

# A VC's Blueprint for Startups



Summary by



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# Overview

Michael Blakey, co-founder and managing partner at Cocoon Capital, shares invaluable insights for startups on the art of fundraising. Drawing from his extensive experience in early-stage investments across Southeast Asia, Blakey elucidates the common pitfalls in pitch decks, the importance of storytelling, and strategic tips for engaging with VCs. His advice offers a roadmap for startups to navigate the challenging terrain of securing seed and pre-seed funding effectively.

## 20-Point Summary:

- Introduction of Michael Blakey: A managing partner and co-founder of Cocoon Capital, focusing on pre-seed and seed investments in Asia.
- Investment Approach: Cocoon Capital makes about five deals a year, emphasizing early involvement and post-investment support.
- The Role of Pitch Decks: Blakey highlights the variability in VC preferences for pitch decks but underscores the necessity of preparedness.
- Common Fundraising Mistakes: He identifies a lack of understanding of VC operations and poor storytelling as key issues.
- The Importance of Storytelling: Effective storytelling is crucial, especially at the pre-seed stage, for attracting investment.
- Targeting the Right Audience: Many founders fail to tailor their pitch decks to investors, often presenting them as if to customers.
- Focus on Future Potential: Investors are more interested in a startup's future plans and potential for growth rather than its current status.
- Highlighting the Team: The team's background and relevance to the project are vital, often influencing investment decisions within the first few slides.
- Raising Funds is a Marathon: Blakey advises viewing fundraising as a step-by-step process, aiming for progress to subsequent meetings.
- Understanding VC Priorities: Founders should research and understand what VCs look for in potential investments.
- Efficient Use of Slides: Overloaded slides can be counterproductive; clarity and focus are essential.

- Personalization and Research: Successful pitches often include personalized approaches and diligent research about the VC firm.
- Demonstrating Problem-Solving: Clearly articulating the problem being solved and why it matters can significantly impact investment decisions.
- Emphasizing Unique Selling Points: Startups should clearly define what sets them apart and how they address unmet needs.
- Advisor Roles: While important, advisors should not overshadow the core team, especially in early meetings.
- Financial Projections: Focus on long-term financial targets rather than past or current revenue to showcase growth potential.
- Market Opportunity: Presenting a clear vision of the market opportunity can help investors visualize the potential return on investment.
- The Significance of the Team Slide: Many presentations underutilize this slide, despite its critical importance to VCs.
- Tailoring Content for Initial Meetings: The first meeting should aim to intrigue and qualify for a follow-up, rather than overload with details.
- Professionalism in Communication: Personalized, well-researched communication indicates business acumen and increases the chances of engagement.

Michael Blakey's insights offer a comprehensive guide for startups looking to engage with VCs and secure funding. His emphasis on preparation, presentation, and understanding the investor's perspective provides valuable lessons for entrepreneurs navigating the fundraising process.