



Alternative Capital Sources

U.S. Small Business Administration
Tim Jeffcoat, Deputy District Director
Oklahoma District Office
December 11, 2012

Who Are We?
How Do We Help?

Why Do We Exist?

- ▶ Small Business is a foundation to our Economy
- ▶ Generates more than 50% of non-farm GDP
- ▶ Employs half of all private sector employees
- ▶ Generated 60 – 80% of all new jobs in the last decade.

U.S. Small Business Administration Mission

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- ▶ “... to **aid, counsel, assist** and **protect** the interests of small business concerns...”
- ▶ “... to preserve free competitive enterprise and to **maintain and strengthen the overall economy** of our nation.”
- ▶ “...small business is critical to our economic recovery and strength, to **building America's future**, and to **helping the United States compete...**”

SBA's "Three Cs"

- ▶ To Oklahoma's small businesses we provide:
 1. Access to **Capital**
 2. Sources for **Counseling**
 3. Government **Contracting** and **Business Development Solutions**

Focus on Capital

SBA Traditional Lending Process



How Does It Work?

- ▶ SBA is a guarantor of loans made by banks and other institutions
 - ▶ Up to 90% guarantees
- ▶ SBA does not offer grants to start or grow small businesses
- ▶ Lender list on sba.gov/ok



Most Common SBA Loans

Number of Loans	
1	Full & Limited Service Restaurants
2	Child Day Care Services
3	Hotels & Motels
4	Dentists
5	Gas Stations with Convenience
6	Auto Repair
7	Beauty Salon
8	Convenience Stores
9	Fitness Centers
10	Chiropractors

Dollar Size of Loans	
1	Hotels & Motels
2	Full & Limited Service Restaurants
3	Dentists
4	Gas Stations with Convenience
5	Car Washes
6	Child Day Care Services
7	Dry Cleaning
8	Convenience Stores
9	Machine Shops
10	Auto Repair



SBA Loan Types

	504 Loans	7(a) Loans
Use this for:	Fixed assets and related soft costs only	Working capital, fixed assets, refinance (if 10% cash flow savings).
Amounts:	\$5 million in many cases.	\$5 million maximum loan size.
Guarantee:	90% on SBA portion	50% - 90% depending on specific loan
Term:	10 or 20 years only.	25 years max fixed assets. 10 years max on working capital.
Eligibility:	Net worth below \$15.0 million and net income for previous 2 years less than \$5.0 million average (no sales or employee limitation)	Either on number of employees or annual sales (determined by industry).
Interest Rate:	Fixed monthly by open market debenture sale on Wall Street.	2.75% above prime interest rate or and usually variable
Participants:	CDC, Lender, and the SBA.	Funding comes from the Lender. SBA provides guaranty (up to 85%).
Fees:	2.65%, .05% of 1st Mortgage amount to SBA.	2% SBA guaranty fee on loan up to \$150,000. Up to 3.75% on higher amounts.
Economic Impact:	One job per \$65,000 of debenture. One job per \$100,000 for small manufacturers.	No requirement.



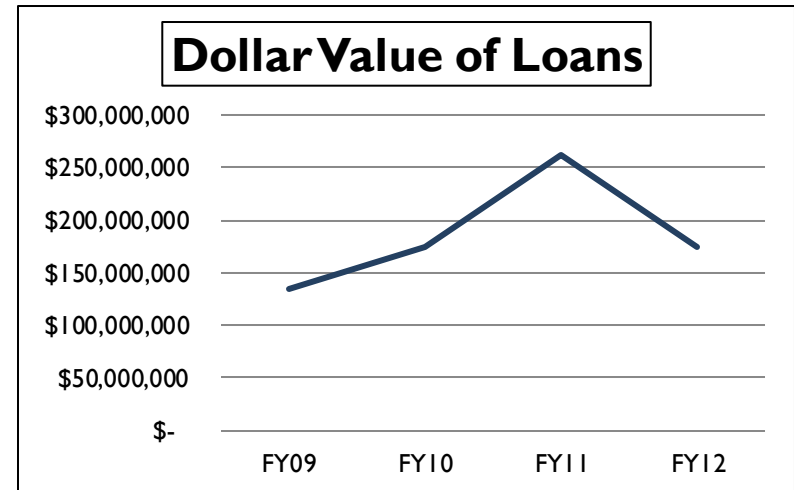
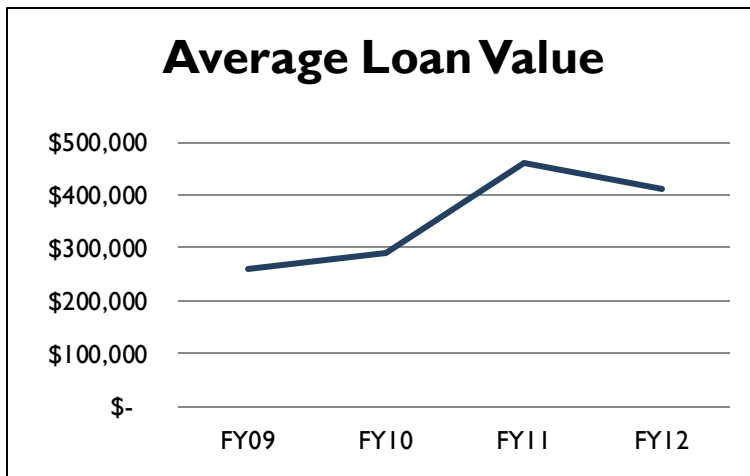
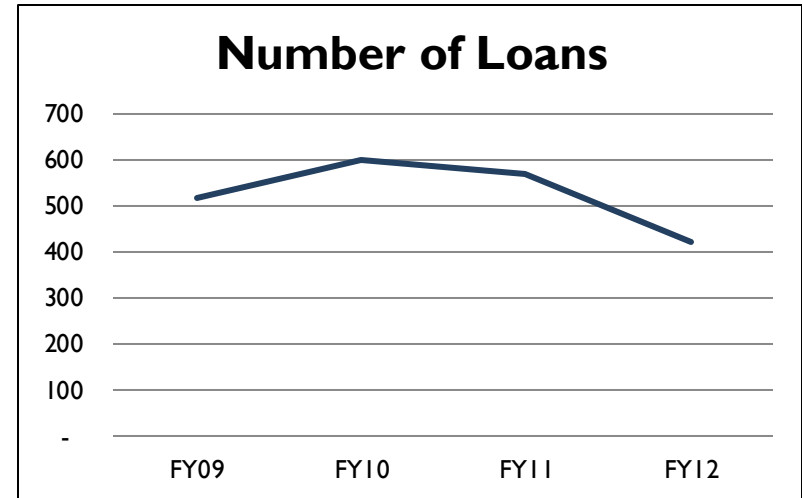
SBA Lending in FY 2012

- ▶ 235 OK banks approved for SBA lending; 75 OK banks actively lending
- ▶ 454 Loans for \$186.5M -or, per week- ~8.7 worth \$3.6M

	TOP LENDERS	Loans	Total Value	Average Value
1	BancFirst	76	\$26,688,400	\$ 351,163
2	Arvest Bank	45	\$10,147,400	\$ 225,498
3	JPMorgan Chase Bank, N.A.	24	\$ 1,669,000	\$ 69,542
4	Security Bank	23	\$ 9,275,300	\$ 403,274
5	First Oklahoma Bank	21	\$13,088,100	\$ 623,243
6	MidFirst Bank	14	\$ 1,697,200	\$ 121,229
7	Great Plains National Bank	8	\$ 2,187,900	\$ 273,488
8	First Bank & Trust Co.	8	\$ 816,700	\$ 102,088
9	RCB Bank	7	\$ 1,803,500	\$ 257,643
10	Bank of Hydro	6	\$ 3,909,895	\$ 651,649
	CDCs			
1	Rural Enterprises of Oklahoma, Inc.	21	\$ 9,852,000	\$ 469,143
2	Small Business Capital Corp.	16	\$ 9,715,000	\$ 607,188
3	Metro Area Development Corp.	12	\$ 5,168,000	\$ 430,667
4	Tulsa Economic Development Corp.	9	\$ 3,811,000	\$ 423,444

SBA Lending since 2009

FY	Number	Dollars	Average
FY09	518	\$ 134,881,088	\$ 260,388
FY10	600	\$ 174,432,975	\$ 290,722
FY11	569	\$ 261,256,900	\$ 459,151
FY12	454	\$ 186,501,500	\$ 410,796



But what if you don't qualify?



