

A lot of VCs get obsessive, Kelly, about, oh, you know, is this venture scale? I don't know if it's venture scale. When you're early, early, early, early stage like we are, free incorporation of the company and at the incorporation, you know, years zero, one, two, and three, we get in at such a modest valuation, typically low millions of dollars like Y Combinator and Arc and, you know, other, you know, accelerators do, we could be a bit more frisky. A 50 million or \$150 million outcome for us could be a great investment. This Week in Startups is brought to you by Open Phone brings your team's business calls, texts, and contacts into one delightful app that works anywhere. Get 20% off your first six months at [openphone.com slash twist](http://openphone.com/slash/twist).

.Tech Domains has a new program called [startups.tech](http://startups.tech), where you can get your company featured on this

Week in Startups. Go to [startups.tech slash Jason](http://startups.tech/slash/Jason) to find out how. And Mercury, 90% of startups fail. Just 10 out of every 100 make it. Mercury exists to close that gap, helping companies succeed with banking and credit cards engineered for the startup journey. Join over 100,000 companies banking with Mercury at [mercury.com](http://mercury.com). All right, everybody, welcome back to this Week in Startups. We have a really fun show for you today. People always ask me, can I have money? I've got an idea for a startup and I want to get started. I need money. And we say, great, what's your idea? And we always try to figure out how can we invest in these companies? But it's hard because as a venture firm, we can't just be giving money to people with ideas. That doesn't scow and it results in a lot of zeros. In other words, companies that never get their products launched. So what should a venture firm do or an early stage seed fund do with the deluge of people coming to them with ideas or even an MVP? But they're not incorporated yet, or maybe they're incorporated, but there's really not that much there to go on. Well, what most VC funds do is they say, come back when you have your product launch and some traction. It was great to meet you if they even take the meeting. Well, funny thing happened for us. We started a program called Founder University. It's a 12-week course and we started an experiment where we asked them these same founders, would you like to come to a 12-week course where you can learn all the fundamentals

of starting a company and finding product market fit? What is product market fit? It's a very fancy term for building a product that customers actually like and get value from and they use.

In other words, you made a hamburger, people ate it and they enjoyed it and they came back again and ordered another hamburger. Product market fit, PMF is a term of art here in Silicon Valley.

So what we tried to do with this 12-week course, which you can find at [founder.university](http://founder.university), was see if anybody would come to this course. We do two sessions a week at 6 p.m. at night on Monday and Thursdays and you learn all the fundamentals with me to discuss our Founder University program

and for you to meet three of the companies that we really liked from it is Kelly Schrecker.

Kelly has worked with me over two companies, [Inside.com](http://Inside.com) and now at lunch, she's what's called a principal. A principal is not a school term like a principal or assistant principal like in high school. No, a principal is above an associate, below a managing director in the hierarchy of a venture firm. Associates are usually lowest rung of venture firms. We happen to have two rungs lower than that, a researcher and an analyst. So some firms have that kind of career path, which Kelly is on. Kelly, welcome back to the program. Tell us we're in the sixth cohort here of the Launch Funds Founder University program and it's been growing quickly. Just some back of the envelope numbers here. How many people applied? How many did we accept? And who are we

currently

accepting into the program? Absolutely. Thank you so much for having me, Jason. I'm so excited to be here and talk about FounderU. So FounderU, we're in the sixth cohort. We've had 1,250 companies

actually go through the program. We've done 46 investments. That's a 25k investment signed and wired. We have a few other offers out there. We also have had 12 companies end up going to our accelerator. So that's a big one for us as well. We also have companies that go outside of us, Techstars, YC, some other really great programs. We have our next cohort kicking off in December and there we're looking for builder founders so folks that can actually get their idea out into the world, it's going to kick off the first week of December and we're currently reviewing applications and we'll get back in about a week or less once we see that application come through.

And you can apply at Founder.University. We had 2,000 people apply this last cohort,

I understand. So this is growing quickly and what that means is you have a one in 10 chance of getting in to the program now. When we started, you had 100% chance of getting into the first two cohorts because we just let everybody in and we now are a little more selective. So let's just unpack what we're looking for in terms of teams. There's two key criteria here. One, generally, solo founders do not go that far in startups unless they've got a lot of experience or they have a lot of money to deploy to higher teams. So solo founders, we're not as interested in for this class, let's unpack solo founders versus two or three person teams. Of the 200, was it 220 teams that started this year in the sixth cohort? Is that the number? That's correct. Of those, how many had a solo founder? I'd say less than 10% and then I think the reason we selected

them was that they were a great fit for a lot of other reasons and were builders themselves. So hopefully they can get a couple more people on board. We talk about the importance of having additional co-founders in that first week and we've actually seen some folks team up during the program, which is really cool. And the importance of having a co-founder is what?

Is that when you have a day that you're sick or burnt out, there's still people working on the business if you're fundraising and then hopefully you have complementary skill sets as well so that when one person's building somebody else is maybe going out and talking to customers and having those conversations. So again, the big idea there is that when you're out, it doesn't all stop. Yeah. And it's a lonely job to be a founder and it does seem like the teams of co-founders two, three, or even four, they tend to go much further. And so it's better for a founder to have a smaller piece of the pie. In other words, divide the founders shares by two or three and have a greater chance of success. So programs like Techstars, Y Combinator,

the Launch Accelerator, we all prefer to see multiple co-founders because as investors, well, it's downside protection for us. Let's be candid. The attrition rate for solar founders is so much higher. They go out of business at such a higher rate. So it is a bit pragmatic on the part of investors. Also, as one investor told me, if you can't find a co-founder, you failed the first test of being an entrepreneur. So again, people don't like to be super candid, but if you have an idea and you don't have any skills, you are kind of worthless to the investment community. That's basically how they look at your night. That's not true. You're not worthless, but it is a competition for funding dollars. A person with an idea is 100% of the population. A person with skills to build that idea is 5, 10% of the population. And then three people, getting three people together, now you're talking about like 1% of the pool of potential startups

we could accept. And it's a competition, right? To get into these programs, it's a competition. Why on earth would one of these programs accept a solar founder with no ability to build the product

over three builders, two developers, a designer, a growth hacker? So let's pivot to that next question.

What do we see results in product velocity in terms of the characteristics of a three-person team? If you were putting together the ideal three-person team to build a startup, an app company, a marketplace, a consumer product, SaaS, whatever it is, what would those three positions look like? The skillset of the three? The skillset of the three, yep. So I would say at least one of them has to actually be technical and be able to build whether that's kind of on the low end, no code. Hopefully they can get it out to the world and hopefully be shipping updates weekly. Somebody who can talk to customers, understand the marketing and sales side of it, I would say last on the list would be operations. Again, I would prefer to stack either two of those skills on top of each other and then go for that last rule. Two developers, a designer, UX person, probably going to go even further than the ops person. You can always add an ops person, so no offense under an ops person. I think you prefer the ops people. I always look at the ops people and I'm like, add that person later. You can always get an ops person.

They're going to say a dime a dozen. The great ones are not a dime a dozen, but there's a lot of ops people out there who are available to join startups. Two developers and a designer. To me, that's the ideal team. Somebody could do the front end and two developers because developers are so hard to find. I'll go to developers and designers. People have different views on this.

If you want to get into Y Combinator or Tech, if you want to get into Y Combinator specifically, three developers, they'll probably just accept you because that is such a rare combination.

The more developers in their mind, the better. For me, I'm a little bit of a design guy, so I would probably go to developers and a designer. You're an ops person, so you're going to look at the world and say, hey, an ops person, a sales person can get out there and a developer is a great combination. All of those combinations are pretty good. They're all better than a solo founder or two founders. If you want to go fast, go alone. If you want to go far, go together is the saying. Everybody should apply to join us at founder.university.

