Market Size and Adoption Evidence for Agent Smith's AI Business OS

Executive summary

This public investor note substantiates the market size claims used in Agent Smith's fundraising materials by combining official enterprise counts with a transparent, auditable pricing assumption (ARPA) and clearly defined TAM/SAM/SOM boundaries. The core conclusion is that the **EU-27 non-financial business sector contains ~26.1M SMEs** and **~1.62M SMEs with 10–249 employees**, which—at **CHF 200/month (CHF 2,400/year) ARPA**—translates into **EU-27 TAM ≈ CHF 62.72B ARR**, **EU-27 SAM ≈ CHF 3.88B ARR**, and a **3-year SOM ≈ CHF 7.77M / CHF 19.42M / CHF 38.85M ARR** at **0.2% / 0.5% / 1.0%** penetration of SAM. [1]

AI adoption is moving quickly within the same enterprise cohort that defines SAM: **13.5% of EU enterprises (10+ employees) used AI in 2024**, and **20.0% used AI in 2025**. [2] In Switzerland, the share of SMEs incorporating AI rose from **22% (2024) to 34% (2025)** in the cited study. [3] Across OECD survey evidence, **31% of SMEs use generative AI**, supporting the thesis that AI is shifting from experimentation to workflow-level adoption. [4]

This market tailwind is reinforced by AI software market growth forecasts: ABI Research estimates AI software was **US$122B in 2024** and projects **25% CAGR to US$467B by 2030**, with generative AI as the fastest-growing framework (34.5% CAGR over the forecast period in their dataset). [5]

Scope, taxonomy, and definitions

Agent Smith is sized here as an **AI-native Business OS**: a system that organizes company context (plans, tasks, messages, documents, customers, money/legal artifacts) and enables an AI Co-Founder plus a role-based Smith workforce to produce work **in context**—not merely generate text. This note sizes the market in **annual recurring revenue (ARR)** terms using enterprise counts and an assumed ARPA. (This is a revenue-potential framing—not GDP contribution.) [6]

EU-27 boundary (official): The EU enterprise counts are taken from the **Annual Report on European SMEs 2024/2025** produced by the European Commission[7] / Joint Research Centre[8] and refer to the **EU non-financial business sector (NFBS)**. [9]

Definitions used for the investor deck / website (EU-27): - **TAM (Total Addressable Market):** All EU-27 NFBS SMEs in the base year (micro + small + medium; 0–249 employees). [1]
- **SAM (Serviceable Available Market):** EU-27 NFBS SMEs with **10–249 employees** (small + medium). This aligns with how Eurostat[10] measures AI adoption (enterprises with 10+ employees) and with the buyer segment most likely to adopt structured, governed workflow systems first. [11]
- **SOM (Serviceable Obtainable Market):** Scenario capture of SAM over a 3-year horizon (illustrated here as 0.2% / 0.5% / 1.0% of SAM), expressed as Year-3 ARR at the assumed ARPA. [12]

Switzerland boundary (official): Swiss enterprise counts are from the Swiss State Secretariat for Economic Affairs[13] SME portal, based on Swiss Federal Statistical Office[14] STATENT enterprise structure statistics, and cover **market-economy enterprises with 1–249 employees across primary/secondary/tertiary sectors**. [15]

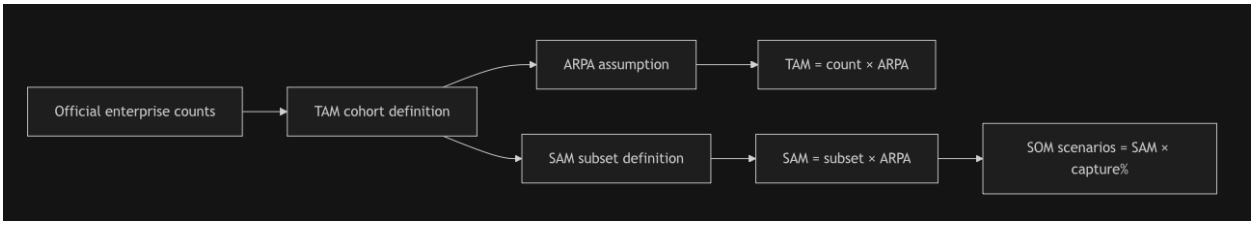
Inputs and methodology

Core sizing equation

For each region and defined cohort:

