

BUSINESS START-UP GUIDE

# AIMING HIGH

## BUSINESS START-UPS & FUNDING SOURCES

Looking for funding to finance your business idea? Look no further, writes *David Young*.





“**S**how me the money!” Ah, the immortal line from the smash-hit movie *Jerry Maguire* is one every start-up would love to holler, at the very top of their lungs, when locked in that crucial ‘meeting’. The one with the ‘suits’ in the snazzy, glass-walled boardroom, with the thronged office space just outside. And everyone eavesdropping.

The Tom Cruise flick may have grossed \$1/4bn in real life, and his character gotten his mojo back on the silver screen, but that’s not what you’re looking for – well, not just yet. You’re seeking some backing for your enterprise, a monetary endorsement to vindicate your finely-tuned plan of action.

Where do you start, you may wonder? And who do you turn to? Fret not. *Irish Tatler Man* has assembled five ports of call for you to consider at this time in your commercial career. So, no matter how big, or how small, your business ambition may be, you have options for seeking the one essential item to getting off the ground: finance.

## ANGEL INVESTING

Before you go chasing down your dream, consider angel investing – an informal approach to supporting worthwhile commercial ventures. The idea is simple: a wealthy individual puts money into a business start-up they believe is sound. Their investment capital is accepted in exchange for an equity stake in the fledgling enterprise.

Angel investors are invariably successful business professionals in their own right. They typically place faith in businesses with their particular area of expertise and experience. Their investment capital is accepted in exchange for an equity stake in the fledgling enterprise and, quite often, they will take a hands-on consultancy role.

Thus, angel investors have much more to offer than a bank or other types of financing, especially in the early days. They can also act as the conduit when financing is required at the next level of a business’ development. They’re pretty handy too when it comes to meeting new business partners.

But don’t forget that they’re still investors, who are most interested in the viability of your enterprise so that they can turn a profit by owning part of your company, or selling it. With that in mind, make sure you build ‘buying them out’ into your plan – and, as such, what would be a reasonable return on their investment inside five to seven years.

## THE NEXT STEP >

### 1 HBAN HALO BUSINESS ANGEL NETWORK

**WHAT IS IT?** HBAN is an all-island umbrella group for business angel investing in Ireland; they focus on creating ‘angel’ investor syndicates across the country, in concert with InterTradeIreland and Enterprise Ireland.

#### HOW TO CONTACT?

Orlagh Nolan (Programme Manager)  
Fitzwilliam Hall, Fitzwilliam Place, Dublin 2  
Tel: +353 (0)1 669 8525 | [www.hban.ie](http://www.hban.ie) |  
<mailto:orlagh@hban.org>

### 2 ANGEL INVESTOR: BILL LIAO

**WHO’S BILL?** Liao is an ‘angel’ investor. He’s also very much part of the SOSventures team – a venture capital and investment management firm with an 18-year track record of investments in the software, telecommunications, and technology fields. He’s recently been working with a 19-year old from Cork, James Whelton, to help him establish CoderDojo, a new departure in Irish IT education.

#### HOW TO CONTACT?

SOSventures Investments Ltd., 1 Kinsale Commercial Park, Kinsale, Co. Cork | Tel: +353 (0)21 470 0991 | [www.sosventures.com](http://www.sosventures.com)

### 3 ENTERPRISE IRELAND

**WHAT IS IT?** Enterprise Ireland is the government organisation charged with the development and growth of Irish enterprises in world markets. The state body is available to partner with certain types of Irish enterprises: to get them started; up and growing; innovating; and winning export sales on overseas fronts.

And which businesses would they be interested in? The so-called HPSUs (High Potential Start-ups). Essentially, they’re the new companies who have a product or service with export potential. That said, Enterprise Ireland is very much in the know as to which grants and funds your budding business may be eligible for, which makes a spin to your local city or county enterprise board more than worthwhile.

#### HOW TO CONTACT?

Enterprise Ireland, East Point Business Park, Dublin 3  
Tel: +353 (0)1 727 20005 | [www.enterprise-ireland.com](http://www.enterprise-ireland.com)

### 4 KERNEL CAPITAL

**WHAT IS IT?** Kernel Capital is one of Ireland’s largest and most active venture capital funds, with a portfolio of investee companies spanning technology, life science and general industry. Coupled with its associate life science investment firm, Seroba Kernel ([www.seroba-kernel.com](http://www.seroba-kernel.com)), Kernel manages almost €200m, across multiple funds.

They target opportunities on the €100k to €5m spectrum, with Bank of Ireland Capital and Equity Fund backing. Moreover, they boast an impressive record in corporate finance and IP licensing transactions, and an executive team that is regularly published and featured at international conferences.

#### HOW TO CONTACT?

Kernel Capital, 15 Molesworth Street, Dublin 2  
Tel: +353 (0)1 6336829 | Kernel Capital, Rubicon Centre, Rossa Avenue, Bishopstown, Cork | Tel: +353 (0)21 492 8974 | [www.kernelcapital.ie](http://www.kernelcapital.ie)

### 5 NATIONAL DIGITAL RESEARCH CENTRE (NDRC)

**WHAT IS IT?** The NDRC is an independent enterprise given to developing research – from idea to income. Based in Dublin’s Digital Hub, it runs a number of funding and support programmes. The Centre’s LaunchPad initiative supports digital start-ups through a 12-week accelerator programme; its objective is to get the fledgling business on its feet, and its ‘investment potential’ in shape. LaunchPad Investment amounts are available up to €20,000. However, there is also a Catalyser investment programme – incorporating joint ventures with research and company partners – that spans €100,000 to €400,000.

#### HOW TO CONTACT?

National Digital Research Centre (NDRC), Crane Street, The Digital Hub, Dublin 8 | Tel: +353 (0)1 480 6252 | [www.ndrc.ie](http://www.ndrc.ie)