



NEWS & VIEWS

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SBA News and Views is a monthly publication of the SBA Wisconsin District Office. Its purpose is to provide Wisconsin lenders and small business leaders with up-to-date information on SBA programs and small business issues. It is distributed at no cost, and the reprinting of articles is encouraged.

UPDATED AUTHORIZATIONS AND WIZARDS

The SBA annually reviews, updates and refines the National Authorizations (Authorizations and corresponding Wizards contain national standard language and provide SBA personnel and Lenders with an automated tool to use when preparing required Authorizations for SBA loans) based on changes in laws, regulations, policy and procedures, and input received from SBA employees and lending partners since the last update. SBA Procedural Notice 5000-869 announces that it has modified the four National Authorization Boilerplates and their corresponding Wizards.

The updated National Authorization Boilerplates and corresponding Wizards are Version 4.3 of the National 7(a) Authorization, Version 1.5 of the National CAPLines Authorization, Version 1.4 of the

National EWCP Authorization and Version 4.2 of the National 504 Authorization.

Beginning May 5, 2003, SBA field offices must begin using these revised authorizations for all loans they prepare.

Beginning June 5, 2003, PLP lenders must begin using these revised authorizations for all loans they prepare. Beginning June 5, 2003, all PCLP CDCs and any CDC producing draft authorizations must begin using Version 4.2 of the National 504 Authorization.

The answers to technical questions related to accessing and using the Wizards can be found in SBA Notices 5000-796 (7a), 797 (EWCP), 798 (CAPLines) and 799 (504).

SBA PROVIDES NEW ONLINE VIRTUAL CLASSROOM

Small business owners can now access an online virtual classroom of business courses,

workshops, information resources, learning tools and counseling assistance through the U.S. Small Business Administration's E-Business Institute Web site.

The E-Business Institute is a virtual campus offering free tutorials, workshops and educational resources. It offers a range of online business training and counseling tools to assist entrepreneurs with business start-up, from developing marketing strategies to effective employee management. It also provides valuable information for existing small business owners. The E-Business Institute is an easy-to-use tool that provides 24-hour access to business courses via the Internet.

The E-Business Institute was designed with small business entrepreneurs in mind to provide interactive business guidance on a range of topics. There are 16 training categories with more than 70 interactive courses and electronic guides

to provide educational tools and resources on entrepreneurship. Many of the courses include audio sound bytes, quizzes and feedback and can accessed online at www.sba.gov/training.

The online courses make the SBA's business management resources available anytime and anywhere. The E-Business Institute also features a virtual library with more than 200 free E-books and publications, links to the top business magazines and national newspapers, direct links to colleges and universities that offer online business courses and programs, and a section for young entrepreneurs to pursue their business interests.

**DISCHARGED
MILITARY
RESERVISTS HAVE 90
DAYS TO APPLY FOR
SBA ECONOMIC
INJURY LOANS**

Small businesses with essential employees returning from active duty in the armed services still have 90 days to apply for Military Reservist Economic Injury Disaster Loans from the U.S. Small Business Administration. The filing period ends 90 days after the date the employee or owner is discharged from active duty.

The MREIDL program provides loans to eligible small businesses to cover operating costs that would have been covered, but cannot be met because an essential employee was called to active duty during a period of

military conflict in his or her role as a military reservist.

Small businesses may apply for MREIDLs of up to \$1.5 million if they have been financially affected by the loss of a key employee. These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that cannot otherwise be paid. The interest rate on these loans is 4 percent or less, with a maximum term of 30 years. The SBA determines the amount of economic injury, the term of each loan and the payment amount, based on the borrower's financial circumstances.

To download the application, visit the Web site at www.sba.gov/disaster.

Businesses in Wisconsin can also contact the SBA disaster area office at 1-800-359-2955 to obtain an MREIDL application.

**SMALL BUSINESS
LENDING
PROFITABLE FOR
BANKS**

Banks that specialize in small lending, including large holding companies, show more return on equity than their counterparts. This finding, which contradicts the conventional wisdom that large bank holding companies find small business lending a less profitable operation, was presented to the Federal Reserve Bank of Chicago's 39th Annual Conference on Bank Structure and Competition on May 8, 2003.

Authored by Dr. James Kolari of Texas A&M University, *Assessing the Profitability and Riskiness of Small Business Lenders in the Banking Industry* funded by SBA's Office of Advocacy, concludes that small business lending normally either has neutral or positive effects on profitability for most banks.

Small banks have traditionally been one of the major suppliers of credit to small businesses. Concerns have grown that the deregulation and consolidation through mergers and acquisitions in the banking industry will adversely affect banks' lending to small business. The argument is that because of higher risk and larger administrative costs per dollar of loan involved in lending to small firms, large bank holding companies will find small business lending a less profitable operation.

