

FIELD

Microenterprise Fund For Innovation,
Effectiveness, Learning and Dissemination



**Supporting
Microenterprises
That Create Jobs**

April 2010
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Special thanks to the
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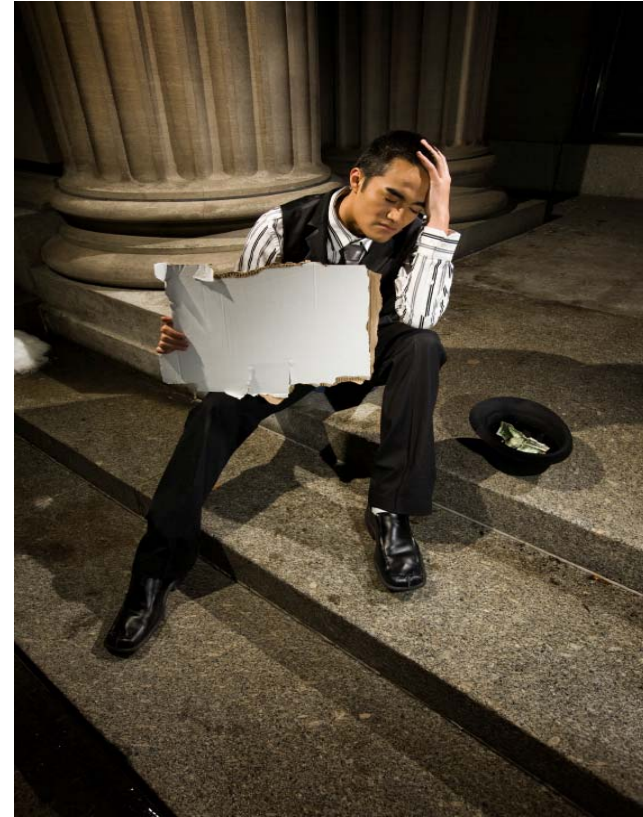
A Sense of the Room



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Webinar Goal

To explore how
microenterprise
programs can
support *more*
job creation in
their markets



- What are strategies that work?
- What do they demand of microenterprise programs?
- What are the challenges they pose?
- And what lessons can be learned from these that can be fed back into regular programming?



Job Creation in Microenterprises

2008 Group Jobs Figures (Snapshot Data)			
	Jobs	Jobs per Business	N
Including Owner	3285	3.1	1046
Excluding Owner	2239	2.2	1046

More Five-Year Clients Had Businesses that Created Jobs
(52% compared to 41% of One-Year Clients)

And the Number of Jobs *Per Business* was Higher
(3.05 jobs compared to 1.68 jobs among One-Year Clients)



