



Communicator

News from the SBA Rhode Island District Office

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AMERICA'S SMALL BUSINESS RESOURCE

SEPTEMBER 2003

SBA BEGINS A YEAR-LONG 50th ANNIVERSARY CELEBRATION

The Rhode Island District Office launched a year-long celebration of the SBA's 50th Anniversary in the real American tradition: by inviting more than 500 friends to a barbecue and a baseball game.

The night of "Family Fun," hosted by the Rhode Island chapter of SCORE: Counselors to America's Small Business, brought District Office staff together with SBA's resource partners, the state's lending community, and business leaders. Through the generosity of the Rhode Island Commodores, more than 200 family members of Rhode Island National Guard and military reserve components were provided with free tickets to the barbecue and baseball game. The military families were invited as a means of showing appreciation for the sacrifices they make every day while their loved ones are on duty around the world, many of them in harm's way.

Pre-game activities included a ceremonial first pitch by the 2003 Rhode Island Small Business Person of the



Here's the Pitch: 2003 Rhode Island Small Business Person of the Year, **Valerie A. Martelli**, tossed out the ceremonial first pitch prior to the game between the Pawtucket Red Sox and Syracuse Chiefs.



Barbecue Tent: Military family members enjoy barbecued chicken, grilled hot dogs and hamburgers at McCoy Stadium.

Year Valerie A. Martelli, owner of CME Consultants, Inc. in Wakefield. The pitch (a curve ball, low and inside) was followed by the singing of the National Anthem by Kristen Jodat, a student from the University of Massachusetts, who worked as an intern this summer at the Rhode Island SBA District Office.

"I am pleased that so many of our resource partners, lenders, and especially the military family members were able to join us for the celebration of SBA's 50th Anniversary," said Mark S. Hayward, Director of the Rhode Island District Office. "A special thank you goes to the Rhode Island Commodores to their generosity in providing tickets to the military families," Hayward added.

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SBA 50th Anniversary (continued from Page 1)

Enjoying the Game: From left, Major General Reginald Centracchio, Adjutant General of the RI National Guard, John Ricottilli, Chair of the RI Committee, Employer Support of the Guard and Reserve, SBA summer intern Kristen Jodat, SBA Regional Director Jeffrey Butland, Rhode Island District Director Mark S. Hayward, and SCORE Chapter Chair John McLaughlin.

The SBA will hold a regional luncheon in Bangor, Maine on Tuesday, October 7. Three Rhode Island business owners will participate in a roundtable discussion with Administrator Hector V. Barreto, State Senator Leo Blais, President of Pawtuxet Valley Prescription Center, Coventry, Mark S. Deion, President of Deion Associates & Strategies, Inc, Warwick, and Heraldo Gonzalez, President of AldoTech, Inc, Warwick. For more information about the luncheon and roundtable, call Jan Glidden at the Maine District Office, (207) 622-8274.

Who Are the RI Commodores?

The Rhode Island Commodores is a non-profit, non-partisan organization founded in 1968 by Governor John H. Chafee. The initial focus of the Commodores was to promote tourism in Rhode Island.

Today its mission includes assisting Rhode Island's overall economic development efforts by direct action through educational, economic promotion, and hospitality.

The RI Commodores provide a central focus and organization for cooperation and promotion of the resources of the state with individuals and corporate bodies outside of Rhode Island. They serve as goodwill ambassadors for the State of Rhode Island, and publicize, encourage and promote the general public's understanding of the economic and cultural benefits accruing from working, living and vacationing in Rhode Island.

The Rhode Island Commodores is led by Donna Cupelo, Rhode Island President and CEO of Verizon. For more information about the Rhode Island Commodores, contact David DePetrillo at the Rhode Island Economic Development Corporation by calling (401) 222-2601.

Citizens Bank Receives Honors for SBA Export Lending

SBA Administrator Hector V. Barreto presents the Export Lender Award to Citizens Chairman and CEO Lawrence K. Fish. Participating in the presentation are, from left, John Joyce, SBA International Trade Specialist, SBA Regional Administrator Jeffrey Butland, Fish, Barreto, Gary Heidel, Director of Government Programs at Citizens Bank, and Mary Leach, Senior Vice President and Director of Small Business Lending at Citizens Bank.

