



PITCHIT FINTECH STARTUPS PODCAST NO. 52-DIMITRY GERSHENSON

Welcome to PitchIt, the fintech startups podcast, one founder, one startup, one investor at a time. I'm your host, Todd Anderson, Chief Content Officer, Fintech Nexus.

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Todd Anderson: On Episode 53, I talk with Dimitry Gershenson of Enduring Planet. Enduring Planet provides growth capital for climate entrepreneurs, they offer rapid financing without dilution, personal guarantees or collateral. Climate really has become of the I guess the most hot button issues in financial services and fintech today and really it depends on where you live and what action might be taken in how some of these is kind of all playing out today. For the team at Enduring Planet and Dimitry, climate is beyond just providing capital, it's really a passion for everyone that is at Enduring Planet.

And so when you talk to him you begin to understand, the last ten years you've seen this change and there's this momentum building, except at the same time, there's a ton that still needs to be done and in some of that area is really this giant capital hole that exists in the climate change space. I think he said something along the lines of you need \$4 to 5 Trillion of investment yearly and right now, I think it's \$700 or 800 Billion and so this chasm of underinvestment, you know, it's slowly being filled by firms like Enduring Planet and the entrepreneurs and companies they back, but there is just a huge amount of work that's still to be done.

And so, when I talk with Dimitry, we talk about obviously this momentum and this challenge at the same time, but there's also a lot of exciting founder stories that are beginning to take shape and we talk about the founders that Dimitry and the team back, why they decided to structure Enduring Planet the way they did, raising capital and a whole lot more. So, without further ado, I present, Dimitry Gershenson of Enduring Planet, I hope you all enjoy the show.

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Welcome to the podcast, Dimitry, how are you.

Dimitry Gershenson: Thanks, Todd, doing great. How are you?

Todd: I'm doing well. So, first, thanks for coming on the show. Tell the audience a little bit about yourself, you know, where've you been before your current venture and what's your background.

Dimitry: Gosh, where to start. I've spent most of my career working in climate, looking at sort of different aspects of how people, society, the economy, the environment all interact. I spent much of my career working in emerging markets, Sub-Saharan Africa, Latin America, South and Southeast Asia mostly looking at how to expand clean energy and clean tech deployment in these different environments and in particular, how access to capital, different types of capital, affects that



deployment, what are the different models that we can use to drive more investment into these spaces, that's kind of my general background. I'm originally from Russia, I grew up in New Jersey, I lived and worked in Honduras, Kenya, South Sudan. I currently live in Portland, Oregon, but spend much of my career in the Bay Area.

Todd: Now, have you always had a focus and energy and priority with the environment, with the climate, I mean, has it always been kind of this passion for you?

Dimitry: Yeah. I mean, always, I don't know about always, but there was a time when I wanted to be a forensic anthropologist and wanted to like solve crimes by looking at bones, I wanted to be a journalist for a minute, but within sort of post-college, the focus has generally been on issues related to the environment. So, there was a period of time when I was looking at sort of rural education access to energy in emerging markets, I spent some time looking at carbon offsets, I've worked on clean cooking in cook stalls, I looked at corporate social responsibility and sort of renewable procurement in large corporate environments.

You know, I ran social impact accelerator for the entrepreneurs at Facebook for a little while where we looked at all sorts of different startups where climate was a big piece of it. I think after some time, I started to integrate more and more of this like financial integration and the role of capital in climate and the environment and that's been a pretty consistent trend now since 2014.

Todd: Now, do you think you will have the same passion or focus on the environment if you didn't have as much of an emerging markets background? Like you say, if you were focused or you spent most of your time focused on either the US or Europe because to me it seems, in hearing you describe your background, that played a part in the passion for the environment because some of the places that you mentioned are impacted on the surface I think from someone like me, maybe in the layman's terms, are impacted more by the environment or have been than maybe the US has been.

Dimitry: Lots to impact there. I think....so, my initial like why I dipped my toes into the environment is mostly because I didn't really know what to do and my brother had done his undergrad in Ecology and Natural Resource Management, I was like, that sounds good (laughs), I'll do that. I mean, at that time, I obviously cared about what was going on, I had some awareness of sort of climate change, environmental degradation, sustainability and so it seemed like a noble place to work. But what's funny is actually spending time, I lived in Latin America for a couple of years out of college and my focus shifted from being very environment, like save the planet-driven, and more towards how do we help humanity save itself given that we, as a people, have decided to fuck the planet in exchange for money, like that's what we've always done.

