



How Do You Find and Engage Capital Partners?

Step 1 Find the Right Markets

Companies command the highest risk-adjusted valuation when they leverage their comparative advantages in the markets with the highest impact. To do so, Crossroads recommends that clients conduct an objective introspection of capabilities, resource constraints, public perception, existing products or know-how, risk tolerance, market trends, and current shareholder goals.

Step 3 Estimate Value and Calculate Funding Amount Sought

Companies should target an *the minimal amount sufficient to increase future valuation by an order of magnitude greater than the funds raised* by the time further investment would be needed. Otherwise the raise is overly dilutive to the founders. This is why capital is raised in incremental rounds; so that the shareholders take advantage of the equity appreciation that occurs between rounds.

Step 5 Leverage Network

Crossroads maintains a wide network of relationships with potential capital sources to allow us to leverage the latest business intelligence and know who looks for what and why. These insights allow us to understand the diversity of investors and help our clients navigate the private placement ecosystem

Step 2 Articulate Strategy

Strategic decisions about how a company will position itself in the market place will reverberate throughout the organization and affect a diverse set of tactical decisions such as customer groups targeted, pricing, branding, R&D priorities, hiring practices, investment plans, and capital structure. Only a clear strategic vision can guide a company in making effective decisions in seeking new capital.

Step 4 Plan to Increase Valuation

Once a valuation and an investment amount have been established, the company needs to draft a detailed tactical plan that outlines the concrete steps the company will take to increase its valuation as measured by industry-appropriate objective metrics. The tactical plan explains how the funds invested will be spent and how such spending fits with the company's strategy and will drive value.

Step 6 Customize Approach

Companies should not approach all investors the same way. Crossroads recommends that clients tailor their pitch materials to emphasize the points most likely to resonate with each particular investor. This approach will increase the probability of success.

Successful Capital Formation engagements require a mix of strategy consulting, research, corporate finance, and mergers and acquisitions advisory skills. Putting strategy first enables a coherent, efficient, and convincing approach, which is why our approach begins with a review of target markets and growth strategy. To resonate, all strategy needs to be anchored in well-designed and credible financial models that affect internal decision making. Finally, a disciplined M&A approach allows the timely and effective execution of any Capital Formation engagement.



Research

We collect and analyze the right information to facilitate better decision making as well as to uncover new opportunities for market entry, tech transfer, access to capital, partnerships, and mergers & acquisitions.

Research Services

- Find Partners
- Identify New Markets
- Decipher Market Trends
- Understand Competitors



Strategy

We help you position your business for long-term success and resilience. We work with you to identify fitting markets for your business, to clarify the strategic tradeoffs, and to help chart market entry, exit, or growth plans.

Strategy Consulting

- Select Focus Areas
- Identify Divestitures
- Foresee Long-Term Risks
- Chart Deliberate Plans



Corporate Finance

We use advanced financial modeling to enable decision makers to evaluate the full spectrum of possible financial consequences of any action. As such, we use quantitative tools to ensure objectivity and clarity in decisions.

Outsourced CFO Assistance

- What-If Analysis
- Planning & Analysis
- Exit Value Estimation
- Transaction Preparation



M&A Advisory

We blend our capabilities to identify the markets and strategic prospects or investors for which our client's businesses, tech, and innovations add the most value. We adapt our pitch to each prospect to maximize value.

M&A Services

- Buy-side
- Sell-side
- Capital Formation
- Technology Transfer

We help companies and entrepreneurs
make and implement the toughest business decisions!