- **ARR market value = (# enterprises) × (ARPA per enterprise per year)**

A compact representation:



ARPA and pricing assumptions

This note uses an investor-auditable ARPA baseline of **CHF 200/month per enterprise workspace** = **CHF 2,400/year ARR**. This baseline is deliberately simple (enterprise count × annual price) and does not require speculative seat-growth or add-on assumptions to produce meaningful numbers. (Any expansion effects—higher-tier plans, multiple workspaces, heavy credit usage—are upside, not embedded in TAM/SAM/SOM.) [6]

Results with step-by-step calculations

EU-27 market size (NFBS, base year 2024)

The EU report states that the EU non-financial business sector was home to **~26.1M SMEs** in 2024 and provides Table 1 with the enterprise counts by size class: **micro 24,514,649**, **small 1,404,631**, **medium 214,000**, totaling **26,133,280 SMEs**. [1]

EU-27 TAM (micro + small + medium SMEs)
- Enterprise count = 26,133,280 [12]
- ARPA = CHF 2,400/year
- **TAM = 26,133,280 × 2,400 = CHF 62,719,872,000 ≈ CHF 62.72B ARR**

Arithmetic (auditable):
26,133,280 × 2,400 = (26,133,280 × 2,000) + (26,133,280 × 400)
= 52,266,560,000 + 10,453,312,000 = 62,719,872,000. [12]

EU-27 SAM (SMEs with 10–249 employees = small + medium)
- Small + Medium enterprises = 1,404,631 + 214,000 = 1,618,631 [12]
- **SAM = 1,618,631 × 2,400 = CHF 3,884,714,400 ≈ CHF 3.88B ARR**

Arithmetic:
1,618,631 × 2,400 = (1,618,631 × 2,000) + (1,618,631 × 400)
= 3,237,262,000 + 647,452,400 = 3,884,714,400. [12]

EU-27 SOM (3-year capture scenarios of SAM)
- **0.2%** of SAM: 1,618,631 × 0.002 ≈ 3,237 customers → 3,237 × 2,400 ≈ **CHF 7.77M ARR**
- **0.5%** of SAM: 1,618,631 × 0.005 ≈ 8,093 customers → 8,093 × 2,400 ≈ **CHF 19.42M ARR**
- **1.0%** of SAM: 1,618,631 × 0.01 ≈ 16,186 customers → 16,186 × 2,400 ≈ **CHF 38.85M ARR** [12]

Switzerland market size (market-economy SMEs, 2023 base)

The Swiss SME portal reports **624,219 SMEs (1–249 employees) in 2023**, and explicitly lists micro (1–9) **561,952**, small (10–49) **52,476**, and medium (50–249) **9,791**. [16]

Using the same ARPA baseline (CHF 2,400/year):

- **CH TAM (1–249 employees):** 624,219 × 2,400 ≈ **CHF 1.50B ARR**

- **CH SAM (10–249 employees):** (52,476 + 9,791) = 62,267 enterprises; 62,267 × 2,400 ≈ **CHF 149.44M ARR** [16]
- **CH SOM (1% of SAM):** 622.67 ≈ 623 customers; 623 × 2,400 ≈ **CHF 1.49M ARR** (rounded). [16]

Global context (formal MSMEs and formal SMEs)

The World Bank MSME-EI analysis note estimates **over 322 million formal MSMEs** at the end of the data collection period (2019) and separately notes **about 20 million formal SMEs** (distinct from microenterprises). [17]

