

Newsline

A Monthly Newsletter from the San Diego District Office



Volume 2 Issue 6

Training Calendar

A list of events from SBA and our resource partners: SCORE, the SBDC, and the WBCC may be found at www.sba.gov/ca/sandiego under Training Calendar.

[July 20 – Small Business Regulatory Enforcement Hearing](#) at the San Diego Port Authority, in San Diego, CA.

[July 28 – Surety Bond Workshop](#) at SD Contracting Opportunities Center in San Diego, CA.

[August 5 – Own A Franchise](#) at National University in Mission Valley, San Diego, CA.

[August 10 – Selling Through the Internet](#) in San Diego, CA.

[August 11 – Human Resources and Employee Issues](#) in Oceanside, CA.

[August 15 – Spice Up Your Recipe for Success for Established Restaurant Owners](#) in Chula Vista, CA.

[August 29 – 2006 Small Business Services Expo & Awards Luncheon](#) in San Diego, CA.

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SBA to Hold Regulatory Fairness Hearing in San Diego

Small business owners will have an opportunity to discuss concerns about federal regulatory compliance and enforcement issues during a Small Business Regulatory Fairness Hearing sponsored by the U. S. Small Business Administration's Office of the National Ombudsman on July 20, 2006.

SBA's National Ombudsman, Nicholas Owens, and members of SBA's Regulatory Fairness Board for Region IX will be present to meet with community leaders, members of trade and business associations, small business owners and invited members of the congressional delegation to discuss concerns about federal regulatory compliance and enforcement in the re-

gion.

The Regulatory Fairness Hearing will be held on, Thursday, July 20, 2006,



Nicholas N. Owens
National Ombudsman

from 8:30 am to 12:00 pm, at the San Diego Unified Port District, Don L. Nay Port Ad-

ministration Building, 3165 Pacific Highway, San Diego, CA, 92101. Registration will start at 8:30 am and the hearing will begin promptly at 9:30 am.

Small business owners are invited to testify during the hearing by registering in advance. Testimony may be submitted in writing in advance or at the hearing. Anyone desiring confidentiality may request that his or her name not be released and may submit written testimony in lieu of a public appearance at the hearing. Testimony should identify federal government regulatory enforcement and the compliance issues faced by

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Two Local San Diegans Appointed to Regulatory Fairness Board

San Diego business owners, Ernest Reyes and Stephen Cushman, have been named to the U.S. Small Business Administration's (SBA) Regulatory Fairness Board for Region IX by SBA Administrator Hector V. Barreto. The region includes California, Nevada, Arizona, Hawaii and Guam.

"Sensible regulations are essential to helping America's 25 million small businesses," said National Ombudsman Nicholas Owens. "Fair enforcement of federal regulations lessens confusion and uncertainty and

fosters a more small-business-friendly regulatory enforcement environment. Board members, who are volunteer small business owners, are a crucial part of this process."

The National Ombudsman's office works closely with more than 35 federal regulatory agencies to resolve complaints about excessive enforcement of federal regulations during hearings held in cities nationwide. Established in 1996, with the passage of the Small Business Regulatory Enforcement Fairness Act,

the National Ombudsman's office works with ten regional fairness boards whose membership is drawn from five small business owners from each region.

"Ernest Reyes and Stephen Cushman bring to the Board over 80 years of combined background in small business and a first-hand knowledge of the regulatory challenges faced by business owners," said Dr. Ruben Garcia, District Director of the San Diego SBA office. "This is a good match for their talents, and there's

See *Appointments on Page 2*

Fairness Hearing

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small businesses. Those interested in testifying should contact Cynthia Harris of the SBA San Diego District Office by telephone at (619) 557-7250 x1155 or by email to cynthia.harris@sba.gov.

The primary mission of the Office of the National Ombudsman, created by Congress in 1996 as part of the Small Business Regulatory Enforcement Fairness Act (SBREFA), is to assist small businesses when they experience excessive federal regulatory enforcement actions, such as repetitive audits or investigations, excessive fines, penalties, threats, retaliation or other unfair

enforcement action by a federal agency. The National Ombudsman receives comments from small business concerns and acts as a liaison between them and federal agencies. Comments received from small businesses are forwarded to federal agencies for a high level review and federal agencies are requested to consider the fairness of their enforcement action. A copy of the agency's response is sent to the small business owner by the Office of the National Ombudsman. In some cases, fines have been lowered or eliminated and decisions changed in favor of the small business owner.