You're right, people in emerging markets, less developed countries, whatever terms you want to use, they are disproportionately affected by consumption and pollution that happens generally in more developed economies. Although, I will say in the last I think decade, it has become abundantly clear that the damage is here at home and it is very pronounced and if you think about total economic losses, if you don't just think about it in terms of human suffering or impacts on call it the marginalized,



in terms of economic losses the damage is much greater in developed countries because there is more to lose.

Todd: We'll obviously impact it a little bit more as we go on here, but tell us about your current venture, Enduring Planet, how'd you come to the idea to start a firm like this and exactly what you guys do.

Dimitry: So, we are fintech lender focused exclusively on the new climate economy. So, we provide fast, simple, founder-friendly debt capital to climate entrepreneurs today in the US and eventually internationally and our goal over the next few years is to build a platform where a founder or an exact climate startup or a small and medium-sized business can come to us for debt capital at any stage of their journey and raise it quickly and efficiently and like get on with building their business.

So, I think the idea for Enduring Planet really came out of a realization by myself and also my Co-Founder sort of independently and then collectively that there are four deeply connected problems in the space that are not being resolved and where there is a pretty incredible opportunity to build something new.

So, the first problem is that there's not enough money going into solving climate change for us to all like survive, right, so for those who are not in the space, by most experts' estimates, we need to spending between \$4 and 5 Trillion a year on decarbonization, adaptation or resilience they call the pieces of the climate puzzle in order for us to be okay. Today, we spend about \$650 to 700 Billion.

Todd: So, a lot less.

Dimitry: Yeah, yeah, exactly. So, the total amount of investment into call it climate change easily increased by 7 to 10X in order for us to sort of be okay. There's a lot of things that are going to still go wrong and people are going to suffer, but, at least, like the worst of X will, hopefully, be averted if we invest that amount.

Two, if you look at an earlier stage ecosystem of entrepreneurship tackling different elements of the climate crisis, the only capital that's really available is VC and VC has lots of problems. One is that it's very expensive, it has a lot of inherent bias, you know, like less than 1% of VC capital goes to call it like entrepreneur trade, it's like total the amount representative of the entrepreneur landscape, but also as a product it's not well suited to all the different spend that a business might see so it doesn't make any sense to spend VC dollars on ads or on sales, things that generate near-term revenue. And, also like VC is looking for a very specific business model, but there's lots of different business models that are required to solve on, right, you need small, medium-sized businesses as much as you need venture-back for startups so that's problem two, right, there's all this VC money, but it's not perfect.

Problem three is that where there is debt, it's reserved to later stage companies, a lot of collateral or wealthy founders who can do a personal guarantee, it's basically no credit in the ecosystem. And then the last piece and this is on the other side of the market is that there is a lot of institutional capital that wants to work in climate that is actually concessionary so lower cost because it's climate specific, but



it's looking for a fixed income allocation and those don't exist because there are no lenders. And so, you have this incredible supply/demand mismatch and all it requires is a specialized intermediary in the middle that actually knows how to lend money to bring it all together and then there's this like really amazing thing that can exist.

Todd: Now, do you guys have a definition of what you consider a climate-focused fintech because, you know, there is a lot, I'm assuming, that kind of fall in the we're buying offset type category, but that's not really, I mean, it's good that they're buying offsets and that's a piece of the bigger puzzle, but they're not really a climate fintech.

Dimitry: So, we define climate businesses really broadly. We will lend to anyone who is supporting the reduction of emissions to anyone who is supporting the removal of emissions from the atmosphere or like existing carbon amount in the atmosphere or anyone who is supporting adaptation and resilience so we define it broadly, we want to support the entire transition to a new climate economy. So, for us, the market is actually pretty large because there can be climate-friendly or climate-focused businesses across direct-to-consumer, luxury products, toothpaste, couches, like you name it if you're doing it with a low carbon model is of interest to us, SaaS businesses that might range from oh, we do emissions modeling for large corporates to oh, we evaluate risk for agricultural lending to there's just so much, like energy efficiency for building management, there's a ton of sort of software models.

We also are really are interested in the intersection of hardware and SaaS so we look at a lot of businesses where they might sell a controller or a sensor or, you know, some kind of widget that's tied to a software product, whether it's recurring revenue. We also really like long-term contracted services so you might have firms that provide recurring advisory support to governments around climate and of they have a long enough contract we could lend against it.

