# Flatnut Ventures

Execution Task Force

"The thinking that go you here won't get you there "

- MARSHALL GOLDSMITH

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# We

**Create** new digital businesses

**Together with** established companies

**Accelerating** their growth and innovation

# Who we are

**We** are founders.

**We** have bootstrapped & sold companies and raised venture capital.

**We** have built digital products that are being used by millions of users.

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# The world is changing very fast

**New aggressive players**

The five most valuable companies and strongest brands in the world are digital platforms

**Old industry shrinking**

Big industrial players have been overtaken in terms of revenue growth and market capitalization

**No turning back**

Established companies are struggling to hold onto global leadership as markets change through digital transformation

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# "IN THE LAST 15 YEARS, 52% OF ALL FORTUNE 500 COMPANIES HAVE DISAPPEARED"

## 1955

Average life expectancy
**75** years

VS

## 2015

Average life expectancy
**15** years

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# What are the biggest challenges?

## Unprecedented speed

The speed of current technological breakthroughs has no historical precedent. The fourth industrial revolution is evolving at an exponential pace.

## Accelerating disruption

New opportunities for disruption are arising from rapidly developing new technologies, i.e. Internet of Things (IoT), Artificial Intelligence (AI), Virtual Reality (VR).

## Demanding customers

Today's customer has great expectations regarding services and customization. Traditional companies need to adopt a customer centric mindset.

## Relentless competition

The competitive landscape has no consists of global platforms with digital ecosystems that disintermediate traditional industries without the need of physical infrastructure.

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# Digital disruption reaches established industries

## The next disruption wave

After disrupting media, advertising and ecommerce, digital disruption is now reaching the next set of verticals. 300B+ EUR of new company value can be seen in travel, consumer finance, transportation/ logistics and utilities.

## No industry is safe

Early signs of deep disruption have started to affect industries that were previously considered "safer" due to their regulatory nature or ability to produce physical goods where brand and quality were traditionally the main differentiator.
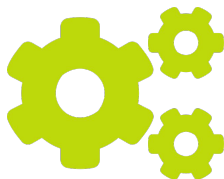
## Tech advances are the driver

Major technological advances such as blockchain, Internet of Things (IoT) and Artificial Intelligence (AI) are starting to revolutionize many industries thought to be isolated from digital competition.

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# Established companies need to answer important questions to counter digital disruption

## 1. Defining the digital strategy

- Which of our markets and customers are most affected by digital disruption?

- How do we need to transform our existing business?

- Where do we need to create new digital businesses in order to protect our existing business?

- How can we create new growth opportunities through digital business?

## 2. Creating digital initiatives

- What are the most important measures to speed up digital transformation?

- What new business units do we need to create to stay competitive in the digital world?

- What new digital companies do we need to create in order to deliver growth?

- When creating a digital business should we build internally, buy externally, or invest/ build with entrepreneurial partners?

## 3. Turning digital initiatives into real business growth

- How do we innovate on company success, not just transforming analog processes into digital ones?

- How do we create real digital businesses instead of strategy presentations and prototypes?

- How do we aligned our investments in digital initiatives with our digital strategy to deliver real business growth?

- How do we co-create digital success?

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# How we can help you to get ready

## PREPARATION
Getting your company ready to counter digital disruption

**1. Executive education**
Identify the digital strategy gaps and introduce new digital models as well as creation processes

**2. Organisational structure**
Build the necessary organizational structure i.e. digital lab, excubator, advisory board

**3. Creative inventive alignment**
Implement a digital business framework and incentive structure

## VALIDATION
Selecting digital business cases and verify product market fit

**1. Selecting promising digital models**
Filter business models and strategy fit to compare them and balance strategy, potential and risk

