Facebook, Inc. v. Studivz, Ltd et al
Doc. 72 Att. 11

EXHIBIT 11

Dockets.Justia.com

Your Investor Pitch

November 20, 2008

- strictly confidential -

Agenda

1. **Overview**
2. **Team & Advisory Board**
3. **Product**
4. **Numbers & Operations**
5. **Markets & Competition**
6. **How to Earn Money & Financials**
7. **Conclusion**

Overview

- **Fastest growing Social Networking Site in the German speaking area**
- **Free of charge with focus on students**
- **High usage ratios**
- **Team with experienced advisers**
- **In the future advertising will generate revenues**

Team

A Complementary Combination of Abilities

Ehssan Dariani - CEO

Born in Tehran, 15.07.1980

A-Levels: Naturwiss. ASS Kassel, 1999

Bachelor of Arts in Economics in St. Gallen, Studies in Physics and Mathematics in Göttingen,

Internships

- Spreadshirt, Pittsburgh & Leipzig
- Department of Mathematics, Assistant of Prof. Müller, St. Gallen (Switzerland)
- Marketing Auditorium St. Gallen
- FORUMHSG Recruiting

Projects & Work experience

- Spreadshirt: Online Marketing, Pittsburgh (USA)
- Startup concept in distribution of grooming products
- „Jugend forscht“ Arbeitswelt und Technik, 1995

Languages

- German – mother tongue
- Persian – mother tongue
- English – Fluent
- French - Advanced

Dennis Bemmann - CTO

Born in Gifhorn, 28.07.1978

A-Levels: Gymnasium am Fredenberg, Salzgitter, 1998

„Jugend forscht“ 5th position in mathematics / informatics 1997

Studies in Computer Science, Humboldt University Berlin, Germany

Scholarship of the Studienstiftung des Detuschen Volkes (= German National Merit Foundation)

Projects & Work experience

- Chief Organizer of 3rd German Youth Science Congress 2002
- Xilinx Research Labs, developer, Silicon Valley (USA)
- Various free and commercial software projects (conference scheduling, simulation etc.)

Languages

- German – mother tongue
- English – fluent
- Esperanto - fluent
- French - advanced
- Arabic – advanced
- Spanish – advanced

Michael Brehm – COO

Born in Munich, 22.01.1980

A-Levels: Humanistisches Wilhelmsgymnasium München, 2000

Studies in Business Administration at WHU (Germany); Tec de Monterrey (Mexico) and CEIBS (China)

IHK Price 2005 for the best diploma thesis

Internships

- Hyundai, Controlling, Santiago (Chile)
- Aventis Pharma, Controlling, Shanghai, (China)
- Mundwerk, Sales, Berlin (Germany)
- Ermgassen, M&A Division, London, Great Britain

Work experience

- Merrill Lynch, M&A Division, Frankfurt (Germany)

