Disruption in Silicon Valley

Noriko Hyden, Supervisor, Burr Pilger Mayer
Judge Peter Kirwan, Santa Clara County Superior Court, Manager Complex Trials Division
Brennan Libbey, Livingstone Partners
Stephen O’Neill, Partner, Dorsey & Whitney LLP
Panel Overview

• On-demand Industry
• Valuations
• Legal Issues
• Future of the industry
• Opportunities for restructuring professionals
On-demand Industry – Definition

• On-demand services encompass all digitally based marketplaces (primarily mobile) that offer convenient access to and/or fulfillment of goods and services
Reasons for the Growth

• Demographic shifts
• Regulation
• Technology/infrastructure
• Optimization of asset utilization
• Widespread use of smartphones
On-demand Industry

Major Players

Investors

Lyft
Uber
Grab
OLAXHOMEJOY

Baidu
Fidelity
Toyota
Industries Impacted

- Transportation – Uber, Lyft, Getaround, Flywheel
- HomeRepair – Handy, HomeJoy
- Food Delivery – GrubHub, DoorDash, Blue Apron, Sprig, Plated
- Medical/Health – Heal
- Travel/Hotels – AirBnb, Couchsurfing
- Reservation – Yelp, OpenTable
### Valuations

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<td>Growth</td>
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<td>Hard, Slow, Historical, Benchmarked, Objective</td>
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Valuation Conversation

• Has the market identified survivors?
• Why are companies taking on debt rather than IPO?
• What happens if interest rates go up?
• What other sectors will be impacted?
Legal Issues

Legal Issues

• Misclassification Lawsuits
• Data Breach
• Government Regulations / Insurance Issues
• Antitrust / Price Fixing Lawsuits
• Arbitration v. Class Action
• Sexual Assault
• Trade Secret – Intellectual Property Theft
Other Challenges to the Industry

• Funding
• Staffing
Opportunities for Restructuring Professionals

• Inexperienced management
• Consolidation will result in buy opportunities
• Existing industries will need to restructure to survive
Questions?