



February 2020

Dear Fellow Investors,

The funds returned approximately 2% net in the fourth quarter and approximately 15.5% for the year. Returns will vary slightly by fund and class, so please check your statements for precise performance. Our 2019 returns were below those of the Russell 2000 during those three months; however, it should be noted that we have out-performed by approximately 25% and 29% net over the past 3- and 5-year periods, respectively. When I reflect on 2019, the biggest negative impacts were not the purchases that we made, as Digital Turbine (APPS), Nintendo (NTDOY), PAR Technology (PAR), Gig Capital (GIG), and KKR (KKR) appreciated significantly. The biggest detractors from performance were the less liquid positions that we have held for a significant period of time. Mr. Market currently is putting little value on the balance sheets of companies or any sum of the parts valuations. The companies that we own outside of the indices were among the most challenged in 2019.

WHAT WE DON'T OWN

In these letters, I put a lot of effort into explaining the fund's largest positions and significant new purchases. I think it is important that you understand what we own and why we own it. This is a partnership, not just a black box that spits out quarterly statements. In this letter, I also want to spend a little bit of time discussing things that we *don't* own.

At this moment in time, we do not own a single stock in the S&P 500. Last year, more than 90% of the S&P 500's gains were driven not by earnings growth, but by "multiple expansion." There are certainly some great names in the index, but in a rational world, size alone should not be a determinant of multiple expansion, which has particularly benefitted many of the largest companies. For example, Apple (AAPL), which represents more than 4% of the S&P 500, saw both revenue and earnings declines in the last fiscal year yet enjoyed a near doubling of the share price.

Microsoft (MSFT), another mega cap that makes up approximately 4% of the S&P 500, currently trades at a multiple of 8.5X revenue. The company grew revenue by \$15 billion in 2019 – a truly impressive feat. In fact, Microsoft's revenue growth was more than the total revenue of our top 10 holdings combined. However, because of Microsoft's size, an additional \$15B of revenue only translates into a 14% growth rate. Microsoft is a wonderful company, and the stock is up over 400% since Satya Nadella became CEO in 2014. However, if we are going to pay such a large multiple of revenue, it will not be for the second largest company in the world that has a growth rate in the low/mid-teens.

The sum of Apple and Microsoft's market capitalizations is greater than that of all of the companies in the Russell 2000 combined. These two companies contributed 15% of the 2019 gains for the S&P 500. Of course, I would have loved to have had the performance contribution from these companies in 2019, but in my opinion, their next double will take quite a bit longer. Ultimately, fundamentals do matter and trees do not grow to the sky.



In a world of negative interest rates, we also don't own any stocks that have been bid up because they pay bond-like dividends. This includes consumer packaged goods companies that are devoid of growth but still command high multiples. Despite Coca-Cola's (KO) importance to global culture, company revenues have declined almost 20% over the last five years, yet the stock still commands a P/E of close to 30. The thirst for yield has also seeped into the world of real estate, where REITS are purchased as an alternative to negative-yielding bonds. Maybe buying real estate that has a 3% or 5% yield makes sense if you are comparing to bonds with negative interest rates, but is that really going to end well? I would much rather accept some country risk and buy a South African property developer at 2.5X earnings (discussed below).

The choice to not own some of the largest companies or those that are the greatest beneficiaries of negative interest rates will ultimately benefit the partnership. As management guru Michael Porter said, "the essence of strategy is choosing what not to do."

FEES

The fact that we could have made more money last year by just buying AAPL is not lost on me. As a reminder, our fund has a high-water mark and a 6% percent hurdle rate. For many investors, the returns in 2019 were below the threshold to charge an incentive fee as we made up ground from 2018. For those who did incur an incentive fee, it was nominal, so I waived it on principle. We are not playing for small gains and fees. As I will lay out in the Top 5 holdings section, I think there is a lot of value in our current holdings. We will see what can be realized in 2020.

TOP 5 HOLDINGS

Our top 5 positions, discussed below, represent over 50% of the fund, and our top 10 positions represent over 75%.

KKR & Co. (KKR) – Our investment thesis in KKR remains the same. KKR will continue to be a beneficiary of the growth in private equity investments. Those who manage pensions and endowments need a credible path to 8% annual returns, which are not going to come from low-yielding bonds. 2020 should be a record fundraising year for KKR since three of their largest flagship funds – Asia PE, Americas PE, and Global Infrastructure – will be raising follow-on funds this year. The company also has 20 additional funds that will be out in the market raising capital in the next 3 years. KKR has a very high probability of continuing to grow assets and management fees over the same periods.

