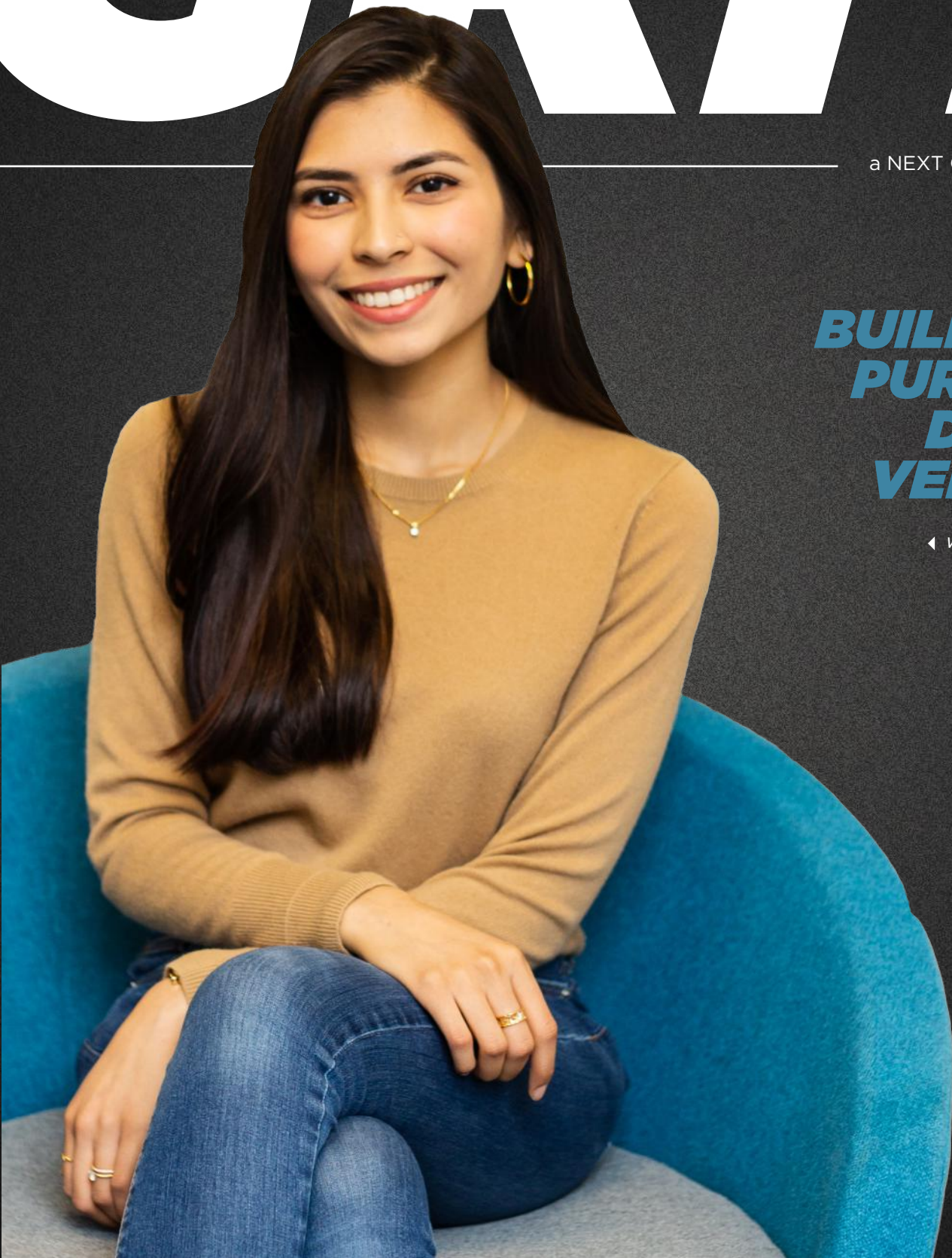


# GRIT

a NEXT Canada publication



## **BUILDING A PURPOSE- DRIVEN VENTURE**

◀ with Nuha Siddiqui

### **A RECIPE FOR MENTORSHIP**

by Reza Satchu

### **TAKEAWAYS FROM FAILURE**

By Braden Ream

**& MORE**

**ED.01**  
FEB 2020

# CONTENTS

## **THE NEXT DECADE OF ENTREPRENEURS**



**15**  
**HOW TO BUILD MEANINGFUL PARTNERSHIPS**

**11**  
**WHAT I LEARNED FROM FAILURE**

**26**  
**NEXT DONORS MAKE A HISTORIC \$2M GIFT**

- 9**  
A RECIPE FOR LIFELONG MENTORSHIP
- 13**  
GROWING A VENTURE IN AN EMERGING CHANNEL
- 17**  
FOR B2B STARTUPS: COMPETING WITH INCUMBENTS AND WINNING BIG CUSTOMERS
- 18**  
HOW TO BUILD AI-ENABLED SOLUTIONS
- 21**  
SCALING CULTURE AS COMPANIES SCALE

**7**  
**BUILDING A PURPOSE-DRIVEN VENTURE**

**19**  
**IT TAKES THE POWER OF THREE FOR CANADA'S STARTUPS TO THRIVE**

- 23**  
ASK A FOUNDER
- 25**  
FROM THE NEXT COMMUNITY

# Letter from the editor

The year 2020 just so happens to coincide with the tenth anniversary of NEXT Canada. That's an entire decade of ambitious, awe-inspiring and passionate entrepreneurs. When our co-founders launched The Next 36 in 2010, they did so because, compared to our counterparts south of the border, many Canadians had modest expectations around entrepreneurial success; they hoped to work at Google, not build the next Google. As a result, there had been an increasing prosperity gap between Canada and the US. We set out to change that by launching one of Canada's first accelerators. To level up the ambition of our most promising entrepreneurs by showing them what's possible - that they can build the world's next game-changing platform, service or company.

