



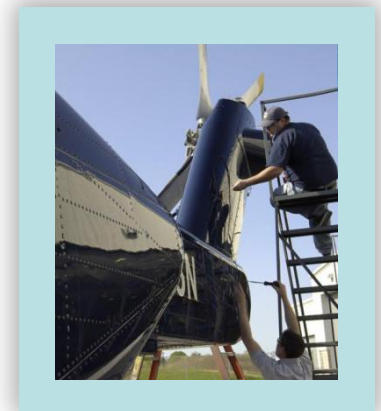
The Small Business Administration

**NDIA National Small Business Conference
Rosemont, IL
June 20-21, 2012**

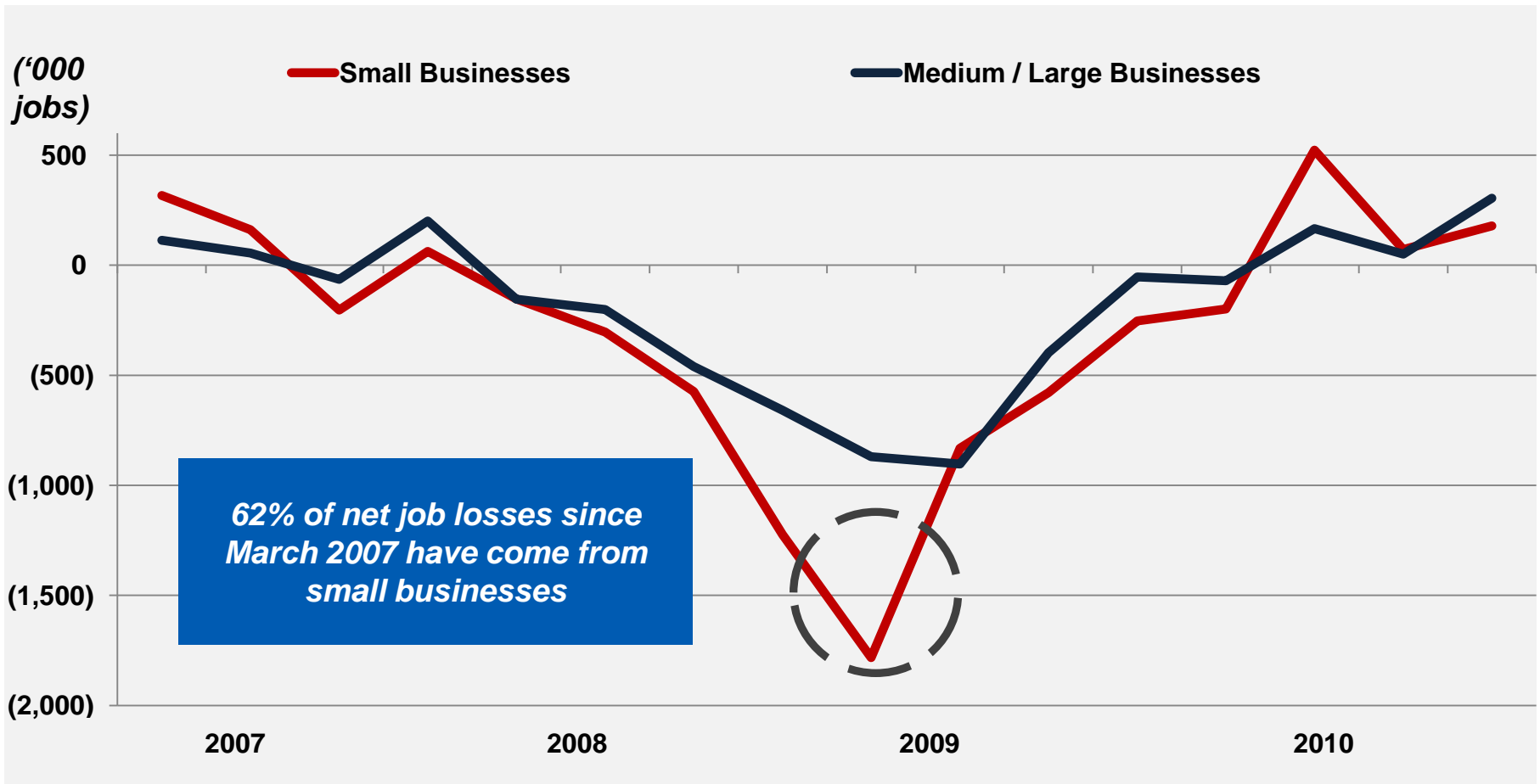


- **Small businesses and the economy**
- **SBA's resources for small businesses**
 1. **Capital**
 2. **Contracting**
 3. **Counseling**
- **SBA's Clusters Initiative**

