

CLEVELAND DISTRICT OFFICE NEWS
INFORMATION FOR THE SMALL BUSINESS COMMUNITY

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Loan Report as of December 31, 2010

7(a) and 504 Loans Combined

Bank	Number Approvals	Dollars (In Thousands)
Huntington National Bank	154	\$41,187
KeyBank	39	\$13,945
JPMorgan Chase Bank	34	\$9,088
FirstMerit Bank	23	\$4,939
Charter One Bank/RBS Citizens	19	\$1,653

504 Loans

Bank	Number 504 Approvals
Huntington National Bank	8
FirstMerit Bank	7
JPMorgan Chase Bank	6
KeyBank	6
Croghan Colonial Bank	2
First National Bank	2
Lorain National Bank	2
Westfield Bank	2
CFBank	1
Citizens Bank	1
Citizens Banking Company	1
Consumer's National Bank	1
Dollar Bank	1
Portage Community Bank	1
Waterford Bank	1

CDC	Number 504 Approvals	Dollars (In Thousands)
Growth Capital Corp.	16	\$13,414
Cascade Capital Corp.	8	\$2,765
Lake County SBAC	5	\$1,615
Stark Development Board	5	\$3,261
Mahoning Valley Economic Dev. Corp.	4	\$936
Mentor Economic Assistance Corp.	1	\$262
Ohio Statewide	1	\$369
SEM Resource, Inc.	1	\$446
West Central Partnership	1	\$848

In News for Our Lending Partners:

- Extension of authority to approve Small Business Jobs Act Loans
- 2nd Quarter "Peg" Rate and Maximum 504 Third Party Interest Rate
- Updated SBA Form 1920 SX (Part C)



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NEWS FOR OUR LENDING PARTNERS

Extension of authority to approve Small Business Jobs Act Loans

As stated in SBA Information Notice 5000-1173 (effective date September 29, 2010), the Small Business Jobs Act of 2010 (the "Small Business Jobs Act") (Pub. L. 111-240) extended SBA's authority and provided additional funds to provide fee relief for new 7(a) and 504 loans and a higher guaranty on eligible 7(a) loans. This authority was scheduled to expire on December 31, 2010.

The purpose of this notice is to announce the further extension of this authority through March 4, 2011, as part of HR 3082, the Continuing Appropriations Act, 2011, and to provide related information.

In SBA Information Notice 5000-1188 (effective date December 9, 2010), SBA announced deadlines for submitting Small Business Jobs Act loan applications of December 15, 2010 (for loans submitted under non-delegated authority) and December 31, 2010 (for loans submitted under delegated authority). These deadlines were set assuming that SBA's authority to make Small Business Jobs Act loans would expire, as scheduled, on December 31, 2010.

Since that announcement, SBA has seen an unprecedented increase in loan applications and approvals. During the week of December 12, SBA approved almost \$1.5 billion in Small Business Jobs Act loans—the highest weekly volume since the agency began tracking weekly loan data, representing more loans approved in a single week than in an average month under the previously implemented Recovery Act loan enhancements.

As a result, we now anticipate that funding appropriated in the Small Business Jobs Act will be exhausted on or before December 31, 2010. SBA does not anticipate, nor has it requested, additional appropriations for the loan enhancements authorized under the Small Business Jobs Act.

Because the funding for Small Business Jobs Act loans will soon be exhausted, SBA is not extending the deadlines for submitting Small Business Jobs Act loan applications.

As is typically the case, however, SBA expects that some approved Small Business Jobs Act loans will later be cancelled by the lender or the borrower for various reasons and the funds will not have been disbursed. The extension of authority provided in the Continuing Appropriations Act, 2011, will allow SBA to utilize funds from cancelled loans to process new Small Business Jobs Act loan applications and loan increases until March 4, 2011, thus ensuring that we are able to put every dollar possible in the hands of small businesses, as the Small Business Jobs Act intended. To do so, SBA will stand up a loan application queue once funds have been exhausted to allow lenders and borrowers to choose whether they would like to wait for possible Small Business Jobs Act loans. While we do not anticipate high volumes of cancelled loans, we want to make every effort to direct any undisbursed funds that result from cancellations to new loans for small businesses. We will issue further guidance after the funds have been exhausted.

