



SERPENTINE

Ventures

Raising early stage capital: a healthcare VC perspective

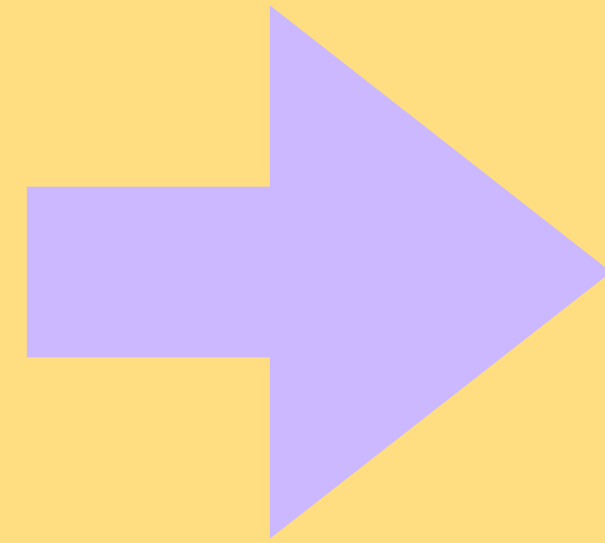
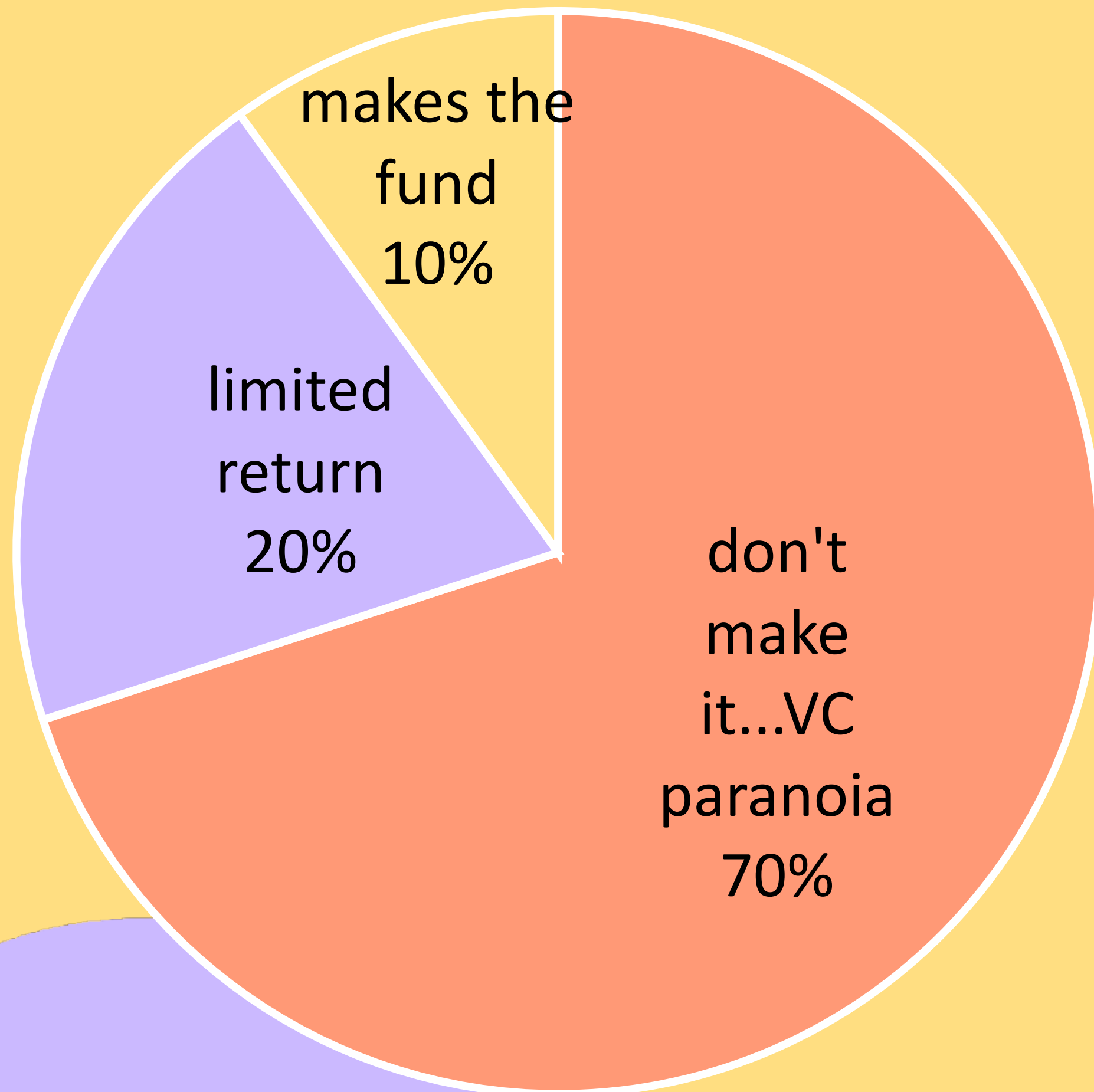
November 2, 2022

