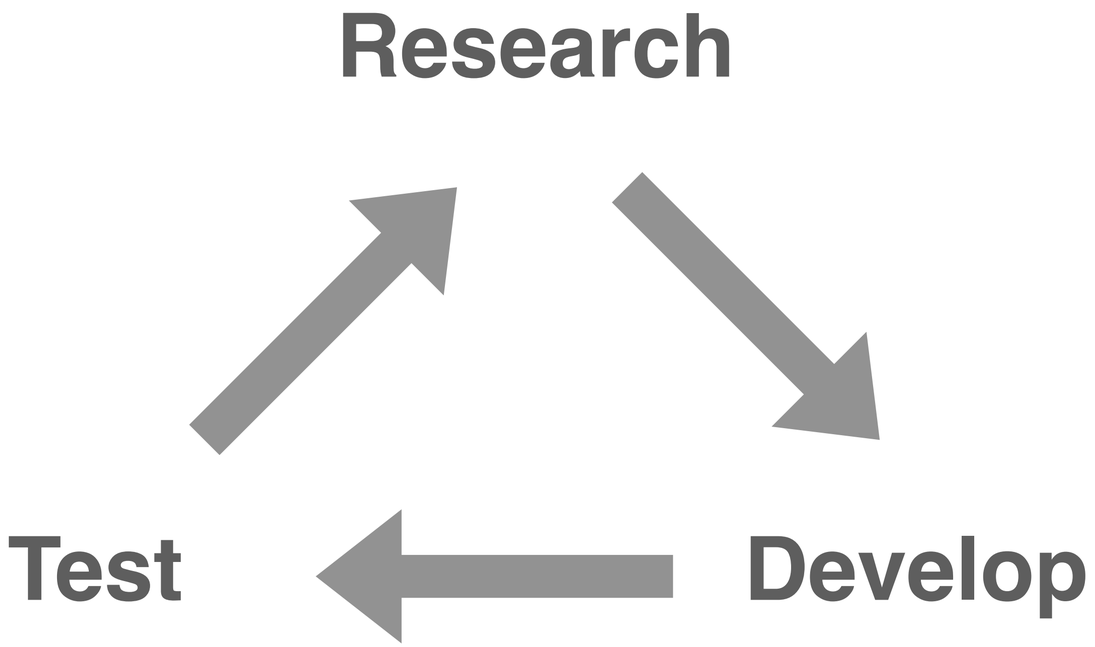
A STARTUP WORKSHOP FOR FOUNDERS

Your role:

To **learn** as much as possible about your industry, business, and product, in order to make the right **decisions**.

The Lean Startup Methodology



Competitors' Websites
Market Intelligence Reports
Instagram
Conferences
Lawyers
Web Resources
Etc.

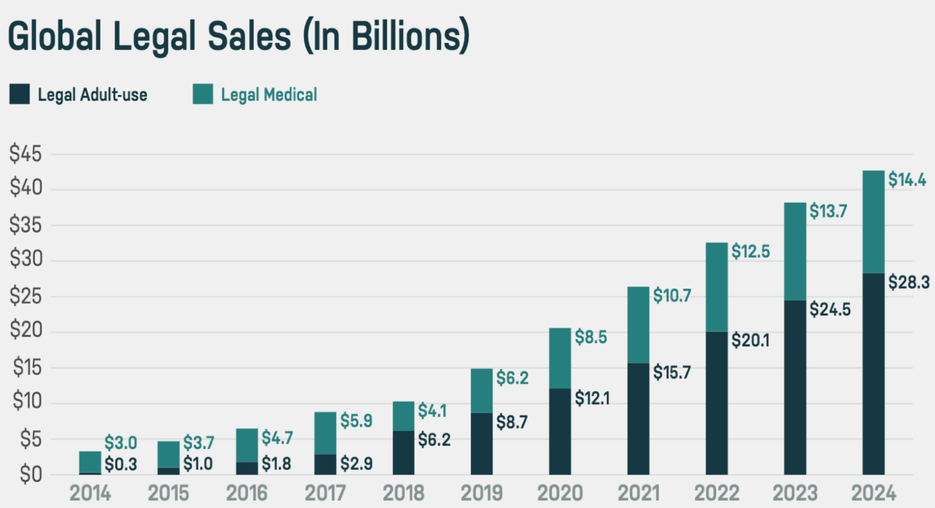
- Scrape other business' websites to understand their business structure and form your own
- Scrape investor decks to understand pitch formating
- Wikipedia "Textbooks"

