

# Crowdfunding

Joukkorahoitus mitä, miksi, miten?

3.11.2021

Tuomas Maisala / CEO & Founder at Maisala.net Oy



21 years as a start-up advisor

350+ start-up clients

30M€+ funding raised as a consultant

FiBAN member

12 direct investments

Crowdfunding experiments

Endurance sports enthusiast





# MODEL

Of the Statue of

## "LIBERTY ENLIGHTENING THE WORLD,"

Issued by the American Committee

IN AID OF THE PEDESTAL FUND.



THE American Committee in charge of the construction of the *Base and Pedestal* of this great work of art, in order to raise funds for completing their work, have prepared a *miniature statuette six inches in height*,—The *statue bronzed*; *pedestal nickel-silvered*,—which they are now delivering free of expense to subscribers throughout the United States, at

**ONE DOLLAR EACH.**

This attractive souvenir and Mantel or Desk ornament is a *perfect fac-simile* of the model furnished by the artist.

The Statuette in same metal, *twelve inches high*, at

**FIVE DOLLARS EACH,**

delivered.

The designs of Statue and Pedestal are protected by U. S. Patents, granted to A. BARTHOLOM in 1878-79, and the models can *only* be furnished by *this Committee*.

The people of France donated the money to build the Statue and presented it to the United States of America.

Every American citizen should feel proud to donate to the *Pedestal Fund* and own a *Model* in token of their subscription and proof of title to ownership in this great work.

Address with remittance,

**RICHARD BUTLER, Sect'y,**

American Committee of the Statue of Liberty.

33 Mercer St., New York.

**Orders Received Here.**



Images by Crowdfund Insider

# Crowdfunding in the funding mix

Source Type	Public	Private: Professional	Private: Crowd
Debt	Finnvera	Nordea, OP, Danske etc.	Fundu, Vauraus etc.
Equity	Finnish Industry Investment	Angels VCs	Springvest, Invesdor etc.
Grants	Business Finland, ELY	Accelerators? Foundations?	Mesenaatti.me
Customers			Kickstarter Indiegogo

# 1) Microloans vs. bank loans

- Both forms
  - Cover needs from 5.000 euros to millions
  - Can be short-term (e.g. bullet loans) and long-term
  - Require passing some form of auditing process (“sanity check”) and focus on your cashflow (“payback capability”)
  - Almost always require personal guarantees
- Pooled microloans
  - Typically have much higher interest rates than bank loans.
  - Are mostly taken by SMEs for growth when further debt leverage is needed than a traditional bank can offer.
- Traditional commercial banks and Finnvera
  - Are often the best fit for any new business for debt without business history and records (high risks) by using personal guarantees and relationships.

# 1) Examples of Fundu microloans



Amount (€)	150 000.00 €
Interest (%)	10.70 %
Type	Company loan
Funding description	Angular Velocity hakee Fundun kautta, osana suurempaa rahoitusjärjestelyä, 4 kuukauden mittaista 150.000,00 euron siltalainaa. Lainalla on Business Finlandin 119.000,00 erityispanntaussitumus sekä loppuosalle lainaa yrittäjän rajattu henkilötakaus, 31.000,00€ . Lainattu pääoma ja kertyneet korot maksetaan kerralla takaisin, 15.06.2019 mennessä.



Amount (€)	112 811.76 €
Interest (%)	Euribor 12 months + 11.40 %
Type	Junior loan - Nordea
Funding description	Taimer Oy:n rahoituspaketti muodostuu Nordean 400.000 euron seniorlainasta ja nyt haettavasta Fundun 165.000 euron juniorlainasta. Yhtiö hakee rahoitusta kasvun kiihdyttämiseksi. Pääomaa tarvitaan markkinointiin, kansainvälistymiseen sekä rekrytointeihin. Lisäksi yhtiöllä on käynnissä Business Finlandin tuotekehitysprojekti, josta sille on myönnetty 238.000 euroa rahoitusta seuraavan vuoden aikana. Yhtiön pääomarakenne on hyvällä tasolla, sillä yritys on juuri saanut 138.000 euron sijoituksen uuden osakkaan myötä.

