

# REGION VI NEWS

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November 2011

## Message from Regional Administrator

*Yolanda Garcia Olivarez*

### *Regional Success Story* Dallas/Fort Worth District

#### **SBA resource partner assists small business**

Donna Anderson of DNA Transportation came to the Dallas Small Business Development Center (SBDC) for counseling in February of 2010 after her application to gain office space at the Business Incubator Center was approved.

She learned how to prepare for business loans, how to grow her company through acquisitions and joint ventures, how to upgrade her knowledge through training and further build her network through the SBDC.

Through the counseling, Anderson gained a trucking partner who agreed to combine forces and bid on large contracts.

She also established relationships with bankers at the 2010 Deal Day event at the Dallas SBDC in an effort to position herself to obtain financing.

During the 2011 Deal Day a year later, Donna was recognized with an award for securing a SBA loan of \$415,000 along with \$100,000 line of credit from Chase. The proceeds were used to purchase new trucks and trailers for her business.

Anderson has added seven employees and she projects revenues next year of \$1.5 million.



### SBA Programs to Help Veterans

Each year around Veterans Day, we direct our thoughts to the men and women serving in the military. Whatever the war or conflict, Americans have always believed that America's military veterans should be returning home to jobs and opportunity. We can never fully repay these patriots for their sacrifice and the sacrifices of their families, but we can provide an environment in which they can strive to reach their full economic potential and fulfill their small business dreams.

Since 1953, the U.S. Small Business Administration has been providing entrepreneurial assistance to veterans and service-disabled veterans who return home to start, resume, or further grow their businesses. SBA provides veterans access to much needed business counseling and training, capital and business development opportunities through governments contracts.

SBA reaches out to veterans through its 68 SBA district offices, 15 Veterans Business Outreach Centers nationwide, 900 Small Business Development Centers, 110 Women's Business Centers and some 13,000 SCORE volunteers. You can find local help by going to [www.sba.gov/direct](http://www.sba.gov/direct) and typing in your zip code.

SBA had a near record year lending to veteran-owned small businesses in fiscal year 2011 which amounted to more than 4,300 loans to veterans totaling \$1.5 billion in its 7(a) and 504 programs. Since 2007, SBA's Patriot Express loan pilot initiative alone has guaranteed loans of more than \$667 million to nearly 8,100 veterans, reservists and their spouses to establish or expand their small businesses. The initiative, extended through 2013, provided more than 1,560 loans totaling \$142 million in fiscal year 2011. Patriot Express is offered by SBA's network of participating lenders nationwide and features one of the SBA's fastest turnaround times for loan approvals.

SBA worked with both contracting officers and veteran-owned small businesses to deliver the highest-ever percentage of federal contracts to service-disabled veteran-owned small businesses in fiscal year 2010 totaling \$10.4 billion. Through parity legislation, SBA reestablished a level playing field for service-disabled veteran-owned businesses that compete with other small business set-aside contracts.

SBA is also providing \$2.6 million through a cooperative agreement over three years for two new program supporting veteran entrepreneurs.

The first program is Women Veterans Igniting the Spirit of Entrepreneurship (V-WISE). It will focus on training, networking and mentoring for women veterans.

Second program is Operation Endure & Grow and it will target National Guard and Reserve Component members, their families and partners. The goal of this program is to mitigate the small business economic hardship of deployed members and their families. The eight-week online course focuses on the fundamentals of launching and/or growing a small business for those who will sustain the business when the service member is deployed, injured or killed. Together, V-WISE and Operation Endure & Grow are expected to serve over 1,950 individuals and their families over three years.

SBA has numerous programs for veteran-owned small businesses. To find out more visit [www.sba.gov/vets](http://www.sba.gov/vets).



## District News and Announcements

### New Mexico District Office

The New Mexico District Office of the U.S. Small Business Administration (SBA) honored a combined 21 participants from the e200 Emerging Leaders Program from Farmington and Albuquerque at graduation ceremonies held on October 19 and November 2, 2011, respectively. These firms represent various industries in Indian Country, the Four Corners area, Albuquerque and Mescalero, New Mexico. The Small Business Development Center at San Juan College hosted both the class and graduation event in Farmington. The Small Business Development Center at CNM hosted the class and the Women's Economic Sufficiency Team (WESST) Enterprise Center hosted the graduation ceremony in Albuquerque.

This is the fourth year that New Mexico has delivered this executive-level training in 2 New Mexico cities. The last 2 years have focused on Native America.

