Funding Farm & Food Businesses

Chris Wendel
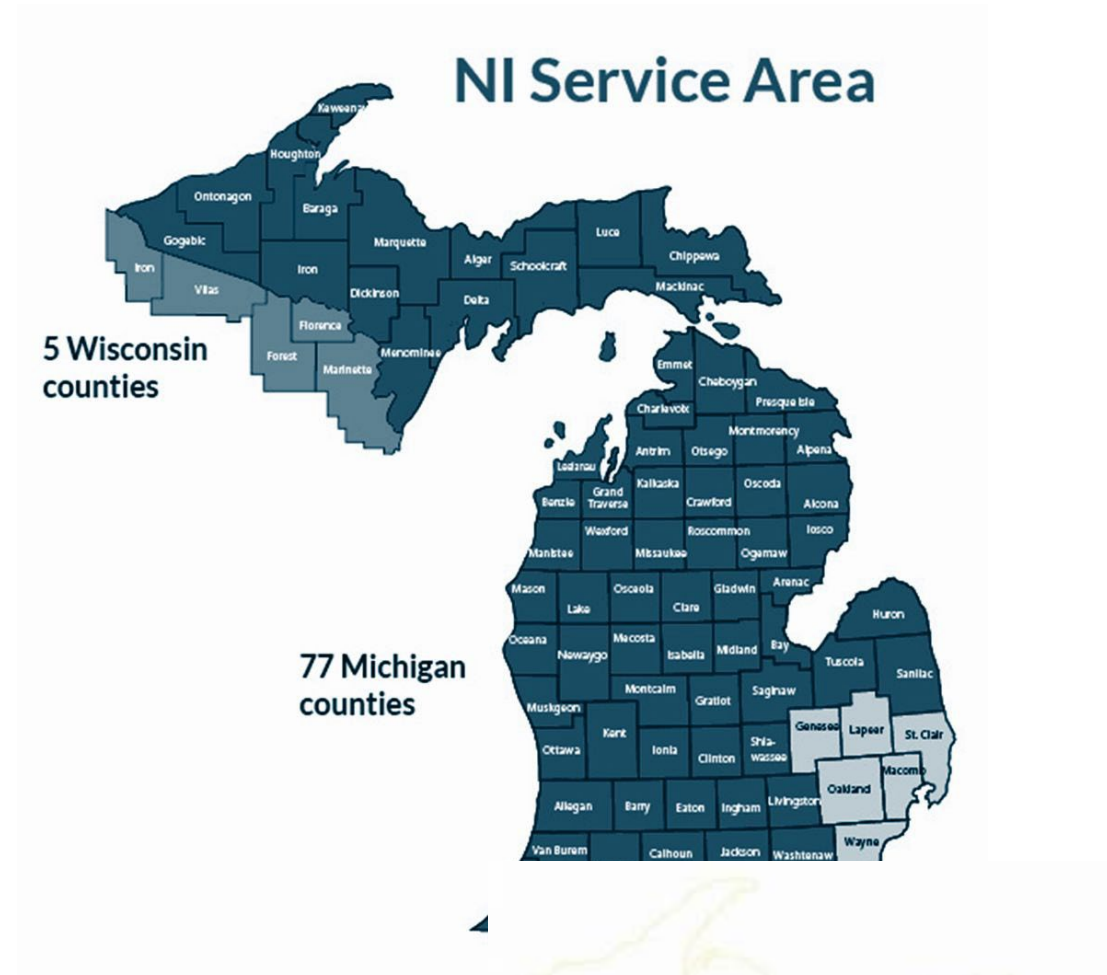
Northern Initiatives

- What is Northern Initiatives?

