



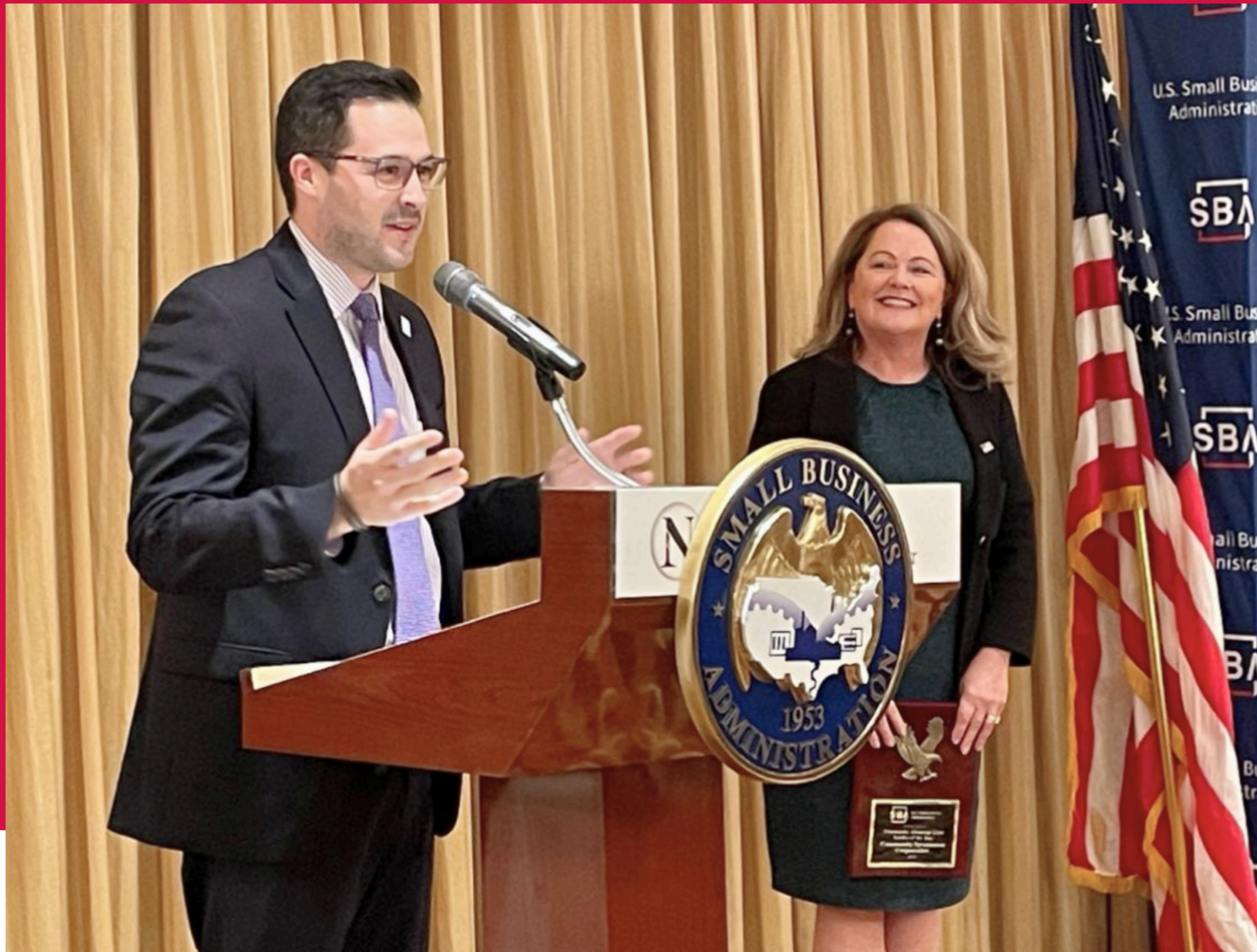
ANNUAL REPORT



—
20
23



Louis Silva, President at Community Investment Corporation (CIC)
and SBA Connecticut District Director Catherine Marx.



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MESSAGE FROM CTSBDC STATE DIRECTOR



Joe Ercolano
STATE DIRECTOR
CTSBDC

While “cautious and steady” were watchwords for Connecticut small businesses in 2023, CTSBDC continued to receive requests for assistance well above pre-pandemic levels. Signs of slowing inflation and steady economic growth buoyed small business outlook, but fluctuating consumer confidence tempered owner optimism. The impact of higher interest rates took on more significance in the second half of the year, and CTSBDC noticed some clients reconsidering or reducing their borrowing plans.

CTSBDC’s team of advisors and other support staff achieved or exceeded all program goals set by its funders and most of its internal key performance indicators. The team also expanded program service offerings, highlighted by the following:

- Secured funding commitments to support two new initiatives: Business Financial Literacy and Entrepreneurship Services, both of which will launch in Q1 of 2024.
- Held the inaugural Lender’s Matchmaker event in partnership with the SBA District Office, and the first of a planned annual Food & Beverage Summit, together with SBA International Trade and the US Department of Commerce.
- Celebrated SBDC Day at the state Capitol returned to an in-person event, with an appearance by Governor Ned Lamont, State Legislators, and other officials.

