

So...you're thinking about doing a Kickstarter?

Tips for your next crowdfunding adventure.

Adam Vollmer
Founder, Faraday Bicycles



The Hattery Tech Talk
December 17, 2012

I'm Adam, and this is Faraday.

I left my job at IDEO this past spring to commercialize Faraday, an award-winning* electric bicycle concept.

I learned a lot about Kickstarter along the way.



* Oregon Manifest People's Choice, iDEA award finalist, Core77 runner-up, Fast Co. Innovation by Design finalist

Faraday launched on Kickstarter this summer.

Faraday's 25 day Kickstarter campaign raised \$177k, mainly by pre-selling our first production run of bikes at \$3500 (48 bikes sold).

At the time, we were one of the only Kickstarter successes at a price point over \$3000.


Faraday Porteur

by Faraday Bikes

Home Updates Backers Comments

9 Palo Alto, CA Product Design

Funded! This project successfully raised its funding goal on August 11.



368 backers

\$177,268

pledged of \$100,000 goal

0 seconds to go

Project by **Faraday Bikes**
Palo Alto, CA
Contact me

First created - 3 backed

Adam Vulmer (see name)

Website: <http://faradaybikes.com>

[See full list](#)

Faraday: The ultimate electric propelled utility bicycle

Launched: Jul 17, 2012
Funding ended: Aug 11, 2012

High resolutions photos for PRESS [download here](#). For press inquiries, please contact media@faradaybikes.com. Faraday's most recent press release can be downloaded [here](#). Follow Faraday on Twitter [@faradaybikes](#)

Only sort of an expert.

These are just my own thoughts and observations. I hope they help.

Talk to as many people as you can, figure out what's right for your project, and how you can innovate on the platform.

If there was a formula for success, Kickstarter would be a lot less fun.

In 2012, Kickstarter ARRIVED.

Kickstarter is 3 years old.

Number of million dollar projects in 2009, 2010, and 2011 combined:

Zero

Number of million dollar projects in 2012 (through October):

Fourteen



Kickstarter by the numbers.

Some interesting stats on Kickstarter

Kickstarter earned an estimated \$6M in commission in 2012.

43% of projects, on the whole, meet their \$ goal.

The success rate at \$100k and above is considerably smaller.

The multiple personalities of Kickstarter.

High-profile hardware projects grab all the headlines. But Kickstarter was founded as, and continues to be, a media and creative arts funding platform.

MOST MONEY RAISED

(As of June, 2012)



Kickstarter is a hardware darling. But what is the future?

What does Kickstarter want to be? Its recent policy updates, while sensible and smart, reaffirm their commitment to be being a platform for funding “creative endeavors”.

New policy updates
(Sept. 2012):

- No renderings allowed.
- No multi-item reward tiers.
- “Risks and challenges” section required.

“It’s hard to know how many people feel like they’re shopping at a store when they’re backing projects on Kickstarter, but we want to make sure that it’s no one. Today we’re introducing a number of changes to reinforce that Kickstarter isn’t a store — it’s a new way for creators and audiences to work together to make things.”

Kickstarter , 9-20-12

Kickstarter's enthusiasm for "product" projects is unclear. So?

It is important to realize that your project might get denied.

25-40% of projects are not approved to launch.

There is a one-time appeal process that is surprisingly opaque. Consider making contingency plans as you plan your campaign.

You can't sue someone for making terrible art.

The potential legal implications from big-ticket hardware projects are far more intimidating than film/art/media projects.

2. A project to drop a baby grand piano onto a pyramid of champagne glasses and call it art.

The Piano is the Champagne

A Conceptual Art project in Brooklyn, NY by Ranger Penny [Send message](#)

PROJECT NAME

UPDATE 3

BACKERS 3

COMMENTS 3

VIEWING 00



177 people like this. Be the first of your friends.



ABOUT THIS PROJECT

This Project is an art piece that will be apart of the upcoming show at the Gowanus Ballroom in Brooklyn, To the stars on the wings of an art.

We are going to drop a baby grand piano into a pyramid of 305 champagne glasses. The piano will be dropped from the approximate height of 50 feet. We are documenting the event with slow motion video as well as still photography and directional microphones.

8

BACKERS

\$450

PLEGGED OF \$2,388 GOAL

6

DAYS TO GO

THIS PROJECT WILL ONLY BE FUNDED IF AT LEAST \$2,388 IS PLEDGED BY SATURDAY JUN 30, 12:00AM EDT

BACK THIS PROJECT

to fund this project

PLEDGE \$10 OR MORE

0 BACKERS

A piece of a champagne glass signed by both of the artists

Estimated Delivery: Aug 2012

PLEDGE \$25 OR MORE

0 BACKERS • Limited Reward (24 of 50 remaining)

You CAN sue someone for alleged patent infringement, fraud, etc.