    A Community Development Financial Institution (CDFI) founded in Michigan's upper peninsula in 1994

- Our Mission:

    Northern Initiatives provides loans and business services to Michigan entrepreneurs and small business owners who add jobs and help their communities thrive.

www.northerninitiatives.org

NI Service Area

5 Wisconsin counties

77 Michigan counties

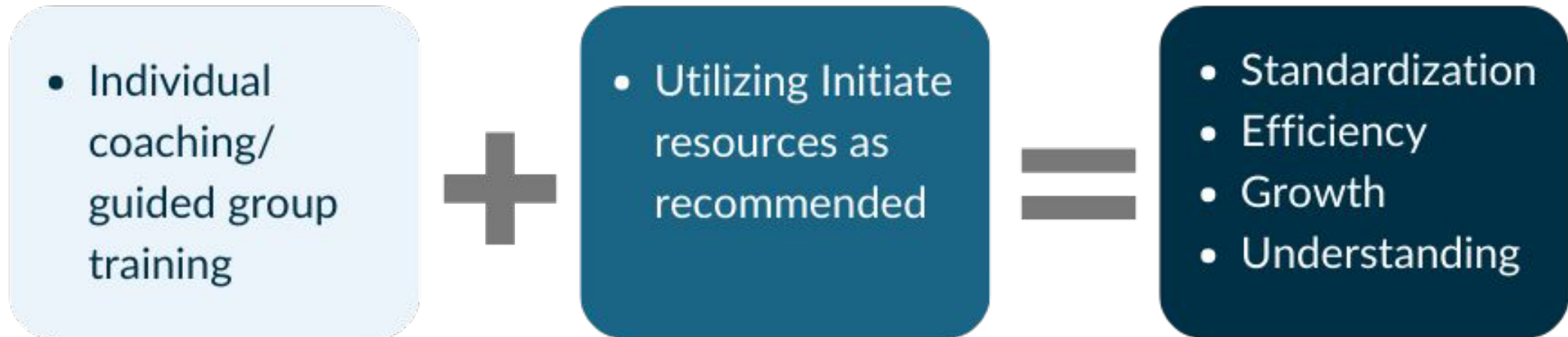**NORTHERN INITIATIVES**
Money and Know How

Financing

- Multiple Funding Sources
  - Federal, State, Local
- Rural and Urban
  - Farm & Food Sector
  - Catalytic Projects
- Community Partnerships
  - Business
  - Education
  - Foundations

www.noerninitiatives.org

Technical Assistance -> Blended Learning

- Individual coaching/ guided group training

+

- Utilizing Initiate resources as recommended

=

- Standardization
- Efficiency
- Growth
- Understanding

NORTHERN INITIATIVES
Money and Know How

What Funders Look For

CAPITAL
What you have personally invested in the company

CONDITION
The purpose of the loan

CHARACTER
Demonstrated responsibility and integriy of your actions

CAPACITY
How you plan to repay the loan

COMMUNICATION
Open communication with your lender and other advisors about the opportunities and challenges your business faces is key to your financial partnership.

