

Li Zhang
lzhang70@illinois.edu
 University of Illinois at Urbana Champaign

Austin Chen
ac7410@stern.nyu.edu
 New York University

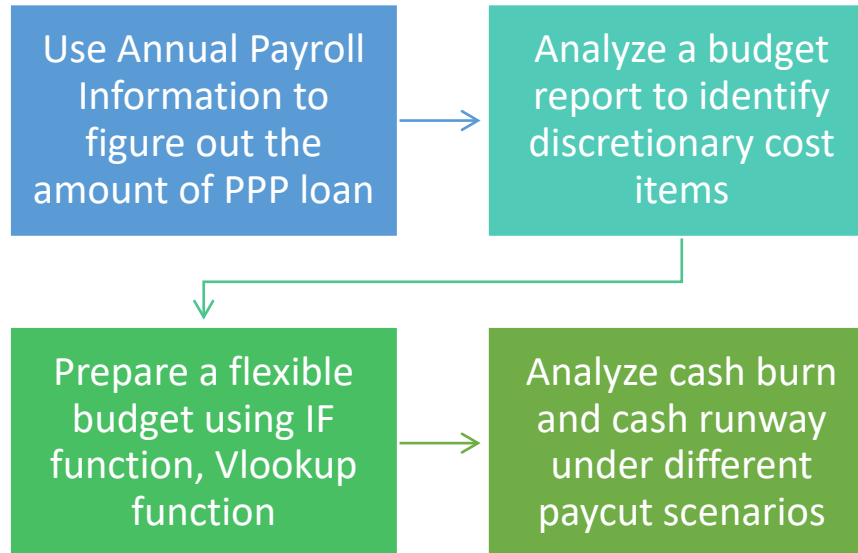
AI Luxe Inc.

Incorporated in 2017
 Founder: Nathan Chang
 Location: CA
 Employees: 10
 Focus on facial recognition and object detection in construction sites

To pivot & raise fund in order to survive the Pandemic

Objective of the case:

To develop “wicked” students who are given authority to tackle complex real meaningful problems in great uncertainty



Tasks:

- Explore funding option
- Calculate PPP loan
- Pivot product/market
- Prepare budgets for No Payout & Payout
- Decide percentage of Payout and starting month following PPP guidelines
- Cash burn & runway
- Ethics issues

Benefit to Students:

Experience in making important decisions involving accounting, financing, marketing, human resource in a highly relevant and realistic setting

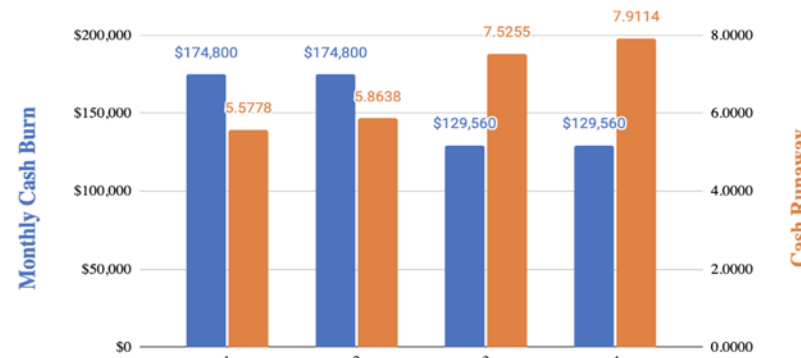


Figure 1. Pay cut scenarios based on sales to SGI.
 (1) No pay cut, 10 units sold for \$10,000 each. (2) No pay cut, 20 units sold for \$7,500 each. (3) 24% pay cut, 10 units sold for \$10,000 each. (4) 24% pay cut, 20 units sold for \$7,500 each.