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Agnes Noonan

Executive Director,
WESST



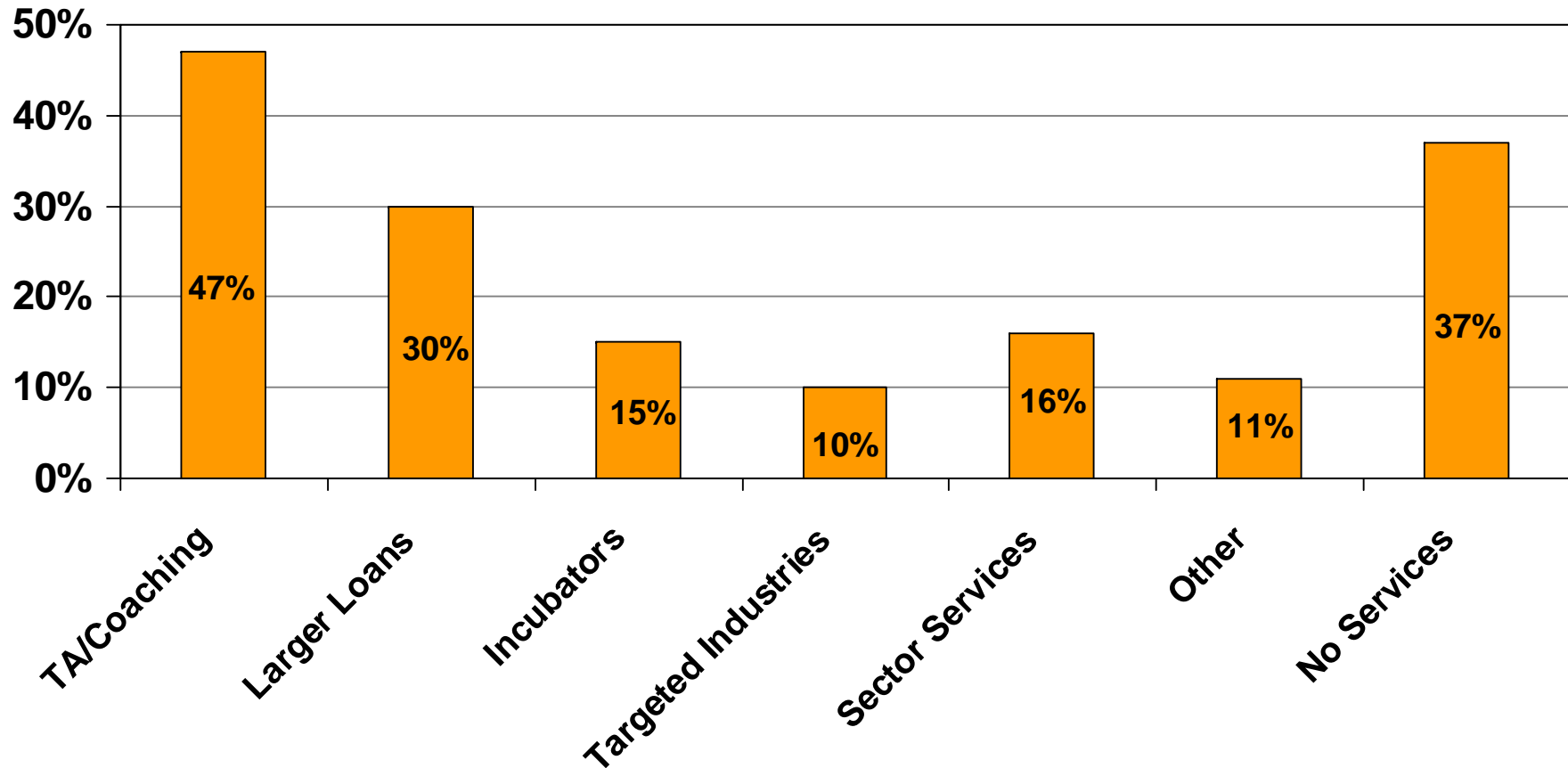


Bob Dunn

Director, Go and
EDGE Programs,
Mountain BizWorks



Your experience in job creation



■ Webinar Respondents

n=92 as of 4/27/10

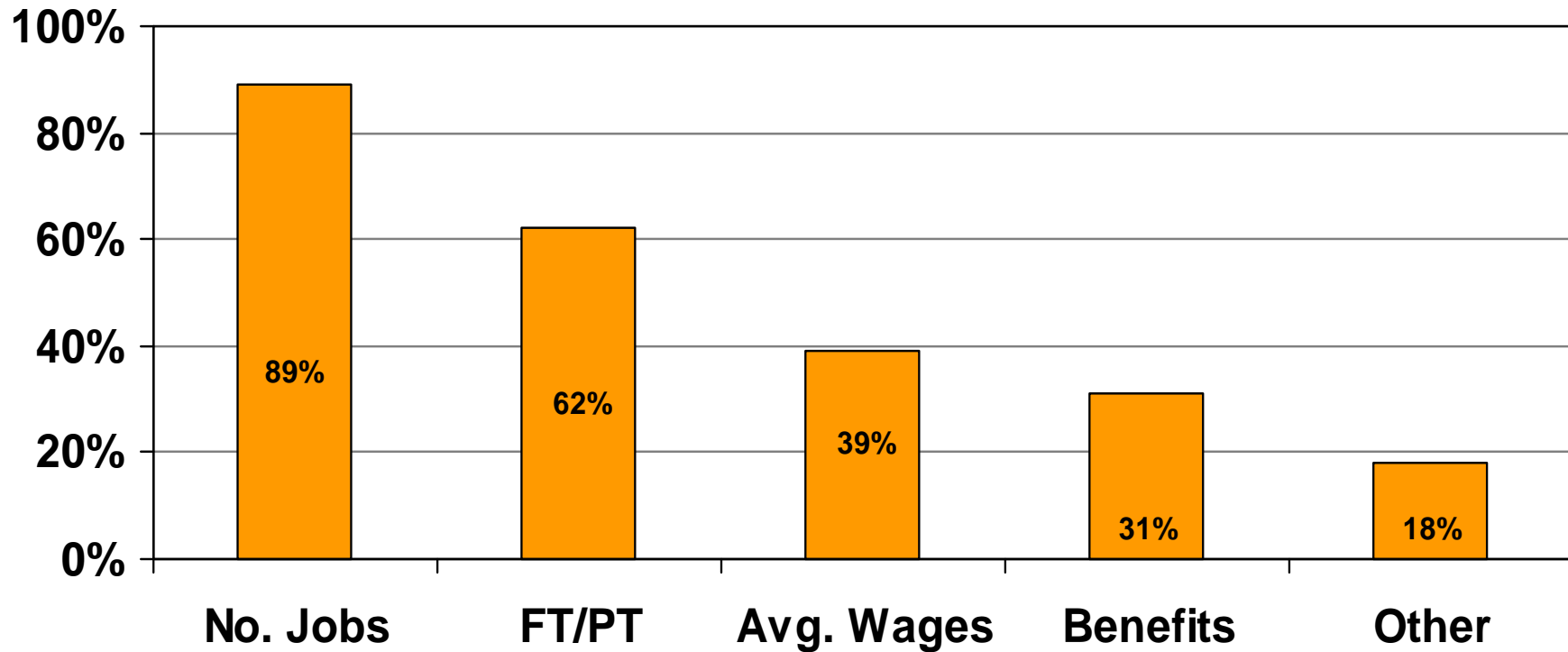


Funder Interest in Jobs