If you are a solo founder, don't not apply. Apply because we're building tools to help people find co-founders. Actually, I think Y Combinator has a co-founder tool that's available to everybody. That tool is available to anyone. Shout out to Y Combinator for building that.

That's a great program. We love, by the way, people coming to Founder University, which is a pre-accelerator of course, and going to Y Combinator Tech stars. What's the new one that Y Combinator was trashing on Twitter? X Neo is the new accelerator out there. Go to any accelerator. We don't care. If you come to Founder University and we invest a little bit and you go to another accelerator, we just want to see you be successful. We're not sharp elbowed. We're not getting into wars on Twitter with other accelerators. The more people supporting founders in my mind, the better. There's always room in these early stages to find investment for these companies.

Are you still using your personal phone number for your startup? It's 2023. It's time to stop. It is a huge mistake that founders make. Why you're just getting started with your company and you don't think about phone numbers as being an important part of the IP collection of your startup? With open phone, you can totally solve this problem. They've rethought everything about a modern business phone and how it should work. It's super easy. You just

download

the app on your phone or your desktop and you pick a number and you're done. And you do it for just such a low price. It's so affordable. And think about it. If you have your sales team using their personal phone numbers, salesperson leaves and goes to a competitor, you don't have any insight into what phone calls occurred, what people's phone numbers are. That's your company's database. And if you allow the sales team to run them up or the customer support team, it's just unprofessional.

Be professional. Use open phone. And we use it for things like event communication.

So we get one phone number, but it can go to multiple people. Like around Robin, then we have a shared phone number. Do that for customer support. And open phone is rated number

one on G2 for customer satisfaction. And I trust G2's ratings. Open phone. It's ready. It's affordable. Starts at just 13 bucks a month. A twist listener can get 20% off any plan for the first six months at [openphone.com slash twist](http://openphone.com/slash/twist). And if you have existing numbers with another service, no problem.

Easy peasy lemon squeezy. Open phone will port them over at no cost. Head to [openphone.com slash twist](http://openphone.com/slash/twist) to start your free trial and get 20% off. Now, every week, we ask people to fill out a form on Mondays. And this is the thing that I think has been a big surprise for both of us, is that we see a really high correlation between performance and people who fill out the weekly report. Explain what we ask people to tell us every week when they're in Founder University. Absolutely. So we ask for just high-level basics on the business. They're one simple sentence. Did you add any co-founders or team members? And then some metrics on the business, of course. So do you have new users? Do you have new customers? Have you gotten new investment? And then we ask them to share their wins with us as well. And I think that question specifically allows us to see so much of what's going on behind the scenes and then really jump in and be able to be helpful to these businesses outside of those high-level metrics. Yeah. So explain your business in a sentence. Very hard to do. It's really great.

I noticed with one of the companies that we were investing in, I won't say which one, but the golf one that I fell in love with, they were each week refining their simple sentence to explain what they did. And when I looked at like, they had filled out eight of the 12 weeks, 67% of their updates for us. And I thought that was really great. And I watched their thinking change in that one simple sentence. And if you can't crisply describe your startup, it's probably because you don't understand your business or product yet, which is fine. You're in the product discovery phase. We ask if you had a change in the number of founders. That's an inflection point. If you go from two to three co-founders, wow, we spoke earlier about how important that is. And then we also ask, is your product launched in beta? And so that's a really interesting question. And as you said, we ask basic numbers. How many paying customers do you have?

How many users do you have? Users and customers obviously being two different things. Users are free, freeloaders. That's fine. None of us pay for Instagram. And then customers in the Instagram analogy would be the advertisers. How many customers do you have? And then it did anybody else invest. So we want to know that too. And you left out the most important part. We have a check box that asks a question to each of the founders. My understanding is 60% of them check, yes, for this very important question. Explain that question to everybody. And how we phrase it.

So we phrase it as, are you open to the friends and family round through launch, which is the 25K investment we do? I've heard you mention, Jason, that not every founder has rich friends and family. I certainly did not when I was a founder. And so it's a really great privilege to be able to offer that amount of money to these founders and be that first really vote of confidence for them. Yeah. So we just ask very simply, would you like to be considered for the \$25,000 friends and family check from Launch Fund? We do that at a million dollar valuation, which is probably your uncle would ask for your aunt or your rich parent or friend. And as you mentioned, we've done over 40 of those. I think it's 46 now. And that's just an option for us really to get to know the company, support them, and then invest in the next two rounds. As a venture capitalist owning 2.5% of a business, that's a very small amount. You really want to get your ownership to 5% to 15% in the winners. So it's just a starting point for us as a fund to get to know you, get to join our founder Slack, and you get to be a launch company. So Founder University is best described for people who are wondering as a pre-accelerator. It's something that comes before the launch accelerator, Techstars, NEO, Sequoia's Arc Program, and of course Y Combinator, which is just the OG amazing accelerator here in Silicon Valley. So we have three companies today. We're going to have each one pitch.

Four companies.

Oh, we're doing four today. Fantastic.

We have four companies. Yep.

And we do a two to three minute pitch in our programs. Founder University, we do a two minute pitch. And then at the accelerator, we do a three minute pitch. Why do we do a two and a three? Founder University, these companies are just in the product discovery phase, finishing their product. The accelerator, they tend to have a little bit more going on in terms of products and go to market. So we like a nice quick two minute pitch. I call that the trailer of a startup. What is the goal of the two minute pitch at Founder University? What is the goal of that two minute pitch? And what should the person listening to it understand? What are the basic things they should understand if the founder did their job?

Absolutely. So the main goal is just to get another conversation. You cannot introduce every character in every part of the story in two minutes. So as long as you can get them on a call, a Zoom, an in-person meeting, you have achieved what you need to achieve in that two minutes. What we like to see covered is very short opening on the problem. Please don't go too far on that. A lot of founders make that mistake early on. We understand the problem. We really want to look at that solution. So show us that solution. Don't tell us about it. Get it on the screen.

Bring it to life for us. We definitely want to know about traction. We would love to know about the team. And then, of course, we want to make sure this is a venture scale business. So if you can touch on your go-to-market strategy and that bottom-up TAM, that's great. If you don't have time for those, I'd say definitely make sure you go through the solution, the team and the traction first. So here's the problem. You can't get a taxi. It's hard to find a taxi and get a ride.

Here's the solution. Take out your phone, open the Uber app, click, and then here's the TAM.

Everybody who's trying to get from point A to point B, public transit and cabs and Lincoln Town Cards and everything in between. I just did Uber in 60. I did it in probably 30 seconds. Pick a random company, Kelly, and I'll show you how easy this is. Pick a popular company we all know, and I will do this for you for any company. Instacart. They're big right now.

Okay, Instacart. They just went public. Fantastic.