So, we're pretty flexible, what we look for is a core alignment to climate within the company's mission or core business and so if climate is like a secondary goal, oh we're going to do blockchain data storage and our target is 100% renewable eventually, great, that's cute, but that's not climate. If you show up in here and like oh, we're doing climate-friendly net zero blockchain out the gate, that is climate.

Todd: So, why did you guys choose kind of this route versus maybe starting a specific climate VC that maybe doesn't operate as a traditional VC and maybe would operate a bit differently, why'd you go this route?

Dimitry: Well, in all honesty, I did try to start a climate venture fund back in 2020, but I had maybe the worst timing in the world because I started pitching perspective LPs in like February and March of 2020.

Todd: That is a good time. (laughs)

Dimitry: Maybe the worst timing possible. I think, more importantly, there's quite a lot of venture activity in the space and it didn't feel as necessary to build a new venture fund, even one that might be



enabled with fintech rules sort of more efficient automated underwriting. That seemed pretty well handled, I think climate VC is I feel the fastest growing venture space today, my last check it was and so it seemed like there was a much bigger gap on the credit side and then this idea to make it sort of more automated, it stems from just experience being lenders, right.

So, my Co-Founder, she started a debt fund called CIMA, they raised closed to \$200 Million across three facilities to do lending for clean tech in emerging markets, I had been an investor in it and other lenders and sort of solved the challenges of traditional underwriting, how slow it is, how cumbersome it is for founders, how sort of those models further dis-incentivized credit participation in certain markets. For us, the question was, how do we build something that is as fast, as efficient, as founder-friendly as possible while still managing risk effectively and that's sort of the idea behind Enduring Planet.

Todd: You mentioned when we were talking a little bit that the last ten years, it seems as if the impact here in the US is obviously become apparent. I think anyone with some semblance of a brain realizes that the climate is.....

Dimitry: Yeah.

Todd:if they're being honest that the climate has been impacted dramatically and there's all different signs that point to that. But it still feels like here in the US, we're either way behind or starting a mile behind Europe or other places in the world and while the train is starting to go on the tracks on the right direction, it still doesn't feel like there's enough priority on the climate. I'm assuming you agree not only with the gap you were mentioning with the capital, but it does seem like there's a bit of momentum. Would you agree there and how can we kind of begin to leverage that and kick it into a gear that maybe we haven't seen in the US yet?

Dimitry: I think that the last couple of years have given me a lot of hope, it feels like we're at the beginning of a pretty fundamental shift in how we as a society everywhere, not just in the US, are really across-the-board think about our consumptive behavior, our investment behavior, our collaborative behavior around maintaining a sound ecosystem. I think we're at an inflection point, more so than we've ever been before, you know, as someone who has worked in finance their entire life, it was always really depressing how little effort and thought and investment people seem to put into climate when the science has been clear for, I don't know, 40 years, right, like anybody who's been in the space for more than, I don't know, a few days knows that, like the science hasn't changed, right, the underlying analysis hasn't changed.

What has changed is that in Oregon where I live, last year we had a 116-degree temperatures in the summer which broke records by I think double digits. You know, at the same time California was on fire, at the same time we had some of the most intense hurricane activity in the southeast. I mean, like you pick a thing that is bad for people that is driven by weather, by precipitation, like you pick, it's happening and so I think there's more momentum.

Obviously we have people in our country who don't seem to think that this is important and like, I mostly just feel sorry for them because, you know, our inaction, often those people will be



disproportionately impacted more so than others because of kind of where they are, what their lives depend on, whether it's farming, whether it's oil and gas, whether it's other industries that might be impacted by climate change. You know, I'm really excited about momentum and I think that, in general, our experience has been the more we talked to folks who manage a pretty substantial amounts of money, they are deepening their commitment to climate in ways that are really dramatic, it gives me a lot of hope.

Todd: Part of the argument on the other side that seems to have disappeared or, at least, has come down a significant amounts that the cost of doing things on the green or climate change side of things was always so much higher than traditional oil and gas or coal or whatever the source might be, but, today, the costs are pretty negligible as far as I can understand it. But, at the same time, you still have like, I think it was just a few months ago, Black Rock and a couple of other asset managers are still putting money into things that obviously are not good for the environment. I know part of it is they put money in to make money, but, you know, that's got to have a little bit of frustration with it for someone in your position to see some of that.