Research: **Quantitative Data Collection**

Brands

	A	B	C	D	E	F	G	H	I	J
1	**Brands**	**Pricepoint**	**Design**	**Shop Count**	**Rev (Retail)**	**Wholesale**	**PADS**	**PADS (%)**	**# SKUS**	***Valuation ($M)***
2	**Potters**	46.5	7	*TBD*	$1,400,000	*TBD*	*TBD*	*TBD*	15	
3	**Pure Xtracts**	46.03	4	*TBD*	$6,500,000	*TBD*	*TBD*	*TBD*	*TBD*	
4	**Mammoth Distribution**	52.75	5	400	$13,300,000	$15,114	*TBD*	*TBD*	50	
5	**Loudpack**	39	7	350	$4,700,000	$6,104	*TBD*	*TBD*	20	*TBD*
6	**Jetty**	35.87	7	215	$7,600,000	$16,068	*TBD*	*TBD*	47	
7	**Pure Vape**	28.72	6	200	$1,500,000	$3,409	*TBD*	*TBD*	45	
8	**Sublime Concentrates**	37	6	180	$1,300,000	$3,283	*TBD*	*TBD*	13	
9	**ROVE**	50.84	7	150	$2,000,000	$6,061	*TBD*	*TBD*	40	
10	**Legion of Bloom**	39.2	7	90	$2,000,000	$10,101	*TBD*	*TBD*	16	
11	**Platinum Vape**	48.6	4	81	$1,900,000	$10,662	*TBD*	*TBD*	18	
12	**Gold Drop**	41.41	6	60	$1,360,000	$10,303	*TBD*	*TBD*	TBD	
13	**CannaCraft**	30.94	5	*TBD*	$9,800,000	*TBD*	300	*TBD*	25	
14	**Curaleaf / Select**	41.64	8	400	$26,000,000	$29,545	300	75%	100	950
15	**Kurvana**	49.7	9	250	$10,000,000	$18,182	100	40%	25	*TBD*
16	**Bloom Farms**	35.85	8	250	$3,400,000	$6,182	100	40%	32	*TBD*
17	**DomPen**	36.68	8	160	$1,300,000	$3,693	150	94%	9	
18	**Dosist**	64.49	10	150	$6,000,000	$18,182	100	67%	6	*TBD*
19	**The Bloom Brand**	39.67	8	100	$2,000,000	$9,091	100	100%	30	
20	**Brite Labs**	42.86	6	133	$1,200,000	$4,101	60	45%	*TBD*	
21	**Himalaya**	46.72	8	50	$2,000,000	$18,182	40	80%	17	

