

Small Businesses Continue to be the Backbone of Our Economy

Growth is Expected, but Consumer Trends, Big Business and Access to Capital Could Present Challenges



Small Businesses represent **99.7%** of U.S. employer firms and **63%** of net new private-sector jobs.

(Source: SBA's March 2014 SMB FAQ)

And, according to our data, **61%** of small business owners expect that their business will grow in the next 12 months.



But Certain Challenges Could be Breaking the Back of Small Businesses



Keeping up with the Jones' (or the Big Box Retailers): 37% of Small Business Owners (SBOs) view their ability to offer competitive prices as their biggest challenge when competing with big businesses

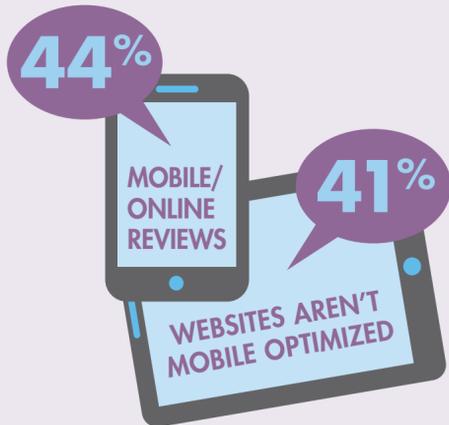
Finding and Retaining Talent: 34% of SBOs

say that the biggest threat to small business today is rising employment costs. **31%** of SBOs saying that the greatest hiring obstacle is being able to offer a competitive salary, followed by being able to offer an attractive health insurance/benefits package (**29%**)

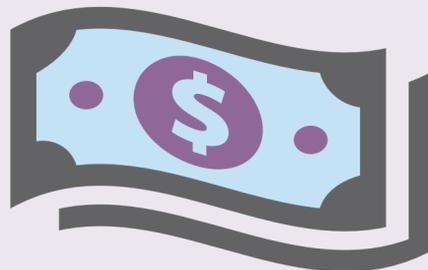


Evolving Consumer Trends:

Mobile and/or online business reviews is the number one (**44%**) consumer trend that SBOs say will have an impact on their business. Interestingly, a high number (**41%**) of respondents have not optimized their business website for all mobile devices.



Capitalizing on Capital: While **30%** of SBOs say that the easiest way to obtain funding/working capital is applying for a bank loan, more of them (**40%**) have actually been more successful in securing funding/working capital from friends and/or family than from a bank (**27%**).



CAN CAPITAL provided about **10,000 customers** with access to **almost half a billion** in capital in the first half of 2014.

CAN CAPITAL



The CAN Capital Small Business Health Index, powered by SurveyMonkey measures small business owners' sentiment about economic, business and consumer trends as well as other factors such as access to capital, growth and competition.

CAN Capital conducted an online study of small business owners using a combination of respondents from SurveyMonkey Audience, SurveyMonkey's targeted market research panel, and CAN Capital's own small business owner database. The study was conducted between June 12 and June 30, 2014 and respondents included small business owners from across the United States. Percentages are based on 727 responses.

CAN Capital makes capital available to businesses through its subsidiaries: Merchant Cash Advances by CAN Capital Merchant Services, Inc. (CCMS), and business loans through CAN Capital Asset Servicing, Inc. (CCAS). All business loans obtained through CCAS are made by WebBank, a Utah-chartered Industrial Bank, member FDIC.