

O

Internet Trends 2012

Mary Meeker
May 30 @ D10 Conference

INTERNET TRENDS

D10 CONFERENCE
5/30/2012

Mary Meeker



Outline

- 1) Basic Stats – Internet Growth Remains Robust, Rapid Mobile Adoption Still in Early Stages**
- 2) Re-Imagination – of Nearly Everything**
- 3) Economy – Mixed Trends, With Negative Bias**
- 4) ‘USA, Inc.’ – A Lot to be Excited About in Tech, A Lot to be Worried about in Other Areas**
- 5) Bubble – or Not?**

BASIC STATS – INTERNET GROWTH REMAINS ROBUST, RAPID MOBILE ADOPTION STILL IN EARLY STAGES

INTERNET USERS

2.3B Global Internet Users in 2011* – 8% Growth*, Driven by Emerging Markets

Rank	Country	2008-2011 Internet User Adds (MMs)	2011 Internet Users (MMs)	Y/Y Growth	Population Penetration
1	China	215	513	12%	38%
2	India	69	121	38	10
3	Indonesia	37	55	22	23
4	Philippines	28	34	44	35
5	Nigeria	21	45	--*	28
6	Mexico	19	42	19	37
7	Russia	16	61	3	43
8	USA	15	245	1	79
9	Iran	14	37	--*	48
10	Turkey	11	36	26	49
Top 10		444	1,189	12%	32%
World		663	2,250	8%	32%

Note: *Nigeria / Iran data as of 12/10; Other 8 countries' data as of 12/11, 2.3B global Internet users and 8% Y/Y growth rate based on the latest available data (most as of 12/11, some as of 12/10). Source: United Nations / International Telecommunications Union, internetworkstats.com.

MOBILE USERS

1.1B Global Mobile 3G Subscribers, 37% Growth, Q4 – @ Only 18% of Mobile Subscribers

Rank	Country	CQ4:11 3G Subs (MM)	3G Penetrat ion	3G Sub Y/Y Growth	Rank	Country	CQ4:11 3G Subs (MM)	3G Penetrat ion	3G Sub Y/Y Growth
		3G Subs (MM)	Penetrat ion	Y/Y Growth			3G Subs (MM)	Penetrat ion	Y/Y Growth
1	USA	208	64%	31%	16	Canada	16	62%	34%
2	Japan	122	95	9	17	Taiwan	14	48	17
3	China	57	6	115	18	South Africa	13	21	49
4	Korea	45	85	10	19	Turkey	13	20	62
5	Italy	44	51	25	20	Portugal	13	78	19
6	UK	42	53	25	21	Vietnam	12	11	358
7	Brazil	41	17	99	22	Mexico	11	11	55
8	India	39	4	841	23	Malaysia	10	27	7
9	Germany	38	36	23	24	Sweden	10	73	25
10	Spain	33	57	21	25	Philippines	10	11	45
11	France	30	45	35	26	Saudi Arabia	10	19	17
12	Indonesia	29	11	27	27	Netherlands	9	44	34
13	Poland	28	57	17	28	Egypt	8	10	60
14	Australia	22	76	21	29	Austria	7	58	24
15	Russia	17	8	45	30	Nigeria	6	6	51

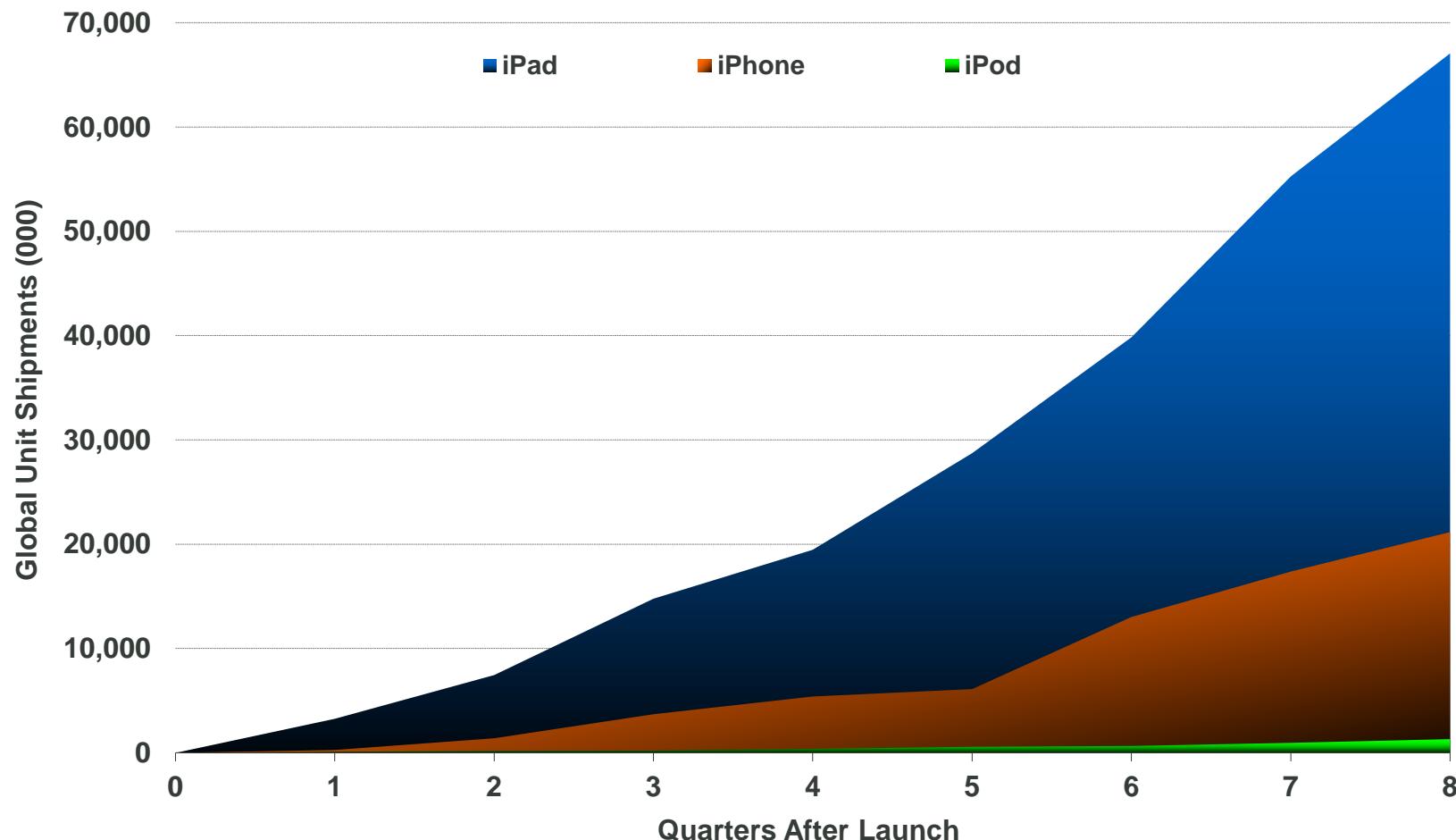
Global 3G Stats: Subscribers = 1,098MM Penetration = 18% Growth = 37%

Note: *3G includes CDMA 1x EV-DO and Rev. A/B, WCDMA, HSPA; One user may have multiple mobile subscriptions and may be counted as multiple subscriber. Source: Informa WCIS+.

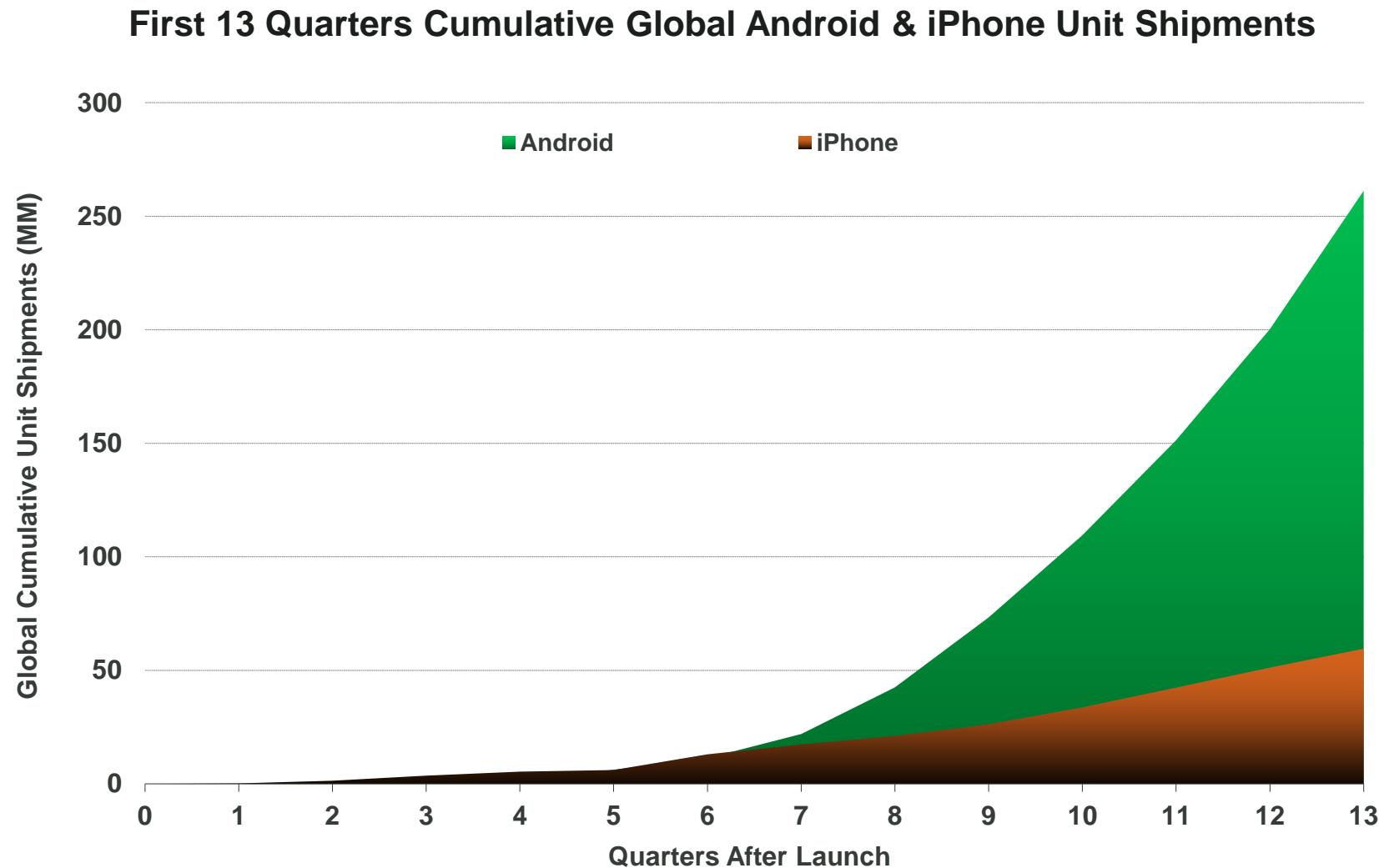
MODERN MOBILE DEVICE EVOLUTION

iPods Changed Media Industry...iPhones Ramped Even Faster...iPad Growth (3x iPhone) Leaves “Siblings” in Dust

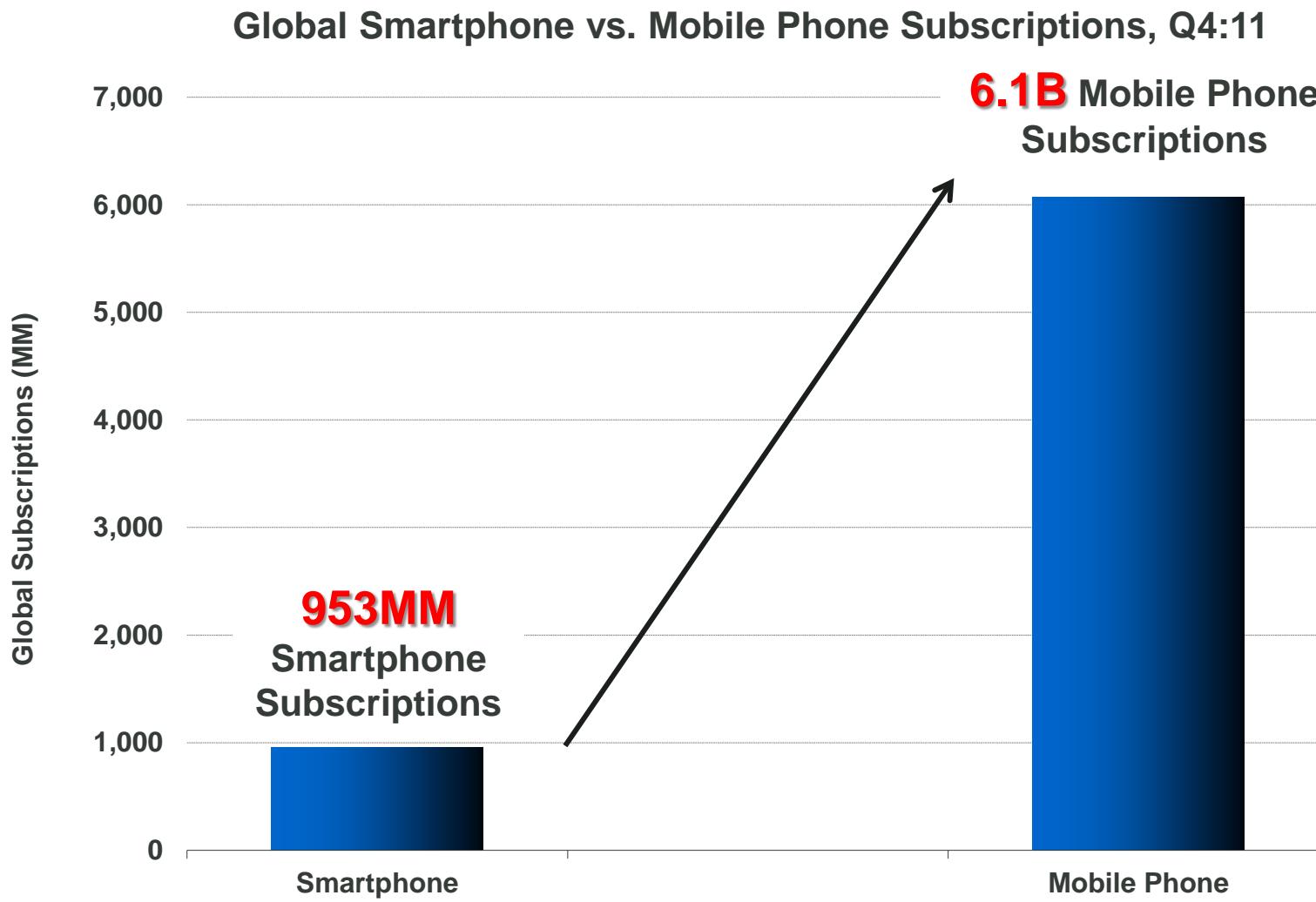
First 8 Quarters Cumulative Unit Shipments, iPod vs. iPhone vs. iPad



Android 'Phone' Adoption Has Ramped Even Faster – 4x iPhone



Despite Tremendous Ramp So Far, Smartphone User Adoption Has Huge Upside

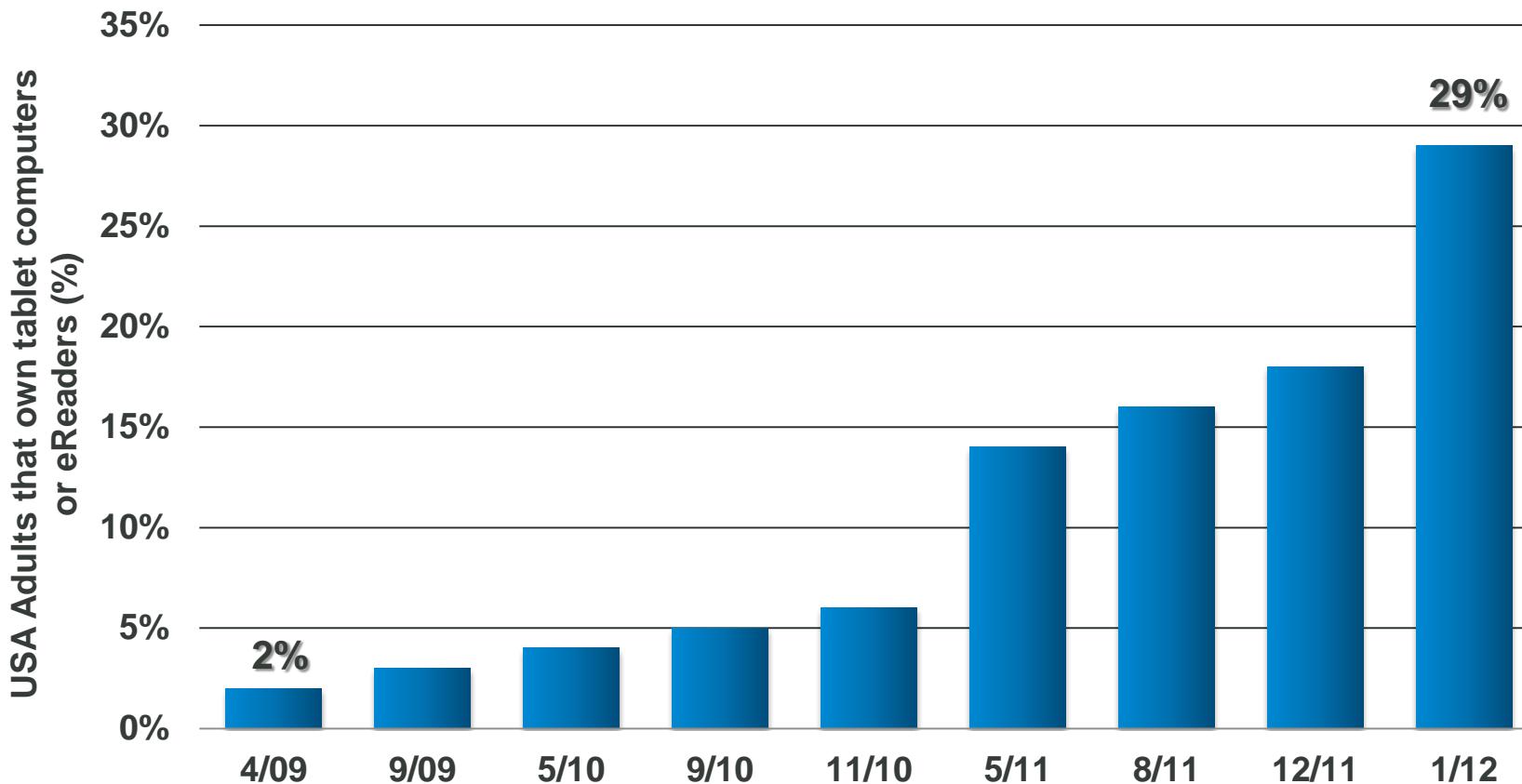


Source: Mobile phone subscriptions per Informa (as of Q4:11), Smartphone subscriptions estimate based on Morgan Stanley Research's estimated smartphone user as % of total mobile user at the end of 2011 (16%).

Note: While there are 1B global 3G subscribers as of Q4:11, not all of them were smartphone users. One user may have multiple mobile subscriptions, therefore actual user #s may be lower than subscriber #s.

