also to inform you of the steps this Association has taken to promote the new SBA program throughout the industry.

I have enclosed copies of three full-page advertisements giving details of the program which appeared in the three principal trade publications of the used machine tool industry; Industrial Machinery News (published in Detroit), The Surplus Record (published in Chicago), and Used Equipment Directory (published in Newark). Please be advised that each of the publishers of these three publications, recognizing the value of this program to our industry and to the economy, donated the space for the advertisements. They also gave considerable editorial coverage to the program.

In addition to preparing the advertisements and issuing news releases, MDNA has provided each of its members with comprehensive, printed procedures for directing a potential machinery buyer to take advantage of the SBA's low interest loan program. Many members also featured details of the loan program in their own company advertising. Copies of this material are also enclosed.

If you will recall, in our early meetings all were agreed that the success of this program would depend to a great degree on how well it was promoted throughout the metalworking industry. We feel we have done our part in making known the availability of the program throughout our membership of 300 companies as well as throughout the entire metalworking industry.

Again, we thank you for recognizing the value of such a program and recommending to the SBA that it be adopted. It remains to be seen how readily the small businessman in the metalworking industry makes use of the program. You may be sure that we will keep you advised of any information that we receive in this regard.

Very truly yours,

RICHARD L. STUDLEY, *Executive Director.*

[From The Surplus Record, January 1968]

AN OPEN LETTER TO INDUSTRY*

GOOD NEWS FOR MACHINE TOOL BUYERS!

The Small Business Administration has announced that small firms are now eligible for SBA loans covering up to 80% of the cost of a used machine tool. Here are some of the details:

The used machine tool must have been manufactured after 1949

A 20% down payment is required of the purchaser with payments extending up to 5 years

The machine tool is the sole collateral for the loan

SBA will loan

up to \$100,000 on a direct loan

up to \$150,000 on a bank participation loan

guarantee up to \$350,000 of a bank loan

To qualify, a firm must be able to give reasonable assurance of repayment

This new program is designed to assist tool and die shops and smaller *metalworking firms who are unable to obtain financing for purchases of used equipment through normal channels at reasonable rates.*

Smaller manufacturers will now be able to expand rapidly for contracts that won't wait for delivery of a new machine—and may not be large enough to justify its purchase anyway. SBA Administrator Robert Moot says, "We believe that the extension of the program to include the purchase of good quality used machine tools will help many small producers upgrade their facilities and become more competitive."

See your local machinery dealer for more details on the program or contact the SBA regional office nearest you. Take advantage of this outstanding new program *today!*

MACHINERY DEALERS NATIONAL ASSOCIATION.

P.S.—In the event you are interested in financing an older machine or are seeking funds for some other purpose, ask your local SBA office about it. Chances are they will be able to accommodate you under another of their business loan programs.

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*Especially small metalworking firms.