

Press Release

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Blairsville manufacturer and The Progress Fund get in on ground floor of booming business

Hollidaysburg, PA – September 13, 2002 – A Southwestern Pennsylvania business is using laser technology to carve out a piece of a growing national market, and The Progress Fund is lighting the way.

Using a low-interest loan from The Progress Fund, Cherryhill Manufacturing of Blairsville has purchased a Kern Electronics Model 200-D laser that it is now using to manufacture inlaid floor medallions. “Hardwood floors are back strong,” explains Cherryhill President Cyrus Kirsch, “and the decorative medallions are hot nationally.” The company has hired an operator and plans further hiring as the new business line expands. It is selling medallions direct to consumers, and expects to begin selling them through local home improvement stores in September.

Cherryhill’s expertise in flooring goes back to 1998, when the company was created to manufacture and market the U-Sand®, a revolutionary floor-sanding machine. In 2000, Kirsch, Vice President Roger Barnes, and Director of Sales and Marketing Ken Palmer identified the growing market for inlaid flooring. “We felt that it would be a nice complement to what we were doing,” says Kirsch.

But when Kirsch sought financing to cover the \$126,000 cost of the needed laser, he ran into a problem: Banks “wanted us to jump through all sorts of hoops and collateralize everything” using business, personal, and family assets, he says. So he sought help from The Progress Fund.

For The Progress Fund, Kirsch’s request for capital presented the opportunity to diversify its portfolio of loans and capture for the region a piece of the inlaid flooring market. So the Fund

Press Release

made Kirsch a \$126,000, low-interest loan. "The loan to Cherryhill Manufacturing represented an opportunity to make a sound loan outside of our traditional travel and tourism mission," says Progress Fund Director of Lending Diane Wiegman.

And it may have gotten southwestern Pennsylvania in on the ground floor of a growth market.

The Progress Fund is a nonprofit Community Development Financial Institution that provides capital and expertise to tourism-related enterprises in rural southwestern Pennsylvania. The Fund's 100-plus loans have created more than 600 "living wage" jobs. The Progress Fund is the result of legislation by Congressman John P. Murtha. "I am pleased that the Progress Fund is creating jobs in the travel and tourism industry for our region and wish them good luck," says Congressman Murtha.

Cherryhill Manufacturing Corp. is located at 175 Cornell Road, in Blairsville, Pa., in Indiana County. Its U-Sand® floor sander is available at rental stores, and homeowners and contractors can buy floor medallions by calling Cherryhill at 724-459-8863.

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