



Purdue Ventures Company Funding Strategy Elements

Company Name
Date
Completed by
Position
Counsel/Law Firm

Round: Founders - Seed - A - B – Other (Specify)

Amount Sought
Preferred Form (Debt or Equity with specific preferred terms)
Use of Proceeds
Time Frame - To Complete Round
Time Frame - Use of Funds

Describe the characteristics of your target investors:

Targeted Investors (Top 6)

Who (specifically)
Why (does it make logical sense to target them)
Approach/Leverage (how will you achieve a first meeting)

Preferred Lead
Rationale
Preferred Terms
Rationale

Capital Raised To Date (All prior rounds)
Form - (Debt or Equity with specific actual terms)
Attach current capitalization table
Attach all current and previous offering documents
Anticipated Future Rounds

Pre-Funding Checklist:

- Comprehensive Business Plan
- Deal Room Prepared
- Sound and verified financial projections
- Financing Strategy Roadmap
- Historical financials (if applicable)
- Accurate cap table
- Sound and reviewed pitch deck
- Sound and reviewed executive summary
- Regular company/investor update vehicle

Resources

- ✓ Crunchbase - <https://www.crunchbase.com/>
- ✓ Venture Deals, 3rd Edition - Brad Feld and Jason Mendelson
- ✓ www.askthevc.com/resources
- ✓ <https://www.marsdd.com/collections/introduction-to-investment-readiness/>
- ✓ <https://www.marsdd.com/collections/startup-finance/>
- ✓ The Art of the Start – Guy Kawasaki
- ✓ <https://startupxplore.com/en/blog/types-startup-investing/>
- ✓ <https://www.entrepreneur.com/slideshow/299773>

Purdue Ventures - Company Funding Strategy

Company Name Digital Visualizations, Inc. Date 10/01/19

Completed by Thomas Roberts Position CEO

Counsel/Law Firm Quarles and Brady (317-888-0046)

Pre-Funding Checklist:

- ✓ Comprehensive Business Plan
 - ✓ Deal Room Prepared
 - ✓ Sound and verified financial projections
 - ✓ Financing Strategy Roadmap
 - ✓ Historical financials (if applicable)
 - ✓ Accurate cap table
 - ✓ Sound and reviewed pitch deck
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Round (Check One): Founders Seed A B Other

Amount Sought: \$750,000 Preferred Form: Convertible Note

Use of Proceeds:

- 1. Full time developer/web designer to build and maintain SaaS platform and web presence. One year runway @ \$125k**
- 2. Complete industrial design of post-prototype product, including tooling buildout. Rhys and Smith Design @ \$450k**
- 3. Attend four product trade shows (sales). One year runway @ \$85,000**
- 4. Hire one inside sales rep. One year runway @ \$65k (fully loaded)**
- 5. Balance for maintaining operating costs for one year at our current rate. \$25k**

Time Frame:

To Complete Raise: By 12/31/19

Use of Funds: One Year Runway

Describe the characteristics of your target investors:

Targeted Investors (Top 6)

Who

Why

Approach/Leverage

1. Pyramid Ventures

Why: They support job growth in the state and have a history of investing in seed stage companies that are creating jobs.

Approach: Already received a warm introduction to one of their EIRs through John Smith. Plan to meet soon with the EIR to introduce our company.

2. Central State Angel Network

Why: We presented to them six months ago and they asked us to return once we detailed out our business plan – which is now comprehensive.

Approach: Call Gil Washington to get scheduled into one of their evening pitch events.

3. Warsaw Seed Capital

Why: They are within 200 miles of us and have a history in investing in seed stage companies. According to Crunchbase, they have \$3M in dry powder and are looking for investments in the SaaS space.

Approach: See if either Elevate or Central State has any warm connections into this fund and would be willing to make an introduction; if not, canvass our networks to see if anyone has a connection; if not, cold call some time in next three months.

4. Smith Elkins

Why: One of the oldest, most successful venture funds in the world. They recently started a seed fund and have invested out of that fund in companies similar to ours.

Approach: Canvass our networks on the chance someone has a connection into KP; otherwise, check LinkedIn for 2nd or 3rd tier connections into any KP partners; failing that, cold call; as a last resort, send them our executive summary with a cover letter.

5. Friends and Family

Why: We still have friends and family asking to participate; our reluctance is that we don't think they can fill our entire round.

Approach: See what a lead investor will do and then approach friends and family if the lead will endorse giving them the same terms.

6. NWI Regional Grant Program

Why: The RGP has, in the past, supported some regional startups with modest non-dilutive grant funding.

Approach: Prepare an RGP grant application and, before submitting, see if we have any connections onto them willing to make a warm introduction; otherwise, file immediately.

Preferred Lead: Pyramid Ventures or Central State Angel Network

Rationale: They have a history of attracting other investors and syndicating deals.

Capital Raised To Date: \$275,000 Form: Founders Shares

Attached cap table

Attached all current and previous offering documents

Anticipated Future Rounds:

This round will provide us a one-year runway to get the product to market with a solid SaaS platform in place to support it. Product placement at that point will likely be on a trial basis with select retailers and direct online sales. Assuming successful direct and retail trials, we will be positioned to raise an additional \$3.5M for growth.