The

Raining Money

Workbook

By: J. Corey Pierce

You are about to Discover
The Secrets To Raising Business Capital

(The first Secret is, that there aren't any secrets only knowledge of where to look and how to present)

This book is designed to assist you in the construction of your business plan and the preparation of the successful presentation of your request for business capital. If you haven't already done so, please use **America's Business Funding Directory** at http://www.businessfinance.com to locate "Potential Funding Sources" that are offering the type and criteria of capital you are seeking.

America's Business Funding Directory
http://www.businessfinance.com
The Internet's First Business Capital Search Engine

Businesses Need Capital

Successful businesses are well planned and well capitalized. Being well capitalized, is having the ability to access capital when you need it. Being well planned, will help you to be well capitalized. This book is designed to first help you become well planned, and then lead you to becoming well capitalized.

I have watched many entrepreneurs lose valuable opportunities because they thought the cost of the capital was too high. They spent too much time negotiating over the cost of the money, while their window of opportunity passed them by. You should try to cut yourself a good deal, but the cost of capital should only be a consideration of the function of losses sustained by not having it. Simply, if it costs you one dollar in order to make two, are you ahead or behind?

Libraries and book stores are full of financial "How To Books" (I highly recommend you read as many as you can). These books will tell you about; generic sources of capital, debt versus equity financing, business planning, goal setting, etc. This book will brush these topics, but its main focus is:

- What information to present to Lenders or Investors;
- How to package your request to get noticed;
- The format the presentation package should take; and,
- Where to find the Funding Source to provide the capital.
  (If you don't know where to send your request, what's the point?)

While there is no new technology discovered here, the methods are proven and you will surely benefit from using them. This book is designed to be a workbook. Get out your pencil and fill in each section as you go. Each chapter will guide you by asking you questions and giving you a place to arrive at your answers. When you are finished you will be able to remove the questions and your business plan will be complete, ready to submit to your potential funding sources.

The statistics show that 90% of all new businesses fail. I believe that is a direct result of the failure to plan. Take the opportunity to plan and increase your chances of success.

"Failing to plan, is planning to fail."

A Note From The Author

"The man who believes he needs help from no one, quickly learns he has a fool for a partner."

Being an Entrepreneur is not an easy endeavor. Developing a business plan, requesting funding from strangers and facing the possibility of rejection makes it even harder.

My adventures into business funding began with my own company during the S&L collapses of the 1980's. I was funded by two institutions which failed within seven days of each other. In a desperate search to replace the funding that was lost, I discovered hundreds of funding sources who couldn't help me. My company went under because when I found what I was looking for, it was too late.

Shortly thereafter a friend asked me to help find capital for his company. Fortunately, during my own search I had kept very good records. I used my then small database along with my newly acquired funding request knowledge, and found the $100,000 he needed. Since then, I have found millions of dollars for all types of businesses nationwide and my database has grown to over 13,000 U.S. based funding sources and over 2,000 International sources who invest in U.S. companies.

I am constantly amazed at the infinite number of creative ways that entrepreneurs come up with for making money.

My goal in writing this book is to make the process of finding capital easier for as many entrepreneurs as I possibly can. I wish you the best of luck in your search for funding. It is my desire that you use this book to achieve your goals, create jobs and promote free enterprise. My e-mail address is listed below, if you need some help along the way feel free to contact me.

While you are out there becoming rich and famous (or poor and infamous), remember there is much more to life than making money.

You will notice throughout this book that I like "quotes", some of them are funny and others are just great rules to help keep you on the right track. If you know the "Original Author" I will happily give credit for they have all given me strength in times of trials.

Sincerely,

J. Corey Pierce
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"Life is what happens while you're making other plans."

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"Nothing is quite so embarrassing as watching someone do what you told them couldn't be done."

1. *Plan For Success*

Capitalizing your business is a full time endeavor. Developing your business plan is the single most important step you can take toward your success. To maximize your potential to receive capital, it is vital that you develop a business plan that will guide your company and allow outsiders to picture where you are going and how you plan to get there. Take great care in preparing your plan, it is the road map that will lead you where you want to go.

Lenders or Investors, which way do I go? They tend to look at transactions from very different perspectives. Lenders are mostly concerned with "Can you repay?". While investors are more interested in "How far can you go?" There are certain items of information common to both. That will be the information to be disclosed at the start.

Executive Summary
This is it! Grab them here and you may never lose them. This summary is an overview description of your product or service, its market, your niche, the management, the mission, company structure, pro forma highlights, funding request, use of funds and proposed terms. No more than two pages, sell the sizzle not the steak.

EXECUTIVE SUMMARY WORK SECTION

Give a brief yet concise explanation of the following items. Remember, you will fully detail and support each of these later on in your plan, so keep it short.

Desired Amount: ______________________________

Desired Terms: ______________________________
Company Name: ______________________________

Industry Type: ______________________________

Time in Business: ______________________________
Principals: ______________________________
Use of Funds: ______________________________
Collateral Offered: ______________________________

Narrative Briefly describe what your company is all about.

History

Your reader needs a summary of how this venture came to be. Where did the idea come from? How did it evolve? Who is responsible? Be concise; give dates, background, etc. Paint a short picture from how you started, to where you are today.

Mission Statement

One sentence defining what the Company is all about. Think about it and *"make it mean something"*. Don't just write a bunch of flowery words.

Stage

Clearly identify what stage of funding you are at. Is your business a start-up, initial growth, positioning for going public, seeking a strategic partner, looking for near future acquisition or sale?

Market Niche

It is important for any funding source to know where you fit in the economic food chain. What niche is your business exploiting that will make it jump over your competition? What are you doing that is better, faster, or newer than what everyone else is doing? For this part you must be very detailed. Remember the investors know nothing about your business. You must prove to them you know what you are doing or are about to do.

Market Research

This is yours or a third parties research that supports your determination that there is a market and a need for your product or service. This will form the back bone of support for the price points and revenue assumptions contained in your pro forma projections indicating to investors or lenders how your company can turn a substantial profit.

Financial Overview

Here is where you briefly highlight, graph and preview your outstanding financial projections. This provides a glimpse into where your gross sales, net income, net worth, etc. should be in years one , two and three. Remember this is only an overview. It should contain no details or support information. That will come later in your financial pro forma section.

"Business is the art of extracting money from another person's pocket without resorting to violence."

2. ***Players***

Funding Sources are going to want to know with whom they are dealing. Important issues become; what are the qualifications, experience, goals and most of all the character of those in the management of this venture?

