



# Building an effective fundraising strategy

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# The activities in a well-run fundraise

1. Drafting round composition
2. Building the pipeline
3. Turn on fundraising mode with momentum out of the gate
4. Maintaining momentum as you stack up first meetings and work the funnel



# Some Ground Rules and Mindset shifts

# Speed is everything



Good deals can close  
in 2-4 weeks



The longer it takes,  
the harder it gets



To move quickly,  
fundraising needs to be  
your full-time job



What's the secret to moving this quickly?

Generate authentic competition for your round,  
**giving investors FOMO** and a sense of urgency.

Authentic competition is driven by the 3:1 rule.



# Change in mindset: Fundraising is not fund raising, it's recruiting

- You have limited spots available on your cap table
- Cap table positions are the scarce asset, money is the commodity
- You should be thinking about who you want to bring onto your team and why
- Process “candidates” in parallel, not sequentially

# Your leverage is whether or not you're fundraising

- You are in control of when you turn on fundraising mode
- Once you turn it on, the clock starts ticking
- Only turn it on if you have high conviction that you'll be successful
- "We're not fundraising" is what you should say before that point
- It's easier to build connections and get introductions when you're "not fundraising"
- You want to build your pipeline while "not fundraising"

# Step 1: Round Composition



# Drafting your round composition



Angels

- Family Offices
- Operator Angels
- High Net Worth Individuals
- Aspiring VC angels
- Professional Angels



VC

- Pre-seed VCs
- Seed VCs
- Solo GPs
- Micro VCs
- Multi-stage VCs
- Corporate VCs

