



Indiana Small Business Development Center (SBDC)

An Overview + Agribusiness Initiative

Presented by:

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Visit www.isbdc.org to contact your nearest Indiana SBDC office.

Agenda

- ❑ **Indiana SBDC Overview**
- ❑ **Agribusiness Initiative Overview**
- ❑ **Programs & Grants**
- ❑ **Access to Capital**
- ❑ **Southwest Business Events Calendar**
- ❑ **Q&A**



Indiana SBDC Services

- ❑ No cost business advising and training
- ❑ Technical Assistance across the business lifecycle
- ❑ Specialized programs like the Agribusiness Initiative



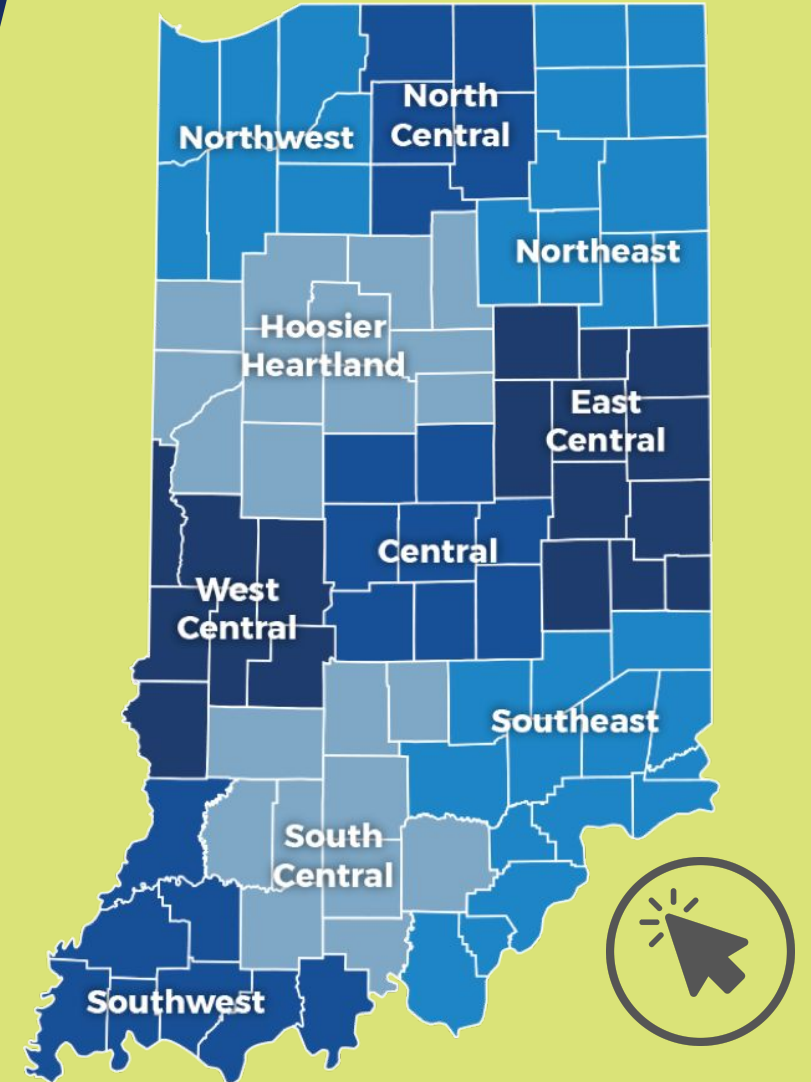
Since 1985, we've helped over

50,000

entrepreneurs and
small businesses.

