



Small Business Development Centers
Helping businesses start, grow, and prosper.

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INTRODUCTION

Established in 1980 with a mission to grow the economy of Pennsylvania through its entrepreneurs, the Pennsylvania SBDC's 18 university- and college-based centers provide timely consulting, education, and information to new and existing business owners. The SBDC focuses on three core areas: no-fee confidential business consulting, educational programming, and timely, useful information. This report reviews the economic environment and SBA-funded activities of the network to support small businesses from January 1, 2013 to December 31, 2013.

The SBDC utilizes a staff of experienced professionals to serve their customers in both traditional business assistance as well as offering specialized consulting. In 2013, the SBDC delivered **80,543 hours of no-fee management consulting**. Consulting is confidential and provided at no charge by a staff of skilled professionals that emphasize education and guidance in finding practical solutions to business problems.

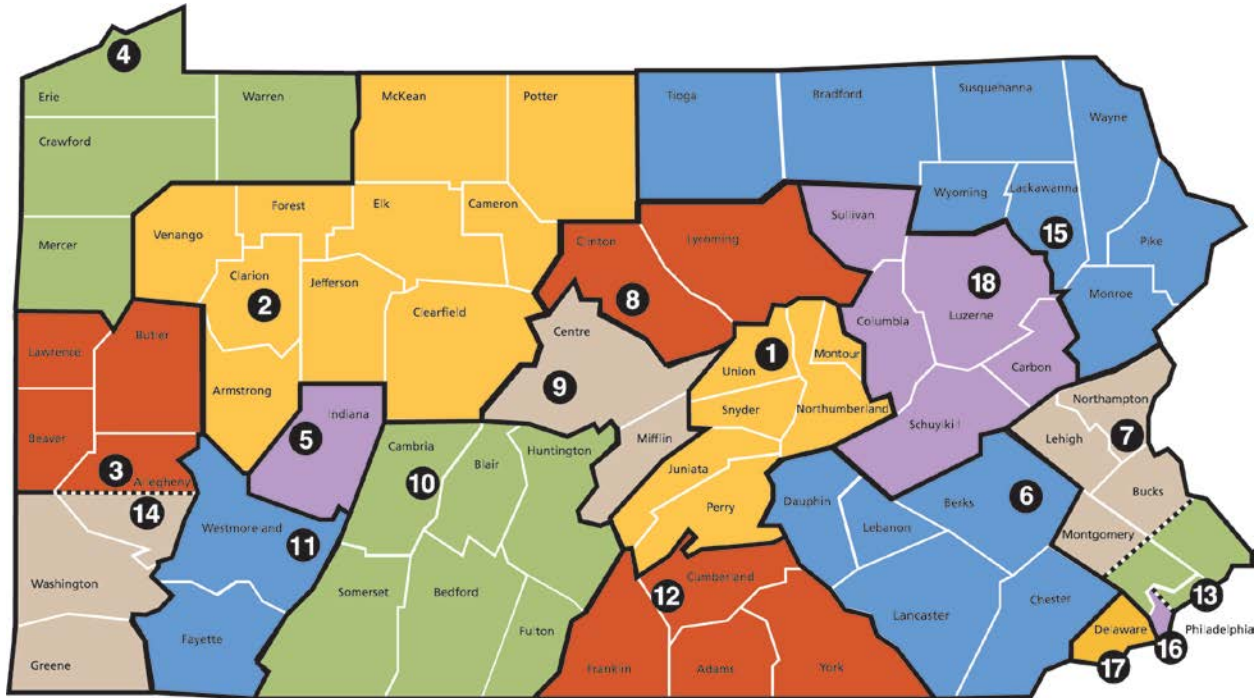
Educational workshops and conferences aid entrepreneurs in articulating goals, evaluating and improving business ideas, researching and attracting needed advisors and resources, and writing business plans to build their businesses. In 2013, **8,950 individuals and firms benefited directly from 564 educational programs**. The Pennsylvania SBDC network also responded to numerous inquiries, circulated printed materials, launched new center websites, and continued to provide pertinent information to partners to address small business concerns.

Impact resulting from these activities is evidenced by the success stories in Section 3 – APPENDICES and described in detail throughout this report.

MISSION

The mission of the network of Pennsylvania Small Business Development Centers is to provide entrepreneurs and small business owners with the knowledge needed to make smart decisions and prosper.

PENNSYLVANIA SBDC LOCATIONS



- | | | |
|---------------------------------------|-----------------------------------|---|
| 1. Bucknell University SBDC | 8. Lock Haven University SBDC | 15. University of Scranton SBDC |
| 2. Clarion University SBDC | 9. Penn State University SBDC | 16. The Wharton School, University of Pennsylvania SBDC |
| 3. Duquesne University SBDC | 10. Saint Francis University SBDC | 17. Widener University SBDC |
| 4. Gannon University SBDC | 11. Saint Vincent College SBDC | 18. Wilkes University SBDC |
| 5. Indiana Univ. of Pennsylvania SBDC | 12. Shippensburg University SBDC | |
| 6. Kutztown University SBDC | 13. Temple University SBDC | |
| 7. Lehigh University SBDC | 14. University of Pittsburgh SBDC | |

IMPACT

Since its inception, the Pennsylvania SBDC has provided over 2.5 million hours of consulting to more than 216,000 entrepreneurs and offered over 14,000 courses, workshops and seminars attended by 334,000 Pennsylvanians. SBDC services have helped small firms throughout the Commonwealth raise more than \$2.5 billion in start-up and expansion capital, start more than 30,000 new companies, and sell \$12 billion worth of Pennsylvania products and services globally. As a result, SBDC clients have created over 140,000 new jobs and generated more than \$796 million in new state income tax revenue.

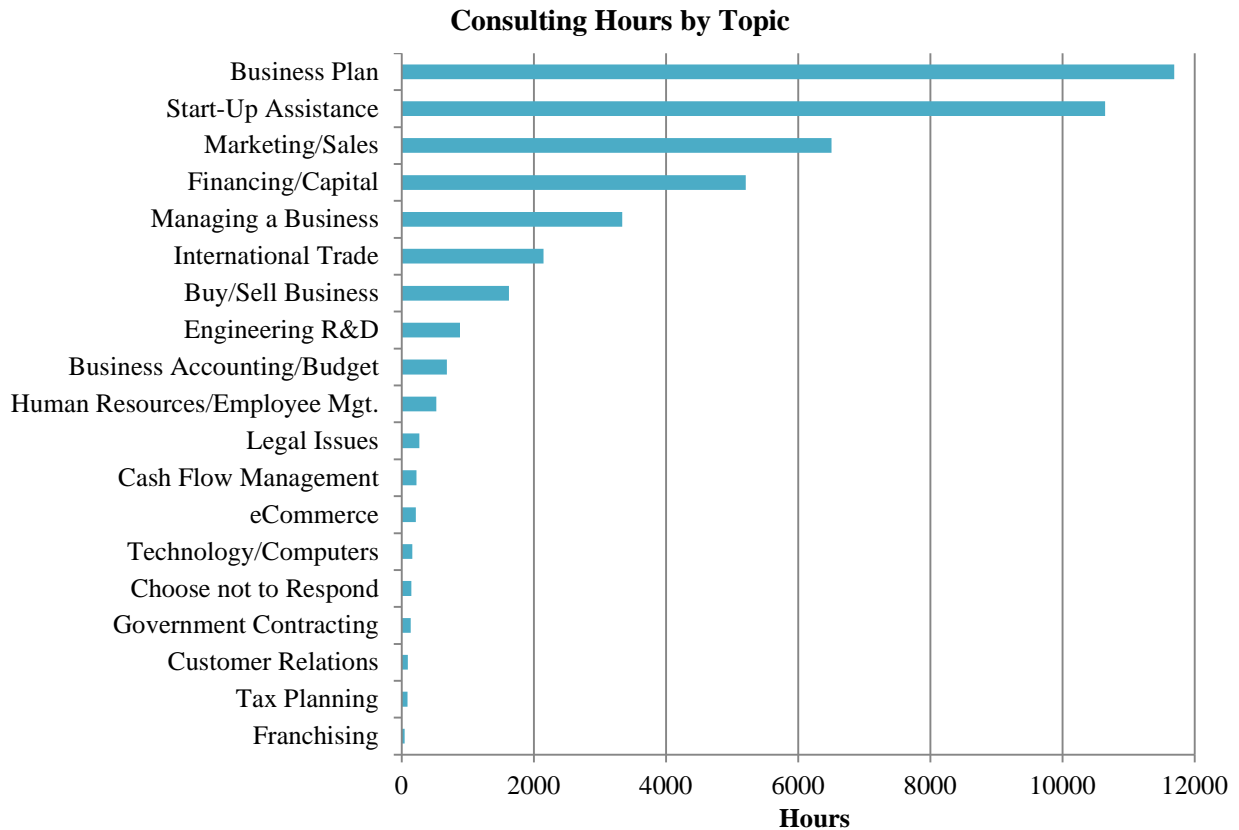
During calendar year 2013, the Pennsylvania SBDC network reported the following initial outcomes:

- | | | | |
|-------------------------------------|--------------------|-------------------------------|---------------------|
| • Bought/Started a Business | 658 | • SBA Loans (19) | \$8,499,440 |
| • Jobs Created | 2,784 | • Non-SBA Loans (140) | \$50,286,854 |
| • Jobs Retained | 2,587 | • Equity Capital (352) | \$22,930,030 |
| • Increased Sales (domestic) | 236,631,653 | | |

SUMMARY

Consulting

In 2013, the Pennsylvania SBDC served **7,166 entrepreneurs and small business owners** through a total of **80,543 consulting hours**. A detailed breakdown may be found in SECTION 2 – DELIVERABLES and is described throughout this report.



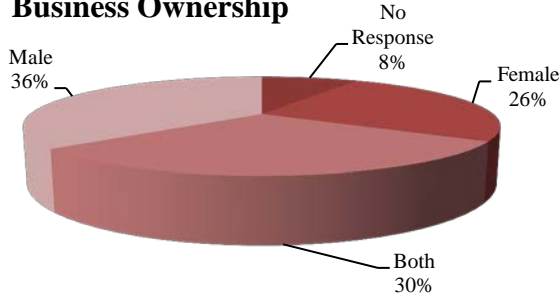
Education

The Pennsylvania SBDC network collectively **educated 8,950 individuals in 564 seminars and workshops** in 2013, which included topics such as “Affordable Care Act 101” and “Social Media Bootcamp for Small Business.” A detailed breakdown may be found in SECTION 2 – DELIVERABLES and is described throughout this report.

