



Department of Employment and Economic Development

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Enterprise Minnesota

Small Business Growth Acceleration Program

Period Ending December 2015

Report to the Legislature

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Author Gerry Wenner
Minnesota Department of Employment and Economic Development

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Business and Community Development Division

1st National Bank Building ■ 332 Minnesota Street, Suite E200 ■ Saint Paul, MN 55101-1351 USA ■ www.mn.gov/deed

Toll Free: 800-657-3858 ■ Phone: 651-259-7114 ■ Fax: 651-296-5287 ■ TTY: 651-296-3900

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 small to medium sized 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). During the 2013 Legislative Session \$375,000 per year (SF2014-2015) has been appropriated for the GAP Program.

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

- A. Bridging the gap between standard market pricing for technology business improvements, and the amount qualified companies can afford to pay.
- B. Helping qualified manufacturers and companies in related industries that employ up to 250 full-time workers.
- C. 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.

Funds awarded under the Growth Acceleration Program

- A. Enterprise Minnesota disbursed \$320,335 during 2015 to 56 businesses and matched it with \$706,627 provided by the companies assisted. Pending submissions represent an additional \$68,085 in disbursements and \$141,100 in match funding with an additional 22 companies.
- B. Awarded funds were not to exceed 75% of the project costs or \$25,000 for any project or \$50,000 for any company during a calendar year.

Financial and economic effect of the funds awarded to companies receiving services through the Growth Acceleration Program

- A. Generated an estimated Return of Investment (ROI) of \$20 to \$30 for every \$1 invested in the program.
- B. According to an independent nationally recognized survey of comparative services, the aggregate ROI was attributed to increases company sales, cost reductions, investments, and jobs created or retained totaling \$211,000,000.