

1(:721

7H[W

+DUYDUG WULR ODXQFKHV FROOHJLHWWH JXLGH WR OLIH

3RVW6HGSWHPEHU

\$0

(0DLQLQN&RPPHQW



7HIW WR ULJKW 1HZWRQ QDWLYH DQG +DUYDUG VHQLRUV 6WHSKDLH .DSODQ DQG :LQGVUR +DQJHU DQ
MXQLRU \$QQLH XDGHR RI +HU &DPSXV RQOLQH FROOHJH ZRPHQ V PDJD]LQH DQG PHGLD
FRPSDQ\ 3KRWR E\ .DWHULQD 6WDYUHYD

%\ 0DWW 5RFKHODX *OREH &RUUHVSQRGHQW

&\$0%5,'*7)RU 1HZWRQ QDWLYH 6WHSKDLH .DSODQ DQG WZR RI KHU FORVHVW
XQGJUDGDGDWH FRPSDQLRQV DW +DUYDUGWRGLYHUVLW\ 6HYHQWHHQ PDJD]LQH LV
\RXQZKLOH RWKMDUHFDWHG SXEOLFDWLRQV OLNH *ODPRXU DQG 0DULH
&0DLUWRURRQ

0RVW QRWDEO\ \WBRQKUIHHHO WKHUH DUH QR PDLQVWUHP SHULRGLFDOV
WKDW IRFXV H[SOLFLWO\ RQ LVVXHVFRPPROQRQKDUHG E\ WKH FRXQWU\
ZRPHQ HQUROOHG LQ KILRPHVRLQGLDQJWRURULW\ WR FRPEDWLQJ WKH
UHVKPHQVLRWGHHRGLQJ ZKDW WKH WH[W PHVVDJH VHQW IURP D JX\ \RX OLNH
3UHD00\ WRDQWALQJ WR ODQG RPPHRCFLHFWKQKFRUONG

6R ODVW VXPPHU .DSODQ IHOORZ VHQLRU :LQGVUR +DQJHU DQG MXQLRU \$QQLH :DQJ
EHJDQ GLVFXVVLQJ ZD\ WR ILOO ZKDPDQKQVHH DV D YRLG LQ WRGD\
LQGXVWU\ DQGHQFZWWKRIODXQFK WKH UHVXOWV RI WKDW LQLWLDO EUDLQVWRUPLQJ

7RGD+HU&DPSXVDRHV LWV GHXW DV DQ RQOLQH PDJD]LQH DQG PHGLD
FRPSDQ\ ZKLFK WKH VDUERODMUEHMHFWB VOLIH



37KHUH UHPHGLDQRXW WKHUH WKDW DQJHJH FRKOHJH ZRPHQ
FRPSDQZHEVLWH GHVLJQHU DQG FUHDWLYH GLUHFWRU

7KH VLWH IHDWXUHV6M\0BLQHDFWKRQYH 'RUP/LIH &DUHHU DQG
:RUQZKLFK ZLOO LQFOXGH FRQWHQW WDUJHWHG WR WKH EURDG DXGLHQFH RI FROOHJH
ZRPHQ ODWR&DPSXVJHV 7100 IQGIWFRDWHBWKH VIWH

FROOHJH EHJLQQLQJ DW +DUYDUG DQG ZLWK WKH KRSH RI HYHQWXDOO\ H[SDQGLQJ WR RYHU FROOHJHV DQG XQLYHUVLWLHV LQ WKH 8QLWHG 6WDWHV

37KH EHVW SDUW RI WKH ZKROH SURFHVV KDV EHHQ ZDWFKLQJ WKH LGHDV \RX KDYH WJ LQWR D VHDGLWV SODQ FRU & (2 DQG HGLWRU LQ FKLHI GXULQJ DQ LQWHUJLHZ 7XHVGD\

37KXVH DUH\HEDV\HWKLNQJ DERXWIRDOVIRORQJ SUHVLGHQW DQG SXEOLVHUVRRR +ZKDNDSXUHDW DERXW UXQQQLQJ WKLV LV WKDW ZH DUH WKH UHGHUVKLS

