



Search



Post: Funding your business - options



Created by [Brittany Bunk](#) on 21-Mar-2021

Fund raise

[Finance & Investment](#)



20



1



0



0



Content

Investor-friendly business practices: part 1. Part 2 [here](#). Other investor series [here](#)

Before asking for money, try to:

- not have costs
- have the preference of avoiding going to investors for money, even after doing so
- self-fund or have the company self-reliant (deonted by SR)

funding businesses - multiple levels/needs of (bottom -> top):

- 'bootstrapping', 'pre-seed'
 - SR - **founder**
 - paying out of pocket
 - earning an income to pay for the business
 - (not always preferable) **friends and family** - ask them
 - to fund it
 - for a loan
- **org's, gov't**
 - *grants* - not always applicable
- **angel/accredited/retail investors, venture capitalists, family offices, investment firms/funds/trusts, banks***
 - *crowdfunding* - like kickstarter
 - *loan* - rent out money (like pay by period of time) or ask for a specific % for when it's paid back
 - every detail that the loan goes out doesn't have to be explained for the rented out method, but should for the specific % one
 - *convertible note* - 'seed funding' - Series A, B, C
 - company overview - financial and actual current plans, projections
 - stock market - only if it goes public
 - *pre-IPO*
 - *stocks, warrants, securities, ADRs*
 - not for OTCs, but regular stock exchanges require filing reports to be upfront with investors as to where the money goes
- SR - **business**
 - *reinvestment* - funds itself through profits

* - communication updates/transparency's key

read more:

<https://www.investopedia.com/articles/personal-finance/102015/series-b-c-funding-what-it-all-means-and-how-it-works.asp>

Comments



