added. "That's why the President's New Markets Initiative is so important. By providing needed credit, capital, and technical support, the initiative will help close the opportunity gap that separates economically distressed communities from success.

"As the first Latina to serve in any president's cabinet, I'm proud of the remarkable strides that the Hispanic community is making, and I'm proud of what the SBA under the leadership of the Clinton/Gore Administration is doing to help us continue that progress," Administrator Alvarez said. "But even in the midst of the longest economic boom in American history, there is one fact we simply can't afford to forget: If we do not work harder today to ensure equal economic opportunity for *all* of our citizens, we will imperil our nation's prosperity for the rest of this century.

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"During the Clinton/Gore Administration, SBA has made nearly \$17.5 billion in loans to almost 77,000 minority-owned businesses - more than twice as much as in the entire 40-year history of the agency before 1993," she said. "Last year alone, a record 28 percent of the more than \$12 billion in SBA loan dollars went to minority borrowers. That's \$3.4 billion in loans to over 12,000 minority-owned businesses."

Over the past 30 months, the SBA has launched a wide-ranging outreach initiative designed to sharply increase the amount of financing, technical assistance and government contracting opportunities available to America's New Markets - particularly minority and women entrepreneurs.

With its wide variety of flexible and responsible economic development tools, SBA is suitably positioned to promote business creation and expansion in this market. By helping one business at a time, SBA's programs have a profound and empowering effect on local economies and the lives of individual citizens.

Under Administrator Alvarez, SBA has launched hundreds of partnerships with business and civic organizations operating at the local, state and national levels. These partnerships are based on formal agreements that will help SBA more effectively reach business owners in minority communities with information about SBA programs.

Administrator Alvarez has signed partnership agreements with groups representing hundreds of thousands of Hispanic-owned small businesses, including:

- U.S. Hispanic Chamber of Commerce
- National Council of La Raza
- National Association of Hispanic Publications
- National Society of Hispanic MBAs
- National Association of Elected Officials
- Hispanic Contractors of America
- League of United American Citizens
- Hispanic Designers, Inc.

Tune in to Univision on May 6, when SBA Administrator Aida Alvarez will appear before a worldwide audience in an interview segment on the popular Spanish language weekly television show, *Sabado Gigante*. Administrator Alvarez will discuss how SBA can help Hispanic entrepreneurs. According to Univision, the only television events that draw worldwide Hispanic audiences comparable to *Sabado Gigante* are the Soccer World Cup and the Olympics.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive website at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: April 4, 2000
Release Number: 00-24

Contact: D.J. Caulfield (202) 205-6740
Internet Address: www.sba.gov/news

SBA's HUBZone PROGRAM REGISTERS 1,000 SMALL BUSINESSES IN FIRST YEAR

WASHINGTON – The U.S. Small Business Administration's (SBA) HUBZone Empowerment Contracting Program marked its first full year of operation by certifying firm number one thousand, giving the program representation in every state and the District of Columbia, SBA Administrator Aida Alvarez announced today.

The number of registered small businesses is expected to increase substantially as the agency continues its nationwide outreach efforts. Many SBA district offices are holding special events over the next month in an effort to register even more participants from among the nearly 8,000 communities designated as HUBZone qualified. For example, SBA and the Greater Washington Board of Trade signed a partnership agreement today aimed at promoting business development using HUBZone contracting.

"For a year now, small businesses in distressed communities throughout the nation have been discovering the HUBZone program and its ability to open the door of opportunity to federal contracting," said Administrator Alvarez. **"We pass an important milestone with the certification of the one thousandth participant, a number we expect will only increase as we continue an intensive outreach campaign."**

"We look forward to expanding the HUBZone program's reach well beyond this level so it can help provide employment and enterprise to towns and counties throughout America – our New Market communities – that have yet to benefit from our growing economy."

The company qualifying as HUBZone small business one thousand is Pioneer Flooring & Design of Washington, D.C. The company, owned by Ms. Tosta Huff, installs and maintains a variety of floor covering materials.

