



How To Apply for Grants to Start My Business

Where do I find all that free money to start my business?

You won't find it. They don't exist for a for-profit business.

What? But there are all those books and seminars out there that say there are government grants for me.

There have always been people throughout history who have had schemes to separate people from their money. These are con artists and scams.

How come they aren't in jail then?

They tell you enough truth. There are indeed grants. However... and this is a big however. Most grants go to nonprofit groups and organizations. (And no, just because you don't think you are going to be profitable the first couple of years doesn't make you a nonprofit organization).

When those companies give you information, they generally are giving you the information that is provided by the government regarding programs. What most people don't know is how to read the information. So the companies are not really lying. But they are deliberately giving you an impression of what you will find, which is not true either.

When you read some of the information on grants you may find things like - "cooperative agreement." That means that there is an agreement between that agency and always, or nearly always, a nonprofit entity, and usually this entity provides a cash match for

The Oklahoma Small Business Development center network helps Oklahoma business start, grow and succeed.

Network Locations

The OSBDC has locations throughout the state. Click [here](#) to find the office nearest you.

Workshops

The OSBDC provides workshops and training seminars on various topics. Click [here](#) for a listing.

OSBDC Blog

The [OSBDC Blog](#) is updated several times weekly. This contains news and items of interest to small businesses.

Business Basics

Use [this booklet](#) for more comprehensive information on starting a business in Oklahoma.

Business Plan

The [Business Plan](#) is an easily used guide to get your plan together for financing

[Guia Para Nuevos Negocios](#)

[Plan de Negocios](#)

the purpose of the grant. They don't tell you that. That's just one example of telling you the "truth," but it's not the whole truth and NOT what you are hoping to find.

Most opportunities to start a new business are loaned funds. If you read or listen to these people, they say the word grand a lot, and often "loans and grants" are slipped in there about once every 20 times. If you look at the testimonials from people you get a "grant," we can pretty much tell they are SBA LOAN products.

What kind of Non-Profit groups get grants?

Typically 501©3 groups. Generally, these are charitable, educational, religious, social services, artistic, musical, theatrical groups, and animal welfare types of organizations, just to name a few.

What is a 501 © 3?

Definition: Organizations that are nonprofit entities to which contributions are tax-deductible to the extent permitted by law.

Shouldn't the government give grants to start small businesses?

Sounds like a great question, but actually, we don't think it's a good idea. Going into business is not a personal right and entitlement. More new businesses fail than succeed, and the guaranty backing of small business finance is risk enough for the government. Also, would you thing it is fair if you got your business going off your own resources and the person down the street got free money? They would have an unfair advantage over others from a profitability standpoint.

Surely there are some exceptions to this.

We've not seen any. The only exceptions we can think of in getting grant money might be an artist getting a grant to create work, and there are some grants, called the Small Business Innovative Research Grant (SBIR) that is very research and technology oriented, and not for brand new companies, that a company competes for. We've seen the Oklahoma Department of Agriculture have some limited grants for alternative crops, and for services that it wants to encourage in rural areas.

Free Sources of Information

The SBA, because they get this question all the time, has put together some information linking you to grant sources. Click [here](#) for that site. Also go to your nearest public library. They often will have some of those free money books, because they do get requests for it. You can look at it for free.

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Just because someone wrote a book, hosts a seminar, or has a web site that says they can get you a grant – don't believe them. Even if they use former elected officials as paid (very well paid) spokespersons.

Their lawyers have told them what they can safely say. Does the government give grants? Yes. But not to start businesses. Don't pay for material you can find for free on government web sites and at the public library.

You may want to check out these articles by reputable sources like Business Week Magazine's [The Myth of Free Government Money](#). Salon.com's [Farmers of the American Dream](#) or NBC Dateline's report [Is there Such a thing as Free Money?](#)



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