Price and Prayer

An essay on why most ventures die, the two things nobody at the table will say, and why we built VALUATE™

By MARTIN STUDER · July 2026

Abstract

Most ventures do not make it, and we cannot even count them properly, because the counting starts after capital has already chosen. Here is what nobody at the table dares to say: the founder does not believe the valuation on the slide, and the investor does not believe it either. One is performing certainty. The other is pricing the odds of losing everything. So we haggle over a price for something that does not exist yet, and call it raising capital. But price is a cheque. Value is a journey of establishing facts. Build the evidence first, sell the equity second. That is the road out of the many and into the few. It is why we built VALUATE™. It is why price and a prayer will never get you to shore, and disciplined valuation will.

Price and Prayer

I will start with a number I cannot prove, and then I will tell you why nobody can: 95%

10’259 British companies raised seed money between 2019 and 2022. Four in a hundred have been acquired. A third are still sitting exactly where they started. Another third are dead, dormant or gone.[1]

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[1] Beauhurst, *"The Walking Funded: Inside the UK's Zombie Company Problem,"* June 18, 2026, https://www.beauhurst.com/blog/walking-funded-zombie-startups/. Cohort of 10,259 United Kingdom companies that raised seed equity between 2019 and 2022, drawn from Companies House filings and transaction records: 34% remain at seed stage, 34% have progressed, and 32% are dead, dormant or exited, of which 4% by acquisition. More than 76% have flat or declining headcount. Seed to Series A now averages 29 months against 18 months in 2019. This is a United Kingdom cohort; no equivalent pan-European dataset is published.

Now hold that against what it leaves out. Every company in that count had already cleared a bar. Someone external had already written a cheque. The ventures that never got that far, the ones that ran on savings and evenings and a founder's own conviction and stopped somewhere short of a first round, appear in no dataset in Europe. There is no register of them. No conversion rate is published for the step before seed.[2] The measurement begins after capital has already chosen.

So when I say 95%, I am not citing a study. I am telling you the true figure is worse than the one I can source, and that the reason I cannot source it is the whole of my point. These founders are not merely unfunded. They are outside the frame of every number this industry quotes about itself.

Call them the 5% and the 95%. I will use the shorthand throughout, and you will know what I mean.

We know this. Founders know it. Investors know it. And every Monday we walk into a meeting and act as though we are all in the 5%.

The two things nobody will say

I have spent years in those conversations, on both sides of the table. Let me tell you the two things nobody in them will say.

First. The founder does not believe the number on her slide. She picked it some weeks before, backwards. How much do I need, how much can I give away. Out came something dressed like a valuation. Not found. Reverse-engineered. She knows it. Most likely she not even know that this is not how it should be done.

Second. The investor does not believe it either. He has done this 99 times. He knows most of what he funds dies. He is not buying her dream. He is managing the odds of losing everything. And he will not say it, because that is not how the game is played.

Now here is the part I could not have told you five years ago, because the market had not yet confessed it in writing.

Roughly three in ten European financing rounds are now done as convertibles rather than as priced equity. The lawyers who count these things give the reason in plain language: founders use them to delay agreeing a valuation.[3] Read that again. The market has built an instrument whose purpose is to postpone naming the price. Both sides sign it. Both sides prefer it. That is not a loophole. That is a confession, executed in counterpart.

So two people sit across a table, each faking a certainty neither one has, and they fight over the price of something that does not exist yet. Then, increasingly, they agree not to fight about it at

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[2] No European register of pre-external-capital ventures exists, and no reliable European pre-seed to seed conversion series is published; the figures in general circulation are United States data. The claim that 90% of startups fail is not traceable to a published methodology and is not used here. The nearest official European measure is the Eurostat five-year enterprise survival rate of 46.1% for the 2015 birth cohort, which covers all enterprises rather than venture-track companies. The nearest venture-track comparator is Carta's finding that approximately 62% of its 2018 United States cohort had shut down within seven years. Both are offered as orientation, not as the figure.