Impressive 29% of USA Adults Own Tablet / eReader, Up from 2% Less Than Three Years Ago

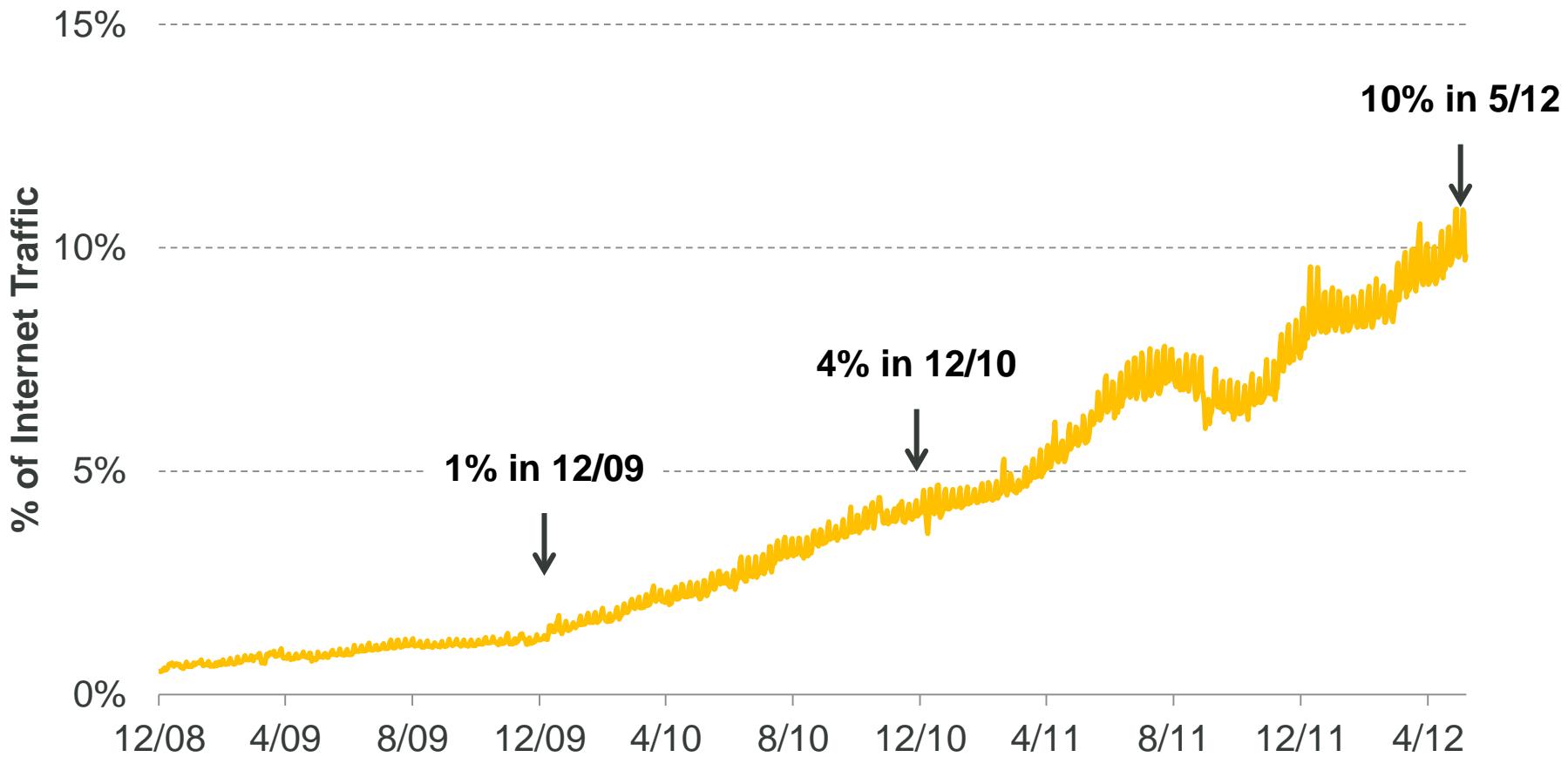
% of USA Adults Who Own Tablet Computers or eReaders, 4/09 – 1/12



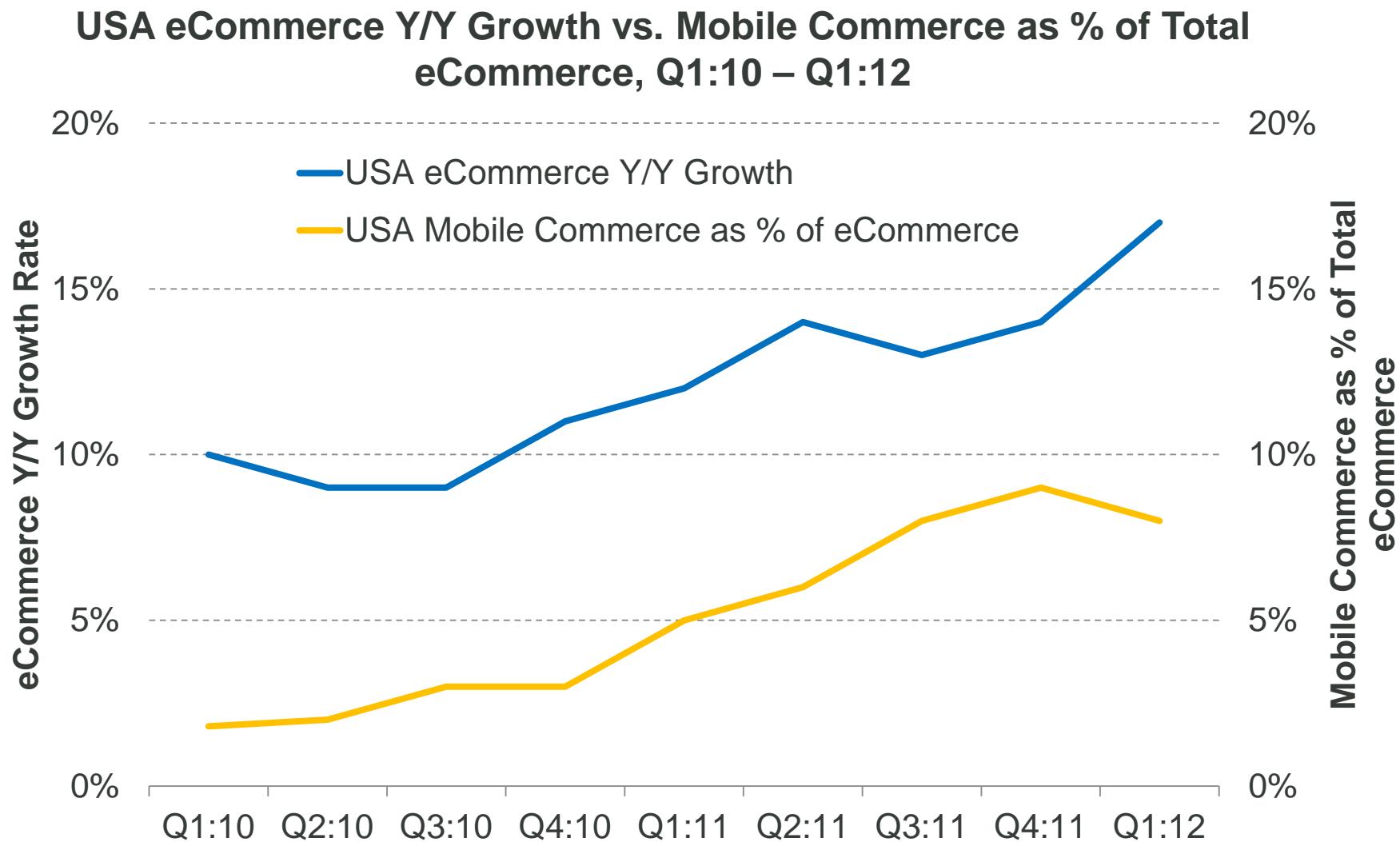
MOBILE MONETIZATION TRANSITION

Good News = Global Mobile Traffic Growing Rapidly to 10% of Internet Traffic

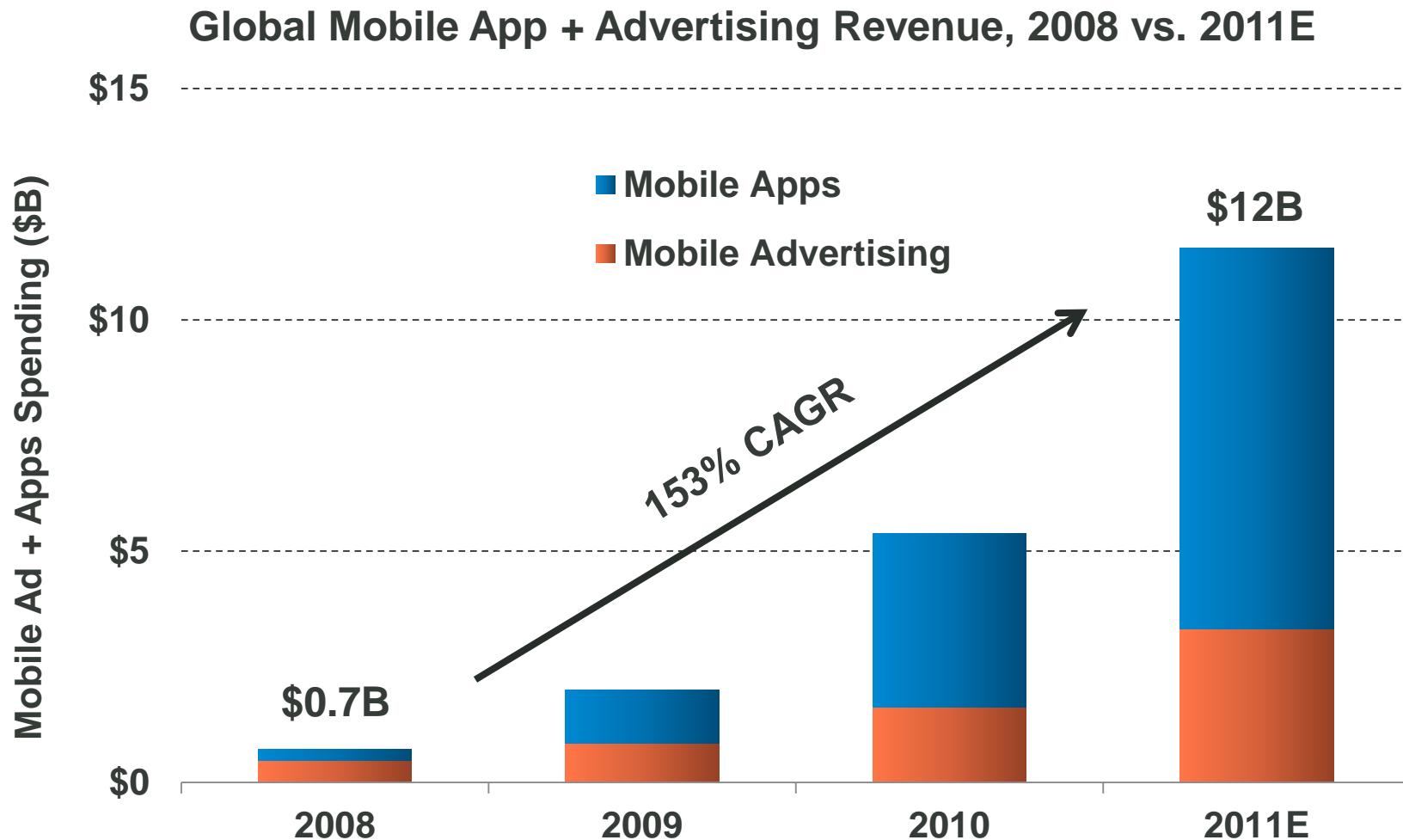
Global Mobile Traffic as % of Total Internet Traffic, 12/08 – 5/12



Good News =
Mobile @ 8% of USA eCommerce & Helping Accelerate Growth



Good News = Mobile Monetization Growing Rapidly (71% Apps, 29% Ads)

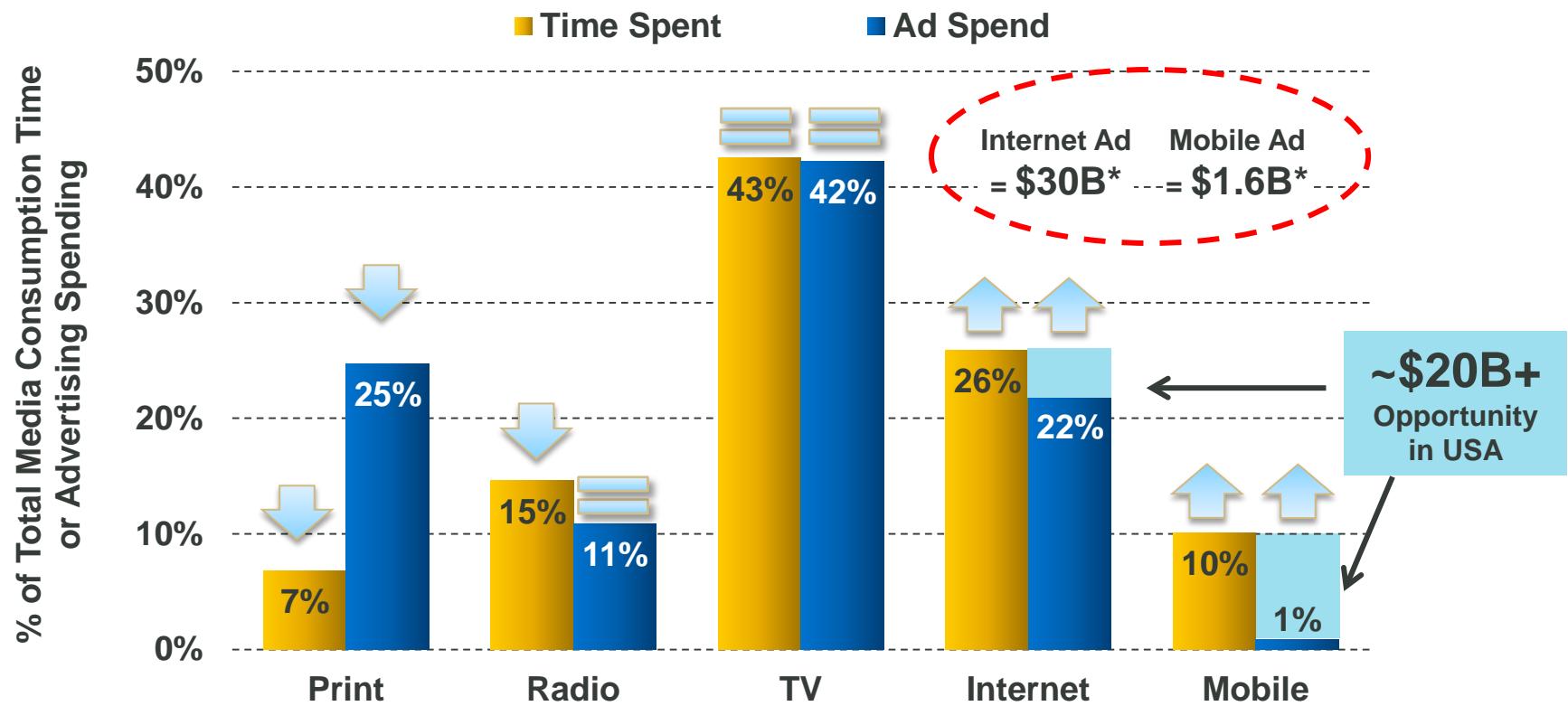


Source: Gartner. CAGR is compound annual growth rate.

Note: Apple has paid >\$3B to developers as of 9/11, implying gross app market revenue of \$4B in 3 years; Google indicated during CQ3 earnings call that it expects \$2.5B mobile ad revenue in 2011E

Good News = Material Upside for Mobile Ad Spend vs. Mobile Usage

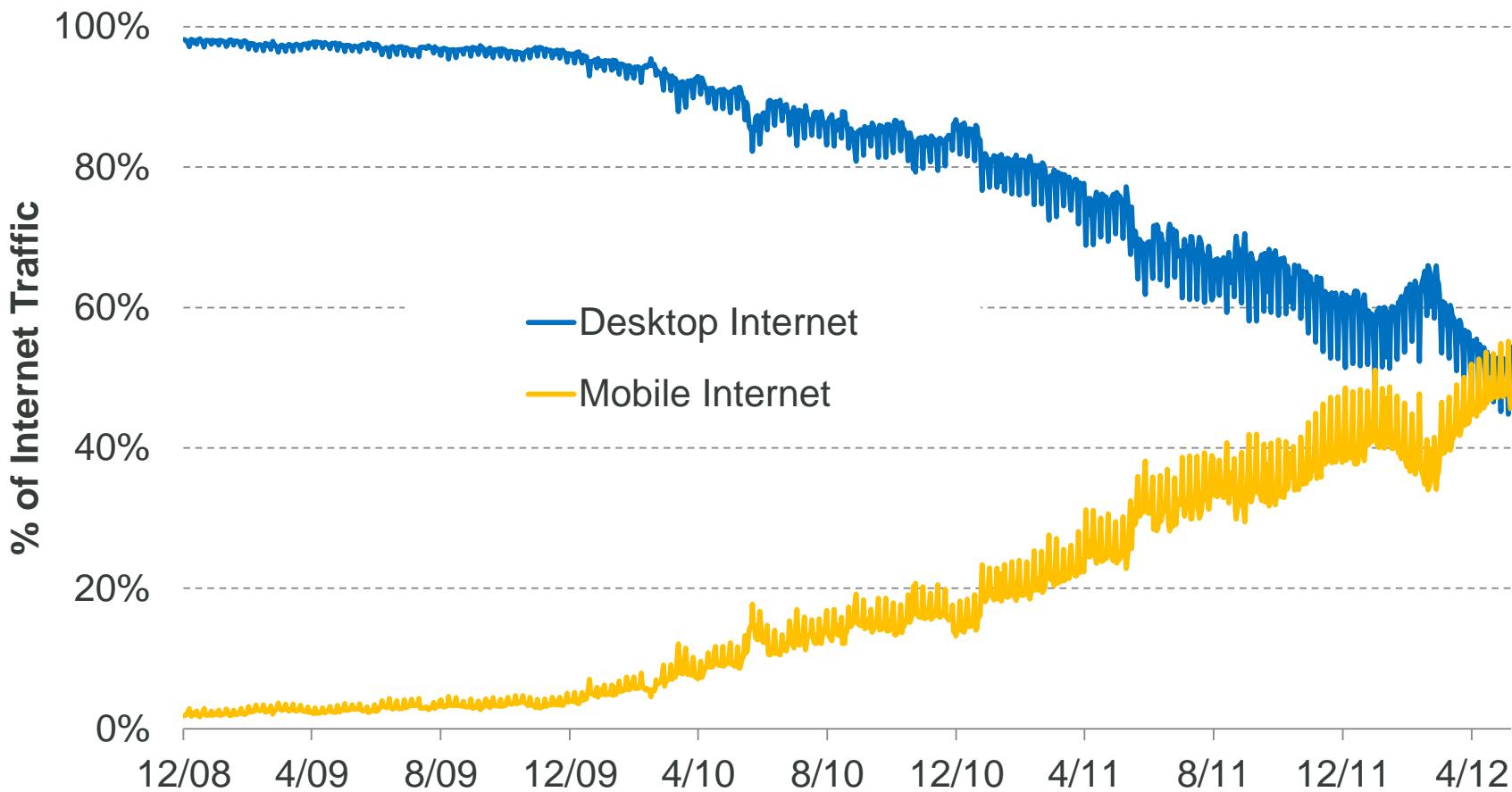
% of Time Spent in Media vs. % of Advertising Spending, USA 2011



Note: *Internet (excl. mobile) advertising reached \$30B in USA in 2011 per IAB, Mobile advertising reached \$1.6B per IAB. Print includes newspaper and magazine. \$20B opportunity calculated assuming Internet and Mobile ad spend share equal their respective time spent share. Source: Time spent and ad spend share data eMarketer, 12/11, Internet and mobile ad dollar spent amount per IAB.

Good / Bad News – Rapidly Growing Mobile Internet Usage Surpassed More Highly Monetized Desktop Internet Usage in May, 2012, in India

India Internet Traffic by Type, Desktop vs. Mobile, 12/08 – 5/12

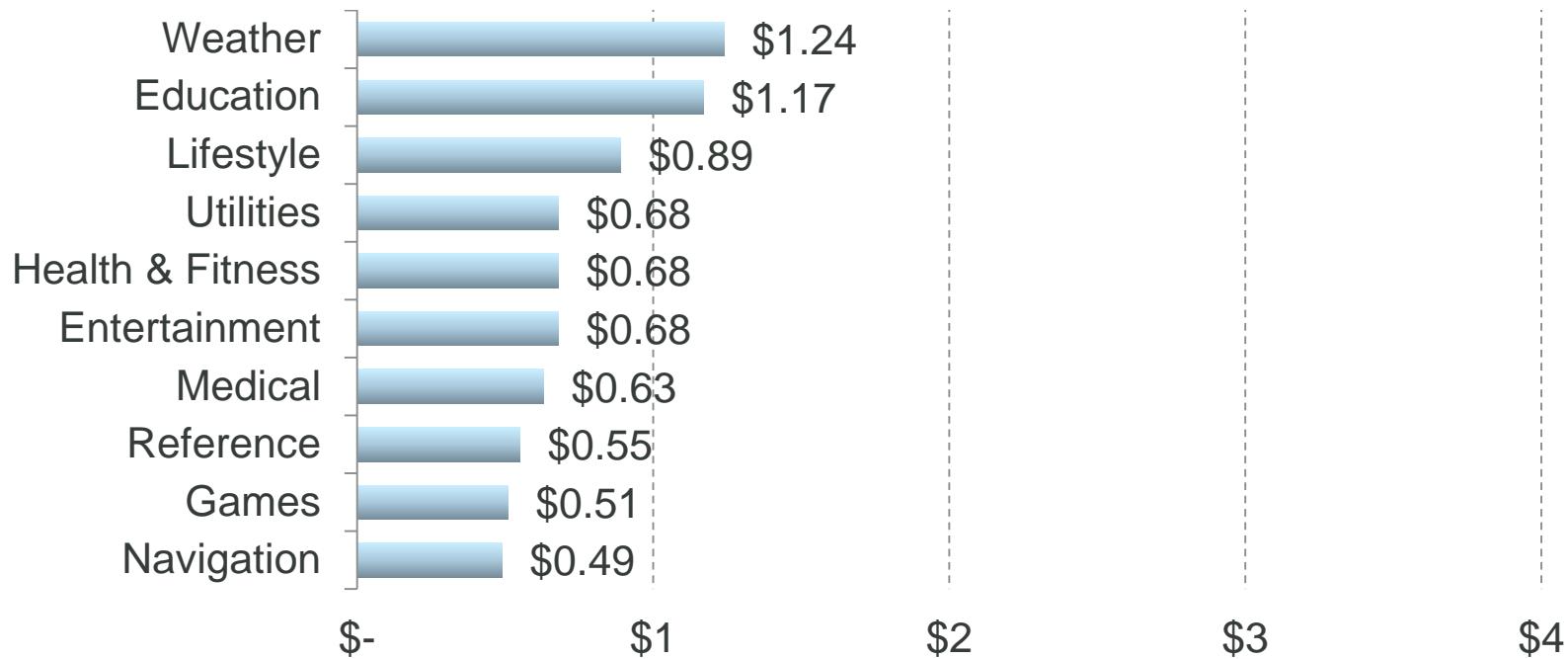


Bad News = eCPMs 5x Lower on Mobile than Desktop

Effective CPM, Desktop Internet* vs. Mobile Internet**



Mobile eCPM by Category



Bad News =

ARPU (Average Revenue per User) 1.7-5x Lower on Mobile than Desktop

<u>Company</u>	<u>ARPU Definition</u>	<u>Desktop ARPU</u>	<u>Mobile ARPU</u>	<u>Desktop ARPU / Mobile ARPU</u>
Pandora	Ad Revenue per User (Trailing 12-Month)	\$6.62	\$3.87	1.7x
Tencent	Revenue per Paying User (Annualized)	\$58.95	\$17.61	3.3x
Zynga	Bookings per Daily Active User (Annualized)	\$25.00	\$5.00*	5.0x

Note: *Zynga data are estimates. All data as of 5/12. Source: Pandora, Tencent, Zynga. 20

Google – Mobile Growth Helping Boost Clicks but Reducing Cost per Click thus Constraining Revenue Growth

