



## April 2008

**U.S. Small Business Administration**  
Cleveland District Office

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**April 2008 Newsletter**  
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**For More Information**  
**SBA Home Page: [www.sba.gov](http://www.sba.gov)**

- SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam.
- For the office nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk.
- SBA Answer Desk: 1-800 U ASK SBA
- Fax: 202-205-7064
- E-mail: [answerdesk@sba.gov](mailto:answerdesk@sba.gov)



## LOAN REPORT *as of March 31, 2008*

**Total Loan Volume – MARCH 2008**  
**(7(a) and 504 Combined)**

Bank	Number of Loans	Dollars (In Thousands)
Huntington National Bank	103	\$24,064
National City Bank	96	\$9,367
Charter One Bank	89	\$4,371
JP Morgan Chase Bank	62	\$9,788
US Bank	58	\$5,837

**504 Loans**

Bank	Number of 504s
Huntington National Bank	11
National City Bank	6
FirstMerit Bank	5
JP Morgan Chase Bank	5
Community South Bank	3
First Midwest Bank	3
KeyBank	3

CDC	Number of Approvals	Dollars (In Thousands)
Growth Capital Corp.	21	\$6,670
Cascade Capital Corp.	7	\$5,415
Community Capital Dev. Corp.	7	\$4,366
Lake County SBAC	7	\$2,464
Horizon Certified Development Co., Inc.	3	\$2,563
Mentor Economic Assistance Corp.	3	\$372
Ohio Statewide	3	\$3,094
Stark Development Board	3	\$793
SEM Resource, Inc.	2	\$2,455
Northwest Ohio Dev. Assistance Corp.	1	\$343
West Central Partnership	1	\$115

## NEWS FOR OUR LENDING PARTNERS

### *SBA Releases Modernized Lender SOP*

As part of its reform agenda to become easier for lenders to work with, the U.S. Small Business Administration has just released its modernized Standard Operating Procedure for lender and development company loan programs.

The revised document, SOP 50 10, has been cut in length from 1,000 pages to 400 and is more logically organized. The SOP is directed to SBA's Lenders and Certified Development Companies and is streamlined and more user-friendly.

In addition, the SOP has been updated to be an electronic document using Internet hyperlinks to take the user to the most recent editions of relevant regulations and forms. SOP 50 10 will be available in PDF format at the SBA website and will be more easily updated. A version of the SOP with enhanced search capabilities will be released as soon as possible. Additional technical improvements are in process such as an improved search engine.

#### *Key Features of SBA's Revised Loan Processing SOP 50-10*

- Developed in response to lenders' and development companies' requests for enhanced and more user friendly SBA loan policy guidance and includes substantial discussion and input from lenders, development companies, trade groups, and SBA field staff
- Written with SBA lenders as the primary audience, which contrasts with the former SOP whose main audience was SBA staff
- Uses larger font, bullets, and other formatting to make the document more succinct and user friendly
- Updates SBA's loan processing policy and procedures and integrates numerous policy/procedural changes that had been published as separate notices over the past decade

- Incorporates policy guidance for several new SBA programs (SBAExpress, PatriotExpress, etc.), which had previously been published as separate manuals
- Reduces what had been approximately 1,000 pages of SOP, program guides, and policy notices to just under 400 pages
- Incorporates for the first time SBA's new centralized loan processing facilities into the SOP
- Will be available on the Web (<http://www.sba.gov/tools/resourcelibrary/sops>) and will include PDF format which facilitates searches for key sections/policies; SBA plans to enhance this feature with more robust search engines in the future
- Includes hyperlinks to SBA regulations as applicable
- Effective date of May 1, 2008, will follow SBA hosted training in eight cities beginning in April (including at NAGGL and NADCO conferences in May) with that training augmented by additional training by local SBA district offices
- SBA will make training materials available on the Web

### *3rd Quarter "Peg" Rate*

The optional peg rate for fluctuating interest rates on guaranty loans is 4 3/8 percent (4.375%) for the April - June quarter of FY 2008.♦

**Save the Date!**

**6<sup>th</sup> Annual  
Women's Entrepreneurial Network (WEN)  
TRADE SHOW**

Monday, April 28 1:00 p.m.-6:00 p.m.  
**FREE!**

Clarion Hotel-Westgate, Toledo  
Register on-line at [www.wen-usa.com](http://www.wen-usa.com)  
For information call:  
Beth Ann Miller 419-868-1750  
or Pat DeCesare 419-720-4758

