

HAYSTACK

February 2015

HAYSTACK — OVERVIEW

Haystack allows customers to search every nearby store shelf for the products they are looking for, in real time and with unprecedented coverage

1. Search for needed product
2. Returns stores which carry that product, along with a map of top/closest results, and store information (phone number, store hours)
3. Can drill down on store to further product specs (e.g. brands, 2 count vs. 30 count Tylenol, etc.)
4. Can click “call” button if would like to call to make sure of availability or product variety/price
5. Can click to be routed to store via GPS
6. Asked for feedback on other items that store may have (e.g. prompt after routed to store: Did you visit Pickwick Pharmacy? Do they have greeting cards?)

HAYSTACK — TECHNICAL EXPLANATION

We use a combination of data sources to capture every shelf across the country:

1. Inventory scraping & public APIs

- Big box stores & stores with inventory listed online
- Get high-quality data including SKU, photos, price, in-stock, etc.

2. Intelligent machine-learning models for smaller stores

- Mom and pop hardware store in Iowa probably has hammer, nails, duct tape, etc.
- Won't know price or in-stock (but can give likelihood + number to call)

3. Retailer-sourced product data

- Stores can claim their pages, similar to Yelp, and easily update their products

HAYSTACK – COMPETITION



- Acquired by eBay for \$75MM in Dec. '10
- Since become engine for eBay Local – “BOPS” & “LM” Delivery
- Only big box store coverage
- Website scraping for broader store coverage (supplies YP local service search)
- Not user friendly and no SMB coverage, pivoted from product search
- Same day delivery from local big box stores (piloting in select cities)
- No independent inventory information, can't get products immediately
- Delivering commonly needed items quickly using driver network (pilot in D.C.)
- No independent inventory information, relies on real time store/driver coordination
- Prime Now: Delivering commonly needed items in 2 hours or less (pilot in NYC)
- Relies on own fulfillment center products so not potential for extensive product selection, can't get products immediately

HAYSTACK — MARKET & TIMELINE

Market Size

- **94%** (**\$4.2T**) of retail sales are still done in physical stores
- **5%** of retail sales is spent on advertising
- **\$250B** spent on advertising for physical retail
- 3M stores in the US
 - Only **150k** belong to top 100 retail chains (**5%**)

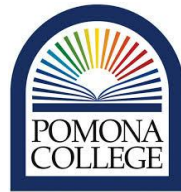
Timeline

- **February 2015:** launching MVP for Center City Philadelphia
- **March 2015:** build crawling and product attribution engines / algorithms
- **Summer 2015:** raise seed round after successful test

HAYSTACK – MANAGEMENT TEAM

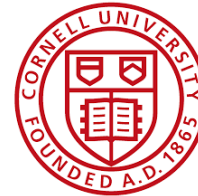
Ben Dean – Co-founder

Project Role: Data Science & Economics



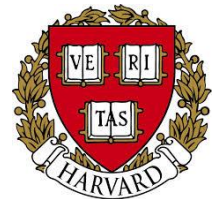
Wesley Tillu – Co-founder

Project Role: Ops Research & Finance



Rohit Gupta – Co-founder

Project Role: Technical Software Developer, Backend IT



Potential Advisors:

Kartik Hosanagar:

Advisor to Milo.com,
Co-founder Yodle.com



David Bell:

Digital Marketing Expert;
Advisor to Warby Parker



WARBY PARKER
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