

# Network Has Decided To Remain Realistically Undervalued

BEGINNING IN LATE 2014 AND THROUGHOUT 2015, a great number of articles were published that address Pre-IPO Overvaluations. A certain number of like-type articles continue today. Fortunately, there are a number of articles that deal with Valuations far more realistically inclined.

## **No Need to Overvalue....**

**For So Long As I Can Remember** I've been a sponge for knowledge, a comprehension slave and a people person with a passion to share-the-word. And, sharing-the-word in my vernacular means talking in terms of the other person's understanding. My formula? The 3 S's: keep it simple, succinct, and sincere. | R

**Yesterday and Today:** As a kid, looking to get out of Junior High School with a decent grade, "Teacher" told our class to "... write a Commentary about something that you've come to believe in and share with your classmates."

My Commentary was entitled: "No Need to Overvalue." When Teacher asked, "What made you take on such an ambiguous and far-reaching social issue?" I told her that I thought that some of the radio commercials we heard (TV hadn't yet come into my home) would probably be more effective if more value were placed on value rather than hype! She later told me that she "...wasn't 'overvaluing'" when she gave my Commentary an "A".

Parlaying my Yesterday's into Today's on-going constant intent to inform, educate and share the word, I offer a brief Commentary on some of the press I've read lately that our executive staff has assembled for distribution.

## Tech Startups Face Fresh Pressure on Valuations

Edited from the Jan.3, 2016 Wall Street Journal By: TELIS DEMOS



**Employees work at Etsy Inc.'s headquarters in Brooklyn, N.Y.**

A surge in private fundraising in 2015 helped technology startups steer clear of a painful IPO market. A shift in sentiment over the course of 2015 has impacted valuations, however, and the longer valuations stay at current levels, companies and their shareholders will realize this environment has become the new normal. To this end, Technology and Internet companies that went public in the U.S. raised \$9.5 billion in 2015, down from \$40.8 billion in 2014, more than half, to 29 from 62.

Although Box Inc. and mobile-payments company Square Inc. sold shares in their IPOs at levels [below where they were valued by private investors](#) in 2014, the online marketplace Etsy Inc. and flash-memory firm Pure Storage, Inc., among others, cleared their private valuations in their IPO's!

Only seven tech startups valued at more than \$1 billion privately went public in 2015, leaving a considerable number of potential deals in the pipeline. There are more than 140 private startups valued at \$1 billion or more, according to Dow Jones VentureSource.

All told, these companies are valued at more than \$510 billion. "We haven't seen this large of a backlog of potential IPO's in a very long time," said William Bowmer, head of technology equity capital markets at Barclays PLC. "That bodes well for supply, with the only question being whether they come to market in an orderly fashion."

Startups that put off IPOs in 2015 have another thing going for them: An extra year to prepare for a listing by growing....



# What are you looking for?

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That may help them with investors seeking steadier bets. Still, the biggest and most-valuable startups, such as Uber Technologies Inc., Airbnb Inc. and Snapchat Inc., aren't expected to go public until at least 2017, though a surprisingly robust market could draw them out.

The 2016 "class of tech IPOs is expected to be strong," said Michael Millman, co-head of America's equity capital markets and head of U.S. tech banking at J.P. Morgan Chase. "The majority can be opportunistic on the timing of their public debut given their scale and growth."

For more information that addresses how today's climate impacts the exit strategies that venture capital administrators, be it IPO, Merger, or Acquisition, and how NETWORK fits into the genre, you're invited to visit two recent WSJ Articles: ["Forget Going Public, U.S. Companies Want to Get Bought"](#) 11/29/15 and ["Cracks in Silicon Valley's Billion-Dollar Startup Club"](#) 12/05/14

While NETWORK currently has all the qualifications to realistically increase its valuation from \$8 to \$10...and possibly even \$12...NETWORK, not currently directly offering any of its privately held shares to outside investors, has neither a need nor reason to re-evaluate its current stock position, no immediate Exit Strategy anticipated.

During the past year, Network's growth has remained its primary focus. Network's exclusive and patented keyword internet search technology upgrade has been completed and an all new mobile-ready website has been designed and implemented to administer and deliver faster advertiser dual resolutions. The Network website is now fully functional and beautiful across all standard devices and browsers.

## Commentary and Affirmation

### More Specifically:

- Our database has been re-structured and optimized to follow the new data pattern, resulting in fewer database calls and less processing power. This will allow Network to handle ten times the traffic as previously handled, with no noticeable delays or hangs. It will also allow us to upgrade our database with future enhancements without downtime.
- The Network API (Application Program Interface - which is a set of programming instructions and standards for accessing a Web-based software application or Web tool), has been upgraded to use the new data structure with an emphasis on speed. The API is considerably faster now, with certain routes returning up to 100 times faster. This in turn allows us to reduce the processing power needed to run the API server, resulting in considerable cost savings.
- The [Network](#) website has been updated to use the new Network API, providing a better user experience for our customers and advertisers. We also took this opportunity to update the look and feel of the website, and also improved on the responsive media elements.
- Our [extensions](#) for the major browsers (Chrome, Firefox, IE, Safari, & Opera) have also been updated to follow the new data structure, and should result in a faster dual resolution. The new data format will also allow us to not only display an advertiser's Network landing page, but also any website they may wish for their keyword to link to instead.





## ***“Powered By Google...”***

- Since we updated the website, we also integrated the new Network API into both mobile apps... Powered by Google. An Apple iOS app has been released to the Apple iTunes marketplace, and our current Android app has been re-skinned to follow the same theme as the iOS app and the Network website.
- Over 84,000,000 World-Wide Directory listings specifically administering to Local Business Internationally, 23,000,000 Local Business Listings in the United States.,
- The Network Business Model is in the process of being upgraded to a “Free to the Consumer Referral Business Model.” We’ll be sharing more about this at a later date, the research and development stages only recently having come into play.

## ***Outside the Realm of Network:***

### ***Important News for IRA Investors....***

Be Advised! President Barack Obama has returned to a familiar soundtrack when it comes to [curbing tax incentives \(read more\)](#) for retirement savings, and interest groups want to limit its air play on Capitol Hill.

### ***Tired of Running Out of Data Every Month and Paying Your Cell Carrier Even More \$\$\$?***

[Stretch your wireless data plan \(read more\)](#) instead of paying more. A data diet doesn’t require drastic changes, just vigilance and small adjustments to apps like Facebook and Snapchat. You can save data within your current plan by following these simple steps.



## ***As Netword Continues to Grow, so Also does Cartel Equity Fund, LLC.***

Recognizing the need to increase its Management's perspective and administer to Netword's added scope of capabilities, Cartel Equity has brought Business Development and Management Corporation ("BD&M") into play to fill the role as Cartel's permanent Manager.

A Delaware corporation established in 2003, BD&M's track record addresses a diverse number of accomplishments within the areas of marketing, licensing and legal liaison to include having been Manager to FRANCAP's Pre-IPO, Merger and Acquisition equities, for over 10 of the last 13 years.

***To further identify with our on-going constant intent to inform, educate and "share the word", it's imperative our partners not only recognize receipt and understanding of the information we share, but endorse same.***

To that end, I ask you please [\(Click Here\)](#) ***to identify with your having been in receipt of this Newsletter. We need to know you're not only receiving, but reading, being informed, and sharing in the knowledge!***

***Thank you....***

***Don Wilson, Founder/Cartel Equity Fund, LLC***