



Empowering Veteran Entrepreneurship

Eligibility



Transitioning or active duty service member



Veteran of any era



National Guard or Reserve member



Military Spouse



VBOCs are a one-stop shop for transition assistance, training, counseling, and resource connections.

Find your nearest VBOC at sba.gov/vboc.

Find Help

For B2B, B2BR, and Pathway to Business visit sba.my.site.com.

For other resources, visit sba.gov/local-assistance; or sba.gov/ovbd to learn more.

The U.S. Small Business Administration empowers veterans, service members, National Guard and Reserve members, military spouses, and family members with programs and services to start, grow and expand their small business.

Starting & Growing Your Business

Receive management expertise through free counseling, training, and entrepreneurial education.

★ Boots to Business (B2B)

Offered on military installations worldwide, service members and military spouses can learn business ownership fundamentals, analyze the feasibility of a business idea, and tap into SBA services.

★ Boots to Business Reboot (B2BR)

Delivers the Boots to Business curriculum to veterans of any era, National Guard and Reserve members, and military spouses in their local communities.

★ Military Spouse Pathway to Business

An in-person or virtual course tailored to military spouses interested in business ownership. Learn about the fundamentals of entrepreneurship and SBA resources available for starting your business.

★ Women Veteran Entrepreneurship Training Program (WVETP)

A network of SBA partners deliver small business development support to women service members, veterans, and military spouses. Programs are offered in a variety of formats – from online workshops to hands-on mentorship.

★ Service-Disabled Veteran Entrepreneurship Training Program (SDVETP)

Receive entrepreneurial training and learn about the tools and resources available specifically for service-disabled veteran-owned small businesses (SDVOSBs).

Pursue federal procurement opportunities and technical assistance.

★ Veteran Federal Procurement Entrepreneurship Training Program (VFPETP)

Learn how to best position a veteran-owned business to win and retain government contracts through federal procurement training.

Funding Your Business

Gain access to capital at any stage of business through various SBA-backed loan programs.

★ 7(a) Loan Program

Small business loans up to \$5 million for facilities, equipment, inventory, and working capital.

★ 504 Certified Development Company Loan Program

Long-term loans up to \$5 million for real estate and large equipment.

★ Community Advantage Loan Program

Loans up to \$350,000 for business personal property and working capital.

★ Microloan Program

Loans up to \$50,000 for working capital.

★ Military Reservist Economic Injury Disaster Loan Program

Loans up to \$2 million for working capital if a National Guard or Reserve small business owner or essential employee is called-up to active duty.

Serving the next generation of veteran small business owners.

All SBA programs and services are extended to the public on a nondiscriminatory basis.

JULY 2023



VET★FRAN®

A STRATEGIC INITIATIVE OF THE
INTERNATIONAL FRANCHISE ASSOCIATION

★ SINCE 1991 ★



FOUNDATION

INTERNATIONAL FRANCHISE ASSOCIATION EDUCATION. RESEARCH. IMPACT.

www.vetfran.com

VetFran: A Force Multiplier for Veteran Entrepreneurship and Job Creation

Since 1991, the franchise sector has been a leader in attracting veterans and making substantial financial commitments to them through the VetFran Program of the International Franchise Association Foundation. Comprising over 600 companies that both offer discounts to veterans on the purchase of a franchise and meet meaningful quality criteria, the program has created opportunities, facilitated access and educated veterans about franchising around the nation. In 2018 and beyond, VetFran aims to leverage national partnerships and veteran franchisees to reach veterans in all 50 states.

Franchising Needs Veterans

14%

of franchisees are veterans

30%

Veteran franchisees are nearly 30% more likely to hire veteran employees

\$139 BILLION

In 2014, there were 66,275 veteran owned franchises generating \$139.3 billion in sales

203,890

veterans hired by the franchise sector between 2011-2014

27 Years of Making a Difference

- VetFran is an established and credible non-profit initiative, and its membership of 600+ companies offering discounts of at least 10% (and in some cases 100%) to veterans continues to grow at about 10% a year.

See our members at www.franchise.org/vetfran-directory.

- VetFran is actively partnering with the SBA, the SBDC, and has in the past partnered with the White House on Operation Enduring Opportunity, which saw 5,608 veterans become franchisees and over 200,000 veterans hired by the franchise sector.
- VetFran is led by a 30+ person C-suite advisory committee and regularly works with organizations like the Chamber of Commerce, MOAA, Hiring America, Service Academies Career Conference and others.
- VetFran members accounted for 115/150 best franchises for veterans, as independently compiled by Entrepreneur Magazine in 2017.

Partnering with VetFran

Our key mission is making sure veterans know resources, opportunities and companies who value their talents are out there, and we are seeking partners who can help us amplify and deliver that message. Contact Radim Dragomaca at rdragomaca@franchise.org to learn more.

BUSINESS MODEL CANVAS

Date:

KEY PARTNERS Who are your key partners?	KEY ACTIVITIES What are the activities you perform every day to deliver your value proposition?	VALUE PROPOSITION What is the value you deliver to your customer? What is the customer need that your value proposition addresses?	CUSTOMER RELATIONSHIPS What relationship does each customer segment expect you to establish and maintain?	CUSTOMER SEGMENTS Who are your customers?
	KEY RESOURCES What are the resources you need to deliver your value proposition?		CHANNELS How do your customer segments want to be reached?	
COST STRUCTURE What are the important costs you make to deliver the value proposition?			REVENUE STREAMS How do customers reward you for the value you provide to them?	



