

# Massachusetts Growth Capital Corporation (MGCC)

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## Business Plan

FISCAL YEAR 2013

Charles T. Grigsby

President

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## Executive Summary

### Mission statement

The Mission of the Massachusetts Growth Capital Corporation is to foster the creation and preservation of jobs in small businesses, in women and minority-owned firms, and through the promotion of economic development in underserved, gateway municipalities as well as other low and moderate-income communities throughout the state.

MGCC provides a central resource at the state level that offers working capital loans, guarantees and targeted technical assistance to solve specific financial and operational problems.

To fulfill its mission, MGCC works with traditional financial institutions, non-bank lenders, community development corporations and other non-profits to provide financing for job-producing projects. MGCC also makes loans to firms in which there are no other lenders to improve their capacity to receive traditional financing.

MGCC seeks to strengthen the existing network of micro lenders across the state to ensure that all levels of financing requirements are addressed. Additionally, MGCC manages competitive grant programs that provide training and technical assistance to small businesses, including small contractors.

### Strategic Goals, Action Steps and Performance Measures

Goal	Action	Measurement
<b>Increase availability of working capital to promote growth of small businesses</b>	Increase net loans to small businesses by over 20%	Originate \$24,000,000 in small business loans
<b>Strengthen network of micro-lenders statewide</b>	Assist formation of new micro-lenders and provide assistance to existing intermediaries	Originate \$2,000,000 in loans to micro-loan intermediaries
<b>Employ targeted management assistance to increase success rate of small businesses</b>	Increase market awareness of the availability of this resource and encourage other lenders to make greater use of it	Provide specific targeted management assistance to 40 companies

<p><b>Increase rate of job creation by small businesses</b></p>	<p>Increase attention on financing efforts for early stage and growth companies where job creation is strongest</p>	<p>Target 1500 new jobs to be created by portfolio companies</p>
<p><b>Increase the number of banks with which MGCC participates</b></p>	<p>Coordinate efforts with Mass Bankers Association; increase direct marketing to banks; emphasize customized MGCC financing structures to make "unbankable" loans bankable</p>	<p>Increase number of participating banks by 54%, (from 26 to 40)</p>