Indiana SBDC Locations

- ❑ Indiana SBDC is SBA and state sponsored
- ❑ Regions are “hosted” by Ball State, Butler, Ivy Tech, ISU, Purdue and the Evansville Regional Economic Partnership (E-REP)
- ❑ <https://isbdc.org/locations/>



Business Planning Technical Assistance

- ❑ Planning
 - ❑ Business
 - ❑ Strategic
 - ❑ Succession
- ❑ Financial Projections
- ❑ Loan Packaging
- ❑ Valuations
- ❑ Disaster Preparation and Recovery

(plus many other areas)



General Business Technical Assistance

- ❑ Management
- ❑ Market Research
- ❑ Marketing
- ❑ Human Resources
- ❑ Process Improvement
- ❑ Risk Management
- ❑ Product Development
- ❑ Technology/Innovation
- ❑ Pitch Preparation

(plus many other areas)



Get Connected!

- ❑ Indiana SBDC is a network of 100+ experts in various areas of business
- ❑ Many close partners (like Purdue, Chambers, Economic Development, etc.)
- ❑ Indiana SBDC can be a conduit to local, regional, statewide, national and even global contacts!



Agribusiness Initiative

- ❑ Partnership among Purdue Center for Regional Development (PCRD), Purdue Extension, the Indiana State Department of Agriculture (ISDA), and Indiana SBDC

PURDUE
UNIVERSITY

INDIANA
STATE DEPARTMENT OF
AGRICULTURE



Indiana
SMALL BUSINESS
DEVELOPMENT CENTER

Agribusiness Initiative Team

- ❑ Monty Henderson, Director
- ❑ Bob Warner, Business Advisor (full time)
- ❑ Ruth Johnson, Admin
- ❑ Purdue Extension Educators (10)
- ❑ ISDA (3)
 - ❑ Economic Development
 - ❑ International Trade



Ag Specific Technical Assistance

- Pork
- Beef
- Dairy
- Poultry & Eggs
- Aqua
- Grain
- Horticulture
- Honey
- Small Farms
- Agritourism
- Ag Tech
- Commodities /
Marketing
- Forestry

(plus many other areas)



Ag Specific Programs to Note

- ❑ PCRD Meat Packers Assistance
 - ❑ Paid contracted consultant
- ❑ ISDA
 - ❑ MPILP - Loan for Meat & Poultry
 - ❑ RFSI - Grant for Food Systems
 - ❑ SCBG - Specialty Crop Block Grant
- ❑ USDA
 - ❑ Numerous - need to research!
 - ❑ Competitive!



General Business Grants to Note

- ❑ FHLBank Indianapolis Elevate
- ❑ Next Level Jobs - Employer Training Grant
- ❑ Indiana State Trade Export Promotion Program (IN-STEP)
- ❑ ARI Innovation Voucher
- ❑ Manufacturing Readiness Grants*
- ❑ Indiana Technical Assistance Program (INTAP)*

*Not active but likely will be again.



General/Other Programs to Note

- ❑ [Cybersecurity Resources](#)
- ❑ [Manufacturing Initiative](#)
- ❑ [Export Indiana Accelerator Program \(EIAP\)](#)
- ❑ [Entrepreneurship Indiana Yearbook](#)
[\(nomination link\)](#)
- ❑ [Community Collaboration Fund*](#)

*Not active but likely will be again.



Access to Capital Overview

- ❑ Misconceptions
- ❑ Sources of Capital
- ❑ Typical Path
- ❑ What Lenders Look For