Languages

- German - mother tongue
- English - fluent
- Spanish - fluent
- Chinese - Basic

Advisory Board

Strong Support from experienced Entrepreneurs

Operations

Oliver Samwer,
Ex-CEO Jamba! &
E-Bay Europe

Lukasz Gadowski,
CEO Spreadshirt
Non-Executive Director StudiVZ

Kolja Hebenstreit,
Head Online Marketing
Spreadshirt

Financial Planning

Christophe Maire,
CFO Gate5

Christian Vollmann,
Ex-CEO I-love
Non-Executive Director
StudiVZ

IT & Software

Matthias Spiess,
CTO Spreadshirt

Oliver Jung,
CEO Exxeta

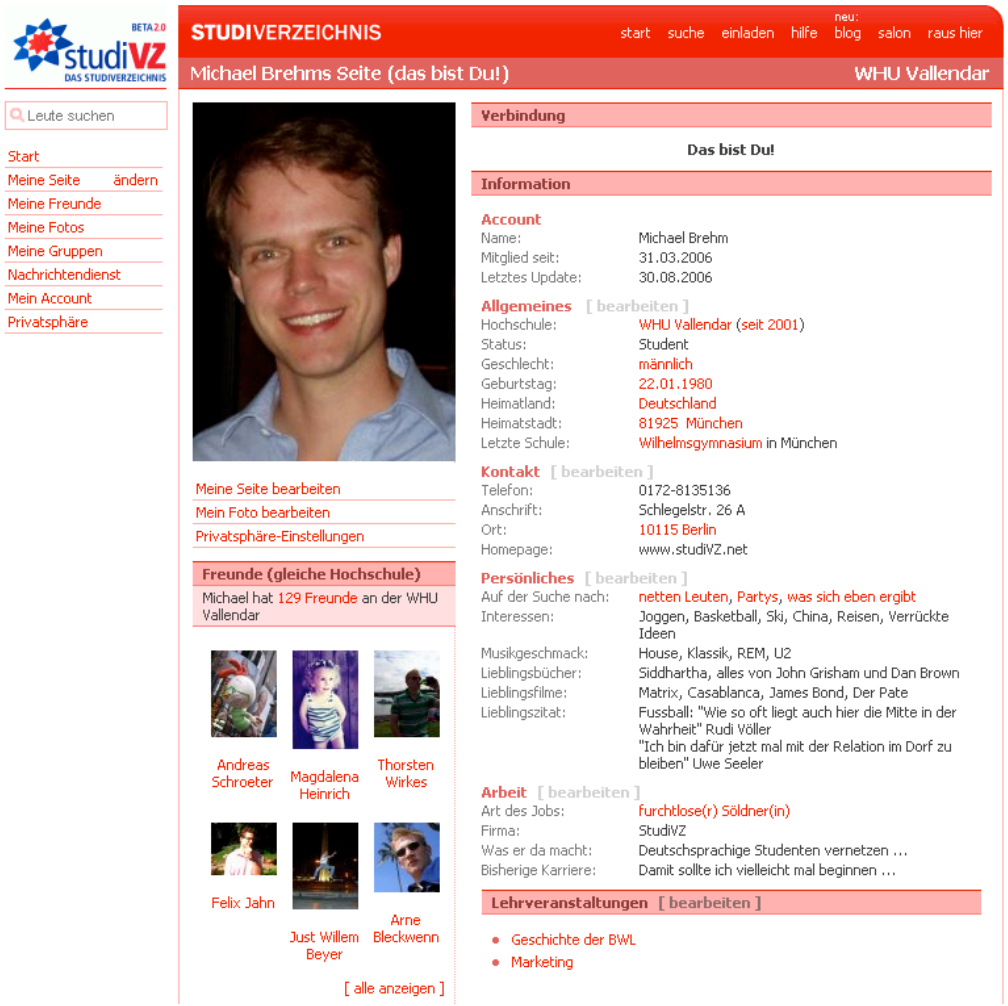
Venture Capital

Martin Weber,
General Partner Holtzbrinck
Ventures
Non-Executive Director
StudiVZ