serpentine.vc

Investor time is limited.

**3 minutes,
44 seconds**

The odds are stacked against you.



PAIN



Our LPs are front & center. Know who you're dealing with.

What we look for

Diligence

Seal the deal

Maximizing upside potential. Minimizing downside risk.

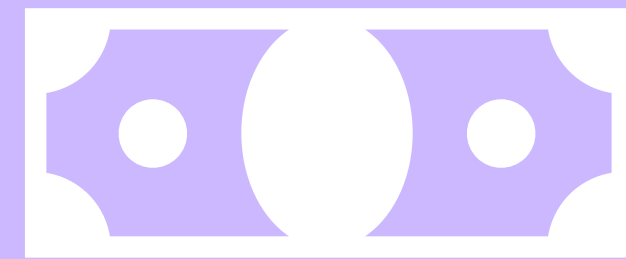
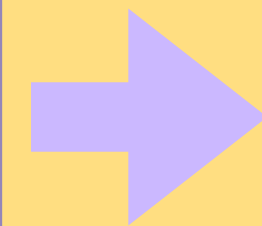
3 minutes,
44 seconds

- VC case
- Differentiating technology
- Incredible people

Is it a VC case? Small enough to win, big enough to scale.



Do big things
big.

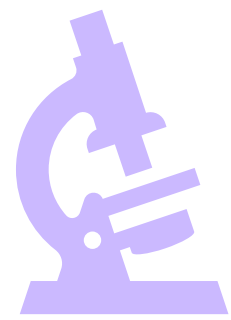


Do reality.

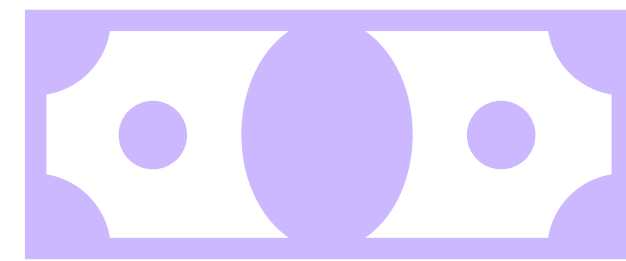


Do the
numbers.

Is it a VC case? Small enough to win, big enough to scale.



- Address major unmet needs
- Ride the longest wave



- Be credible
- Think beachhead markets
- Go bottom-up (Then halve)



- Show strong exit options
- Think multiples, fund age
- Show attractive economics

Differentiating technology. Address **real** unmet needs to create value.

Rolex	Frog watch
	
✓	✓
Tells time	
✗	✓
Affordable	
✗	✓
Frog	

Incredible people. Passion is overrated. Trust beats competence.

- ☞ What's your backstory?
- ☞ Why this? Why now?
- ☞ Why did no-one do it before?

Incredible people. Shared flaws are more compelling than perfection.

- ✍ Confident, yet humble
- ✍ Ambitious, yet realistic
- ✍ Knowledgeable, yet coachable
- ✍ Single-minded, yet open

A numbers game, to a point. Start early. Focus on investors who fit.

1%
invested
2,000–5,000
pitch decks/year
500 initial meetings
<10% go further

A numbers game, to a point. Start early. Focus on investors who fit.

