VinoTeam

Fintech for collaborative wine purchasing

Pitch

VinoTeam is the Paypal of the wine industry

Thanks to our service, wine aficionados can organise a joint purchase and :

a. Deal easily with wine **orders** and **inventory** for a group of friends,
b. Get an immediate pay back from the members of the group, thanks to an innovative and simple **P2P money transfer system**,
c. Find **delivery** solutions and extra **storage** if needed,
d. P**ay wine purchases online** and get **discounts**!

Company summary

Category / Business Model	Fintech, collaborative economy
Geographic focus	France + Europe depending on traction
Stage	• Turn over : non significant • Founder's Investment : 70K€ • Investors : February 2016 (30K€)
Investment sought	600 to 700K€
Team	• 1 founder + 1 associate • 5 recruits following investment
Timeline	• Creation of Vinexplore - August 2014 • National deployment of Vinexplore (France) – March 2015 • Launch of VinoTeam - September 2016 • VinoTeam's launch benefits of the network of thousands of wine professionals using Vinexplore.com, the leading wine events advertisment service in France

Product

Friends can help you buy better wine at a cheaper price

The problem	Few people are really wine knowledgeable. Most would rather delegate purchases to friends who are more wine litterate than they are. They would benefit from better deals that they could ever get alone. But 3 reasons make a joint purchase of wine complicated for those : 1. Gathering orders and deal with inventories of the purchases are time consuming 2. Being paid back is often challenging 3. Organise deliveries and/or find storage proves to be a headache
Current options	Cash, check or bank transfer, without control of the person who advanced the expense for the group. Orders and inventory on Excel. Individual good will for storage and deliveries.
Needs	1. Integrated tool for orders and inventory of joint purchases of wine 2. Easy and transparent person-to-person money transfer system 3. Online comparator to organise deliveries and find extra storage if needed 4. **Upside** : Electronic mean of payment for wine purchases giving access to discounts at web merchants.
Proofs (France)	• 54% neophytes, 42% amateurs et 4% experts in wine in the French population. 17% of large purchasers (+1x by week). Average annual wine purchase is around 300€ • 52% ask for advice from relatives and friends before buying wine (SOWINE2016) • 65% used a grouped purchase service or plan to do so (DGE2015) • 67% city-dwellers interested by food group purchase, and think it's a good way to save money (CREDOC 2014)

VinoTeam : a service dedicated to collaborative wine purchasing

VinoTeam's Solutions	1. An innovative P2P payment system 2. An easy way to share wine purchase opportunities and take orders from friends 3. An automatic inventory of the wines purchased for the group 4. A delivery and storage price comparator 5. A mean of payment for online wine purchases
A tailored service	• Strong cultural and community value of wine in France and Europe • Weak individual knowledge of wine, due to its huge diversity • Logistic specificity of the product, arising from its weight and volume • Existing practice of grouped purchasing of wine waiting for a numeric solution
So much better than any other option	• VinoTeam's services meet <u>all</u> the needs of the one in charge of the purchase • <u>VinoTeam fees are lower</u> (2,5%/3,5%) than existing pot services (Leetchi : 4%) • VinoTeam is <u>neutral</u> to the point of sale. That is essential in the fiercely competitive wine retail market.
Additional assets	• A leading position inside La WineTech ecosystem • An existing network of thousands of wine professionals, thanks to Vinexplore • Launch in partnerships with the largest players of the wine industry

Meeting all the needs of wine aficionados !

Secure P2P payment system operated by MangoPay (Groupe Credit Mutuel)

