

## Looking For Funding? (*Entrepreneur Magazine* – March 19, 2001)

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A great source for finding funding for your growing firm is a venture forum. A typical venue will bring together 150 to 500 people interested in talking about start-up business plans, strategic partnerships, funding ideas, managerial talent, technology transfer and referrals to any of the previous. Business cards are exchanged throughout the event, phone numbers noted, contacts made and follow-up appointments scheduled.

Venture forums take place across the United States on a monthly basis. In California, for instance, there are seven "must see" forums to attend each year between San Diego and the San Francisco Bay area. The typical arrangement pairs a local college or university with sponsors from eight to 10 small-business consulting organizations, merchant banks, venture capital groups and small-business development agencies, as well as a Big Five accounting firm and perhaps a securities underwriter.

Here's how a typical venture forum goes: Each May, my school, Westmont College in Santa Barbara, California, co-sponsors the Central Coast Venture Forum along with Silicon Valley Bank, PricewaterhouseCoopers and Southern California Edison. More than 100 invited--as well as unsolicited--business plans make it to the selection committee during the five- to six-month screening process that begins the previous fall. The 24 best companies are then showcased at the one-day forum.

The morning typically starts with several panels of experts in finance, marketing and operations discussing growth strategies. The program notes all those in attendance (the real money), what types of business

opportunities they're looking for and how to be sure your firm is "deal-ready;" the two dozen emerging-growth companies are also summarized in the program prospectus. After the opening panels, the entrepreneurs from the top 10 firms get to tell their stories during plenary sessions in the main conference hall. They present their growth potentials and capital needs while the audience busily takes notes.

At lunch, personal introductions occur, further discussions ensue and initial relationships are forged. After that, founding entrepreneurs and senior managers set up their firms' pitches to investors in separate "break-out" rooms throughout the conference center and spend the rest of the afternoon answering questions and interacting with serious investors who want more company information.

Even if you're not selected for a formal presentation at a venture forum, you should still show up with plenty of copies of the executive summary from your business plan. A typical venture forum involves about seven hours of networking, referrals, pagers, cell phones, PCs and impromptu conferences in the hallways and at lunch, so be ready to tell the short version of your company's story, plans for growth and the investment opportunity.

Many funding deals are set in motion (and some are even agreed to in principle) on the day of the forum. Some investors may be ready to shake on a deal's basic concept and then schedule follow-up meetings.

Regular attendance at the top venture forums is a great way to regularly seek active investors. If you're looking for growth capital, a \$100 to \$400 entry fee and seven hours of your time is by far one of the best investments you can make in your company.