The U.S. Small Business Administration has presented its newly-created Export Lender Award to Providence-based Citizens Bank.

The Export Lender Award will be given annually to SBA lenders who have provided significant financing in the SBA Export Working Capital and Export Express loan programs.

SBA Administrator Hector V. Barreto presented the award to Citizens Chairman and CEO Lawrence K. Fish.

Over the past five years, Citizens Bank has made 111 export loans totaling more than \$27 million dollars in New England and the Mid-Atlantic states. During the first 11 months of Fiscal Year 2003, Citizens Bank has produced 42 percent of all SBA Export Express loans made nationally.

"Citizens Bank has been instrumental in helping New England entrepreneurs secure export working capital," said Regional Administrator Jeffrey Butland. "Export markets are critical to the New England economy, and the SBA looks forward to a continuing partnership with Citizens Bank as the small business community expands its reach in the global marketplace."

Citizens Bank has also been the top SBA 7(a) lender in Rhode Island since 1995.

"Citizens Bank continues to make a difference in international trade financing in Rhode Island," said Mark S. Hayward, Director of the SBA Rhode Island District Office. "This award is an appropriate recognition of the Citizens Bank commitment to the small business community as a player in the global economy."

The SBA's Export Working Capital Program supports export financing to small businesses when that financing is not otherwise available on reasonable terms.

SBA Export Express helps small businesses that have exporting potential, but need funds to buy or produce goods, and/or to provide services for export.

For more information about the SBA Export Working Capital or the Export Express programs, visit the SBA Web site at www.sba.gov/ri, or call Marilyn Bogue at (401) 528-4561.

SBA National Conference and Expo

Washington, D.C. September 17-19



President Calls Small Businesses “Indispensable Factor” in Nation’s Economy

President Bush paid tribute to the key role small businesses play in leading the nation’s economic recovery. In his proclamation for National Small Business Week, the President called on Americans “to celebrate the achievements of small business owners and encourage and foster the development of new enterprises.”



White House photo by Eric Draper

“These entrepreneurs create between 60 and 80 percent of the new jobs nationwide and generate more than 50 percent of the nation’s gross domestic product,” the President said. “Small business owners lead the way in creating new technologies, products, and services.”

“The entrepreneurs who own and operate America’s small businesses are an indispensable factor in America’s economic strength. These entrepreneurs possess many of the characteristics that define the American spirit—innovation, dedication, and drive. America’s Small businesses are forging new opportunities and prosperity for America. Their tremendous spirit is an example to us all. Leading by example, America’s entrepreneurs have made, and continue to make, an indelible mark on our economy.”

Vice President Cheney, SBA, Honor Nation’s Women Entrepreneurs

Vice President Richard Cheney joined SBA Administrator Hector V. Barreto to honor 17 women entrepreneurs who have launched ventures and achieved remarkable success. The recognition was made during a breakfast held during the SBA’s National Entrepreneurial Conference & Expo in Washington, D. C. The event was part of the agency’s 50th anniversary celebration.

The number of women businesses is growing at twice the rate of all U.S. businesses. Women are owners in more than 10 million businesses in the U.S., account for 35 percent of all businesses, employ 27.5 million workers and generate \$3.6 trillion in revenues.

SBA Deputy Administrator Melanie R. Sabelhaus hosted the event, at which representatives of more than 100 women’s business organizations attended.

“These women have achieved the American Dream,” said Sabelhaus. “With their dedication, passion and vision they have become successful entrepreneurs, and the SBA is proud to have helped them along the way. Truly, these women represent the entrepreneurial spirit of America.”

The 17 honorees were selected by a cross-section of SBA programs and SBA partner organizations. All started their businesses with help from the SBA.

National Small Business Person Honored at National Conference

The owners of a pet products business, whose Virginia-based company started at home with \$5,000 and two used sewing machines, were named National Small Business Persons of the Year at the SBA National Entrepreneurial Conference and Expo held in Washington, D.C. from September 17 to 19.

