



>: **Three Questions to Ask Before Investing in a Private Company**

Friday, February 22, 2008 / (DCSurvey)

Test of management potential: What successful entrepreneurial businesses has the current management previously led? If this is the first venture, why should I expect it to be successful.

Ability to change and method/impact of doing so: If the company burns cash faster than projected in the business plan, what adjustments will be made and what impact will it have on revenue projections?

Traction for product or service: Can I speak with five existing customers regarding your product or service? If this is a new business, can I speak or get a report on the results of the past five sales calls from the potential customers?

(DCSurvey)