Dimitry: Capitalism is capitalism, right, like we're not going to see a change overnight even folks like Black Rock who supposedly give a shit and talk a lot about their commitment to climate, they're still, as you said, putting money to work in places where they really shouldn't. And I think the key is to speak up about the continued sort of hypocrisy and say look, how serious are you, like how much do you care about your kids, how much do you care about their kids, how do you care about your neighbors, how much do you care about, you know, your ability to like, I don't know, buy coffee, for example, or chocolate or corn or take anything, it's on a trend that's pretty terrifying and it doesn't matter how much money you have.

Todd: And there's no longer the argument, like in 40 years this is going to matter, like.....

Dimitry: No, it's today.

Todd: Exactly. You mentioned 116 degrees in Oregon, I mean, Texas, two years ago, they had a cold couple of days which basically zapped their power grid for how many weeks. Those dual arguments of hey, this costs too much and it's 40 years down the line have both dissipated and so it's like the argument of fighting you, of doing something keeps on fading away on the other side, but yet there's still this piece of resistance.

Coming back to, you know, the fintechs and the companies that you guys fund, I obviously recently had someone on, AQUAOSO, who focuses data in space and we got into a lot of the issues with climate data today and while they're beginning to improve, from your perspective, how do you see the data as it is today and what more can be done to kind of make some of these apparent from a statistical and really nitty gritty data point because, ultimately, lenders and those in the financial space, you know, numbers speak.

Dimitry: One, we don't actually take into account like climate data as part of our underwriting so when we lend to climate entrepreneurs there's basically a filter at the top end that says, are you climate or



are you not and then once they're in the funnel we look at primarily financial metrics, right, and actually AQUAOSO is our second investment.

Todd: Alright.

Dimitry: Yeah. The world is small and we're...so, having said that and I think to your point, one of the challenges that this sector has always faced is that the system which it's trying to influence is incredibly complex and you can even pick a sub-element of it, let's say transportation, urban transportation, let's go even more niche, right. How do you fix the way that we built cities so that they don't require as many cars, well, that's a problem that requires incredibly granular transit data, pedestrian data, commercial data around where people spend money and so how do they get there.

What's really incredible is that with the development of a lot of sensor sort of remote connectivity and related technology you see all these startups popping up that their entire job is generating that incredibly high-resolution data which then enables other people to decide. And so, when it used to be that you have to sort of like make broad generalizations at the back of the envelope, kind of napkin calculations it's okay. If we want to reduce the emissions in New York we have to make these calls, now you can say, well, hey, in this neighborhood this is what's happening, we can see it, I mean, how? We have LIDAR, we have GPS, we have all these data points, we can bring them all together and say, okay, if we want to change these here's four things that we know for a fact will work because we have the data.

I think if you look at it across the entire value stream of climate, the folks who are trying to procure climate solutions, whether they're cities, businesses, consumers, they want evidence that if they're going to put their money where their mouth is around climate that'll actually work. And so, that's where data starts to really play a really meaningful role and in our case when it comes to climate impact, we sort of look at how our portfolio companies are influencing their little pieces of climate and we try to build a collective story around it for our investors. So, that's where that information starts to become more valid, I wouldn't say that we're like a particularly significant consumer of climate data yet.

There is a chance that one day we will offer credit products that are more closely tied to the actual climate impact that companies have so, for example, lending against future carbon offsets would require a very robust data pipeline of business-as-usual and the climate impact that a company is having. And so, in those contexts I think we will start to ingest that kind of information and holding the lid with financial performance metrics.

Todd: Do you think, just in generally speaking, if the climate data in financial services/fintech was better that more firms would, I don't know, get involved, but do you think there would be a bigger impact if the data was better because, I mean, ultimately, a lot of these companies of financial services they ingest data, they analyze it, they spit out or they decide on what to spit out. Obviously, we're still kind of early in the nitty gritty of some of these climate data, but if it was at a better level do you think it would have a bigger impact?



Dimitry: I think yes and no, right. On the one hand, some of the data has always been there and so if you, an institution, actually care there's been enough to make any kind of argument you want. Often, financial institutions will take proxy data to make decisions and a proxy data around whatever topic you want has existed, obviously, it makes it easier now, right. So that's, you know, kind of back talk so like their entire feel and say, if we provide better risk data to agricultural lenders they will make better decisions and deploy capital more efficiently, more sustainably in a changing climate and that's totally true. But I think the next step is a firm called Black Rock, all it needs to do is decide that they will change who they give money to. The cool thing about investing in this universe is there's so much opportunity to generate return.

Todd: Yeah.

