



# **TOWERS OF POWER**

**And Other Solutions  
for our  
World's Problems**



# TOWERS OF POWER

## And Other Solutions for our World's Problems

1. Built To Last
2. Final Ideas
3. Everything you wanted to know about business

**Final**  
**Monday May 14**  
**4:00-7:00 PM**

**60 5th Ave (Forbes Building)**  
**RM 446 (Conference Room)**

# Risk Economics

Risk Economics.

Black Rock Forest Consortium

Council for Economic Education  
(CEE)

Girl Scouts of Greater New York

Glynwood

Hudson Highlands Land Trust

New York Academy of Sciences  
Scenic Hudson



**David Mordecai**

SwissRe  
Clinton Group  
AIG

Board Directors of  
National Science Foundations



**Samantha Kapadonga**

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**“Built to Last”**

**Successful habits of Visionary  
Companies**

**James C. Collins and Jerry I. Porras**

# 1. Visionary and Comparison Companies

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- **3M**
- **American Express**
- **Boeing**
- **Citicorp**
- **Ford**
- **General Electric**
- **Hewlett-Packard**
- **IBM**
- **Johnson & Johnson**
- **Marriott**
- **Merck**
- **Motorola**
- **Nordstrom**
- **Philip Morris**
- **Procter & Gamble**
- **Sony**
- **Wal-Mart**
- **Walt Disney**
- **Norton**
- **Wells Fargo**
- **McDonnell Douglas**
- **Chase Manhattan**
- **GM**
- **Westinghouse**
- **Texas Instruments**
- **Burroughs**
- **Bristol-Myers Squibb**
- **Howard Johnson**
- **Pfizer**
- **Zenith**
- **Melville**
- **RJR Nabisco**
- **Colgate**
- **Kenwood**
- **Ames**
- **Columbia**

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**“Built to Last”**

**Successful habits of Visionary  
Companies**

**James C. Collins and Jerry I. Porras**

# **Built To Last**

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- 1. Best of The Best - Science and Theory of Visionary Companies**
- 2. Clock Building not Time Telling**
- 3. No “Tyranny of the Or”**
- 4. Preserve the Core / Stimulate Progress**
- 5. Big Hairy Audacious Goals**
- 6. Cult Like Cultures**



# Visionary Company Returns

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- **Cumulative Stock Returns**

- **\$1 invested from January 1, 1926 to December 31, 1990**

-	<b>Visionary Companies</b>	<b>\$6356</b>
-	<b>Comparison Companies</b>	<b>\$955</b>
-	<b>General Market</b>	<b>\$415</b>

**Visionary companies performed 16 times better than the general market from 1926 to 1990**

# Shattered Myths

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**It takes a great idea to start a great company**

**Few started with a great idea; the company was the creation**

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# **Visionary companies require great and charismatic leaders**

**Not required and can be detrimental to the companies long term prospects**

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**Most successful companies exist first and foremost to maximize profits**

**Yes, but visionary companies are equally guided by core values and purpose**

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**Visionary companies share a common subset of  
core values**

**There is no “right” set of core values**

---

**The only constant is change**

**Visionary companies preserve their core ideology while displaying a powerful drive for progress**

## 2. Clock Building, not time telling

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- **Think in terms of being an organizational visionary and building the characteristics of a visionary company not just product and services**
- **Ask what principles should we be guided by?**
- **Everything you need to know can be learned**

### 3. No “Tyranny of the OR”

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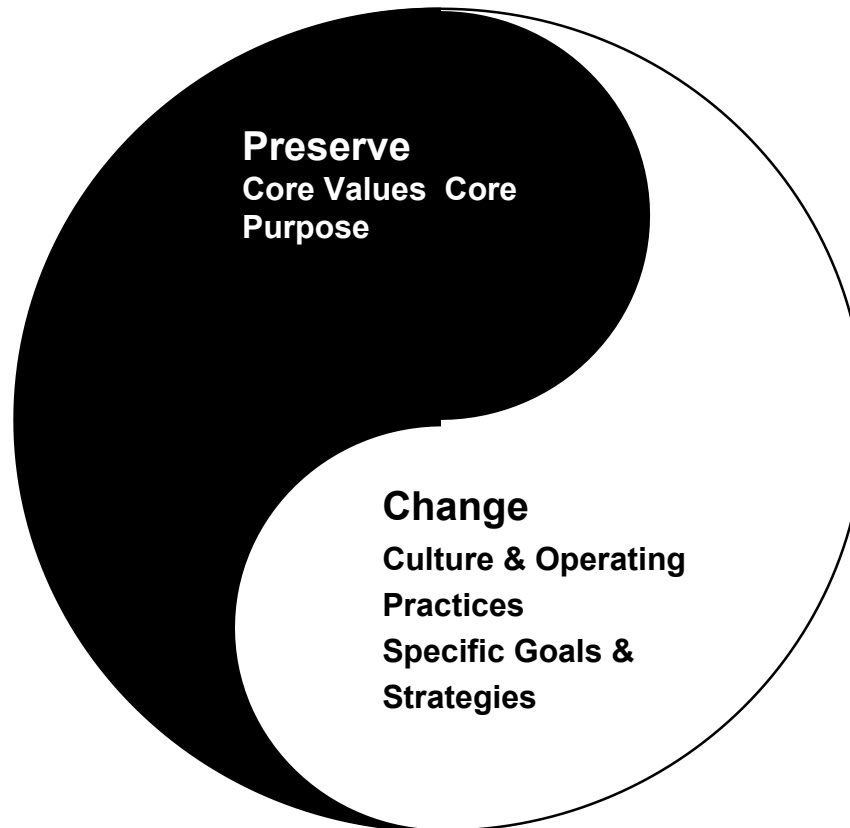
- **purpose beyond profit AND pragmatic pursuit of profit**
- **a relatively fixed core AND vigorous change and movement**
- **conservatism around the core AND bold, committing, risky moves**
- **clear vision and sense of direction AND opportunistic groping and experimentation**
- **Big Hairy Audacious Goals AND incremental evolutionary progress**
- **selection of managers steeped in core AND selection of managers that induce change**
- **ideological control AND operational autonomy**
- **extremely tight culture AND ability to change, move and adapt**
- **investment for the long term AND demands for short term performance**
- **philosophical, visionary and futuristic AND superb daily execution**
- **organization aligned with core AND adapted to its environment**



## 4. Preserve the Core / Stimulate Progress

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### Continuity and Change



5.

Big

---

Harry

Audacious

Goals

**(Almost)  
Everything you need to  
know about starting a  
business...**

**but really just the tip of  
the iceberg!**

**Ask yourself  
before you start a  
company.**

**1. Do you really want to  
start a business?**

# **1. Do you really want to start a business?**

- Long hours
- Never-ending tasks
- Compliance – Taxes, Accounting, Permissions, etc..
- Raising Capital
- Dealing with Employees
- Significant Other / Partner

## **2. Why do you want to start a business?**

- Strategic goals for your company?



## **2. Why do you want to start a business?**

- Strategic goals for your company?
  - Personal Goals?

## **2. Why do you want to start a business?**

- Strategic goals for your company?
  - Personal Goals?
- Can you accomplish your goals without starting a company?

**Let's get started!**

# **Business Structures**

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**LLC**

Limited Liability Company

# **Business Structures**

**LLC**

Limited Liability Company

**C-Corp**

C-Corporation

# **Business Structures**

**LLC**

Limited Liability Company

**C-Corp**

C-Corporation

**Non-profit**

Non-Profit Corporation

# Business Structures

## B-Corp

### Benefit-Corporation

**Public-benefit corporations** are a specific type of **corporation** that allow for **public benefit** to be a charter purpose in addition to the traditional **corporate** goal of maximizing profit for shareholders



# LLC

**Easy to Incorporate**

**No limit on the number of owners.**

**No annual meeting or minute book requirements.**

**Profit and loss are passed through to the owner's' individual tax returns.**

**More difficult to raise capital investment.**

**Can not issue stocks.**

# C-Corp

**No Personal Liability**

**May issue shares of stock to attract investors.**

**Delaware C-Corp appropriate for business investment.**

**Must hold annual meeting and hold records.**

**Double Taxation**

**S-corp have restrictions on the number of owners**

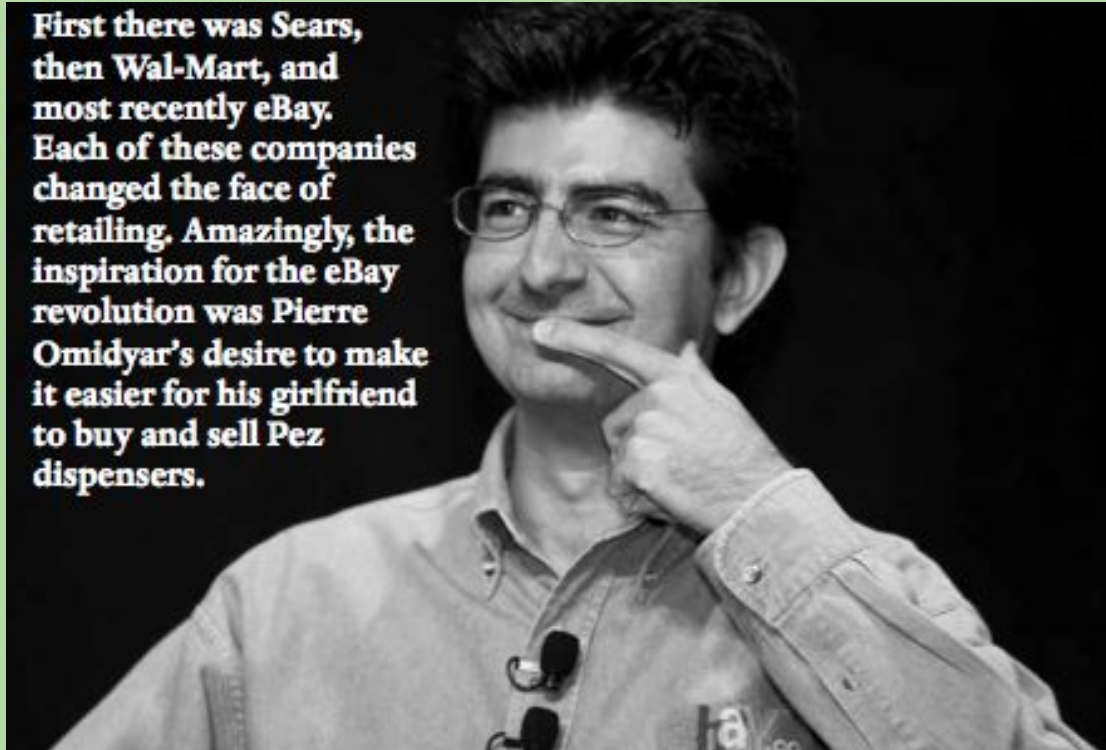
**Incorporate.com**

**Your Idea**

**Problem**

# Problem

First there was Sears, then Wal-Mart, and most recently eBay. Each of these companies changed the face of retailing. Amazingly, the inspiration for the eBay revolution was Pierre Omidyar's desire to make it easier for his girlfriend to buy and sell Pez dispensers.



**PIERRE OMIDYAR**  
**Founder of Ebay**

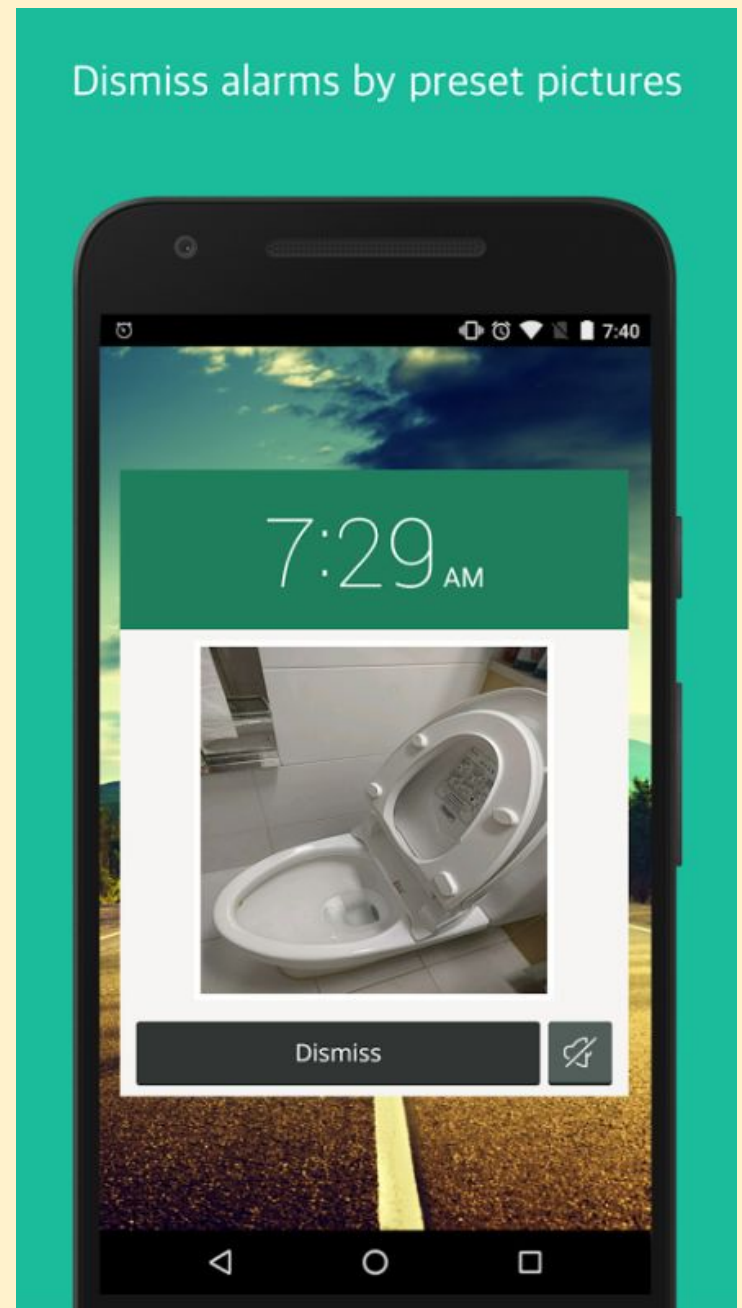
# **Problem**

**People have trouble  
waking up in the morning  
even when they set their  
Alarm Clock**

# Solution

## Alarmy (Sleep If you Can) APP

Makes you take a picture of something you previously registered.



A grayscale background image showing several people, likely indigenous, wearing traditional woven garments. One person at the top center is looking down, and another at the bottom is holding a small object, possibly a phone.

## **Problem**

### **Rhizomatica**

Indigenous communities  
in Oaxaca Mexico  
do not have access to  
cellular communication.



A grayscale background image showing a group of people, likely in a community setting. In the foreground, a person is holding a smartphone. Other individuals are visible in the background, some looking down, suggesting a focus on mobile technology or community engagement.

