



# Women Entrepreneurs Summit Series Report

## Background

Women are playing a central role in rebuilding the middle class and keeping our economy growing. Women-owned businesses represent one of the fastest-growing segments of the economy. According to the National Women's Business Council women-owned firms grew 44% from 1997 to 2007, twice as fast as male-owned firms. There are 7.8 million women-owned businesses in the US and 88% of these are small businesses. Women continue to start businesses in this country, making it imperative for them to have the right tools to be successful.

Women have made great strides in growing businesses and creating jobs over the past few decades, but challenges still remain. The U.S. Small Business Administration (SBA) recognizes the importance of creating opportunities for women and fostering their entrepreneurial spirit. To that end, SBA launched a summit series focused on women entrepreneurs, starting with a kickoff event at the White House in October 2010.

SBA has held summits in partnership with Visa across the country in each of SBA's regions: Denver, CO; Philadelphia, PA; Seattle, WA; Houston, TX; De Moines, IA; Toledo, OH; San Francisco, CA; Charlotte, NC; Providence, RI; and New York, NY.

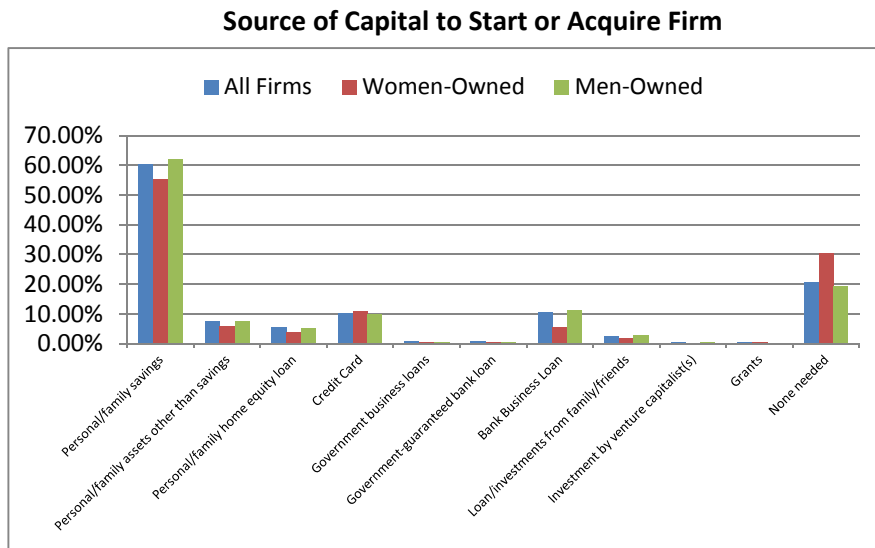
The goals of the summit series were to:

1. Address the critical challenges, opportunities and policy measures needed to advance the women's business agenda;
2. Collect input from women business owners for policy recommendations and proposals; and,
3. Educate attendees on the new policy and legislative changes that directly benefit women business owners.

The consensus among women business owners is that SBA and the federal government should focus their efforts in the following areas:

1. **Increasing access to capital**, specifically for start up businesses.
2. **Providing more mentoring opportunities** for women specific to industry, technical training, matchmaking, contracting, and financial literacy.
3. **Providing more information on federal contracting**, and how women can take advantage of the new set aside program.
4. **Enhancing networking opportunities** with a focus on industry-specific needs and means to access different sources of capital
5. **Increasing marketing and promotion of SBA programs** and resources to women business owners
6. **Eliminating barriers** such as paperwork, access to knowledge, regulations, tax credits, and financial aid.

## Finding #1: Increasing Access to Capital



Source: National Women's Business Council and US Census Surveys of Business Owners, 2007

- During the Women Entrepreneurs Summit series, women business owners have said that the economic downturn has made it even more difficult to obtain capital to start or expand their businesses.
- According to research conducted by the NWBC, more than half women business owners use their personal or family savings to start or acquire their business. SBA and U.S. Department of Commerce studies have shown the importance of lower dollar loans to small business formation and growth in underserved communities.

*Did you know...*  
 26.9% of women small business owners use their own personal savings to expand and 11.6% use credit cards? Only 4% use bank loans.

