

**GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT
STATE OF CALIFORNIA**

**OFFICE OF THE
SMALL BUSINESS ADVOCATE**

MADE IN CALIFORNIA

ANNUAL REPORT

2018/2019

Pursuant to Sections 12098.4(b), and 12098.10(g)
of the Government Code.

**GAVIN NEWSOM
GOVERNOR**

**LENNY MENDONCA
DIRECTOR**

**ISABELLA CASILLAS GUZMAN
DIRECTOR AND SMALL BUSINESS ADVOCATE
THE OFFICE OF THE SMALL BUSINESS ADVOCATE**

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Annual reports are required to the Governor and the Legislature for the Office of Small Business Advocate (OSBA) and the Made in California Program, pursuant to Sections 12098.4(b), and 12098.10(g) of the Government Code. This combined report provides information on the activities and priorities of each program during the reporting period covering October 1, 2018 to September 30, 2019.

This report is available for digital download at <http://business.ca.gov>. To order a hard copy, please call the Governor's Office for Business and Economic Development at 877.345.4633.



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California Small Business Advocate

The Office of Small Business Advocate (OSBA) is led by the Small Business Advocate and operates within the Governor’s Office of Business and Economic Development (GO-Biz) per Government Code Sections 12098-12098.9. OSBA was created to *advocate the causes of small business and to provide small businesses with the information they need to survive in the marketplace.*

OSBA helps support economic growth and innovation in California by working to ensure that its small businesses and entrepreneurs have the information, tools and resources they need to plan, launch, manage and grow their businesses successfully.

California small businesses are drivers of economic growth and mobility – creating jobs, building wealth, innovating to solve global problems, launching future growth industries, and defining main streets across our local communities. They represent a significant portion of the California economy.¹ According to United States Small Business Administration’s (SBA), California leads the nation in the number of small businesses, accounting for 13 percent of all small businesses in the United States. California is home to 4.0 million small businesses, representing 99.8 percent of all businesses in the state. Further, small businesses employ 7.1 million workers in California, or 48.8 percent of the state’s total workforce. Small businesses of varying sizes are driving this job creation. In fact, firms with fewer than 100 employees provide the largest share of small business employment, reporting approximately 5 million workers. And, firms employing fewer than 20 employees experienced the largest annual gain in employment, adding over 175,000 net jobs.

Small businesses are key drivers of California’s leadership in global trade. A total of 69,387 small businesses exported, representing 95.5 percent of all exporters and generating 43.0 percent of California’s \$151.1 billion in total known exports.

California’s small business impact is also driven by the state’s strong innovation and startup culture. California leads the nation in small business startup activity² and receives over half of all total U.S. venture capital investments. With its heralded colleges, universities, and research institutions, California leads in research and development expenditures, accounting for over one-fifth of the total U.S. research and development spend³ and 28.5% of U.S. origin patents.⁴

In recognition of the outsized importance of small business, innovation and entrepreneurship to California’s economy, OSBA was reorganized with the reinstatement of Director-level leadership and an authorized expansion of its team.

¹ All small business statistics were sourced from the U.S.SBA’s 2019 Small Business Profiles for individual states and the nation unless indicated otherwise. <https://cdn.advocacy.sba.gov/wp-content/uploads/2019/04/23142641/2019-Small-Business-Profiles-CA.pdf>
<https://advocacy.sba.gov/2019/04/24/2019-small-business-profiles-for-the-states-and-territories/>

² Ranking according to latest Kaufmann Index based on new business creation, market opportunity and startup density: https://www.kauffman.org/kauffman-index/reporting/-/media/kauffman_org/kauffman-index/print-reports/startup-index/2017/2017_kauffman_index_startup_activity_state_report_final.pdf

³ National Science Foundation, 2017 Survey: https://ncesdata.nsf.gov/sgrd/2017/html/sgrd2017_dst_01.html

⁴ USPTO Data, 2015: https://www.uspto.gov/web/offices/ac/ido/oeip/taf/cst_utl.htm

OSBA launched under new leadership in April and continues to scale up its team to meet the redefined objectives of the office. Further, OSBA continues to realign its programs and operations to support a core mission of helping to ensure all aspiring and current small business owners and entrepreneurs are provided with the opportunity to **access capital, access markets, and connect to the networks and resources** they need to succeed and have impact.

OSBA has four primary focus areas aligned to achieve this core mission:

1. Translating Government: Providing Information and Connecting Small Businesses to Resources
2. Advocating for Small Businesses
3. Convening and Consulting with Experts in Small Business and Innovation
4. Supporting Small Business Resilience

Across these four areas, OSBA focused on building and scaling its reach into the small business community with: the successful launch of the 10-member Entrepreneurship Task Force and its series of listening sessions; the increased collaboration across agencies for outreach; and, the alignment of the network of 90 small business technical assistance centers across the state deploying \$23 million in capital and reaching nearly 80,000⁵ small businesses.

⁵ Businesses reached: 10,203 CIP, 24,371 TAEP consulted, 42,534 TAEP trained, and 7664 TAP

2018-2019 OSBA Core Activities by Focus Area

Translating Government: Providing Information and Connecting Small Businesses to Resources

OSBA supports California's small businesses and entrepreneurs with the information, tools and resources they need to plan, launch, manage and grow their businesses successfully. Small businesses often lack the information and networks to connect to these resources. Further, government and the small business ecosystem are sometimes hard to navigate. OSBA has prioritized translating information and resources and sharing them in a way that is accessible to small businesses. During the 2018-2019 reporting period, OSBA informed and connected small businesses through *external engagement events, direct small business engagement, digital outreach, and partnerships.*

External Engagement Events

External engagement through community events is one method OSBA deploys to reach small businesses and the networks of providers that support them. OSBA shares information and provides connection and access to resources through participation in a variety of small business-related community events to strategically amplify across large groups. OSBA is regularly invited to participate in state, regional, and municipal economic development events and small business seminars, workshops, and conferences to provide a statewide perspective on small business issues, share input on local small business challenges and opportunities, and connect participating small businesses and advisors to information and resources.

OSBA's outreach activities with small business and economic development organizations also provide a platform to gain insights from external stakeholders and small businesses. Information flows in both directions through participation in events across the state allowing OSBA to also benefit from community insights on small business issues.

During this reporting period, OSBA participated in the following key highlighted events:

- **Moreno Valley Small Business ADA Compliance Workshop, Moreno Valley, October 1, 2018** – This workshop was for local small businesses, to cover Americans with Disabilities Act (ADA) compliance requirements and the various programs and services that are available to help small business owners. A panel presentation was moderated by OSBA Acting Deputy Director and leadership from the California Commission on Disability Access, the California Division of State Architects, the California Division of State Architects, and the California State Treasurer's Office.
- **Jurupa Valley Small Business ADA Compliance Workshop, Jurupa Valley, October 1, 2018** – This workshop was for local small businesses, to cover ADA compliance requirements and the various programs and services that are

available to help business owners. A panel presentation was moderated by OSBA Acting Deputy Director and leadership from the California Commission on Disability Access, the California Division of State Architects, the California Division of State Architects, and the California State Treasurer's Office.

- **Digital Hollywood Fall Conference, Los Angeles, October 17, 2018** – This trade conference event was an educational summit focused on connecting entertainment with technology. OSBA Staff participated in the California Cannabis Forum as a panelist to discuss the business of cannabis.
- **City of Los Angeles and SBA Small Business Expo, Los Angeles, October 18, 2018** – This event was hosted by the City of Los Angeles and the SBA. The purpose of the event was to provide small businesses with information about resources from various government agencies. OSBA Staff participated as a panel speaker to discuss how to start a business, permit processes, and other GO-Biz programs.
- **Senator Bill Dodd (SD 3) hosts Cotati Small Business Roundtable, Cotati, November 27, 2018** – OSBA Acting Deputy Director presented information to small business owners and potential owners that attended a community meeting to learn more about resources available at the state to support small businesses.
- **Startups & Government: Partnerships for Success, Golden Gate University, San Francisco, December 13, 2018** – Representatives from local, state, and federal government participated in this event to discuss how government can serve as strategic partners to collaborate and assist in resolving problems and bridging gaps in entrepreneurship and innovation. OSBA Acting Deputy Director presented small business resources and GO-Biz priorities.
- **Valley Vision Opportunity Zone Meeting, Sacramento, February 1, 2019** – This event was a panel discussion regarding Opportunity Zones. New GO-Biz Chief Deputy participated and provided a brief introduction of GO-Biz. OSBA Staff and Acting Deputy Director participated in the event as well.
- **Goldman Sachs 10,000 Businesses Workshop, Los Angeles, March 15, 2019** – This was the opening day of the Goldman Sachs Workshop series for small businesses. OSBA Staff was a panel speaker to provide information about GO-Biz programs and small business assistance.
- **Senator Scott Wilk (SD 21) Small Business Event, Lancaster, March 29, 2019** – OSBA staffed a resource table and networked with small business owners and prospective business owners to provide information about GO-Biz programs at this small business workshop.
- **California Network of Women's Business Centers, Sacramento, April 18, 2019** – New OSBA Director launched a listening tour to kick off her first week as the Small Business Advocate by speaking at this inaugural meeting of the thirteen Women's Business Centers. Participants from throughout the state shared results from state grant funding and their priorities for the coming year.
- **California State Treasurer's Office Small Business Event, Rowland Heights, April 15, 2019** – TOSBA Staff attended as a guest speaker at this small business outreach event and provided information about California Compete Tax Credits, IBank programs, CalGOLD, disaster preparedness, and small business assistance.

