DOLPHIN AI – MULTI-LEVEL AGENT FOR VC INVESTMENT DECISION

AKINDAMOLA AKINOLA, TEMILADE ADELAKUN, WOLE AGBEDE

CHICAGO BOOTH

The University of Chicago Booth School of Business

Private capital market is growing tremendously...

Investors search for higher yield and stock market sensitivity to sentiments has made the private market capitalization outpace the public markets in the the last decade
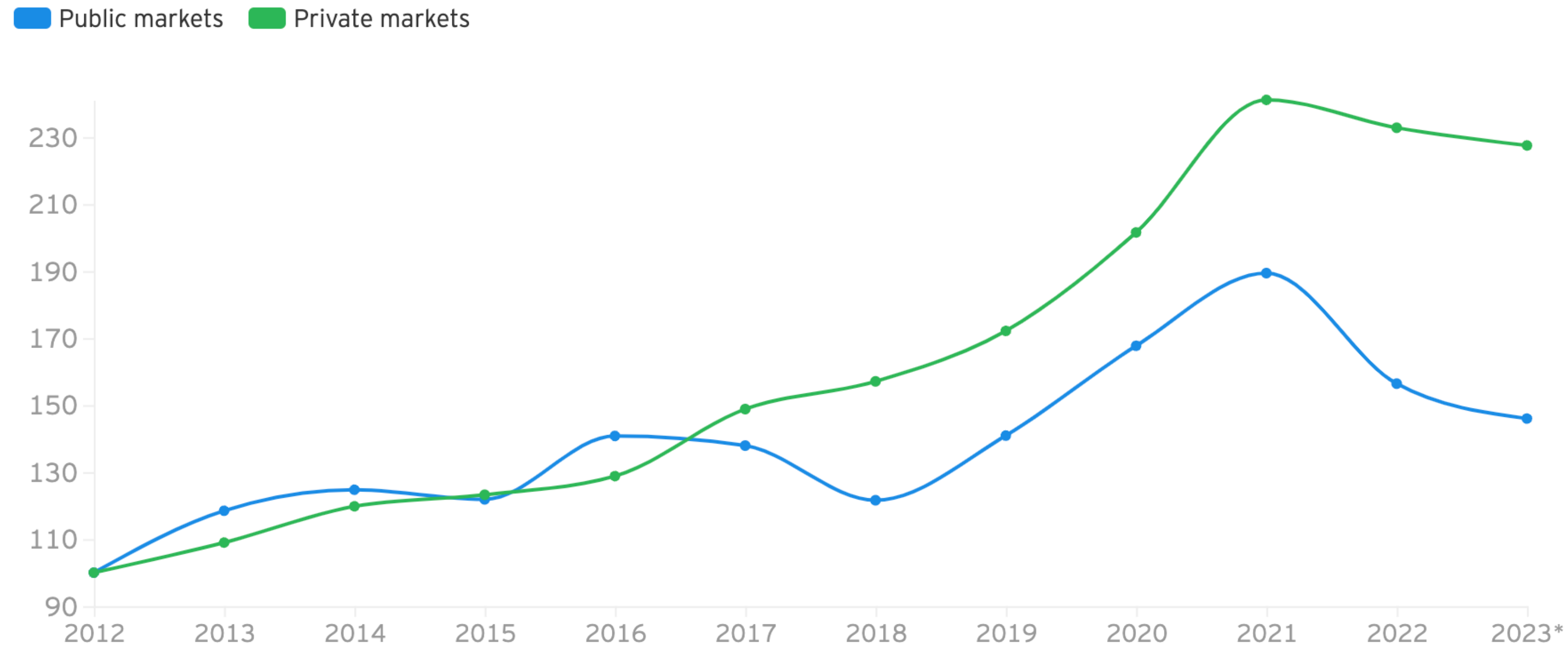
Private markets AUM vs Public equity market capitalization growth, 2012 = 100
Source: Ernst and Young

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…but investors are not seeing improved returns in their portfolios