A common pushback on KKR and the other alternative asset managers is that the returns for private equity funds will go down as more money is invested into the PE space. This is very likely true; the 1980s and 1990s were a better time to be a limited partner in a private equity fund. However, our largest position is not an investment in a single KKR buyout fund. Rather, we own shares of the entity that benefits from management fees and incentive fees for all of the KKR funds in the market. While the absolute returns of the underlying funds may suffer as assets grow, management fees are guaranteed, and KKR manages 30+ strategies. Some portion of the various strategies will almost definitely generate incentive fees as well. We can argue about how many of the funds and how much per fund, but even if lower returns do happen, owning the corporate entity/general partner still makes sense. Our



investment thesis is not that this is a great time to invest in private equity funds; the thesis is that KKR will make mountains of money off of the underlying funds as they grow AUM and incentive fees.

KKR has a very credible path to a doubling of management fees over the next five years. This past quarter, KKR raised another billion dollars in permanent capital, bringing the total to *over fifty billion dollars* as they also strategically extend the duration of the capital under management. In addition, KKR has so many nascent strategies that 80% of the firm's incentive fees are coming from 30% of the total assets under management. As those funds mature, it is likely that many will begin contributing incentive fees to the overall pie as well. Trading in the low \$30 range today, KKR has almost of \$18 per share in cash and investments, implying a relatively modest sub-8X earnings multiple for the fund management business, which is growing fee-paying assets under management at mid-teens rates and has a very large incentive fee opportunity in front of it.

PAR Technology (PAR) – Many of you met PAR CEO Savneet Singh at our annual meeting, where he engaged in a fireside chat. This remains a “jockey bet” for Greenhaven. There will undoubtedly be bumps along the way as he implements his strategy, but so far Savneet has improved the balance sheet, strengthened the team, and made two strategic acquisitions. It is highly likely that within the next year, the company will divest a legacy defense contracting business, which will not only provide additional growth resources, but also make PAR a much simpler company for investors to understand and invest in.

PAR is a business in transition, actively investing in and growing its “good” business, a restaurant point of sale (POS) system. The POS system serves as the spine of a restaurant, and PAR is actively adding functionality and revenue streams from areas such as payments, inventory management, data analytics, and mobile order management (integrating with UberEats, etc.). PAR should aggressively grow the number of locations using the software and the revenue per location over the next three years.

SharpSpring (SHSP) – Because I am a board member, I will not regularly discuss the particulars of SharpSpring. We may buy or sell shares for reasons as simple as capital coming into or leaving our funds. In December, Greenhaven participated in a capital raise by SharpSpring, taking our ownership to over 10% of the company. The capital allowed SharpSpring to make its first acquisition, Perfect Audience, which allows marketers to “retarget” visitors to their website. The seller of Perfect Audience was Marin Software, which, based on their balance sheet (sub-\$10M in cash) and substantial cash burn rate, was likely a forced seller of an asset that will be highly complementary for SharpSpring.

The acquisition of Perfect Audience gives SharpSpring an additional product to sell into its existing base of 2,000+ digital marketing agencies, and it strengthens the core SharpSpring marketing automation product while also providing a large legacy user base into which SharpSpring can sell its other products. The deal made strategic sense and was done at a compelling valuation, so I think our participation was a no-brainer.

Over the course of 2019, I got to know SharpSpring CEO Rick Carlson better as I joined the Board and watched him navigate the Perfect Audience acquisition and aggressively build out his leadership team. Rick has attracted impressive talent, including a CFO who led the sale of his last company to Thomas Bravo for over \$1B, a CMO from competitor Pardot (owned by Salesforce), and a Head of Sales from software multinational Sage. Rick is scrappy and creative. It will undoubtedly take time for everything to gel, but the prices we have paid for our shares



do not imply any reacceleration of growth or improved economics, for which Rick is clearly trying to lay the groundwork.

