



Best Practices for VC Data Collection

☰ Requests / Quarterly Report / Quarter 1

Q1 Reporting

Quarterly Report

Total responses: **34**

Companies

Companies	Date completed	What were your highlights		
▶ Steeva ...	✓ April 18	We exceeded our MRR goal, with 30% above what we projected.		
▶ Framer23 ...	✓ April 18	Achieved 25% user growth, surpassing our initial Q1 projections		
▶ Envoo ...	✓ April 17	Expanded product features, increasing customer retention by 15%	Looking for leads to potential strategic partners in healthcare.	\$44,184 \$2,579,813
▶ Blockchain ...	✓ April 18	Secured \$500K in seed funding to accelerate platform development.	Requesting referrals to key talent for our engineering department.	\$191,673 \$2,566,676
▶ Waves Inc ...	✓ April 19	Increased ARR by 20%, driven by strong user engagement and sales.	Seeking guidance on optimizing our go-to-market strategy for Q4.	\$156,200 \$3,863,738
▶ Blotted Tech ...	✓ April 22 📅	Launched beta version, gaining valuable insights from early users.	Requesting feedback on our pitch deck ahead of investor meetings.	\$53,793 \$3,809,184
▶ Eco Lens ...	✓ April 19	Reduced customer churn by 10%, improving overall client satisfaction.	Seeking support to refine pricing strategy for our SaaS product.	\$291,571 \$4,396,438
▶ Blowfish ...	✓ April 17	Cut operational costs by 12%, enhancing efficiency across the board.	Looking for leads on key growth advisors to join our board.	\$317,711 \$4,950,036
▶ Realma ...	✓ April 17	We received a donation from Save the Ocean of \$2M to continue our	Requesting connections to distribution partners in Europe.	\$317,711 \$4,950,036

Four Leaf Partners

Hi Liam – Four Leaf Partners has request you to fill out your Q1 Request for Realma

Timely investor updates allow us to best understand how we can help our portfolio companies, provide value, and give you the best chance of success. This should only take 3-5 minutes of your time.

Thanks!

Realma due July 30

About This Resource

This guide includes best practices for VC portfolio data collection in the context of recent trends in the VC industry.

Recent Trends in Venture Capital
Market Insights

Company Success = Investor Success

Why Investors Collect Structured Data

Portfolio Data Collection Best Practices

- The best time to ask for portfolio data
- How many metrics to track
- Top 6 metrics to track
- Common qualitative questions
- The founder experience
- The Minimum Viable Portfolio Data Request

About Visible: Visible was founded in 2015 with a mission to help founders succeed. Visible now provides solutions to 3,500+ founders and 350+ VC funds in over 47 countries.

Visible for Investors in a founders-first portfolio monitoring and reporting solution that streamlines the way data is collected, analyzed, and reported.

For more information visit www.visible.vc/monitor

▼ VISIBLE



Four Leaf Partners has requested you to fill out
Four Leaf Partners Portfolio Company Update -
Due July 1

📅 Monthly KPIs Required

Metric	Q1	Q2
🔗 Revenue \$	<input type="text"/>	<input type="text"/>
🔗 Cash Balance	<input type="text"/>	<input type="text"/>
🔗 Runway	<input type="text"/>	<input type="text"/>
🔗 Net Income	<input type="text"/>	<input type="text"/>
🔗 Total Headcount	<input type="text"/>	<input type="text"/>

📋 Highlights Required

Please write your wins or important news that you want to share.

Type your answer here...