Lenders and CDCs should promptly cancel any previously-approved Small Business Jobs Act loans that will not be disbursed and notify SBA as soon as possible to help ensure those funds may be used toward additional Small Business Jobs Act loans and loan increases.

2nd Quarter "Peg" Rate and Maximum 504 Third Party Interest Rate

The optional peg rate for fluctuating interest rates on guaranty loans is 3 percent (3%) for the January - March quarter of FY 2011. Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for any third party lender's commercial loan which funds any portion of the cost of a 504 project (see 13 CFR 120.801) shall be 6% over the New York Prime rate or, if that exceeds the maximum interest rate permitted by the constitution or laws of a given State, the maximum interest rate will be the rate permitted by the constitution or laws of the given State.

Updated SBA Form 1920 SX (Part C)

SBA Form 1920SX, Part C, ELIGIBILITY INFORMATION REQUIRED FOR SBA EXPRESS, EXPORT EXPRESS AND PILOT LOAN PROGRAM (COMMUNITY EXPRESS AND PATRIOT EXPRESS) SUBMISSIONS, has been updated to incorporate SOP changes and Small Business Jobs Act changes. The updated form can be accessed at: http://archive.sba.gov/idc/groups/public/documents/sba_homepage/sba_forms_1920c.pdf

If you have any questions on this or any SBA loan matter, please contact our Lender Relations division at (216) 522-4180.

SBA Region V Now Found on Facebook and Twitter

SBA has expanded its online presence to reach and engage with small business owners via social media channels like Facebook and Twitter. Since its inception in June 2010, SBA's Facebook fan page has grown to over 4,000 fans and its Twitter following @SBAGov has surpassed 2,000 followers.

However, we know there are more people we need to reach in our local SBA regions. So just recently, we created a SBA Facebook fan page and Twitter handle for SBA's Region V Office (which covers Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin) to provide prospective, new or established persons in our small business community with financial, procurement, counseling and technical assistance information.

Right now, you can follow SBA Region V at:
www.facebook.com/SBAGreatlakes
and www.twitter.com/SBAGreatlakes.

If you have a chance, please "like" our Facebook fan page.
Your support is greatly appreciated.

Popular SBA Patriot Express Loan Initiative Renewed for Three More Years

Effort focuses on Increasing Opportunities for Vets and Military Community

A very popular initiative that in just three-and-a-half years has provided more than \$560 million in loan guarantees to nearly 7,000 veterans to start or expand their small businesses is being renewed for three more years, according to the U.S. Small Business Administration. Patriot Express, a streamlined pilot loan product based on the agency's SBA Express program, offers an enhanced guaranty and interest rate on loans to small businesses owned by veterans, reservists and their spouses. Over the past two years, due in part to the American Recovery and Reinvestment Act, loan volume increased dramatically.

Patriot Express was launched June 28, 2007, to expand upon the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses across all its loan programs. SBA also offers counseling assistance and procurement support each year to more than 200,000 veterans, service-disabled veterans, reservists and members of the National Guard and their spouses. Patriot Express loans are offered by SBA's network of participating lenders nationwide and feature one of SBA's fastest turnaround times for loan approvals. Patriot Express loans are available for up to \$500,000.

The Patriot Express loan can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases. Local SBA district offices can provide lists of Patriot Express lenders in their areas. Details on the initiative can be found at www.sba.gov/patriotexpress. To learn more about additional opportunities for veterans available through the SBA, please visit the website at www.sba.gov/vets.

New Technology Guide Helps Entrepreneurs Grow Their Small Businesses and Create Jobs

SBA and Microsoft introduce resource to deliver essential technology information to small business owners

A new technology tool for small businesses is now available to help them grow and create jobs. The new education resource, *Business Technology Simplified*, helps small business owners connect the dots between entrepreneurship and technology to give them a competitive edge. The U.S. Small Business Administration and Microsoft have teamed up to develop this free, comprehensive guide on how technology can improve the small business owner's chances for success.

The *Business Technology Simplified* guidebook includes fundamentals on the importance of technology, and on how it can be used to achieve a business's goals. In the guidebook's foreword, Earvin "Magic" Johnson writes about his journey in developing a multimillion dollar company and the value of technology to remain competitive.