Dimitry: It just requires you to give a shit. If somebody come to you and says, well, we have to maintain an allocation in oil and gas because of (inaudible), okay, great, show me the performance of the oil and gas sector over the last hundred years and talk to be about how that sector is going is going to respond to increasing changes in regulation and our policy environment across the world and convince me that the amount of stranded assets and for future performance that you have is not, I mean, for riskier organization and ensure, I'll support you, but, frankly, like it's not possible, it's not possible to do that today.

Todd: Maybe 20/25 years ago, but not today.

Dimitry: Yeah. I mean, at this point it's firms deciding that they don't care enough, that's all it is.

Todd: Now, one thing obviously that can make them care more, a requirement to make them care more is a regulatory requirement and clearly, in the US, we're really behind

Dimitry: (laughs) We're getting there.

Todd: We're getting there, but, you know, do you think places like Europe offer a bit of a blueprint that the US potentially can follow and do you think the dynamic of the US system of, yeah, the federal governments here, but then it's the state government and it's like....I mean, you talk to even fintechs that are outside the climate space and they can bang their head against the wall in dealing with who the federal regulator is and they give it to state regulators and it's like this mishmash of competing interests and confusion. I'm assuming that that can be the case with climate, but Europe has a blueprint that the US could follow.

Dimitry: So, I think, one, it kind of makes sense to split. We can talk about the US as a collective, we can also, to your point, look at individual states. If you look at climate action in California and New York, it's dramatically different from Florida, right. In fact, I think California has generally led on climate action, even at the international level for decades now, right. California is I think the fifth largest economy in the world and so I'm actually pretty happy that as a state it has taken the steps it has in terms of sort of commitment to renewal procurement or electric vehicle adoption or formal education



that you pick the area in California has been a pretty progressive state, Oregon, the same, New York, New Jersey, like coastal states I guess, you could say.

I think that the new SEC disclosure laws are really interesting and I think that'll drive further action because in the end part of the challenge is that lots of things determine where an asset manager or, you know, financial services firm puts their money. One is what does the government say you have to do and two is like what do your investors say you have to do and if you have to inform your investors that you are overly exposed to climate risk, well, they'll probably ask you to move the money, right. And so I think in that regard, rules like that make a lot of sense. I am personally a very big proponent of carbontech, I think that if we placed externality into the system then people would hopefully make better decisions, you know, especially since we've decided that we live in this like free market and that's great, it's not really particularly free or effective (Todd laughs), but we still do it.

And so, if you're going to exist in that kind of system then you need to try to internalize some of those externalities that don't impact the business day-to-day, right, so if we did I think if we did that people would start to maybe put their money elsewhere, but we're getting there. You know, Europe has an emission testing system that's pretty effective, their disclosure requirements are pretty effective, it's still not enough, this is the thing, we're not going to change the system overnight. So, as long as we continue that goal in mind, oh, we want to transition, we are committed to a transition, we're all in this together, we care, like once you take that step, the rest of it makes sense, but the promise, a lot of people still haven't taken that first step.

When you live in a "democracy," which I think, you know, is still debatable about the US, unfortunately, you're beholden to the winds of this fairly large population that's as well there's not a problem here and we need to figure out ways to get everybody onboard because, frankly, we don't have time. We live in the time that's like five/ten years ago and now, it's always today, it will never be as good as today and so if not today then tomorrow's still okay.

Todd: Do some of the, we'll call them deniers of the conversation, but is it just that they haven't felt that personal impact yet? I mean, if you live in the US right now, it's hard to say you haven't felt some level of impact, I live in New York, on Long Island, on the coast, we had hurricane Sandy ten years ago now. I mean, the impact that did for ten years to people around here was just...we're still having to deal with the impact of that storm, but there are areas, say in the middle of the country, that maybe they don't connect the dots more easily or they don't see this as a connection of we've done this and this has happened.

Dimitry: Yeah. I think that is part of it, right. One is like climate's incredibly complex and building solar farms is not going to like change whether or not you've got a tornado tomorrow, that's not how it works, right. I think two, we have decided, as country, that climate is like a political thing,

Todd: (laughs) Just like everything else here.

Dimitry: In this case, it's like there are moments where okay so, let's say you're some government official in a red state and you're presented with an investment proposal for a large solar farm and it's



cheaper than a natural gas alternative, it is better, all these things, right, and you look at it and you'll say, well, but that's like that hippy ship and I don't even care about the numbers.

Todd: That's the crazy part.