Ten years later, Canadian entrepreneurship looks very different. Thanks to companies like Shopify, Wealthsimple, Knixwear, Bridgit, Lightspeed and North, there is no shortage of home-grown inspiration for our aspiring entrepreneurs. More and more Canadians are choosing the founder path and, today, our intrepid startups make up more than 40% of new jobs. At NEXT, we are proud to have contributed to this sizable change with the launch of over 500 entrepreneurs and 250 businesses... and counting. Our alumni like Nuha, Ron and Braden are working to solve some of the biggest challenges facing our population. They're creating jobs, developing IP and inspiring even more young Canadians to take the leap into entrepreneurship.

With all of the accomplishments of the last decade, it's time we look to the next 10 and not only celebrate our entrepreneurs, but shine a light on the work still to be done - the problems that need solving and the opportunities to stimulate even more growth. With GRIT, it's our goal to share stories of inspiration, learning, failure and success. To inspire even more Canadians to build their own businesses or help support our budding startup ecosystem.

We're grateful to you, our readers, for continuing to support our organization and, more importantly, our entrepreneurs, so that we may continue to build a more prosperous and competitive Canada. As you read these stories, I hope you feel optimistic, inspired and, perhaps, compelled to take action.



**JENN PATTERSON**

Chief Marketing Officer,  
NEXT Canada

## Got Grit?

Have a story to tell or wisdom to impart? We're looking for contributors! Contact us with ideas or suggestions at [grit@nextcanada.com](mailto:grit@nextcanada.com)

**CONTACT US** ▶

## NEXT

*NEXT Canada is on a mission to build a more prosperous and competitive Canada. We offer funding, mentorship, education and community to aspiring entrepreneurs across three accelerator programs and two cities.*

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## INTRODUCING:

# The NEXT Decade of Entrepreneurs

CELEBRATING OUR NEXT 36, NEXT FOUNDERS AND NEXT AI CHANGE-MAKERS FROM 2010-2020

As we look to the next decade, we're reflecting back on the impact, disruption, connections and milestones reached by our rockstar alumni across our three programs. We hope their grit, challenges and support for each other will set the tone for the next decade. Get a glimpse into the triumphs of our 500+ alumni as we celebrate a handful who are paving the way for the NEXT decade of entrepreneurs.

## 2010 NEXT CANADA IS BORN

We couldn't look back at the past decade without giving an extremely grateful nod to the entrepreneurs who launched the trajectory of more than 500. Ten years ago, Co-founders Ajay Agrawal, Claudia Hepburn, Tim Hodgson and Reza Satchu put their minds together to launch The Next 36. Their thesis:

“ If we enable entrepreneurship, we create optionality within exceptional young people to pursue venture creation rather than a traditional career path. In turn creating jobs and economic growth for Canada.

The alumni on this list have proven this thesis, don't you think?

## NADEEM NATHOO HELPS TEENS CHANGE THE WORLD

Next 36

Our first cohort launched so many impactful founders. One in particular hits close to home by making a substantial impact on future founders. **The Knowledge Society**, Nadeem Nathoo's current venture, fosters STEM education in curious and ambitious teens who are passionate about changing the world. If you've had the joy of hearing one of the TKS innovators speak, you too would be mind blown by the problems they are solving and products being built. TKS was recently recognized by the World Economic Forum as **one of the "schools of the future"** filling a huge gap in accelerating the potential of young people. Their mission for the next decade? To influence policy regarding education, workforce readiness, and closing the skill gap by scaling globally.



## MALLORIE BRODIE & LAUREN LAKE HELP REDEFINE AN INDUSTRY

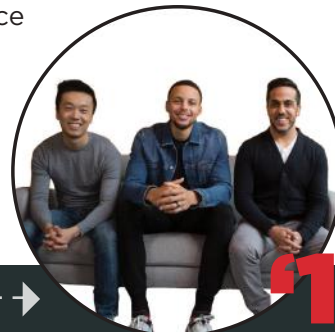
Next 36

Each having grown up in the construction industry, Mallorie and Lauren saw an opportunity to continue the family tradition — but with a revolutionary approach. Their venture, **Bridgit**, makes construction less complicated by bringing modern solutions to the industry. Since launching, Mallorie and Lauren have grown their team to over **64 employees**, secured over \$10.2M in funding, made 2019's **Forbes 30 Under 30** list and won the Startup Canada Women Entrepreneur Award. What's next? The Waterloo team is set to open a Toronto office in 2020, disrupting the next decade of construction in a new market.

## HENRY SHI CHANGES THE WAY PEOPLE TRAVEL

Next 36

Henry Shi is quickly becoming a beacon of hope for startup founders looking to scale in Canada. In 2016, Henry and Co-founder Hussein Fazal launched **SnapTravel** looking to change the way travel is booked. They make booking a hotel as simple as messaging a friend, powering millions of dollars a month in hotel bookings for millions of users around the world. Since launching, the team has **raised \$22.4M**, sold over \$100M and secured over **200M users** all while scaling in Toronto, impacting our local ecosystem with a global solution. And to top that all off, they secured **Steph Curry** as an investor, bringing international attention to Canadian entrepreneurship and innovation.



12



14

## JACLYN LING & SHUMS KASSAM MAKE TECH CAREERS MORE ACCESSIBLE

Next 36

Jaclyn and Shums came into Next 36 together in 2014, built Blynk Style together, sold to Kik in 2015, led KiK's product team together and founded **Hatchways** in 2018... together. Hatchways helps new grads, self-taught programmers, and career shifters get their first job as a software engineer by evaluating their skills, providing tailored feedback, and setting up interviews with tech startups. After graduating from Y-Combinator, they launched in Toronto and have since **placed over 100 workers into tech roles**. Thanks for reducing career gaps in the next decade, team.



15

## MARIE CHEVRIER SCHWARTZ CHANGES THE PRODUCT SAMPLING GAME

Next Founders

After years of handing out physical samples as a brand ambassador, Marie noticed a huge shortcoming. There was no way to know if the samples were being handed to the **RIGHT** hands, or if they were fulfilling their destiny of being sampled at all. Taking to heart how wasteful the practice was, Marie sought a solution. Enter **Sampler**, helping the world's most innovative consumer packaged goods brands get samples directly to their target audience. Since launching, Sampler has raised \$5.9M in funding, made Elevate's 50 Top Innovative Workplaces, and worked with high-profile clients such as **Clif Bar & Company, L'Oréal, Pepsi, Unilever and Kraft**. Going into the next decade, we forecast Marie continuing to lead innovation in how brands interact with consumers, bridging the gap between digital and brick-and-mortar.

