Transcript of Anthony Santaro & Somak Chattopadhyay of Armory Square Ventures

Hall T. Martin: [00:00:00] Well, hello, this is Hall Martin with Investor Connect. Today we're here with Soak Chato and Anthony Sentara, uh, from Armory Square Ventures. Somak is the founder and managing partner at Armory Square Ventures, and Anthony is a senior associate. At the Army Square Ventures as well. Army Square Ventures is a venture capital firm based in upstate New York and New York City.

They provide the first round [00:00:20] of institutional capital for companies targeting the largest industry across New York state and select emerging cities across the Northeast Anthony Summit. Thank you for joining us.

Somak Chattopadhyay: Thank you for having us.

Anthony Santaro: Very happy to be here.

Hall T. Martin: Great. So where are you guys calling from today?

Anthony Santaro: We are calling in from our Skinny Atlas, New York office in the Finger Lakes region, about [00:00:40] 30 minutes, away from

Hall T. Martin: Syracuse. Well, that's great. You must be having some nice weather there this time of year. It's hot everywhere else. How is it there?

Somak Chattopadhyay: So, it's beautiful. Right now it's like, I think in 70 degrees.

It's, uh, we're actually overlooking, I know this is an audio podcast, but for your benefit hall, I'll show you, you know, a view of what we're, what our office looks out onto. We're [00:01:00] overlooking a. A beautiful lake and, uh, a dock and a bunch of these beautiful boathouses. this is a really, really beautiful scenic town that was founded by entrepreneurs in the late 18 hundreds.

And, uh, it was always a summer estate for people when they needed to escape the heat. And so we're very blessed to live in this part of the world and take full advantage of it.

Hall T. Martin: [00:01:20] Great. Well, let's talk about your backgrounds before joining Armory Square. Uh, Somak can you go first and tell us more about your background and what you did before this?

Somak Chattopadhyay: Sure, sure thing, Paul. , so yeah, my background. So I've been, um, I've been in the technology industry since 1999. after I left Boston, late nineties, I had, had studied engineering at M I t I. Like many, you know, [00:01:40] people at that era, was excited about the technology industry and those were during the web 1.0 days.

So I did a short stint initially in investment banking at. Broadview, which was a tech m a shop, but moved quickly to the startup side initially a company called shopping.com, one of the first comparison shopping engines that went public and was acquired by eBay. I ran product and business [00:02:00] development at a very young age.

I didn't know what I was doing, so I made a lot of mistakes and learned a lot along the way. but it had a great outcome and I had some great mentors and. Uh, it was good timing as well. Uh, moved over to a digital health company called Medow, which was a knowledge expert for the healthcare sector, similar to G L G Group, uh, Garrison Lierman Group.

That company was acquired and then [00:02:20] I moved after business school. I went to the venture side in 2005, initially at Edison Partners, which has been around since the 1980s leading. B two B software investments, especially in secondary markets that are ignored by many of the people in Silicon Valley. Um, and then moved over to Tribeca Venture Partners, where I was a partner until [00:02:40] 2013.

I was then recruited by a group of institutional investors and family offices to launch Army Square Ventures to focus on early stage capital in these regions. So that, that's, that's my, that's my story in a nutshell. Well, thank you for that. And

Hall T. Martin: Anthony, tell us about your background.

Anthony Santaro: Yeah, so I'm originally from Syracuse, New York, so an upstate New York native.

Went to [00:03:00] school at Johns Hopkins down in Baltimore and studied economics and, uh, started my career off at Wells Fargo's Investment Bank in New York City, specifically in their corporate finance and strategic transaction advisory group. So it was a great way to work with companies across different industries, public, private, uh, on both corporate finance issues, uh, as well as, uh, strategic transactions such as an I [00:03:20] P O or an, uh, merger and acquisition.

Uh, was there for the two year analyst program and then switched to a private equity firm, uh, also located in midtown Manhattan, and that was a special situations group. Did every type of financing from, uh, leveraged buyout to distressed real estate transactions. But the one area that I most, uh, was most drawn to [00:03:40] was earlier stage venture capital investing.

