Salvatore Buscemi

**Hall T. Martin:** . [00:00:00] Well, hello, this is Hall Martin with Investor Connect Dame here with Sal Busia of HRN Harlem River Navy is a referral only private investment platform that makes principal investments into private opportunities operated by world-class pedigree entrepreneurs and operators. Sal, thank you for joining.

**Salvatore Buscemi:** Thank you very much for having me, Holly. It's a pleasure and a privilege.

**Hall T. Martin:** Great. Let's start off with your background. What did you do before this?

**Salvatore Buscemi:** it's interesting. I, in college, you know, I'm born and raised in New York, went to school in New York City was biology and chemistry major. Could not really stand the sight of blood.

Really. It was not blood, it was the, uh, , holding of femur in the cadaver room, the Beth Israel Hospital. And because of all the work that I did with that one surgeon, I managed to get a referral to work at Goldman Sachs in the investment banking division. And that sort of was a, yeah, at one point, you know, everybody looked at, you know, like, when you graduate college, what are you gonna do?

To me, it was actually a very interesting fit because I had seen how my father had paid for my brother and I to go through college, using zero coupon bonds. So it [00:01:00] sort of brought out to me like the, you know, the investor or entrepreneur I always wanted to be. My parents were always very, very supportive of that.

 the age of 29, I started just fast forwarding. I managed two institutional fund platforms. Uh, one was backed by a $2 billion. Park Avenue investment manager and the other one was a billion dollar, real estate investment manager. And we did a lot of basically buying defaulted, mortgages and notes from, bear Stearns and other banks that were going under no different than what we're seeing today, hall.

Right. And. , you know, we're starting to see that happen and, and turn around. But what, what really, really turned things around for me was the networking that I had accumulated over the years of working with these families and being able to participate in the things that I probably would never have thought of in the first place.

And when interest rates started to go lower, people started to get, ev credit and that easy credit lent to a lot of doctors and dentists overbidding on things that I was trying to buy. . And really what I did was I turned around and I used the firepower [00:02:00] that I used in real estate to sort of shepherd along a lot of influence and capital into earlier stage life science companies.

 the reason behind that is because I have two very good friends and partners who are both very, very proficient and experienced venture capitalists and like sciences. One coming from Rockefeller, the other one managing. At the age of 26, the state of Texas, venture portfolio in life sciences in later in New York.

 And when you put this together, it made it a little more fun. So we formed HRN with other member families who were investors with us in our real estate deals to come along into. The life science deals. and I can tell you Hall, there's one thing that people don't like investing into it's life science deals.

But you know, we've been able to do that in a way where it's attracted a lot of attention. it is yeoman's work, however, it does pay off. There's a tremendous amount of legitimacy there, especially if one of these hit, most recently, the last month in February, . One of our companies was the youngest ever at the age of 27 and 26 to receive FDA approval for a PED, , which is [00:03:00] an artificial, , defibrillator that they're selling to the mass market now.

And that is incredible when you think of all the cardiac arrests that are happening. in youth sports today such as high school football, I read a lot about, and even like N F L football. So we invest in world-class assets with world-class founders who have done this many times. We are not tuition, for any founders and, we are definitely have escaped extreme circumstances.

Hall. Because, you know, we've always invested with founders that have had gray hair and have done this many times before and have navigated extreme circumstances such as banking shutdowns things like that. And also, they're well capitalized by best in class families who have a track record of investing in this stuff.

If a family is a life science investor or real estate investor, they, they know that area pretty well. they've succeeded in it so, And you know, that adds a tremendous amount of credibility and creature comforts at night knowing that you have smart money alongside you. And we do that with everything we invest into and it's part of our value system.

**Hall T. Martin:** Well that's great. Well, I appreciate the recap there. [00:04:00] So given where you are today, what excites you right now?

**Salvatore Buscemi:** There's a couple things that excite me right now. I think, , we've gotten into life science investing. We like it. I think that's gonna be the future. Coming out of the pandemic. There's always gonna be a, you know, a reason for a therapy or a cure for something.

And to me that's, you know, the personal impact that I wish to have and leave on this earth and to many other people is seeing how much of an impact you can make with, you know, one therapy, one cure for a disease or something. Ann Ailment that affects someone, that you love and. Well today, I think where we're going is that there's a lot more excitement now, and sort of like in the distress, I'm starting to see a lot of things in real estate start to blow up, as a result of increase in interest rates.

And that is sort of my background is distressed investing. And as I said before, I, was overbid on stuff, how to give money back, but then I pivoted. And so what we're probably gonna wind up doing now is put and war into, , some of the distress that's out there. And more importantly, I think later on is that we've already made a segue into professional sports and.

Starting to buy some of these professional pieces of these professional [00:05:00] sports teams, what we call statement class assets. you know that once you own a sports team, as they say Hall in the uk, they knight you or bestow Knight Hood on you. and in the US they let you buy a professional sports team.

So there's gonna be a lot of opportunities and I think a lot of trades that are gonna happen. And you know, from the book that we'll talk about later that I wrote that talks about this. . a lot of wealthy families do not invest in crypto. They're not looking for the speculation. They're looking for the certainty, and that certainty comes in the form of legitimacy and elevation of status.

**Hall T. Martin:** Great. Well, tell us more about the sports, uh, investing. what's new and different today than, say, 10 years ago? What do you see changing there?

**Salvatore Buscemi:** Well, first of all, valuations have gone up at Stratospherically, number one, and what's driving that? , the wider acceptance of gambling as a whole and, you know, there's a fractionalized, decentralized, whatever you wanna call it, financing out there, that's going to make this much more, appealing a lot more.

Easier to use for these fans to be able to buy into. And the second thing that makes it much more, attractive too is that is [00:06:00] there's an emergence of these emerging leagues and there's a lot of attention that's paid to that like W N D A right now. , they've captured a lot more attention than they have been able to in the past, I think.

And, you know, there's a degree of showmanship there. Like there is on everything, but it's also the valuation of it and how widely ACC accepted sports is around the world. it's a happy business. It doesn't lose money. they're very well protected brands and for a lot of the, you know, 1000th of the 1% of society, it's a tremendous store of wealth.

**Hall T. Martin:** Well, that's great. Sound like it's, uh, making great new strides into new areas and it sound like it's, leveraging deregulation. It used to be you couldn't do gambling in the us but it seems like that's really opened up

**Salvatore Buscemi:** well. Wherever there's a, a need for tax revenue, I'm sure we can open up and talk about certain revenue streams to accommodate that today.

And I think that's exactly where, you know, some of the states are they, you know, they have no choice but to probably, allow people to gamble online.

**Hall T. Martin:** Right. Well, I remember our discussion the other day and would like to get back to [00:07:00] it. you know, I know you see a lot of, uh, pitches and talk to a lot of entrepreneurs out there, and what do you think is the most common mistake founders to make in approaching investors for funding?

**Salvatore Buscemi:** They, they treat 'em like an at m. If, um, if you've ever been to the beach and throw a french fry onto the sand, what happens? You have a bunch of seagulls coming and fighting for it, right? And a lot of these founders just, they, they do the equivalent of creepy things of like asking for marriage on the first date.

And , what I think I blame like two things. I blame Shark Tank for this, number one, and I was just at an event with Kevin O'Leary last week at Faena Rose here in Miami Beach. And I didn't tell 'em that, but I think that they've sort of made it so transactional today that it sort of turns people off because the one thing that we live in is a very, a very conspicuous generation, but people are still looking for that relation, especially if you're asking for people to part with their life savings or any part of it.

You have to have a relationship with the, a real, honest, true relationship with these people. And if you don't, then I think you're [00:08:00] putting yourself at a disadvantage or you're not in it for the right reasons. Cuz people will be able to see through this. This isn't like you selling a book or you know, a car or something, or will be forgotten about.