Greater Demand from Funders to Demonstrate Job Creation and Retention? (*n* = 86)

Yes: 74%

No: 26%



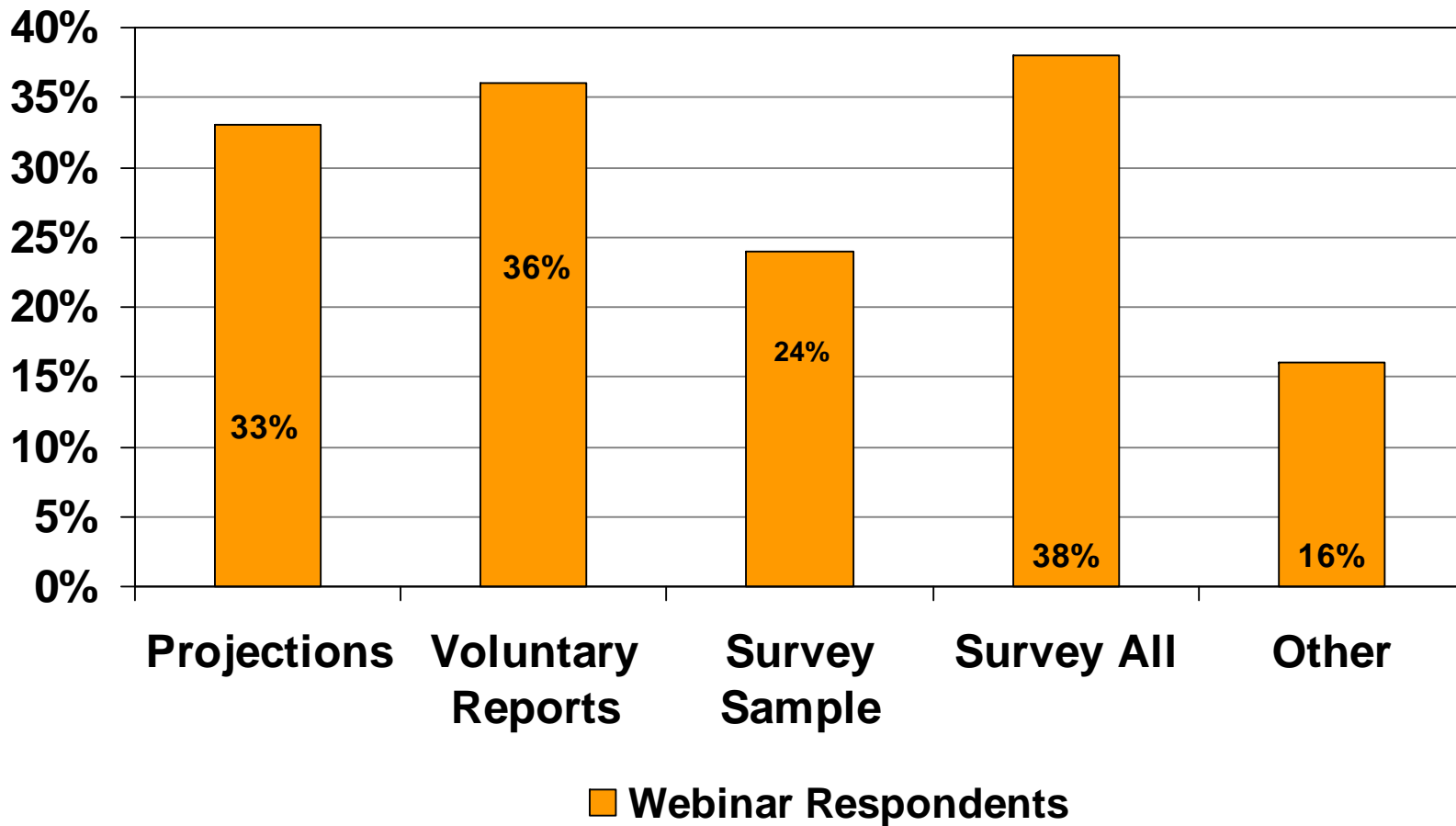
■ Webinar Respondents

n=85 as of 4/27/10

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How You Currently Track Jobs



n=82 as of 4/27/10



WESST's Mission and Vision

Mission:

