

Corporate Alliance for Supplier Capital

The Challenge

There's a need for greater breadth in the supply chain of many Fortune 1000 companies, but many small business owners may not have access to the resources they need to expand capacity and build systems at scale. As a result, they cannot take on larger supplier contracts that can potentially advance their companies.

Launched in 2022 with founding sponsor JPMorganChase, the LISC initiative is a no-cost unsecured financing program focusing on supporting small businesses. The funds enable business owners to cover the costs of meeting the minimum requirements for doing business with large corporations, positioning them to compete for and win more procurement opportunities. The $15+ million initiative will provide small business owners with the tailored solutions, support and resources they need to compete, grow and create jobs.

JPMorganChase

LISC

Our goals

This initiative will work to:

1 Address the gap in resources by offering growth capital and technical assistance to small business owners that have struggled to build the capacity needed to take on large supplier contracts.

2 Support the growth of companies into larger, more sustainable operations, which spurs job creation and intergenerational wealth-building in under-resourced communities.

Who is eligible?

The LISC and JPMorgan Chase initiative is open to small businesses nationwide. Priority will be given to businesses that are:

- Based in the United States, with annual revenues of at least $1 million, projected to reach $5 million within the program term;
- In operation for more than three years, with an ability to deploy capital toward business improvement and growth;
- Located in or serving an under-resourced market
- Facing barriers to pending procurement opportunities.

These eligibility requirements are guidelines. The initiative may consider companies that fall outside of these parameters if the funding use-case and pending contracting opportunities meet program goals.

Sole proprietors are not eligible for the program.



What we're offering

Funding for small and under-resourced businesses ranging from $25,000 to $250,000 (and up to $500,000 in certain circumstances) with flexible repayment terms.

- Those that receive funds and gain new contracts and business growth would repay this funding at no interest into a pool of funds to be awarded to the next wave of eligible businesses.
- Those that apply the funds to eligible uses, but do not gain new contracts and business growth, can request to have the funding forgiven.
- Businesses that receive funds and use them outside of eligible parameters would be required to repay the funding at no interest.

Eligible uses: Small businesses may use these funds to meet the business requirements of prospective corporate clients. These uses include actions to address management systems, insurance, and compliance with supplier guidelines, such as:

- Technology cyber/network remediation;
- Operational control enhancements (i.e., disaster recovery/business continuity);
- Increases to insurance or bonding coverage (cyber, surety/performance, etc.);
- Third party sales, marketing, or other professional service expenses
- Other infrastructure or third party expenses related to securing new procurement contracts or performing against those contracts.
- Business Owner certifications;
- Growth and expansion plans.

Ineligible uses: These funds may not be used for fixed assets, payroll, or debt consolidation.

How can a small business apply for this initiative?

Small businesses may visit the LISC website to learn more about the initiative and to request information from a LISC staff member.