

Small Business

**3–5-year growth/
exit multiple**

Startup

1–5 ← Linear ————— Exponential → > 20

Scalable business

← Services — Engineering — Novel product — Novel use case — Novel market — Founder Team →

Intellectual property

← None — Trade secret — Method patent — Interlocking portfolio (apparatus + method) →

Operating cash flow

← Net positive ————— Multiyear negative, J-curve →

Investment structure/metric

ROIC ← Bootstrap/Lifestyle — Private credit — Private equity — Options/Venture → IRR