You don't have time to go shopping for your groceries or you forgot three items from your cart. Take out your iPad, put those in a cart, and have somebody do the shopping for you. And if they make a mistake and they're out of the type of ice cream you want, they'll just text you and tell you which ice cream you want to substitute or if you don't want to substitute and then they'll be at your house in under two hours for \$10. Our go-to-market is to go to suburbs and cities, our great places to do this, and medium-sized supermarkets where they don't have the ability to build this technology for themselves like Walmart does. Those are our ideal customers. Yeah, and going back to your question about what the listener should try to get out of it, really thinking about, do you believe in this founding team? Do you believe in the problem they're solving with that solution? And also, do you believe in the business model that they're proposing for this? That might change later on, especially with early-stage companies. But you can tell a lot about what the founder is thinking about and how they're approaching the problem from the two minutes. And again, as long as you think that there's something there, it's always worth another conversation. Yeah, and investors are very busy, as we discussed, being able to give them a two-minute pitch, a 10-minute pitch, and a 30-minute deep dive. Those are three different opportunities. And different VCs and investors have different tolerances. Some want to jump on a Zoom and do the 10-minute call. Some want you to come to their office and do the 30-minute and spend an hour with you and you pitch for 20, 30 minutes. That's how we used to do it back in the day. Tons of questions. They really get a feel for you. And some like to come to a demo day and see two-minute, three-minute pitches and just pick their three favorites to go to a deeper meeting. So, there's all different modalities here. And in my case, when I said it's \$10, you made a very good point. Like, do you believe that business model? I probably wouldn't believe that. It's too much work for \$10. It takes half an hour to shop and half an hour to get the groceries to you and \$10 an hour is below what a door dasher or a shopper, an Instacart makes. So, that actually business model doesn't work and they've pursued advertising as their business model. And maybe they'll, they're a break-even business. So, there you go. Like, even in this little brief back and forth we did here as a test, you can see the power of really concisely explaining your model in the early days and all the way to the Instacart IPO. And sometimes, as an investor, you even need to believe it. I don't need to believe in your business model perfectly because you can change that. But I do believe the problem. Yeah, anybody who's a parent, you and I are both parents. Like, we forgot something. We had, you know, dad or mom brain. We just forgot the three most important things. Or we ran out of the three most important things and we need to refresh and we don't want to make the ride. Like, everybody knows that problem's real. Then it's just, okay, can you actually convince the supply and the demand side to get together in a more pleasant. Stop what you're doing right now. I got great news. DotTech Domains is giving Twist listeners a new platform to show off their startups. And that platform is this podcast. This week in startups, it's a new segment we're calling PitchJCal. I want you to go to [startups.tech slash Jason](https://startups.tech/slash/Jason), [startups.tch slash Jason](https://startups.tch/slash/Jason) to apply. There's only one rule. You have to have a DotTech domain name to get featured. This week, I received a great pitch from HivePower.Tech. That's H-I-V-E Power.Tech, which you can see in the video right now. If you're watching, HivePower is a Swiss startup. They're working on transforming energy management and their software platform helps businesses optimize EV charging, distribute energy more effectively and more. Energy prices have gotten

out of control. They're volatile. So HivePower is saving businesses money by optimizing energy efficiently like all these different times when you can get discounts on your energy.

It's a huge market and they got a great domain name. Check them out. HivePower.Tech.

And if you're interested in getting featured on this week in startups,

go to startups.tech slash Jason and apply today. That's startups.tech slash Jason.

So let's have our first company go. We're going to see four companies and then I'll invest 25k and one of them right here on the spot because, hey, 25k is a small bet and we know these companies.

So let's get started. All right. First up, we're going to have Jason with Newcomer Games. Three, two, go. I'm Jason and today I'm introducing Newcomer, which unlocks language immersion for every

learner everywhere. Meet Mac. He's a language learner with two main problems, lack of motivation and lack of conversation opportunities. He discovers Newcomer, a cross-platform, story-driven video game that immerses learners in their target language.

Mac's a beginner, so he uses phrase building, a supportive mechanism to help him easily communicate

in his new language. He transitions to intermediate mode to practice speaking.

His current task, to ask this character's name in French.

He's unsure how to say this, so he references this dictionary for a translation.

He tries speaking.

Finally, checking his input for corrections.

On Kickstarter, I crowdfunded over \$24,000. I have 7,000 people on the waitlist.

And lastly, I've had multiple Newcomer gameplay posts getting above 10,000 upvotes on Reddit.

Newcomer's key strength is contextualizing language learning better than other applications.

It's a new market segment that I call video game language immersion.

Customers purchase Newcomer for \$20, with a \$10 monthly subscription granting AI-enabled features.

Newcomer is not only localized for, but supports learning Spanish, French, Italian, and English. In two weeks, I release a paid beta to 7,000 waitlisted.

I'll reach 100 million ARR with 833,000 yearly subscriptions, which would be 1.5% of my TAM.

I'm Jason, and I'm unlocking language immersion for every learner everywhere. Thank you.

Well, this is a creative idea. It's Duolingo meets Nintendo, which I love. It's immersive.

My kids are on Minecraft or Roblox all the time. They love these games.

And I think there is a huge opportunity. The question I'll have for you is,

and by the way, great job presenting. Are you a first-time founder?

I am a first-time founder.

Great. And so, things that are great about this pitch.

Number one, you showed the product and the product super compelling.

Number two, you showed a lot of traction, but not traction that comes from a launch product, but like sort of the precursors to traction. Founders love when they see a Kickstarter or a Patreon. Why? That shows that you have customers who are so interested in this product, they're willing to pay for it in advance. You know who else had customers who love the product so much? They were able to pay in advance, Jason.

What's the best example? That's the best example.

And by the way, it's a very expensive product. It's an incredibly, it's in fact probably the second or third most considered purchase a person can make in their lives. And it wasn't for college and it wasn't for a home.

It wasn't for a marriage or kids. Those are other massive considered decisions.

There's another considered decision. It's not a vacation either.

Vacations are very considered decisions. What's a really considered decision of something you buy that you have for a long time that you use typically daily? That is unless you live in a city.

You didn't say a car.

A car. Wow.

Elon Musk very famously sold hundreds of the Tesla roadsters and then a thousand of the Model S signature models for the full price of the car in advance. So you are following in Elon's footsteps of having such a compelling product that people will do that and you showed the Reddit votes. Now the Reddit votes, that seems like, who cares? Not me.

I know the Reddit audience is very sophisticated and I know understanding how to market on Reddit or I won't even say market, engage with the community on Reddit is not easy. These people are insane. These are hardcore people. I know because some of them are fans of the podcast and the other podcast and if they don't like it, they go crazy. So your picture is great.

I'm just going to ask you one simple question, which is,

games are a hit-based business and so you picked one modality of game. It's kind of eight-beddy, kind of old-school games. Is that the best idea in terms of taking this to market or have you considered taking an existing game and adding this as a plug-in to a Roblox, let's say, and then capturing that entire audience and teaching people who are already in Roblox how to speak another language? Yeah. Well, I think that there certainly is the opportunity to make something like this similar to Roblox when I first started. No, no, not similar to Roblox.

And remember, you always got to listen deeply to my question. So is it a hit-space business?

So my first question, the second was, have you considered integrating it into Roblox, not replacing Roblox, but integrating it into Roblox? So those are the two questions to try to answer those two. Okay. So addressing the first question, I actually don't really

consider what I'm making. I don't consider that I'm necessarily in the hit-space business. I consider myself in the language learning industry and not necessarily the gaming industry.

And I strongly believe that people using my product are language learners that

want to use it to actively practice using their second language. So I think that there's always going to be a stream of people learning a second language, whether it be they need to learn a second language. So the game doesn't matter. What matters is they want to learn and it's more fun to learn in any game. So the game is not the most important part here. Yeah, the game is not the primary focus, but... Okay. Yeah. No, to the second question.

I mean, yeah, I mean, I think something like this could be, could be built on Roblox potentially.

I just, in terms of my own personal experience with the newcomer, I immediately defaulted to building this in 2D with pixel art because it's just really easy to scale pixel art. And I guess

I wonder how easy it would be to scale a game like this on Roblox, considering I know that Roblox is 3D. So it was a strategic choice to basically be able to scale the game quicker.