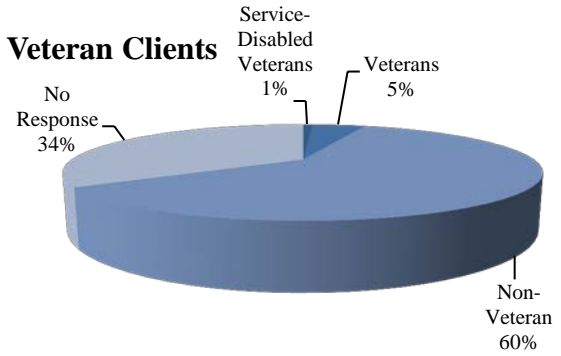
Demographics

Individuals assisted by the Pennsylvania SBDC in 2013 represented Pennsylvania’s diverse populace. **56 percent of clients assisted were woman- and jointly-owned firms and 19 percent counted themselves as minorities.** Clients also represent a variety of industries as shown.

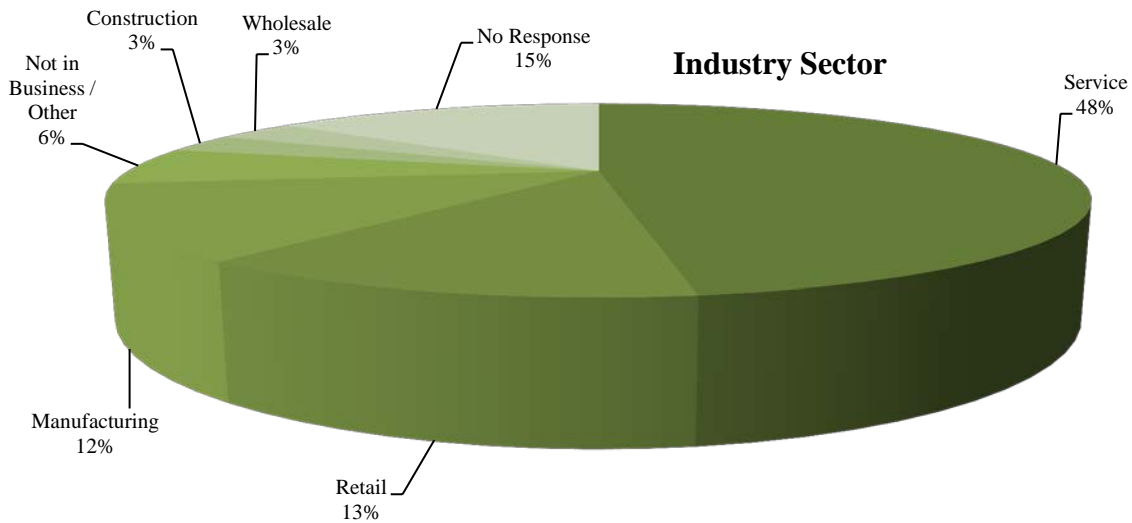
Business Ownership



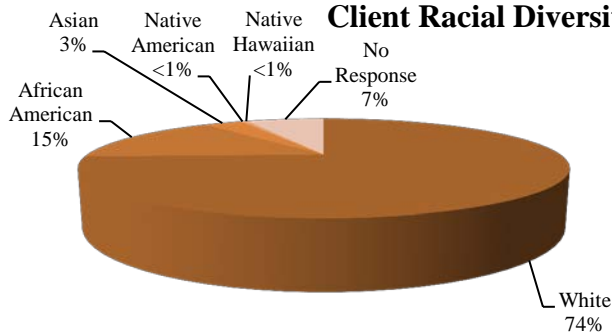
Veteran Clients



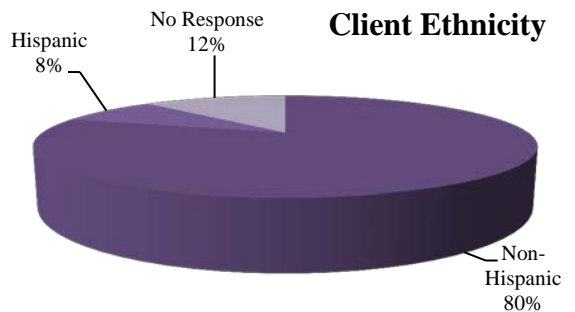
Industry Sector



Client Racial Diversity



Client Ethnicity



100 ADVOCACY

In 2013, boundary changes from redistricting coupled with many new elected officials meant increased outreach and advocacy efforts to Pennsylvania legislators. The SBDC continues to meet with key program partners on a regular basis to keep a pulse on regional activities and share impacts of the program.

For instance:

- In partnership with State Representatives Linda Culver and Representative Kurt Masser, the Bucknell University SBDC continued its consulting outreach program through the spring and summer. Consultants from the SBDC were available at the legislators' offices to provide entrepreneurs with no-fee consulting services and information.
- The Clarion University SBDC participated in the North Central Region 'DCED On the Road' as part of DCED administration touring the region to get a firsthand look at the exciting growth and development that is taking place throughout North Central Pennsylvania. Team DCED visited business incubators, walked through vibrant Main Street communities, toured manufacturing companies to learn about how things are made, explored tourism destinations, hosted events to educate companies about exporting their products and met with legislators and local government officials. North Central DCED on the Road featured two educational programs hosted by the Clarion University SBDC and North Central Regional Planning and Development Commission: "CrowdFunding" and "Affordable Care Act: What It Means for Small Business."
- A national bipartisan effort launched by the Association of Small Business Development Centers in May included a "Dear Colleague" letter that was circulated to Congress which requested \$114.5 million in funding for the SBDC program in CY 2014. Pennsylvania Representatives Cartwright (D-17), Fitzpatrick (R-8), Gerlach (R-6), Marino (R-10) and Schwartz (D-13) all signed this letter to show their support for the SBDC program. To recognize this support, a "Small Business Champion" award was presented to Representatives Fitzpatrick, Marino and Schwartz at their Washington D.C. offices in June.
- The Temple University SBDC participated in the "Business Opportunity and Resource Roundtable," sponsored by Representative Curtis Thomas. The event was organized jointly between the legislator's office and the Fox School of Business. The SBDC coordinated and hosted the event in May. Similar events organized with legislators in which the SBDC participated included a "Business Leadership Series" hosted by Senator Larry Farnese, a

networking event by Representative Kate Harper, and a business expo hosted by Councilman David Oh.

- Widener University SBDC continues to participate with regional legislators and industry groups to increase the visibility of the SBDC. In 2013 Representative Davidson held an information meeting for her constituents and the SBDC Director made a presentation on the capabilities of the SBDC as part of the meeting. Representative Barrar also had the Director speak at a luncheon meeting of the Aston Business Association. The SBDC continues to work closely with Congressman Meehan’s office and has received many referrals from the Congressman.
- In partnership with the Free Library of Philadelphia, the Wharton SBDC held a series of “Conversations on Branding” with leading Entrepreneurs which drew large diverse audiences. The speakers were Kevin Parker and Kerry Scott, Founders of Philadelphia Fashion Week; Joan Shepp of Joan Shepp Boutique; and George Bieber of the Philadelphia Mobile Food Association.
- In addition to scheduling a number of individual meetings with legislators and their staff, The University of Scranton SBDC attended legislative events hosted by a variety of economic development partners. Legislators remain a source of client referrals, offer space to meet with clients, and are also part of the SBDC’s client grand opening events. Staff of the SBDC also attended two Economy & Education forums hosted by Senator John Blake and participated in State Representative Rosemary Brown’s Business Financing Seminar.

National Small Business Week

- On June 20, SBA’s National Small Business Week made a stop in Pittsburgh presenting a day of networking and small business events in Oakdale. The event was attended by State Director Christian Conroy, as well as the directors of the Clarion University, Gannon University, Duquesne University, St. Francis University and St. Vincent College SBDCs. Many of the Western Pennsylvania SBDCs helped in assembling companies and speakers for this feature event. Having such a high-profile meeting in Pittsburgh was a great way to showcase Pennsylvania’s small business resources and support system for entrepreneurs.
- Lehigh University celebrated Small Business week by once again partnering with U.S. Representative Charlie Dent to bring a full week of free educational programs to Lehigh Valley entrepreneurs. Congressman Dent welcomed all participants at each session and also allowed time for questions and answers followed by delivery of the educational materials by the staff of the Lehigh University SBDC and several other speakers. Five seminars were conducted, including two Pre-venture First Steps; one International Business; one Small Business Financing;

and one Selling to the Government. The sessions were well received and several attendees have now become clients of the SBDC.

200 CAPITAL FORMATION

Centers are reporting that momentum has been gaining in terms of client capital acquisition. Following the lows of 2009 and 2010, commercial lending has been on the rise since the first quarter of 2011. With rates competitive, lenders continue to compete for good business clients. Additionally, attempts at spurring small business financing are increasing. At the end of the year, changes in fees for SBA loans took place that made smaller loans easier for businesses to afford. Low rates and competition among lenders should provide better access to capital for small businesses going forward. Lenders have been competing for financially strong businesses looking to expand, and have been pursuing businesses within strong industries. Center Directors and their staff continue to serve on loan review committees and stay involved in developments in the lending community.

Examples of client success stories relating to capital formation can be found in Section 3 – APPENDICES. A total of **19 SBA-guaranteed loans were approved, totaling \$8,499,440**. As for non-SBA loans, **140 were approved for a total of \$50,286,854**.

Examples of other activities include:

- In a strategic effort to help clients connect with the sources of capital they need to start and grow their businesses, the Bucknell University SBDC collaborated with the Lock Haven University and Penn State SBDCs to host a Borrower/Lender Matchmaking event featuring regional banks, credit unions, representatives of the SBA, SEDA-COG’s financial program director, legislative staffers, IDC representatives, and the regional manager for Ben Franklin Technology Partners of Northeast Pennsylvania. The event featured a one-stop “speed dating” format designed to spark lending relationships across the region. Entrepreneurs and small business owners engaged in 15 minute sessions to pitch their financing needs to a variety of lenders in a series of one-on-one interactions with representative funding sources throughout the Central PREP Region.
- In 2013, the Clarion University SBDC designed a banker’s roundtable event to bring together bankers, funding organizations and businesses. The “Where’s the Money” seminar was held in November in Dubois, located in both Jefferson and Clearfield Counties. The event provided space for seven local banks to set up a display highlighting their organization’s products and services. Speakers for the event included representatives from the Dubois Area Chamber of Commerce, SBA Pittsburgh District Office, Pennsylvania DCED Small Business Financing Division, SEDA-

Council of Governments, The Progress Fund, North Central PA Regional Planning and Development Commission, and the SBDC.

