



# PROVIDING RESOURCES FOR SMALL BUSINESSES

## Guide to Business Investment and Financing

A Financial Resource Compilation for  
Wisconsin Businesses

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University of Wisconsin  
**Stevens Point**

# The SBDC at UW-Stevens Point, part of a network of 12 SBDC locations throughout Wisconsin

## Assisting Startup and Existing Businesses

One of 12 in Wisconsin, the Small Business Development Center (SBDC) at UW-Stevens Point offers no cost, confidential advising and resources as well as fee based workshops/conferences to both **startup and existing businesses** throughout nine counties - Adams, Langlade, Lincoln, Marathon, Oneida, Portage, Vilas, Waupaca and Wood.

We can help you: **Start | Manage | Finance | Grow | Market**

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This list was compiled from various sources including those listed below. It is meant to be as comprehensive as possible but may contain some omissions. If you are aware of any Wisconsin non-traditional business funding/investment institution that should be included under any of the main headings please email the Small Business Development Center at UW-Stevens Point at [UWSPCE-SBDC@uwsp.edu](mailto:UWSPCE-SBDC@uwsp.edu).

*Partial list of sources:*

*Federal Reserve Bank of Chicago* - Directory of Community Development Financial Institutions (CDFIs)

*Small Business Administration* - Participating Intermediary Microlenders Report

*Angel Capital Association* – ACA Member Directory

*Gaebler.com Resources for Entrepreneurs* –

*An Entrepreneurial Life* - Crowdfunding Sites: The Ultimate List for Entrepreneurs

*Opportunity Finance Network* - OFN Member CDFI's

*Small Business Administration* - Certified Development Companies (CDC) local assistance

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# Debt Financing

## Certified Development Companies (CDC)

Certified Development Company is a non-profit organization that has been certified by the U.S. Small Business Administration (SBA) to provide financing to small businesses through the Certified Development Company Economic Development Loan Program. It packages SBA, bank, state and private money into a financial assistance package for existing business capital improvement. To be eligible, the business must be operated for profit and fall within the size standards set by the Small Business Administration (SBA). Maximum loan amounts are determined by how funds will be used based on which goal they support.

**WBD (Wisconsin Business Development Co.)**

Stevens Point, WI

[www.wbd.org/](http://www.wbd.org/)

For more than 35 years, WBD has been helping small businesses get the money they need to grow and succeed. As one of the top Certified Development Companies in the country, WBD has a full range of resources to serve business lending needs from tens of thousands of dollars to ten million dollars. If your business is ready to take the next step, let the lending experts at WBD help make it possible.

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## Small Business Investment Companies (SBIC)

An SBIC is a privately-owned investment company that is licensed by the Small Business Administration (SBA). Small Business Investment Companies (SBICs) supply small businesses with financing in both the equity and debt arenas. The structure of the program is unique in that SBICs are privately owned and managed investment funds, licensed and regulated by SBA, that use their own capital plus funds borrowed with an SBA guarantee to make equity and debt investments in qualifying small businesses. The U.S. Small Business Administration does not invest directly into small business through the SBIC Program, but provides funding to qualified investment management firms with expertise in certain sectors or industries.

**SBA SBIC Partners**

[www.sba.gov/funding-programs/investment-capital#](http://www.sba.gov/funding-programs/investment-capital#)

Find an investor for your business through a Small Business Investment Company (SBIC) licensed by the Small Business Administration (SBA).

## Community Development Financial Institutions (CDFI)

The Community Development Financial Institutions (CDFI) Fund is an innovative federal agency within the Treasury Department that was established in 1994, through the Riegle Community Development and Regulatory Improvement Act, to promote community development in distressed urban and rural communities by increasing the availability of credit, investment capital and financial services available. CDFI's provide a unique range of financial products and services in economically distressed target markets, including commercial loans and investments to small start-up or expanding businesses. CDFI's include regulated institutions such as community development banks and credit unions, and non-regulated institutions such as loan and venture capital funds. CDFI small business loans have lower qualifications than most traditional bank loans in regards to credit score, collateral, time in business, and annual revenue. This means a CDFI can make loans, or make loans on more favorable terms, to borrowers that would be denied by traditional lenders. This opens up affordable financing to a much larger number of small businesses.

### **Forward Financial Credit Union**

Niagra, WI

<https://forwardfinancialcu.com/>

You're in business to succeed, and we want to help you get there. As part of a local, Member-owned financial institution, the Forward Financial Business Team is proud to work with members of our community.

