

Notes From The Corner Office

David K. Main, President HCDC

The Value Of A "Naysayer."

One of the first individuals I encountered when I started at Hamilton County Development Company (HCDC) was someone who had a reputation for being rather negative - always ready to say why something could not be done. For him, the glass was always half-empty, never half-full.



However, I was urged by those around me to at least consider this person's opinions as a good basis for the absolute worst that could ever happen. For instance, when I first mentioned to him that Hamilton County Development Company was going to be certified by the SBA as a 503 (now 504) Development Company, he responded that we would never get certified. After HCDC was certified, his next response was, "Well, that's fine, but you'll never make any loans." Three months later, HCDC had approved four loans and by the year-end, I had invited him to attend HCDC's Annual Meeting, which surprisingly he did. The next time I heard from him he referred a loan prospect to us.

My point behind this is that naysayers can provide a useful check and balance. They keep the natural exuberance that most entrepreneurs possess in line with reality. The entrepreneurs just have to make sure that the nay saying doesn't totally stifle their drive and determination.

I also learned a valuable positive lesson from this same person. If this individual thought something could be done, you could pretty well bet he was right. It's just that he was always, always skeptical.

I'm not suggesting that you should totally surround yourself with naysayers, but it is useful to have someone besides the "cheerleaders" or "Merry Sunshines" who never tell you that its going to rain, because some day it will.

Give me your thoughts on "The Development Source" at maind@hcdc.com.

Building On Strength: A Plan To Grow Hamilton County Businesses



By *Robert C. Gates, Development Specialist*

If you think of Hamilton County as a lake that can easily hold more water, then you can see that more water in the lake raises all the boats docked there.

HCDC is partnering with the Greater Cincinnati Chamber of Commerce and the Hamilton County Regional Planning Commission to identify companies that are most likely to thrive in Hamilton County's business environment, to bring them to our area, and keep them here. It is an effort that will benefit all of the area businesses.

Successful economic development demands that local governments continually

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adapt to the needs of the knowledge-based, high technology, global economy. Just like businesses and corporations, local communities no longer compete within their region or country, but instead compete against the entire world.

To differentiate Hamilton County from the global competition, HCDC's partnership is developing a cluster-based, business retention strategy focused on Hamilton County.

Clusters are "companies in the same industry that share infrastructure, suppliers, distribution networks, etc." Clusters are leading economic growth engines. According to the Cluster Mapping Project, Institute for Strategy and Competitiveness at Harvard Business School, Hamilton County has leading industry clusters in production technology; transportation and logistics; processed food; aerospace engines; chemical products; biopharmaceuticals; metal manufacturing; publishing and printing; and plastics.

Building upon this diversified economic base is important to the continued strength of Hamilton County's economy. Preliminary success of this strategy is evidenced by recent investments by Ford Motor Company, JTM Food Group, and Medpace Inc.

Working with HCDC Board Members, business leaders and public officials, HCDC is currently identifying individual businesses to meet in the near future. Please notify Bob Gates or Harry Blanton if you have suggestions for business retention or if your company might need our assistance at 513.631.8292.

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Look No Further For Fixed Asset Financing!



By *Abby Stevenson*, Loan Processor

I had the pleasure of sitting down with Bob Igoe, of I & Eye Productions, for a brief question and answer session regarding the SBA 504 loan process. I & Eye received an SBA 504 loan in November 2002 through HCDC.

I & Eye Productions, is a four year old advertising production company specializing in commercial advertising on television, radio, and the internet. I & Eye Productions client list includes: Xavier University, Proctor & Gamble, WLW, Clear Channel and WABC and KABC in New York and Los Angeles. Their moniker is "breakthrough creative without breaking the bank". They help companies get more out of their advertising dollars by spending the right amount of money to match the size and image of that particular company.



"I & Eye Staff from L to R - Bob Igoe, David Striet, and Tony Agliata. Not pictured: Kraig Haplea"

Here are my questions and Mr. Igoe's responses:

Q. How did you hear about HCDC?

A. Fifth Third Bank recommended you to us.

Q. How would you describe the application process of an SBA 504 loan?

A. I didn't feel that we were really working with the government. I felt like we were working more with a private lender, because it was that streamlined. We were able to get in and get things done. I was surprised at how easy it was. In comparison, it was easier than the large banks doing it themselves. It was easy dealing with HCDC, and any time we called with a question, if the person couldn't get an answer right away, we had it within an hour.

Q. What was the advantage of using SBA 504 over conventional financing?

A. It was quicker, with better rates, and more flexibility. I think the difference was we were dealing with people in Cincinnati who were able to get to know us and our company. Whereas, with the larger bank, we were dealing with someone out on the west coast that had no vested interest in our success.

Q. What did your project involve?

A. We purchased our property and upgraded at the same time. We had been leasing for about three years, and it was working well, however the lease was up. Instead of giving the landlord the equity in the building, we thought we might as well get something ourselves. We were also expanding and brought on two new partners. We wanted to move the business to Cincinnati, and without HCDC I don't think we would have been able to do so.

Q. How did you like working with HCDC, and what would you like people to know?

A. I think if you have a small business, and you're thinking of expanding, you definitely owe it to yourself to call HCDC. You don't know what kind of resources there are out there until you talk to HCDC. They get to know your company and tailor a loan to your company's needs, no matter how big or small. We are a small company, and we were never made to feel that way by HCDC. I felt we got the same kind of treatment as any major company would have received, had they walked through the door. I liked working with HCDC a lot. I don't know what other kinds of opportunities we have, but definitely if we go to purchase another property, we'll be calling. We're considering what our next capital investment will be, and I view this as an on-going relationship.

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HCBC And The Third Frontier



By Patrick Longo, Vice President/Director, HCBC

First came the settlers, then the Industrial Revolution, now Ohio is looking to be a leader in the High Tech Revolution. Governor Taft's ambitious plan, called the Third Frontier, is the State's blueprint for expanding Ohio's high-tech capabilities and promoting start-up companies to build high-wage jobs for generations to come.

The Third Frontier will provide funding to enhance Ohio's research facilities, to recruit world class scholars, and provide much needed capital to support existing manufacturing industries become more productive, competitive, and profitable. [To learn more about the Third Frontier, please click here.](#)

The Governor's plan is a natural extension of what has been happening successfully at HCBC since 1989. HCBC has long been a conduit to successful business start-up activities for the likes of the University of Cincinnati College of Engineering and southwest Ohio's brightest entrepreneurs. From advanced manufacturing, sensors, and high temperature polymers to information technology, software, and instrumentation, HCBC has been on the leading edge of the Third Frontier.

HCBC supports the Governor's Third Frontier blueprint, because if it can work for a business incubator located on a dead end street in Norwood, Ohio, it surely can work for the rest of Ohio. To learn more about HCBC's success, please visit our website at www.hcdc.com.

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March Rates

SBA 504: 5.96% | Regional 166: 2.83% | Microloan: 8-10%

A Sample Of Recent SBA, Ohio, And Local
Loans Done With The Help Of HCDC.

Name	Program	Bank	Project	Purpose
Batavia Heights Christian Child Care, Inc.	SBA 504	Center	\$339,000	Real Estate
Domain-It!, Inc.	SBA 504	Fifth Third Bank	\$81,000	Real Estate
Kid's First Consignment Shop	Micro	N/A	\$10,000	Working Capital
Steffie's Eatery	Micro	N/A	\$7,500	Working Capital
Willie's of Northern Kentucky, Inc.	SBA 504	Provident	\$699,000	Real Estate