**Create scarcity by  
working backwards from  
your ideal cap table**

**\$2M**

Seed round

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Seed round

**1**

Lead VC: \$800k



**Create scarcity by  
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**\$2M**

Seed round

**1**

Lead VC: \$800k

**2**

Follow VCs: \$600K

**Create scarcity by  
working backwards from  
your ideal cap table**

**\$2M**

Seed round

**1**

Lead VC: \$800k

**2**

Follow VCs: \$600K

**8**

Angels: \$600K

**Think of these spots  
like open roles with  
job descriptions**

**\$2M**

Seed round

**1**

Lead VC: \$800k

**2**

Follow VCs: \$600K

**8**

Angels: \$600K

**Consider the constraints  
of investors (check sizes,  
ownership targets)**

**\$2M**

Seed round

**1**

Lead VC: \$800k

**2**

Follow VCs: \$600K

**8**

Angels: \$600K

**This is just a draft;  
it will probably change  
during your fundraising**

**\$2M**

Seed round

**1**

Lead VC: \$800k

**2**

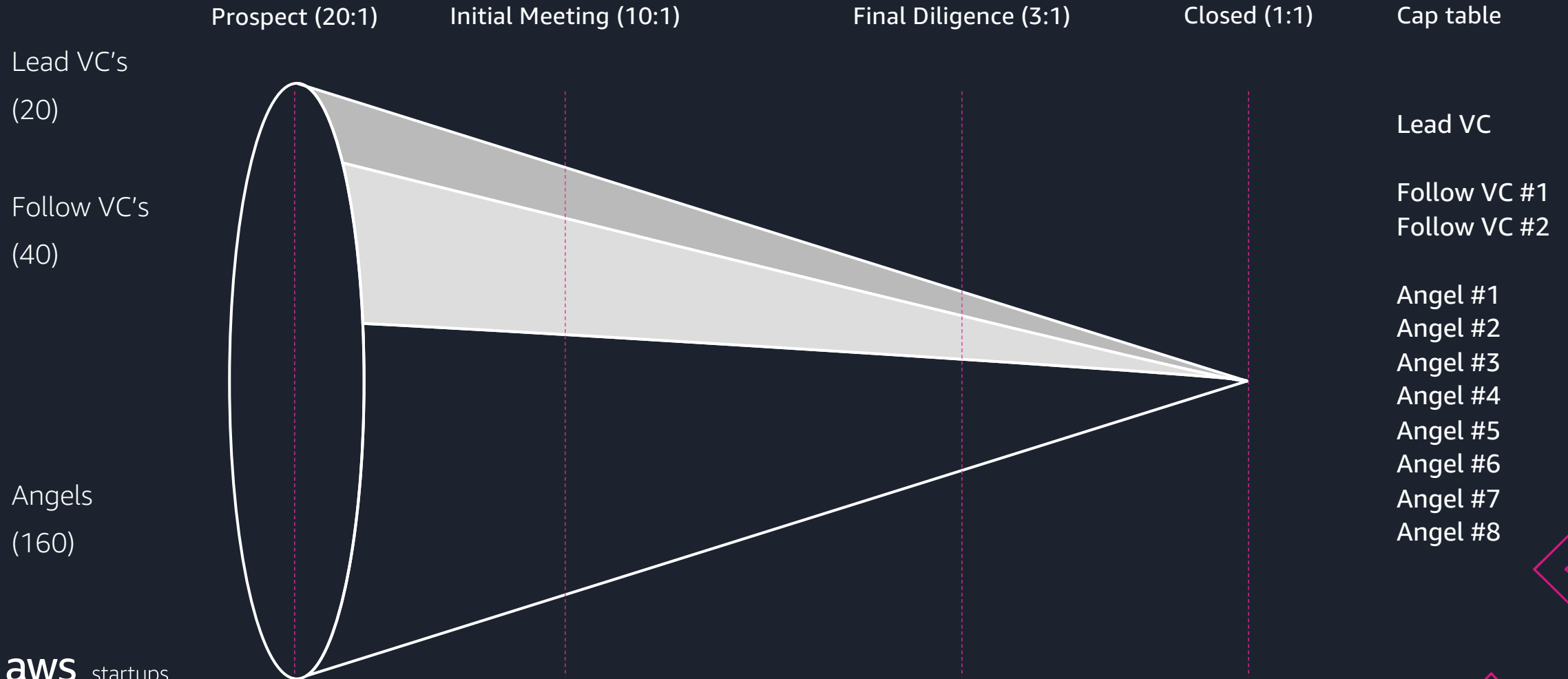
Follow VCs: \$600K

**8**

Angels: \$600K

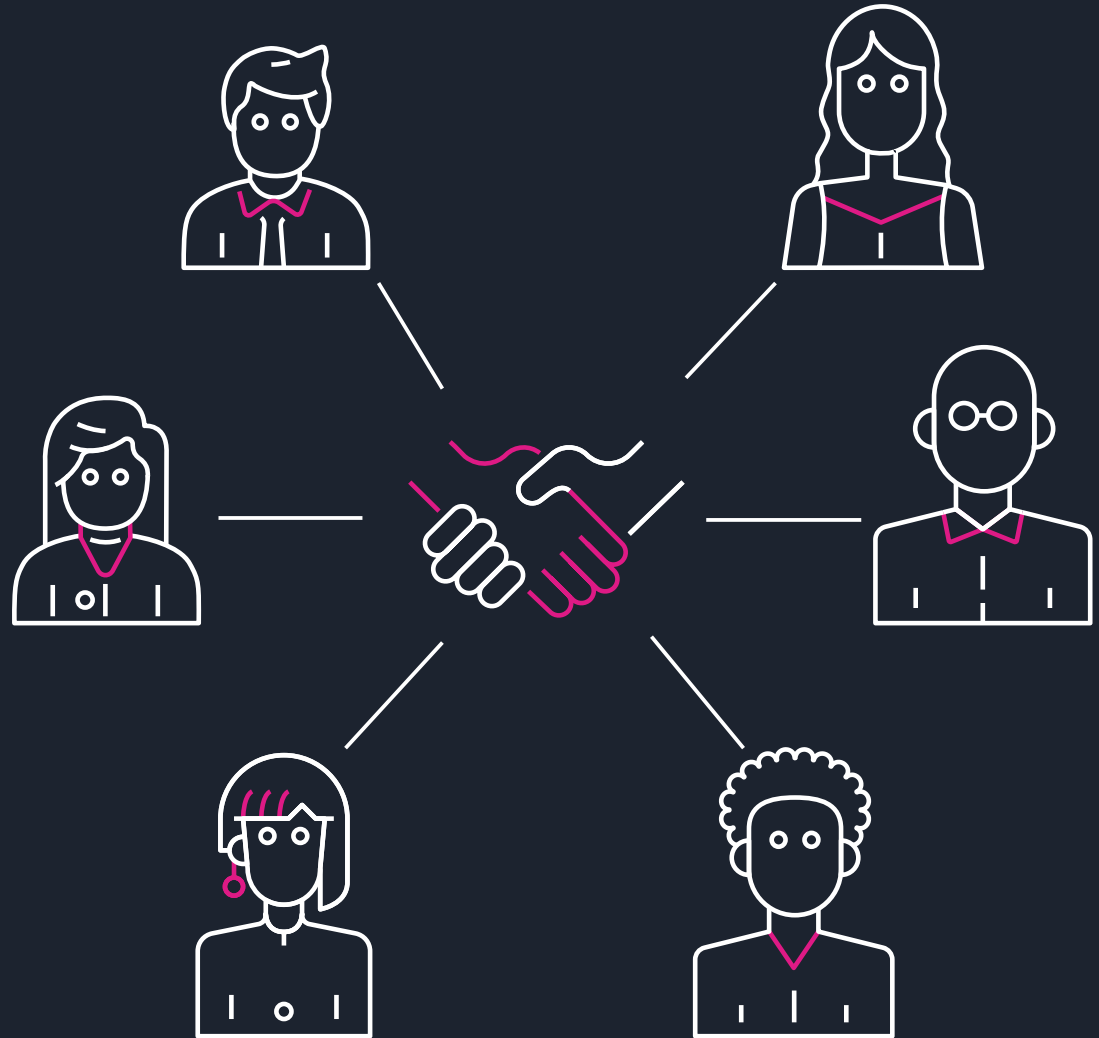
# Step 2: Building the pipeline

# Step 1: Work backwards from the 3:1 rule



# People > Firms

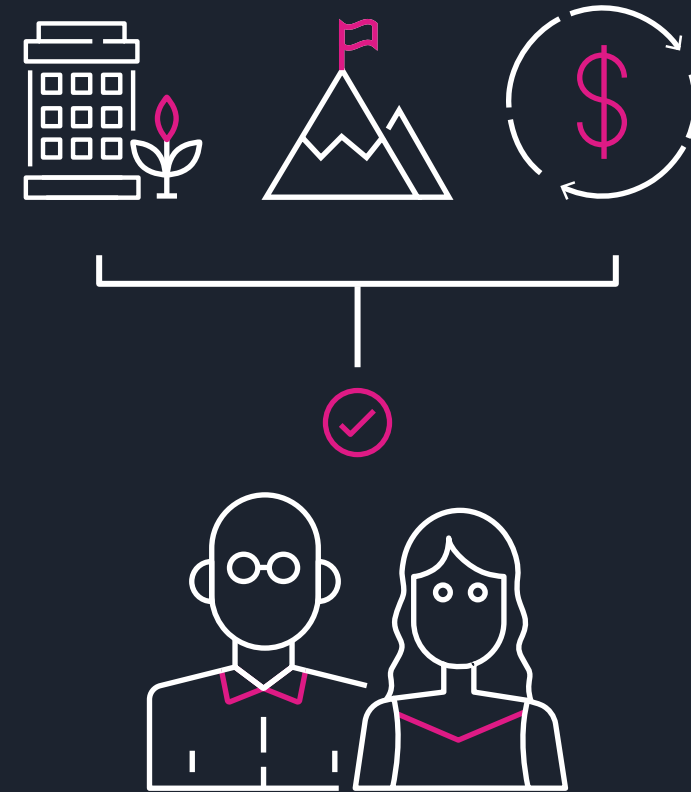
- Fundraising is about relationships
- You can build relationships with people prior to turning on fundraising mode; can't do that with firms
- People have different roles and investment focuses