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U.S. Small Business Administration

Government Contracting

Is it for you?



Government contracting can be a valuable tool to grow your small business, but it isn't for everyone. Complete the following readiness assessment to help you decide whether your company can successfully compete for government contracts.

1. Does the government buy the product or service that you sell?

Yes. Continue to question 2.

No. Government contracting may not be for you at this time.

Maybe. Start with your local SBA District Office. If you can't identify at least three federal agencies that might buy what you sell, contracting might not be right for you.



2. Are you capable of fulfilling a government contract (e.g., time, staffing, and materials)?

Yes. Continue to question 3.

Maybe. Your local SBA District Office can help you gauge ramp-up time and other factors that contribute to government contracting success.



3. Confirm your answer to all of the following:

- Is the majority owner(s) a U.S. citizen?
- Does your company have a place of business in the U.S.?
- Is your business organized for profit?
- Does your business generate revenue?

Yes. Continue to question 4.

No. These are requirements for participation in government contracting programs.

4. Are you credit worthy?

Yes. Continue to question 5.

No. Visit an SBA Resource Partner for tips on repairing your credit.

Maybe. Talk to an SBA Lender about how to build credit.



5. Do you have an accounting system that produces financial statements, such as profit and loss statements, balance sheets, and cash flow projections?

Yes. Continue to question 6.

No. Before you get into government contracting, make sure your accounting system is compatible with the government's requirements.



6. Do you have cash on hand to purchase working inventory, if needed?

Yes. Continue to question 7.

No. Talk to an SBA Lender about getting a line of credit or a loan to do business with the government.

7. Do you already have federal/state/local government contracting?

Yes. Continue to question 8.

No. If you don't have contracting experience, you won't reap the full benefit of opportunities like the 8(a) Business Development Program. You can only participate in the 8(a) program once in a nine-year period, so make sure it's the right time for you.



8. Do you know where to find contracting opportunities?

Yes. Continue to question 9.

No. Ask an SBA Business Opportunity Specialist for help.



9. Do you have the following:

- The NAICS codes and size standards for your industry?
- System of Award Management (SAM) registration?

Yes. Continue below.

No. This is a requirement for participation in some government contracting programs.



It sounds like you may be a good fit for government contracting!
Visit your local SBA District Office or sba.gov/contracting for more information.

HOW TO DO BUSINESS WITH THE FEDERAL GOVERNMENT

FOLLOW THESE TWO EASY STEPS TO GET ON YOUR WAY TO TAPPING INTO THE MULTIBILLION DOLLAR GOVERNMENT CONTRACTING MARKET



1. Identify your NAICS codes and size standards for your industry.

- NAICS codes are used by the government to classify business establishments according to their primary business activities for administrative, contracting, and tax purposes.
- A size standard is usually stated in number of employees or average annual receipts and represents the largest size that a business (including its subsidiaries and affiliates) may be to remain classified as a small business for SBA and federal contracting programs. SBA Size Standards use NAICS as their basis.
- Learn more about NAICS at www.census.gov/naics/ and SBA's Size Standards at sba.gov/size-standards.

2. Register in SAM and create a winning SAM profile.

- To sell your products and services to the federal government, your business must be registered in the System for Award Management (SAM).
- Your SAM profile must be updated at least once every 12 months to remain active.
- Register for SAM at sam.gov.

Learn more about doing business with the federal government by visiting your local SBA district office or SBA.gov.



U.S. Small Business Administration

SAMPLE START-UP COSTS & ONGOING EXPENSES

This document is designed as a guide only. Specific costs related to your venture will vary from industry to industry. Be careful and take your time when researching and itemizing the costs for your startup business. Be realistic. Your initial calculation may not be correct, so continue to refine your numbers, comparing your estimates with industry standards and vetted business plans from sources like *Bplans.com* and *SCORE.org*. Add a Miscellaneous line item at 10% of your total budget to cover unexpected costs like repairs and losses.

One-Time Start-Up Costs (Capitalized/Balance Sheet)

1. Legal, accounting, and other start-up professional fees
2. Purchase price, if buying a business, or down payment, if financing the business
3. State licensing or corporate registration fees
4. Local business licenses and permits
5. Insurance policies (fire, liability, E&O, vehicle)
6. Utility deposits
7. First month's rent and security deposit, if leasing
8. Leasehold improvements / decorating and remodeling
9. Office furniture, fixtures, counters, equipment & installation
10. Computer hardware and software / point of sales systems
11. Starting inventory or raw materials, machinery, tools
12. Exterior/interior signage
13. Business cards, brochures, sales materials development and printing
14. Website design, hosting and management
15. Advertising and promotion for opening
16. Miscellaneous (10% of total for whatever else is needed)
17. Initial operating cash (60-120 days, according to your business plan)

Ongoing Monthly Expenses (Profit & Loss Statement)