[3] Orrick, Herrington & Sutcliffe, *Deal Flow 6.0*, March 31, 2026, https://media.orrick.com/Media%20Library/public/files/insights/2026/orrick-deal-flow-6-report.pdf, and *European VC Deal Term Review 2023-24*. Convertible instruments rose from 17% of European rounds in 2022 to approximately 30% in 2025. Orrick attributes their use in part to founders seeking to delay agreeing a valuation. Based on more than 400 European venture and growth transactions across the United Kingdom, France, Germany and Italy, drawn from the firm's own client base, which skews toward companies with institutional counsel.

all, and to have the argument later, when there is more at stake and less room, while the loan will convert into equity in most cases without further negotiation.

We call it raising capital. Or worse, collecting money. It is closer to two strangers haggling over a house that has not been built, on a street with no name and in a territory that yet has to be secured.

And then we act surprised by the 95%.

What actually kills them

I have stood at those gravesides. Most of the 95% did not die because the idea was wrong, or the market too small, or the founder not good enough.

They died of waiting.

The interval from seed to Series A in Britain now averages 29 months. In 2019 it was 18.[4] Across Europe, the share of companies raising their next round within fifteen months halved after the funding peak, from 30 in a hundred to 16.[5] A third of that seed cohort is still sitting at seed, years later, burning the runway that was raised to buy them one.

They were not rejected. Most were never answered.

When someone eventually writes the post-mortem, seven in ten say the company ran out of capital.[6] The people who compile those post-mortems add a caution that almost nobody quotes: running out of capital is the final cause of death, not the root problem. Something else happened first, months earlier, and the money simply kept the room warm until the truth arrived.

Hold that. A venture does not usually die of a verdict. It dies of an interval. And the founders inside it discover the gap that stopped them long after the point at which closing it was affordable.

Price, and value

We have mixed up two words.

Price is a cheque. You write it on a Tuesday. Value is what the thing becomes, over years, if it becomes what it could. A cheque is a moment. Value is a journey of establishing facts. And still we burn all our energy and credibility fighting over the cheque.

Here is what people get wrong. Valuation is not a spot landing. It does not happen at the exit, or the round, or the deal. It starts the moment the plane leaves the gate, before the taxi, before the runway, before you are anywhere near the air. Value is built from the first push-back from

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[4] Beauhurst, *"The Walking Funded."* Seed to Series A in the United Kingdom now averages 29 months against 18 months in 2019, an increase of 60%, on the same cohort of 10,259 companies.

[5] Atomico, *State of European Tech 2024* (London: Atomico, November 2024), chap. "Investment Levels," https://2024.stateofeuropeantech.com/chapters/investment-levels. Comparison is between the second quarter of 2021 to the third quarter of 2022 and the period following.

[6] CB Insights, "Why Startups Fail: Top Reasons," March 5, 2026, https://www.cbinsights.com/research/report/startup-failure-reasons-top/. Analysis of 431 venture-backed companies that publicly shut down since 2023, of which 385 had identifiable reasons; companies may cite more than one. Running out of capital was cited in 70% of cases. The dataset is global and skewed toward the United States, and toward shutdowns accompanied by a published post-mortem. The observation that running out of capital is the final cause of death rather than the root problem is CB Insights' own.

the gate, or it is not built at all. By the time everyone is craning to watch the landing, the flight was won or lost hours ago.

The investor's side of this is worse than most founders imagine, and it should be said out loud in mixed company.

Fewer than three European venture funds in ten, across the 2002 to 2020 vintages, have returned more than the money paid into them.[7] Take an identical set of 149 European funds and watch them across a full calendar year: distributions moved from 0.32 to 0.33.[8] In 2025 European venture firms put €19.7 billion into 4,827 companies and took €3.2 billion back out, at cost, from 1,211.[9] Capital goes in at roughly six times the rate it comes back.

So when I say the investor across the table is managing the odds of losing everything, I am not being dramatic. They are doing arithmetic.

Two people, both afraid, both pretending otherwise, negotiating a number neither believes. That is the room. That is what we have normalised.

Build the evidence first. Sell the equity second.

If value is evidenced rather than argued, then the moment to sell equity is the moment there is evidence to price. Not before.