Product

Personal Page

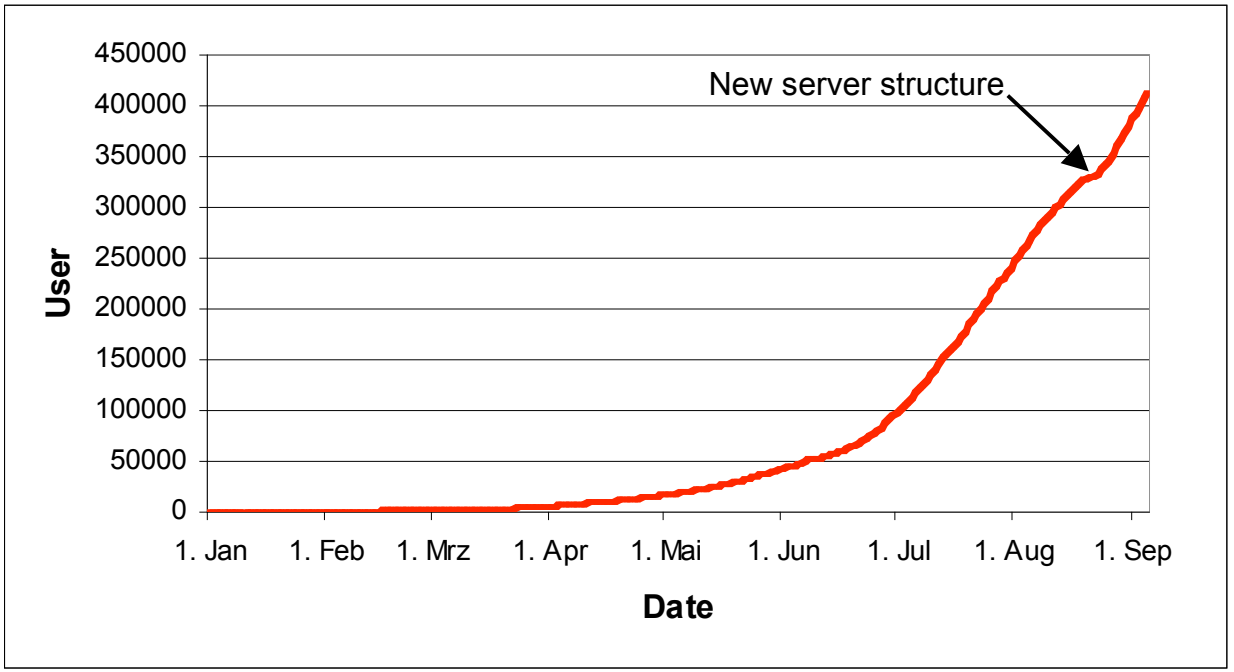
- **Personal profiles reveal an individually adjusted amount of information**



Numbers

User Development

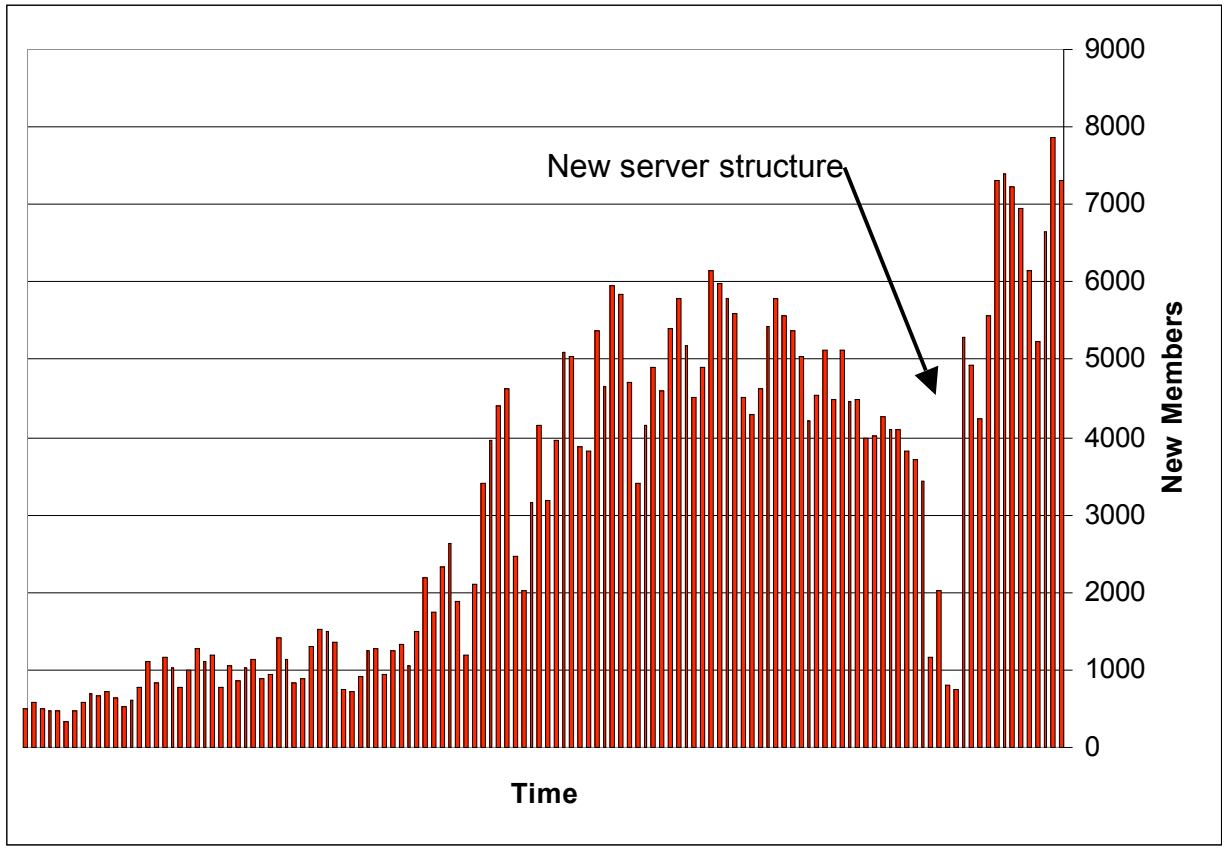
- **Clear proof of concept**
- **Viral growth started**
- **After introduction of a fast and scalable server structure rapid growth continues**



