



# CIVOCRACY

WHERE DECISIONS HAPPEN

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Europe's leading B2B CivicTech and Smart Cities platform.

Investment Pitch Deck 2018

Series A: €2.7M

15 Clients in 4 countries

€265,000 annual revenue 2017

Dutch B.V. (*holding*) | German (*operations*)

## Mission.

Civocracy use technology as a tool for re-empowerment. We equip government with the means to constructively collaborate with their citizens, and ensure that people's voices are heard, enabling them to make better decisions together in a more transparent and effective way.

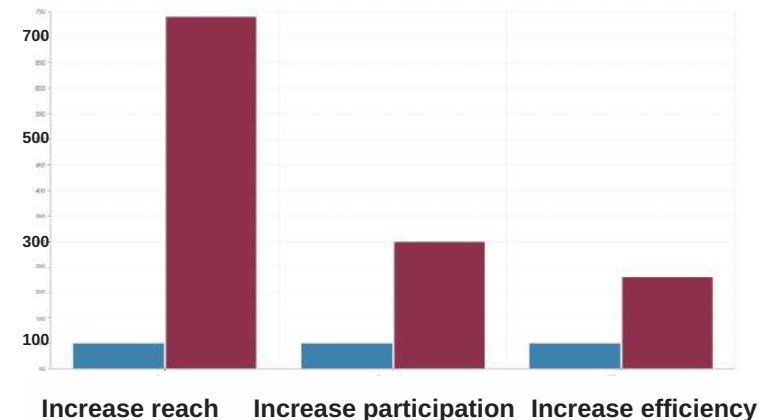
## Vision.

We will become the leading platform for debate, collaboration and decision making across the globe.

## Value proposition.

We leverage technology to optimise and improve the decision-making process, by bringing together key actors online. We analyse inputs to provide government with constructive and implementable outcomes, and make the process more transparent and accessible to citizens.

**We've empowered our clients to:\***  
In percentages



\* compared to traditional methods, such as town hall meetings and written correspondence.

Data based on a consultation with Lyon in 2016.



# Problem.

In recent years, **poor communication in planning**, and **little involvement in decision-making** has led to **extremely costly failed outcomes**.



## STUTTGART 21 GERMANY

- Damaged government reputation
- Huge legal costs



## BREXIT UNITED KINGDOM

- 42% voter turnout
- Total distrust of government



## BENHAR WIND FARM NETHERLANDS

- Project collapse
- High costs due to halted construction



**THE PROBLEM IS WIDESPREAD ACROSS THE EUROPEAN LANDSCAPE.**

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## **PARTICIPATION IS A NECESSITY FOR GOVERNMENTS.**

Local governments are under growing pressure to involve their citizens in the decision-making process, and new **legislations have made citizen participation obligatory**.

In the Netherlands, the Environmental code “**Omgevingswet**” obligates municipalities to involve stakeholders, and consult citizens.

Germany's “**Bürgerbeteiligung and Bürgerbegehren**” policy makes citizen consultation mandatory for any major change on urban planning.



## Problem.

Whereas, 71% of people are mad at their government, and apathy is at an all time high as the ways people have been able to communicate with their representatives - social media, town hall meetings, protests etc - are insufficient.

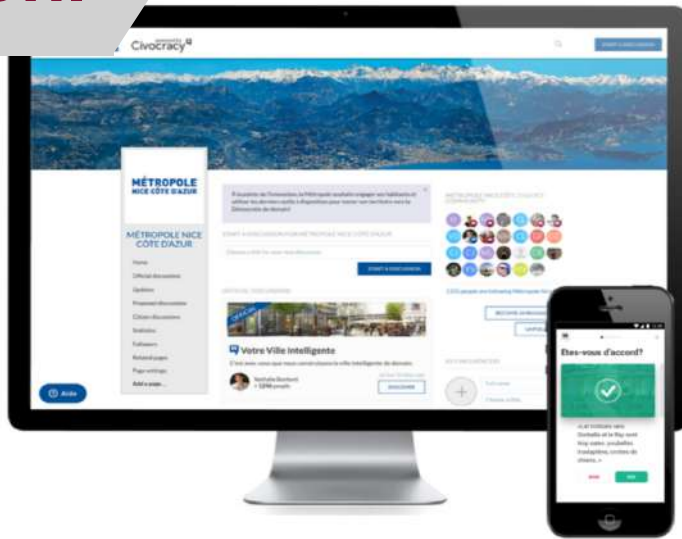
**There is a fundamental disconnect between people's expectations, and the level of involvement that is available to them regarding decisions made on their behalf.**

This has led to **widespread citizen disengagement, poor government decision making, and a lack of trust in the political system.**

**Technology is being completely under utilised to fix either citizen disengagement or the governments' need to effectively connect with their communities.**



# Solution.



In 2016, we launched

## OUR CIVIC TECH PLATFORM

that brings citizens together with local government decision makers. We use machine learning and big data to provide actionable insights and analytics on participation.

**We improve and drive the decision making process,  
ensuring constructive and applicable outcomes.**

The platform allows government to ask for **feedback on key issues**, **gather ideas**, and **gain public perception** on policy.

Citizens can **offer their opinion** and **propose projects**, **stay informed**, and can **see when their input has been impactful**.

Think tanks, corporates and other organisations are able to **gauge public and government support**, be **transparent with sponsorships**, and offer **policy suggestions** based on extensive research.



# Key platform features.



Focused (and unlimited) discussion capabilities on specific topics, ensuring constructive and applicable outcomes.



Personalised profile page allowing for decision-making transparency.



Insights into communities and key influencers.



Detailed reports on participation offering a concise wrap-up of each individual discussion.



Deep data insights extracted using our machine learning algorithm.



Expert strategies on best practises for citizen engagement.



# Revenue and business model.

We are digital consultation platform, operating with a B2B, subscription model.

## LOCAL GOVERNMENT

*Municipal and region level*

**Annual subscription**

€25-40,000

€5,000 kick-off fee

## CORPORATES

*Utility and energy companies*

**Per project**

from €30k

**Annual subscription**

on request

## DATA REVENUE

Coming 2019.





# Target market and opportunity.

We have identified **30 country markets** to target over the next 5 years.

Our initial growth will focus on **Western Europe**, the **Nordics**, **Central Europe** and the **UK**, before expanding into the **US**, **Canada** and **Australia**.

- Total addressable market: 120, 457 potential clients
- Our total qualified prospects\*: 22,000+

First confirmed markets

8th confirmed country

16th confirmed country

*\*A qualified market is one where there are a low number of small public entities, countries with a focus on tech and innovation, and countries with a low level of corruption.*

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**THERE ARE A LOT OF MISCONCEPTIONS ABOUT SELLING TO GOVERNMENT.**

**THE MARKET IS STRONG.**

Sales cycles range from **four to nine months**.  
We signed **Nice Cote d'Azur** in **6 months**.

There's a much stronger **lifetime customer value**.  
We have a **75% resign** rate year on year.

**Legislations**, such as Omgevingswet (NL) and Bürgerbeteiligung and Bürgerbegehren (DE), **make citizen participation obligatory**.

Governments need new initiative for policy co-creation.





# Achievements.

We've empowered our clients to:

## Increase reach

For every one citizen reached by traditional means, we reach 74.

## Increase participation

Our platform gets 300% more participation than traditional methods.

## Increase efficiency

We enable decision makers to be 23 times more efficient when gathering input,

\* compared to traditional methods, such as town hall meetings and written correspondence.  
Data based on a consultation with Lyon in 2016.

We are set to become the

## DOMINANT PLATFORM

We already work with some of Europe's key regions, cities and institutions, including:



# Case studies.

## 2017: Ville de Lyon

Discussion on  
**education reform**  
**1,700 submissions**  
*Ongoing*



*"The Civocracy platform is innovative, interesting and brings serious added value to offline citizen consultation. This is the future, I am convinced of it."*

**Biel Raphael, Deputy Cabinet, Ville de Lyon**



## 2017: Debating Security+

A 48-hour online conference  
**77 discussions** on subjects such as:  
**cybersecurity, migration and terrorism**  
**1746 comments**