SBA's Associate Deputy Administrator for Government Contracting and Minority Enterprise Development, James Ballentine, joined the Board of Trade's president, John Tydings, in signing the cooperative agreement. Together, they pledged "to develop new markets, expand employment opportunities, create business development, retention and investment" along the city's neighborhood commercial corridors. The HUBZone program is the key component of this agreement. The Board of Trade is an advocacy group that serves the Washington metropolitan area.

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Also attending the signing ceremony were District of Columbia Delegate Eleanor Holmes-Norton and Mayor Anthony Williams, as well as local business representatives.

A HUBZone is a "historically underutilized business zone" and the program provides contracting benefits to small businesses located in those areas. To stimulate interest in the program and encourage use by federal agencies, annual procurement goals are assigned to federal agencies. By fiscal year 2003, the HUBZone annual contracting goal will rise to its maximum level, which is 3 percent of overall prime contracting. That means that within the next few years, the HUBZone program could account for about \$6 billion a year in federal contracts.

Potential applicants can see if their company is located in a HUBZone by using a mapping system available on the SBA's web site, at <http://www.sba.gov/hubzone>.

To apply, companies can use the electronic application on the HUBZone web site. Applicants can also submit a paper application to SBA headquarters in Washington, D.C. The paper version can either be downloaded from the web or picked up at any local SBA district office.

To participate in the program, a small business' principal office must be located in a HUBZone. More than 7,000 urban census tracts and 900 mostly rural counties currently qualify as HUBZones. All federally-recognized Native American reservations also qualify.

In addition, 35 percent of a participating firm's work force must reside within a HUBZone location. A qualified company also must be owned and operated by U.S. citizens. SBA is responsible for certifying that firms are eligible to participate and for reporting to Congress on the program's success at increasing jobs and investment in HUBZones.

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For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

Kids Count! The SBA supports Census 2000 and the Census in Schools Program. Help ensure that every child is counted. Check the Census Bureau's Internet site at www.census.gov.



NEWS RELEASE

PRESS OFFICE

Release Date: March 14, 2000
Release Number: 00-21

Contact: Nancy Singer (202) 205-6740
Internet Address: www.sba.gov/news/

SBA-BACKED LOANS TO WOMEN ENTREPRENEURS AT RECORD LEVELS

WASHINGTON – The U.S. Small Business Administration (SBA) has nearly tripled both the number and dollar value of approved loans to women entrepreneurs since FY 1992, SBA Administrator Aida Alvarez announced today, in celebration of *National Women's History Month*.

Since FY 1992, SBA has backed more than 69,440 loans amounting to \$10.7 billion for women-owned small businesses. In FY 1999 alone, the SBA backed 10,244 loans worth \$1.9 billion to women-owned small businesses.

In commemoration of *National Women's History Month*, Administrator Alvarez underscored the role of women as an important force: "Women play a huge economic, cultural and social role in every part of American life. Women are at the forefront of change and progress in this country."

Today there are 9.1 million women-owned businesses in the U.S., representing nearly 40 percent of all businesses. They employ 27.5 million people and generate more than \$3.6 trillion in sales. Women are starting new firms at twice the rate of all other businesses.

"Addressing the special needs of women business owners is essential to our national economy," said Administrator Alvarez. "The SBA impacts the growth and expansion of women-owned small businesses more than it ever has before. Through financial, technical and management assistance, the U.S. Small Business Administration is doing more than ever to help level the playing field for women entrepreneurs who still face unique obstacles in the world of business."

In addition to 7(a) and 504 loan programs, the SBA also offers the MicroLoan Program for small start-up businesses. Since it began, the program has provided \$88.7 million in loans, with women entrepreneurs receiving more than 41 percent of that amount.

Under the Loan Pre-qualification Program, launched in 1994, women have received more than \$117 million worth of loans. The program helps guide applicants through a loan application process and pre-qualifies them before they apply at the bank.

