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## Celebrating their Success

### SBA Honors Small Business Week Winners

In 1996, Kathy Kady-Hopkins and her mom, Christine Sherwood took a leap of faith and started ASL Interpreter Referral Service, Inc. from their New Brunswick homes with a \$2,000 investment. Twelve years later, they find themselves as the U.S. Small Business Administration's (SBA) 2008 New Jersey Small Business Persons of the Year.

Kathy is the president and Chris is the vice president of ASL Interpreter Referral Service, Inc., a Somerset-based firm that specializes in providing interpreters 24/7 for individuals who are deaf, hard of hearing or deaf and blind.

In making the announcement, SBA New Jersey District Director James A. Kocsi said that Kady-Hopkins and Sherwood were selected for the award based on criteria that include: Staying Power (a substantial history of an established business); Growth in Number of Employees; Increase in Sales; Financial Strength of the Company; Innovativeness of Product or Service Offered; Response to Adversity and Contributions to Aid Community Oriented Projects. The mother-daughter team was nominated for the award by Rosemary Dente, vice president/SBA business development officer for Susquehanna Bank.

"Kathy and Christine are your typical entrepreneurs; they are risk takers, people with vision and passion, and an understanding of what it takes to nurture



**Signs of Success---**Kathy Kady-Hopkins (L) and her mom, Chris Sherwood (R) started ASL Interpreter Referral Service, Inc. from their home in 1996. The Somerset-based company provides interpreters for individuals who are deaf, hard of hearing or deaf and blind. An SBA loan for \$157,200 helped Kathy and Chris move their business into an office condo. Today, the company employs seven full-time employees, works with over 100 independent contractors and handles approximately 4,500 requests per year. Recently, Kathy and Chris were honored as the U.S Small Business Administration's 2008 New Jersey Small Business Persons of the Year.

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# SBA Finds Lending is Down during First-Half of 2008

The U.S. Small Business Administration's New Jersey District Office reported that it has approved 1,400 loans for \$239 million to state small business owners during the first-half of fiscal year 2008 (the period of October 1, 2007 through March 31, 2008).

According to SBA New Jersey District Director James A. Kocsi, there was an 18 percent decrease in loan approvals and an 11 percent drop in dollar value of approvals during the first six months of fiscal year 2008. Last year, the agency approved 1,697 loans for \$268 million during the same time period. This drop in loan activity mirrors a trend that the SBA is seeing on a national level.

"It is a challenging time for all of us at the SBA," said Kocsi. "While some of our lending partners have raised their requirements to obtain business loans, including those made under the SBA's loan guaranty program, most have not. However, some of these lenders report that the demand is down for small business loans due to the slowing economy and business owners taking a more cautious approach on expansion and new business plans."

"The good news is that interest rates have decreased, resulting in lower borrowing costs for small business owners," said Kocsi. "The other encouraging news is that the money from the federal economic stimulus package is expected to boost consumer spending in the coming quarter and that will benefit small business owners."

Despite the downturn, Kocsi sees positive trends among

banks that are increasing their lending activity this year. "JP Morgan Chase, Innovative Bank, 1<sup>st</sup> Constitution Bank, Millennium bcpbank and Central Jersey Bank are actively seeking to support qualified small borrowers," said Kocsi. "It's an encouraging sign and tells me that we have to continually work with our lenders to remind them of the benefits that SBA loan programs bring to their customers."

Women, minority and veteran-owned small businesses also saw a drop in loans from the SBA. Kocsi noted that during the first six months of fiscal year 2008, African-Americans received a total of 108 loans for \$13.1 million; Hispanic-Americans 121 loans for \$13.6 million; and Asian-Americans received 431 loans for \$65.8 million.

According to Kocsi, women-owned businesses in New Jersey received 349 loans for \$48.9 million during the first six months of fiscal year 2008, while veteran-owned businesses received 38 loans for \$7.1 million.

Bergen County led the way in SBA loan approvals, during the first six months of fiscal year 2008, with 289 loans for \$30.3 million; Essex County followed with 118 loans for \$14.7 million; Middlesex County had 105 loans for \$18.7 million; Monmouth County had 104 loans for \$21.7 million; and rounding out the top five counties was Morris County with 90 loans for \$14.2 million.

