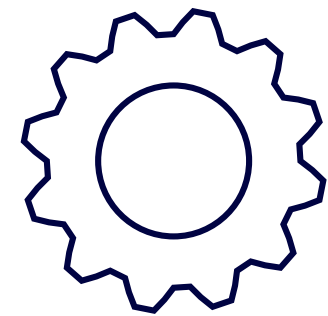


Which Type of Capital?



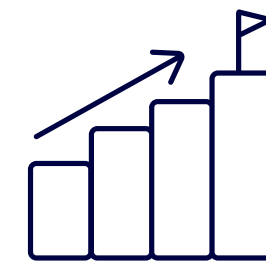
Ideation/ R&D
Non-Dilutive



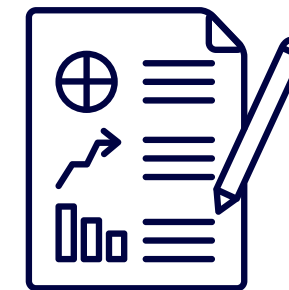
Product Development
Non-Dilutive



Distribution/
Marketing
Dilutive



Scaled Growth
Dilutive



Ongoing Expenses
Non-Dilutive



Non-Dilutive Capital

Any **money** that is
given **without**
company **ownership**

Non-Dilutive Capital

The most **common** types in
availability and access

LOANS

Require collateral, credit, and payback

GRANTS

Require extensive applications and
reporting

TYPES OF GRANTS

- Technology Transfer Office: Research
- University Grants: Translational
- Federal Grants: SBIR/ STTR
- State Grants: Phase 0

Non-Dilutive Capital

Other types of **less commonly**
known and accessed capital

LICENSING

3rd party validation, distribution,
and source of early revenue

ROYALTY FINANCING

Individual or company investor
takes a percentage revenue

VOUCHERS

Government assistance

CROWDFUNDING

Kickstart campaigns

SBIR/STTR

- Research to commercialization gap
- 11/5 participating federal institutions
- Agency-specific application
- R&D, technology development



Phases and Support

- Phase I: technical merit, feasibility, commercialization potential (150k cap)
- Phase II: R&D (1mm cap)
- Phase III: commercialization (non-STTR, government contracts)
- Phase 0: commercial viability, market research (supporting state funding)



Dilutive Capital

Any **money** that is given
in exchange for some
company **ownership**



Dilutive Capital

The most **common** types and structural differences

INDIVIDUAL ANGELS

- Single or spouse checks
- Special purpose vehicles
- Family offices

ANGEL GROUPS

- Collective model
- Regional or industry focus
- Volunteer operations

VENTURE CAPITAL

- Professional managed funds
- Stage specific with some cause focus
- Links to private equity and follow-on funds

Motivations of Dilutive Capital

INDIVIDUAL ANGELS

- Personal investment
- Belief in founder
- Ecosystem builder
- Impact focused
- Limited follow-on

ANGEL GROUPS

- Collective model
- Sector focus
- Geographic focus
- Market returns for personal portfolio

VENTURE CAPITAL

- High contract value vs. volume based-businesses
- Metric driven (CAC, CLTV, Conversion %)
- Portfolio composition