Competitive Analysis



Industry Reports

Research: **Qualitative Data Collection**

Table 1

Timestamp	Shop Name	DomPen Feedback	Feedback	Display Positioning	What brand do you recommend?	Which vape brand do you personally like the most/why?		Favorite: Why?	What's the top seller?	Additional Notes & Observations
9/6/2019 16:02:13	ShowGrow Long Beach	"Those are great, but stiizy had wayyyyyyy better flavors, and more potent" (she said wayyyyyyy just like that)	2	0	Stiizy	"Stiizy because it's the most potent, you'll feel it"			stiizy	No dompens on display, the vibe I got was that to them dompen was an after-thought (
9/6/2019 16:38:55	Long Beach Green Room	"ohh those are also very good, we only sell the disposables though, we don't sell the cartridges"	2	0	Ocean / raw garden	Raw garden, very potent very constant			Ocean	In the waiting room there were some tables with adds/books of products, no dompen in
9/6/2019 14:19:06	MMD Long Beach	"not bad but ocean is way stronger, more potent"	3	0	Ocean canbabis	Ocean cannabis, very potent			Ocean cannabis ("for the most part"	this is the real MMD, I submitted another MMD form before this one on accident... that
9/6/2019 14:49:39	Connected Cherry	dont like them, not a fan of the flavor	3	0	select	Select (battery can be adjusted, best battery) and stick.e.vape for disposable (best flavors)			select	it's a big shop but didn't see dompens displayed
9/6/2019 12:30:42	Chronic Pain Releaf Center	They aight.	3	0	Rove	Rove			Rove skywalker	Many old veterans shop here
9/5/2019 13:48:01	California Alternative Caregivers	Good but "nothing compared to platinum vape". Mianly because of the THC per dollar.	2	1	Platinum Vape	Platinum Vape		No added flavor, Potent	She said she only pushes Platinum vape	Not a good dompen. Took me a while to find us in this tiny shop
9/4/2019 13:48:01	Greenlight Discount Pharmacy	Only tried the leaf hybrid, but they don't like it. Not potent enough and not great taste.	3	1	Twenty Two K	Twenty Two K		Potency	Twenty two k	Really didn't like dompen. Also just a terrible shop all around. Small and nothing great t
9/4/2019 13:09:33	The Spot	Our most popular disposable!	1	2	Stiizy, Korova	Jetty		Different Strain Options, Flavor	DomPen the best selling disposable	Similar to some other shops, the actual packaged DomPen isn't displayed, and only the
9/4/2019 12:22:48	New Generation	The half-gram is nice! More bang for your buck.	1	2	Rove, Kanha, or DomPen	Rove		Flavor	Rove	DomPens were on the bottom left of the display. The hand display was present, but not
8/30/2019 13:33:47	Rite Greens	Loves the midnight berry	1	2	Rove, Heavy Hitters	Rove, Heavy Hitters		because she thinks they're the most potent. Or the DomPen mi	Rove	The DomPen display is very prominent, but it almost blends in too well and appears to t
9/6/2019 17:17:50	One Love Beach Club	"they are very good but not as potent, Flav would be my choice if you don't care about flavors"	2	2	Flav disposable	Cru cannabis, the most potent along with flav			Flav	the store is now a medmen shop
9/4/2019 14:45:41	The Healing Touch	Heard good things, but he personally doesn't like flavored vapes. He's heard the flavor is light and low.	2	2	King Pen and Bloom	King pen		Does not like flavoring at all.	King pen and bloom	Store isn't great in general
9/6/2019 11:21:48	Care Collective	Not as many flavors as saucey.	3	2	Saucey Extracts	Saucey extracts			Raw Garden	These people have been bought by Saucey they were really pushing for it
9/4/2019 15:15:09	The Higher Path	Great, consistent product.If he buys a disposable it's almost always dompen.	1	3	Dosist, DomPen, Bloom	Bloom, DomPen			Bloom he said	Great shop. Busy
9/4/2019 14:57:55	Weden	They're really great and come in fruity and weedy flavors. His favorite is the pineapple.	1	3	Rove	Rove,		She really loves their flavor,	Rove	Hand display and packages were displayed on bottom shelf, however they had a large f
9/4/2019 10:58:30	Project Cannabis Noho	People love them. Specifically the California Citrus.	1	3	Raw Garden	Raw Garden		Not a vaper	Raw gardens	Very classic classic vape selection. Everyone you think a main shop would have
8/30/2019 12:46:49	Buddha Co	Big fan.	1	3	Rove	Rove		Most potent and nice flavor.	Heavy Hitters (she personally doesn't like it because i	Dom cartridges were positioned on the top shelf, but tucked further back into the corne
9/5/2019 15:39:06	The Farmacy	Great pen, but around the same price as others for less THC.	2	3	Raw Gardens, Twenty Two K	Raw gardens 10/10.		Taste, Great High, Live Resin	Heavy hitters	Good spot. Saw us as soon as I walked in
