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Chatty Kids

Teaching kids to read

Chatty Kids has created an online platform to house the world's largest levelled book library for children. It has secured the global rights for Pearson Education and Oxford University Press. The company was founded by Ken Taggart in 2013 just as his own children reached reading age and was in response to a perceived lack of affordable, instant access to content and professional advice for parents with children learning to read. It has since expanded to offer online English-language reading monitoring and tutoring courses to the Chinese market. The company received seed round funding from Telstra's Muru-D in 2014 and undertook a subsequent Angel round in 2016.

Background

Ken Taggart started Chatty Kids in 2013 after facing and solving two problems within his own family - ensuring his children had access to levelled readers and involving their UK-based grandparents in their education by using video chat. From this Chatty Kids has evolved into an adaptive, collaborative educational solution for parents and schools, enabling early school-age readers anywhere to be tutored, monitored and assessed in reading, listening and speaking English. The website contains both thousands of levelled books from Pearson and Oxford University Press and thousands of hours of streaming video featuring teachers demonstrating confident and fluent reading. Tutoring sessions involve a one-onone 25-minute video link with an Australian English teach who watches, listens and guides the student and provides a detailed report to parents identifying any problems and recommendations for reading. In late 2015, the business branched into China where it is offering its services to school aged children who wish to learn English. The business aims to provide a fully-automated solution for teaching children in English-speaking countries to read and for children in non-English-speaking countries to learn English.

Business Model

Chatty Kids offers several packages for parents to choose from, ranging from basic at \$5 per month to premium at \$85 per month. The basic package gives parent access to all the levelled readers while the standard package, at \$28 per month provides access to all the content, reading assessments, weekly completion awards and a monthly teacher review. The premium package includes daily tasks and online tutoring.

Share details

Seed round 2014 ~\$40K Angel round 2016 \$800K

Shareholders include Allan Moss and Muru-D

Market size

EdTechXGlobal is forecasting that global edtech will grow at 17% compound from 2016 to 2020 to reach US\$252bn.

Upside Case

- Supported by large early stage investors
- Targetting the high growth edtech market globally with a focus on China
- Partnered with two of the largest educational publishers (providing access to their children's levelled books libraries)
- Automating the learning process with AI & Blockchain technology

Downside Case

- EdTech is a highly fragmented competitive space
- High reliance on access to human capital; would potentially benefit from Al/machine learning
- Offering does not extend much beyond year two student level due to current funding restraints

Company contacts

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