



## Finance a Business

**We have great news for you - there are more financial resources available to start or expand your business in Dumas than anywhere else in the country! However, financing a business can still be a challenge.**

To be realistic about funding a business, the first thing to realize is that it is nearly impossible to borrow 100% of the money you will need. And grants – the few that exist – are highly competitive. Even in the best cases they supply only a small portion of the total needed and require matching funds.

Funding for your business comes in two basic flavors: DEBT and EQUITY. Debt is money that you borrow; equity is money that is invested in your business by yourself or someone else. Debt has to be repaid, while equity is an ownership interest which stays in the business but has to be paid to investors.

The West Texas A&M Small Business Development Center offers a comprehensive guide to business financing called "Finding the Money." To download a pdf of the guide, visit [www.smallbusinessdevelopmentcenter.com/financing](http://www.smallbusinessdevelopmentcenter.com/financing)

### **Grants**

A grant is by definition money that doesn't have to be paid back. For that reason, grants usually have specific criteria in order to qualify. Here are a few of the grant options available in Dumas:

**Dumas Business Growth & Development Fund** – The Business Growth & Development Fund is a bi-annual grant competition for start-up and early-stage business plan competition for businesses in Dumas that receive income from outside the area. Grant recipients share in a portion of prize money available through this program. Contact Mike Running at 806-934-3332; email [running@dumasedc.org](mailto:running@dumasedc.org) for more information, or go to [www.dumasedc.org](http://www.dumasedc.org).

**The Dumas Innovation Fund** - a grant program focused on the strongest, most viable product innovations that will lead to entrepreneurial activity. This program is designed to assist with product development. Applicants may be eligible for funds of up to \$10,000 that follow specific program criteria. Contact Mike Running at 806-934-3332, or check out the website at [www.dumasedc.org](http://www.dumasedc.org).

**EDP Plus Program** – Administered through the Federal Home Loan Bank, this is an “equity match” to help you get a loan from a FHLB institution - up to \$25,000; Contact PJ Pronger at 806-372-5151; e-mail - [ppronger@mail.wtamu.edu](mailto:ppronger@mail.wtamu.edu); [www.fhlf.com/community/cip\\_edpplus.html](http://www.fhlf.com/community/cip_edpplus.html)

### **Economic Development Incentive Grant**

Businesses that fit Economic Development criteria for consideration are specific. A critical question is whether your product or service generates revenue from outside your location, whether your project creates new jobs, could be located elsewhere, and is not considered a retail service industry. For more questions, contact the Dumas Economic Development Corporation.

**Check out our website at [www.dumasedc.org](http://www.dumasedc.org) for information on various loan programs, venture capital programs and state sponsored economic development programs. If you need more information or further assistance, please call 806.934.3332.**