



2011 Positive Impacts Report

SJF Ventures is a venture capital fund focused on delivering superior financial returns through investments in high-growth, positive impact companies.



2010 SJF PORTFOLIO Facts at a Glance

- 33** Total companies
- 113** Total current company locations
- 65** LMI company locations
- 25** Number of states with SJF portfolio company presence
- \$682MM** Total combined revenues of SJF portfolio companies
- 7,074** Total portfolio company employees
- \$17.67** Average hourly wage
- 29%** Workforce growth, 2010
- 80%** Percentage of employees below 80% median income
- 100%** Percentage of companies offering health insurance to hourly employees

SJF Ventures: Twelve Years of Positive Impacts

We are pleased to present the 2011 SJF Positive Impacts Report with data on the many impacts of SJF Ventures portfolio companies. This year's SJF Positive Impacts Report includes new impact categories to reflect our participation in the Global Impact Investing Rating System (GIIRS) as a Pioneer Fund.

SJF conducted its tenth annual positive impacts survey in January 2011 with the 18 most active companies from the SJF Ventures I, LP and SJF Ventures II, LP portfolios. The survey asked for 2010 year end data. The set of portfolio companies has changed from last year, with exited companies (Ryla and Salvage Direct) no longer included, except in the overall jobs created chart and several other aggregate figures. Investments made in early 2011 (Optoro) were also not included. New portfolio companies added in 2010,

eRecycling Corps and Community Energy Inc., are included for the first time; MedPage Today, which was exited late in 2010, is still included.

In addition to the successful Spring 2010 exits of SJF Ventures I portfolio companies Ryla and Salvage Direct (detailed case studies available at www.sjfventures.com), SJF Ventures realized its first Fund II exit from portfolio company MedPage Today, an online medical and health education firm, in December 2010. The company was sold to Everyday Health, producing strong financial results for MedPage's investors, founder and employees. SJF Ventures' first two funds are performing ahead of their peers by vintage year in both financial and positive impact results. Based on this strong performance and growing interest in impact investing, a third fund, SJF Ventures III, will be capitalized in 2011.



SJF Portfolio Results

Positive Impact Products & Services

SJF portfolio companies provide a number of beneficial products and services, including:

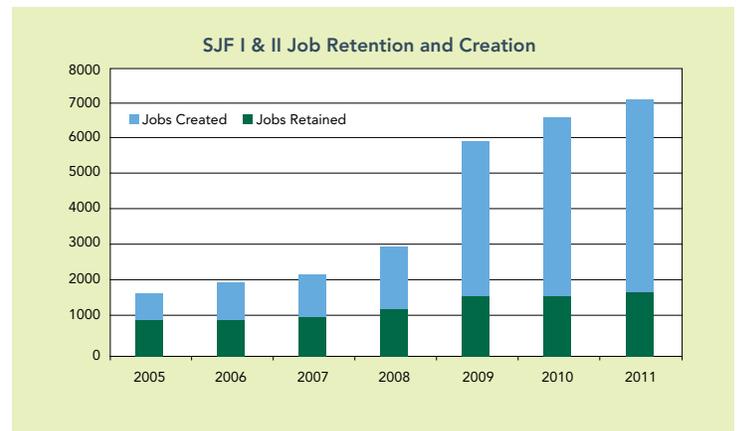
- **Optoro:** provider of comprehensive asset recovery solutions for returned or damaged products
- **FieldView:** provider of software to better manage and plan for data center energy use
- **ServiceChannel:** provider of online tools that empower small and local contractors to collaborate more effectively with national facilities managers
- **Truist:** connector of donors and volunteers with worthy causes around the world
- **Rustic Crust:** producer of all natural and organic pizza products
- **MedPage Today** (acquired by Everyday Health): provider of breaking medical news for physicians
- **Telkore:** provider of cell tower site construction and wind tower maintenance
- **ED MAP:** provider of curriculum design and fulfillment services for post-secondary education
- **Sun and Earth:** manufacturer of all natural, orange-based cleaning products
- **Brightside Academy:** provider of high quality child care services in underserved urban communities

"Having a steady job with benefits and opportunity for advancement is critical particularly in the current economic environment." – RealWinWin

Employees

SJF portfolio companies employ over 7,074 people with 5,486 new jobs created after SJF investment; in 2010, 61% of employees were from minority groups and 60% were women.

