

URL: <https://stvp.stanford.edu/clips/finding-your-first-money>

KPCB Partner Dana Mead tells why entrepreneurs looking for initial funding should probably not start with venture capital firms. When searching for early seed funds, Mead suggests friends, colleagues and angel investors as more likely and effective sources.



Transcript

If you have a great idea, you want to try to get it funded and how do you get it funded and we're going to talk a little bit more about that.. Well, you don't go directly to Kleiner Perkins.. That would probably not be the right place to start.. What you probably want to do is find some people that are going to help you and I'm going to talk about this a little bit more and many times that first money comes from friends and family, it might come from angel investors and now angel investors are changing a great deal, not as much in life sciences where they do exist, and there was what called bands of angels but really in the digital side, where the super angels are really coming forward.. And these are people that not only writing small checks, but they are starting to write larger checks and so people are coming potentially to venture capital a little bit later.. So normally those angel rounds are - could be \$50,000, a few hundred thousand dollars, maybe up to a million or two dollars and that's normally when we see people coming to us, where they've raised about a million or two dollars and they're looking for their first quote through institutional round of financing..