

Ridesharing

&

JUNO

Introductions

For those who don't know me, I'm **Milan Stevanovich**. I attract Chinese (and New Yorkers) to invest in Michigan, Detroit especially, and vice versa as VP of Global Strategy at the **Detroit Chinese Business Association** in Troy.



My good friend, **Jim Cook**, has, on 14 occasions, raised capital for pre-revenue ventures and IPOed his own high tech company on NASDAQ. He consulted for three years for MIT's legendary "Zero Stage" high tech investor, Ed Roberts. Jim led the reorganization of Motorola's \$60 million/year Venture Capital division.

Now, the best for last, **Talmon Marco**, the super serial entrepreneur who heads up Juno. Talmon is at Juno's headquarters in the World Trade Center in NYC.

Talmon Marco, CEO, is 44, an US/Israeli citizen, BS in CS, Tel-Aviv U.

Igor Magazinik, CTO, 41 (BS/CS, MBA Tel-Aviv U.), is in Minsk, Belarus

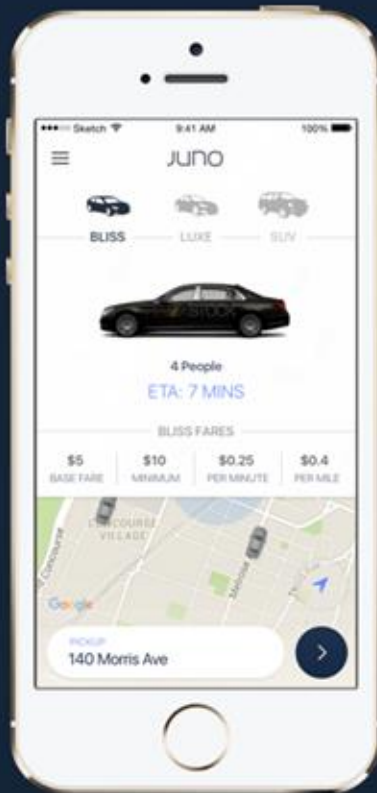
Avital Sterngold, VP Operations, 30 (MBA, Harvard) former BCG consultant.



WHAT IS RIDESHARING?

