

Regulatory Fairness Roundtables Planned

The SBA's Small Business Regulatory Enforcement Fairness Act (SBREFA) Board is scheduled to meet in Stamford, Connecticut on March 25 to hear input from small businesses on issues of concern to them.



Senator Leo Blais

Rhode Island State Senator Leo Blais is a member of the New England SBREFA Board and is planning a series of roundtables to hear input from the state's small business community in advance of the March 25 hearing. The roundtables are scheduled on the following dates and locations:

Tuesday, March 2:

10:00 a.m. - Newport County Chamber of Commerce, 45 Valley Road, Middletown

Wednesday, March 3:

8:30 a.m. - Greater Westerly-Pawcatuck Area Chamber of Commerce, 1 Chamber Way, Westerly

12 p.m. - Northern Rhode Island Chamber of Commerce, 6 Blackstone Valley Place, Suite 301, Lincoln

Tuesday, March 9:

8:00 a.m. - Greater Providence Chamber of Commerce, 30 Exchange Terrace, Providence

Wednesday, March 10:

10:00 a.m. - Central Rhode Island Chamber of Commerce, 3280 Post Road, Warwick

Registration for the roundtables may be made online by visiting www.sba.gov/ri and selecting the *Online Seminar Registrations* link, or by calling the SBA Rhode Island District Office at (401) 528-4561.

SBA First Quarter Loans Helped to Create or Retain 1,979 Rhode Island Jobs

Business loans backed by the Small Business Administration have resulted in the creation or retention of 1,979 Rhode Island jobs during the first quarter of Fiscal Year 2004, which began on October 1, 2003.

During the first quarter, the SBA backed 326 loans that injected \$26,553,500 into the Rhode Island economy. Of that total, 29 were for start-up businesses. That represents a 222 percent increase in the number of new businesses created over the same period last year.

"SBA is taking Governor Donald Carcieri's challenge to create and retain jobs here in Rhode Island seriously," said Mark S. Hayward, Director of the SBA Rhode Island District Office. "It is our hope to continue providing capital this fiscal year that will surpass the governor's goal of 5,000 jobs per year," Hayward added.

The most jobs created or retained during the quarter were in Warwick,

where 572 jobs were involved with 51 loans totaling \$4.35 million. Providence was second with 214 jobs created or retained and 43 loans totaling \$4.04 million. Rounding out the top five were Johnston with 130 jobs and 15 loans for \$955,000; Pawtucket with 108 jobs and 11 loans for \$1.33 million; and East Providence with 107 jobs created or retained and 13 loans for \$3.01 million. *(The complete list of loans and jobs created by city and town is located on page 5.)*

"SBA's partnership with private sector lenders is helping the state's economy turn the corner by creating new businesses and keeping jobs in Rhode Island," said Jeffrey H. Butland, SBA Regional Administrator. "It's another indicator of a positive direction of the local economy," Butland added.

Last fiscal year, the SBA helped to create or retain 6,858 jobs through 1,091 loans for \$83.5 million.

SBA New England Region Tops in the Nation

The New England Regional Office in Boston is the top SBA regional office in the country and is recognized for its management and loan performance for 2003.

The regional office is responsible for oversight of six district offices in each of the New England states.

SBA Administrator Hector Barreto made the announcement citing the New England Region at an SBA Management Board Meeting in Washington, D.C. recently.

"We realize that aggressive goals were set and that these challenges required cooperation, creativity and vision," said Barreto. "Region I's outstanding performance is a true testament to commitment and fortitude."

"We are very proud of our accomplishments in New England over the past year," said Regional Administrator Jeffrey Butland.

"We approved 7,481 loans in the Region last year for a total of \$754 million. This totaled 1,447 loans more than in 2002, or a 20-percent increase. In Rhode Island the SBA backed 1,091 loans that injected more than \$83.5 million into the state's economy.

"What makes these figures so significant is that the SBA was responsible for the creation or retention of 23,671 jobs throughout New England in 2003. Our success represents a complete team-effort on the part of every SBA New England office. It also illustrates the tremendous relationships we have with our lending and resource partners, all of which are a powerful tool on the side of small business in the region," said Butland.