### **Community Assets for People (CAP)**

Stevens Point, WI

<https://capservices.org/>

CAP's business development coordinators help individuals develop their business plan and assemble a financing package, which can include gap financing from CAP. Since 1997, the program has helped 311 businesses start or expand, resulting in the creation of 599 living-wage jobs.

### **CoVantage Credit Union**

Antigo, WI

<https://www.covantagecu.org/>

We provide loans to businesses that do not qualify for credit under conventional underwriting standards. We offer government guaranteed SBA, FSA and WHEDA loans, WHEDA interest rate subsidized loans, and consider options available through county and city economic development programs. These loans may include commercial mortgages or term loans for machinery, equipment, and fixtures, as well as working capital, accounts receivable and inventory loans, purchase of an existing business or renovation loans.

### **First American Capital Corporation**

West Allis, WI

[www.aiccw-facc.org/](http://www.aiccw-facc.org/)

The American Indian Chamber of Commerce (AICCW) exists to promote economic development in Wisconsin Indian Country through directed service delivery to American Indian entrepreneurs.

### **First Nations Community Financial**

Black River Falls, WI

<http://firstnationsfinancial.org/>

First Nations Community Financial is a state chartered not-for-profit Native Community Development Financial Institution (CDFI). First Nations Community Financial currently partners with the Ho-chunk Nation and Ho-Chunk Housing and Community Development Agency to provide a wide range of financial products and services for the Communities and its members.

**Forward Community Investments**

Madison, WI

[www.forwardci.org/](http://www.forwardci.org/)

We offer loans up to \$1 million or more through loan participations. We finance construction, real estate acquisition, facility renovations, predevelopment costs, equipment and working capital. Our loans have flexible terms that include financing up to 95% of total project costs, amortization periods as long as 30+ years and below-market interest rates set for the life of the credit facility. Other opportunities for flexibility show up in our ability to make subordinate loans, bridge loans for capital campaigns and lines of credit.

**Impact Seven, Inc.**

Almena, WI

[www.impactseven.org/](http://www.impactseven.org/)

We serve as an alternative lender to businesses looking to start, grow and thrive. We offer opportunity to people and businesses that may not be able to find in elsewhere because, while still rigorous, our processes are rooted in common sense. Our loans range from a few thousand dollars to a few million, but each client is as important as the next. An experienced alternative lender, we are a statewide, private, nonprofit community development corporation that works diligently to help our clients reach their full potential.

**Legacy Redevelopment Corporation**

Milwaukee, WI

[www.lrcmke.com/](http://www.lrcmke.com/)

LRC provides strategic lending solutions for Milwaukee's underserved markets. Since originating our first loan in 2003, we are the only U.S. Treasury-certified Community Development Financial Institution (CDFI) with a focus on housing and commercial real estate in Milwaukee's central city.

**Milwaukee Economic Development Corp**

Milwaukee, WI

<http://www.medconline.com/>

The Milwaukee Economic Development Corporation (MEDC) serves Milwaukee area businesses by providing short term "gap" financing, typically at a below market interest rate. Our approach is unique in that we share the risk with all participants in a project, lend in partnership with a bank, and lend funds at a higher risk level in order to increase the feasibility of a project.

**Mitchell Bank**

Milwaukee, WI

[www.mitchellbank.com/](http://www.mitchellbank.com/)

Since our beginning in 1907, Mitchell Bank has been providing commercial loan solutions to small and medium sized businesses. Our customers benefit from high end service provided by highly trained bankers. Our goal is to be a strategic partner that can help your business grow.

**NiiJii Capital Partners, Inc**

Keshena, WI

[www.niicap.org/](http://www.niicap.org/)

NiiCaP (NiiJii Capital Partners, Inc.) is a U.S. Treasury Department certified Community Development Financial Institution, created to provide alternative financing (loans) and development services (technical assistance and training) for entrepreneurs and small businesses on the Menominee, Mole Lake and Lac du Flambeau Reservations.

**Northwest Side Community Development Corp**

Milwaukee, WI

<https://nwscdc.org/>

The NWSCDC serves businesses by providing access to alternative capital for borrowers who will make commitments to workforce development solutions within the Northwest Side of Milwaukee.

**Royal Credit Union**

Eau Claire, WI

[www.rcu.org/](http://www.rcu.org/)

At Royal Credit Union, we understand the needs of your business, and we will work with you to find the solutions that fit best. We'll arrange your business loan or line of credit quickly, with the right terms and flexibility, so you can get back to business.

