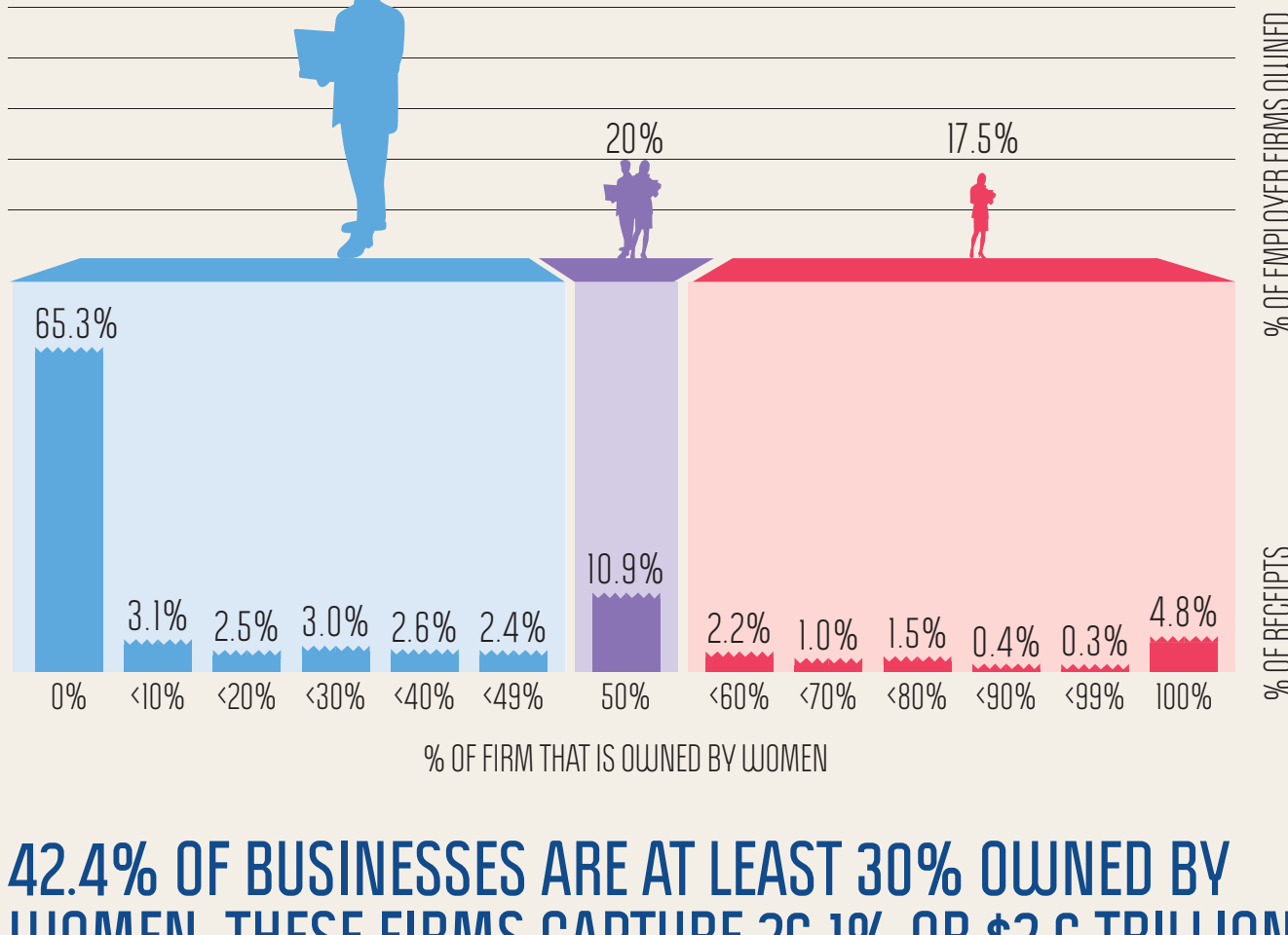




# WOMEN-LED BUSINESSES: GROWTH & IMPACT

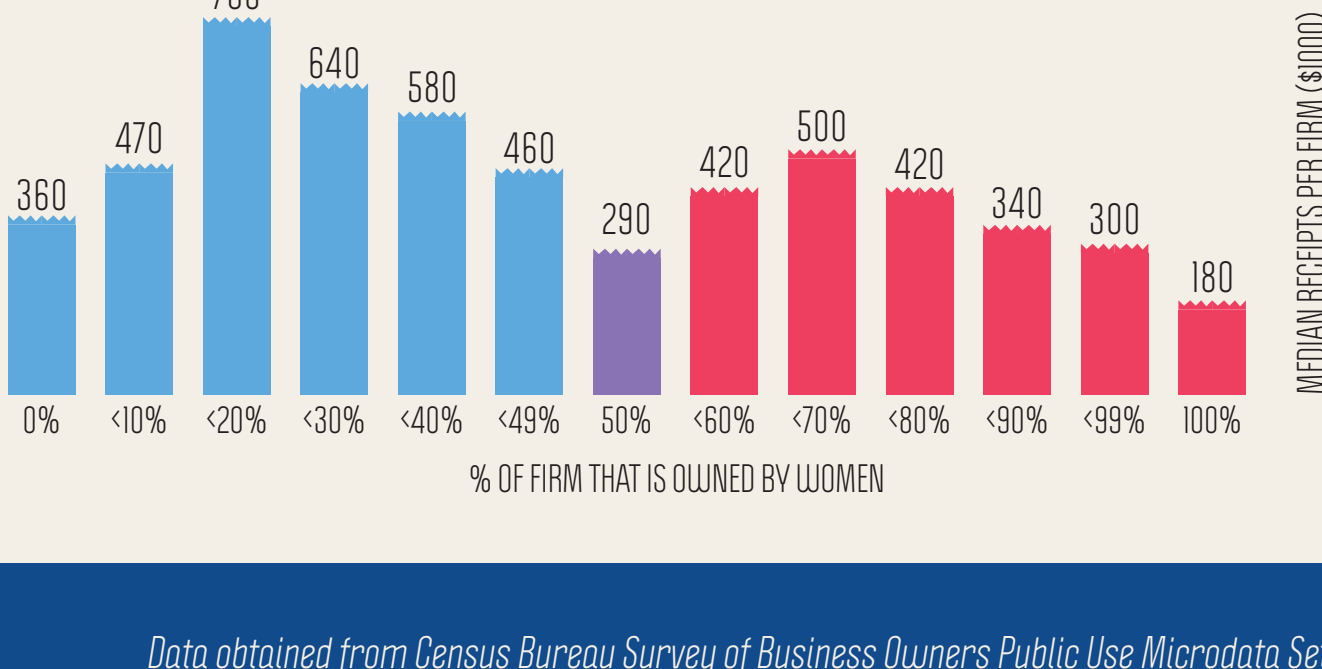
17.5% OF BUSINESSES ARE 51% OWNED BY ONE OR MORE WOMEN. WOMEN-LED BUSINESSES ARE LESS THAN 51% OWNED BY WOMEN, BUT