**2. Validate model and customers**
Test customer segments and evaluate their respective reactions to defined hypotheses

**3. Test prototype with early customers**
Test customer willingness to use and pay for each value proposition

## CO-CREATION
Launch a new digital business and make it future proof

**1. Choose the right set-up**
Set up a permanent organization with a founder team and the right ownership structure

**2. Plan for the future**
Determine capital requirements and create a budget a business plan

**3. Have the business on strategy**
Establish a mentoring process, an incentive model & internal champions

**We provide "Startup as a Service" to create real impact**

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# How
# we
# work

## Management

We set objectives **collaboratively** and **exclusively** with the management team.
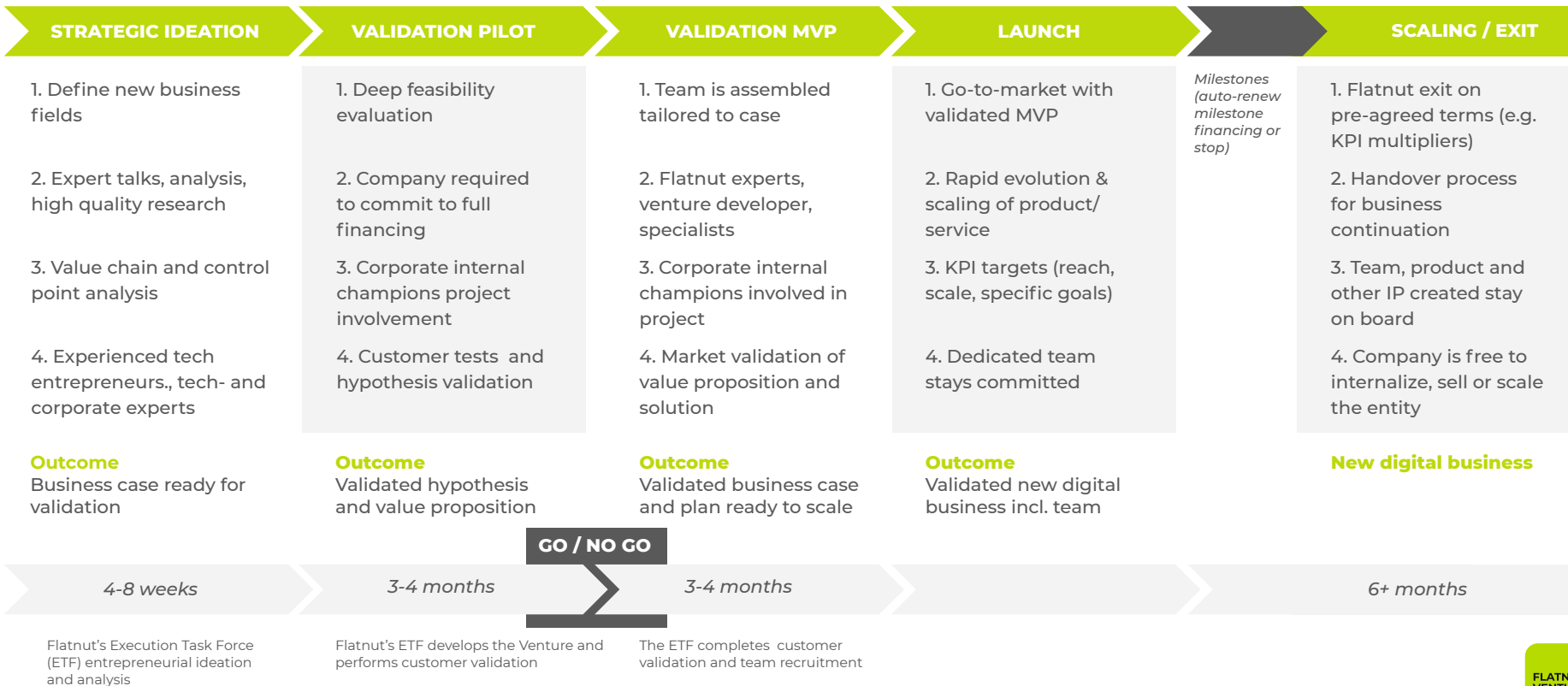
## Co-Founders

We onboard **our teams** of experts and give them full execution **autonomy**.

## Results

We use our **Helix Framework** to deliver results, not billable hours.

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# How we build digital businesses together

*Timeline varies by case*

| STRATEGIC IDEATION | VALIDATION PILOT | VALIDATION MVP | LAUNCH | | SCALING / EXIT |
|---|---|---|---|---|---|
| 1. Define new business fields | 1. Deep feasibility evaluation | 1. Team is assembled tailored to case | 1. Go-to-market with validated MVP | *Milestones (auto-renew milestone financing or stop)* | 1. Flatnut exit on pre-agreed terms (e.g. KPI multipliers) |
| 2. Expert talks, analysis, high quality research | 2. Company required to commit to full financing | 2. Flatnut experts, venture developer, specialists | 2. Rapid evolution & scaling of product/ service | | 2. Handover process for business continuation |
| 3. Value chain and control point analysis | 3. Corporate internal champions project involvement | 3. Corporate internal champions involved in project | 3. KPI targets (reach, scale, specific goals) | | 3. Team, product and other IP created stay on board |
| 4. Experienced tech entrepreneurs., tech- and corporate experts | 4. Customer tests and hypothesis validation | 4. Market validation of value proposition and solution | 4. Dedicated team stays committed | | 4. Company is free to internalize, sell or scale the entity |
| **Outcome** Business case ready for validation | **Outcome** Validated hypothesis and value proposition | **Outcome** Validated business case and plan ready to scale | **Outcome** Validated new digital business incl. team | | **New digital business** |

**GO / NO GO**

| 4-8 weeks | 3-4 months | 3-4 months | | 6+ months |
|---|---|---|---|---|
| Flatnut's Execution Task Force (ETF) entrepreneurial ideation and analysis | Flatnut's ETF develops the Venture and performs customer validation | The ETF completes customer validation and team recruitment | | |

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# We saw a need in the market

1. Established companies (especially regulated in large industries) need to **heavily innovate** to build new **digital growth** businesses.

2. Currently many of these businesses don't exist. If they do, they are unavailable or **too expensive** to buy.

3. Internally built digital ventures have very **low chances** of success due to misaligned incentives, slow process and lack of digital, entrepreneurial knowledge.

