

Jaidev Shergill

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Good afternoon. My name is Jaidev and I founded Bundle about six months ago. It was June of last year. The idea actually came to me about two years ago when I got a small raise at work and what happened a month after, I just spent all the money. The same thing happened the next month, the same thing happened the month after that. And I looked at myself and said, gee, what is happening? I haven't paid down any additional debt, I haven't moved into a lavish apartment, you know, so where is all this money going. I haven't saved any additional money. And what I realized is that, you know, one just adjusted one's standard of living almost [unintelligible] inflation, to the point where you just use that extra amount up. And when I looked around at the overall U.S. numbers, I wasn't alone. U.S. savings rates, according to some measures, dipped into negative territories, back up again, but who knows what is going to happen when the economy starts getting a little bit more comfortable again?

So, it is a problem and what I did is, you know, there is plenty of information out there. If you think about the information being put out on the Internet, there is a lot out there. Is it the right kind of information? Debatable. But then why do people still behave the way they do around money decisions? So our business is formed on a hypothesis that money based decisions are both logical and also in a large part illogical. So you have got address both the logical and the behavioral aspect of how people are actually behaving around money. So we actually formed a business that is based around social media, and you know, this term is overused these days, but in essence, it gets back to fundamental human behavior. You want to understand and get solutions from people who have been through the same situation as you. It's a behavior that goes back as far as human being ever existed. You want to talk to others who have gone through a problem.

The issue is that here in America we are not very good about talking about money. It's never a discussion that you want to have at the dining table, it is never a discussion that you want to have with your kids, and that's a problem. That is leaving us in this vacuum where information isn't really flowing across the board. So what Bundle does, we are a social media company focused on personal finance and what we do is we let people look at their spending and saving habits and compare it to other people like them. And we get a little bit into, you know, what that means. I've got about three slides after this and then I will end with a short video that actually shows you the functionality of the product.

Why do we think that the world needs this? We think that there is a lack of transparency in the system today. Like I said, there is a lot of data out there. Is it the right kind of information? Not necessarily. So with this lack of transparency, we think that some people are making the wrong decisions around their money. Household debt is at an all time high. Credit card debt per household is at \$10,000 per household. We do think that this is going to go through, hopefully, a deleveraging over the course of the next few years and savings rates will continue to rise. But what we really want to do is bring the transparency back into the system by letting people learn from other people like them.

So we actually went out and spoke to some people and this is what we found. So one thing is that there is a whole lot of information out there but it's not necessarily relevant to me. Why? People said, "If I live in New York City, my spending is very different than a person who lives, let's say, in Phoenix, Arizona. You know, I don't spend much on cars in New York City. A person in Phoenix, Arizona does spend a lot on cars. When I see all this information on how much I should be spending, how much I should be budgeting across different categories, I take it with a grain of salt, because -- a pinch of salt -- because it doesn't really apply to me, because I should be looking at a different number altogether." So that was one insight.

The second thing is, I am overwhelmed when I even think about creating a budget or managing my money, and this was really surprising. I came from a background in banks where you take for granted, you know, the complications and the products that you are developing. But when you are actually, and I would encourage everyone to do this, take someone to go open a bank account for the first time and go through that experience without saying much and try to think about the agony that one actually has to go through while that person is actually explaining something as simple as a checking account to a person, it is not trivial. So there is a lot of information overload.

The third thing that we actually saw is that people are saying, "Listen, what I really want to know is what other people like me are doing. And what other people who are actually getting ahead people like me, what are they doing? What did they actually do to get ahead?" So there is this big need and want for understanding and getting unbiased information from other people like them. There is a lot of information out there. Banks provide a lot of information; the government provides a lot of information. It is not necessarily always unbiased, and let's face it, it is not in the business models for corporations to always provide completely unbiased information. So we do think that there is a potential where people can actually look at unbiased information from people like them.

This presentation is relatively short, so I am going to leave the time for Q and A's later on. I am just going to end with a short video, that's also on YouTube, where people can visit Bundle.com in order to watch it, which just describes the proposition.

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