



**Small Business Development Centers**

*Helping businesses start, grow, and prosper.*

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# 2011 ANNUAL REPORT

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## INTRODUCTION

Established in 1980 with a mission to grow the economy of Pennsylvania through its entrepreneurs, the network of 18 university- and college-based centers provides 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 business research information. This report reviews the SBA-funded activities of the centers to support small businesses from January-December 2011.

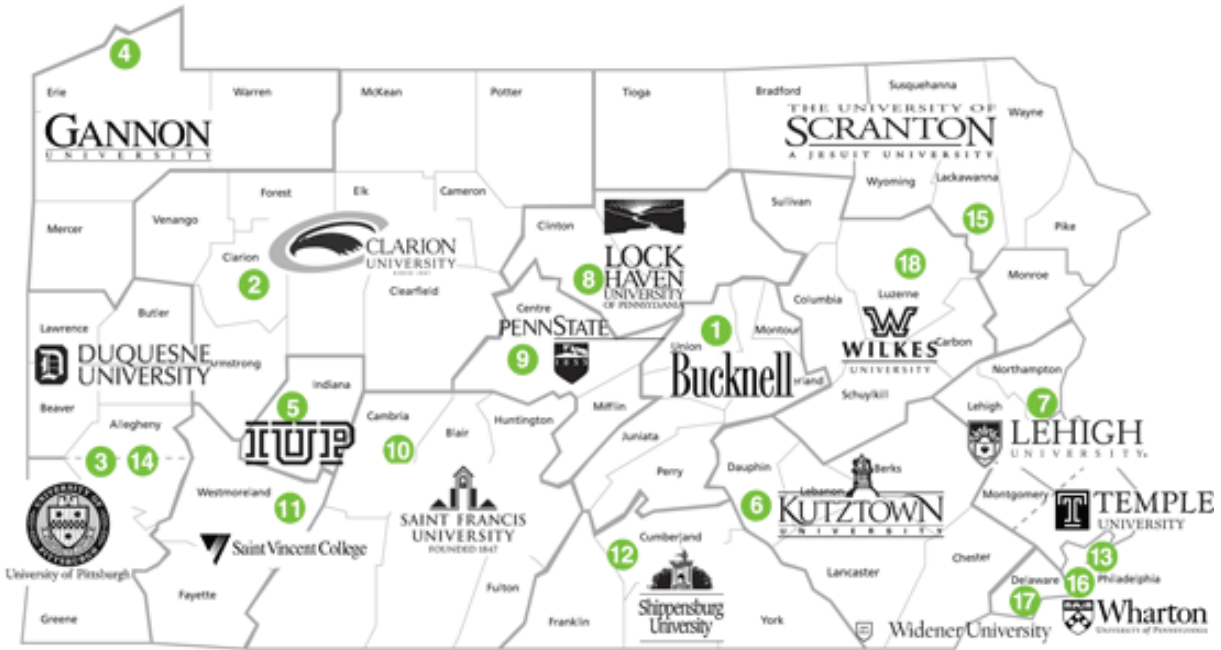
The SBDC utilizes a staff of experienced professionals to serve their clients in both traditional business assistance as well as offering consulting in specialized areas of expertise. In 2011, the SBDC delivered **100,123 hours of no-fee management consulting to 7,085 clients**. Consulting is confidential 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. During 2011, **10,187 individuals benefited directly from 595 educational programs**. The Pennsylvania SBDC network also responded to numerous inquiries, circulated printed materials, updated websites, and provided critical information to partners to address small business concerns.

SBDC services have measurable impact as seen by:

- The emergence of new companies;
- The prevention of business failures and additional job losses through cost-saving measures;
- New jobs created by new companies and also existing companies that expanded domestic and international sales;
- Tax revenues generated by increased payroll and profitability;
- Tax revenues sustained by companies that were helped to stay in business.

**PENNSYLVANIA SBDC LOCATIONS**



**MISSION**

The mission of the network of Pennsylvania Small Business Development Centers (SBDC) is to support the economic development of Pennsylvania by providing entrepreneurs with individual consultation, comprehensive education and information necessary to help their businesses start, grow, and prosper.

**PROGRAM HISTORY**

Since its inception in 1980, the Pennsylvania Small Business Development Centers (SBDC) has evolved into a network of 18 university- and college-based centers and 93 outreach locations operating under the guidance of the State Director located at the University of Pennsylvania.

The Pennsylvania SBDC provides consulting services and educational programs to entrepreneurs looking to start or grow a small business. SBDC consultants work with entrepreneurs in one-to-one sessions to help test a new business proposition, shape a business plan, or investigate funding opportunities. Addressing topics ranging from compliance issues to marketing tactics, SBDC programs serve to inform and assist entrepreneurs with the many tasks a new business owner faces.

**IMPACT**

Since its inception, the Pennsylvania Small Business Development Centers (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 \$10.6 billion worth of Pennsylvania products and services

throughout the world. As a result, SBDC clients have created over 128,000 new jobs and generated more than \$796 million in new federal income taxes and state income and sales tax revenues.

In 2011, the Pennsylvania SBDC network reported the following preliminary client outcomes:

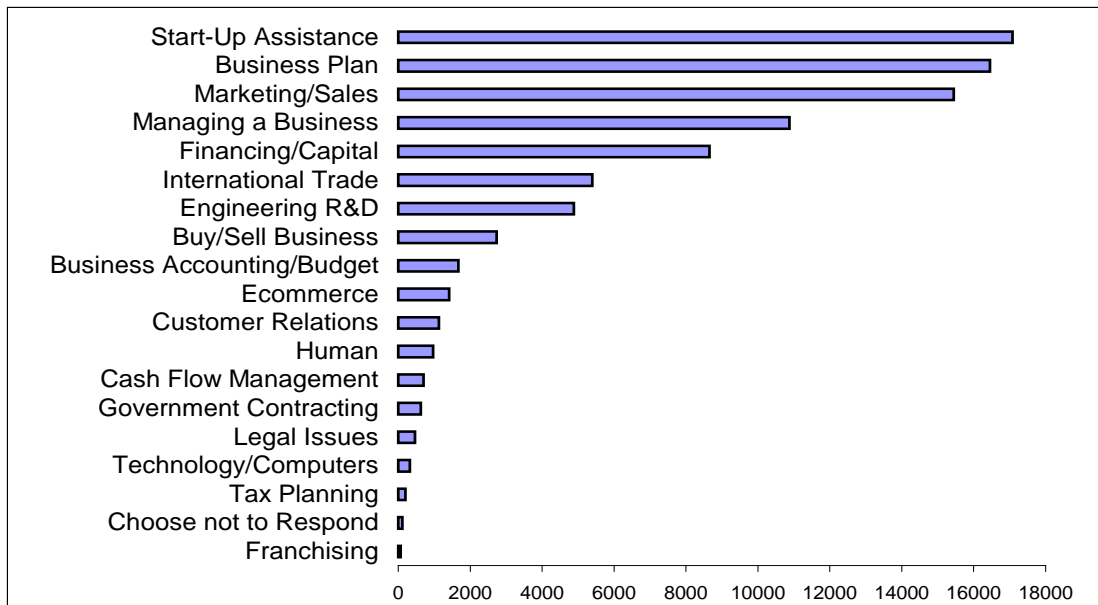
- **Bought/Started a Business**      **794**
- **Jobs Created**                      **2,917**
- **Jobs Saved**                         **4,093**
- **Increased Sales**                    **\$179,589,631**
- **SBA Loans (47)**                     **\$21,491,891**
- **Non-SBA Loans (327)**             **\$56,024,707**
- **Equity Capital**                     **\$40,839,698**

**SUMMARY**

*Consulting*

During 2011, the Pennsylvania SBDC provided **7,085 entrepreneurs** with a total of **89,182 consulting hours**. A detailed breakdown may be found in SECTION 2 – DELIVERABLES and is described throughout this report.

