

# Many Thanks to our Generous Sponsors



# And to Our Sharing Partners



# Panel: How and Where to Find Funding

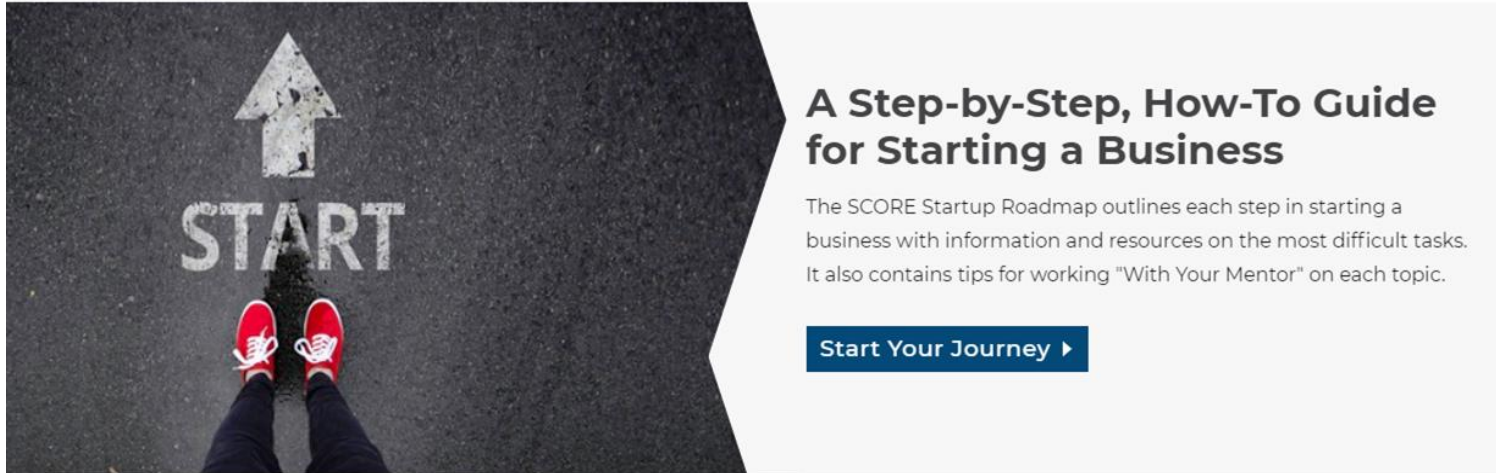
**Moderator:** Jayne Groll Ray, SCORE Volunteer

**Panelists:** Kimberly Stone, SCORE; Suzanne Specht, SBDC; Pat Loftus, SCORE

Funded in part through a Cooperative Agreement  
with the U.S. Small Business Administration.



# Getting Started: The SCORE Roadmap



- Logically navigates client through every step, from initial idea Assessment to Opening the Business
- Designed as a tool to be used with mentoring
- Integrates concrete actions and steps for the client
- Sequenced chronologically
- *Flexible to choose and skip chapters, as needed*

# The Roadmap Course has Multiple Chapters

- Chapter 1: [Starting Your Journey](#)
- Chapter 2: [Are You Ready to Start a Business?](#)
- Chapter 3: [Defining and Validating Your Idea](#)
- Chapter 4: [Business Plan or Business Model Canvas?](#)
- **Chapter 5: [Finding Funding](#)**
- Chapter 6: [Setting Up Your Business](#)
- Chapter 7: [Accounting, Insurance, and Legal Considerations](#)
- Chapter 8: [Marketing Your Business](#)
- Chapter 9: [Pricing, Sales, and Distribution](#)
- Chapter 10: [Setting Up Your Physical Location](#)
- Chapter 11: [Staffing Your Business](#)
- Chapter 12: [Open for Business](#)



# Grants and Crowd Funding

Panelist: Kimberly Stone, SCORE Mentor

# CROWDFUNDING

- What is Crowdfunding?
- Types of Crowdfunding
- Is Crowdfunding right for your business?
- What makes Crowdfunding successful?

