

THE ORANGE BOOK

2014 QUARTER ONE REPORT

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If business is the engine of American prosperity, then very small businesses are the vital components of that engine. Of the 28.2 million small businesses^{1a} in the United States, 26 million are defined as very small businesses, with fewer than five employees. Though small in size, these businesses are responsible for 31 percent of all private sector employment and \$5 trillion in economic impact.^{1b} With such impressive numbers, why are these unsung heroes of America's Main Street economy so often cast in the shadow of their larger counterparts? We believe it's because the compelling stories of these very small businesses have yet to be told.

Accion created The Orange Book to introduce you to the owners of these very small businesses, whom we call everyday entrepreneurs. At Accion, we have come to see these everyday entrepreneurs as adaptive, passionate, driven, and optimistic, and we marvel at how they employ both left and right brain with effortless aplomb. They are the risk takers, the believers, the kitchen table scrappers who cajole family members into taking a sweat equity position, often working full-time jobs and pursuing their dream only after other responsibilities have been fulfilled. These men and women, from every ethnic background and station in life, are the rarest of breeds: they are practical dreamers.

To garner Main Street's perspective on the economy, Accion offers The Orange Book as a compilation of quantitative and anecdotal data gathered from these very small businesses that represent 92 percent of those in the United States.² In this publication, Main Street runs through San Diego, Phoenix, San Antonio, Denver, Chicago, and New York City. Entrepreneurialism is alive and well in all of these places—thriving in fact—and is supported by communities that have embraced the mantra of local, sustainable, and socially conscious.

In the pages of The Orange Book, you'll find valuable and thought-provoking information on the current state of the U.S. economy, born out of the compelling stories of Accion clients, each real-life entrepreneurs like these:

- An unemployed, single mom whose genuine excitement for the trades sparked a one-woman electrical business in Southern California, a region where construction is booming.
- A brother and sister team who worked nights and weekends to launch a successful business selling healthy, tea infused frozen bars, becoming part of the healthy food revolution that draws in millions of venture capital dollars in cities across the U.S.
- An Ethiopian refugee who saw a need to bring the sought-after spices of his homeland to Phoenix and has created a thriving retail and takeout business in a region throbbing with the heartbeat of the immigrant American Dream.

Also in the pages of The Orange Book, you'll find insightful commentary from industry experts across the country as they discuss their views on changes in the very small business landscape, the impact of both private and public debt, opportunities for growth by industry trends, and forecasts for 2014 and beyond.

In Major U.S. Cities, Cautious Optimism Is Top of Mind for Everyday Entrepreneurs

Number of small businesses with less than five employees: 26,023,138³

2014 started on a strong note, with the Federal Reserve tapering bond purchases in response to lower unemployment numbers and growth in many sectors. But the remnants of the deep recession that began in 2007 are still evident in a housing market that has not completely recovered, as well as consumer spending that is constrained by a lack of wage increases and an uptick in household debt. According to the Federal Reserve, consumer credit passed the \$3 trillion mark in Q2 of 2013, up 22 percent over the past three years. Total household debt is at \$13 trillion, while government debt is \$15 trillion.⁴

In a debt-laden environment, it's encouraging to note that very small businesses have not shied away from staking their claim on the American Dream. Between Q3 of 2012 and Q3 of 2013, the number of loans disbursed by the Accion U.S. Network grew by 29 percent.⁵ Everyday entrepreneurs are facing these challenges with the same innovative and optimistic approaches that they have deployed to rebuild our economy. Stagnant wages and job eliminations in the traditional workforce have prompted entrepreneurs to take a chance on themselves and create their own profit-making businesses.

Much of the growth in the very small business environment is fueled by immigrants who are more than twice as likely to start new businesses as their native born counterparts. Twenty-eight percent of all U.S. companies founded in 2011 had immigrant founders despite immigrants being roughly 13 percent of the population.⁶ A 2012 report published by The Partnership for a New American Economy found that immigrants start more than 25 percent of all businesses in seven out of eight sectors of the U.S. economy—including construction, retail trade, leisure, and hospitality—and are expected to lead growth over the next decade.⁷

Throughout the country, “cautious optimism” has emerged as a trend. The Hartford 2013 Small Business Success Study, which surveyed 2,000 small business owners across the country, found that there has been a significant increase in optimism from Fall 2012 results when only 33 percent of respondents felt the coming year would be promising for the national economy. In Fall 2013, that number increased to 48 percent of respondents who said they were feeling

optimistic that the national economy would strengthen that year.⁸

“We all need to care about the success of small business. Their success is critical to our national economy, our communities and to larger businesses like The Hartford,” said Kathy Bromage, The Hartford’s Chief Marketing Officer and senior vice president of strategy for the company’s Small Commercial insurance segment. The Hartford insures more than one million small business owners nationally.