You know, people, people will always remember, , how you treated them before and after. And building that relationship and that network is, and the goodwill before asking for any money is really what's the most important thing. I've recently moved to Miami and I've been part of this, cuz I was invited to, thankfully to the Florida Ventures conference.

And I could tell you there's no bedside matters. everybody's got like the Gary v hustle and that's great for Bitcoin and, and all of that stuff that it doesn't really work when you're asking for people, you know, for a hundred thousand or a million dollars.

**Hall T. Martin:** what are some good techniques for building that relationship?

What have you seen that has worked out there for startup?

**Salvatore Buscemi:** interactivity is the new currency here. Hall the way we do it is, you know, we're not on Instagram all day, although, we do post photos of like, our winning, what we call deal toys and things like that.

 But I think what I do is I'm very active on email. I send emails out to people. People take emails seriously. If you send [00:09:00] too much email, they get upset. You don't send enough email, they get upset. So it's a great mechanism, especi. With people who are a little older, like, you know, in their forties, who are affluent and trying to get into this or managing the affluence of a parent.

 and by always being on the top of their mind, it's always something where they're, you're gonna be seen as the preeminent authority for whatever it is that you're trying to do. And I think too many times people just send these emails that sound so boring out to pe Dear colleague, dear perspective investor, it.

nobody needs to read that stuff. There's nothing in the Bible or the Constitution that says, I need to read your email hall. Right. So it's, you know, you gotta make it much more compelling, and that's how you do it, is by putting your charisma personality into, you know, the emails that you write and, you know, just talking to these investors.

it's really simple, but a lot of people don't like to do it because it's a skillset that needs to be acquired. Right. , and if you don't want to acquire the skillset, then you're at a disadvantage. And luck is where you have many skills stacked together at the right time, or at least that's my definition of it.

**Hall T. Martin:** Right. Well, I've had many [00:10:00] startups come to me wanting to get an access to an investor and I could tell that all they're gonna do is ask, we're just gonna ask for money, and that's all we're gonna do. It's embarrassing

**Salvatore Buscemi:** one once. Isn't it embarrassing? It's humiliating the guy like me, because you become the, a-hole by association, if you know what I mean.

Like, who are you to bring this guy who brought this cool guy in? You know what I mean? Hall,

right.

**Hall T. Martin:** You have to be careful with these introductions cuz they can come back at you in a negative. But what I noticed is he had really interesting information about his sector, which was FinTech payments in that particular case.

And he had done all his market research and I found it very interesting. And I said, well, you know, instead of going in with an ask, why don't you go in with your market research and with no ask, just give him the ability to. Access your research, you know, the trends, the numbers, and so forth. You know, give him a 20 minute, uh, pitch over the phone of what you've learned about this space without ask, just, just give him that information.

And he came back later and said he was able to get quite a few introductions that way because people, especially investors, are always interested in learning about new market [00:11:00] segments. There's over 200 of them out there, and there's no way to keep up with all of them. And to have somebody come and give you the condensed version of it is, quite helpful.

What do you think about that?

**Salvatore Buscemi:** I think it's great. I think any way that you can put yourself out there where you're providing value to your investor first, whether it's through a high profile contact or an introduction, is probably the best way to do that. I've been able to introduce myself to many investors by not asking for anything but saying, Hey, I know someone who does that.

I used to work with a guy who did this or something, and then that says to them that you're putting your. Reputational equity where your mouth is without asking for anything. , there have been times where I've actually have, like, somebody sent me an email, . Yeah. And I knew, you know, I, I never asked for it later.

And they're like, could you take a look over this real quick? And, you know, just let me know what, what you think of it. And I'm like, sure. Of course it, you know, I mark it up, send it back to 'em. Like, look, this is just what I would do. They take it and then later on there's that reciprocity that you know, is always there and so you never remind them of it, but they'll always remember it.

And , it's one of the things where, yeah, you want to do that, but I think you wanna start building the [00:12:00] network by, you know, talking to these investors, but also not only doing what you said, which I think is a wonderful idea. , but also seeing how you can also provide value to someone. And that's really what you do, is how do you provide value without without any explicit reciprocity.

