

**<5>**

**bretw@stanford.edu**

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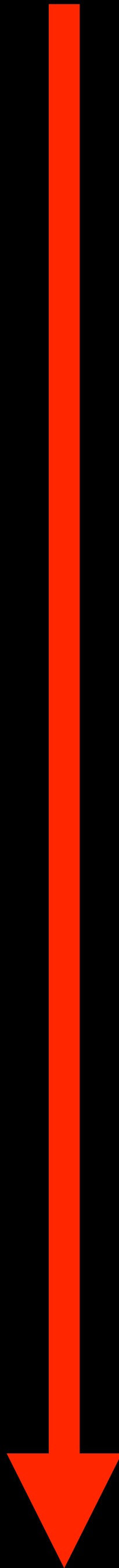
**bretw@stanford.edu**

**Tonight's session is about spreadsheets.**

**Not everyone loves spreadsheets, so I've  
invited a motivational speaker to get us  
started this evening:**



# BUS-217



**Step 1: Listen to the waves.**

**Step 2: Create something people want.**

**Step 3: Draw the landscape.**

**Step 4: Build an engine of growth.**

**Step 5: Engineer an economic model.**

**Step 6: Develop a capital strategy.**

**Step 7: Frame a funnel.**

**Step 8: Be a master storyteller.**



# Tonight's Agenda:

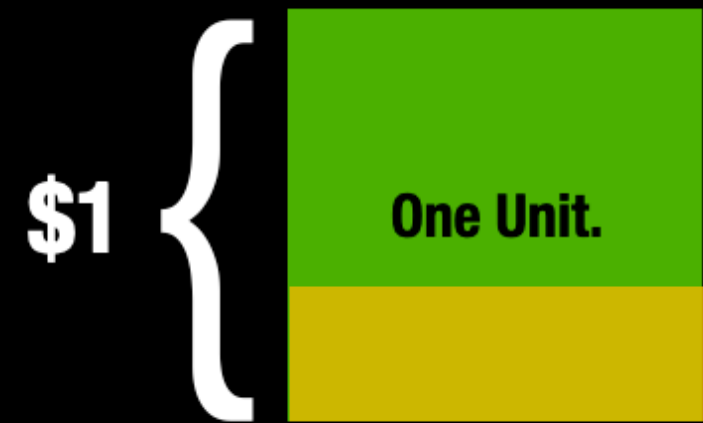
**7:00pm:** Economic Modeling Concepts.

**7:30pm:** Special Guest, Chris Clark

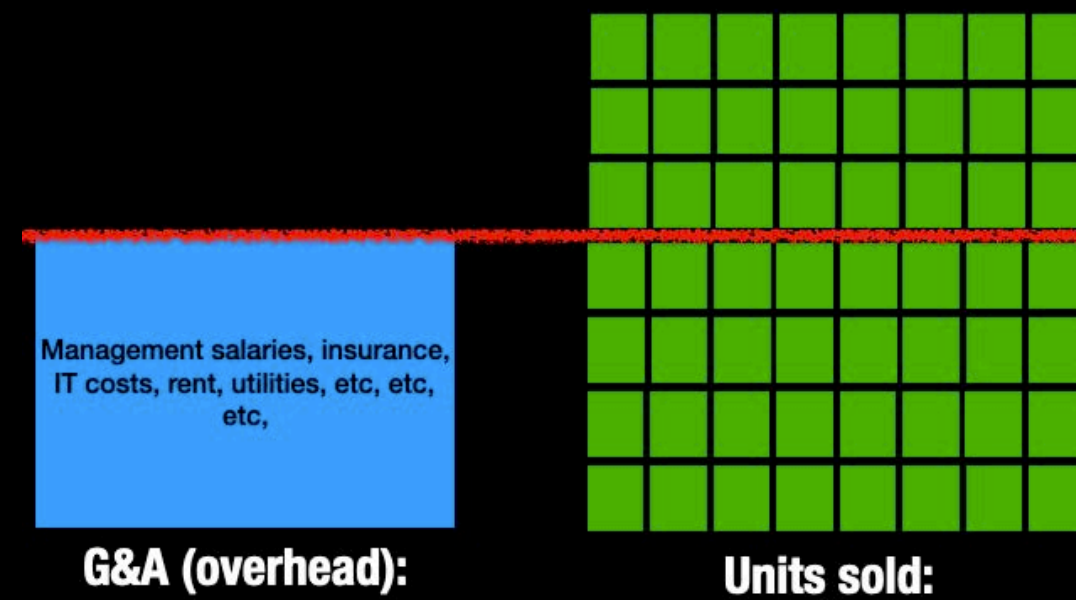
**8:00pm:** - - 10 minute break - -

**8:10pm:** Building an Economic Model for your Startup

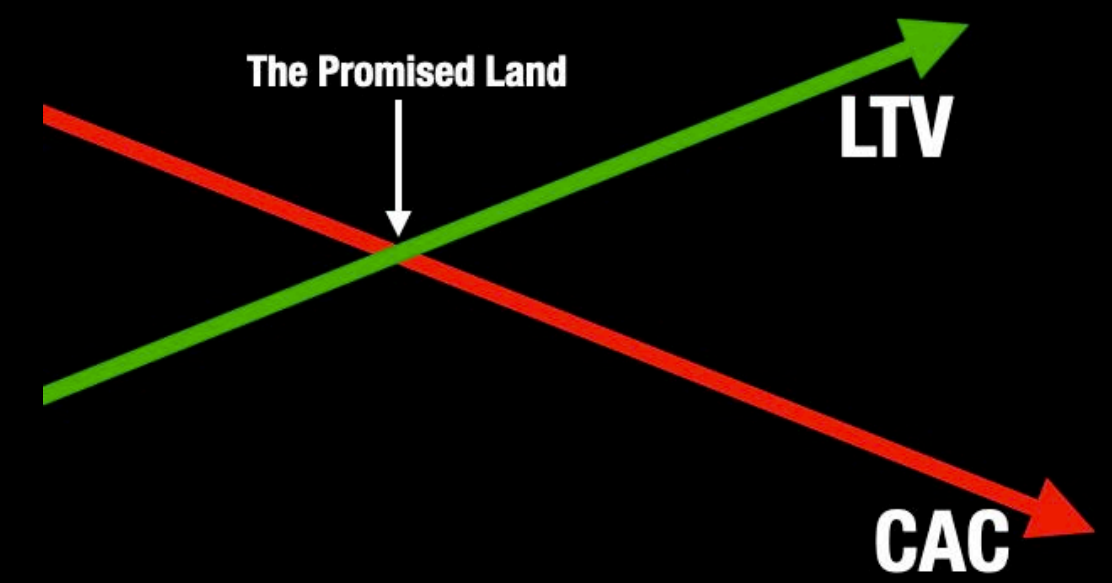
# Economic Modeling Concepts



**Unit Economics**



**Enterprise Economics**



**Customer Economics**

**Tutorspree**

## Get matched with your perfect tutor now!

Answer **4 easy questions** to get matched with the right tutor for you.

I am a

[GET THE PERFECT TUTOR →](#)



Learning Made Personal



The Right Tutor for You



Perfect Match Guarantee

tutorspree

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*5 days ago*



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*2 days ago*



Microsoft's Cognitive Services get customizable models for search, image classification and A/B testing  
*6 days ago*



Trump's cybersecurity executive order

# YC-Backed Tutorspree Is An Airbnb For Tutoring

Posted Jan 26, 2011 by [Alexia Tsotsis \(@alexia\)](#)



The screenshot shows the Tutorspree website with the headline "Find great tutors for your kids." Below this is a search bar labeled "Where do you live?" with a "Find a tutor!" button. An example text "Example: 'New York, NY' or '10021'" is provided. Below the search bar is a grid of ten tutor profile photos. At the bottom of the grid, there are links for various subjects and locations: New York City Tutors, Los Angeles Tutors, Math Tutors, Social Studies Tutors, San Francisco Tutors, Boston Tutors, Language Tutors, Science Tutors, Washington, DC Tutors, and History Tutors. The footer includes the Tutorspree logo, navigation links (ABOUT, FAQ, BLOG, PRIVACY POLICY, TERMS OF USE), and a copyright notice for 2010.

Launching today from the [YCombinator](#) Class of 2011, [Tutorspree](#) is an online marketplace for K-12 tutors along the lines of accommodations network [Airbnb](#), but specific to tutoring (yes I've made [this](#) comparison before). Founded by [Aaron Harris](#), [Josh Abrams](#) and [Ryan Bednar](#), the startup is disruptive in the sense that the tutoring space up until now has been monopolized by agencies like Sylvan and Huntington Learning Center or risky alternative Craigslist.

Tutoring is a business that is aching for change: Agency strongholds make tutor comparison difficult and Craigslist is a whole 'nother can of worms trustwise. So Tutorspree tries to combine the easy accessibility of the Internet with the quality vetting of an agency, at reduced cost. All you need to do as a parent to find a tutor is type in your location into the Tutorspree search box, and you'll get a listing replete with photos, credentials and price. Prospective tutors can sign up with the "sign up as a tutor" link at the top of the site.



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6 days ago

New York starts accepting applications for autonomous vehicle testing  
5 days ago

# YC-Backed Tutorsprees Is An Airbnb For Tutoring

Posted Jan 26, 2011 by [Alexia Tsotsis \(@alexia\)](#)



**tutorsprees** [Login](#) [Blog](#) [Sign Up as a Tutor](#)

## Find great tutors for your kids.

Where do you live?

 [Find a tutor!](#)

Example: "New York, NY" or "10021"

- New York City Tutors
- Los Angeles Tutors
- San Francisco Tutors
- Boston Tutors
- Washington, DC Tutors
- Math Tutors
- Language Tutors
- Judaic Studies Tutors
- Social Studies Tutors
- Science Tutors
- History Tutors

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# tutorspree

- **Y-combinator class of 2011**
- **Huge opportunity - tutoring is a \$5 billion market.**
- **The economic model in their pitch deck showed they needed almost no marketing budget because the founders were SEO experts.**
- **Raised \$1.8M from Sequoia, YC, and other top venture investors.**
- **Signed-up 7,000 tutors in the first few months.**
- **Their revenue model was a 50% cut on each tutoring session, and they believed that each new customer would book an average of 6 tutoring sessions.**



**tutorspree**

**In March of 2013 Google changed its algorithm  
and Tutorspree found their SEO traffic dropped by  
80% overnight.**





## After Raising \$1.8 Million, Y Combinator Startup Tutorspree Shuts Down



Alyson Shontell  
 Sep. 8, 2013, 1:59 PM 7,614

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The hardest decision a founder can make is knowing when to throw in the towel. Tutorspree, a company that was founded in 2011 and raised \$1.8 million, just did that.


Tutorspree was a platform that connected local tutors to students in need. It graduated from the prestigious startup accelerator program, Y Combinator and was founded by a former Wall Street worker, Aaron Harris, along with




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Alyson Shontell

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**They failed in less than two years for two simple reasons:**

- 1. Their economic model assumed they'd get customers for free via SEO.**
- 2. Their economic model assumed that a new customer would return for an average of 6 tutoring sessions. But tutors didn't like paying Tutorspree such a big cut so in the first session tutors would say "Next time just contact me directly rather than going through the platform".**



**Homejoy**

# HOMEJOY

## It's as easy as 1-2-3.

Our friendly, professional cleaners are all trained and certified, and our online booking tool makes scheduling effortless.



BOOK

Tell us when and where you want us to clean.



CLEAN

A friendly, certified Homejoy Cleaning Professional arrives at your home.



JOY

Sit back and relax. Enjoy your clean home!

# HOMEJOY

- **Went through Y Combinator.**
- **Huge opportunity - home cleaning is a \$400 billion market.**
- **Economic model was built around the idea that when they got a new customer, that customer would hire them over and over again.**
- **Raised \$38M from YC, a16z, Google Ventures, and Resolute.**
- **Paul Graham bragged that it was YC's "fastest-growing startup yet".**

HOMEJOY

**Because they believed that a new customer would end up hiring them over and over and over again for housecleaning, Homejoy offered significant discounts to get new customers.**

**A standard 2.5 hour cleaning was normally \$85, but they offered an introductory offer of \$19, figuring they could lose money on the first one. They spent lavishly advertising this deal, plus offered deals through Groupon and other deep-discount coupon deals.**

**Despite having raised \$38M, they went bankrupt and shut down in two years.**

HOMEJOY

**Cofounder Adora Cheung said the “deciding factor” in shutting down was four lawsuits from cleaners who claimed they were classified as independent contractors and they should have received overtime and benefits as employees.**

**But was that really the true story?**

# What Really Killed Homejoy? It Couldn't Hold On To Its Customers



**Ellen Huet**, FORBES STAFF

*I write about technology and how it affects us.* [FULL BIO](#)

A cleaning company charges north of \$85 for a 2.5-hour house cleaning, but to rope in as many new customers as possible, it [offers the service](#) for a promotional price of \$19. Guess what happens when the introductory deal is used up?

You don't need an MBA to solve this riddle. The customer never books again -- and that's the problem that plagued Homejoy, the cleaning services marketplace startup that was, for a while, a Silicon Valley darling before it [said Friday it was shutting down](#).

