

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

LENDER ALERT

May 2003
Wyoming District Office
 U.S. Small Business Administration

www.sba.gov/wy

Steve Despain, District Director



UPCOMING EVENTS

May 1st	Women's Roundtable Meeting	Laramie
May 4th-10th	Wyoming Small Business Week Celebrations	Statewide
May 6th	Women's Roundtable Meeting	Jackson
May 7th	Governor's Breakfast & Award Presentation	Cheyenne
May 7th	Women's Roundtable Meeting	Casper
May 7th	Procurement Workshop	Wheatland & Lusk
May 8th	Shopping for Money	Douglas
May 13th	Women's Roundtable Meeting	Sheridan & Lyman/Bridger Valley
May 15th - 16th	International Trade Conference	Cody
May 20th	Women's Roundtable Meeting	Cheyenne & Cody
May 22nd - 23rd	WBA Ag Conference	Cody
May 26th	Holiday	Memorial Day
May 27th	WNET Conference Call	Statewide
May 28th	Women's Roundtable Meeting	Evanston
May 28th & 29th	SBIR/STTR Conference	Rock Springs
May 31st	Casper Chamber Banquet	Casper

SBA CELEBRATES 50th



ANNIVERSARY



This year 2003 is already proving to be an exciting one for small business in America. The U.S. Small Business Administration will observe its [50th anniversary](#) by celebrating the accomplishments of small-business owners across the country throughout the year.

Since its inception in 1953 the [SBA](#) has helped more than 20 million Americans start, grow and expand their businesses - placing more than \$170 billion in direct or guaranteed loans into the hands of entrepreneurs. From the President down to your local SBA district office the nation is celebrating one of the most effective economic development agencies in the federal government. The SBA's 50th anniversary gives us a good opportunity to reflect on our history, and to plan innovative methods of serving America's small businesses.

Although the SBA was officially established in 1953, its philosophy and mission were shaped years earlier through predecessor agencies, largely as a response to the pressures of the Great Depression and World War II. The Reconstruction Finance Corporation, created by President Herbert Hoover in 1932 to alleviate the financial crisis of the Great Depression, was SBA's grandparent. The RFC was basically a federal lending program for businesses large and small hurt by the Depression. It became the personal project of Hoover's successor, President Franklin D. Roosevelt.

Concern for small business intensified during World War II when large industries beefed up production to accommodate wartime defense contracts, and smaller businesses had difficulty competing. To help small businesses participate in war production and give them more financial viability, Congress created the Smaller War Plants Corporation in 1942. The SWPC provided direct loans to private entrepreneurs, encouraged large financial institutions to make credit available to small enterprises, and advocated small business interests to federal procurement agencies and big businesses.

The SWPC was dissolved after the war, and its lending and contract powers were handed over to the RFC. At this time, the Office of Small Business in the Department of Commerce also assumed some responsibilities that would later become characteristic duties of the SBA. Its services were primarily educational. Believing that a lack of information and expertise was the main cause of small-business failure, the OSB produced brochures and conducted management counseling for individual entrepreneurs.

Congress created another wartime organization to handle small business concerns during the Korean War, this time called the Small Defense Plants Administration. Its functions were similar to those of the SWPC, except that ultimate lending authority was retained by the RFC. The SDPA certified small businesses to the RFC when it had determined the businesses to be competent to perform the work of government contracts.

By 1952, a move was on to abolish the RFC. To continue the important functions of the earlier agencies, President Dwight Eisenhower proposed creation of a new small business agency -- the Small Business Administration.

In the Small Business Act of July 30, 1953, Congress created the Small Business Administration, whose function was to "aid, counsel, assist and protect, insofar as is possible, the interests of small business concerns." The charter also stipulated that the SBA would ensure small businesses a "fair proportion" of government contracts and sales of surplus property. By 1954, the SBA already was making direct business loans and guaranteeing bank loans to small businesses, as well as making loans to victims of natural disasters, working to get government procurement contracts for small businesses and helping business owners with management and

technical assistance and business training.

