

Press Release

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Governor Ed Rendell taps The Progress Fund as Tourism Lender

New designation enables The Progress Fund to help many more tourism businesses

Dawson, PA – October 12, 2004 – Reflecting his continued support for Pennsylvania's second-largest industry, Governor Ed Rendell has asked The Progress Fund to help the state to spur new tourism businesses.

"We are pleased to have a new partner to aid small businesses in the tourism industry in Pennsylvania," said Governor Rendell.

With the Governor's support, the Department of Community and Economic Development has designated The Progress Fund the state's 22nd Area Loan Organization. That designation allows The Progress Fund to access some of the \$50 million in Small Business First lending the Governor has championed for investment in tourism under his First Industries Program. "Because of The Progress Fund's experience in lending to tourism-related businesses, we felt they were uniquely qualified to serve this industry using the First Industries component of Small Business First when it becomes available in the near future," says Scott Dunkelberger, deputy secretary of the Department of Community and Economic Development.

"In multiple ways, Governor Rendell has been leading the state forward in support of our tourism industry and to bring more dollars into Pennsylvania," said David A. Kahley, President & CEO of The Progress Fund. "We are truly honored to have the Governor's

support and now a role in DCED's new financing program for small businesses in the industry," he added.

The designation will allow The Progress Fund to build significantly on its 7-year track record of making \$8 million in loans to 125 businesses, preserving or creating 725 jobs. The Progress Fund provides financing and entrepreneurial coaching to tourism-oriented businesses in 39 Pennsylvania counties and West Virginia.

Small Business First loans weren't traditionally available to tourism businesses. Governor Rendell has changed that, opening up the program to businesses as diverse as outdoor outfitters, bed & breakfasts, specialty retailers and agri-tourism enterprises. This helps solve one of the biggest problems tourism businesses have traditionally faced: With seasonal incomes and little collateral, tourism entrepreneurs have had a hard time getting bank loans to create and expand their offerings.

Thanks to Governor Rendell's initiatives, Pennsylvania's second-largest industry is poised for growth. "From the time I was Mayor of Philadelphia, I have held true to the fact that tourism is a powerful industry for job creation and bringing income into our State," said Rendell.

"The Governor pledged his support for the tourism industry when I first met him during his campaign in the fall of 2002. He has certainly elevated awareness of the industry potential and brought significant resources never seen before in the State," says Kahley.

Through the Area Loan Organization designation, The Progress Fund will be able to serve the following counties: Armstrong, Bedford, Blair, Bradford, Cambria, Cameron, Centre, Clearfield, Clinton, Crawford, Elk, Erie, Fayette, Fulton, Greene, Huntingdon, Indiana, Jefferson, Lackawanna, Lycoming, McKean, Pike, Potter, Somerset, Sullivan, Susquehanna, Tioga, Warren, Wayne, Westmoreland, and Wyoming. The Progress Fund also serves Beaver, Butler, Clarion, Forest, Lawrence, Mercer, Venango, and Washington Counties, and the State of West Virginia using funding from other public and private sources.

For further information, call The Progress Fund at 724-529-0384, or visit www.progressfund.org.

The Progress Fund is a vigorous non-profit loan fund that creates jobs and improves communities by providing entrepreneurial coaching and capital to small businesses in the travel & tourism industry. The Progress Fund serves 39 counties in Pennsylvania and the entire state of West Virginia. The Progress Fund was founded in 1997, and has loaned more than \$8 million to 125 enterprises, creating or preserving more than 725 jobs. The Progress Fund is an Equal Opportunity Lender. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, DC 20250.

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