



Enterprise Minnesota Small Business Growth Acceleration Program

Period Ending December 2014

Report to the Legislature
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AN EQUAL OPPORTUNITY EMPLOYER AND SERVICE PROVIDER

Enterprise Minnesota is a state-wide non-profit business development organization, based in Minneapolis. It is one of 60 federal Manufacturing Extension Partnership organizations nationwide providing consulting services to help medium size and smaller manufacturers compete and grow.

The Minnesota Legislature provided funding to the Department of Employment and Economic Development (DEED) for pass-through grants to Enterprise Minnesota to establish and operate a small business Growth Acceleration Program (GAP).

- \$250,000 per year was appropriated during the 2009 session for SFY2010-2011
- \$250,000 per year was appropriated during the 2011 session for SFY2012-2013
- \$375,000 per year was appropriated during the 2013 session for SFY2014-2015

Enterprise Minnesota's Growth Acceleration Program assists qualified businesses with the following activities:

- Bridging the gap between standard market pricing for technology business improvements, and the amount qualified companies can afford to pay,
- Helping qualified manufacturers and companies in related industries that employ up to 250 full-time workers,
- Aiding eligible firms to foster business improvements, increase job creation and job potential, and contribute to the quality of life of citizens and communities throughout Minnesota.

Enterprise Minnesota provides the following consulting services to GAP Clients: 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 operation excellence, marketing and innovation management, and ISO (Quality) Certification.

Awarded funds were not to exceed 75% of project costs or \$25,000 for any project or \$50,000 for any company during the calendar year.

Funds awarded under the Growth Acceleration Program

- Enterprise Minnesota disbursed \$360,354 to 72 companies receiving GAP funding
 - \$1,305 from FY11 programs
 - \$15,815 from FY12 programs
 - \$44,345 from FY13 programs
 - \$298,889 from FY14 programs.
- This leveraged \$644,100 in matching funds from the assisted companies.
- Ongoing projects funded from the FY14 – FY15 programs: 41 projects representing \$388,419. These funds will be disbursed to approved GAP projects through the remainder of FY15.

Financial impact of the funds awarded to each company receiving service under the program

- Generated an estimated return of \$20 to \$30 for every \$1 invested in the program.
- According to an independent survey, this was attributed to increased sales, cost reductions, investments, and jobs created or retained totaling \$243 million.