## VIVEK VYAS AND HASSAN MURAD HOPE TO CREATE A ZERO-WASTE WORLD

*Next AI*

In creating our Next AI program, we hoped to incubate some BIG solutions to BIG problems. Vivek and Hassan's venture, **Intuitive AI**, made our dreams come true by creating Oscar, a smart waste disposal system powered by computer vision. Born from a vision of a zero waste world, Oscar eliminates contamination by identifying the object in your hand at the point of disposal and visually educates you on how to sort your trash. They are currently running a **pilot in Vancouver airport and Simon Fraser University**. What we're hoping they bring into the next decade? More trash talk.



## NUHA SIDDIQUI ELIMINATES PLASTIC WASTE IN OUR ENVIRONMENT

*Next 36*

Over the past 50 years, world plastic production has doubled. Nuha's venture **EcoPackers** provides a solution to make that plastic production and output less harmful. They use the power of plants to help existing plastic manufacturers create single use plastics in a 100% eco-friendly and non-toxic way. Since launching in 2018, they have filed **international patents**, run **global pilots** and raised **\$4.3M in funding**. Nuha was recently featured on BNN Bloomberg discussing their advantage in cost, compatibility and compostability. They're currently hiring in preparation for 2020, when they will announce who their partner companies are. We're excited to learn who will be joining forces with Nuha to drive real environmental change over the next decade.





## TYLER HANDLEY REVOLUTIONIZES SELF EXPRESSION FOR THE MASSES

16

Next Founders

Tyler and Co-founder Braden Handley's venture, **Inkbox**, creates unique temporary tattoos that last 1-2 weeks, revolutionizing the tattoo industry and, by association, self expression. As published by Vice, "Inkbox is perfect for the person who wants to express themselves but doesn't know WTF they want." To date, they have raised \$14.1M in funding, applied over one million tattoos worldwide and have had their products appear on TV shows like **Stranger Things**, **Russian Doll** and more. Their tagline may be "for now," but we forecast them innovating self expression "for decades."

## MARYAM NABAVI HELPS PARENTS BUILD A BRIGHT FUTURE FOR THEIR CHILDREN

Next AI

To you it's a baby babbling, to Maryam it's an opportunity to help parents navigate the challenging and confusing journey through early childhood development. Maryam and her co-founder Shane Saunderson created a parent friendly solution with **Babbly**, an AI-powered app designed to track and nurture speech development. Just a few months into their beta and a **partnership with SickKids**, Babbly is helping more than 1,000 babies babble better by enabling parents to spot developmental challenges *early*. Their solution has been recognized with various awards including the top prize at Elevate's pitch competition and our own **People's Choice Award** at Venture Day. Thank you, Maryam, for giving a voice to the entrepreneurs of our future.

# So, what does the NEXT decade look like?

## 2020

We couldn't have asked for a better decade of humans to craft our collective story and we are beyond excited to continue to support their growth in any way we can. Let's continue the momentum and spark a new decade of support by sharing our stories with each other.

What do you plan to impact,  
disrupt or achieve in the NEXT  
decade?

[SUBMIT YOUR STORY](#) ▶

## THANK YOU

It's thanks to the generous support of donors, such as **Tim and Frances Price** and their recent \$2M gift, that we are able to support our community of 500+ incredible alumni.

[READ MORE](#) ▶

# BUILDING A PURPOSE-DRIVEN VENTURE

BY NUHA SIDDIQUI, CO-FOUNDER AND CEO, ECOPACKERS; NEXT 36, 2018



## FINDING PRODUCT-MARKET FIT

When we came into NEXT, we were creating our own packaging material to replace styrofoam. But, when I went out to sell to brands and companies, I realized that there was no way I could make enough packaging to solve every plastic problem in the world. So, we ended up going to Asia to identify what was really required in the plastic manufacturing industry. As a result, we came back and changed our business model and our product - to become the input for plastic manufacturers to enable them to create any single use plastics in a 100 percent compostable way. After we shifted our product focus, we raised our first pre-seed round in June. We ended up raising another seed round two months later.

## BUILDING YOUR TECH AND YOUR BUSINESS

We started Ecopackers in university as a research project that took us two years to develop. We didn't actually think about the business side of things until NEXT, where we started building our business strategy. Now, we have a good balance, with a lot of focus on our R&D, but just as much focus on our business and our partnerships. At one point in your business, it's all about your tech and then you need to shift focus to be more strategic in order to grow.

## PICKING AN INVESTOR: A MARRIAGE STORY

I would definitely say it's important, especially for a lead investor, to have that face-to-face interaction.



You're pretty much marrying your investors, especially the ones who are going to be involved early on. They're the ones who will support you and guide you through different fundraising rounds and then they'll also be there when you fall. Ideally you should find investors who are looking at and interested in your growth. As a result, you'll have a better, longer term relationship. You'll be able to share strategies and really think about what's best for the long-term growth of your company.

### **BALANCING IMPACT AND PROFITABILITY**

Starting out, we always pitched with "social venture" as the tagline for our company. But, over time, we realized that approach puts you into a bucket. There's no reason for you to differentiate between being a *social* venture and being a *venture*. If your venture is fundamentally doing good for the environment and also making money, there's no reason to differentiate. So, over time we changed our investor and customer pitch strategy. We focused on the product first and the fact that it was environmentally friendly became a given.

### **CHOOSING WHERE TO BUILD YOUR BUSINESS**

For anyone looking to start a business, you should really reflect on where your customers are. For us, the plastic manufacturing industry is in Asia and we needed to go there to validate some baseline unit economics. So, don't be afraid to stay in Canada if your customers are here and you can validate here. On the flip side, if your customers are somewhere else then you should be bold enough to move or test in other markets.

### **WORDS OF ADVICE TO HER YOUNGER SELF**

I think it's really important to reflect and think about your mission as a founder. Your personal brand is just as important as your company brand. When I first started out, I don't think I really paid attention to my personal motivation, or how that linked to my business and how to develop myself as a founder. Going through Next 36, I found my story. So I'd say, really reflect on who you want to be as a founder and how you want to make an impact with your business.