**Hall T. Martin:** All right. Well, once a, a founder has a something of relationship with an investors, and that's what I found running angel groups, is that you have to build a little bit of relationship along the way. They're just not gonna give you money unless they know who you are and you know them at some level.

But what's your advice or founders after they get the introduction, what should they do next?

**Salvatore Buscemi:** I think, the real fortunes in the follow up here, you know, assuming that they know what they're doing, you know, assuming that they're doing that, I think that they need to define the terms and say, look.

Paul, we're doing an investment here. We're raising 2 million for this company called Thrive Bioscience, which or case studies, thrive Biosciences. In order to get into it, I need to have your commitment by April 15th. There are a lot of other people who are investing into this. I can't keep it open-ended, but I would love to talk you to you [00:13:00] more about this, should you think Thrive meets your investment.

and that's it. That's really it. you know, every time I talk to people, I don't always have something to pitch. you know, I'll be going up to Palm Beach in a couple weeks for the boat show. However, you know, I'll just be there meeting people, and I think it's just, you know, talking to them first and then following up second.

You wanna meet people. When you meet people the first time, you never talk business, especially if you're dealing with continental Europeans. They want to get to know you first. But you have to remind yourself that nobody's ever gonna give you their money without giving you their time first. Exactly as you said.

They wanna know who you're, it's not just a background and all that, that do wanna spend time with you, and it's anything like this, because again, you're asking for someone to part with part of their life savings.

**Hall T. Martin:** Well, you know, in the sales world, they say it takes seven touches to close a sale.

What about seven touches to close an investor? How much is that the same or different?

**Salvatore Buscemi:** That's about the same actually, to be honest with you. and I can tell you that because of the email marketing that I do and I write and I watch on, you know, our HubSpot app over here, I can tell you that that is true. I mean, [00:14:00] sometimes it takes a little more, sometimes you have to hold hands a little longer.

 But if you're doing the right steps and you're going through this, like you would a normal relationship, right. we're, you know, you're holding hands first and then you kiss and then dinner and what have you, then it's gonna be a lot better and those seven step, and that really is part of the seven steps.

sometimes if you're dealing with something that's a lot more complicated and you don't get it than the seven steps, I would look at the way you're communicating to your investors. Remember, your investors are never gonna tell you that they don't understand what you're saying. Very few of them will or say they're not as smart as you are.

the only thing that they really know, especially angel investors at this point, is you know, what they see off of the mainstream media. So you have to make sure that you get into their head and say, and, and understand it. They don't understand everything you understand, and you need to simplify things in a way where they can really understand it.

Probably using a story format too to explain your case or company.

**Hall T. Martin:** I can remember a time when you could call anybody you want on the phone, but [00:15:00] if you wanted to email him, you had to have permission, you know, the spam act and all that. But post pandemic, or even the last few years, what I've discovered is that it's reversed.

You can email anybody you want, but you have to have permission to call 'em on the phone. What's your take on that situation?

**Salvatore Buscemi:** That's actually, you know, I always say get on the phone. Right? And, you know, when I email people, I'm looking for people to take action. way we're legally structured is that we have to move fast because my skill relevance can't in some of these opportunities and, , I think it's definitely changed, I think.

But if they're expecting your call, that's fine. But there's nothing wrong with sending, , and I, I do this. You can't send an email and expect people to read it again. Nobody, neither the Bible nor the Constitution says that anyone's obligated to open the email. However, that doesn't necessarily mean, know, that's all that's done and they're not interested.

You have to get their attention. And I do call up and I'll say, Hey Hal, how are you? I sent you an email. You didn't open it according to HubSpot. Can we talk for a second? Oh, yeah, yeah. Okay. You know, and then I just start, you know, going off on that. [00:16:00] I think if you're, if you're confident doing this and you know, that comes with practice, things will get better and you can, you know, I would definitely call people to be able to, to contact them.