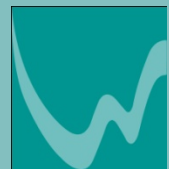
is to be a home to entrepreneurs. We strive to provide a support system for our clients so they can successfully grow their business through market penetration, job creation and capital accumulation. We aim to be the most respected and admired business development organization by the year 2015.

Vision:

is to be an international leader in growing businesses through training, consulting and lending.

Core Values:

Innovation, Integrity, Quality and Excellence, and Accountability



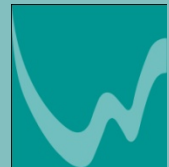
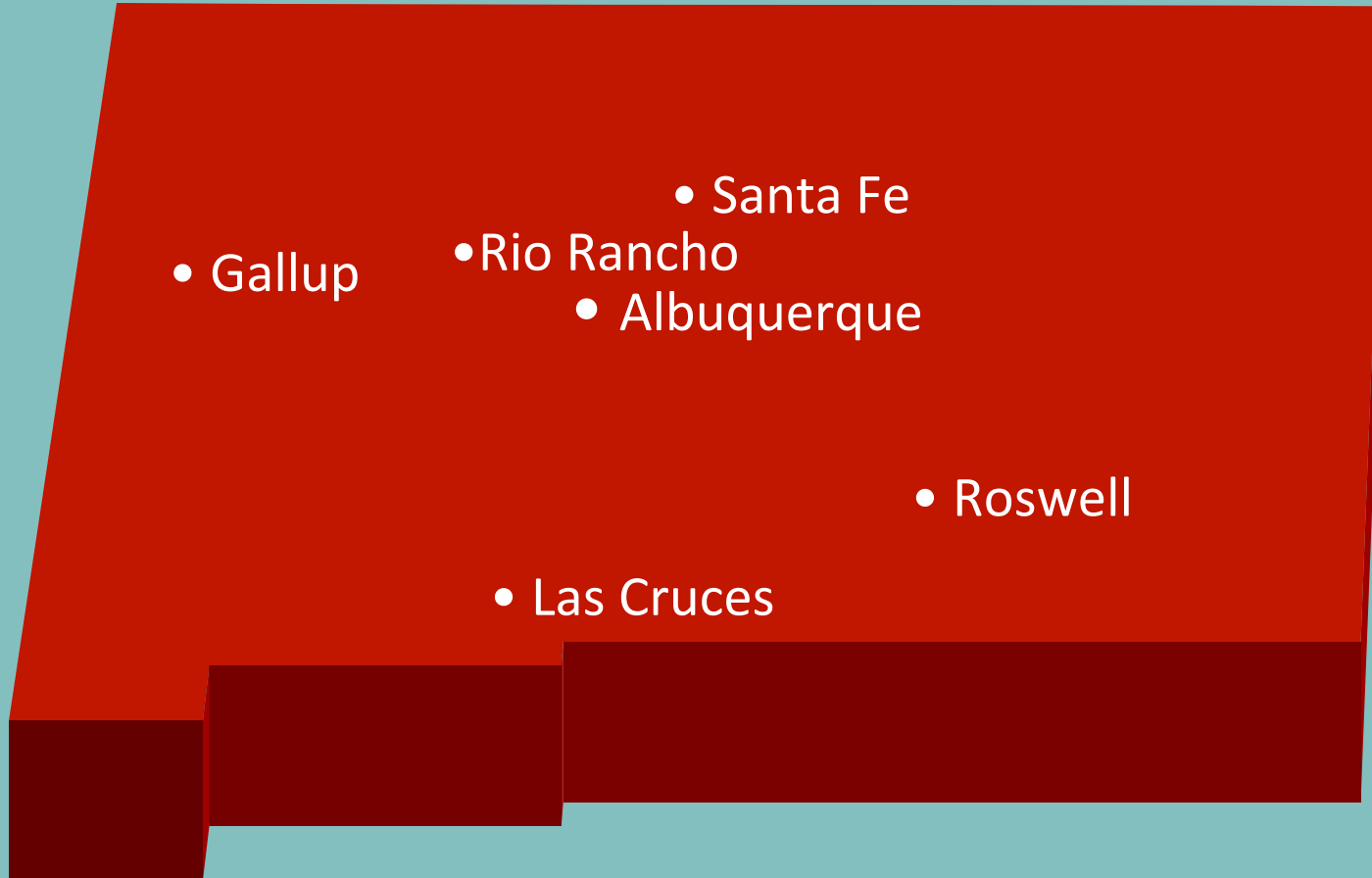
Target Markets (2009)