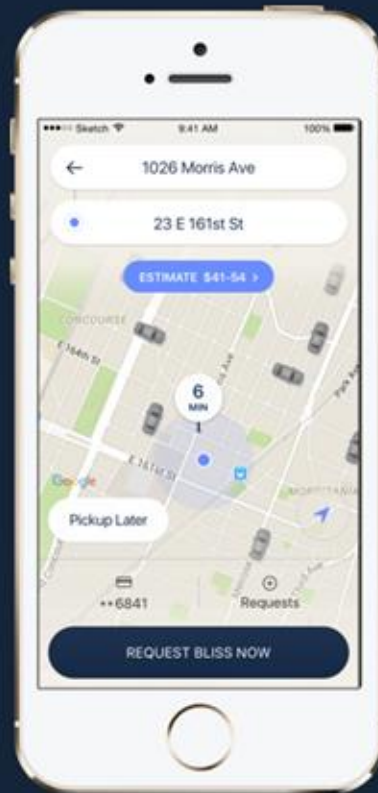
Step 1

Enter location and select service type



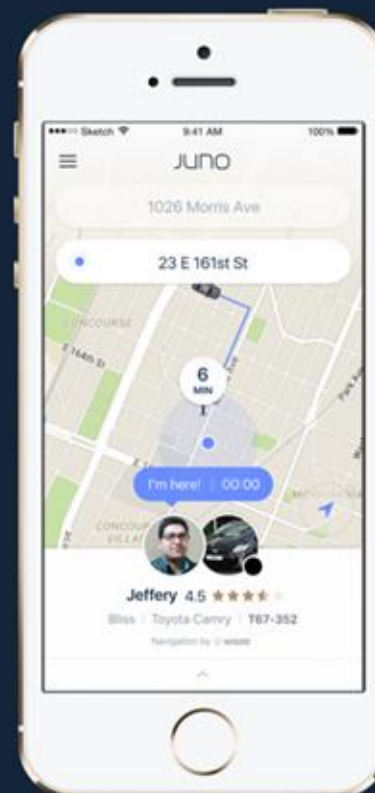
Step 2

Enter destination and request a ride



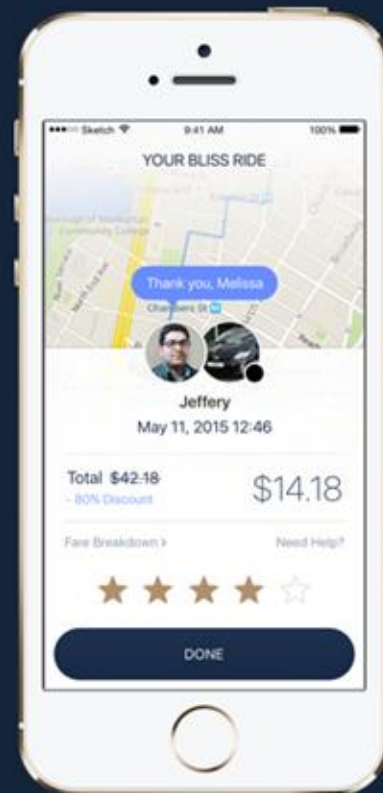
Step 3

Matched driver arrives for pickup location within minutes



Step 4

Driver takes rider to dropoff location



It is coming to 4,037 Cities of the World



“A Revolution is Coming!” It’s Urban Car Ownership!

Age of APPs Acceptance	Apps used globally by >10 ^{^9} ; Investments>>\$10 ^{^10}	↑2015,↔2020,↓2025
<p>Globally billions of urban riders who use apps to summon a ride from hundreds of millions of drivers. This begins with an excess of startups and an abundance of risk capital from professional venture funds and companies, especially OEMs, wishing to thrive in the later stages through relationships acquired early. Mkt caps > 10x revenues at times.</p>		
Age of APPs Leasing	App cos commoditizing OEMs with buying power	↑2017,↔2022,↓2027
<p>The surviving half-dozen global ride sharing App ventures ("APPs") exist due to consolidation and partnerships. APPs, through partnerships with major automobile manufacturers ("OEMs"), begin securing leases/rentals for drivers. This increases the APPs buying power (which is why OEMs have invested for a big stake).</p>		
Age of APPs Owning	Driverless <25 mi/h e-cars, marginalizing OEMs	↑2022,↔2030,↓2040
<p>Driverless cars welcome in crowded and polluted cities. Now, APPs buy driverless cars directly to offer ridership to the Public bypassing the need for drivers. These driverless cars are all electric, able to seek charging pods, and are limited to 25 or so mi/h (~40 km/h). These cars do not have the safety structures nor weight nor individualization of today’s cars, so are cheaper.</p>		
Age of APPs Franchising	“McDonalds” with regional kitting & local assembly	↑2030,↔2050,↓21??
<p>The physical aspects of ride sharing will be handled by local franchises with margins for the APPs. This McDonalds-like market will have kits gathered at regional APP distribution centers which prepare kits for their local franchisees who will assemble into cars. The local franchisee loads worn and broken cars onto a truck that goes to the APPs regional distribution center.</p>		

“APPs” stands for “Companies offering Ride-Sharing Apps” for example, Uber and Lyft.

Side-by-Side Comparison for 2014-2016

	Cities in USA	Cities Outside	Countries Outside	Rides in millions (estimated)			Growth (estimated)		Losses in millions
				2014	2015	2016	2015	2016	
Uber	150	300+	60	140	600	3,000	442%	140%	\$470
Lyft	65	0	0	1	90	205	140%	125%	\$50
Uber	Strategy:	Global; shun alliances/partnerships with locals; diverse offerings; 80/20% split; driver signing bonus							
Lyft	Strategy:	Global using cross-alliances; focused offerings; 80%/20% split; driver signing bonus; friendly & open							
Uber	Risks:	Regulatory constraints in markets; diversion from ride sharing; law suits; leadership complacency							
Lyft	Risks:	Sub-critical mass of riders; late arrival in global markets; capital markets dry up; margin squeeze							

Financing Stats in Ride Sharing Market

Company (Target)	Revenues	Last VC round	Lead Investors	Market Cap	Growth Rate	Founded
Uber (Global)	\$2,000	\$1,000	Microsoft, Baidu, Tata	\$51,000	400 %	2009
Lyft (USA)	\$125	\$1,000	Rakuten, Didi Kuaidi, Carl Icahn, General Motors, "Ford"	\$5,500	150 %	2012
Didi Kuaidi (China)	\$450	\$3,000	CnIF, Alibaba, Tencent, Ping An, Coatue, Capital International PEF	\$16,500	1,400 %	2015
Ola (India)	\$400 + \$500	\$310	DST Global, Ratan Tata, Falcon Edge (NYC)	\$2,300	200 %	2010
GrabTaxi (SE Asia)	\$340	\$200	Kuaidi, Softbank, Temasek, Alibaba, CnIF, Coatue, GCV	\$1,500	233 %	2011
BlaBlaCar (EU, Global)	\$72	\$200	Insight Venture, Lead Edge, Vostok New Ventures	\$1,500	140 %	2007

