

TOOL TO FOSTER FINANCING METHODS.

DELIVERABLE D.T 2.1.4
(WP T2, ACTIVITY A.T2.1.4)



Light and user friendly version PP07
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A brief description of the purpose for which it's addressed

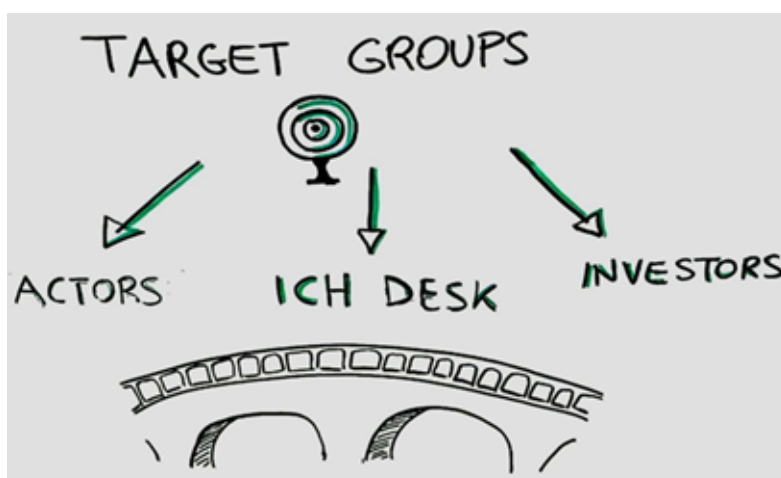
The service to be provided to citizens, associations, NGOs, SMEs dealing with Intangible Cultural Heritage assets for their valorization (both in terms of cultural and economic point of view) will be provided by trained operators and will be supported by tools developed in the frame of ARTISTIC Project, D.T2.1.4.

The tool should be aimed both at private investors who want to support ICH projects financially and at ICH actors who want to attract private investors to finance them.

Information what problems and needs it will help to solve (why it's worth familiarizing with it, to what extend applying of this tool and document can be helpful for the target group)

The tool should help to increase knowledge and attitude to invest by private (and public actors) for the valorization of ICH.

The tool should also serve the ICH Desk as a tool to assist actors and investors.





Main assumptions

The tools are uploaded and deployed below www.entributes.eu/artistic.

The provision of the information and the assistance to be provided to the actors can be very varied and should be adapted to the regional conditions of the actors, for example:

- a) letter of invitation sent to the selected actors;
- b) organization of one workshop to raise their knowledge on the topic;
- c) organization of one focus group to explore specific topics connected with the private investors, for example discussion concerning the criteria to be followed by ICH Projects to be of interest to the Private investors;
- d) sending materials on the ICH projects;
- e) collect inputs...
- f) presentation on the internet, on facebook
- g) usingv the possibilities of the ESII project.

The tools are among others tools:

- Toolkit
- Guidline
- Collection of criteria, main topics
- Compilation of tips and references
- Hints for creating a leaflet
- Link collections too:
 - o other websites
 - o Documents and materials
 - o Video lessons
 - o wAudio podcasts



For example:

- ESIL Toolkit I

ESIL Toolkit: Decks available for training session	
<p>1. Due Diligence Why do investors conduct Due Diligence? What do they look for? How do they perform a Due Diligence? How long does it usually take? How do entrepreneurs check out potential investors?</p>	<p>5. Exit Investments How do investors Exit Investments? What are the more common types of Exits for Business Angels ? • Sale of the start-up to larger company, • Bankruptcy • Repurchase of shares by new investor or founders/ startup How does the subject of Exit come up during the life of startup ?</p>
<p>2. Company Valuation What are the elements behind the valuation of start- up? What are the different approaches used to determine the value of a start-up ? How and when is valuation usually negotiated?</p>	<p>6. Angel Investing for you Who are Business Angels and what are their motivations ? What is the typical investment process ? How to get started? How much time is needed to be a Business Angel?</p>
<p>3. Deal Terms What is the purpose and difference between Term Sheet, Shareholder Agreement and Statutes? What are the key components of most Term Sheets/ Shareholder Agreements? How are Deal Terms usually negotiated and created? How long does it take ?</p>	<p>7. Crowdfunding Platforms • 7.1 Starter Guide A starters guide to investing via crowdfunding platforms (how CF fits in with early stage investing, differences, online pools vs direct, risks etc) • 7.2 Building a Portfolio Building a diversified investment portfolio via crowdfunding across multiple crowdfunding platforms (risk diversification via CF, hurdles, information flow) • 7.3 Manage Investments and flow-on rounds Crowdfunding as a follow- on funding for existing investments portfolios (entry point for angels, existing co's to raise 2nd round or do market validation via reward) • 7.4 Crowdfunding Platforms and co-investment Crowdfunding and co-investments (focus on funds, vc, angel networks, and gov. funds allocating funds alongside the crowd, how it works, etc).</p>
<p>4. Manage Investments & follow on rounds How and Why do Angels contribute know-how/support in addition in financing? What are common challenges entrepreneurs face that angels should recognise ? When do follow-on rounds usually occur and how do they work?</p>	

This webinar is offered by ESIL

http://events.gobeyondinvesting.com/esil_web_190110

This tool can be used for self-qualification.



