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SBA District Office Collaboration with Resource Partners

Statement to the Small Business Subcommittee on Underserved, Agricultural, and Rural Development

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Chairman Golden, Ranking Member Tenney and members of the Subcommittee – thank you for the opportunity to offer testimony on SCORE's collaboration with the U.S. Small Business Administration (SBA) district offices in the state of Maine.

SCORE is the nation's largest network of volunteer, expert business mentors, with more than 10,000 volunteers across the nation offering free and confidential business advice, and free or low-cost educational workshops to current and aspiring small business owners. Since our founding in 1964 as a resource partner of the SBA, SCORE volunteers have helped more than 11 million entrepreneurs to start, grow, or troubleshoot their small business.

SCORE volunteers represent a diverse range of backgrounds, with expertise in different areas of industry. About half are currently working as entrepreneurs or executives, with the other half retired. We tend to be active and well-networked members of our communities, often making valuable connections for our clients, whether to local financial institutions, media outlets, government offices or other small-business-oriented organizations. By creating meaningful, and often long-term relationships with our clients, we help them to launch new businesses and operate existing businesses more successfully.

The data shows that mentoring works – business owners who receive three or more hours of mentoring report higher revenues and increased business growth. In FY 2021, SCORE helped its clients to start 24,742 new businesses and create 71,475 new jobs nationwide. In the past five years in the state of Maine alone, we helped our clients to start 1,791 new businesses, in turn creating 5,487 new jobs.

My SCORE client, Kate McAleer, founder and co-owner of <u>Bixby Chocolate</u> in Rockland, ME. explained the value of our mentoring relationship as. "Our participation with SCORE has been invaluable to Bixby's company. Nancy has the extensive experience and incomparable ability to provide advice. Her judgement is always sound, invaluable, and uncanny. Her ability to help navigate our entrepreneurial journey for key decision making and support has been and continues to be very important and critical to us in our successes."

According to the 2021 Small Business Profiles by the SBA Office of Advocacy, the 150,000 small businesses in Maine represent 99.2% of all state businesses. Small businesses accounted for 56.8% of Maine employment in 2018, compared to 39.7% nationally. Maine is unique. Our large and vibrant small business community means that our SCORE mentoring and educational services are vital to the success of small business owners.



New business starts highlight a tremendous opportunity to serve more small businesses. With 150,000 SMBs in Maine, SCORE is committed to continued collaboration with the SBA and fellow resource partners, so we can best serve everyone who needs our help.

## Maine SBA District Office Collaboration with Resource Partners

SCORE regularly collaborates with the SBA and its resource partners (SBDC, WBC, VBOC) on an ongoing basis. This is a result of the outstanding SBA leadership in Maine and our willingness to serve Maine clients without organizational or geographical boundaries. We share information freely, and we understand there are more than enough clients to be served. The pie is always growing, so we are never taking clients from each other. In many cases we share a client with a resource partner, depending on the client's need for expertise. One example is Tiny Homes of Maine, a designer and builder of custom mobile spaces. Her manufacturing facility, located in Houlton Maine, is in Aroostook County. Founder Corinne Watson worked with an SBDC business advisor on financials to secure capital and worked with SCORE on strategy and operations. Serving clients without borders is a hallmark of the SBA team in Maine.

I'd like to highlight how we participate in several client-specific programs in Maine:

Our volunteer mentors work with participants in the cohort of the newly named **SBA THRIVE Emerging Leader Program.** SCORE Maine has mentored clients since 2018, when the program initiated in Maine. At the conclusion of the 13-week program, SCORE Maine mentors are part of a panel of guest experts, who role is to provide insight and feedback on the business owns three-year growth plan.

SCORE Maine participates in **lender information panels**, hosted by the SBA Maine quarterly. All three of the resource partners (SBDC, WBC, SCORE) attend these sessions and present information about our services and how we help the small business community.

SCORE Maine is an active nominator and supporter of the annual **SBA Small Business Awards**, held each year during national Small Business Week. SCORE Maine clients regularly win SBA Maine Awards. Tyler Frank, founder of Garbage to Garden, won the 2022 Small Business Person of the Year in Maine, and has been a SCORE Maine client for 7 years.

SCORE Maine has initiated three "women in business" panels pre-COVID, with support from Maine SBA and our resource partners.

2022 marks the seventh year of a program called **Focus ME**, which SCORE Maine initiates in collaboration with the Women's Business Center. This facilitated group discussion focuses on personal development. Topics include goal setting, time management and pitching your business. There is an opportunity to share business challenges and brainstorm solutions, and a "my turn" time allowing each member of the group to share something they are working on for group input and accountability. We pair accountability partners to check in between sessions.

SCORE Maine hosts a **Client Success Award Luncheon** in June each year (not including the past two years, due to COVID.) We celebrate innovation, vision and achievement, and present non-monetary



awards to worthy clients. Our resource partners and the SBA attend this luncheon. If a client is a shared client between the organizations, business adviser and a mentor take the stage with the winning client. SCORE Maine works with all the resource partners for **ongoing referrals**, knowing that collaboration enables us to better serve our clients. For example, the WBC asked if we had a mentor with literary agency expertise for their client. We have a client who was able to share specific resources for getting published and referrals and next steps for working with a book coach. This SCORE client resides in VA and has been a SCORE Maine client for eight years.

Internally, the SBA District Director hosts a two-hour **quarterly meeting** for the Maine resource partners. We discuss issues, opportunities, and updates from each resource partner. This has been virtual since 2020, and we hope to return to in person this fall.

## **New York SBA District Office Collaboration with Resource Partners**

My colleague Marty Doto, Chapter Chair for SCORE Central NY, also shared the following information about SCORE's collaboration with SBA district offices in New York:

During the pandemic, SCORE CNY worked closely with the SBA to provide **timely and updated guidance and training on SBA COVID relief programs** as they evolved, so we could better counsel clients. In particular, the SBA District Office held numerous "train the trainer" webinars to complement the public-facing marketing of the COVID programs.

SCORE mentored business clients to help them understand and apply for SBA's **EIDL and PPP** programs, and supported SBA with outreach and support for applications. We participated in SBA resource partner meetings for networking and collaboration among the SBA partners during the pandemic.

SBA staff participate in our **monthly volunteer mentor meetings**, providing insight into SBA programs and resources which enables our mentors to offer clients enhanced services.

In addition, the SBA included SCORE in the recruitment and marketing of **Emerging Leaders** and THRIVE Emerging Leaders Reimagined and received several applications via SCORE referral.

Members of the SBA Upstate NY District Office team have also **co-mentored with SCORE** on subject matter issues across the entire district.

Thank you for allowing me to submit this written testimony. I welcome any further questions.

