

SBA NEWS & VIEWS – FY 2009 4TH EDITION

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ERIC NESS, DISTRICT DIRECTOR

SBA Selects 2009 Small Business Winners

Craig Faust, President and CEO of HGI, Company, LLC in Burlington has been named SBA's Wisconsin **Small Business Person of the Year for 2009**. HGI is comprised of four operating divisions. Hi-Liter Graphics, LLC, specializing in web printing and finishing; Inland Graphics specializing in commercial printing and hard/soft cover book manufacturing; Plus Digital Print specializing in digital printing and asset management; and All American Graphics was acquired to capitalize on the rapidly growing point of purchase market segment. The combined strength of these companies has provided the marketplace with one of the most diverse and dynamic printing, finishing and digital asset management companies in the country. When considering the company's success, Craig says that "It is the team that makes it happen." "Our people and their exceptional efforts have made the company strong."



Craig Faust

Craig will be honored at SBA's National events May 18-20 in Washington, D.C. and could be named the National Small Business Person of the Year during this national event.

SBA's Wisconsin Small Business Champions and Special Category winners were also selected.

The following categories and winners are:

SBA Woman in Business Champion-NATIONAL WINNER-Laurie Benson, Inacom Information Systems, Madison

SBA Small Business Journalist of the Year—REGION WINNER -Michael Klein, WTN Media (WI Technology Network), Verona

SBA Financial Services Champion—REGION WINNER—Michael Phillips, National City Bank, Milwaukee

SBA Young Entrepreneur of the Year-REGION WINNER—LaToya Robbins, LaPre Enterprises, Racine

SBA Honorable Mention—S. Mark Tyler and Jim Hauschild, OEM Fabricators, Woodville

SBA Small Business Exporter Champion—Daniel W. Schwarz, Dan's Fish, Inc., Sturgeon Bay

SBA Minority Small Business Champion—Wallace White, W2Excel, LLC, Milwaukee

SBA Home Based Business Champion—Russell W. Roberts, WCTC Small Business Center, Pewaukee

SBA Veteran Small Business Champion—Carl Bogar, Veteran Employment Representative, Racine

Jeffrey Butland Family-Owned Business of the Year—TAPCO, Inc., Andrew Bergholz, Brown Deer

SBA Emerging Small Business Person of the Year—Lisa Piikkila, Michelle Richard, Coalesce, Inc., Appleton

SBA Minority Small Business Person of the Year—Jorge Lopez, Nuvo Construction, Milwaukee

Small Business Development Center Service Excellence Award—SBDC, Madison

Women's Business Center Service Excellence Award—Wisconsin Women's Business Initiative Corporation, Wendy K. Baumann, Milwaukee

Phoenix Award Small Business Disaster Recovery Nominee-Stephanie Wright, Wright Care Kiddie Kampus Day Care and Preschool, Fond du Lac

The Wisconsin SBA celebration for the winners will be held June 5, 2009 at the Country Springs Inn and Resort in Waukesha. For more information, contact Mary Trimmier at (414) 297-1093 or email her at mary.trimmier@sba.gov

RECOVERY ACT CONTRACTING OPPORTUNITIES QUESTIONS AND ANSWERS

Is there an opportunity for small businesses to get contacts under the Recovery Act?

Yes. The SBA is committed to helping small businesses get connected with contracting opportunities as a result of the Recovery Act. SBA's Procurement Center Representatives are working with federal agencies to ensure that small businesses get their fair share of the prime and subcontracting opportunities stemming from the Recovery funds. The Recovery Act requires agencies to provide maximum opportunities for small businesses to compete for contracts.

The SBA is working with its district offices and resource partners to make small businesses aware of the contract dollars and information to pursue registration/certification at the state/local levels. Small businesses seeking contract opportunities as a result of the Recovery Act should visit <http://www.recovery.gov/>, an online portal with links to Recovery Act informational pages on federal agencies web pages and their weekly update reports. At recovery.gov, small businesses can get an idea of the areas that federal agencies are targeting for Recovery Act contracts as well as opportunities at the state and local level.

