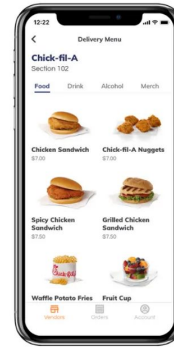




Group 2 - Thomas, Aaron, Gio, David

# Summary

- Software and Operations startup revolutionizing concessions and the in-seat experience at sports/entertainment events
  - UberEats-like app for fans in stadiums
    - Fans: order food and drinks through the app
      - Items get delivered to seat, or available for pickup
    - Venues/sEATz: dispatch orders, collect items, and deliver
      - sEATz handles backend management and logistics
      - Venues have granular control over offerings
- Value Proposition:
  - Fans: Don't miss a moment of the game, better f&b experience
  - Venues: Better fan experience (keeping fans in the stadium), maximize concession revenue



# People

- Aaron Knappe - CEO, Co-Founder
  - Rice MBA, TAMU undergrad
  - President of Dynamic Shelters
- Craig Ceccanti - CTO, Co-Founder
  - Rice MBA, LSU undergrad
  - Co-Founder and CEO of Pinot's Palette
- Marshall Law - Co-Founder, Sales and Marketing
  - UT undergrad
  - Founded photography and waste disposal companies
- Pros: Solving problem that impacted them, experience founding and leading
- Cons: No prior experience in sports or technology markets



# External Factors: COVID-19

- COVID-19 provides an opportunity to seize market share
- Sports world has gone dark
  - Olympics postponed, NCAA Spring Sports cancelled, NBA & NHL suspended indefinitely
- Sports teams losing billions in revenue and attendance will dip
  - Owners and arenas looking to recoup lost revenues
  - sEATz uniquely suited to solve owners' biggest problems
    - Keep fans engaged
    - New sources of revenue (f&b low hanging fruit)
- Threat of new entrants low at this time
- Sign up venues now to capture market when times get better

## OPPORTUNITY TO INCREASE REVENUE BY REDUCING CONCESSIONS WAIT TIMES

	Average Spend at Concessions	Increase in Spend if Wait Time Cut in Half	Potential Increase in Fan Spend
Australia	\$32.41	\$13.59	41.93%
Brazil	R\$48.76	R\$ 24.13	49.49%
China	¥56.83	¥24.53	43.16%
France	€18.62	€9.38	50.38%
Germany	€20.42	€10.78	52.79%
Japan	¥2,195.04	¥670.04	30.53%
UK	£13.69	£6.10	44.56%
US	\$47.31	\$19.67	41.57%

Source: Oracle - The Fan Experience

# Market/Opportunity



- Concessions represents \$20B annual global market
  - Improved customer experience will further grow market
    - Smart stadium market: 20.9% CAGR
    - Online food delivery market: 7% CAGR
- SOM \$335MM ARR @ 5% capture
  - Houston-based events and professional sports is sEATz's beachhead market
  - Demonstrated traction through active pilots as well as competition in other geographies
- Value proposition
  - Fans: pay 15% convenience fee; don't miss any of the action waiting in concession lines
  - Venues: 15% revenue sharing for tech and delivery solution; increase customer satisfaction and concessions revenue, capture customer analytics
- sEATz model generates revenue on both sides of transaction
  - Expansion opportunities in sponsorships and leveraging analytics

# Competition

- FanFood and SeatServe are relatively small
  - FanFood partners with handful of universities and high schools
  - SeatServe focuses in Europe
- VenueNext is largest “startup” platform
  - Designs custom venue apps, integrating ordering experience
  - Many partners but limited traction
- Postmates and Grubhub have experimented with venue delivery, but mostly abandoned those trials

## Direct Competition



**VENUENEXT**

## Large Platforms



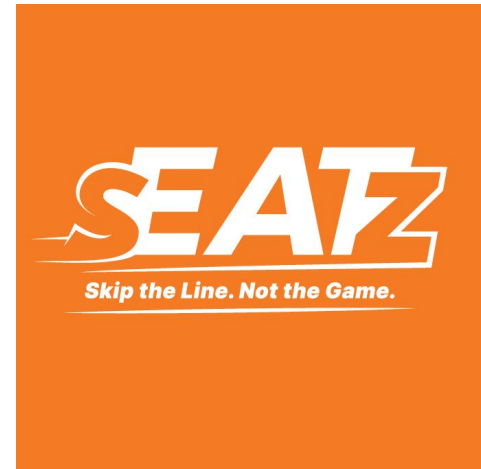
Postmates

**GRUBHUB**

Uber **Eats**

# Differentiation

- sEATz offers easier provision of labor
  - Uber/Postmates “gig” model doesn’t translate well into stadiums
  - FanFood requires venues to provide their own labor
- sEATz works across venues
  - Instead of venue-specific apps, sEATz could potentially track users across events and customize promotions
- sEATz promotes ease of use and integration



# Exit Opportunities



**Postmates**

- Likely few exit opportunities at this time
- Large food and facility management (Aramark, Delaware North)
  - Aramark - history acquiring food delivery service (Good Uncle 2019)
    - Most likely acquirer
- Direct Competitors (SeatServe, FanFood)
  - Too small and lack significant traction
- Food Order and Delivery Platforms (e.g. UberEats)
  - We expect to see consolidation with few players left
    - Larger players have more cash on hand for expansion into other delivery verticals such as stadiums
  - Postmates (in 2019) and Grubhub (in 2017) have run pilot programs in stadiums which shows interest in the service



# Deal Terms and Fit



RICE UNIVERSITY  
Rice Management Company

*“Enhance the Rice University community [and] Houston..”*

- Our Mission Section, RMC website

- sEATz is the epitome of this
  - CEO and CTO both Rice MBAs
  - Partnership with Rice Athletics to test features at Rice Stadium first
  - Sourced 100% of investment from the Houston Area
- Deal: RMC looking to invest a \$25k SAFE note
  - sEATz uniquely positioned for growth at the intersection of desirable sectors
  - RMC gains convertible equity at a discount because of COVID
  - Potential success story for all of Rice University



# Overall Recommendation: Invest

## Positives:

- Solves a real pain point the founders care about
- Provides real value to both fans and venues
- Unique relationship with Rice, Rice Athletics, and Houston Ecosystem

## Negatives:

- No underlying IP or significant moat
  - Limited exit opportunities
  - Uncertain future for sports spectators
- 