

# Forecasting the Future

## Master the Art of Proxy Metric Modeling

# Why Do We Need Business Plans?

- **Exploration**
- **Documentation**
- **Capitalization**

# Exploration



# Documentation



# Capitalization



# Digital Strategy Model 5.0 Beta

# Executive Summary

## Mequoda Digital Strategy Model 5.0 Beta

### Green Garden Press Executive Summary

5/15/12

|                                  | 2012           | 2013           | 2014           | 2015           | 2016           |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Executive Summary</b>         |                |                |                |                |                |
| <b>Revenues</b>                  |                |                |                |                |                |
| <b>Online</b>                    | \$ 105,501     | \$ 502,373     | \$ 1,476,800   | \$ 3,408,956   | \$ 5,590,307   |
| <b>Magazine</b>                  | \$15,013,995   | \$14,583,118   | \$ 13,978,696  | \$ 13,435,243  | \$ 12,839,872  |
| <b>Digital Retail</b>            | \$ -           | \$ 177,744     | \$ 490,581     | \$ 895,860     | \$ 1,215,837   |
| <b>Total Revenue</b>             | \$15,119,496   | \$15,263,235   | \$ 15,946,077  | \$ 17,740,059  | \$ 19,646,016  |
| <b>Direct Expenses</b>           |                |                |                |                |                |
| <b>Online</b>                    | \$ 392,405     | \$ 414,663     | \$ 384,004     | \$ 538,638     | \$ 725,260     |
| <b>Magazine</b>                  | \$11,623,842   | \$11,273,530   | \$ 10,805,000  | \$ 10,306,026  | \$ 9,865,472   |
| <b>Digital Retail</b>            | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| <b>Total Expenses</b>            | \$12,016,246   | \$11,688,193   | \$ 11,189,004  | \$ 10,844,664  | \$ 10,590,732  |
| <b>Net Contribution</b>          |                |                |                |                |                |
| <b>Online</b>                    | \$ (286,904)   | \$ 87,710      | \$ 1,092,796   | \$ 2,870,318   | \$ 4,865,047   |
| <b>Magazine</b>                  | \$ 3,390,153   | \$ 3,309,588   | \$ 3,173,696   | \$ 3,129,217   | \$ 2,974,400   |
| <b>Digital Retail</b>            | \$ -           | \$ 177,744     | \$ 490,581     | \$ 895,860     | \$ 1,215,837   |
| <b>Total Net Contribution</b>    | \$ 3,103,249   | \$ 3,575,042   | \$ 4,757,073   | \$ 6,895,395   | \$ 9,055,285   |
| <b>Overhead</b>                  | \$ (2,592,000) | \$ (3,024,000) | \$ (3,456,000) | \$ (3,888,000) | \$ (3,888,000) |
| <b>Profit/Loss before EBITDA</b> | \$ 511,249     | \$ 551,042     | \$ 1,301,073   | \$ 3,007,395   | \$ 5,167,285   |
| <b>Margin</b>                    | 3%             | 4%             | 8%             | 17%            | 26%            |
| <b>Cum P/L before EBITDA</b>     | \$ 511,249     | \$ 1,062,291   | \$ 2,363,364   | \$ 5,370,759   | \$ 10,538,044  |

# Online Summary

| Mequoda Digital Strategy Model 5.0 Beta<br>Green Garden Press<br>Online<br>5/15/12 |                     |                   |                     |                     |                     |
|--|---------------------|-------------------|---------------------|---------------------|---------------------|
|  | 2012                | 2013              | 2014                | 2015                | 2016                |
| <b>Summary</b>   |                     |                   |                     |                     |                     |
| <b>Revenue</b>   |                     |                   |                     |                     |                     |
| Website Revenue  | \$ 1,382            | \$ 60,818         | \$ 250,874          | \$ 459,936          | \$ 708,302          |
| Email Revenue  | \$ 104,119          | \$ 381,555        | \$ 955,926          | \$ 2,229,020        | \$ 3,682,005        |
| Sponsorship Revenue  | \$ -                | \$ 60,000         | \$ 270,000          | \$ 720,000          | \$ 1,200,000        |
| <b>Total Revenue</b>   | <b>\$ 105,501</b>   | <b>\$ 502,373</b> | <b>\$ 1,476,800</b> | <b>\$ 3,408,956</b> | <b>\$ 5,590,307</b> |
| <b>Expenses</b>  |                     |                   |                     |                     |                     |
| Content Development Costs  | \$ 260,000          | \$ 260,000        | \$ 130,000          | \$ 130,000          | \$ 130,000          |
| Cost of Goods Sold   | \$ 3,165            | \$ 17,253         | \$ 60,943           | \$ 155,959          | \$ 254,638          |
| Operating Costs  | \$ 129,240          | \$ 137,410        | \$ 193,060          | \$ 252,679          | \$ 340,622          |
| <b>Total Expenses</b>  | <b>\$ 392,405</b>   | <b>\$ 414,663</b> | <b>\$ 384,004</b>   | <b>\$ 538,638</b>   | <b>\$ 725,260</b>   |
| <b>Online Net Contribution</b>   | <b>\$ (286,904)</b> | <b>\$ 87,710</b>  | <b>\$ 1,092,796</b> | <b>\$ 2,870,318</b> | <b>\$ 4,865,047</b> |



# Magazine Summary

| Mequoda Digital Strategy Model 5.0 Beta |                     |                     |                     |                     |                     |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Green Garden Press                      |                     |                     |                     |                     |                     |
| Magazine                                |                     |                     |                     |                     |                     |
| 5/15/12                                 |                     |                     |                     |                     |                     |
|   | 2012                | 2013                | 2014                | 2015                | 2016                |
| <b>Summary</b>                          |                     |                     |                     |                     |                     |
| <b>Net Contribution</b>                 |                     |                     |                     |                     |                     |
| Direct Mail                             | \$ (297,897)        | \$ (268,107)        | \$ (241,296)        | \$ (217,167)        | \$ (195,450)        |
| Newsstand                               | \$ 2,509,200        | \$ 2,145,366        | \$ 1,806,624        | \$ 1,492,974        | \$ 1,204,416        |
| Newsstand Inserts                       | \$ 421,210          | \$ 360,134          | \$ 303,271          | \$ 250,620          | \$ 202,181          |
| Subscription Inserts                    | \$ 1,340,925        | \$ 1,435,006        | \$ 1,447,729        | \$ 1,448,747        | \$ 1,431,937        |
| Low-Remit Agents                        | \$ 126,000          | \$ 119,700          | \$ 113,400          | \$ 107,100          | \$ 100,800          |
| High-Remit Agents                       | \$ 72,000           | \$ 64,800           | \$ 57,600           | \$ 50,400           | \$ 43,200           |
| Community                               | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| Conversions                             | \$ 4,602,685        | \$ 4,722,200        | \$ 4,832,682        | \$ 4,883,416        | \$ 4,874,325        |
| Advertising                             | \$ 1,084,163        | \$ 1,014,871        | \$ 928,530          | \$ 938,609          | \$ 950,131          |
| <b>Total Net Contribution</b>           | <b>\$ 9,858,287</b> | <b>\$ 9,593,970</b> | <b>\$ 9,248,540</b> | <b>\$ 8,954,699</b> | <b>\$ 8,611,540</b> |
| <b>Other Expenses</b>                   |                     |                     |                     |                     |                     |
| Printing, Postage, Fulfillment          | \$ 6,468,134        | \$ 6,284,382        | \$ 6,074,844        | \$ 5,825,482        | \$ 5,637,140        |
| <b>Total Magazine Net Contribution</b>  | <b>\$ 3,390,153</b> | <b>\$ 3,309,588</b> | <b>\$ 3,173,696</b> | <b>\$ 3,129,217</b> | <b>\$ 2,974,400</b> |