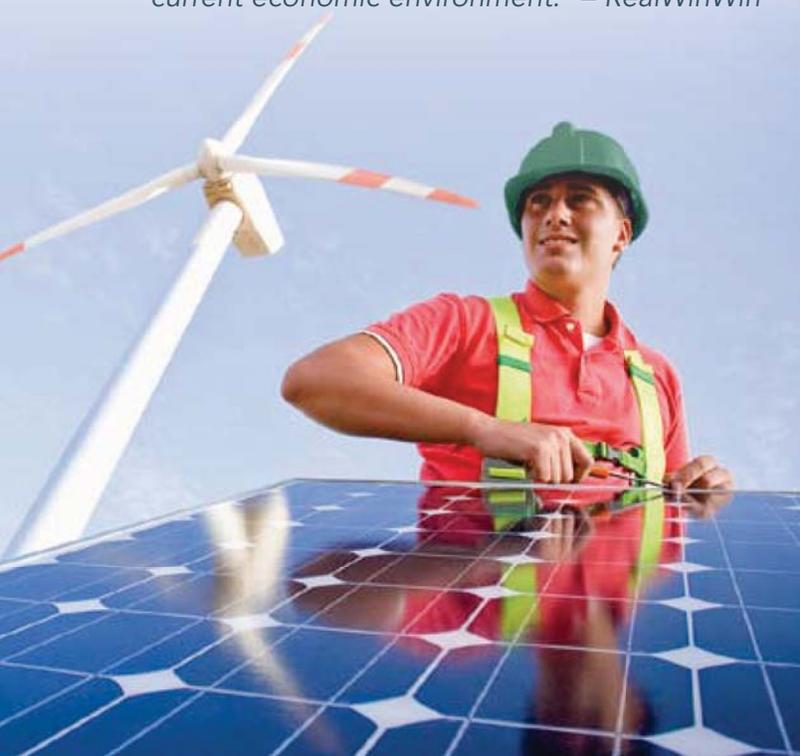
- Seven companies offer wealth-building opportunities in the form of broad-based stock options or phantom stock, 13 companies offer retirement plans, and 13 offer bonuses
- The majority of companies invest in employee training programs, ranging from computer, customer service and technical training to soft skills
- **Rustic Crust** trains entry level employees in food manufacturing best practices in addition to the specific skills needed to complete their job tasks
- **FieldView Solutions** created new positions and contracted with additional workers representing diverse backgrounds (some of whom will transition to permanent employees) in 2010



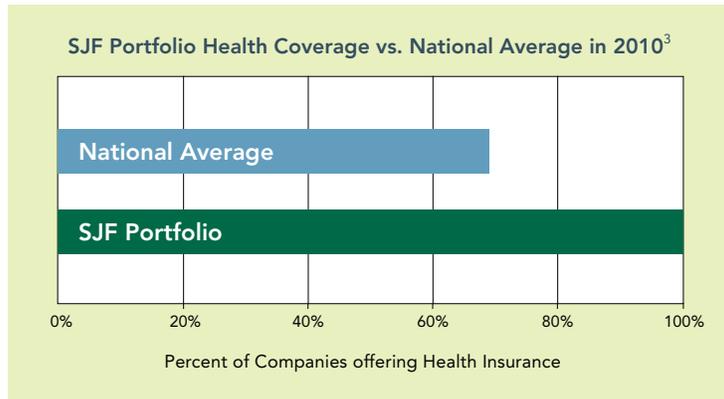
The SJF investment dollars per new job created is \$3,580. Combined with partner investors, total investment dollars per new job is \$18,505, compared with \$54,194 per new job created through the U.S. Small Business Association SBIC program in 2010.¹

The number of jobs retained in 2010 was 1,588, up from 1,446 in 2009. There was a significant increase in new jobs, led by Ryla with 1,896 new jobs, Rustic Crust with 40 new jobs, groSolar with 53 new jobs, and new investments in Community Energy Inc. and eRecyclingCorps.

