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IN THIS ISSUE

Small Business Government Grants: Fact and Fiction

Is Fear Preventing You From Starting Your Small Business?

Are There Small Business Grants Available For Canadian Entrepreneurs?

Small Business Government Grants: Fact and Fiction

BY IAN MEYN

You are guaranteed small business government grants if you apply. The government of Canada is just waiting to give you the money. Every single person in Canada is eligible for a government grant because they pay taxes. Get a government grant and pay off your bills so you can start a business.

What is the truth and what is a myth?

It seems that no matter who you ask about small business government grants and loans, you will hear a different answer. Who do you believe? What is actually real and what's not?

Is government funding a real thing or what?

Well if you are looking to get a small business government grant for your own business in Canada it's probably a good idea that you get educated on government funding in general. So let's take a few minutes together and discuss the facts of government grants and the fiction that many believe to be real.

Small Business Government Grant Facts

When it comes to obtaining a government grant for a small business there are a lot of rules and regulations that one must meet in order to successfully get funded. There are a lot of misconceptions when it comes to government grants, so review the below facts to get a better idea of what government grants really are:

Not easily available or accessible

Government grants, despite being available through various funding agencies across Canada, they are not promoted and are often very difficult to find. Sort of like calling the government and trying to speak to a real person (click, 1, press 2, press 5, press 2, and on and on and on). Now imagine searching for funding online, not knowing what to search for and not knowing what you found when you actually find it, if you do. The fact is that government grants are available but are extremely difficult to find.

Not for everyone

There are many different government grant programs available but just because you pay taxes you do not automatically qualify for funding. In fact, government grants are not for everyone. In order to qualify for a government grant you have to meet the criteria and the qualifications set by the grant program. Since each funding program is different, in order to figure out if you meet the criteria, first you have to find the program. Government grants vary from province to province, from industry to industry and often are based on specific funding needs.

Not for every purpose

Government grants if obtained must be used for the specific purpose that you applied. The catch 22 here is that grants may only be available for a range of purposes. For example, if you want government help to assist you financially in paying for employees, training, turning your business green, assisting you to create jobs, grants may be available. However if you want to start a business in the construction industry and you need a new pickup truck, a grant won't be available.

You need to be a Canadian citizen and operate in Canada

As a small business you may have connections or operations that reach outside of Canada, or maybe you are not a Canadian citizen. If that's the case, government grants may not be available for you. The reason the Canadian government offers government grants is to help business owners in Canada grow (which ultimately helps stimulate the economy).

There are a lot of misconceptions when it comes to government grants



Be sure to know what's available in terms of grants.



You need to have a registered business

You can search for funding and find it, but if you want to apply for it you will have to be a registered business. This doesn't mean you have to be making money or even have any revenue, but it means that on paper when you apply, you have to apply as a business and not as an individual. Easy to solve, just register our business.

Not all grants are non-repayable

Government grants are not all free money. There are a number of grant programs that are different then "non repayable". So when you start your funding search be sure to know what's available in terms of grants. Government grants can be repayable, partial contributions and even conditionally repayable. Learn more from our experts.

Grants are harder to obtain than loans

Government grants are much harder to obtain than small business loans offered by the government. There are by far more loan programs offered then grant programs and the amount of business owners applying for grants is far greater. However historically, a business owner is more likely to obtain a small business loan through the government (low interest, no interest or even a guaranteed loan), versus a government grant. So if you need funding, a loan may be the best and most secure way to ensure you get funding.

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Small Business Government Grant Fiction

Just like with many things that people don't understand, stories and facts get made up which are often factitious or straight up false. Small business government grants is one of those topics where a lot of people simply just don't get it, because it is a complicated topic - and from that point on, myths are created. So follow below to see some of the top factitious facts floating around about government grants for small business owners in Canada.

All you have to do is apply

Simply applying to a government grant program, you are guaranteed something. Ummm, no. This is the real world and it doesn't work that way. While government grants are available they are only provided to those businesses that deserve it and show a benefit to the government and to the Canadian economy and the business itself in the long run. Not to say that one business deserves it over another, but the facts are that you have to apply, show a benefit and be successful.

I pay taxes so I deserve funding

Just because you are a Canadian citizen and you pay income taxes, doesn't enable you to automatically be eligible for funding. A percentage of your taxes is definitely used towards business funding, but it is also used towards other government incentive programs such as health care, education, infrastructure..etc In order to be eligible for a government grant, you have to have a business registered and you have to meet the criteria set by the funding program.

All government grants are non repayable

There are many different government grant programs and not all government grant programs are non repayable. When searching for funding programs keep an eye out on the different types of government grant programs.