So I'm immediately, Kelly here, getting to the scale of the business, right? It's pretty clear that there's something here because you have people paying for it in advance, you have the

Kickstarter. So I'm immediately trying to think how big can this get and is there a way to accelerate



the growth? Venture capital and raising money from venture capitalists and seed funds is about building large businesses and building them quickly. Speed matters and the scale matters in order to have great outcomes for our LPs, the investors who give us money to then give to you, Jason, we need to find founders who are going to build very large businesses. So that's great that you had a path to a hundred million, it takes 800,000 customers. That's great that you're thinking that big, fantastic. And it's actually kind of believable, right? Like, sure, why couldn't you get to 800,000 paid subs? We've seen other people get to, you know, millions of paid subs for products like com.com or, you know, hundreds of thousands of subs. So it's a believable story in that regard and you're thinking big, but then we're thinking, hey, accelerant, if you became popular and there are already, you know, 10 million, 20 million, 30 million people playing a certain game and that game has plugins, if, you know, now you get 1% of those people to start playing the game and becoming subscribers and, you know, it's just a go-to-market strategy like your go-to-market strategy of Kickstarter and your go-to-market strategy of Reddit. Okay, well done. Let's get our next company going, Kelly. Great job.

If you're an ambitious startup, you can't have an old sluggish banking service slowing you down. No, Mercury is banking for ambitious companies and they will help your startup become the best version of itself. And so many of our companies in our fund, in our community are using Mercury, and they love it. Say goodbye to the friction that comes with traditional banking.

Mercury understands modern UI. It's gorgeous and they move at the speed that startups do, from creating an account to wiring money, a few clicks. It's all it takes. And Mercury isn't just a place to hold and send money. It's software that's built to help you scale with safety and stability, whether you're a team of two or 2,000. And Mercury goes beyond banking to remove the roblox to your success by providing you with the connections, network, and guidance necessary to make your ambitions real. So here's your call to action. Visit [mercury.com](https://mercury.com) to join more than 100,000 startups on Mercury. The powerful and intuitive way for ambitious companies to bank. Disclaimer, Mercury is a financial technology company, not a bank. Banking service is provided by Choice Financial Group and Evolve Bank & Trust. Members, FDIC.

All right, next we have Matthew with Scrumly. All right, three, two, go.

Hi, I'm Matthew and our company is Scrumly, an AI planning coach that helps teams maximize performance. With over 200,000 people already being laid off in 2023, organizations are running lean. These teams have gaps and we built Scrumly to fill them. With Scrumly's interactive planning and AI-powered coaching, teams can easily plan tasks and get real-time insights.

Now they can have all the benefits of a facilitator without the overhead.

To date, we've watched our beta and implemented it at five organizations, serving a total of 27 team members. Our business model is SAS. We offer a 30-day free trial and then \$15 a month per user.

Teams often use NKM tools or spreadsheets for planning. However, these tools require a manager to maintain them and provide guidance. Scrumly complements these tools acting as a layer on top, supporting teams as the facilitator. Our marketing strategies are focused around four pieces. Paid media, cold outreach and tailored content and organic network effects support these planning organizations. Recently Shopify revealed average meeting cost exceeds \$1,300 and our vision is to help teams collaborate synchronously saving them time and money.

If we focus on the 485,000 companies using Scrum today, our total addressable market is \$1.1 billion a year and that's just the initial niche market. We also have the team to execute.

Lake is certified scrum master with over a decade of delivery experience. Dave is a lead engineer with over eight years of product engineering experience and I'm a creative director with 15 years of brand and product design experience. And the question we are answering is, what if your PM tool came with a PM? Scrumly, an AI planning coach that helps teams maximize performance, reduce costs, prevent burnout, and set expectations. Thank you so much. Okay. Great presentation. Very tight. You're reading from a script, which I don't advise. So always take this one piece of advice so you don't sound like you're on a script, which is to let the slide be your guide. When the slide changes, just organically read what's on the slide. If you get into that monotone where you're reading a script, we can kind of tell. This is a very tactical, tiny note for you on presentations and people tend to zone out because they're like, well, I'm just reading the screen alongside it and you're just like a voiceover actor. We want to actually hear the founder talking in a normal voice. And so it wasn't bad in any way, but it could be better if you're just more natural. And so it will go much smoother if you just describe it. I believe what you're saying. I believe there is a market for this, but you didn't give it an example. And so I think when you showed that screen moving around and it was kind of either changing people's tasks or priorities or I'm not sure exactly what was happening, they're giving an example. Here, the AICs that this person has time on their schedule and reassigns this automatically. This person sees this product, these two things are behind schedule and it asks everybody in the group, why are these two things behind schedule? So we're training the AI on these conversations that typically occur in scrum meetings, in project management, and then doing this. And the questions, so that's where one of my rules, those are two of my rules are presenting. One of them is let the slide be your guide, don't use the script. Slide comes up, it should trigger in you as the founder, what to talk about. And it's okay to have ums and aws in terms of this podcast. The fact that I might misspeak on a podcast and it's not scripted is why people love podcasts. They love that dynamism. If podcasts were people just reading position papers and from a script, you'd be like, I'll just read that. So the ums, the aws, a little bit of awkwardness, a miss slide or a transition, that's okay. It's just like us getting to know your personality. So slide be your guide and then examples matter. Two very important rules for presenting. A really great example here would be what? What's an example you've seen your software do that you said, wow, this is kind of cool. Is there an awesome moment or what's the most awesome moment you've seen AI do as a product manager? Because I believe product management is a skill an AI could do, right? That doesn't seem crazy. So what's an example you've seen already? Yeah, implement to get in delivery teams. What we've seen is that our AI can actually call the personnel out and say this person is looking heavy or impacted and then also call the person that might benefit from having more tasks potentially put on their plate. So it really allows for that specificity and using the data that we have in those tables to let you know kind of how to shuffle things around and optimize things. And this is a co-pilot that exists inside of JIRA or is it you're building project management software as well? How do you look at that? Are you taking them on or are you adding a product to their platforms? The latter, we're going to be a layer on top of the existing project management tools out there. I think there's a level of complexity there that people experience when they use JIRA and ClickUp. And they're not very focused on sprints necessarily, even though they

have some of those features. Our AI is going to be a complement to those and allow people to hone in on agile methodologies. And then finally, you had a slide. I think you have two co-founders, so there's three of you. Is that correct? That's correct. Dave, product engineer. And then Blake, which is, he's a scrum master with over 10 years of experience.

And then what are your, what's your skill set? So you got the person who is actually uses this product, you got the engineer, and then what's your skill set?

My background, 15 years in the product, brand and product design space. And in particular, we all use it as managers and executives in our companies with a lot of the ships currently ongoing. We were seeing people in roles, lead roles, taking on extra part responsibilities. And so the product in some, to some extent is designed through our experience.

Great. So Kelly and I, you and I talked earlier about like, what is the team composition here?

And here you have like a pretty great team composition, and they're building a product that they want. It's an itch that they want to scratch. So those are all things going for the startups. Well done, Matthew. Great job. Thanks, Jason. Thank you so much.

Hey, who's next Kelly? All right, next up, we have Jared with Homescore. All right, three, two, go.

Hi, I'm Jared, the CEO of Homescore, personalized report card for your ownership journey.

So Josh and Dana are an anxious couple looking to buy their first property.

They start their journey by researching over 95 listings and doing 18 different tours.

But it's really difficult to know what it's like to live and own a specific property.

