

Powder Gate LLC is a New York City based investment firm focused on seeding highly unconventional businesses led by uniquely talented individuals

About Us

Early stage investor to outstanding teams set on building monopoly-like businesses that are trying to solve large, non-trivial problems in unorthodox ways. We focus predominantly on US life sciences and tech companies addressing large and right end markets, with at least a minimum viable, preferably a beta-tested product

Powder Gate LLC ("Powder Gate") is backed by a \$1bn family office bpd partners. Typical seed stage check size ranges from \$100-500k. Opportunistically, we invest into later stages (usually within our existing portfolio) through SPVs with investments up to \$5mm

Our Approach

We help legendary businesses led by outstanding entrepreneurs get off the ground. Powder Gate invests into brilliant founders with a singular focus – to advance humanity on a large scale. We understand that companies solving difficult and important problems are often perceived as too unconventional and largely misunderstood in their early innings. That doesn't discourage us. Our contrarian nature and investment philosophy allow us to put capital behind the pioneers that see the world differently and are not afraid to act on their conviction

As a seed investor, we recognize that the vast majority of our portfolio companies will fail. That is why it's so important for us to ensure that we're putting our capital behind the very best entrepreneurial talent going after truly important problems. If they exhaust all the possibilities before calling it quits we only failed partly: (1) the society usually benefits as the future pioneers can learn from the failed attempt and try a different approach; and (2) the very best founders never give up – they will come up with a new problem to solve and eventually succeed, enabling Powder Gate to seed their next venture. We believe that our approach will also generate superior financial returns – companies solving large and complex problems in unique ways tend to have the least competition and the monopolistic industry dynamics create a significant pricing power, making the businesses highly valuable

Let us know if you know of a company and a founder that fit the above description – we are a highly collaborative fast decision maker that shares carry for deal introductions, leaves a portion of its allocation to co-investors and provides a definitive feedback within 48hrs of an intro meeting

Investment Criteria & Questions Founders Can Expect From Us

- Huge end markets with a topline potential of \$250mm+ ripe for disruption
 - End market size analysis
 - Competitive landscape overview: dominant players in your sector; solutions they provide; what makes your solution superior / monopoly-like?
 - Market ripe for your solution and why now?
- Highly differentiated solution creating a new dominant category
 - What is unique and innovative about your solution / what is your unfair advantage?
- Best-in-class talent with the right motivation
 - Why have you chosen the path of a founder? Why are you pursuing this business?
 - Why do you think you have the best technical talent to bring your vision into life?
 - Team's history of working together. If none, please explain why do you believe the new team will work well together
 - How do you think about the company's culture?
- Capture, monetize, protect
 - How is the company going to win a dominant market share?
 - We'd like to see a clear strategy (and ideally an initial success) to winning over a niche market
 - Mass market definition and the strategy to scale and win it over after capturing the niche market
 - How is the company going to make money?
 - Walk us through your business model
 - What are the moats (barriers to entry) of the company?
 - How are you going to protect your market share and keep your unfair advantage intact?
- Financials and Financing
 - Financials of the company overview / break them down in a detail
 - Size of the round and use of proceeds
 - What milestones are you planning to hit before the next round?
 - What other investors are participating in the round and what are the terms / how did you arrive at them?