- ***28 million small businesses***
- ***Created 2 of 3 net new jobs in past 15 years***
- ***Half of private sector payroll***
- ***Two types of small businesses:***
 - ▶ ***Main Street, “mom and pop”***
 - ▶ ***High growth, gazelles***



**Employment by Firm Size
(Quarterly Job Growth)**



62% of net job losses since March 2007 have come from small businesses

1

Capital

- \$90B portfolio of loan guarantees through 5,000 lenders
- \$2.6B in growth capital via Small Business Investment Companies (SBIC)

2

Contracting

- Ensuring 23% of federal contracts go to small firms
 - \$100B annually

3

Counseling

- Free counseling to 1M entrepreneurs, small businesses per year
 - 78 field and regional offices, 1,000 Small Business Development Centers, 110 Women's Business Centers, 12,000 SCORE volunteers

4

Disaster

- \$750M in direct loans to homeowners and businesses
 - 2,000+ disaster readiness team

- **SBA** guarantees loans on reasonable terms through financing partners to small businesses that are unable to obtain funding from conventional lenders.
- **Balances the need to make capital available** with the need to provide **appropriate monitoring and oversight** to be good stewards of taxpayer dollars.
- Capital Access manages an existing portfolio of roughly \$90 billion in outstanding loans.

SBA guarantees loans to small businesses that can't obtain conventional business loans

Guarantee Loan Programs

7(a) loans



- Traditional bank
- Largest loan program

504 loans



- Traditional bank/non-profit CDC
- Used for buildings and equipment

Community Advantage



- Non-profit mission lenders
- Cap is \$250,000

Direct Loan Program

Microloans



- Only direct loan program
- Non/profit mission lenders

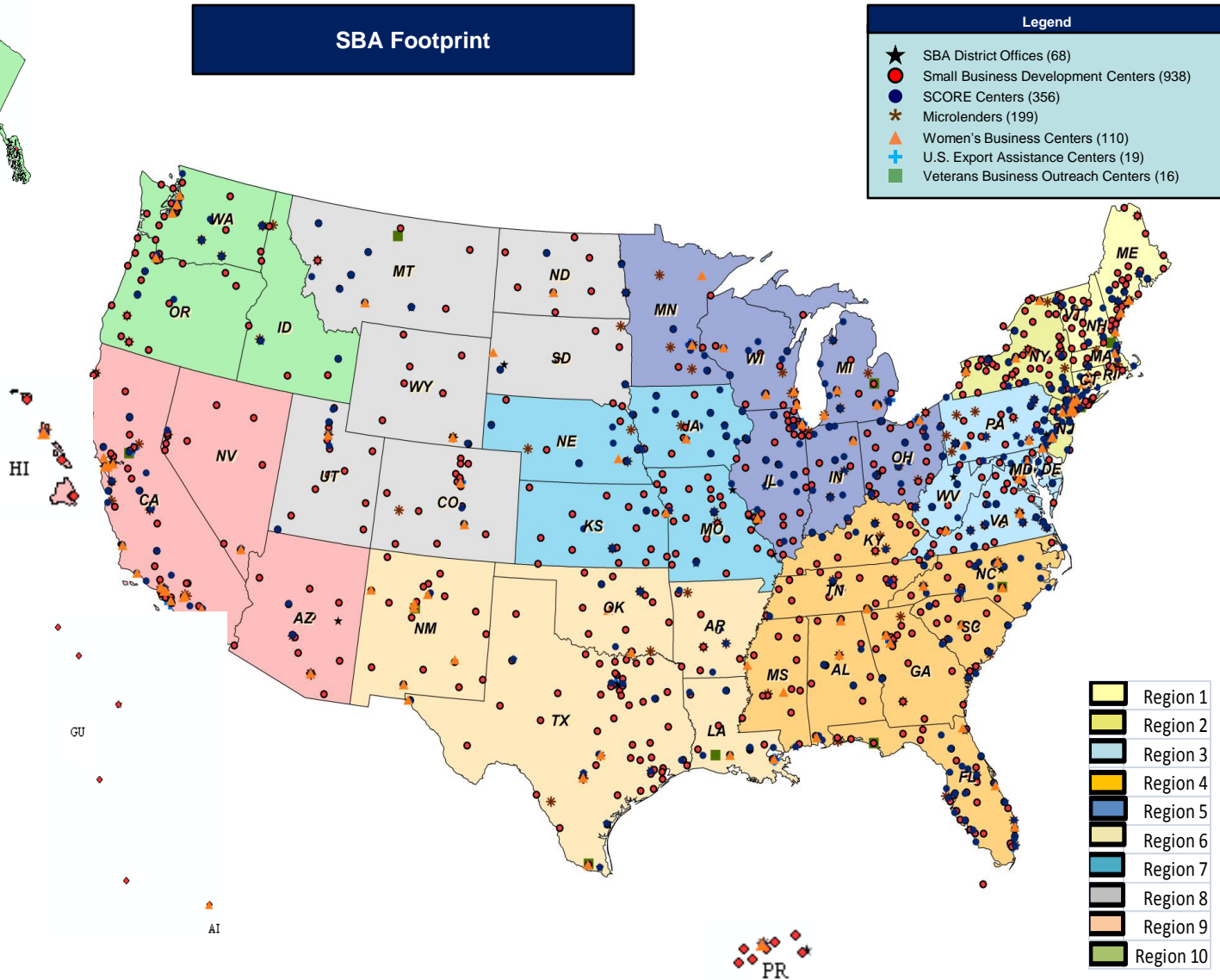
SBA's Office of Business Development and Government Contracting is responsible for getting federal contracting dollars into the hands of small and disadvantaged businesses.