**Wisconsin Native Loan Fund Inc**

Lac du Flambeau, WI

[www.winlf.org/](http://www.winlf.org/)

Wisconsin Native Loan Fund, Inc is a certified Native American Community Development Financial Institution (CDFI) located in Lac du Flambeau, Wisconsin. We are a non-profit 501 (c) (3) organization looking to better our community by providing affordable lending to Native Americans.

**Wisconsin Women's Business Initiative Corp**

Milwaukee, WI

<https://www.wwbic.com/>

We are the State's largest microlender providing access to fair capital for business start-ups and expansions. WWBIC makes loans to small and micro businesses up to \$250,000. We work with both women and men in analyzing their business' financial needs and guiding them through the loan process.

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## **Other Government Programs**

**Veteran's Business Outreach Center**[www.wbdc.org/vboc/](http://www.wbdc.org/vboc/)

The Veterans Business Outreach Center (VBOC) program is overseen by the U.S. Small Business Administration's Office of Veterans Business Development (OVBD) and provides entrepreneurial development services – such as business training, counseling and resource partner referrals – to transitioning Active Duty Service Members, Veterans, National Guard & Reserve members and military spouses interested in starting or growing a small business. The SBA has 20 organizations participating in this cooperative agreement and serving as VBOCs.

**USDA Rural Development- B&I Guaranteed Loan Program**<https://www.rd.usda.gov/programs-services/business-industry-loan-guarantees/wi>

The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans which will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.

## Microlending

Micro loans are small business loans typically under \$50,000. Micro loans are generally used for start-up, equipment, or expansion cash or for working capital. Micro loans can be used for many purposes including the purchase of equipment, inventory, machinery, fixtures, furniture, supplies, and even to purchase another business. Each lender will have their own requirements for repayment of a micro loan. Interest rates and collateral requirements vary considerably between lenders but almost all require a personal guarantee by at least one of the business' owners.

**Kabbage** Online [www.kabbage.com](http://www.kabbage.com)

Kabbage has funded over \$500,000,000 to help businesses grow. Kabbage is the industry leader in providing working capital online. Kabbage puts the power of business growth back in your hands by giving you instant access to funds. Enjoy ongoing access to your line, and take the funds you need day or night. Pay only for what you take and draw against your line as often as once a day.

**CAN Capital** Online [www.cancapital.com/](http://www.cancapital.com/)

CAN Capital can help you access very small to large business loans: from \$2,500 to \$150,000. These loans also have a range of terms, from 6 to 18 months. That means your business can access, for example, a short-term loan for inventory, then sell your merchandise and pay off everything quickly. Or, you can get a longer-term loan and take your time paying back what your business borrowed. The amount of business financing your business qualifies for is based on your industry, time in business, monthly revenue, and other factors.

**Community Assets for People (CAP)** Stevens Point, WI <https://capservices.org/>

CAP's business development coordinators help individuals develop their business plan and assemble a financing package, which can include gap financing from CAP. Since 1997, the program has helped 311 businesses start or expand, resulting in the creation of 599 living-wage jobs.

**Advocap** Fond du Lac, WI [www.advocap.org/](http://www.advocap.org/)

The goal of the Business Development Program is to help persons with low incomes gain self-sufficiency through self-employment. The program administers a Business Development Loan Fund which provides loans to start-up and existing eligible businesses. ADVOCAP is designated as a lender by the U.S. Small Business Administration (SBA) and by the U.S. Department of Agriculture (USDA) for the Micro Loan Program.

**Impact Seven, Inc.** Almena, WI [www.impactseven.org/](http://www.impactseven.org/)

We serve as an alternative lender to businesses looking to start, grow and thrive. We offer opportunity to people and businesses that may not be able to find in elsewhere because, while still rigorous, our processes are rooted in common sense. Our loans range from a few thousand dollars to a few million, but each client is as important as the next. An experienced alternative lender, we are a statewide, private, nonprofit community development corporation that works diligently to help our clients reach their full potential.

**Wisconsin Women's Business Initiative Corp** Milwaukee, WI <https://www.wwbic.com/>

We are the State's largest microlender providing access to fair capital for business start-ups and expansions. WWBIC makes loans to small and micro businesses up to \$250,000. We work with both women and men in analyzing their business' financial needs and guiding them through the loan process.

**SBA Guaranteed Micro-loan Partners**

Online

[www.sba.gov/funding-programs/loans](http://www.sba.gov/funding-programs/loans)

Start or expand your business with loans guaranteed by the Small Business Administration. Use Lender Match to find lenders that offer loans for your business.

