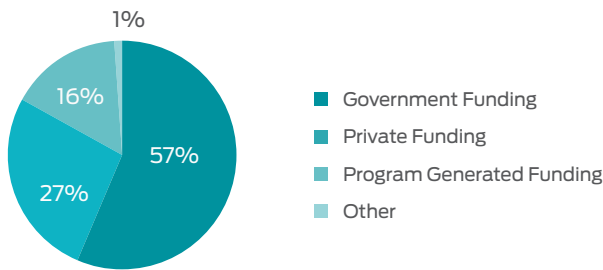




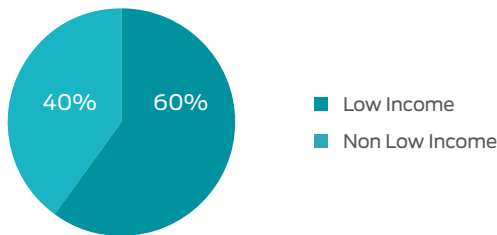
California Association for Micro Enterprise Opportunity

MICRO ENTERPRISE DEVELOPMENT CREATES JOBS FOR CALIFORNIA Results of CAMEO's 2010 Annual Member Survey

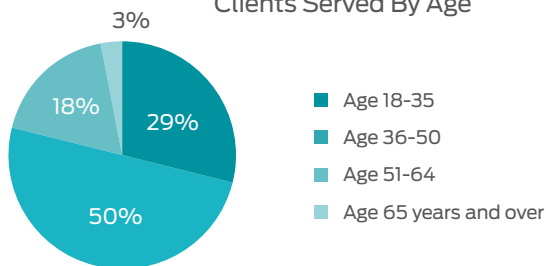
Budget Source Distribution



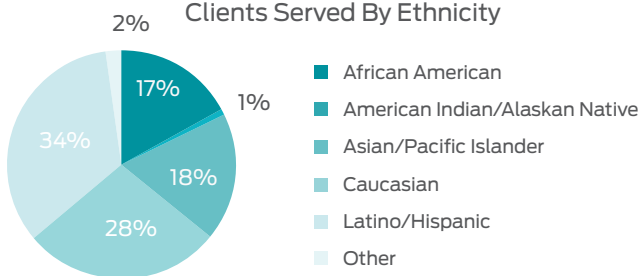
Clients Served By Income



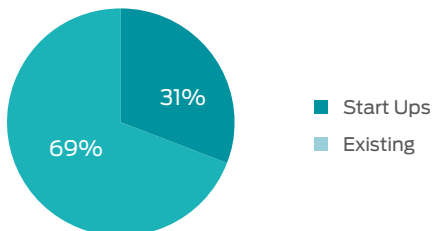
Clients Served By Age



Clients Served By Ethnicity



Businesses Served



CAMEO members build businesses that create local jobs and grow California's economy through entrepreneurial training and small loans.

CAMEO's role is to raise resources, advocate for supportive public policies and build the capacity of its members to expand training, business assistance and lending services to new and growing businesses in California.

Together we help entrepreneurs harness their innovative ideas and creativity so that they fulfill their dream.

Every year CAMEO surveys its members to determine the landscape of micro business development and the economic impacts of our members. Following are highlights from survey outcomes for 2010.

Statewide Impacts of CAMEO Members in 2010

- 26,787 clients and 22,188 business served
- 38,092 employees supported* including 8,585 new jobs created
- \$1.3 billion estimated gross sales generated by businesses served
- 1,257 loans under \$50,000 totalled \$15 million; average loan size is \$14,780
- 6.5 hours average pre-loan credit assistance provided and 5.2 hours average post-loan coaching provided
- The median cost per client is \$2,396
- Average cost per job is \$1,019

Our Members

- 47% serve urban areas, 23% serve rural areas; 30% serve both rural and urban areas
- 53% provide training and business assistance services; 17% offer loans; 30% provide both training and loan services

*These include full and part time jobs created over a 36 month period.



California Association for Micro Enterprise Opportunity

Jessica McGuinty: Jessicurl, You Have the Right to Remain Curly

Until the time I was 14 I had thick yet fairly straight hair. When puberty struck, my hair grew more and more coarse and eventually started to curl. I was mortified and at a total loss for how to deal with it.... As I grew up, my hatred of my hair didn't dissipate.

Finally in 2002 I figured there had to be a better way, and typed "curly hair" into Google.... I found an entire community of curly haired people who shared the same struggles as I did! I bought any product that someone raved about, most of which didn't do anything to make me like my hair better. Many of them actually made my hair worse.

One day I came across a very basic recipe for a hair gel made out of flax seeds. I remember thinking, "Wow, how cool would it be if I could make my OWN hair gel?"

That was September 2002 and Rockin' Ringlets Styling Potion was born in her 600 square foot apartment in Berkeley. She knew she needed more space. She also wanted to pay her employees a living wage. She decided on Humboldt, a place she had visited often.

A basic google search for "moving your business to Humboldt" led her to Northcoast SBDC, who helped her a write business plan so she could get a loan from Arcata Economic Development Corporation to buy equipment.

Jess says that the SBDC has been a big part of her success, advising her on marketing internationally, taking on a partner, and expanding her business.

During the first years in business, Jessicurl's sales increased by 450% and she now employs six people full-time and two part-time. She grew a healthy 20% in 2010.

"Through the years I've met thousands of curlies... and it's always inspiring to hear how similar our struggles are," says Jessica. "The path to loving our curls is not easy, but many of us have made it and many are in the process. I'm honored to be a part of that journey. You have the right to remain curly."



Highlights of Annual Survey

- The average budget for 2010 was \$581,000. Budget size did not change significantly from 2009.
- The proportion of government funding increased from 33% to 57% from 2009 to 2010 while the proportion of private funding decreased from 41% to 27% during the same period. This was due to one-time federal stimulus grants and loss of corporate and private philanthropy due to poor economy. Government funding is expected to decrease in future and it is unknown if banks and private philanthropy will fill the gap.
- The number of low income clients served dropped from 75% to 60%. At the same time, the number of reported unemployed clients climbed 21% from 2009 to 2010. High unemployment rates and severe losses in home equity drove middle income to use nonprofit lenders and obtain business help.
- Businesses served slightly increased in 2010 by 4%. However, the number of employees supported by these businesses dropped by 8% from 2009. We assume the drop is due to declining sales and uncertainty, which resulted in a lack of hiring.
- Loan activity decreased 28% in 2010 due to decreased demand because of the economy. In addition, staff spent more time on supporting and repairing the loan portfolios rather than in soliciting new deals. As a result, default rates continue to be low, approximately 5% or lower on average.
 - Loan volume reduced from 1,795 loans totaling \$18 million in 2009 to 1,257 loans totaling \$15 million in 2010. The average loan size, however, increased from \$10,000 in 2009 to \$14,700 in 2010.