MESSAGE FROM UNIVERSITY OF CONNECTICUT



John Elliot
DEAN, UCONN
SCHOOL OF BUSINESS

2023 Marked a year of growth for CTSBDC and its thriving collaboration with UConn. The School of Business is pleased that members of its faculty have participated in CTSBDC's programs. Our Connecticut Center for Entrepreneurship and Innovation partnered once again to offer the Verge Consulting program which pairs graduate MBA and Business Analytics and Project Management students with CTSBDC client businesses. Some of our minority undergraduate students worked with CTSBDC clients during the academic term thanks to a grant from Santander Bank.

As CTSBDC continues to develop new ways to integrate client learning and management skill development with its one-to-one advising, we at the School of Business stand ready to support them. These and many other interactions between UConn and CTSBDC are vitally important to fostering sustainable businesses that create opportunity across our state.

MESSAGE FROM SMALL BUSINESS ADMINISTRATION



Catherine Marx
 DISTRICT DIRECTOR
 SBA

2023 proved to be a historic year for SBA lending in Connecticut, despite rising rates and rollercoasting economic forecasts. Our District Office tracked 894 approved SBA loans totaling \$364m for the fiscal year ending September 30, 2023. Approved loans increased 13% over the prior fiscal year, while the dollar amount of approved loans rose 18.5%. Making small business owners aware of SBA loan opportunities was the goal of the first Lender Matchmaker event in Connecticut, presented jointly by SBA Connecticut and CTSBDC. 19 SBA lenders met with over 60 prospective small business borrowers in brief one-on-one meetings, where capital needs were discussed, and potential collaboration explored. SBA Connecticut and CTSBDC plan further matchmakers in 2024 and beyond.

Helping clients access financing is one of the ways CTSBDC advisors contribute to economic growth and investment in our state. Another is their effort to promote the export of Connecticut products and services. According to the latest data published by the US Small Business Administration, 5,475 Connecticut firms exported goods worth \$13.7 billion in 2021. 88% of those exporters were small businesses. Exports by small firms reached \$6.2b, or 45.6% of exports by state firms. To bolster exports, SBA Connecticut was pleased to join CTSBDC to offer several events in 2023 on entering new markets, financing export initiatives, and other topics. We were also joined by the US Department of Commerce Connecticut office. We are pleased to support CTSBDC and collaborate in its work on behalf of small businesses in Connecticut.

MESSAGE FROM

CONNECTICUT DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



Dan O'Keefe
**COMMISSIONER
DESIGNATE,
CONNECTICUT
DEPARTMENT OF
ECONOMIC AND
COMMUNITY
DEVELOPMENT**

Connecticut is a small state that thinks big – and thinks startups. According to the US SBA, between March 2021 and March 2022, Connecticut experienced a net increase of 6,265 new establishments. During that period, small businesses were responsible for a net gain of 54,373 jobs, or 85.3% of the total net new jobs in our state. With the support of Governor Lamont and the General Assembly, DECD prioritizes small business startups and business growth, highlighted by the successful Connecticut Small Business Boost Loan Program, which has provided tens of millions of dollars to finance growth. DECD is also working to reimagine the way the state supports its growing ecosystem of innovators and entrepreneurs, by incorporating efforts piloted by the quasi-public CTNext into DECD's permanent mission and ongoing programming. DECD appreciates the many ways in which CTSBDC supports new startups. This past year its advisors worked with 986 individuals seeking to launch a business, resulting in 170 new startup businesses that registered with the State or a municipality and became operative - meaning they received revenue, secured financing, and spent money. DECD also appreciates CTSBDC's engagement with all our state's communities, exemplified by its support of 1,352 minority-owned clients, which was 48% of the total number of clients it assisted in 2023. We also acknowledge CTSBDC's work with other state agencies, such as the Secretary of State, Department of Agriculture, Veterans Administration, Department of Disability Services, and Department of Energy and Environmental Protection, as well as the many vital local economic development offices in our towns and cities. We look forward to this collaboration continuing in 2024.

