

BDev Ventures Investment Framework Proposal

Background:

BDev Ventures was launched by the team that founded and grew BairesDev (bairesdev.com) into a \$220mm+ revenue, 3,000+ person digital transformation company with a presence across the U.S. and Latin America. We partner with B2B product and services companies to accelerate growth with our proprietary revenue generation platform ("*BDev Growth Platform*") that was built to scale BairesDev into the largest 100% bootstrapped IT Services company in history, with a valuation exceeding \$4 billion.

What We Do:

We invest \$500k to \$5mm in B2B product and service companies and drive enterprise value creation by expanding the sales funnels of our portfolio companies and generating ready-to-close opportunities for their sales teams.

What is BDev Growth Platform?

BDev Growth Platform is the proprietary growth framework that grew BairesDev into the largest bootstrapped IT Services company in the world. *BDev Growth Platform* drives revenue by generating leads through the world's most advanced and effective email marketing and digital advertising systems.

The efficiency and effectiveness of *BDev Growth Platform* gives a company the ability to consistently attract qualified leads at scale and massively expand the sales pipeline with minimal drag on cash flow.

- The zero customer acquisition cost (CAC) nature of email marketing improves unit economics and delays the need for fundraising.
- It improves a company's gross and net profit margins
- Opens up new market opportunities that were previously not profitable because the CAC was too high.
- With a faster growth curve, you can achieve a higher valuation and faster path to an exit.

To date, *BDev Growth Platform* has generated over \$1.6 billion in contract value.

BDev Ventures implements *BDev Growth Platform* into its portfolio companies on a risk-free basis. There are no upfront fees or implementation costs. We share in the upside of a company's success based on results, not empty promises. Today, there are approximately 250 software engineers working on *BDev Growth Platform* to enhance its ability to accelerate lead generation. We are the only venture investing company in the world with this proven revenue accelerating system.

How Our Investment Model Benefits Companies:

We identify companies that are a good fit for *BDev Growth Platform* and 1) invest capital on standard terms and 2) implement the *BDev Growth Platform* system in the company in exchange for sharing in the increased enterprise value that is directly attributable to the proven results of *BDev Growth Platform*. This is 100% results-based.

If *BDev Growth Platform* delivers increased value beyond what would have been created without it, the results are shared with BDev Ventures. If not, it's zero risk to the portfolio company. The standard model is for a portfolio company to retain $\frac{2}{3}$ of the increased value and share $\frac{1}{3}$ of the increased value that is directly attributable to the demand generation created by *BDev Growth Platform*.

As an example, if *BDev Growth Platform* directly generates a \$30mm increase in equity value (as measured by agreed-upon metrics such as a multiple of annual recurring revenue, ARR), then BDev Ventures would receive \$10mm in stock.