#### U. S. Small Business Administration

# Newsline

A MONTHLY NEWSLETTER FROM THE SAN DIEGO DISTRICT OFFICE

Helping small businesses start, grow and succeed.



Your Small Business Resource

#### October 2008

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# 2009 SBA Small Business Awards Nominations

Due Nov. 14, 2008!

Email
Cynthia.Harris@sba.gov
for nomination
information.

San Diego District 550 West C Street, Suite 550 San Diego, CA 92101 (619) 557-7250 Office (619) 727-4883 Reception www.sba.gov/ca/sandiego

# **SBA Forms Strategic Alliance with the National City Chamber of Commerce**



L-R: Ruben Garcia, SBA District Director and Jaquelyn L. Reynoso, President/CEO, National City Chamber of Commerce at official signing of the Strategic Alliance Memorandum.

## Agreement improves access to technological information, education and local resources needed by entrepreneurs to start and grow small businesses

The U.S. Small Business Administration's (SBA) district office in San Diego today signed a strategic alliance with the National City Chamber of Commerce (NCCC). The two organizations have pledged to work together to improve business access to technological information through educational opportunities and SBA resources while also providing maximum financial opportunities and training to entrepreneurs. The agreement was signed by SBA District Director Ruben Garcia and NCCC CEO, Jacqueline Reynoso.

"I am extremely pleased with the work that is being accomplished by the NCCC and their excellent new leadership through Ms. Reynoso," said Garcia. "Reynoso has a rich history of assisting entrepreneurs to take their place as business owners and I know that she'll take advantage of our SBA programs to help potential owners fulfill their dreams of small business ownership."

The National City
Chamber of Commerce is one
of the most influential forces
in local government and
regional economic
development. With more than
600 members, the Chamber of
Commerce is actively involved
in public policy and providing
valuable resources to its
members. With more than 97
years of experience, the

Chamber offers unprecedented benefits, discounts, and opportunities to make San Diego businesses prosperous. The National City Chamber of Commerce is excited to pave the way for a growing regional economy as we venture into the new millennium.

To find out more about the National City Chamber of Commerce (NCCC) call 619 477-9339 or visit

www.nationalcitychamber.org.



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## EVENTS AROUND SAN DIEGO



(L to R) Edward Barbat, Attorney at Law, Michelle Gray, President, Gray Systems, Ruben Garcia-SD SBA District Director; Thomas Woolway, Sr. Vice Pres., Regional Mgr, Torrey Pines Bank - are installed to San Diego SBAB.



(L to R) Maria Hughes, SD SBA Lender Relations Specialist; and Ruben Garcia-SD SBA District Director; at the Combined Federal Campaign (CFC) Breakfast held at the Town & County Hotel in Mission Valley, California.



Left to Right: Various Board Members and participants in the Combined Federal Campaign (CFC) for San Diego county at the Town & Country Resort and Hotel Breakfast.



Left to Right: Lisa Montes, Chair, Encuentros ED/CAREER Conference, Rick Najera, Vice President of Development of LATV. An award-winning writer-actor-director and producer with credits in film, television, theatre and Broadway, and Ruben Garcia – Master of Ceremonies at event.



Left to Right: Ruben Garcia, SD SBA District Director; Monty Dickinson, President - SCORE Chapter 140; Ken Yancey, CEO, SCORE NA-TIONAL; Anthony Vigil, SD SBA Deputy District Director; Rod Means, SCORE District Director; Rosa Rodarte, SD SBA Assistant District Director for Business Development, at San Diego SCORE Chapter luncheon held at Pt. Loma Nazarene University. Newsline Page 3

## **ASK SCORE**

#### USE NETWORKING TO BUILD BUSINESS VISIBILITY

Word-of-mouth is the most effective form of marketing. But people can't spread the word about you and your small business if they don't know you.

That's where networking comes in. Whether it's through a professional association for your industry, a local business group, or a conference, networking offers a valuable forum for prospective customers and colleagues to learn about you and the services or products you provide.

Successful networking is more than simply exchanging introductions and business cards, then waiting for someone to call. In fact, professional marketing coach Charlie Cook at <a href="https://www.charliecook.net">www.charliecook.net</a> says that most people waste the few precious moments they have with new and existing contacts by focusing on themselves.

"It's better to spend most of that time asking questions

and collecting information," he says. "Then you can make quick assessments as to whether they would have any interest in the solutions you provide."

Cook recommends that every entrepreneur should

says. "They'll see you as a problem solver, and be more likely provide you with referrals in return."