Business Technology Simplified offers straightforward tips on how to use technology and innovation to make businesses work more efficiently. The guidebook incorporates relevant and practical material on simplifying work tasks, do it yourself marketing, cloud computing, time management, finding and cultivating customers, and much more.

Business Technology Simplified is available in a printed format in SBA district offices and local SBA resource partners, or may be accessed online as an electronic publication and as an electronic distance learning course. The new online course has been created for self-paced access to practical guidance on applying technology to build and grow strong companies. The *Business Technology Simplified* online course allows quick access by small business owners to learn more about basic technology tools that can help their companies run more efficiently.

The course features an audio guided lesson indexed by modules that includes information on how to use technology to save time in day-to-day tasks, how to better manage a business, mobile solutions that work, and tips on expanding customer base. To access the course, go to www.sba.gov/training, then click *Business Technology Simplified* in the Highlighted Courses section. It is one of nearly 30 online tutorials offered by the SBA, and is available 24/7.

About SBA: The U.S. Small Business Administration is the nation's largest financial backer of small businesses. The SBA's programs and services help business owners start, run, and grow their businesses, and provide a range of financial, technical, and management assistance. SBA also plays a major role in the government's disaster relief efforts by making low-interest recovery loans to both homeowners and businesses. For more information on SBA's programs and services visit www.sba.gov.

About Microsoft: Founded in 1975, Microsoft is the world-wide leader in software, services and solutions that help people and businesses realize their full potential. Microsoft serves millions of small and medium-sized businesses in the U.S., helping them start, grow and thrive by leveraging today's powerful and affordable technologies. At the pillar of these technologies lies cloud computing, in which Microsoft has more than 15 years of experience and understands how to meet the demands of SMBs for simplicity and impact, with enterprise-grade capabilities, flexibility and affordability in a familiar environment. For more information on Microsoft technologies for small and mid-sized businesses, visit <http://www.microsoft.com/business>.

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SBA Unveils New Website and Launches SBA Direct - A New Tool Delivering Personalized and Targeted Resources

SBA.gov Demonstrates Agency's Commitment to Transformation – Giving Small Business Owners Quick and Easy Access to the Resources they need to Succeed and Create Jobs

WASHINGTON – As part of the U.S. Small Business Administration's mission to ensure that small business owners and entrepreneurs have access to accurate, timely and helpful information, SBA Administrator Karen Mills has unveiled a newly re-designed SBA website. The new site also features the launch of SBA Direct, a dynamic new web tool with a variety of personalization features that will help small businesses start-up, succeed and grow.

"With the launch of the new SBA.gov, we have reached a significant milestone in how the agency has evolved in using interactive web tools, social media and blogs to engage with, and better meet the needs of small business owners," said SBA Administrator, Karen Mills. "While the SBA website has traditionally been an information-rich site, we wanted to make it easier for small business owners to navigate. With the new improved SBA.gov, business owners can access the answers they need, specific to their business profile, in an instant – it truly presents the face of the future of SBA."

While the site features a variety of enhancements including a full re-design, new content, and improved navigation, the centerpiece is a dynamic new web tool called **SBA Direct**.

SBA Direct allows visitors to personalize their browsing experience according to their business type, geography and needs. SBA Direct then delivers relevant and targeted information on all aspects of running a business such as the steps involved in getting started, business growth strategies, and how to stay compliant with current laws and regulations. SBA Direct also provides information on the available SBA programs that can help businesses succeed, such as financial assistance, exporting and government contracting opportunities, counseling and training.

"Transforming the SBA into a proactive, responsive and 'customer-centric' organization that better serves the needs of the nation's more than 29 million small businesses is an exciting, yet enormous effort," said Mills.

"We've made significant progress, and the new SBA.gov is just one example among many, including record growth capital financing, expedited loan approvals and the acceleration of disaster assistance resources and funds of how SBA has, and will continue to support the growth of small businesses and job creation." Other new features to the web site include:

SBA's small business search that improves the accuracy and relevancy of search results – saving time and frustration.

