

# Grants, Funding, and Tax Incentives for Manufacturers



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# Benjamin McGlaughlin - Bio

*Ben brings a unique background with over 30 years of business management and leadership development experience including 20+ years in manufacturing, 10+ years of that in production line automation. As CEO of a confection and snack company, he steered the transformation of the business into different market channels by enticing investment to build a new manufacturing plant and developing new contract manufacturing relationships with large multinational chocolate and snack companies. Later as Partner & General Manager of a plant automation company he led the organization through significant growth, acquiring a packaging machine building company. This acquisition positioned the company to sell equipment to large CPG companies in beverage, chocolate confections, snack manufacturing, and meat industries.*

*In his current role at The Maryland Department of Commerce, he is responsible for developing initiatives, partnerships, and programs to connect manufacturers with tax incentives and other funding, as well as to connect them with trade associations and academic organizations to support economic growth. He is passionate about leveraging technology automation, workforce development, securing supply chain optimization and employing efficiency and quality improvement within the manufacturing sector in Maryland. Ben received his B.S. from West Chester University and studied Public Administration at Saint Joseph University's Graduate program. He also is a Certified Score Mentor and a Certified Lean – Six Sigma Black Belt.*



# Landscape & Strategic Considerations

## Navigating the Manufacturing Landscape: Challenges and Funding Solutions

### Challenges Manufacturers Face

	Capital Intensity
	Modernization
	Workforce
	Energy Costs



### Tips for Maximizing Funding

#### What Makes a Funding/Incentive Program Useful

- Alignment with Business Strategy
- Match Requirements
- Administrative Burden
- Leverage Effect

- Stacking Incentives
- Timing of Applications
  
- Aligning with Local/  
Regional Incentives

# Maryland Manufacturing 4.0 (M4.0) Grant Program

1. Purpose and scope: grants to adopt new tech, robotics, digital practices
2. Focus: Grants of impact to the organization and to the State of Maryland
3. Funding levels & match: \$25,000–\$500,000 grants; small firms (3–50) get up to 75% of cost, mid-sized (51–250) up to 50%
4. Eligibility & requirements: must be in manufacturing (NAICS 31-33), established 2+ years, matching commitment, demonstration of tie to “Industry 4.0” and completion of the CESMII assessment
5. Application timing each year: opens August 1 – closes end of August
6. Showcase: recent awards (e.g., \$5M to 43 companies)
7. Tips for applicants: emphasis on strong business case, measurable ROI, technical sophistication, matching requirements of the grant



# Maryland MADE Program

- Purpose: grants to adopt energy-efficient and advanced manufacturing technologies in MD facility. Grant from Fed DOE to Maryland Commerce
- Amount & disbursement: flat grants of \$15,000 (reimbursement after completion) rolling grant so 1st companies in get consideration so long as they meet the requirements
- Eligibility: 3–75 employees, must complete assessment, must not have an open M4.0 project, must be in manufacturing NAICS 31-33
- Timeline and status: application portal will open later this year depending on the federal government opening back up
- Recent awards: currently contracting \$180,000 to be distributed among a dozen manufacturers for smart manufacturing efforts
- Strategy tips: link energy savings to bottom line, ensure measurement and verification, coordinate with utility incentives



# State Incentives, Financing & Tax Credits More Broadly

- MSBDFA (Maryland Small Business Development Financing Authority): supports small businesses with financing (working capital, equipment, real estate)
- Tax credits and incentive frameworks (from the Commerce “Financial Incentives” portfolio)
  - Job Creation Tax Credit
  - One Maryland Tax Credit
  - More Jobs for Marylanders (manufacturing-friendly expansions)
  - Enterprise Zone credits
  - Research & Development Tax Credit
- Local/regional incentive layering (e.g. county industrial incentives, deferred loans)
- How to evaluate which one(s) to pursue (cap, term, recapture risk, overlap rules)

# Process, Best Practices & Risk Mitigation

- Stages: planning & concept → application → implementation → compliance reporting → closeout
- Tips for strong applications: clear metrics, alignment with state priorities, realistic budgets, committed management, leveraging match funds
- Common pitfalls: weak ROI, over-ambitious scope, lack of documentation, missing deadlines, forgetting reporting obligations
- Advice on stacking: how to layer energy + tech + local incentives
- Role of external partners: consultants, MEPs, local economic developers, and others connected to your project



# Summary, Next Steps & Q&A

- Recommended action steps for manufacturers in attendance
- Self-audit readiness (technology, energy, workforce)
- Reach out to Maryland Commerce leveraging the Office of Manufacturing and the Regional Representatives / MEP early
- Prepare financial modeling & data support
- Monitor application windows & attend informational webinars



# Overall Commerce Programs

Strategic partnerships with the Maryland Department of Commerce creates sustainable economic opportunities. The State offers some tools to assist with sustainable growth, expansion and retention.

1. [Manufacturing 4.0 Grant](#)
2. [Maryland MADE Grant](#)
3. [Build Our Future Grant](#)
4. [Equitech Growth Fund \(TEDCO\)](#)
5. [Other TEDCO Programs](#)
6. [Job Creation Tax Credit](#)
7. [Training Grants – Partnership for Workforce Quality \(PWQ\)](#)
8. [International Trade Support – Export MD Grant](#)
9. [Video Lottery Terminal Fund \(VLT\)](#)
10. [Maryland Community Investment Venture \(MCIV\) Fund](#)



# Federal Programs

- SBA 504 Loan Up to \$5.5M Capital investment, expansion, automation
- SBA 7(a) Loan Up to \$5M - Working capital, modernization
- SBA Microloan Up to \$50K - Early-stage or small equipment purchase
- SBA Export Financing - Up to \$5M Export growth, trade resilience
- DARPA - RAP / MINS / Commons \$1M–\$50M+ contracts - Advanced manufacturing R&D
- DARPA EEI Varies - Tech transition & commercialization



# Questions



Commerce Manufacturing Newsletter -

<https://business.maryland.gov/key-industries/advanced-manufacturing/#subscribe>



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