

HACIA GANANCIA

Impact Report

July 11, 2019

A program made possible with the support of JPMorgan Chase & Co.





To: Maria Escorcía, Vice President-Florida, JPMorgan Chase & Co., maria.escorcía@jpmchase.com
cc: Cecelia Tanaka, Global Philanthropy, JPMorgan Chase & Co., Cecelia.j.tanaka@jpmchase.com
Ken Knowlton, Grants Manager, JPMorgan Chase & Co., kenneth.knowlton@jpmorgan.com

Dear Maria and JPMorgan Chase Global Philanthropy Team,

With pleasure and gratitude, we present to you this report on the impact of Hacia Ganancia, an online financial training program for Hispanic business owners that was made possible by the support of JPMorgan Chase & Co. Response to the program by Spanish-speaking business owners in Miami-Dade County was outstanding, with 207 Hispanic business owners participating in the program as of the award end date of May 31, 2019.

This unique Spanish-language training program teaches in about 15 hours accounting and finance skills that normally would require about a year of accounting courses. The goal of the program was to arm Hispanic business owners with the knowledge they need to make better financial decisions.

Indeed, many of the participants put their newly acquired skills to work, reporting significantly higher revenues for their businesses -- \$7.25 million total increase -- in the months after receiving the training. In addition, participants were able to access a total of \$2.76 million in capital after enrolling in Hacia Ganancia. Those results far outpaced the goals established for the program. All impact results can be seen on page 3 of this report.

Many of the business owners specifically credited what they learned in the Hacia Ganancia program for the improved financial performance of their companies. Participants included a wide range of industries and sectors, from shop owners to food manufacturers to transportation companies. Two of the companies are featured starting on page 6 of this report, which includes video links.

The financial support provided by JPMorgan Chase & Co. made those successes possible, allowing Hispanic business owners to better realize the full potential of their businesses -- and of their livelihoods. Florida International University, including the Florida SBDC at FIU, is grateful to you and your team for making it possible.

We look forward to continuing this very special financial training program -- and to more impact and success in the years to come.

Sincerely,

Jacqueline Sousa
Immediate Past Regional Director, Florida SBDC at FIU

About Hacia Ganancia

Hacia Ganancia is a Spanish-language online finance and accounting training program that teaches Hispanic entrepreneurs and business owners in hours an understanding of business finance and accounting that normally takes years to learn. Hacia Ganancia is a significant leap forward in tackling the lack of financial capabilities among a large percentage of Spanish-speaking business owners.

Based on an innovative training method, Hacia Ganancia uses the exciting new field of quantum information science (QIS) to reduce the time it takes someone to become financially capable. With this unique training methodology, trainees can learn in less than 20 hours concepts and information that normally would require a year or more of finance and accounting courses.

In 2015, a partnership of the Florida SBDC at FIU, the FIU Pino Global Entrepreneurship Center and Qbit Solutions made the training available via live, in-person classes in Miami-Dade County. Seeking to scale the success of the training program, SBDC at FIU, with the support of JPMorgan Chase & Co. in 2018 launched an online version of the Hacia Ganancia training, ultimately creating a hybrid training program utilized by more than 200 Hispanic business owners in Miami-Dade County and resulting in millions of dollars in financial impact to those businesses.

Informational Video-English: <https://www.youtube.com/watch?v=3LAhT7NNlxs>

Informational Video-Spanish: <https://www.youtube.com/watch?v=ME2IDYBjyAM>

The Program's Impact

Throughout the program, SBDC at FIU maintained communication with as many participants as possible to understand if any changes were needed to maximize the impact of the program. The primary goals were to ensure that the training helped business owners make better financial decisions, resulting in their ability to access capital, grow sales or increase profitability.

In the spring of 2019, as the conclusion of the award period approached, SBDC at FIU surveyed all participants to determine the impact the training had on their businesses and their financial decision-making.

By almost every measure, the program exceeded expectations. In particular, revenue growth and access to capital far exceeded the performance goals set for the program. SBDC at FIU would make the participants aware of its advisors who specialize in helping businesses grow revenues and access capital. Many Hacia Ganancia students took advantage of this capability and assistance.

The program fell short slightly in one important measure – job creation. Participants reported a total of 97 jobs created, only 3 jobs short of the goal of creating 100 jobs. However, many participants said they planned to hire more positions in the near future.

