THE CREDIT RATER FOR BLITZSCALING

The Blitz Index

Methodology & the WeWork Blind Backtest

Model v1.0 (frozen 2026-10-10) · 100-point score

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What the Blitz Index is

BlitzLab scores companies the way a credit-rating agency grades bonds: a public, rules-based assessment of one specific thing — how well a company is executing a blitzscaling strategy. The score says nothing about whether a stock is cheap or expensive. That separation is the point.

Blitzscaling — Reid Hoffman and Chris Yeh's framework for prioritizing speed over efficiency in winner-take-all markets — is usually discussed as narrative. The Blitz Index turns it into a number: 100 points across four buckets, with gates, anchors, and a frozen version (v1.0) so that every score can be compared across companies and quarters.

The one-sentence contract

The Blitz Index tells you which businesses are executing blitz-quality strategy. It does not tell you which of them are cheap. This document shows you exactly how the number is built, how it was tested blind against history, and where its honest limits are.

What is inside

- The model: gates, the four buckets, and the grade scale (p. 3)
- How the score is anchored — and how to read it (p. 4)
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The model: v1.0 (frozen 2026-10-10)

v1.0 is frozen for a minimum of four quarters. Any future revision becomes v1.1 and requires re-scoring all historical observations under the new version, published alongside the old one. Weights were adapted from Blitzscaling Ventures' Blitzscaling Scorecard; the adaptation and its reasons are public.

Gates — both must pass before scoring

Gate	Early / growth companies	Mature companies
G1	Demand PMF evidence: repeat purchase, NRR, organic growth, backlog (2 of 4)	Sustained growth or a second growth curve
G2	Ceiling: 10-year market ceiling ≥ 10× current revenue	New market's 10-year ceiling ≥ 10× current revenue

The gate's question is always the same: is there quantified, contracted demand? Answering it uniformly is what makes it a gate rather than an opinion. Pre-revenue hopefuls OKLO and JOBY were rejected here; ASTS and CIFR were conditionally passed on contracted demand.

The four buckets (100 points)

Bucket	Max	Sub-items
A · Speed	25	A1 revenue/ARR growth 10 · A2 capital-raising speed 5 · A3 hiring / revenue-per-employee 5 · A4 market-share velocity 5
B · Moat	60	B1 network effects 18 · B2 distribution scalability 18 · B3 market size 12 · B4 gross margin 12
C · Creative destruction	15	C1 order being displaced 5 · C2 irreversible behavior change 5 · C3 cost-structure change 5
D · Blitzflailing demerits	–30	D1 debt / interest –10 · D2 revenue quality –10 · D3 governance –5 · D4 regulatory / social cost –5

Grades and the success line

Grade	Range	Meaning
S	≥90	Historic blitz
A	80–89	Strong blitz execution
B	60–79	Blitz in progress
C	40–59	Below the success line
D	<40	Blitzflailing risk

Success threshold: **65 points** — set by the blind backtest (the draft threshold of 80 was lowered after successful companies averaged 67.2). Demerits of –15 or worse trigger blitzflailing watch.

How the score is anchored

The four qualitative items (B1, B2, C1, C2) are pinned to fixed anchors — example companies at each band — so scoring is comparison, not vibes. When a company falls between two anchors, the lower band is used (conservative rule).

Item	High band anchor	Mid band anchor	Low band anchor
B1 network effects	15–18: platform lock-in — NVIDIA CUDA	10–14: two-sided liquidity — Uber, Airbnb	1–4: brand / community only
B2 distribution	15–18: product-is-distribution — early ChatGPT, Dropbox	5–9: paid but repeatable — Palantir bootcamps	1–4: distribution is the bottleneck
C1 displaces old order	5: large, clear target — NVIDIA (CPU → accelerated compute)	3: displacement in progress	0: nothing displaced
C2 behavior change	5: irreversible — smartphone, search	3: in progress — AI coding assistants	0: no change

How to read a score

- Read it as “84 points · high confidence” (listed) or “51–68 points · low confidence” (unlisted, shown as a range). Confidence never downgrades the grade — it is a separate axis, like a rating agency’s outlook.
- Read 65 as a line, not a prophecy. It separates blitz-quality execution from the rest; it says nothing about the stock price.
- Read D grades as the model’s strongest signal. The D grade predicts business failure — not shareholder returns: Blue Apron’s stock tripled on acquisition while the business itself died.

