

URL: <https://ecorner.stanford.edu/clips/mental-health-and-raising-capital/>

Andy Dunn, author and co-founder of Bonobos, observes that venture capitalists are becoming increasingly supportive of founders with mental health issues, citing the new Founder Mental Health Pledge as evidence. He encourages founders to wait to disclose mental health challenges until they trust the investor they're working with. The 988 Suicide and Crisis Lifeline is a hotline for individuals in crisis or for those looking to help someone else. To speak with a trained listener, call 988. Visit 988lifeline.org for crisis chat services or for more information. The Crisis Text Line is a texting service for emotional crisis support. To text with a trained helper, text SAVE to 741741. It is free, available 24/7, and confidential.



Transcript

Woman How have you seen the VC and investment community 00:00:08,730 embracing the diversity that we're discussing, especially when it comes to betting on a founder? - Yeah, I would say the VCs that I had that backed me 00:00:17,460 were two Stanford GSB alums.. And I can remember coming out of a board meeting, and one of them from Excel, I said, hey, what, you know, how do you think things are going from your standpoint? And he goes, look, just keep tinkering with every, you know, keep doing what you're doing.. The board was aware that I was in therapy.. The board was aware that I was taking medications.. The board was aware that I was navigating the legal system, and they had my back, which was one of the most healing things.. And so I think actually venture capitalists are used to quote unquote dealing with entrepreneurs.. So they're actually very unfazed I found, and I think the Founder Mental Health Pledge is an example of that.. Like literally just saw it coming to life the last week.. But I do think it's appropriate to wait until a container of trust has been built before you share everything.. And you'll know when that is in your gut..

And if you find you're working with someone or potentially working with someone who's an investor, and you don't feel like that trust, it's an opportunity to think about raising capital from someone else because the right kind of trusting person, loving soul, they're going to meet that with so much grace.. And I got to see that like to a tee from, you know, all three venture capitalists, even the acquiring company in Walmart, I had to disclose what I'd been through.. Picture, you're in a \$300 million sale process, and you have a felony arrest charge on your record.. When do you introduce that? My decision was like right at the end.. You're like, let's get as far along at this deal as we can.. Let me get to know as many people as I can, so that they know me, and then I said, hey, you're gonna find something on the background check, and here's what it is.. And the woman that I described this to from HR turned like pale as a ghost.. And she said the perfect thing.. She said, Andy, I understand.. I also understand how common these challenges are..

Let me talk to the team, and we'll come back to you.. And they talked to the team and said, hey, all we need you to do is just share your medical records from your doctor with an outside psychiatrist who won't be playing anything back to us with specifics other than just an assessment of how you're doing.. And so I said, I asked my doctor, who did they go to? And he goes, it went to the former head of psychiatry for the FBI, and I thought, well, at least we're gonna get a clean read here.. And then I waited on pins and needles for two weeks, and they came back and said, hey, we understand you're taking your meds,

that you're in treatment.. We're so excited to consummate this transaction.. Let's move forward.. And I just started crying because the acceptance from a professional environment to say like we understand you have this issue and how calamitous things were, and we'll still quote unquote, have you, you know, we'll still take you on...