In addition, the center had set a goal of generating at least one patent. This goal was set primarily for the creator of the training method, Alfredo Lacayo. The hope was that this special training methodology could be patented. However, Mr. Lacayo’s legal counsel advised that the methodology was not patentable.

Measure	Actual	Goal	Variance
No. of Small Business Participants	207	200	+ 3.5%
No. of New Jobs Created	97	100	-3%
Increased Revenues (total)	\$7.25 Million	\$1 Million	+ 625%
Access to Capital (total)	\$2.76 Million	\$2 Million	+38%
Increased Profitability (% of participants who said profits increased due to the training)	23%	10%	+130%

Lessons Learned

To maximize scale and scope, the original plan was to deliver the Hacia Ganancia training 100 percent online, with minimal live interaction with the trainer and advisor. However, we soon learned that many of the participants wanted the live interaction with the trainer, in part to ask questions particular to the finances of their businesses. In addition, by having the businesses owners gather in groups during trainings, we witnessed the benefits of having business owners learn from each other, as they shared stories about their experiences and how they overcame financial challenges.

About four months after the launch of the program, a hybrid model was created in which registrants to the online training also could participate in live Hacia Ganancia workshops throughout the county. In addition, trainer Lacayo would routinely meet with the participants to emphasize key lessons and answer questions.

Hacia Ganancia In the News

The Hacia Ganancia training program received much attention from Miami’s Hispanic business community, with media coverage that included a story about the program in the *Diario Las America’s*, one of Miami’s longest running Spanish newspapers, as well as Spanish radio shows. Hacia Ganancia trainer Alfredo Lacayo was invited to produce a couple of Spanish podcasts about the financial challenges business owners face. Links to the media coverage can be found here:



- Diario Las Americas, March 14, 2018: <https://www.diariolasamericas.com/economia/la-fiu-recibe-una-subvencion-jp-morgan-chase-cursos-gratuitos-pequenos-empresarios-hispanos-n4145790>
- Mundo Opi TV, Aug. 1, 2018: <https://www.youtube.com/watch?v=vK-0lhQx6aQ>
- FIU BizNews, March 21, 2018: <https://biznews.fiu.edu/2018/03/jpmorgan-chase-teams-with-fiu-to-develop-program-for-spanish-speaking-entrepreneurs/>
- Podcast, NMMiami.com, Oct. 1, 2018: <https://open.spotify.com/episode/00hWH6kQQlpX5v8A0lvG0b>
- Podcast, NMMiami.com, Nov. 8, 2018: <https://nmmiami.podbean.com/e/podast-hacia-ganancia-110618/>
- VBC Radio Show, Aug. 23, 2018: <https://www.mixcloud.com/vbcradio/hacia-ganancia-evento-23-agosto-finanzas-para-peque%C3%B1os-empresarios-sbdc-y-el-vbc/>

Mission Partners

From the beginning, many community and resource partners helped SBDC at FIU spread the word about the Hacia Ganancia program. Many more referred clients and business owners to the program. Partners included:

- Venezuelan Business Club: <https://calendar.fiu.edu/event/hacia-ganancia-doral#.XR-Ld-hKiUk>
- Miami Business Club: https://www.sba.gov/tools/content/hacia-ganancia-miami-business-club?utm_medium=email&utm_source=govdelivery
- Acción
- Our Microlending

Program Financial Report

All awarded funds were expended in the delivery of the program from the program period of August 2017 until May 31, 2019.

Revenue	
JPMC Award	\$140,000
Expenses (2017-2019)	
FIU Foundation Fee	\$4,200
Salaries & Fringe (Management/Administrative)	\$41,471
Trainer Costs / Professional Fees	\$51,584
Online Course Production	\$17,400
Marketing & Promotion	\$20,328
Events & Catering	\$1,913
Educational Materials & Supplies	\$3,104
<i>Total Expenses</i>	\$140,000

Success Stories

Throughout the program period, SBDC at FIU met and worked with hundreds of Hispanic business owners who were trying to fulfill their dreams of running a successful enterprise. They were individuals such as German and Juan Puerto, co-owners of Fruitique, a maker of tropical-flavored ice creams; and NeoBroadband, a seller of cable equipment.