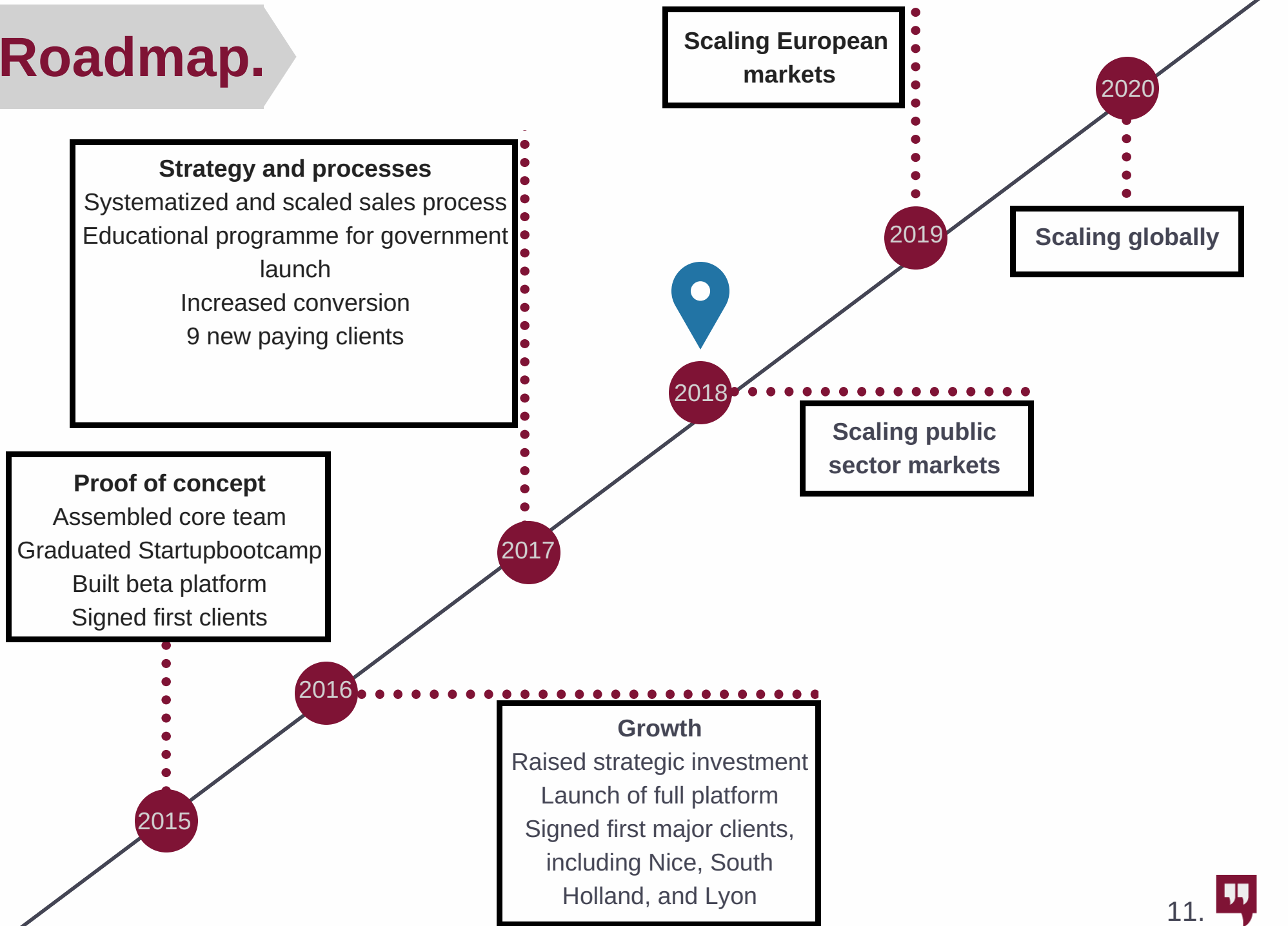
Outcomes have formed **a report of recommendations** submitted to leading international bodies, such as the **United Nations** and **NATO**

## 2017: Metropole Nice Côte d'Azur

Over a 12-month period, there were:  
**12 official government** discussion  
**6 official citizen** discussions  
**213 additional bottom-up, proposed initiatives**



# Roadmap.



# Team.

We're a team of 12, based in Berlin, hailing from 6 different countries.

We have expertise in:

- front- and back-end development
- sales
- finance
- communications
- engagement
- partnerships
- community management



Benjamin Snow  
CEO

**Master of Public  
Policy**

WEF Global Shaper,  
Social Entrepreneur to  
watch 2016, Davis Scholar



Chloé Pahud  
VP of BizDev

**Master of Psychology,  
Master of HR**

Launched two companies,  
and one exit, in an  
international market



Nicolas Reynolds  
CTO

**Master of Computer  
Engineering**

Built two companies, and  
grew their communities  
to over 2.5M users



# Competition.

We have some competition.



