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Delaware Division of Small Business

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For Immediate Release

New grant program to help fuel the growth of Delaware small businesses

NEWARK, DE (May 6, 2019) – Up-and-coming Delaware small businesses will now have a potential new source of capital to help them expand.

As part of National Small Business Week (May 5 to May 11), the Division of Small Business on Monday launched a competitive, matching grant program to assist Delaware entrepreneurs who want to grow their small businesses.

Governor John Carney along with Damian DeStefano, director of the Delaware Division of Small Business, which will administer the program, announced the new grants during a news conference at O'Connor Belting International in Newark.

EDGE Grants (Encouraging Development, Growth & Expansion) are designed to help newer small businesses level the playing field with larger, more established companies by providing a 3-to-1 match for each dollar the business spends on qualified expenses.

Small businesses account for 98 percent of all Delaware businesses and employ 55 percent of Delaware's workforce. Helping those businesses find access to capital is a key element of Gov. Carney's strategy for growing Delaware's economy.

"Small businesses are the engine that drives Delaware's economy," **Gov. Carney said**. "We launched this program because want our hardworking entrepreneurs to know that their government is here to help them. If they succeed, our state succeeds."

As many as ten EDGE grants will be awarded in the first round of funding: five grants of up to \$100,000 each for science/research-based businesses (STEM Class) and five grants of up to \$50,000 each for all other businesses (Entrepreneur Class).

Among other requirements, businesses eligible for EDGE must be less than five years old, with no more than 10 employees and be majority located in Delaware.

"We are thrilled to start working on this new program, and it's fitting we are announcing it during National Small Business Week," **said DeStefano**. "The Division was created two years ago to make sure that more focus was put on assisting our home grown businesses. With this tool we are providing resources that will help these business find long-term success."



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O'Connor Belting International started in 2011 and now employs 23 people. It specializes in the fabrication of lightweight custom conveyer belts. Paul O'Connor, Sr., the company's president, said OCBI could have benefitted from a program like this in its first years.

"A program like this would have been a real benefit to us," **O'Connor said**. "This kind of access to money for major purchases or investments could certainly go a long way to maintaining positive cash flow, which is so important to a small business, especially early on."

EDGE Grant funds must be spent on expenses that will improve a business's chances for long-term success and help it rise to the next level.

Qualified expenses include:

- acquiring real estate for use in the business
- purchasing essential equipment
- investing in website design
- investing in marketing and advertising
- expenses related to prototyping a new product

"The Council on Development Finance (CDF) is excited for the EDGE Grant program," **said Fred Sears**, CDF Chair and part of the seven-member panel of small business and economic development experts that will select the grantees. "We are always looking for ways to better assist new small businesses. This will make money available to companies at a key stage in their development that will position them to be able to grow and expand their business in Delaware."

The money for EDGE Grants comes from a federal government grant. Grant applications are available on the Delaware Division of Small Business website, www.delbiz.com, and are due June 14 for the first round of funding.

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