Digital Turbine (APPS) – Digital Turbine serves as a neutral third party that works with wireless carriers to preinstall apps on new cell phones, then sells the slots to app-driven companies like Uber, Amazon, and Netflix. The company saw 30% revenue growth in the core U.S. market where they work with four major carriers including Verizon and AT&T. Their growth is even faster in international markets. This past quarter, APPS announced a Telefonica partnership that will launch in the next six months. Telefonica has more mobile customers than AT&T and Verizon combined. Digital Turbine is also expanding their Samsung agreement, and got almost 20% of their Q3 2019 revenue from new products outside of their core business. Cell phone screen space is incredibly valuable real estate because companies want to put their apps in front of consumers. Digital Turbine brokers this valuable real estate. It would not be surprising to continue to see increasing revenue per device.

One of my largest concerns with the Digital Turbine investment is that large companies will seek to circumvent Digital Turbine and go directly to the carriers. On this past quarter’s conference call, the CEO assuaged some of those fears when he said, “We are proud that Verizon trusts us to manage the distribution and management of their very high-profile applications such as Facebook, Netflix, Apple Music, and now Disney. In addition to Verizon, we are just beginning to work directly with Disney on the distribution of their applications to other partners around the globe.”

Kaleyra, Inc. (KLR) Common Stock / Puts / Warrants – Our ownership of Kaleyra is complicated and different from anything you own anywhere else in your portfolio. I would argue it is “good different.” In the last letter, I discussed an investment where we would make money if a transaction was consummated. The investment was GIG Capital, a Special Purpose Acquisition Company (SPAC), which, upon the closing of the transaction, assumed the name of the acquired company, Kaleyra.

Our partnership negotiated a deal with the company to not tender our rights at an implied share price of \$10, but instead to wait and receive the right – but not the obligation – to sell our shares back to the company at prices ranging from \$11 to \$11.70 over the next several months. Of course, if prices rise further, we can sell in the open market rather than back to the company.

The headline is that we have effectively guaranteed a profit and have the potential to make very attractive returns if the underlying stock performs. Heads we make a nice return, tails we make a very nice return, with limited to no downside and substantial upside. Assuming the company does not go bankrupt (to which I assign a very low probability), we have locked in a profit and are playing with “house money.”

Kaleyra is a Europe-based, U.S.-listed technology company that provides a secure cloud communications platform for enterprises. They have over 3,000 customers who last year used their platform to send 25 billion text messages and transmit over 2 billion phone calls. A simple use case example would be a bank that sends a text message to an account holder for each transaction or log-in. Customers include Amazon, Uber, and several financial firms. Their largest competitor is Twilio, which is also a customer. In addition, the company has an interesting new initiative with AT&T where it will maintain a registry of approved corporate SMS senders on the AT&T network. No single customer accounts for more than 15% of revenue.



The real question for our investment at this point is: Can shares appreciate above \$11.70? The current share price is \$8.40, which implies a valuation of 1.5X revenue. This is a significant discount to its peers (Twillio is at 9X revenues and Sinch, a more relevant comparable, is just under 3X). The investment bank Cowen has an \$18 price target on KLR shares and Northland has a target of \$17. We are effectively getting paid to look at the next three earnings releases while not assuming the risk of a price decline. Kaleyra is profitable, and grew revenues in excess of 40% last quarter. A share price in the teens does not appear wildly implausible with a modicum of positive news.

SHORTS

The fund has a very long bias. We are short three ETFs that are proxies for major indices, an auto manufacturer with a credibility problem, and a wildly valued consumer goods company where there appears to be a complete disconnect between the multiple (high) and the growth rate (meh). We are short a pre-revenue SPAC with loads of execution risk and more than a decade of operating losses, as well as a major industrial company with a fleet of grounded airplanes that may never fly again.

NEW POSITION – ELASTIC SOFTWARE

It would not surprise me if Elastic Software (ESTC) grows into one of our largest positions over time. The company produces mission critical products and is likely dramatically under-monetizing its large and growing user base. There is a much longer write-up of Elastic Software at the end of the letter (beginning on page 8).

NEW POSITION – BALWIN PROPERTIES

If an operator can turn a profit during very challenging times, it portends well for performance when the environment improves. Investors like to think about peak and trough earnings for cyclical industries. Earnings during boom times are often afforded a low P/E multiple because they are considered unsustainable. Similarly, during trough or recession times, a higher P/E may be applied because it is highly likely that earnings will rise with an improvement in the economy. A low P/E ratio on depressed trough earnings can be an interesting investment set-up because we may see revenue growth, earnings growth, and multiple expansion (a higher P/E). In short, this combination can lead to an investment that returns multiples of the original investment.

