Entrepreneurial Finance in Entrepreneurial Ecosystems; an Introduction to the Workshop

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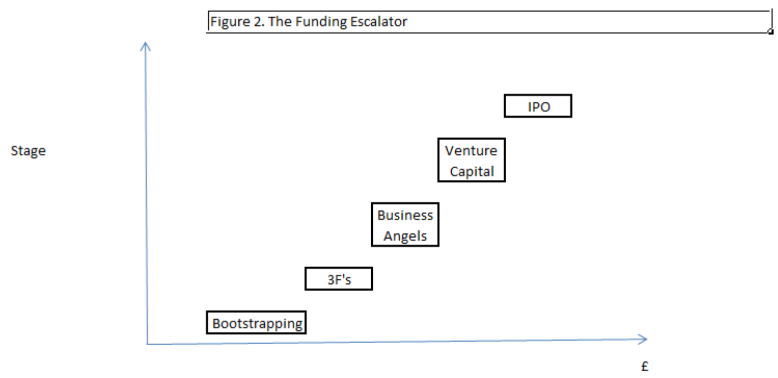
Do we over-emphasise the need for entrepreneurs to raise finance?

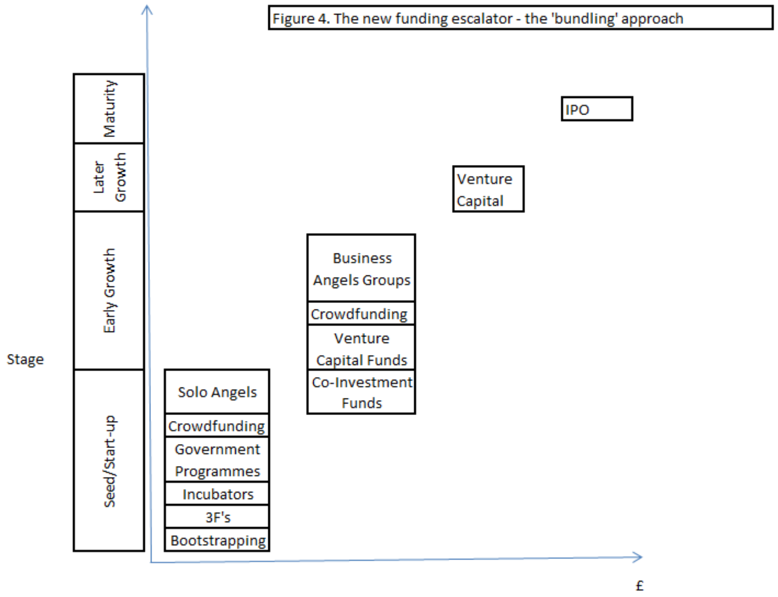
- Is their effort better spent on customer engagement and selling? "*The best money comes from the customer*")
- Dilution effect from raising multiple rounds of equity
- Equity investors need an exit

We need to give more emphasis to the following

- Soft start method of start-up
- Bootstrapping
- Sources of non-dilutive money for start-ups
- Non-financial added value of different investors
- Crowdfunding and entrepreneurial ecosystems
- Finance pipelines rather than finance silos
- Supply side changes and the new funding escalator (see next slide)
- The implications of the changing nature of angel investing (the rise of angel groups)

The evolving funding escalator





continued

- The follow-on investment decision
- The interface between (equity) CF and other sources of (equity) finance
- The harvest event – does the acquisition of entrepreneurial businesses matter to an EE?
- Government intervention in the EE
  - The rationale and need for government intervention in entrepreneurial finance
  - What types of interventions are required
    - **supply side**
    - **demand side**
  - How should such interventions be designed to maximise their effectiveness
  - Should the answer always be venture capital?