**BUSINESS CONCEPT**

m**Press Media**

***Business Concept:***

**mPress** is a graphics design and products/services distribution channel. Our primary purpose is to provide high-quality, world-class comprehensive branding services, as well as a-la-carte graphic design and business consulting. These services are offered in a streamlined, low-cost form that allows for maximum customer engagement as well as maximum **mPress** branding and pricing control, something other low-cost services cannot provide without sacrificing brand control or simplified pricing structure.

***Target Market:***

**mPress’s** target market is professional organizations that require simple, high-class design and services at an affordable price. Sample customers might include non-profits, government agencies, and individuals who wish to quickly establish a professional brand or distribution channel for their own services.

***Services Provided:***

**mPress** will primarily advertise comprehensive branding packages including:

* *Graphic design*
* *Full branding, including logos, organization and communications templates*
* *Media layout and design, including business cards, brochures, media kits, and marketing materials*
* *******Website design and web-host reselling*
* *Website technical support*
* *Mobile application design and distribution*
* *Video editing and motion graphics*

***Price List:***

New business branding package: **$2,000**

* *Logo*
* *Website & Branded e-mail services*
* *100 business cards*
* *Organizational communications templates (letterhead, e-mail campaign templates)*

Additional services/upgrades: Set-fee **$500 each**

* *Media kit for advertising placements on websites, organizational newsletters/publications*
* *Brochures*
* *Online shopping cart installation*

Per-hour services at **$75 an hour**

* *Graphics design services*
* *Video editing*
* *Business/marketing plan consulting*
* *Advertising consulting*

***Marketing Channels:***

**mPress** will market services through a nation-wide advertising campaign that relies on Facebook advertising, Google Ads, internet streaming video campaigns (HULU, YouTube, Vimeo), and national TV and radio advertising through ClearChannel and other nationwide advertising agencies.

***Distribution Channels:***

**mPress** will distribute its services through a website or mobile app point-of-sale, with subsequent customer service and technical support being provided initially through a website technical support portal and e-mail, with future expansions into online real-time chat services and telephone support.

***Grants/Financing Revenue:***

**mPress** will rely on Small Business Association loans and grants, as well as personal human resources capital to establish funding required to initiate a nationwide marketing campaign, establish a small office to conduct operations, receive mail and answer telephone inquiries, and fund initial promotional projects for non-profit organizations in order to boost the **mPress** project portfolio. Approximately $150,000 will come from the Small Business Association, and $15,000 will come from business investors, including **mPress** owners.

***Target Sales:***

**mPress** will operate the first year on a projection of 10 full-service clients a month, with an a-la-carte adoption rate of 50%, or 5 clients a month, bringing in a total of 6 design/consulting hours and 2 fixed-fee services *per client*.

*Annual Revenue from Comprehensive Package: $240,000*

*Annual Revenue from Design/Consulting: $27,000*

*Annual Revenue from Fixed-fee Services: $60,000*

*Total Annual Revenue:* ***$327,000***

***Expenses:***

As a low-cost, low-overhead business, **mPress** is uniquely situated to enjoy high profit margins while keeping costs low in order to build the most wealth for future development, sustainability, and short/long-term solvency. Expenses are as follows:

*Annual office space/administrative services costs $15,000*

*Legal fees $1,000*

*Webhosting fees $1,000*

*Administrative publications fees $500*

*Office equipment $10,000*

*Advertising campaigns $50,000*

*Promotional incentives $10,000*

*Loan servicing $5,000*

***Total $102,500***

***Profit Margin:***

*Revenues $327,000*

*Expenses $102,000*

***Profit $225,000***

***Legal Entity and Profit Sharing:***

**Legal:** mPress will be established as an LLC with an S-corporation structure, which will result in a corporate taxation structure that allows taxation to be “passed-through” to the LLC members. Corporate profits will not be taxed as long as they remain in the LLC’s management. Once LLC members take a distribution of the LLC’s profits, those profits will be taxed at the individual’s personal tax rate. This structure will allow for maximum protection of LLC members’ personal assets, while also ensuring income is taxed only once, at the member’s personal tax rate. This structure will also allow profits to be rolled over each year without being taxed, ensuring the funds stay within the organization for future development. As a start-up in which members will make few or low withdrawals, this structure will allow for an optimum utilization of organization profits for further development.

**Profit Sharing:** LLC members are legally entitled to an equal, shared amount of retained earnings (specifically outline in addendum A.), and may withdraw up to a maximum of 25% of that amount on an annual basis, based on annual earnings reports, or quarterly, based on the last quarterly earnings report. If members elect to receive quarterly distributions, those members will be required to continue receiving quarterly payments until the completion of that annual term. For the purposes of this profit sharing agreement, “annual basis” or “annual term” will comprise 12 calendar months, beginning January 1st, and ending on the following December 31st. Member withdrawals in excess of 25% and up to 100% of their equal shared legal entitlement require express, written approval by a majority of LLC members (approval form outlined in Addendum B). In the event of disagreement, members may withdraw 100% of their equal, shared legal entitlement, based on the last quarter’s earnings report, as well as their initial investment, on the sole condition that they terminate their association and ownership of **mPress, LLC**. LLC-funded equipment and products may not be returned to members who had primary ownership or operation of those items during their tenure. Personally-procurred items may be either kept by that member or purchased by the LLC at current market rates minus depreciation.

***Timeline:***

*Market research complete: 1 October 2013*

*Funding research complete: 15 October 2013*

*Office space research complete 20 October 2013*

*Business plan complete: 1 November 2013*

*Marketing plan complete: 1 December 2013*

*Business branding complete: 15 December 2013*

*Legal entity established: 1 January 2014*

*Funding proposals: 15 January 2014*

*Funding received: 1 March 2014*

*Website complete: 15 March 2014*

*Mobile Apps Complete: 20 March 2014*

*Office space acquired: 31 March 2014*

*1st Quarterly report: 05 March 2014*

*Marketing campaign launch: 15 April 2014*

*First project: 20 April 2014*

*2nd Quarterly report: 05 Jun 2014*

*1st Member distribution: 15 Jun 2014*

***Contingency Planning:***

**mPress** understands that market research may not necessarily result in a proportionate revenue stream, so revenue totals from the second quarter reports of 2014 will be analyzed to determine if adjustments are required in marketing mix or services offered. New projections for 2015 will be created, and SBA loan servicing will be adjusted/accelerated in order to ensure sustainability and short/long-term solvency. A higher-than-expected demand for **mPress** services will be addressed with a human resources campaign to acquire additional staff, and a consultation with legal advisors will help to determine the impact of a large staff on legal and taxation requirements, as well as a member meeting to discuss a new framework for profit sharing and contract-based services for any additional non-employee staff.

***Growth Projections:***

By 2015, **mPress** projects that demand, through both increased visibility of the **mPress** brand through sustained marketing efforts, as well as a reinforced project portfolio, will climb to 300% of 2014 projections. **mPress** will establish the following offices and will make the following employee hires to meet demand and promote future growth and profitability if the organization:

* *Human resources director*
* *Legal director*
* *Graphic designer (2)*
* *Marketing director*
* *Website designer*
* *App designer*

*Total projected employee costs: $250,000*

*Total projected increase in revenue: $891,000*

*Total projected expenses: $112,500*

***Total projected profit margin: $528,500***