2,740 participants; 871 clients

61% women

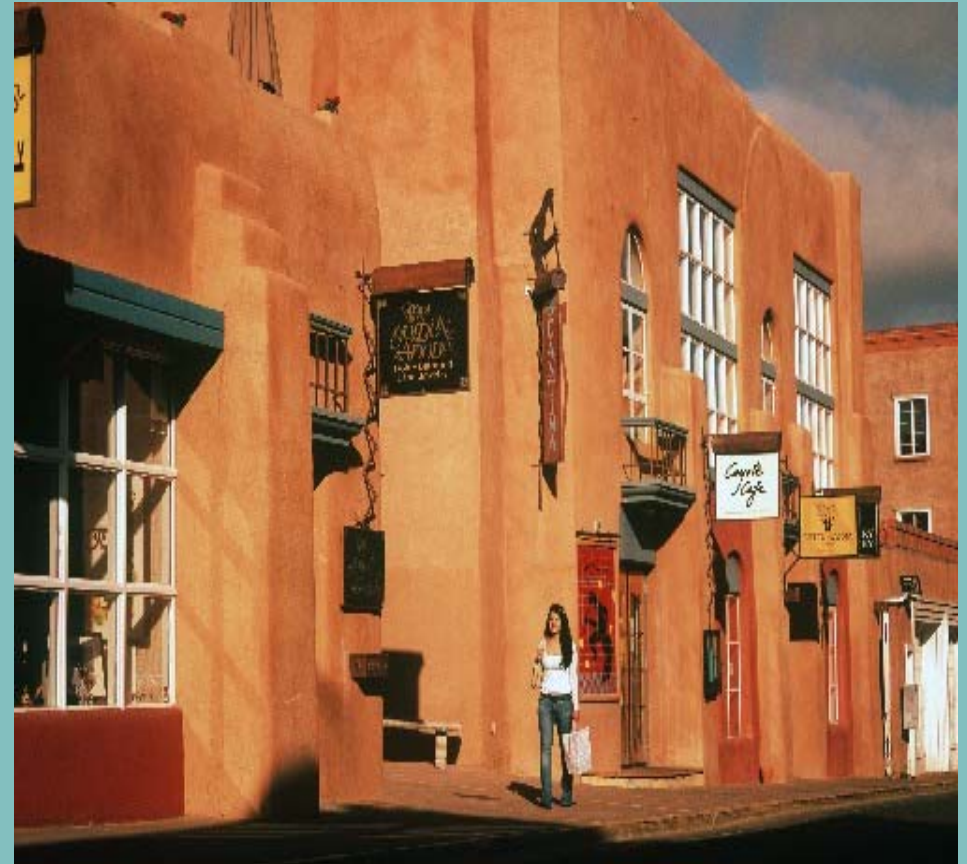
49% minorities

66% low-income

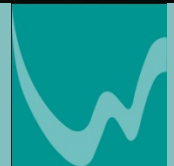


Products and Services

- Training
- Consulting
- Loans
- Business Incubation
- Special Programs
 - Individual Development Accounts (IDA)
 - Refugee Loan Program



Santa Fe



What does WESST's portfolio of enterprises look like with respect to job creation?



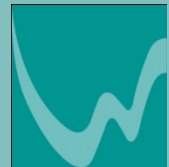
Job Creation



Las Cruces

Over 21 years—
3,200 jobs and
2,035 business starts

In 2009—
278 jobs created
81 business starts
\$18.5 million in gross
revenues



How do you think about the role your organization should play in job creation?

- Rationale
- Fit?



