

CLEVELAND DISTRICT OFFICE NEWS
INFORMATION FOR THE SMALL BUSINESS COMMUNITY

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Loan Report as of August 31, 2010

7(a) and 504 Loans Combined

Bank	Number Approvals	Dollars (In Thousands)
Huntington National Bank	333	\$56,054
KeyBank	77	\$15,327
JPMorgan Chase Bank	73	\$11,711
Charter One Bank/RBS Citizens	62	\$3,634
FirstMerit Bank	50	\$8,435

504 Loans

Bank	Number 504 Approvals
FirstMerit Bank	14
Huntington National Bank	12
KeyBank	10
PNC Bank	8
JPMorgan Chase Bank	7

CDC	Number 504 Approvals	Dollars (In Thousands)
Growth Capital Corp.	32	\$13,311
Cascade Capital Corp.	21	\$5,988
Lake County SBAC	12	\$2,885
Northwest Ohio Dev. Ass't.	10	\$2,702
Mahoning Valley Economic Dev. Corp.	8	\$5,584
Stark Development Board	8	\$1,106
Mentor Economic Ass't Corp.	4	\$958
Community Capital Dev. Corp.	2	\$1,523
Ohio Statewide	2	\$622
West Central Partnership	2	\$1,530
SEM Resource, Inc.	1	\$1,473



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Berk Enterprises Highlighted as Recovery Act Success

U.S. Senator Sherrod Brown and SBA District Director Gil Goldberg visited Berk Enterprises in Warren, Ohio on August 16, 2010 to highlight how small business lending provisions in the American Recovery and Reinvestment Act have helped companies expand operations and create jobs. Berk Enterprises was the recipient of a \$500,000 SBA Recovery Act 504 loan and benefited from the Recovery Act incentive of waived loan fees.

The loan was used to purchase a former Delphi Packard Electric factory plant and convert the facility into a distribution center. The expansion into the new space allowed the company to hire ten new employees, raising its workforce to fifty-five. Berk Enterprises is a forty-year-old family owned paper, products, and food service distributor. The firm supplies private and public institutions with paper, plastic, and packaging products. In addition to Jim Duff of Cortland Bank, Mahoning Valley Economic Development Corporation officials Don French and Teresa McCleary were present at the event. ♦



Brigitt Berk; Senator Sherrod Brown; Suzanne Berk; Robert Berk, President, Berk Enterprises; Gil Goldberg, SBA Cleveland District Director; James Duff, Cortland Bank

SBA Expands Outreach to Small Business Owners

Establishes New Alliance with CompTIA to Increase Small Business Awareness

An agreement that will strengthen outreach efforts and expand small business development opportunities for small businesses in the information technology industry has been signed by the U.S. Small Business Administration and the Computing Technology Industry Association (CompTIA). CompTIA is the non-profit trade association advancing the global interests of information technology (IT) professionals and companies including manufacturers, distributors, resellers, and educational institutions. CompTIA provides education and training to individuals underrepresented in the IT industry through its education foundation. The SBA and CompTIA Strategic Alliance Memorandum will expand small business development for such businesses.

The strategic alliance is part of SBA's ongoing effort to support small business development initiatives in critical business sectors. SBA will provide CompTIA with up-to-date information about the agency's programs, services and resource partners, provide speakers to participate in trainings, seminars and conferences and advise them on events that may impact their mission. CompTIA will cooperate with SBA and its resource partners to provide information to members about its business development services, and share current SBA news and information.

SBA and CompTIA will coordinate efforts to support entrepreneurs in the technology industry, to assist small business start-ups and established businesses to access technical experts for business counseling and information about SBA programs and services. The two-year alliance will include joint training and outreach activities to benefit businesses in the technology community, and promote small business initiatives. Whether it's an auto dealer or doctor's office, dry cleaner or restaurant, technology helps them improve operations and reach their customers; and small IT companies play an important role in deploying and managing these technologies." ♦

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SBA to Conduct Small Business Export Matchmaker Conference as Part of President's National Export Initiative

The U.S. Small Business Administration will hold an *Export Matchmaker Trade Fair & Conference* at the Westin Hotel in Jersey City, N.J., on September 20, 2010. The event, organized in the context of the President's National Export Initiative, aims to assist New York-New Jersey small business manufacturers and suppliers with exporting their products. The matchmaking conference is designed to bring together small businesses looking for additional markets together with export management companies (EMC), export trading companies (ETC), brokers and agents. Also known as trade intermediaries, EMCs and ETCs are export specialists that will buy a company's products and sell them in foreign markets or represent a company's products in foreign markets through a distribution or similar contract. Working with an EMC or ETC is often the fastest way for small businesses to either begin exporting or expand export sales because they do not need to commit additional staff to the effort. By using trade intermediaries, small businesses can make it easier and quicker to begin marketing and selling to the nearly 96 percent of the world's population living outside the U.S.

