



*The Montana Small Business Development Center Webinar Series presents:*



Funded in-part through a Cooperative Agreement with the U.S. Small Business Administration and the Montana Dept. of Commerce.



## QUESTION FOR ATTENDEES?

Type into the chat box...tell us why you're attending:  
Are you here to learn more about accessing capital to:

- Starting a business?
- Growing a business?



# Jennifer Stephens, MBA

## Regional Director - Missoula SBDC

### Education

- 1999 – Gonzaga University – BA Journalism
- 2005 – University of Montana – MBA emphasis on entrepreneurship and marketing
- 2005 – University of Montana – Non-Profit Administration Certificate

### Certifications

- 2016 – present – Accredited Small Business Consultant (ASBC)
- 2012 – 2014 – Inbound Certified, Hubspot

### Entrepreneurship

- 2004 – present – Groundswell Media Productions, Missoula, MT
- 2005-2016 – Montana Web Designers & Developers Association, Missoula, MT





## Jason Nitschke; MA, EDFP

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Vice President -- Great Falls Development Authority  
Regional Director -- Great Falls SBDC

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### Education

- 1997 -- University of Montana – BA Journalism/Pol. Sci.
- 2002 -- Hawaii Pacific University – MA Communications

### Certifications

- 2017 – Certified Export Counselor
- 2017 – Certified Profit Mastery Facilitator
- 2015 -- Economic Development Finance Prof. (EDFP)
- 2015 -- Accredited Small Business Consultant (ASBC)
- 2015 -- Certified Business Advisor (GrowthWheel)

### Entrepreneurship

- 2000-2002 -- JNitschke Photography; Denver, CO
- 2011-2012 -- Carondelet Estate Services, LLC; St. Louis, MO







## Goals for Today

- Assist in defining needs
- Learn how to find relevant programs and opportunities
- Evaluate types of federal and state governmental programs designed to support business
- Evaluate types of private, non-public programs designed to support business
- Apply appropriate programs to a business/your business
- Understand the time commitment and upfront costs



# Financing

## Sources of Capital

- **MUST:**
  - **#1) What is the money for?**
    - Support cash flow, capital purchases, develop a product/service
  - **#2) When is the money needed?**
- **RELEVANCE?**
  - Determines which financial statement the money is counted on:
    - **Income Statement (Profit/Loss)**
      - Revenue – Expenses = Profit
    - **Balance Sheet**
      - Assets = Liabilities + Net Worth



# Financing

## Sources of Capital

- WHAT + WHEN = WHERE (it shows up on the financials)
  - MUST:
    - #3) How much is needed?
      - This may require cost documentation via estimates, bids, or quotes.
      - This may require staffing plan with supporting market data.
      - This will also trigger the need for a financial projection.



# Financing

## Types of Sources of Capital

- Equity – the investment of capital into a business balance sheet with no pay back
  - **You (personal funds, home equity, sale of stock, personal credit)**
  - **Partners (their personal funds, home equity, sale of stock, personal credit)**  
*Do you have a comprehensive partnership agreement?*
  - **"The crowd"**
    - Investors (crowd funds, angels, "aka: rich uncles", or Angels)
    - *Laws, rules, procedures, and stages of business may all be relevant here*

For more information about securities law in Montana, please visit: <https://csimt.gov/securities/capital-formation/>





# Financing

## Types of Sources of Capital

- Debt – the lending of capital to a business balance sheet that must be paid back
  - **Direct: Banks, Credit Unions (prime plus 1-2)**
  - **Direct & Participation: Micro-lenders, gap & bridge financiers (prime plus 5)**
  - Non-profit lenders, CDFIs, Port Authorities, 7 other public partners
  - **Loan guarantors (guarantee to the bank, credit union, or other lender)**
  - SBA 7a (up to 85%)
  - USDA Business & Industry (up to 90%)
  - State of Montana - Montana Board of Investments



## Grants

### Launching or scaling?

- **What is it for?** More important for grants because of sources being limited and specific.
- **When do you need the funding?** Time limited and often annual application process. May be longer time to receipt of funds.
- **Where?** - Rural v. urban grants. Different grants available depending on population designation.
- **How much?** Utilize the same business plan and revenue projections that would be used for a loan request.
- **Who?** Telling a story to the review committee. What do they value? What impact are they trying to make? How could your business help create that impact?