9/5/2019 14:45:52	Euphoric	Likes dompens but not potent enough.	2	3	Heavy Hitters	Heavy hitter.		Taste, Potency	Heavy hitters she kept hounding	Dompens are I'm a great spot. You see it right away in the case
9/4/2019 16:19:46	The Weed	A fan, but not a fan of the price compared to others.	2	3	Heavy Hitters	Rove hands down he said.		Price, Flavor	Rove and heavy hitter	.
9/4/2019 14:00:05	Connected Santa Ana	Haven't tried them, but some people like them.	2	3	Raw Garden	Raw Garden		The nicest effect, nice weedy flavor, doesn't hurt her throat after	Raw Garden, "hands down"	Positioning wasn't great. Bottom left corner on display rack. This dispensary seems like
9/4/2019 13:34:52	SCSA	Good brand, but doesn't like the fruity-flavored vapes.	2	3	Alpine, Raw Garden	Raw Garden		Not fruity, tastes more like the strain	Raw Garden	Was difficult to spot the DomPen amongst the other brands. Presentation felt fairly clutt
9/4/2019 13:33:17	SFVPC	He likes us but we weren't his first recomendation.	2	3	Heavy Hitters, Select	Heavy Hitters		Potency	Heavy hitter and select	The bud tender did not seem that knowledgeable
9/5/2019 11:43:28	Green Dot	A PG-hater. Would not recommend it.	3	3	Ocean Co.	Hey personal favorite was Ocean and Bloom			Said Ocean, bloom and select	Fine placement. Boxes sitting with other pens and disposables. Nothing to fix
9/4/2019 11:23:36	Fountain of Wellbeing	Hates them. You can't see the oil and hates the battery— says they get a lot of returns.	3	3	Raw Garden	Raw Garden		And nothing else.	Raw Gardens and Heavy Hitter Disposables	He said if they updated the hardware he would love the brand way more. Couldn't recor
8/30/2019 17:48:37	CCA	Chemical flavor, but countless people tell her they're the best.	3	3	Gold Flora	Gold Flora		because they're the cheapest, and hit "super fuckin smooth"	Stiizy or Heavy Hitters	The vertical plastic DomPen display is nailed into the wall in the showroom! The recyclin
9/6/2019 13:02:13	The Station	They're amazing.	1	4	DomPen	dompen			stizzy	stizzy had a whole window to themselves, they were the most seen, then dompen.
9/5/2019 16:14:40	New Amsterdam Naturals	Big fan of the berry. Recommends it to people with insomnia.	1	4	Raw Garden, DomPen	Raw gardens for overall flavor and potency. For disposables, dompens come in great flavors and		Flavor and potency. For disposables, dompens come in great fl	Ranges but she said recently rove and raw gardens	Dompen is all over the shop! In the cases and displays
9/5/2019 14:13:02	Erba	Big fan. People seem to like us.	1	4	DomPen, Gold Flora	He personally likes dompen,		Very consistent in taste and high	Gold Flora But it ranges since it's a bunch of pop up	Great placement. As good as it can be with not having a booth in the store
9/5/2019 13:36:02	MedMen Venice	Loves us.	1	4	DomPen	Dompen!		Great high, great taste, and a bang for you buck. Also said he lil	He was saying bloom but wasn't that sure.	Great placement. Some of the most skus I've seen at a MedMen. Wish we were on a lo
9/5/2019 12:19:00	MedMen Abbot Kinney	They love dompen. One uses the berry for insomnia, and the other uses the ratios.	1	4	Beboe, Heavy Hitters	Same, beboe and heavy hitter			The one person paused and said for sure heavy hitter	Above dosists one a single shelf. Only 2 skus
9/4/2019 16:00:22	Sweet Flower (Studio City)	One of the best disposables.	1	4	DomPen, Lowell	She loves the new Lowell pen. Said dompens are great though.			Range but bebo and dosists	Super nice shop
9/4/2019 15:16:30	Tropicanna	She really likes them. Not harsh on her throat like other brands, and they don't smell strong, so nice and discreet. They can be ver	1	4	Sherbinski, Rove	Sherbinski		Flavors, Stylish	Rove	DomPen had decent placing among the other top brands. Works well in the store.
9/4/2019 10:23:13	MMD North Hollywood	People love them. The OG disposable.	1	4	Pure One	Ocean Cannabis Co.			Bloom or Raw Gardens	She went right to the Pure One
8/30/2019 15:17:57	MOTA	Really great	1	4	DomPen	Mota Brand Cartridges		for the price	DomPen!! 🔥🎧	DomPen was very well presented, in the center of the display case (and very well lit). Ca
8/30/2019 14:22:17	Firehouse Health Care Industries	Pretty good, a lot of people come in for them.	1	4	Heavy Hitters	Heavy Hitters		because she thinks they're the most potent, and have the nicest	Heavy Hitters.	Didn't see any disposable pens available. Cartridges were well displayed. The white sto