The report suggests that defining profitability either as return on equity or as return on assets determines whether small business lenders are more profitable than other banks. Nonetheless, under either definition, the current conventional wisdom that consolidated banks will find small business lending unprofitable does not hold up.



UPDATED WEBSITE FOR NATIONAL WOMEN'S BUSINESS COUNCIL

The National Women's Business Council is pleased to announce the launch of their newly revamped website, www.nwbc.gov. This comprehensive website will serve as a valuable resource for policymakers, women business owners, the press and others interested in women's entrepreneurship.

The homepage of www.nwbc.gov features a "What's New" section with the latest in NWBC announcements. Also found on the homepage are links to the major sections of the site.

SBIR/STTR AWARDS BANQUET

The 17th Annual SBIR/STTR Conference & Technology Awards Banquet will be held on Thursday, June 16th at the Crowne Plaza Hotel, 4402 E. Washington Ave., Madison. The Keynote speaker, Dr. Jenny Servo, will be addressing commercialization strategies. The banquet will recognize the Wisconsin businesses that received grants.

AWARDEES:

BellBrook Labs, LLC
1 Award for \$708,643

BioInnovation, LLC
1 Award for \$99,144

BioPulping International
2 Awards for \$820,619

CapsiGen - 1 Award for \$18,500

CompuTherm, LLC
1 Award for \$748,325

EraGen Biosciences
2 Awards for \$605,250

Gammex RMI
1 Award for \$99,950

Healthcare Technology Systems, Inc. - 2 Awards for \$1,317,746

Imago Scientific Instruments Corp. - 1 Award for \$100,000

JunTech, Inc. - 1 Award for \$500,000

Lucigen Corporation - 4 Awards for \$798,883

Micro Optics Technologies, Inc. - 1 Award for \$99,788

Mirus Corporation - 11 Awards for \$4,069,361

NimbleGen Systems, Inc.
1 Award for \$99,050

nPoint, Inc. - 1 Award for \$69,782

Orbital Technologies Corporation - 14 Awards for \$3,264,000

PercipEnz Technologies, Inc.
1 Award for \$98,454

PhysioGenix, Inc. - 2 Awards for \$346,421

Platypus Technologies, LLC
6 Awards for \$1,899,207

PowderJect Vaccines, Inc.
1 Award for \$905,000

Prairie Technologies, Inc.
4 Awards for \$642,317

Precision Research, Inc.
3 Awards for \$298,624

ProCertus BioPharm, Inc.
1 Award for \$96,850

Quantum Devices, Inc.
3 Awards for \$768,995

Research Solutions International - 1 Award for \$300,000

Scotch Hill Farm - 1 Award for \$68,596

Simulation Technology and Applied Research, Inc.
1 Award for \$737,976

SLIL Biomedical Corp.
1 Award for \$1,034,278

SpectroCon - 1 Award for \$100,000

Stratatech Corporation
3 Awards for \$300,700

The NeuronFarm, LLC
1 Award for \$75,000

Vitae, LLC - 1 Award for \$271,000

Wisconsin Center for Space Automation & Robotics
1 Award for \$3,100,625

If you know of any businesses with the experience & ability to complete technical research for marketable products or services that might qualify for an SBIR/STTR grant, please advise them of this event. For more information, please contact [Tony Wagner](mailto:Tony.Wagner@sba.gov) at 608-441-5515.

Visit SBA's Office of Technology website SBIR/STTR @ www.sba.gov/sbir/indexsbir-sttr.html

**VET-OWNED
BUSINESSES,
GROUPS
REPRESENTED ON
SBA'S ADVISORY
COMMITTEE**

Veterans who own small businesses will make up the majority of a 15-member Advisory Committee on Veterans Business Affairs established to provide an independent source of advice and policy recommendations to the U.S. Small Business Administration, Congress, the President and other policy-makers.

The first meeting of the committee was held April 22, 2003, at the SBA headquarters in Washington, D.C.

The mission of the Advisory Committee on Veterans Business Affairs, as set by Public Law 106-50, is to review, coordinate and monitor plans and programs that affect the ability of small businesses owned and controlled by veterans to obtain capital, credit and access to markets.

**ASIAN PACIFIC
AMERICAN HERITAGE
MONTH**

May is Asian Pacific American (APA) Heritage Month.

