

**"America's Small Business Resource"**

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

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**FROM OUR SBA FAMILY  
TO YOURS... BEST  
WISHES FOR A  
PROSPEROUS NEW YEAR**

## **SEATTLE AND SPOKANE OFFICES MERGE**

Under a restructuring plan for agency operations, the SBA Office of Field Operations announced the merger of the Seattle and Spokane District Offices effective October 1, 2003. The two offices will continue to service the same geographic areas, with the Spokane Office operating as a branch operation of the Seattle Office.

Seattle District Director Bob Meredith said the merger will not disrupt or diminish any of the SBA services traditionally delivered by the two offices to small businesses and partners throughout Washington and Northern Idaho. Acting Branch Manager Ted Schinzel will continue to serve as the principal SBA official in Spokane. Meredith noted that the combined strengths of the two offices will further enhance SBA's transformation and client services.

Individually the two offices had record numbers in 2003 for guaranteed loans, technical assistance and government contracting opportunities. As a result, the past year's lending activities of both of these offices combined ranked the Seattle District as 11th in the nation among all SBA offices!

## **LOAN VOLUME RECORD SET FOR FY 2003**

Combined figures for the SBA's Seattle District and Spokane Branch Offices this past fiscal year reflected over \$400 million in bank guaranteed loans to 1,900 small businesses and technical assistance and counseling programs to some 35,000 small business men and women in the combined geographic area. This compares just under \$325 million loaned to 1,230 small businesses last year, a 23 percent increase in dollars for startup and expansion.

Bank of America was the leading lender in Washington for the number of SBA 7(a) loans - 478; US Bank led all other 7(a) lenders in dollar volume with \$30.5 million in small business loans.

## **LENDER'S ROUNDTABLE TO REVIEW LOAN LIMIT**

Jan. 20, 9-11 a.m., at the Seattle District Office, Capital Access Team Leader Mark Costello will bring 7(a) lenders up to date with changes in SBA policies, regulations and centralized processing, including new loan limits.

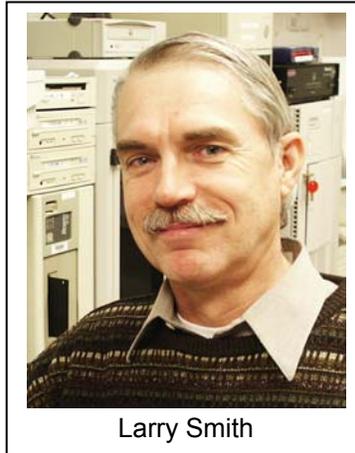
SBA's 7(a) loan program is running at 40% ahead of the number of loans approved, and 45% ahead of dollars approved, at this same point in time during last year's record breaking year. Accordingly, SBA is implementing a maximum loan size of \$750,000 on regular 7(a) loans approved on or after January 8, 2004 in order to provide assistance to the maximum number of small businesses.

Call Mark at 206-553-7353 for more information on this session.

# SBA AND PARTNER NEWS AND TRANSITIONS

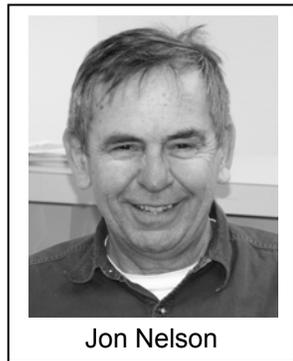
## SBA Seattle District Office Staff News

**Larry Smith**, the district office information resource manager (computer guy, etc.) was one of two employees in the country to receive SBA Administrator Hector V. Barreto's Star Performer Award. Larry was recognized for his superior problem-solving efforts on behalf of his office colleagues and SBA customers alike, including his development of an electronic reporting system for SCORE clients and counselors.



Larry Smith

**Phil Cornish**, SBA portfolio loan manager, is moving to Herndon, Va. Phil is one of 40 SBA employees from around the country being assembled at a new centralized loan liquidation center there. Phil has been in the Seattle office for 10 1/2 years. Prior to working for the SBA he had a 14-year career as a loan officer for several Seattle-area banks. Two SBA staff members from the Spokane Branch Office, Daun Gillett and Tom Sullivan, are also joining the team at the Herndon facility.



