LOCAL BUSINESS

Nonprofit invests in firm that will move to the East Side

By Vicki Vaughan | February 19, 2015

The nonprofit San Antonio for Growth on the Eastside is taking a 2 percent, $100,000 equity stake in a local company that will consolidate two offices on the East Side and hire additional employees.

The nonprofit's stake is in Indatatech, which provides procurement, logistics, technical and human resource services to government and commercial clients.

SAGE's investment marks the nonprofit's first from its equity fund, which was created last year with a $740,000 grant from the U.S. Department of Health and Human Services Community Economic Development program.

SAGE executive director Jackie Gorman said in a statement that the equity fund operates like a venture capital fund that is dedicated to bringing companies to the East Side and helping them grow.

Indatatech now has offices on North Loop 410 and at St. Philip's College with a combined 15 employees. It plans to add 10 employees when it moves to the East Side.

"We want to consolidate under one roof somewhere on the East Side," Indatatech CEO Bede Ramcharan said. The location is not yet set.

He characterized SAGE's investment as a kind of bridge financing. "It's there to kick-start us.

"We will hold onto that money for a certain period of time as we hit certain targets. Then we will buy back our investment."

Ramcharan, a retired U.S. Army colonel who founded the company 14 years ago, said the planned move to the East Side "is really not a selfless act. It's a business act, because I need qualified workers."

Indatatech will train the workers it hires. "We'll create a pathway (for jobs)."

Indatatech also has offices in Houston, New Hampshire and Germany. It serves a range of industries, including aerospace, health care, defense, sports and entertainment, including providing procurement services for the International Space Station.

"Although we have offices and do work across the country and around the globe, our goal is to base our operations and add jobs on San Antonio's East Side," Ramcharan said.

U.S. Rep. Lloyd Doggett, D-Austin, who participated in a check presentation to Indatatech, said, "SAGE is playing an invaluable role in revitalizing the East Side. These funds will create jobs on the East Side and help business owners expand their operations."

"The SAGE Equity Fund is something new," Gorman said in a statement, "in that it is not making grants or loans. SAGE will have an actual ownership stake in helping these companies grow on the East Side."

The equity fund joins the SAGE Grow Eastside Fund, established last year to as a loan program for East Side businesses.

Gorman said the equity and loan funds "provide a whole new set of tools in our economic development toolkit, and allow us to tailor the support we provide to the specific needs of each company."

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