



July 15, 2009

The Honorable Timothy F. Geithner  
Secretary  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Dear Mr. Secretary:

On behalf of the National Small Business Association (NSBA), I am writing to convey the distress of America's small-business community at the prospect of CIT Group—a bank holding company focused specifically on the financing needs of small and mid-sized companies—no longer being able to lend due to a severe liquidity crisis. A staunchly nonpartisan organization, NSBA reaches more than 150,000 small firms and is proud to be the nation's first small-business advocacy organization.

CIT Group Inc. is a significant lender to over one million small- and medium-sized businesses. They also were the largest U.S. Small Business Administration (SBA) 7(a) lender for nine consecutive years—not to mention the top lender to women, minority and veteran owned small businesses for six consecutive years. Without assistance from the federal government, the future of CIT is far from certain. A CIT Group unable to lend seriously threatens the well-being of an untold multitude of their small-business customers, whose ability to easily secure replacement financing in the near term is unlikely.

Small businesses comprise 99.7 percent of all U.S. employer firms and more than half of all private-sector employees. Over the last 20 years, they have generated 93.5 percent of all net, new U.S. jobs. Small firms also employ nearly 55 percent of all scientists and engineers in U.S. industrial research and development and are responsible for the majority of technical innovations. In short, small businesses unquestionably are the foundation of our national economy and the font of American job creation.

As the U.S. endures its worst financial crisis since the Great Depression and America's entrepreneurs—existent and aspiring—suffer through a crippling credit crunch, the loss of CIT's lending capability could be devastating. As a specialty lender, CIT's ability to work with entrepreneurs and small-business owners trying to start or expand their firms will be difficult to duplicate. Unfortunately, this niche is unique to a bank of CIT's stature—and funding options for these types of businesses will certainly narrow and grow more costly without CIT in the marketplace.

The idea of losing a lender singularly focused on the needs of small firms during this already perilous time is highly disconcerting. I therefore ask that the Administration give serious consideration to assisting CIT, a 101 year-old company, to ensure its continued ability to support U.S. small businesses. It is imperative that the administration ensure that vital resources are provided to support and encourage small-business lending.

Please do not hesitate to contact us with any questions or concerns. I greatly appreciate your leadership on behalf of America's small businesses.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd O. McCracken". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Todd O. McCracken  
President