PRESIDENT WILLIAM J. CLINTON
SMALL BUSINESS PERSON OF THE YEAR AWARDS
DROP BY
JUNE 2nd, 1997

Acknowledgments: David Guliani, National Winner; Georgia Berner, 1st Runner-Up; (1) Marvin Hess, 2nd Runner-Up. Congratulations to all of you for being your states Small Business Person of the year. In particular I'd like extend congratulations to Greg Garrison, Arkansas' winner, who who runs a booming car care and wash business out of Hot Springs.

(2) **I'd like all of you to recall for a moment what America's economy looked like four years ago**: high unemployment, few new jobs, stagnant wages, exploding budget deficits. I took office determined to replace trickle-down economics with invest-and-grow economics. We devised a plan with three principal elements: reduce the budget deficit, invest in the education, training and security of working men and woman and our children, and open new markets for American-made goods and services through tough trade agreements. Our mission: found it for a strong private sector.

(3) **We put a strategy in place and the results are beyond debate**: 12.1 million new jobs, the lowest unemployment in 24 years, the lowest inflation and strongest investment growth since Kennedy. The deficit has been cut already by 77 percent. In the last two years over half the new jobs have paid higher than average wages, and inequality among working people has seen the biggest drop since the 1960's. We have just learned that in the first quarter of this year the economy grew at 5.8 per cent -- the highest in a decade. Our economy is the healthiest in a generation. ["BUS INV UP, record # of new small biz

(4) **All this progress didn't just happen: a large part of our prosperity as a nation is due to your hard work and the entrepreneurial spirit of small business.** Small business has provided the country with the bulk of the 12 million new jobs. We have better-managed, more-competitive businesses, more productive working people and continued advances in technology. Thanks to your staying power, the growth of your companies and increase of production, you are keeping us on the healthy tract that we need to be on.

→ a few lines on diversity

(7) **We have quite a record of achievement at the Small Business Administration, under the leadership of Erskine Bowles, Phil Lader and now Aida Alvarez.** I was determined to revive SBA. Four years ago we established 5 priorities for the SBA and each of these areas we've seen success. First, we've improved access capital, by doubling the loan volume while cutting its budget. Second, we've reformed the agency's regulations by cutting the number of pages of regulations in half. Third, we've reinvented SBA, by creating a one page Low-Doc loan application and reducing employment by more than a third. Fourth, we've improved education and training for small business by creating a one-stop approach to business counseling with our development center programs and business information centers. Fifth, the SBA has pushed the recommendations of the White House Conference on Small Business of two years ago, such as the Small Business Regulatory Enforcement Fairness Act of 1996 (which allows small businesses to challenge federal regulations in court) and the package of retirement simplification and access legislation that I signed last August. I'm grateful to the SBA for effectively serving as my eyes and ears.

Aida Alvarez is continuing this work while committing the SBA to new challenges. The SBA is transforming itself into a 21st century leading edge financial institution, as it builds upon the strategy we implemented and continues to modernize and reinvent. Under Aida's direction, we will see better access to credit for small business who are under served by private credit markets. We will also see a comprehensive effort to meet our national challenge of
8 moving a million people from welfare to work. All of you here represent the work part of the equation, and I call upon you to do what you can to hire people off of welfare. It is America's business to put an end to the culture of dependency and, therefore, it must be the work of American business. I'm proud to be here with the three people the Vice President acknowledged for their outstanding leadership: John Scott, Joe Brisk and Barbara Robinson. We need more people in business like the three of you; thank you for the example you have set.

Just as we have an obligation to create better job ~~opportunity for all Americans~~, we also have an obligation to balance our national budget. My balanced budget plan is one that
6 is also in balance with our values. Balanced by 2002; secure Medicare trust fund, environment: 500 sites; health coverage up to 5 m. uninsured children. Education: biggest increase in 50 years, expand Head Start, HOPE, Pell Grant increase, national standards.

In the coming months, America will have to decide whether to stick with the economic strategy the Administration has set in place. We must engage the world economy
3 by continuing to give normal trading status to China. We must be given by Congress the necessary tools to open new markets abroad for American products through tough new trade agreements. And above all, we must finish the job of balancing the budget.

I'm confident we will work together with Congress and accomplish these challenges. As the Vice President mentioned, our economy is the envy of the world. We have a lot to feel good about, with small businesses leading the way to a more prosperous future for our nation. I'm happy to celebrate Small Business Week with you.

Dan Pink @ OVP
06/01/97 04:47:33 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:
Subject: Draft of small biz remarks

Here's an initial draft. I'll be here tomorrow in the early AM making improvements. Comments and edits by e-mail are best. Thanks.

DRAFT: 6-1-97; 4:35pm

Remarks of Vice President Al Gore
National Small Businessperson of the Year Awards Ceremony
The White House
Washington, DC
June 2, 1997

Thank you. It's a pleasure to be here to kick off Small Business Week. And it's an honor to present the National Small Businessperson of the Year Awards -- the entrepreneur's equivalent of the Oscars.

Incidentally, my family and I watched the Hollywood Oscars this year -- and I couldn't believe my ears. I don't know if you saw it, but Billy Crystal was the host this year. And he said on national television, as he was addressing those who were nominated and might not win, there's no guarantees. The only person who is certain to wake up with a statue tomorrow morning is . . . Tipper Gore.

As Groucho Marx once said, "I resemble that remark."

[Acknowledgments from advance]

At the start of Small Business Week 1997, I am happy to report that the American economy is healthy, strong, and prosperous. In last four years, the economy has been on a record-setting pace. 12.1 million new jobs. Record numbers of new businesses. Wages on the rise across the wage spectrum. And at long last, a narrowing of the gap between rich and poor.

And in recent days, there's been practically a gusher of good news. On Friday, we learned that in the first quarter of 1997, the American economy grew at a rate of 5.8 percent --

the highest in a decade. A week ago, we learned consumer confidence is now at a 28-year high. And last month, the nation's unemployment rate dipped to 4.9 percent -- the lowest in 24 years.

Entrepreneurs, economists, middle-income families, wage-earners all agree: this is the best economy in a generation.

One reason Americans are prospering is that four years ago President Clinton and I fought to put in place a new strategy for the new economy. This new strategy recognized that for all businesses -- large and small alike -- we had to shed the thinking of the Industrial Age and chart a new course for the Information Age. Our strategy had three components never before tried in collaboration. First, reducing the deficit. Second, investing in the things that power the new economy -- in particular, education and technology. And third, opening new markets for American goods and services.

This strategy wasn't popular. But it has been effective -- extremely effective. The budget deficit, which reached a record $290 billion in 1992, is down 77 percent. And our new bipartisan budget plan will wipe it out completely -- giving America a balanced budget by the year 2002. We're investing in knowledge and innovation; our budget plan makes critical investments in science and technology, and includes the largest increase in education investment in a generation. And our Administration is helping seize the benefits of the global economy. Already we've struck more than 200 trade agreements. We've laid a strong foundation.

But Americans know that while their government can create the conditions for prosperity, government cannot create prosperity itself. That's especially true in the new economy. The new economy is increasingly an entrepreneurial economy. It has begun relying more on small, nimble enterprises like yours instead of the hulking behemoths of the Industrial Age. And make no mistake: small businesses have powering America's record-breaking economy. Companies like yours have produced the lion's share of those 12.1 million new jobs I mentioned earlier. Already you employ more than half of the entire American workforce -- and the percentage is growing. And especially important in the new economy -- where growth depends on innovation -- small businesses produce twice as many product innovations as do large businesses.

You're also doing your part to help meet the challenge of moving millions of Americans from welfare to work. Since small businesses create about three out of every four new jobs, that's inevitable. And the Small Business Administration -- under Aida Alvarez's leadership -- has assumed a leadership role in President Clinton's initiative to move welfare recipients from welfare to work. With us today are three people to demonstrate the three tracks the SBA is pursuing to move more Americans from welfare to work. John Scott of the Nevada Department of Social Services shows what government can do to prepare welfare recipients for work. He runs an effective program called the Community Work Experience Program, which trains welfare recipients in computer skills. Joe Brisk of Milwaukee demonstrates how small businesses can hire welfare recipients. His company -- called

StaffWorks, Inc. -- has placed more than 12,000 people from Milwaukee's central city in jobs. And Barbara Robinson is a shining example of women on welfare becoming self-sufficient through entrepreneurship. She has started two companies that have annual revenues of more than $2 million and employ more than 100 people, most from welfare. I'd like these three people -- John, Joe, and Barbara -- to stand and be recognized.

Small business are creating jobs and lifting live in part by drawing on America's diversity. Minorities, immigrants, and women are America's newest entrepreneurs -- and also America's finest. For example, women-owned businesses now employ more people than the Fortune 500 -- and they've built this massive national workforce in an amazingly short time. Indeed, one of the great untold stories of this decade is the remarkable rise of women entrepreneurs -- who now run two out of every five small businesses. America's women are discovering that one of the quickest ways around the corporate glass ceiling is get out and build a new house yourself -- to start your own business, a business whose only ceilings are your own imagination and determination.

All in all, small business in America is a remarkable story -- with remarkably American features. Small businesses have helped America prosper by relying on old-fashioned values. Ingenuity. Grit. Risk-taking. Hard work. More hard work. Even more hard work. Sacrifice. Hope. entrepreneurial drive. And community spirit. Thank you, small business, for helping drive the new American economy. We are grateful. And we are proud.

President Clinton and I have tried to make your road a little smoother. You've benefited from lower deficits, which have brought down interest rates and softened the credit crunch. You've been able to draw on a better-educated workforce and on new information technologies that make your businesses run faster and smarter. And more and more of you are selling to the world.

The President and I have also tried to do some other things to help small businesses like yours prosper in the new economy.

For starters, we've put some of the most talented people in government in charge of the Small Business Administration. First, Erskine Bowles. Then, Phil Lader. And now, Aida Alvarez. And they've helped reinvent the SBA, and turn the whole agency around. Doubling loan volume, while slicing the budget. Reducing loan applications to a single page -- the Low-Doc. Cutting unnecessary regulation. Working with regulators like EPA and OSHA so that more small businesses can more easily comply with safety and environmental rules. Cutting taxes by expanding the expensing allowance for businesses like yours.

But the President and I know we can do more. But in order to do that, we tore a page from the small business playbook: we have been listening to the customer. We've sought your advice. You've told us what you need to build your businesses, create new jobs, and serve your community. And we've listened.

So today -- the beginning of Small Business Week -- I am pleased to announce three steps we are taking to respond to your concerns, to help small businesses prosper, and to keep America's economic growth on course to the 21st century. There is no better way to honor small business than through common-sense regulation. The steps I am announcing today will ease tax payment requirements . . . increase access to procurement for small businesses owned by women, minorities, and disadvantaged Americans . . . and help small businesses provide pensions to their workers.

First, you told us that electronic depositing of payroll taxes would eventually be easier and more efficient -- but that, at the moment, many small business lack the technology to do it right. We heard you. So today the IRS will be issuing a notice that will allow small businesses an additional six months to convert to the new electronic federal tax payment system. Many of these businesses are still learning about making electronic payments, and today's announcement will give them more time to become comfortable with the new system. While these businesses may continue to use a paper coupon and check to make deposits through the end of the year, we would encourage them to try the electronic payment system. We believe that small businesses using the new system will find electronic payments easier and more convenient than the current paper deposit system.

Second, you told us that small businesses in general -- and women and minority-owned small businesses in particular -- often depend on government contracts to establish their footing. Unfortunately, though, it's often difficult for you to find agencies -- and for agencies to find you. We heard your concerns. And today I am pleased to announce the formation of a pilot program called PRO-Net -- the Procurement Marketing and Access Network. PRO-Net will be a one-stop procurement shop available through the Internet. It will be a computerized matchmaker -- linking agencies that need goods and services to small businesses that can supply them. Women own 40 percent of small businesses, yet receive just two percent of federal contracts. We can do better than that. And PRO-Net will be a big help. You'll be able to reach it through the SBA home page -- www.sba.gov

Third, you told us that you wanted to provide pension coverage to your employees, but that you needed a hand -- simpler rules and better information. We heard you. Two years ago, at the White House Conference on Small Business, President Clinton announced a proposal to simplify pension regulations and make it easier for small businesses to offer retirement plans. Last summer, he signed these reforms into law. These new rules have cleared the way for thousands of small businesses to begin offering pension plans. And today, I am pleased to announce the next step -- a national education campaign to make it easier for small businesses to provide pensions to their employees. Our five-step education campaign will be directed by the SBA and the Department of Labor. And it includes three helpful booklets, which are available for free by calling this toll-free number: 1-800-998-7542.

These three steps will make it easier for small business to succeed in the new economy.