Before there was a month dedicated for celebrating Asian Pacific American Heritage, there was Asian Pacific American Heritage Week, which was started in 1978. The legislation

for Asian Pacific American Week was introduced in 1977

by Representatives Frank Horton of New York and Norman Y. Mineta of California. A similar legislation was introduced in the Senate in 1977 by Senators Daniel Inouye and Spark Matsunaga. In 1990, President George Bush signed a proclamation for the first Asian Pacific American Heritage Month. In 1992, legislation for the month became a law and now every May is Asian Pacific American Heritage Month.

Many people think Asian Pacific Americans are one single group, but they are really made up of more than 24 ethnic groups, that speak different languages and have their own rich history. Some of these ethnic groups include the Chinese, Japanese, Korean, Taiwanese, Hawaiian, and Filipino people.

Asian Pacific Americans come from the area that extends from the South Asian peninsula through East Asia to the islands of the South Pacific and Hawaii.

Asian Pacific Americans are the fastest growing racial group in the United States. In 1995 they made up 3.7 percent of the Nation's population. According to the U.S. Census Bureau, it is estimated that by the year 2050, they will make up 10 percent of the population.



**SMALL BUSINESS
WINNERS TIPS**

Mary Jurmain-2002 State & Runner-Up National Small Business Person

'Hiring employees who not only have the right skills and experience, but also share the same values, is critical to success.'

**WISCONSIN DISASTER
UPDATES**

**Open Declarations as of
May 19, 2003**

**SBA DECLARATION #9V13:
DROUGHT THAT OCCURRED
JUNE 1, 2002, AND
CONTINUING.**

Small businesses located in the contiguous Counties of Green, Lafayette, and Rock may apply for economic injury disaster loan assistance through the SBA. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. Physical damages cannot be covered by these loans. These counties are eligible because they are contiguous to one or more primary counties in the State of Illinois.

Only small, non-farm agriculture dependent businesses and small agricultural cooperatives are eligible to apply for assistance. Nurseries are also eligible for economic injury caused by drought conditions.

The economic injury disaster loan application deadline is December 9, 2003.

For further information, please call 1-800-359-2227.

SBA DECLARATION #9T24 -- FROST AND FREEZING TEMPERATURES THAT OCCURRED MAY 15-20, 2002.

Small businesses located in Door County and contiguous Kewaunee County may apply for economic injury disaster loan assistance through the SBA.

These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions.

Physical damages cannot be covered by these loans.

Only small, non-farm agriculture dependent businesses and small agricultural cooperatives are eligible to apply for assistance.

The economic injury disaster loan application deadline is July 8, 2003. For further information, please call 1-800-359-2227.

SBA DECLARATION #9S36 -- SEVERE DROUGHT THAT OCCURRED JANUARY 1, 2002, AND CONTINUING.

Small businesses located in the counties of Kenosha, Rock, and Walworth may apply for economic injury disaster loan assistance through the SBA. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. Physical damages cannot be covered by these loans. These counties are eligible because they are contiguous to one or more primary counties in the State of Illinois. Only small, non-farm agriculture dependent businesses and small agricultural cooperatives are eligible to apply for assistance.

Nurseries are also eligible for economic injury caused by drought conditions.

The economic injury disaster loan application deadline is June 17, 2003.

For further information, please call 1-800-359-2227.

SBA DECLARATION #3440/#9R51 -- SEVERE STORMS, TORNADOES, AND FLOODING

Small businesses located in Barron, Burnett, Chippewa, Clark, Dunn, Langlade, Lincoln, Marathon, Polk, Portage, Price, Rusk, Sawyer, Shawano, St. Croix, Taylor, Washburn, Waupaca, and Wood; and contiguous counties of Adams, Ashland, Bayfield, Brown, Douglas,

Eau Claire, Forest, Iron, Jackson, Juneau, Menominee, Oconto, Oneida, Outagamie, Pepin, Pierce, Vilas, Waushara, and Winnebago may apply for economic injury disaster loan assistance. These are working capital loans to help the business continue to meet its obligations until the business returns to normal conditions. To date, SBA has approved \$4,688,300 in disaster loans as a result of this disaster.

The economic injury disaster loan application deadline is June 10, 2003. For further information, please call 1-800-359-2227.



WISCONSIN CALENDAR

CLASSES/TRAINING AND MORE

Only SBA sponsored events are endorsed by the Agency. Other events are merely provided as a resource.

SBA LENDERS FOR APRIL 2003

AMERICAN NATIONAL BANK-FOX CITIES

Appleton – 1 Loan for \$206,000

ASSOCIATED BANK MINNESOTA NA

West St. Paul, MN
2 Loans for \$365,000

ASSOCIATED BANK NA

Green Bay – 12 Loans for \$1,764,500
Neenah – 1 Loan for \$ 34,998

TOTAL: 13 Loans for \$1,799,498

BANK OF KENOSHA

Kenosha – 1 Loan for \$250,000

BANK OF LITTLE CHUTE.