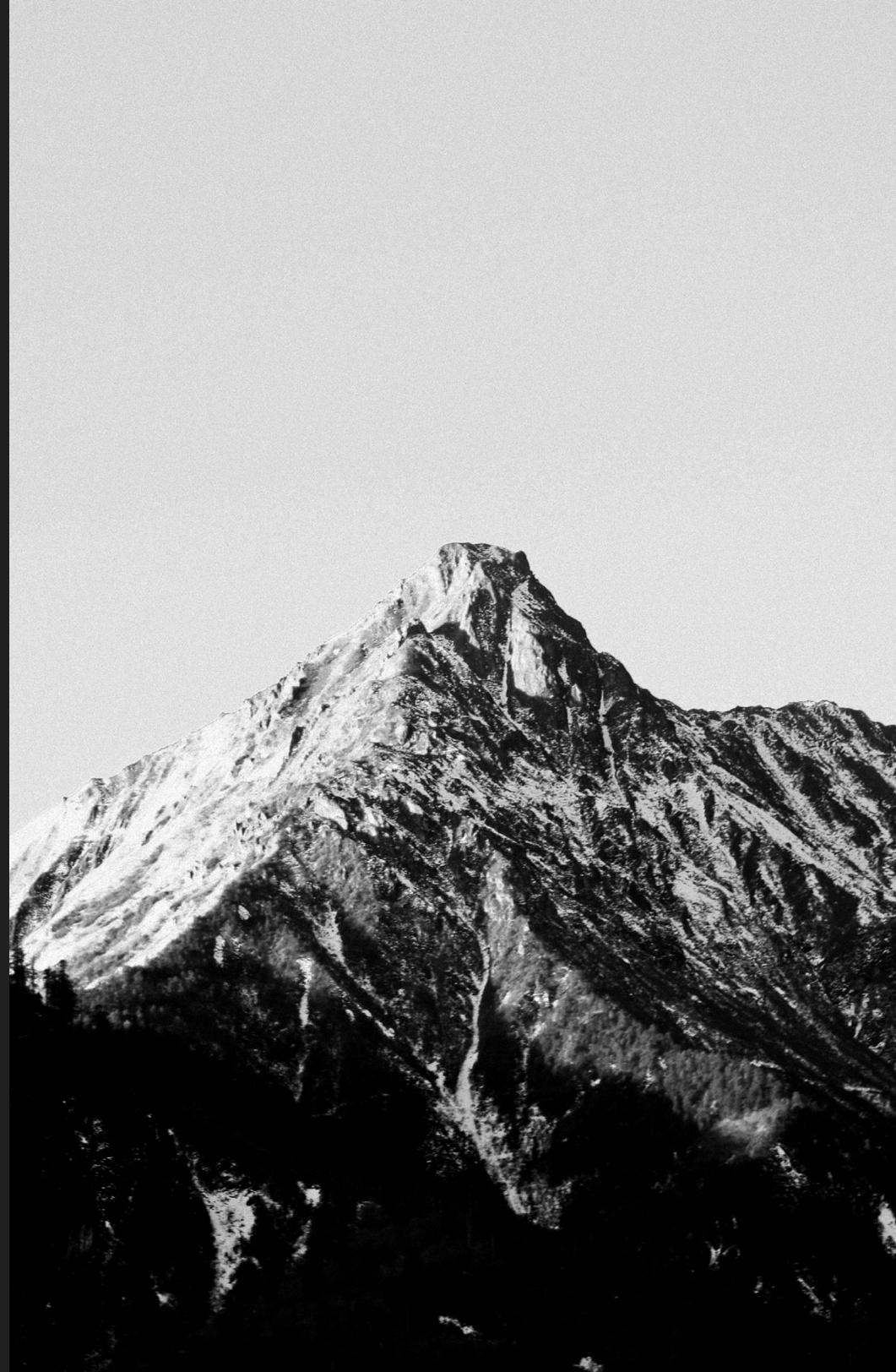
Recent Trends in Venture Capital

Last update July 2024.

When we first published this guide in 2021, the VC industry was experiencing record highs in the amount of funding raised by VC's, amount of capital deployed, and the volume of deals closed.

Fast forward to the present (July 2024) and the VC landscape looks very different but the importance of portfolio monitoring remains the same. The pace at which investors are making investments has slowed down as a ripple effect of the public market slowdown. Limited Partners are watching their private market allocations more closely and fund managers are being even more diligent when it comes to investment decisions. This means all stakeholders in the VC industry are slowing down and relying taking a closer look at the data to inform their next steps.

