

Newsline

A Monthly Newsletter from the San Diego District Office

Volume 3 Issue 12

SBA San Diego Management Staff

[Ruben R. Garcia](#)

District Director

[Anthony J. Vigil](#)

Deputy District Director

[Terrill K. Ashker](#)

District Counsel

[Rosa M. Rodarte](#)

Lead Business Dev. Specialist

[Juliane Talley](#)

Lead Business Dev. Specialist

Training Calendar

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

[Sept. 6 – Marketing Workshop](#) presented by the SBDITC in Chula Vista, CA.

[Sept. 11 – Tax and Payroll Workshop](#) presented by the NCSBDC in Oceanside, CA.

[Sept. 11 - 16 Successful Business Tactics](#) presented by SCORE in San Diego, CA.

[Sept. 12 – How to Develop Your Competitive Advantage](#) presented by SCORE in San Diego, CA.

[Sept. 13 - Business Orientation](#) presented by the IVSBDC in El Centro, CA.

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SBA Forms Strategic Alliance with NSHMBA



Ruben Garcia, SBA District Director - San Diego, and William Greenwald, Executive Vice President, National Society of Hispanic MBA's San Diego Chapter sign the Strategic Alliance Memorandum.

The district director of San Diego's U.S. Small Business Administration (SBA) office, Ruben Garcia, today signed a strategic alliance with the National Society of Hispanic MBA's (NSHMBA) San Diego Chapter and its executive vice president, William Greenwald. The NSHMBA works to foster leadership in San Diego's Hispanic community through graduate management education and professional development by promoting business education, training and research. NSHMBA has 32 chapter groups throughout the country with its national office in Texas.

The signed agreement is expected to allow SBA and the NSHMBA San Diego chapter to work together to improve professional educational opportunities, knowledge and use of SBA resources, and provide maximum financial opportunities and training to existing and potential

entrepreneurs in the region.

"I'm very pleased with the National Society of Hispanic MBA's and its excellent local leadership through William Greenwald" said Director Garcia. "He has a strong background of helping the underserved take their place as business owners and I know that he will do a great job of assisting potential entrepreneurs to fulfill their dreams of small business ownership."

The collaboration between the SBA and the NSHMBA is building a strong foundation for the future. The U.S. is in the midst of the largest entrepreneurial surge ever. According to SBA projections, nearly 672,000 new companies with employees were created in 2005. That's 30,000 more startups than in 2004, and 12 percent more than at the height of the dot-com growth in 1996.

"Having the SBA of San Diego as a Strategic Alliance partner only enhances an already strong foundation of services NSHMBA provides to its members" said Greenwald. "Our organization is focused on providing information on education, 'know-how' and the guidance that small business owners are interested in to help increase their profitability and generate greater opportunities for the entire community."

To find out more about the National Society of Hispanic MBA's San Diego you can visit their web site at www.sandiego.nshmba.org or email: executivevp@sandiego.nshmba.org

Events Around San Diego



Ruben Garcia, SBA District Director, San Diego; Armon Mills and Reo Carr of the San Diego Business Journal at 1st annual CFO Awards luncheon.



Robert Rosario, CPA, Managing Partner, Rosario and Associates and Ruben Garcia, SBA District Director, San Diego.



Ruben Garcia, SBA District Director, San Diego and CA Governor Arnold Schwarzenegger at the California Hispanic Chambers of Commerce (CHCC) Convention in Long Beach, CA.



SBA DDs Alberto Alvarado, Los Angeles and Ruben Garcia, San Diego; SBA Region IX Administrator Bruce Thompson; SBA Deputy Administrator Jovita Carranza; SBA DDs J. Adalberto Quijada, Santa Ana and Carlos Mendoza, Fresno, at State meeting with the CHCC.



Hector Barreto, Former SBA Administrator; Henry Mendoza, Chairman, CA Hispanic Chambers of Commerce and Ruben Garcia, SBA District Director, San Diego.



Alma and Ruben Garcia with Enrique Gandarilla, Executive Director, City Heights Business Association at the City Heights Awards Dinner.

Ask SCORE for Business Advice

QUESTION: I am looking to buy a business and I was told to get a list of information to be obtained to determine the value of the business. Would you please tell me what these items are?

ANSWER: I will list out the information needed to evaluate a business (referred to as Due Diligence). However let me suggest there are many other considerations necessary in evaluating a business. After you have reviewed this list and obtained the information on this list contact SCORE at 619-557-7272 and request to meet with a counselor whose skill is in buying and selling businesses.

