

ShareAnything

Sustainability Through Collaborative Consumption One Tool at a Time

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Executive Summary

This venture pitch presents ShareAnything, a company started in the Berkeley Engineering Leadership Professional Program (ELPP) class of spring 2020.

ShareAnything is based on the concept of collaborative consumption, which is sharing, exchanging, or renting access to products as an alternative to ownership. The ShareAnything platform is aimed at building a community network bringing together suppliers (tool owners - individuals or small businesses) and demanders (those who need access to tools). The goal is to save money, resources and help drive sustainability by reducing unnecessary consumption.

Opportunity

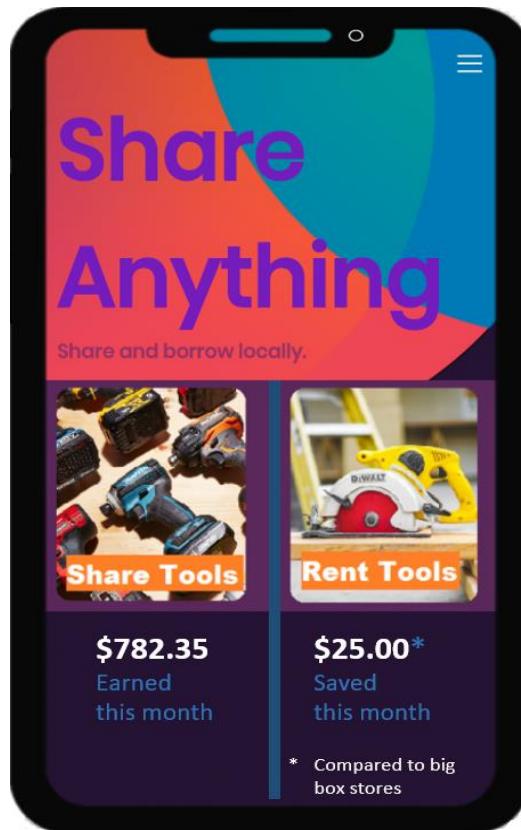
As we are going through significant demographic changes in the US, and more millennials are becoming first-time home buyers, there is an increasing demand in DIY home improvement products.

Home improvement projects require specialized tools. Think about how many times you have started a DIY home renovation project, only to realize halfway through that you are missing a tool, that you need a piece of equipment you don't already have in your tool shed. You ended up purchasing the tool from a retailer just for a one-time project. What you didn't know is many of your neighbors had similar projects and purchased the same tools. Furthermore, there is also a small hardware store nearby that has this tool available, and would be willing to rent it. Wouldn't it be nice to rent the tool you need from a neighbor or a neighborhood store at a fraction of the purchase price? We see an opportunity to avoid capital investment in things with little or no reuse value.

Solution

ShareAnything is a for-profit digital platform that aims at providing expanded access to tools beyond one-to-one ownership. Individuals participate as providers / lenders or borrowers. It allows tool owners (individuals or small businesses) to post their inventory and generate income from the tools they own. The software then categorizes the tools on a variety of parameters, allowing DIYers to search and rent what they need for their projects rather than purchasing new. Most important, the system allows for that tool to re-enter circulation and perform hundreds of jobs along the way.

Transportation is provided by us, or through future planned partnerships, allowing renters to have the tools and equipment when and where they need them. We also provide a damage protection service option, supporting an insurance model for tools rented via our platform.



Use Case 1: A DIYer who needs a tool for his/her home improvement project.

- Searches for the tool in the proximity of his/her location based on specs and/or model.
- Requests additional information on the tool if necessary.
- Specifies delivery time, location and rental duration. Express delivery is available for an additional fee.
- Receives tracking information, and notification when the tool is delivered.
- Upon receiving the tool, checks against the photos posted online and confirms its condition before acceptance.
- After the work is finished, sends a notification in the app for pickup.
- Once condition of the tool is confirmed, it will be shipped back to the owner.

Use Case 2: An individual or a small hardware shop who has tools available they would like to rent.

