What are some rookie mistakes founders make during VC meetings?

by Jason Lemkin | Early, Fundraising, Leadership, Q&A

A few that are easy to fix:

- **Not standing (when you present to > 2–3 folks)**. When you stand, you present better. Period. Standing turns you into the center of the audience, into the owner, the presenter. Sitting is great for a small convo, but sucks all the energy out of a 3+ person audience presentation.
- **Being cagey with answers. Just answer the question**. How much are you raising? Where are you in the process? Being direct (and honest) builds trust. With VCs, you want to build trust quickly, if you can.
- **Bringing the wrong people with you**. Do not bring “consultants”. Do not bring anyone with you that isn’t part of the senior team. Period. As soon as you bring a “consultant” with you — I’m out. 100% of the time.

basically homework ahead of time. Make it easy on them.

- **Not doing at least basic homework on the VC firm.** You should know their other investments in the space. VCs may be fungible, but no one wants to feel that way.
- **Spending more than 2 slides on "the industry"**. Do not do this, unless asked. Assume VCs understand what is "happening in the cloud". This not only is a waste of precious time … I'll fade away.
- **Going in *too* strong**. If you have 2 signed term sheets, for sure, go in strong. It saves everyone time. But being too aggressive, too take-it-or-leave-it, if you *don't* have options — is a big mistake. BATNA, folks.
- **Going in *too* weak**. Telling me you could succeed "if only you could raise $___" is just the wrong message. Winners always find a way to win. No matter how hard it is.
- **Asking for coffee to "share notes"**. Some VCs may want to do this, but I sure don't. My job is to invest. Show me a product I want to invest in — I'm in. I already drink 4 cups a day. I don't need a 5th.
- **Hearing about how the founders met in elementary school.** Even if this is true, I don't want to hear it, at least not as a part of the core pitch. That's not a positive for me. I want to hear why the founders are amazing.
- **Not answering my questions.** If I ask a question, there's a good reason. Some VCs like to hear themselves talk. I don't. Just answer it. If you don't know the answer, tell me. Don't tell me "you'll get to that later". Because if you do, that may well be too late.

have even just 10 customers.

- **Claiming pilots, unpaid users, and anything similar are "customers"**. They aren't. And don't claim they are MRR/ARR. They aren't. Be clear what is a pilot, what is paid, and what isn't. Otherwise, this blows up on you in diligence.
- **Hiding anything**. It will come back to bite you. Some things may be more appropriate for a second meeting, but make sure whatever top level issues there are, come up in the beginning.
- **Poor understanding of competitive landscape**. You have to get this right. You have to. First, always have a competition slide. Second, know it cold. Third, be respectful of any competitor larger than you. If you don't understand the competitive landscape cold, you don't really understand the market — or what you are going after.
- **Not having the >first< slide sell the company**. If the first slide is the only slide you need. If it sells the whole deal. Your odds go up. Elevator pitches are important. So is a "1-slide" pitch. Make that first slide count, folks. Metrics, team, product, financial goals. Put it all on Slide 1. Position the company, and answer all my questions right then and there.

>> Your job is to pass the 20 minute test. <<

To get a VC to want to invest no later than 20 minutes into the first meeting. Anything you do that handicaps a VC getting to a decision in less than 20 minutes dramatically harms your odds of getting funded.

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