



**LÜBYCON**

## **Business Overview**

**Legal name:** Lubycon

**Business Address:**

**Phone:**

**E-mail:** Lubycon@gmail.com

**Business Structure:** Sole Proprietorship

**Business Owner:** Hyeonmin (Paul) Kim, Donghyun (Edward) Hwang, DongWook (Evan) Moon, Dongkyu (Daniel) Kim, Kyeongryul (Simon) Noh

## **Executive Summary**

When 99% of the general population thinks about checking artwork, designs or even 3D design works, there is no company that comes to mind. There seems to be at least one great online community for every industry except for Art and Design. Lubycon is online community site for Artists and Designers; Creators to collaborate and share information.

For longest time, there have been many debates about the identity of Artists and Designers. Lubycon essentially sees artists, designers and whomever that creates original visual works as **Creators** and hopes to create collaborations and great community that can represent the art and design industry.

Creators all around the world can freely join and access Lubycon and upload their works digitally.

Lubycon creates community and marketplace for Artists (Including Artwork, Digital Artworks and 3D models)

## **Company Summary**

Lubycon will offer **Artwork, Vector, and 3D Models** uploaded by creators (users) online. By offering the service in 8 languages, Lubycon aims to grow internationally from the start.

Lubycon focuses on creating community for creators and marketplace for general population. By creating community, artists and designers will freely collaborate to create extraordinary creation. The marketplace will serve general population with artworks, designs and 3D models to enhance lifestyle.

Along with social media marketing and SEO, Lubycon aims to target international post-secondary art and design schools to absorb current and future artist and designers.

## **Company Ownership**

Co-founders and co-owners

Hyeonmin (Paul) Kim – 25%  
Donghyun (Edward) Hwang – 25%  
DongWook (Evan) Moon – 25%  
Dongkyu (Daniel) Kim – 25%  
Kyeongryul (Simon) Noh – 25%

## **Mission**

To create online exhibition where creative works can be freely or commercial be seen and traded.

## **Start-up Summary**

The start-up cost will consist of web hosting fee including web servers.

## **Products**

Lubycon will offer customers the following:

- ❖ Artwork
- ❖ Vector
- ❖ 3D Models

Note. These contents will be uploaded and provided by users around the world. Lubycon will allow these contents to be downloaded digitally and be printed in frames.

## **Pricing and Distribution**

Lubycon and users will share the profit as follows:

- ❖ Digitally downloaded. Lubycon 15:85 User
- ❖ Printed content. Lubycon 85:15 User

Yearly subscription to users:

- ❖ Free User
- ❖ \$49.99 per year (Advanced user)
- ❖ \$99.99 per year (Professional user)

## **Market Analysis Summary**

The overall market for customer artwork and design is immense. According to 2010 census, there are nearly 132 million houses with estimation of six billion artwork, paintings, and other decorative items in homes across America.

### **Market Segment**

Sales of art in 2014 – **47.4 billion euros (\$65.9 billion)**, 8% increase from 2013 (according to Arts Economics by European Fine Art Foundation in Maastricht, Netherlands. (<http://www.bloomberg.com/news/articles/2014-03-12/global-art-market-surged-to-66-billion-in-2013-report>))

Global Graphic Designers – Revenue of **\$54 Billion** with 2.3% annual growth from 2009~2014. (<http://www.ibisworld.com/industry/global/global-graphic-designers.html>)

3D Modeling market – Expected to grow to **16.99 billion** by 2020 with an estimated CAGR of 55% from 2015 to 2020. (<http://www.marketsandmarkets.com/PressReleases/3d-mapping.asp>)

3D printing market – Expected to grow to **16.2 billion** by 2018 with an estimated CAGR of 45.7% in the forecast period (<http://www.forbes.com/sites/louiscolumbus/2014/08/09/roundup-of-3d-printing-market-forecasts-and-estimates-2014/#57d652d2229f>)

## **Marketing Strategy**

### ❖ Using social media

Lubycon plans to use major social media platforms to increase its users. Currently, Lubycon is using instagram (1,400 followers to date) to increase future artists, designers and customers to invite to Lubycon upon its open-beta service. Along with instagram, facebook, twitter, google plus, pinterest, and tumblr will be used to promote artists works.