## 2) Equity crowdfunding

Crowd = “Mini angels”

- Invest own assets
- Personal interests
- Typically 500€ - 5k€/case

Platform crowdfunding rounds

- Range from 100k€ to 3M€
- 5-25 % ownership
- Mostly direct (no vehicle formed)
- SHA with limiting rights





## 2) Crowdfunding vs. Angels

- Both ask for
  - Ability to sell you vision and growth potential
  - Initial "ready" group of investors
  - Some loss of control and decision making power
- Equity crowdfunding
  - Rounds and valuations tend to be higher
  - Good fit for building a fan base
  - Some cost for using platform and for marketing
- Business Angels
  - Try to offer "smart money"
  - Might more easily participate on next rounds
  - Requires notable time to find the right investors

## 3a) Pre-sales = customer money

- Selling your product online on a platform
  - Sort of “e-commerce” connected with a strong emotional feeling and a credible story
  - Best fit for physical consumer products (gadgets) with a price of 20...200 euros
- Requires heavy marketing due to high number of campaigns on the platforms
  - Nice video and nice looking photos
  - Ability to reach intended audience somehow
- Sales income for Finnish tax authorities
  - Thus VAT needs to be paid from collected money

# Loupedeck photo & video console

INDIEGOGO

Explore ▾

What We Do

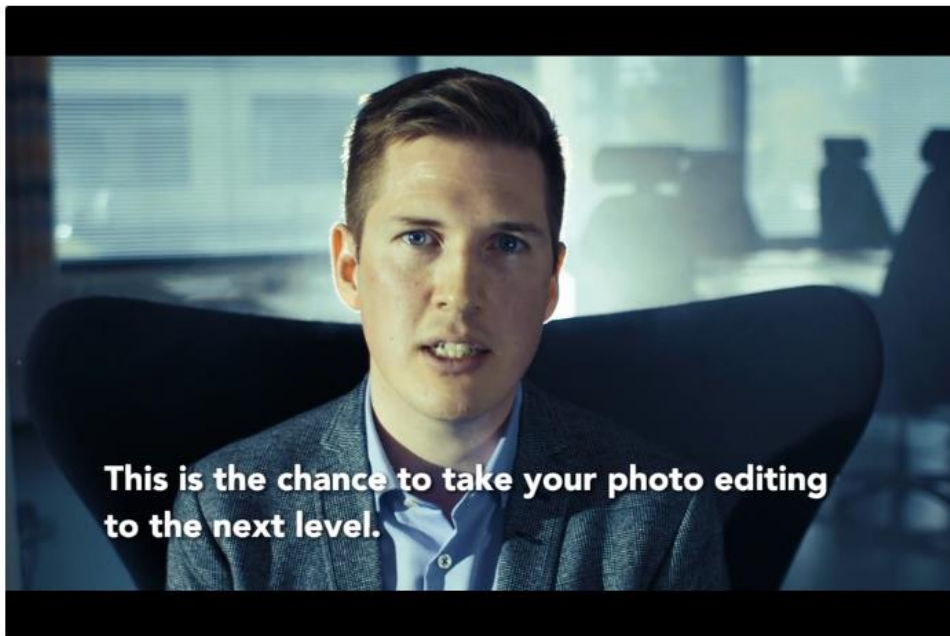


For Entrepreneurs

Start a Campaign

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Sign Up



CLOSED

## Loupedeck

A brilliant new console device for Adobe Lightroom™. Release your true artist.



Mikko Kesti

1 Campaign | Helsinki, Finland

**\$415,243** USD

1,436 backers

488% of \$85,007 Fixed Goal

♡ FOLLOW



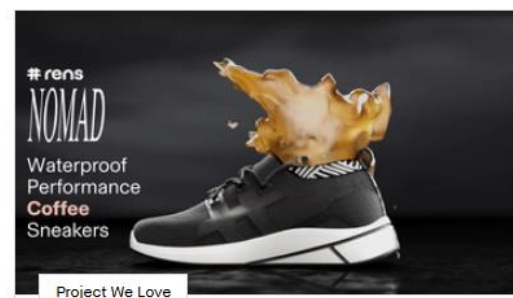
<https://www.indiegogo.com/projects/loupedeck>



### SpineGym - Strong Back and Abs for life

Perfect back, abs & straight posture with a 4 minute standing exercise at home or office

 by **SpineGym** and 2,255 backers



Project We Love

### Rens NOMAD : The All-in-1 Waterproof Coffee Shoe

100% Waterproof | Breathable | Odor-Resistant | Lightweight | Sustainable | Active Lifestyle

 by **Rens Original** and 2,592 backers

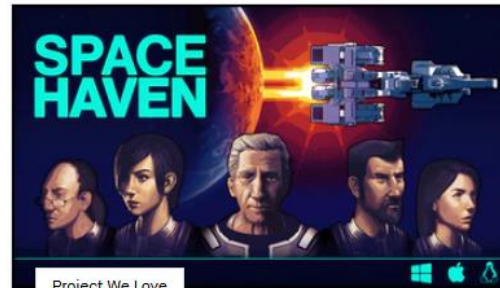


Project We Love

### So, You've Been Eaten.

Don't worry, this is simply an occupational hazard.