- **City of Los Angeles Mayor’s Small Business Summit, Los Angeles, April 29, 2019** – Mayor Eric Garcetti kicked off National Small Business Week with an all-day summit for small businesses. OSBA Director attended and Staff supported a resource table providing small business assistance and information about GO-Biz programs.
 - **California Chamber of Commerce Sacramento Host Reception, Sacramento, May 22, 2019** – OSBA Staff participated in the annual Sacramento Host Reception, which brings together Statewide public and private business leaders.
 - **California Chamber of Commerce International Forum, Sacramento, May 22, 2019** – OSBA Staff participated in the annual International Forum, which brings together Statewide public and private business leaders, inbound delegations, foreign dignitaries, federal partners at the U.S. Commercial Service, and Honorary Consul generals, to discuss California’s business climate domestically and abroad.
 - **California Department of Tax and Fees Administration (CDTFA) Small Business Seminar, Los Angeles, June 4, 2019** - This was a Tax Seminar to educate small businesses about new and existing tax regulations and how to report sales tax. OSBA Staff spoke at the event providing information about GO-Biz programs including California Compete Tax Credit, small business and permit assistance, the Reinvestment Grant Program, and business investment services. Other agencies that participated included the Franchise Tax Board, Employment Development Department, and SBA.
 - **Small Business Development Center (SBDC)/University of La Verne Small Business Expo, Los Angeles, CA, June 6, 2019** – OSBA Staff supported a resource table and networked with small business owners and those considering starting a business.
 - **CDTFA Small Business Seminar, Culver City, August 14, 2019** –OSBA Staff spoke at the tax seminar providing information about GO-Biz programs.
 - **Goldman Sachs 10,000 Small Business, Long Beach City College, September 6, 2019** – OSBA staff participated on a panel and shared information about available resources and small assistance programs under GO-Biz at this small business and entrepreneurship training event hosted by the Long Beach City College SBDC.
 - **National Latina Business Women’s Association Inland Empire and Orange County-Inland EmpireSBDC Emprededora Program Launch, Ontario, April 25, 2019** – This was the kick-off event and first in a series of trainings for predominantly Latina small business owners or aspiring business owners.
- Note: Since 2013, May has been declared California Small Business Month to recognize the importance of small business and entrepreneurs to the state. To commemorate California Small Business Month, OSBA participated in events to benefit the small business community.*
- **Assemblymember Tyler Diep (AD 72) Small Business Seminar, Garden Grove, May 3, 2019** - OSBA Staff spoke about CalGOLD, small business and permit assistance, the grantee network, the California Community Reinvestment Grant Program, and California Competes Tax Credits.

- **SBDC Small Business Month Reception, Sacramento, May 7, 2019** – This was a reception and gathering of key small business stakeholders. The state Treasurer and OSBA Director spoke about the importance of small businesses in California.
- **Central Valley Community Foundation’s Fresno Community Collaboration for Economic Mobility, Fresno, May 8, 2019** – This was a launch summit of the JP Morgan Chase Partnerships for Raising Opportunity (PRO) Neighborhoods collaboration in Fresno. Small business stakeholders and capital providers gathered to set priorities for the collaborative grant initiative. OSBA Director addressed the participants and participated in activities.
- **Greater Riverside Chamber of Commerce Good Morning Riverside, Riverside, May 9, 2019** – The OSBA Director was introduced and presented an overview of GO-Biz and OSBA programs and priorities at this monthly breakfast gathering of Riverside area business and community leaders.
- **Los Angeles BizFed ProAmerica Bank Reception, Los Angeles, May 13, 2019** – This was a hosted reception to celebrate the founders of ProAmerica Bank and Latinx business in LA. OSBA Director attended and spoke about GO-Biz and OSBA programs and priorities.
- **California Small Business Month Covered California Small Business Roundtable with Governor Gavin Newsom, Sacramento, May 14, 2019** – The OSBA Director participated in a small business owner roundtable discussion on health care affordability with Governor Gavin Newsom to represent small business.
- **Valley Industry & Commerce Association (VICA) Government Affairs Committee, North Hills, May 15, 2019** – The GO-Biz/OSBA Deputy Director of Legislative and Intergovernmental Affairs presented State resources for small business to the association’s members, representing small, medium, and large businesses with a footprint in the San Fernando Valley, who gathered to learn about resources and priorities under Governor Gavin Newsom’s administration.
- **Greater Los Angeles Chamber of Commerce Membership Legislative Fly-in Breakfast Panel, Sacramento, May 15, 2019** – This was a legislative fly-in event hosted by the Los Angeles Area Chamber of Commerce and included small, medium and large businesses. OSBA Director joined a panel of GO-Biz Staff and shared OSBA programs and priorities.
- **San Diego & Imperial Small Business Development Center Network Mid-Year All Staff Meeting, San Diego, May 17, 2019** – This is an annual convening of all San Diego and Imperial Valley SBDCs and key area partners. OSBA Director was featured as a speaker sharing OSBA priorities and programs and fielding questions and answers.
- **California State Treasurer’s Office Small Business Fair, San Francisco, May 17, 2019** - OSBA Staff participated in and spoke on a panel to discuss GO-Biz resources for small businesses, broadly.
- **California State Treasurer’s Small Business Event, Hacienda Heights, May 20, 2019** – OSBA Staff spoke at a Small Business Event targeted towards the Chinese-American small business and entrepreneurship community, to provide

an overview of GO-Biz programs including permit assistance, California Cal Competes Tax Credits.

- **Hispanas Organized for Political Equality (HOPE) Latina Action Day Small Business Panel Discussion, Sacramento, May 22, 2019** – OSBA Director participated as a speaker on a small business panel to discuss OSBA programs, priorities and the challenges and issues facing Latina small businesses in the state during HOPE's Annual Latina Action Day.
- **SBA Small Business Awards Luncheon, Los Angeles, May 29, 2019** – OSBA Staff participated in the small business awards luncheon and networked with local small businesses and advisors.
- **California Association for Micro Enterprise Opportunity (CAMEO) Advocacy Day, Sacramento, June 4, 2019** – This was a fly-in legislative day which also included a series of meetings and discussions for the members of CAMEO. OSBA Director was a featured speaker and shared OSBA programs and priorities.
- **Murrieta Genomics Night of Innovation, Murrieta, June 11, 2019** – This was an evening awards dinner for the Murrieta Genomics Lab cohort of startups. The startups presented to a room of local government and community leaders, business owners, investors and other key stakeholders. OSBA Director was a featured speaker and shared GO-Biz priorities around Regions Rise Together and discussed the importance of small business innovation to the state.
- **California Small Business Association's (CSBA) Small Business Day Event, Sacramento, June 19, 2019** – This is the annual celebration by CSBA in the state capitol to honor small businesses. Eighty legislators nominated small businesses from within their legislative districts to honored their contributions. OSBA Director was a featured speaker and shared her vision and priorities for OSBA.
- **Los Angeles Area Chamber of Commerce BIZCON SoCal Reception, Los Angeles, June 19, 2019** – This was an inaugural business development and networking conference for entrepreneurs and business professionals hosted by the Chamber. OSBA Director was the featured reception speaker and was officially welcomed to her new position by Chamber leadership. The Director shared her vision and priorities.
- **Clean Energy Business Roundtable: Kicking Gas! Southern California as the Driver of the Future of Mobility, Los Angeles, August 6, 2019** – This was an inaugural Southern California convening of business and government leaders to discuss clean transport leadership. The event was hosted by New Energy Nexus and Los Angeles Cleantech Incubator (LACI). OSBA Director joined as a roundtable participant.
- **California Hispanic Chamber of Commerce Luncheon, Stockton, August 22, 2019** – OSBA Director Guzman addressed the large annual convening of Hispanic-owned businesses and shared GO-Biz and OSBA programs, priorities, and issues and opportunities for California's Latinx small businesses.
- **West Business Center's Startup Mendocino Final Pitch Competition, Ukiah, August 25, 2019** – OSBA Director joined the inaugural pitch competition as a

speaker and shared GO-Biz and OSBA programs and priorities, as well as highlighted the startup and innovation opportunities in the state.