### ❖ Using SEO

Since Lubycon is online business, search engine optimization is a must-required feature. It is essential that SEO should be taken care by professionals in SEO firms.

### ❖ Others



Aside from online, there are still many offline approaches to gain users. Initial offline marketing plan is to target high-end art/design post-secondary schools to invite students. (For example; OCAD University in Toronto and Rhode island School of design etc)

## **Personnel Plan**

Lubycon will have a staff of five:

- Operation Manager
- Database Manager
- Web Manager (2)
- Designer

<b>Personnel Plan</b>			
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
Operation Manager	\$36,000	\$40,000	\$44,000
Database Manager	\$36,000	\$40,000	\$44,000
Web Manager (2)	\$72,000	\$80,000	\$88,000
Designer	\$36,000	\$40,000	\$44,000
<b>Total People</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Total Payroll</b>	<b>\$180,000</b>	<b>\$200,000</b>	<b>\$220,000</b>

## **Financial plan**

Realistic goal – 50,000 users by year 2017

Year 2017 Financial plan

- Assume 10% (5,000) user pay subscription model
  - 5% (2,500) Advanced version
  - 5% (2,500) Pro version
- Assume 10% (5,000) customers buy creator's work
  - 5% (2,500) Digital sales
  - 5% (2,500) Printed sales
- Assume average work costs are; digitally - \$20 Printed - \$60

Digital sales -> pay 75% creator

Printed sales -> pay 15% creator, 50% fulfillment center

<b>Financial Plan (Earnings)</b>		<b>Year 2016</b>	<b>Year 2017</b>	<b>Year 2018</b>
<b>Subscription Model</b>	Advanced version	<b>N/A</b>	<b>N/A</b>	<b>\$125,000</b>
	Pro version			<b>\$250,000</b>
<b>Purchased works</b>	Digital			<b>\$50,000</b>
	Printed			<b>\$150,000</b>
<b>Pay to creators</b>				<b>-\$60,000</b>
<b>Pay to fulfillment center</b>				<b>-\$75,000</b>
<b>Total</b>				<b>\$440,000</b>

<b>Financial Plan (Invested)</b>		<b>Year 2016</b>	<b>Year 2017</b>	<b>Year 2018</b>
<b>Server</b>		<b>\$1,000</b>	<b>\$1,000</b>	<b>\$10,000</b>
<b>Office</b>	S.Korea	<b>\$6,000</b>	<b>\$6,000</b>	
	Canada			<b>\$24,000</b>
<b>Supplies</b>				<b>\$1,000</b>
<b>Contingency</b>				<b>\$10,000</b>
<b>Total</b>		<b>\$7,000</b>	<b>\$7,000</b>	<b>\$45,000</b>

Year 2018 after payroll capital: \$175,000

## **Timetable**

April 2016	<ul style="list-style-type: none"><li>- Sole proprietorship registration</li><li>- Trademarks registration</li><li>- Copyright registration</li></ul>
May 2016	<ul style="list-style-type: none"><li>- Lubycon BETA open</li><li>- Invite 2,000 Artists and Designers from Instagram</li></ul>
June 2016	<ul style="list-style-type: none"><li>- Upgrade webpage through users feedback</li></ul>
July 2016	<ul style="list-style-type: none"><li>- Reinforce WebGL</li><li>- Build up social media presence and marketing</li><li>- Reinforce SEO marketing</li><li>- Begin marketplace, and app building</li></ul>
October 2016	<ul style="list-style-type: none"><li>- Aim to fix 10,000 users in Lubycon by end of year.</li></ul>
December 2016	<ul style="list-style-type: none"><li>- Fix 10,000 users in Lubycon</li><li>- Plan for next year</li></ul>
For year 2017	<ul style="list-style-type: none"><li>- Corporate registration</li><li>- Marketplace, and App release</li><li>- Aim for minimum 50,000 users</li><li>- Connect E-commerce</li><li>- Connect fulfillment centers for printing service</li><li>- Corporate liaison to enhance creators collaboration</li></ul>

## **Policies and Procedures**

- **Hours of Operation**  
10AM to 5PM (1pm lunch break) 5 days/week
- **Vacation program**  
Each employee receives 2-week vacation yearly. Closed 1 week at Christmas
- **Performance assessment**  
Performance assessment is done twice yearly in February and September. Productivity and quality are two main criteria.