**Ideally you should find investors who are looking at and interested in your growth. As a result, you'll have a better, longer term relationship.**



*Toronto-based EcoPackers Inc. uses the power of plants to create 100% compostable alternatives to traditional plastic inputs. To date, they have launched pilots with companies in China and Canada, as well as raised \$4.3M in preseed and seed financing.*

**[Learn more](#)** ▶



**AS HEARD ON  
LAUNCHPOD:**

Reza Satchu shares insights on building mentee-mentor relationships... for the long haul.

**[Listen to the full episode](#)** ▶

# A RECIPE FOR LIFELONG MENTORSHIP: OPTIONALITY, TRAJECTORY, LIKEABILITY

BY REZA SATCHU, FOUNDING CHAIRMAN & CO-CHAIR, NEXT CANADA; MANAGING PARTNER, ALIGNVEST MANAGEMENT CORPORATION

People only have so much time to dedicate to younger people, meaning there's only so much time in the day. So the question is: how do you choose? How do you decide who you're going to spend your time on? For me, if I look at the three most important mentors in my life, I think I was good at figuring out who was also on a trajectory and if both of our trajectories could accelerate from this relationship.

Two reasons why someone might want to mentor you: First,

**they think there's something about you that would enable their impact or advice to have an exponential effect.**

It doesn't necessarily mean that it's always going to happen. It does mean that there's some optionality around it. I think that people saw some level of optionality in me.

Second, they like you as a person. They've got to actually like

you and want to spend time with you.

**They have to like your story, your values and what you're trying to do.**

They've got to feel like you are someone they really want to help, bet on and spend time with.

At Merrill Lynch, my mentor was Stan O'Neal, a truly remarkable person. His great-grandfather came to America as a slave and he grew up without running water in Birmingham, Alabama. He grew from adversity to a position of power at Merrill Lynch. Although he had a different story, I think we identified with each other. I worked really hard for him and he ended up paying that forward for me. He wrote my reference letter to Harvard Business School and ultimately invested in a variety of my businesses. And then, when he hit a rough patch at Merrill Lynch, I sent him a letter saying, "Your legacy is much more than Merrill Lynch's stock price. It's in all the people like me who were inspired by you, and who have done more because of you."

Then at Fenway, there was a fellow named Peter Lam who took great interest in me and, at the age of 28, he made me a full partner. We raised a 500 million-dollar fund, followed by a billion-dollar fund. My wife and I were finally able to pay off our student debt — I owe Peter a lot. I was very careful to make it powerful and impactful every time I interacted with my mentors. I'd go see Stan once or twice a year. Either I had something of significance to tell him or something of significance to ask him. I tried to make sure that the meetings were meaningful and short. I always made sure that we had some laughs and I became very close friends with his assistant — which is also key.

When I think about my role as a mentor and why I created NEXT, it has a lot to do with trying to

**find people who have real optionality.**

I view my class as a mentorship class and what I want is to make sure that I am spending time with people that I like, but also people who have tremendous optionality. The joy I get is knowing or hoping that NEXT has a positive impact.



# WHAT I LEARNED FROM FAILURE

BY BRADEN REAM, CO-FOUNDER & CEO, VOICEFLOW; NEXT 36, 2018

Our original Voiceflow founding team applied for Y Combinator (YC) twice, interviewed twice, and failed twice. Our first interview was a total fluke as we just had an idea. We interviewed and didn't get in, which was to be expected. But, we now had a chance because we were on YC's radar. We went on to grind for six months, building a full product, raising \$500,000, and building a small team, all to get another interview and chance at getting in.

We got our second chance and believed we couldn't fail. We had made too much progress to not get in on the second try. Then, we failed a second time. We felt we had failed our friends, family, investors and teammates. We had been spending money and working relentlessly to get in and didn't know what to do now. So many of our plans and ambitions, including those of our teammates and investors, had been tied to getting in and doing YC. If we were going to break, it should have happened then.

Instead of falling apart, we rebounded and have been stronger since. This would not be the case if every team member didn't align on *three main things*:

## RESILIENCE AND FLEXIBILITY

Startups are all about momentum. When things are going well, they often get increasingly better. When things are bad, they'll likely continue to get worse until you actively put in so much effort to try to swing the momentum the other way. When you're in a downswing, it becomes more and more difficult to try to get yourself back into an upswing. Of course, you want to try to catch this as fast as you can. The second you start to see cracks, the second you start to see faults in your team, you need to make a change because once you go into that downswing, it hurts. This is where a resilient and flexible team will save you - one strong enough to be able to pivot when necessary.

## TRANSPARENCY

When you're building a startup in an emerging market, you have to be very thoughtful in how you're approaching it and where you're allocating resources. So, we try our best to be transparent - to walk the whole team through our thinking every single month, including our investors. In fact, especially our investors. This facilitates trust because they don't question our recurring pivots and can see that we are going through a logical, thoughtful process.

## AUTONOMY AND TRUST

Voiceflow is a team platform at the core, both internally and as a product. Individuals are great, but individuals aren't able to monetize nearly as effectively as an empowered team. So, this is 100% where our focus has been recently in terms of hiring and retaining employees - making sure they're part of an empowered team. It's our top priority to make sure everyone is aligned so that everyone can go execute with success. In building a startup, especially in a new market, you have to ensure you're all running towards the same goal post. The key? Giving your team autonomy in how they choose to run that race.

Ultimately, what matters in the business is pretty much just team and market. Those are the two things. If your team can execute and if you're in a great market, you've got a good business.



**“ A resilient and flexible team will save you.**

**LISTEN TO THE FULL STORY ON LAUNCHPOD ▶**

# GROWING A VENTURE IN AN EMERGING CHANNEL

BY EMILY LONETTO, HEAD OF GROWTH, VOICEFLOW

In all honesty, growth in an emerging channel is hard. It's really, really hard. This makes goal setting, an open feedback loop, a willingness to experiment and our community crucial components of our growth strategy.

The first step to defining KPIs when there aren't any to benchmark against, is goal setting; communicating effectively as a leadership team and listening to your collective gut about what you believe to be North Star metrics or things that will help your venture grow.

