

Roots

Think of us as the heart rate monitor that tracks franchisee's health.



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Problem

Limited Insight



**Franchisor,
our customer**

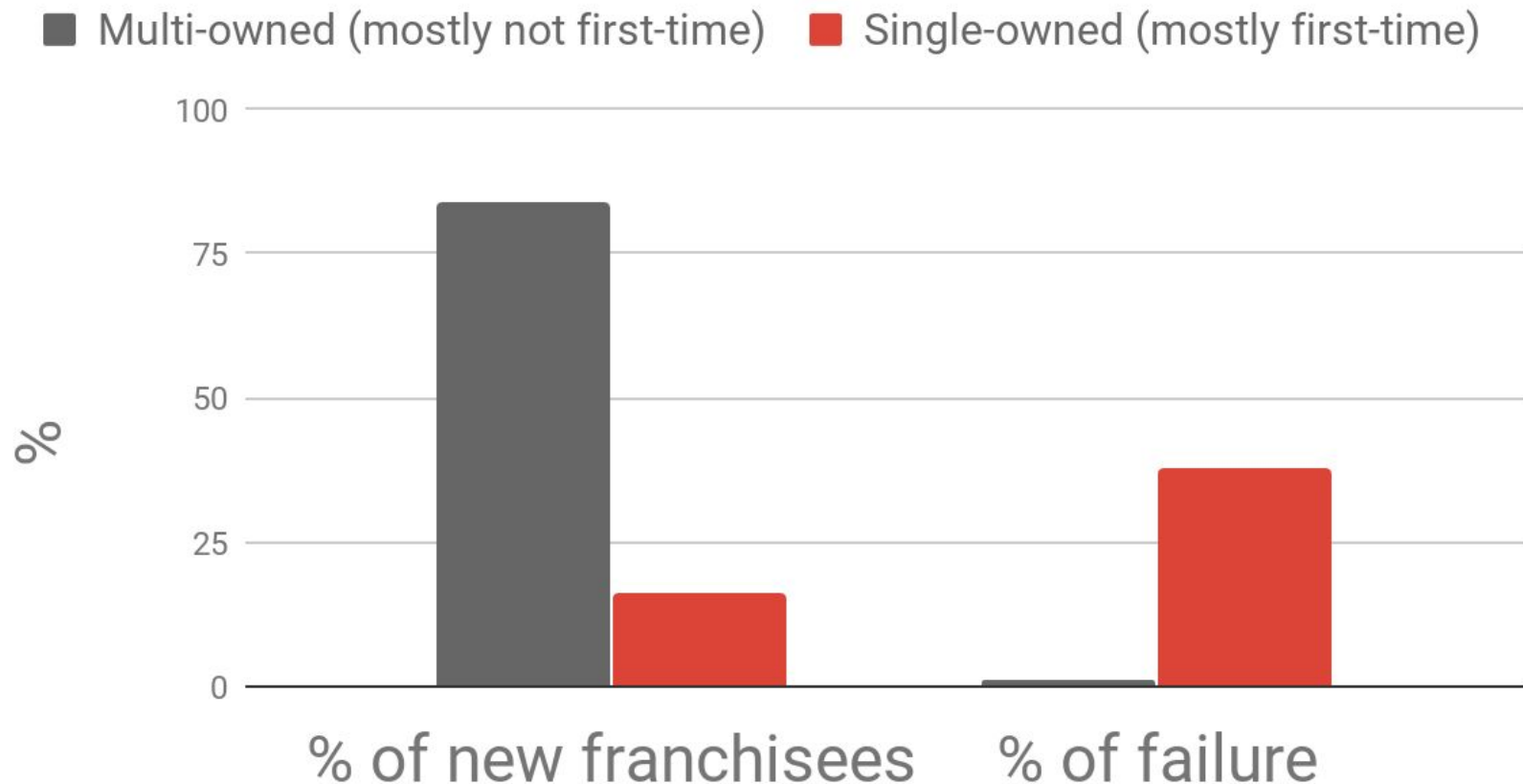


Franchisee

Reason

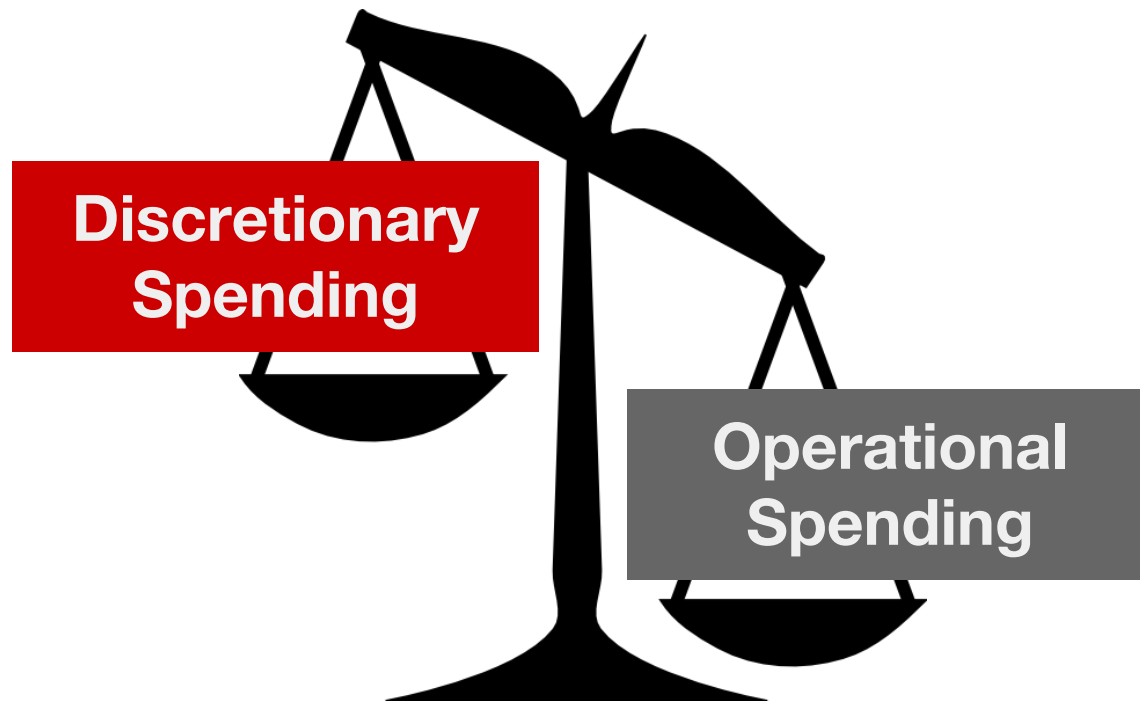
1st time franchisees...