The expected returns from the inefficiencies and resilience to market sentiments are being eroded by heightened competition, weaker due diligence, and increasing number of startups failing to reach a strategic exit or IPO
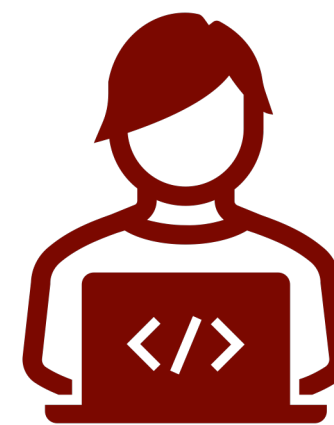

Source: McKinsey

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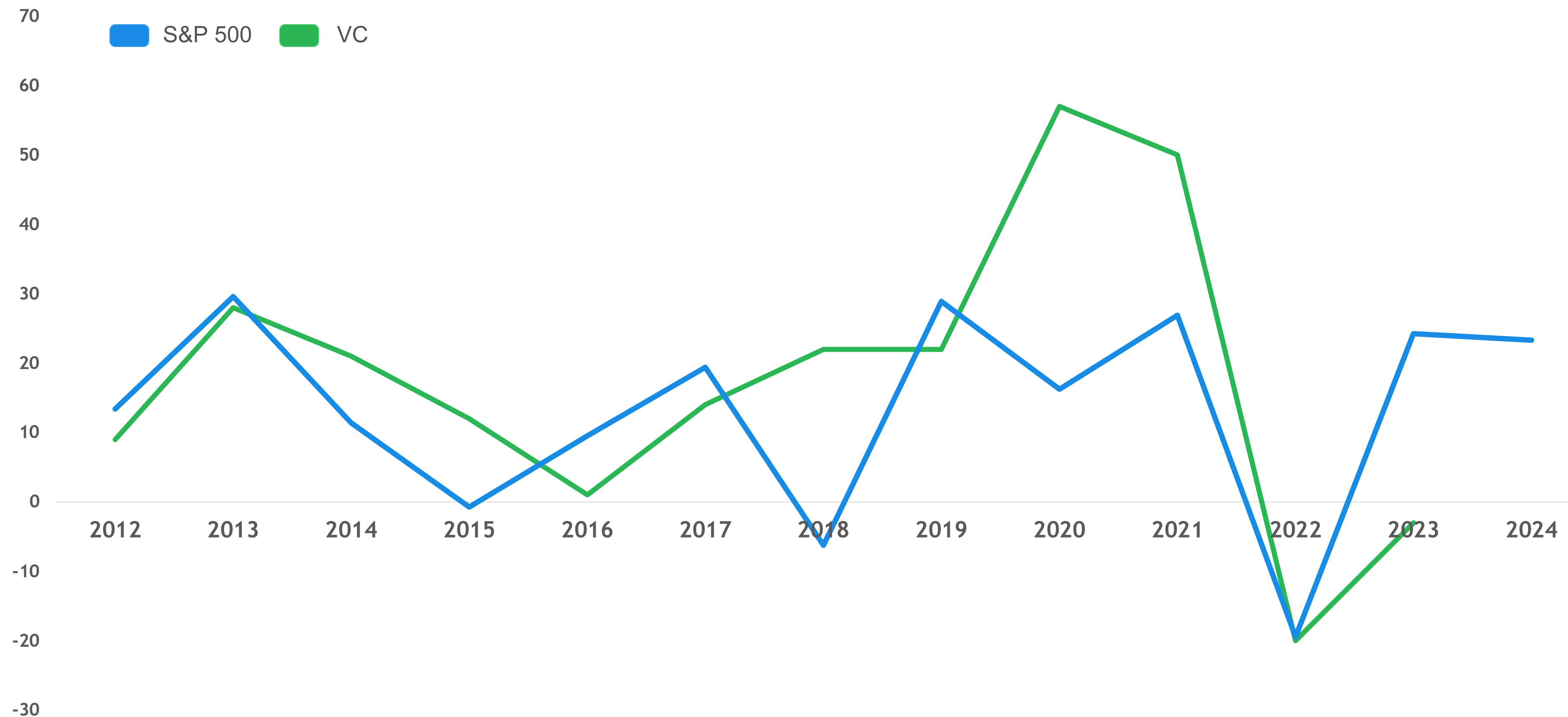
VC backed startups are failing mostly because overlooked opportunities and overwhelmed employees
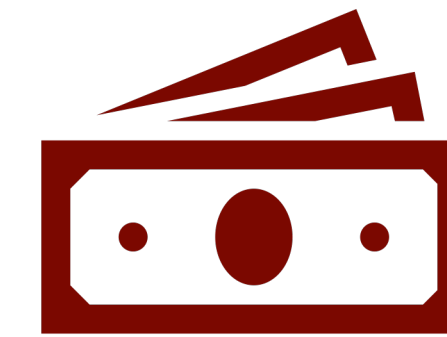
Overlooked opportunities