We want Small Business to succeed!



Non-Traditional Sources of Capital

1. Corporate Philanthropy ('ish)
2. Business Plan Competitions
3. Angel & Venture Capital
4. State Lending & Grants
5. Federal Lending
6. Federal Grants
7. "Cash Flow" / Factor Financing
8. Crowd Funding
9. Crowd Funding with Crowd Sourcing

Disclaimer

Neither the SBA nor Tim Jeffcoat specifically endorse the sources of capital in this presentation.

Tim Jeffcoat is not an expert on anything in this presentation, but has the weird hobby of collecting sources of capital

Consume contents at your own risk.

All information is publicly available to anyone that knows how to use Google or read a periodical.

Corporate Philanthropy ('ish)

Samuel Adams

Sam Adams will distribute up to a million dollars in micro-loans through its Brewing the American Dream program which lends \$500 - \$25,000 to food, beverage, and hospitality entrepreneurs.

<http://www.samueladams.com/btad/index.aspx>.



The screenshot shows the Samuel Adams website's Craft Brewer Program page. On the left is a blue sidebar with the Samuel Adams logo and the text 'BREWING the AMERICAN DREAM'. Below the logo are navigation links: 'How it Works', 'Meet Our Entrepreneurs', 'Events & Business Resources', 'Support the Dream', 'Our Partners', 'Contact', 'Apply', 'Business Resources', 'Upcoming Events', and 'News'. A 'facebook' button is at the bottom of the sidebar. The main content area features the title 'CRAFT BREWER PROGRAM' and a photo of a smiling man with a beard. Text describes the partnership with ACCION to provide micro-loans to small business owners. A circular badge on the right states '1985 SAVED 728 CRAFTED 1985'. Below this is a list of participating businesses: 'The Boston Shaker', 'Two Hearts Café', 'Karls Sausage Kitchen & European Market', and 'Only One Jamaican Restaurant'. A 'See the complete list' link is at the bottom right. The page also includes a 'How does the program work?' button and a '1 2 3' indicator.



How the Program Works

Samuel Adams and ACCION have partnered to help food, beverage and hospitality small business owners in New England, New York City, Ohio, the Lehigh Valley of Pennsylvania as well as small brewers nationwide with the tools they need to help their businesses succeed.



Small business loans from \$500-\$25,000: Food and beverage small business owners can get the capital needed to expand or start a business, purchase inventory or equipment, market a business, pay licensing fees, and more! [Learn more.](#)

Financial and business education seminars: Through free seminars, ACCION and The Boston Beer Company give top-line guidance, answer questions and help solve small business challenges.

Speed coaching events: Small business owners can meet with The Boston Beer Company's employees to gain customized business advice on a range of topics: marketing, distribution, accounting, and more.



A pillar of the program is Boston Beer's initial \$250,000 commitment to establish the Samuel Adams Brewing the American Dream Micro-Loan Fund at ACCION. This fund will provide much needed capital that is often out of reach to lower and moderate income small business owners whose businesses would not be approved for a bank loan.

Starbucks Create Jobs for USA program



- ▶ Starbucks teamed with Opportunity Finance Network®
- ▶ The program was seeded with a \$5 million contribution from the Starbucks Foundation.
- ▶ Donations will be accepted at company-operated U.S. Starbucks stores and online at createjobsforUSA.org. For donations of \$5 or more, donors will receive an American-made “Indivisible” wristband.
- ▶ Select Community Development Financial Institutions (CDFIs) will receive grants.
- ▶ The CDFIs will provide loans to underserved community businesses, which include small businesses, microenterprises, nonprofit organizations, commercial real estate, and affordable housing.





+ OPPORTUNITYFINANCE NETWORK 

A COLLABORATION TO HELP GET

AMERICA

BACK TO WORK.

GET INVOLVED



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CDFI Success Stories

 **Find a CDFI**

Opportunity Finance Network® (OFN) is the national network of Community Development Financial Institutions (CDFIs)—private financial institutions that are 100% dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream. [Learn more about us.](#)

connect 

Financing Healthy Food Options

THE **NEXT**
AMERICAN OPPORTUNITY

Business Plan Competitions

Oklahoma...

OKLAHOMA EPSCoR
Experimental Program to Stimulate Competitive Research

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Outreach
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Latest News

Apply Now: Summer 2013 Research Opportunities for Undergrads and Faculty
Tuesday, December 10, 2013

Save the Date for the 2013 OR EPSCoR Annual State Conference * April 25, 2013
Thursday, November 14, 2013

Oklahoma EPSCoR NSF Day Registration is Now Open
Thursday, October 24, 2013

Upcoming Events

Oklahoma EPSCoR NSF Day * January 8, 2013
Tuesday, January 8, 2013
10:00am - 4:00pm

2013 OR EPSCoR Research Day at the Capitol
Tuesday, February 19, 2013
8:00am - 2:00pm

Oklahoma Research Day
Friday, March 8, 2013 - 8:00am

Oklahoma Governor's Cup Business Plan Competition

The Donald W. Reynolds Governor's Cup Collegiate Business Plan Competition is designed to encourage students of Oklahoma universities and colleges to act upon their entrepreneurial ideas and develop skills to lead tomorrow's innovative new businesses.

Multi-disciplinary teams made up of undergraduate and graduate students from Oklahoma universities bring together the pieces necessary to bridge the gap between technology and the marketplace.

Not only do college students have the opportunity to hone their entrepreneurial skills and network with Oklahoma's business leaders, but they compete for nearly \$200,000 in cash, \$40,000 in fellowships, and \$15,000 in scholarships, ultimately increasing the number of high-tech businesses in the state.

The competition is open to all faculty-sponsored, full-time and part-time undergraduate and graduate students enrolled at any of Oklahoma's

Available Programs:

- Business Plan Competitions
- Commercialization Vouchers
- Entrepreneurial Workshops
- Industry Internships



National... (bizplancompetitions.com)

BPC
Discover | Compete | Win

Competitions Resources About

Search Posts...
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The world's most complete listing of entrepreneurship contests, elevator pitch events, and business plan competitions.

Competitions Map

This map shows locations of business plan competitions based on where their final presentations take place. [View Large Map](#). Please note that [Online/Virtual competitions](#) do not appear on this map. You can also find competitions by using our [Competitions Calendar](#) or [Competitions List & Database](#).

Map Satellite

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Competition Resources

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Recently Added

- US Imagine Cup Startup Accelerator
- St. Edwards Business Plan Competition
- The Amazing Entrepreneur Business Plan Competition 2013
- Chapman University Business Plan Competition 2013
- Arch Grants

[2013 FBIL CALENDAR](#)

Latest Updates

- Dec 10 **Featured Posts** 4 WAYS TO KICK-START YOUR CEO BRANDING STRATEGY
- Dec 07 **Featured Posts** The One-Minute Change That Will Transform Your Company
- Dec 06 **Featured Posts** HOW TO SET YOUR NEW HIRE UP FOR SUCCESS: THE 4 P'S
- Dec 05 **Featured Posts** 3 KEY POINTERS FOR FIRST-TIME ENTREPRENEURS
- Dec **Featured Posts** 5 Biggest Money

Angel & Venture Capital

Assorted VC/AC

Oklahoma Venture Forum (OVF):

A non-profit group organized in Oklahoma City to encourage and promote economic and small business development through private enterprise. The Forum, formed in 1987, provides a means for investors, entrepreneurs and others to exchange experiences and ideas through discussions and studies of venture investing, and the development and growth of new and existing small businesses. The OVF provides the setting at monthly luncheons held on the second Wednesday of each month, September through June. Membership in the Oklahoma Venture Forum is open to anyone dedicated to fostering growth of new and existing business ventures in Oklahoma.

