

# REGION VI NEWS

[www.sba.gov](http://www.sba.gov)  
February 2012

## Regional Success Story Lubbock District Office

### SBA programs help small business owner

Maria Valeriano first consulted with the UTPB Small Business Development Center with a vision of starting her own insurance agency. She had a great deal of experience in the insurance business and was looking to obtain a bank loan to help realize her dream. The center worked closely with Maria and eventually completed a very professional business plan that she could present confidently to her bankers. Maria is a very determined individual and this determination to open her business meant that she listened to, and acted upon, all the advice given to her by the counselors at the SBDC. Maria's application for a business loan was strong and well-prepared, but also she was timely and cooperative about providing the bankers with all additional data that they required.

Maria obtained a \$25,000 loan that enabled her to open her business. She continues to use the services of the SBDC and enjoys their advice and assistance.

In Maria's own words, "The SBDC guided me through the business plan process, helped me with business cards and provided me with much needed start-up assistance." Maria went on to say that if it wasn't for the SBDC, she would probably have never opened her business. "These tools", she added, "gave me a crystal clear perspective on the financial aspects of the business and gave me the insight to know what was necessary to succeed."



## Message from Regional Administrator

### Yolanda Garcia Olivarez

#### It's Tax Season! Do You Know all the Tax Credits that Might Benefit You?

As Regional Administrator of the U.S. Small Business Administration, I travel throughout the five-states of Region VI Arkansas, Louisiana, New Mexico, Oklahoma and Texas and meet with small business owners. Many small businesses do not realize that President Obama has already signed into law 17 small business tax cuts or that the President has proposed an additional five small business tax cuts in his budget for 2013.

These tax cuts are available to all types of small businesses, from main street shops to high growth startups and everything in between.

President Obama knows that the story of America's success has been written by our entrepreneurs and small business owners, and that's why he is doing everything he can to make sure small businesses have the tools they need to create an economy built to last.

#### How can your business benefit ***THIS YEAR*** in tax breaks?

##### *Are you an investor in a small business?*

Some capital gains have been fully eliminated on certain small business stock, which provides an incentive for financiers to invest in qualified small business. Capital gains on investments held more than 5 years in qualified small businesses are 100% exempt for the 2012 tax year.

##### *Are you a start-up?*

Start-up entrepreneurs can deduct \$5,000 for start-up expenditures, and the President is working to double this deduction in his budget for 2013.

##### *Are you a small business owner that has purchased new equipment?*

If you have bought new equipment, you can write-off a larger portion of the cost of that new equipment this year rather than depreciating the cost over time. The President has raised the maximum amount a small business can expense on new equipment to \$560,000 in 2012, up from \$250,000 in 2009. President Obama also signed legislation which allows businesses to write-off the cost of their equipment purchases more quickly by allowing up to 50% bonus depreciation in the first year of an investment.

##### *Are you a small business owner that provides health care to your employees or to yourself?*

Tax credits are available for starting or continuing to provide health insurance coverage for your employees, and this applies even if you are self-employed.

##### *Have you been in business for up to 5 years?*

You may "carry back" your business credit up to five years to offset taxes and assist in difficult economic times. Businesses can apply their 2011 credits to previous tax payments going back to 2006.

##### *Are you a small business owner that uses a cell phone?*

Starting in 2010, the process for deducting the cost of your cell phone and monthly bills was vastly simplified.

As you can see, there are a lot of tax cuts that small businesses can benefit from this year, but small businesses stand to gain even more from a number of recent proposals that President Obama has put forward in his proposed 2013 budget which has several additional tax cuts for small businesses including:

- Permanently eliminating taxes on capital gains in key investments,
- 10% income tax credit on aggregate wages in 2012 in excess of those in 2011,
- Permanently doubling the amount of start-up expenses entrepreneurs can deduct from their taxes to \$10,000,
- Expanding the healthcare tax credit to small businesses with up to 50 employees,
- Eliminating complicated depreciation schedules for most small businesses and simplifying tax returns by streamlining the home office deductions.

President Obama has also announced a framework for reducing and simplifying the U.S. tax system to enhance American competitiveness. This includes lowering the corporate tax rate from 35% to 28%, and reforming the tax code to make tax filing simpler for small businesses and entrepreneurs so that they can focus on growing their businesses rather than filling out tax returns.

Please be sure to stay tuned to what the SBA is doing to assist small business in helping them start, grow and create an economy built to last. Follow SBA on Facebook and Twitter.