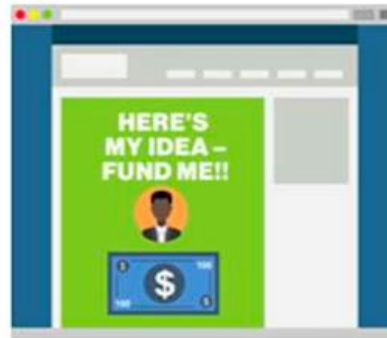
**CROWDFUNDING** is raising small amounts of money from a larger group of individuals

## Crowdfunding



Needs  
**\$40,000**

Visits  
Crowdfunding  
site and posts  
business idea



A network of  
individuals pool  
their money  
to support the  
small business  
efforts



**WE LOVE THIS IDEA!**



**KICKSTARTER**



# Types of CROWDFUNDING

## Reward-Based Crowdfunding



It involves individuals contributing comparatively small amounts of money to projects in return for some kind of reward.

### EXAMPLE

**KICKSTARTER**

## Donation-Based Crowdfunding



It is a way to source money for a project by asking a large number of contributors to individually donate a small amount to it.

### EXAMPLE

**gofundme**


## Peer-to-Peer Lending



It is the practice of lending money to individuals or businesses through online services that match lenders with borrowers.

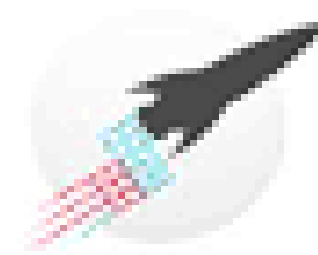
### EXAMPLE

**LendingClub**

 the balance

<https://www.thebalancesmb.com/a-guide-what-is-crowdfunding-985100>

# Some Crowdfunding Sources



ROCKETHUB

KICKSTARTER



Circle  
Up



# TIPS FOR SUCCESSFUL CROWDFUNDING



<https://www.score.org/resource/infographic/infographic-crowdfunding-right-your-small-business>

# CROWDFUNDING FIT

Is Crowdfunding right for your business?

- Direct-to-Consumer — B2C
- Marketing/Communication capabilities
- How much \$\$ needed
- Fees & Costs: payment processing, platform, sign-up
- Who will support fundraiser
- Social Media presence?

# CROWDFUNDING SUCCESS FACTORS

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- Wide Network
- Business Stands Out
- Superior Marketing Abilities
- Regular Updates
- Graphics and Videos
- Offer Incentives
- Share via Email and Social Media

# GRANTS - Federal

The image shows a screenshot of the Grants.gov website. At the top, there is a search bar with the text "SEARCH: Grant Opportunities" and a "GO" button. Below the search bar is a navigation menu with links for HOME, LEARN GRANTS, SEARCH GRANTS, APPLICANTS, GRANTORS, SYSTEM-TO-SYSTEM, FORMS, CONNECT, and SUPPORT. A red banner below the navigation menu contains a megaphone icon and the text: "In observance of federal holidays, the Grants.gov Contact Center will be closed January 18 for Martin Luther King Jr. Day. For support during this closure, applicants may browse the [Self-Service Knowledge Base](#) or consult the [Online User Guide](#)." Below the banner is a large advertisement for the Grants.gov Mobile App. The ad features the text "Convenience Comes to Federal Grants" and "Download the Grants.gov Mobile App to search and submit on the go." It also includes "Download on the App Store" and "GET IT ON Google Play" buttons. The background of the ad shows a person's hands holding a smartphone displaying the app's search interface, with a laptop keyboard and glasses visible in the background.

