

# Transcript of Zamir Shukho

**Hall T. Martin:** [00:00:00] Well, hello, this is Hall Martin with Investment Connect.

Today I'm here with Zamir Shukho, CEO and founder of Vibranium Venture Fund. Vibranium Invest focuses on C stage B2B SaaS startups, vibranium aims to identify future champions and support the rapid growth and global expansion. Zamir, thank you for joining us.

**Zamir Shukho:** Thank you for having me. Hall.

**Hall T. Martin:** All right. And so where are you calling from today?

**Zamir Shukho:** Uh, right now I'm in Foster City, in my house. you know, with these, uh, remote options to work, sometimes I choose to stay at home. Uh, but, uh, most, most of the time I'm in Menlo Park in our office.

**Hall T. Martin:** So tell us more your background. What did you do before this?

**Zamir Shukho:** I've been working with startups for last, 10 years., for a long time, me and my team, we used to build accelerators in Eastern Europe. many countries, you know, CIS region in general, and we built different kinds of programs, you know, just classical accelerators or corporate, uh, innovation programs. Uh, We built 42 [00:01:00] of those, which is a big number.

And, a little bit before that I ran an event agency, which was focused on large events including, you know, presidents, politicians, you know, stars and many other people. And also we did many, many of those events for startups. combined over 500. So that was a lot of good experience and a good exposure to innovation ecosystem worldwide.

I've traveled many countries and have been to almost all developed ecosystems, and after that I decided that it's time to start a venture funds so we could support these founders, not only with our knowledge and mentorship, but also with some finances. Great.

**Hall T. Martin:** So how does one identify an investment focus?

If you're an early stage VC and maybe a first timer, what's your advice?

**Zamir Shukho:** So, I typically would, uh, look at, uh, a background of the gp. This is the reason why we are focusing on B2B SaaS because throughout my [00:02:00] career and my team, my teammates careers, we work with a lot of large companies and help them identify the needs for innovations and find market solutions in the startup ecosystem for those.

, implementing pilots with the startups, running POCs, and then scaling those technologies inside a large company. So when it comes to B2B SaaS, when it comes to, you know, process of implementing those inside of an enterprise, you know, we have a lot of knowledge and background and that was the reason why we said, okay, this might be a good fit where we can not only be money, but also smart investor.

To help with, you know, early stage startups with these processes. And on top of that, when we looked at the markets and we said, okay, what is, uh, a very stably growing market, where we understand, you know, what we are investing in and we can value and. This was B2B SaaS. You know, it's, uh, it's growing 80% year over year.

amazing startups, amazing companies becoming unicorns, every year. So [00:03:00] there's a lot of potential in that market, and we decided to, uh, to try this at vertical.

**Hall T. Martin:** And so how does a VC understand that a startup might be a good fit for their portfolio, or if their fund is a good fit for the startup? How does that

**Zamir Shukho:** work?

So we try to break down this process into several steps. Uh, basically analyzing more and more data on every step, the deeper we go. So, you know, a good fit is we identified certain criteria in the very beginning. So like step zero. If startup fits that criteria that we believe is good and feasible, then we would move them to the next stage.

But overall, because it's a very early stage company, we definitely look deeper into the team and we see if there's a match. with the founder, with the founding team, , if we believe the vision that they have, and we, you know, we trust their e experience and, and knowledge and background. And then, you know, if we really want to be part of that journey, because to us, investment is a partnership and it's a long-term partnership where we would not only, you know, sit on the

side, [00:04:00] but we also participate and help, to get the startup to the next level.

**Hall T. Martin:** Great. And so why don't you invest in crypto or med tech deals, for

**Zamir Shukho:** example? So one of the rules that we try to implement is you gotta invest in something that you really understand as an expert. So I consider to be an expert in certain things where I had over 10,000 hours and which is, you know, corporate innovation, B2B SaaS, uh, you know, marketing, management, all of these things that I had in my past as a serial entrepreneur so I could be a value add.

So are my teammates when it comes to crypto. Of course, I understand how crypto market operates. But I would not say I'm an expert or a super expert in this topic. So I didn't have a 10,000 hours of working with this particular market. But when it comes to med tech field or, or health, healthcare also is very, very specific.

And it usually takes longer r and d process to get the product out there, to get FDA approvals, you know, to do all the you know, research. [00:05:00] And it's time consuming, it's resource consuming. And if we are trying to target. Faster wins. This is the software part where we playing.

**Hall T. Martin:** Great. And so what are the differences between you and your, your VC competitors, other funds that are out there in the same space?

How are you different?

**Zamir Shukho:** Uh, there is a lot of really great funds out there and accelerators that work on, uh, early stage. So we try to partner with them, not compete. I think there's a lot of room for, good investors, , and startups always need support. So if there's a fund like us and we are. Um, always there to help.