,Q ODUFK WKH WKUHH +DUYDUG VWXGHQWV DORQJ ZLWK VHQLRU .HOO\ 3HHOHU ZKR K VLQFH OHIW WKH JURXS EHFDXVH RI RWKHU FRPPLWPHQWV ZHUH DPRQJ VHYHUDO ZLQQHUV DW WKH XQLYHUV\ SODQ FRPSHWLWLRQ WKH L ,QQRYDWLRQ &KDOOHQJH ZKLFK UHFHLYHG HQWULHV

7KH JURXS VDLG WKH FRPSHWLWLRQ SURYHG WR EH D PDMRU FKDOOHQJH EXW ZDV DO EHQHILFLDO LQ VDWXGEXWKHVEEHFDXVH LW UHTXLUHG WKHP WR ZULWH FRPSUHKHQVLYH EXVLQHV SODQV SUHSDUH SUHVHQWDWLRQV DQG GURYH WKHP WR FRQVLGHU WKLQJ WKH RWKHUZLVH PLJKW KDYH RYHUORRNG

3% XW ZH NQHZ ZH ZHUH FRPPLWWHG HQRXJK WR WKLV SURMHFW WKDW LW ZDV JRLQJ V KDSSHQ ZKHWKHU ZH DQRURVDOQW

7KHLU VFFFHVIXO ILQLVK LQ WKH FRPSHWLWLRQ DOVR HDUQHG WKHP WKH +DUYDUG 6V \$JHQFLHV ,QYHVPHQW \$ZDUG SURYLGHG WKHP ZLWK VRPH RIILFH VSDFH DQG RWKHU UHVRXUFHV KHOSIXO LQ LQFDXGLQJ BURXVRQIHM DFDGHPLF \HDU

7KH VWXGHQWV VDLG WKH XQGHUVWDQG WKH FKDOOHQJH RI VWDUWLQJ D EXVLQHV LQ VWUXJJOLQJ LQGXVWU\ OLNH MRXUQDOLVP LQ WKH PLGVW RI D UHFHVLRQ EXW WKH UHDVRQV IRU RSWLPLVP

,I +HU &DPSXV FDQ GUDZ LQ LFRVWJHWWXGHQVHZKRVSHQG RYHU ELOOLRQ DQXDOO\ \HW DV JURXS FDQ EH GLILFXOW IRU DGYHUWLVHUV WR L ±WKH +DUYDUG HQWUSUHGXUV KRSH WR FDVK LQ RQ ZKDW ZLOO EH WKHLU PDLQ UHYHQXH VRXUFH VHOOLQJ RQOLQH DGYHUWLVHPHQWV

+HU &DPSXV UHDFKHG LWV ILUVW DG GHDO UHFHQWO\ ZLWK -XLF\ &RXWXUH D ZRPHQ FORWKLQJ FRPSDQ\

\$GGLWLRQDOO\ WKH SODQ WR NHHS FRVWV ORZ E\ QRW JRLQJ LQWR SULQW SURGXFWL E\ QRW SD\ LQJ WKHLU ZULWHUV VLQFH PDQ\ FROOHJH MRXUQDOLVWV DUH KDSS\ WR K WKH H[SHULHQFH DQG VHH WKHLU ZRUN SXEOLVKHG

3\$V IHPDOH FROOHJH MRXUQDOLVWV ZH NQRZ KRZ KDUG LW LV WR JHW SXEOLVKHG QDWLRQDOO\ .DSODQ

5XQQQLQJ WKH FRPSDQ\ VROHO\ RQ WKHLUHQWQRVDOO\ PRUH FRVW WUDGLWLRQDO SULQW PDJD]LQH EXW DOVR HDVLHU WR XSGDWH PRUH HQYLURQPHQW IULHQGO\ DQG PRUH DSSHDOLQJ WR WKHLU DSSHDOSVUDZQRDWKH WLPMDLG +DQJHU

3:H ERXJKW D ZKLWHERDUG DW 6WDSOHV DQG WKDW ZDV DERXW RXU ELJJHVW FRVW VR VDLG .DSODQ

7KH +DUYDUG DERFNRZOHGJHG WKHUH DUH RWKHU ZHEVLWHV ZKLFK DWWUDFW D VLJQLILFDQW QXPEHU RI FROOHJH ZRPHQ VERVSHLFVHG WKH ZRQ WKH W\SH RI FRQWHQW RQ WKRVH VLWHV

3HRSOH FRP IRU H[DPSON LV WKH EHVW V\XVH IRU FHOHEULW\ JRVVLS VR ZH ZRQ WR FRPSHW\ ZLWVQVNDWG

7KH JURXS KRSHV WR XVH VRFDQDFRZRWLVQD VLWHV OLNH ZD\ WR GUDZ PRUH WUDIILF WR WKH VLWH

7KH VDLG WKH SODQ WR S\WLVNDZLVKDWKHWKWBHWHDUV

,Q 0D\ ZKHQ .DSODQ DQG +DQJHU JUDGXDWH WKH\ KRSH WKH EXVLQHVV ZLOO EH
VXFFHVVIXO HQRXJK WR SD\ WKHP HDFK OLYDEOH VDODULHV ,Q WKH PHDQWLPH KRZH
DV VWXGHQWV WKH\ ZLOO QRW QHHG WR UHO\ RQ WKH VLWH WR IHG WKHPVHOYHV VR
WKHP VHYHUDO PRQWKV WR WU\ LGHDV DQG IHZHU ULNV

\$QG WKH VORZ HFRQRP\ WKH\ VDLG FOHDUV PRUH URRP IRU HQWUHSUHGXULDO
SXUVXLWV OLNH WKHLU RZQ

3, W VWLOO UHDOO\ VFDQZDKRWDKGNWIDOUHU

3, WKLQN WKH IXWXUH LV UHDOO\ WUDQVLWLRQLQJ RQOLQH DQG ZH KRSH WR VKRZ KR
PDJD]LQH FDQ GR VFDQZDKRWDKGNWIDOUHU\

7KH WKUHH ZRPHQ ZRUNHGHQHWKHOERIDGORJHMLVOH
DQG IDVKLRQ PDJD]LQH IRXQG HG LQ ZKLFK GURSSHG LWV SULQW YHUVLRQ WR UXQ
H[FOXVLYHO\ RQOLQH LQ

\$V FROOHJHUXHYHDSVDQ +DQJHU DQG :DQJ EHFDPH IULHQGV JDLQHG
H[SHULHQFH DQG GHFLVHG WKH DQDQDOXUHQJ QDWLRQDO
UHFRJQLWLRQ IURP IDUG)RQVFRQOG EH H[SDQGHG WR
RWKHU FROOHJH FDP SXVHV

, WKLQN WKH VLWH LV D JUHDW EXLOG RQ WKH ZRUN WKH\ YH DOUHDG\ EHHQ LQYROYH
DQG WKH\ FUHDWHG VPRHWKLQJ , WKLQN ZLOO UHDOO\ UHDFK WKHLU WDUJHWHG DXGL
VDLG 3DXO %RWDGGR DFRG H[HFXYLH GLUHFWRU RI WKH 7HFQRORJ\ DQG
(QWUHSUHGXUVKLS & HQWHUSRQVFRUUVYVH LZKQRFBWLRQ
&KDOOHQJH

\$IWHU SODFLQJ DQ DG RYHU WKH VXPPHU +HU & DPSXV UHFHLYHG RYHU
DSSOLFDWLRQV IURP VWXGHQWV ZLWK SULRU LQWHUQVKLS H[SHULHQFH ZKR ZDQWHG W
ZRUN DV DQ XQSDLG FRUHVSRQGHQW IRU WKH VLWH

2I WKR VH FROOHJH MRXUQDOLVWV IURP VFKRROV DFURVV WKH FRXQWU\ KDYH E
FKRVHQ VR IDU LQFOXGLQJ ZULWHUV ORFDOO\ DW :HOHVHO\ &ROOHJH %UDQGHV 3Q
LQ :DOWKDP DQG (PHUVRQ &ROOHJH LQ %RVWRQ DV ZHOO DV IURP VFKRROV LQ
&RQQHFWLFXW ODLQH 1HZ <RUN 3HQVVOYDQLD 9LUJLQLD &RORUDGR DQG
&DOLIRUQLD

3: HUH UHDOO\ VHHNLQJ WR KLJKOLJKWVGHSDUW FROOHJH MRXUQDOLVWV

3, W QHHGV WR EH HQJDJLQJ LQWHODLGHQWDDG UHDOO\ ZHOO ZULWWHQ

\$QG WKH HQWUHSUHGXULDO WULR KDV H[SHULHQFH DQG FUHGHWLDOV EH\RQG EHQJ
VWXGHQWV DW D WRS ,Y\ /HDJXH VFKRRO WR KHOS FKRRVH DQG PDQDJH WKHLU VWDI

.DSODQ D SV\FKRORJ\ PDMRU DQG HFRQRP LFV PLQRU ZDV HGLWRU LQ FKLHI DW
)UHDFK DQV LQWHUQHG DW WKH \$PHULF)6RFLHW\ RI ODJD]LQH (GLWURV
PDJD]LQH 3DQGHQWVHHQ

+DQJHU ZKR LV IURP 1RUWK &DUROLQD LV D KLVWRU\ DQG VFLHQFH PDMRU ZLWK D
PLQRU LQ)UHDFK 6KH ZDV WKH HPHSXZLVH DPHUWURV DQJ
LQWHUQ DW %RWDGGR DFRG H[HFXYLH DQV DQV DQV DQV

:DQJ ZKR OLYHV LQ 2KLR LV PDMRULQJ LQ ILQH DUWV ZLWK D PLQRU LQ QHXURELRO
DQG ZDV WKH FUHDWLY)UHDFK DQV DQV DQV DQV DQV 7KH (QYLVDJH
*URXS D OHDWKHU JRRGV SURGXFW GHYHORSPHQW DQG PHUFKDQGLVLQJ FRPSDQ\

3: H JRW D UHDOO\ JRRG VHQVH RI ZKDW ZH DUH HDFK JRRG DW IURP ZRUNLQJ WRJHWK
DQV H[SDQDQV 3DQGHQV VR PXFK IXQZKHQWRK & BKWKLV DV
RXU MREV"

\$V DQ DGGHG PHDVXUH WKH WKUHH +HU & DPSXV IRXQGHUV ERXJKW DQG QRZ RZQ WKH
GRPDLQ QDPH +LV & DPSXV FRP

&200(176 62)\$5

:LWK VR PDQ\ FRPSDQLHV DQG SDUWLFXODUO\ SULQW PDJDJLQHV DQG QHZVSDSHUV
IROGLQJ WKHVH GD\V LW V UHIUHVKLQJ WR VHH WkuHH FROOHJH JLUOV PDNLQJ D JR DW
QHZ YHQWXUH WDUJHWHG DW DQ DXGLHQFH WKH\ NQRZ EHWWHU WKDQ DQ\ RQH HOVH
WKH\ FDQ EXLOG +HU&DPSXV FRP LQWR D KHDYLO\ WUDIILFNHG VLWH WKDW JHQHUDWHV
SURILWV E\ WDUJHWHLQJ WKH WKH EURDG DXGLHQFH RI FROOHJH ZRPHQ QDWLRQDOO\
ZKLOH RIIHULQJ FRQWHQW DQG KDSSHQLQJV RI LQWHUHVW VSHFLILF WR LQGLYLGXDO
FROOHJHV WKHLU PRGHO ZRXOG SDYH WKH ZD\ IRU RWKHU SXEOLFDWLRQV WR PDNH D
VLPLODU WUDQVLWLRQ

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3RVWHG E\ -R6@SWHWEKHU

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<285 (0\$, / \$''5(66 :./ 127 %(38%/6+(

<285 1\$(

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7KLV EORJJHU PLJKW ZDQW WR UHYLHZ \RXU FRPPHQW EHIRUH SRVWLQJ LW

)LHOGV PDUNHBUHLWKDQUHG

'2 127 +,7 7+(68%0,7 %87721 025(7+\$1 21&(

:KDW GR ZH GR ZLWK WKDQ EQIRUPDWLRQ ROLF\ KHUH