Networking also doesn't end with the conversation.
Cook recommends maintaining a data file of networking infor-

# SCORE® Counselors to America's Small Business

have a succinct "elevator speech"—a 30-second description of the problems his or her business solves. After that, the focus of the networking conversations should be entirely on other people: their primary business concerns, problems they want solved, and unmet business needs. As the conversations unfold, you may find areas that overlap with the solutions you provide.

"If not, you can still make an impression by referring them to other people in your network who can help," Cook mation (several software programs are available to track networking contacts), and updating it as soon as possible after every contact.

"Make note of their interests, what you've shared with them, and when to contact them next," he says, adding that regular follow-ups are essential. "People have short memories and may forget that you exist and more importantly, that you're the best person to help them with their business needs and problems.

Finally, while valuable business contacts can happen anytime and anywhere, don't leave your strategy to chance. "Identify the people you want to make contact with, whether prospects or potential marketing alliance partners, and make carefully researched efforts to build relationships," Cook says. "This approach takes more time on your part, but it gets results."

For more advice on crafting marketing strategies and tactics for your small business, contact SCORE "Counselors to America's Small Business."

SCORE is a nonprofit organization of more than 10,500 volunteer business counselors who provide free, confidential business counseling and training workshops to small business owners. Call 1-800/634-0245 for the SCORE chapter nearest you, or find a counselor online at www.score.org.

Ask SCORE your question. Email <u>sd.score@sba.gov</u> or visit <u>www.score-sandiego.org</u> for additional information.

## SBA SAN DIEGO SUCCESS STORY



T2K Trailers, Inc. employees left to right: Joe Quiroz, Joe Miskell, Mike Goldberg, Orion Santana, Jeremy Castillo, Sean and Jennifer Tyler

#### Determination Pays Off for El Cajon Trailer Manufacturer

In 2005, after being forced out of his original fabrication facility, by a greedy landlord, in Tecate, Mexico, losing over \$80,000 worth of his equipment and supplies, Frank Tyler had to start his business, T2K Trailers, Inc. from scratch. To stay afloat, he and his family built trailers in their garage, to fulfill their contracts, until they out grew the space required and moved into their current location, in El Cajon, California. After 3 short years, T2K Trailers is looking to move into a larger facility (approx. 10,000 square foot with outside storage), with a 5 year lease and option to buy. He now employs 8 full time

and 3 part-time people. Frank says, "We hire those who need jobs, sometimes right off the street." This year, Frank, proud of his businesses success, hopes to break \$1 million in sales.

Frank has worked hard to build the business and also makes time to educate himself, in as many aspects of business ownership as he can. He has taken a variety of workshops offered by SCORE Counselors to America's Small Business, to include topics, such as business computer skills, networking, understanding government contracts and many more.

See Success Story page 5

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# 17 of 24 Federal Agencies Met 2007 Small Business Goal In SBA's Annual Contracting Scorecard

#### Governmentwide Data Shows Small Businesses Won a Record \$83.2 Billion

Small businesses won a record \$83.2 billion in federal prime contracts in Fiscal Year 2007, an increase of almost \$6 billion from 2006, according to the U.S. Small Business Administration's second annual small business procurement scorecard, which was released today. In addition, each socio-economic group increased its share of federal contracting dollars by at least \$1 billion.

The total does not include \$3.9 billion worth of contracts for which size was not indicated in the federal government's official database, the FPDS-NG. As a result, none of those dollars were counted toward small business achievement numbers. Also not included was an additional \$64.8 billion in federal subcontract dollars received by small businesses.

All told, the federal government database shows that federal agencies awarded 22 percent of their contracting dollars to small businesses, just short of the 23 percent government-wide goal. Achieving 22 percent, shy of the 23 percent goal, reflects the need for the federal government to bolster its efforts across government to secure contracting opportunities for small busi-

nesses. It also reflects SBA's efforts to increase the transparency, accuracy and accountability of small business federal contracting have been effective.

"We are proud of the small business community for capturing more dollars in federal contracts and also of the agencies for making good progress in reaching their goals," said SBA Acting Administrator Sandy Baruah. "This year, the SBA made it more challenging for federal agencies to meet their goals, due to our initiatives to cleanse the federal contracting database of bad data, and ensure that small businesses receiving small business contracts meet the definition of small. This is good news for small businesses because it means the government will need to work harder to get federal contracts into the hands of small businesses."