<u>Personal</u>

Lenders and Investors are both concerned with whether or not you have what it takes to be successful. Highlight information that demonstrates you have the ability to make this business a success. Detail your education, past successes or failures that made you stronger. Indicate how you started this business and what makes you believe it will be a success.

<u>Character</u>

Who are you? Take a deep look inside. Character is not only about winning. It's about getting up again and again when you've been knocked down. Will you panic in a crisis? Will you run for cover when things get rough? Are you the Captain that brings the ship in against all odds? Character is staying power!

To be a successful entrepreneur you must not only be able to start well, but you have to be able to finish strong. For most, running a business is a hard road and not an easy one. Search your soul. If you don't have this kind of character, do yourself and others a favor and don't even start.

<u>Management</u>

Good management is essential. Funding Sources desire to see that you understand your market and have the skills to succeed. Are you a stand alone player, or are there others helping you? If alone, do you plan to keep it that way? Who will comprise your management team? Give detailed resumes of all those involved, along with a description of the vital roles they will play in the business' success. If your management skills or your team is weak, take on the task of building it up in order to support your own success, as well as the success of your funding request.

Third Party Professionals

Listen to "GOOD" advice, and forget "BAD" counsel. Carefully seek out and select professionals who can help you. Do your homework in advance of your need to avoid delays. These legal, financial, tax, marketing, etc., professionals may be willing to advise your company for a piece of the glory to come or can act as consultants once you have the money to pay them.

Survivorship

What plans have you made to ensure your business will continue to survive without you? Have you trained someone to take over? Is there going to be key man insurance in place for the possibility of illness, disability or death? Without you, can the business continue to survive? Describe how your management team will be able to step up and work the plan.

"The closest to perfection a person ever comes is when they fill out their resume."

3. *Strategic Position*

Assume that your reader knows nothing.   Even if you know they are experts, remember that the Lenders or Investors want to see that you know more about the industry and your market than they do.

Market Overview

- General industry definition
- Current size and demand
- Potential target market
- Potential market growth
- Market share of competitors
- Technical evaluation of industry
- Direction of industry
- Current condition of industry

Market Approach

- Initial plan to obtain a market share
- Resources available or allocated to market penetration
- Clearly defined long range market strategy
- Support assumptions on ability to hold market share

Market Analysis

Who are the customers?

	Percentage of Business
Private sector	________
Wholesalers	________
Retailers	________
Government	________
Other	________

We will target customers by:

Product lines or services	________
Geographic area	________
Sales	________

Feasibility
Have you analyzed how successful your product or service can be?

What is the total potential market?

Is there really a market for you at all?

Does your company have the strength to get the job done?

Let outsiders know why this will work and be able to support what you believe in!

Product Protection
What measures have you taken or will you take to insure the proprietary nature of your product? Patents, Trademarks, Copyrights, Trade Secrets, Proprietary Contracts, etc.

Product or Service Analysis
If your product or service is of a proprietary nature, take steps to protect it. Have a non-disclosure/non-circumvent agreement for partners or investors to sign. Keep it simple. If it is too long or contains too many legal words, no one will sign it.

What is your product/service and what does it do?

What advantages does our product/service have over those of the competition?

What are the unique features, patents, expertise, etc.?

What disadvantages does your product or service have?

Where will you get your materials and supplies?

Outside Factors

List the important economic factors that will affect your product or service. Consider things such as country growth, industry health, economic trends, rising prices, etc.:

What are the legal factors that will affect your market?

What are the government factors?

What factors, that you cannot control, will affect your market?

Commercial Viability

Look for outside opinions on the commercial prospects of your product or service. There are numerous low cost or no cost organizations, such as retired executives or small business network groups to run your ideas by.

"Business is like an automobile.
It won't run by itself, except downhill."
Henry Ford

4. *Market Strategy*

If you don't know where you are going and how you will get there, you are already lost.

Market Position

What kind of image do you have?   Are you;   inexpensive, exclusive, customer service oriented, high quality, convenience, or fast?

List the features you will emphasize:

What pricing strategy will you use?

% Markup on cost ________

Competitive ________

Below competition ________

Premium price ________

Are your prices in line with your image?

What is the percentage of profit margin have you allowed for?

What customer services will you provide?

What are your sales/credit terms?

Advertising/Promotion

Write a short paragraph that best describes your business:

What advertising/promotion sources will you use?

Television	_________
Radio	_________
Direct mail	_________
Internet	_________
Magazines	_________
Newspaper	_________
Personal contacts	_________
Trade associations	_________
Yellow Pages	_________
Other	_________

What are the reasons you consider the chosen media to be the most effective?

What features will you promote?

Applications	_________
Price	_________
Performance	_________
Delivery	_________
Reputation	_________
Service	_________
Exclusive	_________
Components	_________
Colors	_________
Sizes	_________
Uses	_________
Rugged	_________
Design	_________
Availability	_________
Installation	_________
Terms	_________
Workmanship	_________
Other	_________

What rationale will you appeal to?

Accurate Performance	________
Increased Profits	________
Economy of Purchase	________
Increased Production	________
Durability	________
Labor Saving	________
Economy of Use	________
Time-Saving	________
Simple Construction	________
Simple Operation	________
Ease of Repair	________
Ease of Installation	________
Space Saving	________
Other	________

What buying motive hot buttons will you use?

Bigger Savings	________
Increased Sales	________
Greater Profits	________
Reduced Cost	________
Time Saved	________
Prestige	________
Greater Convenience	________
Uniform Production	________
Economy of Use	________
Reduced Upkeep	________
Continuous Output	________
Leadership	________
Ease of Use	________
Reduced Inventory	________
Low Operating Cost	________
Simplicity	________
Reduced Waste	________
Long Life	________
Other	________

What emotional responses can you use to your benefit?

Pride of Appearance	________
Pride of Ownership	________
Desire of Prestige	________
Desire for Security	________
Desire for Recognition	________

Desire to Imitate	________
Desire to be Unique	________
Desire for Variety	________
Fear	________
Desire to Create	________
Convenience	________
Curiosity	________
Other	________

Initial Market Penetration

How long will it take?

What capital resources will be required to acquire the initial share?

***"Doing business without advertising
is like winking at a girl in the dark,
you know what your doing,
but nobody else does."***

5. *Setting goals*

Having your short and long term goals set to paper is one attribute of all successful entrepreneurs.