The e200 Emerging Leaders curriculum consists of Business Assessment, Finance, Marketing and Sales and Resources modules. In the fifth module, each participant develops a three-year Strategic Growth Action Plan (SGAP) with benchmarks and performance targets. This plan is designed to take the firm to the next level of growth. The CEO mentoring groups convene every other week to discuss material from the class curriculum and how they relate to issues affecting their businesses. Participants provide feedback to one another in these sessions and contribute significantly to the SGAP development. Guest experts are also invited to various class sessions to provide relevant information and feedback to participants in live case presentations. In the fifth and final module participants present their SGAP to a panel of guest experts whose valuable feedback assist those small businesses to fine tune and implement their growth plan.

"We have had great success with the SBA e200 Emerging Leaders Program. We are pleased to have been one of the inaugural SBA districts to offer the e200 Program. New Mexico was the only district with two e200 classes in 2011. These small business executives are serious about growing their business, creating jobs and giving back to their communities. We congratulate each of the graduates," states John Woosley, SBA New Mexico District Director."

#### Farmington e200 Graduates:

Frank Martinez, President, Arid Mechanical, Inc.  
Tim Montoya, CEO, Aztec Machine and Repair, Inc.  
Lewis Campbell, President, Cintigy Systems Inc.  
Abiegail Yazzie, President, Hodishooh Specialty Cleaning Services, LLC  
Edwina Aspaas, Owner, iiná bá Inc.  
Charlotte Horsley, President, Carpet One Floor

#### & Home

Sharon Jones, CEO, Rock Solid Construction & Steel Buildings, LLC  
Lavina Lamone, President, Tiis Ya' Tóh, Inc.  
Kelly Townsend, Owner, Mr. Electric of San Juan County  
Julie Ortiz, Vice President, Envirotech, Inc.  
Harrietta Zohnnie, President, Zohnnie Construction Industries, Inc.  
**Albuquerque e200 Graduates:**  
Cecilia Baca, Owner, Cecilia's Cafe  
Jeanette Candelaria, President, Greetings, etc! Inc.  
Michele (Shelly) Herbst, President/CEO, Maron and Associates, Inc.  
Pascal Enjady, General Manager, Mescalero Apache Tribal Store  
John Rodriguez, Owner, Milagro Custom Flooring Solutions, LLC  
Margaret A. Nava, President/CEO, NFI, Inc.  
Michele Justice, President, Personnel Security Consultants, Inc.  
Jason Burns, Owner, Recapturing Vehicles  
Nate Tapia, Owner/Operator, Tapia, LLC  
Catherine Jones, CEO, Victor Corporation

Both the Farmington and Albuquerque e200 Emerging Leaders Initiative was a collaborative effort with Farmington and Albuquerque area cosponsors.

The e200 Emerging Leaders Program is offered at no cost to the participants. For more information on the e200 program or any of the SBA programs and services contact the SBA in Albuquerque (505) 248-8225 or visit our website at [www.sba.gov/nm](http://www.sba.gov/nm).

### Lubbock District Office

#### District announces new resource partner

The Lubbock District Office is pleased to announce a newly established resource partner named West Texas Contract Procurement Center. In November, they held the first official contract procurement networking luncheon at Dyers Barbeque Restaurant in Amarillo, Texas. The keynote speaker was Procurement Specialist Horace Bates of Special Operations Command Post stationed at the Cannon Air Force Base. Mr. Bates spoke about new opportunities in becoming a vendor for the military, and how to network with subcontractors, prime contractors and procuring agencies.

Following the keynote speaker, Lead Economic Development Specialist Scotty Arnold spoke on SBA assistance and government contracting programs. With an excellent attendance of 63 people, Mr. Arnold stated that the initial turnout indicates the increase in interest about SBA government contracting programs and the future opportunities that contractors can take advantage of by doing business with the government. The Lubbock District Office plans to continue to get the word out to the public regarding all of SBA's programs and services.

### Houston District Office

#### Director speaks at open house

The Houston District Office staff attended the Wallis State Bank Open House on November 16 to support their new SBA department headed by Executive Vice President, Nasrullah (Nasr) Khan.

Wallis State Bank was started in 1906 as a small community bank and is now a nationwide lender that has generated over \$70 million in SBA loans.



Houston District Director Manuel Gonzalez delivered the keynote speech to a standing room only crowd of over 200 supporters. District Director Gonzalez extended congratulations to the bank's new SBA team and offered support from the Houston District Office.