Um, we provide not only money, but also, uh, mentorship support, and we talk to our portfolio companies on monthly basis. We help them with their internal processes, with their marketing and pr. We help them get more visibility and different events where we have partnership options. Uh, of course, you know, our main goal as a seed investor is to get them, [00:06:00] and their metrics up and running to, , Be eligible for fundraising on series eight and do some intros to those investors as well.

Besides that, we launched a soft landing program. To help foreign founders relocate to United States. This is a free program. it's, available to anybody who signs up. Of course, they have to go through certain, criteria, procedures, you know, and, and filters. And we handpicked 30 companies that for three months we were educating them, helping them with, practical experts on every topic that they need to know about running your business in the United States or relocating your.

A startup here, and recently we, uh, graduated the first batch. We're gonna have a demo day very soon. so this is something that we also do. And, we are active in the ecosystem. as experts. I try to share my knowledge on running a, an early stage startup, you know, and especially when it comes to the relationship between the startup and investor.

[00:07:00] And being prepared for the fundraising, you know, having a data room, doing a due diligence, right? And everything, of that sort. So we try to share that knowledge through our media and, different events and speaking opportunities so startups are better prepared, for the dialogue with investor.

**Hall T. Martin:** Okay, great. And so what advice would you give someone entering the VC space? Say someone raising a fund and starting out for the first time, what would you coach 'em to do?

## Do you love raising funds?

**Zamir Shukho:** So raising a fund is a tough job for sure. , and you have to love what you do. You have to love to give, first of all, because a lot of my time I spent giving something back to the startups, you know, communicating with the founders, educating them, and consulting them on how to do what they do better.

Uh, you have to be well connected and you have to love networking. Because this is the best source of deals. know, when you make friends and you go to these events, and you present yourself, you know, this is where the best deals come from. [00:08:00] and of course you have to be an expert in, in the certain vertical, certain fields.

So limited partners or a high net worth individuals would trust you with their money. understanding that you are really sharp at what you're doing and, uh, you know, the, the, the field very well, and that whenever you see an opportunity, you could understand that it's a good opportunity and invest money in it.

**Hall T. Martin:** you launched the Vibranium Soft Landing Program. Why did you launch it and what's the major goal of it?

**Zamir Shukho:** So we've seen a lot of demand from foreign founders trying to come to US market because I believe the US market is the best out there for venture startup. Uh, it's very developed. There's a lot of investors of every stage, and of course there's a lot of exit opportunities.

So when we see these. Startups, you know, they would approach us and ask us for help. I would, do my best to, to, to help 'em. But, you know, I'm only one person with 24 hours a day. So when we discussed [00:09:00] this with the team, we said, okay, how can we structure this in, uh, in a way of, uh, program or an accelerator?

Where more people can benefit from this knowledge and have a better, easier way to, to come to the US market. So we put together this program, as a pre-accelerator because we have all this background in building these kind of programs. We did it very, I would say professionally, but without spending too much resources, and we, added a lot of good partners, practitioners who work with these companies like legal services, you know, hr, marketing teams, et cetera.

So all of them work with startups on daily basis. So the knowledge that they brought was very practical and straight to the point of what you need to do. , to, have a better chance of succeeding in the US market, but not wasting too much investor's money or time doing it. And the main goal was to help a great demand of founders that are coming or want to come and relocate to the United States.

Secondly, we are [00:10:00] showcasing these startups on a demo day to our friendly accelerators. To our, , friendly business angels because these guys are ready for investment, early stage, you know, few hundred dollars pre-seed, \$300,000 pre-seed, and once they get some support and help from our local partners, from some accelerators that we work with or some business angels.

Maybe in six, to 12 months, they will be eligible for our investment from vibrating in vc. So we will be monitoring their progress and traction on the local market, and then we would be interested coming back, investing in them as a fund.

**Hall T. Martin:** great. Well, aside from raising the funding, what's the main challenge in starting a VC fund?

**Zamir Shukho:** I think, uh, main challenge in, any company I worked and I built, is, finding the right people who will take on this endeavor with you because, VC fund is a, is a 10 year, maybe a 12 [00:11:00] year project, right? first fund. Uh, so you have to. Take it all the way to the end and make sure, you know, you work with your portfolio companies after you invest and you help them grow, et cetera.

So you wanna make sure to find the right people who are interested in joining you for the time period, you know, for 10 years. So it's a commitment, right? And uh, uh, because the team is, is small. Uh, we have to be very productive. We have to be, very smart. and you know, there's no, just like in any startup, you know, there's no extra resources you can waste because the resources are limited.