## **Solution**

**Rhizomatica**  
Affordable Cellular  
Infrastructure that can be  
deployed in Indigenous  
Communities.

**Problem**



**Ask Questions**

**Problem**



**Ask Questions**

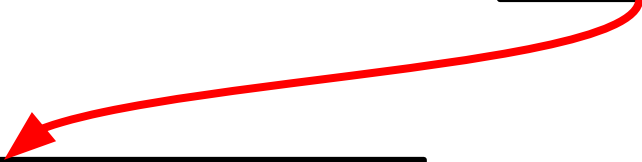
**Understand  
Problem**

**Problem**

**Ask Questions**

**Understand  
Problem**

**Make  
Hypotheses**



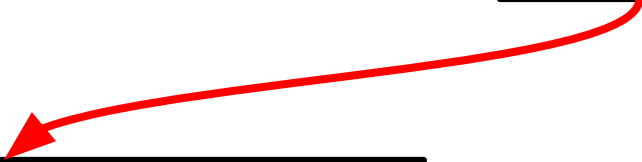
**Problem**

**Ask Questions**

**Understand  
Problem**

**Make  
Hypotheses**

**Test  
Hypotheses**



**Problem**

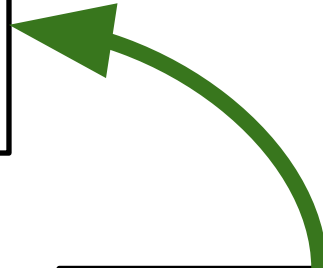
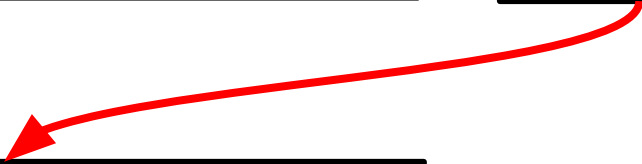
**Ask Questions**