# Digital Retail Summary

| Mequoda Digital Strategy Model 5.0 Beta |    |      |            |            |            |              |
|---|----|------|------------|------------|------------|--------------|
| Green Garden Press                      |    |      |            |            |            |              |
| Digital Retail                          |    |      |            |            |            |              |
| 5/15/12                                 |    |      |            |            |            |              |
|   |    | 2012 | 2013       | 2014       | 2015       | 2016         |
| <b>Summary</b>                          |    |      |            |            |            |              |
| <b>Total Retail Revenue</b>             | \$ | -    | \$ 177,744 | \$ 490,581 | \$ 895,860 | \$ 1,215,837 |
| <b>Copies Sold</b>                      |    | 0    | 54,000     | 162,000    | 324,000    | 486,000      |
| <b>Average Copies Sold per Issue</b>    |    | 0    | 9,000      | 27,000     | 54,000     | 81,000       |

# Overhead Summary

| <b>Mequoda Digital Strategy Model 5.0 Beta</b> |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Green Garden Press</b>                      |                     |                     |                     |                     |                     |
| <b>Overhead</b>                                |                     |                     |                     |                     |                     |
| 5/15/12  |                     |                     |                     |                     |                     |
|  | <b>2012</b>         | <b>2013</b>         | <b>2014</b>         | <b>2015</b>         | <b>2016</b>         |
| Total HeadCount (FTEs)                         | 18                  | 21                  | 24                  | 27                  | 27                  |
| Average Salary                                 | \$ 80,000           | \$ 80,000           | \$ 80,000           | \$ 80,000           | \$ 80,000           |
| Direct People Costs                            | \$ 1,440,000        | \$ 1,680,000        | \$ 1,920,000        | \$ 2,160,000        | \$ 2,160,000        |
| Overhead Factor                                | 80%                 | 80%                 | 80%                 | 80%                 | 80%                 |
| People Support Costs                           | \$ 1,152,000        | \$ 1,344,000        | \$ 1,536,000        | \$ 1,728,000        | \$ 1,728,000        |
| <b>Total Overhead</b>                          | <b>\$ 2,592,000</b> | <b>\$ 3,024,000</b> | <b>\$ 3,456,000</b> | <b>\$ 3,888,000</b> | <b>\$ 3,888,000</b> |
| <b>Cost per FTE</b>                            | <b>\$ 144,000</b>   | <b>\$ 144,000</b>   | <b>\$ 144,000</b>   | <b>\$ 144,000</b>   | <b>\$ 144,000</b>   |

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# Strategic Business Plan



- Management Team
- Audience Profile
- Revenue Mix
- Marketing Strategy
- Website Design
- Infrastructure Plan
- Five-Year Forecast

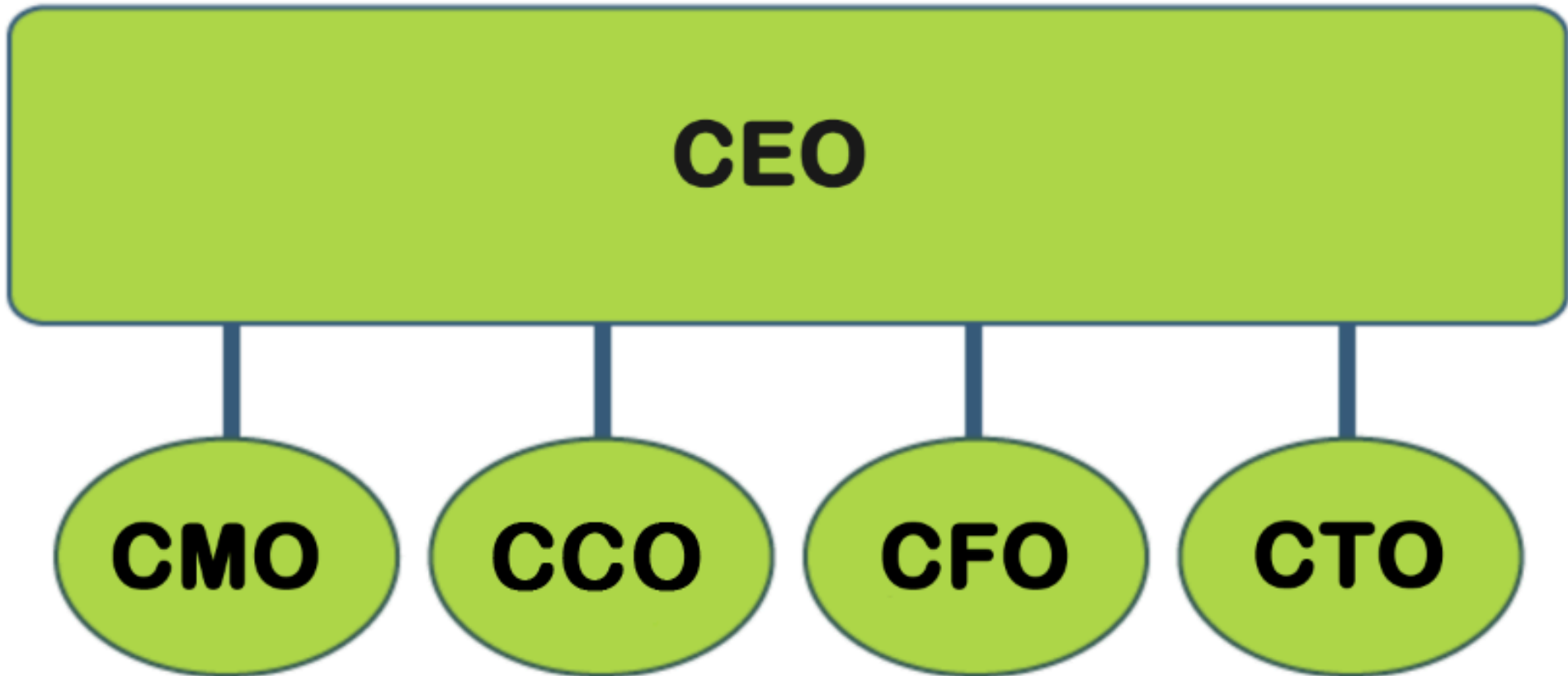
# Management Team

# Management Team

- **Organizational Structure**
- **Staff Biographies**
- **Job Descriptions**



# Organizational Strategy





# CEO & Founder

- **Rose Harper – CEO & Founder**
- **Created *Hidden Gardens* in 1995**
- **Created *Gardens Daily* in 2001**
- **Lifelong master gardener**
- **Author of 12 best-selling gardening books**
- **Experienced publishing executive**



# Chief Content Officer

- John Ashby – CCO
- Editor of *Hidden Gardens* in 2005
- Experienced book editor
- Former Director American Horticultural Society
- Award-winning gardener
- MBA/JD Harvard University



# Chief Marketing Officer

- Robert Caswell – CMO
- Responsible for all print and online marketing
- Hired in 2011
- Former Group Publisher with *Reader's Digest*
- Award-winning gardener
- MBA/JD Harvard University



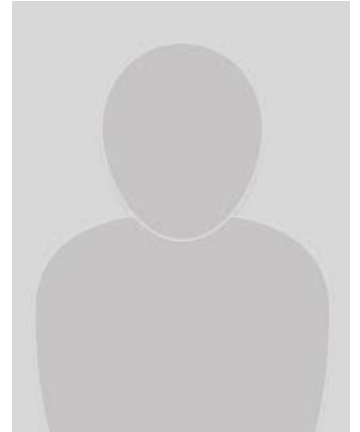
# Chief Financial Officer

- Trevor Wells – CFO
- Responsible for all finance, operations and production
- Hired in 2010
- Former group controller with Meredith Corporation
- Award-winning amateur photographer
- MBA Wharton



# Chief Technology Officer

- Jane Doe – CTO
- Pending hire 2012
- Currently CTO for successful special-interest publisher
- Experienced online system manager
- Deep network of freelance and vendor resources
- Avid amateur gardener
- MBA Wharton



