



# Annual Report 2015-2016

## I. **Mission**

The Arkansas Small Business and Technology Development Center (ASBTDC) applies creative approaches that stimulate entrepreneurship, innovation, and small business growth through the higher education system resulting in measurable economic outcomes.

## II. **Vision**

ASBTDC is the first and best resource for small businesses and entrepreneurs, helping start and grow businesses that in turn strengthen and sustain the economy and communities of Arkansas.

## III. **Values**

- Excellence
- Collaboration
- Innovation and Continuous Improvement
- Stakeholder Value

## IV. **Highlights**

### a. **All-Time Record for Capital Infusion**

ASBTDC exceeded all its previous records for capital infusion during AY16, assisting **219 businesses** with obtaining **\$76,725,136** in capital funding. ASBTDC provided long-term consulting services (five hours or more) to 830 clients in the state. In addition to obtaining capital, ASBTDC assisted small businesses with

- starting 135 businesses,
- creating and retaining 1,471 jobs, and
- increasing sales by \$18,433,542.

### b. **SBIR Road Tour**

The ASBTDC hosted the first stop on SBA's national SBIR Road Tour at the UALR Reynolds Business Center on April 19. The event allowed UALR researchers and Arkansas entrepreneurs the opportunity to meet one-on-one with federal program managers to discuss federally funded research opportunities. SBA Administrator Maria Contreras-Sweet kicked off the event, speaking at a reception hosted by the Little Rock Regional Chamber of Commerce the evening before at the Clinton Library. About 65 entrepreneurs from Arkansas and other states participated in the Road Tour, which included presentations from federal and state agencies as well as a panel of successful

Arkansas SBIR award recipients and meetings with program managers from nine federal agencies.

c. **High-Impact Learning Experiences for Students**

In AY16, ASBTDC facilitated 108 high-impact learning experiences involving 431 students. Through these projects, student teams provided 1,707 consulting hours to 83 small businesses in the areas of business planning, personnel management, operations efficiency, project management, market research, website usability and design testing, and crisis communication planning. Integrating a small business project into a course brings life to the classroom content and provides an excellent environment for students to apply their skills and knowledge of the subject matter.

d. **Innovation and Commercialization**

For the sixth consecutive year, ASBTDC won a Federal and State Partnership grant from SBA to assist Arkansas researchers and innovators with commercialization. In AY16, ASBTDC assisted Arkansas companies with 21 proposals, helping them obtain **\$1,582,507** in federal and state funding to further the commercialization of their research.

UALR chemistry professor, researcher, and entrepreneur Dr. Tito Viswanathan was featured in the Small Business Administration's *Resource Guide*, a national publication. The article highlighted ASBTDC's work with Viswanathan and his success with the Small Business Innovation Research funding program.

In response to a request from UALR's TechLaunch, three ASBTDC staff served as team mentors for the UALR National Science Foundation iCorps training program. The training will help the university to compete for funding through iCorps and to position UALR to have an established iCorps Sites program, so that more teams out of UALR will be able to benefit from learning the iCorps curriculum and prepare teams for competitions.

e. **Global Entrepreneurship Week**

During Global Entrepreneurship Week in November 2015, the ASBTDC invited UALR students, faculty, and staff to explore entrepreneurship. Chancellor Joel Anderson issued a campus-wide proclamation and helped kick off the week. ASBTDC staff led four Lunch & Learn events (The Social Entrepreneur, My Student Startup Story, Commercializing Your Research, and Market Research Tips & Techniques) and hosted eight Pop-Up Stations across campus in coordination with five colleges and the Donaghey Student Center.

Mark Carter, a reporter for *Arkansas Business*, attended the "Commercializing Your Research" session and wrote "UALR Workshop Explains Commercialization Process for Researchers" that appeared in the Nov. 19 online edition of *Arkansas Business* along with a photo of Rebecca Norman's presentation. The article also mentioned Dr. Tito Viswanathan's startup Synanomet as a UALR success story.

f. **Market Research**

ASBTDC provides personalized, tailored market analysis based on the needs of each

small business client. ASBTDC is a leader in the state and nation in using economic intelligence data, paired with highly valued consumer psychographic information and geographic information systems (GIS) mapping, to assist small businesses and entrepreneurs with making decisions about new markets and business expansion.