Homescore is your personalized AI home management platform for a successful ownership journey, all powered by verifiable first party data. Josh and Dana use Homescore to upload all the relevant documents they've accumulated for the four homes they're seriously considering.

Additionally, our personalized intake quiz illuminates insights that matter most to their lifestyle, like which home is best for entertaining, or if a property is infant safe.

Josh can also dive deeper into, let's say, air conditioning issues using our native AI chat.

We meet homeowners during the buying process, but our vision is to have an ongoing relationship for their entire ownership journey.

We have 75 homebuyers and owners on the waitlist and are planning to go live within the next six weeks.

We plan to start with a \$3 per month price point for our beta homebuyer customers, and we'll move to \$10 a month and launch our home owner pricing when we add additional document analysis features. We see Homescore's competition as contract or marketplaces and some of these upstart homebinder solutions. Our go-to-market strategy will focus on SEO content and online community participation, then we plan to scale with digital ads.

We'll reach \$10 million in ARR by capturing only .5% of the market and \$100 million with only 5%.

Our initial audiences are \$11 million Serious homebuyers and \$25 million in online market homebuyers and \$25 million recent homeowners.

Myself and Sherot are the PB&J founder combination. I've built and launched a lot of culturally relevant brands and products, and Sherot has a deep AI and machine learning experience.

And that's Homescore.

Okay, and Homescore is a personalized report card for your ownership journey.

Bit of a mouthful, so it's a report card. We can take out the word personalized.

It's a report card for your home. So, a report card is how your home is doing.

This is to help people buy a home or after they've bought a home understand the value of their

home?

What problem are we really solving here? Because a report card for your home is like a description of something, but it's not exactly a problem. So, what's the customer and what's their problem? Is it in the selection of a home? So, when you're looking at Zillow, you get this massive CVS receipt of everything that it has in it, a lot of it. It's third-party information. What we're doing is adding first-party data. You're collecting HOA documents, pictures of the home, you know, other... Again, not my question. So, you're describing what's wrong with Zillow, always like not a great way to pitch a business. Best way to pitch a business, what is the problem the customer has and how do you, what are you solving for there? So, listen one more time deeply to my question. Is this for people who, to help people make a better buying decision for their home or to maintain their home in some better way? Who's the customer? What's their problem? So, it's to buy a home. That's our initial audience. We then will focus on homeowners as we get a lot of that first-party information. Got it. Okay. So, you want to help me buy a home? And so, the way you're going to help me buying a home is by inputting all the documents I get. The floor plan, the Zillow listing, the Reddit listing, the materials, maybe the home inspection. I put that into your AI and it tells me buy or don't buy. Or what does it tell me? It tells you just you're someone that has a new infant and is there, you know, in the inspection report, if there's issues with mold, it'll kind of compare that to the other insights that we've gathered and give you a recommendation based on, is this a right fit for your needs? Got it. People buy homes pretty infrequently. They tend to live in them for, you know, sometimes their entire lives. So, I wonder if the market of people who buy a home one time, if you have what we call in the industry or what I call the e-harmony problem, e-harmony helps you find a spouse. If they do the job, they've lost you as a customer. So, the better they are at solving your problem, finding a spouse and finding a long-term spouse, they lose you as a customer. So, I'm curious why you picked home buyers as opposed to, say, real estate investors or something a little bit more, you know, somebody who could pay more money and maybe cares about more granularity, maybe making less of an emotional decision and somebody who's going to be making this decision every week or every month when they buy properties or every quarter. So, have you thought about those two different markets and the e-harmony problem? Yeah, we did think about a couple of different markets and, you know, we see that once you get, you know, appliance data, you can look at recalls. Once you look at contractor data, you can make decisions on stability of a porch, for example. So, for us, we saw that reaching a home buyer at, when they're obsessed with that process was advantageous to minimize churn for homeowners. So, therefore, you can manage, you know, the various projects that you're doing and at some point down the road would be relevant for contractors and investors as well. So, we would be wanting to have a recurring relationship for homeowners as well. And the reoccurring relationship would be the maintenance of the home. So, what you're really doing is not a report card on the home. What you're really doing is help me make a better buying decision and manage this asset better. So, it's a tool for buying and managing your greatest asset, your home. Yeah, we're getting you when you're obsessed with the home buying process because that's when you're eating, sleeping and breathing it,

stressed out about it, scanning everything. And then that way, we make it more frictionless.

You mentioned like the home book, did you say a home book or an estate book?

What's it called? There's some of these home binder solutions where you...

Home binders. Yes.

What is it? Explain what a home binder is to me.

So, it's you upload a bunch of documents and it's just kind of your repository of PDFs.

It's kind of a dumb interface, but we're looking to inject AI into that and

make it searchable and smart and relevant.

Yeah. So, this is a very interesting moment in your talk that goes by really fast, the home binder.

Kelly is a new home owner, correct Kelly?

Correct.

And I own a couple of properties now, three properties. And I have using Notion

to make home manuals for all this stuff. So, I'm putting all that stuff into... And when we bought

our home, the person who bought it gave us like a Google Drive with some documents in it and they

had a home... And then we bought our ski house, they gave us a home book,

which was just a book of like a bunch of the stuff that they had there.

So, I actually think the home book of every home is really interesting. So,

you are in the product market phase, product market fit phase here. You're still trying to

figure out what the product is, correct?

Yes. Yeah. We're working to develop our V2 after the MVP.

Yeah. And so, even with the MVP, I wonder if there seems to be two products here,

and I don't know what the overlap is going to be, but the product to help you buy the home

and the product to help you maintain the home, I like to maintain the home product better

because that's something you would pay for every year. So, Kelly, you bought a home.

Do you have a home book?

I don't. And I have been desperate to get one. For example, we've got a refrigerator that needs

a filter replaced and I just don't want to have to Google it to find where to buy the right filter,

and I wish I... That information is in my home inspection. If I would have just

uploaded that somewhere, it should tell me where to do it and take my money.

Interesting. So, this is, I think, really interesting for you to think about, Jared,

on your journey, your AI can apply to both of these processes. We see a lot of people

going after the home buying space and the speculators. That's... If there's tools to be

built, Zillow and Reddit, really are going to help you with that. And we see very... And then,

for people who are in the speculation in Airbnb market, there's a lot of startups now emerging

to help you make buying decisions there. But I see very few. In fact, I've seen none

of the maintain your home. We did have an investment in a company. I think it was called

Butter. And they were kind of trying to make a virtual real estate manager. So, rich people have

estate managers. If they have multiple properties, they pay them whatever, 100,000 a year, 150,000

a year if they're full-time, to just go between four or five estates and make sure everything's

perfect and maintained. But that's out of reach for most people. So, they were trying to abstract

that and make it a little bit different. But this idea, there's something there in the

maintaining the home after you buy it. And that's really interesting. So, congratulations on that.

I wonder if the person selling the home, if they had this book and they shared it with people,

if that would help sell the home. That's where we want to get to.

