

Entrepreneurs' Equity Roadmap™
SPARK Workshop Exercise: Where is Your Start-up On the Roadmap?

INSTRUCTIONS:

1. In each Area, enter a check mark in the CHECK ✓ column for the best description that matches your current status.
2. Record the SCORE for each check mark by entering the number from the leftmost column that corresponds with your ✓.
3. Add the scores from each area and enter the total at the bottom of the SCORE column.
4. Take your TOTAL SCORE and divide by five to give an average score and enter it below your TOTAL SCORE.

AREA		CHECK ✓	SCORE
Value Proposition			
0	Founders have identified hypothesis of target customer and type of person whose problem they are solving.		
1	The Team has potential customers who provide evidence that solution solves key pain point - product is a painkiller, not a vitamin.		
2	Evidence that customers will pay the target price. Confirmation through initial target customer feedback that the solution solves their problem significantly better than others in the market. Target customers love the product and want to keep using it.		
3	Sales validate that impact is tied to solution and that marketing scales. Customers love product and are referring the product to others.		
4	Majority of first sales in target market are inbound.		
5	Multiple renewals with low sales effort. Customers in multiple markets love the products.		
6	Global leader in stated vision. Cited as the top solution in the industry solving this problem.		
Team			
0	<u>Founder +</u> Smart, committed w/ relevant experience and skills. At least 2 people with differentiated skills.		
1	<u>Founder +</u> Team has senior members with live experience and understanding of the target customers' problems. Supplemented w/ advisors to fill gaps.		
2	<u>Founder + Advisors + 'Equity Workers'</u> Demonstrated ability to attract and manage good people. Additional skills added in critical areas. Equity in place of salaries as needed. Strong industry contacts.		
3	Team has clear sales / ops understanding and strategy. Team has proven sales and product development skills and management ability to support a growing team for scale.		
4	C suite as good or better than founding CEO and can stay with company through its growth and exit.		
5	Team is recognized as market leaders in the industry.		
6	Team is positioned to navigate Merger, Acquisition, IPO.		
Product			
0	Ability to develop usable prototype. Freedom to operate - not blocked by other patents.		
1	Team has a basic usable prototype that solves the problem.		
2	<u>Working Prototype / MVP</u> Team has built a working prototype that can be sold to target market customers even if requiring non-scalable levels of support. Product roadmap developed. Team has a clear understanding of product development costs and how to build the go-to-market product.		
3	<u>Complete Go-To-Market Target Market Product</u> Strong user experience feedback.		
4	Product is built for scale and additional offerings in progress.		
5	Strong customer product feedback in multiple markets or segments.		
6	Product recognized as tops in the industry.		

Market			
0	Can articulate total addressable market, percent they will capture, and initial target market.		
1	Has identified how major regulatory and competitive hurdles will be overcome.		
2	Evidence of a clear understanding of the value chain and relevant cost structures within their industry. Evidence, through sales, that team can capture initial target market. Evidence of \$1B+ total addressable market.		
3	Sales beyond initial target customers. Supply / distribution partners see their success aligned with the company's success.		
4	Sales cycles meet or exceed industry standard.		
5	Brand established. Hard-to-beat partnerships for distribution, marketing, and growth.		
6	Clear line-of-sight to industry dominance.		
Revenue Model / Scale			
0	<u>Pre-Revenue</u> Outline of revenue model. Team has identified multiple possible markets or customer segments.		
1	<u>Pre-Revenue</u> Team can point to pricing and business models of similar products in the industry as evidence that revenue assumptions are valid. Evidence of multiple markets with problem.		
2	Team has financial model with cost and revenue projections that support timing and magnitude of profitability. Demonstrated strategy and ability to meet projections. Conversations with strategic partners that will accelerate scalability and growth.		
3	Sales begin to map to projections. Evidence of decreasing CAC with growing customer base buying at target price. Initial evidence of positive unit economics in two markets or segments.		
4	Business model validated - confirms strong unit economics. Evidence of strong unit economics across multiple markets.		
5	Month on month revenue meets or exceeds industry standards. Growth of customer base accelerates month on month.		
6	Minimum 2x revenue growth for multiple years. Strong unit economics for multiple customer segments.		
		TOTAL SCORE	
		TOTAL SCORE ÷ 5	

Additional Exercise:

Take your lowest score and subtract it from your highest score. The range says how inconsistent you are across the Areas. The higher the number, the more work needed to make your milestones consistent with investor expectations.