In the past two letters, I have mentioned building a position in a South African company that fits this description. It is certainly not the proverbial “best of times” in South Africa. Unemployment is hovering around 30%, the country has wrestled with government corruption, there are rolling power outages, and there are a host of apartheid-linked legacy inequality issues. The economy is bouncing in and out of recession. Consumer confidence is low and interest rates are comparatively high. None of this is a favorable backdrop for housing, yet Balwin Properties (BWN.JO) has endured, and actually prospered. If I were going to pick a place in the world to operate a home builder, it would not be South Africa. However, if I could only buy one home builder, it might be Balwin Properties.



In the “worst of times” description above, I left out the fact that South Africa has a housing shortage of about 3 million homes, 700,000 of which fall into Balwin’s core product category. Demand is reinforced by urbanization as well as a growing middle class. Balwin Properties caters to this rising middle class by developing multi-family, sectional title housing, primarily in the form of one-, two-, and three-bedroom four-story walk-up apartments with prices ranging from \$40,000 to \$150,000 USD: the entry to mid-market segment. Their developments are located in high-density, high-growth urban nodes across key metropolitan areas such as Cape Town, Johannesburg, Pretoria, and Durban.

While the Balwin properties vary in terms of size, they all have lifestyle centers, housing amenities like gym/fitness spaces, one or two restaurants, spa/wellness areas, children’s play areas, swimming pools, mini sports fields, and spaces for gathering. The Blyde development in Pretoria even boasts Africa’s first Crystal Lagoons lagoon for swimming, kayaking, and paddle-boarding. Apartments have the exact same finishes (dishwashers, faucets, cabinets, etc.), which allows Balwin to benefit from scale. Still, the quality is surprisingly high. Doors are thick, brand names are used, and they are well laid out. The projects are developed in phases. On average, a development sells 25 apartments per month, and a new phase of development will not be started until it is largely pre-sold.

Property development is not a “great business.” It is cyclical, there are low barriers to entry, and it is capital-intensive. Balwin does receive some benefits from its scale in purchasing, advertising and sales, and a small “brand” premium, but ultimately, I believe that this is a better investment than business. Insiders own in excess of 50% of the shares and the company is led by an owner-operator. Given the economic headwinds in South Africa and tightness in the mortgage market, it is probable that these are not peak earnings. We acquired our shares at a P/E multiple of less than 3 and a 50% discount to tangible book value, which largely constitutes land holdings at cost and developments under construction. There is a realistic path to a multi-bagger.

I just don’t see this quality of company at these valuations in the U.S. However, I would not have been comfortable investing in Balwin without seeing the dirt myself. I toured a development with Rudi van Niekerk of [Desert Lion Capital](#), the South Africa focused fund we seeded through Greenhaven’s Partners Fund. Rudi is organizing a mini tour of South Africa for a small group of existing and prospective limited partners. The visit will take place from approximately March 8-13th with an agenda including company visits as well as meetings with informed senior commentators/analysts to provide additional context on the realities and opportunities of South Africa. There will also be some time for fun. Desert Lion LPs have gotten first priority reserving a seat, but if there are extra spots, as investors in Greenhaven Road, you are exactly the type of limited partners that Desert Lion is looking to attract. To find out more and/or to get on Desert Lion’s distribution list, reach out to investorrelations@desertlioncapital.com.

OPERATIONAL UPDATES

There have been two major operational changes for the partnership in 2019. The first is that we transitioned our prime brokerage from Interactive Brokers to BTIG. As a former shareholder of Interactive Brokers, this was not an easy decision, but ultimately the service levels (or lack thereof), became too much of a headwind. The cost



savings of remaining at Interactive Brokers were offset by the missed opportunities and time spent resolving IB-created issues.

The second major change is our auditor / tax provider, which we have “upgraded” to CohnReznick LLP. This decision was driven by a number of factors, the foremost being the level of professional attention and still-competitive pricing we will receive (and are already receiving) given the longstanding relationship between our seed investors, Stride Capital Group, and one of CohnReznick’s senior partners who is well-known in the industry. The change should not impact the timing of the audit, or the distribution of K-1s (expected last week of March).