The 2003 Rhode Island Small Business Person of the Year, Valerie A. Martelli, owner of CME Consultants, Inc., in Wakefield, also participated in the national conference.

Sharon E. Bennett and Evan C. Wooten and their company, Premier Pet Products, sell and produce collars, leashes and other specialty pet products. They were selected from among the state Small Business Persons of the Year representing 50 states, the District of Columbia, Puerto Rico and Guam.

Bennett’s self-taught business and marketing abilities led to a request from a local dog trainer for a new kind of collar so that dog owners could have better and more humane control over their pets.

From that start, Premier Pet Products—with the help of an SBA-backed loan—now distributes its products directly to 10,000 independent pet supply retailers, veterinarians, and dog trainers, as well as the big pet specialty chains. Bennet brought in Wooten as a partner in 1998 to help her manage the fast-paced growth of the company, and since then, employment has grown to 114 and sales have leapt from 50 to 70 percent per year, to more than \$10 million last year.

The first runner-up this year in the national competition is Joanne Stockdale, president and owner of Northern Iowa Die casting, Inc., \$10 million per year maker of quality alloy castings for manufacturer clients in Iowa. The second runner-up is Paula Hiers Deen, owner of the Lady & Sons Restaurant, caterer and cookbook writer in Savannah, Georgia.

Stockdale bought Northern Iowa Die casting in 1984 when it was on the brink of failure. With the help of an SBA-backed loan, she turned the company around. Today, Northern Iowa Die Casting, Inc. has 100 employees casting eight different alloys on 11 casting machines. Sales have gone from \$225,000 in 1984 to \$10 million in 2002.

Paula Hiers Deen has published best selling cookbooks based on the menu at her popular restaurant. She started her tiny catering operation in her own kitchen with \$200 cash and it grew into a \$2 million a year business that has been featured in *USA Today* and on the *Oprah Winfrey Show*.

The national small business awards were a highlight of the SBA National Conference and Expo. This year’s conference marked the 50th anniversary of SBA and honored 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.

The SBA honors the Rhode Island small business winners each year in late spring during the annual Salute to Small Business celebration.

SCORE to Host Saturday Business Planning Series

The Rhode Island chapter of SCORE: *Counselors to America's Small Business*, will conduct a free series of introductory workshops about the basics of starting a small business. The series will be held at the main branch of the Providence Public Library, 225 Washington Street, every Saturday morning during the month of October from 9:30 a.m. to 12:30 p.m.

Registration for the October series is full, however future workshops will be scheduled soon.

SCORE members will present and discuss the aspects of business planning based on their many years of management experience in specific industries. SCORE also provides free one-on-one counseling by appointment.

The library staff will discuss the print and electronic resources available for researching business and marketing plans.

Topics to be covered are: October 4: Administrative and Legal Considerations; October 11: Marketing; October 18: Financing; and October 25: How to Write a Business Plan.

To learn more about SCORE and to schedule an appointment for free counseling, call the chapter office at (401) 528-4571, or visit their Web site at www.score.org.

SBA Women's Pre-Qualification Program Participant Featured in Providence Journal Story

Congratulations to Kristin King Iden, owner of the South County Speech and Language Center, on being featured in a Providence Journal story about banks offering more credit to women.

What the story did not mention was that Kristin participated in the SBA Women's Pre-Qualification Program. The program provided counseling and other assistance to prepare her loan package. The Pre-qualification Loan program in Rhode Island uses SCORE and the Center for Women & Enterprise to assist prospective borrowers in developing viable loan application packages and securing loans.

Once the loan package has been assembled, it is submitted to the SBA for expedited consideration. SBA conducts a thorough analysis of the case, using the same time frame and degree of analysis that it uses when processing requests under the regular method of delivery process.

If SBA decides the application is eligible and has sufficient credit merit to warrant approval, it will issue a commitment letter on behalf of the applicant. The commitment letter or pre-qualification letter, indicates SBA's willingness to guaranty a loan made by a lender under certain terms and conditions.

For more information about the SBA Women's Pre-Qualification program, call (401) 528-4561, or visit the SBA Web site at www.sba.gov/ri.

