

URL: <https://ecorner.stanford.edu/clips/aligning-with-investors/>

Trevor Martin, co-founder and CEO of Mammoth Biosciences, encourages biotech founders who are interested in long-term partnerships with investors to look for mutual respect, values alignment, and a track record of working with companies that are built to last.



## Transcript

Participant 1 Mayfield, especially in her sheet 00:00:02,813 when they're looking at, you know, founders, they're looking at people, right? The founders should be doing the same the other direction.. Like, 'cause it is a long journey, right? It's like hopefully like a ten-plus year timeline, so whatever you're talking about at that time, like the tactical part, is probably gonna be completely different, like even maybe a year later.. So like you wanna make sure, you know, you are having a good conversation.. But the more to the point, I think what I always look for is the conversation itself, and like, do you like talking to each other? And like, even if you disagree, like is it feel like you're learning and like you're moving forward and like fundamentally just do you like respect each other mutually? 'Cause there's gonna be times you agree, there's gonna be times you like, you disagree.. If you just always agree, that's probably not a good sign either, right? Because like, clearly like you never disagree on everything.. So I think it's more like looking for someone that can be like a true thought partner, and that as the company's growing, like you can both really, yeah, just like be really in sync in terms of.... So all the VCs are gonna say that we're here to change the world and we wanna be your best friend to come to when you have a discussion.. It's a common narrative.. So if you have multi.... How do you actually know who's actually....

- You have to spend time in my opinion.. And honestly, 00:01:17,130 that's one of the biggest skills you have to develop as a founder, I think, is that intuition, whether you're hiring or you're like finding investors, being able to like see if you have values-alignment, right? 'Cause if you hire someone, you don't have values-alignment either.. Like you're gonna end up in similar problems, so.... - But once you sign the term sheet, 00:01:33,240 you're sort of wedded.. You can't get rid of the investor.. So how do you know if your values are.... - Nonbinding.. But yeah, the definitive agreements.. 00:01:38,400 - Sorry, okay, straight enough, 00:01:40,230 but how do you know if your values are aligned if it takes time to figure that out? - Yeah, so there's the conversations, 00:01:45,480 but then I think other things that are really helpful is just looking at like other entrepreneurs they've worked with and like what are the types of companies they invest in? And like, you know, that speaks for itself, and it doesn't even have to be the same industry, but it's just like, are they building things that tend to, you know, get sold in a couple years? Are they building things that are IPOing and like, you know, really trying to build something that's generational and gonna change the world? And you know, talking to entrepreneurs, that have worked with investors very similar to how, you know, you get diligence to yourself as a founder.. So I mean, all those things that are just going into that funnel of like, is this person someone that I'm like values-aligned with? And whether we agree or disagree on any one tactic,

like are we both shooting for the same goal...