

Terms one should know about startups



1 Dragon



A startup that raises \$1 Billion from investors in the first round or in a single round



2 Unicorpse



Companies valued less than \$1 billion



3 Unicorn



Companies valued above \$1 billion



4 Honeypot



Attractive way to present something to investors



5 Gamify



Adding games with products in order to make them attractive



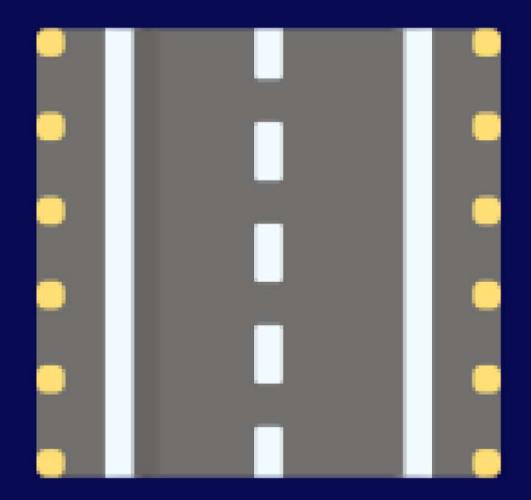
6 Burn rate



Negative cash flow from Start-ups



7 Runway



The time by which the company shuts down due to burnout of cash



8 Hockey Stick



A steady growth followed by a sudden rise



Incubator



A program to support the successful development of companies by offering cost-effective resources



10 Accelerator



an organization that offers advice, mentorship, and resources such as funds to help small businesses grow.



11 Angel investor



A type of investor, usually family, and friends who provide capital to startups at their early stages



12 Seed fund



Funds required in the early stage



13 Initial public offering



First public sale of the stock of a formerly private company



14 Return on investment



Amount of money or net benefit generated from an investment



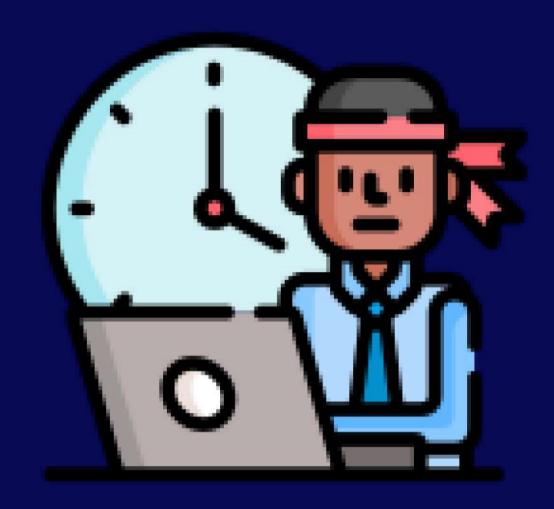
15 Lock-up period



Period at which investors are not allowed to sell their shares.



16 Sweat equity



Shares of the company given to its employees for their hard work



17 Bootstrapping



Relying on personal capital



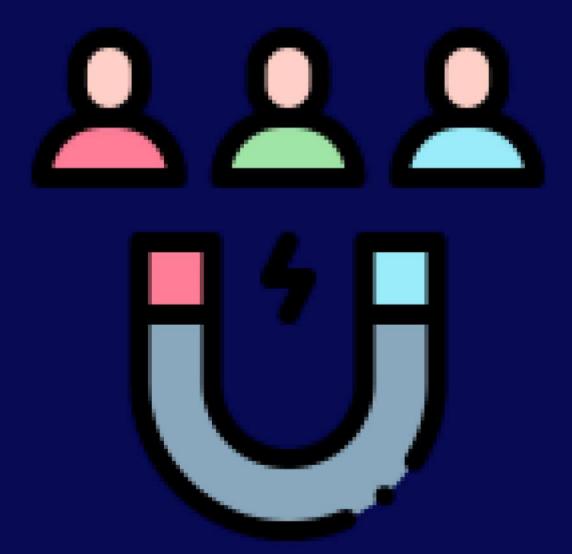
18 Dave ratio



Maintaining gender parity amongst the employees.



19 CAC



Amount of money spent for marketing purposes



20 Crowdfunding



Raising small amounts from large investors