OUTLOOK

Trying to predict the short-term gyrations of the equity markets and the economy often proves to be a fool’s errand. However, it strikes me that economic growth will likely remain very subdued. As laid out earlier in the letter, the opportunity for significant multiple expansion in the stock market also feels muted. Our returns (which, like anyone’s, are never guaranteed) will most likely be driven by the strong performance of the individual companies that we own. Having invested in people like Savneet Singh at PAR, Rick Carlson at SharpSpring, the management team at KKR, and Shay Bannon at Elastic, I believe that we have an opportunity for differentiated returns from a diversity of sources.

Just as I ended the last letter... as volatility arises, I will attempt to take advantage of the opportunities it creates. We will continue to invest with a long-time horizon, and we will continue to invest like it is our own money – because it is. Thank you for the opportunity to grow your family capital alongside mine.

Sincerely,

Scott Miller



NEW POSITION – ELASTIC SOFTWARE

We live in a time when data is exploding. It is estimated that 80% of the world's data was created in the last two years. Making sense and use of the data is both an enormous challenge and an enormous opportunity. The simplest form of search is a search box on a website like Cooking.com where users go to search the library of recipes. However, with thousands of recipes indexed on the site, how should search results be ordered? What should be included? Do you allow for misspellings? Synonyms? How do you factor in user reviews in results you show? How much weight do you apply to a term appearing in the title vs. the body of the recipe? Do words have to appear next to each other? How much does frequency of a term matter? If you are in charge of optimizing search results on Cooking.com, you can build your own search tool or integrate with the extensive built-in functionality of Elasticsearch. Since the company's founding in 2012, Elastic's (ESTC) flagship product, Elasticsearch, has become the default search tool to be integrated into one's website or to search one's data. While Google is used to search the internet, Elastic is for the rest of the data. Over time, they have expanded the use cases for their search technology to include security and observability.

I first became interested in Elastic at the time of its October 2018 IPO. Intuitively, because search is so mission-critical, there should be monetization opportunities. The company's growth had been explosive, and the metrics were, dare I say, mouth-watering ([link](#)). I attended Elastic{ON}, the annual user conference, where the enthusiasm of the user base and the software developer community was very apparent. However, I could not get comfortable with the valuation at >20X sales: it was just a bridge too far. Fast forward a year, revenue had continued to grow, and suddenly ESTC's share price was down 20% in a single day. My interest was piqued.

Elastic is not the easiest company to analyze; there is no investor presentation. The most detailed metrics given by the company date to the S-1 filed back when they went public ([link to summary](#)). Being built on open source software does present its own sets of challenges and competitive dynamics, which gave me and many other investors pause. We will go into those concerns shortly.

Elastic is also a very young company. The current CEO, Shay Bannon, set out to create a tool to help his wife search her personal trove of recipes. He built the original Elasticsearch as an open source project, which was released in 2010 as version 0.4. Bannon incorporated Elastic in the Netherlands in 2012 and he and his team introduced version 1.0 in 2014. In a mere five years after the release of version 1.0, Elastic has grown into a \$400M+ annual revenue company. To accomplish this growth, Elastic had been growing its employee base by 5% a month, customer base by 3% per month, and adding new products (security and observability) and features at a frenetic pace. As such a young company that has grown so quickly, there is undoubtedly a lot of low hanging fruit in terms of improving how the sales teams are organized, how the messaging to customers is delivered, and how the product is priced. This is not Microsoft in Year 30.

Elastic's biggest asset does not appear on its balance sheet; the user community that it has built does not fit within the confines of GAAP. By being open source and effectively offering a "freemium" version, Elastic has encouraged product trials. By the time they went public in 2018, Elasticsearch had been downloaded more than 350M times and has likely been downloaded over 500M times by now. Yet, the company has fewer than 10,000 paying customers. Now, not all downloads are active, and the same user may download multiple times to incorporate



upgrades, but no matter how you slice it, a very, very small fraction of users are currently paying Elastic, and they will still generate almost half a billion dollars in revenue this year.

Another asset that does not appear on the balance sheet is the developer community that has emerged around Elasticsearch. As the company points out in their annual report, their “origins are rooted in open source, which facilitates rapid adoption of our software and enables efficient distribution of our technology... Open source also fosters our vibrant community of developers... As of April 30, 2019, our community included over 120,000 Meetup members across 215 Meetup groups in 48 countries.” The point is, Elastic has a fertile ecosystem in place and there is a tailwind of exploding data in a variety of forms, a vast user base much of which is not monetized, and a community to facilitate implementation.