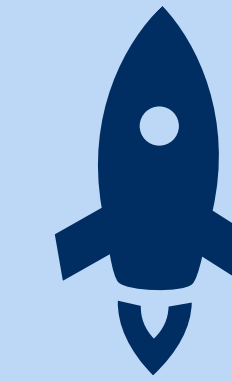
MAKING AN IMPACT



2,843
Clients Served



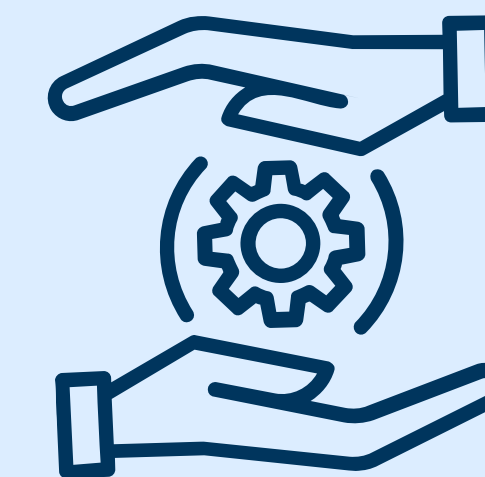
567
Jobs
Created



170
Business Created



\$60 M
Capital Impact



9,234
Jobs
supported



\$28.9M
Change in
revenue



12,919
Advising hours

SERVING & SUPPORTING

KAR PILATES
OWNER & FOUNDER
KRIS ANNE RADTKE



Connecticut Small Business Development Center doesn't just serve small businesses, it strives to help others, including public agencies, who assist, regulate, and register them. **CTSBDC responded to hundreds of referrals from the following state agencies:** the Department of Economic and Community Development, the Department of Revenue Services, the Secretary of State's office, CI/CTNext, the Department of Developmental Services, the Department of Labor, and the Department of Consumer Protection.

CTSBDC's pre-venture advisors have a strong working relationship with the staff at the Secretary of State's office and the Department of Revenue Services, which yields positive results for clients. CTSBDC is also building a relationship with AdvanceCT, the state's quasi-economic development agency, which provided 69 referrals to the program.

CTSBDC TEAM

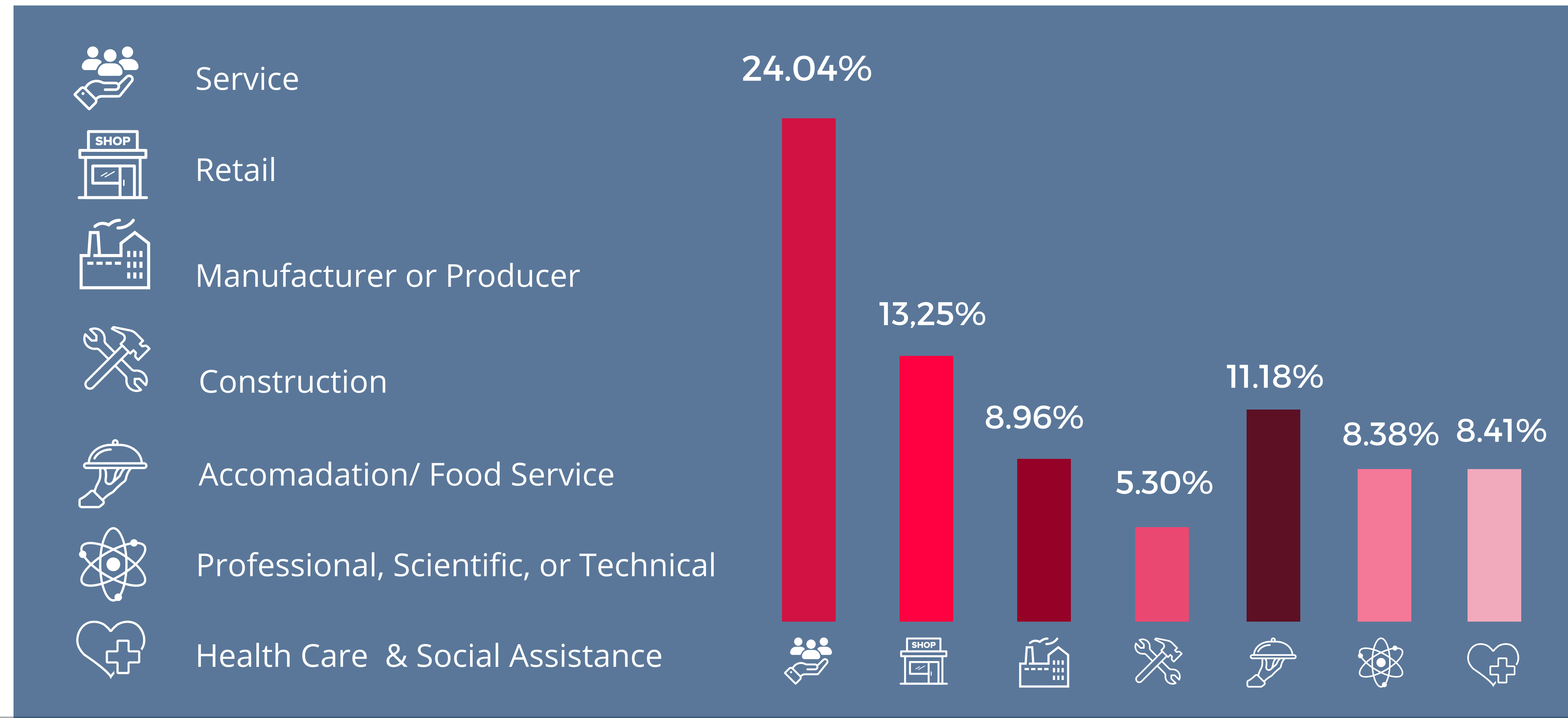


Staff attended **1,227** professional development events during the period, totaling **1,951** hours of development time.