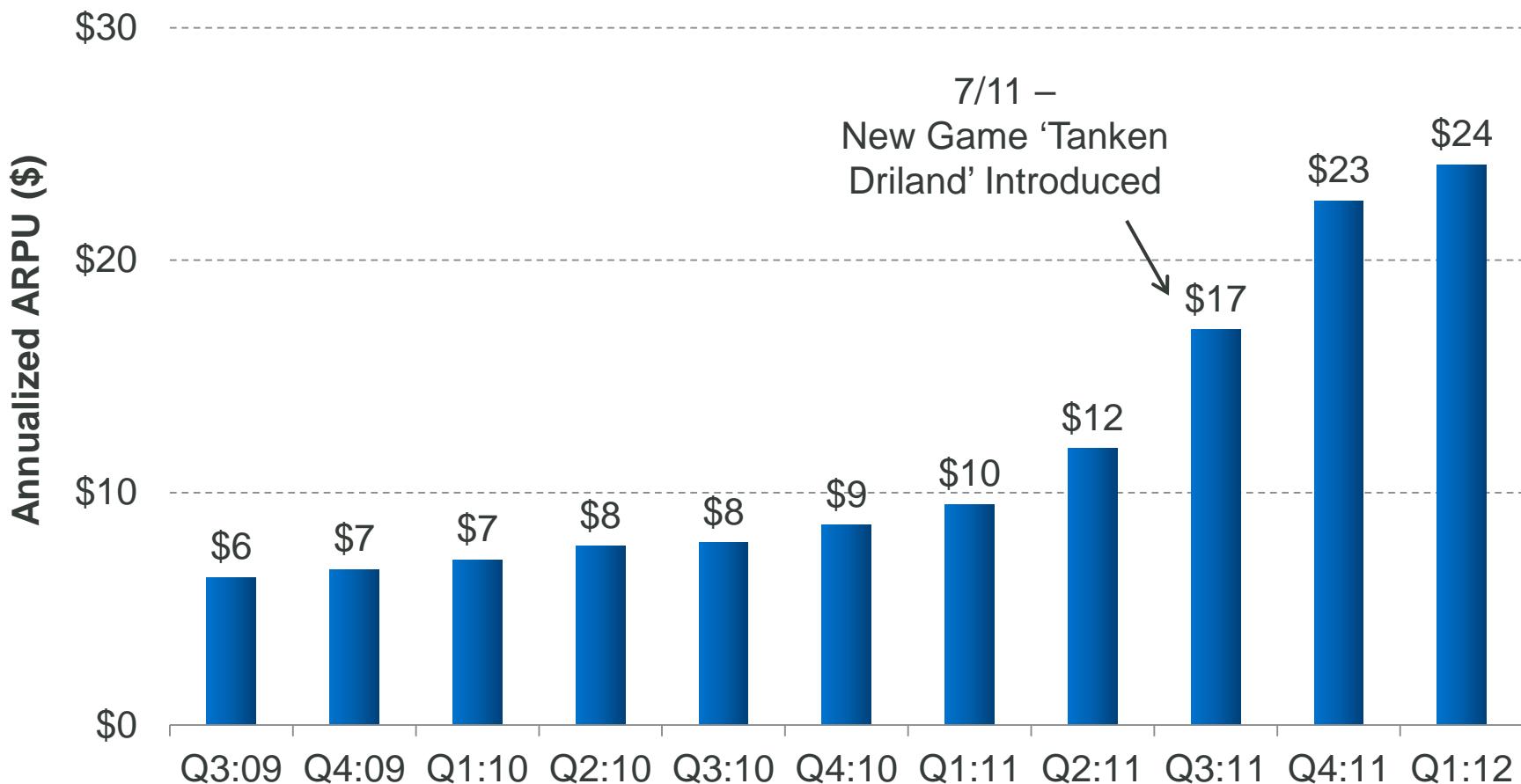
	Q1:11	Q2:11	Q3:11	Q4:11	Q1:12
Gross Advertising Revenue (\$MM)	\$8,306	\$8,716	\$9,335	\$10,174	\$10,225
<i>Y/Y Growth</i>	28%	33%	33%	25%	23%
Aggregate Paid Clicks (MM)	15,245	15,004	16,876	19,661	21,116
<i>Y/Y Growth</i>	17%	18%	28%	35%	39%
Cost per Click (CPC - \$)	\$0.54	\$0.58	\$0.55	\$0.52	\$0.48
<i>Y/Y Growth</i>	10%	12%	4%	(8%)	(12%)
<i>Q/Q Growth</i>	(3%)	7%	(5%)	(8%)	(6%)

Facebook – Mobile Growth Helping Drive Users but Containing ARPU thus Constraining Revenue Growth

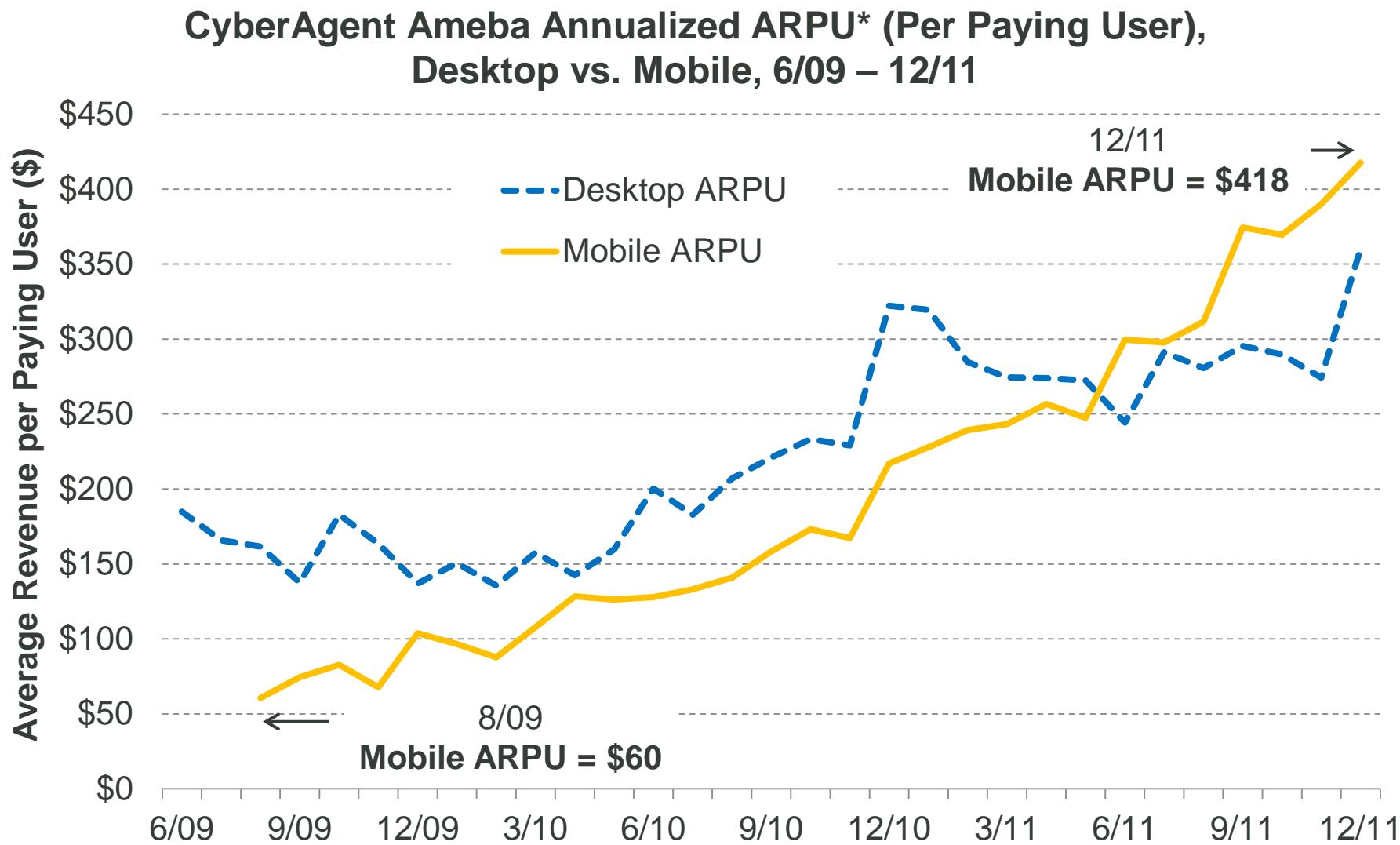
	Q1:11	Q2:11	Q3:11	Q4:11	Q1:12
Ad Revenue (\$MM)	\$637	\$776	\$798	\$943	\$872
<i>Y/Y Growth</i>	87%	83%	77%	44%	37%
Mobile Active Users (MAUs) (MM)	288	325	376	432	488
<i>Y/Y Growth</i>	123%	110%	92%	76%	69%
<i>% of Total MAUs</i>	42%	44%	47%	51%	54%
Annualized Ad ARPU (\$)	\$3.96	\$4.37	\$4.15	\$4.59	\$4.00
<i>Y/Y Growth</i>	15%	18%	19%	1%	1%
<i>Q/Q Growth</i>	(13%)	11%	(5%)	11%	(13%)

Good News = Mobile ARPU Can Rise Rapidly, as Evinced by Japan Mobile Game Maker GREE

**GREE Annualized Mobile ARPU (per Registered Member),
Q3:09 – Q1:12**



Good News = Mobile ARPU Should Surpass Desktop ARPU, as Evidenced by Japan Mobile Game Maker CyberAgent



Mobile Monetization Good News = Desktop Internet Proved Ad \$ Follow Eyeballs, it Just Takes Time

	1995E	2011E
Global Internet Ad Revenue	\$55MM	\$73B
Ad Revenue per User	\$9	\$49
Global Internet Users	6MM	1.5B

Mobile Monetization has More Going for It than Early Desktop Monetization Had:

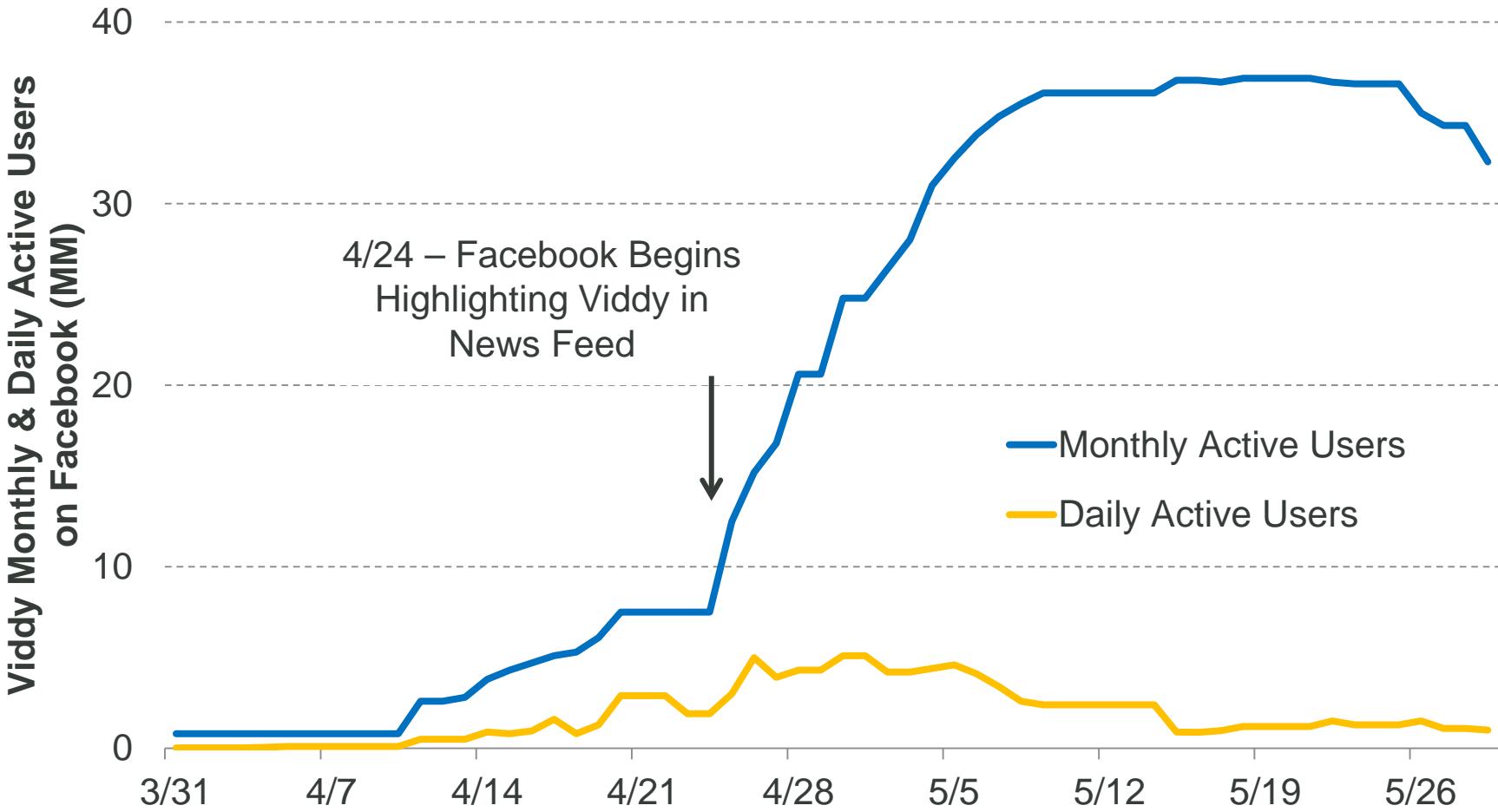
- Very Rapid User Growth
- App + In-App Monetization (44% of apps are free, 56% of apps priced at \$3.77 average)
- Rapid Growth of Mobile Commerce + Payment Systems
- Large Number of Innovative Developers
- Broad Base of Sophisticated Advertisers + Marketers
- Highly Engaged Consumers Assisted by Social + Curation Tools
- Rapid Acceptance of Two Device Platforms – Smartphones + Tablets
- ‘Essential Utility’ / Ultra Useful Apps Being Created
- Lessons from Developed Mobile Markets like Japan – Using Japanese Market Pattern Recognition, Mobile Monetization Levels in USA Could Surpass Desktop Within 1-3 Years

Source: Global online ad revenue per Jupiter Communications (1995), ZenithOptimedia (2011). Internet users per Morgan Stanley estimate (1995) and comScore (2011). We note that comScore reports a lower global Internet user # than International Telecommunications Union. App price data per 148apps / AppBrain.

PLATFORM FIRE HOSES

Facebook Open Graph Distribution – Example of Onboarding 17MM New Users in 7 Days*!

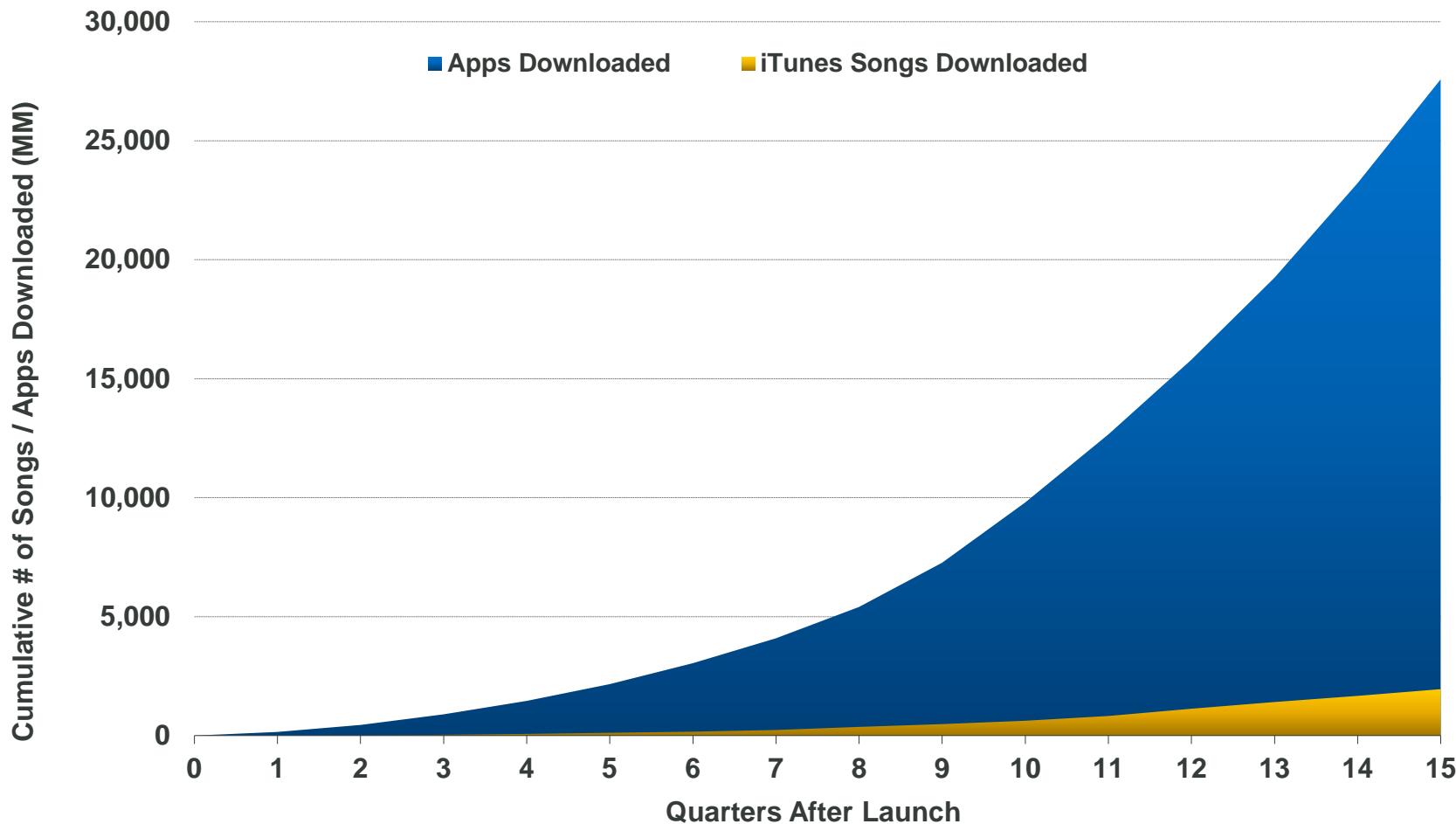
Viddy Monthly Active Users (MAU) and Daily Active Users (DAU) on
Facebook Platform, 3/31/12 – 5/29/12



Note: * Viddy added 17MM new monthly active users between 4/24 (when Facebook began highlighting Viddy in the newsfeed) and 5/1.
Source: AppData.

Apple App Store Distribution – iTunes App Store Driving 46MM+* Downloads per Day

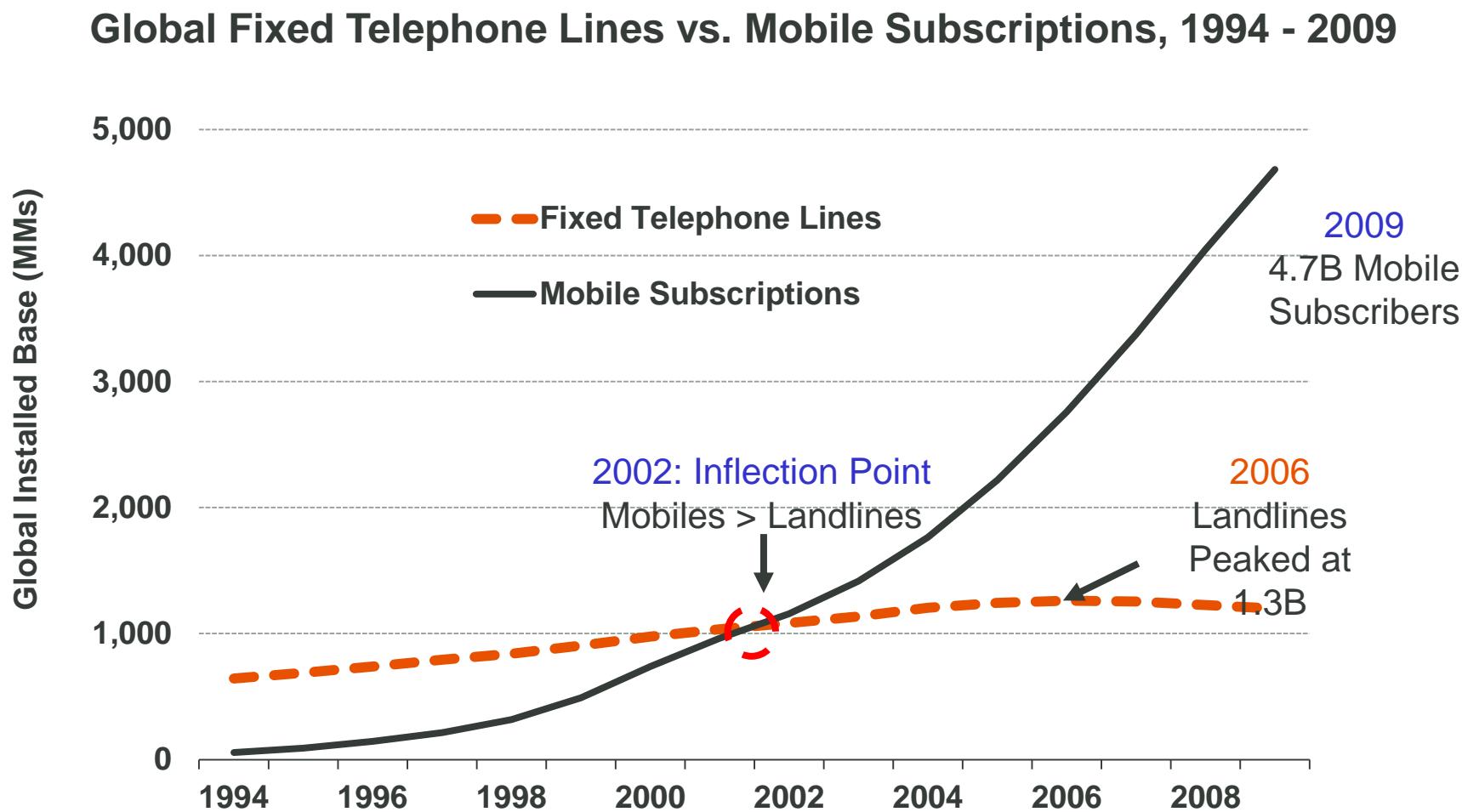
First 15 Quarters Cumulative # of Downloads, iTunes Music vs. Apps