Dollar amounts are in US millions

Overview of Lyft's Financings 2007-2015

Series	Date Announced	Funds Raised	Capitalization Post-investment	Dilution	Per Share	CMGR	Rides per month	Net Revenue Annualized
F	2015.12	\$ 1,000	\$5,500	22.2%	\$ 14.539	1.822%	10,645,023	\$ 405
E2	2015.05	\$ 150	\$3,966	3.9%	\$ 12.812	1.822%	2,827,056	\$ 93
E1	2015.03	\$ 530	\$3,275	19.3%	\$ 12.358	1.822%	1,935,605	\$ 21
D	2014.04	\$ 250	\$2,250	12.5%	\$ 10.132	8.224%	240,973	\$ 5.0
C	2013.05	\$ 60.0	\$360	20.0%	\$ 4.247	8.224%	30,000	\$ 1.1
B	2013.01	\$ 15.0	\$141	11.9%	\$ 3.096	8.224%	6,912	\$ 0.3
A	2011.09	\$ 6.0	\$58.7	11.4%	\$ 0.874	8.224%	0	\$ 0.0
Seed2	2010.08	\$ 1.2	\$23.3	5.4%	\$ 0.313	8.224%	0	\$ 0.0
Seed1	2009.06	\$ 0.3	\$9.6	3.2%	\$ 0.103	8.224%	0	\$ 0.0
Founders	2007.04 est.	\$0.10	\$0.1	100.0 % est.	\$ 0.013	8.224%	0	\$ 0.0
		\$ 2,013 = Total Capital Raised				20.85% CMGR		doubles in 3.7 mo
Color Keys:		Dollar amounts, except Per Share, are in millions						
= Data is Good		= Data is consistent and useful; Public data is inconsistent						

How will today's early Ride Sharing's leaders fail?

1. E.g.: aol→Yahoo, Altavista→Google, MySpace→Facebook, Kmart→Walmart why?
2. Reach (territories, applications ...) exceeds means to coordinate, localize, & finance
3. Lose to regulators by poor political tactics and lack of focused support mobilization
4. Don't keep pressing the delivery of value and benefits to their drivers and riders
5. Key entrepreneurial talent leaves before achieving sustainable, scalable, systems
6. Allow a culture of politics and greed to erode joy, openness, and cooperation.

How will the eventual Ride Sharing's leaders succeed?

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As with Henry Ford (HF), it takes tremendous competence to get to lead a market

As with HF, competence in: design, operations, and clever media/narrative

These accomplishments are required for the Ride Sharing Market success:

- Hundreds of millions of users to actively use the service

- Hundreds of thousands of qualified and actively engaged drivers on call

- Running web services with thousands connecting to thousands at any moment

- Manage localization issues of language, currency, culture, and regulations

- Scale the business to blanket the globe wherever feasible

How does Juno stack up as an eventual leader?

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First, Talmon heads the same team (he's known ~20 years) as his prior serial successes
On \$400 K, his team returned \$1.3 billion to their family, friends, investors, and selves
They received \$900 million upon Rukuten's buyout of Viber in 2014

Second, what were Talman's Team's accomplishments at Viber?

Viber is an instant messenger VoIP social exchanging app for smartphones

In 3 years, Talmon's Team skyrocketed (9% CMGR) it to 300 million users from zero

Their weapons were boldness, operational competency, and viral creations!

Third, how does their track record relate to launching into ride sharing?

