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### REVITALIZATION/3

#### Commitment to employing San Francisco welfare recipients

Rite Aid is planning a partnership with San Francisco Works, a program that helps provide valuable employment opportunities for San Francisco residents. Led by the Chamber of Commerce, the Committee on Jobs and the United Way, San Francisco Works was chartered in 1997 to prepare 2,000 men and women to transition successfully from welfare to work through proven screening, training, placement and retention support programs. Within the next 90 days Rite Aid will open three new stores in San Francisco and will be hiring from the local communities.

#### Rite Aid redeveloping entire block in Tacoma Hilltop area

Rite Aid will soon break ground on a \$4 million project that will help revitalize the Hilltop, a struggling neighborhood in Tacoma, Washington. Rite Aid has been commended by community leaders, for its pioneering efforts, which may serve as a catalyst for future economic developments. The 16,000 square foot store will employ Hilltop neighborhood residents.

#### Partnering with community construction and hiring groups in Philadelphia

In mid-1996 Rite Aid reaffirmed its commitment to urban retailing by partnering with a community development group to relocate a store in inner-city Philadelphia. The relationship with the Greater Germantown Housing Development Company (GGHDC) ensured local hiring of all subcontractors, architects, engineers, and other construction consultants. In addition, the GGHDC handled all phases of the construction process and assisted in the hiring process for in-store positions.

Also, in January of 1996 Rite Aid teamed with the Jefferson Manor Community Development Corporation and the Girard Avenue Business Association. A state-of-the-art Rite Aid pharmacy was opened in a depressed North Philadelphia neighborhood, where more than a quarter of the residents were unemployed and the nearest drugstore was blocks away. Most of the 18 store employees were hired from within the neighborhood. Community leaders commended Rite Aid saying the store serves as a building block to help revitalize their neighborhood.

#### Rite Aid partnering with New York City as a foundation for urban development

Recently, Rite Aid CEO Martin Grass committed to a project sponsored by New York Mayor Rudolph Giuliani called "The ANCHOR Program." Developed in conjunction with the New York City Partnership, the program is dedicated to the

(more)

## REVITALIZATION/4

development of commercial properties in economically challenged neighborhoods in which residential housing also is being developed. Last October, Mayor Giuliani announced Rite Aid's participation in the first "Partnership Plaza," 20,000 square-foot, \$3.4 million commercial plaza in Bedford-Stuyvesant, Brooklyn. Rite Aid will anchor the plaza and create 15-20 new jobs in a neighborhood desperately in need of them. All of the hiring will be done on-site and Rite Aid will work collaboratively with the NYC Partnership's job training component to ensure that neighborhood residents have access to these jobs.

In addition to its 142 stores operating throughout New York City's neighborhoods, Rite Aid also announced its plans for a second store on 125<sup>th</sup> street in Manhattan, one of five stores developed in the greater Harlem community.

### Rite Aid joins with City of Buffalo to reclaim blighted sites

Working together, Rite Aid and the City of Buffalo have already made significant progress in changing blighted areas into attractive, tax-paying neighborhood drugstore locations. Rite Aid is the only major retail drugstore firm solidly committed to building new stores in every area of Buffalo. In 1993, Buffalo Mayor Jimmy Griffin and Rite Aid undertook this ambitious program, which is continuing with the solid encouragement of Mayor Anthony Masiello. In the past five years, Rite Aid has constructed 11 drugstores in the city's blighted areas at a total project cost in excess of \$15 million. Each store employs about 20 full-and-part-time people. Rite Aid plans to add five more stores in urban Buffalo over the next two years.

### Commitment to upgrading retail services in Detroit

On June 11, 1998, Rite Aid CEO Martin Grass will host the grand opening of the first of ten new stores planned for Detroit. The store serves an urban, low-income neighborhood without easy access to a full-service drugstore. While other retailers are only just discovering the opportunities Detroit offers, Rite Aid leads the pack in its commitment to Detroit and its investment in the city. Rite Aid has earmarked approximately \$25 million for the planned rollout of ten new stores in Detroit. Rite Aid has also committed more than \$3.5 million for the renovation and remodeling of an additional five stores in Detroit this year.

### Commitment to Cleveland's inner-city neighborhoods

Rite Aid is the leader in the industry in rediscovering inner-city Cleveland. With 19 stores currently operating within the city limits, Rite Aid is committed to building at least six new stores in the next couple of years. Rite Aid's Cleveland initiative started in mid-1996 with the opening of its first prototype store in the Five Points area of Collinwood. Each new store represents an investment upwards \$2 million into the neighborhood.

(more)

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# Fac

<b>To:</b> Lisa Green	<b>From:</b> Ruth Selzman
<b>Fax:</b> 202-456-2223	<b>Date:</b> 6/16/98
<b>Phone:</b>	<b>Pages:</b> 10
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**Comments:**

**PATHMARK STORES, INC.**  
200 Milk Street, Carteret, New Jersey 07008

**FOR IMMEDIATE RELEASE**

Contact: Rich Savner, Pathmark  
732-499-3052  
Darren Walker, Abyssinian  
212-368-4471

## **MEDIA ADVISORY**

**HARLEM PATHMARK RIBBON CUTTING & GRAND OPENING**  
**FRIDAY, APRIL 30, 1999 AT 9:00AM**

**Governor Pataki, Mayor Giuliani, Congressman Rangel to Attend**

**WHAT:**

- Ribbon Cutting and Grand Opening of Pathmark Stores in Harlem. The 50,000 square store will be the largest in New York City and will be open 24 hours a day, seven days a week. The supermarket will feature a Pathmark Pharmacy, Fresh Seafood, Deli Department, and will include a Chase Manhattan Bank mini-branch.

**WHO:**

- State and local political officials, including Governor Pataki, Mayor Giuliani and Congressman Rangel
- Project developer – East Harlem Abyssinian Triangle, L.P., a partnership with the Abyssinian Development Corp. and The Community Association of East Harlem Triangle, Inc.
- Financiers -- Chase's Community Development Corporation led the private sector in organizing the \$15 million financing package. Chase provided a \$8.8MM construction loan to finance the project and will participate in a \$9.3 million permanent loan to be led by European American Bank. The Federal Home Loan Bank, Carver Federal Savings and Loan and LISC will also participate in the permanent loan.

**WHERE:**

- The new Pathmark, located on 125<sup>th</sup> Street and Lexington Avenue in Harlem

**WHEN:**

- Friday, April 30, 1999 at 9:00 am.

**WHY:**

- Harlem is in need of affordable, quality supermarkets and more jobs. In addition to providing competitive pricing for supermarket goods and services, the Harlem Pathmark supermarket will employ over 250 associates, fulfilling the Company's commitment when the project was initially approved. Over 75% of these associates reside in the Harlem community. In addition, this project created over 150 construction jobs, and represents the first major investment in the Harlem community in two decades.

**BACK-  
GROUND**

- Pathmark Stores is a leader in the supermarket industry and operates 132 stores in New York, New Jersey, and Philadelphia metropolitan area. The Company has a historical commitment to urban areas, as it operates successful stores in Bedford-Stuyvesant, downtown Brooklyn, Newark and Camden.

Additional financing was provided by the Empire State Development Corporation, a state economic development agency; New York City Economic Development Corporation, a municipal agency charged with economic development; and the Local Initiatives Support Corporation (LISC), the nation's largest community development intermediary. The Retail Initiative, Inc. and LISC-affiliated commercial real estate investment fund, whose objective is to spur retail development in America's inner cities, is the major equity investor in the project. Public grants to support the development came from the Empire State Development Corporation, and the U.S. Department of Health and Human Services, Office of Community Services.

**PATHMARK STORES, INC.**  
200 Millik Street, Carteret, New Jersey, 07008-1194

**FOR IMMEDIATE RELEASE**

**Contact: Rich Savner**  
**Director of Public Affairs**  
**(732) 499-3052**

**April 30, 1999**

**HARLEM PATHMARK RIBBON CUTTING AND GRAND OPENING**  
**FRIDAY, APRIL 30, 1999 AT 9:00 A.M.**

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Carteret, New Jersey - Pathmark Stores announced today, that its store in Harlem will celebrate its grand opening with a ribbon cutting ceremony on Friday, April 30, 1999, at 9:00 AM. The 50,000 square foot store is located on 125th Street, and Lexington Avenue, and will be open 24 hours a day, seven days a week.

Customers from the Harlem area will now have the opportunity to experience the convenience of one-stop shopping. The prototype Pathmark will include the company's extensive variety of grocery, frozen foods, meat and dairy products, including its unique line of Big Deal products, which are large economy size packages at everyday low prices. The store will also include Pathmark's state-of-the-art service deli and fresh service seafood departments, as well as its Farm Stand Produce section. A full size Pathmark pharmacy will handle all prescription needs, and at the "customer friendly" Service Desk, customers will be able to purchase postage stamps, or utilize the services of Western Union. A Chase Manhattan Bank branch will be open within the store, and the store's 18 scanning checkout lanes will facilitate the timely processing of customers' orders.

Pathmark will employ over 250 associates at the store, and fulfilling the company's commitment when the project was initially approved, over 75% of these associates reside within the Harlem community. In addition, this \$16 million dollar development created over 150 construction jobs, and represents the first major

investment in the Harlem community in over a generation.

As part of its ongoing commitment to the greater Harlem community, Pathmark has designated seven community-based non-profit organizations as the recipients of a customer checkout donation program to be conducted during the first week of the store's grand opening. Pathmark has pledged to match each day's contribution up to \$1,000 per day.

Jim Donald, President and CEO of Pathmark noted, "Pathmark is proud to be an important part of the effort toward revitalizing the Harlem area. The opening of our store is the first step in achieving that objective. We thank all parties who made this vision a reality, and we look forward to a long and mutually beneficial relationship with the Harlem community. The customers of Harlem Pathmark will receive the same excellent service and quality food products which all Pathmark stores provide."

The Pathmark opening is the culmination of the cooperative efforts between the public and private sectors. The multi-million dollar project was developed by the East Harlem Abyssinian Triangle (EHAT), which is a limited partnership between the Abyssinian Development Corporation and the Community Association of the East Harlem Triangle. "This is a glorious day for Harlem!" commented Karen Phillips, CEO of Abyssinian Development Corporation. Vivian Clark, Executive Director for the Community Association of the East Harlem Triangle added, "This is an exciting and wonderful day for Harlem and all its residents. We are proud to have Pathmark providing a much needed service to our community and especially happy that over 250 jobs were created with the opening of this store, with over 75% of the Pathmark associates living in Harlem."

The significance of the day will be as underscored by the presence of several public officials from New York and Washington, D.C.

Governor Pataki said, "This Pathmark represents a major milestone in the economic renaissance now underway in Harlem. This project is serving as a catalyst for continued development of major retail and entertainment complexes throughout Harlem, which will provide Harlem residents with thousands of new jobs and quality places to shop and enjoy in their own neighborhood. I want to thank Pathmark for their vision and faith in New York that will be felt in Harlem for generations to come."

Congressman Charles Rangel noted, "Congratulations to Pathmark and all the organizations in the community who made this project a reality."

Charles A. Gargano, Chairman, Empire State Development Corporation, said "The new Pathmark on 125th Street is further evidence that New York has created an environment that is encouraging unprecedented private sector investment and job creation in this community. The continued development we're seeing throughout Harlem underscores the ongoing success of Governor Pataki's belief in public-private partnerships to achieve sustainable economic growth. Congratulations to Pathmark and the people of East Harlem on this historic day."

The land on which the supermarket is built was originally owned by the City of New York, with the acquisition of the property financed by a mortgage from the New York City Economic Development Corporation. Through its Economic Development Corporation, New York City retains a 49% interest in the project.

Mayor Giuliani commented, "Today is a great day for East Harlem and all of New York City. This new Pathmark is a shining example of how we can rebuild our neighborhoods and create jobs in local communities. I am proud that we were able to help bring this project to Harlem, transforming land that was once vacant for almost 30 years into a thriving shopping center that will provide food for thousands of Harlem residents. As the renaissance of 125th Street continues to move east, we can be confident that additional businesses will recognize the vitality of the East Harlem community and the opportunity for more private investment."

Funding for the project was provided by a combination of various financial institutions. Chase's Community Development Corporation led the private sector in organizing the \$16 million financing package. Chase provided an \$8.8 million construction loan to finance the project with Local Initiatives Support Corporation (LISC) providing \$2 million. Chase will participate in a \$9.3 million permanent loan to be led by European American Bank. The Federal Home Loan Bank, Carver Federal Savings and Loan and LISC will also participate in the permanent loan. In addition, Pathmark will receive employment tax credits from the Upper Manhattan Empowerment Zone.

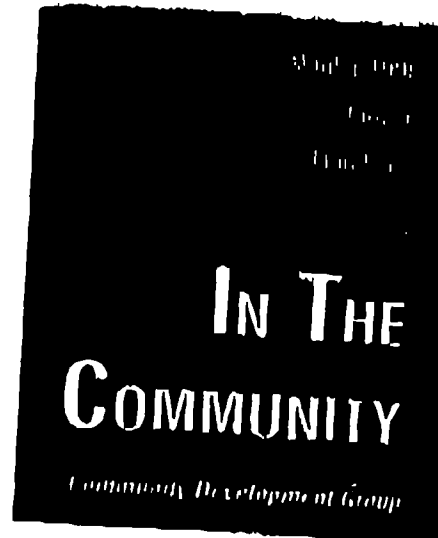
"Until the Pathmark supermarket opened in Harlem, there was no large suburban-style grocery store available to residents of Harlem and upper Manhattan," said Carol Parry, Executive Vice President at Chase Manhattan Bank. "The development of this 50,000 square foot supermarket was really the catalyst for major commercial

development on 125th Street in Harlem, and the Chase-Abyssinian partnership helped make it all happen. In addition to providing 150 construction jobs, we're proud to report that the supermarket also provides permanent positions for well over 250 people, over 75% of whom live in Harlem."

Edward Travagliante, Chairman and CEO of European American Bank stated, "EAB is proud to have provided funding to make this project possible, and we congratulate the community and Pathmark on making it a reality."

Also commenting at the ceremony, Alfred DelliBovi, President of the Federal Home Loan Bank of New York noted, "Pathmark is a dream come true, that will provide jobs and bring to Harlem the quality food shopping experience that has been missing. We are proud to join with EAB and Carver Federal in providing the permanent funding."

David Jones Esq., Chairman of the Board for Carver Bancorp Inc., noted "that as a financial institution deeply rooted in the Harlem community, Carver Bank is particularly excited to participate in this economic development project which brings Pathmark Stores to the Harlem market. We have long recognized Harlem's potential to provide profitable business opportunities. These opportunities have been recognized by others as evidenced by the recent increase in the number of recognizable store chains that have established operations in the area. We are proud to partner with East Harlem Abyssinian Triangle, Pathmark Stores, and the consortium of lenders, whose joint efforts have resulted in the eagerly anticipated opening of a state of the art food services facility."



