# Why only a few companies experience

## exponential growth

Microsoft, Google, eBay, Staples, Genentech, Starbucks, Nike and Harley Davidson ... these are just a few examples of an elite group of companies that have managed to turn billion-dollar ideas into billion-dollar businesses. What blue-print do they follow to produce such results? Based on three years of in-depth research, David Thomson's Blueprint to a Billion provides the first quantitative assessment of the success pattern common across a distinct group of 387 "Blueprint Companies" — the five percent that have IPO'd since 1980 and grown to \$1 billion in revenue. They represent America's highest growth companies; they uniquely achieved exponential revenue growth and returns.

Exponential Growth Pattern - Revenue growth has two parts, the time from founding to the inflection point is highly variable but the time from this point to \$1 billion revenue follows a 4-,6- or 12-year trajectory.

Five or more of the 7 Essentials showed up in over 90% of the Blueprint Companies studied. They are:

#### #1. Create and Sustain a Breakthrough Value Proposition

These companies delivered breakthrough customer benefits based on one of three platforms. They delivered intangible benefits at higher gross margins.

#### #2. Exploit a High Growth Market

America's highest growth industries are mature and large economic sectors. Interviews with the Chairmen of Staples, Williams-Sonoma and others highlight learnings that can apply to many markets.

#### #3. Marquee Customers Shape the Revenue Powerhouse

Your best customers just don't buy from you-- they sell! They become your sales force extraordinare. These customers are the core of exponential growth.

## #4. Leverage Big Brother Alliances to Break into New Markets

While Big-Little Brother alliances are difficult to execute due to the asymmetric relationship, the most successful companies used alliances to create leverage.

#### #5. Become the Masters of Exponential Returns

It is not about over-investing: the best were cash flow positive early and scaled.

## #6. The Management Team: Inside-Outside Leadership

No one CEO does it all. Blueprint Companies are led by a unique dynamic duo- an inside facing and an outside facing leadership pair.

### #7. The Board: Comprised of Essentials Experts

The best boards had Blueprint Company CEO, Alliance and Marquee Customer members to balance investors.