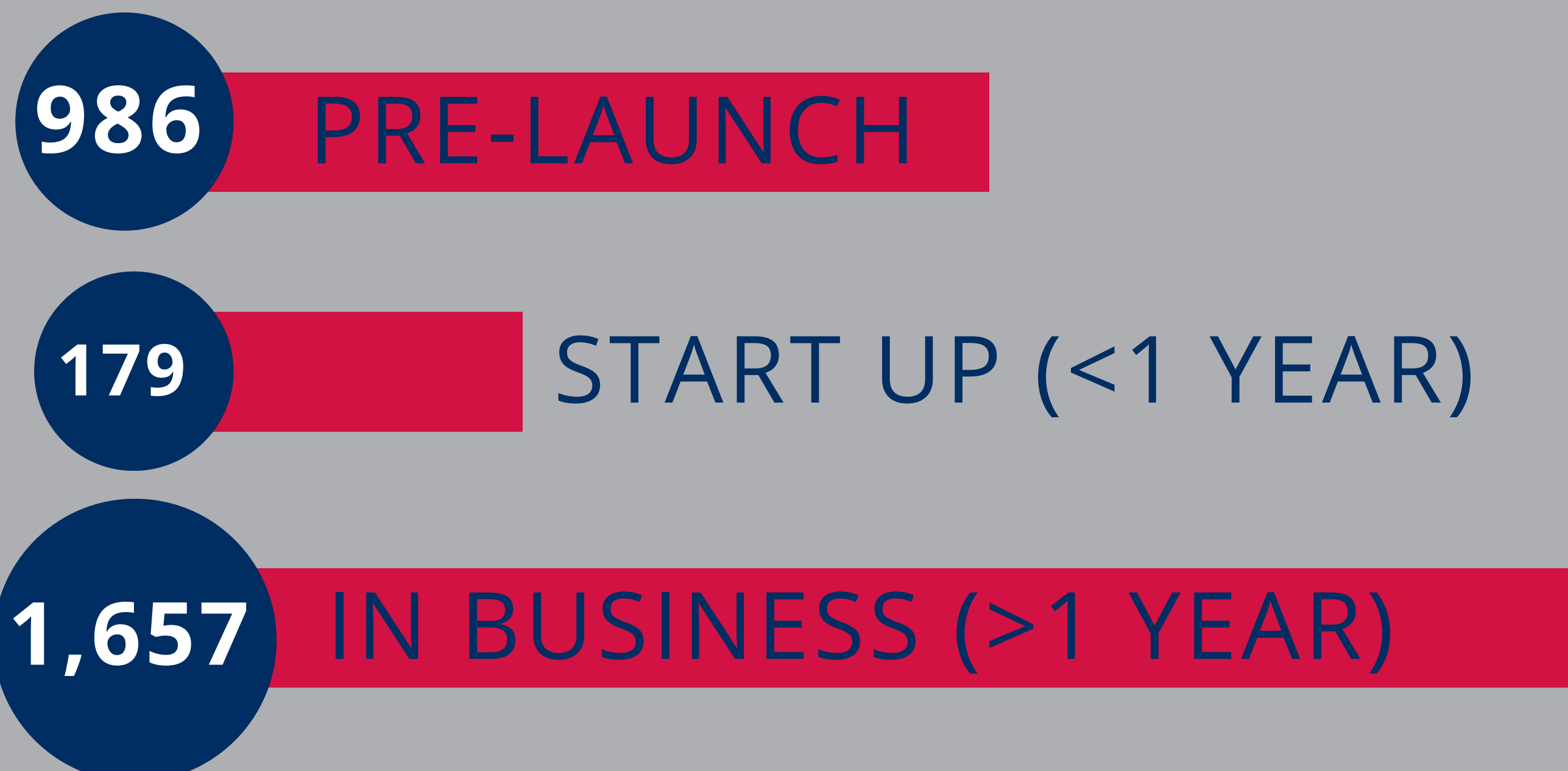
CTSBDC includes lender and community engagement as professional development hours because these engagements primarily represent opportunities for advisors to acquire knowledge that will be useful for their clients.

During the period 8 staff members attended the New England Professional Development program with **3** completing Core Competency training, and 8 attended the ASBDC Annual Conference in Nashville. Two advisors were presenters there.

CLIENT COMPOSITION



Business Stage



ACCESS TO FUNDING

CTSBDC supported **331** debt and equity deals in 2023. Advisors assisted on **98** approved loans, including 10 SBA loans totaling **\$6,507,562** and **88** non-SBA loans in the amount of **\$16,222,193**.

