**Cofounders Capital Fund I Closed Today**

**What is the focus and size of this fund?**

Cofounders is a $12M early stage seed fund hyper-focused on startups in the Triangle. Our focus will be primarily B2B software ventures.

**Who is managing this fund?**

I am the general manager and the largest LP investor in the fund. Venture partners include Alex Osadzinski and Whitney Rowe who will work with the fund on a part time basis. Fund investors serving on the advisory board include Scott Moody, Bruce Boehm, G Patel, Jeff Stocks, Scot Wingo, and Tom Lotrecchiano and others.

**Why the B2B software focus**?

I am very familiar and comfortable with this space. I like selling business solutions to business executives. They tend to be logical and coin operated. If you show them better, faster or cheaper you can usually predict their behavior. A hit in the B2C space is more akin to writing a best seller book….great when it happens but very hard to predict consistently. Also with B2C offerings usually the most marketing dollars wins meaning a lot of additional funding rounds and dilution. With limited later stage capital here in the Triangle, I believe B2C to have more risk than B2B offerings. A couple of hundred grand writes a lot of software these days and I can help startups line up their beta revenue while still vetting the venture before we even make an investment. I’m not saying my model is the best everywhere but I do believe it’s the best model for right now in the Triangle.

**Where will your offices be?**

The town of Cary has donated and up fit a space for us in downtown Cary. Our offices will be there as well as a lab where a dozen or more promising startups can work for free while researching their ventures and going through our vetting process.

**How were you able to raise this, your first fund, in just a few months?**

A lot of people know me and I have a good track record as both a serially successful entrepreneur and angle investor. I think people realized that for very early stage ventures my background as an entrepreneur is more beneficial than my investing experience. I also think people realize what a great opportunity the Triangle is right now for early stage investing. Our area is generating tons of smart, coachable first time entrepreneurs and the lack of capital means valuations here are typically one forth of what they are in Silicon Valley. The timing is really good.

**How is Cofounders Capital different from other funding sources in the Triangle?**

First would be our model. I think there are some really good investors in the Triangle that are skilled at recognizing success when they see it but very few that can actually role up their sleeves and help to create that success in a meaningful way. We really do view ourselves and act like cofounders with our entrepreneurs. We encourage our entrepreneurs to never part with equity unless they are getting much more than money in return. We only partner with a team if we are confident that we have the expertise, contacts, etc. to significantly advance that venture. No startup is too early stage for us. Before we invest we spend a lot of time helping founders build their venture. This enables us to observe how they execute on a plan and lets them assess the value we bring. Second would be the LP’s involved in the fund. I am fortunate to have over eighty successful local entrepreneurs and business leaders who really do want to help local entrepreneurs succeed. I am humbled and amazed at the startup horsepower gathered around the Cofounders table.

**What are your fears and concerns?**

Scaling my model consistently will be the biggest challenge. However, with the fund in place, I’ll spend a lot less time fund raising individually for my companies and I have lots of involved advisors and LP’s who are already stepping up to the plate helping me.