



# Stolen Cars

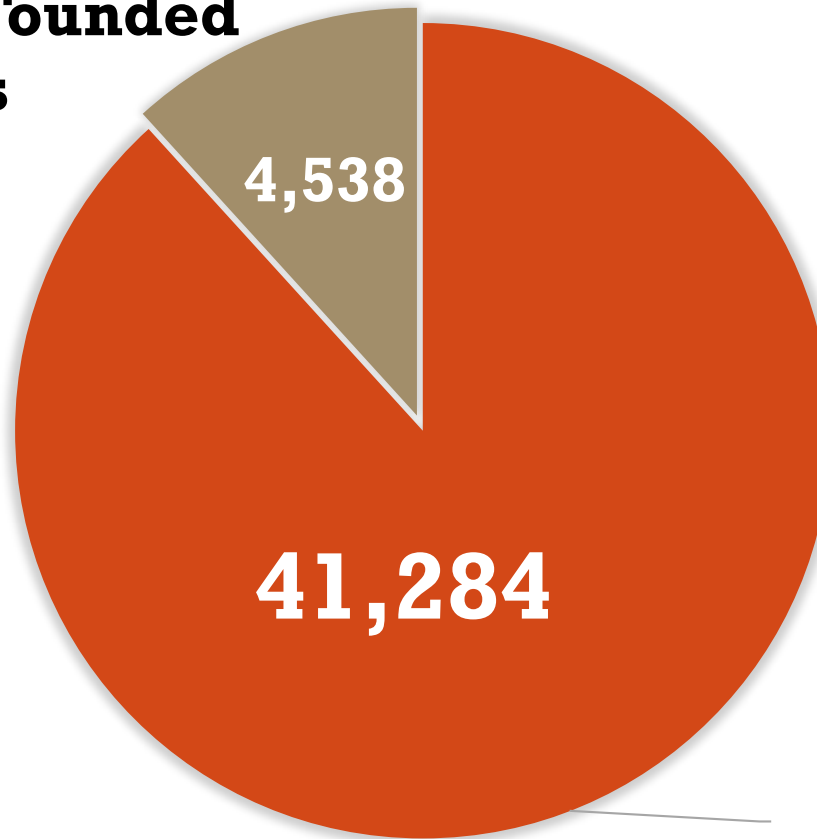
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- ETM 562/662 New Venture Management
- Spring 2017
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# Problem

**Stolen and Founded  
Cars  
12%**



**Stolen Cars  
88%**

November 2013 [1]



# Solution

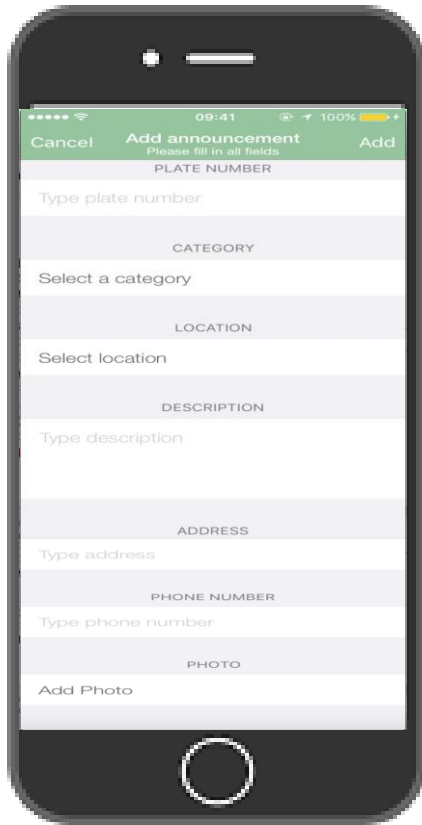
- **A smartphone Application** where users can help stolen car owners in finding their cars
- Owners pay **\$200** to the finders

Find their  
stolen cars  
(Owners)