Baruah also said the release of the Scorecard this year was delayed partly because he wanted to personally review the process and the rationale for the ratings after he was named Acting Administrator in August. Also, he said he wanted to ensure that senior officials at federal agencies had the opportunity to fully review and understand their data

and how they were graded.

The annual Scorecard rated federal agency performance in meeting the overall small business goal and the component contracting goals for small disadvantaged businesses, small businesses in HUBZones, and small businesses owned by women, and service-disabled veterans.

The following 17 agencies met their small business contracting goals: the departments of Veterans Affairs, Agriculture, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, Interior, Labor, State, Transportation, Treasury, and the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, Nuclear Regulatory Commission, Office of Personnel Management, and SBA.

The following 17 agencies met their goals for contracts to small disadvantaged businesses: the departments of Agriculture, Interior, Defense, Veterans Affairs, Energy, Homeland Security, Housing and Urban Development, Labor, State, and Transportation, and the Environmental Protection Agency, General Services Administration, National Aeronautics

and Space Administration, National Science Foundation, Nuclear Regulatory Commission, Office of Personnel Management, and SBA.

The following 16 agencies met their goals for women-owned small businesses: the departments of Veterans Affairs, Agriculture, Commerce, Education, Energy, Homeland Security, Interior, Labor, State, Transportation, and Treasury, and the Nuclear Regulatory Commission, General Services Administration, Environmental Protection Agency, National Science Foundation, and SBA.

The following 10 agencies met their HUBZone contracting goals: the departments of Agriculture, Energy, Homeland Security, Veterans Affairs, Transportation, Interior, and the Social Security Administration, General Services Administration, Nuclear Regulatory Commission, and SBA.

The following four agencies met their goals for small business owned by service-disabled veterans: the departments of Veterans Affairs and Energy, the Environmental Protection Agency, and SBA.

See SBA Scorecard page 5

### Meet a San Diego District Office Employee



Anthony Vigil, SBA San Diego - Deputy District Director

Mr. Vigil has been employed by the U.S. Small Business Administration (SBA) for 41 years. He started in the Denver, Colorado District Office in 1967 as a Loan Officer and advanced to the position of Policy Examiner for the Headquarters Office in Washington, D.C. for the period of 1975 to 1977. In 1977, he accepted the position of Assistant Regional Administrator for Minority Enterprise Development managing the 8(a) Procurement Program for six states in Region VIII, and from 1980 to 1983 he served as the Region VIII Appointed Acting Regional Administrator

Mr. Vigil transferred to the San Diego District Office in 1983 to the position of Assistant District Director for Finance and Investment. Vigil is currently the Deputy District Director; as such he is responsible for oversight and second tier management and supervision of financial and marketing programs in the District. He is also directly responsible for management and supervision of the District 8(a) Procurement Program.

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#### SUCCESS STORY CONTINUED

He has also taken workshops offered by the San Diego County Water Authority's Small Contractor Outreach and Opportunities Program (SCOOP).

In 2007, T2K Trailers utilized three, SBA loans totaling \$200,000. These loans improved the business' cash flow, allowed them to hire new employees and update their welding equipment inventory with new machines. "What has been done by Frank, in rebuilding his business from

scratch a second time, is extremely impressive. I anticipate he will be even more successful than before." says Ruben Garcia, San Diego SBA District Director.

T2K Trailers is a niche business, and as a result the recession has not affected the company very much. It specializes in completely custom built trailers that other companies don't want to be bothered with, leaving the "cookie-cutter" trailers to Carson, Texas Trailer, Big Tex

and the like. T2K manufactures trailers for virtually any purpose, including but not limited to hauling boats, jet skis, and heavy equipment. In addition to trailers, they do metal fabrication, trailer retrofits and repairs and offer a spray on truck bed liner called Superliner that creates a durable rustproof surface. They are also testing a new product, have applied for a patent for it and are waiting for just the right time to introduce the new

product line.

To all small business owners and entrepreneurs, Frank Tyler passes along these words from Sir Winston Churchill..."never give up... never, ever give up". They have served him well.

To learn more about T2K Trailers, Inc. visit www.t2ktrailers.com or call 619-444-4766.

#### SBA SCORECARD CONTINUED

According to the Scorecard ratings of performance on all five goals:

Three agencies – VA, DOE and SBA – met or surpassed their goals in all areas.

Seven agencies – DHS, USDA, DOT, and DOI, NRC, GSA, and EPA – met or surpassed four of the five goals.