Benchmarks/Milestones

These are critical development stages the company has set to meet. Without these visible and obtainable milestones your company and your investors may lose their way. What are the first ten priority items to be accomplished as soon as your company gets the money? How long should it take to complete them?

Priority	Time
1.____	______________
2.____	______________
3.____	______________
4.____	______________
5.____	______________
6.____	______________
7.____	______________
8.____	______________
9.____	______________
10.____	______________

Short Term

Near future…One year success points. Define levels of your projected success that must be obtained in order to allow your pro forma to come true. Set to paper obtainable goals that will show your investors how you plan to keep the company on track.

Long Term

Lenders/Investors don't have your company vision. Here is where you must paint a picture of the future for them. This is the word version that supports what your pro forma has projected will take place over the next five years.

Exit Strategy

Funding Sources want to know how you plan to pay them back. Will the business generate a cash flow large enough to support the debt? Is the product or service so in demand that the company will go public? These questions and more will not only help determine your success, but they will also narrow your search for the lender most likely to fund your request.

Personal

While your personal goals may not matter to your potential Lenders or Investors, they do matter to you and your company. Deciding to be an entrepreneur can have great effects on your life and the lives of those around you. Set down your personal goals just as you are writing this business plan. Discuss them with your family. Take the time to find out what your business associates expect of you.

"Building a business is no small task. It will affect all parts of your life, so consider well what you do."
J. Corey Pierce

6. *Competition*

Know your competition. They can help you or bury you.

Complementary Products

Show that you have searched out all those companies who offer competitive or related products. Define those who offer complementary products in the same or similar industries. Explain how competitive relationships can be turned into joint ventures, strategic partnerships, buyouts, acquisitions, etc. in the future. Lenders or Investors take comfort in the fact that you have defined possible exit solutions if things don't go as planned.

Who are your three major competitors?

Competitor #1 ____

Address ____

____

Years in Business ____________________

Market Share ____________________

Price/Strategy ____________________

Product/Service ____________________

Advantages/Disadvantages:

Competitor #2 ____

Address ____

____

Years in Business ____________________

Market Share ____________________

Price/Strategy ____________________

Product/Service ____________________

Advantages/Disadvantages:

Competitor #3 ____

Address ____

____

Years in Business ____________________

Market Share ____________________

Price/Strategy ____________________

Product/Service ____________________

Advantages/Disadvantages:

Compare your strengths and weaknesses to your competition's. Consider such things as location, size of resources, reputation, services, personnel, etc.
Strengths:

Weaknesses:

Current Market Share

It is vital that you demonstrate an expert understanding of what your industry is all about. Where is your industry going?

What is the current condition of your industry?

Why are the current market distributions the way they are?

What has your competition done to achieve their market share?

What advertising media is most effectively used by your competition?

Trade Associations

Give a reference to all trade associations that cover your industry. Use material supplied by these organizations to support statements and assumptions you have made throughout your funding request.

List the trade associations that service your industry:

"Efficient executives find machines that can do half their work, and then buy two."

7. *Amount Requested*

Conservative Request

It is extremely important that your financial projections fully support the amount of funds you are seeking. If you are seeking debt financing your request must be very specific. Lenders frown upon you having to come back to ask for more, because you underestimated. Investors may not be inclined to keep your management team in place if you can't make the funding work.

Downside Planning

Take the time to plan for the downside. It is far better to over estimate your capital requirements than to run short and be forced to go hat in hand back for more.

Supportable Assumptions

Both Lenders and Investors are going to want to know that you have reasonably estimated and supported your costs and projected revenues. Your financial pro forma should include detailed information and trade references on the costs of each expense you list.

Association Documentation

In your income projections be sure to include Trade Industry support information or other market information that lends credibility to the conclusions you have drawn. Most associations publish reports of standard industry costs, margins and financial ratios.

"It is especially hard to work for money that you've already spent, on something that you didn't need."

8. *The Terms*

Know what you want, what you can afford and what you will give up.

How Long?

This should be based on your financial pro forma or the useful life of the asset being financed. Receivable and contract financing are less than 12 months, equipment normally one to five years, real estate and other long term assets 5 to 20 years.

Amortized versus Interest Only

Most ventures take some time to begin making money. New equipment or other acquired assets take time to begin paying for themselves. Think about an initial period of interest only or skip payments to offset your lack of cash flow.

Interest Rate

The rate you pay for the funds you need can directly affect your profitability. On the other hand, if by paying 50% interest, you yield 100% profitability, you are way ahead of where you began.

Fixed or Adjustable

With a fixed rate of interest you know where you are. With adjustable rates you're betting on the future. Anybody remember Jimmy Carter interest rates? Normal is Prime plus one to three percent or LIBOR (London Index) plus three to five percent. Rates vary as you add or subtract risk.

Points and Fees

Most, if not all, funding sources charge points (percentage of amount funded) and fees (costs of putting your transaction together). These can run from 1% to 10% depending on what you're looking for and the degree of risk. Fees are sometimes payable 50% at commitment and 50% at closing. Try to get 100% at closing or at least deposit the 50% into a trust or escrow account. Beware of those sources who must have your money before you see theirs'. Never do so without consulting your attorney!

Prepayment Penalties

Funding sources spend time, energy and money picking deals to invest in. Once they lend or invest they want to stick with it. Pre-payment penalties are one way to insure you'll leave the funds in place. Try to negotiate these away, or limit them to one or two years.

Blanket & Specific Liens

Blanket means "all". Specific is just that. Blanket liens will restrict your ability to raise cash in the future. Always attempt to have specific liens. Don't let them have blanket!

Personal Guarantees

How committed are you? If you won't sign personally, then you may not get any money. This is a gut check. If you don't believe in your success, why should anyone else? As you and your company perform, you should be able to get these released.

Covenants & Conditions

Be very careful. These spell out just what you can and cannot do. No management or ownership change, quarterly filing requirements, no borrowing from anyone else, deposits maintained, collateral pledges, etc. Carefully read and evaluate the fine print. Here is another good place to consult your attorney.

% Ownership You Will Offer
What's fair? 80%, 50%, 20%… I can't tell you. You must define it, support it, and defend it. While most lenders won't ask, most investors will demand. Be prepared from the start. Do your homework on your potential funding sources and know what your company or idea is worth..

Stock Repurchase Agreement?
What happens if you hate your investor? Are you locked together forever? Try to negotiate escape clauses that will allow you a way out if you need it or can afford it. Be able to buy your stock back at a predetermined price, if possible.