# Audience Profile

# Audience Profile

- **Market Size**
- **Demographics**
- **Spending Power**



# America's #1 Hobby





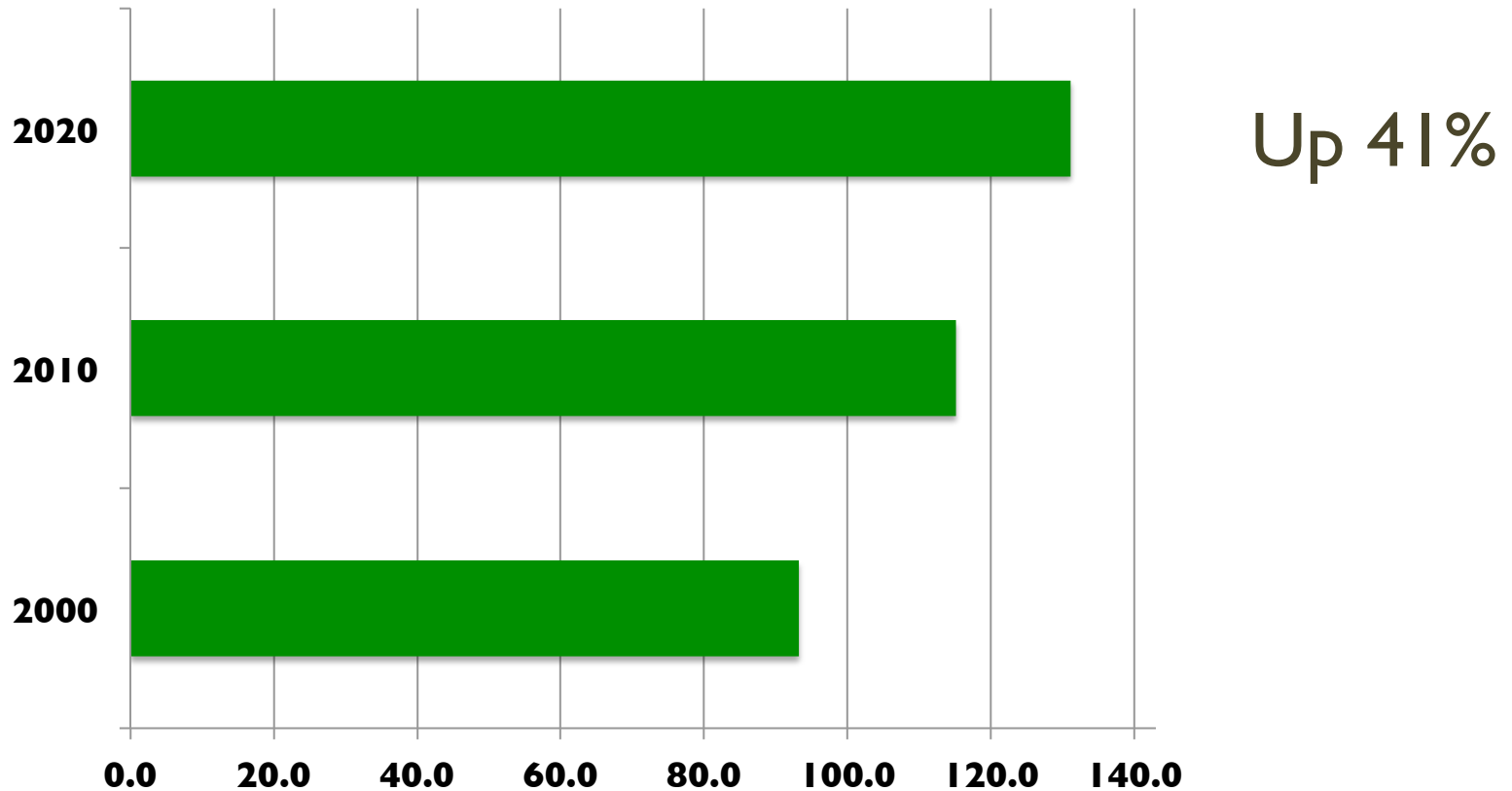
# Target Reader Profile

- 55 and older
- college graduate
- married
- \$75,000 household income
- living in the South
- no children at home

[Source:

<http://www.gardenresearch.com/index.php?q=show&id=2989>]

# Population is Aging



Source: U.S. Census Bureau, 2004

In 2020, 45-84 year old adults will number 131M

# Trends

- **Gardening is America's #1 hobby [Source: Huliq.com]**
- **\$28 billion in retail sales in 2010**
- **\$363 per household spent in 2010 on do-it-yourself lawn and garden activities**

[Source: <http://www.gardenresearch.com/>]

# Revenue Mix

# Revenue Mix

- User Revenue
- Sponsor Revenue

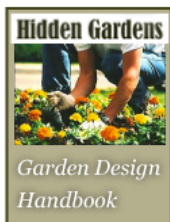


# Product Sales Mix

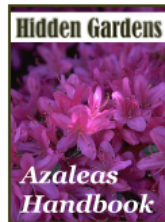
Legacy Product = Magazine



Expansion Products = Books, Videos, Digital Magazine & Live Events



Hidden Gardens  
Garden Design Handbook  
**\$47.00**



Hidden Gardens  
Azaleas Handbook  
**\$47.00**



Orchid Gardening  
Made Easy DVD  
**\$19.97**



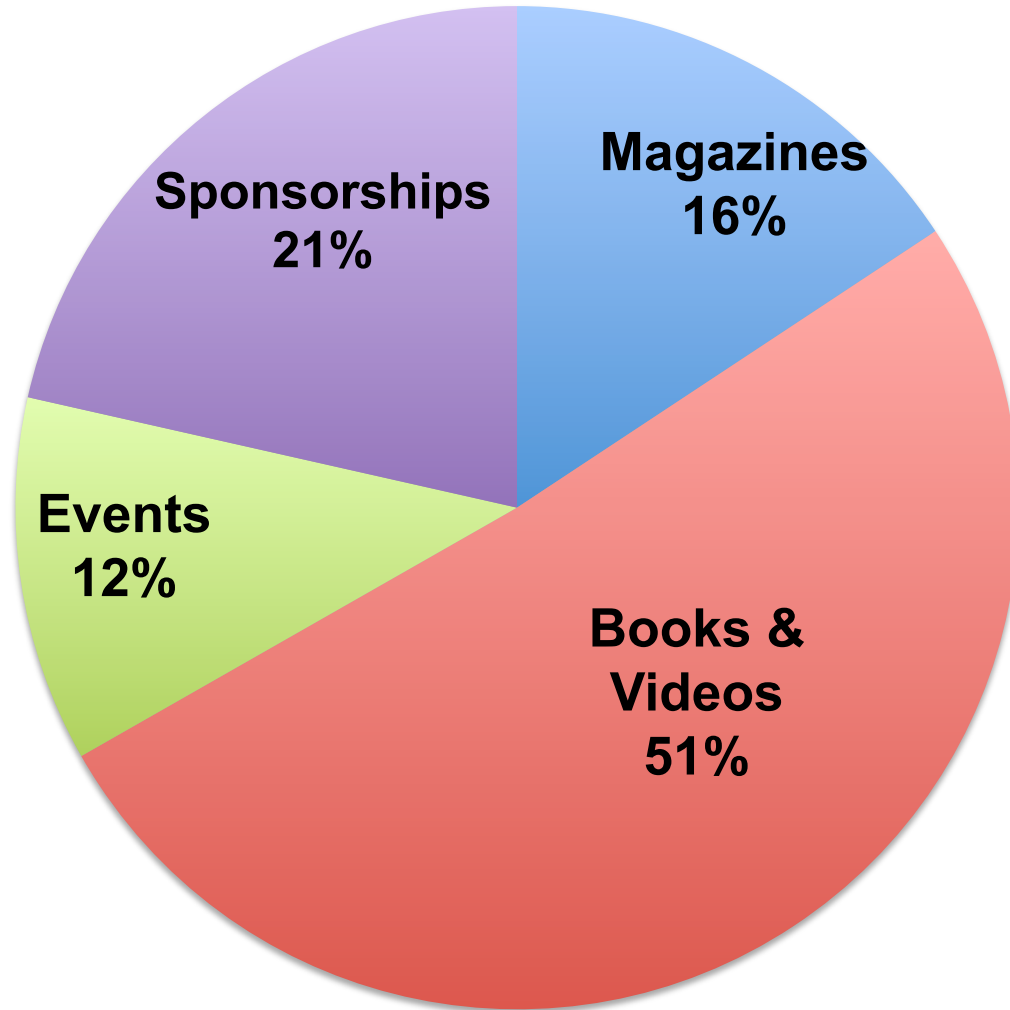
Azalea DVD and  
Beginner's Guide Bundle  
**\$24.97**