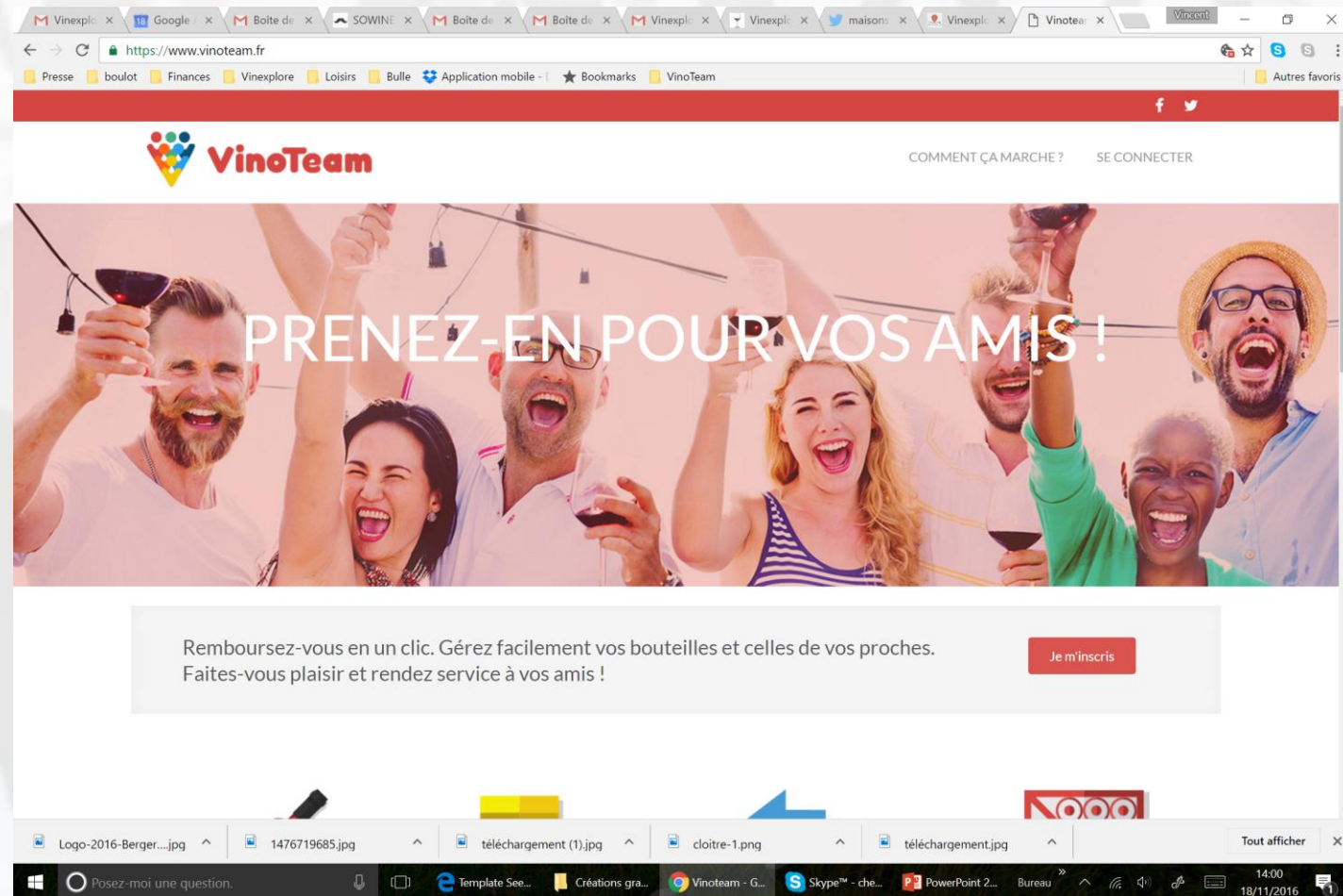Social sharing of wine purchase opportunities (in development)

Simple aggregation of orders from friends (in development)

Virtual cellar making inventory easy (developped), delivery and storage solutions comparator (to be developped)

Mean of payment for web purchases at *pure players* merchants (to be developped)

Market

Market *size* opportunity (France)

TAM

91% of the French buy wine

9 Bn€ of annual turnover

Analysis

Distributor	Web TO
-Gnal retail : 82% -Specialised : 7% -Direct Sales : 5% -Others : 5%	-8/10% (value) -50% are great purchasers and/or USPCs - Growth + 30% pa