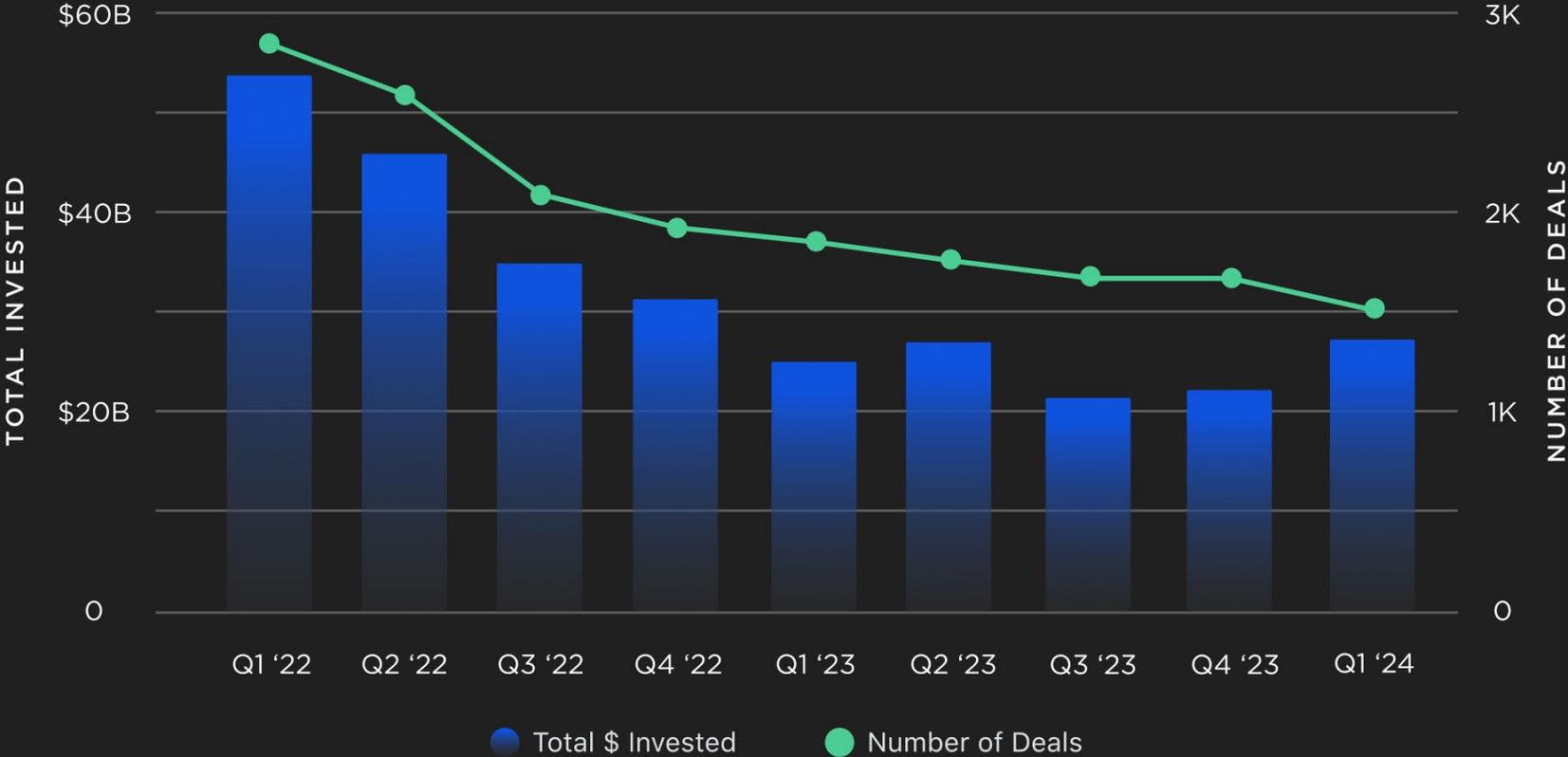
When VC funds have access to an accurate, up to date portfolio dataset, they are able to more easily maintain LP confidence, make data-informed investment decisions, and provide better support to their portfolio companies.



Market Insights

According to data from **Crunchbase**, in the first quarter of 2024, early staged has leveled over the past year with \$29.5B being invested in Q1 2024. While \$29.5B is more than half of what we saw in Q4 2021, it is the best quarter since Q4 2022.

