

>: What are the first 3 questions to ask when investing in a private company.

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The first thing I want to know is their commitment. I want to know how much time and money they have invested and will invest in the future. If they have mortgaged their homes and will quit their job to work on this venture full time, you know they are committed,

Another thing I want to know is their experience in the venture and the experience of their managers. Poor managers can destroy any company. They can go through money that could be better used. I remember W.T. Grant being worth 3 times their stock price, but within a couple of years, the managers went through the assets. This was prevalent in the Dot com companies.

Finally, I want to know if the company has made any profit, sold any item or what marketing they have done to determine that they could sell the product.

Morris