\$37.4M

Approved in equity investment

\$22.7M

In debt capital



Lil Sunshine Home Daycare, LLC



2023 HIGHLIGHTS

BUSINESS KID



WEBINARS FACILITATED

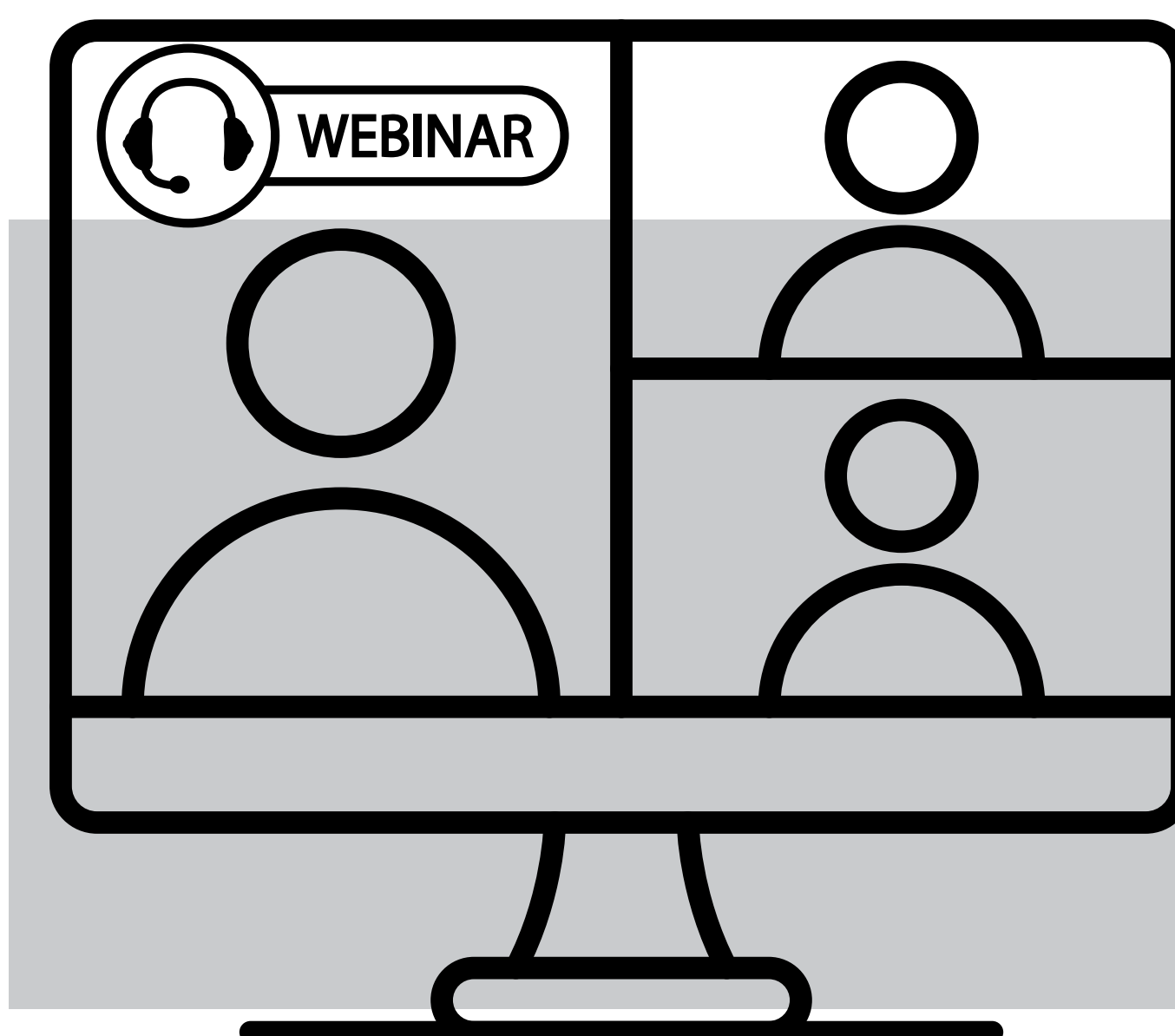


30

Live Training Events

16

Recorded Training



888

Attendees

CTSBDC presented **30** live training events and offered **16** recorded training events during PY'23, attended by **888** people. There were 671 unique clients trained, **164** event hours, and **3,605** training hours recorded. Advisors presented four training events at a college and a university with **30** attendees. One online course, Starting a New Business, attracted **120** attendees during the year. In addition, recordings of webinars were viewed by **60** people during the period.

SUCCESS STORIES



Chef, K Inc.

Karen Williams came to the Connecticut Small Business Development Center for help with financing to start her own business. She was paired with **CTSBDC Advisor Michelle (Shelly) Koehler** to make it happen. Shelly guided Karen from the inception of her food production business through the search for financing.

