



# Methods to “Kick Start” your Business

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# 1. Customer validation

- ▶ Seek customer validation of product/service

# 2. Bootstrapping

- ▶ Use own money or company's revenue from investment
- ▶ Hire contractors instead of full time employees

### 3. Contact Friends and Family

- ▶ Set some ground rules as other investors
- ▶ Create a sound business plan
- ▶ Put your deal In writing
- ▶ Set clear repayment terms and explain what happens if you cannot pay back
- ▶ Keep lines of communications open

## 4. Improve Cash Flow

- ▶ Eliminate unnecessary expenses
- ▶ Use supplier credit as much as possible
- ▶ Use credit cards
- ▶ Don't squander your assets
- ▶ Make sure of your method of invoicing and bring in cash is efficient

## 5. Tap into your existing customers

- ▶ Another way to raise money is to maximize revenue from your existing customer base.
- ▶ There are people who already love you and your business.
- ▶ You can increase prices on current customers and you can upsell offering.

## 6. **Serve a smaller market**

- ▶ The key to rapidly growing your business is not always expanding your customer base or your range of offerings.
- ▶ Focus on serving fewer customers and on your strengths.

## 7. Special Funding

- ▶ Look for special funding opportunities.
- ▶ There are venture capital funding
- ▶ Government grants and other grant funding.

## 8. Asset Funding

- ▶ Look to Asset based lending
- ▶ Other alternatives to bank financing
- ▶ factoring of receivables
- ▶ Banker's acceptance