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In FY 1999, SBA's Small Business Investment Company Program invested \$55 million in women-owned small businesses. The program also licensed three women-managed venture capital companies in 1998, the first to base their investment strategies on helping women-owned companies. So far, the three companies have invested in almost thirty women-owned or women-managed businesses.

In federal procurement, SBA is working to increase government contracting opportunities for women business owners. To achieve this, the SBA has signed agreements with 10 federal agencies. In FY 1998, women-owned small businesses received more than \$4 billion in federal contract dollars.

In addition, the SBA administers the Women's Business Center Program, a unique public-private partnership providing business and technical assistance to women. Eighty centers located nationwide provide long-term training, counseling, networking and mentoring to potential and existing entrepreneurs with special emphasis on socially and economically disadvantaged women. Last year, the women's business centers served more than 14,000 clients.

The SBA also has the Online Women's Business Center, a free interactive Web site offering information on best business practices, management techniques, networking, counseling, industry news and research, and other useful information to women who want to start or grow a business. It is available in English, Spanish, and Russian. The Web site receives almost two million hits per month. It was mentioned as one of the best sources for information on services available to women entrepreneurs in *Forbes Magazine* February 2000 issue in which the SBA Web site was included in the magazine's "Best of the Web" list.

SBA is moving forward to assist more women in business each day by working in partnership with a variety of women's business groups. SBA has signed formal partnership agreements with 15 leading business and professional women's organizations to reach women entrepreneurs more effectively with information about SBA programs. The organizations represent more than two million women and include the following:

- The National Association of Women Business Owners
- The National Federation of Black Women Business Owners
- Business and Professional Women/USA
- National Association of Female Executives
- Women's Yellow Pages

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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PRESS OFFICE

NEWS RELEASE

Release Date: March 1, 2000
Release Number: 00-18

Contact: Nancy Singer 202) 205-6740
Internet Address: www.sba.gov/news/

SBA MOVES TO PAPERLESS LOAN MONITORING AS PART OF AGENCY MODERNIZATION

WASHINGTON – “The Small Business Administration (SBA) loan monitoring system remains at the core of the agency’s modernization initiatives,” Deputy Administrator Fred Hochberg told the House Committee on Small Business.

The Deputy Administrator testified before the Subcommittee on Government Programs and Oversight of the House Committee on Small Business in support of the planned implementation of an automated loan monitoring system, phase one of the agency’s three-phased, comprehensive systems modernization strategy.

The SBA has grown its lending programs significantly over the past seven years, more than doubling outstanding portfolio and annual 7(a) and 504 loan approvals between 1992 and today. The agency is relying increasingly on its lending partners for credit decisions for its loan programs. With this trend expected to continue, a more sophisticated system will allow the agency to improve its lender oversight capabilities without being overly intrusive.

“SBA provides capital to a unique niche in America’s commercial market. The agency’s legislative mandate is to serve as a gap lender, to ensure that those businesses without access to traditional sources of capital in the commercial marketplace are able to get the funds necessary to start and grow their business,” said Deputy Administrator Hochberg.

Within the lender oversight function, computerized systems will perform a number of different activities to support major processes involving communications, loan approvals, lender identification, lender approval and renewal, lender assessment, lender reviews, and enforcement. The new system is designed for incremental deployment to allow a process of gradual change, to minimize the disruption of operations, and to reduce the risks associated with large information technology projects.

SBA opted for the new system only after extensive study and consultation with lending institutions, industry experts and senior staff of the U.S. General Accounting Office. As part of the business re-engineering process, SBA’s headquarters and field staff, in consultation with lending partners, worked together to identify best practices and suitable processes for the agency’s loan programs.

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The new system will benefit SBA's lending partners by allowing seamless reporting, data exchange, funds transfer, and fee management. It will also allow a faster turn around on guaranty requests and other transactions and provide immediate access to information. The new system will also ensure that SBA has the necessary data to assess program and lender performance and to engage in proactive risk management of its lending partners.

Overall, this new way of doing business with lending partners will improve service dramatically.