GLOBAL EARLY-STAGE INVESTMENT THROUGH Q1 2024

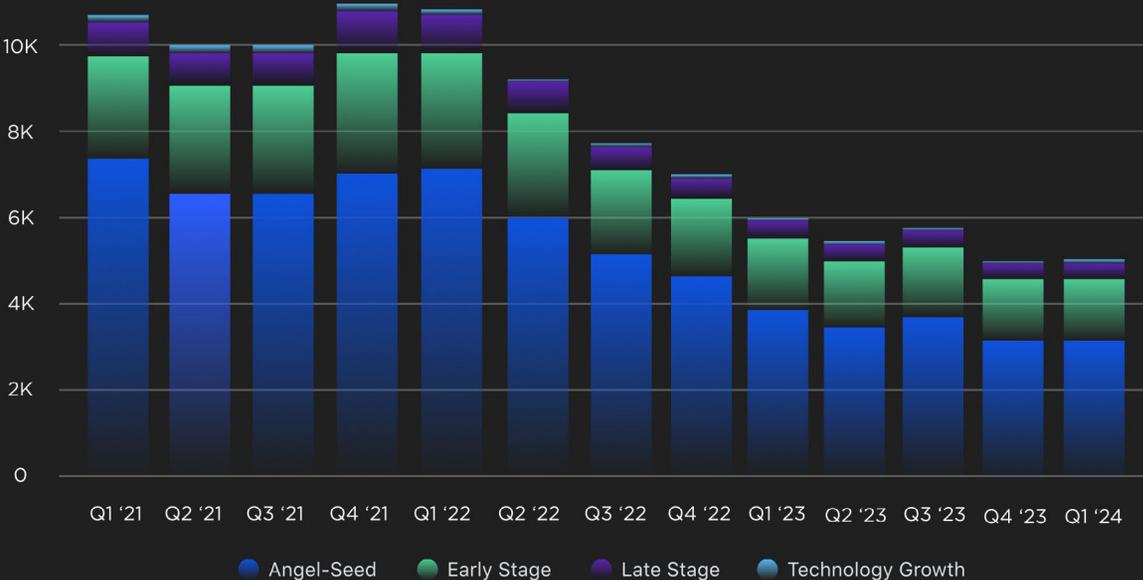


Market Insights

How market trends influence the need for portfolio monitoring and data collection

- LP's are paying closer attention to fund and portfolio performance metrics
- Bridge rounds are becoming more common and investors are relying on data from companies to inform their follow on investment strategy
- Companies understand capital resources are tight and metrics are key to validating their growth narrative

GLOBAL VENTURE DEAL VOLUME THROUGH Q1 2024



OVERALL DEAL VOLUME

QoQ Change [%] **6%**
 YoY Change [%] **-20%**



Company Success = investor Success

Venture Capital investors are only as successful as their portfolio companies. There are few people that have been in a founder's shoes and can help them navigate the challenges they are facing. However, investors are in a unique position as they've likely seen many portfolio companies and potential investments face the same challenges

In order to best help portfolio companies, investors need to have a strategy in place to collect both qualitative and quantitative data from their portfolio companies.

Collecting a few KPIs and qualitative updates is a great place to start (more on this later in the report). At the same time, there is a balance between helping and being a burden on a portfolio company.