Uh, and was able to spend a small part of my time there, but not as much as I wanted to. Uh, and at that time I was also looking to make my way, uh, back home from New York and was very fortunate to join Armory Square Ventures, which was, uh, a perfect inter intersection of all my interests then.

Hall T. Martin: Great. Thank you for that.

And so my first question [00:04:00] is, what excites you right now? Summit? Let's

Somak Chattopadhyay: start with you. I. Um, in terms of what excites me, and I also want this thing be mentioned. I'm just so, we're so lucky to have Anthony on our team and that we're, we have a team that's growing and expanding as well. We can talk more about that if, if we have time.

Um, but in terms of, uh, what excites me now, I. You know, [00:04:20] we've always believed that, you know, there are many industries, uh, that have massive total addressable markets that, um, have often basically been left behind by the software tech sector. And these are generally based in regions that are not. Um, in the large metro area.

So when I talk about industry verticals, those include [00:04:40] industries like manufacturing, construction, trucking, just these are just examples of, of huge, huge industries that are in the early stages of embracing software innovation. Some of these businesses could benefit from SaaS platforms addressing inefficiencies in those markets.

Other people are, are excited about liquidity of marketplaces that connect buyers and sellers in those markets. And [00:05:00] so really over the last few years, the pandemic was clearly an accelerant for this. There was a lot of talent migration to these regions. A lot of these people who come from the tech sector or other industries saw these huge opportunities and are founding companies to address these larger industries and, um, to, those are things that we find super, super exciting.

Great. And Anthony, how about you? [00:05:20]

Anthony Santaro: Yeah, hall, we were talking a little bit about it before the call started, but what's really been exciting over the last, call it six months or so, um, are, we've been seeing a lot more companies, but also a lot of really great quality companies that in the past, Um, you know, especially in more of the primary markets, like in New York City, um, it was just a little bit harder to find or there such [00:05:40] an accelerated timeline.

Um, and so what we've been seeing lately is, is these really, really strong quality founders, um, that have been, uh, much more approachable and, uh, have been allowing us to, uh, to really do the diligence that we like to do and, uh, finding exciting opportunities in a lot of the sectors that Somac was talking about, um, earlier that are still on the cusp of this digitization.[00:06:00]

Hall T. Martin: Great. Well, my first question is what's your advice for people investing in startups? You guys see a lot of different startups out there. What's your advice for the investors and what they should do before they write that check? Anthony, let's start with you.

Anthony Santaro: Sure. Uh, so something that I, I think I would always advise is really sticking to a core set of principles.

Um, whether that be your [00:06:20] investment thesis or the style of, um, investing that you do. So for us, we're really focused on that seed series, a stage of investing. Uh, particularly in B two B SaaS and marketplace companies. Um, and so something that's kind of always been our north star is to stick true to our knitting.

Um, and so it's finding companies that are part of that business model, um, are part of these industries that we've had [00:06:40] success and experience with in the past. Um, and so I I, I would recommend that to, to all investors is to really stick with, uh, what, what, you know, and, and areas that you've been able to prove out rather than, uh, venturing too far away, uh, from, from your stated thesis

Somak Chattopadhyay: and soak, what's your take?

I agree with all those things Anthony said. And I would add just one [00:07:00] more heuristic that we use at Armory Square Ventures. I think we, um, are always, we, we've spent a lot of time, some of us have been doing this for decades, looking at opportunities to back world-class entrepreneurs in, in SaaS and marketplace technology businesses and in secondary markets.

I, I think though, that once you get comfortable with the large market [00:07:20] opportunity market's extremely important. But management teams are also very important. So the market type of stuff, the market sizing and the product market fit is, is something that as investors, you get better and better doing as you build a larger, larger network to be able to help you figure out is this really a must have versus nice to have.

The other part though that's [00:07:40] extremely important for investors is, is a much more. Um, it's, it's, it's much more of a softer part of investment, the soft skills of investing, which is do you get excited about that entrepreneur? When an entrepreneur pitches us, we see thousands of entrepreneurs, as, you know, like many early stage funds that have fresh pools of capital and have track records.

But the issue is, is that [00:08:00] when I started in, in the vc, I was like a kid in a candy store. Everything looked very exciting. What's really important is to figure out and hone your radar and say, is this a c e o that I get so excited about? That I would quit my job as a vc, which I think is one of the most exciting jobs in the world.

Do I get energized when this person calls me on a Saturday night? Do I wanna spend [00:08:20] two or three days getting stuck in airports and jamming on business, or I'm like, get me the hell away from this entrepreneur if, if it's, if it's something where you really, truly are energized and you feel like you wanna quit your job, to us, that's a pretty strong indication that this is an investment and it's gonna be the start of a great five 10 year partnership.

Hall T. Martin: Great. And then on the other side of that table, what's [00:08:40] your advice for people running startups? What do you tell that founder to do before they go out to raise funding Summit? What's your take?

Somak Chattopadhyay: Um, so I think there's a few things. One, first of all, uh, you need to really make sure you do some soul searching to figure out is venture capital.

Really the right product for you. Um, you know, there's [00:09:00] numerous investors who've, who've blogged or spoken about the fact that, um, venture capital is really a, a product that is, is, is a phenomenal product for the right type of opportunity. But if you think you'd be success, you'd be happy building a business to tens of millions of dollars and you would potentially consider cashing out at a 1500 million dollars exit.

Venture capital is not [00:09:20] the best product for that. And once you get on the venture capital flywheel, you can never really get off. So that's one thing that I think is worth talking to people who are entrepreneurs. The other thing is, is that just I think it's really, really important whether you're an entrepreneur or investor or anyone in business or frankly to your spouse, you should have the same philosophy, which is when you say you're gonna do [00:09:40] something.

Do it, meet and exceed expectations. When you do that as a board member, as an investor, or if you do that as a founder, when you raise money capital from someone, um, you, you, you develop a great reputation, a great rapport. You create positive vibes. And when it comes time for that next round, um, you know, you can hopefully close that pretty easily.

That's something that a [00:10:00] lot of really, really smart founders and investors I feel don't do. They get overwhelmed, they get pulled in many different directions, and, um, time management, prioritization and follow through becomes challenging. That's good insight.

Hall T. Martin: And Anthony, what's your take? Yeah,

Anthony Santaro: all great points by Somac.

Uh, something else I would add, just kind of coming from the financial world, I'm always really interested to see what the use of funds are [00:10:20] for a round. Um, and so some advice that I would have on that front, um, two, two different areas. One, I would always recommend, uh, as a firm, we were always saying at, at a bare minimum with a new funding round, you'd wanna have at least 18 months of runway.

And, and really we've been saying that we'd like to ideally see a more closer to two years, 24 months. Um, and so that's, uh, to allow the company to have enough [00:10:40] time to. Raise the money, but then also to efficiently put it to use, uh, you know, which usually takes a couple months and then to scale up from there.

And then budgeting a little bit, uh, more time, uh, than, than might originally be thought for that next follow on round. So just to really give them an enable, uh, runway in order to allow them to execute and to hit all their goals, which is kind of the second point. So [00:11:00] something that we always look for, uh, when we're underwriting a decision is what goals do they want, uh, to achieve before, uh, catalyzing that next fundraising round.

Um, and so that would be something else, and I guess lends itself to what Mak was saying, follow, following through. So whether it's, uh, on an a r r goal or doing team hires, making sure that they have the, the runway and the capabilities in order to achieve that. [00:11:20]

Hall T. Martin: Well, that's a good point. Well, let's talk about the state of venture investing today.

It's been changing a lot in the past and continues to do so, but how do you see the industry evolving from here, summit? What do you think it's going, going to

Somak Chattopadhyay: be? Yeah, I mean, I feel this industry, I mean, I've been doing this now for nearly 20 years, and I feel like, uh, [00:11:40] what we see happening in the venture industry happens every five.

Every five, you know, every few business cycles, right? You know, there's a period of time where venture capital suddenly becomes the hot industry. It's a high bait industry. What that means, of course, for those who don't know, the phrase means that, When the public markets do well, venture capital does extremely well, right?

And [00:12:00] so what we see, and we saw a lot of this happen in the last, uh, few years with, you know, zero interest rates environments. Suddenly venture capital became the most attractive asset class ever, right? And then everybody and their mother started. You know, fancying themselves as a venture capitalist, whether they were truly VCs or whether they were working in corporate venture arms, or, you know, it just became, it became the hot thing, [00:12:20] right?

