

FOR START-UPS, BEGINNINGS ARE MOST IMPORTANT

Non conformist entrepreneurs are blessed with unique traits. They can take an idea and convert that idea into a money making concept. But no matter how creative, enthusiastic and adventurous, most entrepreneurs need help building a business around a brilliant idea, a blockbuster product or a priceless service. Motivation is a start, but its money that propels inspiration into motion.



That's where venture capitalists come in, providing seed money and support for the innovative entrepreneur in an early growth stage. Cava Capital, the Norwalk Connecticut firm was founded in 2007 by Geoff Schneider, who has more than two decades of varied operational and leadership experience. This

hugely successful firm is comprised of a select and accomplished team. With a satellite office in New York City, Cava Capital has "built a heck of a network over 20 years that helps both financially and physically," providing investing prowess, execution and reputation.

All passionate and driven, the Cava crew is skilled, open, honest and committed in seeing that all clients flourish. The firm's successful track record permits it to be highly selective. From the hundreds of business plans Cava receives annually, only a carefully chosen few make the cut. Initial investments for qualified companies range between \$1 million to \$5 million. "We tend to focus on customers that have demonstrated early traction and revenue. We find opportunities that mesh with our business insight. We vigilantly filter our options and lean towards investing in seasoned entrepreneurs," Schneider explained.

The venture capital business is a "clubby industry," according to data collected from Thomson Reuters and the National Venture Capital Association. Only the best survive and only so much money is available. But despite its cliqueness, VC is very big business. During the first quarter of 2013, VC firms raised \$4.1 billion from 35 funds. That amount was a 22% increase from Q4 of 2012. But underscoring the competitive nature of the business, the number of VC funds decreased 14%.

Before providing funding, Cava Capital always does its due diligence. This is a process designed to get an in-depth overview of a business. "We look at the size of the company, the value of the product or service, quality of the entrepreneurs, then business metrics, allure of the business model and the size or competitiveness of the market," Schneider said. Having a compelling story, a bold growth strategy and exclusive features are not enough. Cost, usability, manageability, flexibility, integration and market leadership are all imperative. Indeed, of some 30,000 new consumer products launched each year, 95% fail, research from Harvard Business School shows.

Cava's current focus is on the revenue generating side of the enterprise, not as much on the efficiency side. Marketing and sales are areas that have long been ignored through

“These relationships need to be based on trust. It’s a two-way street. It is not only about what we can do; it is about what the client wants.”

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software and solutions, now they are very compelling as these parts of the enterprise are being reengineered. Technologies that fit that profile include mobile marketing, e-commerce, mobile payments, business-to-business social platforms, mobile content and mobile advertising.

In this always turned-on and tuned in world, taking advantage of the implosion of new marketing outlets is imperative. Cava channels into the explosive arena of mobile, social and e-commerce communications to interact with consumers. “There are more ways to get the word out and use data than ever before. We enhance revenue via sales and marketing in a less intrusive, effective and personalized way. We optimize and monetize what we have without over saturating,” Schneider added.

Unquestionably, the world has gone mobile. Five years from now, the earth’s population will swell to 7.6 billion people, according to the United Nations. Those individuals will be using some 10.3 billion Internet connected mobile devices. In other words, there will more mobile devices in the world than people, says networking behemoth Cisco Systems, Inc. Mobile is definitely where it’s at.

Just as important as providing funding options for start-up entrepreneurs so they can grow a prosperous enterprise, Cava Capital adds value beyond capital. The firm

has an exceptional advisory association that assists in all aspects of a start-up’s development. These advisors are also Cava fund investors, making them particularly motivated to see clients succeed.

Schneider admits raising capital isn’t easy, even as the struggling U.S. economy shows signs of a significant and sustainable recovery. But the Great Recession narrowed the field, creating a less crowded venture capital environment. “Some of the greatest companies have been creating in times of calamity. Smart money knows this. Moreover, in this current zero-interest rate environment, investors recognize they have to take some risks to make money,” Schneider explained. ■

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