DOCTRINE

Financial Projections

CONFIDENTIAL

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Doctrine — Financial Projections

Pricing Structure

Pay-Per-Use Tiers

Tier	Chapters	Price	Default Model	COGS (API)	Gross Margin
Starter	5 chapters	$5	Sonnet	~$3.00	40%
Standard	15 chapters	$15	Sonnet	~$8.00	47%
Professional	25 chapters	$29	Sonnet/Opus	~$12.50	57%
Enterprise	50 chapters	$49	Opus	~$23.00	53%

Note: Sonnet costs ~$3/run for 24 chapters vs. Opus at ~$23/run. Defaulting lower tiers to Sonnet dramatically improves unit economics. Users can upgrade to Opus for +$10/run.

Subscription Tiers

Tier	Monthly Price	Annual Price	Features	Expected Usage
Free	$0	$0	1 project/mo, Sonnet only, 10-chapter max	Lead generation
Pro	$49	$470 (20% off)	Unlimited projects, Opus access, all 3 engines, export formats	Power users
Enterprise	$199	$1,910 (20% off)	Multi-LLM (GPT-4, Gemini, Opus), team seats (5), API access, priority queue, custom Bible templates	Organizations

Upsells & Add-Ons

Add-On	Price	Margin
Opus upgrade (per run)	+$10	45%
Rush queue (priority processing)	+$5/run	90%
Custom Bible template creation	$99 one-time	85%
Additional Enterprise seats	$29/seat/mo	80%
API access (standalone)	$0.50/API call	60%

Unit Economics Deep Dive

Cost Per Run (Current)

Component	Opus (24ch)	Sonnet (24ch)
Input tokens (~500K)	$7.50	$1.50
Output tokens (~200K)	$15.00	$1.50
Bible generation	Included	Included
Consistency check	~$0.50	~$0.10
Total API cost	**~$23.00**	**~$3.10**
Infrastructure (compute, storage)	$0.15	$0.15
Total COGS	**~$23.15**	**~$3.25**

Projected Cost Reduction (LLM Price Deflation)

Timeline	Opus-Class Cost	Sonnet-Class Cost	Notes
Today	$23/run	$3.10/run	Current Anthropic pricing
Month 6	$15/run	$2.00/run	Expected API price cuts + caching
Month 12	$8/run	$1.20/run	Competition-driven price drops + prompt optimization
Month 18	$5/run	$0.80/run	Next-gen models, batching, fine-tuning

Blended Unit Economics (Month 12 Projection)

Metric	Value
Average revenue per run (blended)	$18.50
Average COGS per run (blended)	$5.40
Gross margin per run	**$13.10 (71%)**
Average runs per paying user/mo	3.2
Monthly gross profit per user	**$41.92**

Subscription Unit Economics

Metric	Pro ($49/mo)	Enterprise ($199/mo)
Expected runs/month	6	25
API cost/month	$18.60	$62.50
Infrastructure cost	$2.00	$8.00
Gross margin	**$28.40 (58%)**	**$128.50 (65%)**
With LLM deflation (Mo 12)	$37.80 (77%)	$161.50 (81%)

Year 1 Month-by-Month Projections

Conservative Scenario

Month	New Users	Total Paying	MRR	Cumulative Revenue	Notes
1	30	30	$1,200	$1,200	Soft launch, early adopters
2	45	68	$3,060	$4,260	Product Hunt launch
3	60	115	$5,520	$9,780	Content marketing kicks in
4	75	170	$8,330	$18,110	First enterprise trial
5	90	234	$11,700	$29,810	Reddit/Twitter traction
6	110	310	$15,810	$45,620	Referral program launch
7	130	398	$20,500	$66,120	First paid acquisition
8	155	500	$26,000	$92,120	Partnership pipeline
9	180	617	$32,500	$124,620	Enterprise conversions
10	210	750	$40,000	$164,620	Organic growth accelerates
11	245	905	$49,000	$213,620	Series A prep
12	285	1,080	$59,400	$273,020	

