

# Beacon



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## Executive Summary

Beacon is the solution to preparing today's college students for tomorrow's workforce. We are a software company that makes interactive solutions for college career centers. We are perfect for colleges who want to engage students in the local economy and prepare them for the skill-based gig economy.

Beacon was formed by two college sophomores in December of 2015, Peter Silverman and Max Robbins, who are attending the University of Vermont. A year ago, their business started as a local job board for UVM students to find project and gig work at local startups and small businesses. Since its launch, our job board helped hundreds of students gain job experience at local businesses. In the past three months, we have pivoted our business to selling the job board we made as a software solution to college career centers. We have a total of 4 employees, with a team of 20 students that volunteer 1-5 hours of time a week.

Since the launch of Beacon a year ago, we have won 5 pitch competitions including the Annual UVM Business Competition and the LaunchVT collegiate UVM Selection. We also been featured in the following national and local newspapers: New York Times, the Burlington Free Press, and the Vermont Cynic. Since our pivot to selling to college career centers, we have also secured our first client, Fitchburg State University in Massachusetts.

The product that Beacon provides is a platform that college career centers use to engage with the local business community and share job opportunities with interested students. We call this platform "Majorwise". Students create profiles with their resume, portfolio, and relevant work experience, and can seamlessly apply for jobs through the platform. The focus of the Majorwise platform is to help students be prepared for the modern workforce, and we do this through a focus on flexible jobs and helping students fill in skills their college doesn't teach, but they need to be successful.

We plan to keep selling our software to more and more colleges across the U.S. As we gain traction from more and more sales, we hope to become the premier platform used by college career centers across the country.

## Company Description

Beacon exists to better the experience of searching for jobs and internships as a college student. Students need a platform that is incredibly intuitive to use, and keeps them engaged in building up their work experience throughout college. This was the whole motivation for the creation of our business. Our two co-founders were fed up with how hard it was to find career-relevant job as a student, and the career center at the University of Vermont wasn't helping. So, our two co-founders decided to make their own software to make it easier to find relevant work experience while in college. Students also

need a way to fill some of the shortcomings with their college education when it comes to the growing gig economy. Most colleges are preparing students to go off to large companies where they can be trained for an extended period of time on the technical skills needed for the job. But, an equally sizeable portion of the economy are smaller businesses and startups that can't afford to train employees in the technical skills they need. These businesses need employees who have needed skills immediately, and people who may get their work through projects or gigs for clients. Most colleges today prepare students for the former, and these larger businesses are located in larger cities. So, the phenomenon of brain drain starts to happen from the smaller towns and cities as the graduates move to bigger cities to get jobs. This doesn't mean the students want to move away, but they struggle to find local opportunities because the smaller businesses struggle with recruiting qualified students, and the colleges struggle to prepare students for the gig economy.

We fill these market needs with our Majorwise platform. Our platform is made by students, for students, so the student experience is our top priority. Our whole platform has been designed around being as easy to use and as engaging for students to use as possible. We make it easy for students to find relevant jobs and to apply to them.

We also help colleges better prepare students for the gig economy. Our platform works to engage the local business community through automated outreach, so it is very low effort for colleges to get posts from local businesses. Local businesses can also post projects to students through the platform which are different from other jobs or internships. A project is something small and temporary, like designing a graphic for marketing materials, or developing a list of sales leads. Projects are much easier for small businesses to offer since they are a much smaller financial and time commitment than internships, and they fit well with the small businesses needs of getting tasks accomplished cheaply and flexibly. College students also prefer projects because they can easily fit into their hectic schedules during the semester. College students can apply for projects through the platform, and get paid through the platform once the work is completed. This is a great way for students to get involved in the gig economy.

