



FOR IMMEDIATE RELEASE

Wednesday, October 5, 2011

CONTACTS: Annie Thompson (o. 217-782-7355; c. 217-720-1853)
Marcelyn Love, DCEO (o. 217-558-1542; c. 217-299-8333)
Kelly Jakubek, DCEO (o. 312-814-8198; c. 312-520-5242)

Governor Quinn Launches \$78 Million Initiative to Support Small and Start-Up Businesses

Advantage Illinois to Provide Access to Capital for Businesses and Entrepreneurs to Create Jobs and Grow the Economy

CHICAGO – October 5, 2011. Governor Pat Quinn today launched the Advantage Illinois program that is designed to provide Illinois businesses and entrepreneurs with access to the capital they need to start new companies and expand existing business. Advantage Illinois will leverage \$78 million in federal funding that will allow businesses to bring innovative ideas and new products to market and accelerate job creation and economic growth in Illinois.

“Advantage Illinois will help Illinois businesses of all sizes increase innovation and competition, and expand and create good-paying jobs,” Governor Quinn said. “In order to boost our economy, create jobs and compete in the global marketplace, we must provide businesses and entrepreneurs with the tools they need to grow.”

The Advantage Illinois program is comprised of three program components to spur institutional lending, and one program to leverage private venture capital in start-ups and high-growth businesses:

Capital Access Program (CAP) assists businesses with various financing needs. It is designed to encourage financial institutions to make loans to small and new businesses that do not qualify under conventional lending policies.

Participation Loan Program (PLP) supports businesses with projects that create or retain jobs and/or modernize their businesses to improve competitiveness. One component of the program is devoted to Minority/Women/Disabled/Veteran-Owned businesses (MWDV PLP). The state purchases and subordinates part of the loan to help mitigate lender risk.

Collateral Support Program (CSP) establishes savings accounts or CDs that provide cash collateral support to lending institutions to enhance the equity and/or loan collateral levels of small business borrowers.

Invest Illinois Venture Fund Program (IIVF) is a new venture capital program to support young, innovative companies in Illinois that show high growth potential, can demonstrate their place in the market and already have other investors.

Starting today, the Department of Commerce and Economic Opportunity (DCEO) will be actively enrolling lending institutions that will, in turn, provide financing to businesses utilizing the CAP, PLP and CSP components of the program. Businesses will be able to begin accessing loans to use these funds when they have completed the appropriate paperwork with a participating lending institution. Program guidelines, including lender applications, and a regularly updated list of participating banks will be available at www.ildceo.net/AdvantageIllinois.



Businesses interested participating in the Invest Illinois Venture Fund (IIVF) may submit their applications online to DCEO at www.ildceo.net/AdvantageIllinois. The fund is also supported by the Governor's Illinois Innovation Council, which is actively working to execute strategies to enhance awareness of capital availability in Illinois and connect the dots between great ideas and the partners who can help turn ideas into companies and products.

"Illinois is a place where industry, innovation and ideas thrive," said Chris Girgenti, Managing Partner of New World Ventures and member of the Illinois Innovation Council (www.illinoisinnovation.com). "But, it takes capital to turn ideas into reality. Advantage Illinois is a critical tool, at a critical time for our economy."

Advantage Illinois builds upon Governor Quinn's commitment to enhancing business growth. The Advantage Illinois initiative is expected to generate a minimum of at least \$10 in new private lending for small and medium-sized businesses for every \$1 of federal funding, resulting in around \$800 million of private sector investments and loans being pumped into the economy over the next few years. The Brookings Institution recently noted more than 95 percent of new jobs are derived from business expansions or start-up activity.

Funding for Advantage Illinois is being provided by the U.S. Treasury through the State Small Business Credit Initiative (SSBCI), which was created as part of the American Small Business Jobs Act signed into law by President Obama in 2010. The program will be administered by the Illinois Department of Commerce and Economic Opportunity.

"These funds will help creditworthy small businesses access the lending they need to invest and hire, providing a powerful boost for economic growth and job creation," said Deputy Secretary of the Treasury Neal S. Wolin. "Expanding access to credit will help ensure that more of Illinois' entrepreneurs and small businesses can invest in their local communities to put more Americans back to work."

"We are targeting investments in every area of the economy to help keep moving Illinois forward," said DCEO Director Warren Ribley. "Through this program, we are giving businesses a booster shot in the form of deploying new tools to ease the credit crunch they have experienced in recent years, improve the field of play and give Illinois companies an advantage against the competition."

In 2011, Governor Quinn's leadership has been instrumental in expanding the availability of more than \$150 million in investment capital through enactment of the Technology Development Account II, implementation of the Angel Investment Tax Credit and now through the launch of Advantage Illinois.

Today's announcement is part of Governor Quinn's aggressive business agenda that is helping move the Illinois economy forward. The state maintains a large portfolio of programs, which is designed to help Illinois businesses thrive in today's economy. For more information, please visit www.ilbiz.biz.

###