

BUSINESS

Have a business tip?

As the Inland Empire continues to grow, business news becomes more important than ever. So send us information about your business or organization, share your entrepreneurial thoughts or let us know what's happening in the business sector of your city. | bizz@inlandnewspapers.com.

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TUESDAY'S CLOSING

Dow 8,668.39 +184.46 | Nasdaq 1,550.70 +40.38 | S&P 500 890.64 +21.22 | Oil 39.03 -0.99 | Gold 870.00 -5.30 | Silver 10.98 +0.17

THEBIZZ

New trustee elected to Pitzer College board

Pitzer College officials have announced the election of a new trustee, S. "Mohan" Chandramohan to the school's board of trustees.

Chandramohan is the former chairman and CEO of American Reprographics Co., the largest reprographics company in the United States, officials said. The company is listed on the New York Stock Exchange and has about 110,000 customers with a global network of more than 3,000 on-site print centers.

Chandramohan founded the company in 1998 and became CEO in 1991. He retired in 2007 but remains the company's largest individual shareholder.

Before Chandramohan founded the company, he was COO and CFO of U-Save Auto Parts Stores Inc., and also held a position with the Hong Kong and Shanghai Banking Corp., officials said.

Real-estate execs to focus on commercial development

The Association of Commercial Real Estate Executives' Inland Empire chapter will discuss "Changes in Commercial Development" at the group's Feb. 18 meeting at the Ontario Convention Center, 2000 E. Convention Center Way. Registration will begin at 3 p.m., followed by a panel discussion from 3:30 to 5

Where to find help?

Business owners hope for SBA loan expansion

By Matt Wrye
Staff Writer

The sour economy is putting several Inland Empire businesses on the brink of closure, leaving business owners hopeful that a sliver of the federal government's \$700 billion bailout package might be thrown their way through available credit and higher loan guarantees.

Dozens of local companies operate on U.S. Small Business Administration loans, where banks lend businesses money and the loans are backed by the federal government. That backing is usually between 75 percent and 85 percent of the loan amount.

But like other small-business advocates, Hilda Kennedy wants 100 percent backing by the government, and she's asking local legislators to help make it happen. It might be enough incentive for lenders to lend more money, she said.

The executive director of AmPac Tri State CDC, a Grand Terrace-based nonprofit SBA lender, is also asking that SBA 504 loans be expanded.

With these loans — used for purchasing real estate and large equipment — the federal government lends 40 percent of the total amount, but Kennedy thinks it should be 60 percent, which also might free up lending capital at banks.

"We're certainly taking a close look at that, especially with a new administration coming in," Kennedy said.

A big portion of the SBA loan market froze over during the second half of 2008, according to Christine Mangi, spokeswoman for the Small Business Administration.

That could start changing soon.

The administration announced on Christmas Eve that the Federal Reserve's \$200 billion program to free up credit for consumers and small businesses, the Term Asset-Backed Securities Loan Facility, is kicking into gear.

It might restore small business lending to levels the market experienced before Wall Street's financial crisis hit Main Street.

"It's supposed to help our SBA lending partners make ... SBA-backed loans," Mangi said.

In the meantime, small-business owners "are scrambling," said Robert Usher, senior business consultant who works with businesses in Chino and Rancho Cucamonga for the Riverside-based Inland Empire Small Business Development Center.

"I hear a lot more as time progresses," he said about local

businesses owners who are running out of credit options. "What people really want is the banks to free up funds."

Rumors are floating around that the SBA loan program might be expanded, Usher said — something that may happen if small business lending doesn't fully recover and the economy keeps spiraling.

"That's one of the things (President-elect Barack) Obama, on the campaign trail, said he would take a look at," Usher said.

For now, local business owners are waiting and watching.

"If it's banks using bailout money, they're OK with that, and if it's SBA doing direct lending, that's fine, too," Usher said. "It's that tricky aspect of how it's going to get administered, how it's going to get to the local level, and if it's appropriate for what we want to do."

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