Consulting Topics by Hours



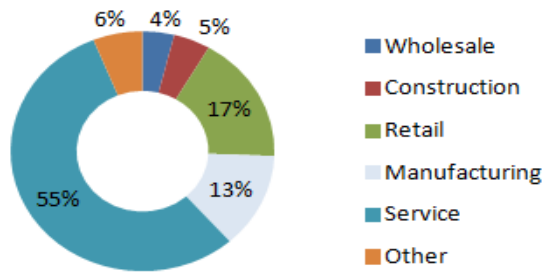
*Education*

The Pennsylvania SBDC network collectively **educated 10,187 individuals in 595 seminars and workshops**, which included everything from the SBDC’s *First Step* workshops to seminars covering topics such as social media and emergency management planning. A detailed breakdown may be found in SECTION 2 – DELIVERABLES and is described throughout this report.

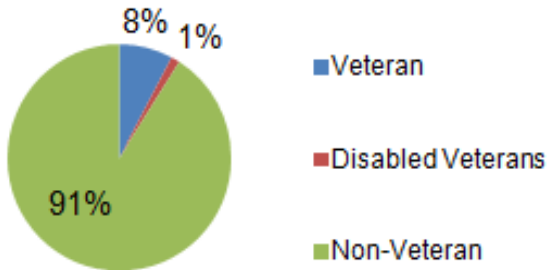
*Demographics*

Individuals served by the Pennsylvania SBDC represent Pennsylvania’s diverse populace. More than **half (61%) of clients assisted were woman- and jointly-owned firms** and **22% counted themselves as minorities**. Clients also represent a variety of industries as shown.

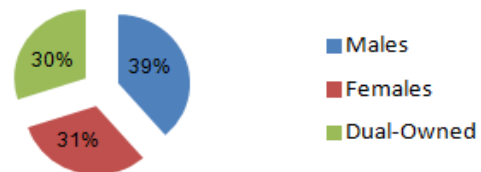
**Industry Sector**



**Veteran Clients**



**Business Ownership**



## 100 ADVOCACY

The Pennsylvania SBDC is proactive, within its financial constraints, in meeting the needs of the Commonwealth's small business community. The SBDC continues to meet with key program partners on a regular basis to keep a pulse on regional activities and respond appropriately. Over the past year, the SBDCs continued to develop and strengthen relationships to help restore small businesses to profitability and foster a healthier climate in which to operate.

One of the most time-consuming advocacy activities this past year was the beginning of a new economic development program from the Pennsylvania Governor and the Department of Community and Economic Development: the Partnership for Regional Economic Performance (PREP). By merging state budgetary line items from four separate economic development entities, including the SBDC, center staff committed a significant amount of time in regional PREP meetings to prepare regional PREP proposals for state funding to help serve the economic development needs of the region.

Examples of other advocacy efforts in 2011 include the following:

- In May, the Bucknell SBDC Director along with leadership from Bucknell University and the Pennsylvania SBDC State Director met in Harrisburg with legislators and state leaders in economic development to educate and advocate for the SBDC program.
- Congressman Glenn Thompson publicly applauded the Clarion SBDC as a part of the Pennsylvania Small Business Development Center network for receiving national accreditation. A presentation of his congratulatory letter was given during the Clarion County Economic Development Corporation's "*Eggs to Answers*" legislative update meeting held in September.
- Members of the Duquesne SBDC spoke about start-up issues, the SBDC program and its resources offered to small businesses while participating in the "*Pittsburgh Popup Program*," organized by the Urban Redevelopment Authority and the Downtown Pittsburgh Partnership.
- A consultant at the Gannon SBDC was instrumental in providing guidance to the Downtown Business Association in Warren to help downtown businesses recover from the impact of a disruptive construction project. The group formed a governing board, consisting of businesses only, and began efforts to bring back and plan popular Main Street events.
- In November the Penn State SBDC participated in the second annual "*Central Pennsylvania Regional Business & Industry Expo*," held in State College. Participating in this event helps remind other partners about the types of services the SBDC offers and helps recruit new seminar participants and clients.

- Despite the earthquake and building evacuation on August 23, the Saint Vincent SBDC's *First Step* workshop carried on outdoors. Rather than cancelling the program and upon the request of the attendees, the program was held on the lawn of Saint Vincent College.
- The Director of the Pitt SBDC was invited to testify at the Pennsylvania Senate Democratic Caucus's PA Jobs Works Hearing in May. He discussed the importance of small business related to the overall condition of the employment picture throughout the Western Pennsylvania community.
- A client of the Pitt SBDC was honored at the Small Business Administration Annual Pittsburgh Awards Luncheon on May 27.
- In October, the Wharton SBDC honored the fastest-growing private companies in the area during its Philadelphia 100 event. The Philadelphia 100 -- a collaborative effort between the Wharton SBDC, the Entrepreneurs' Forum of Greater Philadelphia and the Philadelphia Business Journal - - highlights regional economic development and entrepreneurial achievement. More than 500 companies in the Philadelphia-area were nominated for the award, and more than 600 individuals attended the program.

## 200 CAPITAL FORMATION

Capital formation is vitally important to small business development and remains an important focus for the SBDCs. As such, the SBDCs undertook special efforts to educate lenders about small business needs and advise clients of realistic lending alternatives during 2011.

The inability to obtain sufficient funding remains at the top of the list of challenges for both start-up companies and those attempting to act on expansion strategies. Entrepreneurs are frustrated with tightened credit markets and lengthened credit underwriting processes. Area banks, still cautious, provide assistance to high-quality credit individuals. Financial institutions continue to review loan portfolios. If existing companies exhibit cash flow issues, more often than not, the lending institution will close their line of credit or request other loans be paid or be subject to higher interest rates. Businesses who want to begin, continue, or expand exports also have limited access to capital.

In total, the SBDCs helped clients raise more than **\$118 million in start-up and expansion capital**.



### Capital formation examples:

- Duquesne SBDC clients in 2011 received nearly \$7 million in financing through numerous sources, including the local financial institutions, venture capital, lines of credit, owner equity, micro-loans, state loan programs and the SBA.
- The Widener SBDC made a concerted effort to provide its clients with additional resources to make it easier to obtain funding. Successful programs such as “*Meet the Lenders*” helped provide access to lenders for the small business community. Also, the center recently published a Mastering Business Loan Proposals workbook which is a guide to help small businesses understand business expectations, types of loans, and business plans.
- The Kutztown University SBDC assisted 32 clients in submitting financial applications totaling more than \$9 million.
- The Saint Vincent College SBDC held an “*Alternative Financing Forum*” on the college’s campus in June. The event was designed to assist companies in securing non-traditional funds that are currently available for their businesses.

