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Super Belly Ferments quickly meets its financing goal of \$75,000 by issuing Small Business Bonds™ through SMBX.



Situation

Husband and wife Paul Trendler and Sarah Frost-McKee built Super Belly Ferments to cultivate approachable everyday foods with naturally occurring probiotics. They found that nutrient-dense, wild fermented foods help create stronger microbiomes, which can protect against inflammatory responses linked to leaky gut, irritable bowel syndrome, and other autoimmune disorders.

To improve the health and resilience of its customers, Super Belly Ferments developed a range of probiotic salad dressings that can be used to flavor a variety of dishes. Everything was going well, but Paul and Sarah felt the need to expand.

“We didn’t want to go the traditional route and get a bank loan... We were looking for a more creative approach.”

“We wanted to grow our business,” said Paul. “That meant getting our products on the shelves of as many grocery stores as we could. However, securing shelf space in grocery stores is expensive. We also needed to purchase more equipment to support our growth, as well as increase our marketing efforts through aggressive promotions and product giveaways. Those, too, are expensive propositions.”

To accomplish their objectives, Paul and Sarah needed to raise capital.

“We didn’t want to borrow from friends and family or go the traditional route and get a bank loan, and we didn’t want to give away equity in our business,” said Paul. “Instead, we were looking for a more creative approach.”

When Paul and Sarah found SMBX, they knew that they had discovered a way to fund what they call “grassroots entrepreneurship.”



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Paul Trendler
Co-Owner
Super Belly Ferments

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Solution

SMBX is a Small Business Bond™ marketplace. In this case, a Bond is like a loan, but a business like Paul and Sarah's borrows funds from everyday investors instead of a bank. Anyone with a US-based bank account can discover and choose to invest in available Bonds designed to pay monthly principal plus interest.

"It was super easy to get started because the SMBX portal is remarkably user-friendly," said Paul. "The idea that anyone can purchase our Bonds—even if they didn't have a personal relationship with Sarah or me—was exciting."

SMBX pushed Super Belly Ferments Bonds live on its marketplace and marketed the offering to its email list of investors and by posting across its social media channels. SMBX also drafted creative copy for Super Belly Ferments to use in social media posts. Super Belly Ferments further raised awareness of its Bond issue by sending emails to its newsletter mailing list and handing out postcards at farmers' markets.

"With the amount of marketing that we did, the Bonds virtually sold themselves," said Paul. "It was amazing. People in our local community found out about our company through the Bond offering and started investing \$20, \$1,000, and even \$5,000 in our business. Some invested a small amount, then came back later to invest more."

"Giving payments to individuals who believe in our company is much better than paying a bank."

Super Belly Foods had set a goal to raise \$75,000 in unrestricted funds with the Bonds, which were issued at 7.5% annual interest and sold for \$10 each. Though the Bond issue was capped at the \$75,000 goal, Super Belly Ferments ultimately raised nearly \$125,000 from more than 150 investors. In other words, the Bond issue was so successful, the company ended up with more investment offers than Bonds they had to sell.

"It was gratifying to find a creative way to raise money by giving the public a low barrier to entry using a simple online interface," said Paul. "Giving payments to individuals who believe in our company is much better than paying a bank."

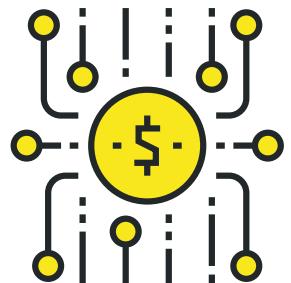
RESULTS



RAISED \$75,000 IN UNRESTRICTED FINANCING



MET FINANCING GOAL 40 DAYS AHEAD OF SCHEDULE



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