Win-Win Results for Employees and Investors

We are pleased to present the 2010 SJF Positive Impacts Report with data exclusively on the many impacts of SJF portfolio companies. Beginning in 2011, SJF will launch a new assessment platform based on the Global Impact Investing Rating System (GIIRS), which serves to standardize and scale mission impacts reporting internationally.

SJF conducted its ninth annual mission impacts survey in January 2010 with the 16 most active companies from the SJF Ventures I, LP and SJF Ventures II, LP portfolios at that time. The survey asked for 2009 year end data. The set of portfolio companies has changed from last year, with exited companies (Preclick and Intechra) no longer included. Investments made very late in 2009 (FieldView Solutions and MediaMath) and those made to date in 2010 (eRecyclingCorps) were also not included.

In the spring of 2010, SJF Ventures realized exits from portfolio companies Ryla and Salvage Direct. SJF investors received premium returns and many employees shared in the upside via broad based stock options advised by nonprofit partner SJF Advisory Services. As Ryla’s first institutional investor, SJF helped grow the certified minority business from 20 employees to 3,500 with sales of more than $100 million. Salvage Direct has become one of the largest sellers of salvaged vehicles in the U.S. and is a major employer in rural Titusville, PA. Detailed case studies on the life cycle of SJF’s investments and engagement with Ryla and Salvage Direct and win-win results for employees, society, and investors can be found on our website, www.sjfventures.com.

Prepared by Anne Claire Broughton, SJF Advisory Services Senior Director, and Joel Thomas, SJF Advisory Services Summer Associate
SJF Portfolio Results

Cleantech Innovation

- **Salvage Direct** recovered more than 42,000 cars, boats, RVs, and other damaged vehicles in 2009.
- **SelecTech** recycled more than 150 tons of waste plastic in the manufacturing of their products.
- **groSolar** distributed and installed 11 MW of solar electric and solar thermal systems for homes and businesses.
- **Cleanscapes** recycled more than 90 tons of organics and commingled recyclables in 2009. In addition, the firm converted more than half their fleet of trucks from diesel to clean burning compressed natural gas, regularly offers waste audits to commercial customers to identify opportunities to divert more materials, and recently sponsored a waste reduction contest for Seattle’s five boroughs.
- **Foxfire Printing and Packaging** recycled 166,600 lbs of paper.
- **Rustic Crust** replaced lighting throughout its facility to consume less energy.
- **BB Hobbs** product helps its agricultural customers achieve higher yields with less water and fertilizer.
- **RealWinWin** provided energy efficient consulting for more than 20 million square feet of commercial real estate.

Employment

SJF portfolio companies employ over 6,000 people with 4,877 new jobs created after SJF investment. In 2009, 71% were from minority groups and 63% were women.

The SJF investment dollars per new job created is $3,760. Combined with partner investors, total investment dollars per new job is $23,302, compared with $92,136 per new job created by the federal stimulus package. The number of jobs retained in 2009 was 1,535, up from 1,230 in 2008. There was a significant increase in new jobs, with 886 jobs created in 2009 alone, led by Ryla with 1,529 new jobs and Cleanscapes with 157 new jobs.

SJF continued to achieve substantial results in 2009 in reaching its target population of entry-level employees, defined as those earning at or below 80% of the area median income by the community development venture capital industry. Of the companies reporting 2009 data, 88% of their employees were below 80% of the area median income.

SJF’s portfolio companies not only employ entry-level workers but also help hard-working employees create wealth and raise their standard of living. During 2009, 64% of the portfolio companies increased their average entry-level wage as compared to 2008. The average portfolio company entry-level wage increased from $12.47 in 2008 to $16.72 in 2009.

“**We have one employee that started as an entry level street maintenance employee and is now earning top wage as a waste collection driver.**”

– Cleanscapes

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2. The Community Development Venture Capital Alliance convened the Return on Investment project in 2004 to develop a standardized set of metrics for measuring social and environmental impacts and the result was the Measuring Impacts Toolkit; SJF was a participant in the project.
3. Does not include Brightside Academy or ServiceChannel
In 2009 SJF portfolio companies maintained or increased benefits offered. Of the 15 portfolio companies responding, 100% provided some health care coverage, including one offering 100% employer-paid health insurance, and seven more offering 70% to 90% employer-paid insurance. This is significant as SJF’s portfolio companies have maintained their commitment to health care coverage, even in the face of rising health care costs and a tough economy. In contrast, the national average percentage of employment-based insurance fell to 58.5% in 2008 from 59.3% in 2007. Following is a breakdown of coverage of the health care premium by portfolio companies.

In addition to health insurance coverage, 13 of the 15 SJF portfolio companies that responded offered dental insurance, similar to 2008. SJF’s portfolio companies continue to demonstrate their commitment to quality jobs and benefits while increasing their competitiveness in the marketplace.

Wealth building opportunities in the form of broad-based stock option plans, profit sharing, or retirement plans (401k) are currently offered at twelve SJF portfolio companies. Furthermore, portfolio companies are increasingly offering more types of benefits, such as Employee Assistance Plans, Flexible Spending Accounts, and home buying and childcare assistance, to their employees. These outstanding assistance programs and wealth building opportunities illustrate the kind of jobs SJF aims to help create in its portfolio companies.

“Several of our employees now have a more empowering work situation as well as higher pay than with their prior employer.”
– Selectech

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SJF Portfolio Results (continued)

Workforce Development

In 2008, 11 of 15 portfolio companies surveyed offered some form of training to their employees. The training ranges from computer skills training offered at nearby colleges to more informal soft skills. The most frequent forms of training offered were computer, customer service and technical skills. Of the companies investing money in training, $28,098 was the average amount spent at training in 2009, while some companies spent as much as $73,400. There was also a positive correlation between companies who spend more on training and the number of entry-level employees in their workforce.

2009 SJF Portfolio Facts at a Glance

| 106 | Company locations |
| 54  | LMI company locations |
| 5,815 | Portfolio company employees |
| 88% | Percentage of employees below 80% area median income |
| $16.59 | Average hourly wage |
| 36% | Workforce growth, 2009 |
| 100% | Percentage of companies offering health insurance to hourly employees |
| 80% | Percentage of companies offering retirement benefits to hourly employees |

This report was produced by SJF Advisory Services, an independent nonprofit that connects, inspires, and accelerates sustainable entrepreneurs and the fields that support them.  

www.sjfadvisory.org