



U.S. Small Business Administration



Your Small Business Resource

Michigan District Office

Annual Report

fiscal 2008

“We are proud to be a partner program of the U. S. Small Business Administration. Together, we are able to make a real difference for Michigan’s small business owners.”

Carol Lopucki
State Director
Michigan Small Business & Technology Development Center

“Small businesses are where the majority of Americans work and where innovation takes place. Throughout its 55 year history, the SBA has made a real difference in helping Americans to start and grow small businesses.”

Raymond Lozano
Executive Director
Michigan Hispanic Chamber of Commerce

“SBA is the most valuable ally that the Michigan minority business community has when they are looking to grow and develop. If a business can only have one tool in their tool box, it has to be the SBA.”

Louis Green
President & CEO
Michigan Minority Business Development Council

“The SBA’s Michigan District Office is an invaluable part of our small business community and very engaged as we all work to help small businesses succeed in the Detroit Region.”

Richard E. Blouse Jr., President and CEO
Detroit Regional Chamber

“The SBA is a partner that consistently stands at the ready to provide quality assistance, resources and referrals that move our members’ businesses forward.”

Kathleen Alessandro, President
NAWBO Greater Detroit

A Letter from the Director



On behalf of the staff in the SBA Michigan District Office, it is my privilege to present the fiscal 2008 Annual Report of our activities and accomplishments. In this most tumultuous of times, the SBA's mission of enabling America's small business owners to grow and prosper is more vital than ever. Our programs and services provide current, relevant advice and support to help entrepreneurs through the economic downturn. Our goal, as always, is to manage our resources effectively in order to maximize our impact on Michigan's small business community.

Our theme, "Making a Difference," is woven throughout this report, showcasing our achievements and sharing our best practices. From client testimonials to success stories, from loan statistics to dollars awarded in government contracts, this report shows that the SBA Michigan District Office is making a difference in the lives of small business men and women. We could not do this without the support of our outstanding resource partners.

Our network of Small Business and Technology Development Centers, Women's Business Centers, and SCORE chapters trained and counseled over 26,600 clients this past year. Together with our lending partners, we guaranteed 2,180 loans totaling \$420.9 million. And with our support, our 8(a) contractors generated close to \$300 million in revenues in fiscal 2008.

The contribution that Michigan's smallest businesses make to job creation can be seen on page 19. Entrepreneurs also lead the economy in innovation and represent more than 99% of all our employers.

This is why the growth and development of small business in the state is crucial to our future. We are committed to supporting our entrepreneurs and helping them overcome the realities of this new economy, to meet the challenges of the credit crisis, and to forge ahead into the global marketplace.

A handwritten signature in black ink that reads "Richard Temkin". The signature is written in a cursive, flowing style.

Richard Temkin
District Director

Michigan Celebrates Small Business

In April, we celebrated the achievements and contributions of small business owners and their supporters at the Fourth Annual Michigan Celebrates Small Business awards dinner in Lansing with Governor Jennifer Granholm. This is the state's premier small business event; a collaboration of the SBA, the Michigan Economic Development Corporation, the Michigan Small Business & Technology Development Center, the Small Business Association of Michigan, and the Edward Lowe Foundation.

The evening featured the unveiling of the Michigan 50 Companies to Watch, a celebration of the success, innovation and energy of diverse second-stage companies, as well as the SBA Small Business Award winners for outstanding contributions to the Michigan economy. Here are some of the highlights:

"Our growth strategy is simple – it revolves around people. Whether for us or for our clients, people are the driving force for the success of a company."

Stephen Lowisz, President & CEO, Qualigence, Inc. - Small Business Person of the Year

Livonia-based Qualigence is the largest recruitment research firm in the U.S., working with Fortune 500 companies worldwide. In eight years, the company has grown from four employees to 77 with annual sales over \$10 million.

"If you ask either of us, we aren't growing fast enough. We always push and challenge each other... and we have for a long time."

Rishi Narayan, Co-Owner, along with Ryan Gregg, Underground Printing - Michigan and Midwest Regional Young Entrepreneurs of the Year

Underground Printing is a custom printed and embroidery apparel company that supplies regional and national customers including Reebok International. Based in Ann Arbor, the company employs over 60 people, and had \$3.5 million in sales, and plans to open 40 stores in the U.S. over the next two years.

"We very much look at our family business as in its adolescence. We have so many exceptional family businesses and we try to aspire to what some of these great families have done. In another 50 years, if RoMan could be included on that list, we'll be very proud."

Robert Roth, President & CEO, Roman Manufacturing, Inc. - Jeffrey Butland Family-Owned Business of the Year

RoMan Manufacturing, Inc., a world-wide supplier to all major automotive corporations, is the only full line manufacturer of resistance welding transformers and power supplies in North America. With sales exceeding \$30 million, the company is a second generation family business employing over 100 people in Grand Rapids and 70 in a Detroit-based subsidiary.

"A repositioned Michigan will be a cornucopia of business opportunities that create jobs, economic strength and stability and a return to the belief that Michigan is a great state to live, grow, and do business."

Michael Semanco, President & COO, Hennessey Capital, LLC - Financial Services Champion of the Year

Hennessey Capital is a relationship-based, innovative finance company which provides working capital financing and business coaching to small and mid-sized businesses. In September 2007, Mike was named a '40 Under 40' honoree by Crain's Detroit Business.

"The 2008 Michigan's Minority Small Business Champion is a great honor for me, but I must give credit to the MHCC Board and staff who work so diligently to advance the cause of Hispanic and minority businesses."

Raymond Lozano - Michigan Minority Small Business Champion of the Year

The Michigan Hispanic Chamber of Commerce works toward the advancement of Hispanic businesses, families, and the communities they serve.

Recognizing those who make a difference

Making a Difference...

“Our team takes great pride in the collaborative relationships and community partnerships of which we are a part. The diverse makeup of the seven counties we serve requires interaction with a multitude of agencies and individuals to create a positive and welcoming environment for entrepreneurs in a variety of industries.”