The Hartford Fall 2013 study also asked small business owners if they felt they were operating their business successfully: 70 percent said extremely, very or moderately successfully. That was good news for Bromage. “For them, it’s about can and not about can’t. Next we asked them if they knew they could be just as successful working for someone else, would they do it, and 63 percent said absolutely not. Even in these challenging times, they’d still rather work for themselves than someone else.”

Rosalind Brewer, CEO of Sam’s Club, agrees. In a recent announcement of a \$2.5 million grant from Sam’s Club to the WE Lend Initiative, a collaborative of three nonprofits, including Accion, to support women-owned businesses, Brewer stated, “Despite working two jobs and investing their own money, 69 percent say owning their business is the ideal job. There is a happiness and optimism among this group in spite of the challenges. That is something to celebrate.”⁹

The six cities highlighted in The Orange Book are all hot beds of entrepreneurship, where small businesses owners are riding out the storm of the recession with the same determination and grit they embody to pursue the American Dream and rebuild local communities.



San Diego

Tourism and Construction Light Up the City by the Sea

Number of small businesses with less than five employees: 276,622¹⁰

Tourism

Ike and Megan Fazzio

SAN DIEGO FLY RIDES

According to a report issued by the San Diego Tourism Authority (SDTA), America's Finest City hosts 33 million visitors each year.¹¹ Tourism is the number three industry in San Diego and the SDTA estimates that visitors spend nearly \$8.4 billion annually.¹² Ike and Megan Fazzio, owners of San Diego Fly Rides, a bike tour business in La Jolla that also sells electric bikes, have benefited from the area's strong tourism industry. With business doubling since San Diego Fly Rides opened in 2011, the Fazzios are about to hire their first full-time employee. "He'll be doing tours but also managing subcontracted tour guides and helping develop bike sales and service." Ike Fazzio attributes their booming business in part to a sun-drenched San Diego winter, while the rest of the country suffered through endless snowstorms.

Outstanding customer service helps too. TripAdvisor ranks San Diego Fly Rides as number one for a great customer experience and San Diego Fly Rides consistently wins four and five stars from happy customers. The Fazzio's hatched their business plan after their own unforgettable customer experience on a six-month bike trip through Europe. Today,

San Diego Fly Rides offers tours on electric bikes that Fazzio calls "equalizers" because both seasoned bikers and casual riders can join in the fun. The bikes offer two options for a ride: electric bikes that don't require any pedaling at all and are more like classic scooters and bikes that are a hybrid and allow a smooth mid-ride switch from cycling to motoring.

Although the business spent its first few years in downtown San Diego, Fly Rides had some growing pains along the way and, in October 2012, Ike and Megan decided they didn't need the large space they occupied. They moved to La Jolla, and now take full advantage of the myriad of paths and views that the place called "the Jewel by the Sea" has to offer. "I think our bikes in La Jolla sell themselves. So, it's how we approach the experience. When we get a reservation for a rental or tour, I think about how these people are coming from miserable winters and trying to take a break, so I want to give them that. They deserve that. They've come a long way."

In 2013, visitor spending in San Diego created economic impact to the tune of **\$18.7 billion**



about 10% of San Diego's Gross Regional Product

Source: San Diego Tourism Authority (2014)

Mark Emch

CHIEF FINANCIAL OFFICER
SAN DIEGO CONVENTION CENTER

Mark Emch, chief financial officer for the San Diego Convention Center Corporation, is upbeat on San Diego's prospects and sees convention-related visitor spending as a major juggernaut to lift San Diego's economy. The Center's economic impact in San Diego was \$1.3 billion in 2012 with one of the largest conventions, Comic-Con, bringing conventioners from 80 countries around the world.¹³ Conventions have an outsized impact on the local economy with visitors spending in restaurants, hotels, on taxis, and

at a multitude of attractions like the San Diego Zoo, Seaport Village, Old Town, and Horton Plaza. Many of the impacted entities, especially restaurants, are small locally owned businesses.