Chef K Inc. makes ginger, sorrel, turmeric, and assorted flavors of natural drinks without preservatives or additives.

During the collaboration with her CTSBDC advisor, Chef K Inc. experienced a remarkable **80%** increase in revenues, leading to the creation of 8 new jobs.

This achievement was made possible by Karen's ability to secure Small Business Administration (SBA) Program Certification, the State of Connecticut Boost Loan, and a bank line of credit.

Hygrade Precision Technology, LLC

Pedro Soto sought help from CTSBDC in finding alternative lending sources. Hiring, training, and retaining employees was also on the radar. **CTSBDC Business Advisor Denise Whitford** provided owner Pedro Soto with useful information regarding the New England Trade Adjustment Assistance Center Grant Funding and short-term financing from the Community Economic Development Fund, a local CDFI.

Denise explains "Pedro originally came to the SBDC for help navigating the EIDL and PPP programs, when the entire world was in the throes of COVID-19, which was a few short months after he purchased the business."

Denise helped Hygrade secure over **\$720,000** in loans and grants, facilitated Pedro's introduction to Capital Workforce Partners for recruitment support, and guided Hygrade's participation in trade shows through Connecticut's State Trade Expansion Program. These efforts contributed to Hygrade's continued growth, with **Pedro Soto receiving the 2023 Manufacturer of the Year award from the U.S. Small Business Administration** for the company's achievements, including international product exports.



SUCCESS STORIES



The Nest Coffee House

Jane Moen, owner of A Little Compassion, needed help to learn how to create and run both a nonprofit and a business venture such as a coffee shop. The goal of the company was to create employment and social opportunities for young adults with autism (ASD) and intellectual and developmental disabilities (IDD).

CTSBDC Business Advisor [Jim Jackson](#) provided valuable guidance on accessing data related to traffic patterns in Deep River, Connecticut.

Additionally, Jim offered one-on-one assistance in various aspects, including budgeting, pricing out food and beverage options, and creating a comprehensive staffing plan. He was not the only advisor in building up Jane's dream, [CTSBDC Business Advisor Mary Kay Della Camera](#) helped Jane to determine that a not-for-profit organization was the likely best structure for the core organization and ability to raise money. In 2022, Jim Jackson worked with Jane on questions involving putting together a challenging budget as well as developing a plan to create a secondary product called Doggy Barks, a dog treat. The Nest Coffee House has grown into a gathering place for the entire community with average monthly sales of **\$15,000**, which is increasing each month. Nest Coffee House employs **14** individuals, **90%** of whom are young adults with disabilities. The product Jim assisted with, Doggy Barks, is currently on sale in 17 stores around the area.

Cheshire Equestrian Center, LLC

Carol was inspired to start the Cheshire Equestrian Center because she saw there were not many stores providing horse supplies in Central Connecticut.

She realized customers had to travel 45 minutes to get to a store from her area. [CTSBDC Business Advisor Mary Kay Della Camera](#) knew how to guide her to launch the Cheshire Equestrian Center. Mary Kay provided her with all the tools and knowledge to initiate it.

Carol highlights that the store was closed for three months during Covid and Mary Kay helped her fill out applications for financial aid that kept her business afloat. Carol worked with her CTSBDC Advisor to secure multiple emergency loans and grants totaling more than **\$22,000**.

Cheshire Equestrian Center LLC has grown its sales from **\$0** to **\$180,000** since she started her business in 2018.





*"After reading about CTSBDC and CCEI, I sensed becoming a Verge Consultant would offer **an invigorating and fulfilling journey.**"*
-Asif Karim Shaik

UConn Students



Abhishek Gupta



Yash Suvarna



Mary Holmes-Small



Shivam Kumar



Asif Karim Shaik

- Verge Consultants are graduate students who work with the Connecticut Center for Entrepreneurship and Innovation (CCEI) and CTSBDC to support startups and small businesses as they overcome the various hurdles of starting and growing their companies.
- **In 2023, 5 Verge Consultants worked on projects for 14 companies in a variety of different industries and business stages.**
- Verge Consultants had the opportunity to work directly with **CTSBDC's business advisors to gain experience in consulting and providing services to small businesses.**



Santander[®] STUDENT PROGRAM



Nima Sherpa
Santander Student



Leah Medina
Santander Student



H. Munyaneza
Santander Student



Jackie Chen
Santander Student

- The Santander Bank Student Program is an internship program sponsored by *Santander Bank* that **provides undergraduate UConn students with meaningful career-related internship experience working with small businesses at CTSBDC.**
- **In 2023, CTSBDC hired 8 students who worked with 13 clients in a variety of areas, including market research, digital marketing, and finance.**

CTSBDC 2023 EVENTS



1,2,3: 2023 SBDC Day at the Capitol Building.
4,5,6: 2023 SBA & CTSBDC Inaugural Capital Matchmaker at Southern CT State University.
7: 2023 Veteran Small Business Expo in Vernon.