Kocsi also noted that the top five SBA lenders in New Jersey for the first six months of fiscal year 2008 were: JPMorgan Chase Bank with 164 loans for \$7.2 million; Bank of America also with 164 loans for \$5.3 million; PNC Bank with 148 loans for \$10.4 million; Innovative Bank with 98 loans for \$2.2 million; Commerce Bank with 88 loans for \$30.7 million and BNB Bank also with 88 loans for \$28.2 million.

## Top Ten Industries Receiving SBA Loans

(For the Period from October 1, 2007 through March 31, 2008)

Industry	# of Loan Approvals	\$ Amount
1) Full-Service Restaurants	116	\$37.6 million
2) Nail Salons	69	\$ 3.0 million
3) Limited-Service Restaurants	56	\$11.4 million
4) Drycleaning and Laundry Services	45	\$ 5.4 million
5) Hair Salons	36	\$ 2.8 million
6) Beer, Wine and Liquor Stores	28	\$13.6 million
7) Dental Offices	22	\$54.8 million
8) Coin Operated Laundries	19	\$ 3.7 million
9) General Automotive Repair	19	\$ 2.6 million
10) Fitness and Recreational Sports Centers	18	\$ 5.1 million
<b>Totals</b>	<b>428</b>	<b>\$140.0 million</b>

# SBA's NJ Top Lenders in FY 2008

(For the Period of October 1, 2007 through March 31, 2008)

Lender	# of Loans	\$Amount
1) JPMorgan Chase Bank	164	\$ 7.2 Million
2) Bank of America	164	\$ 5.3 Million
3) PNC Bank	148	\$10.4 Million
4) Innovative Bank	98	\$ 2.2 Million
5) Commerce Bank	88	\$30.7 Million
6) BNB Bank	88	\$28.2 Million
7) Banco Popular North America	56	\$ 6.3 Million
8) Millennium bcpbank	51	\$ 4.8 Million
9) Capital One Bank	48	\$ 2.0 Million
10) Sovereign Bank	39	\$ 2.2 Million

## SBA Celebrates Small Business Week with May 2<sup>nd</sup> Awards Luncheon and Program on Doing Business with the Govt.

**T**he U.S. Small Business

Administration's New Jersey District Office will celebrate National Small Business Week on Friday, May 2<sup>nd</sup> with its Annual Small Business Week Awards Luncheon.

This year's luncheon is sponsored by the New Jersey State Chamber of Commerce and will be held at the Pines Manor located at 2085 Rt.27 in Edison, New Jersey. The SBA will honor five New Jerseyans for their outstanding achievements as business owners and advocates of small business issues.

The agency will recognize Kathleen Kady-Hopkins and Christine Sherwood owners of ASL Interpreter Referral Services, Inc. of Somerset as the 2008 New Jersey Small

Business Persons of the Year; Patrick A. Toriello, Vice President, Popular Small Business Capital of Newton as SBA's 2008 Financial Services Champion of the Year; Willa A. Edgerton-Chisler, owner of Symphony Coaching, LLC of West Orange as SBA's 2008 Minority Small Business Champion of the Year; and Robin Berg Tabakin, Esq. and president and CEO of Technoforce, LLC of Randolph as the SBA's 2008 Women in Business Champion of the Year.

This year's event will feature programs on *Securing State & Federal Contracts for Your Small Business*. Sandy Davis director, Office of Supplier Diversity, New Jersey Department of Treasury and SBA's New Jersey District Director, James A. Kocsi will lead discussions on both topics.

Davis will discuss the State of New Jersey's new state programs to assist small, women and minority-owned businesses. Kocsi will explain how to tap into the federal prime contracting markets and how to obtain subcontracts from large business prime contractors to the federal government, as well as discuss small business certifications that can give small business owners an advantage over their competition.

The government contracting portion of the program is scheduled from 9:30 a.m. – 12 Noon. The Small Business Week Awards Luncheon will take place from 12 Noon to 2:00 p.m.

There is a \$70 fee to attend both the conference and SBA Awards Luncheon; \$60 if you are a member of the Chamber of Commerce. The fee for just attending the awards luncheon is \$55. For registration information on this event, contact Carol Gabel of the New Jersey Chamber of Commerce at 609-989-7888 or register online at <http://www.njchamber.com/events.asp>

## UPCOMING EVENTS

### **Building and Financing Your Business with the SBA**

Wednesday, May 14, 2008

12:00 Noon – 3:00 p.m.

