

March 10, 2011

UTAH DISTRICT NEWSLETTER

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Save the Date:

March 16, 2011
Salt Lake SCORE Workshop
Salt Lake County Building Complex
Salt Lake City, UT
5:30 pm to 8:00 pm
(801) 746-2269

March 30, 2011
8(a) Orientation—SBA Office
125 South State Street, 2nd floor
Salt Lake City, UT
10:00 am to 11:30 am
Contact: (801) 524-6831

May 9, 2011
Utah SBW Luncheon
Joseph Smith Memorial Building
15 East South Temple
Salt Lake City, UT



Your Small Business Resource



Daniel P. Hannaher
Regional Administrator

Women Entrepreneurs – Do The Thing You Think You Cannot Do

“You must do the thing you think you cannot do.” These words of Eleanor Roosevelt sound familiar to the instincts of many Americans who have persevered against the economic challenges of the last three years, but perhaps none more so than women entrepreneurs. Roosevelt also wrote, “You gain strength, courage and confidence by every experience in which you really stop to look fear in the face.”

And it's true, in the world of business daily challenges can take on many forms. But typically, once a fear or challenge has been isolated and defined, the path to overcoming the difficulty becomes clearer. However, for some who desire to go into, or succeed in business, the challenges go beyond what can be easily isolated or defined. For women entrepreneurs and business owners, the barriers they have historically been confronted with, and in many instances still face, remain engrained in our collective psyche and are found among our gender biases.

Whether it's securing access to capital, gaining entry or historically male-dominated industries, finding willing vendors, or a whole host of other business-related challenges entrepreneurs have continued to persevere, sometimes odds. Yet, despite these monumental barriers, women represent a significant and growing portion of business day's economy.

*“You gain strength,
courage and confidence
by every experience in
which you really stop to
look fear in the face.”*

credibility in
suppliers and
lenges, women
against great
owned companies
start-ups in to-

As we commemorate the 100th anniversary of International Women's Day and in recognition of Women's History Month in March, we can not only acknowledge and celebrate how far women have come, we can look forward to even greater achievements by women in business during the months and years ahead.

Important advances have been made on multiple fronts that enable more women-owned companies to start, grow and succeed in today's economy. Access to capital has steadily increased, but we have more work to do in this arena. Government contracting opportunities are growing with SBA's new woman-owned small business contracting initiative, which is being implemented over the next several months. More industries are seeing successful women-owned businesses that offer a model for others to follow in their footsteps.

Women throughout the country are sharing their successes with peers, providing mentoring and educating others on the growing opportunities and resources available from private and public sources, including SBA-sponsored Women's Business Centers throughout the country. We applaud the dedication, resourcefulness and drive of women to achieve their goals and realize their dreams.

Along with the 10 million U.S. women business owners who have overcome many barriers in their efforts to improve their own lives and the lives of their families, employees and customers, we echo the words of Mrs. Roosevelt to all women who have the dream of starting and growing a business: *Do the thing you think you cannot do!*

Final Regulations Will Strengthen 8(a) Business Development Program for Small Businesses

WASHINGTON – The U.S. Small Business Administration today published a package of final rules that will revise regulations to strengthen its 8(a) Business Development program to better ensure that the benefits flow to the intended recipients and help prevent waste, fraud and abuse.

The rules were published today in *The Federal Register* and will become effective in 30 days on March 14, 2011.

The revisions are the first comprehensive overhaul of the 8(a) program in more than 10 years. The regulations incorporate technical changes and substantive changes that mirror existing or new legislation enacted since the last revision in June 1998.

“The 8(a) Business Development Program is an effective tool for providing small businesses with support to help them compete for and win federal government contracts, and in turn put them in the best possible position to drive economic growth and create jobs,” SBA Administrator Karen Mills said. “Through public meetings held in cities throughout the country, SBA gained valuable input from members of the small business community on ways to strengthen the program to provide the best opportunities for eligible firms, while also stepping up efforts to combat waste, fraud and abuse.”