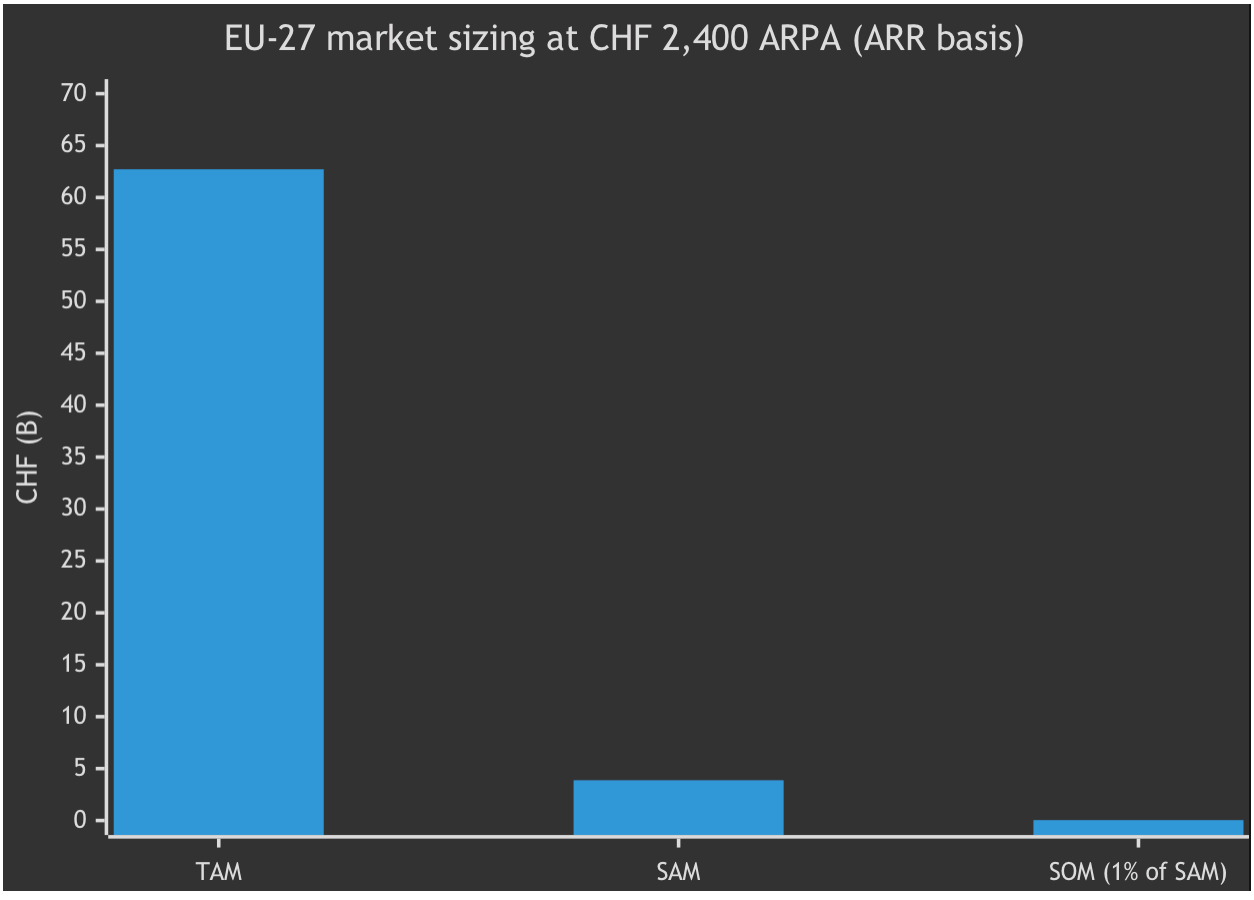
Because global willingness-to-pay for a CHF 200/month business OS varies widely by country income, regulation, and digitization maturity, we treat global numbers as context rather than a fundraising wedge. Still, at the same ARPA baseline: - **Formal SMEs (global):** ~20M × 2,400 ≈ **CHF 48B ARR** upper-bound for "paying-capacity-aligned" SMEs. [18]
- **Formal MSMEs (global):** 322M × 2,400 ≈ **CHF 773B ARR** theoretical ceiling, which should be discounted materially for income/price fit. [19]

Summary table (investor-facing)

Region	Base enterprise cohort	TAM (CHF ARR)	SAM boundary	SAM (CHF ARR)	SOM scenarios (CHF ARR, Year-3)
EU-27 (NFBS)	26,133,280 SMEs	62.72B	1,618,631 SMEs (10–249)	3.88B	0.2%: 7.77M • 0.5%: 19.42M • 1.0%: 38.85M
Switzerland	624,219 SMEs (1–249)	1.50B	62,267 SMEs (10–249)	149.44M	1.0%: ~1.49M
Global (context)	~20M formal SMEs	~48B	varies	—	—

EU-27 counts and the NFBS baseline come from the EU annual report's Table 1; Swiss counts come from STATENT via the Swiss SME portal; global formal MSME/SME anchors come from the World Bank MSME-EI note. [20]

A quick bar view of EU-27 TAM vs SAM vs SOM (1% scenario):