Homejoy cofounder and CEO Adora Cheung [told Re/code](#) that the "deciding factor" was the four lawsuits it faced from cleaners who claimed they were misclassified as independent contractors. That's likely true -- the liabilities and legal costs associated with the suits were no joke. But there's more to Homejoy's demise: its customer acquisition model simply didn't pencil out, former employees and industry sources said.

Homejoy faced pressures dreadfully familiar to many successful young startups: Raising a huge round (in this case, \$38 million in 2013) comes with investor expectations of equally huge growth. To meet those expectations, Homejoy expanded quickly -- too quickly, former employees said -- into new and international markets, at one point opening in 30 cities in six months.

Cheung "was always telling the growth story ... because we need to have this story to raise the next round of capital," said the same former employee. "She really felt that if the company stopped growing really, really fast we'd be dead."

Homejoy paid dearly for its growth. When it entered new markets, it grabbed new customers on deal sites like Groupon and LivingSocial or by offering discounts on its own site. It leaned on these sources, with about 75% of its bookings coming from discounts as opposed to referrals or organic traffic, former employees said.

Not only did that kind of discounting make Homejoy lose significant money, it also brought in the wrong kind of customer. Many never booked again because they weren't willing or able to pay the full price, which ranged from \$25 to \$35 an hour. Homejoy changed its pricing last year to make recurring cleanings cheaper and encourage repeat business. In response, some customers simply booked at the cheaper price and cancelled future appointments.

"There's an adverse selection to high discount -- it's maybe not sending the right message," said Benedikt Franke, cofounder of Helping, a German company similar to Homejoy. (It goes without saying, but Franke, like Handy's Hanrahan, has an interest in highlighting



## Assignment: Growing Businesses in the...

# Homejoy: A Silicon Valley darling's path to the grave

Homejoy was one of the first platform companies to disrupt the \$400 billion home cleaning market. The company aimed to create value by using algorithms to connect homeowners with cleaners and by scheduling cleanings, all of which could be done by homeowners from the comfort of an app. Homejoy had the potential to become Silicon Valley's next unicorn; it raised \$40 million from sources including Google Ventures and Max Levchin, PayPal's cofounder. Nevertheless, the company was shut down less than 2 years later and turned into a cautionary tale for other platform businesses.

### *What killed Homejoy?*

Adora Cheung, cofounder and CEO of Homejoy, claimed that the "deciding factor" that led to Homejoy's failure were worker classification lawsuits. According to the lawsuit, Homejoy treated cleaners as independent workers, thus depriving them of reimbursements and overtime wages. However, further research suggests that lawsuits were not the primary reason for the company's demise. Homejoy failure was attributed to mounting losses due to high customer acquisition costs, poor customer retention, a strategy focused exclusively on growth, competition, and poor worker retention.

- High customer acquisition costs: A cleaning company typically charged at least \$85 for a 2.5-hour house cleaning, but Homejoy offered new customers a promotional price of \$19 per cleaning. While many platform companies have subsidized products and services (or offered them for free) to fuel growth, Homejoy's promotional price led to substantial losses since 75% of its booking came from discounts as opposed to referrals or organic traffic.[\[1\]](#)
- Poor customer retention: Homejoy's growth-focused strategy may have worked if Homejoy had been able to retain customers, but most customers never used the service again and did not stick around long enough to become profitable—in fact, a third-party analysis showed that only 25% of customers used the service after the first month, and fewer than 10% used it after 6 months.[\[2\]](#) This was attributed to several factors:
  - The promotional rates attracted the wrong customers: homeowners who were not willing to pay the full price of \$25-35 an hour.
  - The service was hit-or-miss. Since cleaners were independent contractors, Homejoy could not provide them with training, thus affecting the quality of the cleaning. Furthermore, Homejoy's focus on growth led it to deprioritize technical issues, such as a glitch in the algorithm that did not provide cleaners with sufficient time to transit from one house to another, thus causing them to arrive late to their appointments.

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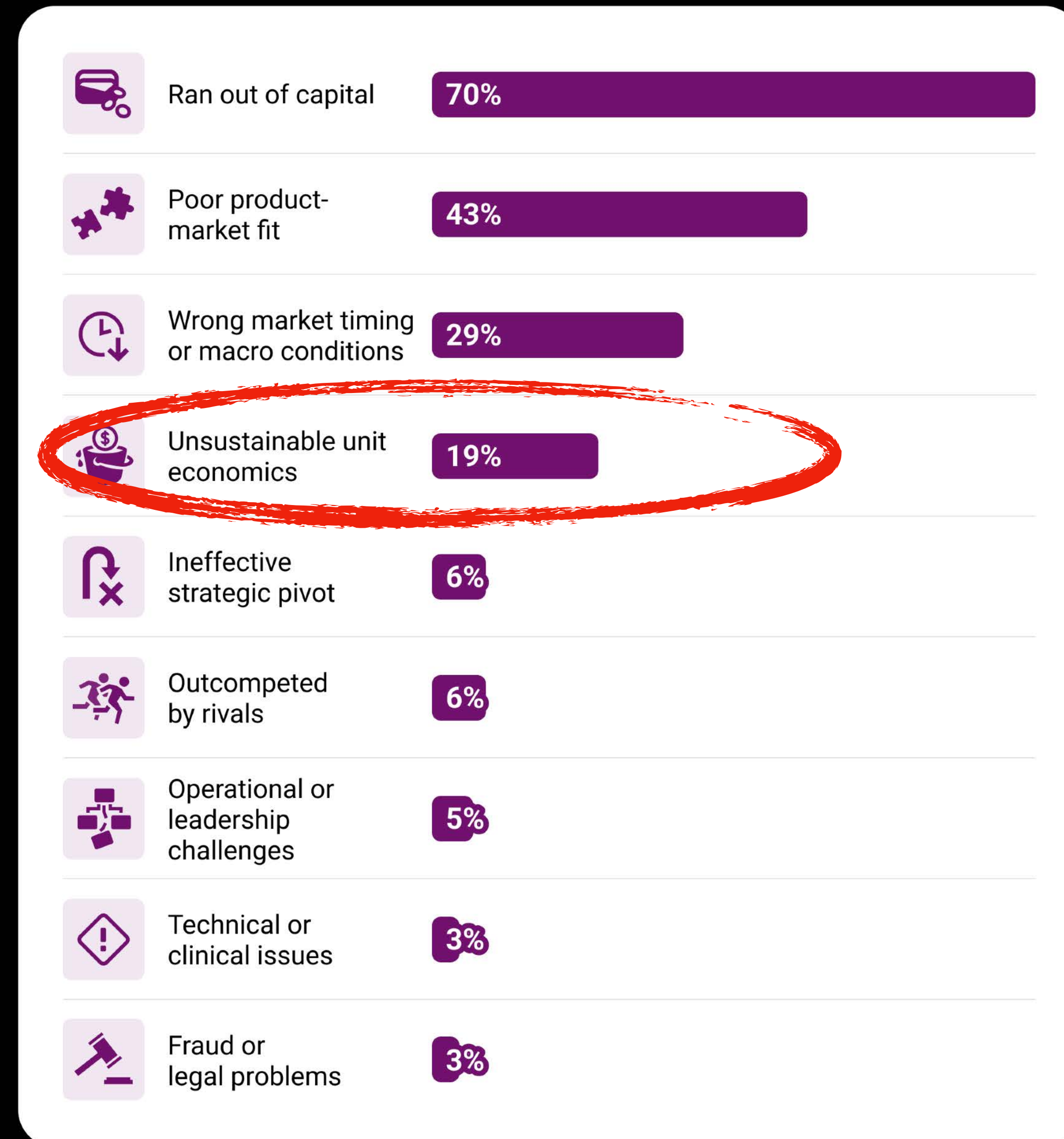
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# Top 9 reasons for startup failure

Based on an analysis of 385 startup failures since 2023



# **Unit Economics**

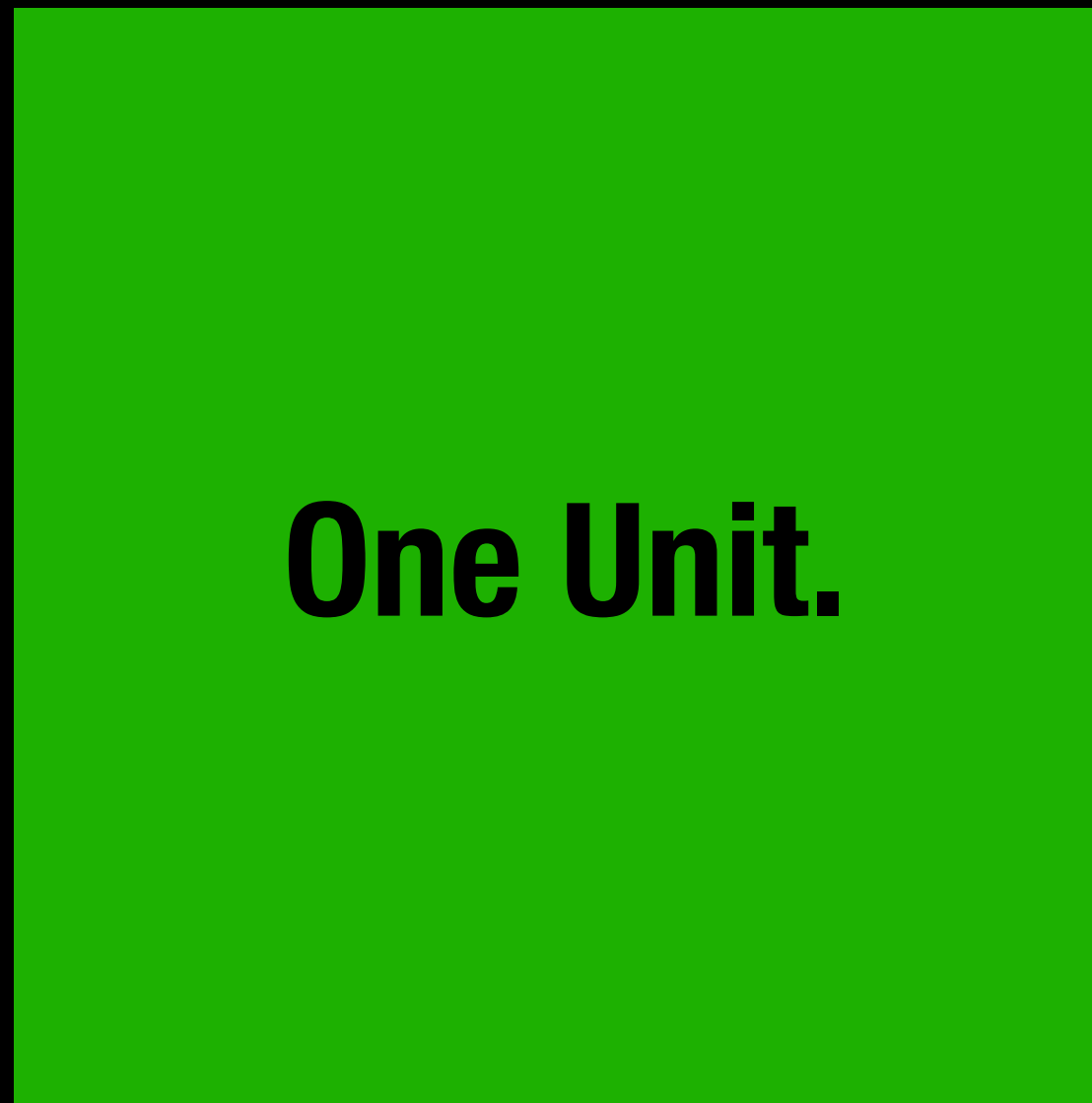
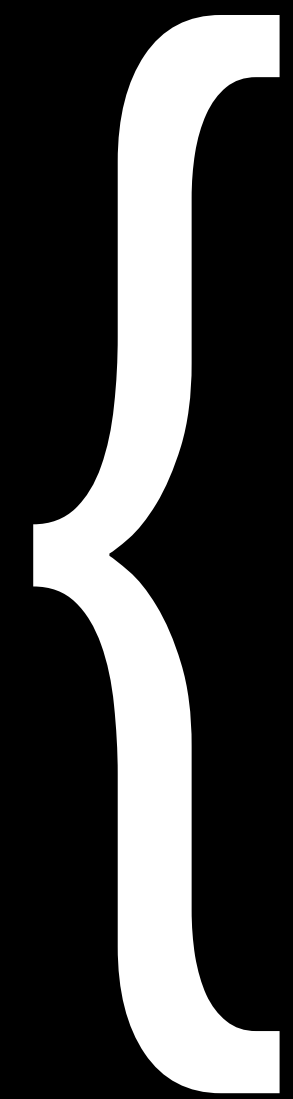
**One Unit.**