**Funding Circle**

Online

[www.fundingcircle.com/](http://www.fundingcircle.com/)

We help established businesses of all sizes expand, grow, and thrive. You can choose to borrow over 6 months to 5 years, and there's no prepayment penalties.

**Key considerations before applying for a microloan.**

1. Put together a business plan that includes an analysis of your market and its competitors.
2. Update your resume and obtain the resumes of other senior managers.
3. Pull your business and personal tax returns for the last three years.
4. Provide revenue, cash flow, and profit expectations for the next three years with thorough explanation.
5. If you have an existing business, assemble your financial statements for the last three years.
6. Prepare as detailed an explanation as possible for why you need the loan and how it will help your business prosper.

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## **Peer-to-Peer Lending**

Peer-to-peer lending, or sometimes called "debt crowdfunding", is the practice of lending money to unrelated individuals, or "peers", without going through a traditional financial intermediary such as a bank or other traditional financial institution. This lending takes place online on peer-to-peer lending companies' websites using various different lending platforms and credit checking tools. There are no market leaders in this field and every website applies its own strategies and policies. In most cases you will be asked to pay a membership fee to join the site and be introduced to investors listed there. Or you can join for free but will be asked to pay once you'd like to contact other site members.

**Kiva**

Online

[www.kiva.org](http://www.kiva.org)

Kiva works with microfinance institutions on five continents to provide loans to people without access to traditional banking systems.

**Lending Club**

Online

[www.lendingclub.com](http://www.lendingclub.com)

Lending Club, the nation's leading lending marketplace, uses innovative technology to deliver simple, low cost business loans.

**Prosper** Online [www.prosper.com](http://www.prosper.com)

Prosper is the market leader in peer-to-peer lending—a popular alternative to traditional loans and investing options. We cut out the middleman to connect people who need money with those who have money to invest.

**Funding Circle** Online [www.fundingcircle.com/](http://www.fundingcircle.com/)

We help established businesses of all sizes expand, grow, and thrive. You can choose to borrow over 6 months to 5 years, and there's no prepayment penalties.

**Street Shares** Online <https://streetshares.com/>

No small business is exactly the same, which is why we create a financing strategy for your individual business needs. Three outstanding funding solutions for your small business.

**Kickfurther** Online <https://fitsmallbusiness.com/kickfurther-opt-in/>

Kickfurther provides crowdfunded loans for inventory financing. The name is a variation of Kickstarter—the idea is that new businesses that outgrow Kickstarter or Indiegogo will need inventory loans to keep growing. In order to be eligible for Kickfurther, you must have completed at least one successful production run.

**Bolstr** Online <http://bolstr.com/>

Bolstr is a marketplace where emerging consumer, retail, and manufacturing businesses can raise funding for expansion from investors.

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# Grants

## SBIR/STTR Grants

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, also known as America's Seed Fund, are one of the largest sources of early-stage capital for technology commercialization in the United States. These programs allow US-owned and operated small businesses to engage in federal research and development that has a strong potential for commercialization.

### Center for Technology Commercialization

[www.wisconsinbir.org/](http://www.wisconsinbir.org/)

The Center for Technology Commercialization offers assistance with your funding acquisition efforts through the federal Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) programs.

Together, we will assemble a team of advocates who will help you evaluate the feasibility of your ideas and plan and apply for federal R&D grants, seed angel or venture funding, business plans and much more.

## Other Grants

Government grants are funded by tax dollars. Any grants must be appropriated through Congress and The White House and are tied closely to specific agency agendas, such as the Department of Energy or the Department of Agriculture. The government has very stringent rules about who it provides grants to and what those funds can be used for.

### Public Grants

[www.grants.gov/](http://www.grants.gov/)

### Private Grants

[www.eduplace.com/grants/available/private.html](http://www.eduplace.com/grants/available/private.html)

### Wisconsin Grants

[wisconsin.grantwatch.com/cat/13/small-business-grants.html](http://wisconsin.grantwatch.com/cat/13/small-business-grants.html)

# Equity Financing

## Small Business Investment Companies (SBIC)

An SBIC is a privately-owned investment company that is licensed by the Small Business Administration (SBA). Small Business Investment Companies (SBICs) supply small businesses with financing in both the equity and debt arenas. The structure of the program is unique in that SBICs are privately owned and managed investment funds, licensed and regulated by SBA, that use their own capital plus funds borrowed with an SBA guarantee to make equity and debt investments in qualifying small businesses. The U.S. Small Business Administration does not invest directly into small business through the SBIC Program, but provides funding to qualified investment management firms with expertise in certain sectors or industries.