At Voiceflow, we took this step then worked backwards: looking at our pre-existing metrics, plugging into our community, creating an open feedback loop, and

developing campaigns and channels that both complemented and challenged our hypotheses. Using this experimental framework, we're able to actively test and communicate new ways to grow, while measuring direct impact on both our user base and company goals.

Today, we are navigating how to transition from building a tool "anyone" can use to honing in on our ideal target market and evolving to a "freemium" model. In a lot of cases, we've been very fortunate to grow through organic word of mouth in the community. It's been extremely inspiring to see what some of those interactions look like, whether it's seeing Voiceflow communities pop up around the world or tuning in via Facebook group. At our growth stage, it's ex-

tremely important to be tuned in to both the quantitative and qualitative side of the business. With our community, we're able to do just that.

Now that we've experimented with growing our free user base, 2020 is about figuring out what our monthly recurring revenue and lifetime value can look like. As we move into the new year, our focus for growth shifts toward converting casual users to power users, and individuals into teams. This focus on retention and creating a multi-player experience for our creators is a huge reason why we launched real-time collaboration earlier this month.

**[LISTEN TO THE FULL STORY ON LAUNCHPOD ▶](#)**



### TLDR:



Set and align on goals



Have an open feedback loop



Experiment with growth frameworks



Build your community

## Voiceflow

*Voiceflow “believes in a future where voice apps are as relevant as websites”. Their solution empowers non-tech teams to design, prototype and build voice experiences, Alexa Skills and Google Actions without coding.*

*Since graduating Next 36 in 2018, Voiceflow has raised over \$5M in funding, including a recent investment round with the Amazon Alexa Fund in participation with True Ventures and Ripple Ventures. With a strong focus on community, they plan to continue their growth in global communities going into the new decade, including community meetups and hackathons.*

**[Learn more](#)**



## HOW TO BUILD MEANINGFUL PARTNERSHIPS

*BY JANET BANNISTER, MANAGING PARTNER, REAL VENTURES*

**F**rom starting as an entrepreneur to taking on my current role at Real Ventures, I have learned that there are behaviours to maintain for anyone who is thinking of setting out on an entrepreneurial path:

**ALWAYS BE LEARNING:** Both in terms of how you can be a better leader and how you can be a better entrepreneur.

**ALWAYS DEVELOP STRONG BONDS WITH PEOPLE WHO MAKE YOU A BETTER PERSON:** Work with people who you learn from, who give you energy, who support you — because you will need those peo-



ple and they will help you. But also, you can help them. And this is a community, so give back.

**ALWAYS LISTEN TO YOUR HEART AND FOLLOW YOUR PASSIONS:** Listen to yourself. Ask yourself: What do you want to do in your career? What type of business do you want to operate? Do you want to be an entrepreneur or do you want to be something else?

Really listen to what your heart is saying, because if you are not doing something that you're passionate about, I don't think you will ever achieve the fullest success that you could realize.

## HOW I SPOT OPPORTUNITIES

At a very high level, there are two major things I look for when spotting investment opportunities:

**THE VISION:** I ask, is this a huge vision? Do we believe that this could be a big business? Is this a big market? Do they have a unique insight that will enable this company to win? Do they have a competitive moat? And how are they going to win with their competitive moat?

**THE FOUNDING TEAM:** What I have learned over time is that success is not correlated with number of years in the industry or number of years experience.

Success is more correlated with three things that I look at now:

- 1. Self-awareness:** Is the founder aware of where their strengths lie, and what their weaknesses are? Are they aware of where they need help?
- 2. A personal growth mindset:** Are they somebody who is always looking to get better and learn?
- 3. Transparency:** Not just transparency with the board, but transparency with themselves. A willingness to look at the metrics and say, "OK, is this working or is it not working?" And, "what do I need to do to improve?" And just being open, honest and transparent with where they stand and where they need to go.

# CASE STUDY

*Real Ventures is an investor in Toronto-based venture **PartnerStack**. Led by CEO and Co-founder **Bryn Jones**, PartnerStack has developed a platform for companies to launch, manage and build channel partner programs. Their full-stack solution fully supports partner marketing, referral and reseller channel needs from a single platform. They support over half a million partnerships globally, and counting.*

*After a serendipitous meeting, Janet saw an opportunity in Bryn and chose to invest in PartnerStack. Since then, they've built a supportive and honest relationship with Janet guiding Bryn through his early scale up challenges - something one might not expect from a VC. Together, they focused on building a strong foundation instead of generating short-term revenue, something Janet believes to be crucial to a startup's success. How Janet spotted the PartnerStack opportunity:*

**1. Vision:** *I understood that this was a huge opportunity because, through my experience at eBay, we had worked with a company called Commission Junction, in the affiliate space. So, I understood that business and the parallels.*

**2. The Founder:** *From our first meeting, I could tell that Bryn was really authentic. He was very open about "here's where we are, here's what we've learned."*

**3. The team:** *I looked at how quickly the founding team would go from having an idea, testing that idea, learning, iterating — the speed at which a founding team goes through that cycle is very indicative of how successful they will be.*

**LISTEN TO THE FULL STORY ON LAUNCHPOD ▶**

# FOR B2B STARTUPS: COMPETING WITH INCUMBENTS AND WINNING BIG CUSTOMERS

BY RON GLOZMAN, FOUNDER AND CEO, CHISEL AI; NEXT 36, 2016

**T**here's a famous saying, "the customer is always right." I never knew what that meant until I built a B2B business. Now I understand that it means that every single business is unique. As much as you need to build a competitive product, there's always going to be a slight need for customization or integration to make it really work for the customer and their specific business case.

In order to attract and work effectively with big customers, there are a few steps that worked well for me:

**BE A GOOD LISTENER AND UNDERSTAND YOUR CUSTOMER:** At the end of the day, you need to understand the customer's needs and make your product work for them. Terms can come together in many different ways. For some people, data ownership is a very, very important point. Pricing is very important for others. So, you need to be able to work with different types of customers and keep in mind what's important to them.