- In May, at the request of First Niagara Bank’s regional Small Business Banking Officer, Gannon University SBDC, addressed a group of fourteen First Niagara Bank Branch Managers on the subject of small business startup financing. Topics discussed included revenue projection compilation and validation methodologies, financial feasibility and risk assessment analyses; business plan content and critique; financial projection statement interpretation, and a discussion of the region’s EDA loan providers’ relevant expectations, programs, and accessibilities. Several of the EDA agencies mentioned as potential funding partners during the SBDC presentation are members of the Northwest Pennsylvania Region PREP partnership.
- Two Financing Alternatives Seminars were held by the Lehigh University SBDC in 2013. The first, held in May during Small Business Week, was well attended, and Congressman Charlie Dent provided opening remarks. Representatives from Lafayette Ambassador Bank, U.S. Small Business Administration, Rising Tide Community Loan Fund, Northampton Counties Revolving Loan Fund, Community First Fund, and Lehigh Valley Economic Development Corporation made presentations alongside the SBDC.
- The Director of the Kutztown University SBDC made a presentation on the SBDC network resources available in Eastern Pennsylvania to the SBA Banker Roundtable webinar that they hosted in early October. Over 100 bankers and SBA affiliated lenders were on the webinar.
- The University of Pittsburgh has implemented a new group consulting technique called the “Third Step.” After aspiring entrepreneurs attend the First and Second Step educational programs, a small group of 4-5 clients are formed to help address similar issues and challenges many clients have in the early stages of business plan development and securing financing.
- Wharton SBDC hosted two ‘Meet the Lenders’ events in 2013, which educates small business owners about how lenders evaluate their loan applications and to enable small business owners to speak informally with representatives from large and community banks, SBA, microfinance lenders and others who supply credit. Over 25 small business owners attended each event.

300 INNOVATION & TECHNOLOGY TRANSFER

The Pennsylvania SBDC continued to offer confidential technology services to its small business clients in 2013. The technology services were re-accredited by the Association of Small Business Development Centers in 2011. Services include:

- Early stage product feasibility, planning and commercialization
- Networking and resource development
- R&D grant identification and proposal reviews
- SBIR/STTR proposal assistance
- Identification of financing sources and investor pitch preparation

During 2013, services were marketed statewide and delivered by the technology consultants located at Kutztown University SBDC (Eastern Pennsylvania) and Duquesne University SBDC (Western Pennsylvania). The dedicated funding to support the two technology consultants ended June 30, 2013. Since July 1, technology assistance has been provided by consultants who are part of the Pennsylvania SBDC Technology Team.

The Technology Team consultants have received additional training in technology consulting:

- Members of the team attended the Technology Track sessions at the Annual America's SBDC Conference in Orlando, Florida and received technology consulting training and learned about additional resources.
- The Pennsylvania SBDC hosted a Technology Forum in November, which included panels on technology commercialization funding and resources. The forum provided an opportunity for SBDC consultants to learn more about the technology resources in their areas and make the connections they need to build their local resource networks.

The Pennsylvania SBDC continues to be a member of Innovation Partnership, a consortium of economic development and business assistance organizations located throughout Pennsylvania with the goal to help early-stage technology companies in Pennsylvania secure federal funding opportunities. Many SBDC clients have received mini-grants and vouchers to assist with proposal preparation to help these technology developers secure SBIR/STTR and other federal funding.

The SBDC technology services also include the Engineering Development Services offered through the Bucknell University SBDC. Some of the SBDCs, including the Gannon University and Clarion University SBDCs, have partnered or started incubators to provide a launch-pad to advance new technologies.

The Bucknell University SBDC's Engineering Development Services (EDS) provides technical assistance to clients throughout the Pennsylvania SBDC network. In 2013, clients of EDS launched three innovative new products to market. During 2013, EDS assisted 62 clients, including referrals from all 18 centers in the state network. Partner SBDCs referred 40 clients, covering a total of 21 counties. EDS collaborates with regional technical partners such as PennTAP, the IMC, SEDA-COG, Ben Franklin Technology Partners, and the Keystone Innovation Zones in the Greater Susquehanna and Williamsport Lycoming regions.

The Pennsylvania SBDC was fortunate to have additional resources during part of the year to offer specialty assistance in the commercialization of energy related technologies. The SBDC provided in depth assistance to small businesses developing and deploying clean technologies through our **Clean Technology Resource Center** (CTRC) located at Penn State SBDC. While the Pennsylvania SBDC has been very successful in helping drive the clean technology market through this program, separate funding for this initiative ended March 31, 2013.

The Penn State SBDC continues to share office space in the Technology Center with the Ben Franklin Technology Partners (including Ben Franklin Venture Forum, Ben Franklin Transformation and the Shale Gas Innovation and Commercialization Center), Chamber of Business and Industry of Centre County (CBICC), Centre County Industrial Development Corporation (CCIDC), Industrial Modernization Center (IMC), Penn State Office of Technology Management, Penn State Office of Sponsored Programs, and the business incubator. The Penn State SBDC's alignment with these partners and the ongoing TechCelerator collaboration has yielded many high-quality clients which have contributed significantly to pre-venture impact and capital formation. A Business consultant participates in each offering of the TechCelerator program, offering formalized training and consultation. The same Business consultant is also a key contributor to the Triage team, which meets with entrepreneurs as a 'single point of entry' into the various programs and offerings available through the Technology Center. The SBDC also continues to partner with the Ben Franklin Technology Partners and the Penn State Office for Technology Management to offer a 90-minute "Research to Start-up" seminar which offers an introduction to the considerations inherent to commercializing research or technology. The SBDC's reputation is growing fast with regard to technology commercialization, and many entrepreneurs express appreciation for the SBDC's confidentiality policy, which is a benefit not offered by many other programs.

400 INTERNATIONAL TRADE

The Pennsylvania SBDC continues to make progress in strengthening its international business offerings for small- and medium-sized businesses. The network continues to support its international trade partners including the U.S. Department of Commerce's Commercial Service, the U.S. Trade Development Administration and the Pennsylvania Department of Community and Economic Development.

From January 1, 2013 to December 31, 2013, the SBDC consulted with hundreds of clients on international trade issues while executing more than **29 export-related educational programs** that were attended by **440 individuals**. Clients reported an **increase in export sales, totaling \$9,602,641** in 2013.

During this reporting period, **518 clients received exporting assistance through 2,149 consulting sessions**. Of this group, 17 clients reported export sales to new markets. Also during this time, 17 referrals were recorded to export partners including the U.S. Department of Commerce, Regional Export Network, U.S. Export Assistance Centers and other Federal resources. Centers continue to use SKYPE and other video conferencing platforms to communicate with overseas trade representatives and clients at little to no cost to the program.

The SBDCs have been designated as a major contributor to fulfilling the goals of the National Export Initiative. To assure the network has the expertise to help more small firms sell Pennsylvania products and services around the world, staff at each center are receiving certification in international business. The Pennsylvania SBDC is proud to work toward fulfilling this requirement and currently has **22 out of 109 full-time employees certified in international trade**. The following staff members of the Pennsylvania SBDC network can be counted toward this goal (Names in **bold** received certification in 2013):

- Lindsay Biddle, University of Pittsburgh SBDC, SBA/TPCC certified, 2012
- Martin Brill, Kutztown University SBDC, NASBITE certified, 2006
- Robin Burtner, Shippensburg University SBDC, SBA/TPCC certified, 2012
- Paul Caimi, Lock Haven University SBDC, SBA/TPCC certified, 2012
- Vickie Gyenes, Saint Vincent College SBDC, NASBITE certified, 2006
- Kate Hall, Clarion University SBDC, SBA/TPCC certified, 2012
- Ed Huttenhower, Saint Francis University SBDC, NASBITE certified, 2012
- **James Kunkel, St. Vincent University SBDC, NASBITE certified, 2013**
- Cora Landis, Lehigh University SBDC, SBA/TPCC certified, 2012
- Mark Maguire, Wharton School SBDC, SBA/TPCC certified, 2012

- **Carolina Martinez, Kutztown University SBDC, SBA/TPCC certified, 2012, NASBITE certified, 2013**
- Glenn McAllister, Widener University SBDC, SBA/TPCC certified, 2012
- Mary McKinney, Duquesne University SBDC, SBA/TPCC certified, 2012
- Maria Montenegro, The University of Scranton SBDC, SBA/TPCC certified, 2012
- **Jill Newcomer, Gannon University SBDC, SBA/TPCC certified, 2013**
- Sofia Ozol, Pennsylvania SBDC Lead Office, NASBITE certified, 2012
- Tony Palamone, Indiana University of Pennsylvania, SBA/TPCC certified, 2012
- Jim Porter, Widener University SBDC, SBA/TPCC certified, 2012
- Brent Rondon, Duquesne University SBDC, NASBITE certified, 2007
- Donna Simpson, The University of Scranton SBDC, SBA/TPCC certified, 2012
- Maria Spencer, Penn State SBDC, SBA/TPCC certified, 2012
- Mary Beth Zingone, Lehigh University SBDC, SBA/TPCC certified, 2012

Examples of activities in international trade occurring in 2013 include:

- Clarion University SBDC client Brookville Equipment joined the Governor’s business development mission to Brazil and Chile this past spring, along with C. Alan Walker of the Department of Community & Economic Development (DCED) and Team Pennsylvania Foundation. As part of the Governor’s Jobs First initiative, the Department of Community and Economic Development and Team Pennsylvania Foundation organized the April 2013 jobs mission to Brazil and Chile. Brookville Equipment was able to pitch their mining products to developing countries to expand their export marketing opportunities.
- The Clarion University SBDC also collaborated with the North Central PA Regional Planning and Development Commission to host a Zambia Inbound Buyers Mission in June. The event, held at the Clarion University SBDC, featured one-on-one meetings with trade representatives from eight Zambia companies. The event afforded local companies an opportunity to interact with, ask questions and engage with these companies on export opportunities through prescheduled appointments.
- The Duquesne University SBDC worked with the Pennsylvania DCED Center for Trade Development’s (CTD) Office of International Business Development (OIBD) through the STEP grant to organize the trade mission of Pennsylvania companies to Panama and Colombia which was held from June 23-29, 2013. The Duquesne University SBDC worked with other SBDCs in the network, the Pennsylvania DCED CTD and U.S. Commercial Service. From the prospective

list of twenty five to thirty companies, eight small businesses were accepted by and registered for the U.S. Commercial Service's Gold Key Service —7 for Colombia and 6 for Panama.

