

Driving the European B2B software scene, a profile of Dawn Capital

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 hear from Evgenia Plotnikova, Partner, Dawn Capital.

Dawn is Europe's leading specialist B2B software investor, with assets under management of over \$1bn. Founded in 2007 by Norman Fiore and Haakon Overli, Dawn backs startups at series A and B, and continues to fund its best-performing companies through growth rounds to exit. At the outset Dawn partners with innovative companies that, through exceptional teams, products, and business models can become category-defining, global titans

To date, Dawn has invested in over 50 companies founded out of 14 European countries. With its roster of investments including Mimecast (now NASDAQ-listed with a \$3.0B market cap), iZettle (sold to PayPal for \$2.2B), Collibra, Showpad, Dataiku, Templafy, Tink, Soldo, and Quantexa, amongst others.

Dawn's 20-strong team are currently investing out of Dawn IV, the firm's \$400M fourth flagship fund and Europe's largest early-stage B2B focussed fund. Dawn is committed to deriving the true benefits of diversity and has a 50:50 gender balance across its investment committee, investment team and firm.

Can you tell our readers where and how it all began and talk about where you are today?

I grew up in Taganrog, south Russia – a rural town whose claim to fame is that Chekhov was also born there! My parents both worked long hours to support us, and it was my grandma who cultivated my love for learning.

It was while at the Wharton School, after a stint as a banker, and while helping entrepreneurs on operations and go-to-market, that I caught the startup and finance bug. My investing career kicked off in earnest at a large-cap PE fund, and it was the deals I was doing there that sparked my interest in tech – because, of course, it touched every single industry.

I subsequently moved into VC, and am now, very firmly and happily, part of the early-stage B2B software investing team at Dawn Capital.

Which industries are you working in?

Dawn is Europe's largest focused B2B software investor. Within that, we look at four key themes: the future of work, data & analytics, security & privacy and fintech. To date, the team have backed founders of some of Europe's biggest B2B software successes, including Mimecast (now NASDAQ-listed) and iZettle (acquired by PayPal), as well as current investments Collibra, Dataiku, Tink, Soldo and Quantexa.

I have a particular interest in companies that are augmenting or fulfilling part of a vital value chain – whether that's in data, or cloud optimisation, and in those which are bringing at-scale automation to the workplace.

What do you look for in a founder?

We're looking for founders solving a problem they've experienced, and with that, an unshakable conviction in their vision. One of the main areas Dawn evaluates founders on is their ability to build exceptional teams, so I'm also

looking for those who are able to cultivate exceptional talent. Also those who obsess over a topic, and deeply understand it, in a way that others don't.

Can you talk about your current portfolio?

Of course! The Dawn portfolio currently spans over 25 companies, and I sit on the boards of [Granulate](#), [Harbr](#), [Bryter](#), [Zivver](#), [ReachFive](#) and [Soldo](#), as well as being very involved with [Dataiku](#).

I don't think it's an overestimation to say that software saved the world in 2020, as we navigated a new way of living and working from home, and our incredible portfolio companies were very much a part of enabling this.

By way of example, [Soldo](#) repurposed its employee expense cards to enable the Italian government to hand out relief to citizens during the first lockdowns, while [Element](#) made sure that governments across Europe had (and continue to have) a secure communication channel. [Onna](#) has also helped boost the efficiency of remote teams by centralising the data and documents across all the apps and tools you use at work every day.

We announced our latest fund, Dawn IV, in September 2020, and we've already made three exciting investments: [Access Fintech](#), [Harbr](#) and [Granulate](#). Access Fintech is a first-of-its-kind network that standardises capital markets data and workflows, Harbr is an enterprise data exchange platform that enables companies to productise, share and monetise their data. And Granulate builds a new paradigm around our now cloud-based economy: optimising how businesses use cloud in real time.

Our team is actively on the hunt for more fantastic businesses to join them!

How has COVID-19 changed the way you operate?

It has definitely changed the way we are working and, like everyone else, we are all currently remote.

We've made six new investments since the first lockdown here in the UK, which definitely proved to us that we've been able to adapt to our new model of working. Building relationships is best done face-to-face; but it absolutely can be done over Zoom. Because we partner with companies that are powering the future of work, there's a convenient mirror between our day-to-day and the

businesses we're looking at. Whether that future is in-person, remote or hybrid, it'll certainly be automated, and at scale.

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

A big question! We've already covered automation at scale, and new paradigms like no-code.

What the startups closing gaps in value chains are actually doing is building out efficiencies: for example, it's no good sharing your data with other companies if it's not packaged in a useful way - even if it's clean; it's no good moving to multicloud if you're hemorrhaging money on numerous subscriptions and not optimising your usage. We expect to see a lot of companies which, in closing these gaps, are creating new categories in which businesses can thrive, whether that's at-scale data exchange, or real-time cloud optimisation.

We're also interested in epoch-defining technologies. Quantum has been talked about for a long time, but, as with anything, the difference between "it's coming" and "it's happened" is always incremental. We're not that far off widespread 50-qubit computers, which will completely change the shape of enterprise, and the world.

What makes Dawn Capital different?

There are many reasons! But two really stand out: first, our focus. We're the largest specialist B2B SaaS investor in Europe, and we've been doing it a long time. Being specialist is key for us, and the companies we invest in: we know this industry, and we continue to partner with founders who build category-defining companies. We don't preference certain geographies either; our portfolio stretches from Helsinki to Tel Aviv, Klagenfurt to Birmingham.

The second is, we truly operate as one team. We all work on deals together, and everyone's vote counts equally when we're making investment decisions. For our founders, this really means they become part of the Dawn family, with all of us here to back and support them - not just whoever sits on the board.

What one piece of advice would you give founders?

It's three, but I'd say always hire great people, don't burn out and never be afraid of seeking advice.

Article by EVGENIA PLOTNIKOVA