Monetizing open source software is not easy, but there have been dozens of companies that have received venture funding, and a handful that have gone public, including MongoDB and MuleSoft. The most successful company built on top of open source software is Red Hat, which IBM bought for \$34B. So far, once Elastic users become paying customers, they buy more and more software and services from Elastic each year. The company’s net revenue retention has been in excess of 130% for the last nine quarters, meaning that last year’s existing customers will likely spend 130% or more with Elastic this year than they did last year. So, a tiny fraction of the users have been monetized, but those that have been, monetize very well.

There are two primary reasons why companies choose to pay Elastic. One is that for many companies, “search” is mission-critical. For example, both Uber and Lyft use Elasticsearch to search among their pool of drivers for those who are available and geographically appropriate in order to find you a driver when you request a car. The dating app Tinder uses Elasticsearch to power its “search,” which looks at dozens of fields including gender, sexual preferences, geography, age, previous “likes,” and social networks to decide which potential matches to present. For Uber, Lyft, and Tinder, and many others, the search results *are* the product and there is a very strong business case to have the best tools and support that money can buy.

The second reason companies use the paid version of Elasticsearch is career risk. In instances where search is mission-critical and the money being spent is shareholder or taxpayer money, do the managers really want their career hinging on the open source version where support issues are posted to the community? I would want the latest, most bug-free, robust, fully supported version. Call me a sheep or a coward, but in this case, I will spend the company money, reduce my workload and stress, and increase the probability of a positive outcome. Elastic has built a very nice business off of reducing employee career risk, and the dynamic of employees acting in their own self-interest is not going away any time soon. The career risk dynamic also applies to security and “observability” products that Elastic sells as well.

Being an open source product has the previously-discussed advantage of facilitating adoption and efficiently building a large user base. One clear downside however is that it facilitates competition. The primary competitor that Elastic faces is Amazon, which effectively copied/stole the open source software then provided integrations with their cloud service, AWS, to make certain features that Elastic otherwise charges for free for AWS customers. Amazon is not compensating Elastic at all in most instances, in a practice called “strip mining” in the open source community. (Here are two articles for more background: [War Unfolding for Control of Elasticsearch](#), [How Amazon](#)



[Wields Power in the Technology World.](#)) AWS makes up approximately 50% of the cloud-hosted market, so this is clearly a headwind and not a positive development for Elastic. To add an additional layer of complication, AWS is also a large distributor of the paid versions of Elasticsearch, for which Elastic does receive revenue.

Is it fatal to have Amazon as a competitor? I don't think so for two reasons. The first is that the other major cloud providers have far more collaborative arrangements. The second is that while Shay Bannon and the Elastic team are deeply committed to open source software, it would not surprise me if they are able to introduce impediments to Amazon's strip mining of the open source code over time. They have already made a change to the licensing agreement to make it harder for Amazon to strip mine future versions, and there is a lawsuit regarding copyright infringements. I expect that there will be additional cat-and-mouse moves, and eventually, Amazon, Microsoft, or Google could likely acquire Elastic as a strategic asset in the larger cloud war.

Ultimately, building on open source has worked for Elastic. They will have raised a bit more than \$400M in capital between venture rounds and their IPO, and as of Q3 had in excess of \$300M in cash remaining on the balance sheet. At the same time, they will have grown from almost \$0 in revenue in 2013 to approximately \$500M in revenue in 2020. This is not a case of building a business by selling a lot of dollars for 70 cents and trying to make it up on volume. This is a very impressive track record.

Elastic is a very healthy company. Is it 11X sales healthy? Management has levers to pull. This is not a management team pinned in a corner. Yes, they are digesting rapid growth and face competition, but there are choices about which features are free and which are paid. They will make it harder for Amazon to copy. The volumes of data to search and parse and manage are not decreasing. Career risk is not going away. Elastic has built a massive user base with mission-critical products. There are cross-sell, upsell, and new product opportunities everywhere for Elastic. They are monetizing a tiny fraction of the user base. Can the team that went from 0 to \$400M+ in sales in five years pull enough levers and nudge enough free customers to paying customers to sustain a 40%+ growth rate? If revenue growth continues, even with modest multiple compression, we can generate extremely attractive returns off of a company that currently gives away most of its intellectual property.



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