Christine Greve, Regional Director, MI Small Business & Technology Development Center at Delta College - Michigan SBDC Service Excellence & Innovation Center Award

“From these creative, passionate, and entrepreneurial individuals springs most of our inventive, innovative new products and services of today and tomorrow. I believe that small businesses are not only the backbone of the economy, but the original source of most big business firms today.”

James Rowley, Senior Business Consultant, MI Small Business & Technology Development Center at Delta College - Michigan Small Business Counselor of the Year

The Michigan Small Business & Technology Development Center enhances Michigan’s economic well-being by providing counseling, training, research, and advocacy for new ventures, existing small businesses and innovative technology companies.



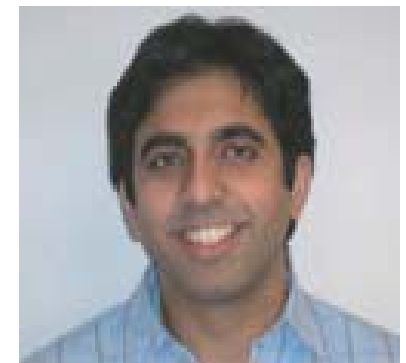
Steve Lowisz



Robert Roth



Ryan Gregg



Rishi Narayan



Michael Semanco



MI-SBTDC Region 5

Making a Difference with Our Resource Partners

SBA Michigan District Office

www.sba.gov/mi

Phone (313) 226-6075
Fax (313) 226-4769
Email michigan@sba.gov

Biz Resource Centers

Phone (616) 331-7480

Michigan Small Business and Technology Development Centers

www.misbtcdc.org

Alpena (989) 358-7375
Detroit (313) 967-9295
Escanaba (906) 789-0558
Flint (810) 762-9660
Grand Rapids (616) 331-7370
Harrison (989) 386-6630
Kalamazoo (269) 387-6004
Lansing (517) 483-1921
Mt. Clemens (586) 469-5118
University Center (989) 686-9597
Traverse City (231) 922-3780
Ypsilanti (734) 487-0355

Microlenders

Ann Arbor (734) 677-1400
Benton Harbor (269) 925-6100
Detroit (313) 267-1020
Kalamazoo (269) 342-5655
Marquette (906) 228-5571
Traverse City (231) 941-5858

Procurement Technical Assistance Centers

www.michigantac.org

Flint (810) 600-1432
Jackson (517) 788-4680
Kalamazoo (269) 381-2977
Livonia (734) 462-4438
Muskegon (231) 722-6182
Onaway (989) 733-8069
Southgate (734) 362-3477
Traverse City (231) 929-5042
Warren (586) 498-4122

SCORE "Counselors to America's Small Business"

www.scoremichigan.com

Ann Arbor (734) 665-4433
Cadillac (231) 775-9776
Detroit (313) 226-7947
Grand Rapids (616) 771-0305
Holland (616) 392-2389
Kalamazoo (269) 381-5382
Muskegon (231) 722-3751
Petoskey (231) 347-4150
Traverse City (231) 947-5075

U.S. Export Assistance Centers

www.exporthmichigan.com

Detroit (313) 226-3650
Grand Rapids (616) 458-3564
Pontiac (248) 975-9600
Ypsilanti (734) 487-0259

Women's Business Centers

Ann Arbor (734) 677-1400
Benton Harbor (269) 925-6100
Detroit (313) 877-9060
Grand Rapids (616) 458-3404



SCORE Counselors to America's Small Business

In Michigan, SCORE has nine chapters, three branches, and over 40 additional counseling locations to help entrepreneurs build successful companies. In fiscal 2008, SCORE counselors assisted more than 9,000 clients through free face-to-face and online business counseling, low-cost on-site workshops, and free online business workshops. This reflects a 10% increase in client contacts from 2007. Here are some of the highlights.

The Holland chapter entered into an agreement with a local cable company to develop a series of monthly programs featuring client success stories, business plan preparation, cash management and bank loan requirements. The chapter also presented seminars on starting a business and new product development for Hope College business and engineering students.

The Kalamazoo chapter moved to the chamber of commerce building and now shares office space with the Michigan Small Business and Technology Development Center, providing a greater opportunity to collaborate, share resources, and better serve clients. The chapter also began counseling new chamber members on start-up issues, developed a new Web site and initiated a marketing campaign to increase client referrals.

The Ludington operation achieved status as a chapter and "inherited" the Manistee operation as a branch. The chapter strengthened its relationship with the Michigan State University entrepreneurship program and recruited a West Shore Community College professor to its roster. It also developed a partnership with the SBTDC at the Mason County Growth Alliance, resulting in 1) new opportunities to conduct joint counseling sessions; 2) a visit to members of the Downtown Business Association; and 3) a joint appearance on the local morning radio show (WKLA).

By working with the executive directors to raise \$80,000 for the purchase of 15 new sailboats, the Petoskey chapter was instrumental in saving the "Little Traverse Sailing School" in Harbor Springs. The school has been a prominent institution in the area for 53 years and, as a result of SCORE's efforts, its future looks bright.

The Detroit chapter initiated a successful new workshop, Could I?, Should I?, for those who are uncertain whether business ownership is for them. The chapter also formed a team counseling effort called BizSupport, and continued the quarterly publication of its newsletter, scoREport. At its annual luncheon meeting, the chapter recognized the hard work of their counselors and highlighted three successful businesses. This is one of them:



The principal and founder of Myine Electronics, Jake Sigal, has launched over 16 successful consumer electronic products in his short career as an engineer. As product line manager for Delphi's Consumer Electronics group, he focused on producing XM Satellite Radios for the U.S. and Canadian markets. When he decided to launch his own business, he turned to Detroit-based SCORE counselor Paul Lieberman for help.