Numbers

New Members per Day

- **During the week new sign-ups are high**
- **Reached phase with about 7.000 new users per day**
- **Further growth acceleration due to new features is expected**



Numbers

Log-in-Ratios of Members at Most Important Universities

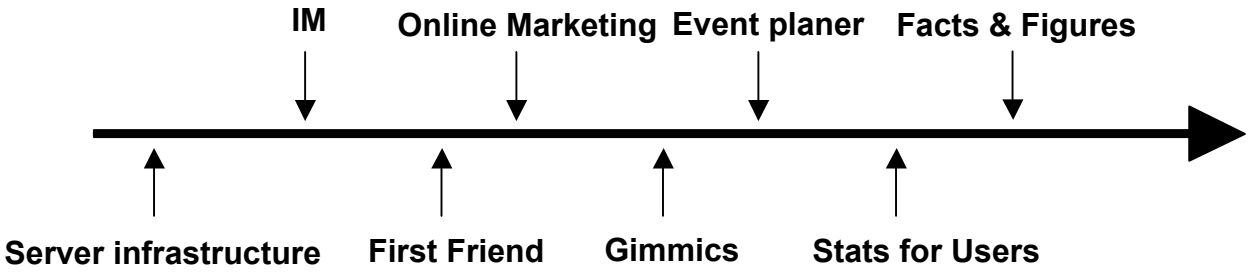
- **Log-in-ratios are important for monetization**

Last 24 hours	
University	**Percentage**
Uni Münster	62,3%
Uni Köln	60,6%
Uni Mainz	58,3%
RWTH Aachen	61,0%
Uni Bonn	61,7%
Uni Gießen	60,1%
Uni Bochum	60,1%
Uni Marburg	61,1%
Uni Göttingen	60,5%

