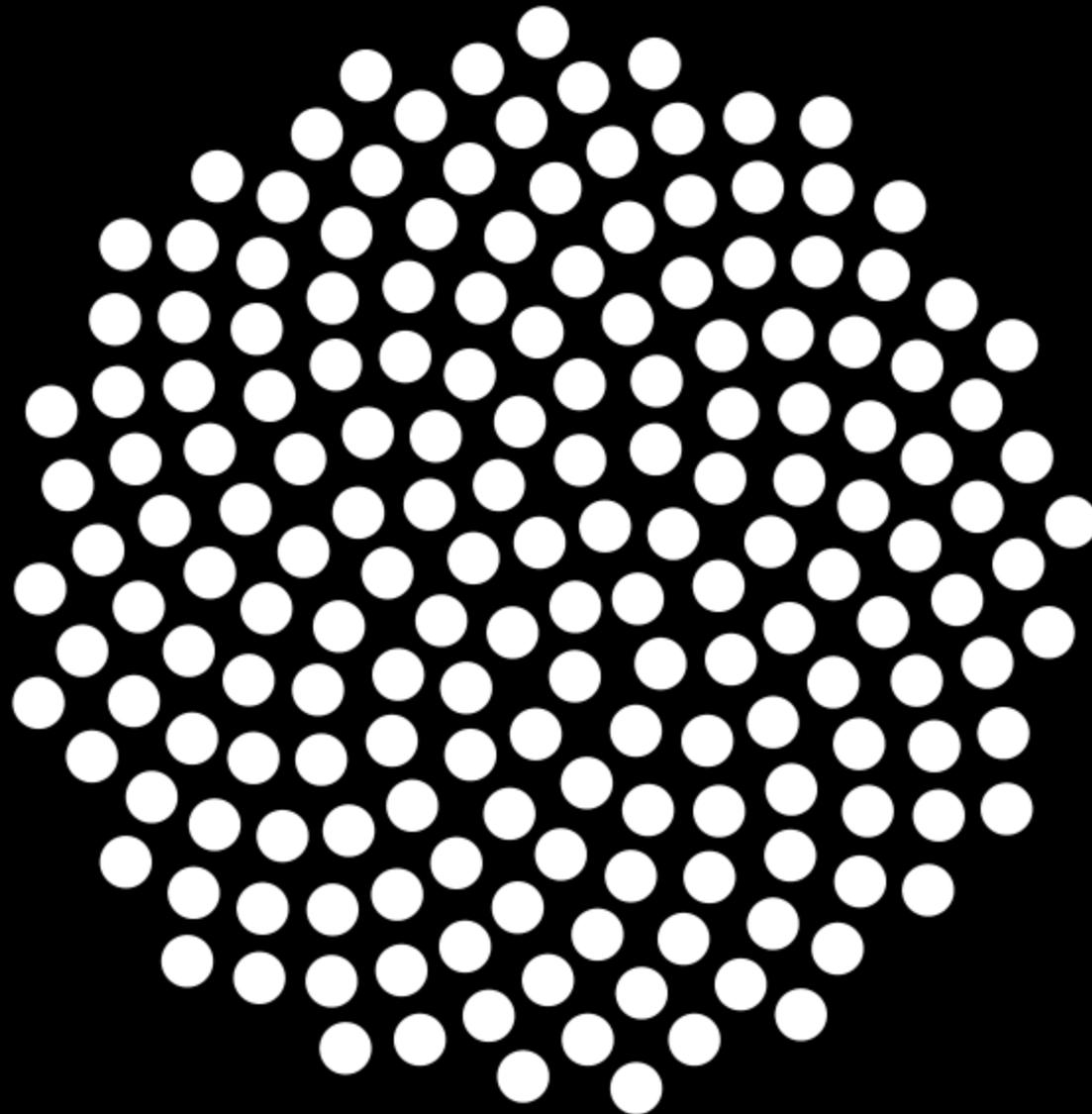


Executive Summary
Confidential

April 2013



The World's
Most Creative
Scientists Solving
the World's Most
Challenging
Problems



Overview

Seed is a first-of-its-kind scientific think tank/consultancy working with clients in the commercial, public, and social sectors on a wide range of complex human-scale problems.