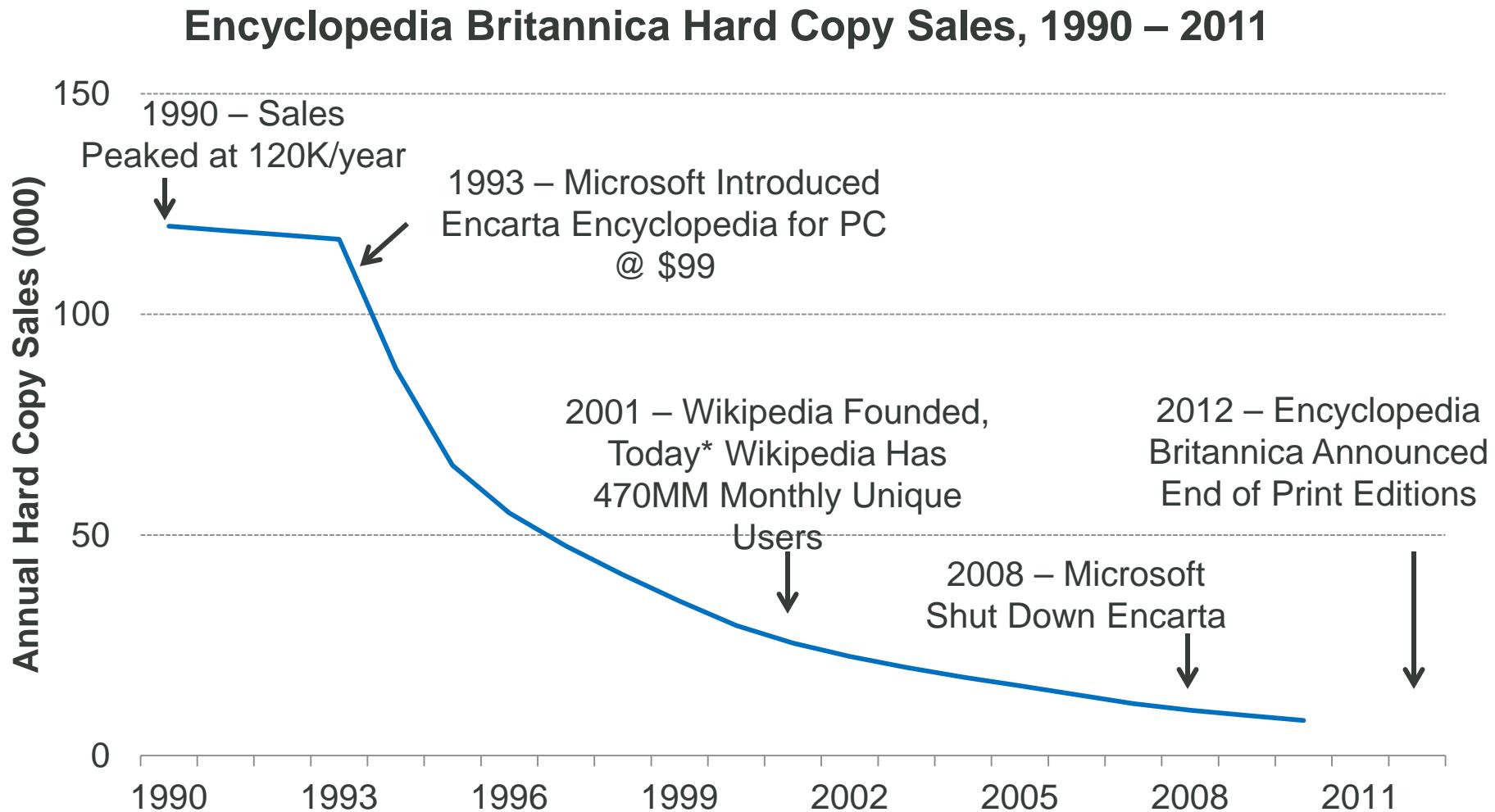
Note: * 46MM daily app downloads calculation based on days between Apple announced milestones (18B downloads as of 10/4/11 and 25B downloads as of 3/5/12). iTunes Music store launched in CQ2:03, App Store launched in CQ3:08. Source: KPCB estimates based on Apple data, as of CQ1:12.

**RE-IMAGINATION OF NEARLY
EVERYTHING* –
POWERED BY NEW DEVICES +
CONNECTIVITY + UI + BEAUTY –
WHERE WE ARE NOW...**

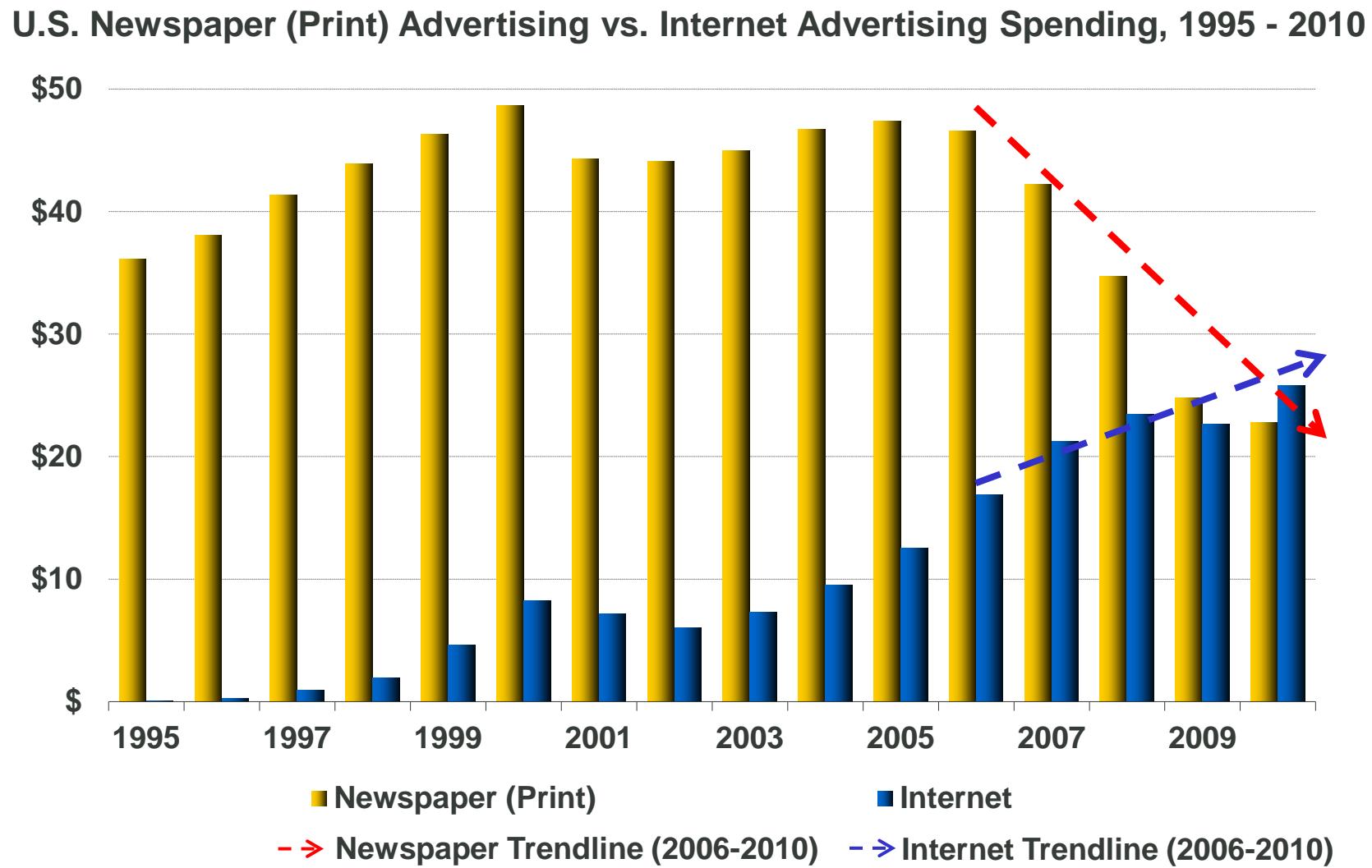
First Generation of Re-Imagination - After 125 Years, Landlines Were Surpassed by Mobiles in 2002



First Generation of Re-Imagination – After 244 Years, Encyclopedia Britannica is Going Out of Print in 2012



First Generation of Re-Imagination – After 305 Years,* Newspaper Ad Revenue Was Surpassed by Internet in 2010



Note: *America's first newspaper ad appeared in 1704 in a Boston local newspaper, per AdAge. Internet advertising includes online newspaper advertising. Source: Print newspaper ad spending per Newspaper Association of America (NAA); Internet ad spending per Interactive Advertising Bureau (IAB).

Re-Imagination of Computing Devices...

THEN...

(Desktops / Notebooks)



NOW...

(Tablets / Smartphones)



Re-Imagination of Connectivity...

THEN...



NOW...



...Re-Imagination of Connectivity

We hope to rewire the way people spread and consume information... We think a more open and connected world will help create a stronger economy with more authentic businesses that build better products and services.

- Mark Zuckerberg, Founder / CEO, Facebook
Letter to Potential Shareholders, May 2012

Re-Imagination of Life Stories...

THEN...

Biographies / Item Exhibitions For Famous People or Loved Ones



NOW...

(Facebook Timeline)

Broad Personalized Media Discovery Feed / Automatically Created / Widely Accessible

A screenshot of a Facebook timeline for a user named Matt Brown. The timeline features a large profile picture of a dog at the top. Below the profile picture, the user's name "Matt Brown" is displayed, along with a link to "Update Info" and "View Activity". The timeline itself shows various posts, photos, and activity updates. One post shows a photo of a city skyline with the caption "Last Weekend / SF Moma (16 photos)". Another post shows a couple in a tent with the caption "2nd Anniversary Backpacking — Point Reyes (3 photos)". There are also status updates like "Matt likes Mountain Biking." and "Matt subscribed to Tom Watson's updates." The timeline is presented in a clean, modern interface characteristic of the Facebook Timeline.

Re-Imagination of News + Information Flow...

THEN...

Delayed / Dedicated Reporters + Cameramen /
Regional or National Reach



NOW...

(Twitter)

Real-Time / Citizen Reporting via
Mobile Devices / Global Reach

Re-Imagination of Note Taking...

THEN...

Pencil + Notepad



NOW...

(Evernote)

Always Synced / Multi-Device /
Picture + Audio Enabled / Searchable

A screenshot of the Evernote desktop application. On the left, a sidebar shows a tree view of notebooks and tags. The main pane displays a list of notes with their titles, creation dates, and brief descriptions. A preview window on the right shows a sketch of a napkin with handwritten text and arrows, with a white marker resting on it.



Re-Imagination of Drawing...

THEN...

Dedicated Canvas / Paint Supplies / Studios
/ Limited Distribution



NOW...

(Paper by Fiftythree...)
Reusable Canvas (Screen) / Creating Art
Anywhere Anytime / Digitally Enhanced
Creation Tools / Instant Sharing



Re-Imagination of Photography...

THEN...

Dedicated Camera / Manually
Transfer Digital Files / Develop Films



NOW...

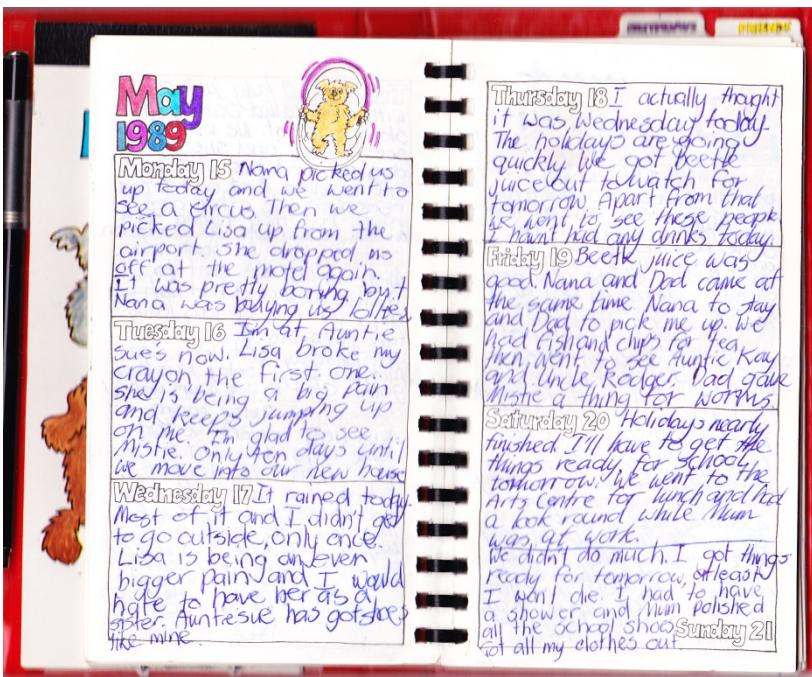
(Instagr.am / Camera+ / Hipstamatic...)
Always With You Camera (Smartphone) /
Instant Digital Effects / Share / Sync / Discover



Re-Imagination of Diaries...

THEN...

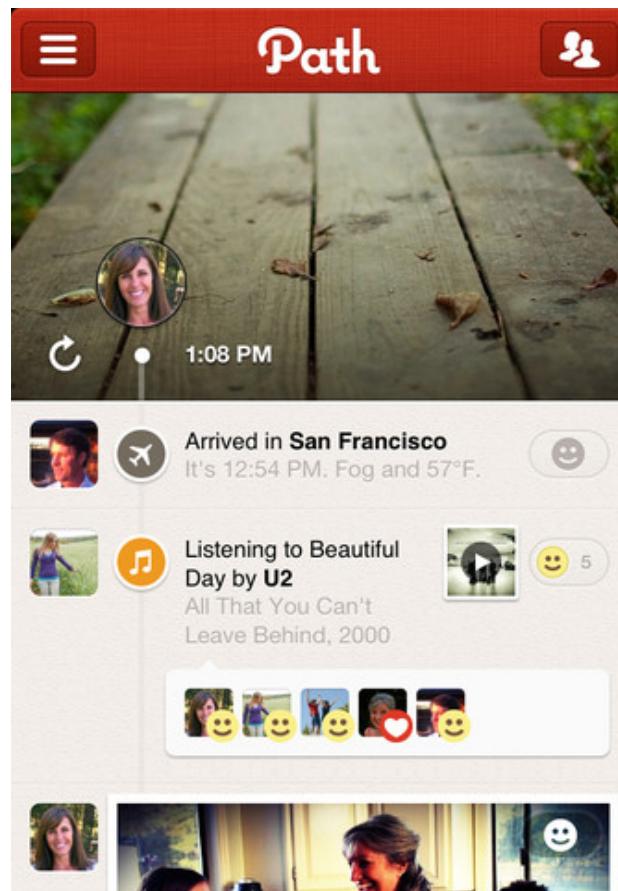
Hand-Written / Drawn



NOW...

(Path)

One-Tap to Add Entry / Multimedia / Location-Aware / Share / Search



Re-Imagination of Scrapbooking / Aspiration...

THEN...

Paper / Scissors / Glue



NOW...

(Pinterest)

One-Click to Pin / Share /
Follow / Always Accessible

The image shows a Pinterest interface with a search bar and navigation links. The main area displays a grid of pins from various users. Some pins include user names and descriptions. For example, one pin for 'Sweet and Spicy Broccoli' has a description from 'Georganna Bass Coulter' onto 'Recipes'. Another pin for 'Carnival Cruise's "Warm Chocolate Melting Cake" recipe...' has a description from 'Jennifer Klima' onto 'Food and Dishes'.

Search Search

Add + About Wu Invite Friends

Pinterest

Pinners you follow Everything: Food & Drink Videos Popular Gifts

July 14

PARIS

TICKETS

Eiffel Tower

Stuffed Figs with Honey-Balsamic Syrup

Georganna Bass Coulter onto Recipes

eighttk onto What I'm making for dinner

Carnival Cruise's "Warm Chocolate Melting Cake" recipe... oh how I miss this!

Jennifer Klima onto Food and Dishes

Thanks to Six Sisters Stuff for this awesome honey sesame chicken slow cooker recipe! It's SOOOOO delicious!

Jamie (Sweet Tea & Taters) onto Food and Dishes

milkshake cupcakes

vinesa onto let there be cake - cup, pop, or otherwise....

funfetti

Emily Okey onto Delicious

Uptown Mac and Cheese from Grannie... Aged Cheddar and Gruyere Cheeses with grilled all-natural chicken, crisp asparagus and sweet peas, topped with buttered herb crumb.

Bernie Lopez onto YumCravings/Recipes/To Make

Re-Imagination of Magazines...

THEN...

Piles of Print Copies



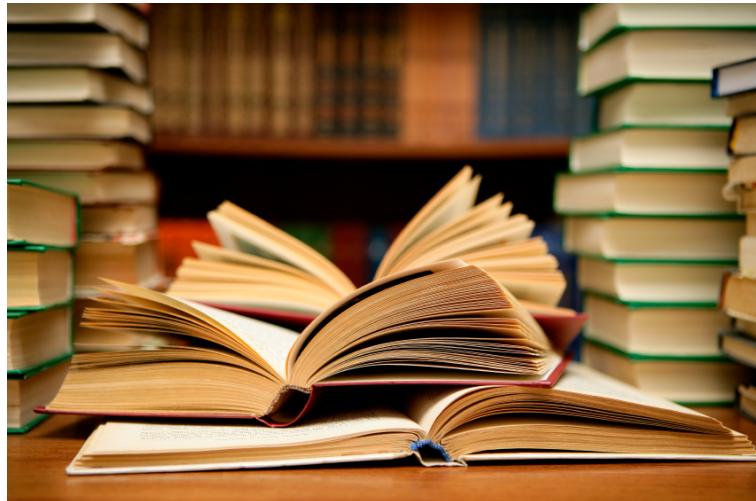
NOW...
(Flipboard)

More Content / Always Up-To-Date / Personalized / Access Everywhere / Interactive (Video + Audio) / Share

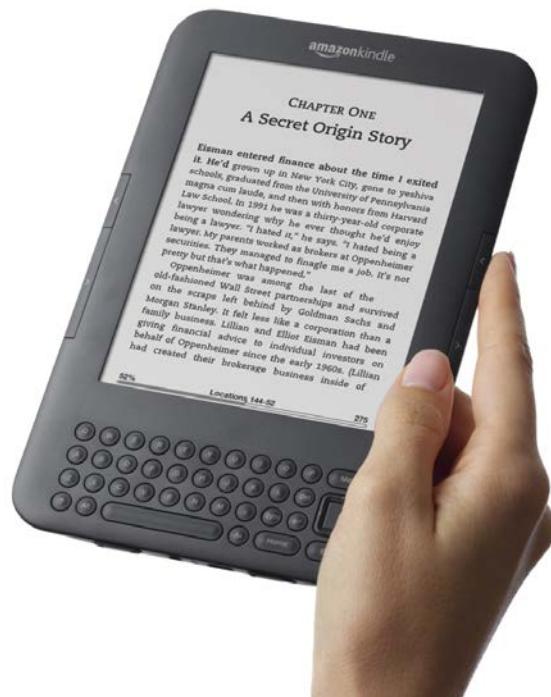


Re-Imagination of Books...

THEN...



NOW...
(Amazon Kindle / Apple iBooks)



Re-Imagination of Music...

THEN...

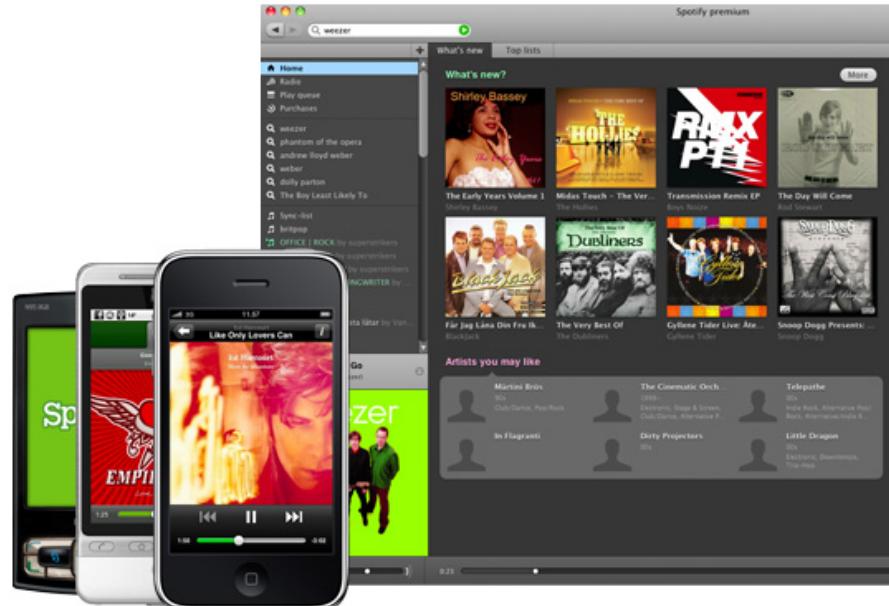
Buy Albums + CDs in Stores /
Playback via Dedicated Players



NOW...

(Spotify...)

Discovery of Music Through Friends + Experts /
Instant On-Demand Streaming on Internet-
Enabled Devices



Re-Imagination of Sound...

THEN...

Tape Recorder / Hard to Edit / Share



NOW...

(SoundCloud)

Record / Edit / Upload / Playback Anywhere / Anytime / On Any Device / Playlist sharing / Discovery



Re-Imagination of Artists / Concerts...