Jake needed to learn how to talk to potential investors about return on investment, rather than focus just on the technology as he was accustomed. SCORE helped Jake speak the language of business and develop his pitch to obtain seed capital. The money was needed to finish production of an innovative new audio device in order to meet the January, 2009 launch deadline. Speaking at SCORE's luncheon, he credited his counselor with making his company what it is today..."full of promise and opportunity in Michigan's new economy."

Inspiring entrepreneurs... creating economic opportunity... supporting entrepreneurial dreams...

Michigan Small Business & Technology Development Center

If there was ever a year when small business owners needed the services of the Michigan Small Business and Technology Development Center, 2008 was it. The SBTDC provided consulting to 5,676 clients, conducted 537 workshops for 6,621 individuals and provided extended engagement counseling to over 1,400 clients. The result - 417 new businesses were launched and \$242,764,670 in capital was invested in small business! That's the SBTDC making a difference in communities throughout Michigan.

Thanks to a \$25,000 sponsorship by Fifth Third Bank, the SBTDC was able to deliver the highly acclaimed "Fiscal Fitness" financial training throughout the state. In addition, the SBTDC purchased six Optimist financial analysis licenses to help business owners improve the financial health of their companies.

The SBTDC continued its work in mid to long term consulting by launching a virtual incubator, Accelerating Michigan Entrepreneurs. AME (www.accelmich.org) is dedicated to helping business owners set strategic direction, develop leadership skills, grow the business, and establish relationships with other companies, using online communication tools to provide counseling and coaching that result in solutions and growth for small businesses in Michigan. AME is funded by the Michigan Economic Development Corporation.

The network collaborated with many important organizations in Michigan to provide a seamless delivery of services to the small businesses that will shape the future of Michigan's economy. Consultants helped clients compete in several business plan competitions, including the Great Lakes Entrepreneur's Quest, the Ann Arbor Spark boot camp, the New Enterprise Forum, and the 21st Century Jobs Fund. The SBTDC also coached clients from the Defense Contract Coordination Center. The network was a key player in the Michigan Economic Development Corporation's study of small business lending, and it delivered small business financing workshops to the Michigan Economic Developers Association.



"You have to continuously improve your business, even if it is baby steps. We are doing this by empowering our employees...don't be afraid to take chances." - Jerry Singh, President, RTI Laboratories

RTI Laboratories, headquartered in Livonia, provides chemical, metallurgical and environmental testing services. Singh has grown the company to \$5 million in sales and 50 employees by developing his employees, diversifying his customer base, and strategically acquiring compatible businesses. He completed the MI-SBTDC sponsored NextLevel™ course which is targeted to growing businesses like his. "The NextLevel™ course was very helpful in polishing the business plan," Singh said. He also worked with the SBTDC Region 9 Director to execute his marketing and business plan. Singh said, "To be honest I wish I would have heard about SBTDC a long time ago. I am truly thankful they are available."

Michigan Small Business & Technology Development Center Technology Team

The MI-SBTDC Technology Team provides a full range of consulting services to a variety of early state technology-based companies focused in technology areas of alternative energy, life sciences, homeland security and advanced manufacturing. Highly regarded throughout the country, the network's technology consultants provide specialized services to companies that are reshaping Michigan's economy.

In fiscal 2008, the SBTDC network provided technology commercialization assistance to 290 innovation-based clients with 4,251 hours of consulting. Eighteen clients participated in a road mapping process used by consultants to evaluate a company's technology concept and strategic direction. The network helped 37 companies deliver investment pitches at the Michigan Growth Capital Symposium at the University of Michigan.

This past year, the network assisted 31 companies in their applications for Small Business Innovation and Research grants. Twenty-five of the companies received SBIR grants, resulting in \$6.86 million in capital infusion. Here is one example of a company on the path to success, thanks to the MI- SBTDC™ technology team.

ProductBase, founded in 2004 by John Laslavic, provides an innovative suite of Product Business Management software modules to manage all phases of a product's life cycle. ProductBase has 3,500 users across some 80 customer sites of this multi-billion dollar global supplier. The company provides a web-based, on-demand software model. As a result, implementations are measured in weeks, results are immediate, and return on investment is measured in months. ProductBase VP of Business Development, Carl Rundell, said, "Our application provides 10 times the functionality for one-tenth the cost of a traditional installation."

ProductBase has enjoyed tremendous growth each year it has been in business. It is positioned to serve not only the auto industry, but also medical, high tech, aerospace, architecture and construction, and packaged goods industries as well.

The owners were referred to the Michigan Small Business and Technology Development Center's Technology Team to assess their strategic plan. "I was reluctant, but by the end of the first meeting, technology business consultant Tom Kelly was getting *me* up to speed," stated Rundell. "It's the caliber of individual the MI-SBTDC has working for them."

"Their knowledge base and experiences, both failures and successes, allows them to bring a wide array of perspective to their clients. What an asset to be able to learn the mistakes of other technology businesses without having to go through the mistakes ourselves. This has truly allowed ProductBase to grow at a fast pace."

Making a difference... driving innovation... advancing technology businesses

Making a Difference in the Success of Entrepreneurial Women

Helping women achieve economic independence, regardless of social or financial disadvantage is the cornerstone of SBA's Women's Business Ownership Program. From Manistee to Marlette, in small towns and urban centers, we played a significant role in helping women entrepreneurs achieve their dreams.

In October, the Women's Economic Resource Center in Manistee hosted its second Women's Economic Development Outreach event where our Women's Business Representative gave the keynote speech to over 100 women. In April, the Michigan District Office designated the WERC as an affiliate Women's Business Center and we took part in the official opening of the center's new offices. Together, the SBA and the Center will make a real difference in the development of women in business in Northern Michigan.

In March, nearly 200 women business owners attended a very successful matchmaking event at the VisTaTech Center at Schoolcraft College to meet with buyers from federal, state and local government agencies to identify contracting opportunities. Co-sponsors of the program included the SBA, the National Association of Women Business Owners Greater Detroit Chapter, and Schoolcraft College's Small Business and Technology Development Center and Procurement Technical Assistance Center.

