

Public Cisco TelePresence Suites Enable Foundation Capital to Expand its Investment Portfolio into New Markets

Cisco TelePresence Suites enable an accelerated decision-making process of overseas investment opportunities for Silicon Valley's VC Foundation Capital.

“Public Cisco TelePresence helps us accelerate and scale our venture practice and investment process into new markets and maintain our ability to have frequent engagement with early-stage businesses we are interested in, regardless of location.”

—Ashu Garg, Venture Partner

Background

Foundation Capital has been operating in Silicon Valley since 1995 and manages a US\$2.5 billion investment portfolio. The company is counted as one of the top ten venture capital companies in the world, as measured by return on investment. In Silicon Valley, where Foundation is headquartered, the company is probably best known as one of Silicon Valley's leaders in backing early-stage start-ups in high tech, consumer, and the demand side of the smart grid and energy efficiency markets. As a part of expanding its practice, Foundation Capital has been building an India-focused venture fund for promising businesses with new products for the domestic consumer market in India.

Challenge

Foundation Capital believes that the quality of interactions is extremely important in gleaning intangibles such as passion and confidence in a vision, and believes that perceiving these intangibles is a key part of what it takes to make effective, reliable decisions. This insight requires seeing the faces of prospects, particularly when the culture, geography, and products are so different from Silicon Valley. But transporting a team of 10 to 12 partners 10 thousand miles to India on a regular basis is time and resource intensive for both them and their prospects, to say nothing of the cost. Foundation Capital needed to be able expand into India without having to sacrifice the high quality of its decision-making process and interaction with its investment portfolio overseas. With a lean team of about a dozen partners, the firm was not ready to invest in an in-house system, so the on-demand nature of public Cisco TelePresence™ Suites was an attractive option. In addition, six locations throughout India were available to provide a business-class setting conducive to sharing presentations, collaborating on product development, and obtaining in-depth knowledge about the company's investment prospects.

Ashu Garg, venture partner at Foundation Capital, has a particular investment interest in those early-stage businesses whose products are targeted toward their mainstream population in India. Garg explains the process of finding the right company to invest in by saying, “our investment process in early-stage companies is a contact sport; decisions are not as easy as evaluating financial spreadsheets or a PowerPoint presentation. They're judgments based on the passion and confidence of a person and his or her team's belief in the business they're building. Public Cisco TelePresence helps us accelerate and scale our venture practice and investment process into new markets and maintain our ability to have frequent engagement with early-stage businesses we are interested in, regardless of location.”

Solution and Results

The venture capital firm had used video conferencing before, but found it did not provide the same sense of being there as the public Cisco® TelePresence Suites. All of Foundation Capital's 12 client-facing partners now use public Cisco TelePresence Suites, and they find the quality of the experience to be outstanding. Garg says, "Some video conferencing is quite sophisticated, but using the public Cisco TelePresence Suites makes you feel like you're in the same room with people thousands of miles away. Video conferencing is not like that."

Public Cisco TelePresence Suites have brought tremendous advantage to Foundation Capital beyond the typical travel and time savings. By using public Cisco TelePresence Suites, Foundation Capital has been able to expand its practice into a new market such as India without making significant changes to the company's practice and due diligence process of investing in early-stage companies. Garg says, "What is great about public Cisco TelePresence Suites is that we don't have to change our decision-making process in order to expand into a new market like India. Typically, companies that we are interested in are invited to present their business to the entire Foundation Capital group, and we make a collaborative decision together. It would be almost impossible to accomplish the level of investment activity over long distances without significant travel or a change in our business process."

With public Cisco TelePresence suites, Foundation Capital can still invite companies in India to participate in its investment process and use the same approach in due diligence and decision making as would be used if the Indian company were local to the Foundation. When Foundation has a critical communication need with one of its investment interests in India, or an important board advisory meeting, the communication is easily handled by booking a public Cisco TelePresence Suite. Garg says, "There are very few in-person meetings I would replace with Cisco TelePresence, but there are quite a few phone calls that I could either eliminate or I would rather conduct using a public Cisco TelePresence Suite."

Next Steps

Foundation Capital continues to use public Cisco TelePresence Suites for its overseas prospecting meetings, and the company can easily see a day when board advisory meetings, earnings announcements, and key stakeholder meetings will be conducted using public Cisco TelePresence Suites as locations grow around the world.

For More Information

Public Cisco TelePresence represents a brand-new alternative for face-to-face collaboration by providing life-size, lifelike images and CD-quality sound that rival an in-person experience. Now you can reserve public rooms in global Cisco TelePresence Suites for an hourly fee, enjoying the in-person meeting experience without an upfront investment. For more information regarding Cisco TelePresence Suites or to book your next meeting, please visit <http://www.ciscotelepresencesuites.com>.



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