1. Cost of Goods Sold (COGS)
2. Inventory, raw materials, parts
3. Salaries, wages, commissions, and benefits, including health insurance
4. Payroll taxes or self-employment tax
5. Rent or mortgage
6. Equipment lease payments
7. Utilities
8. Telephone
9. Internet/cable
10. Office and copier supplies
11. Postage, shipping, packaging, delivery and transportation costs
12. Advertising including social media
13. Website hosting and maintenance
14. General business insurance
15. Business vehicle insurance
16. Property maintenance expenses
17. Interest & principal on loans and credit cards
18. Accounting, legal and other professional fees
19. Memberships (trade associations, Chamber of Commerce)
20. Miscellaneous (10% set aside for unexpected expenses)



For help developing your financial projections and business plans, contact us:

VETERANS BUSINESS OUTREACH CENTER
at Gulf Coast State College
800- 542-7232 www.vboc.org

Veterans Business Outreach Centers, Small Business Development Centers, SCORE and Women's Business Centers are your small business resources partners funded in part by the U.S Small Business Administration. *Your tax dollars at work for you!*



BUSINESS STRUCTURE COMPARISON

	Sole Proprietorship Your Name vs Fictitious Name (DBA)	Limited Liability Company (LLC)	Partnerships	S Corp	C Corp
Start Up	Easiest to start	Easy to start	Easy to start	More paperwork to start	Most complicated to start
State and Local Filing	Check your state's Fictitious Name registration requirement. Licenses with County and City of business location may be required	File & pay fee to the Secretary of State, Division of Corporations. Licenses with County and City of business location may be required	File & pay fee to the Secretary of State, Division of Corporations. Licenses with County and City of business location may be required	File & pay fee to the Secretary of State, Division of Corporations. Licenses with County and City of business location may be required	File & pay fee to the Secretary of State, Division of Corporations. Licenses with County and City of business location may be required
Control	Owner has full control	Managing member & members determine amount of control	Partners share control	Shareholders elect directors who manage business	Shareholders elect directors who manage business
Liability	Owner is personally liable for business debt	Members enjoy limited protection from personal liability	Partners enjoy limited protection from personal liability	Shareholders not typically liable - corporation is liable	Shareholders not typically liable - corporation is liable
Taxes	Owner includes income/loss on personal tax return	Members include their share of income/loss on personal tax return	Partners include their share of income/loss on personal tax return	Shareholders include their share of income/loss on personal tax return	Corporation must file and pay taxes on income as separate entity
Termination	Ends upon death of owner or owner stops doing business	Ceases if a member leaves or dies unless operating agreement provides provisions	Ends if either partner wishes to leave business unless partners elect other options	Can have a perpetual business life unless paperwork is filed to cease operations	Can have a perpetual business life unless paperwork is filed to cease operations
Transferable	No	Possibly, if outlined in operating agreement	Possibly, if partners have agreement	Yes, but subject to IRS regulations	Shares of stock easily transferable
Capital	Owner provides capital	Members provide capital	Partners provide capital	Sell stock to raise capital	Sell stock to raise capital

VBOC recommends you seek professional legal and accounting advice in selecting which form will best serve and protect your assets

Check out the Florida Veterans Business Outreach Center's BASIC TRAINING Page for Finance, Legal matters and Business Insurance

<https://vboc.org/finance-legal-insurance> and

Understanding Legal Structure: <https://www.sba.gov/business-guide/launch-your-business/choose-business-structure>



BUSINESS INSURANCE: AN INTEGRAL PART OF YOUR B.A.I.L TEAM

Finding a good insurance agent is as important as finding a good lawyer or accountant. Insurance coverage is available for every conceivable risk your business might face. You should discuss your specific business risks and the types of insurance available with your insurance agent or broker. Your agency can advise you on the exact types of insurance you should consider purchasing. Depending upon your business, your industry or trade association might have companies that specialize in your line of work. Ask your homeowner's insurance agent if they also offer commercial coverage. Cost and amount of coverage of policies vary among insurers. It definitely pays to shop around.

CONSIDER A BUSINESS OWNER'S POLICY. Insurance can be purchased separately or in a package called a business owner's policy (BOP). Typically, BOPs cover property, general liability, vehicles, business interruption and other types of coverage common to most types of businesses. BOPs simplify the insurance buying process and can save you money. However, make sure you understand the extent of coverage in any BOP you are considering. Not every type of insurance is included in a BOP. If your business has unique risks, you may require additional coverage

FIND A REPUTABLE, LICENSED AGENT. Commercial insurance brokers can help you find policies that match your business needs. Brokers receive commissions from insurance companies when they sell policies, so it's important you find a broker that is reputable and is interested in your needs as much as his own. Make sure your broker understands all the risks associated with your business. Trade and professional associations may have business-specific lines negotiated for their members.

RE-ASSESS YOUR COVERAGE ANNUALLY. As your business grows, so do your liabilities. If you have purchased or replaced equipment or expanded operations, contact your insurance broker to discuss changes in your business and how they affect your coverage. Don't be caught underinsured should disaster strike.

GENERAL LIABILITY INSURANCE

Business owners purchase general liability insurance (GLC) to cover legal hassles due to accident, injuries and claims of negligence. These policies protect you and your company against claims of bodily injury, property damage, medical expenses, libel, slander, the cost of defending lawsuits, and settlement bonds or judgments required during an appeal procedure.