Companies attending the mission covered a broad range of industries including: information technology, construction and manufacturers (i.e. medical devices, fiber optics, recycling, HVAC, labeling equipment, cylinder seals).

- Through its partnership with LEXNET and the Pennsylvania Export Network, the Lehigh University SBDC promotes the Global Access Program (GAP) to enhance the capability of small to mid-sized Pennsylvania companies to increase export sales. The SBDC was successful in submitting eight GAP applications to the Pennsylvania Center for Trade Development. All were approved totaling more than \$30,000. GAP provides up to \$5,000 per year to qualifying Pennsylvania companies to offset eligible expenses associated with export promotion activities. The program is funded through a grant award from the U.S. Small Business Administration.
- Lehigh University SBDC also submitted four Market Access Grants (MAGs) in 2013. All were approved with a total amount distributed from the Lehigh University SBDC of \$9,000 in awards. The Market Access Grant Program (MAG) is designed to enhance the capability of small and mid-sized Pennsylvania companies to increase export sales. A maximum MAG award of \$3,000 per fiscal year can be used to offset 50% of the qualifying expenses associated with a new international marketing initiative. MAG is funded through the Pennsylvania Office of International Business Development and administered by the Lehigh University SBDC.
- This spring, Kutztown University SBDC client, Zeigler Bros., Inc. of Adams County, was awarded SBA's Eastern Pennsylvania, Region III and National Small Business Exporter of the Year Award, the U.S. Department of Commerce's 'E' Award and the Governor's Impact Award for Export for South Central Pennsylvania. This high profile recognition is a tribute to the client's long term commitment to quality products, unexcelled customer support and understated community service. The SBDC is proud to continue working with this client for over 15 years.
- In mid-March, the Kutztown University SBDC hosted a seminar on the new U.S. Free Trade Agreements with Colombia and Panama in Harrisburg which was simulcast to the Reading office. The Kutztown University SBDC along with the Shippensburg University SBDC exhibited at the York Business Fair which Governor Corbett opened in May. The SBDC also participated in client meetings with six Pennsylvania overseas trade representatives acquiring several new clients for both international trade and government procurement services.
- The St. Francis University SBDC attended the Asia Pacific International Mining Exposition (AIMEX) show that was held in Sydney Australia in late August representing six companies at

this show. The center displayed marketing materials, developed trade leads, and conducted research on companies' behalf. The mission was a great success and obtained very positive results with a total of 94 leads being generated for the six companies. The Center organized and submitted the trade leads, buyer information, and contact materials obtained from the show to all participants. The St. Francis University SBDC also worked very closely with the U.S. Commercial Service to make the show a success. Additionally, the Pennsylvania rep for Australia was in attendance for most of the show. The Center received many positive comments about the quality of the work done and the trade leads that were presented to the various companies. While the Center would like to participate in additional shows in the future, the ability to do so is far from certain, funding available for attendance at shows such as this is extremely limited. Without additional sources of funding, future shows will not be possible.

- St. Vincent College SBDC's Center for Global Competitiveness hosted its Annual Global Growth Conference in March. This two-day conference was designed to address market development, financial risk associated with international business transactions, and to ensure ongoing compliance with U.S. Export Controls and Regulations. It attracted a total of 61 attendees and was sponsored by Fay-Penn Economic Development Council, Fifth Third Bank, Spirit Airlines, U.S. Commercial Service, Westmoreland County Industrial Development Corporation, and Southwestern Pennsylvania Commission. Featured presenters included representatives from Cohen & Grigsby PC, Compliance Assurance LLC, Alcoa, Bayer, Baker Hughes, Kennametal, U.S. Steel, Westinghouse, PPG, Fifth Third Bank, and a luncheon speaker from the Federal Bureau of Investigation. Specialized sessions focusing on the EAR and ITAR were included.
- The St. Vincent College SBDC also hosted a delegation as part of the IESC Kazakhstan Business Connections Project focusing on the Logistics and Transportation Sector in August. The delegation had the opportunity to visit the Savage Safe Handling Inc. location in New Stanton to learn more about operations and safety in the logistics and transportation sector. The SBDC continues to offer opportunities to companies in the area along with educational programs specific to export and market development, export controls and regulations, and new market opportunities.
- Temple University SBDC was invited to collaborate with the Delaware Valley Industrial Resource Center to administer the Expotech Program in 2013. Expotech is a nationally recognized export acceleration program designed to assist manufacturers develop an international growth plan. The SBDC international specialist provided individualized coaching to the participants in the program during the three month training period. In addition, the SBDC also collaborated with various economic development organizations to provide educational programs

for businesses interested in doing business overseas. Most of these organizations served as co-sponsors or provided expertise on international topics for events. Examples of events offered included the following: Doing Business in South America and Explore Indonesia.

- Temple University SBDC was also invited to participate and co-sponsor events hosted by the Mayors Commission on African and Caribbean Immigrant Affairs. One of such events was an “African Business Roundtable” which was designed to highlight business opportunities in various African countries. The panel was made up of ambassadors and dignitaries from select African countries who gave an overview of opportunities for doing business in their respective countries. As part of this main event, the SBDC Director was invited to serve on a panel to discuss the role of the SBDC in providing technical assistance to small businesses interested in pursuing opportunities in African markets.

500 MINORITY BUSINESS DEVELOPMENT

Assistance with certification programs, development of business plans, SBA 8(A) loan applications, and partnerships to increase outreach are just some of the ways the Pennsylvania SBDC supported minority business owners in 2013. This year, the SBDCs consulted with **1,340 minority clients**, representing **19 percent of the total client base**. In addition, 6 percent of SBDC clients counted themselves as Hispanic and 80 percent of the minority group identified themselves as African-American.

Examples of activities to support Pennsylvania’s diverse population include:

- The Duquesne University SBDC continued to offer First Step courses in Spanish (Abre Tu Negocio en Pittsburgh) and offered a series of Spanish First Steps throughout its territory as part of the Pittsburgh Immigrant Entrepreneurs (PIE) Program. The PIE consultant worked with 38 immigrant entrepreneurs, many of whom had attended the seminars. Six of the 38 opened new businesses.
- The Gannon University SBDC participated in various outreach activities including the Urban Erie Community Development Center’s (UECDC) “Martin Luther King, Jr. Career Fair, Campaign for Jobs & Income” held at the JFK Center in Erie. It was a great networking opportunity for the SBDC as many minorities and refugee populations were represented at the event as well as the pre-event “Leadership Breakfast.” Along with promoting the ECGRA microloan, the Gannon University SBDC and its First Step (pre-business planning) class were also highlighted. The SBDC also delivered a First Step class for new business startups to Urban Erie Community

Development Center clients at their facility where several minority and refugee attendees learned about writing a business plan and the steps necessary in starting a business.

- The Latino Business Resource Center (LBRC) at Kutztown University SBDC held two eight-week Business Skills for Latino Entrepreneurs classes in the City of Reading, one in the City of Bethlehem (in coordination with the Lehigh University SBDC), and one in Kennett Square during 2013. 75 entrepreneurs enrolled for the four classes and 58 of them graduated successfully. The classes held during the fall were part of a pilot to simulcast the class live from Reading to Kennett Square. According to the U.S. Census Bureau, Pennsylvania's Hispanic population soared 83% in the last ten years. Today, 42.8 percent of the population in Allentown, 24.4 percent in Bethlehem and 20 percent in Easton are of Hispanic origin. The Bureau also reported that the number of Latino-owned firms nationally increased more than 30 percent between 1997 and 2002, which is more than triple the growth recorded for all U.S. businesses. In Pennsylvania, the number grew 40 percent. The program was developed in response to these growth trends and in recognition of the concentration of Spanish-speaking individuals in South Bethlehem. With a format initially developed and presented in the Reading area, the LBRC uses an innovative learning model of classroom lessons, online business-plan workshops, unlimited mentoring from bilingual business consultants and interaction with business professionals and entrepreneurs. The seminar series was taught in Spanish, with classes running for eight weeks at the Fowler Southside Center.
- Thinking of the existing business needs, the LBRC partnered with the Berks County Latino Chamber of Commerce (BCLCC) to offer eight seminars as part of the Entrepreneurial Development Series. Specialized topics such as fraud, free trade agreement, QuickBooks, business model generation, social media, zoning, loan packaging, Microsoft Excel, and bankruptcy were presented by guest speakers. 73 business owners participated in these events, offering positive feedback about this program. The donation of 20 laptops by BCLCC allowed the center to have more interactive and practical sessions.
- The Temple University SBDC participated in the Minority Supplier Development Council panel discussion that was held in June. The SBDC Director served on the panel and discussed Small Business Administration resources available for businesses. The panel was made up of SBA resource experts in the Philadelphia area and there were over 50 businesses in attendance. Also in June, a similar collaborative effort was done with the Hispanic Chamber of Commerce in Philadelphia. The Hispanic chamber held a technology forum for Hispanic businesses in the Philadelphia area where the SBDC director gave the welcome remarks.

- Widener University SBDC consulting provided assistance for prime contractors in the development of subcontracting plans required for Federal Acquisition Regulations compliance with diversity programs. In these efforts center counselors have communicated with corporate supplier diversity officers to enhance their clients' access to minority participation in contracting and the creation of supplier diversity policies and procedures. Center consultants have also presented qualifications and SBDC services at conferences organized by large prime contractors with diversity programs.
- The Temple University SBDC was invited to participate in an African American Business to Business expo organized by Councilman David Oh's office in Philadelphia. An SBDC representative participated in a panel discussion about business resources available for entrepreneurs in the Philadelphia area. The event was very well attended. In addition, the SBDC also participated in a similar event organized by the Councilman for Minority Enterprise Development Week in Philadelphia.

600 RESOURCE DEVELOPMENT

Partner relations are an important aspect in getting SBDC clients the information and resources they need to realize success. SBDC assistance is done in conjunction with many partners: regional and local economic development organizations, chambers of commerce, financial institutions, state and federal agencies, and local legislative offices, among others. Clients have directly benefitted from the network's contacts and relationships with these entities. In addition, these relationships promote collaboration, avoid duplication of efforts and expand outreach and referrals. In a time of reduced budgets, this last point has proved valuable in continuing to provide high-quality services to the small business community.

