Case Study:

Cendana Capital's Need for a Scalable Data Management Solution Leads Them to Altvia

"We save hours on creating our Monday reports and expect the same kind of efficiency boost with each year's annual meeting."

Kelli Fontaine
Partner

CENDANA CAPITAL OVERVIEW

LOCATION:
San Francisco, California

INVESTOR TYPE:
Venture Capital

INVESTMENT STAGE:
Seed & Early Stage Venture

FOUNDED:
2010

 # OF EMPLOYEESS:
10

PARTNERSHIP SUMMARY

IMPLEMENTATION
- Data Management
- Communication Tools
- Secure Engagement

YEAR IMPLEMENTED:
2018

 # OF USERS:
6

ABOUT CENDANA CAPITAL

Based in San Francisco, Cendana Capital invests in seed venture capital funds. Its investments include: 01VC, 11.2 Ventures, Accelerator Ventures, Acrylic Capital Management, Angular Ventures, Better Tomorrow Ventures, Blackbird Ventures, Bolt VC, Bowery Capital, Cake Ventures, Chapter One, Cherubic Ventures, Collaborative Fund, CRCM, Dynamo, Engineering Capital, Entree Capital, Essence Venture Capital, Forerunner Ventures, Form Capital, Founder Collective, Freestyle Capital, Golden Ventures, IA Ventures, Iterative, K9 Ventures, Lerer Hippeau, Lowercarbon, Maya Capital, MHS Capital, Moonfire, Moxxie Ventures, Mucker Capital, Neo, NextView Ventures, Notation Capital, PivotNorth Capital, Rackhouse Venture Capital, Rhapsody Venture Partners, Root Ventures, Saama Capital, Schematic Ventures, Script Capital, Silicon Valley Data Capital, Spider Capital, Susa Ventures, System.One, Uncork VC (fka SoftTech VC), Virtue, Wave Capital, and XYZ Venture Capital. Cendana Capital tracks 100 fund investments and over 2200 companies.

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THE CHALLENGE

Cendana Capital started as a small shop— with one founder and then just two people—and got by using Excel, email, and other tools to capture and maintain data. This included what they called their "master portfolio sheet" for company-level data and a separate sheet for tracking fund-level data and Cendana's performance. Then there were sheets with information on LPs and GPs.

It was difficult to manipulate the data, there were filtering limitations that affected the number of coinvestors that could be tracked, and other challenges with this approach. In short, the firm didn't have a cohesive data management strategy or the technology to support one—that is, until Kelli Fontaine joined the firm.

Starting at Cendana Capital in 2018 as the firm's Chief of Staff, Fontaine became a partner in 2020. She brought with her a background in finance and also expertise in data management, having used Microsoft Access in her first job to query data and get the answers she needed to do her work.

She went on to tackle projects like helping her next employer, RPX (one of the first true "unicorns"), create an actuarial model that would enable them to develop an insurance product. RPX also relied heavily on Salesforce in many operational areas. Working with the platform while also creating SQL databases, showed Fontaine the value of having a database you can query but that pulls much of the data from Salesforce—in other words, she recognized the power of building solutions on top of Salesforce.

That said, when she started at Cendana Capital, she initially looked for something other than Salesforce since, like every platform, it has areas where it's "a little clunky." Her three-month diligence process included considering plug-and-play solutions that were "pretty" but, as she learned, didn't allow for any type of customization.

So, she took a step back, looked at the firm's many data tables, and mapped out the workflows she wanted to enable, and the solution architecture that would be needed to support them. Then, a search for advanced, industry-specific solutions brought up Altvia.

"Altvia's solutions had more than 50% overlap on what I was envisioning for our firm," she says. "That was different from anything else I'd seen." That statement includes DealCloud, which was the runner-up in her assessment but wouldn't have allowed the firm to continually enhance its solution through the multiple phases she knew would be coming.

"After looking at the options out there, I said to myself, 'Altvia gets it.'" She also put a high value on the fact that Salesforce "integrates with anything and everything." Plus, while Cendana had been using a product that automatically logged into the many portals they needed to access and download statements, Altvia solutions would allow the firm to create powerful dashboards since it would maintain its own database.

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THE SOLUTION

With several Altvia products in place and delivering value, Cendana Capital has a plan for enhancing that value with various projects going forward. "Right now, our LP facing dashboards just have cap statements. In version 2.0, we may show things like sector composition, top holdings in the fund, etc.," Fontaine says. "We'll be able to say much more than just, 'Here are the managers we're invested in.'"

Fontaine tried using Tableau but found that it wasn't porting over custom fields and was, in general, very difficult to use. That's when she realized that Altvia's data analytics tool could meet the firm's needs. "Answers has been the solution to what every GP wants: 'Can't I just click a button to get the information I need?' Previously, that wasn't an option. But with Answers' filtering capability, GPs can do exactly that. If they only want to look at Fund 1, they can."

Spotting Trends Is Crucial

For its portfolio, Cendana Capital wants to know where the market is going. Now they can look at their data and see trends that help managers adjust their portfolio construction for round size changes, exit outcome expectations, etc. "Because venture capital is a long game—10 to 15 years—having metrics to quantify along the way and to be able to compare, contrast, and benchmark is very important to us," Fontaine says.

"And when it comes to getting information from managers, Altvia lets us ask 20 questions in the time it would take in Excel to ask one. We're able to do much deeper diligence faster. In fact, we have GPs who were formerly heads of data science at large, enterprise companies that look to us for our data."

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THE SOLUTION

Access to Qualitative Insights is Unique to Altvia, Vital to Cendana Capital

The fact that Altvia enables a digital, consumer-like experience for LPs that creates transparency and builds trust is also important to Cendana Capital, as is the way the solutions streamline internal interactions. Not only does the firm have access to quantitative data, it now has a place to record, and later retrieve important qualitative data.

"Being able to tag companies with qualitative observations is huge for us," Fontaine explains. "None of the other companies I looked at provide that capability. And because we can do it with Altvia, we can find intersections like, for example, where a specialty chemical company and a technology company have common interests, such as the tech company providing an interface that the chemical company needs."

Easy access to data is also helping Cendana Capital as they look to expand their focus to international funds. "When we look at new managers, we want their portfolio to be accretive," says Fontaine. "We don't want redundant portfolios."

Another benefit of Cendana Capital having tremendous control over both their quantitative and qualitative data is that they're getting interest from follow-on capital. Late-stage funds are asking for monthly calls so they can stay informed about what's happening with the firm's portfolio.

A Data Expert's Advice to Industry Peers

As for Fontaine's advice to her industry peers, she emphasizes that it's important to look beyond your immediate needs when choosing a solution.

"You have to think about more than just the problems in front of you today. That's why having Salesforce as the foundation is so helpful," she says. "There's always something that integrates that can meet a new need you have. Altvia enables us to manage the depth and breadth of our data, and visualize it in ways that help us expand our network."

She also stresses the value of being supported by a team that understands your processes and goals.

"Having people at Altvia who understand each step of our data process has allowed us to continue to build because of the knowledge of our data stack and organization. We aren't starting from ground zero every time we want to expand or do something new," she says. "If we were trying to implement the LP portal or Answers without Altvia's team having intimate knowledge of our data architecture, objectives, team, etc., it would have taken so much longer. So, getting to build on the platform is huge but also building with the same team and company is equally as impactful to us."