

**PROGRAM**

**GUIDELINES**



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## OVERVIEW

### Awards Available

*NEIdeas* will award a total of \$500,000 through two types of awards:

- **The \$10k Challenge** will provide awards of \$10,000 each to 30 businesses that gross under \$1 million annually with ideas to grow.
- **The \$100k Challenge** will provide awards of \$100,000 each to 2 businesses that gross over \$1 million and under \$5 million annually with ideas to grow ‘big.’

### Deadline

*NEIdeas* launches in the spring of 2014 and runs through the end of 2014.

Please follow [NEIdeasDetroit.org](http://NEIdeasDetroit.org) for details.

### Submission Information

**To obtain an electronic application:** Visit [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

**To obtain a printed application:** Visit an *NEIdeas* Ambassador location.

Designated Ambassador locations are listed online at [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

To submit an application:

1. **Online** applications are directly accepted at [NEIdeasDetroit.org](http://NEIdeasDetroit.org)
2. **Email** a downloadable PDF to [apply@NEIdeasDetroit.org](mailto:apply@NEIdeasDetroit.org)
3. **Mail** a printed application to *NEIdeas* Outreach, c/o DEGC, 500 Griswold St, Suite 2200, Detroit MI 48226
4. **Turn-in** a printed application to an *NEIdeas* Ambassador location. Designated Ambassador locations are listed online at [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

### Contact Information

Email us at [info@NEIdeasDetroit.org](mailto:info@NEIdeasDetroit.org) or call our hotline at 844-NEI-DEAS during regular business hours.

### Websites

[neweconomyinitiative.org](http://neweconomyinitiative.org)

[NEIdeasDetroit.org](http://NEIdeasDetroit.org)



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**ABOUT NEI**

**AND NEIDEAS**

**The New Economy Initiative (NEI)** is a special project of the Community Foundation for Southeast Michigan (CFSEM). NEI is the largest economic development initiative of its kind working to build a network of support for entrepreneurs and small businesses. The mission of NEI is to create an inclusive, innovative regional culture by reawakening and leveraging Detroit's creative entrepreneurial drive. The overarching goal is to establish a more diverse economy where opportunity, wealth, and prosperity are available for all.

### Program Vision and Description

*We believe that a great idea can help a good business grow.* *NEIdeas* is a program that celebrates existing businesses in the cities of Detroit, Hamtramck, and Highland Park – rewarding those with the best ideas for growth. There will be a total of \$500,000 in cash awards, in addition to business support, to over 30 businesses. *NEIdeas* has two types of awards:

- **The \$10k Challenge** will provide awards of \$10,000 each to 30 businesses that gross under \$1 million annually with ideas to grow.
- **The \$100k Challenge** will provide awards of \$100,000 each to 2 businesses that gross over \$1 million and under \$5 million annually with ideas to grow 'big.'

*NEIdeas is about more than just the money.* By entering, applicants gain a connection to other entrepreneurs, access to resources, and exposure for their business. *NEIdeas* Ambassadors and Jurors – the people who help find applicants and recommend finalists and winners – are, often times, from organizations that exist to help business owners. They can steer applicants, whether finalists or winners, in the right direction for their business needs.

*NEIdeas* is a program of the New Economy Initiative (NEI) and the Community Foundation for Southeast Michigan (CFSEM), operated with assistance from Detroit Economic Growth Corporation (DEGC).

### Purpose of *NEIdeas*: Rewarding Ideas for Business Growth

*NEIdeas* is intended to support existing businesses in a way that will maintain and strengthen them in the neighborhoods and cities that need them most. The program provides an opportunity to connect small businesses to both investment and resources. In doing so, *NEIdeas* will help to sustain businesses,

strengthen neighborhoods, diversify economies, and grow jobs for residents in the cities of Detroit, Hamtramck, and Highland Park<sup>1</sup>.

In addition to supporting businesses, *NEIdeas* strengthens the entrepreneurial ecosystem – the current network of service providers that help small businesses grow. *NEIdeas* recognizes gaps in the entrepreneurial ecosystem. These gaps are: (1) that many existing business owners are not aware of the business support resources available to them; and (2) that existing businesses may not feel welcomed and included in the broader entrepreneurial activity of the city. *NEIdeas* addresses these gaps by deeply engaging service providers throughout the duration of the program. This strengthens the entrepreneurial ecosystem, which in turn, attracts, services, and grows businesses and jobs for residents of Detroit, Hamtramck, and Highland Park.

