

# The creator economy could reach \$5 billion in investments this year- but why?

## Creators are the new founders

The shift from the gig economy to creator enables creators to make money off their passions, build community, and engage directly with fans.

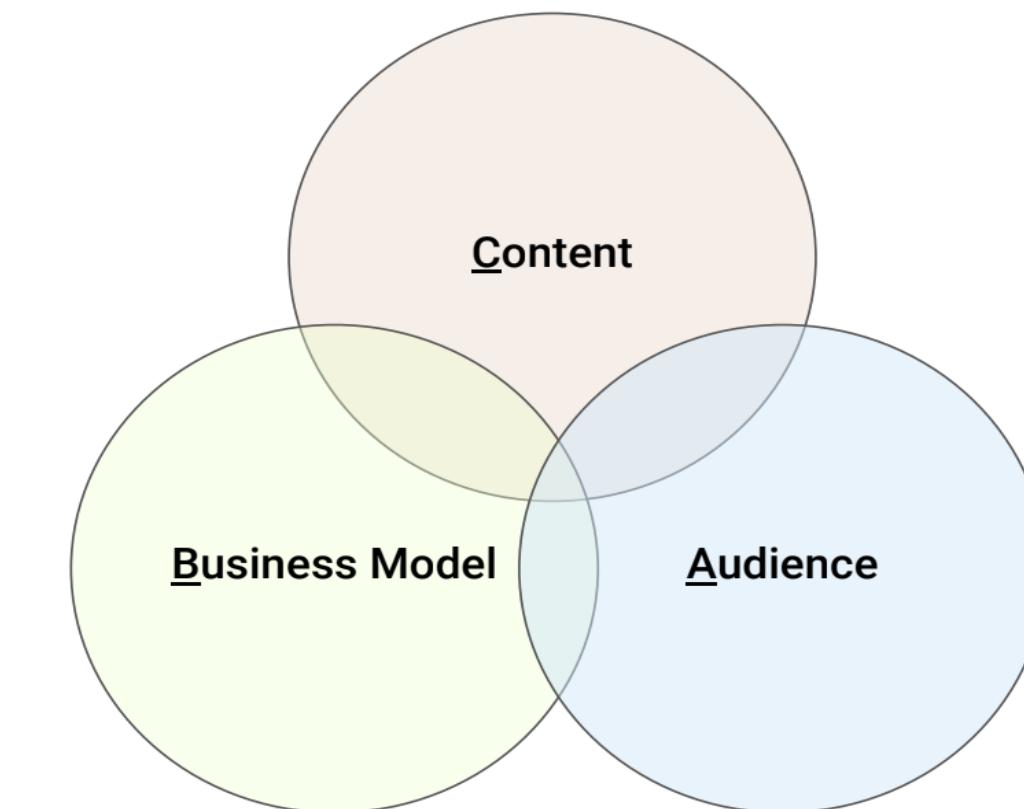
1. The reallocation of \$5 billion from big tech to fund creators paves the way for creators to gain purchasing power, allowing them to re-invest in tools that will help them create more content and make a living
1. The intersection of Web3 is enabling transformative new ways for creators to build ownership and engage with their audience, with NFT sales topping \$13Bn

## The rise in purchasing power of creators creates a demand for creator tools

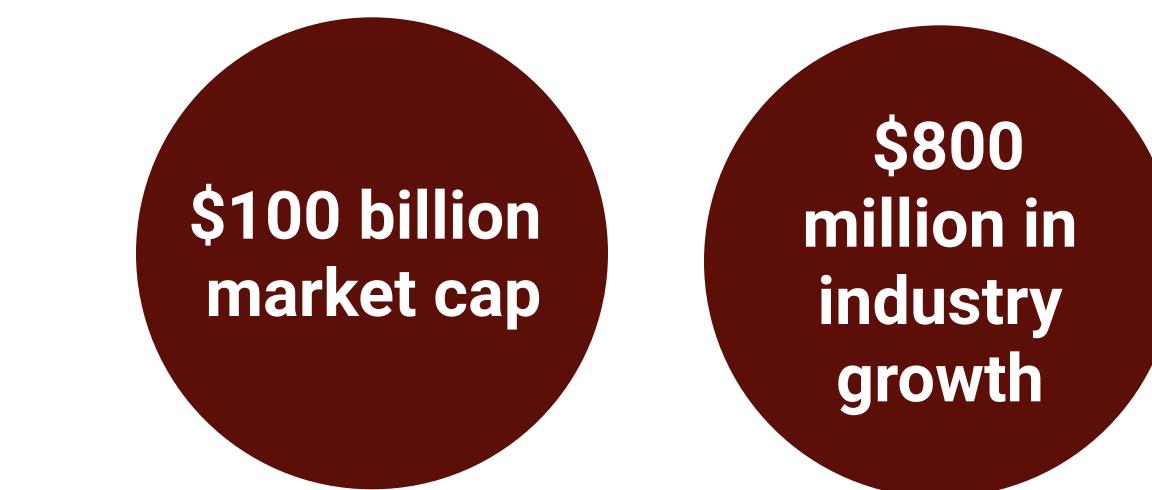
With over 50 million creators wanting to capitalize on this, we need to invest in creator tools that can keep up with the rapid pace and allow creators to focus on what they love most - being creative.