Experience and success building a social ecosystem into 100s of millions of active users

Global reach and coordination of servers, data bases, policies, and communications

Rapid ramp expertise by creative deployment of viral messages and media engagement

Lastly, Talman's Team has pooled \$4.5 million of their (and families') "skin in the game"

INTRODUCTION

Corporate: Juno Lab, Limited Partnership (registered in NY)
HQ: One World Trade Center (Suite 47D)
New York, NY 10007
Parent Company: Juno, Ltd. (registered in BWI)

Offices: New York City; Minsk, Belarus; Tel-Aviv, Israel

Officers: Talmon Marco, President, 44 (BS/CS Tel-Aviv U.)
Igor Magazinik, CTO, 41 (BS/CS, MBA Tel-Aviv U.)
Avital Sterngold, VP Operations, 30 (MBA, Harvard)

Directors: Talmon Marco
Robert Summer
Kypriana Constantinou

Counsel: White & Case, NYC

Accountants: Ernst & Young, Israel

FOUNDERS

Talmon Marco, CEO
Founder/Co-Founder, Viber, iMesh, Expand Networks.
Israeli Defense Forces, CIO, Central Command

Igor Magaznik, CTO
Founder/Co-Founder of Viber
Central Command, Israel Defense Forces

Avital Sterngold, VP Operations
Boston Consulting Group, City Manager, NY

Ofer Samocha, Formerly with Viber, iMesh

Sunny Marueli, Formerly with Viber, iMesh

Ziv Haparnas, Formerly Co-Founder of iMesh

TRACK RECORD

Started Viber in 2010

- One of the largest mobile messaging apps globally
- Sold in 2014 for \$900MM; founders' financed
- Virtually all 300 million users acquired virally in 3 years!

Started iMesh in 1999, raised \$400K in total

- Multiple businesses - music/video, chat, fun, downloadable apps
- ~\$300MM back to shareholders via dividends on \$400K invested
- Viral user acquisition; successfully navigated royalty challenges

Key team has known each other for ~20 years

Proven track record with viral products

JUNO'S KEY IS HAPPY, LOYAL DRIVERS

(who proudly spread the word
(and delight our riders, too)

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Drivers earn 25 million restricted shares/quarter (allocated by founders through mid-2025, approved through end-2018)
Drivers share in the value they helped create (2 year vesting period; analogous to employee stock options)
When Juno goes driverless, drivers still have a stake in Ride Sharing (only Ride Sharer considering Drivers' future)
When Juno goes public, drivers can have a small nest egg (only Juno's founders were diluted, not investors!)



Low commission

- Low commissions in all markets
- NY drivers to pay 10% commissions for the first 24 months*



24/7 support

- Drivers get 24/7 support over the phone, e-mail, and SMS



Driver centric features

- Multiple features designed to make drivers' life better



Free device

- Optional free device and data plan
- Device usage limited to Juno app and navigation partners



Better atmosphere

- Forums for drivers, open culture, superior values
- Hospitable driver facing team (at present, 90% come from Apple Stores)

What does it take to succeed in Ride Sharing?

Critical Mass:

At Viber, Talmon's Team got 300 million subscribers, over 100 million active (in 31 months)

Network Effects:

At Viber, after handoff, expansion continued to today's 700 million subscribers (in 24 months)

