

Venture Capital Research Project:-

Private equity (PE) is an investment fund that buys & restructures companies that are not publicly traded. It provides working capital to a company to nurture expansion, new-product development, or restructure the company's operations, management & ownership. PE firms use several strategies, such as LBOs (leveraged buyouts) & venture capital.

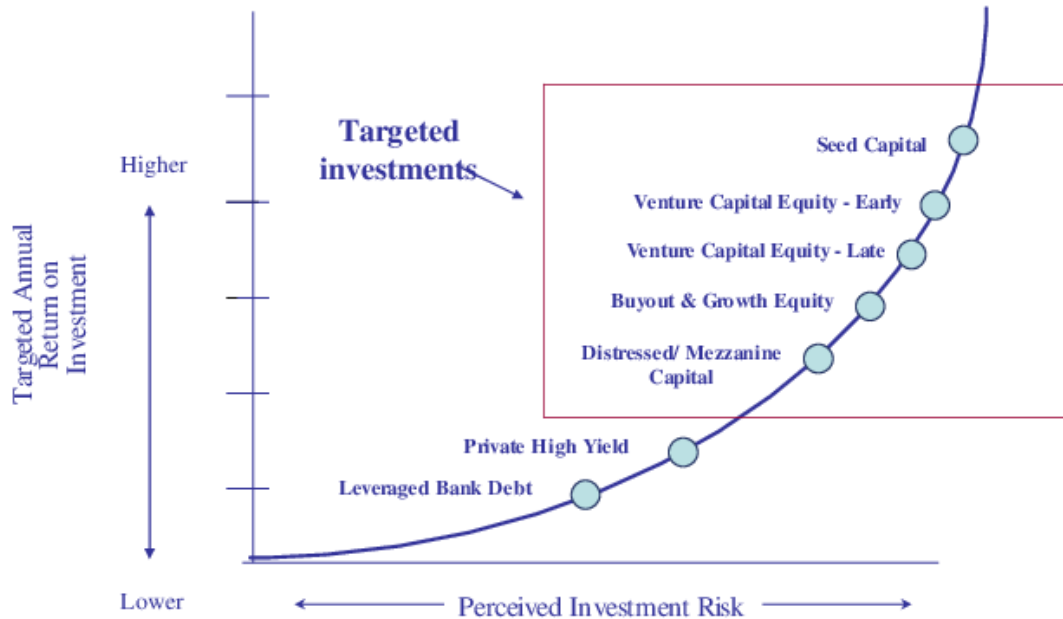
What is Venture Capital?

Venture capital (VC) is a broad subcategory under PE. VC firms invest money in less mature companies without proven business models or product/market fit.

Financing is provided to startups that have high growth potential. Because startups face high certainty, most VC investments have high rates of failure, however, venture capitalists invest in a diverse range of companies in the hope that a handful of them will be successful.

The VC industry follows the concept of 'high risk, high return'.

Types of Private Equity Investments



Version 2.0

14

Difference Between PE & VC

Venture Capital	Private Equity
VC firms invest in early-stage fast growing startups.	PE firms invest in mature, public companies and take them private.
VC firms acquire a minority stake in a startup.	PE firms almost always buy 100% of the company in an LBO.
VC firms make small investments.	PE firms make large investments. The Hilton LBO was \$26 billion.
VC firms use only equity (cash)	PE firms use a combination of debt & equity. LBOs have a debt to equity ratio of 9:1

How Do VC Firms Make Money?

VC firms raise money from institutional investors such as pension funds, university endowments, sovereign wealth funds, & accredited investors (HNIs). These investors are known as Limited Partners (LPs).

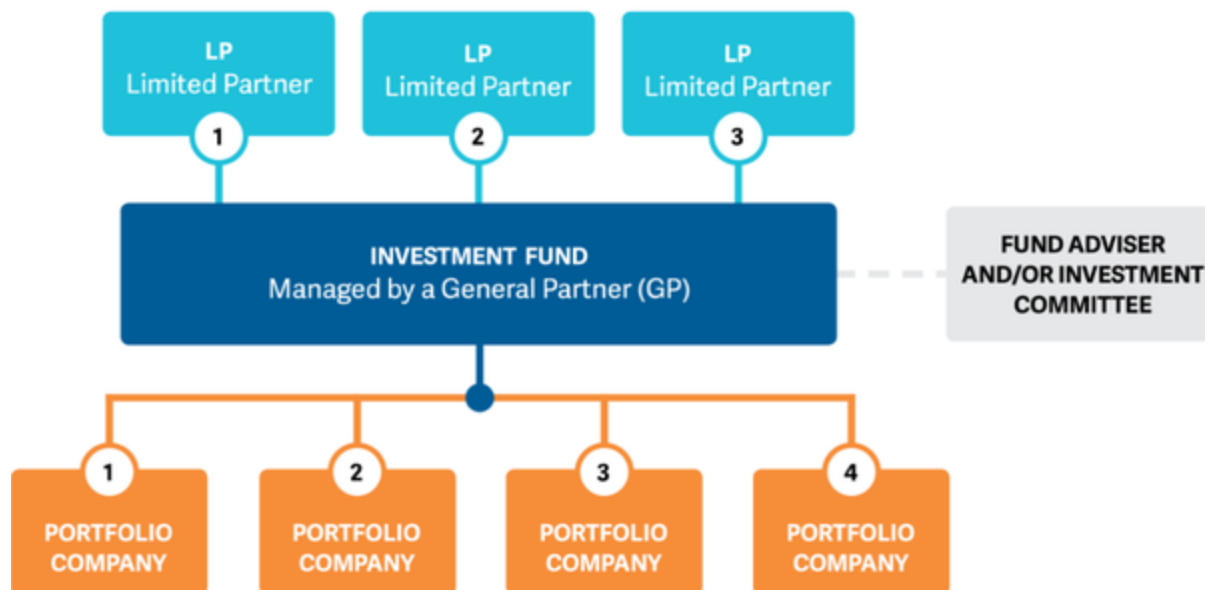
Let us say a VC firm, Accord Capital, raises a fund of \$500 million. The minimum & maximum investment amount is \$10 & \$50 million respectively. This means that the fund can invest in a maximum of 50 startups and a minimum of 10.

Accord Capital will take 2%, \$10 million, from the fund. This is called the management fee, which is used to keep the lights on and pay for the day-to-day operations of the firm.

Let us assume that the investment team is brilliant at what they do, and the firm makes a 3x return: \$1.5 billion. The initial capital, \$500 million, is first returned to the LPs. VC firms then take 20% of the profits (\$1 billion) as a performance fee. Thus, the VC firm made \$200 million, while the LPs made \$800 million on their \$500 million investment.

In return for high fees, high risk, & long-term illiquidity, LPs expect VCs to deliver market beating returns. For example, if the S&P 500 returned 7% annually, LPs would expect VCs to deliver at least 12%. The higher a VCs returns, the more prestige a firm gains. They then find it easy to raise new funds.

Hence, VC firms only have one responsibility: To generate maximum returns for their LPs.

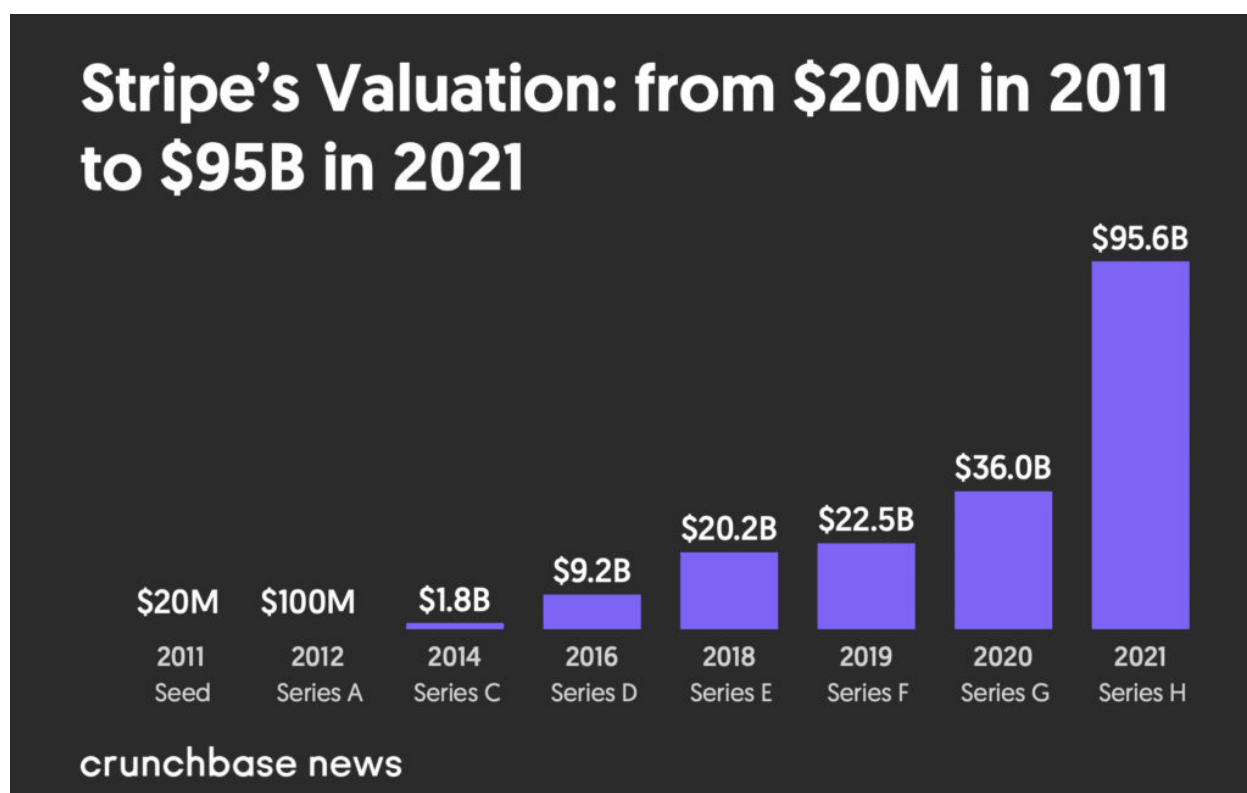


Stages of VC Financing

As I said earlier, VC is a broad category. Firms invest at different stages in a company's development. Seed stage investors function differently compared to pre-IPO investors.