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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PRESS OFFICE

NEWS RELEASE

Release Date: February 29, 2000
Release Number: 00-16

Contact: Mike Stamler (202) 205-6740
Internet Address: www.sba.gov/news/

SBA LENDING TO AFRICAN AMERICAN-OWNED SMALL BUSINESSES TRIPLES SINCE FY 1992

WASHINGTON – The number of loans approved by the U.S. Small Business Administration (SBA) for small businesses owned by African Americans has nearly tripled since FY 1992, from 741 loans worth \$132 million to 2,176 loans worth \$383 million last year, SBA Administrator Aida Alvarez announced today.

The increase pushed the total volume of loans made to support African American-owned small businesses over the seven-year period (FY93 to FY99) to 13,470 loans worth more than \$1.9 billion.

“At a time when the American economy is producing greater and greater prosperity across the country, these loans represent our determination to make sure that the doors of opportunity are opened wide to everyone with the creativity and determination to step through them,” Administrator Alvarez said. “Now, during Black History month, we must redouble our efforts to make sure that access to capital is part of the solution, not part of the problem.

“Since President Clinton took office, SBA has made more than \$14 billion in loans to 63,000 minority-owned businesses – more than in the entire 40-year history of the agency before 1993,” she said. “Last year alone, 28 percent of the more than \$12 billion in SBA loan dollars went to minority borrowers, a record. That’s \$3.4 billion in loans to over 12,000 minority-owned businesses.

“But we still have a long way to go. Despite their higher growth rates, minorities still remain under-represented in the ranks of business owners. African Americans make up 12.5 percent of our population, but they own just 3.6 percent of all businesses.

“We can do better, and we have to do better. Because if we can’t commit ourselves to opening the doors of opportunity for everyone during this time of great prosperity, then we won’t ever do it,” Administrator Alvarez said.

Over the past 30 months, the SBA has launched a wide-ranging outreach initiative designed to sharply increase the amount of financing, technical assistance and government contracting opportunities available to America’s New Markets – particularly minority and women entrepreneurs.

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According to SBA's Office of Advocacy, the number of businesses owned by African Americans grew by 108 percent between 1987 and 1997, to a total of 880,000 businesses. Revenues grew at a similar pace, to about \$59 billion.

With its wide variety of flexible and responsible economic development tools, SBA is suitably positioned to promote business creation and expansion in this market. By helping one business at a time, SBA's programs have a profound and empowering effect on local economies and the lives of individual citizens.

Administrator Alvarez has set aggressive new three-year lending and outreach goals for financing business formation and job creation in the African American business sector, and has committed the agency to an ambitious and creative program to provide access to the capital tools necessary to finance success.

Under Administrator Alvarez, SBA is working to achieve its loan goals by working in partnership with a variety of major business and civic associations and local community groups. These partnerships are based on formal agreements that will help SBA more effectively reach business owners in minority communities with information about SBA programs.

Administrator Alvarez has signed partnership agreements with groups representing more than a million African American-owned small businesses, including:

- The National Black Chamber of Commerce,
- The National Association for the Advancement of Colored People (NAACP),
- The National Urban League,
- The Minority Business Enterprise Legal Defense and Education Fund, and
- National Council for Negro Women

For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive website at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: February 10, 2000
Release Number: 00-10

Contact: Mike Stamler (202) 205-6919
Internet Address: www.sba.gov/news/

SBA ADMINISTRATOR, ASIAN GROUPS SIGN FIRST-EVER PARTNERSHIP AGREEMENTS

Outreach Agreements Will Spur Business Opportunities

WASHINGTON – U.S. Small Business Administration (SBA) Administrator Aida Alvarez today signed an historic partnership agreement here with five New York-based Asian organizations to increase outreach efforts and business opportunities for Asian entrepreneurs.

The agreements are the first in a new national effort by the SBA to enlist Asian American organizations in the agency's finance, business development and contracting outreach efforts.

"With the signing of these agreements today in New York City, I am kicking off a national outreach effort to increase Asian participation in SBA programs and services," Administrator Alvarez said. "I look forward to working with these organizations, and to establishing formal partnerships with other local and national Asian organizations in the near future."