# GRANTS - State/Local

## BEST SMALL BUSINESS GRANTS IN FLORIDA

- 1. Florida High Tech Corridor Grant**
- 2. Enterprise Florida Grants: public/private**
- 3. Prospera Small Business Grants: Hispanic**
- 4. USDA Rural Business Development Grant**
- 5. National Association for the Self-Employed Grant**

<https://www.grantsforwomen.org>

<https://www.fundera.com/blog/small-business-grants-florida>

<https://www.fundera.com/blog/small-business-grants>

# GRANTS - Foundations/Corporate

## Small Business Grants



<https://www.finimpact.com/small-business-grants/>

# GRANTS - Benefits & Downsides

## PROS

- \$\$\$ that doesn't have to be repaid
- May be In-kind

## CONS

- Time & Energy to Research & Apply
- Expect RIGOROUS Follow-up Reporting, Stress & Paperwork
- Timeline/ Deadline Driven
- Highly Competitive



# Small Business Development Center

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Lutgert College of Business

Suzanne Specht, Small Business Consultant



Helping Businesses Grow & Succeed



# Traditional Sources of Funding Agenda

- Types of loans
- 5 C's of Credit
- Questions lenders ask/qualifying for a loan
- Checklist



# Types of Loans

- Commercial Loans, LOC
- SBA Loans
- SBA Disaster Loans
- Personal Loans
- HELOC
- 3<sup>rd</sup> Party Loans



# Commercial Loans

Some types of commercial loans are meant for specific purposes, such as:

- [Equipment financing](#). These loans can help you purchase large or highly specialized equipment for your business.
- [Commercial real estate loans](#). Similar to mortgages, these loans can help you buy or renovate property.
- [Commercial auto loans](#). These are used to buy vans, trucks or other vehicles for your business.
- [Commercial construction loans](#). Finance new building projects or major renovations with these loans.
- [Commercial bridge loans](#). This is a type of short-term financing typically used in commercial real estate to take advantage of an immediate opportunity and cover the gap until you can find a long-term option.
- [Commercial hard money loans](#). Hard money lenders focus heavily on the value of your collateral — usually commercial property or land — when underwriting applications, as opposed to more traditional loan requirements.

# Loans and How the SBA Guarantee Works



- The SBA offers numerous loan programs to assist small business, BUT they do not make the loan, only the guarantee. The guarantee is to a lender bank.
- The Bank will prepare the loan package and work with the SBA on loans that do not quite meet their standards

# SBA Loans

504 LOANS	SBA 7(A) LOANS	SBA EXPRESS LOANS
<ul style="list-style-type: none"><li>• <b>\$750,000 - \$10,000,000</b></li><li>• Used for the acquisition, expansion, or refinance of owner-occupied real estate or equipment.</li><li>• Construction financing available.</li><li>• Lower down payments and longer term commitments than traditional financing.</li></ul>	<ul style="list-style-type: none"><li>• <b>\$350,001 - \$5,000,000</b></li><li>• Used for business expansion, acquisition of another company, partner buyout or to improve your company's cash flow through longer amortization of capital expenditures.</li><li>• Loan amounts can exceed standard bank loan to value ratios.</li></ul>	<ul style="list-style-type: none"><li>• <b>Up to \$350,000</b></li><li>• Used to help with working capital, equipment financing, owner-occupied real estate financing, franchise, business acquisition financing, partnership buyouts or debt restructures.</li><li>• Quick approval process.</li><li>• Easy-to-use lines of credit.</li></ul>

# SBA Disaster Loans



## Physical damage loans

Loans to cover repairs and replacement of physical assets damaged in a declared disaster.

[Learn about physical damage loans](#)



## Mitigation assistance

Expanded funding to make improvements to eliminate future damage.

[Learn about mitigation assistance](#)



## Economic Injury Disaster Loans

Funding to cover small business operating expenses after a declared disaster.

[Learn about EIDL](#)



## Military reservist loan

SBA provides loans to help eligible small businesses with operating expenses to make up for employees on active duty leave.

