

## District Office Rolls Out "Patriot Express" Pilot Program for the Military Community



*District Director Terri Denison speaks about the "Patriot Express" program at the USO Center in Atlanta's Hartsfield-Jackson Airport. Standing behind her are USO volunteers with American troops who were leaving for Iraq.*

The SBA Georgia District Office was part of a national roll out recently for "Patriot Express," a pilot program for the military community that includes guaranteed business loans of up to \$500,000 for veterans to start or expand their own businesses.

"The SBA is taking its commitment to veterans and others in the military community to a new level with our Patriot Express Program," said District Director Terri Denison. "We are combining an increased maximum guaranteed loan size of \$500,000 (\$150,000 above the standard SBA Express loan) with reduced paperwork and a faster turnaround on approval of the lenders' loan request."

The program is intended for veterans and service-disabled veterans, reservists and National

Guard members as well as their spouses.

The program also applies to active duty military who are eligible for the military's Transition Assistance Program (TAP) and prospective retirees within 24 months of separation. Widowed spouses of a service member or veteran who died during service, or of a service-connected disability, are also eligible.

The loan guarantee percentage is higher than for regular SBA Express loans. The Patriot Express guaranty covers up to 85 percent for loans of \$150,000 or less, and a maximum of 75 percent for loans that are over \$150,000.

SBA's maximum allowed interest rates are also lower for Patriot Express than with the standard SBA Express program—from 2.25 to 4.75 percent above prime. For regular Express loans the rate can be as high as 6.5 percent above prime.

Denison said the Georgia District office is working with participating lenders around the state to educate them about this product and enlisting their support for the new initiative. The agency began accepting applications from participating lenders on June 28th for the initiative.

Other programs offered include Military Deployment Economic Injury Loans, Surety Bond Guarantees and counseling by SCORE volunteers.

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## SBA Presents Six Small Business Awards for 2007

Ted Dennard, President of the Savannah Bee Company Inc., received the SBA Small Business of the Year Award for Georgia. District Director Terri Denison presented awards to Dennard and five others at a luncheon hosted by the Georgia Lenders Quality Circle, a group of active SBA guaranteed lenders.

Dennard, with over 21 years of beekeeping experience, has grown his company from a home-based business to a national brand in only seven years.

A. Parrish Clark Jr., Vice President of Guardian Bank in Valdosta, was selected the Financial Services Champion of the year. He also received the SBA Regional Award for the same category.

Luis E. Fuster, President of Latin American Trading Group Inc., an Acworth-based firm, received both the state and regional awards as the Exporter of the Year.



*Ted Dennard receives his award from District Director Terri Denison*

Wane Hailes is Publisher of the Courier/Eco Latino Newspaper in Columbus with 16 years of media experience. He was selected the State and Regional Minority Small Business Champion of the Year.

Another SBA award went to Allan and Cathy Lipsett, publishers of The Bright Side Newspapers in Cobb County. The couple, who established Lipsett and Associates Inc., in 1992, were selected the Small Business Journalists of the Year in Georgia.

The final award went to Allen Richardson, President of the Richardson Housing Group Inc., of Lawrenceville. His company, which has built over 2,500 homes in its 30-plus years of operation, was named the Family-Owned Business of the Year in Georgia.

Since Dennard started his company in his home, it has added 16 employees, its own web site and a 6,000 square-foot warehouse in Savannah. Savannah Bee products are sold nationwide, with revenues projected at over \$2 million for 2007.

Five of the six award winners were nominated by their local SBDC office. Richardson Housing Group was nominated by David Greer, Publisher of the Gwinnett Business Journal.

## SBA News Items

### *Computer Security Workshops in August*

Two workshops will be held in Atlanta on Aug. 24 to help small business owners recognize the threat of computer crime and take steps to prevent it. The morning session will run from 8 a.m. to noon and the afternoon session will be held from 1–5 p.m. Both workshops are free and will be held at the downtown Richard Russell Federal Building, 75 Spring Street S.W.

The workshops are hosted by the National Institute of Standards and Technology (NIST), the SBA and the FBI. To register, contact Annette Rodriguez at 404/331-0100, ext. 614 or by email at [annette.rodriguez@sba.gov](mailto:annette.rodriguez@sba.gov).

### *SBA Veterans Workshops Coming in July*

Workshops for veterans or soon-to-be military retirees are scheduled for Ft. McPherson on July 9th and Hinesville/Ft. Stewart on July 20th. The workshop at Ft. McPherson will run from 11:30 a.m. to 1:30 p.m. The Ft. Stewart program will be from 8:30 a.m. to 12:30 p.m.