- Unfortunately, only 5.5% of women received bank loans compared to 11.4% of men. In addition, only a tiny fraction used business loans from the federal state or local government (.4%) or a government guaranteed business loan from a bank (.5%).
- Under the Recovery Act and the Small Business Jobs Act, SBA supported about \$5.7 billion in lending to women-owned firms (17,000 loans). More than half (54%) of women-owned small businesses need less than \$50,000 to start up, and could greatly benefit from SBA's micro lending program.
- The SBA worked to simplify its application processes to stimulate more lending to small businesses for smaller dollar amounts which can be more costly overall to lenders. These smaller dollar loans are especially critical to business formation and growth in underserved communities and for minority- and women-owned businesses.

# Recommendations and Accomplishments for Increasing Access to Capital

Recommendations & Accomplishments	Details
<p><b>Make the Community Advantage Pilot Initiative permanent</b></p>	<p><b>Community Advantage</b> is aimed at increasing the number of SBA 7(a) lenders who reach underserved communities, targeting community-based -mission-focused financial institutions which were previously not able to offer SBA loans. Most Community Advantage loans are approved within 5 to 10 days.</p> <p><b>Recommendation:</b> FY 2013 will see the maturation of the Community Advantage pilot loan program. More than 100 participating lenders are expected. Community Advantage loans are expected to be on average more than \$50,000 and disperse more than \$400 million of total capital through mission lenders in with over 61 percent going to underserved markets. Assuming the program is performing as planned; the SBA will seek approval to make the program permanent.</p>
<p><b>Expand the Small Loan Advantage program</b></p>	<p><b>Small Loan Advantage</b> provides custom 7(a) loans in smaller amounts for small businesses that do not qualify for conventional credit. SBA is working on a new streamlined process for small dollar loans and encouraging lenders to make more lower-dollar loans.</p> <p><b>Recommendation:</b> More than 50 percent of Small Loan Advantage loans will reach underserved markets and more than 25 percent of Preferred Lender Program (PLP) lenders will participate. The two Advantage loan processing initiatives will be rebranded and maximum loan size expanded. These programs will be the cornerstone of SBA’s ongoing product simplification and optimization process.</p>
<p><b>Increase outreach for the Microloan Program</b></p>	<p><b>Microloan Program</b> provides small, short-term loans to small business concerns and certain types of not-for-profit child-care centers. The SBA makes funds available to specially designated intermediary lenders, which are nonprofit community-based organizations with experience in lending as well as management and technical assistance. These intermediaries make loans to</p>

eligible borrowers.

**Recommendation:**

Work with community leaders and organizations to increase awareness of the microlending program and to actively recruit potential mission based lenders to become microlending intermediary.

**Access to Capital Success Story: Kathleen Delvin, All About Home Care**

Kathleen started her business in 2003 as a sole employee working out of a small home office. Devlin attended SBA sponsored seminars on marketing and writing business plans. The counseling she received led to an SBA-guaranteed loan to purchase the office equipment and supplies she needed to launch All About Home Care. Through SBA assistance, Devlin realized she needed a human resources manager; and needed to physically move her office to a space double the size in order to accommodate a training facility. Today, Kathleen's company is housed in a 2,100 square foot office and has 68 full- and part-time employees. The company continues to enjoy consistent and significant growth. Despite the economic downturn, AAHC experienced a 35 percent growth in revenue in 2010.

**Finding #2: Provide more mentoring opportunities for women**

- Small businesses often struggle to keep their doors open and are hiring fewer people. Many that have a key innovation or opportunity lack guidance about how to market their products, engage with vendors or access capital.
- Mentoring is an essential tool to support entrepreneurs which increases a small business's likelihood of growth and success. Across every sector of small business, mentoring provides the one thing a small business often needs most--an experienced guide to provide advice and coaching, point to needed resources, and help chart a path for the business's success.
- According to research conducted by the NWBC, US Census data shows that 76.5% of women founded their own small business and 72% of these women have never owned a business before.
- In addition, 58.1% of women small business owners have less than a bachelor's degree and 35.9% of women small business owners are under 45 years old. More than half (53.6%) have owned their business for less than 10 years.