- **America's SBDC Annual Conference Breakfast Kick-off, Long Beach, September 4, 2019** – OSBA Director served as the welcoming speaker and highlighted OSBA priorities with a special emphasis on the technical assistance center grant programs which support the California SBDC network.
- **GO-Biz California for All Event with BizFed and Los Angeles Economic Development Corporation @ LACI, Los Angeles, September 12, 2019** – OSBA organized a GO-Biz outreach event for businesses, advisors, investors and founders in LA to discuss the CA economy and expansion opportunities. OSBA Director participated on a panel with the GO-Biz Director and an Entrepreneurship Task Force Member.
- **California Forward Region Rise Together Inland Empire, San Bernardino, September 13, 2019** – A gathering of civic, business, community, and philanthropic leaders to start a joint strategy session to gather input from local stakeholders to understand the challenges that face the regions as well as assets that can be utilized for future economic growth. The event was hosted by California Forward in partnership with GO-Biz and the Office of Planning and Research (OPR). OSBA Director participated to engage with small business stakeholders.
- **National Women's Business Council (NWBC): Women in Small Business Hearing, Los Angeles, September 17, 2019** – The NWBC is an independent office of the SBA that researches and advocates on behalf of women-owned businesses federally. OSBA Director participated on a roundtable panel and shared information on state programs and initiatives for women-owned small businesses.

OSBA is also tasked with ensuring small businesses are prepared for disaster and able to recover. Since June 2019, OSBA also began to lead the Governor's Office of Emergency Services (CalOES) Economic Recovery Support Function (RSF) on behalf of GO-Biz. As a result, OSBA's external engagement events are also concentrated in post-disaster recovery and preparedness. In 2018-2019, OSBA participated in various events and conversations to support post-disaster recovery as a result of the November 2018 Camp and Woolsey Fires, as well as the July 2019 Ridgecrest Earthquake. OSBA Staff moderated discussions and shared information on available state and federal programs to support the business recovery process. Additionally, OSBA supported disaster preparedness events to ensure that small businesses have access to information and resources to become more resilient to future disasters.

- **SBA Disaster Assistance Meeting, Chico, December 6, 2018** – OSBA Staff participated in an outreach session hosted by SBA to discuss available State and Federal resources that small business owners may access to assist in their recovery.
- **Interagency Meetings about the Camp and Woolsey Fires, November 13-16, 2018** – OSBA Staff was involved with conference Call to Action calls for the wildfires. These calls were hosted by the CalOES, Counties of Butte and Los Angeles County including the local SBDCs, County of Los Angeles Emergency

Management, and Los Angeles County Office of Consumer and Business Affairs. The purpose of the calls was to get updated information of the fire aftermath, number of small businesses affected, and plans to assist at the Disaster Centers.

- **Disaster Centers/Woolsey Fires-Malibu and Thousand Oaks, November 20, 23, 24, and 26, 2018** – OSBA staffed the Disaster Centers located in Thousand Oaks and Malibu areas. OSBA helped small businesses and entrepreneurs affected by the Woolsey Fires by providing information on government agencies that assist with permits, licenses, tax issues, disaster financial aid, etc.
- **Los Angeles County Wildfire Business Recovery, Los Angeles, December 12, 2018** – This was a meeting with government officials organized by the CalOES, OSBA and the Los Angeles County Chief Executive Office, Department of Consumer and Business Services, and Department of Parks & Recreation. The agencies met to discuss business outreach strategies due to damages related to the local wildfires.
- **Los Angeles and Ventura County Business Recovery Meeting, Los Angeles, January 9, 2019** – This Town Hall meeting, hosted by County Supervisor Shelia Kuehl, was staffed by OSBA to support engage with business owners effected by the Hill and Woolsey Fires. OSBA staffed a resource table with the County of Los Angeles Office of Emergency Management and provided information about GO-Biz programs and assistance to help with small business recovery.
- **Response Economic Development Team, Anaheim, January 17, 2019** – OSBA Staff attended a RED Team meeting to work with Northgate Grocers regarding opening a new store in Los Angeles County and expansion of another in Riverside County. Northgate Grocers were having major permit issues with the County of Los Angeles when trying to open a new store location. If they could not resolve the issues with the county then they would have abandoned the project, which would have resulted in the loss of fifty (50) jobs. OSBA Staff introduced the business to Riverside County Economic Development Corporation who was able to provide assistance with site locations and local permits.
- **Butte County Listening Session for Small Businesses, Chico, May 23, 2019** – OSBA Staff participated on a panel in a listening session for small businesses in Butte County. OSBA Staff discussed GO-Biz and the California Infrastructure and Economic Development Bank (IBank) resources broadly, and shared external resources including Technical Assistance Expansion Program (TAEP) grantees that were also available to assist, such as the Butte College SBDC.
- **Chico Listening Session, Chico, August 19, 2019** – OSBA Director participated in multiple community listening sessions with local stakeholders and CalOES colleagues to kick-off its role as lead on the Economic Recovery Support Function (RSF).
- **Partnership for Public Service, Disaster Resilience Roundtable, Oakland September 11** – OSBA Director participated in a convening of federal, state and local government disaster agencies to increase alignment.
- **Paradise CalOES RSF Briefings, Paradise, September 11, 2019** - The Town of Paradise and the Paradise Chamber hosted all of the RSFs and local stakeholders to discuss RSF projects. OSBA Staff attended and provided a brief

overview of outreach events and resources available that the Chamber and local businesses could access for recovery assistance.

- **Private Sector Resiliency Seminar, Manhattan Beach, September 13, 2019** – This was a seminar to discuss how to get information on Disaster Preparedness to small businesses and build a strong information base between city, state, county and federal agencies. OSBA Staff was a panel speaker and provided an overview on GO-Biz' role working with small businesses before and after a disaster and how to prepare for a disaster.
- **Trona and Ridgecrest Tours and Meetings, Trona & Ridgecrest, September 19** – OSBA Director was joined by CalOES to visit businesses and community organizations impacted by the Ridgecrest Earthquakes.

Direct Business Engagement: Call Center, Email and Referrals

OSBA directly assists individual businesses it receives from its call center, online inquiries, or through referrals in the community. OSBA connects them to information, resources, and services. When necessary, OSBA's direct assistance may include advocating on behalf of small businesses across state or local government agencies. OSBA has built up a database of frequently asked questions to help its staff serve businesses directly. GO-Biz utilized Desk customer relations management software through April 2019 and transitioned to ZenDesk thereafter as a stronger tool for supporting and tracking email requests submitted via the GO-Biz website, for a total sixty-nine (69) emails from October 1, 2018 through September 30, 2019. OSBA currently does not track direct emails and phone calls.

Digital Outreach

Small business owners are busy running day-to-day operations. In addition to external engagement events, online tools and resources allow startups and owners to access information at their convenience.

OSBA utilizes GO-Biz's website, online business portal, and email distribution to engage with the small business community and keep small businesses, advisors and key stakeholders informed. The GO-Biz website receives tens of thousands of monthly visits and the OSBA page receives approximately 5,000 visits per month. The OSBA page highlights links to the online business portal with general small business assistance, quick start guides, and webinars, as well as information on capital and disaster guidance.

OSBA is also promoted through GO-Biz and the OSBA Director's social media platforms which includes nearly 6,800 followers. GO-Biz's newly launched podcast, *Made in California*, featured the launch of the Entrepreneurship Task Force in "Made in California - Episode 4, Entrepreneurs."

Partnerships

Based on insights learned from the OSBA Director's statewide multi-regional listening tour and meetings with stakeholders, agencies, and experts, it became evident that OSBA and the state must expand its reach and scale for better information sharing. To achieve this stronger connectivity and make state programs and resources more accessible, OSBA launched three new public private partnership initiatives beyond the Office's historical focus on event attendance and online resources in order to achieve its task of providing information and connecting to resources.

