



# The Economic Implications of the Coronavirus



Many industries have been impacted by the Coronavirus outbreak which is expected to slow down the world's GDP growth

**\$2.7 Trillion**

In cost to the global economy

Oil

Travel and  
hospitality

Goods (shortage  
of supply)

Restaurants

Fitness

Retail

Entertainment and Events  
(sports and cinema)



The technology industry is not resistant to this global impact



RITUAL



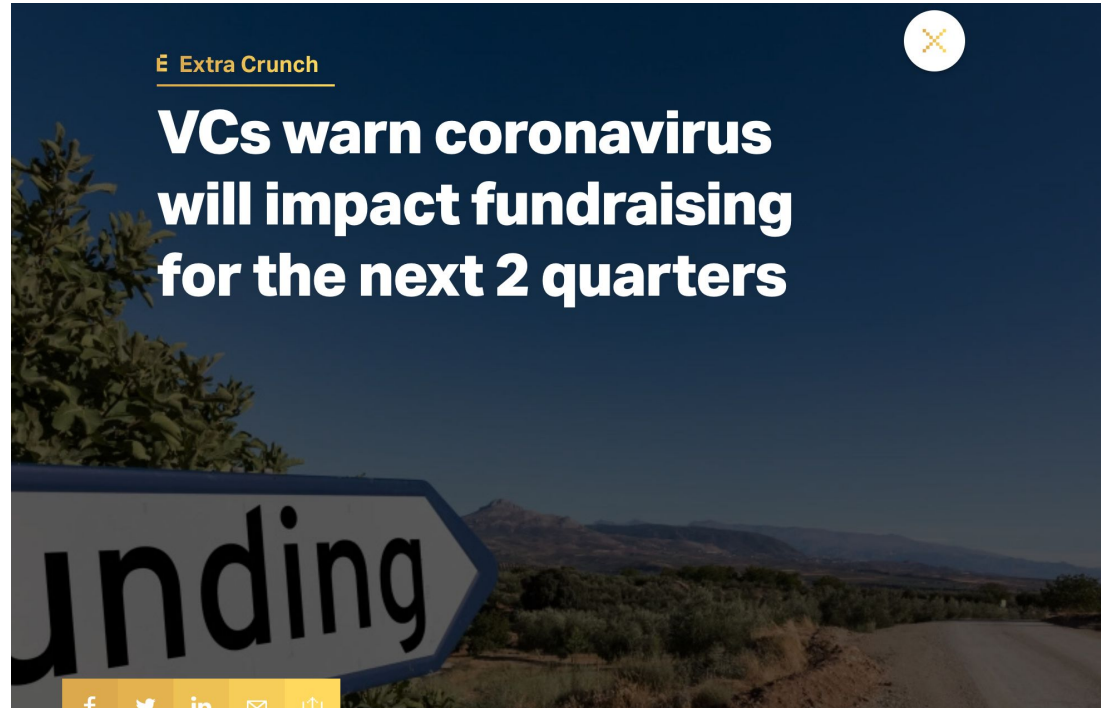
eventbrite



stripe



Even companies that are doing well but need to raise in the next 6 months are in existential risk



VCs are warning ***all*** of their portfolio companies from a prolonged economic slow down


INVESTMENTS

## Sequoia Capital Foresees Doom For Entrepreneurs As Coronavirus Takes Toll

By PYMNTS [Twitter](#) [Email](#)

Posted on March 6, 2020





In 2020 you should expect to see high growth tech companies extend their runway and increase cash reserves