30-60
investors
contacted

30-40
investor
meetings

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What we look for

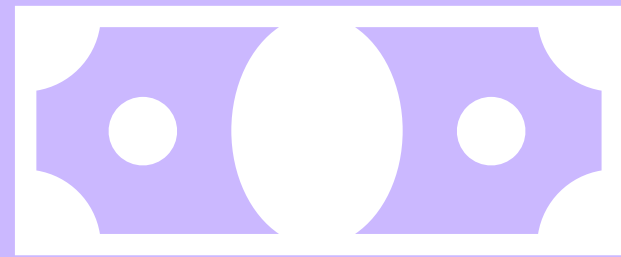
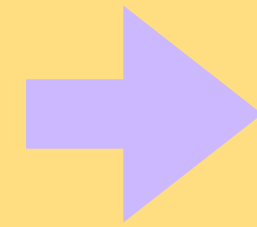
Diligence

Seal the deal

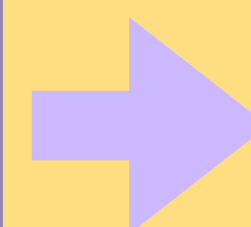
Diligence. Demonstrate consistently flawless execution. Always.



Strong roots.

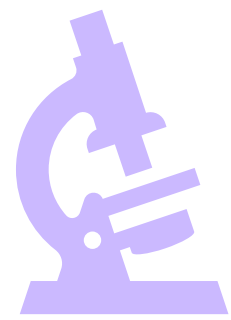


(Financial)
Sustainability.

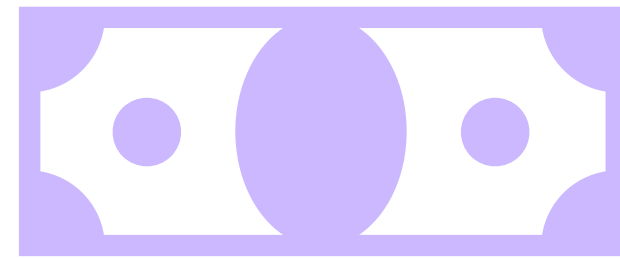


Stellar
progress.

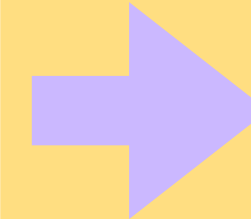
Diligence. Demonstrate consistently flawless execution. Always.



- ☞ Show data
- ☞ Solve regulatory & reimbursement
- ☞ Protect IP
- ☞ Scale production



- ☞ What's the model?
- ☞ How are unit economics?
- ☞ Who uses, who pays?
- ☞ How do you win?



- ☞ Hit milestones
- ☞ Show traction
- ☞ Be clear on capital efficiency
- ☞ Prep data rooms
- ☞ A word on NDAs

Our LPs are front & center. Know who you're dealing with.