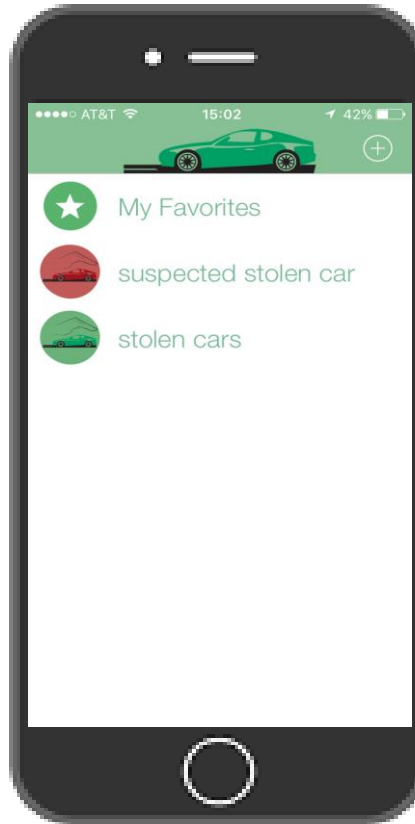
Make Money  
(Users)



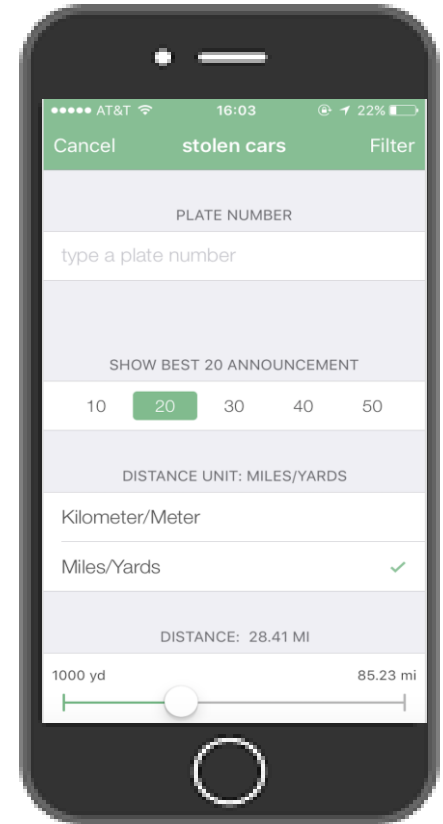
# Product



Report Suspected  
Stolen Cars



Search For Stolen  
Cars



Find



# Business Model

- 20% cut from the \$200 that car owners pay to finders



# Value Propositions

## Car Owners

- Increase their chances of finding their stolen cars

## Users (Founders)

- \$160 for every found car
- Satisfaction from helping someone finding his car



# Marketing and Analysis

- User's Target segments are mainly teenagers and young adults
- Advertising the App in Social media, Twitter and Snapchat
- Possible partnership with towing company