The rules cover a variety of areas of the program, ranging from clarifications on determining economic disadvantage to requirements on Joint Ventures and the Mentor-Protégé program. Some of the components of the 8(a) program that the revised regulations will affect include:

- Joint Ventures – requiring that the 8(a) firm must perform 40 percent of the work of each 8(a) joint venture contract that is awarded, including those awarded under a Mentor/Protégé agreement, to ensure that these companies are able to build capacity;
 - Economic Disadvantage – providing more clarification on factors that determine economic disadvantage as it relates to total assets, gross income, retirement accounts and a spouse of an 8(a) company owner when determining the owner’s ability to access capital and credit;
 - Mentor-Protégé Program – adding consequences for a mentor who does not provide assistance to their protégé, ranging from stop-work orders to debarment
 - Ownership and Control Requirements – providing flexibility on whether to admit 8(a) program companies owned by individuals with immediate family members who are owners of current and former 8(a) participants;
 - Tribally-Owned Firms – requiring firms owned by tribes, Alaska Native Corporations, Native Hawaiian Organizations and Community Development Corporations to report benefits flowing back to their respective communities;
 - Excessive Withdrawals – amending regulations on what amount is considered excessive as a basis for termination or early graduation from the 8(a) program; and
- Business Size for Primary Industry – requiring that a firm’s size status remain small for its primary industry code during its participation in the 8(a) program.

The SBA initially published the proposed rule on Oct. 28, 2009 and provided a 60-day comment period for the public to submit their comments. Many businesses requested more time, so the SBA extended the comment period an additional 30 days, allowing the public to submit their comments by Jan. 28, 2010. In addition to requesting written comments from the public, the SBA also embarked on a “Listening Tour” and hosted public meetings between December 2009 and January 2010 in 10 cities around the country: Albuquerque, N.M., Atlanta, Ga., Boston, Mass., Chicago, Ill., Dallas, Texas, Los Angeles, Calif., Miami, Fla., New York, N.Y., Seattle, Wash. and Washington, D.C.

The SBA also conducted tribal consultations to gain further public input to the revisions in Albuquerque, Fairbanks and Anchorage, Alaska, and Seattle. In total, the SBA received more than 2,500 individual comments from the public.

The 8(a) program is a nine-year business development program for small businesses where the owner(s) fits the SBA’s criteria of being socially and economically disadvantaged and the same owners control the firm. The 8(a) program helps these firms develop their business and provides them with access to government contracting opportunities, allowing them to become solid competitors in the federal marketplace. It also provides specialized business training, counseling, marketing assistance and high-level executive development to its participants. In FY09, small businesses received \$18.6 billion in 8(a) contract dollars.

For more information about the revised 8(a) regulations, a compliance guide, and the 8(a) program, visit <http://www.sba.gov/content/revised-8a-regulations> or e-mail questions to: 8aBD2@sba.gov.

SBA Launches Temporary Program for Commercial Real Estate Refinancing

Agency will begin accepting refinancing applications Feb. 28 for small businesses facing maturing mortgages, balloon payments

WASHINGTON, D.C. – Small businesses facing maturity of commercial mortgages or balloon payments before Dec. 31, 2012, may be able to refinance their mortgage debt with a 504 loan from the U.S. Small Business Administration under a new, temporary program announced today.

The new refinancing loan is structured like SBA's traditional 504, with borrowers committing at least 10 percent equity and working with third-party lending institutions and SBA-approved Certified Development Companies in the standard 50 percent/40 percent split. A key feature of the new program is that it does not require an expansion of the business in order to qualify.

SBA will begin accepting refinancing applications on Feb. 28. The program, authorized under the Small Business Jobs Act, will be in effect through Sept. 27, 2012.

"The economic downturn of recent years and the declining value of real estate have had a significant, negative impact on many small businesses with mortgages maturing within the next few years," said SBA Administrator Karen Mills. "As a result, even small businesses that are performing well and making their payments on time could face foreclosure because of the difficulties they face in refinancing and restructuring their mortgage debt. This temporary program is another tool SBA can provide to help these small businesses remain viable and protect jobs."

The SBA initially will open the program to businesses with immediate need due to impending balloon payments before Dec. 31, 2012. SBA will revisit the program later and may open it to businesses with balloon payments due after that date or those that can demonstrate strong need in other ways.

"We are making this initial restriction to make sure our funding goes first to small businesses with the most need," said Steve Smits, SBA Associate Administrator of Capital Access.

Borrowers will be able to refinance up to 90 percent of the current appraised property value or 100 percent of the outstanding mortgage, whichever is lower, plus eligible refinancing costs. Loan proceeds may not be used for other business expenses. Existing 504 projects and government-guaranteed loans are not eligible to be refinanced.

