



INDIANA OFFICE OF SMALL BUSINESS & ENTREPRENEURSHIP

SMALL BUSINESS ANNUAL REPORT

2015



U.S. Small Business Administration + Defense Logistics Agency + Office of Community and Rural Affairs

Indiana Economic Development Corporation + Ivy Tech Community College = Our small business formula for success





Above left,
Indiana Lt. Governor
Eric J. Holcomb,
whose office oversees
the Office of Small Business
and Entrepreneurship

Above right,
OSBE Executive Director
Jacob Schpok

When OSBE was established in 2013, we were charged with growing the economy by assisting small businesses launch, raise capital and create jobs. Since then, we have elevated the scope and variety of no-cost small business consulting services provided by the State of Indiana, through our office. In 2015, these efforts resulted in helping Indiana small businesses raise more than \$112 million in new capital, create over 1,400 jobs and launch over 240 businesses.

Along with providing direct business consulting to starting and growing businesses, OSBE has launched and expanded a number of support programs to stimulate a vibrant entrepreneurial ecosystem. In 2015, OSBE hosted Indiana's first Entrepreneurship Week where more than 1,000 Hoosiers attended entrepreneurship focused events across our state. Also in 2015, with the support of the General Assembly, OSBE was also able to expand Launch Indiana, providing innovation-driven mentorship to businesses and services to educators and community leaders as well.

I encourage you to review all the great work OSBE and its partners accomplished last year. In addition to looking back and celebrating the successes of OSBE since its inception, we look forward to continuing to realize our mission of assisting small businesses form and grow; and invite you to assist in our efforts by referring small businesses and entrepreneurs who could benefit from our services. With your help, we can fulfill the promise of making Indiana "A State That Works for Entrepreneurs."

Jacob Schpok
OSBE Executive Director

OSBE HAS BUSINESS DOWN TO A SCIENCE

EXPLORE OUR ANNUAL REPORT TO
WITNESS THE GREAT THINGS OSBE AND ITS
PARTNERS WERE ABLE TO DO FOR HOOSIER
ENTREPRENEURS IN 2015.



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Assisting Entrepreneurs in Seamlessly Transitioning from College Student to Small Business Owner

A Small Business Ombudsman provides feedback, collected by the business community, to government agencies offering business services or issuing business licenses. The Ombudsman also publicizes new laws, programs, and procedures affecting small business, as well as small businesses successes.

What are the Ombudsman's responsibilities?

The Small Business Ombudsman serves as the direct resource for entrepreneurs to obtain clarity, direction and solutions relating to state government operations, agencies, and regulations. The Small Business Ombudsman seamlessly serves as the liaison between businesses and government. Through this program, new laws, programs and procedures affecting small businesses are publicized.

Goals:

Increase number of entrepreneurs the Ombudsman engages

Streamline and improve communication between entrepreneurs and government offices

Save entrepreneurs time and money through ombudsman services

In 2015, our Small Business Ombudsman assisted

 **341**

entrepreneurs, saving Hoosier businesses over

\$400,000



The Indiana Small Business Development Center (ISBDC) was created to have a positive and measurable impact on the formation, growth, and sustainability of small businesses in Indiana, and to help Hoosier Entrepreneurs start stronger, grow faster, and work smarter.

Jacob and his team of highly skilled advisors are excellent examples of a productive federal-state partnership, and thus it was my pleasure to present them the 2015 SBA Indiana District Directors Award.

**Stacey Poynter
SBA, Indiana District Director**

The ISBDC Network aims to accomplish its mission through a continuous focus on impact, realizing it is not enough to hold training events and meet with clients, but that tangible value needs to be provided to our clients as a result of outcome-focused ISBDC engagement. All engagement has a primary focus on the existing entrepreneur or business and on viable new business opportunities with the prompt identification, documentation, and communication of client needs and action plans.

The ISBDC is:

Statewide in coverage with ten centers based in chambers of commerce, economic development organizations, universities and units of government

Comprehensive in scope of services provided

Available to all types of small businesses in all stages of development

Part of a national network of 1,000 centers

243

businesses started

1,401

full-time jobs created

\$ 112,400,000

in capital infusion generated

For every dollar spent on the ISBDC program, \$29.75 in new capital was generated by clients





PTAC 2015 Year in Numbers

“

Thanks to your team for your overwhelming support of our local defense community and the Indiana defense community at large. We count on it and we value it.