Management Controls?
Most entrepreneurs are in business to make decisions for themselves. Some investors want almost a partnership. Once again, pre-plan, know what you are looking for and what you are willing to give up.

Collateral Anyone?
Will you risk it all? If you don't believe, neither will anyone else?

- Accounts Receivable
- Contracts
- Equipment
- Inventory
- Marketable Securities, CD's, T-Bills
- Purchase Orders
- Real Estate
- Patents
- Name Recognition
- OP (Other Peoples Investment; Family, Friends, etc.)

"No business opportunity is ever lost.
If you lose it, your competitor will find it."

9. *Use of Funds*

Entrepreneurs tend to spend too much time looking for money and not enough time making it. This problem stems from the lack of adequate pre-planning given to the initial use of funds. In order to determine what your short and long term capital needs are going to be, you must perform accurate financial projections.

<u>Those projections must consider:</u>

- Immediate Need For Capital (Bills to pay)
- Research and Development (Estimate, then double)
- Capital Asset Acquisition (Required equipment, etc.)
- Inventory Floor Planning (Necessary raw materials)
- Working Capital Requirements (Payroll, payables, etc.)
- Market Penetration (When will the cash flow begin)

The cash flow model is the best tool for determining what your capital needs will be. Don't be overly optimistic or conservative, either one will hurt you. Know what factors will affect your projections to the downside, (sales, costs, price breaks, etc.). Work closely with third parties, financial advisors, accountants, industry consultants, retired executives, etc., to keep from having tunnel vision and missing the big picture. Your cash flow model should be month to month for one year and quarterly for the next four years.

"Anyone who thinks the customer isn't right, should try doing without them for ninety days."

10. *Repayment Plan*

Repayment is tied directly to your success. In order to repay your Funding Source, you must clearly define how you are going to make money and how much money you are going to make.

R&D Requirements

How much research and development remains before you can enter the market? Does your product require regulatory approval? What is your time table? What delays are foreseeable that could affect your time table? Are there any alternative plans if tests, approvals, patents, licenses, etc., don't go as planned?

Break Even Analysis

Exactly where is it? Must you sell 10,000 widgets? How will price breaks effect you? Can your salespeople survive on your commission structure? What about material price increases? Here is where you are going to demonstrate that you understand your product, its market, its costs and your industry.

Current or Projected Debt Coverage Ratio

Remember 1.25 to 1. It's a figure that can affect your future. For lenders if your net income is below 1.25 to 1, it may mean no loan, a higher rate or more collateral. Simply put, it determines your ability to service debt. Your net income should be 1.25 times higher than the debt payment you are proposing to take on. Hopefully you have analyzed your debt coverage ratio and found it to be much higher. If it's not, this leaves a pretty slim margin for error.

With investors, because there is no debt, they are concerned with profit margins and retained earnings. The projections should support ratios of better than 2.0 to 1 to generate any serious investor interest.

Amortization or Dividend

- Return on investment
- Return of investment

These are terms that all funding sources want to know. If they give you the money, what do you project your time table to be for them to get their investment back? Then, when does the return on the investment start?

Pre-Planning

Always try to arrange for funding when you don't need it. Entrepreneurs are famous for seeking capital in a crisis. When your need is great (payroll, taxes, sales drop, etc.) rates always seem to go up or you can't find capital at all. Do your best to forecast your capital requirements at least six months in advance.

"Good entrepreneurs hire optimists as salesmen and pessimists to run the credit department"

11. *Pro Forma Financials*

Projection Information

Being able to present a clear, concise, logical and supportable financial projection is probably the most important key to having a chance of obtaining the capital you desire. If you don't have financial forecast ability, hire someone who does. Have your pro forma give a month by month breakdown for the first year and then annually for the next four years. Include and fully support:

- Sales Estimates
- Administrative Costs
- Production Costs
- Sales Costs
- Capital Expenditures
- Gross Margin by Product Line
- Sales Increase by Product Line
- Interest Rates on Debts
- Income Tax Rate
- Accounts Receivable Collection Plan
- Accounts Payable Schedule
- Inventory Turnover
- Depreciation Schedules
- Usefulness of Assets

The Income Statement (Profit & Loss)

The income projection enables the owner/manager to develop a preview of the amount of income generated each month and for the business year, based on reasonable predictions of monthly levels of sales, costs and expenses.

1. Total Net Sales (Revenues)

The total number of units of products or services you realistically expect to sell each month in each department at the prices you expect to get. Use this step to create the projections to review your pricing practices. What returns, allowances and markdowns can be expected?

2. Costs of Sales

The key to accurately calculating your cost of sales is not to overlook any costs that you have incurred. Calculate the cost of sale of all products and services used to determine total net sales. Where inventory is involved, remember transportation costs and any direct labor.

3. Gross Profit

Subtract the total cost of sales from the total net sales to obtain gross profit.

4. Gross Profit Margin

The gross profit is expressed as a percentage of total sales (revenues). It is calculated by dividing the gross profits by the total net sales.

5. Controllable Expenses

- Salary expenses -- Base pay plus overtime.
- Payroll expenses -- Include paid vacations, sick leave, health insurance, unemployment insurance and social security taxes (employer paid portion).
- Outside services -- Include costs of subcontracts, overflow work and special or one-time services.
- Supplies -- Services and items purchased for use in the business.
- Repair and maintenance -- Regular maintenance and repair, including periodic large expenditures such as painting.
- Advertising -- Include desired sales volume and classified directory advertising expenses.
- Car delivery and travel -- Include charges if personal car is used in business, including parking, tools, buying trips, etc.
- Accounting and legal -- Outside professional services.
- Dues and subscriptions.
- Utilities.

6. Fixed Expenses

- Rent -- List only real estate used in business.
- Depreciation -- Amortization of capital assets.
- Insurance -- Fire or liability on property or products. Include workers' compensation.
- Loan repayments -- Interest on outstanding loans.
- Licenses and permits.
- Miscellaneous -- Unspecified; small expenditures without separate accounts.