Emch recalls that even during the depths of the recent great recession, the convention center was quite stable with almost all events staying in place. "The bigger impact was that attendance was down somewhat and especially discretionary spending was down; for example, there was scaling back on lavish audio-visual displays and expensive food and beverage catered functions. But there were very few outright cancellations of events."

San Diego

Construction

California's second largest city saw a housing market that was on fire in 2013, with a 24 percent increase in home prices from the previous year.¹⁴ But considering that San Diego suffered a 21 percent drop in home prices from 2007 to 2013, it's clear that the recent rise is more of a return to

normalcy than newfound growth.¹⁵ Still, sales of homes are expected to continue to be strong in 2014, with Zillow predicting that San Diego will be the eighth-hottest American housing market in 2014.¹⁶

Mary Stapleton

MS. SPARKY ELECTRIC

Working as an electrician, Mary Stapleton rode the housing boom all the way to 2006. When the work dried up, she decided it was time to get her contractor's license and passed the state boards in 2009. A year later, Mary founded Ms. Sparky Electric and hasn't looked back.

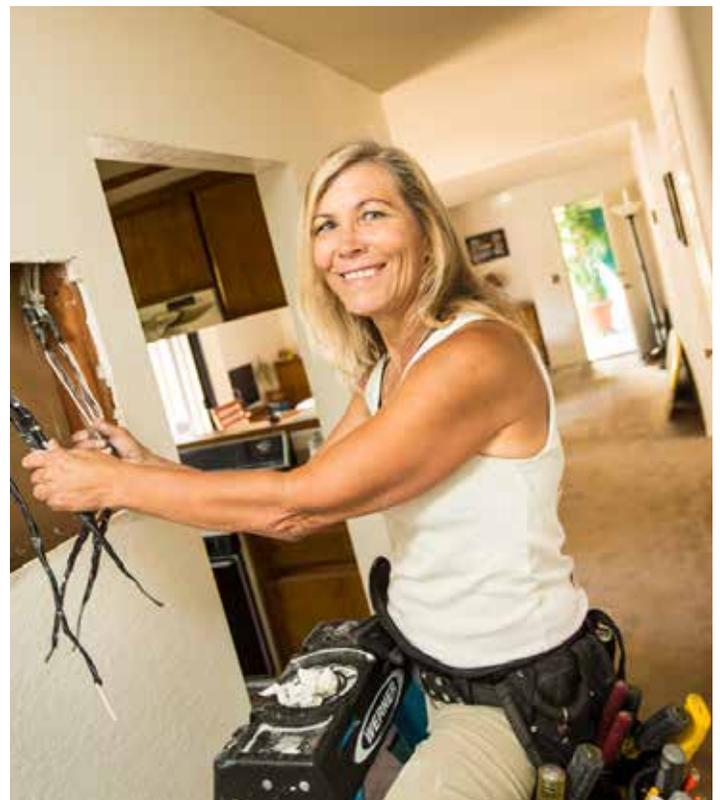
A savvy marketer, Mary chose Rosie the Riveter holding a lightning bolt as her logo and the uplifting image consistently garners a stream of waves and salutes from fellow travelers. As one of the few female electricians working in San Diego County, Mary is a maverick in an industry where anti-discrimination laws expressly require that construction companies working on public contracts hire minority or women-owned subcontractors. And for an industry that is woefully lacking women-owned businesses, that regulation can be a difficult one to comply with. According to a study commissioned by American Express in 2013, while women-owned businesses are on the upswing, construction has only a 7 percent concentration of women.¹⁷ Translation: huge upside potential for Ms. Sparky Electric.

But it's Ms. Sparky's reputation for excellence that brings in the jobs. "Starting in 2012 and continuing last year, my clients are finally putting money into their homes. My sense is home improvement will continue and electrical will be a healthy part of that growth." A recent National Federation of Independent Business (NFIB) survey points to an increase in construction and professional services in 2013.¹⁸ And according to Wells Fargo's 2013 Construction Industry Forecast, "optimism about the residential side of construction was slightly higher than for non-residential. The fact that more contractors expect residential activity to increase (46.7 percent) than to remain the same (45.5 percent) or decrease (7.8 percent) is significant."¹⁹

Mary sees 2014 as another good year. "It started off a little slower this year, but I don't focus on month-to-month

since even here, construction is seasonal. Overall, I'm very optimistic about the future of Ms. Sparky Electric. I love the work and I'm grateful to be doing it. I'm a single mom who put my son through UC Santa Barbara doing this work. It's more than paying my bills for now and I think that's just the beginning."

