

Your World, Your Money

A GLOBAL THINKING FOUNDATION USA PODCAST

Main types of funding for businesses:

- Traditional loans, SBA loans, business credit cards, short term loans, grants, and crowdfunding
 - Avg SBA loan = \$417,314
 - AVG SBA micro loan = \$13,000

Venture Capital and cap table:

- Venture capital (VC) is a form of private equity and a type of financing that investors provide to startup companies and small businesses that are believed to have long-term growth potential.
- Different stages of VC: Seed Financing (ideation stage), Startup Financing (prototype and early hiring stage), First Stage Financing (product launched and proven stage), Second Stage Financing (3+ years, and your product is killing it), Mezzanine (Bridge) Financing (end of a VC's time with you, your about to take your company public, or you are selling to another company)
- Venture Capitals only fund about 300 new start-ups each year, that's only 0.05% of all new business in the US.
- You can seek VC funding at any stage of your business.

Crowdfunding for start-up entrepreneurs:

- There are two overarching types of funding for a start-up entrepreneur
 - Debt financing: usually some type of loan - you are taking out new debt in order to have funds for your new business
 - Equity financing: usually some type of investment in exchange for either reward or equity (ownership) of your new business
- Within crowdfunding,, you could do equity crowd funding, rewards crowd funding, debt crowd funding, and donor crowd funding.
 - Equity crowdfunding is a way to raise capital to start or grow your business. Investors invest money in a business in exchange for equity.
 - Rewards-based, or seed crowdfunding is a type of small-business financing in which entrepreneurs solicit financial donations from individuals in return for a product or service.

IPO (Initial Public Offering)

- An IPO refers to the process of offering shares of a private corporation to the public in a new stock issuance. The transition from a private to a public company allows private investors to fully realize gains from their investment. Meanwhile, it also allows public investors to participate in the offering.

Season 2, Episode 11: Starting From Zero - Getting the Money Started As An Entrepreneur

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