# **Unit Economics**

**Every business distills down to unit economics.**

**Something we can produce for X, and customers will pay Y for it.**

**\$1**



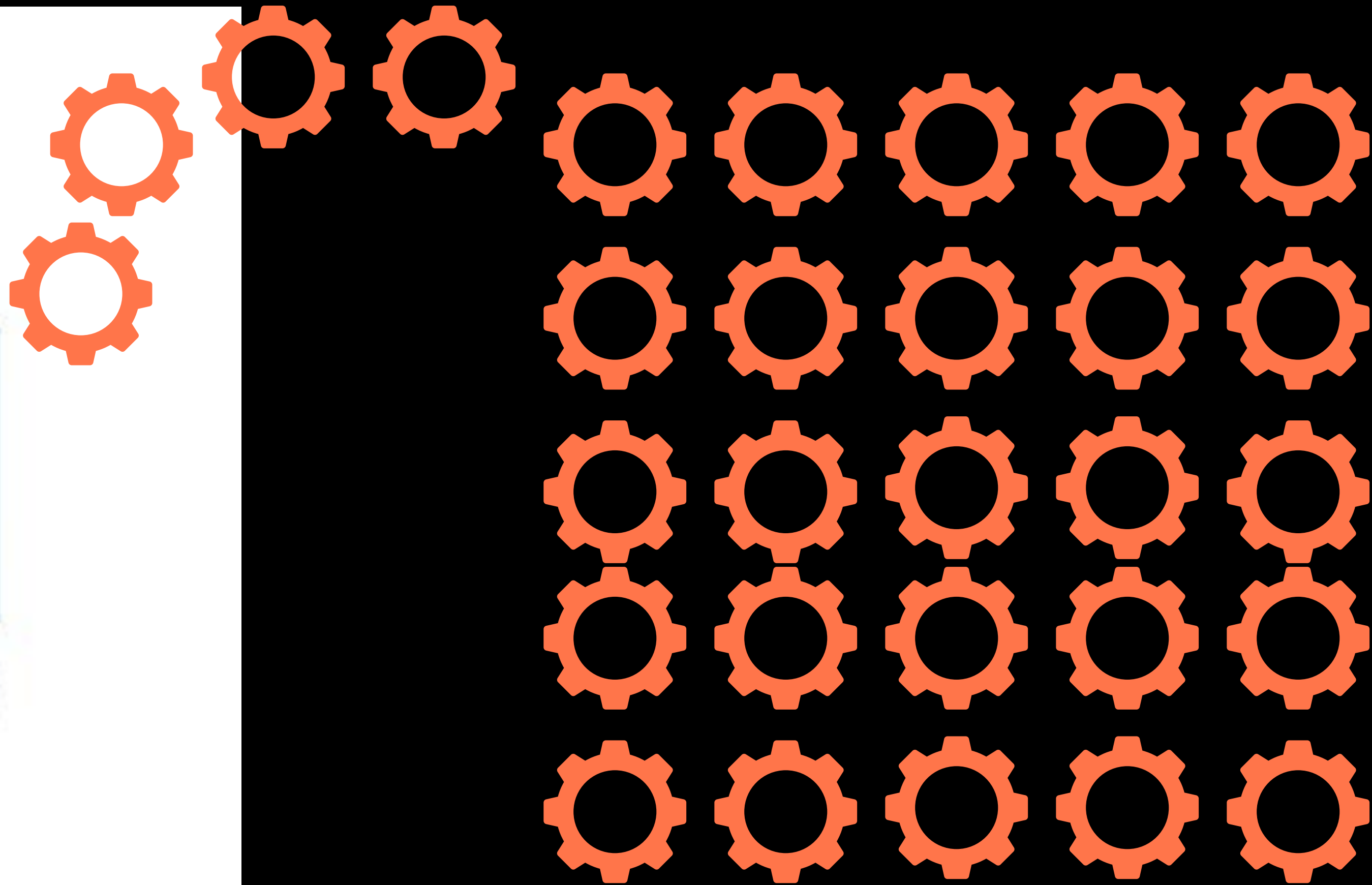
**One Unit.**



# For a widget factory, one unit is one widget.



FACTORY



**One  
Unit.**

**One  
Unit.**


**For lemonade  
stand, one unit  
is one glass of  
lemonade.**





**One  
Unit.**

**For a consulting  
firm, one unit is  
one hour of  
billable time.**



**One  
Unit.**

**For a bakery, one  
unit is one loaf of  
bread.**



**NETFLIX**

**One  
Unit.**

**For Netflix, one  
unit is one  
subscription-  
month.**



**One  
Unit.**

**For an airline,  
one unit is one  
seat-mile.**



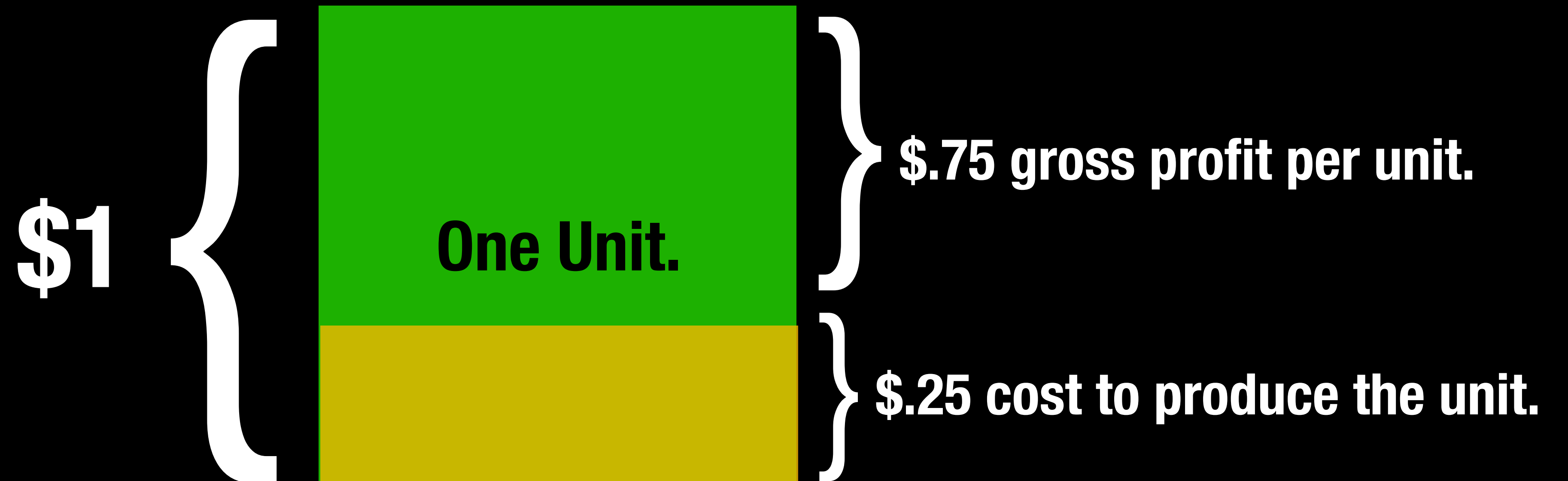
**One  
Unit.**

**For Doordash,  
one unit is one  
average order.**

# Unit Economics

Every business distills down to unit economics.

Something we can produce for X, and customers will pay Y for it.