 by **LudiCreations** and 8,525 backers



Project We Love

### Space Haven

A spaceship colony sim placing you in charge of a ragtag civilian crew in search of a new Earth, design...

 by **Bugbyte - LudiBooster** and 7,777 backers



### Solu - A new breed of computing

Solu is the world's smallest computer with a cloud-linked OS, a revolutionary human-machine interface...

 by **Solu Machines** and 609 backers



# It's not so easy...

## Update



SpineGym **Creator**

April 10, 2020

Dear Backers,

We are sad to inform you, that we are unable to fulfill the orders of our campaign "SpineGym – Strong Back and Abs for Life".

As you already know, the campaign was conducted back in 2016. Since then we have provided numerous updates on the progress of the project and as we explained in our updates, the road has been full of many surprises, obstacles, and drawbacks along the way.

We have worked extremely hard to pull the project to a successful conclusion, but despite the persistence and the optimistic attitude that has characterized this endeavor, we now find ourselves at a stage where we have to admit that there is no possibility to go further.

All the capital, including the funds from the crowdfunding campaign and our own personal savings have been exhausted.

You are likely to wonder what the money has been spent on over the last 4 years.

Well firstly we want to clarify, that when a crowdfunding program ends, only part of the campaign backing comes to the campaigner.

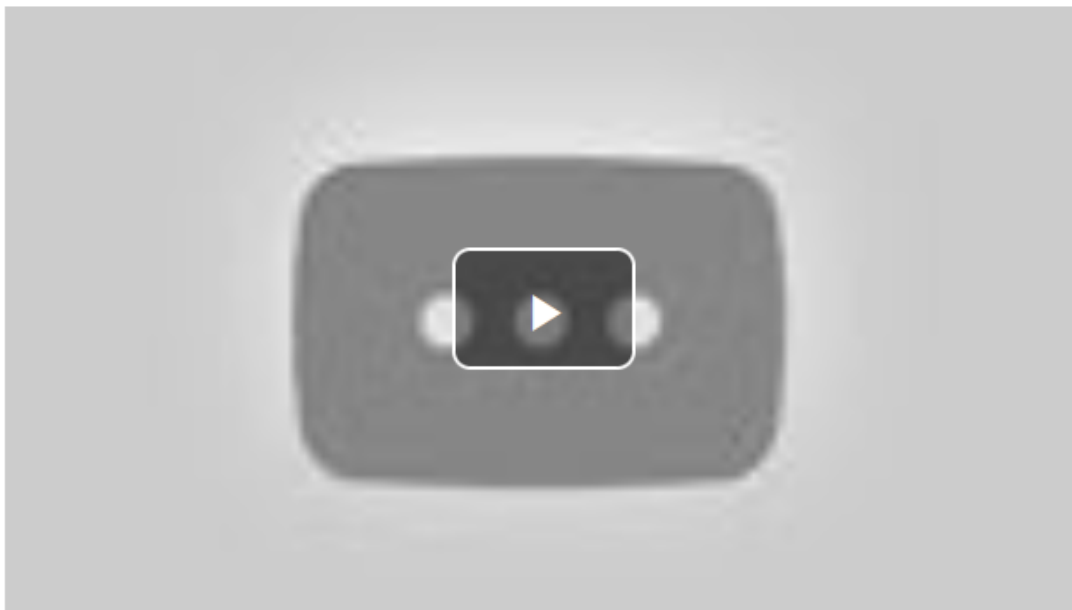
So for Spine Gym we can see below how the funds have been spent

5%	Campaign platform commission (Kickstarter or IndieGoGo)
5%	The credit card company for their fixed percentages on the turnover.
30%	Funded Today, marketing agency that advertised and ran our campaign
4%	Another agency preparing the campaign material
2%	Campaign registrar (Finnish companies can't register directly into Kickstarter).
2%	Survey producer & logistic partner
3%	Royalty payment to the original inventor

After all this, less than 50% of the campaign funding was remaining for us to organize everything and cover all the costs that ensued.

