



# 3 Kitchens

Volunteer • Seek Employment • Become an Entrepreneur

## STEP 4

# FINANCES AND FUNDING YOUR FOOD START-UP



[www.3kitchens.eu](http://www.3kitchens.eu)



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- 01 Is your business viable?
- 02 What financial resources do you need to start up?
- 03 Where can you find support?
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  - More complex food start-up businesses
- 04 Overcoming a 'NO' when seeking funding

**NOTE-** This step may feel long and detailed, because it has to be. There are no shortcuts when it comes to finances.

- If you don't know your costs, you can't price your food products or services properly.
- If you don't manage your cash flow, you risk running out of money
- If you don't understand funding options, you may miss out on support that's available to you.

This module will demystify financial planning and funding for our 3 Kitchens food start-ups. Whether you need €500 or €50,000, this step helps you figure out **how much, what for, and where to get it.**

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# Learning Objectives – Step 4: Finances And Funding Your Start Up

By the end of Step 4, you will be able to:

By the end of this step, you will be able to:

1. **Evaluate the financial viability of your food business** by understanding costs, pricing, and potential for profit
2. **Accurately calculate start-up, operational, and product costs**, and use this to price effectively and plan for sustainability.
3. **Develop a simple but effective cash flow forecast** to manage income, expenses, and working capital needs
4. **Explore and compare funding options**, including grants, microfinance, crowdfunding, and private investment , and understand which suits your stage and goals
5. **Respond constructively to funding rejections** by learning from feedback, adapting your approach, and strengthening future applications.

# 01

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## IS YOUR BUSINESS GOING TO BE VIABLE?

# PLAN FOR GROWTH

You have a great idea for a food business, you have researched the market, are happy it has potential, and you have the support of those around you.

Before you invest your time, energy and resources, you need to figure out whether it's a viable business venture. Viability measures your business's ability to start, grow and survive.

*Can you make a profit  
at a price that your  
customers will be  
happy to pay for?*

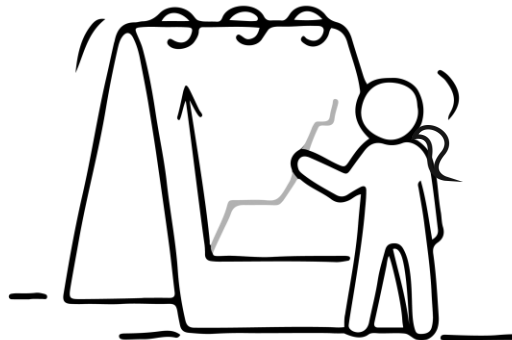
# PRICING, COSTS AND MAKING A PROFIT

## - HOW TO SET YOUR PRICE?

**There are 3 key factors you need to consider..**

1. There must be a clear need for your food product or service (or you must create one). This is the **OPPORTUNITY**.
2. That need must have sufficient potential to create a **DEMAND**.
3. There should be sufficient **€€ REWARD €€** within your idea to be able to support your business needs

*Many businesses fail (and fail quickly) because they have not determined or miscalculated the **REWARD** aspect of their business proposition*

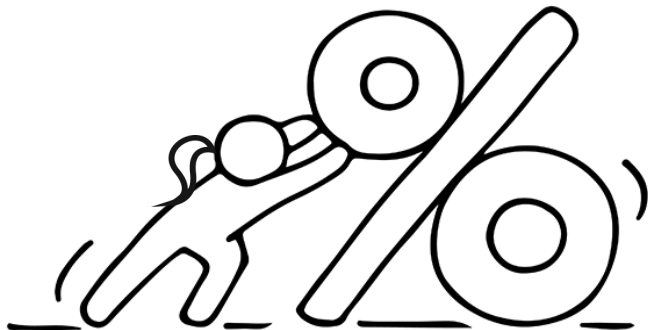


# IS YOUR BUSINESS GOING TO BE VIABLE ?

Without truly knowing your costs, you cannot know if you are going to make a profit or not. Many start up entrepreneur's mistake turnover for profit.

**Let's be clear...**

- **Cost** – the amount it takes for you to produce the product or service for sale
- **Price** is the selling price per unit customers pay for your product or service. So, when customers ask, "How much does it cost," your answer is your price.
- **Turnover** is the amount of money you take into the business (generated by sales)
- **Profit** is what is left when you have covered all your costs



# COSTS

The cost is a **monetary valuation that needs to reflect and reward your**

1. Effort
2. Materials
3. Resources
4. Time and utilities consumed
5. Risks incurred and opportunity forgone (if you were employed elsewhere how much would you have earned?)

**The purpose of costing is threefold**

1. Is to control cost
2. To fix your price
3. To identify your most profitable sales



# THE 3 ELEMENTS OF COSTS

Working out costs for a physical food product is straightforward. Your cost is the amount of expenditure it takes to make a product. It includes **3 elements**:

1. **The cost of your materials** including packaging
2. **Labour** – the cost of your time (or others) in making and selling the item
3. **Overheads** – the costs of being in business – e.g. rent, transport, marketing costs

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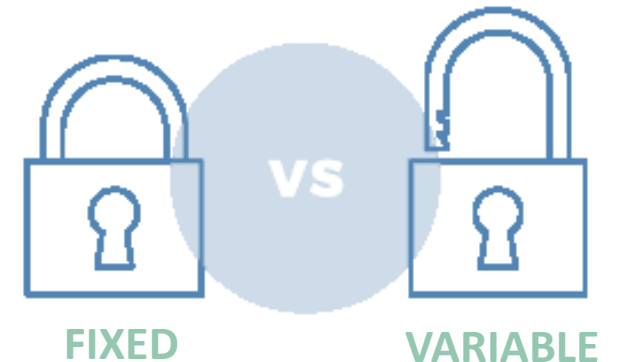
**MATERIALS + LABOUR + OVERHEADS**

# TYPES OF COSTS

**Fixed:** Fixed costs remain the same, no matter how much you produce e.g. rent, loans on equipment.

**Variable:** Variable costs relate to the amount of goods or services you produce. They are directly linked with changes in activity e.g. materials, stock, packaging, utilities. The more you sell, your variable costs increase. For example, you produce preserves/jams at a cost of €2 a pot. If you produce 500 units, your variable cost will be €1,000.

***Backed to fixed costs, -f your rent is €100 per month, then that does not change if you sell 10 pots of jam or 1,000 pots.***



# PRICING AND MAKING A PROFIT

- Pricing your product or service is one of the most important business decisions you will make.
- You must offer your products for a price your target market is willing to pay—and one that produces a profit for you—or you won't be in business for long!
- Your pricing must take into account your costs, but it also needs to consider the effects of competition and the customer's perception of value.
- **Bundle** - Combining products and services can be a way of increasing the up-front price (and therefore profit) by offering added value that costs you nothing in the short term. Let's look at an example ...

# EXAMPLE OF BUNDLING

A plant-based food entrepreneur offers a **Meal Prep Starter Bundle** for new customers. Instead of just selling individual ready-to-eat meals, they create a value-packed bundle:

- 3 ready-made meals (customer's choice)
- 1 bonus healthy snack (low-cost for business, high perceived value)
- Digital meal planning guide (PDF, created once, costs nothing to distribute)
- Free 15-minute consultation with a nutrition coach (virtual, scheduled during slow periods)

## Bundle Price:

- **If purchased separately, the price of individual items is €45**
- **Bundle price: €60+**

## Why This Works:

- Perceived value is high due to the added bonus and exclusive content.
- Costs are controlled as the guide and consultation cost little to nothing to produce
- Increased profit margin per sale, while also boosting customer loyalty and encouraging future purchases.