Federal agencies are expected to submit program specific Recovery Act plans with contracting opportunities for small businesses by May 1, 2009. Federal agencies will report contracts awarded using Recovery Act funding to the General Service Administration's Federal Procurement Data System-Next Generation (FPDS-NG) database, which is the government's official source of federal contracting data. Contracting data will also be available on www.recovery.gov.

How do small businesses learn about contracting opportunities at the state and local level under the Recovery Act?

Although these will be federal dollars, they will in many cases be provided directly to the states and localities. The State and local governments, municipal utility and school districts will award contracts using their currently established procedures. Each State's recovery website can be reached through www.recovery.gov. The priority will be for projects that are "shovel/project ready," those that can be rolled-out quickly, putting individuals back to work. This means that small businesses must be "contract ready," i.e., registered/certified to do business with the State and local governmental entities which will most likely be the primary contracting agencies for these projects.

Is there a central location where federal contracting opportunities and requests for proposals are located?

All Federal government contracting opportunities over \$25,000 will be posted to FedBizOps. Small businesses can access this site at: <https://www.fbo.gov>. They can also learn about possible subcontracting opportunities by the prime contractor (large or small) that receive the contract award. Small businesses can identify prime contractors for subcontracting opportunities through the Electronic Subcontracting Reporting System (SubNet) at www.sba.gov/aboutsba/sbaprograms/gc/contacts/gc_subcontracts_opportunities.html

Does the SBA offer other tools and services for small businesses seeking federal contracting opportunities?

The SBA and its resource partners, including Small Business Development Centers, SCORE, Women's Business Centers and Veteran Outreach Centers can provide technical, financial and contracting assistance to small businesses. For more information on these organizations, visit www.sba.gov. Procurement Technical Centers, funded by the Department of Defense, are also good resources of procurement assistance. Other tools include a brochure entitled Opening Doors to Federal Government Contracting Opportunities available at www.sba.gov/idc/groups/public/documents/sba_homepage/serv_pub_contracting.pdf and three fact sheets—*Federal Contracting Opportunities for HUBZone Entrepreneurs*, *Federal Contracting Opportunities for Women-Owned Small Businesses* and *Federal Contracting Opportunities for Service-Disabled Veteran-Owned Small Businesses* available at: www.sba.gov/tools/resourcelibrary/publications/index.html

Small businesses seeking contract opportunities can also contact the Office of Small Disadvantaged Business Utilization (OSDBU) in any of the procuring federal agencies. These offices assist small businesses with obtaining contracts and subcontracts with federal agencies and prime contractors.

The Recovery Act provides entrepreneurs and lenders financial relief from the current economic crisis that will help encourage borrowing and lending to all small businesses, including start-ups. For small businesses, the Recovery Act temporarily eliminates SBA guaranteed 7(a) and 504 loan fees and offers tax benefits. For lenders, it temporarily eliminates 504 loan fees. The fee eliminations are retroactive to February 17, 2009, the day the Recovery Act was signed. Also under the Act, small businesses that need surety bonds to compete for construction and service contracts can qualify for SBA-backed surety bonds of up to \$5 million (and in some cases, \$10 million), more than double the previous \$2 million maximum. Visit www.sba.gov/recovery for more information on small business and the Recovery Act.

TRAINING OPPORTUNITIES

Visit our web calendar at <http://web.sba.gov/calendar/public/index.cfm?op=group&grp=73> and click on the training session for a list of the courses and workshops offered.

This site will become your first stop when looking for business related training. Below is a sample of business related training and workshops typically offered by SBA, SCORE, Small Business Development Centers, Women Business Centers, Procurement Assistance Centers and the Wisconsin Procurement Institute.