### Successes

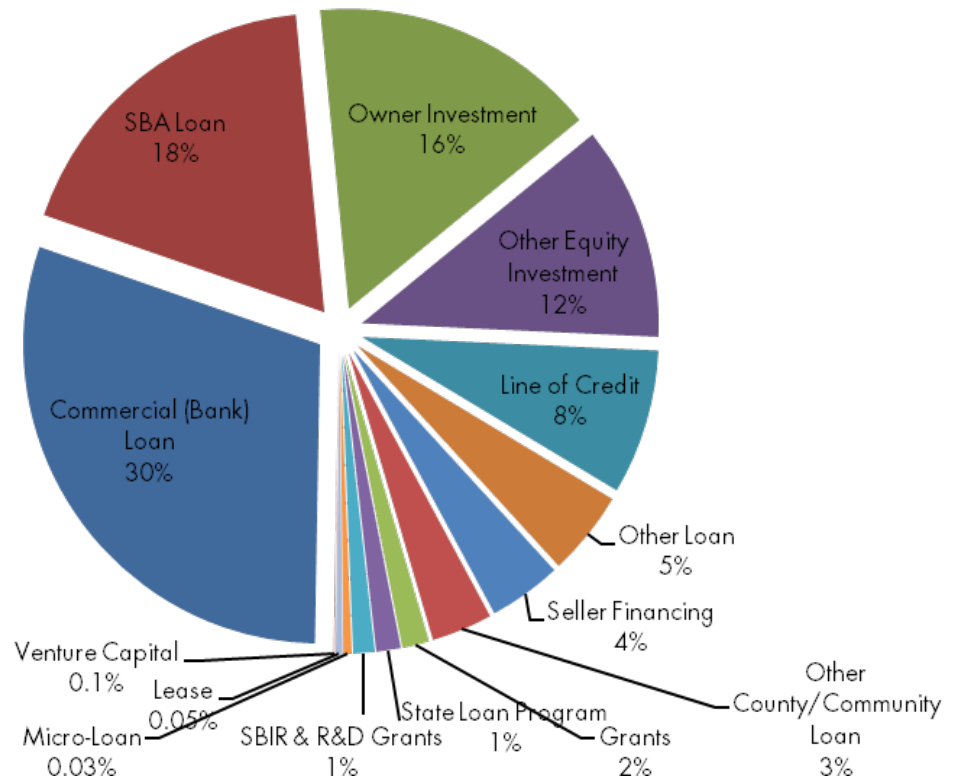
SBDC consultants supported clients in producing solid business plans, analyzing markets and identifying commercial funding sources and agencies that control government loans. The sources of financing secured by clients included commercial bank loans, county and community loans and state loans with notably higher owner investment in many instances. A total of **47 SBA-guaranteed loans and investments were approved, totaling \$21,491,891** in 2011. As for non-SBA loans, **327 were approved for a total of \$56,024,707**. Examples of capital formation activities include:

- The Gannon SBDC assisted a client in preparing and presenting its application to Ben Franklin Technology Partners for \$150,000 in funding. The first attempt was unsuccessful, so the presentation was revised, yielding success the second time. The funds will be used to develop and market a new LED lighting product into the agriculture market, which is expected to generate several new jobs in Erie.
- The owner of a new retail store specializing in selling mid to high-end outdoor sports apparel, equipment and footwear, opened his doors in Northampton County during the fourth quarter of 2011. The Lehigh SBDC worked with the client to help him develop his business and financial plan to present to his funding partners. With the assistance, the client was successful in securing a \$75,000 SBA Express Line of Credit provided by a local bank as well as a \$30,000 secured term loan through a locally administered County Revolving Loan Fund with a low interest rate of 4%.

As a result of this new business opening, it is expected that three new jobs will be created in the area.

- A Temple SBDC client who wanted to start a franchise came to the SBDC for assistance with financial projections and business planning. When the client came to the SBDC, he had already contacted a local bank, but was having issues getting approved. With the help of the SBDC consultant, the client completed a business plan and was approved for a \$288,000 bank loan.

### Approved Loans and Investments



### 300 INNOVATION & TECHNOLOGY TRANSFER

In leveraging local assets such as universities and partnerships with technology and economic development organizations, the SBDCs support fledgling technology companies, providing support through consulting services focused on property rights protection, trade financing, copyrighting, and patent searches. The SBDCs complement these services with market identification, financing sources including Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants, and educational training. In 2011, **18 businesses received \$1,379,082 in SBIR/STTR funding and R&D grants** as a result of SBDC assistance.

Examples of how the SBDCs supported technology companies throughout 2011 include the following:

- The Pennsylvania SBDC Clean Technology Center Resource Center (CTRC), operated by the Penn State SBDC, provided a variety of statewide services in 2011, including evaluating market opportunities, assessing commercialization potential, securing financing, and providing education and training.
- The TCOMM (Technology Commercialization) conference was hosted in October by the Duquesne University SBDC and the Pennsylvania SBDC CTRC. In addition, the Innovation Partnership, a consortium of economic development and business assistance organizations throughout the Commonwealth of Pennsylvania, provided funding support. The statewide conference was designed for small businesses and innovators interested in commercializing new technologies. Keynote speaker and former SBA Exporter of the Year, Lalit Chordia, Ph.D., described his path from idea to commercialization as president and founder of Thar Technologies, Inc. The conference was followed by the one day seminar, “*How to Win an SBIR Grant.*”
- The University of Pittsburgh SBDC is a participant in the Technology Commercialization Alliance, a Pitt organization designed to provide entrepreneurial support, education and outreach for faculty, staff and student innovators in their development of commercial innovations.
- The Wharton SBDC is a partner and participant in the Greater Philadelphia Innovation Cluster (GPIC) for Energy Efficient Buildings being led by Penn State and funded by the US Department of Energy, EDA, NIST, and the SBA. The Wharton SBDC is collaborating with GPIC partners to showcase technologies and systems solutions that can dramatically and cost-effectively enhance a building’s energy efficiency and quality.
- The Bucknell University SBDC provides Engineering Development Services (EDS), including technical assistance, to clients throughout the network. A broad array of engineering services are provided to companies striving to develop innovative new products, improve their manufacturing

processes, and reinvent their value proposition in the marketplace. In 2011, clients of EDS launched eight innovative new products and services to market, including a long-burning biomass fuel pellet and a high-strength telescoping flagpole.

#### 400 INTERNATIONAL TRADE

Companies can see opportunity in the global economy as they expand their outreach of where their products can be sold. What existing businesses seeking these markets don't realize is that establishing overseas markets takes time -- sometimes a year or longer. The SBDC works with companies new to exporting, through consulting, educational seminars and webinars, to explain the lengthy and complex system of exporting.

The SBDCs' international trade consultants help clients identify the best foreign markets for products or services and to locate trade leads. The SBDCs also work closely with Pennsylvania's overseas offices, where in-country experts review international strategy. As an extension of consulting services, workshops are offered to help familiarize firms with international trade issues such as international insurance and cross-cultural communications.

During 2011, the SBDC provided 5,392 hours of consulting to clients on international trade issues. A total of **24 educational programs**, including "*Safety and Security While Traveling Abroad*" and "*Doing Business with Asia*," were attended by **352 individuals**. Clients reported an **increase in export sales, totaling \$21,430,239** for 2011.