# THERE ARE 2 MAIN WAYS OF COSTING/PRICING

01

**TOTAL COST  
APPROACH**

02

**CONTRIBUTION  
APPROACH**



# THERE ARE 2 MAIN WAYS OF COSTING/PRICING

01

## TOTAL COST APPROACH

- Calculate all costs for a product
- Determine number of units - how many can you make and, importantly, how many can you sell (there is a difference!)
- Divide total costs by number of units
- Add profit figure - the magic number generating the price to customer

### Advantages

- Simple to operate
- Ensures you make a profit

### Disadvantages

- Not suitable for fluctuating businesses (and cost of food ingredients comes into play here)
- Lacks flexibility for new business decision making

# THERE ARE 2 MAIN WAYS OF COSTING/PRICING

01

## TOTAL COST APPROACH EXAMPLE

- Total cost, including all fixed and variable costs to run my preserve/jam business for 1 year is **€10,000**
- I forecast I can sell **10,000** pots (units)
- I want to make a profit of **40 %**
- Price quoted to customer is **€1.40** per unit

***€10,000 divided by 10,000 pots  
= €1 per pot***

***Add profit 40% - €0.40***

***Price €1.40***

# THERE ARE 2 MAIN WAYS OF COSTING/PRICING

01

## WHAT IS BREAK-EVEN?

### Calculate Breakeven

To be profitable in business, it is important to know what your break-even point is. Your break-even point is the point at which total sales equals total costs or expenses. At this point, there is no profit or loss - in other words, you 'break even'.

### Why your break-even point is important?

Your business could be turning over a lot of money but still be making a loss. Knowing the break-even point is vital in deciding prices, setting sales budgets and preparing a business plan.

*The second costing method (Contribution Approach) is a better reflection of break even.*



# THERE ARE 2 MAIN WAYS OF COSTING/PRICING

## 02

## CONTRIBUTION APPROACH

- Determine Selling Price – influenced by the marketplace e.g. what the customer will pay + what competition are charging
- Split Costs into Variable and Fixed
- Calculate “Contribution” - selling price less variable costs.

### Example

- Our competitors sell their jam for €2.50 and customers seem happy to pay this price
- Our variable costs to produce the jam is €0.75
- Therefore, the contribution is €1.25, which is used to pay off our fixed costs (rent, etc.), and once the fixed costs have been paid in full, the contribution balance is profit.

# 4 THINGS TO KNOW IN PRICING

*There are some key considerations when pricing.*

*Make sure to...*

- 1. Be vigilant about the time it takes**  
Track your time over weeks/months to find out the average amount of time it actually takes to create your food product or provide your main services that you offer. In time, you will get quicker and better at what you do. You do need to know how much time you spend on a particular task to ensure that all of your work time is accounted for. Your hourly rate is very important for estimating purposes.
- 2. What is your client's/customer's budget range, and what are your competitors charging?**  
You need to know what your competitors are charging.

# 4 THINGS TO KNOW IN PRICING

*There are some key considerations when pricing.*

*Make sure to...*

## 3. **Pay Yourself A Salary**

Starting and running your own food business is such a powerful feeling. However, it is very important to separate your personal and business finances. It is wise to pay yourself a salary. Just to be clear, your salary as the business owner may or may not be fixed. But include a fixed labour cost in your costings - even if you start with minimum cost rate. In practice, in the early days, a good method is to pay yourself a portion of the profits you make in a month (commission basis).

## 4. **Keep clear records** of all your incomings and outgoings on a daily basis relating to your business. You need these to be in control of your business and check that you're covering all your bills

# 02

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## WHAT FINANCIAL RESOURCES DO YOU NEED TO START UP?

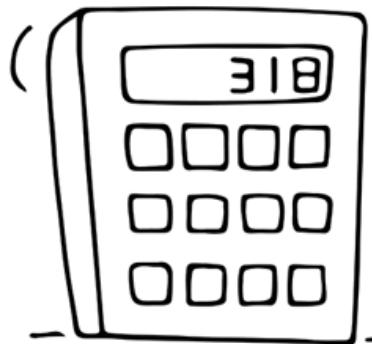
# THE 4 AREAS OF YOUR FOOD BUSINESS THAT YOU NEED FUNDING FOR

While many food businesses can be started on a shoestring, it is almost impossible to start a business with zero budget.

You must establish what funds you need to start your food business and how you will raise those funds.

**Basically, you need money for 4 key phases...**

1. The initial development of your food product or service
2. The market launch of your food product or service
3. Cashflow to run your food business
4. Funding for you to live !



# FUNDING NEEDED FOR 4 KEY PHASES

01

**COST OF  
DEVELOPMENT**

02

**THE MARKET  
LAUNCH OF  
YOUR FOOD  
PRODUCT OR  
SERVICE**

03

**CASHFLOW  
TO RUN YOUR  
FOOD  
BUSINESS**

04

**FUNDING  
FOR YOU  
TO LIVE!**

# FUNDING NEEDED FOR 4 KEY PHASES

01

## COST OF DEVELOPMENT

The cost of developing your food product or service will vary according to your business type. For physical products, you need to factor in the cost of samples and trial and error, external testing for shelf life, nutrition claims, etc, purchasing equipment and materials, developing initial stock for sale, packaging, and branding.

If you need a physical premises, you need to factor in the cost of the deposit, monthly rent/lease and fit-out costs. Before committing to physical premises, consider what you need. You need space for 3 activities – production/service delivery, storage and administration. The amount of space you need will depend on your food product type (high risk or low risk food production or catering). If you are setting up from home, be realistic about what you can achieve in a small space.

# FUNDING NEEDED FOR 4 KEY PHASES

02

## THE MARKET LAUNCH OF YOUR FOOD PRODUCT OR SERVICE

Launching a new food product/service into the market can be the beginning of an exciting phase... or an expensive experience. As in many aspects of the food business, preparation is key to success.

You need to balance the need to create a feeling of expectation and excitement for your project launch, starting weeks or even months in advance, with being as cost-effective as possible. Be as creative as possible and spend time in getting your sales messages right to be as compelling as possible.

Set out a budget and stick to it.



# FUNDING NEEDED FOR 4 KEY PHASES

03

## CASHFLOW TO RUN YOUR BUSINESS

Keeping a healthy cash flow going is vital for your business start-up. 'Cash is King or Queen!' as the dangers of running short of cash are very real for most start up businesses.

*A basic cash flow forecast will help you identify where your food business is going to need support, either from your own resources or from another source of finance (see next section).*

Forecasting cashflow is about educated guesswork, and it is very important to gather evidence to support the numbers you calculate.

# FUNDING NEEDED FOR 4 KEY PHASES

03

## CASHFLOW TO RUN YOUR BUSINESS – SOME TIPS

- Talk to potential customers and find out what their requirements are. In some cases, you can pre-sell/collect orders in advance.
- **Pre-selling** - Customers will sometimes pre-order, at a preferential rate, buying (and sometimes even paying) in advance in order to ensure that they have your food product when they want it. Catering an event is a great example – you **MUST** collect a deposit for your own security and cash flow.



### Exercise

Draw up a simple cash flow forecast on a monthly spreadsheet

Show how much you expect to collect from sales (your debtors) based on your sales forecast), how much it costs to support the sales, and all the fixed costs needed to run the food business (rent, utility bills, wages, insurance etc). See next page ....

# FUNDING NEEDED FOR 4 KEY PHASES

## CASHFLOW, an example – pots of jam



### Exercise



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Double click on this Excel icon to download and save a template you can use.

