

# DATA ECONOMIC SOLUTIONS AT DECO

*Enabling Impact Across Sectors*

---

## DECO'S APPROACH TO SELECTING AND ADVANCING SOLUTIONS

Data Economics has applications in almost every sphere of human activity, enabling solutions that address needs and opportunities for social and commercial enterprise, individuals, and communities. Given the breadth of potential applications for data economic principles, **The Data Economics Company employs a rigorous, scientific, and evidence-backed methodology to decide which sectors and domains will become focal points for building out Solutions.** DECO's Data Economic Solutions are enabled by the Lydion DEOS and DE Toolkit.

DECO's methodology has been developed, tested, and refined over a period of nearly three years working alongside expert partners, customers, and thought leaders across multiple domains of industry and academia. Within each sector pursued by The DE Company, Data Economic Solutions deliver specific products and applications.

**Decisions about how DECO will develop and invest in specific Solutions follow a model that blends traditional venture capital approaches and business processes used for the development of new medicines by biotech companies. DECO's founders come from backgrounds that make them familiar with the key strengths of these models and their applicability to the development and propagation of Data Economics products.**

- The core thesis of all Solutions is that Data Economics can have a significant impact across most, if not all, industries and communities.
- Based on scientific principles of data economics and the functional capabilities of the Lydion DEOS and related technologies, one or more team members and partners of DECO propose hypotheses around applicability, benefits, implementation propagation strategies, and potential long-term impacts of a specific Data Economic Solution targeted at a specific industry, community, or individual problem, challenge, or opportunity.
- On the merits of such hypotheses, The Data Economic Company makes a small "bet" on that Solution in terms of resources and efforts, establishing well-defined initial success metrics that will enable the team to prove of the viability of the DE Solution to create the desired impact. The team develops a clear roadmap for the DE Solution with a view towards initial real-world implementations and wide propagation in the domain within a two to five year timeframe.

## IMPLEMENTING A LIFECYCLE INVESTMENT POINTS (LIPS) PROCESS

**Each Data Economic Solution advances through a series of Lifecycle Investment Points (LIPs) with requirements to meet key milestones supporting the advancement of the project before it can secure more internal resources and investment.** LIPs track the success of each Data Economic solution.

- LIP is a concept derived from biopharma, where such milestones and their associated results and deliverables are tied to further investment in and development of a drug or related product. The model is also similar to the development of early telecom, computing, and related technology at labs such as Bell Labs and Xerox PARC.
- Each LIP has well-defined deliverables and goals the DE Solution must achieve to demonstrate the level of validation required to justify the next tier of development and investment in growing the specific DE Solution further.
- The LIP for a specific Data Economic Solution is tailored to the impact desired from the Solution. For example, a DE Solution in the Finance sector may have more aggressive revenue goals to fulfill the requirements for a LIP than a DE Solution addressing goals in the Climate & Environment space.
- Each Solution is thus given the proper time, resources, and scope for experimentation required to achieve the deliverables necessary to complete the current LIP milestone and enter the next LIP.
- If a Solution is not progressing towards its LIP milestone at a reasonable pace, or if DECO leaders or partner companies decide that the Solution is of lower priority, requires a different approach, or is not likely to meet targets given its current level of resourcing, the DE Solution can be returned to the research pipeline and revisited at a later date.
- In DECO's present approach to the LIP process, the development of a Data Economic Solution is tracked across three Lifecycle Investment Points. As of Q4 2020, most currently active Solutions have passed LIP 1 and some have advanced past LIP 2 based on milestones met. This configuration is continually revised as additional Solutions are proposed, assessed against milestones, and, when successful, advanced.