# HARLEM USA BREAKS NEW GROUND; CHASE IS LEAD PRIVATE LENDER



*Thomas G. Labrecque, President of The Chase Manhattan Bank, addresses the crowd at the Harlem USA groundbreaking on July 27th.*

*Photo by Allen Metzger*

Harlem USA, the \$65 million 275,000 square foot retail and entertainment complex at West 125th Street and Frederick Douglass Boulevard in New York City, celebrated its groundbreaking on July 27, 1998. Governor George Pataki, Congressman Charles Rangel, Manhattan Borough President C. Virginia Fields and Deputy Mayor Rudy Washington were among the elected officials who attended this historic event. They were joined by the developers, lenders, tenants and entertainment celebrities that included Mary J. Blige, Dionne Warwick, Michael Stuart, and

Brenda K. Starr, Richard Parsons, President of Time Warner, Inc. and Chairman of the Upper Manhattan Empowerment Zone (UMEZ) Board of Directors, was the Master of Ceremonies. The star studded line-up shared this momentous occasion in Harlem's history with local residents and community leaders.

Harlem USA is being developed by Grid Properties Inc. and the Gotham Organization in conjunction with Commonwealth Local Development Corp., a local not-for-profit community-based economic development corporation.

The project is being financed by a combination of public and private investment. Tom Labrecque, President of The Chase Manhattan Bank represented Chase, the lead private lender, at the groundbreaking. Chase provided a \$47.7MM construction loan while an additional \$11.2 million loan was from the Upper Manhattan Empowerment Zone Development Corp. Shortly after the closing of the construction loan, Chase sold participations to Fleet Bank, Citibank, Dime Savings Bank of New York, and Carver Federal Savings Bank.

The Empowerment Zone is a government initiative designed to revitalize distressed communities, utilizing tax incentives and public funds as catalysts for private investments. Through the New York Empowerment Zone Corporation, federal funds are matched equally by the State and City of New York. The Upper Manhattan Empowerment Zone's mission is to stimulate the revitalization of Central, East and West Harlem, Washington Heights and Inwood.

Harlem USA, the Upper Manhattan Empowerment Zone's largest single investment to date, is expected to generate significant additional commercial and economic development in Upper Manhattan. The complex's high-profile tenants will increase the area's visibility and enhance business activity in the community. The large number of shoppers and tourists who visit Harlem USA will benefit local small businesses and entrepreneurs through increased foot traffic.

*(continued on next page)*

## AMR Corporation Commitment to Underserved Areas

American Airlines and its parent, the AMR Corporation, are dedicated to finding opportunities for employment and investment in economically disadvantaged areas of the country where we do business. Our objective is to train and hire more inner-city workers, provide job sites with access to public transportation, and offer a healthy mix of wages, health care, and long-term retirement benefits.

Our program began in 1993 when the AMR Travel Academy launched a travel career training program in Puerto Rico – a program that is now offered to economically disadvantaged students across the United States. Since 1996, AMR has hired over 1,200 welfare recipients for career jobs at its airports and reservations centers.

To achieve our goal, AMR has forged strong relationships with community and educational organizations in the cities we serve. For example:

- In New York, American is involved in a unique program that brings inner-city foster children to a suburban school for training in travel industry careers ✓
- In Chicago, American works with the Chicago Jobs Council and Chicago City Colleges to train welfare recipients for job opportunities ✓
- In California, American teamed with Santa Monica Community College to develop a travel industry curriculum geared toward training for low income students ✓
- At our Dallas-Fort Worth headquarters, the Travel Academy program is gaining momentum and is now used widely in schools and communities in Texas and nationwide to prepare welfare recipients and others for travel industry careers
- American has partnered with SER-Jobs for Progress on a national project to create opportunities for unemployed and underemployed Hispanics. The project now operates travel industry training programs in Los Angeles, Miami, and Puerto Rico
- In Miami, American is a major corporate participant in the WAGES project which helps economically disadvantaged Floridians find jobs in the airline industry

Most recently, in January 1999, American opened a new reservations office in the southern sector of Dallas where economic development is sorely needed. The location of the center was selected because of its access to public transportation and in order to attract employees from the local community which has a predominantly minority population. With an annual payroll of \$5 million, the office will employ about 350 people. About 95 percent of those hired initially were from the local community.

# A MESSAGE FROM CAROL PARRY

Executive Vice President, Community Development Group

HARLEM USA BREAKS NEW GROUND  
(continued from previous page)

Vice President Gore sent the following message, "I congratulate the Upper Manhattan Empowerment Zone and all of its many partners in breaking ground on the Harlem USA complex. This remarkable undertaking is what community empowerment is all about — bringing new business investment, jobs and opportunity to a neighborhood that is one of this nation's most deserving, untapped markets."

Governor George Pataki said, "I am extremely proud that New York State is helping to finance this important project that will mean 700 new jobs, provide Harlem with the retail opportunities it deserves and after years of talk, will finally make Harlem's economic renaissance a reality. This groundbreaking for Harlem USA is further proof that, working together, the State and the City can stimulate private sector investment, real opportunities and real jobs in all our neighborhoods."

"This project means jobs for local residents and increased commercial activity throughout the Empowerment Zone. And now the residents of Harlem will be able to enjoy the same shopping and entertainment amenities as residents throughout the rest of Manhattan," said Congressman Charles Rangel.

Richard Parsons, the Upper Manhattan Empowerment Zone's Chairman and President of Time Warner, said, "The Upper Manhattan Empowerment Zone is proud to join the private sector in financing this unprecedented investment in Harlem's future. Harlem USA is our largest project to date and one of which we are extremely proud. It is a perfect example of how the public and private sector can work together successfully to develop an untapped inner-city community and bring needed products, services, and jobs to its residents. I can't think of a more impactful way of kicking off our new strategy for expanding retail and entertainment business opportunities in Upper Manhattan."

"Chase has a proud history of serving Harlem for over 100 years and one of our five Harlem-based branches will be part of this new development," said Chase President Tom Labroque, speaking at the groundbreaking ceremony. "The project is the most significant financing for community development ever done by the Chase Community Development Corporation" and noted that Chase is "the leading bank in community development projects in the New York area."

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## Chase's Growing Partnership with the Faith-Based Community

In a continuing effort to help build the communities it serves, The Chase Manhattan Bank provides various innovative grant and lending programs to non-for-profit organizations participating in community development. Chase is a major funder of community development and by year end will have provided \$50 million in grants to not-for-profit organizations.

Chase's neighborhood grant and lending programs are initiated and created based on the needs and input of our local communities. For example, we recognized many years ago the enormous potential for faith-based institutions to become a major force in neighborhood revitalization. We started out with a lending program to assist Houses of Worship that are located in low- to moderate-income communities and involved in community development. We were excited by the progress of this program and began to think of additional ways to assist this sector.

The newest and perhaps most innovative approach for Chase is to assist faith-based institutions that have the desire to launch community development-related projects. The Chase Nationwide Contributions Program for Faith-Based Community Development Initiatives is designed to provide the funds that are often difficult for a first-time grant recipient to attain. Chase has committed \$1.5 million to this fund, to be awarded in one-time only grants of up to \$25,000 through 1999. Since the program was inaugurated in 1997, this nationwide program has awarded 30 grants

totaling \$527,500. These funds are a leg up for those faith-based organizations that see a need in their community and want to fill it. Projects may address such vital needs as housing, child care, economic development and employment training. To date Chase funded initiatives are located in Connecticut, Florida, Delaware, New Jersey, New York and Texas — a few examples include:

- In New York, the Masjid Malcom Shabazz mosque is using the grant money to assist in the costs needed for equipment to start a fishery in its basement. The fish harvested will be sold in fish shops locally and will create up to ten new jobs for the community;
- In Delaware, the Cathedral Community Services in Wilmington will be converting an existing building into a community center and meeting place for community programs and events;
- In Connecticut, the Hazel Street Development Corporation of New Haven received grant dollars for the construction of 17 affordable single family homes;
- And in New Jersey, the Grace Chapel Baptist Church in Paterson will renovate its basement to create a child care center for over 30 children ages 2-5.

Also in New Jersey, Chase is partnering with The New Jersey Department of Community Affairs, Public Service Electric & Gas Company and Center for Non-Profit Corporations in a new faith-based initiative that will fund training programs to New Jersey non-profit, faith-based organizations that want to revitalize their communities (to read more about this initiative, please turn to page 11).

The majority of the dollars committed have gone directly to the faith-based institutions, but a part of that pool also leverages additional value by providing technical assistance grants to organizations that help further the work of faith-based institutions. Chase partners with various intermediaries including the National Congress for Community Economic Development, the Congress of Black Churches and the Faith-Based Center for Community Development.

Chase is committed to deepening its relationships with faith-based institutions and helping to strengthen this growing force in community development. ■



Deborah Wright, UMEZ President (far right), joins dignitaries for Harlem USA groundbreaking as Mickey Mouse cheers them on.

Photo by Alan Morgan

Harlem USA tenants include: Old Navy; The Disney Store; HMV Records; a nine screen 2,700 seat multiplex operated by Magic Johnson Theatres; a Modell's Sporting Goods which will have a Harlem sports legend theme; New York Sports Clubs; Jeepers!, an indoor amusement park for ages 2 to 12; and a full service Chase Manhattan Bank. Occupancy is expected by the end of 1999.

Harlem USA will create 500 permanent jobs and 200 construction jobs, more than 75% of which are expected to go to community residents.

For more information on business or employment opportunities at Harlem USA, please call the Upper Manhattan Empowerment Zone's Harlem USA Information Hotline at (212) 410-0030 ext. 240 or visit their website at [www.umez.org](http://www.umez.org).

## CHASE SMALL BUSINESS CENTER OPENS IN THE BRONX

The Chase Manhattan Bank recently announced the opening of a new Chase Business Development Center in the Bronx. The Chase Business Development Center provides small business owners and entrepreneurs with a wide array of useful information, research capabilities and advice pertaining to all stages of business planning — from launching, expanding, buying or selling a business.

Highly experienced Chase business advisors at the Center will provide personalized, one-on-one sessions offering management assistance services and general advice on gaining access to capital to the preparation of a business plan at no charge to small business entrepreneurs in the Bronx and surrounding areas. Presentations and seminars will also be provided by Chase experts, entrepreneurs, university professors and government agencies to reinforce clients' business and managerial skills. Other resources available at the Chase Business Development Center include the following:

- A multi-lingual business library, complete with books, magazines, brochures and free literature dealing with a wide range of small business topics.
- A video library of industry-specific videos.
- Computer access including software demonstrations, access to business planning software, and satellite Internet access.

"The Chase Business Development Center offers us another opportunity to show Chase's commitment to the Bronx community,"



Photo by Michael Davis

(from left to right) John Imperiale of Chase's Community Development Group; Sam Brown, District Deputy of the SBA; Karen McGuinness, Director of the Chase Business Development Center; David Mooney, Chase Boroughs Regional Executive; Derek Broomes, CFO of the Bronx Overall Economic Development Center; Julian Simone, Chase Bronx North District Manager; Asa Cohen, Chase Bronx North District; and Betsy Murphy, Chase Business Advisor at the Center.

said David Mooney, Chase regional executive in the boroughs. "As a complete financial resource, the Center will inform, educate and provide assistance to those who want to start or grow a small business, in turn helping to ensure the success of local small businesses which are vital to the health and prosperity of the neighborhoods we serve."

The Chase Business Development Center is the latest in a number of community initiatives for the borough of the Bronx. Last year, Chase opened a new branch in the South Bronx, which was the first bank branch opened in University Heights in 25 years

(in *The Community*, Vol. 5, No. 2). Chase operates 30 branches throughout the Bronx, representing 30% of all bank branches in the borough.

Chase is also the largest lender by far to small businesses in the Bronx. In 1997 in the Bronx, Chase provided \$21.3 million in small business loans and investments. For the past two years, Chase has been awarded the U.S. Small Business Administration's (SBA) highest lender award, the Pinnacle Award, which recognizes the lending institution that has made the greatest number of SBA loans in a given year. Additionally, Chase has

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The Chase  
Manhattan  
Bank

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**Fax:** 202-456-2223 **Date:** 6/18/98  
**Phone:** **Pages:**  
: 10  
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Carteret, New Jersey - Pathmark Stores announced today, that its store in Harlem will celebrate its grand opening with a ribbon cutting ceremony on Friday, April 30, 1999, at 9:00 AM. The 50,000 square foot store is located on 125th Street, and Lexington Avenue, and will be open 24 hours a day, seven days a week.

Customers from the Harlem area will now have the opportunity to experience the convenience of one-stop shopping. The prototype Pathmark will include the company's extensive variety of grocery, frozen foods, meat and dairy products, including its unique line of Big Deal products, which are large economy size packages at everyday low prices. The store will also include Pathmark's state-of-the-art service deli and fresh service seafood departments, as well as its Farm Stand Produce section. A full size Pathmark pharmacy will handle all prescription needs, and at the "customer friendly" Service Desk, customers will be able to purchase postage stamps, or utilize the services of Western Union. A Chase Manhattan Bank branch will be open within the store, and the store's 18 scanning checkout lanes will facilitate the timely processing of customers' orders.

Pathmark will employ over 250 associates at the store, and fulfilling the company's commitment when the project was initially approved, over 75% of these associates reside within the Harlem community. In addition, this \$16 million dollar development created over 150 construction jobs, and represents the first major

investment in the Harlem community in over a generation.

As part of its ongoing commitment to the greater Harlem community, Pathmark has designated seven community-based non-profit organizations as the recipients of a customer checkout donation program to be conducted during the first week of the store's grand opening. Pathmark has pledged to match each day's contribution up to \$1,000 per day.

Jim Donald, President and CEO of Pathmark noted, "Pathmark is proud to be an important part of the effort toward revitalizing the Harlem area. The opening of our store is the first step in achieving that objective. We thank all parties who made this vision a reality, and we look forward to a long and mutually beneficial relationship with the Harlem community. The customers of Harlem Pathmark will receive the same excellent service and quality food products which all Pathmark stores provide."

The Pathmark opening is the culmination of the cooperative efforts between the public and private sectors. The multi-million dollar project was developed by the East Harlem Abyssinian Triangle (EHAT), which is a limited partnership between the Abyssinian Development Corporation and the Community Association of the East Harlem Triangle. "This is a glorious day for Harlem!" commented Karen Phillips, CEO of Abyssinian Development Corporation. Vivian Clark, Executive Director for the Community Association of the East Harlem Triangle added, "This is an exciting and wonderful day for Harlem and all its residents. We are proud to have Pathmark providing a much needed service to our community and especially happy that over 250 jobs were created with the opening of this store, with over 75% of the Pathmark associates living in Harlem."

