

Senator Jay Rockefeller
Senate Committee on Commerce, Science and Transportation
“Making it in America: Innovate Locally, Export Globally”
Senate Hearing
June 27, 2011

Good Morning, Senator Rockefeller.

Thank you for the opportunity to join you today. I am Judy McCauley; I have served as the District Director for the Small Business Administration since 2004. As a native of WV, I will tell you; this is truly an honor and a privilege. I consider myself lucky; I found a great job in WV, a job where I can make a difference in my great state. Now, my job includes making sure the next generation, like my daughter has the same opportunity.

In order to allow us to get down to the technical questions, I have brought a couple of specialists with me.

First, I would like to introduce Patrick Hayes. Patrick is our Regional Manager for the US Export Assistance Center. Patrick will be visiting our banks today and tomorrow to explain the advantages of using our Export Working Capital Loans and our International Trade Loans, thus, giving the bank an up to 90% federal guarantee on exporting loans. (Patrick has brought folders of SBA exporting assistance information for you)

Also, with us today is Emma Wilson. Emma serves as our branch manager here in Charleston and is our Senior Lending Specialist.

My background is not in lending, I come from the Federal contracting arena where I served as a Contracting Officer and a small business specialist. I have always said, yes, we can help you get a loan but you have to secure work and pay that

back. But, if we can help you get a Federal contract, you have the work and you will inevitably create jobs.

Exporting works much the same way.

Last week at our WV Export Council meeting I met the fourth generation owner of Wheeling Truck Center in Wheeling, WV.

He was telling us about his company and his success with exporting. I ask him how he got involved in exporting. He told me he started an on line business to get rid of truck parts that were lying around collecting dust. That put him in the International Trade World. In less than 18 months he has exported to over 50 countries and had to hire two additional employees.

Yes, exporting creates jobs. And for Wheeling Truck Center it began simply by creating a website. The demand was already there, Wheeling Truck Center just needed a tool to get the products to the buyers. Working with our resource partners and our tools, SBA can help with that.

Our job is to educate the small businesses on ways to get their products to these markets, and to provide them the tools they need to accomplish these goals.

Let's talk about both.

Just down the road in Huntington is a business called Rubberlite, Inc., founded in 1986 by Allen Mayo. Through an initial SBA- backed loan of \$300,000 for start-up capital and three subsequent guaranteed loans during the early years of development, Rubberlite's product line has grown to include many innovative products and processes. They manufacture high-tech engineered rubber and plastic foams that have an unbelievable array of uses – from shoes to bras to trucks and the space shuttle. Rubberlite is in the midst of expansion and recently received two

SBA backed loans to expand their facility from 8,000 sq ft to 300,000 sq ft. Last week I watched them receive an award for their exporting initiatives. They are creating jobs and with this expansion they will be creating more.

All we had to do was give them some tools along the way.

In addition to financing and technical assistance, SBA has an excellent website with free courses, business plan templates, and online tools to help entrepreneurs quickly and easily find answers to their questions and it directs them to the appropriate resources for additional assistance.

Our newest online resource sba.gov “slash” export business planner features the six steps to export success. This site was developed by SBA and the US Dept of Commerce to help entrepreneurs begin exporting. It also features direct links to the SBA Export Express and Export Working Capital Programs.

But, I think our biggest asset is our partners.

West Virginians are known for their hard work, their ethics and their dedication.

We each have specialties and we rely on each other’s expertise. But, our ultimate goal is the same, economic development, creating jobs. I admit I still have my personal goal, remember? I want to keep my daughter home. I want to ensure that she has the opportunity to find a great job, so she can live and prosper in this great state! That takes team work.

The Small Business Administration has funded the Small Business Development Centers (SBDC) for more than 25 years. Our SBDCs offer existing and future entrepreneurs free one to one expert business advice and low cost training. In WV

we have 14 centers located strategically across the state and housed by the WV Development Office, along with the WV Dept of Commerce.

Two weeks ago, the US & State Departments of Commerce joined us at a state-wide SBDC Summit to provide detailed training on exporting and their services to all of the SBDC counselors and employees.

Senator, the day after you spoke at our annual Teaming to Win Conference, the SBA offered 3 hours of training for WV small businesses.

The first hour was dedicated to exporting with the US Dept of Commerce as our guest speaker.

Diego also joined us as an instructor for our Veteran's Conference this year.

Our next event will be on August 25th in Wheeling. The US Dept of Commerce wants to bring experienced exporters together with new companies and our resource partners to help them find mentors and the tools they need to begin exporting.

Yes, Senator, we are collaborating. We have to. **Finding new markets through exporting offers the greatest potential for growth among WV's small manufacturers.**

The individuals that work in this field have heart, they are dedicated and they are making a difference. Last year, WV exports totaled 6.4 billion. They grew 33% over the previous year and have doubled since 2006. We are going to double them again by 2015.

Our problem isn't working together. It is our limited resources. We are just too small and our resources are just too limited. The US Dept of Commerce has two

Commercial Services representatives and the SBA has 8 employees in the state. With your help, we can build on the momentum we're seeing to ensure that more small businesses like Rubberlite and Wheeling Trucking have the tools they need to create and retain jobs through exporting.

So, Senator, how can you help? By doing exactly what you are doing today; by serving as our leader, by working with us and by continuing to raise awareness of the importance of exporting. We sincerely thank you for all that you do for us and our small businesses.