Dimitry: Yeah. They look at it and they're like oh, not even going to bother. There's a lot that of these arguments and say whoa, what are we going to do with all that oil and coal workers that are going to be out of jobs. Put them in renewable energy jobs, there's more of renewable energy jobs that are generated than by the oil and coal industry.

Todd: Seems like there is a laziness to it in some ways just like, here's the alternative, that's the return on investment is ten versus two to simplify the argument and for some reason they're still okay with the two if it doesn't mean upheaval and maybe some education to get to the ten where maybe it nets out at seven to two because there's some cost in the transition, but they don't even want to attempt it.

Dimitry: I think a lot of it also comes with how we think about cost and benefit. It's difficult to price future cost today, it's also often not part of the calculus to say well, what is the cost that we choose not to act. It's like here are two proposals, let's look at their cost and benefits, but if you pick one, you're inherently not picking the other and the cost of not choosing the other are not baked into the first, right, and so if you're like oh, we're going to not decarbonize, then what does that mean in terms of human suffering, in terms of you pick the metric.

I think the last piece is like this is a collective problem and we're an individualistic nation, right, and so you have a thing where well, if we don't act, if China doesn't act then it does not matter. Yeah, but the thing is they already are, you know, like everybody is starting to figure out that we're, you know, just like fish in a pot that's heating and it's gotten to a point where like oh crap, it's hot and we should have done something about this and now we are like scramble to do it.

And so, I don't know, man, I could stand all day talking about this, I think the problem is that also there's a mix of lack of education around the issue of propaganda, of like entrenched interest that can't pivot and so for them it does mean loss and they're very live forces and, unfortunately, our political process is not built around where the majority is interested, it's built around a lot of these forces.

Todd: Yeah. What's the biggest lesson you've learned, thus far, since launching Enduring Planet, about your own company.

Dimitry: I think for us the biggest lesson has been just how much education is necessary in the market around capital. So, I'm a first-time founder, but I've worked with a lot of entrepreneurs and I've worked with a lot of investors and so when we started the process we had a pretty clear perspective on like where are we going to get money, at what stage, what's it going to look like, what's going to be the structure. But, I talk to founders all the time and I say hey, like what's your fundraising plan for the next five years and such a huge percentage are exclusively focused on VC because that's all they see, right.



All the presses around the next degrees, all the podcasters with VCs and like, frankly, there just hasn't been much diversity in capital offerings in the market and so people are like well, where else am going to get money. And so, part of our job is to say hey, one, you now have this option, but we're also not the only option and if our product isn't the right fit for you, let us help you figure out what you actually need because maybe revenue-based financing isn't the product, maybe you need inventory finance or maybe you need PO finance or maybe you need early-stage project capital and you actually need to take this work off balance sheet and to see people's like eyes light up to say wait, there's like a whole world out there.

Todd: Do most founders think that like they need to do the VC round or get in the VC universe before even considering an offering that you guys or others do. It seems like, and granted you're right, the VCs get the pub, there's famous VCs out there, some have done a really awesome job and deserve some of that publicity, but for founders, practically speaking, they should know that they could go to a bank for financing, they could go to you for financing, they don't have to give up a quarter of their company at terms that might not be that attractive to them in a couple of years just because they want to put a pretty face on the board and on the website.

Dimitry: Don't get me wrong, VCs are critical pieces of this puzzle, we're a venture-backed startup ourselves, right, so there's a time and a place for venture capital, but I think there are a lot of factors that contribute to the cycle of awareness, right. One is that the investment community itself, VCs, generally don't support borrowing like erasing debt because there's this weird eco-chamber that like oh, that is extractive, it's pulling money out of the business, blah, blah, blah, the interests aren't aligned with entrepreneurs. In a lot of cases that's true and in other cases it's not and I think the dialogue needs to move away from VC good than bad.

Two, there's a time and place for every kind of capital, there's a use case for every kind of capital and the most effective founders are constantly thinking about that optimization problem, right. If I'm going to be investing in ads, because I want to grow my business, what is the right capital to do that? If I'm going to build a new facility or a new office, what is the right capital to do that? And it kind of needs to work backwards from your prescribed budget or plan rather than saying oh, you know, my total burn over this period is going to be this, I'm just going to raise money and it's unfortunate because if you look at the places where founders come from, right, so a lot of them come from venture-backed companies and so in their heads they've only heard about the venture rounds and companies often, larger companies, don't talk about borrowing debt, they only announce venture rounds.

