

THC CONSULTING
VENTURE ASSESSMENT & DIAGNOSTIC SPRINT

The verdict on NorthBridge Connect is two-phase: Phase 1 internal ML-assisted dispatch platform is **CONDITIONAL GO**; Phase 2 external SaaS for regional brokers is **NO GO**. The Phase 1 verdict is conditional on three categories of governance commitment named in this report, each requiring a named owner and written commitment before the Day 14 verdict session. The Phase 2 verdict rests on two structurally independent grounds — neither resolvable through pricing, sales execution, or longer time horizons. A forward path for external commercialization remains open in a structurally different proposition (data licensing to TMS platform partners) governed by a 90-day post-sprint scoping discipline.

Sprint Master Report

NorthBridge Freight Solutions

PHASE 1 CONDITIONAL GO	The internal use case is real. NorthBridge's dispatchers override system-generated carrier recommendations at 30–40%, and an ML platform encoding carrier relationship intelligence is a credible decision-support tool. The host thesis is unambiguous. The build is executable. Conditions: governance of carrier portal sequencing, pre-investment data audit, and dispatcher inclusion in training-data generation. Build: 30–36 months from board approval. Calibrated cost: \$2.6M–\$3.5M. If any condition cannot carry a named owner and written commitment by Day 14, the verdict moves to NO GO.
PHASE 2 NO GO	Two structurally independent grounds, either sufficient on its own. Ground 1: LTV:CAC ratios are 0.78:1 (optimistic), 0.28:1 (base), and 0.13:1 (bear) — all fail the 3:1 minimum gate, with the gap not recoverable through pricing or efficiency. Ground 2: Bottom-up TAM rebuild produces \$345K–\$600K annual addressable market against ~\$438K required ARR to justify Stage 2 investment; Year 3 realistic SOM is approximately \$45K — approximately 10x too small. Competitive channel conflict is the structural context, not a separate gate.

Forward path. The VP Business Development named a structurally different proposition: license the carrier performance data layer to TMS platform partners. The licensing path is governed by a 90-day scoping discipline requiring answers to three structural questions before senior time commits beyond the window.

Authority and decision. The CFO stated explicitly in the Day 9 Reality Check meeting that GO/NO-GO authority rests with the CEO. She would not block a verdict the CEO endorsed, would not champion one independently, and considered the financial discipline she contributed as the gate function she was responsible for. The decision before the CEO at Day 14 is whether the three Phase 1 conditions can carry named owners and written commitments.

PREPARED FOR

NorthBridge Freight Solutions · CEO, CFO, VP Business Development

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SPRINT DURATION

14 working days · VAD Sprint Protocol

DATE

March 2026 · Day 14 of 14

The sprint tested a two-phase venture hypothesis, locked Day 4 with venture-lead signature. **Phase 1:** NorthBridge can build an ML-assisted load matching platform to encode dispatcher carrier relationship knowledge, generate documented internal savings, and justify Phase 1 build cost within the CFO's 18-month contribution margin and 24-month payback gates. **Phase 2:** the platform extends as a licensed SaaS product to Pacific Northwest regional freight brokers, conditional on resolution of competitive channel conflict and validation of broker-side unit economics.

The sprint ran the standard 14-day VAD structure: Hypothesis Zone (Days 1–4), Diagnostic Zone (Days 5–8), Evidence Zone (Days 9–12), Verdict Zone (Days 13–14). The Day 4 hypothesis lock survived to Day 9 unchanged. At the Day 9

Reality Check meeting, the verdict direction became structural — **CONDITIONAL GO / NO GO** — and did not reopen on the evidence in hand.

The verdict rests on six evidence streams:

Evidence Stream	What It Covered	Sources
Internal stakeholder interviews	Venture hypothesis, operational context, engineering scope, financial gates	5 primary: CEO, CFO, VP BD, Engineering Lead, VP Operations
GLG primary research	Broker-buyer behavior, channel conflict, dispatcher domain	3 external experts: Tier 2 broker buyer, Tier 3 broker buyer, technical validator
Market intelligence	Bottom-up TAM rebuild for PNW regional broker segment	D3 TAM/SAM/SOM; GLG-corroborated broker count
Unit economics	Phase 2 CAC, LTV, payback, Reverse P&L; Phase 1 build-cost-to-savings	D4 Payback Bridge; optimistic/base/bear scenarios
Optimism bias audit	Six metrics evaluated under D6-T5 protocol; bias-adjusted figures carried forward	D6-T5 Black Box Bias Audit; sales lead CAC floor
Pre-mortem	Three structurally distinct failure scenarios with early-warning indicators	D12 Pre-Mortem; mapped to Phase 1 conditions

The D5 Assumption and Risk Register — 61 entries at sprint close — is the evidentiary spine.