# Sponsorship Strategy



# Year 5 Revenue Mix

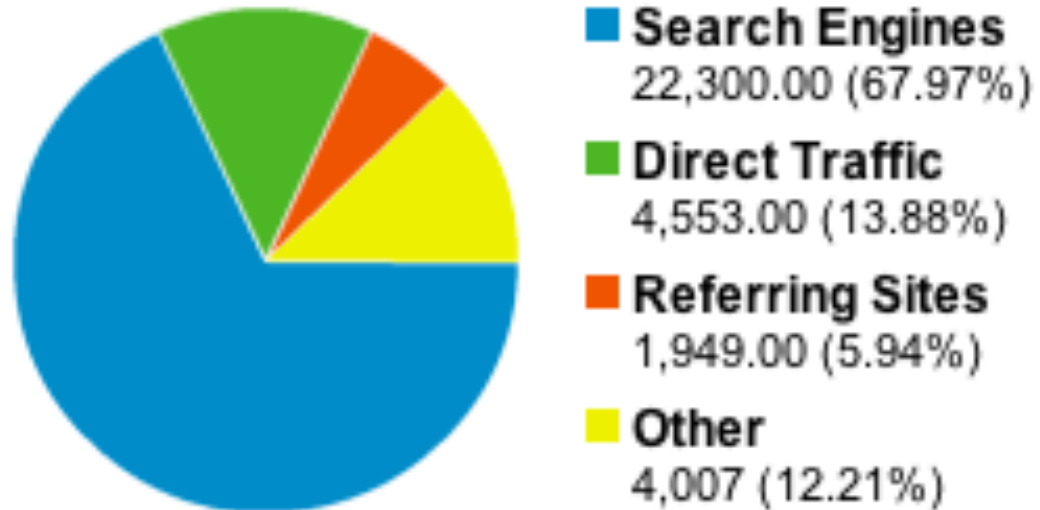




# Marketing Strategy

# Marketing Strategy

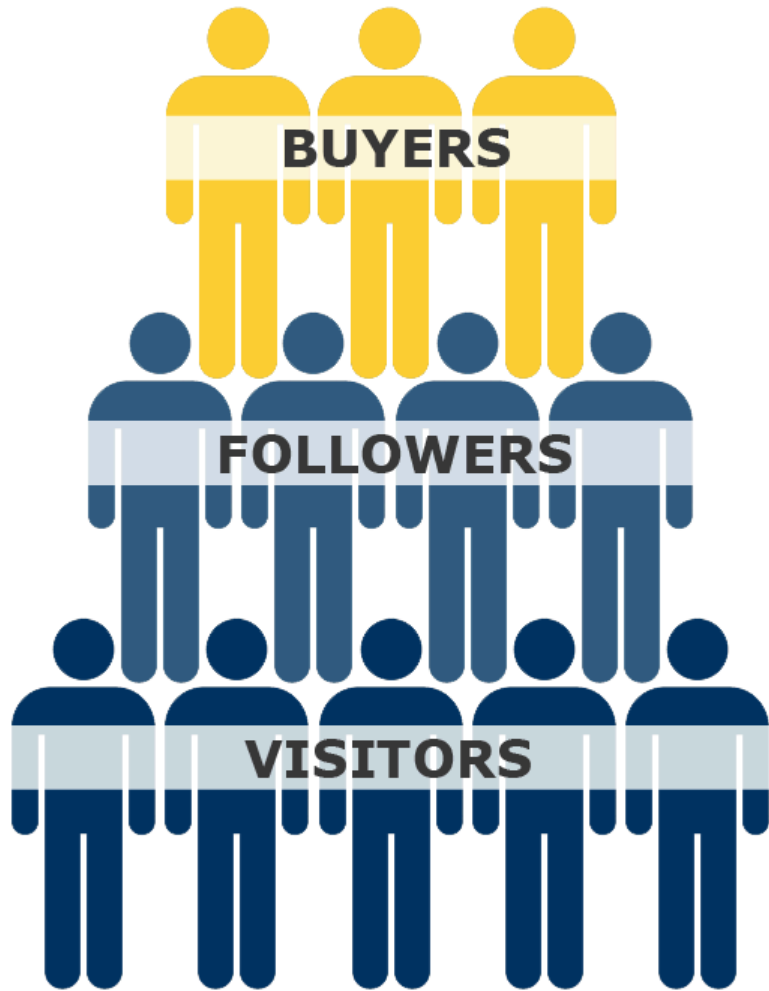
- Branding
- Traffic
- Engager



# Gardens Daily Brand Wheel



# Gardens Daily Media Pyramid



PREMIUM CONTENT

305K

EMAIL & SOCIAL MEDIA

743K

WEBSITE

8.4M

# Gardens Daily Market Clusters

| Perennials         | Annuals       | Bulbs     | Shrubs        | House Plants       | Gardening            |
|--------------------|---------------|-----------|---------------|--------------------|----------------------|
| Asters             | Begonias      | Alliums   | Azaleas       | African Violets    | Plant Care           |
| Chrysanthemums     | Annual Salvia | Crocus    | Hydrangeas    | Amaryllis          | Design               |
| Clematis           | Cosmos        | Daffodils | Lilacs        | Bromeliads         | Equipment & Products |
| Coneflowers        | Geraniums     | Dahlias   | Rhododendrons | Cacti & Succulents | Pests & Diseases     |
| Daylilies          | Impatiens     | Gladiolas | Viburnums     | Christmas Cactus   | Photography          |
| Hardy Geraniums    | Marigolds     | Hyacinths | Weigelas      | Cyclamen           |                      |
| Hostas             | Pansies       | Narcissus | Forsythia     | Kalanchoe          |                      |
| Irises             | Petunias      | Tulips    |               | Orchids            |                      |
| Ornamental Grasses | Zinnias       |           |               | Oxalis             |                      |
| Peonies            |               |           |               |                    |                      |
| Phlox              |               |           |               |                    |                      |
| Roses              |               |           |               |                    |                      |
| Salvia             |               |           |               |                    |                      |
| Sedum              |               |           |               |                    |                      |

# Affinity Content Calendar

| platform and effort | MONDAY          |                        | TUESDAY           |             | WEDNESDAY              | THURSDAY          |              | FRIDAY       |           | SATURDAY                |                    | SUNDAY    |                    |
|---------------------|-----------------|------------------------|-------------------|-------------|------------------------|-------------------|--------------|--------------|-----------|-------------------------|--------------------|-----------|--------------------|
|                     | Soft Sell       | Soft Sell              | Hard Sell         | Soft Sell   | Soft Sell              | Soft Sell         | Hard Sell    | Soft Sell    | Hard Sell | Soft Sell               | Hard Sell          | Soft Sell | Hard Sell          |
| WEEK 1              |                 |                        |                   |             |                        |                   |              |              |           |                         |                    |           |                    |
| email campaigns     | azaleas tip     | azaleas product review | azaleas spotlight | orchids tip | orchids product review | orchids spotlight | petunias tip |              |           | petunias product review | petunias spotlight |           | tulip tour         |
| blog post           | azaleas tip     | azaleas product review |                   | orchids tip | orchids product review |                   | petunias tip |              |           | petunias product review |                    |           |                    |
| seo post            | african violets | daylilies              |                   | geraniums   | peonies                |                   | orchids      |              |           | roses                   |                    |           | garden photography |
| twitter post 1      | azaleas tip     | azaleas product review |                   | orchids tip | orchids product review |                   | petunias tip |              |           | petunias product review |                    |           | garden photography |
| twitter post 2      | african violets | daylilies              |                   | geraniums   | peonies                |                   | orchids      |              |           | roses                   |                    |           | garden photography |
| twitter spotlight   |                 |                        | azaleas spotlight |             |                        | orchids spotlight |              |              |           |                         | petunias spotlight |           | tulip tour         |
| facebook post 1     | azaleas tip     | azaleas product review |                   | orchids tip | orchids product review |                   | petunias tip |              |           | petunias product review |                    |           | tulip tour         |
| facebook post 2     | african violets | daylilies              |                   | geraniums   | peonies                |                   | orchids      |              |           | roses                   |                    |           | garden photography |
| facebook spotlight  |                 |                        | azaleas spotlight |             |                        | orchids spotlight |              |              |           |                         | petunias spotlight |           | tulip tour         |
| circ builders       |                 |                        |                   |             |                        |                   |              | tulips ebook |           |                         |                    |           |                    |
| week in review      |                 |                        |                   |             |                        |                   |              |              |           |                         |                    |           | week in review     |