[Learn about military reservist loans](#)

# Qualifying for a Loan



## STARTUP

- Collateral: Personal assets
- Your Personal Credit Score
- Your investment
- Solid Business Plan
- Your Management Team

## EXISTING BUSINESS

- Collateral: Business Assets
- Your Personal Guarantee
- Your Business Credit Score
  - Payment history
  - Public records
- Sales / Profit Margin
- Solid Business Model
- Your Management Team

# 5 C's of CREDIT

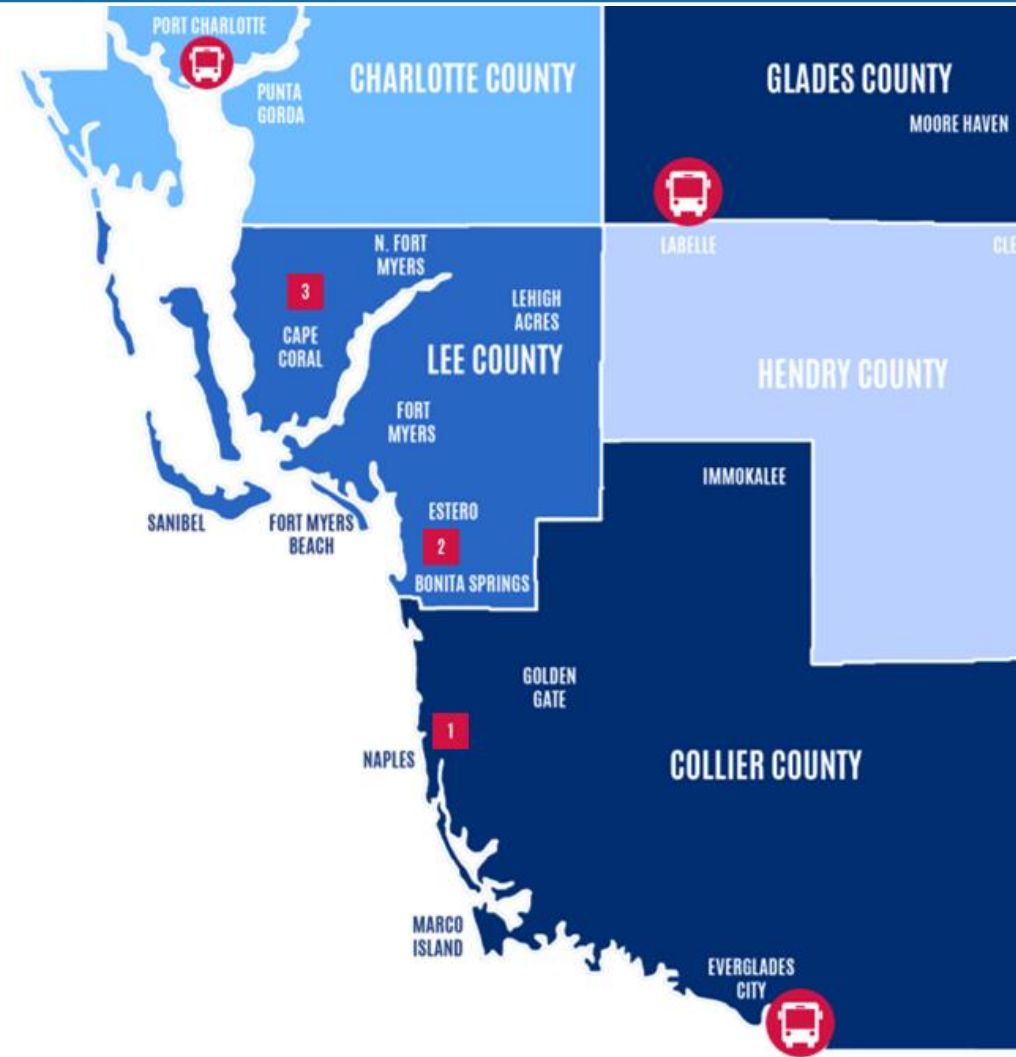
- Character
- Capacity/Cash Flow
- Capital
- Collateral
- Conditions



