

White Paper: The Aegis Protocol

An Investment Thesis for Building the AI Operating System for the UK's Untapped SME Service Economy

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Date: September 7, 2025

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I. Executive Summary: The Investment Thesis

This document outlines the investment thesis for Aegis, a new venture architected to solve a massive, overlooked, and fundamentally "unsexy" problem: the systemic inefficiency crippling the UK's £200B+ SME service economy. Our core thesis, validated by the current market, is that the next generation of decacorn companies will not be built by selling another SaaS tool, but by providing an AI-native "co-worker" that automates and elevates entire operational workflows.

- **The WHY (The Opportunity):** We are targeting the "SME Efficiency Tax"—a hidden cost averaging over £6 per transaction caused by fragmented legacy systems. In a venture market characterized by a "flight to quality," we are focused on this multi-billion-pound pain point that Big Tech ignores. We are applying an "AI as Design Partner" philosophy to not just automate tasks, but to co-create a more efficient operational reality for our customers, a classic "blue ocean" strategy.
- **The WHO (The Team):** We have assembled a complete, A+ founding team, representing a perfect triad of execution capability:
 1. **The Operator-Visionary (David Grannum, CEO):** A tri-sector expert with deep, "in the trenches" operational experience in our beachhead market, corporate strategy credentials, and the AI architectural vision. He is the founder and the "creator" who builds the trust and authenticity of our brand.
 2. **The AI Architect (Sai Sunkara, CTO):** A world-class AI systems builder (ex-Cisco) with a proven blueprint for our core agentic AI and constraint optimization technology.
 3. **The Financial Operator (Adam Fraser-Harris, CFO):** A venture-backed, founder-first CFO with CEO experience and deep expertise in scaling SaaS and tech companies with rigorous financial discipline.
- **The HOW (The De-Risked Plan):** Our go-to-market strategy, "The Phoenix Protocol," is designed for extreme capital efficiency and systematic de-

risking, directly addressing the demands of the current funding climate. We are not burning capital on speculation.

- Phase 0 ("Operation Christmas Launch"): We launch with a cash-flow positive, high-margin (75%+) B2C/B2B "Prompt to Print" studio. This is not a pivot; it is a strategic sprint to generate non-dilutive revenue, battle-test our AI co-creation methodology, and train our core team in a live commercial environment.
- Phase 1 ("The AI Skunkworks"): We use the profits and learnings from Phase 0 to fund our core R&D. We will deploy our Aegis OS with a foundational logistics partner on the Isle of Wight, leveraging their live operational data to build an insurmountable moat and generate a data-proven case study demonstrating >10x efficiency gains.
- The ASK: We are seeking £1,500,000 in seed capital. This is not a burn-rate fund; it is a strategic investment that provides an 18-month runway to execute our de-risked protocol and achieve the critical inflection points necessary for a major Series A round.

II. The Opportunity: The AI Tsunami and the Underserved SME

The current AI revolution is a tsunami-level event that will fundamentally reshape every industry. While corporate enterprises have the resources to adapt, the UK's millions of SMEs are dangerously exposed. They are the backbone of our economy, yet they are technologically underserved and trapped in a state of chronic inefficiency.

This creates our "blue ocean": a massive, overlooked market with a severe, quantifiable pain point. Our research and direct operational experience have identified the "SME Efficiency Tax"—a cost of over £6 per transaction in wasted time, errors, and reactive support, all stemming from a fragmented landscape of legacy software. This is a multi-billion-pound problem that Big Tech, with its focus on horizontal, enterprise-scale platforms, is structurally unsuited to solve.

Our strategic position is therefore one of a "Walmart, not Apple." We are not building an exclusive, premium tool for the corporate elite. We are building a powerful, accessible, and affordable AI Design Partner to democratize operational excellence for the everyday businesses that are the lifeblood of the real economy.

III. The Team: A Complete C-Suite Built for This Mission

A vision is only as good as the team assembled to execute it. In a market demanding proven operators, we have brought together a complete, venture-ready C-suite with a rare and perfect blend of skills to tackle this specific challenge.