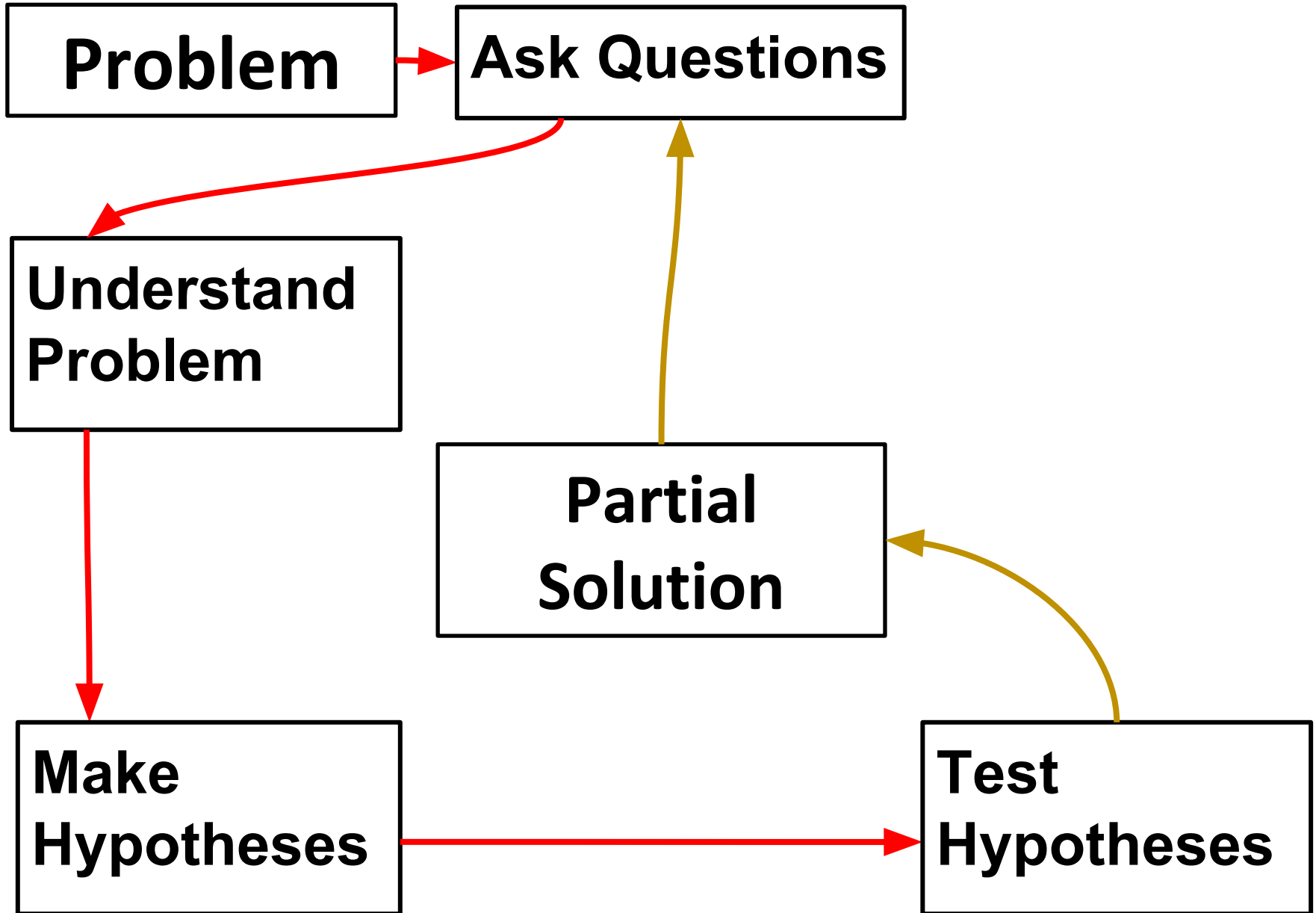
**Understand  
Problem**

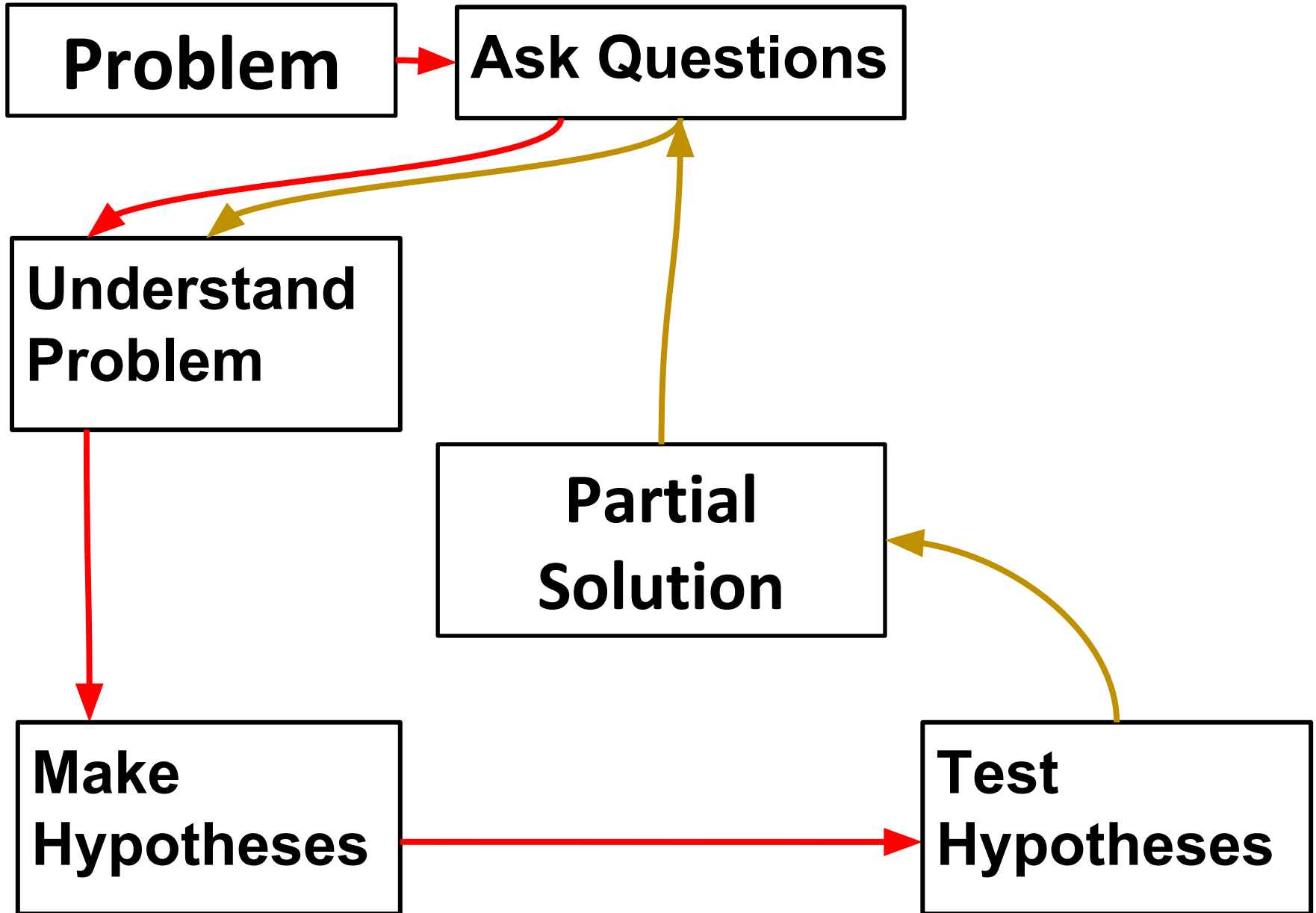
**Solution**

**Make  
Hypotheses**

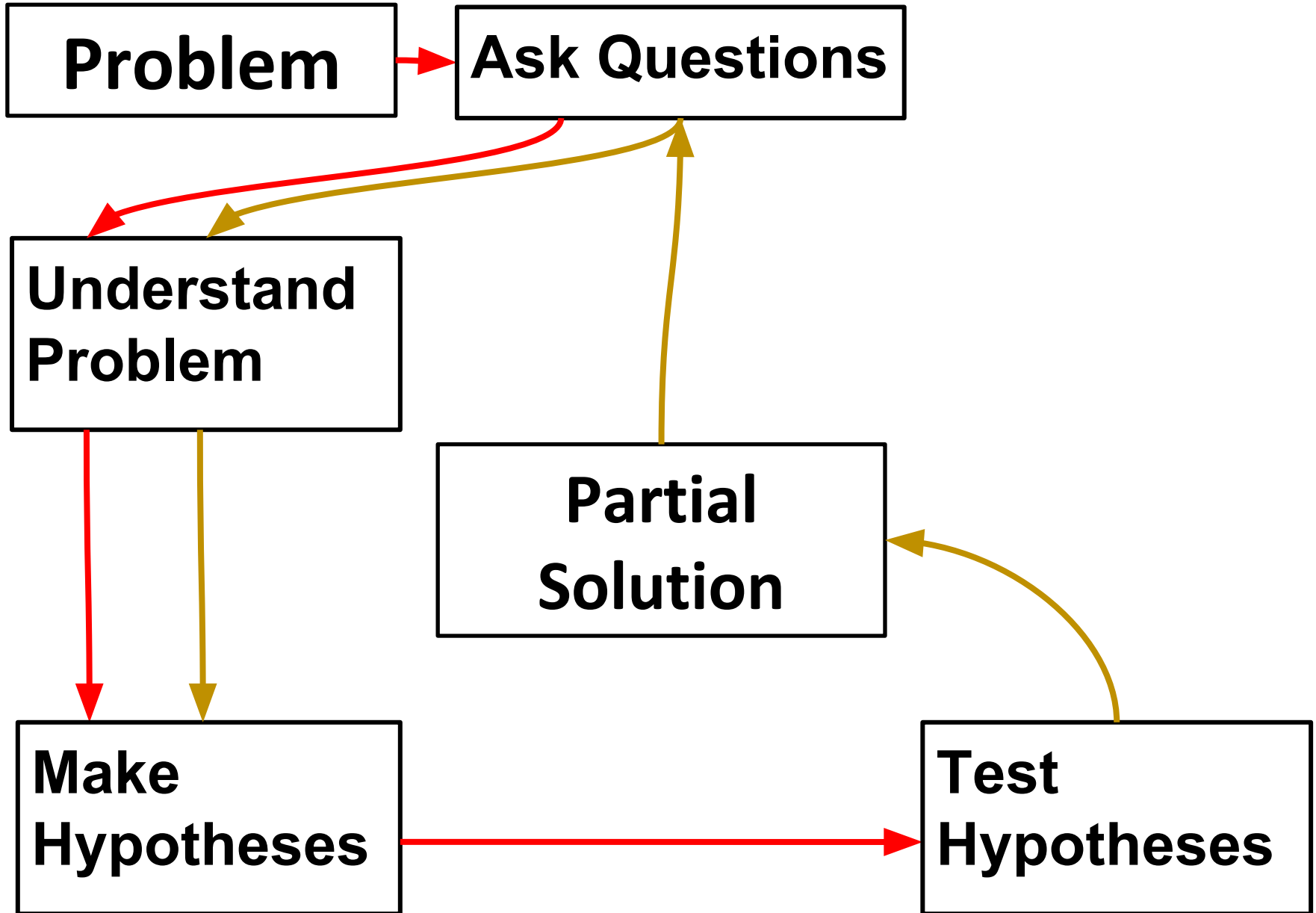
**Test  
Hypotheses**

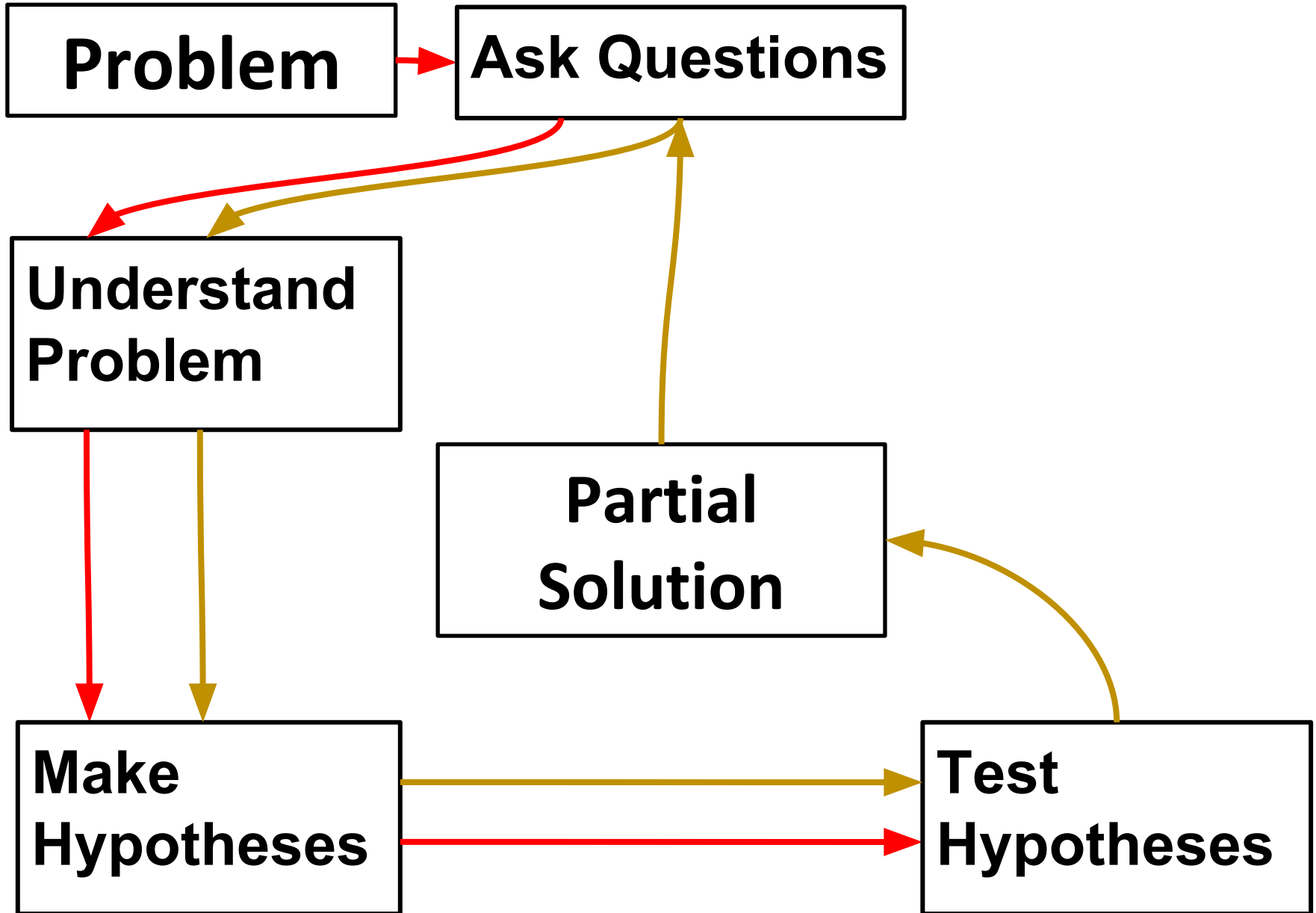


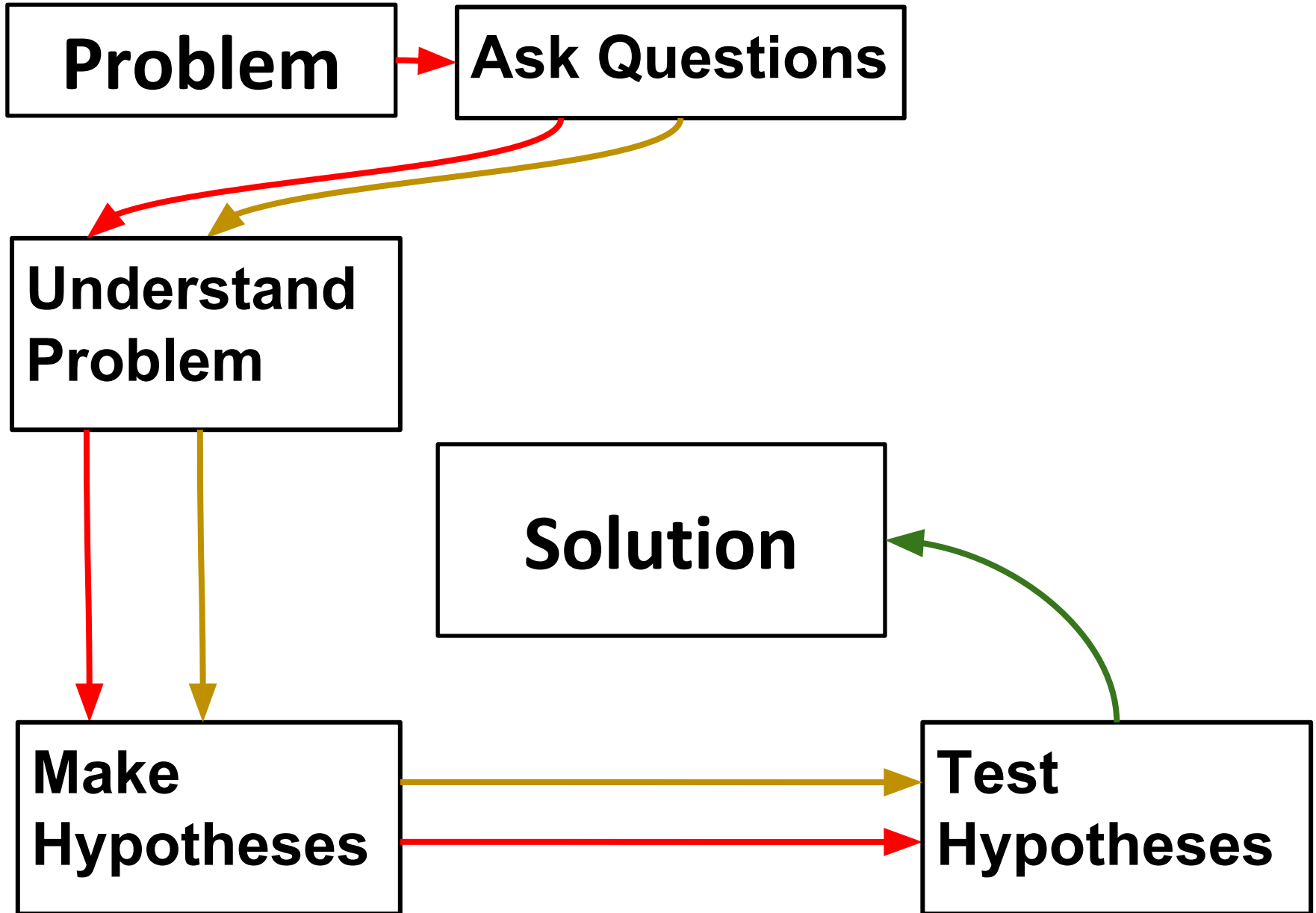


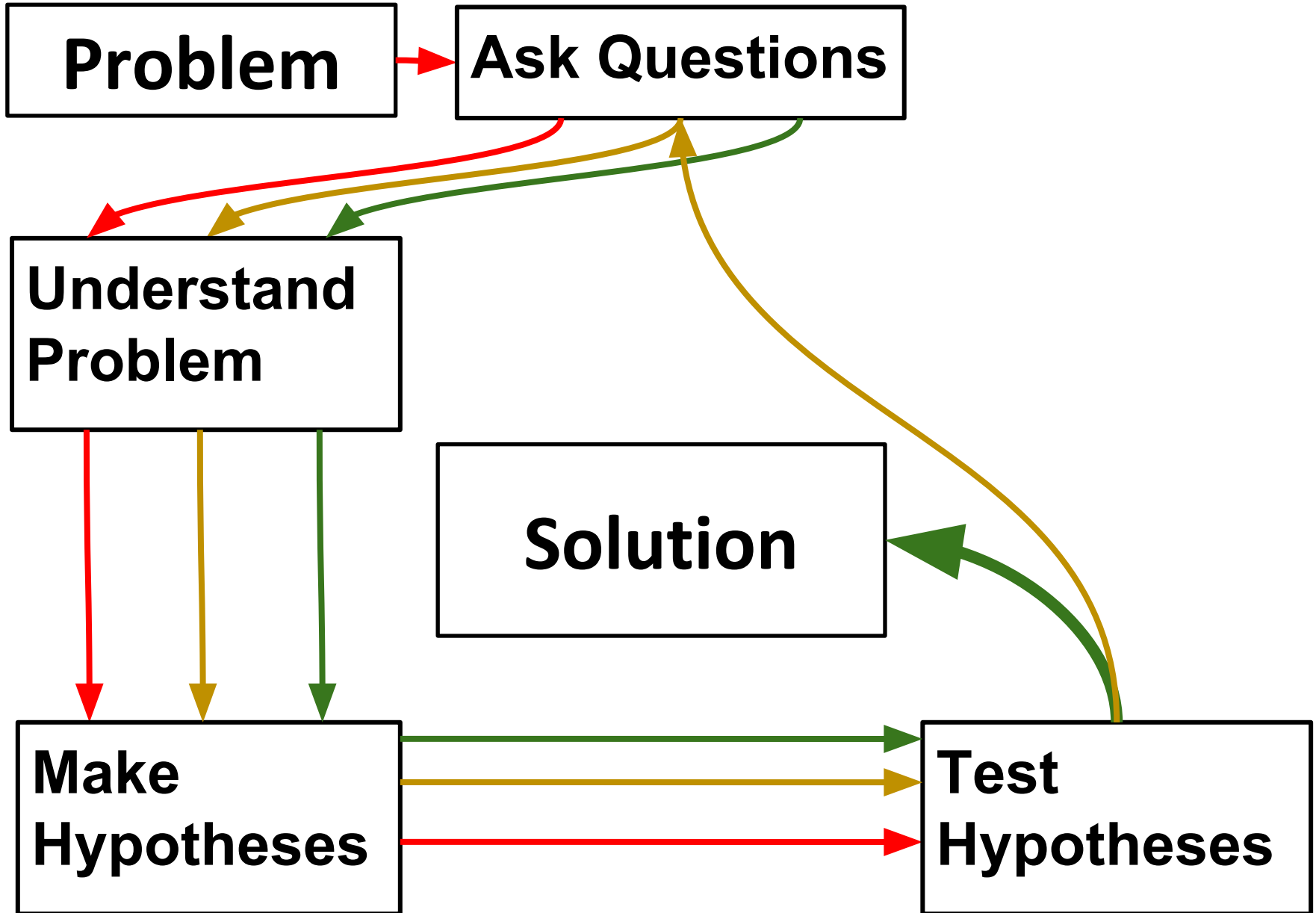






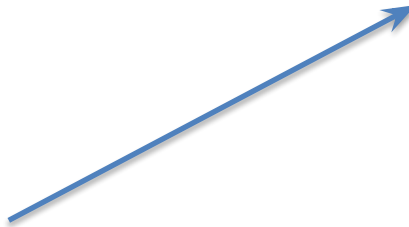






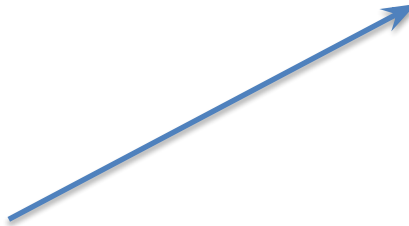
**Solution**

**Solution**



**Problem**

**Solution**



**Problem**



**Afghanistan**

**Humanitarian  
Food Rations**

**Solution**

**Problem**

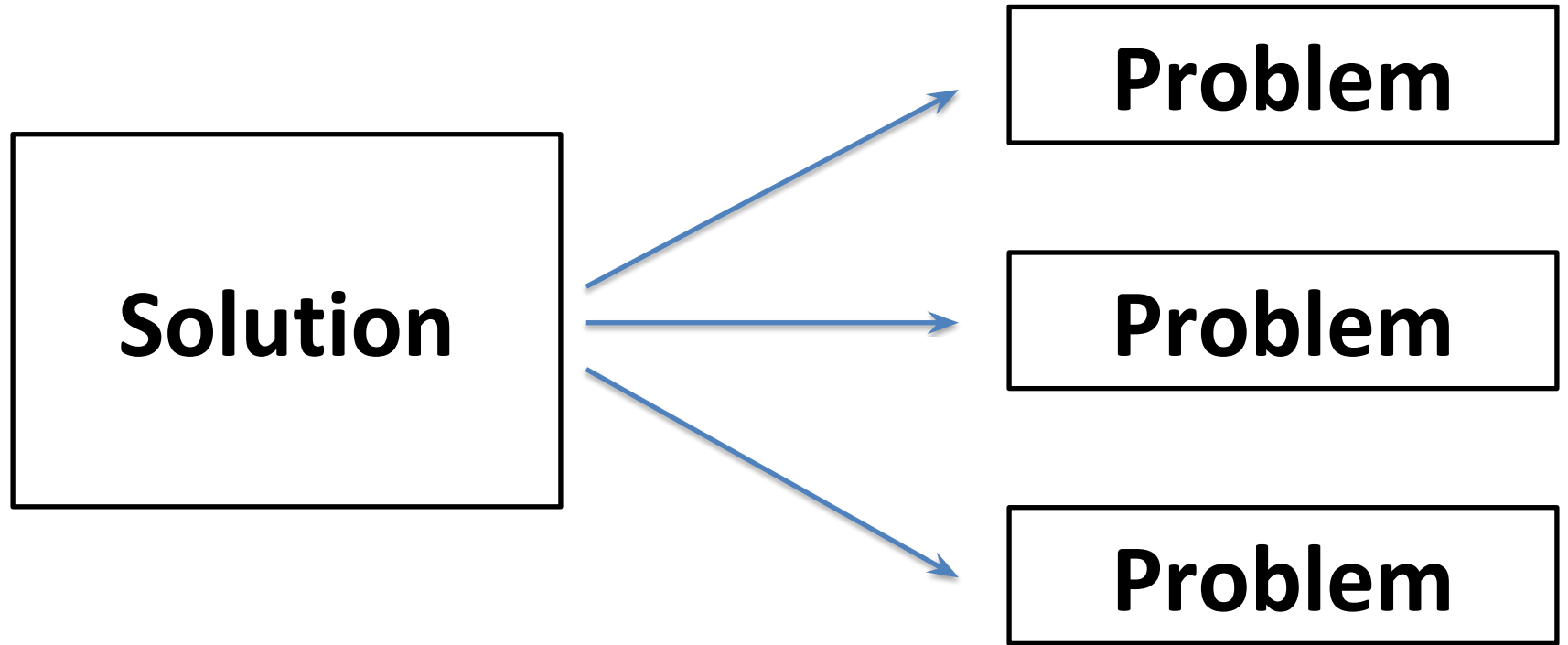


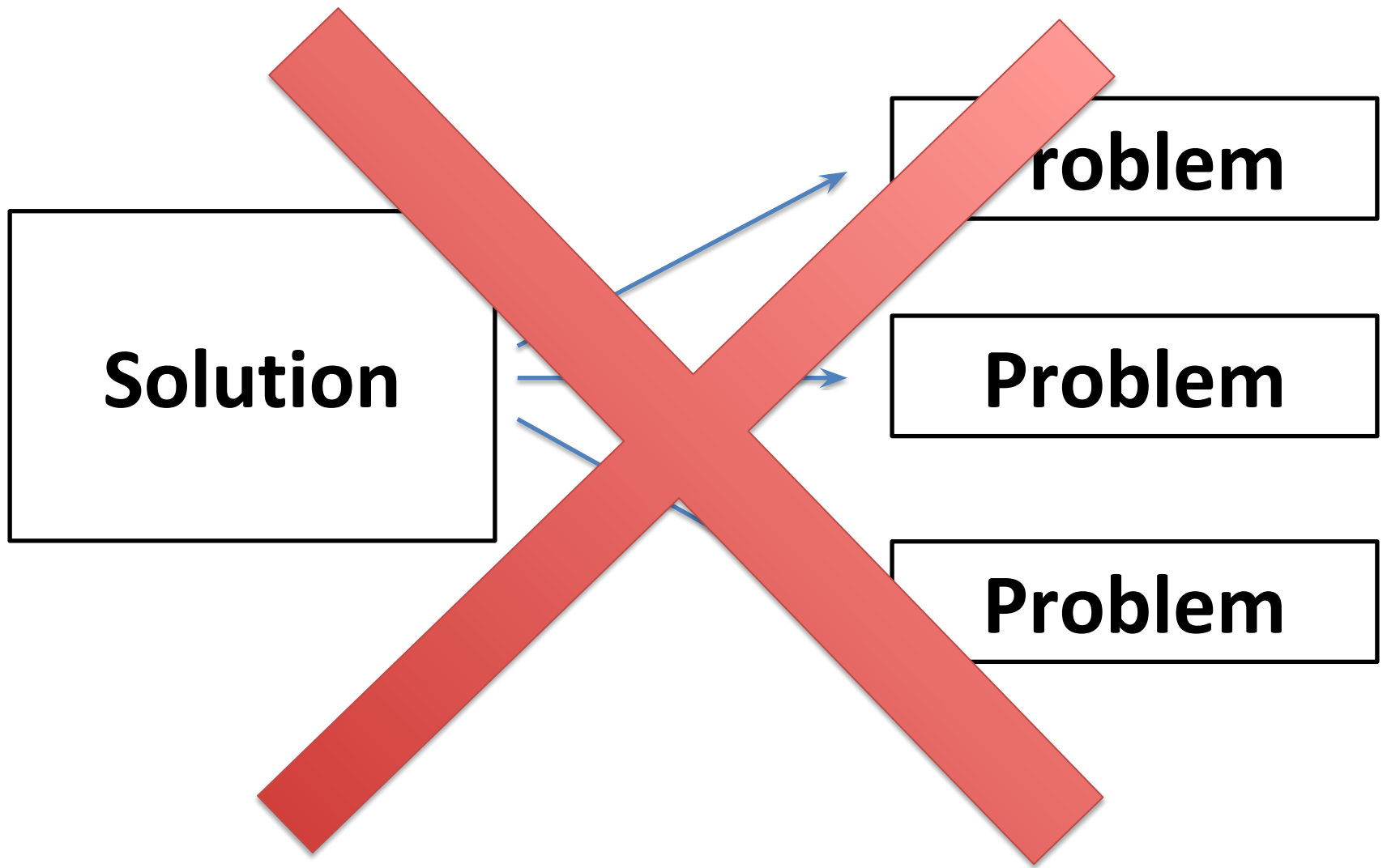
**Afghanistan**  
**Humanitarian**  
**Food Rations**



**Afghanistan**  
**Blu-97**  
**Bomblet**







**A solution in search of a problem**

# IMAGINE

*Inexpensive Photographers On-Demand*

LEARN MORE

Ever scroll through your photos and realize key moments missing.

Ever wish you were in front of the camera and not behind it.

**All in Pictures is the solution!**

# **All In Pictures**

An app that connected smart phone photographers with people who want a personal photographer while on vacation, or a better pictures than a selfie...