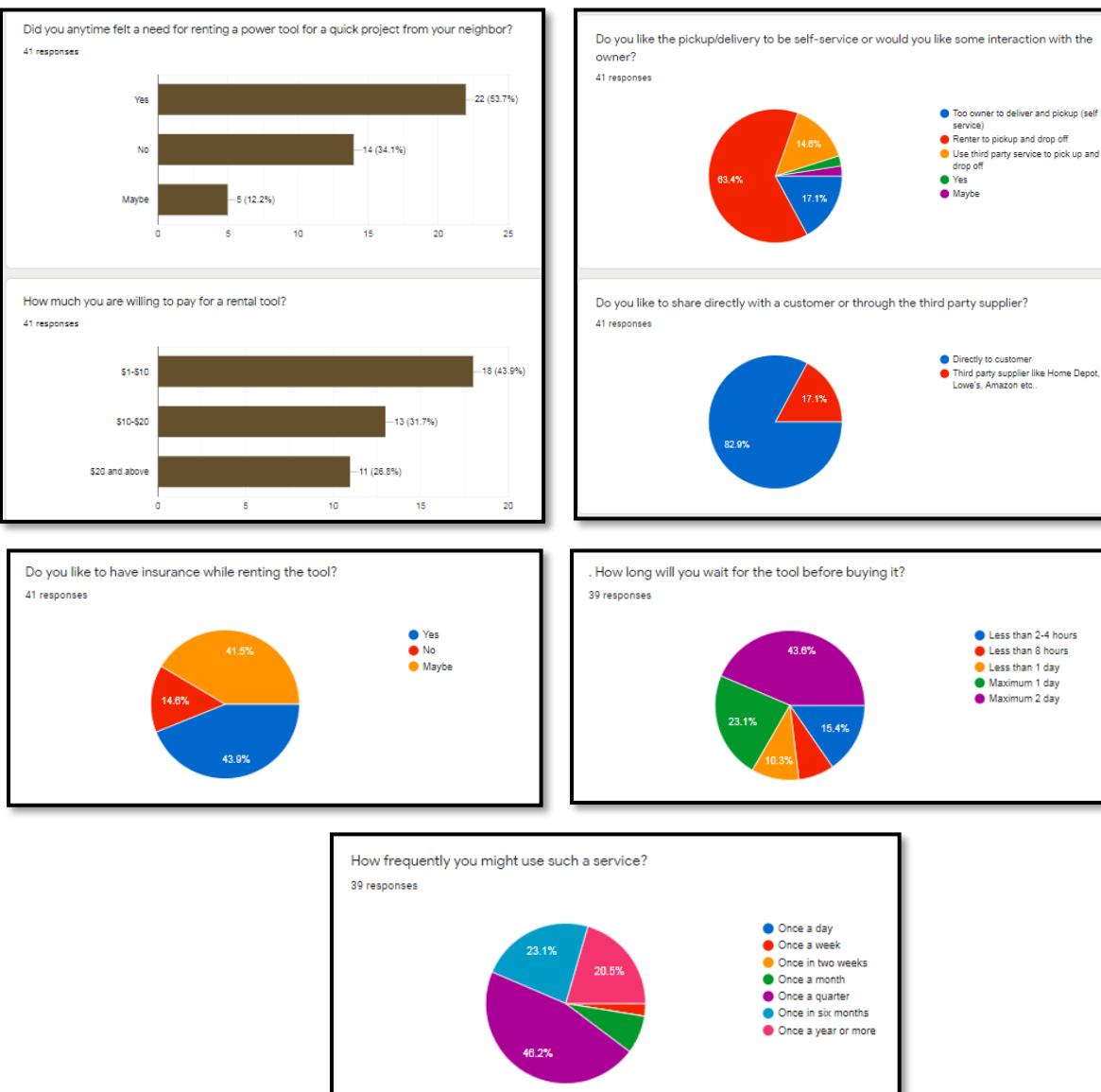
- Takes photos of a tool and list it in the app with detailed information such as specs, model and rental price.
- Opt in/out damage coverage.
- Provides additional information to interested renters.
- Once the tool is rented, receives notification on the pickup time.
- Confirm the tool's condition upon pickup.
- Receives notification once the renter returns the tool.
- Receives tracking information, and notification when the tool is delivered.
- Upon receiving the tool, verifies the tool's condition before acceptance.