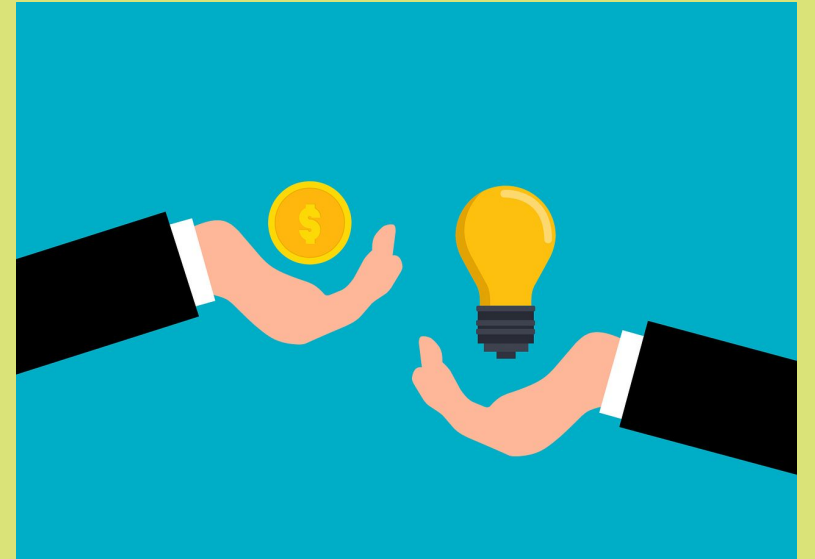
Clearing Up Misconceptions

- ❑ SBDC is not a lender
- ❑ Small Business Administration does not lend money (only in response to disaster)
- ❑ Typically no grants to start a business
- ❑ “No” from a lender isn’t forever



Sources of Capital (some of them)

- ❑ Personal Funds
- ❑ Friends/Family
- ❑ Banks/Credit Unions
- ❑ Community Revolving Loan Funds
- ❑ Community Development Financial Institutions (CDFIs)

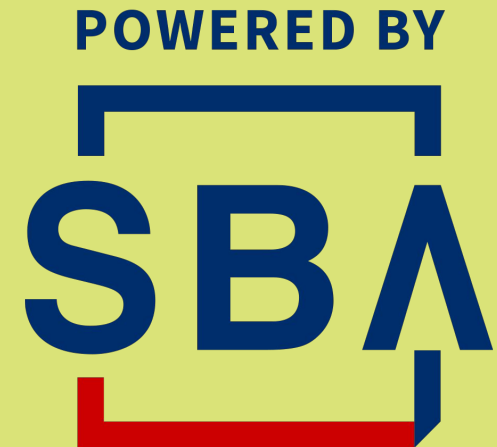


Typical Path

- ❑ Start where you already bank

If needed:

- ❑ Shop other banks/credit unions (use Lender Match to cast a wide net - use a different email address if you do!)
- ❑ Seek alternate options (discussed next)



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Community Revolving Loan Funds

Generally:

- ❑ Specific to communities that have them
- ❑ Geared towards those that need it
- ❑ Limited to the funds paid back
- ❑ Can be more flexible

Southwest Indiana Community Loan Funds

- [Cannelton](#)
- [Evansville](#)
 - ◆ Apply via [Southwest Indiana SBDC](#)
- Princeton
- [Tell City](#)
- Vincennes



*Confirm with each community on the status of their loan fund.

Community Development Financial Institutions (CDFIs)

Generally:

- ❑ Non-profit, mission-based lenders
- ❑ Sometimes called “microlenders”
- ❑ Serve as a bridge to bank lending
- ❑ Can be more flexible

CDFI Friendly

Evansville
Region



[CDFI Friendly Evansville Region](#)
connects businesses to CDFI
financing. Similar to Lender Match,
they can connect you with CDFIs that
match your needs.