Secret Shopping

+ Interviews w/ Friends, Buyers, and Customers

Throw a bunch of ‘clay’ on the table, then mold.

Who, What, Where, When, Why

Should Funnel Listener to Your Product —

Global Market > National Market > Regional Market

Regional (Where)

Broad Category > Sub-Category > Product Itself

Product Category (What)

Additional Thoughts:

- Read through other (successful) decks and copy structure.
- Use Descriptive Titles
- Keep as simple as possible—don’t over-complicate.
- Look sexy—use a professional theme from the Envato Marketplace
- Investors are financially-minded (generally)

Tie growth to:

- Market Projections (But be careful)
- Competitors' Sales/Growth Data
  - Revenue per Customer (Total Revenue/Customer Count)
- Market Test Data
  - Average Order Size + Frequency per Customer
  - Customer Acquisition Rate

Iterate over deck based on:

- Investor Feedback
- Advisor Feedback

- Participatory Management Overview
- Monday Meetings
- Hire the right people, and you won’t have to manage.
- Hire a diverse group of complimentary people
  - Personality types
  - Political Views
  - Gender
  - Race
  - Background
- OKRs, KPIs
  - Klipfolio

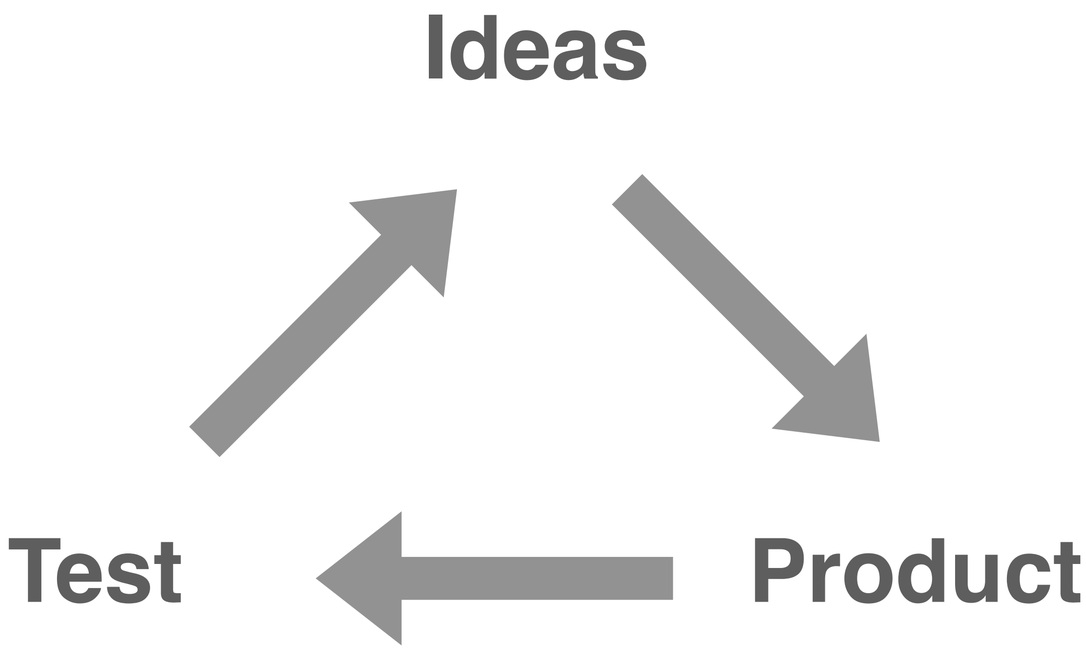
Misc. Thoughts

- Be sales-driven
- Don’t spend on stupid shit
  - Keep close tabs on marketing spend + payroll
- Use simple task software
  - Asana, Wunderlist
- Be “in the muck”
- Do everything at some stage
- Sell things in 3s
- Tip-of-the-spear Strategy
- Stand in the center and look around
  - Embed yourself in a community
  - Business is social
- Learn from your employees
- No one knows what they are doing
- Be uneducated, not miseducated
- 80/20 Rule
- Use decks to drive business story
- Be as lean as possible
- Things will always fall faster than they rise—it’s just physics

PRODUCT DEVELOPMENT

You can make pretty much anything.