Like great mega-consultancies that came before it – IDEO, McKinsey, Monitor, etc. – **Seed** is founded on a recognition that the world is undergoing a fundamental transformation that requires a new way of thinking (Scientific Thinking™), new approaches to problem-solving (e.g. Big Data), and new types of people solving these problems.

What IDEO did with design (>\$100 million revenue, 600 employee firm) – **Seed** aims to do with science. **Seed** combines science (e.g. complexity science, linguistics, neuroscience, physics, etc.) with design (e.g. data visualization, human-computer interaction, generative architecture, etc.) and technology (e.g. data processing, software and database engineering, etc.) to provide high-value/high-margin services to its clients.

Seed does not solve typically scientific problems (e.g. drug discovery, new material development) – but complex human-scale problems that affect countries and companies (e.g. economic development, spread of misinformation, post-launch analysis, global policy planning).

Like IDEO for designers, **Seed** will be home for the next generation of creative scientists and disruptive scientific thinkers. **Seed** will leverage its extensive network of relationships across the scientific community to forge “science transfer” (e.g. algorithms) licensing partnerships. **Seed** will form a formal network of academic researchers who consult on various client projects. And **Seed** will conduct and collaborate on basic research on the application of Scientific Thinking™ to human-scale problems.



Overview

Like IDEO or McKinsey, **Seed** generates revenue from contracts for services, among them: Research, Data Collection, Data Mapping, Systems Mapping, Analytics, Visualization, Foresight. Additionally, **Seed** retains rights to the intellectual property it generates during the course of services contracts and will commercialize this IP through spin-off products (e.g. software, architecture).

Seed was founded and will be headed by Adam Bly, a pioneering scientific thought-leader (e.g. World Economic Forum Young Global Leader, Vice Chair, Global Agenda Council on Complexity, 6-time Davos speaker) and entrepreneur. A world-class team of scientists, designers, technologists, and business leaders has been identified and is starting to be assembled.

Seed evolved out of the acclaimed, eponymous magazine published from 2001-2011. The magazine set the intellectual stage for this venture and provides invaluable goodwill and brand equity. Seed is currently operating as a unit of Seed Media Group LLC (other units include: ScienceBlogs – partnership with National Geographic; Visualizing – partnership with GE).

Seed has generated revenues of approx. \$2 million over its first 18 months from blue-chip clients such as: Johnson & Johnson, United Nations, GE, Pfizer, Government of Canada, The Coca-Cola Company, Nike, and Government of Qatar.