What we look for

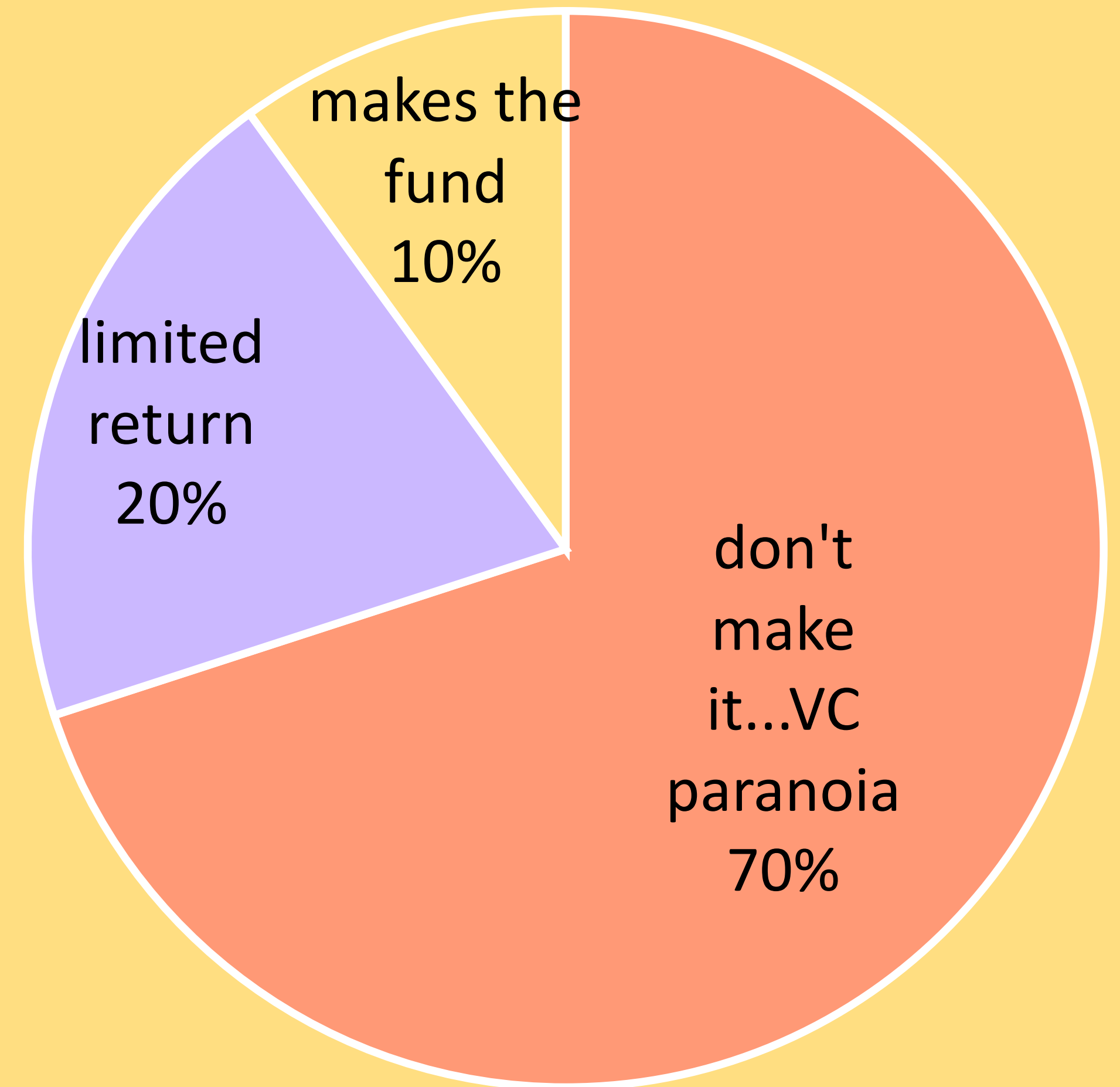
Diligence

Seal the deal

Seal the deal. Valuations: art, not science.

