

Guaranteed Loan Programme



Creative **Entrepreneurs**

2023

- Intellectual property protection
- Digital marketplace for export
- Grant, loan and equity funding



Initiative Overview

The Bahamas is rich in diverse talent and natural resources that should be leveraged to create more profitable and sustainable micro, small and medium-sized enterprises (MSMEs) within the Creative Industry. However, without intellectual property protection, MSMEs are vulnerable to exploitation in the local and global markets.

Under the Guaranteed Loan Programme, the Small Business Development Centre (SBDC) is partnering with the Bahamas Chamber of Commerce and Employer's Confederation, Bahamas Trade Commission, Royal Caribbean Cruise Line and CARIFORUM to launch the Creative Entrepreneurs Initiative on March 3, 2023. This initiative has seven main objectives, including:

- Conduct a national survey between March 3, 2023 and March 17, 2023 to confirm the number of MSMEs that have unprotected intellectual property;
- Facilitate virtual training between March 7, 2023 and March 24, 2023 to inform entrepreneurs how to incorporate intellectual property protection in their branding and marketing strategies;
- Host pitch meetings between March 28, 2023 and April 27, 2023 to select 25 MSMEs for a local market facilitated by Royal Caribbean Cruise Line;
- Prepare 25 MSMEs to export their products and establish partnerships with international retailers identified by the Bahamas Trade Commission;
- Develop a digital marketplace that drives the Orange Economy to capitalize on local trade, export opportunities and payment gateways;
- Encourage MSMEs to obtain loan, equity and grant funding for intellectual property protection, incorporation fees, insurance coverage, accounting software, production equipment, contract manufacturing, raw materials, product packaging, leasehold improvements, outdoor and indoor signage; and
- Highlight funded MSMEs who comprise and support the local Creative Industry.



Market Survey

The initiative partners will conduct an online intellectual property survey between March 3, 2023 and March 17, 2023 that asks participants to confirm the following information:

- Business name
- Launch date
- Island location
- Industry segment
- Employee count
- Funding request
- Owner's name
- Owner's gender
- Email address
- Phone number

Participants will also confirm if their business has created original intellectual property such as: training curricula, research papers, operational procedures, website domains, food and beverage recipes, nutritional plans, exercise regimens, cosmetic formulas, film recordings, book manuscripts, fashion designs, architectural renderings, logo designs and/or marketing slogans. More importantly, participants will confirm if these various forms of intellectual property are currently protected for digital and physical distribution in local and global markets.

To emphasize the importance of intellectual property protection, CARIFORUM will host virtual training sessions on the topics below:

March 7, 2023 (Live online session)

- Brand Imaging and Messaging

March 8, 2023 (Live online session)

- Effective Marketing Strategies

March 9, 2023 (Live online session)

- Optimized Distribution Channels

Business owners who are unable to attend the LIVE training sessions will have access to recordings of the training sessions until March 24, 2023. To supplement the educational component of this initiative, the SBDC's main office and Family Island centres will host biweekly pitch meetings for up to 100 MSMEs that offer products and services primarily for tourists. During these pitch meetings, MSMEs based in New Providence, Grand Bahama, Abaco, Eleuthera, Andros and Long Island will showcase their products and services, and an Adjudication Committee will evaluate the MSMEs based on brand story, marketing platforms, packaging design, production capacity, business scalability, business viability, management expertise and regulatory compliance. The Adjudication Committee will also offer verbal and written recommendations on how MSMEs can improve in these areas and select 25 MSMEs that will best represent authentically Bahamian products and services at a market facilitated by the Royal Caribbean Cruise Line. The Bahamas Trade Commission will also work closely with the SBDC to prepare creative entrepreneurs for export opportunities in the United Kingdom starting in May 2023. Thereafter, the Bahamas Trade Commission will introduce creative entrepreneurs to retailers and consumers in other lucrative markets.

The Creative Entrepreneurs Initiative will also create a multi-vendor digital marketplace for creatives to affordably export their products and services as well as collect electronic payments and make delivery arrangements. Likewise, a digital map highlighting where residents and tourists can find highly rated authentically Bahamian products and services in New Providence, Grand Bahama and the Family Islands will further support the Orange Economy.



Available Funding

Under the Guaranteed Loan Programme, existing and startup MSMEs can access grant, loan and equity funding as follows:

- Up to \$20,000 in grant funding
- Up to \$500,000 in loan funding
- Up to \$250,000 in equity funding

However, MSMEs applying under the Creative Entrepreneurs Initiative must allocate at least 40% of their funding to the following:

- Intellectual property protection
- Incorporation or renewal fees
- Financial accounting software
- Liability insurance coverage
- Comprehensive marketing strategy
- Ecommerce platform
- Logo design
- Product packaging
- Contract manufacturing
- Raw materials
- Leasehold improvements
- Outdoor and indoor signage
- Company vehicles

Once applications are approved by the SBDC's Investment Committee for a government grant or 75% to 90% government guarantee, loan and equity applications will be sent for final approval and disbursement to the funding partners listed below:

- Fidelity Bank
- Royal Bank of Canada
- Bahamas Development Bank
- Bahamas Entrepreneurial Venture Fund
- Simplified Lending
- National Workers Cooperative Credit Union
- Teachers & Salaried Workers Credit Union

MSMEs that require \$5,000 or less in funding may apply for a standalone grant between March 13, 2023 and March 24, 2023.

To be eligible for funding under the Guaranteed Loan Programme, a business must:

- Generate less than \$5 million in annual sales;
- Employ less than 50 full-time and part-time staff; and
- Have majority Bahamian owners with at least 51% controlling interest.

Initiative Reach

Our target for the Intellectual Property Survey is to collect data from at least 500 MSMEs representing 35 industries across The Bahamas, including:

- Agriculture
- Arts & Crafts
- Appliances
- Automobile
- Banking
- Beauty
- Charities
- Cleaning
- Construction
- Courier & Delivery
- Education
- Energy
- Entertainment
- Fashion
- Food & Beverage
- Fishing
- Fitness
- Funeral
- Furniture
- Import/Export
- Insurance
- Landscaping
- Medical
- Packaging
- Photography & Videography
- Printing & Signage
- Professional Services
- Real Estate
- Security
- Storage
- Technology
- Telecommunications
- Tourism
- Transportation
- Waste Management

Since training is a prerequisite for funding, we estimate 400 MSMEs will receive training on intellectual property protection. We also expect 100 MSMEs will pitch their products and services in order to be featured on our multi-vendor ecommerce platform, at a local market facilitated by Royal Caribbean Cruise Line or in international markets accessed through the Bahamas Trade Commission.

Additionally, our target for Guaranteed Loan Programme approvals is 50 MSMEs approved for average funding of \$50,000 and total funding of \$2,500,000. The SBDC feels this is a conservative target since creative MSMEs can apply for loan, equity and grant funding until December 31, 2023.