Nicholas N. Owens, National Ombudsman for the U.S. Small Business Administration, will preside over the hearing on July 20. Mr. Owens was appointed as the fifth National Ombudsman on March 28, 2006, by President George W. Bush. Owens' responsibilities include leading the national effort on behalf of the nation's small businesses to ensure fairness in the enforcement of federal regulations, and initiatives to diminish disputes between small business and federal regulatory agencies.

Additional information about SBA's Office of the National Ombudsman is

available at www.sba.gov/ombudsman.



Appointments

Continued from Page 1

no doubt that they will contribute greatly to improve communications and diminish disputes between small businesses and federal regulatory agencies."

Mr. Reyes has been a real-estate broker and agent for over 30 years and is the founding owner, president and CEO of Network Realty in San Diego. In 1999, he was the co-founder and founding board chairman of the National Association of Hispanic Real Estate Professionals (NAHREP). During his tenure, the Association grew from three to over 13,000 members in 50 states within three years. In 2002, President Bush invited NAHREP to partner in the 2002 White House Conference on Minority Homeownership. The goal is to increase minority homeownership by 5.5 million

families before the year 2010.

Stephen P. Cushman is a fourth generation San Diegan. A graduate of California Western University with a Bachelor Degree in Business Administration, Steve is currently President of Cush En-

terprises, a private investment and commercial real estate company. Steve owned Cush Travel for twenty-five years and then went on to become the owner of Cush Automotive Group until January of 2006.

Current civic and com-

munity involvement for Steve include being the Chairman of the San Diego State University College of Business, Chairman of the Board of Directors of the Pacific Life Holiday Bowl, and Vice Chairman of the Board of Directors San Diego Hospital Association (Sharp HealthCare). In addition, Steve is a San Diego Unified Port District Commissioner and sits on the boards of American Red Cross, Sharp Memorial Hospital, Hubbs-SeaWorld Institute, and the San Diego International Sports Council. He is a Past President of the Pacific Life Holiday Bowl and past Chairman of the San Diego Unified Port District.

Additional information on regulatory fairness may be obtained by visiting SBA's website at www.sba.gov/ombudsman.



Ernest Reyes
President and CEO
Network Realty



Stephen P. Cushman
President
Cush Enterprises

Ask SCORE for Business Advice

By: Cheri Carroll
Counselor, SCORE San Diego

Question: *I am buying a desert franchise and found a space available at a great location. The rate is very high but I really like the area. Is there a way to get the vicinity's sales data to justify the cost?*

Answer: Your question to SCORE has been forwarded to me since I have been in franchising for 26 years. I'd love to help you, and it will be a big benefit if you can tell me a little more about the franchise you are buying, the amount of space you'll need, the cost of the build out, and what products you will be selling.

Your location developer or business manager has detailed numbers on how every business on the wharf is doing. They should also have excellent customer counts for the location for every month in the year. You will need to request all the numbers that they can give you, then discuss those numbers with your potential franchisor to

see what they might mean in business to you.

Some other questions: Have you had experience in food-based businesses before? Many people (myself included) think that a shop would be an excellent source of income, but in reality, it often isn't. Here's why: Most mall-based units have to be open at least 72 hours a week, which means at least 3 or 4 employees, plus you, available to cover all work hours in the unit. It pains me to say this but it is a known fact that 65% of employees will steal. Desserts are a cash business, so when you aren't there, both cash and product tend to walk out the door.

Second, running a shop requires complete consistency. You get there the same time every day, count the money, do the accounting, get the place ready for business, and open. You wait on people "May I help you?" You make friends with your customers and encourage return visits. You do the same thing, every day in the same way. Some people find this a comfort and

some people find this incredibly boring. I had a yogurt shop and after the first day of waiting on people and cleaning all day long, I thought I would shoot myself if I ever had to go back. Fortunately I had a partner who liked the business, so I paid her extra to do my share. You must decide if you can stand to run the business, and remember you WILL be there and you can't stand back and "manage" because there won't be enough money to do that at least the first 6 months. (Somehow I saw myself as a manager. It didn't happen that way.)