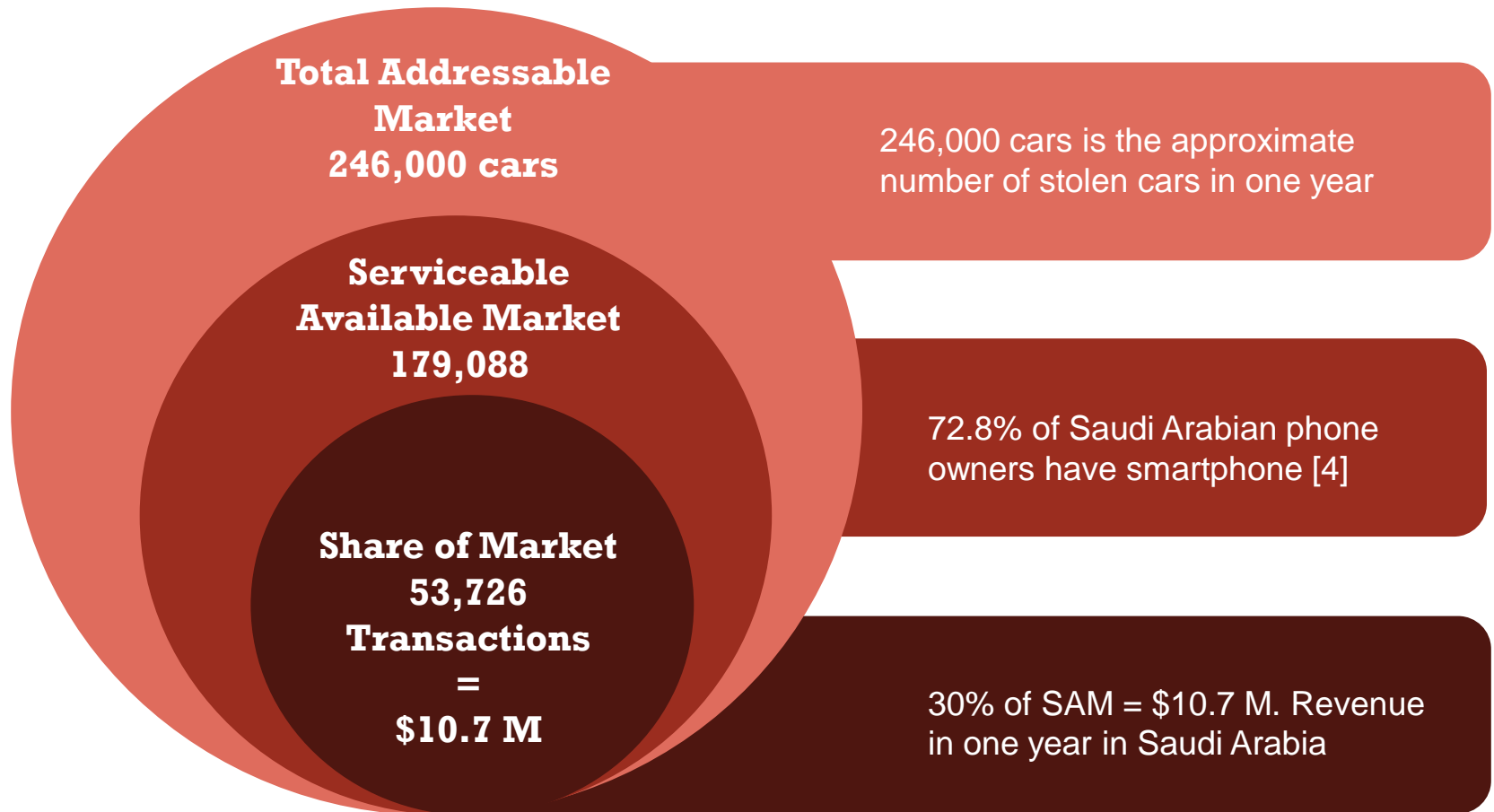
# Stage Gates

No.	Key Project Milestones	Fund Needed	Time
1	Proof Of Concept, 5,000 Transactions by end 2018	\$300,000	2018
2	Growth, 50,000 Transactions by end 2019	\$500,000	2019
3	Globalization, 3-5 new countries	\$5,000,000	2021