Yeah, exactly. Kind of an immutable record. I know now, as I'm going to sell our property in San Francisco that we don't use anymore, that was our office previously, I'm trying to put all that information in. And then, I would like to just give the Google Drive or a Notion or Coda instance and just say to the person, here is a Notion instance, here's a Coda instance. And if you're buying it, here's all the information, here's the security cameras, here's the HVAC, here's the washer dryer, here's the every maintenance record. So, you're on to something. And I really love your idea. And it's early, but I think you do have to make that key decision because startups can't be doing two or three different things. I was talking about Airbnb last night, they edit a second business experiences, and they've been at this for 10 years plus and they're global, they have two. You're going to start with two? I always like the idea of starting with one and nailing one. So, either the buying or the maintaining, two different markets, I think maintaining is 100% of the market and buying is 3 million transactions that occur a year. I'd rather see you go for the 70 million people who own homes. Is there 70 million households in the United States, I think? So, I'd rather see you go after the 70 million than the three that turn over a year. Well done, Jared. Thank you. That's just one person's opinion. Okay, Kelly, one more. Let's go. All right, Phoenix, you are our last to pitch today. Phoenix is with FIDDED. In three, two, go. Okay. Hey, Jason, I'm Phoenix and I co-founded FIDDED. We helped Gen Z discover buy and share outfits. FIDDED started when my friend Emma realized our generation needs a social shopping platform where she wouldn't have to learn about the Roman Empire. Fashion needs a dedicated space to exist. So, we built that space. Whether she's going to Pilates or grabbing drinks, Emma can share photos and details of her daily outfits, categorize them based on the day, occasion, and weather, and build a virtual lookbook for her and her friends. With our library of outfits, our AI stylist Fiona will make sure Emma looks her best so she can feel her best. Our alpha has attracted over 1,300 users who have shared thousands of outfits, and people are obsessed. With the 15% daily retention rate and 40% weekly retention, the fits are fitting. We're a low-stakes space for creativity, culture, and commerce. We're making FitTrack shoppable and will take about 20% of GMV. The FitTrack is also trained Fiona plus, which will be \$4.99 a month. Our competitors are social apps or shopping apps. FIDDED is a social app with a native checkout experience, giving Gen Z the social validation around what to wear and the one-click shopping experience we want. While our current growth has been word-of-mouth, our go-to-market strategy is building college ambassadors and onboarding creators with brands. Native checkout is coming soon. Next year, we'll add generative try-on so you can see your favorite pants with your friend's shirt. And being Apple native means we're ready to help you shop with your friends on Apple Vision Pro. With a 20% take rate, we need 100,000 users and 50 million GMV to hit 10 million in revenue. To hit 100 million, we need a million users and 500 million GMV. We've been bootstrapping and went full-time end of September. We're excited to leave the matrix and enter the arena. So download Fit in the App Store today, share your FitTrack with your friends, and say to check the FITs. Okay. Well done. It's a consumer product. The behavioral loop here is I share my outfit and I get AI feedback on how to make it look better or I get feedback from my friends on am I fit or not? Both. Kind of like hot or not fit or not. So what's the primary behavioral loop here? What are most people doing? Because it really has two different behaviors. Yeah. So as our slogan implies, you come for the FitTrack. It's a low-stakes space to share your

outfit with your friends. Over time, as you get that feedback and build up that content library of outfits, Fiona will own your preferences and then you'll be able to get that feedback from our AI stylist and your friends as we build that flywheel. Have you built the AI stylist yet or is that like kind of the ultimate dream and you're telling us the 2.0 product that's coming down the road?

Yeah. Fiona's in the app right now. We just need to do some fine-tuning with our LLMs to actually get it to know your preferences better, which is part of the content flywheel.

So you're actually doing a FitTrack with your friends and Fiona, the AI stylist. And so then your friends, is that feedback in one thread or is it two separate behaviors?

Yeah. So you get the feedback in a feed from your friends. You get to see your outfit as well as your friend's outfit. And then we have a separate tab in our messages where you can talk to Fiona, ask her what your favorite, what your most liked outfit was, what you wore last week, what you wore when it was rainy a couple of days ago. So Fiona is an agent that sees all this stuff and then you can have a private conversation with her and say, hey, what should I wear tonight?

I'm going on a date. What should I wear tonight? It's for lunch. I have a bit important business. I'm doing a job interview tomorrow. Fiona can look through theoretically your entire fit checks. And as you put more fit checks in there, she says, hey, your friends love this for business, and they've responded, this was business stuff. So over five years of putting fit checks in, it might say, hey, you look great in this blazer and jeans combo. Everybody said that looks great business casual. Maybe think about that one. And that's the concept here.

And what is the behavior? I like the fit check or do you prompt me to say, oh, Kelly, I love your tie-dye shirt and whatever. And that's super cool and retro. And then she's like, oh, I love your plain polo shirt that looks really crisp and whatever. Like, how do you structure or format the feedback from your friends on, are you fit or is it fit or not?

Where it's just like either swipe left or right, up or down?

Yeah. What's the device? What's the behavioral device here?

Yeah. So right now, you just go, you take your outfit picture, take your fit check.

No, no, you keep saying get your fit check. I'm asking you, what is the behavioral device there? Is it a like? Is it a heart? Is it prompted feedback?

What does that mean? Because you're using a term that I've heard the term fit check, but I'm trying to get out is what is the behavioral loop? What do I do in the app? What is the action that I take? So I just described Kelly's tie-dye. Kelly puts the tie-dye shirt. Now, what do I do as her friend? Don't say fit check. What do I do? Is it a comment?

Is it a like? Is it a retweet? What is the device?

Yeah, you can do all three. You can like Kelly's outfit. You can save it into your own lookbook that you've amassed from all your friends. And you can also type in like, hey, Kelly, I really like that shirt.

So there's no new device here. You're just copying what is kind of the best practice on Twitter, let's say, or Facebook. Bookmark like comment. Interesting. I think that...

How is that going so far? How many times do people... How many fit checks are occurring a day?

And what's the average response to those fit checks? What's the engagement like?

Yeah. So right now we have about 1,300 people in the app. 20% of people come on every day just to see the outfits. I think of that number... It's a couple of 100 people. 200 people want to see the outfits. Yeah. And so how many people share an outfit? Of the 1,000 users you have, 200 are active. So of the 200 active users every day, how many share an outfit?

I believe that number is around like 10 to 20% of those 200 people following like the standard parade of principle, 28-year-old. Yeah. So you have 30 people share an outfit a day.

And how much feedback do they each get? I guess.

A good bit with their likes. So far we've had like a good network on trying to attack colleges.

So it's just like they're a small group of friends. A couple likes here and there, a few sayings.

Do I see everybody's or do I just... Do I only share with my friends my circle?

Does everybody get to see a main feed? There are two feeds. So there's a

feed with just your friends and then there's a feed with everyone on the app.

Is this the first social app you've built?

Technically not. Me and Emma built another app in college called Atlas, which is like Gen Z Yelp.

Unfortunately, we had to shut down because of COVID, but it was a really good experience.

Awesome. So the reason I'm going into all these details is I'm trying to figure out if you

actually understand social. And if there's something unique here, and you do understand

social, that's why I said, hmm, I wonder if they've done this before. Social apps are very unique.

They have... There are certain devices that really work and it's very particular, which

things drive engagement and which don't. And then getting the flywheel started,

the cold start problem, super important. And so I think it's a very tactical, important,

obsessive, compulsive approach you need to have to actually get a community started.

And it sounds like you've got a good start. It sounds like you have a good plan to do it on

campuses and to just get a group of people. And I wonder about the device.

You know, FitCheck, great. I wonder if prompting people and people saying,

love it, like it, you got to be careful because you don't want people to get smashed and

destroyed over their outfit. But somebody being able to say like, meh,

like there might be some clever ways to kind of prompt people where they don't have to type a

comment because typing a comment means I have to think it through. But if you had five

vectors, cute, meh, try again. I'm not sure what it is. Keep working. There might be some fun,

clever ways to say, like but don't love. And then you would prompt you, if I

cook like but don't love, what would you improve? So there might be ways to structure this to make

it more interesting. Have you thought of like a new device other than bookmark like comment?

Not yet, but that's really good feedback. We'll definitely take that back to the drawing board.