- ▶ www.ovf.org

Small Business Investment Companies (SBICs):

Licensed and regulated by the SBA, SBICs are privately owned and managed investment firms that make capital investments in small businesses. They use their own funds plus funds obtained at favorable rates with an SBA guarantee and/or by selling their preferred stock to the SBA. There are two types of SBICs. One invests in small businesses owned by entrepreneurs who are socially or economically disadvantaged, primarily members of minority groups. The other provides funding for all types of manufacturing and service industries. Some investment companies specialize in certain fields, while others seek out small businesses with new products or services because of strong growth potential.

- ▶ <http://www.sba.gov/content/all-sbic-licensees-state#Oklahoma>
- ▶ **Currently:**
 - ▶ Council Oak Investment Corporation



Assorted VC/AC

MetaFund:

Oklahoma-based MetaFund makes loans and investments in financially viable projects and companies that provide jobs, housing, or other direct benefits to underserved people or distressed places throughout Oklahoma. MetaFund has 22 investors, including 20 Oklahoma banks, and has more than 100 non-profit and government-related partners. MetaFund is able to invest in both start-ups as well as entities in a more mature life cycle phase.

▶ www.metafund.org

Oklahoma - Small Corporate Offering Registration (SCOR):

A securities offering program available to small corporations and limited liability companies, intended to assure that the terms and structure of the offering are fair to investors. In particular, those standards require the promoters of the company to share its potential risks and rewards fairly with public investors.

▶ www.securities.state.ok.us/



VC - Miscellaneous

Oklahoma Capital Investment Board (OCIB):

Through its venture capital program the board supports investments in private, professionally managed venture capital firms that will commit to building an enduring presence within the state. Through its Capital Access Program the board provides credit insurance to banks to help them make loans to Oklahoma businesses that might not otherwise be made. The OCIB manages a \$100 million resource for the state. Among the investments ineligible for OCIB funds are oil and gas exploration, production and processing, real estate raw land and speculation, and agricultural production.

▶ www.ocib.org

Oklahoma Seed Capital Fund (i2E):

Provides seed and start-up stage equity financing to small, technology-based Oklahoma companies. The Seed Capital Fund looks and operates like a conventional venture fund with the specific goal of furthering economic activity and success in the state by bridging the early stage funding gap between personal sources and traditional sources of venture capital. The Seed Capital Fund seeks and accepts private investment which may offer state tax incentives and benefits. To be eligible for the Oklahoma Seed Capital Fund, an entrepreneur must be at the seed or early development stage of commercializing an advanced technology. Usually \$250,000 to \$700,000 per year in rounds of up to \$1 million.

▶ www.i2e.org



Directory of Venture and Angel firms

The screenshot displays the vFinance.com website interface. At the top, the logo 'vFinance, Inc.' is on the left, and 'Top Ranked by Google & Yahoo! for "Venture Capital"' is on the right. A navigation bar includes 'Home', 'Contact Us', 'About Us', 'FAQ', and 'Log In / Update'. Below this is a 'Site Shortcuts' dropdown menu and three tabs: 'COMPANY', 'EXPERIENCE', and 'CAREER OPPORTUNITIES'. The main content area is titled 'Are You Ready for Venture Capital?' and features a 'VC Quiz' section. The quiz description asks if the user is qualified for venture capital and offers a report card. A list of seven critical areas is provided: market attractiveness, proof of concept, financial returns, competitive advantage, plan readiness, and funding sources. A 'Take the VC Quiz Now!' button is prominent. To the left, a sidebar lists 'Find Capital' and 'Premium Services' with various links. On the right, there are two smaller promotional boxes: 'VENTURE CAPITAL QUIZ' with a list of six questions and 'ANGEL SEARCH' with a description of unlimited access to investor contact info.

vFinance, Inc. Top Ranked by Google & Yahoo! for "Venture Capital"

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Site Shortcuts COMPANY EXPERIENCE CAREER OPPORTUNITIES

Find Capital

Online Services

- Free VC Directory
- Get Your Business Plan
- Free Biz Plan Review
- Find a VC
- Find an Angel
- VC Quiz: Get your score!
- Download VC Directory
- VC Starter Pack
- VC Pitch

Premium Services

- Executive
- Investment Banking
- Advisory Services
- Debt & Equity
- Small Co. Specialists
- Bridge Financing
- Equity Debt Lines

Are You Ready for Venture Capital?

Take the VC Quiz Now!
 Got a Question?
 

VC Quiz

**Are you qualified for venture capital?
See how the experts grade your idea!**

Want to know how VC firms and [angel investors](#) will assess your business idea? Find out how you stack up against other entrepreneurs in your niche by taking our [VC Quiz](#). Answer 20 simple, multiple choice questions and we'll tell you how VC firms and [Angel Investors](#) will score your idea in each of the following critical areas:

- market attractiveness
- proof of concept
- financial returns
- competitive advantage
- plan readiness
- funding sources

You will be provided with a customized  report card  ([see sample excerpts](#)) that includes helpful suggestions and tips on how to improve your concept for investors.

Take the VC Quiz Now! 

[>> Tell a friend about this tool](#)

Benefits & Features

 **Customized Feedback.** Unlike most surveys, vFinance's VC Quiz yields custom,

VENTURE CAPITAL QUIZ

Are you ready for Venture Capital?

- Do you have the 'wow' factor?
- Are you committed?
- Is your market big enough?
- Is your industry attractive?
- Is your industry growing fast?
- Do you have a competitive advantage?
- Do you have an attractive business model?

Not Sure? Take the VC Quiz! [>>](#)

ANGEL SEARCH™

 AngelSearch - Get unlimited access to valuable contact info on potential investors, customers and clients with vFinance's AngelSearch.

Find Angels Now!

State Lending & Grants

Oklahoma Industrial Finance Authority

- ▶ Financing for real estate and equipment.
- ▶ Its primary purpose is to assist industrial development in the state by increasing employment.
- ▶ Both tax-exempt and taxable financing available for most types of industries, including manufacturing, agriculture processing, and certain mining or recreational/tourism facilities.
- ▶
 - \$5 million limit (?)
 - Fixed asset collateral (land, buildings and equipment)
 - Up to 15-year term
 - Fixed rate terms
 - Loan recipient can be private or public entity
 - Expansions or relocations
 - Bank participation encouraged
 - Below market rates for tax-exempt qualified projects
- ▶ <http://www.ok.gov/osfdocs/budget/bb96-370.html>



Oklahoma Linked Deposit Loan Programs

- ▶ For farmers and ranchers or alternative ag products operations who are residents of and whose business is located in Oklahoma
- ▶ Gross income from farming must have been 60% or more in at least one out of the two previous tax years.
- ▶ The consolidated debt-to-asset ratio must be at least 55%.
- ▶ Must be for the purpose of operating the business or for refinancing loans made to operate the business.
- ▶ Maximum of \$2M
- ▶ The loans are funded through the placement of certificates of deposit at the participating financial institution, which bear interest rates of up to three percent below the standard rate. In effect, these savings are "passed on" to the borrowers participating in the program.
- ▶ <http://www.ok.gov/treasurer/~sto/rblink.html>



Oklahoma Agriculture Enhancement & Diversification Program (OAEDP)