Jon Nelson

**Jon Nelson** is SCORE's new face front and center at the SBA reception desk. He replaces **Shazia Chourdary** who recently gave birth to daughter Emma Amber.

Jon, a former attorney who practiced in California and North Dakota, also has a BA



Shazia and Emma Amber

in Literature from the University of Washington.

**Shelia Berry**, the district office administrative officer, expects to report soon to her new job with the U.S. Department of Justice Marshall's Office in Crystal City, Va. Sheila has been with the SBA for 15 years, the first five in the regional office. She started her government career in 1978 with the Department of Defense in Norfolk, Va.

**Roger Hopkins** transferred from SBA headquarters in Washington, D.C., to join the Seattle office's marketing and outreach team. He worked in the agency's press office and has worked as a newspaper, television and radio reporter. He replaces **Michele Liebes**, who is now with the IRS.

**SBA Disaster Area 4 Office** serving Washington State has relocated. The new mailing address is P.O. Box 419004, Sacramento, CA 95841-9004; phone 916-735-1500. The toll-free number (800-488-5323) is the same.



**Rick Thorpe**, Business Development Specialist for the SBDC at the Spokane Intercollegiate Research and Technology Institute, has been selected as the 2003 Star Performer of the Washington SBDC Network.

SBDC State Director **Carolyn Clark** said Rick was chosen by previous Washington award winners for being an exemplary performer, making a significant contribution to the SBDC Program. Each year, the Association of Small Business Development Centers honors an outstanding SBDC employee from every state as a Star Performer.

## SBA MICROLENDING

Washington CASH, one of SBA's Microlenders, has been approved to expand their operations from King, Kitsap and Snohomish Counties into Pierce and Ferry Counties.

Washington Cash is a community-based, non-profit organization dedicated to fostering economic self-sufficiency through self-employment training and lending to low-income women, people with disabilities, new immigrants and other individuals. They provide business training for self-employment, micro-business lending services, business coaching, technical assistance and peer support.

**Wendy Ceccherelli**, the Interim Executive Director of Washington CASH, can be reached at (206) 352-1945.

Community Capital Development in the other microlender in Northwest Washington

# ENTREPRENEURIAL SUCCESS HONORED IN SEATTLE



More than 600 small business owners and advocates from the Seattle area and the Northwest gathered at Microsoft Headquarters in Redmond Nov. 3 to acknowledge 50 years of small business success through the SBA.

Microsoft Corp. opened their doors on the Microsoft campus and staged the event. Evergreen Community Development, Safeco, and Bank of America also helped sponsor the event.

Among those receiving awards were Orlando Ayala, Senior Vice President of Microsoft's Small and Mid-Market Solutions & Partner Group. Mary Pugh, owner of Pugh Capital Management in Seattle, was also recognized for her entrepreneurial spirit and her support of women and minority business development (see profile at right).

## WASHINGTON SBA SMALL BUSINESS AWARDS

Entrepreneurial spirit will again take center stage this spring with the annual small business awards. Candidates from the Seattle District Office and Spokane Branch Office will compete for the honor of Washington State Small Business Person of the Year. The winner of this award, and several other state business and leadership awards, will be honored in Seattle on April 8 and will also go on to national competition. More information will be forthcoming in March.

## SBA Award Winner's Formula for Small Business Success: Self-Determination and Building Relationships

**SEATTLE** – As the owner of a boutique money management firm in Seattle, Mary Pugh has learned what it takes to be successful.

Soon after starting Pugh Capital Management in 1991, the Lakeside High School and Yale University graduate realized she needed more than the confidence and knowledge gained from her education and her banking career at Washington Mutual. Pugh said, "I wasn't smart enough to know all the things I didn't know." What she quickly learned, she said, was the art of building relationships.

Money management "is a relationship business so you have to build it over time ... if people don't know you they're not going to invest with you," Pugh said.