I mean this practically. Bootstrap to a paid proof of concept. Get to the point where somebody who owes you nothing has paid you money for the thing you intend to scale, because that is the first fact in the story that is not an opinion. Then raise, against evidence, at a price that can be defended.

Raising before that point is not simply expensive. It is the act that manufactures the fake number. A valuation with nothing to value has to be reverse-engineered, which is precisely the confession I opened with. You cannot price evidence you have not produced, so you price the story instead, and then you spend 18 months trying to become worth what you already sold.

This is not a contrarian position. It is a description of what the market already requires and forgot to announce. In 2010, fifteen in a hundred companies raising a Series A had revenue. By 2018 it was 82. By 2023 it was 92, with three quarters of seed rounds going to companies already earning money.[10] The bar moved by nearly six times in thirteen years. Nobody sent the 95% a letter.

And here is the finding that should stop anyone who believes capital is what makes a company good. Researchers looked at ten and a half million American companies and asked

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[7] British Business Bank, *UK Venture Capital Financial Returns 2025* (Sheffield: British Business Bank, December 2, 2025), https://www.british-business-bank.co.uk/sites/g/files/sovrnj166/files/2025-12/uk-vc-returns-2025-report.pdf. Across the 2002 to 2020 vintages, 29% of funds in Europe outside the United Kingdom and 30% within it have returned more than paid-in capital, against 43% in the United States. Sample of 210 United Kingdom funds, 292 in the rest of Europe and 1,358 in the United States.

[8] British Business Bank, *UK Venture Capital Financial Returns 2025*, comparing the 2024 and 2025 editions on an identical sample of 149 funds.

[9] Invest Europe, *Investing in Europe: Private Equity Activity 2025* (Brussels: Invest Europe, May 7, 2026), https://www.investeurope.eu/media/2icnrmzc/20260507-invest-europe-activity-data-report-2025.pdf. Divestment figures are stated at original investment cost rather than market value.

[10] Wing Venture Capital, "V21: 2023, The Year of Market Divergence," June 26, 2024, https://www.wing.vc/content/v21-2023-the-year-of-market-divergence, and "Seed Is the New A, A Is the New B," April 25, 2019. Analysis of 11,381 financings at 5,598 companies between 2010 and 2023. Share of Series A companies generating revenue: 15% in 2010, 82% in 2018, 92% in 2023; 75% at seed in 2023. The universe is first investments by 21 leading venture firms and is therefore United States-focused and selected toward the top of the market rather than a random sample. The live exception is generative artificial intelligence, where 45% of seed rounds went to pre-revenue companies against 21% elsewhere.

one question. Does venture money make companies succeed, or does it just find the ones that were going to succeed anyway?

Start with the crude comparison. Companies that raised venture capital were about 500 times more likely to reach a large outcome than companies that did not. That looks decisive. It is also meaningless, because investors choose who to fund. So the researchers scored every company on what could be seen the day it was founded, before any money changed hands. Then they compared like with like. Companies that raised, against companies that looked identical on day one and never raised. The 500 became five. Among the strongest companies, 2.4. And of the companies that grew large without ever taking venture money, more than half sat in the top five per cent most likely to have attracted it. They looked, on day one, exactly like the ones investors go on to pick. They simply never took the cheque.

Raising money is mostly a consequence of being good. It is not what makes you good.[11]

The arithmetic of waiting is just as plain, and you can do it on the back of an envelope. Every round you raise, you sell a slice. In practice the slice is about a fifth each time. Seed takes around 19 per cent. Series A takes around 18. So a founder who raises seed, then Series A, still holds about 66 per cent of the company when the A closes.

Put a pre-seed round in front of that, and you sell a slice earlier as well. Now the same founder holds about 52. That is fourteen points of the company, gone. And the round that took them has a median size, in Europe, of €700,000. Put it in money. If that company is one day worth €100 million, those 14 points are €14 million. You paid €14 million for €700,000, and you paid it years before you knew whether the company would be worth anything at all.[12]

I will give you the honest counterweight, because a number that only cuts one way is a sales pitch. Fourteen points of a large outcome is enormous, and it is worth nothing if there is no outcome. Given how few companies clear the next round at all, the expected cost of that early money is far smaller than the headline suggests. Early equity is cheap in advance and ruinous in hindsight, and the asymmetry is the argument, not the multiple.