Over the past 50 years, the SBA has expanded its array of programs tailored to encourage small enterprises. Agency programs include financial and federal contract procurement assistance, management assistance and specialized outreach to women, minorities and veterans. The SBA also provides loans to victims of natural disasters and specialized advice and assistance in international trade. Nearly 20 million small businesses have received direct or indirect help from SBA programs since 1953, as the agency has become the government's most cost-effective instrument for economic development. In fact, SBA's current business loan portfolio of roughly 219,000 loans worth more than \$45 billion makes it the largest single financial backer of U.S. businesses in the nation. Last fiscal year alone, the SBA backed more than \$12.3 billion in loans to small businesses. More than \$1 billion was made available for disaster loans, and more than \$40 billion in federal contracts was secured by small businesses with SBA's help.

But the SBA is not resting on its laurels. We're reaching more customers by listening to the concerns small businesses have and responding accordingly. We're transforming the agency to become more customer-centric for America's entrepreneurs. Simply put, the professional SBA team is dedicated to the delivery of quality customer-oriented service.

We're modernizing the way we do business, and technology is helping us. Our Web site has been updated to be more user-friendly, and we offer a number of free "e-publications" containing useful information for small business owners or those hoping to become small business owners. In partnership with Staples, we offer a free subscription to the e-newsletter "SBA Solutions." To receive the newsletter, go to web.sba.gov/list.

We're also simplifying the way we do business. We've streamlined our forms and processes, and we offer round the clock access through our Internet site at www.sba.gov/wy. We're offering innovative solutions, products and services designed specifically for small businesses.

To [kick off](#) our golden anniversary events in August, we will commemorate the signing of the Small Business Act at President Eisenhower's Library and Museum in Abilene, Kan. In September the SBA will hold its first National Entrepreneurial Conference and Expo in Washington, D.C. The event will include activities of great interest to women-owned businesses: a trade show, procurement and lending matchmaking, business sessions, town halls, and award ceremonies where state and national small-business winners will be recognized. The conference wraps up with a gala dinner to which President Bush has been invited as keynote speaker.

Locally, thanks to the generosity of American National Bank, Community First Bank, First Interstate Bank, Hilltop National Bank and Wells Fargo Bank, Wyoming, we will be hosting SBA night at the Rockies. Watch for further information on this event!

During our 50th anniversary we will also open the SBA's [Hall of Fame](#), honoring those small-business owners who have achieved the American Dream and who exemplify the best traits of entrepreneurs.

As part of this year-long celebration, there will also be events at the local level where outstanding state and regional small businesses will be recognized... and where their opinions on the public policies that impact their businesses will be sought.

In the last 50 years, the SBA's backing has been crucial to starting up companies like Apple Computer, Nike, Federal Express and Intel. Empowering the nation's 22.4 million small businesses so they can flourish and be successful is the SBA's top priority. SBA's programs and services help keep intact the heritage of ingenuity and enterprise and they help keep the "American Dream" within the reach of millions of Americans. Every step of the way, [SBA](#) is there to help them.

Thank You!

**CASPER BANKING COMMUNITY
FOR YOUR SUPPORT
OF SBA'S 50TH ANNIVERSARY!**

Thank You!

**Small Business Week
Winners Announced**

The small business awards are a highlight of SBA's Small Business Week celebration, May 4th - 10th. National Small Business Week, now in its 40th year, honors the contributions of the nation's small business owners. The winners are selected on their record of stability, growth in employment and sales, financial condition, innovation, response to adversity and community service. Involvement with SBA is not a selection criterion, though many of the winners received some type of assistance from the SBA at some point.

"Small business is the heart and soul of Wyoming's economy." Said SBA Director Steven Despain. "That's why once a year as a part of National Small Business Week, we take time to honor those individuals who are using entrepreneurship as a vehicle to expand opportunities and improve the quality of life."

