Carnegie Mellon University
Swartz Center for Entrepreneurship

SWARTZ CENTER FOR ENTREPRENEURSHIP TAKES NEXT STEPS
“Silicon Valley hires the most alumni of these 10 universities, and none of them are in the Ivy League”

Quartz, April 25, 2017

1 University of California, Berkeley
2 Stanford University
3 Carnegie Mellon University
4 University of Southern California
5 The University of Texas at Austin
6 Georgia Institute of Technology
7 University of Illinois at Urbana-Champaign
8 San Jose State University
9 University of California, San Diego
10 Arizona State University
 Interviews and recruiters come to you
 Defined role / project
 Defined function
 Defined salary
 Defined career path
 Brand recognition
 Early recruiting process

 Level of Structure

 HIGH
 Banking
 Consulting
 Large Corp

 LOW
 Start-Ups

 Heavy networking required
 Pitch the role yourself
 Jack of all trades
 Creative structure, pay vs. upside
 Undefined career path
 Brand recognition???
 Early recruiting process

 It’s a Different Game
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In which Industries?

<table>
<thead>
<tr>
<th>Industry</th>
<th>Jobs Available</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>3061</td>
<td>30.5%</td>
</tr>
<tr>
<td>IT Services</td>
<td>1849</td>
<td>18.4%</td>
</tr>
<tr>
<td>Business Products and Services</td>
<td>806</td>
<td>8.0%</td>
</tr>
<tr>
<td>Healthcare Services</td>
<td>620</td>
<td>6.2%</td>
</tr>
<tr>
<td>Biotechnology</td>
<td>534</td>
<td>5.3%</td>
</tr>
<tr>
<td>Networking and Equipment</td>
<td>473</td>
<td>4.7%</td>
</tr>
<tr>
<td>Consumer Products and Services</td>
<td>421</td>
<td>4.2%</td>
</tr>
<tr>
<td>Semiconductors</td>
<td>354</td>
<td>3.5%</td>
</tr>
<tr>
<td>Medical Devices and Equipment</td>
<td>291</td>
<td>2.9%</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>264</td>
<td>2.6%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>249</td>
<td>2.5%</td>
</tr>
<tr>
<td>Computers and Peripherals</td>
<td>210</td>
<td>2.1%</td>
</tr>
<tr>
<td>Cleantech / Energy</td>
<td>183</td>
<td>1.8%</td>
</tr>
<tr>
<td>Media and Entertainment</td>
<td>182</td>
<td>1.8%</td>
</tr>
<tr>
<td>Other</td>
<td>176</td>
<td>1.8%</td>
</tr>
<tr>
<td>Retailing / Distribution</td>
<td>163</td>
<td>1.6%</td>
</tr>
<tr>
<td>Electronics / Instrumentation</td>
<td>100</td>
<td>1.0%</td>
</tr>
<tr>
<td>Industrial</td>
<td>93</td>
<td>0.9%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>10029</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

2009 Job Creation in Start-Ups, by Industry

--- National Venture Capital Association, StartUpHire
"Common" Career Paths

- Start a Company
- Work for a Start-Up
- Work for a Large Corporation
- Acquire a Company/Franchise
- Buy a Bigger One!

Venture Capital

Time
Resources: You Still Need CPDC!

- Resumes, Cover letters
- Interview prep
- Networking advice
- Alumni
- Large Corporations – Innovation Programs
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Tips

START EARLY

Self Assessment

Research / Learn

Articulate Goals & Value

Talk to People (“Network”)

Resumes & Cover Letters

Jump In and Get Involved!
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Financial Outcome

1027 Seed Backed Tech Cos

2nd Round: 411 (40%)
3rd Round: 232 (23%)
4th Round: 90 (9%)
5th Round: 34 (3%)
6th Round: 9 (1%)

☑ Great idea  ☑ Excellent execution  ☑ A lot of luck!

Source: CBInsights

Startup School
Dustin Moskovitz
Carnegie Mellon University
Swartz Center for Entrepreneurship

EARLY STAGE EMPLOYEE EQUITY:
WHAT % OF VALUE WILL YOU CREATE?

YOU JOIN

COMPANY FOUNDED

ANGLER
INVESTMENT

STARTUP VALUE OVER TIME

FOUNDERS
OWN 100%

YOU OWN ___%

VC + ANGEL
TOGETHER OWN 20%

VC FINANCING

Stock Option Counsel - Legal services for individual employees & founders - stockoptioncounsel.com - (650) 326-3412
EARLY STAGE EMPLOYEE EQUITY

PRE-SERIES A FULLY DILUTED CAPITAL

- FOUNDER STOCK
- EMPLOYEE POOL
- CONVERTIBLE NOTES (ESTIMATED)
<table>
<thead>
<tr>
<th></th>
<th>Engineering</th>
<th>Marketing/Ops</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base</td>
<td>Base</td>
</tr>
<tr>
<td>VP</td>
<td>$200K</td>
<td>$200K</td>
</tr>
<tr>
<td>Senior (5+ Years)</td>
<td>$140K</td>
<td>$140K</td>
</tr>
<tr>
<td></td>
<td>Start at .4%-.5% and decrease based on employee number.</td>
<td>Market might tell you to go lower than eng., but consider just using employee number.</td>
</tr>
<tr>
<td>Junior (&lt; 5 Years)</td>
<td>$100K</td>
<td>$80K</td>
</tr>
<tr>
<td></td>
<td>Start at .1%-.2% and decrease based on employee number.</td>
<td>Start at .1% and decrease based on employee number.</td>
</tr>
</tbody>
</table>

Source: Molly Graham, Facebook via First Round Review
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