"With a large Asian population here in New York City, it is fitting that this national outreach effort begin here," Alvarez said. "It illustrates the Clinton-Gore Administration's commitment to ensuring that all Americans have the opportunity to benefit from the strongest U.S. economy in a generation."

The five Asian organizations signing agreements are:

- Chinese Consolidated Benevolent Association
- Chinese American Restaurant Association
- Taiwan Merchants Association
- Chinese Chamber of Commerce of New York
- Flushing Chinese Merchants Association

The partnership agreements commit SBA and each participant to combine their efforts to reach out to Asians who may benefit from SBA services, and to help more small firms succeed.

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Despite strong growth since 1987, Asian Americans remain underrepresented in the ranks of business owners. Asian Americans comprise about 4 percent of the U.S. population, but only 3.5 percent of all businesses.

Overall, the number of Asian-owned businesses has skyrocketed by 180 percent from 1987 to 1997, to a total of 1.06 million businesses, nationally. Estimated revenue from these businesses is \$275 billion, a 463 percent increase since 1987.

As a group, they have also shown strong growth among the ranks of SBA customers. Since 1992, SBA-backed loans to Asian businesses have nearly quadrupled, from \$568.5 million in FY 1992 to more than \$2.13 billion in FY 1999. In FY 1992, loans to Asian Americans represented 6 percent of the loans made by the SBA, and 9 percent of the total value of those loans. In FY 1999, SBA-backed loans to Asian Americans represented 11 percent of the loans made and a full 18 percent of the total dollars lent.

Over the past seven years, (FY 1993-1999) the SBA has backed 27,544 loans worth more than \$9 billion in loans to Asian American businesses.

The Asian outreach effort is part of a broader initiative by Administrator Alvarez to reach New Markets, such as women, veterans and minorities, as well as businesses located in distressed rural and urban areas.

Beginning in October 1997, SBA Administrator Aida Alvarez set aggressive new three-year lending and outreach goals for financing business formation and job creation in the minority business sector, focusing especially on African Americans, Hispanic Americans and Asian Americans.

The SBA will achieve the lending goals by working in partnership with a variety of major business and civic associations and local community groups. Thus far, SBA has reached partnership agreements with national and local organizations representing millions of minority-owned small businesses, including the National Black Chamber of Commerce, the National Association for the Advancement of Colored People, the National Urban League, the U.S. Hispanic Chamber of Commerce and the National Council of La Raza.

These partnerships are based on formal agreements that will help SBA more effectively reach business owners in minority communities with information about SBA programs.

For more information on SBA programs, call the SBA Answer Desk at 1-800-U-ASK-SBA, or visit the SBA's extensive website at www.sba.gov.

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NEWS RELEASE

PRESS OFFICE

Release Date: February 8, 2000
Release Number: 00-08

Contact: D.J. Caulfield (202) 205-6740
Internet Address: www.sba.gov/news/

SBA ADMINISTRATOR ALVAREZ STRESSES NEED FOR SMALL FIRMS TO BE E-COMMERCE SAVVY

WASHINGTON – The head of the U.S. Small Business Administration (SBA), Aida Alvarez, told participants at a procurement gathering here today that a primary goal for small business owners interested in doing business with the federal government should be to master electronic commerce.

Administrator Alvarez served as the opening day keynote speaker for the two-day **White House Community Empowerment Board Procurement Opportunity Fair** being held in Washington, DC. A conference highlight occurred when the Department of Veterans Affairs (VA) awarded a multi-year HUBZone contract valued at up to \$4 million to a locally-owned transportation company. HUBZone is a program run by the SBA.

“The introduction of electronic commerce in federal contracting is moving full speed ahead. The day of eCommerce has arrived,” said Administrator Alvarez. **“Small business owners must remain fully competitive by adopting this new business strategy. The SBA can help with the transition to eCommerce, and also offers programs so small firms can tap the \$200 billion-per-year federal procurement marketplace.”**

The conference, which concludes tomorrow, is providing small business owners a chance to secure on-the-spot contracts, one-to-one counseling and specialized procurement training. Several Washington metropolitan business organizations helped sponsor the event, which attracted many small, small disadvantaged and women-owned business participants.