1. **GO-Biz Entrepreneurship Task Force:** In July 2019, GO-Biz launched the Entrepreneurship Task Force (ETF), which includes members who are successful entrepreneurs and have scaled their businesses. The ETF serves as a bridge to small businesses and entrepreneurs, as well as a working group to share ideas and solutions to propel California's next generation of innovative entrepreneurs and small and medium businesses. The ETF's overall mission is to propel inclusive entrepreneurship, ensuring that all California startups and established firms have access to the resources to grow or scale. In this reporting period, the ETF launched a series of statewide listening sessions/roundtables to connect with small businesses, startups, advisors, investors and lenders to provide outreach on state programs, and discuss priority issues of access to capital, markets, and networks and resources. The current ETF Members include:
 - a. Chair: Dilawar Syed, President and CEO, Lumiata
 - b. Nely Galán, Founder, Galán Entertainment
 - c. Ryan Gales, CEO, Jenkins/Gales & Martinez, Inc.
 - d. Jay Goth, Managing Partner, Murrieta Genomics
 - e. Charles Hudson, Managing Partner and Founder, Precursor Ventures
 - f. Kusum Kavia, Co-Founder and President, Combustion Associates, Inc.
 - g. Bismarck Lepe, Founder and CEO, Wizeline
 - h. Teddy Liaw, CEO, NexRep
 - i. Irma Olguin Jr., Co-Founder and CEO, Bitwise Industries
 - j. Carmen Palafox, Partner, MiLA Capital (Make in LA)

2. **Small Business Centers Network:** Federally contracted small business technical assistance centers participate in GO-Biz's grants programs: Technical Assistance Expansion Program (TAEP), Technical Assistance Program (TAP), and Capital Infusion Program (CIP). The network of 90 unique centers includes the Small Business Development Centers, Women's Business Centers, Veterans Business Outreach Centers, Procurement Technical Assistance Centers, Minority Business Development Centers, Veterans Business Outreach Centers, and others across the state. OSBA underwent a program deep dive to evaluate ways to strengthen the program and enhance the grantees ability to better reach underserved communities. The result was the launch of a revised second year grant program in July 2019 that included stronger metrics and performance tracking, as well as OSBA support of partnerships, collaboration, and best practice sharing.

3. **Cross-Agency Small Business Outreach Collaboration:** OSBA launched efforts to explore outreach partnerships with state and local agencies that focus on small business outreach. During this reporting period, OSBA began planning stronger outreach alignment and business support efforts with Department of General Services, with plans to expand to multiple other agencies for broader reach. OSBA will continue to evaluate and implement ways to ensure cross-agency alignment for small business engagement from information sharing and training to collaborative outreach efforts.

Advocating for Small Businesses

State Budget Funding

OSBA worked extensively with policymakers and the California Department of Finance to allocate \$23 million of funding to three grant programs supporting the expansion of small businesses technical assistance at federally funded centers throughout California: Small Business Technical Assistance Expansion Program (SB TAEP), Small Business Technical Assistance Program (SB TAP) and Capital Infusion Program (CIP). These programs, launched in 2018-2019, are described in detail in the “Small Business Assistance” section of this report. OSBA is continuing to work with grantees of these programs to identify ways to improve impact and more effectively reach targeted underserved markets. As a result of OSBA’s work on SB TAEP, CIP and SB TAP, the Orange County/Inland Empire SBDC Network selected GO-Biz to receive the U.S. SBA Partner Award at the 2019 Orange County Small Business Awards in Anaheim on June 7, 2019.

OSBA also worked with GO-Biz leadership and the California Department of Finance to approve a Budget Change Proposal in the 2019/20 Fiscal Year to expand OSBA staff and better support the new grant programs and increased demands for local/regional support. OSBA received approval for three new positions: one additional regional position to support the Central Valley; and, two additional program positions to better support the new grant programs.

Cross-Agency

OSBA regularly participated in several working groups to represent the interests of small businesses including the Department of General Services Small Business/Disadvantaged Veterans Business Enterprises (DVBE) Council, the Small Business/DVBE Advocates Workshops, the California Department of Transportation (Caltrans) Small Business Council Meetings, and the Taxpayer Advocates Quarterly Meeting, a convening of taxpayer advocates from the Franchise Tax Board, CDTFA, Employment Development Department, and the United States Internal Revenue Service.

OSBA also increased engagement with small business advocates/liaisons to explore

ways to better collaborate to support small businesses. OSBA informally surveyed the state agency advocates and liaisons to assess strengths in the network and brainstorm ways to support their efforts to reach small businesses and improve these valuable points of entry for small businesses seeking procurement opportunities and regulatory assistance.

Convening and Consulting with Experts in Small Business and Innovation

OSBA convenes researchers, capital providers, investors, small businesses, advisors, universities, small business community stakeholders, and other experts throughout the year. The meetings and convenings offer insights into barriers and challenges small business owners face in starting or growing their businesses. Finally, they offer an opportunity to iterate ideas and develop collaborative partnerships that could benefit small businesses.

OSBA Director organized multiple meetings and listening sessions across the state to consult with public and private stakeholders, as well as engage directly with owners/operators and founders to discuss the core policy areas of access to capital, markets and networks and resources. With the launch of the Entrepreneurship Task Force (ETF), the members served as additional touchpoints to the community and helped OSBA explore core issues facing innovative entrepreneurs and small businesses in California. With a focus on maintaining California's global economic leadership, the ETF and OSBA have been exploring solutions and opportunities to improve the State's engagement with small businesses and entrepreneurs.

Supporting Small Business Resiliency

Advocacy for disaster assistance, economic recovery, disaster preparedness and resiliency are critical in California. This has been elevated with the recent increase in the number of wildfires across the state. During the reporting period, small businesses in Northern and Southern California were impacted by multiple disasters, including the Camp Fire, Woolsey Fire, and Ridgecrest Earthquakes. OSBA helped coordinate federal, state, and local agencies in the post-wildfire economic recovery efforts in each of these disasters.

Following the Camp Fire in Paradise, OSBA joined a Butte County Recovery Task Force, which was established by Butte County Economic Development. OSBA Staff participated in the inaugural convening of the task force and has continued to participate in follow up meetings and outreach events. The Butte County Recovery Task Force has since transitioned into the Long-Term Recovery Group and has officially filed as a non-profit organization to continue efforts in Butte County.

In July 2019, OSBA assumed the lead for GO-Biz on the Camp Fire Economic Recovery Support Function (RSF), which is supported by the CalOES as part of the California Disaster Recovery Framework (CDRF). The Economic RSF leadership,

members, and potential partners are focused on the support of the Economic Core Capability, which is to *return economic and business activities (including food and agriculture) to a healthy state and develop new business and employment opportunities that result in a sustainable and economically viable community*. Other RSF annexes include: Natural & Cultural Resources, Health & Social Services, Housing, Infrastructure, and Community Planning & Capacity Building. OSBA participates in cross-agency RSF weekly calls and manages the Economic RSF bi-weekly calls with CalOES Staff and the U.S. Economic Development Agency (EDA) to connect on project updates and direct new activities.