- ▶ Designed to develop or improve uses for agricultural products, expand the state's production of value-added products and to encourage diversified farming. Interest free loans and grants are available through four program areas:
 1. **Marketing Utilization Loan** - domestic or foreign marketing plans for Oklahoma agricultural products, by-products, or new or better uses for existing agricultural products.
 2. **Cooperative Marketing Loan** - entities or individuals wishing to work together to develop or establish production, processing or marketing of agricultural products.
 3. **Basic & Applied Research Loan/Grant** - For business creation, expansion or research which shall likely lead to a marketable agricultural product.
 4. **Farm Diversification Grant** - diversification of existing family farms or ranches to nontraditional crops, livestock, or on-farm value-added processing of agricultural commodities.
- ▶ Funds are provided as zero-interest loans. Repayment of loans in the amount of \$20,000 or less shall begin three years from the date funds are initially issued to the borrower and shall be completed in three years. Repayment of loans in an amount over \$20,000 begin three years from the date funds are initially issued to the borrower and be completed in five years.
- ▶ Applicants are required to conduct a 15-minute oral presentation to the board of directors.
- ▶ <http://www.ag.ok.gov/mktdev/aedp.htm>

Specialty Crop Block Grant

- ▶ \$384,159 available
- ▶ Specialty crops are fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture).
- ▶ Must enhance the competitiveness of specialty crops in either domestic or foreign markets and must provide a benefit to more than just the applicant.
- ▶ Evaluated on how well they enhance the competitiveness of Idaho's specialty crops, soundness and quality of the project plan, measurable outcomes and return on investment.
- ▶ Grant funds will not be awarded for projects that solely benefit a particular commercial product or provide a profit to a single organization, institution, or individual. Single organizations, institutions, and individuals are encouraged to participate as project partners.
 - ▶ February, 2012 Announce grant opportunity and publish request for proposals.
 - ▶ April 20, 2012 Submission deadline for proposals.
 - ▶ May 2012 Proposals evaluated and selected for inclusion in Oklahoma's State Plan to USDA.
 - ▶ June 28, 2012 Submit Oklahoma's State Plan to USDA.
 - ▶ October 2012 Award announcement from USDA
- ▶ <http://www.ag.ok.gov/mktdev/scg.htm>



'Other' Federal Lending

Department of Interior

Bureau of Indian Affairs Loan Guaranty Fund

<http://www.bia.gov/WhoWeAre/AS-IA/IEED/LoanProgram/index.htm>

- ▶ **Guaranteed/insured of up to 90% to:**
 - ▶ Federally Recognized Indian Tribal Governments
 - ▶ Native American Organizations
 - ▶ individual American Indians
- ▶ Financing is from private sources to promote business development initiatives on or near Federally Recognized Indian Reservations, and provide economic development.
- ▶ For commercial, industrial, agricultural, or business activities organized for profit.
- ▶ Loan guarantees to private lenders only if funds would otherwise be unavailable to the borrower.
- ▶ Applicant must be at least 51% Indian owned and actively managed.
- ▶ Borrower must have 20% equity. Limited 30-year terms. \$2,500 to \$500,000 for individuals and tribal enterprises \$10,000 to \$7 million for qualified Tribal Governments and Native American Organizations



Department of Agriculture

- ▶ **Rural Business and Industry Guaranteed Loans**

Loans aimed at improving economic and environmental climate in rural communities. Funds may be used for buying a business to keep it from closing; purchasing land, buildings, machinery or equipment; and related activities.

- ▶ **Socially Disadvantaged Farmers and Ranchers**

Makes and guarantees loans to approved socially disadvantaged applicants to buy and operate family-size farms and ranches.



Small Business Administration

▶ Employee Trusts

The Employee Trusts program is designed to provide financial assistance to Employee Stock Ownership Plans. The SBA can assist qualified employee trusts that meet the requirements and conditions for an Employee Stock Ownership Plan (ESOP) as prescribed in all applicable IRS, Treasury, and Department of Labor regulations. Your small business must provide all the funds needed to collateralize and repay the loan.

▶ Military Reservists Economic Injury Loans

The Military Reservist Economic Injury Disaster Loan program (MREIDL) provides funds to help an eligible small business meet ordinary and necessary operating expenses that it could have met, but is unable to meet, because an essential employee was called-up to active duty in their role as a military reservist.



Specifically for Export

- ▶ ***Export-Import Bank of the United States***
Working Capital Guarantee Program

Ex-Im Bank provides a guarantee on working capital loans provided by commercial lenders to help extend short-term loans to small- and medium-size businesses for their export funding needs. This resource includes information on eligibility and a list of participating lenders.

- ▶ ***Overseas Private Investment Corporation***
Small and Medium Enterprise Financing Program

For companies with annual revenues under \$250,000, this program provides medium- to long-term funding through direct loans and loan guarantees to eligible investment projects in developing countries and emerging markets.



Federal Grants

Search Results

[New Search](#)

Sort: Open Date, Descending

[Sort by Close Date](#)

Results 1 - 20 of 3400

Open Date	Opportunity Title	Agency	Funding Number
12/10/2012	Clinical Studies of Safety and Effectiveness of Orphan Products Research Project Grant (R01)	Food & Drug Administration	RFA-FD-13-001
12/07/2012	Exceptional Unconventional Research Enabling Knowledge Acceleration (EUREKA) for Neuroscience and Disorders of the Nervous System (R01)	National Institutes of Health	RFA-NS-13-007
12/06/2012	Developmental Behavioral Pediatrics Research Network	Health Resources & Services Administration	HRSA-13-172
12/06/2012	MCH Research Network on Promoting Healthy Weight (HW-FNI) among Children with Autism Spectrum Disorders (ASD) and other Special Health Care Needs	Health Resources & Services Administration	HRSA-13-184
12/06/2012	Solid Organ Transplantation: Older Donors and Recipients (R01)	National Institutes of Health	PA-13-030
12/06/2012	Solid Organ Transplantation: Older Donors and Recipients (R03)	National Institutes of Health	PA-13-037
12/06/2012	Solid Organ Transplantation: Older Donors and Recipients (R21)	National Institutes of Health	PA-13-038
12/06/2012	Utilizing the PLCO Biospecimens Resource to Bridge Gaps in Cancer Etiology and Early Detection Research (U01)	National Institutes of Health	PAR-13-036
12/06/2012	Agriculture and Food Research Initiative (AFRI): NIFA Fellowships Grant Program	National Institute of Food and Agriculture	USDA-NIFA-AFRI-004031
12/05/2012	Erythropoiesis: Components and Mechanisms (R01)	National Institutes of Health	PA-13-034
12/05/2012	NEI Research Grant for Secondary Analysis (R21)	National Institutes of Health	PAR-13-035
12/05/2012	NIMHD Transdisciplinary Collaborative Centers for Research on Men's Health (U54)	National Institutes of Health	RFA-MD-13-004
12/04/2012	New Methods for Understanding the Functional Role of Human DNA Sequence Variants in Complex Phenotypes (R01)	National Institutes of Health	RFA-GM-14-006
12/04/2012	Support to Syrian Opposition	Bureau of Conflict Stabilization Operations	S-CSO-13-001
11/30/2012	NOAA Great Lakes Habitat Restoration Regional Partnership Grants	National Oceanic and Atmospheric Administration	NOAA-NMFS-HCPO-2013-2003590
11/30/2012	Technology Development for High-Throughput Structural Biology Research (R01)	National Institutes of Health	PAR-13-032

Dept. of Housing & Urban Dev

- ▶ **Single-Room Occupancy (SRO) Program**

The Single Room Occupancy (SRO) Program provides rental assistance for applicable properties that will, when the renovations are complete, contain upgraded single occupancy units for individuals who are homeless.

- ▶ **Supportive Housing Program**

Awarded through a national competition held annually as part of a local Continuum of Care strategy. It is for the development of housing and supportive services to assist homeless persons in the transition from homelessness.



Department of Justice

▶ Disability Grant Program

Training, consultation, and information on domestic violence, dating violence, stalking, and sexual assault against individuals with disabilities and enhance direct services to such individuals. By statute, eligible applicants include states; units of local government; Indian tribal governments or tribal organizations; and non profit and non-governmental victim services organizations, such as a state domestic violence or sexual assault coalitions or nonprofit, nongovernmental organization serving disabled individuals.