VC firms receives over **1000+** pitches annually

Decision fatigue
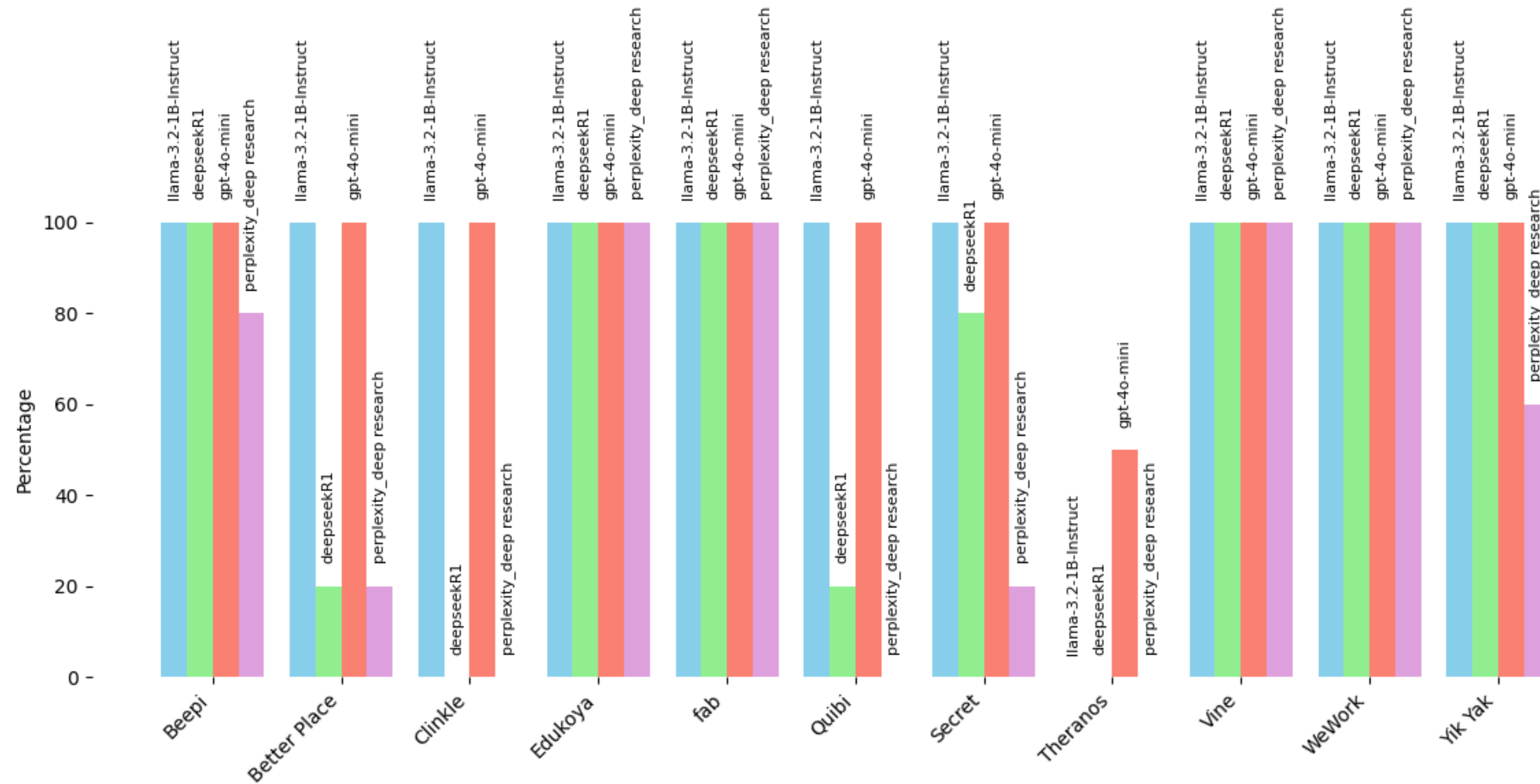
Associates spend over **40** hours on due diligence per deal