DD Gonzalez also updated the audience on the SBA's record FY2011 loan approval volume of \$30.5 billion (61,689 loans) in lending to small businesses and start-ups. The Houston District Office's successful fiscal year ended with 1252 loan approvals totaling over \$600 million.

### El Paso District Office

#### District office celebrates Med-Week

The El Paso Hispanic Chamber of Commerce and SBA El Paso District Office celebrated the many contributions made by minority businesses in the borderland community during the annual **Minority Enterprise Development (MED) Week Luncheon Ceremony** held on November 2, 2011 at the Camino Real Hotel.

This year's luncheon theme was "*Emerging Industries and Markets-A Blueprint for Success*", recognizing ten local businesses for their contributions to the El Paso community.

The SBA office recognized the Minority Small Business Person of the Year-SBA El Paso District Office, **Bobby W. Trumbla, CEO/President, Glacier Technologies** a certified Alaska Native Corporation and who was recently recognized as one of the SBA 100 businesses nationally that have created at least 100 jobs since receiving SBA assistance.

The 8(a) Graduate Firm of the Year-SBA El Paso District Office, **Patricia Villalobos, Barnhart Taylor.**

## Oklahoma District Office

### SBA Deputy Administrator Marie Johns visits Oklahoma

SBA Deputy Administrator Marie Johns visited Oklahoma Nov. 29 and 30 to meet with Oklahoma small businesses as part of an American Young Entrepreneur Series of events which were held around the country. While in Oklahoma Johns visited toured a Native American young entrepreneur business in Tulsa, followed by a roundtable discussion with participants in the Oklahoma Native American E200 program. (SBA Deputy Administrator Marie Johns pictured below at E-200 roundtable event.)



Johns then travelled to Tahlequah, Okla. where she met with young entrepreneurs and participated in a Young Entrepreneur Panel Discussion event. (SBA Deputy Administrator Johns and SBA Oklahoma Director Dottie Overal pictured below at the Young Entrepreneur roundtable event.)



The event, which was moderated by SBA Assistant Administrator for Native American Affairs Chris James, was live streamed through the White House website. Panel participants discussed successes and challenges of young entrepreneurs as they start and grow businesses.

In Oklahoma City, Johns visited with District Office employees and resource partners and met with and toured an Hispanic small business before leaving the state.

## Arkansas District Office

### Exporting – the next big market for small businesses.

In the next ten years, there will be one billion new middle income spenders. The only problem is they will not be inside the borders of the United States – or even in North America. They will be in developing countries – including India and some others that are already semi-developed. In addition, in the next 20 years, 80% of the people and 20% of the technology for how business is done and people live will be in newly developing countries (think Ethiopia and others). Twenty percent of the people and 80% of the technology will be in developed countries (think United States). That spells opportunity for small businesses. People will be migrating to where the technology is and sending it back to their countries through exporting. Real GDP growth is at 2.8% while real exports is at 6.1% now (per Chief Economist Giuseppe Gramigna, SBA).

SBA has enhanced our programs to assist small businesses with the financing part of a transaction, and through grants in almost every state, there is technical assistance to get those small businesses ready and savvy about the nuances of exporting. The World Trade Center in Rogers, Arkansas, received a grant from the Jobs Act of 2010 that will provide over \$800,000 of assistance to small businesses in the form of training, trade missions, and other navigational tools to help them prepare for these “new markets”. Similar grants were made in most every state.

In government, we love acronyms. I coined my own: “EATSOU” or “Exporting At The Seat Of Ure (your) Pants!” Sometimes small businesses get into exporting using that method. They get an order and they sell product with money paid up front. The problem is that their competitors, once they discover the need and the market, will offer the same product on terms and soon the small business is not “Eating Soup” any more. We want to help them do it smartly and provide financing that will enable them to grow both their domestic and international trade. Our programs for doing this were also enhanced with the Jobs Act.

If you are a lender, call your district office today and find out how you can participate. You may be “inadvertently” financing exporting now – it is better to know what you are financing and structure it appropriately. By the way, SBA will guaranty these loans at a 90 percent rate.

