PITCH DECK

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VC PLATFORM FOR CREATIVE FOUNDERS

B1iX.COM
Billion Dollar Idea (x)



borrows from studio system IP development model

- coordinated creative + engineering services
- emphasis on client-product opportunity management
- idea to market-ready product methodology

Media Technology Frontiers

Jared Suarez

- As an IP creator and founder, my work situates an intersection of communication, entertainment and education technologies.
- This collision, rooted in "new media," is not actually IT, but MT, media technology, an underdeveloped market space with it's own creative possibilities.
- This "lateral market" frontier (a convergence of information technology communication arts, and new media) can be articulated as engineered new media formats optimized for literacy (legibility and utility) and culture (interactivity and novelty).
- In other words, MT enables developing humans with new digital tools that augment identity, communication and productivity and ultimately new digital cultures that shape how we learn, work, and play, as individuals or in groups.
- At the paradigm level, digital technologies fundamentally shift how primary oral/ritual, alphabetic/written, and post-alphabetic/visual cultures intersect, transmit, and create meaning.
- New media technologies as ubiquitous as the hyperlink, like button, or tweet are just the tip of the iceberg.

Value Proposition

Disruptive innovation using "big idea" methodology, optimized for incumbent market players.

The catabolic forces of a changing marketplace can impel incumbents technology brands to invest in and chase innovation. Knowing how Google failed at social, and Facebook failed at news, success in one category doesn't guarantee total market domination.

Uncertain futures require keen hypotheses about market space opportunities, that do not depend on copy-and-paste strategies.

By cross-pollinating Silicon Valley and Hollywood startup models – every film is a separate LLC with distinct stages that improve story before principle photography (cf. coding) begins – more time can be spent on ideation, a critical stage known as the "big idea," where a snowflake is captured from imprints, insights and impressions, before it becomes the snowball that will enter the world as a minimum viable product and later stage business model.

Pixar famously installed the "dramaturg," a quality control figure stationed between the theatre director and the playwright, as the head of its IP development.

Great original ideas became great screenplays and animated films because of a brain trust lead by the dramaturg, who iterated on paper and on whiteboards, and then in animatics, until the story was ready for the art department – typically a 3 to 5 year process.

(So many films fail in Hollywood because studios tend to rush their grapes into bottles - a deficit work flow driven by executive order.)

More significantly, design thinking focuses on understanding the problem at the user level, whereas the "big idea" takes a few steps backward to ask:

What large cultural problems should we be trying to solve using VC and advanced technological solutions?

B1ix VC products

Reserved IP+ - Conception of intellectual property on behalf of a specific client, which after engagement becomes the primary beneficiary of the development process.

Premium IP+ - Conception of intellectual property with attention to a specific market space, but without a specific client, which after development is subject to an elective (potentially multi-party) briefing process.

*Reserved and Premium IP categories define product ecologies fully protracted under the big idea methodology, from IP to IT.

Provisional IP* - Conception of an opportunity, with attention to a specific market space or client, on an accelerated timeline due to exceptional market circumstances. The "acquisition," therefore, is talent based – with VAAP (vision as a product) offered through a limited aquihire status.

*Provisional IP allocates market value to an idea, anticipating its full articulation into an IT product or service, using an employment contract where the IP creator is assigned to work internally on a specific problem space for a specific duration of time.

Outright Acquisition - Raw IP purchased at an early stage, post-briefing, due to market conditions, CEO conviction, or desire to integrate privately.

Participatory Acquisition - Fully extended co-party IP/IT development.

Leveraged Acquisition - Includes key talent, acquired technology, capital assets, and/or funding package, parcel to closing.

The versatile deal structure supports any combination of IP and acquisition type according to the demand of the client or market conditions.

VAAP: Vision as a Product

Ultimately B1ix IP protracts founder "vision," using a teleological VC service, which CEOs and other principles charged with strategic leadership are implicitly required to deliver.

B1ix methodology converges IP with IT so that great ideas can become great products, increasing the extensibility of existing product ecologies for market incumbents.

Vision is a rare commodity among technical founders and later stage unicorn tech players, whose captured market share depends on continuous innovation and user satisfaction.

STEM vs. LAWD*

A critical difference that needs to be articulated between the status quo and B1ix is the denotation of Creative vs. Technical Founder. And while there are established VC apparati to defend and celebrate the technical founder as the principle actor in the long term development of a company, B1ix intends to establish a talent directive to install founders with a diverse skill set, referenced as LAWD, capacitated by a methodology that can launch not only new kinds of technology leaders, but also, by wit of vision and imagination, new technology spaces, products, and services – rendering the creative founder a vital source of future market value. (Examples of non-engineering founders include Steve Jobs, Brian Chesky, Evan Sharp, et al.)