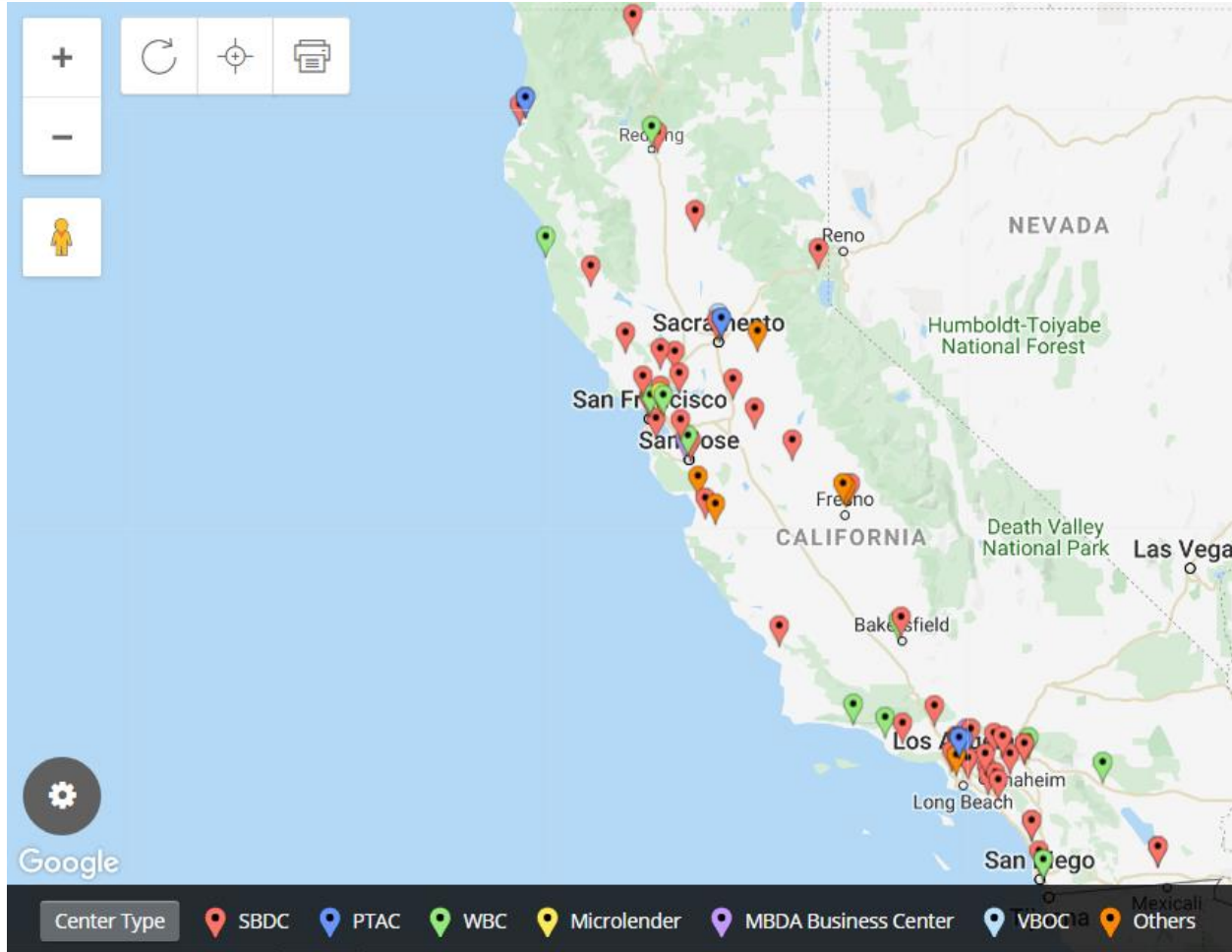
Similarly, OSBA was in Ventura County post-Woolsey Fire to assist with recovery efforts. Although damage was not as significant as the Camp Fire, the Economic RSF was also activated and OSBA staff participated in economic recovery and preparedness efforts, which at the time were led by CalOES. In addition, OSBA Staff joined CalOES in meetings with local agencies, local partners, and small businesses in the impacted areas to assist in identifying strategies to resolve business recovery issues.

Post-recovery efforts after the Ridgecrest Earthquakes were focused on specific businesses as an Economic RSF was not activated. However, OSBA and CalOES coordinated a visit to ensure the businesses impacted were supported with any targeted assistance or connections to resources, as needed. OSBA also created a comprehensive post-wildfire disaster and general disaster recovery guide with federal, state, and local resources for businesses. The guide is available online as well as distributed broadly to local entities through GO-Biz and CalOES networks.

Program Management

OSBA administers and manages three statewide grant programs to help California small businesses and entrepreneurs access information and resources, and to strengthen the ecosystems that support them. They include the Capital Infusion Program (CIP), Small Business Technical Assistance Expansion Program (SB TAEP), and the Small Business Technical Assistance Program (SB TAP).

California Small Business Center Grantees



Grant Programs: Capital Infusion Program

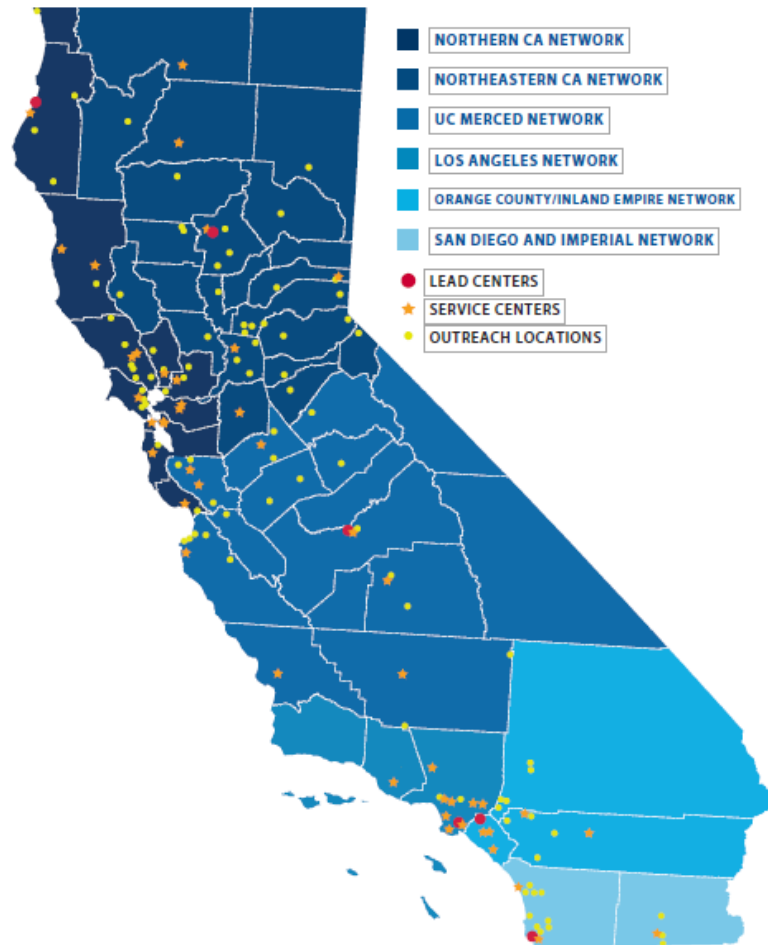
OSBA oversees the Capital Infusion Program (CIP), which provided three million dollars (\$3 million) in 2018/2019 in competitive grant funding to the California SBDC Network, the largest technical assistance program for small businesses in California. The California SBDC Network is comprised of five regional networks, each with one administrative hub or “Lead Center” and a network of SBDC sub-centers. As shown in the following map, the SBDC regional and sub-centers are located throughout the state.

CIP awards are determined based on annual funding from the SBA as funds must be matched 1:1 by the SBA. CIP is aimed at helping SBDCs expand their free one-on-one, consulting to help small business owners obtain loans, investments, grants or non-dilutive funding; understand and resolve credit-readiness issues; and, develop funding strategies for business expansion or startup.

OSBA manages all aspects of the program’s administration, including the application

process, agreement execution, and the monitoring of performance and compliance.

California Small Business Development Center Network Service Areas

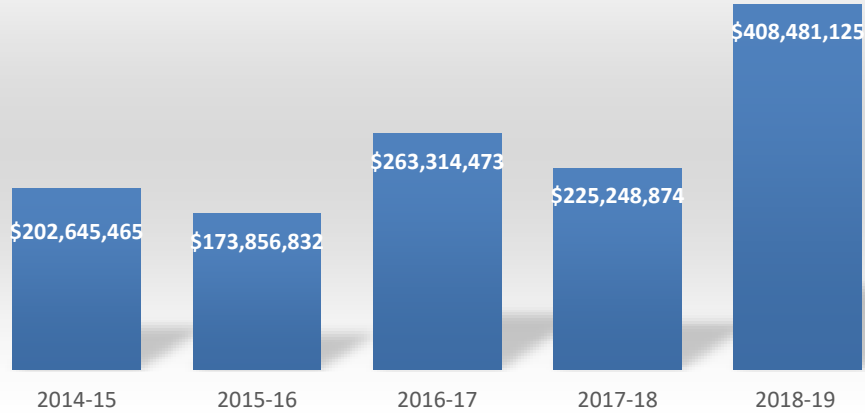


Between 2014-15 and 2017-18, CIP funding was allocated to GO-Biz on an annual, one-time only basis. The 2018-19 Budget provided a continuation of \$3 million in annual funding for the program through 2022-23.