1. Investing in companies that can capture 10% of this newly created market share along with market effects can lead to billion dollar evaluations in the next 5 years
1. VCs need to act early before creators find alternative sources of funding for Web3 projects

## Creator economy market need framework

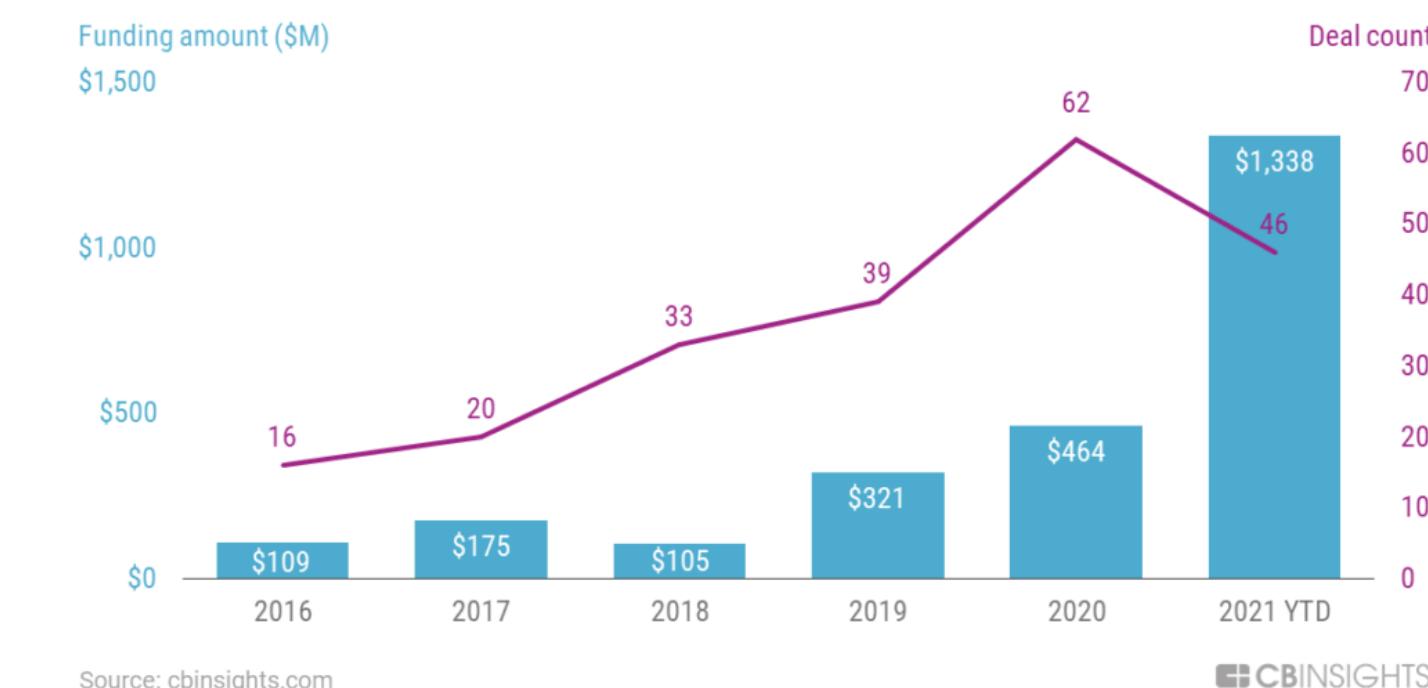


Opportunities where solutions will come from



### Funding and deals to creator-focused companies have skyrocketed

Disclosed deals & equity funding (\$M), 2016 – 2021 YTD (06/04/21)



## Segments of the creator economy

Content Creation

Monetization tools

Community tools

Influencer Marketing

Education tools

## Current unicorns in the creator economy



# Companies and Investors in the Creator Economy Space

## Leading companies

These companies have raised millions and made acquisitions, setting examples for future creator economy start-ups to come.

