



Daniel K. Inouye, U.S. Senator

A MESSAGE FROM SENATOR INOUE

The Hawai`i Small Business Development Center (SBDC) Network's activities are critical to small business owners' success in the local, national, and global markets. With a \$46.5 million annual economic impact on Hawai`i, the Hawai`i SBDC Network is fulfilling its mission to stimulate the economy and help our islands' entrepreneurs. It is with great pleasure that I commend the Hawai`i SBDC Network for its commitment to the people of our state.

I also wish to express my respect and admiration for Hawai`i's new and existing small-business owners for their entrepreneurial spirit, self-motivation, and hard work. They provide a majority of the jobs in Hawai`i, and therefore have a direct impact on the social and economic welfare of our islands' citizens. I hope these businesses will make full use of the Hawai`i SBDC Network's resources as they pursue their goals.

I extend my best wishes to the Hawai`i SBDC Network and Hawai`i's small business owners for continued success in all future endeavors.

Aloha,




Senator Daniel K. Akaka, U.S. Senator

A MESSAGE FROM SENATOR AKAKA

The Hawai`i Small Business Development Center Network (SBDC), a partnership between the University of Hawai`i at Hilo and the U.S. Small Business Administration, provides a vital service for Hawai`i's small businesses. More than 90 percent of all firms in Hawai`i are considered small businesses and they provide over 50 percent of the state's jobs. Small businesses are the backbone of Hawai`i's economy and SBDC has played a major role in ensuring entrepreneurial success.

Through its six service centers distributed over four islands, the SBDC has brought over \$26 million in federal funds to Hawai`i since 1994, which provides our state with a \$46.5 million annual economic benefit. Those who receive the assistance of the SBDC average a 20.8 percent increase in sales and a 19.5 percent increase in the number of employees when compared to the average Hawai`i small business. It is clear that the SBDC has met its goal to stimulate the economy and help individuals statewide by developing entrepreneurial skills among small businesses and the broader community through counseling, training, research, advocacy and other resources and activities.

I wish the SBDC staff continued success and I look forward to continuing to work with the SBDC on the needs and concerns of Hawai`i's small business owners.

Aloha pumehana,




*Benjamin J. Cayetano, Governor
State of Hawai'i*

A MESSAGE FROM THE GOVERNOR OF HAWAII

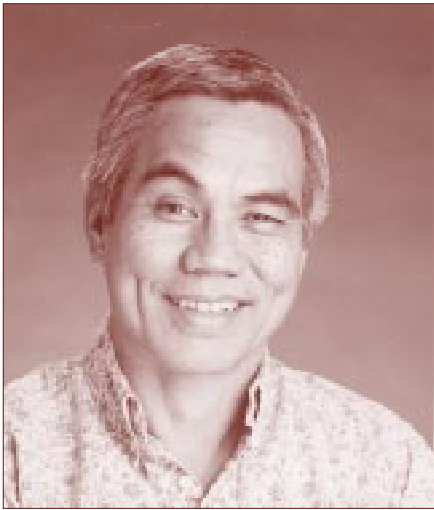
For more than a decade, the Hawai'i Small Business Development Center Network has helped thousands of entrepreneurs and small businesses throughout the state become successful through its counseling, training, research, resource and community outreach programs. It has brought more than \$26 million in federal funds into our state since 1994 and generates a \$46.5 million annual impact on Hawai'i's economy.

The Hawai'i Small Business Development Center Network – a partnership of the University of Hawai'i at Hilo and the United States Small Business Administration, is clearly making a difference in our business community. It consulted with more than one thousand small businesses and conducted more than a hundred workshops last year. This annual report outlines its successes and challenges. I commend the Hawai'i SBDC Network for its outstanding work on behalf of Hawai'i's small businesses and for contributing to statewide economic development.

The Hawai'i SBDC Network deserves much credit for its dedication to fulfilling Hawai'i's business and economic potential.

Aloha,

A handwritten signature in dark ink that reads "Benjamin J. Cayetano". The signature is written in a cursive style with a large, stylized initial 'B'.