- **David Grannum | Founder & CEO (The Operator-Visionary):** With a unique "tri-sector" background in corporate strategy (Texaco), hands-on SME operations (Solent Fuels), and deep AI architecture, David provides the core vision and go-to-market leadership. He has lived the customer's pain and architected the solution.
- **Sai Sunkara | Co-Founder & CTO (The AI Architect):** A world-class AI systems builder (ex-Cisco) and expert in the exact agentic AI and constraint optimization paradigms we are building. His proven technical blueprint (CineBliss) massively de-risks our product roadmap.
- **Adam Fraser-Harris | Co-Founder & CFO (The Financial Operator):** A venture-backed CFO and former CEO (blow LTD) with a track record of scaling tech companies. He provides the immediate financial rigour, operational discipline, and investor credibility required to build a sustainable business.
- **Dr. Dominic Roberton | Head of Validation & Systems:** With an Engineering Doctorate and experience in complex systems modelling (RNLI), Dominic provides the scientific rigour to validate our models, secure our IP, and maximize our R&D tax incentives.

IV. The Execution Plan: "The Phoenix Protocol"

Our go-to-market strategy is a disciplined, multi-phase protocol designed to build a profitable, defensible business with extreme capital efficiency.

1. **Phase 0: "Operation Christmas Launch" (Months 1-4).** We begin by launching a high-margin (75%+), zero-waste "Prompt to Print" AI creative studio in Seaview. This is our self-funding engine. It generates immediate cash flow, provides a live training ground for our team in human-AI collaboration, and establishes a highly credible local brand that serves as a showroom for our high-value consultancy services.
2. **Phase 1: The AI Skunkworks (Months 5-18).** We reinvest the profits and validated methodologies from Phase 0 into our core mission. As validated by recent analysis in *Fortune*, this is a dedicated innovation environment, deliberately separated from the "day-to-day" challenges, where we partner with clients to teach them the new leadership skill of managing an AI workforce. We will deploy the Aegis OS with our foundational logistics partner, and the singular goal of this phase is to produce an undeniable,

data-proven case study demonstrating a >10x ROI. This case study is the primary asset that will unlock our Series A.

3. **Phase 2: National Expansion (Post-Series A).** With a proven playbook and a fortress balance sheet, we will execute a dual-pronged expansion: scaling the Aegis OS to adjacent SME service verticals and franchising the profitable "Phoenix Hub" model nationally.

V. Our Defensible Moat: A Multi-Layered System

We recognize that the underlying LLMs are becoming commoditized. Our long-term defensibility is not based on having a "better" algorithm, but on building a superior, multi-layered system that is deeply entrenched in our customers' operations, grounded in the "Jobs Doctrine" of platform integrity.

1. **The Workflow Moat:** Our deepest advantage is our integration into the core, messy operational workflow of our customers. Aegis OS will become the central nervous system for their business, creating immense switching costs.
2. **The Proprietary Data Flywheel:** Every transaction orchestrated by Aegis generates unique, high-fidelity operational data. This data is fed back into our models, creating a compounding intelligence advantage that new entrants cannot buy. Our system becomes the world's leading expert on *that specific customer's business*.
3. **The Intellectual Property (IP) Moat:** Our patent strategy is focused and defensible. We are patenting our proprietary systems and methodologies, including our "Vibe Weaver" meta-prompt system and our Rust-based, type-safe tooling architecture for securely connecting AI to real-world actions.
4. **The Brand Moat:** In the SME market, trust is paramount. By starting with a hyper-local, founder-led ("creator-led") model and delivering exceptional value from Day One, we are building a brand that stands for partnership, reliability, and tangible results.

VI. The Financials & The Ask

Our financial strategy is built on capital efficiency and a clear, bootstrapped path to profitability. We have a detailed 6-month cash flow projection that demonstrates our ability to become profitable within five months. Our model is reinforced by a multi-layered approach to maximizing UK government incentives (SEIS/EIS, R&D Tax Credits) and an asset-light operational structure.

- **The Ask:** We are raising £1,500,000 in seed capital.
 - **Use of Funds:** This provides an 18-month runway to execute our de-risked protocol. Capital will be allocated 70% to People & Product (building our elite team and the Aegis OS) and 30% to Go-to-Market & Operations (funding the "Skunkworks" and building our Series A case study).
 - **Valuation:** We propose a pre-money valuation of £8,500,000, offering 15% equity. This valuation reflects the A+ quality of our founding team, the capital-efficient and de-risked nature of our operational plan, and the massive, untapped market we are addressing.
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VII. Conclusion: A Legacy Moment

Aegis is more than a business plan; it is a response to a fundamental shift in the technological and economic landscape. In a market demanding proven operators and capital efficiency, we have the right team, the right strategy, and the right vision to build a category-defining company. We are not just building a product; we are building a new model for how technology can empower the real economy. This is our legacy moment, and we invite you to be a part of it.