This year, the SBDCs have formed stronger partnerships within their respective communities. Many local agencies are also experiencing reduced revenues and are seeking greater partnership involvement. As a result, SBDC expertise in a variety of areas has been more widely recognized.

Examples include:

- The Bucknell University SBDC continues to offer a robust educational program and was successful in securing sponsorship from area banks, credit unions, and other partners to be able to continue offering their Pre-business "First Step" Workshops at no charge to attendees. This expanded partnership also provided the center with new locations throughout their six county service area to present these programs, as well as promotional support from each of these partners. Sponsors during this reporting period include M&T Bank and 1st Credit Union.

- In 2013, St. Francis University SBDC undertook fundraising efforts through the financial institutions serving the region. This raised in excess of \$16,000 for the center and its activities. This is one of the highest amounts since the first year of the fundraising program. Given the changes that were going on with the banking community, the center was pleased with the amount raised. Plans are being made to expand the fundraising program for the next round. The center will be working more closely with the University's Advancement Office in this next round of funding. This is in an effort to significantly increase the amount of funds raised given the tenuous financial situation currently at the center.
- In November, a business consultant at the Shippensburg University SBDC participated in a PCN show taping at the Murata Business Center in Carlisle, PA. The show was one in a series of "Town Meetings on Financial Literacy" and the topic was "Starting a Small Business." The show was advertised with the following phrase, "If you have ever thought about starting your own business this is an opportunity to get tips from a panel of experts on what you need to know to take the steps to business ownership." In addition to SBDC representation, other panelists for the program represented the U.S. Small Business Administration, National Federation of Independent Business, Members 1st Credit Union, and the Pennsylvania Credit Union Association. In addition to providing good information for entrepreneurs present for the taping and for those watching at home, the PCN program also inspired the Pennsylvania Credit Union Association to connect with the Pennsylvania SBDC Lead Office to explore closer collaboration between the SBDC network and Pennsylvania Credit Unions.
- The Wilkes University SBDC has expanded its relationship with both the Carbon County Career Link office and the Schuylkill County Career Link offices who were extremely interested in offering SBDC services at their locations. Both offices have fully marketed SBDC services and routinely attract good numbers of interested participants.
- The University of Scranton SBDC explored new partnerships to enhance its services in 2013 including: joining with the Pennsylvania Council on the Arts for 'Building Your Art Business Series,' Securing funding from Pennstar Bank for the Women's Entrepreneurship Center StartUP Series, again working with Mohegan Sun for the Women's Entrepreneurship Center BuildUP Series, as well as The University of Scranton Diversity Initiatives Grant Program for the Buy Fresh Buy Local, Local Food Guide.
- The Temple University SBDC has developed a relationship with the Keystone Redevelopment Group, the property management company for the Bridge Business Center in Bristol, PA. The

SBDC initiated contact with the company and scheduled several meetings to discuss a partnership to provide SBDC services on-site for both their tenants and other clients in Lower Bucks County. The meetings were very productive and a memorandum of understanding has been developed to govern the use of the space and service delivery. This will enable the center to expand its outreach and provide an additional location for service delivery.

700 PROCUREMENT

The Pennsylvania SBDC is host to the Southeast Pennsylvania Procurement Technical Assistance Program (PTAP), a non-SBA project that assists companies with selling products and services to federal, state and/or local government agencies. Educational programs included “Doing Business with the Government” and “Certification Made Simple” where attendees can learn more about Disadvantaged, Minority and Women’s (DBE/MBE/WBE) business enterprise certifications.

Government markets are not a universal remedy for increasing revenues, and all centers encourage companies to self-evaluate products, processes and facilities to determine if they are prepared to compete efficiently in this marketplace. In educational seminars, centers also discuss the importance of Pennsylvania certifications, the certification requirements and benefits, how to identify state contracting opportunities, and how the state purchases goods and services.

Examples of information sessions with SBDC participation include:

- The Clarion University SBDC attended the Northwest Pennsylvania Procurement Technical Assistance Center in partnership with the Erie Regional Chamber and Growth Partnership at the second annual Dynamic Networking for Small Business event at the Bayfront Convention Center in Erie. The event featured two matchmaking networking sessions giving businesses in the region the opportunity to meet face-to-face with government agencies, prime contractors and business resources on one day in one place. Prime Contractors in attendance were Lord Corporation, 84 Lumber Company, Erie Forge & Steel, Inc., Fisher Scientific, and U.S Army Corps of Engineers, Buffalo District and Pittsburgh District. Also attending were various business resource organizations including Clarion University SBDC, Gannon University SBDC, SBA, SCORE, Northwest PA Regional Planning and Development Commission, and Erie Regional Chamber and Growth Partnership.
- Lehigh University SBDC hosted a ‘Meet the Buyers Expo’ reverse trade show held at the Steel Stacks complex in October. As part of the expo, the SBDC held training sessions with other regional economic development entities. These educational programs included a Co-Stars session

at the Whitehall Chamber of Commerce in May, a VA/SDVOB certification seminar at the Upper Bucks Chamber of Commerce in June, and a How to Follow-up seminar at the Slate Belt Chamber of Commerce in September. Publicity for the event included new format outreach where the SBDC hosted public radio shows. This yearlong effort, with weekly meetings, brought multiple Agencies together to work on the event. Over 50 major businesses and government/municipal buyers staffed booths and almost 400 small businesses got the opportunity to market their products/services to them.

- In May the Duquesne University, University of Pittsburgh and Penn State SBDCs partnered with Innovation Partnership to offer three seminars on government accounting. These seminars educated business owners interested in obtaining Federal funding for their small business with topics that included grant/contract requirements, chart of accounts, vendor payments, indirect rates, and audits.

800 SPECIAL FOCUS

SHALE ENERGY, AFFORDABLE CARE ACT, BUSINESS CONTINUITY

Shale Energy

Shale energy activities continue to increase in regions served by many of the centers. Several locations have continued to assist clients in capitalizing on opportunities presented by the development of the natural gas deposits. Starting in 2009, the Pennsylvania SBDC network has been specifically identifying and tracking client businesses which are involved with the shale energy supply chain. Since tracking began, the SBDC network has consulted **406 Shale Energy clients for a total of 17,726 consulting hours**. These clients represent 48 out of 67 counties in Pennsylvania. 100 businesses have been started or expanded with 131 business plans completed and \$50 million of investment generated. Overall, SBDC clients in the shale industry have **created 415 jobs, with another 734 being saved totaling \$429 million in increased sales**.

The Pennsylvania SBDC continues to analyze our data to better understand the statewide activity and impact from small businesses in the shale energy supply chain. After updating and revising the Pennsylvania SBDC Shale Energy webpage and curating resource links and tools for clients, many of the centers across the network have begun holding Shale 101 workshops in their regions. In 2013, the Shale 101 workshop was offered five times across the state to 138 attendees. The SBDC network continues to work with resource partners including the Penn State Marcellus Center for Outreach and Research (MCOR) and Shale Net to better understand existing resources and gaps.

In the fall of 2013, the Pennsylvania SBDC took the lead on co-presenting a full-day program on shale energy as part of the national America's SBDC Shale Energy Interest Section at their annual conference in Orlando. Attendees from SBDCs across the US were in attendance to discuss natural gas development in their respective states. Topics during the program included shale energy basics and small business opportunities, best practices for serving clients in shale plays, Shale Energy 101 curriculum development for SBDCs, and an open forum for all in attendance to discuss shale developments in their region.

The Pennsylvania SBDC also held a "Shale Track" during its annual Small Business Growth Forum in Williamsport in November. This event is the annual statewide gathering of SBDC staff and was an opportunity for staff to learn more about developments in the industry. Speakers from industry groups presented on the current state of the industry as well as business opportunities beyond shale including the developments regarding an ethane cracker plant in Western Pennsylvania. This event also provided time for the SBDC's internal shale team to meet and discuss consulting as it relates to shale energy.

Centers also continue to be active within the shale energy industry in their regions. In 2013, the Clarion University SBDC continued to participate as a member of the Northwest Pennsylvania Oil and Gas Hub formed to provide a collaborative effort in providing and promoting oil and gas industry and activity information for individuals and businesses in the northwest region of Pennsylvania. The following organizations are a part of this collaboration: Keystone Community Education Council, Oil Region Alliance, Venango Chamber of Commerce, Titusville Community Development Agencies, Pennsylvania CareerLink, Venango Technology Center, Venango County Regional Planning Commission, Penn-Northwest Development Corporation, Clarion County Economic Development Corporation, and the Clarion University SBDC.

Affordable Care Act (PPACA)

Provisions of the Patient Protection and Affordable Care Act (PPACA) affect the SBDC's entire client base; therefore the importance of educating all SBDC consultants on the law's provisions became a priority in 2013. The former director of the Wilkes University SBDC, an attorney by trade with a background in regulatory affairs, was asked to develop curriculum and conduct pilot ACA 101 workshops in early 2013. After the pilot workshop held in February 2013 attracted almost fifty business owners, the SBDC knew that this topic would be of interest statewide. Following the pilot, the workshop curriculum was modified and shared with the entire Pennsylvania SBDC network for statewide use.

In June 2013 representatives from all 18 centers in the Pennsylvania SBDC network gathered in Harrisburg for a half-day of training on PPACA. The training consisted of two parts – ACA 101 (for

businesses with 50 employees or less) and ACA 201 (for businesses with more than 50 employees).

Presenters included:

- Ruth Hughes, Wilkes University SBDC (SBDC director and attorney)
- Eric Pochas, Vantagen (employee benefits expert)
- Mary Jo Shaub, Insurance Consultant (subject matter expert)

Materials from the training were distributed to all centers in the statewide Pennsylvania SBDC network so that each center could use the curriculum to hold educational programs in their region. The session during the June 2013 meeting was also recorded and hosted on the Pennsylvania SBDC staff intranet so all staff could view the training even if they were not able to attend in-person.

In 2013, **14 in-person ACA 101 educational programs were held across the state of Pennsylvania, attracting 598 small business owners.** The average number of attendees for these programs is 43; this is more than double the normal attendance rate for SBDC educational programs which shows the value of these programs. Some centers have held these seminars twice due to demand. While developing the curriculum for the ACA 101 educational programs, the Pennsylvania SBDC also developed a new section of its website to house resources and frequently asked questions on PPACA. The website (<http://pasbdc.org/ppaca>) was used on all presentation materials during ACA 101 seminars and shared through communications with small business owners.

