



# ***NEWS RELEASE***

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## ***SBA ADMINISTRATOR, ASIAN GROUPS SIGN FIRST-EVER PARTNERSHIP AGREEMENTS***

### ***Outreach Agreements Will Spur Business Opportunities***

**WASHINGTON – U.S. Small Business Administration (SBA) Administrator Aida Alvarez today signed an historic partnership agreement here with five New York-based Asian organizations to increase outreach efforts and business opportunities for Asian entrepreneurs.**

The agreements are the first in a new national effort by the SBA to enlist Asian American organizations in the agency's finance, business development and contracting outreach efforts.

**“With the signing of these agreements today in New York City, I am kicking off a national outreach effort to increase Asian participation in SBA programs and services,”** Administrator Alvarez said. **“I look forward to working with these organizations, and to establishing formal partnerships with other local and national Asian organizations in the near future.”**

**“With a large Asian population here in New York City, it is fitting that this national outreach effort begin here,”** Alvarez said. **“It illustrates the Clinton-Gore Administration's commitment to ensuring that all Americans have the opportunity to benefit from the strongest U.S. economy in a generation.”**

The five Asian organizations signing agreements are:

- Chinese Consolidated Benevolent Association
- Chinese American Restaurant Association
- Taiwan Merchants Association
- Chinese Chamber of Commerce of New York
- Flushing Chinese Merchants Association

The partnership agreements commit SBA and each participant to combine their efforts to reach out to Asians who may benefit from SBA services, and to help more small firms succeed.

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Despite strong growth since 1987, Asian Americans remain underrepresented in the ranks of business owners. Asian Americans comprise about 4 percent of the U.S. population, but only 3.5 percent of all businesses.

Overall, the number of Asian-owned businesses has skyrocketed by 180 percent from 1987 to 1997, to a total of 1.06 million businesses, nationally. Estimated revenue from these businesses is \$275 billion, a 463 percent increase since 1987.

As a group, they have also shown strong growth among the ranks of SBA customers. Since 1992, SBA-backed loans to Asian businesses have nearly quadrupled, from \$568.5 million in FY 1992 to more than \$2.13 billion in FY 1999. In FY 1992, loans to Asian Americans represented 6 percent of the loans made by the SBA, and 9 percent of the total value of those loans. In FY 1999, SBA-backed loans to Asian Americans represented 11 percent of the loans made and a full 18 percent of the total dollars lent.

Over the past seven years, (FY 1993-1999) the SBA has backed 27,544 loans worth more than \$9 billion in loans to Asian American businesses.

The Asian outreach effort is part of a broader initiative by Administrator Alvarez to reach New Markets, such as women, veterans and minorities, as well as businesses located in distressed rural and urban areas.

Beginning in October 1997, SBA Administrator Aida Alvarez set aggressive new three-year lending and outreach goals for financing business formation and job creation in the minority business sector, focusing especially on African Americans, Hispanic Americans and Asian Americans.

The SBA will achieve the lending goals by working in partnership with a variety of major business and civic associations and local community groups. Thus far, SBA has reached partnership agreements with national and local organizations representing millions of minority-owned small businesses, including the National Black Chamber of Commerce, the National Association for the Advancement of Colored People, the National Urban League, the U.S. Hispanic Chamber of Commerce and the National Council of La Raza.

These partnerships are based on formal agreements that will help SBA more effectively reach business owners in minority communities with information about SBA programs.

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