

Inner Circle

NOVEMBER SESSION







COACH



Alejandro Cremades

CoFounder at Panthera Advisors

- Serial entrepreneur
- Guest lecturer professor at Wharton, NYU, Columbia University
- Ranked #1 in the Top 30 under 30 list by Vanity Fair, Entrepreneur Magazine, and GQ Magazine
- Forbes contributor
- Author of *The Art of Startup Fundraising*

**“Believe you can and you
are halfway there.”**

-----Theodore Roosevelt

Where To Find Investors

Online
Platforms

Events

Social
Media

Blogs

Emails

Accelerators

The Best Tools

 PitchBook

CrunchBase

 CBINSIGHTS



mattermark

What Makes An Investor A Lead

- Negotiate terms
- Invest up to 25% of your round
- Hire law firm to handle the paperwork
- Advise your startup
- Take seat on the board
- Make introductions
- Manage other investors
- Participate in follow on rounds

Investor Updates

What to include

- Summary of last quarter
- Product launches
- Key hires
- Milestones achieved
- Where you need help
- Runway
- Summary of metrics

Why sending them

- Builds trust
- Investors get to see how you execute
- Investors are able to get involved
- Investors monitor your level of transparency

Other Follow Ups

- To inform of your fundraising momentum
- When you secure new notable investors
- When you close a financing round
- When reaching milestones
- When making important hires
- When featured in prominent media outlets

Navigating The Tricky Questions

How big is the market?

Who are your competitors?

What is your burn rate?

What is your exit goal?

How To Connect With Investors

- Make the investor feel important
- Seek out the common interests
- Don't work from a script
- Ask effective questions
- Be an exchange and not a taker

Expected Vesting For Founders

Why

- To protect themselves in case you leave
- To protect you from your cofounder in case they leave

How

- 2 years cliff with a 6 year vesting
- Potential stock option pool of 20% for employees

Market Timing

**With
corrections
cash gets
expensive**



**Raise over
24 months
of runway**

What determines traction?

- Do customers really like it?
- Are they coming back?
- Are your first five customers very happy?
- Is traffic growing without marketing?

How To Increase Leverage

Have more than 6 months of runway

Going out with a lead investor

Introducing deadlines

Figuring Out Your Unfair Advantage

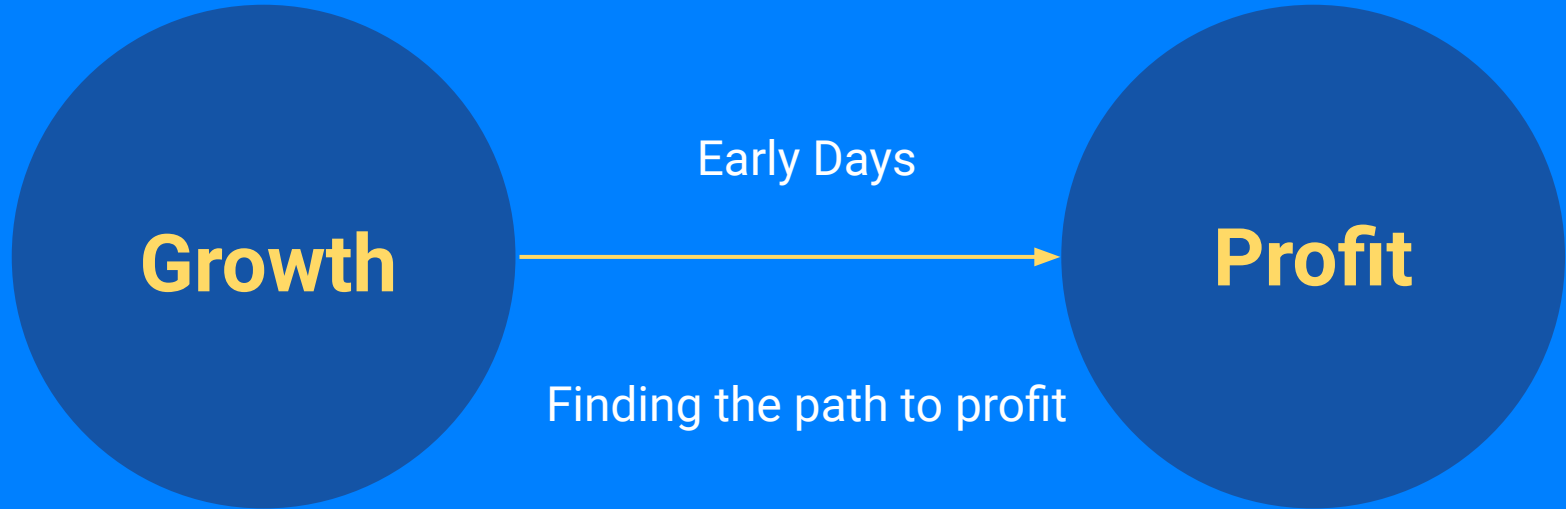
Advantage

- Speed of delivery
- Speed to market
- Price
- Technology
- Design
- Customer Service
- Experience
- IP