Month	Expected Sales	Cash Collected	Cost of Goods Sold	Fixed Costs	Net Cash Flow
January	2000	1800	600	1500	-300
February	2200	2100	660	1500	-60
March	2500	2300	750	1500	50
April	2700	2500	810	1500	190
May	3000	2800	900	1500	400
June	3200	3000	960	1500	540
July	3100	2900	930	1500	470
August	2900	2700	870	1500	330
September	2800	2600	840	1500	260
October	2600	2400	780	1500	120
November	2300	2100	690	1500	-90
December	2100	2000	630	1500	-130

**What this table shows:** For each **month**, the jam business tracks:

- **Expected Sales** – total forecasted sales (may not all be collected right away).
- **Cash Collected** – actual income received that month (from current or previous sales).
- **Cost of Goods Sold (COGS)** – variable costs linked to the volume of production (ingredients, jars, labels).
- **Fixed Costs** – ongoing expenses like rent, insurance, and utilities (here: €1500/month).
- **Net Cash Flow** – what's left after subtracting COGS and fixed costs from cash collected.

# MONTHLY BREAKDOWN FOR OUR JAM BUSINESS

## January

Expected sales: €2000, but only €1800 collected.  
High costs: €600 (COGS) + €1500 = €2100 total expenses.

➤ **Net Cash Flow: -€300** (running loss this month).

## February

Sales slightly increase; cash collected is €2100.

➤ Still **-€60**, but better than January, approaching breakeven.

## March

Continued sales growth: €2300 collected.  
COGS is €750 (higher because of more production).

➤ Finally, **€50 positive cash flow** – the business starts to turn a profit.

## April to July

Consistent improvement: higher sales and efficient operations.

Best month: **June** with €3000 collected, costs of €2460.

➤ **Net Cash Flow: €540** in June – a healthy margin.

## August to October

Slight seasonal decline, but still profitable.

Business is stable and generating **positive cash flow** (e.g., €330 in August).

## November and December

Lower demand? Sales drop.

Cash collected dips below costs again.

➤ **Negative cash flow returns:** -€90 and -€130 respectively.

# WHAT SHOULD OUR JAM BUSINESS PLAN FOR?

## 1. Plan for the Cash Flow Lag

Even if sales look good on paper, cash doesn't always arrive right away.

### Actions:

- Create a cash reserve (savings buffer) to cover 1–3 months of expenses.
- Offer early payment incentives or discounts to speed up cash inflow.
- Consider short-term financing (like a line of credit or microloan) to cover low-cash periods

## 2. Understand & Monitor Fixed Costs

Fixed costs stay the same even if you sell nothing. They're the biggest threat in slow months.

### Actions:

- Review all fixed costs and cut unnecessary overhead (e.g., shared kitchen instead of private space).
- Where possible, convert fixed to variable (e.g., pay-per-use services, hourly staff instead of salaried).
- Build your pricing to ensure you cover fixed costs even during average sales months.

# WHAT SHOULD OUR JAM BUSINESS PLAN FOR?

## 3. Prepare for Seasonality

Sales drop in certain months (like December for the jam business – example only).

### Actions:

- Use profits made in Quarters 2 and 3 to stockpile cash for Q4
- .Launch seasonal promotions or gift products to boost winter sales.
- Diversify your offer, e.g., if jam slows in winter, offer hot sauces or baked goods.

## 4. Track Cash Flow Monthly

Without regular monitoring, problems pile up. You have to be very strict from the beginning.

### Actions:

Use a simple spreadsheet or free accounting software (e.g. Wave Accounting

<https://www.waveapps.com>) to

- Track monthly cash in/out.
- Review it at the end of every month to spot trends or issues early.
- Adjust forecasts if sales slow or costs rise.

# FUNDING NEEDED FOR 4 KEY PHASES

03

## CASHFLOW TO RUN YOUR BUSINESS – SOME TIPS

### The Management of Stock

Basic principle - Keep stocks as low as possible. you must justify higher stock holding against the cost attaching.



### Risks of over-stocking

- Inefficient use of cash
- Risk of obsolescence/ deterioration
- You may have to discount to clear

### Risks of under-stocking

- High delivery costs of frequent restocking
- Not qualifying for bulk discounts
- Lost orders, delayed production awaiting stocks

# MONTHLY BREAKDOWN FOR OUR CATERING BUSINESS

## CASHFLOW, an example – catering business



### Exercise

Month	Expected Sales	Deposits Collected	Remaining Payments Collected	Cost of Goods Sold (COGS)	Fixed Costs	Cash Collected from Debtors	Net Cash Flow
January	5000	1500	3000	2000	2500	4500	0
February	5500	1650	3300	2200	2500	4950	250
March	6000	1800	3600	2400	2500	5400	500
April	6500	1950	3900	2600	2500	5850	750
May	7000	2100	4200	2800	2500	6300	1000
June	7500	2250	4500	3000	2500	6750	1250
July	7200	2160	4320	2880	2500	6480	1100
August	6900	2070	4140	2760	2500	6210	950
September	6700	2010	4020	2680	2500	6030	850
October	6400	1920	3840	2560	2500	5760	700
November	6100	1830	3660	2440	2500	5490	550
December	5800	1740	3480	2320	2500	5220	400



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Double click on  
this Excel icon to  
download and  
save a template  
you can use.

**What this table shows:** For each **month**, the catering business tracks:

- **Expected Sales** – the total value of bookings for that month.
- **Deposits Collected** – upfront payments to secure future events (partial sales).
- **Remaining Payments Collected** – balance payments after the service is delivered.
- **Cost of Goods Sold (COGS)** – direct costs for delivering events (food, staff, equipment).
- **Fixed Costs** – ongoing monthly expenses (rent, insurance, salaries, etc.).
- **Cash Collected from Debtors** – total cash in hand for the month (deposits + remaining payments).
- **Net Cash Flow** – surplus or deficit after covering COGS and fixed costs.



# MONTHLY BREAKDOWN FOR OUR CATERING BUSINESS

## January

Cash collected: €4500

Total costs: €2000 (COGS) + €2500 = €4500

➤ **Net Cash Flow: €0** – breakeven, likely from lower bookings after holidays.

## February

Stronger bookings: €4950 cash collected.

Lower costs than income.

➤ **Net Cash Flow: €250**

## March to June

Revenue and collections climb steadily.

Best month: **June**, collecting €6750 and earning a **net €1250**.

Shows growth and possibly peak event season.

## July to September

Slight decline but still strong performance.

Costs remain stable.

➤ Monthly net cash flows from **€1100 to €850, healthy and consistent.**

## October to December

Gradual decrease in both deposit collections and profitability.

December finishes with **€400** net – likely fewer events around the holidays – or it could be more, plan accordingly.

➤ But still positive, which is a good sign of cash flow management.

# WHAT SHOULD OUR CATERING BUSINESS PLAN FOR?

In addition to the tips for the jam business, some catering-specific tips..

- **Deposits help smooth income:** Even if an event isn't until next month, the deposit today brings in cash now, which is critical for managing working capital.
- **Stabilise fixed costs:** when the business knows its overheads and can predict break-even levels. Of course, reduce these where you can.
- **Peak seasons** bring high cash flow – plan for quiet months by saving or diversifying.
- **Strive to be positive every month** – shows strong financial control and strategic deposit use. This takes time to achieve.

# FUNDING NEEDED FOR 4 KEY PHASES

03

## CASHFLOW TO RUN YOUR BUSINESS – SOME TIPS

- Carefully monitor all expenditure and be as frugal as possible. Reduce monthly expenditure - buy supplies in bulk to get a discount, rent smaller premises, switch utility companies
- Collect payment from customers more quickly (perhaps give a % discount to incentivize this).
- When cash is running low, you must look closely at how to release slow-moving stock and convert it into cash. How do you reduce stock so that you are running lean and mean without jeopardising future sales by being under-stocked? This is so important in a food business.

# FUNDING NEEDED FOR 4 KEY PHASES

03

## CASHFLOW TO RUN YOUR BUSINESS – SOME TIPS

### The Management of Stock

Basic principle - Keep stocks as low as possible. you must justify higher stock holding against the cost attaching.