Transitional Housing Assistance Program

Programs that provide assistance to victims of domestic violence, dating violence, sexual assault, and stalking who are in need of transitional housing, short-term housing assistance, and related support services, including counseling, support groups, safety planning, and advocacy services as well as practical services such as licensed child care, employment services, transportation vouchers, telephones, and referrals to other agencies.



Cash Flow / 'Factor' Financing

HOME MONEY MARKETING PROGRAMS MONEY & MARKETING ABOUT US PARTNER WITH US IN THE NEWS APPLY NOW



Looking For Money For Your Business?

AmeriMerchant can provide your business with \$5,000 - \$1,000,000 typically in 7 days or less.

[Learn More](#)

How Can AmeriMerchant Help Your Business Grow?



CLICK HERE
to Download our White Paper

MONEY

AmeriMerchant Provides Working Capital To Businesses With All Types of Credit History.



We Offer The Following Programs:

- **Merchant Cash Advance**
Working capital against your future credit card sales
- **StockUp Inventory Purchasing Program**
Purchase inventory with no money upfront
- **Alternative Funding Program**
No credit card or minimal acceptance required to receive working capital for your business
- Access to \$5,000 - \$1,000,000 per location
High approval rates

[Learn more](#)

MARKETING

Through its Foot Traffic Marketing Program, AmeriMerchant Can Help Drive Customers To Your Business With No Cost Upfront.



- Drive Customers To Your Business Via Targeted Direct Mail Campaign
- No Money Upfront
- Interest Free For Up to 180 Days
- Consulting, Design, Printing, Addressing and Postage - We Handle It All
- Jumbo Postcards, Menus, Letters, or Custom Marketing Pieces Available

[Learn more](#)

MONEY & MARKETING

Get Access To Working Capital For Your Business & Drive Customers To Your Business.



The only merchant cash advance program in the industry that can also drive customers to your business.

In addition to receiving a lump sum of cash, why not also increase your sales with no out of pocket outlay

[Learn more](#)

KABBAGE.com *for online merchants*

The screenshot shows the Kabbage website interface. At the top left is the Kabbage logo with the tagline "Green to help you Grow". To the right are buttons for "Sign Up", "Have an account?", and "Sign In". A navigation menu includes "Welcome", "How it Works", "Why Kabbage", "Testimonials", and "Company". On the left sidebar, there are links for "Why Kabbage?" and "Kabbage PERKS!". The main content area features a large heading "Funding For Your Online Business" and a sub-heading "Makes Growing Your Online Business Easier!". Below this is a paragraph explaining that Kabbage can provide a Kabbage Advance to grow a business in under 5 minutes, free to sign up and with no obligation to take money. An image of a woman relaxing in a chair is shown. Further down, there is a graphic of a hand holding a dollar sign, followed by the heading "Fast Flexible Funding At Your Fingertips". This section includes text about using Kabbage Advances for inventory, personnel, and equipment. At the bottom, the heading "Money When You Need It For What you Need" is followed by text stating that Kabbage provides 24-hour access to funds, transferred directly to the user's account immediately, with free sign-up. A clock icon is visible in the bottom right corner of the content area.

Kabbage
Green to help you Grow

Sign Up | Have an account? | Sign In

Welcome | How it Works | **Why Kabbage** | Testimonials | Company

Why Kabbage?
Kabbage **PERKS!**

Funding For Your Online Business

Makes Growing Your Online Business Easier!

Growing a business is hard work, getting funding shouldn't be. Kabbage can get you a Kabbage Advance to grow your business in under 5 minutes. Free to Sign Up. No Obligation to take money. Don't believe us? Give it a try.



Fast Flexible Funding At Your Fingertips

Have you ever seen that amazing deal on inventory, but didn't have the money to buy it? Have you ever needed to ramp up personnel for an upcoming promotion? Have you ever needed to buy a piece of equipment to make your business more efficient? With Kabbage Advances you can do the things you need to do to grow

Money When You Need It For What you Need

With Kabbage you have 24 hour access to funds to grow your business. Money is transferred directly to your account immediately. Sign up is FREE. You



Example 1

Example 2

Example 3

Example 4

Baby Toy Bonanza



Kate Douglas

Kate takes a **\$2,000** Kabbage advance to buy toy inventory.

Store on:

Etsy

Advance Limit: **\$5,000**

Avg. Monthly Revenue: **\$4,600**

Credit Quality: **Medium**

Kate's Payment Schedule

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Done
Advance	\$333.34	\$333.34	\$333.34	\$333.34	\$333.34	\$333.34	PAID IN FULL
+	\$100	\$100	\$20	\$20	\$20	\$20	
Cost	5% of Advance	5% of Advance	1% of Advance	1% of Advance	1% of Advance	1% of Advance	
=	\$433.34	\$433.34	\$353.33	\$353.33	\$353.33	\$353.33	
Monthly Amount Due	\$433.34	\$433.34	\$353.33	\$353.33	\$353.33	\$353.33	
Remaining Balance							
Total	Advance: \$2,000		Cost: \$280		Total Due: \$2,280		



Outcome: Kate makes **\$2,800** in profits off the sale of her toy inventory using her Kabbage funds.**

American Express Merchant Financing

United States (Change Country) Contact Us LOG IN

MY ACCOUNT CARDS TRAVEL REWARDS BUSINESS

Need help?

Express Merchant Financing

Call a Financing Specialist
Mon - Fri, 8am - 8pm ET

1-855-298-1209
or [Schedule a Call](#)

About the Program Explore Financing Options My Account

“Now we can get the merchandise before we get our customer orders and speed up the delivery. It really helps us.”

— Fabrizio Biasiolo, Casa Del Bianco, New York, NY
Monthly Financing from American Express

[Learn More About Monthly Financing](#)

Introducing Express Merchant Financing, a new way to access cash that's simple from start to finish.

- Cash financing within 3 business days of enrollment
- Competitive pricing with no hidden fees
- Business financing with no personal guarantee

Are You Eligible?

Monthly Financing

Access to cash on a monthly basis to meet your business's recurring cash flow needs.

[Learn More](#)

