



Spiffy Term Inc. Harvard Case Solution & Analysis

TheCaseSolutions.com

Spiffy

Spiffy, Inc.

Revenue	1000
Expenses	800
Profit	200

Market Share

Market Share	15%
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Key Indicators

Key Indicators	100
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Team Status

Team Status	100%
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SpiffyTerm, Inc.

Founders:

- Annabella Labella
- Krishnuvara Ramakrishna
- Bob Sledge

Seeking:

\$ 4,000,000 1st Round financing

\$ 2,000,000 2nd Round Financing

45%

IPO \$ 80,000,000 After 4 Years

Vulture Venture

Contact Partner:

- Wolf C. Flow

Offering:

- \$ 4,000,000

Price

- \$1 / share

Discount Rate:

- 66.14%

IPO Value:

4	
45%	
	-10,500,000
	\$46,415,315.63

Discount Rate

80 million when
IPO

10.5 million
Current Firm
Value



$FV = 80,000,000$

$PV = 10,500,000$

$n = 4 \text{ years}$

$PMT = 0$

Discount Rate = 66.14%

Vulture Venture

Contact Partner:

- Wolf C. Flow

Offering:

- \$ 4,000,000

Price

- \$1 / share

Discount Rate:

- 66.14%

IPO Value:

4	
45%	
	-10,500,000
	\$46,415,315.63