Failure rate among first-time buyers is high



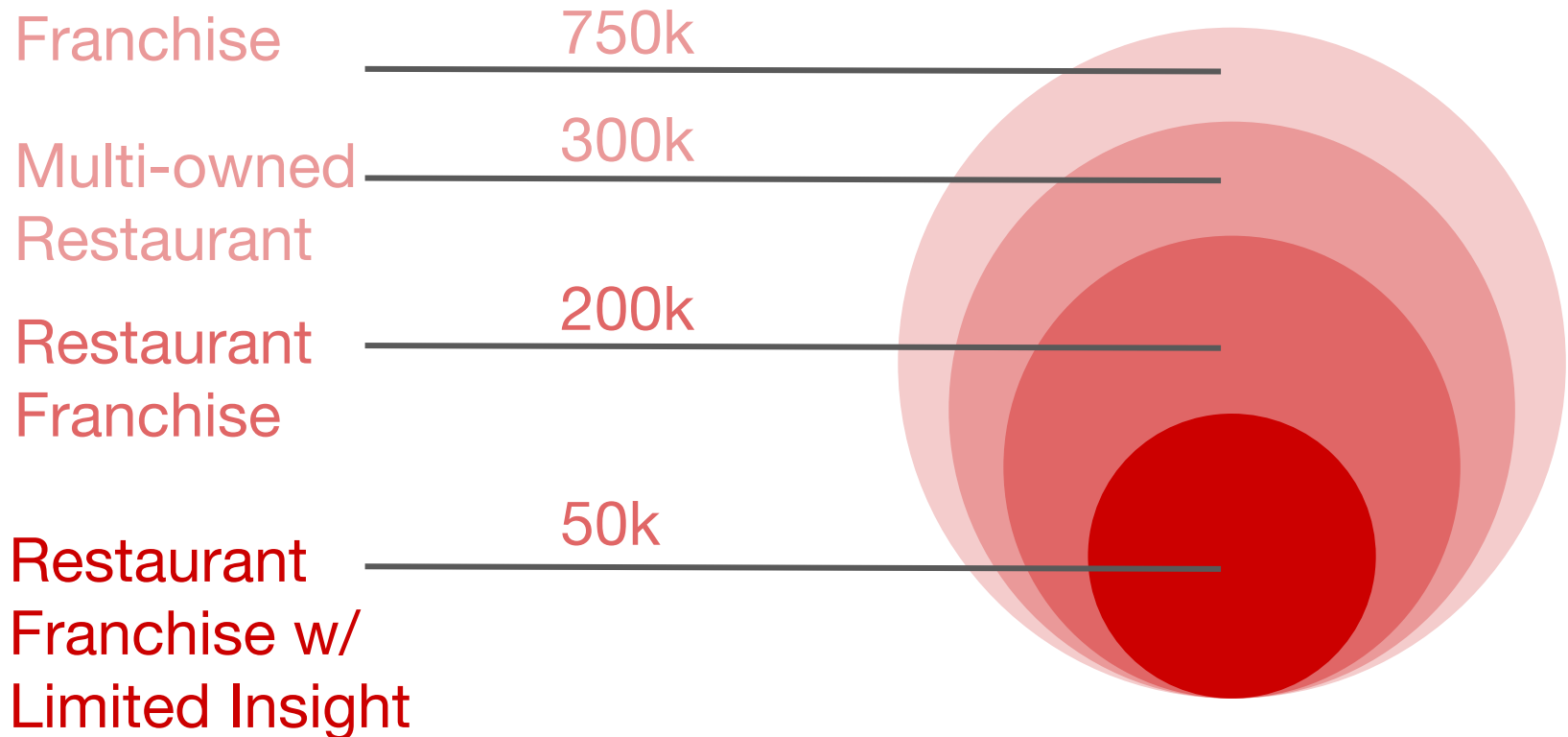
Reason

...with discretionary spending



Market Size

**~\$36B growth
last year alone**

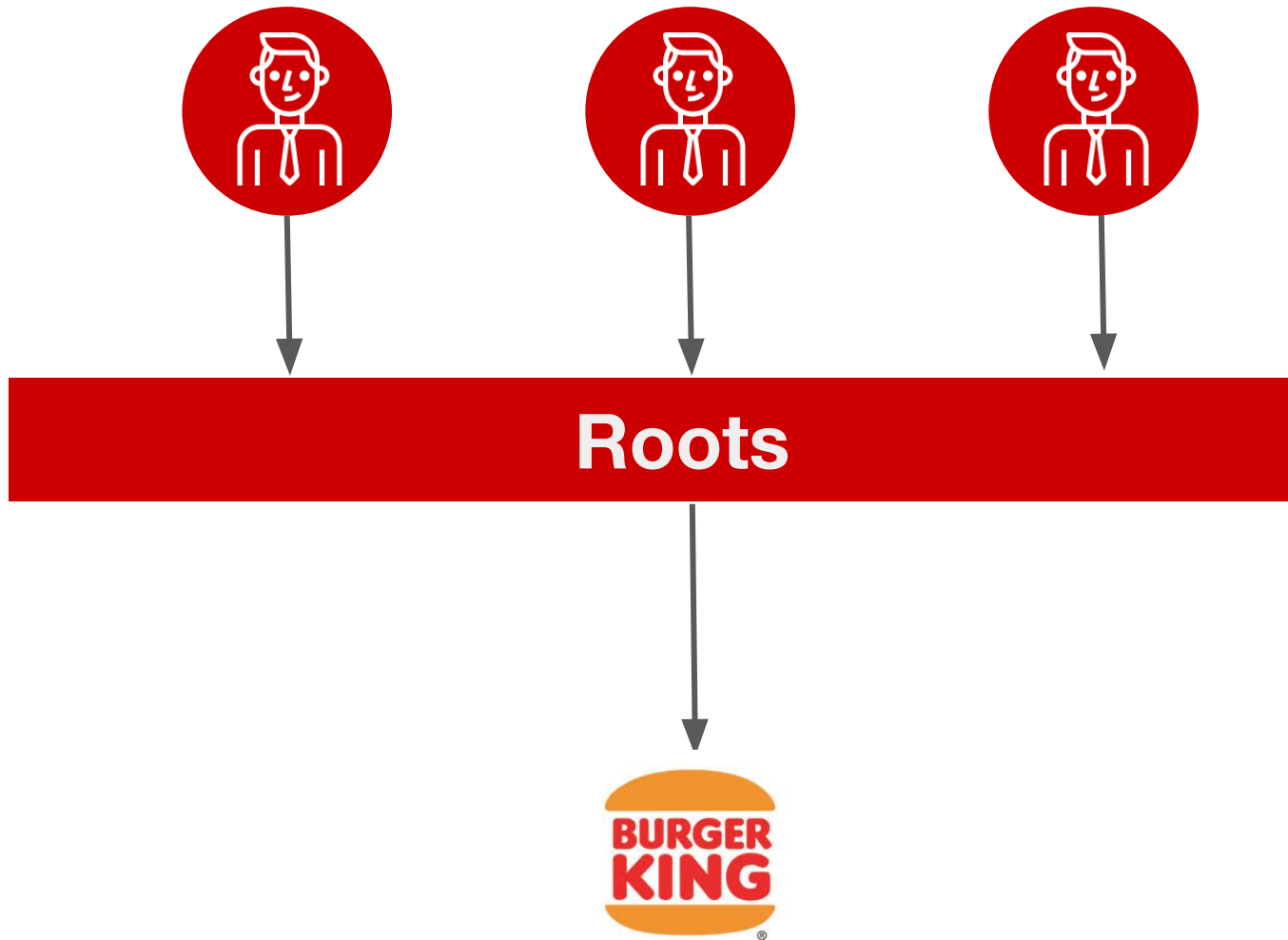


* <http://www.nrn.com/franchising/ifa-franchise-sector-expected-grow-36b-2017>

Competitive Landscape



- **Old school**
 - Weekly to monthly phone call check-ins
 - Hire a consultant
- **Specific**
 - Yodle: local marketing
 - Quickbooks: accounting
- **Operational instead of discretionary spending**
 - Decision Logic

Solution






Solution






Roots







Schedule Employees




Payroll




Inventory Management



Order Supp




Market Locally




Sales Report


CHAT WITH FRESCOCHAT




Welcome to our chat room. Please enter your name, email and question and click Begin Chat.

Select Department










BEGIN CHAT


Solution






Roots







Palo Alto, CA

Washington, US





23,674
Latest Month
-7.7% MoM Δ






142,749
Latest Month
+1.4% MoM Δ






45,057
Latest Month
+4.0% MoM Δ



Location 293
John Doe
123 Main St
Palo Alto, CA 12345

Location 295

CHAT WITH FRESCOCHAT



Welcome to our chat room. Please enter your name, email and question and click Begin Chat.

Select Department

Type your message / question

BEGIN CHAT

Team



George Gillette

MS in Transportation

Cofounded engineering group
(>100 members)

