

RICHMOND, VA E-NEWSLETTER

1st Quarter FY 2010

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You have subscribed to the Newsletter List of the Richmond, Virginia District Office of the U.S. Small Business Administration. Information provided to you via this newsletter may include general information regarding our Agency and its programs. It will focus primarily on events in the Richmond District Office territory, consisting of all of Virginia, except the counties of Arlington, Fairfax and Loudoun, and cities of Alexandria, Fairfax and Falls Church. If you would like specific information related to the SBA office in your area, please visit our [Local Resources page](#) and click on the state in which your business resides or will reside.

Helping small businesses **start, grow** and **succeed**.



Your Small Business Resource

Small Business Resource/Networking Workshop to be Held on November 17th

Entrepreneurs can get free information on state and federal resources to help their businesses weather the economic downturn, as well as tips on expansion during a discussion on “Small Business Survival and Growth in Virginia” on **November 17, 2009 from 9:30 a.m. to 12:30 p.m. at the Richmond Marriott hotel.**

Sponsored by the U.S. Small Business Administration/Office of the National Ombudsman and the Commonwealth of Virginia/Department of Business Assistance and Department of Minority Business Enterprise, the event will focus on sharing information about SBA Recovery Act programs, access to capital, contracting and other forms of federal and state assistance for small business owners. Free online registration is available at www.vdba.virginia.gov/eventregistration.shtml.

“This is a gathering of diverse organizations and it’s a great opportunity for small business owners to network, get practical ideas on how to overcome the very real challenges of this economy, and take advantage of the many resources available to help their companies thrive and grow,” said SBA Richmond District Director Ronald E. Bew.

Other event participants include the Virginia Department of Transportation, the Richmond Economic Development Corporation, the Virginia Retail Federation, SBA’s Richmond District office, the Virginia Secretary of Commerce and Trade, the Virginia Secretary of Administration and the Virginia Bankers Association.

“Collaborative workshops like this one, connecting small businesses to resources, help maintain Virginia’s high rankings as the best state for business,” said Patrick O. Gottschalk, Secretary of Commerce and Trade for the Commonwealth of Virginia.

The Richmond Marriott is located at 500 E. Broad Street, Richmond, Va., 23219. For more information contact Will Vehrs of the Virginia Department of Business Assistance at (804) 371-0058 (will.vehrs@vdba.virginia.gov), or Martin Gold at SBA’s Office of the National Ombudsman (202) 205-7549 (martin.gold@sba.gov).

Recovery Act Changes Sparked SBA Lending in Virginia

Enhancements to SBA's lending programs under the American Recovery and Reinvestment Act gave a much needed boost to Virginia small business owners seeking capital during the second half of fiscal year 2009. In fact, lending in the last quarter of the year exceed that of the same period a year ago in both number of loans and dollars.

According to SBA Virginia District Director, Ronald E. Bew, small business owners located in the district territory (which includes all of Virginia except the counties of Fairfax, Arlington and Loudoun and the cities of Alexandria, Fairfax and Falls Church) received 58 percent more loans and 54.5 percent more dollars from April 1, 2009 through September 30, 2009. During that time the SBA Richmond District Office approved 407 loans for \$98.9 million compared to 238 loans for \$54 million during the period of October 1, 2008 through March 31, 2009.

"The \$730 million that the SBA received under the Recovery Act has definitely resulted in increased SBA loan activity throughout our district," said Bew. "Raising the guaranty to 90 percent brought many lenders back into our programs that had not made an SBA loan in at least one year."

The last quarter of the fiscal year (July 1, 2009 through September 30, 2009) proved to be the most productive quarter with 242 loan approvals for \$60.6. The last quarter of fiscal 2008 produced 201 loans for \$57.2 million.

"We are encouraged by the uptick in lending and pleased to have lenders returning to our programs," Bew said. "Going forward we believe we will surpass what was done in 2009."

Top SBA lender for the year in the Richmond District was BB&T with 89 loan approvals for \$17.6 million. Other top lenders include Sonabank, Bank of the Commonwealth, Small Business Loan Source, Inc., UVA Community Credit Union, Business Finance Group, Inc. and Townebank.

Overall, SBA loan approvals for the Richmond District for this fiscal year amounted to a combined 645 loans for \$152.9 million under the 7(a) and 504 loan programs. The comparable figures for 2008, which ended as the nation's economy entered the financial crisis, were 909 loans for \$235.3 million.

The Recovery Act changes to SBA's lending programs are anticipated to run out by December 31, 2009. If you are a small business owner looking for financing, the following information may be helpful to you:

- [SBA Loan Chart that outlines the loan guaranty programs available through participating SBA lenders](#)
- [List of SBA participating 7\(a\) lenders in Virginia](#)
- [Information on the 504 Loan Program which can provide long-term, fixed-rate financing to buy or construct a building or acquire heavy machinery.](#)
 - [List of SBA-approved Certified Development Companies in Virginia that work with SBA and private sector lenders to provide 504 loans to small businesses.](#)

Online Federal Contracting Courses

SBA has introduced several new online courses designed to assist small business owners in taking advantage of federal contracting opportunities.