## THE ANNUAL VETERAN BUSINESS SYMPOSIUM

The Veterans Business Symposium (VBS) in Northern Ohio has continued to grow each year since the first event was held in 2003. The Fifth Annual Veteran Business Symposium attracted 375 attendees, sponsors, and purchasing officers from a variety of organizations across the country. The event, held November 29, 2007 at the Spitzer Conference Center at Lorain County Community College, is focused on bringing resources together in support of Veterans, Reservists, Guardsmen and recently discharged active military personnel who are in business or considering starting a business.

Military and civilian agencies from all levels of government, along with a variety of large businesses that are looking for qualified contractors, service companies, manufacturers and distributors. These organizations have found that the VBS brings together businesses that can meet their needs.

This year, the event brought in top brass from the small business offices of the Army, Navy, Air Force, and the Veterans Administration from Washington DC headquarters offices. There were also a number of educational opportunities for both seasoned and fledgling businesses.

The event was supported by a variety of sponsors with Lorain National Bank and Lorain County Community College as the lead sponsors. The event is a joint effort between SBA and the Procurement Technical Assistance Center (PTAC). The 2008 event will be in November. You may contact the SBA's Veterans Business Development Officer, John Renner for additional information at 216-522-4167. ♦



*Veteran Business Symposium Hall of Fame Winners*



*The Lorain Admiral King High School ROTC Color Guard*



*Sam Moawad, Moawad Construction and Chuck Southern, Center for Veterans Enterprise*



*The event attracted 375 attendees, sponsors, and purchasing officers from a variety of organizations across the country.*

## SBA LENDER ROUNDTABLE HELD IN AKRON

On March 19 in Akron the SBA Cleveland District Office held a Lenders Roundtable. Cascade Capital Corporation hosted the event, on behalf of the Summit Medina Business Alliance (the SBDC). Gilbert Goldberg, SBA Cleveland District Director, chaired the session. Mr. Goldberg had an informative dialogue with the commercial lenders. Discussion focused on the economy and the current lending environment in the greater Akron/Northeastern Ohio area.

Interestingly, the lenders are optimistic about the current lending environment. They feel that business should pickup in the late third quarter or fourth quarter of calendar year 2008, because of the economic stimulus package. Businesses are now making plans to purchase machinery and equipment by calendar year-end to take advantage of the additional write-off.

Robert Filipiak, Executive Director of Cascade Capital Corporation (CDC) spoke about the 504 loan program. Mary Ann Jasionowski, Director of the Summit Medina Business Alliance, informed the audience of the role of the SBDC and introduced her two counselors, Jim Griggy and Brian Walters. ♦



*Mary Ann Jasionowski, Director, Summit Medina Business Alliance, SBA Cleveland District Director Gil Goldberg, Bob Filipiak Executive Director, Cascade Capital Corporation*



*Lisa Rucker and Pam Mattingly, both of National City Bank*



*Mary Ann Jasionowski, Gil Goldberg and Bob Filipiak*

## SBA SALUTES THE NATION'S BEST ENTREPRENEURS AT NATIONAL SMALL BUSINESS WEEK APRIL 21-25, 2008

*SBA to Celebrate 55th Year with Women's Business Centers, New Executive Panel Forums,  
and the Naming of National Small Business Person of the Year*

The nation's top entrepreneurs will be hailed at the U.S. Small Business Administration's National Small Business Week events April 21-25, 2008, in Washington, D.C., and New York City. This year marks the 55<sup>th</sup> anniversary of the agency, and the 45<sup>th</sup> annual proclamation of Small Business Week. Small business owners from across the country will be honored for their accomplishments as the nation's leading small businesses. The highlight of events will be the announcement of the ***National Small Business Person of the Year***.

"Small businesses drive our economy, creating jobs and opportunities for Americans in every community across the country," said SBA Administrator Steve Preston. "The SBA is very proud of the vital role it plays in enabling America's entrepreneurs, and we are excited to be able to recognize a few of these great success stories during the week." National Small Business Week 2008 will begin with three days of events in Washington, D.C., at the Mandarin Oriental Hotel, where more than 100 outstanding business owners from across the country will be recognized. In addition to the State Small Business Persons of the Year, men and women involved in disaster recovery, government procurement, small business champions as well as SBA partners in financial and entrepreneurial development will be honored.