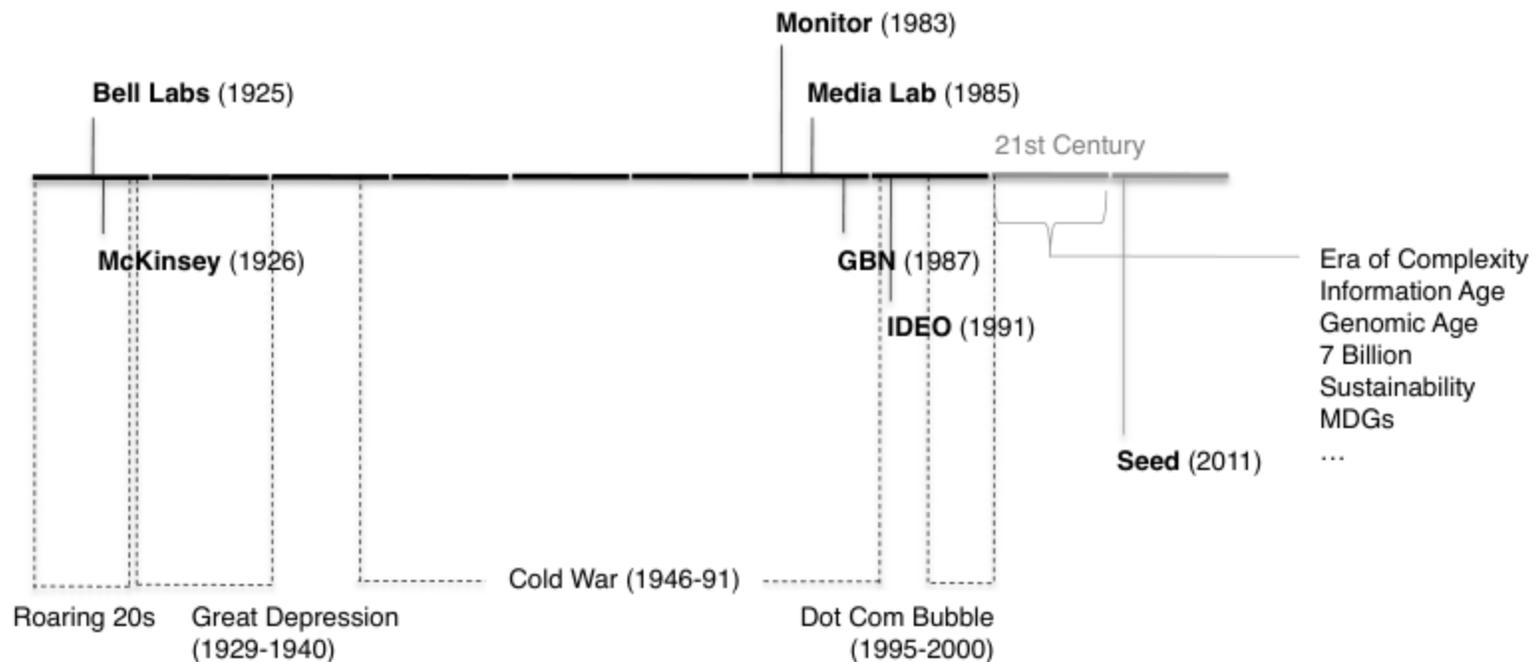
Seed is seeking \$5-10 million to buy-out the relevant assets from Seed Media Group LLC and to finance growth. Within five years, **Seed** aims to reach \$50 million in annual turnover, employ 150 scientists, and become the defining scientific think tank/consultancy in the world.



Opportunity

Over the last century, transformational moments have given rise to transformational professional services companies, each with a distinct lens for seeing the world and solving its problems.

Seed aims to seize this once-in-a-generation opportunity.



Science → Services

Seed will always seek out new scientific approaches to solving complex human-scale problems – and will add to its service offerings and labs as new skills and solutions become market-ready.

Science

Current

Math & Statistics
Natural Language Processing
AI/Machine Learning
Physics
Network Science
Complex Systems Science
Human-Computer Interaction

Future

Systems Biology
Genetics
Evolutionary Biology
Neuroscience
Cryptography
Molecular Biology
Computational Social Science
...

Services/Labs

Current

Data Discovery
Data Collection
Data Science
Data Visualization
System Mapping
Research
Master Class
Foresight

Future

Behavioral Economics
Health Economics
Risk Analysis
Urban Planning
Resilience Planning
Policy Planning
Scenario Planning
Simulation
...



Interfaces

“I have noticed a growing conversation recently concerning the relationship between design and science. Adam Bly did much to get this conversation started.” – Tim Brown, CEO, IDEO

Seed employs modern design as a way of interfacing (both digitally and physically) with science and helping its clients do the same.

Design

<u>Current</u>	<u>Future</u>
Information Design	Generative Architecture
Data Visualization	Game Design
Human-Computer Interaction	Critical Design
	...

Similarly, **Seed** makes use of technology to support and power its work and the tools it develops.

Technology

<u>Current</u>	<u>Future</u>
Software Engineering	...
Database Engineering	
Data Processing	
Distributed Computing	



Representative Contracts

Client: Government of Qatar

Scope: Through the lens of complexity, compile and analyze global economic and social development indicators for novel relationships, develop a novel visual language to analyze and explore correlation values, and build a business intelligence tool to track indicators

Timeframe Category: 4-6 months

Size Category: \$100,000-\$200,000

Services: Research, Data Collection, Data Science (incl. Maximal Information-based Nonparametric Exploration), Data Visualization (incl. Force-Directed Algorithms and Network Science)

Deliverable: Report and Software

Client: GE

Scope: Advise on the application of resilience science to GE's corporate strategy through a Master Class with leading resilience scientists

Timeframe Category: 1-3 months

Size Category: \$50,000-\$100,000

Services: Master Class

Deliverable: Report

Client: Johnson & Johnson

Scope: Study J&J's over-the-counter product portfolio and develop an analytical framework and set of design tools to support an overarching package redesign aimed at reducing complexity for consumers

