Notes9 - Detailed Business Model & ROI

## Executive Summary

ELN tools found a median 7‑year product lifetime [1].

Only ~5–10 % of academic labs use any ELN today [2].

≈ 25 000 small U.S. labs (< 20 people) still run on paper or Excel [3].

Open‑source ELOG has run ~20 years; oldest proprietary ELNs ~25 years [4].

Majority of the labs reported not spending more than 100$ per month while a 50$ per month per user was reasonable [5].

Notes9 offers a free starter tier, then US$25/seat/month to fit PI p‑card limits (< US$5 k) [7].

Even a conservative 0.5 % conversion (125 labs) delivers ≈ US$1.2 M ARR.

## 1. Market & Opportunity

* • U.S. life‑science researcher pool ≈ 545 000 people (2025 report) [3]
* • Average 7‑person lab ⇒ ~46 700 academic labs
* • With ~10 % already digital, ~42 000 remain analog; 60 % are small labs ⇒ serviceable labs being 25 000.

## 2. ELN Product‑Life Cycle Facts

A 2021 survey of 172 ELN tools found **a median 7‑year product lifetime** [1].

Open‑source ELOG has run ~20 years; oldest proprietary ELNs ~25 years [4].

Take‑away → customers fear data lock‑in; Notes9 must guarantee export.

## 3. Personas We Serve

* • Bench Researcher – wants drag‑and‑drop instrument data
* • PI – approves p‑card spend, needs audit trail
* • Research‑IT – buys campus license after 5 + active labs

## 4. Sales‑Economics Dilemma & Fix

Top‑down Account Executive (AE) (CFO or Research IT level) sale is too slow/expensive.

Fix: product‑led first, AE assisted sales later:

* Free 2‑seat tier → instant adoption
* US$25/seat/mo upgrade fits PI p‑card single‑purchase cap (< US$5 k) [6]
* When ≥ 5 labs on one domain, AE offers dept license (6‑week cycle)

## 5. Tiered Pricing Ladder

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Tier | Price | Seats | Value | Why |
| Starter | Free | 2 | Basic notebook, 1 GB | Remove friction |
| Lab Team | $25/seat/mo | 10 | Exports & basic AI | Sweet‑spot |
| Lab Pro | $100/seat/mo | 25 | Inventory & instrument APIs | Power users |
| Campus | 12 k base + $40/seat/yr | 200+ | SSO, LMS link | Department licence |

## 6. Go‑to‑Market Timeline

0–3 mo: MVP, 5–10 pilot labs, publish testimonials

6–12 mo: 50–100 paying labs (~US$0.8 M ARR)

1–2 yr: 250–500 labs, campus deals, compliance pack

## 7. ROI – Published Numbers Only

Peer‑reviewed survey shows 9 h/week saved after ELN adoption [7].

BLS median life‑scientist wage = US$41.80/h [8].

|  |  |  |
| --- | --- | --- |
| Scenario | Annual labour saved per researcher | ROI vs US$300 license |
| 3 h/week | US$6,521 | 22× pay‑back |
| 9 h/week | US$19,562 | 65× pay‑back |

An 8‑seat lab on the Team plan (US$2 400/yr) saves US$52 k–156 k in labour, a 22‑65 times ROI.

## 8. Differentiation vs. Generic LLM Tools

Domain‑tuned parsers for example: qPCR, HPLC; graph lineage; private deployment – none provided by vanilla ChatGPT/Claude.

## 9. What is a “Seat”?

One paid user login. 8 seats × $25 = $200/month.

## 10. References

[1] Complex Interface Team ELN survey & timeline (2025) – <https://complexinterface.com/>

[2] Riley E. et al., J Biol Eng 2017 (5 % academic ELN adoption) – <https://pmc.ncbi.nlm.nih.gov/articles/PMC5701295/>

[3] Towards Healthcare Life‑Science Tools Report 2025 – <https://www.towardshealthcare.com/insights/life-science-tools-market-size>

[4] Higgins S.G. et al., Nature Protocols 2022 – <https://doi.org/10.1038/s41596-021-00645-8>

[5] <https://jcheminf.biomedcentral.com/articles/10.1186/s13321-017-0221-3#:~:text=One%20respondent%20experienced%20sharp%20price,71m>

[6] University of Colorado p‑card policy (US$5 k limit) – <https://www.cu.edu/psc/procurement-card-handbook/procurement-card>

[7] Lab Manager, “ELNs – Data‑System Integration but Slow Adoption,” Feb 2023 – https://www.labmanager.com/...

[8] U.S. BLS OEWS May 2024, occupation 19‑1099 – <https://www.bls.gov/oes/current/oes191099.html>