Small businesses are really about big people -- men and women confident enough to take risks, talented enough to break the mold, and strong enough to work 24 hours a day, seven days a week. You -- all of you -- are these big people. And, before I conclude, I'd like to recognize three from your ranks -- the finalists for 1997's Small Businessperson of the Year.

Our second-runner up has carved out a unique niche not just in our nation, but in the global marketplace. Hess Pumice Products in southeastern Idaho runs a facility that mines, processes, and refines high-quality pumice -- which is used for precision finishing of glass, metal, wood, and plastics. Hess Pumice is one of only three sources worldwide for the pumice manufacturers use to finish television picture tube glass. If you're watching this ceremony on television, the tubes inside your TV probably were buffed by Hess pumice. The company is just one of five pumice suppliers in the entire world, and exports to five continents. Its President and CEO is our second runner-up. Congratulations to J. Marvin Hess.

Our first runner-up demonstrates the relentless determination of America's entrepreneurs. When her husband passed away in a tragic plane crash, this mother of four had to take over the family business -- Berner International in New Castle, Pennsylvania. It was no easy task. The company manufactured sophisticated heavy machinery -- sheet metal boxes containing motors and fans to blow air across a doorway and thus keep environments separate. She had a degree in English literature -- and almost no business experience. But with an iron will, she persevered. And pretty soon, she succeeded beyond all expectations. Under her leadership, sales more than doubled -- from $2 million to $5 million. And now they're on track to reach $10 million by the year 2000. The manufacturing facility has expanded. The number of employees has doubled. And those four children are now in their 20s. All these accomplishments are the result of our first-runner up, Georgia Berner. Congratulations.

And now our winner, the 1997 Small Businessperson of the Year. This entrepreneur comes from the state of Washington, one of the seedbeds of the new economy. With the help of the SBA's Small Businesses Innovation Research program, this company, called Optiva, designed, developed, and now manufactures a cutting-edge product -- a "sonic toothbrush," a toothbrush powered by sound waves. Last year, Optiva sold its one-millionth toothbrush, and placed number two on *Inc. Magazine*'s list of America's fastest-growing companies. And yet success hasn't dampened this entrepreneur's community spirit. His company has given away 1000 toothbrushes to low-income families, trains its employees extensively, and teaches English as a Second Language on site during employees' lunch hour. Optiva lives by a credo that more and more of our best companies are adopting: "Taking good care of employees is required for good business." And its President and CEO was a guest last year at the White House Conference of Corporate Citizenship. He's also the 1997 Small Businessperson of the Year. Congratulations to David Guiliani.

These three entrepreneurs -- and all who were nominated this year -- are the best of America. You are proof that Americans are ready to succeed in the new economy. All we have to do is make sure everyone has a chance. We're trying to do that by eliminating the deficit, by investing in education, technology, and the environment, and by opening markets to American goods. You're doing your part by working hard, taking risks, constantly innovating, and delivering the finest goods and services in the world. That's a pretty good combination. And if we continue working together, Americans will master the new economy, and America will enter the 21st century the envy of the world.

Thank you very much.

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Message Sent To:

Jonathan A. Kaplan/OPD/EOP
Lawrence J. Haas/OVP @ OVP
Mary A. Dixon/WHO/EOP
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regulations in half, simplified the rest. A lot of you are very familiar with the one-page LowDoc loan program and the quick turnaround for loans of up to $100,000. I'm very proud of that. But you should also know that we do have the SBA now working very hard with EPA, with OSHA and with other agencies trying to get improvements in their regulatory pattern, especially with regard to small businesses.

The Occupational Safety and Health Administration now is working on measuring their performance of their own inspectors based on the safety results of the plants and the businesses that are measured, not based on how many citations they write or how many people they write up, but on the safety record of the people involved.

We're working on cutting the total compliance time the EPA takes out of the private sector by 25 percent. And we're on track to make it by the end of this year. I hope we will and I believe we will.

The third thing we've tried to do is to reinvent the SBA. We've had to cut everything nearly in federal government to try to reach our budget totals. There are now 237,000 fewer people working for the United States of America than there were the day I became President. We've had a reduction of 237,000. The federal government is now the smallest it's been since 1965. By the end of this year, it will be the smallest -- as small as it was when John Kennedy was President of the United States in 1963. (Applause.)

And by the way, as a percentage of the civilian work force, which is probably a better way to measure it, the federal government is now the same size it was in 1933 before the New Deal. And interestingly enough, one reason not very many people know that is that we only had to involuntarily separate 1,750 of those 237,000 people. We managed down the rest with early retirement, with people finding other jobs. We didn't have to -- we only had to involuntarily separate because of the budget cuts 1,750 out of those 237,00 people.

But as a result of that, every agency had to take its cut. The SBA employment has been reduced by more than a third. And yet, they've still been able to double the loan volume. So we're working on doing that in a way that doesn't cut the services to the small business community.

We've also, fourthly, tried to improve small business education counseling and information through our development center program, our business information centers. I think that they are working better with the one-stop approach to business counseling.

And, finally, we've tried to let the SBA serve as a my eyes and ears, to try to get better policy changes. That's one of the things that the White House Conference on Small Business is designed to do.

Recently I signed one piece of legislation that was recommended by the conference, Small Business Regulatory Enforcement Fairness Act of 1996 which allows small businesses to challenge federal regulations in court and is one of the most significant regulatory acts it's taken for small

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plus an all-time high in exports, plus the investments that have been made, we have now at least 8.5 million new jobs. It's going to be recalculated later this week. There may be even more than that.

As I said, record numbers of new small business people, 3.7 million new American homeowners, the lowest combined rates of unemployment, inflation and home mortgage rates in 30 years. Our deficit is the lowest as a percentage of our income of any advanced economy in the world, any big economy, and the lowest it's been in America since 1979. And business investment is the highest it's been in 30 years. And I think that is a pretty good record for the American people to be proud of. And a lot of it has been generated by you. (Applause.)

We have -- because we know there are some things that we can't do anything about until we want to make something good happen, we've tried to change the emphasis of American policy a little bit. I want to just mention one because it affects you. It is obvious that if you look at the numbers, I believe it's every year since 1980, the aggregate employment of the Fortune 500 in the United States has gone down, I believe going all the way back to 1980. And the aggregate employment of small- and medium-sized businesses has gone up.

So if we want to grow jobs more rapidly, if we want to keep the unemployment rates at 5.4 percent or lower, and if we want to pierce the areas of high unemployment in America -- the inner cities, the isolated rural areas -- where no new jobs have come yet in this economic recovery, the only way to do it is to make those areas more attractive for small business, to make it easier for people to pierce those areas who are prepared to be there, to make a commitment, to try to relate to the people who live there.

Now, we've tried to do five specific things for the SBA, and I just want to go over them very quickly because I think the Small Business Administration and Phil Lader and under his predecessor, Erskine Bowles, has really done a very, very good job at trying to reach out and support the small business community.

The first thing we want to do is improve access capital. The SBA has doubled the loan volume over the last three years while cutting its budget by nearly a third. I know of no other government agency that ever did anything like that, but that's exactly what they have done.

There is -- more private capital has entered the SBIC program in the last 18 months than in the last 15 years combined. The 7(a) Guaranteed Business Loan Program has some 7,000 lending partners working with the agency to provide almost $8 billion to small business owners last year. That's a 52-percent increase over the year before, including an 86-percent increase to women business owners and a 53-percent increase to minority-owned businesses. No quotas, no preferences, no nothing. Everybody who is qualified, had a chance to compete and get what they were entitled to. And I think you should all be proud of the record that American small businesses have made in that program. (Applause.)

The second thing we've tried to do in SBA was to set a better example than I did with taking a whole year to get rid of the grits regulation. And so the SBA has cut the number of its

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businesses in the last decade, came right out of the White House Conference. So if you were a part of that, you should be proud of it because even though we supported it and the Congress passed it, it was actually your doing.

We also got some very important recommendations out of the White House Conference on making retirement more accessible to small business. And one of the things that the Congress and the White House clearly agree on -- and I hope we can get it passed, notwithstanding all the other budget fights, is a whole package of retirement simplification and access legislation, about five different bills that, as far as I know, has the unanimous support of the Republican leadership, the Democratic leadership and the White House that would make pensions much easier for small businesses to access and make them much more portable for people who have to change jobs.

Now I don't know how many -- I got a letter the other day from a guy I grew up with complaining that it took him nine or ten months to transfer his 401(k) plan when he moved from one small business to another and a lot of those kinds of problems would just go away if this legislation was passed. As I said, as far as I know, there is no opposition to this package of legislation, again, not because of me or because of the leaders of Congress, but because it came out of the White House Conference on Small Business, and we are all trying to listen. I hope we can do more of that. (Applause.)

As far as I know, there is also very little opposition to an appropriate reduction in the estate tax burden to expanding the expensing allowance. You know, we took it from 10 to 17.5 and I think it's going to go up to 25 under all the proposed new plans, budget plans, and to increasing the health insurance, the deductions for self-employed people, again, largely because of what you have been doing.

Now, finally, we had a White House conference on corporate citizenship the other day at which your Small Business Person of the Year was present -- we were just talking about it -- in which a lot of the bigger businesses were saying that one of the things that we needed to do in this budget was to re-enact the tax deduction that employers get for helping provide for the education of their employees which historically has been a deduction of up to $5,250.

In addition to that, I am going to recommend again in our budget plan when we get down to this, that we provide a 10 percent tax credit for small businesses who are willing to undertake some of the expense of helping their employees improve their education and training because we know it's a bigger burden for small businesses, it's more difficult for them and very often you don't know if you're going to have the employees for as long as some of the bigger companies can guarantee that they'll have theirs.

But since we know that one of the biggest problems with stagnant wages in America and growing inequality is the lack of skills among our already adult work force. We want to provide whatever incentives we can to help you if you're so inclined to support the education and training of your employees. So I hope that also that that will be successful.

Now, finally, I'd just like to tell you about a proposal I made up at Princeton University today. I went up there and gave the commencement speech and I learned that I was only the third commencement speaker in 100 years. It sort of embarrassed me. I was afraid nobody would ever get asked back if I did a bad job. And then I learned that they only asked the President to speak every 50 years and then they didn't have commencement speakers the rest of the time. So I relaxed and said what I intended to. (Laughter.)

I recommended at Princeton that we change the tax code in a way that would make available to every single American two years of education after high school because I believe -- if you go back and look at the whole 20th century, when we started this century with a new industrial era was the first time we ever had states requiring people to go to school at all, any kind of required public attendance at education. And then after a few decades we required people to go to school for ten years. Then after a couple more, we said, well, everybody needs a high school diploma.

Well, if you look at the 1990 census now, we know that on balance younger workers who have high school diploma don't keep up with inflation in their earnings. But younger workers that have at least a community college degree of some kind do and do quite well. We also know that nearly every American is within driving distance of a community college and that by and large they are more affordable than the four-year schools.

So I had previously in my budget plan that we give everybody -- and this would be good for a lot of your children -- but we give everybody a $10,000 deduction for the cost of education after high school, the tuition cost, up to $10,000 a year as a tax deduction. Today I recommended that on the bottom of that, if you will, anybody who wanted to would be instead able to take a credit of up to $1,500 which covers most of the community college tuition in this country for a community college tuition for one year, no questions asked, and then if they maintained a B average to get it for a second year, which literally would make, instead of 12 years, 14 years of education accessible to every single American in the country. It could revolutionize opportunities for people, and I hope you will support that. (Applause.)

Let me just make one final point. I know we're going into an election season, and we have that every four years -- really, every two years. And on the whole that's a good thing. If it's done right, it gives us a chance to reassess where we are, to debate the differences between us, to have an honest discussion. And it's a very positive thing. But what I'd like to point out is that when we work together up here and do agree on what we have in common and leave our differences to the side, we can do a lot of good things for this country. We adopted a budget, six months late, but we adopted a budget which continued to reduce the deficit and continued to meet what I think are our fundamental obligations to the people.

We adopted a telecommunications bill which gave small business people in the telecommunications area a chance to compete in this brave, new world we are going into and still will create hundreds of thousands of new jobs in the telecommunications area. We adopted a tough antiterrorism bill to deal with one of the biggest law enforcement problems, not only in the United States, but people all over the world have. Just because we said, look, here's what we agree on. So we don't agree on everything. I gave up what I couldn't get. They gave up what

I also want to begin by congratulating the honorees in the Small Business Person of the Year Contest, all of you who won at the various state levels. And I just had a chance to meet with Phyllis Hannan and with Terry Anderson and with Robert and Laurie Lozano and to hear a little bit about the businesses they run and the work that they do.

But I want to say to all of you, one of the proudest achievements to me that America has had in the last three years is that each of the last three years, there have been more new small businesses started than in any previous year in American history. And I'm very proud of that. That means that this country is moving in the right direction, that we're becoming a more diverse, more solid, more balanced economy. And that's a very good thing. (Applause.)

