

## **WHAT DOES A VENTURE CAPITALIST (ANGEL INVESTOR) REALLY WANT TO KNOW?**

### 1. Management Team:

- Has the management team done this before?
- Have they made money for other investors?
- Do they work well with others (like investors)?
- Do they seem skilled and flexible?
- Is there clear leadership of the team?

### 2. Market Opportunity:

- What is the Value Proposition
- What is the industry structure?
- How large is the market?
- What is the stage of the market?
- What is the real potential for market share?
- What are the barriers to entry?
- What are the future opportunities?

### 3. Competitive Advantage:

- Is there proprietary technology?
- How secure is the IP?
- Are there other advantages: skill, knowledge, relationships, etc.?
- How will the company compete?
- Is this more than a “one trick pony”?

### 4. The Deal:

- How much money is really needed? When, and for what?
- Is the entrepreneur’s valuation of the business reasonable?
- What is the exit strategy?
- Will this fit with the investors’ needs to make approximately ten times their money in three to five years?