Today, Mary has one thirty-hour-a-week employee, and plans to hire at least one more full-time journeyman electrician so she can devote herself full time to securing bids. "I've doubled in size since I started so getting the jobs isn't the problem—it's getting the work done and that means further hiring. Then I can bid jobs and manage projects. That's when Ms. Sparky will really start to grow."



Phoenix

Immigrants Find The American Dream in Arizona's Urban Heart

Number of small businesses with less than five employees: 319,848²⁰

In February of 2014, Forbes named Phoenix, Arizona the nation's third fastest growing city—good news for a state hit hard by the recession that began in 2007.²¹ By 2010, jobs in the housing industry—a major growth and revenue engine for the state—had declined by 50 percent.²² Since 2012, the area has begun to make a slow and steady turn around. According to the Phoenix Chamber, the greater Phoenix area has regained 49 percent of the jobs lost between 2007 and 2010.²³

Population growth has helped hasten Arizona's turnaround, with gains of 1.67 percent in 2013 and projected gains for 2014 of 2.47 percent.²⁴ A large portion of that population growth is being fueled by immigrants who arrive with dreams of starting businesses in the land of opportunity. According to a recent study by the Partnership for a New American Economy, from 2006 to 2010 there were 50,706 new immigrant business owners in Arizona.²⁵ In 2010, 19.6 percent of all business owners in Arizona were foreign-born.²⁶

According to the American Immigration Council, 28 percent of business owners in metropolitan Phoenix in 2010 were immigrants—a high level of immigrant business ownership relative to the foreign-born share of its population.²⁷

Roberto Valdez-Beltran, Phoenix market manager for Accion New Mexico · Arizona · Colorado, states “one of my clients immigrated to the U.S. from the Philippines in 2009 and started a coffee shop three years later. He told me that he isn't looking back and wants to stay self-employed for the rest of his life. With a strong commitment to his local community and employing others, he is very enthusiastic about how things are going and feels optimistic about his business' growth and expansion plans for 2014.”



Fassil Shenkoru

BATI BAZZAAR

When Ethiopian-born Fassil Shenkoru first opened Bati Bazaar in late 2010, he sold only dry goods: pungent Ethiopian spices used to season delicious wats (stews), teff flours to make injera (flatbread), and, occasionally, traditional Ethiopian clothing and house wares.

A lot has changed in three years and 2013 was an excellent year for Bati Bazaar. Working closely with his mother Asmeret, sister Pawi, and younger brother Fitsum, Fassil has added a robust takeout menu and has plans to begin serving breakfast and lunch. “We started out to help people prepare traditional Ethiopian food, and after a few years we've invested in outfitting a small kitchen and gotten the appropriate permits. Now we make flat breads and three different kinds of dishes to go.” Fassil's popularity has grown and he now caters events at the University of Arizona.

In 2013, Bati Bazaar also began accepting a payment method for government-sponsored food assistance, and partici-

pation in the program has increased Fassil's bottom line by a full 10 percent. Many of the program's clients are Ethiopian refugees living with well-established families, who, in turn are happy to spread the word about Bati Bazaar's food and spices. Business goes up and, according to Fassil, it's a “happy win/win.”

A 2013 GrubHub report examined year-over-year takeout orders in more than 500 cities across the country. While Italian, Chinese, Japanese, Thai, and Mexican are the nation's most popular ethnic cuisines, African cuisine boasted a whopping 30 percent rise in popularity.²⁸ With a growing presence on Facebook and Twitter and a growing clientele both within and outside Phoenix's Ethiopian community, Bati Bazaar's prospects for 2014 are bright. “I think we are going to be the hub for the community and continue to reach out to Phoenix residents who have never tasted Ethiopian food. This year, we are going to have a lot more business than last and someday soon we are going to franchise.”

San Antonio

Very Small Businesses Raise a Glass to The Alamo City

Number of small businesses with less than five employees: 168,610²⁹

San Antonio took the number two spot on Forbes' recently published list of U.S. Regions to Watch in 2014.³⁰ In fact, Texas overall was well represented, with Austin taking first place and Houston fourth out of 52 metro areas studied for GDP, job growth, household income, and unemployment rate.³¹ Called the Alamo City after its famous mission, San Antonio is the second largest city in Texas and the seventh largest in the nation.