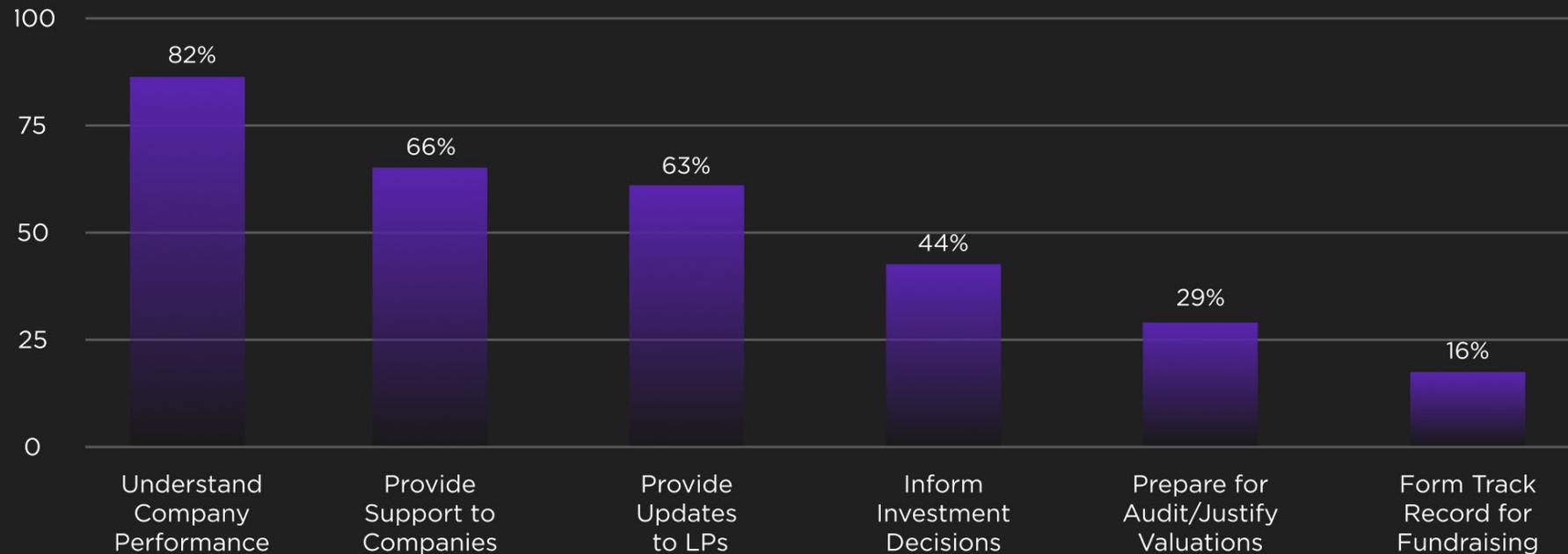
Why Investors Collect Structured Data

In a recent survey investors reported the top three reasons they are collecting structured data from their portfolio companies.

To summarize most investors are collecting data

- To make sure they're staying on top of company performance internally at their fund
- To better support their portfolio companies
- To provide meaningful, data-driven updates to their LPs

TOP REASONS VC FIRMS COLLECT STRUCTURED DATA FROM PORTFOLIO COMPANIES



Timing Matters

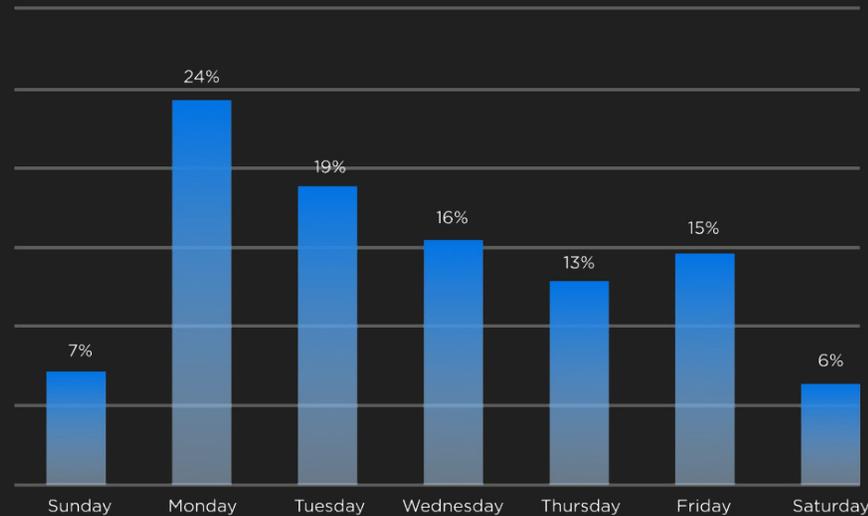
Companies submitting their data to investors through the Visible platform are most likely to complete the data Request at the beginning of the week — with 24% of respondents submitting their data on Mondays.

Tip: Companies don't have to create an account with Visible to respond to structured data requests from investors -- but they can opt into a free account if they want to!

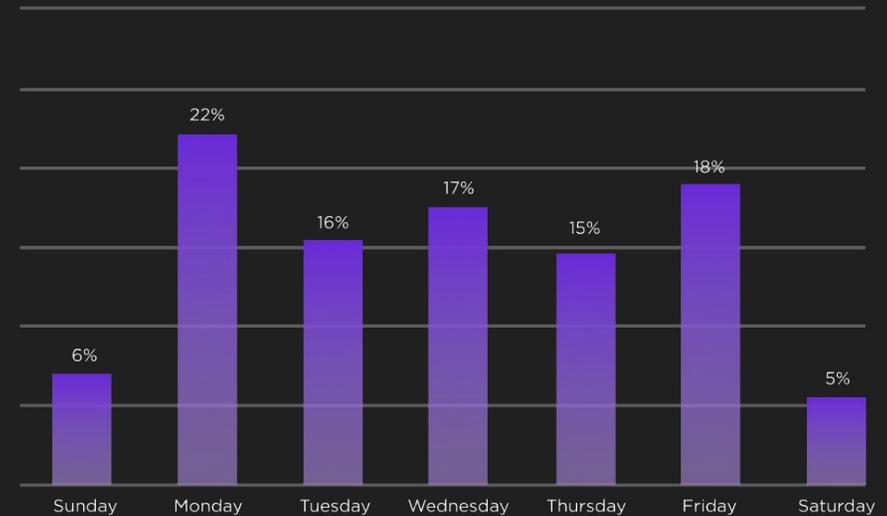
67% of investors using Visible are asking for structured updates from their companies on a quarterly basis as compared to monthly or weekly.