And, and then, and then it didn't became, and then it suddenly became a not so hot place, right? Like suddenly people realized, especially last year or so, I. Wow, this business is really, really difficult when times are more challenging, when capital is not as ubiquitous, when it's much more difficult to raise a follow on round, um, that's more challenging.

So what we saw happen last year [00:12:40] or the last few years with Tiger, with SoftBank, we saw many more. Venture funds grow from small, smaller niche funds to multi-billion dollar funds, putting a lot of capital out to work, and doing more like a high volume deal strategy and just raising larger and larger funds.

Right now as the mar, as the LP [00:13:00] market, our investors as they are a lot less. Bullish on the comp on on the venture industry as they don't have the same level of distributions as they did a few years ago. The pacing has changed now before you can no longer assume that every year or two you will automatically have an up round and a new source of capital for that series B or series [00:13:20] C.

So what this is means is it's really going back to what. Really the venture industry was for like the first 10 years of my, my career. I started in the venture industry a few years after the.com bubble burst, and then the financial recession happened, and I remember every time we raised around, it was never a guarantee that a company would be able to raise a [00:13:40] Series B or a series C or series D.

You always were looking for optionality, either a path to profitability. Or a potential strategic exit if indeed a larger growth round didn't materialize. And these are all muscles that I think some of us who were from those eras are kind of rebuilding again. But I think, uh, the overall, uh, you know, what's [00:14:00] happening now in terms of return to fundamentals, return to unity economics as opposed to growth at all costs is a healthy thing for the business overall.

And now we'll see. You know, kinda last thing I'll say is that, Where I think many people were trying to almost create, you know, a, a kind of a, a walmartization of venture capital. Like, okay, this could be something that's like any other financial product. A lot of people have realized [00:14:20] suddenly now, in the last few years, and they seem to do this every 10 years, that, um, it's not that way that venture is a craft business.

It's not something that's like a high volume, you know, a u m sort of game. Um, and, um, and I, I think that's, I think again, I think what now, What we'll see is we'll always see the larger mega funds, the Andreessen Horowitz as the Sequoias of the world. But I [00:14:40] think you're gonna see more focus placed, uh, in terms of who can generate alpha through proprietary domain expertise or proprietary networks in specific geographies, which is something that we, uh, focus on a lot at a S v.

And Anthony, what's your

Hall T. Martin: take on that?

Anthony Santaro: Yeah, uh, so I don't have quite as much experience as Somac, but I was watching an interview with Bill [00:15:00] Gurley, uh, the other day and he was talking about VC as an asset class and how it's such a long feedback cycle. Um, and so there is the natural kind of peaks and valleys to this industry even more so than a lot of others.

Uh, and it's important to stay very measured throughout all of it. So, uh, just even at the highest heights of the market, you can't let yourself get carried too much away. Uh, but quite similarly, when things look, you know, everything's [00:15:20] over it, it's doom and gloom, uh, that there usually is kind of a sunnier day around the corner.

Uh, and so what he was talking, uh, talking about was when you're looked at 2021, that wasn't a normal time. That represented a peak. Uh, and so that's when a great time to be in venture. That's when most of the returns are to be had. Um, but you can't then just exit the market immediately thereafter. You have to continue to laying the [00:15:40] groundwork as Somac was, uh, talking about meeting with these, uh, founders and continue to cultivate relationships in a network, um, for the next time that that goes around.

And, you know, as he said in the interview, it's doesn't necessarily mean that it's gonna be in another two or three years, um, but those days will come back and, and so it's really investing for the long haul. Um, and so it's a constantly evolving industry and it's really why I find it so enjoyable. [00:16:00]

Hall T. Martin: Cool.

Well, let's talk about your investment thesis. What exactly is it and what's your criteria for making Investment Summit? What? What would you say there?

Somak Chattopadhyay: Sure. So we are generally focusing on, um, high growth software businesses that are targeting large industries that are often in the early stages of software [00:16:20] innovation, right?

So we're, when we look at the criteria that we look for, whether a company even presents to our team, you know, we look at a core set of criteria that's probably common among many VCs, right? Is there a strong, a massive market for us?

