



# Actuary as Entrepreneur: Raising Capital

Daniel T. Cox  
Managing Director

CHICAGO  
CONSULTING  
ACTUARIES

*Where numbers become ideas*

# Agenda

- Presenter Perspective
- What Sets Entrepreneurs Apart?
- What Investors Seek
- Capital Raising Checklist
- Elements of Business Plan
- Capital Sources
- Capital Raising Process
- Building the Business



# Presenter Perspective

- Consultant/Actuary
- Office/Region Management
- Corporate Buyer – Intrapreneur
- Entrepreneur
- Venture Catalyst





# What Sets Entrepreneurs Apart?

- Own capital at risk
- Need customers to survive
- Rewards heavily equity dependent
- Wear many hats



# Entrepreneurial Actuaries: Distinguishing Attributes

- Ability to step outside “comfort zone”
- Broad view of professional role
- Marketing savvy
- Networking skills
- Relatively high risk threshold



# What Investors Seek

- Executable Business Plan
- Strong Management Team
- Investment Returns
- Management at Risk
- Exit/Buy Out Strategy
- Other:
  - ✓ Business Platform
  - ✓ Complementary Business
  - ✓ Mentorship Role



# Capital Raising Checklist

**Story**

**Structure**

**Support**

**Staffing**



# Capital Raising Checklist



## Story

- Business Plan
- Investor Presentation





# Capital Raising Checklist

## Structure

- Corporate Structure
  - ✓ Corporate Documents
  - ✓ Shareholder Agreement
  - ✓ Regulatory Filings



# Capital Raising Checklist

## Support

- Financial Statements
  - ✓ Business
  - ✓ Personal
- Client and/or Beta Site
  - ✓ Case studies/ testimonials
  - ✓ Letters of recommendation



# Capital Raising Checklist

## Staffing

- Management Team
- Board
- Advisory Board



# Elements of Business Plan

- Executive Summary
- Opportunity/Problem
- Mission (Solve the problem)
- Company Overview
  - Present
  - Planned
  - Business model
  - Execution strategy
- Management Team
- Board/Advisors



# Elements of Business Plan

(continued)

- Clients
- Strategic Alliance
- Market
  - Overview
  - Target
- Competition
- Financial Plan
- Risks/Opportunities
- Capital Requirements
- Exhibits



# Capital Sources

- Intrapreneur
- Own Resources
  - Savings
  - Retirement Plans
  - Asset sale
  - Mortgage/Debt
- Clients
- SBA



# Capital Sources

(continued)

- Relatives
- Strategic Investors
- Private Placement
- Angel Investors
- Incubators
- Venture Capitalist
- Public Offering
  - Equity
  - Debt



# Capital Raising Process

- Identify prospects
- Do your homework
- Initiate contact
- Present and close
- Follow up
- Negotiate agreement
- Documentation and closing





# Building the Business

Number one  
priority

Cash is king

Importance of  
marketing

Learning to  
network

Role of mentors

Staying lean