### SBA SBIC Partners

[www.sba.gov/funding-programs/investment-capital#](http://www.sba.gov/funding-programs/investment-capital#)

Find an investor for your business through a Small Business Investment Company (SBIC) licensed by the Small Business Administration (SBA).

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## Angel Investors

An angel investor is a group or affluent individual willing to invest in a company in exchange for an ownership stake, often in the form of preferred stock or convertible debt. Unlike a bank loan or other types of debt financing, equity capital gives someone else an ownership interest in your company.

Many businesses receiving angel investments are already producing some revenue but need additional funding to reach the next stage of their business plan. In addition to providing these needed funds, angel investors often become mentors to the business. Because Angel investors have their own money invested, they will be highly motivated to see your business succeed. In exchange for these funds and mentoring, you can expect to give away anywhere from 10 to more than 50 percent of your business. Most angel investors, like venture capitalists, are interested in receiving a large payout within a certain time frame, three to seven years is common. This could be either from some type of public offering or by selling the business to another company.

In grading investments, areas angel investors are interested in include:

- The quality, passion, commitment, and integrity of the founders.
- The market opportunity being addressed and the potential for the company to become very big.
- A clearly thought out business plan, and any early evidence of obtaining traction toward the plan.
- Interesting technology or intellectual property.

- An appropriate valuation with reasonable terms.
- The viability of raising additional rounds of financing if progress is made.

Angel investors prefer to initially see from an entrepreneur include:

- A clearly articulated elevator pitch for the business.
- An executive summary or pitch deck.
- A prototype or working model of the proposed product or service (or at least renditions).
- Early adopters or customers.

### **Wisconsin Angel Investment Companies**

**Wisconsin Investment Partners (WIP)**      Madison, WI      [www.wisinvpartners.com/](http://www.wisinvpartners.com/)

WIP seeks to make early stage investments in technology and life science companies, through which we can leverage member expertise, contacts, and interests toward superior investment outcomes.

**Golden Angels Investors**      Brookfield, WI      [www.goldenangelsinvestors.com/](http://www.goldenangelsinvestors.com/)

Golden Angels Investors is not a fund; its members make individual investment decisions under terms negotiated with entrepreneurs. The opportunity assessment and review processes are member led. In all cases, submissions begin by visiting our For Entrepreneurs page.

**Wisconsin Super Angel Fund**      Milwaukee, WI      <http://wsafund.com/>

Identify, capitalize and actively mentor Wisconsin-based, early-stage, high-growth companies to exit, with the objective of earning an internal rate of return in excess of 20%, targeting exits within 3 to 5 years of each initial investment.

**Silicon Pastures**      Milwaukee, WI      <http://siliconpastures.com/>

Silicon Pastures is a group of angel investors who meet monthly to assess business plan proposals and share due diligence on possible transactions. The group prefers to invest in companies that use technology to solve problems. The group also favors companies that use technology to organize, optimize, and accelerate business processes.

**Third Coast Angels**      Argyle, WI      [www.thirdcoastangels.com/](http://www.thirdcoastangels.com/)

A team of 25 reputable business investors, Third Coast Angels, LLC (TCA) of the U.S. concentrates our investment efforts on environmentally sustainable enterprises combined with a strong focus on new technologies – high-tech, bio-tech and green-tech. We assist entrepreneurs across the Midwest and East Coast in the early stages of startup businesses created to solve issues in key sectors: Advanced manufacturing, Energy, IT, and Medical.

**Wisconsin River Business Angels**      Plover, WI      [midwestwealthventures.com/](http://midwestwealthventures.com/)

A firm dedicated to serving Central Wisconsin, Midwest Wealth Ventures makes it possible for angel investors and entrepreneurs to work together toward the greater vitality of our regional economy and business community.

**N.E.W. Venture Foundry**

Green Bay, WI

<https://newventurefoundry.com/>

The Foundry provides innovators a support system to bring new products or services to market. We invest in opportunities where we can leverage the operational expertise and industry networks of our members to help overcome early stage challenges. Our goal is to promote and further business innovation, regional collaboration, and new ventures in Northeast Wisconsin.