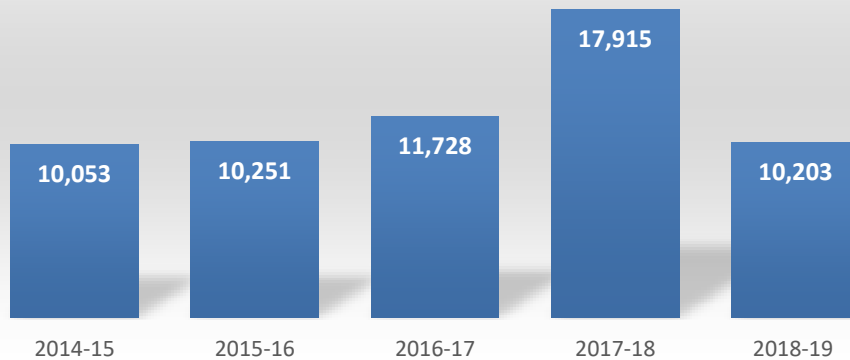
The three following charts reflect statewide funding through 2019-2020, and results for CIP through 2018-19. In the last year of funding from 2018-2019, the California SBDC network was able to serve over 10,000 small businesses and help them access over \$400 million in capital which includes bank loans, investments, and non-dilutive grants. This reflects a strong increase over the prior year.

CIP Statewide Program Funding and Results to Date

Capital Infusion Generated

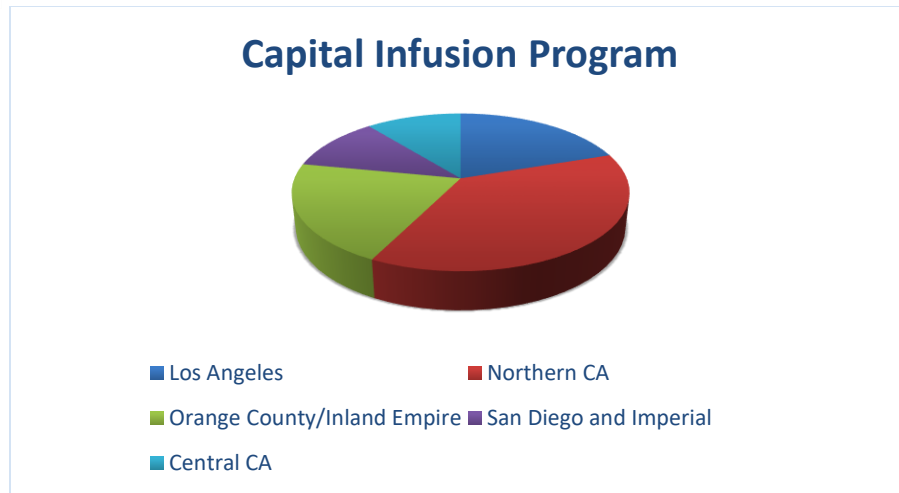


Clients Served Capital Infusion Program



Fiscal Year	State Dollars Committed	Grantees	Capital Infusion Generated	Clients Served
2014-15	\$2,000,000	34	\$202,645,465	10,053
2015-16	\$2,000,000	41	\$173,856,832	10,251
2016-17	\$1,500,000	41	\$263,314,473	11,728
2017-18	\$3,000,000	45	\$225,248,874	17,915
2018-19	\$3,000,000	44	\$408,481,125	10,203
2019-20	\$3,000,000	46	In Progress	In Progress

2018-19 CIP Statewide Results by Region



Region	Capital Infusion	Clients Consulted
Los Angeles	\$80,991,313	2,809
Northern CA	\$153,414,795	3,416
Orange County/Inland Empire	\$84,441,224	1,476
San Diego and Imperial	\$45,343,722	1,018
Central CA	\$44,290,072	1,484
Total	\$408,481,125	10,203

Small business impact was strong, and the personal stories are compelling. Four CIP success stories are featured below to share a few examples of the program’s local impact. The businesses reflect the diversity of clients and capital infusion milestones.



Business Name: Ecolunch Boxes

Small Business Development Center: Marin SBDC
 Small Business Development Center Region: Northern California
 Senate District: 2
 Assembly District: 10

“Ecolunch Boxes has been growing and evolving. Through working with SBDC Advisor Paul Bozzo they successfully got a \$250,000 loan for growth of company and are now in discussions for a potential \$2M investment. Ecolunch Boxes received support on hiring, developing new products, updating systems, scaling and funding support in terms of loans and VC connections.” – Marin SBDC



Business Name: California New Foods

Small Business Development Center: Cal Coastal (Salinas) SBDC
 Small Business Development Center Region: Central California
 Senate District: 17
 Assembly District: 29

“California New Foods, LLC (CNF), founded at the beginning of 2018 is a specialty contract food manufacturing company in Castroville, California. The

Company provides food manufacturing and logistics services to small and medium-sized growth companies. CNF specializes in the production of artisan and niche market baked goods using preservative-free formulas and all-natural ingredients.

The CIP Program funded consulting that assisted the CEO in securing a \$600,000 bank loan, backed by a State Guarantee. In addition to the loan, the company committed to investing an additional \$253,318 as part of the overall project. The subject loan and owner investment were used to purchase new production equipment to improve automation and reduce overtime labor costs needed to respond to expected growth in 2019. CNF is growing with its major customer, and the loan and owner investment has supported the addition of 10 new positions and retention of 60 existing jobs.” – Cal Coastal (Salinas) SBDC



Business Name: TearFilm

Small Business Development Center: LaunchPad SBDC at OCTANe
 Small Business Development Center Region: Orange County Inland Empire
 Senate District: 39
 Assembly District: 78

“With the CIP Funding the LaunchPad SBDC @ OCTANe consultants were able to help TearFilm with their investor deck presentation, business and capital funding strategy. TearFilm successfully raised \$5M from our Visionary Venture Fund. LaunchPad SBDC also helped TearFilm move from Ohio to Orange County with connecting them to our real estate partners.” – LaunchPad SBDC at OCTANe

Business Name: Bear’s Cave

Small Business Development Center: South San Diego SBDC
 Small Business Development Center Region: San Diego and Imperial Valley

Senate District: 40
 Assembly District: 78

Bear's Cave, with the assistance from San Diego SBDC, created three (3) new jobs, and secured a \$90,000 loan.

“Former Navy Seal Scott Keough was looking to start a new chapter in his life by opening a fitness and training center geared toward children. Though he was no stranger to stressful and challenging situations, Scott was new to the world of business and he turned to the SBDC for help in putting his plan into action. Working with his SBDC advisor, a fleshed-out business plan was created in addition to a detailed financial plan which ultimately culminated in the funding Scott needed to launch the business. Mission accomplished!” – South San Diego SBDC

Grant Programs: Small Business Technical Assistance Grant Programs

In 2018-19, GO-Biz was allocated \$23 million in General Fund dollars to support the CIP outlined above (\$3 million) and two new grant programs for federal small business technical assistance centers throughout California: The Small Business Technical Assistance Expansion Program (SB TAEP) and Small Business Technical Assistance Program (SB TAP).

SB TAEP was created to expand the capacity of federal small business technical assistance programs in the state and reach underserved populations. The program was enacted in Government Code Section 12100-12100.69. SB TAEP provides \$17 million annually through 2022-23 to expand existing small business services, such as free or low-cost one-on-one consulting and training. SB TAEP's funding is focused on direct services to underserved business groups, including women, minority, and veteran-owned businesses and businesses in low-wealth, rural, and disaster-impacted communities. The funding is available for consulting, training, research and marketing. Eligible centers include the SBDCs, Women's Business Centers, Veteran Business Outreach Centers, Minority Business Development Administration Business Centers, Procurement Technical Assistance Centers, Manufacturing Extension Partnership Center, and any other similar federally contracted centers. These centers are designated by federal funding partners to provide one-on-one confidential consulting and training to help small businesses and entrepreneurs start, expand, and create jobs in California.

SB TAP provides \$3 million in one-time grant funding to a subset of the federal small business technical assistance centers to fund consulting, training, research, marketing, and operations. The SBDC program is not eligible for SB TAP funding due to its existing support through CIP. SB TAP was approved as a one-year program.

OSBA developed the program guidelines, Request for Proposals/application process, selection process, contract, invoicing, and reporting guidelines for the initial roll-out of both the SB TAEP and SB TAP grant programs in 2018. The grant programs were rolled out as quickly as possible to meet the timelines, but some delays were

experienced in contract deployment due to complexity in university contract systems, where many centers are hosted. OSBA also collaborated with the GO-Biz technology team to develop a reporting platform for grantees that continues to be developed and improved.

For the 2018-19 grant year, all 83 applicant centers received SB TAEP awards, and all 27 applicant centers received SB TAP awards. The 2018-19 grant year began on October 1, 2018 and closed September 30, 2019.