And I will give you the strongest evidence against me. The cleanest causal work available finds that early angel money raises the probability a company survives, by around 25 points at the threshold.[13] The best European study of the question finds that venture capital's effect on growth is front-loaded, arriving immediately after the first round. Waiting delays the benefit as well as the dilution. Neither of those results is small, and neither has been answered. In fact nobody has ever properly tested the claim I am making, because no study compares ventures that raised before a paying customer with ventures that raised after, controlling for who they

[11] Catalini, Guzman and Stern, "Hidden in Plain Sight: Venture Growth with or without Venture Capital," https://tuck.dartmouth.edu/uploads/centers/files/Hidden_in_Plain_Sight.pdf. Sample of 10,451,896 United States firms across 34 states, 1995 to 2005, matched on an ex-ante entrepreneurial quality index. Raw likelihood of a growth outcome for venture-backed firms approximately 500 times higher; matched on quality, approximately 5 times; for firms in the top 0.1% of quality, 2.4 times. 54% of firms achieving growth outcomes without venture capital ranked in the top 5% of the venture-likelihood distribution. Matching rather than experimental identification; United States; 1995 to 2005 cohort.

[12] Founder ownership at Series A close is derived from Carta dilution medians of 19% at seed and 18% at Series A (United States, software-weighted, 12,435 rounds January 2021 to May 2025, https://carta.com/data/founder-ownership-2026/) and European pre-seed dilution implied from PitchBook, *Q1 2025 European VC Valuations Report*, May 19, 2025, where median European pre-seed pre-money is EUR 2.4 million against a median deal size of EUR 0.7 million, implying 22.6% dilution. No published European founder-dilution median exists; these figures are implied from unpaired medians and the two geographies are not directly comparable.

[13] Kerr, Lerner and Schoar, "The Consequences of Entrepreneurial Finance: Evidence from Angel Financings," *Review of Financial Studies* 27, no. 1 (2014). Regression discontinuity at the angel-group funding threshold, sample of 130 ventures, United States. The European finding on front-loaded venture capital effects is Bertoni, Colombo and Grilli, "Venture Capital Financing and the Growth of High-Tech Start-Ups," *Research Policy* 40, no. 7 (2011), 538 Italian new technology-based firms.

were to begin with.[14] I am giving you a discipline, not a proof, and you should know the difference.

One paragraph for the exceptions, because they prove it

Somebody will say this cannot apply to medtech, or biotech, or anything where the proof itself costs a fortune before a customer can exist. Those industries are not the norm, but the objection deserves an answer, and the answer is that they are the strongest case for the discipline rather than the exception to it.

In those sectors the paying customer is replaced by a gate. A clinical phase. A regulatory approval. A qualified pilot. Effort converts into passing a defined threshold, and the market has a price for having passed it. Look at what large pharmaceutical companies actually pay to license an asset. The median cash paid on signing rises about fourteen times between a discovery-stage platform and a Phase III asset, from $51 million to $700 million. Over the same span the headline deal value, the number in the press release, rises less than twice.[15] And when researchers tracked more than 200 preclinical assets for nine years, they had realised under a fifth of the value announced when the deal was signed.[16]

Read that carefully, because it is the whole talk in one statistic. In the industry most dependent on future promise, the cash tracks the evidence and the promise is mostly never paid. The market already prices on proof. It merely talks in stories.

Now let me tell you about the five

The five are almost never the best pitchers. I wish polish was what saved you. It is not.

I want to be careful here, because this is where every speaker reaches for a flattering theory and most of them are wrong. So let me give you what the evidence supports, including the part that is uncomfortable.

Investors will tell you the team is the decision. Ask 885 of them and 95 in a hundred say the team matters, and 47 in a hundred say it is the single most important factor. The same study finds the team named in 96 per cent of the successes and 92 per cent of the failures.[17] A factor that explains every outcome in both directions explains nothing. That is not judgement. That is attribution.

And when the market cannot measure the thing it says it cares about, it reaches for a proxy.