- **By statute, 23% of all federal government prime contracting dollars must go to small businesses.**
- **In addition, the SBA helps ensure that prime contracting dollars go to disadvantaged small businesses:**
 - **Small disadvantaged businesses (SDBs): 5%**
 - **Women-owned small businesses: 5%**
 - **Service-disabled veterans: 3%**
 - **Historically-Underutilized Business Zones (HUBZones): 3%.**



- The Office of Entrepreneurial Development manages national networks of long-standing, well respected small business assistance service providers that have become part of the state and local economic development fabric. These technical assistance programs include:
 - Small Business Development Centers (SBDC) and SBTDC
 - Women's Business Centers (WBCs)
 - SCORE
- In addition, the SBA has online training courses available for free on many topics (www.sba.gov).
- These programs roughly 1.5 M clients in 2011 and SBDCs assisted clients accessed to more than \$3.6B in capital.

- 68 Field Offices
- 1000 Small Business Development Centers
- 110 Women's Business Centers
- 350 SCORE chapters

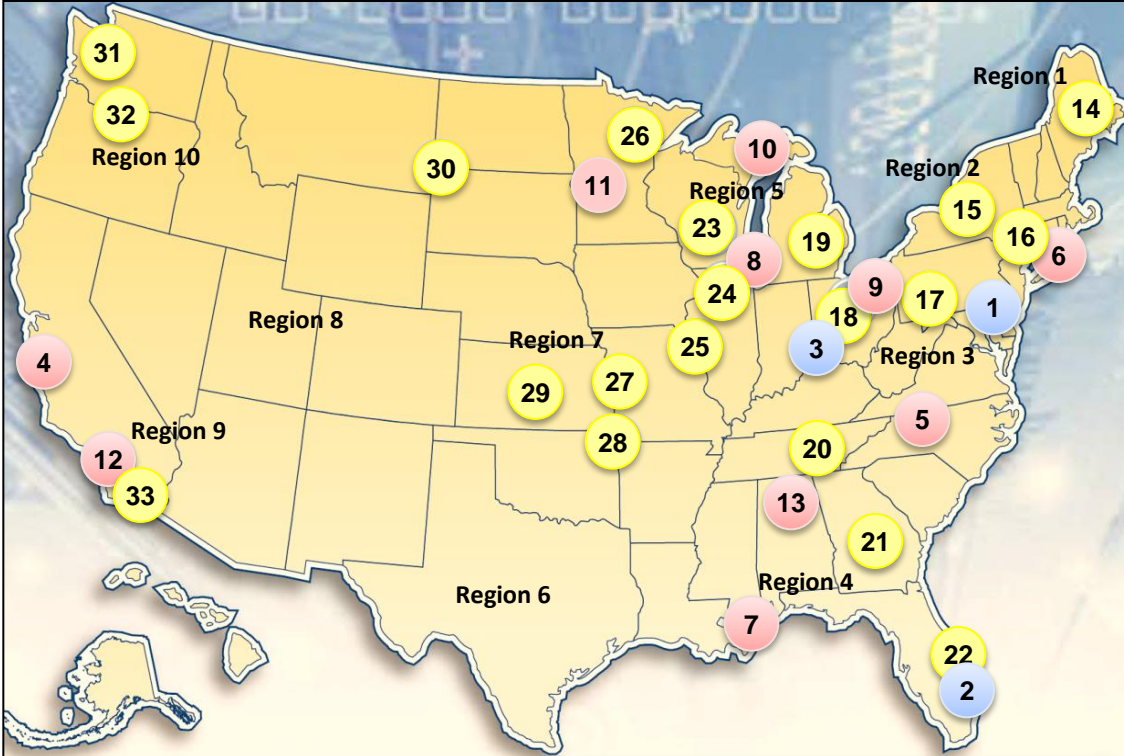


SBA's Clusters Initiative

- **What is a cluster?**
 - Clusters are concentrations of inter-connected companies, specialized suppliers, service providers, and related associations working to develop and grow a particular industry or related set of industries.
- **How do clusters address the small business challenge?**
 - Clusters foster a synergistic network of businesses, university researchers, regional economic organizations, stakeholders, and investors that work to develop and grow a particular industry or related set of industries, while providing targeted matchmaking, business training, counseling, mentoring, and other services.
 - Clusters effectively evaluate small business innovation and link promising technology and ideas with the right people in the market as well as with large prime companies and entrepreneurial investors.
