

GDC 2020 Skill-Building Series:

How Game Studios Should Plan Fundraising **- *Learning Best Practices* -**

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- A SF-based \$50M seed stage fund
- Focuses on digital media and entertainment
- Backed by game & media companies from Asia



- Who invests in games
- What makes a good fundraising plan
- How to make a good pitch deck
- Managing investors' communications



First, I'd love to know YOU

Where are you from?

- North America
- South America
- Europe & Middle East
- Africa
- Asia & Pacific
- Other regions



Where do you stand now?

- We're thinking of starting a new company in the gaming space
- We've already started and are heads-down on development
- We shipped our first game title/product
- We've been running this studio for some time and are thinking to raise our first external capital
- We're just curious to hear what Teppei has to say

How to Fund Your Game/Product?

Publishing



Crowdfunding



Venture Financing



Are VCs Investing in Games?..... YES!



New Game Funds Continue To Emerge since 2017

Fund size:
<\$50M



Transcend.



\$50-100M



>\$100M

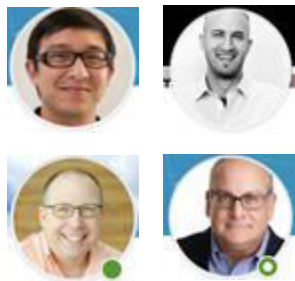


- Only invest in a company, not a product/project
- Require hyper growth & eventual exit
- Prefer a company with own IP (no work-for-hire)
- Monetization (premium vs. freemium, multiple revenue sources)



Who Are These Game Investors?

Angel Investors

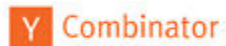


many more...

Accelerators

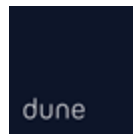


betaworks
ventures



Family Offices

Everblue
Management



Seed/Early Game-Focused VC



Transcend.

Large Series A VCs

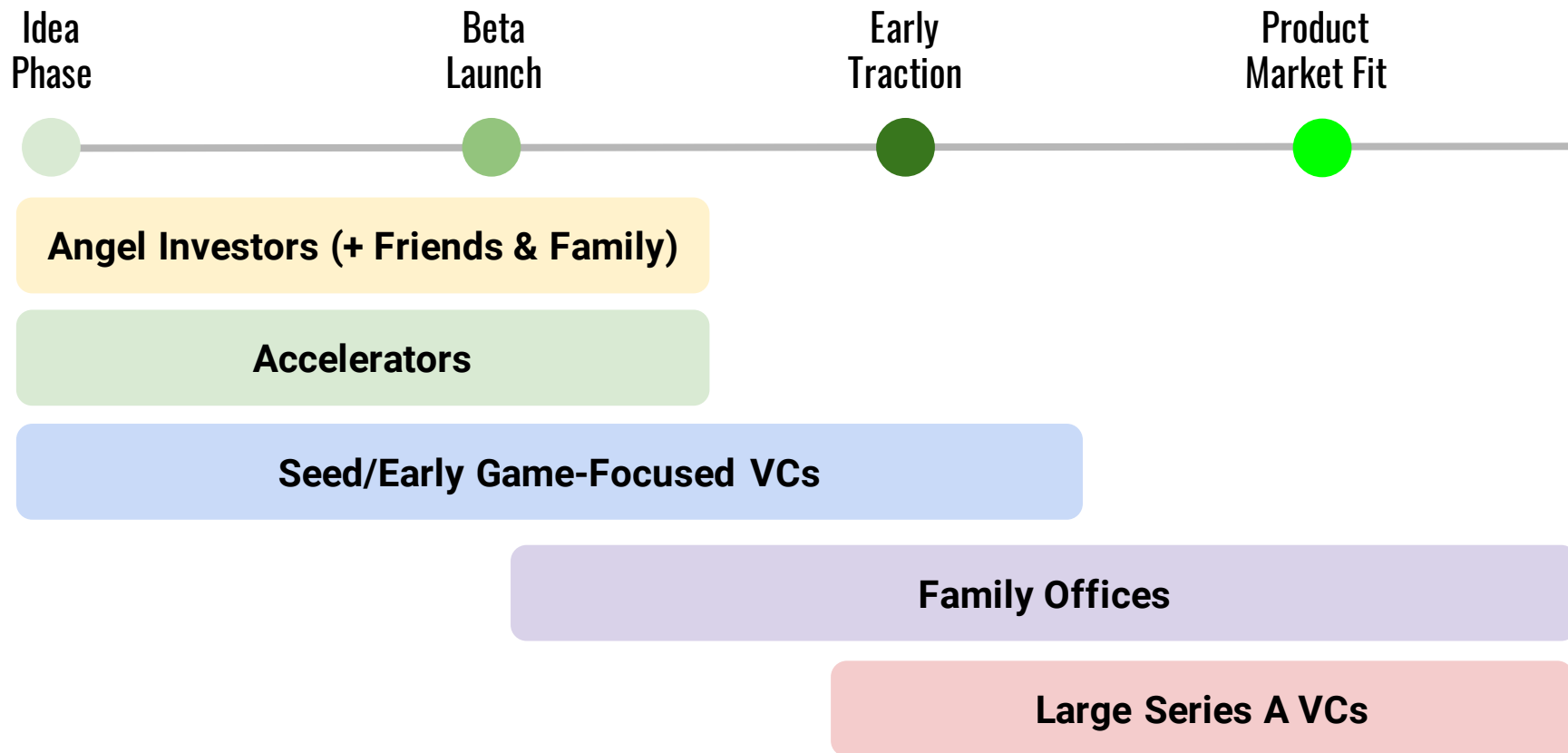
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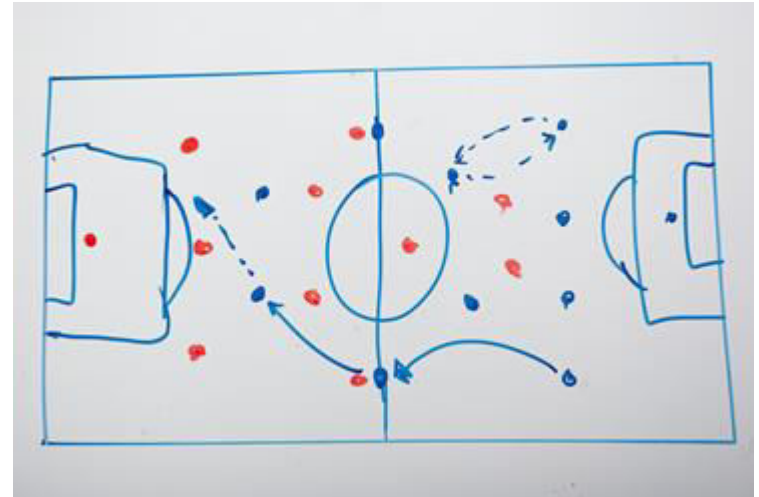
Accel