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[14] No study compares ventures that raised before a first paying customer with ventures that raised after, controlling for selection. The bootstrapping literature is descriptive rather than outcome-oriented, and every bootstrapped-versus-funded comparison in it is correlational, with bootstrapped firms self-selected on founder human capital, network structure and perceived access to capital.

[15] J.P. Morgan, *Q2 2026 Biopharma Licensing and Venture Report*, July 16, 2026, https://www.jpmorgan.com/content/dam/jpmorgan/documents/cb/insights/outlook/jpm-biopharma-deck-q2-2026-2.pdf, using DealForma data through June 30, 2026. Oncology assets, big pharma in-licensing, 2024 to first half 2026. Median upfront cash and equity: platform or discovery $51 million (n=31), preclinical $45 million (n=7), Phase I $80 million (n=5), Phase II $100 million (n=7), Phase III $700 million (n=5). Median total deal value over the same span rises from $1.0 billion to $1.9 billion. The clinical-stage cells rest on single-digit deal counts and should be read as medians of few observations rather than as tight distributions.

[16] Recon Strategy, "Preclinical Licensing Deals: Realized Value," April 18, 2025, https://reconstrategy.com/2025/04/preclinical-licensing-deals-realized-value/, tracking 229 preclinical assets licensed between 2010 and 2015 through to 2024. Assets realised under 20% of announced total deal value even nine years after signing, ranging from 5 to 7% for novel or unspecified targets. The strongest predictor of realised value was the competitive landscape rather than development stage.

[17] Gompers, Gornall, Kaplan and Strebulaev, "How Do Venture Capitalists Make Decisions?", *Journal of Financial Economics* 135, no. 1 (January 2020): 169-190, https://www.nber.org/system/files/working_papers/w22587/w22587.pdf. Survey of 885 institutional venture capitalists at 681 firms, conducted November 2015 to March 2016. The study measures stated beliefs rather than realised outcomes, which is precisely why the symmetry between success and failure attribution is informative.

Look at the best available European study of who actually reaches Series A. 51'722 seed-stage companies, four countries, eleven years. The single strongest observable predictor is not the degree and not the logo on the old business card. It is having worked inside a company while it scaled, from seed through Series C. That roughly doubles the odds, from about 23 in a hundred to 46.[18]

Now hold it up to the light. People hired into fast-scaling companies were pre-selected by those companies. When they leave, they take the investor relationships with them. The number is real, and what it largely measures is proximity to capital, not the ability to build. Working at a very large technology company gives the same uplift as working at a seed-stage startup, which tells you the market is not reading capability at all. It is reading who has already vouched for you.

So we keep saying that nine in ten founders are less fundable.

They are not less fundable. They are unmeasured.

Here is the finding that should change how you think about this. Across 70 studies and nearly 25,000 entrepreneurs, what a founder can demonstrably do predicts success more than twice as well as where they studied and how long they served.[19] Twice as well. And the market screens on the second, because the second is visible on a page and the first takes work to establish.

The market is not lazy. It is short-sighted. It reads the cheap signal because the better signal costs something to produce.

The five are the ones who paid that cost. And you can see it in what they know about their own business. In a survey of 470 founders, those confident in their unit economics were dramatically less likely to end up in a poor outcome, and confidence in the path to profitability moved the odds further still. Who funded them predicted nothing. Neither did the prestige of the investor, nor the founder's age, nor the school, nor the MBA.[20]

Knowing where you stand is the variable. Everything else is decoration.

Uncertainty does not kill a venture. Hidden uncertainty does. A named risk you can retire. A hidden one takes you out at month 18: truth arriving too late, money gone, trust gone.

