



Fundraising tips for ag entrepreneurs.



Attracting investor attention – perspectives from one who did.



Joel Harris is executive director of the Ag Startup Engine and CEO of Genvax Technologies. As a startup founder, investor and advisor, Joel shares insightful perspectives for startups looking to raise funds in today's environment.

1 Know what you want your company to be.

You need a clear understanding of your products or technologies and, more importantly, the culture you want to build. As a founder, you likely own most of the company during the startup phase. As you move forward with fundraising, you need to decide how you want to work with investors, including level of equity, involvement, and influence.

2 Understand your options.

Options for funding startups are growing. Understand the types of funding available and appropriate for each phase of your business. Knowing the ins and outs of funding – from friends and family, angel investors and venture capitalists, to pitch competitions, accelerators and crowdfunding campaigns – will help direct your fundraising efforts. For each investment option, take time to understand the funder's expectations for a return, including timeline and other terms.

3 Do your due diligence.

Just as a potential investor will be researching you, you need to learn about them. It is a good investment of your time to learn what companies they are funding and the industries on which they focus. Reaching out to companies in which a potential funder is currently investing can provide valuable information.

4 Create a process.

I've been impressed with Ag Startup Engine companies that have approached fundraising like a sales process by creating an "investor relationship management tool" (i.e., spreadsheet, Airtable, or other CRM system) to identify and track potential investors. Fundraising is a significant time investment; the more time you spend raising funds, the less you have for running your business and managing your team. Venture capitalists have detailed processes to look at the hundreds or thousands of possible investments each year, so you need your own process to be more efficient and focused.

5 Keep refining your pitch.

Every pitch should include the basics such as the value proposition, who benefits, what traction you have to date, and how funding will be used. Be willing to take feedback from each pitch and tweak your presentation – from adding information to simply changing the order of slides. It should be constantly evolving. Also, tailor your pitch to your audience. Consider how much technical knowledge they have about your product or industry.

The Iowa Advantage

Iowa's entrepreneurial ecosystem continues to grow. Today, there are more resources than ever to help founders at every stage of their business:

- Student entrepreneurship programs at Iowa State University
- Resources from the Iowa Economic Development Authority & Iowa Small Business Corporation
- Accelerators, incubators, and the Ag Startup Engine

To learn more, go to cultivationcorridor.org or agstartupengine.com