- Read quarter to quarter. Scores refresh on earnings; moves of ±8 points or more get the full treatment. The model version never moves under your feet — v1.0 until the freeze ends.
- Never read it as a trade. There are no price targets, no buy/sell/hold language, anywhere in the program.

The blind backtest record

Before the model was frozen, 20 companies were scored using only information available at a past cutoff date T — no hindsight. The answer key was the business outcome about three years later, not the stock price. Ten companies tuned the weights (A group); the other ten validated them (B group).

Metric	Result
Correct calls	16 / 20 (threshold recalibrated 80 → 65)
Failure detection	10 / 10
Success detection	6 / 10

Key finding. Speed does not discriminate: failures averaged A=20.8 vs. successes A=17.8. Discrimination comes from Moat only.

Independent corroboration

- ARK 2021 peak test: at the cycle peak, the score avoided 5 of 7 deep blowups — including Invitae's bankruptcy.
- ARK 2022 trough test: both D-grade names avoided (NVTA –100%, TDOC –75.6%).
- v1.1 valuation study: 7 of 10 D-grade observations fell 70% or more.
- Gate enforcement in 2026: OKLO and JOBY rejected pre-revenue; ASTS ($1.3B backlog) and CIFR ($11.4B contracted demand) conditionally passed.

The honest footnote to the record: the two ARK panels at trough were entered at bear-market lows, so part of any return result is the multiple, not the business. The program publishes that confound alongside the result.

The WeWork case: 29 / D, scored blind

T = 2019-08-31. Scored 2026-10-10 with no information published after T — the September 2019 IPO withdrawal, Neumann's ouster, the governance cleanups, and the 2023 bankruptcy were all excluded. Only the S-1 of 2019-08-14 and contemporaneous August-2019 reporting were used.

The score that saw it

Item	Max	Score	One-line evidence (pre-T)
A1 revenue growth	10	9	Triple-digit growth 3 years running (+103%, +106%, +101% yoy)
A2 capital speed	5	5	SoftBank >$10B invested/committed; $47B post-money Jan 2019
A3 hiring	5	2	>12,500 employees; rev/employee ~$146k, far below the $1M bar
A4 share velocity	5	3	Memberships +97% yoy; workstations 604k > IWG's 445k
B1 network effects	18	3	"Community" is marketing: near-zero switching costs
B2 distribution	18	5	Paid and rising: S&M; 10% → 21% of revenue; no viral loop
B3 market size	12	7	S-1's $945B TAM overstated (TechCrunch), still ■10× revenue

Item	Max	Score	One-line evidence (pre-T)
B4 gross margin	12	3	GAAP operating margin –93% (2018): ~$1.90 spent per $1 earned
C1–C3 creative destruction	15	7	Flexible space displacing leases, in progress; landlords copying
D1 debt / leases	–10	–10	$17.9B lease obligations ≈ 10× revenue vs. month-to-month members
D2 accounting	–10	0	No restatement or audit controversy pre-T
D3 governance	–5	–5	20 votes/share control; $5.9M trademark to Neumann's LLC; lease-backs
D4 regulatory	–5	0	None pre-T

TOTAL = 19 + 18 + 7 – 15 = 29 → **GRADE D** (demerits ≥15: blitzflailing watch)

Speed without economics: A=19 with B4=3 — triple-digit growth funded by $10B+ of SoftBank capital, but every $1 of revenue cost ~$1.90 in operating expenses. Growth was purchased, not earned. The demerits are the story: no moat score can survive –15.

From a $47 billion valuation to $45 million.