**A solution in search of a problem**

**A solution in search of a problem**

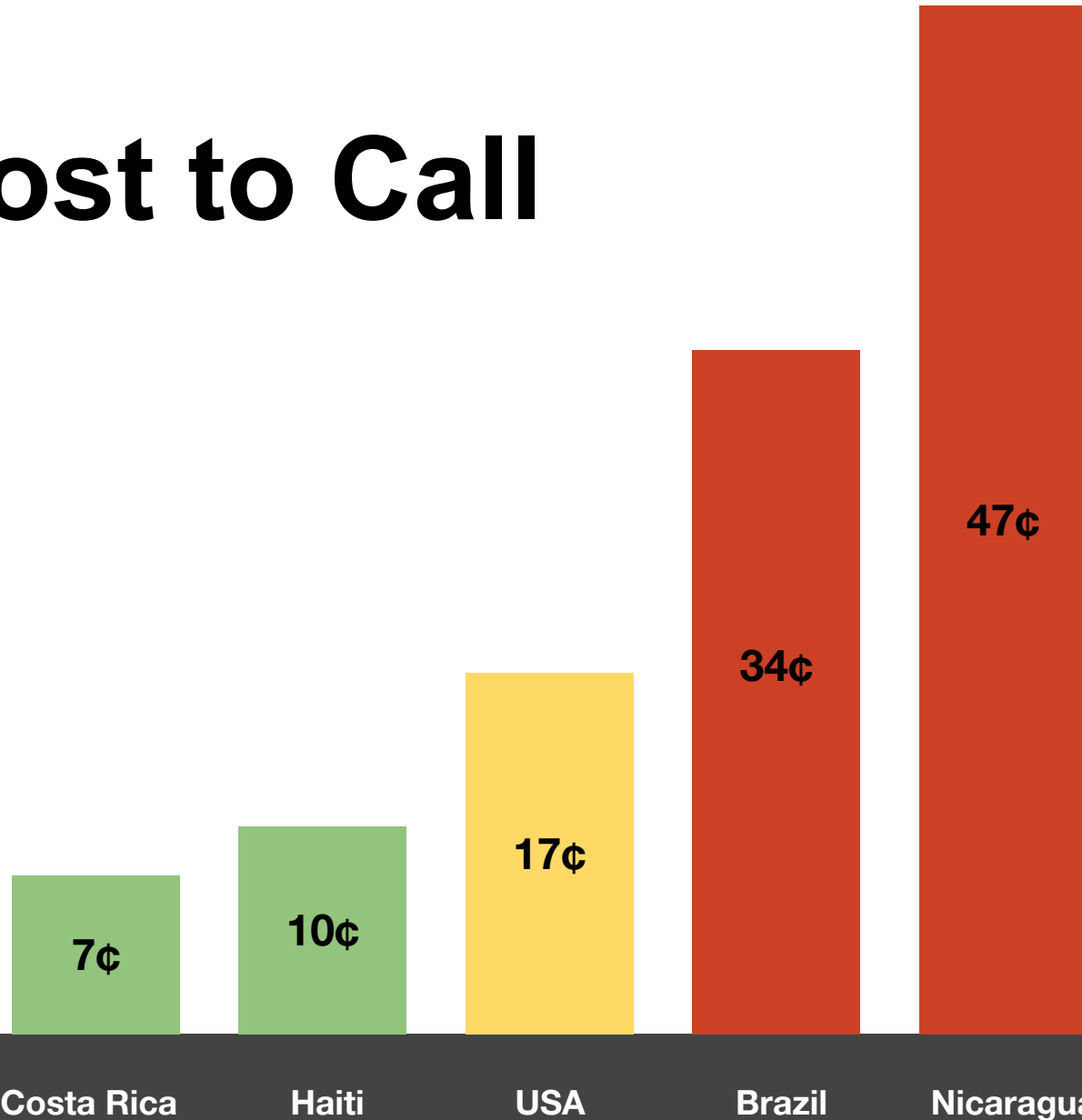
**Drones for Development?**

**Know Your Problem**

**Research**



# Cost to Call



Average cost of 1 minute mobile call in US Dollar. *\*Data from Numbeo Inc.*

## **Tarifas Aprobadas para el Sistema Prepago**

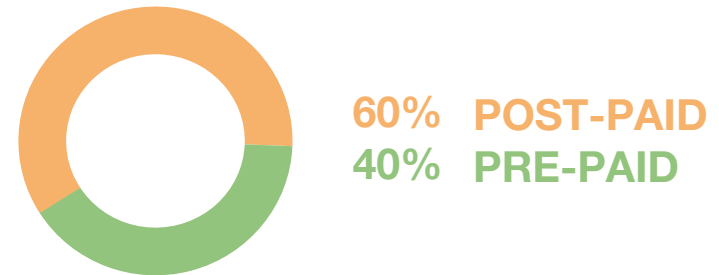
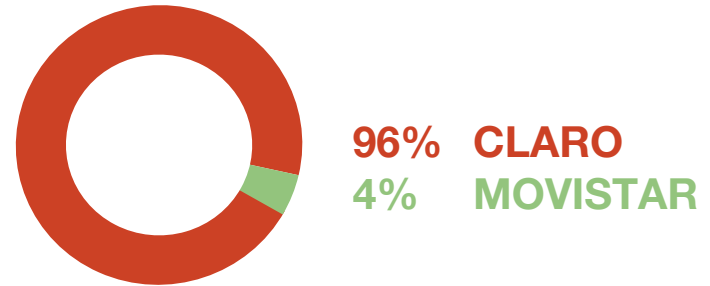
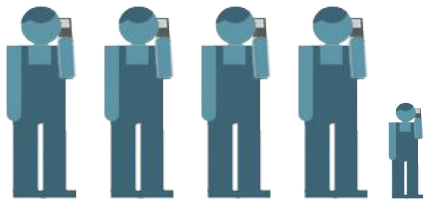
<b>Escenario de Llamadas</b>	<b>Modalidad</b>	<b>Tarifa final Máxima aprobada por TELCOR</b>
<b>Desde un cliente de Telefonía Celular de ENITEL a Cualquier Destino Nacional</b>	Prepago	US\$ 0.50 / Minuto

TELCOR Nicaraguan Regulator

# **Ask Questions**

**Surveys | Interviews**

# Pearl Lagoon Study



We surveyed participants  
of 88 between the ages  
15 - 61

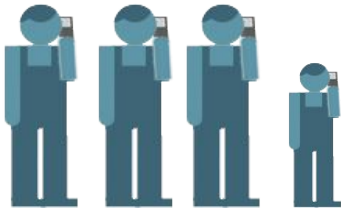
## Questions asked:

How many people in your house use cell phones?  
Which service provider do you use?  
What type of service paid do you use?

# Little Corn Island Study



**3.7**  
Phones  
Per  
house



**76% CLARO**  
**24% MOVISTAR**



**60% POST-PAID**  
**40% PRE-PAID**

We surveyed participants  
of 88 between the ages  
15 - 61

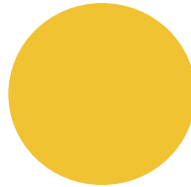
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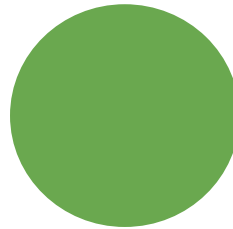


*Cordova  
per month*



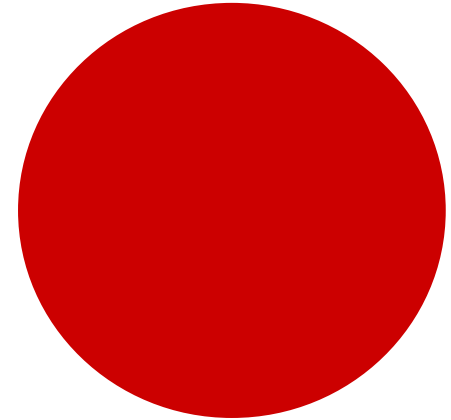
**C\$395.5\***

**Average  
Postpaid**



**C\$474.5\***

**Average  
Prepaid**



**C\$2000\***

**Maximum  
Post-Pre-Paid**

\*Average post-paid payment :

\$14.38 dollars/month

\*Average pre-paid payment :

\$17.25 dollars/month

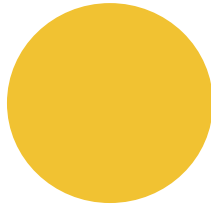
\*Maximum post & and pre paid payment :

\$72.73 dollars/month

# Little Corn Island

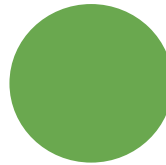


*Cordova  
per month*



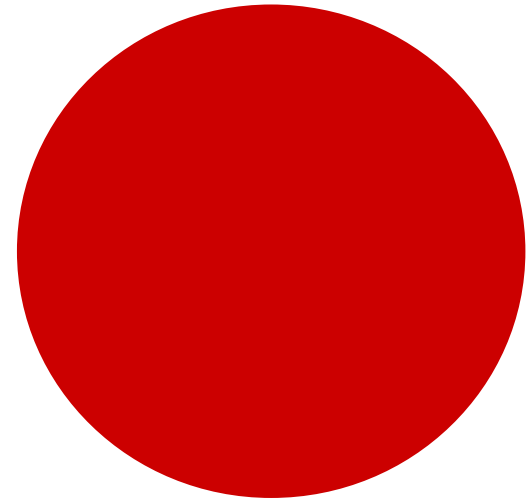
**C\$473\***

**Average  
Postpaid**



**C\$279\***

**Average  
Prepaid**



**C\$2700\***

**Maximum  
Post-Pre-Paid**

\*Average post-paid payment :

\$17.23 dollars/month

\*Average pre-paid payment :

\$10.17 dollars/month

\*Maximum post & and pre paid payment :

\$98.18dollars/month

**Know Your Customer**



# Profiles



## **FARMER ALFREDO**

34 years old.

- 3 children
- Lives 3 miles walk from his farm.
- Mostly Subsistence Farming.
- Also sells goods at market on Saturdays
- Owns a Feature Phone

# Profiles



## **NURSE MARIA**

25 years old

- Has 1 child Ages 6.
- Husband works on Cruise Ship
- Owns a smartphone, which she pays \$20 a month on credit offered to her by local electronics store.

# Profiles



## **STUDENT HIMENA**

16 years old

- Just started dating, but doesn't want her parents to know.
- High school student, planning on going to college.
- Owns a feature phone But really wants a smartphone.

**Walkthrough  
with “real” customers**

**Find the Pain Points!**



FARMER ALFREDO wants to make a series of calls:

- Coordinate buying seeds and fertilizer
- Looking workers “chamba” man to help him move his merchandise.
- Call Family

Purchases \$3 of Pre-Paid Phone Credits with Claro.

There is a promotion and he get \$3 extra in bonus credits.

Before he leaves home he makes a phone call to Seed and fertilizer sales man to make sure he will be available.

Walks to Town

Goes to office of Seed/Fertilizer office but its closed

Makes 2<sup>nd</sup> phone call to salesman, who tells him he will be back in 1 hour.

3<sup>rd</sup> phone call Chamba man (Movistar)

Makes 5<sup>th</sup> phone call to Salesman – No answer

Credit is finished and now only has bonus Credit

4<sup>th</sup> phone call Family – One of his daughters got sick and needs medicine

Bonus Credit is now done

Farmer must decide between medicine, or buy more phone credit, walk home before dark.

**Make a Hypothesis**

**\$6/**<sub>mo</sub>

**UNLIMITED  
LOCAL TALK  
TEXT &  
EMERGENCY  
SERVICES**





# Test Hypothesis

**98.9%**  
willing to pay

**\$6/**mo

UNLIMITED  
LOCAL TALK  
TEXT &  
EMERGENCY  
SERVICES



**Pearl Lagoon**

**70%**  
willing to pay

**\$6/**mo

UNLIMITED  
LOCAL TALK  
TEXT &  
EMERGENCY  
SERVICES



**Little Corn Island**

# Budgets

- 1. Startup Budget**
- 2. Monthly profit & loss statement for year 1**
- 3. Quarterly profit & loss statement for year 2**

**[liveplan.com](https://liveplan.com)**

<https://docs.google.com/spreadsheets/d/1uDdjC78chWFjwKTUUsRQYZqX9Ao6ZLTZN9n2OYLRP-E/edit#gid=1066085296>

# **Raising Capital**

# **Raising Capital**

**Self Funded**

**Family and Friends**

**Academic / Institutional / Grants**

**Kickstarter / Indiegogo / Fundable**

**Angel Investment**

**Venture Funding**

# **Academic / Institutional / Grants**

**Competitions**

**Dorm Room Fund**

**NYU Stern Berkley \$300K Entrepreneurs Challenge**

**UNICEF Innovation Fund**

**Microsoft Affordable Access Initiative**

**Awesome Foundation**

**Research Grants**

**Grants.gov**



# Valuation

**What is my company worth?**



**YOUR BIZ**

# Valuation

**Take similar company.**



**YOUR BIZ**

**SIMILAR  
BIZ**

# Valuation

**Take similar company.  
What it's value**



**YOUR BIZ**

**SIMILAR  
BIZ**

**Sold at \$1,000,000**

# Valuation

Take similar company.

What it's value **vs what it's EBITA.**

YOUR BIZ

SIMILAR  
BIZ

**Sold at \$1,000,000**

**EBITA:**  
**\$500,000 a year.**

# Valuation

## EBITA

Earnings before interest, taxes, depreciation, and amortization

YOUR BIZ

SIMILAR  
BIZ

**Sold at \$1,000,000**

**EBITA:**  
**\$500,000 a year.**

# Valuation

Take similar company.

What it's value **vs** what it's **EBITA**.

**Evaluate Multiple**

YOUR BIZ

SIMILAR  
BIZ

**Sold at \$1,000,000**

**EBITA:**  
**\$500,000 a year.**

**Multiple X2**

# Common Multiples

Industry

	EBITDA		
	\$0M - \$1M	\$2M - \$5M	\$6M - \$10M
Manufacturing	4.0	5.0	6.0
Construction & engineering	3.5	4.5	5.5
Cons. goods & services	4.0	5.5	5.8
Wholesale & distribution	4.5	6.0	6.0
Business services	4.0	5.3	7.0
Basic materials & energy	3.3	4.0	5.0
Healthcare & biotech	5.5	6.0	7.0
IT	6.5	8.0	8.0
Financial services	5.5	6.5	7.0
Media & entertainment	n/a	5.0	7.5
<b>Average</b>	<b>4.5</b>	<b>5.6</b>	<b>6.5</b>

# **Valuation based on customers**



# **Valuation based on customers**

**Central American Cable Companies**

# **Valuation based on customers**

## **Central American Cable Companies**

\$200 per subscriber

# **Valuation based on customers**

## **Central American Cable Companies**

\$200 per subscriber

x 5000 subscribers

# **Valuation based on customers**

## **Central American Cable Companies**

\$200 per subscriber

x 5000 subscribers

**\$1,000,000 Valuation**

## **CAPEX**

Capital Expenditure

- Equipment Cost
- Installation Cost

## **OPEX**

Operational Expenditure

- Ongoing costs
- Rent
- Electricity
- Personnel

## **ARPU**

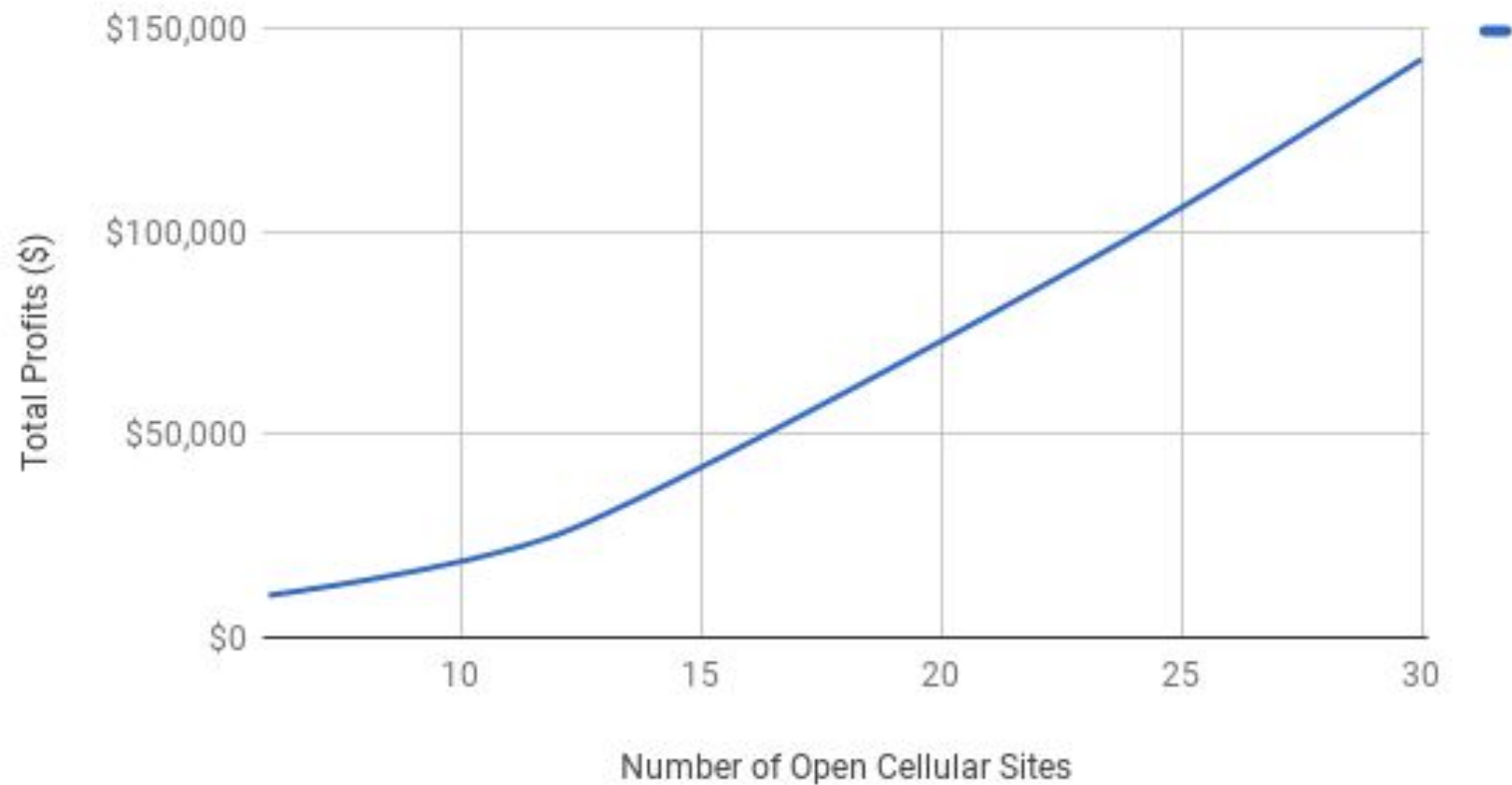
Average Rate Per User



	<b>Revenues</b>			
	<b>No. of Sites</b>			
	<b>6</b>	<b>12</b>	<b>30</b>	
	Pearl Lagoon, Awas, Kukra Hill, <u>Halouver</u> , Rapitura, Wawashang			
Total Population All Sites	9350	18700	46750	
Penetration	25%	25%	25%	
Customers	2338	4675	11688	
ARPU (Monthly)	\$3.50	\$3.50	\$3.50	
<b>Total Revenues per year</b>	<b>\$98,175</b>	<b>\$196,350</b>	<b>\$490,875</b>	
	<b>OPEX</b>			
Admin and Taxes	\$18,726	\$33,453	\$77,631	
Legal	\$3,500	\$6,500	\$10,000	
Internet Cost	\$5,600	\$11,200	\$12,000	
VOIP Costs	\$14,025	\$28,050	\$70,125	
Rent & Security	\$6,840	\$13,680	\$27,000	
Maintenance	\$2,000	\$4,000	\$10,000	
Business Development	\$3,500	\$7,000	\$8,000	
Insurance	\$3,000	\$6,000	\$15,000	
Salaries	\$30,600	\$61,200	\$118,800	
<b>Total OPEX per year</b>	<b>\$87,791</b>	<b>\$171,083</b>	<b>\$348,556</b>	
<b>PROFIT (Revenue - OPEX)</b>	<b>\$10,384</b>	<b>\$25,268</b>	<b>\$142,319</b>	

## Open Cellular Profits

Revenues minus OPEX





# **Angel | Venture**

**Equity**

**Convertible Debt**

**Convertible Note**

# Equity

$$\frac{30 \text{ Owned Shares}}{100 \text{ Total Shares}} = 30\% \text{ Equity Stake}$$

$$\frac{30 \text{ Owned Shares}}{150 \text{ Total Shares}} = 20\% \text{ Equity Stake}$$

# **Convertible Debt | Convertible Note**

# Convertible Debt | Convertible Note

- **(1) Amount**—which usually ranges from \$25k to \$500k and higher;
- **(2) Duration**—how long the note has to mature, which is usually at least 24 months;
- **(3) Interest**—the simple interest rate that will be accrued, which is typically around 6%;
- **(4) Discount**—the discounted price paid by qualified investors in a next qualified round, which ranges from 20-30%;
- **(5) Conversion Cap**—the maximum valuation cap that the shares can convert in the next qualified round;

# Convertible Debt | Convertible Note

- **(6) Liquidity Event**—the amount paid back to the investors in the case of an acquisition, which is usually 2X or 3X;
- **(7) Maturity Terms**—specifies what happens if maturity is reached before raising a Series A or other qualified round (usually the shares convert at a pre-negotiated valuation that is close to the cap amount);
- **(8) Pre-Payment**—allows or disallows the company to pay back the principal to the investor.

