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WNY counties land \$445,000 grant for job growth

OBSERVER Staff Report

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Congressman Brian Higgins (NY-27), Senator Charles Schumer, Senator Kirsten Gillibrand, Congresswoman Louise Slaughter (NY-28) and Congressman Chris Lee (NY-26) announced \$445,000 for a new joint initiative covering 19 counties in Western and Central New York to support new economy business development and job growth across the region.

The funding awarded to the Erie County Industrial Development Agency (ECIDA) and JumpStart Inc. through the U.S. Economic Development Administration (EDA) will provide the resources for the New York counties to create a Regional Entrepreneurship Action Plan (REAP) modeled after a successful program creating jobs and boosting economic growth in Northeast Ohio.

"Western New York is well positioned to grow jobs that embrace innovation and with this significant federal grant we can embark on a project to provide valuable support for tomorrow's thriving high-tech businesses," said Higgins. "I applaud the ECIDA for their hard work and initiative, private organizations including the Oishei Foundation, UB and National Grid for their support and look forward to working with JumpStart, which has a great track-record of success in boosting business and economic opportunity."

"Ensuring that small businesses and startups have the resources they need to get off the ground is one of the most important things we can do to spur job creation," said Schumer. "With these funds, Jumpstart and ECIDA will be able to provide new businesses with the tools they need to hit the ground running."

"No other state is poised to lead in the high-tech economy of the future like New York," Gillibrand said. "Our state is home to the universities, laboratories, researchers, the bright minds and businesses we need for long-term economic strength. These federal dollars will create a joint public-private partnership to help attract new businesses to Western and Central New York, create new jobs and help rebuild our economy."

The ECIDA, a primary applicant for the grant, working with co-applicant JumpStart Inc. will create a business plan, online resource for businesses, advisory board and other components of a framework that will grow early-stage, high potential new economy business to the region. In addition to the federal funding, approximately \$230,000 in private dollars will support this initiative. Private partners include John R. Oishei Foundation, in partnership with the University at Buffalo, National Grid, ECIDA, Excell Partners, High Tech Rochester, and Greater Rochester Enterprise.

Counties involved in this project include: Erie, Niagara, Chautauqua, Cattaraugus, Orleans, Genesee, Wyoming, Allegany, Monroe, Livingston, Wayne, Ontario, Yates, Seneca, Cayuga, Oswego, Onondaga, Cortland and Madison.

"I am pleased the Erie County Industrial Development Agency succeeded in its grant request for funding to support a new initiative to help support and develop businesses in our community and beyond," said Erie County Executive Chris Collins. "The ECIDA continues to position itself as the first call for businesses looking for assistance and tools to foster growth and job creation. This new initiative will allow the ECIDA to better increase a company's access to the necessary capital to support expansion, something that has been incredibly hard to do given the economy."

JumpStart Inc. was established in 2004 to transform Northeast Ohio's entrepreneurial economy. JumpStart's work within Northeast Ohio has focused in two areas: 1) providing resources (in the form of intensive technical support and investment capital) directly to high potential entrepreneurs leading early stage companies, and 2) supporting the creation and growth of a thriving entrepreneurial ecosystem, which increases entrepreneurs' access to equity capital, government grants, and other resources, and is delivered by a variety of collaborators across the region.

Over that time, JumpStart has provided more than 84,000 hours of pro bono technical assistance to entrepreneurs and invested \$17 million into 49 of the most promising early-stage companies. All JumpStart's clients have raised almost \$300 million in capital since working with the organization, and they have created over 800 jobs. According to a Cleveland State University report, JumpStart's work has created economic impact of \$267 million on the Northeast Ohio economy in the last four years.

"Our collective work will dive deeply into the existing strengths and areas of opportunity in Western and Central New York's entrepreneurial activity," said Mike Mozenter, President of JumpStart Community Advisors. "The collaborative process will result in a region-specific model for supporting the region's entrepreneurs, building new businesses, and creating jobs."

The U.S. Economic Development Administration (EDA) is an agency within the U.S. Department of Commerce with a mission of leading the federal economic development agenda by promoting competitiveness and preparing American regions for growth and success in the worldwide economy. The EDA encourages partners in distressed communities throughout the United States to foster job creation through innovation and regional collaboration.

A Kauffman Foundation report found that start-up companies create an average of 3 million new jobs annually, more than any other sector. In addition, the Foundation reports that the jobs created in start-ups are more durable than most. In fact, a Kauffman study confirmed that more than half of the companies on the 2009 Fortune 500 list were launched during a recession.