In June, the SBA's Office of Women's Business Ownership welcomed the Center for Empowerment and Economic Development back to the SBA family of Women's Business Centers with permanent funding. This will allow CEED to enhance service to women entrepreneurs throughout Michigan. CEED has assisted women and minorities for 25 years, providing access to capital and market opportunities through certification.

The Women's Business Center at Cornerstone Alliance in Benton Harbor continued to deliver high quality training, counseling and mentoring to women in Southwest Michigan and helped to create 42 jobs in an area where economic opportunities are scarce.

The Detroit Entrepreneurship Institute, Inc. was selected as an outstanding Women's Business Center by the SBA at the National Small Business Week Awards program in Washington, DC in May. DEI was also awarded the 2008 Hewlett Packard Technology for Entrepreneurship Education Leadership Award in February. Only seven Leadership Awards were granted nationally. In June, DEI was honored with a 2008 Testimonial Resolution award presented by the Detroit City Council for promoting economic empowerment.

Rita VanderVen, Executive Director of the Grand Rapids Opportunities for Women, retired in April. Rita raised the bar for Women's Business Centers nationally. She's made a difference in the lives of countless women, from Grand Rapids to Ghana. We thank Rita for her vision and leadership, her compassion, and her ability to make a difference. We wish her the best of what is yet to come.

Patricia Duthler was named Executive Director of GROW in June to lead GROW into the new economy. Patricia is committed to building upon the legacy of GROW as an outstanding Women's Business Center and we look forward to supporting her efforts.

From the Women's Economic Development Outreach Event:

*"Real change occurs when you become responsible for your livelihood, for creating economic independence.
Change, not charity, is the new mantra."*

Creating Economic Opportunities... The Changing Faces of Small Business Owners

From million dollar international transactions to community initiatives, the Michigan SBA office provided assistance to many diverse customers in fiscal 2008. We played a significant role in helping small businesses reach new markets throughout the world with our international trade finance and counseling programs. International Trade Specialists at the four U.S. Export Assistance Centers in Michigan trained and counseled 575 small businesses and 597 lenders this past year. In addition, 108 loans totaling \$35 million were made to Michigan-based exporters supporting \$62.6 million in export sales. Here is an example of one company which is reaching global markets with the SBA's help.



When Thomas Gross, President of Dynamic Manufacturing in Weidman, Michigan needed help in financing an expansion for overseas markets, he turned to the U.S. Export Assistance Center. The company designs and manufactures wood chipping machinery for a variety of niche markets such as bio-fuels, land clearing, and utility line maintenance, and also produces machinery for leaf collection, agricultural and construction site clean-up. Dynamic Manufacturing currently exports machinery around the world to more than 26 countries.

International trade specialists at the Export Assistance Center assisted Gross in structuring a financing package for a \$2 million working capital loan to fund the export of machinery to Russia. "Working with the SBA was wonderful. We were told what our timeframe would be, and what kind of turnaround to expect, and it happened," said Gross. "A key component to the state's economic future is in the exporting of Michigan products that are unique to the skill sets of Michigan based companies."

This past year the Michigan District Office continued its efforts to work with non-profit, faith-based, and community organizations as a way of reaching new and often underserved markets. We were represented on Governor Granholm's Emerging Small Business Entrepreneurs Council, and we joined with the Governor's Office of Community & Faith Based Initiatives and other organizations on "Team Up to Uplift Your Community." The team made presentations at Antioch Missionary Baptist Church in Flint, the Lighthouse Full Life Center in Grand Rapids, and the Galilee Baptist Church in Kalamazoo to educate faith-based and community organizations on state and federal programs and services.

We also presented SBA programs to the "Buddies in Business Passport to Success" program, a six week entrepreneurial training program targeted to Detroit area youth. Over 120 aspiring young entrepreneurs completed coursework and competed in a business plan contest, presenting their plans to business and government leaders, including the SBA.

In addition, we continued to participate in the Academy of Finance, a program within the Detroit public school system that offers students exposure to the financial services industry and provides mentoring, job shadowing and internships. This year the program was recognized as being the best in the country by the National Academy Foundation.

Inspiring entrepreneurs... creating economic opportunity... supporting entrepreneurial dreams...

Making a Difference through Government Contracting

In fiscal 2008, the Michigan District Office worked with 99 companies certified as small disadvantaged businesses under the SBA 8(a) program, assisting them in targeting government contracting opportunities to expand and strengthen their organizations. These businesses are comprised of a very diversified group of owners and types of industries.

Ownership

Black American	52	Hispanic American	12
Subcontinent Asian American	11	Pacific Asian American	8
Native American	11		

Type of Industry

Construction	28	Manufacturing	9
Service	56	Professional Service	5
Research & Development	1		

In fiscal 2008, these businesses had \$298,644,155 in sales, of which \$21,697,477 were government contracts awarded through the 8(a) program. SBA staff participated in many conferences and workshops to promote government contracting, drawing over 600 participants. SBA initiated a new Business Development Management Information System to automate the application and annual review processes. This allows for Web-input data from applicants to streamline procedures for certification and business profile maintenance.

In fiscal 2007, 8(a) firms based in Michigan received \$95 million in federal contracts. In this same period, Michigan Hub Zone small businesses originated \$230 million in federal contracts.

John Soper, Jr. Named Michigan Minority Business Person of the Year



A highlight of the year was naming John Soper Jr., owner of Industrial Maintenance Services, Inc. in Escanaba, the Michigan Minority Business Person of the Year.

Soper started IMS in 1997 out of a garage providing professional, technical and construction services to production facilities, municipalities, government agencies and private industry. Within five years, revenues reached \$4 million and are still growing.