May 2009 Training Calendar

- May 5** *Discussion Circle - Madison;
*Discussion Circle - Kenosha
- May 6** *Selling to Wisconsin; *Start your own Business
- May 12** *Discussion Circle-Madison; *7 Steps to Starting a Business
- May 13** *I&E Forum
- May 14** *Federal Contracts Cost & Market on Shoestring;
*Wealth Builders: Wills & Other *Important Documents
- May 15** *Wide Area Workflow (WAWF); *Are You an Entrepreneur?
- May 16** *Surviving Economic Downturn
- May 19** *Getting Started in Federal Contracting
- May 20** *DOD EMALL; *Will My Biz Idea Work?
- May 21** *Marketing & Sales; *GSA Introduction to Multiple Award Schedules; *GSA Multiple Awards Schedule-Responding to Requirements
- May 27** *WWBIC Orientation-Milwaukee; *WWBIC Orientation-Madison; *Keeping the Books
- May 28** *7 Steps to Starting a Business

IRS NEWS

American Recovery and Reinvestment Act: Check for updates on the Recovery Act Web page at www.irs.gov/newsroom/article/O

Scams have been reported surrounding the \$250 payment under ARRA for certain recipients of Social Security, SSI, Veterans Affairs and Railroad Retirement Board benefits. These scams should be reported to www.socialsecurity.gov/oig or by calling the fraud hotline at 1-800-269-0271 (9 a.m.—3 p.m. CT). Payment information is found at <http://www.ssa.gov/payment/>.

Notice 2009-27, Premium Assistance for COBRA Benefits, includes 58 questions and answers on the COBRA subsidy provision of the recent Recovery Act, including involuntary termination, assistance eligible individual, and payments to insurers. www.dol.gov/COBRA has expanded FAQs for Employers and a webcast on COBRA.

IR-2009-26 Small businesses with deductions exceeding their income in 2008 can use a new net operating loss (NOL) tax provision to get a refund of taxes paid in prior years. A question-and-answer document has more information on the new provision. Revenue Procedure 2009-19.

Revenue Procedure 2009-24 provides the depreciation deduction limitations and lessee inclusion amounts for owners of passenger automobiles first placed in service during calendar year 2009.

Recent announcements for small businesses

IR-2009-24, IRS Eliminates Inserts Related to Business Mailing
IR-2009-29, First \$2,400 of Unemployment Benefits Tax Free for 2009

IR-2009-30, Special Tax Break Available for New Car Purchases this year

The website address for IRS is www.irs.gov.



L-R –Steve Ploetz, President & CEO, Bank of Prairie du Sac, SBA Wisconsin District Director Eric Ness, Mike Jones, Senior Vice President, Bank of Prairie du Sac

In January, SBA District Director Eric Ness, BDS Cindy Merrigan, and PSA Robin Dittberner presented “Helping WI Small Business” to a group of approximately sixty local businesses and officials who attended the Bank of Prairie du Sac’s third annual Economic Forecast at the River Arts Center in Sauk City.

WISCONSIN WOMEN CAN BOOST OUR ECONOMY

Make Mine a Million \$ Business (M3) Race is a year long business growth “marathon” designed to network ambitious women entrepreneurs and connect them to the tools and resources they need to hit the \$1 million milestone in one year. The Grand Prize winner will receive a \$100,000 cash award and a year’s worth of free advertising, marketing and media opportunities.

The M3 Race starts online at www.makemineamillion.org where you can sign up to race and declare your revenue goals for the year. Registration ends June 30, 2009 and the entry fee is \$100.00

23rd Annual Small Business Awards Breakfast

Friday - June 5, 2009

Country Springs Inn & Resort

Waukesha

Registration

7:00 am—7:30 am

Awards Breakfast

7:30 am—9:00 am

Guest Speaker

Joe Bartolotta

Bartolotta Restaurant Group

To register or for information see:

www.sba.gov/idc/groups/public/documents/wi_milwaukee/2009_sbw_breakfast.pdf

or call Mary Trimmier at 414-297-1093

SBA JANUARY-MARCH 2009 LOANS

Altra FCU-La Crosse

4 Loans - \$543,920

American National Bank

Fox Cities— Appleton

1 Loan - \$175,000

Associated Bank-Green Bay

68 Loans - \$3,817,500

Badger Bank-Ft. Atkinson

1 Loan - \$655,000

Bank First National-Manitowoc

3 Loans - \$535,000

Bank Mutual—Milwaukee

3 Loans - \$100,000

Baylake Bank-Sturgeon Bay

2 Loans - \$130,000

Calumet County Bank-Brillion

2 Loans - \$649,500

Citizens Bank—Flint, MI

3 Loans - \$150,000

Citizens Bank of Mukwonago

1 Loan - \$144,000

Citizens State Bank—Hudson

1 Loan - \$150,000

Citizens State Bank of Clayton

5 Loans - \$559,000

Clare Bank-Platteville

1 Loan - \$841,000

Commerce State Bank

West Bend

1 Loan - \$75,000

Community Bank & Trust

Sheboygan

7 Loans - \$2,270,800

Community State Bank

Union Grove

2 Loans - \$290,000

Cornerstone Community Bank

Grafton

11 Loans - \$1,175,300

Coulee Bank-La Crosse

2 Loans - \$118,000

Farmers & Merchants State

Bank—Waterloo

5 Loans - \$125,000

First American Bank-Hudson

1 Loan - \$25,000

First Bank Financial Centre

Oconomowoc

9 Loans - \$2,592,800

First Citizens State Bank

Whitewater

1 Loan - \$35,000

Foundations Bank-Pewaukee

4 Loans - \$1,077,000

Fox Communities CU Appleton

2 Loans - \$54,600

Harris National Association

Chicago, IL

2 Loans - \$200,000

Hometown Bank

Fond du Lac

1 Loan - \$308,000

Investors Community Bank

Manitowoc

3 Loans - \$1,480,000

Johnson Bank-Racine

4 Loans - \$559,000

JPMorgan Chase Bank-Milw.

1 Loan - \$37,100

Ladysmith Federal Savings &

Loan—Ladysmith

1 Loan - \$87,500

Landmark CU-New Berlin

1 Loan - \$25,000

Legacy Bank-Milwaukee

1 Loan - \$192,000

Liberty Bank-Springfield, MO

1 Loan - \$155,100

M&I Marshall & Ilsley-Milw.

21 Loans - \$2,925,400

Marshfield Savings Bank

3 Loans - \$375,800

Merchants Bank NA

2 Loans - \$67,000 - Winona, MN

Mid America Bank-Janesville

1 Loan - \$70,000

Nicolet National Bank

1 Loan - \$80,000 - Green Bay

Oak Bank-Fitchburg

2 Loans - \$1,320,000

Park Bank—Holmen

2 Loans - \$253,000

Peoples Bank of Wisconsin-

Hayward

2 Loans - \$150,000

Peoples State Bank-Wausau

3 Loans - \$18,500

Ridgestone Bank-Brookfield

5 Loans - \$1,123,600

River Bank-Stoddard

3 Loans - \$845,000

River Valley Bank-Wausau

9 Loans - \$1,847,400

River Valley Bank-Rothschild

1 Loan - \$425,000

Security Financial Bank-

Durand

1 Loan - \$500,000

Shoreline CU-Two Rivers

2 Loans - \$119,000

State Bank Financial

La Crosse

2 Loans - \$75,000

State Bank of Cross Plains

1 Loan - \$430,000—Madison

Summit CU—Madison

3 Loans - \$139,000

Superior Financial Group

LLC—Walnut Creek

11 Loans - \$122,500

The Bank of Kaukauna

1 Loan - \$323,100

The Business Bank-Appleton

3 Loans - \$536,571

The First National Bank

Fox Valley—Neenah

2 Loans - \$145,000

The Park Bank

1 Loan - \$140,000 - Fitchburg

1 Loan - \$180,000 - Madison

The Peoples Community Bank-

Mazomanie

2 Loans - \$13,200

The Riverbank

Wyoming, MN

2 Loans - \$250,000

US Bank NA-Cincinnati, OH

24 Loans - \$1,099,500

Union Bank of Blair

1 Loan - \$754,000

Waterstone Bank-Wauwatosa

2 Loans - \$85,000

Waukesha Bank

6 Loans - \$924,000

Wells Fargo Bank NA

Sioux Falls, SD

7 Loans - \$3,202,500

CDC LOANS

Great Lakes Asset Corp.