WESST Enterprise Center

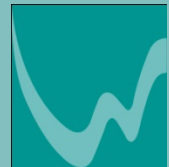


37,000 sq.ft, LEED-certified (Silver) mixed use small business incubator

Located in ABQ's Pocket of Poverty; HUBZone
\$10.0 mn+ cost –(State, City, EDA, Pvt Sector)

Six-year planning and development phase

Opened January 1, 2009



WESST Enterprise Center

Key Goals:

- * Accelerate the growth of start-up companies
- * Promote job creation
- * Targeted job creation – 51% low/mod income

Key Services/Assistance:

- * Business consulting, training, access to capital
- * Space, Internet/phone, conference rooms, receptionist, parking



Albuquerque



A WESST Enterprise Center Client— **Biomoda**

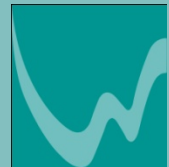
Business – Development and commercialization of cost-effective, non-invasive diagnostic assay for early detection of lung cancer

Similarities: start-up, no online marketing strategy

Differences: publicly traded, high-tech

Key WESST assistance: social media strategy, networking, community linkages

Results: Phase 2 clinical trials; \$2.5 mn equity injection; new contracts (Nebraska); 6 new jobs since 1/09



Biomoda

Windows Internet Explorer browser window showing Google Finance for Biomoda, Inc. (OTC:BMOD). The page displays the current stock price at 0.220, down 0.010 (-4.35%) from the previous close. Key statistics include a market cap of 19.24M, 87.45M shares, and a P/E ratio of 1.33. A line chart shows the stock price from July 2009 to March 2010, with a volume bar chart below it. A table of related companies is provided at the bottom, listing firms like SeraCare Life Sciences, Inverness Medical, and Karver International. The right sidebar features news headlines and advertisements for penny stock alerts.

Company: Biomoda, Inc. (Public, OTC:BMOD) [Watch this stock](#) Find more results for **BMOD**

Summary: **0.220 -0.010 (-4.35%)**
 Range 0.21 - 0.23 Mkt cap 19.24M Shares 87.45M
 52 week 0.02 - 0.53 P/E - Beta 1.33
 Open 0.23 Div/yield - Inst. own -
 Delayed: 1:18PM EDT Vol / Avg. 93,415.00/216,000.00 EPS -0.01
 OTC data delayed by 15 mins - [Disclaimer](#)

Compare: Enter ticker here [Add](#) SRLS IMA KRVR ICC CONX CEMI APPY QTXB [more >](#)

Zoom: 1d 5d 1m 3m 6m YTD 1y 5y 10y Max Jun 29, 2009 - Apr 12, 2010 +0.24 (398.33%)

Recent quotes:

BMOD	0.220	-4.35%
HD	35.47	0.57%
UPS	67.95	-0.25%

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Related companies Show: Most Recent Annual [Add or remove columns](#)

Company name	Price	Change	Valuation	Chg %	d m y	Mkt Cap
BMOD Biomoda, Inc.	0.220	-0.010	19.24M	-4.35%		19.24M
SRLS SeraCare Life Sciences...	4.27	+0.06	80.39M	1.43%		80.39M
IMA Inverness Medical Inno...	37.57	-0.63	3.15B	-1.65%		3.15B
KRVR Karver International...	0.0100	0.0000	136,400.00	0.00%		136,400.00
ICCC ImmuCell Corporation	3.82	0.00	11.35M	0.00%		11.35M
CONX Corgenix Medical Corp.	0.135	0.000	4.24M	0.00%		4.24M
CEMI Chembio Diagnostics, Inc.	0.210	0.000	13.02M	0.00%		13.02M

News:

- [The Bulls Are \(Mostly\) Losing Their Grip - Looks at BMOD, PRWT, SOMX](#) Small Cap Network - Apr 12, 2010
- [Biomoda Announces up to \\$2.0 Million Private Placement](#) Business Wire - Mar 17, 2010
- [Biomoda, Inc. Announces Up To \\$2.0 Million Private Placement](#) Reuters Key Development - Mar 17, 2010
- [Biomoda and Ohio Form Strategic Alliance to Expand Lung Cancer Screening Program](#) Business Wire - Mar 10, 2010

[All news for Biomoda, Inc. >](#) [Subscribe](#)

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WESST Enterprise Center Client— **Medical Practice Solutions**

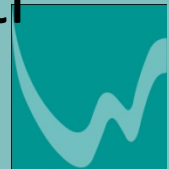
Business – provides complete business solution to medical billing and practice management needs.

Similarities: Start-up, women-owned, employees drawn from low-mod demographic

Differences: Savvy management

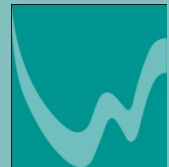
Key WESST assistance: MARKETLINK (training), loan (\$50k), consulting

Results: 12 new jobs (as/of 1/1/10); \$111,570 First Qtr Revenues



WESST Enterprise Center 2009 Results

- Companies in residence 10
- Total revenue \$5,578,000
- Equity investments \$2,509,000
- Debt instruments \$1,032,000
- Full time employees 67
- Part time employees 26
- Gross payroll \$2,677,000
- New jobs created 55



Questions from Participants

Please raise your hand
or send us a question
via the chat feature.