The significance of the day will be as underscored by the presence of several public officials from New York and Washington, D.C.

Governor Pataki said, "This Pathmark represents a major milestone in the economic renaissance now underway in Harlem. This project is serving as a catalyst for continued development of major retail and entertainment complexes throughout Harlem, which will provide Harlem residents with thousands of new jobs and quality places to shop and enjoy in their own neighborhood. I want to thank Pathmark for their vision and faith in New York that will be felt in Harlem for generations to come."

Congressman Charles Rangel noted, "Congratulations to Pathmark and all the organizations in the community who made this project a reality."

Charles A. Gargano, Chairman, Empire State Development Corporation, said "The new Pathmark on 125th Street is further evidence that New York has created an environment that is encouraging unprecedented private sector investment and job creation in this community. The continued development we're seeing throughout Harlem underscores the ongoing success of Governor Pataki's belief in public-private partnerships to achieve sustainable economic growth. Congratulations to Pathmark and the people of East Harlem on this historic day."

The land on which the supermarket is built was originally owned by the City of New York, with the acquisition of the property financed by a mortgage from the New York City Economic Development Corporation. Through its Economic Development Corporation, New York City retains a 49% interest in the project.

Mayor Guiliani commented, "Today is a great day for East Harlem and all of New York City. This new Pathmark is a shining example of how we can rebuild our neighborhoods and create jobs in local communities. I am proud that we were able to help bring this project to Harlem, transforming land that was once vacant for almost 30 years into a thriving shopping center that will provide food for thousands of Harlem residents. As the renaissance of 125th Street continues to move east, we can be confident that additional businesses will recognize the vitality of the East Harlem community and the opportunity for more private investment."

Funding for the project was provided by a combination of various financial institutions. Chase's Community Development Corporation led the private sector in organizing the \$16 million financing package. Chase provided an \$8.8 million construction loan to finance the project with Local Initiatives Support Corporation (LISC) providing \$2 million. Chase will participate in a \$9.3 million permanent loan to be led by European American Bank. The Federal Home Loan Bank, Carver Federal Savings and Loan and LISC will also participate in the permanent loan. In addition, Pathmark will receive employment tax credits from the Upper Manhattan Empowerment Zone.

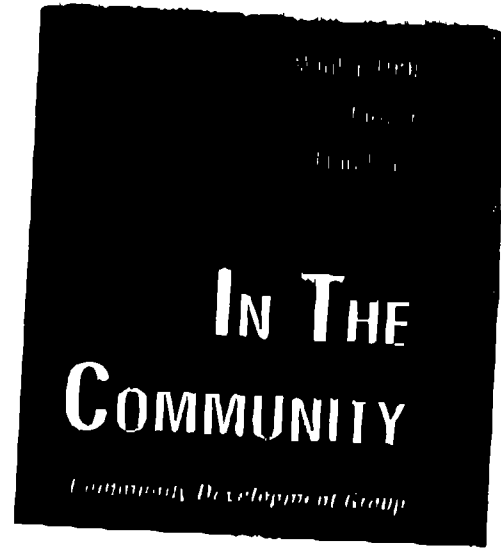
"Until the Pathmark supermarket opened in Harlem, there was no large suburban-style grocery store available to residents of Harlem and upper Manhattan," said Carol Parry, Executive Vice President at Chase Manhattan Bank. "The development of this 50,000 square foot supermarket was really the catalyst for major commercial

development on 125th Street in Harlem, and the Chase-Abyssinian partnership helped make it all happen. In addition to providing 150 construction jobs, we're proud to report that the supermarket also provides permanent positions for well over 250 people, over 75% of whom live in Harlem."

Edward Travagliente, Chairman and CEO of European American Bank stated, "EAB is proud to have provided funding to make this project possible, and we congratulate the community and Pathmark on making it a reality."

Also commenting at the ceremony, Alfred DelliBovi, President of the Federal Home Loan Bank of New York noted, "Pathmark is a dream come true, that will provide jobs and bring to Harlem the quality food shopping experience that has been missing. We are proud to join with EAB and Carver Federal in providing the permanent funding."

David Jones Esq., Chairman of the Board for Carver Bancorp Inc., noted "that as a financial institution deeply rooted in the Harlem community, Carver Bank is particularly excited to participate in this economic development project which brings Pathmark Stores to the Harlem market. We have long recognized Harlem's potential to provide profitable business opportunities. These opportunities have been recognized by others as evidenced by the recent increase in the number of recognizable store chains that have established operations in the area. We are proud to partner with East Harlem Abyssinian Triangle, Pathmark Stores, and the consortium of lenders, whose joint efforts have resulted in the eagerly anticipated opening of a state of the art food services facility."



# HARLEM USA BREAKS NEW GROUND; CHASE IS LEAD PRIVATE LENDER



Thomas G. Labrecque, President of The Chase Manhattan Bank, addresses the crowd at the Harlem USA groundbreaking on July 27th.

Photo by Allan Morgan

The project is being financed by a combination of public and private investment. Tom Labrecque, President of The Chase Manhattan Bank represented Chase, the lead private lender, at the groundbreaking. Chase provided a \$47.7MM construction loan while an additional \$11.2 million loan was from the Upper Manhattan Empowerment Zone Development Corp. Shortly after the closing of the construction loan, Chase sold participations to Fleet Bank, Citibank, Dime Savings Bank of New York, and Carver Federal Savings Bank.

The Empowerment Zone is a government initiative designed to revitalize distressed communities, utilizing tax incentives and public funds as catalysts for private investments. Through the New York Empowerment Zone Corporation, federal funds are matched equally by the State and City of New York. The Upper Manhattan Empowerment Zone's mission is to stimulate the revitalization of Central, East and West Harlem, Washington Heights and Inwood.

Harlem USA, the Upper Manhattan Empowerment Zone's largest single investment to date, is expected to generate significant additional commercial and economic development in Upper Manhattan. The complex's high-profile tenants will increase the area's viability and enhance business activity in the community. The large number of shoppers and tourists who visit Harlem USA will benefit local small businesses and entrepreneurs through increased foot traffic.

(continued on next page)

Harlem USA, the 965 million 275,000 square foot retail and entertainment complex at West 125th Street and Frederick Douglass Boulevard in New York City, celebrated its groundbreaking on July 27, 1998. Governor George Pataki, Congressman Charles Rangel, Manhattan Borough President C. Virginia Fields and Deputy Mayor Rudy Washington were among the elected officials who attended this historic event. They were joined by the developers, lenders, tenants and entertainment celebrities that included Mary J. Blige, Dionne Warwick, Michael Stuart, and

Brenda K. Starr, Richard Parsons, President of Time Warner, Inc. and Chairman of the Upper Manhattan Empowerment Zone (UMEZ) Board of Directors, was the Master of Ceremonies. The star studded line-up shared this momentous occasion in Harlem's history with local residents and community leaders.

Harlem USA is being developed by Grid Properties Inc. and the Gotham Organization in conjunction with Commonwealth Local Development Corp., a local not-for-profit community-based economic development corporation.

# A MESSAGE FROM CAROL PARRY

Executive Vice President, Community Development Group

HARLEM USA BREAKS NEW GROUND  
(continued from previous page)

Vice President Gore sent the following message, "I congratulate the Upper Manhattan Empowerment Zone and all of its many partners in breaking ground on the Harlem USA complex. This remarkable undertaking is what community empowerment is all about — bringing new business investment, jobs and opportunity to a neighborhood that is one of this nation's most deserving, untapped markets."

Governor George Pataki said, "I am extremely proud that New York State is helping to finance this important project that will mean 700 new jobs, provide Harlem with the retail opportunities it deserves and after years of talk, will finally make Harlem's economic renaissance a reality. This groundbreaking for Harlem USA is further proof that, working together, the State and the City can stimulate private sector investment, real opportunities and real jobs in all our neighborhoods."

"This project means jobs for local residents and increased commercial activity throughout the Empowerment Zone. And now the residents of Harlem will be able to enjoy the same shopping and entertainment amenities as residents throughout the rest of Manhattan," said Congressman Charles Rangel.

Richard Parsons, the Upper Manhattan Empowerment Zone's Chairman and President of Time Warner, said, "The Upper Manhattan Empowerment Zone is proud to join the private sector in financing this unprecedented investment in Harlem's future. Harlem USA is our largest project to date and one of which we are extremely proud. It is a perfect example of how the public and private sector can work together successfully to develop an untapped inner-city community and bring needed products, services, and jobs to its residents. I can't think of a more impactful way of kicking off our new strategy for expanding retail and entertainment business opportunities in Upper Manhattan."

"Chase has a proud history of serving Harlem for over 100 years and one of our five Harlem-based branches will be part of this new development," said Chase President Tom Labrecque, speaking at the groundbreaking ceremony. "The project is the most significant financing for community development ever done by the Chase Community Development Corporation" and noted that Chase is "the leading bank for community development projects in minority communities in the New York area."

(continued on next page)



## Chase's Growing Partnership with the Faith-Based Community

In a continuing effort to help build the communities it serves, The Chase Manhattan Bank provides various innovative grant and lending programs to non-for-profit organizations participating in community development. Chase is a major funder of community development and by year end will have provided \$50 million in grants to not-for-profit organizations.

Chase's neighborhood grant and lending programs are initiated and created based on the needs and input of our local communities. For example, we recognized many years ago the enormous potential for faith-based institutions to become a major force in neighborhood revitalization. We started out with a lending program to assist Houses of Worship that are located in low- to moderate-income communities and involved in community development. We were excited by the progress of this program and began to think of additional ways to assist this sector.

The newest and perhaps most innovative approach for Chase is to assist faith-based institutions that have the desire to launch community development-related projects. The Chase Nationwide Contributions Program for Faith-Based Community Development Initiatives is designed to provide the funds that are often difficult for a first-time grant recipient to attain. Chase has committed \$1.5 million to this fund, to be awarded in one-time only grants of up to \$25,000 through 1999. Since the program was inaugurated in 1997, this nationwide program has awarded 30 grants

totaling \$827,500. These funds are a leg up for those faith-based organizations that see a need in their community and want to fill it. Projects may address such vital needs as housing, child care, economic development and employment training. To date Chase funded initiatives are located in Connecticut, Florida, Delaware, New Jersey, New York and Texas — a few examples include:

- In New York, the Masjid Malcom Shabazz mosque is using the grant money to assist in the costs needed for equipment to start a fishery in its basement. The fish harvested will be sold in fish shops locally and will create up to ten new jobs for the community;
- In Delaware, the Cathedral Community Services in Wilmington will be converting an existing building into a community center and meeting place for community programs and events;
- In Connecticut, the Hazel Street Development Corporation of New Haven received grant dollars for the construction of 17 affordable single family homes;
- And in New Jersey, the Grace Chapel Baptist Church in Paterson will renovate its basement to create a child care center for over 30 children ages 2-5.

Also in New Jersey, Chase is partnering with The New Jersey Department of Community Affairs, Public Service Electric & Gas Company and Center for Non-Profit Corporations in a new faith-based initiative that will fund training programs to New Jersey non-profit, faith-based organizations that want to revitalize their communities (to read more about this initiative, please turn to page 11).

The majority of the dollars committed have gone directly to the faith-based institutions, but a part of that pool also leverages additional value by providing technical assistance grants to organizations that help further the work of faith-based institutions. Chase partners with various intermediaries including the National Congress for Community Economic Development, the Congress of Black Churches and the Faith-Based Center for Community Development.

Chase is committed to deepening its relationships with faith-based institutions and helping to strengthen this growing force in community development. ■



Photo by Alison Margen

Debarah Wright, UMEZ President (far right), joins dignitaries for Harlem USA groundbreaking as Mickey Mouse cheers them on.

Harlem USA tenants include: Old Navy; The Disney Store; HMV Records; a nine screen 2,700 seat multiplex operated by Magic Johnson Theatres; a Modell's Sporting Goods which will have a Harlem sports legend theme; New York Sports Clubs; Jeepers!, an indoor amusement park for ages 2 to 12; and a full service Chase Manhattan Bank. Occupancy is expected by the end of 1999.

Harlem USA will create 500 permanent jobs and 200 construction jobs, more than 75% of which are expected to go to community residents.

For more information on business or employment opportunities at Harlem USA, please call the Upper Manhattan Empowerment Zone's Harlem USA Information Hotline at (212) 410-0030 ext. 240 or visit their website at [www.umez.org](http://www.umez.org).

## CHASE SMALL BUSINESS CENTER OPENS IN THE BRONX

The Chase Manhattan Bank recently announced the opening of a new Chase Business Development Center in the Bronx. The Chase Business Development Center provides small business owners and entrepreneurs with a wide array of useful information, research capabilities and advice pertaining to all stages of business planning -- from launching, expanding, buying or selling a business.

Highly experienced Chase business advisors at the Center will provide personalized, one-on-one sessions offering management assistance services and general advice on gaining access to capital to the preparation of a business plan at no charge to small business entrepreneurs in the Bronx and surrounding areas. Presentations and seminars will also be provided by Chase experts, entrepreneurs, university professors and government agencies to reinforce clients' business and managerial skills. Other resources available at the Chase Business Development Center include the following:

- A multi-lingual business library, complete with books, magazines, brochures and free literature dealing with a wide range of small business topics.
- A video library of industry-specific videos.
- Computer access including software demonstrations, access to business planning software, and assisted Internet access.

"The Chase Business Development Center offers us another opportunity to show Chase's commitment to the Bronx community."



Photo by Michael Divilo

(from left to right) John Imperiale of Chase's Community Development Group; Sam Brown, District Deputy of the SBA; Karen McGuinness, Director of the Chase Business Development Center; David Mooney, Chase Boroughs Regional Executive; Derek Broomes, CFO of the Manager; Asa Cohen, Chase Bronx North District; and Betsy Murphy, Chase Business Advisor at the Center.

said David Mooney, Chase regional executive in the boroughs. "As a complete financial resource, the Center will inform, educate and provide assistance to those who want to start or grow a small business, in turn helping to ensure the success of local small businesses which are vital to the health and prosperity of the neighborhoods we serve."

The Chase Business Development Center is the latest in a number of community initiatives for the borough of the Bronx. Last year, Chase opened a new branch in the South Bronx, which was the first bank branch opened in University Heights in 25 years

(In *The Community*, Vol. 5, No. 2), Chase operates 30 branches throughout the Bronx, representing 30% of all bank branches in the borough.