Green Bay

1 Loan - \$260,000

Racine County Business Dev.

1 Loan - \$197,000

Somercor 504, Inc.

Chicago, IL

1 Loan - \$481,000

SPEDCO

Arden Hills, MN

1 Loan for \$582,000

Wisconsin Business

Development

Finance Corp.-Monona

21 Loans - \$11,356,000

MICRO LOANS

Advocap

2 Loans - \$18,000

Lincoln Neighborhood

Redevelopment Corp.

2 Loans - \$28,000

Northeast Entrepreneur

Fund

2 Loans - \$32,907

Wisconsin Women's

Business Initiative Corp.

(WWBIC)

8 Loans - \$84,743

SBA EXPANDS ELIGIBILITY FOR 7(A) LOANS TO SPUR RECOVERY OPPORTUNITIES FOR SMALL BUSINESS

More small businesses will be eligible for U.S. Small Business Administration-backed loans, meaning greater access to much-needed capital in this tough economy, as a result of a temporary alternate size standard for the agency's largest lending program.

SBA's alternate size standard for its 7(a) loan program will go into effect early this week through September 30, 2010. As a result of the temporary change, more than 70,000 additional small businesses—including auto and RV dealerships, auto industry suppliers and others—could be eligible to apply for SBA 7(a) loan.

"This is just one more step we are taking to make sure small businesses have access to capital to keep their doors open and employees working during these tough economic times," SBA Administrator Karen Mills said. "We have seen signs that small businesses that are just outside the traditional 7(a) size standard are being shut out of the conventional lending market. This temporary change will help those businesses weather these tough times and help move our nation closer to economic recovery."

The temporary 7(a) loan size standard will parallel the standard for the agency's 504 Certified Development Company loan and will allow businesses to qualify based on net worth and average income. The net worth for the company and its affiliates can't be in excess of \$8.5 million and average net income after federal income taxes (excluding any carry-over losses) for the preceding two completed fiscal years can't be more than \$3 million. The alternate size standard is available at the offices of *The Federal Register* May 1, 2009 and will be published as an interim final rule early this week.

The temporary change to the 7(a) loan size standard is not unprecedented. SBA took similar actions in 1993 as a result of the recession of the early 1990s and again in 2005 as part of a program aimed at helping small businesses in the wake of hurricanes Katrina and Rita.

This change also means more small businesses can take advantage of benefits made possible through the Recovery Act. On March 16, the SBA implemented two key provisions of the Recovery Act that raised the guarantee on 7(a) loans to 90 percent and reduced fees for borrowers. Since then, the agency has seen average weekly 7(a) loan volume increase by more than 25 percent and new SBA loans made by nearly 450 lenders who had not made loans since October 2008.

For more information about SBA's revisions to its small business size standards, visit <http://www.sba.gov/size/indexwhatsnew.html> and click on "**What's New About Small Business Size Standards.**"

SBA REVISES SOP

The U.S. Small Business Administration has released the first revision to its procedural guidance governing lender participation and loan processing for the two SBA major loan guarantee programs: 7(a) and 504.

The revisions to the Standard Operating Procedure 50 10 (5) reflect suggestions made by participating lenders and includes a modification to SBA's policy on refinancing existing lines of credit. The change will make it easier for lenders to use the 7(a) loan guarantee program to refinance an existing line of credit, especially as a part of a complete financing of a small business borrower's debt.

The revision will be known as SOP 50 10 (5A) and will be effective for loans approved on or after March 1, 2009.

Last August, SBA implemented the first major overhaul to SOP 50 10 in ten years that included streamlining it from 1,000 pages to 400 and making it more logically organized and user friendly. As a part of the overhaul, the SOP was converted into an electronic document using hyperlinks to take users to relevant regulations and forms.

The agency made a commitment to update the document semi-annually. This commitment reflects the dynamic nature of the small business environment and the need to keep SBA policies and procedures current.