In an industry dominated by large players with deep pockets, Pugh and co-founder Scott Greiwe started Pugh Capital in a non-traditional manner. "Everyone said we couldn't start a money-management firm without a couple of million dollars in capital," Pugh said. Nevertheless, funded solely with personal savings and a belief in the value of sweat equity, they left Washington Mutual to pursue their goal of providing investment-grade, fixed income management to the institutional investment community. "We figured out ways to do things effectively without a lot of money," she said, such as reinvesting earnings.

Her work paid off. In addition to starting out with a portion of Washington Mutual's pension assets that she ran while at the bank, the firm's early clients included a broad range of local corporations, foundations and endowments, and public retirement funds. Twelve years later, Pugh Capital has grown from \$5 million in assets under management to managing nearly \$700 million in separate account assets for institutional clients. Pugh's goal is to break the \$1 billion mark in assets in the next few years.

"We were fortunate that we were able to attract prestigious clients in the first few years," Pugh said. "We're competing against big firms that have extremely deep pockets. In order to win business you have to figure out and market what's unique about you."

For her success, as well as Pugh's effort to create a business that celebrates diversity while encouraging other minority and women entrepreneurs to pursue their dreams, Pugh was given the Spirit of Entrepreneurship Award at a 50<sup>th</sup> anniversary ceremony for the U.S. Small Business Administration earlier this month. SBA Region 10 Administrator Conrad Lee presented the award to Pugh and several others to recognize their willingness to take risk and to help build the economy.



Mary Pugh  
Pugh Capital Management

# UPCOMING: WHAT TO WATCH FOR ...

## WESTERN WASHINGTON SMALL BUSINESS RESOURCE GUIDE

The new 2004 guidebook – everything you ever wanted to know and had the courage to ask – about how to start a small business in Western Washington, will be available in January. The guide provides comprehensive information on small business resources along with tips and checklists for business start-up and expansion. The new guide is already posted on-line at [www.sba.gov/wa/seattle](http://www.sba.gov/wa/seattle). Hardcopies are available by calling 206-553-7343 or sending an e-mail to [shirley.mylott@sba.gov](mailto:shirley.mylott@sba.gov).

## 2004 WNET SCHEDULE



Early in January the 2004 schedule for the SBA's highly successful and popular WNET program will be announced. WNET, short for the Women's Network for Entrepreneurial Training, is a series of monthly meetings at one of five locations in Western Washington. The first two meetings of the quarter in Seattle are:

- **To Be or Not to Be - How Do Business Plans Affect Your Business; Feb. 13**
- **Questions You Always Wanted to Ask Your Banker (But Were Afraid To!); March 12**

For more information on the rest of the WNET schedule in Seattle, and for meetings scheduled in Everett, Fife, Bellevue and Bremerton, go to [www.sba.gov/wa/seattle/seawnet.html](http://www.sba.gov/wa/seattle/seawnet.html) or call Carol Anderson 553-7315 to be placed on the mailing list. The program is a partnership of the SBA, SCORE, Community Capital Development/Women's Business Center, Cut to the Chase Marketing, Business Network International, US Bank and Banner Bank.



## SCORE 2004 TRAINING SCHEDULE

The Service Corps of Retired Executives begins a new year of small business workshops Jan. 7. The six-week curriculum takes the prospective business owner – or an existing business owner who wants to brush up on their skills – through the essentials of starting and running a small business, including:

- |                              |                             |  |
|------------------------------|-----------------------------|--|
| • Starting a New Business:   | Jan. 7; Feb. 11; March 17.  | Each day-long workshop is \$60. The entire series is \$300 or any three classes for \$160. For more information or to register, call 206-553-7320 (toll free (877-732-7267) or go online to <a href="http://www.seattlescore.org">www.seattlescore.org</a> . |
| • Building a Business Plan:  | Jan. 14; Feb. 18; March 10. |  |
| • Making Money Work for You: | Jan. 21; March 24.          |  |
| • Marketing & Sales:         | Feb. 17.                    |  |
| • E-Business:                | March 4.                    |  |
| • E-Commerce:                | Feb. 5.                     |  |

**Private, no-cost counseling is also available at one of 27 locations in Western Wash. Call 877-732-7267.**

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