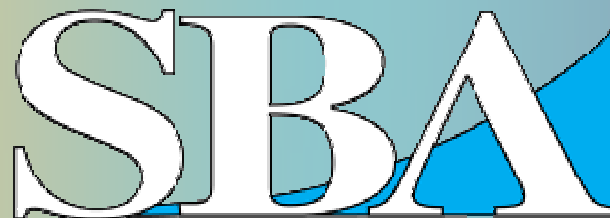




Small Business and the Role of the U.S. Small Business Administration

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U.S. Small Business Administration

- **Who Are We?**

- **Why Are We Here?**

What's so important about Small Business?

Small Business is Driving Economic Growth in the United States!

- Small businesses have provided virtually all of the nearly 20 million net new jobs added to the economy since 1992.
- The approximately 25 million small businesses in the U.S. represent 99.7 percent of employers and employ 53 percent of the private workforce.
- Small business accounts for approximately 50 percent gross domestic product and 55 percent of technological innovations.
- Small business is especially concentrated in services and technology, the fastest growing business sectors in the country.

What's so important about Small Business?

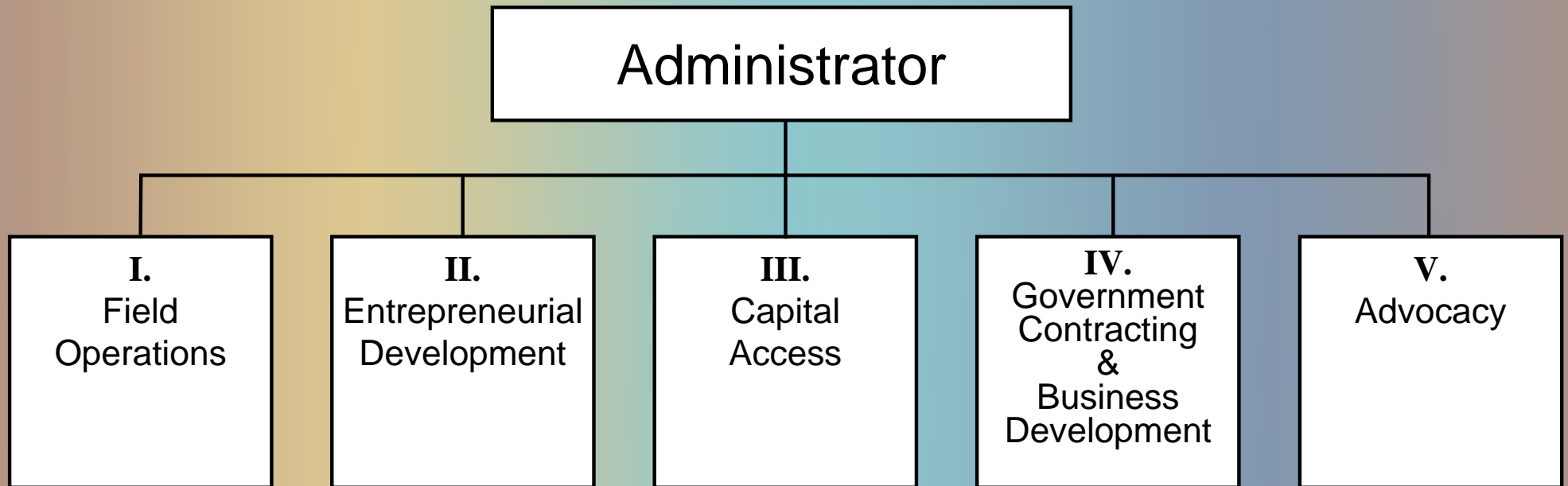
Small Business is Community Oriented!

- Small businesses provide 67 percent of workers with their first jobs and initial on-the-job training. And with an estimated 53 percent of small businesses being home-based.
- Small business are more likely to employ younger and older workers, women, and many of whom prefer or are able to work only on a part-time basis.
- Small businesses typically remain in their communities, obeying labor, environmental, and other state and federal regulations.

