

**NEBRASKA ECONOMIC GARDENING PROGRAM**

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## **PROGRAM SUMMARY**

The purpose of the Nebraska Economic Gardening Program (NEGP) authorized by the Small Business Innovation Act (SBIA) is to provide technical assistance which may include information tools, state and national demographic trends, competitive intelligence, marketing lists, strategy, analysis, capital referrals and labor analysis etc, for up to 40 Nebraska-based growth businesses - one half of which are located in counties with population of less than fifty thousand people. The program terminates December 31, 2013.

The Nebraska Small Business Innovation Act establishes a financial assistance program to provide technical assistance to eligible high-growth businesses. The total available from the NEGP is \$400,000 (\$200,000 each for fiscal years 2011-2012 and 2012-2013).

## **OBJECTIVES**

1. Support and stimulate high-growth businesses through technical assistance
2. Stimulate development of high-wage, high-growth industries
3. Stimulate development of high-wage, high-growth industries in rural areas
4. Promote entrepreneurship
5. Provide an entrepreneurial eco-system to stimulate business and job growth
6. Stimulate innovation

## **ELIGIBLE APPLICANTS**

Eligible applicants are (1) businesses that are Nebraska-based growth businesses [“eligible businesses”] and (2) Nebraska service providers and non-profits that provide technical assistance to Nebraska-based growth businesses [“eligible technical assistance providers”].

Eligible businesses are Nebraska-based growth businesses defined as high growth, early-stage companies that are developing and commercializing a technology product, process or service. The eligible business must employ no fewer than five employees and no more than fifty employees. In the applicant’s most recent complete fiscal year prior to application, the eligible business’s annual sales revenue must not be less than \$500,000.00 (five hundred thousand dollars) and must not exceed \$2,500,000.00 (two million five hundred thousand dollars). The eligible business must employ or use the services of an eligible Nebraska service provider or Nebraska non-profit.

Eligible technical assistance providers are Nebraska service providers and Nebraska non-profits that provide technical assistance to eligible businesses in some or all of the following areas: marketing analysis, industry trends, industry financial data, state and national demographic trends, competitive intelligence, marketing lists, strategy analysis, human capital and talent analysis, capital referrals, finance and fund raising. Eligible technical assistance providers may apply on behalf of eligible businesses for the purposes of providing technical assistance as described in this section.

## **AMOUNT OF FUNDING AVAILABLE, GRANT LIMITATIONS & MATCHING REQUIREMENTS**

Funds may be used to support the costs of an eligible technical assistance provider to assist eligible businesses with marketing analysis, industry trends, industry financial data, state and national demographic trends, competitive intelligence, product development, marketing lists, market and product strategy analysis, human capital and talent analysis, capital referrals, finance and fund raising.

Grants up to \$10,000 per eligible business are available for technical assistance as defined above. As a guideline, the applicant must provide matching funds equal to at least 20% of the NEGP awarded. Matching funds must be from non-state sources and may include applicant funds, federal funds not received from the State of Nebraska, local government sources, quasi-governmental entities or commercial lending institutions. As a guideline, funds must be spent within 8 months of the contract beginning date or June 30, 2013, whichever is sooner.

Any single eligible business may not receive more than \$10,000 per fiscal year in technical assistance supported by NEGP grants.

Any single eligible technical assistance provider may not receive more than \$100,000 per fiscal year as a direct recipient of NEGP grants.

## **PROJECT SELECTION CRITERIA**

For each application submitted, DED will perform an independent review. Each evaluation will be based upon the following criteria:

- Eligible business characteristics – financials, number of employees, products, services, markets
- Eligible technical assistance provider characteristics – business services provided, experience, partial client listing, references from growth-businesses assisted.
- Technical proposal – detailed services and research plan. Time-line for work and implementation of recommendations

The Department of Economic Development (DED) will focus on providing support to eligible businesses that, due to the technical assistance as the proposed NEGP project, are likely to:

- Increased sales
- Lead to new investment
- Expansion of employment
- Support innovation that results in a new product/service development
- Produce other measurable results such as appropriate restructuring of the business plan, restructuring of the business model based on growth analysis, altering production line and other results deemed appropriate by DED.

## **APPLICATION TIMING AND PROCESS**

Letters of interest from eligible applicants including a project budget (sources and uses) and narrative addressing the selection criteria will be accepted on an ongoing basis beginning October 15, 2011 until all funds are awarded. Fiscal year 2012-13 funds (\$200,000) will be awarded after July 1, 2012.

All applications will be reviewed by DED staff, with final approval given by the Department Director. Applicants will be notified of notice of selection, pending status or non-selection within 45 days of receipt of the application. DED may hold applications in pending status, as needed, to ensure geographic distribution of the NEGP in accordance with the Small Business Innovation Act which requires at least one-half of the eligible businesses that are assisted to be located in counties with a population of 50,000 or less.

## **DED CONTACT PERSON**

For clarifications on the Nebraska Economic Gardening Program, please direct inquiries to:

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