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[18] Antler, *Europe's Growth Stage Founder Factories*, July 15, 2026, reported in Sifted, https://sifted.eu/articles/europes-real-founder-factories, and Tech.eu, https://tech.eu/2026/07/15/scaling-startups-create-europe-s-most-successful-founders-antler-finds/. Sample of 51,722 seed-stage companies in the United Kingdom, Germany, France and Sweden raising seed rounds between 2010 and 2021. The Series A rate rises from approximately 23% to 45.6% for founders with seed-to-Series-C scaling experience, and to 55.3% for those who remained through Series B and beyond. Experience at a very large technology company and at a seed-stage startup produce the same uplift, 33% each. This is practitioner analysis: no methodology is published, no controls are stated, it is not peer reviewed, and the publisher recruits founders of this profile commercially. It is treated here as a pattern requiring interpretation and not as an effect size. Two mechanisms plausibly account for much of the effect and neither is building ability: candidates hired into scaling companies were pre-screened by them, and departing employees inherit the investor relationships of the company they helped scale.

[19] Unger, Rauch, Frese and Rosenbusch, "Human Capital and Entrepreneurial Success: A Meta-Analytical Review," *Journal of Business Venturing* 26, no. 3 (May 2011): 341-358, https://strathprints.strath.ac.uk/35466/1/Unger_Rauch_Frese_Rosenbusch_2011.pdf. 70 independent samples covering 24,733 entrepreneurs. Human capital outcomes, meaning demonstrated knowledge and skills, correlate with success at .204; human capital investments, meaning education and years of experience, at .090; the difference is significant at $p < .01$. The constituent studies are predominantly cross-sectional surveys subject to common-method and publication bias, both of which inflate rather than deflate these estimates.

[20] Eisenmann, "Determinants of Early-Stage Startup Performance: Survey Results," Harvard Business School Working Paper 21-057, October 27, 2020, https://www.hbs.edu/ris/Publication%20Files/21-057_0c4f5410-3dcb-4c2f-8c4e-6fcbc358b92f.pdf. Survey of 470 United States startup chief executives, companies founded from 2013, first major round between $500,000 and $3 million. High confidence in lifetime-value and acquisition-cost estimates was associated with a fall in the probability of a low-valuation outcome from 18% to 2%; high confidence in the path to long-term profitability from 36% to 2%. Funding type, elite investor backing, strategic partnerships, founder age, education and possession of an MBA were not predictive. Self-reported, 17% response rate, and survivorship-skewed with 89% of respondents still operating.

But who tells the founder where they stand? And does an outside read actually help, or is it just one more opinion?

There is an answer, and it is measured. 6,000 ventures had entered startup competitions, where panels of experienced judges assess each company on its team, its technology and its plan, and place them in order, strongest to weakest. A researcher went back and tracked what became of them all. The order held. A venture sitting one tenth higher up the judges' ranking was nearly two percentage points more likely to go on and raise outside money. Those same competitions also handed out prize cash. $10,000 moved a company's odds by about one point. Being seen clearly was worth more than being paid. That is not a slogan. It is a measured result.

And the obvious objection does not survive. You might say a good ranking simply becomes a signal that investors follow, a prophecy fulfilling itself. But the rankings stayed predictive in competitions where the scores were never shown to anyone. The judges were not creating the outcome. They were seeing something that was already there, and that nobody else had troubled to look for.[21]

An honest outside read is worth more than the money. That is not a slogan. It is a measured result.

A navigation, not a negotiation

Now picture the meeting differently.

Founder and investor, same side of the table, same map. Here is where this thing stands today. Not the flattering version, not the brutal one. The real one. Here is where it is going. And here, between them, is the road: the few things that have to become real to get from here to there.

The gap between where you are and where you want to be is not a fight to win. It is a road to walk. Together.

That is the exchange I care about. Not money for equity. Performance, for trust. Trust is the exchange rate between price and value, and almost nobody trades in it.

And it asks something of the investor too. The angel. The family office. The smaller fund, the ones close enough to matter.

I say this with sympathy, because the numbers say you are outgunned. Three quarters of family offices report that they do not have the in-house capability to analyse private markets to the standard they want. More than half run investment teams of fewer than five people. And 83 in a hundred of their venture investments are made alongside somebody else, which is a solution to the problem and also an admission of it.[22]

You do not need a bigger team. You need a better instrument.