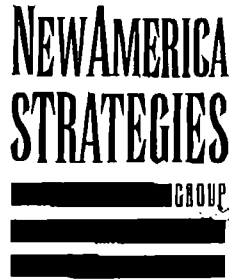
Chase is also the largest lender by far to small businesses in the Bronx. In 1997 in the Bronx, Chase provided \$21.3 million in small business loans and investments. For the past two years, Chase has been awarded the U.S. Small Business Administration's (SBA) highest lender award, the Pinnacle Award, which recognizes the lending institution that has made the greatest number of SBA loans in a given year. Additionally, Chase has

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New America Strategies Group  
40 West 23rd Street  
New York, New York 10010-5201  
Tel: 212-727-5119  
Fax: 212-727-5164

To: Jay Dunn, The White House

From: Al Schreiber

Re: The President's July 6, 7, 8 Tour

Jay, here's the outline of what we believe could be a terrific "event" as part of the President's minority tour.

**The White House Salutes Minority Media (and Advertisers)**

There are literally hundreds of minority owned and operated media outlets ranging from the 100 year old black Amsterdam News and BET (Black Entertainment Television) to the newly launched Network Journal, a black business publication. These magazines, newspapers and radio/TV outlets are the "drumbeat" of the minority community and according to research, enjoy an 80% - 100% higher "trust" level among minorities than the "general market" media.

And because of the explosive growth of minority populations *and* income levels, there has been a parallel growth in the quality and quantity of these minority outlets: In the past three to five years, their number has increased between 200% - 300%.

Their support comes from both community-based businesses and major national advertisers such as McDonald's, Coca-Cola, Ford, Chrysler, JCPenney, et. al. who realize that the most effective approach to selling to African Americans, Hispanics, Asian Pacific Americans and Native Americans is through these dedicated, culturally relevant minority media outlets.

New York City is home to hundreds of these media businesses (and their key advertisers), who would benefit greatly from Presidential recognition.

The idea would be to host a "White House Salute to the Multicultural Media" to which would be invited 100 or so of the outstanding minority media outlets --- along with a cross-section of their key local and national advertisers.

And because they are *media* outlets, they would also offer the President significant positive media coverage in many of their outlets based on the reception with the President.

We are in a position, working with the White House to offer our help in putting this together.... since we work on a daily basis with these entities.

We'd need, however, to get started!! Please let me know next steps.

All good wishes.

PS. More ideas to follow, specifically tied to individual corporations.

## THE MEDIA BUSINESS

## Advertising | Stuart Elliott

True North takes the lead in aiding agencies and media owned by members of minorities.

**E**FFORTS to increase the consideration given to multicultural consumers are gaining momentum as one of the 10 largest agency companies, True North Communications in Chicago, takes two big steps to embrace media outlets and agencies specializing in advertising aimed at members of minorities.

True North, the world's No. 7 agency company, with billings estimated at \$11.6 billion, is scheduled to announce the steps at a news conference this morning in Washington under the aegis of the American Advertising Federation. Officials of the federation are among the industry figures accelerating the search for ways to increase diversity in re-

sponse to intensifying pressure from activist organizations and the Clinton Administration.

"The leadership of True North shows us that the greatest music is made with many voices," Vice President Al Gore said in a statement released before the news conference. "I encourage other companies to follow suit and sign on."

Executives of True North are to announce their endorsement of a voluntary code of conduct to insure that agencies and media owned by minorities get what is deemed their fair share of attention when ad dollars are spent. True North, which owns agencies like Foote, Cone & Belding and Bozell Worldwide, would become the first large agency company to endorse the equal opportunities code, known as the Kennard Principles for Fairness in Communications after William E. Kennard, chairman of the Federal Communications Commission.

Mr. Kennard has taken an active role in this issue since the commission released a study in January concluding that radio stations with

black and Spanish-speaking audiences drew less ad revenue per listener than mainstream stations — even in markets where they enjoyed higher ratings.

"I'm delighted to see the advertising industry moving to address these issues," Mr. Kennard said in an interview last week. "It's a great first step."

The commission has called for additional research on advertiser spending patterns in radio because the study did not specify the origin of the revenue discrepancies between stations. But owners of stations with programming aimed at members of minorities complained about what they termed "dictates" to agencies from clients calling for "minority discounts" — paying lower rates for commercials on their stations — and the avoidance of stations with Spanish-language or "urban" — black — formats.

"Those practices are pernicious," Mr. Kennard said, "based on misinformation and stereotypes. The way to solve such problems is to shine a

light on them."

True North's endorsement of the code is important, Mr. Kennard said, because it represents self-regulation rather than Government intervention.

"We want to work with them," he said, referring to agencies and advertisers, "as opposed to dictating to them."

Wally Snyder, president and chief executive of the federation in Washington, agreed with Mr. Kennard.

"This is a marketplace solution," Mr. Snyder said in an interview last week, "not a Government solution. Clients are going to act on their own best financial interests, not on a political agenda."

Mr. Snyder also praised True North, whose agencies create campaigns for advertisers like the Bank America Corporation, the DaimlerChrysler Corporation, Levi Strauss & Company and S. C. Johnson & Son.

"This is the turning point we've been waiting for," Mr. Snyder said, adding: "We've been encouraging agencies and clients to really go after this multicultural audience because it is one with a great deal of economic clout. Now I think other agencies will follow True North."

The True North executives also plan to announce the formation of a media services agency dedicated to helping mainstream advertisers with planning and buying ad space in ethnic publications and commercial time on ethnic television and radio networks and stations.

"It's right for the times," said David Bell, who was recently named chairman and chief executive at True North. "We have a tapestry in

America, and marketing needs to address that."

The media services initiative, to be called New America Media Group, will represent a partnership between two units of True North based in New York: TN Media, which handles media planning and buying for accounts with billings estimated at more than \$2.8 billion, and New America Strategies Group, which offers multicultural marketing consulting services.

"This market has reached critical mass, with buying power greater than ever," said Mike Drexler, chairman at TN Media. "It can no longer be ignored or given short shrift."

"We believe we can make a big contribution to helping advertisers analyze multicultural markets for their products and services," he added, "and then to place their ads to reach those markets to the most effective way."

The new media group will be led by three media directors from agencies under the New America Strategies umbrella: LaTanya Junior, 35, at Stedman Graham & Partners, specializing in campaigns aimed at black consumers; Caleb Windover, 34, at Siboney USA, for Hispanic consumers, and Khanh Kach, 28, at a True North affiliate, Imada Wong Communications, for Asian-American consumers.

"Ethnic media have always been the extra guest at the party," said Al Schreiber, managing partner at New America Strategies. "Now they'll be the guest of honor as advertisers move from token budgets to budgets that reflect the reality of today's marketplace, where multicultural consumers are the growth market."

## ADDENDA

## Top Executive Becomes Consultant

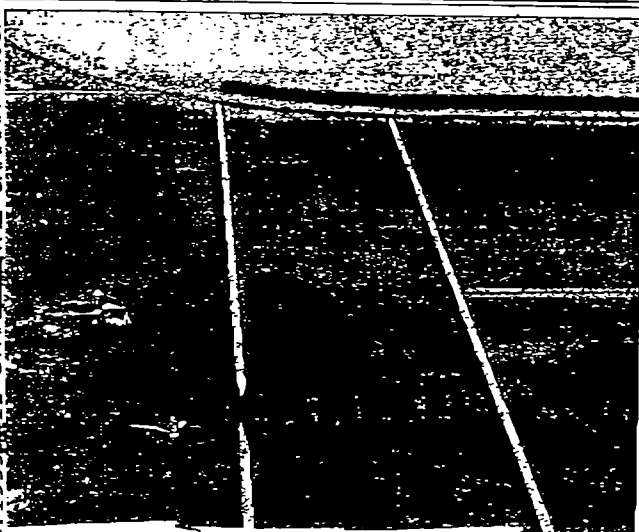
Charles Taney, a longtime top executive at the New York office of Foote, Cone & Belding, a unit of True North Communications, is leaving, the agency said yesterday, to join a consulting company, effective on April 30.

Mr. Taney, 51, has been chairman at the New York office of Foote, Cone & Belding since December and before that

1997, the council reported yesterday, fueled by large percentage gains in several media categories.

The council, which coordinates the ad industry's public-service efforts, reported that media outlets donated an estimated \$1.2 billion in commercial time and ad space in 1998, up 21 percent from \$95.8 million in 1997.

Radio was the most generous donor, providing \$714.8 million worth of commercial time, according to the council, a 24.6 percent increase from 1997. Radio was followed by televi-





# Climbing to the Top of Black Businesses

By ROBERT JOHNSON

Staff Reporter of THE WALL STREET JOURNAL

J. Bruce Llewellyn says his firm's rise to the top of a new tally of the largest black-owned companies reflects the best and worst about African-American business in the late 1990s.

"On the one hand, I have been around a long time in a very basic business, bottling soft drinks, so that indicates stability," says the 71-year-old owner of closely held Philadelphia Coca-Cola Bottling Co. "But you could also say, 'Gee, there's nothing really new and hot up at the top of that list.'"

Yet, with 1,700 employees and \$389 million in sales last year, Mr. Llewellyn adds: "I make solid profits. So what if I'm not on the Internet?"

That might not bother him, but some in the black business community say there is too little high-tech presence on the ranking of the Top



J. Bruce Llewellyn

100 African-American-owned industrial and service businesses, annually prepared by Black Enterprise magazine. Just 6% of the list's overall sales come from technology-related companies—compared with 20% for the 100 largest U.S. corporations.

The Black Enterprise Top 100, announced Saturday night at a conference hosted by the magazine in Orlando, Fla., is dominated by basic businesses that have become mainstays for black ownership: Grocers and other food companies, beauty-care products and minority-targeted publishing and music. (Dow Jones & Co., publisher of this newspaper, was a sponsor of the conference.)

"Not to take anything away from what Bruce Llewellyn has accomplished, but we need to gain more admittance to Silicon Valley," says Earl G. Graves, chairman

## Ranking African-American-Owned Companies

Black Enterprise magazine's list of top 10 industrial or service companies by 1998 sales

	Company	Business	1998 Sales (in millions)	Last Year Ranking
1	Philadelphia Coca-Cola Bottling Co.	Soft drink and water bottling	\$389	3
2	Johnson Publishing Co., Chicago	Publishing, broadcasting, TV production, hair care and cosmetics	372	2
3	TLC Beatrice International Holdings Inc., New York	Manufacture and distribution of grocery products	322	1
4	Active Transportation, Louisville, Ky.	Hauls cars and trucks to retailers	250	4
5	Bing Group, Detroit	Steel processing and stamping	232	5
6	World Wide Technology Inc., St. Louis	Distributes information-technology products and services	201	11
7	FUCI Metals USA Inc., Northbrook, Ill.	Raw materials importer	200	22
8	Granite Broadcasting Corp., New York	Seller of commercial air time	194	6
9	H.J. Russell & Co., Atlanta	Construction, real estate development and airport concessions	184	8
10	BET Holdings II Inc., Washington, D.C.	Cable TV programming and publishing	178	7

Source: Black Enterprise magazine

and publisher of New York-based Black Enterprise. (Total sales for the companies listed by Black Enterprise rose 6.3% in 1998, to about \$14 billion, while total employment rose 23% to 70,400.)

Some blame difficulty raising capital for the shortage of black-owned technology firms. But whatever the reason, the shortage "should be a wake-up call. High-tech is rapidly becoming the mainstream," says Don Barden, chief executive officer of Barden Cos., a Detroit-based company with interests in casinos and real estate. He does expect younger entrepreneurs to move in that direction, he says. "It won't be that long before a high-tech company is at the top of the Black Enterprise list."

On the horizon may be people like Kendrick Bryant, the 27-year-old founder of

a Nashville-based start-up called Exposure Solutions. "I think a lot of us mistakenly believe it's too expensive to get started," he says. Trying to get exposure for his business, Mr. Bryant mingled at a conference cocktail party last week with an open laptop computer in hand to demonstrate his commercial Web site-building capabilities. "You really don't need much equipment; it's more about your skills."

Front and center now is Mr. Llewellyn, the only African-American among the 100 or so U.S. bottlers of Coke. His firm is Coca-Cola Co.'s fifth-largest American bottler. Taking into account car dealerships, which Black Enterprise ranks separately, only one black-owned business actually eclipses Mr. Llewellyn's in the U.S. It's led by Kendrick Bryant, the 27-year-old founder of

mer Detroit Lions football star Mel Farr Sr., whose chain of Midwest auto dealerships posted \$596 million in sales last year.

Further, Mr. Llewellyn owes his ascent to No. 1 partly to the recent shrinkage of last year's biggest company, TLC Beatrice International Holdings Inc. in New York, a grocery-products company that has been divesting units in a restructuring.

Still, the tale of how Mr. Llewellyn achieved the top spot among his contemporaries is instructive. "I wanted to run a big business, but I wasn't wedded to any particular industry or technology and I didn't invent anything," he says. "The first business I ever owned was a liquor store. It taught me to watch the books, pay everybody on time and not to think of yourself as a black businessman. I'm a businessman, that's all."

A newspaper printer's son, Mr. Llewellyn joined the Army Air Corps at 16, becoming a pilot and commissioned officer stationed in Germany after World War II. In 1948, at age 21, he enrolled in City College of New York, and used \$30,000 he had painstakingly squirreled away for a down payment on a liquor store in Harlem. During the next decade, he earned an MBA from Columbia University and a law degree from New York Law School.

"When I graduated from law school it was 1960, the dawn of a new era for African-Americans in this country," says Mr. Llewellyn. "I got into both government and politics. I felt that I needed to expand my world beyond Harlem."

From 1960 to 1962, he was a prosecutor in the Manhattan district attorney's office. By 1965, he had developed contacts within President Lyndon Johnson's administration that helped him get appointed New York's regional director of the U.S. Small Business Administration. "You learn a lot about the realities of what works and what doesn't in a position like that," he says.

By 1969, he was ready to make a big bet. "I mortgaged my house and sold just about everything I owned to raise seed money to buy a grocery chain in a devastated part of the Bronx that most investors and entrepreneurs were avoiding," he says. The company, Fedco Foods Corp., had 10 outlets and annual sales of \$18 million. He gradually built Fedco into the nation's largest black-owned supermarket chain—with 29 outlets and revenue of \$100 million.

For  
July  
MONDAY, MAY 10, 1999  
THE WALL STREET JOURNAL  
Need to reach out now

Please Turn to Page B4, Column 6



## MEMORANDUM

TO: JAY DUNN - DEPUTY DIRECTOR, OFFICE OF BUSINESS LIAISON  
SUBJECT: NEW MARKETS INITIATIVE  
DATE: JUNE 8, 1999  
CC: SHAWN KAHLE; FRAN WAKEM

Thank you for sharing the information on the President's new *America's New Markets Initiative*. It is a very exciting concept, and one that Kmart would be very interested in exploring.