3D Systems Sues Formlabs and Kickstarter for Patent Infringement

BY JOSEPH FLAHERTY 11.21.12 12:16 PM

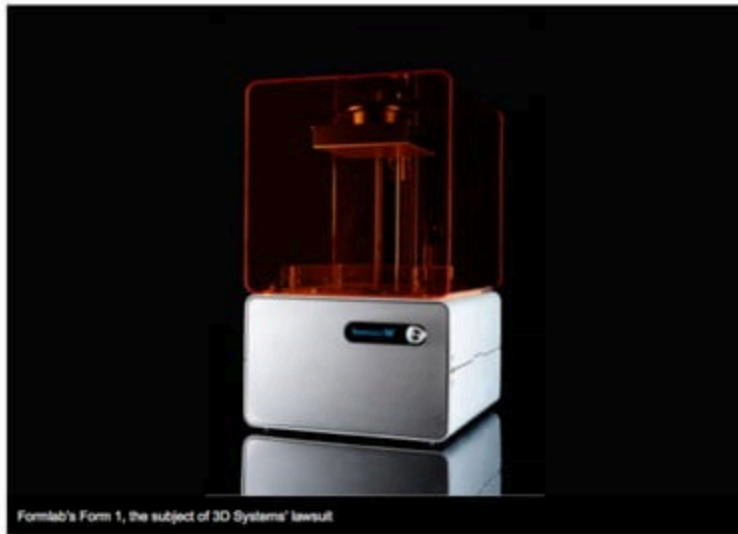
[Follow @josephflaherty](#)

[Like](#) 135

[Tweet](#) 217

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Formlabs's Form 1, the subject of 3D Systems' lawsuit

What's the future of Kickstarter?

I have no idea.

But I wouldn't wait to find out.

First thing first: what kind of Kickstarter project are you?

Most people think all kickstarter projects are out to accomplish the same thing. I think there are actually 3 very different categories. You should know which you are.

Category:

Use of funds:

1) Bootstrappers.

All funding for capital and production.

2) Fundraisers.

Production, eventually.

3) Funded.

Revenue.

Be conservative...and creative.

Know which category you're in and plan appropriately.

- Whether it's about time or money (or both), give yourself enough buffer.
- Be creative about your goals if raising a huge amount of money isn't your primary goal.
- Planning to raise money? If you do it right, Kickstarter will get you a ton of buzz, but buzz won't necessarily get you funded. Consider talking to your investors first.

What sorts of projects blow up on Kickstarter?

- Apple accessories
- Robotics
- Photography accessories
- Robotic photography accessories for apple products
- Bike stuff
- GAMES!!

Doesn't it seem like there should be more stuff?

Don't forget to read the fine print.

Prohibited items and subject matter:

- Alcohol (prohibited as a reward)
- Automotive products
- Baby products
- Bath and beauty products
- Contests (entry fees, prize money, within your project to encourage support, etc)
- Cosmetics
- Coupons, discounts, and cash-value gift cards
- Drugs, drug-like substances, drug paraphernalia, tobacco, etc
- Electronic surveillance equipment
- Energy drinks
- Exercise and fitness products
- Eyewear (sunglasses, prescription glasses, etc)
- Financial incentives (ownership, share of profits, repayment/loans, etc)
- Firearms, weapons, and knives
- Health and personal care products
- Heating and cooling products

- Home improvement products
- Infomercial or As-Seen-on-TV type products
- Medical and safety-related products
- Multilevel marketing and pyramid programs
- Nutritional supplements
- Offensive material (hate speech, inappropriate content, etc)
- Pet supplies
- Pornographic material
- Projects endorsing or opposing a political candidate
- Projects promoting or glorifying acts of violence
- Projects using Kickstarter simply to sell existing inventory
- Raffles, lotteries, and sweepstakes
- Real estate
- Rewards in bulk quantities (more than ten of an item)
- Rewards not directly produced by the project or its creator (no offering things from the garage, repackaged existing products, weekends at the resort, etc)
- Self-help books, DVDs, CDs, etc

What else is in the fine print?!

Here's a few other handy things to know:

- No direct marketing.
- No email/twitter spam of any sort.
- No raffles.
- Don't back your own project.

The one area where Kickstarter does seem to be somewhat responsive is in their replies to questions. If you're unsure or have a question, definitely ask.

Kickstarter timing and logistics.