Annual Financing

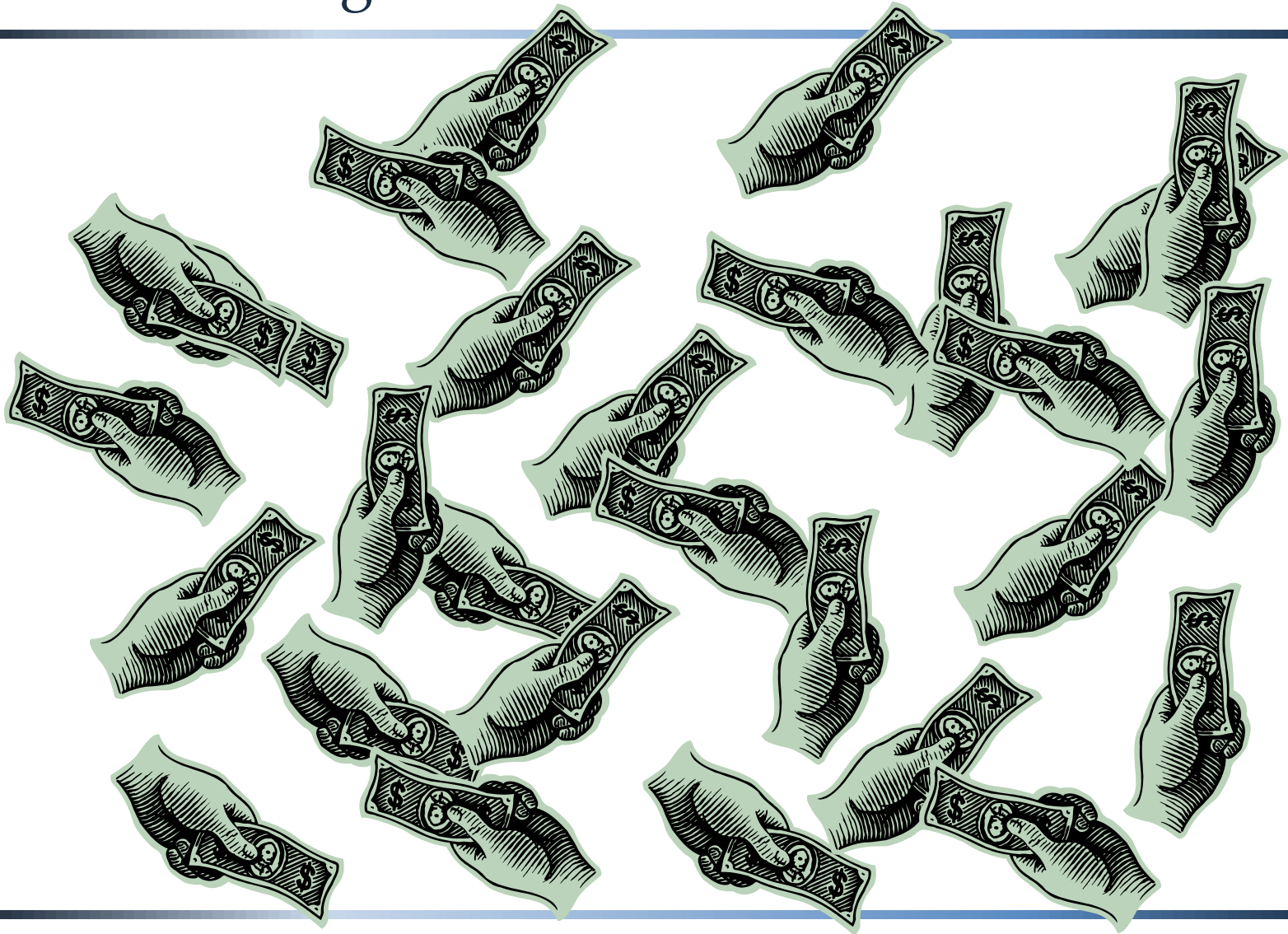
AmEx News Article Extract (wsj)

- ▶ His credit card processor offered \$1 million if he would pay back \$1.15 million by giving up 8% of every customer's Visa and Mastercard payment.
- ▶ "When I looked at it, I said, 'It's loan shark money,' “.
- ▶ American Express offered him \$750,000 at a 6% annualized interest rate. He said 10% of every payment customers make with an American Express card goes to pay down the \$795,000 bill. Unlike a bank loan, however, the full amount must be paid back by year's end or American Express will claim all of every future credit card receipt.



Crowd Funding

Crowdfunding!



The Premise



Two Kinds of Crowd Funding

- ▶ **Donation / Reward**
 - ▶ Exists now

- ▶ **Investment**
 - ▶ Coming soon to a website near you

Donation / Reward



- ▶ Get investment and retain control
- ▶ Can only repay with gifts (not equity)
- ▶ Restrictions on amount of ‘investment’
- ▶ Big investments require chartered investors
- ▶ Maximum of 500 investors
- ▶ Legal questions - Investors Beware!!

KICKSTARTER

 **indiegogo**

What's an Accredited Investor?

- ▶ Natural person with a net worth of at least \$1 million;
- ▶ Natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;
- ▶ Bank, insurance company, registered investment company, business development company, or small business investment company;
- ▶ Employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million;
- ▶ Charitable organization, corporation or partnership with assets exceeding \$5 million;
- ▶ Director, executive officer, or general partner of the company selling the securities;
- ▶ Business in which all the equity owners are accredited investors;
- ▶ Trust with assets of at least \$5 million, not formed to acquire the securities offered, and whose purchases are directed by a sophisticated person.



Investment

- ▶ What is it?
 - ▶ Enabled by JOBS Act
 - ▶ Allows entrepreneurs to raise up to \$2M
- ▶ Who Can Invest?
 - ▶ Anyone
 - ▶ With limitations...
- ▶ When?
 - ▶ Waiting on SEC and FINRA – Q2 2013 is likely

STREETFUNDER

LAUNCHT



JOBS Act

(Jumpstart Our Business Startups)

- ▶ **For the borrower:**

- ▶ Raise up to \$2M
 - ▶ Up to \$100K does not require financials
 - ▶ \$101K-\$500K “reviewed” financials
 - ▶ Over \$500K audited financials
- ▶ Up to 2,000 investors

- ▶ **For the investor:**

- ▶ If net worth <\$100K; up to 5% of annual income
- ▶ If net worth >\$100K; up to 10% capped at \$100K