**BE FLEXIBLE, BUT STAY TRUE TO YOUR CORE OFFERING:** There's always going to be a slight need for customization or integration to make your product really work for your customers and their business case. It's your job to identify what is a feature and what is custom - try to build as many features as possible and minimize customizations where possible. At the end of the day, keep in mind what's important to your customers, but also keep in mind what's important to you. Try to maximize the pie rather than each trying to only maximize your slice of the pie.

**MAKE SURE EXPECTATIONS ARE MANAGED, FOR BOTH PARTIES:** You need to make sure that the person you're working with is engaged and that they understand what it means to work with a startup, because working with a startup is not like working with IBM. I think it's an education on both parts. I think as a startup, you have the ability to move faster than the incumbent. But, you also need to be okay with going through a potentially rigorous procurement process, compliance and legal review processes.

**[LEARN MORE  
ON LAUNCHPOD](#)** ▶



Chisel AI, founded by Next 36 alum Ron Glozman, creates solutions to allow insurance brokers and carriers to automate time consuming and error prone back office tasks, helping them save 80% or more in operating costs.. Their applications extract intelligence from documents that were previously unreadable by machines and use this intelligence to create value in ways that were previously impossible. Since launching, Chisel AI has won Gold at the Zurich Innovation World Championship, made the Top 20 CIX list and grown to a team of 30+ people.



# HOW TO BUILD AI-ENABLED SOLUTIONS

**1. Find a solvable problem:**  
Start with a problem statement that has to do with a business problem. The answer may happen to be AI but, don't start with AI as a problem worth solving.

BY RON GLOZMAN

**3. Obtain senior leadership buy in:**  
No matter how strong your business case is, it won't get off the ground without support from senior leadership.

**2. Make sure you have the data:**  
Not every problem can be solved today because the data may not be available. If it's not available, you may need to take the time to find it and label it first.



Joe Canavan (CEO, NEXT Canada) discusses scaling companies in Canada alongside Jordan Banks (President, Rogers Media)



NEXT leadership and alumni stand alongside EY CEO, Jad Shimaly, at the EY Entrepreneur of the Year Awards.

# IT TAKES THE POWER OF **THREE** FOR CANADA'S STARTUPS TO THRIVE

BY JOE CANAVAN (CEO, NEXT CANADA)  
AS PUBLISHED IN THE GLOBE AND MAIL

Our intrepid Canadian startups create about 40 percent of new jobs. This isn't a question of whether startups matter. Rather, it's: what can we do differently to help them succeed? Despite billions of dollars in government spending to improve Canada's innovation economy over the past 50 years, a crucial challenge remains: our inability to scale companies to a world-class size.

The Global Startup Ecosystem Report 2019 shows that 70 per cent of unicorns' success factors depend on the ecosystem itself. It's time to take that ecosystem approach to the next level if we really want to broaden our collective impact and become a country that fosters startups, and long-term growth.

This is about strengthening the collaborative ecosystem among governments, corporations and accelerators to create world-class winners.

## What does that look like?



**Government** building policies that set the stage for Canadian startups to star in the show.



**Corporations** continuing to bake the ecosystem into their definition of corporate responsibility.



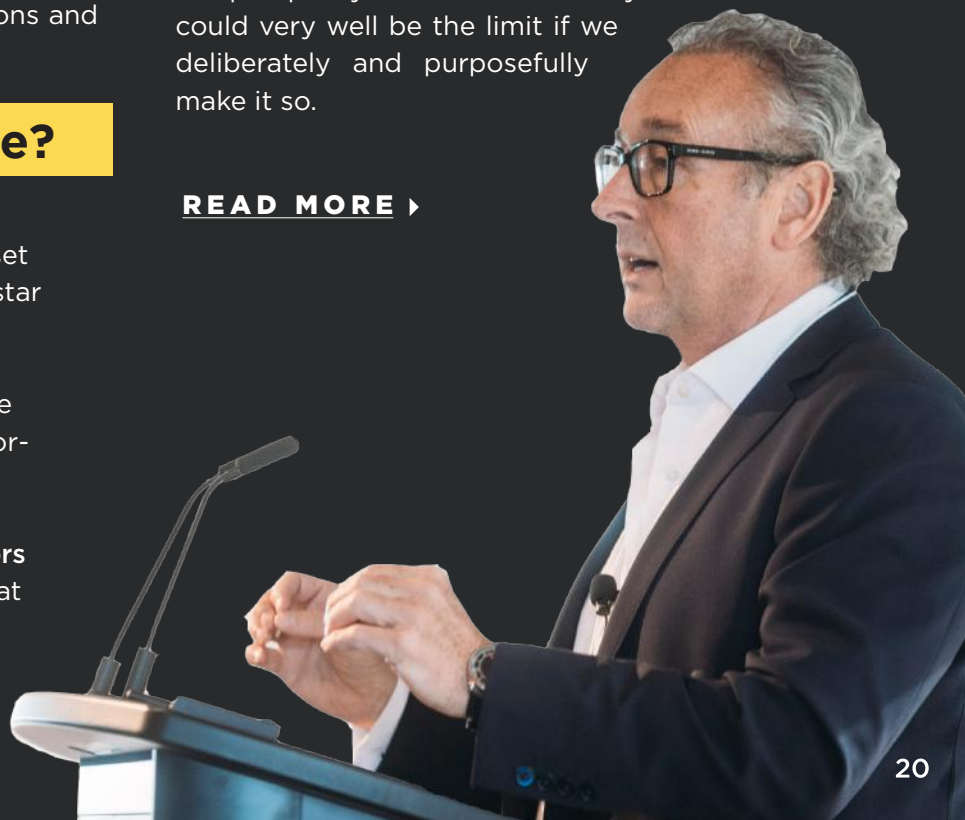
**Business accelerators and incubators** fuelling a co-operative approach that sets Canada apart.

In Canada, we're not starting from zero. The Startup Genome pegged Montreal as a city worthy of a startup's consideration. Why? A range of local research and development tax credits that could help some companies leverage their R&D spending by five or six times, bolstered by national tax credits. They also pegged Toronto-Waterloo and Vancouver among the top 30 global startup ecosystems. Clearly, we have momentum. Let's start considering more matching programs whereby government and corporate partners co-invest to make a real impact.