Use Case 3: A small business that sells consumable goods or services related to home improvement can publish Ads targeted at specific users based on their search / rental activities and Geo locations.

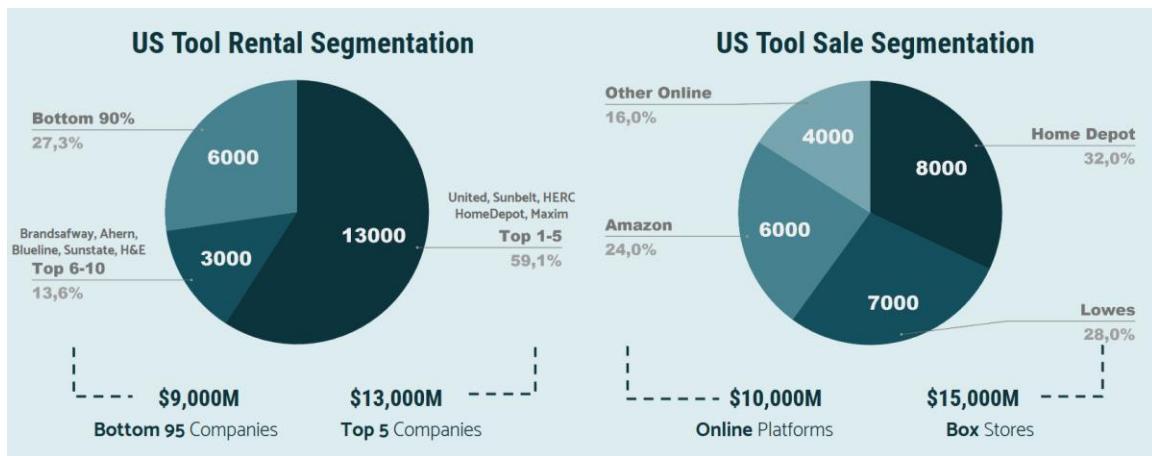
Market Validation

We surveyed 41 homeowners in the Bay Area. 80% of them prefer renting tools over purchasing. 55% feel comfortable sharing their tools. 60% prefer the tools to be delivered and are willing to pay for delivery. 70% are willing to wait for up to 2 days to get the tool. 65% would pay to insure the transaction.

Below are the survey questions.



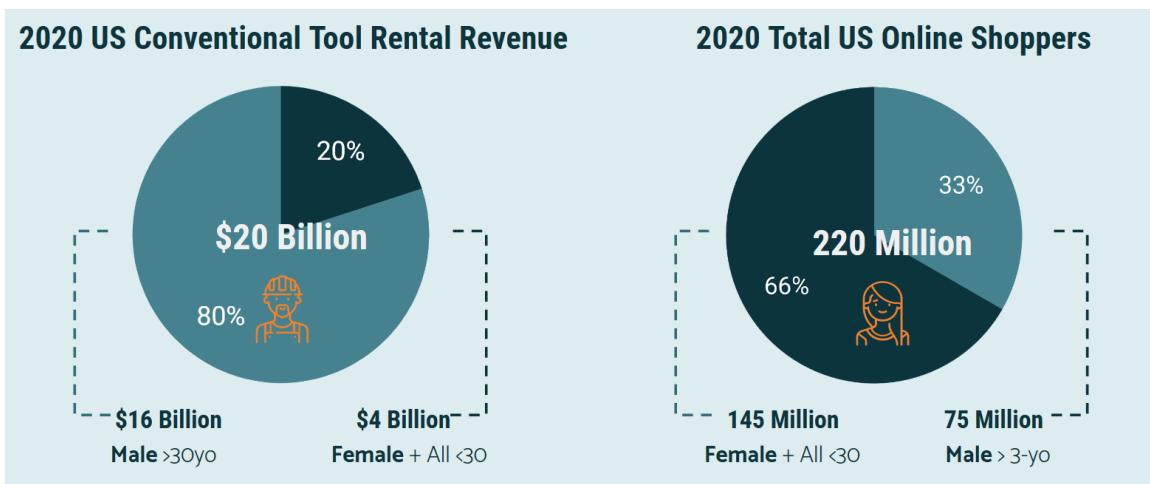
Market Size



According to Mordor Intelligence report, the global DIY home improvement market is projected to register a CAGR of 3% between 2019 and 2024.

In 2018, the US tools and equipment market had approximately \$25B in sales revenue and \$22B in rental revenue. Big-box retailers had 60% of the sales vs online stores had 40%. According to the 2018 Rental Equipment Register report, top 10% of the rental companies controlled 70% of the rental market, with 95% of the market only earning 40% of the revenue.

Next we looked at the demographics of the conventional tool rental market and noticed 80% of the revenue for CY2020 is projected to come from male customers who are 30 year or older, with 20% revenue from the rest of the population (female plus young adults). This latter group, however, represents 66% of the total online shoppers in the US (145 million).



The two data points suggest there is a huge underserved market that we can explore. A mere 0.1% of the tools market share translates to \$47M annual revenue. And \$10 sales from 10% of the 145 million underserved online population represents \$145M revenue.

Go-to-Market Strategy

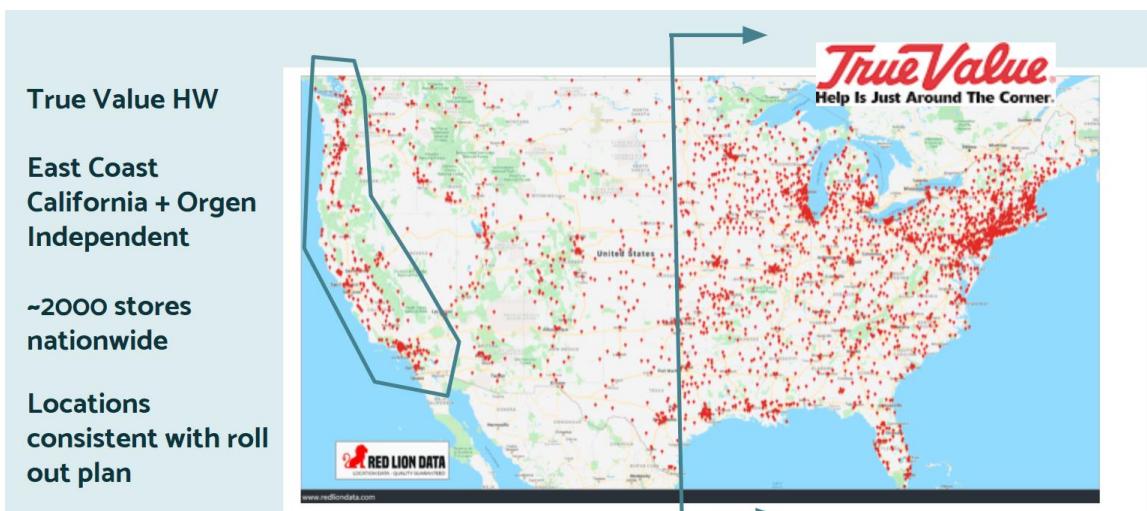
To develop an online community, our primary strategy is to partner with independently owned and operated hardware stores (such as Ace Hardware and TrueValue Hardware) to drive awareness and visibility through business referrals.

These hardware stores can leverage ShareAnything as a marketing platform to expand their reach to potential customers for not only tool rentals but also consumable goods sales and related services through targeted Ads.

Ace Hardware is a cooperative that generates revenue through wholesaling hardware and related products to member retail stores. The company operates through an estimated 4,700 U.S.-based stores and more than 540 international stores, most of which are independently owned and operated. Although ACE Hardware has almost twice as many stores as Home Depot and Lowe's, their stores are much smaller in comparison.

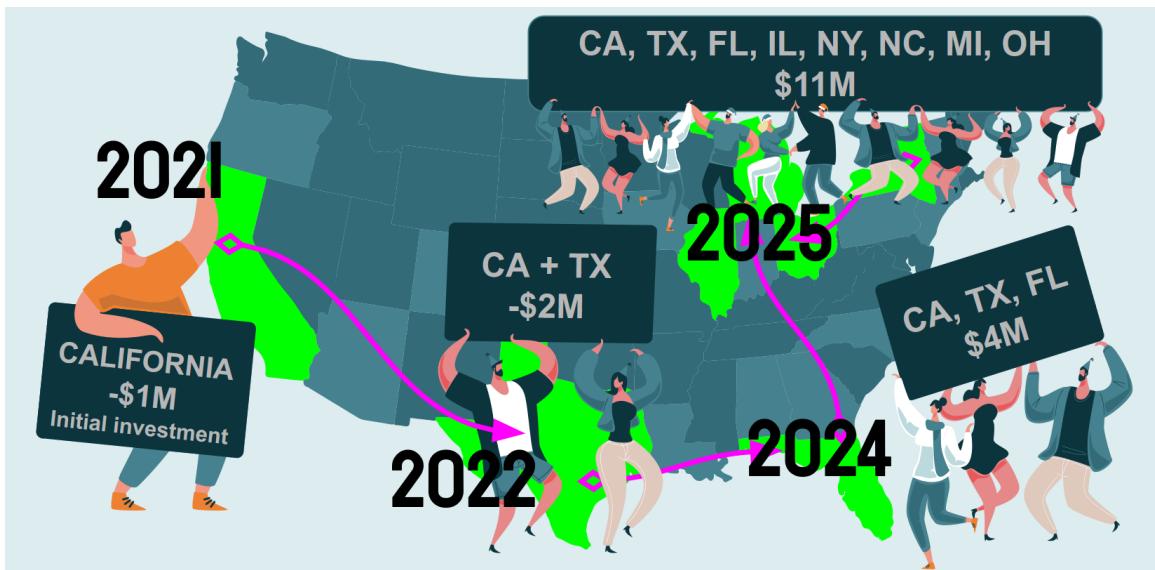


TrueValue Hardware has approximately 2,000 independently owned retail stores in the US, with a heavy presence in the East Coast, Midwest, California and Oregon.



In addition to partnering with independent hardware stores, direct-to-consumer marketing is another channel. This will be done via targeted Ads on social media and online platforms such as YouTube, Craigslist, NextDoor, as well as community activities and local events.

Our plan is to solely focus on California as our initial market. Once proven successful, we will expand to Texas, then Florida, East Coast and Midwest over the next 5 years.



Business Model

The core business is based on listing fee, which will be 10% of the transaction value (minimum \$3, maximum \$15). A tool owner can pay additional fee for featured listing. Both owner and renter can opt in for insurance coverage with a fee.

In the next phase, we will introduce advertisement services based on user behavior analytics. Businesses can post Ads for their consumable goods or services targeting at selected renters depending on the types of tools they search and their geographical locations.

We also plan to partner with on demand delivery companies such as Uber, Lyft, Roadie (via profit sharing) for the transportation of tools.

Over time, we would like to grow beyond tools and equipment rental and expand into other household items such as fashion accessories, etc.



Price Point Analysis

DeWalt - DE070PNTGK01
Air Coil Siding Nailer



DESCRIPTION

Used for fiber cement board, vinyl siding, and decking.

- Drives wire and plastic coil nails, which provides versatility to drive different coil nail types.
- Lightweight aluminum design for increased durability.

Rental Pricing for: 10 Weeks (0.5041)(A.30 min)

\$20.00	4 Hours (Minimum)	\$116.00	Per Week
\$29.00	Per Day	\$348.00	4 Weeks

This tool requires a \$60.00 deposit.

Store Availability

Visit the Tool Rental Center to complete the rental transaction.

Not for rent • **Delivery** • Product Availability

Rental

Purchase

DEWALT Pneumatic 15-Degree Coil Siding Nailer

★★★★★ (128) Write a Review Questions & Answers (0)

- Great for siding and fence applications.
- Smooth rubber foot prevents damage to surface areas.
- Durable, lightweight aluminum design ensures lasting use.

\$299.00

OR

\$50.00 per month* suggested payments with 6 months* financing on this \$299.00 purchase.*

Apply for a Home Depot Consumer Card

LET'S PROTECT THIS.

Additional Home Depot Protection Plan for \$45.00

[Learn More](#)

Price Point Analysis

Makita - M03010100101
Right Angle Drill 1/2"



DESCRIPTION

360 degree angle attachment allows for drilling in any position.

- Ideal for DIY plumbers, electricians and general contractors.
- Can be converted and used as a straight drill, adding drilling solutions.

Rental Pricing for: 10 Weeks (0.5041)(A.30 min)

\$18.00	4 Hours (Minimum)	\$100.00	Per Week
\$25.00	Per Day	\$300.00	4 Weeks

This tool requires a \$56.00 deposit.

Rental

Purchase

Makita 7.5 Amp 1/2 in. Corded 2-Speeds Reversible Angle Drill with Chuck Key Side Handle and Tool Case

★★★★★ (2) Write a Review Questions & Answers (0)

- Angle attachment is in hard-to-reach areas.
- Angle attachment turns 360-deg for optimal versatility.
- Full ball bearing construction ensures longer tool life.

\$316.01

OR

\$53.00 per month* suggested payments with 6 months* financing on this \$316.01 purchase.*

Apply for a Home Depot Consumer Card

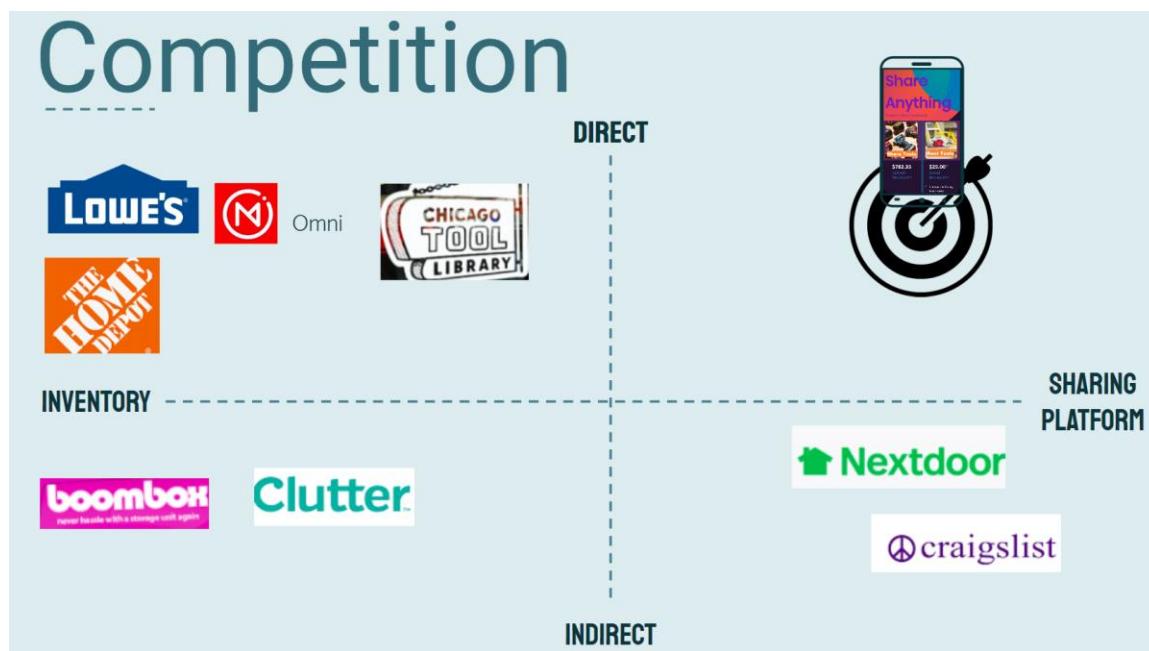
Landscape Analysis

We categorize our potential competitors by

1. inventory based (box retailers or online stores) vs non-inventory based (sharing platform)
 2. solely focused on tool rental vs broader product sharing
- ShareAnything is the only non-inventory based online sharing platform that's focused on tool/equipment rental.

Below are our competitive advantages:

- Intuitive UI: mobile app with user friendly interface. Think Uber/Lyft.
- Affordability: compared to rental prices at box retailers.
- First to market
- Community network: the platform enables user interaction, which helps to build a community network and expands opportunities.

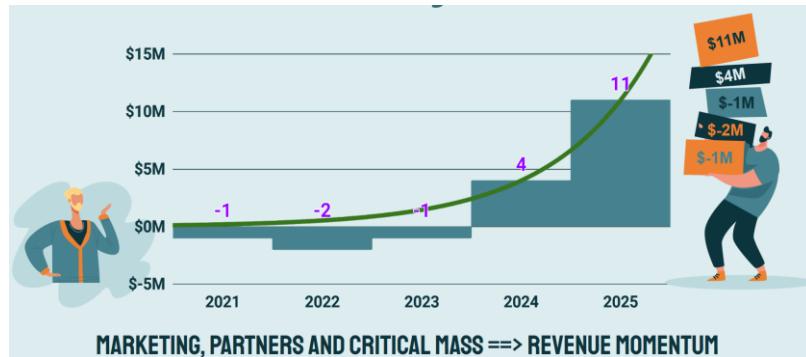


Financials

We project the company will be operating at a loss in the first 3 years mainly as a result of product development and marketing cost. In year 4, we expect to be profitable and reach the break-even point. Below is the earning trajectory.

We have secured \$250K from the founders, and we are seeking \$750K in the seed round to

1. Fast track the development of the platform.
2. Engage with small rental shops in target cities.
3. Launch marketing campaign.



Revenue	2021	2022	2023	2024	2025
App downloads	50000	150000	500000	1000000	2000000
Monthly active users	12500	37500	125000	250000	500000
# monthly transactions	6250	18750	62500	125000	250000
Average commission per transaction	\$5,00	\$5,00	\$5,00	\$5,00	\$5,00
% of insurance purchase	60,00%	60,00%	70,00%	70,00%	70,00%
Average Insurance revenue	\$6,00	\$6,00	\$6,00	\$6,00	\$6,00
Yearly revenue	\$645.000,00	\$1.935.000,00	\$6.900.000,00	\$13.800.000,00	\$27.600.000,00
Expenses					
Co-founder's salaries	\$0,00	\$400.000,00	\$400.000,00	\$400.000,00	\$800.000,00
Development Engineers	\$100.000,00	\$200.000,00	\$400.000,00	\$720.000,00	\$1.440.000,00
Platform Infrastructure cost	\$120.000,00	\$240.000,00	\$480.000,00	\$480.000,00	\$600.000,00
Sales/marketing/support parole	\$250.000,00	\$450.000,00	\$600.000,00	\$1.200.000,00	\$2.400.000,00
Marketing/Advertisement	\$1.000.000,00	\$2.000.000,00	\$3.000.000,00	\$6.000.000,00	\$10.000.000,00
Office cost	\$150.000,00	\$500.000,00	\$750.000,00	\$1.000.000,00	\$1.250.000,00
Total Expenses	-\$1.620.000,00	-\$3.790.000,00	-\$5.630.000,00	-\$9.800.000,00	-\$16.490.000,00
Net Profit/Loss	-\$975.000,00	-\$1.855.000,00	\$1.270.000,00	\$4.000.000,00	\$11.110.000,00

Team

Below is the ShareAnything team. The 5 founding members are both passionate DIYers and entrepreneurs with extensive industry experience.



References

- [1] <http://craigslistfoundation.org/resources/using-collaborative-consumption-and-the-sharing-economy-to-strengthen-neighborhoods/>
- [2] <https://www.mordorintelligence.com/industry-reports/diy-home-improvement-market>
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- [5] https://www.sec.gov/Archives/edgar/data/354950/000035495019000010/hd_10kx02032019.htm
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