

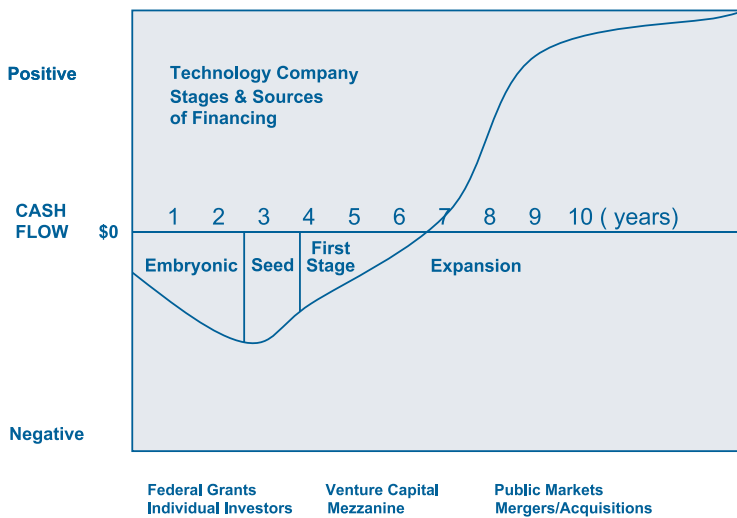
## Financing Your New Business

The goal in Wisconsin has been to create an environment that encourages business growth in the scientific, medical and engineering industries. With the phenomenal growth in research at the University of Wisconsin (UW) - Madison, along with positioning its supporting systems (University Industry Relations (UIR); the Wisconsin Alumni Research Foundation (WARF), and the development of the University Research Business Park), the infrastructure is in place to assist in new company development.

industry to commercialize inventions from UW System Institutions.

One of the biggest obstacles for any start-up business are the financing requirements. Unlike general business start-ups, technology start-ups can be more significantly more difficult due to the proof of concept - is your idea of significant commercial value? -, and the needed requirements for protection of intellectual property - do you need copyrights, patents and/or confidentially agreements?.

### Financial Strategy



The chart below illustrates the stages and sources of financing through a business' development in the technology industry.

During the embryonic stage of a business, financing is often from federal grants or individual investors. As the business moves to the seed or first stage of operations, capital venture and mezzanine (capital that leverages the business to achieve optimal valuation without equity investment dilution) comes into the picture. Successful businesses look at going public or merger as a financial strategy. initial In order for a company to be successful,

UW scientists and researchers can get the assistance they need to turn ideas innovations into business solutions from the university itself. The Wisconsin Alumni Research Foundation's WiSys Technology Foundation, a new nonprofit organization, that helps designate patent and licensing of new discoveries made by researchers at all of the UW system institutions. WiSys was established to protect inventions made through UW system research and to negotiate license agreements that enable

There are many financial vehicles available to start-up technology businesses. The attached listing are some of these financial programs. You need to look at the various programs and find those that fit into your business strategy. The better the fit, the more likely it would be a good financial funding program to approach.

The opportunity for building a business in Wisconsin is optimal and the support is at your fingertips. ■