Examples of international trade activities include:

- The St. Vincent SBDC held "*U.S. Export Controls Compliance*" to address export controls and regulations mandated by the U.S. Bureau of Industry and Security, the U.S. Department of Commerce, the U.S. Department of Treasury, and the U.S. Department of State. Valuable information was provided to assist attendees in minimizing exposure, liability, and risk in export transactions. Government, industry and legal perspectives were shared during the two-day conference in May.
- During 2011, the Global Business Program at the Duquesne SBDC continued to provide services to the exporting and importing business community and has continued to be an active participant and member in the Regional Export Network. In 2011, 121 clients received assistance from the export consulting staff accruing 1,298 hours of work. The amount of export activity as a result of

the Global Business program assistance was \$5 million over the present year. The Global Business program is starting its third and final year of a grant project with the U.S. Agency for International Development, through the U.S.-Mexico Training, Internships, Exchanges, and Scholarships Partnership Initiative. The focus of the project is Renewable Energies and Energy Efficiency in a partnership with the Universidad Autonoma de Nuevo Leon located in Monterrey, Nuevo Leon, Mexico.

- The St. Francis and Saint Vincent SBDC's international trade activities are conducted through its Center for Global Competitiveness (CGC) since 1993. In 2011, the CGC served thirty-six clients with 550 hours of assistance.

### Successes

- GOW-MAC Instrument Company, a Lehigh SBDC client and a U.S. manufacturer and worldwide exporter of high quality and analytical instruments, was presented with an Export Achievement Award by the U.S. Department of Commerce. The award was presented by Congressman Charlie Dent at GOW-MAC's manufacturing site in Bethlehem.
- The CGC devoted significant time to the development of programs required by client companies and businesses in their services area. The CGC determined information content to be covered in programs, identified qualified speakers, and prepared content materials for several of the programs. There were a total of 118 attendees at 9 international trade programs in 2011.
- The Saint Francis SBDC represented nine companies at Mining World Russia. The show was held in April and attracted buyers from across Russia as well as a number of other countries. There were 226 leads generated for the nine companies that participated.

### 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 2011. In 2011, the SBDCs consulted with **1,583 minority clients**, representing **22% of the total client base**. Of this group, **21%** counted themselves as Hispanic and **62%** percent identified themselves as African-American.

Urban areas, such as Pittsburgh and Philadelphia, see more minority clients. For instance, **65% of the Temple SBDC's client base** identified themselves as minorities. Examples of activities to support Pennsylvania's diverse population include:

- The Scranton SBDC worked with the South Scranton Business Alliance to translate the “*First Step*” workshop materials into Spanish for Latino businesses in South Scranton.
- In March, the Shippensburg SBDC set up a display and information booth at the annual “*Minority/Women Small Business Expo*” in Harrisburg. Speakers at the Expo included Pennsylvania Governor Corbett, Representative Tim Holden, Representative Ronald Waters, and Harrisburg Mayor Linda Thompson. SBDC staff answered questions and provided information on resources and services while at the event.
- More than 70 individuals attended “*Business Skills for Success for Latino Entrepreneurs*,” a seminar organized by the Latino Business Resource Center at the Kutztown SBDC.

### **Successes**

- A combination of SBA, seller, Pennsylvania Minority Business Development Authority, and local financing, enabled a Lehigh SBDC minority client to acquire an auto service center. The \$470,000 project that included the real estate, business, and equipment purchase, preserved five and created one new job, and generated \$500,000 in sales. The client received assistance with assembling and developing the pieces needed to bring the request for financing to the bank, including valuation range for the property and assets being acquired, and projections under the new ownership.
- An Asian woman, who has worked with the Penn State SBDC since opening her business in 2002, worked again with the SBDC to help secure a line of credit that she was reluctant to apply for due to her desire to run a debt-free business. The line of credit has enabled the client to grow her business and also helped her during an unexpected sales slump in November when a Penn State scandal negatively affected the local retail market.
- An environmental construction management team -- with close to 40 years of experience in the HVAC industry -- came to the Temple SBDC for assistance. They wanted to complete a business plan for a new HVAC business and apply for Minority Business Enterprise Certification. An SBDC consultant suggested modifications to the business plan and guided the client through the application process for MBE Certification, which was later granted as a result of SBDC assistance.
- The Innovative Energy Corporation, an electrical contracting company, focused on providing alternative energy solutions for residential, commercial and government clients came to the

Temple SBDC for guidance developing a business plan, setting up the business and securing financing. The SBDC provided resources from its own Legal Clinic, Creative Department, Technology services and educational programs. With the help of the business consultant, the client attended and completed the Entrepreneurial Success Workshop Series, a business plan-writing course and also obtained an MBE Certification from the state and a Unified Certification from PECO. In 2011, the client acquired a \$2.4 million three-year contract from the Philadelphia Electric and Gas Company and a \$100,000 contract from the city.

## 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 directly benefit 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 has proved valuable in continuing to provide high-quality services to the small business community.

In 2011, the SBDCs continued to forge strong 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:

- Wells Fargo became a Principal partner of the Wharton SBDC and The Wharton School with the announcement of its multi-year gift of \$500,000 to support the Wharton SBDC's core programs.
- The Scranton SBDC is collaborating with the Pennsylvania Association for Sustainable Agriculture in a project entitled "*Expanding the Market for Regional Specialty Crops: Building a 'Food Hub' in Northeast Pennsylvania,*" funded by a USDA Specialty Crop Block Grant. Through diverse consumer outreach efforts, this project will grow demand and access to locally grown specialty crops across northeastern Pennsylvania. It will prepare producers for new markets, cultivate those markets, and identify and develop key infrastructure needed to grow the market for northeast Pennsylvania-grown specialty crops. Project partners believe this project also has the potential to cultivate new specialty crop farmers in northeastern Pennsylvania by demonstrating economic viability for specialty crop farms.

- The St. Francis SBDC continues to participate with the SBA Community Express program, signing agreements with First Commonwealth Bank, Kish Bank and First National Bank of Pennsylvania. A number of clients have been referred to the Center through the Community Express program. The St. Francis SBDC undertook its next round of fundraising through the financial institutions serving the region and raised more than \$15,000 for the Center and its activities.
- The Widener University SBDC partnered with Citizens Bank, the Delaware County Commerce Center, and the Chester Microenterprise Partnership (now Entrepreneur Works) to open an outreach office in Upper Darby. The office is in the Welcome Center on Walnut Street in Upper Darby where the SBDC offers services. The continuing operation of the Upper Darby outreach office is made possible by a \$15,000 grant from Citizens Bank in 2011.
- Many centers co-host and co-sponsor events with organizations in their respective areas. In May, the Lock Haven SBDC co-hosted, along with other economic development partners and gas industry sponsors, the 2011 Central Susquehanna Oil & Gas Expo at the Lycoming County Fairgrounds in Hughesville. More than 1,000 visitors attended the event.
- As part of a regional partnership, the Wilkes SBDC has teamed up with the Pottsville Area Development Corporation, the Carbon County Economic Development Office, and the Back Mountain Business Association to bring business education and training to area small businesses and entrepreneurs. Along with these relationships, two consultants from the SBDC are active on MetroAction’s Loan Review committee and one serves on the Board of Directors. MetroAction is an SBA backed microloan program located in Scranton, and is active through most of the Wilkes University SBDC’s coverage area.

## 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. In addition to training topics including government marketing and doing business with the Commonwealth, PTAP developed and co-sponsored various events that addressed opportunities related to funding opportunities.

Government markets, however, are not a universal remedy for increasing revenues, and the SBDC encourages companies to self-evaluate products, processes and facilities to determine if they are prepared to compete efficiently in this complicated marketplace. The network offers several tools to do so. For instance, a center may refer clients to the Pennsylvania SBDC website to view the “*Basics of Government*



*Marketing*” tutorial. 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 in educational seminars. Attendance at training programs related to the certifications process was particularly strong. The network conducted **46 procurement-related training seminars or conferences with 1,091 attendees** in 2011.

Examples of procurement activities for 2011 include:

- During the year, the PTAP at the Kutztown SBDC assisted 239 clients with marketing their products and services to federal, state and local government entities as well as to prime contractors. Their assistance helped clients receive 396 contracts worth \$129,880,212. These consisted of 134 prime contracts worth \$75,538,128; 116 subcontracts worth \$54,342,083. A total of 269 jobs were retained while 185 jobs were reported created due to the contracts received.
- An established full service integrated marketing firm that has been in business for 25 years with several million dollars in annual revenue, sought assistance from the Lehigh SBDC to help them enter the government contracting arena. The SBDC helped it prepare and submit documentation to become qualified as a federal and state contractor. The SBDC helped find specific contract opportunities using the ‘Bid Match’ program and within 30 days of receiving solicitations, it submitted a \$2.75 million bid to produce training videos for a large municipality. It is currently a finalist for the award.
- In September, as a response to a request from Senator Casey’s office, the Gannon University conducted a “*Small Business Procurement*” workshop focused on facilitating small business access to federal government procurement opportunities. The Dean of the College of Engineering and Business hosted the event while the Gannon SBDC assisted with speaker and attendee recruiting.
- Throughout the year, the Temple SBDC Procurement Technical Assistance Program consulted with 247 clients, spending a total of 785 counseling hours. Clients received 250 prime contract awards from the Department of Defense (DOD), Federal agencies, state and local agencies worth \$6,770,197. Clients also received 28 subcontracts from federal, state and local agencies worth \$7,225,214. In total, clients were awarded 278 contracts worth \$13,995,412. One of these clients, Airline Equipment, a manufacturing company that distributes pneumatic tools and accessories, was able to secure \$340,000 in government contracts thanks to the Temple SBDC PTAP.
- The staff of Widener University SBDC includes a PTAP consultant. This consultant is charged with representing both the Widener and Wharton SBDCs. In 2011, 104 of the Center’s clients have taken advantage of PTAP services. There were 468 counseling sessions held for these

clients totaling 632 hours of counseling in 2011. PTAP clients received more than \$76 million in contract awards from government sources.

As procurement activities are not SBA-funded, they are not reported in further detail.

## **800 SPECIAL FOCUS**

There are a variety of areas that could be considered a special focus in 2011 for the Pennsylvania SBDC. Below are some of the highlights:

### **DISASTER PLANNING AND RECOVERY**

Many small businesses throughout Pennsylvania were devastated by the flooding in September as a result of two major storms moving through the area within days of each other. Northeastern Pennsylvania was hit especially hard and experienced rainfalls that lead to severe flash flooding. Businesses lost both physical assets as well as sales revenues.

While the disaster itself should not be considered a highlight of 2011, the quick reaction of the SBDC network to work with small businesses and other local agencies in the affected communities can definitely be considered one.

- After the storms, the Wilkes University SBDC immediately joined forces with the local chambers of commerce, the SBA, and several other agencies. In receiving contact information from the local chambers, the SBDC took an active role in reaching out to affected businesses and providing relevant information as it became available. In every affected area in its territory, the Wilkes SBDC worked with the local chambers and other partners to organize and participate in group sessions designed to provide assistance information and available services to these business owners. The Wilkes SBDC created a checklist, had it reviewed and approved by the SBA District Office, and provided it to all business owners seeking assistance to help them stay organized and provide them with a road map to follow to apply for flooding assistance. In addition to these group meetings, the Wilkes SBDC consultants met with 12 business owners individually and assisted many in completing their SBA Disaster Assistance Applications.
- The Lock Haven SBDC provided assistance to local business owners in applying for SBA Disaster loans. One client, Northernlite Tailored Clothing, located in the hard hit main street corridor of Montoursville, Lycoming County, lost everything from the aftermath of Tropical Storm Lee. Through the assistance of the Lock Haven SBDC, Northernlite received funding totaling \$93,600 and saved 2 full time jobs and 2 part-time tailoring positions.
- Staff from the Scranton SBDC went on the road to offer consulting and recovery assistance information to small business flood victims in Susquehanna, Wyoming, and Bradford counties.

## SHALE GAS

Activities related to the development of the shale gas industry continue to increase in regions served by many of the Pennsylvania Small Business Development Centers. In total, 2,773 wells have been drilled into the Marcellus Shale, and almost 6,500 permits have been issued during the past six years in Pennsylvania. Several centers have continued to assist clients in capitalizing on opportunities presented by the development of the Marcellus Shale gas deposits.

- Representatives from the Clarion SBDC attended the “*B2B DuBois Chamber and Clearfield Economic Development Corporation*” event at EOG Resources’ Marcellus Well in Clearfield Pennsylvania in August. The event brought together several hundred industry representatives, supply chain organizations, municipal and state officials, legislators, and economic development representatives. Attendees were given the opportunity to tour an active well site and speak with engineers, inspectors, and operators.
- In October, the Scranton SBDC held a Small Business Opportunities roundtable breakfast with sponsorship from the Cabot Oil & Gas Corporation. The agenda included an overview of SBDC services, introduction of PREP and other economic development partners present (partners were invited to attend and display materials), a welcome from Cabot Oil & Gas Corporation, a success story panel with local small businesses, and a discussion led by Cabot about what small business opportunities exist and tips for small businesses/aspiring entrepreneurs. The program was one of the most successful, with more than 70 attendees.
- The Saint Francis SBDC in conjunction with the Saint Vincent College SBDC used the Marcellus Shale industry as the basis of a proposal to the Economic Development Administration under its University Center program. This would utilize the two Centers international trade programs and would look to target companies that sell to the Marcellus Shale industry.
- In 2011 the Clarion University SBDC worked with 75 clients impacted by the emergence of the Marcellus Shale industry. These clients represent a wide range of businesses that attribute their growth and development directly to this industry. Of these 75 clients, 53 were pre-venture clients and 22 were existing businesses. Of the pre-venture clients, 21 clients started a business in 2011. The Clarion University SBDC assisted an Elk County trucking firm that secured over \$1 million for water hauling trucks for the Marcellus Shale industry.

## YOUNG ENTREPRENEURS AND STUDENTS

Since all of the Small Business Development Centers are located at institutions of higher learning, many students are actively encouraged to participate in SBDC programs.