Lean Product Development



MVP Development: **Tools**

Fabrication Machines

- 3D Printer
- Lazer Cutter
- CNC
- Knitterator

Processing Boards

- Arduino
- Rasberry Pi

Sensors

- Buzzer
- Open Flame Detector
- Heartbeat / Pulse Sensor
- Microphones
- Infrared
- Joystick
- Knock Vibration
- Light Barrier
- Magnetic Field Detector
- Human Touch
- Button Press
- Obstacle Detection
- Daylight/Nightlight Sensor
- REG LED Display
- Soil Moisture
- Temperature
- Humidity
- Tilt
- Movement Tracking
- Red Light / Green Light
- Distance Calculator
- Vibration Detector
- Water Level Detector

- Software library: Tensorflow
- Inspiration: Experiments w/ Google
- Use-Cases
  - Image Recognition
  - Speech Recognition
  - Classification
  - Prediction
  - Learning Associations
  - Regression

Process: **MVP Development**

- Where: Makerspace

- Prototype Development
  - Scratch Drawings
  - 3D Model
  - 3D Print (Crude)

- MVP Development
  - 3D Print Mold Plug (High-Resolution)
  - Post-Process
  - Create Silicon Mold

- Where: Alibaba

- Mold/Fabrication Types
  - Plastic Injection
  - CNC
  - Die Casting
  - Stamping
  - Sheet Metal

- Trustworthy On-the-ground Chinese Consultant

- Go direct to factory
- Use a stock structural deign
- Make sure system is adaptable

Patents: **Overview**

- Utility vs. Design Patents

- Process
  - Cost: ~$10k (for a simple patent like yours)
  - Due diligence:
    - Patent Search for Prior Art
    - Commercial Viability