WOMEN STILL HAVE A SIGNIFICANT LEADERSHIP POSITION AND OWNERSHIP WITHIN THE COMPANY.



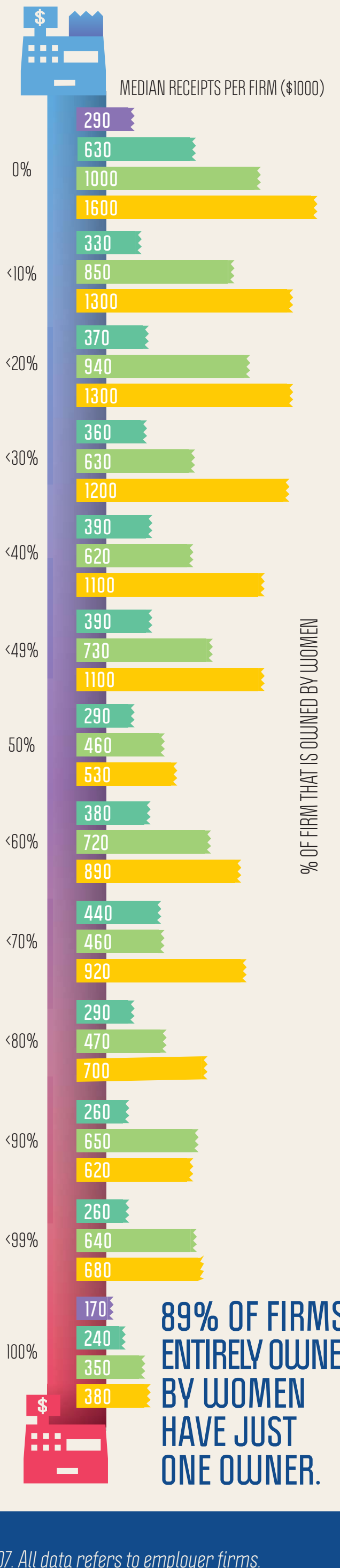
42.4% OF BUSINESSES ARE AT LEAST 30% OWNED BY WOMEN. THESE FIRMS CAPTURE 26.1% OR \$2.6 TRILLION IN RECEIPTS.