## 3b) Perks & donations

- Finnish legislation forbids open collection of donations for a business
- Despite this, you can sell perks for fans like t-shirts, mugs, VIP memberships etc. as long as there is pricing (not “pay what you want”)
- Some have chosen to operate an association (ry) or a foundation (sr) and a business in parallel (Oy) to have more flexibility
  - Integrify ry and Integrify Oy
  - Kompensäätiö sr ja Compensate non-profit operations Oy



## KORONA AID: PELASTETAAN PORTAALI!

Tamperelainen Portaali on tuottanut ihmisille uskomattomia ja ainutlaatuisia kokemuksia virtuaalitodellisuudessa jo pitkään, mutta nyt tarina uhkaa loppua..

STARTED  
22.4.2020

ENDED  
10.5.2020



Kovat korona-ajat koettelevat myös Portaalia monien muiden yritysten tavoin. Olemme toimineet jo muutaman vuoden ajan menestyksekkäästi Tampereen ydinkeskustassa levittäen virtuaalitodellisuuden ilosanomaa parhaalla asiakaskokemuksella. Investoimme viime kesänä suuresti uusiin liiketiloihimme ja muutimme paraatipaikalle Hämeenkadulle.

Tämä kevät on kuitenkin tuonut mukanaan ennenäkemättömiä haasteita, jotka ovat laittaneet pienen yrityksemme erittäin

122

FUNDERS

7090 €

GOAL 25000 €

MINIMUM GOAL 1000 €

CAMPAIGN HAS ENDED

Thank you



### Portaalin Pojat Oy

Portaali on Tampereen ensimmäinen virtuaalielämysliike ja kaupungin hauskin mesta viettää aikaa! Valikoimassa yli 30 erilaista peliä ja elämystä, niin moninpelejä kuin yksinpelejäkin, ja yhteensä 13 virtuaalitodellisuuslaitteet.



# Summary of Crowdfunding for SMEs

## Forms:

**Pooled microloans (= debt):**  
pooling of small private loans,  
often w/o collaterals, but using  
personal guarantee

**Perks (= "grants"):**  
sell "invaluables" like t-shirts

**Equity investments:**  
collect a big group of "mini  
business angels"

**Pre-order:**  
sell consumer products (to raise  
funding for 1st batch)

## Examples of web services:

Fundu.fi, Vauraus.fi, Invesdor

Mesenaatti.me, via social media or  
directly to fans

Invesdor, FundedByMe,  
Privanet/Around, Innovestor and  
others

Kickstarter & Indiegogo  
FundedByMe

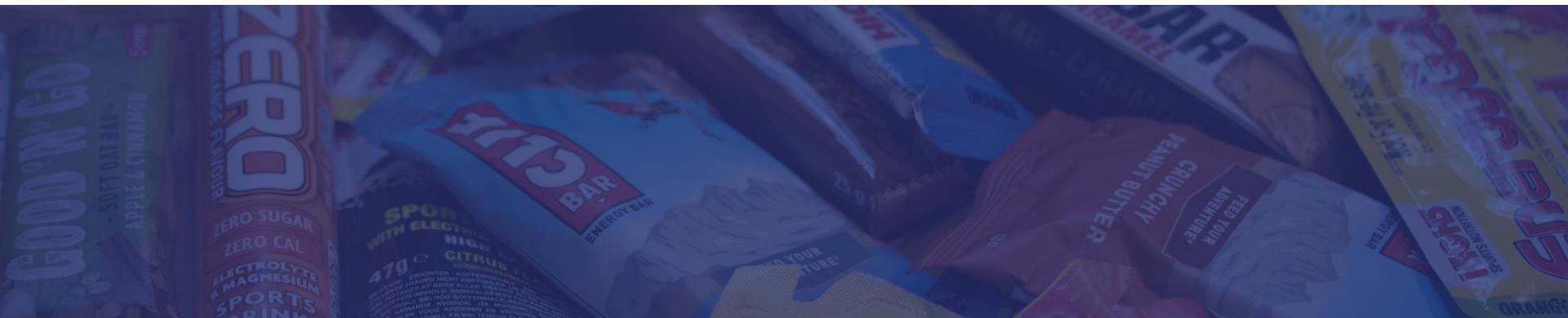


# Q&A

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Phone/WhatsApp +358 44 766 7000

Skype: tmaisala



# Bonus: good video vs great video

Finns vs. Swedes battle:

<https://www.indiegogo.com/projects/bttn>

55.579 USD

<https://www.indiegogo.com/projects/flic-the-wireless-smart-button#/>

965.307 USD

*To see videos, click from Campaign closed "About this campaign"*