Company	Theme	Stage	PIC	ARR	Investors	Acquisitions
 <b>Canva</b>	Content design tool	> Series E	\$572.6M	\$1B	Sequoia, BVP, Franklin Templeton, Greonoaks Capital, AirTree Ventures, Dragoneer Investments	<ul style="list-style-type: none"><li>• Kaleido.ai</li></ul>
 <b>PATREON</b>	Monetization	Secondary Market	\$413.3M	\$100 M	Lone Pine Capital, Woodline Partners, Tiger Global, DFJ Growth	<ul style="list-style-type: none"><li>• Clear Talent - to build Patreon's talent team</li></ul>
 <b>Cameo</b>	Fan Engagement	Series C	\$165.2M	\$52.5M	Kleinier Perkins, Amazon, Google, Lightspeed, Peter Chernin's Chernin Group	<ul style="list-style-type: none"><li>• Represent - merchandize company that helps creators monetize from storefronts</li></ul>
<hr/> <p><b>Notable investors in the creator economy</b></p> <hr/>					<p><b>Seed opportunities</b> Focusing on companies that fit Harlem's Investment thesis - early-stage, post-product, diverse team, and proposes simple solutions to difficult problems.</p>	
	Li Jin	Started a \$13M fund to invest in the passion economy			 Node-app	In the influencer marketing space, building a self-serve influencer market to trade items for content. ARR is 66k, and recently accepted into TechStars. Black-founded.
	John Smothers	Invested in buy me a coffee, Rosebud.AI				In the content management space, completed Envision Accelerator program, 84k ARR, female founded.
	Andrew Chen	Invested in Clubhouse, Substack, and Maven				more on next slide →
	Jeff Morris Jr.	Invested in Cameo, Fanhouse, and Maven				



# Contenda allows businesses to re-purpose content and transform into new mediums.



Pre-seed



Female-Founder



> 1B market cap

Meets all HC criteria

\$40B  
market  
cap

Legacy content solutions

## Investment Thesis

Clear customer traction and growth.

- Received signed contracts for \$84K ARR including Netlify & StackOverflow
- Built an inbound pipeline of \$1.5M+

## Founder market fit

- The entire founding team is technical, software engineering background from start-ups, Google & Facebook
- The CEO, Lilly Chen, was the first hire at a start-up acquired by FB and worked as an ML engineer on Oculus.

## Even larger market potential

- Can expand beyond professional creators to streamers, politicians, and more - content is universal to all creators
- With creators as founders, they want to spend less time re-working old content and want to discover new ideas

## Raised 1.5 million seed round from:

- Contrary Capital, Rough Draft Ventures, Eliot Horowitz (CEO of Viam, former CTO & founder of MongoDB), Cassidy Williams (Director of Developer Experience at Netlify)

## Envision.

Envision is an accelerator that supports underrepresented founders.

- We've deployed over 250k in non-dilutive fundings
- Our companies have gone on to raise over \$20M in funding and get involved with YC and the Thiel fellowship

\*Envision is also an excellent source of deal flow for Harlem Capital, as we align directly with their mission.

## Risks to investment

### Team pivoted to this new idea

- The original idea was in the creator economy, building data pipelines for creators, however realized that individual creators although are businesses, but currently make decisions as consumers and would not be ready for this tool.
- The new tool was built in 2 months, exemplifying the team's resilience, strong engineering skills, and strong understanding of the market - knowing when your customers won't be ready for a solution.

### Lack of leadership experience on the team - all were past IC software engineers

- However, they are building leadership experiences in new capacities - the CEO of Contenda is mentoring new Envision cohort companies, running office hours and Angel Investing
- Can mitigate by hiring more experienced leaders for other roles as the company expands