7. Net Profit (or Loss)

(before taxes) - Subtract total expenses from gross profit.
Taxes - Include inventory and sales tax, excise tax, real estate tax, etc.
(after taxes) - Subtract taxes from net profit (before taxes)

Income Projection Worksheet

Revenue Projection

Total net sales (TNS)	$__________________	
Costs of sales (COS)	$__________________	
Gross profit (TNS-COS=GP)		$__________________
Gross Profit margin (GP/TNS)	__________________%	

Controllable expenses

Salaries/wages	$__________________
Payroll expenses	$__________________
Legal/accounting	$__________________
Advertising	$__________________
Automobile	$__________________
Office supplies	$__________________
Dues/Subscriptions	$__________________
Utilities	$__________________
Other	$__________________

Fixed Expenses

Rent	$__________________
Depreciation	$__________________
Insurance	$__________________
License/permits	$__________________
Loan payments	$__________________
Other	$__________________

Total expenses		$__________________
Net profit (loss) before taxes (GP-Expenses)		$__________________
Taxes	$__________________	
Net profit (loss) after taxes		$__________________

This form should be used to project month to month income and expenses for year one and then to provide annual projections for the next four years.

<u>The Balance Sheet</u>

<u>Assets</u>

List anything of value that is owned or legally due the business. Total assets include all net values. These are the amounts derived when you subtract depreciation and amortization from the original costs of acquiring the assets.

<u>Current Assets</u>

- Cash -- List cash and resources that can be converted into cash within 12 months of the date of the balance sheet (or during one established cycle of operation). Include money on hand and demand deposits in the bank, e.g., checking accounts and regular savings accounts.
- Petty cash -- If your business has a fund for small miscellaneous expenditures, include the total here.
- Accounts receivable -- The amounts due from customers in payment for merchandise or services.
- Inventory -- Includes raw materials on hand, work in progress and all finished goods, either manufactured or purchased for resale.
- Short-term investments -- Also called temporary investments or marketable securities, these include interest- or dividend yielding holdings expected to be converted into cash within a year. List stocks and bonds, certificates of deposit and time-deposit savings accounts at either their costs or market value, whichever is less.
- Prepaid expenses -- Goods, benefits or services a business buys or rents in advance. Examples are office supplies, insurance protection and floor space.
- Long-term Investments -- Also called long-term assets, these are holdings the business intends to keep for at least a year and that typically yield interest or dividends. Included are stocks, bonds and savings accounts earmarked for special purposes.

<u>Fixed Assets</u>

Also called plant and equipment. Includes all resources a business owns or acquires for use in operations and not intended for resale. Fixed assets may be leased. Depending on the leasing arrangements, both the value and the liability of the leased property may need to be listed on the balance sheet.

- Land -- List original purchase price without allowances for market value.
- Buildings
- Improvements (Including leasehold improvements)
- Equipment
- Furniture
- Automobile/vehicles

Liabilities

Current Liabilities

List all debts, monetary obligations and claims payable within 12 months or within one cycle of operation. Typically they include:

- Accounts payable -- Amounts owed to suppliers for goods and services purchased in connection with business operations.
- Notes payable -- The balance of principal due to pay off short-term debt for borrowed funds. Also includes, the current amount due of total balance on notes whose terms exceed 12 months.
- Interest payable -- Any accrued fees due for use of both short-and long-term borrowed capital and credit extended to the business.
- Taxes payable -- Amounts estimated by an accountant to have been incurred during the accounting period.
- Payroll accrual -- Salaries and wages currently owed.

Long-term Liabilities

Notes payable -- List notes, contract payments or mortgage payments due over a period exceeding 12 months or one cycle of operation. They are listed by outstanding balance less the current position due.

Net Worth

Also called owner's equity, net worth is the claim of the owner(s) on the assets of the business. In a proprietorship or partnership, equity is each owner's original investment plus any earnings after withdrawals. In a corporation it is the capital investment paid for the issuance of stock, plus the surplus paid in by the principals, and the after tax retained earnings.

Total Liabilities and Net Worth

The sum of these two amounts must always match that for total assets.

The Balance Sheet Worksheet

As of ________________________________, 19_____

Assets

Current Assets (Net Values)

Cash	$________________
Petty cash	$________________
Accounts receivable	$________________
Inventory	$________________
Short-term investment	$________________
Prepaid expenses	$________________

Long-term investments $________________

Fixed assets

Land	$________________
Buildings	$________________
Improvements	$________________
Equipment	$________________
Furniture	$________________
Automobile/vehicles	$________________

Other Assets

1.	$________________
2.	$________________
3.	$________________

Total Assets $________________

Liabilities

Current Liabilities (within 12 months)

Accounts payable	$________________
Notes payable	$________________
Interest payable	$________________

Taxes Payable

Federal income tax	$________________
State income tax	$________________
Self-employment tax	$________________

Sales tax (SBE)	$__________________	
Property tax	$__________________	
Payroll accrual	$__________________	
Long-term liabilities (over 12 months)		
Notes payable	$__________________	
Total Liabilities		$__________________
Net worth (owner equity)	$__________________	
If Proprietorship or Partnership		
(name's) equity	$__________________	
(name's) equity	$__________________	
(name's) equity	$__________________	
(name's) equity	$__________________	
If Corporation		
Capital stock	$__________________	
Surplus paid in	$__________________	
Retained earnings	$__________________	
Total Net Worth		$__________________
Total Liabilities and Total Net Worth		$__________________

(Total assets will always equal total liabilities and total net worth)

Cash Flow Projections

Having a model of how much cash it is going to take and when that cash must be available, is just like having a road map. With it you can go far, without it you run out of gas. Detailed first year cash flow projections, followed by a summary overview of how the next four years will flow, are a must.

1. Cash on hand (beginning of month) $________________________
Cash on hand same as (7), Cash position, previous month.

2. Cash receipts - (a) Cash sales $________________________
All cash sales. Omit credit sales unless cash is actually received.

(b) Collections from credit accounts $________________________
Amount to be expected from all accounts.

(c) Loan or other cash injection $________________________
Indicate here all cash injections not shown in 2(a) or 2(b) above.

3. Total cash receipts (2a+2b+2c=3) $________________________

4. Total cash available (before cash out)(1+3) $________________________

5. Cash paid out - (a) Purchases (merchandise) $________________________
Merchandise for resale or for use in product (paid for in current month).

(b) Gross wages (excluding withdrawals) $________________________
Base pay plus overtime.

(c) Payroll expenses (taxes, etc.) $________________________
Include paid vacations, paid sick leave, health insurance, unemployment insurance, social security (employer portion). These might be 10 to 45% of 5(b).

(d) Outside services $________________________

(e) Supplies (office and operating) $________________________
Items purchased for use in the business (not for resale).

