

Debunking the GRANT Myth

You will not be able to start a business without investing your own savings and other assets. You will not find a bank willing to lend you 100 percent of what you need or a government program to fund your business. The man on TV with the question marks all over his coat proclaiming there is LOTS of government money available for you and your business is incorrect. Wisconsin does have some grant programs but they are very prescribed – available for extremely specific types of businesses doing very specific activities. Many of the grants geared toward entrepreneurial activities center around the creation of a business plan. As mentioned in the previous chapter, a business plan is necessary when seeking outside financing. Call the 1-800-HELP-BUSINESS helpline or visit the Wisconsin Department of Commerce Web Site (www.commerce.state.wi.us) or the “business” content area at www.wi.gov for more information on the following grant programs:

Entrepreneurial Training Grant (ETG) - Commerce has partnered with the Small Business Development Center to develop a grant which covers 75 percent of the cost of attending an Entrepreneurial Training Course. It is anticipated that after completing the coursework, entrepreneurs will have a comprehensive business plan that fully evaluates the feasibility of the proposed start-up or expansion.

Early Planning Grant Program (EPG) - This program helps individual entrepreneurs and small businesses throughout Wisconsin obtain the professional services necessary to evaluate the feasibility of a proposed start up or expansion. Under the EPG program, Commerce provides funding to help cover 75 percent of eligible project costs to hire a qualified, independent third party to develop a comprehensive business. This program is geared towards specific kinds of industries and not typically available to retail or service-type businesses.

Customized Labor Training Grant (CLT) - The CLT grant program assists companies that are investing in new technologies or manufacturing processes by providing a grant of up to 50 percent of the cost of training employees on the new technologies. The program’s primary goal is to help Wisconsin manufacturers maintain a workforce that is on the cutting edge of technological innovation.

Community Development Block Grant (CDBG) - The CDBG provides grants to communities who in turn loan money to businesses for start-up, retention, and expansion projects based on the number of jobs created or retained. Communities can create community revolving loan funds from the loan repayments. Check with your county or local economic development organization to see if they have received funding through the CDBG program to establish a “revolving loan fund.” See www.commerce.state.wi.us/MT/MT-CountyLEDO.html for more information.