## This is Canada's time.

The startup potential in this country is astronomical. Let's embrace this opportunity and work collaboratively to enhance our productivity, and ultimately, our prosperity as a nation. The sky could very well be the limit if we deliberately and purposefully make it so.

[READ MORE >](#)



# SCALING CULTURE AS COMPANIES SCALE

BY JORDAN BANKS, PRESIDENT, ROGERS SPORTS & MEDIA

## WHAT MAKES AN ENTREPRENEUR?

The majority of people that I get to know and talk to about their entrepreneurial journeys identify an entrepreneur as a vocation - that's what they do. But, to me, being an entrepreneur is much more about the ethos, the essence of who you are. "I like to build. I like to create. I like to have impact. I work hard. I'm judicious. I'm scrappy." To me, that's the essence of an entrepreneur. Whether you employ that ethos, those abilities and characteristics

by starting your own business, or whether you decide you're more comfortable being inside of another company employing those characteristics. One's an entrepreneur. One's an intrapreneur.

## HOW CAN YOU INCUBATE AN ENTREPRENEURIAL MINDSET?

The number one thing that I think all great entrepreneurial mindsets share is this idea of being insatiably curious. The best people that I work with, the ones I admire the most, are on a path or on a mission to satiate a big curiosity. And so, I'm always asking people in job interviews, what are you most curious about and what have you done proactively to satiate that curiosity? If you have curiosity in spades, I think you can be exceptional. Nobody's born inherently curious, right? The world around you allows you to ask some pretty interesting questions and figure out industrious ways to go get answers to those questions.

And if you're not that person today, I would highly encourage you to become that person. It's not that hard, right? Walk down the street, look around you and see a crane and ask yourself how in the world did that crane elevate 30 stories to build this building? That's the type of mindset that you need.

## WHEN AND HOW TO THINK ABOUT PEOPLE AND CULTURE WHEN STARTING A BUSINESS

Spoiler: It's never too early. I've observed two common challenges in startups: 1) They're way behind the curve when it comes to thinking about talent and mapping talent to the opportunity at hand; and 2) They are too late in iden-

tifying people management as a critical discipline to scale.

When you do an exit interview and then you ask them why they're leaving, generally, in their most honest moment, they say, I'm leaving because I didn't really have a people manager that had my back, inspired me and was able to lead me to where I wanted to go. At the end of the day, no matter what business you're in today, you live in a knowledge economy. You could be in a manufacturing business, but you're only as good as the type and quality of people you hire.

### **HOW DO YOU HIRE THE BEST PEOPLE TO HELP SCALE YOUR BUSINESS?**

I'm a firm believer that you need to start with people who understand what it is you're trying to do, what needs to be true in order to get there, and who are a strong cultural fit. It's somebody that sees the world in a similar way that you do. But, that doesn't mean everybody needs to be like you. In fact, the exact opposite is true. Diversity of thought, skill set, gender and ethnicity are hugely important. When you talk about the mission of the company and ways to align people towards that mission, everybody has to be on the same page. It doesn't matter if you're four people or 400 people.

### **HOW CAN YOU SCALE CULTURE AS YOU SCALE THE COMPANY?**

I think everybody thinks about culture in a different way, but I define culture as two things: One - how things get done in an organization and two - how people behave when their manager isn't

looking. So, ideally what happens is those two very, very profound things don't change as you get bigger, but you allow for subcultures to be created. That can happen by team or by geography and you need to embrace it because you don't want a bunch of homogenous automations who are all reading from the same song sheet. You want to ensure that their values are aligned, that you all believe in the mission and that they know their part in getting there. The companies that don't allow subcultures don't scale, because you get a bunch of people saying "I have no power. I have no say. I have no voice. I'm out of here." So, the trick is, how do you keep the meta culture while also allowing subcultures to develop?

### **BIG QUESTIONS TO CREATE BIG IMPACT, GLOBAL COMPANIES**

How do you create challenges that have nothing to do with being the best "fill in the blank" in Canada, but solving something big globally? And how do we create economic incentives so that you say the quality of life, plus what I'm making or potentially could make, far outweigh anything I could get anywhere else?



**I define culture as two things: One - how things get done in an organization and two - how people behave when their manager isn't looking.**

*Jordan Banks, President at Rogers Sports & Media, is a veteran Consumer Tech and Media executive. On November 28, 2019, he sat down with NEXT Canada CEO Joe Canavan to talk about talent and scaling culture.*

**[Tune in to LaunchPod for more ▶](#)**

# ASK A FOUNDER

► We asked a few of our NEXT alumni which resources have been most helpful to them when building their venture or pursuing entrepreneurial opportunities. Here are their tips.



**FAVOURITE BOOK:**

Hard Things About Hard Things by Ben Horowitz



**FAVOURITE PODCAST:**

How I Built This with Guy Raz, and a16z

**MOST IMPACTFUL PIECE OF ADVICE:**

From my mom, “tomorrow could be the day.” Thinking about hanging on for a decade is tough, but hanging on for one more day is always doable.



**JACLYN LING** ►

*Co-founder, Hatchways; Next 36, 2014*



**FAVOURITE NEWSLETTER:** New Hope Natural Media newsletter (for all my food industry buzz), and Gates Notes



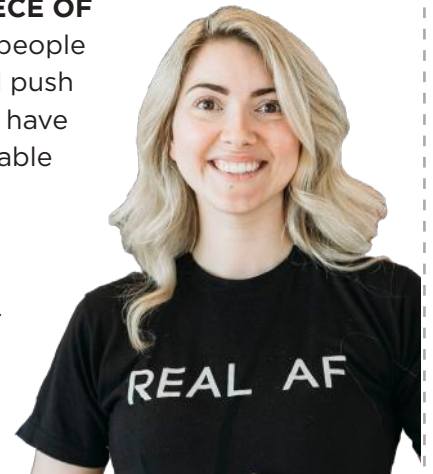
**FAVOURITE BOOK:** Factfulness by Hans Rosling and This is Marketing by Seth Godin



**FAVOURITE PODCAST:** How I Built This with Guy Raz, and TED talks

**MOST IMPACTFUL PIECE OF ADVICE:**

Overall, the people who challenge me and push me to think differently have been the most memorable and impactful.