Kmart Corporation has, especially for the past several years, been increasing development and expanding its presence in a number of urban area communities, including cities such as Detroit, New York (Queens and the Bronx), Philadelphia and Chicago. The Corporation has remodeled and updated older stores, converted acquired properties to Big Kmart stores, and built new, modern stores in these communities. We are very excited about the new Super Kmart recently opened in Detroit. Kmart is proud to be the first major retailer to build in the city in many years, and we hope our commitment will encourage other businesses to reinvest in the City and help bring it back to prosperity.

Floyd Hall, Kmart's Chairman, President and CEO, is interested in joining the President, Members of Congress and other business leaders on a portion of the President's "trade mission" to these untapped domestic markets.

I'd very much like to discuss further with you the communities tour details. I'd be happy to meet with you in Washington, or speak by telephone, at your earliest convenience. I will ask my assistant to contact your office later this week to confirm a convenient date and time for us to meet or talk.

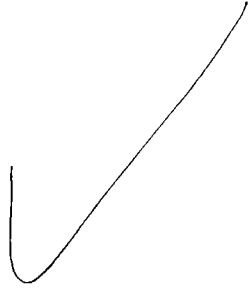
Dale J. Apley  
Divisional Vice President  
Public Policy  
Kmart Corporation  
248-643-1623

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456-6218  
Jay Dunn  
Erin Rub Rose



1992

**Bear Stearns** invests \$5 million to the Agency for Housing Low Income Families through the New York Equity Fund 1992 Limited Partnership.

1998

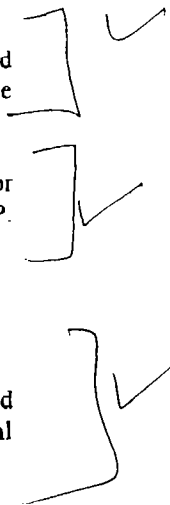
**Jan** **Bear Stearns** underwrites a \$200 million 5.60% Coupon note due Jan 13, 2000 for The Walt Disney Company and invites Blaylock & Partners, L.P. and the Williams Capital Group, L.P. two minority-owned firms, as co-underwriters.

**Feb** **Bear Stearns** underwrites a \$300 million 6.00% Coupon note due Feb 1, 2002 for GMAC and invites Artemis & Co., Inc., Blaylock & Partners, L.P. and the Williams Capital Group, L.P. three minority-owned firms, as co-underwriters.

**Feb** **Bear Stearns** underwrites a \$300 million 6.625% Coupon note due Feb 15, 2028 for Ford Motor Co. and invites Blaylock & Partners, L.P., Muriel Siebert & Co., Inc. and the Williams Capital Group, L.P. three minority-owned firms, as co-underwriters.

1999

**Mar** **Bear Stearns** underwrites a \$400 million 5.95% Coupon note due Mar 1, 2003 for GMAC and invites Blaylock & Partners, L.P., Muriel Siebert & Co., Inc, Ramirez & Co., Inc, and the Williams Capital Group, L.P. four minority-owned firms, as co-underwriters.



Very Brief Highlights.

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# HIGHLIGHTS OF BANKERS TRUST'S COMMITMENT TO DISTRESSED COMMUNITIES

May, 1999

**Bankers Trust has a long-standing commitment to outstanding corporate citizenship and maintains a focused strategy of loans, investments, philanthropic grants and technical assistance to provide low-income and minority communities with opportunities for economic advancement:**

- Bankers Trust has earned "Outstanding" Community Reinvestment Act (CRA) ratings since 1992 from the Federal Reserve Bank of New York and the New York State Department of Banking. Bankers Trust was the first wholesale bank to win the "Outstanding" distinction, the highest possible ranking. Additionally, Bankers Trust is the only wholesale institution to consistently maintain the rating.
- Bankers Trust created GRAND (Global Resources for Affordable Neighborhood Development) as a means of growing and diversifying sources of capital for community development financing. During three phases of GRAND, Bankers Trust has raised \$130 million from foreign and wholesale banks, pooled as a source of construction financing for new, affordable housing in New York City. A fourth phase of GRAND is being organized with an additional \$40 million having already been committed. In addition to being architect of the program, Bankers Trust serves as GRAND's agent bank.
- Bankers Trust is a major investor in the Low Income Housing Tax Credit with a portfolio totaling \$100 million. These investments have all been targeted to funds that include the participation of nonprofit community development corporations as general partners.
- For 1998 Bankers Trust provided \$13.6 million in philanthropic grants to nonprofit organizations, the majority of which are based in New York City. Grants specifically to nonprofit organizations serving minority and low- and moderate income communities total \$15 million for the years 1994-1998.
- Bankers Trust created the Neighborhood Franchise Project to start-up new franchise businesses in inner-city neighborhoods. In doing so, Bankers Trust enlisted the support of the Ford Foundation, the Local Initiatives Support Corporation (LISC) and the International Franchise Association. Bankers Trust's role includes providing debt financing, equity, technical assistance and philanthropic grants (for six nonprofit community based partners). The program's first franchise, a Sterling Optical, opened in Harlem under the program in June of 1998. Additional quality businesses such as an International House of Pancakes, Alphagraphics, Athletes Foot, and others are expected to open soon under minority and community ownership.

- Bankers Trust is the lead organizer, and founding donor, of the Neighborhood 2000 Fund (N2F) which is providing \$10 million in general operating support to NYC community development corporations which are active in rebuilding distressed neighborhoods. In addition to making a \$1 million grant, Bankers Trust spearheaded the fundraising effort which attracted a consortium of more than 30 corporate and foundation donors. Bankers Trust is also leading an effort to sustain N2F through a statewide tax credit program targeted to local corporations.
- To create homeownership opportunities for low- and moderate-income families, Bankers Trust created CASH (Closing Assistance Support for Homebuyers). With funds raised among foreign and wholesale banks, a total of \$4.5 million in low-cost down payment financing has been made available with Bankers Trust as lead lender and agent bank. The program is operated in partnership with Neighborhood Housing Services of New York.
- The BT Microcredit Development Fund is the first private sector initiated global community development financing instrument. The Fund assists nonprofit microcredit programs that help the poor finance opportunities for self-employment. By providing subordinated debt for loan loss reserves, the Fund enables these programs to access commercial capital markets. The Fund is capitalized through the charitable donations of Bankers Trust Private Banking clients and BT Foundation grants.
- In partnership with several inner-city public schools in Harlem, Bedford-Stuyvesant and the Bronx, Bankers Trust is providing funding, mentors and technical assistance to support a comprehensive community development strategy. Bankers Trust recently committed philanthropic support to improve the City's vocational high school system in order improve its ability to respond to changing labor trends.
- Bankers Trust executives help steward some of the most prominent New York City institutions. Notably Frank N. Newman, Chairman, is on the board of Carnegie Hall. Gene A. Ludwig, Vice Chairman, is a board member of the Local Initiatives Support Corporation and the National Academy Foundation, George Vojta, Vice Chairman, is a Partner of the New York City Partnership, Mary Cirillo, Executive Vice President, is on the board of University Settlement House, Darcy Bradbury, Managing Director, is on the board of the 14<sup>th</sup> Street LDC and the Educational Alliance, Joan Green, President of BT Securities, is on the board of the American Red Cross, New York, and Sam Austin, Principal, is the President of the National Association of Securities Professionals, New York and is a lead organizer of the "People of Color on Wall Street Symposium."
- As lead corporate sponsor for the production and educational outreach of the seminal documentary "Africans in America: America's Journey through Slavery," Bankers Trust provided a \$1.2 million grant. The series aired on PBS stations throughout the

country in the Fall of 1998, and continues to reach young people through a variety of educational venues. It recently was honored with the prestigious Peabody Award.

- Bankers Trust has an established program to contract with vendors that are principally owned and /or operated by minorities or women. Throughout the 1990s, this effort has resulted in yearly increases in business with these vendors, in both absolute dollars and as a relative share of total spending.
- In support of New York City's recently announced commitment to "New York/NewYork II", (which will provide capital funds to build new housing for the mentally ill homeless), Bankers Trust established BT SHARE (Supportive Housing and Rehabilitation Effort) with a \$1 million commitment in grants and interest free loans to nonprofit housing providers who will build the new housing.
- On April 29, 1999 Bankers Trust launched "Banking on the Future" at the Federal Reserve Bank of New York. The program is being carried out in partnership with Operation Hope and the New York City Board of Education to introduce young people to fundamental personal finance skills through classes conducted by volunteer bankers.
- Recognizing that capital needs are often greater in underserved rural communities, Bankers Trust made a near \$3 Million investment in the Kentucky Highlands Investment Corporation through an innovative tax credit program. Bankers Trust's investment is helping to sustain and grow local businesses in Appalachia.

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- Awarded over \$4.5 Million from the US Treasury Community Development Funding program in recognition of our community development lending. We use this to subsidize deals that would otherwise not be financially viable.

### **New Facilities in Urban and Minority Communities**

- Two new community lending centers opened in 1998 in urban and minority areas – one in an LMI area in Las Vegas and the other in Harlem. Target is lending to both small businesses and consumers.
- Opened new state of the art Electronic Banking Center in the Bronx.
- Opened branch in Richmond Heights, a predominantly African American community in South Florida this year.

### **Travelers Property Casualty (TPC)**

- For nearly 15 years, Travelers insurance companies have supported the Greater Hartford Business Development corp. That provides seed money to minority and women owned businesses. Travelers support has included a \$1 million debt forgiveness grant to the GHBDC. Since 1984, the GHBDC loan pool has assisted 34 businesses, issued \$2 million in loans and resulted in the creation of over 170 jobs.
- Nationally, Travelers Property Casualty has a very aggressive urban-markets program in seven major cities around the country. The program is designed to foster the development of minority agents and to increase our presence in the urban homeowners insurance market. For example, in Washington D.C., Travelers now holds a 16% market share (representing nearly 27,000 policies), which is five times our national market share.
- Breaking new ground in the area of community development, Travelers Property Casualty has committed to providing discounted homeowners insurance to qualified customers in conjunction with Citigroup's \$115 billion Community Reinvestment Act commitment. This is the first such commitment by any company of discounted insurance associated with a CRA.

### **Salomon Smith Barney**

#### **Small Business Initiative**

- Salomon Smith Barney partnered with the Small Business Administration/Office of Women's Business Ownership to celebrate "Women Business Owner Week" in June

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## **BANKERS TRUST'S INVESTMENTS IN UNDER SERVED COMMUNITIES**

Bankers Trust has a long term commitment to making capital available to distressed communities. A sustained program of loans, investments and technical advisory services is helping low and moderate income communities to enter the economic mainstream. Bankers Trust has sought to use its unique role as a wholesale financial services firm to craft opportunities that bring additional partners and resources to those communities most in need. A few illustrative examples of this commitment include:

**The Neighborhood Franchise Project** – Bankers Trust created this program to provide business ownership and job creation opportunities within low and moderate income communities. Bankers Trust has brought together the Ford Foundation, the Local Initiatives Support Corporation and the International Franchise Association to carry out the project. BT is also providing direct financing in the form of equity as well as debt. The first business under, a Sterling Optical, opened in Harlem last summer.

**GRAND-** Global Resources for Neighborhood Development (GRAND) has amassed more than \$150 Million in construction financing for the building of new homes for moderate income families. Banker Trust created the program and serves as agent for other wholesale and foreign banks enabling them to routinely lend to new housing development.

**Neighborhood 2000 Fund** – Bankers Trust led the formation of a philanthropic fund to support local community economic development activities in New York City. The Fund brought together 32 corporations and foundations and is making \$10 Million available to local self-help projects. Efforts are underway to make the program permanent through a New York State tax credit. ✓

**Support for Appalachia** – Recognizing that capital needs are often greatest in under served rural communities, Bankers Trust made a near \$3 Million investment in the Kentucky Highlands Investment Corporation through an innovative tax credit program. Bankers Trust's investment is helping to sustain and grow local businesses in Appalachia. ?

**CASH** – To create home ownership opportunities for moderate income families, Bankers Trust created Closing Assistance Support for Homebuyer (CASH). The program has assembled \$4.5 Million for loans to cover downpayments and closing costs for families purchasing their first homes.

**Banking on the Future** – Bankers Trust is leading an effort in New York City to introduce financial literacy skills to inner-city children through a partnership with the California based Operation Hope.

**Low Income Housing Tax Credit-** Bankers Trust has more than \$100 million invested in a variety of funds that are helping to build and renovate affordable rental housing for low income families.



"Succop,Kiersten - LGA" <ksuccop@att.com>  
05/07/99 12:33:51 PM

Record Type: Record

To: Cheryl M. Carter/WHO/EOP, 'Cheri Carter' <cheryl\_m.carter@lmgate2.eop.gov>  
cc:  
Subject: talking points

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Note: Some recipients have been dropped due to syntax errors.  
Please refer to the "\$AdditionalHeaders" item for the complete headers.

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- AT&T has contributed over 3 million dollars to empowerment zones across the country (Chicago, Oakland, Kansas, Detroit, Baltimore, Los Angeles, New York). ✓ +

-AT&T recently gave a second \$750,0000 grant to Los Angeles to the Greenlining Institute, which is a minority run organization that promotes corporate investment in minority communities. We did this in cooperation with the LA County Office of Education. ✓ +

- AT&T Wireless has contributed almost 2 million dollars worth of cell phones and service for the safe schools program for schools in "at risk" communities.  
(This 2 million dollar is a separate contribution from the 3 million dollars cited above)

-The AT&T Foundation is currently working with the NAACP and the Urban League to establish AT&T Family Call Centers in empowerment zones across the country. These will be community centers that parents and kids can go to learn how to use the internet. This grant has not yet been announced and we could possibly make the announcement on the President's trip. ✓ |

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## **AMR Corporation Commitment to Underserved Areas**

American Airlines and its parent, the AMR Corporation, are dedicated to finding opportunities for employment and investment in economically disadvantaged areas of the country where we do business. Our objective is to train and hire more inner-city workers, provide job sites with access to public transportation, and offer a healthy mix of wages, health care, and long-term retirement benefits.

Our program began in 1993 when the AMR Travel Academy launched a travel career training program in Puerto Rico – a program that is now offered to economically disadvantaged students across the United States. Since 1996, AMR has hired over 1,200 welfare recipients for career jobs at its airports and reservations centers.