Reducing prices to  
sell faster



Hiring freeze



Cut down cost



  
We are in a very lucky financial position



We just closed a **\$XXM**  
**USD** round

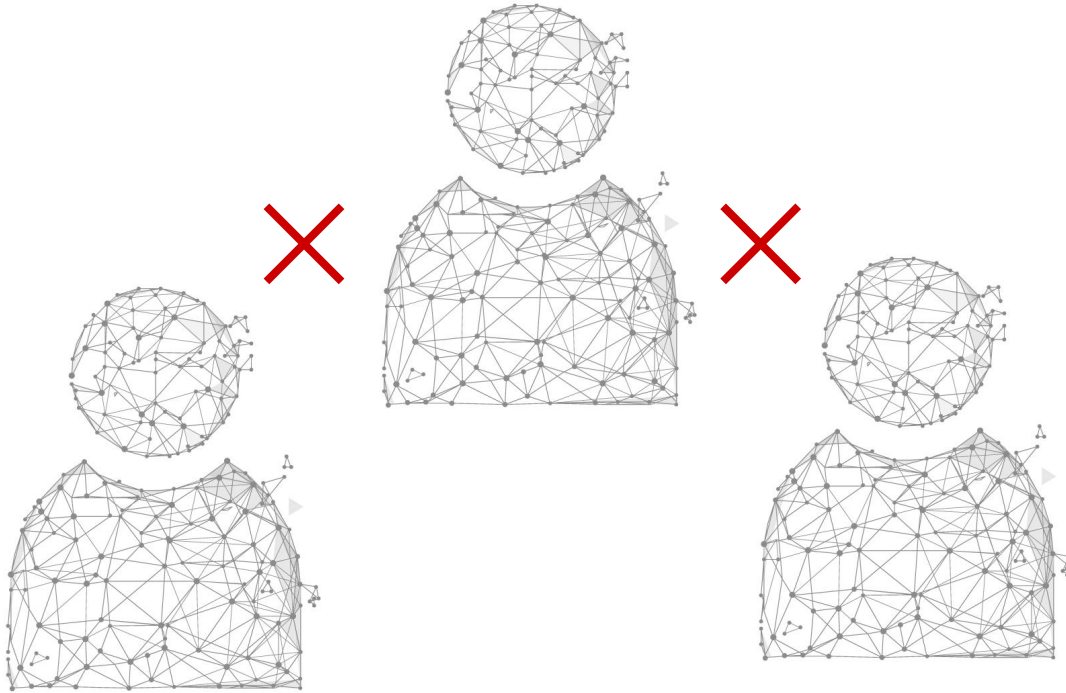
Our customers should  
**not** be financially  
impacted

Secured line  
of credit of  
**\$XXM USD**





While our customers should not be financially impacted by the Coronavirus, we will potentially be impacted



It will be harder to sell as we **can't meet in person**

It will be harder to onboard scientists **without in person training**

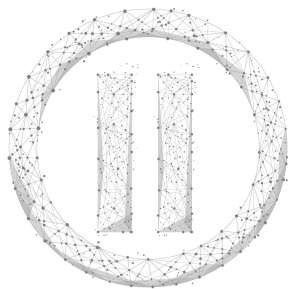




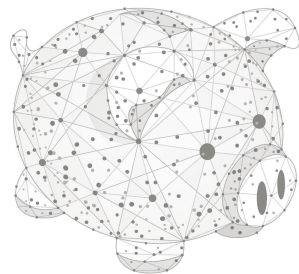


We are not going to panic but we are  
going to be overly responsible

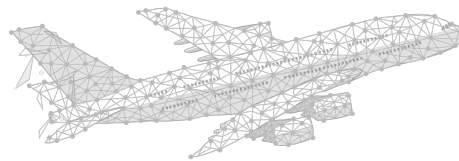
We are going to put a pause on all non crucial expenses to increase our runway and cash reserves



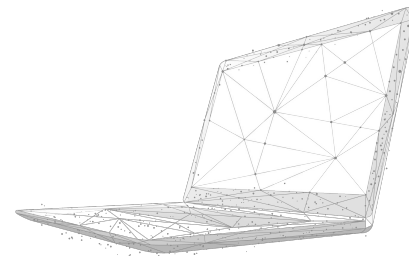
Pause all non top  
priority hiring



Eliminate event  
budget



Travel



Software review



This will give us a healthy runway even if we miss our sales targets

Current Cash  
Balance:  
**\$XXM**

Debt Facility:  
**US\$XM**  
available

Runway:  
**XX months**  
with **Zero Bookings**

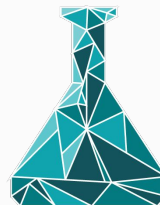




# Our targets for 2020 will not change at this stage



Majority of hiring were projected  
to work on **2021 projects**



More than ever we need to  
**push to support scientists**





This is an opportunity for us to be more creative, productive and to think differently to better serve our customers who are working on solving this global pandemic



We also have an obligation to do more and that  
is what we are going to do...