CAMEO’s mission is to grow a healthy, vibrant, thriving environment for all entrepreneurs and start-up businesses by advancing the work of our statewide member network.

The fundamental notion of ‘a job’ is changing. One thing we know is that firms are becoming smaller and self-employment is a 21st century labor trend, projected to grow at an annual rate of 7.2% - twice as fast as in past 5 years. This shows that very small businesses are the drivers of the economy. If we want to stimulate business creation, we need to change the economic development and workforce systems to bring them with us into the future.

Michael Shuman writes in his new book Local Dollars, Local Sense, “the most prosperous communities follow three rules: maximize the percentage of their workforce in locally owned businesses; increase local self-reliance through production of local goods and services, knowing that many of these businesses will grow; and replicate local business models with high labor and environmental standards. The critical challenge is to channel local capital into increasingly profitable and competitive local businesses.”

This past year CAMEO was at the forefront of this conversation because we represent a network of organizations that served 21,000 micro-businesses last year. Increasingly, we are being called upon to articulate an alternative vision for local development. We continued to build the case for Homegrown Economies, or investing in locally owned businesses, as more effective than traditional business attraction strategies. A new investigation by The New York Times found that states and other local governments spent $80 billion on tax giveaways to attract large businesses with little job creation to show for it. Imagine how many jobs our sector could create with a small fraction, say 1% or $800 million, of that money!

We brought our micro message to a diverse audience - from the California League of Cities to the Federal Reserve Board of Governors. We are now creating platforms to ramp up production and decrease the costs of microloans in communities still lacking access to bank credit. We are promoting self-employment for the unemployed and showing how the emergence of the 1099 independent worker is a positive factor in local development.

CAMEO will continue to engage in systems change, bringing micro-business and self-employment to the forefront of local development and by promoting the work of our members and the talented and hard-working entrepreneurs they serve.

Claudia

LETTER FROM THE CEO

2012 FUNDERS

$100,000 +
Wells Fargo Foundation

$40–99,999
Bank of America
Citi
Comerica
Rabobank
U.S. Bank

$25–39,999
AHEAD-FHLBank
HSBC
U.S. Small Business Administration
Union Bank

$5–24,999
Bank of the West
Cathay Bank
Friedman Family Foundation
McGurk Foundation
USDA Rural Development

2012 FINANCIAL STATEMENTS*

Profit and Loss Balance Sheet
Revenues Assets
Contributed 653,599 Total Cash 836,002
Member dues 26,950 Accounts Receivable 93,406
Earned Income 11,349 Other Current 7,629
Fixed 8,872

Total 691,898 Total Assets 945,909

Expenses Liabilities and Equity
Personnel 340,742 Accounts Payable 18,987
Operations 308,011 Other Current 5,011

Total 648,753 Total Liabilities 23,998

NET 43,145 Equity
Opening Balance 10,154
Retained Earnings 868,612
Net Income 43,145
Total Equity 921,911

TOTAL LIABILITIES AND EQUITY 945,909

*Not audited
AMBITIONOUS GOAL:
Expand Micro Enterprise training, business technical assistance and lending five fold
to serve 100,000 small and micro-businesses in California.

2012 PROGRAMS AND INITIATIVES

Microlending: The bright spot in the micro sector is that microlending grew for two
years in a row. While final 2012 figures are pending, we have initial reports of
significant growth. In 2011 the number of loans increased by 18% from 1,257 to
1,544; the loan volume increased by 13% to $17.3 million.

CAMEO secured R&D funding in 2012 to develop two pilot projects to increase
access to capital in under-served communities: the Kiva pilot will increase
capital and connect borrowers to potential lenders in their own backyard; the
ACCIÓN Texas MMS underwriting platform is designed to increase loan
production and operations efficiencies.

To improve competencies of delivering loan-ready customers, we held training
workshops in San Francisco and Los Angeles - Building the Micro Loan Pipeline,
where 26 organizations benefited. This training reinforced key financial
management and analysis strategies that assist microentrepreneurs to qualify
for loan capital. Business and credit assistance are critical to further growth of
microlending. Our sector’s greatest challenge remains funding this “pipeline building” stage of capital access.
We formed an exciting new partnership with the Specialty Foods Association that will
increase lending and business assistance resources to food-related businesses in
California.

Capacity Building: CAMEO provided 15 of our members’ staff with professional
development scholarships. Over 150 CAMEO members participated in our
training webinars on topics such as new capital sources for entrepreneurs,
emerging lending platforms, effective communications, and best practices for
data collection. CAMEO also provided substantial direct technical assistance to
three member organizations to expand organizational effectiveness.

In November, 60 people attended the Women’s Symposium in Los Angeles
that focused on women veterans and women in the food industry. At CAMEO’s
Rural Summit, participants learned about stewardship tourism opportunities and rural marketing tools that led to a
collaborative project in the North Coast. CAMEO built member engagement and collaboration by convening our members in five regions: Central Valley, San Diego, North Bay/Sonoma, San Francisco Bay Area and Los Angeles.

