Twitter Thread by Romeen Sheth



Romeen Sheth
@RomeenSheth



The cold hard truth:

Why do companies like Quibi raise billions, while companies like Peloton get nothing?

Because fundraising is a GAME

And the insiders keep the rules to themselves.

Here are 100 tips the insiders don’t want you to see but will help you win the game:

1. You can’t play the game without nailing the basics.

There are 5 core ingredients to a startup pitch.

Most have 2.
Good ones have 4.
The best have all 5.

https://t.co/fqGl1yC7F2

> There\u2019s a lot of bad advice out there on how to pitch your startup.
>
> Last year, I invested $1M+ and heard 200 companies pitch.
>
> Every great pitch I've heard nails 5 ingredients.
>
> In this thread, we'll go through each to help maximize your chances when fundraising
>
> Let's dig in\U0001f447 pic.twitter.com/FBaUUWHz8L
>
> — Romeen Sheth (@RomeenSheth) April 10, 2021

2. Now that you have a grasp of the basics, it’s time to level up.

Good news - most founders make the same mistakes as each other.

Bad news - these mistakes are really easy to make.

Here's what not to do:

https://t.co/bd6hyZngeJ

> 0/ After evaluating 200+ startups this year, I've been in some awesome and not so awesome pitches.
>
> Here are the top 10 mistakes I see Founders make that routinely derail fundraising \U0001f447\U0001f447\U0001f447
>
> — Romeen Sheth (@RomeenSheth) December 28, 2020

3. Ok so you told me what not to do.

So what should I do?

Read below.

https://t.co/YmJpDZSuN6

> 0/ Last night I tweeted about the top 10 things Founders do that derail fundraising. It struck a chord. 2,500+ liked the tweet.
>
> I got a ton of DMs asking the opposite question: \u201cWhat are the top things Founders do well when fundraising?\u201d
>
> Here's my top 10 \U0001f447\U0001f447\U0001f447
>
> — Romeen Sheth (@RomeenSheth) December 30, 2020

4. We’re in a really unique fundraising environment right now.

It’s important to contextualize all these tips in the “here and now” of what’s going on in the landscape.

https://t.co/R1L2ysYKU8

> Raising money for startups is wild right now. I\u2019ve never seen anything like it.
>
> Lots of Founders are wondering how to approach it and who they should partner with.
>
> Here are 10 observations / practical tips I've shared with 100+ Founders in the last few months \U0001f447\U0001f447\U0001f447

— Romeen Sheth (@RomeenSheth) May 5, 2021

5. Once of the coolest things that has come out of fundraising in 2021 is equity crowdfunding.

There's been major regulatory change and this is going to be a gamechanger for startups.

https://t.co/enx8oOgYXl

0/ Last week, @shl and @ArlanWasHere raised $9.3M from 14,937 people.

This was a breakthrough moment, but we're just at the tip of the spear.

In this thread, I'm going to lay out the backstory, data & implications.

Punchline? VC is on the verge of being completely upended:

— Romeen Sheth (@RomeenSheth) March 22, 2021

6. For the life of me I don't understand why VCs make Founders pay the bill for fundraising paperwork.

Some VCs have changed this behavior, but most haven't.

In case you have to pay, don't get swindled.

Here's how to reduce your legal bill by 80%+:

https://t.co/3dHknrFJoE

0/ Nothing pisses me off more than Lawyers ripping Founders off when putting investment docs together.

The worst part is most Investors aren\u2019t helpful - 85% push the bill to Founders.

As an ex-lawyer, I saw all the inside tricks.

Here's how to reduce your legal bill by 90%:

— Romeen Sheth (@RomeenSheth) June 12, 2021

7. Aside from your own fundraise, if you're interested in angel investing, it breaks down into 3 distinct steps.

Internalize all 3 of these and then have a strategy for each:

https://t.co/HyAkGyEtuf

1/ Last year I invested $1M+ in startups.

I was reflecting on missed deals this past week. Every deal I missed was ultimately because of one of three reasons.

> I came up with a framework to dissect these 3 reasons and how they are related to one another. Let\u2019s dig in \U0001f447\U0001f447\U0001f447 pic.twitter.com/wKbjMbeVgl
>
> — Romeen Sheth (@RomeenSheth) January 9, 2021

8. I've invested a few million over the past year.

It's humbling, exciting and anxiety inducing all in one.

If you're interested in angel investing (or a Founder that wants to see how an Angel "thinks"), here are some hard earned lessons:

https://t.co/foQoFviRw1

> 0/ I quadrupled down on angel investing this past year and have invested $1M in 20 companies.
>
> In the process, I\u2019ve learned what feels like 5 years worth of lessons.
>
> Here are my 10 biggest takeaways for anybody interested in angel investing:
>
> — Romeen Sheth (@RomeenSheth) May 12, 2021

9. Finally (and selfishly), here's what I'm personally most excited about in 2021.

If you're building in any of these areas, I'd love to chat:

https://t.co/VqQRdOmf9d

> 0/ 2021-2030 will be a Renaissance Decade.
>
> I\u2019m investing $3M this year into startups solving across this spectrum.
>
> Here are the biggest opportunities I\u2019m most excited about. If you\u2019re building in any of these areas, let\u2019s chat.
>
> Let's dig in \U0001f447\U0001f447\U0001f447
>
> — Romeen Sheth (@RomeenSheth) January 3, 2021

10. If you enjoyed this thread, give me a follow

➡■@romeensheth■■

And if you have any questions on any of the topics above, DM me.

I'll answer the first 50 questions I get over the next few hours.