

UNDER MY WING

SUPPORTING GRADUATE ENTREPRENEURS

Newsletter Issue 3, Summer 2014

Financing Your Business

Access to finance remains a critical barrier to the success of many graduate entrepreneurs with almost two-thirds of those surveyed by the Under My Wing project saying that they find access to finance difficult in their country. Throughout the EU Member States, a crucial factor that will determine the success and growth of entrepreneurship is the ability to secure the right type of funding at appropriate stages of the business development process. Without sustainable financing mechanisms many entrepreneurial graduates will be unable to reach their growth potential and their business ideas may not survive at all. One of the crucial requirements for an environment in which entrepreneurship can flourish is a financial system that supports entrepreneurs by expanding both traditional and innovative forms of lending.

Transnational Finance Seminar

The Under My Wing project consortium hosted a transnational finance seminar in Navan, Ireland in June 2014. The purpose of this event was to bring graduates and tutors from participating partner countries together and to present an overview of the different types of financing options that might typically be available to graduate entrepreneurs. After a general introduction to business financing presented by a leading Irish expert four different funding options were outlined and they included;

- 1) EU Microfinance PROGRESS Fund
- 2) Bank Finance
- 3) Angel Finance
- 4) Crowd Funding

All finance presentations can be accessed on the project website – www.undermywing.eu

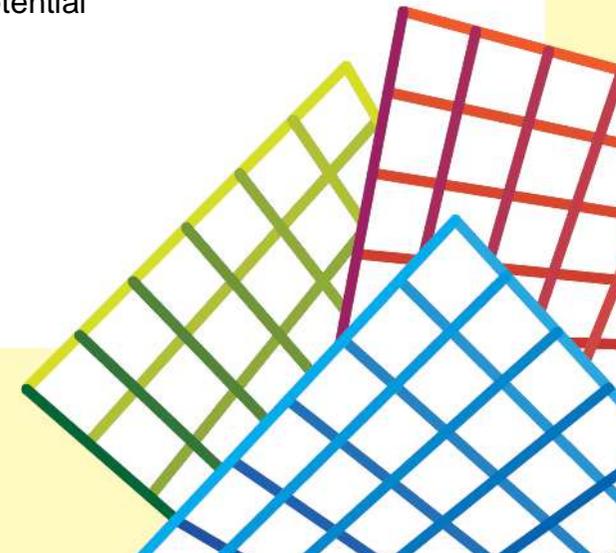
Access to Finance Overview

While access to funding for graduate entrepreneurs remains difficult there are new emerging funding opportunities especially in business areas that might be characterised as rapid-growth markets

- New financing solutions like crowdfunding are emerging to fill gaps in the market place especially at the seed funding stage
- Business angels are becoming a more important source of finance for promising start-ups
- Microfinance providers are now playing an important role by supporting businesses that are deemed unattractive by traditional lenders
- Private equity is becoming a viable financing option for smaller entrepreneurial businesses especially where the business has rapid growth potential

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Microfinance Ireland Ltd

Administering the EU PROGRESS Microfinance Fund in Ireland

- Flexible business loans designed for micro-enterprises that are unable to obtain loan facilities from their bank
- Loans of between €2k to €25k available at a fixed interest rate of 8.8% for terms of up to 5 years
- Loans are unsecured but indemnity is required from executive directors or shareholders
- All industry sectors considered for financing and funds available for working capital, purchase of equipment, set-up costs and marketing
- Co-funding proposals with other lenders welcomed

There are **PROGRESS Microfinance** providers offering similar funding facilities in the following Member States: Austria; Belgium; Bulgaria; Cyprus; Denmark; France; Greece; Ireland; Italy; Lithuania; Netherlands; Poland; Portugal; Romania; Slovakia; Slovenia; Spain; United Kingdom. For further information visit Progress Microfinance at www.ec.europa.eu/epmf

Crowdfunding



LINKEDFINANCE.COM

Crowd Funding – An Innovative Funding Mechanism

Where **businesses looking** for funding can meet **real people looking to lend**

Be a lender
Learn More
Best Rate Today for
Lenders 15.00%

Be a borrower
Learn More
Best Rate Today for
Borrowers 5.00%

- Ireland's only 'Crowd Funding' lending platform for SMEs
- A new alternative for business lending in Ireland
- €92 Billion in private savings in Ireland earning 'low' interest rates
- Significant demand for new financing options for entrepreneurs

Delegates attending the Under My Wing Trans-national Finance Seminar had the unique opportunity of visiting local businesses in Meath during a series of study visits. On these visits, the successful entrepreneurs gave our delegation a tour of their premises and answered their questions about how to set up their own business.



The group are pictured here at JM Foods in Mullaghboy Industrial Estate, Navan

The delegation also visited Slane Rock Farm where they were given a tour of the new glamping site to give the budding entrepreneurs an insight into setting up an eco-tourism business.



For more information log on to our website www.undermywing.eu



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This project has been funded with support from the European Commission. This publication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein.