

Courting is important work to building conviction, developing a relationship with the investors for investment

The runway to investment is long, very long.

It takes time to evolve an idea into something investable, then more time to be able to properly communicate that investability.

Investor Communication & Relationships For Funding Early Stage Startups

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<https://tinyurl.com/100x-class01>

100X Class 01 Startups



The Importance of Investor Relations

Investor Relations (IR) combines finance, communication, and marketing to effectively control the flow of information between a public company, its investors, and its stakeholders.

Investors play a major and vital role in the success and growth of a company. Because of that fact, it's of the utmost importance for companies to maintain strong, transparent relationships with investors. This is where the investor relations department of a company comes into play.

**No good investment is ever made without a
relationship already in place.**

**No good relationship ever starts out by asking
someone for money.**

Trust



**Investor
Relations**

Partnership

Communication

The single biggest problem with startup founders is in communication
that is the illusion that it has taken place

Startups founders should know that investors are looking for entrepreneurs who are organized, responsible and transparent.

Three C's - Clear, Concise and Consistent

A BLUF (bottom line up front) is a paragraph where the conclusions and recommendations are placed at the beginning of the text, rather than the end, in order to facilitate rapid decision making.

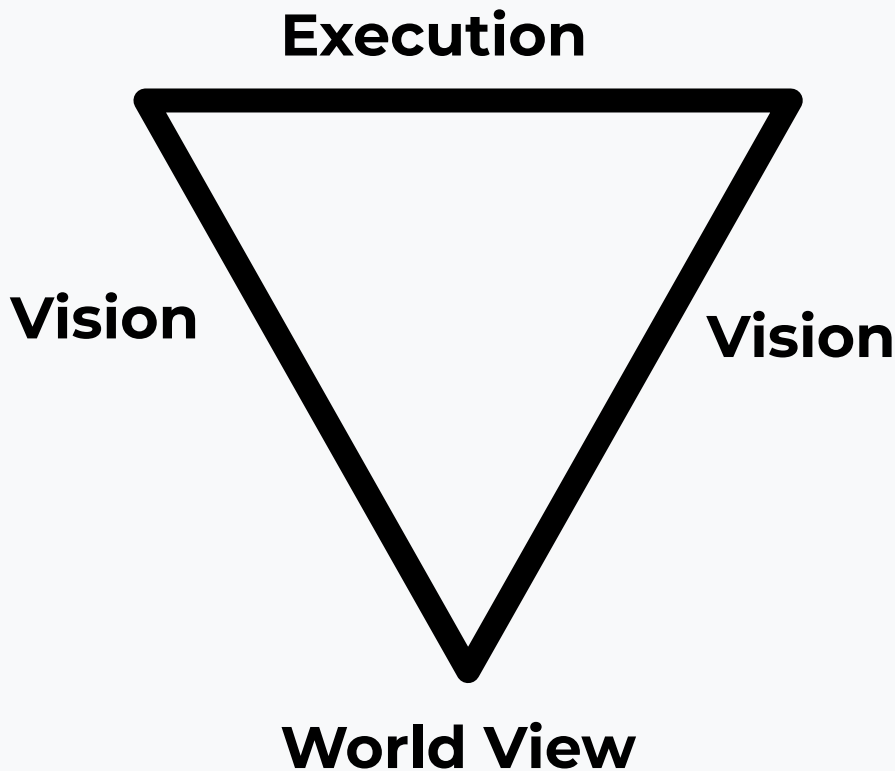
Communication works for those who work at it.

BLUF would look like this

Hey Sanjay, We want to show the demo on how our 128 bit security product that stops hackers during data transfer between offices. It will take 10 minutes. Does coming Monday 11am work for you! Please advise.

Communication is your ticket to success, if you pay attention
and learn to do it effectively.

Storytelling - The Big Picture



Investors are
interested to
hear the whole
story & not what
you do now

The Whole Story - Teach investors about the world, the future

Pitch

I have built a 128 bit encryption

Vision

We want to protect the hacking for every credit card transaction

World View

Internet is exploding and online payments & banking is next big thing and we want to secure the online world.

103 104 105 106 107 108 MHz
1200 1300 1400 1500 1600 kHz

FM STEREO

TUNING



Talk at the Investor Level

Pitch

I have built a 128 bit encryption

Benefit

It is unbreakable

Make it personal

It is difficult to hack data sent from branch to head office

Time is an illusion, timing is an art

Enter a market too early, no matter how strong the founding team, and you could be stuck waiting for a day that never comes.