PRODUCT LIABILITY INSURANCE

Companies that manufacture, wholesale, distribute, and retail a product may be liable for its safety. **Product liability insurance protects against financial loss as a result of a defect product that causes injury or bodily harm.** The amount of insurance you should purchase depends on the products you sell or manufacture. A clothing store would have far less risk than a small appliance store, for example.

PROFESSIONAL LIABILITY INSURANCE or ERROR & OMISSIONS INSURANCE (E&O)

Business owners providing services should consider having professional liability insurance, also known as errors and omissions insurance. This type of liability coverage protects your business against malpractice, errors, and negligence in provision of services to your customers. Depending on your profession, you may be required by your state government to carry such a policy. For example, physicians are required to purchase malpractice insurance as a condition of practicing in certain states. Trade associations may be a good source of industry-specific insurance providers.

COMMERCIAL PROPERTY INSURANCE

Commercial property insurance covers everything related to the loss and damage of company property due to events such as fire, smoke, wind and hail storms, water damage, civil disobedience and vandalism. The definition of "property" is broad, and may include lost income, business interruption, buildings, computers, company papers, and money.

Property insurance policies come in two basic forms: (1) **all-risk policies** covering a wide range of incidents and perils except those noted in the policy; (2) **peril-specific policies** that cover losses from only those perils listed in the policy, such as fire, flood, crime and business interruption insurance. All-risk policies generally cover risks faced by the average

small business, while peril-specific policies are usually purchased when there is high risk of peril in a certain area. Consult your insurance agent or broker about the type of business property insurance best suited for your business.

HOME-BASED BUSINESS INSURANCE

Contrary to popular belief, homeowners' insurance policies do not generally cover home-based business losses.

Depending on risks to your business, you may add riders to your homeowners' policy to cover normal business risks such as property damage and general liability. However, homeowners' policies only go so far in covering home-based businesses so you may need to purchase additional policies to cover other risks and aspects of your business.

Home-based business owners typically have two types of business insurance to consider. The policy you choose will depend on your business size and type, how often you have business visitors to your home, and your exposure to liability, among other factors:

1. **Rider to a homeowner's or renter's insurance policy:** This low-cost option typically provides **limited additional coverage**. It may offer protection for a small amount of business equipment and liability coverage if a third-party, such as a delivery person, is injured on your property, through your fault or no fault of your own. This may be a good choice for a one-person operation with limited liability exposure, a minimal amount of valuable equipment, and no or few business visitors or deliveries to the home.
2. **Business owner's policy (BOP):** This type of policy provides the most comprehensive coverage for home-based companies. It protects against unexpected business interruption, damage to business equipment or data, and malpractice or professional liability claims. Businesses that stock inventory, manufacture products, conduct business inside and outside the home or carry a high risk for professional liability may want to consider a business owner's policy.

Source: <https://www.sba.gov/business-guide/launch-your-business/get-business-insurance>

BUSINESS PLAN CHECKLIST

I. EXECUTIVE SUMMARY (written last)
<ul style="list-style-type: none">• What problems are you trying to solve or what needs your business will satisfy?• Whose problem is it? Define your customer(s). <i>Single or multiple markets? Consumer vs B2B vs government contracting?</i>• What is your service area? Where are your customers located?• Why is your concept “unique and valuable” to your intended customer?• What resources are required to succeed? <i>A specific location? Equipment? Employees? A robust website?</i>• What validates your reasons to believe you can succeed? <i>Industry and specific market research? Experience?</i>• Who are your management and operations teams? <i>What qualifications do you and your team have to contribute to its success?</i>• How much money is required to launch? <i>How will you finance it?</i>
II. BUSINESS DESCRIPTION
<ul style="list-style-type: none">• What type of business are you planning? <i>Fixed location vs online only? Service? Manufacturing? Agriculture?</i>• Is it a new idea vs existing business acquisition with a track record vs franchise? What industry are you in? <i>Is it growing in general? Trends in technology, sales streams, etc.?</i>• What products or services will you sell? How many revenue streams will you have?• What will appeal to your customer? How does this match their needs or wants?• What differentiates you from the competition? <i>Unique enough, valuable enough to the customer? What will compel your intended customers to switch to you or try your services/product?</i>
III. RESEARCH, DESIGN & DEVELOPMENT (if needed)
<ul style="list-style-type: none">• Have you carefully described your design, process, or product?• Are you pursuing intellectual property protection (patent, trademark)• What technical assistance have you received or need now or later?• Who will conduct this research, i.e., in-house personnel or outside labs, etc.?• Are there industry or regulatory compliance issues?• How long will it take to create and trial your prototype?• Who will validate your concept?• What costs are involved in this process?
IV. YOUR TARGET MARKET
<ul style="list-style-type: none">• Who precisely are your customers? <i>What did your market research tell you about demographics?</i>• Do you have more than one market for different product lines or industries? <i>Public and/or B2B? Government contracting?</i>• How large is your market? <i>Solving a big problem for a few people or a small problem for many?</i>• Who and where are your competitors? <i>Why are you comparable to or better?</i>• How will you price your product or service? <i>How does that compare with your competitors?</i>• How will you attract, retain and grow your customer base? <i>How are you different? Are your customers price sensitive or will they be brand or store-loyal? What will compel customers to try your business?</i>
V. MARKETING
<ul style="list-style-type: none">• How do your customers want to be reached? What channels will you use? <i>Traditional advertising and/or social platforms?</i>• What are your outreach/advertising/promotional strategies? <i>What will appeal to your customer? What will motivate them to buy from you?</i>• Webpage: Have you secured your URL? What features does it need to satisfy your customers? <i>Ordering capabilities? Scheduling calendar? Online chat/tech support? Secure access?</i>• What strategies will you use to retain and grow your customer bases? <i>Loyalty rewards, discounts, extended terms of sale?</i>• Who will design, direct and manage these efforts? <i>In-house and/or outsourced vendors?</i>



