Workshop 1: Deal Sourcing

2019 Utah Venture Capital Case Competition
Agenda

• Welcome
• Thematic Deal Sourcing
• Opportunistic Deal Sourcing
  – Group Exercise
• Review Deadlines and Deliverables
• Team Workshop w/ UGF Associates
• Close
Thematic or Opportunistic?
Thematic Approach
Thematic Approach

chiefmartec.com Marketing Technology Landscape ("Martech 5000")

May 2017


Produced by Scott Brinker (@chiefmartec) and Anand Thaker (@anandthaker)
Opportunistic Approach

• Looking for great deals generally rather than looking for the best deal in a specific industry
• Typically very network driven
• Still need to refine your approach to some degree: apples vs oranges
Things to Look For in Potential Deals

• Unique product or business model
  – Competitive Advantage?

• Big Market
  – They will probably pivot, but is the space still big?

• Killer Team
  – Experienced? Passionate? Team-Market Fit?
Things to Look For in Potential Deals

• Can it scale super fast? (e.g. Software)
• Unique access or partners?
• Operates in a huge potential market
• Has unfair advantages over competitors (e.g. network effects)
• Can create liquidity in the next 5-10 years (i.e. be acquired or go public)
Fund Assumptions:

$50M Fund
- Year 1 of a 10-year fund
- Targeting 30–50 seed/early stage deals
- How much should you invest per deal?
Ownership targets? Reserves?
Places to look for deals:

As long as you can get reliable data, you can source from wherever you'd like. But, there are no promises of confidentiality.

- CircleUp
- Angelist
- SeedInvest
- StartEngine
- WeFunder
- Fundable
- Crowderfunder
- EquityNet
- LocalStake
- EarlyShares
- Crowd2Fund
- Funding Circle
- ICOs
- And others!!
UT VC Competition: Dates to Remember

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<thead>
<tr>
<th>Date</th>
<th>Where</th>
<th>What</th>
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<tbody>
<tr>
<td>Oct 23rd</td>
<td>USU</td>
<td>Workshop 2: Deal Sourcing and Screening</td>
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<td>Oct 23rd</td>
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<td>Signup closes, Team Submission Deadline</td>
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<td>Oct 24th</td>
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<td>Teams Announced</td>
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<td>Oct 30th</td>
<td>Westminster</td>
<td>Workshop 3: Due Diligence I</td>
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<td>Oct 30th</td>
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<td>Selection and Description of 3 Companies Due</td>
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<td>Nov 13th</td>
<td>UVU</td>
<td>Workshop 4: Due Diligence II and Presentation</td>
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<td>Nov 16th</td>
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<td>Investment Analysis Due</td>
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<td>Nov 21st</td>
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<td>Top 5 Teams Announced and Paired with Mentors</td>
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<td>Dec 3rd</td>
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<td>Final Presentation Due</td>
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<td>Dec 4th</td>
<td>BYU</td>
<td>Final Event + Winning Team Dinner</td>
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Next Workshop:
Due Diligence II
October 30th 6PM – 8PM
Westminster College

Assignments:
Team Sign up
Due: TONIGHT!

Selection and Description of 3 Companies
Due: October 30th