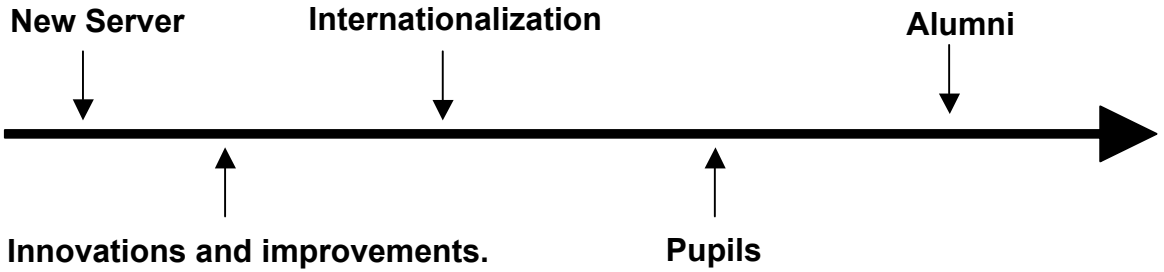
First speed …

… than features

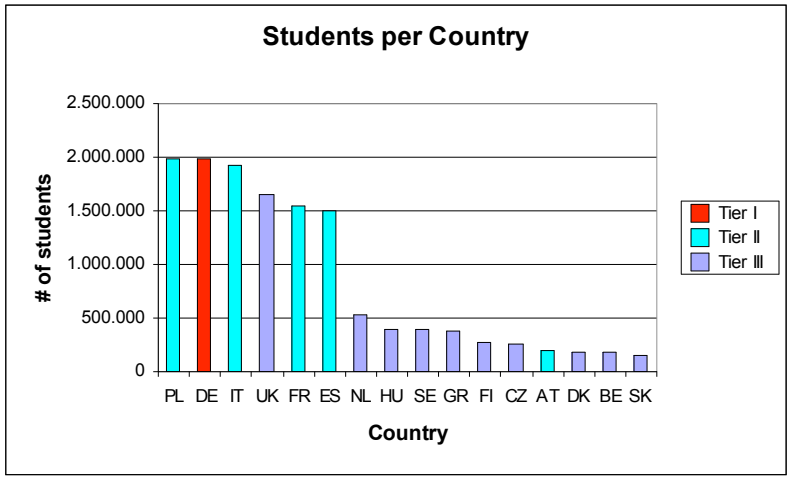
Next three months



The following twelve months



Potential European Expansion

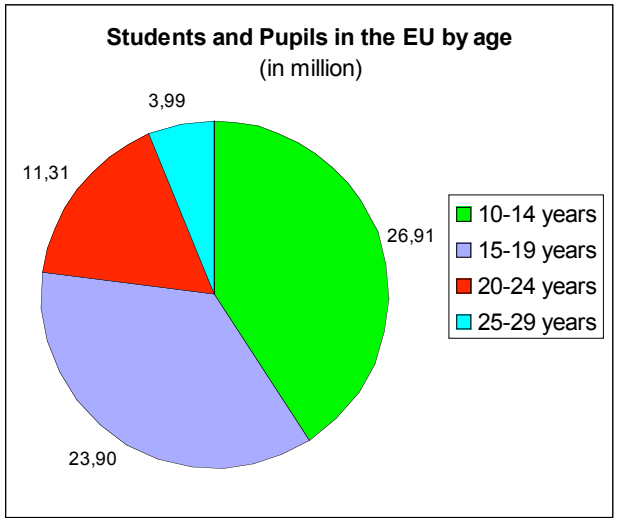


Source: Eurostat

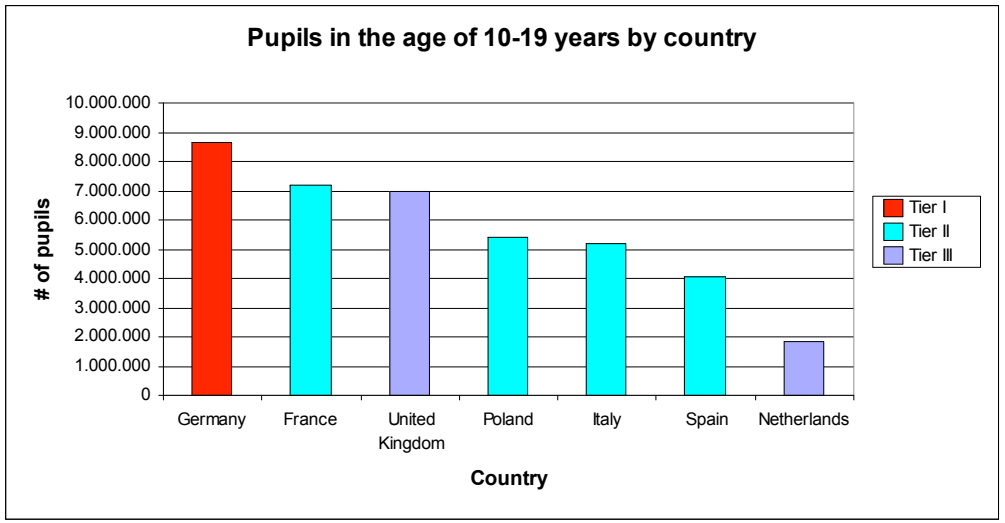
Country	# of students	Purchasing Power	Competition	Virality
Poland	1.989.889	-	+	-
Germany	1.981.373	++	-	o
Italy	1.926.956	+	++	++
United Kingdom	1.645.232	++	--	o
France	1.543.761	++	++	+
Spain	1.507.520	+	++	++
Netherlands	536.342	++	-	o
Hungary	394.021	-	+	--
Sweden	390.371	++	+	o
Greece	374.591	o	++	+
Finland	278.522	++	+	o
Czech Republic	262.530	-	+	--
Austria	197.627	+	+	-
Denmark	184.227	++	+	o
Belgium	179.017	+	-	o
Slovakia	150.037	--	+	o
Lithunia	127.914	--	+	--
Ireland	120.782	+	--	o
Switzerland	111.100	++	-	--
Latvia	111.040	--	+	--
Slovenia	52.534	-	+	--