Wyoming's winners for 2003 are: [Small Business Person of the Year](#), Brenda Mosher, Interim HealthCare of Wyoming, Inc., Casper; [Research Advocate of the Year](#), Dr. William A. Gern, University of Wyoming, [Financial Services Advocate of the Year](#), Ben Avery, Portfolio/Loan Program Manager, Wyoming Business Council, [Home-based Business Advocate of the Year](#), Wyoming First Program, Carol Stearns, Ted Craig and Beverly Booker, Wyoming Business Council; [Minority Small Business Advocate of the Year](#), Marjorie Rowell, Small Business Development Center, Riverton; [Small Business Exporter of the Year](#), Julie Weber, The Best Kept Secret, Clearmont, ; [Young Entrepreneur of the Year](#), Ernest Goedicke, Goedicke's Pro Shop, Casper; [Small Business Journalist of the Year](#), Lynn Montoya, KJLL1370 and KKY AM 1630, Cheyenne; [Veteran Small Business Advocate of the Year](#), LTC Barry D. Gasdek, Wyoming Veteran's Affairs Commission, Casper; and the [Women In Business Advocate of the Year](#), Amy C. Lea, Wyoming Women's Business Center.

Winners are forwarded on to compete at the Regional level (Colorado, North Dakota, Montana, South Dakota, Utah and Wyoming). This year two Wyoming winners are also Regional winners: Ben Avery, Wyoming Business Council is the Regional Financial Services Advocate award winner and Julie Weber, The Best Kept Secret is the Regional Small Business Exporter of the Year.



**SBA-Backed Loans
to Small Businesses
Up Sharply in First Half of Fiscal Year
2003**



The number of small businesses receiving loans backed by the U.S. Small Business Administration through the first two quarters of FY 2003 is up by more than 35 percent, compared to the same period a year ago, with the most significant increases coming in loans to minorities, women and veterans.

The agency also reported a large increase in SBAExpress loans, which more than doubled from 6,122 loans to 13,991 over the first six months of the fiscal year. The increase is largely due to significant efforts by the agency to make SBAExpress loans of under \$250,000 more widely available by making it easier and faster for lenders to approve the loans.

"The significant increase in the number of SBA-backed loans this year not only shows our commitment to continued

financial assistance to U.S. small businesses, but also validates our approach to make that assistance more readily available to them," said SBA Administrator Hector Barreto. "We are pleased that both our outreach and streamlining efforts have proven highly effective, as reflected in the substantial rise in assistance to women, minority and veteran businesses, as well as the large increase in SBAExpress loans."

The overall increase in loan approvals under the agency's two major loan programs, the 7(a) General Business Loan Guaranty program and the Certified Development Company (or 504) loan program, came to 34.7 percent, reflecting an increase from 23,709 loans during the first two quarters of FY 2002 to 32,183 loans during the same period in the current fiscal year. Strong increases were registered in both programs: 7(a) loans were up by 38.1 percent and 504 loans increased by 15.3 percent.

The growth in the number of loans to minorities, women and veterans also was pronounced. Overall, loans to small businesses owned by minorities increased by 42.1 percent, from 5,972 through March 2002 to 8,486 through March 2003. Within that total, loans to African Americans increased by 68.2 percent, loans to Hispanic Americans increased by 40.6 percent, loans to Asian Americans increased by 33.1 percent and loans to Native Americans increased by 26.7 percent.

Additionally, loan approvals for women small business owners increased by 34.8 percent, to 6,401 loans, and loans to veteran-owned small businesses were up by 26.2 percent, to 3,114 loans.

The total dollar amount approved under the two programs during the period actually declined by 0.3 percent, to \$6.14 billion. The dollar value of loans under the 7(a) program alone declined by 4.5 percent, to \$4.85 billion, reflecting the increased number of smaller loans.

The average loan size in the 7(a) program fell to \$165,360 in the first half of the year, from \$239,079 in the same period a year ago. The average 504 loan increased from \$440,143 to \$454,487.

The agency expects to continue encouraging its lending partners to focus on making a greater number of smaller loans available to entrepreneurs.

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