Raise Capital to Start Your Network Marketing Company

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Raising capital to fund your network marketing startup can be tricky. In fact, there is no clear cut answer to finding funding. However, there are options available to MLM company owners. There are many giant direct sales companies operating today that began with a very limited budget, in their basements and garages. Many of these companies grew to the size that they are now organically. You, however, may be in a different situation where the influx of capital is

necessary to keep your business afloat.

This article will provide you with some details of how you can get free and trusted information on how to raise capital for your direct selling business. Experts generally propose that it costs around \$100-\$200 thousand to start up a network marketing company. This article will provide you with some ideas as to where to find funding and links to online information written by experienced MLM industry experts.

- 1) Do you have a substantial <u>recruiting background</u>? If you are a seasoned recruiter and are able to attract a strong lineup of consultants then your need for capital will decrease considerably. Expert MLM Attorney Jeff Babener always says, "Your need for capital is in direct inverse proportion to your ability to recruit." If you are able to attract a strong sales force then your need to raise capital outside of the company may greatly diminish. <u>Consultants will be the key to your success</u>. If you are unable to recruit, or don't have a recruiting background, then you may want to consider hiring someone who has recruiting experience.
- 2) Do you have personal capital? MLM startups often find the capital that they need in their own bank accounts, or the bank accounts of family and friends. In some cases, an angel investor is willing to invest in the company. These sorts of investments are based primarily on a personal relationship, as well as trust and loyalty.
- 3) What about <u>public financing</u>? Unfortunately, not many venture capital firms are interested in investing in startup network marketing companies. The startup MLM company has the tendency to be run by inexperienced business owners needing only a few hundred thousand dollars, which isn't very attractive to large investors. In nearly all cases, investment into the

company will come from a close source. Once your business is worth millions, then the investment firms will take notice. You can read about some of the more famous MLM success stories on these pages: <u>Silpada</u>, <u>Herbalife</u>, <u>Pampered Chef</u>, and <u>Visalus</u>.

Another great place to get information on raising capital for your business is at the <u>Starting and Running the Successful MLM Company</u> Conference where industry experts will provide you with individual one-on-one time. The current and easiest way to do this is to visit the page of our <u>Innovation Campaign</u>. The May 15th & 16th, 2014 <u>Innovation Campaign</u> enables network marketing company owners the ability to receive two free tickets to our next <u>Starting and Running the Successful MLM Company Conference</u> in Las Vegas (a \$345.00 value!). All you have to do is fill out a brief survey at our sister website: <u>www.mlmattorney.com</u>, and we will contact you right away to confirm your free tickets to the event. Attending this event will give you direct access to several MLM industry experts, including capitalization experts and MLM legal expert, Jeff Babener. Visit our <u>Innovation Campaign</u> page for complete information about the conference, including the topics that will be covered, the speaker list, videos, testimonials, and much more. For additional questions please call 800-231-2162.

It won't be easy raising capital to fund your startup, but we believe this article will help give you some ideas and help you to understand that it is possible to start small and make it big. For more information on raising capital visit www.mlmlegal.com and www.mlmlegal.com.

Here are some additional articles on raising capital that you may find helpful:

Are there MLM Companies That Have Achieved Success on a Low Budget?

How Do I Find Top Distributors?

<u>New Video – Executive Interview by the DSWA – "Legal Hotspots for Direct Selling Companies" with Jeff Babener</u>

MLMlegal Releases New Film on the MLM Startup Conference – Produced by Networkingstar.com Video
The MLM Startup Conference in Las Vegas Video

For more information on the network marketing industry visit www.mlmlegal.com and www.mlmattorney.com.

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Our next <u>Starting and Running the Successful MLM Company Conference</u> takes place May 15th & 16th, 2014 in Las Vegas. Call 503-226-6600 or 800-231-2162 to register. If you'd like to see how you can get free tickets to the next MLM Startup Conference, visit our <u>Innovation Campaign</u> page.

To read this post at our blog visit: http://mlmlegal.com/MLMBlog/?p=825

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Jeffrey Babener On Assignment

On any given day you can catch <u>Jeffrey Babener</u> lecturing on Network Marketing at the University of Texas or the University of Illinois, addressing thousands of distributors in Los Angeles, Bangkok, Tokyo and Russia, or writing a new book on Network Marketing, an article for Entrepreneur Magazine or a chapter for a University textbook. Over two decades he has served as marketing and legal advisor to some of the world's largest direct selling companies, the likes of Avon, Nikken, Melaleuca, Discovery Toys, NuSkin, and he has provided counsel to the most successful telecom network marketing companies...Excel, ACN, World Connect, ITI, AOL Select and Network 2000. An active spokesperson for the industry, he has assisted in new legislation and served on the Lawyer's Council, Government Relations Committee and

Internet Task Force of the Direct Selling Association (DSA) as well as serving as General Counsel for the Multilevel Marketing International Association. He is an MLM attorney supplier member of the DSA and has served as legal counsel and MLM consultant on MLM law issues for many DSA companies.

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