In October 2013, a shortened version of the ACA 101 educational program was also recorded and posted online for on-demand viewing garnering **more than 280 registrations and over 260 views from small business owners.** The SBDC continues to share relevant updates on this topic to businesses including information from Federal Agencies such as the U.S. Small Business Administration, Health and Human Services and the Internal Revenue Service.

Business Continuity & Survival

As part of a separate grant funded through the U.S. Economic Development Administration, the Pennsylvania SBDC worked in 2013 to build staff capacity as part of its Business Continuity and Survival Services to existing business owners. Originally stemming from businesses who were impacted by the floods of 2011 caused by Hurricane Irene and Tropical Storm Lee, the SBDC is performing targeted outreach to businesses in the affected areas which includes the 14-county area that was hit the hardest during the storms of 2011. Six SBDCs in this targeted region have been consulting with businesses to build their business disruption and continuity strategies as listed below:

- Northumberland and Perry Counties – [Bucknell University SBDC](#)
- Dauphin, Lebanon and Lancaster Counties – [Kutztown University SBDC](#)
- Lycoming County – [Lock Haven University SBDC](#)
- York County – [Shippensburg University SBDC](#)
- Bradford, Susquehanna, Tioga and Wyoming Counties – [The University of Scranton SBDC](#)
- Columbia, Luzerne and Sullivan Counties – [Wilkes University SBDC](#)

Education on cloud-based software, mobile-ready strategies and ways to optimize a company’s online presence are a key part of the business continuity consulting being offered by the SBDC. Businesses are also able to build web strategies from personalized consulting on search engine optimization (SEO), eCommerce and other ways to bolster their online sales to help supplement their local in-person sales. Business owners are also encouraged to develop mobile-ready strategies to work remotely and communicate with staff during an emergency situation.

The SBDC is also working to better prepare businesses for future interruptions through the development of business disruption and continuity plans, advice on acquiring capital (before and after a disruption) and helping companies diversify their revenue streams through new markets. Businesses are also advised to explore their growth potential through expanding their sales online, abroad or with the government to encourage customer and supplier variation to better weather future disasters.

900 ECONOMIC DEVELOPMENT

The mission of the Pennsylvania SBDC is to grow the economy of Pennsylvania through its entrepreneurs which means participation in regional and statewide economic development initiatives. Examples of the network’s economic development activities are numerous; activities during this reporting period include:

- In 2013, Clarion University SBDC received a Community Fellows Grant from Clarion University in the area of economic development. The grant was designed to support direct interaction between business students in the MBA Program and profit/non-profit organizations in the region. As part of a capstone course, students performed an organizational strategic audit that resulted in the development of a strategic plan.
- Sponsored by the Oil Region Alliance (ORA) of Venango County, the ‘Get on the Trail’ Business Plan Contest for the Erie to Pittsburgh trail kicked off in May with involvement of the Clarion University SBDC. Speakers at the kick-off addressed the topic of revitalizing post-industrial towns into hubs for outdoor recreation and the types of businesses that benefit most from this type

of outdoor recreation. The focus is on the potential economic impact that the Trail Town idea could generate. Following the kick off, ORA sponsored three educational programs of which two were taught by a Clarion University SBDC consultant. Clarion University SBDC presented the “Steps to Starting a Business” and “How to Finance your Business.” A representative of the Clarion University SBDC participated as a part of the judging committee including the initial submissions of a business profile and the final judging of the completed business plans.

- The Duquesne University SBDC held its 15th Annual Entrepreneur’s Growth Conference on May 10. The SBDC received proclamations from Allegheny County Executive, Rich Fitzgerald and the Mayor of Pittsburgh, Luke Ravenstahl. The day began with a panel of three successful entrepreneurs offering thoughts on their secrets to success. At lunch, Will Knecht, President of Wendell August Forge, spoke about his family-owned company and their story of history. After lunch, the 280 attendees were given an opportunity to meet with sponsors and exhibitors at the Business Building Tradeshow.
- The Jump Start Incubator (JSI) at Kutztown University SBDC introduced a pre-incubation program for the pre-venture businesses known as the Jump Start Launch Pad. The Launch Pad includes eight work areas and a consulting package to accommodate 8 businesses now. With the implementation of the Launch Pad program, the Jump Start Program capacity has increased to assist 16 businesses. Launch Pad participants receive dedicated space in one of the eight launch pad work areas, one hour of staff support, four hours of student support, and four hours of conference facility use per month. The Launch Pad is a month-to-month program designed to give entrepreneurs and Jump Start Program Staff the ability to work side-by-side to determine the entrepreneurs’ next steps over a one to six month period.
- Through its business development incubator, the Temple University SBDC provides working space and technical support for aspiring entrepreneurs. In 2013, the incubator had a total of 19 small businesses that participated in the program. The Incubator has a good mix of service businesses including an attorney, social media marketing company, construction management companies and a couple of companies that have innovative products including a mobile app and an innovative headband.
- The City of Chester was named by the White House as one of 6 cities in the Strong Cities, Strong Communities pilot program in 2012. The Strong Cities, Strong Communities program will allow the city to leverage existing federal programs and expertise to create new public private partnerships, including partnerships with the Widener University SBDC. Specifically the

community solutions team in Chester will help diversify the local economy, support small business development and revitalize the downtown.

- The University of Scranton SBDC teamed up with the University's Office of Community Relations, Lackawanna County Commissioners, Greater Scranton Chamber of Commerce, the City of Scranton, and Scranton Tomorrow to announce the Small Business Internship Initiative on Scranton's Courthouse Square in May. Designed to connect area college students with small businesses, the initiative is being piloted with three downtown Scranton small businesses with a goal of developing and expanding the program to the SBDC's entire eight-county service area in the future. The initiative stems from an increase in local small business inquiries about acquiring interns. To address that need, SBDC business consultants will provide no-cost consulting services to assist small businesses with the important work of determining whether internships are the right option for them, developing internship objectives and tasks, and providing guidance so they can conduct their own interviews and select the student interns most suited for the positions. In addition, the SBDC will offer supervisory skills training, along with guidance and support to the small businesses throughout the internships.

1000 RESEARCH

Market, industry, and other research provided to clients plays an important part in the Pennsylvania SBDC consulting services. In many cases, research is conducted by students with the oversight of senior consultants. This has been a mutually beneficial arrangement; clients benefit from getting in-depth research to help them make better business decisions and students are given the opportunity to participate in a real-world learning experience.

Robust resources are available at host university libraries, through the Penn State Data Center, and databases provided through the Regional Export Network and the Pennsylvania SBDC Lead Office, including Hoovers Online, First Research, Fintel, CultureGrams and Demographics NOW. The SBDCs also maintain a current library of solicitations for SBIR and Ben Franklin grants to support R&D efforts. In addition, each SBDC is able to tap into the vast research resources located within its host institution.

Examples of research projects conducted include the following:

- The Duquesne University SBDC consultants continue to encourage clients to utilize the Marketing Research Guide, located in the Web Notes section of their website. The Marketing Research Guide guides individuals in how to find NAICS Codes, company listings, Trade Associations and Industry trends and to conduct demographic research.

- In 2013, Gannon University SBDC worked with the School of Business to match SBDC clients with market research students to prepare Marketing plans. These projects have been successful many times in past years since the clients receive no cost assistance and the students get to learn about real world business situations. Six clients and seventeen students participated and the response was very well received.
- The Kutztown University SBDC successfully completed the third Cooperative Industry Partnership program with senior international business students from Elizabethtown College. The SBDC assisted four new clients in researching overseas markets, tariffs, and distributors.
- The St. Francis SBDC utilizes a number of students to work with clients to help resolve a range of issues from market research to financial analysis. The practice of using students provides the clients with additional timely assistance at no cost and enables the students to apply the theory they learn in class to real-world scenarios which promotes creative thinking and enhances decision making skills.
- The Lehigh University SBDC developed a pilot program that would utilize Lehigh students and the University's library resources. The result is the development and launch of the SBDC Annex Program for Business Research. By hiring qualified, work study grant funded students to work as research assistants under the direct supervision of full time SBDC staff, this program helps to provide the necessary research for SBDC clients. During the first semester of the pilot program, 51 research reports were completed and delivered to the clients. Response from both clients and students has been positive and the program will continue in the Spring 2014 semester.
- The Penn State SBDC collaborates with clients to assist with a variety of research requests. This research may include industry research, product research, technical research, and demographic research as well as competitive analysis. In addition, the environmental consultant conducts research for clients regarding regulations, waste reduction techniques, air quality remediation, industrial efficiency opportunities, and other environmental and pollution prevention issues. Specific research conducted in 2013 included: supply chain for a specific medical device, company information for a medical supply manufacturer, horse racing industry structure and contacts, and manufactured housing manufacturers and contacts.
- The Temple University SBDC provided assistance by making use of business interns and student workers who sought experiential learning at the center. For example, the international business interns provided country specific research on new markets for clients. Similarly, the Fox entrepreneurship business majors provided assistance on specific industries, highlighting trends

and market potential. Other research highlights for 2013 included social media, demographic and consumer spending for Philadelphia, magazine industry, spending power of college students, cable television industry, e-book industry, business and pricing models for law firms, education industry, vendor payment systems, micro-brewery industry, tax obligations for independent vendors, dollar store industry, mobile computing systems, personal care, solar panels, sports facilities, and office management.

- The Wharton SBDC's Commercialization Acceleration Program (CAP) continued to collaborate with the University's Center for Technology Transfer and other research organizations in the region to assist start-ups based on local research to develop strategic plans, identify markets and applications, and attract entrepreneurs and financing.
- The Wilkes University SBDC utilizes three graduate students currently pursuing their MBA at Wilkes University which allows the student to see firsthand how the education they are receiving through class work applies directly in the small business environment. Graduate Assistants work directly with clients and are relied on by the full time consultants to perform work and research that will benefit the client directly. Students who intern at the SBDC also receive first-hand experience in the small business environment by observing client meetings, reviewing business plans, and being assigned research projects in which the results are often passed on to the small business community through the SBDC.