- Patent-Pending
  - Very Quick
  - Simple Application

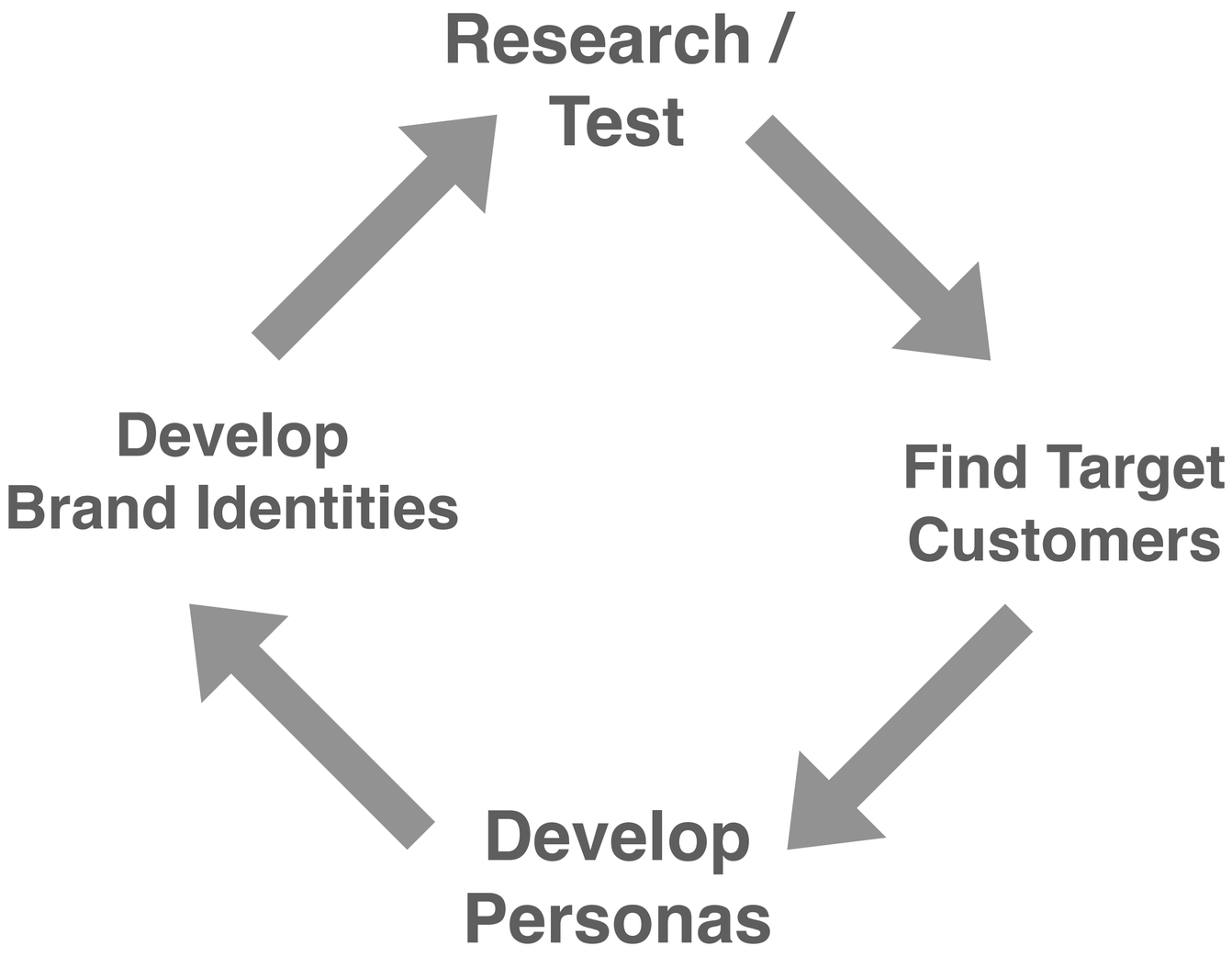
- Full patent
  - ~3 year process

Misc. Thoughts

- Always go direct to China
- Be mindful of CNY. Plan ahead.
- Dual-sourcing
- The factories do not understand aesthetic, but they’re great at copying. Always send physical prototypes and references. Leave no room for creativity.
- If you find a good factory, stick with it. Long-standing relationships will pay out in the end.
- Find local packaging suppliers just in case.
- China > America
  - The lesser-quality stereotype is a myth.
  - More responsive
  - More efficient
  - Better work ethic
  - More cost-effective
  - More trustworthy
- Do as much of the prototyping yourself as possible