## Lower Rio Grande Valley District Office

### RA addresses veteran small businesses

SBA Region VI Administrator Yolanda Garcia Olivarez spoke at Operation Enduring Opportunity held on November 17, 2011 at the University of Texas Pan American Academic and Administrative Support Annex Library Room. The franchise hiring initiative and small business recruitment campaign event was initiated by the Veterans Business Outreach Center in conjunction with the SBA resource partners. The purpose of this event was twofold – in addition to providing veteran small businesses an opportunity to meet resource partners of the SBA in the community who assist veteran businesses with their needs and issues; this event also brought a new local representative of the International Franchise Association (IFA) to join the local resource partners. The IFA represents 1,100 franchises throughout the nation, and the organization has committed to hiring 80,000 veterans and military spouses. IFA’s commitment also includes a strong entrepreneurial component in which IFA will advocate for and support veterans who desire to own their own franchise.

Regional Administrator Olivarez’ comments focused on the response to the President’s challenge to the private sector to hire or train 100,000 veterans and spouses by 2014. The effort is the largest coordinated commitment to date from the private sector to hire veterans and military spouses.

## San Antonio District Office

*'We will never forget'*

San Antonio District - Military active-duty members, veterans and their families stopped by SBA exhibit booth at the Veterans Casework Fair hosted by Congressman Charlie Gonzalez held on November 10, 2011 at El Progress Hall in San Antonio, Texas.

SBA representative Debra Dimando, Business Opportunity Specialist/District Veteran Affairs Officer was honored to participate and answer the many entrepreneurial questions.

Congressman Charlie Gonzalez says it best, "This is not only about saying *thank you*. It's about saying *we will never forget*".

Ms. Dimando stated, "It was a pleasure and humbling experience talking to the many individual women and men who served our great country".

Agencies in support of the military community provided training, counseling, information on starting or expanding a business and contracting opportunities available for veteran-owned small businesses. More than 100 people were in attendance.

Region VI Loan Numbers		
FY 2012—month ending 11/30/11		
Amts. Rounded to nearest \$1,000		
	#Loans	\$Approval
All Loans	810	\$ 319,626
7(a)/ARC	746	\$ 263,147
504	64	\$ 56,479

## News from Headquarters

### SBA-Proposed Size Standard Increases for Real Estate and Educational Services Industries Reflect Marketplace Changes

WASHINGTON – Proposed rules published today for comment in The Federal Register by the U.S. Small Business Administration would adjust the size definition of small businesses in 29 industries in one sub-industry in two broad categories of businesses, ranging from real estate and property management to colleges, junior colleges and universities.

The proposed adjustments to size standards in 20 industries and one sub-industry in Sector 53 of the North American Industry Classification System (NAICS), "Real Estate and Rental and Leasing," and in nine industries in Sector 61, "Educational Services," reflect changes in marketplace conditions in those sectors.

In both sectors, the proposed changes are based on annual gross revenues. The standards delineate how large a business can be and still qualify as small for federal government programs. The dollar limits refer to annual revenues averaged over three years.

As part of the ongoing comprehensive review of all size standards as required under the Small Business Jobs Act of 2010, the SBA is evaluating all industries in these sectors that have revenue-based size standards to determine whether the existing size standards should be adjusted. The last overall review of size standards occurred more than 25 years ago.

The proposed changes take into account the structural characteristics within individual industries, including average firm size, degree of competition, and federal government contracting trends. This ensures that size definitions reflect current economic conditions within those industries. An SBA White Paper entitled "Size Standards Methodology" (Oct. 21, 2009) explains how SBA establishes, reviews and modifies its receipts-based and employee-based small business size standards. It is available for viewing at <http://www.sba.gov/size>.

The upward revisions would allow some small businesses that are close to exceeding their current size standards to retain small business eligibility under the proposed higher size standards, and give federal agencies a larger selection of small businesses to choose from for small business procurement opportunities. They also would allow more small businesses to qualify for SBA financial assistance. SBA estimates that up to 13,000 more firms in Sector 53 and 1,500 more companies in Sector 61 will qualify for SBA assistance and other federal programs if the proposed revisions are adopted.

Interested parties can submit comments on these proposed rules on or before January 17, 2012. The SBA recommends that comments be submitted online at [www.regulations.gov](http://www.regulations.gov) or mailed to Khem R. Sharma, Chief, Size Standards Division, 409 3rd St., SW, Mail Code 6530, Washington, D.C. 20416. The SBA will post all comments to [www.regulations.gov](http://www.regulations.gov) for public review. The SBA does not accept comments submitted by email.

For more information about SBA's revisions to its small business size standards, click on "What's New with Size Standards" on SBA's website at <http://www.sba.gov/size>.