 - Working together in a cluster, members can reinforce one another and build collaborative teams able to achieve technology levels and production capacity that a single company alone cannot.

Clusters Provide High-Value, Targeted Engagement





Jobs Accelerator - Federal Collaboration Clusters

Economic Development Agency
 Employment and Training Agency
 Small Business Administration

- 14 ME - GreenME Renewable Energy Industry Cluster
- 15 NY - Finger Lakes Food Processing Cluster Initiative *Food Processing Cluster*
- 16 NY - New York Renewable Energy Cluster *Renewable Energy*
- 17 PA - Southwestern Pennsylvania Revitalization *Energy; Health Care*
- 18 OH - Northeast Ohio Speed-To-Market Accelerator *Energy; Flexible Electronics*
- 19 MI - Southeast Michigan Advanced Energy Storage Systems Initiative *Advanced Energy Storage Systems*
- 20 TN - Advanced Composites Employment Accelerator *Advanced Composites with Focus on Low-Cost Carbon Fiber Technology*
- 21 GA - Atlanta Health Information Technology Cluster *Health Information Technology*
- 22 FL - Space Coast Clean Energy Jobs Accelerator *Clean Energy*
- 23 WI - Milwaukee Regional Water Accelerator Project *Water*
- 24 IL - Rockford Area Aerospace Cluster Jobs and Innovation Accelerator *Aerospace*
- 25 MO - St. Louis Bioscience Jobs and Innovation Accelerator Project *Bioscience*
- 26 MN - Minnesota's Mining Cluster – The Next Generation of Innovation and Diversification to Grow America *Energy*
- 27 MO – Kansas City Regional Jobs Accelerator *Advanced Manufacturing and Information Technology*
- 28 AR - Launching the ARK: Acceleration, Resources, Knowledge *Information Technology*
- 29 KS - Center for Innovation and Enterprise Engagement *Advanced materials*
- 30 ND - Upper Missouri Tribal Environmental Risk Mitigation Project *Environmental Risk Mitigation*
- 31 WA - Washington Interactive Media Accelerator - *Interactive Media*
- 32 OR - Portland Regional Clean Tech Advance Initiative *Clean Tech*
- 33 CA - San Diego-Imperial Valley Renewable Energy Generation Training and Demonstration Center *Renewable Energy*

Initial Clusters

Small Business Administration
 together with...