7 m Students by End of 2007

Pupils



Source: Eurostat



Source: Eurostat

→ Potential Expansion of Target Group to Pupils

Alumni

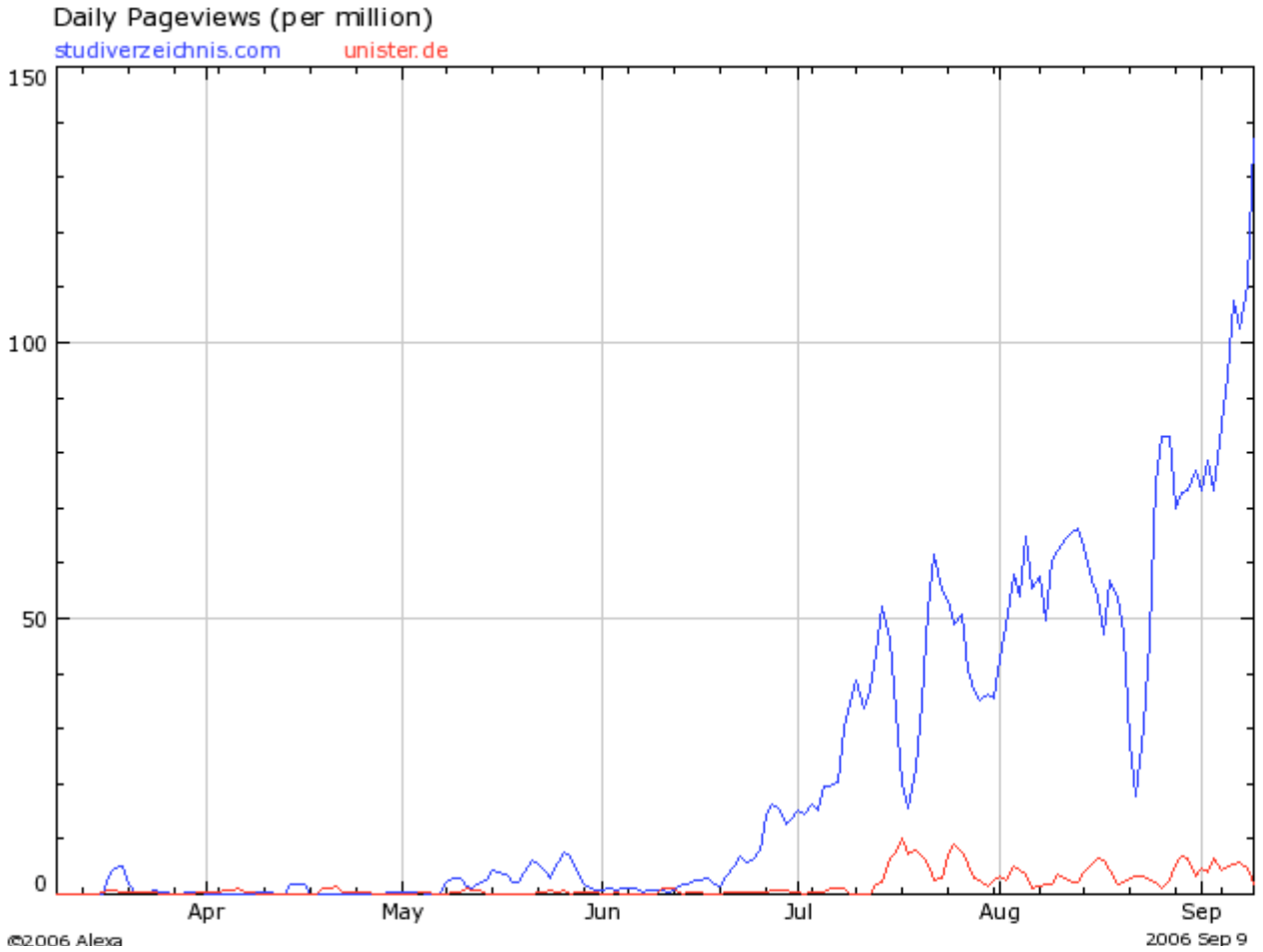
Keep users after university time

→ Implementation of a special Alumni-Section within the next 24 months

Benchmarking

StudiVZ vs. Unister

- **Over 20 social network communities with focus on students in Germany**
- **Social Networking is a monopoly game that allows no room for a second player in the relevant market**



How to Earn Money

Business Models

- **Advertising most important**
- **Premium Services difficult due to student target group**

Advertising

Implementation of Banners, Text links, deep links from profile declarations to affiliates, Sponsored Groups and eFlyers in different sections of the page

Due to the attractive target group price premia can be realized

Online advertising will grow dramatically over the next years

Paid Applications

Implementation of a paid access system for certain individual applications

Possible areas would be “Mobile Services” (Short Messaging) or “Shop”

Premium Services

Conservation of an Open Source Portal while adding a paid access system to some special services

Establishment of an unpaid account, providing only basic functions, and a premium account, paying a membership fee to obtain advanced functions (e.g. more detailed search functions, unlimited amount of pictures & videos to be stored, etc.)

Financials

Basic Projections for 2007

- Estimated revenue potential of StudiVZ € 3 to € 10 per member / per year

  MySpace (120m members) US$ 3 per member / per year, break even

  Facebook (8m members) US$ 10 per member / per year, highly profitable

- StudiVZ Members:
  - Beginning of 2007: 2m
  - End of 2007: Between 2m and 7,5m

→Revenue potential between € 6m and € 45m for 2007, with a cost basis of € 4m

