



Small Business Development Centers

Helping businesses start, grow, and prosper.

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FOR IMMEDIATE RELEASE

Mega Impact!

Pennsylvania Hits the Jackpot with Investment in the Small Business Development Centers

SBDC Locations

Bucknell University
Clarion University
Duquesne University
Gannon University
Indiana University of Pennsylvania
Kutztown University of Pennsylvania
Lehigh University
Lock Haven University
Penn State University
Saint Francis University
Saint Vincent College
Shippensburg University
Temple University
University of Pittsburgh
University of Scranton
The Wharton School, University of Pennsylvania
Widener University
Wilkes University

PHILADELPHIA, Pa - The odds of winning the \$540 million jackpot in today’s Mega Millions lottery drawing are 1 in 176 million. Small businesses that received assistance from the Pennsylvania Small Business Development Centers (SBDC) had about the same amount in sales -- \$551 million.

According to the latest independent analysis of the Pennsylvania SBDC program, small businesses helped by the 18 university-based SBDCs in the state increased their sales more than half a billion dollars.

“The results from the SBDC program are not a lucky draw,” states Pennsylvania SBDC State Director Christian Conroy.

“The data from these studies found that each year the Commonwealth sees strong returns of new businesses started, new jobs created and new taxes generated as a direct result of SBDC service. An investment in the SBDC program is a wise investment,” said Conroy.

In addition to the \$551 million in new sales, the Pennsylvania SBDC helped entrepreneurs start over 1,600 new companies, create more than 7,000 new jobs, and save an additional 7,000 jobs.

These growing companies are helping to replenish the Commonwealth’s budget, by generating \$42.5 million in new state sales and personal income taxes. Another \$21.5 million in personal income taxes went to the federal treasury as a result of these companies’ growth.

Further contributing to positive economic activity, the 9,334 companies assisted by the SBDC purchased \$261 million worth of services from other businesses, extending the impact of their growth.

“The Pennsylvania SBDC program is a good investment for the Commonwealth and for our country,” said Conroy. “Beyond these numbers, the benefits are very real to

thousands of families and communities that are enriched as these growing firms contribute jobs, critical services and new tax revenues.”

About the Study

Results on the impact of the Pennsylvania SBDC program are from an annual, independent analysis of the national SBDC network conducted by Dr. James Chrisman of Mississippi State University. For the study, all clients assisted by the Pennsylvania SBDC program in 2009 were surveyed on their achievements in 2010, the year following their SBDC engagement. The conservative study only looks at firm performance for one year and does not consider the ongoing impact of the firms assisted by the SBDC. The study only includes federal income tax and state income and sales taxes generated. It does not include other tax revenue sources such as corporate taxes, local taxes, property taxes, unemployment taxes or social security payments. The study also *does not* capture other benefits of the SBDC program including: continuing tax revenues of clients after the year studied; other value-added programs the SBDCs offer (e.g. educational programs); value of personal assets preserved and business failures prevented because of SBDC assistance; and multiplier effects of a healthier small business sector.

About the Pennsylvania Small Business Development Centers (SBDC)

For 30 years, the network of 18 university- and college-based Pennsylvania Small Business Development Centers (SBDC) has helped grow the Pennsylvania economy by assisting entrepreneurs and small businesses. Operating out of the Wharton School at the University of Pennsylvania, the SBDC is funded in part by the Commonwealth of Pennsylvania, through a cooperative agreement with the U.S. Small Business Administration, and with the support of the institutions of higher education hosting SBDCs. This support enables confidential consulting services to be provided at no charge to the client.

For more information on the Pennsylvania Small Business Development Centers' services and impact, please visit www.pasbdc.org.

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