The Majorwise platform can also help fill in the gaps of the traditional college education, where students don't always walk away with the technical skills they need for jobs in their field. For example, many business students have no experience with Salesforce, but almost every business internship requires the use of this essential software. So, from the student's profile and the data on the student from the college, we can see where the student's skills lie from their resume and classes taken. When jobs are posted, requirements will be entered as tags on the post, and students can see where they have skill deficits for different jobs. From here, we will link students to free online resources where they can learn the needed skills. They can then be verified by Majorwise in different skill areas that employers can see. This is incredibly powerful for students to build up the essential skills they need for their desired career. This data can also be incredibly powerful for the colleges. The college can see what skills different majors of students are lacking for the jobs in that field, and the college can use that information to iterate on their curriculum to better prepare students.

Majorwise's target customer are middle-tier colleges in the United States that are not located in big cities. These schools can appreciate the advantages of Majorwise to help train up students with the technical skills they need for their fields. They also value the automated local outreach to maintain a

wide variety of local jobs on the platform for students to pursue. Overall, both of these features help colleges increase job placement rates and student experience, helping the college better market itself to incoming students. Majorwise also provides value to the end-users, students and employers. We help students build in demand skills and experience so they can more easily find a great job out of college. We also help employers find qualified students with the skills they need, adding simplicity and data to the hiring process.

With a large focus of the Majorwise platform being on local business engagement, we create significant value for the businesses posting on our platform. For small and medium sized businesses, posting gigs and projects is a very valuable feature that lets them find great students workers without the commitment of a normal internship. Our platform also makes it easier to reach the students at the local college, and make it easy to sort through applications and message students with ease.

Our competitive advantage is our commitment to preparing students to the gig economy. From our amazing user experience to keep students engaged, to our project posts, to our detailed student profiles that grow with the student, to our automated local outreach, to our work to fill in technical skill gaps, to the meaningful data we can glean, Majorwise is designed to meaningfully improve the job search process for students while preparing them for the gig economy. This is our competitive advantage to our competitors.

## **Market Analysis**

The market Majorwise fits into in the Career Services Management Software market. This is a fast growing field, because colleges all over the country are realizing that there needs to be more support for helping students find a job. Earlier this decade, colleges were mostly just offering in-person advising to help with creating resumes and preparing for interviews. Now, colleges are investing substantially on software solutions to engage more students in finding jobs and internships. At present, every major college in the U.S. uses a software for aggregating jobs, and 75% of those colleges purchase a solution from an outside company. Trends within this industry are including lots of national job posts to better target the largest companies, and engaging in an arms-race of adding features. Colleges usually sign 2-3 year contracts with the software providers. Colleges review new software possibilities during the summer to allow transition time to a new software.

Majorwise's target customer are middle-tier colleges in the United States that are not located in big cities. These schools have between 2000 and 10,000 students, and are not located in major urban areas. This market is made up of approximately 1300 colleges in the U.S. These schools provide great educations for their students, however, they struggle with finding local job opportunities at small businesses for students because it is much easier to find out-of-state opportunities at large companies. Our target market also struggles to engage students in finding jobs and gaining experience throughout their entire college career. Majorwise attempts to solve these problems in a unique way compared to competitors.

Pricing for our software-as-a-service model is a \$2000 setup fee, along with a \$6000 annual licensing fee. This comes with all features of our platform, unique college-specific branding, and remote hosting. Our development costs are all fixed costs, and setup for each college requires \$1000 of labor. So, our contribution margin is \$7000 for the first year, and this increases with each subsequent year of service. To break-even on development costs and be at minimum efficient scale, we need to be in three colleges.