platform and effort

WEEK 1

- email campaigns
- blog post
- seo post
- twitter post 1
- twitter post 2
- twitter spotlight
- facebook post 1
- facebook post 2
- facebook spotlight
- circ builders
- week in review

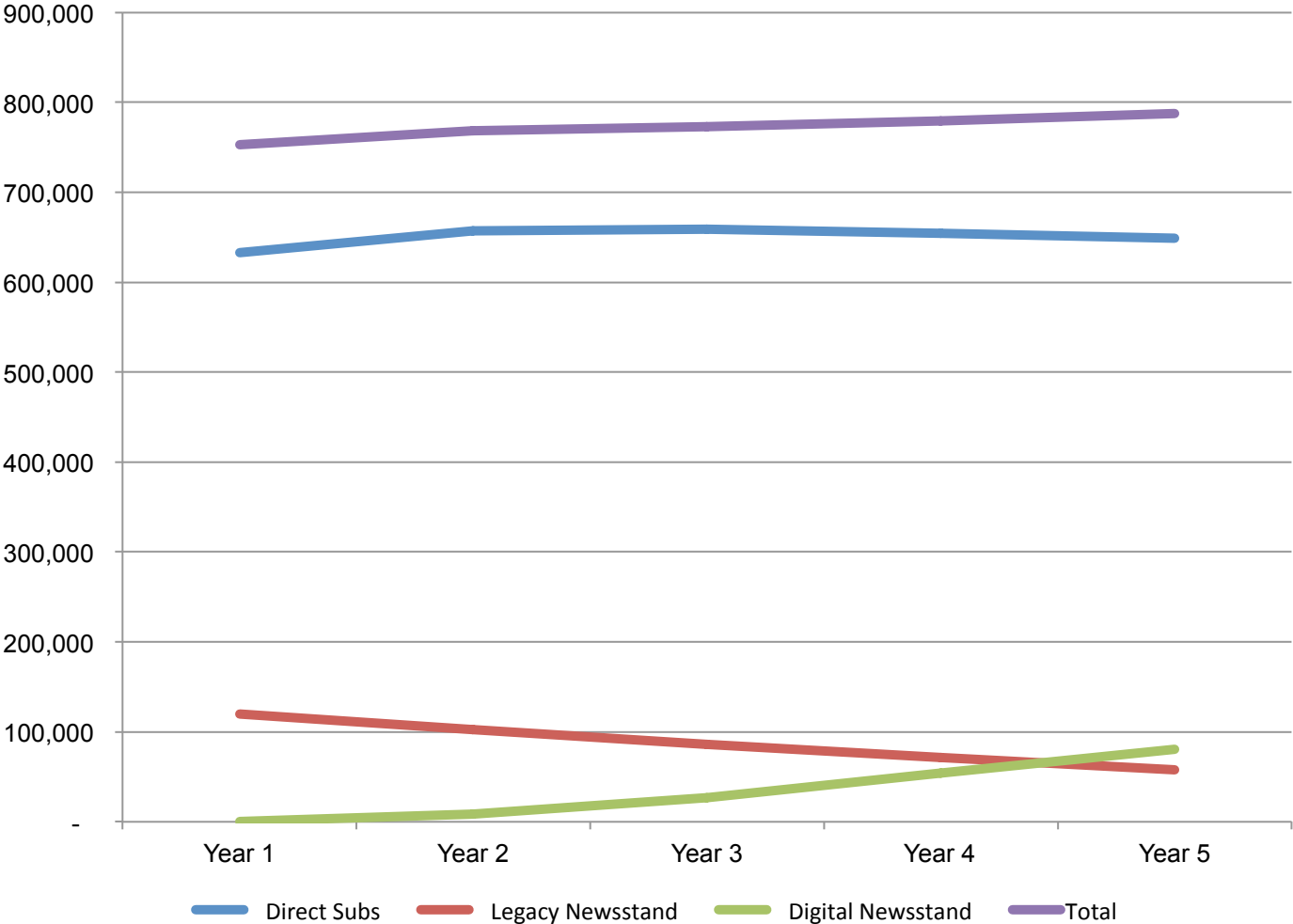
| MONDAY          | TUESDAY                |                   |
|-----------------|------------------------|-------------------|
| Soft Sell       | Soft Sell              | Hard Sell         |
| azaleas tip     | azaleas product review | azaleas spotlight |
| azaleas tip     | azaleas product review |                   |
| african violets | daylilies              |                   |
| azaleas tip     | azaleas product review |                   |
| african violets | daylilies              |                   |
|                 |                        | azaleas spotlight |
| azaleas tip     | azaleas product review |                   |
| african violets | daylilies              |                   |
|                 |                        | azaleas spotlight |

|                 |
|-----------------|
| tips            |
| product reviews |
| spotlights      |
| seo posts       |
| WIR             |
| circ builders   |

# Year 5 Website Visitor Mix



# Magazine Circulation Mix





# Website Design

# Website Design

- **Open Content**
- **User Community**
- **Product Sales**
- **Subscription Sales**
- **Event Sales**



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### Azalea Care Secrets

Download your copy of *Azalea Care Secrets: When to Plant Azaleas and How to Grow Them for a Lifetime* and start receiving Gardens Daily — both absolutely free! [Read more...](#)

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#### CURRENT STORIES



### Orchid FAQ

By John Doe  
05/25 | When most orchids have finished blooming, the spike should be cut off with a sharp, sterile blade as close to the base of the spike as is practical. Of all of the more commonly available orchids, only phalaenopsis (the moth orchid) will rebloom from its old spike. Phalaenopsis will generally rebloom given a little extra care. [Read more...](#)



### Planting Spring Bulbs in Containers

05/25 | Nothing brightens the corner of a patio, deck, or porch like a container filled with an abundance of colorful flowers. Yet containers often stand empty in spring, until it is time to plant annuals. [Read more...](#)



### Proper Drainage for Azaleas

05/24 | Caring for azaleas is often a balancing act. The soil can't be too wet, and it can't be too dry. Good drainage and regular watering

ADVERTISEMENT



#### MUST-READ **FREE** DOWNLOADS

- Azalea Care Secrets:** When to Plant Azaleas and How To Grow Them for a Lifetime
- Ten Expert Tips for Pruning Orchids:** Orchid Pruning Techniques for All Different Types of Orchids
- Careful Guidelines for Transplanting Hydrangea Bushes:** Moving and Trimming Hydrangea Bushes without Killing Them

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- Perennials
  - Asters

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**Ten Expert Tips for Pruning Orchids:** Orchid Pruning Techniques for All Different Types of Orchids