”

–Col. (RET)
Dave Augustine,
Chairman, Northeast
Indiana Defense
Industry Association

The Indiana Procurement Technical Assistance Center (IN PTAC) was established to increase the number of Hoosier small businesses participating in the government marketplace. Administered by the Department of Defense's (DoD's) Defense Logistics Agency (DLA), the program provides matching funds through a cooperative agreement with the State of Indiana to offer procurement technical assistance across the state. Put simply, IN PTAC helps Indiana companies identify, compete for, and win government contracts.

IN PTAC also serves as a resource to Indiana's large prime contractors and DoD military installations. Working closely with organizations such as Crane NSWC and AM General, IN PTAC counselors are able to help bridge the gap between buyer and supplier, bringing to bear our knowledge of both government contracting and the capabilities of contractors, providing support to both industry and the War Fighter.

IN PTAC works directly with the rest of the Office of Small Business and Entrepreneurship, as well as the Indiana Office of Defense Development, Indiana Economic Development Corporation, and the Indiana Aerospace & Defense Council.

 **90**

training events

 **692**

businesses counseled

 **2,741**

counseling hours

\$ 9,112,971

in contract awards.





IGNITING INDIANA

Entrepreneurship Week



Indiana Entrepreneurship Week celebrates “all things entrepreneurial” in the Hoosier state. From the steel manufacturer in Elkhart to the chic fashion boutique in Bedford, entrepreneurs from across the state are creating an impact in Indiana and driving the economy in their communities – igniting a spark throughout Indiana.

At the end of Entrepreneurship Week 2015 we recognized 20 Indiana entrepreneurs we had the privilege to serve as they grow their businesses and communities. We often hear of small businesses being the “backbone” of the American economy, generating over half of all national sales and jobs. While this is true, it is important to recognize the many other hats entrepreneurs wear in communities outside of the role of an employer and local wealth creator. Entrepreneurs serve as role models to those seeking examples of strong leaders that have the guts to believe in themselves and their abilities to create value in the free market.

52 events
took place
throughout
the state,
more than
1,000 Hoosiers
attended events
and activities
around entrepreneurship
and **21 Small
Businesses**
were honored by
the ISBDC.

EDGE Award Winners



Emerging Businesses

3 Stories Trading Company, LLC, *Salem*
Beyond Borders Language Center, *Kokomo*
ChicagoLand Popcorn, LLC, *Merrillville*
garb2ART Cosmetics, *Columbus*
Myers' Market, *Greencastle*
New Corner Brewery, *Muncie*
Rectify, LLC, *Indianapolis*
Sunshine Juice Co., *Evansville*
Sylvan Cellars Event Center, *Rome City*
Yummy Cupcakes, *South Bend*