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Phase 1 Findings

The internal use case stands. NorthBridge's dispatchers override system-generated carrier recommendations at a 30–40% rate because current tools do not encode the carrier relationship intelligence that lives in dispatchers' heads and informal spreadsheets. An ML platform surfacing recommendations incorporating lane reliability, seasonal capacity, relationship history, and soft performance signals is a credible decision-support tool for that workflow. The VP Operations, Director of Transportation Operations, and Engineering Lead independently confirmed the problem exists at scale and no off-the-shelf product addresses it.

The use case validation does not translate to a financial profile meeting the CFO's gates without active management. Three findings carry the conditional language.

Build timeline: 30–36 months from board approval

The Engineering Lead's honest estimate places total Phase 1 deployment at 30–36 months. This figure incorporates a sequential data normalization phase — normalization runs before ML training, not in parallel, adding 12–18 months of data engineering work absent from any pre-sprint timeline. The VP Business Development's original 12-month estimate did not survive contact with the revised technical scope. The phase decomposition: Phase 1A (data engineering and normalization) 9–15 months; Phase 1B (ML build and model training) 6–9 months; Phase 1C (deployment and dispatcher adoption) 3–6 months.

Build cost: \$2.6M–\$3.5M bias-adjusted

The Engineering Lead's revised estimate is the engineering-honest figure; the D6-T5 optimism bias audit raises the calibrated operative range to **\$2.6M–\$3.5M**. Three engagement-specific drivers move the figure: data normalization scope is not yet quantified; ML talent has not been hired (recruitment and ramp adds approximately \$400K–\$600K in

fully-loaded cost); and Phase 1C dispatcher adoption costs are not modeled. The bias-adjusted figure is the one the CEO uses for GO authorization.

[Sample truncated — full report includes: Dispatcher adoption as identity-and-professional-capital risk; Data fragmentation findings; Pre-investment audit requirements; Phase 1 financial gate analysis]

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Phase 2 Findings

The Phase 2 external SaaS thesis does not survive the evidence. The verdict is **NO GO**, resting on two structurally independent grounds. Either ground is sufficient on its own.

Ground 1 — LTV:CAC fails the 3:1 gate across all three scenarios

Scenario	LTV:CAC	vs. 3:1 Gate	Key Assumptions
Optimistic	0.78:1	FAIL	2–3 month sales ramp, 25–30% close rate, 5-year customer life, minimal churn
Base case	0.28:1	FAIL	8–12 month sales cycle, channel conflict objection applied, standard B2B churn
Bear case	0.13:1	FAIL	Full channel conflict friction, 25% annual churn, VAD-standard CAC floor

The optimistic scenario does not produce 1:1 unit economics. The 23x gap between the bear-case ratio and the gate is not a calibration question. It is the economics of selling logistics software into a market where the seller's brand is a direct competitor.

Ground 2 — The market is approximately 10x too small for Stage 2

The bottom-up TAM rebuild produced an annual addressable market of \$345K–\$600K — not the \$500M–\$1B represented in pre-sprint materials, where freight brokerage industry revenue was conflated with addressable technology spend. The Year 3 realistic SOM is approximately \$45K in ARR. The Reverse P&L analysis shows that Stage 2 investment of the required scale demands approximately **\$438K in ARR to justify** — the gap is approximately 10x. The PNW regional broker segment contains roughly 40–60 addressable buyers. Even at full segment capture at the top of willingness-to-pay, the total theoretical capacity is below the line required to justify Stage 2 capital.

[Sample truncated — full report includes: Channel conflict structural analysis; Broker-buyer testimony; Data licensing path as structurally distinct proposition]

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Verdict and Conditions

The sprint produces two verdicts. The Phase 1 conditions are not risks to monitor — they are governance decisions that must be on file before board capital release. If any condition category cannot carry a named owner and written commitment by Day 14, the verdict moves to NO GO for Phase 1.

Condition	Refs	Owner	What Is Required
1 — Governance	A018 A019	CEO	Written sequencing decision on carrier portal upgrade (defer, kill, or fund as parallel). VP Operations-inclusive pre-deployment governance structure with named arbiter and defined trigger for resource conflict escalation.