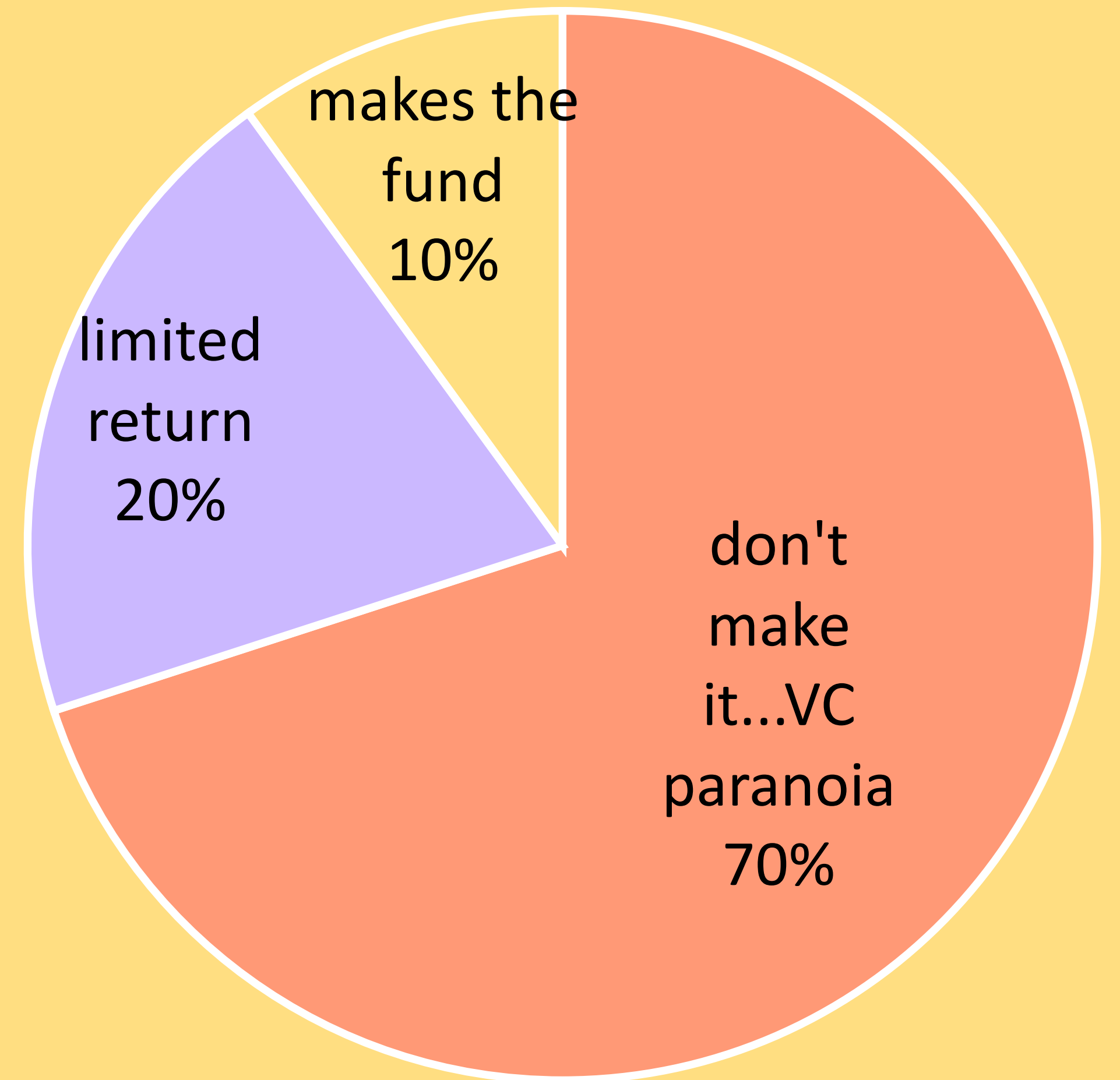
- Valuation history?
- Exit pathways?
- Exit multiples?
- Comparables?

Or simply whatever someone's willing pay.



Seal the deal. We need downside protection.

“We only ~~have~~
had one class
of shares”



Seal the deal. The clear case for vesting of founder shares.




Seal the deal. Don't sweat the small stuff. Grow together.

- Board representation
- Complex cap tables
- Legal costs
- Dilution fears

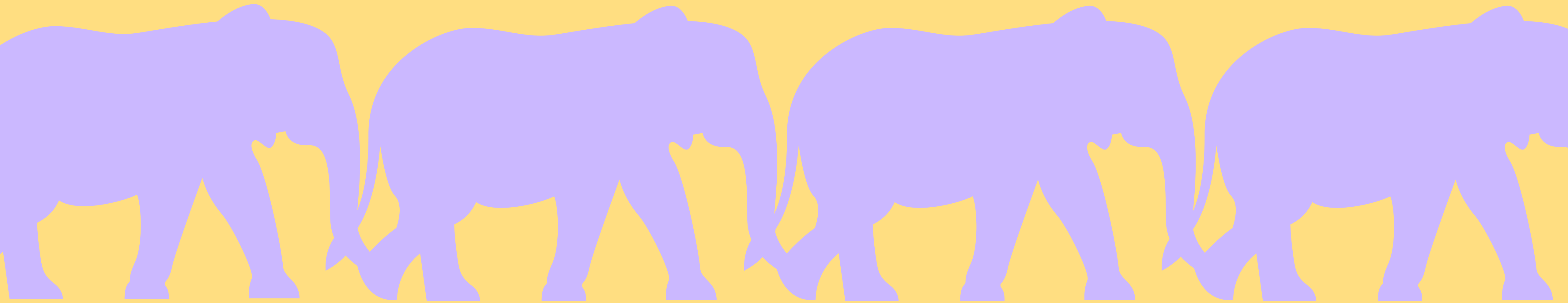


Seal the deal. The elephant in the room.