There are no government grants

You may have been denied funding to buy a pick up truck for your business, but that doesn't mean that there is no government grants available. If you called your town hall and they told you there are no government grants available, it doesn't mean there are no grants available. If you apply to a program and they don't reply, it doesn't mean that there are no grants available. The grants world is very big and very busy and most importantly, very confusing. There are a ton of grant programs; they are sort of hard to find - but they are available and billions of dollars in grants go out every single year to business owners. So don't waste your time thinking they don't exist, get expert help!

Government grants guarantees

When a small business owner needs money, they turn to the fact that government grants are "free money", so they are willing to do anything and everything to get it. Sadly, there are many scams out there targeting small business owners with government grant offers. If somebody out there guarantees you a government grant (if you pay a fee), just don't do it. Nobody but the funding agency itself can't guarantee you funding. There are many 3rd party companies such as CanadaStartups.org that charge for access to a funding database and expert assistance with the funding search for a fee, but nobody will guarantee you funding - and if they do, be very careful.

You have to pay to get a government grant

Applying to government funding is free. You should not have to pay a fee to get funding, otherwise it is not a government program. That being said, there are many third parties that charge to help you do it (this is not the same as applying to a grant). Think of this as filing your taxes (you can do it on your own but it's difficult and confusing), but you can take it to a tax expert who will charge you a fee to do it for you.

While there are many more myths when it comes to government grants and funding for small business owners in general, the more you know the better. It's highly recommended to speak to experts who can assist you and help guide you.

There are a ton of grant programs; they are sort of hard to find



Is Fear Preventing You From Starting Your Small Business?

BY DAVID LORETTA

Starting your small business can be really scary!

We agree.

We here at CanadaStartups.org deal with thousands of startups each month and we see that there are a lot of fears that individuals have when starting a business. Especially those doing it for the very first time or those who are leaving their jobs/careers to get into business.

So what is so scary?

Is it the lack of:

- Finance?
- Support?
- Motivation?
- Knowledge?

Most people when starting a small business often go into it full force. That's probably one of the many reasons why small businesses end up failing and some end up succeeding quickly.

The secret to it all is going all out but doing it according to a plan. That plan is what most people call, a "business plan".

When you are thinking of starting your small business, a business plan is one of your primary tools. A tool that is critical to business success.

Once you have developed a business plan the rest will all fall into place and you will have an idea of what to do if any of the above items become an issue.

Why small business startups come to CanadaStartups

Well when you have a business idea, often it's not something you want to go in all alone; without the proper support team; without the knowledge; most likely lack of financing..etc

So this is where CanadaStartups comes into play.

We help you turn that idea into a reality.

A business plan is one of your primary tools, a tool that is critical to business success.



*You have to get
into a business
that will
motivate you
first of all.*



If the lack of financing is an issue keep in mind that with access to our Small Business Startup Portal you also get access to the Funding Database. That means you can access over 1,500 funding sources from the government, private investors and find the funding you need for your small business.

This funding can help you start up, to pay for tools, equipment, supplies, marketing and advertising and more. But a business plan is required!

The support aspect of starting a small business is something our platform helps you obtain. Not only do you get the tools, resources and the services but you get access to support. Our support helps you have a team of experts along side you at any given time; a click away.

So if you need help with starting up, have questions about your business plan, need help having a expert review your business plan, to search for funding, to answer any questions or just to give you a little bit of guidance, we help!

When it comes to motivation, it can be a show stopper for sure. But if you are getting into business you do have to be a self motivator. You have to get into a business that will motivate you first of all.

The number one reason why people stop being motivate is because they don't know what to do next, they are overwhelmed. So what we do is help you focus on one item at a time and this item is what helps you and your business succeed.

As a startup entrepreneur, knowledge is critical to the success of business. But now knowledge how to start a business, how to build a business plan or how to get funding - we help you there. You have to have the knowledge in your business and your industry. You don't need to be an expert in everything - this is where many business owners make the mistakes thinking they need to wear every hat and be the best that can be with everything.

Keep in mind that it takes years of education and practice to learn how to financials in a business plan; do you really want to do it yourself, or can you trust that experts can help.

So if you want to start your small business here in Canada and you have feats of financing, lack of support, motivation or knowledge - stop right now and re-read the above. We help!

What is stopping you?

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As a startup entrepreneur, knowledge is critical to the success of business. But now knowledge how to start a business, how to build a business plan or how to get funding.

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Are There Small Business Grants Available For Canadian Entrepreneurs?

BY SUZANNE BURTON

Yes. Absolutely. Undoubtedly. Positively. YES! I will say it again to make sure its understood: Yes there are Small Business Grants available for Canadian Entrepreneurs. Now that that's been confirmed, let's clear up some of the common facts and misconceptions around these grants.