2 — Pre-investment data audit	A023 A047 A024	Engineering Lead (CEO escalation)	Formal audit completed before board capital release, separately quantifying transactional completeness and behavioral attribute coverage by year and carrier. Preliminary findings below 40% trigger immediate sponsor conversation — not a quiet internal scope question.
3 — Implementation	A005 A039	VP Operations / Director Ops	Phase 1A change management plan naming dispatchers as primary contributors to training-data generation. Dispatcher resistance is a professional-capital risk governed by participation, not training programs.

Authority handoff. The CFO stated explicitly in the Day 9 Reality Check meeting that she would not block a verdict the CEO endorsed, would not champion one independently, and considered the financial discipline she contributed as the gate function she was responsible for. The decision before the CEO at Day 14 is whether the three conditions can carry named owners and written commitments.

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Pre-Mortem — Three Failure Scenarios

This section describes three coherent paths to NorthBridge Connect failing within 24–36 months of board approval. It is not a prediction — it is a structured imagination exercise: assume the venture has already failed, then work backwards to describe how. The purpose is to make failure modes concrete enough to recognize as they form, and to validate the Phase 1 conditions against the failure narratives.

Scenario 1 — Immune System Death (Organizational decay)

The board approves a CONDITIONAL GO with three condition categories. None carries an enforcement mechanism or named owner on file. The carrier portal, never formally killed or sequenced, re-emerges as a competing resource claim six weeks into Phase 1A. No formal priority adjudication is convened. Two engineers begin splitting time. Dispatcher resistance plays out as the technical validator described during the sprint — reluctant compliance, 'still learning' framing, feedback loops present in form but not substance. By Month 14, Phase 1A shows 8% efficiency improvement against a 15% target. The Engineering Lead requests a timeline extension. The CFO — silent for 14 months, fully within her financial discipline posture — convenes a CFO review. The program enters a budget conversation it never exits.

[Sample truncated — full report includes Scenario 2 (Data Audit Reveals Worse Than Feared) and Scenario 3 (Data Licensing Path Tried and Failed)]

Early-Warning Indicators — Sample Extract

Scenario	When	What to Watch For
Immune System Death	Month 2	Engineering Lead reports one engineer is 'splitting time' between the platform and a portal-related task, with no formal escalation filed.
Immune System Death	Month 4	Dispatcher feedback from Phase 1A pilot includes more than two unsolicited references to 'professional judgment' or 'the system doesn't know our lanes yet' — frequency matters more than content.
Audit Reveals Worse	Month 4 (completion)	Behavioral attribute coverage estimate comes in below 40% — any figure in the 30–40% range triggers an immediate sponsor conversation before the number enters a formal report.

Data Licensing Fails	Month 4 (due diligence)	TMS partner schedules a follow-up meeting staffed by their technical team only, without a commercial counterpart. Technical-only re-engagement is the indicator.
[5 additional indicators in full report]	—	—

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Forward Path

During the Day 9 Reality Check meeting, the VP Business Development named a structurally different proposition: license the carrier performance data layer to TMS platform partners rather than sell a SaaS product into the broker market. The proposition is not the venture this sprint tested. The NO GO verdict does not foreclose it.

The licensing path is governed by a **90-day scoping discipline** requiring answers to three structural questions before senior time commits beyond the window: (1) Is the problem two-sided — does broker-side data fragmentation replicate the normalization burden already solved internally? (2) Is the commercial structure recurring rather than one-time? (3) Is the integration burden architectural or operational? The VP Business Development leads the exploration. THC remains available in an advisory capacity during the window.

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Recommended Actions

Phase 1 — Convert conditions to governance (pre-board)

- **Carrier portal sequencing decision** — Owner: CEO. Deadline: pre-board. Written decision in planning artifacts. Three options valid: defer, kill, or fund as parallel program. VP Operations must be in the room.
- **Pre-deployment governance structure** — Owner: CEO, drafted with VP Operations. Deadline: pre-board. Documented priority adjudication mechanism with named arbiter and defined trigger.
- **Pre-investment data audit** — Owner: Engineering Lead (CEO as escalation). Deadline: 30 days post-GO. Audit vendor instructed that preliminary findings below 40% behavioral coverage trigger immediate sponsor conversation — not a report wait.
- **Phase 1A change management plan** — Owner: VP Operations / Director Transportation Operations. Deadline: 60 days post-GO. Dispatchers named as primary contributors to training-data generation with documented recognition structure.