Why the blind discipline matters

A backtest that quietly borrows hindsight is an advertisement. The WeWork scoring logged every hindsight temptation and how it was handled:

- The September 2019 IPO withdrawal and Neumann's ouster — known to the scorer, excluded; the company was scored as if the IPO would proceed.
- The September 2019 governance cleanups (trademark payment returned, supervoting cut) — post-T, not credited; D3 stayed at full –5.
- The 2023 bankruptcy and valuation collapse — excluded; G2 was judged on pre-T market math.
- Retrospective S-1 explainers — avoided; only contemporaneous August-2019 reporting that cited the filing directly.

The debut question this program asked on day one — "Would our model have caught WeWork?" — has an answer on the record: 29/D, before the fall.

What the index does not measure

In October 2026 the program pre-registered three hypotheses about score-based timing signals — definitions, entry rules, and falsification criteria frozen before any data was touched — and ran them. All three were rejected, and published as rejections.

Hypothesis	Key result	Verdict
H2 — buy the profitability turn	+3y median –8.3% vs. same-company buy-and-hold –1.2% (paired n=9); SPY beat rate 1/9	REJECT
H3 — buy score momentum	Spearman ρ(Δ, forward 3y) = –0.091 (n=45); bottom-Δ third beat top-Δ third	REJECT
H1 — buy the 65-point crossing	+1y median –5.9% vs. unconditional +35.9% (n=7); SPY win rate 3/7	REJECT

The common thread. In all three studies, the entry multiple and the market cycle explained returns better than any score-derived signal. The score knows the difference between businesses; it does not know the difference between prices. A great business bought at despair and the same business bought at euphoria are not the same

outcome.

Statistical hygiene, kept on purpose

Means lie in winner-take-all markets — two or three thick-tail observations drag any mean positive while medians and win rates stay negative. The pre-registration mandated medians and win rates before the data was opened, removing the temptation to let the tails do the arguing.

The one lead still alive

Exactly one score-plus-price combination has not been rejected: the expansion zone — score ≥ 65 combined with a low price-to-sales percentile relative to the company's own five-year history. In the test split it averaged +249% over three years (median +102%), five of seven observations expanding. But it survives on eleven observations. That is a lead, not a finding: the registered next step is a re-test on the 150-observation panel. If it fails to replicate, that failure will be published with the same ceremony.

A research program that only publishes its wins is an advertisement.

BlitzLab's commitments

- Scores are published with price context, never as entry signals. The score grades the business; the multiple describes the price; the reader combines them at their own responsibility.
- Rejected hypotheses return when the data is bigger — H2's n=9, H3's narrow Δ range, and H1's n=7 are all flagged for retest. Rejection on small samples is a scheduling decision as much as a scientific one.
- The pre-registration discipline stays: no definition moves after the results are known. That is now the house style for every hypothesis that follows.

Appendix: the current scoreboard

All 96 scored companies, Blitz Index v1.0, as of Q4 2026. Listed companies show a single score (confidence: high unless noted in the research); unlisted companies show a range (reported, low confidence). Historical blind observations are marked with their scoring date.

Ticker	Company	Score	G	Cat	Ticker	Company	Score	G	Cat
NVDA	NVIDIA	87	A	ai-infra	GOOGL	Alphabet	82	A	platforms
META	Meta	79	B	platforms	SNOW	Snowflake	76	B	platforms
ABNB	Airbnb	75	B	platforms	UBER	Uber	73	B	platforms
ANET	Arista Networks	72	B	ai-infra	MSFT	Microsoft	71	B	platforms
SHOP	Shopify	70	B	platforms	MELI	MercadoLibre	70	B	platforms
RDDT	Reddit	70	B	platforms	APP	AppLovin	69	B	platforms
DASH	DoorDash	68	B	platforms	PLTR	Palantir	65	B	platforms
CRM	Salesforce	65	B	platforms	MDB	MongoDB	65	B	platforms
DDOG	Datadog	65	B	platforms	NU	Nu Holdings	65	B	platforms
NOW	ServiceNow	63	B	platforms	RBLX	Roblox	63	B	platforms
SE	Sea Limited	63	B	platforms	RKLB	Rocket Lab	62	B	frontier
NET	Cloudflare	62	B	platforms	FIG	Figma	62	B	platforms
HUBS	HubSpot	62	B	platforms	ADBE	Adobe	61	B	platforms
AVGO	Broadcom	61	B	ai-infra	ALAB	Astera Labs	61	B	ai-infra
ZS	Zscaler	61	B	platforms	CRWD	CrowdStrike	60	B	platforms
SOFI	SoFi Technologies	60	B	platforms	BABA	Alibaba	60	B	platforms
HOOD	Robinhood	60	B	platforms	AMD	Advanced Micro Devices	60	B	ai-infra
TOST	Toast	60	B	platforms	TWLO	Twilio	60	B	platforms
CART	Maplebear (Instacart)	60	B	platforms	NBIS	Nebius Group	59	C	ai-infra