### Risks of over-stocking

- Inefficient use of cash
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### Risks of under-stocking

- High delivery costs of frequent restocking
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- Lost orders, delayed production awaiting stocks

# FUNDING NEEDED FOR 4 KEY PHASES

03

## CASHFLOW TO RUN YOUR BUSINESS – SOME TIPS .....

### Introduce a stock management system

Effective stock control helps reduce waste and improve profit margins, very important for perishable ingredients.

- **Track inventory:** Use a spreadsheet or simple stock app to monitor ingredient levels (flour, spices, jars, packaging).
- **Assign value:** Attach a € value to each stock item—know what's tied up in unused ingredients.
- **Watch expiry dates:** Rotate stock using FIFO (First In, First Out) to avoid spoilage.
- **Cut slow-movers:** Remove them from the menu.

### Credit Control

- Take maximum credit from suppliers
- Ensure your invoices are issued as they happen, do not wait until month end
- Try to keep your overdraft to a minimum
- Clearly state your terms & conditions including reservation of title (owning the goods until they are paid in full)

# FUNDING NEEDED FOR 4 KEY PHASES

04

## FUNDING FOR YOU TO LIVE!

Many women keep on a part time job in the early days of their food business start-up to provide a secure income stream. Having a part time job while starting your own business is a way of hedging your bets, granting you some guaranteed income as you work to develop your business. The most obvious drawback is the time it takes away from building your business



***NEXT ..Research and take advantage of any funding initiatives and government-funded support service for small businesses.***

# 03

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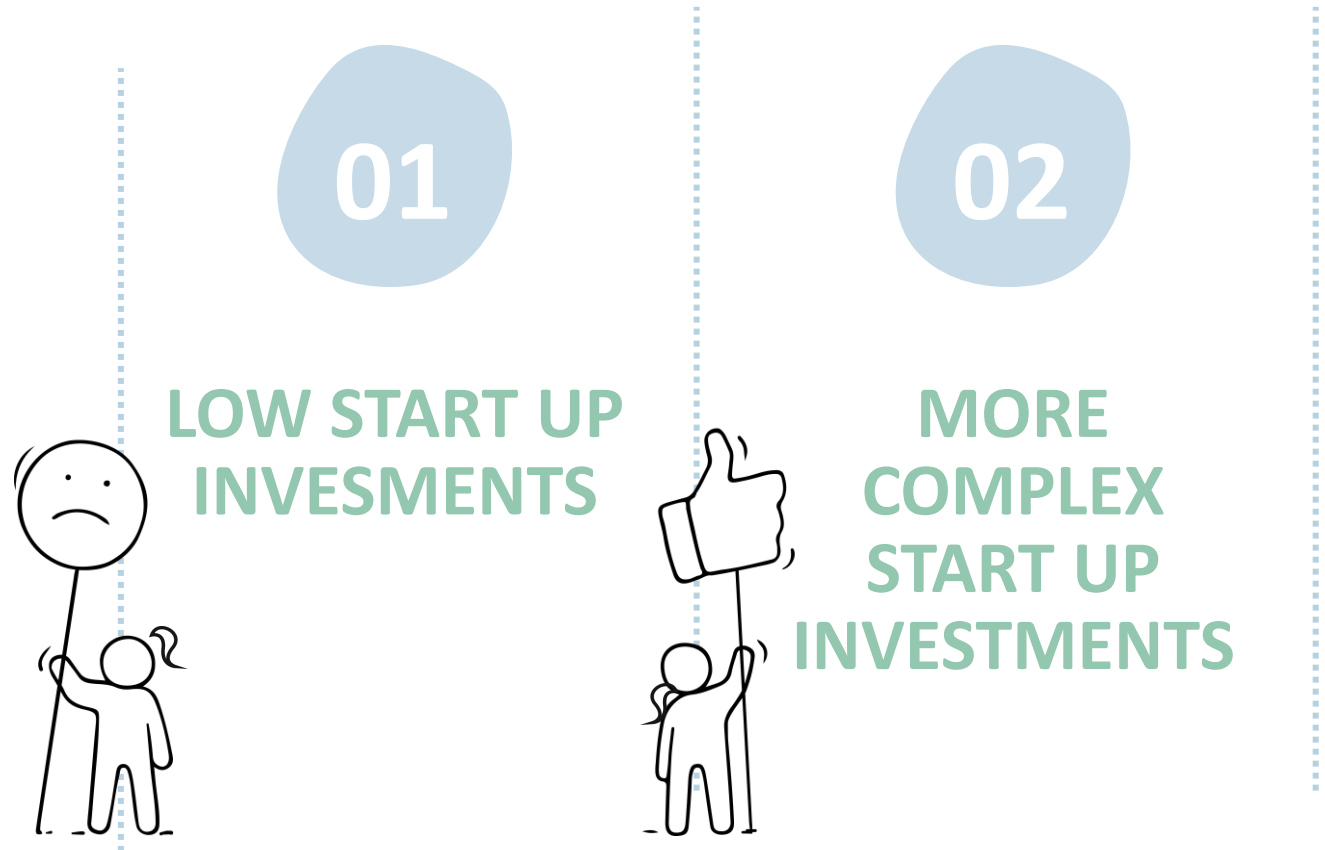
## WHERE CAN YOU FIND SUPPORT

# WHERE CAN YOU FIND SUPPORT

**Not all food businesses need the same kind of funding or support.**

Your business model, from homemade jam sold at markets to a professional kitchen catering events, will shape the best path forward.

This section is in **two parts**, depending on the **level of complexity** and **investment** your food start-up needs.





# THE CONTEXT

Starting a business represents a significant opportunity for women migrants or refugees. However, it is known that women still rely on personal savings as their main source of business funding.

So, this can be particularly difficult when you are rebuilding a life in a new country. For all women, regardless of background, there is a fear that they will be turned down or face difficulties when trying to obtain business credit and financing.

01

## LOW START UP INVESTMENTS

The good news for women business owners is that there is **a range of free and low-cost resources** available to help them overcome many of these challenges and succeed in business.

02

## MORE COMPLEX START UP INVESTMENTS

Many more options also that are available to pursue

# WHERE CAN YOU FIND SUPPORT

01

## LOW START UP INVESTMENTS - WHERE CAN YOU FIND SUPPORT?

Starting a small food business, like selling homemade products, catering from home, or testing recipes at local markets, doesn't always require a big loan. The good news for women entrepreneurs, especially migrants or refugees, is that many free and low-cost resources can help you begin with confidence, even if you're starting over or managing limited funds.

Traditionally, entrepreneurs would go to their bank to get a business loan. But typically, banks often require a long financial history or security, which most new founders, especially newcomers, don't have. Luckily, business owners have other options open to them. The key to success is knowing where to look. We will look at some of these options now.

For those women business founders with more complex financial needs, we also cover other sources.  
NOTE - all of the content that follows will increase your awareness of different funding mechanisms.

# WHERE CAN YOU FIND SUPPORT

01

## LOW START UP INVESTMENTS - WHERE CAN YOU FIND SUPPORT?

**In this section, we introduce you to**

- Private investment from friends and family
- Microcredit and microfinance loans
- Crowdfunding
- Grants



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS – Private Investment

**Private Investment** is often a good option for a new food business especially when you can show the potential for strong demand or growth. This type of support often comes not just with money, but with valuable advice, encouragement, or industry connections that traditional lenders don't typically offer. Many women begin close to home, turning to friends and family. While this can be a great way to get started, it's important to protect both your business and your relationships:

- **Keep it professional:** Always put agreements in writing, even with loved ones.
- **Set clear expectations:** Explain that start-ups carry risk, and there's a possibility they may not get their money back.
- **Treat it like a formal investment:** Share a simple business plan, agree on repayment terms (if any), and communicate regularly.