Nearly 280,000 small businesses account for 97 percent of all exporters in the U.S., exporting almost \$500 billion annually. "One of President Obama's goals stated in the National Export Initiative is to double U.S. exports in five years," said SBA Administrator Karen Mills. "Tapping the export potential of more small businesses through events like this will get us closer to that goal." The SBA is encouraging trade intermediaries from across the country, as well as foreign buying missions and other trade facilitators such as foreign consulates and bi-national chambers of commerce, shippers, and other trade- or export-services organizations to participate in the event. For more information and to register for the event, visit www.exportmatchmaker.org. ♦

SBA, Russian Ministry Join Forces to Strengthen Economic Ties and Support SMEs in Both Countries



The U.S. Small Business Administration and the Ministry of Economic Development of the Russian Federation have agreed to work together to strengthen bilateral relations in the area of small business development in both countries. The parameters for cooperation are spelled out in a Memorandum of Understanding signed by representatives of both governments under the U.S.-Russia Bilateral Presidential Commission established by Presidents Obama and Medvedev in July 2009 to "reset" the relations between the two countries. "SBA enthusiastically supports the President's initiative to improve relations with Russia," said SBA Administrator Karen Mills. "We are proud to contribute to this essential diplomatic effort through this memorandum of understanding with the Russian economic ministry, which will allow us to exchange experiences and best practices on small business development." The MOU sets the stage for the exchange of experiences in several areas, among them:

- methods and mechanisms of support for small and medium enterprises
- mechanisms of support for export-oriented enterprises
- government (federal, state, local) support of small and medium enterprises
- sources of small business finance, job creation, human capital development and fighting unemployment

The document, signed March 23, 2010, in Moscow, will be in force through December 31, 2012 and may be extended for two additional years by mutual consent. As part of the follow-up activities, a Russian delegation of government and non-government representatives will visit the United States in August. The trip will include participation at a science and technology policy conference in New Hampshire, visits to innovative small businesses in New England and a meeting at SBA headquarters in Washington, D.C., to discuss policy environment for innovative small businesses and the implementation of the MOU. ♦



Initiative for a Competitive Inner City, Bank of America Team With SBA to Help Inner City Entrepreneurs Access Capital

The U.S. Small Business Administration, the Initiative for a Competitive Inner City, and Bank of America announced today they will work together to advance inner city small business growth by supporting the Inner City Capital Connections program. CIC, which educates investment-ready inner city companies about equity and other sources of growth capital and matches them with potential investors, will hold its sixth annual ICCC investment capital matchmaking program in Los Angeles Nov. 15-16. The event will feature a full-day matchmaking session with potential investors, along with workshops and assessments of investment potentials. Preparation sessions for inner city businesses from around the country that plan to take part in the event will take place Oct. 11 in New York and Oct. 27 in Los Angeles. To be eligible for the program, companies must be: headquartered in or have 51 percent or more of a physical operations presence in an economically distressed urban area; and be a for-profit corporation, partnership or proprietorship with revenues of more than \$2 million in 2009. More than 75 companies, in various industries ranging from technology, business services and manufacturing, participated in the program last year.

"Access to capital is critical to small business growth and job creation in America's inner cities," said SBA Administrator Karen Mills. "Supporting these entrepreneurs is at the core of SBA's mission and an essential component of keeping our economy moving in the right direction. SBA is proud to play a role in facilitating connections between investors and emerging inner city entrepreneurs and to accelerate opportunities for small businesses in these markets." Established in 2005 by the Initiative for a Competitive Inner City and Bank of America, ICCC is a free program designed to stimulate capital flow to inner city businesses.

"We are pleased to once again have the expertise of the SBA behind this important program that can help our nation's small business community obtain investor capital to grow and generate jobs," explained Ed Powers, BAML Capital Access Funds managing director. "ICCC has helped hundreds of growing small businesses get even stronger by connecting them to millions of dollars in investor capital. We look forward to continuing this momentum this fall in Los Angeles." "ICCC opens the door to a network of financial options that these firms had limited or no access to previously," stated Mary Kay Leonard, ICIC president and CEO. "For many inner city entrepreneurs, the executive education around the options that exist for growth capital is as important as the investments their companies may ultimately receive."

Initiative for A Competitive Inner City

Since ICIC's launch of the ICCC program, participating companies have raised more than \$335 million in capital and experienced a compound growth rate of 23 percent. To learn more about ICCC, go to: www.icic.org.

The Initiative for a Competitive Inner City (ICIC) is a nonprofit strategy and research organization based in Boston, MA, and the leading authority on U.S. inner city economies and business development. For more information go to: www.icic.org.