As part of the conference, the SBA is conducting educational seminars, one dedicated to eCommerce. The panel is looking at the new digital economy, exploring how small businesses might be affected and suggesting what SBA can do to help.

“President Clinton understands the value of eCommerce,” said Administrator Alvarez, **“which is why his budget contains a request that SBA be given \$5 million to educate and train small businesses on electronic commerce and use of the Internet.”**

In addition to the eCommerce seminar, the SBA is offering updates on a variety of contracting programs such as:

- **The HUBZone Empowerment Contracting Program**, which gives small businesses located in 8,000 distressed communities nationwide access to set-asides and price adjustments on federal contracts.

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- **The 8(a) Business Development Program**, which helps small businesses owned by socially and economically disadvantaged individuals compete in the economic mainstream, partially through access to federal contracts. Many of the current 5,300 8(a) participants are minority-owned businesses.
- **The Small Disadvantaged Business Certification Program**, which ensures that firms are fully qualified to receive price evaluation adjustment credits and other considerations on certain federal contracts.

The conference is structured to give attendees details on tools, programs and strategies offered through the Administration's Community Empowerment Agenda. This initiative is designed to help distressed communities open doors that will let them benefit from the growing national economy.

The VA's HUBZone contract was awarded to Mr. McKinley Battle, a veteran and president of Battle's Transportation of Washington, DC. The minority-owned company will provide wheelchair van service to eligible veterans who need to visit the local VA Medical Center. The initial contract is for one year, with the potential for four one-year options.

This procurement event was organized by the President's Community Empowerment Board, chaired by Vice President Al Gore, in partnership with the Washington, DC Chamber of Commerce, the Greater Washington Board of Trade, the Greater Washington Ibero American Chamber of Commerce and a variety of federal, state and local government agencies.

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NEWS RELEASE

PRESS OFFICE

Release Date: February 7, 2000

Release Number: 00-07

Contact: Mike Stamler (202) 205-6740

Internet Address: www.sba.gov/news/

PRESIDENT CLINTON'S NEW OPPORTUNITY AGENDA PROPOSES RECORD LEVEL OF INVESTMENT, FINANCIAL ASSISTANCE FOR AMERICA'S SMALL BUSINESSES

WASHINGTON – President Clinton's FY 2001 budget proposal for the U.S. Small Business Administration (SBA) offers a New Opportunity Agenda for small businesses, providing a record amount of financing, contracting and training programs to an ever-growing number of small businesses, SBA Administrator Aida Alvarez announced today.

The proposed budget would fund \$18 billion of loan and venture capital assistance and build on New Markets Initiatives announced last year.

"President Clinton's balanced approach to the FY 2001 budget offers the American people a sound proposal for fiscally responsible tax cuts, for key investments in health care, education and economic growth and the elimination of the national debt by 2013 – a prospect considered impossible just a few years ago," Administrator Alvarez said.

"This budget maintains the fiscal discipline that has brought us unprecedented prosperity, and gives us the tools to extend that prosperity into the future," she said.

"For small businesses and for the SBA, this is a great budget that will allow us to guarantee a record level of small business loans, finance record levels of venture capital and support record levels of business development, technical assistance and innovation. At the same time, it gives us the resources to extend the benefits of economic growth to places it hasn't yet reached."

Administrator Alvarez pointed out that since the beginning of the Clinton/Gore Administration, SBA has focused on newer smaller businesses. Last year, 32 percent of SBA 7(a) loans and 40 percent of Microloans were made to start-ups. The New Markets Initiative builds on that record.

"This budget represents an unprecedented investment in the talent, drive and entrepreneurial spirit of Americans," Administrator Alvarez said. "It will help us to accomplish our basic mission: building communities, one small business at a time."

The total new budget authority proposed for the SBA is \$1.06 billion.