With a long list of vibrant and high-paying industry sectors, unemployment rates in San Antonio are lower than the national average. According to the Federal Reserve Bank of Dallas, the unemployment rate dropped to 5.8 percent in August 2013 from 6 percent in June.³² San Antonio benefits from a diverse economy that includes growth industries like aerospace, bioscience, financial services, healthcare,

cybersecurity, and military and defense. A Trinity University economic impact study showed manufacturing put \$22.5 billion into the economy in 2011.³³ Over 80 percent of manufacturing companies in the San Antonio Metropolitan Area are small businesses with 50 employees or less and account for the majority of manufacturing employment in the region.³⁴

A strong regional economy is reflected in increased lending to very small businesses and, according to leading microlender Accion Texas CEO Janie Barrera, the microlender had a strong year in 2013. "Our production increased significantly ... In a recent focus group we conducted with our Accion Texas clients based on their Q4 2013 experiences, 94 percent predicted strong sales for 2014. The majority of our clients are positive about their prospects going forward."

Jason and Laura Ard

BRANCHLINE BREWING COMPANY

For years, Jason Ard and his wife Laura have been enthusiastic home brewers. In 2012, they opened Branchline Brewing Company in San Antonio with three recipes: an IPA, amber ale, and blonde lager. They delivered their first batch to a thirsty market in December 2013 and demand for Branchline brews has grown steadily ever since. Soon after opening, the Ards hired three full-time and one part-time employee. Strong sales mean Jason can make the leap to full-time at Branchline this month—well ahead of schedule.

San Antonio has been described as "a cheaper, chiller" alternative to Austin, and the Ards intentionally chose to open their brewery in the Alamo city for the same reasons others have flocked to its borders: affordable housing, a strong job market, and a growing food and art scene. These consumers are supporting very small, craft-centric businesses all over San Antonio. According to Jason, his customers are "educated about, interested in, and extremely open to supporting local craft beer and food. Right now, there are seven restaurants in the trendy Pearl section on

the riverfront in San Antonio. They all carry our beer and they all sell very well."

Branchline's growing fan base has pushed the Ards to increase capacity by 150 percent in just over a year. To keep up with continued demand, in 2015, they plan to switch to shift brewing, allowing them to further ramp up production.

With only a few employees and a growing number of customers, the Ards are experiencing the pains of success in a daily scramble to keep the beer flowing. "We handle distribution, do our own cleaning and repairs, and about six months ago, we got a bottling line and then added packaging accounts. Our next step is to use a mobile canning service and then we'll add some grocery stores to the restaurants we already have. We had to grow extremely fast to keep up with demand. It's been a challenge, but a phenomenal experience. We're not profitable yet, but we're getting close."

Denver

The City of the Social Entrepreneur

Number of small businesses with less than five employees: 256,899³⁵

The Mile High City is sitting on top of the world these days with a diverse economy and a “like” from millennials, whose migration patterns into Denver put it at the top of a 2011 Brookings Institute list for coolest city in the country.³⁶ Once dependent on oil and telecommunications, Denver’s current economic strength is due in large part to economic diversity built on seven segments, including tech and healthcare. With a current economic output roughly the size of New Zealand, Metro Denver has a highly educated workforce and tech startups have discovered Denver’s affordability, life-style, and a live music scene that rivals Austin.³⁷

The Metro Denver Economic Development Corporation (EDC) called 2013 “a year of economic records” and JB Holston, chairman of the board at Sitrion, believes that economic growth will continue into 2014, citing that 1,000 new businesses started in Denver in 2013 alone.

Colorado overall ranks fifth in the nation for job growth, and 2014 data from Denver’s EDC forecasts strong employment growth for major industries, including 8 percent in

natural resources and construction, 4.3 percent in professional and business services, and 3.5 percent in education and healthcare.³⁸ With a cost of living that is considerably lower, it’s easy to see why Metro Denver has become the hot ticket for entrepreneurs. Holston, who was Colorado’s Technology CEO of the Year in 2010, is optimistic about Denver’s future. “I probably feel better about the durability of economic growth geographically for Denver than I’ve felt in 30 years. All the conditions look good.”



Robin Dickinson

COMMUNITY SUPPORTED FAMILY MEDICINE

An entrepreneurial spirit allowed Dr. Dickinson to couple strong family values with a socially responsible business model.