*Did you know...  
Women are conferred 60% of  
Masters degree but still only earn  
80.2 cents per every dollar that a  
man earns?*

# Recommendations and Accomplishments for Mentoring Opportunities

Recommendations & Accomplishments	Details
<p><b>Expand the Emerging 200 Initiative</b></p>	<p><b>Emerging 200 Initiative</b> will help identify 200 inner-city businesses across the country that show a high potential for growth—and to provide them the network, resources and motivation required to build a sustainable business of size and scale. SBA is increasing outreach to areas historically challenged by high levels of unemployment and poverty. Bolstering entrepreneurial success in these areas will generate new jobs, attract investment, and provide a more sustainable economic base in distressed areas. Participants also will have the opportunity to work with experienced mentors, attend workshops and develop connections with their peers, city leaders, and financial community.</p> <p><b>Recommendation:</b> Expand the E-200 program to other cities across the nation and recruit more businesses to participate in the program so that they can have greater opportunities, gain access to technical training, and ultimately grow their business.</p>
<p><b>Increase outreach about SCORE</b></p>	<p>SBA partners with <b>SCORE</b>, a nonprofit association dedicated to educating entrepreneurs and helping small businesses start, grow, and succeed nationwide. SCORE volunteers have been mentoring small business owners for more than forty years, and have a network of 13,000+ volunteers who offer small business entrepreneurs counseling services at no charge.</p> <p><b>Recommendation:</b> Continue to work with SCORE to increase outreach about mentoring services.</p>
<p><b>Strengthen Start Up America</b></p>	<p><b>Startup America</b> is an initiative to celebrate, inspire, and accelerate high-growth entrepreneurship throughout the nation. This coordinated public/private effort brings together an alliance of the country’s most innovative entrepreneurs, corporations, universities, foundations, and other leaders, working in concert with a wide range of federal agencies to dramatically increase the prevalence and success of America’s entrepreneurs. As part of SBA’s mentoring efforts, we have launched</p>

Entrepreneurial Mentor Corps (EMC) which will provide mentoring for high-growth potential companies and funding for regional organizations that accelerate the commercialization of new technologies and help grow successful businesses and create jobs.

**Recommendation:** Continue to work with federal partners on Start Up America including strengthening capital access and mentoring to high growth firms. Also, continue to work with the Start Up America Partnership and get more private sector commitments for high growth firms.

### Finding #3: Increase contracting opportunities for women

- Federal contracting with a small business is a win-win situation. Small businesses get the revenue they need to grow their business and create jobs. Meanwhile, the federal government gets the chance to work with some of the most responsive and innovative companies, including many women-owned.
- Every year the federal government awards over \$500 billion in contracts, however women-owned small businesses receive only 4% of those contracts. Many women during the entrepreneurs summit series said they were not aware of how they can participate in the new Woman Owned Small Business program or how they can benefit from it.
- Reaching out to and training women business owners will assist them navigate the federal marketplace. Closing the gap in the Woman Owned Small Business set-aside program will provide nearly \$5 billion dollars of contracting opportunities for women.

*Did you know...*

*77.6% of women small business owners do not have a website for their firm and 93.2% do not engage in any e-commerce for their businesses.*

