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BUSINESS

Regional head of SBA sees firms' access to capital as crucial

Elizabeth Echols, who previously was director of the U.S. Green Building Council's Northern California area, says green and high-tech companies don't know enough about what the agency has to offer.



Regional SBA administrator Elizabeth Echols, left, tours the Tranquil Tea Lounge in Fullerton with owner Michellee Phelps. The restaurant and tea shop was started with a loan backed by the agency. (Don Bartletti, Los Angeles Times / September 27, 2010)

By Sharon Bernstein, Los Angeles Times

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As the new head of the U.S. Small Business Administration for much of the western United States, Elizabeth Echols is responsible for making sure entrepreneurs in the region can obtain the training and funding they need to get started and stay afloat.

Echols comes to the job from the U.S. Green Building Council, where she served as director of the organization's Northern California region. The experience, she says, taught her that high-tech businesses and green businesses don't know enough about the SBA and what it has to offer — and she has vowed to help these businesses along with the myriad others that make up the West's multifaceted economy.

Echols is a Stanford-educated lawyer with a bachelor's degree from Yale University. She began her \$155,500-a year job at the SBA in August and supervises an area that includes California, Arizona, Nevada, Hawaii and Guam. She spoke to The Times at the Tranquil Tea Lounge in Fullerton, a restaurant and tea shop that was started with a loan backed by the agency.

You've been traveling to different parts of the West and talking with business owners. What are you hearing?

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In Los Angeles, commercial real estate is a real issue. Also, we have much-larger-sized small businesses.

They will be helped by the Small Business Jobs Act, a package of loan incentives and tax breaks for small businesses that was signed into law by President Obama last week. In addition to increasing to 90% the level at which the SBA will guarantee some loans, it increases the size of the loans — from \$2 million to \$5 million. It helps a lot.

In Fresno, they're very interested in green tech and water conservation. There are a lot of counties outside of Fresno that have very high unemployment, as much as 40%. When I visited Fresno I met with a group of Spanish-speaking women taking classes to learn how to develop home-based businesses so they

can stay home with their children. Some of them involve handicrafts and beauty supplies. Some are food-related. It was a very inspiring group of women, and I feel confident that they will be successful.

What are your goals for the SBA? Do you plan to change the way the agency works with businesses in your region?

I would focus on three areas. The SBA has worked on them before, but more can be done. Those are the areas of youth entrepreneurs, underserved communities and the high-growth, high-impact businesses, including the green businesses.

How much can it really help to make loans to small businesses?

This is the most critical thing. In all the districts I've visited in California, Arizona and Nevada, the No. 1 thing they have said is they need access to capital. This will go a long way toward addressing that need.

Before joining the SBA, you worked with the U.S. Green Building Council in Northern California. How will your experience there affect what you do in your new job?

I think that's very beneficial as we try to connect SBA with emerging green businesses. I've worked in the area, so I've got a sense of the players. I've got a sense of what's needed, a sense of the way people think, and what they might need in terms of help and support.

Healthcare is a huge issue for small businesses. What role do you think the SBA should play in helping small businesses deal with their healthcare needs?

Clearly SBA has a role in getting information out to small businesses and helping them understand the benefits of the new healthcare law. There's also an opportunity to explore additional ways that the Small Business Administration could assist small businesses as the law is implemented.

What's your advice to small businesses in California?

If you are having trouble getting a loan, come and talk to us. Come and talk to our resource partners. Sometimes if you work with someone to improve your story and get your business plan down, you may be more likely to get a loan. Don't give up.

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