Just before starting medical school, family physician Robin Dickinson remembers reading about a new sort of streamlined medical practice that allowed a doctor to work less and make more, while still providing affordable care. The idea stuck with her, and ten years later, she put those same concepts into practice when she opened Community Supported Family Medicine (CSFM). “I found Accion and qualified for a small loan, which was all I needed to get started. I opened the practice in November of 2012.”

Knowing that typical medical practices have 75 percent overhead, Dr. Dickinson made an effort to reduce her company’s overhead to a slim 20 percent by incorporating an

online portal where patients can schedule appointments, view lab results and accompanying notes, and chat with the doctor. This lean, innovative business model saves valuable time for the doctor, cuts out the need for front office staff, and allows the patient to get immediate results.

CSFM offers care to lower income families who are either underinsured or uninsured. According to Dr. Dickinson, “the term ‘affordable care’ is misleading because most of the underinsured can’t afford to pay out-of-pocket until a hefty deductible is satisfied. It’s just not an option.”

Consulting firm Deloitte recently conducted its third annual survey of millennials and found that the cohort is eager to volunteer in their communities and generally has a keen sense of social responsibility.³⁹ At 32, Dr. Dickinson is no exception.

“There are still a lot of people who don’t have medical care and for various reasons don’t qualify for Medicaid. I try to help as many of those patients who don’t have access to care as I can. The efficiency of my practice makes that possible.”

Chicago

Winds of Cautious Optimism Blow for Everyday Entrepreneurs

Number of small businesses with less than five employees: 848,252⁴⁰

Very small business has long been woven into the fabric of the Chicago community. Recognizing its value to the economy, Mayor Rahm Emanuel appointed a small business advisory council and chief small business officer in 2012 charged with expediting the permitting process and supporting very small businesses in a number of other ways.

According to Brian Burke, senior vice president for Commercial Lending at Chicago's Standard Bank and Trust, economic recovery is still fragile. "There are signs of recovery and we're seeing improvement in housing, which is a very good sign because housing has been depressed. Property values are rising, but that may be artificially fueled by pent-up demand, a shortage of inventory, and interest rates that are historically low."

Burke's cautious optimism is supported by a 2013 Moody's study that shows unemployment in Chicago will decrease slightly and the region's economic output will expand slightly in 2014.⁴¹

Burke believes optimism is tempered due to several factors, with the threat of rising interest rates topping the list. That uncertainty has kept Burke's clients from taking risks and seeking debt capital.

Robin Lee Greiner, COO of Accion Chicago, the city's largest microlender with a loan portfolio that has more than tripled since 2008, believes rising loan demand among everyday entrepreneurs and higher approval rates are proof of a budding economy.

Greiner recognizes that small business owners turned to Accion to deal with damaged credit, limited availability of bank credit, and/or job loss. In turn, Accion Chicago's portfolio grew because people turned to entrepreneurship to secure their financial futures. In her mind, that's a good thing. "On average, every loan creates three jobs. That's a lot of sales tax and payroll they spend at the next store and money circulates through our local economy. As business revenue improves, the demand for working capital increases. Accion's steady 20 percent growth bears that out."

Since 2006, the number of women commuting to work by bike has grown by

→ 58.8%



Source: American Community Survey (2013) each bicycle is approximate to 10%.

Maria Boustead

PO CAMPO

Lifestyle bag producer Po Campo is riding the growth tailwind and now has one full-time and one part-time employee, along with a network of eight sales reps and a team of consultants who handle design and marketing.

At the intersection of green, stylish, and health-conscious, Chicago area product designer and everyday entrepreneur, Maria Boustead, has found a lucrative home for her active lifestyle bags. Founded in 2009, Po Campo has seen steady sales growth and Boustead has expanded the line to include bike commute bags for men, yoga bags, and travel bags, as well as accessories like reflective headgear.

Po Campo products have tapped into a growing trend that combines bike culture, ecology, and health and wellness.

Maria attributes her success to her participation in the Goldman Sachs 10,000 Small Businesses Program, where she spent 11 weeks customizing a business plan for growth. Even with flat sales in 2013, Maria considered it an important rebuilding year, putting what she learned in the Goldman Sachs program into practice. Changes have ensured a stronger foundation and a better team understanding of where the company is headed and how they want to get there. With the renewed focus, Po Campo has secured a lucrative new account with iconic retailer LL Bean for the spring of 2014. "We're on track with renewed purpose and a new team of sales reps who better understand our brand and mission and how to tell our story."