RISBDC Satellite Office Moves to Central RI Chamber

The Rhode Island Small Business Development Center has relocated its satellite office at Quonset Point to the Central Rhode Island Chamber of Commerce in Warwick.

The move compliments the recent moving of the Small Business Administration's Business Information Center from downtown Providence to the Central Rhode Island Chamber.

RISBDC Program Manager Diane Fournaris will be available by appointment to meet with business owners. She can be reached by calling (401) 732-0525.

The Rhode Island Small Business Development Center is administered by Bryant College in a partnership with the U.S. Small Business Administration, the RI Economic Development Corporation, and the private sector.

The mission of the RISBDC is to assist entrepreneurs to transform their business: to increase their stability, profitability, efficiency, and capacity for present and future growth.

For more information about the RISBDC and its programs and services, visit the RISBDC Web site at www.risbdc.org.

SBA Spanish Language Web Site Offers Online Course for Entrepreneurs

The Small Business Administration is offering an interactive online course for Spanish-speaking entrepreneurs on its Spanish language Web site, www.negocios.gov.

The 9-session course—titled "My Own Business"—was developed by My Own Business Inc., a non-profit firm founded in 1992 by a successful entrepreneur to develop and provide educational materials on entrepreneurship.

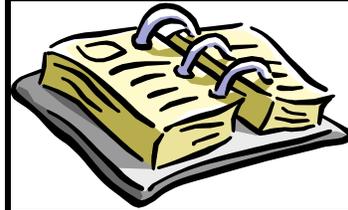
The courses cover a variety of topics including writing a business plan, marketing, and e-commerce, and are designed to provide a free, comprehensive online course for small business owners and aspiring entrepreneurs.

"These courses help prospective entrepreneurs walk through the initial steps as they are getting ready to start their business," said SBA Administrator Hector V. Barreto. "By taking the time to prepare themselves with training like this, entrepreneurs can better ensure the success of their businesses in the long term."

The SBA established its Spanish language Web site a year ago. The site contains information about SBA programs and services and provides a wide range of useful information for entrepreneurs. Since its inception, the Web site has logged almost 3 million hits with the number of visitors growing steadily.



From the Director's Desk



Calendar of Events

We are coming to the close of another fiscal year, and again, we are breaking all kinds of records. Our loan volume is up, as is our counseling and training sessions. Our district office continues to explore new and exciting workshops to help the small business community, while our lending partners continue to provide needed access to capital. This is the first year we will exceed 1000 loans.

Loan size continues to fall, but this is an indication that the "working capital" needs of small business are being met. Recent studies indicate that one job is created or retained for every \$32,500 guaranteed.

Our resource partners at **SCORE**, the **Center for Women & Enterprise** and the **Rhode Island SBDC** are serving more clients than ever before. Our congratulations to each of our partners for their dedication to serving our Rhode Island small businesses.

SBA's 50th Anniversary Celebration at the Pawtucket Red Sox was a smashing success. We were all very proud of our Rhode Island Small Business Person of the Year, **Valerie Martelli** as she threw out the first ball. Valerie was accompanied to the mound by **Rhode Island Adjutant General Reginald Centracchio**, **SBA Regional Administrator Jeff Butland**, **SCORE Chapter Chair John McLaughlin** and **ESGR State Chairman Retired General John Ricottilli, Jr.** Over 400 people attended the event with over 300 tickets going to family members of National Guard and Reservist that are currently serving overseas in Iraq, Kuwait and Afghanistan.

Thanks to the generosity of the **Rhode Island Commodores** who purchased two hundred tickets for our military family members. It is very important that we support those who are left behind and the Commodores and **Admiral Donna Cupelo** certainly stepped to the plate.

Our national small business week celebration in Washington DC found itself in the middle of Hurricane Isabel. Despite the weather, over three thousand people still attended the events at the Washington Hilton. Valerie Martelli was featured in a video along with her co-winners from each of the states and territories. For the first time in SBA history, the Agency has inducted a Hall of Fame. The stories of the winners including Staples, Fed Ex and Hewlett Packard shows the potential of all small business.

