



BUFFALO DISTRICT OFFICE NEWS

INSIDE REGION II'S BUFFALO DISTRICT OFFICE
U.S. SMALL BUSINESS ADMINISTRATION
1311 FEDERAL BUILDING, 111 WEST HURON STREET
BUFFALO, NEW YORK 14202
VOLUME 5 ISSUE 6 MARCH 2004

SMALL BUSINESS WEEK LUNCHEON DATE SET FOR MAY 5, 2004

FROM THE DESK OF THE DISTRICT DIRECTOR
FRANKLIN J. SCIORTINO

Once again, the U.S. Small Business Administration (SBA) Buffalo District Office is pleased to be joining Business First of Buffalo in presenting the **12th Annual Western New York Small Business Awards Luncheon**.

The luncheon is slated for Wednesday, May 5, 2003 at the Marriot Hotel – Buffalo/Niagara in Amherst, New York. During the luncheon, the participating lenders, economic development agencies, and chambers of commerce will present their awards to Western New York businesses for their outstanding achievements as entrepreneurs and advocates of small business interests. We expect over 400 attendees at this year's event.

The cost to attend is \$30 per person or \$300 per table (10 seats to each table). For registration information, please call (716) 551-3249 or register online at Kelly.lotempio@sba.gov. If registering online, please submit the names of those attending. Limited Seating is available, so please make your reservations soon!!!! Thank you

Upcoming Straight Talk 2004 Series

- March 9** ***"Your Silent Partners"***
- March 16** ***"Who Wants Your Stuff"***
- March 23** ***"Home Based Businesses and Make Yourself Credit Worthy"***
- March 30** ***Small Business Ethics***
- April 6** ***"Business Opportunities Available through the One Billion Dollar School Project"***

ALL SEMINARS ARE FREE

REV. DR. BENNETT W. SMITH, SR., FAMILY LIFE CENTER, 833 MICHIGAN AVENUE (CORNER OF GOODELL ST. & MICHIGAN AVENUE)
BUFFALO, NEW YORK
INDIVIDUAL SEMINARS HELD FROM 6-8:30 P.M.

MAKE RESERVATIONS BY CALLING (716) 551-4301 OR BY E-MAIL AT SBA@BUFFALO.COM



Lender Update Participation By Numbers

BUFFALO DISTRICT ALL 7(A) LOAN PROGRAMS FY'04 THRU FEBRUARY 2004

<i>LENDER</i>	<i># OF LOANS</i>	<i>\$ AMOUNT</i>
1. HSBC BANK USA	37	\$3,043,000
2. M & T BANK	22	\$5,349,000
3. FIRST NIAGARA BANK	19	\$2,633,500
4. WYOMING COUNTY BANK	17	\$2,020,500
5. CAPITAL ONE FSB	14	\$545,000
6. KEYBANK NATIONAL ASSOCIATION	8	\$2,114,000
7. FLEET NATIONAL BANK	4	\$190,200
8. THE BANK OF CASTILE	4	\$423,000
9. CITIBANK, N.A.	4	\$200,000
10. COMMUNITY BANK, N.A.	3	\$165,000
11. UPS CAPITAL BUSINESS CREDIT	3	\$1,700,000
12. CIT SMALL BUSINESS LENDING	2	\$1,172,000
13. GREATER BUFFALO SAVINGS BANK	2	\$184,000
14. INDEPENDENCE BANK	2	\$280,000
15. BUSINESS LOAN CENTER, LLC	1	\$1,350,000
16. STEUBEN TRUST COMPANY	1	\$30,000
17. COMERICA BANK	1	\$547,000
18. NATIONAL CITY BANK – PA	1	\$10,000
19. ADVANTAGE CAPITAL FUNDING	1	\$800,000
20. FIRST TIER BANK & TRUST	1	\$300,000
21. BANCO POPULAR NORTH AMERICA	1	\$135,000
22. JAMESTOWN SAVINGS BANK	1	\$120,000
23. WACHOVIA SBA LENDING, INC.	1	\$586,000



Award Presentation

Mr. Lee A. Strock, President of Strock Contracting, Inc. was presented the Buffalo District Minority Small Business Person of the Year award for Minority Enterprise Development Week-2003.

Pictured above starting from the left is: Loismae Strock, Rosemary Strock, Lee Strock, Franklin Sciortino, SBA District Director, Laura McCabe, Business Opportunity Specialist and James Branch, Contract Negotiator

Lender Update Participation By Dollars



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Attend a Workshop & SAVE

CLIP THIS COUPON AND GIVE IT TO A FRIEND

DON'T START A NEW BUSINESS

The Service Corps of Retired Executives (SCORE), "**Counselor's to America's Small Business**" sponsored by the U.S. Small Business Administration (SBA), conducts many workshops during the year to assist individuals in starting a business or improving one they have already started. Learn small business the way it should be done. Learn from the experts who are there to guide you through your early start-up stage. Call the SBA at 551-4301 for more information. When you register for any workshop, be sure to include this coupon for a valuable **\$5.00 DISCOUNT**.

