Reflections from Placeholder VC

I am incredibly grateful for the opportunity to have started my venture career with Placeholder VC, under the leadership of Mario Laul, Chris Burniske, Joel Monegro, and Brad Burnham. My two years in the Research Analyst position were imbued with incredible lessons, mental frameworks, and investment principles that I hope to carry forward in my investing journey.

There were numerous valuable frameworks that I've documented, and wanted to use this venue to highlight some of my favorite takeaways.

- **Active Patience vs. Passive Drift**: Observing the Placeholder investment team was akin to watching a hawk patiently wait for the right opportunity to attack. When Chris and Joel chose to remain cautious on private market investments or stayed patient for the right entry point into a public market investment, it was guided by principle. The choice was grounded in a string of logical thought processes that would advise them when to act if the conditions were met. And if they were not met, then they had the satisfaction of missing an opportunity with reason rather than making a hasty decision and regretting its consequences.
- **You cannot make good deals with bad people / Venture is a relationships business**: Technical due diligence and market opportunity mean nothing if you're partnering with someone misaligned on values, integrity, or the potential of what they are building. The best investments are built on trust and aligned incentives over years, and no amount of upside justifies compromising on character or working with someone you fundamentally don't trust or have a cautious gut feeling about.
- **Network truly is your net worth**: A strong network is a compounding benefit. One's ability to source deals, understand markets, and execute at scale is directly proportional to the quality and depth of your relationships. As you back high-quality founders, you attract other founders that want you in their corner.
- **Venture investing is about an alignment between your mind and your gut**: Venture is an interesting confluence of quantitative reasoning for the potential growth of a company and a gut feel about the relationship between investor ¡¿ founder ¡¿ market. Both are improved with practice reps, but one is objectively harder to reason about.
- **Every technology is cyclical, and mature timing creates opportunities for entry**: Execution speed during bull runs is determined by work done in bear markets. Bear markets are akin to basketball timeouts and bull markets are the 1 to 2 minutes after. Whoever is better prepared to execute an intentioned play gets the jump.
- **Investors try to underwrite successful public market comparisons in competitive private markets**: This is a symptom of being late to a pioneering market and a fear of missing out on an otherwise generational opportunity. When everyone is chasing proven playbooks and public market proxies, you're likely already late. True insight comes from being willing to build theses on unproven territories, essentially companies that don't have a public comp because the category doesn't exist yet.
- **Distribution is everything**: I was often blinded by my intellectual curiosity for interesting technical architectures and discoveries without practically considering their path to scale, attract customers, and win revenue. The technology or innovation matters less than one's

ability to reach users, scale adoption, and defend your moat through network effects or switching costs. A personal priority is to almost be reactive to distribution channels, go-to-market strategy, and founder track records that work, rather than theoretically should.

- **Integration, Disintegration, Integration Again**: Markets and technologies tend toward a cycle: an integrated vertical stack emerges and wins, then modular components split out as the market matures and specialized players win in depth. It then reintegrates as winners in the most valuable part of the stack to capture other layers in the technology stack. Understanding where your company sits in this cycle is critical to assessing defensibility and market timing.
- **The 10x Rule**: Marginal improvements simply aren't enough to warrant venture scale business. Businesses built on a single feature as a moat frequently warrant being swallowed by incumbents that own something more valuable: distribution. Venture-scale businesses need to be a material step-function change from one world state with a set of constraints to a new world state with those constraints having disappeared: a 10x improvement.

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