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BUSINESS

## WOMEN IN STEM

SUCCESS FACTORS  
FOR CAREERS IN  
TECHNOLOGY

Holly Migliaccio, Founder of  
Rook Coffee

## \$1.3 TRILLION MILLENNIALS

HAVE HUGE BUYING POWER:  
HERE'S HOW TO TAP IT

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## WHEN WOMEN BUSINESS OWNERS NEED A LOAN, **THE SBA CAN HELP**

BY DIANA DRAKE

# BANKING ON A → LOAN

Fran Kruchkowski is no stranger to professional challenges. After all, she's the owner of Scaffolding Towers of America, a Middlesex-based company that rents, sells, and installs scaffolding for jobs of all sizes and works directly with the male-dominated construction and contractor industry in which women are not the traditional business owners.

The company provides scaffolding for camera towers and broadcast booths at golf events broadcast by one of its largest clients, CBS Sports, so its products are often transported across the country to be used during golf tournaments. But that became a liability a few years back, when Kruchkowski had trouble refinancing equipment due to the fact that it wasn't warehoused in one location.

Kruchkowski turned to her team of advisors to figure out how to address her refinancing needs. "When I initially approached Unity Bank in 2012, they suggested that I consider an SBA [U.S. Small Business Administration] loan," says Kruchkowski, whose company has between 15 and 25 employees, depending on the season. Unity Bank, based in Clinton, is a U.S. Small Business Administration preferred lender.

"Thanks to Unity Bank, I secured SBA-backed loans totaling more than \$1 million," she adds.

"I received my first loan in 2012 and three additional loans since then." These loans helped with refinancing equipment, the purchase of two new tractor-trailers and one forklift, and the purchase of inventory for a new-product offering for the golf division.

Her story illustrates the availability of SBA loans. While many women business owners don't think the SBA would deem them eligible, Fran Kruchkowski went out and got four of the loans.

## THE SBA MARKET

The SBA is an independent agency of the federal government that provides support for and protects the interests of small businesses in America. The SBA's New Jersey district office, located in Newark, handles the delivery of SBA's programs and services throughout the state. A fundamental part of those

## NEED HELP NAVIGATING SBA LOANS?

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<https://centraljersey.score.org/>

SBA NEW JERSEY  
DISTRICT OFFICE

<https://www.sba.gov/nj>

NEW JERSEY  
SMALL BUSINESS  
DEVELOPMENT CENTERS

<http://www.njsbdc.com/>

services involves financial assistance for new or existing businesses through the agency's various loan programs facilitated by local lenders, including its popular 7(a) guaranteed loan program. Loans can be used for working capital; the purchase of real estate, machinery, and equipment; debt refinancing; business acquisitions, and other business needs.

Last year, the SBA approved a record \$822 million in loans to New Jersey small businesses, an increase from \$654 million in 2014. A similar increase played out in loans directed specifically to New Jersey companies owned by women. "In 2015, we did \$110,168,000 in SBA loans to woman-owned businesses in New Jersey," notes Al Titone, district director in the SBA's New Jersey office. "That is an increase from \$94,652,000 in 2014. In terms of number of loans, we went from 245 to 280 in 2015. We had a big focus last year on SBA lending to woman-owned businesses. And the improving economy also helped."

While the numbers are on the rise, Titone needs women business owners to first and foremost recognize that they are potential SBA loan recipients. "Women have a tendency to think that they just can't get the loan, so they don't bother applying. In reality, they are just as eligible as other small-business owners," he explains. The [www.sba.gov/nj](http://www.sba.gov/nj) site offers general information about the process.

Women business owners who are interested in applying for an SBA loan can visit [www.sba.gov](http://www.sba.gov) tools to download a loan application checklist. This will help familiarize business owners with all the requirements a lender will need from a small business applying for an SBA loan.

## GET THE FACTS

Next step: explore and ask questions. "Either our Newark office or one of our resource partners can help walk you through the SBA loan process," says Titone, adding that the state's network of Small Business Development Centers, SCORE offices, and the Women's Center for Entrepreneurship Corp. at Peapack-Gladstone Bank are frontline SBA allies. "We have a lot of ways to assist women business owners," adds Titone. "We can assist them in understanding the application process, creating a business plan, and putting together their financials. They can call the district office, and we can direct them to where they need to be. There is a lot of information and assistance out there, and we are happy to provide it."

The SBA and its resource partners do not actually provide SBA loans. That task falls to

SBA-approved lenders. Beyond the information-gathering phase, Titone recommends that women business owners begin their search for the appropriate SBA lender in a place that is most familiar—their own bank. "They have a relationship with you and they know you best," suggests Titone. "If that doesn't work, then you will need to do your research. Our office can tell you which banks are the biggest SBA lenders with the most loans to woman-owned businesses."

The SBA website provides a list of the 100 most active SBA 7(a) lenders. In New Jersey, that honor roll currently lists Wells Fargo, TD Bank, JPMorgan Chase, NewBank, and Columbia Bank.