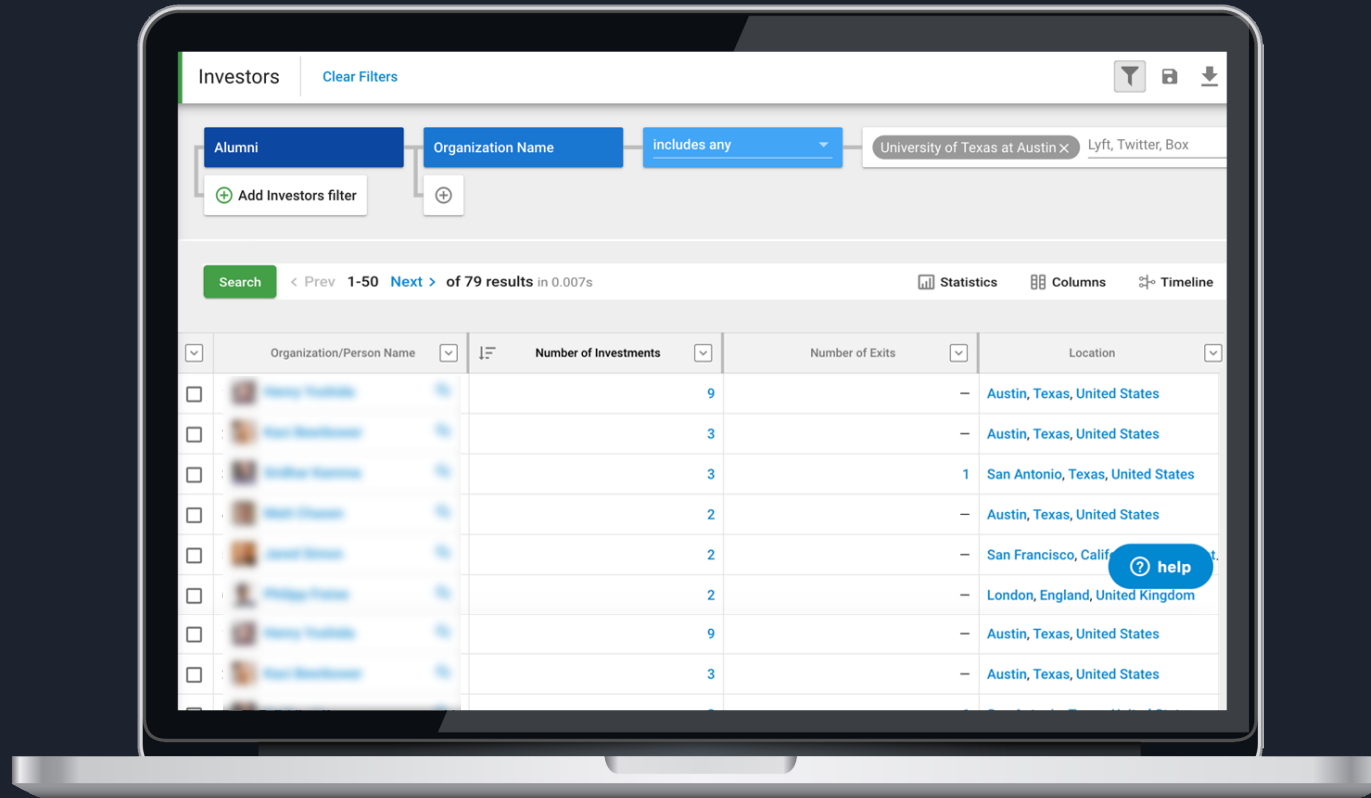


# Building relationships pre-fundraise

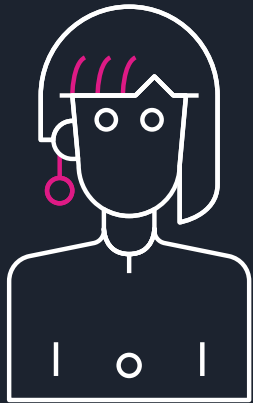
- Building relationships with people who can help your business today
- Genuinely seek help from those who can help with specific challenges
- Show them the ROI of their time/advice/network