Remember: The goal is to build your dream without risking your most important personal connections.

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS – Private Investment

### **Different ways friends and family can support you:**

Friends and family don't always need to provide large sums of money. Support could also take the form of:

- Small seed funding (a few hundred euros to get started)
- Buying/pre-ordering your first products to test the market
- Offering equipment, space, or transport (e.g., using a home kitchen or borrowing a van)
- Skills support – maybe someone can help with accounting, design, or marketing

This normalizes non-cash contributions, which are often just as valuable for early-stage food businesses.



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS – Private Investment

### Tips for the conversation:

Approaching friends and family about money can be awkward. Do it professionally and respectfully. Here are some ideas

- Framing it as an opportunity, not a favour
- Being upfront about risk and timelines
- Offering a small thank-you bonus (like free product, future catering, or a set discount for ongoing purchases)



### Exercise

Download and complete our Friends & Family  
Funding Checklist

Double click icon  
to download



Microsoft Word  
Document

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - microcredit and microfinance

Microcredit and microfinance can be powerful tools for women starting small food businesses, especially if you don't qualify for traditional bank loans or lack a financial history in your new country.

### What's the Difference?

- **Microcredit:** Small loans (often €500–€25,000) usually offered without requiring collateral. These loans may be issued to individuals or groups. ideal for starting your food business, home catering, or first food stall.
- **Microfinance:** A broader system that includes loans, savings accounts, insurance, and sometimes business training. It's designed to help low-income entrepreneurs build sustainable businesses.

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - microcredit and microfinance

### **Why It's Useful for Food Start-Ups**

- Flexible terms tailored for new entrepreneurs
- Lower barriers to access — often no formal credit history needed
- Group lending options for women who want to start together or co-invest
- Extra support like business coaching, mentoring, or financial literacy training

### **What You'll Typically Need**

- A basic business plan
- Proof of residence and ID
- Description of how you'll use the loan (e.g., kitchen equipment, licenses, packaging)



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - microcredit and microfinance

### SWEDEN

#### ***Mikrofonden***

- A social finance network offering **loans and guarantees** for co-ops and social entrepreneurs.
- Supports small businesses that banks won't usually fund.
- Website: [www.mikrofonden.se](http://www.mikrofonden.se)

#### ***Almi Företagspartner***

- State-owned lender offering **loans, advice, and innovation support** for entrepreneurs.
- Often used by **migrant and women entrepreneurs**.
- Website: [www.almi.se](http://www.almi.se)

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - microcredit and microfinance

### FRANCE

#### ***ADIE (Association pour le Droit à l'Initiative Économique)***

- Offers microloans (up to €12,000) and free business coaching.
- Focus on women, migrants, and unemployed individuals.
- Excellent support for food stalls, catering, and home production.
- Website: [www.adie.org](http://www.adie.org)

### NETHERLANDS

#### ***Qredits***

- Offers microloans up to €50,000 for small businesses.
- Provides mentoring and online tools in multiple languages.
- Accessible for first-time entrepreneurs, including migrants.
- Website: [www.qredits.com](http://www.qredits.com)

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - microcredit and microfinance

### IRELAND

<https://microfinanceireland.ie/> provide small loans through the Government's Microenterprise Loan Fund.

- provides unsecured business loans of €2,000 to €25,000 for commercially viable proposals. Sole Traders, Partnerships & Limited Companies are all eligible to apply.
- MFI can consider applications from businesses that may have been declined a loan from their Bank. They look at each application and base their decision on the viability of the business and your ability to repay the loan.

Click to  
View



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - microcredit and microfinance

### EU-WIDE SUPPORT

#### ***European Microfinance Network (EMN)***

- Connects microfinance institutions across the EU.
- Their directory helps you find a local, socially-focused lender in your country.
- Website: [www.european-microfinance.org](http://www.european-microfinance.org)

#### ***EaSI Microfinance (EU Programme)***

- EU-backed loan guarantees for microfinance providers.
- Entrepreneurs can apply through local partners in each country.
- Check EU resources [Microfinance and Social Enterprise Finance - European Commission](#) to find EaSI partners.

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - Crowdfunding

Crowdfunding means raising small amounts of money from a large number of people, often through **online platforms**, to fund a new project, product, or business. Crowdfunding helps you:

- **Build a community** of early supporters and customers
- **Increase your visibility** in the food world
- **Add credibility** to your brand by showing others believe in your idea

### Is Crowdfunding right for your Business?

Crowdfunding works best for start-ups or early-stage businesses looking for modest funding to launch or grow. It's especially successful for:

- Artisan or craft food products
- Pop-ups, food stalls, and food trucks
- New packaged goods (like sauces, jams, or baked items)
- Projects with a personal or community story behind them



# WHERE CAN YOU FIND SUPPORT

## Why It Works for Food:

- People love supporting independent food makers
- Rewards are easy to create, you can offer samples, hampers, event invites
- Sharing your journey (photos, recipes, videos) makes your campaign engaging and human

## What Type of Crowdfunding is Right for You?

Crowdfunding comes in different forms, each with its own purpose and expectations. On our next slide, you'll see a clear breakdown of four types of crowdfunding to help you choose the one that best fits your food start-up.



# LOW START UP INVESTMENTS - Crowdfunding

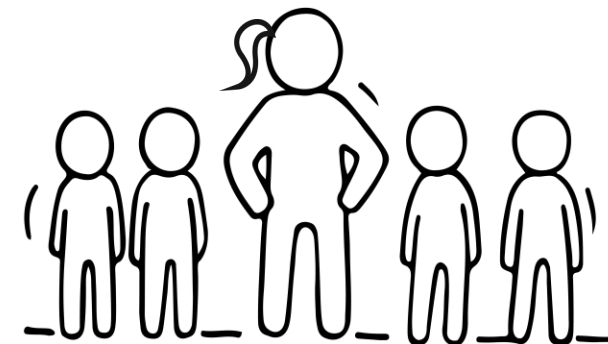
	TYPE OF CROWDFUNDING			
	Donation-Based (Charity Crowdfunding)	Reward-Based (Pre-Selling)	Peer-to-Peer Lending	Equity Crowdfunding
WHAT IS IT	Supporters give money because they believe in you or your mission — with no expectation of a financial return.	Supporters fund the creation of a specific product (like a new jam flavour or meal box) and receive it once it's ready	A group of individuals lends you money, and you repay it over time with interest	Supporters invest in your business and receive a small share of ownership (equity).
BEST FOR	Community kitchens, social food projects, or migrant women-led initiatives with a social impact.	Food producers launching a product line, pop-up events, or test kitchen offers.	Entrepreneurs who want funding without giving up ownership.	Scalable food businesses like packaged goods or franchises aiming for growth.



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - Crowdfunding

Different platforms facilitate different fundraising models. Choosing the right platform and funding model is just as important as crafting your campaign. In Europe, several platforms (like Ulule, Kickstarter, GoFundMe, or Goteo) support different models and each comes with different fees and funding rules.



What's Involved	What you need to know	Tip
<b>Platform Hosting Fee</b>	Some platforms charge a fixed fee just to host your campaign, whether or not it succeeds.	Always check this before you launch — some EU platforms offer free hosting but charge only if you're successful
<b>Success Fee</b>	Most platforms take a percentage of the total raised, this is their main revenue. Typical range: 3% to 12%. Platforms like Kickstarter or Ulule deduct around . 5%	Make sure to read the fine print. Higher fees may include extra services like marketing or coaching.
<b>Payment Processing Fee</b>	Each transaction (e.g. credit card or PayPal) also has a processing fee. Typically 2.5% to 3.5% per pledge.	Factor this into your fundraising goal so you don't fall short after fees are deducted.