I was very concerned four years ago when I became President that our economy seemed to be in drift and that the job growth rate was very slow, the economy was stagnant, the deficit was staggering. And we put in place a strategy that we believed would turn it around.

The first thing we did was to make a commitment to dramatically cut the deficit. We knew we had to cut it in half in four years, and we thought if we did we could get interest rates way down. Then we wanted to try to open large numbers of new markets to American products and services and to try to get more American businesses into those markets. And that's a lot of the work that Mickey Kantor did when he was Trade Ambassador and the late Ron Brown when he was our previous Secretary of Commerce.

I just left a business meeting in which a man came up to me and told me that he was a member of the other party, but he said, nobody ever helped us -- ever -- overseas like Ron Brown did. And we appreciate it. We really tried to do that. We've had Mickey Kantor negotiated 200 separate trade agreements. And these things, we thought, would make a difference.

The third thing we tried to do was to take the money that we had left after we started trying to squeeze the budget and target the investment. We tried to shrink the size of the federal government and target more investments to education, research, technology, defense conversion in the states that had been really hurt by cutbacks in defense -- the things that would grow the economy over the long run.

Now, after three and a half years, we see now that the deficit is less than half of what it was. Four years ago it was $290 billion, and it's projected to be $130 billion this year. For two years in a row we have run an operating surplus with your federal budget. If it had not been for the interest rates -- interest payments we make on the debt run up in the previous 12 years, we'd have been in surplus the last two years. So we are going to keep going.

Contrary to what you read about, all the fights we're having with Congress, whether we have this agreement or not, because we can't agree on what the structure of Medicare and Medicaid and what the investment levels in education and the environment should be, whatever, without that agreement, we're still going to keep bringing that deficit down every year until we balance the budget. We have to do it. It's the right thing to do. But we've already seen a dramatic decline in interest rates from where they were four years ago, and as a result of that --

they couldn't get. We passed the bill, we signed it. That's the way the American system is supposed to work.

So I would say to you, I am still committed to getting a balanced budget act. I'm still committed to getting campaign finance reform. And I'm still committed to getting the kinds of targeted tax relief we talked about here tonight that I believe would help to create more small businesses and help more small businesses stay in business and help generate more jobs.

I believe this country is in as good a shape to seize the future as any great country in the world. And I believe the best days of this country are still before us. What we have got to do is to recognize that with all of our diversity -- you just look around here. Just imagine what the difference in the way this crowd looks today and the way it would like 30 or 40 years ago. Just look around this room.

And there is no country in the world as well-positioned for the global economy as we are, managing its diversity as well, giving different people opportunities and all we've got to do is to figure out that we've just got to keep working together, keep pulling together and keep going forward. Our best days are still ahead of us, and you and small business are going to lead the way.

Thank you and God bless you. (Applause.)

END 9:38 P.M. EDT

I also want to begin by congratulating the honorees in the Small Business Person of the Year Contest, all of you who won at the various state levels. And I just had a chance to meet with Phyllis Hannan and with Terry Anderson and with Robert and Laurie Lozano and to hear a little bit about the businesses they run and the work that they do.

But I want to say to all of you, one of the proudest achievements to me that America has had in the last three years is that each of the last three years, there have been more new small businesses started than in any previous year in American history. And I'm very proud of that. That means that this country is moving in the right direction, that we're becoming a more diverse, more solid, more balanced economy. And that's a very good thing. (Applause.)

I was very concerned four years ago when I became President that our economy seemed to be in drift and that the job growth rate was very slow, the economy was stagnant, the deficit was staggering. And we put in place a strategy that we believed would turn it around.

The first thing we did was to make a commitment to dramatically cut the deficit. We knew we had to cut it in half in four years, and we thought if we did we could get interest rates way down. Then we wanted to try to open large numbers of new markets to American products and services and to try to get more American businesses into those markets. And that's a lot of the work that Mickey Kantor did when he was Trade Ambassador and the late Ron Brown when he was our previous Secretary of Commerce.

I just left a business meeting in which a man came up to me and told me that he was a member of the other party, but he said, nobody ever helped us -- ever -- overseas like Ron Brown did. And we appreciate it. We really tried to do that. We've had Mickey Kantor negotiated 200 separate trade agreements. And these things, we thought, would make a difference.

The third thing we tried to do was to take the money that we had left after we started trying to squeeze the budget and target the investment. We tried to shrink the size of the federal government and target more investments to education, research, technology, defense conversion in the states that had been really hurt by cutbacks in defense -- the things that would grow the economy over the long run.

Now, after three and a half years, we see now that the deficit is less than half of what it was. Four years ago it was $290 billion, and it's projected to be $130 billion this year. For two years in a row we have run an operating surplus with your federal budget. If it had not been for the interest rates -- interest payments we make on the debt run up in the previous 12 years, we'd have been in surplus the last two years. So we are going to keep going.

Contrary to what you read about, all the fights we're having with Congress, whether we have this agreement or not, because we can't agree on what the structure of Medicare and Medicaid and what the investment levels in education and the environment should be, whatever, without that agreement, we're still going to keep bringing that deficit down every year until we balance the budget. We have to do it. It's the right thing to do. But we've already seen a dramatic decline in interest rates from where they were four years ago, and as a result of that --

ROUTING SLIP
DATE: 5/29/97

FROM: Stephanie Streett
Deputy Assistant to the President and Director of Scheduling

SUBJECT: Announce Small Business Person of the Year

Don Baer	✓	Katie McGinty	
Sandy Berger		Mack McLarty	
Erskine Bowles	✓	John Podesta	
Peg Cusack		Bruce Reed	
Rahm Emanuel		Dan Rosenthal	
Maria Echaveste		Charles Ruff	
Jack Gibbons		Peter Selfridge	✓
Laura Graham	✓	Patti Solis-Doyle	
Marcia Hale		Craig Smith	
Nancy Hernreich		Doug Sosnik	
John Hilley		Gene Sperling	
Kitty Higgins	✓	Todd Stern	
Ron Klain		Ann Stock	
Ann Lewis		Kim Tilley	✓
Bruce Lindsey		Jodie Torkelson	
Sylvia Mathews		Melanne Verveer	
Mike McCurry	✓	Michael Waldman	✓

FILE: Option

COMMENTS: VP will do this event on 6/2/97

ROUTING SLIP
DATE: 5/27/97

FROM: Stephanie Streett
Deputy Assistant to the President and Director of Scheduling

SUBJECT: Announce Small Business Person of the Year

Don Baer	✓	Katie McGinty	
Sandy Berger		Mack McLarty	
Erskine Bowles		John Podesta	
Peg Cusack		Bruce Reed	
Rahm Emanuel		Dan Rosenthal	
Maria Echaveste		Charles Ruff	
Jack Gibbons		Peter Selfridge	✓
Laura Graham	✓	Patti Solis-Doyle	
Marcia Hale		Craig Smith	
Nancy Hernreich		Doug Sosnik	
John Hilley		Gene Sperling	
Kitty Higgins		Todd Stern	
Ron Klain		Ann Stock	
Ann Lewis		Kim Tilley	
Bruce Lindsey		Jodie Torkelson	
Sylvia Mathews		Melanne Verveer	
Mike McCurry	✓	Michael Waldman	✓

FILE: Pending

COMMENTS:

ROUTING SLIP
DATE: 5 / 13 / 97

FROM: Stephanie Streett
Deputy Assistant to the President and Director of Scheduling

SUBJECT: Announce Small Business Person of the Year

Don Baer	✓	Katie McGinty	
Sandy Berger		Mack McLarty	
Erskine Bowles		John Podesta	
Peg Cusack		Bruce Reed	
Rahm Emanuel		Dan Rosenthal	
Maria Echaveste		Charles Ruff	
Jack Gibbons		Peter Selfridge	✓
Laura Graham	✓	Patti Solis-Doyle	
Marcia Hale		Craig Smith	
Nancy Hernreich		Doug Sosnik	
John Hilley		Gene Sperling	
Kitty Higgins	✓	Todd Stern	
Ron Klain		Ann Stock	
Ann Lewis		Kim Tilley	
Bruce Lindsey		Jodie Torkelson	
Sylvia Mathews		Melanne Verveer	
Mike McCurry	✓	Michael Waldman	✓

FILE: Pending

COMMENTS:

May 5, 1997

MAY - 8 1997

MEMORANDUM FOR KITTY HIGGINS

Pending

From: Paul Weech Paul

Subject: Scheduling Request: Small Business Week

Attached is a scheduling request for an Presidential event in the Rose Garden during Small Business Week. Small Business Week is the first week in June. During Small Business Week, the 50 State winners of Small Businessperson of the Year come to Washington for a series of events and seminars. They will attend a lunch on Capitol Hill and have numerous sessions with cabinet officials. The National Small Businessperson of the Year is selected during that week. The events of the week will receive significant press coverage.

President Clinton has attended a Small Business Week activity every year during his Presidency.

Steve Silverman suggested that an event would be easier to schedule if there was an announcement that the President could make. The SBA is planning to announce a new on-line federal procurement system called ProNet that should assist small businesses in obtaining federal contracts.

We are also putting into the works an initiative to have the President issue an executive order to increase the federal contracting goal for small businesses from the statutory 20 percent to 25 percent over a three-year period. As part of this initiative, the President would reaffirm his commitment to the federal procurement goals for women-owned small businesses. The statutory goal is 5 percent; currently, women-owned businesses receive fewer than 2 percent of the contracts. Aida has discussed this with Erskine. He suggested that she talk to both Steve Kelman at the Office of Federal Procurement Policy and take it before the NEC. We have met with Kelman; I am sending a memorandum to Gene Sperling today requesting time on the NEC schedule two weeks out. This initiative could conceivably be ready to announce the first week in June.

April 23, 1997

TO:	Stephanie Street Assistant to the President and Director of Scheduling
FROM:	Kitty Higgins Assistant to the President and Secretary to the Cabinet
REQUEST:	Presidential Announcement of the National Small Business Person of the Year and runners-up at a White House Ceremony during National Small Business Week.
PURPOSE:	To highlight the accomplishments of the Administration's small business programs.
BACKGROUND:	This is the 34th annual National Small Business Week. The highlight of the week is the announcement of the National Small Business Person of the Year and First and Second Runners-up at a White House event. Traditionally, the President makes the announcement and has been part of Small Business Week every year since its beginning.
PREVIOUS PARTICIPATION:	President Clinton has addressed the state winners and/or announced the National winner from 1993 through 1997.
DATE AND TIME:	First Choice: Tuesday, June 3, 1997 at 10:00 a.m. Second Choice: Wednesday, June 4, 1997 at 10:00 a.m. Third Choice: Tuesday, June 3, 1997 at 8:00 p.m. or 9 p.m. (closing dinner)
DURATION:	To be determined
LOCATION:	The Rose Garden, South Lawn or Capital Hilton Hotel

PARTICIPANTS:	State winners, their families and associates, and national small business leadership (250 - 300 people)
OUTLINE OF EVENT:	To be determined
REMARKS REQUIRED:	President announces National Small Business Person of the Year and runners-up and makes brief remarks prepared by the SBA in conjunction with the White House speechwriters.
MEDIA COVERAGE:	Open
PROPOSED ATTENDANCE:	President
RECOMMENDED BY:	Aida Alvarez Administrator U.S. Small Business Administration
CONTACT:	Paul Weech Chief of Staff U.S. Small Business Administration

~~456-2245~~

456-2878

May 30, 1997

MEMORANDUM

TO: Jon Kaplan

FROM: Gretchen Sorensen GSorensen

SUBJECT: Vice President's remarks/Small Business Week

I am forwarding you a copy of President Clinton's remarks from the 1996 Small Business Week, as well as background information on PRO-NeT (Procurement Marketing and Access Network).

Administrator Alvarez is hopeful that the Vice President will emphasize in his remarks:

1) that Pro-Net will serve as a critical tool in increasing the federal government's procurement contracts to women. The current goal is 5%, however, less than 2% of federal contracts are actually going to women; and
2) this electronic information system will be a useful marketing tool for the 8(a) program and demonstrates the Clinton Administration's commitment to this program.

Please let me know if you need additional information. I can be reached today at 205-6724.

One final note: Paul Weech's pager number is 1-800-759-8888, pin 485-7009 if the VPs office needs to reach him this week-end. In addition, I can be reached at the Capital Hilton at 393-1000 if they need anything.