New York

For Startup Investing, Food and Beverage is the New Black

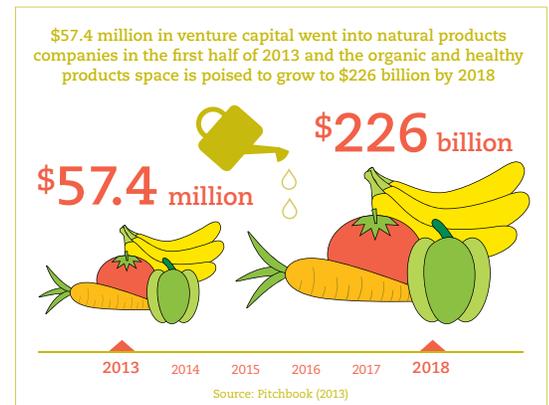
Number of small businesses with less than five employees: 2,000,328⁴²

Brutal storms cast an icy shadow over New York City this winter, as the Federal Reserve reported in February of 2014 that both retail sales and manufacturing took a hit due to weather. According to Restaurant Hospitality, food and beverage sales were down by 7-8 percent in the first two months of 2014.⁴³ This is significant for a city where the food and beverage economy contributes \$5 billion to the city's economy.⁴⁴

In the last few years, venture capital has looked beyond technology startups to the next big thing: food and beverages. Derek Denckla founded SlowMoney in New York City, where food has been a centerpiece of the culture, to support the farm-to-table movement and help farmers and restaurant owners secure capital. Denckla is no stranger to venture capitalists from the tech world looking to invest in the next big food story. "In the last year, venture capital firms in the valley have funneled about \$350 million into food projects. In 2008, that figure was less than \$50 million. In the Northeast, people still get 60 to 70 percent of fruits and vegetables in season from local farms. We need to support small farms and the small business sector that allows such agriculture to thrive so that we can maintain and grow

the local living economy," states Derek. By helping these businesses improve their sustainability and scalability, communities in turn will become more sustainable, reaping the benefits of growth opportunities and job creation.

"New York is not only a global financial center, it is also one of the world's culinary capitals. People from all walks of life and all parts of the globe have gathered here to share one of their most cherished cultural expressions—food! Accion has seen a steady increase each year in the proportion of food and beverage clients served, and we attribute this to our strategic partnership with Sam Adams, the City's focus on green and locally grown food production, a robust food incubator infrastructure and a stable economy," said Paul Quintero, CEO of Accion East.



Daniel and Rebecca Dengrove

BREWLA BARS

Brooklyn-based brother and sister team Brewla Bars flew West this quarter to the Natural Products Expo West in Anaheim to compete among 2,600 vendors trying to connect with a record 67,000 industry reps. Their healthy, tea infused ice pops, with boosted vitamins and antioxidants, were a big hit. According to Daniel, "it is inevitable that the frozen dessert space is going to change as consumers demand healthier products. We think Brewla Bars can be at the forefront of that change."

Growth wasn't always inevitable for the siblings, who gambled big to build a thriving business. Working nights and weekends on top of full-time jobs, they tested recipes and packaging to bring the ice pops to life. "In early 2012, we were figuring out manufacturing, design, and packaging. We got into stores at the end of 2012, so 2013 was our first full summer in retail and a lot has happened," Daniel

stated. Brewla Bars are now available in grocery stores in Metro New York, New Jersey, Florida, and Southern California. Currently, Rebecca and Daniel are the only full-time employees, although Brewla has an external sales team and hires support staff to help with marketing on a per project basis.

For a small startup with only a year's worth of sales under its belt, Brewla Bars has scored big on publicity thanks to competing as a finalist in the Wall Street Journal's Startup of the Year award and winning The Samuel Adams Brewing the American Dream Pitch Room Contest in 2013. "When we first thought of the idea, the category was stagnant. Now we're starting to see a lot more competition, but I still feel like Brewla Bars provides the most complete product: great taste, low sugar, interesting flavors, and the added health benefit of vitamins and antioxidants."

Contributors and Citations



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Brian Burke, SVP, Commercial Banking, Standard Bank and Trust
Derek Denckla, Founder, Slow-Money
Daniel and Rebecca Dengrove, Founders, Brewla Bar
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Data Point Citations

1a Of the 28.2 million small businesses in the United States, 26 million are defined as very small businesses, with fewer than five employees: U.S. Small Business Administration Firm Size Data and Frequently Asked Questions. Web. Mar 2014.

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