Appendix: the current scoreboard (continued)

Ticker	Company	Score	G	Cat	Ticker	Company	Score	G	Cat
AFRM	Affirm	59	C	platforms	COIN	Coinbase	58	C	platforms
SEI	Solaris Energy Infrastructure	58	C	power	MRVL	Marvell Technology	58	C	ai-infra
RBRK	Rubrik	58	C	platforms	CBRS	Cerebras Systems	57	C	ai-infra
IOT	Samsara	57	C	platforms	PODD	Insulet	57	C	frontier
TSLA	Tesla	56	C	frontier	IREN	IREN Limited	56	C	ai-infra
DUOL	Duolingo	56	C	platforms	ORCL	Oracle	55	C	ai-infra
CRWV	CoreWeave	55	C	ai-infra	TEM	Tempus AI	55	C	platforms
OKTA	Okta	55	C	platforms	BE	Bloom Energy	55	C	power
SYM	Symbotic	54	C	frontier	DOCS	Doximity	54	C	platforms
CVNA	Carvana	53	C	platforms	CORZ	Core Scientific	52	C	ai-infra
CRCL	Circle	52	C	platforms	GTLB	GitLab	52	C	platforms
GRAB	Grab	52	C	platforms	NTRA	Natera	52	C	frontier
APLD	Applied Digital	51	C	ai-infra	ASTS	AST SpaceMobile	51	C	frontier
AXON	Axon	51	C	platforms	MNDY	monday.com	51	C	platforms
FPS	Forgent Power Solutions	50	C	power	HIMS	Hims & Hers	49	C	platforms
CPNG	Coupang	49	C	platforms	CRSP	CRISPR Therapeutics	48	C	frontier
HUT	Hut 8	48	C	ai-infra	IONQ	IonQ	47	C	frontier
POWL	Powell Industries	47	C	power	KTOS	Kratos	46	C	frontier
SERV	Serve Robotics	45	C	frontier	GLXY	Galaxy Digital	44	C	ai-infra
RXRX	Recursion Pharmaceuticals	44	C	frontier	ABCL	AbCellera	43	C	frontier
RDW	Redwire	43	C	frontier	SMCI	Super Micro Computer	43	C	ai-infra
MQ	Marqeta	43	C	platforms	WULF	TeraWulf	41	C	ai-infra
FLY	Firefly Aerospace	41	C	frontier	MP	MP Materials	40	C	power
TLN	Talen Energy	39	D	power	LEU	Centrus Energy	35	D	power
AVAV	AeroVironment	35	D	frontier	DBX	Dropbox	34	D	platforms
CIFR	Cipher Digital	32	D	ai-infra	FRMI	Fermi	31	D	power
LBRT	Liberty Energy	30	D	power	WE	WeWork (2019 blind)	29	D	platforms
EOSE	Eos Energy Enterprises	29	D	power					
ANTHROPIC	Anthropic	53–76	C–Bunlisted, press-reported		ANDURIL	Anduril Industries	52–72	C–Bunlisted, press-reported	
OPENAI	OpenAI	51–68	C–Bunlisted, press-reported						

expensive, and it must not be used as an entry or exit signal. Model v1.0 was frozen on 2026-10-10. BlitzLab is an independent research project; it is not affiliated with Reid Hoffman, Chris Yeh, Blitzscaling Ventures, or any company scored.

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