- ▶ **For both:**

- ▶ Refined legal / liability situation

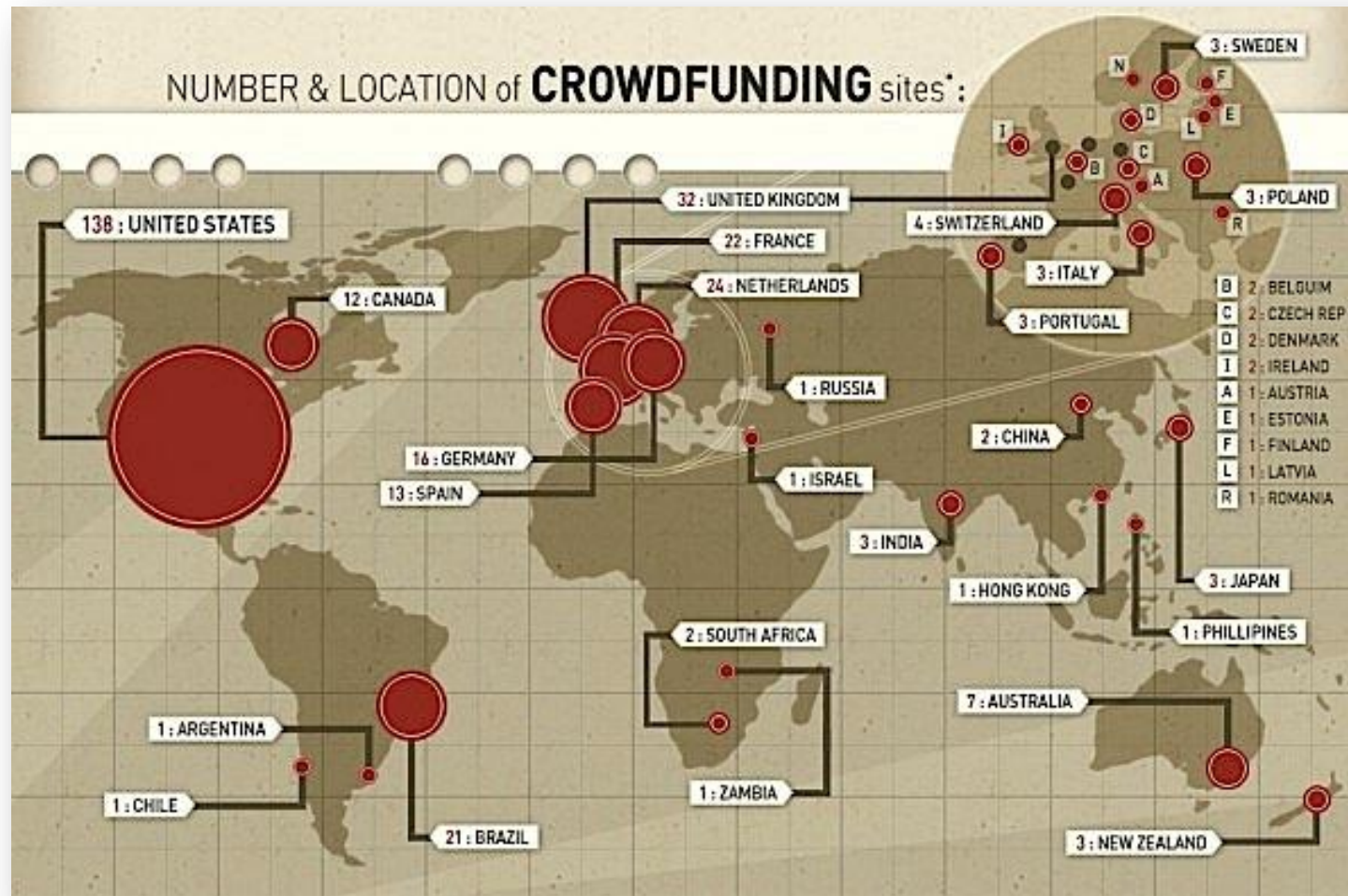


Basic Investment Crowdfunding



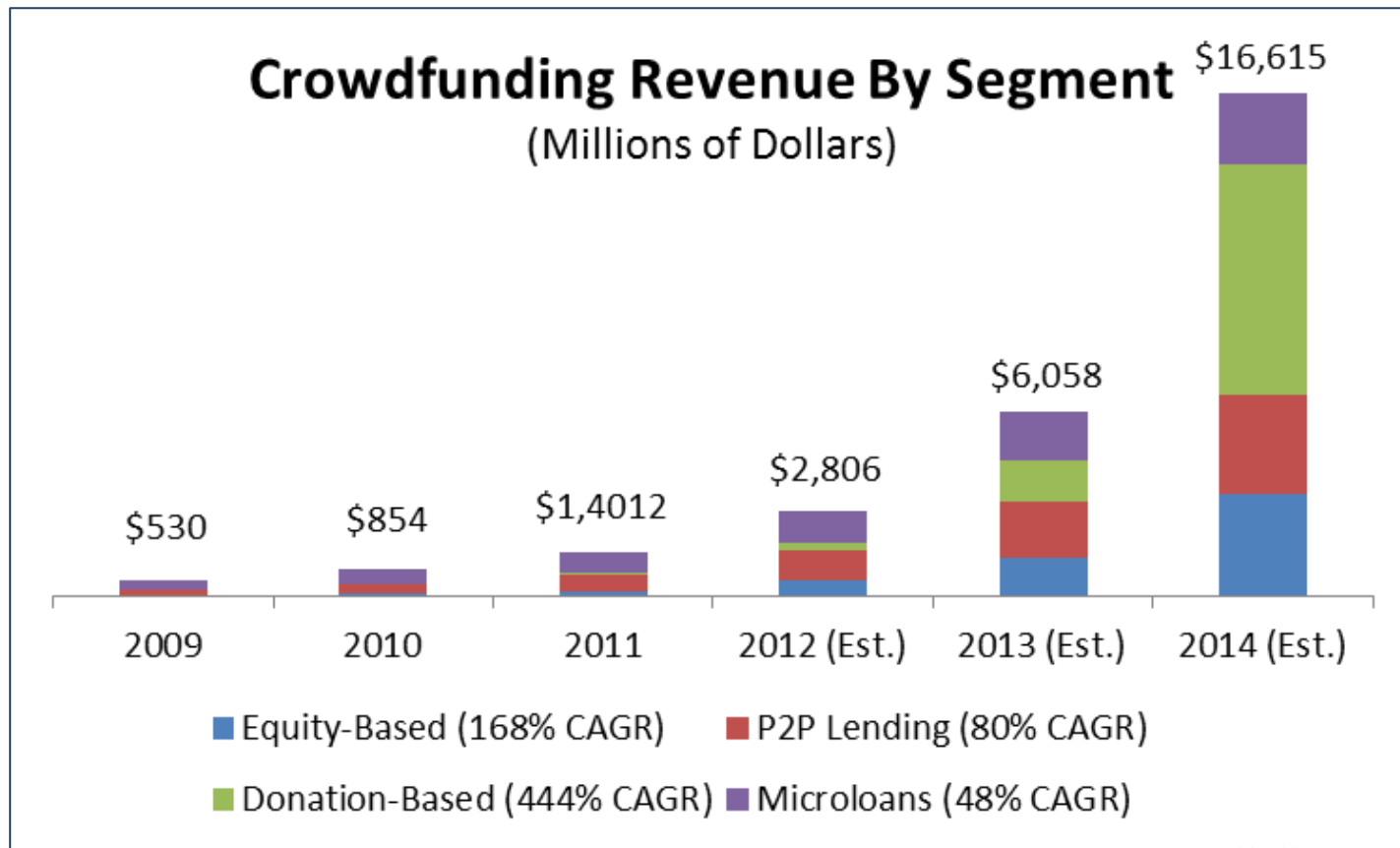
1. Entrepreneur posts business plan and Equity Offer on registered investment crowdfunding Portal for limited time.
2. Crowd sees Offer on Portal and evaluates it.
3. Crowd pledges to invest in Offer (funds transfer to Escrow Agent).
4. If Offer is fully pledged in time, funds are transferred to Entrepreneur (less fees for Portal, etc.) If not fully pledged in time, Escrow Agent returns pledged funds to Crowd.
5. Entrepreneur transfers stock to Crowd through a Transfer Agent.
6. Entrepreneur continues to report to Crowd Shareholders.

International



source:
fundinglaunchpad.com

Growing rapidly...



source:
fundinglaunchpad.com

Analysis

Pros

- ❖ Democratization of Capital
- ❖ True Opportunities for New Financing and Growth Financing
 - Start-ups
 - Small Businesses
 - Middle-Market Companies
 - Large Companies (for a type of non-control micro funding (contract bound?))
 - Employee Start-Ups (and/or customer or supplier start-ups or entities)
- ❖ Potential for Fraud
 - Unregulated donation crowdfunding
 - “Daylight effect” of the Internet
- ❖ Potential for poor strategies, executions and outcomes
- ❖ Answering to others as a fiduciary (or not)
- ❖ No assurance of raising money
- ❖ Social and potential liability cost if unsuccessful

Some Negatives

- ▶ With equity investment a business usually gets copious advice and a network of contacts via the investor.
 - ▶ Not so with Crowd Funding
- ▶ Crowd Funding for equity investment means a large number of “equity partners”. Per WSJ:
 - ▶ Brad Carrick, 36, raised \$22,000 on crowd-funding site IndieGoGo.com, to launch Solz Inc., a specialty shoe maker based in San Francisco.
 - ▶ Contributors put up as little as \$33 each and received a pair of shoes in return.
 - ▶ "If I had 200 more investors who were all shareholders, no matter how small, I would be really concerned about scaring off angel investors or venture capital investors down the road."



An Analysis

- ▶ **Who should take advantage of Crowd Funding?**
 - ▶ Startups looking for funding but are having a hard time finding investment or credit
 - ▶ Non-accredited investors who are looking for alternative investments
 - ▶ Hot young startups
 - ▶ i.e. Twitter or Square or YELP! You no longer have to go public once you reach 500 shareholders – it is now 1,000.
 - ▶ any company less than \$1 billion in revenue will have fewer restrictions on going public.
 - ▶ Lastly, the limit of “Regulation A” offerings (aka “baby IPOs”) will be raised \$5 Million to \$50 Million.



Comment

13

Like 247

Tweet 464

Share 123

How The Pebble Smart Watch Hit \$2 Million On Kickstarter [Q&A]



JORDAN CROOK

Friday, April 13th, 2012

13Comments



The Pebble smart watch – a clever little device that connects to your iPhone or Android device and, oddly enough, tells the time – was a twinkle in the eye of founder Eric Migicovsky just a few weeks ago. Now the product has reached \$2 million in funding. And if that weren't enough, **InPulse**, the company that makes the Pebble, only ever asked for \$100,000 over the course of the entire project.

It's not only a testament to the watch itself, which from what I've seen is pretty damn cool, but a

testament to the power of Kickstarter and crowd-funding in general.

We decided to have a little chat with Mr. Migicovsky to figure out how this incredible success story came to be. Here's what we learned:

TechCrunch: Tell us about the team. Who are you guys and how did you come together on this?

Eric Migicovsky: The core of the team is from the University of Waterloo. I studied system design engineering there.

GOT A TIP? TELL US.

