



Alabama District Office

Message from the Alabama District Director

During the short time I've been Director of the Alabama District Office, this district has demonstrated significant progress in our delivery of services to the citizens of this State



We will meet or exceed our goals in several categories of performance. The goal for 504 loan production will be met and the increase in volume is projected to exceed last year by 18%. International Trade loans have dramatically increased over 70% from last year, as the District was able to meet this changing goal. Team loans, or loans to minority and disadvantaged businesses, will be double the number from the previous year. Specific categories that this office is particularly proud of are loans to African-American Businesses, are three times the loans made last year, loans to disadvantaged rural areas are almost double, loans to women owned businesses are up 45%, and loans to businesses located in HUB or other special zones are up 45% from last year's total. In addition, with the assistance and hard work of our counseling partners, the various SCORE, SBDC, and Women's Business Development offices, we will exceed our business development and counseling goals by providing training and assistance to over 25,000 small business entrepreneurs throughout our State.

While we came up short in some of our goals, we are still pleased that we made significant progress from last year. We are ahead in loan volume for the 7(a) program and are expected to exceed last year's result by over 30%. Loans to veteran owned businesses are also projected to be up 30% as well. In both these categories we surpassed last fiscal year's total before we complete the third quarter of this fiscal year, so we are finishing strong. Just in the last 4 months we have increased our progress rate by 25% for loans to veterans, and over 8% for 7(a) loans.

Our Business Development division continues to serve and provide Government Contracting opportunity to Alabama minority and disadvantaged businesses. The State of Alabama continues to be one of the national leaders in 8(a) contracting opportunities.

During this past month we have had a number of successful initiatives worthy of mention. Our Rural Development Business initiative has really laid the groundwork for future rural development efforts in the next fiscal year. The proven success of the Mobile Assistance Center guarantees that, with the support of local business development entities, we will continue to use this tool in future efforts.

Another lender marketing effort that came to completion was the establishment of a Community Express Lending program. In partnership with our counseling partners, SCORE, SBDCs, and Women's Business Centers, along with Business Loan Express, we can now offer a guaranteed SBA program for small capital loans (up to \$25,000), at reasonable rates and terms to all Alabama small business owners. Anyone interested in this program should contact our counseling partners for additional information.

We have just recently launched our new District Marketing plan which includes, not only a lender marketing effort, but also a Community marketing plan. Our goal is to touch **EVERY** county in the State with a targeted marketing strategy to meet the individual needs of the particular area. Alabama is a diverse State and we will not be able to have a positive effect if the individual counties and cities are not addressed independently. One size fits all will not work in Alabama, and we believe that we have a great plan to develop contacts and relationships with local chambers of commerce and town city halls to achieve this desired results.

We've added a significant number of new SBA Express lenders in the State and we anticipate that capital access to business in local communities will continue to expand, as we develop the relationship of local community banks and credit unions to work in partnership with our counseling partners to expand opportunity.

Mike Ricks

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SBA Participates in Rural Initiative

On August 11-13, 2004, a Rural Economic Development Conference was held in Selma, Alabama. Nuby Fowler, the Regional Administrator for the Small Business Administration (SBA), Mayor James Perkins and Mike Ricks, District Director, Alabama District Office, SBA, participated in this rural initiative. They were present at the ribbon cutting ceremony and provided words of welcome and encouragement to small businesses in rural Alabama.

Free counseling and literature was provided on the Mobile Small Business Assistance Center (MSBAC) to 88 individuals requesting assistance with starting or expanding their business.

As part of this event, on August 11th, an SBA Certification Seminar was held which included these topics: General Federal Procurement Information, CCR and Pro-Net, Financial Stability and Bonding, HUBZone Procurement Program, Small Disadvantaged Business Program and 8(a) Business Development Program.



Ribbon cutting ceremony held at the Mobile Small Business Assistance Center in Selma, AL.



Clients browsing for brochures and information available to assist them in their new or expanding business needs.



Counseling session provided by a counselor with the Small Business Development Center

An SBA Loan Matchmaker was held August 12th, for new or existing small businesses to be reviewed for eligibility for SBA financing. The business plan and credit report of the individuals was reviewed by an SBA staff member and based on their analysis they spoke to a local lender or credit/business counselor from the University of Alabama, Small Business Development Center, or Central Alabama Women's Business Center.