We look at a bottom up market size of at least a billion, but we love multi-billion dollar [00:16:40] type bottom up market size opportunities.

We look for exceptional management teams. Even a first time founder may not have a lot of domain expertise, but does she or he. Have the passion and the conviction and the ability to attract talent, capital customers, right? And do they have a strong technical co-founder? That's also very important for us.[00:17:00]

We don't back one woman, one man bands. We like to have people who have a nice blend of technical and business expertise. We then look for businesses that have strong unity economics. Now in an earlier stage business without a lot of financial information. There's a bit more of guesswork and speculation when you have limited data, but because we've invested in software companies for a long time, we [00:17:20] can make some basic operating assumptions there and then look at some feedback from existing customer prospects in our network.

So unit economics, competitive differentiators is there. Remote through proprietary data distribution channel partners. That's another key thing that we focus on, right. And then this is to Anthony's earlier point [00:17:40] about like putting together a financing strategy that makes sense. We try to look clearly at what the company's trying to achieve and as Anthony noted about the 1824 month runway, we look work backwards and say, based upon what we know about this market, about this business and our own experience in backing software companies, is that attainable?

And if we feel a lot of [00:18:00] those things check out, that's what gets us excited about going the next step and potentially investing. Cool.

Hall T. Martin: And Anthony, can you talk about a startup that you may have funded that fit that thesis?

Anthony Santaro: Yeah, yeah. Uh, of course. Uh, so the startup, uh, was the most recent one. We invested in May.

It hasn't yet been announced, um, but it was a very exciting company in, [00:18:20] uh, B two B marketplace world, and it's creating a marketplace for heavy industrial equipment. The original equipment manufacturers, OEMs. Uh, to connect them with construction businesses, heavy machinery, uh, type businesses across the us.

Uh, and so this was a really exciting company because they're actually to some ex point of unit economics upon the first transaction in that [00:18:40] marketplace. They're already on a, it's already profitable. Um, so it's not a company, uh, that's is burning a lot of money, uh, but it's actually profitable on each transaction because of their low, uh, customer acquisition costs.

Uh, and, uh, there's other, uh, interesting components to the company. There's a strong FinTech component, so there's a lending capability, uh, with the financing arm as well as they have a nationwide service [00:19:00] technician network, uh, to help care for the machines that they sell throughout the co, uh, throughout the country.

Hall T. Martin: So a great deal. Looking forward to seeing it further. Uh, so let's talk about challenges in the marketplace, uh, summit. What do you think is the main challenge your startups face in today's market?

Somak Chattopadhyay: Yeah, I think so. There's a lot of challenges, right? I think there's [00:19:20] opportunities, but there's challenges for sure too.

The challenges are that it's, you know, let's, I said venture capital is not an easy profession. Entrepreneurship is not an easy profession. I think the so, so I think the challenges are right now is that, If you, you know, there, there, there, there are certain people that are configured to take on the type of risk involved with [00:19:40] startups, but I think there, we, there's, you know, at times, like when, when, when the, when the economy slows down, you know, there's, or, or where in this case the venture capital markets have slowed down a bit.

You know, there tends to be sometimes more of a shift of people going into more traditional corporate jobs. And so that part of it is like, you know, get, getting access to certain types of talent is [00:20:00] more difficult. The, the flip side is, is that I. You know, the larger corporations are not as stable as, you know, people might have once expected to be.

So if you as a c e O can actually make the case that your company has well-funded, has got good backers, has solid prospects for growth, and you know that, you know that there, there [00:20:20] still is an opportunity to tap talent that you may not have actually been able to get a few years ago. I think I've already touched upon the fact that capital raising.

Is a lot more challenging. Right. And I think that's one of the reasons why when we are making any investment today, we always, uh, care deeply about making sure that we have strong syndicates. And I think we have [00:20:40] probably, we spend even more time now vetting our syndicate partners to make sure that they have a history of supporting their companies through thick and thin because, You know, everything in this business is not always up into the right.

And if you have people who are Fairweather friends who might write that first check as an option and then ghost you after that first round, that's gonna create a lot of [00:21:00] problems for companies and put them in no man's land. And so I'd say those are some of the challenges that we see companies facing, but we have, we work closely with their founders to try and mitigate those risks.