“The 8(a) program is an excellent strategy to ensure profitable growth in a company. There is no other program that could give us the knowledge we have gained as participants,” said Soper. Customers now include the Michigan Department of Transportation, U.S. Department of Veteran Affairs, United States Coast Guard, Michigan Public School System, and Cleveland Cliffs Mining Company.

Conrad Valle, SBA Assistant District Director for the 8(a) program in Michigan said, “John and his staff ask questions and listen when we offer information that will help them grow their business. They are dedicated to their staff and customers and are truly deserving of this award.”

Financial Assistance

In fiscal 2008, SBA guaranteed 1,955 loans to Michigan small businesses through the 7(a) loan guaranty program for a total of \$313.7 million, a decrease of 1,148 loans and \$66.4 million from last year. However, the average loan size was \$160,454, up from \$149,668 in 2007. While activity in the 504 program increased this year to 225 loans from 211 last year, the dollar amount decreased from \$116 million to \$107.2 million.

From large projects to micro businesses, SBA's loan programs fit virtually every need. For example, the SBA Microloan program provides alternative financing to borrowers who cannot access conventional or SBA guaranteed loans. In fiscal 2008, our six microloan intermediaries made 29 loans worth \$565,000, a 44% decrease from last year.

SBA's loan programs reach the entire state, as loans were made to businesses in 386 Michigan cities and in 77 of 83 counties. For more data on our lending activity, please refer to the charts on pages 14-17.

A record 216 people attended our 10th annual Michigan SBA Lenders' Conference in March in East Lansing where we presented our annual awards to SBA lenders. **Chase** was named "Lender of the Year" for the best overall performance considering total volume, new markets, and comparison with historical performance. It was also our "SBAExpress" lender of the year for the most loans in this program. **Capitol Bancorp** was named the "PLP Lender" for the most loans approved by a preferred lender. For the fourth year in a row, **Fifth Third Bank** was the "504 Lender" for the best overall performance in support of 504 lending. **Peoples State Bank** was named "Community Lender" for best overall performance among Michigan-based non-PLP lenders, and it was also selected as the "Business Development Lender" for its 550% increase in SBA lending. **Comerica Bank** was recognized as the "New Markets Lender" for its lending to minorities, women, and veterans.

SBA's total business loan portfolio in Michigan consists of 12,109 loans for a total dollar value of more than \$1.9 billion. This compares to 10,269 loans worth more than \$1.2 billion last year.

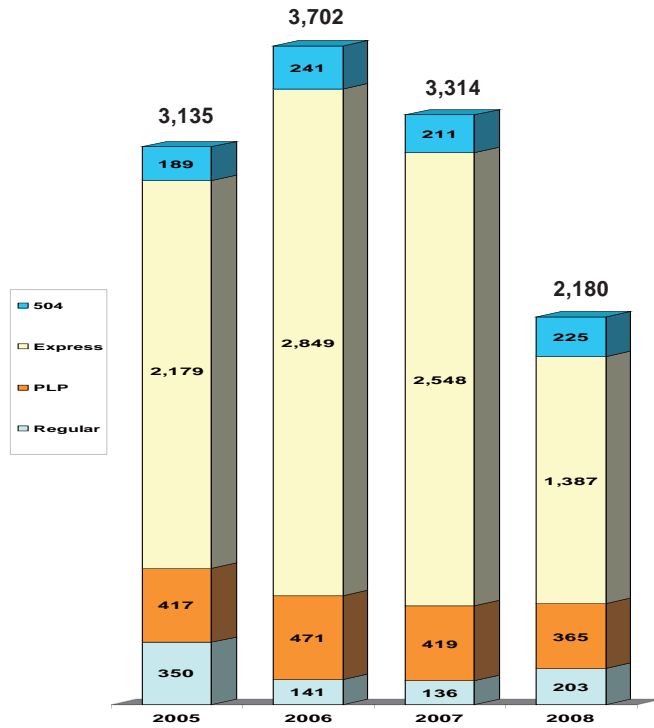
Here's an example of our loan programs at work:

Abbud and Mona Bishar
Big George's Home Appliance Mart

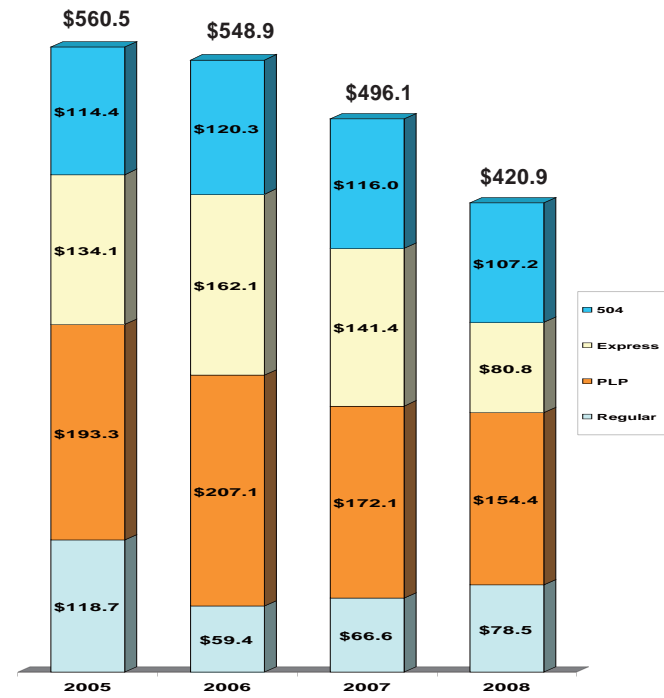


When Big George's Home Appliance Mart needed financing to expand into a new building, Abbud Bishar turned to the Michigan Certified Development Corporation for help. The company has operated at its current location in Ann Arbor since 1959. It built a new 19,000 sq. ft. retail showroom on the adjacent lot, featuring a large open showroom and a "green design." Big George's has a solid reputation in the Ann Arbor area selling major appliances and electronics, outdoor living appliances, portable electronic devices, etc. Abbud runs this business with the help of his son Mark and his wife Mona. By using the SBA 504 program, he was able to obtain 100% financing by using the existing equity in the property. The SBA 504 program helped create or retain 82 jobs in Michigan!

