



News Release

PRESS OFFICE

Release Date: January 24, 2011
Release Number: 11-07

Contact: Cecelia Taylor (202) 401-3059
Internet Address: <http://www.sba.gov/news>

SBA Announces Grants to SBDCs to Support Job Creation Programs

WASHINGTON – The first six of a series of grants to Small Business Development Centers around the country to expand access to programs to help entrepreneurs start or grow their businesses and create jobs were announced today by Deputy Administrator Marie Johns of the U.S. Small Business Administration. These first six grants are part of \$50 million in funding included in the Small Business Jobs Act of 2010 signed by the President last September.

A key provision of the Jobs Act provides separate one-time funding to the SBDCs to support job creation and retention within the small business community through in-depth business counseling and advising entrepreneurs and small business owners. SBDCs in Alaska, California (Northeastern SBDC program), Idaho, Iowa, Michigan, and South Carolina are the first to receive funding grants from the Jobs Act to expand training and business advisory services.

“The Small Business Jobs Act is the most consequential piece of legislation affecting small businesses enacted in more than a decade,” Johns said. “It provided an array of tools to help small businesses continue to drive economic growth and create jobs, including these grants to expand access to SBDCs around the country which provide valuable business counseling and technical assistance. Whether you’re an entrepreneur working on a business plan to start your own business, or a small business owner who’s looking to take your firm to the next level and add more employees, SBDC counselors are in a position to help.”

The head of Michigan’s program, Carol Lopucki, said the grant will be a big help to that state’s Small Business and Technology Development Center and the small businesses it serves. “This Jobs Act award will allow us to bring onboard nine finance and strategy specialists to work directly with existing companies,” she said. “We are off and running. The hiring documents started spinning the moment this hit the ground.”

Funding is allocated to each SBDC under a statutory funding formula based on state population. Additional awards to remaining SBDCs will be issued throughout the coming weeks.

The Jobs Act grants will help to cover SBDCs’ costs of aiding small businesses seeking capital and credit, federal procurement opportunities, energy efficiency audits to reduce energy bills,

opportunities to export products or services to foreign customers, invest in broadband technologies, and other assistance.

The one-time-only individual funding amounts to be received by each SBDC, and the intended uses of the grant funding are as follows:

Alaska - \$325,000 grant to the Alaska Small Business Development Center will allow it to:

- expand services and training to the most rural areas of Alaska including one-on-one counseling, workshops on selected business management topics, and distance learning classrooms to reach a greater number of people;
- hire one full-time and one part-time business adviser; and
- purchase classroom materials to reduce costs to attendees.

California - \$616,586 grant to the Northeastern California Small Business Development Center will allow it to:

- partner with the University of Southern California Technology Transfer Center and federal Trade Adjustment Assistance (TAA) programs to help small businesses negatively impacted by foreign trade practices to develop new export markets;
- offer SBIR and commercialization assistance to technology firms in partnership with California's regional innovation Hub program (iHUB) and SBA's Federal and State Technology Partnership Program (FAST);
- add counseling expertise to assist second stage companies increase business growth;
- add business advisers to rural service centers to reach underserved clients;
- support a new virtual microbusiness incubator in rural San Joaquin Valley; and
- increase small business participation in federal, state and local government procurement, with emphasis on regional opportunity for U.S. Forest Service contracting.

Idaho - \$325,000 grant to the Idaho Small Business Development Center grant will allow it to:

- focus on job creation with special emphasis on businesses that can create jobs now;
- help the Idaho Department of Commerce to provide assistance to SBIR winners in the commercialization of their products;
- involve college and university students in providing assistance to entrepreneurs so that the small business community is helped while students learn "real world" business issues – the first step in developing an entrepreneurial vision for college and university graduates;
- add business advisory capacity to help companies pursuing international trade to expand their market; and
- continue to support four of the six centers co-located with incubators in the state.

Iowa - \$325,000 grant to the Iowa Small Business Development Center will allow it to:

- establish an Office of International Trade in Des Moines to serve clients throughout the state by supporting exporters and export-ready businesses;
- expand specialized counseling for technology commercialization at two host research institutions; and
- hire a marketing expert to provide services to the Iowa Lead Center, the newly created Office of International Trade, and the broader network, alleviating the burden from the current SBDC regional directors and allowing them to increase direct client services.

Michigan - \$1,622,560 grant to the Michigan Small Business and Technology Development Center will allow it to:

- hire nine new finance and strategy specialists to work with the existing Manufacturing Assistant Team (MAT) and the Growth Group Team (G2) to provide no-cost counseling services to Michigan manufacturers and other industries;
- help small manufacturers diversify into new industries and reduce their automotive reliance;

- double the work force of high-level assistance throughout the state, and focus on small businesses in the growth phase, in strategic alignment with the state of Michigan's initiatives.

South Carolina - \$655,055 grant to the South Carolina Small Business Development Center will allow it to:

- hire a full-time dedicated business adviser to provide tailored assistance to small business manufacturers;
- expand veterans and military outreach activities focused on increasing awareness of the services available through the SBDC to veterans and current military personnel throughout the state;
- expand business advisement resources to meet increased demand;
- extend outreach in key markets;
- increase support to companies seeking to do business with the government; and
- increase international trade efforts.

The grants are a one-time funding intended to meet the critical need for business expansion and job creation, and are not intended to replace the core funding or the matching funds that the SBDCs require to sustain the program annually.

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