# Convertible Debt | Convertible Note

- **(9) Qualified Round**—essentially sets the minimum aggregate proceeds that need to be raised in the next round of financing in order for the investor's note to be eligible for conversion. This is usually \$1.5M or more (Series A).
- **(10) Type**—the loan can be secured or unsecured. Most convertible notes I've seen have been unsecured.

# Valuation

**Apply to your company**



**YOUR BIZ**

**Sale Price ????**

# Valuation

Apply to your company



YOUR BIZ

**Sale Price ?????**

**Revenues: 0**



# Valuation

Apply to your company



YOUR BIZ

**Sale Price** ????

**Revenues: 0**

**Potential Revenues: ?**

# Valuation

Apply to your company



YOUR BIZ

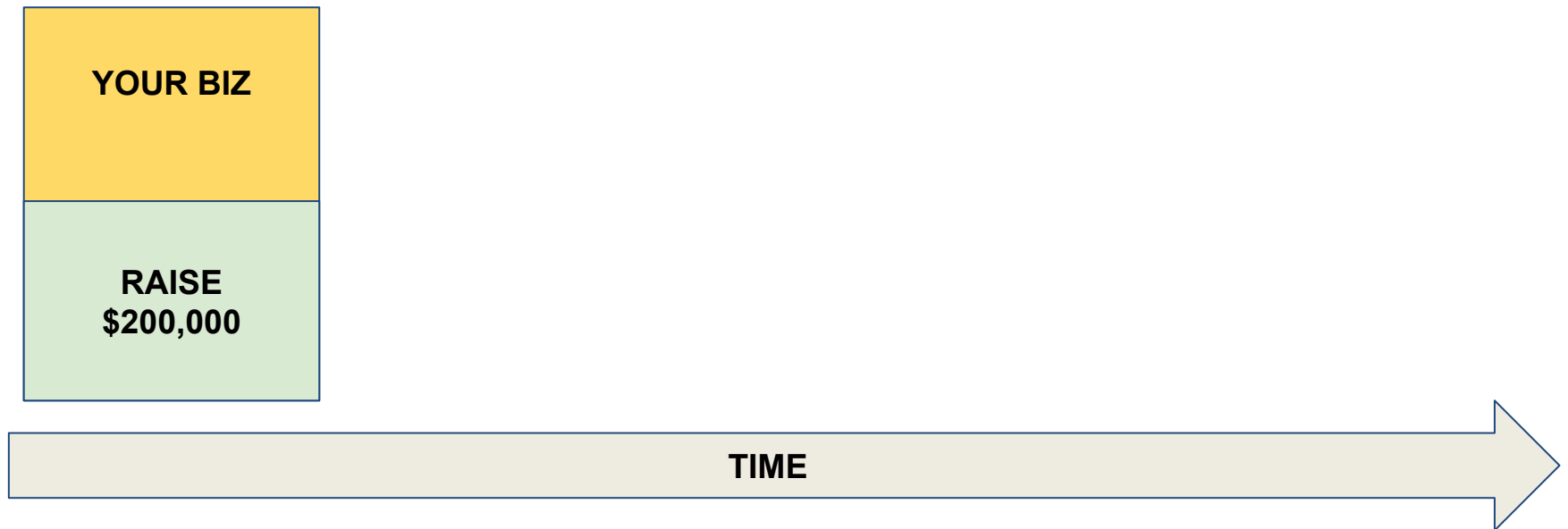
**Sale Price** ????

**Revenues:** 0

**Potential Revenues:** ?

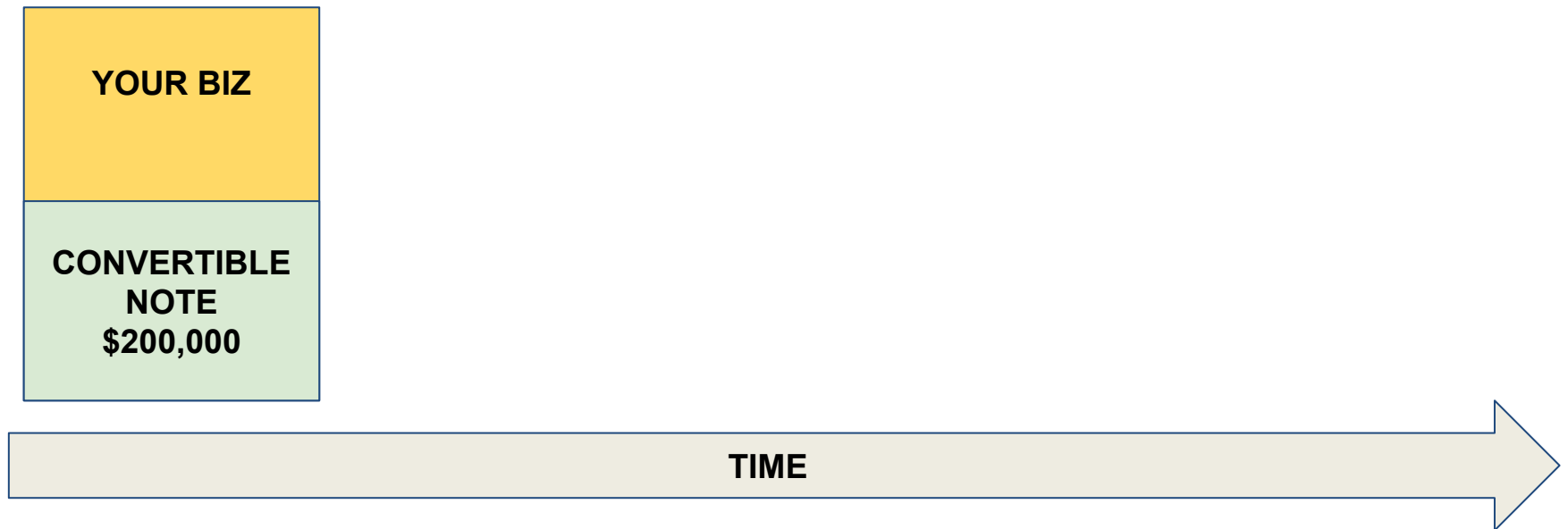
**Multiple** X2

# RAISE \$200,000



# CONVERTIBLE

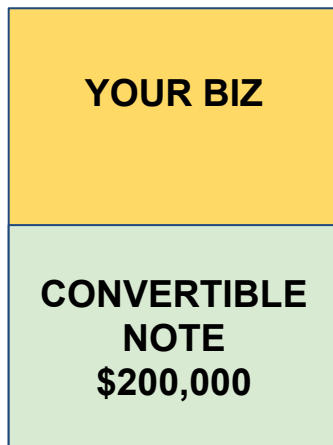
Cap: \$500,000



# CONVERTIBLE

Cap: \$500,000

Discount: 20%



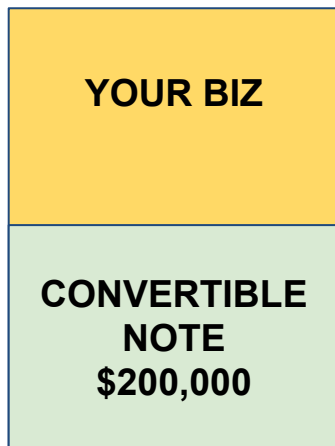
TIME

# CONVERTIBLE

Cap: \$500,000

Discount: 20%

Interests: 6%



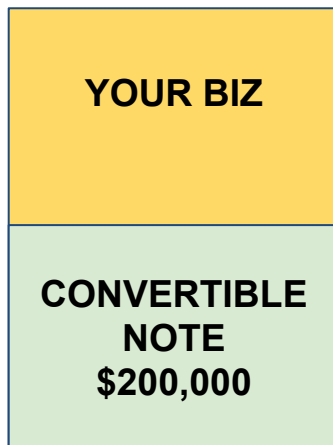
# CONVERTIBLE

Cap: \$500,000

Discount: 20%

Interests: 6%

Duration: 18 Months



# CONVERTIBLE

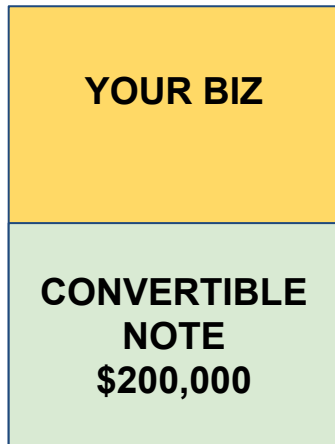
Cap: \$500,000

Discount: 20%

Interests: 6%

Duration: 18 Months

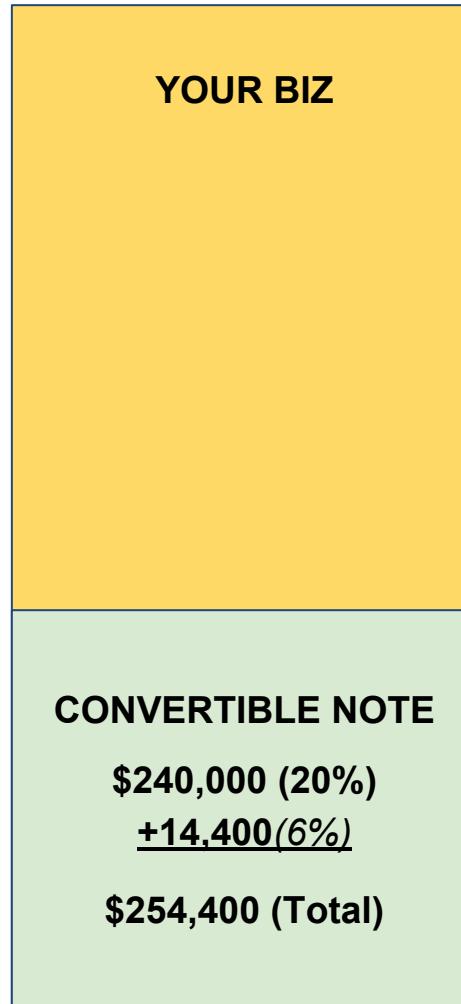
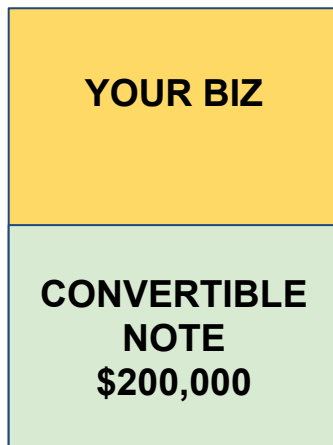
Qualifying Round: \$1,000,000





## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000



TIME

## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000

**Valuation: \$1,000,000**

**YOUR BIZ**

**YOUR BIZ**

**CONVERTIBLE  
NOTE  
\$200,000**

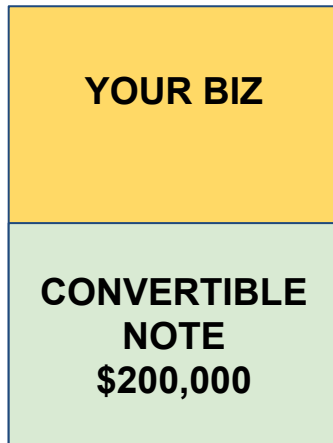
**CONVERTIBLE NOTE  
\$254,400 (Total)**

**TIME**



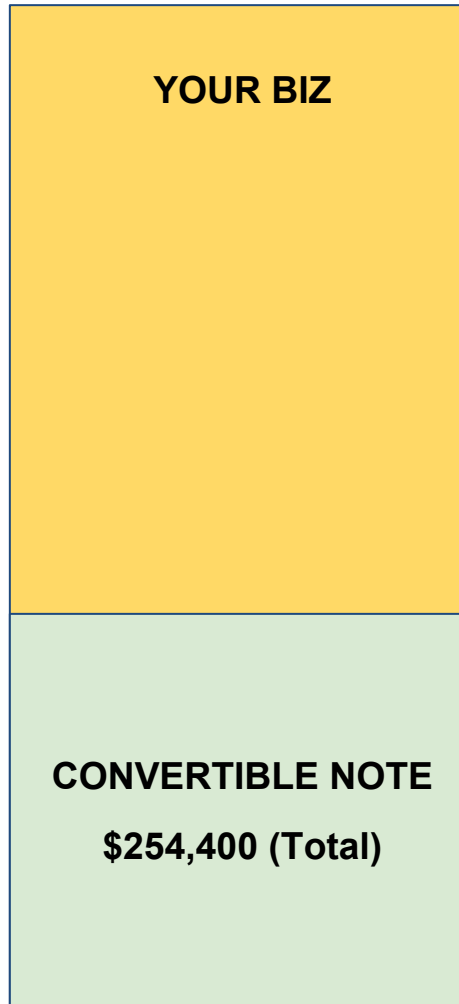
## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000

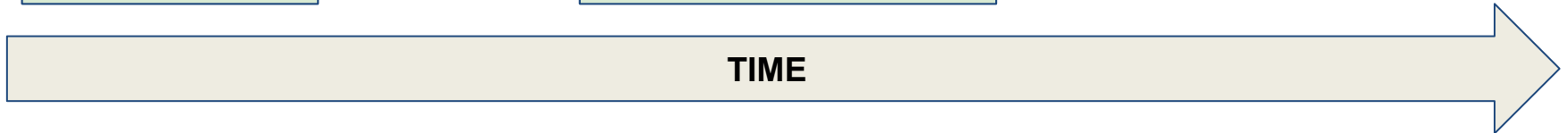


**YOUR BIZ**

**Valuation: \$1,000,000**  
**Convert to Equity**

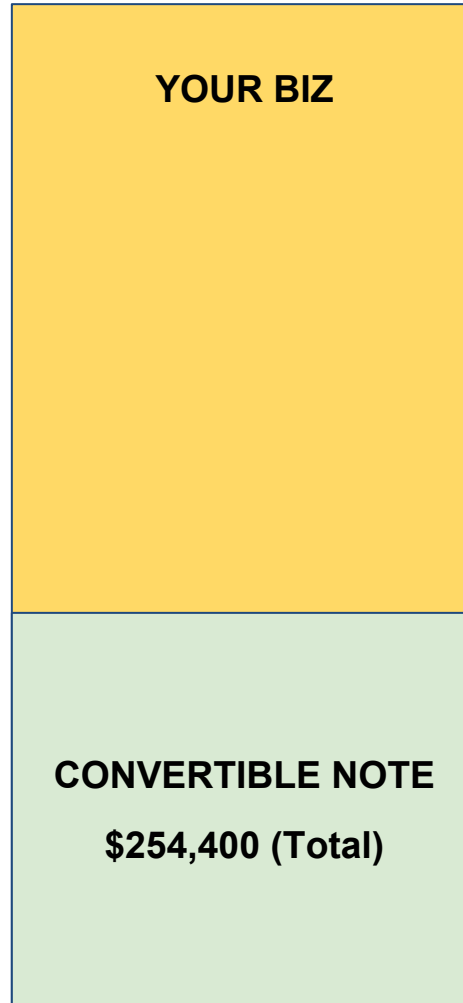
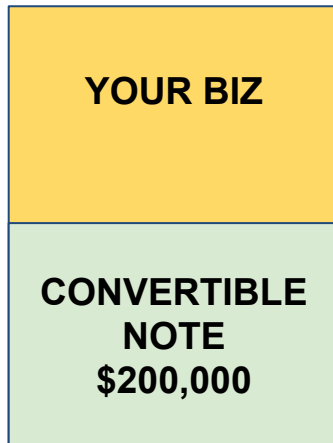