# Be Inspired – Crowdfunding Case Study

<b>Africa Blossoms</b>	Website <a href="#">Biscuits Afrique et Culture – Africa Blossoms</a>
<b>Country:</b>	France
<b>Founder:</b>	Imelda Kabasi
<b>Platform Used:</b>	<a href="#">Ulule</a>
<b>Funding Goal:</b>	€4,000
<b>Amount Raised:</b>	€4,410 from 393 contributors
<b>Model:</b>	Reward-based crowdfunding



THE COOKIES WHICH TELL THE STORY OF AFRICA

**The Story -** Imelda Kabasi, originally from the Democratic Republic of Congo, now living in France, created Africa Blossoms to celebrate African food and culture through cooking workshops and handmade catering experiences. She wanted to empower African women by promoting culinary traditions and entrepreneurship.

**Her Goal -** Imelda launched a crowdfunding campaign in 2020 to:

- Fund equipment and kitchen materials
- Develop packaging and branding for her food products
- Grow her workshops for local women

# Be Inspired – Crowdfunding Case Study

**The Campaign** - Hosted on Ulule, Imelda's campaign included:

- Warm storytelling about her roots and values
- Videos and photos showcasing dishes, workshops, and her mission
- Rewards such as:
  - A thank-you on social media
  - Invitations to tasting events
  - Handmade African food hampers.

## **The Results**

- Surpassed her funding goal with €4,410 raised
- Gained community support, press attention, and visibility
- Used funds to scale up her food workshop space
- Built a growing network of women entrepreneurs around African cuisine



# Be Inspired – Crowdfunding Case Study

Imelda offered reward tiers that were simple, meaningful, and connected directly to her mission of sharing African food and culture:

- **€5 – Thank You!** She offered a thank-you message on social media
- **€15 – Digital Recipe Book.** A PDF with 5 African recipes from the founder's family and experience
- **€30 – Tasting Box.** A selection of handmade African treats, including the renowned *Biscuits Sans Gluten Aux Graines De La Paix* (Gluten-Free Peace Seed Biscuits), delivered locally. Postage was extra.
- **€50 – Workshop Invitation.** Access to an African cooking workshop. Learn recipes, cooking techniques, and the stories behind them
- **€100 – Premium Pack** Includes the recipe book, tasting box, and a place in the workshop. Plus a personal thank-you video

## Why It Worked:

- Each tier offered a personal touch and cultural authenticity
- Clear value — supporters got to taste, learn, and connect
- Good mix of affordable and premium options

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - Crowdfunding

### A good video pitch is key!

- Excellent video pitches are essential to successful crowdfunding campaigns.
- But pitching your product or service takes practice, preparation and perseverance.
- Do your research, by viewing other video pitches.
- Write a compelling script that communicates your unique selling points simply and clearly.
- Record the vision with passion and enthusiasm – it is infectious and will give the viewer confidence in your commitment
- Reshoot it until it's right.



Read

[How To Perfect Your Crowdfunding Video Pitch | Republic Europe](#)

# BE INSPIRED

Empowered women  
pitch their businesses  
and share their stories

Click to  
View



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - GRANTS

A grant is an award, usually financial, given by a public body or a foundation, to an individual or a company to facilitate a specific business goal e.g. start up, expansion etc.

There are many local, regional and national grant opportunities. Start your research on which one is right for you.

### SUCCESS IN SECURING GRANT FUNDING

Like making a cake, a successful grant application depends on ingredients (you and your project) and following a good recipe !

In the slides that follow we share our best practice, tips and tricks for grant success. Once you have the ingredients and the recipe right, you will be able to seek funding at a local, regional and perhaps even national level

# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - GRANTS

Interesting video on what a grant does and does not do.

[Click to  
View](#)



# WHERE CAN YOU FIND SUPPORT

## LOW START UP INVESTMENTS - GRANTS

The primary concern of funders is that your business is well planned and that it will be sustainable.

In making an effective application, be clear on what you need the funding for...

- Start-up costs e.g. renting a kitchen, licensing, first production run
- New equipment or facilities e.g. ovens, packaging tools, refrigeration
- Developing a new product range e.g. testing versions, regional recipes, allergen-free options
- Training and upskilling e.g. food safety certification, business planning, social media marketing
- Research and development e.g. testing shelf life, sourcing sustainable packaging, refining recipes



# WHERE CAN YOU FIND SUPPORT

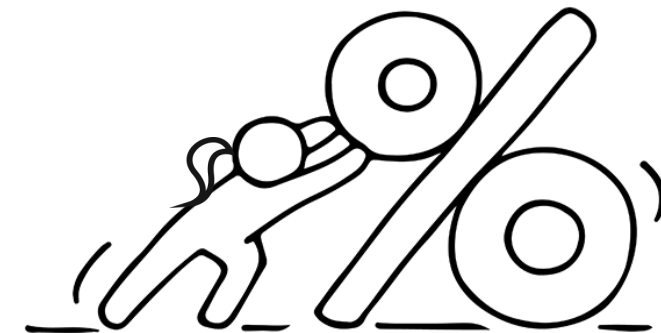
Up to 50% of applications received by funders do not meet their published criteria. As a very basic minimum, you should read the guidelines published by the funder.

**Consider:** the funder's motivation, the format for applying, the level of funding, submission deadlines, eligibility and the decision-making process.

Link your funding request to **real outcomes**:

- Will it help you grow sales?
- Reach new customers?
- Provide employment for you and maybe others?
- Reduce waste or improve sustainability?

A clear, confident explanation of how the money will help you grow is key to success.



# WHERE CAN YOU FIND SUPPORT

## TOP TIPS

### **People give to people**

- Be creative and engaging about your idea, this is your opportunity to distinguish yourself from others. Sell your idea and get the reader interested.
- Build your credibility and be professional!
- One of the primary reasons why applications get funded is that the funders are convinced that the applicant is well organised and is a capable promoter to carry out the proposed project

### **Don't assume that the funder will have any knowledge of your business or background**

- Describe your project truthfully and succinctly.
- Break down the requirements of the application into bite-sized pieces
- Think carefully about presentation; most funders will read many applications and if an application is easy to read and well presented it makes their lives easier.
- Do not over-promise - you will one day have to deliver
- It always takes a lot longer to put an application for funds together than you think!

# WHERE CAN YOU FIND SUPPORT

## TOP TIPS

### **Remember, it is competitive**

- Put your best foot forward
- Write your application in an interesting way that captures the energy & spirit of your project (journalist style)
- The power of evidence of need. It is not sufficient to say: “we know ... we think....” back it up with relevant research
- Show that your project is additional. It not competing with others – why are you different is vitally important
- And last but not least, definitely talk to the funding agency before you apply

# WHERE CAN YOU FIND SUPPORT

## SWEDEN

Type	Example Grant / Support	Who Offers It	Notes
Local	<b>Starta Eget Bidrag</b>	Municipal Employment Services (via Arbetsförmedlingen)	For unemployed individuals starting a business. Can include coaching and financial support.
Regional	<b>ALMI Regional Support</b>	ALMI Företagspartner	Offers loans and grants for small business development, including women/migrant founders.
National	<b>Tillväxtverket (Swedish Agency for Economic and Regional Growth)</b>	Government Agency	Offers calls for proposals and support schemes focused on innovation and equality.

# WHERE CAN YOU FIND SUPPORT

## IRELAND

Type	Example Grant / Support	Who Offers It	Notes
Local	Feasibility Study Grant	Local Enterprise Office (LEO)	Supports research, market analysis, and testing new product ideas — ideal for early-stage food concepts.
Regional	Priming Grant	LEO (regionally based)	Aimed at micro-enterprises (under 10 employees) starting a business — covers capital, salary, and setup costs.
National	Enterprise Ireland – New Frontiers / Innovation Vouchers	Enterprise Ireland	National-level funding and training for start-ups with high-growth potential, including food product innovation and market expansion.

