

Starter Company Plus provides training, mentoring, and grant opportunities up to \$5,000 for eligible participants to start, expand, or buy a small business.

How do I receive up to \$5000 to help start up or expand my business?

If your application and business plan is approved, you could be eligible receive up to \$5,000 in funding, provided that you can match the funding with a 25% contribution. The matching contribution may include cash or in-kind assets, assessed at fair market value, such as equipment or machinery required to run the business.

All applicants will be required to complete a thorough training program that will cover information on all aspects of running a business. As the applicant proceeds through the training, they will be provided with information required to fully develop their business plan. Once the training and business plan has been completed, applicants will then submit their business plan to be considered for an opportunity to present their business to an external Grant Committee, where they may receive up to \$5,000 to support their business. Approved applicants will receive an initial award of up to 75% of their requested grant to put towards the start-up or expansion costs and up to 25% upon successful completion of the program, which including hitting project milestones originally set out in the application.

Can I start any kind of business, or are some types excluded?

In order to receive funding the business can be a new start-up, an acquisition (i.e. the participant is purchasing a business from a retiring entrepreneur) or an existing business that is less than 3 years old. As long as the applicant is fully responsible for the on-going operation and decisions of the business and is the majority shareholder in the case of a corporation, most types of businesses are allowed under the program.

To be eligible, a business or proposed business must:

- be an independent business venture
- not be a business that relies on commissioned sales
- be a legal business in Ontario
- not be a franchise
- operate at arm's length from family business ventures
- operate full-time as defined in the business plan
- maintain its own books and records
- maintain a separate bank account
- be a Canadian Citizen or Permanent resident
- follow all government rules and regulations and applicable by-laws for the operation of the business
- be sales ready at the time of funding

Can my business be a partnership?

Yes. A business or proposed business may be a sole proprietorship, partnership or corporation, but the grant can only be given to one person in the company. For corporations and partnerships, the recipient must own at least 50% of the shares. The Starter Company Plus recipient must be responsible for the ongoing management of the firm. In addition, if there are two partners only one is eligible to receive the Starter Company Plus grant of up to \$5,000 for a specific business idea (grants will not be given to multiple individuals for the same business idea).

How much grant funding is available and do I need to invest my own funds?

Participants may receive up to \$5,000 in funding. Participants are expected to match the grant amount they are requesting with 25% personal investment (eg \$5000 grant will require \$1250 personal contribution in the business). This may include asset-based or in-kind contributions at fair market value, such as equipment or machinery required to run the business, e.g., ladders/scaffolding for a painting company, camera and lenses for a photographer. In-kind contributions may not include “sweat equity” (a contribution in the form of effort as opposed to a financial contribution) or loans or other types of loaned support.

Do I have to open a business to receive the grant?

Yes. Participants who receive a Starter Company Plus grant must sign an agreement that outlines their responsibilities under the program. If they do not adhere to this agreement, they will be considered in default of the program and there will be every effort to recover all grant monies disbursed.

Who decides if I get approved?

A grant review committee made up of local business professionals and private sector stakeholders will review final applications and determine which applicants are accepted and the amount of funding a proposal receives.

Acceptance decisions are based on:

- feasibility of the proposed business
- proposed business' potential for growth and job creation
- start-up budget and financing needs of the proposed business
- cash and in-kind contributions of the applicant
- applicant's overall participation in the program
- regional economic development priorities based on specific industry sectors

If my proposed business is not selected, can I still get mentoring and training?

Yes. Even if a proposal is not selected to receive funding, a participant can still participate in the training and mentoring components of the program to help them open a business. This is dependent on the number of seats available in training and mentoring.

Can I participate in Starter Company Plus while collecting Employment Insurance?

Yes. There is no restriction against participants receiving Employment Insurance (EI), however once you register and start the business you are no longer eligible for EI as a self-employed person.

Can I participate in Starter Company Plus while I am enrolled in another self-employment program?

Those participating in Starter Company Plus may not be enrolled at the same time in the Ontario Works Self Employment Development program, Summer Company, or any other similar programs offered by government funded organizations. However, it is possible to access these programs sequentially. For example, someone who has started a business through Summer Company may later apply to participate in Starter Company Plus in order to take their business to the next level. Similarly, participants may apply to Futurpreneur (formerly the Canadian Youth Business Foundation) after receiving Starter Company Plus funding and mentoring, provided that they apply in the first year of operation of their business.

I am in school part-time. Am I eligible for Starter Company Plus?

Yes, a potential applicant to the program who is enrolled in part-time schooling or training (part-time is defined as 1 course per semester) is eligible for participation in the Starter Company Plus program. You must be prepared to satisfy program training and mentoring requirements and commit a minimum average of 35 hours per week to running your business.

I am working full-time. Am I eligible for Starter Company Plus?

The intent of Starter Company Plus is to help people launch a new business or expand an existing business where other forms of financing are unavailable. Those working full-time are not eligible. You may work part-time and still apply. A part-time job is defined as no more than 20 hours per week.

I don't live in Huron County. Can I still apply?

Starter Company Plus is a provincial program, but you must apply in the municipality where you reside and where your business is located. In Huron County all applications are submitted to the Huron County Economic Development Department.