SBA by Website Definition

The **U.S. Small Business Administration (SBA)** was created in 1953 as an independent agency of the federal government to aid, counsel, assist and protect the interests of small business concerns, to preserve free competitive enterprise and to maintain and strengthen the overall economy of our nation. We recognize that small business is critical to our economic recovery and strength, to building America's future, and to helping the United States compete in today's global marketplace. Although SBA has grown and evolved in the years since it was established in 1953, the bottom line mission remains the same. The SBA helps Americans start, build and grow businesses. Through an extensive network of field offices and partnerships with public and private organizations, SBA delivers its services to people throughout the United States, Puerto Rico, the U. S. Virgin Islands and Guam.

SBA Structure



I. How do we deliver our services?

SBA — 70 Field Offices

Headquarters

Regional Offices

District Offices



Small Business

II. Entrepreneurial Development

Business Counseling & Training

Primary Resource Partners:

Small Business Development Centers (SBDCs)

- Cooperative effort of the private sector, the educational community and federal, state and local governments
- 1,000 locations throughout the country

Service Corps of Retired Executives (SCORE)

- More than 12,000 members nationwide
- Matches volunteer business-management counselors with small business owners

II. Entrepreneurial Development

Business Counseling & Training

Primary Resource Partners:

Women's Business Centers (WBCs)

- Provide counseling and training for women nationwide
- Offer mentor programs for women in the process of running a small business
- Service Delivery: 91 WBCs in 49 states, the District of Columbia, the Virgin Islands, Puerto Rico and American Samoa

II. Entrepreneurial Development

Business Counseling & Training

Electronic Technical Assistance:

SBA Online (<http://www.sba.gov>)

- Includes SBA publications, access to SBA programs and services, points of contact, calendars of local events, on-line services and data, information exchange by special interest groups, and downloadable files

U.S. Business Advisor (<http://www.business.gov>)

- A one-stop electronic link to the U.S. government's business information and services, small businesses can download business forms and conduct a myriad of other business transactions through this website

II. Entrepreneurial Development

Business Counseling & Training

Electronic Technical Assistance:

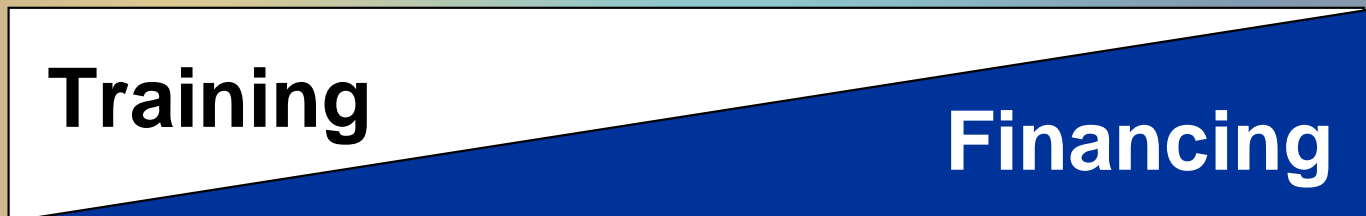
U.S. Small Business Training Network (<http://www.sba.gov>)

- An interactive, state-of-the-art website offering small business training

III. Capital Access

Continuum of Business Assistance Capital

What Businesses Need



**New
Businesses**

**Existing
Businesses**

III. Capital Access

SBA Loan Programs

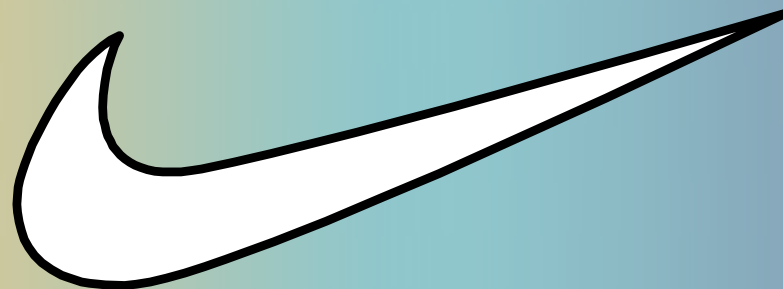
- Predominantly Loan Guarantees (disaster loans only remaining direct loans)
- SBA guarantees repayment of up to 90% of the unpaid principal and interest, depending on the particular loan program (most loans receive a 75% - 80% guarantee)
- Enable small businesses unable to secure financing on reasonable terms through normal channels to receive needed loans
- Maximum amount the SBA can guaranty is typically \$1,500,000