Again, many thanks for your support.

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, RI

Fee: **FREE**

Learn about the many free programs and services available from the Small Business Administration, find out how to create a winning business plan, and receive a tour of the Central RI Chamber/SBA Business Information Center. Seating is limited so pre-registration is required. Register by calling (401) 528-4561, or online at www.sba.gov/ri/ridoregistration.html.

Thursday, October 23, 2003

9:00 a.m. – 1:00 p.m.

SBA/IRS Workshop – Tax Reporting Requirements for Corporations, Shareholder Issues, and How to Finance a Small Business

RI Economic Development Corporation

One West Exchange Street, Providence, RI

This **FREE** workshop is designed for the small business owner who wants a clear understanding of the tax reporting requirements for operating the corporation form of small business. Learn about the important information needed to finance a small business. Register by calling SBA at (401) 528-4561, or register online at www.sba.gov/ri/ridoregistration.html.

Thursday, October 23, 2003

9:00 a.m. – 12:00 p.m.

Bulk Business Mail Workshop

Main Post Office, 24 Corliss Street, Providence, RI **FREE**

This workshop will familiarize mailers with procedures for obtaining bulk permits, presorting requirements, labeling and postage statement preparation. Pre-registration is required. Phone (800) 755-2398, or register online at www.usps.com/provdist.

October 1, 8, 15, 22 –

6:00 – 8:00 p.m.

BRAVA Employment Agency, 38 Crossman St., Central Falls

October 4, 11, 18, 25

10:00 a.m. – 12:00 p.m.

International Institute of RI, 645 Elmwood Ave., Providence

October 6, 9, 16, 20

6:30 – 8:30 p.m.

Warwick Public Library, 600 Sandy Lane, Warwick

RI MicroEnterprise Association MicroBusiness Training

The RI MicroEnterprise Association workshops for microentrepreneurs address three important areas of the start-up business: Business Planning, Marketing, and Financing. The workshops will provide practical in-depth information to help microentrepreneurs start, nurture, and grow their businesses. Register by calling (401) 383-7940. All workshops are **FREE**

**For an updated listing of workshops
and small business events, visit the
SBA Rhode Island District Office Web
site at: www.sba.gov/ri**



Rhode Island Success Story

Lizzy & The Enchanted Creamery Cumberland, RI

Take a charming mix of old fashioned and new toys, add rows and rows filled with classic children's books, and toss in the recipes for 300 ice cream flavors and what do you have? Lizzy & The Enchanted Creamery.

Located at 1700 Mendon Road, off Route 295 in Cumberland, the store features an atmosphere where kids can have fun and parents can relax.

Tracy Fay and Kerri Stenovitch, decided to combine Kerri's ice cream experience with Tracy's longtime desire to own a children's book store. The pair, who are cousins, divided the store in half with toys and books on one side, and the ice cream parlor on the other.

Stenovitch ran the famed Big Alice's ice cream parlor on the East Side of Providence. She now makes all of the ice cream at Lizzy & The Enchanted Creamery herself, and has permission to use Big Alice's original recipes.

Fay and Stenovitch had discussed their unique concept for many months before finally sitting down to develop a business plan. They visited the Center for Women & Enterprise, where they finalized their business plan and CWE helped put together a loan package through the SBA Women's Pre-qualification Loan Program. In October 2002, Coastway Credit Union approved an SBA-backed loan and Lizzy & The Enchanted Creamery opened its doors.

Stenovitch says word spread quickly about their store and business grew steadily.

Lizzy & The Enchanted Creamery offers story times on Monday Wednesday and Friday at various times. There is no charge



Story time: Tracy Fay, left and Kerri Stenovitch act out a scene during story time at Lizzy & The Enchanted Creamery.

for the story times. Plans are being made to add Spanish-language story times.

The store also hosts Play Days, when children participate in arts and crafts activities for a nominal fee. Puppeteers and other live entertainment are presented on a regular basis. While the kids are having fun, moms and dads can relax too with a cup of coffee, a cup of ice cream, or a soft drink.

