

## Z47 | Company Briefing

### Kintsugi Company Briefing

#### Founders

- **Pujun Bhatnagar (CEO, Cofounder):** A former Senior Machine Learning Engineer at Facebook, Pujun was instrumental in ranking algorithms for Facebook Stories. He holds a Master's in Computer Science from Stanford and a Bachelor's from Georgia Tech. He briefly attended Harvard Business School, leveraging it as a stepping stone to join Y Combinator. Known for strong technical abilities and strategic thinking.
- **Jeff Gibson (CTO, Cofounder):** Previously served as Cofounder and CTO at MonetizeNow and Engineering Manager at Atlassian. Holds a BS in Computer Science from the University of Montana. Known for his technical leadership and experience in software engineering.
- **Barkin Doganay (COO, CPO, Cofounder):** Formerly a Senior Product Manager at Earnest Analytics, with a background in investment banking at Credit Suisse. Holds an MBA from MIT and a Bachelor's in Electrical Engineering and Computer Science from Yale. Brings product management and operational expertise.

#### Market

- **Total Addressable Market (TAM):** The sales tax automation market is substantial, with the US sales tax contributing approximately 30% of tax revenue, estimated at \$700 billion in 2020. The market remains largely underpenetrated, with Avalara alone reporting \$800 million in revenue for 2020.
- **Key Competitors:** Avalara and TaxJar are the primary competitors, with Avalara holding a significant share in the SMB segment. Anrok is emerging as a competitor focusing on B2B SaaS.
- **Principal Pain Points:** Complexity in sales tax laws across states, especially post the South Dakota v. Wayfair ruling, necessitates automation. Companies face challenges with nexus compliance, needing tools for efficient tax calculation and filing.
- **Ideal Customer Persona:** Tech-forward businesses, particularly in SaaS, e-commerce, and fintech, that require automated, scalable sales tax solutions integrated with their existing billing systems.

#### Product

- **Core Offering and Features:** Kintsugi offers an API-first approach for automating sales tax compliance, targeting SaaS and e-commerce companies. Features include automated tax calculations, filing, and nexus tracking. The product integrates with platforms like Shopify, Stripe, and Quickbooks.
- **Differentiators vs. Competitors:** Unlike Avalara and TaxJar, Kintsugi provides a fully automated, white-glove service with seamless integrations. The product is positioned as a more flexible and customer-centric alternative, addressing the limitations of existing tools like Avalara.

#### Business & Traction

- **Recent Growth Metrics and Milestones:** Kintsugi has achieved a \$400,000 ARR with 150 paying customers, growing at 20% week-on-week. The company is on track to reach a \$1 million ARR within 2-3 months.
- **Notable Customer Logos or Key Accounts:** Primarily targeting Series A to C companies, with the largest client generating \$70 million ARR.
- **Retention Rates and Other SaaS KPIs:** Achieving significant traction with zero marketing spend, focusing on product-led growth and partnerships with fractional CFOs and accounting firms.
- **6-12-Month Forecast:** Expecting to triple the current MRR and reach over \$2 million ARR, with plans to expand globally and improve product capabilities to include VAT solutions.

#### Funding

- **Round History and Amounts:** Currently in Series A, with the last funding round raising \$6 million

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USD. The company has received a valuation of \$80 million.

- **Lead Investors:** Includes KyberKnight, Plug and Play, Venture Highway, DeVC, and Link Ventures.

### **Summary of Notes and Previous Interactions**

- **Opportunities and Challenges:** Kintsugi is poised for growth, driven by its innovative product and market demand. However, the founders' ambitious nature and high expectations could be perceived as challenges in building long-term partnerships.
- **Feedback from Interactions:** Generally positive, with recognition for the deep domain expertise of the team and the product's ability to address existing market gaps. However, the need for improved go-to-market strategies and distribution is noted.
- **Strategic Focus:** Building a robust sales team and enhancing distribution capabilities while maintaining a strong product development focus to stay competitive and capture market share.