Part 1: "Elevator" Introduction

A million authors give away a billion free ebooks each year but make no money from those ebooks. Readers demand free ebooks and they'll take the right kind of advertising but advertisers can't get their ads into ebooks. Ads don't work with ebook formats and they conflict with immersive reading. No other company has Eleven's advertising solution. We are the first to use artificial intelligence and machine learning to insert relevant ads in ebooks and preserve the reading experience. Eleven opens up ebook formats to take ads. We deliver valuable contextual and user-profile data to companies to increase their sales

Part 2: Market and Industry Analysis

How large is your market? What market segments are you going after and why?
1.3 billion free ebooks downloaded/streamed globally. Year one we shoot for one percent of the 350 million free ebooks (3.5 million) in fiction categories published by U.S. independent authors and downloaded/streamed in the U.S.

Is this market growing? How fast?
 The e-book market in the US is set to surpass USD 13 billion by 2020, growing at a CAGR of close to 14%.

Who is in the market already? What is the nature of competition – direction, indirect, substitutes?
Wattpad recently started inserting ads in ebooks. They aren't using text analysis so ads lack relevance to users and ebooks and their ebook quality is inconsistent. They millennials and GenZ. Eleven readers: affluent, mature, read voraciously. We curate for quality. Amazon and other etailers have large catalogues of free ebooks but don't insert ads in ebooks or pay authors for free ebooks. Other text analysis services don't have Eleven's ebook-focused algorithms or unique methods of ad insertion. Advertisers who choose not to use Eleven run counter to their strategies to engage customers in unique content environments. Readers must depend on channels like direct email marketing services for inconsistently available free ebooks.

Part 3: Go-to-Market Plan

Who are (will be) your customers? Describe your engagement / discussions with them to date. Have you validated their needs? Prove they are buying (or will buy) your product from you.
Advertisers advertising in mobile who pay to place ads in our content displayed on mobile devices: Fortune 500 companies with consumer-facing brand products and services seeking unique content environments with high consumer affinity and extended ad exposure time for consumer engagement. Readers: Sara is 35, college educated, $75K household income, reads 50+ ebooks a year. Searches for free ebooks, avoids paying out of pocket. Willing to buy select best sellers and new releases at a discount. Eleven conducted face to face interviews/surveys of more than 200 readers at Tucson Festival of Books and 260 online. Tested an advertising insertion in ebooks prototype with authors and readers. Conducted 40 street interviews testing new business model. Eleven's founders have a combined 64 years of experience in book publishing, distribution and marketing.

Describe how you win customers today. Describe your future customer acquisition strategy.
Authors in our network will pass along our service to the thousands of readers on their lists and promote eMegaBook to the authors in their network. We target e-publishing bloggers and influencers. Facebook and reader sites digital advertising. We sell direct to and attract advertisers with inbound marketing, premium ad space and user data. Kickstarter campaign upon launch.

How will you displace any incumbents/competitors? How are you better/different than your competitors? What's your channel/partnership strategy, if any?
Our proprietary text analysis engine delivers superior results in relevant advertising insertion. First mover advantage in using proprietary methods of end to end data-driven selection, insertion, and delivery of relevant ads in ebooks. Eleven delivers ebooks with its own e-tailer platform and mobile web application. We partner with a leading advertising exchange and leading brands. We have brand name bestselling authors with whom to launch.

Part 4: Technical Product Description and Plan

Briefly describe your product or service.
We are the first to use artificial intelligence and machine learning to insert relevant ads in ebooks and preserve the reading experience. Eleven opens up ebook formats to take ads. We deliver valuable contextual and user-profile data to companies to increase their sales conversions and build their brands. With Eleven's mobile Web app, you read for free and authors get paid.

Technology Validation. (What evidence can you present that your product works as advertised? Future validation plans?)
In testing with our advertising exchange partner. Rigorous QA testing of the platform and app is nearly completed. Private beta launch projected for late January and early February 2017. Public beta launch projected for February-March 2017.

Describe the remaining product development risks and your plans to overcome them.
We have one remaining product development step to take with our advertising exchange partner to complete the ad optimization cycle. We are taking the final step in readying our text analysis solution for deployment. Our software engineers are zipping up these final elements. Very few remaining risks at this point.

Describe your product's advantages (features, for example) for end-users vs. substitute solutions (not just direct competitors).
Eleven's patent-pending text analysis solution uses Natural Language Processing (NLP) algorithms to analyze content and add high-level semantic information. Eleven's analysis of text in ebooks quickly transforms vast numbers of ebook pages into facts and knowledge on story features and builds user psychographic profiles—actionable data for companies wanting to better understand and engage their customers. Relevance and targeting of ads in ebooks maximized, reducing intrusiveness and increasing acceptance. Readers are presented with advertising content placed strategically within the ebook that is relevant to the ebook story and the user's interests and behavior. One competitor using "concierge" method of placing ads.

Describe your company's current intellectual property status and plans for the future. (Issued patents? Licensing agreements? Pending patent applications? Trade secrets?)
In October 2017 we filed a non-provisional patent application with, CONTEXTUAL FEATURE SELECTION WITHIN AN ELECTRONIC DATA FILE. Secret process of dynamically inserting digital advertising in ePub-formatted ebooks

Discussion of any non-IP barriers to entry for your market. Include what you have done to make it difficult for others to challenge you as well as what challenges you may face such as manufacturing arrangements, distribution contracts, partnerships, etc.?
We formed a strategic partnership with a leading advertising exchange to connect Eleven with the digital advertising ecosystem. Eleven currently seeks 1 or 2 major brands as launch partners. Traditional publishers are risk averse and resist innovation. Eleven's advisors in that industry are working to make inroads. Have 400 authors signed up to offer books in our catalog. Must sign another 600 and launch with a user base of 5000. Need brand partnerships and publisher agreements.

Part 5: Risk vs. Talent Narrative

What risks has your team mitigated so far (business-related and technical as it relates to your business)? What are the next few major risk-reduction milestones?
We transformed our business model using the Lean Startup methodology in the Thryve Summer Cohort incubator program. We gained competitive advantage in development of our patent-pending NLP text analysis solution. Our platform is robust and comprehensive in its functionality. Enterprise-level QA testing assures us of a platform and mobile app ready to go at launch. We must achieve significant customer acquisition milestone and secure major brands as launch partners.

Briefly list and describe your key team members.
Glenn McCreedy, Co-Founder and CEO; Margaret Falk, Co-Founder and VP; Dillon Walker, Lead Software Engineer; Edward Cruz, Project Manager; Elly Oliver, NLP Software Engineer; Tony Ford, marketing; Rainmaker Media LLC & artfire.com

Briefly describe any holes in your leadership team. What are your plans to address any recruiting needs in the next 18 mos.?
Seeking a full-time CTO and Head of Sales. Will be working through our board of advisors and their networks for recruiting.

Briefly list and describe your key advisors, and their contributions to date.
Abby DeMillo, former VP, Enterprise Program Management Office—HarperCollins. developed Big 5 publishers marketing strategy; Megan Lew, Director-Mobile & Freemium, DocuSign Inc., developed customer acquisition strategy; Scott Nicholson, bestselling author and innovator, developed key elements of business model; Elaine Walsh, principal, eComm International, developed Eleven's brand narrative and B2B market strategy.