Lizzy & The Enchanted Creamery is the perfect place for a children's birthday party, ice cream party, or even a craft party. But gown-ups are not out of luck either. Lizzy & The Enchanted Creamery also offers make-your-own sundae office parties.

Lizzy & The Enchanted Creamery is open Monday – Thursday from 10 a.m. to 8 p.m., Friday and Saturday from 10 a.m. to 9 p.m. and Sunday from noon to 8 p.m. Call (401) 334-3375 for more information about special events.



BANKRANK

FY03 7(a) Approved Loan Volume by Rhode Island SBA Lenders and Number of Loans 10/1/02 to 9/29/03

1. Citizens Bank of Rhode Island	741	\$21,083,402
2. Fleet Bank	78	\$5,106,700
3. BankRI	71	\$7,592,251
4. Coastway Credit Union	41	\$7,044,750
5. Sovereign Bank New England	33	\$4,827,500
6. The Washington Trust Co.	32	\$5,240,000
7. Independence Bank	9	\$3,836,750
8. UPS Capital Business Credit	6	\$2,873,300
9. Home Loan and Investment Bank	6	\$2,760,000
10. First Federal Savings Bank	6	\$1,242,300
11. Minority Investment Development Corp.	6	\$587,000
12. Bank of Fall River	5	\$2,410,000
13. CIT Small Business Lending	4	\$1,282,000
14. Capital One F.S.B.	4	\$160,000
15. Business Loan Express	3	\$893,000
16. Business Lenders LLC	3	\$410,000
17. Freedom National Bank	2	\$400,000
18. Wachovia SBA Lending, Inc.	1	\$1,166,000
19. Bank of Newport	1	\$496,641
20. Danvers Savings Bank	1	\$412,000
21. Slade's Ferry Bancorp	1	\$267,000
22. Greenwood Credit Union	1	\$250,000
23. Domestic Bank	1	\$110,000
24. Business Dev. Co. of Rhode Island	1	\$100,000
25. Bank North, N.A.	1	\$35,000
26. Bristol County Savings Bank	0	
27. Centreville Savings Bank	0	
28. First Trade Union Bank	0	
29. G.E. Capital Small Business Finance Corp.	0	
30. Newport Federal Savings Bank	0	
Sub-Total:	1,057	\$70,063,094

Ocean State Business Development Authority

Ocean State Business Development Authority is a Certified Development Company licensed by the SBA. The following lenders approved first mortgage financing on economic development projects, thereby facilitating the 504 loans listed below through 9/29/03.

Lender	Number Loans	SBA Debenture	Total Project
Bank RI	4	\$2,972,000	\$14,747,142
Sovereign Bank	3	\$1,287,000	\$3,108,000
The Washington Trust Company	3	\$1,198,000	\$2,645,000
Domestic Bank	2	\$1,663,000	\$3,850,000
First Trade Union Bank	2	\$956,000	\$2,310,000
Fleet Bank	2	\$807,000	\$1,625,000
Coastway Credit Union	2	\$348,000	\$887,500
UPS Capital Business Credit	1	\$1,031,000	\$3,025,000
Bank of Newport	1	\$516,000	\$1,425,000
Bristol County Savings Bank	1	\$363,000	\$1,000,000
Freedom National Bank	1	\$352,000	\$970,000
Dime Savings Bank	1	\$228,000	\$623,529
First Federal Savings Bank	1	\$221,000	\$530,000
Home Loan and Investment Bank	1	\$142,000	\$390,000
Total 504 Loans	25	\$12,084,000	\$37,136,171
Total Loans	1082	\$82,147,094	



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SBA Communicator

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September 2003

District Director

Mark S. Hayward

Editor

Normand T. Deragon

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www.sba.gov/ri



*Save the
Date*



MED Week 2003 Awards Dinner

"A Celebration of Minority Enterprise Development"

December 2, 2003

**Rhodes on-the-Pawtuxet
60 Rhodes Place
Cranston, RI**

- Business Expo
- Networking Reception
- Awards Dinner
- Free Workshops

MED Week is presented in cooperation with Rhode Island's Chambers of Commerce
For more information call (401)528-4561, or visit www.sba.gov/ri