- 1) Seed stage: This is a very early investment. A person/founder has to convince the investor why the product/idea is worthwhile. Generally there is some type of prototype that is not fully developed or tested. Risk appetite of seed-stage investors is very high. Think of seed funding as financial support into a 'seed' that will eventually grow into a tree. Investors are generally individuals, or early-stage VC firms. Most seed-stage investments fail. Stripe raised \$2 million in 2011 from Peter Thiel & Elon Musk in the seed-stage.
- 2) Series A: Once the company has developed a decent user base, or consistent revenue figures, is when a Series A investor props up. Money from this stage will be used to scale the company. Money is also used to develop a business model. Stripe raised \$18 million at a \$100 million valuation in 2012 from Sequoia Capital.
- 3) Series B: This round is all about taking the company to the next level. Investors help startups expand sales, tech, marketing, & support. Most of these investments are carried out by previous investors. Stripe raised \$20 million from General Catalyst in July 2012.

- 4) Series C: Startups that make it to this round are already successful. This money is used to expand market reach, develop new products, or acquire smaller competitors. Stripe raised \$250 million in 2014 from Founders Fund & Thrive Capital.
- 5) Pre-IPO: Hedge funds, private equity firms, investment banks, and other institutions with low risk appetite participate in pre-IPO rounds. Stripe raised \$600 million from Fidelity Investments, Allianz SE, & Baillie Gifford in 2021 at a \$95 billion valuation.



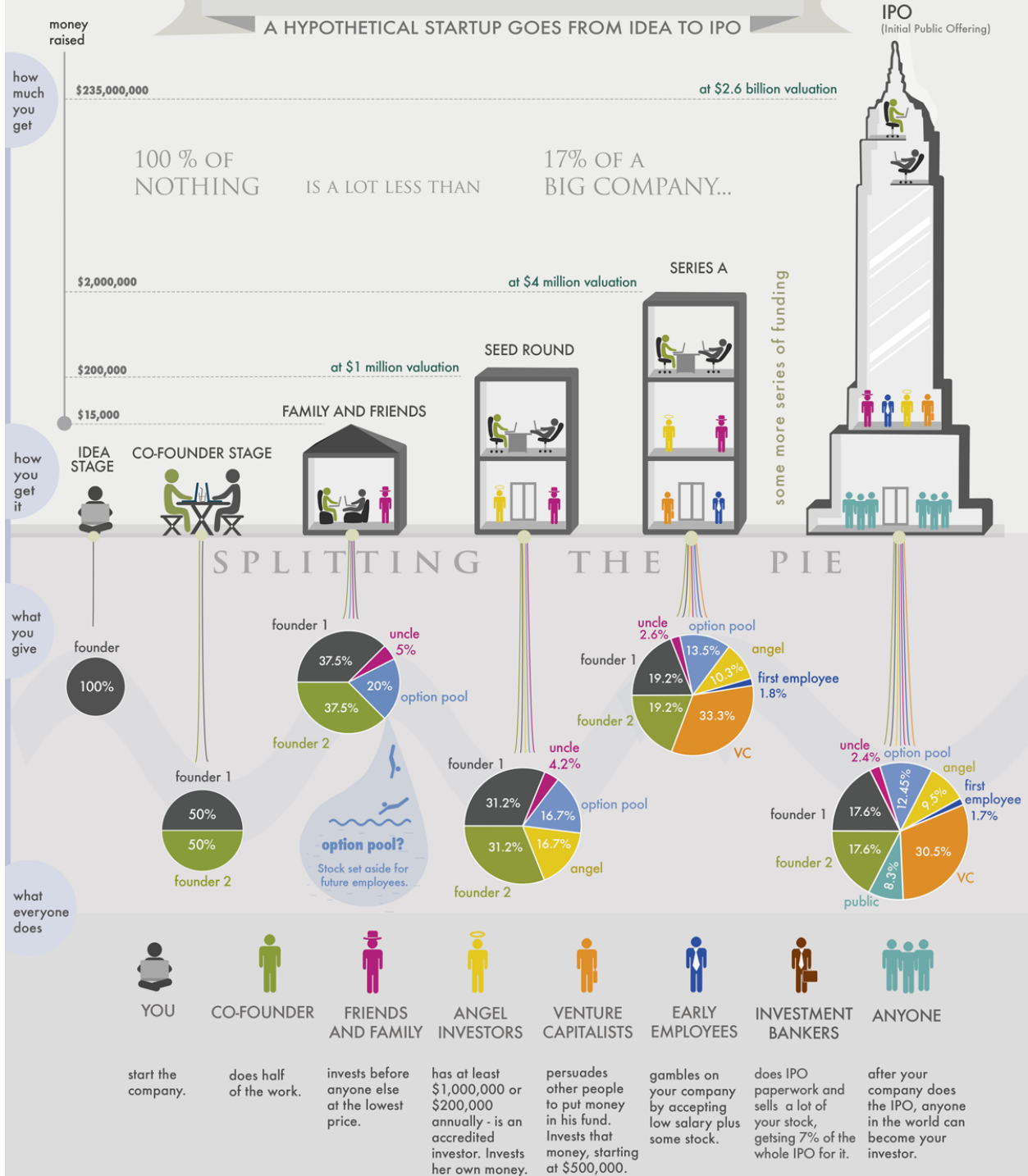
Startups these days stay private for a much longer time. Amazon was founded in 1994, raised a Series A round and went public in 1997. In contrast, Facebook was founded in 2004, raised money till a Series G round, and went public in 2011.

Staying private is preferred to an IPO because companies enjoy much higher valuations & growth rates privately. Facebook grew from a valuation of \$5 million (when Peter Thiel invested) to \$104 billion (on IPO day). Facebook has grown from \$104 billion to \$954 billion (as of June 2021) as a public company.

HOW STARTUP FUNDING WORKS

BY ANNA VITAL

A HYPOTHETICAL STARTUP GOES FROM IDEA TO IPO



How VCs Select Investments

a) Market Size:

VCs chase after opportunities with a total addressable market (TAM), which is used to refer to the revenue opportunity for a product/service. VCs also help companies grow their TAM. Amazon started off as an online bookstore in 1994 and later grew its TAM. Airbnb, started in 2009 as a couch-surfing website for college students.

b) Product:

Another key consideration is product-market fit, the degree to which a product satisfies a strong market demand. Product-market fit doesn't occur instantly, it's a gradual process that could take several years. Early-stage VCs help startups develop product-market fit. Founders have gone to extreme lengths to nail product-market fit. Tobias Lutke used his online snowboarding shop's infrastructure to build the e-commerce platform Shopify.

c) Founding Team:

VCs look for founders with strong problem-solving skills. They ask questions to get a glimpse of how the founder thinks through certain problems. They also look for founders that have a coherent connection to the space they're looking to disrupt. Databricks was founded by a team of PhD scholars and professors from University of California, Berkeley. Biosplice Therapeutics was founded by Osman Kibar, a biophotonics doctorate from UC San Diego.

VCs also favour founders who have previously founded unicorn startups. These founders have experience of scaling companies, and understand what it takes to transition the company at each level. Early PayPal employees, also called the PayPal mafia, went on to start a number of highly successful companies, including Yelp, YouTube, Tesla, LinkedIn, & Palantir.

Exit

During an IPO, a private company sells public shares to retail investors for the first time. IPO is generally the ideal exit route, because founders keep control of the company while shareholders enjoy high payoffs. Biggest IPOs of 2021 so far: Coinbase, Coupang, Roblox, UiPath, Procore, & Bumble.

Another exit strategy is M&A. Twitch was acquired by Amazon for \$1 billion, Skype was acquired by eBay for \$2.5 billion, & Credit Karma was acquired by Intuit in 2020 for \$7.1 billion.

Fantasy VC Portfolio:-

1) Chargebee

Headquarters- San Francisco, USA; Chennai, India

Founders- KP Saravanan, Krish Subramanian, Rajaraman Santhanam, Thiyagarajan Thiyaagu

Founded Year- 2011

Funding- \$218 million

Valuation- \$1.4 billion

Investors- Tiger Global Management, Insight Venture Partners, Accel

Chargebee enables businesses to set up and manage their subscription, billing, revenue operations, & compliance. Enterprises are digitally transforming themselves and moving to the software licensing & delivery model (SaaS). Chargebee can help even large enterprises shift to the subscription model in 10 days.

Subscription-based billing is estimated to grow at 14% annually to \$7.8 billion by 2025. Chargebee automates operations around subscriptions, billing, invoicing payments, & revenue recognition.

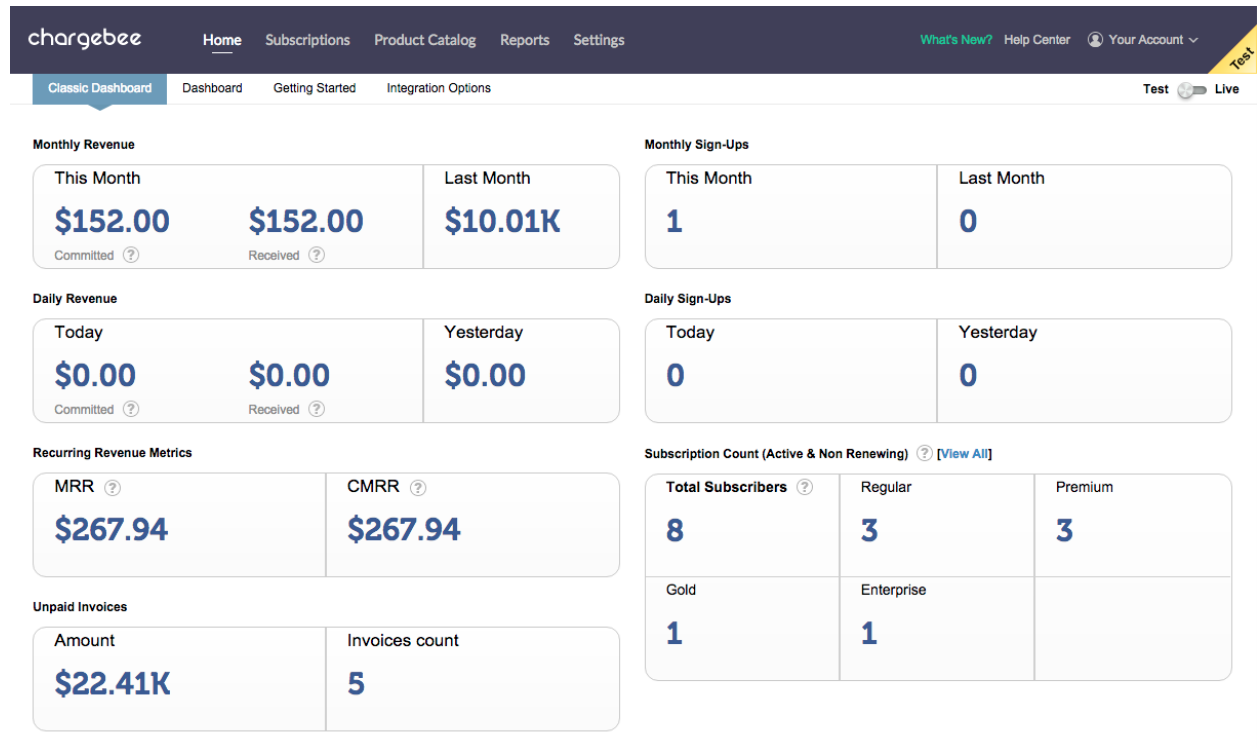
Chargebee's first bet was on B2B SaaS companies. They scaled the segment and nailed the product before coming back to the e-commerce segment. The subscription software market is nascent, and there is a huge greenfield to operate.

