



News Release

Markell Launches Small Business LIFT

Initiative will help get Delaware's economy moving again by facilitating access to capital for small businesses

New Castle, Del. (April 20, 2009) – Gov. Jack Markell unveiled a program Monday that will help small businesses survive the current economic downturn and get Delawareans back to work.

The initiative – Markell's Limited Investment for Financial Traction (LIFT) – uses \$5 million from the state's Strategic Fund to subsidize the interests on small-business loans. Businesses receiving the LIFT subsidy will repay the money to the state after two years, with the individual business owners themselves given personal guarantees as part of the program.

The investment by the state is expected to help between 200 and 500 Delaware small businesses with good credit histories access as much as \$50 million a year in loans from participating banks.

“Growing our economy is the only long-term solution to the historic challenges facing Delaware,” Markell said. “My Small Business LIFT supports the kinds of companies that we need most – Delaware businesses with sound plans for success. Across the country, hardworking small businesses are having trouble gaining access to affordable capital they need to grow and create jobs. Delaware will be different. The loans will be repaid, but it is the best deal a sound small business will be able to find to finance their growth.”

Markell, joined by members of the state's business community and Economic Development Office Director Alan Levin, announced the Small Business LIFT at Clearwater Spas in New Castle.

Clearwater Spas, Inc. currently holds a line of credit with WSFS with a loan rate of 5%. Under the Small Business LIFT, the company qualifies to have the loan's interest paid down to 0%.

“It’s a great sign to see Delaware making an effort to assist small business,” said Clearwater Spas owner Donald J. Adams. “Many small businesses simply need access to capital to outlast this economic turndown and this program gives them that.”

To qualify for the Small Business LIFT, small businesses must be in operation for at least three years and can have as many as 50 employees. Participating banks agree to defer principal payments during the two years the state is subsidizing the interest.

“WSFS is pleased to participate in this partnership with Governor Markell and the State of Delaware,” said Mark A. Turner, President & Chief Executive Officer of WSFS Bank, which has loaned \$48.8 million to 259 small businesses in the past six months. “We are continually looking for ways to support the small businesses in our state and are particularly appreciative of the opportunity to provide the first loan to one of our valued customers.”

“The Small Business LIFT demonstrates the Governor’s commitment to Delaware businesses by continuing to grow Delaware business,” Levin said. “Our hope is that this program will serve as a bridge between these difficult economic times and the better days that are in our future.”

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