

Coronavirus - Small Business Grants to Help Through the Crisis



Whether you're just starting out, need a fresh infusion of funding, or are struggling to operate during a crisis like COVID-19, having access to extra funds when you need them is an important part of running a successful small business.

Depending on the size, type, and age of your business, you might have a variety of options available—small business loans, bank loans, private investors, etc. But one of the best options for small businesses of all kinds is applying for *small business grants*.

Grants come in a rainbow of amounts and varieties, making it likely you'll find one or more that's perfect for your business.

And unlike other sources of funding, small business grants don't have to be paid back—a boon for small businesses when times are good, and a veritable life-saver when there's a natural disaster, pandemic, or other major business disruption setting the world on its ear.

However, in order to secure the grants you need, it's crucial you understand how to apply, the limitations that come with different types of grants, and the best ways to apply for, and win, the grants that best fit your business needs.

What Are Small Business Grants?

Covering a variety of activities and available from a staggering number of private and public sources, small business grants are funds donated by organizations to small businesses for a clearly defined purpose.

Grant programs distribute funds to cover everyday and exceptional business concerns, including new business startups, research and development (R&D) and innovation, and small business growth.

For example, small business owners might receive grant money from the Department of Agriculture in exchange for planting more of a specific crop, or apply for and receive special financial aid that covers essential operating costs and helps them maintain a balanced budget during times of crisis like the current coronavirus pandemic.

Grants are also provided to small businesses that meet certain demographic criteria, support certain economic development initiatives, or contribute to causes specified by the grant program's parent organization.

Most small businesses will pursue one or both of two types of grants: government and private.

Government Grants

Government Grants can come from federal, state, regional, or city-level grant programs. Government grant programs often require considerable time and effort during the application process.

In the United States, some federal grant programs are actually short-term loan programs that are designed to be forgiven or converted to grants if the recipient follows the terms of the loan/grant.

Examples include the federal government's Economic Injury Disaster Loan (EIDL) program and the Paycheck Protection Program (PPP).

Private Grants

Private Grants come from either corporations or private charitable organizations.

These grants will usually have less stringent application and spending requirements, but also have a much larger competitive field for funding opportunities.

Apply with the utmost care. Incomplete, inaccurate, and indifferently completed applications are sure to hit the rubbish bin before they receive serious consideration. With grants, dotting your i's and crossing your t's isn't just good form—it's essential to staying in the running.

Challenges That Come with Obtaining Small Business Grants

Generally speaking, the challenges that come with a small business grant are threefold:

- Time needed to find grants that fit your business needs and for which your business meets the eligibility requirements (e.g., annual revenue within set parameters, a focus on community development, certain demographic requirements for owners, etc.)
- Time dedicated to the application and approval processes.
- Restrictions imposed by the entity providing the grant, which may limit the use of funds to specific activities, specific recipients, or prevent them from being used for others.

These challenges are important and absolutely require careful attention, but are not insurmountable.

However, when disasters like the COVID-19 pandemic strike, it's crucial that you have a focused and efficient plan of attack when pursuing funding, particularly if you're struggling to stay afloat due to supply chain disruption, operational shutdowns, etc.

Best Practices for Winning Small

Business Grants

The prospect of “free money” is a siren song to many, and the hurdles built into the application process by grant programs are there at least in part to discourage time-wasters and dilettantes.

But grant applications are also complex and detailed because these grants programs are ostensibly designed to match funding with those who both need it and will put it to the best possible use (as defined by the grant giver).

Consequently, when you’re ready to apply for a grant you believe is a good match for your small business, it’s extremely important for you to set yourself apart from the crowd with an exceptional application.

1. **Connect** with the grant officer in charge of the program. Get as many details as possible about the grant program, the needs and expectations of the organization providing the grant, the timeframe for applications, approval, and distribution, and any constraints imposed on either the application, the businesses involved, or how the money is to be spent.
2. **Check** and then re-check every single aspect of the application process. Review all requirements listed, and don’t try to play fast and loose with any of the details. If a grant is for women-owned businesses with a focus on the health care sector, don’t waste your or the grant foundation’s time applying for aid for your male-owned tractor supply firm.
3. **Apply** with the utmost care. Incomplete, inaccurate, and indifferently completed applications are sure to hit the rubbish bin before they receive serious consideration. With grants, dotting your i’s and crossing your t’s isn’t just good form—it’s essential to staying in the running.
4. **Demonstrate** your readiness to turn the grant program’s dollars into results with a stellar business plan. This is your time to shine; highlight what sets you apart, and the ways in which you’re not only qualified for the money, but the best candidate to receive it. For example, you might earmark part of the funding for a procure-to-pay (P2P) solution like PLANERGY as the technical tool you’ll use to support your detailed set of purchase order best practices. Private or public, grant foundations like to know recipients have a reliable way of managing not just their money, but

all essential business practices, because it makes those recipients a safer bet—especially during a pandemic like the coronavirus.

5. **Keep** in touch with your grant officer, within reason. Offer to answer any remaining questions or address any concerns, but keep it light. They'll know they can reach out to clarify if you're being considered.