**TIME**



## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000



**Valuation: \$1,000,000**  
**Convert to Equity**

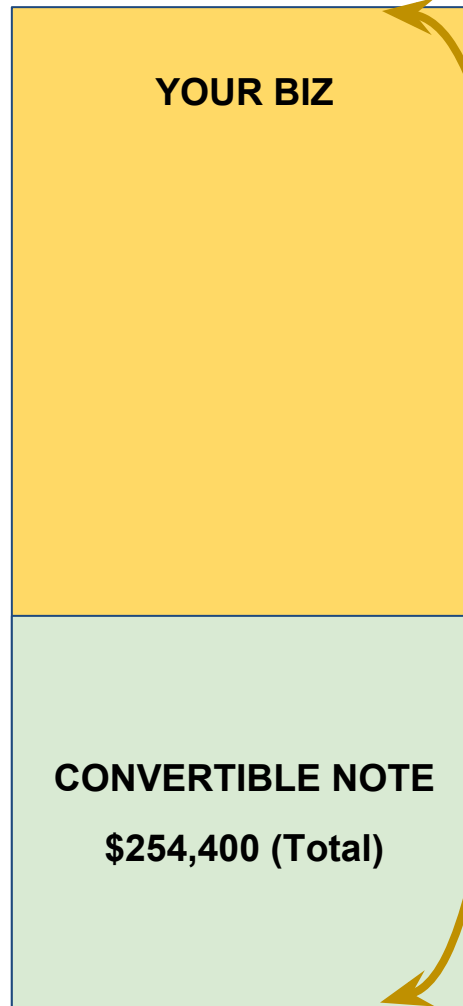
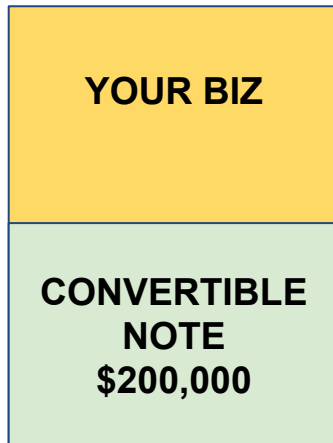
**$\$1,000,000 / \$254,400 =$**   
**25.4% of company**

**TIME**



## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000



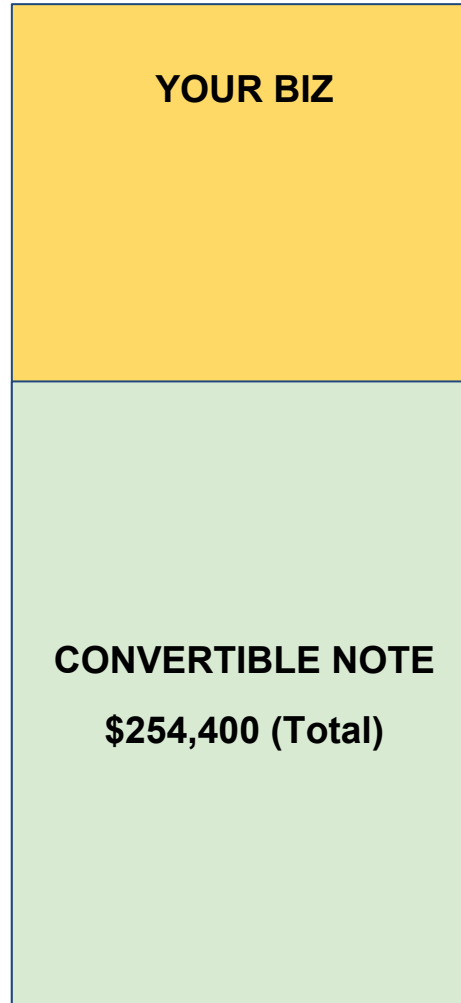
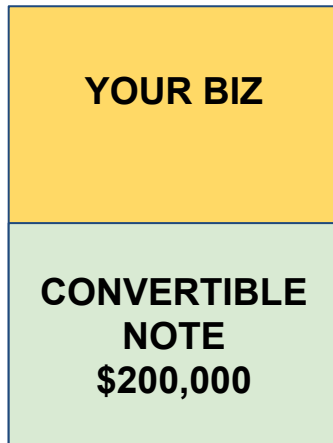
**Raise:**  
**\$1,000,000**

**Valuation: \$2,000,000**  
2,000,000 shares @ \$1/share

TIME

## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000



**Raise: \$1,000,000**

**Valuation: \$2,000,000**  
2,000,000 shares @ \$1/share

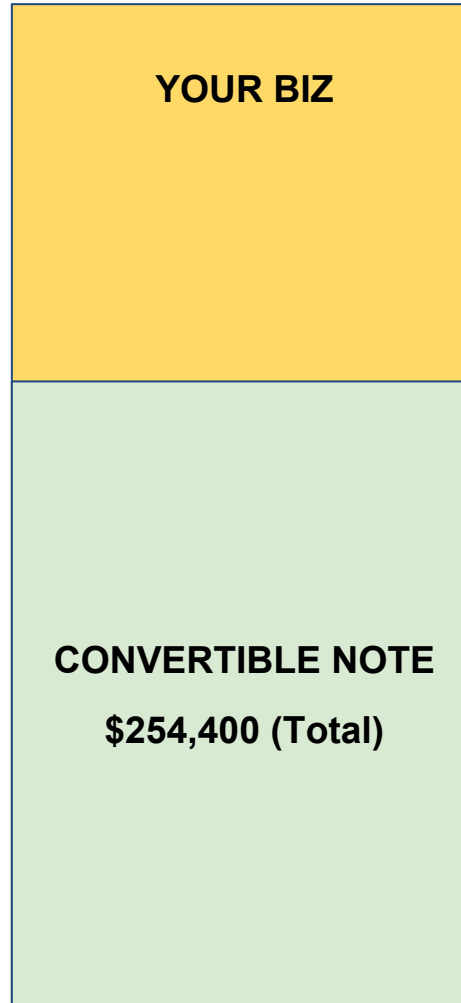
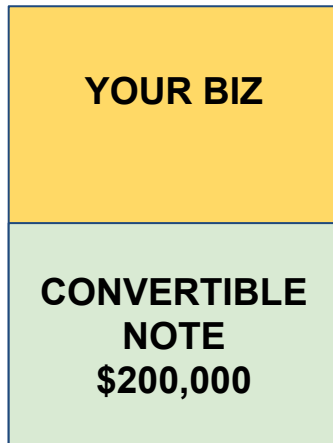
**But the  
CAP \$500,000**

**TIME**



## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000



**Raise: \$1,000,000**  
**Valuation: \$2,000,000**  
2,000,000 shares @ \$1/share

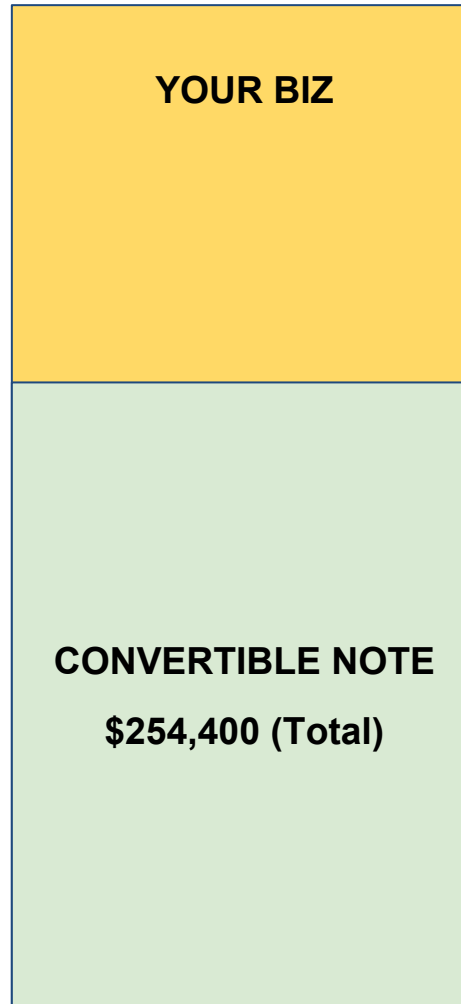
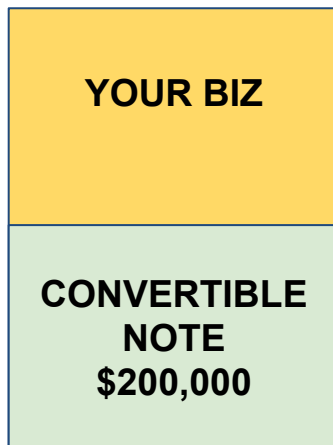
**But the**  
**CAP \$500,000**  
**2,000,000 shares @**  
**0.25/share**

TIME



## CONVERTIBLE

Cap: \$500,000  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000



**Raise: \$1,000,000**  
**Valuation: \$2,000,000**  
2,000,000 shares @ \$1/share

**But the**  
**CAP \$500,000**  
**2,000,000 shares @**  
**0.25/share**

**\$254,400 =**  
**1,017,600 shares**

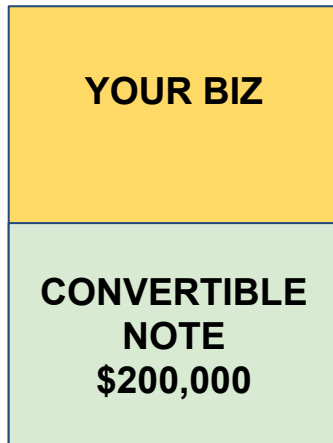
**51% of company**

**TIME**



## CONVERTIBLE

Cap: None  
Discount: 20%  
Interests: 6%  
Duration: 18 Months  
Qualified Round:  
\$1,000,000

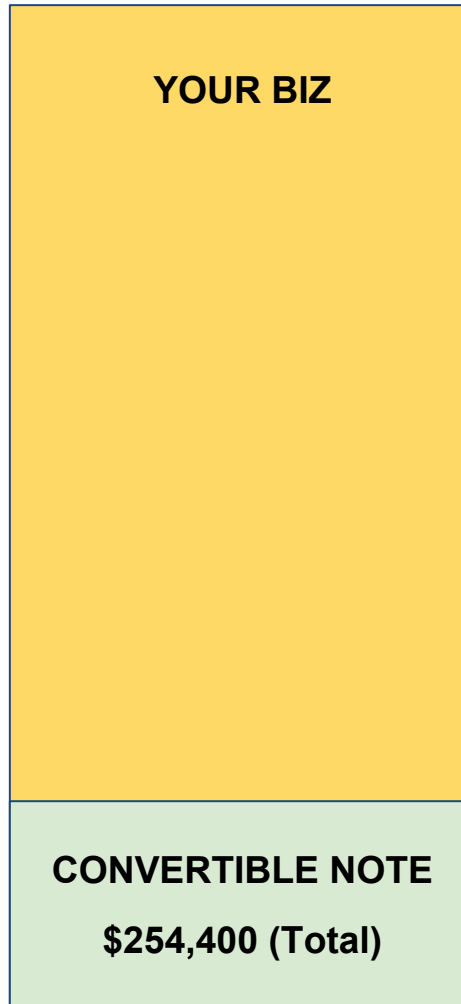


**YOUR BIZ**

**Raise: \$1,000,000**

**Valuation: \$2,000,000**

2,000,000 shares @ \$1/share



**\$254,400 =**

**254,400 shares**

**12.7% of company**

**TIME**

# Common Notes

## **SAFE Note**

Simple agreement for future equity

Cap, no Discount | Discount, no Cap |

Cap and discount. | “Most Favorded Nation” with no cap or discount.

*ycombinator.com*

## **KISS Note**

Keep it simple security

Debt version / Equity Version

*500.co/kiss*

## **Convertible Debt**

Debt Instrument

**fundersclub.com**



# **Business Model Canvas**










# The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

Key Partners 	Key Activities 	Value Propositions 	Customer Relationships 	Customer Segments 
	Key Resources 		Channels 	
Cost Structure 			Revenue Streams 	

Key Partners

Cost Structure

## Key Partners

- Who are our Key Partners?
- Who are our Key Suppliers?
- Which key resources are we acquiring from partners?
- Which key activities do partners perform?
- Motivation for partnership:
  - > Optimization and economy
  - > Reduction of risk and uncertainty

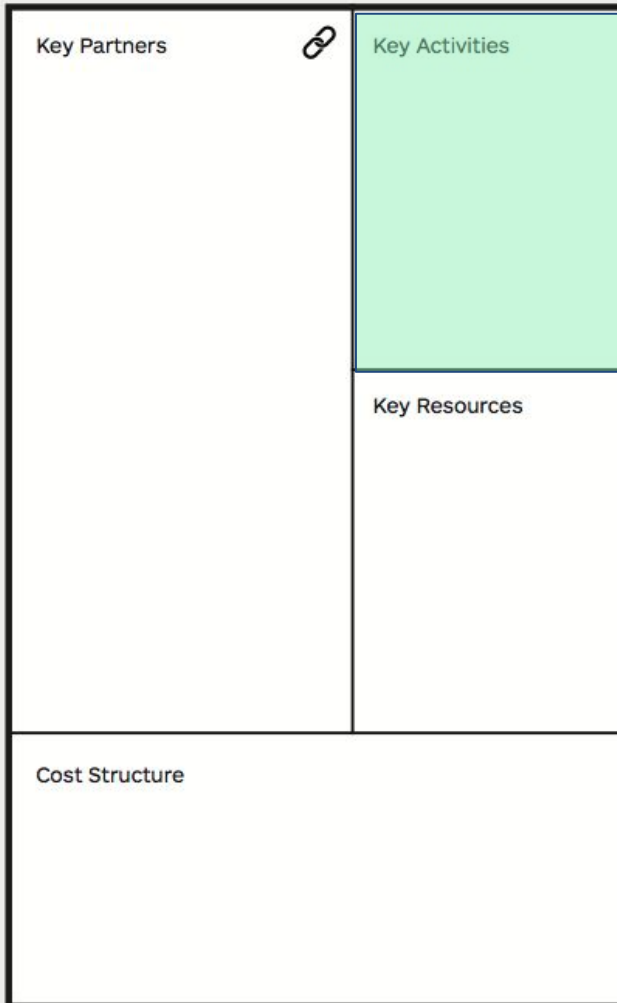
Relationships



Customer Segments



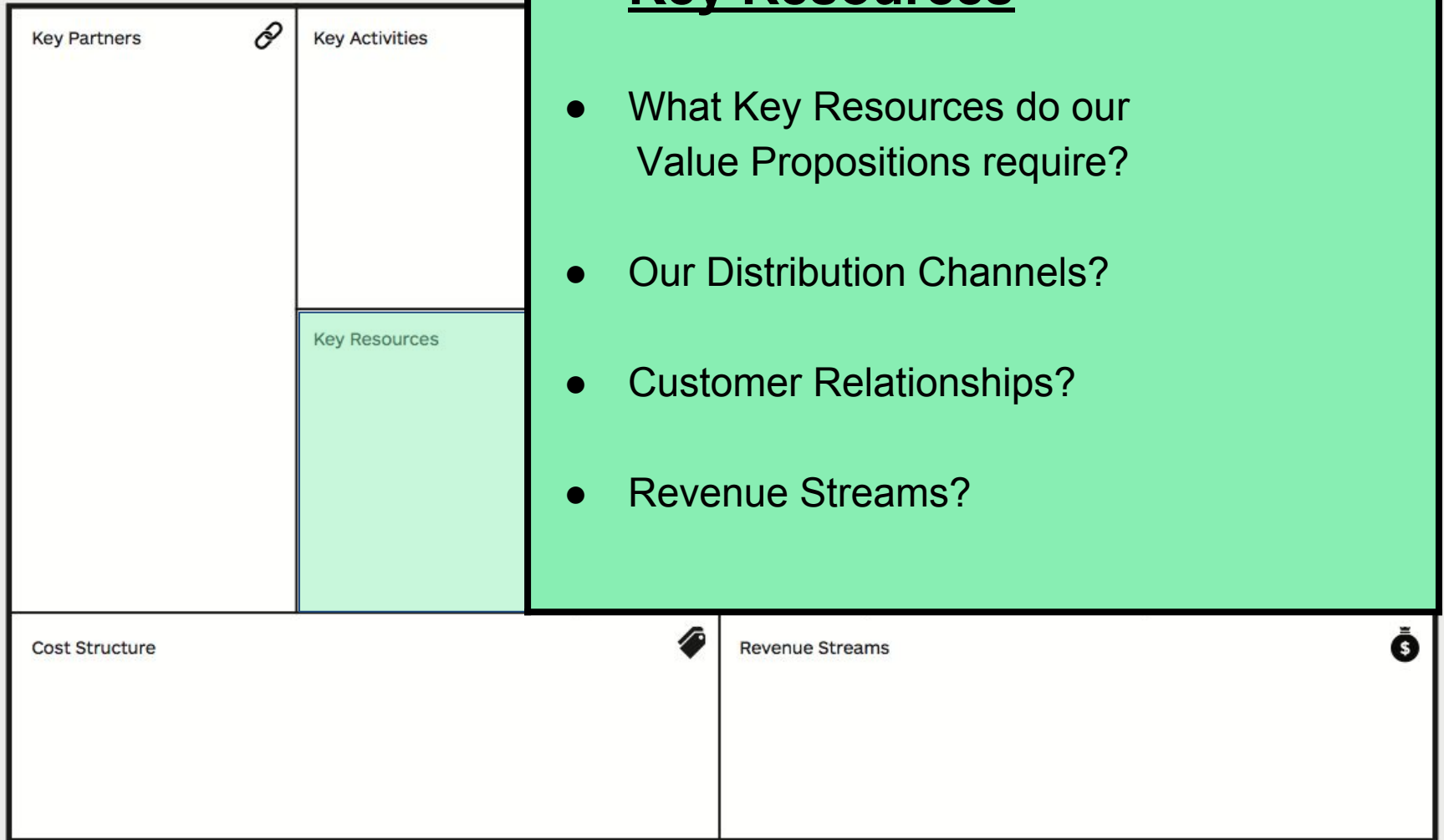
## The Business Model Canvas



## Key Activities

- What Key Activities does our value proposition require?
- Our Distribution Channels?
- Customer Relationships?
- Revenue Streams?
- Categories:
  - > Production
  - > Problem solving
  - > Platform/Network

