

LESSONS FROM A FAILED FUNDRAISING JOURNEY
FOR **ANY NON-U.S. FOUNDERS** OF DEEP-TECH STARTUPS

THE FAILED U.S. FUNDRAISING JOURNEY

OF ANY NON-U.S. DEEP-TECH STARTUPS

AND THE FRAMEWORK I'D USE IF I DID IT AGAIN



CUSTOMERS
Find Real Demand



NUMBERS
Turn Demand into
Proven Metrics



EXIT PATH
Build a Clear
Liquidity Route



STRUCTURE
Set Up the Right
Legal & Corporate Form



EVIDENCE
Prepare for
Due Diligence



VALUATION
Balance Multiple
Stakeholders



VC
Find the Right Partner



*Not just a story
of failure,
but a practical
framework for
what comes next.*

180 VCS CONTACTED
90 RESPONSES RECEIVED
40 MEETINGS HELD
0 INVESTMENT SECURED

VENTURE INSIDER

REAL INSIGHTS. BETTER DECISIONS.

FREE CHAPTER · SAMPLE FROM THE BOOK

The Failed U.S. Fundraising Journey of Any Non-U.S. Deep-Tech Startups

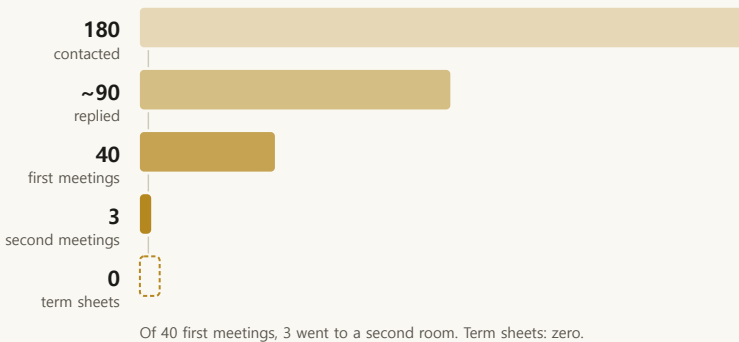
And the Framework I'd Use If I Did It Again

VENTURE INSIDER

PART 1 · CH 01

Why We Went to America

The Door Opened Forty Times



180 → 90 → 40 → 3 → 0

○ I Was Not the Founder

Let me clear up the first question any reader will have. I was not the founder. I was not the CEO. My title was **CMO and board director**. I ran marketing, owned brand and market positioning, and had a hand in international business. So a fair reaction is:

"What does a marketer know about fundraising?"

I didn't know much. I was not someone who understood, from the start, how a VC evaluates a company, which numbers an investor checks first, or how a valuation is actually constructed. But in an AI startup you cannot work strictly to your job title. To market the product I had to understand the product. To understand the product I had to understand the technology. To sell the technology I had to understand the customer. And to win customers I had to look at the business model, and at the end of that road there were always numbers: revenue, cost, cash flow, runway, and valuation. At first I looked at the numbers because the job required it. Once we went to the U.S. market, those numbers stopped being work documents. The best way I learned finance was not from a book.

It was embarrassment.

○ The Numbers First

This chapter is a record, not a confession. So I'll start with the numbers. We contacted 180 U.S. venture firms. About 90 replied. Forty of those turned into actual meetings. Three advanced to a second meeting. The number of term sheets we received, out of those three, was zero.

When I first laid those numbers out, I sat looking at the screen for a while. A 50 percent reply rate on cold outreach is not bad. It is actually quite good, and forty meetings is not a small number either. So we were not blocked at the door.

The door opened. Forty times.

But thirty-seven of those ended in the same place: the first meeting, and that was it. Only three made it to a second meeting, and even those never turned into a term sheet. If we had lost the thirty-seven for thirty-seven different reasons, that would have been easier. You fix them one by one. But thirty-seven conversations ending at the same point means something else.

Most of them stopped in front of the same wall.

And the three that got past that wall stopped in front of a different one. I'll cover what those walls were in Chapters 2 and 3. It took me a very long time to figure out where the first one was.

○ We Did Not Flip

One thing to make clear before going further. We did not flip to a U.S. entity. We did not convert the Korean corporation into a Delaware company, and we did not move the headquarters. We entered the U.S. market **as a Korean company, exactly as we were.**

At the time I had no idea what that choice would come to mean. I thought entering the U.S. was a market question, not an entity question. If the product is good and there are customers, what does it matter where the company is incorporated? I only began to understand the answer to that question at the fortieth meeting.

