

**Annual Report to the Minnesota Legislature**

09 - 0358

**Minnesota Technology Incorporated  
(former name of Enterprise Minnesota)  
Growth Acceleration Program  
Minnesota Statutes 116O.115**

**Period Ending December, 2008  
Minnesota Department of Employment and Economic Development**

The Minnesota Legislature, during the 2007 Session, adopted legislation and appropriated \$750,000 to the Department of Employment and Economic Development (DEED) to be used as a grant to Minnesota Technology Inc. (Since that award, Minnesota Technology has officially changed their name to Enterprise Minnesota, as they will henceforth be described in this report.) Enterprise Minnesota is a non-profit organization, based in Minneapolis, serving all of Minnesota.

In October, 2007, DEED entered into a grant agreement with Enterprise Minnesota to establish and operate a small business Growth Acceleration Program (GAP). Under the authority of Minnesota Statutes 116O.115, the GAP was established to provide direct matching funds totaling \$750,000, to help small manufacturing companies that need assistance to stay in business, grow and compete. Funds are used to deliver Enterprise Minnesota's services to these companies.

Growth Acceleration Program funds are targeted to assist qualified firms with:

- A. Bridging the gap between standard market pricing for technology and business improvements, and the amount qualified companies can afford to pay;
- B. Help qualified companies including manufacturing and related industries that employ up to 100 full-time workers;
- C. Award funds not to exceed 50% of project costs or \$25,000 for any project or \$50,000 for any company during the calendar year.
- D. Aid eligible firms to foster technology improvements, increase job creation and job potential, and contribute to the quality of life of citizens and communities throughout Minnesota.

Through December, the end of the required annual reporting period for the Growth Acceleration Program, Enterprise Minnesota has:

- Disbursed \$288,284, and matched that with an equal amount of funds provided the assisted companies.
- MTI/Enterprise Minnesota has approved total projects with clients for the full \$750,000, which represents 52 businesses.
- As of December, 46 of the GAP participants have worked on or completed some portion of their improvement plans.

- Enterprise Minnesota estimates a return of \$15 for every \$1 invested in the program. Estimates are based on similar services and similar companies surveyed by an independent third party. In 2008, 106 companies saved by Enterprise Minnesota responded attributing increased sales, cost reductions, investments, and jobs created or retained totaling nearly \$35 million.
- Some examples of consulting services delivered by Enterprise Minnesota to GAP Clients include: Value Stream Mapping, Lean Enterprise Programming, Business Management-Financial Analysis and Budgeting, Workplace Organization, Business Management Services, Corporate Strategic Planning, Business Process Review, Strategic Planning-Situation Analysis, and Operational Excellence.
- A final report on the results of the Growth Acceleration Program will be provided to the Legislature following the completion of the grant period, which runs through June 30, 2011. That report will include an estimate of the financial impact of funds awarded to each company receiving service under the program, as prescribed by M.S. 116O.115, subd. 6.

DEED Contact:

Gerry Wenner  
Office of Entrepreneurship and  
Small Business Development  
(651) 259-7421  
[Gerry.Wenner@state.mn.us](mailto:Gerry.Wenner@state.mn.us)