June 15, 2017 **Development Committee** Massachusetts Community & Banking Council – Economic **Cultivate Small Business**

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Cultivate Small Business – Overview

Program Objectives

- on companies with between \$25,000 and \$1M in revenue over a minimum of one year Provide support for underserved businesses in the **Boston-area food industry/cluster** with an emphasis
- Catalyze local business development and sustainability
- Create a unique opportunity for entrepreneurs by filling a gap in the marketplace

Core Program Elements

- Business education with a design thinking approach
- Food ecosystem capacity support and networking
- a. Incubator/Accelerator Access
- b. Mentorship
- Startup working capital (small grants)



Key Milestones

- May 17: Initiative announced at a breakfast event at Boston's panel of Boston-area food businesses moderated by WGBH Roxbury Innovation Center with CEO Scott Powell along with a radio on-air personality Kara Miller
- Q3 2017: Candidate interviews, cohort selection and pilot implementation
- Q4 2017: Program launch



Target Audience

manufacturing and food service companies working in food-related businesses, which include processing, technology, and the Initiative for a Competitive Inner City (ICIC). The fully-funded program strategic partners in this initiative: CommonWealth Kitchen, Babson College as well as small capital grants for business owners. Santander Bank has three women, minority and immigrant owned businesses in food-related industries. begins in October 2017 with an inaugural group of up to 30 entrepreneurs The program will provide industry specific education, networks and mentoring low-income neighborhoods build and sustain their businesses, with a focus on Cultivate Small Business is designed to help early-stage entrepreneurs in

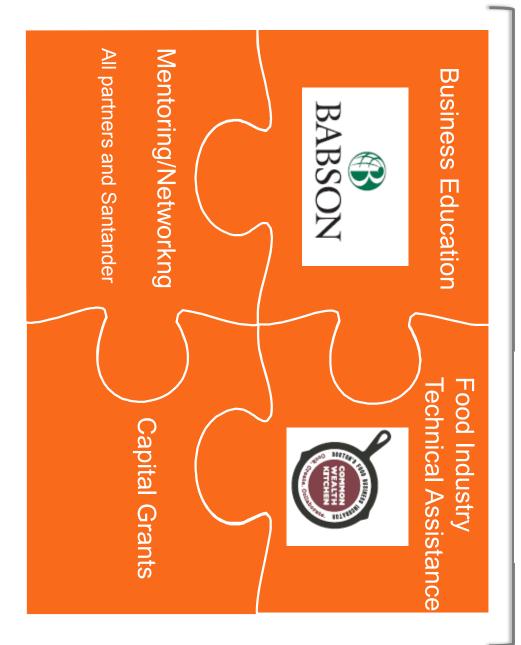
Applicant Criteria

- Participants must reside in or represent a business located in a low- to moderate-income urban area in Greater Boston (including Suffolk, Norfolk, Middlesex, Plymouth and Essex Counties)
- Businesses should have earned between \$25,000 and \$1,000,000 in revenue in the most recent full calendar year
- Businesses must have been in operation for at least one year as of June 1, 2017
- Businesses should have between 1 and 10 full-time-equivalent employees
- Businesses should be in food-related industries, including processing, technology, manufacturing and food services



Operational Partner





Cluster Specific Approach

Health Services	Food & Beverage	Cluster
 Largest populations of businesses Average revenue level that fits program goals Average number of employees >1 Clearer ability to market to this cluster (businesses self-identify as health-related) 	 Larger population of businesses Larger population of women-owned businesses relative to other 7 clusters (personal services exception) Larger population of minority-owned businesses relative to other 7 clusters Average revenue level that fits program goals LMI businesses make up 60% (largest % of clusters considered) of all businesses in footprint Average number of employees >1 Clearer ability to market to this cluster (businesses self-identify as food) Needs of businesses within the cluster are connected; ability to tailor program content based on cluster Existing local efforts on which the program can build 	Strengths
 Smaller population of women-owned businesses relative to other 7 clusters LMI businesses make up <50% of total businesses Business challenges within industry tend to be more specific to external factors - more difficult to address via a business program 	 Information on net income is sparse - unable to gauge profitability Program may not want to support certain industries included in cluster may be Risk: High failure rate of restaurants 	Weaknesses

Summary Program Timeline*

June - July 2017	Applications Accepted
September 2017	Applicant Interviews & Participant Selection
October 2017 - June 2018	Program Duration*

^{*}Detailed program schedule to be provided in July.

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Thank you and questions?!