SJF continued to achieve substantial results in 2010 in reaching a 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.² Of the companies reporting 2010 data, 80% 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 to create wealth and raise their standard of living. During 2010, 40% of the portfolio companies increased their average entry-level wage; the average portfolio company entry-level wage was \$17.67 in 2010, up from \$16.72 in 2009.

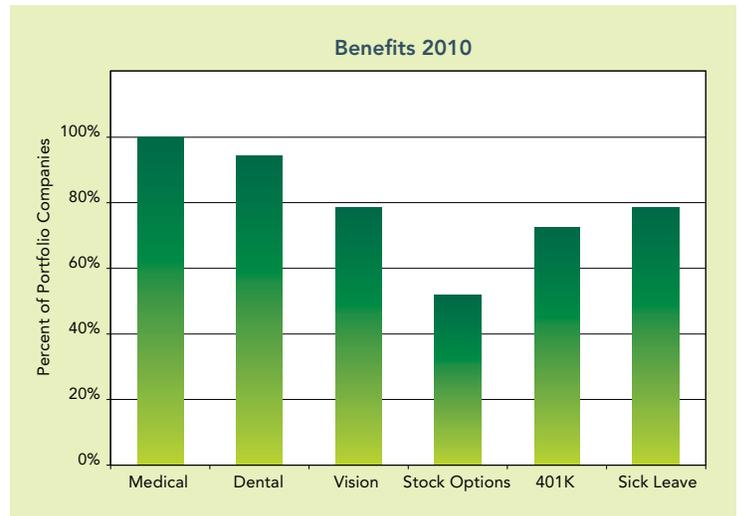


In 2010 SJF portfolio companies maintained or increased benefits offered. Of the 18 portfolio companies responding, 100% provided some health care coverage, including three offering 100% employer-paid health insurance, and seven more offering 70% to 90% employer-paid insurance. This is significant as 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 55.8 % in 2009 from 58.5% in 2008.³ Following is a breakdown of coverage of the health care premium by portfolio companies.

Benefits Statistics	# of Portfolio Companies	% of Portfolio Companies
100% Health Care Premium Coverage	3	17%
70 to 90% Health Care Premium Coverage	8	44%
50 to 69% Health Care Premium Coverage	6	33%
% Health Care Premium Coverage Varies	1	6%
Total	18	100%

In addition to health insurance coverage, 17 of the 18 SJF portfolio companies that responded offered dental insurance, up from 2009. SJF's portfolio companies continue to demonstrate their commitment to quality jobs and benefits while increasing their competitiveness in the marketplace.

Seven companies offer wealth-building opportunities in the form of broad-based stock options or phantom stock, 13 companies offer retirement plans, and 13 offer bonuses. Some portfolio companies offer additional types of benefits, such as Employee Assistance Plans, Flexible Spending Accounts, and home buying and childcare assistance. These outstanding assistance programs and wealth building opportunities illustrate the kind of jobs SJF aims to help create in its portfolio companies.



In 2010, 13 of 18 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, \$25,073 was the average amount per company spent on training in 2010, while some companies spent as much as \$70,000. There was also a positive correlation between companies who spend more on training and the number of entry-level employees in their workforce.