Congress authorized SBA to approve up to \$15 billion in loans under this program (\$7.5 billion in both fiscal 2011 and 2012). Together with the first mortgage, this temporary program will provide up to \$33.8 billion of total project financing. Additional fees charged to the borrower will cover the cost of this refinancing program and as a result no subsidy will be needed. The program is expected to benefit as many as 20,000 businesses.

SBA's traditional 504 loan program is a long-term financing tool, designed to encourage economic development within a community. A 504 loan provides small businesses with long-term, fixed-rate financing to acquire major fixed assets for expansion or modernization.

Typically, a 504 project includes three elements: a loan (or first mortgage) secured with a senior lien from a private-sector lender covering up to 50 percent of the project cost, a second mortgage secured with a junior lien from an SBA Certified Development Company (backed by a 100 percent SBA-guaranteed debenture) covering up to 40 percent of the cost, and a contribution of at least 10 percent equity from the small business borrower.

SAVE THE DATE

**2011 Utah Small Business
Awards Luncheon**

Monday, May 9, 2011

**Joseph Smith Memorial Building—Empire Room
15 East South Temple, Salt Lake City, Utah**

Internal Revenue Service **FREE** Webinar for Tax Professionals: *Business Taxes for the Self-Employed*

On Tuesday, March 29, 2011, the Internal Revenue Service is presenting a FREE webinar for tax professionals, small businesses, self-employed persons and independent contractors: Business Taxes for the Self-Employed: The Basics.

The webinar will cover:

- Reporting profit or loss from a business or profession
- Self-employment tax and estimated tax payments
- Schedule C and C-EZ
- Deducting business expenses
- Husband and wife businesses
- Recordkeeping

The webinar starts at 2 p.m. Eastern, 1 p.m. Central, noon Mountain and 11 a.m. Pacific.

Register and attend by clicking on this [link](http://www.visualwebcaster.com/IRS/77024/reg.asp?id=77024) or copy and paste this URL in your browser: <http://www.visualwebcaster.com/IRS/77024/reg.asp?id=77024>.

For more information on IRS national and local phone forums and webinars for small businesses, visit www.irs.gov and search [Webinars](#) for information about this and other events.

To keep up with the latest IRS news and announcements for small businesses, subscribe to e-News for Small Businesses, a bi-weekly, electronic newsletter that alerts small business owners to what's new, hot and important for them to know. It's quick to read, easy to subscribe – and it's FREE. On [IRS.gov](http://www.irs.gov), click "Subscribe Now" at the bottom of the page and enter your e-mail address.

Roy-Based Total Quality Systems Inc. Recognized for Exceptional Innovation

Tibbetts Awards honor projects that bring federal R&D from the lab to the market

The Small Business Administration (SBA) announced that Total Quality Systems Inc. (TQS) has received a [Tibbetts Award](#) for its Contingency Acquisition Support Model (CASM) and Intermittent Fault Detection and Isolation System (IFDIS). SBA presents the awards to companies that have advanced technological innovation into economic growth.

"This award represents the culmination of an effort we began in 2000 and 2001 when we submitted two Small Business Innovation Research (SBIR) proposals which resulted in IFDIS and CASM," said TQS President, Tony Pombo. "We won both grants, and have since made the SBIR Program a cornerstone of our business development."

TQS's Tibbetts Award recognizes the company for its work in two business areas. The first provides a capability to remediate "bad actor" avionics boxes that contain intermittent faults through the IFDIS test system. These "bad actor" boxes show faults during flight operations that cannot be detected when tested on the ground using conventional testing methods. The IFDIS incorporates technology developed by Universal Synaptics Corporation, another Utah small business located in Ogden. The second area is for the acquisition of more reliable and technologically improved replacement parts for depot operations, utilizing the Acquisition Support Model (ASM) and its variant for contingency field operations called, CASM.

"Before participating in the SBIR Program, we employed less than a dozen people," continued Pombo. "Today, thanks to our SBIR success, we've expanded our staff to 45 and more than quadrupled our revenue."

Kevin Berk, TQS's Program Manager for CASM, accepted the award at a ceremony this morning in Washington, DC. Afterward, they met with SBA Administrator, Karen Mills, and attended a reception at the White House.