# Other Questions Lenders Will Ask

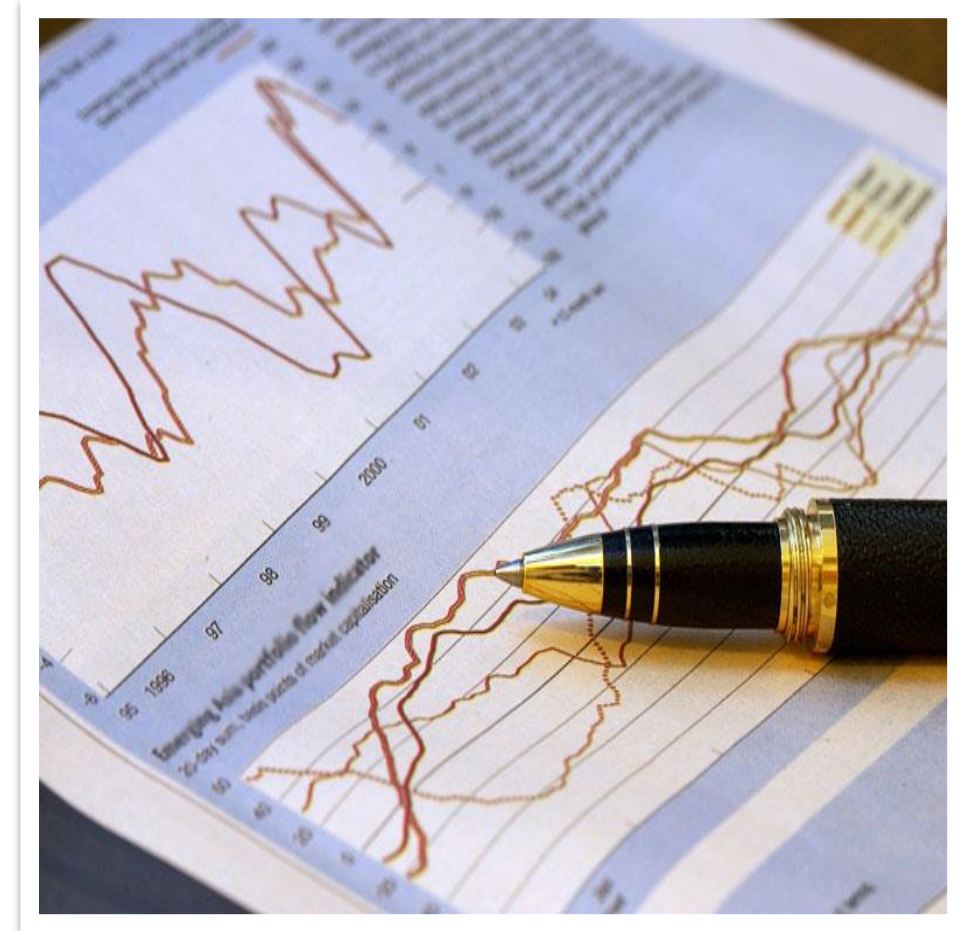
1. How much money will you need?
2. What will the money be used for?
3. How will you repay it?

Is there a Business Plan?



# Financial Data Checklist

- ✓ Personal Financial Statements and Tax Returns
- ✓ Profit & Loss Statement, Cash Flow, Balance Sheet Projections- 3 years worth
- ✓ Sources & Uses of Funding
- ✓ Capital Equipment List
- ✓ Break-even Analysis
- ✓ **BUSINESS PLAN**



# Everything You Need to Know About Angel Investors

## Panelist: Pat Loftus, SCORE Mentor and Angel Investor



# Agenda

- What is an angel investor and where do I find them?
- What kinds of companies do angels invest in and how big is the check?
- How do I know if my business is right for an angel investment?
- What are some “know before you go” tips?
- What are typical questions an angel investor may ask before investing?
- What resources are available in the entrepreneurial ecosystem?