COLLATERAL
A form of security tha guarantees repaymer

NORTHERN INITIATIVES
Money and Know How

Solving the Financing Puzzle

- Traditional Funders

  - Banks, Credit Unions

  - USDA, Small Business Association (SBA) loans, loan guarantees

- Alternative Lenders

  - IE Northern Initiatives, Venture North

- Personal Investment

- Friends & Families

- Other Funding

  - Michigan State University CFRS: Funding Sources for Food Related Busi

Initiate Learning Platform
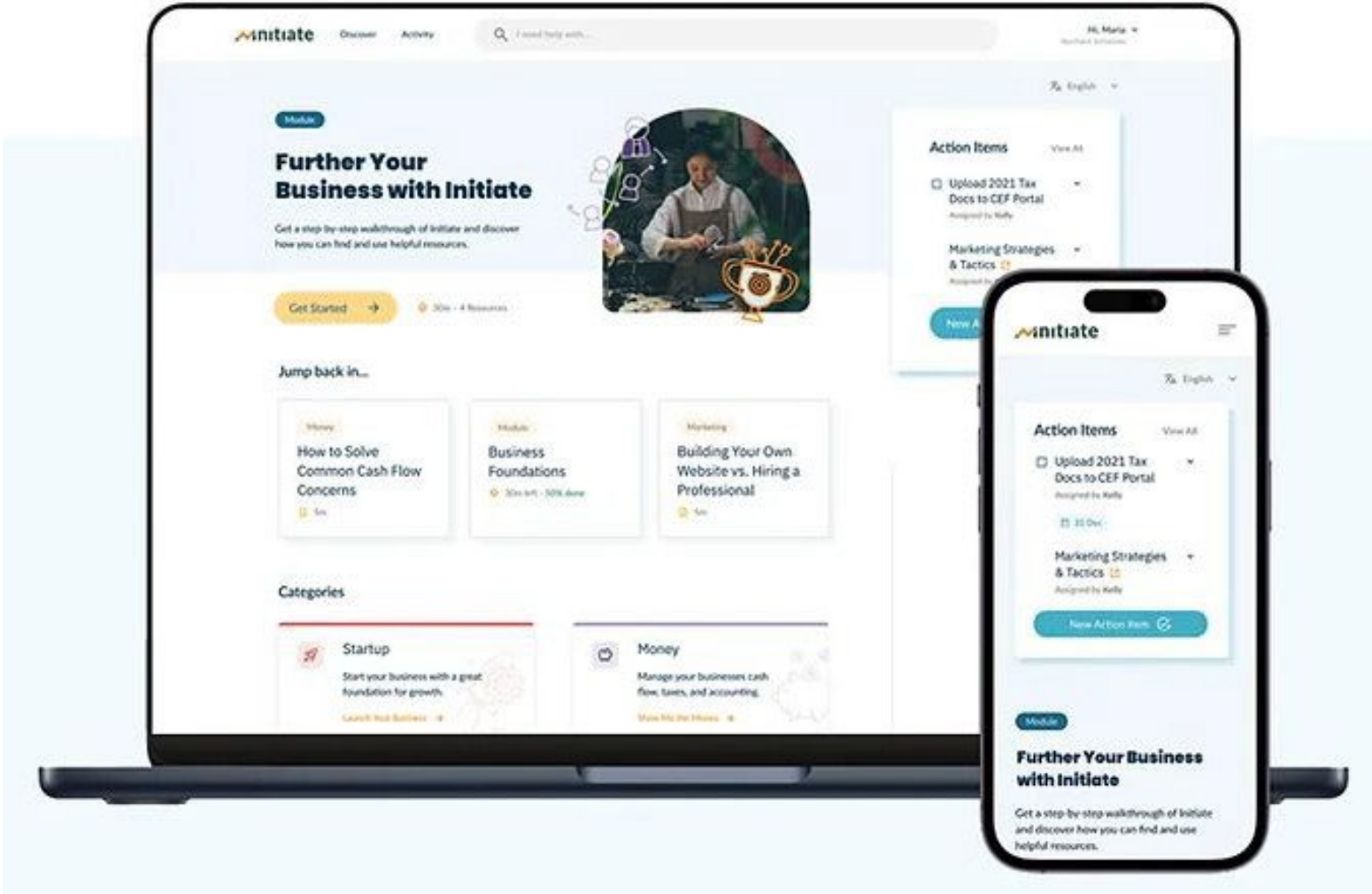
Role it Plays in Small Business Success