Forecasting and spatial analytics



Tiffany Jaya

MS in Data Science

6 years software engineer
2 years data scientist

Worked in food industry
Family used to own a franchise

Unfair Advantage



Unfair Advantage



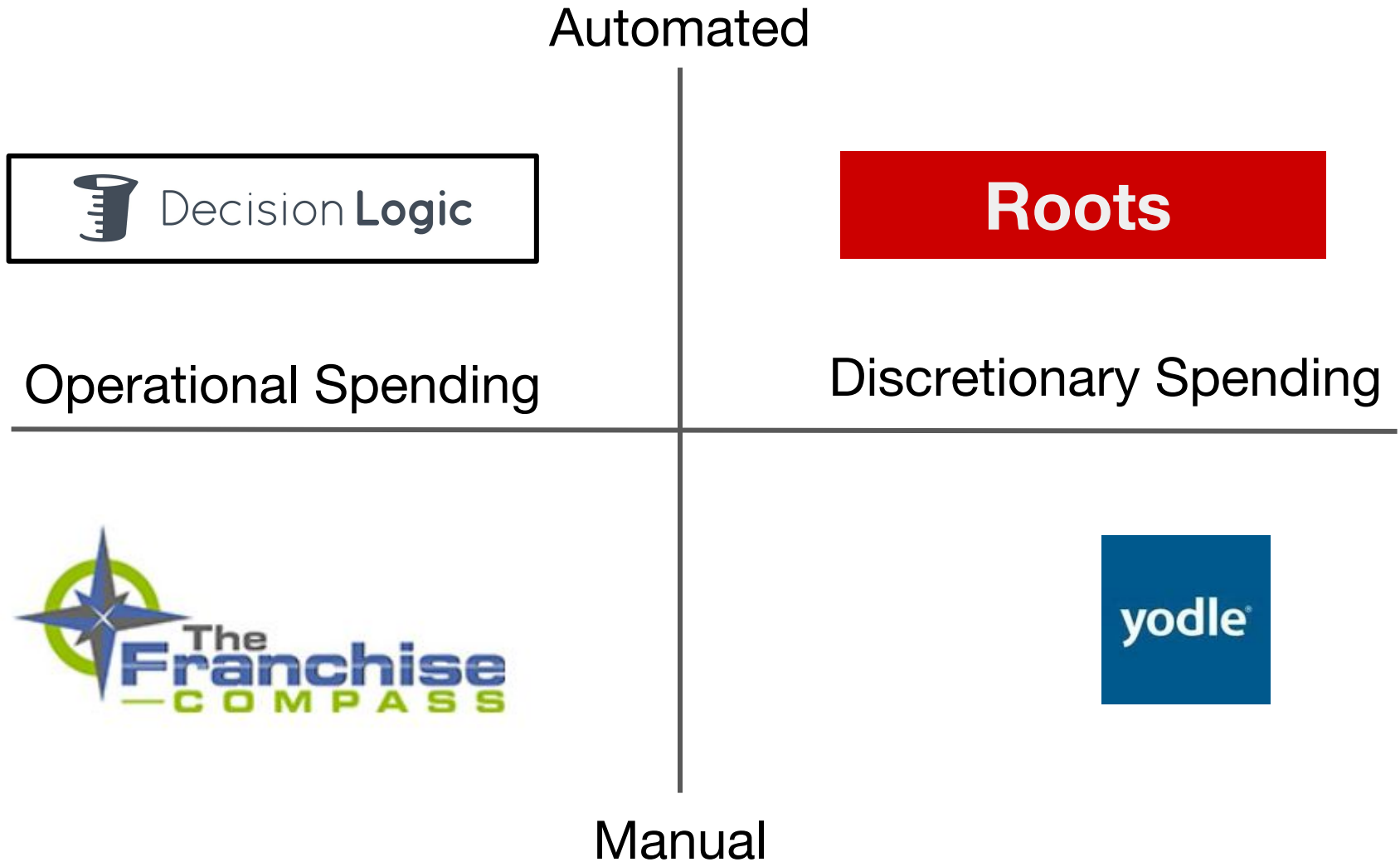
2-4x

B.GOOD
FOOD WITH ROOTS

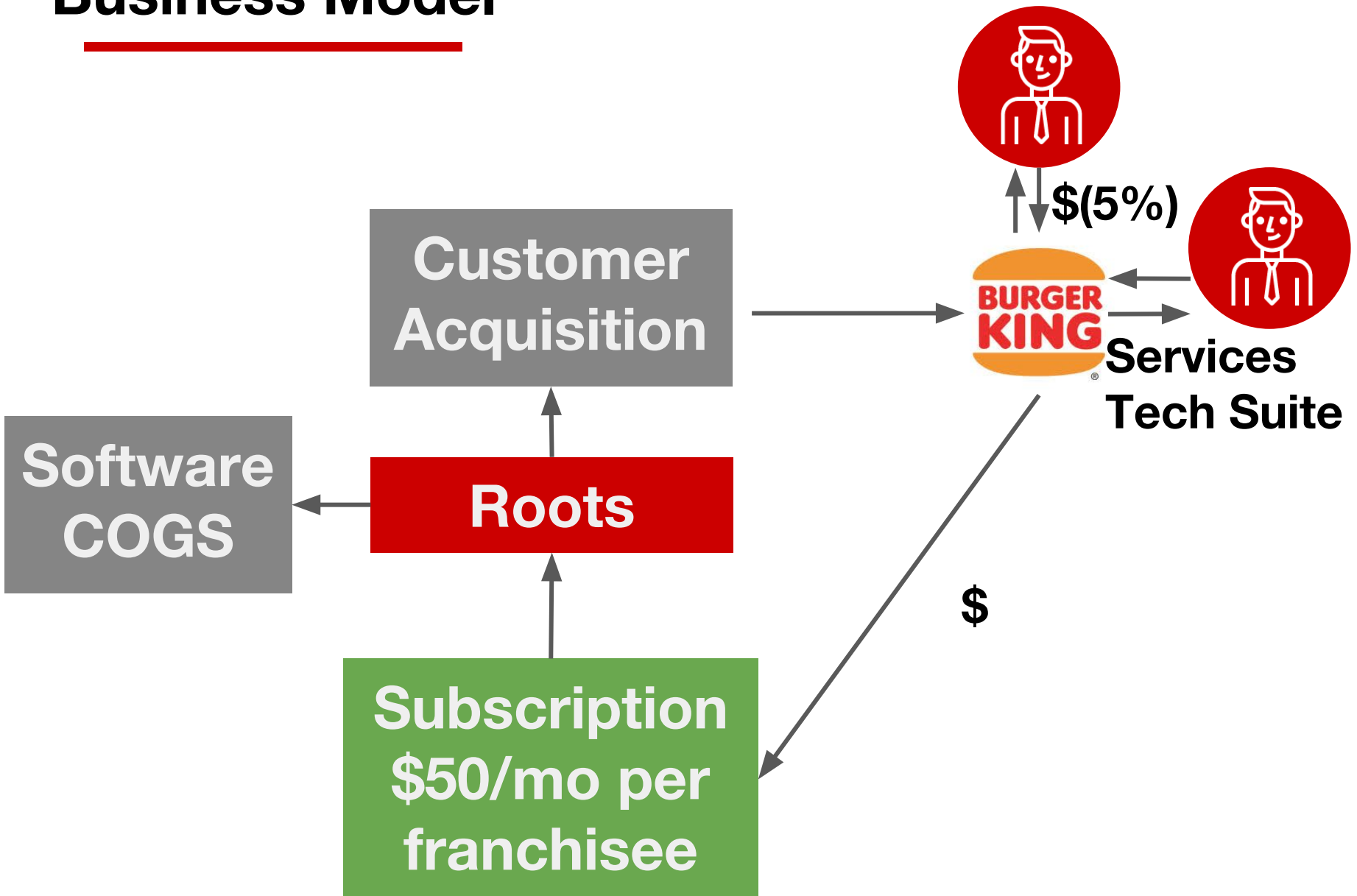
KĒO
Asian Cuisine



Positioning



Business Model



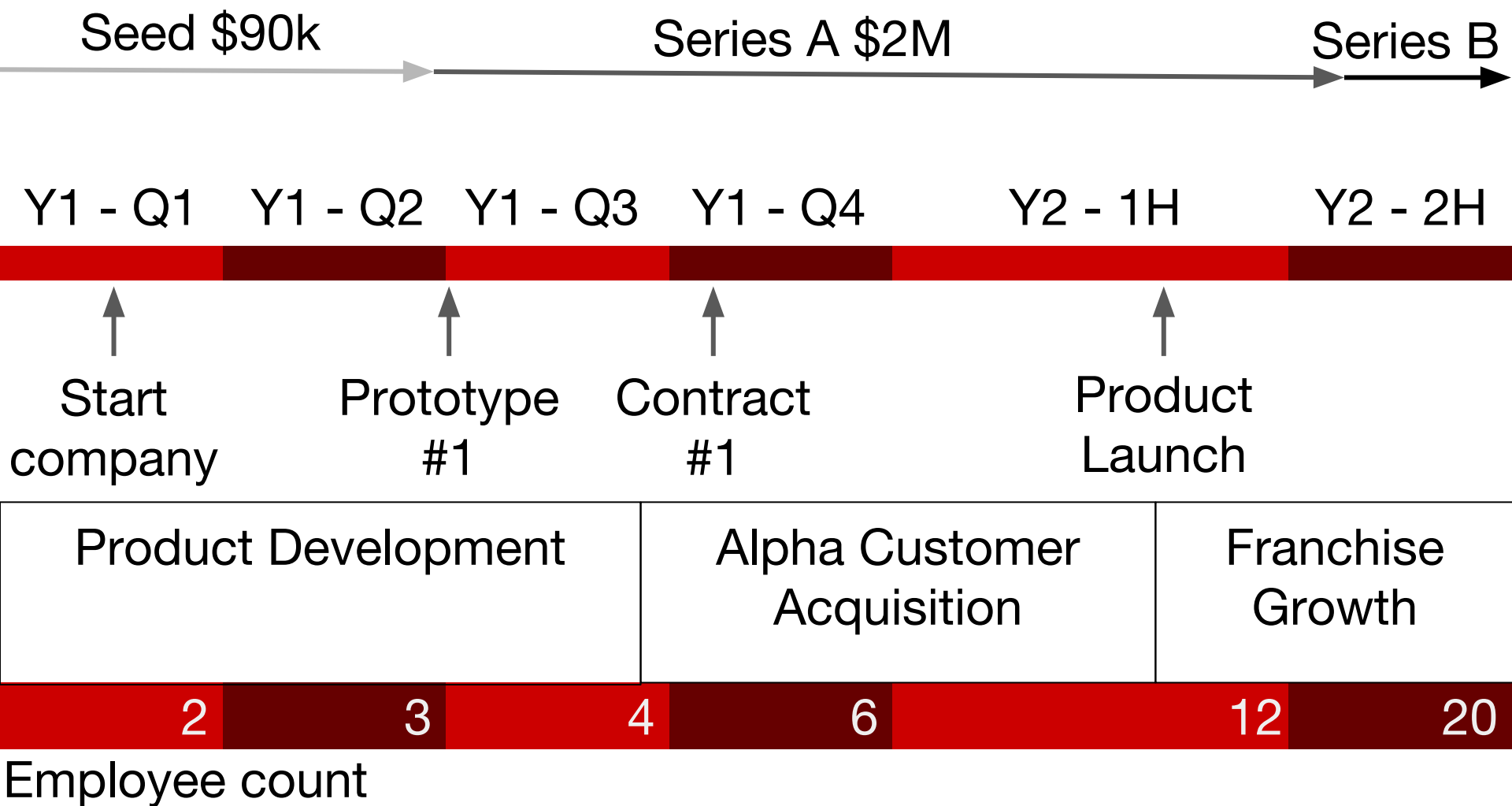
Market & Sales Strategy

1. Test prototype with free distribution and leverage potential connections
2. Develop relationships across different restaurant franchises and validate analytics