Two agencies – DOL and State, – met or surpassed three of the five goals.

Five agencies – Treasury, HUD, OPM, NSF and NASA – met or surpassed two of the five goals.

Five agencies – DOC, DOD, SSA, Department of Education, and HHS – met or surpassed one of the five goals.

Two agencies – DOJ and USAID – met none of the five goals.

SBA's Scorecard builds on a series of significant initiatives the agency began two years ago to improve small business access to federal contracts.
SBA, along with the Office of Federal Procurement Policy, ordered the federal contracting database to be scrubbed, removing many cases of nonprofits, state or local governments, and large companies that were recorded erroneously as small businesses.

The agency also issued a rule – effective July 1, 2007 – requiring any small business with a federal contract to recertify its size if it merged or was acquired, and to recertify its size a minimum of every five years on a contract longer than five years. In some cases, businesses had won contracts when they were small, but then grew, merged, or were acquired by large firms and were still recorded as small businesses.

"SBA, working with federal agencies, has made tremendous strides to ensure that the small business government contracting system has integrity, accuracy and opens opportunity for small businesses," said Baruah. "The release of the scorecard is a useful tool that allows federal agencies to track their progress and identify areas of improvement. We are committed to making government contracting programs work effectively and look forward to continuing our work with sister agencies on reaching small business procurement goals."

#### About the Scorecard

SBA rates 24 agencies green, yellow or red on each of the individual goals established by Congress and gave a numerical score to each agency based on how many of the five goals were met or surpassed.

Each federal agency has a different small business contracting goal, determined annually in consultation with SBA. SBA ensures that the sum total of all of the goals meets the 23 percent target established by law.

With nearly 10 million contracting actions each year, miscodings and errors will not be completely eliminated from the contracting database. By publicizing the reports, and providing new tools to facilitate public review of the database, SBA and OFPP will enlist affected businesses and other stakeholders in the effort to continuously improve the accuracy and integrity of the procurement data.

The goaling reports released today by SBA are available at <a href="http://www.sba.gov/aboutsba/sbaprograms/goals/index.html">http://www.sba.gov/aboutsba/sbaprograms/goals/index.html</a>

### Small Business Goaling Summary Report

Ì			2006	2006	2007	2007
	Category	Goa	%	Revised \$	%	\$
	Small Businesses	23%	22.8%	\$77.7 billion	22%	\$83.2 billion
	Small Disadvantaged Businesses	5%	6.8%	\$23 billion	6.6%	\$24.9 bil- lion
•	Service-disabled Vets	3%	0.9%	\$2.9 billion	1.01%	\$3.8 billion
	Women	5%	3.4%	\$11.6 billion	3.4%	\$13 billion
	HUBZone	3%	2.1%	\$7.2 billion	2.2%	\$8.5 billion

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# SAN DIEGO DISTRICT OFFICE FISCAL YEAR 2008 ACTIVITY OCTOBER 1, 2007 THROUGH SEPTEMBER 30, 2008

	Number of Loans	Dollar Amount
7(a) Loans	777	\$206,686,000
504 Loans	184	\$124,667,000
Total	961	\$331,353,000

CDC Small Business Finance Corporation	136	\$89,759,000
U.S. Bank, NA	90	\$11,492,300
Wells Fargo Bank, NA	82	\$21,423,100
Borrego Springs Bank, NA	56	\$2,944,000
California Bank & Trust	42	\$7,104,300
Washington Mutual Bank	38	\$1,283,000
Pacific Capital Bank, NA	35	\$20,730,500
Bank of America, NA	33	\$1,093,400
EDF Resource Capital, Inc.	31	\$21,466,000
Innovative Bank	28	\$520,000

#### **Training Calendar**

A list of events from SBA and our resource partners may be found at <a href="www.sba.gov/ca/sandiego">www.sba.gov/ca/sandiego</a> under Training Calendar.

October 29 Tax Savvy Tips for New Business Owners presented by Imperial Valley SBDC in El Centro, CA.

November 5 - Marketing Workshop presented by the SBDITC in National City, CA.

November 6- Internet: Build Your Business Through Search Engine Optimization presented by SCORE in San Diego, CA.

November 11 - Business Tax & Payroll Workshop presented by the NCSBDC in Oceanside, CA.

#### SBA San Diego Management Staff

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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 and Small Business Development Centers.

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

Send questions or comments to the Newsline Editor, Cynthia Harris, Business Development Specialist, at Cynthia.Harris@sba.gov.