1. Start your project on kickstarter.com. Free, easy, and private. Start now.
2. Create an Amazon payments account. Verification can take up to a week.
3. Submit your project for approval by Kickstarter. Approval takes up to a week.
4. If rejected, submit your appeal and HOPE. May take another several days to a week.
5. Once approved, you can make ANY changes to your site or video before launching your project. Your page is still private at this point.
6. Hit the little green rocket - you're live and the clock is ticking. Go tell the world!

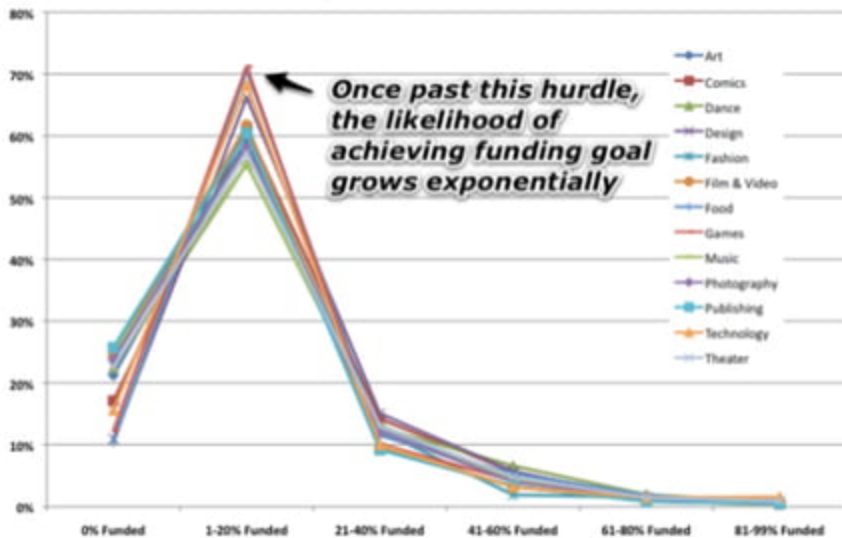
Kickstarter essentials.

Don't hit the little green button without them:

1. A strategy
 2. Rewards
 3. A Video
 4. Amazing photography
 5. Press
 6. A website
 7. Time
-

Strategy

Distribution of Unsuccessful Projects by Funding Threshold



Plan your campaign: Generate buzz early (30% rule)

Rewards

- Your product is your bread and butter - friends and family buy the rest.
- You actually have to make and deliver this stuff - don't make life hard on yourself.
- Tiered production runs, early bird, etc. - there's lots of creative ways to create scarcity.



I longboard ever

to being an amazing ride, it's also the perfect comes to short trips, you can finally stop worrying gas, gas stations, pedaling, bike locks, pushing, its, commute to work, get around campus, or link up miles before recharging or swapping your battery. It enjoy the ride everyday.



I, even on hills

Pledge \$1,099 or more

20 backers **Sold out**

EARLY BACKER SPECIAL - \$100 off a board from our first production run. Delivered in May. Add \$100 for personalized engraving.

Estimated delivery: May 2013

Pledge \$1,199 or more

20 backers **Sold out**

FIRST BATCH - Your very own board from our first production run. Delivered in May. Add \$100 for personalized engraving.

Estimated delivery: May 2013

Pledge \$1,199 or more

99 backers **Limited (1 of 100 left)**

SECOND BATCH - Your very own board from our second production run. Delivered in June. Add \$100 for personalized engraving.

Estimated delivery: Jun 2013

Pledge \$1,199 or more

190 backers

THIRD BATCH - Your very own board from our sustained production run. Deliveries start in July. Add \$100 for personalized engraving.

Estimated delivery: Jul 2013

Pledge \$1,499 or more

20 backers **Sold out**

GET IT EARLY - One board from our beta run two months before everyone. SF Bay Area residents only. Add \$100 for personalized engraving.