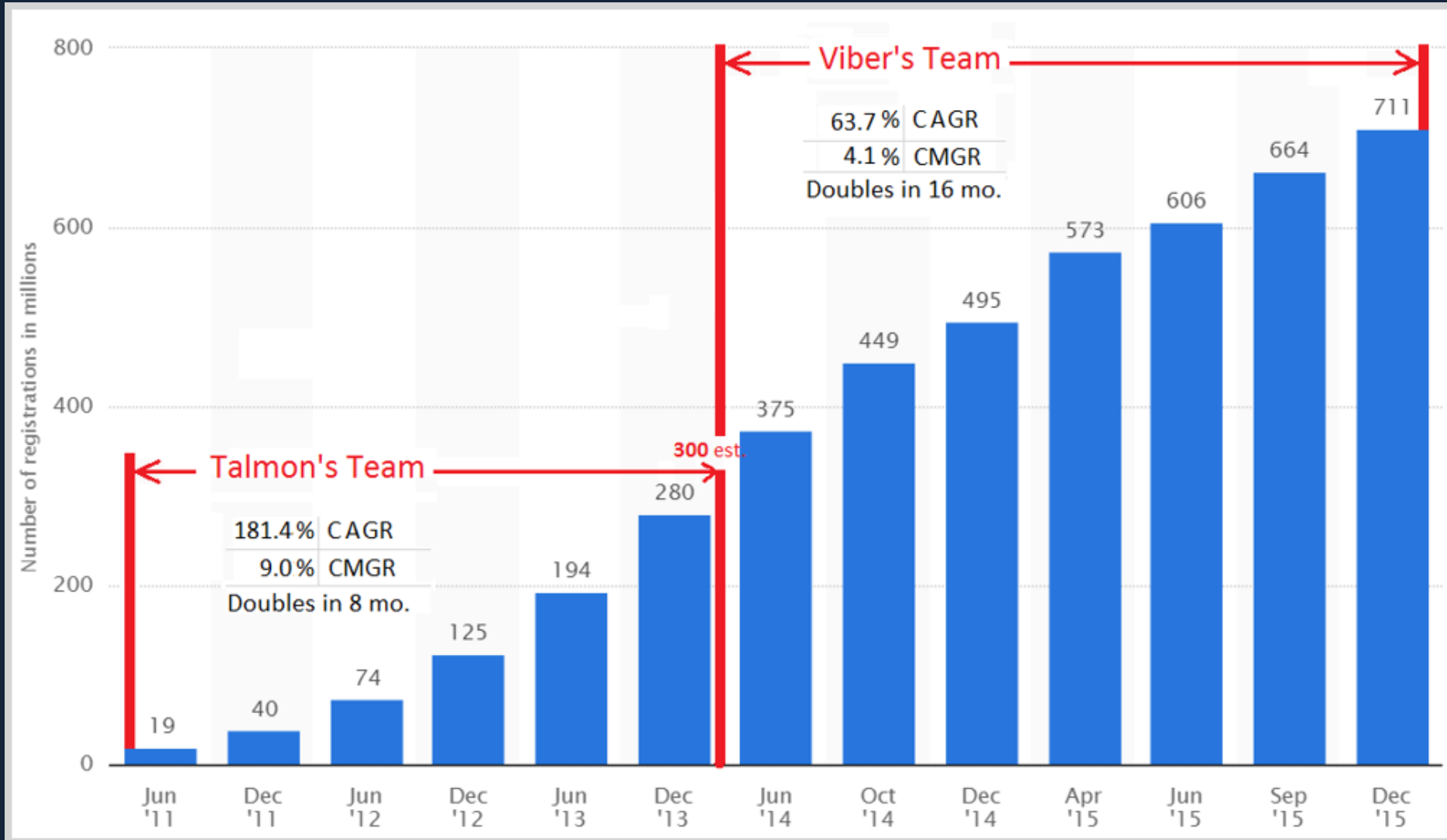
Lightening Speed:

At Viber, the growth under Talmon's Team was 9% CMGR for over 30 months

At Juno, 10,000 drivers acquired in NYC in half a year (Uber has 20,000)

At Juno, in 72 hours after a "leak", got coverage on CNN, Forbes, Pando, and NYC press

Talmon's Team's Spectacular Rise 2011 - 2013



Juno Going Viral (in NYC, 2015)

72 Hours after story first leaked on a small newsletter

PANDO
Juno founder: "Everybody we talked to, they hated Uber with a passion."

CW
Uber competitor says its drivers will own the company



NEW YORK BUSINESS JOURNAL
New ride-sharing app Juno brings fight to Uber one driver at a time

Medium
Watch Out Uber, Juno Is Quietly Invading Gotham City

Forbes / Tech
Stealth Startup Juno Will Take On Uber By Treating Drivers Better

Why is Juno vital to Detroit and vice versa?

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Benefits to Detroit:

- Sustain Detroit as Original, Past, Present, and Future Automotive Capital of the World (not Silicon Valley or CA)
- Reinforced as software haven for young programmers (without the housing and commuting costs of Silicon Valley)
- Reinforced as venture haven with talent, financing, and support (unlike NYC) striving to match Silicon Valley
- Positioned as a, if not the, leading city for the integration and innovation for modern urban mobility
- Chance to reinvigorate Southeast Michigan with tens of billions of value for its tax and opportunity bases

Benefits to the Auto Industry:

- Local access to the revolution in Automotive production, distribution/service, and ownership
- Inside track on urban mobility and its emerging autonomous car market and changing usage patterns
- Inside track to the potentially revolutionary changes that may occur in the Automotive supply chain
- Chance to bring billions of value, again, to the industry globally by being current regarding changes

Benefits to Juno:

- Chance to be supported by the industry on which Ride Sharing depends
- Chance to learn what is happening in pivotal technologies that enable driverless cars
- Chance to be a hero to the region (which they couldn't be in NYC and would share in Silicon Valley)

THANK YOU!

(We would like to hear from you :)

Milan Stevanovitch
VP/Global Strategy
Detroit Chinese Business Association
Email: milan@dcba.com

[Jim Cook](#)
Chairman
Cook-Hauptman Associates, Inc.
Email: jim.cook@cha4mot.com