# Recommendations and Accomplishments for increasing contracting opportunities for women

Recommendations & Accomplishments	Details
<p><b>Increase awareness about the Woman-Owned Small Businesses (WOSBs)</b></p>	<p>Last year, SBA helped to level the federal contracting playing field by rolling out a new <b>woman-owned small businesses (WOSBs) contracting program</b>. The program authorizes contracting officers to set aside certain federal contracts for eligible women owned small businesses or economically disadvantaged women owned small businesses.</p> <p><b>Recommendations:</b> Get more qualified women owned small businesses into WOSB program and work with procurement officers to increase awareness and new rules about WOSBs.</p>
<p><b>Interagency Task Force on Federal Contracting Opportunities for Small Business</b></p>	<p>The President established the <b>Interagency Task Force on Federal Contracting Opportunities for Small Businesses</b>, led by his Senior Advisor Valerie Jarrett to ensure small businesses can participate in the Nation's economic recovery. The Task Force is co-chaired by SBA, the Office of Management and Budget and Commerce, and including twelve other federal agencies - created five working groups to address key barriers for small businesses in federal contracting.</p> <p><b>Recommendations:</b> Continue to work with Federal agencies on outreach strategies to increase awareness of federal contracting opportunities, how to streamline federal contracting process and best practices on meeting goals for the various set aside programs.</p>
<p><b>Increase usage of Mentor Protégé Program by WOSBs</b></p>	<p>The <b>Mentor-Protégé</b> program enhances the capability of participants to compete more successfully for federal government contracts. The program encourages private-sector relationships and expands SBA's efforts to identify and respond to the developmental needs clients. SBA began implementation of other provisions contained in the Small Business Jobs Act and the President's Interagency Task Force on Federal Contracting Opportunities for Small Businesses, including mentor protégé for women owned businesses.</p> <p><b>Recommendations:</b> Continue to recruit mentors</p>

and mentees for the women owned business program. Increase outreach so that WOSB are aware of the mentor protégé program.

## Finding #4: Enhance networking opportunities with a focus on access to new markets

- For women-owned small businesses, resources to help them learn about their local market, connect them to other local businessmen and women, and provide opportunities to reach new customers can help them grow and create jobs.
- According to the Center for an Urban Future, small businesses who were suppliers to large corporations reported revenue growth of more than 250 percent, on average, between one year before and two years after their first sale to a large corporation. For these same small businesses, employment increased by more than 150 percent on average.

## Recommendations and Accomplishments for increasing access to new markets for women

Recommendations & Accomplishments	Details
Increase awareness around Size Up	<p>SBA's 'Size Up' tool provides small businesses with online market research and competitive analysis on their own communities. This tool enables small businesses to both learn about business opportunities in their community, as well as gather competitive information.</p> <p><b>Recommendation:</b> Work with SBA resource partners, local offices and community partners to increase outreach about the Size Up tool and how women entrepreneurs can benefit from it.</p>
Supplier Connection	<p><b>Supplier Connection</b> is a free, online portal supported by the IBM Foundation that connects small businesses with large companies' supply chain opportunities. Over 12 companies with purchasing power of over \$200 billion have committed to purchase \$1 billion through Supplier Connection. SBA is working with the IBM Foundation to connect small businesses that currently participate in the federal supply chain with commercial supply chain opportunities through Supplier Connection.</p> <p><b>Recommendation:</b> Work with SBA resource partners, local offices and community partners to increase outreach about the Supplier Connection</p>



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and how women entrepreneurs can benefit from it. Also, help identify women small businesses that can plug into the program and start to diversify their markets.

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## Finding #4: Increase marketing and promotion of SBA programs and resources

- For most entrepreneurs and small businesses, the Federal government has useful programs and services, but it can be hard to identify, engage and navigate Federal websites. Often, small businesses do not know that the Federal government may already have an answer to their needs. Entrepreneurs and small businesses need better tools to navigate the Federal government's vast resources – including programs, services, and procurement opportunities.
- According to research from the NWBC, the US Census shows that 99.5% of women small business owners do not have sales outside of the US and could benefit from SBA's exporting program. In addition, only 19% of women business owners are minorities.

*Did you know...  
Nearly two thirds of women owned  
businesses have full time paid  
employees and have average  
receipts of \$1.1 million?*

## Recommendations and Accomplishments for Increasing marketing of SBA programs

Recommendations & Accomplishments	Details
Increase access to Women's Business Centers (WBCs)	SBA's <b>Women's Business Centers (WBCs)</b> represent a national network of nearly 100 educational centers designed to assist women start and grow small businesses. WBCs operate with the mission to "level the playing field" for women entrepreneurs, who still face unique obstacles in the world of business. <b>Recommendation:</b> Continue to work with community leaders and local organizations to promote WBCs and their services.
Increase awareness about SBA Direct and add more content	<b>SBA Direct</b> is a dynamic web tool that allows users to personalize their experience on SBA.gov. Just by answering a few simple questions about your business, SBA Direct brings the targeted resources you need to start, operate and grow your small business – directly to your desktop. <b>Recommendations:</b> Continue to promote SBA Direct among our resource partners and local offices. In addition, add more content to SBA

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**Expand the Veteran Women Igniting the Spirit of Entrepreneurship program (V-WISE)**

Direct so that entrepreneurs can access this information anytime.