90% of equally owned firms are jointly owned/operated by a husband and wife.

WOMEN AND MEN-OWNED FIRMS THAT HAVE OWNERS OF THE OTHER GENDER PERFORM BETTER.



FIRMS WITH MORE OWNERS MAKE MORE MONEY.



89% OF FIRMS ENTIRELY OWNED BY WOMEN HAVE JUST ONE OWNER.

Data obtained from Census Bureau Survey of Business Owners Public Use Microdata Set, 2007. All data refers to employer firms.

## Success Stories

Successful women-led businesses have a variety of trajectories and strategies for growth. There is no one right way to grow. Here's how Carol's Daughter founder, Lisa Price, did it.

**PRESENT**

ADVICE: Allocate your time & expertise efficiently. Focus on the market and customers and where they are going.

Continued to develop leadership skills as the business grew larger. Evolved brand to focus on lifestyle, texture, style. Continued to grow business and expand into hair salon and new products. Began selling on HSN. Conducted market research on HSN.

REVENUE: \$70M

**2008**

ADVICE: Recognize your unique role and strengths in the organization. Learn as your business grows and get as much experience as possible to understand the customer.

Had more money to grow company aggressively. Partnered with Macy's SEPHORA. Pegasus Capital invested in company. Capital allowed for more sophisticated look for the brand, which changed their exposure and customer base.

**2005**

ADVICE: Don't sweat small stuff! Become comfortable with rapid growth, exposure and risk.

Celebrity investors joined company for support and brand elevation. Partnered with Steve Stoute and split equity stake evenly. Became a beauty brand. Needed significant infrastructure investments in company.

**2003**

ADVICE: Do everything you can on your own to grow. Align yourself with the brand before giving up equity or you'll give up more than just equity.

Realized she had grown company as much as possible on own. Needed outside partners. Two business loans, including one backed by the SBA, enabled expansion. Appeared on Oprah in 2002 by doing her own PR. Rented a warehouse to house storage, shipment, and customer service. Moved production to location in 2002. Invested money from sales to open flagship store in Brooklyn.

**1999**

ADVICE: Make use of lessons learned from previous experiences to make smart investments & improvements over time. Keep costs minimal as long as possible.

EARNED WHEN TRANSITIONED INTO STORE: \$1M

Grew organically and connected with customer through identification of their needs. Invested in building client base through word of mouth.