Through ASBTDC, Arkansas small business owners and entrepreneurs have access to the same information and decision-making tools used by larger companies including Nike, Home Depot, Target, and UPS. These resources would typically be out of the price range of most small businesses. Providing high quality market intelligence works to level the playing field and allows small business owners to be more competitive and profitable. Lenders, economic developers, and entrepreneurs value strategic market intelligence and consistently cite ASBTDC as the best resource for market research in the state.

The ASBTDC provided market research and GIS mapping assistance to 403 clients for a total of more than 1,375 hours of assistance during the period of July 1, 2015 to June 30, 2016. Following is a sampling of types of services provided in the area of research:

- Small business financial research – 638 financial profiles and studies were provided to clients.
- Demographic, market potential, consumer spending, traffic research – Approximately 2,015 reports were provided to clients for client-defined trade areas.
- Custom GIS mapping and analytics – Clients continued to benefit from receiving competitor maps, locator reports, and other custom maps. Research undertook 173 complex projects involving three or more hours of consulting time.

Lenders refer small business clients to the ASBTDC for in-depth market research in order to provide a comprehensive market analysis that includes demographics or prospective customers and their spending habits, as well as key competitors. Marcus Guinn, executive vice president and loan manager for Arvest Bank in central Arkansas, recommended small businesses use the ASBTDC in his article, “Your Startup Business Plan” which appeared in *Arkansas Business* on May 9, 2016.

g. **Training**

In AY16 ASBTDC delivered 309 small business training events attended by 3,604 attendees.

h. **Special Programs**

***City of Little Rock/Kauffman Foundation***

As an affiliate of the Kauffman FastTrac® program, the ASBTDC offers entrepreneurial courses for both aspiring and growth entrepreneurs in collaboration with the City of Little Rock.

*Talk Business and Politics* featured FastTrac participant Corey Boelkens. Boelkens participated in the 2015 FastTrac® NewVenture™, a 10-week course for aspiring and early-stage entrepreneurs, and used the course along with ASBTDC consulting to develop a plan and start the business for his app, RaftUp. RaftUp is an app used to enhance both the safety and social aspects of boating recently launched in the Apple iTunes store; it will soon be available on Google Play.

### **Supplemental Funding**

ASBTDC received \$195,000 in supplemental funding from SBA for two special projects.

- **Deaf/Hard of Hearing Entrepreneurs**

ASBTDC's two most popular seminars for prospective business owners are available in American Sign Language on YouTube.

New and future entrepreneurs who are deaf or hard of hearing can watch "Starting a Business" and "Writing a Business Plan" presented in ALS by licensed interpreter Timothy Lowe. The "Starting" video looks at business feasibility, financing, startup requirements, and more. The "Business Plan" video discusses why having a written business plan is important and elements to include. Both are available on the center's YouTube channel, [youtube.com/ArkansasSBTDC](https://youtube.com/ArkansasSBTDC).

The videos were produced as part of an inclusive entrepreneurship project targeting the deaf and hard of hearing community and funded by the U.S. Small Business Administration. ASBTDC also developed and presented training for existing businesses on how to be deaf friendly.

- **Exporting**

ASBTDC developed a new Export Snapshot tool to give small businesses a sense of their international opportunities. Exporting represents an untapped market opportunity for small businesses, yet many Arkansas businesses overlook customers outside the U.S. The snapshots provide small business owners initial insight into international market opportunities.

ASBTDC graduate assistants prepare the Export Snapshots and are a key resource in providing individualized and industry-specific research reports for each company.

Each Export Snapshot includes the top five export markets for the client's industry, the size and growth rate of the international market for the industry or product, plus domestic trends to consider. Internet links to international trade resources, information, and statistics also appear.

- i. **Community Engagement**

ASBTDC collaborates with many community partners to support economic development. Developing and maintaining close relationships with lending institutions, chambers of commerce, professional and trade associations, a host of business professionals, and economic development organizations, as well as local, state and federal government agencies and offices, is strategically important to ASBTDC.

Many business professionals, including accountants, bankers, attorneys, marketing experts, and small business owners, serve as volunteer presenters for ASBTDC training events. Governmental agency personnel and elected officials also serve as speakers. ASBTDC involves these subject matter experts from the community in approximately 50

percent of its programs. By engaging volunteer speakers, the ASBTDC gives Arkansas entrepreneurs and business owners the opportunity to learn from and communicate with experts in the private sector and other organizations.