Estimated delivery: May 2013

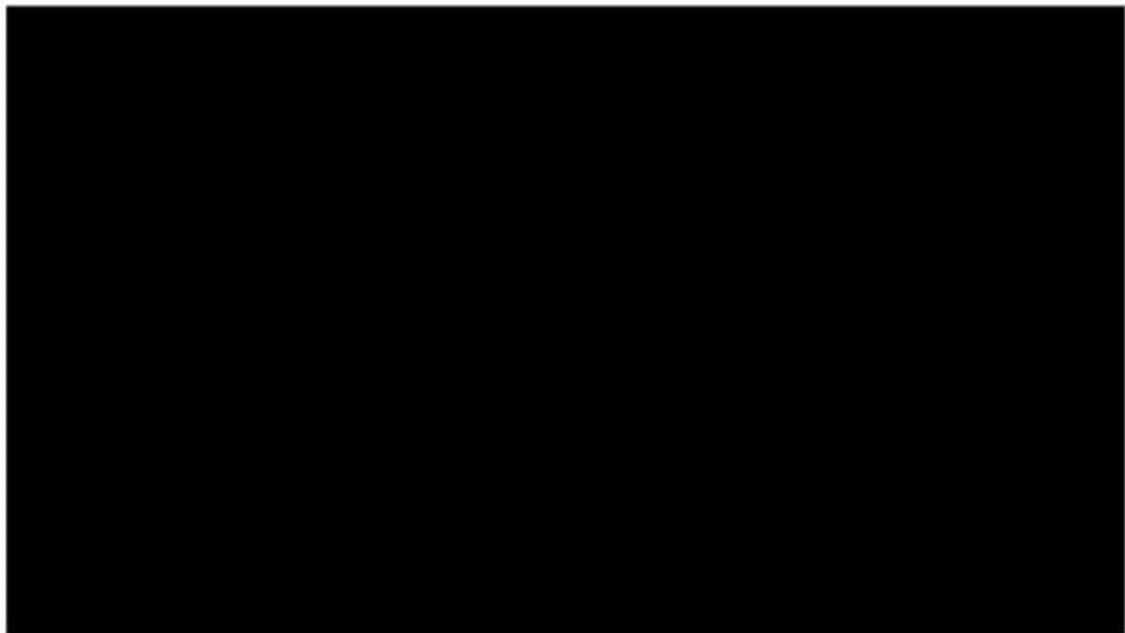
Video

- Your kickstarter video is not going to go viral.



- You can always post more videos later.
 - Make an asset that will outlive your kickstarter campaign.
-

Video



Video

Your first marketing test: design your video yourself* - at this point, no one should be able to tell your story better than you.

FARADAY KICKSTARTER VIDEO

Seq	VO	Graphics/Footage	Caption/Music & Tone Cues
1	Albert Einstein claims to have invented his theory of relativity while riding his bike. At Faraday Bicycles, we're not surprised. Life's greatest inspirations come to us in those precious moments when we're able let go of the pace of modern life, take in a deep breath, and relax.	Split screen. Left side: video opens coming into focus on a poster shot of "Melancholy is incompatible with riding a bicycle" on dresser or wall. A nicely dressed guy is getting ready in the morning for work. Espresso brews and is poured. We see a bookshelf that is filled with design, architecture and bike books. The guy is done getting ready and grabs his Faraday Bike. Right side: Girl dressed in casual cute summer clothes is getting ready for her picnic. In her apartment we see a cute bike pillow and some fun bike posters. She's reading in a sunny corner. The views from her windows are epic. She glances outside to see a long line of cars on the street below, then turns back to her reading.	Upbeat delightful music
2		Continuation from sequence above.	
3	When we were challenged to design the ultimate bicycle for modern living, we asked ourselves the question...how do you improve something that's been making people's lives	Left side: As he's walking out the door we see an open magazine talking about the Oregon Manifest. We see him carrying the bike down his front stairs	



*hire an amazing director (and a writer if you need one)

Photography

Great photography is expensive. Don't skimp on it.



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Press

Kickstarter runs on press.

- Seriously consider hiring a PR professional. They're better at it than you are, and you don't want to do it anyway.
- If you have a great story, press will be a lot easier to come by (Pebble, Faraday, Ooya)



Website

- Doesn't have to be fancy - you'll improve it once you get funded.
- Needs a mailing list.
- Landing page should link directly to Kickstarter.
- Needs to pick up sales as soon as your campaign ends, so consider an e-commerce option (Shopify, etc.)
- Make all your press resources easily available.

Code to embed video

```
<iframe src="http://player.vimeo.com/video/46850653" webkitallowfullscreen="" mozallowfullscreen="" allowfullscreen="" frameborder="0" height="702" width="1248"></iframe>
```

For downloadable imagery, please view our gallery

Press release: 7/24 Faraday meets funding goal on Kickstarter.

Press release: 7/17 Announcement of Faraday and Kickstarter.

Right click here (and save link as) to download a zip file of high-res images.

Time

Don't underestimate the amount of your time your campaign will consume.

What Kickstarter did for Faraday, and where we're at now.

Lots of open doors.

(Ongoing) great press.

Great validation within our industry.

Connections to our first customers and early adopters.

Dealing with our backers with transparency, and cranking along.



THANK YOU!