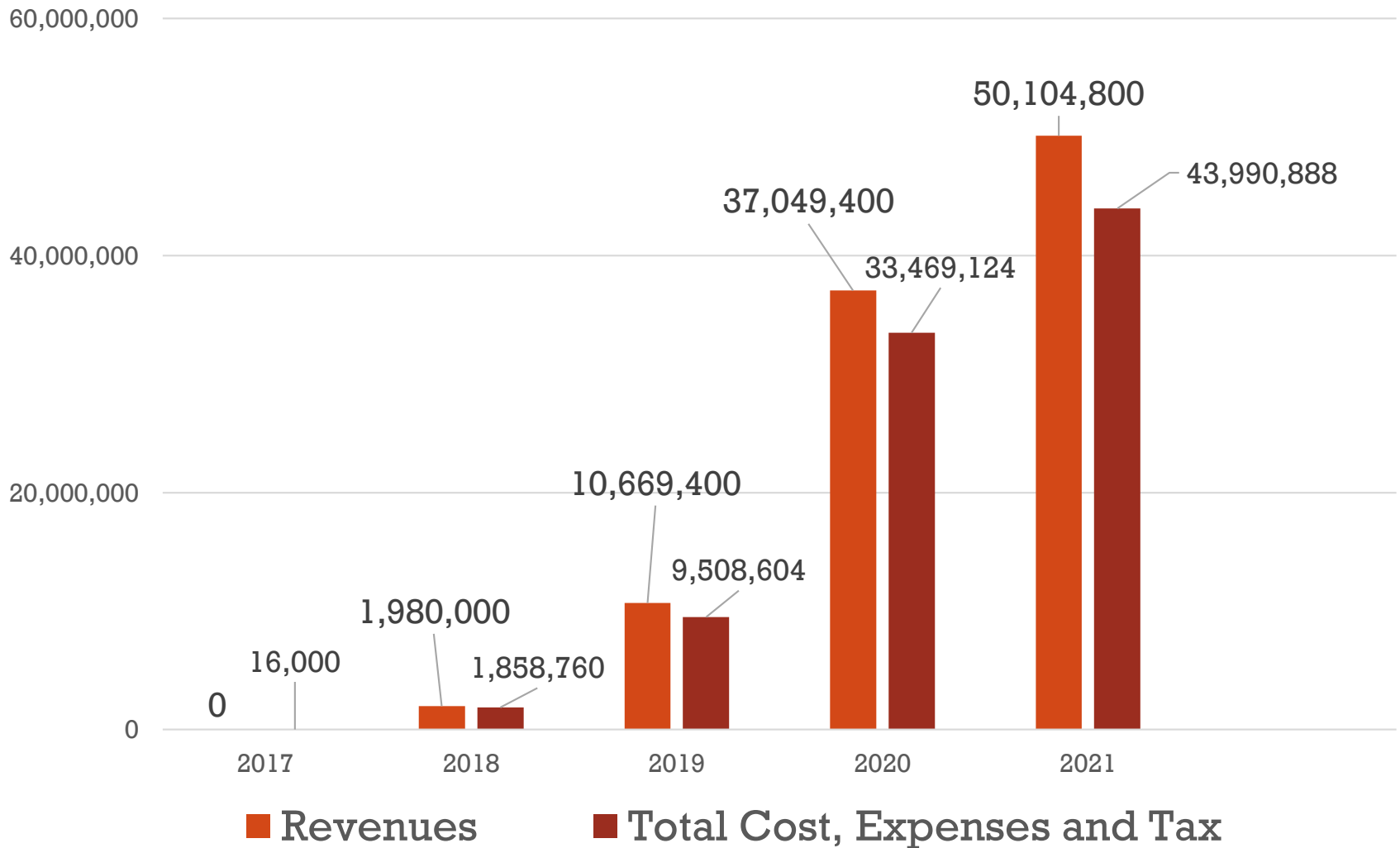




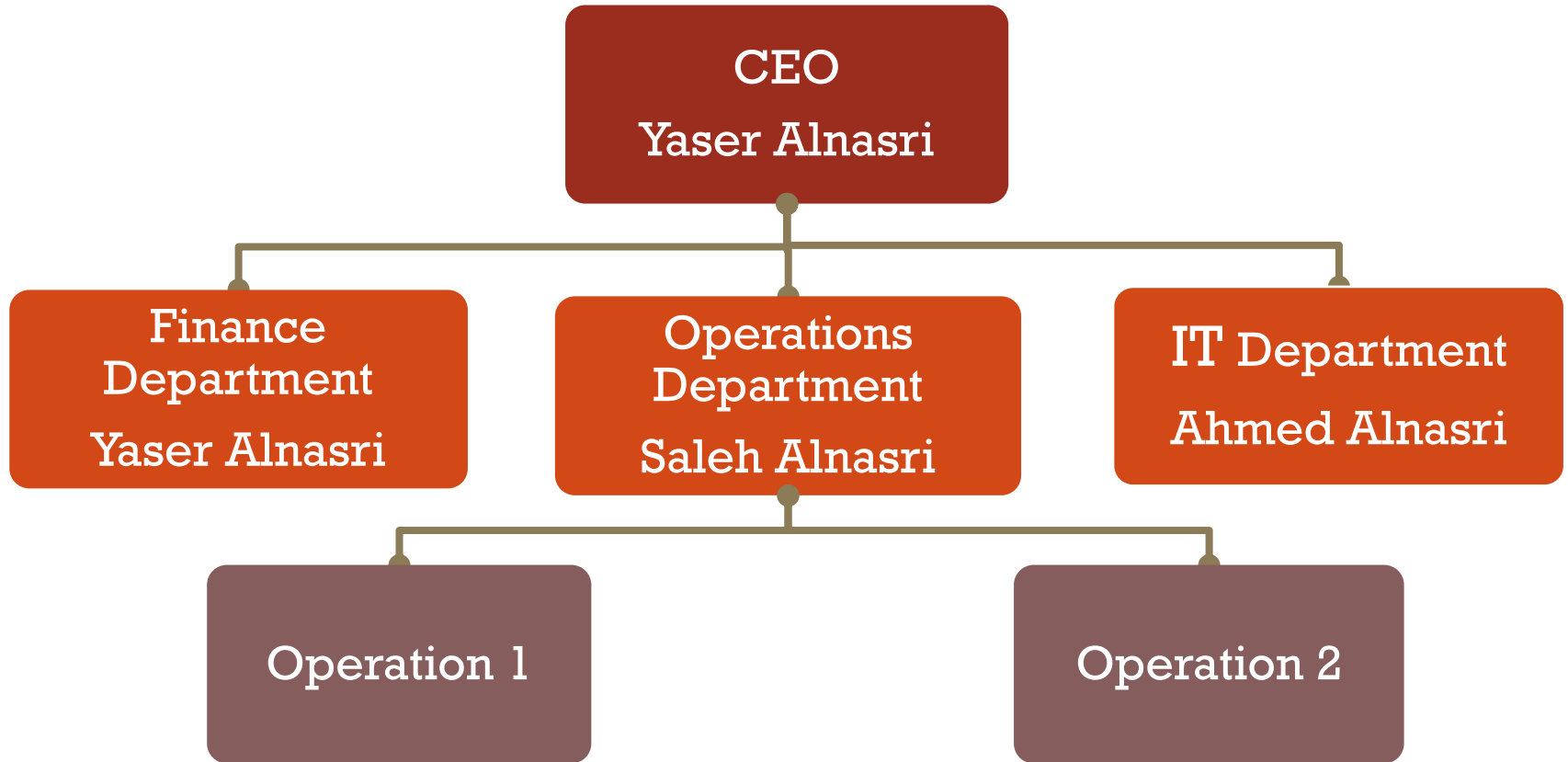
# Market Size



# Revenue and Expenses



# Organizations and Management



# Fund Requested

- Stolen car App has a good opportunity in term of financial aspect
- The App will need a seed round of \$300,000 in exchange of 30% of our company
- The funding will be used to finalize, launch and advertise the App
- By end 2019, the expected revenue will be (\$10.6 M)