**Careful Guidelines for Transplanting Hydrangea Bushes:** Moving and Trimming Hydrangea Bushes without Killing Them

**BROWSE TOPICS**

- Perennials
  - Asters
  - Chrysanthemums

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| PERENNIALS                | Latest Post   | Threads | Posts |
|---------------------------|---|---------|-------|
| <b>Asters</b>             | Re: THE OFFICIAL...<br>by JeanieH@6<br>Jun 15, 2011 7:12 PM                 | 297     | 4213  |
| <b>Chrysanthemums</b>     | Re: Fabulous Projects for intreped...<br>by Merlich<br>Jun 16, 2011 6:15 PM | 159     | 1066  |
| <b>Clematis</b>           | Re: Purchase of new bulbs<br>by lhalfcent<br>Apr 30, 2011 12:33 PM          | 120     | 985   |
| <b>Coneflowers</b>        | DO you believe that these crazy...<br>by cashdone<br>Jun 13, 2011 7:13 PM   | 309     | 5067  |
| <b>Daylilies</b>          | I love the thumbnails<br>by bethie<br>Jun 1, 2011 6:26 AM                   | 211     | 3524  |
| <b>Hardy Geraniums</b>    | What's the difference between...<br>by JJiles<br>May 22, 2011 3:45 PM       | 97      | 884   |
| <b>Hostas</b>             | Hostas Luega garden gnome<br>by Aunti<br>Apr 19, 2011 5:42 PM               | 245     | 4562  |
| <b>Irises</b>             | The sound of silence<br>by armando<br>Jun 10, 2011 12:31 PM                 | 347     | 6542  |
| <b>Ornamental Grasses</b> | Which ones are the best?<br>by Palatino<br>Jun 9, 2011 9:40 AM              | 126     | 1778  |
| <b>Peonies</b>            | Attack of the ants!<br>by dirtunderfingernails<br>May 27, 2011 7:12 PM      | 416     | 6854  |


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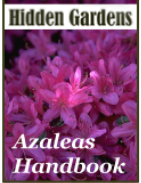

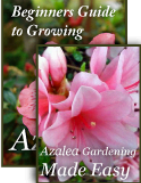
*Gardens Daily* GARDENING TIPS, TECHNIQUES AND INSPIRATION FROM THE EDITORS OF *Green Gardens Press*

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| Hidden Gardens Garden Design Handbook<br><b>\$47.00</b>  | Hidden Gardens Azaleas Handbook<br><b>\$47.00</b>  | Orchid Gardening Made Easy DVD<br><b>\$19.97</b>   | Azalea DVD and Beginner's Guide Bundle<br><b>\$24.97</b>   |

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**BROWSE TOPICS**

- ▼ Perennials
  - Asters
  - Chrysanthemums
  - Clematis
  - Coneflowers
  - Daylilies
  - Hardy Geraniums
  - Hostas
  - Irises
  - Ornamental Grasses
  - Peonies
  - Phlox
  - Roses
  - Salvia
  - Sedum
- ▼ Annuals
  - Begonias
  - Annual Salvia
  - Cosmos
  - Geraniums
  - Impatiens
  - Marigolds
  - Pansies
  - Petunias
  - Zinnias
- ▼ Bulbs

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## Hidden Gardens MAGAZINE

*Green Gardens Press*

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### IN THE MAY/JUNE ISSUE



#### Vestibulum Tristique Pulvinar Purus

By John Doe

Lorem ipsum dolor sit amet, consectetur adipiscing elit. Aenean scelerisque viverra vulputate. Nam metus nibh, varius eu laoreet vel, egestas sed metus. Donec luctus posuere aliquam. Sed in porttitor lorem. Quisque sit amet velit nunc. Fusce malesuada auctor vehicula.

[Read more...](#)



#### Donec Tincidunt Elit Non Nulla

Ut eros purus, imperdiet et cursus a, pulvinar non nisi. Phasellus commodo, eros ultricies commodo euismod, nulla leo mattis eros, et rutrum sapien libero ut lacus.

[Read more...](#)



#### Sed Vulputate Sagittis Pretium

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#### Etiam Rhoncus Gravida Ligula Blandit

Pellentesque habitant morbi tristique senectus et netus et malesuada fames ac turpis egestas. In hac habitasse platea dictumst. Tellus at laoreet gravida, libero magna vehicula neque, eget tristique arcu ipsum eu enim.

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Assistant Editor



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### WHAT OUR READERS ARE SAYING

*Lorem ipsum dolor sit amet, consectetur adipiscing elit. Sed felis*

# Gardens Daily Events

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## Hidden Gardens TOUR EVENTS *Green Gardens Press*

Houston Azalea Tour — March 5–9  
Hawaii Orchid Tour — March 26–30  
Holland Bulb Tulip Tour — April 2–6

Events Home Azalea Tour Orchid Tour Tulip Tour Brochures

### UPCOMING TOURS



#### Houston Azalea Tour

March 5–9

In early March, vivid pink, purple, white, red and yellow azaleas are bursting into color at several special Houston locations, which provide the humid, subtropical climate that azaleas thrive in.

On your first spring morning in Houston, we'll begin our three-day, nine-stop independent bus tour. This tour will guide you through Houston's flourishing azalea district, including nine stops at wildly landscaped private residential gardens. As a bonus, we'll make a stop at Teas Nursery who invented the method used today that's been keeping azaleas evergreen in Houston for almost 100 years.

Your tour begins Tuesday morning and includes all of your breakfasts and lunches from Tuesday until Friday morning. Four night accommodations at Hotel Zaza put you only steps away from the botanically enthusiastic Hermann Park.

Join us in Houston and witness the beauty of these spectacular flowering shrubs.

\$2497 includes 3-day tour, five days at a 4-star hotel, all breakfasts and lunches. \$4158 per couple. **Save 30%!\***

[Register for Tour](#) [Read more...](#)



#### Hawaii Orchid Tour

March 26–30

Inhale the fresh, floral air of Honolulu as you step off your plane and onto the blooming island of Oahu. From the picturesque mountains to the white sandy beaches, we'll have no trouble finding the most extraordinary orchid habitats. Famously difficult

### ABOUT HIDDEN GARDENS TOURS



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### TOUR TESTIMONIALS

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— Rhoncus Gravida

*Nunc eu turpis et dui luctus tempor. Pellentesque a mauris ac eros convallis dictum ac id mauris. Suspendisse tempus laula a risus condimentum*

 *Green Gardens Press*

# Infrastructure Plan



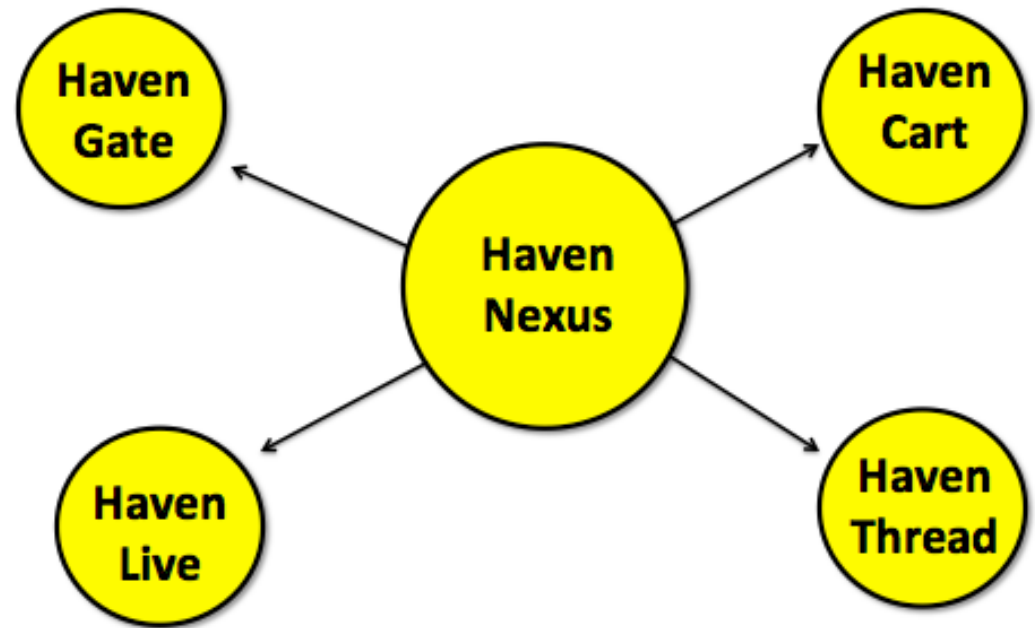
# Infrastructure Plan

- Software
- Hardware
- ASP Partners
- Affinity Partners
- Newsstand Partners



# Software

- **Open Source**
- **100% GPL Code**
- **WP Compatible**
- **Fully Portable**



# Hardware



- **24/7 Data Center Management**
- **Cloud Hosting**
- **On-Demand Scaling**
- **Predictable Costs**