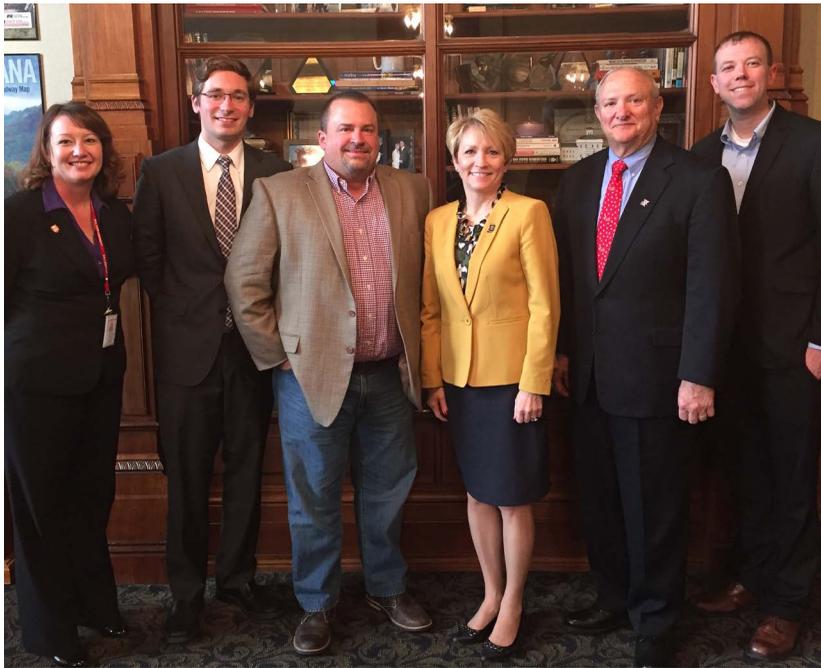
Established Businesses

Cafe Arazu, *Newburgh*
Be Adaptive Equipment, LLC, *Columbia City*
Competition Accessories, LLC, *Clarksville*
Farmhouse Creative, *Farmland*
Klarer Automotive, Inc. Mr. Canary, *Munster*
Nutrabortix, Inc., *West Lafayette*
Paragon Force, Inc., *Bloomfield*
Soapy Soap Company, *Bloomington*
Titus, Inc., *Plymouth*
Mr. Canary, *Carmel*



“
I would
recommend
the ISBDC
to any small
business
owner. (...)
what you
get is a team
dedicated
to helping you
realize your
business goals.
”

Jan Long, Mr. Canary



Launch Indiana

Mission

The mission of Launch Indiana is to increase the number of successful Indiana based innovation-driven enterprises through mentorship and education. Launch Indiana is a joint initiative of the ISBDC and Launch Fishers.

Community Leader Education

While traditional economic development continues to play a major role in the continued revitalization of communities throughout Indiana a new model for investing has proven to be effective in assisting communities in retaining top entrepreneurial talent as well as recruiting talent to emerging innovation driven organizations.

In partnership with Ball State University, Launch Indiana will conduct informative sessions throughout Indiana demonstrating to community leaders the importance of embracing this new theory on economic development including examples of programs and projects created to generate activity in each community.

K-12 Entrepreneurial Education

Introducing K-12 students to entrepreneurship and connecting them to successful entrepreneurs throughout their community and the State of Indiana will be the major focus of a planned June 2016 conference being organized by Ball State University.

Educators from around Indiana will gather to learn statewide and national best practices in teaching entrepreneurship, be exposed to statewide programming that they can connect with, and hear from classroom teachers who have first hand experience with working through successful programs with their students.

“The Launch Indiana initiative is an innovative approach that will continue improving economic development in our state. By investing in our young people and seeking out driven entrepreneurs, we can provide strategic opportunities to grow businesses in local communities. I am confident that Launch Indiana’s commitment to innovation and mentorship will help generate a new wave of Hoosier business owners.”

State Senator Luke Kenley

Community Entrepreneurial Mapping

One major obstacle in mobilizing a successful start up community is identifying the players involved to help advance an organization quickly. Launch Indiana will be partnering with 5 communities in 2015-2016 and 5 additional communities in 2016-2017 to identify assets and liabilities to helping create a successful entrepreneurial ecosystem. Likely important data to be tracked includes networking and educational opportunities, funding options, business planning services, government officials, and mentoring services.

Mentor

Launch Indiana is utilizing a program of identifying high growth potential and innovation driven entrepreneurs and connecting them with experienced mentors within their industry to improve their success rate and accelerate their growth potential. “We are excited to use Launch Indiana as a way to connect startups with entrepreneurs who have raised angel and venture capital funds, scaled companies to international audiences and gone through exit events of all types,” said Jacob Schpok, State Director of the ISBDC.



Community Entrepreneurship Initiative (CEI)

In partnership with the Indiana Office of Community and Rural Affairs, OSBE assisted Hoosier communities in identifying opportunities to grow and train small businesses in their area. Communities who participated received in-depth tactical planning led by an ISBDC Business Advisor. As a result, communities came away with measurable next steps to cultivate a more vibrant entrepreneur ecosystem. In 2015, 15 communities were engaged in the CEI process.

Export Indiana

The Indiana Small Business Development Center (ISBDC), in partnership with Purdue's Krannert School of Management and the International Center, seek to promote export growth for Indiana's small businesses by providing export-ready firms the resources, guidance and professional expertise necessary to advance their export strategies through a new initiative, the Export Indiana Fellowship program.

"...with our infrastructure in place, Fathom saw a need to capitalize on expanding our service offering internationally while attracting the young, fresh, hungry, and moldable talent to help our company grow. Thus the Export Internship Fellowship Program was the perfect combination of all those needs and a great partnership of Indiana organizations working together to better the communities we live in and keep the talent in Indiana."