1. [HOW TO WIN FEDERAL CONTRACTS](#)

SBA has launched a new online training course to help strengthen access to contracting opportunities for small businesses. The training course, "[Recovery Act Opportunities: How to Win Federal Contracts](#)," is part of a federal government-wide initiative announced last month by President Obama and being led by SBA and the Department of Commerce.

"The SBA online training course can help businesses access the federal purchasing system and position themselves to compete for the commercial opportunities offered by government contracting," SBA Administrator Karen Mills said.

As part of the outreach to small businesses, the comprehensive online course uses both audio and script to provide information about the federal marketplace, contract rules and, most importantly, how to sell to the government and where to find contract and Recovery Act opportunities. The new training portal is a free online training course designed to assist entrepreneurs during this period of economic recovery. This self-paced, instructional guide provides an overview of the federal procurement process.

The **Recovery Act Opportunities** course is available around the clock on SBA's Web site at www.sba.gov/fedcontractingtraining. The course is indexed by subject matter to allow ease of use, and it includes multiple direct links to additional contracting resources. The course also includes practical and fundamental steps to engage business owners in the federal contracting arena.

2. [WINNING FEDERAL CONTRACTS: A GUIDE FOR WOMEN ENTREPRENEUR](#) — Women-owned businesses are a powerful force in the American economy. They employ more than 12 million people and generate almost \$2 trillion in sales. SBA is pleased to introduce this free online course that will assist women in participating in Federal contract opportunities.

3. [CONTRACTING FOR VETERANS](#)—This free online course is designed to help veterans find and participate in Federal contract opportunities. It is a practical and easy to use guide indexed by subject matter so you can quickly and easily find or return to topics of particular interest. Review all or only sections of the course you are interested in. You will also find throughout the program -- multiple and direct links to targeted contract and veteran related resources.

ADDITIONAL RESOURCE FOR VETERANS:

[The Veterans Business Outreach Program \(VBOP\)](#) is designed to provide entrepreneurial development services such as business training, counseling and mentoring, and referrals for eligible veterans owning or considering starting a small business. The SBA has eight organizations participating in this cooperative agreement and serving as Veterans Business Outreach Centers (VBOC). The VBOC office serving Virginia is Robert Morris University, 600 Fifth Avenue Pittsburgh, PA 15219, Point of Contact: Lawrence Tomei, Phone: 412-397-6842, Email: vboc@rmu.edu, Webpage: <http://www.rmu.edu/vboc>.

TIPS FOR ENTREPRENEURS

Five Facts about the Home Office Deduction

With technology making it easier than ever for people to operate a business out of their house, many taxpayers, entrepreneurs and small business people may be able to take a home office deduction when filing their 2009 federal tax return next year.

Here are five important things the IRS wants you to know about claiming the home office deduction.

1. Generally, in order to claim a business deduction for your home, you must use part of your home exclusively and regularly:

- As your principal place of business, or
- As a place to meet or deal with patients, clients or customers in the normal course of your business, or

In the case of a separate structure which is not attached to your home, it must be used in connection with your trade or business. For certain storage use, rental use or daycare-facility use, you are required to use the property regularly but not exclusively.

2. Generally, the amount you can deduct depends on the percentage of your home that you used for business. Your deduction for certain expenses will be limited if your gross income from your business is less than your total business expenses.

3. There are special rules for qualified daycare providers and for persons storing business inventory or product samples.

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4. If you are self-employed, use Form 8829, Expenses for Business Use of Your Home, to figure your home office deduction. Report the deduction on line 30 of Schedule C, Form 1040.

5. Different rules apply to claiming the home office deduction if you are an employee. For example, the regular and exclusive business use must be for the convenience of your employer.

For more information see IRS Publication 587, Business Use of Your Home, available on [IRS.gov](http://irs.gov) or by calling 800-TAX-FORM (800-829-3676).

Guidance for Businesses for the Fall Flu Season

FAQS, a Planning Guide and lots of other information about planning for the Fall flu season is available at



HAVE A QUESTION?

EMAIL YOUR QUESTIONS: Our local email address is richmond.va@sba.gov. If you are a small business owner or prospective owner located in our territory of Virginia (see page 1), please contact us if you have questions about any of our services, starting a business, or obtaining business financing.



UPCOMING EVENTS

CALENDAR OF EVENTS: Be sure to visit our Calendar of Events area for workshops of interest to small business owners in Virginia. To get to the Calendar, go to our website (<http://www.sba.gov/va/>) and click on "Events Calendar" on the right-hand menu listing.

SHARE THIS NEWSLETTER WITH A FRIEND – Do you know a fellow small business owner who would benefit from the **Richmond, VA SBA Newsletter**? If so, forward it to them or direct them to the registration page at <http://web.sba.gov/list/> (scroll down and click on the box next to Richmond, VA Newsletter).

NEW SUBSCRIBERS – For those who have just joined the Newsletter list, be sure to read earlier newsletters in our [Archives](#).