# VC or IDO: What’s the

# Difference?

Megacapital.io offers its community the choice to invest in Initial Dex Offerings (IDO) and Venture Capital (VC) deals.

The difference between the two deal types is that an IDO is a public sale, while a VC is a private sale.

Meaning that VC deals feature lower prices compared to IDO deals.

Usually, investing in VC deals means that the project is at an earlier stage compared to those that are having a public sale. Some projects may even be in the earliest stages where they have the whitepaper, tokenomics and an experienced team but may not even have an attractive website to showcase their project.

A few things worth noting about VC deals are:

1. It may take days, weeks or months for the project to issue their tokens.
2. The vesting time can be anywhere between 6 to 24 months.
3. In some projects there may additionally be a cliff for private investors, meaning that you may not receive tokens for 1-3 months after the token is launched.
4. Projects can change their vesting terms for private investors and extend the vesting period.

Thus, these deals are catered to long-term investors.

While this raises the risks of the investment, these early sales allow investors to jump into the deals at the lowest prices and benefit in the long term once the projects launch and start investing into marketing and building a community around them.