Chargebee helps SMEs address important questions related to their subscriptions: Should companies offer a 30-day free trial to customers? What if customers want to move to a different pricing tier? Chargebee also expanded its TAM by helping businesses plug revenue leak, increase customer loyalty, expand into new categories, and experiment with new pricing plans.

Product:

- 1) Plan & Pricing Management- Pricing the way that makes sense for the business (flat pricing, volume pricing, tiered pricing)
- 2) Trial Management Suite- Experimenting with trials
- 3) Subscription Lifecycle Management- Getting visibility into every subscriber's lifecycle

- 4) Customizable Billing Logic
- 5) Multi-Decimal Support- Accurately measure usage & bill
- 6) Payments- Works with revenue management stack (Stripe, PayPal, Braintree)





USER



ISSUING BANK



MERCHANT'S WEBSITE



CREDIT CARD NETWORK

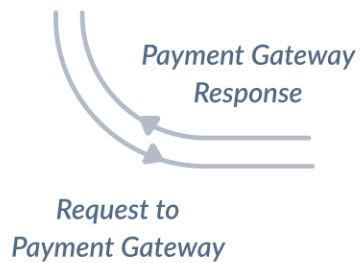
CARD PROCESSING



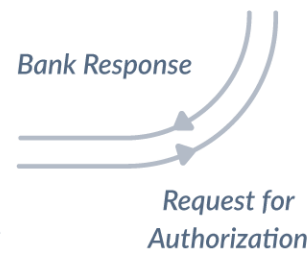
CHARGELEE



MERCHANT BANK'S PROCESSOR



PAYMENT GATEWAY



Chargebee is growing 100% year-on-year, and the company is on track to strike an annual recurring revenue of \$70 million. It has 3000 customers including Okta, Freshworks, Fujitsu etc.

Chargebee has a bold vision for new products for multiple market segments. It is an emerging market leader reinventing the broader space.

2) Ginger

Headquarters- San Francisco, USA

Founders- Alex Pentland, Anmol Madan, Karan Singh

Founded Year- 2011

Funding- \$220 million

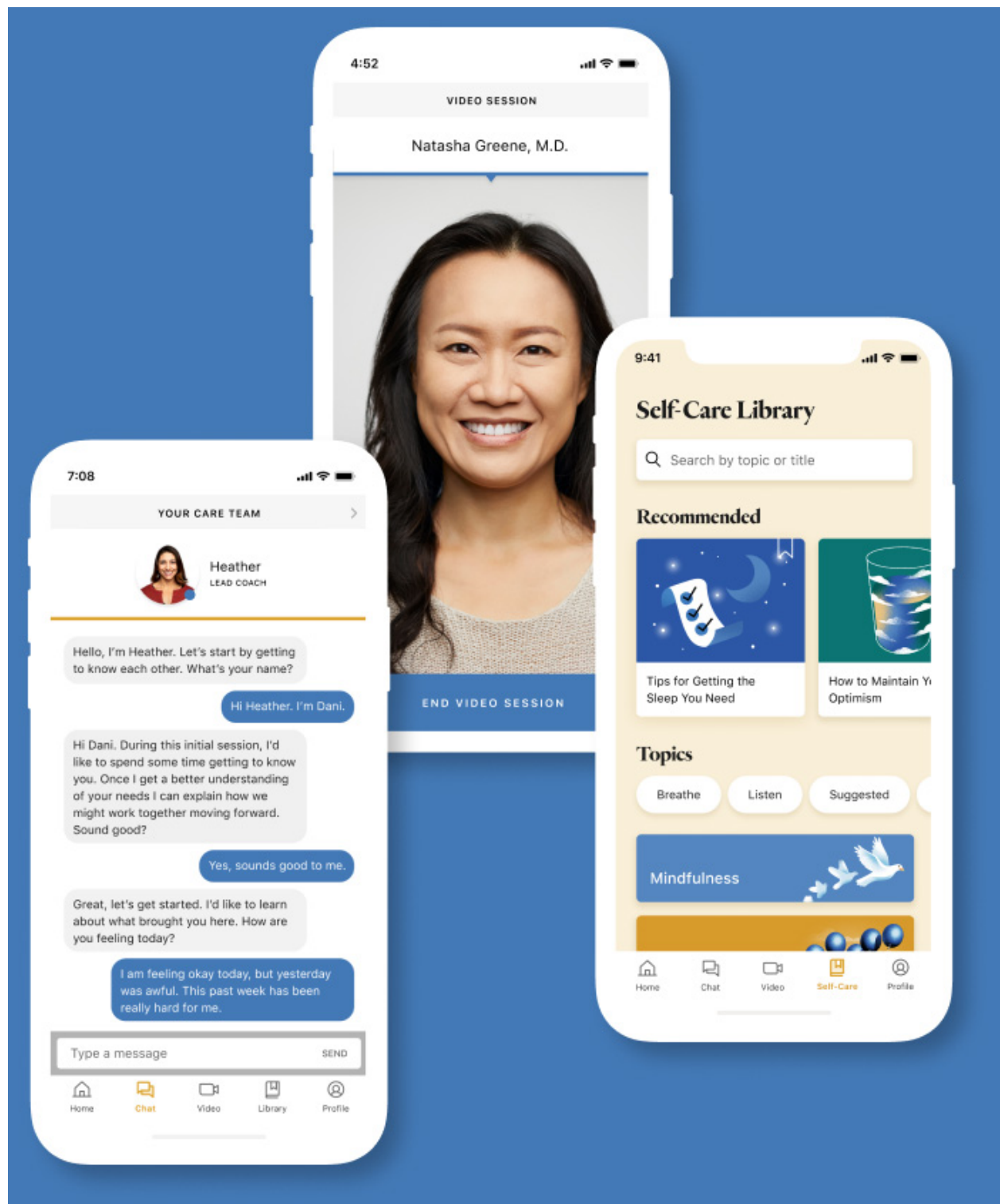
Valuation- \$1.1 billion

Investors- Bessemer Venture Partners, Blackstone Group, Khosla Ventures

Ginger works with organisations and their healthcare providers to provide employees with an app-based way to connect with coaches to talk through their issues. The startup couples data science and virtual health delivery to provide immediate, personal support for anyone.

Ginger, founded by a team of scientists at the MIT Media Lab, started life initially with a platform that would monitor a user's smartphone habits to detect mental health issues and connect that user with a professional. Ginger has now retired this in favour of a service in which the users make the first move.

The first move comes in the form of a text message, which an employee can send 24/7 and receive a response in 60 seconds. The traditional way of speaking to a counsellor/therapist can take up to 25 days by which point the problem may have become significantly worse. Speed is Ginger's main value-proposition for users. Some of Ginger's users continue with text-based coaching, while some may get referred up the ladder to video-therapy/video-psychiatry. Ginger also offers same-day prescription delivery via Capsule.



Ginger's care teams develop a customised care plan for the user. It also offers clinically-validated resources to help manage anxiety/stress.

Clinically validated to help people feel better.

70%

Ginger Care

30%

Leading clinical study

Percentage of members who show clinically significant improvements in symptoms of depression after 10-14 weeks of care.

Mental health progress is tough to track. Ginger's platform scans and assesses information from sessions & gathers insights in order to deliver a more effective care overtime. Ginger's technology has almost 1.3 billion data-points.

In 2020, Ginger launched a value-based model that allows employers to offer every eligible employee and adult dependent access to Ginger's entire spectrum of care for a fixed fee. Ginger now has partnerships with employers such as Sephora, Pinterest, Domino's etc. It plans to grow partnerships with multinational employers & insurance companies such as Cigna. It is also provided as an in-network benefit with regional & national health-plans.

Ginger is a purpose-led startup. It's planning to extend its reach to support underserved populations through government payer relationships & collaborations with non-profit organisations.

Ginger is growing 200% year-on-year with revenues of \$90 million in 2020. It is poised to take on the digital mental-health revolution.

3) Clio

Headquarters- Vancouver, Canada

Founders- Jack Newton, Rian Gauvreau

Founded Year- 2008

Funding - \$386 million

Valuation- \$1.6 billion

Investors- TCV, Bessemer Venture Partners, T. Rowe Price

Clio is a vertical SaaS company. Its platform aims to serve as an operating system for lawyers, offering cloud-based legal practise management, client intake, and legal customer-relationship-management (CRM) software. Bungling in the legal profession can have dire consequences. If a lawyer misses a court date or forgets a filing deadline, their client may be forced to pay a hefty fine, or may land up in jail. A missed clause in a contract can mean the difference between a healthy profit, and a client losing millions. These mistakes can lead to a lawyer being disbarred.

Small law firms/solo practitioners/non-profits simply don't have the support infrastructure or resources to help them avoid mistakes. Previously, law practise management software existed but it was expensive, hence, only big law firms had access to it. 80% of law firms employ less than 10 lawyers, and 50% of lawyers are solo practitioners. This was a massive market being underserved. This led to the formation of Clio.

