

Funding for Women Entrepreneurs

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Women-owned businesses are growing faster than the national average. But despite this progress, women-owned businesses remain capital starved. This financing gap is being addressed through a number of public and private resources, some of which are discussed briefly below.

Get certified! Applying for federal and/or state certification as a “women’s business enterprise” (or WBE) can be time consuming, but certification provides WBEs with access to money and opportunities only available to companies with the WBE certification. There are also some attractive tax incentives for businesses that procure from certified WBEs.

Consider financing your business with a loan. Some governmental agencies, in conjunction with community-based lenders and others, provide loans which are exclusively available to WBEs. The U.S. Small Business Administration also offers financial assistance programs designed to help small businesses, and while they are not specifically aimed at WBEs, they are well-suited to borrowers who might not be eligible for business loans through traditional lending channels.

Don’t forget about grants! Grants can be an appealing option for business owners because, unlike loans, they do not need to be repaid. However, applying for grants can be time intensive (sometimes taking many months), and applicants are often competing with many others.

Is Crowdfunding for you? Crowdfunding, which has been passed on the Federal level, offers another fundraising option. Platforms — including [Kickstarter](#), [Fundable](#), [Indiegogo](#) and many others — connect startups with investors and allow individuals to contribute capital in exchange for equity.

Consider VC financing. Women with “scalable” businesses (i.e., startups with significant growth potential), should consider VC financing. While historically very little VC has been invested in female entrepreneurs, new opportunities continue to develop, including the [first WBE VC fund](#) in NYS that is expected to be rolled out in the coming months.

NYS also has a variety of other venture capital funds that provide capital to companies in various stages. Incubators such as [Z80 Labs](#), [43North](#) and [LaunchNY](#) make small seed investments to fund early-stage companies, venture capital and private equity firms, such as [Rand Capital](#), fund startups and early revenue-generating enterprises, and there are regional, specific private funds, such as [Impact Capital](#), that are focused on promising ventures in Upstate New York.

In all, women have a lot of options when choosing their financing strategy, and their options continue to multiply as more women establish themselves as leaders in the market place and take top positions at banks and investment firms. The key is choosing a financing strategy that works for you and your business.

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