## District News and Announcements

### San Antonio District Office

#### SBA's Michael Chodos visits San Antonio

On January 31, 2012, the SBA San Antonio District Office staff greets the Michael A. Chodos, Associate Administrator for Entrepreneurial Development as he arrives in office to meet with SBA staff, and resource partner leaders from SCORE, South-West Texas Border SBDC and Women's Business Centers. The meeting focused on resource partner's collaboration, sharing, link networks, etc. to work together to meet the needs of small business owners and start-ups.

Mr. Chodos visited San Antonio once again on February 23-24, 2012, this time accompanied by representatives from the United States House Committee on Appropriations members comprised of Melissa Zimmerman for Senator Dick Durbin/Illinois; Ellen Beares for Senator Jerry Moran/Kansas; Ariana Sarar for Congresswoman Jo Ann Emerson/Missouri; and Laura Hogshhead for Congressman Jose E. Serrano/New York. They met with SBDC, SCORE and Women's Business Center staffs and toured numerous businesses who received assistance from SBA resource partners - show-cases of successful business owners. The two-day meetings provided the staff members with first-hand knowledge of how SBA interacts with our resource partners and in turn how our resource partners impact the small business community. It highlighted the value of each of our resource partners and their dedication in support of the small business community.



(Pictured: Michael Chodos with SBA staff and SBA resources partners)

### Arkansas District Office

#### District director update

I just returned from the 38<sup>th</sup> Annual Arkansas Governor's Conference on Tourism. Tourism is the second highest revenue generator industry in Arkansas. The conference had over 500 attendees from across the state. Sessions included customer service, the dos and don'ts if you use social media, and other pertinent topics.

One of the first people I met was Randy Langhoyer of Eureka Springs. Eureka Springs is an Arkansas version of a Swiss village with beautiful scenery, mountains, and a vibrant small business community of art galleries, bed and breakfast inns, and restaurants. Randy has two businesses. One is Randy's Brochure De-

livery Service, covering Arkansas, Missouri, Oklahoma, and Kansas. The other is Cosmic Caverns in Berryville, AR (almost on the Missouri border).

Upon learning I was with SBA, Randy said, "I got an SBA loan in 1991 on the Cave - it was a 20 year loan and I paid it back in 16. It took a little effort and paperwork that would choke a horse, but it was worth it."

We're going to do a full story on this because of the unique nature of financing caves, and because Randy said, in spite of the paperwork and extra effort, it was overall a good thing and he wants others to know about the benefits.

One of those benefits is that he didn't have a loan that ballooned every year or so at renewal time. The other is that with the unique nature of his business, most traditional lenders would see that as a significant risk and probably not do without some partner. These are needs that SBA's loan programs can and do fill.

Back to tourism in Arkansas now. Arkansas' own two-handed economist reported at the conference that tourism was Arkansas' buffer during the recession in revenue generation and employment. Overall, Arkansas lost 80,000 jobs and gained 40,000 back as of the last reports. Tourism actually had an uptick in number of employees. A nice way to end a very good conference - on a positive note!

### El Paso District Office

#### District office and Women's Business Border Center Celebrate Black History Month

In honor of Black History Month, the SBA El Paso District Office & the Women's Business Border Center of the El Paso Hispanic Chamber of Commerce presented *AN EVENING WITH THE STARS: An Interactive Dialogue with Extraordinary Afro America Business Owners*, on February 28, 2012. The panel discussion featured business experts who shared their stories of triumphs and tribulations that lead them to success.

Featured panelists included: Julian Grubbs, President and Owner Express Office Products, an 8(a) company; Tish Times, Chief Executive Officer of HireTimes Career Group; and Joe Conway, Director of the Contract Opportunities Center and former small business owner. As a result of this outreach, a discussion occurred about resurrecting the El Paso Black Chamber of Commerce.

### Houston District Office

#### District and RA host YES event

In partnership with the White House, SBA hosted a Young Entrepreneurs Series (YES) in five cities last November, each with a specific theme and focus. With youth unemployment twice the national average in many communities, SBA recognizes a need to promote and better support the efforts of young people looking to create jobs. YES is part of a larger effort to reach out to young entrepreneurs and let

them know the SBA is here to help them start, grow and succeed as small business owners.

Houston District Director Manuel Gonzalez and the district office hosted a YES forum with SBA Regional Administrator Yolanda Olivarez on February 23, 2012.