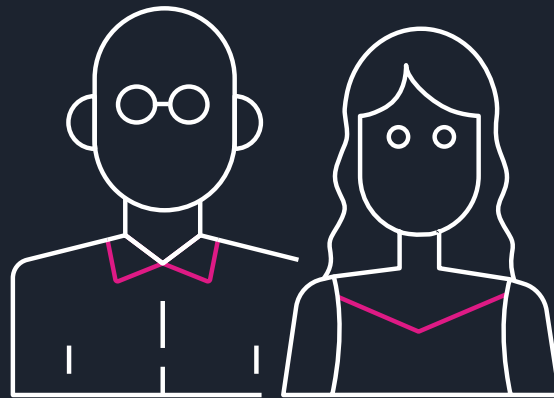
# Prospecting Tactic #1: Research



## Prospecting Tactic #2: Facilitators



Super connectors



Deeply connected  
peers



Other founders  
one-step ahead

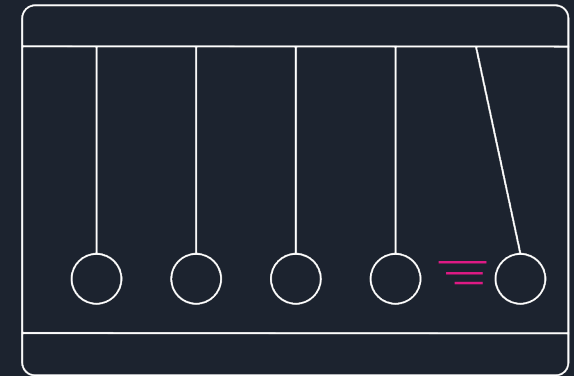
# Give relationships early access to invest or share



Provide a window for close connections to invest or share the deal



Use this to close a few investors before you start



Build pre-emptive momentum

# Step 3: Turning on fundraising mode

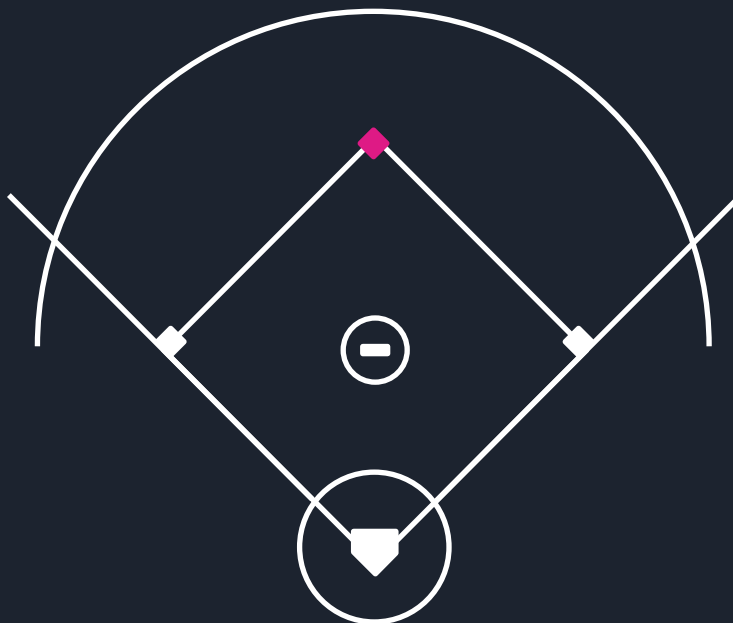
# Prepare materials so there's no friction

## Above the surface

- Email Blurb
- Teaser Deck

## Below the surface

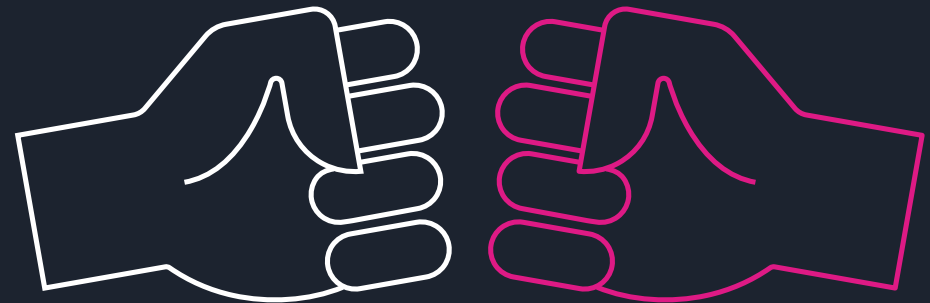
- Full Presentation Deck and Email Deck
- Financial Model
- SAFE or Convertible Note