NEA

When Should We Reach Out?



- How much do you want to raise?
 - Determine what you need to achieve in 12-18 months to prepare for the next raise
 - Build an operating plan that tells you how much you need
- Manage your runway well
 - Usually 3-4 months
 - Ideal to have 6 months runway



- Define a narrative first
- 10 main slides, simple & concise
 - Use appendix when needed
 - Long version vs. short version
- More visuals, less words



What Should We Include in a Pitch Deck?

1. Team
2. Previous Titles/Products
3. New Game/Product
4. Why now?
5. Traction (if available)
6. Monetization Plan
7. Competition
8. Roadmap
9. Round

- Game Pitch Deck Template: <https://venturebeat.com/2020/06/05/heres-a-perfect-funding-pitch-deck-for-game-companies/>
- General Pitch Deck Template: <https://www.slideshare.net/PitchDeckCoach/sequoia-capital-pitchdecktemplate>
- Learning from others: <https://www.alexanderjarvis.com/pitch-deck-collection-from-vc-funded-startups#decks>

- Determine your appealing point
 - Superstar team?
 - Deep market insight?
 - Great user traction?
 - Revenue?
- Identify your strength and build a narrative around it



Next, Create an Investors' Attack List

Game Investors List ☆ 📁 ☁

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No.	Firm	Website	Type/stage	Game focused?	Partner	City	Linkedin
1	Kevin Lin	n/a	Angel		n/a	Bay Area	https://www.linkedin.com/in/kevinlin3/
2	Eros Resmini	n/a	Angel		n/a	Bay Area	https://www.linkedin.com/in/erosresmini/
3	Mike Fischer	n/a	Angel		n/a	LA	https://www.linkedin.com/in/perrymichaelfischer/
4	Demetri Detsaridis	n/a	Angel		n/a	NYC	https://www.linkedin.com/in/detsaridis/
5	Anton Bernstein	n/a	Angel		n/a	Bay Area	https://www.linkedin.com/in/antonber/
6	GFR Fund	https://www.gfrfund.com/	Seed		Teppe Tsutsui	Bay Area	https://www.linkedin.com/in/tepeltsutsui/
7	GFR Fund	https://www.gfrfund.com/	Seed		Yasushi Komori	Bay Area	https://www.linkedin.com/in/yasushi-komori-35728687/
8	BITKRAFT Ventures	https://www.bitkraft.vc/	Seed	Yes	Scott Rupp	Bay Area	https://www.linkedin.com/in/scott-rupp-5a73253/
9	BITKRAFT Ventures	https://www.bitkraft.vc/	Seed	Yes	Malte Barth	London	https://www.linkedin.com/in/maltebarth/
10	London Venture Partners	https://londonvp.com/	Seed	Yes	David Gardner	London	https://www.linkedin.com/in/david-gardner-7395662/
11	London Venture Partners	https://londonvp.com/	Seed	Yes	David Lau-Kee	London	https://www.linkedin.com/in/david-lau-kee/
12	Play Ventures	https://playventures.vc/	Seed	Yes	Henric Suuronen	Singapore	https://www.linkedin.com/in/henricsuuronen/
13	Play Ventures	https://playventures.vc/	Seed	Yes	Harri Manninen	Helsinki	https://www.linkedin.com/in/harrimanninen/
14	Sisu Game Ventures	https://sisugameventures.com/	Seed	Yes	Samuli Syvähuoko	Helsinki	https://www.linkedin.com/in/samulis/
15	Ludlow Ventures	https://www.ludlowventures.com/	Seed		Blake Robbins	Detroit	https://www.linkedin.com/in/blakeir/
16	Greycroft Partners	https://www.greycroft.com/	Seed		Jon Goldman	LA	https://www.linkedin.com/in/jon-goldman-645275/
17	Transcend Fund	https://www.transcend.fund/	Seed	Yes	Shanti Bergel	Bay Area	https://www.linkedin.com/in/shanti/