Improved navigation that gives users one-click access to the information they need. Combined with the personalization features of SBA Direct, users no longer have to mine through pages of information to find answers.

Integration of Business.gov content including a variety of guides and tools that collate information from across government agencies to help business owners comply with laws and regulations, and take advantage of government programs.

Interactive location-based maps that allow users to quickly find small business resources in their area, including local SBA offices, and other sources of training and support.

User-rated content gives visitors to the site direct control in determining the most useful and relevant information to feature by small business topic.

SBA's commitment to using web services to provide small businesses with greater access to the pool of government resources available began in 2006 with the launch of the award-winning Business.gov website, and later with the Business.gov Community initiative in 2009 (the first government-sponsored online community built specifically for small businesses), and more recently with SBA's own social media presence on Twitter, Facebook and YouTube.

The new SBA.gov built on these achievements and best practices as a driver for its transformation. The project is also a flagship for the agency's Open Government Plan, with the goal of building an online presence for SBA that is transparent, participatory and collaborative.

Keywords: SBA, Small Business Administration, open government, Gov 2.0, Business.gov, social media, Karen Mills, entrepreneurs, lending programs, social networks, government website, open gov, collaboration, transparency, small business loans, disaster assistance.♦

National Export Initiative Webinars

Learn how your company can tap into the Global Marketplace! As part of the National Export Initiative, the Commerce Department's Trade Information Center is offering a series of one-hour webinars on the basics of exporting. These webinars have been especially designed to meet the needs of new exporters. There is no fee to participate, although registration is required. Each webinar will begin at 2:00 p.m. EST and will last one hour. Content will include slides, live audio, and question-and-answer sessions.

They will be led by experts in their field, and will cover such topics as:

Improving Your Cultural Intelligence (February 16):

Learn how to identify the cultural implications of marketing and negotiating decisions, and how to more effectively function in culturally diverse settings.

How to Classify Your Commodity (February 23):

Experts from the Commodity Analysis Branch will provide training on the Harmonized System, classification tools, general rules of interpretations and the Schedule B Manual.

How to Find HS Codes, D & T (March 2):

Every product has its own harmonized code. Learn how to classify your product, find its harmonized code and compute duties and taxes.

Resources You Should Know (March 16):

Learn about all the free and low-cost export assistance available to you from federal and local government sources, as well as trade associations and non-profit organizations.

Taking Advantage of NAFTA (March 30):

You'll learn how to make use of the duty-free benefit on exports to our largest trading partners.

Cashing In with Free Trade Agreements (April 13):

Learn about the free trade agreements that are currently in force between the United States and some of its major trading partners, and understand what advantages these agreements offer to U.S. exporters.

Export Filing Requirements (April 27):

This webinar will provide the basics for understanding the reporting requirements found in the Foreign Trade Regulations.

Using Export Data to Find Markets and Price Your Products (May 18):

Learn how to use U.S. Government data to analyze country markets for your products and how to create customized reports. Registrants receive free access to the data.

Using eCommerce and Social Networking to Increase International Sales (May 11):

This webinar will help you attract international buyers to your Website where they can purchase your products and services.

Financing Your Exports and Getting Paid (May 25):

Understand the different options for methods of payment in international transactions; learn about how letters of credit can ensure payment for exports and how the U.S. government provides direct financing, guarantees, and credit insurance in support of exports.

Documentation for New to Export (June 8):

This Webinar is designed for the entry level exporter. The webinar will focus on basic export documentation. It will include an overview of export documents, guidance on how to complete them, and other critical information.

Filing in the Automated Export System (June 15):

Learn how to file in the Automated Export System and to use ASEPcLink.

How to Ship Your Product (July 6):

Get familiar with common shipping documents, letters of credit, how to avoid customs problems, and the role of freight forwarders.

New INCO Terms for 2011 and How to Use Them (July 20):

This webinar will help you make the right business decisions in negotiating your sales contracts/transactions in 2011.

How to Find Valuable Stuff on Export.gov (July 27):

Save time and help generate sales by learning your way around this valuable U.S. Government Website.

Understanding Export Controls (November 30):

Learn how to avoid shipping to denied parties, whether your product needs an export license, and how to apply for one.



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