Make sure your reporting deadlines make sense for your portfolio companies accounting processes. We recommended setting up deadlines for quarterly reporting two weeks after the quarter close so companies have enough time to get their metrics in order.

COMPANIES COMPLETING DATA REQUEST BY DAY



MOST POPULAR DAYS TO SEND INVESTOR UPDATES



Companies Completing Data Request by Day Source — Visible.vc Data
Most Popular Days to Send Investor Updates Source — Visible.vc Data

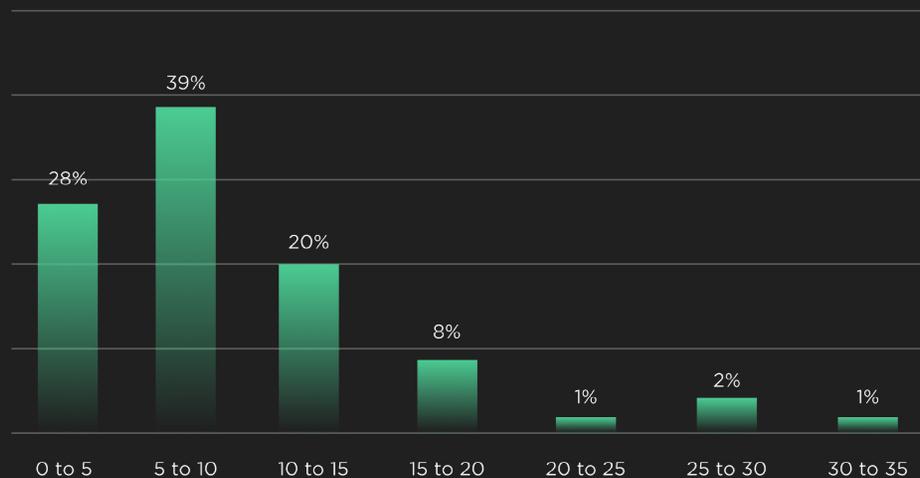


How Many Metrics to Track

We surveyed funds to determine how many metrics they are collecting from portfolio companies on a regular basis.

Tip: Aim for asking for 5-10 metrics and then use formulas on Visible to automatically calculate insights and secondary metrics for a deeper look into company performance.

OF UNIQUE METRICS REGULARLY COLLECTED BY INVESTORS



Metric Rundown

- Over 67% of investors we surveyed are collecting 10 or fewer metrics on a regular basis
- On average, investors are collecting 8 metrics from portfolio companies
- The median number of metrics collected is 6
- Some investors are collecting 0 metrics, while we found some investors collect as many as 35 metrics.



Top 6 Most Common Metrics to Track

With only a few metrics to collect -- it's important to make sure you're collecting the right ones to be able to extract meaningful insights across the portfolio.

Here's a list of the top 6 most common metrics to track according to aggregated user data on Visible:

- **Revenue:** Total revenue across all sources for the reporting period.
- **Cash Balance:** Amount of cash on your balance sheet at the end of the reporting period.
- **Monthly Net Burn Rate:** Monthly revenue - cost of goods sold - total operating costs.
- **Runway:** Number of months until cash balance is 0.
- **Net Income:** Revenue - total expenses.
- **Headcount:** Total full time equivalent at the end of the period.

Tip: Remember to include a metric description to reduce any confusion between you and your companies.



Common Qualitative Questions

84% of the 350+ funds using Visible include a qualitative question in the regular Request they send to companies.