But we understand that simply creating a platform is not enough for successful participation.

## OUR DIFFERENTIATORS.

### **Proven sales execution:**

signed a greater number of major cities



### **Internationalisation:**

only one to sign large clients in FR, DE, NL, BE



### **Technology:**

network design, machine-learning incorporation, big- data analysis



### **City Strategy:**

our Territoires Fédérateurs education programme



# Financials.

2015	2016	2017	2018E	2019E	2020E	2021E	2022E
Getting started	Building product, first use case	Prep for growth, scalable sales	Sale execution, market capture, Series A	Market capture and scaling, testing new markets	Market capture and scaling, testing new markets	Market capture and scaling, testing new markets	Market capture and scaling, testing new markets

<b>Net sales</b>	<b>€2,662</b>	<b>€39,769</b>	<b>€273,797</b>	<b>€1,062,484</b>	<b>€8,292,234</b>	<b>€16,181,984</b>	<b>€26,369,294</b>	<b>€41,418,660</b>
Net local government sales	€ 2,662	€ 39,769	€ 158,805	€ 982,484	€ 7,019,234	€ 12,975,984	€ 20,066,984	€ 31,484,250
Net corporate sales	-	-	-	-	€315,000	€875,000	€1,800,000	€2,250,000
Net NGO, association, foundation etc sales	-	-	€114,992	€80,000	€300,000	€500,000	€750,000	€1,100,000
Data revenue	-	-	-	-	€658,000	€1,831,000	€3,752,310	€6,584,410

<b>Total number of clients</b>	<b>2</b>	<b>8</b>	<b>12</b>	<b>37</b>	<b>152</b>	<b>360</b>	<b>643</b>	<b>967</b>
Number of local government clients p.a.	2	8	11	36	140	348	548	809
Number of corporate clients p.a.	0	0	0	0	9	9	87	147
Number of NGOs, associations etc. p.a.	-	-	1	1	3	3	8	11

<b>Number of users (mid-year average)</b>	<b>-</b>	<b>4,262</b>	<b>10,851</b>	<b>750,000</b>	<b>3,500,000</b>	<b>7,600,000</b>	<b>13,000,000</b>	<b>20,000,000</b>
<b>Number of countries confirmed</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>9</b>	<b>13</b>	<b>18</b>	<b>20</b>

<b>Costs</b>	<b>-€68,969</b>	<b>-€350,781</b>	<b>-€391,092</b>	<b>-€1,898,513</b>	<b>- €6,396,857</b>	<b>-€10,773,998</b>	<b>-€16,276,815</b>	<b>-€20,488,613</b>
Personnel costs	-€20,551	-€182,121	-€321,8324	-€1,235,623	-€4,176,294	-€6,812,798	-€6,812,798	-€13,-34,213
Operations	-€44,574	-€156,014	-€24,340	-€36,960	-€54,960	-€156,000	-€156,000	-€216,000
Other costs (including marketing budget)	-€3,844	-€12,646	-€44,918	-€625,930	-€2,156,603	-€3,805,200	-€3,805,200	-€7,238,400
Headcount	6	7	13	37	81	107	141	152

<b>EBITDA</b>	<b>-€66,307</b>	<b>-€311,012</b>	<b>-€117,295</b>	<b>-€836,029</b>	<b>€1,895,377</b>	<b>€5,407,986</b>	<b>€10,092,479</b>	<b>€20,930,048</b>
<b>Net income (after taxes)</b>	<b>-€66,307</b>	<b>-€311,012</b>	<b>-€117,295</b>	<b>-€836,029</b>	<b>€1,421,533</b>	<b>€4,055,989</b>	<b>€7,569,359</b>	<b>€15,697,536</b>



# Investment and use of funds.

## **Sales.**

Hire country-specific sales teams, with key senior roles.

## **Marketing.**

Develop a full strategy, fine tune our identity, and expand our use of various media.

## **IT development.**

Expand the team, hiring front- and back-end developers, as well as designers (UX and UI).

## **Business development.**

Test new markets, and identify suitable expansion opportunities.







# CIVOCRACY



EUROPEAN ROADSHOW FEBRUARY 2018.  
PLEASE CONTACT FOR INDIVIDUAL MEETINGS:

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