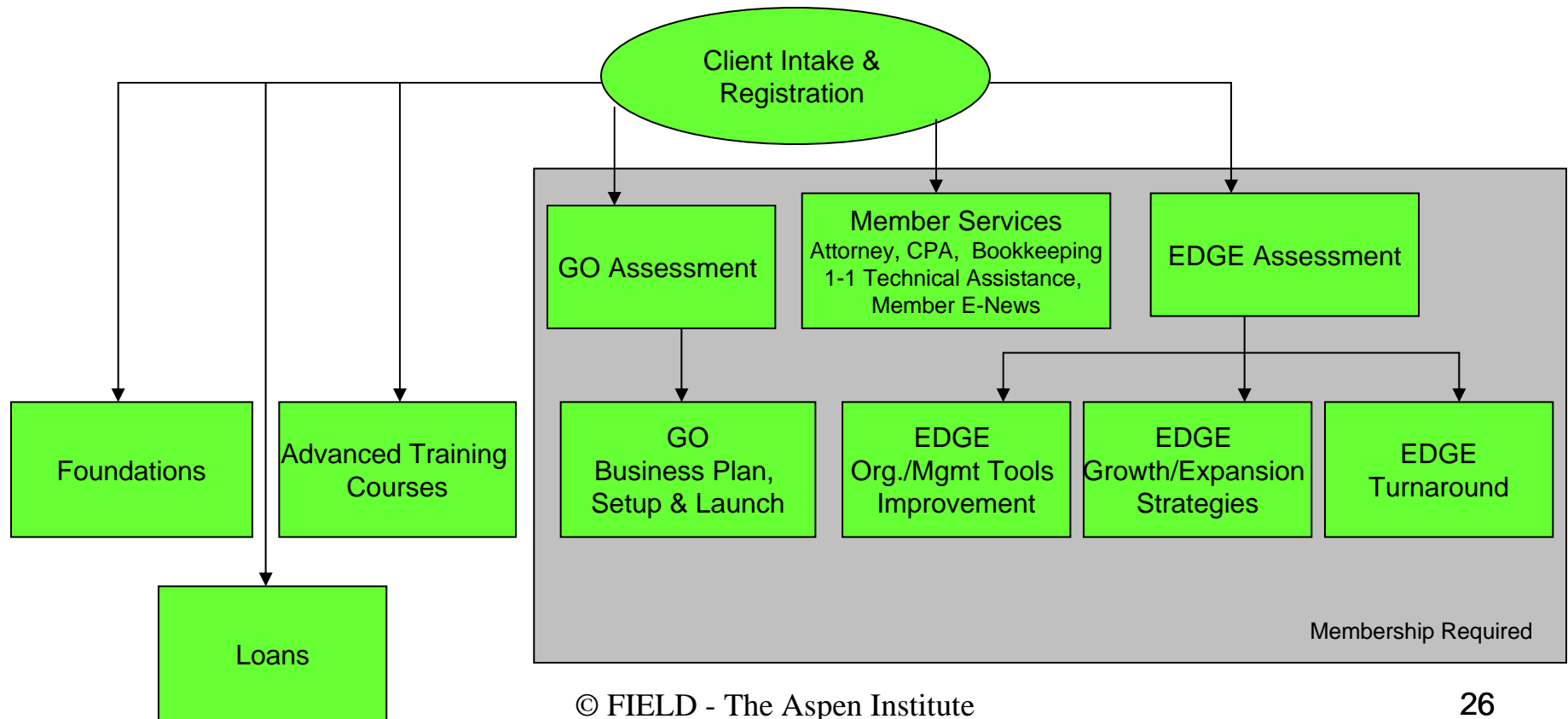
Mountain BizWorks

Mission: To build economic opportunities through business development and capital.

Target Market: All who desire to start or expand businesses & may not have access to business development services and financing.

Staff: 13 full time + 27 part time.

Lines of Business



What does Mountain BizWork's portfolio of enterprises look like with respect to job creation?



