



MARKET DEVELOPMENT FUND

- Introducing crowdfunding

Crowdfunding is financing that can make an entrepreneurs **dream** come true. The Market Development Fund helps companies/enterprises bring their new innovative products to the market faster – a perfect match to creating **growth and employment** in Danish companies.

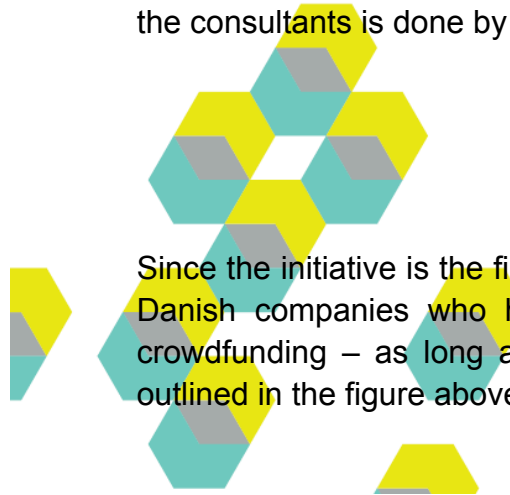
The Market Development Fund is at the forefront when it comes to adapting to the demands of Danish companies. The Fund are now proactively promoting the growing ecosystem around crowdfunding so Danish companies can tap in to the growing investment pool on national and international crowdfunding platforms. To do this the Market Development Fund is launching an initiative that will **match fund** consumer related products through crowdfunding.

The Fund will give companies the possibility of validating their market potential through **rewardbased crowdfunding** on a platform of their own choosing. If their campaign turns out to be a success the fund can match the financing from the crowd. Through a rewardbased campaign the company will establish its first contact to the consumers, create awareness of the product and raise money for the first production. The Market Development Fund will finance the test and adaptation phase – phase where we know many crowdfunding projects are struggling with unforeseen problems regarding for example the scaling of the production .

Today, the Market Development Fund is co-financing **innovative products and inventions** that are on their way to market. The Fund is a unique possibility for companies to obtain a **grant** to finish the development from a prototype or beta-version to a market ready product. This phase of test and adaptation is not covered by any other private or public investors in Denmark.

The Fund will select the **most promising B2C products** and match fund them if they prove their market potential through a successful rewardbased crowdfunding campaign. To promote crowdfunding further and aid companies that might be new to crowdfunding, the Fund will offer the companies a **lump sum of DKK 39.000** to buy assistance for the preparation of their crowdfunding campaign from a certified consultant. The certification of the consultants is done by the Danish Crowdfunding Association.

Total project budget	Financing from the crowd	Match funding from the Fund
500.000 – 1.000.000 kr.	Min. 250.000 kr.	250.000 – 750.000 kr.
> 1.000.000 kr.	Min. 500.000 kr.	500.000 – 1.461.000 kr.



Since the initiative is the first of its kind in Denmark, the Fund will accept applications from Danish companies who have already successfully raised money through rewardbased crowdfunding – as long as their campaigns **pledged and reached** the minimum goals outlined in the figure above.