# Defining Angel and Venture Capital

	Angel Investors	Venture Capitalists
Source of Funds	High net worth individual(s) invest own funds for long-term return greater than 20%	Invest 3 <sup>rd</sup> party funds for long-term return greater than 20%
Stage	Invest in early stage (last pre-revenue stage of development, proof-of-concept, and early market entry)	Invest in later stage (rapid growth and rapidly gaining market share)
Typical Check Size	\$25K - \$1M+	Greater than \$5M

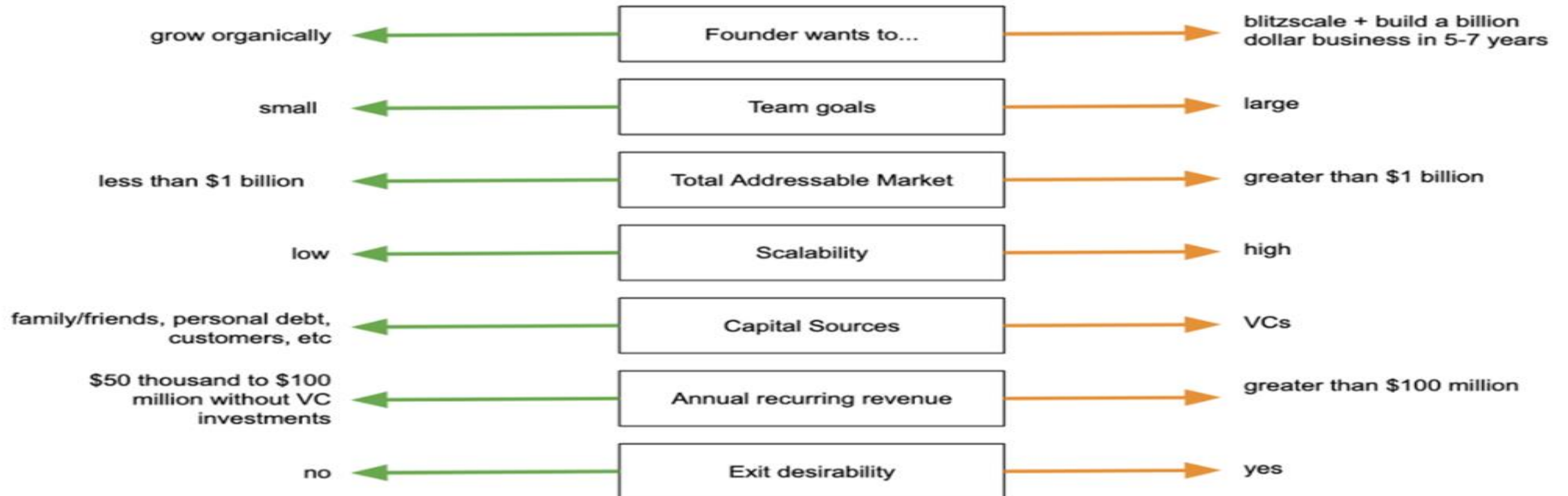
Venture Asset Class – early stage company with long-term (5-8+ years) high growth potential. Both issue securities in a private company (debt, equity). Monetize the investment when the company has a liquidity (exit) event. [Resource: Crunchbase Guide to Startup Capital \(http://about.crunchbase.com/wp-content/uploads/2019/10/Ultimate-guide-raising-startup-capital.pdf\)](http://about.crunchbase.com/wp-content/uploads/2019/10/Ultimate-guide-raising-startup-capital.pdf)

# What Are The Characteristics of Your Startup and Long-Term Vision for Your Business?

Is your company a small medium business or a rocket ship that will reach unicorn status?