Philips Lighting

200 Franklin Square

Somerset, NJ 07601

Fee: None

For Information: (908) 526-1200

### **Building and Financing Your Business with the SBA**

Wednesday, May 21, 2008

10:00 a.m. – 1:00 p.m.

South County Regional Branch Library

35 Coopers Folly Road

Atco, NJ 08062

Fee: None

For Information: (856) 225-6221

### **How to Start a Small Business**

Thursday, May 29, 2008

10:00 a.m. – 1:00 p.m.

SBA Office

Two Gateway Center

Newark, NJ 07102

Fee: None

For information: (973) 507-9700

### **Introduction to QuickBooks**

Two Sessions

Monday, June 9, 2008

Monday, June 16, 2008

10:00 a.m. – 1:00 p.m.

SBA Office – Two Gateway Center – 15<sup>th</sup> Fl.

Newark, NJ 07102

Fee: None

For Information: (973) 507-9700

### **Intellectual Property – What, How, When? Patents, Trademarks, Copyrights and more**

Thursday, June 12, 2008

10:00 a.m. – 1:00 p.m.

SBA Office – Two Gateway Center 15<sup>th</sup> Fl.

Newark, NJ 07102

Fee: None

For Information: (973) 507-9700

### **Starting and Managing Your Own Business**

Tuesday, June 16, 2008

9:00 a.m. – 2:30 p.m.

SBA Office – Two Gateway Center – 15<sup>th</sup> Fl.

Newark, NJ 07102

Fee: \$35 includes course book

For Information: (973) 645-2434

# Celebrating their Success

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an idea and build it into a successful company,” said Kocsi. “All across New Jersey there are companies just like ASL Interpreter Referral Service, Inc. that are making enormous contributions to the local economy. It is small business owners like Kathy Kady-Hopkins and Christine Sherwood who are meeting payrolls and providing innovative services that shape the landscape of our economy.”

Kathy, who has been hard of hearing since birth, worked for AT&T prior to starting the company. She worked in sales, selling telecommunications products to people with disabilities, as well as involved in implementing the company’s telecommunications relay service for the deaf. Kathy also became well versed in the Americans with Disabilities Act law and managed AT&T’s in-house interpreting service nationwide.

So when AT&T was downsizing and offering compensation packages to its employees, Kathy accepted the buyout. “I always dreamed of owning my own business,” said Kathy. “I have two aunts and an uncle and cousins who are deaf. My husband Paul is deaf. I knew there was a need for this service and how frustrating it was for people to get an interpreter. I decided I was going to change the market for these services.”

So Kathy approached her mom about going into business together. At the time, Christine owned Aura Associates, a training company that specialized in management skills. “When Kathy approached me about starting the business it was difficult for me to break away from my business, but I knew it was the right thing to do,” said Christine. “We just did it and the business took off quickly.”

“The key to this business is that we are providing a 24/7 service to our clients,” said Christine. “A call can

come anytime and we are ready to help that client. It could be from a hospital emergency room with a real life and death situation, and we are there to send someone there on the spot.”

Both women credit the SBA for helping them with the growth of their business. They used a \$157,200 SBA-backed loan from Temecula Valley Bank to purchase an office condo in 2005. The new 1200 square foot office space allows for a training facility, where clients can receive training in basic sign language, sensitivity training and TTY relay training.

Today, ASL Interpreter Referral Service, Inc. has grown to seven employees, works with over 100 independent contractors and handles approximately 4,500 requests, annually, for interpreter services.

As part of SBA’s National Small Business Week festivities (April 21st – April 25th), Kady-Hopkins and Sherwood were honored in Washington, D.C. by SBA Administrator Steve Preston, where they competed for the title of SBA National Small Business Person of the Year with representatives of 49 other states, the District of Columbia, Puerto Rico, and Guam. President Bush honored all 53 winners at a White House ceremony, where he announced the National Small Business Person of the Year.

Kady-Hopkins and Sherwood will also be honored by the SBA New Jersey District Office and the New Jersey State Chamber of Commerce at the Annual New Jersey Small Business Week Awards Luncheon slated for Friday, May 2, 2008, at the Pines Manor in Edison, New Jersey.