Collaborative partners frequently co-sponsor ASBTDC training events, refer business owners for assistance, and work together on special projects. The ASBTDC statewide network engaged with more than 240 collaborative partners in AY16.

ASBTDC has especially strong relationships with commercial lenders in the state. Financial institutions are a leading source of client referrals for ASBTDC, as lenders look to the ASBTDC to help their customers better understand the market for their products or services, obtain market research, write business plans, and develop financial projections, which are vital components of a successful loan application. ASBTDC engages with lenders through outreach and a bimonthly newsletter.

**V. Assessment**

**a. Customer Satisfaction Survey**

The ASBTDC conducts an ongoing customer satisfaction survey of its consulting clients. ASBTDC tracks responses to three key questions as part of its annual trend analysis, which provides an excellent opportunity to measure and monitor client satisfaction over a period of time. Following are results from the ASBTDC’s CSS survey for CY2015:

<b>ASBTDC Customer Satisfaction Survey Results – Key Questions</b>	
<b>SURVEY QUESTION</b>	<b>CY 2015</b>
<b>Did we possess the skills to help you? (yes)</b>	97%
<b>Would you recommend ASBTDC? (yes)</b>	98%
<b>How would you rate us? (excellent or very good)</b>	97%

**b. Training Evaluation Survey**

The ASBTDC transitioned to an online evaluation process for training attendees in July 2015. ASBTDC tracks responses to three key questions as part of its annual trend analysis in order to measure and monitor training customer feedback over a period of time. Following are results from the ASBTDC’s online training evaluation survey for CY2015:

<b>ASBTDC Training Evaluation Survey Results – Key Questions</b>	
<b>SURVEY QUESTION</b>	<b>CY 2015</b>
<b>The information presented was practical. (strongly agree or agree)</b>	97%
<b>The program provided a good working knowledge of the subject matter presented. (strongly agree or agree)</b>	96%
<b>The program attended was sufficient for my purpose. (strongly agree or agree)</b>	90%

c. **Economic Impact Study**

By design, ASBTDC is a results-oriented organization that continuously assesses the economic impact of its services. The independent 2015 ASBTDC economic impact study of long-term clients served in 2013 showed that ASBTDC-assisted clients: increased employment 31.9% more than the average Arkansas business, created 2,144 new jobs, retained 725 existing jobs, increased sales 17.8% more than the average Arkansas business, increased sales by more than \$199.9 million, and generated \$11 million in state tax revenues and \$5.2 million in federal tax revenues. For every \$1 invested in the program, ASBTDC-assisted clients return \$6.80 in state and federal taxes, a significant return on investment.

ASBTDC used an independent consultant to assess clients' economic impact. The study analyzed sales and employment changes, financing obtained, and tax revenues generated by a statistical sampling of established and pre-venture clients. The study compared clients' employment and sales data from the year they received assistance to the following year with the average changes for all Arkansas businesses during the same time period.

The study shows businesses assisted by the ASBTDC create more jobs and increase sales more – significantly more – than the average Arkansas business, illustrating the value of the ASBTDC to the clients it assists and to the state's economic development. The jobs and tax revenues local small businesses generate are critical to communities across Arkansas. ASBTDC services result in documented economic impact for Arkansas, as consistently illustrated by the impact reported and verified directly by its clients.

**VI. Priorities for Next Year**

a. **City of Little Rock Entrepreneurial Training Program Partnership**

ASBTDC will begin performing on a three-year contract with the City of Little Rock to provide two multi-week entrepreneurial courses annually using the widely respected Kauffman FastTrac® curriculum.

b. **Accreditation**

ASBTDC is an accredited member of the national Association of Small Business Development Centers. As one of only a handful of technology-accredited programs, ASBTDC has been recognized for its abilities to provide entrepreneurial services to technology-based and innovative small businesses. ASBTDC will undergo a peer-reviewed re-accreditation process for both its regular and technology programs.

c. **Arkansas Hospitality Association**

ASBTDC has partnered with the Arkansas Hospitality Association (AHA) for some time. Recognizing ASBTDC's expertise and capacity to assist small businesses, the AHA recently approached ASBTDC to expand and enhance the partnership to provide small business and entrepreneurial training to participating hospitality businesses. The expanded partnership will also allow ASBTDC to present at AHA expos and events.