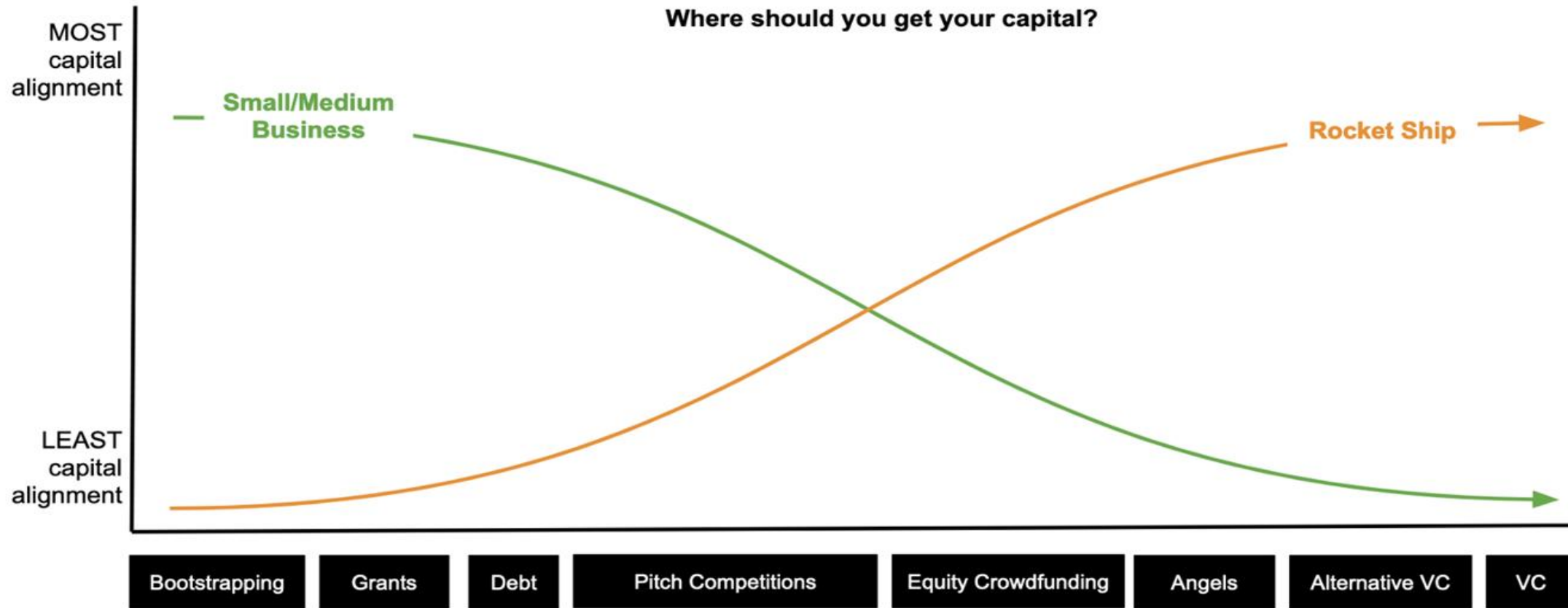
## Small/Medium Business

## Rocket Ship



Source: [First-Time Founders How to Select the Best Startup Funding Strategy](#)

# What Is the Best Funding Strategy for Your Startup and Your Need for Follow-On Capital?



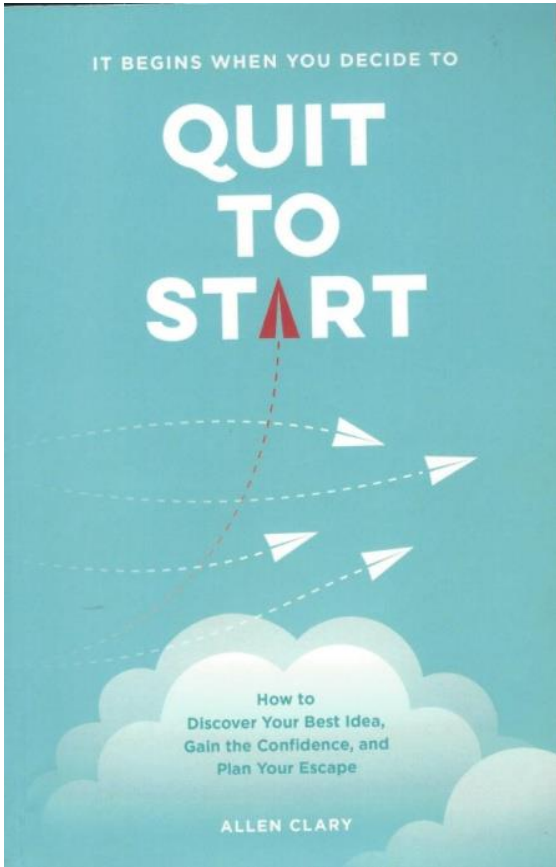
Source: [First-Time Founders How to Select the Best Startup Funding Strategy](#)