Please visit www.scorebuffalo.org to view forthcoming workshops.

DISCOUNT COUPON



NEWS

Buffalo District

SCORE

Counselor's to America's Small Business

YOUR BUSINESS BUILDER – March 2004 From SCORE Buffalo-Niagara

Ka-ching! Ka-ching! That's a nice sound when you're in business and money is coming in. But lack of money can turn your new business dream into a nightmare very quickly. One of the major reasons for new business failures is the lack of sufficient funding.

Lack of cash can cause you to make less-than-optimum decisions. Insufficient cash can result from many unanticipated causes:

1. Your need for greater inventory.
2. Your need to be on a cash basis with suppliers until your company's credit is established.
3. The cost of product failures and the need for product redesign.
4. Sales forecasts that are too optimistic. Remember that prospective customers are often entrenched with current suppliers and new (for the customer) product evaluations take time. The customers may have a widely different agenda and timeline for trying your products.
5. Slow payments from customers.
6. Regulatory costs.

Although a salary draw for the new business owner may be anticipated, often months or even years may go by in a new business before a planned owner-draw becomes a reality. This can cause a great deal of stress. And the stress can really intensify if you have to go to the bank and take money from your personal savings account in order to make payroll, or meet a loan payment. This can cause sleepless nights, result in your lower performance - and lack of cash can cause tremendous strain on a marriage and family.

The message is clear – beginning a business with too little cash is like trying to sail the ocean in a tiny sailboat - it's not impossible, but the odds are long.... My main point is to be sure that you start your new business with sufficient capital. Unless you understand all the factors that affect cash flow, you can get into trouble. See the below website for further understanding:

http://www.toolkit.cch.com/text/P06_4001.asp

It's sad to see a business fail because of under-funding and inadequate planning for business contingencies. Be sure that your new business has a good chance for success. Consider attending a business-planning workshop given by SCORE during March.

Creating a Winning Business Plan

Canisius College Woman's Business Center
Demerly Hall
2365 Main Street
Buffalo, NY

You will receive a 55 page SCORE "Business Planning Guide & Financial Formats for All Small Businesses" booklet plus expert detailed instructions on how to complete each page for your business.

Fee: \$35 - Wednesday, March 10, 2004; 8:30 AM to 12:30 PM

Starting and Managing Your Business

North Tonawanda Public Library
505 Meadow Drive
North Tonawanda

This is a pre-business workshop for individuals planning to start a new business and for those wanting to grow and expand their existing businesses.

You will learn about marketing research, marketing, business planning, insurance, federal and state taxes, legal structures, government resources, financing, counseling, and more. Presentations are made by private sector, SCORE, and government agency speakers. SCORE members will be available for counseling if desired.

Fee: \$25 - Includes continental breakfast.

Wednesday, March 17, 2004; 8:30 AM - 4:30 PM



Buffalo District FY'04 Lending

AGENCY GOALS

The targets by which that the Agency, its program and support offices, and field offices aim to achieve in timely, cost-effective and customer-focused manner.

The District also articulates strategic goals they aim to achieve via its products and services.

There are 10 SBA regional offices. Each field office has its own production goals and projects. This is where you come in. We are five (5) months into the FY 2004 and with only seven (7) months remaining, it is important, for you, our lenders, to help us assist small businesses.

If you have any other suggestions or recommendations, please contact Mr. Franklin J. Sciortino, District Director at (716) 551-4305.

SBA Proposes Legislation to Add \$3 Billion to 7(a) Loan Program

The U.S. Small Business Administration today announced a new legislative proposal that is expected to add at least \$3 billion in lending authority to the 7(a) loan program this year. If enacted, the bill would allow the agency to increase lending authority by more than 30 percent, providing money for thousands more small loans in fiscal year 2004. The bill would also remove the current lending cap of \$750,000, and allow loans up to \$2 million.

"This proposal builds on the success of the SBA Express program, and by significantly increasing 7(a) lending authority, will allow the SBA to reach out to tens of thousands more small business owners every year," SBA Administrator Hector V. Barreto said. "The legislation provides more money for small business loans this year, at a time when the program is facing unprecedented demand."

By expanding the SBA Express program, which allows lenders to apply for 7(a) loans using their own forms and processes instead of lengthy and burdensome government forms, the entire 7(a) program would move to a lower guaranty rate of 50 percent. This reform would allow the agency to increase lending authority by over 30 percent. Based on FY 2003 numbers, that increase could have resulted in more than 22,000 additional loans to America's entrepreneurs. If enacted for FY 2004, the lower guaranty rate and increased number of loans could provide capital to create as many as 500,000 new jobs.

The proposed changes have the added benefit of moving the 7(a) program toward the goal of a permanent zero subsidy level. Preliminary data indicates that if this proposal is passed and signed into law, 7(a) could move to zero subsidy with fees that are below current congressionally mandated rates, making 7(a) loans even more attractive to small business owners and lenders.

For more information about all of the SBA's programs for small businesses, visit the SBA's extensive Web site at www.sba.gov.

Buffalo
District
Newsletter