Yeah. And then, I mean, giving people permission to be candid, you know,

is another kind of interesting device. So like, you know, roast my outfit, be brutal,

permission granted to be candid, please be candid, you know, and I think being a little

cheeky could be interesting. Being a little, you know, more the having a little more fun in the

app is what I would say. So like hot or not had a playfulness to it that, you know, made it super

addicting. And then Tinder stole that and made it into a dating app. So here I wonder if swiping

left or right on it, love it, like it, you know, hate it or not for me, you know, there's something

there that could make this even more fun. And then allowing people to upload other people's

outfits and comment on them could also be a breakout for you. So if I take Jennifer Aniston's outfit

that she wore on her date with, you know, some Fabian's venture capital, that was in the Daily

Mall this week. And you know, you're like, Hey, what do you think of this VC's outfit? What do

you think of this person's outfit? Some famous person? Then you don't have to worry about that

cold sore problem. You're putting in 10 outfits that you found on the internet that were iconic.

You could take a presidential, you could take Vivek, you know, had some outfit he wore the



other day, you know, brown shoes with a blue suit. I was talking to somebody on Twitter about brown shoes and blue suits and they didn't like that combination. Somebody posted a picture of Vivek, like, okay, let's talk about the presidential candidate. So I really, you know, I like where you're going with this. And I like the little AI sprinkle, but I think getting that device is kind of interesting. And then having 20 people who really understand fashion and seeding the app with them. They don't necessarily be stylist, but they just need to be opinionated cheeky people. The Reddit team, they all created fake accounts. I'm not advising you to create fake accounts, but they created fake accounts to kind of get the cold sore problem. There are ways to solve the cold sore problem. So I'm just giving you a couple of them, you know, putting in 20 outfits that you saw today or having, you know, these street team people, your ambassador program on the college campus, having somebody go around and ask people, can I take a picture of your outfit for my social app that, you know, gives feedback on and then they hand them a card with the QR code of the app. I love your outfit. Can I take a picture of it and share it on Fitted where people give feedback on great outfits and fit checks. That's kind of cool. So, you know, like the street team method. And then this is where you know, you have a great idea is when investors or users have a lot of punch ups for you. I have a lot of experience in consumer apps. And, you know, there was confetti inside of Robinhood when you made a trade. It's a little tiny thing. People just look up Robinhood confetti. People got upset about it, like, oh my God, you're making it, you know, too much fun to invest. And I'm like, really, I mean, people give people high fives when they bet on Blackjack. I don't understand why Robinhood putting confetti is a problem. But anyway, I think a little more playfulness, a little more fun. And then really, that loves your street team idea. So there was a New York Times style section would do like fashion on the street. And there is the guy on TikTok who just runs up to people in nice cars and says, like, what do you do for a living? He became very famous. Yeah. And so there's an equivalent to that for you. And maybe it's a TikTok channel where it's like the fitted fit check. And so I'm immediately going to the behavior in your app and then the go to market strategy. I think having a TikTok where you just had somebody who was fearless going through cities and videotaping, people will be like, I love your outfit. Can I take a, you know, who's it by? Or, you know, well, you know, I love your outfit. This isn't this. Like, there's this guy who is a comedian who runs around on the street with celebrities. And I don't think I've seen that one. Yeah, he's like, oh, do you love John Oliver? And people are like, who? Oh, yeah. Here's John Oliver. He's right over his shoulder. He runs around, you know, like, man, for a dollar, tell me, like, what's it like to be a New York elitist? And they're like, it's great. They just take the dollar. I forgot that guy's name, but he's hilarious. Anyway, no, that's really sharp feedback. Because a lot of fat, a lot of fashion and shopping for outfits is like reinforcing your personal and social identity. So building those like mechanisms and feedback loops within fitted to continue reinforcing like that self expression has really good notion right there. And in terms of like the TikTok marketing, Emma has like 12,000 followers on TikTok. And now that we're going full time, she's going to be doing a lot of that content marketing or going around Manhattan and saying, like, hey, like, I like that outfit. Where is it from? And, you know, trying to get that social motion. Billy on the street is the guy who does the street stuff. So I think I'm just

along with saying, consumer is lightning in a bottle. And I don't know that you have lightning in a bottle yet. But I could see lightning, you know, going into your bottle here. So trying to give you permission to have fun with it, be controversial. You know, Dave Portnay, everybody knows the rules, one bite of pizza. And then he takes like, he proceeds to take six bites of pizza. And like, when you first watch it, you're like, you just broke the first rule. Right. Everybody knows the rules one bite. And it's like, wait a second, Dave, you just took three or four bites. Wait, how is that the rule? That's the kind of playful marketing. And then Dave Portnay, just doing pizza reviews, like people lose their mind. Yeah. Yeah. But it's like, I don't know what percentage of bar stool is people watching him interact on the street with that. But man, there is something about that man on the street is the term they use. Forgive the gender specificity of that. But man on the street is a very popular device for hundreds of years. And you could really smash it. And there's always chaos, right? And New York City is the absolute best place to do that because chaos will ensue. I don't recommend doing it in San Francisco because yeah, you're gonna just get assaulted and robbed. No, they'll steal your camera. But great job. All right. Well, I love all four of these companies. Kelly, you do this to me every time. You can drop off the video. And Kelly and I will have our little deliberation here. So let's talk about these four companies and what the attributes are that investors will like about each one. We'll go through the four companies and maybe just give me your, I always like to challenge my team, your description of each company in one sentence. You see me do this all the time. Kelly, now it's your turn. Tell me the first company and your one sentence crisp description. Okay. So based on this discussion. Yeah. Yeah. So Newcomer Games is a, let me see, a video game to learn and practice languages. Okay. It's Duolingo in video game format. So it looks like the person can execute. It looks like they have early product market fit. And there's definitely consumer demand. And there are equivalents of that business in the real world. Language learning has always been a mid-sized business. It could easily get to tens of millions, not easily, nothing's easy, but it could get, I could see it getting to millions and then tens of millions in revenue. And that, for us as seed investors, is enough to maybe want to make the bet. Second company. All right. So Scrumly, I would say is a company that is removing the Scrum Master by using AI planning. Okay. AI Scrum Masters. Yeah. Replace your product manager with AI. This makes a lot of sense to me. You know, people are restrained in terms of costs. Certain positions are going to just go away in the future. Is the product manager Scrum Master actual job function going to go away? Will that be like an operator, a telephone operator, and we just wouldn't exist? Or receptionist or cashiers, which are quickly going away? The idea of like a cashier at McDonald's is going to be like, what? Why would I talk to the cashier? That's annoying. I'm just going to go to the kiosk. So I like the idea. I believe the idea and a really good team. So, you know, the team there is, I think, really compelling to me, whereas their product progress is very early. So, you know, you see different things early on. For the first company, Duolingo for Games, Duolingo in Games, they seem to have a lot of product progress. And then in this one, we see a lot of team progress, but the product's a little bit further behind just how great the team is. So that's good. You know, like both of those. Next one. All right. Next is Homescore. And I would actually say that they help you manage your home. Yeah. Great. See, now you're saying it's simpler than the founder. It's very easy

for you to describe a founder's company. It's easier for you to do it than the company. And it's easiest for the customer to do it. So when you build a company, you should just say to your customers, what is Founder University? And they say, oh, it's a course on how to start a company. Like we would be like, oh, it's a 12-week, well, we'd be describing all this stuff, and then we give 25K, and they'd be like, it's a, they teach you how to start a company. So like our tagline for Founder University should be, we'll teach you how to start a company. The end, like your customers describe your product better than you, and your investor, if they're, you know, good at what they do, should be able to describe your business better than a founder. And for founders, that's super humbling. I always like to ask your customers to describe your company. Right. Because they always focus on the benefit that they get, not how the sausage is made. Correct. Yes. And the last one.