The SBA, as part of its ongoing efforts to streamline and improve its management structure and practices, has developed and instituted a management scorecard.

"This tool, which tracks and manages key operating elements, allows each SBA Regional and District Office to chart and manage its performance across a wide spectrum of management initiatives, including loans and loan statistics," said Butland.



Jeffrey H. Butland
Regional Administrator

President Signs 2004 SBA Budget

The Small Business Administration's operating budget for the fiscal year that began on October 1, 2003 has been signed into law by President Bush.

The \$718.34 million will be used for operating expenses of the agency through September 30, 2004. The budget also provides \$9.55 billion for the 7(a) loan program; \$4.5 billion for the 504 loan program, which is funded entirely by participant fees; \$7 billion for the Small Business Investment Company program, which also is entirely funded by participant fees; and \$20 million for the MicroLoan program.

Funding for the disaster loan program is approximately the 5 year average of \$760 million with carryover.

Funding for the SBA's technical assistance programs includes:

- \$89 million for the Small Business Development Centers
- \$12.5 million for the Women's Business Centers
- \$5 million for SCORE
- \$15 million for MicroLoan technical assistance
- \$400,000 for the Business Information Centers programs
- \$750,000 for Veterans Outreach

The budget also provides:

- \$13 million for the Office of Inspector General
- \$1.1 million for research and data collection by the Office of Advocacy
- \$750,000 for the National Women's Business Council
- \$500,000 for the Office of National Ombudsman

On February 2, President Bush submitted his FY 2005 budget request to Congress. The proposal included \$678.4 million for the SBA.

The budget requests \$12.5 billion for the 7(a) loan program, a 30 percent increase of FY 2004.

The proposal also includes a zero subsidy rate for the 7(a) program, due in part to the expiration of a temporary fee reduction passed by Congress. The result is a funding structure that will add stability and independence to the program, which will no longer rely on an annual appropriation.

Providence County Included in SBA Disaster Declaration

The Small Business Administration is making low-interest Federal disaster loans available to small businesses affected by the nor'easter that occurred in various counties of Massachusetts, New Hampshire and Rhode Island on December 6 and 7, 2003.

Economic Injury Disaster Loans are available to small businesses that are unable to pay their bills or meet operating expenses because of the storm. Eligible small businesses may qualify for loans up to \$1.5 million with an interest rate of 3.061 percent and terms up to 30 years. **The EIDL does not address physical losses.**

The disaster declaration includes the primary counties of Barnstable, Essex, Norfolk, Plymouth and Suffolk and the contiguous counties of Bristol, Middlesex and Worcester in Massachusetts, Hillsborough and Rockingham Counties in New Hampshire, and Providence County in Rhode Island.

Losses must have been sustained as a result of the December 6 and 7 nor'easter storm.

For more information or to obtain a disaster loan application, call the SBA Area I Disaster Office at 1-800-659-2955 or 1-800-877-8339 for the hearing impaired. Completed loan applications should be returned to SBA, 360 Rainbow Boulevard South, Niagara Falls, NY 14303, no later than October 18, 2004.



Mark S. Hayward

*From
the
District
Director's
Desk*

The first quarter numbers are out and we are very pleased at the overall direction. It is very satisfying to know that our loan programs are making a difference for the Rhode Island economy. It is clear that access to capital is providing Rhode Islanders with jobs.

Looking at the numbers, the most dramatic increases were start-ups. This increase from nine in the first quarter of Fiscal Year 2003 to 29 in Fiscal Year 2004 shows that the conditions are right for new ventures.

We have had a very busy January. First, President Bush signed the 2004 SBA Budget which appropriated \$718.34 million to the agency. This will provide approximately 9.5 billion in lending authority for the agency nationwide. January also saw our first strategic session with our small business development center consultants. Under the terms of the cooperative agreement, SBA will train all consultants to determine eligibility for counseling. The session that was attended by 32 consultants and RISBDC staff ran four hours and, by all accounts, seemed to provide a great opportunity for the exchange of ideas.