## PLAN AHEAD

Whatever you do, cautions Titone, do not approach a lender without a strategy. "Don't just walk in and say, 'How much will you give me?'" he says.

Advisors are a fundamental part of that strategic approach," notes Lou Gallo, Wells Fargo's business banking area manager with offices in Edison and Red Bank, as well as North Jersey. Wells Fargo tops the SBA preferred lenders list in both New Jersey and the nation. "Woman-owned businesses that are starting up need to make sure that they have the right advisors behind them: a CPA, attorney, and banker all in sync to help them if they have lending needs, and to drive them in the right direction."

What's more, adds Gallo, let your bank relation-

**Woman-owned businesses that are starting up need to make sure that they have the right advisors behind them: a CPA, attorney, and banker. — LOU GALLO**

ship managers guide you. "Early engagement with your banking advisors is critical to your success of getting the lending and working through the business plan to fit your needs of how you want to grow."

And don't underestimate the power of the plan. A business that approaches a bank and presents a case for lending should have a solid business plan that specifies how the business intends to grow. "The SBA will lend based on projections," Gallo points out. "Your growth strategy is a critical piece of your plan."



Will businesses seeking SBA loans be awash in a sea of paperwork? As with any loan application, says Gallo, you will be required to provide comprehensive background and business details. Even so, he says, business owners shouldn't feel intimidated. "People perceive SBA as being a long, tedious process and a lot of paperwork," says Gallo. "The SBA has done a good job of streamlining those processes." Average time for loan approval, adds Titone, is 45 to 60 days, which can vary depending on individual business needs.

Gallo describes the lending environment these days as "still tentative," though he is "carefully optimistic" that things will continue to improve if rising interest rates don't have a negative effect.

Wells Fargo managers are actively networking at state events for women business owners to talk about SBA loans and other products and services. SBA loans, says Gallo, are a great way for banks like Wells Fargo to help business customers with their growing business needs. "It allows us to do lending that we may not have done traditionally because the SBA is giving a guarantee. That helps us offset any concern we may have with companies that show weaknesses on balance sheets and income statements." This has been a small-business reality through the economic downturn and slow recovery.

Dina Shekhter, co-owner of 3d Rose in Jackson, can speak to that from experience. Her business, which prints on-demand images on products like mugs, T-shirts, and wall clocks, applied for an SBA loan in 2012, a hard time for small businesses. "It wasn't easy to get loans at that time," notes Shekhter. "If it wasn't for the SBA, we wouldn't have been able to buy this location, and who knows how this business would have turned out. We doubled our size by moving, and we are able to store more merchandise, hire more people, and still have more room to build. I'm grateful to SBA for giving us this opportunity."

Share your thoughts & comments at  
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## How to Get Certified as a Woman-owned Business

For women, business ownership can come with advantages. For example, public companies as well as local, state, and federal government purchasing agencies have programs for allotting a certain percentage of business to woman-owned companies. In order to take advantage of those allowances, however, you must be officially certified as a Women's Business Enterprise (WBE). The Women's Business Enterprise National Council (WBENC), a Washington, D.C. certifying organization for WBEs in the U.S., provided these tips regarding important aspects of certification:

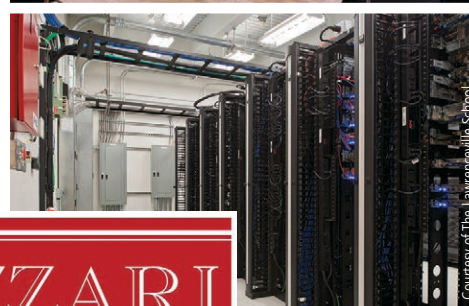
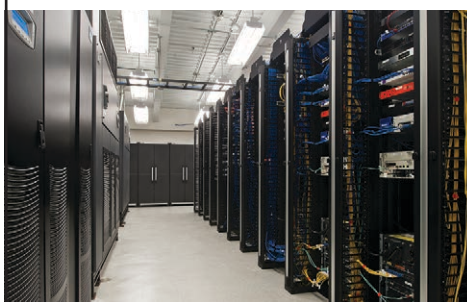
- Make sure your business is at least 51 percent owned and controlled by one or more women who are U.S. citizens or Legal Resident Aliens.
- Fill out and submit an application, which you can get through WBENC ([wbenc.org](http://wbenc.org)) or other certifying organizations like the National Women Business Owners Corporation ([nwboc.org](http://nwboc.org)). Choose your certifying organization based on the type of work you hope to get through your WBE certification. You can also consider state certification, which is typically good for doing business with state government agencies.

- Be patient; the full certification process is notoriously time-consuming, involving paperwork, review committees, and site visits — and some fees.

If you are too busy running your business, consider enlisting the help of an advisor for the application and approval process.

- To find out about certification in New Jersey, visit the state contracting page at [nj.gov/njbusiness/contracting](http://nj.gov/njbusiness/contracting). Follow up with your local Small Business Development Center or other small business organization to discuss the most up-to-date guidelines for WBE certification in New Jersey.

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