**Phenomenelle Angels**

Madison, WI

[www.phenomenelleangels.com/](http://www.phenomenelleangels.com/)

Phenomenelle Angels Fund I, LP is an early stage fund that invests in women and minority owned or managed businesses in Wisconsin and the Midwest. Qualifying businesses must have at least one woman or an ethnic minority holding substantial ownership or in an executive (C-level) position. Investors are limited to women who are accredited investors, and select entities.

**Angels on the Water**

OshKosh, WI

[www.angelsonthewater.com/](http://www.angelsonthewater.com/)

Angels on the Water infuses high-growth companies with capital and connects them with business mentors.

**Angel Capital Association**

Overland Park, KS

[www.angelcapitalassociation.org/directory/](http://www.angelcapitalassociation.org/directory/)

Although the Angel Capital Association is not a direct funding source, our members are. Use this directory to find ACA members, which include angel groups and accredited platforms in addition to organizations affiliated with ACA. Link to each organization's website to learn more about the group, including investment preferences and processes.

**Wisconsin Technology Council**

Madison, WI

<http://wisconsintechcouncil.com/>

The Wisconsin Angel Network (WAN) is part of the Wisconsin Technology Council's overall economic development and job creation efforts. WAN is a public-private initiative rooted in the Legislature's Act 255 initiative, it is operated by the Wisconsin Technology Council. As a strategic partner, WAN receives partial funding from the Wisconsin Economic Development Corporation (WEDC).

**Key considerations when working with an angel investor**

1. Be selective and try to find investors who would add not only money but also value to your business.
2. Be sure to perform thorough due diligence on all potential investors. Remember, you are selling part of your company.
3. Make sure the investor's motivations are in line with what they can realistically offer.
4. Ensure the investor's personality is compatible with yours.
5. Make sure the investor share the same goals as you.
6. Ask what other firms have the investor funded in the past. How did they turn out?
7. Ask how active the investor was in those firms.
8. Did the investor make constructive contributions?
9. Did the investor stick with the firms in times of trouble?
10. Ask what industries does the investor have experience in.
11. How helpful will the investor be in trying to obtain future rounds of financing?
12. How many of the companies in which they have invested have completed successful IPOs?
13. Can the investor help provide contacts for distribution channels and executive search?
14. Does this investor have the expertise, contacts, and reputation to attract other potential investors?
15. Does the investor have a portfolio of competing companies?

# Venture Capital

Venture Capitalists focus on companies developing significant innovations - be it a new piece of software, a life-saving cancer drug, or a new model for consumer sales. Unless the company is poised for significant growth, a VC probably won't invest. Making investments at the earliest stages of a company's development, often before a product or service is more than just an idea, involves significant entrepreneurial risk which severely limits capital sources for such companies. Yet, venture capitalists assume this risk alongside the company founders by providing capital in exchange for an equity stake in the company.

## Wisconsin Venture Capital Companies

### Venture Management, LLC

Madison, WI

[www.vmlc.com/](http://www.vmlc.com/)

Venture Management, LLC is a private investment office based in Madison, Wisconsin. We invest in technology companies, and most of our investments are in businesses located in Wisconsin and/or investing in Wisconsin's economy

### CSA Partners, LLC

Milwaukee, WI

<http://csapartners.com/>

CSA Partners, LLC is a venture fund that invests in early stage, high growth companies.

### N.E.W. Venture Foundry

Green Bay, WI

<https://newventurefoundry.com/>

The Foundry provides innovators a support system to bring new products or services to market. We invest in opportunities where we can leverage the operational expertise and industry networks of our members to help overcome early stage challenges. Our goal is to promote and further business innovation, regional collaboration, and new ventures in Northeast Wisconsin.

### N29 Capital Partners

Manitowish Waters, WI

<https://n29capitalpartners.com/>

N29 Capital Partners financially supports early-stage, Wisconsin-based companies. We focus on startup companies that have created products or services that are disruptive in their industry.

### American Family Ventures

Madison, WI

[www.amfamventures.com/](http://www.amfamventures.com/)

By definition, we are a venture capital group, but we like to think of ourselves as catalysts for what's next.

### Northwestern Mutual Future Ventures

Manitowish Waters, WI

<http://nmfutureventures.com/>

We're different than most corporate venture capital partners: Northwestern Mutual has a 160-year-old track record of industry-leading financial strength, client-centricity and an entrepreneurial culture, which has not only enabled but driven us to always innovate for our clients.

### 4490 Ventures

Madison, WI

<http://4490ventures.com/>

We are investors that learned the craft of early-stage technology venture capital investing at firms on the West Coast and the East Coast, and brought our knowledge, networks and experiences to the Midwest. The Midwest contains approximately 25% of the inputs into America's innovation economy, yet only receives 5% of all venture capital. We're committed to changing that ratio.