# WHERE CAN YOU FIND SUPPORT

## France

Type	Example Grant / Support	Who Offers It	Notes
Local	<b>Local Initiative Platforms (PFIL)</b>	City or département-level offices	Provide mentoring and micro-funding, often for migrant or low-income entrepreneurs.
Regional	<b>Aides Régionales à la Création d'Entreprise</b>	Regional Councils (Conseils Régionaux)	Regional funding for women's entrepreneurship, including food businesses.
National	<b>Bpifrance (National Public Investment Bank)</b>	Government-backed	Innovation-focused grants and loans for SME development, especially through <b>Bpifrance Création</b> .

# WHERE CAN YOU FIND SUPPORT

## Netherlands

Type	Example Grant / Support	Who Offers It	Notes
Local	<b>Municipality Innovation Funds</b>	Gemeente (Municipality)	Amsterdam, Rotterdam and others support female/migrant entrepreneurs with innovation grants.
Regional	<b>ROMs (Regional Development Agencies)</b>	Regional Economic Boards	Offer start-up support, soft loans, and access to EU structural funds.
National	<b>Qredits Microfinance + Support Grants</b>	Government-backed NGO	Provides microloans and training; often paired with national enterprise subsidies for migrants and women.

# WHERE CAN YOU FIND SUPPORT

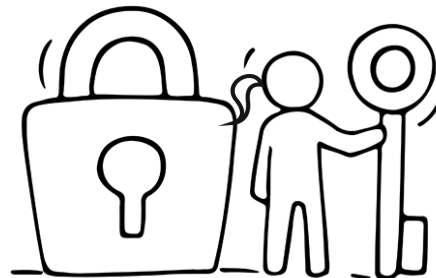
02

## MORE COMPLEX START UP INVESTMENTS

While many of the approaches mentioned in the preceding slides apply to all businesses, this section is specifically for deeper learning for more complex start up funding requirements

### In this section, we cover

- Bank Loans and Credit
- Angel Investment
- Venture Capital (VC)
- Equity Crowdfunding
- Blended Finance / Co-Financing Models





# MORE COMPLEX START UP INVESTMENTS

## Bank Loans

A bank loan is a traditional method of financing a new or growing business. Banks will typically expect:

- A robust and realistic Business Plan
- Clear financial forecasts and repayment ability.
- In many cases, personal guarantees or collateral are requested by the bank/lender

**Tips:** If your Business Plan is strong and your projections are solid, avoid offering personal assets as security if possible. Always shop around. Different banks have different lending criteria and rates, especially for start-ups or women-led businesses.

## Credit Facilities

In addition to lump-sum loans, banks may offer flexible credit tools such as:

- **Overdrafts** — linked to your business account for short-term cash flow needs
- **Lines of Credit** — borrow only what you need when you need it, with interest charged only on the amount used
- **Credit cards for business** — useful for managing small, recurring costs

These can support day-to-day operations but should not replace long-term financing.

# Dealing With Your Bank - Do's And Don'ts For Start-up Founders



## **DO:**

- Be well prepared before meeting your bank. Bring a clear business plan, a realistic cash flow forecast, and knowledge of your market.
- Keep your bank informed, in both good times and bad. Transparency builds trust. Share successes and alert them early to any difficulties.
- Choose a bank that's nearby. Having a local contact can be a real advantage for support and responsiveness.
- Shop around. Different banks offer different terms, especially those with specific support for start-ups or women-led businesses.



## **DON'T:**

- Don't rush into agreements without understanding the terms. Read all the conditions, especially around interest rates, repayment schedules, and penalties.
- Don't offer personal guarantees lightly. Only consider this if absolutely necessary and never for more than you can afford to lose.
- If you anticipate cash flow issues or delays, inform your bank early. They may offer solutions.

# WHERE CAN YOU FIND SUPPORT

## **Get Technical - compare loan packages**

When reviewing loan offers, not all lenders present the cost of borrowing in the same way. Some focus on the interest rate, others on the total amount to repay. This can make it hard to know which option is best for your business.

## **Key Tips for Smarter Loan Comparison**

### **1. Ask for the APR**

Always request the Annual Percentage Rate (APR). APR reflects the true cost of the loan over one year, including interest and all fees. It helps you compare different loans on equal terms, even if the structures vary.

### **2. Watch Out for High APRs**

Alternative lenders who offer fast funding or work with low-credit borrowers may charge much higher APRs. Be cautious: convenience often comes at a cost.

An example will explain.....

# WHERE CAN YOU FIND SUPPORT

Lender	Interest Rate	Fees	Term	Total Cost	APR
Bank A	6% per year	€100 admin fee	1 year	€10,600	6.14%
Lender B (Fast loan)	3% per month	€300 fee	1 year	€12,360	23.6%

## What This Shows:

- Lender B looks cheaper at first glance with a “3% rate”. But, look closely, that’s monthly, not annual.
- Once you include fees and convert to an Annual Percentage Rate, it’s much more expensive.
- APR lets you see the real, full cost of borrowing and not just the surface number.

# WHERE CAN YOU FIND SUPPORT

## Choosing between a line of credit and a traditional loan.

Understanding the difference between a business loan and a line of credit can help you choose the best fit for your financing needs.

Business Loan	Line of Credit
A fixed amount of money Repaid over a specific period with interest	<ul style="list-style-type: none"><li>• Works like a credit card for your business</li><li>• Approved for a maximum amount, but only pay interest on the funds you actually use</li><li>• Flexible repayment terms</li></ul>
<b>Best for</b> Long-term investments such as equipment, new premises, major upgrades or expansion	<b>Best for</b> Short-term or seasonal needs such as buying inventory, managing short-term cash flow dips, covering temporary operating costs

# WHERE CAN YOU FIND SUPPORT

## Plan carefully, borrow

- **At the right time:** When you are planning about your business loan, make sure that you borrow at the right time. If you take the loan too early, then there are chances that you end up spending most of it for purposes other than what it was meant for. If you borrow it too late then it could put a hold on your business as you will also have to pay the interest at a time when your business can grow exponentially.
- **The right amount:** too little can result in under-capitalisation and that can bring more challenges to your start up

## Do not

- **Mix your Business and Personal account.** It's never a good idea to mix your business money with your personal money. You can bank with the same institution if you want, but make sure you open a separate small business bank account. If you transfer money between the two, keep a paper trail.
- **Make the mistake of applying to only a single type of lender.** Knowing all your options not only makes it easier to decide how to choose an appropriate business loan, but it also increases the chances of getting accepted for a loan.

# WHERE CAN YOU FIND SUPPORT

## ANGEL INVESTMENT

Angel investors (or “business angels”) are private individuals who invest their own money into early-stage or start-up companies. In return, they receive:

- A share of ownership (known as an equity stake)
- Sometimes a say in business decisions or a seat on your advisory board (if you have one)

### Why Consider an Angel Investor?

In addition to funding, many angel investors bring:

- Industry experience
- Mentorship and guidance
- Valuable contacts and networks



This combination of capital and strategic support can be extremely valuable in helping a new food business to scale, launch into retail, or reach export markets.

# WHERE CAN YOU FIND SUPPORT

Angel investment has grown across Europe, especially for:

- Innovative food brands
- Women-led enterprises
- Impact-driven businesses (e.g. sustainability, migrant-founded ventures)

Networks such as **EBAN (European Business Angel Network)** and national angel associations help connect entrepreneurs with suitable investors.

**EBAN** [EBAN – Europe's leading early stage investors network](#) is the pan-European representative for the early-stage investor community gathering over 100 member organizations, more than 200 affiliates and more than 100 partners in more than 50 countries in Europe and beyond.



