



GTAMC

Grand Traverse Area Manufacturing Council
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FINANCING FOR COMPANIES RESPONDING TO COVID-19 PROCUREMENT CHALLENGE

- A Health Care Products & Services Shortage to address the COVID -19 virus is at crisis proportions and has been widely reported in the media. A variety of responses are underway but the shortage of medical Personal Protective Equipment (PPE) for workers persists... including in Northern Michigan.
- Leading Medical authorities are encouraging state and local measures.

“...[governments] could encourage companies in their communities that might be able to shift production to making this equipment to do so. The elements of PPE are complicated but don't require the intensive capital that ventilator manufacture demands, so smaller regional companies can play a key role in filling the gap. State partnerships with these companies will take ingenuity, meaningful resources, and a relaxation of less essential regulatory requirements.”

<https://www.nejm.org/doi/full/10.1056/NEJMp2006141>

- Several Traverse-area manufacturers and technology companies have expressed interest in responding to this crisis. In many cases, a response may require retooling, reworking current equipment and processes, accessing new supply chains, or working capital. These steps often require additional financing.
- GTAMC has discussed this subject with the U.S Department of Agriculture - Rural Development for Michigan (USDA-RD), which has \$100 million of very low cost, long-term, no-recourse financing - grants, loans, loan guarantees- available for such matters which can be mobilized quickly in partnership with local banks and other lenders. Northern Michigan businesses can qualify.
- Check out this link
<https://www.rd.usda.gov/programs-services/all-programs/business-programs>
 - Each of these links has its own Fact Sheet
 - Business & Industry Loan Guarantees
 - Rural Business Development Grants
 - Rural Business Investment Program
 - Rural Entrepreneur Assistance Program
- Key Requirement - company has an order for the new product or service. USDA-RD staff will work with companies on how to address this requirement.
- Companies interested in learning more should contact Michelle Collins of the Traverse City Office of USDA-Rural Development at michelle.collins@usda.gov