

The bridge between female founders and the VC-world, a profile of AUXXO Female Catalyst Fund

With #QVCS, Maddy Ness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today, we speak to Dr. Gesa Miczaika, General Partner at Auxxo Female Catalyst Fund.

Temps de lecture : minute

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I grew up as a third culture kid in South America and Southeast Asia. As a child, my parents told me I could become whatever I wanted to be, but the only visible role models around were household help and charity ladies. Today, I have two daughters myself and want to be part of the change in the world so that my daughters can really SEE that they can become what they want.

For this, I co-founded the *Auxxo Female Catalyst Fund*, a venture capital firm co-investing in startups with at least one female founder in Europe. We bridge the gap between female founders and the very male venture capital space. I want to help change the face of the economy - for my daughters.

My vision is that boardrooms will be a mirror of society.

When I started investing as an angel together with my current partner in the fund, Bettine Schmitz, and our dear friend Fabiola Hochkirchen, many female founders were complaining about not being able to access venture capital funds, and if they DID access them, not being understood and sometimes even being treated badly. On the other hand, our friends from venture capital funds were complaining about not having enough high-quality deal flow from female (co-)founded teams and that the pitches were typically weaker compared to their male peers.

All of these findings led us building this bridge between female founders and the “typical” VC-world. A co-investment fund with a gender focus was the perfect strategy to really drive change in this industry. Also: We made sure to have at least 50% women invest in our fund to also drive diversity top-down. So far, the Auxxo Female Catalyst Fund has made 30 investments in early-stage companies led by exceptional women across Europe and we are one of the most-wanted investors for female founders in the region.

Many reputable funds have co-invested with us or followed in next rounds. The female founders we support are getting the access to networks and capital that is so much needed.

You were selected as a finalist for Focal Deploy - how do you think this will change the VC/LP landscape?

So far, women are clearly in the minority as decision-makers in venture capital; only 15% of general partners in Europe are female. Why is this a problem? One of the main reasons for the funding gap for female founders is the similarity bias: Investors tend to invest in teams that are of the same gender as themselves.

The Auxxo Female Catalyst Fund with two female founding partners and the focus on female founders therefore promotes the equal participation of women as founders and investors in the venture capital scene. As stated in the question before, we are also proud that over 50% of our LP base is female! Beyond the investment focus, we are continuously building strong women's networks and initiatives to promote a balanced representation of women in the ecosystem. For example, we founded the Evangelistas, a network of female business angels that now includes over 300 women and was recently recognized as one of the best European tech communities.

In addition, we co-initiated several initiatives such as European Women in VC, a network that aims to increase the assets under management of venture capital funds founded by women or by mixed teams. We have also done substantial political work to encourage private and public LPs to demand diversity in the funds they invest in. We hope that all of this work will contribute to changing the face of venture capital and ultimately also the landscape of limited partners.

Which industries are you working in?

Auxxo is an industry-agnostic fund with a focus on information and communication technologies. However, we do favor companies that create a societal or ecological benefit. Also, we like startups that transform the old economy. Currently, we are looking closer at innovative startups in the field of (female) health and climate. We try to avoid overhyped and overcrowded markets.

What do you look for in a founder?

The three factors that are most important to me are 1. ambition and resilience of founders 2. passion with regards to what they are building, and 3. that they display the relevant skills, experience and outstanding

execution. Moreover, a non-negotiable factor is the founders' crazy ambitious drive to create something exceptionally big - we are a venture capital fund after all ☐

Can you talk about your current portfolio?

We have built a strong portfolio of 30 pre-seed and seed-stage companies in Europe. Most of them are located in the DACH region, with some exceptions in the UK, France, and Sweden. All companies are united by a strong purpose, as we believe that purpose-driven organizations generate better returns. B2B themes are more prevalent in our portfolio than B2C themes, especially B2B SaaS, FinTech, and business models that have a positive impact on the environment or society. We seem to have a “good nose” for promising startups, as very reputable investors have led the rounds we invested in, and prominent VC funds such as Sequoia, Ventech and DN Capital have joined the cap tables in follow-on rounds.

What does the future look like?

As a VC, you are constantly asking yourself these questions. Overall, our future is likely to be characterised by rapid technological advances, shifting societal norms and ongoing efforts to address pressing global challenges such as climate change and economic inequality. Advances in healthcare technology especially in combination with AI, personalized medicine and wearable health devices could transform the way healthcare is delivered and managed. AI and automation may lead to greater efficiency in the world of work, but also to potential job displacement, which will change the labor market as a whole. We are also particularly excited about the new technological infrastructure for climate change mitigation and adaptation, which will enable the transition to a renewable energy supply and a net zero energy supply.

What makes Auxxo Female Catalyst Fund different?

We are the missing piece in the cap table, complementing the lead investor. We focus on mental and physical health and psychological safety of the founders and we are their personal ally on the cap table. Even though these points might seem soft, they are very ROI-driven. Auxxo is a mission-driven fund with strong values. We offer a unique community where founders can be authentic and part of a movement. With our funds, we operate collaboratively with an inclusive abundance mindset, driven by experience and wholeheartedness, grounded in trust, honesty and intellectual integrity. Thereby, we contribute to the equal participation of women as founders and investors in the venture capital scene AND create a reality in which values such as authenticity, vulnerability and trust determine the way we deal with people and build companies.

What one piece of advice would you give founders?

Don't underestimate the power of networks! When setting up your company, don't hesitate to ask for help or advice. Networking opens doors to new opportunities and provides access to e.g. potential employees, customers, investors, partners and mentors.

Dr. Gesa Miczaika is a General Partner at *Auxxo Female Catalyst Fund*.