Read

[Guides on Angel Investing – EBAN](#)



# Angel Investment Pitch Checklist

What you need to have ready before approaching an angel investor:

## 1. Clear Business Plan

- Concise executive summary
- Clear market need and your solution
- Business model: how will you make money?

## 2. Financials

- 3-year cash flow forecast and break-even point
- Capital needed and what it will be used for
- Equity offered (% ownership in exchange for the investment)

## 5. Proof of Concept

- Product samples, market test data, testimonials, or early sales

## 3. Pitch Deck

- 10–15 slides covering:
  - Problem and solution
  - Market opportunity
  - Product
  - Traction so far
  - Team
  - Financials
  - Investment offer

## 4. Exit Strategy

- How and when the investor might get a return (e.g. future sale, share buyback, revenue share)

# WHERE CAN YOU FIND SUPPORT

## 6 Things Angel Investors, Business Angels & Private Individuals care about the most

Source [20 Things All Entrepreneurs Should Know About Angel Investors \(forbes.com\)](#)

1. The quality, passion, commitment, and integrity of the founders
2. The market opportunity being addressed and the potential for the company to become very big
3. A clearly thought out business plan, and any early evidence of obtaining traction toward the plan
4. Interesting technology or intellectual property
5. An appropriate valuation with reasonable terms
6. The viability of raising additional rounds of financing if progress is made

# WHERE CAN YOU FIND SUPPORT

## Angel Investor Networks

Most new businesses will have trouble getting significant amounts of capital, but business angel investment can help companies reach the next level of financing and expansion. Across Europe, **Angel Investment Networks** allows members to find and connect with other members regarding business investments and funding. Thousands of business angels use the network to search for ideas, and have entrepreneurs signing up on a daily basis.

EXAMPLE: Irish Investment Network has over 170,000 registered angel investors. Their site is presented with

- **Clear listings** posted angel investors that entail the **details of their specific sector(s)**
- **Potential investment amounts**
- **Desired location** of the potential business venture

# WHERE CAN YOU FIND SUPPORT

## Venture Capital (VC)

- Capital provided by full-time, professional firms (venture capitalists) who invest with management in ambitious, fast-growing companies with the potential to develop into significant businesses.
- VC is becoming an increasingly common source of funding for innovative or scalable food businesses in Europe. It is not for every start-up. It's best suited if you are: building a scalable, fast-growth food business (e.g. plant-based product line, food tech, sustainable packaging)
- Is likely to add considerably to the credibility of the company and to supply management expertise, support and access to their contacts. As part of their mentoring and monitoring of their investment, they are likely to seek board membership – hence factor in creating a board structure in your establishment plans.

# WHERE CAN YOU FIND SUPPORT

In contrast to bank finance, venture capitalists are not **looking for scheduled repayment**, but for a minority of the share capital of your company in return for cash.

- ✓ The venture capitalists will typically look to **realise their investment in five years**, either through a sale of the company or for their stake to be bought out by the company.
- ✓ Venture Capital funds usually invest in companies that are **raising €500k+ in equity**. The companies must be in a **fast-growing, attractive sector, with a strong management team and demonstrable skills**. The product/service must solve a clearly identified problem.

# THE DIFFERENCE BETWEEN....

## Angel Investor

## Venture Capital

**Private equity** is simply shares (equity or securities) in a company that is not listed on the stock market

- An individual investor
- Investment amounts: €10k - €100k, sometimes a bit more, groups could go up to €1m
- Hold private equity from having made investments directly into private companies
- Individuals often successful business people, who are investing their own personal funds into a potentially rewarding opportunity
- May be willing to invest in early-stage or start-up, as well as established companies
- Have experience and contacts to contribute
- May be willing to be "hands-off" or "hands-on" adding important skills

- A company or business rather than an individual
- Investment amounts: €1M +
- Hold private equity from having made investments directly into private companies
- Capital is invested by firms or companies that use other people's money. They raise that money by offering investors a chance to take part in a fund that is then used to buy shares in a private company
- Seldom interested in early-stage, unless compelling reasons (e.g. high tech with already successful founders)
- Have contacts
- Require seat on board

# WHERE CAN YOU FIND SUPPORT

## Equity Crowdfunding - What Is It?

Equity crowdfunding allows you to raise funds by offering shares in your business to a large number of small investors, usually through an online platform. Instead of receiving a product or reward (like with traditional crowdfunding), supporters become part-owners of your business

### Key Features:

- Raise capital without going through banks or venture capitalists
- Each investor receives a small stake in your company
- Platforms often handle compliance and legal paperwork
- Popular platforms in the EU:
  - [Invest in Europe's best startups | Crowdcube](#)
  - [Invest online in startups via equity crowdfunding | Republic Europe](#)
  - [WiSEED - Investir dans le Crowdfunding immobilier et la transition énergétique](#)

# WHERE CAN YOU FIND SUPPORT

## Why Equity Crowdfunding Works for Food Start-Ups:

- Engages loyal customers as co-owners.
- Builds community and brand ambassadors
- Great for consumer-facing businesses like food and drink brands, where people connect emotionally with the product

## What to Keep in Mind:

- You'll need a strong business plan, financials, and a solid pitch
- You are giving up equity, so be sure you're comfortable with shared ownership
- Legal and reporting obligations increase once you have many shareholders.



# WHERE CAN YOU FIND SUPPORT

## Blended Finance / Co-Financing Models

Blended finance combines different types of funding, such as a mix of grants, loans, and private investment, to reduce risk and support growth, especially in mission-driven or early-stage businesses.

### Common Types:

- Grant + loan: Use a grant to cover R&D, then take a loan to scale production
- Public + private: Government/EU funding matches angel or VC investment
- Impact finance: Funds targeted at social enterprises or sustainability goals

### Why It's Helpful:

- Helps de-risk early investment for private funders
- Makes it easier for small or underrepresented founders to access significant capital
- Encourages growth while staying mission-aligned

# 04

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## OVERCOMING A 'NO' WHEN SEEKING FUNDING

# OVERCOMING A 'NO' WHEN SEEKING FUNDING

If the recipe isn't right, and you don't get the grant or succeed in your crowdfunding campaign, be sure to use these rejections as a learning experience! Encountering a no can be disheartening.

But don't let it get the better of you. Consider these steps to increase your chances of being reconsidered, improve your potential for obtaining financing in the future, and generally relieve the stress of securing funding.

**Reflect on your approach** be honest with yourself. Did you rush the application? Did you really think you met the priorities or did you not do yourself justice in writing about your project?

**Ask for feedback** even if your rejection letter specifies a reason for your rejection, asking for verbal feedback will sometimes bring you a fuller and more open response.

# OVERCOMING A 'NO' WHEN SEEKING FUNDING

**Act professionally** even though disheartened, keep your behaviour and actions as professional as possible. I

f you thank the possible supporter politely for his/her time, and follow up in a few weeks when you've gathered more information or adjusted your business model, you may have a much better chance of getting that funding.

## **Find out what did get funded**

Funders often publish lists of what they did fund

- What do you notice about the projects that got funded?
- Were the businesses at a different stage to you?
- Were you asking for much more (or less) money than they received?
- Were you applying for activities that this funder hasn't supported?

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## Contemplate Your Options

There's no right or wrong way to pursue funding. If one channel seems to be generating more obstacles than opportunities for progress, it might be time to change up your strategy.

Increasing your chances of getting a yes could be a simple matter of choosing the right channel (or group of channels) to use to cultivate funding.

## Look At Your Business Model

Use the rejection as a learning opportunity. Review your business model for any major flaws or weaknesses.

Fixing these gaps will make your overall food business idea more attractive to other potential investors and could be enough to get a better outcome second time around.



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