- The Clarion SBDC continues to collaborate with the University's College of Business Administration, the Honors Program, and Career Services to find and provide student internship opportunities throughout its region. In 2011, the SBDC received funding from the College of Business to provide a student internship position for two semesters.
- In 2011 the Bucknell SBDC employed 27 students who worked a total of 1,896 hours for the center on 104 client projects. Six of these students worked in the Business Office and twenty-one students worked for Engineering Development Services.
- Student teams from the Pitt SBDC worked with 278 entrepreneurs and helped 25 small business owners open their doors for business for the first time. The teams also supported entrepreneurs in creating 104 business plans, 13 strategic plans and 96 marketing plans, helped 85 businesses with a market research project, performed financial analyses for 77 businesses, and helped 6 business owners secure more than \$2 million in financing. Pitt SBDC client Chris Sidick, founder of C-Side Sports Academy, received the SBA Young Entrepreneur of the Year award.
- The Director of the Wilkes SBDC serves on the Board of Advisors for the Wilkes University Students in Free Enterprise (SIFE) program. The SIFE team works regularly with clients of the SBDC on special projects, including the Secret Shoppers customer service evaluation program. Members of the SIFE team are currently developing follow up protocol for clients that have participated in the Secret Shoppers program to help quantify the impact of the program.
- The Shippensburg SBDC helped to encourage youth entrepreneurship by participating in the inaugural county-wide "Entrepreneurship Competition," hosted by Chambersburg High School. SBDC staff participated in planning meetings for the competition, served as the competition sponsor, assisted students who entered the competition, participated as part of the judging panel and presented awards to the winners. SBDC staff members presented a 5-hour introductory workshop for all participants in the competition at the county's Career and Technology Center. Twenty-six students, comprising fourteen teams, attended the training session where the focus was on an overview of the business planning process, including financial projections, and the importance of the pitch as a significant component of the judging criteria. The Shippensburg University SBDC Director presented the awards to the winners of the competition.

#### AGRIBUSINESS

- In October, a Penn State SBDC client, Ideal Family Farms held a ribbon cutting ceremony to recognize all the resource partners that helped them to obtain funding and support for their

Biodigester Project, including the Penn State SBDC Environmental Consultant. Through the help of the Bucknell University SBDC Educational Programming Coordinator, the client was able to enhance the successful event with media coverage and support from their state Senator and state Representative.

- The St. Francis SBDC received two grants from the US Department of Agriculture that continued into 2011. The first of these was through USDA's Rural Business Enterprise Grant program. This \$87,000 grant targeted Bedford, Fulton and Huntingdon Counties as they are the most rural and had the highest unemployment of the Saint Francis territory.
- The Scranton SBDC partnered with Penn State Extension to offer a "*Food for Profit*" workshop in October. The event provides a one-day overview of how to start and successfully operate a small food product business. Representatives from the SBDC and Penn State Extension provided guidance on conducting a feasibility study, performing marketing research, pricing and packaging a food product, and developing a business plan. The Pennsylvania Department of Agriculture explained how to comply with regulations to create safe, legal food products.

## 900 ECONOMIC DEVELOPMENT

The mission of the Pennsylvania SBDC is to grow the economy of Pennsylvania through its entrepreneurs, which often entails participation in regional and statewide initiatives. Additional examples of economic development activities in 2011 beyond those already noted in this report included the following:

- The staff of the Indiana SBDC participates in the monthly meetings of the Center for Economic Operations – Technical Committee, an organization consisting of the key players in economic development in Indiana County. This has led to synergy and a comprehensive, cooperative approach where the key players can coordinate their efforts and increase their ability to assist clients with economic development initiatives.
- The St. Francis SBDC continues to operate outreach centers in each of the six counties in its coverage area. Of the 386 clients counseled by the SBDC in 2011, 73% of the clients obtained all or part of their counseling at the outreach offices.
- In 2011, the Clarion University SBDC Director received notice of approval from the Pennsylvania State System of Higher Education for a grant that will assist in the development of

an Entrepreneurial Leadership Center (ELC). With additional support from Clarion University, emphasis of the grant will be placed on creating opportunities for students, faculty and alumni to pursue a range of entrepreneurial endeavors. The Clarion University ELC will support economic development in northwestern/north central Pennsylvania through the promotion of entrepreneurship as a viable career option for university students and community members.

- The Scranton SBDC presented at the Pennsylvania Downtown Center’s 2011 Conference “*Capturing the Creative: How Entrepreneurship Reinforces Vibrant Communities*,” providing information about SBDC programs and services available across the state.
- The Penn State SBDC continues to participate in the Philipsburg Economic Restructuring Committee monthly meetings to discuss improving the downtown business district. Due to the long-term commitment of the Penn State SBDC to the Philipsburg community, funding was obtained in July 2011 from the U.S. Department of Agriculture to open an outreach office in downtown Philipsburg.
- The Wilkes SBDC considers downtown development in its service territory a priority. Consultants for the SBDC represent the SBDC at meetings of the Wilkes-Barre Downtown Association and at the Downtown Hazleton revitalization committee.

## 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 State Director’s Office. The SBDCs also maintain a current library of solicitations for SBIR and Ben Franklin grants to support R&D efforts.

Examples of research projects conducted in the past year include:

- The Director of the Indiana SBDC was honored as Researcher of the Year for the Eberly College of Business & Information Technology at the university's 17th Annual Awards Luncheon, celebrating outstanding achievement in Faculty and Graduate Student research.
- Food trucks have been around for quite some time, but recently their popularity in Philadelphia is increasing. As a result of this trend, the Temple SBDC saw a spike in the number of food entrepreneurs interested in starting a food truck business. The requests ranged from starting a vegetarian food truck to various types of ethnic cuisine. The SBDC utilized students to conduct research on various financing and operating options of a food truck. Research was conducted on a variety of topics: the laws and regulations of owning and parking food trucks in Philadelphia, leasing versus purchasing of vending trucks, and competing food trucks.
- The Kutztown SBDC International Trade program launched an experimental senior international trade research project involving five clients with the senior international business seminar at Elizabethtown College. Five teams of four students visited each client's site, drafted a scope of work, and provided interim reports in March prior to making oral presentations to each client and submitting a written report in early May. Based on the favorable reactions of the clients and the value of the research, the Kutztown SBDC plans to continue this initiative in the winter semester of 2012. Beyond the obvious benefits to its clients, this initiative leverages scarce consulting time to manage multiple client relationships to obtain additional consulting hours within the SBDC's quality standards and expectations.

## 1100 OTHER ACTIVITY

The Pennsylvania SBDC implements a staff professional development program to ensure all staff continue to expand their base of skills and knowledge. This year, in lieu of a network-wide professional development conference, funds were distributed to the network so each center could customize a professional development program tailored for their staff. Some centers used the professional development funding to offset the cost of attending the annual ASBDC conference; while others used the dollars to attend different conferences based on their professional development needs.

During the first week of April, 2011, the Pennsylvania SBDC network underwent an ASBDC accreditation review. On Wednesday, June 8, 2011, the ASBDC Accreditation Committee met to review and discuss the Pennsylvania SBDC Accreditation Report. After about 45 minutes of deliberation, they voted unanimously to accredit the Pennsylvania SBDC network without conditions, as well as to accredit

it for its technology services. The Pennsylvania SBDC program is one of only 8 programs in the country that has the special supplemental technology accreditation.

