

# TECHNOLOGY DEVELOPMENT LOAN PROGRAM



## FLEXIBLE LENDING OPTIONS FOR NEW TECHNOLOGY DEVELOPMENT

Entrepreneurs often have no choice but to get creative when it comes to financing their new ventures. Concept development, prototype production, research and market analysis all need to be done before traditional investors will consider funding a new company. Recognizing the need to encourage new ideas in the state, the Wisconsin Economic Development Corporation (WEDC) offers lending options targeting the critical stages of new business development. WEDC's loan funds are tailored to help innovative companies with promising economic futures clear the hurdles associated with bringing new technologies, products and concepts to market.

### How it works

Companies that provide high-tech or innovative solutions with national or global market potential are eligible for WEDC **Technology Development Loans**, which are tailored to the evolving needs businesses face as they move through their development cycle.

Among the criteria WEDC uses to make investment decisions are financial need, private investment leverage, management team experience, the potential to increase production, and the potential for long-term, positive economic impact in Wisconsin.

WEDC financing is generally limited to 20% or less of an identified project or funding cycle. WEDC will require the balance of funding to be available prior to funding the loan.

### Terms

WEDC will evaluate applications based on factors that include growth potential, timeline, funding, technology, market, execution, cash flow, secondary benefits, need and business impact. Term of loan is typically 5 to 7 years with an interest rate of 6%. Additional terms may include conversion of up to 20% of the loan amount to equity or a personal guaranty requirement.

## APPLYING FOR A TECHNOLOGY DEVELOPMENT LOAN

For more information about loan programs and requirements or to obtain an application, contact a WEDC Technology Investment Manager:

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Please be prepared to submit an up-to-date business plan or executive summary.