UPCOMING EVENTS

05/19/12

Disrupt Hackathon 2012
New York City

05/21/12

Disrupt NY 2012
New York City

09/08/12

Disrupt SF 2012
San Francisco, CA

... and more...

Berit New York

- ▶ Berit New York is a New York City based fashion and design company. When the owner was selected as one of a handful of independent designers to show their collections at London fashion week, she used crowd funding to raise the \$5K she needed for travel, fees, and supplies.

OpenIndie

- ▶ OpenIndie is a business that gives independent filmmakers an alternative method of film distribution. Through a month-long crowd funding campaign, the owners were able to raise \$12,400 to launch the company, generate press interest, and create a built-in audience for their site.

My Football Club

- ▶ Instead of being owned by a few wealthy individuals, England's Ebbsfleet United soccer team is owned by thousands of people who each contribute small amounts annually. In return for their investments, members vote on key management decisions like the budget, player deals, supplier contracts, and even the manager's contract.



Crowd Funding with Crowd Sourcing

Quirky.com (1 of 3)

The image shows a screenshot of the Quirky.com website. At the top is a dark purple navigation bar with the Quirky logo, links for Shop, Participate, Upcoming, Learn, and Invent, a search bar, and buttons for Sign up, Log in, and a shopping cart icon. The main content area features a large headline: "The *easiest* way to bring your ideas to life." Below this is a sub-headline: "Watch our manifesto to learn more about how Quirky makes invention accessible." A blue button labeled "Submit Your Idea Now" is positioned to the left of a video player. The video player shows a person's hands sketching on a table with a pink overlay that says "WATCH OUR MANIFESTO" and a play button icon. Below the video is a dark purple banner with the text "Have a great product idea? [Here's where to start.](#)" followed by a blue arrow. At the bottom, a section titled "Our retail partners:" lists logos for Bed Bath & Beyond, Toys 'R Us, Target, OfficeMax, The Container Store, ACE Hardware, Barnes & Noble, Amazon.com, Frontgate, Safeway, and Micro Center.

quirky® Shop Participate Upcoming Learn Invent Sign up Log in

The *easiest* way to bring your ideas to life.

Watch our manifesto to learn more about how Quirky makes invention accessible.

[Submit Your Idea Now](#)

WATCH OUR MANIFESTO

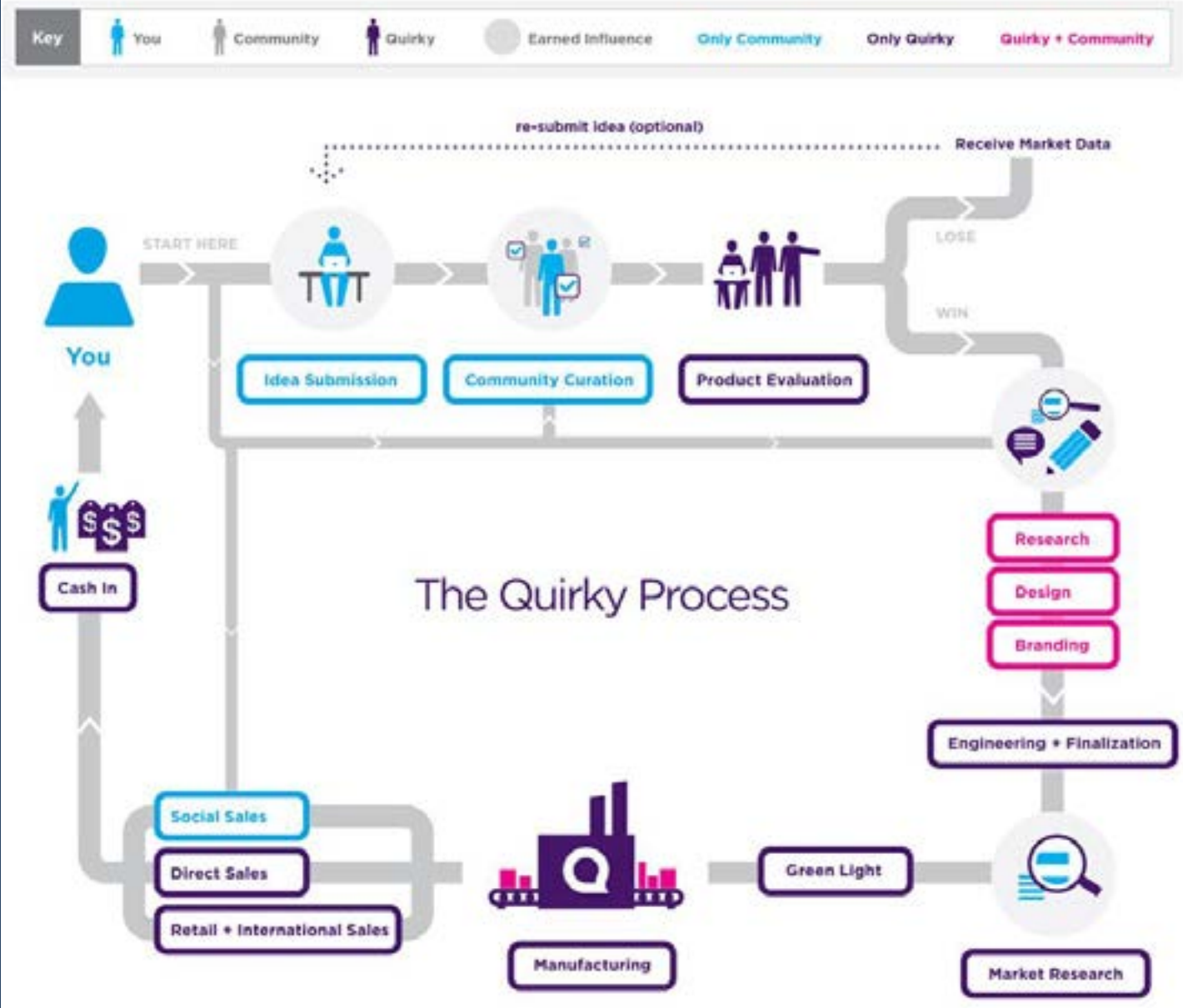
Have a great product idea? [Here's where to start.](#) ▶

Our retail partners:

BED BATH & BEYOND TOYS 'R US TARGET OfficeMax The Container Store ACE Hardware

BARNES & NOBLE amazon.com FRONTGATE SAFEWAY MICRO CENTER

A Socially Developed Product™



HOW to earn influence

Inventing

- Submit inventions & ideas



Community Curation

- Vote
- Rate
- Comment

Pre-sales

- Commit to a product in pre-sale



Development

- Research
- Design
- Branding



How does it work?

Here's the breakdown:

Influence is a real-time measure of your contributions to a project.

You can earn influence either by submitting a winning idea, or by supporting and refining that idea.

So how does it all work?

Think of the Quirky influence engine as a complicated, evolving recipe, made up of many different ingredients. The ingredients are your contributions to the site, which include:

Submitting a winning product idea

Submitting a winning idea in another project

Voting for a winning idea

Rating the majority of ideas in a product evaluation round

Participating in a product research project

... and more.

All of these actions influence the final product in various ways and can earn you a percentage of the profits.

Do the Math

Calculate the benefits of influence

10000	= number of units sold
20	= average price per unit (\$)
40	= your overall influence (%)
30	= % of units sold retail
10	= % of units sold wholesale

\$12800.00 = Your Earnings

Easy Money

So for your reference, in case you're new to the product game, we have a little story for you.

When Ben started his first company to sell the Song Sting for the iPod Shuffle, he invested \$185k to get things rolling. The product retailed for \$40, and he sold 10,000 units, leaving the company with over \$100k in debt. Ouch.

But remember, Ben had to set up a company, pay out for tooling, manufacturing, marketing, sales force, travel, building a website, etc. In comparison, had Ben then known that Ben-now would come up with quirky, well, he could have launched the Song Sting here and with even just 10% influence, he would have earned \$12,000. And being in the black is so much cooler.

Have You Helped A Small Business Today?