Finally, in January, we saw two long time SBA employees depart. As most of you know the agency, under our transformation agenda is looking at the centralization of some functions. One of those functions is liquidation and purchase of loans, which will now be done in Herndon, Virginia. Our friends and colleagues Paul Bouchard and Tim Yentsch, opted not to be transferred to Herndon. Paul and Tim have over 33 years of government service. We will certainly miss them and I am sure you will as well. This, added to the departure of Patricia O'Rourke in December, now brings the Rhode Island staff to 11 members.

Thank you for your continued support of SBA and its programs.

Center for Women & Enterprise Names Jacqueline M. Champagne Financial Services Manager

The Center for Women & Enterprise, the SBA Women's Business Center in Rhode Island, has named Jacqueline M. Champagne as its Financial Services Manager.

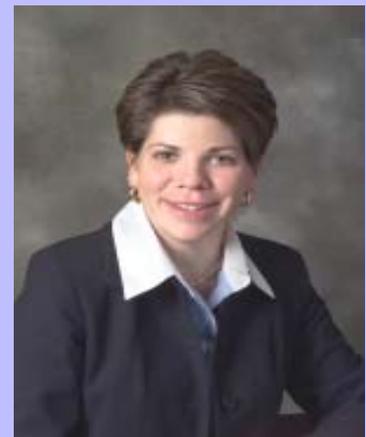
Champagne is a seasoned banking and business professional, who will be responsible for improving access to capital and credit for women by working with them on their business plans, financial information and loan application process.

Jackie was vice president of commercial lending at BankBoston

and Fleet Bank and most recently was a mortgage executive at Freedom National Bank, where she developed the bank's residential mortgage division

She also was Chief Operating Officer and chief financial officer of Novare Engineers, Inc. in Providence.

Champagne is the co-founder of NetworkRI, and is an ambassador to the Northern Rhode Island Chamber of Commerce, and she holds a Master of Business Administration in Entrepreneurship from Bryant College.



Jacqueline M. Champagne

Business Planning Workshops Scheduled for Home-based Businesses

A series of free two-hour workshops for home-based businesses will be held in the Pawtuxet Valley during the month of February. The SBA is partnering with the Rhode Island MicroEnterprise Association and the Pawtuxet Valley Chamber of Commerce to present the workshops at three locations.

Topics to be covered during each of the three workshops include:

- **Are you entrepreneurial?: A Self-Rating Form**
- **Re-Thinking Starting a Business**
- **What Is A Business Plan Outline?**

Workshops will be held on the following dates:

Tuesday, February 17, 1:00 to 3:00 p.m.
Best Western Hotel, Route 95, West Greenwich

Tuesday, February 24 from 5:00 to 7:00 p.m.
Hampton Inn, 850 Center of New England Boulevard, Coventry

Space is limited so pre-registration is suggested. To register call the SBA Rhode Island District Office at (401) 528-4561 or register online by visiting www.sba.gov/ri, then click on the *Online Seminar Registrations* link. For more information you may also call the Pawtuxet Valley Chamber of Commerce at (401) 823-3349.

SBA Announces New Contracts for Native American Economic Development Initiative

Native American communities will soon be provided with economic development assistance through a new SBA entrepreneurial development initiative.

The Native American economic development initiative consists of several components, including ongoing consultation with tribal governments, participation in tribal sponsored economic development events, implementation of an outreach campaign for Native American entrepreneurs, and development of working relationships with tribal colleges and Native American organizations to provide more accessible training for Native American small business owners.

The new contracts incorporate partnerships with American Indian tribal governments, tribal colleges, Native American organizations, federal agencies and the private sector to spur economic growth for Native Americans.

SBA has also entered into an interagency agreement with the U.S. Census Bureau to identify underserved Native American tribal areas, and with the Southwest Indian Polytechnic Institute (SIPI), Bureau of Indian Affairs, to develop and implement a small business development training program for Native American-owned businesses located in economically depressed areas.

SBA, IRS to Present Small Business Tax Workshop in Westerly

Small business owners can learn about their tax reporting responsibilities and how to write a winning business plan at a free workshop in Westerly. The SBA is partnering with the Internal Revenue Service to present the workshop on Saturday, February 21, from 9:00 a.m. to 1:00 p.m. at the Greater Westerly-Pawcatuck Area Chamber of Commerce, One Chamber Way, Westerly.