### National Venture Capital Association

Online

[h-ttps://nvca.org/](https://nvca.org/)

As the venture community's flagship trade association, the NVCA serves as the definitive resource for venture capital data and unites its member firms through a full range of professional services.

## **Key considerations when working with a venture capitalist**

1. Check the venture capital firm's references. Just like with a product, you do not want to buy the services of a venture capital firm without checking references. How many successful deals has the venture capital firm put together? Has the firm worked with a firm like yours? How successful was the deal? What about deals that didn't work out? How did the venture capital firm handle that?
2. Check the Venture Capital Firm's Financial Strength. Obviously, venture capital firms must have the financial strength to support your operation and probably several other businesses. Venture capital firms have portfolios of businesses to spread their risk; otherwise, they take on too much risk. Funding is generally in stages with venture capital funds and you must make sure that the firm you are associated with has enough funding to see you through those stages.
3. Is There Integration Between the Venture Capital Firms Style and Yours?
4. Often, venture capital firms wish to be very involved with the business of the firm they are financing. They may wish one or more seats on the Board of Directors and a stake in the ownership of the firm in the form of preferred stock. If you don't mind relinquishing some control of your firm, then no problem. However, some venture capital firms are satisfied with monthly or quarterly reports, but obviously still have a stake in the firm since they bought an ownership interest. A large venture capital firm may have more rigid requirements than a smaller firm. Choose a firm that most suits your own business style.
5. Leverage Venture Capitalists as Networkers. The venture capital market is a networking and communications market. Of course, the venture capital firm you choose will help you with finance and management. The firm may also be able to offer you valuable introductions to potential customers, suppliers, banks, accountants, attorneys, and other valuable contacts.
6. Know the Exit Strategy of the Venture Capital Firm you Choose. Venture capitalists are usually short-term investors. You should discuss with your venture capital of the firm when they will "cash out" of the business so you can plan for the future.

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## **Crowdfunding**

Crowdfunding is the use of small amounts of capital from a large number of individuals to finance a new business venture. Crowdfunding makes use of the easy accessibility of vast networks of people through social media and crowdfunding websites to bring investors and entrepreneurs together. Crowdfunding has the potential to increase entrepreneurship by expanding the pool of investors from whom funds can be raised beyond the traditional circle of owners, relatives and venture capitalists. Crowdfunding has its origins in the concept of crowdsourcing, which is the broader concept of an individual reaching a goal by receiving and leveraging small contributions from many parties. Crowdfunding is the application of this concept to the collection of funds through small contributions from many parties in order to finance a particular project or venture.

### **Kickstarter**

Online

[www.kickstarter.com](http://www.kickstarter.com)

Almost any type of consumer small business can use Kickstarter to test the viability of its products or services with a global audience. Many small businesses first raise money on Kickstarter before they try for a loan or try to raise venture capital. A range of different types of businesses, from restaurants to design firms to craft businesses, successfully raise money on Kickstarter.

**Indiegogo** Online [www.indiegogo.com/](http://www.indiegogo.com/)

Indiegogo is currently the largest global fundraising site. The most popular types of businesses that raise money on Indiegogo are technology, design, film, travel, and eco-friendly businesses. In addition to the wide range of businesses, Indiegogo is also a good choice for female business owners –over 47 % of successful campaigns are run by women. Indiegogo is most well known for reward crowdfunding, but it also offers equity crowdfunding.

**InKind** Online <https://www.inkind.com/>

This crowdfunding site is specifically designed for restaurants. Restaurants are one of the most underfunded industries in the US, so it's great to see a crowdfunding site that caters specifically to restaurants, cafes, bakeries, and food truck owners. In exchange for their contributions, your backers get perks like free desserts and credit towards food and beverage.

**Fundable** Online [www.fundable.com/](http://www.fundable.com/)

While many crowdfunding sites are multi-purpose, catering to businesses, non-profits, and consumers, Fundable is exclusively for businesses. They take a pretty hands-on approach and will help you understand the fundraising process before you launch your campaign. Instead of taking a cut of money you raise, Fundable charges a flat monthly rate (\$179) for access to their crowdfunding platform. Fundable offers both reward crowdfunding and equity crowdfunding.