Reduced returns

4 in 5 VC-backed startup fail to make it to strategic exit or IPO

Can Generic LLMs rescue the VC's?

Not really, they recommended investing in some failed startups because they were designed for generic tasks, face optimism bias and have limited access to real time data

Key Findings

- Perplexity **deep research outperformed** other LLMs because it **has access to real time data**, yet failed to identify some failed startups
- COTS LLM's lack **domain-specific training**, gives **one-size-fits-all answers** that don't account for crucial context and rely on **relatively static training datasets**
- Generic models rely mostly on historical text, making them **biased towards trends and event that have already happened**
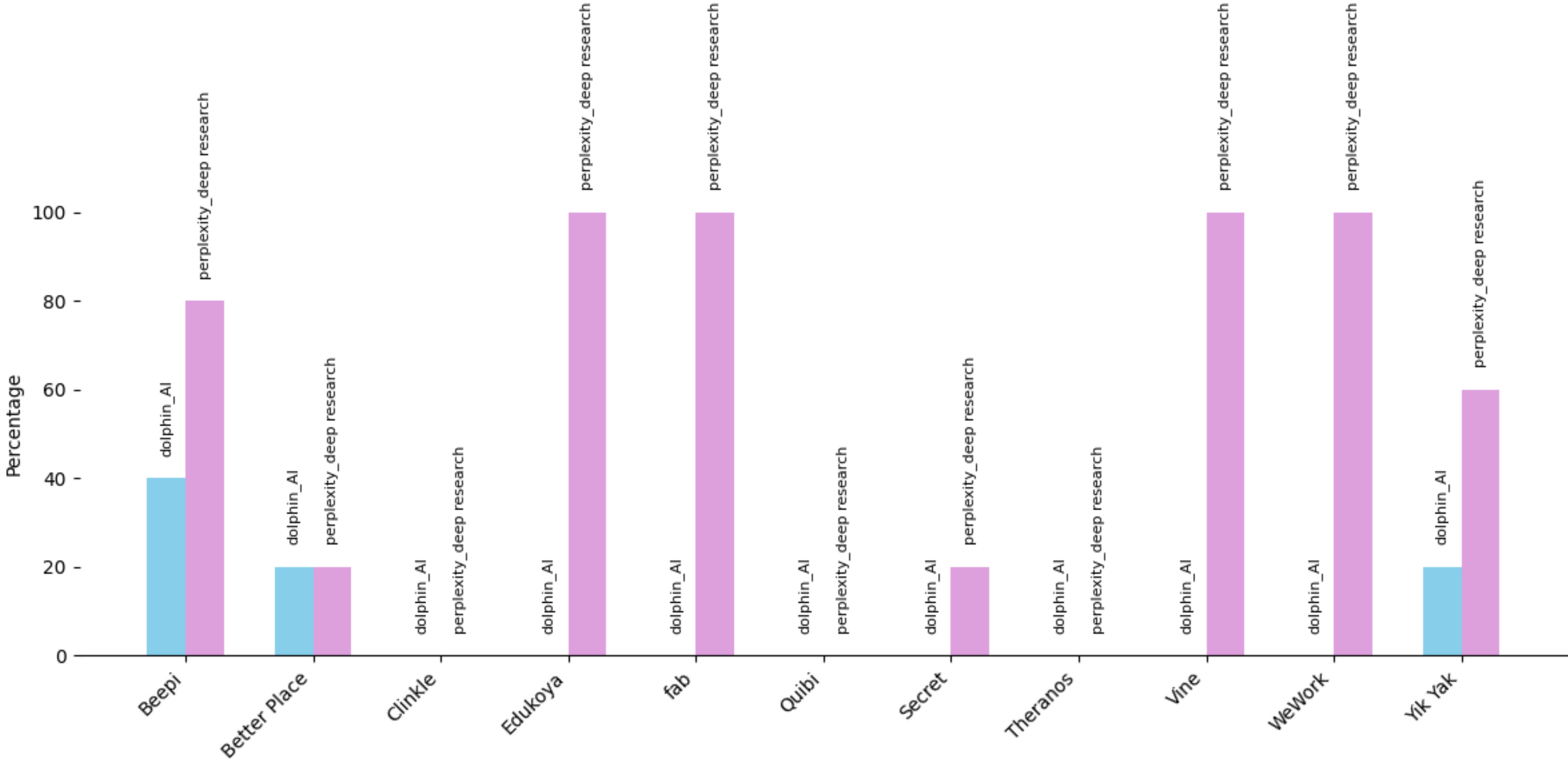
Nos of experiments: 5
100% means the LLM recommended investing in the startup all the time and 0% means it rejected the offer 5 times.