$Capital$ **+** **1:1 Advising supported by Initiate resources** **=** **Successful Start-up, Sustainable Business, Successful Repayment,**
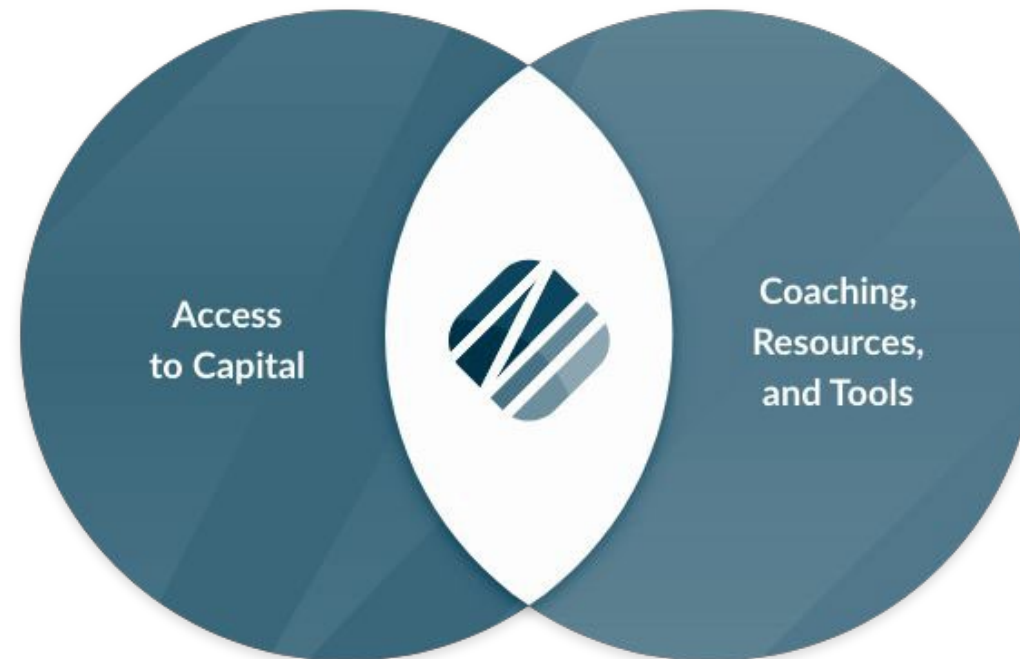
Supporting Small Businesses
with Money & Know-How

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Access to Capital

Coaching, Resources, and Tools

Assessing Needs

Use the self-assessment scores to identify support areas	This is something I need to learn	I understand this but have not yet applied	I understand and apply, but could improve	I understand this and apply it effectively
MONEY	1	2	3	4
Creating and using cash flow projections				
Creating and understanding a Profit & Loss				
Creating and understanding a Balance Sheet				
Calculating break-even and profit needed to reach goals				
Understanding and staying current on all tax obligations (i.e., sales, payroll, income, etc.)				
MARKETING	1	2		
Defining and reaching target market				
Communicating product/service features and benefits effectively				
Aligning my marketing plan to support my revenue and profit goals				
Creating and managing a website for my business				
Utilizing social media and local listings/review sites to promote my business (i.e., Instagram, Yelp)				
Measuring the results of my marketing efforts				
MANAGEMENT	1	2	3	4
Utilizing time management strategies				
Evaluating and implementing systems that enhance operations (Accounting, Inventory, Employee Standard Operating Procedure, etc.)				
Knowing when and who to hire (i.e., subcontractor or employee)				
Training employees				
Providing competitive jobs				
Retaining employees and reducing turnover				

MANAGEMENT

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Why is Blended Learning Effective?

KEY LEARNINGS BASED ON TECHNICAL ASSISTANCE WORK:

1. There are material differences in each business AS WELL AS differences in how each business owner learns
2. Collaborative learning is more effective
3. Customized support is key to growth in business acumen

Content Modules
Find playlists of related content geared towards business type, phase, or deep dive into a category.

Simplified Navigation
Discover new content, dive back into your docs, and search for new resources from any page.

Action Items
Assign content or tasks to complete

NORTHERN INITIATIVES
Money and Know-How

Discover   Activity   Reports   🔍 Find A Resource...

Hi, Jessa ⌄
Demo Org

Resource

Business Finances | Getting Started

Learn about accounting basics and how growing your understanding of financial concepts can help grow your business.

◈ 5m

Get Started →

Action Items   View All

↗ 9 Steps to Keep Your Technology Up-to-Date and Secure
Assigned by **Jessa Armstrong**

↗ Creating & Using A Cash Flow Budget
Assigned by **Amanda Blondeau**

New Action Item   ☑