OSBA has outlined *preliminary* results from 2018-2019 SB TAEP and SB TAP grants. These results are not final as many SB TAEP and SB TAP are currently under extension and/or have not fully reported on their fourth quarter results. The reporting gaps are a result of delays in contracts and challenges in implementing a new program with respective reporting requirements. Many grantees finalized contracts and began implementation late into the first quarter of grant Year 1 as a result of university contract systems and the huge scale up required to deploy the planned expansion - including hiring, onboarding, planning and launching. These delays and scale up demands led to multiple requests for extensions in both SB TAEP and SB TAP. Further, as a result of the delays, many grantees have noted that outcomes did not reach full potential until the third quarter. Additionally, there are 8 centers that have not fully reported quarter four. Thus, it is important to note that while data has been mostly reported for four quarters, there are additional reporting periods planned that will boost these outcomes significantly. For example, there have been 34 extensions requests from centers representing 63.5 percent of all grants (\$12.7 million of the \$20 million in awarded funds). These centers have only expended \$8.3 million of their grants during Q1-Q4, and they have a remaining \$4.4 million in awarded funds that will be expended through extensions for Year 1. While Year 1 of SB TAEP and SB TAP allowed for up to 2 years of extensions, OSBA is working diligently with grantees to limit this to one to two quarters at maximum whenever feasible.

What follows is a summary of the *preliminary* results to date under SB TAEP. Please note that the Year 1 grant contracts did not require extensive impact metrics from the grantees for SB TAEP. Tracked metrics include consulted and trained businesses only but will be expanded in the future to include more impact metrics. Preliminary results show that there were 24,371 business owners that received one-on-one consulting services and an additional 42,534 business owners that received training via workshops or classes.

Technical Assistance Expansion Program (TAEP) Funding and Results

Fiscal Year	State Dollars Committed	Grantees	Businesses Consulted	Businesses Trained
2018-19	\$16,999,998.45	83	24,371	42,534
2019-20	\$16,943,906.52	71	In Progress	In Progress

2018-19 TAEP Awardees

<p>Alameda County SBDC Anew America (Oakland) WBC Anew America (San Jose) WBC API-LTSC WBC Asian Business Institute Resource Center (ABIRC) Butte College SBDC Cal CAP PTAC Cal Coastal (Salinas) SBDC Cal Poly (SLO) SBDC California Asian Pacific Chamber MBDA Export Center California Asian Pacific Chamber MDCP Korea Direct Program California Capital WBC California Manufacturing Technology Consulting (CMTC) Capital Region SBDC Coachella Valley WBC College of the Canyons SBDC Contra Costa SBDC CSUB (Bakersfield) SBDC Economic Development Collaborative - Ventura County SBDC El Camino College SBDC El Pajaro CDC EPIC SBDC at UCR Fresno EOC DBA Access Plus Capital Fresno MBDA Native Business Initiative for Growth Hispanic Satellite SBDC Imperial Valley SBDC Indian Dispute Resolution Services, Inc. Inland Empire SBDC at CSUSB UEC Inland Empire WBC JEDI WBC LA Chamber of Commerce Bixel Exchange SBDC LA County PTAC LA SBDC Lead Center LaunchPad SBDC at OCTANe Lead SBDC at CSUF ASC Long Beach City College SBDC Main Street Launch Marin SBDC Mendocino SBDC Mendocino WBC</p>	<p>Mission Community Services WBC Napa-Sonoma SBDC NorCal PTAC NorCal SBDC North Coast SBDC North San Diego SBDC OC Hispanic SBDC at OCHCC Orange County SBDC at RSCCD PACE PACE WBC Pacific Coast Regional SBDC Pasadena City College SBDC Pasadena MBDA Business Center Renaissance Entrepreneurship Renaissance WBC San Diego & Imperial WBC San Diego and Imperial SBDC San Diego PTAC San Francisco SBDC San Joaquin Delta SBDC San Jose MBDA Business Center San Mateo SBDC SBDC at UCI Applied Innovation SD IV SBDC Shasta Cascade SBDC Sierra SBDC Silicon Valley SBDC Siskiyou SBDC Solano SBDC South San Diego SBDC Southwest Region Small Business Transportation Resource Center Tech Futures Group SBDC The Brink SBDC The Finance Center SBDC UC Merced - Lead Center SBDC University of La Verne SBDC Valley Community (Fresno) SBDC Valley Economic Development Center (VEDC) Valley Sierra (Modesto) SBDC VEDC WBC Veterans Business Outreach Center (VBOC) Women's Economic Ventures WBC Working Solutions</p>
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Following is a selection of 2018-19 SB TAEP success stories showing the impact of the expansion efforts to minorities/people of color, women, veterans, and businesses and entrepreneurs located in rural, low-income or disaster-declared areas.



Business Name: Home. Boutique & Bakery

Center Name: Mission Community Services Corporation (MCSC) Kern's Women's Business Center

Senate District: 11

Assembly District: 17

Home Boutique Bakery, with the assistance of MCSC Kern's Women's Business Center, was able to create 3 jobs and secured \$150,000 in loans.

"Vanessa met with Norma Dunn, Deputy Director and Business Consultant for Mission Community

Services Corporation (MCSC) Kern Women's Business Center, for a free consultation. At that meeting, she discussed her ideas and concerns, and gained confidence knowing she had a support system to guide her along the way. Additional consultations were conducted to follow up on her progress.

Home. boutique & bakery opened on June 15, 2019. Vanessa wanted Home. boutique & bakery to be a place where people could come and sit, chat and be at home away from home. Her kitchen has large windows so her clients can see how she bakes her delicious desserts and cookies. Vanessa has created an atmosphere that is comfortable, welcoming and customer focused. "It's Home - everyone is family!" she says.

In addition to her love of baking, Vanessa has a heart for local creative talent, so she shares her boutique and bakery space with local artists who are just starting out. She has created a space where entrepreneurial women can sell their wares and create an income for their families. The boutique now hosts six local vendors who sell their home goods, clothing, snacks and jewelry. She also wants to create a learning environment, by offering baking classes, financial literacy classes and professional development. She calls this "Learning Saturdays."

Home. boutique & bakery will be working with the MCSC's Kern Women's Business Center to obtain her Disadvantaged Business Enterprise (DBE) Certification, in order to gain additional opportunities with State and County departments that may be interested in her baked goods. She also works with several real estate agents who purchase her gift baskets and home signs for new home buyers. Vanessa believes that having multiple income streams has been a key component in her success." – MCSC Kern's Women's Business Center



Business Name: The Juice Market

Center Name: Pacific Asian Consortium in Employment (PACE)

Senate District: 26

Assembly District: 62

“PACE assisted William Mercado in securing a \$23,000 Small Business Administration Microloan that will allow his mobile organic juice company, The Juice Market, to have additional working capital. Mr. Mercado started his business in January 2019 after

planning for it for three years. He knew he wanted to be in a business that promoted healthy living.

In August 2019, Mr. Mercado met Jose Sosa, a business counselor for PACE, at one of the Startup Workshops hosted at PACE. Since then Jose has offered business counseling and helped review The Juice Market's cash flow statements. After analyzing his situation, Jose referred Mr. Mercado to Steve Meng, a loan counselor for PACE, to help Mr. Mercado get the financing needed. Within a week or so, Steve Meng was able to get Mr. Mercado the funding of \$23,000 for working capital. This will help The Juice Market grow. Mr. Mercado was able to create 1 full-time job for himself and at the same time serve healthy organic food at a low cost to the people of Los Angeles!” – PACE



Business Name: Outdoor Herbivore

Center Name: California Manufacturing Technology Consulting (CMTc)

Senate District: 6

Assembly District: 8

“Outdoor Herbivore is a woman-owned small business in Sacramento founded by Kim Safdy in 2010 to address the lack of wholesome backpacking foods on the market. Kim’s aim was simple: produce one-pot dried meals using organic ingredients, 100% vegetarian and free of additives or chemical enhancers. Outdoor Herbivore

completed the BizBytes CMA+ program which significantly increased its website traffic, adding \$3,000 in sales in 2 months. Kim commented, “We were able to revamp our social media profiles and...we went from a 2.8 to a 3.9 conversion rate. I’m very impressed with the program and super happy I got to participate.”” – CMTc

Business Name: Sunshine Farm

Center Name: Asian Business Institute Resource Center (ABIRC)

Senate District: 23

Assembly District: 8

“Sunshine Farm is own and operated by Sandy Yang. The business operates by selling their

harvested produces on street stand and allowing clients to “pick their own” strawberries. Yang sought the Asian Business Institute and Resource Center (ABIRC) asking for assistance on applying for loan funds of \$20,000 to buy equipment and seeds due to her English language limitation.

