

# Focal continues its journey to become the central data exchange for startups and VCs

Today, Focal operates one of the world's largest startup demo days, powered by 200+ leading VC funds (Bessemer, Point Nine, Balderton, Atomico, Episode 1, dmg ventures, to name a few) and garnering 2k+ applicants per demo day.

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Now, it's embarking on phase 2 of its ambitious project to revolutionise fundraising with the launch of *Focal Deploy*, the demo day which will unearth outlier General Partners (GPs) and help VCs raise funds from Limited Partners (LPs). Ahead of Focal Deploy's inaugural demo day in Feb-24, I took a closer look to see what all the fuss is about.

Focal lives by a mantra of collaboration over competition, and is devoted to shaking up the fundraising process, through making it drastically more efficient and accessible.

You can read more about Focal's current demo day offering [\*here\*](#).

Now, the team is applying its philosophy, expertise and infrastructure to the murky world of raising capital for VC funds.

They feel the time is ripe to revolutionise the GP-LP relationship, which is incredibly opaque, purely relationship-based and with limited information flow between parties.

If you thought startup fundraising was bad (which it most certainly is!), you should see how painful it is to raise a VC fund! For starters, trying to even find a lot of LPs is like trying to find El Dorado. At least VCs like to shout about themselves, so it's relatively easy for startups to find them!

The situation has become even worse in the past two years. At least, back in the heady days of 2021, if you were able to find LPs in the first place, many were willing to part with their hard-earned cash. Their portfolio valuations were soaring up and to the right and the happy juice was flowing. Capital was relatively abundant, and first-time VC funds were popping up like never before.

It's hard to avoid the fact that the party has come to a shuddering halt over the past couple of years. Startup valuations have tanked and inflation has skyrocketed. Those LPs who were loving life back in 2021 with mesmerising returns (on paper, at least) have been bitten on the bum.

This has led to the vast majority of LPs either pressing pause on all venture investments or retrenching to established fund managers, despite the EIF ascertaining that, on average, emerging managers have a superior, institutional grade, TVPI than that of the blue-chip or established manager (although we love all these types of GP!).

GPs spend, literally, months just identifying LPs through online research but also begging other VCs in their network for some ideas! And that's before they realise that the vast majority of LPs they've reached out to don't invest in emerging managers, or in the sector, stage or geography where they're operating.

## Focal Deploy is here to fix this broken system

I spoke with Jack, Principal at Focal, who is heading up the launch of Focal Deploy.

First and foremost, our thesis (which the Focal team has all experienced firsthand) is that the fundraising process is atrocious for both startups and VCs. The industry is living in the dark ages.

Our general mission is to revolutionise how fundraising is done. Our current demo day and Focal Deploy take the friction out of the initial interaction

between investor and investee. It's the tip of a vast iceberg but it's the obvious entry point for us for a variety of reasons.

In terms of Focal Deploy, we're solving major problems for both sets of stakeholders. Broadly, we're pulling together a highly fragmented industry. For VCs, we offer a platform to get their pitch under the noses of hundreds of vetted LPs. Forget months, think minutes. For LPs, we give them the full picture of funds that are currently raising. This context is so important when choosing which funds to back. Today, some LPs are writing seven-figure cheques into funds whilst only seeing a few a year. We also hand the initiative to LPs to make the first move, negating the issue of GP-LP fit.

I'm not going to sit here and pretend that we're the first ones trying to facilitate introductions between GPs and LPs. There are a number of worthy events and initiatives out there, which have a part to play.

However, what I can confidently say is that Focal Deploy will be a game changer.

Why?

1. We're applying a playbook which has seen us build one of the world's largest startup demo days over the past 3 years
2. Focal Deploy is built from within. Founded by 2 VCs, we intimately understand the pains of raising a VC fund
3. Our business model is designed to make participation and ongoing engagement an absolute no brainer for GPs and LPs. Both parties can apply in a few minutes to get all the benefits Focal Deploy will offer. There are no fees, which supports our overall drive for accessibility
4. We're breaking down information silos for the benefit of all stakeholders. All GP applications are shared with all vetted LP partners. GPs effortlessly reach hundreds of LPs while LPs get an invaluable data set from which to select the most promising GPs
5. We democratise warm introductions, levelling the playing field for GPs
6. We hand the onus to LPs to approach GPs, negating time wastage if there's strategic misalignment. We also keep LPs in the majority on demo day, optimising value for participating GPs and LPs
7. We partner with a handful of incredible sponsors which can help our participating GPs and LPs in every department. The ones I can mention today are *Sprout*, *Vestlane* and *Carta*, and we have a few more huge names to announce over the next few weeks!

Ahead of our curtain raising demo day in Feb-24, we're now accepting applications from LPs [here](#) and have opened up pre-registration for GPs [here](#). If you're raising your venture fund or are on the lookout for your next top decile fund investment, join us for what should be an epic demo day!

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