○ How We Found 180 Firms

Many readers will wonder about this part, because a 50 percent reply rate does not happen by accident. We did not find these firms by typing "U.S. VC" into a search bar. That list was **built on foot.**

We went to the IR sessions and networking events hosted by Korea Venture Investment Corp. (KVIC), the government-backed fund-of-funds. We asked the people we met there, then asked the people they introduced us to. We got into VC-to-VC networking events and checked firms one at a time. Does this fund look at Korean companies? Is it still actively investing?

Does it invest at our stage? Who is the right person to talk to? That is how the number 180 was assembled. Not a copied search result, but a list confirmed one entry at a time.

The structure behind it was **KVIC's Foreign VC Global Fund program**. Korea's fund-of-funds commits capital to an overseas VC's fund, and in return that fund takes on **an obligation to invest in Korean companies**. I did not fully understand the mechanism at the time, but one thing I confirmed repeatedly in the field: **some VCs had a reason to meet Korean companies, and some had none**. When I went back and verified this later, the condition turned out to be far stronger than I had understood.

Under the 2026 program notice, a selected fund must invest **at least 1.0x KVIC's commitment** in Korean companies. If a Korean VC applies alone, or a Korean and foreign VC apply together as co-GPs, the multiple rises to **1.5x**. This is not a handshake. It must be **written into legally binding documents, the LPA or a side letter**. On top of that, managers must **report their Korean-company investments monthly**, and critically, if a manager failed to meet the mandate on its previous fund, **it loses eligibility or is penalized in the next selection round**. What does that mean? The managers on this list have a reason to meet Korean companies. It is a contract, not goodwill, and if they don't honor it there is no next fund.

I did not know the clauses at that level of detail back then, but I had confirmed it with my own legs. Some VCs gave us more time the moment "Korea" came up; others had no interest from the start. Filtering that difference one firm at a time is what produced 180, and that is why 90 of them replied.

I want to be honest about how long the list took to build. It was not short. Going to IR events, exchanging cards, getting introductions, verifying, and getting more introductions, over and over for several months. The companion database that ships with this book is the product of that time. I built it on foot; you can start with the map in your hand.

And this is where the most important part of the book begins.

I had that list. I knew doors other people didn't know existed. And I still went **0 for 40**. Opening a door and winning inside the room turned out to be completely different jobs.

○ **The First Question They Asked**

It was a hard meeting to get, and I prepared well. I went through the deck again and again and rehearsed what I would say on each slide. As CMO, building the company's story was the thing I

was confident about. Greetings were exchanged, and we started introducing the company. Then the partner asked:

"Why should we invest in you?"

I paused. It sounds strange, but I had not prepared an answer to that question. More precisely, I thought I had, but what I had prepared was not an answer to that question. What we had prepared was a **company introduction**: what we do, how the technology differs, how big the market is, who the customers are. What he was asking for was an **investment thesis**. The two look like they overlap. They are entirely different things.

A company introduction ends with "This is who we are."

An investment thesis ends with "And this is how your money grows."

I repeated the first one forty times.

○ **The Question That Broke Us**

We got past the first question somehow. The problem was the next one.

"If we invest, what multiple do you think we can exit at?"

I answered.

"I think 10x is achievable."

Where did that number come from? Honestly, it was a number that surfaced in the moment, not one that came out of a calculation. I had heard somewhere that early-stage VCs expect roughly that multiple, so I said it. In hindsight, he was not asking for a number.

He was asking for the path that produces the number.

A U.S. VC has two main ways to get money back: a U.S. IPO, or an acquisition by a U.S. company. And we were a Korean corporation, a private Korean company. What path would his money take, over how many years, to come back to his fund at what multiple? I had never once drawn that picture. I could explain the technology. I could explain the market. I could explain the customers.

I could not explain the exit.

And that is why thirty-seven conversations ended at the first meeting.

○ **How I Knew They Weren't Interested**

The signal near the end of a meeting was very simple.

Silence.

No pushback, no follow-up questions, no request for more material. The other side listened while we kept explaining, and asked nothing. At first I didn't read that as bad. I assumed there were no questions because the explanation had been sufficient. I know better now. No questions does not mean they understood. It means **they no longer needed to know anything more.**

A VC who is interested asks relentlessly. Mention revenue and they ask about gross margin. Mention customers and they ask about CAC. Mention market size and they ask about actual share. Mention growth and they ask what capital that growth requires. The moment the questions stopped was the answer.

○ **Forty Pieces of Feedback, One Problem**

So we fixed the deck. One VC said the market section was thin, so we added market data. Another said the market wasn't the issue, competitive advantage was, so we moved competitive analysis forward. Another said the financials were weak, so we rebuilt the projections. For a while I concluded:

"Every VC looks at something different. You can't satisfy all of them."

That is half true. VCs do have different theses and look at different things. But looking back now, I missed something important.

Thirty-seven different pieces of feedback were not thirty-seven different problems.

The proof is that not one of those thirty-seven led to a second meeting. If the problems had really been different, market would have landed with some and financials with others, and at least a few would have advanced. Instead, all thirty-seven ended

at the first meeting. That means **they were almost all declining for the same reason**, and nobody was saying it out loud.

"Your company isn't structured in a way we can get our money out of."

That is an uncomfortable thing to say. It is a comment on someone's country and corporate structure. So they pointed at visible things instead: the market is shallow, the moat is weak, the financials are thin.

I fixed the surface thirty-seven times.

I never touched the bottom.

So what was different about the other three? They got past this first wall. They accepted the exit logic well enough, or at least left room to hear more. Then, in the second meeting, a different wall appeared. One asked about our corporate structure. One asked to open up the entire company. Those stories are Chapters 2 and 3.

○ **So Why Did We Go to America?**

Now I can answer the question. Early on I would have said we went because the market was big. AI is a global industry, and the U.S. has the customers and the capital. I answer differently now. What I actually learned in the U.S. was not the market.

It was that the company we knew in Korea and the company a U.S. investor saw were two completely different things.

In Korea, we were a company with technology. In the U.S., we were an asset with an unclear exit path.

In Korea, our strength was the product. In the U.S., what they saw was our corporate structure.

In Korea, we were a growing company. In the U.S., we were **a company that had not shown it could turn into money within the life of their fund.**

The most painful part was not being dismissed. It was that after forty meetings, **we still didn't know why we were losing.**

○ **If I Went Back Today**

I would reverse the order completely. The first time, I started with VCs. I got a good list, got in the door, booked the meetings, and explained as hard as I could. And I lost forty times. Today I would start by asking:

Who in the U.S. actually needs us?

What is that customer paying today to solve this problem?

If we win that customer, what numbers does it create?

Over what path, in how many years, do those numbers become recoverable?

And only **at the end** would I ask: which VC can invest based on that picture? The list comes last. What comes first is not a list. It is **a picture of the exit**.

○ But the Real Problem Came Next

From forty failures I eventually arrived at one conclusion. The problem was not the explanation. The problem was **structure**. We were a Korean company, and we had to explain recoverability to U.S. investors while remaining a Korean corporation. But as I kept following that question, the question we had to answer changed entirely.

Where should the entity sit?

Where should the IP sit?

What should the shareholder structure look like?

In what form can a U.S. investor actually invest?

At the end of those questions there was a single word.

Flip.

Become a U.S. company, or stay a Korean one? And that decision turned out to be far more complicated than I had imagined. Tax was involved. Existing shareholders were involved. Government grants and IP were involved. Above all, it was **a decision that could not be undone.**

In the end, we did not flip. I still don't know whether that was the right call. What I do know is that what I learned making that decision was more than I learned from forty U.S. VCs. That is the next chapter.

[End-of-chapter note]

The list of managers backed by KVIC's Foreign VC Global Fund program is published by KVIC and anyone can look it up.

What that list contains, however, is two columns: fund name and manager. It does not tell you whether the fund is still deploying, what stage it invests at, what its check size is, whether it has actually invested in Korean companies, or, most importantly, **whether a startup can approach it directly at all.**

I compiled the rest separately. → *K-VIC Global Fund Navigator*

THAT WAS CHAPTER 1

Forty meetings. Four walls. One reordered framework.

The full book follows the same forty meetings through the flip decision, the diligence request, and the valuation that never closed — then rebuilds the order: Customer → Numbers → Exit path → Structure → Proof → Valuation → VC, with 72 checkpoint questions to run against your own company.

02 We Decided Not to Flip — Two Months and \$200,000

03 When an Investor Gets Interested, It Gets Scarier

04 What Is Our Company Worth?

05 After Seeing All Four Walls

06 Find Customers, Not Markets

07 Turning Customers into Numbers

08 Exit Was Never the Last Thing to Think About

09 Flip Only After Strategy Decides

10 Open the Company Yourself, Before the Investor Does

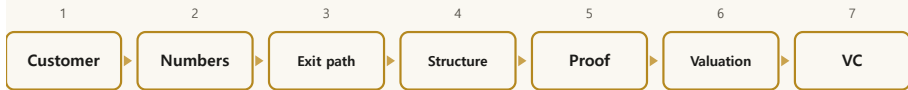
11 Valuation Has a Floor and a Ceiling

12 And Find the VC Last

A Appendix — The KVIC Global Fund: A Map to the Doors

Get the full book — \$19

<https://ventureinsider.gumroad.com/1/failed-us-fundraising>



The VC used to be the starting point. Now the VC comes last.