

Interview with Bill Elmore
SBA Associate Administrator
Veterans' Business Development

Ron Johnson: Members of the nation's military community now have increased opportunities to start or expand their small businesses, thanks to the U.S. Small Business Administration's Patriot Express Initiative.

Hi, I'm Ron Johnson with the SBA, your small business resource. To explain the program, my guest is Bill Elmore, SBA Associate Administrator for Veterans Business Development. Thank you for joining us today, Bill.

Bill Elmore: Well and thank you.

Ron Johnson: What is the significance of the Patriot Express Initiative?

Bill Elmore: This is really a historical effort on the part of the Small Business Administration, to reach out to and offer and deliver our services and programs and resources to the whole military community, and that includes veterans, obviously service-disabled veterans, reserve guard members, spouses, discharged-in-service members, widows.

It's really a historical effort to try to support the families and the service members themselves who did the fighting and defending of America.

Ron Johnson: Bill, who is eligible to participate?

Bill Elmore: For the first time, I think, in Agency's history, we're going to have a program where veterans, service-disabled veterans, active duty military members who are participating in the Department of Defense Transition Assistance Program, all reservists, the National Guard members, spouses of all of the above and widowed spouses of a service member who died in service or who died of a service-connected disability after discharge.

Ron Johnson: How can someone find out about Patriot Express?

Bill Elmore: Well, I think the starting point for somebody who is still in the service or perhaps even a reserve guard member is, either going to be after the Department of Defense and Department of Labor Transition Assistance Programs, or for any reservist or spouse or so on, any of the numerous locations where Small Business Administration's services and resources are delivered, and that would include all of our district offices and we have approximately 70 district offices located in every state and territory or union; through our 5 Veterans Business Outreach Centers that are located in Texas, New York, California, Florida and Pennsylvania, and they provide online services as well as access; through the almost 1,000 Small Business Development Centers that we provide funding to and provide business counseling and training assistance, to hundreds

of thousands and actually an excess of a million entrepreneurs a year, through our 390 SCORE chapters and the SCORE online services at www.score.org.

Again, at Department of Defense Transition Assistance Program locations and through various brochures that we're putting out through a number of locations, not just as SBA programs and partners, but also other federal partners, state Veterans Affairs Department, veterans service organizations and numerous other locations including Department of Labor One-Stop Centers and so on.

And of course, you can come to our website and you can download or get more information about all of these, including how to find the various service locations that SBA administers and that website is www.sba.gov/patriotexpress.

Ron Johnson: What are the components of the Patriot Express Initiative?

Bill Elmore: Well, it's going to be primarily focused initially on a special capital program. What we mean by that is a special loan program that is targeted to all of those various segments of the military and veterans and reservist communities that we referenced earlier. But one of the components in that loan program itself is going to include a loan that SBA would provide guarantees for of up to \$500,000 and the guarantee rate

from SBA perspective is going to be 75% or 85% depending on the amount of the loan.

It's going to offer expedited loan processing and that's helpful to our loan applicants as well as our lending partners, and what that really means is, you'll be able to get an answer pretty quickly. It's not going to be long drawn-out process for the determination to be made whether or not you're going to be able to secure that financing. It also obviously ties into our offer of business counseling and training, so if you're not sure if you're really ready to fill up a loan application or go in and make that application, those small business development centers, the SCORE chapters, and SCORE volunteers, our veterans business outreach centers and our women business centers, all can provide and offer business counseling and training preparation to make sure that you get your business plan together to the point that hopefully you'll secure a favorable response from our lending partners.

Ron Johnson: How does the Patriot Express Loan differ from the SBA 7(a) Loan Program?

Bill Elmore: Well, it differs in the sense that one is expedited - this gets a little technical, but our lending partners can utilize their normal processes for their broader loan portfolio when they're working with SBA on this specific program.

Second, again, it provides for that expedited processing and that's because of an agreement with us and our lenders to be able to use much of their own processing on this. Third, it is providing that 85 and 75% guarantee. With our other express loan programs, the guarantee is at 50%. So, it gives the bank an even increased incentive to want to consider using this product and also offering and making that credit available to the vets and reservists and spouses and so on.

Another is that while we don't cap the interest rate, the interest rate does have a lower overall rate, at least historically than our regular express loan program, i.e., the interest rates are going to be essentially the same as our standard 7(a) loan program.

Interviewer: Bill, it's been a pleasure having you on the program. For more information on SBA assistance for the military community, check on our website at www.sba.gov/patriotexpress.