A focal point this year will be a series of executive panel forums on Health Care, International Trade, Energy, and Finance. In addition, there will be a procurement session with corporate buyers and prime contractors who will discuss small business partnering and mentoring opportunities for small businesses seeking government contracts. On April 24, Small Business Week moves to New York, where SBA will participate in the closing bell ceremony at NASDAQ to commemorate the 20<sup>th</sup> anniversary of the Women's Business Center program. The program has served more than 650,000 new and growing small business owners in the past five years alone. An awards event celebrating the top small business lenders and a financial forum on community investment, cosponsored with the Initiative for a Competitive Inner City, will culminate activities in New York. ♦

## SBA'S PATRIOT EXPRESS LOAN INITIATIVE OVER \$100 MILLION AND COUNTING

*More Than One Thousand Loans Go To  
Military Service Members,  
Veterans, and Spouses*

In the eight months since its launch, the U.S. Small Business Administration's Patriot Express Loan Initiative has produced 1,007 SBA guaranteed loans amounting to more than \$100 million, with an average loan amount of nearly \$101,000, the SBA announced.

"Each day sees the number of Patriot Express loans rise and the number of participating lenders, currently more than 773 nationwide, rise as well," said SBA Administrator Steve Preston. "We thank these lenders, and those coming aboard, for their special efforts on behalf of entrepreneurial veterans and others in our military community."

The Patriot Express initiative builds on the more than \$1 billion in loans SBA guarantees annually for veteran-owned businesses, and the counseling assistance and procurement support it provides each year to more than 100,000 veterans, service-disabled veterans and Reserve members.

"We have received a remarkable amount of support for Patriot Express from the lending and military communities since we launched the program," said Preston. "It is important for us to continue to support our servicemen and women. I am particularly appreciative of the news media's efforts in big cities and small towns alike, to get the word out on this vital program that helps vets and our military community as it grows day by day."

Patriot Express is a streamlined loan product based on the agency's highly successful *SBA Express* Program, but with enhanced guaranty and interest rate characteristics.

Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85 percent for loans of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to secure all available collateral to back the loan and may obtain collateral for smaller loans depending upon individual bank requirements.

Interest rate maximums for Patriot Express loans are the same as those for regular 7(a) loans: a maximum of Prime + 2.25 percent for maturities under seven years; Prime + 2.75 percent for seven years or more. Interest rates can be higher by two percent for loans of \$25,000 or less; and one percent for loans between \$25,000 and \$50,000.

Patriot Express is available to military community members including veterans, service-disabled veterans, service members leaving active duty, Reservists and National Guard members, current spouses of any of the above, spouses of active duty members, and the widowed spouse of a service member who died during service, or of a service-connected disability.

The Patriot Express Pilot Loan Initiative can be used for most business purposes. Details on the initiative can be found at [www.sba.gov/patriotexpress](http://www.sba.gov/patriotexpress).

Patriot Express loans have been approved in all 50 states, the District of Columbia, the U.S. Virgin Islands, Puerto Rico and Guam and currently range from \$5,000 to \$375,000 in individual loan amounts. After loan applications are approved by the bank, they are submitted to SBA for approval. Most applications are approved by SBA within 24 hours. ♦



*East Liverpool's 1<sup>st</sup> National Community Bank Senior Vice President Joseph B. Shemasek (left) and Edward L. Baumgardner, Chief Executive Officer, accept the SBA Cleveland District Office's Special Recognition Award for the bank's participation in the Patriot Express Loan Initiative. Five Northern Ohio lenders were honored. Area lenders increasingly serve the military community through their involvement in the program.*

### Save the Date! Cleveland Matchmaker 2008

Come and meet the following organizations to fulfill your procurement needs:

Small Businesses, Small Disadvantaged and 8(a) Certified Companies,  
HubZone Certified Companies, Service-Disabled  
Veteran-Owned Businesses, Women-Owned Businesses

*Sponsored by the Urban League of Greater Cleveland  
In Cooperation with the Cleveland District Office of the  
U.S. Small Business Administration*

May 20 & 21, 2008 at Progressive Field

To reserve your spot as a buyer, please e-mail James Duffy at [james.duffy@sba.gov](mailto:james.duffy@sba.gov) or phone him at 216-522-4169 by February 27, 2008