With some products, such as frozen desserts, seasonality is a huge issue – people simply don't crave ice cream in the winter, so your product mix, in your proposed location, will have to include items that are tempting in the winter and cool evenings.

If you'll send me a little information about your background and what you are looking for in a business, we'll be able to "talk" more about whether this is the right business for you. And I congratulate you on your entrepreneurialism – it's always refreshing to find people who are striving to have their own businesses! This may be just the right business for you, but it is a life-changing decision, so let's give it all the research you can before you spend a dime.

Ask SCORE your question.

Email your questions to sd.score@sba.gov or go to the SCORE website at www.score-sandiego.org. We will answer all emails and select questions will be used in future articles.

SCORE
Counselors to America's Small Business

SBA San Diego District Office – ExCel All Star Award Winners

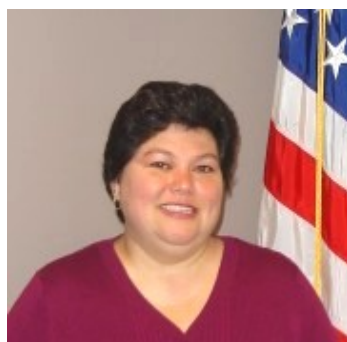
Dr. Ruben Garcia presented two employees with ExCel All Star Awards in June to recognize their contributions in the San Diego District office. Cynthia Harris and Gary M. Pacheco, both Business Development Specialists, were presented with the quarterly Excel All Star Award.

Harris was recognized for her achievements this year in successfully coordinating and marketing a number of

events, including the 2006 Small Business Awards Luncheon. Pacheco was awarded for his efforts in producing the district's monthly newsletter, Newsline, and for assisting in marketing a number of local events.

The ExCel All Star Award is presented to employees in the SBA San Diego District Office on a quarterly basis to recognize employees for excellence in their work. The

previous quarter's award recipient was Terrill Ashker,



Cynthia Harris
Business Development Specialist

District Counsel for the San Diego District Office.



Gary M. Pacheco
Business Development Specialist

U.S. Small Business Administration



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The U. S. Small Business Administration was created in 1953 to maintain and strengthen the nation's economy by aiding, counseling, assisting, and protecting the interests of small businesses and by helping families and businesses recover from national disasters.

SBA's San Diego District Office is your small business resource for access to capital, counseling services, training, and government contracting opportunities, to help start or grow a small business in San Diego and Imperial counties. Our programs and services are delivered through participating lenders and our resource partners, SCORE: Counselors to America's Small Businesses, the Small Business Development Center, and the Women's Business Center.

Newsline is produced by the U. S. Small Business Administration's San Diego District Office. Subscribe to Newsline by registering online at web.sba.gov/list. Look for San Diego News.

San Diego District Office Fiscal Year 2006—Year to Date Activity

October 1, 2005 through June 30, 2006

	Number of Loans	Dollar Amount
7(a) Loans	972	\$177,092,000
504 Loans	127	\$72,710,000
Total	1,099	\$249,802,000

Bank of America, NA	155	\$5,496,000
Wells Fargo Bank, NA	108	\$13,283,500
CDC Small Business Finance Corporation	92	\$54,045,000
Union Bank of California, NA	85	\$2,279,600
U.S. Bank, NA	69	\$5,070,400
Business Loan Center, LLC	68	\$8,120,000
Washington Mutual Bank	56	\$1,480,500
California Bank & Trust	53	\$3,786,200
Capital One, FSB	52	\$2,160,000
Innovative Bank	30	\$295,000

The San Diego District Office year-to-date has provided approximately 16,565 clients with counseling assistance and training through the assistance of our Resource Partners, SCORE: *Counselors to America's Small Business*, the Small Business Development Center Network of San Diego and Imperial Counties, and the Women's Business Center of California. Additionally, we made 366 8(a) contracts, including modifications, worth \$66,416,649 year-to-date.