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ICAA Business Development reveals big economic impact on the region

Ladysmith, WI—Indianhead Community Action Agency, Inc.'s Business Development program, a program that assists low to moderate small business owners and aspiring entrepreneurs pursue their passion of small business ownership, had a big year regarding economic impact for Northwest Wisconsin in 2016.

The ICAA BD program is a nonprofit program that receives government funding through federal grants from the USDA Rural Development-Cooperative Services (a program slated for complete elimination in the current presidential budget), and two state grants from the Wisconsin Community Action Program and the Wisconsin Economic Development Corporation. In 2016, the ICAA BD budget was approximately \$90,000.

As the annual report revealed, 17 entrepreneurs found self-sufficiency through self-employment utilizing the ICAA Business Development services in 2016. These small business owners had the purpose and the passion and ICAA Business Development staff supplied the guidance and ultimate plan to get the business launched. These 17 entrepreneurs were able to achieve their dream of small business ownership in a variety of industries: daycare, food manufacturing, value added farm services, dock installation and manufacturing, creative artisan work, graphic design, property management, health and beauty, quilting and crafting, restaurants, and retail stores.

These 17 entrepreneurs started their small businesses in Barron (3), Burnett (4), Clark (5), Sawyer (2), Taylor (1) and Washburn (2) Counties. These 17 businesses, if projections and goals are achieved, will realize \$1,282,980 in sales within the first year (an average of \$75,411 in sales), and \$2,284,891 in sales within 3 years (\$134,373 in sales, averaged). That results in about \$34,237 in owner earnings after 3 years of business (\$582,030 when compiled). That doesn't include the new taxable payroll from the remaining jobs created (22.5 total jobs). That is a projected two million more dollars pumped into the local economy from these 17 businesses after 3 years of being in business.

The ICAA BD program was also able to help 10 of these 17 clients secure over three-quarters of a million dollars in outside investment for their startup business! \$777,222 was invested into these startup companies as a result of obtaining micro loans from ICAA Business Development Revolving Loan Fund, traditional bankers and credit unions and local revolving loans funds such as: Impact Seven, Northwest Wisconsin Business Development Corporation's Revolving Loan Fund, Medford Area Development Foundation, Washburn County Economic Development Corporation, and crowd sourcing.

When compared to the 2016 Business Development program budget of \$90,000, that results in \$8.63 in leveraged funding earned for every \$1 of program money spent. That is Northern Wisconsin tax dollars at work (due to grant funding from the USDA Rural Development-Cooperative Services, WISCAP, and WEDC) making a substantial investment into the local community through loan or investment dollars.

The ICAA Business Development program that focuses on small business is big business for Northwest Wisconsin.

About ICAA:

Indianhead Community Action Agency, Inc. is a registered 501(c)3 Charitable Organization and an equal opportunity provider. ICAA and its Business Development Program receives Federal, State, Local and Private funding, including financial assistance from the USDA, WISCAP, and United Way.