

Extension Activity 6

Investigating Funding Sources

Instructions

In Project 21, you created a schedule of startup funds for your new business. As an aspiring business owner, you will most likely consider a variety of funding sources before determining the best option to support your startup needs. In the space below, provide your business name and describe the product or service you will offer to customers, then complete the activity to consider your funding options.

Activity

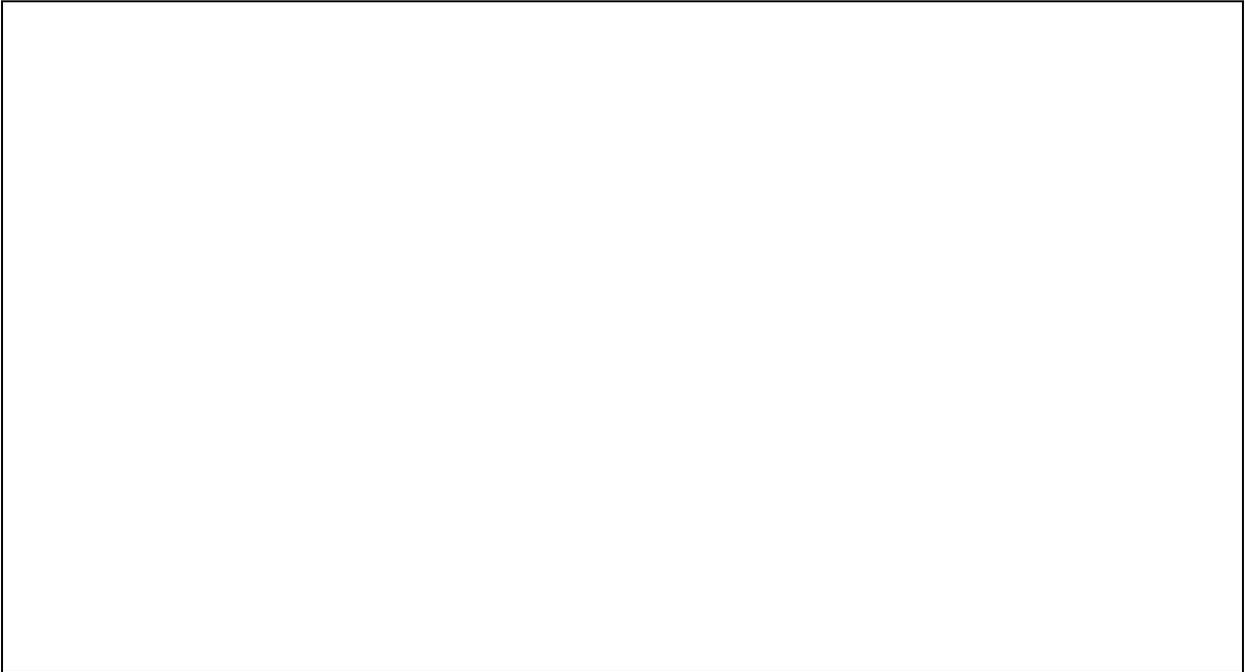
Using your own knowledge, the Internet, and a word processing or spreadsheet program, create a table in which you list, define, and outline the advantages and disadvantages of each of the following funding options:

- Equity Financing
- Debt Financing
- Personal Savings
- Partnerships
- Angel Investors
- Venture Capitalists

Save the document as “Funding Sources.”

1. Using the information you included on your table, select a funding source you would prefer to use to fund your new business and explain why. _____

2. Using the internet, research and list the reasons why an investor may choose to invest in a new business.



3. Using the internet, identify and list reasons why investors choose **not** to invest in a new business.