CTSBDC 2023 EVENTS



1,3,4: 2023 America SBDC Annual Conference.
2: 2023 SBA Awards - CTSBDC Clients Winners.
5: CT Gov Ned Lamont presenting the CT Small Business Boost Fund.
6: 2023 CTSBDC Teams members completed New England Professional Development.
7: 2023 Connecticut Food & Bev Business Growth Summit

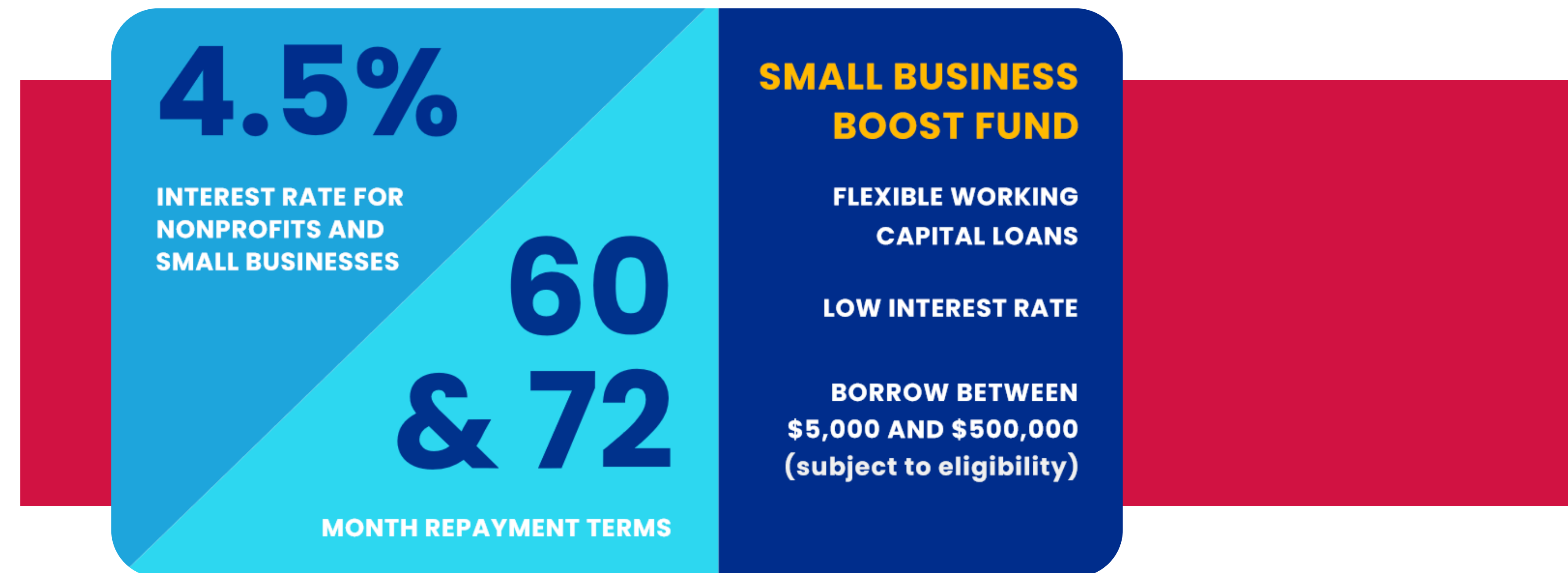
CTSBDC 2023 EVENTS



1,4: 2023 Access to Capital Event
2,3: 2023 SBA- CTSBDC International Trade Finance Program
5,6:Aquilas Nest - CTSBDC Speed Networking Event

CT SMALL BUSINESS BOOST FUND

A straightforward, low-interest loan tailored to Connecticut's small businesses and nonprofits.



The infographic is a dark blue rounded rectangle with a light blue diagonal split. On the left side (light blue), it features '4.5%' in large white font, followed by 'INTEREST RATE FOR NONPROFITS AND SMALL BUSINESSES' in smaller white text. On the right side (dark blue), it lists 'SMALL BUSINESS BOOST FUND' in yellow, 'FLEXIBLE WORKING CAPITAL LOANS', 'LOW INTEREST RATE', and 'BORROW BETWEEN \$5,000 AND \$500,000 (subject to eligibility)' in white. In the center, '60 & 72' is written in large white font, with 'MONTH REPAYMENT TERMS' below it.

CTSBDC was selected as the **lead technical assistance provider for the CT Small Business Boost Fund**. Supported by the Connecticut Department of Economic & Community Development and operated by Grow America (formerly NDC), the fund links small business owners to the financial support they need to thrive.