SBW Nominations due December 3rd

Small Business Week

nominations are due in SBA district nominations by December 3, 2004.

Any individual or organization dedicated to the support of the small business community in the United States, including, but not limited to, trade and professional associations and business organizations, may submit nominations for Small Business Person awards, Small Business Champions awards and Special Achievement Awards.

Nominations must be typewritten only on one side of 8.5"x11 white stationary, collated and secured in a 1.5" binder. A complete nomination package should include:

1. A single cover page with –

nominees full name, title, business and home address with telephone numbers (please include fax number also) – the award for which the nomination is being made – the nominators name, title, place of business, business address, and telephone number – one paragraph description of the nominee's business.

2. A complete SBA form 898 (biographical data form) available from the SBA office.

3. An original black and white photo of the nominee, either 8"x10" or 5"x7" (no photocopies please).

4. A nomination letter, not to exceed three pages.

5. A brief biography of the nominee, not to exceed two pages.

6. A business profile, not to exceed two pages.

7. A concise statement of the qualities and performance that merit the award, not to exceed four pages.

8. A financial statement of the nominee, not to exceed 12 pages, on 8.5"x11" paper (required only for Small Business Person of the Year, Exporter of the Year, Entrepreneurial Success Award and Young Entrepreneur of the Year).

9. Any other support documentation deemed significant by the nominator, including news clips, letters of recommendation, and other evidence of the appropriateness of the nomination.

National Small Business Week Small business week will be held in Washington, D.C., April 25-30, at the Washington Hilton.

*For further information, contact:
Karen Cook, (205) 290-7101, ext. 227*

Women's Business Centers Award Exceptional Women Business Owners

On October 14, 2004, the Women's Business Center of Southern Alabama and The University of South Alabama Small Business Development Center will host the Sixteenth Annual Women in Business Trade Fair. This event provides over 300 business owners, prospective owners, and supporters with networking and training opportunities, and an awards luncheon that recognizes exceptional women in business. This event attracts people from throughout the Southeast. For further information, contact Kath-

leen Trent at (251) 660-2725 or www.wbac-inc.org.

In Birmingham, The Central Alabama Women's Business Center will host the Women in Business Conference and Expo, "Making Connections That Work" on October 14, 2004 at the Sheraton Birmingham Ballroom from 8:00 am—4:30 pm. Workshops will cover such topics as Women & Wealth, Technology for Dummies, Selling More by Selling Less, Learning about the Hispanic Culture, Dealing with Change and Personal Experience, Certification and Selling to

the Government. The Birmingham Business Journal's "Top Women in Business" Awards Luncheon will be held in conjunction with the Conference. For further information, contact Kelly Mickler at (205) 453-0249 or www.cawbc.org.

By Susan D. Baxter

U.S. Small Business Administration

 Your Small Business Resource

Get to Know The SBA District Office Staff—

Susan Baxter, a native of Birmingham, has been with the SBA 27 years since 1977 and has worked in her present position as Economic Development Specialist (EDS) for over 15 years. She is responsible for marketing the services of the SBA as well as monitoring the activities of various resources.

In addition to her position as EDS, she is the Women's Business Ownership Representative (WBOR) for SBA in Alabama. As WBOR, she is responsible for marketing SBA programs to women, advocating women's business issues and monitoring SBA funded Women's Business Centers.

Her ultimate goal is to fulfill the Agency's mission: to maintain and strengthen the nation's economy by aid

ing, counseling, and assisting and protecting the interests of small businesses.

She is a valuable asset to the District Office because of her willingness to accomplish the task and her dedication to the SBA's mission.

Susan is married, loves children and is truly family oriented. Working with the youth department at Church is one activity which is truly rewarding. She and her husband prepare breakfast for approximately 60-75 youth every second Sunday. They are appreciated and loved by the many lives they touch through this outreach effort.



Alabama District Office News

by David Leonard

The Alabama District Office conducted a loan matchmaker at Tuskegee University in Tuskegee, Alabama, August 25, 2004. The matchmaker event allows small business owners to have their financial plans reviewed by SBA and depending on our evaluation receive further counseling from one of our resource partners or review by a local lender for a loan. For commercial loans of \$5000 to \$25,000, our technical assistance providers can take applications for Community Express loans on-site.



