

TIPS FOR DEALING WITH *VENTURE CAPITALISTS*

1. Get to know your market. Come completely prepared with market, technology and competitors. Have a track record in the subject for which you have chosen to raise money.
2. Be prepared to seek multiple avenues of raising capital, including angels, angel groups, strategic partners and focused VCs investing in your space. Be careful not to be sidetracked or distracted by those who just want to see your technology, your ideas and your management team but do not intend to invest.
3. Get a crackerjack team with a clear understanding and articulation of the problem. Validate your market with *real* customers.
4. Unless you have a proven "*startup to liquidity cycle*", you essentially need to be in a position where you almost don't need the money in order to get it.
5. Be brutally *honest* about your management team's weaknesses.
6. Start early. Have an individual, who is solely focused on fundraising. Look for value-added traits in VC, *not just money*.