In May, five network staff members attended the New York SBDC annual professional development conference to learn best practices and to discuss the possibility of co-hosting a multi-state SBDC conference at a future date.

Practical, affordable training for small businesses is a core part of the Pennsylvania SBDC mission. In the past year, **595 workshops were delivered to 10,187 attendees**. Pre-venture workshops, such as the *First Step*, attracted a number of unemployed individuals exploring business ownership. A total of **210 First Step** workshops were held in 2011, which addressed common issues including finding the right business to start, developing a sound business model, procuring adequate financing to start the business, including dispelling myths about free grants many believed should be available to assist business start-up. More detail on educational activities may be found in SECTION 2 – DELIVERABLES.

In general, the network widely examined every opportunity to streamline processes and improve efficiencies, expanded partnerships, and exercised creativity to minimize any impact to client services despite reduced capacity and funding.

Some of the 2011 highlights include:

- Project Management was a new topic on the seminar schedule at the Bucknell SBDC. These programs are presented in collaboration with the Keystone Chapter of the Project Management Institute. Student and business professionals attended the Project Management program to learn more about how social, economic, and technological factors can be leveraged to help identify unique innovation opportunities.
- The network had two key personnel changes at the Director level. Debbie Steiner resigned in August as the Director of the Gannon University SBDC and Jon Vernam retired as director of the Bucknell University SBDC at the end of 2011. Tom Cholak and Steve Strumbis were named as interim Directors at Gannon and Bucknell respectively and have provided steady leadership during the transition period.
- The Gannon University's College of Engineering and Business hosted a thirty year anniversary celebration for the SBDC in December. The event was attended by the Gannon University staff and faculty, including University President, the Pennsylvania SBDC State Director; past and present clients; representatives from partner EDA agencies; Gannon SBDC Advisory Board members; local bankers and business people; and several elected officials and political leaders.



- The Legal Clinic at the Temple SBDC was staffed by twelve third year law school students and consulted with 83 clients. It spent a total of 1,202 hours of consulting time, averaging 16 hours of consulting time per client in 2011. Legal research continues to be a primary service of the Clinic and students researched issues such as partnership agreements, business structure, banking regulations and business ownership for non-US citizens, stock transfers, tax and other regulatory topics.

## 1200 SUCCESS STORIES

See SECTION 3, APPENDIX B – SUCCESS STORIES.

## 1300 TRAVEL

Examples of travel in 2011 include:

- In September several staff members across the Pennsylvania SBDC network attended the national conference of the Association of Small Business Development Centers (ASBDC) in San Diego. The Pennsylvania SBDC named Cindy Nellis, assistant director of the Clarion University Small Business Development Center, as the 2011 State Star for Pennsylvania. Nellis was chosen for being an outstanding performer, making a major contribution to the Pennsylvania SBDC program and showing a strong commitment to small business in the Clarion University SBDC region. A reception honoring all of the 2011 State Stars was held during the ASBDC 31st Conference.
- Dr. Mary McKinney and Brent Rondon from the Duquesne SBDC presented the workshop “*Creating Successful International Education Partnership Programs and Why It's Worth the Effort*”, a 3 year grant project with the U.S. Agency for International Development (USAID), at the Annual NASBITE Conference in April 4-7.
- The Pennsylvania SBDC State Director and Associate State Director for Program Management and four center staff, Jon Vernam, Bucknell SBDC, Christine Hughes, Duquesne SBDC, Michael Ryan, Penn State SBDC and Donna Simpson, the University of Scranton attended the New York SBDC Annual Professional Development Conference held in Lake Placid, NY on May 23-25, 2011.
- Kutztown SBDC staff member, Scott Schaeffer, attended the National Business Incubator Association 21st Fall Training Institute event in Oklahoma City, OK on October 1-5, 2011.

## 1400 PROBLEMS

The Pennsylvania SBDC network is continuing to investigate a number of initiatives to respond to sustained requests for service with substantially reduced financial resources as a result of a severe reduction in state funding in state fiscal years 2010-2012.

## 1500 FINANCE

All invoices for the second half of the year have been submitted for processing.

## 1600 WOMEN'S BUSINESS DEVELOPMENT

The Pennsylvania SBDC continued to support woman-owned businesses through specialized services and educational programs in 2011. **More than 58% of all clients represented women- and jointly-owned businesses.** Examples of outreach and successes include:

- Gannon SBDC's 4th annual "*Women in Leadership Development*" conference was held in March. There were 670 attendees with more than 100 vendors participating. The speaker topics were wellness, leadership and entrepreneurship. The purpose of the conference is to empower professional and enterprising women with knowledge, energy and passion.
- The Businesswomen's Roundtables at the Bucknell SBDC provided opportunities for women business owners to spotlight their own products and services while learning how to improve their visibility and marketing efforts.
- A \$2.9 million loan combined with \$420,000 in seller financing and \$880,000 in owner equity set the stage for a woman-owned business to acquire a synthetic thread manufacturing operation in Allentown. In addition to assistance with financing, the Lehigh SBDC client received advice on how to apply for her WBE certification and pursue government contracts.
- The Lock Haven University SBDC makes special efforts to reach out and encourage entrepreneurial opportunities for women. In fact, women entrepreneurs make up a significant percentage of the clients and contacts that the SBDC works with each year. During the period from July 1 through December 31, 2011, 64% of the seminar attendees were women-owned businesses or women looking into the possibilities of starting their own business.
- A female St. Francis SBDC client was working for a local candy maker in Bedford County when she was presented with the opportunity to purchase the business. After attending a *First Step* workshop, she started to work on her business plan, which was approved for a bank loan, state loan and credit line totaling \$390,000.

## 1700 ECONOMIC IMPACT

Each year, the SBDCs help thousands of entrepreneurs to start and grow their small businesses. As such, the Pennsylvania SBDC network has a significant economic impact on the Commonwealth. With help from experienced SBDC staff, small businesses have created new technologies, expanded operations, and created jobs.

As the state's largest provider of entrepreneurial services, the aggregate assistance of the SBDC program will have a substantial role in turning the economy around. For instance, preliminary data indicate the SBDC helped individuals open or purchase **794 businesses** in 2011.

The SBDCs have also continued to respond to new needs of business communities which have been continually impacted by downturns in major industries, such as housing, manufacturing, and construction, as well as position for new developments in areas including clean technology. Response is evidenced by the array of programs presented to clients and organizations in the business community and other aspects of economic impact have been highlighted throughout other sections of this report.

For examples of client stories which evidence this impact, see Section 3, Appendix B – SUCCESS STORIES.

## 1800 VETERAN BUSINESS DEVELOPMENT

The SBDCs supported a total of **383 veterans and 63 service-disable veterans**, and educated another 528 veterans in seminars. Examples of outreach and successes include:

- Veteran Mike Pearson approached the Wharton SBDC for help growing Union Packaging LLC , a business founded in 1999 dedicated to making FDA-compliant folding cartons in the quick service restaurant market. In June 2011, he successfully used a multi-million dollar SBA loan from National Penn Bank to finance the buyout of his longtime partner and begin implementing his ambitious plan to grow jobs and revenues to \$20 million, taking on much bigger competitors in the food industry.
- A Gannon SBDC consultant assisted a veteran with a non-service related disability with business plan development, business formation, and business registrations -- positioning the client to open

a construction company this spring. The company intends to specialize in smaller concrete and general construction jobs, capitalizing on the client's relationship with a large general contractor.