Todd: This isn't kind of sexy either, the VC fund that puts in \$500,000 or \$1 Million and then makes 100X on it is getting the tech crunch feature. The debt company that's lending and making 10/15 whatever the percentage, the sexiness isn't there to it, but, I mean, I agree with you, founders need to know that there's an entire universe to consider for whatever their needs are at what particular time they might need it. I think sometimes the venture is the be all, end all to founders when that's not really the case.

Dimitry: Well, this is kind of a call to action here, like if there is one for folks listening is if you play a role in helping founders finance their business, whether you're an investor, whether you're an advisor,



you run an accelerator, whatever it is, when a founder comes to you and says, I need to raise money, what should I do, you have to give them the whole menu. You can't just say oh well, here's what your venture round is going to look like because as soon as you say that they're going to discount everything else and they're going to go start building their pitchdeck in their data room, they're going to build a pipeline of VCs and they're going to do the whole thing and then they're going to get the end and they're going to say oh, I raised all this money and it will be too late for somebody to come in and say hey, you know, you could have done 25% of that cheaper.

Todd: And now's a good time because markets have come back down from their insane highs of the last 18 months to kind of say alright, well VC is not the super attractive option maybe today, what are the other options.

Dimitry: Yeah.

Todd: Tell us a little bit more about those around you at Enduring Planet, the team, who's on the team, tell us a little bit about them.

Dimitry: I am incredibly blessed to be surrounded by some of the most talented people I've ever worked with. So, my Co-Founder, Erin Davis, she's based in DC, she leads pretty much all of our underwriting work, our debt fundraising work, we kind of make most decisions collectively so it's hard to say who owns what. Our Head of Product, his name's Josh Krafchin, he's based in Oakland, Josh has built all sorts of digital products, he was one of the founding team behind Spring Lift which was a big product to drive sort of border engagement, you know, last set of elections and he was actually introduced to us by one of our investors and (inaudible) has just been an incredible shepherd of our call it our online product and sort of how funders apply for funding, how they engage with us, all those elements.

We have a really superb analyst team, actually, our analysts are based in Pakistan, Ramsha and Daim Ashraf, they both were former colleagues of Erin's and they are just exceptional, exceptional analysts and underwriters. We don't employ any engineers directly, but we partner with a firm called Quantum Soft, we actually have fulltime engineering team members, we just don't employ them directly and they're based all over Eastern Europe, probably one of the best outsourced engineering teams I've ever, ever worked with. They are just rockstars, I mean, we went from napkin to launch in two and a half months with like a bunch of complicated API integrations and no design. It was insane and we did that all with like three and a half people.

So, it's been really, really fun to get to where we are today, we are going to be growing quite a bit in the next call it 12 to 18 months, right now, we're heads down trying to deploy our first fund. We did a first close on it back in April, that was what was reported in TechCrunch. We're working on a second close sort of in the next call it two months and then the idea is to try put all that money to work right away and then raise much larger facility on the back of it alongside our seed raise and then we'll go on a big hiring spree in like 3X the team and kind of go international, add a bunch of other products, like revenue-based financing for us was always just a first step and building a full suite of options for founders in the space.



Todd: Best piece of advice you've received since starting and then best piece of advice you'd offer up to a fellow founder.

Dimitry: The best piece of advice I've ever gotten was initially given to me during our pre-seed raise and I didn't listen to it and it ended up being probably one of the more painful lessons which is that this whole game is a marathon, it's not a sprint and this is especially true for founders who might not be, you know, 20 something, fresh out of college, like I've got a four-year old, I've got a mortgage, I've got complicated stuff happening in my personal life that requires attention. And so, it means that there is no opportunity for burnout, like you can't even push it because as soon as you start down that hill you're not coming back out and it then infects every other part of your work.

And so, during our pre-seed raise I was doing ten to 15 VC pitches a week and at times, five a day and it was not a sustainable pace and for probably about a month of the process where I pitched, I don't know, 60 firms, I probably burned all of those meetings because I was so drained, I was so burnt out. I didn't have the like excitement and conviction with which you need to show up to every meeting and so, maybe my advice and the advice that I got which is look, obviously if you're building a startup you have to hustle and you have to work hard, but it doesn't mean you have to like die every day.

Todd: Yeah.

Dimitry: It's okay to only work eight or nine hours if it's really efficient, like do that, build a balanced system that you can sustain for a decade because if you are doing 70/80 hours a week and every week you're keeping away a little amount of resilience that you have, you might be successful in your first year/second year, but you're going to crash and when that happens, your people will look to you for leadership and you won't be able to provide.