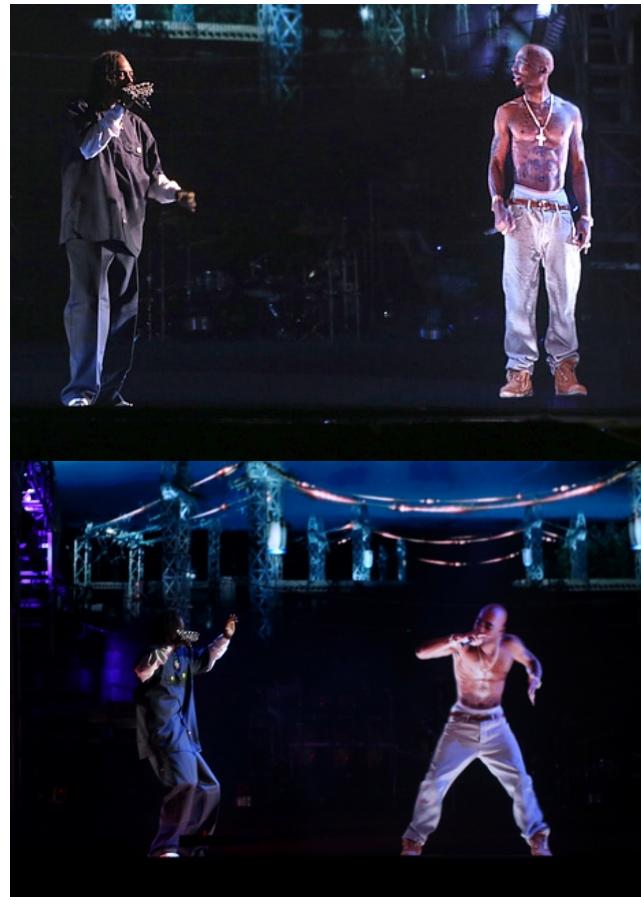
THEN...

Big Screen Tributes



NOW...

(Tupac @ Coachella...)
3D / Life-Like / Programmable Hologram /
Bringing Past Icons Back to Life



Re-Imagination of Video...

THEN...

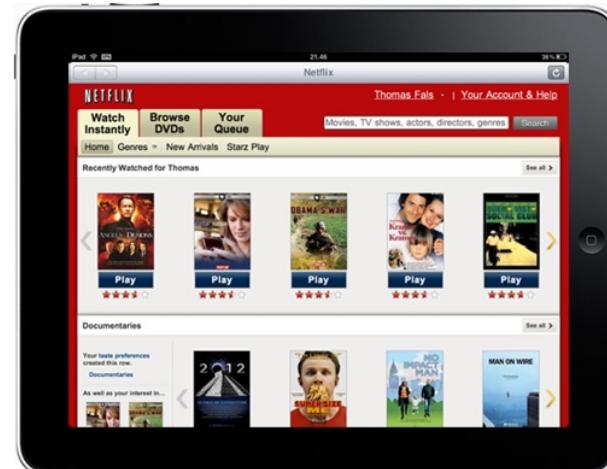
Physical Retail / Rental Stores



NOW...

(YouTube / Netflix...)
On-Demand / Instant Streaming /
Accessible Everywhere

A screenshot of the YouTube homepage. The top navigation bar includes a search icon, a browse button, and a movies button. Below the header, there's a "Sign in to add channels to your homepage" message with "Sign In" and "Create Account" buttons. On the left, a sidebar lists categories: From YouTube, Trending, Popular, Music, Entertainment, and Sports. The main content area is titled "Popular videos" and shows three video thumbnails: "Cops Get Owned!!! - Epic Pee Prank" (2 days ago), "Assassin's Creed 3 - Reveal Trailer [UK]" (2 days ago), and "DARPA Cheetah Sets Speed Record for Legged Robots" (2 days ago). Each video entry includes a thumbnail, title, upload date, and view count.



Re-Imagination of Video Creation / Production...

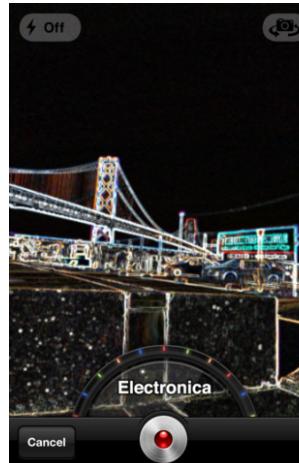
THEN...

Dedicated Set / Camera /
Lighting / Editing Equipment



NOW...

(SocialCam / Viddy / GoPro...)
Live Digital Effects / Wearable Recording
Device / Real-Time Upload / Discovery



Re-Imagination of Distribution + Monetization for ‘Talent’...

THEN...

(Glenn Beck on Fox News)



NOW...

(GBTV - Digital)

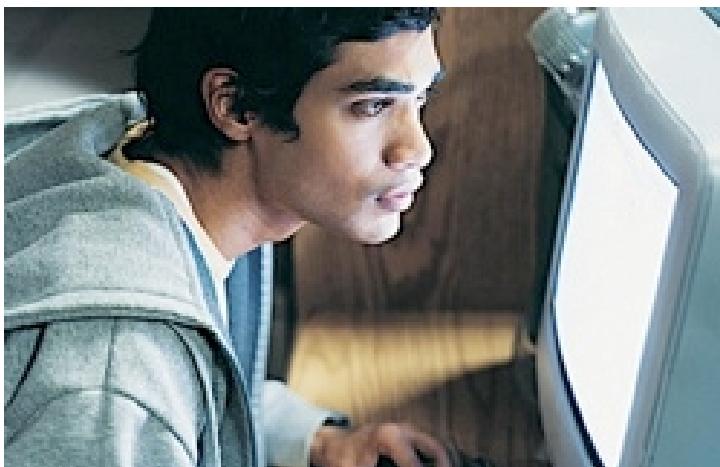
With 300K Subscribers + Lower Production Costs,
GB Making Materially More Money

The homepage of GBTV. At the top, there is a navigation bar with links for SHOWS, SCHEDULE, VIDEO, BLOG, ABOUT, and HOW TO. Below the navigation is a search bar with the placeholder "Search GBTV video" and a magnifying glass icon. The main content area features a large portrait of Glenn Beck in a suit. To the right of the portrait is a video thumbnail showing Glenn Beck on a couch. Below the video thumbnail, there is text for "Cupp Contributor" and a link to "Start your 14 day FREE Trial now with GB TV Plus". There are two red call-to-action buttons: one for "GBTV PLUS MONTHLY \$9.95/MONTH" and another for "GBTV PLUS ANNUAL \$99.95/YEAR". Both buttons include the text "Start your 14 day free trial now!". Below these buttons is a section titled "GBTV Plus Features".

Re-Imagination of Home Entertainment...

THEN...

Lean Back / Lean Forward



NOW...

(Chill...)

Curl Up – Visual Layout / Social Discovery / Distribution / Interaction



Re-Imagination of TV...

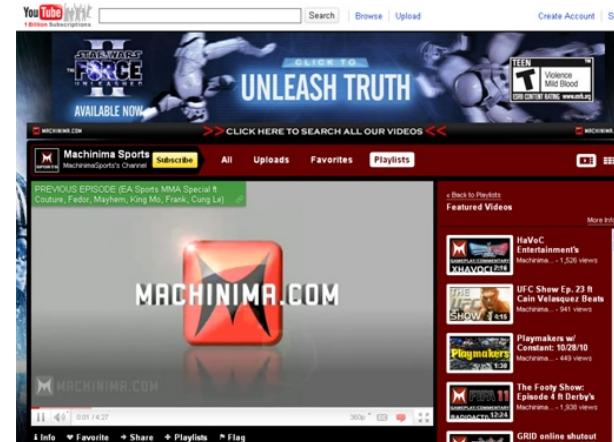
THEN...

Linear Programming / Pre-Set Channels /
Little Control Over Content



NOW...

(YouTube Channels / Bleacher Team Stream...)
On Demand Personalized Content on Big Screen



Re-Imagination of Communication...

THEN...

Dedicated Devices / Limited Function & Range / Intrusive



NOW...

(Voxer...) Push-To-Talk / Voice Message / Picture / Text / Location / Group Chat



Re-Imagination of Navigation + Live Traffic Info...

THEN...

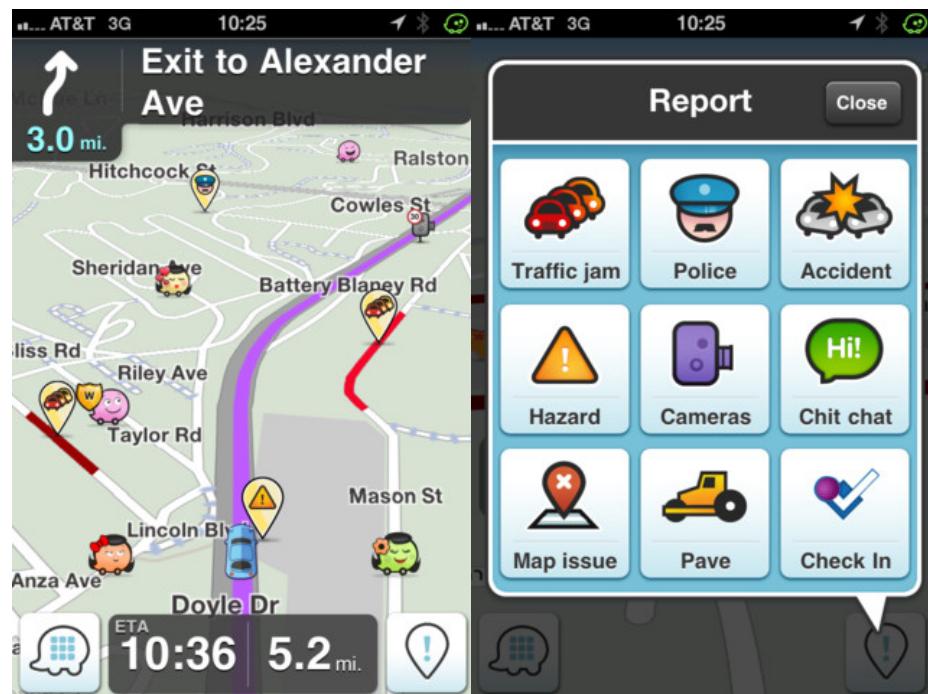
Physical Copies of Map in Car /
TV, Radio Reporting of Traffic Info



NOW...

(Waze)

User-Generated Digital Map /
Live Crowd-Sourced Traffic Data



Re-Imagination of Sports Info...

THEN...

**Professional Commentators / Reporters /
Limited Coverage & Reach**

NOW...

(Bleacher Report)

Anyone Can Be a Contributor / Opinion-Oriented Analysis / Multimedia / Social & Mobile Enabled

The screenshot shows the homepage of Bleacher Report. At the top, there's a navigation bar with links for NFL, CFB, MLB, NBA, NHL, CBB, Soccer, UFC, WWE, NASCAR, More, Swagger, Video, Blogs, and My Teams. Below the navigation is a banner for the 2012 Jeep Compass, featuring two basketball players and the text "ARE YOU READY TO CHART YOUR OWN PATH". To the right of the banner is a link to "Facebook" with a "Like" button and a count of 79k likes. The main content area includes a large image of a red Jeep Compass, a headline about the latest title odds for Elite 8 teams, a "TEAM Stream" section with a video player, a "March Madness" section with a basketball player, and a "THE LINEUP" section with a basketball game image. There are also smaller articles and images throughout the page.

KPCB

Re-Imagination of Home Improvement...

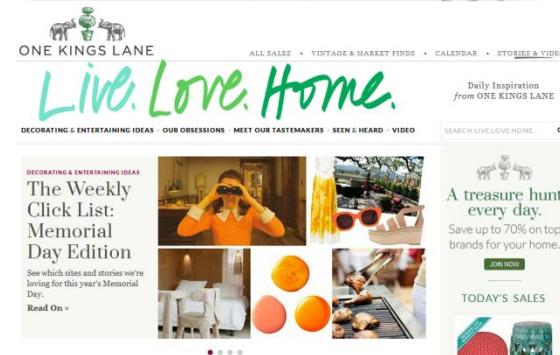
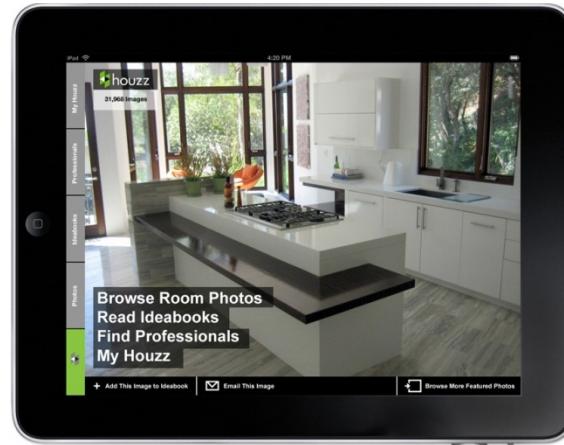
THEN...

Magazines / Cable TV Channels / Limited Interaction With Consumers



NOW...

(Houzz / One Kings Lane...) Communication Platform for Designers & Consumers / Share / Discover & Click-And-Buy



Re-Imagination of Calling a Cab...

THEN...

Long Lines During Rush Hours /
Rain / Some Areas May Not
Have Taxis Roaming on Streets



NOW...

(Uber)
One-Tap Taxi Call /
Location-Aware / Electronic Payment



Re-Imagination of Cars...

THEN...

Gasoline / Diesel Powered Internal Combustion Engine With Exhaust



NOW...

(Hybrid / Electric Cars)

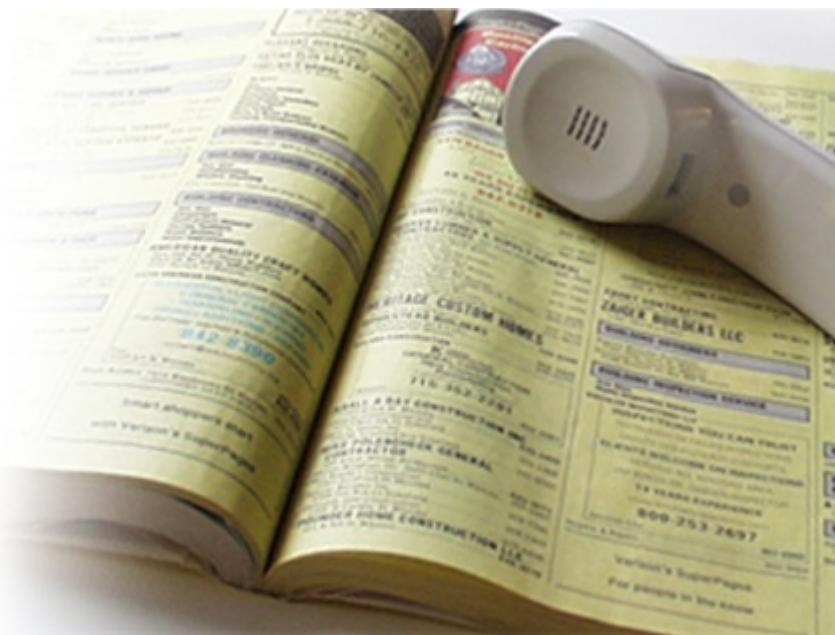
Plug-in Electrical Powertrain / Regenerative Brake / Solar Panel Roof / Little-to-Zero Emission



Re-Imagination of Yellow Pages...

THEN...

Big Heavy Printed Business Listings / No Reviews / No Easy Search Feature



NOW...
(Yelp...)

User Reviews / Pictures / Recommendations / Location-Aware / Easily Searchable

The screenshot shows the Yelp mobile application interface on an iPad. The top bar indicates it's 6:53 PM. The main screen displays a list of Japanese restaurants in San Francisco, each with a name, address, price range, review count, and a link icon. To the right of the list is a detailed view for 'Katana-Ya', including its address (430 Geary St, Civic Center/Tenderloin), category (Japanese), price range (\$\$), hours (Mon-Sun 11:30 am - 1 am), phone number (415) 771-1280, and a 'Get Directions' button. Below this are sections for 'Meals Served' (Dinner), 'Parking' (Street), 'Good for Kids' (Yes), 'Attire' (Casual), 'Takes Reservations' (No), 'Outdoor Seating' (No), 'Accepts Credit Cards' (Yes), 'Delivery' (No), 'Take-out' (Yes), and 'Good for Groups' (No). On the right side of the screen, there is a map of San Francisco with a red dot indicating the restaurant's location, and below the map are three small thumbnail images of food items.

Re-Imagination of Coupons + Local Services...

THEN...

Non-Personalized / Smaller Discounts /
Easily Lost or Forgotten



NOW...

(Groupon...)
Personalized / Location-Aware /
Instant Deals / Group-buying Discount

A collage of screenshots from the Groupon website and mobile application. The top section shows the Groupon homepage for New York City, featuring a deal for "Metro Tapas Bar & Lounge – Woodside" with a price of \$22. Below this are various deal cards for different locations and categories. The bottom section shows multiple devices (laptop, tablet, smartphone) displaying different Groupon deals, such as "American Pie" in Chicago and "Ice Cream Cakes" in San Francisco, illustrating the跨平台的个性化服务。

Re-Imagination of Getting Food Quickly...

THEN...

Permanent Store Locations



NOW...

(Kogi Food Truck...)
~100K Twitter Followers /
Real-Time Location Updates

kogibbq 
@kogibbq
Korean BBQ Taco Truck
UT: 34.044817,-118.311893 - <http://www.kogibbq.com>

Tweets

kogibbq @kogibbq 19 May SUNDAY SUNDAY SUNDAY KOGI STOPS: 12-5PM@Patchwork Indie Art Fest, LBC(Bayshore & Appian);11-3PM@Chino Great Food Truck Fest(5410 Edison Ave)
Expand

kogibbq @kogibbq 19 May NARANJA DINNER: *930PM-11PM@H.Johnson/2J's, Fullerton(222 W. Houston Ave..)
Expand

kogibbq @kogibbq 19 May VERDE DINNER: *930PM-11PM@Yogurtland, La Brea(3rd / La Brea, Los Angeles)
Expand



Re-Imagination of Cash Registers...

THEN...

Big + Odd Looking Machines /
Receipt Printers Cash Drawers



NOW...

(Square)
Simple + Elegant Tablet + Square Reader /
Email Receipts / Touch Signing



Re-Imagination of Window Shopping...

THEN...



NOW...

(One Kings Lane / Fab)
Click & Buy

The screenshot shows the homepage of One Kings Lane. At the top, there's a navigation bar with links for "Welcome Jason! (Log Out)", "Invite friends, Get \$25", "My Account", and "Shopping Cart (0)". Below the navigation is a logo featuring three stylized elephants flanking a central tree. The main content area features a section titled "The Foyer" with a sub-section "SALE STARTS IN 2 Days, 12 Hours". A "remind me" button is available. To the right, there's a promotional message: "Share this sale, Earn \$25 when friends buy" with icons for Facebook and Email. Below this, a banner says "FIVE ROOMS IN FIVE DAYS" and "The Foyer". It includes a photograph of a foyer with a large gold-framed mirror, a gold chandelier, and a gold side table with books and flowers. A "Shop" button is visible. At the bottom of the page, there's a "SHOP NOW!" button and a call to action: "MOVE YOUR CURSOR OVER ANY DOT TO PURCHASE THE ITEMS YOU LOVE IMMEDIATELY.". The footer features a navigation bar with links for "Fab.", "Feed", "Calendar", "Inspiration", "Invite", "Smile", and search functions. It also shows user statistics: "9 people faved Moon Rocks V-neck Black". A "Sale Ends in 6 days and 14 hours" timer is present. A "Shop With Your Facebook Friends" button is shown with a "Try it Out!" link. On the right, there's a section for "Amitrani Contemporary Home Furnishings" featuring a wavy wood panel and a quote about their products. A small photo of two men, Roberto and Stefano Truzzolillo, is shown.

Re-Imagination of Marketplaces...

THEN...

Tent + Pickup Truck @
Street Fairs



NOW...

(Etsy)
Integrated Platform For Listings / Advertising /
Payment / Inventory Management

A screenshot of the Etsy website homepage. The top navigation bar includes links for Buy, Sell, Community, Blogs, Mobile, Register, Sign In, and Handmade. A search bar and a shopping cart icon are also present. The main content area features a "Discover" sidebar with categories like Fashion, Home & Garden, Kids, Spring Celebrations, and many others. Below this is a section titled "Handpicked Items" with a "See more" link, displaying a grid of various items such as a hand-knit cardigan, a tangerine cube ring, a neon orange tribal chevron clutch, and a personalized wedding gift tag. Each item has a small image, a title, and a price.

Re-Imagination of Manufacturing...

THEN...

Mass Production of High-Volume
Standardized Items



NOW...

(Zazzle / Shapeways)
Customized / Personalized Design / 3D Printing
Process

Memorial Day Sale! 20% Off Sitewide + 50% Off ALL Father's Day Cards! Use Code: MEMORIALSALE LAST DAY! (details)

Departments

- All Departments
- Clothing
- Accessories
- Bags
 - Messenger Bags
 - Impulse Tote
 - Jumbo Tote
 - Budget Tote
 - Tiny Tote
 - Grocery Tote
 - Organic Grocery Tote
 - Embroidered Tote
 - CTC Bags
 - Embroidered Bags
 - Buttons
 - Hats
 - Embroidered Hats



Create your own
**Custom
Bags**

Starting at \$9.95

- 9 style options
- No minimum orders
- Makes a great gift
- Ships in as little as 24 hours*
- No set up fees
- 100% satisfaction guaranteed



Re-Imagination of Instant Gratification / Personal Services...

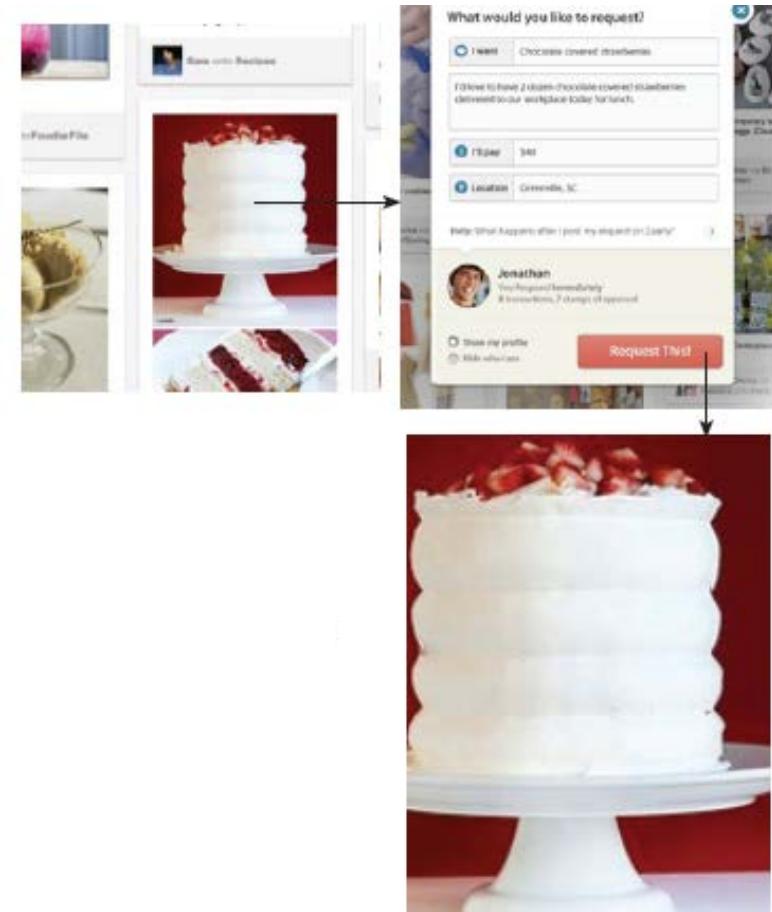
THEN...

