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## RESTAURANT CROWDFUNDING PLATFORM TURNS CUSTOMERS INTO INVESTORS

 FOOD & DRINK

**Equity Eats is a restaurant crowdfunding platform which helps eateries to raise capital via their future, local customers.**

Once restaurants and bars open it's ultimately down to local customers to determine whether or not they succeed — voting with their patronage. Now a new platform could enable customers to help make that choice before businesses even build their kitchens. [Equity Eats](#) is a crowdfunding platform which helps eateries to raise capital via their potential customers, and enables local people to have a say in the development of their area.

EquityEats enables entrepreneurs, with viable business plans, to raise funds for their hospitality venture by crowdfunding the start-up capital in exchange for future equity. Investors are primarily local community members, meaning their support in itself is proof of concept. As with other crowdfunding platforms businesses have to raise the full target amount to receive pledged funds. Investors receive a majority of the restaurants profits until their initial investment has been returned and then receive a quarterly distribution. Businesses can also offer perks such as invites to opening parties, food tabs and reservation priorities. EquityEats takes a one percent management fee from profits, but only once all investments have been paid back.

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We have also seen customers investing in their favorite independent food establishments by purchasing **Credibles** — local food credits. Are there other local businesses which could be financed by the community in this way?

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