18	CrossCut Ventures	http://www.crosscut.vc/home	Seed		Clinton Foy	LA	https://www.linkedin.com/in/clintonfoy/
19	AET Fund	https://aet.fund/	Seed	Yes	Mark Linao	LA	https://www.linkedin.com/in/marklinao/
20	1Up Ventures	https://1upfund.com/	Seed	Yes	Ed Fries	Seattle	https://www.linkedin.com/in/edfries/
21	Chern Ventures	https://www.chern.vc/	Seed		Mattan Vallina	London	https://www.linkedin.com/in/mattanvallina-3b87614/

URL: <https://docs.google.com/spreadsheets/d/1jUxLJf9xJVuj55dCr0-DTEkIKebROdABDMC-tdw-yM/edit#gid=276014630>

Another Free Database by @max_eyr

Airtable

Maxime Eyraud - Media & Entertain...













Sign up

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Filter

Group

Sort

<input type="checkbox"/>	Company	Announcem...	Press	Logo	Compa...	Industries	Foun...	Incorporation	Round	Amount	Investors in the round / Ad
1	Double Star	7/27/2020	https://w...		https://w...	Gaming Casual gaming Studio	2020	Finland	Acquisition		Huuuge Games
<input type="checkbox"/>	Mobalytics	7/22/2020	https://te...		https://mo...	Gaming Analytics Assistant Espo	2016	United State...	Series A	\$11,000,000	Almaz Capital Cabra VC
3	Wave.tv	7/22/2020	https://w...		https://wa...	Sports Streaming Video Content	2017	United State...	Series A	\$32,000,000	CoVenture GPS Investme
4	Icflake Studios	7/17/2020	https://w...		https://ice...	Gaming Casual gaming Studio	2007	Finland	Acquisition		Paradox Interactive
5	Carbonated	7/16/2020	https://ve...		https://w...	Gaming Casual gaming Studio M	2015	United State...	Venture - Serie...	\$8,500,000	Andreessen Horowitz (a16
6	Lex	7/16/2020	https://te...		https://thi...	Mobile Communications Community	2019	United State...	Seed	\$1,500,000	Female Founders Fund C
7	Plamee Studios	7/15/2020	https://ve...			Gaming Casual gaming Studio M	2014	Russia	Acquisition		Tilting Point
8	Narrative	7/14/2020	https://te...		https://na...	Photo Creator tools	2017	Australia	Seed	\$2,580,000	Founders Fund Icehouse
9	Stitcher	7/13/2020	https://sc...		https://w...	Audio Podcasting Streaming Mob	2008	United State...	Acquisition	\$325,000,0...	SiriusXM
10	FitXR	7/10/2020	https://w...		https://fit...	VR Sports Fitness	2016	United Kingd...	Series A Loan	\$7,500,000	Hiro Capital BoostVC M
11	Traplight	7/9/2020	https://w...		http://ww...	Gaming Mobile Casual gaming St	2010	Finland	Venture - Serie...	\$9,000,000	EQT Ventures Play Ventu
12	Epic Games	7/9/2020	https://ve...		https://w...	Gaming Infrastructure Developer to	1991	United State...	Strategic inves...	\$250,000,0...	Sony
13	Darewise	7/8/2020	https://a...		https://w...	Social Cloud Gaming Studio	2017	France	Seed	\$3,400,000	Serena Capital
14	8SEC	7/8/2020	https://a...		https://w...	Mobile Casual gaming Gaming St	2015	France	Seed	\$1,700,000	Serena Capital
15	Popshop Live	7/8/2020	https://te...		http://ww...	Social Mobile Ecommerce Live	2016	United State...	Seed	\$3,000,000	FLOODGATE Abstract V
16	Permutive	7/8/2020	https://te...		https://pe...	Publishing Live Analytics Adverti	2014	United Kingd...	Series B	\$18,500,000	Octopus Ventures EQT V

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- Use the “Game Investors’ List” as a starting point
- Evaluate them by;
 - How active an investor is
 - If an investor has invested in similar verticals (avoid those who have invested in competitors)
 - Existing relationship
- Categorize them into three groups
 - A: great/good fit (20-30)
 - B: might be a fit (20-30)
 - C: not a good fit



- Angel investors first - tap the water
- Create batches: two from B investors, two from A investors
- Every week, reach out to a new batch
 - Week 1: angel investors
 - Week 2: 1st batch of B investors
 - Week 3: 2nd batch of B investors
 - Week 4: 1st batch of A investors
 - Week 5: 2nd batch of A investors....



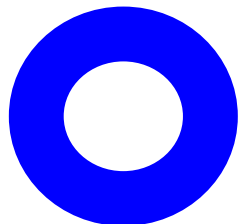
- You want to raise \$2M at pre \$7M cap
- Build momentum with angel investors
 - Incentivise by offering discount
 - First \$500k for pre \$5M cap
- Obtain \$500k soft commitments from B investors
- Secure \$1M lead investor from A investors



- Manage your time wisely (30min, 45min, 60min)
- Presentation vs. conversation
- Make sure to show your product (app, demo, video, etc.)
- Ask if they know other investors

What Metrics Do Investors Look For?

- MAU/DAU
- User Growth
- Retention

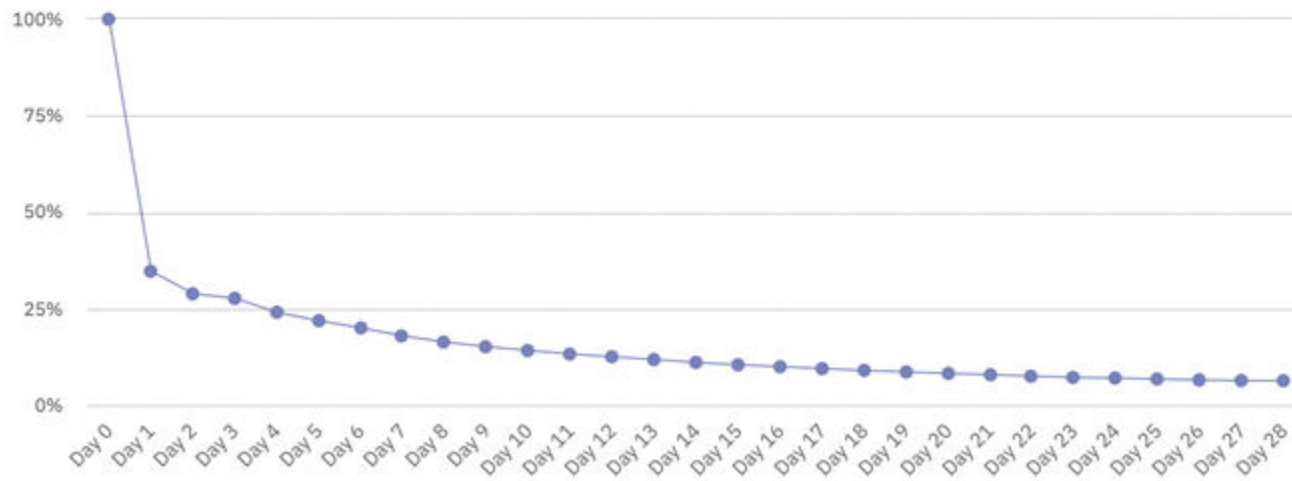


- Downloads
- Registered Users



Daily New Users Retention

Daily, Last 90 Days Offset 28



- Jurisdictions
- Priced round >>> Convertible Note >>> SAFE

- It's a great time for game companies to raise money
- Understand game investors and build a game plan
- Narrative matters
- Batch processing + building blocks approach

Thanks for Listening!

