

Taking Care of Small Businesses: Working Together for a Better SBA

Testimony of Linda McMahon

House Small Business Committee

April 5, 2017

Thank you, Chairman Chabot, Ranking Member Velazquez, and members of the Committee for inviting me to speak with you today. I'm so honored to be serving as Administrator of the U.S. Small Business Administration. I'd also like to express my gratitude to President Trump for the opportunity to join his Administration and for his support of small businesses.

Today marks 50 days since I was sworn in as Administrator of SBA. I am continually impressed by the tremendous work being done by SBA's team in support of our nation's 28 million small businesses. My goal as Administrator is to revitalize the agency and raise its profile... and in turn, revitalize a spirit of entrepreneurship in America. My hope is that as more people learn about the services SBA provides, they will have the confidence, skills and resources they need to start or grow their own businesses, to invest in their communities, to create jobs, and to grow our economy.

I feel a tremendous commitment to each of SBA's stakeholders – our small business owners; our team at SBA; President Trump, who entrusted me with this position; and the taxpayers who expect us to use their dollars effectively and efficiently.

When I first met with President-Elect Trump back in November about taking the top job at SBA, he communicated one clear, specific request to me: "Do a good job." He said it with such sincerity, I knew he meant it and was expecting me to deliver. I responded that I would, adding, "If at any time my job isn't good enough, I trust you will tell me." And during my first town hall meeting with SBA's employees last month, I asked every one of them to join me in that commitment: do a good job and expect to be held accountable.

I have spent a lot of time getting to know our team, and letting our team get to know me. I want them to feel engaged and empowered and know their expertise is valued. Since our town hall meeting, the conversation has continued, whether in formal settings or chats on the elevator or on social media. In fact, our social media team tells me the Agency's official Twitter feed has added more than 100,000 followers since I came on board. Last week's Twitter chat called "Business Success Her Way," promoting women entrepreneurship, was a trending topic nationwide. I am thrilled there is a buzz around SBA as it draws attention to the services the Agency offers – services that will ultimately help people start, scale and succeed in business.

Our small businesses are our nation's innovators and job creators, and I am committed to serving as their advocate. Last week I had the privilege of joining Vice President Pence visiting small business owners in West Virginia. Our host, Ron Foster, grew his construction supply company with the help of a 504 loan from SBA. I relate to entrepreneurs like Ron because I am an entrepreneur myself. I have shared the experiences of our country's small business owners.

My husband and I built our business from scratch. We started out sharing a desk. Over decades of hard work and strategic growth, we built it into a publicly traded global enterprise with more than 800 employees. This past weekend the business we created had a global audience of millions as it broadcast the 33rd edition of WrestleMania. I am proud of our success – I know every bit of the hard work it took to create that success. I remember the early days when every month I had to decide whether I should continue to lease a typewriter or if I could finally afford to buy it. Yes, that \$12 a month really made a difference in our budget.

Like all small business owners, I know what it's like to take a risk on an idea, manage cash flow, navigate regulations and tax laws, and create jobs. Since stepping down as CEO of WWE in 2009, I have worked to help more people have the opportunity to pursue those goals.

As a candidate for the U.S. Senate in 2010 and 2012, I met with more than 500 small business owners – touring their shops, restaurants, offices and factories and sharing ideas during roundtable discussions. Job growth was a pillar of my campaign, and because small businesses are responsible for half of all private-sector jobs and the majority of new jobs, they were my focus.

And for the past two years, I promoted women in entrepreneurship as co-founder and CEO of a startup called Women's Leadership LIVE. I wanted to share my vast experience with others who are launching startups or looking to scale their businesses. Through live events and webinars, we educated entrepreneurs about things like applying for a loan and developing a business plan. We also worked to build their confidence. I always say that even entrepreneurs with the best ideas sometimes need a little wind beneath their wings. We shared our stories of successes and failures, our networks of contacts and resources, and our strategies for addressing challenges. And now through SBA, I am committed to offering small business owners the capital, the counseling and the confidence that will help propel them forward.

Small businesses have had some tough blows in the past decade. I know what it's like to take a hit, and I have learned it's not how you fall, but how you get up that truly matters. Early in my career, when we were very young, my husband and I declared bankruptcy. We invested in a company we didn't understand and trusted people we shouldn't have. When that company went under, we were left holding the bag. We worked really hard to pay off those debts until we realized we just couldn't. Bankruptcy was a really hard decision and a tough time in our lives. We lost our home. My car was repossessed in the driveway. We had a young son and a baby on the way. We had no choice but to work hard and start building again so we could support our family. When

our daughter Stephanie was born – a perfect little baby so full of promise and potential – I took it as an omen that things were going to be okay. We owed it to her and to our son that we would make it okay. And fortunately, we did.

As I have visited small businesses all over the country, I have seen that same resiliency over and over again. Entrepreneurs are fighters. They work hard, and when they get knocked down by a recession or a natural disaster or simply a change in consumer demand, they turn to their creativity to make it better. But sometimes they need a helping hand.

Now that I am the SBA Administrator, I am committed to ensuring that our agency is as strong as it can be to lift up as many entrepreneurs as it can. My commitment extends to making sure that all services we offer to our customers are delivered effectively and efficiently and, most importantly, that SBA and our partners are offering what small businesses actually need to grow, innovate and create jobs. With small business as the driver of our economy I believe our country will remain strong, too.

Thank you for the opportunity to speak with you today. I am happy to take your questions.