Introducing Dolphin AI – A digital VC team member making human analysts more productive

Features

- Trained to think like a VC using Chain of Thought prompt

- Access to tools to search for recent market data, industry reports, trends and reasonable assumptions

- Multi-level agents (1 supervisor acting as GP and 2 analysts)

- Email automation to search for incoming pitch decks and send reports to team member

Dolphin AI outperformed the best-in-class COTS LLMs, and could have saved over $15 billion in private markets by predicting high-profile failures like Fab, WeWork, and Beepi


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AI that will win will always have to be customized for the specific need it is solving

	Dolphin AI	Perplexity-Deep Research	Llama-3.2-3b instruct	DeepSeek-R1	gpt-4o mini
Multi-Modal Approach	✓	✓	✓	✓	✓
Multi-Level Agent	✓	✗	✗	✗	✗
Thinks like a VC	✓	✗	✗	✗	✗
Access to Tools	✓	✓	✗	✗	✗
Email automation	✓	✗	✗	✗	✗

Dolphin AI gives VCs competitive advantage to spot the next Google and reject Theranos without burning out
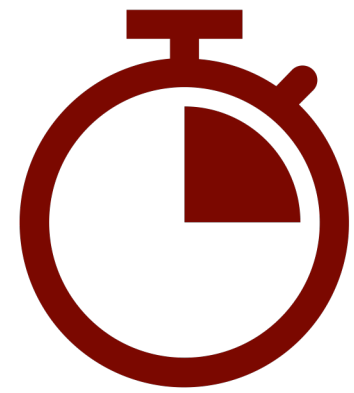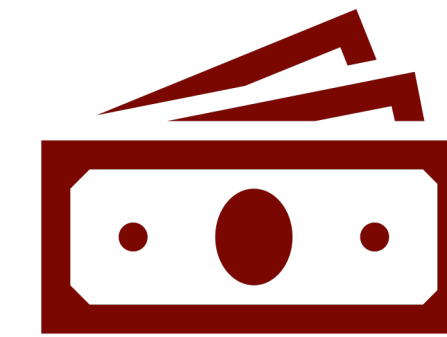
Time savings

90% reduction in hours spent on due diligence

Better decisions

Free up time for human analysts to exercise critical judgement

Improved returns

Reduction in failed startups backed by VCs

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Demo

Thank you

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