## The Business Model Canvas



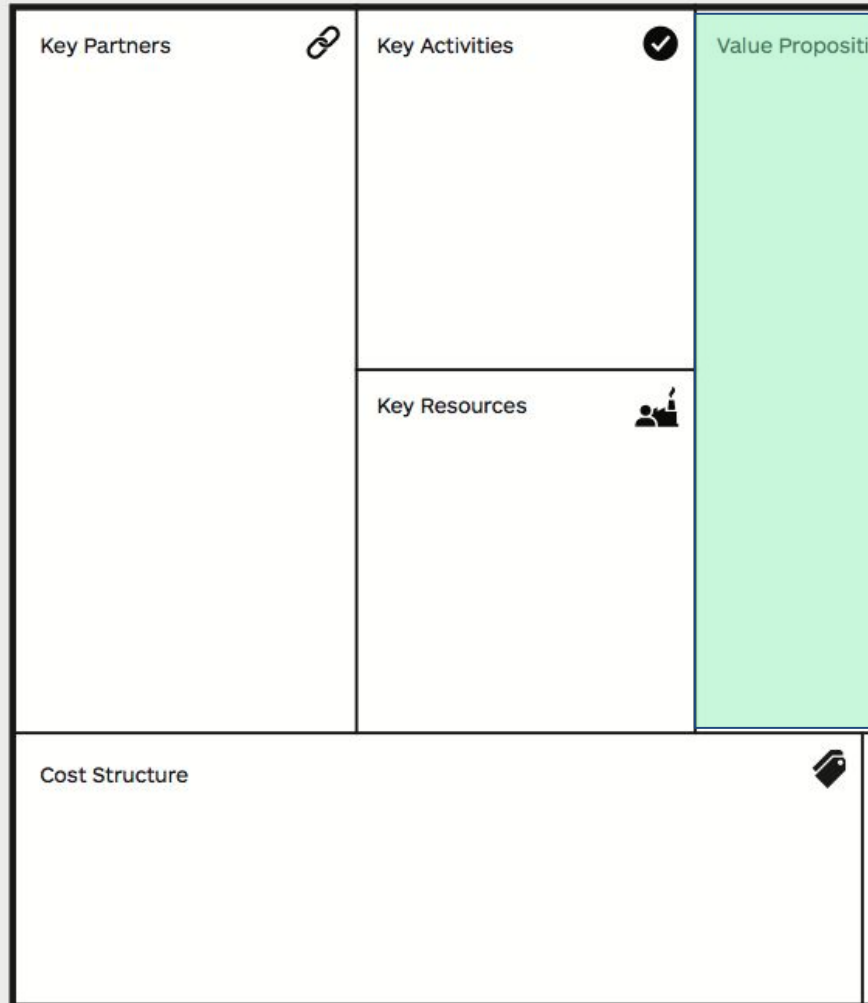
### Key Resources

- What Key Resources do our Value Propositions require?
- Our Distribution Channels?
- Customer Relationships?
- Revenue Streams?



## The Business Model Canvas

Designed for:

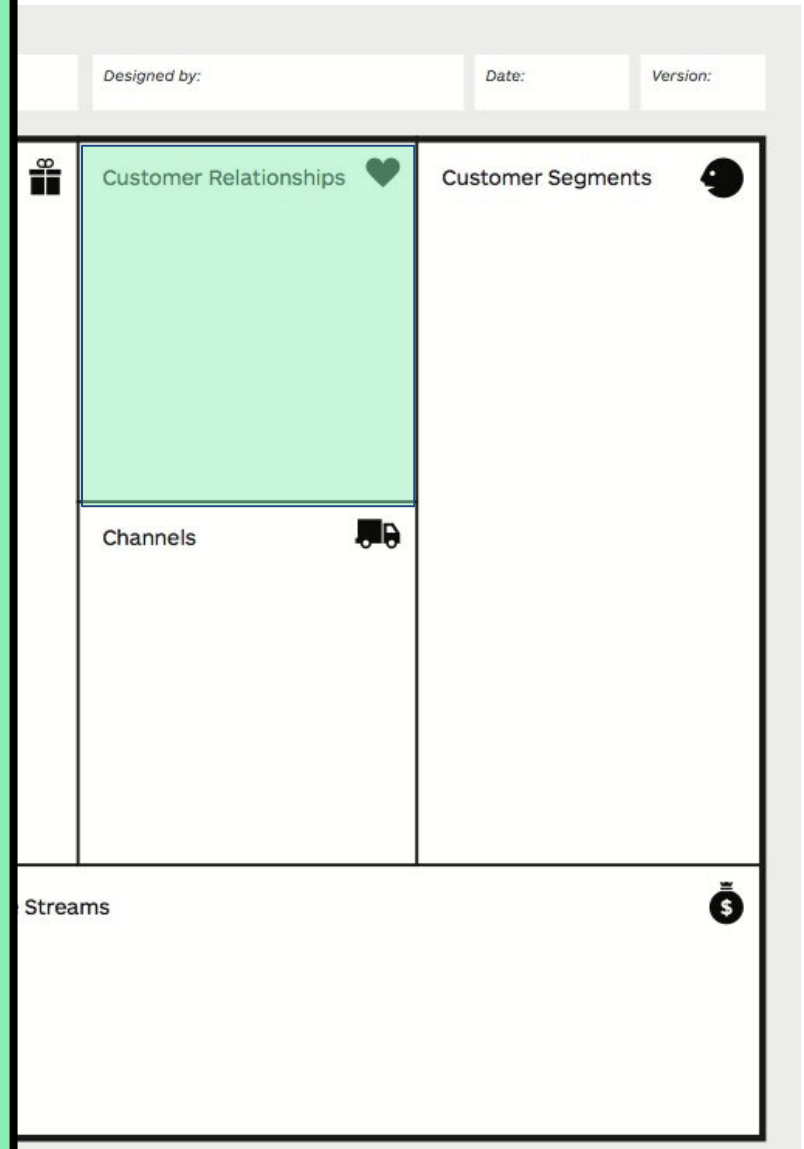


## Value Proposition

- What value do we deliver to the customer?
- Which one of our customer problems are we helping to solve?
- What business products and services are we offering to each Customer Segment?
- Which customer needs are we satisfying?
- Who are our competitors and how are we different?
- Price?

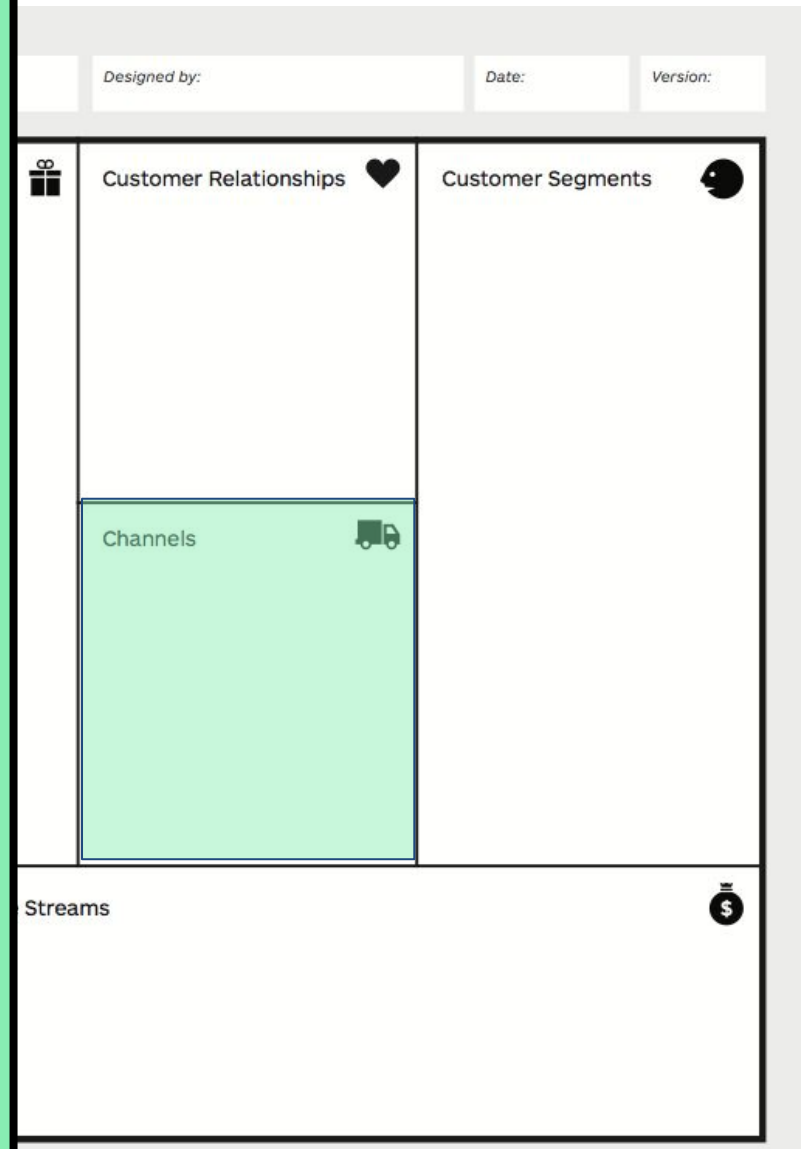
# Customer Relationship

- What type of relationship / resources do each of our Customer Segments expect us to establish and maintain with them?
- Which ones we have established?
- How are they integrated with the rest of our business model?
- How costly they are?



# Channels

- Through which channels do our customer segments want to be reached?
- How are we reaching them now?
- How are our channels integrated?
- Which ones work best?
- Which ones are most cost-efficient?
- How are we integrating them with customer routines?







# Customer Segments

- For whom are we creating the value?
- How many potential paying customers?
- Who are our most important paying customers?
- How big a market share could you capture in what time frame?
- Examples:
  - Mass Market
  - Niche Market
  - Segmented
  - Diversified
  - Multi-sided Platform



## The Business Model Canvas

Designed for

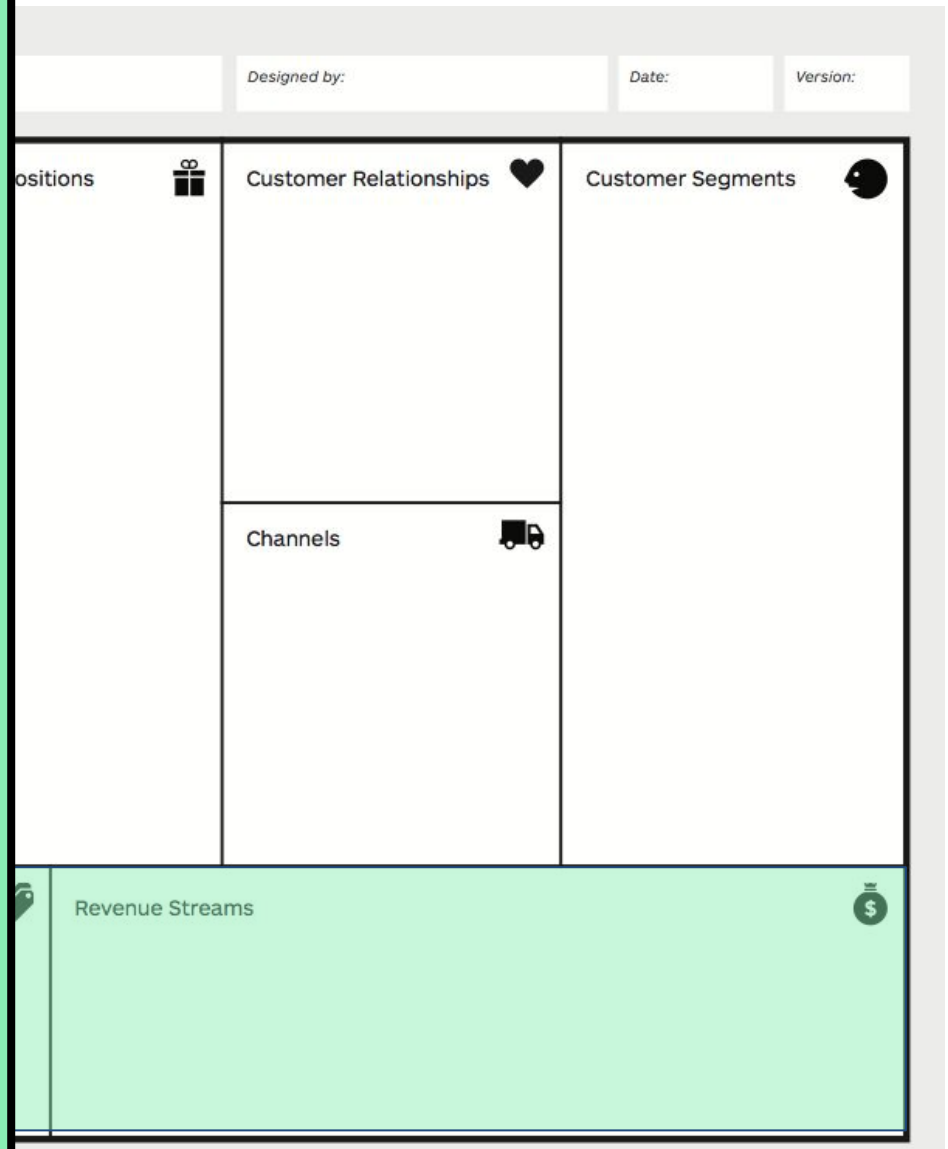
Key Partners 	Key Activities 	Value Proposition 
	Key Resources 	
Cost Structure		

## Cost Structure

- What are the most important costs inherent to our business?
- Which key resources are most expensive?
- Which key activities are most expensive?

# Revenue Stream

- For what value are our customers really willing to pay?
- How much?
- For what do they currently pay?
- How are they currently paying?
- How would they prefer to pay?
- How much does each revenue stream contribute to overall revenues?





"All the News  
That's Fit to Print"

# The New York Times

VOL. CLXXIII . . . No. 56,301

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NEW YORK, SATURDAY, OCTOBER 26, 2013

## SAUDIS FAULTING AMERICAN POLICY ON MIDDLE EAST

### ANGER OVER SYRIA WAR

Royndh Seeking Bigger  
Role in Aid to Rebels  
— Few Options

By BEN HUBBARD  
and ROBERT F. WORTH  
RIYADH, Saudi Arabia — Saudi Arabia has abandoned its traditional policy of discretion in regional wars, signaling deep anger as the Obama administration's Middle East policies and demands to break with its more powerful ally and pursue a more robust and independent role in supporting the rebellion against President Bashar al-Assad of Syria.

Privately, Saudi officials concede that their efforts to forge an alternative strategy in Syria have run up against the same issue the Americans face: how to balance the military might of a disorganized armed opposition without also empowering the jihadists who increasingly dominate the ranks.

And while Saudi officials have issued as a broader diplomatic shift away from the United States, their options are limited there, too. Saudi Arabia is dependent on American military and oil technology, and the other countries the Saudis have courted — including France and India — can help only on the margins, analysts say.