Mass Production of High-Volume
Standardized Items



NOW...

(Zaarly / TaskRabbit / Fiverr)
One Click & Delivered to You



The image illustrates the shift from traditional mass production to modern on-demand personal services. On the left, a screenshot of a Zaarly request form shows a user wanting "Chocolate covered strawberries" delivered to their workplace. On the right, a screenshot of a TaskRabbit profile for "Jonathan" shows he offers "Very Affordable Immediately" services. Below these screenshots is a close-up photograph of a three-tiered white cake with fresh strawberries on top.

Re-Imagination of Idea Building / Funding...

THEN...

Flyers / Loudspeakers / Dinners / Checks



NOW...

(KickStarter)
Online / Social Distribution /
Real-Time Progress

KICKSTARTER Discover Start PROJECT HOME UPDATES 3 BACKERS 1973 COMMENTS 445 REMIND ME

The HuMn Wallet - the best minimal RFID blocking wallet

A Design project in Portland, OR by Scott Hussa · send message

1,973 BACKERS \$155,597 PLEDGED OF \$66,000 GOAL 26 DAYS TO GO

THIS PROJECT WILL BE FUNDED ON MONDAY APR 2, 11:59PM EDT.

BACK THIS PROJECT \$1 MINIMUM PLEDGE

PLEDGE \$25 OR MORE 6 BACKERS

Newly Added Additional Single Aluminum Plate: If you want to add more color and personality to your HuMn wallet, you can now add this to your existing order

A screenshot of a Kickstarter project page for "The HuMn Wallet". The page features a large image of the wallet, which is a dark, minimalist design. Key statistics are displayed prominently: 1,973 backers, \$155,597 pledged of a \$66,000 goal, and 26 days left. Below the stats is a video thumbnail showing the wallet. The page includes social sharing buttons for Facebook, Twitter, and Embed, along with a link to the project's URL. A section for pledging starts at \$25 or more, and an additional option for an "Additional Single Aluminum Plate" is available for backers.

Re-Imagination of Personal Borrowing / Lending...

THEN...

Borrowers – Paper Application / Lengthy Approval Process / High Interest Rates
Investors – Little Access For Retail Investors / No Customization Based on Risk Tolerance



NOW...

(Lending Club...)

Borrowers – Online Application / Funded in Days / Lower Interest Rates
Investors – Easy Customization / Diversification / Better Returns



Apply
online in minutes



Get Funded
in a few days



Make
fixed monthly
payments

LendingClub

[Investing](#) | [Personal Loans](#) | [How It Works](#) | [About Us](#)

Browse Notes

Showing Notes 1 - 15 of 870								
Investment	Rate	Term	FICO®	Amount	Title / Purpose	% Funded	Amount / Time Left	Action
\$0	A 1	36	750-779	\$10,000	credit card payoff	99%	\$25	Add to Order
\$0	A 2	36	780+	\$8,000	Credit Card Refinancing	96%	\$250	
\$0	A 2	36	750-779	\$6,600	Moving Loan	96%	6 days	
\$0	A 2	36	750-779	\$6,600	Credit Card Refinancing	96%	\$200	
\$0	A 2	36	714-749	\$5,000	Assisted Living Business	96%	6 days	
\$0	A 3	36	714-749	\$5,000	Small Business	96%	6 days	
\$0	A 3	36	679-713	\$12,800	Major Purchase	86%	\$700	
\$0	A 3	36	679-713	\$12,800	Major Purchase	86%	5 days	
\$0	A 4	36	679-713	\$3,600	My New Loan	93%	\$875	
\$0	A 4	36	679-713	\$3,600	Debt Consolidation	93%	6 days	
\$0	A 4	36	679-713	\$3,600	CENTRAL AC	62%	\$625	
\$0	A 4	36	679-713	\$10,000	Home Improvement	62%	7 days	
\$0	A 4	36	679-713	\$10,000	Home Improvement	93%	\$650	

Re-Imagination of Business Collaboration...

THEN...

Meetings / Whiteboards /
Teleconferences



NOW...

(Salesforce.com / Yammer / Jive...)
Online Working Groups / Data Sharing /
Instant Messages

Two side-by-side screenshots of business collaboration platforms. The top screenshot shows the Jive platform interface, featuring a central communication feed, user profiles, and various analytical dashboards like 'Globetrotter' and 'Acquisition Target Tracking'. The bottom screenshot shows the Salesforce Groups interface, specifically a group named 'NetSmart Competitive Group'. It displays a photo of group members, a 'What are you working on?' input field, a file library, and a feed of recent posts and attachments.

Re-Imagination of Recruiting / Hiring...

THEN...

Job Fairs / Campus Recruiting Events /
Paper Resumes



NOW...
(LinkedIn)

Online Resumes / Social Relevancy For
Recruiters / Searchable Skill Sets /
Endorsements / Recommendations

LinkedIn People Jobs Answers Companies Account & Settings | Help | Sign Out Language ▾

Explore People Search: Engineer at IBM - Internet - Senior Consultant Search People Advanced

People

Mark Presnell  Director, Career Center at Johns Hopkins University Washington D.C. Metro Area | Education Management

Current

- Director at Johns Hopkins University Career Center

Past

- Senior Associate Director, Career Center at University of Rochester
- Director of Architecture Career Services at University of Virginia

Education

- University of Kansas
- Purdue University

Connections 149 connections

Websites • My Company

Public Profile <http://www.linkedin.com/in/markpresnell>

[Send a message](#)
[Add Mark to your network](#)
[Forward this profile to a connection](#)
[Search for references](#)

 Ads by LinkedIn Members The Document of Your Life A Resume Can Change Your Career Award-Winning, Shimmering Resumes www.ShimmeringResumes.com
From: Paul Freiberger

 SMB Survivability-8KMiles Pay-as-you-go infrastructure and professionals on demand for SMBs www.8KMiles.com
From: 8KMiles What's this?

How you're connected to Mark

You
↓
Lindsey Pollak
↓
Mark Presnell

Re-Imagination of Focus Groups...

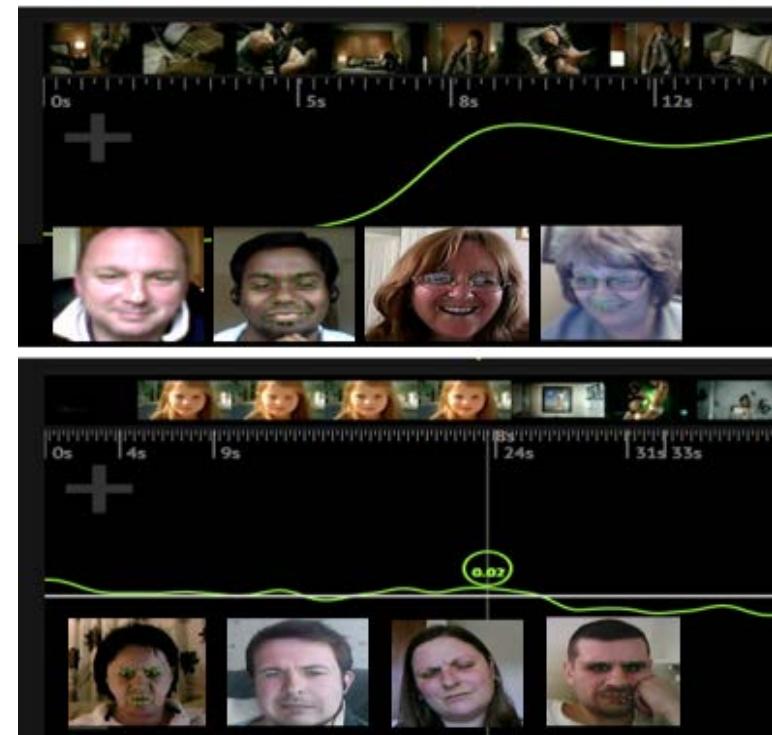
THEN...

Fixed Time / Location / Small Group /
No Real-Time Feedback



NOW...

(Affectiva)
Real-Time Video Emotion Detection +
Analysis / Effortless Participation / Data Capture /
'Moodometer'



Re-Imagination of Data...

THEN...

Store Everything Because We Can Do It
Inexpensively



SOON...

Data Obesity / Data Quality Issues
How To Find a Needle in a Haystack?



Re-Imagination of Signatures...

THEN...

Scan / Fax / Mail to Return
Signature Page



NOW...

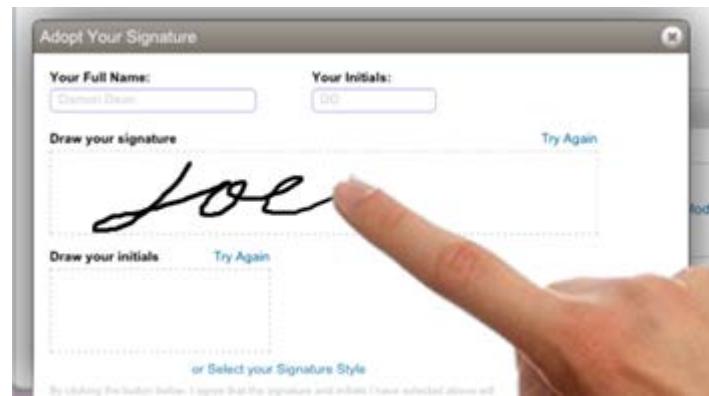
(DocuSign)

Electronic Documents / Secure Audit
Trail / Instant E-Signature

18. Addenda: 22D(Opt. Clauses); 22J(Lead Disci); 22K
35(Inspection); 41C(SB Commission);



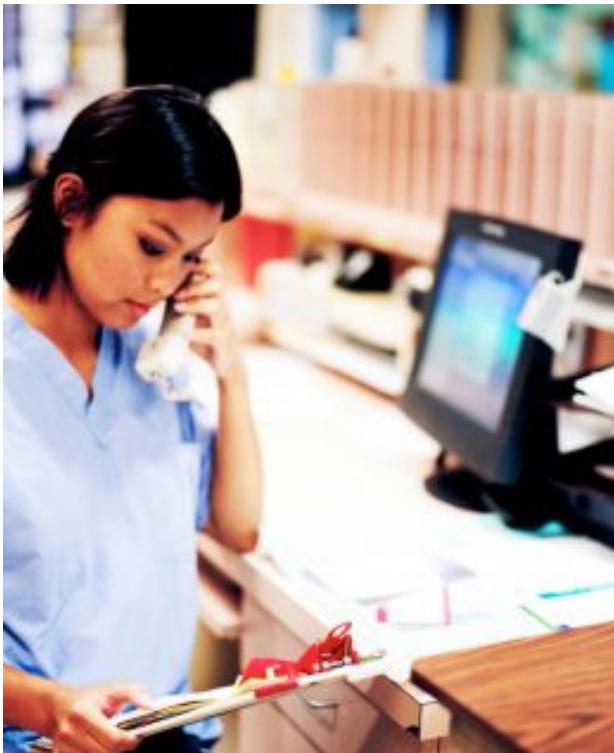
Buyer's Signature _____ Date _____
1234 1st Avenue _____
Buyer's Address _____



Re-Imagination of Healthcare Access...

THEN...

Call to Make Appointments / Days or Weeks to See Doctors



NOW...

(ZocDoc / Teladoc)

On-Demand Access to Doctors in Minutes or Same Day / In Person or Via Phone Video Call

A screenshot of the ZocDoc website. The search bar shows "Book Doctor Appointments Online Instantly. It's Free! Book for [Doctor Name] in [City] in [State]" with "San Francisco" selected. Below the search bar is a map of San Francisco with several red location pins. The main content area displays a grid of doctor profiles with names like "Dr. John Lee, MD" and "Dr. Michael Smith, MD". Each profile includes a small photo, the doctor's name, specialty, address, and a "Book Now" button.



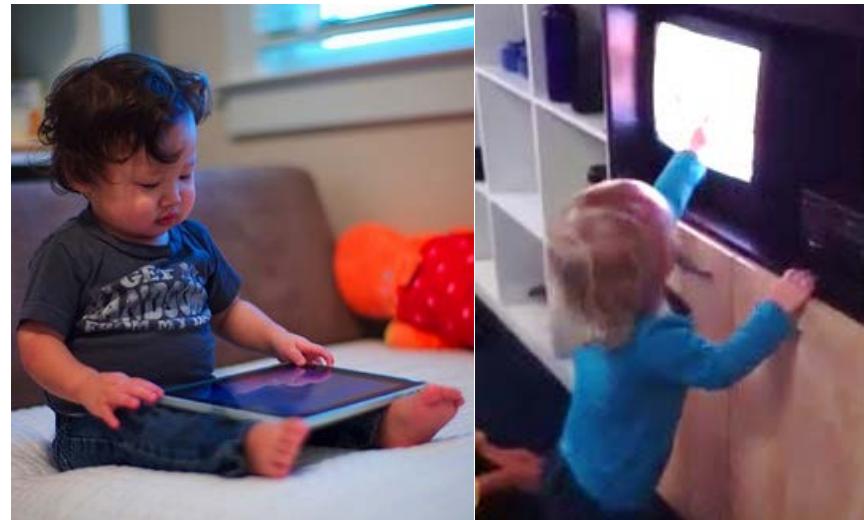
A screenshot of the Teladoc website. The top navigation bar includes links for "Overview", "My Medical History", "My Family", and "My Account Information". Below the navigation is a large image of a woman with curly hair smiling and holding a black smartphone, suggesting a video call. The background of the image shows a lamp and a window.

Re-Imagination of Learning...

THEN...



NOW...



*From learning by listening to learning by doing...
Education and learning will become as much fun as
videogames. And we call it 'full body learning.'*

- Bing Gordon
Partner, KPCB

Re-Imagination of Engagement...

THEN...

Buttons / Joysticks / D-pads / Wires



NOW...

(Xbox Kinect)
Camera-Based Gestures / Voice Control



Re-Imagination of Education...

THEN...

Classrooms / Lectures / Reading Materials



NOW...

(Codecademy / Coursera / Khan Academy...)
Interactive / Online / Accessible by
Anyone Anywhere Anytime

Codecademy Courses Creators Jobs Sign In Create Account

Learn to code

Codecademy is the easiest way to learn how to code. It's interactive, fun, and you can do it with your friends.

Get Started (it's free)

Hey! Let's get to know each other. What's your name? Type it with quotes around it like this "Ryan" and then press enter on your keyboard.

```
1 var codeMaster = false;
2 if ( codeMaster === false ) {
3   print( "Use Codecademy to start on \
4       the path to becoming a better \
5       programmer." );
6 }
7 else {
8   print( "Hone your skills or help teach \
9       the craft" );
10 }
11
12
13
14
```

Program Websites and More
Learning with Codecademy will put you on the path to building great websites, games, and apps.

Learn with Friends
Keep tabs on your friends' progress and make sure you're learning more - faster!

Track and Share Your Progress
Start learning - and don't stop. See how fast you're learning and stay motivated.

Beginner Getting Started 37% complete 3 of 8 lessons finished

Time to learn some coding rings.

Getting to Know You, Part I See what you can do with programming!

Confirm or Deny Alerting users and more.

Letters & Strings Learning what separates text from numbers and more

Editor and Arrays The console's not the only game in town.

In progress Not started

Re-Imagination of Rewards / Satisfaction...

THEN...



NOW...

(Klout / FourSquare / Zynga...)



Klout Perks

@KloutPerks San Francisco, CA

Welcome to the Klout meritocracy! We use this account to notify people of Perks, if that bugs you please feel free to just follow @Klout instead. Thanks!

<http://www.klout.com>



Newbie Adventurer Explorer Superstar



Bender Crunked Local Super User



1 Play Zynga Games 2 Earn zCoins 3 Get Sweet Game Items

Re-Imagination of Government Subsidies...

THEN...

Gather in Town / Wait in Line
to Receive Subsidies



NOW...

200MM+ Farmers in India Receive
Government Subsidies Via Mobile Devices*

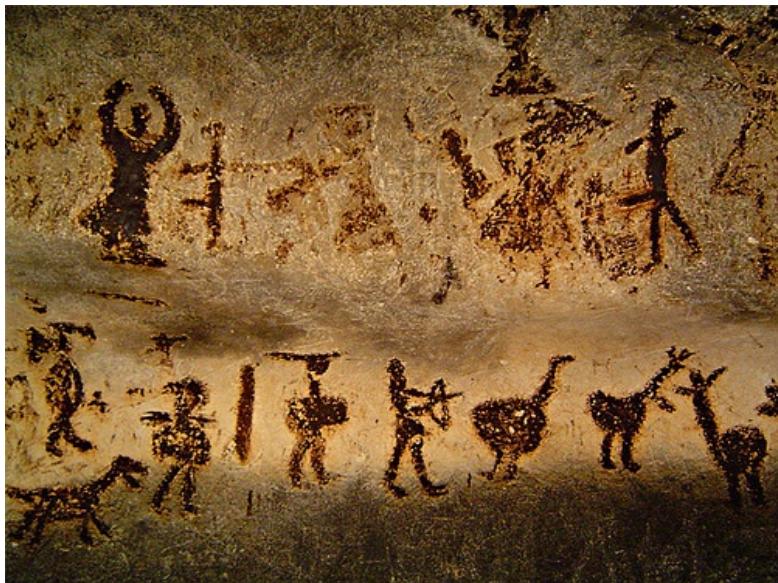


Note: There are 90MM Kisan credit card users and 118MM job card users, both of which do not require bank accounts but utilize mobile phones as identity verification / payment confirmation, per Ministry of Rural Development, Government of India.

Re-Imagination of Communication...

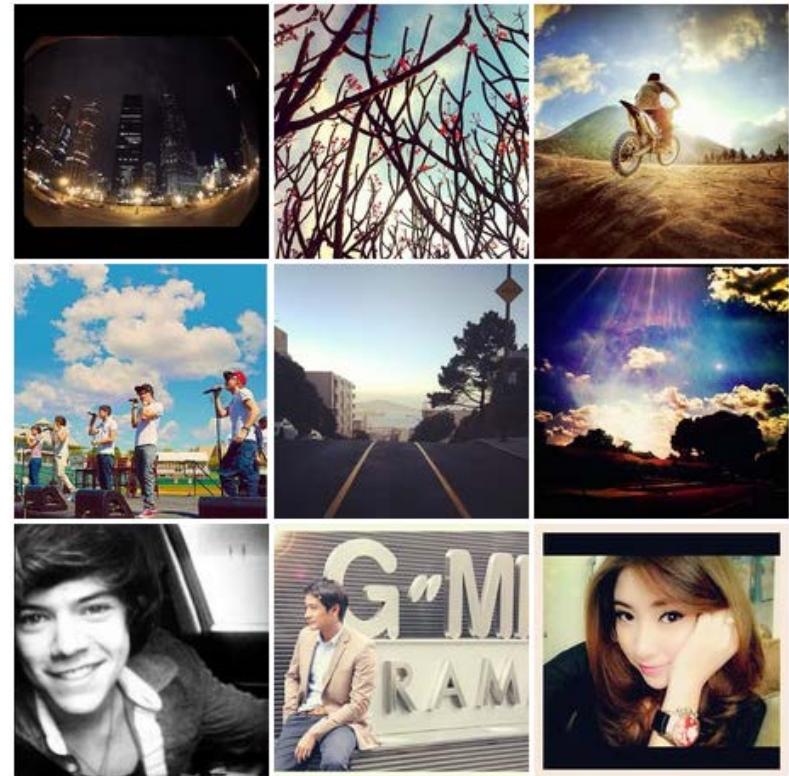
THEN...

Caveman Drawings...



NOW...

Instagr.am...



Re-imagination of Crime Awareness...

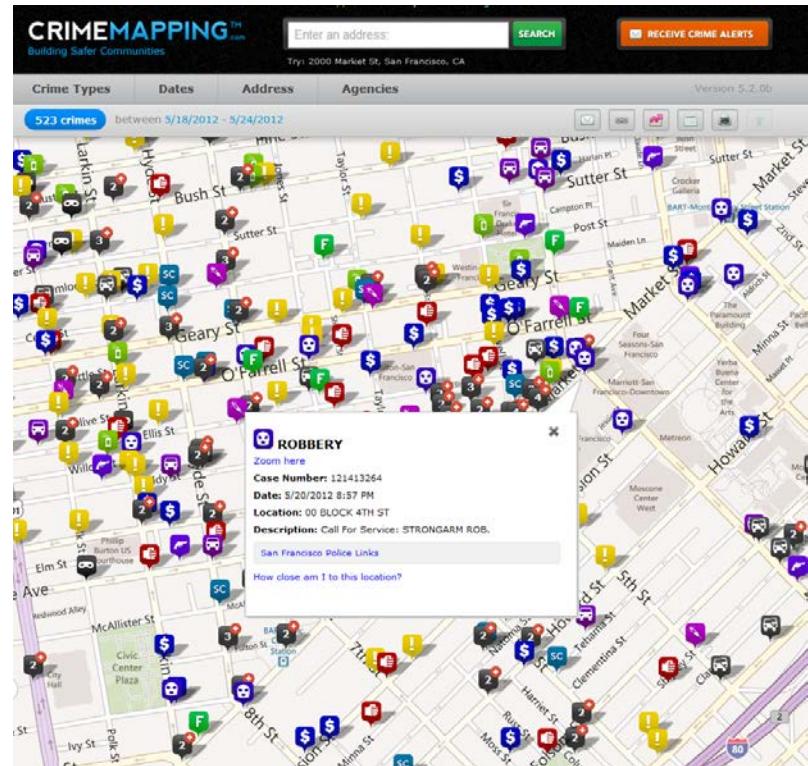
THEN...