For example:

- ESIL Toolkit II

ESIL Toolkit: Decks available for training session	
<p>8. Collaboration between BAs and BICs Introduction Business and Innovation Centres - definition and services Access to finance as a service for startups and SMEs Open Innovation- a gateway towards corporates Why investors should work with EU/ BIC's?</p>	<p>13. Animer un réseau de Business Angels (Deck Available in French) Practical aspects- Financing & sponsors and partners of the BA network Practical aspects - Recruitment of Business Angels Practical aspects - Communication: what, how and why communicate? Management of the deal flow • Some of the data included in this module might only apply in France</p>
<p>9. Tutorial for a pitch deck What you should know about a company first</p>	<p>14. L'activité de business angel (Deck Available In French) Definition of a business angel What is the added value of business angels? How do business angels operate? What lies behind the success ? What mistakes to avoid? Preparing an investment strategy • Some of the data included in this module might only apply in Belgium</p>
<p>10. Deal making Fundamentals of a transaction Difference between matchmaking and deal making The process of a negotiation: • Business plan • First filter • Evaluation • Valuation • Term sheet • Due diligence • Closing • Shareholder's agreement • Financial transaction</p>	
<p>11. Promotion & Sourcing deal flow Promotion: • Importance of your image Scouting& sourcing deal flow: • Importance of deal flow • Sources of deal flow • Quantity and quality of deal flow</p>	<p>15. Financial Instruments for Business Angels Knowledge Intensive Companies as a vital engine for Knowledge Intensive Regions Ingredients for a good Early stage equity financial instrument Equity instruments at EU level Different equity instruments of different regions Final recommendations</p>
<p>12. Procedures& Communication Why do we need procedures? • Procedures for entrepreneurs • Procedures for Business Angels What are the different types and channels of communication?</p>	<p>16. Investor readiness This module presents in detail what an entrepreneur needs to know and tackles when he/she searches for a financial partner the key components of a pitch and an introduction to business modeling and the most common company valuation methods.</p>



For example:

Criteria on how a private investor finds the right exposure

- Taking on social responsibility,
- the employee motivation
- the promotion of brand awareness
- Promotion of the regional location
- Cultural impulses and knowledge transfer for one's own corporate culture
- fit the cultural activities to suit the company (image, brand, target or strategy) or otherwise

These criteria can be used as a guideline for discussion in a workshop, in a focus group or in coaching.

For example:

Using of Corporate Cultural Responsibility (CCR) as part of CSR

Determining the ROI from CCR measures, such as:

- Advertising equivalence values from (media) mentions,
- logo / product-places-mentions,
- contact numbers,
- employee and customer incentives,
- income from licenses,
- rights,
- participations ...

These criteria can be used as a guideline for discussion in a workshop, in a focus group or in coaching.

For example:

10 tips for successful fundraising

- Clear profile
- correct assessment of your own possibilities
- Relationship to the potential investor
- lasting appreciation of the investor
- Lack of success control
- Choosing appropriate funding instruments
- Emotional closeness
- Continuous communication
- Creative ideas
- Transparent work



That could be used for a self-check.

For example:
a link collection e.g:

- <http://businessmodelyou.com>
- <https://www.europeanesil.eu>
- <http://eurocrowd.org/2018/07/04/cf4esif-report-triggering-participation-collection-civic-crowd-funding-match-funding-experiences-eu-published/>
- <https://www.crowdfundport.eu>
- <http://funder35.it/>
- https://www.existenzgruender.de/SharedDocs/Downloads/EN/Checklisten-Uebersichten/1_check-Meeting-with-your-bank-What-s-important.pdf?blob=publicationFile

For example:
a link collection with links to videos or audio podcast e.g:

- https://www.youtube.com/watch?v=Y1Ru3nnfUA&list=PLKS4qNWhGkZEQKKDIgtNlg26aWonGC_MK
- https://www.youtube.com/watch?v=1j9ay1Qcjaw&list=PLKS4qNWhGkZGOCfmlhdCXc8n4fN9K_o05
- <https://ich.unesco.org/en/dive&display=constellation>
- <https://gruenderplattform.de/geschaeftsmodell?ppid=16171>
- https://www.existenzgruender.de/SharedDocs/Audios/DE/Wie-funktionert-daBusiness-Model-Canvas-im-Unterschied-zum-Businessplan.mp3?__blob=audioFile

Some tools are available in English, some in national language .Not all tools are available in English.

Not all tools (e.g., videos, audio podcasts) are translatable.



Main conclusions,

Carefully and thoroughly pursued forces you to create a business plan for disciplined thinking. an idea that just seemed great can look completely unspectacular on closer inspection of the details and numbers.

- By creating a business plan, actors are forced to critically deal with their idea.
- Knowledge gaps are recognized and can be closed accurately.
- Alternatives can be worked out.
- Decisions are required.
- The business plan is the central element in order to master the difficulties encountered and to make a decisive contribution to the project.

The business plan is a valuable key element. He serves among other things:

- the assessment of business activity
- the control of business processes
- as a basis for decision making for investments
- as the basis for the financing decision of a bank, a business angel or other investors.

The tools to foster financing methods provided on www.entributes.eu/artisticsupport actors, operators and mediators to create good quality business plans to attract potential investors.



CONTACT US

Project manager: Marco Braga
T2I Technology Transfer and Innovation
marco.braga@t2i.it

f www.facebook.com/projectARTISTIC
in www.linkedin.com/in/artistic-project
tw [@ARTISTIC_CE](https://twitter.com/ARTISTIC_CE)
ig [@projectartistic](https://www.instagram.com/projectartistic)

Communication Manager: Małgorzata Kilian
Rzeszow Regional Development Agency
artistic@rarr.rzeszow.pl

PARTNERS