Qualitative questions are completely customizable within Visible. Here are the two most common qualitative questions investors include:

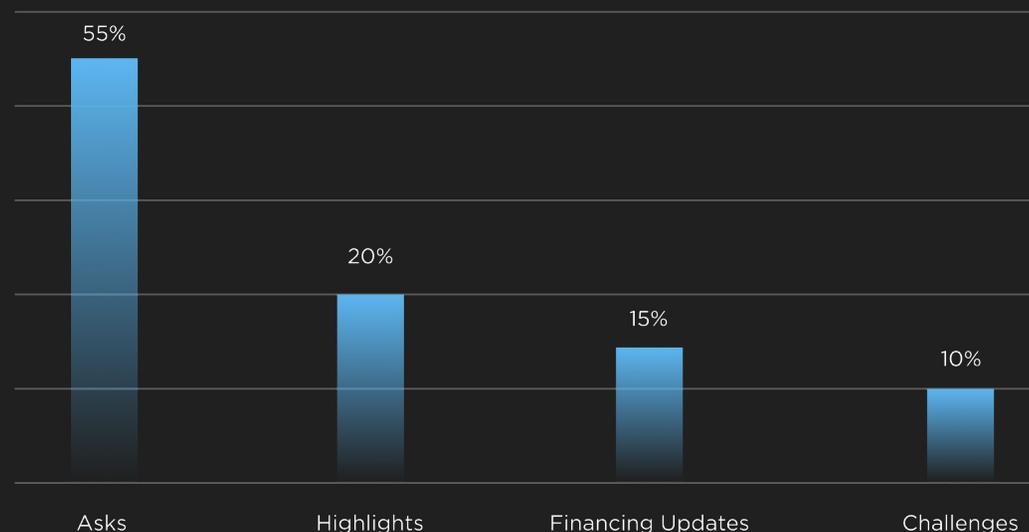
- **Asks:** How can we best support you this quarter?

VC funds ask this question because they want to be able to provide tailored support to their companies.

- **Highlights & Lowlights:** Please share the latest updates related to your team, operations, sales, and fundraising.

Tip: *Especially when it comes to qualitative updates, make sure to communicate with your companies what information will be passed along to LP's versus what is just for internal knowledge.*

WHAT QUALITATIVE INFORMATION ARE VC'S ASKING FOR?

