An Analysis on Equity and Offers for Shark Tank

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Abstract

The television show Shark Tank is an American television series in which entreprenuers pitch their company and then ask "sharks", successfull entrepreneurs, for investment in exchange for an amount of equity. The purpose of this analysis is to study whether the amount of equity and investment asked for has an effect on whether or not a shark makes an offer. The sharks investigated will be Mark Cuban, John Daymond, Robert Herjavec, and Kevin O'leary. If any one of them make an offer the pitch is considered a success.

1 Introduction

The television show Shark Tank is an American television series in which entreprenuers pitch their company and then ask "sharks", successfull entrepreneurs, for investment in exchange for an amount of equity. The purpose of this analysis is to study whether the amount of equity and investment asked for has an effect on the probability a shark makes an offer. The sharks investigated will be Mark Cuban, John Daymond, Robert Herjavec, and Kevin O'leary. If any one of them make an offer the pitch is considered a success.

This paper will give results for a logit regression in order to predict the probability of a successful pitch, given variables such as dollar and equity asked for, revenue, and profit.

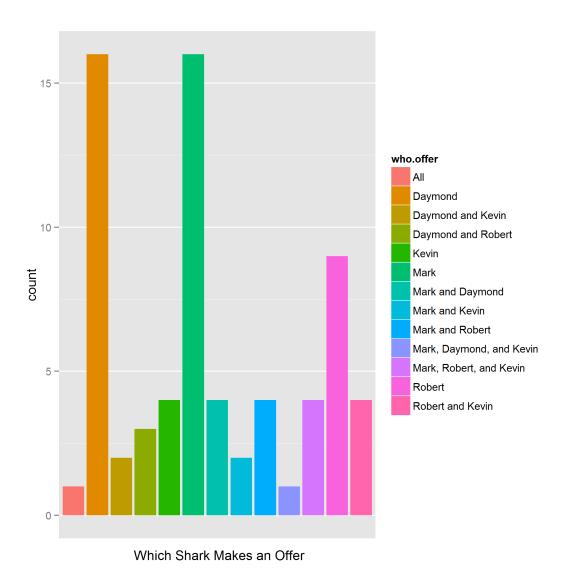


Figure 1: Amount of Offers by Shark