

suds sridharan / sf1

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SUMMARY

Suds, the solo GP of SF1, shares his journey from founder to investor, emphasizing the importance of building relationships and community in Silicon Valley. With a focus on early-stage AI startups, Suds has successfully raised significant follow-on funding for his portfolio companies and is known for his ability to identify promising founders before they become hot commodities.

- Suds leverages his background as a founder to connect with and support other entrepreneurs.*
- SF1 focuses on investing first checks into hyper-technical founders with strong insights into product and distribution.*
- The fund has raised \$450 million in follow-on funding for its portfolio since inception.*
- Suds emphasizes the importance of community, having created the Gen Z Mafia Discord server to connect young founders and VCs.*
- His experience with failed startups taught him the critical need for hiring talent and generating revenue.*
- Suds transitioned to investing after realizing his strengths lay in supporting founders rather than being a technical founder himself.*
- He has developed a unique approach to investing, prioritizing founder relationships and understanding market dynamics.*
- Suds aims to continue building his brand and outperforming in the venture capital space, focusing on long-term success.*

VCs will you tell other founders, I think you really want to go get Suds. I'll [music] introduce you. They fall over themselves to like that introduction. That's partially because they like me, but also partially because they can't believe what they're seeing [music] where it's like every week there's a really hot series A and every week that is my company. And so the VCs are like, great, if we [music] give Suds this company, then he will make this the really hot series A 6 months [music] from now. That's the point.

>> Season 4 episode 10. Today we're talking [music] to Suds, solo GP of SF1, the heat-seeking missile of Silicon Valley, writing first checks [music] into the most promising AI founders of this generation. Suds, would tell us a little bit more about this one. >> Yeah, you said it best, Bob. Suds gets invited into the hottest rounds of the year before they're the hottest rounds. He's been a founder, went through his own journey before >> [music] >> realizing he was actually best in the investor seat, and he's got the scars to prove it. He's deeply self-aware and genuinely [music] brave, which are rare traits in someone who came up from the South Carolina suburbs, burned through a few of his own startups, and came out on the other side knowing exactly what he's good [music] at. He writes first checks into founders he believes in, and SF1 companies have since raised \$450 million >> [music] >> in follow-on from top-tier funds since inception, which was like yesterday.

[music] >> Well, let's get into it. >> Suds, welcome to The Slice Pod, where we uncover the stories of fresh emerging managers across the early-stage venture landscape. You're the founder and general partner of SF1, a \$10 million fund investing the first check into hyper-technical founders who can hire the very best talent and have a unique insight into product and distribution. Your former investments include Reptile, Browser Basics, Stropix, so many others. And the 65 of your 80 angel investments before 25 were the very first money in.

I actually don't want to start with your resume today. I want to start with South Carolina and how how shaped you and who or what was inspiring to you growing up? >> My story starts in Richmond, Virginia. I was in Richmond until I was 15, at which point I moved to Charlotte, North Carolina. Richmond is a much smaller, more industrial town. You really only have real estate as the only high finance there. Whereas in Charlotte, it's effectively the capital of the South for banks. Well, Fargo, Bank of America, at the time SunTrust, a few other banks were all headquartered there.

And so I got to learn more about the finance side, what was out there, what was possible. One way or another, I made my way to Twitter, where I have done everything. And when I was 15, 16 years old, once I got to Charlotte, and I got to meet a lot of people who were my age, a little bit older, but actually making really good, meaningful money. They were being real founders, raising from, you know, I think one guy raised from Greylock, and I was like, that's crazy. I'm never going to be able to raise from Greylock.

And when I was sitting in Charlotte, just trying to figure out what I should do. I tried a bunch of different things. I had a e-sports gaming, or a guy had a financial literacy app, and none of them really panned out. But when I went to college, I went to Clemson in South Carolina, there wasn't really a startup scene. It was certainly entrepreneurial. Everybody's dad made money starting their own business, or owning the family business, or being some sort of proprietor. And that's really where I figured out, okay, cool, this is definitely what I want to do as far as being a founder and being in tech, because I got to see the other side of it. At the time, I raised \$50,000 out of a \$250,000 price round for my startup.

We were putting a Twitch in virtual reality, so live streaming in VR, and then building a crypto payment rails to let people gamble on what would happen. At that time, it was really instructive. Well, I'm very grateful to the people who gave me money for that, because I got to learn how to actually build a company, and what I really need to do, which is make revenue, hire the best people. Hiring was always super hard. I was in short supply of really good VR engineers. And also, I didn't really know where to go find crypto and Solidity engineers at the time. So, the number one thing that I realized matters in a business were the two things I didn't have, which were either make money or at least hire really good people and get a bunch of IQ points together. When I realized I didn't really have the ability to hire, I was trying to figure out how to meet more people. And then COVID happened. I did a few things. I built like a site to sell gift cards online for businesses. It was a not-for-profit and it scaled to 2 million in GMV and 1,300 businesses.

Once I did that, I was like, this is not what I aspire to do. Like, I there's got to be more out there. Now, I'm not technical and I didn't have the people around me. Then I noticed the guys I'd met on the internet had now, 5 years later, gotten very, very hilariously wealthy. They'd host dinner parties on Zoom, send me like a \$100 gift

card to DoorDash. I was like, why is there not a community for founders to meet other people. So, I had my friend in San Francisco who had a bigger Twitter following. Then I just had her tweet out, "Hey, we're making this group chat." Overnight, blew up. All my best friends, everybody I met, were all from this Discord server that we made called Gen Z Mafia, which hilarious [snorts] name, but it sort of is exactly what happened. It was like majority of younger Gen Z founders in 2020 or people looking to be founders or engineers or whatever. They were all in this Discord server. Very quickly with that flood of talent, then all the VCs showed up, all the founders, all the executives, everybody you could possibly imagine showed up being like, "Hey, we want access to this community." I just found myself at the center of access to talent. I had no idea what to do with the talent. So, then I just found myself telling them, "Oh, I think you should build this company. I think you should work with this person. I think you should raise from this fund that hit me up." And that compounded over the next 6 years. Even though that community doesn't exist anymore, I've been able to keep that same consigliere mindset and role.

>> What was your first foray into tech? Was it Safe Math or something different? >> writing this finance blog from the time I was 12, 13 years old. It was very short. The best article on there was something like buy Bitcoin on October 2013. So, I was always interested in tech, it just never struck me that people actually made these companies. I just thought they just appear out of thin air. By the time I was 15, 16 years old on Twitter and started meeting people who were like, "Hey, I want to be a founder." I was like, "Oh, this is this is interesting." Like, I didn't realize I could also found my own company. Even before Twitter, once I moved to Charlotte, I wasn't allowed to play video games. And so, I started trying to play video games. And when I couldn't play, I wasn't very good at it cuz I was 16 years old trying to pick up a PS4 controller for the first time in my life. I realized, "Okay, cool. If I can't play the game, I can at least own the team where all the players are playing the games and doing everything."

So, that was the first thing I really started. Once again, not because I was some genius. I was just like, "Oh, this is interesting. I want to do this thing. And if I can't if I'm boxed out of it because I don't have the skill set, then where else can I go?" I realized you could just buy people who do that. And we built that into a big thing. It was making meaningful cash at a very early age. At one point, 20, 30k a month. Yeah, that sort of set the stage for everything I've done, too.

Because then I was like, "Oh, that was cool, but that was really small. How do I add five zeros to this?" Then I watched all my friends, mostly in crypto or in consumer apps, start their own thing and cash flowing immediately, seeing meaningful gains. I used to be a crypto CEO consultant, and that was a thing. That did make money. That was the first real thing that made money. We built out a little team for that. Then ICOs crypto collapsed and ICOs collapsed, and nothing really came of it. Then the wilderness for a while. Not really sure of what makes a real business until my VR company that I raised 50k for. It wasn't really a company, it was a project, but I didn't realize that in hindsight. I started dissecting why that had gotten wrong.

So, at some point when I realized I don't have any technical skills, that I didn't have any of the talent around me to be able to do that, that's when I started thinking, "Okay, where do I find that and what's the highest leverage way to utilize, if I do find those technical people?" You find them in the valley, people who are interested in

tech, and then you utilize them by making a tech startup. >> Was it before you moved to San Francisco or when you were in San Francisco? I know after Save Maps, you built Fyone.

Let's talk a bit more about that. I know it's in your Twitter bio. I feel like it's such a big part of your journey and it's a big part of who you are now. >> Because of this community I started, I had all this talent around me, and I was going to build a copy AI, like a sales tech tool effectively. But, what ended up happening was my friend found out I have the same birthday as Elon, and he was like, "Oh, you should do something more ambitious."

Why did I listen to him? I don't know. That is how firefighting drones happened, because there was one guy in the community who was working on wildfires spread predictions. Once a fire has started, where does it go? And that was using really cutting-edge GANs and neural networks and more advanced ML architecture. I thought it was really interesting if you could predict where a fire would spread, you can build tools to predict where it would start, and then detect where it was once it started, and then build a whole Android type platform where once you have the sensors in the networks and the forecast, you can deploy suppression treatment to stop the fire once it's started, or maybe prevent the fire completely from starting. Armed with that, I started tweeting about this company I was starting. I built while my co-founder just appeared off of Twitter the first day that I started posting about it, which is not a good way to hire people. Do not do that. But, I just took the first like three people I could find, and I was like, "Great, let's solve this problem." 10 days later in September 9th or 10th, 2020, the largest wildfire in California history happened.

San Francisco was just orange, like the sky was orange. Then, a a of VCs started messaging me, "Are you moving out here? Do you want to build this company? Is this for real? Like, are you actually interested? John Coogan was the first committed investor to the company. I moved out to SF, lived in a hacker house that had come out of the Gen Z Mafia like community. We had 14 roommates, maybe 15 or 16. It's a seven-bedroom, two-floor. And it was like \$1,800 a month rent, which was great times. I don't think any of us got any work done. But, it was fun and I got to meet everybody and I got really appreciated in the culture. And then I moved out of that hacker house with my team that I'd built at that point.

Before that, we had already raised a pre-seed. Justin Kan, the founder of Twitch, ended up leading that, which was a very pyrrhic victory for me given my failed VR startup putting Twitch in VR. But, I then was like, "Okay, cool. Now we actually have some money. We have clear line of sight on how to make money, too. How to generate revenue." We moved out and got to work on building the platform. Then I had some health issues and I was on bed rest for 3-4 months. In 2021, my whole team left cuz there was nothing to do.

And at that point, I had to figure out like, "Hey, cool. We got to build a real business, a real team, get adults in the room." I started using LinkedIn, reaching out to people that I thought were engineers. One of my early angel investors joined as CTO for 2 years. With him on board, we were able to get some people to help with sales. We hired a PM because I'm not actually very good at product. We got some industry experts that were actual firefighters. I went to raise my seed round. That was unbelievably difficult. That was probably the best thing that could happen though cuz this is like September to December 2021 and I was really confused why nobody wanted to give me money until I realized there's no market size here. People have questions, how big is this

market? Who is the end payer here? Am I a government tech company or am I an insurance company? How do we generate revenue? Is it from detecting fires, suppressing fires? Do we need more funding later on to eventually get to revenue or is it more of a data science problem? Once I started figuring out what the questions were and how to address those, I learned how to actually pitch and raise for a startup. Lockie Groom led the seed round.

That was like a \$3.5 million seed round. Then I was able to take that and start actually trying to build a real platform. We pivoted a lot more, but relevant to investing, I wrote a fundraising 101 guide. That still gets viewed thousands of times a month. It's not publicly published anywhere, but if you have it, it's a Notion doc. If you have a link, it's pretty helpful. People just share it a lot and I've met a lot of founders who come in inbound to this day from that fundraising 101 doc. I haven't updated it in 3 years. I should probably get back to that. It's basically just just simple things like how do you build a pitch deck? How do you run the verbal pitch? How do you generate materials that people will actually look at and review and want to read? Like what actually matters to the VC when they're asking you question XYZ, what are they actually saying? And then general notes around how to It's part fundraising 101, but it's really like how to start your startup and make it not suck 101. And that took like 2-3 years to refine, but that document has been unbelievably helpful because I just took my list of investors and threw it in there too. Well, if you ever make a deck, you can email me. Here's my email and I'll introduce you to some of these investors if you ask me. And so then I went back to building for another 2 years. In that time, I helped start Delphi AI, which was like a digital twin company backed by Sequoia, Founders Fund, Lux, and a bunch of other firms.

Through that process, I realized I'm really not a founder. I really am probably more of an investor or like supporter to founders, but I just raised all this money. >> What made you realize being a founder wasn't necessarily the cards for you? And I guess like what initiated this curiosity of becoming an investor instead? >> I'd been through because of Gen Z Mafia, which only existed for like eight weeks and I got here and I was like, okay, great. It has served its purpose.

Through that initial community, I've been writing \$1,000, 5K checks and then 2021, once I'd done my pre-seed, my investors were all like, oh, your deal flow is really good, but syndicate like 100K checks into these companies. I was able to build that early portfolio by the time in 2022 with Delphi, I was probably at like 20 or 30, probably 30 companies. Delphi was effectively these were my companies too. Already, it was less so because I wasn't very good at building a real product or generating revenue. Everything was always so small with what I was building and everybody else, I could see all the pieces. If they did XYZ and they went after this person or they made their moves the right way, it could be really big. I was able to even before the founder could see that, convey that to the founders and be like, hey, I think this is what you need to do. I think this is how you need to do it. I think this is who you should talk to for the funding. I think I can introduce you to these customers or early employees and you might be able to recruit them. And so I was pulling all the pieces together, but I am not technical and I have never been good at finishing that last mile of what, okay, if a product needs to do this at a high level, what does that actually mean?

What are the actual UX and UI implications? Like, what are the actual sitting down on a call for 10 hours a day

talking to customers, what do you think about this? What do you think about that? And collating all that information to make the right decision is not my strong suit. Mostly because I have never been the end user of my own products. That was also an insight with Firefighting Drones. I am 0% an end user of this product. Why am I trying to build mapping communication software, disaster relief software and drones? I don't even know how to build a drone.

With Delphi, it was a lot more clear because I understood the use case. My girlfriend had some ideas there. I had already wanted something like this to exist. And then Dara, the CEO, had already built a version of this a year prior and he'd been thinking about it forever. So I got to see him. If already have somebody who is even more intimately involved with the product than myself, what else can you do to help them go from idea to existing product to actually a company? That was more straightforward.

We introduced him to early customers like Accenture, and he went in a different direction. But, it was still useful to be like, here's some customers, here's some talent, here's some actual people that I think you should be talking to. Or, why are you doing this? Why are you doing that? Being that extra sounding board or thought partner for the founder. And so, I think that really made me realize collection of factors over 30 companies, but culminating in Keith Rabois led the seed round for Delphi from Founders Fund. I was like, okay, cool. This is the first true hot company, if you will.

I never would have been able to do this, but Dara's done amazing. But, I had early fingerprints all over that company. And so, I was like, all right, cool. I think that this makes a lot of sense. I probably need to go do this a bunch more times. But, around that time also, I was like, okay, how do I just at least repay my investors? I was trying to figure out what is the product I would actually use? What is the product that I'd actually want to work on? What did I end up wanting to do? And if I wanted to be an investor at the early stage, then I need to meet founders that are at the early stage. So, I wanted my end customer to be founders. I wanted to figure out how to be valuable to them. I was trying to figure out, is it recruiting or is it sales tech? Silicon Valley Bank fell in 2023, March, and that made the decision very clear that we're in the peak of a bear market and everything's going to hell, so I might as well try to build something that makes them money.

So, I pivoted to sales tech. AI is coming, AI SDRs will be a thing. Let's build a platform first to enable human SDRs to do the work, and then as AI improves, we can add the AI components to a co-pilot to eventually a fully autonomous sales rep. And so, that went a lot better. I started off basically having no idea how to build the product, how to sell the product, how to scale. But I knew that I would be able to learn and that would make me better for my founders when I did learn. Over time, we went through like five different versions of the product between like May 2023 and September 2024. At which point my girlfriend was like, "Okay, stop. This is embarrassing. You cannot hire to save your life. And we're also almost out of money." So, she just stepped in, found a bunch of people on Upwork, and commandeered the whole thing. And she's pretty technical, so she was able to build the whole product in like 6 weeks.

And then from there it was like getting close to Thanksgiving. We'd launch, we had like 3, 4, 5K of MRR. And I started saw it working, but I was like, "I have no way of scaling this. We have no money left. We have like 2

months runway left." So, I finally, after 5 years of being offline, got back on Twitter and was like, "Hi, I'm a founder now. Somebody please buy my Sales Stack." And that just like the idea was we'd get the company profitable. Nobody knew I was. I was like, "I'll introduce myself back to the internet and like the industry. I'll go from being a founder to building the semi-successful company, and then I will transition it to being a full-time investor." And the idea was hopefully I could do that in like 6 months when I could go work at a VC firm. Because I had a pretty good portfolio. By that time I had like 65, 70 investments. No more, like 75 investments by like the end of 2024.

Things were going pretty well, and I was expecting a Delphire or a Grabfile or a Railway or Browserbase. One of these companies would be a more well-known, and I could go get a job off the back of that. Then I started tweeting, and I tweeted really well, I think. The company went through like in 3 months we made more progress than I think we made in 5 years, in 4 years of me being a founder. Um First, we had to get profitable, and we had a bridge round pulled, and it was like a whole mess.

And then I learned, "Oh, you can sign annual contracts, and you get paid up front." And we had to do that cuz we were literally like 3 days out from running out of cash. And then once I signed the first one, then we signed more and more annual contracts. And we were able to restock the bank balance a little bit and got to like 40K of revenue in March like just monthly, at which point I was like, all right, great. Like I actually see a path forward here. But GPT-4 is just going to kill this whole industry. Like why why am I even working on this? This is really lame.

I don't really want to do this. And so I started thinking about, okay, cool. Like the company's now at a steady state. It sort of just runs itself. My girlfriend had done a really good job of like just turning it into a machine. And so then I was like, all right, like this can keep growing. It'll probably hit a million dollars revenue by the end of the year. So, cool. I built a business. Now I need to go become an investor. And that first week of April, I think like six companies announced like a Series A or a Series B or I had my first company, a robotics company called Foundation, go from like pre-seed to unicorn. At that point, I was like, okay, cool. A fund.

That first week of April, like April 3rd, this guy from Hummingbird hit me up and was, "Hey, we should meet. I've seen your angel track record." I'm like, "How could you have seen my angel track record? Where did you even find this thing?" I went to meet him. We got a drink. And he basically his eyes were bugging out of his head when he saw the full track record. And I was, "Okay, this is really good signal." I was like, "Will you hire me?" He's like, "What?

No, you're starting a fund." I'm like, "Oh, okay, cool. I guess I'm guess I'm starting a fund." And then the next week, this guy from Susquehanna Growth Equity hit me up and was like, "Hey, we should talk." I'm like, I was like unsure how to be like, "Uh I think I want to start a fund. I don't really know." And like I was I was like sort of like being like He's like, "Stop talking about your company, bro. I know you want to start a fund. We should talk about that." And I was like, "Okay, cool." So I went to go talk to him. And he's like, "Okay, I can do this. I can do that. I can do this. I can do that."

He had the same reaction. He had the same reaction. He was like, "This is an insane track record." I was, "Okay, cool. If the only two associates I've met in years both say this is good, then I should probably I just needed somebody to give me a kick in the ass to go start." At that point, it was like we built this fund strategy and generally try to figure out what that would look like. I got introduced to Roampt and through one of his associates, Roampt and Abstract, and he put me in business with a 50K check. Chad Byers at Susquehanna gave me a little bit more money a few months later, General Catalyst and Lightspeed, and now we are here.

>> Back at your very first angel check to the most recent one you've written, what do you think has changed the most in how you're thinking about investing? >> The first three all got acquired profitably. What's changed? I was investing in my friends, in people I thought were cool, people I wanted to be friends with. That has not changed at all. Almost nothing has changed. Now I just have a better radar, but I generally was always about the person. Now it's like I'm evaluating, I know what markets are hot or what VCs have funded in different markets, so I know that, okay, cool, a tier one fund already has a bet in this space. There's probably no Sequoia or Lightspeed coming into the company until like a series D. If I'm thinking about downstream capital and de-risking my own investments, I just wouldn't make a bet in like at pick your space right now if that's already locked out by competitors or if that's already high risk or if the market size is different. Things I wasn't thinking about before, more from the science of investing and what are the things you care about in de-risking an investment. Before it was more instinctual and just like, great, cool guy, seems super smart, I should write him a check. And now it's like, cool, this founder really has thought through exactly what they want to do. The name is still a work in progress. These are not perfect companies or complete companies, but when I write a check now, what I'm really looking for is is the founder already know what they want to build. Do they know who they want to build it with? Do they know who they want to sell this to? Do they know how they're going to build and sell the product? And if you have all that, then you can sort of build a road map, and then you know, okay, I got to put money behind this thing at this time. You can build not like a fully like involved like DCF in your head almost of like how this company's going to grow and work. I realized initially when I started the fund I was looking for companies that were maybe a little they had more risk to it. They were lower priced, they were a lot riskier, but if the founder could de-risk these things then it would be a great investment so I'm getting in really early. Now I'm still investing ideally as a first check, but I'm okay with paying up because now in the portfolio I've seen all these markups and I've seen the types of companies that the market wants. When I started nobody knew who I was and all the VC firms that had met me as a founder were you are like completely unfundable as an investor like who's going to want to work with you? And now that like we've sort of proven all that out and like really shown that like I have good taste, now I actually have access. And so whether it's somebody leaving insert your super hot startup that's super well funded to start their own company or somebody out of a top school it's like as long as they meet the criteria I can get introduced to them or get in front of them or they might already follow me on Twitter.

So I'll just hit them up. And then the next thing is trying to earn the right to invest in them once they have demonstrated my criteria of a perfect company or like perfect pre-seed investment. And winning is not too hard because now I can be hey I have all these investments that you can reference check me with all these founders. I have all these VC firms that have LP'd into my fund directly and I can help you get your next round of funding or your series A or series B. I can tell them hey I have so and so as an LP. I can introduce you for customers. I made investments in the past you can sell to this company that's in my angel portfolio or you can hire this

person that was a founder who's now shut down their companies. I can help complete everything the founder needs capital, customers, talent. I can't believe that this is still the case in 2026 but I am often times in my hottest companies the only person who's ever been a founder for any amount of time that's investing institutionally into the company.

Founders even though it wasn't the most successful experience they're okay cool I can talk to you like a founder and certain investor and they open up more and lean on me more for the actual operational advice or appearance on just anything they need help with. I also tell my founders I'll front-load most of my value through the investment then few weeks after or a month after. Once that's done, call me when things are going really well and you need somebody to pour fuel on the fire or call me when things are going really poorly and nobody else is going to pick up your phone. Call me. I will fix the issue for you or try to. Those are the two times I'm really effective at being deployed. If a company's doing well, I can just tweet about it. I meet hundreds of people. I can text 10 VCs. I can text the CEO whatever company they really want to sell to. I can accelerate them and get the word out there. If things are not going well, there's like a crucial moment here like the company's really going to fail. We need to get in touch with this person or we need help navigating this or we shot ourselves in the foot and now we need to get out of this situation. I enjoyed the challenge of trying to stick a company.

>> And you're just one guy doing it all with the 1099 and one 100k to 250k checks. How did that come to be? What were you thinking when you were first initially going after like a solo GP fund that was going to be yours? >> Nobody wanted to hire me. Though the reactions of CEOs from Hummingbird and Saquon Barkley and Sousa made me think that I could be good at the job. And so then I was okay, this will be super easy. I'll go raise \$25 million to write half million dollar checks. And that was I really thought it was just going to be as easy as I'll show up.

I'll show people my track record. They'll all have the same reaction and their life will be good. That did not happen. I raised half million dollars in the first couple days. And so that's also why I thought, okay, cool. Maybe I should go raise \$100 million. Like this is going to be the easiest thing in the world. And then I didn't raise any money till July when General Catalyst and Lightspeed gave me a little. And then I had raised \$1.7 million through October 1st when I realized yeah, \$25 million is probably not going to happen. But I gotten lucky. The founders I was working with were okay with letting me sign and just wait for the wire once I raised the money. I'd made six investments, four of them I'd written checks of 400k, roughly, a piece. I had an average of 3.5% ownership across those six investments. I had pro rata in five out of the six. I was the first check in five out of the six. And five out of the six were marked up. The sixth company was very clear would be marked up.

Altimeter Ventures Fund did that company series A at a 300 post. So it was obvious to everyone that the one company I'd invested in that wasn't marked up would be shortly. October 1st, I sent out a big mea culpa to the entire valley and every LP I'd ever met. I tried raising 25 million. Clearly, no one's going to give me money for that. But I will switch from being this bigger fund writing bigger checks trying to be high conviction to being an access fund. I'll just write 100k. I don't care about valuation. Here's the characteristics I'm looking for in a founder. I'm looking for even if it's higher valuation, they're more de-risked and they will come with the tier one investor attached to the company. A lot of people emailed me back and said, "Okay, this is an interesting update.

If you can actually prove the strategy, we maybe be interested in giving you money." Khosla brought me, very thankfully, thank you John Chew, brought me into Applied Compute, competitor for whatever reason. I think he said he wanted to see if I could win a hot deal, which I got some access into. I'd been tracking this guy that General Catalyst had told me about for four months. I was bothering him, "Hey, have you quit your job? Have you started a company? Are you doing this?" That was really hot Infons company. That Sequoia did the pre-seed and I was the only other fund in that round. My guy at Lightspeed, Bucky, who had given me money from the fund in the first place, was, "Hey, if you like Sale, you'll probably like Reactor. You should come into Reactor." Uh different Infons company doing video model Infons.

Then in like a month, I had Khosla, Sequoia, Lightspeed co-invest. Then the fund gets to open and every VC fund was like, "Oh, we should meet you. Would you like some money?" And then I was also doing a bunch of other investments on the side. I had a cloud seeding company that raised from 0.9. I had a robotics company that immediately raised a much larger round at like three x the price as soon as I wrote them a check.

Basically every company I was investing in was either a pure one co-invest or a markup immediately like within like a week of me writing the check. And so then the access fund strategy wasn't just like me being like, "Hey, I know I can do this. I'll do this instead since the market does not seem to want me to write this like high conviction high ownership check. Finally, for the first time in like 10 months it went from like, "Oh, will anybody please give me money to like, ooh cool, I like actually don't have room for you. Like I'm saving this spot for somebody else."

>> One of the things that we really like about you is how open to feedback you are. You constantly want to learn. You constantly want to get better. Who have you learned is the right LP for SF1? >> Uh hopefully endowments and institutions for fund two. But this fund was definitely people who were intrigued or amused. [clears throat] Yes, everybody wants to make money, but it was more so people who tracked me for months and months and thought, "Okay, there's something happening here. I don't know what is happening, but I definitely want to be involved." And so that was initially just truly GPs at other firms and my friends who had known me and people I'd invested in who were like, "Hey, if you ever start a fund I want to invest in you." But they were writing 5K checks or 50K checks. So it wasn't really enough at the time because people were intrigued, but they didn't have conviction. And then over time I think Alex Kolodkin at ABC was the first 100K check. And then a few other GPs started writing half million dollar checks. Then I don't know if I can say his name. A guy who founded a really big multi hundred billion dollar firm wrote me a million dollar check. Initially he was like, "Great, send me the docs." He reached out to me on LinkedIn. It was like, "Great, send me the docs." I'm like, "Sick. Like how many zeros are coming in this LP check?" He was like, "100K." I'm like, "Why 100K? If you You give me at least a million dollars I'm never going to close this fund. If nobody wants to give me this money, then where am I supposed to go get it? Like you just told me you wrote a \$80 million LP check the other day. And he was oh, that's because we've all gone through the struggle of raising our own funds.

It's not supposed to be easy to raise 10% of your fund. And that's how I realized okay, the way I'm actually communicating this is oh, I'm doing super well, blah blah blah. The performance is doing well, but I have no money. I realized if I'm more open with people and just tell them here's exactly where I'm at. Here's why I think

I'm great. Here's why I think I'll make you money, but also here's how you can help me. And told him, hey, this is what I need from you. I was maybe that will work. This guy wrote me a million dollar check because I emailed him back and I was like, please just give me this million. The next million dollar check came the next day from a guy whose dad started a very large publicly traded company. I'd met him playing basketball like three years ago, four years ago.

He'd been trying to get a hold of me for months and I was just I don't have time. I finally went to go meet him and he was like, yeah, dude, I'm taking over the family office in a few years. And I just need to start getting more exposure to early stage companies. That was my first real non-founder LP. That was my first family office. Then I realized okay, cool. If I got one family office, I can probably go get more family offices. And so I just started anybody who followed me on Twitter, I started reaching out to them if they looked like they might be a good LP. And so I just created my own channel with the Twitter. Once I got one LP one way or another through fourth demographic, then I just reach out to them and be like, hey, we should meet.

Over time that compounded where I knew what different LP archetypes were looking for, what they cared about. Very rarely were hey, we're going to make millions and millions of dollars off this six-figure check. Nobody was expecting that. It was more about what does being in the ground floor of this journey entail for them. What do they get? Is it deal flow? Is it access? More knowledge about what's actually happening on the ground floor adventure at the earliest stages. End of the day, they ended up being people who bought into the idea that I could build something really big and they wanted to be supportive. So, that LP could scale for fund two, but realistically that's like a one-time LP check that you get or they're not going to be able to scale to billions and billions of dollars of AUM.

So, you really look at what that next step looks and it's taking the 30 investments I made from the fund over the last year, showing the markups, showing the series A's, the co-investors, and more institutionalizing the fund so that way we don't have to go back out for 10 months every time we want to raise a new fund and it's more about who are more long-term durable capital partners to bring alongside us. >> You want to create a long line of customers outside the door where you're always fundraising, but you're never essentially raising because you have so much demand. You've built so many things and it feels like with SF1 you've finally found something that you want to stick with for the long term. Correct me if I'm wrong, but I guess it's a business where the only choice is to think long term because a minimum is 10-year cycles. I imagine you spend quite a lot of time thinking about it.

Where does SF1 go from here? >> It's interesting. You know what else I think about fund two? All I keep telling people is I just want to do what I've earned the right to do and be really good at. I don't care if I'm sitting at 25, 30, 50 million dollar fund. Just be comfortable and also perform every single fund. I think I've outperformed here so far and that has built a good aura and lore around me where VCs will tell other founders, I think you really want to go get Suds. I'll introduce you.

They fall over themselves to like that introduction. That's partially because they like me, but also partially because they can't believe what they're seeing where it's like every week there's a really hot series A and every

week that is my company. And so the VCs are great. If we give Suds this company, then like he will make this the really hot series A six months from now at some point. I don't know what that next evolution looks like. It certainly is not leading deals, but for now I just think take it a step up and just try to keep doing this and if you do well then more deals will come and the brand will continue to build. It's very reflexive business, so that's really what I'm trying to do. If I keep outperforming then I assume once you're past like a million dollars a year in fees, I'm not really sure there is much as a solo GP that you need to be optimizing for outside of just really outperforming and I think everything else will come over time. I like the deal making part. I like working with the founders. I like being at the earliest stage. I like when the rounds get hot and they have 15 10 sheets literally and they're like, "Hey, like what do I do?" Working the back channels and the phones and being like, "No, if you want to lead this round at this price." Like that's all interesting.

That is fun. Or when things are going really badly and you have to scheme literally, "Okay, what is There is exactly one move to get through this? Like what is that move and then how do we instantiate that in reality?" Those things I like. But then the parts of venture where it's like you go to these office warmings and everybody knows everybody and as soon as one person you're talking to leaves somebody else walks up and starts talking [_] about them or whatever. I don't understand it.

I grew up plenty bullied as is. I'm not looking to be bullied professionally too for the next 30 years. >> Lastly, what's something we didn't talk about but LPs always ask you the same question that you want to clear the air on? >> I blocked out the bad parts of fundraising. Honestly, it all seems like it was so delightful now when I I cried two different times in my girlfriend's lap while I was raising this fund. So I know it wasn't all fun but I honestly do not remember any of the bad things anymore. Which is a superpower that I think founder mentality thing I've taken. But when I started the fund people are you can't write 400k checks.

That is just crazy. Like that's not going to work. And then I did that and Coast And Coast And Coast led a round in what the biggest check from the whole fund. I put 500k in. Altimeter [clears throat] Founders Fund did one and then I think one of the companies is AI infra company that it crossed a million dollars of ARR. They all raised a Series A since. Not only did I write the checks, I found the right company. There was no adverse selection.

From day one when I didn't have any VCs backing me, when nobody really knew who I was, I had 8,000 followers on Twitter a year ago at this time. I just sort of have always been able to scale to whatever the capital availability is and whatever the constraints are in the job. When I think about the next fund or what LPs care about there, can you do the job? Can you see the deals and can you win access at the check size you want? I think yes, because I am probably the only person on the capital table or maybe one of two people that founders want to work with and are opting in to work with. And they come to me as much as I go to them now. That was the real concern, can you see and can you win? I see everything now and I can win 75 to 90% of everything. That's the one thing I will probably have to keep proving out over the next two, three funds.

>> Oh, yeah. Thank you for joining us today. This was an amazing conversation. I hope that [music] some of your LPs learned something new about you today and some of the prospective LPs will be prompted to have a

conversation with you because you are an [music] awesome, awesome individual. >> You've just listened to yet another episode of the Slice podcast where we uncover the stories of fresh emerging managers across the early stage venture landscape. Next time we're joined by someone who left three different VC firms >> [music] >> to become an angel and then build a fund that acts like one. She was the first check into Hopin and what a train wreck that was. So make sure you're subscribed to our podcast on slice.fund/podcast or listen on Spotify, Apple podcast or wherever you get your podcast to not miss the next episode. Thank you, Sun Woo, for producing the show and to all of you who tune in for every single episode.