Timeframe Category: 4-6 months

Size Category: \$100,000-\$200,000

Services: Research, Data Science (incl. Shannon Entropy), Information Design

Deliverable: Report and Software



Representative Contracts

Client: United Nations (UNDP)

Scope: Conduct a global vote (MY World) to collect data that helps inform the deliberations of the Secretary General's High-Level Panel on the Post-2015 Millennium Development Goals

Timeframe Category: 4-6 months

Size Category: \$200,000-\$350,000

Services: Data Collection (incl. Database Engineering), Data Science (incl. Natural Language Processing, Elbow Method Clustering, Multivariate Analysis), Data Visualization (incl. real-time data dashboard)

Deliverable: Reports and Software

Client: Nike

Scope: Consider the future of manufacturing (i.e. processes, materials, etc.) from a scientific point of view

Timeframe Category: 1-3 months

Size Category: \$50,000-\$100,000

Services: Research, Foresight

Deliverable: Report

Client: Nagra Kudelski

Scope: Analyze terabytes of log file data to determine various normal rates and develop a tool to detect anomalies

Timeframe Category: 4-6 months

Size Category: \$100,000-\$200,000

Services: Data Science (incl. Anomaly Detection, Machine Learning), Data Visualization

Deliverable: Software and Report



Representative Contracts

Client: The Coca-Cola Company

Scope: Using beta software developed by Seed, map The Coca-Cola Company as a system of inter-connected and inter-dependent agents (stocks, flows, and variables)

Timeframe Category: 1-3 months

Size Category: \$50,000-\$100,000

Services: System Mapping

Deliverable: System Map

Client: Johnson & Johnson

Scope: Employing network visualization, prototype a new way of seeing the J&J organization

Timeframe Category: 1-3 months

Size Category: \$50,000-\$100,000

Services: Data Visualization

Deliverable: Software

Client: Amway

Scope: Study historical sales data and identify the most predictive post-launch indicators of success for a new product launch at various points in time

Timeframe Category: 1-3 months

Size Category: \$50,000-\$100,000

Services: Data Science (incl. Agglomerative Clustering)

Deliverable: Report



Current Deliverables

Report



Software



System Map



Financials

Projected Income Statement

In millions of USD; For the years ending Dec 31

	2013	2014	2015	2016	2017
Revenues	3.0	6.0	12.0	24.0	48.0
COS	1.4	2.7	5.4	10.8	21.6
Sales & Mktg	0.6	1.2	1.92	3.84	5.76
R&D	0.18	0.36	1.2	2.4	7.2
G&A	0.39	0.78	1.2	2.4	3.36
Op. Income	<u>0.5</u>	<u>1.0</u>	<u>2.3</u>	<u>4.6</u>	<u>10.1</u>
	16%	16%	19%	19%	21%

Use of Proceeds

In millions of USD

Purchase of certain assets from Seed Media Group LLC (code, designs, trademarks, contracts, customer lists, employment agreements)	3.0
Working capital	1.0 – 2.0
Growth capital	<u>1.0 – 5.0</u>
	5.0 – 10.0



Benchmarks/Assumptions

Benchmarks

Founded in 1991, IDEO generated revenues of \$40M in 1995, \$72M in 2002, \$90M in 2007, and \$105M in 2011. It currently has 600+ employees.

IDEO's main competitor, frog, generated revenues of \$35M in 2005 and \$120M in 2009. It currently has 1,000+ employees.

As the leading management consulting firm, McKinsey generated revenues of \$7B in 2011 and had 17,000 employees.

Professional services firm earn gross margins between 50-70% and net operating margins between 7-23%. Billable employees range between 70-80% with revenues per billable employee between \$0.18-0.25M.

To date, Seed has earned a gross margin of 51%.

Assumptions Used

- Gross Margin 55%
- Net Operating Margin 16-21%
- Sales/Mktg as % of revenues 12-20%
- G&A as % of revenues 7-13%
- R&D as % of revenues 6-15%
- Billable employees 75-80%
- Revenue/billable employee \$0.20-0.25M

Model based on "time and materials"

