

# Founders first and investors second, a portrait of Cherry Ventures

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 interview Charlotte Bruce, principal at Cherry Ventures.

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Cherry Ventures was started by successful entrepreneurs who first partnered with ambitious founders as angel investors. This founders-backing-founders ethos remains a central part of Cherry's DNA today. We have grown to a 20 strong team with a presence in Berlin, France, the United Kingdom, and Sweden. Cherry's portfolio has also grown from those initial success stories to over 50+ companies spanning various industries across Europe.

My journey began in scientific research. I have a PhD in Clinical Neuroscience from Cambridge University and, back then, there were limited opportunities for scientists to move into technology and commercialise their ideas. So, I moved

into finance with a role at Goldman Sachs. I later moved into tech, and have spent the last 10 years building and scaling companies like Groupon and Quandoo across EMEA and APAC. Most recently, I launched my own insurtech startup out of Hong Kong which exited to FWD Group in 2018. I've been lucky to have some successful exits, but have learned that the entrepreneurial journey is far from easy.

It's this entrepreneurs' perspective that is part of our core here at Cherry. So, I have found it a great fit to focus on supporting founding teams during the formative parts of building their companies — because I've been in their shoes.

## [Maddyness] What makes Cherry different?

[Charlotte] We have a *"founders first and investors second"* motto at Cherry that we take quite literally! Each member of the investment team has previously been a founder or operator, so entrepreneurship and company building really runs through our veins. And these collective experiences drive why we invest at the seed stage — it's when companies are laying those critical foundations to grow into successful and sustainable businesses and, as former founders, where we can add the most value.

We're not the type of seed-stage VC that hands out tickets and keeps our fingers crossed. We partner with founders. We want them, their teams, and companies to succeed and we plan to be by their side for the long haul. Rather unique to a seed-stage VC, we have a global recruitment lead who helps headhunt candidates for top management and C-level positions, which is usually a mid-late stage focus, across our portfolio.

Knowing that many seed-stage startups don't have a full PR shop in place yet, we also have a head of communications who is available to help our portfolio companies on media strategy and other aspects surrounding a startup's evolving story.

Cherry has had a pan-European focus from the outset, and thus we're also in a relatively unique position for a seed-stage fund to not have a so-to-speak geographic border, but rather provide a cross-continental, even international, network and perspective to our portfolio companies so early on.

# Which industries are you working in?

As long as founders are clearly working towards a solution to a problem, we're keen to find out more. We're currently involved in investments ranging from developing urban farms to printed circuit boards, car subscriptions to a credit card for startups.

Each Cherry team member does, however, have certain interests or expertise from their backgrounds. For instance, I'm actively pursuing my scientific roots and exploring digital health and deeptech topics including its application in the food, health, and agricultural sectors. I also cover insurance and fintech given my experience in the space.

My fellow UK-based colleague Matteo comes from a decade working at Google on the YouTube and Play Store teams and is our expert on gaming and media investments. We also have team members leading investments in B2B SaaS as well as exploring all things Gen Z and femtech.

# What do you look for in a founder/startup?

Team is the most important aspect we look at. We invest more in people than a specific business plan because, let's face it, these change.

We look for founders who excel in their respective fields and that complement each other. Attributes like resilience, being open to feedback, and ambition to strengthen their teams and product really stand out to us. Of course founders should also shine with passion and conviction. All of these are key to recruiting and retaining the top talent they'll need to be successful.

On top of this, we also look for clear communication on the problem they are solving, why this is a 10x step change to current solutions and why it is, or will be, a big opportunity. Teams should be able to articulate this into a well structured go to market plan. What are the milestones this financing will achieve, what are the future milestones and what will these mean for the business.

# Can you talk about your current portfolio?

Several of our portfolio companies are leading the way to supporting

consumers and businesses in this new normal and, hopefully, post-COVID world.

London-headquartered Drover, who recently announced a new funding round, is providing people with a more flexible alternative to car ownership with its car-as-a-service platform. It launched in France this year and has partnered with BMW Group.

SellerX and Juni are our newest investments. SellerX, which just raised a massive €100M seed round with us, Felix Capital, TriplePoint Capital, and Village Global, acquires Amazon FBA businesses across Europe and North America and helps them scale. Juni is another new investment that's setting out to be an online "financial companion" specifically for e-commerce and marketing professionals. They're actually planning to launch their online banking services for EU and UK customers early next year.

### *Read also*

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Car subscription company Drover announces £20.5M in funding

INFARM, the world's fastest growing urban farming network — has been enabling supermarkets like Marks & Spencers and Selfridges in the UK and Kroger in the States to reduce their carbon footprints by providing modular greenhouses that allow them to grow fresh produce directly in store.

Medwing, a platform that helps healthcare professionals find opportunities and hospitals and care facilities solve staff shortages, are also busy internationalising having recently launched operations in the UK and France.

Morressier has had a very busy year as industries have shifted their events online. The two largest professional societies worldwide hosted their conferences last month on the platform.

In London, Curio is building a great audio platform that offers a curated collection of expert journalism from top global publications.

Sanity Group is bringing much needed and long-awaited attention to the medical and wellness benefits of CBD in Europe. Their company VAAY recently launched a UK store.

# How has COVID-19 changed the way you operate?

With a pan-European team, we've been relatively used to a remote set-up, and have now formalised a lot of these processes and communication formats. We've continued to be extremely busy throughout the last few quarters on the investment front, and have also spent a lot of time with our portfolio companies to ensure they are best positioned to emerge even more strongly moving forward.

We've also got used to making fully remote investments and look forward to meeting many of our new Cherry teams in person soon.

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

The current decade was already primed to see significant advances in the digital health space, and the events of this year have served to accelerate this process and place topics like telemedicine, remote monitoring and regulation in the spotlight. The pandemic has also brought mental health to the forefront and I expect to see novel solutions emerge in distributed professional and personal environments.

We're also seeing an exciting frontier emerge where technology meets biology allowing new approaches to health topics like rare diseases and cancer, as well as across the sustainability, food and agriculture sectors.

With remote work looking to remain a more frequent feature, we're already seeing experienced, product-led teams building solutions to enable this new future. Asynchronous communication, new onboarding experiences and collaborative tools are likely to feature more heavily in our toolset.

In the fintech space, we'll continue to see a lot of innovation in financial infrastructure and payments, as well as in topics like ESG. The events of this year have also created a general increase in the awareness of risk that has renewed interest in the cyber, business, parametric and life insurance verticals in particular.

With the rise of free to play, online multiplayer games are evolving into platforms where players can live a new digital life, establish new relationships and build their own narratives. This is catalysing the convergence of different

forms of media to build rich interactive entertainment experiences where social networking, gaming and media consumption blend.

Overall, Europe is an incredibly exciting place to work as an investor and as a founder. And while each tech hub, like Berlin or London, may differ from each other, it's exactly that type of heterogeneity across the continent that can allow entrepreneurs to explore diverse issues and build unique products under a European umbrella.

## What one piece of advice would you give founders?

It's so, so important to build a strong team around you from the beginning. Look for the best talent right away and this will also help set the right culture, too.

But also remember that building a company is not a straight line. You need to iterate, reflect and adapt. Also, eliminate indecision. Being decisive is so important to setting both tone and expectations for your team and customers.

And, like so many have said, this year has shown us that attributes like resilience are so important. Running a business isn't easy. You aren't always on the same page as others, but resilience and reflection will help things stay forward-moving and goal-oriented.

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