Veterans Micro-Business Development: California is home to over two million
veterans. As the conflicts in the Gulf and Afghanistan wind down, that
number will grow. With young veterans experiencing high unemployment (the
unemployment rate for women veterans under 25 years old is 30%), CAMEO
believes entrepreneurship is an excellent career option. CAMEO members have
a significant opportunity to offer start-up assistance and financial training to
veterans.

We believe that entrepreneurship services to returning veterans must be delivered
at the community based level. In 2012

THANK YOU
The following members and individuals contributed to CAMEO’s Advocacy Fund to
continue our momentum at state and federal levels:

Silk - Amy Damianakes
$500-$750 - Bay Area Development
Company
$100-$499 - Susan Brown, Jefferson
Economic Development Institute (JEDI)
in honor of David Blicker, Pacific Asian
Consortium in Employment, Women’s
Economic Ventures

MEMBER SERVICES
2013 HIGHLIGHTS
CAMEO Annual Meeting and Legislative Day,
June 5-6 in Sacramento
Kiva and Accion Texas MMS platforms launch
Women Entrepreneurship Symposium,
fall in Los Angeles
Intensive capacity building
Scholarship fund for advanced training

the CAMEO veteran program operated a facilitated peer support network with limited pass-through funding to
six groups. The results exceeded our original expectations; we served 329
veterans and 115 businesses, created 117
employment opportunities and facilitated 9 loans of over $1.5
million. Corporations have made public commitments to help veterans. However,
in order to help veterans become self-employed and successfully re-integrate
into society, those commitments need to be fulfilled.

Self-Employment Workforce Demo
Project: CAMEO created a productive partnership with the California Workforce
Association (CWA) to advance the integration of self-employment into the
Workforce system. CAMEO conducted three trainings for the CWA that have
increased the recognition of self-employment as a labor market reality.
WIBs slowly are beginning to fund micro-business training: two WIBs in rural
areas contracted with CAMEO member Small Business Development Centers
to provide entrepreneurial training. CAMEO developed a training module for One-Stop/WIB staff to understand
entrepreneurship and local resources for training and business assistance.
Unfortunately, we were unable to secure Workforce Innovation Funds to create a
new funding stream for self-employment training that would have incentivized WIBs
to contract with our members.
POLICY AND ADVOCACY

CAMEO’s policy efforts were aligned with our goals of systems change in Workforce and local economic development. We also shifted from a mostly federal-centric effort to focus on what we could accomplish in California. And after having developed an alternative vision to local development in 2011 with our Homegrown Economies white paper, we took it on the road, presenting to new audiences in 2012.

In February 2012, President Obama signed a bill that authorized a $35 million Self-Employment Assistance program. The bill allocates $5.3 million for California to start a program that would allow unemployed workers to maintain their unemployment insurance benefits while they start their own small businesses. The only catch is that California has to pass legislation to be eligible to receive the money.

With Assemblywoman Mariko Yamada as our champion, we became the proud sponsor of AB 152. In 2013, CAMEO and our members will educate our legislators on the merits of the unemployed starting their own businesses and work towards the passage of this bill. An additional benefit to this advocacy is that CAMEO is strengthening our relationships in Sacramento and throughout the state with other stakeholder groups.

In May of 2012, Representative Lois Capps (D-San Luis Obispo) introduced the Entrepreneurial Training Improvement Act of 2012, (H.R. 5805), which directs the U.S. Department of Labor to establish alternative performance measures for entrepreneurial training programs. Local WIBs are reluctant to offer entrepreneurial training because self-employment is more difficult to measure than wage employment.

It is imperative to be able to measure the impacts of self-employment to justify training dollars in this sector and make it easier for WIBs to offer these programs. Due to federal budget politics, H.R. 5805 will be reintroduced in 2013.

We brought our Homegrown Economies message to a diverse audience starting with the Federal Reserve Board of Governors in February and filling up the year with engagements at the California League of Cities, CALED, Social Enterprise Alliance, and CAN Do California conferences. Increasingly, CAMEO is recognized as a thought leader with expertise in job creation, micro-business, self-employment, and alternative local economic development efforts.

2013 BOARD

Constance Anderson
Director, Pacific Coast Regional Corp. SBDC

Oscar Dominguez
Director, Contra Costa SBDC

Emily Gasner
Executive Director, Working Solutions

Judy Hawkins
Ruby Road Leadership

Carmen Herrera-Mansir
Executive Director, El Pajaro Community Development Corporation

Salam M. Nalia
CEO, Fresno CDFI

Cassandra Novak-Tobey, Secretary
Director, The Prosperity Center

Pamela Patterson, Treasurer
CEO, West Company

Stacey Sanchez, President
Senior Community Loan Officer, CDC Small Business Finance

Elizabeth Schott, Vice President
Executive Director, ACCION San Diego

Namoch Sokhom
Director, Business Development Center PACE

Thomas Tenorio
Executive Director, Community Action Agency, Butte County

Claudia Viek
CEO, CAMEO

STAFF

Claudia Viek
CEO

Shufina English
Director, Member Programs and Operations

Heidi Pickman
Communications Director

Andrew Cole
Program Coordinator

KEY CONSULTANTS

Susan Brown
Rural Initiatives, Microlending

Richard Harmon
Public Policy – Sacramento

Madison Services Group
Public Policy – Washington, D.C.