Everybody to talk on the phone. Nobody knows who's calling today because you don't know if it's a political pollster or someone else. And you know, every time I pick up the phone it and it's a number, I don't know. What happens is, is that it's usually a car warranty or something that really doesn't apply to me cuz I don't own a car.

and I think, you know, maybe just sending a text message out too is also very appropriate when I go out to conferences, I don't carry cards with me, although I should, I want to get their contact information, so I tell 'em to text me, their name, and then I respond with mine, and now I have their contact information and it gives me permission to text them, and then I move into email after that.

**Hall T. Martin:** Well, I coach a lot of startups and I tell 'em you can use email and zoom to open up the discussion, but you're going to have to use the phone and in person to close. And I think that's where a lot of people get stuck is they don't realize I'm not gonna be able to email my way, all the way to a 2 million raise.

[00:17:00] I'm gonna have to get out and talk to people on the phone. And if, if it's a big check, I'm going, somebody's gonna get on a plane and go meet them. They may come see me, they wanna meet the team, or I'm gonna go them because, they don't have time to travel, but somebody's flying somewhere. And I find a lot of steps really don't have that in their mental budget for it.

they just think that we're just gonna email all the way. And if it's not going well, there's something wrong with these investors. But again, to your point, the relationship has to be built.

**Salvatore Buscemi:** Yeah. That's their ego. And they're gonna fail because if they don't feel as though they have to go out there and talk to the person who holds the gold, then something's wrong.

 and it comes off as being wrong in their value system, to be honest with you. , that They weren't raised professionally, if that makes sense. You know, going to a Goldman Sachs or somewhere where they're assuming someone with an email is just gonna.

 very cavalier, not ask too many questions, maybe just reply on a few emails and then send wiring instructions. That doesn't happen in the real world. I think there's a lot of, especially in tech, you get a lot of people who are very in life sciences too. You get a lot of people who are masters of what they do in laboratories, masters of what they do, [00:18:00] in their pajamas doing code coding, whatever tech people do.

But they lack the charisma or the personal, , Interest actually to, to be able to work with people a more intimate level. And I don't mean that in like a, in a creepy way, but saying, Hey, you know, do you understand the investment? Because, , as I tell people, like, your job is an educator.

You have to educate these people so they understand where their money's going and how it's coming back to them. they don't know this. Just because somebody has a lot of money, 200 million in their checking account doesn't necessarily mean they understand real estate. Or maybe they do and they are in real estate, but they don't necessarily understand tech or life sciences in the 500 different iterations of defi today.

Right. So, you know, they don't understand that, as you said, there's so, think of like 600 permutations or 600 different types of industries out there. . But if you get even deeper and more granular, everybody's carving out a niche for themselves. Don't assume your investors understand that. Don't assume that they're actually going to want to pay attention because they probably have other people who are asking them for money too.

I know I get asked all the time for money and you know, all these wild [00:19:00] foundation ideas that people want to come up and pitch these families too. And it's, you gotta be very protective of their time, but also be very accommodating too, as well. And if it's not in your personality, To go out and meet these people, you're gonna be hamstring.

Because problem is, is that people only wanna do business with people who they like. And you know, there's a lot of things that go off during the, you know, being physical, , meeting one-on-one with someone. You know, it's no different than dating. So I think, you know, people should really look at raising capital.

Vis-a-vis like dating, if you will. Right. Clean it up a little bit, get interested you know, learn some table manners.

**Hall T. Martin:** Right. Well, I get a asked often about closing investors and what can they do to close an investor who's not moving forward. What's your advice or startups that are, stalling out, so to speak, in the, in the fundraise?

how should they approach closing the investor in those.

**Salvatore Buscemi:** You know, it's interesting. I just came from a Florida Ventures conference about a month ago. And what I did was I wrote my fourth Kindle and it's, it's called Calling the Capital. You can get it [00:20:00] for free by going to calling the capital.com, but it's 20 ways to add urgency to your capital raise without sounding desperate.

And in there, and as I said before, Nobody likes investing in life sciences cuz it's all kind of boring. Nobody wants to remember how, you know, high school biology or high school chemistry. And what I've been able to do is to raise millions of dollars for these hard to raise companies due to the fact that we are using sort of carrots and sticks and stories and narratives.