Year 1 Conservative: $273K revenue | $59K MRR | 1,080 paying customers

Assumptions: 8% monthly churn, 70% pay-per-use / 25% Pro / 5% Enterprise mix, ARPU grows from $40→$55 as users upgrade

Moderate Scenario

Month	New Users	Total Paying	MRR	Cumulative Revenue	Notes
1	50	50	$2,000	$2,000	
2	80	118	$5,310	$7,310	Viral content hit
3	120	215	$10,320	$17,630	
4	160	335	$16,750	$34,380	
5	200	480	$25,200	$59,580	
6	260	665	$36,575	$96,155	
7	330	885	$50,745	$146,900	
8	400	1,140	$68,400	$215,300	
9	480	1,430	$90,090	$305,390	
10	560	1,750	$115,500	$420,890	
11	650	2,105	$145,245	$566,135	
12	750	2,500	$180,000	$746,135	

Year 1 Moderate: $746K revenue | $180K MRR | 2,500 paying customers

Aggressive Scenario

Month	New Users	Total Paying	MRR	Cumulative Revenue	Notes
1	100	100	$4,000	$4,000	Strong launch
2	200	280	$12,600	$16,600	Viral moment
3	350	575	$27,600	$44,200	
4	500	980	$50,960	$95,160	
5	650	1,470	$80,850	$176,010	
6	800	2,050	$118,900	$294,910	
7	950	2,700	$164,700	$459,610	
8	1,100	3,400	$217,600	$677,210	
9	1,250	4,150	$278,050	$955,260	
10	1,400	4,950	$346,500	$1,301,760	
11	1,550	5,800	$423,400	$1,725,160	
12	1,700	6,700	$509,500	$2,234,660	

Year 1 Aggressive: $2.23M revenue | $510K MRR | 6,700 paying customers

Year 1-3 Revenue Projections

Metric	Year 1	Year 2	Year 3
Conservative			
Revenue	$273K	$1.1M	$3.2M
Paying Customers (EOY)	1,080	4,200	12,000
MRR (December)	$59K	$150K	$380K
Moderate			
Revenue	$746K	$3.6M	$11.5M
Paying Customers (EOY)	2,500	10,000	32,000
MRR (December)	$180K	$480K	$1.4M
Aggressive			
Revenue	$2.23M	$9.8M	$28M
Paying Customers (EOY)	6,700	25,000	72,000
MRR (December)	$510K	$1.2M	$3.5M

Customer Acquisition Cost (CAC) Assumptions

Organic Channels (Months 1-6 Focus)

Channel	CAC	Volume/Month	Notes
Viral content (Twitter/Reddit)	$0	50-200	Free first run drives sharing
Product Hunt	$0	200-500 (launch week)	One-time spike
SEO/Content marketing	$5	30-100	Blog, comparisons, tutorials
Build in public	$0	20-50	Founder content
Referral program	$3	30-80	"Give a run, get a run"
Blended organic CAC	**$2-4**		

Paid Channels (Months 6+ Phase 2)

Channel	CAC	Volume/Month	Notes
LinkedIn Ads (B2B)	$45	50-150	Targeting consultants, analysts
Google Ads (intent)	$35	100-300	"AI book writing," "AI policy analysis"
Twitter/X promoted	$15	100-200	Amplify viral content
Retargeting	$8	50-100	Free→paid conversion
Blended paid CAC	**$25-35**		

Blended CAC Over Time

Period	Blended CAC	LTV:CAC Ratio
Months 1-6	$5	48:1
Months 7-12	$18	13:1
Year 2	$25	10:1
Year 3	$30	9:1

Target: Maintain LTV:CAC > 5:1

Break-Even Analysis

Monthly Fixed Costs

Category	Month 1-6	Month 7-12	Year 2
Founder salary	$8,000	$10,000	$12,000
Engineering hires (2)	$0	$25,000	$30,000
Infrastructure (non-API)	$500	$2,000	$5,000
Marketing spend	$1,000	$8,000	$15,000
Operations/Legal	$1,500	$3,000	$5,000
Total fixed	**$11,000**	**$48,000**	**$67,000**