- Use your match to leverage public money that builds the value proposition of the company long-term. "Investment in assets (marketing assets included) over advertising (marketing expense)."
- **Important to know:**
  - Grants to for-profits are limited
  - Grants are restricted to use type
  - Grants require match
  - Grants are reimbursement based



## Grants

- **Value-Added Agriculture**
  - Growth Through Agriculture (MT Dept of Ag), <https://agr.mt.gov/GTA>
  - Value Added Producer Grant (USDA), <https://www.rd.usda.gov/programs-services/value-added-producer-grants>
- **Workforce**
  - Incumbent Worker Training (MT Dept. of Labor & Industry), <https://wsd.dli.mt.gov/employers/incumbent-worker-training-program/>
  - Workforce Development Grant & Subsidized Employment (MT Dept. of Labor & Industry)
    - Contact local Job Service offices <https://montanaworks.gov/>
  - Big Sky Trust Fund – Job Creation & Primary Sector Workforce Training
    - <https://marketmt.com/Programs/Business-Assistance/Big-Sky-Economic-Development-Trust-Fund-Program/Job-Creation>
    - <https://marketmt.com/Programs/Business-Assistance/Primary-Sector-Workforce-Training-Grant/>



## Grants

- **Environmental Assessment**
  - Brownfields **Region VIII Map**:
    - <https://www.epa.gov/brownfields/brownfields-and-land-revitalization-region-8>
  - Brownfield award search database, sortable by state and award year.
    - <https://java.epa.gov/acrespub/gfs/>
- **Indian Country**
  - Indian Equity Fund (MT Dept. of Commerce)
    - <https://marketmt.com/Programs/Business-Assistance/Indian-Country-Programs/Indian-Country-Economic-Development-Program/Indian-Equity-Fund-Small-Business-Grant>
- **Export Assistance** (MT Dept of Commerce) aka Export Montana
  - <https://marketmt.com/Programs/Business-Assistance/Export-Montana/Grants-for-Exporters>
- **Import Assistance**
  - Montana World Trade Center, <https://www.mwtc.org/>





## Grants

- **Technology Innovation,**
  - SBIR/STTR, <https://marketmt.com/Programs/Business-Assistance/Montana-SBIR-STTR-Matching-Funds-Program/>
  - iCorps Customer Discovery Program, <https://www.umt.edu/launchpad/events-programs/icorps/default.php>
- **Planning,** Big Sky Trust Fund, <https://marketmt.com/Programs/Business-Assistance/Big-Sky-Economic-Development-Trust-Fund-Program/Planning>
- **Women-Owned Business Grants,** <https://www.prosperamt.org/womens-business-center/business-tools>
  - Prospera Impact Grant, <https://www.prosperamt.org/womens-business-center/impact-grant>
- **Veteran-Owned Business Assistance,** <http://www.vbocregion8.com/>
- **USDA Rural Business Development Grants,** <https://www.rd.usda.gov/programs-services/business-programs/rural-business-development-grants>
- **Grants aggregators:**
  - Montana Grants and Loans, <https://funding.mt.gov/index.do>
  - Federal Grants, <https://www.grants.gov/>



## Video Resources

- Kauffman Sketchbook - "Money Game", <https://www.youtube.com/watch?v=U470xXKfDyE>

Leveraging Public Fund for Business, Brigitta Miranda-Freer, Montana World Trade Center

- [STEP and Made in MT Presentation Video](#)
- [SBA and EXIM Presentation Video](#)
- [TIFs, TEDDs, URDs Presentation Video](#)
- [MOFI Presentation Video](#)
- [Missoula Job Service Presentation Video](#)
- [SBIR and STTR Presentation Video](#)
- [Big Sky Trust Fund and Workforce Training Grant Programs Presentation Video](#)
- [MBOI Programs Presentation Video](#)
- [Value Added Ag Programs Presentation Video](#)



## Help Available

- **SBA Resource Partners:** SBDC – Women’s Business Centers – Veterans Business Outreach Centers
  - <https://www.sba.gov/local-assistance>
  - <https://sbdc.mt.gov/>
- **USDA Rural Development** offices, <https://www.rd.usda.gov/mt>
- University-based business technical assistance programs
- Montana **Manufacturing** Extension Center, <https://www.montana.edu/mmec/>
- Montana Innovation Program, <https://montanainnovationpartnership.org/>
- Accelerate Montana, <http://acceleratemontana.umt.edu/>
- MSU-Extension, <https://www.msuextension.org/>
- State-based business technical assistance programs
- Montana Works/ Montana Job Service, <https://montanaworks.gov/>



## Help Available

- Local **Economic Development Organizations**,
  - <https://www.medamembers.org/>
- Local **Chambers of Commerce**,
  - <https://www.montanachamber.com/>
- **Certified Regional Development Corporations (CRDCs)** in your region:
  - <https://marketmt.com/Programs/Business-Assistance/Certified-Regional-Development-Corporations/>
- Local **Port Authorities** in your region, look up by county



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## Success Story Examples

- Auto shop - SBA 504, Brownfields, Owner Equity from home refi
- Healthcare - Indian Equity Fund, Collateral
- Plumbing contractor - Veteran – 7(a) fee waived or reduced, PTAC government contracts
- Skincare product manufacturer – Windrift Hill - Women's grants – Prospera Impact Grant, MMEC for scaling and expanding (building + staff)
- Retail home items – SBA 7(a), Bank financing, Friends and family financing
- Fitness – Own savings with financial workbook template review





**Questions?**

***Thank you!!***



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