"This is a proud day not only for TQS but also for the city of Roy," said [Sean Greene](#), SBA's Associate Administrator for Investment and Senior Adviser for Innovation. "Companies like TQS represent the best in American ingenuity."

Roy, UT-based TQS was founded in 1994 on the principles of innovative process and product improvements, by analyzing maintenance and repair data for USAF avionics to determine root causes of the failures and failure trends. Solutions to root cause problems are recommended at the lowest technologically feasible level that will yield the greatest reliability and value, as well as decreased acquisition time. To learn more go to: www.tqsinc.com.

RESOURCE PARTNER'S PAGE

Women's Business Center

Business Women's Forum Luncheon Social Media Panel

Date: Tuesday, March 15, 2011

Time: 11:30 am - 1:00 pm

Location: Zions Bank, Founders Room | 18th Floor | One South Main Street | Salt Lake City, UT

Cost: \$27 BWF Members | \$35 Non-Members

[GO THERE](#)

**Early Bird Registration till Friday, March 4 for \$20

[Register Today!](#)

Small Business Development Center—SBDC

COLOR CODE SEMINAR

March 18, 2011
8:00 am to 12:00 pm
Cost \$129

Do you wonder why some people are so easy to love, work for, and befriend, while constant effort is required to build and maintain a healthy relationship with others? What part do you play in making the relationships in your life work?

The Color Code is the most revolutionary and ACCURATE measurement of your personality available on the market today. Once you have learned the Color Code you will never see yourself or others the same again! The Color Code is your best bet for understanding how to make sense out of life's relationship puzzles.

Would you like a more in depth report? The "Comprehensive Analysis" is a detailed report approximately 20 pages in length which reveals your secondary color. The cost of the analysis is \$39.99. However, if you register for a Color Code seminar the Comprehensive Analysis is included in the price of the seminar. To get a full "Comprehensive Analysis," please register for the Color Code seminar to be held Friday, March 18 from 8:00 AM to 12:00 PM. The seminar will be held at Salt Lake Community College's Miller Campus, 9750 S 300 W, MPDC Building, Room 213.

The cost of the 4-hour seminar is \$129. Each participant receives: a participant workbook,

a "Comprehensive Analysis," and a copy of the book, *The People Code*.

Every relationship begins with YOU. Who are you? Do you really understand why you think and behave as you do? Imagine the power of truly knowing yourself, what motivates you, and how you impact the relationships in your life.

If you have any questions regarding this seminar, please call Carrie Menzel, at 801-957-5240 carrie.menzel@slcc.edu.

[Register for the Color Code Seminar](#)

Entrepreneur Launch Pad—Supported by Salt Lake SCORE

www.entrepreneurlaunchpad.org

The Roundtable is Free
The Benefits are Priceless

Thursday afternoons 1 p.m. - 3 p.m.
Kaysville: Davis Applied Technology College (Simmons Building)
450 S. Simmons Way, Kaysville, UT 84025

Friday afternoons 1 p.m. - 3 p.m.
Sandy: Salt Lake Community College - Miller Campus (MCPC-
Corporate Partnership Center Rm 333)
9750 S 300 W, Sandy, UT 84070

If you are thinking about starting your own business, are starting a business or want to expand and grow your business, we invite you to join our weekly forum where entrepreneurs can meet and discuss the issues affecting their businesses.

With the wealth of talent and experience we all bring, we try to solve the issues that are facing our businesses. Hardly a week goes by without a guest speaker addressing a relevant topic, having business presentations by our entrepreneurs or networking together. And sometimes we change things up. Hey, we're entrepreneurs!

Typical Agenda:

- Introductions
- Guest Speaker
- Entrepreneur Presentations with Group Feedback
- Open Networking

What you will gain:

- Meet other small business owners facing the same issues.
- Learn from other peers about how they solve problems.
- Improve your management skills with tips from guest speakers.
- Step back and work on your business rather than in it.
- Develop professional relationships that will evolve into an informal board of advisors for your business

LENDER	February Loan Numbers	February Total Dollars	YTD Loan Numbers	YTD Dollars
ALLIANCE COMMUNITY FCU	2	\$70,000	10	\$510,000
AMERICA FIRST FCU	4	\$95,000	22	\$595,000
AMERICAN BANK OF COMMERCE D/B/A AMBANK	4	\$2,611,000	9	\$7,875,500
AMERICAN BANK OF THE NORTH	0	0	1	\$180,000
AMERICAN NATIONAL BANK	0	0	1	\$193,400
BANK OF AMERICAN FORK	3	\$230,000	17	\$4,308,000
BANK OF THE WEST	0	0	2	\$504,100
BANK OF UTAH	2	\$705,000	3	\$984,000
BEEHIVE CU	0	0	0	0
BRIGHTON BANK	2	\$115,800	6	\$1,450,800
CACHE VALLEY BANK	1	\$42,300	1	\$42,300
CAPITAL COMMUNITY BANK	1	\$82,600	2	\$307,600
CELTIC BANK CORPORATION	3	\$1,681,300	37	\$33,973,100
CENNTENNIAL BANK	0	0	0	0
CENTRAL BANK	0	0	23	\$3,272,500
CHARTWAY FCU	2	\$45,000	8	\$331,200
COMMUNITY W. BANK NATL ASSOC	0	0	0	0
COMPASS BANK	0	0	0	0
CYPRUS FCU	0	0	1	\$35,000
EASTERN UTAH COMMUNITY FEDERAL CU	0	0	1	\$248,000
EXCEL NATIONAL BANK	0	0	0	0
FIRST BANK & TRUST CO.	0	0	0	0
FIRST NATIONAL BANK OF LAYTON, THE	1	\$3,500,000	6	\$6,578,500
FIRST UTAH BANK	0	0	6	\$4,152,700
FRONTIER BANK, FSB	0	0	0	0
GOLDENWEST FCU	2	\$135,000	3	\$165,000
GRAND VALLEY BANK	0	0	2	\$125,000
GRANITE FCU	0	0	0	0
HORIZON UTAH FCU D/B/A HORIZON CU	1	\$10,000	2	\$35,000
JORDAN FCU	0	0	4	\$301,500
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	1	\$18,000	21	\$7,007,200
KEYBANK NATIONAL ASSOCIATION	1	\$10,000	9	\$1,753,000
LEWISTON STATE BANK	0	0	0	0
LIBERTY BANK, INC.	0	0	2	\$380,000
LIVE OAK BANKING COMPANY	0	0	1	\$1,840,000
MEADOWS BANK	0	0	2	\$510,500
MOUNTAIN AMERICA FCU	9	\$518,500	65	\$5,163,100
MOUNTAIN WEST BANK	1	\$25,000	1	\$25,000
MOUNTAIN WEST SMALL BUSINESS FINANCE	9	\$6,554,000	68	\$38,473,000
PRIME ALLIANCE BANK	0	0	0	0
PROFICIO BANK	0	0	2	\$1,297,000
SPIRIT OF TEXAS BANK, SSB	1	\$175,000	2	\$379,800
STATE BANK OF SOUTHERN UTAH	5	\$139,000	27	\$1,579,500
SUNFIRST BANK	0	0	1	\$2,000,000
SUPERIOR FINANCIAL GROUP, LLC	0	0	5	\$55,000

LENDER	February Loan Numbers	February Total Dollars	YTD Loan Numbers	YTD Dollars
U.S. BANK NATIONAL ASSOCIATION	3	\$50,000	18	\$11,365,600
UNITED CENTRAL BANK	0	0	0	0
UNITED MIDWEST SAVINGS	0	0	1	\$719,600
UNIVERSITY FIRST FCU	0	0	7	\$1,150,000
USU CHARTER FCU	1	\$150,000	1	\$150,000
UTAH CERTIFIED DEVELOPMENT COMPANY	2	\$287,000	25	\$14,425,000
UTAH COMMUNITY FCU	0	0	0	0
UTAH FIRST FCU	0	0	2	\$65,000
VECTRA BANK	0	0	2	\$636,100
WELLS FARGO BANK, NATIONAL ASSOCIATION	1	\$30,000	20	\$8,205,000
WESTERN COMMUNITY BANK	0	0	1	\$67,000
YELLOWSTONE BANK	0	0	1	\$5,000,000
ZIONS FIRST NATIONAL BANK	24	\$3,841,600	244	\$38,173,000
TOTALS	86	\$21,121,100	695	\$206,587,600