(Pictured L-R: Mark Winchester, Manuel Gonzalez & Yolanda Garcia Olivarez)

A panel of SBA resource partners included the local University of Houston SBDC and SCORE Chapter. Special guest panelists, Mas-roor Fatany, President and owner of Sears Garage Solutions of Houston and Anthony Newton, founder and CEO of Kaduceus Holdings, Inc., both local young entrepreneurs, shared their entrepreneurship stories to a group of forty students from Manvel High School.

The event was followed by a tour of Raising Cain's Chicken Fingers in Sugar Land, Texas, a franchise currently managed and operated and soon to be owned by young entrepreneur Cody Frederick.

### LRGV District Office

#### District office staff update

Graciela Guillen, Economic Development Specialist, of the Lower Rio Grande Valley retired on February 29, 2012, after 34 years of federal service. Gracie provided outstanding assistance to our resource partners and small businesses during her career at SBA.

Gracie has been the LRGVDO's contact for the Women's Business Center, the Small Business Development Center as well as the Public Information Officer.

Throughout her years of service, Gracie has been a valuable asset for the district by maintaining an excellent working relationship with our resource partners.

Gracie knowledge will be missed at the SBA. She is a native of San Benito, Texas, graduating from San Benito High School in 1971 and attended Texas A&M University in Kingsville, Texas. Gracie will be spending a great deal of her time in the Dallas area assisting her sons in their business endeavors.



## New Mexico District Office

### Albuquerque SCORE introduces workshops

The Albuquerque Chapter of SCORE is offering a new series of workshops called the Simple Steps Series. At these workshops, participants will meet with successful and experienced counselors that will provide information to determine a “go or no-go” decision for starting a business.

The Simple Steps Series includes the following five separate three-hour workshops:

**Start-up Basics:** This module will test your business idea; key factors that influence start-up success; advantages & disadvantages; determining Business structure

**Business Concept:** You will receive step by step guidance in researching your idea, market & competition.

**Marketing Plan:** Marketing communication methods and tools to maximize your customer reach will be the focus.

**Financial:** Topics for this class include reviews sales & pricing; financial risk & rewards, true projection start-up costs; ongoing operating expenses; setting benchmarks for tracking progress & organizing all your financial information.

**Funding Source & Next Steps:** How will you finance your business; sources of funds; credit; ratio analysis; monthly preparation & review of financial statements will be covered.

This training will also provide an opportunity to meet with a SCORE mentor for continuing the reinforcement of practices, guidance, ideas and options. Participants will also be encouraged to attend monthly business roundtables composed of other small business who meet to discuss business issues and identify possible solutions.

The first series of workshops began in February. Subsequent series will continue through November and are held at the U.S. Small Business Administration, New Mexico District Office, 625 Silver Ave. S.W., Albuquerque, NM 87102.

Attend all five sessions for just \$125. Call us at 505-248-8232 or visit our website [www.abqscore.org](http://www.abqscore.org).

## Dallas/Fort Worth District Office

### District hosts 7(j) training

The SBA Dallas District Office hosted one of two 7(j) training classes for eligible 7(j) participants.

Eligible participants included 8(a) certified firms, HUBZone certified firms, firms that are eligible to receive contracts, business operating in areas of high unemployment or low income and firms owned by low income individuals.

The workshop titled “Marketing your Small Business to the Federal Government” provided the participants with practical marketing concepts and strategies for doing for doing business with the Federal Government. Under section 7(j) of the Small Business Act, the SBA is authorized to provide management and technical assistance through grants and cooperative agreement to qualified service providers.

Our next workshop titled “Federal Environmental Standards,” is scheduled for September 13, 2012 from 8:30am -5:00pm. Seating is limited to 40 attendees and registration is handled on a first-come, first-serve basis. There is no cost for these workshops. For more details and registration go to: <http://sbaworkshops.stoverteam.com>.

## Oklahoma District Office

### OKC SCORE Chapter expands outreach to small businesses by working with SBDC, WBC

SCORE Oklahoma City Chapter Counselors are combing the community to reach entrepreneurs who are looking to start or grow a small business. About two dozen volunteers in the chapter are able to provide expertise in a variety of areas such as accounting, financial planning, legal, marketing and human relations.

OKC SCORE Chapter Marketing Manager Bob Steinerd heads up efforts to regularly collaborate with the REI’s Women’s Business Center, Langston University Small Business Development Center as well as economic development organizations and government agencies to offer business development services.