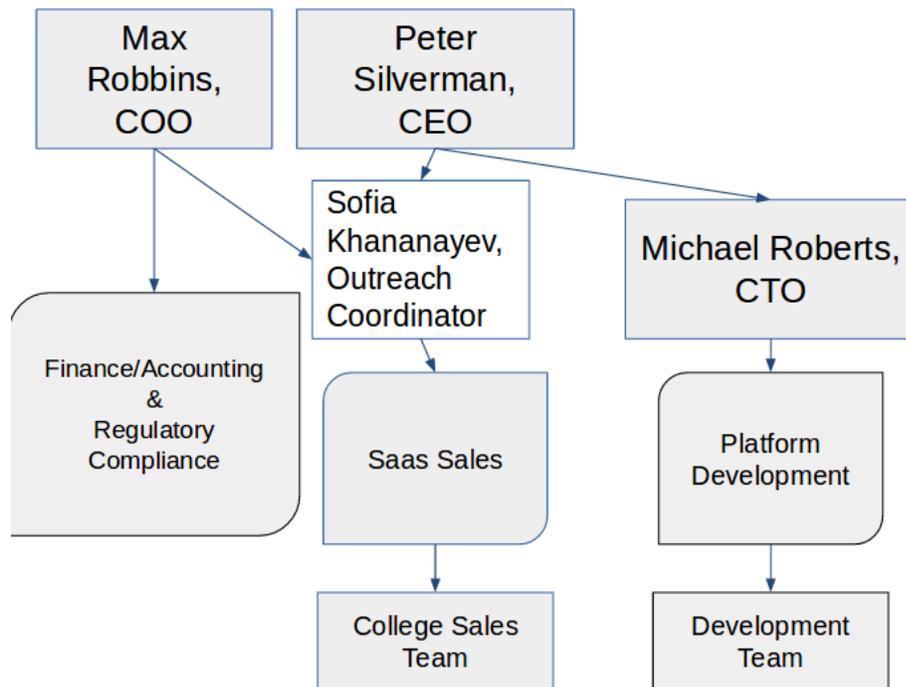
## **Competitive Analysis**

Our market is currently split between three main competitors: Symplicity CSM, CollegeCentral, and Handshake. Symplicity is the largest competitor, and they currently hold 70% of the market share of this market. They target mid-tier schools and are the middle-of-the-road in terms of cost. CollegeCentral currently has 20% market share. They target the smaller and lower-tier schools, and they have the cheapest product. Both of these products are very similar, except Symplicity has a superior user interface. Both of these softwares have the core functionality of employers being able to post jobs, and students being able to apply to jobs. These softwares also create giant feature lists as a way to attract new clients, but the features are mostly unnecessary or unusable. This makes the software cluttered with features that aren't used, and this leads to a poor user experience. Majorwise was actually created because we as students found Symplicity unpleasant to use. It discouraged us from looking for jobs and internships because the experience was annoying and frustrating. Both of these platforms are aging technology that is struggling to keep up with the real needs of Career Services Departments.

Handshake is the third competitor, and they have about 5% market share. Handshake is a newcomer to the scene, and they have a very strong software with great user experience and useful features. Their platform is effective for increasing student engagement in the job search process.

We believe we can effectively compete with all these competitors. When competing with Symplicity or CollegeCentral, we can compete directly on the quality and user experience our platform offers. Majorwise is simpler, better looking, and overall more effective for the same price. When competing with Handshake, we can compete with our focus on preparing student for the gig economy and on auto-generating local opportunities for students. Majorwise is the only platform that offers features like gig posts and local outreach packages, and these are key facets of what makes the Majorwise Platform Unique.

## Organization and Management



Beacon LLC is a Member-Managed LLC in the state of Vermont. Beacon LLC was co-founded by Max Robbins and Peter Silverman in December of 2015.

### Ownership Information:

Peter Silverman, CEO: 25.5% Ownership

Max Robbins, COO: 25.5% Ownership

Michael Roberts, CTO: 7% Ownership

Sofia Khananayev, Outreach Coordinator: 3% Ownership

Options Pool Remainder: 19% Ownership

Investors Pool Remainder: 30% Ownership

On top of the ownership team, we have a group of 20 students who occasionally volunteer and help us with various projects relevant to all of our different functions. We have recruited all of these students through our own platform.

### Board of Advisors:

- Chris DeGuise: Entrepreneur / Technologist
- Kurt Silverman: CTO of Limelight Networks, experience in sales, education at MIT.
- Erik Monsen: Associate Professor and Grossman Endowed Chair in Entrepreneurship at the University of Vermont's Grossman School of Business
- Preston Junger: Worked at Yelp, Yahoo, Google, and more in their early days.

- David Bradbury: President of the Vermont Center for Emerging Technologies

## Product/Service Line

Majorwise is a software solution for college career centers focused around engaging students in the job search process and helping to prepare them for the gig economy. One of Majorwise's main advantages is our cutting edge user experience. Our platform is made by students for students, so we knew it had to be eye catching and intuitive for students to use it consistently. This feature is very important to college career centers, since they want students to consistently engage in finding internships and jobs to build up job experience. With features like profiles that grow with the student's experience, and the ability to apply to jobs very quickly, our excellent user experience maximizes student engagement.

Another great advantage of Majorwise is our focus on the gig economy. The gig economy is a fast-growing reality for Americans these days, with estimates that half the U.S. working population will move into the gig economy in the next five years. The issue is, most colleges are not preparing students for his reality. These jobs require a high amount of technical skills that many colleges aren't teaching. Students graduate colleges ready to work in a large corporation and be trained for years in these technical skills. To help fix this disconnect, the Majorwise platform helps introduce students to the gig economy. The Majorwise platform allows businesses to post paid projects that students can apply for. These are great flexible positions that fit into students' schedules, and builds technical experience. Through our automated outreach to local businesses, many small local businesses will post gig and project opportunities to the platform, since this is an easier way for small businesses and startups to get help and hire students.

The Majorwise platform can also help prepare students for the gig economy by connecting them to outside resources and online classes. From the student's profile and the data on the student from the college, we can see where the student's skills lie from their resume and classes taken. When jobs are posted, requirements will be entered as tags on the post, and students can see where they have skill deficits for different jobs. From here, we will link students to free online resources where they can learn the needed skills. They can then be verified by Majorwise in different skill areas that employers can see. This is incredibly powerful for students to build up the essential skills they need for their desired career. This data can also be incredibly powerful for the colleges. The college can see what skills different majors of students are lacking for the jobs in that field, and the college can use that information to iterate on their curriculum to better prepare students. By preparing students for the gig economy, we are helping the college better prepare students for jobs in their field. This benefits the college by increasing job placement rates and student internship rates, which are key for colleges recruiting new students. Majorwise also offers very meaningful data reporting, like the aforementioned ability to track the jobs students are applying for, and the skills required for those jobs, so colleges can make curriculum changes to reflect market needs. This is very powerful intelligence to help the college maintain the best education for helping students find employment in their field.

Currently, Majorwise is in development and is only a couple months from a minimum viable product.

## Marketing and Sales

We have already penetrated both the markets of the employers of Burlington, Vermont and the college students of Burlington, Vermont. We worked with over 150 employers, who posted 250 different jobs, we had 1200 student users, and we had a total reach to 10,000 students. Our presence alongside the employers of Burlington is strong because of our constant attendance of networking events to advertise and get new leads. We also market on LinkedIn to HR specialists and talent scouts. Our sales representatives also follow up with each client individually to ensure quality and satisfaction.

We also got heavily involved with the college students of Vermont because we are a student-founded and student-run organization. We market ourselves on outlets we actually look at such as Facebook and email. We also use word-of-mouth marketing through our campus representatives who consistently tell students about opportunities to make money. Representatives from Beacon also come in and speak to classes about the organization and how we can provide resources and opportunities to make money.

Our growth strategy revolves around building our network of colleges. To pursue new colleges for expansion, we have a well-defined sales pipeline and system to find and reach out to potential clients. The sales team is made up of Peter Silverman, CEO; Max Robbins, COO; and a team of student interns.

Our sales strategy starts with lead generation, where members of the sales team will find colleges that fit our target market, and find the contact information of the director of career services and the the director of the alumni foundation, as well as research what the college is currently using for career software and how it is used. The alumni foundation is included as a sales lead because they have significant influence over how the career services software is used. Most of the jobs end up coming from the companies alumni work at, and alumni always have access to career services.

Once leads are generated, they will be added to Salesforce. We will use Salesforce combined with Cirrus insights and Sumo to track the sales process through our pipeline and to review our processes for improvement. This will also be a great setup for training and monitoring student interns we are hiring to work on sales. Leads will be moved through our pipeline to different stages, and we maintain notes of all interactions with leads so we know what contact is most appropriate at the time.

Our exit strategy is to gain significant market share relative to the big names like Symplicity so we become a threat. At this point, we can sell to one of the main market players, or keep the business ourselves and become a major competitor.

# Financial Projections

## Beacon Income Statement Years 1-3

	Beacon Income Statement		
	Year 1	Year 2	Year 3
<b>Sales Revenue</b>			
College Sales	176000	352000	704000
<b>Less: Operating Expenses</b>			
Setup Costs	6600	13200	26400
<b>Total</b>			
<b>Gross Profit</b>	169400	338800	677600
<b>Less: Sales, General, and Administrative Expenses</b>			
Sales and Marketing	7440	14880	29760
Development	15000	30000	60000
<b>Total</b>	22440	44880	89760
Net Profit before Taxes	146,960	293,920	587,840
Less: All Income Taxes	49,966	99,933	199,866
<b>Net Profit</b>	96,994	193,987	387,974

	<b>Beacon Balance Sheet</b>	
	<b>As of 2/6/17</b>	
<b>Assets</b>		
	<b>Current Assets</b>	
	Cash	5080
	Accounts Receivable	0
<b>Liabilities</b>		
	<b>Current Liabilites</b>	
	Unearned Revenue	0
	Accounts Payable	0
	<b>Long-term Liabilities</b>	
	Loan Payable	0
<b>Equity</b>		
	Owner's Investment	4000
	Retained Earnings	1080

**Majorwise Cash Flow Statement**  
For the Year Ending 12/31/17

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Cash In</b>												
# New Colleges	0	1	1	1	1	2	2	2	3	3	3	3
Setup Costs	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
Yearly Fee	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000	6000
<b>Total</b>	<b>0</b>	<b>8000</b>	<b>8000</b>	<b>8000</b>	<b>8000</b>	<b>16000</b>	<b>16000</b>	<b>16000</b>	<b>24000</b>	<b>24000</b>	<b>24000</b>	<b>24000</b>
<b>Cash Out</b>												
<b>Development</b>												
Payroll	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200
Dev Tools	50	50	50	50	50	50	50	50	50	50	50	50
<b>Sales</b>												
Payroll	600	600	600	600	600	600	600	600	600	600	600	600
Software	20	20	20	20	20	20	20	20	20	20	20	20
<b>Implementation</b>												
Setup Expenses	0	300	300	300	300	600	600	600	900	900	900	900
Yearly Hosting	0	15	15	15	15	30	30	30	45	45	45	45
<b>Accounting</b>												
Accounting	12	12	12	12	12	12	12	12	12	12	12	12
<b>Total</b>	<b>1882</b>	<b>2197</b>	<b>2197</b>	<b>2197</b>	<b>2197</b>	<b>2512</b>	<b>2512</b>	<b>2512</b>	<b>2827</b>	<b>2827</b>	<b>2827</b>	<b>2827</b>
<b>Net Cash</b>	<b>-1882</b>	<b>5803</b>	<b>5803</b>	<b>5803</b>	<b>5803</b>	<b>13488</b>	<b>13488</b>	<b>13488</b>	<b>21173</b>	<b>21173</b>	<b>21173</b>	<b>21173</b>

