

2017 ANNUAL REPORT

TAKING BUSINESS TO THE
NEXT LEVEL



Indiana

SMALL BUSINESS
DEVELOPMENT CENTER



MESSAGE FROM

Governor Eric J. Holcomb

CHAIR, IEDC BOARD OF DIRECTORS

2017 was a record-setting year for Indiana, and we're continuing that momentum into 2018. This is truly an exciting time to be a Hoosier as our state earns accolades, successes and commitments day after day. We've spent the last 12 years strengthening and diversifying our economy, and the results have given our state an international reputation as one of the best places to do business in North America. With all that said, what excites me the most is the fact that we're just getting started, and in the years ahead we're going to work together to take Indiana to the Next Level.

Indiana stands as one of the top five states in the country for doing business, and we have become a national leader in job creation. This year, we celebrated a record-breaking year with businesses committing to create up to 30,158 new Hoosier jobs in the coming years—the highest annual job creation commitment in IEDC history. This is a testament to both hardworking Hoosiers and job creators who find success in Indiana.

But these results didn't happen overnight, and they certainly didn't happen alone. It took teamwork at all levels to get us to this point. For more than a decade, Indiana has worked diligently to build the best business environment in the nation. We have low taxes and reasonable and predictable regulations. We have another honestly balanced budget, a sizable rainy day fund and a triple-A credit rating. Indiana's low cost of living, low unemployment and dynamic jobs climate make us one of the best states in America to live, work, play and stay.

As you can see, in Indiana we're not just competing, we're winning. And, we're not going to take our foot off the gas. Now is the time to take it to the Next Level and create some real separation between us and the competition.

As we begin Indiana's third century, we will:

Cultivate a strong and diverse economy to ensure Indiana continues to be a magnet for jobs and a hub for innovation. We will continue to offer fiscal predictability so job creators can focus on what matters most—their employees and their growing businesses.

Maintain and build the state's infrastructure to remain the Crossroads of America as well as invest in new projects that enhance the state's connectivity to the rest of the world.

Develop a 21st century skilled and ready workforce that is prepared to fill the jobs of tomorrow. We will work tirelessly to ensure our Hoosier workforce has access to a quality education that prepares them for high-demand, high-wage jobs. And, we will work with all Hoosiers to provide them with the opportunity to receive new credentials and training for jobs in sectors like advanced manufacturing, aerospace and defense, technology and life sciences—the jobs of tomorrow that are growing here today.

I want to offer my thanks to Hoosier businesses, our partners in economic development and, most importantly, the hardworking Hoosiers who help make Indiana the best place to start a business, grow a business and get a job.

Full steam ahead,

A handwritten signature in black ink that reads "Eric J. Holcomb". The signature is written in a cursive, slightly stylized font.

MESSAGE FROM LEADERSHIP



Elaine Bedel

President

Indiana Economic Development
Corporation (IEDC)

“As I travel across the state, I continue to hear countless success stories from Hoosier innovators and entrepreneurs who are solving 21st century challenges and creating solutions for the future. As a state, we have made it a top priority to support our job creators with the best tools and resources they need to launch and grow their dream businesses. We’ll continue to work hand-in-hand with our job creators, economic development partners and both state and local government officials to ensure Hoosiers have the opportunity to earn a good living in vibrant destinations where people choose to live, work, play and stay.”



Troy Phelps

State Director

Indiana Small Business
Development Center

“With nearly half a million companies employing 1.2 million Hoosiers, small businesses play an important role in sustaining Indiana’s economic momentum. At the Indiana Small Business Development Center, we offer a one-stop shop for entrepreneurs looking to start and grow a business, delivering expert guidance and resources ranging from business planning and valuation to export assistance. In 2017, we celebrated a record-breaking year together with the IEDC, assisting in 303 new business starts and in the creation of 1,054 new jobs. In the coming years, we’re committed to connecting Indiana SBDC advisors with entrepreneurs and business owners in underserved markets, while continuing to help our current clients take their small businesses to the next level.”



ABOUT INDIANA SBDC

The Indiana Small Business Development Center (SBDC) creates a positive and measurable impact on the formation, growth and sustainability of Indiana's small businesses by providing entrepreneurs expert guidance and a comprehensive network of resources. With 10 regional offices across the state as well as the support of the Indiana Economic Development Corporation (IEDC), the Indiana SBDC helps Hoosier entrepreneurs start stronger, grow faster and work smarter.

**Helping businesses launch,
grow and locate in Indiana.**

SUPPORTING SMALL BUSINESS

500K
SMALL
BUSINESSES

1.2M
EMPLOYED
BY SMALL
BUSINESSES

A+
in small business
friendliness

8TH Nationally
THUMBTRACK 2017

Top 10
nationally

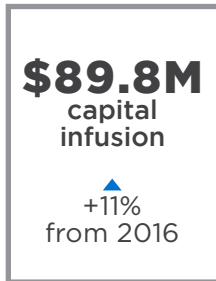
Small Business Policy Index
SBE COUNCIL 2017

In 2017, the IEDC launched an online portal to solicit feedback from small businesses and local governments regarding duplicative state reporting requirements. The feedback will allow lawmakers to identify and recommend changes to state laws or mandates to help ease the burden on small business owners.