The workshop will include an overview of SBA programs and services for entrepreneurs who want to start or expand their business. Attendees will also hear IRS Tax Education Specialist Odette Turenne explain IRS tax reporting requirements for operating the various forms of business entities. SBA Economic Development Specialist Frances deSousa will provide the SBA programs and services overview. SCORE counselor Nelson White will present the business plan segment.

Seating is limited, so pre-registration is encouraged. To register call Mary Marcotte at the Internal Revenue Service at (401) 525-4179, or by e-mail to mary.e.marcotte@irs.gov. You may also register online by visiting www.sba.gov/ri, then click on the *Online Seminar Registrations* link.

For more information about SBA programs and services as well as assistance available to Rhode Island small businesses, contact the Rhode Island district office at (401) 528-4561.

Visit Our
Website



www.sba.gov/ri

SBA 1st Quarter Loan Report Fiscal Year 2004

(October 1- December 31, 2003)

City or Town	Number of Loans	Total Dollar	Number of Jobs Created or Retained	New Businesses
Barrington	2	\$125,000	14	0
Bristol	3	\$85,000	14	0
Burrillville	4	\$101,000	4	0
Central Falls	5	\$1,120,000	12	1
Charlestown	2	\$41,000	4	0
Coventry	15	\$694,000	57	0
Cranston	13	\$955,000	46	2
Cumberland	9	\$712,000	60	0
East Greenwich	5	\$635,000	40	1
East Providence	13	\$3,010,000	107	2
Exeter	1	\$160,000	2	1
Glocester	4	\$110,000	4	0
Hopkinton	2	\$178,500	14	0
Jamestown	1	\$35,000	2	0
Johnston	15	\$955,000	130	0
Lincoln	6	\$395,000	37	0
Little Compton	2	\$33,000	4	0
Middletown	12	\$621,000	26	2
Narragansett	3	\$60,000	3	0
Newport	6	\$300,000	22	0
North Kingstown	14	\$515,000	81	1
North Providence	10	\$811,000	84	1
Pawtucket	11	\$1,333,000	108	0
Portsmouth	13	\$492,000	53	1
Providence	43	\$4,044,500	214	7
Scituate	7	\$335,000	9	1
Smithfield	5	\$740,000	47	1
South Kingstown	9	\$1,035,000	42	1
Tiverton	2	\$40,000	6	0
Warren	17	\$700,000	65	1
Warwick	51	\$4,351,500	572	6
West Greenwich	4	\$511,000	38	0
West Warwick	5	\$382,000	14	0
Westerly	2	\$105,000	7	0
Woonsocket	10	\$843,000	37	0
Total:	326	\$26,563,500	1979	29



Every Friday Morning 9:00 - 11:00 a.m.

Information Workshop for Starting a Small Business

Central RI Chamber of Commerce
Slade's Ferry Business Center
3280 Post Road, Warwick **FREE**

Learn about the free programs and services available from SBA, find out how to create a winning business plan, and tour the Central RI Chamber/SBA Business Information Center. Pre-register by calling (401) 528-4561 or online at www.sba.gov/ri and click on the *Online Seminars Registrations* link.

Thursday, February 26 9 a.m. - noon

Mailpiece Design Workshop

U.S. Postal Service Business Mail Entry Office
181 Corliss Street, Providence **FREE**
Workshop for those who design company mailpieces. Learn physical requirements for mailpieces, placement of graphics and ad copy, paper and card stock requirements, and much more. Bring sample mailpieces for analysis.

Register by calling (800) 755-2398 or online at www.usps.com/provdist

Thursday, March 11 9 a.m. - noon

Business Basics for Starting a Service Business

Center for Women & Enterprise
55 Claverick Street, Suite 102, Providence
Service businesses include, but are not limited to, consultants, graphic designers, and financial advisors. **FEE: \$45.00**

Register by calling Tracy daily at CWE, (401) 277-0800 or e-mail: tdaily@cweonline.org.



Michael J. Ermi, director of business development at Innovative Bank conducts a training session for District Office staff and resource partners

Innovative Bank Comes to RI

A new SBA lender will be making loans in Rhode Island soon under the SBA Community Express program.

