



NGcodec: A Start-up's Journey from Launch to Acquisition

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NGcodec Background

- Summer 2012 co-founded NGcodec Inc. to focus on H.265/HEVC
- Two years of VC rejections, No salary, followed by pivot to datacenter
- Chance meeting with super angel, \$3M Seed funding Nov 2014
- Opened office in Waterloo, Canada, amazing talent, SR&ED tax credit
- Xilinx invested \$11M in a convertible note and SoW, Won FPGA customers
- Gave worlds first AWS F1 demo at AWS Re: Invent 2016 launch + PR
- In 2018 Twitch select NGcodec video encoder for its popular streams
- Acquired by Xilinx in 2019, 5x return for early investors

H.265
HEVC



Takeaway #1 — Vision & Entrepreneurial Skills

- Have a huge vision — “Own Video encoding”
- Don’t worry about not sharing ideas
 - Ideas are easy, execution is hard
 - Sharing helps get support
- Perseverance and resilience — “Churchill”
- Curiosity — allowed me to pivot
- BusDev / networking — funding, hiring, customers
- Celebrate every success — “Champagne”
- Network of mentors



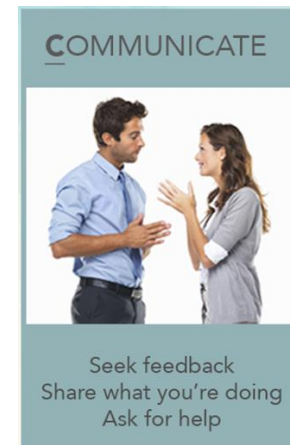
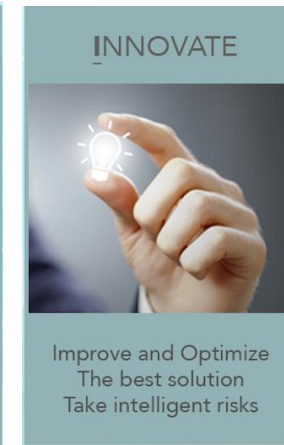
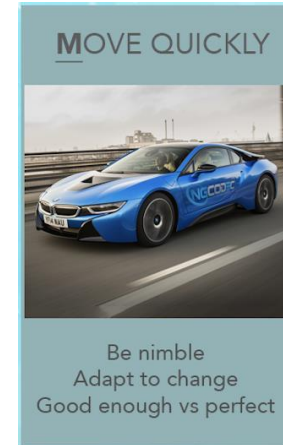
Takeaway #2 — Funding

- For DeepTech consider [NSF SBIR](#) grant
- Be strategic with investors to target
- Practice pitching at different venues
- Expect to receive plenty of rejection
- Clear Milestones and \$ for next round
- Give shares not options with buy back
 - Qualified Small Business Stock ([QSBS](#))



Takeaway #3 — Hiring, Culture & Wellness

- Define your core values — MICC
- “Work hard and have fun”
- Manage work life balance
- Open communication
 - Regular all hands meetings / AMA
 - Present boards slides to the team
- Wellness board & monthly lectures
- Hire outside of Silicon valley



Takeaway #4 — Some of the Tools We Used

| App or Service | Name | Area | URL |
|---|-------------|--------------|---|
| HR, Payroll, PTO, Benefits, Stock | Zenefits | Finance | http://www.zenefits.com |
| Book Keeping | Xero | Finance | https://www.xero.com/us/ |
| Expenses | Expensify | Finance | https://www.expensify.com/ |
| Equity management / Board meetings | Carta | Finance | https://carta.com |
| Account Payable | Bill.com | Finance | https://www.bill.com |
| 401(k) Retirement Savings Plan | Guideline | Finance | https://www.guideline.com |
| Business insurance | embroker | Finance | https://www.embroker.com |
| Email, Office, Calendar, Drive, Video calls | G Suite | Productivity | https://gsuite.google.com |
| Project Management / Tasks / Goals / OKRs | Asana | Productivity | https://asana.com/ |
| In company communication | Slack | Productivity | https://slack.com |
| Web site (Design, Hosting & Domain) | SquareSpace | Marketing | https://www.squarespace.com |
| Logo Design | 99 Designs | Marketing | https://99designs.com |
| Email newsletter | MailChimp | Marketing | https://mailchimp.com |
| Recognition and rewards gifting | Gifted | Employee | https://gifted.co |
| Anonymous surveys and frequent feedback | OfficeVibe | Employee | https://officevibe.com |

Thank you



NGcodec Inc. board of directors at party post sale