*NEIdeas* works to promote economic development activities and, ultimately, the creation of jobs through several distinct but related goals: (1) engage existing neighborhood businesses in Detroit's entrepreneurial movement and connect them to available resources; (2) continue to fill the pipeline for business service providers; (3) further connect and deepen relationships among service providers to strengthen network behaviors; and (4) generate energy and interest in entrepreneurship in the cities of Detroit, Hamtramck, and Highland Park.

<sup>1</sup>CFSEM is committed to the economic revitalization of distressed areas and the combating of poverty through the creation of jobs for unemployed and underemployed populations in Southeast Michigan. The *NEIdeas* program specifically targets economic development activities in the cities of Detroit, Hamtramck, and Highland Park.

APPLYING

TO NEIDEAS

## Eligibility for Consideration

### Both the \$10k Challenge and \$100k Challenge are for existing for-profit businesses physically located in the cities of Detroit, Hamtramck, and Highland Park.

An 'existing' business is one that is at least three years old. The business must be formed or incorporated by or before 2011. If a business has moved to Detroit, Hamtramck, or Highland Park from elsewhere, *NEIdeas* requires at least one year in those locations before being eligible to apply.

Not-for-profit organizations are not eligible to apply.

Independently owned businesses that participate in retailers' cooperatives are eligible to apply; however, franchises are not eligible to apply. Regional businesses that are based in Southeast Michigan are eligible to apply; however award funds must be directed to their Detroit, Hamtramck, or Highland Park-based operations. Home-based businesses are eligible to apply.

Businesses must be in good standing with the IRS.

Majority owners of existing businesses must be 18 years of age or older.

### The \$10k Challenge is for existing businesses that gross under \$1 million annually with ideas to grow.

Businesses may be Sole Proprietorships, General Partnerships, Corporations (Inc., Corp.), Limited Liability Companies (LLC), and Limited Liability Partnerships (LP, LLP).

### The \$100k Challenge is for existing businesses that gross over \$1 million and under \$5 million annually with ideas to grow 'big.'

Growing 'big' means a potential gross revenue increase of 20% or more per year in coming years. To be considered, a business must presently demonstrate steady growth – a gross revenue increase of 10% or more per year. Businesses may be Corporations (Inc., Corp.) Limited Liability Companies (LLC), or Limited Liability Partnerships (LP, LLP). Sole Proprietorships and General Partnerships are not eligible.

### The following individuals are not eligible to apply

– business owners who are: (1) employees and board members of the New Economy Initiative (NEI), Detroit Economic Growth Corporation (DEGC), and the Community Foundation for Southeast Michigan (CFSEM); (2) contractors affiliated with the *NEIdeas*

program; (3) *NEIdeas* Jurors; (4) spouses and dependents of (a) employees and board members of NEI, DEGC, and CFSEM; (b) contractors affiliated with the *NEIdeas* program; and (c) *NEIdeas* Jurors; (5) employees of NEI grantee organizations; and (6) *NEIdeas* Trustees and Ambassadors.

Please note the following: (1) eligible businesses may designate a contact person to apply on the business owner's behalf; (2) businesses can apply to either the \$10k Challenge or the \$100k Challenge – a business cannot apply to both; and (3) businesses are limited to one application per business. If a business submits multiple applications, they will be removed from award consideration.

## Criteria for Consideration

*NEIdeas is not interested in just giving out cash.*

*NEIdeas is interested in enabling your ideas.*

The best applications will be:

**Impactful** – Show us how your idea impacts profit, people, and/or place. The idea may be one that increases your business's bottom line; one that positively affects your customers, clients, or community; OR one that can positively change your building, block, neighborhood or city. Don't be afraid to be practical. Practical ideas are impactful too.

**Courageous** – Show us how your idea reinforces the passion for what you do. It may be one that allows your business to take a little more risk; one that challenges your vision for growth; OR one that encourages innovation.

**Interesting** – Show us an exciting idea and you are more likely to get our attention.

## Application Process

*The NEIdeas application process is catered to the busy business owner.* Whether a business owner has participated in a challenge before or not, this is a chance to practice marketing an idea for growth through a very simple application process.