(f) Repairs and maintenance $________________________
Include periodic large expenditures such as painting or decorating.

(g) Advertising $________________________
This amount should be adequate to maintain sales volume.

(h) Car, delivery and travel $________________________

(i) Accounting and legal $________________________

(j) Rent $________________________
Real estate only (See 5(p) for other rentals).

(k) Telephone $________________________

(l) Utilities $________________________

(m) Insurance $________________________
Coverage on business property and products (fire, liability); also worker's compensation, fidelity, etc. Exclude executive life (include in 5(w)).

(n) Taxes (real estate, etc.) $________________________
Plus inventory tax, sales tax, excise tax, if applicable.

(o) Interest $________________________
Interest on loans as it is injected (See 2(c)).

(p) Other expenses (specify each) $________________________
Unexpected expenditures may be included here.
Equipment expenses during the month should be included here (non-capital equipment).
When equipment is rented or leased, record payments here.

(q) Miscellaneous (unspecified) $________________________
Small expenditures for which separate accounts would be practical.

(r) Subtotal $________________________
This subtotal indicates cash out for operating costs.

(s) Loan principal payment $________________________
Include payment on all loans, including vehicle and equipment purchases on time payment.

(t) Capital purchases (specify) $__________________

______
Non-expensed (depreciable) expenditures such as equipment, building purchases on time payment, leasehold improvements, etc.

(u) Other start-up costs $________________________
Expenses incurred prior to first month projection and paid for after start-up.

(v) Reserve and/or escrow (specify) $________________________
Example: insurance, tax or equipment escrow to reduce impact of large periodic payments

(w) Owner's withdrawals $________________________
Should include payment for such things as owner's income tax, social security, health insurance, executive life insurance premiums, etc.

6. Total cash paid out (5a through 5w) $________________________

7. Cash position (end on month) (4 minus 6) $________________________
Enter this amount in (1) Cash on hand following month

Essential operating data (non-cash flow information)
This is basic information necessary for proper planning and for proper cash flow projection. Also with this data, the cash flow can be evolved and shown in the above form.

A. Sales volume (dollars) $________________________
This is a very important figure and should be estimated carefully, taking into account size of facility and employee output as well as realistic anticipated sales (actual sales, not orders received).

B. Accounts receivable (end of month) $________________________
Previous unpaid credit sales plus current month's credit sales, less amounts received current month (deduct "C" below).

C. Bad debt (end on month) $________________________
Bad debts should be subtracted from (B) in the month anticipated.

D. Inventory on hand (end on month) $________________________
Last month's inventory plus merchandise received and/or manufactured current month minus account sold current month.

E. Accounts payable (end of month) $________________________
Previous month's payable plus current month's payable minus amount paid during month.

F. Depreciation $________________________
Established by your accountant, or value of all your equipment divided by useful life (in months) as allowed by Internal Revenue Service.

Monthly Cash Flow Projection Worksheet

1. Cash on hand (beginning month) $__________________
2. Cash Receipts $__________________
2. (a) Cash sales $__________________
   (b) Collections from credit accounts $__________________
   (c) Loan or other cash injections (specify) $__________________
3. Total cash receipts $__________________
4. Total cash available (before cash out)(1+2+3) $__________________
5. Cash paid out $__________________
   (a) Purchases (merchandise) $__________________
   (b) Gross wages (excludes withdrawals) $__________________
   (c) Payroll expenses (taxes, etc.) $__________________
   (d) Outside services $__________________
   (e) Supplies (office and operating) $__________________
   (f) Repairs and maintenance $__________________
   (g) Advertising $__________________
   (h) Car, delivery and travel $__________________
   (i) Accounting and legal $__________________
   (j) Rent $__________________
   (k) Telephone $__________________
   (l) Utilities $__________________
   (m) Insurance $__________________
   (n) Taxes (real estate, etc.) $__________________
   (o) Interest $__________________
   (p) Other expenses (specify each) $____________

____

   (q) Miscellaneous (unspecified) $__________________
   (r) Subtotal $__________________
   (s) Loan principal payment $__________________
   (t) Capital purchases (specify) $__________________
   (u) Other start-up costs $__________________
   (v) Reserve and/or escrow (specify) $__________________
   (w) Owner's withdrawal $__________________
6. Total cash paid out (5a through 5w) $__________________
7. Cash position (end of month)(4 minus 6) $__________________

Essential operating data (non-cash flow information)

A. Sales volume (dollars) $__________________
B. Accounts receivable (end of month) $__________________
C. Bad debt (end of month) $__________________
D. Inventory on hand (end of month) $__________________
E. Accounts payable (end of month) $__________________
F. Depreciation (in months) $__________________

Key Indicators and Ratios

Being able to summarize your important financial points allows the Lender/Investor insight into whether or not you understand how the money world operates. Provide support for: sales revenue, price points, fixed costs, gross margins, and net income. The financial industry judges your potential success by RMA (a lending trade association) standards and ratios. If you're not a good numbers person ask your accountant to calculate the following ratios:

- Current Ratio (1 to 1 or better)
  Current assets divided by current liabilities.

- Quick Ratio (0.5 to 1 or better)
  Current assets less inventory divided by current liabilities.

- Debt to Worth Ratio (3 to 1 or better)
  Creditors capital to owners capital.

- Gross Profit Margin (60% or better)
  Gross sales less cost of goods sold.

- Net Profit Margin (10% or better)
  Gross sales to net income.

- Debt Coverage Ratio (1.25 to 1 or better)
  Net income divided by debt payment (Principal & Interest).

- A/R Turnover Ration (as close to 12 as possible)
  Gross Sales divided by accounts receivable.

- "SIC" Standard Industrial Code (know yours)
  Lenders will compare your ratios to those of your industry.

There are many good computer financial programs available to assist you in formatting your projections. If you aren't computer literate, recruit someone who is. After you have taken a run at the numbers by yourself, it is always a good idea to have your accountant look them over.

"I can't be out of money, I still have checks."

A Great Bumper Sticker

12. *Preparing Your Presentation*

Take great care in your preparation of all the items mentioned in chapters 1 through 11 of this book. Unfortunately, you normally only get one shot per funding source, so make it your best!