SOURCE—U.S. SMALL BUSINESS ASSOCIATION



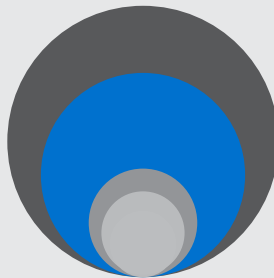
Helping entrepreneurs start stronger,
grow faster and work smarter.



For every dollar spent on Indiana SBDC services,
\$18.81 was earned/returned in various forms
of capital infusion to small businesses.

3,200
clients assisted

- 49% Women owned
- 19% Minority owned
- 9% Veteran owned



303
business starts

- 48% Women owned
- 14% Minority owned
- 6% Veteran owned



NO-COST BUSINESS ADVISING

- Strategic planning
- Financial clarity
- Industry research reports and prospect lists
- Business valuation
- Exporting advising and fellowship program
- Technical assistance
- Market research

MAY 2017

During National Small Business Week in May, Indiana hosted special guest Linda McMahon, administrator of the U.S. Small Business Administration, at its annual Indiana SBDC *Economic Development and Growth Through Entrepreneurship Awards (EDGE)* ceremony, honoring 20 companies that have received support from the Indiana SBDC for their work to help grow Indiana's economy.



INDIANA SBDC SUCCESS STORY

AB BioTechnologies, founded in 2008, started in the back bedroom of Jeff Schwegman's house. He left a six-figure salary to start his own business, step-by-step progressing from a teaching and consulting firm to an actual lab that has since expanded twice.

Received assistance from the Indiana SBDC

EDGE Award Winner

Matured to seek traditional job creation incentives from the IEDC

“They've told us all the time, 'Whatever you need, ask us,' and I love that. The relationships have been absolutely invaluable.”

Jeff Schwegman, CEO, AB BioTechnologies,
The Bloomington Herald Times

PROGRAMMING HIGHLIGHTS



EXPORT INDIANA FELLOWSHIP

Last year, Indiana exports set a new record at \$34.7 billion, ranking No. 12 among all U.S. states. The Indiana SBDC has **10 certified export advisors** across the state prepared to help entrepreneurs over the first hurdle by determining if the product or service is a good candidate for exporting. From there, the team can follow up with additional resources and partner organizations, like the Purdue University Manufacturing Expansion Partnership and World Trade Center—Indianapolis, to develop a comprehensive exporting strategy.

In 2017, the Indiana SBDC provided exporting support to 25 companies that were then able to **ship their Hoosier-made products globally**. From popcorn to law enforcement interrogation software, Indiana products were exported to customers in Mexico, Latin America, Niger, China, Canada, Germany, Australia, Singapore, Thailand and New Zealand.

The **Export Indiana Fellowship Program**, which was in its third year in 2017, is the Indiana SBDC's most concentrated and results-oriented export initiative. In partnership with Purdue University Krannert School of Management and The International Center, the program pairs Indiana small businesses with Purdue MBA students to develop an executable, proactive export plan guided by Indiana SBDC over a three-month period. In 2017, two Indiana companies—Garden Tower in Bloomington and Word Systems in Indianapolis—participated in the program, creating solutions to drive sales abroad.

“The Export Indiana Fellowship program helped us focus on the best export strategies and untangle the red tape of exporting. Without Indiana SBDC, we might still be lost in the shuffle. Instead, we’re moving forward, making deals with groups in Thailand and Australia, and already yielding export sales.”

Ryan Vogt, Word Systems

PROGRAMMING HIGHLIGHTS



TECHNICAL ASSISTANCE PROGRAM

Launched in June 2017, the Indiana SBDC's technical assistance program was developed to provide small businesses and entrepreneurs with additional specialized **technical assistance to propel innovation**. By connecting small businesses in rural areas with resources and expertise not readily available in their community, Indiana SBDC is able to help clients advance R&D, tech transfer, and start-up and scale-up technology. Within the first six months of the program, 12 clients were served, and with all participants providing matching funds toward the program, the future of the program is both strong and sustainable.



LATINO OUTREACH INITIATIVE

Indiana SBDC is committed to ensuring that all entrepreneurs and small business owners across the state have access to no-cost business counseling and resources. In April 2017, the Southwest Indiana SBDC, Southwest Indiana PTAC, and the Latino Chamber Alliance partnered to **increase outreach to an underserved market** in Southwest Indiana, ensuring that members of the Latino community have access to small business resources. By hosting key events and translating Indiana SBDC and PTAC materials into Spanish, the initiative added 16 minority/diverse businesses as Indiana SBDC and PTAC clients and helped eight clients receive chamber scholarships. Within the first nine months of the program, one new business was started and two new Hoosier jobs were created.



Indiana SBDC helped us expand and create a new vertical: Local Bloomington technical startups. We are now working with four local startups, all of which are receiving assistance through this technical assistance program. This new program has directly impacted Bloomington's ability to attract tech startups and to help them succeed in Indiana.



Simon Beaverton, Future Wonder



Indiana

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isbdc.org



U.S. Small Business Administration

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