**That's why we create digital businesses together with you, but outside of your existing organization.**

As experienced tech entrepreneurs with we help you combine your best assets with the speed, agile processes and mindset of startups to accelerate digital growth in the business creation process.

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# Why flatnut

We have profound entrepreneurial experience, take co-accountability in the digital transformation and jointly prepare you for the challenges ahead

## Founders mindset & business acumen
In the past 10 years we have built and scaled many startups as CEO's, CMO's, CTO's and investors.

## Experience with failure & success
We have failed and we have seen incredible business success.
Every situation requires to adapt different strategies.
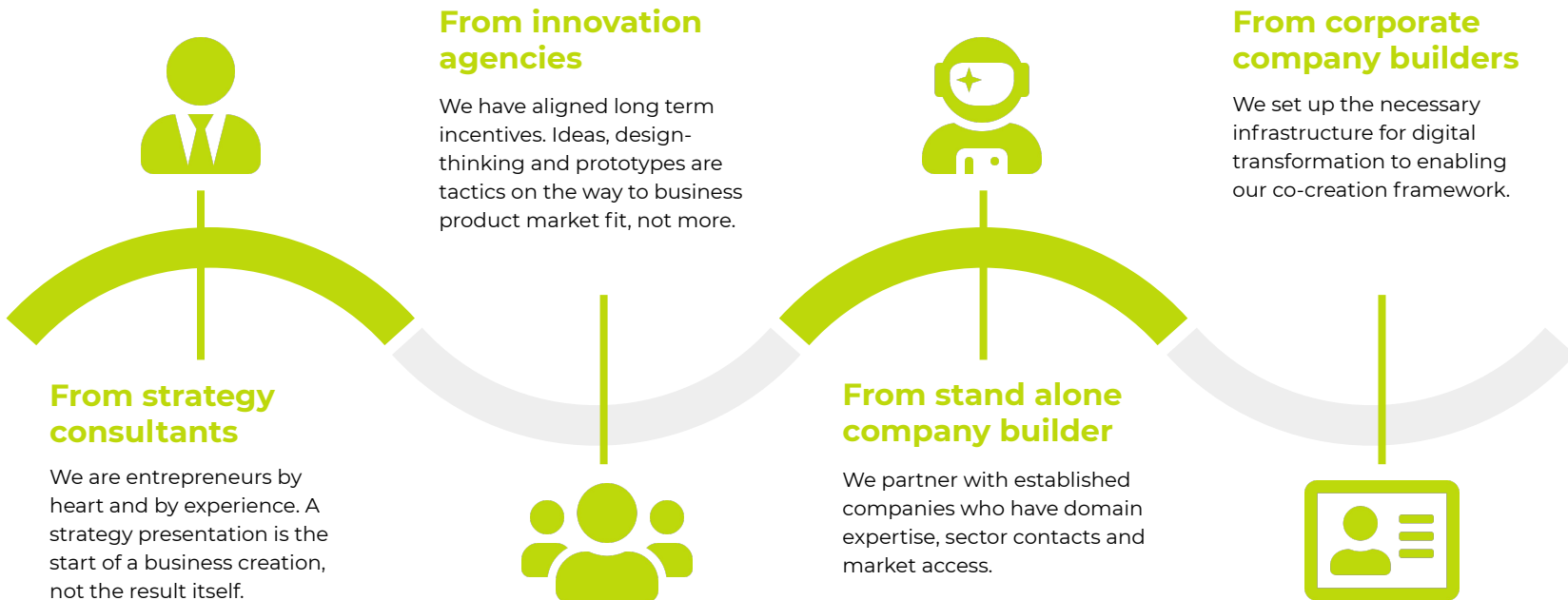
## Network and access to Europe's digital elite
Our close access to digital ecosystems around the world is a key success factor for our approach and execution.

## Going all the way with our clients
We build a wide range of business models and technologies, from founding new entities, building entirely new structures to re-structuring

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# How we are different

**From strategy consultants**

We are entrepreneurs by heart and by experience. A strategy presentation is the start of a business creation, not the result itself.

**From innovation agencies**

We have aligned long term incentives. Ideas, design-thinking and prototypes are tactics on the way to business product market fit, not more.

**From stand alone company builder**

We partner with established companies who have domain expertise, sector contacts and market access.

**From corporate company builders**

We set up the necessary infrastructure for digital transformation to enabling our co-creation framework.

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# Founders

## Christian Gorgas

Christian is a tech entrepreneur who has been affiliated with BCG, BBDO, and DDB Digital, where clients included Volkswagen AG, Mercedes Benz, and Google.

He studied Business Administration in Hannover and completed a programming methodology course at Stanford University.

## Kian Schreiber

Kian is a tech entrepreneur who has served as Head of Product at Delticom AG, Europe's largest online tire retailer, working with the management board.

Kian holds an MA (Hons) in Economics and International Relations from the University of St. Andrews.

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# Selected partners

**PropTech**

Mobile property management software

BUILT & SOLD

**Blockchain**

World's first blockchain e-charging network

BUILT & INTEGRATED

**E-Service**

Germany's largest online laundry service

BUILT & OPERATED

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# Start Now

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