Shark Tank Activity: Investor Evaluation Worksheet

Use this worksheet **while watching** the pitch. Pause the video **before the sharks decide**. Your team should complete the questions below, then vote to (a) invest, (b) not invest, or (c) propose different terms.

Start-Up: Incredible Eats

Show: Shark Tank – Season 13, Episode 4
Company: Incredible Eats
Link: Watch here on YouTube

Background

Incredible Eats is a **sustainable utensil company** that makes **edible spoons** designed to replace single-use plastic cutlery. The founder, **Dinesh Tadepalli**, presents his business as both a mission-driven and scalable enterprise — aiming to reduce plastic waste while building a viable, profitable consumer brand.

Quick Context: Who are the "Sharks"?

Investors are experienced founders/VCs investing their **own money** in exchange for **equity** or other terms (e.g., royalties, convertible notes). They evaluate **team, traction, margins, defensibility, and scale**.

Instructions

1. Watch the clip (up until the sharks share their decisions).
2. In your group, discuss the following:
   - What additional information would you want before deciding whether to invest?
   - How does this product fit within the broader market for sustainable foodware?
   - Which sharks might add the most value as investors, and why?
3. Complete the **Investor Evaluation Worksheet** (below) using what you learned from the pitch.
4. As a group, decide whether you would:
   - **Invest**
   - **Not invest**, or
   - **Propose different terms**
5. After recording your decision, watch the rest of the clip and compare your reasoning with the sharks'.

1) Core Understanding (fast scan)

- **What problem is being solved?**

  ____

- **Target customer and use case:** ______________________________
- **Stage (idea / prototype / launched / growth):** [ ] Idea [ ] Prototype [ ] Launched [ ] Growth
- **Primary business model (how they make money):** ______________________________

2) Financial Snapshot (from the pitch)

- **Ask:** $____________ for ____________% equity → **Implied valuation:** $________________________
- **Unit economics (price, COGS, gross margin %):** ______________________________
- **Sales/traction to date (revenue, growth rate, channels):** ______________________________
- **Customer acquisition (CAC) & payback (if given):** ______________________________
- **Planned use of funds:** ______________________________

3) VC Screening Criteria — Guiding Questions

Consult these as you analyze the pitch. Jot notes/evidence from the clip.

Market & Strategy

- **Timing of entry:** Why is *now* advantageous? ______________________________
- **Key success factor stability:** Are critical drivers (demand, supply, inputs, channels) stable 3–5 yrs? ______________________________
- **Lead time:** How long until competitors can copy/surpass them? ______________________________
- **Competitive rivalry:** Who competes now and what defends share (price, brand, distribution)? ______________________________
- **Entry wedge & imitation risk:** What prevents cloning (IP, data, contracts, network effects)? ______________________________
- **Scope:** Market size (TAM/SAM/SOM) and adjacent expansion paths? ______________________________
- **Industry-related competence:** Founder/team domain knowledge, supplier/buyer relationships? ______________________________

Product / Customer

- **Product or service characteristics:** Clear pain point, differentiation, and scalability? ______________________________
- **Market characteristics:** Growth rate, customer validation (LOIs, repeat rates, retention)? ______________________________

People

- **Entrepreneur's personality:** Coachable, resilient, focused? Examples from Q&A? ______________________________

- **Entrepreneur's experience:** Prior startups, relevant wins, operator credibility?
  ___
- **Nature of the venture team:** Complementary skills, key gaps, hiring plan?
  ___

Financials

- **Financial considerations:** Realistic projections, margin structure, runway, path to profitability?
  ___

4) Risk–Return Summary (bullet your top 2–3)

- **Top strengths:**
  1) ___
  2) ___
  3) ___
- **Top risks:**
  1) ___
  2) ___
  3) ___

5) Your Investment Decision

- **Choose one:** [ ] Invest [ ] Do Not Invest [ ] Different Terms
- **If investing, proposed terms (equity %, valuation, or alternative):**
  - Equity %: ___
  - Valuation: $___
  - Structure: [ ] Equity [ ] Convertible Note [ ] Royalty [ ] Other: ___
  - Any contingencies (milestones, hire, patent filing, channel commitments):
    ___
- **If not investing, why not (one-sentence rationale):**
  ___

6) Post-Reveal Reflection (after watching the sharks' decisions)

- **Were your reasons similar to the sharks'?** What was the biggest difference?
  ___
- **What new info changed your view (if any)?**
  ___
- **Which VC criteria most influenced the actual outcome (team, margins, scale, defensibility, etc.)?**
  ___