Business owners who apply for loans through the Connecticut Small Business Boost Fund have the option of receiving free business guidance before, during, and after the application process. As lead Technical Assistance provider, **CTSBDC is helping with everything from application guidance to identifying and gathering the required documents, financial projections, cash flow management, business plans**, and credit improvement support. If a business is not successful in securing a loan, CTSBDC works with them to get them closer to being loan-ready so that they may have a successful application in the future.

THANKING OUR HOST ORGANIZATIONS



**BRIDGEPORT
REGIONAL
BUSINESS COUNCIL**
Where Commerce & Community Connect



Central Connecticut
Chambers of Commerce
one region. one voice.



CHAMBER of COMMERCE
EASTERN CONNECTICUT



Innovation Partnership Building
at UConn Tech Park



**WINDHAM REGION
CHAMBER OF
COMMERCE**



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SCHOOL OF BUSINESS

Graduate Business Learning Center

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CONNECTICUT
TECHNOLOGY INCUBATION PROGRAM



Waterbury Regional Chamber
driving business to business

CONNECT WITH US!



Connecticut Small Business Development Center



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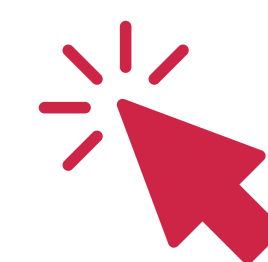
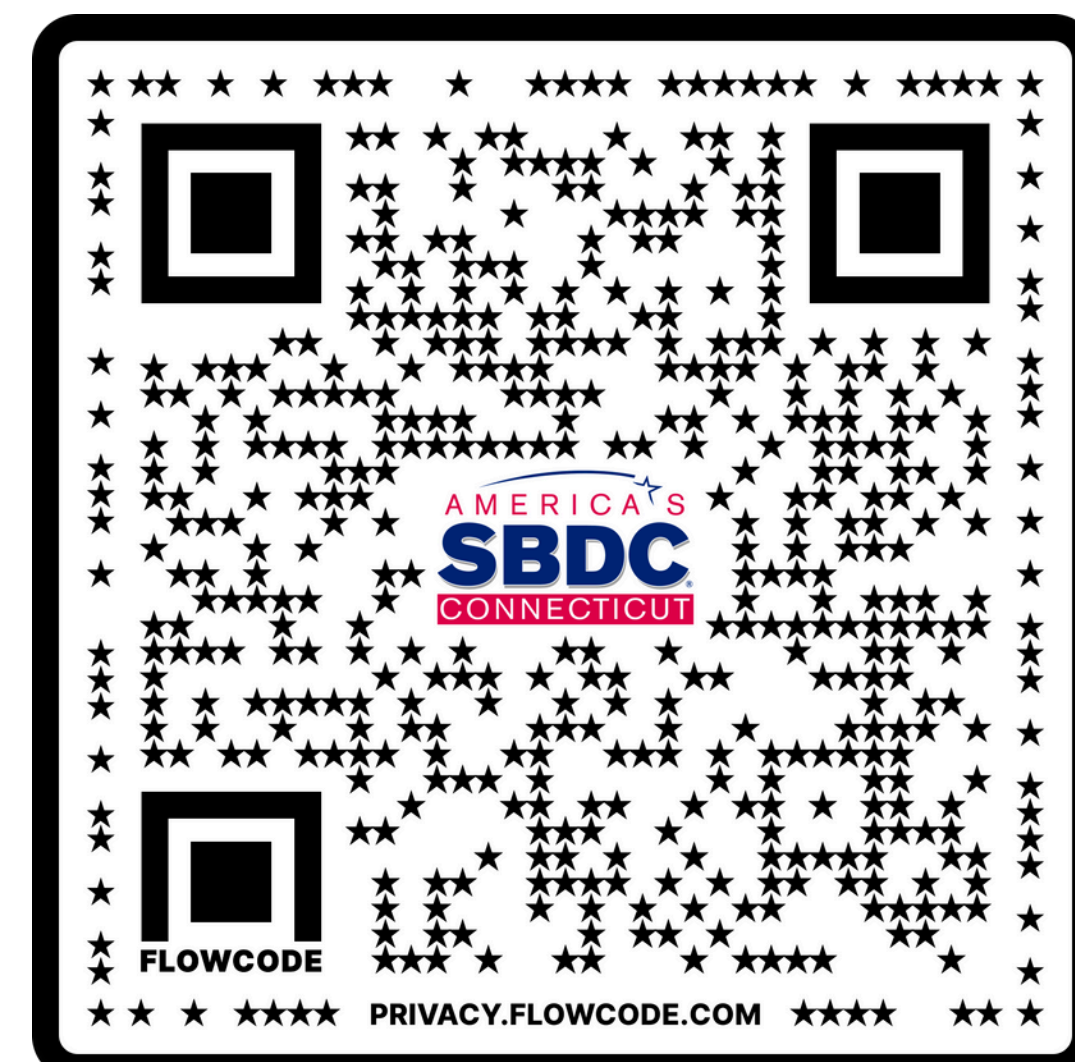
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