Diplomats who have spent time recently with Prince Bandar bin Sultan, the Saudi intelligence chief running the kingdom's Syria operation, say he seems more preoccupied now with Mr. Assad's forces, but with the number of foreign jihadists in Syria, which he estimates at 2,000 to 5,000, including about 800 Saudis whose identities his government closely tracks. He expects those numbers to double every six months, said an American official who knows him well.

The Saudis work to broaden their support in the Syrian rebellion by sending money and arms to

Continued on Page A6



**A Little People's Army**  
Kindergarten children taking toy guns were led through a park on Friday in Dandong, China.

#### NEWS ANALYSIS

## In Spy Uproar, 'Everyone Does It' Just Won't Do

By DAVID L. SANGER

WASHINGTON — The angry warnings from Germany's chancellor over the National Security Agency's monitoring of her cellphone and France's furor over the collection of data about millions of U.S. citizens have obscured a new reality: The digital age has mostly expanded the ability of nations to do or see another what they have done for centuries.

But at the same time, it has allowed the Europeans, the Chinese and other powers to replicate U.S.A. techniques.

France has long been considered one of the most advanced powers at reading industrial espionage and intellectual property, intelligence officials say, although in recent years it has

been pruned in the shadows by the Chinese. Their daily cyberattacks have worked their way into the Pentagon and poison them the blueprint for the F-35, the most expensive fighter jet in history.

The Russians have a reputation in the intelligence community for sacking their own as industrial espionage and cyberattacks.

"They are a lot more patient than the Chinese," one former American intelligence official said recently, "and so they don't get caught as often."

#### Anger Among Allies

The leaders of France and Germany have called for talks with the United States over its spying activities in Europe. Page A6.

## G.O.P. Schism Is Threatened On Immigration

### Conservative Coalition Will Lobby for Bill

By ERIC LEPTON  
and ASHLEY PARKER

WASHINGTON — A push to bring immigration legislation to the House floor, led by an unusual coalition of business conservatives, prominent conservative and evangelical leaders, conservatives in Congress and the Republican Party and coalitions of conservative groups, has a reasonable chance of passing before the midterms.

Several Republican executives and donors who are part of a lobbying effort coming to Capitol Hill next week said they were considering withholding, or had already decided to withhold, business financial support to Republican lawmakers they believe are obstructing progress on immigration.

"I respect people's views on concerns about the fact that we have a situation in the United States where we have millions of undocumented immigrants," said Justin Saythe, a lawyer from Florida who said he helped Mitt Romney raise more than \$500,000 in his presidential campaign last year, in addition to helping such Republican candidates. "But we have what we have. This is October 2013. And the country will be better off if we fix it."

Capitol Hill has for months been the focus of immigration advocates urging lawmakers to take up one of the four measures that have been approved by the Republican-led House Judiciary Committee. What is different about next week's lobbying effort is that it will include about 60 mostly conservative leaders in business, agriculture and religion who will focus on 80 representatives from 40 states — all of the Republicans.

The effort comes just weeks after House conservatives alienated many longtime supporters, including much of conservative America, by trying to block financing for Mitt Romney's health care law, a move widely blamed for his government shutdown. The is a risky gamble that was apparent in the weeks afterward.

Continued on Page A3



NEW YORK

Weekend, October 25-27

#1 FREE DAILY NEWSPAPER

www.metro.us | @MetroNewYork | f MetroNewYork

## New street lights to shine on city

By MICHAEL

## Metro Photo challenge: Nice shot!

By MICHAEL

# Renaissance zombie killer

## 'Blue' is more than a dirty movie

By MICHAEL

## AFC North leaders await Jets in Cincy

By MICHAEL

**Apocalyptic lips.** Norman Reedus discusses why all the female fans of "The Walking Dead" are so into his character, Daryl Dixon. **Shoot to thrill.** The actor is also a skilled photographer and he says he really could take out the undead with a crossbow if he had to. **PAGE 10**

# Got Drugs?

Visit [www.dea.gov](http://www.dea.gov) or call 800-882-9539 for a collection site near you.

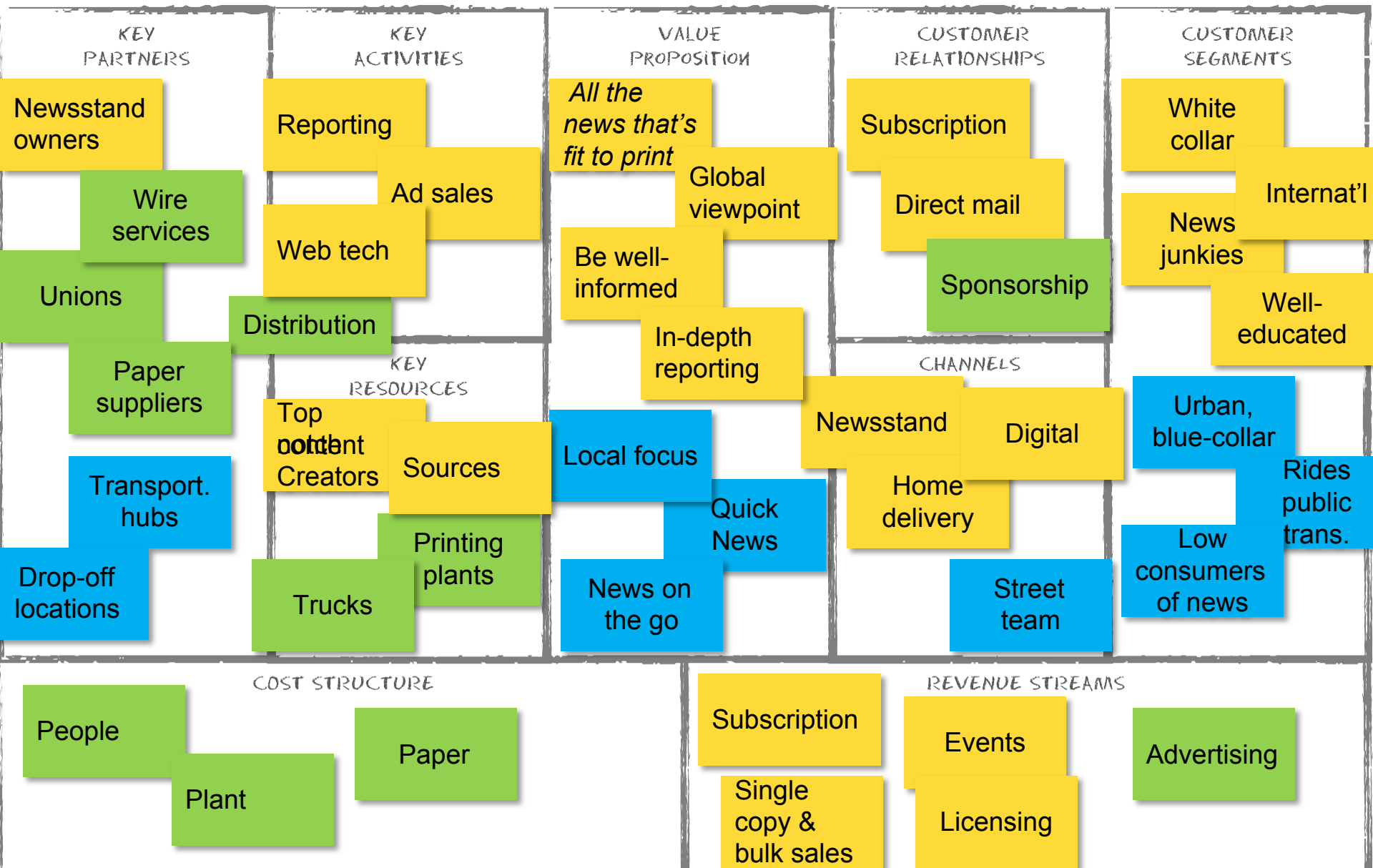
Turn in your unused or expired  
medication for safe disposal  
Saturday, October 26th  
10 a.m. – 2 p.m.



NYT  
(Readers)

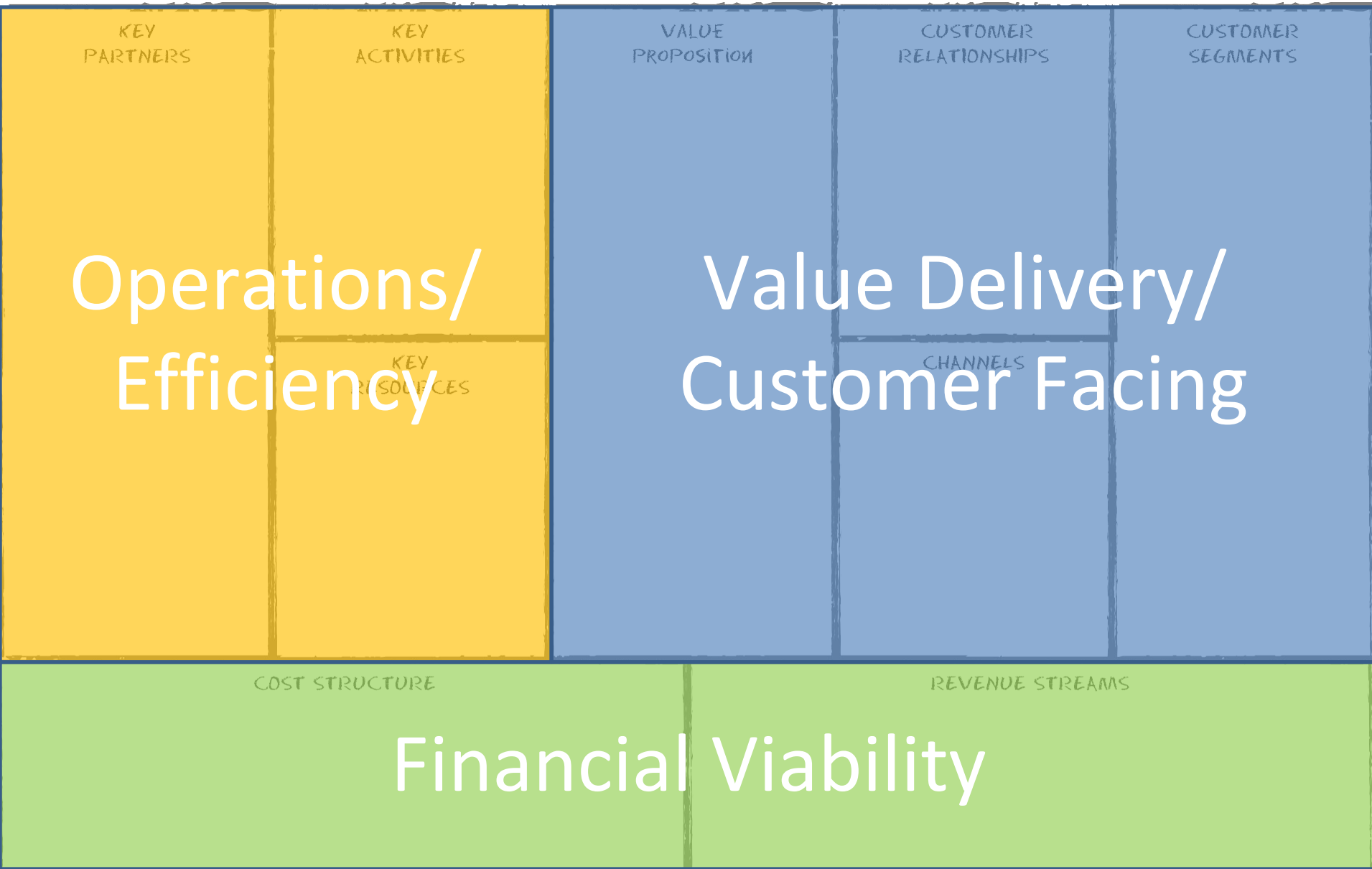
# Tale of Two Newspapers

Metro  
(Readers)





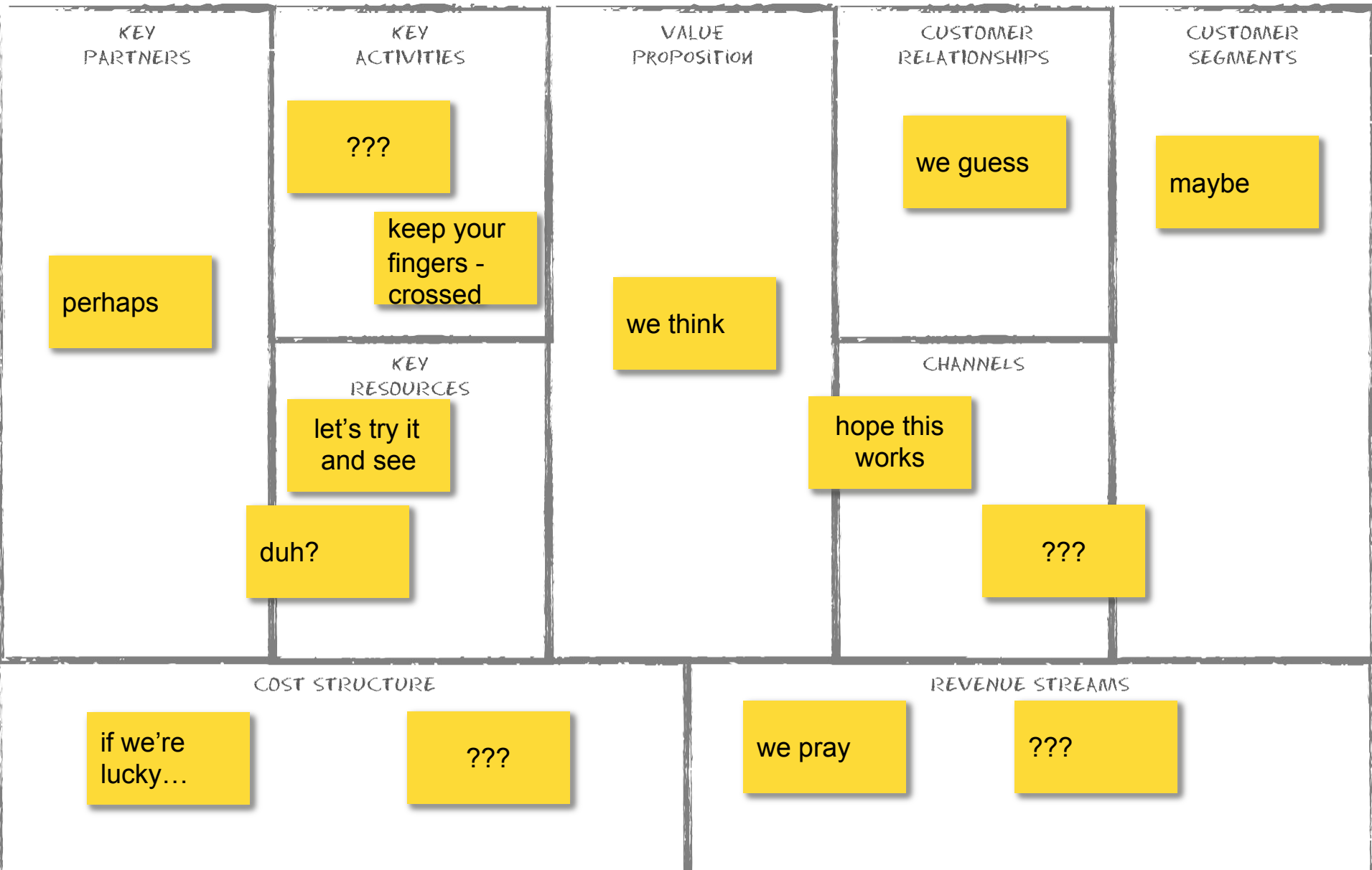
# Business Model Canvas



Rule #1: The primary job of a startup is to **search** for a scalable & repeatable business model that delivers value.

Rule #2: On day one, startups  
only have guesses, no facts.

# Startup Business Model Canvas



# Final Presentation

## 1. Your Company

Brief introduction

## 2. The Problem

Pain points exemplified.

## 3. The Solution

The Technology: Explain your prototype. What software hardware are you using. Why are you using it.

## 4. Team Bios

Why are you the best group to solve this problem.

## 5. Financials

You're going to make big bucks or make a big impact.

Start-Up Budget, 1 Year Profit-Loss Budget.

## 6. Wrap it up

# SayCel Deck

[https://drive.google.com/open?id=](https://drive.google.com/open?id=0ByggqAXq8Tkq2QTFLM1p4LXp3TW8)  
[0ByggqAXq8Tkq2QTFLM1p4LXp3](https://drive.google.com/open?id=0ByggqAXq8Tkq2QTFLM1p4LXp3TW8)  
[TW8](https://drive.google.com/open?id=0ByggqAXq8Tkq2QTFLM1p4LXp3TW8)

# Good Pitch Decks

## AirB&B

(<http://www.businessinsider.com/airbnb-a-13-billion-dollar-startups-first-ever-pitch-deck-2011-9#-1>)

## Piccsy

(<http://piccsy.com/investors/>)

## Youtube

<https://www.slideshare.net/AlexanderJarvis/youtube-pitch-deck?ref=https://attach.io/startup-pitch-decks/>