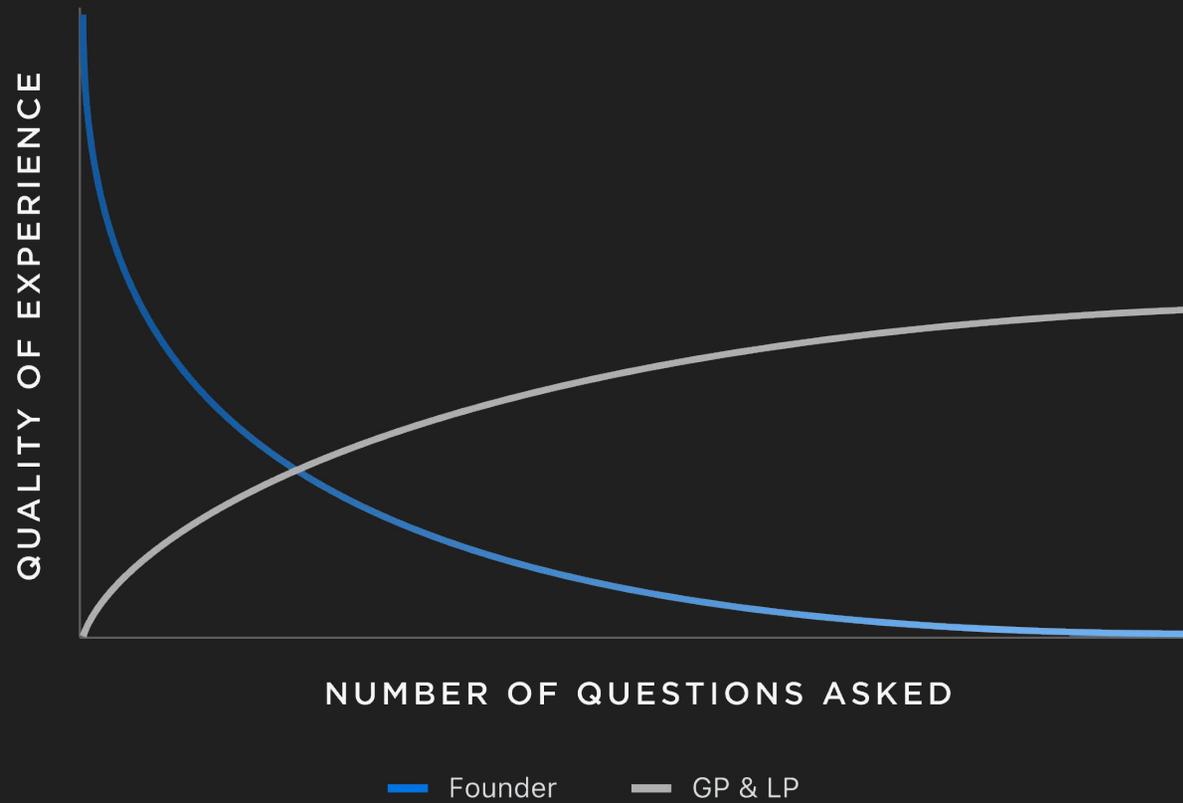


The Founder Experience

Founders don't want to be inundated with lengthy, overly complicated metric requests. Remember that the more data you collect, the more cumbersome it becomes for a founder. Keep things simple and aim to collect 'top of mind' metrics from companies. The exercise should take companies no more than 5 minutes to complete. Make sure your requests for data are concise, predictable, and repeatable.

Tip: Keep your specific metric requests to less than 10 metrics and include a file upload block in your Request on Visible so you have financial statements with additional metrics as needed.

To learn more about how Visible can help automate your portfolio data collection and reporting, visit www.visible.vc/monitor



The Minimum Viable Portfolio Data Request

Using data from our network of investors, we've created a 'Minimum Viable Portfolio Data Request' which includes just three metrics and 2 qualitative questions. This should equip any fund with the necessary information they need while also giving a founder a positive reporting experience.

Minimum Viable Portfolio Data Request Components

- Core Metrics
- Burn
- Cash on Hand

Qualitative Questions

- Asks: How can we best support you this quarter?
- Updates: What were your highs and lows from the quarter?

Learn more about sending your first data Request using Visible by visiting our website www.visible.vc/monitor

Request / Quarterly Report / Request Editor

Build your request below Collapse all sections

Metrics

Section title

Metrics

Frequency

Monthly

Metric Periods

Multiple previous periods

Pre-fill existing data ⓘ

Select portfolio metrics

Revenue × Burn × Cash on hand ×

Metric

Revenue ⓘ

February

Metric

Burn ⓘ

February

Metric

Cash on Hand ⓘ

February





Discover the Portfolio Monitoring and Reporting Solution for VCs

Automated portfolio data collection.
Robust data analysis and dashboarding tools.
Streamlined LP reporting.

[Learn more](#)

Fund II All Companies ▾

Fund Settings

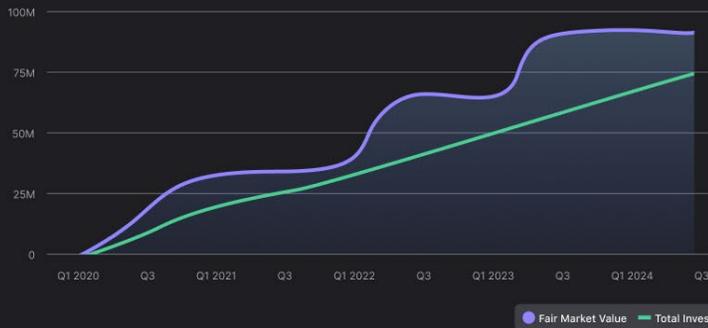
Total Invested
Q4
\$20,000,000

Capital Remaining
Q4
\$30,000,000

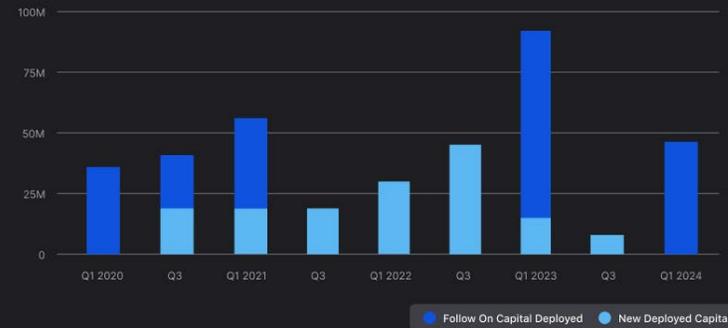
FMV
Q4
\$55,000,000

Multiple
Q4
2.75x

Fair Market Value vs. Total Invested



New & Follow On Capital Deployed



	Date	Total Invested	Total FMV	Multiple	Initial PSS	PSS	Shares Owned	Total Gain/Loss
Steeva	June 13, 2024	\$550,000	\$990,000	1.8x	\$12	\$12	45,833	\$350,000
Realma	Sept 28, 2024	\$450,000	\$450,000	1.0x	\$2	\$2	225,000	\$0