

From: Ryan Dressler, Principal at Advantage Capital

To: Chairman Blessing, Vice Chair Roegner, Ranking Member DeMora, and Members of the Ohio Senate Ways and Means Committee

Advantage Capital supports S.B. 110, the renewal of the Ohio Rural Business Growth (RBG) Program. First enacted in 2017 and renewed in 2021, the Ohio RBG program has generated over \$188 million of private investment in 52 small businesses across 29 rural counties. This outstanding result exceeded the program requirement by 25% and is still climbing due to reinvestment.

If renewed, Ohio RBG III would drive an additional \$150 million of private capital into rural small businesses, with a minimum of 50% of those investments going to the Appalachian region. This renewal couldn't come at a better time, considering the uncertainty in the trade marketplace, continued high-interest borrowing rates, and the overall scarcity of growth capital across rural Ohio.

Advantage Capital is a licensed Rural Business Investment Company (RBIC) and has raised and invested \$4.3 billion in over 1,000 small businesses located in underserved areas throughout the US. Advantage provides a wide range of financing options including: traditional asset-based and cash-flow-based loans, subordinated and mezzanine loans, and non-controlling interest equity. As a result of programs like the Ohio Rural Business Growth program, Advantage can provide flexible and below-market capital, which can include reduced interest rates and lowered or no closing fees.

The results from the first two rounds proved that the program works and with this renewal, dozens more rural Ohio small businesses will be more secure and growing. A key feature of the program ensures a minimum of 3,000 new full-time equivalent job years will be added to the economy in addition to the required investment which will further strengthen rural Ohio. Thank you for your consideration of this impactful program.

Sincerely,



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