Los Angeles Women Mean Business

Women’s Entrepreneurship Initiative

Presented by the Mayor’s Office of Community Business
The Mayor’s Office of Community Business

Helping businesses to start and grow is what LA Mayor Eric Garcetti’s Office of Community Business is all about. A division of the Mayor’s Office of Economic Development, Community Business offers strategic business insights, coordinates information and resources provided by City departments, and fosters collaboration among business resource providers throughout the City of Los Angeles. In this way, we facilitate successful business startup and growth throughout the City.

The State of Women Entrepreneurs

According to the US Census Bureau, Los Angeles County is home to over 400,000 women-owned firms, more than any other County in the nation, with almost half of them located within the City of Los Angeles. However, the 2018 Annual State of Women-Owned Businesses by American Express found that, nationwide, while women-owned firms account for 40% of all US firms, they employ only 8% of the private workforce and generate only 4.3% of total revenues. PitchBook reports that about 2% of venture capital funding goes to women founders, and only 0.2% to women founders of color. In addition, Biz2Credit, an online lender and researcher, reports that loan approval rates of women-owned companies are 15-20% lower than their male counterparts and women founders receive about 55% of the lender financing of their male counterparts.

Women Do Business Differently

What might be some of the reasons for the disparities between businesses owned by women and men? Some have proposed reasons similar to the pay gap experienced in the workforce. More likely than men to be primary caregivers of small children and aging parents, among others, women move in and out of business ownership more frequently and more often work on their businesses part-time. Women tend to choose careers and business sectors such as retail, education, and social services, which bring in lower revenues and aren’t as likely to attract lender or investor financing. Moreover, social conditioning is thought by some to have an undermining effect on women’s confidence and as well as their perceived credibility with regard to financial and business matters. Whatever the reasons may be, there are tools and resources to help underserved business owners such as women to gain access to the business assistance and capital they need to prosper and grow.

The LA Women Mean Business Initiative

Mayor Eric Garcetti’s Capital Consortium, established at his Small Business Summit during Small Business week in May, 2018, is a group of organizations working together to open access to capital for underserved business owners such as women and minorities. However, helping businesses to attract capital is about much more than applying for money. It necessitates a comprehensive engagement with a business that may include coaching to embolden business owners to take on debt or investor obligations, technical assistance to build a business’s capacity to increase revenues, expand staff, or establish new locations. It requires understanding the types of capital available and appropriate for certain uses in light of future goals, and many more considerations.

The LA Women Mean Business Initiative, launched on Women’s Entrepreneurship Day, November 19, 2018, is a campaign by the Capital Consortium to deliver coordinated services and resources toward addressing the unique needs and opportunities of women-owned businesses throughout the City, increasing their capacity to access capital and grow exponentially. It consists of seven components with partners associated with each one.

Mindset for Success: Break Through Fear

Many women experience the constant, nagging feeling they’re going to be unmasked as a fraud, despite overwhelming evidence that they are hardworking achievers. It’s a phenomenon called Impostor Syndrome. While certainly not isolated to women, the impostor phenomenon is generally believed to more commonly affect women. People with Impostor Syndrome expect to feel confident 24/7, but constant confidence is a myth. Most people battle doubt in healthy measure, and find the motivation to push ahead. Even the most “together” people don’t know exactly what they’re doing all the time, and women have proven to be some of the most capable forces for good and among the most resilient catalysts of human development over centuries. Women have emerged as capable, able, talented, persistent, tenacious engines in the economy and society. Let us not forget the instinctive abilities we bring to the table, and may we never cede our seat to our doubts.

Contributed by: LA City Commission on the Status of Women
HCIDLA.lacity.org/commission-status-women
Assessment

It all begins with an assessment to identify which components need attention, then engagement of one or more partners for each component needed.

1. Mentoring
A coach is someone who helps you achieve a specific goal, while a mentor helps you become a more effective CEO. Finding a mentor can help you refine your company pitch, stay focused on top priorities, and teach you critical management skills by example. These partners (among others) promote mentoring and confidence-building for women entrepreneurs.