Bank of America

Bank of America is one of the world's largest financial institutions, serving individual consumers, small- and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. For more information go to www.bankofamerica.com.

U.S. Small Business Administration

The U.S. Small Business Administration (SBA) was created in 1953 as an independent agency of the federal government to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation. For more information go to www.sba.gov.

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Small Business Procurement Scorecard Shows Progress toward Meeting 23 Percent Goal for Small Business Contracting

SBA Working with Federal Agencies to Improve Integrity of Data, Clarity

Small businesses won a record \$96.8 billion in federal prime contracts in Fiscal Year (FY) 2009 (Oct. 1, 2008-Sept. 30, 2009), an increase of more than \$3 billion from FY 2008, according to the U.S. Small Business Administration's fourth annual small business procurement scorecard. This dollar amount represents 21.89 percent of all federal spending – an improvement over FY2008. Additionally, performance in each of the government's socioeconomic subcategories increased for FY2009. "Small businesses received a record \$96.8 billion in federal contracts in 2009. There was an increase in both dollars and contracting share for every small business category. This represents real progress, but not enough, we must reaffirm our commitment to ensuring that the 23 percent goal is met and exceeded," SBA Administrator Karen Mills said. "Federal contracts awarded to small businesses are a 'win-win' – providing small businesses with the opportunity to grow and create jobs, and offering innovative services and essential goods to the government at great value to the taxpayers."

Small Business Goaling Summary Report

Category	Goal	2009	2009	2008	2008
		%	\$	%	\$
Small Businesses	23%	21.89%	\$96.8 billion	21.50%	\$93.2 billion
Women Owned Small Business	5%	3.68%	\$16.3 billion	3.40%	\$14.7 billion
Small Disadvantaged Businesses	5%	7.57%	\$33.5 billion	6.76%	\$29.3 billion
Service-Disabled Veteran Owned Small Business	3%	1.98%	\$8.8 billion	1.49%	\$6.4 billion
HUBZone	3%	2.81%	\$12.4 billion	2.34%	\$10.1 billion

SBA is required to report to the President and Congress on achievements by federal agencies and departments against their annual goal to ensure greater accountability. The small business Procurement Scorecard fulfills that requirement by providing an assessment of federal achievement in prime contracting and subcontracting to small businesses by the 24 Chief Financial Officers Act agencies. It also measures progress that departments are making to ensure small business opportunities remain an integral part of their acquisition of goods and services to meet mission objectives. The fourth annual Scorecard is an assessment tool (1) to measure how well federal agencies reach their small business and socio-economic prime contracting and subcontracting goals, (2) provide accurate and transparent contracting data and (3) report agency-specific progress. The prime and subcontracting component goals include goals for small businesses, small businesses owned by women, small disadvantaged businesses, service-disabled veteran owned small businesses, and small businesses in located in HUBZones. As it does every year, the SBA has closely examined federal procurement reporting and data to ensure the greatest level of transparency possible. After identifying anomalies in initial reports, the SBA has worked collaboratively – and will continue to work – with agencies across the government to correct as many data issues as possible, and improve the integrity of all small business federal contracting reporting moving forward.

The Recovery Act and small business contracting

The American Recovery and Reinvestment Act (ARRA) provided additional resources to federal agencies in fiscal year 2009, providing additional opportunities for small businesses to win federal contracts.

Through early August, small businesses have secured over 30 percent of Recovery Act Contracts. This preliminary data underscores the priority the Administration and the SBA have placed on increasing small businesses access to federal contracts so that they can grow and create jobs.

About the Scorecard

SBA graded 24 agencies on each of the individual prime contracting goals established by Congress and used a new A+ through F letter grade system rather than the previous red, yellow, and green ratings. The new scorecard format was implemented this year to provide greater clarity and transparency on how well each agency is doing in meeting its individual small business prime contracting goals.

Each federal agency has a different small business contracting goal, determined annually in consultation with SBA. SBA ensures that the sum total of all of the goals meets the 23 percent target established by law. Each agency's overall grade will show an A+ for agencies that meet or exceed 120 percent of their goals, an A for those between 100 percent and 119 percent, a B for 90 to 99 percent, a C for 80 to 89 percent, a D for 70 to 79 percent and an F for less than 70 percent.

An agency's overall grade was comprised of three quantitative measures: prime contracts (80 percent), subcontracts (10 percent) and its progress plan for meeting goals (10 percent). The scorecards released today by SBA, as well as a detailed explanation of the new scorecard methodology, is available online:

www.sba.gov/aboutsba/sbaprograms/goals/index.html.

As part of its ongoing efforts to increase access to contracting opportunities for small businesses, the SBA is continuing to work with federal agency procurement staff to strengthen the integrity of contracting data, including providing tools to facilitate public review of data, improvements to systems and training to improve accuracy. ♦