

Rebuilding to Compete on Equal Footing : Valley Economic Development Center helps firms get funds for quake aid, defense conversion

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The phrase "eliminate the middle man" has been used so commonly that it has reached cliché status. But there are times when the intermediaries are important and deserve recognition. This time, it's the Valley Economic Development Center.

You may recall, from last Sunday, our Valley Perspective editorial that noted a \$205,000 loan from a U.S. Commerce Department program to De Leon Enterprises of Pacoima.

The loan program was important for two reasons. One was the fact that the Commerce Department loan program was filling gaps left open by other earthquake aid programs. The second reason was the success story of De Leon Enterprises, which is making the transition from aerospace and defense-related contracts to commercial ventures.

Well, what was left out of that piece was the development center's role in helping to formulate the Commerce's Department's loan program. The center also serves as one of eight local intermediaries who decide who should get the loans. And it represents firms that need recovery advice on everything from the quake and the recession to cutbacks in the defense and aerospace industry.

John J. Rooney, president of the private nonprofit development center, says that his group has been doing some of this sort of work since 1978. But the more recent focus has been on offering companies free help in applying for federal Small Business Administration loans, appealing denials of that aid and picking companies that can benefit from the Commerce Department loan fund.

Two that may soon follow De Leon Enterprises are Gold Graphics of Pacoima and Irving B. Reder, a Chatsworth clothing wholesaler. As long as these two firms meet certain requirements, they figure to receive loan assistance in opening new stores, upgrading their equipment and hiring new employees.

In some ways there is less federal aid for everything from natural disasters to defense conversion. It's a tough world out there, but it's good to know that there are groups like VEDC helping Valley companies compete on an equal footing.

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