VI. OPERATIONS

- Who will run the business? What qualifications are needed? What role do you play in the operation?
- Where will the business be located? *Fixed location vs home-based vs mobile and/or virtual?*
- How will it operate? *Seasonal or year-round operation? Mobile with fixed base operation?*
- What physical resources are required to produce or deliver your product or service? *Equipment, materials, facilities?*
- Who will be your suppliers? *Do you have reliable alternatives? How time-critical are your supply chains?*
- What types of shipping or distribution channels are required to deliver your product or service?
- What kind of licenses or certifications are required for your operation?
- How will you collect and record your sales receipt, track sales and inventory? *Point-of-sale system /cash registers? Software systems?*
- Are you required to collect and remit sales tax? In more than one location, state, online?
- What kind of insurance will be required for your operation?
- What kind of labor will you need to employ? What skills must they have? Who will train them? Will you outsource to independent contractors or use employee leasing agencies?
- What kind of consultants or specialists will you need? How will you find them?

VIII. FINANCIAL MATTERS – Operation and Financing

- How much will it cost to open the doors? How much lead-time and money are required?
- What are your operational costs (fixed and variable)?
- What are your material and/or production costs? *Can you use industry standards as a model for Cost of Goods Sold (COGS)?*
- How many customers will you need to cover your costs to break even? To make a profit? How long will that take?
- How much of the startup and operational costs can you personally fund? *Have you done a personal financial statement? How is your personal credit? Check this regularly*
- Will you need outside funding? What sources of capital can you tap? *Lenders, family and friends, investors?*

VII. ORGANIZATION / MANAGEMENT & ADVISORY TEAMS

- What is the legal structure of ownership (LLC, partnership, corporation)? Where will the company be based?
- Do you have a written operating agreement between the owners?
- Who is on your B.A.I.L Team (Banker, Accounting professional, Insurance agent, Lawyer/Legal advisor)?
- Who will be on your advisory board or serve as a mentor?

APPENDICES

- Resumes of Owners and Key Personnel
- Background materials like industry reports, equipment brochures, advertising or research on existing business, if acquiring a current business; real estate maps or zoning docs; etc.
- Franchise Agreement, if applicable

Have you taken advantage of free SBA resources to help you define and refine your concept into a viable, fund-worthy business plan? Find no-cost and low-cost business counseling and intelligence at:

www.VBOC.org and www.SBA.gov



Funding 101

What you need, when you need it!

1 What do you need funding for?

- ▶ Start or purchase a business
- ▶ Purchase, renovate or expand facilities
- ▶ Purchase inventory, equipment or machinery
- ▶ Revolving credit/working capital for day-to-day expenses
- ▶ Export a product or service



I need investors.

SBA's SBIC Program could be a great option for you.



I need to research and develop a business idea.

You may need the SBIR or STTR Program.



I'm bidding on a contract that requires me to be bonded.

Ask for information on SBA's Surety Bond Program.

2 Do you need help with your business plan or loan package?

- ▶ If so, SBA Resource Partners can help! Ask for a local list.



3 Now that you have your business plan and loan package ready, contact an SBA Lender to see if you qualify! There are two options...

A. Check out [sba.gov/lendermatch](https://www.sba.gov/lendermatch) to search national SBA Lenders who may specialize in your industry or type of project.

B. Ask your nearest SBA District Office for a list of local SBA Lenders.

Be prepared to discuss:

- Size and purpose of your loan
- Size and age of your business
- Your credit history
- Collateral
- Financial projections
- Your technical assistance/mentoring needs



What Kind of Funding is Right For You?

IF YOU NEED ACCESS TO CAPITAL TO HELP YOU ACHIEVE YOUR BUSINESS GOALS, THE SBA OFFERS A VARIETY OF FUNDING PROGRAMS FOR ALL KINDS OF SMALL BUSINESS VENTURES.

Funding to Help You Start or Grow Your Business

While the SBA has many specialty loan lines, our loan programs can be divided into three main categories:

- **The 7(a) Loan:** Can be used for almost any purpose, including buying real estate, equipment, inventory, or for working capital, refinancing business debt, or purchasing a small business.
- **SBA Microloan Program:** Great for helping start-ups launch and grow, or repair credit. Loans from \$500 to \$50K plus free business counseling.
- **504 Certified Development Company Loan Program:** Competitive fixed-rate mortgage financing to purchase land, heavy equipment, or real estate for businesses that do not qualify for traditional financing.