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[21] Howell, "Reducing Information Frictions in Venture Capital: The Role of New Venture Competitions," *Journal of Financial Economics* 136, no. 3 (2020), https://www.nber.org/system/files/working_papers/w23874/w23874.pdf. Sample of 6,023 ventures. A one-decile improvement in judge rank is associated with a 1.8 percentage point increase in the probability of external financing, against approximately 1 percentage point for a $10,000 cash prize. Ranks remain predictive in competitions where no feedback is given. The same study finds that team-quality scores predict early-stage financing and survival, while technology and product scores are what predict acquisition and public listing.

[22] BlackRock, *2025 Global Family Office Survey*, June 16, 2025, sample of 175 single family offices representing approximately $320 billion; Goldman Sachs, *Family Office Investment Insights: Adapting to the Terrain*, 2025, sample of 245 family offices of which 26% are in Europe, the Middle East and Africa; PwC, "Five Trends in Family Office Investments in Startups," January 23, 2025. All three datasets are global rather than European.

So stop doing what this industry made normal. Price it, wire it, pray. Fire, and forget. Be a gardener, not a gambler. Back a direction, not a number. Then stay. And help it grow.

I am not asking you to go soft. This is harder. And it is how the five are made.

Why we built it

Trust needs a place to be traded. That is why we built VALUATE. Because it was missing. Because it is needed. Because it saves lives, founders and investors both.

I will tell you what it is not, since that matters more than what it is. It is not a prediction of who will win. Nobody can do that honestly, and anyone selling it should be asked for their evidence.[23] It is an instrument for establishing what is true about a venture, early, in a form that survives the meeting it was made in, so that the founder knows the distance remaining, the routes to take, and the investor can read the same journey without walking it again.

That is a smaller claim than the market is used to hearing. It is also the only one worth making.

The turn

You came for a read about valuation. This was never about the number. It is about who is telling the truth.

And most of you already know which one you are. The 95%, or the 5%. You knew before you read the first line. You just will not say it out loud.

Here is the bridge between them. The 95% lead with a story. The 5% lead with the evidence, and let the story earn its place behind it. Position the facts ahead of the pitch. Price on what you can prove, not on what you can sell.

That is the road out of the 95% and into the 5%. That is what it means to valuate.

So do not clap. Go find your map, the honest one, the one you have been dodging. And when it shows you something you cannot unsee, do not look away.

That is where it all starts.

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[23] No commercially available founder-assessment instrument has published peer-reviewed, out-of-sample validity against venture outcomes, and the general validity coefficients for personnel selection on which such instruments usually rest were revised downward by 0.10 to 0.20 across most predictors in Sackett, Zhang, Berry and Lievens, "Revisiting Meta-Analytic Estimates of Validity in Personnel Selection," *Journal of Applied Psychology* 107, no. 11 (2022): 2040-2068, https://doi.org/10.1037/apl0000994, and were validated for employee job performance rather than entrepreneurial outcomes in any case.

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This essay is part of a broader collection exploring how valuation, healthspan, collaboration, longevity, and biodiversity can be re-aligned with the rhythms of life, at a pace that enables regeneration rather than exhaustion.

The purpose of this compendium is to:

- Contribute meaningfully to public discourse on systems change and intergenerational strategy
- Offer fresh language and framing for leaders navigating complexity
- Share what we are learning, unlearning, and building in real time

We welcome dialogue, respectful critique, and collaboration, to deepen a shared understanding of what it means to steward coherence in a time of disruption.

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Martin Studer, author of “VALUATE™ - a founder / investor framework” to valuate European start-ups, is an entrepreneur and impact investor focused on sustainability and longevity. Trained as an economist and certified public accountant, he brings decades of leadership experience in finance, governance, and executive management. As founder of Bluerain Partners, a Swiss family office, he works globally on projects spanning climate resilience, healthspan innovation, and intergenerational stewardship.

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We engage globally in projects that span climate resilience, health span and longevity, and the evolving nature of work and technology. We do so through investing, advising, governance, and venture development, always with an emphasis on coherence across generations, disciplines, and geographies.

These essays are authored by Martin Studer in a personal capacity. They reflect his experience, reflections, and aspirations, and may not necessarily represent the formal positions of Bluerain Partners Group AG, its subsidiaries, affiliated projects, or partners.

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