
Cultivate Small Business
Massachusetts Community & Banking Council – Economic
Development Committee

June 15, 2017

Lane H. Jost, Director of Philanthropy

Cultivate Small Business – Overview

Program Objectives

- Provide support for underserved businesses in the **Boston-area food industry/cluster** with an emphasis on companies with between \$25,000 and \$1M in revenue over a minimum of one year
- 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
 - c. Startup working capital (small grants)



Key Milestones

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

Target Audience

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

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

Program Components and Partners

Operational Partner



Cluster Specific Approach

Cluster	Strengths	Weaknesses
<h2>Food & Beverage</h2>	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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
<h2>Health Services</h2>	<ul style="list-style-type: none"> • 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) 	<ul style="list-style-type: none"> • 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

Key Next Steps for Pilot

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.

Apply now by sending an email to: entrepreneurs@santander.us

Thank you and questions?!