# Start on second base

- Have a few investors in before you turn on fundraising mode
- Build a pipeline first so you can start with strong momentum

**Start making contact:  
Warm intros are ideal, but  
good cold outreach can work**





# Step 4: Maintaining momentum with first meetings

# Goals for the first meeting

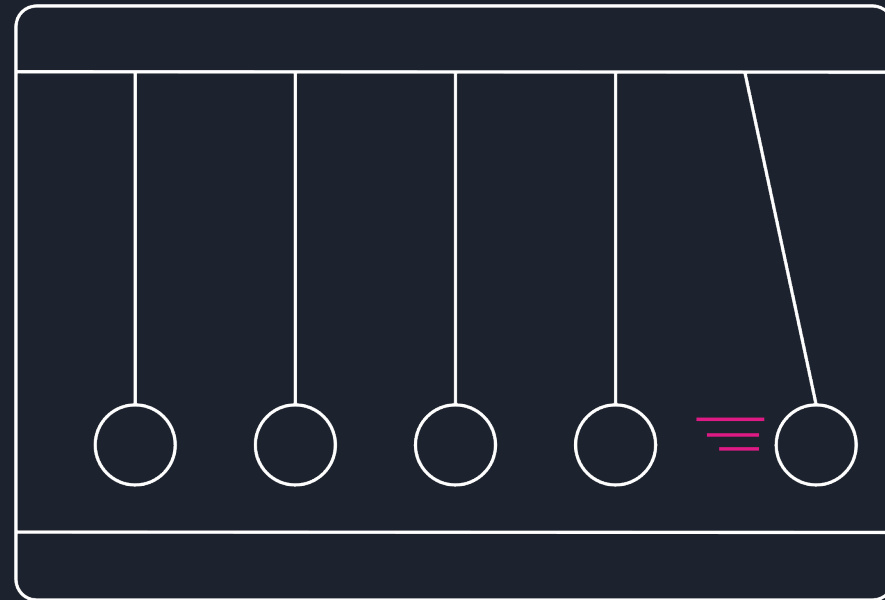
- Discover if there's goal alignment
- Learn about their decision-making process
- Get them excited about the opportunity



**Start meetings by asking  
questions before pitching**



# Convey momentum in a first meeting

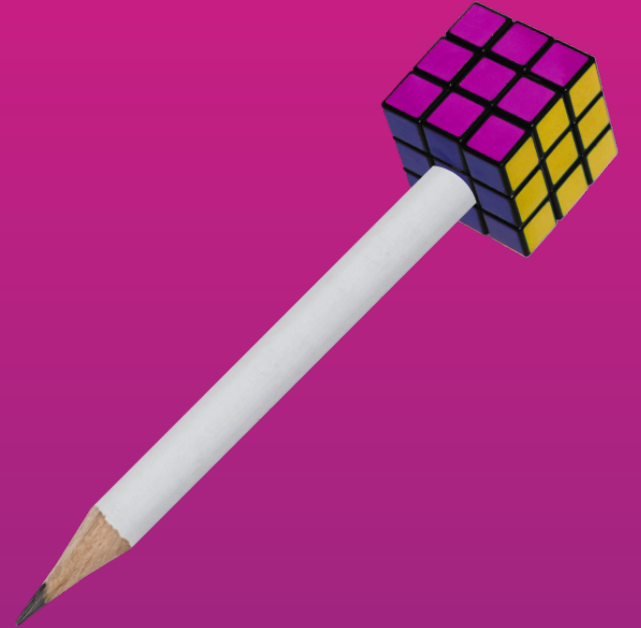




# Yes's, No's, Maybe's

- Good investors can get to “yes” quickly if a deal is moving fast
- Investors have very little incentive to say “no” – don’t count on it
- Don’t burn energy on “maybes” – work the top of the funnel quickly

# Let's recap.







You're recruiting for scarce spots on  
the team, not asking for money.



Speed is everything; commit  
yourself fully to the process.





Create a sense of urgency by  
cultivating authentic competition.



Build relationships before  
you need to fundraise.



Be intentional about when you flip  
the “fundraising mode” switch on.





# Thank you

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