Who can help?:

2. Planning
The Business Model Canvas (which can be found online) is a popular tool for quickly thinking through how to monetize a business concept. That way, you can get valuable feedback from advisors and your target market before embarking upon a more comprehensive plan or launching your business. A business plan is often needed to obtain a bank loan (even if it’s only a two-page executive summary plus financials), while a pitch deck (a business pitch in the form of a slide presentation) is most useful for obtaining equity (investor) financing.

Who can help?:
LABusinessSource.org (City of LA based businesses), SmallBizLA.org (Countywide and beyond), SCORELA.org. Grid110, a City of LA supported incubator (Grid110.org). BixelExchange.com, LACI.org, TechStars.com, and FourthWave.com, for tech companies. LA CleanTech Incubator’s Advanced Prototyping Center (LACI.org) or MaktektinLA.org, for product manufacturers. VEDC Women’s Business Center (LAWBC.org), PACE Women’s Business Center (PACElabdc.org/programs/wbc), Asian Pacific Islander Women’s Business Center (APISBP.org/womens-business-center.html), Goldman Sachs 10,000 Small Businesses at LA City College, for established businesses (Socal10ksb.com).

3. Marketing
Getting the word out about your business can be a pivotal endeavor that makes all the difference between success and failure. Obtaining expertise on branding, marketing planning, digital and social media marketing are all critical to generating leads and converting leads to sales so you can build your business.

Who can help?:

Who can help? For help assessing your business and finding the right partner(s) to help, contact the Women’s Collaborative Mentoring Partnership (Womenscollaborativementoring.com).
4. Capital
A wide variety of types of alternative funding is available to business owners who do not qualify for a traditional business or personal loan, line of credit, or credit card. For the long term health of your business and personal finances, consider utilizing the most appropriate type of capital for your needs and avoid predatory lenders. Here are some popular avenues for financing a business:

- **Rewards Crowdfunding.** Kickstarter and IndieGogo are two platforms in this arena. Round1Funding and Crowdfund Better offer crowdfunding consulting.
- **Debt Crowdfunding.** Lending Club, Prosper, and Funding Circle are examples.
- **Equity Crowdfunding.** Republic, SeedInvest, and CrowdFunder, among others. Female Founders, SheEO, Pipeline Angels focus on women. And for scalable tech companies, Women Founders Network, Backstage Capital, Portfolia, Pasadena Angels, Tech Coast Angels, among others.
- **Microloans.** The City’s BusinessSource Centers (LABusinessSource.org) are available to refer Los Angeles business owners to partner microlenders, such as Community Development Financial Institutions (CDFIs) and the Jewish Free Loan Program. Also, the SBA Small Business Development Centers at (SmallBizLA.org) for businesses Countywide and beyond.
- **SBA Loans.** The BusinessSource Centers at LABusinessSource.org can help business owners to apply for these government guaranteed bank loans.

- **Accounts Receivable Factoring.** Selling accounts receivables at a discount can help raise cash in a short amount of time.
- **Accounts Receivable Financing.** You can take out a loan against your receivables.
- **Supplier financing.** Try to arrange terms with your vendors where they will allow you to delay your payment long enough for you to generate sales and collect cash from your customers first.
- **Customer financing.** Alternatively, you may be able to make arrangements for customers to pre-pay for your product or service, thereby effectively financing your production costs.
- **Equipment loans.** If you need financing for equipment, it may be beneficial to seek an equipment loan rather than working capital since the equipment provides collateral for the loan.
- **Real estate loans.** Purchasing rather than leasing your business location requires a larger upfront commitment, but may offer more stability over the long term. The SBA’s 504 Loan is specifically for this purpose.
- **Convertible Notes.** This hybrid of debt and equity is a type of bond that can be converted into a certain number of shares of common stock or cash at a date in the future, when the company is more likely to warrant a higher valuation. An attorney can assist business owners to raise financing through this mechanism.

5. Staffing
Hiring additional employees may seem daunting at first, but with the proper planning, financing, and coaching, the expansion of your business beyond self-employment can be a critical element of sustaining a profitable business. When you build your team with highly productive employees, you free yourself to anticipate customer needs, create new revenue streams, and control financial performance among other CEO responsibilities.