Phase 2 and forward path

- **Communicate Phase 2 NO GO** — Owner: CEO with VP Business Development. Internal first, then external parties briefed on the Phase 2 SaaS thesis. Forward-facing framing: data licensing exploration is the active continuation.
- **Data licensing scoping kickoff** — Owner: VP Business Development. Deadline: 30 days post-GO. Three structural questions from Section 7 frame the first TMS partner conversation.
- **Schedule 90/180/365-day outcome tracking calls** — Owner: THC with CEO. Deadline: end of Day 14 session. Three calls of approximately 60 minutes each.

Appendix A

D5 Assumption and Risk Register — Sample Extract

The D5 register is the evidentiary spine of the verdict. 61 entries at sprint close, organized in eight categories. Each entry carries an importance grade (H = kills venture if wrong; M = materially affects verdict; L = relevant but not decisive), a certainty grade (H = evidence confirmed; M = partial evidence; L = assumed or untested), a status, and disposition notes. Ten representative entries are shown below.

A001	Customer	H	M	CONFIRMED AGAINST	Regional freight brokers are not a viable external buyer — channel conflict confirmed negative via two independent sources. External buyer premise eliminated.
A004	Customer	M	H	RESOLVED — BIAS ADJ.	Dispatcher pain (30–40% manual override rate) validated as real. Bias-adjusted to midpoint per GLG expert review.
A005	Customer	M	L	OPEN — PHASE 1A	Dispatcher adoption is a professional-capital risk, not a change-management problem. Carry as Phase 1A implementation condition.
A018	Governance	H	L	OPEN — COND. 1	Carrier portal upgrade and NorthBridge Connect competing for engineering resources with no formal sequencing decision on file.
A023	Technical	H	M	OPEN — COND. 2	Behavioral attribute coverage materially thinner than pre-sprint representation (~50% of load records).
A039	Operations	M	L	OPEN — COND. 3	Dispatcher resistance identified as identity-defense pattern. Governed by participation, not training programs.
A047	Technical	H	M	OPEN — COND. 2	Carrier performance data in three separate unconsolidated systems. Pre-investment audit required before board capital release.
CU-01	Market	H	H	CONFIRMED NEG.	Competitive channel conflict confirmed via two independent broker-buyer sources. Brokers will not purchase dispatch optimization from a direct freight competitor.
A050	Commercial	H	M	OPEN — POST-SPRINT	Data licensing path assumes broker-side carrier data is normalized and comparable. A056 flags this as the load-bearing unverified assumption.
A056	Commercial	H	L	OPEN — POST-SPRINT	Broker-side data fragmentation may replicate NorthBridge's own normalization problem — governs the 90-day licensing scoping discipline.
[51 additional entries in full register]					

About the Venture Assessment & Diagnostic Sprint

The Venture Assessment & Diagnostic (VAD) Sprint is THC Consulting's proprietary 14-working-day framework for producing a structured GO / CONDITIONAL GO / NO GO verdict on a corporate venture hypothesis. It is designed for organizations with an internal venture champion and a defined investment decision pending — not for early-stage ideation.

Sprint Architecture

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Hypothesis Zone	1–4	Intake, stakeholder interviews, hypothesis lock with venture champion signature	D4 Hypothesis Document; Assumption Register seeded
Diagnostic Zone	5–8	Market sizing, unit economics, competitive landscape, optimism bias audit	D3 TAM/SAM/SOM; D4 Payback Bridge; D6 Bias Audit
Evidence Zone	9–12	GLG primary research, Reality Check meeting, critical unknowns resolution, pre-mortem	D5 Assumption Register (evidence-weighted); D12 Pre-Mortem
Verdict Zone	13–14	Sprint Master Report drafting; Day 14 verdict session with decision-maker	D1 Sprint Master Report; GO/NO-GO verdict with conditions

What the Sprint Produces

- **A verdict, not a recommendation.** The Sprint Master Report delivers GO / CONDITIONAL GO / NO GO — not a slide deck of findings for the client to decide. The verdict is the deliverable.
- **An evidentiary record.** The D5 Assumption and Risk Register documents how every material assumption was seeded, tested, and resolved. 61 entries in this engagement.
- **Conditions that carry named owners.** A CONDITIONAL GO without named owners and written commitments is not a verdict. The conditional language is the load-bearing structure, not hedging.
- **Pre-mortem scenarios before the decision.** Three structurally distinct failure narratives, with early-warning indicators, written before the GO decision — not as a retrospective.
- **A forward path discipline.** Where the verdict forecloses one path but opens a structurally different one, a 90-day scoping discipline governs what happens next.

Interested in a VAD Sprint for your venture?

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This sample report has been anonymized. All client and stakeholder details are fictionalized. The methodology, framework, and analytical structure are representative of a live engagement.