Pennsylvania SBDC Releases 2012 Services Summary
Impact of Tight Resources Evident

PHILADELPHIA, PA – The Pennsylvania Small Business Development Centers (SBDC) have released the cumulative results of the 18 center network’s activities across the Commonwealth in 2012. The results show mainly stagnant or declining impact because of shrinking financial resources.

Funding for the Pennsylvania SBDC program has been reduced by more than 30 percent over the past six years due to the effects of the recession and the resulting pressures on Federal and State budgets. Reduced funds have led to steady decreases in consulting availability and educational programming.

While the number of entrepreneurs and small business owners who received no-fee, expert, confidential business management advice remained relatively constant at 12,254, the amount of service delivered to them continued to decrease. The 108,000 hours of consulting they received was the lowest since 1998. The number of educational programs, 744, and program attendees, 13,983, held steady from 2011, although that is down approximately 30 percent from a decade ago.

“Even though our services were more constrained, these results continue to demonstrate the SBDC program is a vital contributor to the state’s economic well-being,” said Pennsylvania SBDC State Director Christian Conroy. “The steady client count and number of attendees of educational programs is evidence of strong demand for these proven services.”

“However, with fewer professional consultants, we are spending less time per client since the demand has not lessened,” added Conroy.

Fewer hours spent assisting businesses also resulted in a drop in start-up and expansion capital acquired by SBDC clients. In 2012, the SBDC’s helped companies raise $106.8 million in debt and equity financing, which is less-than-half the amount SBDC clients raised in 2008 during the height of the financial crisis.

Further squeezing the program, the SBDC network is bracing for an influx of small businesses struggling to deal with the effects of sequestration, which initiated automatic, across-the-board spending cuts to Federal government agencies earlier in 2013. These cuts are especially poised to impact small businesses that contract with the government, particularly those within the defense sector.

(MORE)
Highlights from the 2012 services summary include:

<table>
<thead>
<tr>
<th>2012 Pennsylvania SBDC Services Summary</th>
<th>Results</th>
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<tbody>
<tr>
<td>Entrepreneurs/Businesses Consulted</td>
<td>12,254</td>
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<tr>
<td>Total Consulting Hours Provided</td>
<td>108,489</td>
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<tr>
<td>Educational Workshops &amp; Seminars</td>
<td>744</td>
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<tr>
<td>Educational Event Attendees</td>
<td>13,983</td>
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<tr>
<td>Client-Obtained Investment</td>
<td>$106.8 million</td>
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<tr>
<td>Client Government Contracts</td>
<td>$150.4 million</td>
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<tr>
<td>Assets Preserved</td>
<td>$72.3 million</td>
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Additional outcomes of the 2012 services summary are as follows:

**CONSULTING TOPICS:** Start-up assistance was the most requested SBDC service in 2012, followed by business plan development, ranking third was marketing, sales and customer relations.

**BUSINESS SIZES:** 59 percent of Pennsylvania SBDC clients had between one and five employees in 2012 and 16 percent had six to ten employees.

**CLIENT INDUSTRIES:** In 2012, 56 percent of Pennsylvania SBDC clients were operating in the service industry. The second largest client base was retailers at 15 percent. Manufacturing companies registered at 14 percent, followed by companies in the ‘other’ category at seven percent, construction at four percent, and lastly wholesalers represented four percent of SBDC clients in 2012.

Out of these industries, the top ten business sectors serviced (sorted by NAICS code) were:

1. Professional, Scientific and Technical Services
2. Accommodation and Food Services
3. Other Services (expect Public Administration)
4. Manufacturing, Metal Products
5. Health Care and Social Assistance
6. Retail Trade
7. Construction
8. Retail: Tobacco, Fuel, Mail Order
9. Manufacturing: Food
10. Administrative, Support, Waste Management & Remediation Services

The top ranking of businesses in the professional, scientific and technical services sector is evidence of the large category of service businesses that the Pennsylvania SBDC consulted with in 2012.

To view the full Pennsylvania SBDC 2012 services summary infographic, visit [http://pasbdc.org/results/services-summary](http://pasbdc.org/results/services-summary).
About Pennsylvania Small Business Development Centers (SBDC)
The Pennsylvania SBDC network is the only statewide, nationally accredited program that provides high quality one-on-one consulting, training and information resources to empower new and existing businesses. SBDC consultants work with entrepreneurs in confidential, individualized sessions to help them with a range of business issues including testing a new business proposition, shaping a business plan, investigating funding opportunities, and much more. The SBDC program is a public/private partnership with the U.S. Small Business Administration, the Pennsylvania Department of Community and Economic Development and 18 universities and colleges across the Commonwealth. For more information on the Pennsylvania SBDC services and impact, please visit www.pasbdc.org.