Miami Ice Cream Maker Gets the Scoop on Building Success

By SBDC at FIU

Fruitique Video English: <https://youtu.be/pTuH2j6uGIM>

Fruitique Video Spanish: <https://youtu.be/Ltuj9vkJ8FQ>

Success tastes sweet for Fruitique, a Hialeah-based ice cream manufacturer that is expanding beyond the South Florida market.

Launched in 2011, this family business has scooped up a niche in the market by focusing on Caribbean



flavors that are popular with Latin consumers, including coconut, passion fruit, mamey, guanabana and Miami-inspired specialties such as guava and cheese.

Now the company, owned and operated by brothers German and Juan Puerto, is taking the taste of the tropics to New England, where it is introducing the Fruitique brand.

“We’re very excited for this new market into which we’re expanding,” says German.

“We’ve proven that we can be successful in South Florida, especially with Latins, but now we’re getting into a different market, different demographics and the feedback has been excellent.”

The new market is a long way from the company's beginnings in Miami, where their father started the business by selling primarily to local restaurants. After the sons joined the company, they realized they needed to take a more methodical and strategic approach to growing the business.

Today, Fruitique ice creams are available at restaurants and food stores throughout the region, from the Florida Keys to Orlando, and at retailers that include many CVS and Winn Dixie stores.

Juan, a chef who also focuses on marketing, says key to him was expanding his understanding of package design and point-of-sales displays – knowledge he gained from one of the consultants at the Florida SBDC at FIU, the small business development center at FIU College of Business. The center provides a team of business experts who work with business owners at no cost to help them grow their companies.



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“There is a lot of competition,” says Juan. “So differentiating ourselves has been a big challenge. The SBDC has helped me a lot. One of the consultants has a food background in consumer-packaged goods. That’s what opened my eyes to even researching the industry more and learning from bigger brands.”

The brothers say the ability to obtain a bank loan with the assistance of Florida SBDC at FIU marked an important turning point for the company, which has expanded production with more employees, as well as with more-efficient equipment.

In addition to receiving advisory, German also participated in Hacia Ganancia, a Spanish-language financial training program offered by the Florida SBDC at FIU.

The training and consulting he has received, German says, is allowing him to make better financial decisions and better plan for the future, including decisions regarding pricing and expansion projections.

Should New Englanders take a liking to Fruitique’s flavors, the company hopes that market will be only the first of many outside of Florida.

At that point, the company’s future could be fruitful indeed.

Neo Broadband Finds Link to Growth

By Florida SBDC at FIU

Neo Broadband Video Spanish: <https://youtu.be/nlC70Omn1Nc>

Neo Broadband Video English: <https://youtu.be/4sVF4lTzDek>

As a provider of new and refurbished cable boxes and equipment, Neo Broadband knows the importance of making the right connections.

The Doral-based company is achieving growth by connecting the founders' professional experiences with opportunities in the cable equipment industry. The husband-and-wife team of Edmerson Vasquez and Gloria Martinez launched the company in 2013 after working several years at a similar business. They wanted to buy that company, where he worked in sales and she worked in administration. When that deal fell through, they decided to launch their own business.



Since then, the company has grown to a team of 40 who serve customers throughout Latin America, with offices in Panama, Chile, Costa Rica, Dominican Republic and Paraguay.

Achieving the growth has not been easy, however. Challenges in trying to grow the business, they say, included access to capital, human resources and the need for a good accounting structure. For help, the company turned to Florida SBDC at FIU, the small business development center at Florida International University's College of Business, which provides no-cost consulting to entrepreneurs and small-business owners.

The center "helped us and guided us to choose the best line of credit," says Vasquez. "They introduced us to different programs. With HR, they helped us really organize and structure the right HR department. They also helped us analyze our own data to make the best decisions at the right times."

The Neo Broadband team also participated in the center's Hacia Ganancia program, a Spanish-language financial training method that teaches business owners to understand how money flows in and out of a business. The program, says Vasquez, "helped me connect with my accounting department better and understand the process as well."

Improving finances, however, is only part of the mission of this fast-moving company. When it comes to business success, they seek an even deeper connection.

"Any business has to have a purpose besides just being profitable," says Martinez. "Look around. Look at your community and see how you can help others. See how you can impact the planet and impact, in a better way, where we live."