Break-Even Points

Scenario	Monthly Break-Even Revenue	Paying Customers Needed	Timeline
Pre-hire (Mo 1-6)	$11,000	~200	Month 4-5
Post-hire (Mo 7-12)	$48,000	~870	Month 8-10
Year 2 (scaled)	$67,000	~1,200	Sustained

Cash Flow Waterfall (Moderate Scenario)

Month	Revenue	COGS	Fixed	Net Cash Flow	Cumulative
1	$2,000	$800	$11,000	-$9,800	$1,490,200
2	$5,310	$2,124	$11,000	-$7,814	$1,482,386
3	$10,320	$4,128	$11,000	-$4,808	$1,477,578
4	$16,750	$6,700	$11,000	-$950	$1,476,628
5	$25,200	$10,080	$11,000	$4,120	$1,480,748
6	$36,575	$14,630	$11,000	$10,945	$1,491,693
7	$50,745	$17,761	$48,000	-$15,016	$1,476,677
8	$68,400	$23,940	$48,000	-$3,540	$1,473,137
9	$90,090	$27,027	$48,000	$15,063	$1,488,200
10	$115,500	$34,650	$48,000	$32,850	$1,521,050
11	$145,245	$43,574	$48,000	$53,671	$1,574,721
12	$180,000	$54,000	$48,000	$78,000	$1,652,721

Starting cash: $1.5M (seed round). Ends Year 1 with ~$1.65M cash remaining in moderate scenario.

Key Metrics Dashboard

North Star Metrics

Metric	Month 6 Target	Month 12 Target	Year 2 Target
MRR	$36K	$180K	$480K
Paying Customers	665	2,500	10,000
Monthly Churn	<8%	<6%	<5%
Net Revenue Retention	105%	115%	125%

Unit Metrics

Metric	Current	Month 12	Year 2
ARPU (monthly)	$40	$72	$85
LTV (12-mo)	$240	$540	$720
CAC	$3	$18	$25
LTV:CAC	80:1	30:1	29:1
Payback Period	<1 month	1.5 months	2 months
Gross Margin	45%	70%	78%

Engagement Metrics

Metric	Target
Free → Paid conversion	8-12%
Pay-per-use → Subscription	15-20%
Pro → Enterprise upgrade	5-8%
Runs per paying user/month	3.2
Documents exported/month	2.8

Sensitivity Analysis

Key Variables & Impact on Year 1 Revenue (Moderate)

Variable	-20% Change	Base	+20% Change
Conversion rate	$597K	$746K	$895K
ARPU	$597K	$746K	$895K
Churn rate	$850K	$746K	$642K
LLM cost reduction speed	$680K	$746K	$812K
Viral coefficient	$520K	$746K	$1.05M

Scenario: LLM Costs Don't Decrease

If API pricing stays flat through Year 1: - Gross margins remain at 45-55% (vs. projected 70%) - Break-even delayed ~2 months - Still profitable at scale due to subscription model - Mitigation: Shift default to Sonnet for all tiers, Opus as premium upgrade

Scenario: Major Competitor Enters (OpenAI/Google)

- Bible methodology is defensible — requires deep pipeline engineering, not just a model wrapper
- Self-improving prompt library is proprietary data asset
- First mover advantage in enterprise contracts
- Mitigation: Accelerate enterprise partnerships, deepen moat through data flywheel

Funding Efficiency Metrics

Metric	Value
Pre-seed spend to MVP	$0 (bootstrapped)
Seed round	$1.5M
Projected ARR at Series A	$2.2M - $5.8M
Capital efficiency (ARR/$ raised)	1.5x - 3.9x
Projected Series A timing	Month 15-18
Projected Series A raise	$5-8M at $25-40M valuation

All projections based on moderate scenario unless noted. Conservative scenario represents downside case; aggressive represents viral/breakout scenario. Actual results will depend on market conditions, LLM pricing evolution, and execution speed.