

Startup101

Brought to you by



Raising Capital; Government Programs & Angel Investors

Startup101 – Lecture 8

Government Funding

- There are LOTS of programs available
- Knowing which are most applicable to what you're trying to accomplish though can be a challenge
- Regional Business Centre – Funding Handbook! Pick one up
- Federal innovation concierge webpage - concierge.innovation.gc.ca

Funding Organizations

- Ontario Centres of Excellence (OCE)
- Northern Ontario Heritage Fund Corporation (NOHFC)
- FedNor
- Industrial Research Acceleration Program (IRAP)
- Natural Sciences and Engineering Research Council (NSERC)
- Ontario Media Development Corporation (OMDC)
- Canadian Media Fund (CMF)
- NORCAT
- Regional Business Centre

Funding Tips

- Meet with a rep for the funding program BEFORE applying
- Projects – funders fund projects, NOT companies
- Align your project with the funders stated goals/plans/raison d'être
- You need to be able to put skin in the game aka. Matching Dollars
- Be prepared to wait, and wait, and wait
- Understand the reporting requirements, and other commitments

Funding Themes

- Innovation
- Productivity
- Scale-ups
- Research & Development
- Commercialization

NOTE: Main street companies typically do not qualify for many funding programs because they do not align thematically to government priorities/goals/plans

RAISING CAPITAL

Getting your idea funded.



Bernie Aho
CEO/Co-Founder of TimeHero
Co-Founder ConceptShare

Investment by Capital Required

MONEY NEEDED	<\$50K	\$50K-\$500K	\$500K TO \$1M	\$1M TO \$5M	\$5M TO \$25M	\$25M TO \$100M	>\$100M
SIDE JOBS	YES						
CREDIT CARDS	YES	YES IF PRUDENT					
YOUR SAVINGS	YES	YES IF AVAILABLE					
FRIENDS & FAMILY	YES	YES IF AVAILABLE	YES				
KICKSTARTER/FUNDABLE	YES	YES	YES				
BANKS		YES	YES				
ANGEL INVESTORS		YES	YES				
SUPER ANGELS			YES	YES			
SEED STAGE VC			YES	YES			
GROWTH STAGE VC				YES	YES		
MEZZANINE DEBT					YES	YES	
LATE STAGE VC					YES	YES	
PRIVATE EQUITY						YES	YES
PUBLIC MARKETS							YES
PIPES							YES
CORPORATE BONDS							YES

First experience...

- First raise at 20 years old
- \$3,000,000
- 40+ meetings





Automated work management.

- \$3,000,000 invested to date
- Angel Investment
- Government
- Venture Capital (Silicon Valley, Canadian)



World leader in creative operations management.

- Napkin to concept - 6 months
- First pitch to cash - 30 day
- First customer - 3 months later
- First acquisition offer- 1 year.



Microsoft



EILEEN
FISHER



Balance your pitch.



Not on chart

- SRED Tax Credits
- IRAP
- FEDNOR
- NOHFC
- Accelerators
- Other...

Lessons Learned in Pitching

What do you do?

Domain Expertise

Skills

Experience

Advisors

What is the problem?

Evidence of problem

Quantify

Demonstrate

Tell a story

**How do you
solve it better
than anyone.**

Demonstrate

Metrics

Tell a story

Do people care?

Traction/Metrics

Surveys

Market evidence

Reactions

Momentum is everything

Can you make money?

Business model

Scale

Competition

Pricing

Can you do it?

Team

Energy, Passion, Skills

Experience

Story, Vision

Rapport

Prove it!

Key Milestones

How will you measure success?

Where are you now?

Where are you going?

Answer gaps here ^

**How much do
you need?
What does it
get me.**

Relate back to milestones.

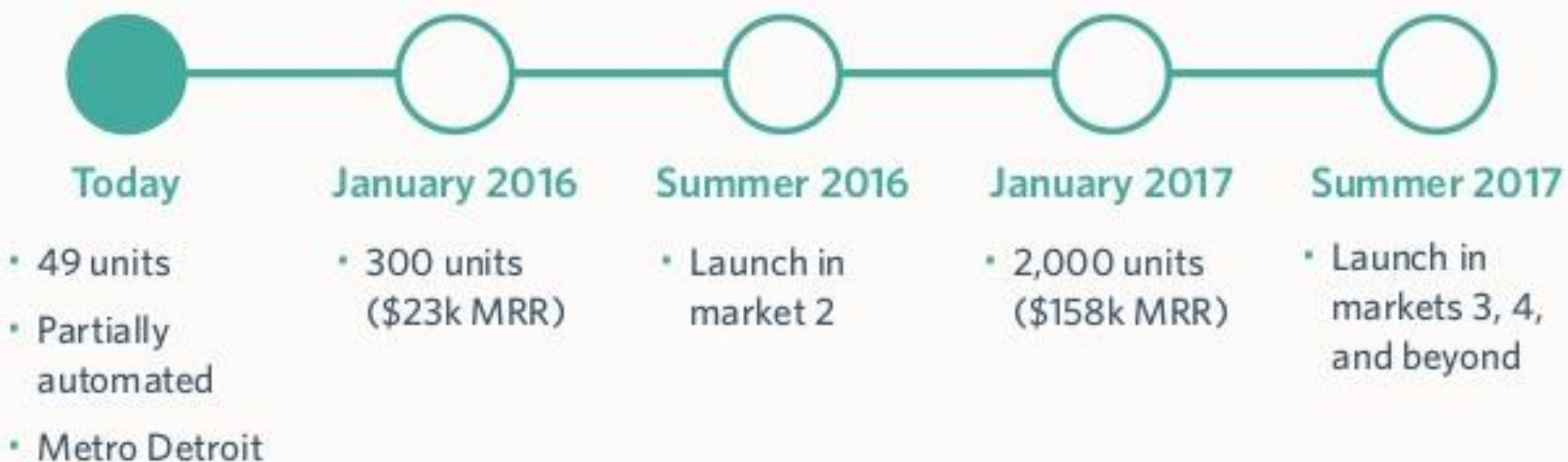
Valuation

Multiples depend on stage

Terms

Exit

Milestones



Thank You!
bernie@timehero.com

@bernieaho