Services:

- 1) Comprehensive Case Management- Categorisation of information, & matter
- 2) Document Management- Automation of documents, document editing, e-signatures, unlimited document storage
- 3) Faster Billing- Invoice management, reimbursable expenses

00901 - Rodman Klein & Stuggart

Financial

Budget **\$2,320,484.00** / \$4,325,000.00 Remainder: **\$2,330,515.00** Budget forecast **4318.1 hours at \$250.00/hr**

Total time **\$20,472.00 (101.8 hours)** Total expenses **\$23,639.98**

Balance outstanding
\$18,370.58

Trust funds **\$25,000.00** [Send request](#)

Details

Matter description Divorce from Jenny Stuggart (contested) – separated since May 2016	Practice area Family Law
Responsible attorney Richard Mayhew	Status Open
Originating attorney Jimmy James	Open date 02/02/2014
Client reference number 0223984	Pending date —
Location Phoenix, Arizona	Close date —
	Limitations date 07/06/2017 (satisfied)
	Billable Yes, hourly
	• Richard Mayhew (\$250.00/hr)
	• Jimmy James (\$200.00/hr)

Contact

Klein Rodman
Client

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Address **319 Galls Ave**
Red Deer, Alberta, Canada
V5K 3P9 (Work)

Timeline

Yesterday, May 13, 2017

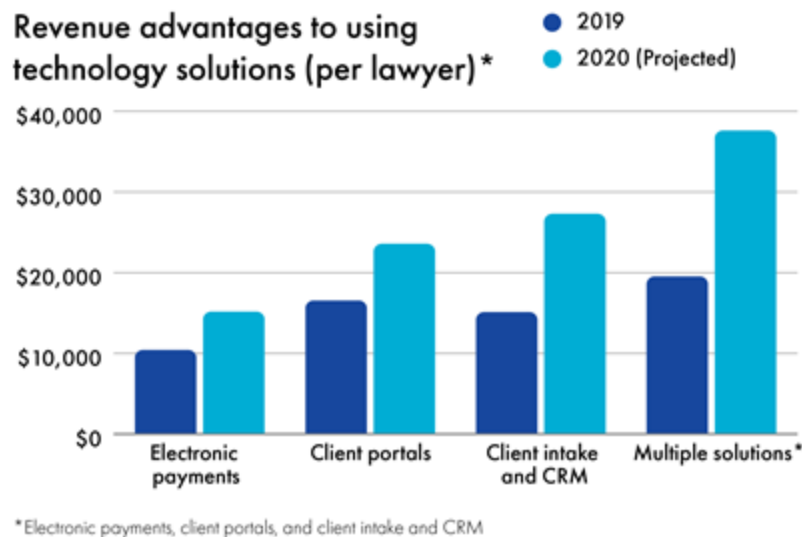
- Richard Mayhew** updated matter. 2:46pm
- Richard Mayhew** started task 'Schedule a meeting with client'. 9:35am

May 12, 2017

- Richard Mayhew** updated Invoice 1234. 4:27pm
- Richard Mayhew** completed task 'Conduct conflict check'. 4:20pm

The global legal operations software market will reach \$3.5 billion by 2027. In 2018, Clio acquired Lexicata, a Los Angeles-based software provider. Lexicata's product then served as the foundation for Clio Grow, a client intake & invoicing toolkit.

Clio wants to shift the paradigm on the concept of legal services and who can access them. Historically, hiring a lawyer was considered hugely expensive, and was only available to the few who could afford them. This was due, in large parts, to all sorts of inefficiencies that make a lawyer's job time-consuming, leading to larger bills. Clio has been influential at automating redundant legal tasks, which has allowed lawyers to deliver services at accessible price-points. Clio is also helping lawyers deliver legal services from a co-working space or from home.



COVID-19 accelerated Clio's adoption since lawyers were suddenly forced to adapt to new technology. Clio is particularly growing in the EMEA region with focus on the UK & Ireland. It now has 150,000 customers in 100 countries.

The move to digital-first law firms is a permanent one as consumer expectations and behaviours change, and Clio is at the forefront of this shift.

4) Papaya Global

Headquarters- Tel Aviv, Israel

Founders- Eynat Guez, Ofer Herman, Ruben Drong

Founded Year- 2016

Valuation- \$1 billion

Funding- \$194 million

Investors- IVP, Scale Venture Partners, Greenoaks Capital

Papaya Global is a people & payroll services technology company that enables businesses to pay all of their international workers using a single software platform, across more than 140 countries, regardless of the employment status of the worker.

Companies are facing pressures from three factors:

- 1) Tight labour markets, pushing companies to look globally for quality candidates
- 2) Remote work patterns, where COVID accelerated technology-driven changes in employee preferences & employee requirements.
- 3) Globalisation, where growth-opportunities present themselves in new regions.

These factors are building and tend to become highly manual, labour intensive processes. Traditionally, this market has lacked digital solutions. Companies cobble together salary, bonus, commission data from different databases, then email that data to each country's payroll provider.

Papaya's SaaS solution acts as an aggregation on top of third-party in-country partners (ICPs). This technology streamlines the management of the global workforce. Employers of any size can aggregate payroll processing as well as related tasks such as reporting, certification, and employee management. Papaya manages to provide a consolidated view of a disparate, non-digital process.

The screenshot displays the Papaya Global SaaS interface. At the top, the Papaya Global logo is on the left, and navigation icons for a star, a bell, and the Blue Eagle logo are on the right. Below the logo is a dark blue navigation bar with links for Dashboard, Payroll, Files, Reports, and Settings. The main content area is divided into a left sidebar and a right main panel. The sidebar shows the profile of Dustin Meyer, an Enterprise Support Engineer, with his project (Blue Eagle, UK), worker IDs, payment cycle (Bi-weekly), and active services (Payroll in Singapore). The main panel has tabs for PAYMENTS, PERSONAL DATA, COST PLAN, PAYROLL DATA, TAXES, PAYMENT DATA, and DOCUMENTS. The PAYMENTS tab is active, showing a 'Pending Payments' section with a table of pending payments and a 'Payment History' section with a table of historical payments.

Ref Invoice ID	Payment Period	Due Date	Gross Payment	Status
Blue-Eagle-UK_PT-13_17-05	01 – 31 Apr 2019	30 Apr 2019	6,784.00 USD	Pending

Payment Period	Payday	Gross Pay	Status	Ref Invoice ID
March 2019	30 Mar 2019	5,837.00 USD	Paid	
February 2019	28 Feb 2019	5,837.00 USD	Paid	
January 2019	30 Jan 2019	5,837.00 USD	Paid	
December 2018	30 Dec 2018	5,837.00 USD	Paid	
November 2018	29 Nov 2018	5,837.00 USD	Paid	
October 2018	30 Oct 2018	5,837.00 USD	Paid	

Platform:

Hire- Employ team members globally

Onboard- Integrate team members quickly

Manage- Compliance, accuracy, security

Pay- Cross-border payments made easy

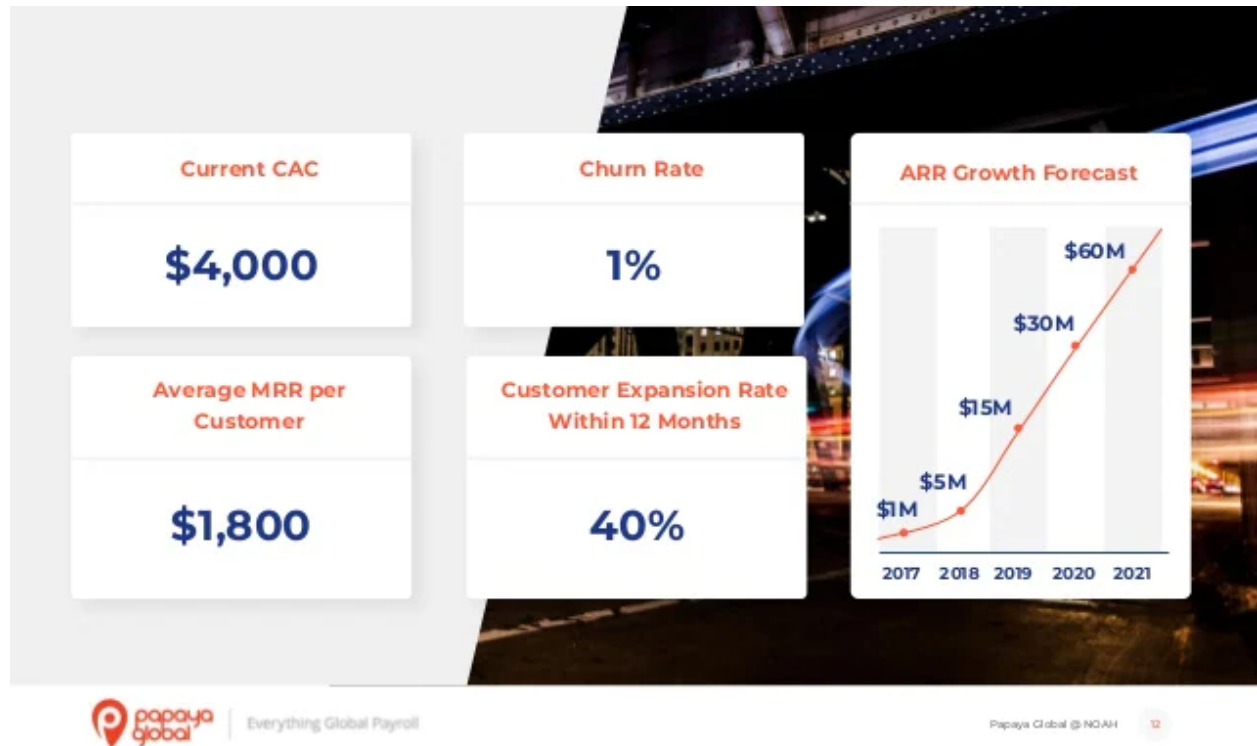
Payroll pricing: \$20-\$100 per employee, per month

Global employee-of-record pricing: \$770-\$1000 per employee, per month

Contractor management pricing: \$25 per employee, per cycle

Payroll intelligence suite: \$250-\$320

Papaya Global now counts Toyota, Microsoft, McDonald's, Wix as its clients. It has been growing 300% year-on-year for the past 3 years.



Papaya Global has built a best-in-class solution to onboard new employees, automate payroll, and manage global workforce through a single platform. It is simplifying an increasingly complex process for some of the world's biggest companies.