Right.

Hall T. Martin: And Anthony, what do you think are the, the challenges this market for the investor side of the equation?

Anthony Santaro: Um, yeah, so for the investors, I, I think some, some of the points could cross over [00:21:20] to that as well. So for us it's, uh, also finding a strong syndicate of co-investors for a given round. So just as so Mac mentioned, we want, uh, like-minded investors that are in it for the long haul.

Um, and so for that, it's, you know, really kind of learning the reputation of these other, uh, potential co-investors as well, uh, to make sure that we feel that we have enough like-minded, uh, people around the [00:21:40] table to support the company for that next phase of growth. Or if there's. Uh, a bit of a stumble.

How could they use their own networks to help out, um, as well. And, uh, I I think that would be, uh, a pretty big one. So, Matt, is there anything you'd like to add on that point?

Somak Chattopadhyay: No, I think you, I think you covered it. I, that's, I think that that's exactly, I, I think that's fine. Mm-hmm.

Hall T. Martin: Great. [00:22:00] Well, you both see a lot of different businesses and new business models out there in today's market.

If you could start a business tomorrow, what would that business be? Summit, what would you think is a great opportunity to start a

Somak Chattopadhyay: business today in. You know, it's, you know, I, I'm gonna answer this, this may not be the que the response you were initially expecting, uh, but I, [00:22:20] I, um, I actually always think about starting new businesses or, and incubating new businesses.

I am probably a different stage in my career, obviously, than I was when I was in my twenties. So I don't, thankfully don't have to think about making money the same way I did, uh, earlier in my career. I see a lot of parallels with venture capital in the hospitality industry. I actually. [00:22:40] We've invested in, in multiple hospitality tech companies.

Actually, one of our most successful exits was a company called Bento Box, which is a, uh, a web and marketing automation platform for the restaurant industry. Um, and so, uh, I think, uh, Anthony knows this. I've actually always, uh, had a, a real passion for, for cooking. I recently, uh, built [00:23:00] a Tura fire pit in my backyard and because I really missed good Indian food after I left, uh, New York City.

So, but I just think there's a lot of parallels between hospitality and venture capital and among them, You know, just a focus on, you know, devoting yourself to the craft, serving others, creating an incredible experience. If you talk to Danny Meyer or Jean George and you [00:23:20] look at how they look at their restaurants, every restaurant you go to, you get that same experience, that same interaction.

And that's something that I've always tried to focus on at the in VC is like every interaction someone has with Anthony or so, Nina or anyone else on my team, I want them to feel, even if we don't say yes. That was an awesome experience and I see a lot of the same things in [00:23:40] hospitality and part of the reason I get excited about that is we live in a region now that's going through tremendous transformation, is going through a renaissance micron, the large chip companies investing a hundred billion dollars in a region, and their goal is to create a a, a region where people will want to move and live their place many ways.

What you have in Austin, which has just been so, it's been so [00:24:00] inspirational to so many of us in other cities, like. I, I that, you know, you can't just have great tech companies. You have to have great food. You have to great culture, great bars, a place where people want to congregate and, and that's something that I'm very passionate about outside of venture capital.

I.

Hall T. Martin: Very good. And Anthony, yeah. What would you think is a great opportunity for starting a business today?

Anthony Santaro: And I'd like to add, I've, I've been prodding [00:24:20] somac to open that restaurant. Uh, so I think that, I think that'd be a nice addition to our town. Um,

Somak Chattopadhyay: Anthony has a background, his family owns a restaurant too, so he, he knows something about it too.

Anthony Santaro: Has experience there too. Good. Um, but somewhat, uh, related, so my dad, uh, before he opened up his Italian restaurant in Syracuse, he had a trucking company and they did a lot of long distance hauling. [00:24:40] Uh, primarily down in the New York City metro area, as well as in parts of Canada. Uh, and so growing up I would always help him wash the trucks or, you know, walk around the lot.

Um, and I always thought that was a really cool industry. Uh, and so if I were to start a company today, I don't think I would necessarily start a trucking company. Uh, there's, there's a lot of logistical hurdles with that. Uh, but if I could find a way to marry my interest, uh, that I do with [00:25:00] day-to-day with venture capital and.