“Our employees continue to benefit from the ED MAP team culture.” – ED MAP



1. The U.S. Small Business Administration (SBA.gov) January 2011 Report, Office of Investment and Innovation
 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. U.S. Census Bureau, Current Population Survey, 2010 Annual Social and Economic Supplement. (http://www.census.gov/hhes/www/cpstables/032010/health/h01_001.htm)

SJF Portfolio Results (continued)

Environment

- **Community Energy Inc.** sold over 2.2 million megawatt hours of renewable energy certificates (RECs) in 2010; using a national average (CO₂/MWh) factor this equals over 1.5 million metric tons of carbon prevented from entering the atmosphere
- **groSolar** distributed and installed 15.4 megawatts of solar electric and solar thermal systems in 2010
- **eRecyclingCorps** collected 905,000 used cell phones in 2010; 80% of the phones collected were reused and 20% were recycled
- **BB Hobbs** converted 31,000 acres of farmland to efficient drip irrigation and liquid fertilizer systems
- **Foxfire Printing and Packaging** recycled 150,000 pounds of paper and 95% of the ink used was soy-based
- **RealWinWin** provided energy efficient consulting for more than 20 million square feet of commercial real estate
- **CleanScapes** recycled 96,949 tons of commingled recyclables, single commodities, and organics
- **SelectTech** recycled 200 tons of materials, 140 tons of which would not have been recycled otherwise

Additionally, most companies have internal recycling programs and many have other environmentally beneficial facilities and processes, including:

- **Sun and Earth's** power is entirely supplied by wind generation
- **CleanScapes** recycles rainwater in its facility and runs more than half of its fleet of 93 trucks on natural gas
- **groSolar** outfitted its headquarters with solar panels and other green features, while educating local contractors about green building practices



200 North Mangum, Suite 203, Durham, NC 27701, 919-530-1177
885 Third Avenue, 20th Floor, New York, NY 10022, 212-209-3063
101 California Street, Suite 2450, San Francisco, CA, 94111,
415-659-8277
www.sjfventures.com



This report was produced by SJF Institute. SJF Institute connects, inspires and accelerates sustainable entrepreneurs and the fields that support them.
www.sjf.institute.org

Focus on Community Energy Inc.

Community Energy Inc. (CEI), based in Radnor, PA, is a renewable energy developer and marketer. In addition to the strong environmental benefits from its core renewable energy generation development business – CEI sold over 2.2 million megawatt hours of RECs in 2010 – the company has a strong focus on employee engagement. Employees take on increased levels of responsibility quickly as they prove their abilities and are given opportunities to follow their passion in forwarding the company's mission to ignite the market and develop the supply of fuel-free energy. One employee joined CEI in an entry level role in marketing and within nine months was leading a team focused on scaling up CEI's entry to the commercial solar PPA market. Another entry level employee joined CEI full-time in September 2010 and by 2011 was working on three different teams focused on developing new products and services for launch, as well as regularly interacting directly with the head of the division on those teams – a very empowering experience for an entry-level employee. Learn more about CEI at www.communityenergyinc.com.



SJF Ventures Limited Partners

Abacus Wealth Partners
Bank of America
Calvert Mutual Fund
Community Development Venture
Capital Alliance
Citibank, a member of Citigroup
Credit Suisse
Deutsche Bank
Family Office Investors
F.B. Heron Foundation
HSBC

John D. and Catherine T. MacArthur
Foundation
Key Bank
Macquarie Funds Group
Mary Reynolds Babcock Foundation
Metropolitan Life Insurance
Opportunity Finance Network
Pennsylvania BFTDA
State Street Bank
Trillium Asset Management
Wells Fargo

SJF Team

Anne Claire Broughton, *Senior Director, SJF Institute*
Rick Defieux, *Investment Committee Chair*
Erin Payne, *Program Associate, SJF Institute*
David Griest, *Managing Director*
Arrun Kapoor, *Managing Director*
Alan Kelley, *Managing Director*
David Kirkpatrick, *Managing Director*
Bonny Moellenbrock, *Executive Director, SJF Institute*
Cody Nystrom, *Senior Associate*
Elizabeth Taylor, *Finance Manager*



Printed on Recycled Paper