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

May 30, 1997

MEMORANDUM

TO: Vice President Al Gore

FROM: Aida Alvarez, SBA Administrator
Ginger Lew, Deputy SBA Administrator
Jere W. Glover, Chief Counsel for Advocacy

SUBJECT: Points for Vice President's Announcement of PRO-*Net*

PRO-*Net* Announcement

- Happy to announce new pilot program initiated by the Small Business Administration - using the Internet - particularly to help women-owned and other small businesses find procurement opportunities with federal and state government as well as prime contractors

- It is a re-invention of the procurement process making the process readily accessible to all small businesses using modern technology

- New pilot is called PRO-*Net* which stands for Procurement Opportunities Network and was developed under an SBA contract with the University of New Hampshire

- PRO-*Net* will be virtually a one-stop procurement shop for procurement opportunities, available at no cost to every Internet user.

- A great marketing opportunity for women-owned firms and all small businesses to market their companies to the government, to increase their share of the federal procurement pie and help federal government meet its procurements goals for women business owners

- It supports the Administration's commitment to help small disadvantaged and minority companies and opens a window of opportunity for them with public and private contractors

- It is interactive - contracting officers will be able to send solicitations to registered companies

- Companies control the information on the network and can up-date their company data at any time to reflect changes in their business and link their Internet home pages to the system

- It is user friendly - contains links to other information sources such as the index of SIC codes, DUN's codes, U. S. Business Advisor, Commerce Business Daily and state procurement opportunities

- It is an electronic search engine for contracting officers, providing an easy tool to locate women-owned and other small companies with innovative product lines and services

- The pilot's implementation is phased.

  * All 8(a) firms are now on the network
  and contracting officers can search for these firms **today**. These firms can enter the system and up-date the information and hot link their home page.

  * Women-owned firms will be added in the next few months.

  * All small businesses interested in federal procurement will be on line by October.

- PRO-*Net* is accessible to the public through the Internet and the home page of the Small Business Administration

Note: Delete reference to firms being able to receive and ask questions about procurement opportunities through PRO-Net. They can do so by linking to the e mail addresses of contracting agencies provided by hot links to the agencies on PRO-Net but not through PRO-Net directly.

Paul v.. sent this to VPs office last nite 5/29 CS

Additional Announcement Opportunity for the Vice President

PRO-Net (Procurement Marketing and Access Network)

The SBA has initiated a major reinventing government effort with a pilot program called PRO-Net, a one-stop electronic procurement - information system. PRO-Net will change the way government does business.

- The system will also be a useful marketing tool for the 8(a) program. There are already 5,000 8(a) firms listed on the system.

- PRO-Net is an electronic search engine for contracting officers, a marketing tool for small firms and a link to procurement opportunities and other information for small businesses. PRO-Net will be a particularly important tool for women owned small businesses. The SBA will be ready to begin registering women small businesses nationwide with in two weeks.

- It is a virtual one-stop procurement shop for government contracting. The database is being promoted to federal and state agencies, prime and other contractors to find small business contractors, subcontractors and partnership opportunities with small business.

- As an electronic gateway, PRO-Net provides access and is linked to the *Commerce Business Daily*, agency home pages and other sources of procurement opportunities.

- Participating companies with home pages can link their web site to their PRO-Net profile to create a very powerful marketing tool.

- PRO-Net requires access to the Internet. It can be reached through the SBA's home page and will be hot-linked to other relevant business and procurement-information sites.

Jon- delete this please

- Participating firms will be able to receive and ask questions about procurement opportunities electronically.

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release June 4, 1996

REMARKS BY THE PRESIDENT TO THE SMALL BUSINESS ADMINISTRATION DINNER

The Capital Hilton Hotel
Washington, D.C.

9:12 P.M. EDT

THE PRESIDENT: Thank you very much. Well, ladies and gentlemen, I don't know who spoke before or what happened, but whoever got you in such a good humor, I'd like to have them do more of it. I like that. (Laughter.)

Thank you very much. I'm delighted to be here. I want to begin by thanking Phil Lader and Ginger Lew and Jere Glover and all the people who work at the Small Business Administration for their efforts on your behalf, their constant lobbying the White House, and the work that they do every day to try to help create more jobs through America's small businesses.

I'm also glad to see -- I see some of you out there who were at the White House Conference on Small Business. That was one of the highlights of my presidency when I got to read the federal regulation on grits. Remember that? (Laughter and applause.)

That conference nearly made a liar out of me. I told you we were getting rid of 16,000 pages of federal regulations than we are, but it turned out the regulation on grits was one of the hardest ones to get rid of. (Laughter.) We got one letter from a businessman -- I read it actually -- pleading with me not to get rid of the regulation on grits, saying that people would just be desperate trying to sort out the different kinds of corn necessary to make grits. If I hadn't been living on grits since I was an infant, I might not have had the sense to resist the intrigue to keep the regulation. (Laughter.)

But somebody over at the Agriculture Department wanted to resist. It took me a year to get rid of that regulation. But, anyway, I'm here to announce it's over. Good-bye. (Laughter.) But anyway, we got rid of the regulation.

I also want to begin by congratulating the honorees in the Small Business Person of the Year Contest, all of you who won at the various state levels. And I just had a chance to meet with Phyllis Hannan and with Terry Anderson and with Robert and Laurie Lozano and to hear a little bit about the businesses they run and the work that they do.

But I want to say to all of you, one of the proudest achievements to me that America has had in the last three years is that each of the last three years, there have been more new small businesses started than in any previous year in American history. And I'm very proud of that. That means that this country is moving in the right direction, that we're becoming a more diverse, more solid, more balanced economy. And that's a very good thing. (Applause.)

I was very concerned four years ago when I became President that our economy seemed to be in drift and that the job growth rate was very slow, the economy was stagnant, the deficit was staggering. And we put in place a strategy that we believed would turn it around.

The first thing we did was to make a commitment to dramatically cut the deficit. We knew we had to cut it in half in four years, and we thought if we did we could get interest rates way down. Then we wanted to try to open large numbers of new markets to American products and services and to try to get more American businesses into those markets. And that's a lot of the work that Mickey Kantor did when he was Trade Ambassador and the late Ron Brown when he was our previous Secretary of Commerce.

I just left a business meeting in which a man came up to me and told me that he was a member of the other party, but he said, nobody ever helped us -- ever -- overseas like Ron Brown did. And we appreciate it. We really tried to do that. We've had Mickey Kantor negotiated 200 separate trade agreements. And these things, we thought, would make a difference.

The third thing we tried to do was to take the money that we had left after we started trying to squeeze the budget and target the investment. We tried to shrink the size of the federal government and target more investments to education, research, technology, defense conversion in the states that had been really hurt by cutbacks in defense -- the things that would grow the economy over the long run.

Now, after three and a half years, we see now that the deficit is less than half of what it was. Four years ago it was $290 billion, and it's projected to be $130 billion this year. For two years in a row we have run an operating surplus with your federal budget. If it had not been for the interest rates -- interest payments we make on the debt run up in the previous 12 years, we'd have been in surplus the last two years. So we are going to keep going.

Contrary to what you read about, all the fights we're having with Congress, whether we have this agreement or not, because we can't agree on what the structure of Medicare and Medicaid and what the investment levels in education and the environment should be, whatever, without that agreement, we're still going to keep bringing that deficit down every year until we balance the budget. We have to do it. It's the right thing to do. But we've already seen a dramatic decline in interest rates from where they were four years ago, and as a result of that -- plus an all-time high in exports, plus the investments that have been made, we have now at least 8.5 million new jobs. It's going to be recalculated later this week. There may be even more than that.

As I said, record numbers of new small business people, 3.7 million new American homeowners, the lowest combined rates of unemployment, inflation and home mortgage rates in 30 years. Our deficit is the lowest as a percentage of our income of any advanced economy in the world, any big economy, and the lowest it's been in America since 1979. And business investment is the highest it's been in 30 years. And I think that is a pretty good record for the American people to be proud of. And a lot of it has been generated by you. (Applause.)

We have -- because we know there are some things that we can't do anything about until we want to make something good happen, we've tried to change the emphasis of American policy a little bit. I want to just mention one because it affects you. It is obvious that if you look at the numbers, I believe it's every year since 1980, the aggregate employment of the Fortune 500 in the United States has gone down, I believe going all the way back to 1980. And the aggregate employment of small- and medium-sized businesses has gone up.

So if we want to grow jobs more rapidly, if we want to keep the unemployment rates at 5.4 percent or lower, and if we want to pierce the areas of high unemployment in America -- the inner cities, the isolated rural areas -- where no new jobs have come yet in this economic recovery, the only way to do it is to make those areas more attractive for small business, to make it easier for people to pierce those areas who are prepared to be there, to make a commitment, to try to relate to the people who live there.

Now, we've tried to do five specific things for the SBA, and I just want to go over them very quickly because I think the Small Business Administration and Phil Lader and under his predecessor, Erskine Bowles, has really done a very, very good job at trying to reach out and support the small business community.

The first thing we want to do is improve access capital. The SBA has doubled the loan volume over the last three years while cutting its budget by nearly a third. I know of no other government agency that ever did anything like that, but that's exactly what they have done.

There is -- more private capital has entered the SBIC program in the last 18 months than in the last 15 years combined. The 7(a) Guaranteed Business Loan Program has some 7,000 lending partners working with the agency to provide almost $8 billion to small business owners last year. That's a 52-percent increase over the year before, including an 86-percent increase to women business owners and a 53-percent increase to minority-owned businesses. No quotas, no preferences, no nothing. Everybody who is qualified, had a chance to compete and get what they were entitled to. And I think you should all be proud of the record that American small businesses have made in that program. (Applause.)

The second thing we've tried to do in SBA was to set a better example than I did with taking a whole year to get rid of the grits regulation. And so the SBA has cut the number of its regulations in half, simplified the rest. A lot of you are very familiar with the one-page LowDoc loan program and the quick turnaround for loans of up to $100,000. I'm very proud of that. But you should also know that we do have the SBA now working very hard with EPA, with OSHA and with other agencies trying to get improvements in their regulatory pattern, especially with regard to small businesses.

The Occupational Safety and Health Administration now is working on measuring their performance of their own inspectors based on the safety results of the plants and the businesses that are measured, not based on how many citations they write or how many people they write up, but on the safety record of the people involved.

We're working on cutting the total compliance time the EPA takes out of the private sector by 25 percent. And we're on track to make it by the end of this year. I hope we will and I believe we will.

The third thing we've tried to do is to reinvent the SBA. We've had to cut everything nearly in federal government to try to reach our budget totals. There are now 237,000 fewer people working for the United States of America than there were the day I became President. We've had a reduction of 237,000. The federal government is now the smallest it's been since 1965. By the end of this year, it will be the smallest -- as small as it was when John Kennedy was President of the United States in 1963. (Applause.)

And by the way, as a percentage of the civilian work force, which is probably a better way to measure it, the federal government is now the same size it was in 1933 before the New Deal. And interestingly enough, one reason not very many people know that is that we only had to involuntarily separate 1,750 of those 237,000 people. We managed down the rest with early retirement, with people finding other jobs. We didn't have to -- we only had to involuntarily separate because of the budget cuts 1,750 out of those 237,00 people.

But as a result of that, every agency had to take its cut.

The SBA employment has been reduced by more than a third. And yet, they've still been able to double the loan volume. So we're working on doing that in a way that doesn't cut the services to the small business community.

We've also, fourthly, tried to improve small business education counseling and information through our development center program, our business information centers. I think that they are working better with the one-stop approach to business counseling.

And, finally, we've tried to let the SBA serve as a my eyes and ears, to try to get better policy changes. That's one of the things that the White House Conference on Small Business is designed to do.

Recently I signed one piece of legislation that was recommended by the conference, Small Business Regulatory Enforcement Fairness Act of 1996 which allows small businesses to challenge federal regulations in court and is one of the most significant regulatory acts it's taken for small businesses in the last decade, came right out of the White House Conference. So if you were a part of that, you should be proud of it because even though we supported it and the Congress passed it, it was actually your doing.

We also got some very important recommendations out of the White House Conference on making retirement more accessible to small business. And one of the things that the Congress and the White House clearly agree on -- and I hope we can get it passed, notwithstanding all the other budget fights, is a whole package of retirement simplification and access legislation, about five different bills that, as far as I know, has the unanimous support of the Republican leadership, the Democratic leadership and the White House that would make pensions much easier for small businesses to access and make them much more portable for people who have to change jobs.

Now I don't know how many -- I got a letter the other day from a guy I grew up with complaining that it took him nine or ten months to transfer his 401(k) plan when he moved from one small business to another and a lot of those kinds of problems would just go away if this legislation was passed. As I said, as far as I know, there is no opposition to this package of legislation, again, not because of me or because of the leaders of Congress, but because it came out of the White House Conference on Small Business, and we are all trying to listen. I hope we can do more of that. (Applause.)

As far as I know, there is also very little opposition to an appropriate reduction in the estate tax burden to expanding the expensing allowance. You know, we took it from 10 to 17.5 and I think it's going to go up to 25 under all the proposed new plans, budget plans, and to increasing the health insurance, the deductions for self-employed people, again, largely because of what you have been doing.

