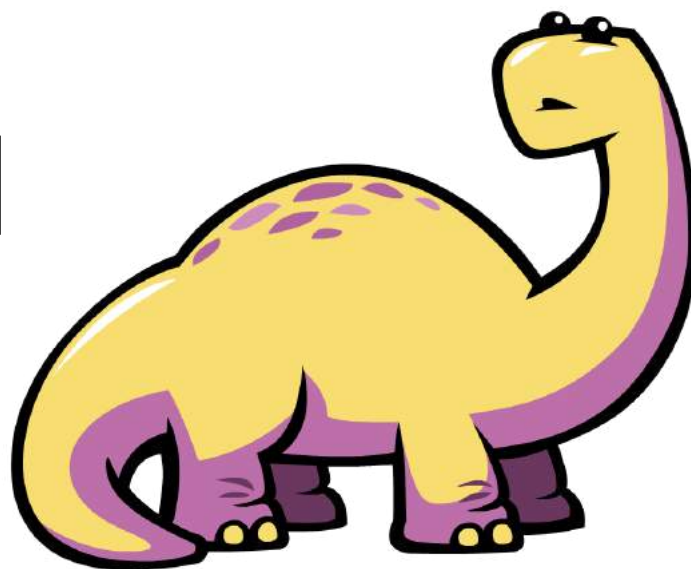


GET A MAP... [AN EXIT MAP]

Map Out the Value You Provide
and Its Place in the Market

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WHY PAY ATTENTION?

Most companies should not go IPO - so that means acquisition. Knowing your potential acquirers helps you get a sense of the market and how you create value for different participants. If you understand why a company would buy you, you can create a value-based sales map and identify aggregation channels. If you can provide value to a company through an exit, you will most often be able to sell them as a client and drive revenue. An exit map shows you additional product opportunities. Note exit drivers are not the same as sales drivers. Typical exit drivers include Total Addressable Market, decommoditization, cannibalizing competition, controlling market development, etc. Fill out the map below, using potential acquirers that have a history of acquisitions with good multiples. Put in the logos, explain your value proposition for each, and identify the individuals who do these transactions at your targets.

VERTICALS - MARKET

HORIZONTAL - FUNCTIONS	ACQUIRER	ACQUIRER	ACQUIRER	ACQUIRER	FUNCTION A
	ACQUIRER	ACQUIRER	ACQUIRER	ACQUIRER	FUNCTION B
	ACQUIRER	ACQUIRER	ACQUIRER	ACQUIRER	FUNCTION C
	ACQUIRER	ACQUIRER	ACQUIRER	ACQUIRER	FUNCTION D
	MARKET 1	MARKET 2	MARKET 3	MARKET 4	

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EXAMPLE - WHATZAT WIDGETS

You have a company called WhatZat Widgets. You provide full-stack widgets to the consumer market at a high price point. You have a great brand, excellent traction, high margins, recognized industry thought leadership, an elite consulting group, and you are launching an enterprise offering that has solid initial traction.

TAM - Widget Corp has a significant enterprise business, but they have shareholder pressure to expand to consumer markets, which actually have a bigger Total Addressable Market. They need a different offering built from the ground up and a crisp, edgy brand. WhatZat Widgets would provide this offering, the brand, and double the TAM for Widget Corp.

De-Commoditization - Acme Widget has a legacy widget hardware business focusing on enterprise customers. Customers are increasingly dropping hardware-only providers like Acme Widget and opting for integrated solutions from full-stack providers like Widget Corp. These integrated solutions have higher margins and are stickier than Acme Widget, which is seeing profit erosion as they attempt to compete on price. WhatZat Widget would prevent this commoditization and provide a path towards higher-margin subscription revenue by pushing WhatZat Widget integrated solutions through Acme Widget's distribution, spearheaded with WhatZat Widget consulting for Acme Widget's high-value, high-risk, complex clients. Acme Widget could use the WhatZat Widget's offering as a value-add to take market share in the enterprise hardware business by competing on features/functions, rather than on price, and go upstream in the market. Or, they could fold in the additional margin to undercut that competition and create extra commoditization pressure for their competition.

VERTICALS - MARKET

HORIZONTAL - FUNCTIONS	WIDGET CORP	WIDGE CO.	WIDGEE WORKS	WIDGET HOLDING	FULL STACK WIDGETS
	ACME WIDGET	WIDGET PARTS CO.	WIDG	WIDGET LABS	WIDGET HARDWARE
	WIDGET.AI	WYDGT	WIDGET.IO	WIDGE LABZ	WIDGET SOFTWARE
	WIDGET, INC.	WIDGET FIXIT	WIDGE CO.	ABC WIDGET	WIDGET SERVICE
	ENTERPRISE WIDGET MARKET	CONSUMER WIDGET MARKET	WIDGET SUPPLY MARKET	WIDGET DARKHORSE MARKET	