*LAWD: Language Arts Writing and Design)

The functional difference between STEM and LAWD modalities of knowledge acquisition is that the first is primarily *alphanumeric*, and the second primarily *alphagraphical*. It should also be understood that writing is a form of coding. The U.S. Constitution offers an example of "clean code," which has articulated human and civil liberties in principle and law.

At scale, the Big Idea may be to VC what the Lean Startup has been to entrepreneurs, and Agile to developers.

When we think about B1iX and LAWD, we should understand that the opportunity is to ensure that capital management does not make judgements about diversity imperatives based on extrinsic factors alone.

The creative founder is therefore evident by intrinsic characteristics of the "right brain."

PZI/SHY Model

Practically Zero Investment / Super High Yield

- The low cost of developing an IP allows for experimentation to occur.
- Any creative founder can go from "zero to one," with no investment risk.
- The structured incubation of an IP allows for intangible assets to accrue.
- The extensibility of the "big idea" the IP is based on pushes the boundaries of what is possible before costly investment in IT.
- Engineers that are also great product designers are rare.
- B1ix augments classic design thinking with investigative ideation, invoking new kinds of VC diligence that leads to transparency of vision.
- Fast cycling of VC funds can create an exit within one year.

B1ix: from *IP to IT

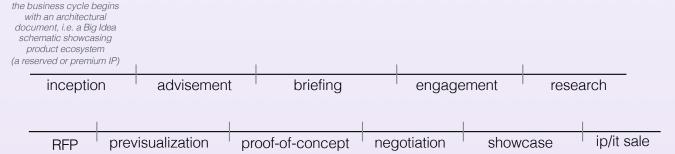
Each IP has a unique domain, a recognizable brand identity, custom research, previz models, IT alpha, go-to market, as well as campaign media, and a spectacular final showcase event.

*The IP anticipates production of an original technology that serves the goals of the client or market. The "big idea" methodology services this interpolation by catalyzing the production of intangible assets that are recorded as immanent patents, trademarks, brand collateral, and other specific expressions of the salable IP.

Both models start with an IP...

b1ix VC model

SILICON VALLEY



studio model

the business cycle begins with a literary document, i.e. continuity script* (an original or adapted IP)

HOLLYWOOD



ORIGINS OF THE CONTINUITY SCRIPT: https://bit.ly/2Q1oZ5p

The continuity script evolved out of a need to control the production. It anticipates the modern screenplay, i.e. intellectual property, upon which all film production is based – which defines the historical moment when production of the **single reel** (like apps) shifts to **feature film** (like platforms).

The screenplay, therefore, provides a way to manage the much larger process of containing 6 to 8 fifteen minute film reels that make up a two hour movie. Likewise, when you are designing a startup at the **platform level**, the preparation required is different because we are not launching an app, we are launching an ecosystem that can grow from a minimum viable product.

It's a myth that ideas are worth nothing

this page is full of ideas that took entire careers to craft.

Go to first principles. Define the problem space.

Now that you know the market, know the user. Design a solution based on customer need.

Build, measure, learn. Test hypotheses. Iterate until you have product-market fit.

Scaleup. Hire the right people. Build a viable unicorn business.

INNOVATION **ENGINE**

Big Idea*

Precedes design thinking.

space perspectives into a

capturing wide angle market

unique brand elements that

to invent and imagine.

ARE CHASING AFTER

INTANGIBLE VALUE.

SIMPLY PUT, YOU

coalesce into an intangible IP.

single multi-threaded ecosystem.

Identifies global opportunity and

IP Creator has a wide berth

Design Thinking Tim Brown and the classic d.school mindset

articulated as: empathize, define, ideate,

prototype, test. While the model advocates separate actions focused on evaluating the problem, before identifying the solution, or vice versa, solving for a specific user constrains output toward a tangible goal.

Intel is gathered through user research and empathy, which leads to insight and early prototypes.

> ...YOU ARE **VALIDATING** TANGIBLE VALUE.

Steve Blank's customer centric startup model replaced the legacy five year business plan with a science-based methodology focused on gathering facts and testing hypotheses. Eric Reis furthered Blank's

ean Startup

data collection thesis by borrowing from agile software development, and lean manufacturing to control cost and shorten the product development cycle.

The team validates IP into IT products that can be coded and tested.

> ...YOU ARE CHASING AFTER PRODUCT-MARKET FIT.

Blitzscaling

Once you have cycled through enough hypothesis and reached product-market fit, the focal plane shifts to revenue capture and market share. In order to do this, founders must execute a business model, challenge competition, raise capital, and hire talent that can turn a startup into a scaleup - a next level organization focused on marketing, sales, and growing revenue streams.

Time to hand off the company. integrate the product, and grow.

> ...YOU ARE CHASING AFTER MONOPOLY.