### Collaboration with Langston SBDC

Langston University Small Business Development Center (LUSBDC) is located in OKC’s African American community. The office staff consists of a full time director, a part-time administrator and a part-time volunteer. The director sees an average of 10 clients each week, of which 85 percent are African American and 45 percent are women. SCORE and the SBDC share a common passion to help small businesses succeed and grow. That’s why they are eager to partner on at least 4 workshops annually that draw about 15 attendees. Together they train on the business fundamentals of being an entrepreneur and starting a business.

“We see SCORE as a viable partner in our efforts to assist small business owners,” said Della Dean, Langston SBDC director. “I deal with a lot of clients who have a dream of becoming an entrepreneur and need direction on how to put together a well-thought out plan. I try to help turn their dreams into reality.

“In addition to the workshops we conduct with SCORE, I have SCORE mentors who are willing to come to my office and help evaluate business plans and offer recommendations and strategies to help the entrepreneur get started in the right direction. The relationship I have with SCORE is valuable to me in that I can extend services to a wider number of people.”

Langston SBDC also offers workshops that cover topics such as government procurement/contracting, 8(a) Business Development and HUBZone programs, Marketing, Credit Readiness, Finding Alternative Financing, Loan packaging just to name a few.

### Collaboration with REI’s Women’s Business Center

With a full time director and a program assistant, the REI’s Women’s Business Center Oklahoma City reaches more than 1,500 entrepreneurs annually. Part of their success in reaching so many is made possible through a strong collaborative relationship with SCORE’s OKC Chapter. In the last 24 months SCORE has participated with the REI’s WBC in about 20 events to educate and develop women small business owners. They reach a diverse group of entrepreneurs that include Hispanic, African American and Native American women.

“SCORE is very active in our Entrepreneurship 101 Programs,” said Jennifer Edwards, REI’s WBC director. “These programs are designed for emerging entrepreneurs and young businesses to learn business plan basics, understanding financial statements, how to prepare taxes, the business registration process and market analysis.

“Our relationship with SCORE is very important because it is a mutual referral network,” said Edwards. “If I’m on the road travelling, I know that I can always refer a client to a SCORE counselor and they will receive quality assistance. And, just about weekly we receive referrals from SCORE.”

The collaboration between SCORE, REI Women’s Business Center and the Langston SBDC creates a symbiotic relationship in the community that dramatically improves the awareness of SBA programs and opportunities among small business startups and existing businesses.

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<b>Region VI Loan Numbers</b>		
FY 2012—month ending 2/29/12		
Amts. Rounded to nearest \$1,000		
	<b>#Loans</b>	<b>\$Approval</b>
<b>All Loans</b>	2,103	\$ 847,103
<b>7(a)/ARC</b>	1,881	\$ 661,907
<b>504</b>	222	\$ 185,196

## News from Headquarters

### SBA to Honor Small Businesses at National Small Business Week May 20-22 in Washington, D.C.

WASHINGTON— The nation’s top entrepreneurs will be honored at the U.S. Small Business Administration’s National Small Business Week events May 20-22 in Washington, D.C. A series of award ceremonies, small business events and educational forums will mark the 59th anniversary of the agency and the 49th annual proclamation of National Small Business Week.

National Small Business Week is cosponsored by the SCORE Association as well as numerous corporate and trade sponsors to be announced.

More than 100 outstanding small business owners from across the country will receive awards while gathering for three days at the city’s Mandarin Oriental Hotel. They will meet with top administration officials, congressional representatives and national business leaders. The highlight of the celebration will be the announcement of the National Small Business Person of the Year.

“Small business owners and employees across America are proving their resiliency as they continue to help drive economic recovery, economic growth and job creation,” said SBA Administrator Karen Mills. “National Small Business Week gives us an opportunity to honor their achievements and the spirit of entrepreneurship, innovation and determination that makes them the engine of our economy and our nation’s economic recovery.”

Men and women also will be recognized for their involvement in disaster recovery, government contracting and their support for small businesses and entrepreneurship, and awards will be presented to SBA partners in financial and entrepreneurial development, including the year’s top SCORE Chapter, Small Business Development Center and Women’s Business Center.

Interested parties can register online at [www.nationalsmallbusinessweek.com](http://www.nationalsmallbusinessweek.com) where additional information (updated weekly) is available regarding registration, awards ceremonies, small business forums and educational and match-making sessions. The event also will be webcast live at the web site.

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