5) Collibra:

Headquarters- Brussels, Belgium

Founders- Felix Van De Maele, Pieter De Leenheer, Stijn Christiaens

Founded Year- 2008

Valuation- \$2.3 billion

Funding- \$346.5 million

Investors- CapitalG, Battery Ventures, ICONIQ Capital

Collibra is the leader in the data governance & data catalog industry. Data protection & privacy regulations, as well as a growing number of data breaches, have put a spotlight on not just the vast troves of data businesses & other organisations hold on us, but also

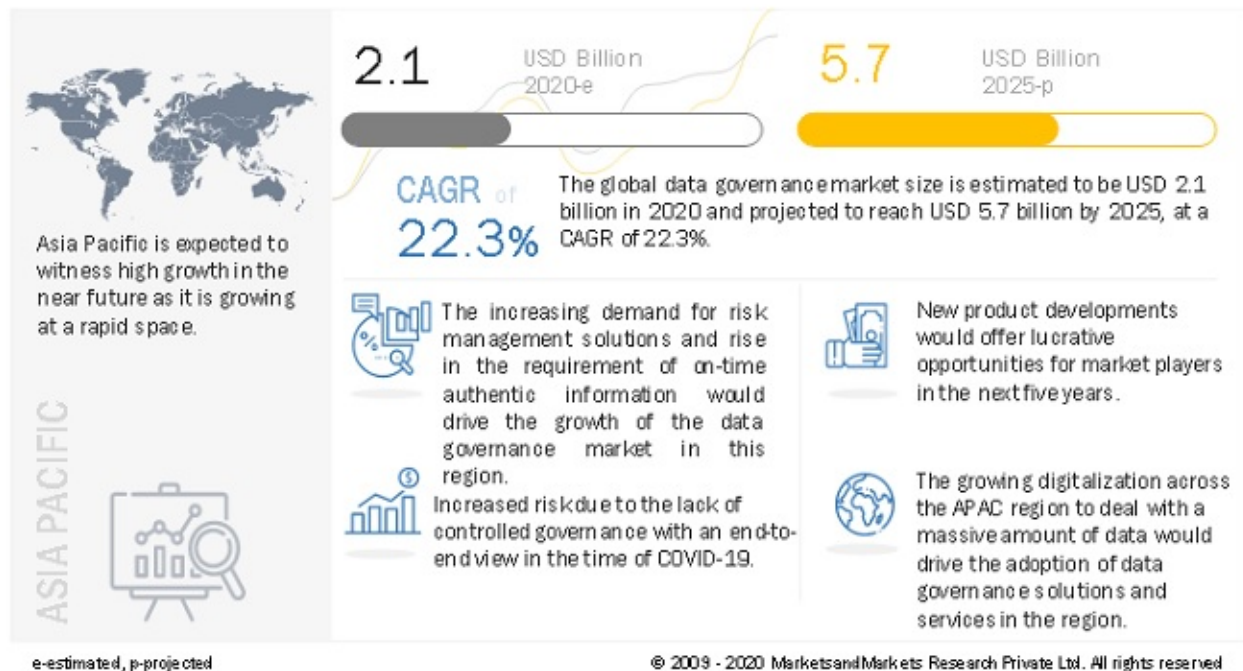
how they handle it. Collibra provides tools to manage, warehouse, store, & analyse vast troves of data.



Data intelligence is the ability to understand and use data in the right way. It is the output of connecting the right data, insights, & algorithms.

Collibra's services: Data Governance, Data Catalog, Data Quality, Data Privacy, & Data Lineage. These are all features/products that have had place in enterprise big data IT, but they have become increasingly more used as data policies have expanded. Collibra's customers include Adobe, Verizon, & AXA Insurance.

Attractive Opportunities in the Data Governance Market



trolled completely through the means of a mobile app. App allows users to track transactions in real time & block credit cards.

6) Loft

Headquarters- Sao Paulo, Brazil

Founders- Damani Norman, Florian Hagenbuch, Gustavo Saraiva, Joao Vianna, Kristian Huber, Marcus Grigoletto, Marianna Paixao, Mate Pencz

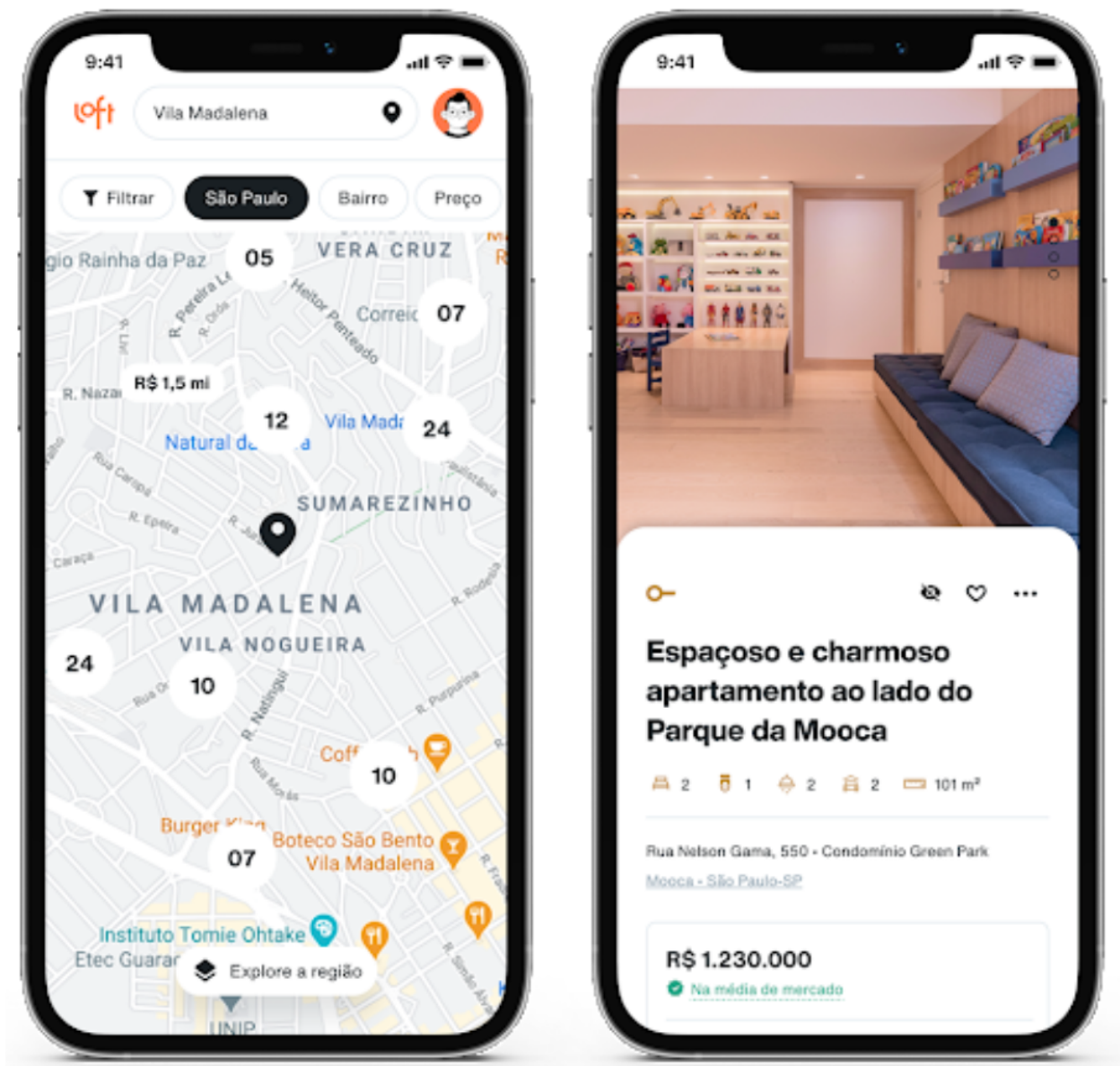
Founded Year- 2018

Valuation- \$2.2 billion

Funding- \$788 million

Investors- DST Global, Andreessen Horowitz, Altimeter Capital

Loft is reinventing the home buying and selling process in Latin America. It uses technology and data to simplify the process. Loft is an iBuyer company - iBuyers use online technology to estimate a home's value and make an offer to the owner in one or two days. If the offer is accepted and the sales transaction closes, the iBuyer assumes the responsibility of owning, marketing, and reselling the home.



Loft's product, and the Brazilian market, offer very attractive earning opportunities at the moment. The Brazilian macroeconomic context favours the acquisition of apartments by the population with the financial capacity to migrate from rent to operation. Bank interest rates are at the lowest level in the country. The pandemic - and work from home model - generated strong demand for home appreciation.

Loft's Advantages:

- 1) Fully digital journey
- 2) Pricing based on information from their marketplace & on history of real transactions

Although Loft's business model is more capital intensive, it increases the profit-potential per transaction. Loft's value proposition for sellers is speed of transaction. Loft also provides refurbished flats with decoration, provided through their partners and guaranteed by Loft. Hence, Loft provides ready-to-move apartments instead of worn-out, dilapidated homes commonly sold in Brazil.

In the early months of 2020, Loft expanded to other Brazilian cities & Mexico. The company is also expanding into new product categories. Loft entered the mortgage business by acquiring a large mortgage brokerage business. It is now one of the top-three mortgage originators in Brazil.

To Loft, the opportunity is huge with a \$6 trillion residential real-estate market in Latin America. Brazil does not possess a listings database (like the MLS in the US). Furthermore, the real-estate market is opaque, slow, and bureaucratic. Loft recorded revenues of \$150 million in 2020. Today, the company has 13,000 listings with 30,000 brokers.

7) Convoy:

Headquarters- Seattle, USA

Founders- Dan Lewis, Grant Goodale

Founded Year- 2015

Valuation- \$2.7 billion

Funding- \$665.5 million

Investors- Y Combinator, Greylock, CapitalG

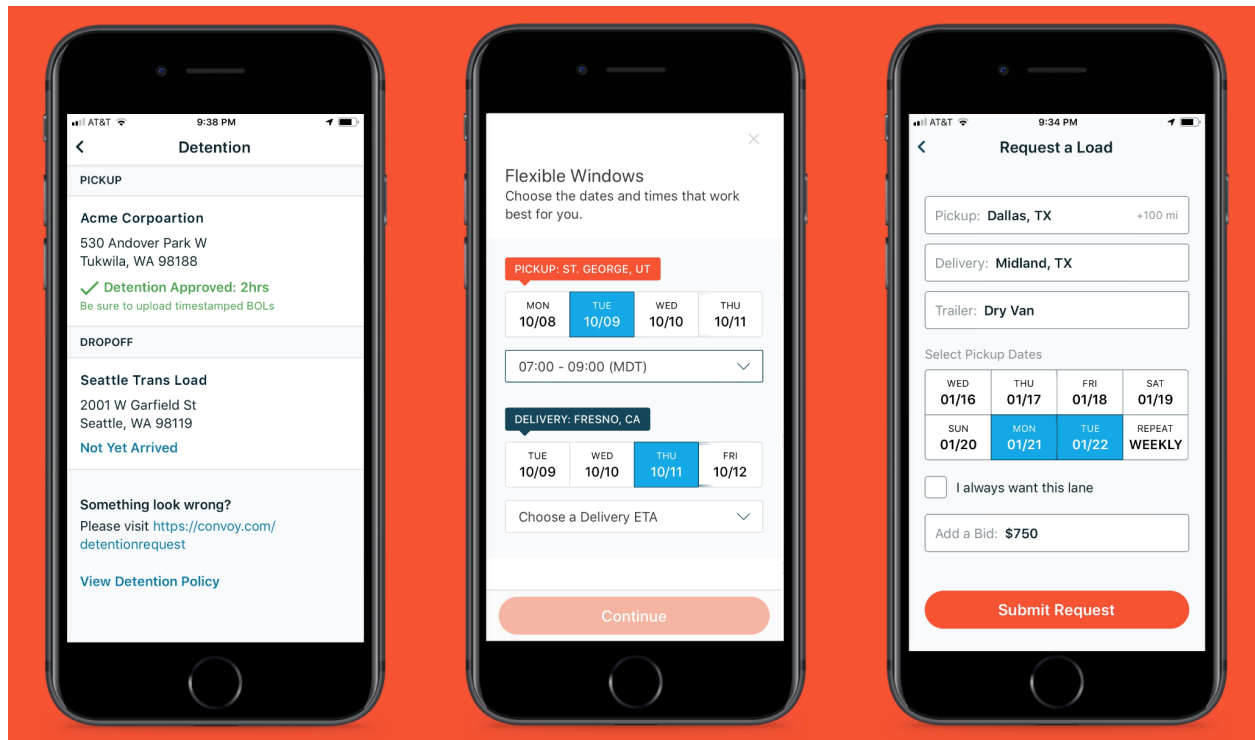
Convoy, also known as the 'Uber for Trucking', is a trucking software company. Truck freight is a large industry globally, however, it is chaotic, highly fragmented, and a logistical nightmare. Shippers, trucking companies, and drivers rely on brokers who coordinate shipments on call. It is a highly time-consuming & cumbersome process.

Convoy is an online marketplace that brings efficiency to the trucking industry. In building an online marketplace, Convoy has solved 4 key industry frictions:

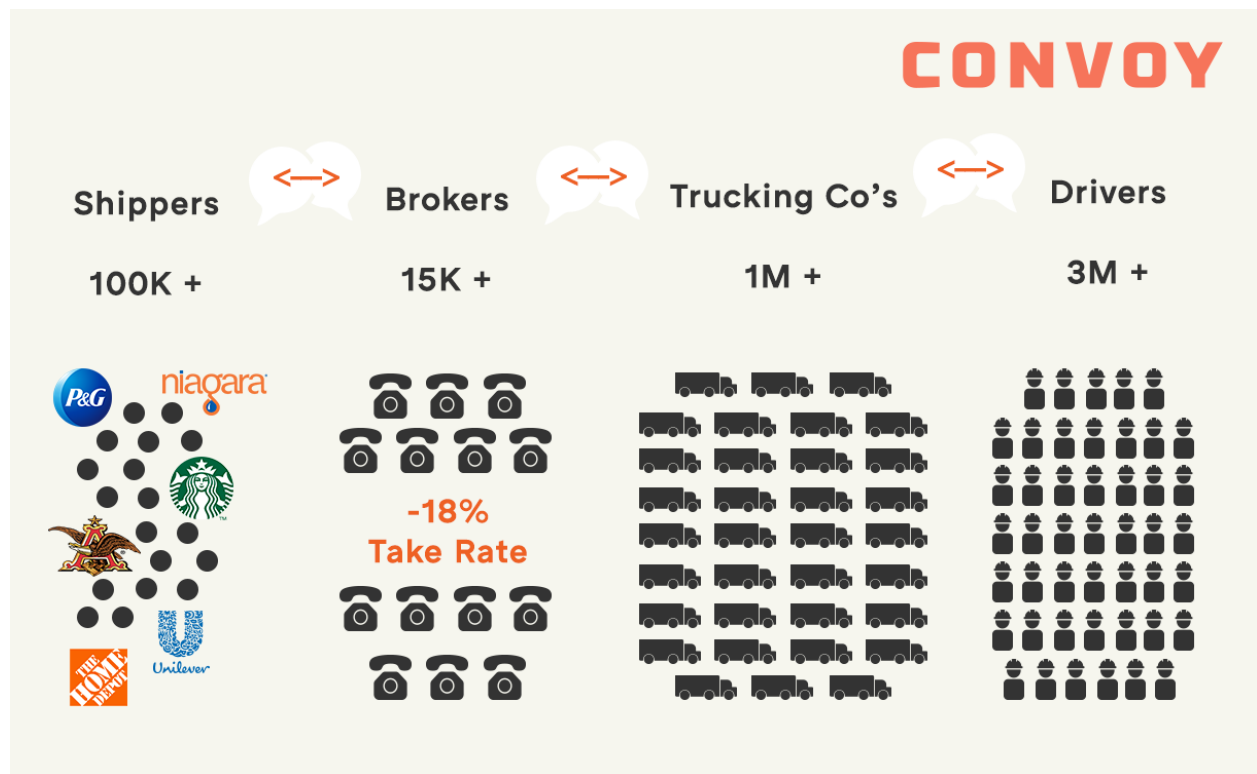
- 1) Fragmented market
- 2) Complex supply & demand matching requirements
- 3) Highly volatile truck prices
- 4) Driver shortage

By building a network that aggregates demand & supply, Convoy has replaced middlemen with efficient algorithms. Today, Convoy brokers 100% of loads in its top markets, bundles shipments, and optimises the shortest trip possible.

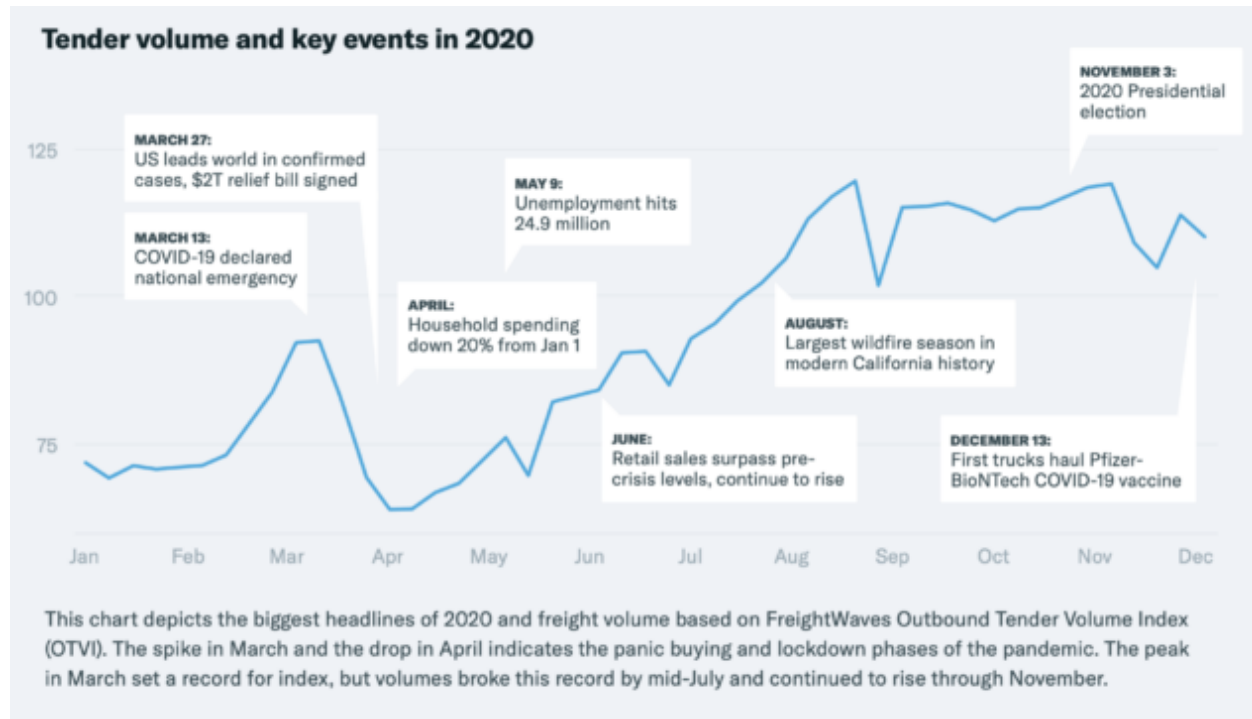
Convoy has built a software that incorporates shipment criteria with real time supply & demand data to generate matches. Convoy has been successful at eliminating the standard broker fees for shippers, and reducing empty miles, resulting in higher driver earnings and less waste. It has also improved carrier on-time rate by tracking carrier & shipment progress.



Unlike Uber & Lyft, Convoy cannot increase the number of drivers, since trucking requires commercial licenses & special vehicles, however, Convoy has made trucking more attractive to potential drivers in the long-run. Drivers can use Convoy's mobile app to sign-up and book their first load. Convoy also launched Convoy Go, a network of preloaded trailers that can be picked up by any truck driver. Drivers can increase revenue-earning miles by 25% by switching to Convoy.



Instead of charging a fee, Convoy's business model is based on the spread between the shipper's willingness to pay and the carriers' pricing expectations on that route. Convoy is able to provide an estimate to shippers and run an auction on the carrier side.



Convoy generated \$300 million in revenues in 2020. While Convoy is leading the way, freight's offline to online transition is still in its early days. Much like Instacart in grocery, DoorDash in food delivery, it is only a matter of time before Convoy becomes a market leader in freight.

8) Mux

Headquarters- San Francisco, USA

Founders- Adam Brown, Jon Dahl, Matt McClure, Steve Heffernan

Founded Year- 2015

Funding- \$174 million

Valuation- \$1 billion

Investors- TPG Growth, Accel, Dragoneer

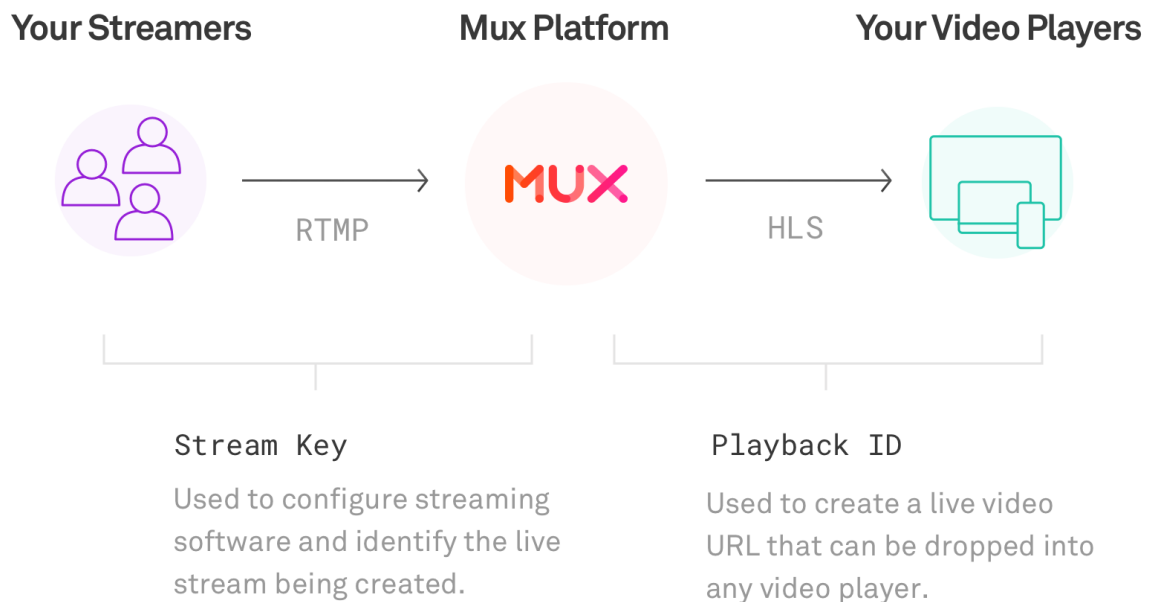
Video has become the primary vehicle for interaction with the outside world, whether through our laptops or fitness bikes streaming content to our fingertips. While Netflix, YouTube, Amazon have traditionally dominated viewing time, we're seeing more applications add streaming or live-video across e-commerce, entertainment, and education.

Building and scaling large streaming video is a hard engineering problem that requires code, managing browser & platform support, and continually optimising performance

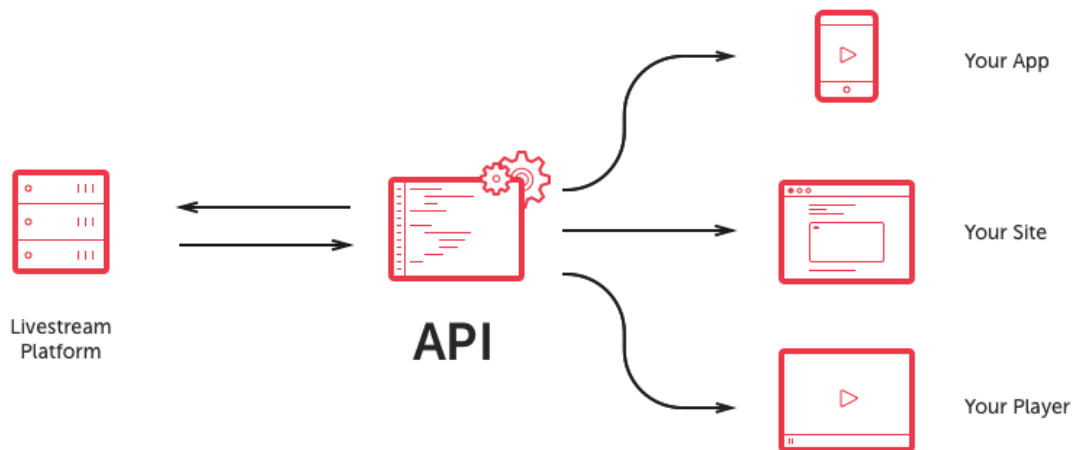
while minimising storage & bandwidth costs (OTT streaming services use 60% of global internet bandwidth).

Mux is a video Application-Programming-Interface (API) that brings the video infrastructure of large media companies to any developer, and they can incorporate video at any scale. Mux handles the encoding, storage, and delivery of video. Quality-of-Experience (QoE) and performance analytics provided by Mux is included by default for every Mux video stream. The real-time data is used to create the right renditions for every device, resulting in greater reliability and better viewer experiences.

Mux Live Streaming Overview



Mux possesses A/B testing & performance features that enable content creators to pick players, content delivery networks, and ad-servers. Mux also has a built-in tool that lets them spot problematic browsers, devices, regions, players etc, and a live-streaming dashboard that notifies content developers of top titles, video startup time etc.



Pricing:

Encoding- \$0.05/minute

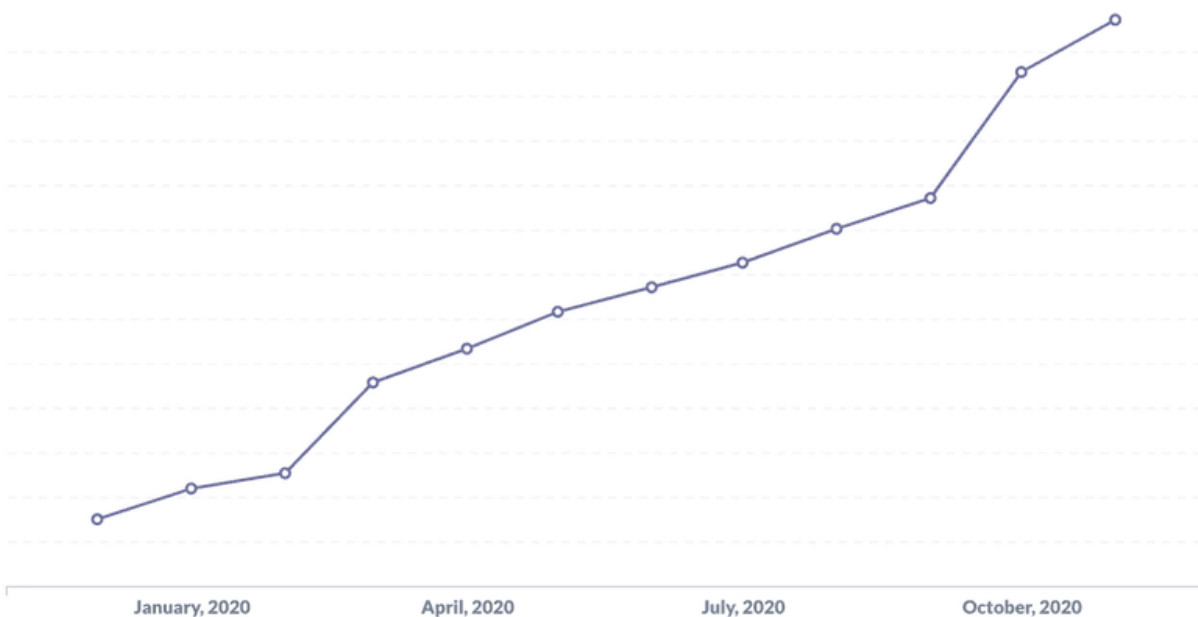
Storage- \$0.003/minute

Streaming- \$0.0012/minute

Customers such as Robinhood, VSCO, Soulcycle are working with Mux to increase the reach to their end users. Mux also has a data product that powers sports & music events, including the Super Bowl which had 3.4 million livestreamers.

Video plays a fundamental role in how we communicate and every software company has video as a core part of its products. Demand increased dramatically during the pandemic: Mux's revenue quadrupled, on-demand streaming via its platform grew by 300%, live-video streaming grew by 3700%.

Mux has worked quietly in the shadows, but has a vast influence nonetheless. As the video industry continues to grow, Mux is taking opportunities that allow the company to help developers solve modern challenges by making large amounts of data accessible and providing deeper insights into users' video experiences.



Mux's 2020 Growth Chart

9) BharatPe:

Headquarters- New Delhi, India

Founders- Ashneer Grover, Bhavik Koladiya, Shashvat Nakrani

Founded Year- 2018

Valuation- \$900 million

Funding- \$290 million

Investors- Sequoia Capital, Ribbit Capital, Coatue

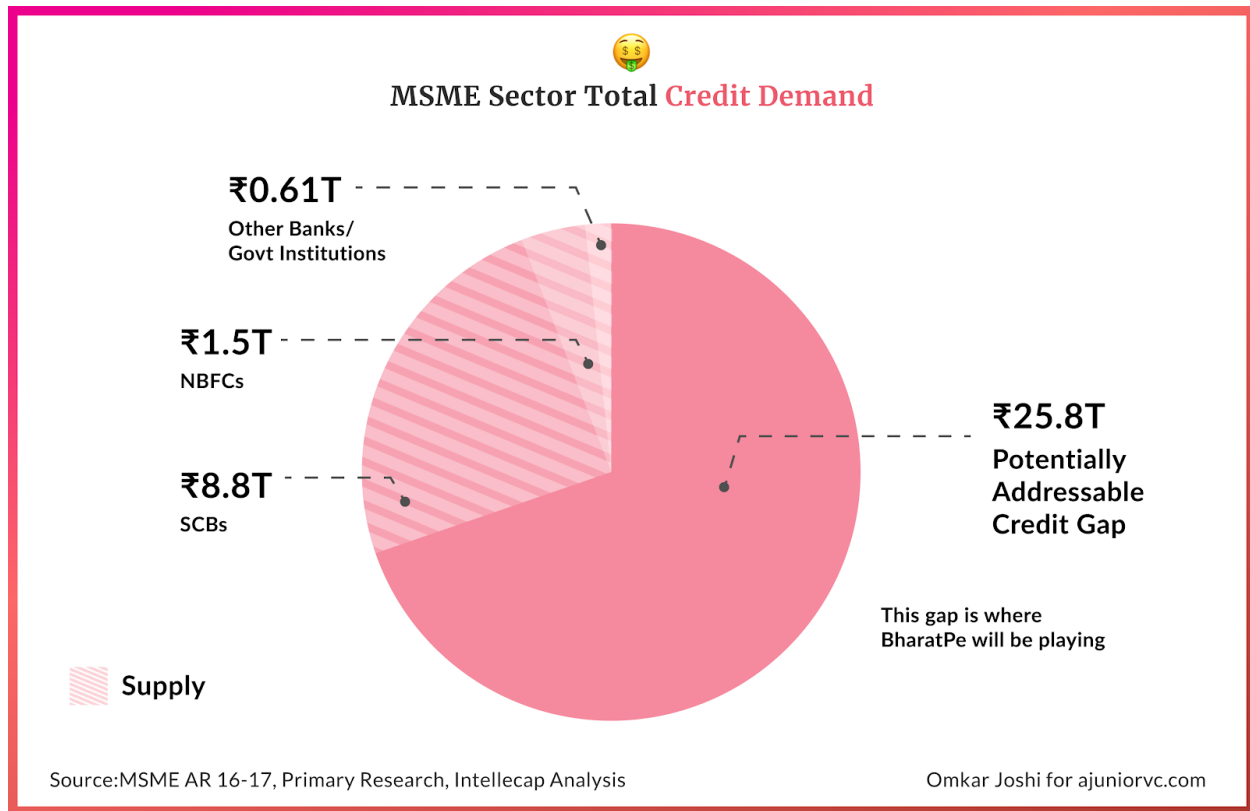
BharatPe operates a service that helps offline merchants accept digital payments & secure working capital. To make merchants comfortable with accepting digital payments, BharatPe relies on QR codes & point-of-sale machines that support the government-backed Unified Payments Interface infrastructure.