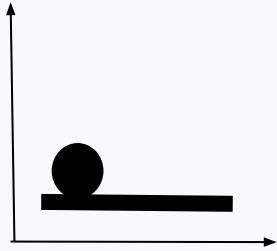
Enter too late and you're fighting an uphill battle against incumbents with greater scale.

In startups, timing is everything.

A high-angle, close-up shot of a baseball field's warning track. The reddish-brown artificial turf is textured and shows several white chalk lines that converge towards the top of the frame, creating a sense of depth and perspective. The text "DEAR FUTURE, I'M READY!" is painted in large, bold, white capital letters across the middle of the image. The font is a clean, sans-serif style, and the exclamation mark at the end of "READY" is particularly large and prominent. The overall tone is motivational and energetic, suggesting readiness for the challenges of the future.

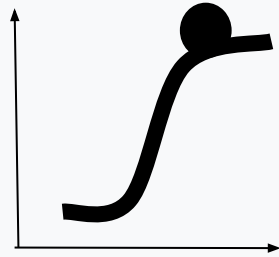
**DEAR FUTURE,
I'M READY!**

Is the timing right for you, If yes then why? Prove it to investor



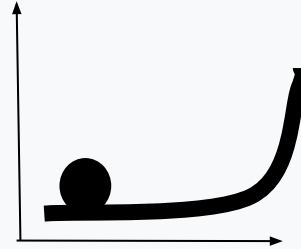
1. Flat Market
Not Growing

Computer
Assembling



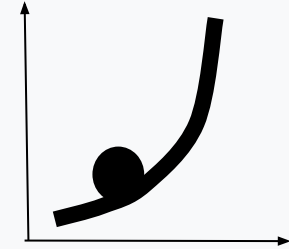
2. Large Market
Growth is history

Online
Ecommerce



3. Niche Market
Ahead of time

Driverless
Cars

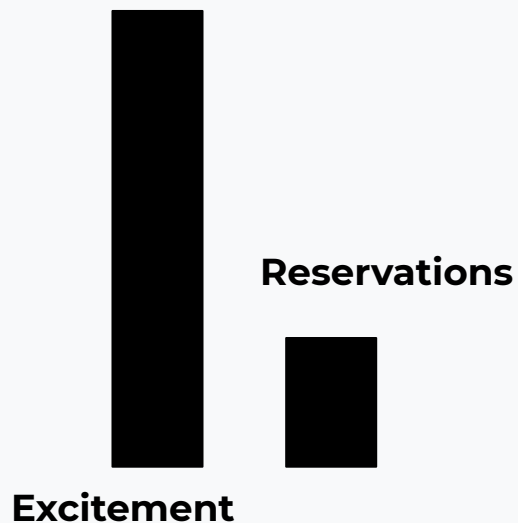


4. Niche Market
Growing Rapidly

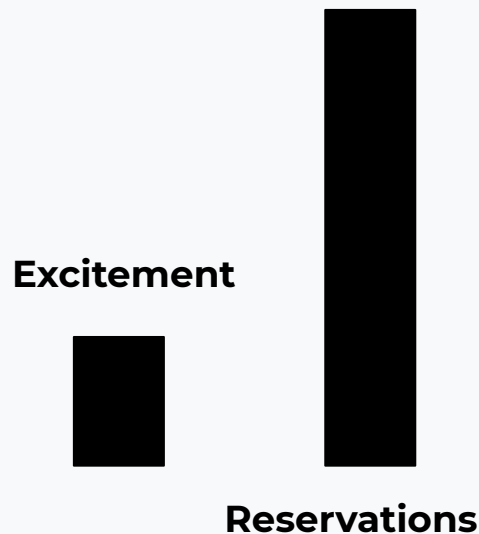
Subscription
Commerce

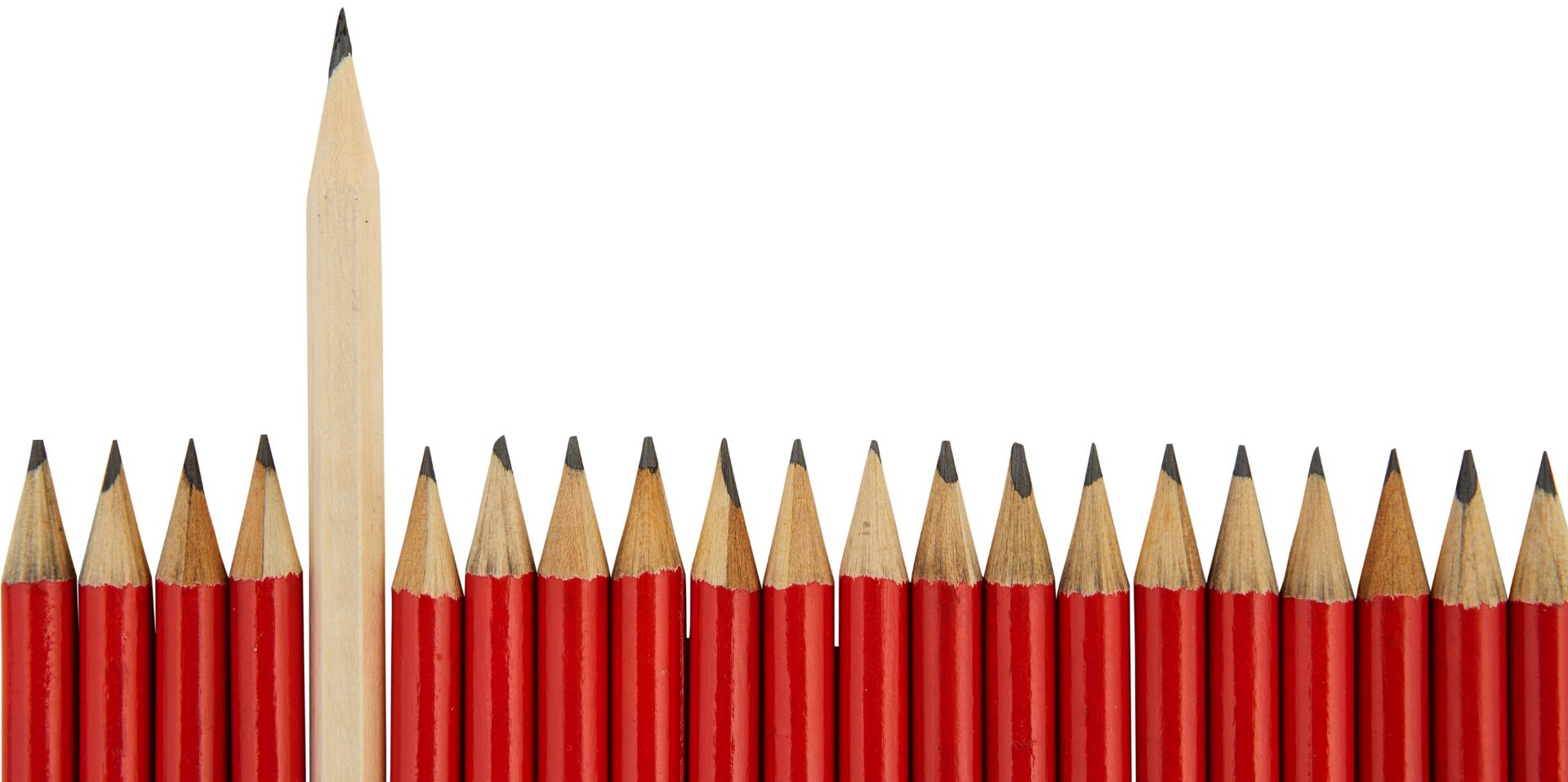
Investor is human, logic and rationality is coupled with emotions

In Enthusiasm !!! - Funded



In Doubt ??? - Rejected





Being Credible Is Not Unique, Check your moat

5 ways to have unfair advantage - Be Specific

1. Create **fundamental product innovation** through superior IP, disruptive technology. - OLA
2. Create perceived product or service differentiation through a **trusted brand or reputation** through customer data. - ID Fresh foods
3. Driving cost down with economies of scale and offer products or service at **lowest cost** - Jio
4. Locking in customers by **high switching costs** - Zoho
5. Locking out competition with high entry barriers with **network effect**.- Oyo





Do not overload investor with information

1. Elevator Pitch (Twitter Size)
2. Introduction Pitch Deck (10-12 Slides)
3. Demonstration, Product Specifications
4. Information Memorandum (30 Slides)
5. Financial Projections (12-18 Months)
6. Cap Table, Audited Current Financials, Traction Metrics
7. Reference Names



Checklist - 11 Questions

1. Should I be raising venture capital
2. Are you venture investable ready
3. Which are the investors who will be interested
4. How much runway you have
5. Why is this the right time to build this company
6. Why is your team the one to do it
7. Why isn't everyone already working on it
8. Why do people want this more than any other product
9. What is the moat, how does it become powerful
10. Why will you do better than the big established incumbents
11. Why are you building this company

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Class 02 Applications Invited

www.100x.vc