III. Capital Access

SBA Loan Program International Success Stories



Ben & Jerry's Ice Cream



Nike Shoes

III. Capital Access

The Small Business Investment Company (SBIC) Program

- SBICs are federally supported, privately owned and managed venture capital funds, established to stimulate and augment private sources of finance for small businesses
- Provide funds for valid business purposes such as working capital, capital expenditures, research and development, and acquisitions
- SBA administers the SBIC program, licenses venture capital funds, and issues regulations with they must comply
- Program got its start in 1958 when the Federal Reserve Bank of Boston issued a report, stating that there was a shortage of long-term equity capital for small businesses

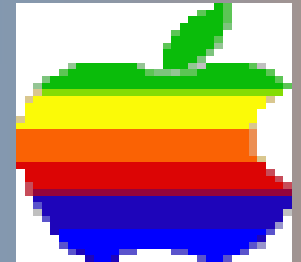
III. Capital Access

SBIC International Success Stories



American Online

Apple Computer



Intel Corp.



Federal Express



Callaway Golf



Sun Microsystems

IV. Government Contracting

Federal Procurement Assistance

- **Prime Contracting:** Increases small business opportunities in the federal acquisition process. This is accomplished through initiating small business set-asides, identifying new small business sources, counseling compliance with the Small Business Act through oversight reviews
- **Subcontracting Assistance:** Helps small businesses receive the maximum practical opportunity to participate in federal contracts as subcontractors and suppliers. (By law, certain percentages of large federal contracts must be subcontracted to small businesses)
- **Specialized Procurement Programs:** Includes Women-Owned Business Procurement, the Very Small Business Set-Aside program, and the HUBZone Empowerment Contracting Program.

V. Office of Advocacy

- **“Voice of U.S. small business”** in politics and policy formation
- Congress created the Office of Advocacy in 1976 within the SBA to protect, strengthen and effectively represent the nation’s small businesses within the federal government’s legislative and rule-making processes
- Works to reduce the burdens that federal policies impose on small firms and maximize the benefits small businesses receive from the government
- Encourages policies that support the development and growth of American small business
- 11 regional advocates enhance communication between the small business community and the Chief Counsel for Advocacy

- **Who Are We?**

- **Why Are We Here?**

Middle East Partnership Initiative

Agreement between the U.S. Department of State/Middle East Partnership Initiative and the U.S. Small Business Administration

Purpose: Encourage economic empowerment of women through entrepreneurship

- Entrepreneurship training/skills building
- Local community outreach/hands on learning
- Business sector and trade development/linkages
- Small business advocacy training

Middle East Partnership Initiative

Entrepreneurship Training/Skills Building

- Adapt SBA's existing training materials, i.e.;
 - Business planning
 - Access to capital
 - Organizations structure
 - Employee management
 - marketing
- Provide workshops/training
- Provide a variety of technical and administrative experts to assist with private sector developmental needs of women entrepreneurs in the Middle East and North Africa

Middle East Partnership Initiative

Local Community Outreach/ Hands On Learning

- Develop a plan to train and utilize local, foreign government agencies and other organizations to develop networks of free, personalized and confidential small business advice similar to our SCORE and WBC programs
- Where possible pair foreign based, women-owned small businesses with successful U.S. businesses to offer mentorship and on-going support via phone and e-mail

Middle East Partnership Initiative

Business Sector and Trade Development/Business Linkages

- Facilitate trade missions to the U.S. with delegates from selected manufacturing or service sectors
- Facilitate trade missions for U.S. entrepreneurs to visit program participants
- Arrange meetings between MENA businesswomen and potential American business partners to establish mentor protégé relationships and identify and establish trading partners
- Improve awareness of current market conditions and build commercial relationships with MENA Region
- Provide strategic and technical assistance to predetermined MENA government agencies involved in small business development

Middle East Partnership Initiative

Small Business Advocacy Training

- Promote awareness of available Business Advocacy Models to MENA government, community and business leaders
- Recommend ways to create and improve regulatory and institutional environment for women-owned small businesses

Presented courtesy of:



U.S. Small Business Administration

<http://www.sba.gov>

Thank you for your interest and attention!