Now we have to be effective at our job, and we have to be really good. Of course, because you know, when you talk about Silicon Valley, this is a high density place where there's a lot of other investors. So if you don't stand out, if your team is not excellent, if you know, the quality of your work or your due diligence process is poor, then you know you're not gonna be successful at what you're doing.

And, first tier deals would not come your way. So, I think that's the biggest challenge that [00:12:00] somebody can have besides the fundraising itself is building the right team. To stand out and to really do the job on excellent level.

**Hall T. Martin:** Great. Well, you see a lot of technologies and new business models out there.

If you could start a new business tomorrow, what would that business be based on what you've found so far?

**Zamir Shukho:** you know, it's so funny, like, uh, almost every day I have a new idea right? About something and I'm like, oh, this is a great idea for a startup, especially when I take a shower, right? , and the, the problem with that is there's so much out there and so many problems you can tackle.

But again, it's not about the idea, it's about the implementation. So, is there a right skill set, on the team who can pull this off? Uh, definitely AI is, is a very hot topic right now. So anybody with an AI background with ML backgrounds, somebody who can program, you know, these algorithms and.

Work with those technologies is gonna have an advantage over just a simple software engineer [00:13:00] or, a startup. So right now is gonna be, I think 2023 is gonna go under an AI flag for sure. Thank you to JA Chat, G P T, and, uh, all these other amazing technologies out there. So, You know, this is something to watch for and, I'm pretty excited about that.

But, if somebody would ask me, what is the one project that you would want to work on? that would probably be, be, a worldwide global internet, anywhere, anytime, even in the middle of the ocean. So if we can manage as humanity to create a network that would work anywhere on this planet, we would, help so many people out there and allow them to get access, to knowledge, to information, to all kinds of, services that they don't have right now because they don't have internet access.

**Hall T. Martin:** Well, great. Well, after you launched your VC fund, what's one thing it did that you didn't expect?

**Zamir Shukho:** one thing I did that I didn't expect is, , Very interesting question. So let me, uh, let me see. So. [00:14:00] Probably I did not expect that I would be scrolling through so many Excel spreadsheets and data.

I thought that you know, we might be on a different level of, of a due diligence, but a lot of data is still coming, with a very simple forms and we have to look at it, uh, to, to kind of analyze it. So, the. idea about being ABC was, ah, this is exciting. I get to see founders, I get to talk to them, I get to invest in them, but a lot of my time right now is being spent on reading through, uh, documents, files, PDFs, PowerPoints, and Excels.

And analyzing that information before I even start talking to the founders. So I guess that's a little bit of boring side of the VC job, but it has to be done. Uh, so you make a data driven decision rather than emotional decision.

**Hall T. Martin:** Great. Well, in the last few minutes that we have here today, what else should we cover that we

haven't?

**Zamir Shukho:** I think one [00:15:00] of the important things, uh, to, to bring out there to the market something in the message that we were trying to, , you know, to, to make, uh, bigger is that. Pitch presentations are great. a lot of accelerators focus, , attention of startups on, on doing their pitch right, but pitch

presentation is only the tip of the iceberg when it comes to the real due diligence process, even with the seed stage, investors and VCs.

So, knowing and understanding what the process is made out of, creating, A good data room being prepared for the tough questions that VCs ask, uh, is something that we really want startups, uh, to do, , ahead of a time. because, you know, there's always a timeframe, uh, for the fundraising.

And one of the biggest challenges we have right now, , is when we ask the questions and request some documents. Typically, startups don't have them ready, so they have to go back, do their homework, Pull up some, information from different sources and then get back to us. And that increases [00:16:00] the due diligence, timeframe, which is does not allow startup to close their rounds, quick enough.

So being prepared for this dialogue, essential, uh, on, on the plan, you know, and, get the resources that you need to grow.

**Hall T. Martin:** So how best for listeners to get back in touch with you.

**Zamir Shukho:** the best way would be reach out to me on LinkedIn. I'm the only zako out there. I'm, accepting old friend invite and happy to, to talk.

typically, you know, I would ask several questions if you are a startup trying to pitch to me. Uh, because as a GP of the fund, I, uh, would come in on. Probably stage four of our process. So I have, you know, a scout, I have an analyst, I have an investment manager. So they look at the deals before these deals come to me.

So whenever you would approach me, I would ask you a few questions and You know, depending on the answers, I would ask you to either, you know, fill up a form on our website, get into our CRM system, or maybe come back to us a little later if you're a bit too early right now with, with some of the metrics and the attraction.

But LinkedIn is the best, [00:17:00] uh, place to find me and, Almost daily, I try to publish something that can be useful, uh, to the startups so you can also read the feed and get some, good information from there.

**Hall T. Martin:** Great. Well, we'll include your contact details in the show notes. Wanna thank you for joining us today and hope to have you back for a follow-up soon.



**Zamir Shukho:** you so much for having me. It was a pleasure.