**FEEDBACK & QUESTIONS**



# References

1. <http://english.alarabiya.net/en/News/middle-east/2017/04/16/Fireworks-in-Istanbul-as-Yes-side-seems-to-claim-victory.html>
2. <http://www.alsharq.net.sa/2014/11/03/1243188>
3. [http://www.abzarkade.com/newsdesk\\_info.php/newsdeskPath/0/newsdesk\\_id/16/language/en](http://www.abzarkade.com/newsdesk_info.php/newsdeskPath/0/newsdesk_id/16/language/en)
4. <http://www.tech-wd.com/wd/المرتبة-الثالثة-السعودية-في-2015/05/09/عالمياً-ف/>
5. <https://i.ytimg.com/vi/g2Tv4VlTQlQ/maxresdefault.jpg>



## Stolen Car Application

	Year	1	2	3	4	5	
		2017	2018	2019	2020	2021	% of Sales
Revenues		0	1,980,000	10,669,400	37,049,400	50,104,800	100.0%
		0	1,980,000	10,669,400	37,049,400	50,104,800	100.0%
<b>Costs and Expenses</b>							
Cost of Sales		0	1,584,000	8,535,520	29,639,520	40,083,840	80.0%
Gross Margin	▼	#DIV/0!	20.0%	20.0%	20.0%	20.0%	
Research & Development		11,000	10,000	60,000	800,000	100,000	0.2%
Sales & Mktg		0	40,000	70,000	300,000	150,000	0.3%
General & Admin.		5,000	172,800	345,600	1,195,200	1,036,800	2.1%
Total Costs and Expenses		16,000	1,806,800	9,011,120	31,934,720	41,370,640	82.6%
Gross Profit		-16,000	173,200	1,658,280	5,114,680	8,734,160	17.4%
Gross Profit	▼	#DIV/0!	8.7%	15.5%	13.8%	17.4%	
Income Tax		0	51,960	497,484	1,534,404	2,620,248	3.1%
Total Cost and Expenses and Tax		16,000	1,858,760	9,508,604	33,469,124	43,990,888	
<b>Net Income (Loss)</b>		<u>-16,000</u>	<u>121,240</u>	<u>1,160,796</u>	<u>3,580,276</u>	<u>6,113,912</u>	12.2%
<b>Cash Flow</b>							
Beginning Cash		0	0	421,240	2,082,036	10,662,312	
Add: Financings/Grants		16,000	300,000	500,000	5,000,000		
Net Income (Loss)		-16,000	121,240	1,160,796	3,580,276	6,113,912	
Ending Cash		0	421,240	2,082,036	10,662,312	16,776,224	
<b>Headcount</b>							
Research & Development		0	2	4	16	12	
Finance		0	2	4	16	12	
General & Administration		0	6	12	36	36	
<b>Total Costs and Expenses</b>		<b>0</b>	<b>10</b>	<b>20</b>	<b>68</b>	<b>60</b>	

NPV @ 30% Ke 3,487,995

Terminal Value 10,189,853

Total NPV 13,677,849

# P&L Statement

- Revenue
- Costs & Expenses
- Gross Profit
- Net Income
- Cash Flow
- Headcount
- NPV & Terminal Value



# Sales Forecast

**Sales Forecast for the 1st Year (2018)**

Date	Average number of found cars through the App	Revenue per car	Expected Revenue per month
Jan-18	0	\$200	\$0
Feb-18	0	\$200	\$0
Mar-18	0	\$200	\$0
Apr-18	0	\$200	\$0
May-18	0	\$200	\$0
Jun-18	0	\$200	\$0
Jul-18	500	\$200	\$100,000
Aug-18	700	\$200	\$140,000
Sep-18	1,200	\$200	\$240,000
Oct-18	1,800	\$200	\$360,000
Nov-18	2,500	\$200	\$500,000
Dec-18	3,200	\$200	\$640,000
End of Year 1	9,900	\$200	<b>\$1,980,000</b>