# ASP Partners

Google Analytics



PayPal

OpenX

# Affinity Partners

Google

facebook

twitter 

Pinterest

Linked 

# Newsstand Partners



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# Five-Year Forecast

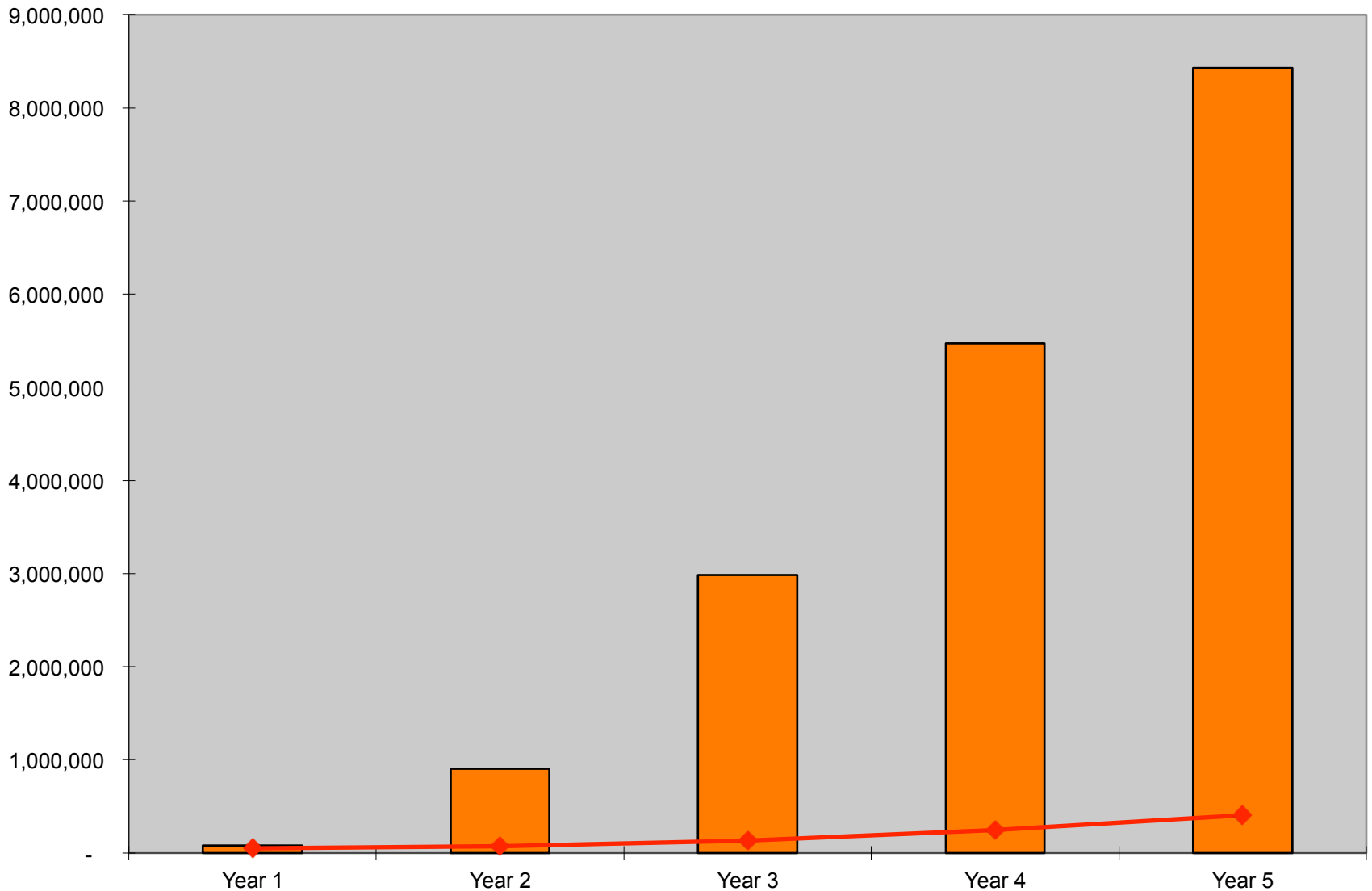
# Five-Year Forecast

- Audience Growth
- Revenue Growth
- Profit Growth

| <b>Mequoda Online Strategy Model</b> |                       |                     |                     |                     |                     |
|--------------------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Flora Daily Network</b>           |                       |                     |                     |                     |                     |
| 4/2/12                               |                       |                     |                     |                     |                     |
|                                      | <b>Year 1</b>         | <b>Year 2</b>       | <b>Year 3</b>       | <b>Year 4</b>       | <b>Year 5</b>       |
| <b>Revenue</b>                       |                       |                     |                     |                     |                     |
| Website Revenue                      | \$ 34,556             | \$ 182,454          | \$ 418,124          | \$ 643,911          | \$ 910,674          |
| Email Revenue                        | \$ 113,204            | \$ 573,569          | \$ 1,606,245        | \$ 2,896,650        | \$ 4,567,334        |
| Sponsorship Revenue                  | \$ 30,000             | \$ 180,000          | \$ 540,000          | \$ 960,000          | \$ 1,200,000        |
| Subscription Renewal Revenue         | \$ -                  | \$ 9,091            | \$ 46,948           | \$ 120,336          | \$ 625,349          |
| <b>Total Revenue</b>                 | <b>\$ 177,760</b>     | <b>\$ 945,115</b>   | <b>\$ 2,611,317</b> | <b>\$ 4,620,897</b> | <b>\$ 7,303,358</b> |
| <b>Expenses</b>                      |                       |                     |                     |                     |                     |
| Content Development Costs            | \$ 260,000            | \$ 260,000          | \$ 130,000          | \$ 130,000          | \$ 130,000          |
| Cost of Goods Sold                   | \$ 10,343             | \$ 52,922           | \$ 141,706          | \$ 247,839          | \$ 383,461          |
| Operating Costs                      | \$ 1,021,121          | \$ 1,071,462        | \$ 1,151,581        | \$ 1,234,153        | \$ 1,347,488        |
| <b>Total Expenses</b>                | <b>\$ 1,291,464</b>   | <b>\$ 1,384,383</b> | <b>\$ 1,423,287</b> | <b>\$ 1,611,992</b> | <b>\$ 1,860,949</b> |
| <b>Profit/Loss before EBITDA</b>     | <b>\$ (1,113,704)</b> | <b>\$ (439,268)</b> | <b>\$ 1,188,031</b> | <b>\$ 3,008,904</b> | <b>\$ 5,442,409</b> |
| Margin                               | -627%                 | -46%                | 45%                 | 65%                 | 75%                 |
| <b>Cum P/L before EBITDA</b>         | <b>(1,113,704)</b>    | <b>(1,552,972)</b>  | <b>(364,942)</b>    | <b>2,643,963</b>    | <b>8,086,371</b>    |