Warning Signs / Community Reports



NOW...

(SFPD / CrimeMapping)
Centralized Database / Customized
Crime Alerts / Mobile Viewing



Re-Imagination of Thermostats...

THEN...

On/Off Switch +
Temperature Setting



NOW...

(Nest)

Wi-Fi Enabled / Auto-Learning / Auto-Sensing /
Remote Control / Energy Efficient



Re-Imagination of Pet Care....

THEN...

Flyers on Lamp Posts for Missing Pets



NOW...

Internet-Enabled / GPS Tracking Pet Collars



Re-Imagination of Feeds... ;)

THEN...



NOW...

(Facebook News Feed / Ticker / Twitter Feed)

A composite image illustrating the evolution of social media feeds. It features three distinct sections: 1) A screenshot of a Facebook News Feed showing a profile picture of Sharon Vaknin, a 'News Feed' sidebar, and a main feed with posts from Connor Grant and others. 2) A screenshot of a Twitter feed showing recent tweets from aaronwatkins, including one about shooting for May. 3) A vertical, narrow column on the right displaying a continuous scroll of news items, with the top one being "Connor Grant Go out of your mind, and come to your senses." Other visible names include Sam Henke, Matt Yablansky, Dylan Spehler, Emily Litwin Gee, Noah Hahn, Adam Weiner, Sam 'Sharky' Bayoff, and Alex 'Crzy' Nest.

Magnitude of Upcoming Change Will be Stunning - We are Still in Spring Training

- **Nearly Ubiquitous High-Speed Wireless Access in Developed Countries**
- **Unprecedented Global Technology Innovation**
- Ultra Competitive Markets for Mobile Operating Systems + Devices
- Broadly Accepted ‘Social Graphs’ / Information Transparency
- **Fearless (& Connected) Entrepreneurs**
- Difficult ‘What Do I Have to Lose’ Economic Environment for Many
- **Available (& Experienced) Capital**
- **Fearless (& Connected) Consumers**
- **Inexpensive Devices / Access / Services (Apps)**
- **Ability to Reach Millions of New Users in Record (& Accelerating) Time**
- ‘Social Emerging as Starting Distribution Point for Content,’ (Brian Norgard, Chill)
- Aggressive (and Informed) ‘On My Watch’ Executives at ‘Traditional’ Companies
- Unprecedented Combo of Focus on Technology AND Design
- Nearly ‘Plug & Play’ Environment For Entrepreneurs – Marketplaces / Web Services / Distributed Work / Innovative Productivity Tools / Low ‘Start Up’ Cost
- Beautiful / Relevant / Personalized / Curated Content for Consumers

Addressable Market For Re-Imagination – Aggregate Market Cap of Global Public Companies = \$36+ Trillion*

	2012 Market Cap (\$B)	2011 Revenue (\$B)	2011 EBITDA (\$B)	Top Companies by Mkt Cap
Financials	\$6,855	\$4,647	\$1,035	ICBC, China Construction Bank, Wells Fargo
Consumer Staples	4,386	3,972	543	Wal-Mart, Nestle, P&G, Coca-Cola
Information Technology	3,966	2,298	422	Apple, Microsoft, IBM, Google, Samsung
Energy	3,926	6,652	1,068	Exxon Mobil, PetroChina, Shell, Chevron
Consumer Discretionary	3,734	4,734	624	Toyota, Amazon.com, McDonald's, Walt Disney
Health Care	3,380	2,204	455	Johnson & Johnson, Pfizer, Roche, Novartis
Industrials	3,198	4,407	608	General Electric, Siemens, UPS
Materials	3,129	2,607	712	BHP Billiton, Rio Tinto, Vale
Telecommunication Services	2,572	2,045	699	China Mobile, AT&T, Telefonica, Vodafone
Utilities	1,188	1,501	315	GDF Suez, National Grid, E.ON, EDF
Total	\$36,335	\$35,066	\$6,483	

*NET, LOTS OF STUFF BEING RE-
IMAGINED AND THERE'S A LOT MORE...*

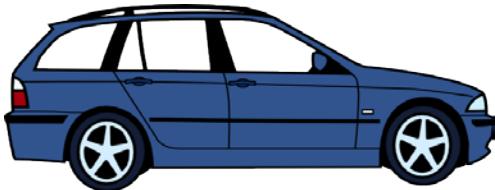
Consumer Internet ‘White Space’



- 1) **Ear (+ Body)** - owing to better devices (wireless Bluetooth) / services (Siri / Spotify / Soundcloud...) / products (Up...)

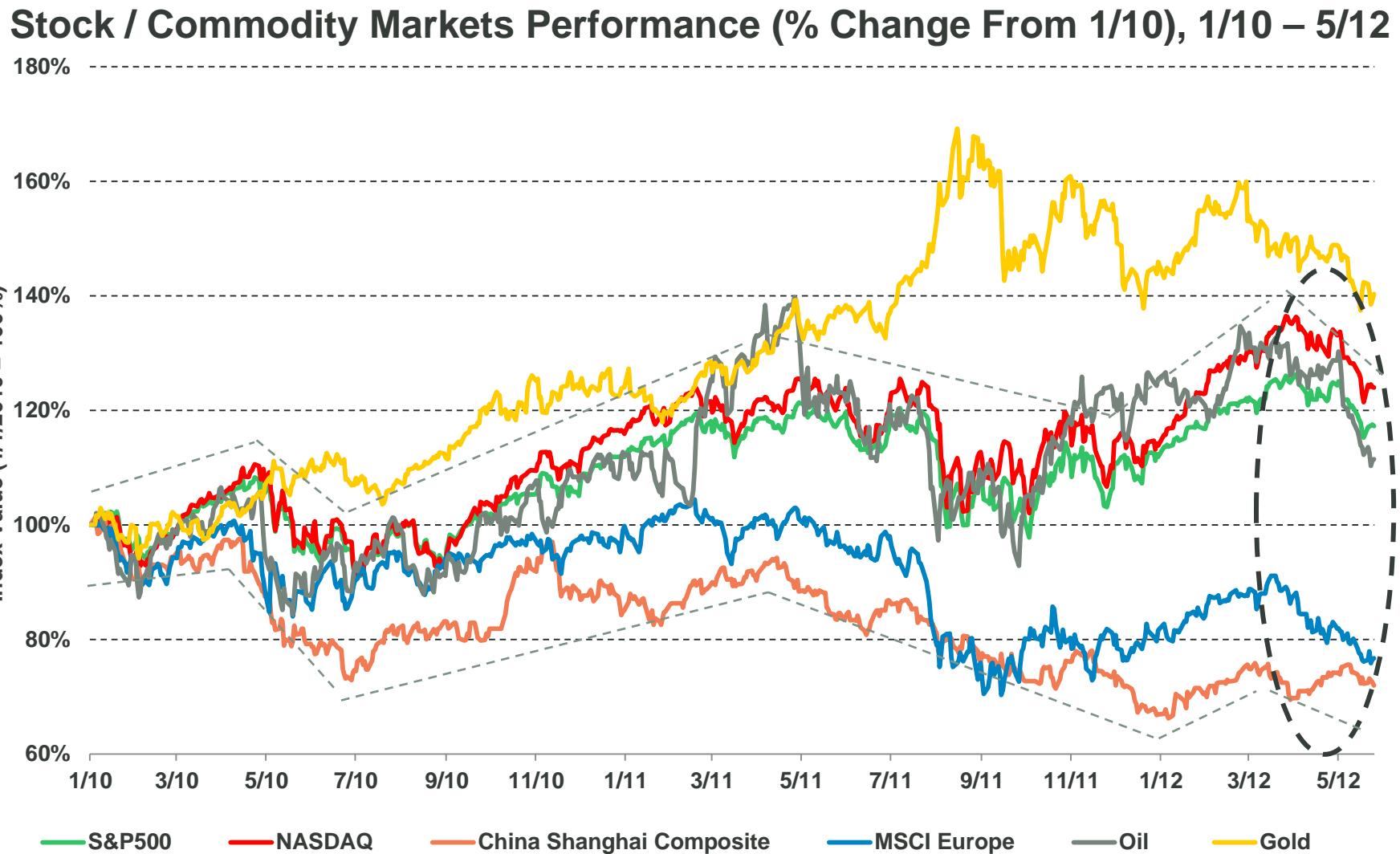
- 2) **Car** – 52 minutes per day by 144MM Americans (76% alone)* spent in cars – largely untapped

- 3) **TV** – 3+ hours per day spent in front of TVs** – way better devices / interfaces / interfaces coming rapidly...Apple & Google footsteps raising bar...50MM+ Americans have Internet-enabled TVs



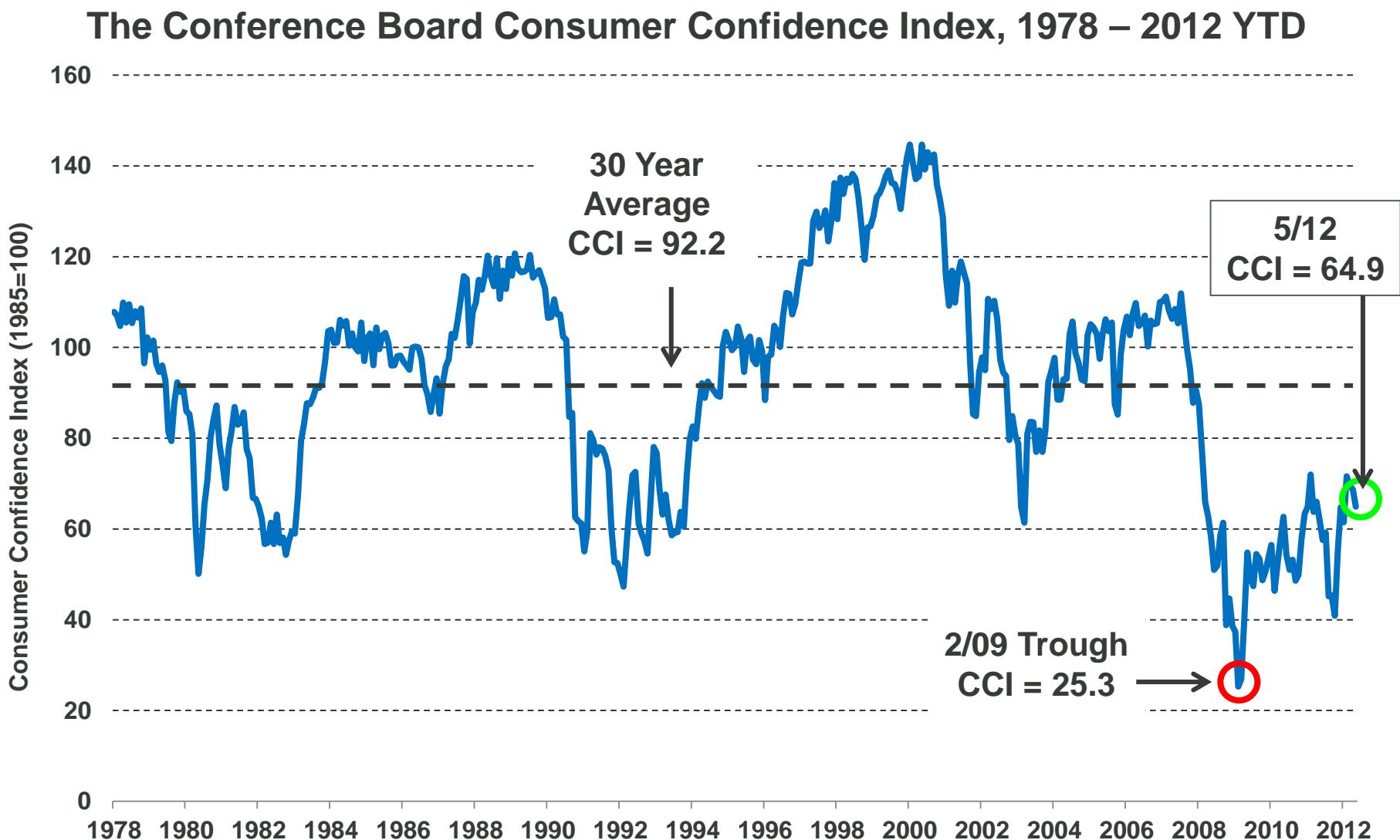
ECONOMY – MIXED TRENDS, WITH NEGATIVE BIAS

Stock Markets = Often Leading Indicators of Economic Activity, Recent 10-Week Trendline Not Encouraging...



Note: All values are indexed to 1 (100%) on Jan 1, 2010. Data as of 5/25/12.
Source: Bloomberg, Yahoo! Finance, FactSet.

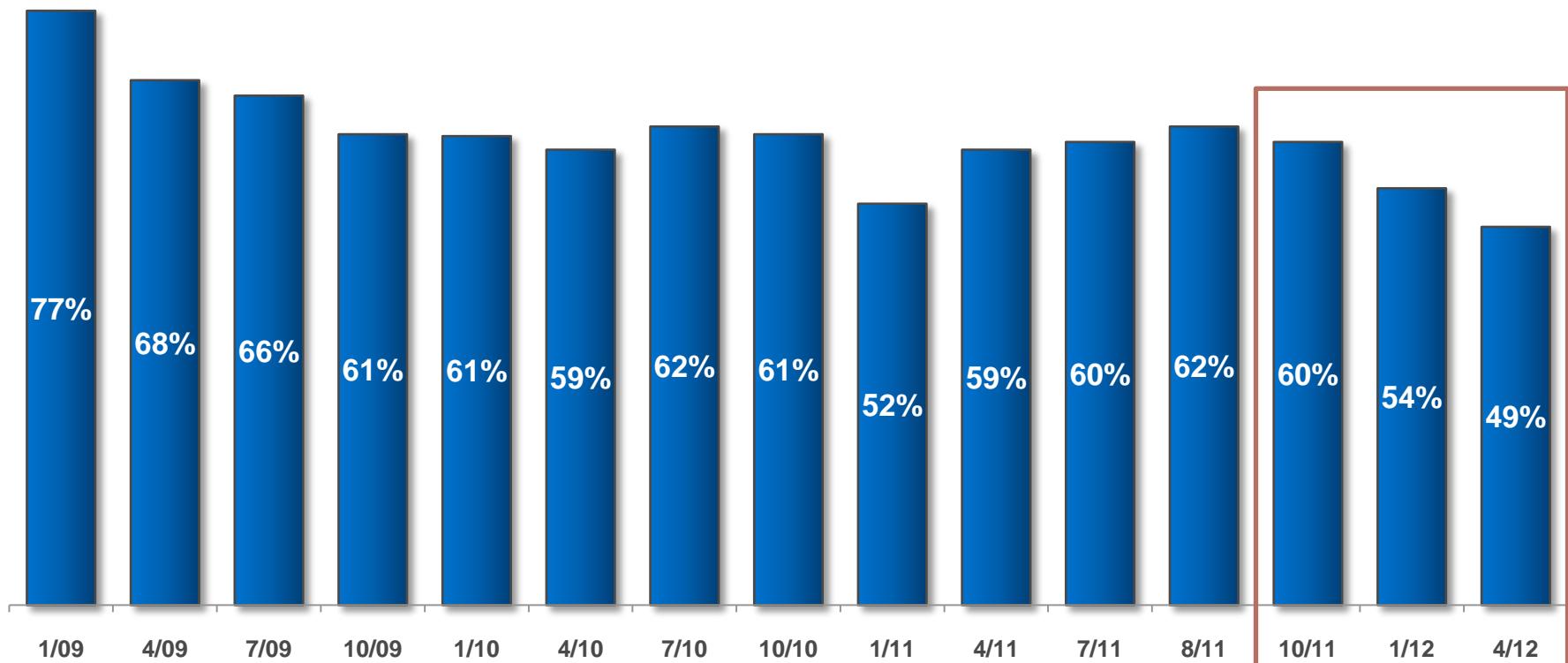
Consumer Confidence = Near Four-Year Highs, Though Still Below 30-Year Average



Consumer Sentiment – Improving but 49% of Americans View Economy as ‘Poor’

Q. How would you rate economic conditions today?

Percent of USA Consumers Who View The Economy as Poor, 1/09 – 4/12



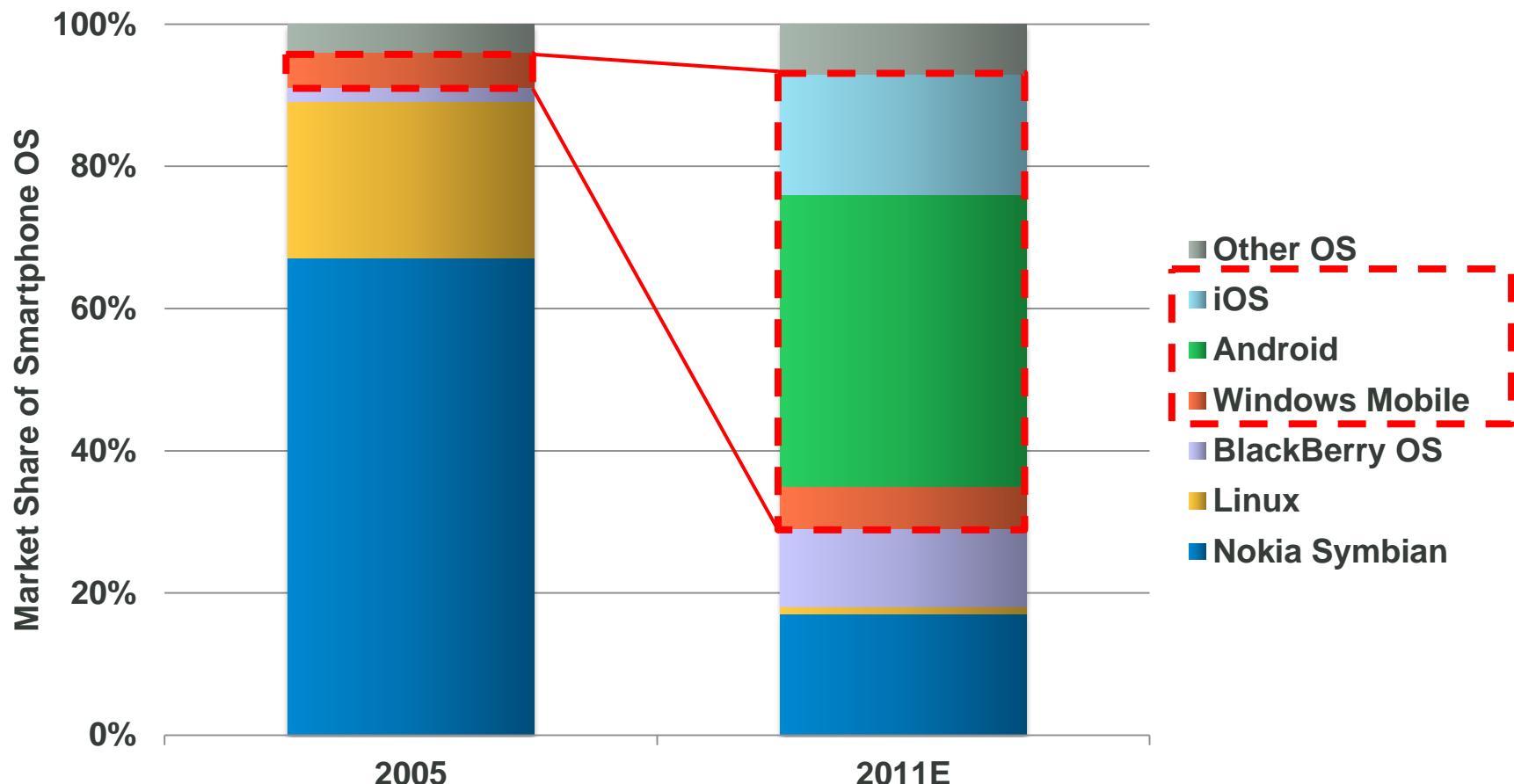
Global GDP Growth Expected to Decelerate in 2012 with Europe Slipping Into Recession

Country / Region	GDP Y/Y % Change, 2009-2012E				% of World Total, 2011
	2009	2010	2011	2012E	
USA	-3.5%	3.0%	1.7%	2.1%	22%
Euro Area	-4.3	1.9	1.4	-0.3	19
Germany	-5.0	3.6	3.1	0.6	5
France	-2.6	1.4	1.7	0.5	4
Italy	-5.5	1.8	0.4	-1.9	3
Spain	-3.7	-0.1	0.7	-1.8	2
UK	-4.9	2.1	0.7	0.8	4
Japan	-6.3	4.4	-0.7	2.0	8
China	9.2	10.4	9.2	8.2	11
India	6.8	10.6	7.2	6.9	2
Russia	-7.8	4.3	4.3	4.0	3
Brazil	-0.6	7.5	2.7	3.0	4
Developed Markets	-3.7	3.2	1.6	1.4	64
Emerging Markets	2.8	7.5	6.2	5.7	36
World	-0.7	5.3	3.9	3.5	100

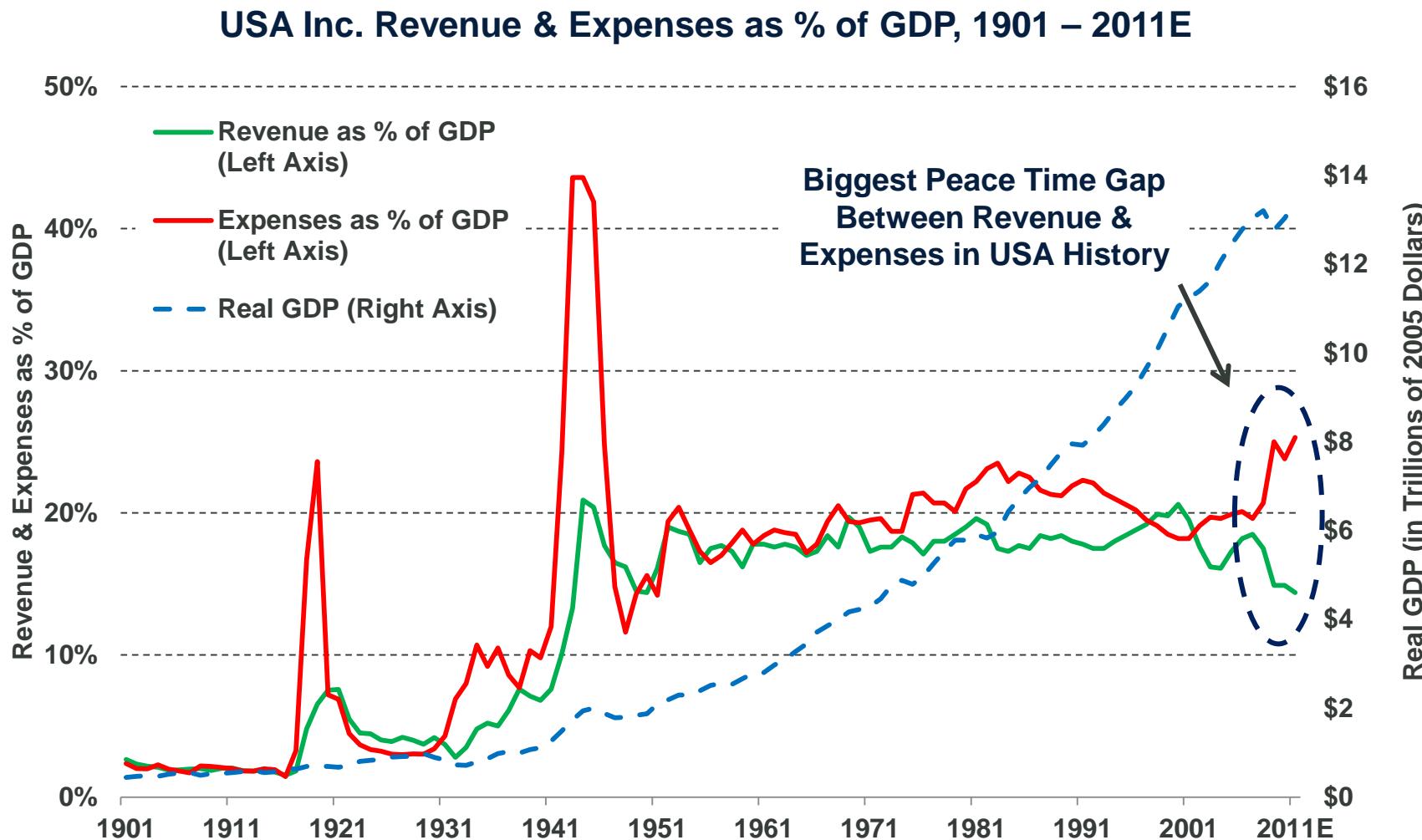
**USA, INC. – A LOT TO BE EXCITED
ABOUT IN TECH, A LOT TO BE
WORRIED ABOUT IN OTHER AREAS**

'Made in USA' Smartphone Operating Systems = 64% Share from 5% Five Years Ago

Smartphone Operating System Market Share, 2005 vs. 2011E



USA, Inc. – Biggest Peace Time Gap Between Revenue & Expenses in USA History



ARE YOU HAPPY WITH WHERE YOUR TAX DOLLARS GO?