SBA Loan Activity Michigan District Office



Total Number of Loans
Fiscal 2005 - 2008



Total Dollar Value of Loans
Fiscal 2005 - 2008 (in millions)

7(a) Loan Activity By Lender

LENDER	LOANS	AMOUNT
1. Chase	399	\$25,348,000
2. Huntington National Bank	262	\$18,538,200
3. National City	201	\$10,626,200
4. Citizens Bank	128	\$28,152,500
5. Charter One	89	\$2,988,800
6. CF Bancorp	70	\$6,877,400
7. Capitol Bancorp	67	\$19,114,700
8. Fifth Third Bank	54	\$12,807,900
9. Capital One	52	\$2,440,000
10. Bank of America	47	\$12,208,026
11. Comerica Bank	37	\$12,771,700
12. Mercantile Bank of Michigan	33	\$3,041,200
13. Innovative Bank	29	\$232,500
14. CIT Small Business Lending	27	\$15,247,400
15. Wells Fargo Bank	26	\$5,660,500
16. 1 st Source Bank	22	\$2,706,100
17. Chemical Bank	22	\$2,597,800
18. Irwin Union Bank	20	\$5,068,400
19. Keybank	20	\$4,752,700
20. Franklin Bank	19	\$11,534,200
21. Banco Popular	18	\$6,138,500
22. Fentura Financial	16	\$1,370,400
23. mBank	16	\$4,951,500
24. Community Shores Bank	15	\$1,765,
25. United Bank	14	\$11,643,945
26. Peoples State Bank	13	\$1,529,100
27. 1 st State Bank	12	\$2,307,500
28. Huron Community Bank	11	\$1,160,700
29. Macatawa Bank	10	\$1,243,000
30. UPS Capital Business Credit	10	\$5,260,800
31. New Liberty Bank	9	\$1,610,000
32. Northwestern Bank	9	\$1,171,500
33. Byron Bank	9	\$5,260,000
34. Main Street Bank	8	\$7,344,200
35. Firstbank	7	\$630,400
36. Innovative Bank	7	\$105,000
37. Lake-Osceola State Bank	6	\$4,663,000
38. United Bank of Michigan	6	\$2,461,000
39. First National Bank of Michigan	6	\$1,515,000
40. Old Mission Bank	6	\$328,500
41. Honor Bank	5	\$2,290,000
42. Commercial Bank	5	\$475,000
43. Northstar Financial	5	\$427,200
44. Ciena Capital	4	\$2,605,000
45. Ridgestone Bank	4	\$1,872,500
46. River Valley Bank	4	\$1,423,700
47. Signature Bank	4	\$943,125
48. Mason State Bank	4	\$651,800
49. Guaranty Financial	4	\$603,900
50. Excel National Bank	3	\$3,431,000

LENDER	LOANS	AMOUNT
51. ShoreBank	3	\$2,320,000
52. Business Lenders	3	\$1,640,000
53. Heartland Financial	3	\$1,220,000
54. Live Oak Banking Company	3	\$1,205,000
55. Branch Banking & Trust Co.	3	\$478,000
56. Monarch Community Bank	3	\$473,000
57. Temecula Valley Bank	2	\$4,000,000
58. Isabella Bank	2	\$2,050,000
59. TCF Bank	2	\$1,030,000
60. U.S. Bank	2	\$935,000
61. Dart Bank	2	\$770,900
62. PNC Bank	2	\$648,000
63. Newtek Small Business Finance	2	\$640,000
64. TD Bank	2	\$504,300
65. Century Bank and Trust	2	\$360,000
66. Paramount Bank	2	\$308,000
67. Horizon Bank	2	\$300,000
68. Christian Financial Credit Union	2	\$286,000
69. Community Central Bank	2	\$195,000
70. First Independence Bank	2	\$165,000
71. Midwest Financial Credit Union	2	\$130,000
72. First American Bank	1	\$1,666,666
73. 1st Financial Services Corp.	1	\$1,185,000
74. NCB Financial Corp.	1	\$1,020,000
75. Unity Bank	1	\$1,000,000
76. West Shore Bank	1	\$1,000,000
77. Banco Bilbao Vizcaya Argentaria	1	\$902,000
78. Citizens State Bank	1	\$850,000
79. Home Loan Investment Bank	1	\$630,000
80. Hillsdale County National Bank	1	\$484,000
81. First Bank, Upper Michigan	1	\$460,000
82. Michigan Heritage Bank	1	\$450,000
83. Independent Bank	1	\$412,394
84. First Colebrook Bank	1	\$400,000
85. The Money Store, Inc.	1	\$380,600
86. Associated Bank	1	\$325,200
87. MSB Bankshares, Inc.	1	\$325,000
88. Parada FCU	1	\$320,000
89. Michigan Schools & Government CU	1	\$310,000
90. Nicolet National Bank	1	\$300,000
91. First Western SBLC	1	\$255,000
92. Small Business Loan Source	1	\$200,000
93. Keweenaw Financial Corp.	1	\$184,500
94. Community South Bank	1	\$184,000
95. Access National Bank	1	\$150,000
96. ELGA CU	1	\$150,000
97. United FCU	1	\$150,000
98. Harbor Springs Financial Corp.	1	\$135,000
99. Clarkson Financial Corp.	1	\$100,000
100. Celtic Bank	1	\$50,000

LENDER	LOANS	AMOUNT
101. USA CU	1	\$50,000
102. G. W. Exchange Bank	1	\$40,000
103. T & C FCU	1	\$35,000
104. Covantage CU	1	\$27,500
TOTAL	1,955	\$313,686,656

504 Loan Activity by CDC		
CDC	LOANS	AMOUNT
1. Michigan Certified Dev. Corp.	97	\$45,998,000
2. SEM Resource Capital, Inc.	53	\$24,455,000
3. Economic Dev. Foundation-Certified	28	\$12,538,000
4. Oakland County Bus. Finance Corp.	28	\$17,022,000
5. Lakeshore 504	14	\$4,862,000
6. Business Development Corp.	3	\$1,296,000
7. Metropolitan Growth and Dev. Corp.	2	\$1,045,000
TOTAL	225	\$107,216,000

Loan Activity By City

The Michigan District Office guaranteed 7(a) and 504 loans to businesses in 386 Michigan cities. Cities with four or more loans are listed here.

