



NEWS RELEASE

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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.

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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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