

## Gem of success

Small Business Administration honors Bove Jewelers of Kennett Square

By KELSEY MILLS, Staff Writer



*Staff photo by Larry McDevitt*

**KENNETT SQUARE** — When the federal Small Business Administration decides to recognize successful companies, it looks to businesses like Bove Jewelers of Kennett Square as leaders.

On Wednesday, representatives of the SBA's Philadelphia office awarded the Certificate of Small Business Success to Bove Jewelers for its recent accomplishments. Among those present at the ceremony were George Reinas, owner of Bove Jewelers, and David Dickson, SBA Philadelphia district director.

Bove Jewelers was one of about 20 small businesses to receive the award, chosen from a regional pool of about 600,000 small businesses.

In recent years, firms such as the Northern Appalachian Log and Forestry Co., Neuropedic, The Medicine Shop Pharmacy, Patagonia Bar and Grill, and Mit

chell Aviation Ltd. have won this award.

The process began when Bove Jewelers reached out to one of SBA's eight regional certified development companies, in this case the Southeastern Economic Development Council, or SEED, to help finance an expansion project. The certified development companies are set up as nonprofit corporations to aid the economic development of their communities, according to the SBA Web site.

SEED offered Bove Jewelers a 504 loan, which is available to companies seeking to construct new buildings, expand existing company space, purchase real estate or invest in machinery and equipment. Bove Jewelers received a total loan of \$1.3 million.

The 504 loans are financed 50 percent by a commercial lender, in this case DNB First, 40 percent by the SEED program and 10 percent by the loan recipient.

Dickson said normal loan programs require borrowers to provide 25 percent of the loan total, but the 504 SBA loan allows the recipient to retain 15 percent of that funding, which is helpful for businesses with small pockets and daily expenses.

Additionally, the loan is provided at a fixed interest rate 2 points below normal prime lending rates.

[pictured above: Bove Jewelers owner George Reinas, right, accepts an award from David C. Dickson, second from right, SBA district director of Philadelphia, while Tim Connor of the Chester County Economic Development Council looks on at the store in Kennett Square.]

Bove Jewelers used the loan to expand its company space, increasing retail space from 2,500 square feet to 7,000 square feet, and add

ing offices and shop space to create an overall company space of about 12,000 square feet.

As a result, Bove has seen a 20 percent increase in business since Christmastime, according to general manager Bob Strehlau.

For a company to win the Certificate of Small Business Success, the certified development company with which it has worked approaches the SBA to discuss its history and potential.

“The expansion of Bove Jewelers has provided more job opportunities, increased revenues and brought tourism to the area,” said Michael Kane, SBA business development specialist and acting public information officer.

Reinas said that during his ownership, Bove Jewelers has expanded from three employees in 1993 to 24 current employees. Reinas said the company has become the largest retailer in town.

The company donates regularly to charities such as the ALS Society, the American Cancer Society and His Mission, and it often provides pieces of jewelry during local auctions.

“Bove Jewelers is the anchor store in Kennett Square,” said Chuck Evans, director of loan programs at SEED and the Chester County Economic Development Council. “People come here to shop, and then they go out for lunch and browse the area. This place draws people here and helps local business.”

**Tuesday, June 17, 2008**