Our last one here is Fitted, which is a social app to share your outfits and make sure you're not going to look silly. Okay. Great. And so, you know, we look at each of these, and we have to ask ourselves, is it a great team? All four cases, these look like really great teams.

Is it a real problem in the world or for our real problems?

Managing your home, making sure you look good in your clothes, you know, getting that fit check, looking good. And because we see analogies to both of those things in the real world.

People hire language coaches. They use DuLingo. They used to do Rosetta Stone.

People hire stylists. People hire house managers or estate managers to manage their homes. And people hire PMs and scrum masters. So, all that exists in the world. So, we know there's a market for it. And we know that there's always like, the question then becomes, are these better solutions? Are these good teams? So, in all four, we have checked all those boxes.

You know, this is the cream of the crop that you're presenting to me. So, for an early stage bet of 25K, all four of these qualify. So, then, you know, the question then becomes, are they venture scale businesses? And I believe all of them, you know, can get to millions of dollars in revenue. And so, when I feel they can get to millions of dollars in revenue, I actually don't worry too much about the hundred million. Because founders who can get to millions in revenue,

they typically get a bit frisky and frustrated that they're not a tens of millions.

And then they add to their product. So, a lot of VCs get obsessive, Kelly, about, oh, you know, is this venture scale? I don't know if it's venture scale. When you're early, early, early, early stage like we are, pre-incorporation of the company and at the incorporation, you know, years 0, 1, 2, and 3, we get in at such a modest valuation, typically low millions of dollars like Y Combinator and Arc and, you know, other, you know, accelerators do, we can be a bit more frisky. A 50 million or 150 million dollar outcome for us could be a great investment.

So, I like all four. I think all four will get to millions, could get to millions of millions to tens of millions in revenue. Now, do they get to billions like Uber or tens of billions like Uber? We'll see, you know, that's really hard to do. That's lightning in a bottle for sure. But I like all four. And so, if you ask me, I would probably invest in all four. Which one was your favorite? Which one do you think would get the biggest return for our LPs? That's always the question we should ask ourselves. What's going to get the biggest return for our LPs? Because we work for them too. Absolutely. I'm a little torn on this one. I would say either. Well, take me through your thought process. Yeah, absolutely. So, with Scrumly, I love it because it's a problem that companies are facing right now. And I see this, I was actually certified

as a Scrum Master. And so, a lot of my Scrum friends are seeing where they used to manage two to three teams. Now, they have six or eight and they are struggling and they might not exist at all in that role. It's a very expensive role. So, I think that the fact that they're building on top of the existing tools and then helping to eliminate the human work is a great start to planning a really good business that can grow and scale in this exact moment.

I really also like newcomer games. And I don't have as much personal experience on the consumer side with my own startup and things. But I really love that you could start with this niche that are obsessed with these games and the way they look. And it's really nostalgic for folks our age, I think, kind of seeing that 2D version and you are building a skill set for them and people are happy to pay for that type of a tool. So, I think there's really something there as well.

Okay. I love consumer products. I think Fitted has got the chance to be Pinterest or Instagram-like. I could see that being lightning in a bottle, it might have the lowest percentage chance of the other companies, but it could have very big outcome chance. And Scrum AI makes total sense to me. The Homebook makes total sense to me. And of course, the Language makes total sense to me. So, I think I'll just invest in all four. So, once again, you've presented me with four entrees and I just ordered all four of them. So, hey, here we go. Just give each one 25K. And let's see if we can help them raise their next round or hopefully, you know, maybe if there's an accelerator watching who wants to join me and Kelly in growing these companies, we like to work with other seed

funds. We'd like to work with other accelerators. We're not sharp elbowed. I encourage other people who are sharp elbowed in the ecosystem to maybe be more collaborative with other people. And that's

coming from me. I'm a lunatic and I'm telling everybody, you know, these startups need a lot of help. And so, you know, if they can go to one or two accelerators or go to Founding University, then accelerator or a seed fund wants to jump in and give them a 250K check, all good. You know, we'll introduce you to any of our companies. We want to see more people who have great intention on the cap table would love to see one of these companies go to tech stars, one of them go to NEO, one of them go to Y Combinator, one of them go to launch. That would be an amazing outcome for us if, you know, they went to all different places and got all kinds of different help. And if there's a seed fund out there that likes to put 100K or 250K into a company, Kelly at launch.co, Jason at launch.co, you can email us for an intro or you can reach out to the founders directly. If you'd like to come to Founding University, Founder.University, apply, apply, apply, apply and keep applying. And then we email that list, content from time to time, and we email that list who we're investing in. So, if you join the, if you go to Founder.University, can they join our mailing list there as well? Is the sub-stack listed there? I wonder if we did that yet. We have, I know we have a Founder University sub-stack and we have a Founder University Twitter X handle. Let's put into our show notes all of this and let's just make sure Founder.University has a sign up for the sub-stack. It does. It does. Okay. So, go to Founder.University,

there's a dot university domain, apply to the program, but also from there, sign up for all of our different social channels, but also we'll sign up for the email because we're going to start sending content there. All right. This has been another great episode, Kelly. Wonderful job. You impression doing a great job on Founder.University, 2,000 applicants, 450 people attended, 220 teams. I think 200, you know, 250 teams each time is the right number, which means

10,000 applications a year, resulting in 1,000 people coming to the program a year. And we invest in, let's say, out of the gate during the program, 10% of those, 100 investments a year, 2.5 million a year in those 25K checks and some number of them. So, that's kind of the marching orders over the next three years. Let's invest 300 times 25K checks, 7.5 million dollars and see if we can be the first check into a lot of companies. And hey, if we do 300 of those, and we hit one unicorn, but one, it will have been a 3X fund. So, just so you are thinking the right way, 300 companies and then 2.5% ownership, we get cut in half along the way, but we might keep our percentage because we like to keep investing. So, let's just assume we own, I don't know, 1.5%. If 1 out of 300 become a unicorn and our 1.5% becomes worth, let's say it's a \$2 billion company, \$30 million, \$30 million, \$7.5 invested \$30 million, that's a 4X fund. A 4X fund means we have returned four times the capital. That would put us in the top quartile, top 10% of venture funds in the world. We need but 1 out of 300 to become a unicorn at a founder university investments over the next three years. It's a ton of work. I thank you for doing it. The founders, thank you for doing it, but you need to start thinking like I do about the LP side of the business. And then we have to prove this model works. We're doing something new. Nobody's ever done this 25K check at scale. It is a new product in venture capital. It's part of the Launch Fund 4. You can read about Launch Fund 4, [launch.co slash memo](http://launch.co/slash/memo). This is a new thing that we're doing that nobody's ever done before. And I think it's going to become like a really great, I'm sure a lot of people will copy it, which is fine with me, but I think this founder university program is really going to help a lot of founders and that's what it's all about. Okay, Kelly, great job. Thank you so much, Jason. So glad to be here and please apply to Founder U. We would love to have you all in our next cohort. Yeah, and do it with two of your friends. Yeah. And if you're an idea person, go learn a skill, please. I don't know how many times I got to tell you this, but be good at something. Have something to add to the table. Be useful in the world. Have a skill. And you don't need to be like the 10X developer or like the master designer. Just at least have the ability to design something, have the ability to write some code, have the ability to architect a product or do growth, et cetera. So we'll see you all next time on The Sting Stars. Bye-bye.