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The President's budget proposal would expand SBA's core financial assistance programs: \$11.5 billion in guaranteed loans for small businesses, up from \$9.8 billion in FY 2000; \$2.5 billion in venture capital support for investments in small businesses; \$3.75 billion in loans under the 504 Certified Development Company (CDC) program, and \$60 million for Microloans, up from \$30 million.

The proposal also reduces fees for the 504 CDC loan program for the fourth consecutive year, simplifies the fee structure for the agency's flagship 7(a) guaranteed loan program and increases the SBA guaranty on 7(a) loans up to \$150,000 to 90 percent.

The budget also provides funds for several of President Clinton's key initiatives, including the New Markets Venture Capital Program, which is designed to increase access to equity capital and technical assistance to women, minorities and to businesses located in low- and moderate-income rural areas and inner cities. It proposes \$150 million in SBA-backed funds for these venture capital companies, and \$30 million to pay for technical assistance for the firms in which they invest. The budget also would provide \$6.6 million for the BusinessLINC mentor/protégé program.

The budget also provides \$5.75 million targeted for Native American small businesses, \$4 million to assist veterans, \$5 million to encourage small business use of electronic commerce, and \$15 million to help small companies bring to market products they develop with federal research and development funding.

Finally, the budget proposal includes funding (\$24 million) for the continuing transformation of SBA into a 21st century leading-edge institution, including modernizing the agency's systems and processes, developing state-of-the-art risk management and internal control systems and ensuring first-class customer service.

Specifically the proposed budget includes:

Access to Capital:

- \$11.5 billion for SBA-guaranteed loans under the 7(a) General Business Loan Guaranty program;
- \$3.75 billion in SBA-backed loans under the 504 Certified Development Company program;
- \$2.5 billion in venture capital assistance under the Small Business Investment Company (SBIC) programs, plus \$150 million for New Market Venture Capital Companies, and \$30 million in technical assistance;
- \$60 million in loans under the Microloan program, and \$45 million in technical assistance for Microloan borrowers;

Business Development Assistance:

- \$88 million for Small Business Development Centers;
- \$10 million for continued expansion of the One-Stop Capital Shop network;
- \$5 million for the Service Corps of Retired Executives (SCORE);
- \$700,000 for Business Information Centers;
- \$3.5 million to U.S. Export Assistance Centers;

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- \$15 million in technical assistance for individuals, small businesses and micro-enterprise lenders under the PRIME program;
- \$15 million under the Small Business Innovation Research program to help small companies commercialize products they develop under the sponsorship of the federal government;
- \$5 million for increasing small business capacity to use electronic commerce;
- \$6.6 million for BusinessLINC – a New Markets initiative linking large and small businesses in mentoring and direct technical assistance relationships;

Advocacy for Small Businesses:

- \$1.5 million for the Office of Advocacy research and database;
- \$500,000 for the Office of the National Ombudsman;

Procurement Assistance:

- \$5 million for HUBZones;
- \$1.67 billion in surety bonding;
- \$5 million for the Section 7(j) technical assistance program;
- \$750,000 for SBA's PRO-Net system;

Disaster Assistance:

- \$871 million in loans for disaster victims;

Women-Owned Businesses:

- \$12 million to support an expanded Women's Business Center network;
- \$1 million for the Women's Business Council;
- \$1 million for a census survey of women-owned business;

Veteran-Owned Businesses:

- \$4 million for increased assistance to Veterans;

Native American-Owned Businesses:

- \$3 million for Small Business Development Centers and Business Information Centers in Native American communities;
- \$1.5 million for Tribal Business Information Centers;
- \$1.25 million of the Business-LINC funds for special projects in Native American communities;

SBA's Modernization:

- \$13 million for upgrading and modernizing SBA's internal systems and processes;
- \$7 million for information technology upgrades;
- \$4 million for staff skills training and development;

SBA's Operating Budget:

- \$452.5 million for SBA's operating budget.

For more detailed information on the President's proposed budget for the SBA, please visit the SBA's website at www.sba.gov.