Adoption and “why now” evidence

AI adoption in the EU enterprise segment that defines SAM

Eurostat reports that **13.5%** of EU enterprises with **10 or more employees** used AI technologies in **2024** (up from **8.0% in 2023**), and that this reached **20.0% in 2025**, indicating rapid diffusion in the 10+ employee cohort. [2]

Eurostat also shows that among enterprises that *considered* using AI technologies (but did not adopt), the leading blockers in **2025** were **lack of relevant expertise (70.89%)**, **lack of clarity about legal consequences (52.52%)**, and **data protection/privacy concerns (48.83%)**. This is directly relevant to Agent Smith’s “governance as UX” positioning: control, auditability, and privacy-first defaults reduce adoption friction. [21]

AI adoption among SMEs and GenAI specifically

OECD survey evidence across seven countries reports that **31% of SMEs use generative AI** (late 2024 survey), with usage ranging across countries (e.g., 24% in Japan to 39% in Germany in that survey). This supports the view that generative AI is already mainstream enough to power workflow platforms, not only pilots. [4]

In Switzerland, the Swiss SME portal reports that the share of SMEs incorporating AI rose from **22% (2024) to 34% (2025)** in the cited study, alongside increases in AI use for automation and data analysis, with data protection governance still immature in many small firms. [22]

AI market growth context

ABI Research's dataset estimates the AI software market at **US$122B in 2024**, forecasting **25% CAGR** to **US$467B by 2030**, and identifies generative AI as the fastest-growing framework (34.5% CAGR over the forecast period in their dataset). This supports sustained vendor and customer investment in AI software infrastructure and agentic tooling. [5]

Valuation context and what the market sizing implies for a CHF 2M for 15% raise

A raise of **CHF 2M for 15%** implies a **~CHF 13.33M post-money valuation** and **~CHF 11.33M pre-money valuation** (simple capitalization math). This note does not claim a "correct" multiple, but it does contextualize expectations using public/private cloud benchmarks. [23]

The Bessemer Venture Partners[24] Cloud benchmarks report notes that, for disclosed Cloud 100 financings, average private valuation can be ~20–25x ARR (with the public cloud market average cited around ~17x in that passage), and also discusses historical run-rate multiple ranges for the Bessemer Nasdaq Emerging Cloud Index across years. These are mature-company benchmarks, but they provide a reality check for "ARR-based valuation logic." [25]

Translating a CHF 13.33M post-money into implied ARR targets under several benchmark multiples (illustrative): - At ~17x ARR: implied ARR ≈ **CHF ~0.78M**
- At ~10x ARR: implied ARR ≈ **CHF ~1.33M**
- At ~6–7x run-rate multiple: implied ARR ≈ **CHF ~1.9M–2.2M** [25]

Connecting that to EU-27 SOM: the EU-27 SAM is **CHF 3.88B ARR** by construction; capturing **0.05% of EU-27 SAM** would be ~CHF 1.94M ARR—already in the range that

makes the above benchmarks feel directionally plausible, without requiring heroic market share. (This is a sizing implication; execution quality, retention, and growth rate remain decisive.) [26]

Limitations, data hygiene, and verification checklist

This report intentionally prioritizes auditable numbers, but several limitations are important for investors to understand:

- **Definition alignment differs by region.** EU counts are NFBS-scoped (EU annual report), while Swiss counts cover market-economy enterprises across sectors; the numbers are not perfectly comparable but are directionally useful. [6]
- **Eurostat AI-use rates are for enterprises with 10+ employees.** SAM is therefore anchored to 10–249 employees for consistency, but micro-SMEs (0–9) are excluded from SAM by design, not because they are unimportant. [11]
- **Global willingness-to-pay varies substantially.** World Bank global counts provide authoritative magnitude, but global ARR estimates at CHF 2,400/year must be discounted for affordability and digitization gaps; we treat global as a long-term ceiling rather than a near-term plan. [17]
- **ARPA is an assumption.** This note uses CHF 200/month to ensure transparency; actual ARPA will emerge from plan mix, retention, and credit usage behavior.

