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[U.S. Small Business Administration](#)

LENDER ALERT

June 2003

Wyoming District Office

U.S. Small Business Administration

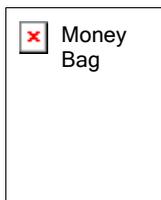
www.sba.gov/wy

Steve Despain, District Director



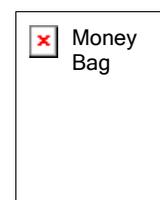
UPCOMING EVENTS

June 3rd	Women's Roundtable Meeting	Jackson
June 4th	Women's Roundtable Meeting	Casper
June 7th	Juneteenth Celebration	Casper
June 10th	Women's Roundtable Meeting	Sheridan/Lyman/Bridger Valley
June 17th	Women's Roundtable Meeting	Cheyenne & Cody
June 19th	Women's Roundtable Meeting	Powell
June 21st	Juneteenth Celebration	Cheyenne
June 24th	Dollars & Cents Procurement Workshop	Cody
June 24th	WNET Conference Call	Statewide
June 25th	Women's Roundtable Meeting	Evanston



Small Business Lending Profitable for Banks

Small Business Lenders Increase Return On Equity



Banks that specialize in small business lending, including large holding companies, show more return on equity than their counterparts. This finding, which contradicts the conventional wisdom that large bank holding companies find small business lending a less profitable operation, was presented to the Federal Reserve Bank of

Chicago's 39th Annual Conference on Bank Structure and Competition. "Conventional wisdom says that consolidation and deregulation in the banking industry could lead to less small business lending," said Thomas M. Sullivan, Chief Counsel for Advocacy. "But this report shows that these trends don't have to negatively affect that lending. That's good news for small business owners who may rely on small local banks for financing," he said.

Authored by Dr. James Kolari of Texas A&M University, **Assessing the Profitability and Riskiness of Small Business Lenders in the Banking Industry** funded by the Office of Advocacy, concludes that small business lending normally either has neutral or positive effects on profitability for most banks. Small banks have traditionally been one of the major suppliers of credit to small businesses. Concerns have grown that the deregulation and consolidation through mergers and acquisitions in the banking industry will adversely affect banks' lending to small business. The argument is that because of higher risk and larger administrative costs per dollar of loan involved in lending to small firms, large bank holding companies will find small business lending a less profitable operation. The report suggests that defining profitability either as return on equity or as return on assets determines whether small business lenders are more profitable than other banks. Nonetheless, under either definition, the current conventional wisdom that consolidated banks will find small business lending unprofitable does not hold up.

Minority Small Business Person of the Year 2003 Nominees Sought

The U.S. Small Business Administration (SBA), [Wyoming District Office](#), is seeking nominations for the Minority Small Business Person of the Year for 2003. We ask that you identify individuals who we may consider for this award. The winner will be recognized in conjunction with Minority Enterprise Development Week (MED Week) in September. An eligible business must be at least 51 percent owned and operated by either a Black American, Native American, Hispanic American, Asian Pacific American, or Subcontinent Asian American. You may submit your nomination by notifying Jeff Sneddon, SBA, Wyoming District Office of the company name, address, phone number, and name of the business owner. Please feel free to do so by letter, phone, fax, or e-mail. Nominations must be submitted not later than June 6, 2003. Upon receipt of the nomination, we will ask the company for further information. The SBA office will determine the winner based upon factors which include: satisfactory financial condition; growth in total sales and growth in net profit; growth in full-time employees or employment of the disadvantaged; participation in community projects or charitable organizations; unique product or service; and if the nominee has overcome obstacles or adversities in their business history. For further information on company qualifications, or with any other questions, contact Jeffrey W. Sneddon, Contract Specialist at 307-261-6515 or jeffrey.sneddon@sba.gov



Federal Dollars & Sense Workshop



SHOULD YOUR CUSTOMERS BE DOING BUSINESS WITH THE WORLD'S LARGEST CUSTOMER?

Did You Know???



The U.S. Government buys about \$200 billion in goods and services each year -- everything from paperclips to spaceships, janitorial services to cancer research.



Thousands of contracts each year bypass small firms that do not know of or understand government buying.



The Small Business Administration is responsible for ensuring that small business obtains a fair share of government contracts and subcontracts.

To learn how your company can benefit, you must attend this workshop!

WHEN: June 24th

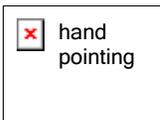
COST: FREE

WHERE: Cody, Wyoming

For more information, contact Jeffrey Sneddon, Contracting Officer at 307-261-6509 or email jeffrey.sneddon@sba.gov

SBA LAUNCHES ONLINE EMPLOYEE IDENTIFICATION NUMBER APPLICATION

Small Businesses could save hundreds of millions of dollars by using a new Internet based system that will allow them to register their business at the state level and apply for and receive their Federal Employer Identification Number at the same time. The new application can be found at <http://businesslaw.gov/template> by clicking on Integrated State Register & Federal EIN Application. The new service was developed by the SBA in partnership with the IRS through a contract with EzGov, a major e-government technology provider. The Internet based process will save both time and about \$200 million for the more than four million small businesses that apply manually. The SBA online application will streamline the state and federal exchange of applicant data between states and the federal government. Because it is built with a Web services interface, any participating state can quickly and easily offer a seamless state registration and federal EIN tool that in addition to saving time and money, reduces the burden to the business owner.



WYOMING LENDER ALERT AND SBA SOLUTIONS

The Wyoming Lender Alert can now be accessed on line at www.sba.gov/wy/wyfinancing and small business owners and lenders can now access the latest news and information on the U.S. Small Business Administration's loan programs and services directly through a new e-mail newsletter, SBA Solutions. SBA Solutions, the first National SBA e-newsletter, made possible through a co-sponsorship between the SBA and Staples, Inc. It is a free interactive tool designed for prospective and established entrepreneurs and comes monthly directly to your e-mail inbox. Features include relevant topics to small businesses such as Creating a Secure Work Environment; Disaster Preparedness for Small Businesses; Resourceful Ways to Cultivate New Customers; Balancing Work & Family and Building a home-based business.

The newsletter also includes recurring sections: What's New at SBA; SBA loans; Disaster Assistance; the SBA on-line classroom and Frequently Asked Questions. Sign up today for a free subscription to SBA Solutions, visit <http://web.sba.gov/list/>



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