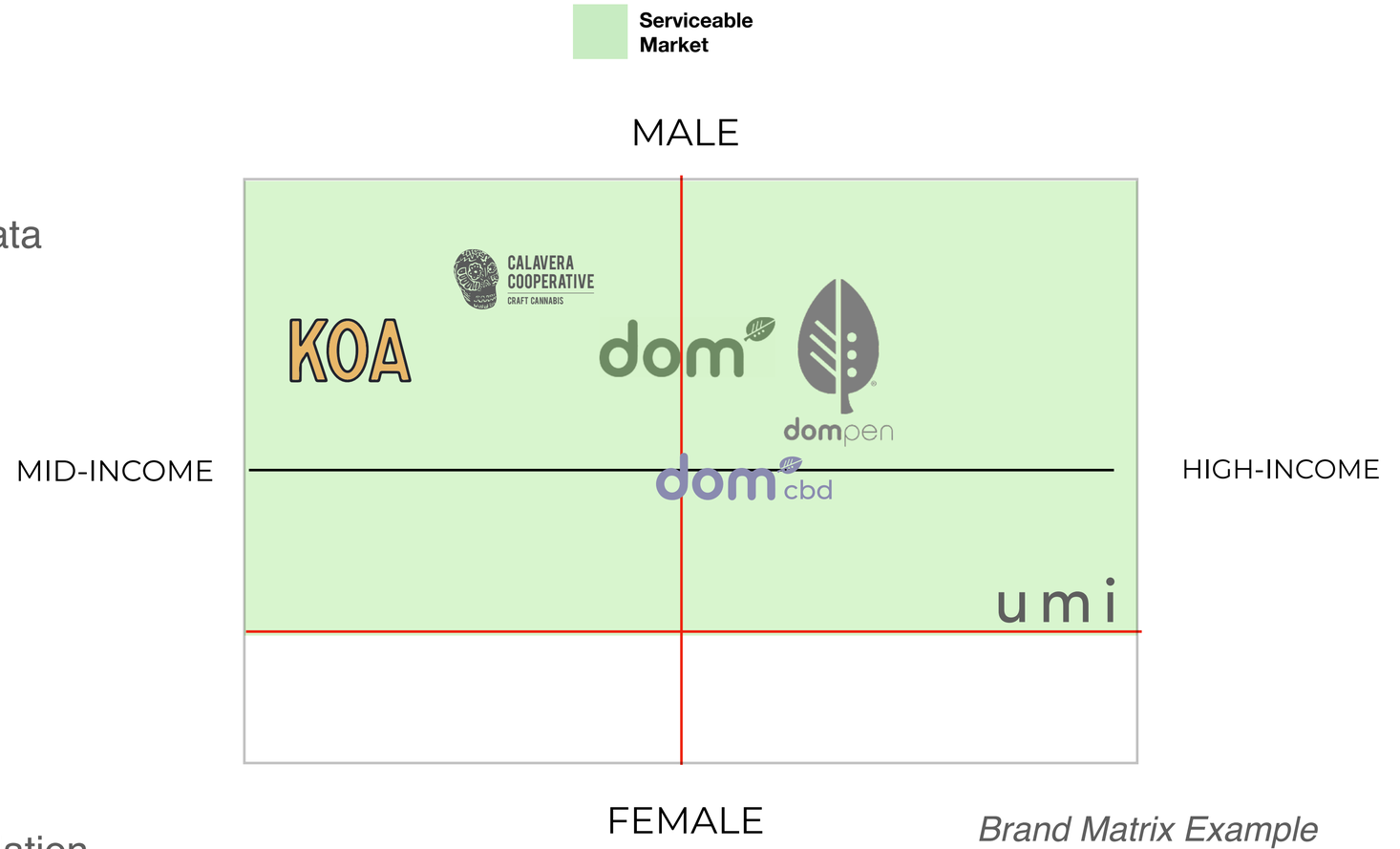
BRAND DEVELOPMENT

Lean Process



Lean Process: **Market Research**

- TAM, SAM, SOM
- Projected Market Growth
  - What's next? By the time you launch, it might be too late.
  - Emerging Demographics?
- Blue Ocean Strategy
- Competitive Analysis
  - Word Document, Google Sheet - Data
    - Websites
    - Social Media
      - Instagram
      - Facebook
      - Youtube
    - Data to Collect
      - Target Customer
      - Pricepoint
      - Brand "Type"
      - Positioning
    - Develop Brand Matrix
- Retail Channels - Demographic Differentiation



Brand Matrix Example

Lean Process: **Find Target Customer(s) + Develop Personas**

- Quantitative Data
  - Where will you sell this product?
  - Who will buy this product from those retailers?— Market Demographics
    - Age
    - Sex
    - Location
    - Cultural Subtypes

- Qualitative Data
  - Interviews w/ Target Customers
  - Your own preferences

- Develop Customer Personas Based on Data

Lean Process: **Develop Brand Identities That Reach Personas**

- Assets / Elements
  - Name
  - Logo
  - Slogan
  - 3 Selling Points
  - Color Scheme
- Packaging
  - Individual
  - Shipper
- POS Display

- Brand Type/Genre
- Launch Video
- Website
- Instagram

Brand Identity Development: **Packaging and Displays**

- Packaging
  - People Like Shiny Things
  - White, or Light+Bright Colors (Stay Away From Black)
  - Simplicity. Always.
  - Show the product on the packaging
  - Slim it down, but go wide if possible.
  - Make adaptable
  - The ritual

- Displays
  - Make Adaptable
  - Small but unique is always better
    - Hand display

- Messaging is lowest-cost, highest-ROI marketing tool
  - “Half-gram” Example



- Evolutionary drivers are the most important
  - Sex
    - Color
    - Cultural Affiliations
    - Size
  - Survival
    - Islands
    - Minimalism
    - Transparency

- Pixar: Parents and Children
- dompen: Buyers, Budtenders, and Consumers

Brand Identity Development: **Embed Shareability**

- Word-of-mouth is most effective marketing avenue. Who, when, where, and why do people share?

- Embed Shareability into your product + brand
  - Example: Green light

- Shock-factor— why people share
  - dompen: this is weed but it tastes like fruit?





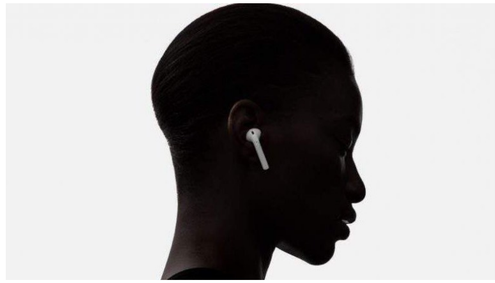


Brand Identity Development:
Good Artists Copy





- Copying is okay. Nothing is original.
- Brand by association.
  - **“I like this but I don’t know why”**





Logic

Coca-Cola

- Notice how people react to your product. Only pursue it if customers love it.
- T-shirt test
- “Field Trips”

Thank you!