1100 OTHER ACTIVITY

Network-wide Awards & Achievements

- The Pennsylvania SBDC and its clients won multiple SBA Awards at the district, region and national level in 2013:
 - SBA Small Business Development Center Excellence & Innovation Award (Eastern Pennsylvania and Federal Region III winner) - Widener University SBDC – Chester, PA
 - SBA Exporter of the Year (Eastern Pennsylvania, Federal Region III and National winner) Zeigler Brothers, Inc. – Gardners, PA (Nominated by the Kutztown University SBDC)
 - SBA Family Business of the Year (Eastern Pennsylvania winner) Gresham's Chophouse – Hawley, PA (Nominated by The University of Scranton SBDC)

- SBA Small Business Person of the Year (Eastern Pennsylvania winner) David Wise II, Owner G.S. Madison (Owner of two 1-800-GOT-Junk? franchises) and BOXAROO – Reading, PA (Nominated by the Kutztown University SBDC and Jump Start Incubator)
- SBA Small Business Development Center Annual Impact Award (Western Pennsylvania winner) Clarion University SBDC – Clarion, PA
- SBA Exporter of the Year (Western Pennsylvania winner) Guy Chemical Company – Somerset, PA (Nominated by the Saint Francis University SBDC)
- SBA Young Entrepreneur of the Year (Western Pennsylvania winner) Jonathan Miller, Dimples LLC – Ashville, PA (Nominated by the Saint Francis University SBDC)
- Top 25 Women in Business (Northeastern Pennsylvania Business Journal) Lisa Hall-Zielinski, The University of Scranton SBDC Director
- Top 100 Business People (Central Penn Business Journal) Heather Fennessey, Penn State SBDC Director
- Inaugural Governor’s ImPact Awards, 11 award winners were Pennsylvania SBDC clients, who were nominated by their local SBDC in collaboration with other economic development partners as a part of the Pennsylvania Department of Community and Economic Development’s Partnerships for Regional Economic Performance (PREP).
- The Alex G. McKenna School of Business, Economics and Government hosted a dinner on Thursday, June 6, 2013 to celebrate the 25th Anniversary of the Saint Vincent College SBDC. This dinner was attended by over 150 guests representing the financial sector, various economic development agencies, as well as SBDC clients.
- Temple University SBDC Director Eustace Kangaju was recognized by the Temple Fox School of Business with a Fox Technology Innovation award for integrating cutting edge technology in program delivery. In addition, Faye Fitz, Procurement Specialist was recognized with a Fox Community Service Award for outstanding service to the community.
- Catherine Tyson of the University of Pittsburgh SBDC was awarded the 2013 State Star for Pennsylvania, an honor given to one representative from each SBDC nationwide annually. Tyson represented Pennsylvania and was awarded during a ceremony at the America’s SBDC Annual Conference held in Orlando in September.

- In October, the Bucknell University SBDC celebrated its 35th Anniversary with an awards program featuring C. Alan Walker '66, Secretary, Pennsylvania Department of Community and Economic Development, Steven Stumbris, Director of Bucknell University SBDC, and Margaret Miller, daughter of SBDC founding Director, Charles H. Coder.
- In November, the Penn State SBDC was recognized nationally for registering the highest number of events leading up to Global Entrepreneurship Week through video address by GEW President Jonathan Ortman. Penn State SBDC led Penn State's GEW coordination efforts which included more than 45 events in conjunction with partners from around the University involving students, professors and SBDC consultants.

1200 SUCCESS STORIES

See SECTION 3, APPENDIX B – SUCCESS STORIES.

1300 TRAVEL

Out-of-State travel expenses not included in the original 2013 proposal include the following travel expenditures:

- Kutztown University SBDC director attended the Annual Entrepreneurship Conference in San Francisco, CA from January 10 – 13, 2013.
- Duquesne University SBDC director's registration to attend the National Small Business Institute (SBI) Conference which was held in Las Vegas in February 2014.
- Kutztown University SBDC bilingual business consultant attended the 27th International Conference on Business Incubation in Boston, Massachusetts from April 6 – 11, 2013.
- Kutztown University budget analyst & intake specialist attended the 55th annual Conference by the National Council of University Research Administrators (NCURA) in Washington, D.C. from August 3 – 7, 2013.
- Kutztown SBDC bilingual business consultant and two other business consultants attended the Annual ASBDC Conference in Orlando, FL in September 2013.
- Kutztown University SBDC bilingual business consultant attended the 23rd Training Institute in Fort Worth, Texas from October 7- 9, 2013.

1400 PROBLEMS

Funding reductions and uncertainty continue to be a problem for the entire Pennsylvania SBDC network. Decreased funds has made it difficult to meet the continued demand for one-on-one consulting and provide the same level of programming to small business owners and aspiring entrepreneurs. This in turn has caused increased uncertainty for staff and in some cases, staff turnover. In many cases, staff positions remain unfilled due to the lack of funds. Centers have also had to cut back outreach locations as well as reduce marketing and promotion related to services due to reduced funds and limited staff time. The SBDC is hopeful there will be more funding stability in 2014.

1500 FINANCE

All invoices for 2013 have been submitted for processing at the time of this report.

1600 WOMEN'S BUSINESS DEVELOPMENT

The Pennsylvania SBDC continued to support women-owned businesses through targeted outreach, personalized consulting, and educational programs in 2013. **56 percent of all clients represented women- and jointly-owned businesses.** Examples of outreach and successes include:

- The Gannon University SBDC held its 6th Annual Women in Leadership Development Conference on May 10, 2013. Martha Mertz, Founder of Athena International, and Barbara Van Dahlen, Founder of Give an Hour, were the keynote speakers and there were nine breakout sessions in three tracks: Woman Business Owner/Entrepreneur, Executive Leadership and Rising Leaders. The 2013 Philanthropy is the Junior Achievement of Western Pennsylvania. Proceeds from the Silent Auction in the amount of \$3,970 were donated to Junior Achievement. There were over 500 attendees from Pennsylvania, New York, Ohio and West Virginia, 39 sponsors and 63 vendors at this year's conference. The Legacy Award Winner was Dr. Maureen Barber, Vice-President of The Barber Institute.
- Since 58% of the participants in the Kutztown University SBDC's Latino Business Resource Center (LBRC) programs are women, the LBRC decided to join forces with the Greater Reading Chamber of Commerce and the Berks County Latino Chamber of Commerce and launched the Latina Women2Women Initiative. Under this initiative, six roundtables were held offering topics as diverse as motivating yourself, legal issues, time management, and branding yourself. The participants were mainly Latina business owners and professionals. However, women looking to

learn more about these topics and those interested in networking with other successful women were also part of the group. 75 women attended one or more roundtables. In October, the Latina Women2Women 2013 session concluded with a celebration of Hispanic Heritage Month with an event that included Lt. Governor Jim Cawley as a Keynote Speaker. The event also featured a panel on innovation and international trade with Carolyn Newhouse, Deputy Secretary of Pennsylvania Department of Community and Economic Development; Pamela Shupp, Vice President of the Greater Reading Economic Partnership; and Natalia Dominguez- Buckley, Regional Director of International Business Development at DCED. The main objective of this initiative is to organize a support group for the growing segment of women business owners in the area, providing them with the space to discuss their needs and concerns while simultaneously learning and meeting fellow female entrepreneurs.

- On May 10, the Tory Burch Foundation, with The Office of Mayor Michael A. Nutter, Entrepreneur Works and the Greater Philadelphia Chamber of Commerce, hosted a Conversation on Women's Entrepreneurship in Philadelphia. The Foundation implements Tory Burch's commitment to help women entrepreneurs through mentoring, education and networking. The event included over 100 women entrepreneurs from our region and the leaders of several of our economic development organizations who especially serve women entrepreneurs. The panel was moderated by the Wharton SBDC director and featured Tory Burch, Alan Greenberger, Deputy Mayor for Planning and Economic Development, Sarah Van Aken, owner of SaVa Fashion.
- A Business consultant with the Penn State SBDC attends luncheons of a local Women of Color networking group and continues to attend the meetings of Women's Networking Group, WiNGs, which is a mentoring group of 40 local women business owners, many of who are clients of the SBDC. The consultant has also recently joined another newly formed women's business networking group that will meet one evening a month. Networking with these groups helps the SBDC understand some of the local business needs specific to women and maintains client relationships in a more social setting.
- In October, the Penn State SBDC participated in the fifth annual Entrepreneurial Women's Expo held in State College, PA. The Expo was coordinated by a former client of the Penn State SBDC who is a woman and owns a successful organizing business. The SBDC displayed its booth and discussed SBDC services with the women business owners. At this time, it is the only all-women business Expo being offered in central Pennsylvania.

- Efforts continued to further develop programs and services offered by The University of Scranton Women’s Entrepreneurship Center (WEC), a partnership between the SBDC and the Kania School of Management. Pennstar Bank signed on once again to sponsor the spring WEC StartUP educational program series. 14 aspiring woman entrepreneurs completed the 6-week series, which taught participants what it takes to be an entrepreneur, business plan development, small business finance, goal setting, and marketing. In addition, WEC interns, supervised by the SBDC consultant Manager, are highly skilled, and enhance the work done by consultants by assisting with training, conducting research, and completing projects to assist consultants.
- 18 women business owners attended “BuildUP,” a one-day conference sponsored by Mohegan Sun at Pocono Downs in August in partnership with The University of Scranton SBDC. Topics included overcoming challenges facing women business owners, striving for social media success, refreshing your business plan, learning about legal issues, unlocking the mysteries of insurance, financing your business, becoming a better communicator, and mastering work life balance. Presenters included representatives from The University of Scranton SBDC, Northeast PA Business Journal, Leadership Lackawanna, White Swans Consulting, Stevens & Lee, Rose Insurance, MetroAction, Inc., U.S. Small Business Administration, Northeastern Pennsylvania Alliance, and Clearberries.

1700 ECONOMIC IMPACT

For examples of the impact of the Pennsylvania SBDC network, see Section 2, DELIVERABLES.

1800 VETERAN BUSINESS DEVELOPMENT

During this reporting period, the SBDCs supported a total of **323 veterans and 65 service-disabled veterans**, and **educated another 430 veterans** in seminars. Many centers continue to offer no-charge or reduced admission to veterans who attend educational programs. Examples of outreach and successes include:

- In conjunction with The Pennsylvania Career Link Crawford County Office, the Crawford County Veterans Service Office, and the Meadville-Western Crawford County Chamber of Commerce, the Gannon University SBDC co-sponsored and participated in a series of Veterans Outreach Workshops being conducted in both Meadville and Titusville. The SBDC's portion of the program provides an initial overview of the SBDC's business startup assistance methodologies, and then progresses through a more detailed discussion of specific veterans' business assistance programs, including applicable SBA programs; franchising assistance

opportunities such as those featured in the Vetpreneur publications; and targeted financing options such as the SBA's Veteran's Express loan guarantee program.