Mountain BizWorks Clients & Jobs

Mountain BizWorks 2010 Goals	2009 Results	1Q2010
Total Served - unduplicated (10+ hrs - training or TA, Loans, GO/EDGE, Membership-benefit TA)	1268	382
Low Income	64%	63%
Women	62%	56%
Minorities (Afr Am, Latino, Nat Am, Other)	24%	24%
Business Starts	164	30
Businesses Sustained	494	156
Jobs Created	310	69
Jobs Sustained	1338	639
Loans	49	10
Loan Volume - \$\$	\$792,800	\$133,000
Charge off Rate	5.9%	0.7%
Portfolio At Risk (PAR) Rate	8.3%	6.4%
Foundations Certifications	336	41
Foundations Certification Rate	74%	75%
Foundations Completion Rate		80%
Advanced Trainings - # Completed	155	26
GO Contracts completed	65	4
EDGE Assessments	14	2

- This is a work-in-progress
- **Greatest challenge: sensible & consistent definitions**
- Capture **reference info at registration** (what biz, # of employees, full v part time)
- Reference **data updated**
 - Membership renewal
 - Foundations certification anniversary
- Info captured into internal SQL data base
- Tracking done against reference info
- **Base data gives rise to inferred info.**
 - Biz created or sustained
 - Biz jobs created or sustained
- Inferences **based on when services delivered**
 - Against a trailing period
 - Biz start date within => “create”
 - Biz start date prior => “sustained”
 - No inferences re job losses
 - Biz closings only from loan defaults

How do you think about the role your organization should play in job creation?

- Rationale
- Fit?



Mountain BizWorks

Coaching/Consulting Services

- Distinct from Membership, TA and Professional Services
- **GO** is for new businesses
 - Up to 15 hours of services within 3 months elapsed time
 - Package priced and often subsidized
 - Often the outgrowth of Foundations certification
 - Assessment is about challenges and included in 15 hours
 - More than 300 projects since inception in early 2004.
- **EDGE** is for existing businesses
 - No limits on service hours or elapsed time
 - Hourly priced and no subsidy
 - Word of mouth so far; formal marketing just being launched
 - Assessment is about growth, expansion, turn-around or organizational issues & initiatives
 - Project work beyond assessment is a distinct choice
 - More than 30 projects since inception in mid-2008



Typical *EDGE* Client

- Revenues (> \$200K)
- 5 < people < 50
- Established customers mostly within 75 miles
- Services (media, IT, food, marketing, etc.), retail, specialty construction, distribution, food production, manufacturing, agriculture, etc.

Example Wholesale/Retail Bakery

Began as GO then became EDGE
Initially about operating challenges

Recommendations:

- Reduce head count
- Reduce side-line bought-in packaged goods
- Expert re workout of tax-based debt obligations.
- \$50K receivable-backed loan application to MBW
- Retail store pay for goods produced by wholesale production operations
- Do analysis to reduce materials purchases

Now about growth, growth financing and management

- # of SKU's reduced along with on-hand materials
- Current revenue & profitability up, targeting 3x growth, new GM in place
- Seeking \$250K for new “green” wholesale facility using local winter wheat
- Winter wheat ground on premises via hand-built mill
- New facility to be equipped to do high volume “par baked” breads and rolls



Partner Roster is Expanding

- Active Board
- SBA \$s for focus on women
- City of Asheville \$s via CDBGs for LMI citizens
- Regional Local Markets project for farmers (ASAP)
- Regional economic development organization
 - Blue Ridge Food Ventures production kitchen
 - Blue Ridge Entrepreneurial Council
 - Advantage Green new sector initiatives
 - Advantage Opportunity Fund for growth businesses
 - CarolinaConnect annual entrepreneurship conference
- Regional community colleges (small business centers + business incubators)
- Selected corporate sponsors (more than \$s)
- Local newspapers re feature articles about clients

Questions from Participants

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or send us a question
via the chat feature.





What's critical for an entrepreneur in managing the transition --from self-employment or microenterprise to -- a growing business with jobs potential?





To what extent have these services affected or influenced how you work with other clients? Are there lessons learned, changes you have made or will make based on this experience?





Any contradictions you face in working with more growth-oriented businesses?

Does the mission question come up with board?
With staff?



What has been your conversation with funders around jobs?



How have your funders reacted to these results?



Questions, Comments from Participants

Please raise your hand or send us a question via the chat feature.



Resources

Recorded webinars:

Job Creation in Microenterprise Development:
What Story Do the Numbers Tell Us?

At the Five Year Mark:

Outcomes Reported by U.S. Microenterprise Clients

Microenterprise and Entrepreneurship Development Systems

<http://fieldus.org/OnlineLearning.html>

Publications:

At the Five Year Mark:

Outcomes Reported by U.S. Microenterprise Clients

<http://fieldus.org/Publications/MultiyearDataRpt09.pdf>



Next *Leading Edge* Webinar

Innovative Capitalization Strategies:

What is Scalable?

June 16, 2010

2:00 – 3:30 pm EDT

Sponsored by Bank of America



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