**Who can help?**
Financial consultants with expertise in raising capital. Also, LABusinessSource.org (City LA based businesses) and SmallBizLA.org (Countywide and beyond). Venturize.org.

6. Contracting
Landing a major government or corporate contract or becoming a sub-contractor to a prime contractor who won a project, can rapidly grow a small business. However, winning a contract before you’re ready can be detrimental. Companies that have a track record of completing large-scale projects, financial strength, credit lines, insurance, and bonding are more likely to successfully execute a contract or subcontract. Procurement and contracting training programs can help you determine what program is right for you, if you should become certified as a woman-owned business, and where you might find opportunities to bid on.

**Who can help?**
For free recruiting assistance, contact an LA WorkSource Center (Ewwdlacity.com/index.php/employment-services/adults-age-24-and-older/worksource-centers).

7. Compliance
One of the first decisions an entrepreneur must make is choosing the sort of legal entity to use in forming her business. In addition, everyone conducting business in the City of LA must register with the Office of Finance and receive a Business Tax Registration Certificate. When the business name is distinct from the owners name, a Fictitious Business Statement must be filed with the County of Los Angeles. And if the business will sell products, it will need a Sellers Permit from the State Board of Equalization. For the business to establish the physical location, it will need to receive a building permit to renovate the space and, after successfully completing the inspection process, a Certificate of Occupancy.

**Who can help?**
For contracting opportunities, Avisare.com, LABAVN.org, State of CA (caleprocure.ca.gov), METRO (Business.metro.net), Metropolitan Water District (mwdh2o.com/doing-business/contract-opportunities), LAUSD (laschools.org/new-site/bidding-opportunities), LA Community College District (Build-laccd.org), LA County (lacity.gov/business/doing-business-with-the-county/purchasing-contracts-opportunities). For contracting training programs, Contractor Development and Bonding Program (https://mwiws.com/services/contractor-bonding-development-programs/), Clark Construction (Clarkconstruction.com/subcontractors), for construction companies. Or e-mail CBEST at kellyrol@marshall.usc.edu (scholarships available) or PCL Construction at pnchavez@pcl.com, for construction companies.
Who can help?
Attorneys and legal consultants with expertise in business formation. LABusinessSource.org (City of LA based businesses), SmallBizLA.org (Countywide and beyond), LegalZoom.com, LALawLibrary.org

Women in STEM (WiSTEM)
Los Angeles is home to one of the world’s fastest-growing and most dynamic tech and engineering sectors, and Mayor Eric Garcetti launched an effort in October, 2018 to ensure that young women are equitably included in these promising industries. The initiative will consist of three primary programs in its pilot year: college-to-professional mentorship matchmaking, professional networking events, and site tours at STEM-focused nonprofits. To learn more about WiSTEM L.A. programming and events, visit LAMayor.org/wistem.

City of LA Resources

BUSINESS INFORMATION & TRAINING

Business Portal:
Business.lacity.org
Empresas.lacity.org
- A free portal to City resources for businesses

BusinessSource Centers:
LABusinessSource.org
- Free business consulting for eligible businesses.

ACCESS TO CAPITAL

BusinessSource Centers:
LABusinessSource.org
- Assistance finding the right source of capital for your needs.

PROCUREMENT & CONTRACTING

The Contactor’s Handbook:
- A free guide on selling products and services to the City.

Business Assistance Virtual Network:
LABAVN.org
- A free searchable database of procurement and contracting opportunities offered by the City. Register to learn about opportunities in your industry.

Contractor Development & Bonding Program:
http://imwis.com/services/contractor-bonding-development-programs/
- Free training to help businesses win City construction contracts.

City of LA Bureau of Contract Administration Contractor Assistance Seminar:
https://bca.lacity.org/Contractor%20Assistance%20Seminar
- Free training for bidding on public works construction contracts

PERMITS & REGULATION ASSISTANCE

Office of Finance Business Registration Assistance:
Finance.lacity.org
- A business with $100,000 or less in gross receipts may apply for a Small Business Exemption to the required City business tax.