Both workshops will cover the “Patriot Express” loan initiative. Other information will cover SBA incentives for contracting with the federal government, and free consulting from SBDC and SCORE offices. To register, email [jorge.valentin-stone@sba.gov](mailto:jorge.valentin-stone@sba.gov), or phone him at 404/331-0100, ext. 609.



### *SBDC at Kennesaw State has 30th Birthday*

The Small Business Development Center at Kennesaw State University celebrated 30 years of service to entrepreneurs with an anniversary luncheon at the Jolley Lodge facility on the KSU campus in Cobb County. At the event, were, from left, Annette Rodriguez, SBDC Project Officer for the Georgia District Office; Lydia C. Jones, SBDC Director at KSU; and Frank Hagan, Head of Lender Relations at the Georgia District Office. The SBDC system of 18 offices throughout Georgia, is a resource partner of the U.S. Small Business Administration.

## SBA Backed Loans Help Locos Pubs Expand in Atlanta

The “Locos” Grill & Pub near his residence was Brad Koontz’s favorite hang-out when he was a student at the University of Georgia in Athens. He liked it so much that after graduating, he and his business partner Chris Spivey opened two franchised Locos Grill & Pubs in Buckhead and Alpharetta.

“What attracted me to the franchise was the density of the menu and the diverse clientele,” recalled Koontz who graduated from Georgia in 1995. “We might have construction workers sitting next to lawyers and college students during our lunch hour.”

Koontz worked part-time at the location in Athens where the Locos franchise, with 24 locations in the state, was established. His business partner did the same. With their work experience, he and Spivey were able to obtain help from the SBA to open both of their Locos Pubs in Atlanta including start-up financing under the agency’s 7(a) Loan Program and counseling from the agency’s SCORE volunteers.



*Koontz, left, with Jamison McDaniel, Managing Partner for both locations*

Our first bank recommended we go with an SBA guaranteed loan, said Koontz. “We had restaurant experience, but we

had with no ownership background... we were not ideal candidates for a start-up bank loan.”

Fortunately, the SBA 7(a) guaranteed loan helps reduce the risk to the lender. Koontz and his partner used a \$76,000 loan under the 7(a) Program to help finance the opening of their Buckhead location on Peachtree Road in July 1998. They later used a 7(a) Loan for \$170,000 to start their 200-seat Locos Grill & Pub that opened at 175 Haynes Bridge Road in 2000.

Koontz says his Locos Pubs are not sports bars, but rather what he calls a “true public house” where friends can gather for a meal or just a brew and appetizer. There are several TVs in each location, but the extensive menu from the grill seems to be the main draw.

Selections run from nearly a dozen types of burgers to salads and entrée items including sirloin steak and grilled shrimp.

Last year, each unit had over \$1.7 million in sales, Koontz noted.

## SBA Disaster Assistance is Revamped Following Hurricane Katrina

Since Hurricane Katrina struck in 2005 the SBA has reengineered its Disaster Assistance program with a major focus on customer service, direct accountability, and new technologies that have quadrupled processing capacity.

The SBA recently unveiled its Disaster Recovery Plan which includes procedures to better handle future catastrophic disasters, and has begun testing the plan through simulations conducted with outside experts.

The National Oceanic and Atmospheric Administration is predicting the 2007 hurricane season will have above average activity. The SBA is well-prepared to provide the resources people need to recover, rebuild and revive their communities in the event of major disaster.

Since 2005, the agency has reduced backlogs on disaster loans by over 90 percent, and the age of that backlog from 2.5 months to less than 10 days. Moreover, the SBA has:

- Improved the Disaster Credit Management System (DCMS) to handle 8,000 simultaneous users. SBA has four times the processing capability since the Gulf Coast hurricanes.
- Ensured a trained, active and ready reserve corps. SBA can draw from a pool of 3,000 experienced individuals who are able to quickly staff up agency disaster offices.

In other areas, the SBA has:

- Moved 1,300 staff and changed the entire loan disbursement process flow, from a production line, to 15-person teams with authority to make decisions, and manage for results.
- Contacted over 90,000 borrowers in the Gulf area to introduce them to the new process and get their input for a data base of borrower challenges.

To prepare for the 2007 hurricane season, plans for those in high-storm areas should include a **solid emergency response plan** with escape routes for home or business, along with emergency phone numbers. Set up **adequate insurance**. Information on National Flood Insurance is at [www.floodsmart.gov](http://www.floodsmart.gov).

Make **copies of important records** and back up data saved on computer hard drives. **Work to protect windows, doors and roofing** and place wood shutters over windows before a storm.

The SBA makes low-interest loans to homeowners, renters and non-farm businesses of all sizes following a disaster declared by the President. Small businesses that suffered economic loss as a direct result of a declared disaster can apply for SBA working capital loans of up to \$1.5 million.

More preparedness tips for businesses, homeowners and renters are at [www.sba.gov/disaster\\_recov/prepared/getready.html](http://www.sba.gov/disaster_recov/prepared/getready.html). The federal web site, at [www.ready.gov](http://www.ready.gov) is another resource.

## Grady High Student Team Wins SBA Business Plan Contest

A group of students from Henry W. Grady High School captured the top award in this year's SBA Teen Entrepreneur Business Plan Competition.

The Grady students offered a business plan on "Mobile Intelligent Technology," a company they designed to manufacture a cell phone with add-on capabilities including music, video, and internet access. The Grady team was led by Yachi Stewart, Chief Executive Officer; Edward Jackson, Assistant Finance Manager; and Randy Flemister, Chief Operations Officer.

A business plan presented by a group of students from Tech High received the Second Place Award while a plan developed by students at Carver High took Third Place. The judges awarded the Fourth Place trophy to a student team from North Atlanta High School.

The business plan competition and awards were held in Atlanta at the international headquarters of UPS and hosted by UPS Capital Corporation, its small business lending division. Bob Bernabucci, President of UPS Capital Corporation, welcomed the student teams and their high school advisors to the competition.

Beverly L. Hall, Superintendent, Atlanta Public Schools, was the keynote speaker at the luncheon that followed the students' business plan presentations. Steve Bloom, Chairman, SCORE Chapter 48 in Atlanta, also spoke at the luncheon.

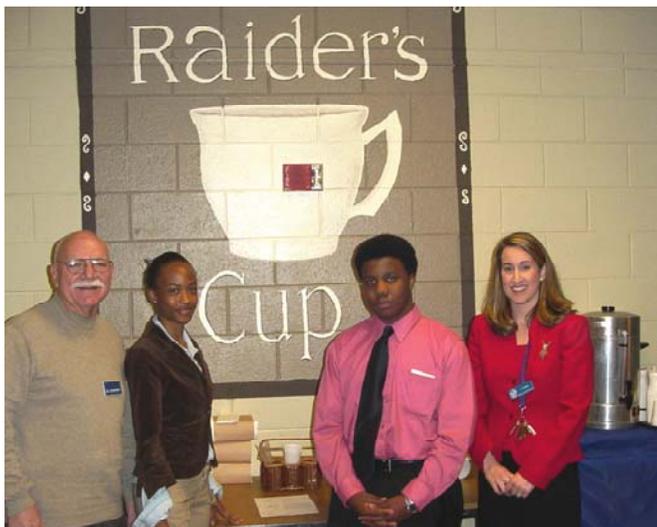


*At the awards, L-R, are Marlon Pilson, Grady Teacher/Advisor, Claudia Wilson, UPS Capital; Grady students Yachi Stewart and Randy Flemister; Miguel Alandete, a judge for the competition; and Patricia Dozier, SBA Marketing Assistant who coordinated the program.*

"Your education helps connect the dots so you can apply what you've learned in the classroom to situations you will encounter in the workplace," said Ms. Hall.

Hall noted that the Carver High team are some of the first Atlanta students to experience the 'small school' concept that has transformed Carver from a large, comprehensive high school into five small schools. The Atlanta Public Schools will be transforming all of its high schools into small learning centers over the next five years.

Judges for the competition were Claudia Wilson, Senior Business Development Manager, UPS Capital; Miguel Alandete, Executive Vice President, Georgia Small Business Capital; Doug Hood, President, Rainmaker Capital Corporation, and his daughter, Olivia Hood, also with Rainmaker Capital.



*SCORE member Ed Schneider, left, stands with several students at Riverwood High School whom he advised as they set up a coffee shop, the "Raider's Cup," during the past school year. Shanae Clark was chief financial officer and Reggie Anderson, at right, managed the shop which made over \$2,000 for a student field trip. Sheri Smith, at right, is the teacher for Riverwood's popular Entrepreneurship Class which has tripled in size.*

## SBA Export/Import Workshop Set for Atlanta on July 13th

The SBA District Office will hold an introductory workshop on July 13 on developing a successful export/import business. The course will start at 1 p.m. at the downtown District Office at 233 Peachtree Street (1900 Harris Tower in Peachtree Center).

The course will cover areas of trading that are uniquely international including tariffs, freight forwarding, etc. It will outline the steps required to assess the market for your products and services and show how to develop entry strategies for the markets selected. The course will also cover how to operate as a "middleman" or agent/distributor in international trading

The course, which cost \$55, will be taught by Bob Erwin, a veteran international trade specialist and consultant with the Small Business Development Center in the Gwinnett Center. To register, call 404/331-0121, ext. 805

Last year, the SBA granted a record 91 export loans to Georgia companies which were worth more than \$35 million. The loan numbers were up 26 percent over FY 2005.