



Capital for Diverse Supply Chain Businesses

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LISC Initiative sponsored by JPMorgan Chase and Co.

The Challenge

There's a need for greater diversity in the supply chain of many Fortune 1000 companies, but many diverse 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, the LISC and JPMorgan Chase initiative is a no-cost unsecured financing program focusing on diverse owned 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 \$6+ million initiative will provide diverse small business owners with the tailored solutions, support and resources they need to compete, grow and create jobs.

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Our goals

This initiative will work to:

- 1 Address the longstanding gap in resources by offering growth capital and technical assistance to small business owners from diverse backgrounds.
- 2 Support the growth of diverse companies into larger, more sustainable operations, which spurs job creation and intergenerational wealth-building in underinvested communities.

What we're offering

Funding for diverse businesses ranging from \$25,000 to \$200,000 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 diverse 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 & bonding coverage (cyber, surety/performance, etc.)

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



Who is eligible?

The LISC and JPMorgan Chase initiative is open to small businesses nationwide that are majority owned by people of color (including Black, Latino, Asian and Native American business owners). This program is open to businesses that are:

- Based in the United States, with annual revenues in or around \$5 million to \$10 million;
- In operation for more than five years, with an ability to deploy capital toward business improvement and growth;
- Minority owned and MBE Certified, or eligible for MBE certification;
- Facing barriers to pending procurement opportunities; and
- Other infrastructure or third party expenses related to securing new procurement contracts or performing against those contracts.

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.

How can a diverse small business apply for this initiative?



Diverse small businesses may visit the [LISC website](#) to learn more about the initiative and to request information from a LISC staff member.