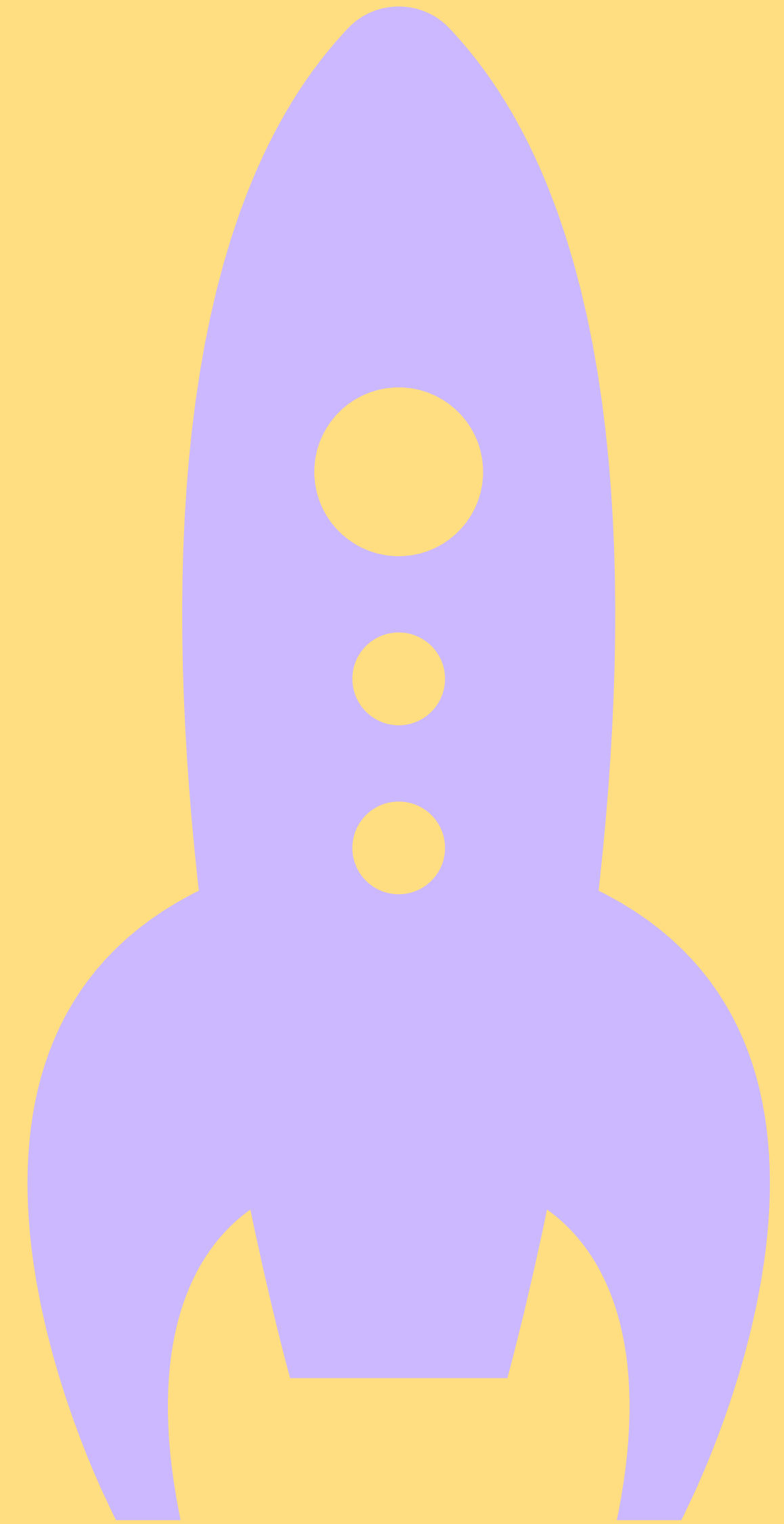
“The toughest time
in history for founder
fundraising?”

Finally on the same team. Embrace investor support.



Raising early stage capital: a healthcare VC perspective.

- ☞ Know who you're dealing with.
- ☞ Play the numbers.
- ☞ Execute flawlessly.
- ☞ Embrace what investors bring.





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