
The HackFwd Offer

Version 1.1

At HackFwd, the process is designed to give you more time to bring great ideas to market. The following pages provide an overview of what to expect throughout the process.

The HackFwd Process



Selection

HackFwd invests in the ‘right’ geeks with the ‘right’ idea. Presently invitations are by referral only, but we’ve outlined the type of stuff that we’re looking for below.

What we look for:

The Right People



Europe has no shortage of tech talent, it is estimated that 90,000 students graduate each year with a computer science degree, a related degree, or deep technical experience and 100’s of thousands of great geeks are employed in the workforce across Europe.

The geek(s) that will get the most out of the HackFwd offer are:

1. So technical they dream in 0’s and 1’s
2. Think of passion as a fact of life, not a buzzword
3. Solutions focused
4. Curious by nature
5. Remarkably tenacious
6. Always open-minded
7. Highly collaborative
8. Great communicators

The Right Ideas



HackFwd only accepts applications from geeks with ideas and working prototypes. Experience has taught us that the most passionate geeks all have something ‘clickable’ to show. All of the ideas that we invest in are:

1. Entirely novel
2. Technology-based
3. Business to Consumer
4. Address a clear consumer need
5. Highly scalable
6. Fit with our broad portfolio
7. Capable Beta launch in less than 6 months

If you’re referred to us our commitment is to make sure that the process of selection runs quickly. Generally, your referrer will have informal discussions with you (to assess if HackFwd is a good fit for you and you are a good fit for HackFwd) and subject to these will have a more formal interview. Fill in our Phase 2 Generator, take our coding challenge and submit your idea to a HackFwd Referrer. Once we have received that we may ask you to meet with the HackFwd team - we know that waits can be painful so we commit to giving you a clear answer within 72 hours of that meeting.

The HackFwd Process

Selection

Sign-up

Build to Beta

The Future

Sign-up

Once we have selected the right startups and agreed how we'll work together, our main goal is to get them going as quickly as possible. To help you make the right decision and for us to get off on the right foot we've outlined the general terms of our agreement below.

Agreement



Funding



Equity



Quick Start



FAQ



HackFwd is a partnership, our experience has taught us that partnerships rely on a clear agreement. We make clear what we are looking for but we also make clear what we offer, we therefore outline our offer in full here.

We Pledge

We handle the administrative load

We will help you to arrange registration of your company, organize the legal work, and show you how to handle all other administrative headaches that might otherwise distract or slow you down.

We make sure you stay inspired

Even the most exciting start-ups need an occasional boost of inspiration. That's why we host quarterly "refueling" events in Berlin to connect you with experts, other founders, as well as cutting edge ideas and thinkers to help move your product forward.

We support your user experience

Our design partners will be available to guide and support you in developing the UX for your product

We market your idea

We'll use our in-house marketing experts and broad network to help with beta feedback and ultimately publicize your launch.

You Pledge

You stay open to feedback

We strongly believe you will maximize the appeal and impact of your product by staying open to feedback and input. Our product experts will stay in regular contact to help you optimize your offering as often as required.

You give us feedback

Great relationships are based on honest, direct communication. So reach out whenever and as often as you like to let us know how we can best support you.

You reward your most trusted advisors

Whether they come from our in-house experts or fellow founders, we will reserve 3% of the equity in your company for you to "gift" as you see fit. And if you give great advice and feedback, you stand to receive equity in other start-ups as well.

You launch a beta version as soon as possible

Experience has taught us that getting your products into the market as quickly as possible — ideally within 3 to 6 months — is the best way to get real-time feedback to make it better. You must, therefore, focus on getting a beta launched as fast as you can.

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We invest in startups of 1-3 people, the investment ensures that our geeks receive a fair salary and expense budget so they can get on with building their product.

	Single Founder	2 Member Team	3 Member Team
1ST YEAR FUND We will determine the investment amount we invest based on the funding needs of your company to cover its anticipated costs during its 1st year.	91,000 €	141,000 €	191,000 €
HackFwd charges an administrative fee depending on the number of founders to cover our support services, including company setup, legal issues, consulting and events.	17,000 €	22,000 €	27,000 €

The HackFwd Process

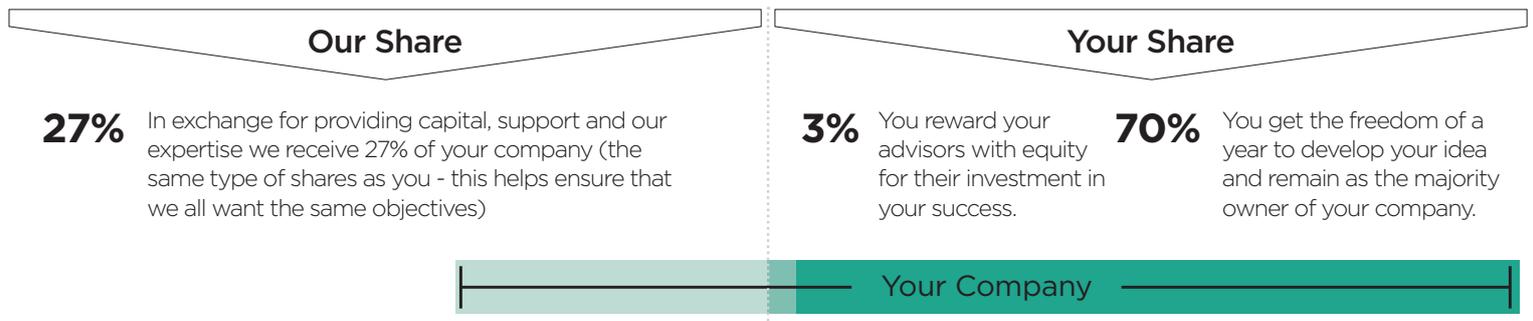


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Even after the year of support and investment from HackFwd you own 70% of your startup.



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Once we have agreed terms, our plan is to help our startups get going as quickly as possible. The process to complete the paperwork is outlined below. The good news is that this won't take long and then we can get on with building the product.

Registering Your Company And Getting A Tax Advisor

In order to clear this administrative hassle quickly, we ask you to get a tax advisor for your future company and show you how and help you to register your own company. That's your task while we arrange the contract for you.

Signing The Contract

We aspired to write the world's most straightforward and transparent contract and contract terms. Our legal team has designed the terms to be not only especially clear, but also easy to read because we want you to feel really good about the agreement. We advise our start-ups to consult with a lawyer and tax advisor before proceeding. **[Download a Beta version of the German law contract online.](#)** Other countries will vary slightly due to regulations in different countries.

Making It Official

To finally hand over their portion of the shares in the company to the geek(s) that we invest in in the most european countries we need to go through a formal process with a notary. His/her job is to ensure that everyone understands the terms of the contract that they're signing. We've written the documents as simply as possible so the process will not take an incredible amount of time.

Bank & Credit Cards

This is the last logistic before you can focus entirely on your project. Enroll in bank and credit card accounts so that you can start payroll and accounting.

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Here are answers to some of the questions that we have heard a few times, should you have any other questions please do get in touch.

Why we're based in Germany

Our Founder Lars Hinrichs is based in Hamburg - that isn't the main reason though. The main reason is that after a lot of research we realized that setting up companies ready for launch is relatively simple in Germany and, importantly we have an excellent network of advisors who will offer great support at fair value here in Germany. That does not mean that your startup needs to be based here in Germany. You can setup and operate your startup from your home country - the tax and legal consequences of which will need to be arranged in coordination with the advisors for all parties involved.

Why we use 2 companies

Counter-intuitively, we keep stuff more simple by having 2 companies . HackFwd is the company that supports your startup with a variety of administrative services and employs all of us. HackFwd Capital is the investment company that funds your start-up, it is owned by the investors in HackFwd.

How the process of the notary works

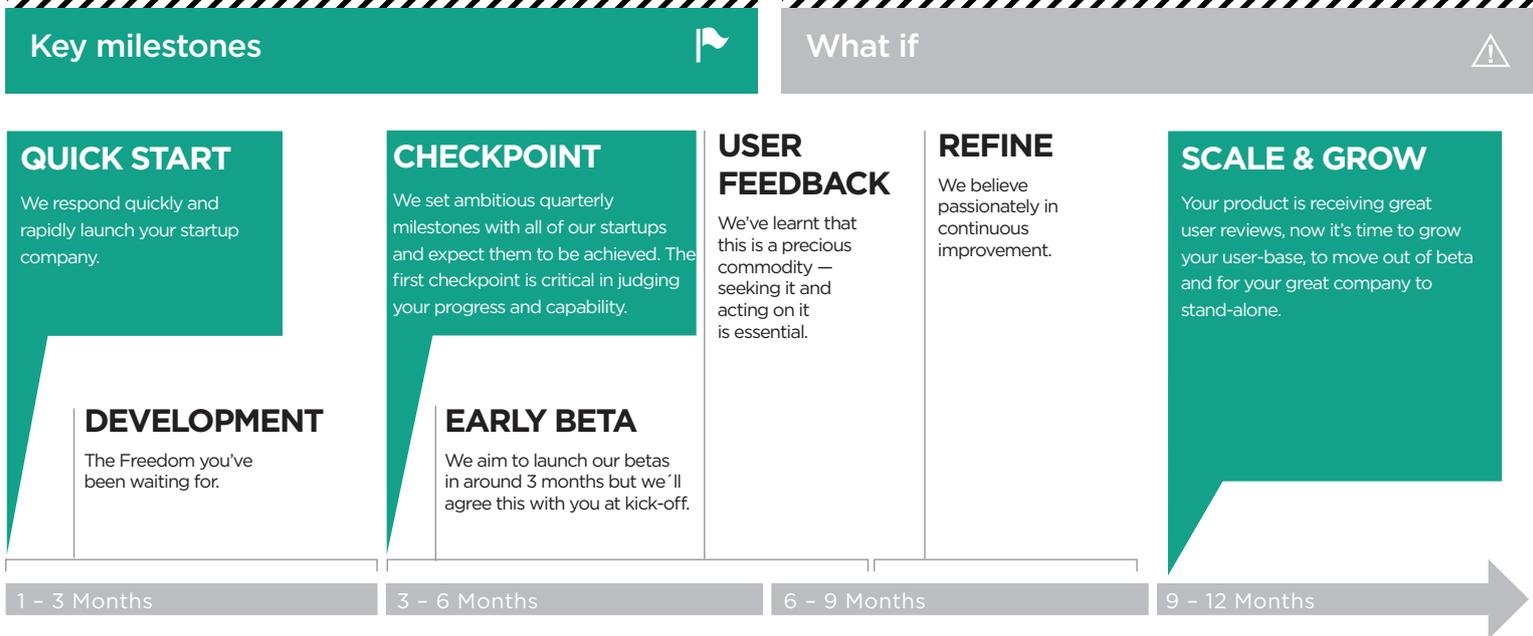
To finally hand over their portion of the shares in the company to the geek(s) that we invest in in the most european countries we need to go through a formal process with a notary. His/her job is to ensure that everyone understands the terms of the contract that they're signing. We've tried to make our documentation as concise as possible in order to simplify the process and reduce the stress of the overall event.

The HackFwd Process



Build to Beta

This is when the magic happens. HackFwd is designed to help our startups build momentum as quickly as possible. Through our events in Berlin and support from the HackFwd community we help them reach Beta quickly with an optimized product, we then help make sense of consumer feedback and develop strategy together.

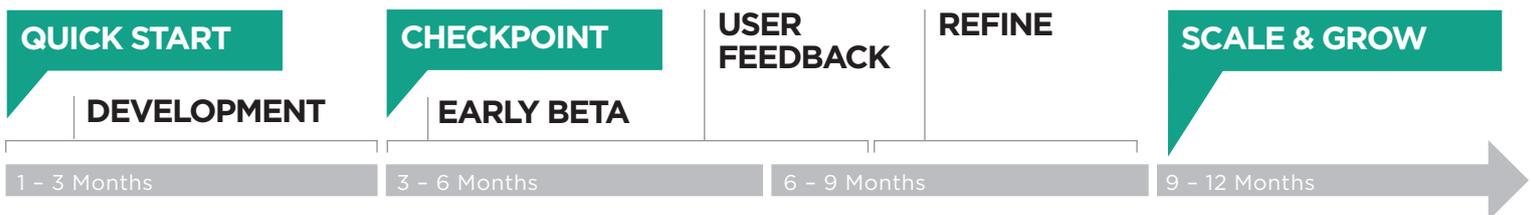


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<p>Based on competitive analysis the idea must change</p> <p>We know stuff changes - it may be that the product can't be built or the marketplace changes. In that case we'll sit with you as quickly as possible to form a new plan. That new plan might be suggesting that you assist another team or develop a different idea so you don't need to lose out.</p>	<p>Milestone not achieved</p> <p>We set ambitious quarterly milestones. When a milestone is not achieved, we review the cause for this together and decide the most appropriate way forward.</p>	<p>The beta isn't ready in time</p> <p>Again, we've built enough products to know things change. If your timelines are slipping we ask you to raise a flag early on, we can then form a plan for how to handle it together.</p>	<p>User response is underwhelming after beta launch</p> <p>Sometimes user feedback is surprising, and sometimes negative. We won't knee-jerk react and get angry, we'll work with you to figure out if the negatives can be turned into positives. In the rare cases where we decide that the opportunity really isn't there we'll help you decide on your next plans and you'll remain part of our network.</p>	<p>The product needs more money before the 12 months end.</p> <p>Given that we'll be talking regularly we hope that this would never come as a surprise</p>	<p>The 12 months are over.</p> <p>Well, it's time for the company to stand on its own two legs and fulfill its potential, we'll still be a round to assist with strategy and finding an exit that works for everyone involved.</p>
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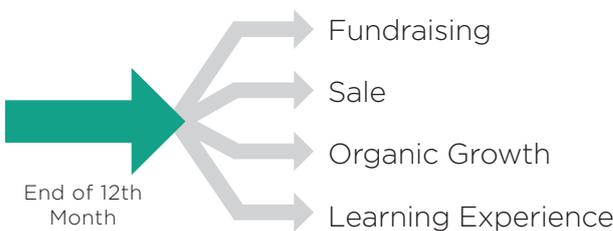


The Future

After the HackFwd year we tailor our approach to the specific circumstances of each startup. The good news is by then we will have real consumer feedback on which to base our decision. Some of the potential next steps are outlined below.

The next phase post HackFwd 

HackFwd aims to be a launching pad for your company. We'll help you get the product built and proven and then help you move onto the next phase of growth whether that requires further fundraising from another party, you choose to sell up or if you plan to grow organically. It doesn't matter where you go next, you'll always remain a HackFwd alumni.



Fundraising

The startup may need to raise further investment to fuel growth, our network of trusted VCs and private equity firms ensures options and good investment advice.

Sale

The startup may decide to trade sale to an established company, having the HackFwd team behind you ensures you have good advice and credibility when selling.

Organic Growth

Most traditional investment firms are reluctant to let their investments grow organically (grow without raising funds) because it doesn't give them the returns they need, HackFwd is structured to value organic growth and will therefore not give biased advice to fundraise.

Learning Experience

Not all startups will work out - timing is incredibly important and sometimes we get the timing wrong. However, we don't believe in failure, instead every HackFwd start-up benefits from an amazing learning experience and will remain in the HackFwd community as an alumni.