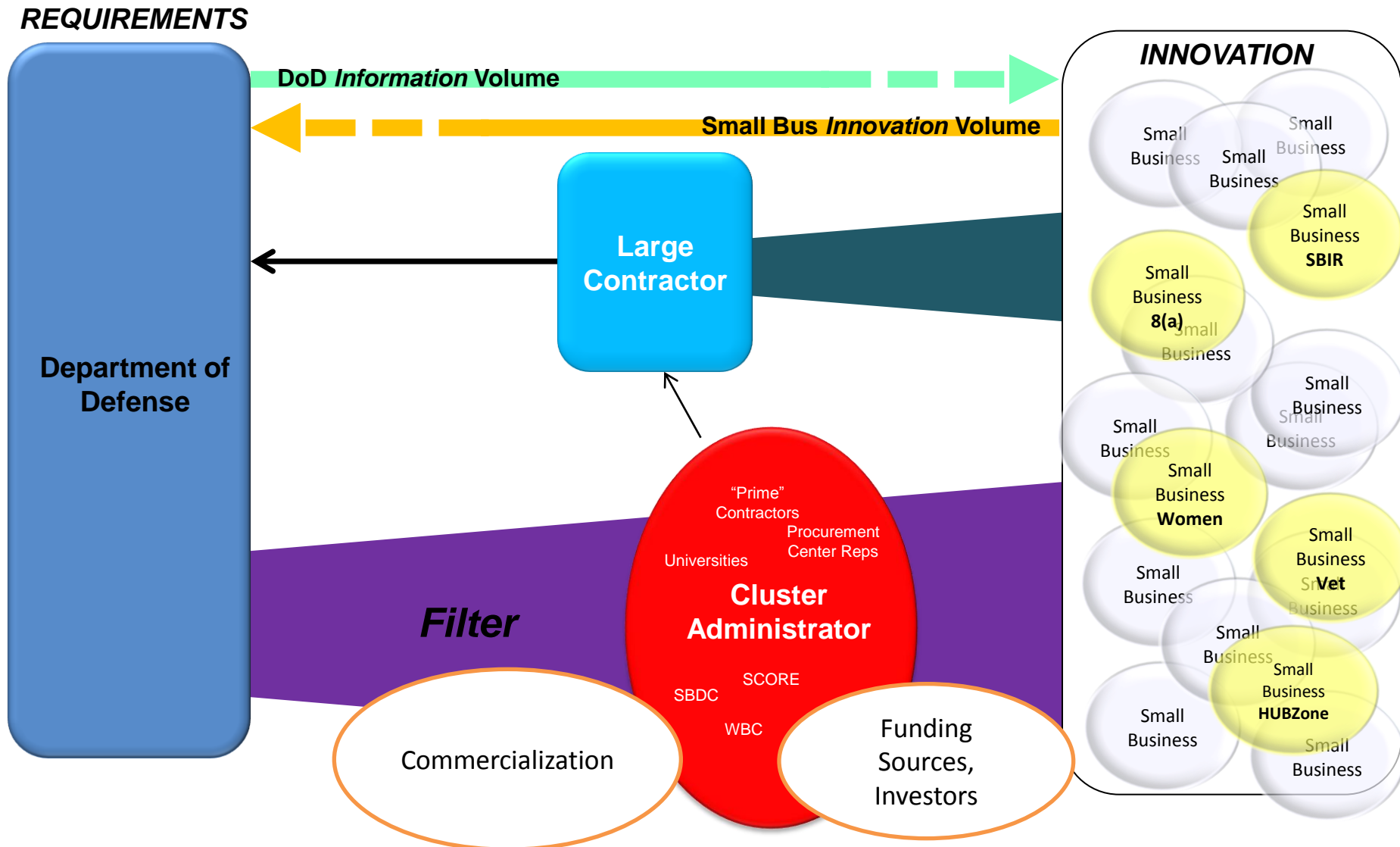
- 1 PA - Greater Philadelphia Innovation Energy-Efficient Buildings (EDA, NIST, DOE,)
- 2 FL - Space Coast Space Shuttle Shutdown Transition (EDA, NASA, DOL)
- 3 OH - South West Ohio Water Cluster *Water Research (EPA)*

SBA's Pilot Contract-Based Clusters

- 4 CA - Agriculture Innovation Cluster – Project 17 Ag Tech *Agriculture Innovation*
- 5 NC - Carolinas' Nuclear Cluster *Nuclear energy technology and components*
- 6 CN - Northeast Electrochemical Energy Storage *Fuel cell and hydrogen fueling systems*
- 7 MS - Enterprise for Innovative Geospatial Solutions *Geospatial technology*
- 8 IL - Illinois Smart Grid Regional Innovation Cluster *Smart grid / efficient energy*
- 9 OH - NorTech Flexmatters *Flexible electronics*
- 10 MI - Upper Michigan Green Aviation Coalition *Green aviation*
- 11 MN- Defense Alliance of Minnesota *Advanced power and energy (DoD Focused)*
- 12 CA- San Diego Advanced Defense Cluster *Autonomous systems and cyber security (DoD Focused)*
- 13 AL - Huntsville Advanced Defense Technology Initiative *Aero-space technology (DoD Focused)*

- Match small business innovation with DoD technology requirements.
- Effectively evaluate small business technology to determine if it is ahead of or behind DoD innovation.
- Save small businesses time & resources by ensuring product viability in DoD market place.

Clusters Connect Small Business Innovation to DOD Requirements



For information on SBA Clusters generally:

www.sba.gov/clusters

Website addresses for ADT Clusters:

www.powerfordefense.com (Minnesota Power & Energy)

www.vcsi.org (Von Braun Center for Science & Innovation – Huntsville, AL) *Click on ADT link on bottom of VCSI homepage for specific ADT info.*

www.ccatsandiego.org (San Diego State University Research Foundation)



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