Innovative Bank, originally established in 1982 as the Bank of Oakland, is FDIC insured and an SBA Preferred Lender Participant.

Innovative Bank makes loans ranging from \$5,000 to \$15,000 and uses a one-page application form and does not require collateral. Loans can be for up to 7 years with no pre-payment penalty.

In Rhode Island, SCORE, the Small Business Development Center, the Center for Women & Enterprise, and the Rhode Island MicroEnterprise Association have applied to be Innovative Bank's technical assistance providers.

Wanted: SBA Success Stories

The Rhode Island District Office is seeking successful small businesses that received assistance from the SBA. The businesses may be featured in success stories to be publicized by SBA and would be featured on the district office Web site and possibly on the SBA national Web site.

Guidelines for successful businesses are: three to five years in business, significant number of jobs created or retained through SBA financing, counseling or training, growth in revenues and/or taxes paid attributed to SBA financing, counseling or training, and contributions to the community and continued growth.

For more information contact Norm Deragon, public information officer, at (401) 528-4576, or by e-mail at normand.deragon@sba.gov.



USEFUL WEB SITES

For a listing of workshops and events visit the SBA Rhode Island District Office Web site: www.sba.gov/ri

Small Business Development Center

www.risbdc.org

SCORE

www.score.org

Center for Women & Enterprise

www.cweonline.org

RI MicroEnterprise Association

www.rimicroenterprise.org

Home-based Business Assn.

www.homebasedbusinessri.com

RI Economic Development Corp.

www.riedc.com

Smaller Business Assn. of N. E.

www.sbane.org

RHODE ISLAND SBA BANK RANK

FY04 7(a) Approved Loan Volume by SBA Lenders and Number of Loans 10/1/03 to 1/31/04

1. Citizens Bank of Rhode Island	282	\$9,788,000
2. BankRI	25	\$4,568,500
3. The Washington Trust Co.	19	\$3,564,000
4. Coastway Credit Union	17	\$3,817,000
5. Fleet Bank	15	\$2,510,000
6. Sovereign Bank New England	15	\$2,055,000
7. First Federal Savings Bank	15	\$1,996,000
8. Independence Bank	4	\$2,275,000
9. Capital One F.S.B.	3	\$75,000
10. UPS Capital Business Credit	2	\$490,000
11. Minority Investment Development Corp.	2	\$231,000
12. Home Loan and Investment Bank	2	\$210,000
13. Greenwood Credit Union	2	\$185,000
14. Freedom National Bank	2	\$170,000
15. Pitney-Bowes Small Business Lending	1	\$528,728
16. Stearns Bank, N.A.	1	\$120,000
17. BankNewport	0	
18. Bristol County Savings Bank	0	
19. Business Dev. Co. of Rhode Island	0	
20. Business Lenders LLC	0	
21. Business Loan Express	0	
22. Centreville Savings Bank	0	
23. CIT Small Business Lending	0	
24. Danvers Savings Bank	0	
25. Domestic Bank	0	
26. First Trade Union Bank	0	
27. G.E. Capital Small Business Finance Corp.	0	
28. NewportFed	0	
29. Slade's Ferry Bancorp	0	
30. Wachovia SBA Lending, Inc.	0	

Sub-Total: 407 \$32,613,228

Ocean State Business Development Authority

Ocean State Business Development Authority is a Certified Development Company licensed by SBA. The following lenders approved first mortgage financing on economic development projects, thereby facilitating the 504 loans listed below through 1/31/04.

Lender	Number Loans	SBA Debenture	Total Project
Fleet Bank	1	\$1,216,000	\$5,200,000
Bristol County Savings Bank	2	\$666,000	\$1,605,000
Sovereign Bank	1	\$527,000	\$1,275,000
UPS Capital Business Credit	1	\$240,000	\$575,000
Bank RI	1	\$99,000	\$270,000
Total 504 Loans	6	\$2,748,000	\$8,925,000

Total Loans 413 \$35,361,228



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OFFICIAL BUSINESS

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SBA Communicator

News from the Rhode Island District Office

February 2004

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Mark S. Hayward

Editor

Normand T. Deragon

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