Little Chute – 2 Loans for \$170,000

BANK ONE NA

Chicago, IL – 4 Loans for \$205,400

BAYLAKE BANK

Sturgeon Bay – 2 Loans for \$465,000

BREMER BANK

Amery – 1 Loan for \$50,000
New Richmond – 1 Loan for \$32,000

TOTAL: 2 Loans for \$82,000

CAPITAL ONE FEDERAL SAVINGS BANK

Falls Church, VA – 4 Loans for \$125,000

CITIZENS BANCSHRESOF LOYAL

Loyal – 1 Loan for \$80,000

COMMUNITY BANK & TRUST

Sheboygan – 5 Loans for \$1,893,200

COMMUNITY BANK OF DELAVAN

Delavan – 1 Loan for \$80,000

COMMUNITY BANK OF GRAFTON

Grafton – 1 Loan for \$40,000

COMMUNITY FIRST BANK

Richland Center – 2 Loans for \$563,700

COMMUNITY FIRST CU

Appleton – 1 Loan for \$58,000

COMMUNITY STATE BANK

Union Grove – 3 Loans for \$621,710

COVANTAGE CREDIT UNION

Antigo – 1 Loan for \$74,000

DELAFIELD STATE BANK

Delafield – 1 Loan for \$150,000

DUBUQUE BANK & TRUST CO.

Dubuque, IA – 1 Loan for \$150,000

FIRST BANK FINANCIAL CENTRE

Oconomowoc – 1 Loan for \$50,500

FIRST BANKING CENTER

Burlington – 1 Loan for \$15,000

FIRST BERLIN BANCORP INC.

Berlin – 1 Loan for \$120,000

FIRST BUSINESS BANK OF MADISON

Madison – 3 Loans for \$332,000

FIRST CITIZENS STATE BANK

East Troy – 1 Loan for \$133,000

FIRST NATIONAL BANK FOX VALLEY

Menasha – 3 Loans for \$65,500

Neenah – 1 Loan for \$38,000

Oshkosh – 1 Loan for \$592,000

TOTAL: 5 Loans for \$695,500

FIRST STATE BANK Of ROUND LAKE

Round Lake Beach, IL
1 Loan for \$172,000

HOMETOWN BANK

Saint Cloud – 3 Loans for \$1,080,400

INVESTORS BANK

Pewaukee – 1 Loan for \$150,000

INVESTORS COMMUNITY BANK

Manitowoc – 2 Loans for \$144,900

JOHNSON BANK NA

Janesville – 2 Loans for \$105,000

KIMCENTRAL CU

Neenah – 1 Loan for \$25,000

LEGACY BANK

Milwaukee – 1 Loan for \$494,460

M&I MARSHALL & ILSLEY BANK

Milwaukee – 28 Loans for 3,048,800

MONONA STATE BANK

Monona – 4 Loans for \$325,000

NORTH SHORE BANK FSB

Brookfield – 1 Loan for \$150,000

S & C BANK.

Eau Claire – 1 Loan for \$100,000

Menomonie – 1 Loan for \$38,000

TOTAL: 2 Loans for \$138,000

SAINT FRANCIS BANK FSB

Milwaukee – 1 Loan for \$75,000

ST. FRANCIS CAPITAL CORP.

Brookfield – 1 Loan for \$50,000

STEPHENSON NATIONAL BANK & TRUST

Marinette – 1 Loan for \$500,000

US BANK NA

Cincinnati, OH – 4 Loans for \$409,800

San Diego, CA – 1 Loan for \$500,000

TOTAL: 5 Loans for \$909,800

WAUKESHA STATE BANK

Waukesha – 1 Loan for \$150,000

WELLS FARGO BANK MINNESOTA NA

Minneapolis, MN
3 Loans for \$1,104,500

WELLS FARGO BANK WISCONSIN NA

Milwaukee – 1 Loan for \$75,000

WEST BEND SAVINGS BANK.

West Bend – 1 Loan for \$275,000

WESTERN WISCONSIN DEVELOPMENT CORP..

Almena – 1 Loan for \$291,000

WISCONSIN BUSINESS DEVELOPMENT FINANCE CORP.

Monona – 12 Loans for \$7,011,000

APRIL 2003 MICROLOAN ACTIVITY

LINCOLN NEIGHBORHOOD REDEVELOPMENT

1 Loan for \$10,000

WOMEN'S BUSINESS INITIATIVE CORP.

4 Loans for \$130,000