**Patreon** Online [www.patreon.com/](http://www.patreon.com/)

Patreon's crowdfunding platform is designed specifically for artists and creators. This is a good option for freelancing artists, Etsy sellers looking to raise more money, photographers, and other creative types. Your backers, called patrons (get the name?!), can fund your campaign with a set amount of money each month or on a per project basis.

**GoFundMe** Online [www.gofundme.com/](http://www.gofundme.com/)

GoFundMe is best known for raising money for personal or charitable causes, but businesses are eligible as well. While there's no maximum to the amount of money you can raise, most businesses on GoFundMe are raising relatively small amounts of money to fund small projects. For example, a restaurant currently on the site is seeking to raise \$6,000 to replace two coolers. A mental health counselor is seeking \$13,000 to transition to private practice.

**CircleUp** Online <https://circleup.com/>

CircleUp has helped over 196 startups raise over \$260 Million in funding. They are one of the largest sites for marketplace investing and equity crowdfunding. The average startup on CircleUp raises more than \$1 million in less than 2-3 months. The companies on CircleUp are extremely innovative—we noticed businesses making everything from water bicycles to vitamin-enriched 'smart' coffee. CircleUp manages the closing process for you, including escrow, funding, and transfer of funds.

**Crowdfunder** Online <https://www.crowdfunder.com/>

Crowdfunder is another great equity crowdfunding site. They aim to help small businesses that would traditionally find it difficult to raise venture capital. They claim, "We get you into the deal at the same terms as leading VCs." You can choose your company stage (e.g. seed funding, Series A, etc.), area of business, and location. Most of the deals on the site are equity deals, though there are also a few debt options.

**EquityNet**

Online

[www.equitynet.com/](http://www.equitynet.com/)

EquityNet is another old, established equity crowdfunding site. We like EquityNet because you can use it to raise smaller amounts of money, which typically isn't possible when raising investor money. You can raise as little as \$10K or as much as \$10 Million on EquityNet. EquityNet also has a patented business plan and analysis software that you can use with a paid subscription to your best foot forward with investors. According to Equitynet, Entrepreneurs who use their business planning software are 10 times more likely to obtain funding than those who don't.

**Realty Mogul**

Online

[www.realtymogul.com/](http://www.realtymogul.com/)

Just like real estate crowdfunding is popular on the debt side, equity crowdfunding for real estate is picking up steam as well. RealtyMogul is one of the largest equity crowdfunding sites. There over 28,000 investors willing to fund a range of projects, from single family residential fix and flips to office buildings to commercial properties. The timeline for raising funds ranges from about 30-45 days, and funds may cover up to 90 % of your costs.

**MicroVentures**

Online

[www.microventures.com/](http://www.microventures.com/)

MicroVentures is one of the financial industry's first organizations which merges crowdfunding with the venture capital industry. This firm provides an opportunity for angel investors to invest in startups alongside Venture Capitalists, often at the same terms. We conduct detailed due diligence on startups and if approved we help them raise capital from angel investors.

**truCrowd**

Online

<https://us.trucrowd.com/>

TruCrowd is the first funding portal for non-accredited investors and the preferred equity crowdfunding source for startups, entrepreneurs, and emerging businesses. Built on the belief that not all businesses and investors are alike, we pride ourselves on delivering a personalized and professional funding experience through industry-leading technology.

**Key considerations before starting a crowdfunding project**

1. Crowdfund at the right stage of your business. Your business will need funding at multiple stages in its lifetime. Pick the right time to get into crowdfunding so that you don't exhaust all your options when you need the next round of funding.
2. Follow the rules of the crowdfunding site exactly. A good chunk of projects get rejected by crowdfunding sites. These are projects that do not adhere to the rules laid down by the sites or have a fundamental business flaw in them. Do not make this basic mistake. Read the rulebook before you play the game.
3. Protect your idea if needed. A lot of innovators worry about their idea being copied if they start a crowdfunding project for their venture. If you are one of them, take proactive steps yourself. Most crowdfunding sites do not protect your copyrights. File for a patent or a copy right before launching your crowdfunding campaign if you fear plagiarism.
4. Get your messaging clear. Great ideas can languish with insufficient funds without clear messaging. Explain every aspect of your idea that is practically required by a potential investor to make a decision. Be interesting, draw them into your story, and show them how they will make a difference to the world by contributing to your project. Spell out the exact benefits they stand to gain – monetary or otherwise.
5. Give out equity judiciously. Firstly weigh all your available options before you decide to go down the equity crowdfunding route. Giving up equity to unqualified investors can be problematic in the long run. It will interfere in decision making and restrict future fundraising efforts.