- The Shippensburg University SBDC partnered with Shippensburg University and Penn State Mont Alto's Career Services offices to offer a series called "Mission to Career" for military service members. The SBDC provided a workshop focused on assisting entrepreneurial veterans to understand how to utilize skills gained in their military careers to become a business owner. The SBDC also provided a workshop for spouses of senior military officers at the Carlisle barracks focused on transitioning from the military life to entrepreneurial opportunities. The program, titled "Life Changes," attracted fifteen attendees interested in learning how to plan for a small business launch.
- The Saint Francis University SBDC piloted a series of seminars targeting veterans looking at entrepreneurship as a career option. Entitled "From War to Entrepreneur," this was a series of five seminars. There was one each on business start-up, business planning, marketing, financing/recordkeeping and the last session featured a panel of veteran entrepreneurs. The series was presented in conjunction with Vet Advisor (a division of Three Wire Systems), the Saint Francis University Chapter of Enactus (formerly SIFE) and the Saint Francis University School of Business.
- The University of Pittsburgh SBDC is collaborating with the Riverside Center for Innovation on a new program focused on veteran businesses. The SBDC is committed to serving veterans and is working with Riverside Center for Innovation to develop appropriate seminars. The SBDC provides consulting services to the veterans involved in the program.
- The Pennsylvania SBDC network continued to support the SBA Boots 2 Business initiative by presenting module 7 (business planning) at each two-day event held quarterly at the Carlisle, PA branches in 2013.

1900 MANUFACTURING

The Pennsylvania SBDC has a long history of providing assistance to manufacturers, still a significant industry in Pennsylvania. The SBDCs noted an uptick in assistance needed for the industry, specifically focused on marketing plans and marketing research to find new customers at home and abroad and new products to diversify their operations. In addition, the SBDCs provided financial analysis assistance to help manufactures identify operating efficiencies and to reduce costs.

In 2013, **865 manufacturers, representing 12 percent of the total client base** turned to the SBDCs for such assistance. Statewide developments in manufacturing include:

- In January, the Pennsylvania SBDC Lead Office and the Penn State SBDC learned that the U.S. Environmental Protection Agency (EPA) elected to fund their proposal for establishing Shale Supply Chain Services. The program utilizes the EPA E3 (Economy, Energy, and Environment) framework and introduces source reduction and lean manufacturing concepts at participating facilities. The focus is on continual improvement to the manufacturing operations with regard to productivity, energy and environmental performance. The program will evaluate and use less time consuming and costly source reduction assessment procedures, such as the Pennsylvania SBDC EMAP Green Business Building Block Approach and the U.S. Environmental Protection Agency (EPA) Smart Steps to Sustainability, which may be better suited to small manufacturing firms compared to industry standard Lean Manufacturing approaches.
- While the overall economic climate in the Gannon University SBDC's service area is expected to remain stable to a slight improvement, recent news indicates that layoffs of approximately 1,050 employees can be expected from Erie's largest employer GE Transportation. How this might affect regional suppliers is not yet known. The Gannon University SBDC, because of the experience and training of its staff, is well able to train potential entrepreneurs from among those laid off who might want to start businesses in this area.
- Two factors helping the Indiana University of Pennsylvania SBDC's region have been a great deal of construction activity at the university and the resurgence of the natural gas industry in connection with the development of the Marcellus Shale gas deposits. These two factors have kept local hotels, motels, and campgrounds relatively full. Additionally, the university has record enrollments. Nonetheless, even most local stable retailers had to retrench their businesses, by limiting inventories and trimming costs. Businesses seem to be focused primarily on costs and see health care and fuel costs as their major problems.
- The Penn State SBDC reports that Mifflin County, a manufacturing hub, has remained steady in the first half of 2013 with a 7.5 percent unemployment rate, but is bracing for the closure of another manufacturer when Ames True Temper closes its doors by the end of 2013. The loss of the Ames facility will result in the loss of 135 permanent jobs and 85 temporary jobs.
- The University of Scranton SBDC and Northeastern Pennsylvania Industrial Resource Center (NEPIRC) formed a collaborative initiative designed to promote regional small businesses through the creation of localized manufacturer supply chains. The initiative introduces northeastern Pennsylvania manufacturers to local providers of goods, services, consumable maintenance supplies and subcomponents used within their manufacturing processes. The first

local company to participate in the initiative was SBDC client, JKF Technologies, an engineering and custom machine shop located in the Carbondale Technology Transfer Center. JKF's latest project includes the design and development of a specialized machine that has the logic to sort, align and convey specialized product caps for use within a regional bottling company. JKF's journey to enter the regional manufacturer supply chain began with assistance from The University of Scranton SBDC in getting his business up and running, and in hiring his first few employees and then working with NEPIRC to continue work on supplying equipment to regional manufacturers. Since that time, JKF has entered into discussions with several local companies for the provision of custom work and has become involved in regional Additive Manufacturing initiatives.

- The University of Pittsburgh SBDC participates in various manufacturing outreach organizations including the Washington County Manufacturers Association, Catalyst Connection (the Southwest Industrial Resource Center), Ben Franklin Technology Partners and Innovation Works. The SBDC uses these partnerships to continually educate these groups on SBDC services and create referral relationships to the benefit of the region's manufacturers.

2000 ONLINE ACTIVITIES

With many business owners seeking new markets and additional sales, many have turned to an Internet presence to broaden their market base. Some retailers have closed traditional storefronts to operate exclusively online, and many business owners are frustrated by the time required to learn new technologies. Education and consulting for Facebook, Twitter, and search engine optimization continue to be in high demand. Marketing and sales—and social media in particular—continue to be among the most requested topics for educational programs.

Meanwhile, the centers have concentrated on more online resources to compensate for the decrease in consulting hours per client and still meet center goals in terms of the number of clients seen. Many centers have moved the client engagement process online by receiving Requests for Counseling and Client Confidentiality forms through eCenter and email. Online activities for 2013 include:

- The Kutztown University SBDC has continued to develop expertise in WebEx that allows consultants to share desktop files such as Excel spreadsheets in real time with clients, and it provides a closed, confidential, and secure network for discussing confidential information. In addition, the center has adapted iPad technologies to facilitate improved efficiency and client satisfaction. This technology allows us to meet more frequently with clients, and the clients are happy to save on travel time required to drive to the Kutztown University SBDC offices.

- The Indiana University of Pennsylvania SBDC has extended the cooperative work started with IUP's Communication's Media Department and their student interns and are preparing a number of promotional videos in order to extend the center's YouTube presence which was begun last summer and to establish an Entrepreneur's gallery on their Website. This summer the center has the SBDC interns working with the communications interns to help develop a branding strategy and materials for two start-up clients.
- On-line workshops have made the work of the Kutztown University SBDC more efficient and less expensive. Prior to the live online workshops, SBDC employees had to drive up to two hours, set up a classroom, teach the course, break down, and drive back. Now they simply log onto a website and use a webcam to teach. This saves time, gas, and costs for printed materials. Clients find it convenient because they can learn more from home at any time. In addition, The Kutztown University SBDC continues to offer diverse educational programs through its website (www.kutztownsbdc.org). The website offers an extensive library of free programs and interactive, hands-on learning through the computer. The website currently offers 84 self-paced online learning programs as well as live, interactive online workshops through WebEx software. Over 30,000 registrations were made for one of the online learning modules this past year.
- In April, the St. Vincent College SBDC presented a seminar on Computer Security Issues covering the latest information on firewalls, anti-spyware, and other related programs that keep computer information safe. Seminar attendees were educated on how to protect their computer, their information and their identity from the ongoing threat of hackers and spammers. The SBDC also held a number of online-related seminars in 2013 on topics such as Search Engine Optimization, Cloud Computing, and Google Analytics.
- Across all centers, an increasing amount of consulting is conducted via e-mail. St. Francis University SBDC reported that in 2013, approximately 30 percent of the Center's SBDC consulting was conducted online. Additionally, some consulting is being done via Skype or other electronic means. This has proven to be an effective way to meet with clients "face-to-face." Given the size of the SBDC territory and funding constraints, it is expected that consulting via e-mail and other on-line means will continue to increase in the future.
- Wilkes University SBDC crafted an online marketing campaign for American Express Small Business Saturday (SBS) in November. The campaign's goal was to take advantage of the marketing opportunity SBS presented, specifically to provide exposure to Wilkes University SBDC clients and the center via social media. Aimed at advertising the specials participating

clients were offering for SBS to Wilkes University SBDC Facebook followers, the client's followers, and anyone following the "#SmallBizSat" hashtag, a post on the SBDC Facebook page was created for each client detailing the specials they were offering specifically for SBS. A summary post was also provided listing each client's specials in one post. Overall, a total of eight clients participated and indicated the event provided for a steady stream of customers throughout the day. Additionally, the event increased the Wilkes University SBDC presence on Facebook, seeing a 40 percent increase in the number of likes on the page. The number of people who saw the SBDC's posts, liked, commented, and shared posts also drastically increased. Overall, the initiative provided free publicity for clients who chose to participate as well as free publicity and increased presence on Facebook for the Wilkes University SBDC.

- The Pennsylvania SBDC continued its partnership with Google in 2013 by participating in and promoting two website educational programs to its client base. Two "Get Your Business Online" events were held in both Philadelphia in Pittsburgh in 2013 which educated small business owners on the importance of a business website and taught attendees additional skills such as setting up their business on Google Maps, SEO, and more.

CONCLUSION

Reduced funding and uncertainty continue to be large factors affecting all centers within the Pennsylvania SBDC network. It has been evidenced through staff cut-backs, reduced outreach and decreases in overall consulting time available to our state's small business owners and aspiring entrepreneurs. The SBDC is hopeful that in 2014 and going forward, the funding outlook will become more certain so it can continue to provide high quality one-on-one consulting, education and information resources to empower new and existing businesses statewide.

The SBDC will continue to focus on building its capacity in the key areas related to start-up and established companies including international trade, business continuity and changes related to the Patient Protection and Affordable Care Act which have been identified as key focus areas by the U.S. Small Business Administration.

In 2014, The Pennsylvania SBDC network starts to implement its new 2014-2017 strategic plan, "Renovation and Modernization Plan for a 21st Century Pennsylvania SBDC Program," where its vision is to have a positive transformational and lasting impact on aspiring entrepreneurs and small business owners. The SBDC will continue to work to open thousands of new businesses, create millions in new sales for its clients and sustain thousands of businesses each year.