Resource: [Top 5 AI Tools to Find Investors and Funding](#)

# “Know Before You Go” Fit – Do You Have What It Takes?

## 4 Entrepreneurship Whys: Company, Business Start, Personal, Mindset

### Startup Game Board



Business Category	Experience	Capital	Difficulty	Scalability	Freedom	Wealth
Inventor (w/ entrepreneur commercializing)	M	M	H	Y	H	M
Physical Product Company	M	H	H	Y	M	H
Virtual Product Company	M	L	H	Y	H	M
Software or e-commerce Company	M	M	H	Y	M	H
Multiple Location or Multiple Geography Business	H	H	H	Y	L	H
One Location or One Geography Business	M	M	M	N	L	L
Solopreneur or Freelancer	H	L	L	N	M	L
Service Company w/ Employees	H	M	M	N	L	M

**Capital Intensity** – Combining amount of capital prior to launch through early years. High - hundreds of thousands of \$.

**Scalability** (highly profitable, wealth creation, provides freedom) – Incremental lowering of cost through expansion. Service Companies can scale by productizing services, franchising or achieving recurring revenue (automatic payment stream).

# “Know Before You Go” Tips on the Investment Process

- Investment Theses (criteria) fit
- Deal structure, Capital type, Terms, timeline
- Process – Apply (Business Plan, Pitch Deck, Financial Model), Screen, Live-Pitch, Due Diligence (Data Room), Investment, Post-Investment, Exit.
- Culture and strategic fit



# Typical Questions Angel Investors/VCs May Ask Before Investing

1. Is there a great management team?
2. Is the market opportunity big?
3. What positive early traction has the company achieved?
4. Are the Founders passionate and determined?
5. Do the Founders understand the financials and key metrics of their business?
6. Has the entrepreneur been referred to me by a trusted colleague?
7. Is the initial investor pitch deck professional and interesting?
8. What are the potential risks to the business?
9. Why is the Company's product great? (key differentiators)
10. Is the expected valuation for the company realistic?
11. How will my investment capital be used and what progress will be made with that capital?
12. Does the company have differentiated technology?
13. What is the company's intellectual property?
14. Are the company's financial projections realistic and interesting?
15. Is the legal formation clean and in compliance with applicable laws?

**Other Questions** – Outstanding Liabilities?, Lead Investor?, Cap Table?, Terms?, Strategic Investor?, Product-Market Fit?

# With SCORE, You're Never Alone!

## Tap into the Entrepreneurial Ecosystem

### Investment Groups & Funds

### Innovation Centers & Universities

#### Participation Groups

#### Limited Partner & Seed Funds

#### Innovation Centers - FL Corridor

#### Major Universities - FL Corridor



Florida Funders



Florida Funders



CENTRAL FLORIDA  
TECH FUND

**TAMIAMI**  
FLORIDA angel FUNDS

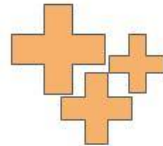


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FOSTERING FLORIDA'S FUTURE™



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FOSTERING ENTREPRENEURSHIP

**DeepWork**  
CAPITAL



**TAMPA BAY**  
FOSTERING ENTREPRENEURSHIP

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OF TAMPA



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# Feedback & Questions



[www.SCORE.org/startup-roadmap](http://www.SCORE.org/startup-roadmap)

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# And to Our Sharing Partners



# Request a SCORE Mentor

- To request a mentor, use <https://bit.ly/3S7UIJI> or QR code:
- If requesting a particular mentor, ask for her/him when asked to describe your business questions

