Part 1: "Elevator" Introduction

Brief elevator pitch for your company

Prenda is fixing education in America, starting with computer programming. We sell software and services to libraries and schools, making it easy for them to provide weekly "code clubs" for kids. Our innovation is that kids can learn coding without needing an expert in the room, relying instead on online resources, peer support, and adult facilitation. We have proven this model with 110+ code clubs in 8 states. We have doubled in the past six months (revenue and number of kids learning to code).

Part 2: Market and Industry Analysis

How large is your market? What market segments are you going after and why?

Our immediate market is public libraries and afterschool programs, a $140M market. We have found particular traction in rural and inner city communities where staff resources are limited. These locations are often the recipients of special funding to provide access to underserved populations. As we solidify our model, expand into other subjects, and cultivate a community of parents and kids, we will eventually enter the $37B charter school market, creating a network of schools that provide effective, engaging and low-cost education.

Is this market growing? How fast?

Libraries and schools are holding roughly flat (1% per year growth) as local governments continue to emerge from the Great Recession. However, more tech is being used for learning, and the ed-tech sector is growing at 17% per year.

Who is in the market already? What is the nature of competition – direction, indirect, substitutes?

Direct competitors for afterschool coding programs are small regional players (e.g. NCLab) and nonprofits (e.g. Black Girls Code, Coder Dojo, Girls Who Code). These organizations adopt a formal education approach, making coding boring. There are also options where the parents pay directly (e.g. Sylvan, CodaKid). Indirect competitors are traditional K12 educators adding coding to their curriculum.

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.

We sell to public libraries and K-12 schools, who tell us that they want to offer coding education but are limited by their lack of coding expertise. Currently, we support code clubs at 110 locations, with roughly half paying an annual fee of $2500 (the others are trials and pilots). Through our sales, marketing, support and continuous customer development efforts, we consistently refine our product and messaging to improve product/market fit.

Describe how you win customers today. Describe your future customer acquisition strategy.

Today we win customers through inbound channels. We generate leads through conferences, webinars, blog posts, and collaboration with other entities, develop interest through our website and email, demonstrate the product via webcam, and close sales by phone. This strategy is strongest in the library market, where we have a strong brand. In the future, we will expand on these efforts for libraries and add the schools market. We will also add outbound sales activities through automated email campaigns and targeted phone outreach.

How will you displace any incumbents/competitors? How are you better/different than your competitors? What's your channel/partnership strategy, if any?

There are two general approaches to coding education today.

1. Many of the big companies (Google, Microsoft) have advocated for coding in traditional K12 education, or supported nonprofits focusing on the traditional system (Code.org, Girls Who Code). This approach is challenged by the inertia of the system: coding is not considered "core," or included in the standardized testing, and therefore takes a back seat. Further, the traditional model is not ideal for learning to code; it's better to learn by doing than by listening to a lecture.
2. The last five years have seen an explosion in online learning tools, and many of these include coding education (Codecademy, Treehouse, Lynda.com, Coursera, etc). While these online platforms are great for personalized learning, they require too much discipline for the majority of people. Humans are inherently social, and we learn best with regular meetings with peers and facilitators.

The Prenda approach combines the best elements of traditional and online learning - regular meetings where people work through online tutorials, build projects and help each other. The whole challenge is facilitating the right environment, and we have figured out how to do that with librarians and afterschool staff who have zero content expertise. The results are astounding - 8-14 year olds building games, apps and websites.

Part 4: Technical Product Description and Plan

Briefly describe your product or service.
Prenda provides web-based software, training and support that make it easy for any library or school to run code clubs. Our software provides a guided path through the basics of coding, providing a customized, self-paced, social learning process for each coder. Our services help the adult facilitators succeed, even if they have no prior experience with coding.

Technology Validation. (What evidence can you present that your product works as advertised? Future validation plans?)
Our minimum viable product was released in August 2015 and since then it has served 50+ code clubs and generated $100k in revenue. We launched a redesign in November 2016, and a full rewrite of the code base will be launched in early 2017.

Describe the remaining product development risks and your plans to overcome them.
We recently hired a full time customer support person, who spends all his time interfacing directly with customers, learning where they feel friction, and incorporating these insights into our software development and service offerings.

Describe your product's advantages (features, for example) for end-users vs. substitute solutions (not just direct competitors).
For library and school staff, our software makes it very easy to run a consistent, engaging code club. In addition, our services provide a confidence boost and empower people that are not computer experts. For the end-users, the software applies best practices from online learning (individualized courses, self-paced, gamification) and adds in-person social features that are impossible in an online-only approach (helping club members, show and tell events, team projects).

Describe your company's current intellectual property status and plans for the future. (Issued patents? Licensing agreements? Pending patent applications? Trade secrets?)
We have no formal intellectual property.

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.?
Our software reflects the thousands of hours we have spent tuning the hybrid learning model and helping non-experts run code club. We continue to learn and improve, leveraging thousands of users for training data and network effects.

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?
Through customer development interviews and a Minimal Viable Product, we have proven that libraries and schools are willing to pay for help running code clubs. With over 110 clubs running in 8 states, we have proven that we can support non-expert code club facilitators remotely. This means we will be able to scale the model nationwide.

Briefly list and describe your key team members.
Kelly Smith - CEO - Nuclear fusion at MIT, 10 years product/marketing, recreational coder, sold Melon Power in 2013.
Andy Jennings - CTO - 30+ years coding, Math PhD from ASU, Amazon, Axosoft, 4 startups.
Luke Miller - Customer Success - Comm at ASU, 6 years sales/marketing, Resound Creative
Breck LeSueur - Design & Front End - ASU + 20 years of software

Briefly describe any holes in your leadership team. What are your plans to address any recruiting needs in next 18 mos.?
Kelly (CEO) is currently doing all sales and marketing. We plan to hire a VP Sales in Q2 2017 and VP Marketing in Q1 2018.

Briefly list and describe your key advisors, and their contributions to date.
Cahlan Sharp - Founder & CEO of Dev Mountain coding bootcamp - input on learning model and business operation
Peter Sturgeon - VP at Sorenson Capital - input on financial model and fundraising
Gregg Scoresby - Founder & CEO of Campus Logic - input on team, fundraising, sales and ad hoc CEO coaching
Hamid Shojaee - Founder & CEO of Purechat - informal review of business model and marketing advice