But really the first thing that comes down to it, and I'll tell you, is that a lot of people don't use a deadline. You have to deadline things and you also have to gate things up, meaning you have to have maybe tranches or something saying if you're not in this round, well the next round's not gonna be that great.

The valuation's gonna be higher. You're not gonna get the free toaster. And things like that. And it really helped a lot of people. Actually, someone named Andrew SATs was able to raise $150,000 from some synap conference here, because of some of the strategies that were put together. And that was really the sort of what drove me to write this book.

, you know, it's only 24 pages, but. , it's very, very [00:21:00] impactful as it relates to what we call calling the capital and, and getting people to take action because there needs to be a fear of missing out somehow. And if you're very good at communicating to your investors what that is and what those circumstances look like, and you put it in writing so it's clear and they don't misunderstand or assume anything, you're gonna have a lot.

 success raising money. And I'll tell you, know, put a deadline on everything you do if you're raising capital, even if it's a fund or something and you know, just say the first TRAs, you can have four traches. It doesn't matter. But a lot of people go up there and raise money, but they don't have any deadline on it.

They just send you a PPM and a lot of legal ease. But, you know, why do I need to take action? Whereas the fear of missing out, right? I mean, if this is the sham wow guy, he'd be selling. You know, the sha Wow. Because there's only a few left. You need to do the same thing, although tactically and much more tastefully when you're asking people for investors money.

And that's exactly what I put together in that, in that little handbook.

**Hall T. Martin:** Well, that's, that's great advice. I always coach people to send out updates. And then those updates you should be showing that the funding [00:22:00] is coming in and we're getting near the close and is about to happen. And that'll speed up things in a great way.

But in the last minutes that we have here, what else should we cover that we haven't.

**Salvatore Buscemi:** I think, you have a lot of entrepreneurs right now who are probably, if we can talk about current events, who are kind of spoke about what's going on with the SDB and Signature Bank and some of the things that are happening right now in the capital markets as it relates to, Silicon Valley companies being incapacitated because of a bank failure.

And I will tell you that not to give up, there's always gonna be capital around. There's a lot more capital available today, privately. than there are from banks, and when you are raising money, What I would do is I would always be raising money. I think, , the second rule of real estate that a lot of people don't understand, but it still applies to founders and CEOs, is always be raising capital, always be raising capital.

Real estate investors you know, they cease to become successful if they don't have capital coming in all the time, whether it's from their own operating businesses or they're raising it from other people. and always [00:23:00] develop that skillset of stales and influence and persuasion. So talking to these people, because that is really the hardest job in the world, is getting someone to part with their life savings.

And if you start developing that skill, like anything else. And maybe, you know, depending, to you it's as difficult as dating. You wanna develop that skill because that is like a muscle that's going to help you, not just with this raise, but with other raises to come later. And that's really, you know, a skillset that can really help you for life and develop something.

That's something that AI is not gonna take away, is that interactivity or the relationships. Other humans and carbon-based life forms , are really quite frankly striving for. We live in a generation where every, everybody's connected, but everybody feels lonely all the time now.

Doesn't that make sense?

**Hall T. Martin:** Absolutely. That's great advice and, so true. Appreciate you sharing that with us today. So how best for listeners to get back in touch with you,

**Salvatore Buscemi:** I would urge them to download my handbook for free by going to callingthecapital.com. If they have any questions or they want to, [00:24:00] you know, be onboarded onto our multi-family office, investment platform as an investor, see how we do this?

They can send an email to sal@investinglegacy.com. That's sal@investinglegacy.com. we definitely do our best to, , accommodate you as it relates to, , having you look over our shoulder and, and see what the big boys see.

**Hall T. Martin:** That's great. We'll put that in the show notes. I wanna thank you for joining us today and hope you have you back for a follow up soon.

**Salvatore Buscemi:** Paul, thank you very much. I appreciate you very much