P&L (Germany and France only & Google AdSense only)

Profit & Loss

(in €)	Jun.11	Jul.11	Aug.11	Sep.11	Okt.11	Nov.11	Dez.11
Income	-	-	-	-	-	119.419	147.174
Employees	18.000	19.000	20.000	25.000	27.000	26.000	27.000
% of Total Costs	*46,9%*	*44,4%*	*41,0%*	*41,7%*	*34,9%*	*32,0%*	*30,2%*
Server	2.341	5.774	10.760	16.916	6.682	7.153	44.310
Computer	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Software	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Rent	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Insurance	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Office Equipment	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Telecommunication	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Lawyer	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Accountant	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Marketing	8.000	8.000	8.000	8.000	8.000	8.000	8.000
Travel Costs	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Other	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Total Costs	- **38.341**	- **42.774**	- **48.760**	- **59.916**	- **68.682**	- **81.153**	- **89.310**
Gross Profit	- 38.341	- 42.774	- 48.760	- 59.916	- 68.682	38.266	57.863
Margin (%)	*n/m*	*n/m*	*n/m*	*n/m*	*n/m*	*n/m*	*n/m*
Depreciation							
Loss Carryforward	-38.341	-81.115	-129.875	-189.790	-258.473	-220.206	-162.343
Tax (35%)	-	-	-	-	-	-	-
Net Profit / Loss	- **38.341**	- **42.774**	- **48.760**	- **59.916**	- **68.682**	**38.266**	**57.863**
Margin (%)	*n/m*	*n/m*	*n/m*	*n/m*	*n/m*	*n/m*	*n/m*
Accumulated Profit / Loss	- 38.341	- 81.115	-129.875	- 189.790	- 258.473	- 220.206	- 162.343

[SAMPLE]

Conclusions

- **Outstanding growth during the last 3 months**
- **Extension of market-domination**
- **Team around the founders is established**
- **Focus on product development and monetization**

➢ **Main aim is to become one of the most profitable websites in Germany**