Small Business Resources Aid Veterans

Thankfully we are seeing more active duty military personnel returning to our communities here in Southeast Minnesota. Some recent SCORE clients remind us that several may be looking at their career future and possibly considering a small business opportunity. Today, I want to address that some help to that honored contingent among us.

If you are leaving the military service soon, or you’re a veteran, you may be thinking about starting a career in today’s crowded marketplace. If you already have business or management experience, or developed new skills while serving our country, this could be the ideal time to consider starting a small business.

Veterans already make up a sizeable portion of the nation’s entrepreneurs. A 2004 study conducted by the Small Business Administration (SBA) found that 22 percent of veterans in the U.S. household population had either started or purchased a small business, or were considering doing so. And more than 60 percent of new veteran entrepreneurs planned to operate their ventures at least initially from home.

Along with innumerable markets to apply your energy and interests, there are also many funding assistance programs designed specifically for veterans. For example, the SBA’s Patriot Express Pilot Loan Initiative is offered by SBA’s network of participating lenders nationwide and features the fastest turnaround time for loan approvals. Loans are available up to $500,000 and qualify for SBA’s maximum guaranty of up to 85 percent for loans of $150,000 or less and up to 75 percent for loans over $150,000 up to $500,000. For loans above $350,000, lenders are required to take all available collateral.

The Patriot Express loan can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases.

Patriot Express loans feature SBA’s lowest interest rates for business loans, generally 2.25 percent to 4.75 percent over prime depending upon the size and maturity of the loan. Your local SBA district office will have a listing of Patriot Express lenders in your area.

Another valuable source of information is www.vetbiz.gov, established by the U.S. Department of Veterans Affairs to assist veteran entrepreneurs with starting and expanding their businesses in the
federal and private marketplace. The site also includes a database listing businesses more than 51-percent owned by veterans or service-connected disabled veterans—a valuable tool for promoting your new business to potential federal and private-sector customers.

Veterans and civilians alike can profit from the extensive small business resources offered by SCORE. Contact "Counselors to America’s Small Businesses." These volunteer counselors provide free, confidential business counseling as well as training workshops to small business owners.

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Web Links related to this article:
For SBA Veteran Loans: www.sba.gov
For Dept of Veterans Affairs business help: www.vetbiz.gov