To achieve our goal, AMR has forged strong relationships with community and educational organizations in the cities we serve. For example:

- In New York, American is involved in a unique program that brings inner-city foster children to a suburban school for training in travel industry careers ✓
- In Chicago, American works with the Chicago Jobs Council and Chicago City Colleges to train welfare recipients for job opportunities ✓
- In California, American teamed with Santa Monica Community College to develop a travel industry curriculum geared toward training for low income students ✓
- At our Dallas-Fort Worth headquarters, the Travel Academy program is gaining momentum and is now used widely in schools and communities in Texas and nationwide to prepare welfare recipients and others for travel industry careers
- American has partnered with SER-Jobs for Progress on a national project to create opportunities for unemployed and underemployed Hispanics. The project now operates travel industry training programs in Los Angeles, Miami, and Puerto Rico
- In Miami, American is a major corporate participant in the WAGES project which helps economically disadvantaged Floridians find jobs in the airline industry

Most recently, in January 1999, American opened a new reservations office in the southern sector of Dallas where economic development is sorely needed. The location of the center was selected because of its access to public transportation and in order to attract employees from the local community which has a predominantly minority population. With an annual payroll of \$5 million, the office will employ about 350 people. About 95 percent of those hired initially were from the local community.



Jodi.Sakol@do.treas.gov  
06/08/99 08:13:25 PM

Record Type: Record

To: Jackson T. Dunn/WHO/EOP  
cc:  
Subject: notes on new markets

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Date: 06/08/1999 08:08 pm (Tuesday)  
From: Jodi Sakol  
To: ex.mail("Jackson\_T.\_Dunn@who.eop.gov")  
Subject: notes on new markets

Jay, here are some notes I've taken regarding the upcoming new markets trip. The following are all NY/NJ BusinessLINC ideas.

In addition to what's listed below, we are also hopeful the President could announce the new BusinessLINC CEO in addition to these other BusinessLINC announcements. (We are still waiting for BRT to name him/her.) I'll keep you posted. If you have any questions, please call me at 622-0087. Thanks!!!

**New York City Site Visits:**

Company: Chase/NY City Partnership/New York Investment Fund  
Contact: Ruth Salzman: 212/622-4252  
Gale Kaufman: 212/493-7434  
Kathy Wyld: 212/493-7551

Annct/Event: NY Partnership/Chase

Announce the NYC Partnership's pilot BusinessLINC chapter with a commitment to mentor 10 companies annually from distressed communities. The Partnership will commit to bring large and small companies together for one-year partnerships that would be of mutual economic benefit to all participants. (See memo to Gale Kaufman.)

**CHASE**

Announce Chase investment in Harlem USA.  
Harlem USA is the name given to the commercial development of a 276,000 square foot retail/entertainment

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N.Y.  
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complex in Harlem (125th st. between Frederick Douglass Blvd. and St. Nicholas Ave.) This project, which will provide much a home for much needed retail services to the local community, is the first new construction of a retail complex in Harlem in more than two decades. Developed by Gotham Construction and Grid Properties, in conjunction with the Harlem Commonwealth Council, a local non-profit corporation, the project financing is from a combination of public and private sources. Chase provided a \$47.7 million construction loan to HUSA Operating Co., LLC for the new construction. The Upper Manhattan Empowerment Zone Development Corp. is providing subordinate financing. The project is 68% pre-leased with several major retail tenants, including Loews/Sony Theaters, Disney Stores, Old Navy, HMV, Modell's, NY Sports Club and a Chase Manhattan Bank branch. Harlem USA is creating 200 construction job, and when completed, over 500 full-and part time permanent jobs for are residents.

#### Announce East Harlem Triangle/Pathmark:

The CCDC is leading a bank group is providing a \$7.6 million loan for the construction of a 50,305 square foot Pathmark supermark in East Harlem 124th-125th Street between Lexington and Third Ave.) The supermarket, which has total development costs of %15.1 million, will also have 125 rooftop parking spaces and 5,000 square feet of ancillary retail space. In addition, Chase will have a 400 square foot branch located inside the store. It is estimated that the project will generate some 200 jobs. CCDC will retain half of the construction loan with the balance shared with European American Bank and Carver Federal Savings Bank. At conversion to permanent financing, the banks\* construction loan will reduced by a \$1.5 million subordinate loan from the Empire State Development Corporation (the successor to the New York State Urban Development Corporation). CCDC will retain a \$1 million participation in the permanent financing. The borrower, East Harlem Abyssinian Development Corporation L.P., is a joint venture between two community based non-profit corporations, Abyssinian Development Corp. and the Community Association of the East Harlem Triangle, Inc. The supermarket opened May, 1, 1999.

#### NY INVESTMENT FUND

Announce the New York Investment Fund\*s  
\$1 million investment in an African  
American owned publishing company. Visit a school in  
Brooklyn to highlight the New York Investment Fund\*s  
reinvestment in the Metropolitan Teaching and Learning  
Company, an African American publishing company. The  
President could announce that the NYIF has just agreed to  
extend a \$1 million credit line on top their original investment  
of \$1 million. The initial investment enabled MTL President  
Reg Powe, who owns this start-up educational publishing

company, to develop the first school curriculum dedicated exclusively to serving inner city youngsters. The new investment will allow Mr. Powe to market his curriculum to additional schools throughout the country. Powe was mentored by Beverly Chell, Vice Chairman and General Council of Primedia, one of the top publishing executives in the country.

#### CHASE/NY PARTNERSHIP/NY INVESTMENT FUND

The New York Investment Fund would like to arrange a CEO roundtable for President Clinton to facilitate a discussion about the importance of business-to-business mentoring, especially in distressed areas. The roundtable would include the CEOs of Chase Manhattan, Time Warner, Bell Atlantic, Goldman Sachs, Tenneco, AT&T and many others.

SIA

Company: N.J. Nets  
Lewis Katz and Raymond Chambers, principal owners of the N.J. Nets

Contact: Freda Plesser  
212/618-0568

Annct/Event: In an effort to revitalize downtown Newark, N.J. Nets will create the Newark Sports and Entertainment Village (the Village). As part of this project, they are working to provide an 18,500-seat NBA world-class sports arena to host over 200 events throughout the year. The arena will be the home to the New Jersey Nets, New Jersey Devils, a future WNBA franchise and the Seton Hall Pirates. The facility will also be used for concerts, professional wrestling, the circus etc. They are also constructing a 30,000 seat outdoor stadium for use by Major League Soccer. Connecting the arena and the stadium will be over 1,00,000 square feet of new office space and a 400-room hotel. The Village will sponsor sports and management education and training for jobs in the sports and communication industries.

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New  
York

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### REVITALIZATION/3

#### Commitment to employing San Francisco welfare recipients

Rite Aid is planning a partnership with San Francisco Works, a program that helps provide valuable employment opportunities for San Francisco residents. Led by the Chamber of Commerce, the Committee on Jobs and the United Way, San Francisco Works was chartered in 1997 to prepare 2,000 men and women to transition successfully from welfare to work through proven screening, training, placement and retention support programs. Within the next 90 days Rite Aid will open three new stores in San Francisco and will be hiring from the local communities.

#### Rite Aid redeveloping entire block in Tacoma Hilltop area

Rite Aid will soon break ground on a \$4 million project that will help revitalize the Hilltop, a struggling neighborhood in Tacoma, Washington. Rite Aid has been commended by community leaders, for its pioneering efforts, which may serve as a catalyst for future economic developments. The 16,000 square foot store will employ Hilltop neighborhood residents.

#### Partnering with community construction and hiring groups in Philadelphia

In mid-1996 Rite Aid reaffirmed its commitment to urban retailing by partnering with a community development group to relocate a store in inner-city Philadelphia. The relationship with the Greater Germantown Housing Development Company (GGHDC) ensured local hiring of all subcontractors, architects, engineers, and other construction consultants. In addition, the GGHDC handled all phases of the construction process and assisted in the hiring process for in-store positions.

Also, in January of 1996 Rite Aid teamed with the Jefferson Manor Community Development Corporation and the Girard Avenue Business Association. A state-of-the-art Rite Aid pharmacy was opened in a depressed North Philadelphia neighborhood, where more than a quarter of the residents were unemployed and the nearest drugstore was blocks away. Most of the 18 store employees were hired from within the neighborhood. Community leaders commended Rite Aid saying the store serves as a building block to help revitalize their neighborhood.

#### Rite Aid partnering with New York City as a foundation for urban development

Recently, Rite Aid CEO Martin Grass committed to a project sponsored by New York Mayor Rudolph Giuliani called "The ANCHOR Program." Developed in conjunction with the New York City Partnership, the program is dedicated to the

(more)

#### REVITALIZATION/4

development of commercial properties in economically challenged neighborhoods in which residential housing also is being developed. Last October, Mayor Giuliani announced Rite Aid's participation in the first "Partnership Plaza," 20,000 square-foot, \$3.4 million commercial plaza in Bedford-Stuyvesant, Brooklyn. Rite Aid will anchor the plaza and create 15-20 new jobs in a neighborhood desperately in need of them. All of the hiring will be done on-site and Rite Aid will work collaboratively with the NYC Partnership's job training component to ensure that neighborhood residents have access to these jobs.

In addition to its 142 stores operating throughout New York City's neighborhoods, Rite Aid also announced its plans for a second store on 125<sup>th</sup> street in Manhattan, one of five stores developed in the greater Harlem community.

#### Rite Aid joins with City of Buffalo to reclaim blighted sites

Working together, Rite Aid and the City of Buffalo have already made significant progress in changing blighted areas into attractive, tax-paying neighborhood drugstore locations. Rite Aid is the only major retail drugstore firm solidly committed to building new stores in every area of Buffalo. In 1993, Buffalo Mayor Jimmy Griffin and Rite Aid undertook this ambitious program, which is continuing with the solid encouragement of Mayor Anthony Masiello. In the past five years, Rite Aid has constructed 11 drugstores in the city's blighted areas at a total project cost in excess of \$15 million. Each store employs about 20 full-and-part-time people. Rite Aid plans to add five more stores in urban Buffalo over the next two years.

#### Commitment to upgrading retail services in Detroit

On June 11, 1998, Rite Aid CEO Martin Grass will host the grand opening of the first of ten new stores planned for Detroit. The store serves an urban, low-income neighborhood without easy access to a full-service drugstore. While other retailers are only just discovering the opportunities Detroit offers, Rite Aid leads the pack in its commitment to Detroit and its investment in the city. Rite Aid has earmarked approximately \$25 million for the planned rollout of ten new stores in Detroit. Rite Aid has also committed more than \$3.5 million for the renovation and remodeling of an additional five stores in Detroit this year.

#### Commitment to Cleveland's inner-city neighborhoods

Rite Aid is the leader in the industry in rediscovering inner-city Cleveland. With 19 stores currently operating within the city limits, Rite Aid is committed to building at least six new stores in the next couple of years. Rite Aid's Cleveland initiative started in mid-1996 with the opening of its first prototype store in the Five Points area of Collinwood. Each new store represents an investment upwards \$2 million into the neighborhood.

(more)



Jodi.Sakol@do.treas.gov  
06/08/99 08:13:25 PM

Record Type: Record

To: Jackson T. Dunn/WHO/EOP  
cc:  
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**HUD PRIVATE SECTOR PARTNERS**

**NEW YORK, NY**

- Broadway Video
- Citibank
- Disney
- HMV Records

**SELECTED BUSINESSES FROM EZs/ECs, OTHER HUD PARTNERS**

- Bankers Trust
- Citibank
- Hudson Foods
- New Boston Seafood Company
- Pathmark
- Sterling Optical
- Tysons Food
- Viking Range

**BUSINESSES HUD CAN REACH OUT TO**

- Ben and Jerry's
- Blockbuster Video
- Burger King
- Disney
- Gap
- Loew's Theater
- McDonalds
- Pathmark
- Rite Aid
- The Limited/Structure
- Time Warner
- Tower Records

**HOUSEHOLD PRIVATE SECTOR PARTNERS**

- Borders
- Filenes Basement
- Home Depot
- Marshalls
- NationsBank
- Nike Barnes and Noble
- Price Club
- Reebok
- Starbucks
- TJ Max

## 6. NEW YORK CITY, NY: BusinessLINC and/or Urban EZS

### *Advantages*

- The New York EZ is one of the most successful EZs in the country.
- ACCION New York, Inc. is a recipient of CDFI funds and one of the largest microlending organizations in the United States, having made over 1,800 loans ranging from \$500 to \$25,000 to more than 900 clients.

### *Potential Announcements and Site Visits*

- The Business Roundtable, including Chase Manhattan and McDonalds, will be prepared to make a major announcement that they will house the BusinessLINC coalition. Dana Mead, Chair of BRT, could also announce the appointment of the CEO who will run BusinessLINC.
- Chase Manhattan has a Business Center program that was recently expanded which illustrates the benefits of BusinessLINC. We could visit this site or visit the site of a business that was assisted by BusinessLINC.
- At the same time this announcement is being made, we could also make an announcement about the other BRT BusinessLINC chapters in Dallas and Chicago, which would “open” simultaneously.
- There is also the possibility of simultaneously holding a roundtable on BusinessLINC in another location that would involve local businesses and cabinet members.
- There are also numerous retail initiatives in Harlem New York that could be announced including store and business openings such as Starbucks and Walt Disney.

### *Disadvantages*

- Recent negative publicity about the New York EZ.
- In fighting among local politicians and officials regarding the zone.
- Tensions between local retailers and large chains opening in Harlem.

## NEW YORK CITY

### Background/Highlights

- Harlem has been unable to connect their local economy to New York's regional economic boom.
- In 1994, over 50% of Harlem's adult residents did not have a high school diploma.
- Despite the fact that Harlem has a number of major institutions, including Columbia University (the third largest employer in New York City) and major hospitals, *less than 10% of Harlem's residents were employed in the business located there.*

### Government Investments

- Upper Manhattan received an Empowerment Zone designation in 1995 of \$100 million from the Federal Government.
- The federal investment was matched by \$100 million from the New York City and \$100 million from New York State.

### Private Sector Investments

- \$193 million in private sector commitments followed the EZ designation, representing a 3.25 to 1 ratio of private to public dollars. Some of these private sector projects include:
  - **Harlem USA:** This major retail complex, the largest project in the upper Manhattan EZ, has attracted Disney, HMV and other national outlets. Approximately \$11 million in public investment will be leveraged by an additional \$45 in private sector commitments. Construction of the complex will create 200 new jobs, while its ongoing operation is expected to result in 300 permanent jobs (with 75% of these targeted for EZ residents under tax credit provisions).
  - **Broadway Video:** Saturday Night Live producer Lorne Michaels is bringing high-tech jobs to Harlem with the opening of a \$1.1 million post-production facility called Broadway Video, creating at least 20 jobs for EZ residents. Funding comes from loans from the Upper Manhattan EZ and Citibank.
  - **Pathmark Supermarket:** The designation of the EZ attracted Pathmark supermarket to the area, the first supermarket to open there in many years.
  - **Citibank,** along with the Upper Manhattan EZ, is offering loans to the new businesses.

