Throughout the pandemic, many large corporations became unhinged and surprisingly turned to the successful startup blueprint to confront problems across the enterprise and meet growing demand.

The pandemic has slowed some economic trends, while speeding up others, compressing multi-year adoption cycles into months.

Through the shake-up and ongoing recovery, large corporations, typically not the nimblest, are partnering with startups to meet challenges across the enterprise, as well as new and growing demand.

Faye Sahai, an innovation advisor, startup investor, VC and business matchmaker, contends many legacy brands and other blue chippers lack the necessary tools and experience to successfully work with startups and incorporate their expertise.

She would know: she has led transformational innovation changes at some of the world's largest and most influential companies, including American International Group, Charles Schwab, Deloitte Consulting, Blue Shield, and Kaiser Permanente.



Vinaj Ventures' Faye Sahai knows led transformational innovation changes at some of the world's most influential companies, including Charles Schwab, Deloitte Consulting, Blue Shield, AIG and Kaiser Permanente.

Before partnering with a startup, Sahai encourages corporations to focus on these issues:

- Know the problem you're solving.
- Define what success looks like for your organization.
- Educate your internal stakeholders and streamline internal processes for startups.

"Engagement can take on several forms, including online submission applications, connecting with investors, accelerators, or other startup support organizations in your community, or hosting an innovation challenge," says Sahai, who has helped large companies build

"Diverse investors make diverse investments," — Faye Sahai

bridges to the startup ecosystem throughout her career.

During her tenure managing the Kaiser Permanente Innovation Lab and Fund for Technology, the healthcare provider created a website for technologists and entrepreneurs to submit ideas and proposals. Sahai's oversight included assessing thousands of innovations, piloting hundreds of products and services, and investing and scaling dozens of them, such as care anywhere apps, robotic couriers, blockchain smart contracts, artificial intelligence for self-service, wearables for workers safety, and mobile apps for safe driving.

At AIG, she championed innovation challenges to tackle industry shortcoming and pain points for the finance and insurance giant.

For startups, Sahai recommends researching potential corporate partnerships through LinkedIn profiles, which often include information on corporate development, innovation teams, and venture capital arms that are exploring these synergies.

"At Kaiser and AIG, we had these innovation hunters or catalysts that were designated by their management team to spend 10% of their time on innovation," she says. "We're finding more and more corporate venture capital funds and innovation arms at large companies now."

As an investor, Sahai focuses on three key characteristics of a startup: differentiation, data, and distribution. The analysis sheds light on several important criteria, including value propositions, competitive differences, data supporting unique market position, and the total size of the market opportunity, as well as understanding potential end customers, how to reach them, and scaling operations.

Emphasis On Youth Health and Wellness

The assessments are a valuable tool Sahai utilizes as managing director of the Silicon Valley consultancy and investments services firm, Vinaj Ventures, and its leading youth wellness fund, Telosity by Vinaj Ventures. Telosity was established in 2019 to invest in early-stage startups with solutions to assist young people with their mental and emotional well-being.

"It's an immense mission in an emerging target market for VCs and other investors," Sahai says. Indeed, a surging demand for behavioral health and services fueled a record $1.8 billion in investments for digital mental health solutions last year, a 300% jump from 2019, according to Silicon Valley Bank. The youth segment accounted for less than 14% of that total.

"There is still space for us to make an impact," Sahai adds. "There are hundreds and hundreds of startups in this area."

Telosity by Vinaj Ventures, which is closing in on its eighth investment, hunts scalable portfolio companies with a digital component, like smart phone applications or gaming. It's assessing several categories, from wellness and self-care to access to mental health, social and emotional learning, and improved user experiences.

"We've definitely seen trends. Our quest is how we can improve it for a positive online experience and help mental well-being." That objective led the firm to expand its search to non-licensed support services, a wide array of options that include coaching, chat bots, emerging technology with artificial intelli-

Unlike most VCs, 71% of Telosity's portfolio has at least one female founder, and more than half are led by founders of color.

gence, and virtual reality.

In late 2019, Sahai and her team helped media conglomerate Meredith Corp. (NYSE:MDP) acquire Stop, Breathe & Think, which developed a personalized wellness platform aimed to help children and adults decrease stress and anxiety. At the time of the deal, the Santa Monica-based company, which was founded by Julie Campistron and Jamie Price, had more than 4.5 million app downloads, establishing one of the world's largest databases of emotional information culled from over 17 million check-ins and feeling updates.

Other Telosity by Vinaj Ventures investments include MindRight Health, a mobile coaching service that offers culturally responsive mental health coaching via text message. Daybreak Health, a provider of online counseling designed for teens; and Maslo, which works with businesses and brands to build empathetic digital companions that connect with humans and help them grow.

A typical Telosity by Vinaj Ventures investment is $50,000 to $250,000 and the firm is targeting U.S. and Canadian startups and emerging companies.

Reinforcing Diversity and Inclusion

Unlike most VCs, 63% of Telosity by Vinaj Ventures' portfolio has at least one female founder, and 50% are led by founders of color.

"In order to do that you have to search wide and far," says Sahai, who is of Thai and Chinese descent and grew up in New York's homogeneous Finger Lakes region.

A Kauffman Fellows research study published last year found more than 80% of all venture rounds and total funds since 2001 were raised by all-male founding teams, while only 2.2% of funding went to female founded companies.

The firm, which is helping to fund diversity and inclusion in the C-suite, is drawing from its own strengths and uniqueness. Many women VCs and VCs of color understand certain market segments better than their Caucasian counterparts, who overwhelmingly manage the U.S. financial system and its assets.

"We know diverse investors make diverse investments," Sahai concludes.— ***By Chris Casacchia, California Business Journal.***

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