Since last year, over 400 women have graduated from the first year of the **V-WISE**. The program is committed to women Veterans by providing them the tools to become successful entrepreneurs with a goal of integrating their leadership, integrity, focus and drive into an educational training program.

**Recommendation:** Continue to build up the V-WISE program and locate areas where women veterans can benefit from this program.

**Continue partnership with National Women's Business Council (NWBC)**

The **NWBC** is a non-partisan federal advisory council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners

**Recommendation:** Continue to partner with the NWBC on various research and outreach initiatives and make sure that women entrepreneurs are part of SBA's programs.

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**SBA Programs and Resources Success Story: Zakiyah Bryant, Teachers R Us Staffing Services**

Zakiyah who started Teachers R Us Staffing Services became a victim of downsizing when she lost her position as an HR Coordinator. After eight months of endless job hunting, she decided to pursue her lifelong dream and become an entrepreneur. In addition, it was important that she contribute to the family's finances to ensure that there was no risk of losing their home. The affordable incubator space and business consultation services at the Edge Connection Women Business Center was just the resource she needed to turn her dream into a reality. "The Women Business Center has helped me go from not knowing how I was going to pay my next mortgage payment to helping others provide support and income to their families." In six months of leasing the incubator space and receiving business consultation, Teachers R Us Staffing Services has successfully placed over 60 workers in various assignments in childcare facilities, five of which we've secured permanent full-time positions.

## Finding #4: Eliminating barriers

- At the Women’s Entrepreneurs Summit Series, many women business owners pointed out that daunting paperwork and regulation is an impediment for growth and job creation for small business owner.
- In January, President Obama issued an Executive Order instructing federal agencies to identify and take steps to reduce regulations that are outdated or overly burdensome to entrepreneurs.
- SBA has been working with stakeholders to do an internal review and discuss ways this agency can reduce regulatory burdens and barriers on small business owners including streamlining our capital programs and conducting roundtables across the nation to hear what concerns are.

## Recommendations and Accomplishments for Eliminating Barriers

Recommendations & Accomplishments	Details
<b>Streamline payment processes for contractors</b>	<p>In September 2011, the President announced “<b>QuickPay</b>”, which would cut in half – from 30 days to 15 days – the amount of time it takes federal agencies to pay small businesses for the products and services they deliver to the federal government. When small contractors get their money in 15 days instead of 30, it results in a permanent infusion of cash flow into their businesses. They can put that money towards working capital, expanding their businesses, marketing their products, and creating jobs.</p> <p><b>Recommendation:</b> Continue to look for ways to streamline access and programs for small business owners.</p>
<b>Cut down paperwork on SBA programs</b>	<p><b>Community Advantage</b> loan program features streamlined paperwork, with a two-page application for borrowers.</p> <p><b>Recommendation:</b> Continue to re-examine SBA programs to see where we can reduce paperwork and make accessing our programs easier.</p>
<b>Implement Startup America: Reducing Barriers report recommendations</b>	<p>To understand more about these barriers, the Small Business Administration recently traveled around the country to talk to more than 1,000 entrepreneurs, investors, and others who want to play a role in building the next great American companies. SBA released a the <b>Startup America: Reducing Barriers report</b> to highlight ways we can make government work better, such as making federal programs and processes more</p>

entrepreneur-friendly.

**Recommendation:** Take recommendations from the Reducing Barriers report and begin to implement them.

**Access to Capital Success Story: Vera Moore, Vera Moore Cosmetics**

Vera Moor Cosmetics started locally in New York and initially sold through black hair salons. As interest in her products grew, she began widespread distribution to boutiques and other retail outlets throughout the US and the International Market. Thanks to a \$70,000 SBA loan, her dream became a reality when she broke the barrier in one of the major malls in the US... as the first black tenant in the 40 year history of the Green Acres Mall. Vera has achieved her ultimate satisfaction by affording the opportunity of economic empowerment in her own backyard and community.