3. Use relationship with successful franchisors as branding to those with high failure rate

Financial Projection

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Customer	160	4352	31290	86935	141950
Old Customer	0	160	4200	27300	61000
New Customer	160	4200	27300	61000	84000
Churn	5%	5%	5%	5%	5%
Subscription Revenue	\$48,000	\$2,611,200	\$18,774,000	\$52,161,000	\$85,170,000
Total Revenue	\$48,000	\$2,611,200	\$18,774,000	\$52,161,000	\$85,170,000
Software COGS	\$7,680	\$417,792	\$3,003,840	\$8,345,760	\$13,627,200
Gross Profit	\$40,320	\$2,193,408	\$15,770,160	\$43,815,240	\$71,542,800
R&D	\$324,000	\$1,620,000	\$4,860,000	\$9,720,000	\$11,923,800
S&M	\$205,000	\$913,920	\$6,570,900	\$18,256,350	\$38,326,500
G&A	\$168,000	\$840,000	\$2,520,000	\$5,040,000	\$8,517,000
	-\$656,680	-\$1,180,512	\$1,819,260	\$10,798,890	\$12,775,500
Subscription: \$600/year per franchisee					

Timeline



Mitigation Plans

- **Launch date delayed**
 - Minimum features
 - Designed slack time
- **Franchise cooperation**
 - Data integrity checks
 - Alliance with franchise manager
- **Market penetration**
 - Brand with successful franchises
 - Within franchise expansion
 - Multiple franchising industries

Initial Finance Requirements

\$2M