### To obtain an electronic application:

Visit [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

**To obtain a printed application:** Visit an *NEIdeas* Ambassador location.

Designated Ambassador locations are listed online at [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

### To submit an application:

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- **Email** a downloadable PDF to [apply@NEIdeasDetroit.org](mailto:apply@NEIdeasDetroit.org)
- **Mail** a printed application to *NEIdeas* Outreach, c/o DEGC, 500 Griswold St, Suite 2200, Detroit, MI 48226
- **Turn-in** a printed application to an *NEIdeas* Ambassador location.

Designated Ambassador locations are listed online at [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

If applying online, applicants will receive an automatic confirmation email after submitting. If applying by email, mail, or in person, applicants will receive a confirmation email once applications are processed. It may take several days to process applications. Please note that an email address is **necessary** in order to receive confirmation that an application has been received.

After the application period closes, *NEIdeas* will narrow the pool of applicants and forward these semi-finalists to the *NEIdeas* Jury. The Jury will recommend finalists. *NEIdeas* will notify all finalists.

Finalists will be asked to submit additional information for final consideration:

**\$10k Challenge Finalists** will be asked to submit (1) their most recent tax return, (2) a 2013 financial statement, (3) an interim 2014 financial statement, and (4) additional information about their proposed use of the award.

**\$100k Challenge Finalists** will be asked to submit (1) their most recent tax return, (2) a 2013 financial statement, (3) an interim 2014 financial statement, (4) a 2-year plan that outlines idea implementation and budget, and (5) additional information about how the business will grow 'big' through the award.

Finalists will have a limited amount of time to turn in the required additional information. The Jury will use this information, along with their original application, to recommend \$10k and \$100k winners. *NEIdeas* will notify all winners.

**Applicants can get help completing an application** at *NEIdeas* Ambassador locations throughout Detroit, Hamtramck, and Highland Park. Please visit our Ambassadors page at [NEIdeasDetroit.org](http://NEIdeasDetroit.org) for more information. Dedicated training sessions will also be held for applicants while the application process is open. Please visit our News and Events page at [NEIdeasDetroit.org](http://NEIdeasDetroit.org) for the most up-to-date schedule.

**Finalists can get help with the request for additional information.** Applicants will receive more information if selected as a finalist and *NEIdeas* will post finalist announcements on our News and Events page at [NEIdeasDetroit.org](http://NEIdeasDetroit.org).

## Expectation of Winners

Award winners will be expected to attend events where they will be connected to other award winners and resources. They will also be asked to share their story through a variety of media opportunities. These types of opportunities will be determined after winners are announced.

**\$10k Challenge Winners are expected to use** their award within 1-year of payment and provide a final report on the use of the award.

**\$100k Challenge Winners are expected to use** their award within 2-years of payment and provide periodic reports on the use of the award.

All awards are taxable income.

**OTHER**

**INFORMATION**

## Use of Applicant Data

Whether applicants win cash awards or not, *NEIdeas* wants to help businesses grow through connections to business support. Applicant information will be shared with the Detroit Economic Growth Corporation (DEGC) for the purposes of providing direct follow-up to an *NEIdeas* application. DEGC has a business retention program that connects businesses to applicable business support services. If DEGC cannot directly help your business, they will recommend and connect you to one of their non-profit partner organizations that can. Many of these non-profit partners are featured on the BizGrid, a list that is designed to help businesses find business support: [detroitbizgrid.com](http://detroitbizgrid.com).

Applicant data will not be shared beyond the purposes of review during the award selection process and providing business support. Applicant data will not be sold.

## Disclaimer

The information contained herein is subject to the actual grant-award documents and the written terms and conditions of the *NEIdeas* program and the Community Foundation for Southeast Michigan (CFSEM) which govern the program, as the same may be amended from time to time. CFSEM also reserves the right to make the final determination of any person's or organization's eligibility and/or qualifications for program benefits, and to make allocation of program benefits as it may, in sole discretion, deem appropriate.

FREQUENTLY

ASKED

QUESTIONS

## 1. What is *NEIdeas* | Rewarding Ideas for Business Growth?

**We believe that a great idea can help a good business grow.** *NEIdeas* is a program that celebrates existing businesses in the cities of Detroit, Hamtramck, and Highland Park – rewarding those with the best ideas for growth. There will be a total of \$500,000 in cash awards, in addition to business support, to over thirty businesses. *NEIdeas* has two types of awards:

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## 2. Is applying to a challenge a lot of work?

The *NEIdeas* application process is catered to the busy business owner. Whether a business owner has participated in a challenge before or not, this is a chance to practice marketing an idea for growth through a very simple application process.

