

Looking for pirates, robots, and winners, a profile of Begin Capital

In the ever-growing investment landscape, funds are multiplying and diversifying, and for startups there is more to raising investment than the money and the media moment. With #QVCS Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we hear from Ruslan Sarkisyan, Partner, Begin Capital.

Temps de lecture : minute

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It all started in 2019 with a lot of enthusiasm and a bit of planning. Though the “big plan” was quite clear: we need to be a VC of first choice for founders. As easy as it may sound, we are not there yet... but two years closer to the goal ☐

Jokes aside, before Begin Capital, my partner Alex and I spent 10+ years being VC investors, business angels and startup founders. What we saw is that the VC industry has not changed much during the last 20 years, while the market has evolved significantly. 20 years ago, there were not as many active VCs and access to capital was limited. Today there are significantly more money poured into the market and the scales have turned towards startups. VCs are now rigorously competing for good deals.

With this in mind, from the first days we decided that a) we need to be creative and hardworking with everything we do and b) we need to always put startup’s interests above our own and become “the VC that a founder would highly recommend to other founders”. Two years later,

today, we have:

- 8 amazing companies in our portfolio
- 1 exit with 6x return
- 1 investment that was referred to us by our portfolio founder
- 1 awesome website to help us stand out ☐

Which industries are you working in?

Currently we have two funds under management. Our first fund is industry agnostic and invests globally. Because we just can't allow ourselves to miss a crazy good opportunity that operates in a different market or industry. Still, the European market is close to our heart, so most of our companies are now based in Europe.

With our second fund, we want to explore the world of AI (artificial intelligence). We believe that AI will be a must-have component for next-generation unicorns. So, we are actively looking for strong, product-driven teams tackling exciting global problems.

What do you look for in a founder?

We are convinced that people are at the core of every venture and behind every revolution, especially when we talk early-stage. We were lucky to work with amazing founders, and this experience helped us to formulate our own definition of exceptional entrepreneurs: we are looking for pirates, robots, and winners.

Pirates are those who are not afraid to make a mistake and always ready to challenge the rules. Winners are those who will not be satisfied with small goals and always want to conquer the whole world. Robots are those who understand the struggle of building a business, have a clear understanding of all business processes and rigorously work on improving

every little KPI.

Can you talk about your current portfolio?

First of all, we are super proud of all our portfolio companies. They rock ☐
It's hard to choose any single one (we have no favourites!). But here are a few stories, that really inspire us every day:

- Woom helped 80,000+ women from Spain, UK, and LatAm to give birth to a child. The app is a #1 choice for women reproductive health
- Mercaux became a must-have tool for fashion retailers globally with unprecedented 5-15% uplift in sales. And that's all despite lockdown and closed shops!
- Vamstar team just showed us, what it means to grow really fast. Pharma companies are literally knocking on their door. And we are only a few months after the investment...
- FundraiseUp is helping thousands of non-profits around the world to double (!) their online donations using the most advanced tech tools
- Bulbshare amazes us with their ability to easily close deals with the largest brands (they clearly know some secrets)
- Zadaa keeps bringing secondhand shopping to new markets. Now adding Germany to the list. And we are fans of their TikTok marketing ☐

And we have even more cool companies [here](#).

How has COVID-19 changed the way you operate?

What can we say... we miss travelling and conferences, miss our friends and partners, miss face-to-face board meetings and fun dinners with wine that come after the meetings ☐

Still, we got used to it and managed to close several deals over Zoom calls. When we closed our first Zoom-only deal it was a bit strange for the moment, and I remember my partner Alex asked (just after we sent the money): «I really hope that these guys exist...»

But after the 3rd Zoom deal, we understood that we can adapt pretty fast to all market conditions (except new album from Justin Bieber ☹️). You just have to make double efforts to keep the communication as effective as in the offline world. That means that our emails became longer and calls with portfolio companies became more regular.

What makes Begin Capital different?

We are quite a small team competing with well-established VC funds. So, the only way for us to win is to be fast, creative and work twice as hard as other VCs would work.

And it makes us feel like a startup too! So, we are in the same boat with our portfolio companies. As a fund, we will be successful only if they will succeed. That's why we are always building relationships with our portfolio companies based on deep and honest partnership principles.

Also, because we really love what we are doing, we don't take things too serious and colour everything with a bit of our amazing sense of humour.

What does the future look like? New trends/technologies, changes in the global/local economic landscape?

We don't know. Honestly. Probably, something around AI, IOT, VR, no-code, blockchain and all other buzz words... ☹️

We are not trying to be visionaries ourselves, but rather looking for

visionary entrepreneurs, who will tell us how the future would look like. We believe, that strong founders have such a deep knowledge of their target markets, so that their forecast are much more accurate. And we are always looking for such founders to support them in their vision.

What one piece of advice would you give founders?

Focus on building a super-star team. We believe, that this is the main responsibility for every founder, as no unicorn was built by founders or investors. It's always a team.

Article by Ruslan Sarkisyan