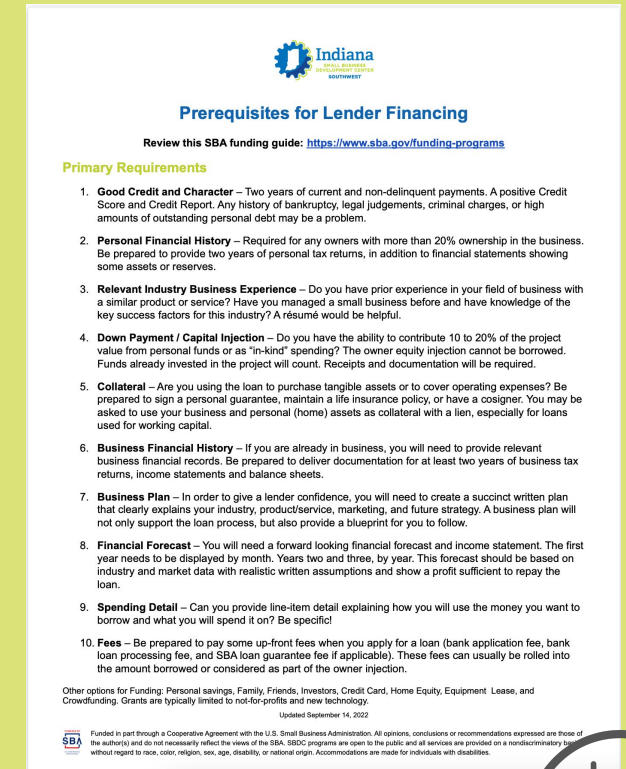
More Lending Options


- ❑ University of Evansville Microloan
- ❑ Elevate Ventures



What Lenders Look For

- ❑ See “Prerequisites for Lender Financing”
- ❑ Each lender is different and may look at the requirements differently



 Indiana
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Prerequisites for Lender Financing


Review this SBA funding guide: <https://www.sba.gov/funding-programs>

Primary Requirements

- 1. Good Credit and Character** – Two years of current and non-delinquent payments. A positive Credit Score and Credit Report. Any history of bankruptcy, legal judgements, criminal charges, or high amounts of outstanding personal debt may be a problem.
- 2. Personal Financial History** – Required for any owners with more than 20% ownership in the business. Be prepared to provide two years of personal tax returns, in addition to financial statements showing some assets or reserves.
- 3. Relevant Industry Business Experience** – Do you have prior experience in your field of business with a similar product or service? Have you managed a small business before and have knowledge of the key success factors for this industry? A résumé would be helpful.
- 4. Down Payment / Capital Injection** – Do you have the ability to contribute 10 to 20% of the project value from personal funds or as “in-kind” spending? The owner equity injection cannot be borrowed. Funds already invested in the project will count. Receipts and documentation will be required.
- 5. Collateral** – Are you using the loan to purchase tangible assets or to cover operating expenses? Be prepared to sign a personal guarantee, maintain a life insurance policy, or have a cosigner. You may be asked to use your business and personal (home) assets as collateral with a lien, especially for loans used for working capital.
- 6. Business Financial History** – If you are already in business, you will need to provide relevant business financial records. Be prepared to deliver documentation for at least two years of business tax returns, income statements and balance sheets.
- 7. Business Plan** – In order to give a lender confidence, you will need to create a succinct written plan that clearly explains your industry, product/service, marketing, and future strategy. A business plan will not only support the loan process, but also provide a blueprint for you to follow.
- 8. Financial Forecast** – You will need a forward looking financial forecast and income statement. The first year needs to be displayed by month. Years two and three, by year. This forecast should be based on industry and market data with realistic written assumptions and show a profit sufficient to repay the loan.
- 9. Spending Detail** – Can you provide line-item detail explaining how you will use the money you want to borrow and what you will spend it on? Be specific!
- 10. Fees** – Be prepared to pay some up-front fees when you apply for a loan (bank application fee, bank loan processing fee, and SBA loan guarantee fee if applicable). These fees can usually be rolled into the amount borrowed or considered as part of the owner injection.

Other options for Funding: Personal savings, Family, Friends, Investors, Credit Card, Home Equity, Equipment Lease, and Crowdfunding. Grants are typically limited to not-for-profits and new technology.

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Southwest Business Events Calendar

- ❑ See [E-REP Events Calendar](#) for business-oriented events across Southwest Indiana. Many are free or low cost.
- ❑ [Sign up for email alerts](#) for a weekly digest.



Wrap Up

- ❑ Q&A
- ❑ Complete survey
- ❑ Visit www.isbdc.org to connect with a business advisor (including Agribusiness) and see statewide training options





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