



FUNDING YOUR STARTUP WITHOUT A VC OR ANGEL

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PRESENTED BY JOHN TOOMEY

JOHN@JETOOMEY.COM

WWW.JETOOMEY.COM

[HTTPS://WWW.LINKEDIN.COM/IN/JOHNETOOMEY](https://www.linkedin.com/in/JOHNETOOMEY)

TWITTER: [@JOHNTOOMEY52](https://twitter.com/JOHNTOOMEY52)

About Me

- ▶ Currently
 - ▶ Fractional C-Level Positions.
 - ▶ Pendella Technologies, Inc – CFO
 - ▶ See ID, Inc – CFO
 - ▶ Dixon Social Interactive Services – Financial Advisor
 - ▶ Business and Career Coach/Mentor
 - ▶ Companies worked with: LinkedIn, Gilead Sciences, Altira, Delta-v Capital
- ▶ Prior Positions
 - ▶ President and CEO of Visible Inventory, Inc.
 - ▶ COO/CFO of White Mountain DSP, Inc.
- ▶ Education:
 - ▶ BSBA In Accounting, UMass Lowell
 - ▶ MBA , Southern New Hampshire University

Advantages of Not Seeking Venture Funding

- ▶ Don't have to spend time looking for funds. Funding can be a full-time job for the CEO and a strain on the startup team.
- ▶ Can focus on running the company
 - ▶ Active part of the team
 - ▶ Spend time with your customers, vendors and partners
 - ▶ Drive and help shape your solution – no lost vision
- ▶ No Investors to get involved in product strategy and design
 - ▶ With a lot of funding tend to spend more on design and redesign
 - ▶ Without funding more fluid and driven more by customer needs and interactions with the ability to change on the go
- ▶ No dilution of ownership when the company is at its lowest value

Some Types of Non Dilutive Funding

- ▶ Shareholder funds
- ▶ Shareholder credit lines
- ▶ Customers or potential customers
- ▶ Suppliers
- ▶ Strategic Partners

What Makes These Alternatives Work

- ▶ Market
 - ▶ Clear customer problem
 - ▶ Clear product solution
 - ▶ Clear value proposition for customers
- ▶ Design
 - ▶ Reasonable product design cycle
 - ▶ Customer focused design
 - ▶ Customer sponsor

What Makes These Alternatives Work

- ▶ Product manufacturing and/or delivery
 - ▶ Fundable product cost and manufacturing process
 - ▶ Shorter product delivery cycle
 - ▶ Ability to have superior customer service
- ▶ Funding growth
 - ▶ Sales can fund development – initial and ongoing
 - ▶ Sales can fund production build out
 - ▶ Sales can lead to long term profitability.

Things you can do

- ▶ Start development while still employed
- ▶ Be in a space you know well
- ▶ Partner with critical suppliers
- ▶ Partner with Key Customers
- ▶ Share space and expenses
- ▶ Sell services that are in sync with your product development
- ▶ Have all disciplines covered within the team
- ▶ Invest every possible dollar back into the company

Examples

- ▶ White Mountain DSP, Inc.
- ▶ Edge Velocity Corporation
- ▶ Dixon Social Interactive Services

Thank You

Feel free to contact me to discuss how these ideas may work for you:

John E. Toomey

Email: john@jetoomey.com

Website: www.jetoomey.com

Phone: 603-475-7609