By interrogating the problem space of the industry you are pursuing, you create new knowledge upon which to base your startup. **Ideas aren't homologous.** A founder needs a moment to gather intelligence, and counter intelligence, to shape the idea into an "investment thesis." Once a gap in the market space is identified, and an angle of approach is intuited, then the intellectual capital you have gathered can sustain your conviction and courage, to fight through the rest of the startup stages.

There are five organizational stages (OS1-5), as defined by the Stanford/Greylock Open Culture startup course. Each stage leverages convergent network effects (networks of capital, talent and users). But B1ix fills in a missing network: the network of ideas, upon which all other network effects are operationalized.

The B1ix thesis argues that a founder fueled by intellectual capital, and a startup buttressed by intellectual property, wins more exits.

*I would argue that Chaudary's Platform Thinking thesis permeates each of the four startup development processes, as it informs the current market perspective, from digital pipelines, to networked platforms. Further, the "big idea" schematic is a deliverable that articulates the extensibility of the business idea into a platform architecture.

The IP/IT Cycle

b1ix Methodology

OVERVIEW

- 1. Ideation Creative founder's vision of IP.
- **2. Advisement -** Team rallies around founder vision.
- **3. Briefing -** Client onboarding. Terms established.
- 4. Engagement Courtship, goals, timeline.
- **5. Research -** Validation. Acquired/custom research.
- **6. RFP/NDA -** Outsource partner assignments.
- 7. Previz/IP Models Design language. Sims are tested.
- **8. IT Proof of Concept -** Demo. MVP coded and iterated.
- **9. Negotiation -** User growth metrics. Evidence of scalability.
- **10. Showcase Event -** Full expression of IP/IT product vision.
- **11. IP/IT Sale -** Market ready company hand-off.
- Developing IP/IT in stages ensures ideation is vetted to the needs of the client/market.
- The "big idea" methodology is both a creative work flow and deal flow.
- Vision, now a product, is no longer an abstract commodity, or intangible human talent.
- However, intangible assets affect the nature of acquisitions, and so the basis for valuation, catalyzed as Future Valuation Perspective, a hybrid of factors with a cap and floor.
- Innovation occurs within a known product ecosystem, not in abstraction.
- The result being a synergy that optimizes brand, product, technology, and user cultures.

The Big Idea

The single most defining quality of a "big idea" is that it must be a network of interdependent nodes that escalate in scale from MVP into a business model. In my effort, I look to understand the ecosystem in which the idea can survive.

Mapping out the experience in UML requires one to use an inherent logic, defined by a matrix of vectors linking actions, states, and objects – each building blocks, drawing one closer to understanding the scale of an idea.

Also, the lean startup just seemed like a terribly inefficient way to come to understand what problem you were trying to solve. Something has to come before "build, measure and learn," that applies the same level of rigor to an idea, as one does to the actual software prototype; and design thinking creates a chicken and egg loop, between a known user and an unknown problem - or vice versa.

I suppose this is the argument of an investment memo, which more recently is replacing the pitch deck, which replaced the business plan. But you can't expect the memo to do the all work it takes to figure out your product vision.

Just like an architect has a T-square, and the builder a level; or the captain a compass, and the first mate a map – every professional needs his tool to makes his job feasible. In the same way, the big idea is an indispensable founder tool, which alpha-graphically represents the unique value of an idea.

Market Analogs

METHODOLOGY-

IP / IT

B1ix

full extension of ideation process, organized into a business model focused on mature brand and market ecology, with intensive development of custom products and technologies. process ends with launch event showcasing deep IP ecosystem and market-ready IT. Aggregates evolutionary best practices from multi-decade startup development culture.

Can potentially power platforms that service: a) creative founder equity; b) female founder equity; c) 20% initiatives from incumbent tech founders.

PLATFORM

Idea Bank

ideamarket

(closed 2016)

pre-funded ideas are ranked using the wisdom of the crowd, and teams submit plans to win development funds. the emphasis is on finding a suitable team, and the goal is development of a minimum viable product and company launch.

Accelerator

Ycombinator, Techstars Brandery contracted growth model where existing company is mentored and infused with seed capital in exchange for small equity stakes, usually ending with an investor pitch event.

Incubator

idealab TechNexus co-working space, with shared business infrastructure, generally supporting ideal growth conditions for seed or early stage companies. incubators may be focused on specific markets, and have variable program length, depending on industry and key growth factors.

Founder Lab

milk churn labs entrepreneur-driven app development company focused on owner/principle experiments and personal projects.

Enterprise R&D

Google X Microsoft Research Skunk Works moonshot and long-range research initiatives fueling innovation of future markets and growth strategies. self-funded and operated by established technology companies, typically within secure facilities, with top level talent granted autonomy.

Venture Studio

Al Fund

next generation startup model focused on team, strategy and capital with attention to day-to-day operations from idea to market entry. both independent and corporate venture studios operationalize tactics against disruptive forces by serializing targeted innovation objectives.



