
The logo for CoWare features the word "CoWare" in a bold, sans-serif font. The "Co" is rendered in red, while "Ware" is in black. A trademark symbol (TM) is positioned to the upper right of the word. The logo is centered between two horizontal red lines.

CoWareTM

Guido Arnout
Chairman & Founder

Turning research into a business

Success = Brains x Attitude x Luck

Technology Excellence
Address a Market Need
Build A Winning Team
Raise Sufficient Capital
Management
Vision & Execution

Attitude is Everything
Focus, Focus, Focus, ...
Sense of Urgency
Maximize Shareholder Value
Take Risk, Love Change
Think Global
Know Yourself

Timing is Everything
Market Dynamics
World Economy
Political Events
Personal Health

First phase

Government
Funded
University
Research



VC & Customer
Funded
Technology for
Early Adopters

- From research to solving real customer pain
 - Shift from research proposals to what customers need now
 - Shift from technology focus to solutions
 - Difficult transition for researchers without business support
- Do whatever it takes to make early adopters successful
 - You are in it together
- Get significant amount of money from experienced VCs
 - VCs bring business contacts & business management
 - VCs help build the company when they are large stake holders
 - Ownership: small % of big success >> large % of nothing

Second phase

VC & Customer
Funded
Technology for
Early Adopters



Commercial
Success
With
Power Users

- Get even more money from experienced VCs
 - This is a costly and dangerous phase for the company
 - Not so costly when value proven by early adopters
 - You need to have the strength to tough out challenging times
- Get your customers to invest in you
 - Greatly enhances your chances of success
- Change of behavior
 - Shift from focus on early adopters to sustainable business
 - Further shift from selling technology to selling products/solutions
 - Build industry standards to grow the pie
 - Make your company look bigger than life through partnering

Know your market & your customer

EDA Mainstream User

\$1,200M revenue

45% of revenue

142K seats

27% of seats

\$8K/seat/year

EDA Late Adopters

\$180M revenue

6% of revenue

345K seats

65% of seats

\$0.5K/seat/year

EDA Power User

\$1,300M revenue

49% of revenue

44K seats

8% of seats

\$30K/seat/year

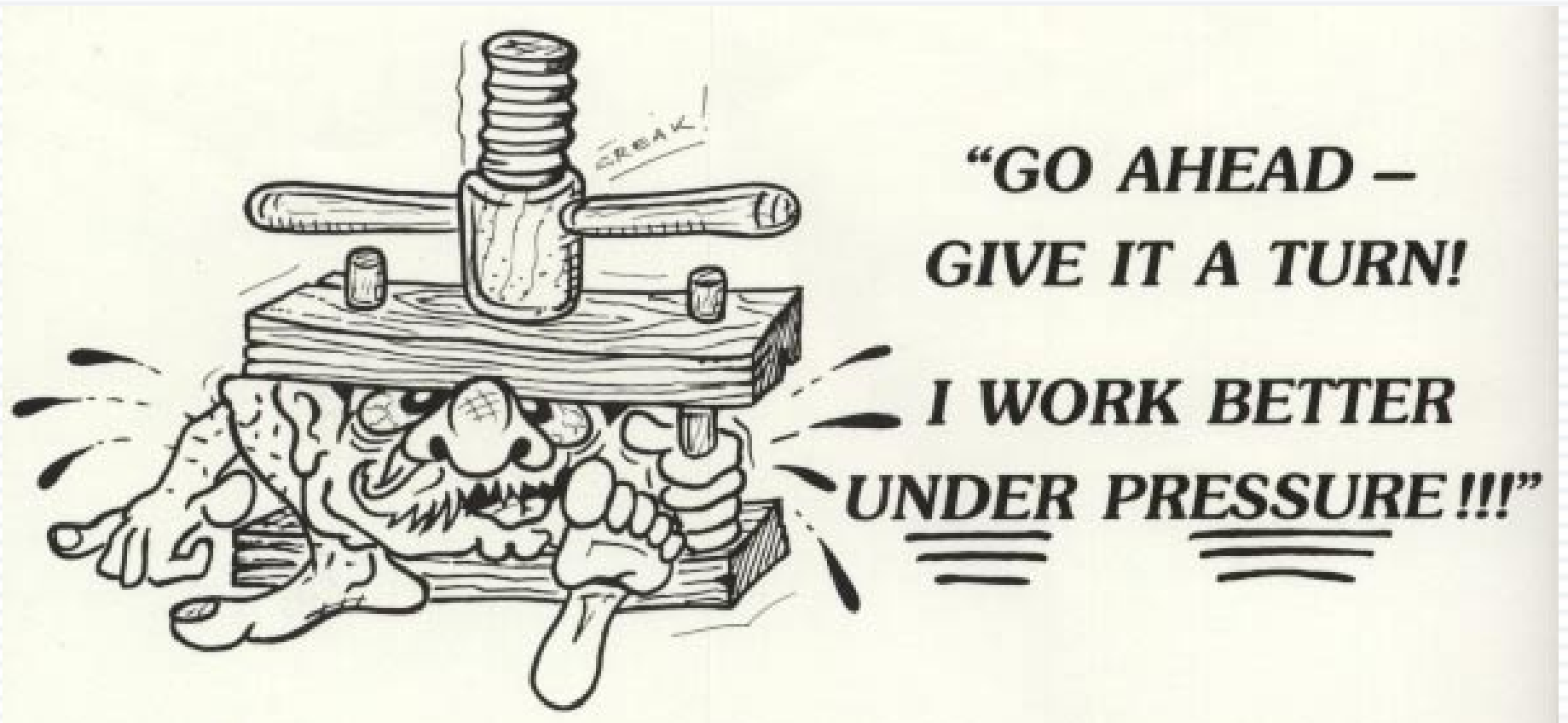
Investments

- Set your goals to grow fast & furious
 - IPO is not an event or a goal
 - IPO is a transformation from private to public company
- Assume you will need several financing rounds
 - Select VCs committed up front to multiple rounds
 - Be prepared to give large equity to investors
- Give stock options to all your employees
 - Make them all stakeholders in your journey to success

A University & Company Win-Win

- Spin-out time:
 - Exchange technology & people for shares
 - Take enough people to stimulate new ideas at university
 - Take the smallest group to “own” the know-how
 - Take only those who want to commit to a startup life
- Ongoing win-win:
 - University retains freedom to research
 - Company has freedom to do business
 - Share customer feedback with researchers
 - Build success by growing revenue & market value
 - Use some of your success for new university research

Be prepared to enjoy this life...



***“GO AHEAD –
GIVE IT A TURN!
I WORK BETTER
UNDER PRESSURE!!!”***