Todd: We have just a couple of minutes left so I'd like to end a little bit lighter with some fun. Do you have a favorite book and the last book that you read.

Dimitry: So, my favorite series of books is "The Dark Tower" series by Stephen King, it's his like fantasy sci-fi magnum opus, it doesn't really have like traditional Stephen King horror elements. If anybody ever asked me for a book recommendation it's always that, it's a pretty big commitment because I think it's seven books and there are many, many hundreds of pages, but it's probably one of the greatest pieces of literature I've ever read. Yeah, that's probably good, that's like seven book recommendations. (Todd laughs)

Todd: What do you do to unwind, step away?

Dimitry: I've recently taken up climbing again because I found that sitting in my chair all day made everything hurt (Todd laughs) and I'm like old enough now that I can't just sit in a chair all day. I spend most of my time with my four-year old and she is like really exceptional and just full of energy and joy and is in this really fascinating place in her life where she is just a sponge for information and full of questions and it's just so awesome to like to get to be part of that.



Todd: I have a three-year old.

Dimitry: Yeah, see you get it.

Todd: Yeah, I get it. (laughs) Do you have a favorite sport, sports teams that you root for?

Dimitry: Oh man, you know, I've never really been a fan of sports or of concerts. I used to play ultimate frisbee when I was in high school and college, but.....

Todd: Funny, 95% of the people I interview, especially on the founder side, are the same. (Dimitry laughs) Maybe, you know, there's a handful I can count that watch maybe a traditional sport, but most are either non-traditional, never watched organized sports, their brains think differently is what I found about founders. You know, there's an occasional one that says yeah, I love baseball or football, whatever, but even them they have a quirk to them that's different from the regular.

Dimitry: I mean, frankly, I don't know where people find the time, like I'm always in the midst of people where I like oh yeah, you know, this is my favorite team and I'm like how?

Todd: I just don't sleep that much. (laughs)

Dimitry: Yeah, maybe that's the answer, like you watch re-runs at one in the morning when you can't function.

Todd: There you go. Do you have a favorite vacation spot?

Dimitry: I've been to a lot of places because of work and I have two places that I sort of gravitate to partially because my wife and I spent a lot of like really memorable time there. One is in Columbia, I'm a big fan of Cartagena, but also I want to go back and go to like Medellin and Bogota. We also spent a little bit of time in Morocco and like Morocco's a really incredible place, can't recommend Fez or Rabat enough. Yeah, I've a long list though, like Spain is cool, Portugal is cool, the world is so incredible and so beautiful, I miss traveling so I'm excited to do that again once there's sort of less risk of death and maybe a little bit easier economic saturation because plane tickets right now are just wild.

Todd: And they're not going down any time soon.

Dimitry: No.

Todd: And then final question, biggest inspiration in life?

Dimitry: I've been really fortunate and incredibly privileged to be surrounded by people who are incredibly passionate about what they do and they have committed their life and their work to things that really matter to them. Everyone in my family has always been like that, my Mom was a professor



of education all her life, she just retired; my Dad is also an academic and has worked in physics his entire life' my brother's an entrepreneur also in sustainability.

And I'm just really fortunate that for us, as a family and in some ways like the social circle I was created around it, work was always something that you did around the things that you cared about rather than being like a thing that you just do to pay for your life. It gave me a different perspective on how to approach my career and like what it takes, it's something that I try to pass on to folks that I talk to about. You know, like every day somebody will reach out to me and say hey, I work in tech, like I don't give a shit about the thing I'm doing, I really want to work in climate and my answer's always the same, like there's nothing stopping, whatever you're doing today at SnapChat or Facebook or Google or whatever, there is a job for you in climate today.

You can actually choose to work every day and be excited and love the challenge you're working on because it's good for the planet or it's good for you. I don't know if you care about maternal health, work on that, if you care about education for communities, work on that like and I will say that there are a lot of people who don't have the privilege to choose their career, this is not about them. This is about the people who do have that privilege, but then choose not to.

Todd: Yeah, that's a good place to end. Dimitry, thank you very much for coming on the show. How can someone find you or, you know, the firm.

Dimitry: enduringplant.com, super easy. If you're a founder in the climate space and you want some really awesome capital, it's a ten-minute application and we get your term sheet in a week so come check us out.

Todd: Alright, thank you, continued success, hopefully, we'll get you back sometime in the future.

Dimitry: That will be fantastic, thanks, Todd.

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