### Possible Announcement/Events

- Numerous private companies have indicated interest in joining the Harlem revitalization, including: Sterling Optical, and Bankers Trust, with most of the activity oriented towards African-Americans.
- The area is capable of supporting still more development. Entertainment business are especially interested in joining Disney and Lorne Michaels in New York. HUD has contacts in the entertainment industry who would be interested in joining the EZ and participating in a public event.

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**HUD New Market Town**

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- A HUD-funded study, completed in 1996 (or thereabouts), recommended businesses that could spark the most revenue in the area. Some of those recommendations could be ready for announcement by the end of June.

**Other Comments**

The Harlem renaissance has already attracted media attention and acclaim (see attached *Washington Post* article from May 5, 1999).

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**DELTA POSSIBILITIES**

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**MONROE, LOUISIANA****Background/Highlights**

- In 1994, statistics showed that Monroe is the third-poorest metropolitan area in the nation
- Monroe has a population over 50,000.

**Government Investments**

- Designated as EC in the first round, in 1995, receiving \$3 million.

**Private Sectors Investments**

- Hibernia National, Central Bank and Bank One committed \$3 million in loans to EC businesses unable to access traditional bank financing.
- A donated property is being rehabilitated and expanded as the St. Francis Medical Center's Primary Health Care Clinic (South), a community-based nonprofit clinic. The new facility will cost approximately \$350,000 and provide 13 jobs.
- State Farm Insurance is carrying out a partnership to provide job training to place EC residents in Monroe or the adjacent Parrish. There are 10 people currently placed.

**Possible Announcements/Events****Other Comments**

- The EC Board was originally deemed "troubled," but has recently shown great improvement.
- 

**GREENWOOD, MISSISSIPPI****Background/Highlights**

through a CDC tax credit on a \$2 million investment from Bankers Trust and the Appalachia Wall Street, L.P.

- Kentucky Highland Enterprise Zone Development Venture Fund has been very successful with over 500 jobs created through loans to small businesses in the EZ, including Specialty Plastic Products of Kentucky which plans to start construction on a second plant in early July.

*Potential Deliverables:*

- Job training investment announcement coordinated with SBA and Labor connected with the existing pilot Youth Opportunity program. (See pages 16-27)

3. Harlem, NY (see pages 13,14)

- FOCUS: Private Sector Investment in Inner Cities and EZs
- The New York EZ is one of the most successful EZs in the country.
- Harlem USA is a major retail complex being developed in the upper Manhattan EZ with approximately \$11 million in public investment leveraged by an additional \$45 million private sector commitments.
- ACCION New York, Inc. is a recipient of CDFI funds and one of the largest microlending organizations in the United States, having made over 1800 loans ranging from \$500 to \$25,000 to more than 900 clients.
- Abyssinian CDC was part of the development team for the Harlem Pathmark. This CDC has used which is Rangel's district has used nearly every urban program developed by the Administration.

4. Los Angeles, CA (see pages 16,18-20)

- FOCUS: Private Sector Workforce Investments in Disadvantaged Youth
- The DOL's Kulick grant program helps to fund the Los Angeles EZ Community of Watts, and has created 700 new jobs, employing 1700 youth.
- If we wanted to visit Oakland, Community Bank of the Bay is a certified CDFI that was capitalized through the investment of 17 banks. They have helped to finance companies such as ViaNovus, a struggling software development firm that recently added 300 new software development jobs in downtown Oakland.

*Potential Deliverables*

- Several corporations have already made pledges to the Kulick program. Additional pledges could be sought to expand the program through a collaboration, which is already being formed by Labor with the National Alliance of Business, Los Angeles Chamber of Commerce, LA Youth at Work, Mayor's Business Leaders Alliance and several foundations.
- Potential site visits where the program is currently operating include Rockwell International and Shell Oil Small Business Academy.

SBIC Program Licensees --- April 8, 1999 - New York

399 Venture Partners  
William Comfort, Chairman  
399 Park Avenue, 14th Floor/Zone 4  
New York, NY 10043  
ph: (212)559-1127 FAX: (212)888-2940

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

American Asian Capital  
Corporation (SSBIC)  
Howard H. Lin, President  
130 Water Street, Suite 6-L  
New York, NY 10005  
ph: (212)422-6880 FAX: (212)422-6880

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Argentum Capital Partners II, LP  
Daniel Raynor, Chairman  
405 Lexington Avenue, 54th Floor  
New York, NY 10174  
ph: (212)949-6262 FAX: (212)949-8294

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Argentum Capital  
Partners, LP  
Daniel Raynor, Chairman  
405 Lexington Avenue, 54th Floor  
New York, NY 10174  
ph: (212)949-6262 FAX: (212)949-8294

Preferred Investment Size: \$1 to \$5 million  
Investment Policy: Equity and Mezzanine  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

BOCNY, LLC

Shelley G. Whittington, Manager  
10 East 53rd Street  
32nd Floor  
New York, NY 10022  
ph: (504)332-7721 FAX: (504)332-7377

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

BT Capital  
Partners, Inc.  
Doug Brent, Managing Director  
130 Liberty Street, 25th Floor  
New York, NY 10006  
ph: (212)250-5565 FAX: (212)250-7651

Preferred Investment Size: \$5 to \$25 Million  
Investment Policy: Equity Investments  
Investment Type: Expansion, Later Stage, MBO/LBO/Acqu  
Industry Preference: Diversified  
Geographic Preference: National

Barclays Capital  
Investors Corp.  
Lorrie Stapleton, President  
222 Broadway, 11th Floor  
New York, NY 10038  
ph: (212)412-5832 FAX: (212)412-7600

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

C.B. Capital Investors, LP  
George E. Kelts, Managing Director  
380 Madison Avenue, 12th Floor  
New York, NY 10017  
ph: (212)622-3100 FAX: (212)622-3799

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

CIBC WG Argosy Merchant  
Fund 1, L.P.  
Jay Levine and Jay Bloom, Contacts  
425 Lexington Avenue  
New York, NY 10017  
ph: (212)885-4611 FAX: (212)885-4878

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

CIBC Wood Gundy  
Ventures, Inc.

Robi Blumenstein, Managing Director  
425 Lexington Avenue, 9th Floor  
New York, NY 10017  
ph: (212)856-3713 FAX: (212)697-1544

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

CMNY Capital II, L.P.  
Robert G. Davidoff, General Partner  
135 East 57th Street  
26th Floor  
New York, NY 10022  
ph: (212)909-8428 FAX: (212)980-2630

Preferred Investment Size: \$800,000  
Investment Policy: Loans and/or Equity  
Investment Type: Expansion  
Industry Preference: Diversified  
Geographic Preference: National

Capital Investors &  
Management Corp. (SSBIC)  
Rose Chao, Manager  
210 Canal Street, Suite 611  
New York, NY 10013  
ph: (212)964-2480 FAX: (212)349-9160

Preferred Investment Size: \$100,000 to \$150,000  
Investment Policy: Secured Loans  
Investment Type: Expansion  
Industry Preference: Retail  
Geographic Preference: New York Tri State Area

Cephas Capital  
Partners L.P.  
Clint Campbell, Jeff Holmes, Mgrs.  
16 West Main Street

Rochester, NY 14614  
ph: (716)231-1528 FAX: (716)231-1530

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Chase Manhattan Capital, LP  
George E. Kelts, Managing Director  
380 Madison Ave., 12th Floor  
New York, NY 10017  
ph: (212)552-6275 FAX: (212)622-3799

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:

Geographic Preference:

Chase Venture

Capital Associates  
Jeffrey C. Walker, Managing Gen. Partner  
380 Madison Avenue, 12th Floor  
New York, NY 10017  
ph: (212)270-3220 FAX: (212)622-3101

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Citicorp Venture

Capital, Ltd.  
William Comfort, Chairman of the Board  
399 Park Avenue, 14th Floor/Zone 4  
New York, NY 10043  
ph: (212)559-1127 FAX: (212)793-6164

Preferred Investment Size: \$5 to \$10 Million  
Investment Policy:  
Investment Type: Later Stage and Leverage Buyout  
Industry Preference: Diversified  
Geographic Preference: East Coast, National

Credit Suisse First

Boston SB Fund I, LP  
David DeNunzio & John Hennessy, Mgrs.  
11 Madison Avenue, 26th Floor

New York, NY 10010  
ph: (212)325-2000 FAX: (212)325-2699

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Bank Austria Creditanstalt SBIC, Inc.  
Dennis O'Dowd, President  
245 Park Avenue, 32nd Floor  
New York, NY 10167  
ph: (203)861-1410 FAX: (203)861-1477

Preferred Investment Size: \$500,000 to \$1 MM  
Investment Policy: Loans and Equity Prefer Equity  
Investment Type: Later Stage, Expansion  
Industry Preference: Medical/Health Telecomm. Manufacturing  
Geographic Preference: N.E., Midwest South, Pacific

Dresdner Kleinwort Benson Private Equity

Christopher Wright, President  
75 Wall Street, 24th Floor  
New York, NY 10005  
phone: (212)429-2100 FAX: (212)429-2929

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

East Coast Venture  
Capital, Inc. (SSBIC)  
Zindel Zelmanovitch, President  
570 Seventh Avenue, Suite 1802  
New York, NY 10018  
ph: (212)869-7778 FAX: (212)819-9764

Preferred Investment Size: \$50,000 to \$200,000  
Investment Policy: Loans and/or Equity  
Investment Type: Seed, Expansion  
Industry Preference: Diversified  
Geographic Preference: Regional

East River  
Ventures, L.P.  
Alexander Paluch & Walter Carozza  
150 East 58th Street, 16th Floor

New York, NY 10155  
ph: (212)644-6211 FAX: (212)980-6603

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Edwards Capital Corporation  
Michael Kowalsky, President  
437 Madison Avenue  
New York, NY 10022  
ph: (212)328-2110 FAX: (212)328-2125

Preferred Investment Size: \$50,000 to \$5 MM  
Investment Policy: Secured Loans  
Investment Type: Acquisition, Expansion  
Industry Preference: Transportation  
Geographic Preference: New York City

Elk Associates Funding  
Corporation  
Gary C. Granoff, President  
747 Third Avenue  
New York, NY 10017  
ph: (212)421-2111 FAX: (212)759-3338

Preferred Investment Size: \$100,000 to \$300,000  
Investment Policy: Secured Loans, Some Debt /w Equ  
Investment Type: Later Stage  
Industry Preference: Transportation & Diversified  
Geographic Preference: Northeast, South FL, IL

Empire State Capital

Corporation (SSBIC)  
Dr. Joseph Wu, President  
170 Broadway, Suite 1200  
New York, NY 10038  
ph: (212)513-1799 FAX: (212)513-1892

Preferred Investment Size: \$500,000  
Investment Policy: Loans or Equity Investments  
Investment Type: Early Stage, Expansion  
Industry Preference: Diversified  
Geographic Preference: Atlantic Region

Eos Partners SBIC II, L.P.  
Steven Friedman & Brian Young, Manager  
320 Park Avenue, 22nd Floor  
New York, NY 10022  
ph: (212)832-5800 FAX: (212)832-5805

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Eos Partners  
SBIC, L.P.  
Steven Friedman, Partner  
520 Madison Avenue, 42nd Floor  
New York, NY 10022  
ph: (212)832-5814 FAX: (212)832-5815

Preferred Investment Size: \$1 to \$5 Million  
Investment Policy: Equity & Debt with Equity  
Investment Type: Early Stage, Expansion, Later, LBO  
Industry Preference: Telecomm. Media, Health Services, Bus. Outsourcing  
Geographic Preference: National

Esquire Capital Corp. (SSBIC)  
Wen-Chan Chin, President  
69 Veterans Memorial Highway  
Commack, NY 11725  
ph: (516)462-6944 FAX: (516)864-8152

Preferred Investment Size: \$250,000  
Investment Policy: Loans and/or Equity  
Investment Type: Early Stage, Expansion  
Industry Preference: Diversified  
Geographic Preference: North

Exeter Capital  
Partners IV, L.P.  
Keith Fox, Timothy Bradley, Jeff Weber  
10 East 53rd Street

New York, NY 10022  
ph: (212)872-1170 FAX: (212)872-1198

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Exeter Equity  
Partners, L.P.  
Keith Fox, Timothy Bradley, Jeff Weber  
10 East 53rd Street

New York, NY 10022  
ph: (212)872-1170 FAX: (212)872-1198

Preferred Investment Size: \$1 to \$3 Million  
Investment Policy: Equity Investments  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

Exeter Venture  
Lenders, L.P.  
Keith Fox, Manager  
10 East 53rd Street  
New York, NY 10022  
ph: (212)872-1170 FAX: (212)872-1198

Preferred Investment Size: \$1 to \$3 Million  
Investment Policy: Loans and Equity Investments  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

Exim Capital Corp. (SSBIC)  
Victor K. Chun, President  
241 5th Avenue, 3rd Floor  
New York, NY 10016  
ph: (212)683-3375 FAX: (212)689-4118

Preferred Investment Size: \$300,000  
Investment Policy: Loans, Loans w/ Equity Features  
Investment Type: Expansion & Acquisition  
Industry Preference: Diversified  
Geographic Preference: New York City

Fair Capital Corp. (SSBIC)  
Rose Chao, Manager  
210 Canal Street, Suite 611  
New York, NY 10013  
ph: (212)964-2480 FAX: (212)349-9160

Preferred Investment Size: \$50,000 to \$100,000  
Investment Policy: Secured Loans  
Investment Type: Expansion  
Industry Preference: Retail  
Geographic Preference: New York, Tri-State

First County  
Capital, Inc. (SSBIC)  
Orest Glut, Financial Manager  
135-14 Northern Blvd., 2nd Floor

Flushing, NY 11354  
ph: (718)461-1778 FAX: (718)461-1835

Preferred Investment Size: \$100,000 to \$200,000  
Investment Policy: Loans and/or Equity  
Investment Type: All Stages  
Industry Preference: Manufacturing, Retail, Wholesale, Food Service  
Geographic Preference: North, Greater NY

Flushing Capital  
Corporation (SSBIC)  
Frank J. Mitchell, President  
39-06 Union Street, Room 202  
Flushing, NY 11354  
ph: (718)886-5866 FAX: (718)939-7761

Preferred Investment Size: \$300,000  
Investment Policy: Loans  
Investment Type: Expansion  
Industry Preference: Diversified  
Geographic Preference: New York City Area

Freshstart Venture  
Capital Corporation (SSBIC)  
Zindel Zelmanovich, President  
24-29 Jackson Avenue  
Long Island City, NY 11101  
ph: (212)361-9595 FAX: (718)361-8295

Preferred Investment Size: \$50,000 to \$200,000  
Investment Policy: Loans and/or Equity  
Investment Type: Seed, Expansion  
Industry Preference: Diversified  
Geographic Preference: Regional

Fundex Capital Corp.  
Larry Linksman, President  
780 Third Ave, 48th Floor  
New York, NY 10017  
ph: (212)527-7135 FAX: (212)527-7134

Preferred Investment Size: \$1 to \$2 Million  
Investment Policy: Sub. Debt with Equity, Loans  
Investment Type: Early Stage Expansion  
Industry Preference: Consumer Prod. Communications Medical/Health,  
Specia  
Geographic Preference: Tri-State (NY, NJ, CT)

ING Furman Selz Investments  
Brian Friedman, Manager  
230 Park Avenue  
New York, NY 10169  
ph: (212)309-8348 FAX: (212)692-9147

Preferred Investment Size: \$2 to \$6 Million  
Investment Policy: Equity  
Investment Type: Expansion, Later Stage, No Start-ups  
Industry Preference: Diversified  
Geographic Preference: National

Genesee Funding, Inc.  
Stuart W. Marsh, President & CEO  
70 Linden Oaks, 3rd Floor

Rochester, NY 14625  
ph: (716)383-5550 FAX: (716)383-5305

Preferred Investment Size: \$200,000  
Investment Policy: Loans and/or Equity  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: Northeast

Hanam Capital Corp. (SSBIC)  
Robert Schairer, President  
38 West 32nd Street, Suite 1512  
New York, NY 10001  
ph: (212)564-5225 FAX: (212)564-5307

Preferred Investment Size: \$50,000 to \$200,000  
Investment Policy: Loans and/or Equity  
Investment Type: Early Stage, Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: Northeast

Hudson Venture  
Partners, L.P.  
Lawrence Howard & Marilyn Adler  
660 Madison Avenue, 14th Floor

New York, NY 10022  
ph: (212)644-9797 FAX: (212)583-1849

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

IBJ Whitehall Capital Corporation  
Peter Handy, President  
One State Street, 8th Floor

New York, NY 10004  
ph: (212)858-2000 FAX: (212)952-1629

Preferred Investment Size: Up to \$6 Million  
Investment Policy: Mezzanine  
Investment Type: Expansion Later Stage  
Industry Preference: Manufacturing Distribution Service  
Geographic Preference: National

Ibero American  
Investors Corp. (SSBIC)  
Emilio Serrano, President  
104 Scio Street  
Rochester, NY 14604  
ph: (716)262-3440 FAX: (716)262-3441

Preferred Investment Size: \$450,000  
Investment Policy: Loans and/or Equity  
Investment Type: Early Stage, Expansion  
Industry Preference: Diversified  
Geographic Preference: Northeast

InterEquity Capital  
Partners, LP  
Irwin Schlass, President  
220 Fifth Avenue, 12th Floor  
New York, NY 10001  
ph: (212)779-2022 FAX: (212)779-2103

Preferred Investment Size: \$200,000 to \$5 MM  
Investment Policy: Loans and Equity  
Investment Type: All Stages  
Industry Preference: Diversified  
Geographic Preference: National

International Paper  
Cap. Formation, Inc. (SSBIC)  
(Main Office: Memphis, TN)  
John Jepsen, President  
Two Manhattanville Road  
Purchase, NY 10577  
ph: (914)397-1578 FAX: (914)397-1909

Preferred Investment Size: \$40,000 to \$300,000  
Investment Policy: Loans and Equity  
Investment Type: Expansion & Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

J.P. Morgan Investment  
Corporation  
Brian F. Watson, Managing Director  
60 Wall Street  
New York, NY 10260  
ph: (212)483-2323 FAX: (212)648-5032

Preferred Investment Size: \$5 to \$10 Million  
Investment Policy: Equity  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

KOCO Capital  
Company, L.P.  
Paul Echausse, President  
111 Radio Circle  
Mount Kisco, NY 10549  
ph: (914)242-2324 FAX: (914)244-3985

Preferred Investment Size: \$2,000,000  
Investment Policy: Sub. Debt and Preferred Stock  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

LEG Partners Debenture SBIC, L.P.

Lawrence Golub, Manager  
230 Park Avenue  
19th Floor  
New York, NY 10169  
ph: (212)207-1423 FAX: (212)207-1579

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

LEG Partners III SBIC, L.P.

Lawrence Golub, Manager  
230 Park Avenue  
19th Floor  
New York, NY 10169  
ph: (212)207-1423 FAX: (212)207-1579

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

LEG Partners  
SBIC, L.P.

Lawrence E. Golub, Manager  
230 Park Avenue, 21st Floor  
New York, NY 10169  
ph: (212)207-1585 FAX: (212)207-1579

Preferred Investment Size: \$2 to \$3 Million  
Investment Policy: Equity and Debt w/ Warrants  
Investment Type: Expansion  
Industry Preference: Healthcare, Media, Basic Manufacturing  
Geographic Preference: Mid-Atlantic

M & T Capital Corp.  
Tom Scanlon, President  
One Fountain Plaza  
9th Floor  
Buffalo, NY 14203  
ph: (716)848-3800 FAX: (716)848-3150

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Medallion Funding  
Corporation (SSBIC)  
Alvin Murstein, President  
437 Madison Avenue  
New York, NY 10022  
ph: (212)328-2110 FAX: (212)328-2125

Preferred Investment Size: \$50,000 to \$350,000  
Investment Policy: Senior and Sub Debt w/ Warrants  
Investment Type: Expansion  
Industry Preference: Service, Retail  
Geographic Preference: Mid-Atlantic N. East

Mercury Capital, L.P.  
David W. Elenowitz, Manager  
153 East 53rd Street  
49th Floor  
New York, NY 10022  
ph: (212)838-0888 FAX: (212)759-3897

Preferred Investment Size: \$2.5 to \$7.5 Million  
Investment Policy: Equity Only  
Investment Type: Later Stage  
Industry Preference: Manufacturing, Distribution, Serv. Businesses  
Geographic Preference: National

NBT Capital  
Corporation  
Daryl Forsythe & Joe Minor, Managers  
19 Eaton Avenue

Norwich, NY 13815  
ph: (607)337-6810 FAX: (607)336-8730

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

NYBDC Capital Corp.  
Robert W. Lazar, President  
41 State Street  
P.O. Box 738  
Albany, NY 12207  
ph: (518)463-2268 FAX: (518)463-0240

Preferred Investment Size: \$100,000  
Investment Policy: Loans or Equity  
Investment Type: Early Stage, Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: New York

NatWest USA Capital  
Corporation  
Elliot Jones, President  
660 Madison Avenue, 14th Floor  
New York, NY 10021  
ph: (212)418-4567 FAX: (212)418-4594

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Needham Capital  
SBIC, L.P.  
John Michaelson, Manager  
445 Park Avenue  
New York, NY 10022  
ph: (212)705-0297 FAX: (212)751-1450

Preferred Investment Size: \$500,000 to \$1 MM  
Investment Policy: Equity  
Investment Type: Later Stage, Expansion  
Industry Preference: Technology  
Geographic Preference: National

Norwood Venture  
Corp.

Mark R. Littell, President  
1430 Broadway, Suite 1607  
New York, NY 10018  
ph: (212)869-5075 FAX: (212)869-5331

Preferred Investment Size: \$1,000,000  
Investment Policy: Equity-Oriented Debt Investments  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

Paribas Principal  
Incorporated

Steven Alexander, President  
787 Seventh Avenue, 32nd Floor  
New York, NY 10019-8018  
ph: (212)841-2000 FAX: (212)841-3558

Preferred Investment Size: \$1.5 to \$5 Million  
Investment Policy: Equity Only  
Investment Type: Expansion, Later Stage  
Industry Preference: Healthcare, Media, Business Service Manufacturing  
Geographic Preference: National

Pierre Funding Corp. (SSBIC)

Elias Debbas, President  
805 Third Avenue, 6th Floor  
New York, NY 10022  
ph: (212)888-1515 FAX: (212)688-4252

Preferred Investment Size: \$100,000 to \$500,000  
Investment Policy: Collateralized Loans  
Investment Type: Expansion  
Industry Preference: Diversified  
Geographic Preference: East Coast

Prospect Street NYC  
Discovery Fund, L.P.

John F. Barry  
10 E. 40th St., 44th Floor  
New York, NY 10016  
ph: (212)448-0702 FAX: (212)448-9652

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Pyramid Ventures, Inc.  
Brian Talbot, Vice President

130 Liberty Street, 31th Floor  
New York, NY 10006  
ph: (212)250-9571 FAX: (212)250-7651

Preferred Investment Size: \$10,000,000  
Investment Policy: Equity Investments  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference: National

RBC Equity Investments

Stephen Stewart, Manager  
One Liberty Plaza

New York, NY 10002  
ph: (212)428-3035 FAX: (212)858-7468

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Regent Capital

Partners, L.P.

J. Oliver Maggard, Managing Partner  
505 Park Avenue, Suite 1700  
New York, NY 10022  
ph: (212)735-9900 FAX: (212)735-9908

Preferred Investment Size: \$1 to \$3 Million  
Investment Policy: Debt with Equity or Equity  
Investment Type: Later Stage, MBO/LBO, Acquisition  
Industry Preference: Consumer Oriented, Media, Communications  
Geographic Preference: National

Situation Ventures

Corporation (SSBIC)

Sam Hollander, President  
56-20 59th Street  
Maspeth, NY 11378  
ph: (718)894-2000 FAX: (718)326-4642

Preferred Investment Size: \$100,000  
Investment Policy: Loans and/or Equity  
Investment Type: Early Stage, Expansion  
Industry Preference: Manufacturing, Service, Retail  
Geographic Preference: New York Metro Area

Sixty Wall Street

SBIC Fund, L.P.

Brian F. Watson, Managing Director  
60 Wall Street  
New York, NY 10260  
ph: (212)648-7778 FAX: (212)648-5032

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:

Geographic Preference:

Soci,t, G,n,rale  
Capital Corp.  
Steven Baronoff, President  
1221 Avenue of the Americas  
8th Floor  
New York, NY 10020  
ph: (212)278-5400 FAX: (212)278-5387

Preferred Investment Size: \$5 to \$50 Million  
Investment Policy: Equity, Loans, Debt w/ Equity  
Investment Type: MBO/LBO/Acq. Later Stage, Expansion  
Industry Preference: Diversified  
Geographic Preference: National

Sterling/Carl Marks Capital, Inc.  
Harvey L. Granat, President  
175 Great Neck Road--Suite 408  
Great Neck, NY 11021  
ph: (516)482-7374 FAX: (516)487-0781

Preferred Investment Size: \$500,000  
Investment Policy: Debt with Equity Features  
Investment Type: Later Stage, Expansion  
Industry Preference: Diversified  
Geographic Preference: Northeast

Toronto Dominion  
Capital (U.S.A.) Inc  
Brian A. Rich, General Manager  
31 West 52nd Street  
New York, NY 10019  
ph: (212)827-7000 FAX: (212)974-8429

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Transportation Capital  
Corp. (SSBIC)  
Michael Fanger, Pres. & Linda Miranda  
437 Madison Avenue  
New York, NY 10022  
ph: (212)328-2110 FAX: (212)328-2125

Preferred Investment Size: \$25,000 to \$135,000  
Investment Policy: Loans  
Investment Type: Seed, Expansion  
Industry Preference: Transportation  
Geographic Preference: Northeast, Mid-West

Triad Capital Corp.  
of New York (SSBIC)  
Oscar Figueroa, Manager of Rutgers Inv.  
305 Seventh Avenue, 20th Floor  
New York, NY 10001

ph: (212)243-7360 FAX: (212)243-7647

Preferred Investment Size: \$100,000 to \$250,000  
Investment Policy: Debt with Equity Features  
Investment Type: Expansion  
Industry Preference: Diversified  
Geographic Preference: National

Trusty Capital Inc. (SSBIC)  
Yungduk Hahn, President  
350 Fifth Avenue, Suite 2026

New York, NY 10118  
ph: (212)736-7653 FAX: (212)629-3019

Preferred Investment Size: \$200,000  
Investment Policy: Loans and/or Equity  
Investment Type: Seed, Early Stage, Expansion  
Industry Preference: Diversified  
Geographic Preference: Regional

UBS Capital, II LLC  
Justin S. MacCarone, President  
299 Park Avenue  
New York, NY 10171  
ph: (212)821-6490 FAX: (212)821-6333

Preferred Investment Size: \$20,000,000  
Investment Policy: Equity  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified  
Geographic Preference:

United Capital  
Investment Corp. (SSBIC)  
Paul Lee, President  
60 East 42nd Street, Suite 1515  
New York, NY 10165  
ph: (212)682-7210 FAX: (212)573-6352

Preferred Investment Size: \$50,000 to \$250,000  
Investment Policy: Loans and/or Equity  
Investment Type: Expansion, Later Stage  
Industry Preference: Diversified, Medical Health, Retail  
Geographic Preference: North-East

Venture Opportunities  
Corporation (SSBIC)  
A. Fred March, President  
150 East 58th Street, 16th Floor  
New York, NY 10155  
ph: (212)832-3737 FAX: (212)980-6603

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Walden Capital

Partners, L.P.  
John Costantino & Allen Greenberg, Mgrs.  
150 East 58th Street  
34th Floor  
New York, NY 10155  
ph: (212)355-0090 FAX: (212)755-8894

Preferred Investment Size: \$1 to \$2 million  
Investment Policy: Equity  
Investment Type: Expansion Financing, Early/Late  
Industry Preference: Manufacturing, Distribution, Service Industry  
Geographic Preference: Northeast & Mid-Atlantic

Wasserstein Adelson Ventures, L.P.  
Townsend Ziebold, Jr., Manager  
31 West 52nd Street, 27th Floor  
New York, NY 10019  
ph: (212)969-2690 FAX: (212)969-7879

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Winfield Capital Corp.  
Stanley M. Pechman, President  
237 Mamaroneck Avenue  
White Plains, NY 10605  
ph: (914)949-2600 FAX: (914)949-7195

Preferred Investment Size:  
Investment Policy:  
Investment Type:  
Industry Preference:  
Geographic Preference:

Women's Growth Capital Fund  
  
1029 31st Street, NW  
Washington, DC 20007-1203  
ph: (202)342-1431 FAX: (202)342-1203

Preferred Investment Size: \$500k  
Investment Policy: Women-owned businesses  
Investment Type: Expansion  
Industry Preference:  
Geographic Preference: Mid-Atlantic