**1993**

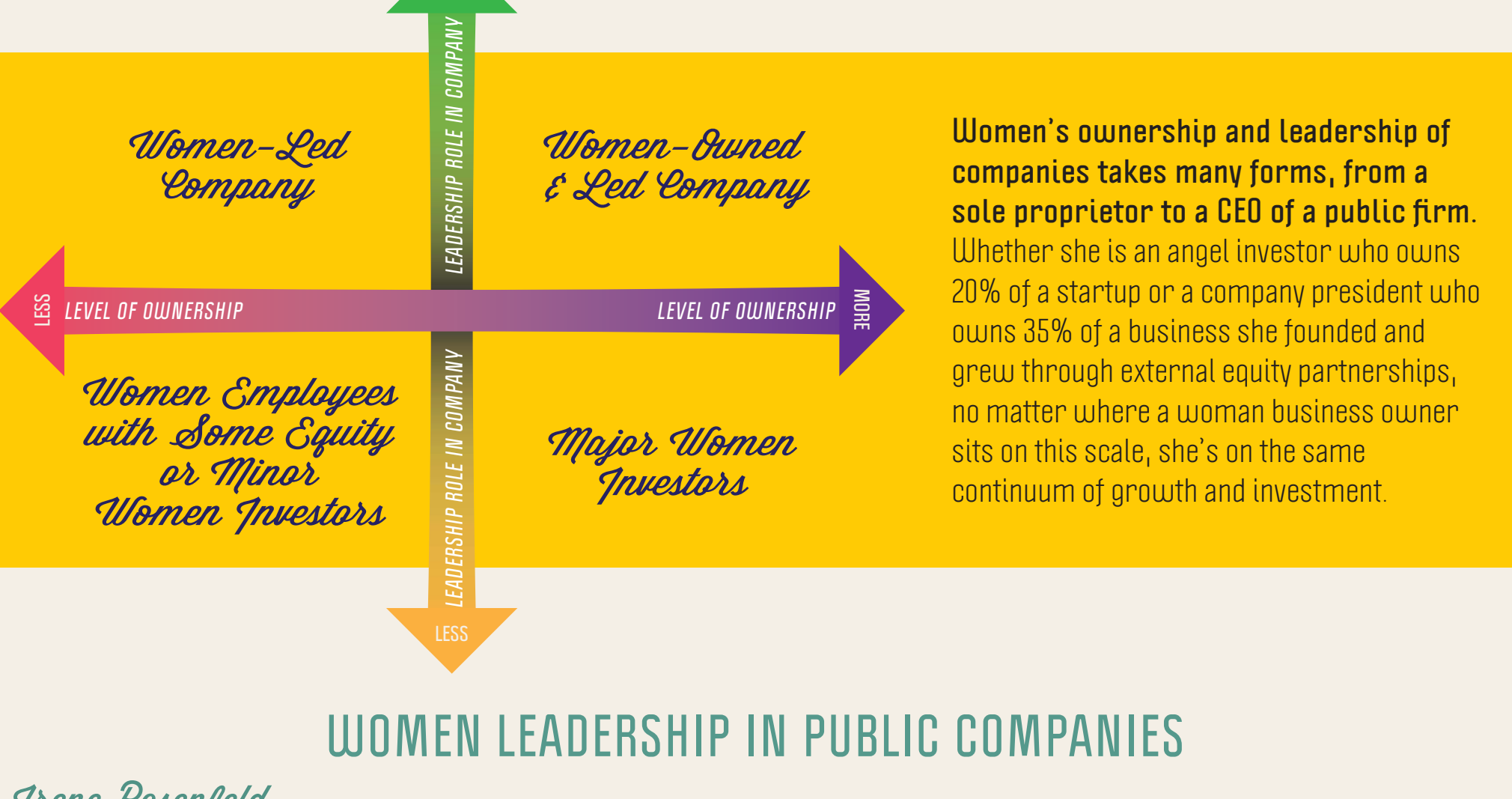
ADVICE: Invested \$100 into making and selling products at a flea market and later out of her home. Creation of showroom in home. Made goal of always being profitable.

EARNED AT FIRST FLEA MARKET: \$50

**START**

## Women Leading the Way

Women with less than 51% ownership are leading extremely successful public and privately held businesses.



### WOMEN LEADERSHIP IN PUBLIC COMPANIES

Name	Position	Year Entered Position	Revenue
Irene Rosenfeld	MONDELEZ INC. (KRAFT), CHAIRMAN, CEO	2004	\$35B '12
Carol Meyrowitz	TJX COS., CEO	2005	\$25.9B '12
Sheryl Sandberg	FACEBOOK, COO	2006	\$5B '12
Ursula Burns	XEROX, CHAIRMAN, CEO	2007	\$22.4B '12
Meg Whitman	HP, PRESIDENT, CEO	2008	\$120.4B '12
Marissa Mayer	YAHOO!, CEO, PRESIDENT	2009	\$4.5B '12
Safra Catz	ORACLE, CFO, PRESIDENT	2010	\$37.2B '12
Patricia Woertz	ADM, CHAIRMAN, CEO	2011	\$90.6B '12
Ellen Hullman	DUPONT, CHAIRMAN, CEO	2012	\$34.8B '12
Phebe Navakovic	GENERAL DYNAMICS, CEO, CHAIRMAN	2013	\$31.5B '12
Indira Nooyi	PEPSI, CHAIRMAN, CEO		\$65.5B '12
Ginni Rometty	IBM, PRESIDENT, CEO		\$104.5B '12