**JULIA KIROUAC** ►

*Founder & CEO, nud fud Inc.; Next Founders, 2019*



**FAVOURITE BOOK:** The Lean Startup - tried but true! Capital is king and it's important to know how to prove the future success of your business while exhausting the least amount of resources. Too many startups fail because they focus on perfecting their product before talking to a customer and determining market fit.



**MOST IMPACTFUL PIECE OF ADVICE:** What is the question about your business, that if you get the wrong answer, it will cause you to go out of business tomorrow? Start there.



**LEXI KAPLIN** ►

*Co-founder & CPO, conversationHEALTH; Next 36, 2016*



## LOOKING TO THE NEXT DECADE, WHO WILL BE MAKING A BIG IMPACT IN ENTREPRENEURSHIP?



**FAVOURITE WEBSITE:** I'm a design junkie and there are a few design and art websites that I visit on the regular. Artspace is one of them.



**MOST IMPACTFUL PIECE OF ADVICE:**

Choose your battles wisely. Idris Mootee is a mentor and a serial entrepreneur who taught me the importance of prioritizing how I spend my time every day. Ultimately, those small decisions make up what you prioritize your life for.



**MARYAM NABAVI** ▶

*Co-founder & CEO, Babbly; Next AI, 2019*



**FAVOURITE BOOK:** Obstacle is the Way by Ryan Holiday. It's my most gifted book of all time. I think I've bought over 40 copies over the years.



**FAVOURITE PODCAST:** Changes based on my mood. For fun I listen to a lot of The Ringer's podcasts (e.g. Bill Simmons Show, NFL Show, Binge Mode) as well as the GM Shuffle. Otherwise, I jump in and out of listening to Tim Ferriss as my go-to "learning" podcast most consistently.



**MOST IMPACTFUL PIECE OF ADVICE:**

"The Market is your Mentor", meaning that the only piece of feedback you should really care about is what your target customers or users are giving you.



**DANIEL RODIC** ▶

*Head of Market Development, Clearbanc; Next 36, 2011*



Investors need to be the ones who make the biggest impact here.

There are so many entrepreneurs who are smart, driven and want to make a big impact in Canada. But if we don't have access to fair capital, then the pursuit of building billion-dollar businesses will take us outside of Canada.

▶ **JACLYN LING**

*Co-founder, Hatchways*



I think we will continue to see huge leaps in progress with

food tech given the challenges we will increasingly face with climate change and continued strain on resources. I think it will no longer be a "nice to have" in regards to business practices that do good for people and the environment, it will be an absolute necessity.

▶ **JULIA KIROUAC**

*Founder & CEO, nud fud Inc.*

*Have a Q for our alumni?*

**DROP US A LINE** ▶

# FROM THE **NEXT** COMMUNITY



Kicking off Next 36 National Selection Weekend on a sky-high note, our official airline partner, Air Canada, generously flew finalists from across Canada to NEXT Canada HQ in Toronto.

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**N36 alumni venture, Lilia, looks to streamline fertility testing**

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**SnapTravel leverages Valley roots to keep tech talent in Canada**

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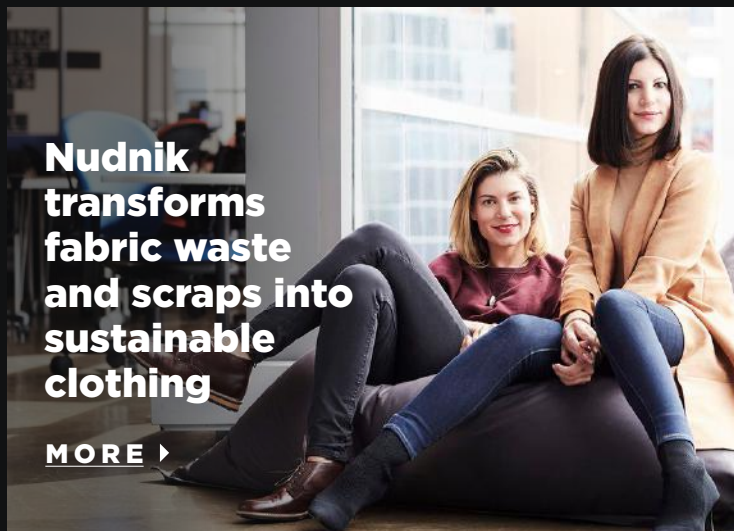
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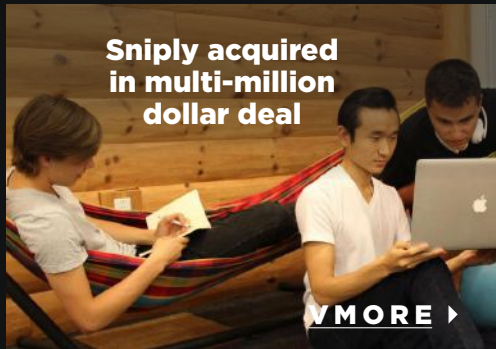
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## SUPPORTING ALUMNI FOR THE NEXT DECADE

*THANK YOU TO TIM AND FRANCES PRICE*

We are thrilled to announce that we are starting 2020 with an **incredibly generous \$2M gift from long-time supporters Tim and Frances Price**. This is the single largest gift in NEXT history and one that will provide the funding essential to supporting and fostering the NEXT alumni community. To double the impact of their generosity, NEXT will match their gift by raising an additional \$2M. Together, we are making an impact on the next decade, today.

[READ THE FULL STORY](#) ▶



Thank you to Shopify who hosted NEXT's annual National Selection Weekend Reception & Daniel Debow for inspiring our finalists.



**N36'ers James Sun and Janelle Hinds recognized as Forbes 30 Under 30**

**Together we will fuel the ambition of this NEXT generation of entrepreneurs.**

*- Tim and Frances Price*

# NEXT

**GRIT** is a quarterly publication by NEXT Canada.

NEXT's mission is to build a more prosperous and competitive Canada. We offer funding, mentorship, education and community to aspiring entrepreneurs across three accelerator programs (Next 36, Next Founders and Next AI) and two cities.

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