Funding from Private Investors

- To facilitate the flow of long-term capital to America's small businesses, the SBA partners with private investors (**Small Business Investment Companies or SBICs**) to invest in qualifying small businesses with guaranteed capital and private funds.

Funding Programs for Research & Development

The **Small Business Innovation Research (SBIR)** and **Small Business Technology Transfer (STTR)** programs provide more than \$2.5 billion annually in early stage capital through more than 4,000 new awards. Visit sbir.gov to find funding opportunities and helpful program tutorials.

Funding to Make You More Competitive

- Surety bonds are often required to win construction, supply, and service contracts. The **SBA's Surety Bond Program** is for small businesses that lack the financial resources or performance track record needed to secure bonding through traditional commercial channels.

To find out more about funding programs from the SBA, visit your local SBA District Office or SBA.gov.



U.S. Small Business
Administration



Business & Industry Guaranteed Loan Program

What does this program do?

This program bolsters the availability of private credit by guaranteeing loans for rural businesses.

Who may apply for this program?

Lenders with the legal authority, sufficient experience and financial strength to operate a successful lending program. This includes:

- Federal or state-chartered banks
- Savings and loans
- Farm credit banks
- Credit unions

What kind of businesses qualify for loan guarantees?

- For-profit businesses
- Nonprofits
- Cooperatives
- Federally-recognized Tribes
- Public bodies
- Individuals

What is an eligible area?

- Any area other than a city or town with a population of greater than 50,000 inhabitants and the urbanized area of that city or town
- The borrower's headquarters may be based within a larger city as long as the project is located in an eligible rural area
- The lender may be located anywhere in the United States.
- Projects may be funded in rural and urban areas under the Local and Regional Food System Initiative

Check eligible addresses for Business Programs

How may funds be used?

Eligible uses include but are not limited to:

- Business conversion, enlargement, repair, modernization or development
- Purchase and development of land, easements, rights-of-way, buildings, or facilities
- Purchase of equipment, leasehold improvements, machinery, supplies, or inventory
- Debt refinancing when refinancing improves cash flow and creates or saves jobs
- Business and industrial acquisitions when the loan will create or save jobs

Guaranteed loan funds MAY NOT be used for:

- Lines of credit
- Owner-occupied housing
- Golf courses
- Racetracks or gambling facilities
- Churches, church-controlled organizations or charitable organizations
- Fraternal organizations
- Agricultural production, with certain exceptions

What collateral is required?

Collateral must have documented value sufficient to protect the interest of the lender and the Agency. The discounted collateral value will normally be at least equal to the loan amount. Lenders will discount collateral consistent with sound loan-to-value policy. Hazard insurance is required on collateral (equal to the loan amount or depreciated replacement value, whichever is less).

Maximum Advance Rates

- Real Estate: 80% of fair market value
- Equipment: 70% of fair market value
- Inventory: 60% of book value (raw inventory and finished goods only)
- Accounts Receivable: 60% of book value (less than 90 days)



Business & Industry Guaranteed Loan Program

What is the maximum amount of a loan guarantee?

- 80% for loans of \$5 million or less
- 70% for loans between \$5 and \$10 million
- 60% for loans exceeding \$10 million, up to \$25 million maximum

What are the loan terms?

- Maximum term on machinery and equipment is its useful life or 15 years, whichever is less
- Maximum term for real estate is 30 years
- Maximum term on working capital not to exceed 7 years
- Loans must be fully amortized; balloon payments are not permitted
- Interest-only payments may be scheduled in the first 3 years

What are the interest rates?

- Interest rates are negotiated between the lender and borrower, subject to Agency review
- Rates may be fixed or variable
- Variable interest rates may not be adjusted more often than quarterly

What are the applicable fees?

- There is an initial guarantee fee that is paid at the time the Loan Note Guarantee is issued
- There is an annual renewal fee on the outstanding balance of the guaranteed portion of the loan that is set by Rural Development at a rate published annually in the Federal Register
- Reasonable and customary fees are negotiated between the borrower and lender

What are the underwriting and security requirements?

- The proposed operation must have realistic repayment ability

- New enterprises will be asked to obtain a feasibility study by a recognized independent consultant
- The business and its owners must have a good credit history
- At loan closing/project completion, the business must have a tangible balance sheet equity position of:
 - 10% or more for existing businesses, or
 - 20% or more for new businesses.
- Personal and corporate guarantees are normally required from all proprietors, partners (except limited partners), and major shareholders (i.e., all those with a 20% or greater interest)

How do we get started?

- Applications are accepted from lenders through **USDA local offices** year round
- Interested borrowers should inquire about the program with their lender
- Lenders interested in participating in this program should contact the USDA Rural Development Business Programs Director in the **state** where the project is located

Who can answer questions?

Contact the **local office** that serves your area.

What governs this program?

Code of Federal Regulation
7 CFR 5001

- This program is authorized by the Consolidated Farm and Rural Development Act

NOTE: Because citations and other information may be subject to change please always consult the program instructions listed in the section above titled "What Governs this Program?" You may also contact **your local office** for assistance. You will find additional forms, resources, and program information at www.rd.usda.gov. *USDA is an equal opportunity provider, employer, and lender.*



Veteran Entrepreneurship Training Programs

The U.S. Small Business Administration (SBA) offers support for service members, veterans, National Guard or Reserve members, and military spouses as they enter and grow in the world of small business ownership. SBA's veteran entrepreneurship training programs feature customized curriculums, in-person classes, and online courses that teach the fundamentals of business ownership and connect veterans to SBA resources and small business experts.