CITY	LOANS	AMOUNT	CITY	LOANS	AMOUNT	CITY	LOANS	AMOUNT
1. Detroit	99	\$20,339,100	51. Port Huron	11	\$1,946,500	101. Roseville	5	\$1,214,600
2. Grand Rapids	85	\$11,822,600	52. Adrian	11	\$1,806,000	102. St. Joseph	5	\$1,128,300
3. Southfield	44	\$6,289,900	53. Oxford	11	\$1,498,800	103. Milford	5	\$1,099,500
4. Dearborn	40	\$3,540,400	54. Clarkston	11	\$1,393,100	104. Fraser	5	\$1,066,700
5. Traverse City	39	\$9,446,200	55. East Lansing	10	\$3,995,400	105. Marysville	5	\$783,000
6. Sterling Heights	39	\$7,163,900	56. Hudsonville	10	\$3,055,000	106. Northville	5	\$695,000
7. Clinton Township	35	\$8,060,900	57. Escanaba	10	\$2,965,600	107. Dorr	5	\$665,000
8. Holland	34	\$6,898,000	58. Dexter	10	\$2,865,250	108. Wyandotte	5	\$650,000
9. Muskegon	33	\$2,488,894	59. Ypsilanti	10	\$1,107,000	109. Benton Harbor	5	\$621,200
10. Shelby Township	32	\$4,036,500	60. Belleville	10	\$691,000	110. Eastpointe	5	\$563,000
11. Kalamazoo	31	\$7,703,000	61. Lowell	10	\$516,500	111. Pinckney	5	\$540,500
12. Livonia	31	\$5,445,200	62. New Baltimore	9	\$3,224,900	112. Oak Park	5	\$496,000
13. Novi	30	\$5,305,200	63. Farmington Hills	9	\$2,757,000	113. Brownstown	5	\$445,000
14. Warren	30	\$3,783,100	64. Auburn Hills	9	\$2,417,000	114. Dowagiac	5	\$422,000
15. Troy	28	\$5,220,600	65. Grand Blanc	9	\$1,344,600	115. Imlay City	5	\$412,300
16. Lansing	27	\$8,662,066	66. Jenison	9	\$1,148,000	116. Oscoda	5	\$360,000
17. Canton	27	\$3,532,800	67. Bay City	9	\$1,131,000	117. Edwardsburg	5	\$350,500
18. Flint	26	\$9,752,100	68. Westland	9	\$1,045,900	118. Charlevoix	5	\$132,700
19. Ann Arbor	26	\$9,123,200	69. Grandville	9	\$914,400	119. Woodhaven	4	\$1,850,400
20. Royal Oak	24	\$6,112,600	70. Utica	9	\$768,400	120. Rosebush	4	\$1,802,500
21. Plymouth	22	\$4,237,926	71. White Lake	9	\$683,900	121. Monroe	4	\$1,332,000
22. Farmington	21	\$1,575,000	72. Marquette	8	\$3,492,075	122. Plainwell	4	\$1,205,000
23. Birmingham	20	\$4,722,600	73. Okemos	8	\$3,425,100	123. Williamston	4	\$1,151,000
24. Fenton	18	\$4,425,000	74. Redford	8	\$1,540,400	124. Brooklyn	4	\$1,082,500
25. Rochester	18	\$3,603,200	75. Wayne	8	\$1,362,000	125. Macomb Township	4	\$1,060,000
26. Wyoming	18	\$3,466,000	76. Mount Clemens	8	\$833,000	126. Hastings	4	\$1,022,000
27. Jackson	17	\$4,614,900	77. Ferndale	8	\$827,900	127. Walled Lake	4	\$999,000
28. Macomb	17	\$1,364,400	78. South Lyon	8	\$818,800	128. Olivet	4	\$940,900
29. Waterford	16	\$3,948,600	79. Washington	8	\$816,400	129. Sault Ste. Marie	4	\$940,500
30. Saint Clair Shores	16	\$3,091,200	80. Chesterfield	8	\$285,000	130. Lincoln Park	4	\$932,300
31. Saginaw	16	\$2,146,500	81. Greenville	8	\$255,000	131. Bridgman	4	\$678,000
32. Brighton	15	\$4,586,600	82. Rockford	8	\$240,300	132. Kawkawlin	4	\$590,000
33. Davison	15	\$3,604,000	83. Madison Heights	7	\$1,706,200	133. Fremont	4	\$570,000
34. Pontiac	15	\$3,315,700	84. Spring Lake	7	\$1,220,400	134. Zeeland	4	\$492,000
35. Taylor	14	\$3,960,100	85. Inkster	7	\$1,189,400	135. Temperance	4	\$370,300
36. Bloomfield Hills	14	\$1,996,500	86. Holly	7	\$292,500	136. Comstock Park	4	\$336,500
37. Dearborn Heights	14	\$912,800	87. Highland	6	\$1,682,000	137. Grand Ledge	4	\$335,500
38. Lake Orion	14	\$636,600	88. Ada	6	\$1,081,000	138. Kimball	4	\$268,200
39. Portage	13	\$4,985,000	89. Whitehall	6	\$1,026,700	139. Whitmore Lake	4	\$226,200
40. Kentwood	13	\$4,783,000	90. Marshall	6	\$763,000	140. Sandusky	4	\$215,000
41. Grand Haven	13	\$3,223,200	91. Saline	6	\$759,500	141. Petoskey	4	\$145,000
42. Wixom	13	\$3,160,900	92. Niles	6	\$708,500	142. Algonac	4	\$127,500
43. Rochester Hills	12	\$3,636,425	93. Byron Center	5	\$2,859,700	143. Flushing	4	\$119,800
44. Lapeer	12	\$3,056,000	94. Gaylord	5	\$2,609,000	144. Romulus	4	\$115,500
45. Battle Creek	12	\$2,533,900	95. Burton	5	\$2,236,000	145. Garden City	4	\$100,000
46. Howell	12	\$2,154,400	96. Mount Pleasant	5	\$2,086,800			
47. Caledonia	12	\$1,789,400	97. Linden	5	\$1,822,700			
48. Commerce Twp.	12	\$1,205,500	98. Kalkaska	5	\$1,582,400			
49. West Bloomfield	11	\$2,102,700	99. Owosso	5	\$1,364,500			
50. Midland	11	\$2,024,000	100. Clawson	5	\$1,316,000			
						TOTAL	2,180	\$420,902,656