**Sales Forecast for the 2nd Year (2019)**

Date	Average number of found cars through the App	Revenue per car	Expected Revenue per month
Jan-19	4,100	\$200	\$820,000
Feb-19	4,477	\$200	\$895,400
Mar-19	4,477	\$200	\$895,400
Apr-19	4,477	\$200	\$895,400
May-19	4,477	\$200	\$895,400
Jun-19	4,477	\$200	\$895,400
Jul-19	4,477	\$200	\$895,400
Aug-19	4,477	\$200	\$895,400
Sep-19	4,477	\$200	\$895,400
Oct-19	4,477	\$200	\$895,400
Nov-19	4,477	\$200	\$895,400
Dec-19	4,477	\$200	\$895,400
End of Year 2	53,347	\$200	<b>\$10,669,400</b>
Cummulative Revenue			<b>\$12,649,400</b>

**Sales Forecast for the 3rd Year (2020)**

Date	Average number of found cars through the App	Revenue per car	Expected Revenue per month
Feb-20	7,277	\$200	\$1,455,400
Mar-20	9,277	\$200	\$1,855,400
Apr-20	11,677	\$200	\$2,335,400
May-20	14,477	\$200	\$2,895,400
Jun-20	17,277	\$200	\$3,455,400
Jul-20	20,877	\$200	\$4,175,400
Aug-20	20,877	\$200	\$4,175,400
Sep-20	20,877	\$200	\$4,175,400
Oct-20	20,877	\$200	\$4,175,400
Nov-20	20,877	\$200	\$4,175,400
Dec-20	20,877	\$200	\$4,175,400
End of Year 3	185,247	\$200	<b>\$37,049,400</b>
Cummulative Revenue			<b>\$49,698,800</b>

**Sales Forecast for the 4th Year (2021)**

Date	Average number of found cars through the App	Revenue per car	Expected Revenue per month
Jan-21	20,877	\$200	\$4,175,400
Feb-21	20,877	\$200	\$4,175,400
Mar-21	20,877	\$200	\$4,175,400
Apr-21	20,877	\$200	\$4,175,400
May-21	20,877	\$200	\$4,175,400
Jun-21	20,877	\$200	\$4,175,400
Jul-21	20,877	\$200	\$4,175,400
Aug-21	20,877	\$200	\$4,175,400
Sep-21	20,877	\$200	\$4,175,400
Oct-21	20,877	\$200	\$4,175,400
Nov-21	20,877	\$200	\$4,175,400
Dec-21	20,877	\$200	\$4,175,400
End of Year 4	250,524	\$200	<b>\$50,104,800</b>
Cummulative Revenue			<b>\$99,803,600</b>

**The 5th Year (2022)**

Date	Average number of found cars through the App	Revenue per car	Expected Revenue per month
Jan-20	Selling the App		<b>\$10,189,853</b>



# Stage Gates

No.	Key Project Milestones	Key Project Milestones Description	Projected	
			Fund Needed	Expected Completion Date
1	Proof Of Concept, 5000 Transactions by End 2018	On January 2018, the budget required is (\$300,000) to edit and update the the application. On July 2018 the project will be launched with a focus on social media-marketing activities. By end 2018, the expected revenue will be (\$1.9 M)	\$300,000	2019
2	Growth, 50,000 Transactions by End 2019	On January 2019, the budget required is (\$500,000). The marketing activities will continue as the application is thriving. On July 2019, research will be made on countries that this application might success on. By end 2019, the expected cumulative revenue will be (12.6 M)	\$500,000	2020
3	Globalization, 3-5 new countries	On January 2020, the budget required is (\$5,000,000). The App will be scaled up and globalized in 3-5 new countries. On January 2021, the marketing activities will continue as the application is thriving. By end 2021, the expected cumulative revenue will be (\$99.8 M)	\$5,000,000	2022
4	Exit	Selling the application	\$0	2022
Total Project Funding			\$5,800,000	



# Revenue and Expenses