Checklist of Information Needed in Evaluation:

- Profit and loss statement for last three years plus latest accounting period.

- Tax returns for last three years with depreciation schedules.
- Balance sheet for end of last accounting year and at end of latest accounting period.
- Premises lease

- receivables
- Contracts with suppliers, customers, partners, shareholders, and/or employees, bids outstanding, prior listings to sell the business and appraisals which were made of the business

- include family members and/or other unpaid persons
- Union Contract and current negotiations correspondence
- Schedule of discounts offered and to whom
- List of major competitors and estimated size of each
- Patents, trademarks or copyrights
- Latest inventory. Indicate obsolete merchandise and detail regarding work in progress. Assure that the inventory is not undervalued as a result of overstating costs of goods in order to underreport income (for tax purposes)
- Workers compensation history

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- List of fixed assets with depreciation schedule—including fully depreciated assets
- Detailed list of liabilities at end of latest accounting period—including those in dispute
- Accounts receivable at end of last accounting period, and age—including those disputed; reserves posted for problem

- Equipment leases or service contracts
- Pending law suits with complaints and responses
- Accounting entries dealing with work in progress
- Government reports, notices and related correspondence
- List of workers showing tenure, wages and job function –

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

Announcements



SBA San Diego District Office says Goodbye to Valued Employee Gary Pacheco

After 12 years as an SBA employee, Gary has moved on to a position as a Administrative Officer at the Office of the U.S. Trustee - Regions 14 & 15.

As a Business Development Specialist, for the U. S. Small Business Administration (SBA) San Diego District Office, Gary performed a variety of duties which included publishing the district office's newsletter, Newsliner, webmaster for the district office website, giving SBA loan presentations and oversight

of the Small Business Development Center program. Prior to arriving in San Diego in 2004, Gary spent 9 years working in finance, economic development, and administration at the SBA Rhode Island District Office.

It goes without saying that Gary will be sorely missed here in the San Diego District Office. However, we all wish him a successful future in his new position.

Social Security - Business Services Online

Social Security Administration now has Business Services Online (BSO) which is a suite of services enabling business owners or their authorized representative to transmit wage information electronically directly to the Social Security Administration. Once registered the user can, file W-2s online, and verify Social Security Numbers through the Social Security Number Verification Service (SSNVS), which can

be used for both new hires or prior to preparing and submitting W-2 forms.

Filing electronically is free, fast and secure!

Just go to: www.socialsecurity.gov/employer

IRS and HUD to air Web cast on Expanded Renewal Community and Empowerment Zone Tax Incentives

The Internal Revenue Service (IRS) and US Department of Housing and Urban Development (HUD) are sponsoring a Web cast on October 11, 2-4 p.m. EST that will provide an overview of tax incentives for Renewal Communities (RCs) and Empowerment Zones (EZs) and updates on changes to these incentives. A panel of IRS experts will address employment credits, work opportunity tax credits (WOTC), commercial

revitalization deductions (CRD), increased Section 179 deductions, and other incentives.

For additional information, go to IRS Partner Headliners 209; Work Opportunity Tax Credits Expanded to Promote Tax Incentives for Economically Distressed Areas and IRS PUB 954, Tax Incentives for Distressed Communities, at <http://www.irs.gov/publications/p954/index.html>.

To learn about other IRS announcements and products and services, subscribe to e-News for Small Businesses. To see a sample and to start your free subscription to e-News, just go to IRS.gov, type in your e-mail address and submit.

U.S. Small Business Administration



Your Small Business Resource

550 West C Street, Suite 550
San Diego, CA 92103-3500

Phone: 619-557-7250
Fax: 619-557- 5894
Email: sandiego@sba.gov

www.sba.gov/ca/sandiego

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 web.sba.gov/list. Look for San Diego News.

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

San Diego District Office Fiscal Year 2007 Activity

October 1, 2006 through July 31, 2007

	Number of Loans	Dollar Amount
7(a) Loans	1141	\$157,179,000
504 Loans	209	\$131,224,000
Total	1350	\$288,403,000

CDC Small Business Finance Corporation	133	\$87,701,000
U.S. Bank, NA	120	\$9,147,100
Wells Fargo Bank, NA	119	\$14,659,700
Bank of America, NA	119	\$3,186,900
Union Bank of California, NA	94	\$4,133,300
Washington Mutual Bank	87	\$2,606,800
Business Loan Center, LLC	79	\$5,025,100
Capital One, FSB	76	\$3,940,000
EDF Resource Capital, Inc.	59	\$35,556,000
Citibank, N.A.	56	\$2,848,000