India's fintech landscape is rapidly changing with various payment apps such as PhonePe, Paytm, & Google Pay. Previously, Paytm users could only use the app with merchants who accepted Paytm, and likewise for PhonePe & Google Pay. This led to merchants requiring QR codes of multiple companies for them to accept payments from different apps. BharatPe made things easy by developing standardised interoperable QR code.

India is the second largest growing internet market with almost 800 million users, however, much of the country is still offline. Among those outside the reach of the internet are merchants running small businesses like *kiranas* (mom & pop stores), & tea-stalls. BharatPe generates a QR code for such merchants using their mobile number, account number, and bank code to generate a unique code. BharatPe has also deployed 50,000 PoS machines. BharatPe does not charge merchants for generating QR codes or deploying machines.

BharatPe's QR code is free as it is the hook. It also offers small-ticket-loans to SMEs and merchants. 85% of capital demand for SMEs is met through informal sources, which led BharatPe to delve into this mountain of opportunity. Credit gap for SMEs in India stands at \$380 billion. Although the QR/PoS business is loss-making for BharatPe, it gives them access to merchants who trust them and take their offerings without apprehension. The lending business grew by 10x in 2020.



BharatPe provides short-term loans of about \$500 for 3 months with a limit increase to \$2000 depending on the merchant. BharatPe's growth could be attributed to its successful identification of a niche within offline merchants. The Indian digital lending market may grow to \$350 billion by 2023, and BharatPe has an annual payments volume of \$4 billion.

BharatPe has become an integral part of the merchant's business, and could win by proving to be the merchant's lending tap.

10) Udacity

Headquarters- Mountain View, USA

Founders- David Stavens, Mike Sokolsky, Sebastian Thrun

Founded Year- 2011

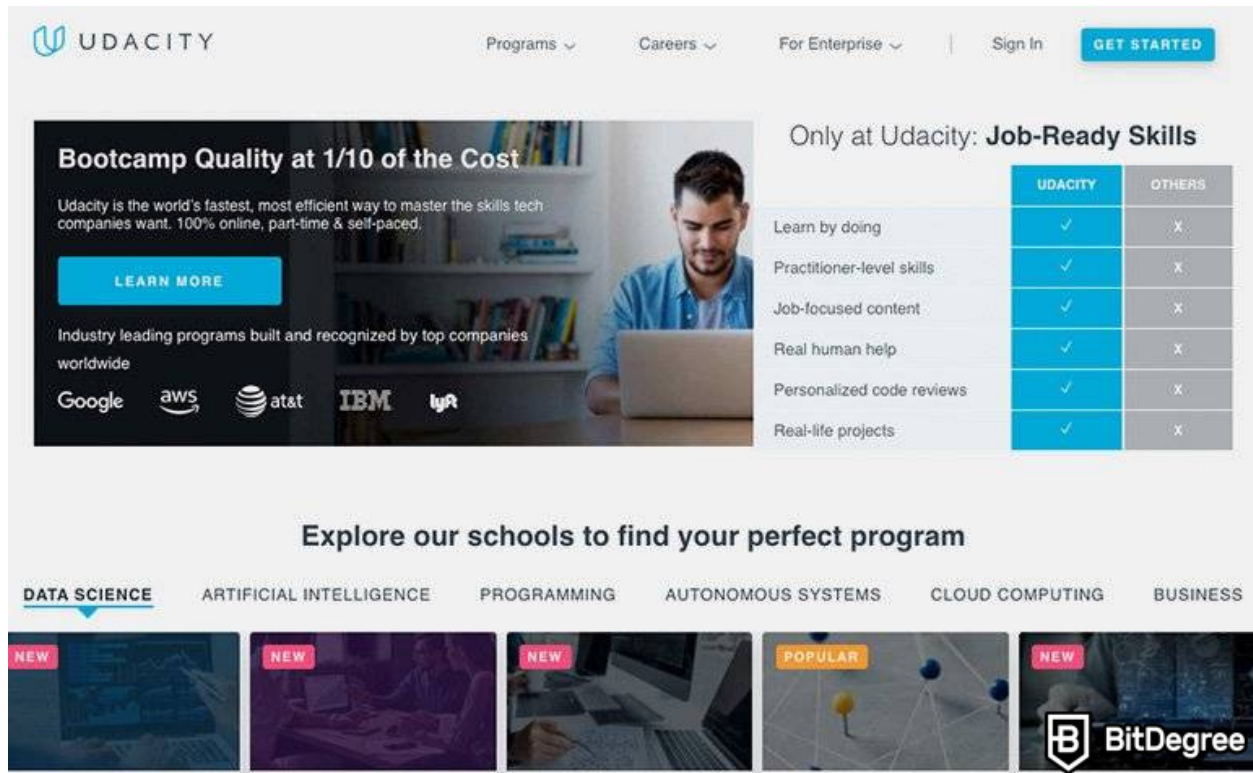
Valuation- \$1 billion+

Funding- \$235 million

Investors- CRV, Andreessen Horowitz, Baillie Gifford, Bertelsmann

Udacity is a for-profit educational organisation offering massive open online courses. Udacity popularised the concept of 'nanodegrees' in tech-related subjects. It offers courses in:- Artificial Intelligence, Autonomous Systems, Business, Cloud Computing,

Cybersecurity, Data Science, Programming, & Product Management. Udacity offers free courses & University credit courses as well.



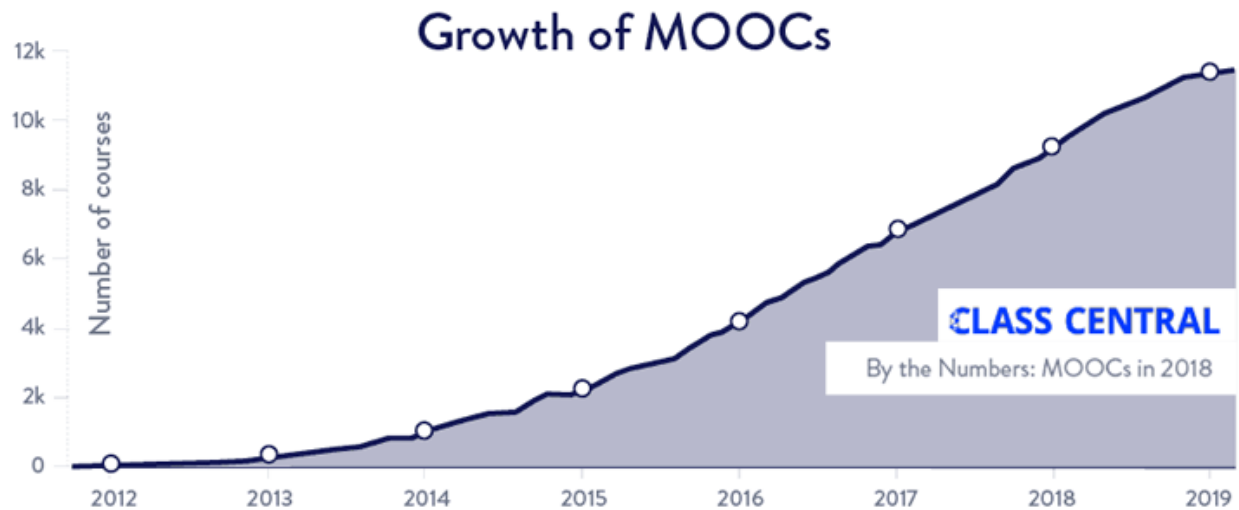
The image shows the top section of the Udacity website. At the top is the navigation bar with the Udacity logo, links for 'Programs', 'Careers', 'For Enterprise', 'Sign In', and a 'GET STARTED' button. Below the navigation bar is a large banner. On the left side of the banner, it says 'Bootcamp Quality at 1/10 of the Cost' and 'Udacity is the world's fastest, most efficient way to master the skills tech companies want. 100% online, part-time & self-paced.' There is a 'LEARN MORE' button. Below this, it says 'Industry leading programs built and recognized by top companies worldwide' and lists logos for Google, AWS, AT&T, IBM, and Lyft. On the right side of the banner, it says 'Only at Udacity: Job-Ready Skills' and features a table comparing Udacity's learning methods to other providers.

	UDACITY	OTHERS
Learn by doing	✓	x
Practitioner-level skills	✓	x
Job-focused content	✓	x
Real human help	✓	x
Personalized code reviews	✓	x
Real-life projects	✓	x

Below the banner is a section titled 'Explore our schools to find your perfect program' with a horizontal menu of categories: DATA SCIENCE, ARTIFICIAL INTELLIGENCE, PROGRAMMING, AUTONOMOUS SYSTEMS, CLOUD COMPUTING, and BUSINESS. Below the menu are five program cards. The first three are labeled 'NEW' and the fourth is labeled 'POPULAR'. The fifth card is for 'BitDegree' and is also labeled 'NEW'.

Udacity's courses are created in cooperation with other companies, including the likes of Facebook, Intel, Google, or educational institutions like Stanford University. To ensure that students obtain maximum benefits from the content, Udacity provides technical support mentors and personal career coaches.

Udacity's journey to profitability was accelerated due to the pivot to enterprise services, targeting businesses and governments that are looking to upskill workers to give them tech expertise and make them more relevant in today's world. The company delivers these courses in the so-called 'nanodegree' format, consisting of multiple lectures and homework assignments.



'Nanodegrees' can last anywhere from 2-6 months. Courses are offered either via a one-time payment or a subscription service. They can range anywhere between \$718 and \$1436. Udacity said this part of the business is growing rapidly, with bookings up 120% year-on-year and average run rates up by 260%.

The world's largest aerospace, professional services, pharmaceutical companies, and Egypt & Saudi Arabia's governments work with Udacity to build tailor-made courses for their specific needs.

Udacity is seeing tremendous growth on the enterprise & government side. Till date, it's been inbound, and now Udacity is building a dedicated sales team to go after clients.