Applicants can get help completing an application at *NEIdeas* Ambassador locations throughout Detroit, Hamtramck, and Highland Park. Please visit our Ambassadors page at [NEIdeasDetroit.org](http://NEIdeasDetroit.org) for more information. Dedicated training sessions will also be held for applicants while the application process is open. Please visit our News and Events page at [NEIdeasDetroit.org](http://NEIdeasDetroit.org) for the most up-to-date schedule.

## 3. What is there to gain from *NEIdeas*, aside from a cash award?

***NEIdeas* is about more than just the money.** By entering, applicants gain a connection to other entrepreneurs, access to resources, and exposure for their business. *NEIdeas* Ambassadors and Jurors – the people who help find applicants and recommend finalists and winners – are, often times, from organizations that exist to help business owners. They can steer applicants, whether finalists or winners, in the right direction for their business needs.

## 4. What is the timeframe for *NEIdeas*?

*NEIdeas* launches in the spring of 2014 and runs through the end of 2014. Please follow [NEIdeasDetroit.org](http://NEIdeasDetroit.org) for details.

## 5. What is an ‘existing’ business?

An ‘existing’ business is one that is at least three years old. The business must be formed or incorporated by or before 2011. If a business has moved to Detroit, Hamtramck, or Highland Park from elsewhere, *NEIdeas* requires at least one year in those locations before being eligible to apply.

## 6. What does it mean to grow ‘big’?

The \$100k Challenge is for existing businesses with ideas to grow ‘big.’ Growing ‘big’ means a potential gross revenue increase of 20% or more per year in coming years. To be considered, a business must presently demonstrate steady growth – a gross revenue increase of 10% or more per year.

## 7. What types of businesses are eligible to apply?

**Businesses of all types are encouraged to apply** as long as they are an existing for-profit business physically located in the cities of Detroit, Hamtramck, and Highland Park. See Eligibility for Consideration in the *NEIdeas* Program Guidelines for detailed information.

## 8. Can a not-for-profit organization apply?

**No.** Not-for-profit organizations are not eligible to apply.

## 9. Can a business apply to both the \$10k Challenge and the \$100k Challenge?

**No.** A business can apply to either the \$10k Challenge or the \$100k Challenge – a business cannot apply to both. See Eligibility for Consideration in the *NEIdeas* Program Guidelines for further information.

## 10. How many times can a business apply to *NEIdeas*?

**Businesses are limited to one application per business.** If a business submits multiple applications, they will be removed from award consideration.

## 11. What happens after submitting an application?

If applying online, applicants will receive an automatic confirmation email after submitting. If applying by email, mail, or in person, applicants will receive a confirmation email once applications are processed. It may take several days to process applications. Please note that an email address is **necessary** in order to receive confirmation that an application has been received.

After the application period closes, *NEIdeas* will narrow the pool of applicants and forward these semi-finalists to the *NEIdeas* Jury. The Jury will recommend finalists. *NEIdeas* will notify all finalists.

## 12. Are there any tips for applying?

***NEIdeas* is not interested in just giving out cash. *NEIdeas* is interested in enabling your ideas.** The best applications will be impactful, courageous, and interesting. We do not know your business like you do so, whatever the idea, it’s up to you to tell us. Be concise, specific, and honest. Show us your passion for both your business and your ideas for growth. See Criteria for Consideration in the *NEIdeas* Program Guidelines for more information.

## 13. What is required of finalists?

Finalists will be asked to submit additional information for final consideration:

**\$10k Challenge Finalists will be asked to submit** (1) their most recent tax return, (2) a 2013 financial statement, (3) an interim 2014 financial statement, and (4) additional information about their proposed use of the award.

**\$100k Challenge Finalists will be asked to submit** (1) their most recent tax return, (2) a 2013 financial statement, (3) an interim 2014 financial statement, (4) a 2-year plan that outlines idea implementation and budget, and (5) additional information about how the business will grow ‘big’ through the award.





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## Support to NEI

*NEIdeas: Rewarding Ideas for Business Growth*

is made possible through the support of these foundations and corporations:

Community Foundation for Southeast Michigan (Detroit)

Max M. and Marjorie S. Fisher Foundation (Southfield)

Ford Foundation (New York)

Hudson-Webber Foundation (Detroit)

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John S. and James L. Knight Foundation (Miami)

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