Department of Building and Safety Restaurant & Small Business Express Program:
LADBS.org/RSBEP
- Case management assistance to facilitate the building permit approval process for small businesses

Planning Department Beverage & Entertainment Streamlined Program:
https://planning.lacity.org/InternetCalendar/cc_unit/cc_unitbest.aspx
- Case management assistance to facilitate the conditional use permits process related to alcoholic beverages and entertainment.

Bureau of Contract Administration Office of Wage Standards:
WagesLA.lacity.org
- Information on the requirements of the Los Angeles Minimum Wage Ordinance, including the provision of paid sick leave.

BUSINESS ATTRACTION & RETENTION

Business Response Unit:
Email: LABusinessResponse@lacity.org or call 213-744-7150
- Case management assistance to help businesses navigate City departments, get questions answered, and resolve issues and problems.

Department of Water & Power Property Locator:
LocateLA.org

Women’s International Day
Mayor Eric Garcetti is proud to have attained gender equity in his administration. Half of his senior staff, three out of six deputy mayors, and 52% of appointed commissioners are women. On March 8, International Women’s Day, we join this global effort to spotlight and promote gender equity in partnership with leaders throughout the world.

Women’s Entrepreneurship Celebration
In 2017, Mayor Eric Garcetti declared November 19 to be Women’s Entrepreneurship Day in Los Angeles, recognizing the significant impact of women business owners on the local economy and quality of life.
- A free searchable property database to help identify prospective new business locations.

**Bureau of Engineering Maps and Reports:**

**NavigateLA.lacity.org**
- A free searchable web platform to help you obtain maps and learn more data about specific City addresses based on data supplied by various City departments.

**Department of Planning Zoning Information:**

[https://cityplanning.lacity.org/PublicCounter.html](https://cityplanning.lacity.org/PublicCounter.html)
- Assistance with checking zoning requirements of specific property addresses.

**Department of Water & Power Rebates & Programs:**

- Information on the rebates and programs available to commercial, industrial, institutional, and governmental customers for efficient energy and water usage.

---

**GENERAL CITY SERVICES**

**Request City Services:**

**Myla311.lacity.org** or call 3-1-1.

- A free web portal to connect to non-emergency City services such as bulky item collection, building construction inspection, graffiti removal and cleanup requests.

---

**FOUND/LA**

FOUND/LA supports local entrepreneurs to help them build their business, purpose, and community. We connect new and existing business owners – particularly women, immigrants and minorities – with resources to help them succeed. That includes funding, educational tools, incubator-style workshops, unique mentorship opportunities and most importantly, a community of other local entrepreneurs. Learn more at [www.foundla.org](http://www.foundla.org).

---

**Opportunity Fund**

Opportunity Fund envisions an inclusive economy in which all entrepreneurs have the opportunity to make their dreams come true. We believe that access to affordable and responsible financial services can help people make permanent and lasting change in their own lives, driving economic mobility and building stronger communities. Our microloan program provides access to capital from $2,600 to $50,000. Learn more at [www.opportunityfund.org](http://www.opportunityfund.org).

---

**Chase for Business**

Chase for Business provides deposit accounts, loans, credit cards, payment processing, and cash management to businesses of all sizes. Chase is consistently among the top SBA lenders to women owned businesses, and was recognized this year as one of America’s Top Corporations for Women’s Business Enterprises award from the Women’s Business Enterprise National Council. In September 2018, JPMorgan Chase announced the expansion of Women on the Move, a global initiative focused on investing in and empowering women around the world. One goal of the program is to help women start and grow businesses by providing banking capabilities, credit and skill building; and Chase expects to extend $10 billion in credit to women-owned businesses over the next three years. Learn more about Chase for Business at [chase.com/business](http://chase.com/business).

---

The information contained in this guide is not intended as legal advice.

For additional information on conducting business in the City of Los Angeles, contact:

Mayor’s Office of Community Business
City Hall
200 N. Spring Street, Room 303
Los Angeles, CA 90012

[mayor.communitybusiness@lacity.org](mailto:mayor.communitybusiness@lacity.org)

(213) 978-0781

Special thanks to: