DQventures

EXPLORE → VALIDATE · STAGE GATE ASSESSMENT

Explore Stage Report

Redline

WORKING CONCEPT

Does the evidence from Explore support moving Redline into Validate?

RECOMMENDATION
Proceed to Validate

FOUNDER
Dan

DATE
July 2026

PROGRAMME
DQ Ventures

QUADRANTS ASSESSED
Founder · Market · Solution · Opportunity

This is an illustrative example. Dan, Redline, and every person and company named in the discovery evidence below are invented, and the calls described never happened. They are here to show the shape and depth of a real Explore Stage Report. The market and competitor facts are real and sourced at the end of the document, so anything you want to check, you can.

THE VENTURE

Company name	Working concept from the 12 June call is Redline.
Business one-liner	A fixed-price, 72-hour scored review of a near-final tender submission, marked against the client's own published evaluation criteria.
Target first customer (Validate)	Gavin Tulloch at Halverton Construction, whose next education framework bid returns in early October.
Ideal customer (Scale)	Commercial or pre-construction director at a £20m to £80m regional contractor bidding regularly into public frameworks, with a small bid function and no dedicated reviewer. Bid volume is what justifies a retained fee.
Value proposition	Know what your bid will score before you submit it. We mark your submission against the client's published criteria and tell you where you are leaving points behind, and where you have promised something you cannot deliver at the price quoted.

This document looks at whether Explore supports moving Redline into Validate. The bar is high: Founder Fit plus Market Fit plus Solution Fit, confirmed at I Believe. Those three carry real evidence from your discovery calls, so each principle gets a verdict. Opportunity Fit is assessed at belief level only, because no money has changed hands, so its three principles are beliefs to test in Validate.

WHAT "CONFIRMED" MEANS

This is not proof. Proof comes in Validate, when a customer pays real money. "Confirmed at I Believe" means your Explore conversations gave us real evidence that something is true and worth betting on now. A confirmed point is one you can act on. Validate is where you find out if the bet holds when money is on the table.

PART 1

Founder Fit

Why are you the right person to build this: is your edge earned, your relationships trusted, your drive real?

Earned Edge

I BELIEVE

You have 18 years in UK construction, eight delivering the work on site and ten winning it, and you have sat on the evaluation side of a framework panel twice. That combination is the product: you can score a submission the way an evaluator will, and tell whether the method statement is deliverable at the price quoted. A cold start would take a decade.

EVIDENCE FROM EXPLORE

You started as a site engineer, ran schemes up to £14m as a project manager, then moved into pre-construction and finished as bid lead on roughly 200 submissions across education, healthcare and local authority housing. You were seconded onto a county council framework evaluation panel in 2019 and again in 2022, so you have marked other contractors' answers against a published matrix and watched confident bids lose points on evidence they never supplied.

CONFIRMED Confirmed at I Believe. The edge is specific, unusual in combination, and it is what the product does.

Trusted Relationships

I BELIEVE

You already know the people you need to sell to, from 18 years inside the same regional contracting market, so your first customers come through warm introductions rather than a cold campaign.

EVIDENCE FROM EXPLORE

You completed six discovery calls in three weeks, five of them warm introductions: Gavin Tulloch (Commercial Director, Halverton Construction, £48m), Priya Raval (Pre-Construction Director, Ellerby Build Group, £62m), Neil Frawley (MD, Frawley Groundworks, £24m), Dele Okonjo (Bid Manager, Nettlefold Interiors, £75m), Claire Bettany (Head of Work Winning, Carrowmore Civils, £80m) and Martin Ould, a former local authority evaluator. The candour is the signal. Gavin gave you his win rate and Neil admitted he writes the quality answers himself on Sundays, neither of which a contractor tells a stranger.

CONFIRMED Confirmed at I Believe. The relationships are real, senior, and sit inside your ICP.

Drive and Character

I BELIEVE

You are building this because you want to own something rather than run somebody else's pre-construction function, you have 14 months of runway, and you bring a track record of winning work and of delivering it. The watchout is that you call yourself a generalist, and it shows in how readily you widen the offer.

EVIDENCE FROM EXPLORE

You left after a restructure removed your role, took a settlement, and have modelled 14 months at current household costs with some freelance pre-construction work alongside. You have twice been offered comparable jobs since February and turned both down. You have also lost bids you should have won and delivered jobs that lost money, which is where the deliverability check comes from.

> WATCHOUT
>
> Three of your six calls ended with you offering something outside the wedge: hiring a bid manager for Priya, framework strategy for Neil, a subcontractor rate review for Claire. On the 12 June call you said, "I can help with most of what these guys are struggling with," and that is the risk. A generalist who says yes to everything ends up selling a day rate. Running v1 as one fixed-price service holds that line.

CONFIRMED, WITH A WATCHOUT Confirmed at I Believe, with a watchout to manage. The drive and runway are real, and the pull toward breadth is manageable if v1 stays one service at one price.

PART 2

Market Fit

Why this problem at this time: is the pain real and unsolved, the buyer willing to pay, the gap open now?

Unsolved Pain

I BELIEVE

Your buyers, commercial and pre-construction directors at £20m to £80m contractors, submit bids nobody senior has properly reviewed and lose on quality scores they cannot explain. Several are already paying for a workaround.

EVIDENCE FROM EXPLORE

Gavin pays a freelance bid writer £600 a day and still signs off submissions he has skim-read, telling you, "I approve things I know aren't finished." Priya built an internal red team review and watched it get skipped on three of her last five bids when the programme compressed. Dele bought AI drafting software and got more words rather than better scores, and Neil, with no bid function at all, writes quality answers at weekends and wins roughly one public tender in eight. The University of Reading's bid cost study of 179 firms, reported by Construction News in 2015, found contractors spending an average of 22 percent of operational turnover on tendering.

WHAT IS NOT YET CONFIRMED

Whether the pain is urgent or simply absorbed. Claire Bettany says her scores are fine and she loses on price, so part of this market has diagnosed its own problem differently.

CONFIRMED Confirmed at I Believe. The pain is real, recurring and backed by workaround spend. Whether the buyer attributes their losses to the thing you fix is the open question.

Buyer and Budget

I BELIEVE

Your buyer is the commercial or pre-construction director, who already holds a bid budget covering freelance writers, portal fees and print, signs it off below roughly £10,000, and faces this decision several times a month.

EVIDENCE FROM EXPLORE

Bid spend is an established line, so you are competing for existing budget rather than creating one. Gavin's freelance writer spend runs to £30,000 a year and he needs no board approval below £10,000. Priya said, "if it told me my score before I pressed submit, I'd buy that", and Dele already has a software line. Your working price of £2,000 sits inside all three signing authorities.

WHAT IS NOT YET CONFIRMED

Willingness to pay against a real number. Every signal is verbal, in a friendly call, and nobody has been asked for £2,000. Claire gave the sharpest warning: pitched by four bid consultancies in two years, bought from none. Neil has the worst pain of the six and the thinnest budget, which is the combination most likely to waste your first month.

PARTIALLY CONFIRMED Partially confirmed at I Believe. A real buyer with real budget exists, and willingness to pay is verbal and untested against a price.

Room to Win

I BELIEVE

Competitors miss the fixed-price scored read of a near-final submission because they are built to write bids rather than to mark them. The gap is open now because the rules on how bids get scored changed underneath this market in the last 18 months.

EVIDENCE FROM EXPLORE

AutogenAI, founded in 2021 and funded to $65.3m with Salesforce Ventures and Spark Capital among its backers, sits on the generation side and sells enterprise-wide to bid teams. Thornton & Lowe, founded in 2009 and around 60 staff after acquiring Bidding Ltd, is the closest thing in the market: a bid review service that marks a draft before submission, quoted bespoke and delivered by writers. Internal red teams are the third option, and Priya's shows how they fare under deadline pressure. None combines a fixed price, a 72-hour turnaround and a deliverability check from somebody who has run the sites. On timing, the Procurement Act 2023 took effect on 24 February 2025, moving awards from "most economically advantageous tender" to "most advantageous tender", and the new social value model carrying a minimum 10 percent weighting became mandatory for in-scope procurements from 1 October 2025.

WHAT IS NOT YET CONFIRMED

Thornton & Lowe could productise a fixed-price scored review inside a year, so this is a window. Confidentiality is the live adoption barrier, since you are asking for a near-final commercial submission three days before it goes in. Claire raised exactly that.

CONFIRMED Confirmed at I Believe. The gap is genuine and the timing is right, with the proviso that it is a window.

PART 3

Solution Fit

Why will this solution work: is the entry point narrow, the build easy to test, the path to a product clear?

Your solution doc defines what you are building and how you will test it. This section judges that v1: is the wedge narrow enough, the build light enough, the path to a product clear.

Narrow Wedge

I BELIEVE

You start with a contractor whose tender returns in five to ten days, delivering a scored review of the near-final submission, with a free scored read of one previously lost answer as the door-opener. The return date is a hard, recurring trigger, and it lets you test inside a fortnight.

EVIDENCE FROM EXPLORE

The wedge is anchored to a date the buyer cannot move, which is the right shape. Two risks sit on it. Your pull to widen is the first, since bid strategy, bid/no-bid triage and interview coaching all came up in the calls and all belong later. The second is that Gavin and Neil were both more interested in why they lost the last one than in checking the next one, and that debrief is an easier conversation with no deadline attached.

WHAT IS NOT YET CONFIRMED

Whether the pre-submission review is what they pay for, or whether the money is in the debrief. The two carry very different businesses behind them, and the first pilot decides it.

PARTIALLY CONFIRMED

Partially confirmed at I Believe. The trigger is right and the scope is narrow, and which moment they pay for is the open question.

Asset-Light

I BELIEVE

You can deliver the first review with the published ITT, the scoring matrix, a shared folder, a template and a Stripe link, for under £400 of your own time. You do not need a team, a platform or a raise.

EVIDENCE FROM EXPLORE

You costed a review at six to eight hours of your own time, with no software beyond a spreadsheet. The real risk is your stated instinct to build the scoring tool first, because you worry a spreadsheet will not look credible to a £60m contractor. The answer is the dry run: score two of your own old submissions where you already know the awarded marks.

WHAT IS NOT YET CONFIRMED

Whether your manual score predicts the awarded score closely enough to be worth paying for. The dry run settles that before you spend a relationship on it.

CONFIRMED Confirmed at I Believe. The v1 is light and sellable by hand, and the open risk is accuracy rather than cost.

Manual to Productised

I BELIEVE

You deliver reviews by hand to learn which findings a commercial director actually acts on, then automate the matrix parsing, the question-by-question scoring and the write-up, building toward a product that scores a submission in an hour rather than a day.

EVIDENCE FROM EXPLORE

The manual process maps cleanly onto a product: parse the criteria, score against them, flag the deliverability gaps, produce the report. Every review builds the asset that makes this defensible, a library of published criteria, the scoring language clients use, and the marks actually awarded. Martin Ould confirmed that authorities reuse criteria across procurements with small changes, so that library compounds. Your success signal is defined: the contractor changes the submission before it goes in, then sends you the next one.

WHAT IS NOT YET CONFIRMED

Which parts of your judgement are rules and which are experience. That takes several reviews by hand.

CONFIRMED Confirmed at I Believe. The path is clear and the data asset is real.

PART 4

Opportunity Fit

Why does this become a $10M+ business: is revenue predictable, the economics scalable, the flywheel viable?

These three rest on reasoning and verbal signals rather than market proof. No money has changed hands, so they are beliefs to test in Validate, set out here so you know what the path to a $10M+ business depends on.

Predictable Revenue

Once a customer is won, does revenue keep coming, and can you forecast it?

I BELIEVE

Revenue recurs because bidding runs continuously, so a contractor who buys one review has another submission within weeks. The structure moves from a per-review fee to a retained monthly slot covering every bid, priced on volume.

THE WATCHOUT

Nobody has paid, so this is a hypothesis until the first paid review. The sharper risk is that a retained fee ties your revenue to their bid volume, which moves with the cycle: construction new orders fell 3.8 percent in the fourth quarter of 2025 against the previous quarter.

TO TEST IN VALIDATE — Assessed at belief level, to be confirmed against a real paid month.

Scalable Economics

Does each sale make money, and do the economics hold as you scale?

I BELIEVE

Each sale makes money, at under £400 of cost against a £2,000 price, and the economics hold because the scoring library and templates make each review faster than the last while headcount stays flat.

> THE WATCHOUT
>
> It only scales if the judgement can be codified. Marking writing against a published matrix is codifiable. Knowing that a promised eight-week groundworks programme will not hold on that site at that price is the harder half, and the half that makes the product different. If it stays in your head, you have a consultancy with a ceiling near £250,000 a year.

TO TEST IN VALIDATE Assessed at belief level, to be confirmed once the judgement is codified.

Viable Flywheel

Does each customer, piece of data, or referral add momentum, so growth compounds?

I BELIEVE

Each customer adds momentum through referral inside regional contracting networks, through the scoring library that sharpens every later review, and through a staged roadmap (debrief, review, retained slot, triage) that grows revenue per customer.

> THE WATCHOUT
>
> The referral loop has a structural problem. Your customers bid against each other on the same frameworks, so a happy client has a reason to keep you to themselves, and you will eventually have to turn work down or manage who you act for on a given job. Test how Gavin reacts when you ask him for an introduction.

TO TEST IN VALIDATE Assessed at belief level, to be confirmed with the first referrals.

TWELVE PRINCIPLES

Summary

QUADRANT	PRINCIPLE	EVIDENCE LEVEL	VERDICT
Founder Fit	Earned Edge	I Believe	Confirmed
Founder Fit	Trusted Relationships	I Believe	Confirmed
Founder Fit	Drive and Character	I Believe	Confirmed, with a watchout
Market Fit	Unsolved Pain	I Believe	Confirmed
Market Fit	Buyer and Budget	I Believe	Partially confirmed
Market Fit	Room to Win	I Believe	Confirmed
Solution Fit	Narrow Wedge	I Believe	Partially confirmed
Solution Fit	Asset-Light	I Believe	Confirmed
Solution Fit	Manual to Productised	I Believe	Confirmed
Opportunity Fit	Predictable Revenue	Reasoning	To test in Validate
Opportunity Fit	Scalable Economics	Reasoning	To test in Validate
Opportunity Fit	Viable Flywheel	Reasoning	To test in Validate

THE VERDICT

The evidence supports moving into Validate. The two partial verdicts resolve in one conversation: ask a contractor for £2,000 to review a live submission before a deadline, and you learn both whether the money is there and whether it sits on the bid about to go out or the one already lost.

What must be proven in Validate

1 **A real customer pays a real price.**
Gavin Tulloch, Priya Raval or Dele Okonjo pays £2,000 for a scored review of a live submission, ahead of the October framework returns. Ask for the number before you deliver anything.

2 **The output changes the submission.**
They rewrite at least one quality answer because of your score, then send you the next bid. A review they read and file is a no-go signal however warmly they described it.

3 **The trigger converts to urgency.**
You reach them five to ten days before the return date. Aim the first three at contacts with an October return, and treat the post-loss debrief as a separate test.

4 **Your score predicts the awarded score.**
On at least two completed bids, your marks land within a point of the evaluator's. This is what separates you from an opinion.

5 **The confidentiality bar is cleared.**
An NDA plus a one-client-per-framework rule gets a commercial director comfortable sending you a near-final submission three days before it goes in.

Next steps

This is your Explore Stage Report, and it is where the month ends. The next step is deciding whether we carry on together into Validate, where we turn this plan into a real company with its first five paying customers.

APPENDIX

Sources for the market facts in this example

The founder, company, discovery contacts and calls are invented. The market and competitor facts are not, and are drawn from the following.

- Procurement Act 2023 commencement on 24 February 2025, and the shift from most economically advantageous tender to most advantageous tender: Procurement Act 2023 and Cabinet Office guidance.
- Minimum 10 percent social value weighting and the new Social Value Model becoming mandatory for in-scope procurements from 1 October 2025: PPN 002 and PPN 003, Cabinet Office, February 2025.
- Contractors spending an average of 22 percent of operational turnover on tendering: University of Reading bid cost study of 179 firms, reported by Construction News, 2015. Note the age of this data. More recent published figures do not appear to exist.
- AutogenAI founding date, $65.3m raised, and investors: company announcements, 2023 onward.
- Thornton & Lowe founding date, headcount after the Bidding Ltd acquisition, and its bid review service: company website and trade press, 2025.
- UK construction new orders falling 3.8 percent in Q4 2025 against Q3 2025: ONS, Construction output in Great Britain, February 2026.