- In March, the Widener SBDC co-sponsored a “*Veterans Business Training and Outreach Conference*.” The conference included displays with a variety of service providers and educational seminars on business and government procurement topics for Veteran businesses. Other sponsors included the Mid Atlantic Veterans Business Outreach Center, The Delaware County Community College and the Southeast PA Procurement Technical Assistance Program.

## 1900 MANUFACTURING

The Pennsylvania SBDC has a long history of providing assistance to manufacturers, still a significant industry in Pennsylvania. The SBDCs noted an increase 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. As a result, several companies were referred to the Pennsylvania SBDC’s Environmental Management Assistance Program (see section 2100) for energy efficiency assistance to help reduce operating expenses and identify grant funding opportunities.

In the past year, **801 manufacturers** turned to the SBDCs for such assistance, including:

- A Penn State student contacted the Penn State SBDC for assistance with their small manufacturing business. Specifically, they needed help understanding sales and income tax regulations as they applied to the business. The SBDC provided an overview of tax regulations, and helped the client develop a bookkeeping system which will allow them to file accurate tax returns. The client had not been handling sales tax properly, but has since corrected the problem, and has avoided fines and penalties.
- A Gannon SBDC consultant assisted three management employees of a local manufacturing entity to purchase the business from an out of state owner. With the assistance of the SBDC, the clients completed a preliminary analysis which established the financial viability of the transaction. Additional SBDC assistance included business registrations, organizational structure, financial projections, and financial proposal development. Additionally the SBDC provided referrals to lenders. In addition to the clients' \$35,000 cash infusion, the approved financing package included a \$50,000 commercial bank equipment loan, a \$235,000 commercial bank real estate mortgage loan, and a \$235,000 Industrial Development Corporation provided by U.S.

Department of Agriculture Intermediary Relending Program loan. Local ownership assures that six well paying manufacturing jobs will remain in Crawford County.

- The Pitt SBDC is an active member of the Washington County Manufacturers Association, which has approximately 200 members and meets on a monthly basis to discuss issues of concern to Western Pennsylvania in the field of manufacturing. Many of the Association's members are not aware of the services offered by the SBDC, and through its membership the Pitt SBDC gives other members the opportunity to learn about the programs it offers.
- The Director of the Shippensburg University SBDC is a board member for MANTEC, Inc., the Industrial Resource Center serving south central Pennsylvania. This appointment helps spur the collaboration between the SBDC and MANTEC in support of the manufacturing sector in the South Central Pennsylvania region.

## 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. Facebook, Twitter, and search engine optimization continue to be enigmas. Marketing and sales -- and social media in particular -- continue to be among the most requested topics for training. The SBDC network has collaborated with local chambers and downtown partnerships to offer these 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. Online activities for 2011 include the following:

- The State Director's Office launched a new website this summer. The new site features a more user-friendly design, space to host video and slideshows to better present future tutorials and to highlight successful clients, a comprehensive online database for workshops at all 18 centers. The site also features a new blog to help disseminate important information regarding the Pennsylvania SBDC and the small business community at large.
- Clarion University SBDC consultants and other SBDC consultants use its web-based Research and Knowledgebase blog as it contains beneficial consulting tools and a plethora of information pertaining to starting and expanding small businesses in western Pennsylvania. The blog is interactive and people can request edits and updates on various topics.

- For the Lock Haven SBDC, 2011 marked the transition from the first targeted federal earmark grant to a second round of funding relative to an initiative focused toward client needs in the area of tax compliance assistance. The continuation of the funding for this initiative will be used to expand tax compliance resources electronically via online technical assistance and webinar educational outreach for the region's small business owners.

## **2100 ENVIRONMENTAL MANAGEMENT ASSISTANCE PROGRAM**

The Pennsylvania SBDC Environmental Management Assistance Program (EMAP) provides consulting and education in the following areas:

- Compliance - assists small business owners in understanding and complying with the environmental rules and regulations specific to their business, helping them avoid costly fines.
- Energy Efficiency - offers a step-by-step program to help small businesses recognize and realize energy and cost savings. Businesses are able to make sound investments leading to real savings in monthly operating expenses.
- New Technology Development - assists firms in the development and commercialization of new energy and environmental technologies by helping prepare and review proposals, finding new markets and opportunities, and identifying potential funding sources and partners.
- Pollution Prevention - Pollution is a drain to a firm's bottom line. Whether from air emissions, solid or hazardous wastes, or wastewater discharges, pollution is a waste resulting from inefficiencies in a firm's operations. EMAP can help small businesses use pollution prevention to improve their efficiency and save money.
- Worker Health and Safety - All businesses must comply with the regulations of the Occupational Health and Safety Administration (OSHA). EMAP can help small businesses identify and address potential health and safety risks to keep their employees safe and avoid costly fines.

The SBDC's Environmental Management Assistance Program also helped companies access new funding available for alternative fuels and solar energy installation. As these activities are not SBA-funded, they are not reported in detail. Statewide environmental compliance assistance continues to be a statewide service, staffed by the University of Pennsylvania and Shippensburg University SBDC.

During 2011, EMAP consultants provided over 3,340 hours of consulting assistance to 247 clients, conducting 61 on-site assessment visits. EMAP clients invested close to \$1 million in new efficient technologies, with the potential annual savings of over \$160,000 per year. EMAP worked with small

businesses to obtain funding to support the implementation of environmental improvement projects; 24 clients received \$486,000 in grant funds.

EMAP consultants also helped many small firms obtain the necessary permits and approvals to achieve compliance with federal and state regulations. For example, working with EMAP consultants, EMAP clients received 22 Requests for Determination for air quality emissions and 15 Plan Approvals and Operating Permits for their facilities.

EMAP consulting has been particularly important to support the development and sustainability of the Shale Gas Supply Chain. In 2011, 25 clients received 838 hours of in-depth environmental assistance from EMAP consultants. Manufacturers and producers received assistance from EMAP consultants obtaining air quality permits, waste permits, preparing reports and plans, and greening their operations to become more efficient, and therefore more competitive and more likely to win additional bids and contracts.

Special outreach projects included working with the Korean Dry Cleaners Association and the Pennsylvania and Delaware Dry Cleaners Association (PACD) to provide additional outreach to the Korean Dry Cleaners, particularly those impacted by new regulations in Philadelphia that have limited the use of perchloroethylene. EMAP consultants were also invited to participate in many outreach events and produced and distributed a postcard alerting small firms to upcoming compliance deadlines for businesses with boilers of any size. The First Stop e-newsletter was distributed with timely regulatory and funding opportunity updates.

## **CONCLUSION**

The Pennsylvania SBDC continues to provide high quality services to small business clients and expand its newly-fortified partnerships to enhance its expertise in a number of topic areas. In so doing, the network remains a critical partner for fostering the state's economic recovery. While 2011 had its challenges, the network's unwavering focus on service delivery and understanding of clients' needs, as well as its flexibility in responding to these needs regionally, allowed the SBDC to continue to meet and surpass stakeholder expectations. In continuing to provide high quality services to Pennsylvania's entrepreneurs, the Pennsylvania SBDC returns stakeholder investment many times over.