Now, finally, we had a White House conference on corporate citizenship the other day at which your Small Business Person of the Year was present -- we were just talking about it -- in which a lot of the bigger businesses were saying that one of the things that we needed to do in this budget was to re-enact the tax deduction that employers get for helping provide for the education of their employees which historically has been a deduction of up to $5,250.

In addition to that, I am going to recommend again in our budget plan when we get down to this, that we provide a 10 percent tax credit for small businesses who are willing to undertake some of the expense of helping their employees improve their education and training because we know it's a bigger burden for small businesses, it's more difficult for them and very often you don't know if you're going to have the employees for as long as some of the bigger companies can guarantee that they'll have theirs.

But since we know that one of the biggest problems with stagnant wages in America and growing inequality is the lack of skills among our already adult work force. We want to provide whatever incentives we can to help you if you're so inclined to support the education and training of your employees. So I hope that also that that will be successful.

Now, finally, I'd just like to tell you about a proposal I made up at Princeton University today. I went up there and gave the commencement speech and I learned that I was only the third commencement speaker in 100 years. It sort of embarrassed me. I was afraid nobody would ever get asked back if I did a bad job. And then I learned that they only asked the President to speak every 50 years and then they didn't have commencement speakers the rest of the time. So I relaxed and said what I intended to. (Laughter.)

I recommended at Princeton that we change the tax code in a way that would make available to every single American two years of education after high school because I believe -- if you go back and look at the whole 20th century, when we started this century with a new industrial era was the first time we ever had states requiring people to go to school at all, any kind of required public attendance at education. And then after a few decades we required people to go to school for ten years. Then after a couple more, we said, well, everybody needs a high school diploma.

Well, if you look at the 1990 census now, we know that on balance younger workers who have high school diploma don't keep up with inflation in their earnings. But younger workers that have at least a community college degree of some kind do and do quite well. We also know that nearly every American is within driving distance of a community college and that by and large they are more affordable than the four-year schools.

So I had previously in my budget plan that we give everybody -- and this would be good for a lot of your children -- but we give everybody a $10,000 deduction for the cost of education after high school, the tuition cost, up to $10,000 a year as a tax deduction. Today I recommended that on the bottom of that, if you will, anybody who wanted to would be instead able to take a credit of up to $1,500 which covers most of the community college tuition in this country for a community college tuition for one year, no questions asked, and then if they maintained a B average to get it for a second year, which literally would make, instead of 12 years, 14 years of education accessible to every single American in the country. It could revolutionize opportunities for people, and I hope you will support that. (Applause.)

Let me just make one final point. I know we're going into an election season, and we have that every four years -- really, every two years. And on the whole that's a good thing. If it's done right, it gives us a chance to reassess where we are, to debate the differences between us, to have an honest discussion. And it's a very positive thing. But what I'd like to point out is that when we work together up here and do agree on what we have in common and leave our differences to the side, we can do a lot of good things for this country. We adopted a budget, six months late, but we adopted a budget which continued to reduce the deficit and continued to meet what I think are our fundamental obligations to the people.

We adopted a telecommunications bill which gave small business people in the telecommunications area a chance to compete in this brave, new world we are going into and still will create hundreds of thousands of new jobs in the telecommunications area. We adopted a tough antiterrorism bill to deal with one of the biggest law enforcement problems, not only in the United States, but people all over the world have. Just because we said, look, here's what we agree on. So we don't agree on everything. I gave up what I couldn't get. They gave up what they couldn't get. We passed the bill, we signed it. That's the way the American system is supposed to work.

So I would say to you, I am still committed to getting a balanced budget act. I'm still committed to getting campaign finance reform. And I'm still committed to getting the kinds of targeted tax relief we talked about here tonight that I believe would help to create more small businesses and help more small businesses stay in business and help generate more jobs.

I believe this country is in as good a shape to seize the future as any great country in the world. And I believe the best days of this country are still before us. What we have got to do is to recognize that with all of our diversity -- you just look around here. Just imagine what the difference in the way this crowd looks today and the way it would like 30 or 40 years ago. Just look around this room.

And there is no country in the world as well-positioned for the global economy as we are, managing its diversity as well, giving different people opportunities and all we've got to do is to figure out that we've just got to keep working together, keep pulling together and keep going forward. Our best days are still ahead of us, and you and small business are going to lead the way.

Thank you and God bless you. (Applause.)

END 9:38 P.M. EDT

three principal elements to our strategy: Reduce the budget deficit, and invest in the education, training and security of working men and women and our children, and open new markets for American-made goods and services through tough trade agreements.

I believe all three were necessary to create the conditions for private sector prosperity and to ensure that all our people have the opportunity to reap the rewards of growth. We made tough, often controversial, decisions in 1993 and afterward to implement our new invest-and-grow economic policy. Some fine members of Congress lost their seats because they had the courage to change course and vote for the future.

But just look at the results. Today our confidence has returned and our economy leads the world. In 1992, the deficit was $290 billion. Today, we expect it to drop to $67 billion, a 77 percent reduction. In 1992, unemployment averaged 7.5 percent. Today, it's 4.9 percent -- the lowest in 24 years.

In 1992 there were few new jobs. Since then, the economy has produced 12.1 million of them, including the most ever in a single presidential term. And while the years before our plan took effect saw sluggish growth, yesterday we learned that in the first quarter of this year the economy grew at a 5.8 percent rate -- the highest in a decade. Inflation is at a 30-year low; business investment, a 30-year high. Each year we've had a record number of new businesses started. Wages are rising. In the last two years, over half the new jobs have paid higher than average wages, and inequality among working people has seen the biggest drop since the 1960s. Our economy is the healthiest in a generation.

All this didn't just happen. We've had better-managed, more-competitive businesses, more-productive working people; the entrepreneurial spirit of small business; a Federal Reserve committed both to low inflation and to economic growth; and continued advances in technology.

Americans' hard work and high energy, smart decisions and tough choices, and our invest-and-grow strategy -- all these have worked together to produce this success.

Now in the coming months, America will have to decide whether to stick with this strategy. Will we continue to engage the world economy by continuing to give normal trading status to China? Will Congress give the President the tools necessary to open new markets abroad for American products through tough new trade agreements? And, above all, will we finish the job of balancing the budget while protecting our values?

Earlier this month I reached agreement with the leaders of Congress on a bipartisan balanced budget plan that will continue our economic strategy into the next century. This is a balanced budget plan that also is in balance with our values. It will eliminate the budget deficit by 2002, honor our parents by securing the Medicare Trust Fund for a decade, preserve our environment through strong enforcement in the cleanup of 500 toxic waste sites, and protect the next generation by extending health insurance coverage to as many as 5 million uninsured children. And, most important of all, it will invest in the skills of our people through the most significant increase in higher education since the G.I. Bill half a century ago, the expansion of Head Start and an investment in higher national academic standards for our children.

Both Houses of Congress moved forward on this budget before they left town for the Memorial Day recess. I was pleased that a strong majority of both parties supported this bipartisan plan. When Congress gets back to work, it's time to finish the job of enacting the broad outlines of the budget plan. Then in the weeks to come, Congress will fill in the details and begin writing this budget and its tax cut into law. I want a tax cut that helps families raise their children and send them to college, and keeps the economy growing. That's my goal.

I look forward to continuing to work together with the Republican and Democratic members of the tax writing committees in Congress to meet this goal as we write the details of the tax cut into law. As that process begins, I want to tell you three of the things this final tax cut plan should include: First, with education our most important goal, our tax cut must help open the doors of college to every American. Our bipartisan budget plan includes $35 billion in tax relief, targeted to help families pay for higher education. Our HOPE Scholarship is a $1,500 per year tax cut to help pay for the first two years of college and open them to all Americans. I will also recommend that students who already receive Pell Grant Scholarships can still receive the HOPE Scholarship for education costs beyond those covered by their Pell Grant. With this step, we'll make sure that our tax cut reaches all those who want to take responsibility for their own lives and go on to college. Beyond ??that, I favor a tax deduction for the cost of any education after high school for people of any age.

Second, as many families as possible should have a chance to receive the dividend created by economic growth. Our plan will give families a $500 child tax credit. This is the kind of tax relief we need -- targeted to helping families raise their children and meeting the competing demands of work and family. As we craft this tax cut, I believe it's especially important that we make sure

that the child tax credit is fair to working families -- especially those with lower incomes.

Third, the tax cuts must be consistent with a balanced budget and must not be written in such a way that they reopen the deficit and bust the budget in years to come. This was absolutely key when we reached a budget agreement, and I will continue to insist on it as we write the agreement into law. Fiscal responsibility helped to produced a strong economy. Fiscal irresponsibility will surely undo it. We cannot put our prosperity at risk through time bomb tax cuts that explode the deficit in five or 10 or 20 years. We must continue with discipline. We tried it the other way before and it failed.

We are now nearly five years into our economic strategy of invest and grow, and it is working -- well beyond our most optimistic expectations. We have now an historic chance to continue this growth and give the American people the dividends of expansion through a tax cut. We can protect our values as we expand our economy. The American people deserve a tax cut and they need a balanced budget. We can give them both. If we make sure that this tax cut helps all working families, that it opens wide the doors of college, and that it never, never throws the budget out of balance, we can propel our country into the 21st century even stronger than it is today.

Thanks for listening.

END

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THE WHITE HOUSE

Office of the Press Secretary

Embargoed For Release
Until 10:06 A.M. EDT
Saturday, May 31, 1997

RADIO ADDRESS
BY THE PRESIDENT
TO THE NATION

The Map Room

THE PRESIDENT: Good morning. I've just returned from Europe where I commemorated the 50th Anniversary of the Marshall Plan, which joined America's investment to Europe's commitment to rebuild, and in so doing, helped to spark 50 years of prosperity, not only for Europe, but for America as well.

I also had the opportunity to discuss with leaders of Europe the present success of our economy and what we can do together to promote prosperity in the new democracies of Central and Eastern Europe in ways that will ensure their prosperity and ours for the next 50 years.

This morning I want to talk with you about the new economic policy we brought to America for the last four and a half years and how our balanced budget and tax cut plans can help in creating jobs, raising incomes, strengthening business and moving America forward in the years to come.

Recall for a moment what America's economy looked like four years ago: high unemployment, few new jobs, stagnant wages, exploding budget deficits. I took office determined to replace trickle-down economics with invest-and-grow economics. There were

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 4, 1996

REMARKS BY THE PRESIDENT TO THE SMALL BUSINESS ADMINISTRATION DINNER

The Capital Hilton Hotel
Washington, D.C.

9:12 P.M. EDT

THE PRESIDENT: Thank you very much. Well, ladies and gentlemen, I don't know who spoke before or what happened, but whoever got you in such a good humor, I'd like to have them do more of it. I like that. (Laughter.)

Thank you very much. I'm delighted to be here. I want to begin by thanking Phil Lader and Ginger Lew and Jere Glover and all the people who work at the Small Business Administration for their efforts on your behalf, their constant lobbying the White House, and the work that they do every day to try to help create more jobs through America's small businesses.

I'm also glad to see -- I see some of you out there who were at the White House Conference on Small Business. That was one of the highlights of my presidency when I got to read the federal regulation on grits. Remember that? (Laughter and applause.)

That conference nearly made a liar out of me. I told you we were getting rid of 16,000 pages of federal regulations than we are, but it turned out the regulation on grits was one of the hardest ones to get rid of. (Laughter.) We got one letter from a businessman -- I read it actually -- pleading with me not to get rid of the regulation on grits, saying that people would just be desperate trying to sort out the different kinds of corn necessary to make grits. If I hadn't been living on grits since I was an infant, I might not have had the sense to resist the intrigue to keep the regulation. (Laughter.)

But somebody over at the Agriculture Department wanted to resist. It took me a year to get rid of that regulation. But, anyway, I'm here to announce it's over. Good-bye. (Laughter.) But anyway, we got rid of the regulation.

SBA
Championing America's Entrepreneurs

To: Peter Okeefe

Organization: White House - Office of Public Liason

Telephone: Fax: 456-6128

Date: 5/29/97 Time: 9:00pm

Number of Pages (including this page): 27

From: Jason Ford

Office

Telephone: 202-205-6805 Fax: 202-205-6818

Message: Peter,

Everything I owe you is enclosed. I have one name that will have to wait until tomorrow. I am faxing Ellen's Information to her now. If you need anything, please call I will be here late.

Jason

Note: Be aware fax machines using thermal paper produce an unstable image which will deteriorate. Copy messages onto plain paper prior to filing as a record!

Did you know the SBA ...

Has a portfolio guaranteeing over $27 bi in loans to 185,000 small businesses that ot wise would not have had such access to capi

Guaranteed over 60,000 loans totaling $9.9 lion to America's small businesses in f year 1995?