Fathom Voice, Export Indiana Participant

Small businesses are partnered with current Purdue University masters students who help develop successful export plans. The students work with the business over the course of one year, first as summer interns and then as part-time consultants through the Experiential Learning Project course sponsored by Purdue University's Krannert School of Management. An ISBDC Export Advisor provides mentorship to students and businesses as they develop their export plans. At a minimum, this mentorship will include weekly hour-long conference calls with each team.

The goals of the program are the following:

- To support the export growth of Indiana businesses by providing those firms with Indiana's most talented students and providing Indiana graduates job opportunities with growing Indiana companies.
- To encourage international students from Purdue University to enter the Indiana workforce by participating in a high quality educational and internship program.
- To retain global talent that enables Indiana companies to successfully enter and compete in the international marketplace.



Young Entrepreneurs Program

The Young Entrepreneurs Program assists entrepreneurs in seamlessly transitioning from college student to small business owner. The Office of Small Business and Entrepreneurship works with local and regional communities to provide incentives to college-aged entrepreneurs who are passionate about owning their own business. In exchange, young entrepreneurs agree to locate their start-up business within the community.



IN INDIANA

more than

2,000,000

HOOSIERS WORK FOR SMALL BUSINESSES

143,060 businesses — employ —> 500 Hoosiers (or less)

✈️ INDIANA IS RANKED ✈️
7TH IN EXPORT INTENSITY

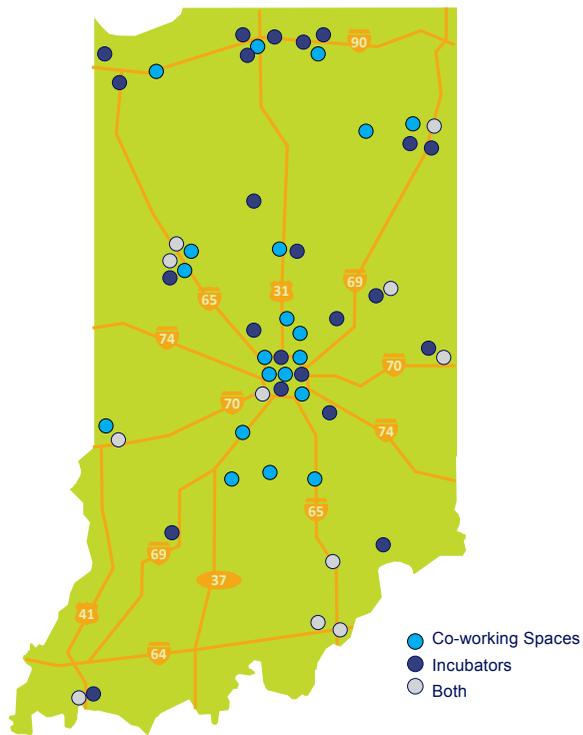
Small businesses
make up
99.7%
of U.S. employer firms

Ranked
10th
Small Business
Policy Index

72,508
startups have opened in
Indiana since 2011

Small biz
accounts for
54%
of all U.S. sales

Small Biz
make up 63%
of net new private
sector jobs



Incubators & Cowork Spaces

Incubator An organization designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections .

Coworking Space Locations providing desk space and facilities at a reduced or low rate to startups and growth businesses. Generally they will provide the essential business amenities, with conditions varying from the very basic to somewhat lavish. Workspaces can exist as a standalone location, or as part of a wider network offering an ‘airport lounge’ pop-in and out model. Desks are charged at a monthly fee or discounted for up-front payment.

Photo captions

Small Business Ombudsmann

Ombudsman and project manager in discussion

Indiana Small Business Development Center

ISBDC Awards, 2015

Procurement Technical Assistance Center

PTAC staff at Crane

Mural at Crane

Igniting Indiana

Former Lt. Gov. Sue Ellspermann with award winners

EDGE Awards

Former Lt. Gov. Sue Ellspermann with award winners

Community Entrepreneurship Initiative

Hometown Collaboration Initiative in Spencer County and Corydon County

Launch Indiana

Launch Indiana team with former Lt. Gov. Sue Ellspermann

Young Entrepreneurs Program

Former Lt. Gov. Sue Ellspermann greets students from the Ron Rubin School of the Entrepreneur

*Facts and figures from the previous page

are from the US Census Bureau (2012/2013), Indiana Commission for Women (2007), Indiana Dept. of Administration (2015), the U.S. Bureau of Labor Statistics (2013), the Small Business Policy Index, and the U.S. Chamber Foundation.

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