Distribution

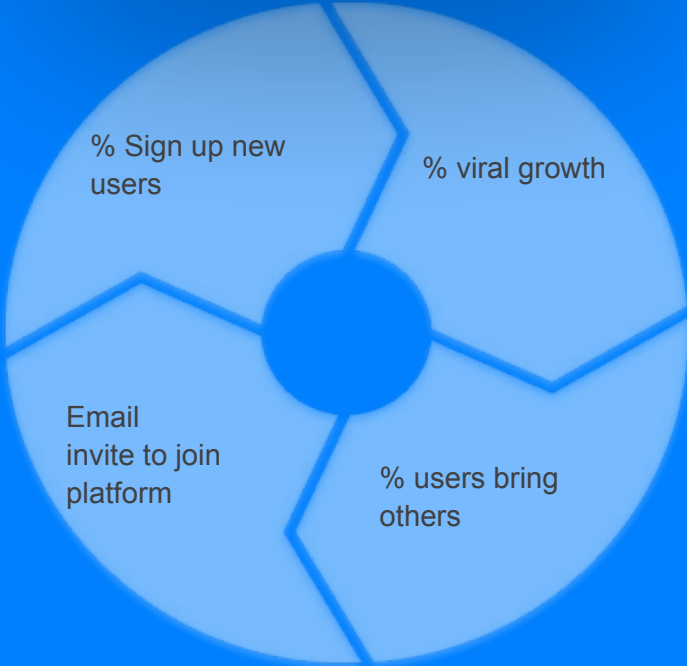
- What do they want?
- What aren't they getting from current providers?
- What is worth to them switching brands for?
- Prepare SWOT analysis (strengths, weaknesses, opportunities, and threats)

Market Places & Saas



Network Effects

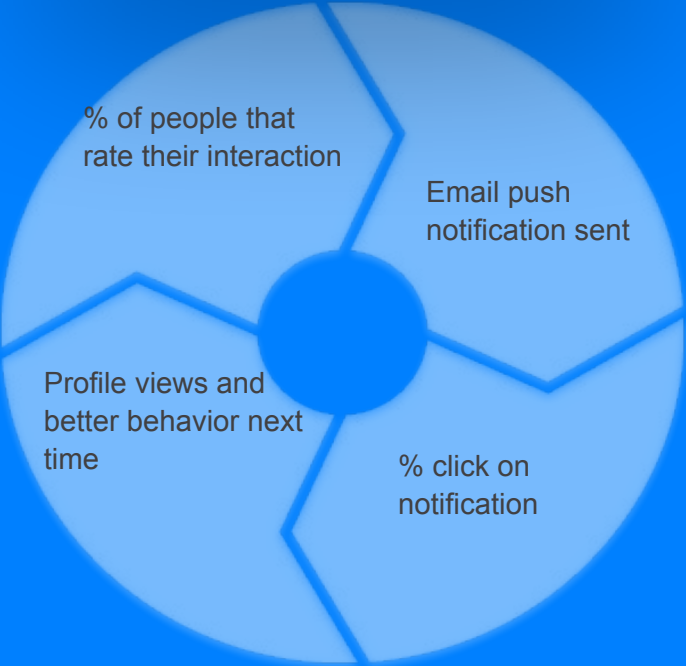
NEW USERS



ACQUISITION
LOOPS



INTERACTION W/ OTHERS



RETENTION
LOOPS



Lessons In Fundraising from Fabrice Grinda

Picking an investor that has interests aligned with yours

Understanding drag rights in shareholder agreements

Consider taking more liquidity early on

The importance of your relationship with the VC partner

Executive Summaries

- Summary
- Company description
- Market analysis
- Organization description
- Management team
- Product line
- Marketing plan
- Funding request
- Financial projections

Considerations For VCs

Any investments in
the last 12 months?

Do they invest
in your region?

Do they invest at
your stage?

Speak with a failed
founder of their
portfolio

Do they take a
board seat?

The Best Investors

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graph LR; A((Operational empathy)) --- B((Operational expertise)); B --- C((Personal alignment));
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Operational
empathy

Operational
expertise

Personal
alignment

From Seed To Series A

- Figure out the business model
- Finalize the team of people
- Avoid putting pricey valuations at Seed
- Avoid big discounts on notes at Seed
- Avoid VC firms at Seed