A simple verification checklist (what an investor can reproduce): 1) Pull enterprise counts from the EU annual report Table 1 and Swiss STATENT page. [27]
2) Multiply counts by CHF 2,400/year and confirm arithmetic.
3) Validate adoption slope using Eurostat news releases (2024 and 2025). [2]
4) Validate SME GenAI adoption using OECD survey results. [4]
5) Use cloud multiple benchmarks as context (not as a promise). [25]

Source index

EU SME counts (NFBS, official)
- EC/JRC Annual Report on European SMEs 2024/2025 (PDF): enterprise counts by size class incl. Table 1 (EU, 2024).
  https://single-market-economy.ec.europa.eu/smes/sme-strategy-and-sme-friendly-business-conditions/sme-performance-review_en

EU AI adoption (official)
- Eurostat news (2024 AI use 13.5% of enterprises with 10+ employees; up from 8.0% in 2023).
  https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250123-3
- Eurostat news (2025 AI use 20.0% of enterprises with 10+ employees; up from 13.5% in 2024).
  https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20251211-2
- Eurostat Statistics Explained: AI purposes; AI “considered” share; reasons for not using AI.
  https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Use_of_artificial_intelligence_in_enterprises

Switzerland SME counts + Switzerland AI adoption (official portal)
- Swiss SME portal (STATENT-based enterprise counts by firm size, 2023).
  https://www.kmu.admin.ch/kmu/de/home/praktisches-wissen/zahlen-und-fakten%20/kmu-in-zahlen/firmen-und-beschaeftigte.html
- Swiss SME portal news: AI adoption among Swiss SMEs (22%→34% from 2024 to 2025; plus use cases and governance note).
  https://www.kmu.admin.ch/kmu/en/home/new/news/2025/ai-gains-ground-swiss-smes.html

SME GenAI adoption (OECD, survey evidence)
- OECD (PDF): “Generative AI and the SME Workforce: New Survey Evidence” (31% of SMEs using genAI; late 2024 survey).
  https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/11/generative-ai-and-the-sme-workforce_83bafdfb/2d08b99d-en.pdf
- OECD (PDF): “AI adoption by small and medium-sized enterprises” (context on benefits, constraints, and readiness).
  https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/12/ai-adoption-by-small-and-medium-sized-enterprises_9c48eae6/426399c1-en.pdf

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Global MSME counts (official)
- World Bank MSME-EI (PDF): estimate of 322M formal MSMEs; includes
“about 20M formal SMEs” reference.
  https://documents1.worldbank.org/curated/en/873301627470308867/pdf/
Micro-Small-and-Medium-Enterprises-Economic-Indicators-MSME-EI-
Analysis-Note.pdf

AI market growth (industry research)
- ABI Research AI software market dataset summary (US$122B in 2024;
25% CAGR to 2030; genAI fastest growing framework).
  https://www.abiresearch.com/news-resources/chart-data/report-
artificial-intelligence-market-size-global

Valuation benchmarks (investor context)
- Bessemer Cloud 100 Benchmarks Report (ARR multiple context for
private rounds and public cloud multiples; run-rate multiple
discussion).
  https://www.bvp.com/atlas/the-cloud-100-benchmarks-report
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[1] [6] [9] [12] [20] [26] [27] single-market-economy.ec.europa.eu

https://single-market-economy.ec.europa.eu/document/download/8db5d883-b287-4c01-a09c-91cd2e530bbd_en?filename=Annual+Report+on+European+SMEs+2025.pdf

[2] Usage of AI technologies increasing in EU enterprises - News articles - Eurostat

https://ec.europa.eu/eurostat/web/products-eurostat-news/w/ddn-20250123-3

[3] [22] AI gains ground among Swiss SMEs

https://www.kmu.admin.ch/kmu/en/home/new/news/2025/ai-gains-ground-swiss-smes.html

[4] Generative AI and the SME Workforce (EN)

https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/11/generative-ai-and-the-sme-workforce_83bafdfb/2d08b99d-en.pdf

[5] Artificial Intelligence (AI) Software Market Size: 2024 to 2030

https://www.abiresearch.com/news-resources/chart-data/report-artificial-intelligence-market-size-global

[7] [8] [17] [18] [19] [24] World Bank Document

https://documents1.worldbank.org/curated/en/873301627470308867/pdf/Micro-Small-and-Medium-Enterprises-Economic-Indicators-MSME-EI-Analysis-Note.pdf

[10] [13] [14] [23] [25] The Cloud 100 Benchmarks Report 2025 - Bessemer Venture Partners

https://www.bvp.com/atlas/the-cloud-100-benchmarks-report

[11] [21] Use of artificial intelligence in enterprises - Statistics Explained - Eurostat

https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Use_of_artificial_intelligence_in_enterprises

[15] [16] Firmen und Beschäftigte

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