Women Veteran Entrepreneurship Training Program

A network of SBA partners delivers small business development support to women service members, veterans, and military spouses.

- ★ **LiftFund:**
Find access to capital and business training to help you achieve financial stability and build the business of your dreams.
- ★ **ONABEN, Beyond the Boots: A Veteran and Service Member Initiative:**
Achieve your business goals through programs specializing in entrepreneurship for Native Americans and all communities of color.
- ★ **Veteran Women Igniting the Spirit of Entrepreneurship (V-WISE), Institute for Veterans and Military Families, Syracuse University:**
Discover your business passion and learn business-savvy skills to turn your entrepreneurial idea into a fully functioning business.

Service-Disabled Veteran Entrepreneurship Training Program

Receive entrepreneurial training and learn about the tools and resources available specifically for service-disabled veteran-owned small businesses.

- ★ **Entrepreneurship Bootcamp for Veterans with Disabilities, Saint Joseph's University:**
Leverage the tools, education, and mentorship you need to start or grow your service-disabled veteran-owned small business.
- ★ **Veteran Entrepreneurial Training and Resource Network (VETRN):**
Develop growth-oriented business plans and strategies through peer-to-peer mentoring, work assignments, and classroom training.
- ★ **Veteran Entrepreneurship Program, Oklahoma State University:**
Access cutting edge, experiential training in all things entrepreneurship, and small business management.
- ★ **Warrior Rising:**
Participate in a robust 40-lesson educational curriculum online or in person from this nonprofit which has trained over 5,400 veteran-owned businesses.

Veteran Federal Procurement Entrepreneurship Training Program

Learn how to best position a veteran-owned small business to win and retain government contracts through federal procurement training.

- ★ **The National Center for Veteran Institute for Procurement (VIP):**
Gain the tools you need to enter or expand your small business into the federal marketplace in the U.S. and overseas.

For More Information

Find local resources at sba.gov/local.

Learn more about SBA's veteran resources at sba.gov/veterans.

Serving the next generation of veteran small business owners.

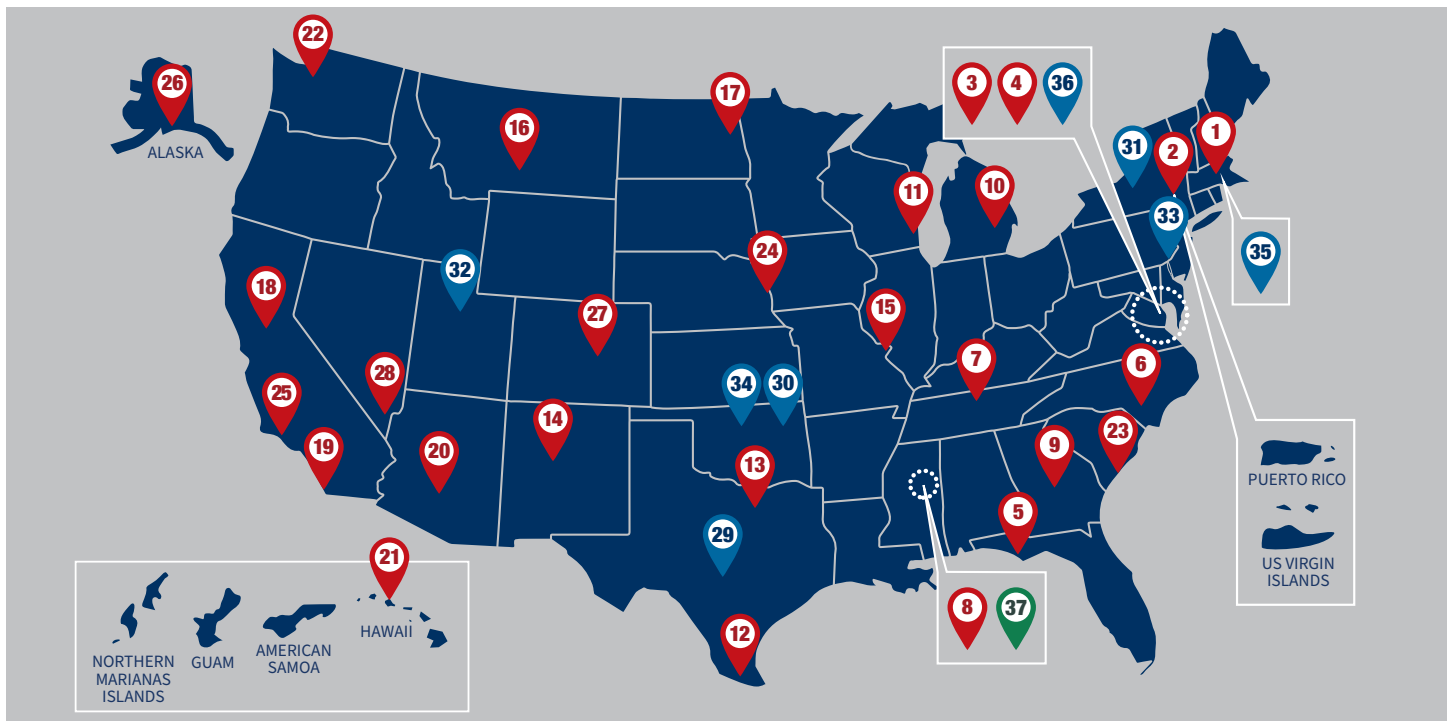
All SBA programs and services are extended to the public on a nondiscriminatory basis.