David Leonard, Lead EDS says, "Lenders— Learn methods that get your client's loans approved quickly."

Michael W. Ricks, District Director, made a presentation to the Board of Directors at The Exchange Financial Center naming The Exchange Bank of Alabama as one of the banks in the state with SBAExpress status. Also participating were Patricia Riley, Administrative Clerk and David Leonard, Chief of

SBAExpress is a delegated loan program that allows the approved lenders to make SBA loans as though they were the SBA. Loans can be approved up to \$2 million dollars for any eligible non-passive business purpose, including revolving loans. Revolving loans allow the borrowers to access capital when they need it and the balance can fluctuate like a credit card. SBA responds to loan requests within 24



hours allowing quick response to borrowers needs. Lenders use their own credit procedures and loan documents. This creates savings for the lender, which can result in lower cost to the borrower. Mike Edwards, Loan Officer, with the Exchange Bank of Alabama is the contact person for the SBA programs. Currently The Exchange Bank of Alabama is one of the top twenty lenders in loan volume (# of loans) in Alabama.



SBA Regional Administrator Nuby Fowler : "Making SBA Strong for Future Generations "

One of SBA's greatest strengths is its capacity to change with the times. Since President Eisenhower signed the 1952 Small Business Act into law, thereby creating SBA, the agency has invested considerable time and resources to keeping its programs current with the changing needs of small business. We have only to look at how the flagship 7(a) loan guarantee program has developed over the past decade to prove the point.

From the days when direct lending gave way to federally guaranteed loans as the major source of SBA backed capital, the program has been in evolution. Guarantee percentages, loan sizes maximums, and fees have all been adjusted and readjusted over time as the Presi-

dent and Congress work to refine and strengthen the program. It has been an unfortunate truth, however, that because 7(a) is subject to the annual appropriations process, its stability and reliability have been adversely impacted by changing policy and budget priorities. The resulting program shifts have far too often created problems for both our lending partners and the small businesses we serve.

The unprecedented growth in SBA guaranteed lending since 2001 points to the program's increasing popularity among small businesses and confirms the Agency's role in job creation and growing the national economy. Year to year uncertainties about funding levels, however, are not healthy for either SBA's strategic partnerships or for the public that looks to SBA as a

central resource for small business services.

The President's 2005 budget proposal includes a simple and practical solution that will give 7(a) the stability it needs to provide small businesses with a reliable source of capital for years to come, while protecting the current 75 percent guarantee rate and without raising fees above the level they were from 1995 until 2001. For most borrowers, this means a change of less than \$10 in their monthly payment.

Further, the plan will give the 7(a) loan program \$12.5 billion in lending authority. As the single largest source of small business financing in America, the 7(a) program is too important to be subjected to loan size caps and program



SBA Southeastern Regional Administrator Nuby Fowler says:
"We are making SBA Strong for Future Generations."

shutdowns year after year. The President's proposal will help to create a stable, strong 7(a) - something I think all of America's 25 million small business owners, as well as SBA's many lending and Ttechnical assistance partners will applaud.

Nuby Fowler

We're on the Web
www.sba.gov/al/

**U.S. Small Business
 Administration
 Alabama District Office
 801 Tom Martin Drive
 Suite 201
 Birmingham, AL 35211**

**Phone: 205 290-7101
 Fax: 205 290-7404**

U.S. Small Business Administration

SBA
Your Small Business Resource

Covenant Bank New SBAExpress Lender

Michael W. Ricks, District Director, made a presentation to the Board of Directors of Covenant Bank in Leeds, Alabama, naming Covenant Bank as one of the banks in the state with SBAExpress status. Also, participating were Gail Dean, Acting Chief of Finance, and L. D. Ralph, Loan Officer. Shown receiving the plaque from Mike Ricks is Hayes Parnell, III, President and CEO of Covenant Bank. Heather Jones, credit analyst for Covenant Bank, is their SBA specialist and contact person for SBA Programs.

State Representative and Board member, Jim McClendon attended the presentation. Also present were Bob Smith Board member, Lisa Weldon, SVP, COO Jeff Jackson, VP and Joe White, Board member.



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U. S. SMALL BUSINESS ADMINISTRATION
 Mail Code: 0459
 801 TOM MARTIN DRIVE, SUITE 201
 Birmingham, AL 35211
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