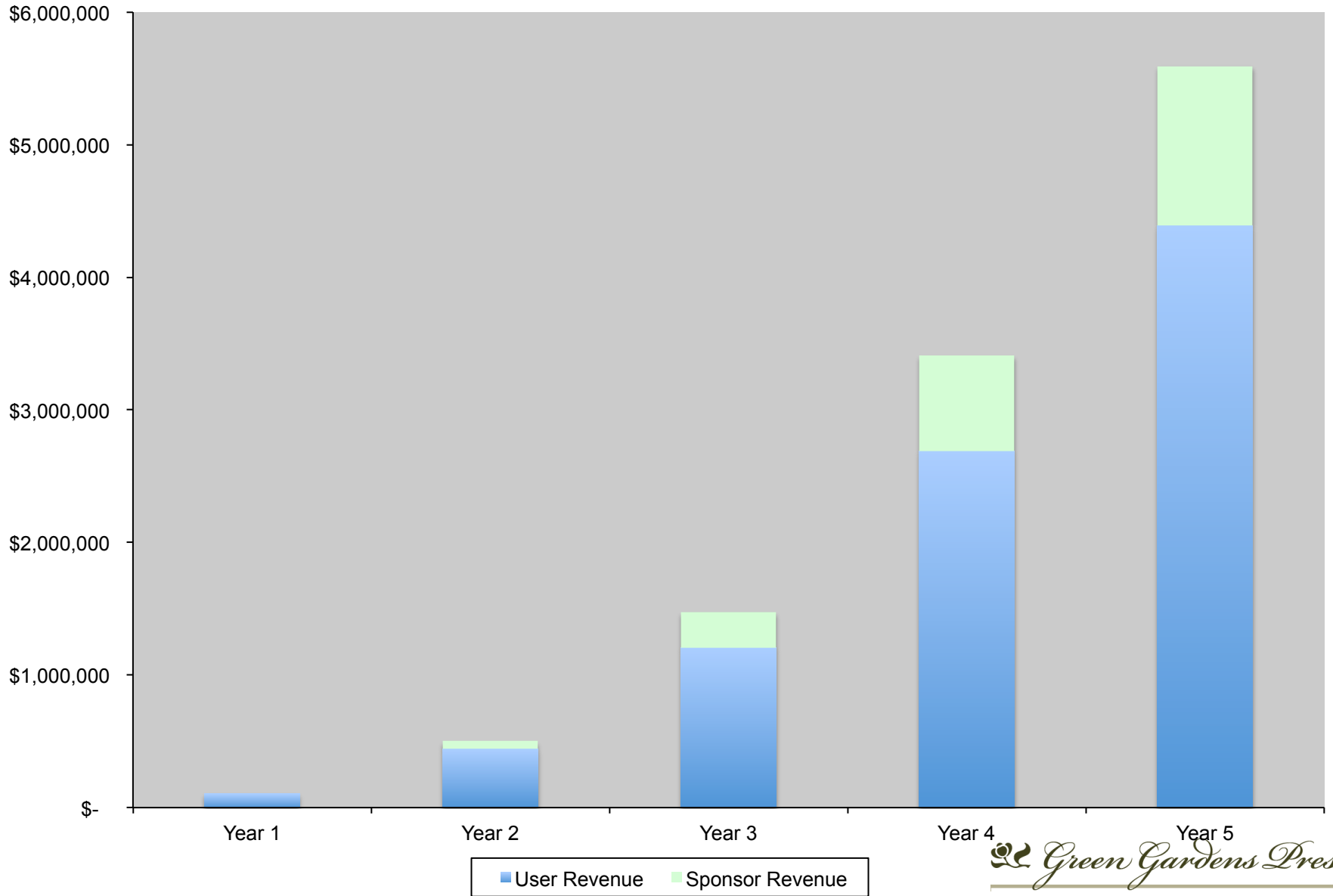


# Audience Growth

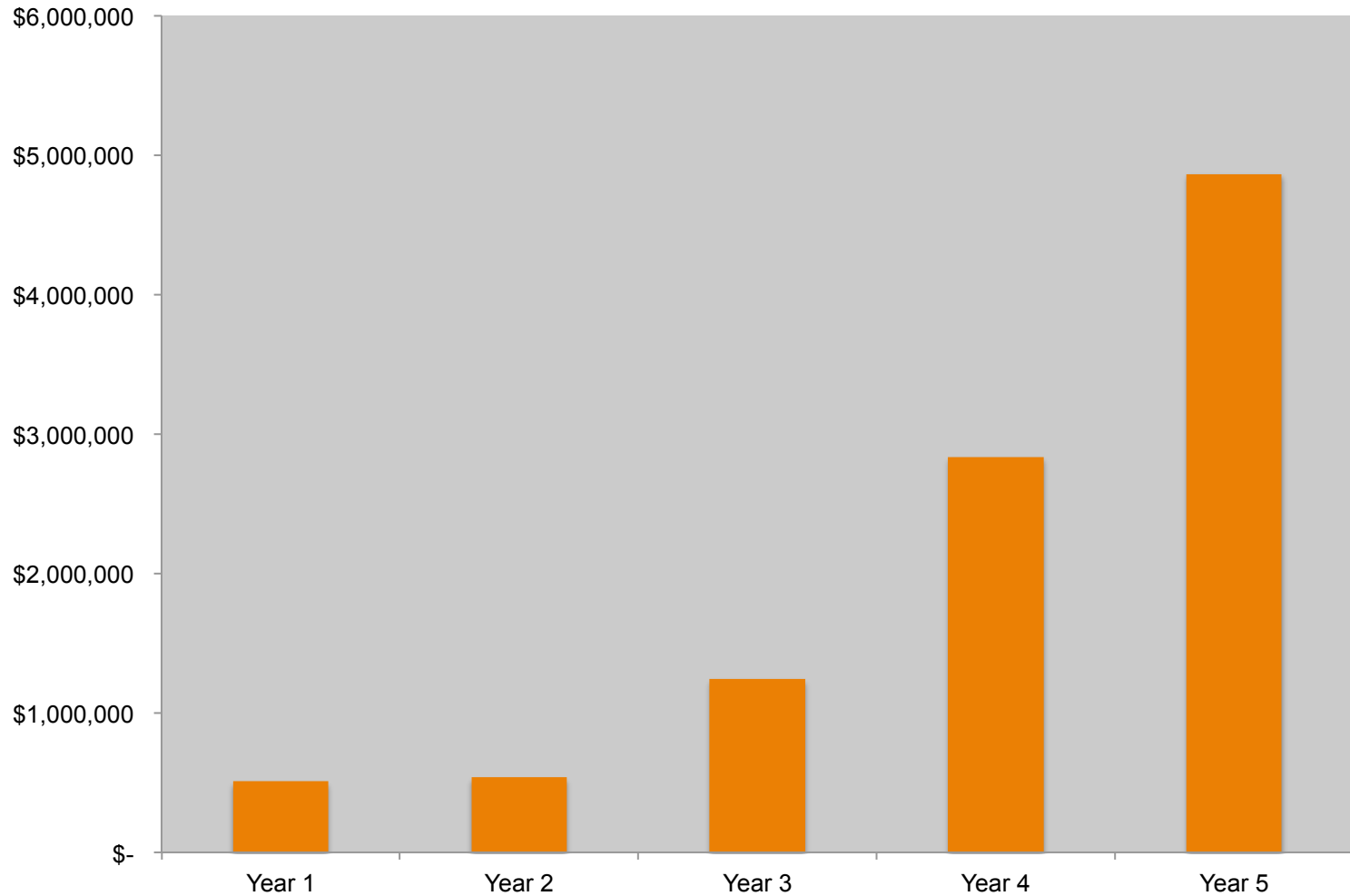


Website Visitors Email Subscribers

# Revenue Growth



# Profit Growth



# Investment Opportunity

# Investment Opportunity

- Cash Requirements
- Terminal Value
- Funding Sources



# Cash Requirements

**\$1 Million**

# Terminal Value

|                             | Year 5              | 8x                   | 10x                  | 12x                  |
|-----------------------------|---------------------|----------------------|----------------------|----------------------|
| <b>Total Company EBITDA</b> | <b>\$ 4,864,407</b> | <b>\$ 38,915,253</b> | <b>\$ 48,644,066</b> | <b>\$ 58,372,879</b> |

# Funding Sources

- **Operating Cash Flow**
- **Debt Financing**
- **Enterprise Equity**



# Thank You

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