October 2022



Empowering Veteran Entrepreneurs Across the Nation

The U.S. Small Business Administration’s Office of Veterans Business Development (OVBD) empowers veterans, service members, National Guard and Reserve members, military spouses, and family members with programs and services at every stage of business ownership. Find resources to start, grow, expand, or recover your small business through our network of veteran resource partners and programs located across the United States and its territories.



KEY:

- Veterans Business Outreach Centers
- Entrepreneurship Training Programs
- Boots to Business Follow-On Course

Find local resources at sba.gov/local-assistance.

Learn more about SBA’s veteran resources at sba.gov/veterans.

Veterans Business Outreach Centers (VBOC)

- 1 **VBOC of New England** – Westborough, MA
- 2 **McNulty Veteran Business Center** – Watervliet, NY
- 3 **VBOC at Old Dominion University** – Norfolk, VA
- 4 **Mid-Atlantic VBOC** – College Park, MD
- 5 **Gulf Coast State College** – Panama City, FL
- 6 **VBOC at Fayetteville State University**
– Fayetteville, NC
- 7 **VBOC at Pathway Lending** – Nashville, TN
- 8 **VBOC at Mississippi State University**
– Starkville, MS
- 9 **Georgia VBOC** – Warner Robins, GA
- 10 **VetBizCentral** – Flint, MI
- 11 **Wisconsin Women’s Business Initiative Corporation**
– Milwaukee, WI
- 12 **VBOC at University of Texas Rio Grande Valley**
– Edinburg, TX
- 13 **VBOC at University of Texas Arlington**
College of Business – Arlington, TX
- 14 **New Mexico VBOC** – Albuquerque, NM
- 15 **VetBiz** – St. Louis, MO
- 16 **Big Sky Economic Development** – Billings, MT
- 17 **VBOC of the Dakotas** – Grand Forks, ND
- 18 **NorCal VBOC** – Sacramento, CA
- 19 **SoCal VBOC** – Cardiff, CA
- 20 **A New Leaf, Inc.** – Phoenix, AZ
- 21 **VBOC of the Pacific** – Honolulu, HI
- 22 **Business Impact NW** – Tukwila, WA
- 23 **South Carolina VBOC** – Charleston, SC
- 24 **Nebraska VBOC** – Omaha, NE
- 25 **Los Angeles Regional VBOC** – Long Beach, CA
- 26 **Alaska VBOC** – Anchorage, AK
- 27 **Colorado VBOC** – Colorado Springs, CO
- 28 **Nevada VBOC** – Las Vegas, NV

Women Veteran Entrepreneurship Training Program

- 29 **LiftFund** – San Antonio, TX
- 30 **ONABEN** – Tulsa, OK
- 31 **Veteran Women Igniting the Spirit of Entrepreneurship**
– D’Aniello Institute for Veterans and Military Families
– Syracuse University – Syracuse, NY

Service-Disabled Veteran Entrepreneurship Training Program

- 32 **Warrior Rising** – South Jordan, UT
- 33 **Entrepreneurship Boot Camp for Veterans with Disabilities** – Saint Joseph’s University
– Philadelphia, PA
- 34 **National Veterans Entrepreneurship Program** –
Oklahoma State University – Stillwater, OK
- 35 **Veteran Entrepreneurial Training and Resource Network** – Norton, MA

Veteran Federal Procurement Entrepreneurship Training Program

- 36 **National Center for the Veteran Institute for Procurement** – Rockville, MD

Boots to Business Follow-On Course

- 37 **Boots to Business Revenue Readiness**
– Mississippi State University – Starkville, MS





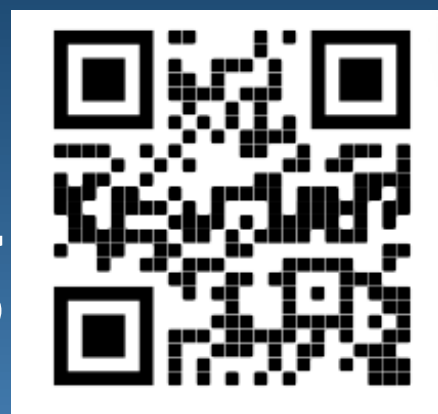
Florida Veterans Business Outreach Center

Providing free business counseling
to Florida's veterans and military
spouses who want to start and grow a
business of their own.

Open weekdays, 8:00am - 4:00pm Central

800-542-7232

www.VBOC.org



*The Florida Veterans Business Outreach Center is funded in part
through a cooperative agreement with Gulf Coast State College
and the U.S. Small Business Administration (SBA)*