

Want to Ruin Your Relationships? Ask Family and Friends to Fund Your Startup

JANUARY 19, 2017

In this article published by *Xconomy*, Gary Schall explains why obtaining capital from friends and family can be a lose-lose proposition for entrepreneurs and suggests other avenues to pursue instead.

When you need cash to fuel your startup, it's tempting to "think local." The people with the strongest ties to you—relatives, friends, college roommates, running buddies, and co-workers—are the ones who believe in you. You'd probably turn first to them for financial support. Capital fronted by these folks might be the quickest, easiest cash you'll ever collect—but you could end up paying a crippling price for it. [Read the full article](#)

Authors



Gary R. Schall

PARTNER

Co-Chair, Emerging Company
and Venture Capital Practice

 gary.schall@wilmerhale.com

 +1 212 295 6836