Have Additional Information Packaged and Ready

- Schedule of Assets
- Personal Financial Statements
- Credit Report Releases
- Business Tax Returns
- Personal Tax Returns
- Articles of Incorporation
- Copies of Orders or Invoices
- Customer Testimonials
- Trade References
- Banking References
- Title Reports (equipment, real estate, etc.)
- Asset Appraisals
- Patents, Trademarks or Licenses

Presentation

- First impressions are lasting, make a good one.
- Use a color product brochure as a cover.
- Bind the material in such a way that allows for easy reading.
- Tab each section for direct access.
- Keep your information concise and to the point.
- Pictures are worth a thousand words, include good ones.
- Support assumptions with facts, not more assumptions.

"Education is learning from teachers and books.
Experience is learning from your mistakes."
George Miller, My Grand Father

13. *Type of Capital Desired*

It's easier to find something, when you know what you are looking for and in what direction it might be.

Debt Versus Equity

Debt funding is normally cheaper and easier to find than equity funding. Debt typically carries the burden of monthly payments, whether or not you have positive cash flow.

Equity investors expect little or no return in the early stages, but require much more extensive reporting as to the company's progress. They have invested on the gamble of very high returns. Therefore, investors anticipate that goals and milestones will be met.

Debt financing is usually available to all types of businesses. Equity is generally restricted to businesses with fast and very high growth potential.

Debt Considerations

- For what type of debt financing can my company qualify?
- How much debt can I afford?
- Can I handle the payments if cash flow is off?
- What happens if interest rates rise?
- Am I willing to pledge company and personal assets?
- What about my personal guarantee?

Debt lending is more analytical than personal. Are your ratios right? Do you have the assets? Are you credit worthy?

Equity Considerations

- What type of investors do I target?
- Am I willing to share control and future profits?
- Do I really want investors as partners forever?
- How big of a share am I willing to give up?
- Will I be able to keep up with all the required reports?
- What about disclosing company secrets to potential investors?

Investors will want to take a much larger share of a start-up venture, than they will of a company with a two or three year track record of success.

Angels
Angels are individual private investors who make up a large portion of "informal" venture capital. These investors usually keep their money close to home (50 miles or so). They tend to invest small amounts ($25,000 to $250,000), and they can be difficult to locate because they usually don't belong to networks or trade associations.

Angels are found among friends, family, customers, third party professionals, suppliers, brokers and competitors. For the most part, once they invest in two or three deals they are out of money. There are a few private investor locating services out there. Beware of those who charge large ($1,000 or more) advance fees in order to put you in touch the an investor. Do your homework, check these people out and negotiate a commission if your request is placed.

Caution: *Don't advertise in your local paper for investors until you have spoken to a securities attorney, or the SEC may give you a call.*

Venture Capital
These investors are out looking for huge returns not just good ones. Venture capital is extremely hard to get and the competition is fierce. These funding sources get thousands of requests each year and only invest in three or four.

The managers who invest these funds are great at finding oysters that will produce pearls. They usually are very bright, well educated and extremely arrogant. Tread lightly here and I highly recommend you go another direction if you can.

Joint Ventures/Strategic Partnerships
My personal favorite. This is where two companies with parallel interests get together based on their mutual needs:

- They have the money…you have the plan.
- You have the product…they have the distributors.

Do your homework. Seek out companies with parallel interests to your own. You have the world's best new phone design and they are AT&T. This requires much more research than simply asking for a loan. Most of these partners will settle for 20% to 40% equity in your company. Be careful to protect your ideas by having any potential partners sign a non-circumvention document.

Small Business Administration (SBA)
A tremendous resource, but the paperwork can be tiring. This is a great place to look. The SBA has many different programs. Your local bank should have an SBA loan officer who can explain them to you. The most aggressive SBA lending sources nationwide are AT&T Capital, The Money Store and GE Capital. Don’t waste time looking them up in your local phone book. Go to http://www.businessfinance.com/getsba.asp or run a free search at http://www.businessfinance.com/search.asp .
If you need $100,000 or less and have excellent credit the SBA Low Doc program could be for you. It is a simple application and they tell you yes or no in about 72 hours.

Small Business Investment Corporation (SBIC)
These firms leverage their private capital into government money to form a sort of venture capital fund. Most SBICs are part of commercial banks. They offer both long term loans and equity participation. They are conservative investing mainly in established companies for management buyouts, funds to go public, strategic partnerships and bridge financing. Find them here: http://www.businessfinance.com/sbic.asp

Commercial Paper
This is a short term debt instrument typically issued from 2 to 270 days. An issue is normally a promissory note that is unsecured and discounted from its face value. The issue is usually backed by a letter of credit or some other from of credit guarantee. The company may pledge assets to obtain a credit guarantee which is then leveraged into an issue of commercial paper.

Letters of Credit
Issued to your funding source on your behalf, as a guarantee that you will pay. If you don't pay the issuer does. Your bank might issue the L/C based on your pledge of a receivable or other hard asset.

Receivable Factoring
An age old method of financing. Funds are advanced against goods sold, accepted and not yet paid for. Normal advances on accounts receivable are 80% to 90%. The lenders are looking for ninety (90) days or less to be paid. Funding is available for older accounts receivable, but the rates take a dramatic turn upwards.

Purchase Order Advances
Leveraging your future. If you have purchase orders with your customer base, you may be able to get advances towards their completion. The typical advance is less than 50%, and the rates are very high. Don't choose this one unless there's no other way.

Equipment Leasing
You can think of this as renting assets. You gain the capital equipment you need and agree to pay rent for a specific period of time. There is no interest rate here, but the rates tend to be higher than commercial loans. Some of that is offset by being able to expense 100% the payments (pretax). Check with your tax accountant to be sure.

Asset Sale Lease-Backs
If you are cash poor and asset heavy, this may work for you. Here you are selling your asset for cash to a funding source who leases it back to you (typically with a lease end purchase option). The downside of this approach may be capital gains or sales tax.

Private Placements
A do it yourself stock offering. A great way to raise small amounts of capital ($500,000 or less) with a few investors (typically less than 35). These are now available in a boiler plate format in most states. Contact your state's Department of Corporations for information on what is required to stay out of trouble.

Public Offerings
504, 505 & 506 Offerings.
Forms of stock offerings that let you raise more money and have more investors than private placements. These are great vehicles if you take the time to figure them out. Contact the SEC, they will be happy to send you the rules and the forms.

Limited Partnerships
You can look for one or form your own. Limited partnerships usually exist for the purpose of investing. The general partner has all the exposure and management duties, while the limited partners have put up all the money. There are numerous Limited Partnerships out there that have been formed to invest in businesses. You can search them out or inquire with your State as to the requirements for forming your own.

