



FACT SHEET

Arizona Is The Prime Location For Entrepreneurs

- 6th in the nation as top entrepreneurship and innovation state¹
- 57% increase in entrepreneurial activity from 2008-2010²
- Ranks 5th in the nation for start-ups³
- Top 10 in small business lending⁴

The ACA has a steadfast commitment to providing start-ups and entrepreneurs with the tools needed to bring their vision to light and expand their operations. Encouraging start-ups - especially those with a focus on manufacturing, exporting and technology - will help solidify Arizona's economic strength and ultimately ignite job creation.

Arizona's bright minds breed incredible ideas. Though a suite of programs, the ACA is helping to make those ideas realities.

Innovation Forward

www.innovationforward.com

- Open to the public
- Providing information, mentoring, and guidance to entrepreneurs
- Weekly programming

The ACA opened Innovation Forward -- a public center designed to provide information on resources and partnerships to entrepreneurs in the State. With a goal of advancing the next great idea into reality, Innovation Forward provides innovation-driven entrepreneurs a central location to receive valuable information, mentoring, and guidance on how to start up their companies, grow their existing businesses and create higher paying jobs. Arizona's entrepreneurs will be able to tap into the ACA's vast resources to help start a business or better understand the state's business environment, and learn from proven leaders in their industry.

Programming for Innovation Forward will include (subject to change) mentorship programs done in collaboration with ASBA, SCORE, and SBDC for small businesses along with ACA's Small Business Services office, information sessions and speaker series exploring entrepreneurship trends important to early-stage, expanding companies and speaker series to provide support on financial investments for small firms.

¹ U.S. Chamber of Commerce Publication: Enterprising States, 2010

² Information Technology and Innovation Foundation, New State Economy Index, 2008

³ U.S. Chamber of Commerce Publication: Enterprising States, 2010

⁴ U.S. Chamber of Commerce Publication: Enterprising States, 2010

Arizona Innovation Challenge

www.azinnovationchallenge.com

- Investment in Arizona's future
- \$3 million commitment
- Up to \$250,000 awarded to each company
- Accepting applications through February 6

Building off the success of 2011's Arizona Innovation Challenge, the ACA is committing \$3 million in grants annually to help bridge the gap between research and development and commercial launch of promising technology for Arizona's businesses. The program will consist of two rounds of competition (\$1.5 million in award money each time).

The challenge advances innovation and technology commercialization opportunities in Arizona by supporting early stage ventures in Arizona's targeted industries (renewable energy and sustainability, bio and life sciences, electronics, information technologies, aerospace and defense and advanced manufacturing). Companies receiving awards will be required to commercialize their technology and generate revenue within one year of the award. All applicants will receive significant feedback generated from the evaluation process and a seasoned panel of evaluators, be invited to partner with commercialization resources across Arizona, and will be evaluated for eligibility in other ACA incentive programs like the Angel Investment Program.

Applications for the first round of 2012 will be accepted January 6 - February 6. In early 2012, the first \$1.5 million in grants will be awarded to the most promising technology ventures. In 2011, the ACA received more than 100 proposals, awarding eight companies grants ranging from \$100,000 to \$250,000.

Arizona Innovation Accelerator Fund

www.azcommerce.com/az-innovation-accelerator-fund

- \$18.2 million loan participation program
- Provides debt-financing to Arizona's small businesses
- Packages will range from \$50,000 to \$2 million
- Accepting applications now

In 2011, The ACA was awarded \$18.2 million from the U.S. Department of Treasury's Small Business Credit Initiative for the Arizona Innovation Accelerator Fund program. This loan participation program helps spur financing to small businesses and manufacturers, in collaboration with private finance partners, to foster business expansion and job creation in the state.

A five-year program (ending December 2016), the fund will provide debt financing to Arizona small businesses (less than 500 employees) rapidly expanding and in need of resources to capitalize on market opportunities. This loan participation program will be used to fund financing packages that include both public and private capital. Financing packages may range

from \$50,000 to \$2 million. Loan proceeds are to be used for working capital, inventory, equipment purchase, and real property improvements.

The ACA will target industries including renewable energy and sustainability, bio and life sciences, electronics, information technology, aerospace and defense, and advanced manufacturing.

Eligible borrowers must be an existing corporation, limited liability company, partnership or other business entity (sole proprietors are not eligible) and maintain a portion of its operations in Arizona, or have the intent to establish new operations in Arizona. Please visit the website for additional program qualifications and guidelines.

STEP Grant

www.azcommerce.com/az-step-grant

- \$800,000 in grants for small businesses
- Continuum of services
- Increase international sales and revenue

In December 2011, the ACA launched the State Trade and Export Promotion (STEP). The U.S. Small Business Administration awarded the ACA \$656,000 in grant money to help small businesses. Coupled with ACA's 25 percent match, the program totals \$800,000. The STEP program will offer a continuum of services such as education and counseling, market selection assistance, and development and translation of marketing materials. This will allow companies to increase their revenues through international sales. Ultimately, this will help Arizona businesses expand and become engines for job creation and economic growth in the state.

The State Trade and Promotion Grant Program is partially funded by the U.S. Small Business Administration. SBA's funding is not an endorsement of any products, opinions, or services. All SBA funded programs are extended to the public on a nondiscriminatory basis.

AZ Fast Grant

www.azcommerce.com/az-fast-grant

- \$175,000 in grants for small businesses
- Each company can get up to \$7,500
- Provides seed money to help initiate commercialization process

The Arizona Commerce Authority launched the AZ Fast Grant Program in December 2011. This provides seed money to technology based companies to help initiate the commercialization process. Companies with less than 30 employees and revenues lower than \$2 million can receive up to \$7,500 for professional consulting services to help bring their product to the next stage of completion.

In order to qualify for the grant, companies must have a physical presence in Arizona, and the product must be geared toward one of ACA's key sectors (science/technology, aerospace and defense, or renewable energy). Applications are being accepted through January 16, 2011.