

SCORE SouthEast Wisconsin

Financing beyond banks

Initial funding will be yours to search and find. Why is this? Banks do not fund ideas. Banks have a difficult time funding start-ups. They fund projects, limited, achievable, for people with historical track records, both works and credits, and sufficient assets.

NON-COMMERCIAL AREAS There are non-commercial sources of funding to explore: relatives, parents, friends, classmates, neighbors. You can tap your home equity, bank savings, credit cards, life insurance cash surrender values, IRA, 401k, etc.

You can explore partnership stakes [active or silent], stock sale, venture capital companies etc.

Frequently overlooked is barter: Service for service, or service for goods. No money exchange, no paper trail. You sell pencils which I need; your lawn needs cutting and I have a lawn mower. Hey, it works.

Also not to be overlooked, where circumstances permit, is financing by seller, or suppliers, or heaven knows, your customers – maybe one will take a promissory note or grant extended credit.