Convertible Debt
This is normally a loan than can be converted (at the lender's option) into an ownership position in the company. These are most common with seed or start-up funding where the lender would like a piece of the rock in the event you become a tremendous success.

State Bonds
Most states have revenue bonds. These bonds are usually designed as debt instruments, where the company issues the bond and the state agency underwrites it. These bonds are generally issued to promote manufacturing facilities that will create jobs.

Lines of Credit
A revolving account that is continuous in its nature. The funds are available as draw downs against the total line. These types of accounts are most commonly secured with accounts receivable and inventory as collateral.

This book covers the major types of business financing. There are numerous creative ways to finance your business. If one of those comes your way take a moment to investigate it. You can never know too much about how to capitalize your business.

***"Even if you're on the right track,
you'll get run over if you just sit there."***
Will Rogers

14. *Find Your Funding Source*

America's Business Funding Directory

The **Internet's First Business Capital Search Engine** Connecting entrepreneurs who are searching for capital, directly to Funding Sources with capital available to place. That's really the whole point, isn't it? This service is designed to match your specific funding request with the lending or investing criteria of thousands of Funding Sources nationwide. http://www.businessfinance.com

It is far better to go directly to a Funding Source whose criteria you already match, then to try to make your request match what they do. Don't waste your valuable time talking to sources who can't help you. Get your request in front of those Funding Sources that are pre-qualified to match your specific funding request.

This service is provided by Business Funding Services, Inc.. It contains the criteria of Funding Sources world wide, with entries from every type of funding category listed in the previous chapter and the service is ***FREE***.

Remember that Funding Sources come and go, and along the way they change what they are looking for. Printed material tends to get out of date. That's why you should use **America's Business Funding Directory** to locate business capital funding sources that match your specific request for capital.

Venture Capital

Investments are normally more than $500,000 placed in industries and businesses that exhibit extremely high growth potential. If you fit the profile, we have categorized almost a thousand of these companies.

Commercial Finance

Commercial Lending is normally renewable short term loans to finance the working capital needs of a business. Qualifying for this type of capital typically involves the pledging of some form of asset or equity. Take a look, you may have assets you never thought of!

Investment Funds

We have listed many sources for Investment in you business. If you are searching for equity capital or some type of offering, it can be found in the directory.

Equipment Finance

Is equipment acquisition a major part of your need for business capital? All the equipment finance and leasing sources you will ever need are in the directory.

Government Funds

Our Government is one of the major sources of small business capital. We have listed those Funding Sources that are outlets for U.S. Government programs.

Real Estate Finance

Need Funding for a Real Estate project? You can find Funding Sources for every type of real estate project under the sun.

How Do I Use The Directory?

Get to the Internet. If you don't have a computer, visit your local computer store and ask for help. Try your local Chamber of Commerce.. Some libraries have Internet connections. Your local college or university may be able to assist you. Once you have the access the directory's Internet address is **http://www.businessfinance.com**

To Receive More Information

- Visit the Internet Website at "http://www.businessfinance.com"
- E-mail to corey@businessfinance.com
- Call 909-735-7889

"Being a good entrepreneur is not knowing everything, it's knowing where to find everything."

15. *The Internet Factor*

If you aren't already on-line, get there. A wealth of the world's information is available at the click of a mouse. The Internet is expanding by quantum leaps everyday. There has never been anything like it. The opportunity to do business and locate customers here is worldwide.

If your company isn't on the Internet, you are already behind your competition. Pick up one of a dozen magazines for the Internet. Most of these publications will tell you how to get a "Web Site" for your company. It should cost you around a $1,000 in total for very basic design work or $5,000 to $50,000 for complicated work. Select an Internet service provider that will bill you a flat rate, typically no more than $19.95 per month. Your home page (or website) address on somebody else's server unit should cost no more than a couple of hundred dollars per month. This is the fastest growing media the world has ever seen, don't be left behind.

If you want the benefit of some free Internet advice, send me an e-mail at "**corey@businessfinance.com**" or call me at 909-735-7889. I will be happy to point you in the right direction.

"America's Business Funding Directory" is available on-line at Internet address "**http://www.businessfinance.com**" Drop in and submit your funding request. Not only are you given specific Funding Source matches, but a summary of your funding request may be posted for the world to see, for thirty days!

America's Business Funding Directory also contains a valuable index to hundreds of Internet sites that are available to post or advertise your company's product, service or funding request. Most of these sites are free or for a very low cost. If you need more information about promoting your business on the Internet visit **http://www.businessfinance.com/busres.asp**. This unique Internet resource may help you expand your business fast.

Lastly, I also strongly recommend that you use a professional software package to actually write your business plan like Adams Streetwise's "Complete Business Plan" or Palo Alto Software's Business PlanPro available here at the lowest price anywhere: http://www.businessfinance.com/bplan.asp

"Looking for money is like searching for the Holy Grail. It would be easier if someone just told you where it was."

16. *Negotiating Your Deal*

First learn to say **NO**. Now you're ready to negotiate. Most Entrepreneurs approach the issue of negotiating with great stress and anxiety. This leads directly to weak negotiations or becoming defensive about being asked too many questions. Either way, you lose! In order to avoid this happening to you, please go back to chapter eight "Terms" and make sure you have clearly defined what you are looking for before the negotiations begin. Then…

- Determine which points are worth fighting for.
- Express your objections and questions to any point.
- Get it in writing, leave nothing to verbal agreements.
- Subject everything to your long range goals.
- Pay close attention to what triggers default.
- Establish ceilings and caps. You don't want to be stuck paying huge payments if rates go up.
- Plan for the downside. Attempt to have an "interest only" clause or "skip payment" provision in the event of slow downs.
- Look for no pre-payment penalty or the right to buy back your stock at a fixed price.
- Pay attention to covenants, conditions, ratios, restrictions or other clauses which can have serious long term effects.
- Try to minimize pledging collateral. You may need those assets in the future to raise additional capital.
- Seek professional counsel before you sign anything. Lawyers and accountants may not help you fund your deal, but they can help you spot the small details that may burden you down the road.

Close

This is a good place to do just that. Remember you are out there selling yourself and your company. Be a closer! Only accept "No", as being one step nearer to **"Yes"**. I hope the material presented here will help you plan for your success and locate the funding that every business needs. Good luck, in your search for funding!

"I cannot give you a formula for success,
but I can give you the formula for failure:
try to please everybody."

I wish you the best of success.

J. Corey Pierce