Between Yang and the loan agency, Feed the Hunger Foundation, ABIRC provides support in language translation and interpretation, Hmong-to-English and English-to-Hmong, loan package revision, business plan development, and business budget development.” – ABIRC



Business Name: Tinkle Belle

Center Name: Women’s Economic Ventures Women’s Business Center

Senate District: 19

Assembly District: 37

“Jessica, owner of Tinkle Belle, took WEV’s business planning course in 2014 and launched her business in 2015. She began experiencing losses during the first week of the Thomas Fire in 2017 due to evacuations. Road closures prevented their staff from being able to serve customers, retrieve their products, and access their laundry facilities. Fire conditions increased washing costs and ruined many diapers. WEV quickly approved a \$10,000 business recovery loan for the business, and Tinkle Belle also qualified for an SBA Economic Injury loan. In December 2018, Tinkle Belle was awarded a \$5K WEV Business Recovery grant and attended free Business Resiliency/Recovery workshops. She is also a participant in our long-term consulting program, Thrive.” – Women’s Economic Ventures WBC



Business Name: GroGuru

Center Name: The Brink SBDC

Senate District: 39

Assembly District: 78

GroGuru, with the assistance of The Brink SBDC, was able to create 3 new jobs and secured \$1,300,000 in investments.

The Brink SBDC assisted GroGuru with investor introductions, customer introductions, improved pitch deck and practice, and even helped them be the runner up for the inaugural San Diego Angel Conference! “Events such as the San Diego Angel Conference are the icing on the cake, which spreads the spirit of entrepreneurship in the community by bringing entrepreneurs and new investors together, and resulted in an investment of over \$100,000 for our company.” - Farooq Anjum, Co-Founder/CTO.

“AgTech company GroGuru has developed the world’s first 100% wireless underground IoT platform that has the potential to be a game-changing solution for the commercial agriculture market.” – The Brink SBDC

Business Name: La Granjita Organica

Center Name: El Pajaro CDC

Senate District: 12

Assembly District: 30

La Granjita Organica, with the assistance of El Pajaro CDC, created 6 new jobs and secured \$685,000 in loans.

“As a recent graduate of an organic farm training program, the client came to El Pajaro CDC for assistance in purchasing a ranch with 10 acres of arable, organically certified land. With funding from the technical assistance expansion program, the client received TA, training and loan assistance to finance the purchase of the property. The owner participated in our Empresari 10-week business planning class and received help with operational aspects of the farm including legal structure, accounting processes, use of bookkeeping software, social media marketing skills, and crop planning/scheduling.” – El Pajaro CDC

The following charts highlight the *preliminary* results to date under SB TAP. As outlined previously, these figures are not final. The SB TAP grant contracts did require more impact metrics from the grantees than was requested under SB TAEP. As a result of the \$3 million SB TAP funding, 7,664 business owners received one-on-one consulting services and an additional 19,787 business owners received training via workshops or classes. Over \$331.5 million in contracts were secured as a result of the consulting or training. Companies counseled or trained increased revenues by \$28.5 million. Additionally, a total of \$111.4 million in additional capital was infused into these businesses through loans, investments or grants. In terms of jobs, 1,596 new jobs were created as a result of the counseling and training.

Technical Assistance Program (TAP) Funding and Results

Fiscal Year	State Dollars Committed	Grantees
2018-19	\$2,942,686.50	27

Metrics	Total
Total Dollar Amount of Contracts	\$331,514,246.65
Total Business Owners Counseled	7,664
Total Business Started	487
Total Capital Infusion (Loans and Non-Owner Equity)	\$111,356,043.00
Total Contracts with Small Business Serving as Prime	5,091
Total Contracts with Small Business Serving as the Subcontractor	135

Total Increases in Sales and Company Revenues	\$28,450,971.00
Total Jobs Created	1,596
Total Training Event Attendees	19,787
Total Training Events	1,847

2018-19 TAP Awardees

Indian Chamber PTAC	Veterans Business Outreach Center (VBOC)
California Asian Pacific Chamber of Commerce MBDA Export Center	Anew America (Oakland) WBC
Cal Cap PTAC	California Capital WBC
Fresno MBDA Native Initiative for Business Growth	Coachella Valley WBC
LA County PTAC	Inland Empire WBC
Monterey Bay PTAC	Jedi WBC
NorCal PTAC	API-LTSC WBC
Pasadena MBDA Business Center	Mendocino WBC
Riverside Community College District PTAC	Mission Community Services WBC
San Diego PTAC	PACE WBC
San Jose MBDA Business Center	Renaissance Entrepreneurship WBC
SoCal VBOC	San Diego & Imperial WBC
	VEDC WBC
	Women's Economic Ventures WBC
	Anew America (San Jose) WBC

Prior to launching Year 2 of the 2019-20 TAEP grant performance period, OSBA held an inaugural convening on July 9, 2019 at GO-Biz for the SB TAEP Authorized Representatives and Lead Centers to discuss the program's progress and expansion effort successes, gaps in service to underserved groups, and future goals through 2023. Additionally, OSBA discussed and received input on the planned programmatic improvements, new performance metrics aligned with federal partners, and other planned changes in the 2019/20 Request for Proposals. OSBA shared policy priorities based on expert insights on major challenges to underserved businesses including access to capital, markets and resilience. OSBA also unveiled plans to have greater engagement and support for the grantees in the 2019/20 grant period Year 2 to help further strengthen partnerships, collaboration to fill gaps, and best practice sharing to strengthen statewide service offerings for all California small businesses.

The performance metrics added to the 2019-20 SB TAEP program include:

- Number of Training Events
- Number of Unique Clients Trained
- Number of Clients Counseled
- Number of New Clients Counseled
- Number of New Businesses Started
- Number of Jobs Created (full and part-time)
- Dollar Amount of Increase in Sales
- Number of Contracts
- Dollar Amount of Contracts

- Number of Loans
- Dollar Amount of Loans (SBA and non-SBA loans)
- Dollar Amount of Equity Capital (to include private investment)
- Additional Funds Raised (non-dilutive funding, grants, etc.)

The Program Announcement for TAEP 2019-20 opened July 12, 2019 and closed August 16, 2019. OSBA received 94 unique applications from 24 Authorized Representatives or Lead Centers. OSBA conducted a competitive review process of the 2019-20 TAEP grant period with a panel of 10 GO-Biz reviewers. For the 2019-20 grant year, 71 centers received SB TAEP awards, and intent to award notices were sent to all centers in September 2019 for a start of October 1, 2019.

Made in California (CA Made)

Overview

In 2013, Governor Brown signed Senate Bill 12 (Corbett, Chapter 541, Statutes of 2013), which created within GO-Biz the Made in California Program (CA Made). CA Made is a state labeling program designed to encourage consumer product awareness and to promote the purchase of products manufactured in California. OSBA is responsible for administering the program.

A manufacturer must meet the following requirements to participate in CA Made:

- 51 percent or more of a product's value added must be from California.
- The finished product must be able to lawfully use a "Made in U.S.A." label pursuant to Section 17533.7 of California's Business and Professions Code.
- Agricultural products subject to Buy California program are excluded.
- A third-party certification is required at least once every three years.

As defined in Government Code Section 1298.10(e)3 a qualified third-party certifier is an "individual, group, or association that possesses a professional license, certification, or other equivalent documentation indicating sufficient training, education, or expertise to perform a regulatory compliance audit."

Background and Progress to Date

On June 7, 2016, regulations for CA Made were approved and filed, and an official webpage for CA Made was launched – www.camade.ca.gov. A digital advertising campaign was launched in late summer 2016 for the program that included both digital banner placements across a variety of manufacturing, small business and business publication websites, and promotion on major social media platforms. In addition, OSBA staff incorporated CA Made information as part of its small business forums and stakeholder meetings that it conducted across the state. The promotional efforts generated attention and led prospective applicants to the website. During the marketing roll-out between August and December 2016, the CA Made website received over 6,200-page views during over 2,400 sessions from 1,844 unique users.

Despite GO-Biz's promotional efforts, OSBA has received only two complete applications for the program since its launch. The first complete application was approved in April 2017 for a 3-year period. In addition, only one organization has expressed interest in serving as a third-party certifier – TÜV Rheinland North America (TÜV). In this current reporting period, OSBA received and approved a second certified manufacturer in July 2019. GO-Biz has analyzed labeling programs and continues to consider options for improving the CA Made program.