57%

20%

16%

6%

ENTITLEMENTS

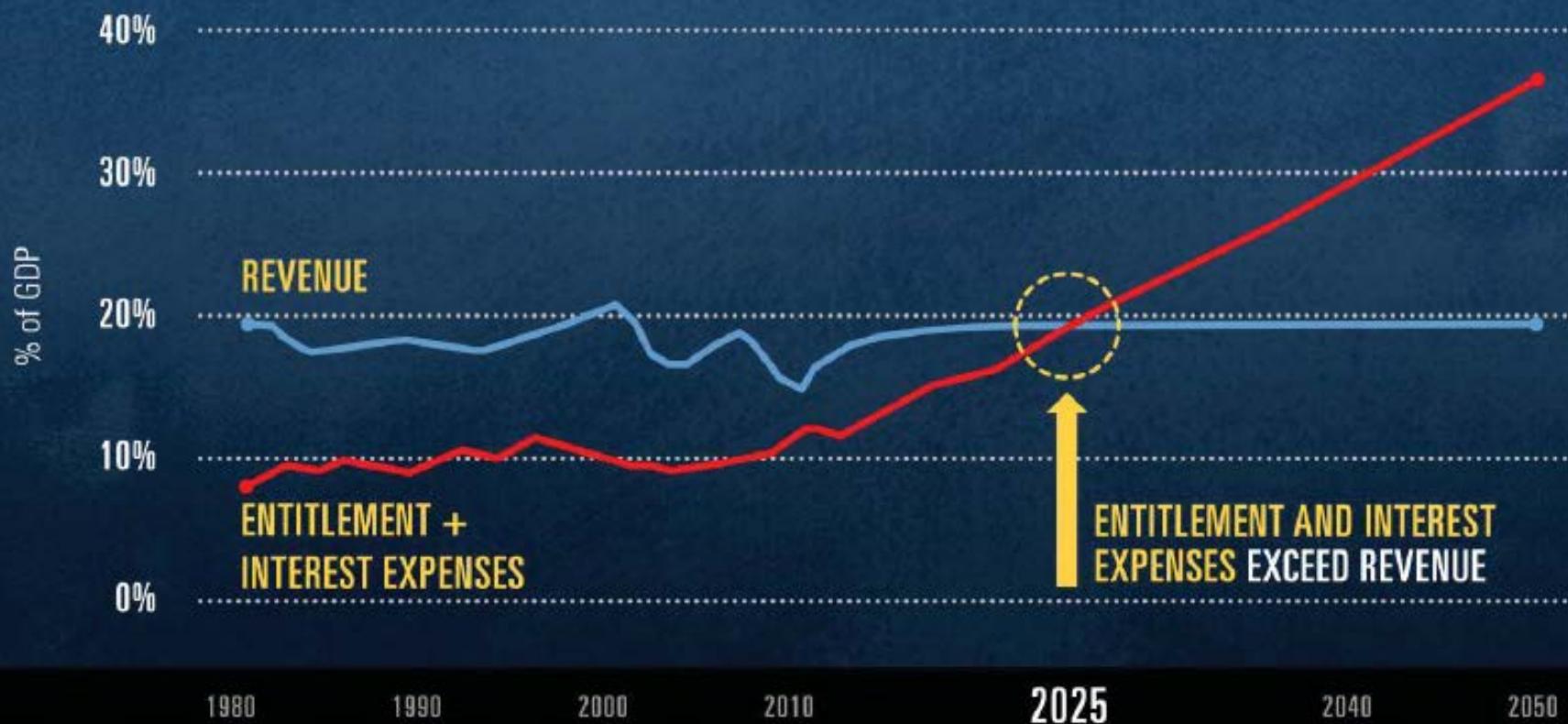
DEFENSE

OTHER*

INTEREST

*OTHER INCLUDES NON-DEFENSE DISCRETIONARY SPENDING IN ENERGY, EDUCATION, INFRASTRUCTURE AND MORE. 97

ENTITLEMENT AND INTEREST EXPENSES WILL EXCEED USA INC.'S REVENUE **WITHIN 15 YEARS**



SOURCE: CONGRESSIONAL BUDGET OFFICE, 2010: USA INC. REPORT PAGE 174. 98

America's Debt Level Relative to Other Countries – You Do the Math...

2010 Gross Government Debt				2010 Gross Government Debt			
Rank	Country	(\$B)	% of GDP	Rank	Country	(\$B)	% of GDP
1	Japan	\$12,009	220%	16	Hungary	\$105	80%
2	Jamaica	19	143	17	Israel	168	77
3	Greece	436	143	18	UK	1,699	76
4	Lebanon	53	134	19	Egypt	161	74
5	Iraq	97	120	20	Austria	272	72
6	Italy	2,445	119	21	Sudan	47	72
7	Belgium	452	97	22	Brazil	1,397	67
8	Singapore	214	96	23	Jordan	18	67
9	Ireland	196	95	24	Côte d'Ivoire	15	67
10	USA	13,707	94	25	India	1,046	64
11	Portugal	213	93	26	Netherlands	497	64
12	Iceland	12	92	27	Cyprus	14	61
13	Germany	2,759	84	28	Spain	848	60
14	Canada	1,324	84	29	Uruguay	23	57
15	France	2,110	82	30	Pakistan	100	57

Note: Ranking excludes countries with gross government debt less than \$10B in 2010. Gross government debt includes intragovernment obligations (such as Treasuries held by the Social Security Trust Fund in US' case). Source: The International Monetary Fund (IMF).

110K+ Total Views
23K+ YouTube Views
7K+ Facebook Likes
4K+ Retweets



What Can You Do?

- Engage in Politics
- Help Others Understand Key Issues
- Do What You Can To Innovate, Create Jobs & Improve Education

BUBBLE - OR NOT?

*RECENT INTERNET IPOS –
WHILE COMPELLING IN MARKET VALUE,
NOT COMPELLING IN PERFORMANCE...*

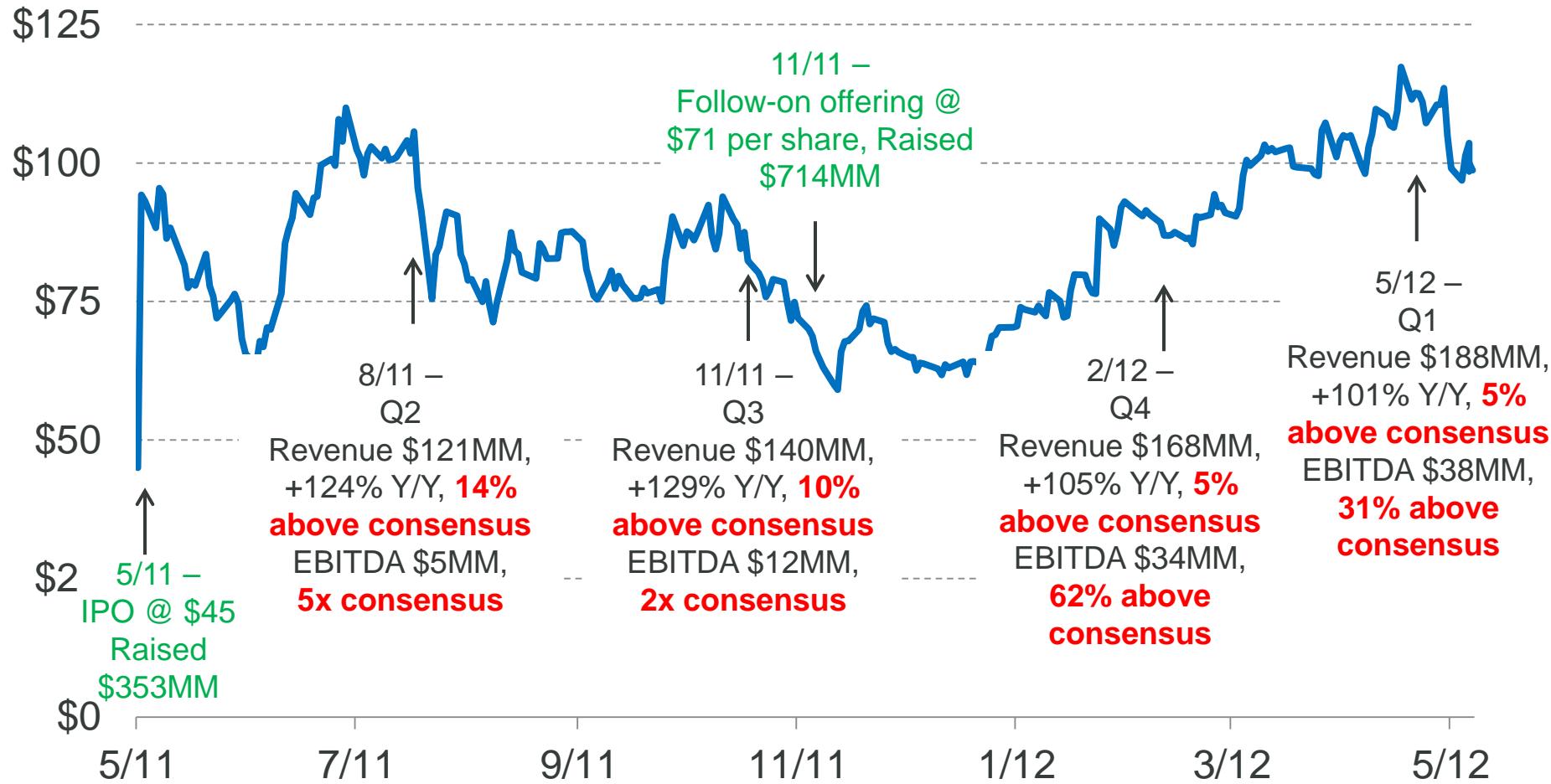
Public Market Investors = More Skeptical than Private Market Investors

Company	IPO Date	Initial IPO Filing Range (\$)	IPO Price (\$)	1 st Day Closing Price (\$)	Current Price (\$)	% Change From IPO	IPO Market Cap (\$B)	Current Market Cap (\$B)
Facebook	5/12	\$28-35	\$38	\$38	\$29	(24%)	\$104	\$79
Zynga	12/11	\$8.50-10	10	10	6	(40)	7	5
Groupon	11/11	\$16-18	20	26	12	(40)	13	8
Pandora	6/11	\$10-12	16	17	11	(30)	3	2
LinkedIn	5/11	\$32-35	45	94	100	137	4	10

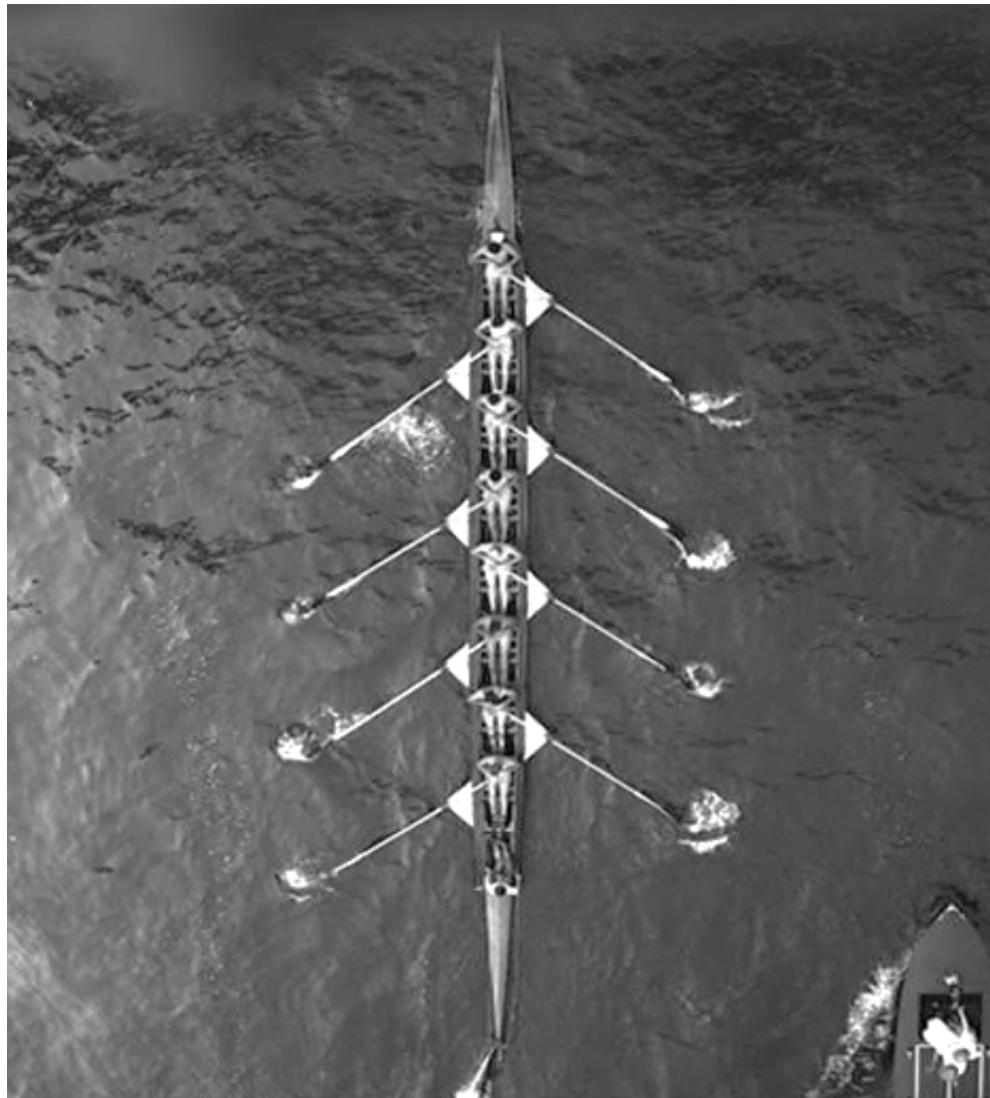
Recent Internet IPO Standout – LinkedIn

Averaging 10% Revenue / 2x EBITDA Upside Since IPO, Shares +137%

LinkedIn Share Daily Closing Price, 5/11-5/12



A Key to Successful Financings / Wealth Creation – All Stakeholders in Same Boat, Rowing in Same Direction



Cornell Crew team, 1930. ©Mystic Seaport, Rosenfeld Collection. 106

The Value of a Business is the Present Value of Future Cash Flows

The Riddles:

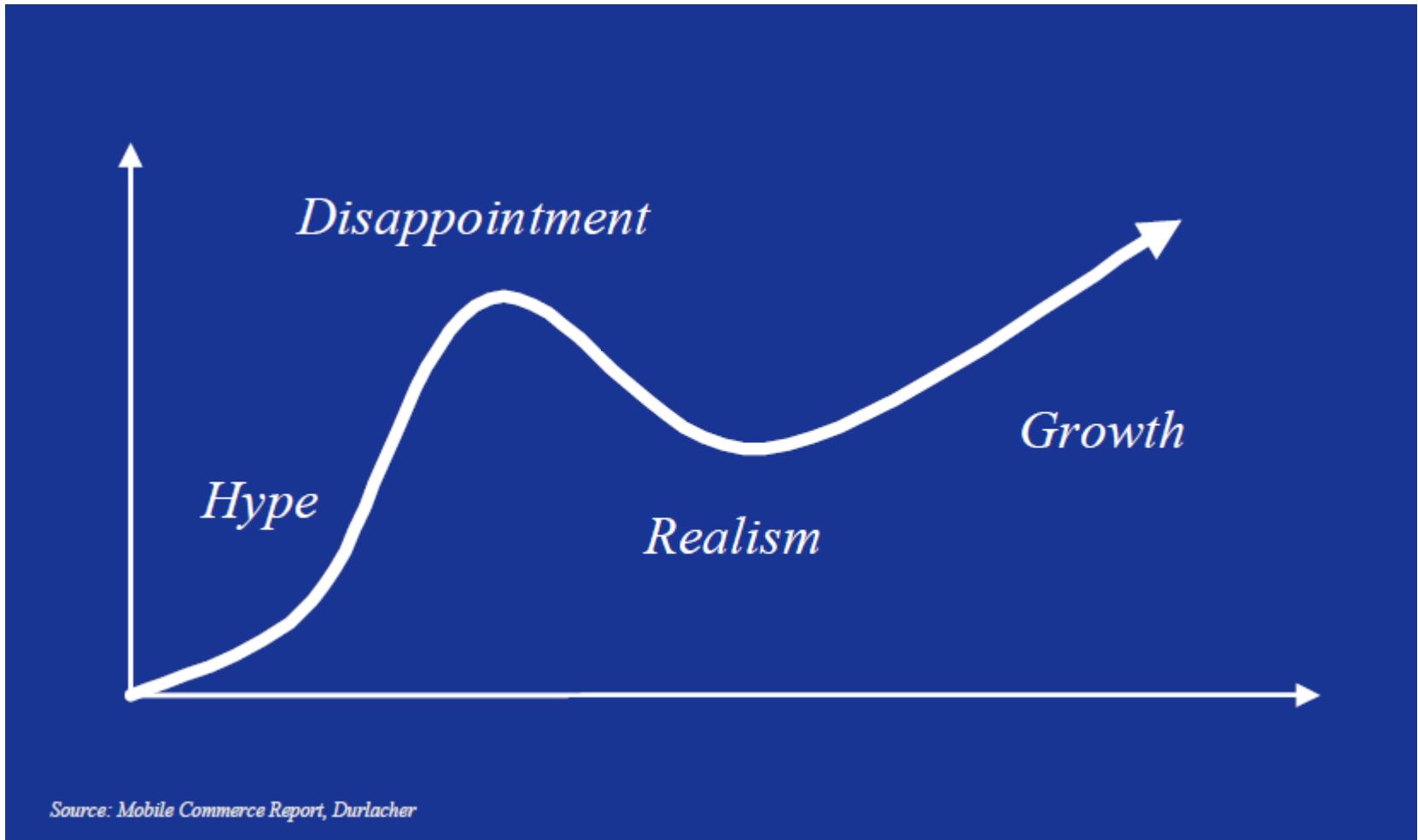
- 1) Getting the numbers (financials) right for the Discounted Cash Flow (DCF) model;
- 2) Getting the macro + micro confidence levels + time horizons right for ‘the market.’

Historical Wealth Creation in Tech Companies = Concentrated

*~2% of companies accounted for ~100% of net wealth creation of 1,720 Tech IPOs in USA (1980-2002).**

** The Technology IPO Yearbook: 9th Edition – 23 Years of Tech Investing, Morgan Stanley*

Tech Cycle of Change / Growth – Where are We Now?



**THIS CYCLE OF TECH DISRUPTION IS
MATERIALLY FASTER & BROADER THAN
PRIOR CYCLES...**

Outline

- 1) Basic Stats – Internet Growth Remains Robust, Rapid Mobile Adoption Still in Early Stages**
- 2) Re-Imagination – of Nearly Everything**
- 3) Economy – Mixed Trends, With Negative Bias**
- 4) ‘USA, Inc.’ – A Lot to be Excited About in Tech, A Lot to be Worried about in Other Areas**
- 5) Bubble – or Not?**

Disclosure

The information offered in this presentation speaks to industry trends in general, and should not be construed as providing any particular recommendations or analysis for any specific company that is mentioned in this presentation. KPCB is a venture capital firm that owns significant equity positions in certain of the companies referenced in this presentation.