

Bringing capital and operational expertise, a profile of Project A

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 Maddyne profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we interview Uwe Horstmann, General Partner at Project A.

Project A was founded in 2012. We now have \$600M of assets under management across three funds and offices in Berlin and London. We invest primarily in European early stage tech companies that challenge the status quo of their industries. We invest between pre-seed to Series A, initially investing between \$1M to \$8M per ticket, and up to \$30M for future rounds.

When we invest, we bring both capital and operational expertise to the table. Project A's team of over 100 in-house experts are available to all of our portfolio companies, and they provide critical assistance across all areas of business including product, growth, data and people.

Which industries are you working in?

We are a generalist investor with selected focus industries: Digital Health, Enterprise Software, Developer & Data Tools, FinTech, Education, Real Estate & Construction, e-Commerce, Media, Mobility. It's also worth mentioning that we invest across Europe, so we are not restricted by geography at all. Great founders can come from anywhere!

What do you look for in a founder?

Great founders should display the agility to adapt, especially when things don't turn out as planned. We've got plenty of operation and founder-experience in our team, so we know that even the best laid plans sometimes need to be adjusted! When plans need to change, great founders demonstrate agility and resilience, and this is when they stand out from the rest.

Can you talk about your current portfolio?

We have invested in over 70 companies so far. We currently have 3 unicorns in our portfolio - [Trade Republic](#), digital freight forwarder [sennder](#) and telemedicine provider [Kry](#).

How has COVID-19 changed the way you operate?

As our portfolio is spread across Europe, we have been working with startups remotely since before COVID-19, and we will continue to do so after the pandemic.

COVID-19 has accelerated the investment process, and changed it for the better. For example, we haven't actually met many of our latest seed investments in person. So, a process that used to take months, with several onsite meetings, is now done entirely over Zoom and is completed in weeks.

What does the future look like?

The European startup scene will be much stronger, and we will continue to close the gap between US and European ecosystems. We have seen this year

alone how European startups mature, with many more unicorns being created here. At Project A, we look into all kinds of game-changing data-driven innovation, and we believe there is a lot to come in DeepTech, B2B marketplaces, AI and Robotics, as well as the manufacturing sector.

What makes Project A different?

We combine capital with operational support so that founders get exactly what they need. We have a unique model which we call “operational VC”. Apart from our investment team, we have a dedicated team of 100 in house experts who work exclusively for our portfolio companies, supporting them in all areas from IT and product development, design, marketing, branding and recruitment.

This gives early stage founders an incredible and enviable advantage over their competitors, especially in an increased crowded market.

What one piece of advice would you give founders?

Founders should also put together a founding team that complements each other, rather than founding companies with friends or colleagues. A team with complimentary skills and personalities will help decision making, and therefore growth, as the company grows. This is important as, in the technology industry, you can never be 100% sure about anything, as tech develops so quickly. It is important to understand your market, and have a willingness to learn quickly.

Also, not all startups are suitable for VC investment. Founders should ask themselves what venture capital can do for them, and how an investor can contribute to that apart from mere financial capital.