Andrew K. Poepoe, District Director
U.S. Small Business Administration

A MESSAGE FROM THE U.S. SMALL BUSINESS ADMINISTRATION

The U.S. Small Business Administration is very proud of our successful partnership with the Hawai'i Small Business Development Center Network. Small businesses in Hawai'i are providing the major impetus for job creation and the diversification and growth of the local economy. The SBDC has done an outstanding job in assisting small businesses and, through their focused programs and services, has played a key role in the continuing improvements of the local economic picture.

As the Hawai'i SBDC Network finishes its first decade of operation, it is evident that the Network has matured into an organization that is a highly productive and responsive technical assistance center that, with its statewide reach, is critical to the vitality of our small business community. Just last year, the Hawai'i SBDC Network provided counseling and training to some 4,000 clients. This is an astounding record.

The SBDC's team of seasoned professionals remain committed to their mission of providing the best possible technical support to small business in Hawaii. The hard work and dedication of the staff has truly made a difference to the individual firms that they have assisted, providing a much needed boost to the economy as well.

The U.S. Small Business Administration would like to extend its thanks and appreciation to Chancellor Rose Tseng in Hilo and President Mortimer at the University of Hawai'i for their continued and insightful support of the SBDC program. Under the steadfast leadership of State Director Darryl Mleynek, the Hawaii SBDC Network has achieved both national and statewide acclaim for excellence and creativity in program development, performance and delivery; yet another noteworthy achievement for the University of Hawai'i.

The SBA is committed to continue working with the Hawaii SBDC Network and the University of Hawai'i for the benefit of Hawai'i's business – to increase their access to capital, to foster growth, and to help our small firms realize greater opportunities for success. With the fast changing markets of the 21st century, the demand for the services of the Hawai'i SBDC Network can only grow along with our business community. Together, we have made a difference in the lives and dreams of many individuals, and had an impact on the economic well being of our State. Together, with a strong and progressive Hawai'i Small Business Development Center Network, we can continue to do so.

Aloha,

A handwritten signature in dark ink that reads "Andrew K. Poepoe". The signature is fluid and cursive, written in a professional style.



Rose Tseng
Chancellor University of Hawai'i at Hilo
And Senior Vice President,
University of Hawai'i

A MESSAGE FROM THE CHANCELLOR OF THE UNIVERSITY OF HAWAII AT HILO

Small business entrepreneurs are the backbone of Hawai'i's economy. Their success is often determined by the ability to adapt to an ever-changing business and economic environment.

The Hawai'i Small Business Development Center (SBDC) Network, headquartered at the University of Hawai'i at Hilo, with offices on Maui, Kaua'i, O'ahu and the Big Island plays a major role in helping entrepreneurs meet these challenges.

The Hawai'i SBDC Network is now celebrating its 11th year of operations, providing expert training and assistance to small businesses and entrepreneurs throughout the state. Each year, this partnership program between the University of Hawai'i at Hilo and the U.S. Small Business Administration provides one-on-one counseling to more than 1,000 small businesses, conducts over 100 workshops to more than 1,800 small business owners and responds to more than 1,200 research inquiries. And the results speak for themselves.

A pair of independent economic impact studies in 2000 revealed that services provided by the Hawai'i SBDC Network helped clients to increase sales by nearly 21% and the number of employees by 19.5% over the average small business in Hawai'i. These studies also found that every dollar the state invested in this program returned \$8.48 in new taxes for a total annual economic impact of \$46.5 million.

Results like these have earned the Hawai'i SBDC Network accreditation and numerous awards of excellence on both the state and national level. These and other accomplishments are contained in this year's Annual Report, which details the outstanding work being done by this program.

The success of the Hawai'i SBDC Network is due in no small part to the commitment and dedication of State Director Darryl Mleynek and his entire staff. It is with great pleasure therefore, that I commend their efforts over the past decade, and look forward to another ten years that are every bit as successful as the last.

Mahalo a nui loa,