Do Canadian small business grants really exist?

The Canadian Government offers Grant programs to entrepreneurs, both to offer support to small business and to stimulate the economy and create jobs. So you can't just get a grant because you "want to start a business". You will need to find the programs that offer funding in the form of grants, and you will need to show them how you will use the money in a way that is beneficial not only to your business, but to your local economy as a whole.

Grant programs DO exist. However, because they offer large sums of money that do not have to be reimbursed; the qualification criteria for these programs is more rigorous in order to ensure the funds land in the right hands. These programs can be offered at any level of government - federal, provincial or municipal - and are generally directed at particular industries which are more inline with government objectives. Grant-rich industries include: agriculture, environmental technology and biotechnology. Whereas the retail industry falls quite low on the priority scale for government grants.

Does my business have a chance at qualifying for a grant?

Does that mean your business has no chance of landing a grant if it doesn't fall into one of the above industries? No. It means that you have to be more flexible in terms of what you need funding for. There are many grant programs that can provide funding to cover the costs of hiring or training staff. These programs seek to create new job opportunities for people with disabilities, recent graduates, or summer jobs for students. So if you're willing to hire a skilled apprentice, create a few summer jobs for students, or hire a disabled person; you could obtain a grant to cover all or part of their salary for up to 52 weeks!

The Canadian Government offers Grant programs to entrepreneurs, both to offer support to small business and to stimulate the economy and create jobs.



What do I need in order to qualify for a government grants?

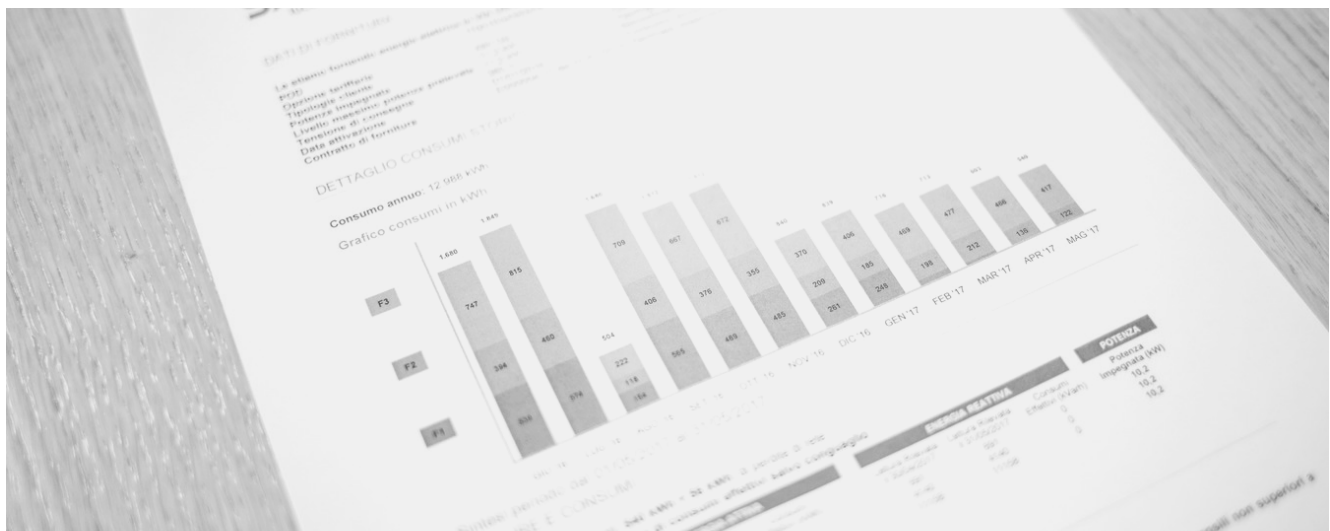
We've said it before, and we will say it time and time again: the most important piece of the puzzle when it comes to landing funding for your business, is having a Business Plan. There is no way around it. Your business plan is essential in convincing lenders (both government and private) that your business is worthy of the funds and that you will spend the funds wisely. Your business plan will help you to identify exactly what you need the funding for, and then you can look into programs that offer assistance for that purpose. For example, buying equipment, hiring or training staff, etc. Once you have established the purpose of the funding, you can begin to browse available funding programs that meet your funding needs and discover whether you meet the eligibility criteria for these programs.

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With a little work and the right tools, you can greatly improve your chances of obtaining a Government Grant...

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No one can guarantee that you will receive funding. However, with a little work and the right tools, you can greatly improve your chances of obtaining a Government Grant by ensuring you have a professional Business Plan, that you submit applications to as many programs as you are qualified for and that you do proper research to find those programs which best meet your business needs.



For more information, please visit our website
canadastartups.org