Looking and evaluating very cool software companies, uh, along with kind of that family history, uh, in the trucking space. I, I think that'd be a, a really cool opportunity, uh, to, to, to marry those two interests. But still, uh, still looking for that right idea.

Hall T. Martin: That's, that's quite interesting. Yeah. Well, in the last minutes that we have here, what else should we cover that we [00:25:20] haven't?

So what would you like to add?

Somak Chattopadhyay: Yeah, I think that what I would say is, I think, um, I know we've talked a bit about how challenging the markets are today compared to, say, a year or two years ago. Right? But I think that, you know, in general to be an entrepreneur vc, you have to be an optimist. And we can't forget about that part of [00:25:40] our business that we have to be optimistic.

And one of the things that has been so illuminating for me in my career is that there's all these people who are naysayers. I'll tell you as an entrepreneur, No, no, no. We hear a lot of that too, by the way, for the entrepreneurs in the audience. Like we, we get our ass kicked a lot too, especially in this environment.

We're, uh, you know, and, but the reality is, is that for all the [00:26:00] people who say no, you have to think and, and you might start thinking, you, you might start having doubt, self-doubt, right? But you have to also think about, you know, what are all the things that can go right? What we, that's what's important in, in, whether it's entrepre, vc, Most things could fail, but if it's right and it's transformative, it can be life changing.

And that's something that we think a lot about. Asymmetric betts on [00:26:20] the upside, what can go Right versus getting bogged down in the doom and gloom. And Anthony, your take

Anthony Santaro: Yeah, no, I, I agree with everything. So Max said, I, I think something else that I would, I would mention, we talked a little bit about it earlier in the call, um, but Armory is focused on secondary markets.

Uh, so we spend pretty much the majority or nearly all of all time, um, in [00:26:40] different secondary markets across the us. It's been primarily upstate New York, um, in increasingly looking at some in areas of Midwest. So whether that's Indianapolis or one of our partners, Nina is based or in Pittsburgh where I think I've been three or four or five times this year alone.

Uh, Columbus, Ohio, and some other areas, uh, in those states. It's really been, uh, really interesting for me. Uh, to see [00:27:00] these companies really innovative, uh, companies get brought up, uh, in areas where you wouldn't necessarily think be thinking about. Um, and Soak had mentioned Micron coming to Syracuse, uh, which is I think the largest private investment ever in the United States.

Uh, potentially being a hundred billion dollars. But there's these other kind of major projects happening. For example, Intel is building a plant outside of Columbus. Um, [00:27:20] there's, uh, one plant getting built outside of Indianapolis. And so without, all, without these capital, um, investments that are being made in these areas, I, I think the future looks incredibly bright that we continue to see these really long, uh, these really, uh, great tradition of, of innovative companies being born, um, in areas that people might not initially think of.

But there's a lot, lot of stuff [00:27:40] happening there nonetheless.

Hall T. Martin: Good. Well, some of how best for listeners to get back in touch

Somak Chattopadhyay: with you. Sure. I think, uh, best way to reach out to us would be through our emails or just our first name@armorysv.com. Um, Anthony often takes a first pass at, at reviewing companies, uh, that might be fit, [00:28:00] but you know, we're, we're always accessible.

You can also follow us, um, at our, our Twitter. I guess I should know my threads. My threads handle now too. My Twitter handle is so Maxie. Anthony, what's your, what's your, what's your

Twitter

Anthony Santaro: handle? I was gonna say I'm not, I'm not the best with Twitter. I have to get better. Uh, so email's definitely the best.

Best, uh, best for me, but it's St. Sarah Anthony, um, for Twitter, [00:28:20]

Somak Chattopadhyay: something I need to work

Hall T. Martin: on. Well, great. Well, I wanna thank you guys for joining us today. We'll put your contact details in the show notes. We appreciate the great advice and insight you've provided today. And with that, uh, we'll, uh, let the, uh, listeners get back in touch with you afterwards and, uh, wish you guys a great day.

Thanks so much for joining us.

Somak Chattopadhyay: Thank you so much, hall. It was, [00:28:40] it was a pleasure. Really enjoyed our conversation. Thank you Hall. Appreciate

Hall T. Martin: it a lot.