2020 Small Business Grants

Even in the midst of the most economically devastating pandemic of the 21st century, entrepreneurs and small businesses of all sizes can still find a large assortment of grants to apply for, whether they're seeking assistance with issues caused by the coronavirus or simply looking for more traditional grants.

If you're looking for funding, you can start your search for grant opportunities with grant tracking tools such as Duke University's app for tracking coronavirus-related funding or GrantWatch.com, which focuses on grants available to small businesses and nonprofits.

You can also take a look at some of the most prominent and widely-available grant programs set up by governments and private organizations to help small businesses grow and succeed both during the coronavirus pandemic and after.

Coronavirus-Specific Small Business Grants

Having already dedicated more than \$2 trillion to coronavirus-related relief, the United States House of Representatives approved another \$484 billion in COVID-19 relief for small businesses and hospitals on April 23rd, 2020.

Private corporations and charitable foundations are following suit with increased offerings of their own.

Private and Corporate Grants

- Google has set aside \$340 million in advertising grants for small- and medium-sized businesses. Approved applicants can have the funds added directly to their Google Ads accounts.
- GoFundMe, partnering with Yelp, GoDaddy, Intuit Quickbooks, and Bill.com, has created The Small Business Relief Initiative, a grant

program distributing an additional \$500 “microgrant” to small businesses who raise at least \$500 through a GoFundMe campaign.

- Social media juggernaut Facebook has created a \$40 million grant program designed to support 10,000 U.S. small businesses, available to applicants in 34 locations.
- Digital advocacy platform Hello Alice is teaming up with Verizon to offer grants of up to \$10,000 for small businesses negatively affected by the coronavirus pandemic. These funds are part of a larger initiative called Business for All that provides grants of up to \$50,000 to help small businesses grow.
- Amazon has dedicated \$5 million to the Neighborhood Small Business Relief Fund to support Seattle-based small businesses.

General Government Coronavirus Relief Grant Programs

- The United States government has set up a centralized resource on its Small Business Administration website providing detailed information on several coronavirus-related programs, including EIDL, PPP, and the SBA’s own Small Business Debt Relief program.
- GrantWatch has created a coronavirus-specific page monitoring the wide array of COVID-19 relief grants offered by states, counties, and cities across the United States.

Demographic-Specific Coronavirus Grant Programs

- The US Department of Commerce’s Minority Business Development Agency (MBDA) is offering grants to minority-owned, inner-city businesses and entrepreneurs, with a special focus on technological innovators. The Minority Business Enterprise (MBE) Inner City Innovation Hubs program is accepting applications until May 15th, 2020.
- Through its Red Backpack Fund, the Spanx by Sara Blakely Foundation is providing 1,000 grants of \$5,000 each in monthly rounds to women-owned small businesses impacted by the coronavirus pandemic.

General Grants for Small Businesses

Even when there's not a global disaster, pandemic, or other major economic disruption, government and private grant programs are versatile and cover a very wide array of industries and demographics.

Government Grant Programs

- **gov** is the official, go-to site for grants administered by all US government agencies. Their searchable database provides a one-stop shop for small business grant programs of all kinds from federal, state, and local governments.
- **The Small Business Technology Transfer Program (STTR)** is dedicated to helping small businesses forge strong and successful partnerships with nonprofit organizations to further R&D and technological innovation. Profits from these joint ventures are distributed to the small business in whole or part.
- **The Small Business Innovation Research Program (SBIR)** is similar to the STTR, but awards grants to small businesses actively advancing, and commercializing, technological innovation.
- **gov** presents small businesses with the opportunity to pursue grant funding via prizes awarded from competitions. The challenges cover a wide range of creative and scientific endeavors designed to foster innovation, solve problems, and advance technological development.

Private Grant Programs

- **National Association of the Self-Employed (NASE)** provides a \$4,000 Growth Grant each month to a small business applicant who is also a member of their organization.
- **The Visa Everywhere Initiative** aims to live up to its name by providing four finalists from around the world with small business funding. Since 2015, the program has raised more than \$2 billion in funding, and distributes \$150,000 in prizes to winning applicants.

Demographic-Specific Small Business Grants

- **The Amber Grant**, administered by WomensNet, awards \$2,000 in small business funding to a female entrepreneur each month, as well as an annual bonus of \$25,000 to one of the twelve monthly recipients.
- **The Veteran Small Business Award** awards up to \$15,000 to veterans (or their spouses) who own more than 50% of a qualifying business. Created by the StreetShares Foundation, this award is intended to support and inspire veterans as they pursue their entrepreneurial ambitions.
- **Small Business Development Centers** are special government organizations that don't provide grants, but instead help small businesses connect with grant programs, provide assistance with government grant proposals (e.g., STTR) and also provide guidance and information to small businesses looking to grow and innovate. The SBDC also offers Women's Business Centers, with resources specifically designed for female entrepreneurs and female-owned small businesses.

Leverage Small Business Grants to Keep Your Company Thriving

Whether you're starting a new small business, navigating the coronavirus pandemic with your existing one, or looking to expand and enhance your capabilities for whatever the future holds, chances are there's a grant out there waiting for your application.

By following best practices and ensuring you've done your homework, you'll be better prepared to apply for, and receive, the small business grants you need to help your business survive, expand, and thrive.

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