### WOMEN LEADERSHIP IN PRIVATE COMPANIES

Name	Position	Foundation Year	Revenue
Sara Blakely	SPANX, CEO	1993	\$250M annually
Robin Chase	ZIPCAR, CEO	1994	\$186.1M '11
Vella Irvine	VIBRANT MEDIA, CEO	1995	\$100M-\$200M '11
Sophia Amoroso	NASTY GAL, CEO	1997	expected \$128M '12
Shazi Visram	HAPPY FAMILY, CEO	1998	\$40M annually
Kim Nelson	DAISY CAKES, CEO	1999	\$605,000 '11
Lisa Price	CAROL'S DAUGHTER, PRESIDENT	2000	\$40M annually
Laura Johnson	COTON COLORS, CEO	2001	\$5M annually
Rebecca Rescate	CITIKITTY, FOUNDER	2002	>\$1M '11
Lani Lazzari	SIMPLE SUGARS, CEO	2003	\$40,000 '11
Julie Ison Haley	EDGE SOLUTIONS, CEO	2004	\$21.8M '11
Jessica Herrin	STELLA & DOT, CEO	2005	\$37M COMPANY REVENUE, \$175M '11 INVESTMENT TO DATE
Tory Burch	TORY BURCH, CEO	2006	\$2M from family INITIAL INVESTMENT, \$800M '12 REVENUE
Julia Hartz	EVENTBRITE, PRESIDENT	2007	\$250,000 INITIAL INVESTMENT, \$140M '12 REVENUE, \$50M INVESTMENT TO DATE
Jennifer Hyman	RENT THE RUNWAY, CEO	2008	\$55.4M COMPANY REVENUE, \$20M '11 INVESTMENT TO DATE
Hayley Barna & Stacie Beauchamp	BIRCHBOX, CO-FOUNDERS	2009	\$55.4M COMPANY REVENUE, \$20M '11 INVESTMENT TO DATE

## FACTORS TO CONSIDER WHEN EXPLORING EQUITY

**WHEN CONSIDERING PERSONAL GOALS:**

Where do you see your business going?

**WHEN CONSIDERING HEALTH OF MY BUSINESS:**

Is this the right time?

**WHEN CONSIDERING THE INDUSTRY:**

Are investors interested and active?

**WHEN CONSIDERING YOUR BRAND AND ROLE:**

Are you, your vision, and your brand integral to the continued growth of the business?

IF NOT, GIVING UP EQUITY MAY BE RISKY.

**WHEN CONSIDERING YOUR NETWORK:**

Have you fully tapped your personal connections and resources within your community?

HIGHLY CONNECTED PEOPLE HAVE AN EASIER TIME RAISING MONEY.

**WHEN CONSIDERING YOUR PITCH:**

Are you speaking to the investor?

WHILE ENTREPRENEURS LOVE THEIR PRODUCTS AND SERVICES AND WANT TO SHARE THIS ENTHUSIASM, INVESTORS NEED A RETURN ON THEIR INVESTMENT AND WANT TO HEAR ABOUT THIS.

### CONSIDERATIONS

- Increasingly, investors are focusing investments on women-owned or -led businesses. Yet, women do not take advantage of equity financing as much as men.
- Procurement practices in the public sector often require that women have 51% ownership of a company to compete as a woman-owned business, which may be discouraging women running growing businesses from bringing on investors.
- Initiatives in the private sector, such as increasing supply chain diversity, should not require women to have 51% ownership. Enforcing this public sector requirement in the private sector may be limiting women's access to equity capital and curtailing the growth of their businesses and participation in private sector opportunities.
- There are a growing number of women who have founded and grown multi-million and even billion dollar businesses. More often than not, these women have partnered with investors and no longer own 51% of their company. The success and economic impact of these women is discounted when we focus only on 51% ownership.