Last year extended management and techn assistance to nearly one million small b nesses through its 950 Small Business Deve ment Centers and 13,000 Service Corps Retired Executives volunteers?

Provided more than 45,000 loans tota $1.2 billion to disaster victims for residen personal property, as well as business losse fiscal year 1995?

Has 7,000 private sector lenders part providing their capital to small business?

Has increased its venture capital program more private capital in the past two years in the previous 15 years combined?

Provides loan guarantees and technical a tance to small business exporters through Export Assistance Centers in 15 cities?

Can respond to written small business q tions through the U.S. Business Advisor or Internet (http://www.business.gov)?

Did you know that America 22 million small businesses

Employ more than 50 percent of the pri workforce,

Generate more than half of the nation's G Domestic Product, and

Are the principal source of new jobs?

CONFIDENTIALITY NOTE: The information contained in this facsimile transmittal sheet and the document(s) that follow are for the exclusive use of the addressee and may contain information protected by the Privacy Act, 5 U.S.C. 552a, or otherwise confidential, privileged, or non-disclosable information. If the recipient of this facsimile is not the addressee or is not the person responsible for delivering this facsimile to the addressee, the recipient may violate the law by reading, photocopying, distributing or otherwise using this facsimile transmission or its contents in any way. If the recipient has received this facsimile transmission in error, call the sending office immediately.

SBA Form 959 (7/96) Previous editions obsolete.

1997 NATIONAL SMALL BUSINESS PERSON OFTHE YEAR AWARDS CEREMONY

Event:	**1997 National Small Business Week**
Time:	**10:00 a.m. - 10:30 a.m.**
Date:	**Monday, June 2, 1997**
Place:	**Old Executive Office Building - Room 450**

EVENT
There will be 175 attendees. The audience for this event is State Small Business Persons of the Year and their guests, Advocates of the Year and Special Award Winners, representatives of national small business trade associations and corporate patrons.
The Vice President will announce the National Small Business Person of the Year and the first and second runner up. The National winners are as follows:

National Winner	**1st Runner up**	**2nd Runner up**
David Guliani	Georgia Berner	J. Marvin Hess
Optivia Corporation	Berner International Corp.	Hess Pumice Products
Bellevue, WA	New Castle, PA	Malad City, ID

The Tennessee winner is Robert Pap, Accurate Automation Corporation, Chattanooga, Tennessee (bio attached).

The event will be open to the press.

LOGISTICS
The awards ceremony will be held in room 450 of the Old Executive Office Building. Audience will be in place at 9:30 a.m.

PROGRAM NOTES
This is the 34th annual National Small Business Week. The highlight of the week is the announcement of the National Small Business Person of the Year and the First and Second Runners-up. The President has traditionally addressed the group and announced the national winners. Vice President Gore addressed the 1993 Small Business Week Winners at the U.S. Chamber of Commerce. The SBA Administrator will introduce the Vice President.

ATTACHMENTS
- Fact Sheet on Small Business Week
- Facts on the 1997 Small Business Week State Winners
- The National Small Business Person of the Year is David Giuliani, Optiva Corporation, Bellevue, Washington. The First Runner-up is Georgia Berner, Berner International Corporation, New Castle, Pennsylvania. The Second Runner-up is Marvin Hess, Hess Pumice Products Inc., Malad City, Idaho (bios attached). **Please note that the winners names are not released until the Vice President's announcement.**

Additional Announcement Opportunity for the Vice President

PRO-Net (Procurement Marketing and Access Network)

The SBA has initiated a major reinventing government effort with a pilot program called PRO-Net, a one-stop electronic procurement - information system. PRO-Net will change the way government does business.

- The system will also be a useful marketing tool for the 8(a) program. There are already 5,000 8(a) firms listed on the system.

- PRO-Net is an electronic search engine for contracting officers, a marketing tool for small firms and a link to procurement opportunities and other information for small businesses. PRO-Net will be a particularly important tool for women owned small businesses. The SBA will be ready to begin registering women small businesses nationwide with in two weeks.

- It is a virtual one-stop procurement shop for government contracting. The database is being promoted to federal and state agencies, prime and other contractors to find small business contractors, subcontractors and partnership opportunities with small business.

- As an electronic gateway, PRO-Net provides access and is linked to the *Commerce Business Daily*, agency home pages and other sources of procurement opportunities.

- Participating companies with home pages can link their web site to their PRO-Net profile to create a very powerful marketing tool.

- PRO-Net requires access to the Internet. It can be reached through the SBA's home page and will be hot-linked to other relevant business and procurement-information sites.

- Participating firms will be able to receive and ask questions about procurement opportunities electronically.

NATIONAL AWARD WINNER CEREMONY

DATE:	Monday, June 2, 1997
TIME:	10:00 a.m.
PLACE:	Old Executive Office Building Room 450
EVENT ORGANIZER:	Jason Ford
MISTRESS OF CEREMONIES:	Aida Alvarez
SPECIAL NEEDS:	

PROGRAM

10:00 AM	Welcome and Introduction **Maria Echaveste,** Director, Office of Public Liaison
10:10 AM	Introduction of Vice President **Aida Alvarez,** Administrator, SBA
10:20 AM	Announcement of National Winners and presentation of awards **The Vice President and Aida Alvarez**
10:30 AM	Closing **Aida Alvarez**

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

FACTS ON THE 1997 SMALL BUSINESS WEEK STATE WINNERS

PRODUCTS AND SERVICES:

The winning businesses produce and sell a wide variety of products and services, including catered food, newspapers, air crew training systems, health and fitness clubs, go-karts, internet access, agricultural products, telecommunications services, clothing, welding systems, aircraft towing vehicles, sonic toothbrushes, pillows, medical instrument sterilization trays and pewter jewelry.

* 42% of the businesses manufacture products.
* 11% of the businesses are retailers.
* 6% of the businesses are wholesalers.
* 6% of the businesses are in general services.
* 4% of the businesses are in construction.

JOBS:

Together, the winning businesses employ 5,007 full-time and part-time employees, but sizes vary widely.

* 47% of the businesses employ 50 or fewer people.
* 26% of the businesses employ 51-100 people.
* 26% of the businesses employ 101-500 people.
* 2% of the businesses employ more than 500 people.
* The largest employs 935; the smallest employs three.
* Average current employment for the businesses is 106. They employed an average of seven at start-up.

REVENUES:

Total sales for the businesses' most recent reported year amounted to more than $497 million, or an average of $10.8 million each. The businesses averaged $366,000 in sales in their start-up year.

AGE:

The winning businesses have an average age of almost 17 years: 28% were started in the 1990s, 38% were started in the 1980s and 15% were started in the 1970s. The oldest was founded in 1921. The newest was founded in 1994.

(Note: Of the 52 winners from the states, the District of Columbia and Puerto Rico, 47 responded to this survey).

EXPORTING:

The winners export a wide range of products and services, including control instruments, outdoor recreational accessories, carwash mat cleaners, bedding, pumice products, precision grinding equipment, hydraulic lifting machinery, video drop boxes and clothing. They export to 48 different countries on six continents.

* 40% of the businesses export their products and 25 percent of the rest plan to get involved in exporting within the next two years.

* Export sales for those that already export account for an average of 15% of total sales.

GOVERNMENT CONTRACTS:

30% of the businesses sell their products and services to the federal government, and those sales account for an average of 20% of their total sales.

COMPUTER AND ADVANCED COMMUNICATIONS USAGE:

100% of the winners use computer technology in their businesses.

* 100% have personal computers in place, 70% have lap-top computers, 17% have mini-computers, 72% have LAN networks, 13% have mainframe computers, 96% have modems, 98% have printers and 87% have CD-ROM.

* 100% use their computers for payroll, accounting and maintaining a customer database, 94% use them for financial analysis, 85% use them for inventory control, 98% use them for general word processing, 72% use them for desk-top publishing and 81% use them for personnel records.

* 96% of the winners use cellular telephones, 66% use pagers, 79% use integrated phone, fax and computer systems, 77% use computer bulletin boards or the internet, 45% use electronic commerce/electronic data interchanges, and 11% use video teleconferencing.

# # #

Opening the first Rainbow Station was no easy task! When Gail first approached the Virginia Department of Social Services, she was told that she had a great idea but regulations prohibited caring for ill children in the state of Virginia. Undaunted, Gail pursued her goal with even more persistence and vigor. Taking ***NO*** for an answer has been an integral part of her company's growth and success.

Gail personally financed the first Rainbow Station. She used her healthcare network to gain credibility and referrals from the medical community. Capitalizing on the innovation of her approach to early childhood education, she was able to attract media attention. As a result, Rainbow Station Child Development Center achieved early name recognition, credibility, and word of mouth referrals.

Within five years, Rainbow Station grew to three locations and five licensed sites. The company has grown from 12 employees to over 100. Gail makes personal visits to local pediatricians, school principals, and corporations. However, the parent to parent word of mouth endorsement has by far been the most meaningful contribution to her success. Gail W. Johnson's vision to establish a company that is sensitive to each individual child, parent, and teacher has been successfully achieved.

Gail's career has taken many directions but has always focused on women's and children's issues. She has been a visiting public health and home health care nurse, pediatric and nursery staff nurse, a Lamaze instructor, and currently maintains an adjunct faculty position with the Virginia Commonwealth University School of Nursing. ❑

David Giuliani

President and CEO
Optiva Corporation
13222 SE 30th Street
Bellevue, Washington 98005
206/401-2301

"Taking good care of employees is required for good business," said David Giuliani, President and CEO of Bellevue, Washington-based Optiva Corporation, and the 1997 Washington State Small Business Person of the Year.

It is this philosophy which led President Clinton to invite David to join him and other business leaders for a panel discussion on corporate citizenship in Washington, DC last year.

Optiva's first "sonic" toothbrush—a toothbrush actually powered by sound waves—was introduced in December 1992, manufactured in the company's headquarters, a small office over a veterinary clinic. The company became profitable in its second year. The one millionth Sonicare toothbrush was produced in March 1996 in Optiva's new, state-of-the-art facility outside of Seattle.

The company has progressed from a start-up ($400,000 in revenues in 1991) to over $50 million in sales in 1995 - a phenomenal growth of over 12,000 percent. This growth has not gone unnoticed. In October, 1996, *Inc. Magazine* recognized Optiva as the second-fastest growing private company in the United States.

Growing from 10 to 250 employees in five years has demanded disciplined organizational development, with emphasis on hiring qualified individuals and providing extensive employee training. Employees are encouraged to advance their skills, especially in technical and leadership areas. Because of the belief that the future of the company rests on technological proficiency, interest-free loans are offered to all employees for the purchase of a home computer.

"At Optiva, we have a comprehensive sense of protecting our employees," said David, "and we take care of people as people." Career and personal development are actively promoted, and Optiva has been flexible in accommodating diverse cultural backgrounds. Language has been challenging, with 15 languages currently represented, and English as a Second Language classes are offered free, on-site, during lunch.

Optiva started in 1988 as a technology transfer from the University of Washington. It grew, aided by a $550,000 grant from the National Institutes of Health through the Small Business Innovation Research (SBIR) program, an SBA-administered program. "The SBA's SBIR grant came at just the right time. It was a great boost to us when we started," said David.

Optiva's patented sonic technology is unprecedented in its ability to reach and remove hidden and hard-to-reach plaque bacteria. A microprocessor in the brush handle drives the brush head at 31,000 sweeps per minute.

A crucial decision in the company's history centered on where to manufacture Sonicare toothbrushes. David opted for a "built in the USA" strategy. Local vendors were used extensively with more than 1,000 jobs created indirectly for small and medium-sized businesses in the Pacific Northwest.

David is as committed to his community as he is to his corporation. When the company celebrated the production of its millionth toothbrush, Optiva gave away more than 1,000 Sonicare toothbrushes to individuals who could not afford them on their own. David also serves as a board member for the Washington Technology Center, a state-funded, multi-university institution dedicated to technology, students, and economic development. ❑

ExecuTrain is very active in community and charitable affairs volunteering time and donating money to Goodwill Industries of Oklahoma, sponsoring the Cystic Fibrosis "Get Vertical" Stair Climb in Tulsa, and being a major sponsor for the Big Brothers/Big Sisters of Greater Oklahoma City. The company also donates employee time to consult in the Junior Achievement Elementary School programs and was a sponsor and team participant in the 1996 "Race for the Cure" benefiting Breast Cancer Research. Donations of training, time and money are made to The United Way, and the League for the Blind. ❑

Eric W. Paulson

President and CEO
Lektro, Inc.
1190 S.E. Flightline Drive
Warrenton, Oregon 97146
503/861-2288

Eric Paulson, Oregon's Small Business Person of the Year, wants his company, Lektro, Inc., to become the Kleenex of the nose-lifting aircraft tug industry.

Lektro develops battery-powered aircraft tugs for the efficient handling of aircraft on the ground. Using a patented system, Lektro's tugs lift the airplane's nosewheel off the ground in a cradle, allowing ground personnel to pivot the aircraft on its main wheels. The nose-lifting system reduces aircraft nose-gear damage, and allows towing vehicles to be smaller because the aircraft itself provides part of the weight needed to tow and stop a plane safely.

Lektro completed its best year on record in 1996 with sales reaching $6 million, and employing 35 full-time workers. Through creativity, perseverance, and just plain hard work, Eric Paulson has cornered the market on aircraft tugs, eliminated the competition, and positioned his company well for continued success. But it didn't start that way.

In 1945, Wilt Paulson, Eric's father, an inveterate inventor and a self-trained engineer, founded the company, then known as Willamette Aircraft and Engine Company, to repair and rebuild military aircraft. In 1948, Wilt moved the company to Warrenton, Oregon and began diversifying. In 1949, using surplus aircraft engines, Lektro produced a portable wind machine for controlling slash burns for local loggers and construction companies. In 1950, Lektro developed its first battery driven vehicle, an electric cart used to feed mink. The Mink Cart was produced and sold until the early 1960s when mink prices fell and the market collapsed.

In 1954, Lektro produced one of the first electric golf carts in the world. At that time, golfers weren't used to riding in carts, and many golf courses didn't even allow them on site. Lektro convinced industry leaders to use golf carts, only to lose out to foreign competition in the late 1960s.

Then, in 1967, Lektro produced a small electric aircraft tug using the Mink Feeder chassis. The company also transformed a mink cart into a small electric forklift. The forklift was successful for a time, but it was the electric aircraft tug that really took off. In 1984, Lektro redesigned the tug, making it a safe, efficient, clean, quiet, and maneuverable method of towing aircraft. By 1996, sales of Lektro's aircraft tug reached record levels and Lektro was named the Official Tug of the National Business Aircraft Association.

Eric Paulson joined his father in business in 1982 during his sophomore year in college when the company was near bankruptcy. Eric never returned to college, preferring to concentrate considerable energy on the family business. In 1985, he became one of the youngest corporate presidents in the state of Oregon. His persistence has paid off, and Lektro continues to be the industry leader in moving aircraft. Almost 400 Lektro aircraft tugs are now in use at airports across the country and in England, Germany, Denmark, Sweden, Italy, France, Venezuela, Bermuda, Singapore and Japan. Most importantly, the tugs are used at almost every airport in Oregon.

Eric is active in his community as President of the Astoria Regatta Association and as a member of the Astoria/Warrenton Chamber of Commerce. ❑

Georgia Berner

President
Berner International Corp.
P.O. Box 5205
New Castle, Pennsylvania 16105
412/658-3551

Good old fashioned guts and determination to accomplish the tasks at hand characterize Georgia Berner, a mother of four children who was left to run her husband's business after his sudden death in a plane crash. Armed with undergraduate and graduate degrees in political science, English literature and social science, Georgia was little prepared to run Berner International, a manufacturer of air doors that are sheet

(Continued)

metal boxes containing motors and fans to blow air across a doorway, thereby separating environments. But Georgia quickly grasped what had to be done and not only rescued the company from certain failure but also quickly attacked struggling operations and ultimately reversed a weak financial position.

At the same time, she continued to raise her four children who now range from ages 21 to 28. Georgia also started another company, Frame-It, Inc., which she operated from 1986 until 1991 when it became apparent that Berner International would require all of her time in order to be successful and grow.

Since Georgia took control of the company, sales growth has jumped from $2,000,000 to $5,000,000 and, based on a new product being introduced, sales are targeted to reach $10,000,000 by the year 2000. Employees have doubled from 15 to 30 and the facility was purchased and expanded. Through her sound fiscal management, a trend of financial losses and negative retained earnings was reversed and today the company exhibits a net profit well in excess of half a million dollars.

In spite of all the demands placed on her, Georgia still reserves enough energy to share her time and expertise in support of industry and community needs and initiatives. Georgia continues to serve on numerous boards and committees of educational, philanthropic, economic development, political and social service groups and is an active member of at least six trade and business organizations. ❑

Antonio Cruz Domenech

President
Diversified Petroleum Industries, Inc.
642 San Patricio Ave., Summit Hills
San Juan, Puerto Rico 00920
787/749-0277

For Antonio Cruz Domenech, president of Diversified Petroleum Industries, Inc. (DPI) located in San Juan, Puerto Rico, owning his own business was the only way to manage his destiny and pursue his own dreams. After a successful career with a multinational oil company, Antonio decided to start his own petroleum business. DPI provides petroleum-related products to the Puerto Rico government and the pharmaceutical and transportation industries as well as island hotels and hospitals. With no capital, truck fleet, refinery or warehouse for his business, Antonio launched DPI in 1990, on the strength of Antonio's personal credit. Today, the company boasts $8 million in annual sales and employs nine full-time workers. Annual growth has averaged 60 percent since the company's founding in 1990. Competing against the Goliaths of the industry, Antonio has grown DPI into a successful business by adhering to a strict corporate policy of "excellence, service and honesty."

Antonio credits his childhood and the values instilled by his parents as the driving force behind his success. His parents came from a sugar cane and tobacco-picking family. At great personal and family sacrifice, Antonio's mother traveled to Spain to earn a doctoral degree in medicine in order to give her children a better life. That sense of spirit, drive and courage has followed Antonio his entire life and has made him a self-made, successful entrepreneur.

Antonio has long since realized that education is vital to personal and professsional success. He has fulfilled his pledge to create a scholarship program for economically disadvantaged, gifted students if he succeeded. Antonio, through DPI, grants $1,000 scholarships to several Puerto Rico students each year. The first year, two scholarships were offered from 500 applications. In 1996, 12 scholarships were granted from nearly 1,000 applications.

In addition, DPI provides financial resources to the Angel Pedro Millan School in Carolina, and actively encourages other business executives to do the same.

Antonio is listed in *Who's Who in Hispanic America, Hispanic Business Executives* and *Who's Who In The World, Worldwide Business Executives.* ❑

general and internal medicine. Hyperbaric medical treatment. school physicals. vaccinations. travel care. cardiopulmonary disease treatment. urgent care. X-rays. preventive medicine and laboratory facilities. Planning ahead. Dr. Macris plans to expand the clinic's services to include the only privately owned and operated decompression chamber. and shortly thereafter. intends to open the only cancer treatment center in Guam.

In addition to his role as a medical physician. Dr. Macris has proposed and written local legislation to promote quality healthcare and encourage growth in private medical practices. As well, he frequently contributes articles on healthcare and related issues for local publication to inform and educate the general public.

Dr. Macris has also founded and chaired the Independent Physicians Association, the first non-profit, non-government body to act as a watchdog organization for the local health insurance companies. ❑

Jon Marshall de Mello

Chairman of the Board
Mountain Apple Company, Inc.
1330 Ala Moana Boulevard, #3
Honolulu, Hawaii 96814
808/597-1888

Since founding The Mountain Apple Company in 1974, Jon Marshall de Mello has grown the business from a small, Hawaiian record label into an internationally successful entertainment company.

Sole owner Jon began the company with two employees. Today the company has 13 full-time employees and Jon hires about 200 part-time dancers, backup instrumentalists, technicians and drivers each year to stage live concerts, make audio recordings and distribute products. In addition, the company contributes to the livelihood of some 300 musical artists and groups, songwriters and comedians.

Jon's Mountain Apple Company is involved in almost every facet of the Hawaiian music and entertainment industry. The Mountain Apple Company produces and markets the best-selling recorded music in the history of Hawaii. Its music publishing division contains the most extensive Hawaiian/Polynesian music library in the world. It licenses music worldwide for television, motion pictures, music videos and broadcast advertising. The company is one of Hawaii's largest music and video distributors and provides talent management for some of Hawaii's most successful entertainers.

Since 1990, The Mountain Apple Company has consistently set new milestones in revenue and profit growth. Local sales have increased and new markets on the U.S. mainland and abroad have contributed to the company's success. In 1993, sales outside of Hawaii accounted for only eight percent of total sales which rose 17 percent in 1994 and 39 percent in 1995.

Gross revenues have risen to well over $4 million. In 1993, the company increased its volume by 51 percent; in 1994, it climbed by 111 percent over the previous year, and in 1995, it tallied a 107 percent increase in sales.

The Mountain Apple Company's good management and modern recording techniques are helping many Hawaiian recording artists get recognition. More than 50 "Na Hoku Hanohano" awards, Hawaii's version of the Grammy Awards, have been awarded to artists of The Mountain Apple Company. In addition, 17 nominations were accepted by the Grammy Awards nominating committee in 1996.

In turning a private record label into a growing company, Jon de Mello has discovered a way to remain true to his culture and compete successfully in a marketplace far beyond the shores of Hawaii. ❑

J. Marvin Hess

President & CEO
Hess Pumice Products, Inc.
100 Hess Drive
Malad City Industrial Park
Malad City, Idaho 83252
208/766-4777

What do TVs, eyeglasses, and teeth have in common?

Hess Pumice polishes them all.

Customers from around the world are swarming to the tiny community of Malad, Idaho (population 2,306) for pumice—Hess Pumice.

Idaho's Small Business Person of the Year, Marvin Hess, runs Hess Pumice Products, a mining operation and processing facility specializing in the extraction and refining of high quality pumice. The superior quality of Hess Pumice has made it one of only three sources in the world for the pumice that is needed in the finishing of television picture tube glass.

(Continued)

Starting with just two employees in 1972, Hess Pumice Products now has a full-time staff of 95 and is a mainstay of the economy of Southeast Idaho, providing stability to the work force of Oneida County and strength to the city of Malad. Hess Pumice projects end-of-year 1996 sales totals to be $7.7 million.

Hess has a stable source of pumice, excavating raw product from a mine site located 22 miles northwest of Malad. Hess Pumice Products is the major source of pumice in the United States, with increasing exports to Canada, Japan, Europe, the Caribbean Basin, South America, Korea and Taiwan. (It is one of only five pumice suppliers in the world.)

What is pumice? It's a volcanic rock, composed of silica, alumina, and small amounts of iron, magnesium, potassium, and other elements. Hess Pumice is favored by nature with a vast reserve of pumice with an incomparable high quality.

Pumice is easily pulverized and, when ground, its friable particles fracture and continue to present sharp edges, making it an ideal material for use as a mild abrasive. Hess Pumice is used extensively for the precision finishing of glass, metal, wood and plastics and as an abrasive in soaps, erasures, dental and other polishing compounds and in stone-washing denim.

Marvin Hess joined his father, Marion, in 1971 in a venture to establish a pumice operation in Malad. (Marion Hess first opened the deposit at Wright's Creek Mine in 1958). Marvin and his father worked side-by-side hauling five-gallon buckets of material up a ladder and into a crusher to create a 600-pound test sample to be sent to Owens-Illinois, a company manufacturing glass for television screens in Pennsylvania. The test sample was a success and orders for more products began immediately. Marvin obtained the initial funds needed to bring the plant up to production with the assistance of an SBA-backed loan.

Marvin Hess and Hess Pumice Products, Inc. have put the community of Malad on the global map. Marvin himself has assumed a significant personal role in the area's economic development, serving in many civic capacities over the years including Mayor of Malad and President of the Malad Chamber of Commerce. In 1994, he was the recipient of the Governor's Award for Export Marketing at Idaho's World Trade Conference, and he accompanied the Governor on a trade mission to Korea and Taiwan.

Today, Hess Pumice Products continues to be a family-owned and operated business. Son Mike Hess is Vice President and principal stockholder, and Marvin's wife Sandra is Secretary-Treasurer. The family and employees are committed to efficient, responsive "on spec - on time" customer service. ❑

Lauren R. Leifer

President
Industrial Audio/Film Services, Inc.
6228 Oakton St.
Morton Grove, Illinois 60053
847/965-8400

When ill health forced Lauren R. Leifer's father, Maury, to yield the reins of his company to her in 1981, she was unprepared for the responsibility.

Due to Maury's natural tendency to resist thoughts of succession, there had been no mentoring or planning for the transition at the firm, Industrial Audio/Film Services, Inc. (IAFS).

It was difficult for Maury to see Lauren as anything but his "little girl," even as she rose in the ranks of the company. Despite being president of the Morton Grove-based firm and involved in strategic planning, Lauren found herself unprepared to take full charge.

She discovered she had not been privy to the full financial picture at IAFS or to the extent of the disk-duplication company's indebtedness—and finances were not her strong point.

While ambivalent about continuing with the firm, Lauren was driven by a deep love for her family. And the business was all her parents had financially. They were nearing retirement, were inadequately insured and deeply in debt due to the business.

Lauren felt increasingly responsible for ensuring that the business continued to provide for both her parents and for her "extended family" of loyal employees.

She set out to acquire the "street smarts" to get control of the firm's finances. All the while she kept a watchful eye on the marketplace which was in constant flux due to advances in technology. Lauren determined that a strategy of diversification offered the best promise for revitalizing the company and ensuring a future for its employees.

Lauren's diligence identified the emerging floppy-disk market as the best candidate for expansion. That required significant capital for equipment, staff retraining and other expenses involved in entering a new market.

So, in 1983 she turned to the U.S. Small Business Administration and its 7(a) loan program. The process was not easy but Lauren prevailed, thanks to support and guidance from her network of colleagues at the National Association of Women Business Owners (NAWBO). Due to the SBA loan, a new division called COMPDISK was created.

The strategy paid off and sales skyrocketed. This allowed Lauren to pay back the SBA loan early, as well as release her parents from debt and give them the gift of a secure retirement.

But it's still a volatile business and Lauren continually faces the threat of financial devastation from sales downturns. During the halcyon days of the 1980s, sales were hovering around $3.5 million, but IAFS lost a million dollar software account with an entertainment firm.

(Continued)

Robert M. Pap

President
Accurate Automation Corporation
7001 Shallowford Road
Chattanooga, Tennessee 37421
423/894-4646

Robert Pap started Accurate Automation Corporation as a two-person operation in the basement of a downtown Chattanooga, Tennessee Hotel in 1985, and in just over 10 years, propelled it into an $8 million dollar business with its own 20,000 square-foot office complex that employs 30 people.

Robert guides this high technology enterprise to conduct research and development in the emerging area of neural networks. His forte in applying neural networks to signal processing, fault detection and isolation, control and robotics has served the company well in garnering Small Business Innovative Research awards from NASA, the National Science Foundation, the U.S. Navy and the U.S. Air Force.

Robert and Accurate Automation concentrate solely on developing the very latest in neural network and fuzzy logic solutions and has earned its income from licensing technologies and selling hardware to developers using emerging computational techniques. They are currently involved with the world's most advanced technology testbed aircraft, the LoFlyte Demonstration Aircraft, a hypersonic waverider research aircraft.

This system will demonstrate a neural network flight control system with advanced avionics and control technologies. It is just one example of the unique challenges Robert has cultivated to grow his company, in an era when many similar companies are downsizing.

He has taken the extra steps to support the educational system which will be so important in facing the technological challenges for the future United States by helping establish the Center for Neural Network Research at the College of Engineering and Technology at Tennessee State University in Nashville. Robert's support helped obtain a three-year grant for $1.35 million from the Office of Naval Research and Oak Ridge National Labs, Tennessee to help establish the Center.

Robert was a delegate to the White House Conference on Small Business in 1995 and was awarded the SBA's First Annual Tibbetts SBIR Award in 1996. He has strongly advocated the role of small business in research and development, testifying before Congress on the SBIR programs in 1990, 1991, 1993, and 1995. At these key gatherings he used his expertise and in-depth knowledge of the SBIR programs to explain their benefits to the small business community and the American economy. ❑

David Lang

President
Dralco, Inc.
1219 Fort Worth Highway
Weatherford, Texas 76086
817/599-7335

A photograph in Dave Lang's office marks his hard scrabble start. Dave and his brother, hoes in hand, posed for their mother's camera during a break from working in the cotton fields. Today Dave is the owner of Dralco, Inc., a diversified, precision metal fabrication company that produces everything from laser cut metal art to electronic cabinetry to prototypes of new products, and Aqua Drill, a water drilling services firm.

Dave and his wife Ruth, have built Dralco, Inc. from a defunct company they acquired in 1983 to one that had annual sales of $4 million in 1996. Dralco's work force has grown from 13 employees in 1983 to 48 people in 1996.

Dave's first company, Flo-Drill, was established in 1977 and manufactured flow equipment and down-hole tools for the oil industry. By 1981, the firm had sales of $6 million per year and employed 98 people. Its success drew an acquisition offer, and Dave sold the business to Weatherford International, an oil field service company, for stock in that company. With the oil bust of the 1980s, Weatherford International stock plummeted, wiping out Dave's net worth of several million dollars by 1986.

(Continued)

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

SMALL BUSINESS WEEK
JUNE 1 - 7, 1997
FACT SHEET

Each year for the past 34 years, the President of the United States has issued a proclamation calling for the celebration of Small Business Week. In 1997 Small Business Week, sponsored by the U.S. Small Business Administration (SBA), will be held from June 1 - 7. This year's celebration will honor the estimated 22.1 million small businesses in America that employ more than half the country's private work force, create two of every three new jobs, and generate a majority of American innovations. The theme for this year's celebration is ***"Small Business: Building Tomorrow's Economy Today."***

Small Business Person of the Year

Small Business Week recognizes outstanding small business owners for their personal achievements and contributions to our nation's economy. One outstanding entrepreneur is named to represent each state, the District of Columbia and Puerto Rico as the state Small Business Person of the Year. From this group, the national Small Business Person of the Year is chosen.

Trade associations, chambers of commerce and business organizations frequently sponsor candidates. Sponsors submit a nomination package to the nearest SBA district office for review and selection by each district's Small Business Advisory Council. Nomination packages are then sent to regional SBA offices and prepared for transmittal to the SBA Office of Advisory Councils for review. The national Small Business Person of the Year will be selected by the SBA Administrator based on the recommendations of the National Advisory Council and will be announced during Small Business Week.

Selection criteria for *Small Business Persons of the Year* are:

- **Staying power:** a substantiated history as an established business.
- **Growth in number of employees:** a benchmark to judge the impact of the business on the job market.
- **Increase in sales and/or unit volume:** an indication of continued growth.
- **Current and past financial reports:** substantiating the improved financial position of the business; a profit-and-loss statement and balance sheet for the last three complete years.
- **Innovative product or service:** illustration of the creativity and imagination of the nominee.
- **Response to adversity:** examples of problems faced in the nominee's business and the methods used to solve them.
- **Evidence of contributions by nominee to aid community-oriented projects:** through the use of his/her personal time and other resources.

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Special Award Winners

During Small Business Week, Small Business Advocates and Special Award Winners are also honored.

A small business advocate is an individual who has used his or her professional expertise or personal talents to further the understanding and awareness of small business. These individuals have also taken an active role in creating opportunities for small business.

The following advocate awards are presented:

* *Minority Small Business Advocate of the Year*
* *Women in Business Advocate of the Year*
* *Veteran Small Business Advocate of the Year*
* *Accountant Advocate of the Year*
* *Financial Services Advocate of the Year*
* *Media Advocate of the Year*

The following special awards are presented:

* *Small Business Exporter of the Year*
* *Young Entrepreneur of the Year*
* *Entrepreneurial Success Award* (presented to a former "small" business by SBA size standards that has grown into a large business with SBA assistance.)

# # #

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

Small Business "Vital Statistics"

Did you know that...

- there are approximately 22.1 million small businesses in the U.S.?
- of the 2.5 million new jobs created in 1995, small-business-dominated industries produced an estimated 75 percent of those jobs?
- small-business-dominated sectors of the economy will contribute about 60 percent of new jobs between 1994 and 2005?
- small businesses provide most workers with their first jobs and initial on-the-job training in basic skills?
- small businesses employ 53 percent of the private work force?
- small businesses account for 47 percent of all sales in the country?
- small businesses produce 50 percent of the private gross domestic product?
- small firms accounted for nearly 25 percent, or $43 billion, of all direct government contracting awards during 1995?
- small business provided virtually all of the net new jobs added to the economy from 1991 to 1995 or about 7.7 million new jobs?
- small firms produce 55 percent of innovations and they produce twice as many product innovations per employee as large firms.
- the fastest-growing sectors of small-business-dominated industries include:
  - restaurants
  - physician offices
  - computer and data processing services
  - credit reporting and collection firms
  - day care providers
  - outpatient-care facilities
  - special trade contractors
  - medical and dental laboratories
  - counseling and rehabilitation services

SOURCE: *The Facts About Small Business, 1996*, Office of Advocacy, U.S. Small Business Administration

OWNERSHIP:

* 40% of the businesses are owned or co-owned by women.
* 11% of the businesses are owned by minorities.
* 57% of the businesses are family-owned and operated, employing an average of three family members each.
* 38% of the family-owned businesses employ the owner's husband or wife. Other family members employed in the businesses include 10 mothers and fathers, 16 sons and daughters, six brothers and sisters, seven in-laws, eight nieces and nephews, seven in-laws and two cousins.
* 23% of the businesses are owned by veterans, with 45% of those being Vietnam-era veterans.
* 53% of the businesses are organized as corporations.
* 40% of the businesses are organized as S corporations.
* 2% of the businesses are sole proprietorships.
* 98% of the owners said they would choose to start their own businesses if they had it to do all over again. Another said "maybe."
* 60% said they had succession plans in place to manage the change in the business' ownership when they could no longer direct the company.

GETTING STARTED:

* None of the businesses are home-based, but more than 40% started out as home-based businesses.

* 51% of the business owners cited the difficulty in raising capital as their biggest hurdle at the outset. Others cited government regulation, lack of management experience, fear of failure, gaining the confidence of customers and "not having enough hours in the day."

* For their principal source of start-up financing, 30% relied on their own savings; 15% depended on an SBA-backed loan alone or in combination with other funds; 13% depended on bank loans; 11% relied on loans from family or friends; and 8% relied on a mix of bank loans and savings. The rest financed their start-up with funds from a variety of these sources.

* 74% of the businesses received financial or management assistance from SBA. Of those: 71% received financial help from one of the agency's loan or loan guarantee programs; 63% received management or marketing assistance from Small Business Development Centers or the Service Corps of Retired Executives (SCORE); 11% received help through the use of SBA publications, and 3% received help through SBA's contract procurement and business development programs.

1997 State Small Business Winners

William Woodrow Carter
Chairman of the Board
Carter Brothers Manufacturing Co., Inc.
Brundidge, ALABAMA

Suzanne Linford
President & CEO
Linford of Alaska
Anchorage, ALASKA

Rhonda G. McKenzie
President/CEO
McKenzie Telecommunications Group, Inc.
dba MTG, Inc.
Scottsdale, ARIZONA

Greg Garrison
Owner
Mr. Speedy Car Care & Wash
Hot Springs, ARKANSAS

Howard J. Harris
President
Eagle Direct
Denver, COLORADO

Gerald V. Harris
Vice President
Eagle Direct
Denver, COLORADO

Michael J. Patrikics
President/Owner
American Technology, Inc.
Shelton, CONNECTICUT

Patricia D. Creedon
President, CEO
Creedon Controls, Inc.
Wilmington, DELAWARE

Deryl K. McKissack
President & CEO
McKissack & McKissack
Washington, DC

Eduardo Barea
President
Ibiley School Uniforms, Inc.
Miami, FLORIDA

Timothy G. Mansour
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Fitness International, Inc.
Snellville, GEORGIA

George Macris
President
Harmon Doctors' Clinic
Harmon, GUAM

Jon Marshall de Mello
Chairman of the Board
The Mountain Apple Company, Inc.
Honolulu, HAWAII

J. Marvin Hess
President & CEO
Hess Pumice Products, Inc.
Malad City, IDAHO

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Industrial Audio/Film
Services, Inc.
dba Compdisk
Morton Grove, ILLINOIS

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President
Machine Tool Specialists, Inc.
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Richard O. Litt
Genesis Systems Group
Davenport, IOWA

John Seidel
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Engineering Co., L.P.
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President
Bath-Brunswick Veterinary Associates
Brunswick, MAINE

Gail D. Mason
Vice President
Bath-Brunswick Veterinary Associates
Brunswick, MAINE

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President and Founder
Clark Internet Services, Inc.
Columbia, MARYLAND

Andrew Wilson
Founder
Boston Duck Tours
Boston, MASSACHUSETTS

Mr. Manuel Rogers
Co-Founder
Boston Duck Tours
Cambridge, MASSACHUSETTS

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President
Wright-K Technology, Inc.
Saginaw, MICHIGAN

Ms. Constance Kostrzewa
Secretary/Treasurer
Wright-K Technology, Inc.
Saginaw, MICHIGAN

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Owner and President
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dba MindWare
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Lucedale, MISSISSIPPI

Marilyn A. Moore
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Moore Rehabilitation Services
Clayton, MISSOURI

Dean Folkvord
General Manager/CEO
Wheat Montana Farms, Inc.
Three Forks, MONTANA

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Restful Knights, Inc.
Wayne, NEBRASKA

Mrs. Jan Kardell
Owner
Restful Knights, Inc.
Wayne, NEBRASKA

Mr. Robert Stuberg
Owner
Restful Knights, Inc.
Wayne, NEBRASKA

Mrs. Carolee Stuberg
Owner
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Wayne, NEBRASKA

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Marshville, NORTH CAROLINA

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