Loan Activity By County

COUNTY	LOANS	DOLLARS	COUNTY	LOANS	DOLLARS
1. Oakland	424	\$73,467,025	41. Otsego	5	\$2,609,000
2. Wayne	347	\$56,280,226	42. Houghton	5	\$2,479,500
3. Macomb	240	\$38,773,800	43. Mackinac	5	\$1,972,000
4. Kent	178	\$29,678,600	44. St. Joseph	5	\$1,091,000
5. Genesee	94	\$24,626,700	45. Newaygo	5	\$580,500
6. Ottawa	81	\$17,318,600	46. Huron	5	\$577,000
7. Washtenaw	57	\$14,096,150	47. Emmet	5	\$170,000
8. Kalamazoo	54	\$15,226,500	48. Charlevoix	5	\$132,700
9. Muskegon	52	\$5,534,094	49. Leelanau	5	\$361,800
10. Ingham	47	\$16,791,366	50. Manistee	4	\$1,936,000
11. Grand Traverse	45	\$9,871,700	51. Arenac	4	\$930,000
12. Saint Clair	43	\$6,681,700	52. Antrim	4	\$770,500
13. Livingston	35	\$8,296,600	53. Mecosta	4	\$754,000
14. Allegan	28	\$4,332,700	54. Alger	4	\$584,225
15. Berrien	26	\$5,413,000	55. Alcona	4	\$287,800
16. Lenawee	23	\$3,416,695	56. Oceana	4	\$286,500
17. Jackson	22	\$5,707,900	57. Dickinson	3	\$2,101,400
18. Saginaw	22	\$2,943,300	58. Menominee	3	\$960,000
19. Eaton	21	\$4,541,300	59. Branch	3	\$555,000
20. Lapeer	21	\$3,631,300	60. Tuscola	3	\$504,400
21. Calhoun	18	\$3,296,900	61. Clare	3	\$271,200
22. Bay	17	\$2,148,300	62. Hillsdale	3	\$91,500
23. Cass	17	\$1,114,500	63. Schoolcraft	2	\$1,170,000
24. Monroe	14	\$3,102,400	64. Mason	2	\$350,000
25. Montcalm	13	\$487,500	65. Wexford	2	\$143,000
26. Midland	12	\$2,149,000	66. Roscommon	2	\$140,400
27. Sanilac	12	\$1,485,000	67. Alpena	2	\$125,100
28. Marquette	11	\$7,375,075	68. Osceola	2	\$25,000
29. Isabella	11	\$5,908,700	69. Ontonagon	1	\$1,292,000
30. Delta	11	\$3,425,600	70. Lake	1	\$438,000
31. Kalkaska	9	\$2,198,400	71. Gogebic	1	\$325,200
32. Clinton	9	\$1,614,800	72. Oscoda	1	\$139,700
33. Van Buren	8	\$4,340,000	73. Ogemaw	1	\$50,000
34. Ionia	8	\$1,042,600	74. Gladwin	1	\$35,000
35. Gratiot	7	\$3,388,000	75. Iron	1	\$27,500
36. Iosco	7	\$494,900	76. Cheboygan	1	\$26,300
37. Benzie	6	\$1,906,000	77. Luce	1	\$25,000
38. Barry	6	\$1,727,000			
39. Chippewa	6	\$1,375,500			
40. Shiawassee	6	\$1,375,000			
			TOTAL	2,180	\$420,902,656

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Small Businesses - Creating Michigan Jobs

When it comes to job creation, small business is making a real impact on the Michigan economy. Small businesses with less than five employees had a net *increase* of 20,279 in their employment figures from 2004 to 2005, according to the latest figures published by the SBA's Office of Advocacy. In contrast, businesses with 20 or more employees in the same time period had a *decrease* of 102,430 jobs, and the majority of these losses were in corporations with 500 or more employees.

Consider this; **from 1991 to 2005, businesses with less than five employees have been the only segment to add new jobs in Michigan each year.** Job creation and growing economies – these are the reasons SBA strives to support Michigan's entrepreneurs and why small business makes a real difference in our economy.

Job Creation By Firm Size 2004-2005

Number of Employees in 2004	Jobs these Firms Created by 2005
1-4 employees	20,279
5-9 employees	(3,250)
<u>10-19 employees</u>	<u>(14,522)</u>
Less than 20 employees	2,507
20-99 employees	(32,881)
100-499 employees	(63)
<u>500+ employees</u>	<u>(69,486)</u>
More than 19 employees	(102,430)
Total net loss of jobs	(99,923)

Source: SBA Office of Advocacy

U.S. Small Business Administration



Your Small Business Resource

For a copy of this report, please contact Annette Hall at 313.226.6075 x225 or e-mail annette.hall@sba.gov.

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