



## THE TRUTH ABOUT SMALL BUSINESS GRANTS

By Andrea Zeller

“Where can I find a small business grant?” This is one of the most frequent asked questions of small business owners. While there are some small business grants, one needs to be fully educated and have the correct attributes to successfully access them.

You know nothing in life is free! Grants are no different, easy money is rare. Be very careful about paying to get information about free grants, there are many invalid myths floating about. Do your due diligence before pursuing any offer.

Most grants are limited to tax-exempt organizations only. The U. S. Small Business Administration, for example, has many small business grant programs. Mission Community Services Corporation (MCSC) received a five year grant in 2006 to host a Women’s Business Center in Central California. We are a tax-exempt organization and had to submit a very thorough grant proposal into a very competitive national arena in order to win this grant.

Grants are usually small amounts, say \$1,000 or \$5,000, and are offered by a wide variety of Corporations to garner publicity as a marketing approach for themselves. Avon, for example, gave away \$5,000 a week for a year since April of 2007. See <http://shop.avon.com/HelloTomorrowFund/>. These types of grants are typically national in scope and HIGHLY competitive. You must ask yourself if it is really worth the time and effort that it takes to compose a competitive application that can rise above thousands of other applicants. \$1,000 doesn’t go very far in a small business and there are easier sources of cash for you to tap into.

Business Plan competitions are another possibility. Business Schools, colleges and universities will often hold business plan competitions in their community. There are usually geographic limitations on who can apply and sometimes can be focused on scientific innovations. For a listing of current business plan competitions, see <http://www.smallbusinessnotes.com/planning/competitions.html>.

Some state, county and local governments offer “incentives” for small businesses to encourage economic development in specific communities, especially where there are “enterprise zones.” The ticket to access these grants is to provide high paying jobs in the community. California programs are detailed at <http://www.labor.ca.gov/calBIS/>.

Other grant sources include the federal government Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) grants. SBIR and STTR grants are typically scientific technology focused and are very competitive. Accessing these types of grants takes a great deal of preparation, submittal of a very detailed comprehensive scientific based proposal through multiple phases and committing to a government contract involving bureaucratic oversight and huge operational burdens to your business. But they can be very good sources of money for great technology based businesses. A free guide to these grants may be found at [www.LARTA.org](http://www.LARTA.org).

MCSC can help you evaluate and plan for your business’ capital needs. If you’d like advice on pursuing any small business grants, give us a call today! Save yourself time and money - your tax dollars pay for

our services. We are happy to give you a free consultation and help you with decisions about seeking grants. Call us today.

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*Andrea Zeller, Executive Director of Mission Community Services, coordinates Women's Business Partners (WBP) to ensure all community resources are leveraged and optimized to support entrepreneurial women. WBP serves everyone interested in establishing self-sufficiency through small business ownership. WBP can take you step by step towards success and can help those who speak only Spanish. Visit [www.MCSCorp.org](http://www.MCSCorp.org) or call 595-1357 to find out more.*