Perspectives from Both Sides of the Table: Investor & Entrepreneur

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Founder/CEO CabinetM
• Helping marketing teams to **manage** the technology they have and **find** the technology they need

• Our sweet spot: Large enterprise organizations using 50 + marketing technology products

• Raised $1.2M
The good news
• We knew the investor community
• We knew the process
• Negotiating a term sheet was easy

The bad news
• Many of our investor colleagues suddenly developed amnesia
• We experienced the process
What Investors are Looking For

Entrepreneur profile
- Male, 30 – 40
- Top school
- Prestigious business pedigree
- Successful serial entrepreneur or association with a successful exit
- Engineering background
- Supported by a strong team and high profile advisors

Business profile
- Technology-based; software not hardware
- B2B not B2C
- Demonstrated product/market fit
- Revenue traction
- Hockey stick indications
- Boston and surrounds
When You Don’t Match the Profile

Entrepreneur profile
- Expand your team
- Find “working” advisors

Business
- Make as much progress as possible before raising money – market validation as a minimum
- Be capital efficient (frugal)
- Focus on industry thought leadership

Investment
- Network to find the right firms/groups (e.g. Golden Seeds for women)
- Find an investor champion
- Get to know the industry expert in each group you target
- Be realistic about what you can raise
- Keep investors up to date on your progress
- Be creative
- DON’T GIVE UP
## The CabinetM Journey

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>Market Validation</td>
</tr>
<tr>
<td>2015</td>
<td>MVP Database 3,000 products 500 RU</td>
</tr>
<tr>
<td>2016</td>
<td>Launched Freemium Product 6,000 products 2100 RU</td>
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<tr>
<td>2017</td>
<td>Launched Enterprise Product 8,000 products 3300 RU</td>
</tr>
<tr>
<td>2018</td>
<td>First Enterprise Customers</td>
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- **Disastrous attempt at raising capital**
  - First raise
  - The Ten Ten Raise
  - Just a little bit more
  - Customers!
A Plug for MassVentures

$95.5 million invested
$1.25+ billion in additional capital raised by MV-backed companies
MV-backed companies estimated annual payroll is $229 million
16 companies in MV’s portfolio have gone public
Over its 38-years, MV’s Traditional Fund – an evergreen fund – has generated a positive financial return for the Commonwealth

• Early Stage Fund
• Initial investment of $250-$500K in seed or Series A equity capital
• MV backs companies that have a significant portion of their operations in Massachusetts
• Supports industries, companies and founders not served by traditional angel and venture funding
Thank You

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