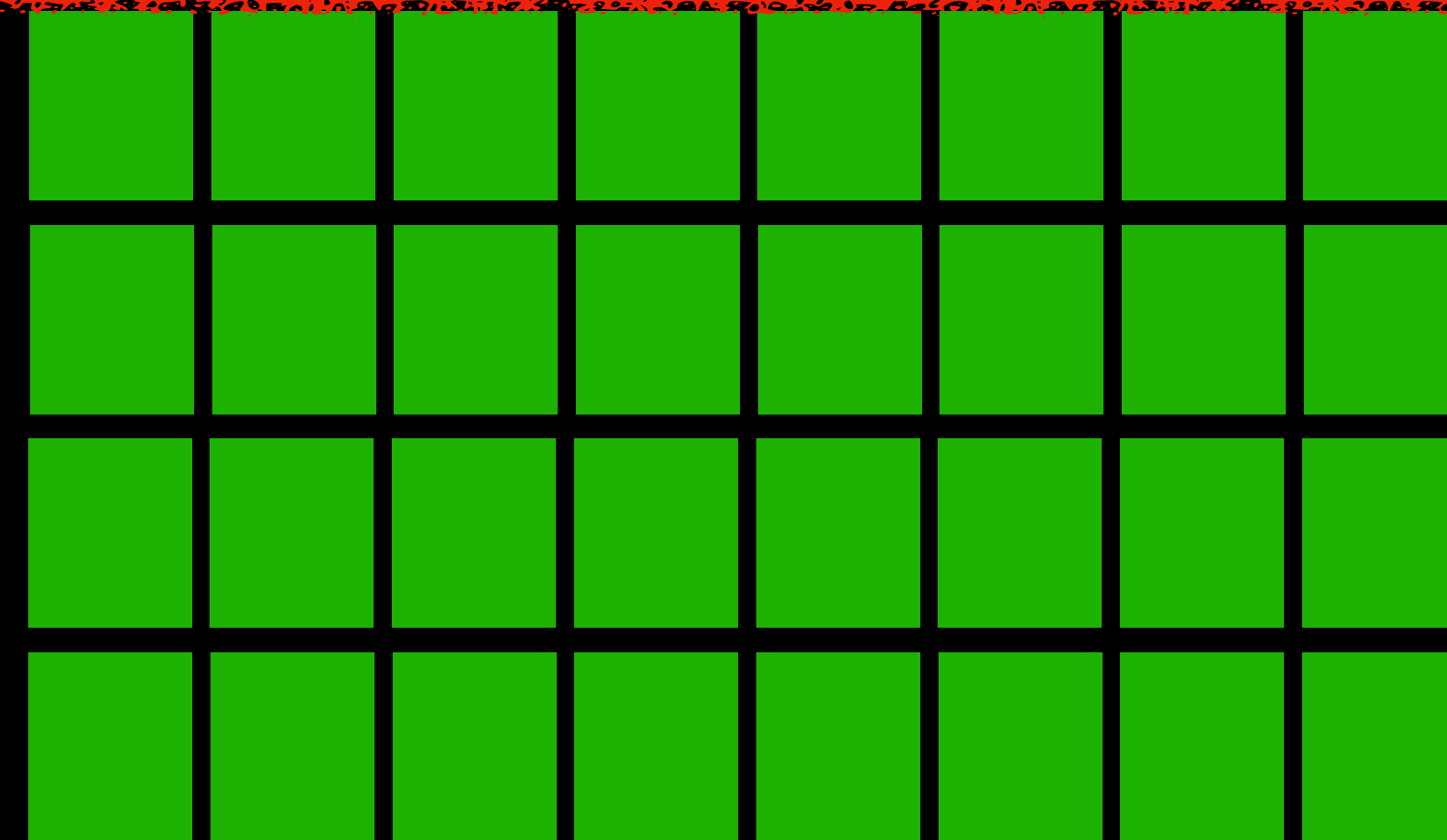


# Enterprise Economics

**Fixed Overhead**

**Breakeven**

Management salaries, insurance,  
IT costs, rent, utilities, etc, etc,  
etc,



**G&A (overhead):**

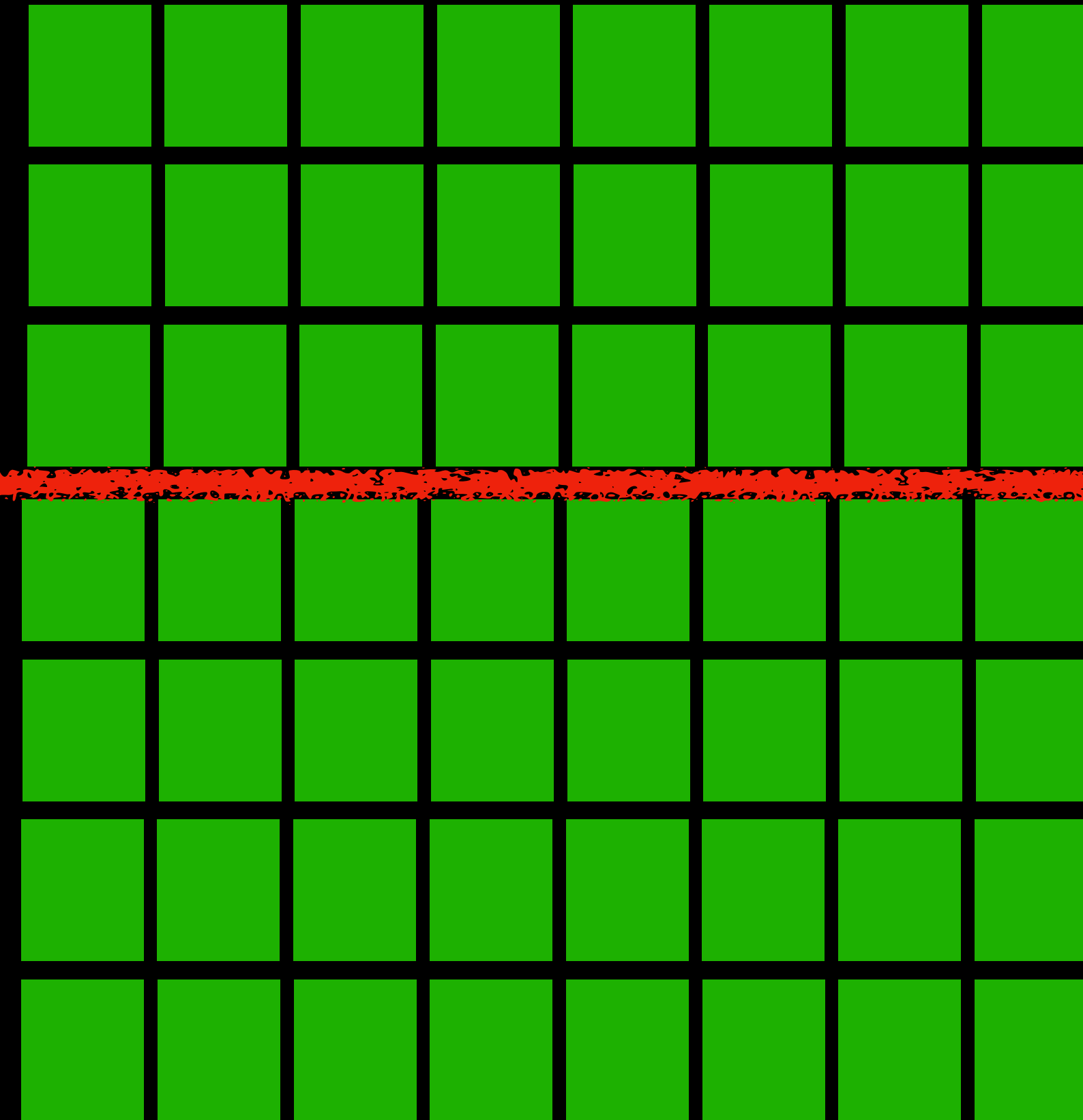
**Units sold:**

# Enterprise Economics

**Fixed Overhead**

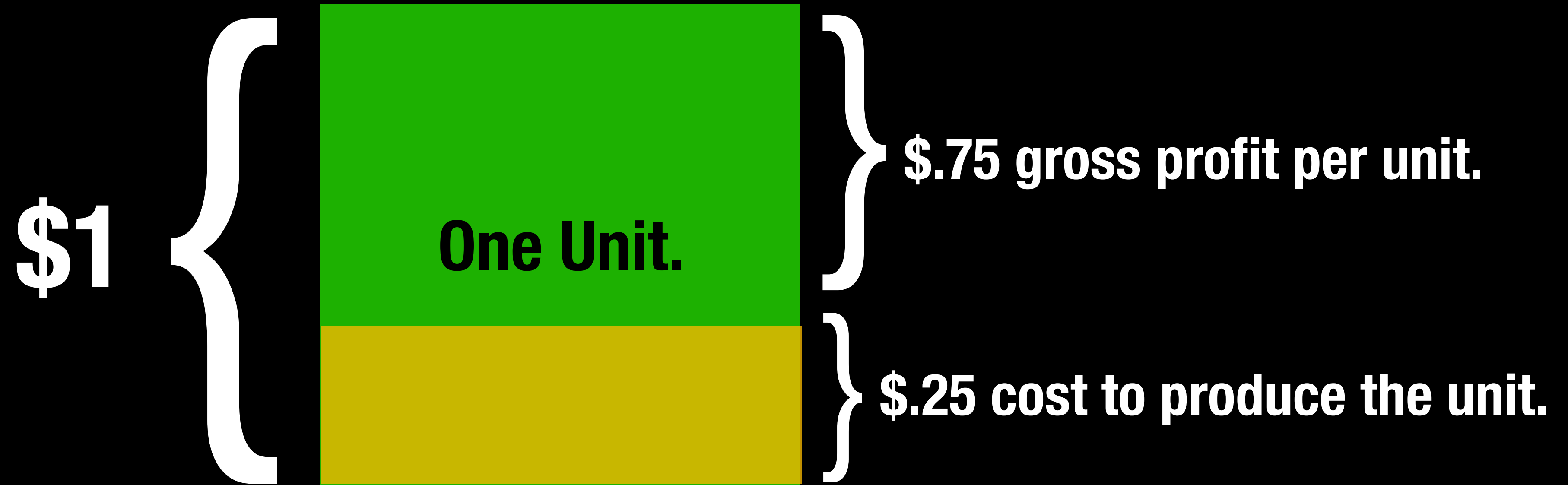
Management salaries, insurance,  
IT costs, rent, utilities, etc, etc,  
etc,

**G&A (overhead):**



**Units sold:**

**Operating Profit**



**Understanding Unit Economics leads us to  
the most important equation of all,  
Customer Economics.**

**One equation to rule them all:**

$$\mathbf{CAC < LTV}$$

**Customer Acquisition Cost must be less than the Lifetime Value of a customer.**

**It's fundamental economics. Having this equation wrong is a leading cause of startup death.**

**Let's say we spend \$10,000  
in the quarter and we get  
1,000 new customers.**

$$\mathbf{CAC = \$10}$$

**We make \$5 gross profit on  
every widget we sell.**

**On average a new  
customer ends up buying 2  
widgets in their first order,  
and then come back and  
buy 3 more.**

$$\mathbf{LTV = \$25}$$

**Winner winner chicken dinner!**

Let's say we spend \$10,000  
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**CAC = \$10**

We make \$5 gross profit on  
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On average a new  
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widgets in their first order,  
and then come back and  
buy 3 more.

**LTV = \$25**

**2.5x is an OK business.**

**3x is a good business.**

**4-5x is a great business.**

**This is the basic engine of any business.**

$$\mathbf{CAC < LTV}$$

**If we can take \$10 off the balance sheet, invest it in customer acquisition activities, and have it come back to the balance sheet as \$30, we have a real business.**

**An average Netflix subscriber stays on board for 25 months and has a lifetime value of \$291.25.**

**Amazon Prime members spend \$1,340 annually, compared to roughly \$790 per year for non-Prime customers.**

**The average Starbucks customer spends \$24.30/week and remains a customer for 20 years. That's \$25,272, and Starbucks has an average margin of 21%, so the lifetime value of a customer is \$5,307.**

**“The purpose of a business is to create and keep a customer.”**

**- Peter Drucker**

**“The purpose of a business is to create and keep a customer.”**

**- Peter Drucker**

**CAC < LTV**

Hopefully, the **Lifetime Value** of a customer goes up over time, as you get better at keeping customers longer, cross-selling and upselling, etc.



**LTV**

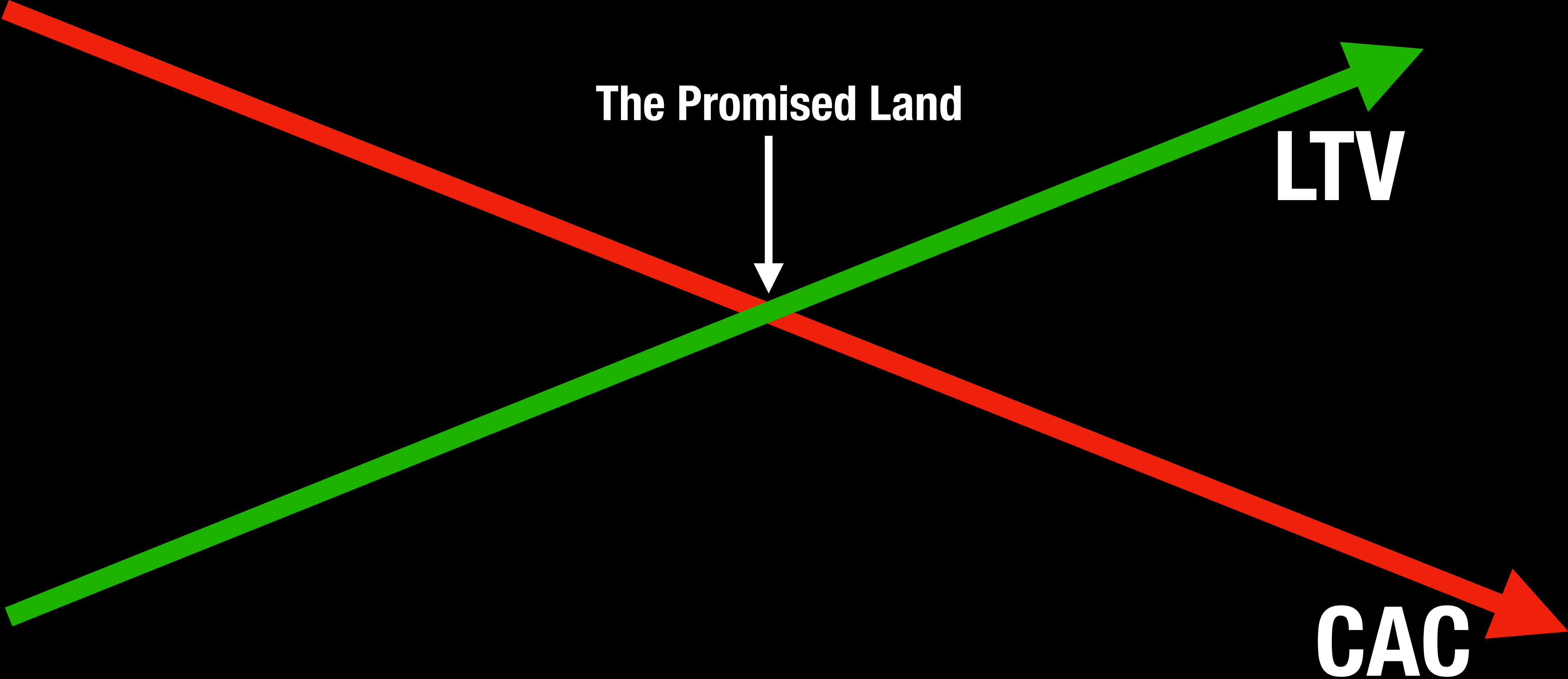
**CAC < LTV**

Hopefully, your **Customer Acquisition Cost** goes down over time, as you optimize your marketing efforts, build brand equity, partnerships begin to pay off, and your word-of-mouth footprint grows.



**CAC**

**CAC < LTV**

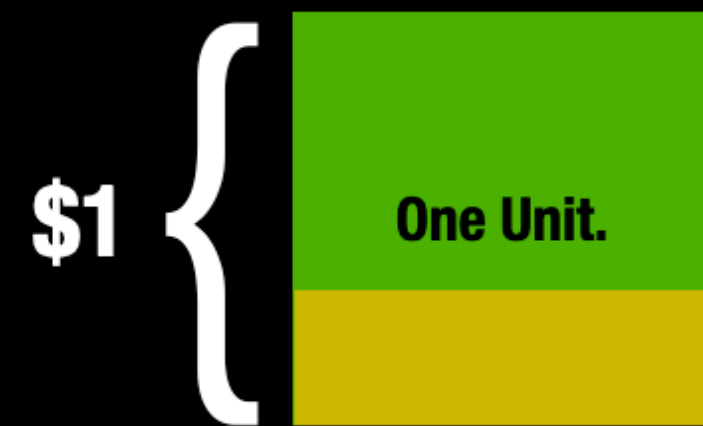


**The Promised Land**

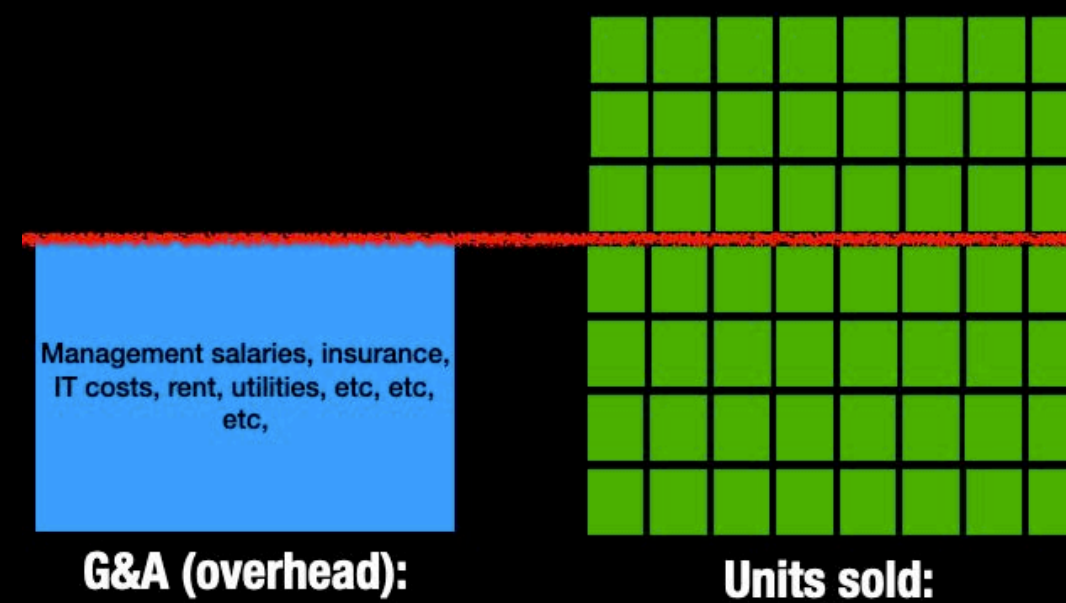
**LTV**

**CAC**

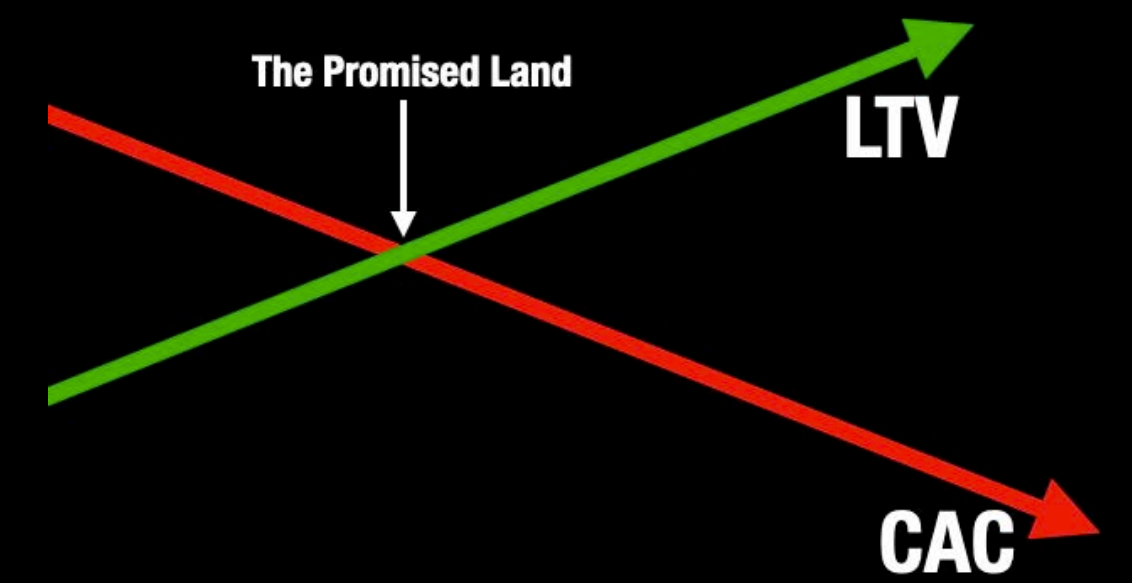
# Economic Modeling Concepts



**Unit Economics**



**Enterprise Economics**



**Customer Economics**





## Christopher Clark · 1st

Co-Founder at Locale | Forbes 30 under 30, A16Z and YC backed  
San Francisco Bay Area · [Contact info](#)



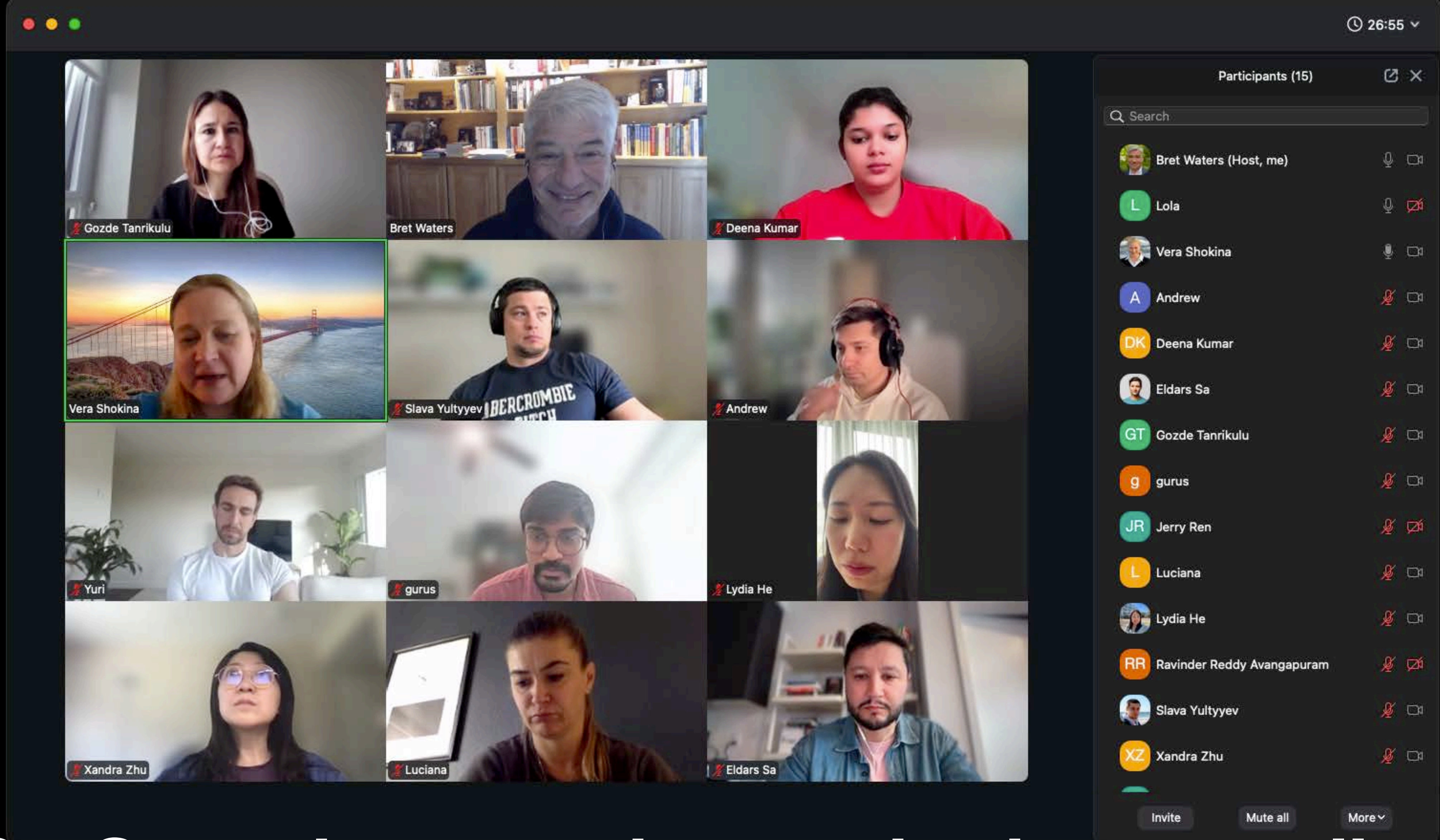
Locale



Y Combinator

**Ten Minute Break**

**Go potty.**



**On Saturday morning we had an excellent optional Startup Coffee call.**



This week we'll have another one:

**Nonprofits, NGOs, Social Ventures.**

# A class challenge from Lydia!

## The 10 CUSTOMER INTERVIEWS CHALLENGE



**GOAL:** Talk to **10** potential customers in your target market before the end of Week 8.

### WHAT COUNTS:



**10-30 min** conversation  
(Zoom, phone, or in person)



With **real** customers



Focus on **learning**, not pitching



Can be **imperfect**

### WHAT DOES NOT COUNT:



Talking with your **friends/co-workers** (unless they are your target customers)



**Surveys**

Even **1-2** conversations is already a win. This is about building the **habit**, not being perfect.



I've created a Slack channel **#10-conversations-challenge**.  
Joining this channel means you accepted this challenge.

*Let's learn, build, and grow together!* ❤️



**Nadi** 10:59 AM

1/10 🎯 Conducted a custdev interview with someone who recently bought a home.

The conversation ended up lasting 45 minutes – and honestly, the way people think, make decisions, and emotionally go through the home-buying process is a whole universe in itself 😊

Some hypotheses got stronger, some completely changed, and a few became much weaker.

Also, one big realization: doing custdev for your own project is really hard. It's so easy to accidentally steer the conversation toward the questions you care about instead of staying fully focused on the person.

After interviews like this, it actually helps to debrief with ChatGPT or another person – otherwise it's very easy to create illusions or unconsciously force insights to fit your idea 😅



🔍 Search messages in this channel (%F) ✕

😊 🗨 🔄 📌 ⋮


 **Bret** 10:04 AM

This is my Chocolate Lab, Maya, up at our house at Lake Tahoe. She was born to swim and loves swimming in the lake up there, and at the coast when we are at our house down here. (edited)

ACE32B01-EF7B-4318-9AC3-DFC9F3736793\_1\_102\_o.jpeg ▼



❤️ 14 🟡 4 😊+

 **Sergii** 10:50 AM

My rectangular cat, Millie

IMG\_4211 ▼



Jonny

3 days ago in # launch-path-canvas - 20260510\_mygrate\_launch\_path\_canvas.pdf



1

# The Launch Path Canvas 2.0

Date: 10 May 26

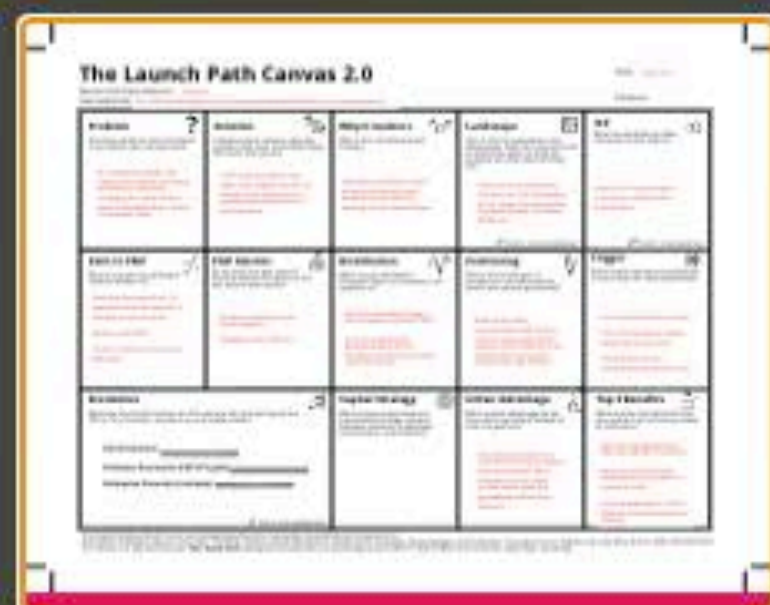
Name of Startup Venture: Mygrate

One Sentence: E2E immigration intelligence Platform

Iteration: 1

<p><b>Problem</b> </p> <p>One clear sentence that articulates the problem your startup solves.</p> <p>Lawyers treat initial visas as one-off transactions, leaving skilled visa holders to blindly navigate a 10 to 20-year maze of shifting eligibility and high-stakes compliance to secure permanent stability.</p>	<p><b>Solution</b> </p> <p>How does your venture solve the problem you have articulated? Keep this short and concise!</p> <p>A platform to support applicants' end-to-end journey from their first visa to permanent residence and beyond, offering guidance, monitoring, compliance, and document preparation.</p>	<p><b>Why it matters</b> </p> <p>Why is this a problem worth solving?</p> <p>This is a high-stakes part of users' lives: we now have the technology to allow them to more effectively navigate a complex system by providing an automated service personalized to them.</p>	<p><b>Landscape</b> </p> <p>This is a list of competitors and alternatives. When a customer looks at alternative ways to solve the problem we solve, what will they see?</p> <p>Current solutions (most traditional lawyers and all legal tech) are transactional and do not provide an E2E solution for users.</p> <p><a href="#">Link to a full visualization.</a></p>	<p><b>ICP</b> </p> <p>What do we think our Ideal Customer Profile will be?</p> <p>High-skilled foreign students / professionals who are independently looking for solutions to navigate the US immigration system.</p> <p><a href="#">Link to a Personas doc.</a></p>
<p><b>Path to PMF</b> </p> <p>What is our plan for getting to Product-Market Fit?</p> <p>Ad campaign targeted at our current idea of our ICP leading to eligibility quiz. Continuous engagement with early adopters. From this, revise our ICP, learn customer demographics and desired features</p>	<p><b>PMF Metrics</b> </p> <p>As we work our way toward Product-Market Fit, what are the key metrics that matter?</p> <p>Email signup CAC High-skill visa-ready CAC Referral rate User breakdown by possible visa category</p>	<p><b>Distribution</b> </p> <p>What are our distribution channels?</p> <p>D2C initially (product validation) Explore university partnerships In the future explore B2B contracts</p>	<p><b>Positioning</b> </p> <p>Within this landscape of competitors and alternatives, how is our venture positioned?</p> <p>We plan to offer the first end-to-end solution for applicants, where they can view and track their eligibility at a low subscription cost, and when they are ready, upgrade to receive lawyer support with their applications.</p>	<p><b>Trigger</b> </p> <p>What makes someone suddenly be in the market for what we provide?</p> <p>Determining eligible visas to visit / do business in the US Receiving an offer to study in the US Frustration with employers slowly processing visa status changes</p>
<p><b>Economics</b> </p> <p>What are the Unit Economics for this venture, what do we expect the CAC&lt;LTV to look like, and what are our capital needs?</p> <p>Unit Economics: <u>Subscription ~80%</u> <u>Filing ~40-80%</u></p> <p>Customer Economics (CAC:LTV goal): <u>Target: ~5x</u></p> <p>Enterprise Economics (runway): _____</p> <p><a href="#">Link to full spreadsheet.</a></p>		<p><b>Capital Strategy</b> </p> <p>What source and structure of capital will best align interests between founders, employees, shareholders, and investors?</p>	<p><b>Unfair Advantage</b> </p> <p>What unique advantage do we have that may help to defend us from competitors?</p> <p>Once a user onboarded onto the system, we believe by creating a 'system of record', our product will be 'sticky' enough to retain users throughout their immigration lifecycle (~5-10 years).</p>	<p><b>Top 3 Benefits</b> </p> <p>What are the top 3 benefits that your product or services provides to customers?</p> <ol style="list-style-type: none"> <li>1. Access: immediate access to information without going through lawyer intake processes.</li> <li>2. Single pane of glass for visa status and compliance</li> <li>3. Speed: applications can be processed quickly when lawyers get involved</li> </ol>

The original Business Model Canvas was developed by Alexander Osterwalder and published in this great book: Osterwalder, Alexander; Pigneur, Yves; Clark, Tim (2010). Business Model Generation: A Handbook For Visionaries, Game Changers, and Challengers. Strategyzer series. Hoboken, NJ: John Wiley & Sons. ISBN 9780470876411 This version is to align with my book, **The Launch Path: Getting from a startup idea to a launch-ready venture**, ISBN 979-8989090402. Feel free to use, adapt, copy, and change.



1



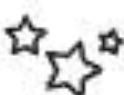



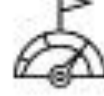







# The Launch Path Canvas 2.0

Date: May 2026

Name of Startup Venture: MasterAI

Iteration: 1

One Sentence: An AI skill building platform that provides personalized solutions to advance expertise.

<p><b>Problem</b> </p> <p>One clear sentence that articulates the problem your startup solves.</p> <p>AI is advancing rapidly, but many parts of society are being left behind in effectively leveraging it to advance their areas of expertise due to a lack of necessary skills.</p>	<p><b>Solution</b> </p> <p>How does your venture solve the problem you have articulated? Keep this short and concise!</p> <p>A skill building platform that helps users explore how AI can advance their expertise and provides personalized tools to get them there.</p>	<p><b>Why it matters</b> </p> <p>Why is this a problem worth solving?</p> <p>Ultimately, upskilling in AI will bring social and economic benefits to individuals by opening up new opportunities.</p>	<p><b>Landscape</b> </p> <p>This is a list of competitors and alternatives. When a customer looks at alternative ways to solve the problem we solve, what will they see?</p> <p>There are a few companies that focus on (AI) skill building for my target customer profiles, e.g Senior Planet, TechSoup, NTEN, etc.</p> <p><a href="#">Link to a full visualization.</a></p>	<p><b>ICP</b> </p> <p>What do we think our ideal Customer Profile will be?</p> <p>Sectors with low AI adoption (e.g seniors, skilled trades, manual labor)</p> <p><a href="#">Link to a Personas doc.</a></p>
<p><b>Path to PMF</b> </p> <p>What is our plan for getting to Product-Market Fit?</p> <p>Interview customers from 1-2 segments where AI adoption is typically low (e.g seniors)</p> <p>Iterate on the MVP.</p> <p>Launch in phases to customer segments.</p>	<p><b>PMF Metrics</b> </p> <p>As we work our way toward Product-Market Fit, what are the key metrics that matter?</p> <p>Number of customers per target segment</p> <p>Engagement on platform</p>	<p><b>Distribution</b> </p> <p>What are our distribution channels? Direct to consumer, via resellers, or?</p> <p>Direct to consumer to begin with to iterate on product MVP;</p> <p>In future, partner with government/non-profits (resellers) working with similar customer profiles</p>	<p><b>Positioning</b> </p> <p>Within this landscape of competitors and alternatives, how is our venture positioned?</p> <p>MasterAI provides personalized AI skill building tools for sectors with low AI adoption. Most solutions in the market cater to corporate professionals and students.</p>	<p><b>Trigger</b> </p> <p>What makes someone suddenly be in the market for what we provide?</p> <p>Loss of traditional jobs or roles;</p> <p>Fear of AI taking over skilled trades and manual labor;</p> <p>Curiosity about AI but overwhelmed by where to start.</p>
<p><b>Economics</b> </p> <p>What are the Unit Economics for this venture, what do we expect the CAC&lt;LTV to look like, and what are our capital needs?</p> <p><b>Unit Economics:</b> _____</p> <p><b>Customer Economics (CAC:LTV goal):</b> _____</p> <p><b>Enterprise Economics (runway):</b> _____</p> <p><a href="#">Link to full spreadsheet.</a></p>		<p><b>Capital Strategy</b> </p> <p>What source and structure of capital will best align interests between founders, employees, shareholders, and investors?</p>	<p><b>Unfair Advantage</b> </p> <p>What unique advantage do we have that may help to defend us from competitors?</p> <p>Personalized solutions for customers catering to unique skills and interests. Most companies in this space provide opinionated and generalized skill building solutions</p>	<p><b>Top 3 Benefits</b> </p> <p>What are the top 3 benefits that your product or services provides to customers?</p> <p>Open up new opportunities with personalized AI solutions</p> <p>Easy access to the latest advancements in AI that are relevant to skills</p> <p>Practical applications of AI to advance current profession or interests</p>

# The Launch Path Canvas 2.0

Name of Startup Venture: Peri Seal

Name: Deena Kumar

One Sentence Description: A comfortable, effective sleep apnea device that fits around your neck.

## Problem

One clear sentence that articulates the problem your startup solves.

Millions of people with sleep apnea struggle with CPAP machines that are uncomfortable, noisy, and inconvenient — leading to low adherence and serious long-term health risks.

## Solution

How does your venture solve the problem you have articulated? Keep this short and concise!

Peri Seal is a comfortable, wearable device worn around the neck that gently stabilizes the airway to keep it open during sleep — no mask, no hose, no noise.

## Why it Matters

Why is this a problem worth solving?

Untreated sleep apnea increases the risk of heart disease, stroke, diabetes, and daytime fatigue. Better sleep leads to better health, productivity, and quality of life.

## Landscape

This is a list of competitors and alternatives. When a customer looks at alternatives ways to solve the problem your startup solves, what will they see?

- CPAP machines
- Oral appliances
- Nasal EPAP devices
- Positional therapy
- Surgery

[Link to a full visualization](#)

## ICP

What do you think your startup's Ideal Customer Profile will be?

Adults diagnosed with mild to moderate obstructive sleep apnea who struggle with CPAP or want a more comfortable, convenient alternative.

[Link to a more personas.](#)

## Path to PMF

What is your plan for getting to Product-Market Fit?

1. Identify early adopters through sleep clinics and online communities.
2. Deliver to design partners and iterate based on real-world use.
3. Generate clinical data and testimonials.
4. Expand to broader market through DTC and partnerships.

## PMF Metrics

As you work your way toward Product-Market Fit, what are the key metrics that matter?

1. Weekly active users (device usage rate)
2. Reduction in AHI (Apnea Hypopnea Index)
3. Customer satisfaction (NPS)
4. Repeat purchase / retention

## Distribution

What are your distribution channels? Direct to consumer, or via resellers, or?

- Direct-to-consumer via website and mobile app.
- Partnerships with sleep clinics, ENTs, and telehealth platforms.
- Future: Insurance-covered channels and retail.

## Positioning

Within this landscape of competitors and alternatives, how is your venture positioned? Our positioning can basically be summed-up in two words: healthy, and delicious.

Peri Seal is the most comfortable, convenient, and discreet way to treat sleep apnea — designed for real life, not just the lab.

## Trigger

What makes someone suddenly be in the market for what your startup provides?

Waking up tired. A partner complains about snoring. Doctor diagnosis. CPAP intolerance. Health scare. Desire to feel better and perform at their best.

## Economics

What are the Unit Economics for this venture, what do we expect the CAC-LTV to look like, and what are our capital needs?

Unit Economics:

---

Customer Economics (CAC:LTV goal):

---

Enterprise Economics (runway):

---

[Link to spreadsheet.](#)

## Capital Strategy

What source and structure of capital will best align interests between founders, employees, shareholders, and investors?

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---

---

## Unfair Advantage

What unique advantage does your startup have that may help to defend from competitors?

- Patented technology
- No mask, no hose, no noise
- Designed by sleep experts
- Strong clinical advisory board
- First-mover in a new category

## Top 3 Benefits

What are the top 3 benefits that your product or services provides to customers?

1. Comfortable: Wear it and forget it.
2. Effective: Improves sleep and reduces apnea events.
3. Convenient: Easy to use, travel-friendly, no machine.

**“So, what are you working on?”**

**Simple, clear, concise.**



**Paul Graham** 

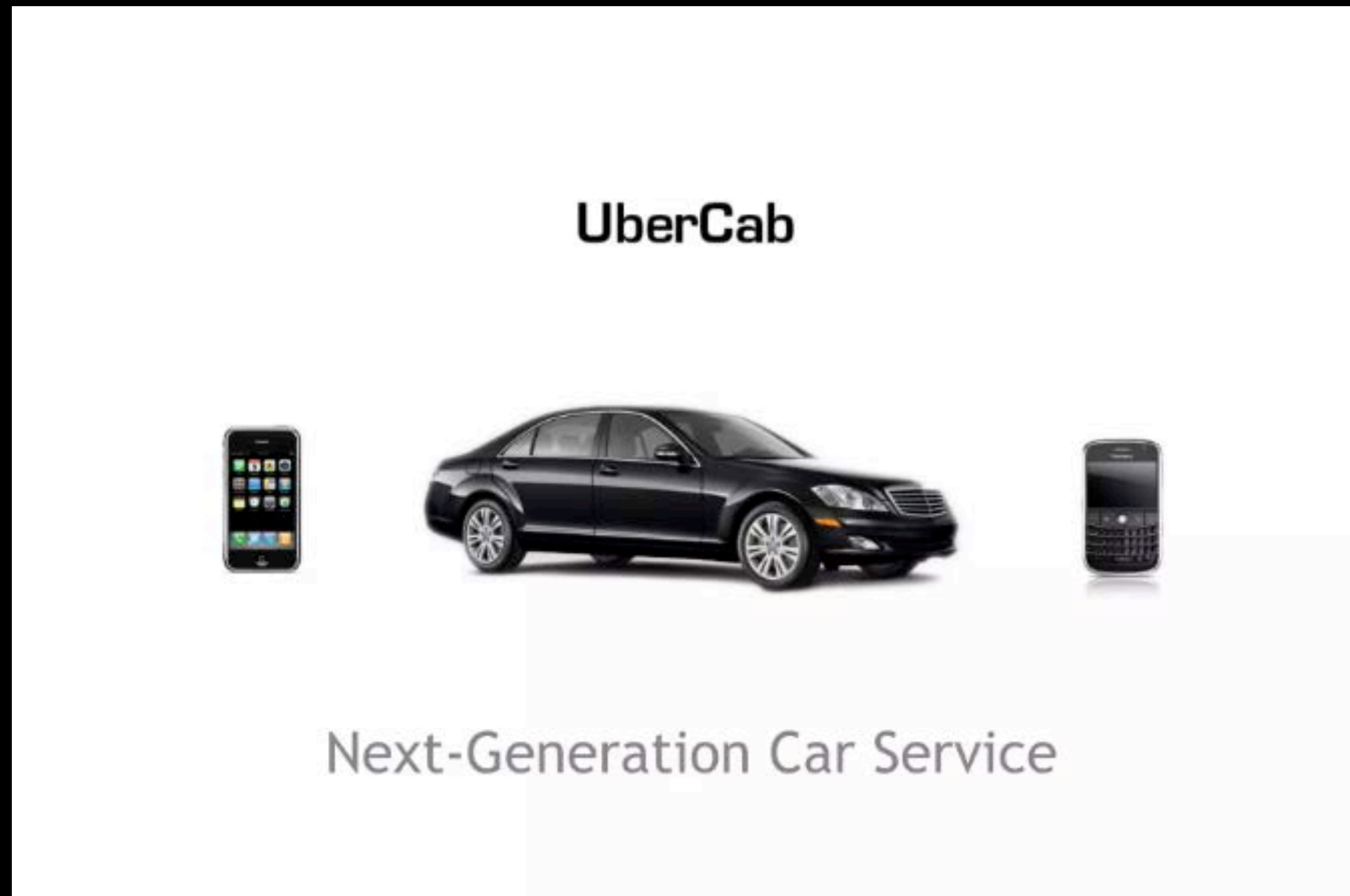
@paulg



When you describe what your startup does, describe it in the most matter of fact way possible. Professional investors hate having to decode marketing-speak. Describing your startup in grandiose terms is the mark of a noob.

9:01 PM · Jul 29, 2022 · Twitter Web App

**Did the Uber pitch deck call it “Disruptive mobile-optimized GPS-enabled cloud platform that changes the entire personal mobility paradigm”?**



**Did the Airbnb pitch deck call it “Peer-to-Peer accommodations marketplace platform using a proprietary engine and a revolutionary new trust mechanism”?**

Welcome

1

**AirBed&Breakfast**

Book rooms with locals, rather than hotels.

**Every great entrepreneur has a nesting doll set of pitches.**



← **Close the deal!**

← **1- Hour Meeting**

← **3-Minute Pitch**

← **45-Second Pitch**

← **1-Sentence**



**Nadi** 12:53 PM



**Problem Statement:**

Buyers and sellers depend on agents for access and coordination, paying tens of thousands in commissions for tasks that remain manual and poorly optimized. On a \$500,000 home, the seller loses up to \$30,000 in agent fees — costs that get baked into the price the buyer pays too. And here's the thing: the one part that actually protects both sides legally — verifying and closing the transaction — has always been handled by title companies, not agents.



**Solution Statement:**

I'm building a platform that removes the agent from the transaction while keeping every legal protection intact. It combines a home marketplace, remote access technology (smart locks for self-guided tours), and built-in financial analysis tools. Every deal is closed through licensed title companies — the same legal protection that already exists today. Sellers pay a flat fee instead of a 5-6% commission. Buyers get transparent data to make confident decisions on their own.

**Now, if you run into someone in a bar and they ask what you're working on, how do you answer that with one simple clear sentence that makes them want to know more?**

## **# one-sentence**



**Bret** 4:04 PM

TacoBox is a subscription-based service delivering healthy meal kits (tacos!) for crowd-pleasing dinners at home.

**We're not writing clever marketing copy.  
We're not playing Buzzword Bingo.  
We're not engaging in tech acronyms.**

**Simple, clear, concise.**





Calendly LLC

Receipt from Calendly LLC

**\$15.00**

Paid May 8, 2026



[↓ Download invoice](#) [↓ Download receipt](#)

Receipt number

2099-1734

Invoice number

AC1493B7-0014

Payment method

AMERICAN EXPRESS - 1001



I want to create an app for myself that will have the functionality of Calendly. I want to be able to send someone a link, it connects to my Google calendar so that they can see open slots and book a call (they should be able to choose Zoom or Meet). It then gets added to my Google calendar and they get sent a confirmation email. We can hang it off my domain, [bretwaters.com] (<http://bretwaters.com>)

The screenshot shows the Vercel dashboard for the project 'bretwaters-bookings'. The 'Usage' section for the last 30 days includes:

- Fluid Active CPU: 24s / 4h
- Edge Requests: 757 / 1M
- Function Invocations: 51 / 1M
- Fluid Provisioned Memory: 0.02 GB-Hrs / 380 GB-Hrs

The 'Projects' section shows the project 'metabret/bretwaters-bookings' with an initial commit on May 10 on the 'main' branch. There are also sections for Alerts and Recent Previews.

This is a partial screenshot of the Vercel dashboard, showing the left-hand navigation menu with options like Projects, Deployments, Logs, Analytics, and Settings.

The screenshot shows the GitHub repository page for 'bretwaters-bookings'. The repository is private and has 1 commit. The file list includes:

- app
- lib
- .env.example
- .gitignore
- README.md
- next-env.d.ts
- next.config.mjs
- package.json
- postcss.config.js
- tailwind.config.ts
- tsconfig.json

The 'About' section describes it as 'My own personal Calendly' and provides a link to the Vercel app. There is also a 'Releases' section with a 'Create a new release' link and a 'Deployments' section showing a 'Production' deployment from 16 hours ago.

The screenshot shows the 'Book a call with Bret Waters' web application. The page title is 'Book a call with Bret' and the subtitle is '30 minutes, on Google Meet. Times shown in your local time zone.' The application is divided into two main sections:

### Pick a day

A calendar grid showing days from Monday, May 11 to Friday, June 5. Tuesday, May 26 is selected.

### Your details

A form for booking details with the following fields:

- SELECTED** Tuesday, May 26, 9:00 AM
- Your name
- Email
- Anything I should know? (optional)

A large black button labeled 'Confirm booking' is at the bottom of the form.

### Pick a time

The time zone is set to 'America/Los\_Angeles'. Available time slots are 7:00 AM and 7:30 AM.



Calendly LLC

Receipt from Calendly LLC

**\$15.00**

Paid May 8, 2026



Download invoice

Download receipt

Receipt number

2099-1734

Invoice number

AC1493B7-0014

Payment method

AMERICAN EXPRESS - 1001

**Cancelled!**

One million to  
change the world

[Learn how](#)



Hult  
Prize



**The Hult Prize has been called “The Nobel Prize for social ventures”.  
For-profit startups that tackle global issues.  
Winners receive \$1M in seed funding.**

A woman with long dark hair and glasses, wearing a beige blazer over a white blouse and matching pants, stands with her arms outstretched. She is positioned in front of a large banner with a red and black geometric pattern. The banner features the text 'Hult Prize' in large white letters on the top line and 'Germany' in large white letters on the bottom line. The woman is smiling and looking towards the camera.

**Hult Prize**  
**Germany**

**Ani Tovmasyan**  
**Former BUS-217 Student**

# **Economic Modeling.**

**“The point of a economic model is to **tell a story with numbers** – a story about opportunity, resource requirements, market forces, growth, milestone achievements, and profits.”**

**– Guy Kawasaki**

~~**Income Statement (P&I)**~~

~~**Balance Sheet**~~

~~**GAAP Accounting Rules**~~

~~**Depreciation Tables**~~

~~**Modified Accelerated Cost Method**~~

*Tonight we're creating an economic model for our venture, not financial statements.*

*Financial statements are backward-looking, for reporting and tax purposes.*

**We're creating a forward-looking model of the fundamental economics of our venture.**

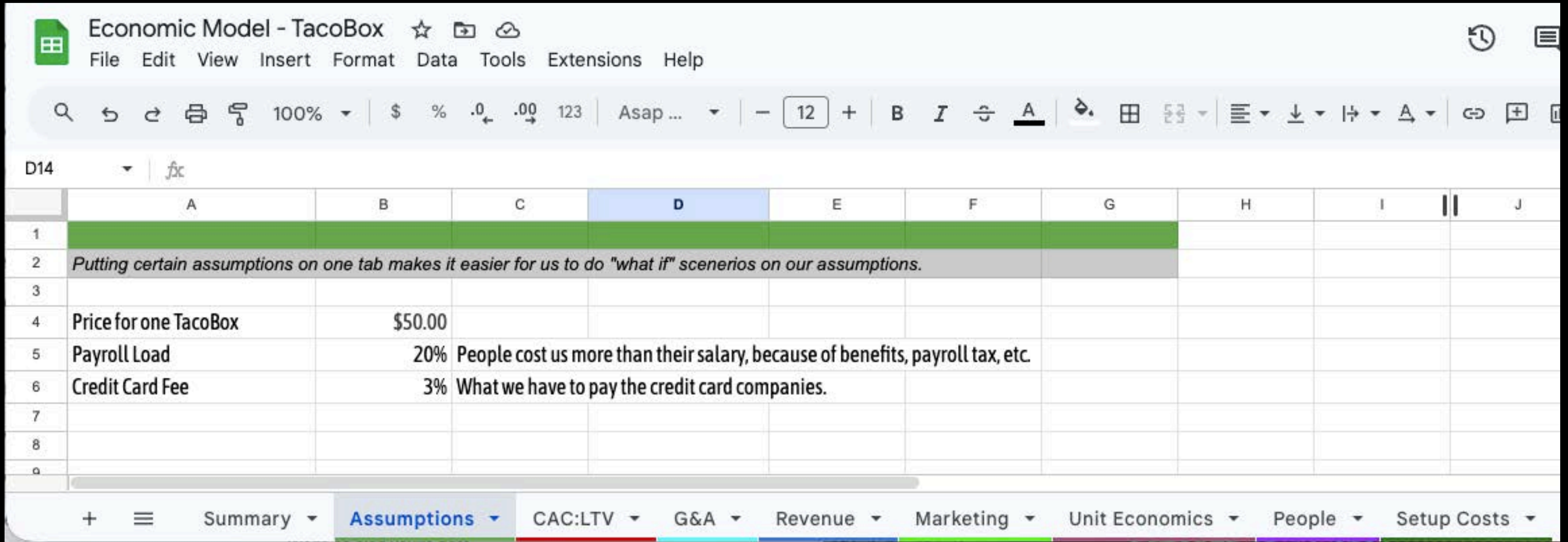
**The purpose of this:**

- **Understanding the levers for your particular venture.**
- **Informing the capital strategy.**
- **Uncovering hidden insights.**
- **Understanding scaling dynamics for your particular venture.**
- **Communicating with investors and other stakeholders.**

# Our awesome class venture:



# The Assumptions tab.



The screenshot shows a Google Sheets spreadsheet titled "Economic Model - TacoBox". The "Assumptions" tab is selected. The spreadsheet contains the following data:

	A	B	C	D	E	F	G	H	I	J
1										
2	<i>Putting certain assumptions on one tab makes it easier for us to do "what if" scenerios on our assumptions.</i>									
3										
4	Price for one TacoBox	\$50.00								
5	Payroll Load	20%	People cost us more than their salary, because of benefits, payroll tax, etc.							
6	Credit Card Fee	3%	What we have to pay the credit card companies.							
7										
8										
9										

The spreadsheet interface includes a menu bar (File, Edit, View, Insert, Format, Data, Tools, Extensions, Help), a toolbar with various icons, and a tab bar at the bottom with tabs for Summary, Assumptions, CAC:LTV, G&A, Revenue, Marketing, Unit Economics, People, and Setup Costs.

**Put assumptions on one tab, so that as you change them they will automatically flow through the whole model.**

# The Setup Costs tab

The screenshot shows a Google Sheets spreadsheet with the following data:

	A	B	C	D	E	F	G	H	I	J	K	L
1												
2	<b>Setup Costs</b>											
3	These are non-recurring costs required to get our startup off the ground.											
4												
5												
6	<b>Initial Launch</b>											
7	Lawyer/Incorporation	\$2,500										
8	Laptops	\$2,500										
9	Lease Deposit	\$2,000										
10	Website, branding, etc.	\$2,500										
11	Books	\$250										
12	CPA Consult	\$500										
13	Furniture	\$1,500										
14	Misc	\$1,500										
15	<b>Total</b>	<b>\$13,250</b>										
16												

The one-time non-recurring costs to get your startup going.

# The Unit Economics tab.

The screenshot shows a Google Sheet interface with the following data:

	A	B	C	D	E	F	G	H	I	J	K
1	<b>Unit Economics</b>										
2											
3	<b>One Taco Feast Box</b>										
4	Sell Price	\$50.00									
5	COGS (Cost of Goods Sold).	\$27.50	The cost of the ingredients in the box.								
6	Credit Card Fee	\$1.50									
7	<b>Gross Profit per Box</b>	<b>\$21.00</b>									
8											
9											
10											
11											
12											
13											
14											

The bottom of the sheet shows a tab bar with the following tabs: Summary, Assumptions, CAC:LTV, G&A, Revenue, Marketing, **Unit Economics**, People, Setup Costs.

**What does one unit cost us to produce, and what do we sell it for?**



# The Marketing tab.

Economic Model - TacoBox ☆ 📁 ☁  
File Edit View Insert Format Data Tools Extensions Help

100% | \$ % .0+ .00 123 | Asap... | - 10 + | B I 🔍 A 🎨 📏 📐 📊 📈 📉 📋 📌 📍 📎 📏 📐 📊 📈 📉 📋 📌 📍 📎

A1 | fx Sales & Marketing

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Sales & Marketing												
2													
3		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
4	Google Ads	\$500	\$1,000	\$3,000	\$7,000	\$8,000	\$8,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
5	Social Media Ads	\$500	\$1,000	\$1,500	\$5,000	\$8,000	\$8,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
6	SEO agency	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
7	Events			\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
8	Misc Marketing	\$100	\$100	\$100	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$750
9	<b>Total Sales &amp; Marketing</b>	<b>\$1,600</b>	<b>\$2,600</b>	<b>\$5,100</b>	<b>\$13,250</b>	<b>\$17,250</b>	<b>\$17,250</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,250</b>	<b>\$21,750</b>
10													
11													

+ ☰ Summary ▾ Assumptions ▾ CAC:LTV ▾ G&A ▾ Revenue ▾ **Marketing** ▾ Unit Economics ▾ People ▾ Setup Costs ▾

# The General & Administrative (fixed overhead) tab.

Economic Model - TacoBox

File Edit View Insert Format Data Tools Extensions Help

100% | \$ % .0+ .00 123 | Asap... | - 10 + | B I A | | | Share

A1 | fx General and Administrative

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	General and Administrative												
2	The various "overhead" aspects of our venture.												
3													
4		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
5	Insurance	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
6	Utilities	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220
7	Web hosting	\$20	\$20	\$20	\$20	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
8	Mobile Phone	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
9	Internet Access	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125
10	Subscriptions	\$25	\$25	\$25	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175
11	Rent	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
12	Professional services (CPA, attorney, etc)	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750	\$750
13	<b>Total SG&amp;A</b>	<b>\$2,690</b>	<b>\$2,690</b>	<b>\$2,690</b>	<b>\$2,840</b>	<b>\$2,920</b>	<b>\$2,920</b>	<b>\$4,120</b>	<b>\$4,120</b>	<b>\$4,120</b>	<b>\$4,120</b>	<b>\$4,120</b>	<b>\$4,120</b>
14													
15													

+ ≡ Summary ▾ Assumptions ▾ CAC:LTV ▾ **G&A** ▾ Revenue ▾ Marketing ▾ Unit Economics ▾ People ▾ Setup Costs ▾

# The Revenue tab.

Economic Model - TacoBox

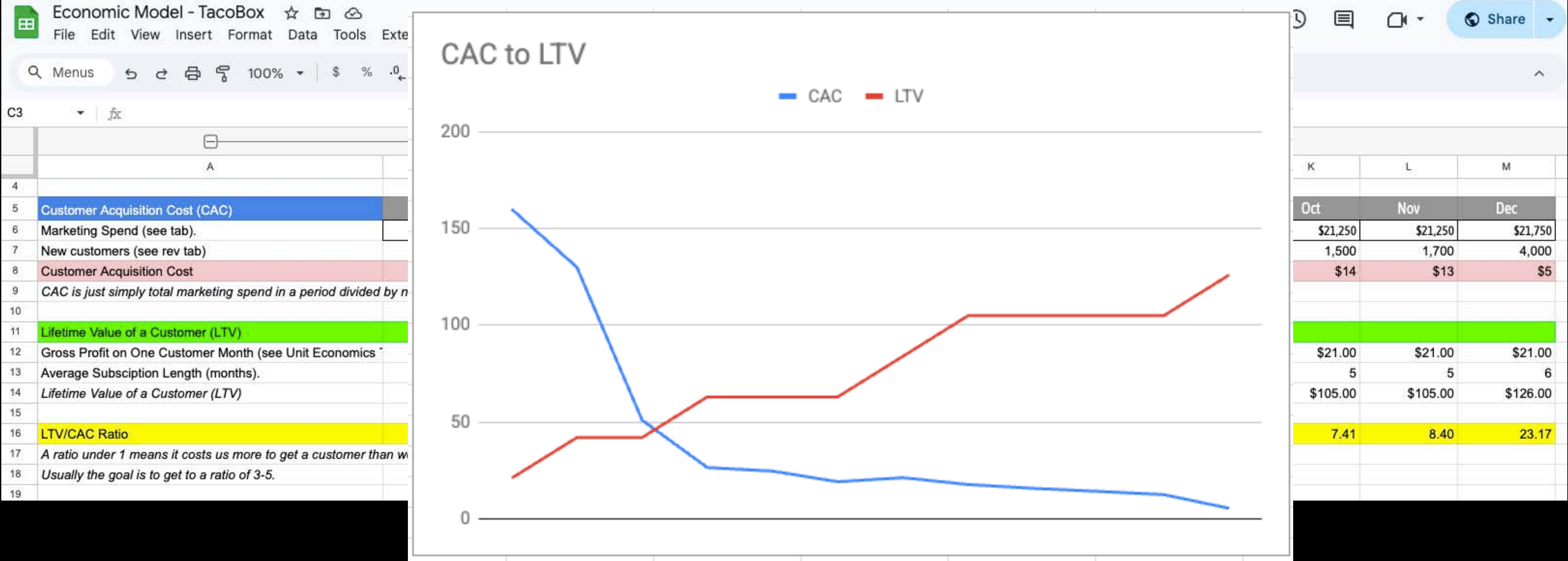
File Edit View Insert Format Data Tools Extensions Help

100% | \$ % .0 .00 123 | Arial | 10 | B I A | | | | | | | | | | | | | |

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Revenue												
2	For a subscription business, each month we get some new customers, and some churn.												
3		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
4	New Customers in month.	10	20	100	500	700	900	1,000	1,200	1,350	1,500	1,700	4,000
5	Churn Rate		30%	30%	25%	25%	20%	20%	20%	15%	15%	15%	15%
6	Number of Customers at month end.	5	24	116	587	1,141	1,812	2,450	3,160	4,036	4,931	5,891	9,007
7	Revenue	\$238	\$1,116	\$5,531	\$27,899	\$54,174	\$86,089	\$116,371	\$150,097	\$191,707	\$234,201	\$279,821	\$427,848
8													
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Summary Assumptions CAC:LTV G&A Revenue Marketing Unit Economics People Setup Costs

# The CAC < LTV tab



**These are all guesses right now - we're just building a model!**

# The Summary tab.

<b>TacoBox!</b>												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Revenue	\$238	\$1,116	\$5,531	\$27,899	\$54,174	\$86,089	\$116,371	\$150,097	\$191,707	\$234,201	\$279,821	\$427,848
Cost of Goods Sold (see Unit Economics tab).	\$145	\$682	\$3,377	\$17,033	\$33,075	\$52,560	\$71,048	\$91,638	\$117,042	\$142,986	\$170,838	\$261,212
<b>Gross Profit</b>	<b>\$93</b>	<b>\$435</b>	<b>\$2,154</b>	<b>\$10,866</b>	<b>\$21,099</b>	<b>\$33,529</b>	<b>\$45,324</b>	<b>\$58,459</b>	<b>\$74,665</b>	<b>\$91,215</b>	<b>\$108,983</b>	<b>\$166,636</b>
<b>SG&amp;A</b>												
General and Administrative (see tab).	\$2,690	\$2,690	\$2,690	\$2,840	\$2,920	\$2,920	\$4,120	\$4,120	\$4,120	\$4,120	\$4,120	\$4,120
Sales & Marketing (see tab).	\$1,600	\$2,600	\$5,100	\$13,250	\$17,250	\$17,250	\$21,250	\$21,250	\$21,250	\$21,250	\$21,250	\$21,750
Total SG&A	\$4,290	\$5,290	\$7,790	\$16,090	\$20,170	\$20,170	\$25,370	\$25,370	\$25,370	\$25,370	\$25,370	\$25,870
<b>Net Operating Profit (loss)</b>	<b>-\$4,198</b>	<b>-\$4,855</b>	<b>-\$5,636</b>	<b>-\$5,224</b>	<b>\$929</b>	<b>\$13,359</b>	<b>\$19,954</b>	<b>\$33,089</b>	<b>\$49,295</b>	<b>\$65,845</b>	<b>\$83,613</b>	<b>\$140,766</b>
<b>Cash</b>												
Setup Costs (see tab).	\$13,250											
Running Cash Balance	-\$17,448	-\$22,303	-\$27,938	-\$33,163	-\$32,233	-\$18,874	\$1,080	\$34,168	\$83,463	\$149,309	\$232,922	\$373,687

# Creating an Economic Model for your venture:

- Don't get hung up on having perfect numbers. Toss guesses on there and you can refine and validate as you go along. That's what spreadsheets are good for!
- Don't think you need to be a financial expert who knows GAAP accounting rules. This is a cash-on-cash model. You can do it.
- There are two ways to create budgets: top-down and bottom-up. This is a bottom-up exercise.
- Don't outsource this. **If you are going to be a CEO you have to feel the fundamental economics of the operation deep in your bones**, and that's not going to happen if you hire a freelancer on Fiverr to build it for you. It's also not going to happen if you ask Claude to build it for you.



**bus217.org**

# Engineer an Economic Model

BUS-217 / Syllabus / Week 5

## THIS WEEK'S READING

*"Your job [with an economic model] is to create a numerical framework that complements and reinforces the vision you've painted with words."*

— GUY KAWASAKI

Startup success isn't about making pretty spreadsheets, but your venture will probably sink or swim depending on whether the numbers work, so we'd better start the process of creating an economic model for your venture long before operations actually begin.

In this chapter, I will walk you through the process of creating an economic model for your startup. Note that I said *economic model*, not financial statements. Financial statements are backward-looking documents detailing what happened last year for reporting and tax purposes. Right now, we are creating a forward-looking model of how your venture's economics might look. We don't care about GAAP accounting rules, depreciation tables, or accrual methods at this stage, so don't worry your pretty little head about any of that right now.

I also tend to avoid saying "financial projections" because, for a startup at this stage, revenue in year three is really just a wild-ass guess, so calling it a "projection" is a bit laughable. In fact, none of the numbers you come up with here will be right (especially for year three!), but you need a sense of the underlying economics of your proposed venture.

I had a student once who refused to do any spreadsheets for his startup idea. He claimed that early-

## LECTURE SLIDES

 **Week 5 Slides**  
PDF · Download 

## MASTER SPREADSHEET

 **TacoBox Economic Model**  
Google Sheets · Make a copy 

## GOING DEEPER

 **AI for Week 5**  
Building your economic model 

## VIDEO

Watch this week's lecture 

## ADDITIONAL READING

**Case Study: Tutorspree**

Bret Waters · BUS-217

Unit Economics

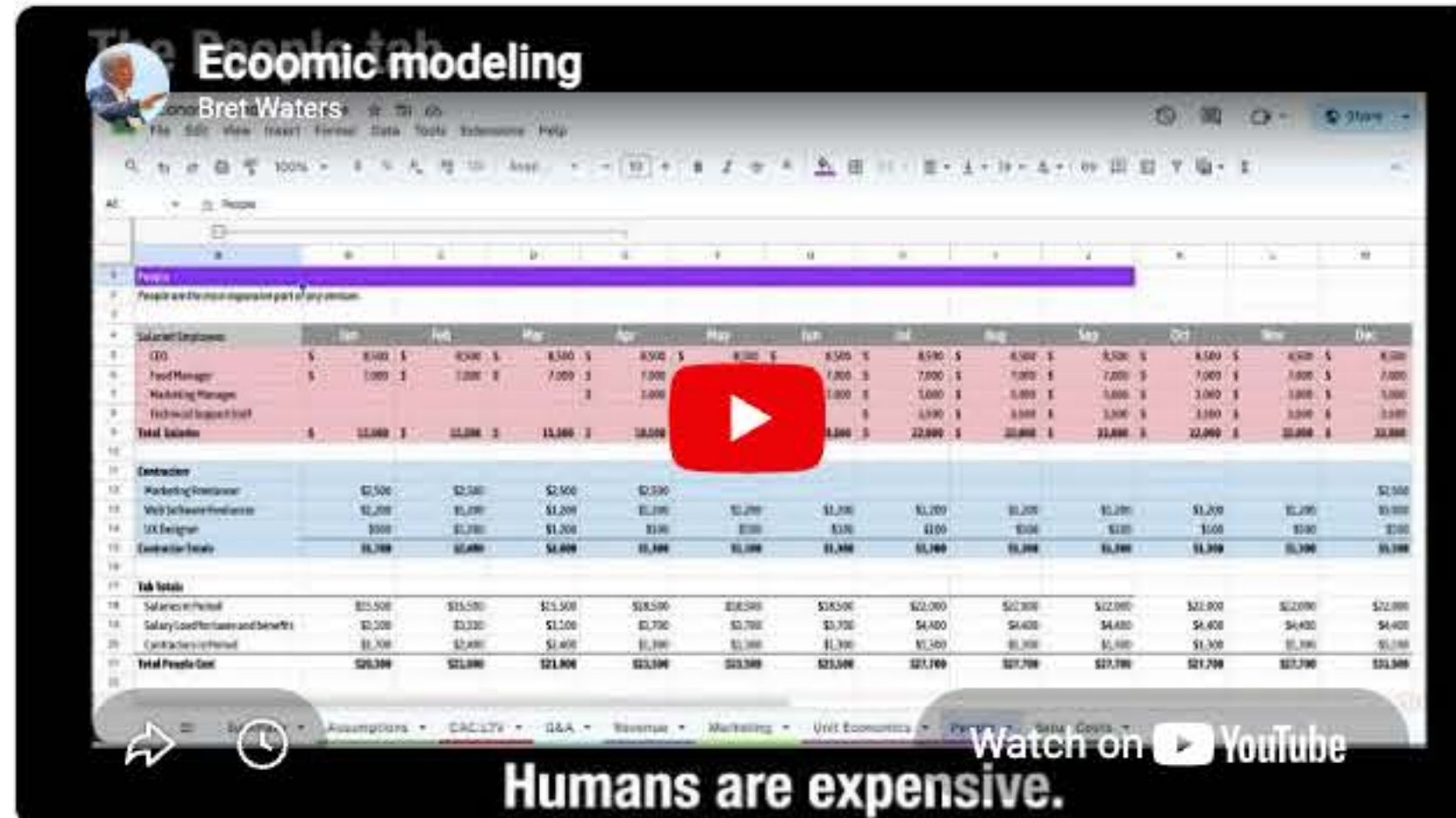
But as I said, don't worry about these financial statements right now. You're simply going to build an economic model, a numbers-based story about how your venture will create, deliver, and capture value for customers.

You'll find example economic models, spreadsheets, and other resources on thelaunchpath.com.

Every startup venture needs to eventually have a profitable economic engine. Once you get the flywheel going, that engine will (hopefully) create more dollars than it consumes each year.



Economic Modeling Concepts



Building an Economic Model

THIS WEEK'S READING

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I also tend to avoid saying "financial projections" because, for a startup at this stage, revenue in year three is really just a wild-ass guess, so calling it a "projection" is a bit laughable. In fact, none of the numbers you come up with here will be right (especially for year three!), but you need a sense of the underlying economics of your proposed venture.



I had a student once who refused to do any spreadsheets for his startup idea. He claimed that early-stage investors don't care about financials anymore, just as they don't care about formal business plans these days. Good luck with that. Every investor I know wants to understand how a venture's numbers might work out. Most importantly, they want to invest in an entrepreneur who has actually spent some time thinking through the basic economics of their business model.

**Yes, you need to build this yourself.**

LECTURE SLIDES

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ADDITIONAL READING

**Case Study: Tutorspree**

Bret Waters · BUS-217

**Unit Economics**

Bret Waters · BUS-217

**CAC < LTV: One Equation to Rule Them All**

Bret Waters · BUS-217

**Why Do Investors Care So Much About LTV:CAC?**

# Assignments for this week:

Create an **Economic Model** for your startup. My TacoBox example is posted to the class website. Ping me if you want to have a 1:1 to discuss yours.

In the **#one\_sentence** channel, post one nice clear sentence that describes your startup. If someone in a bar asks you “What are you working on?”, how would you answer that in one very clear sentence?

In the **#social** channel, tell us what puts you in your happy place. Being a startup CEO is hard. What do you do to clear your head? Running? Meditating? Biking? Drinking tequila?

**</5>**