SAM

20% of referent buyers

Group purchasing market est. at 800M€

Analysis

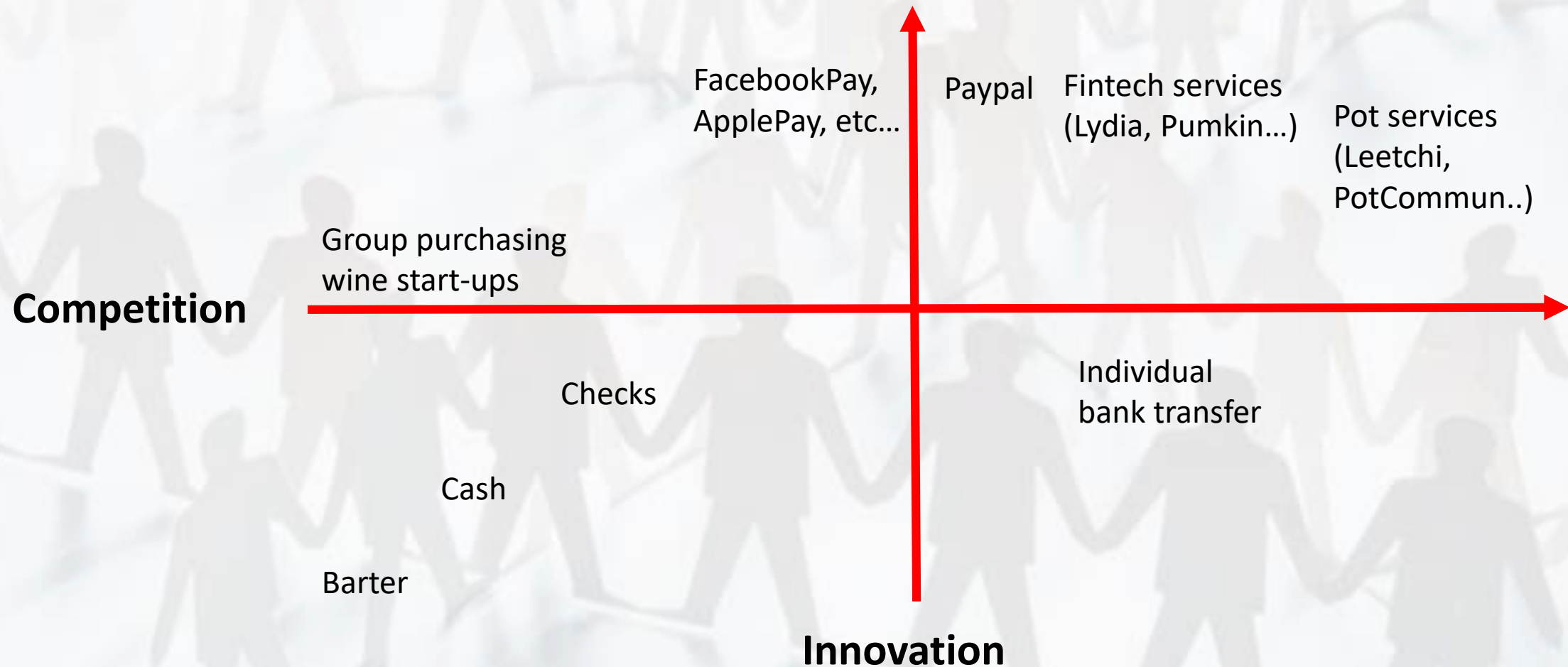| Public	Market
- 1/3 French are web wine buyers - 17% French are large purchasers - 2/3 of USPCs are large purchasers	- Seasonal wine fairs = 15% retail TO = 500M€ - Web pure player (10%) = 63M€ - Direct sale (50%) = 225M€

SOM N+3

Referent buyers: 40K Purchases: 47M€ p/a

Analysis

User's Target	Business
-40K referent buyers (1,5% of web referent buyers) of which 32K active users -320K delegate buyers 240K active)	- 360€ Budget p/a per delegate buyer - Total purchase from delegate 47M€ p/a (5% of SAM)

Competitive Landscape

FacebookPay, ApplePay, etc...

Paypal

Fintech services (Lydia, Pumkin...)

Pot services (Leetchi, PotCommun..)

Group purchasing wine start-ups

Competition

Checks

Individual bank transfer

Cash

Barter

Innovation

Competitive advantages

Competition	Public	Our advantages / being a specialised service
Bank transfer / checks	Generalist	• The one who advanced the expense controls the process • Numerous useful services to organise joint purchases
Pots (Leetchi..)	Generalist	• Lower fees (2,5-3,5% vs 4%) • Numerous useful services to organise joint purchases • Leaner solution for recurring wine purchases • No need to gather the monies prior to the purchase for using VinoTeam as a mean of payment and get discounts
Peer to peer refunds (Lydia, Pumpkin…)	Generalist	• No ceiling for SEPA transfers (French regulation ceiling of 250€ for P2P refunds through Lydia is too low : that's the price for 12 bottles) • The referent buyer pay nothing and have only benefits • Numerous useful services to organise joint purchases • Discounts at web merchant's by paying through VinoTeam

Operational Deployment and Marketing

Go-To-Market Strategy

|	Traction →	Build →	Scale
Target Clients	• Large purchasers • Web purchasers • USPC • Wine Fairs Customers	• Good deals animations • Large accounts canvassing (companies, associations, oenology clubs…) • Delivery of VinoTeam as an online mean of payment	• Targeting of commercial propositions • Global negociation with web pure players • Outreach of the French expat community
Zone	• France	• France / Belgium / Switzerland	• EU+UK
Channels	• Wineshops • Web merchants • Wine Fairs • Client acquisition through SEO / Facebook / AdWords	• General retail for seasonal wine fairs • Targeting of wine websites users publicity	• La WineTech network • International retail chains • French-speaking communities

# VinoTeam's promotion relies on the network build by Vinexplore

Metrics	
Producers	Around 600 accounts : winemakers, wine coops, professional bodies.. Representing more than 1000 sale points
Distributors	- Wineshops : Approximately 500 retail points, among which most pure player chains (Repaire de Bacchus, Nysa, V&B, Les Domaines qui Montent, Caves Guyot…) - Wine Fairs : Approximately 50 companies (Vignerons Indépendants, Salon des vins de France…) - Contacts with supermarkets chains (Auchan, Casino)
Users	+ 10K downloads of Vinexplore mobile app + 1000 website visitors / month + 1500 qualified newsletter emails
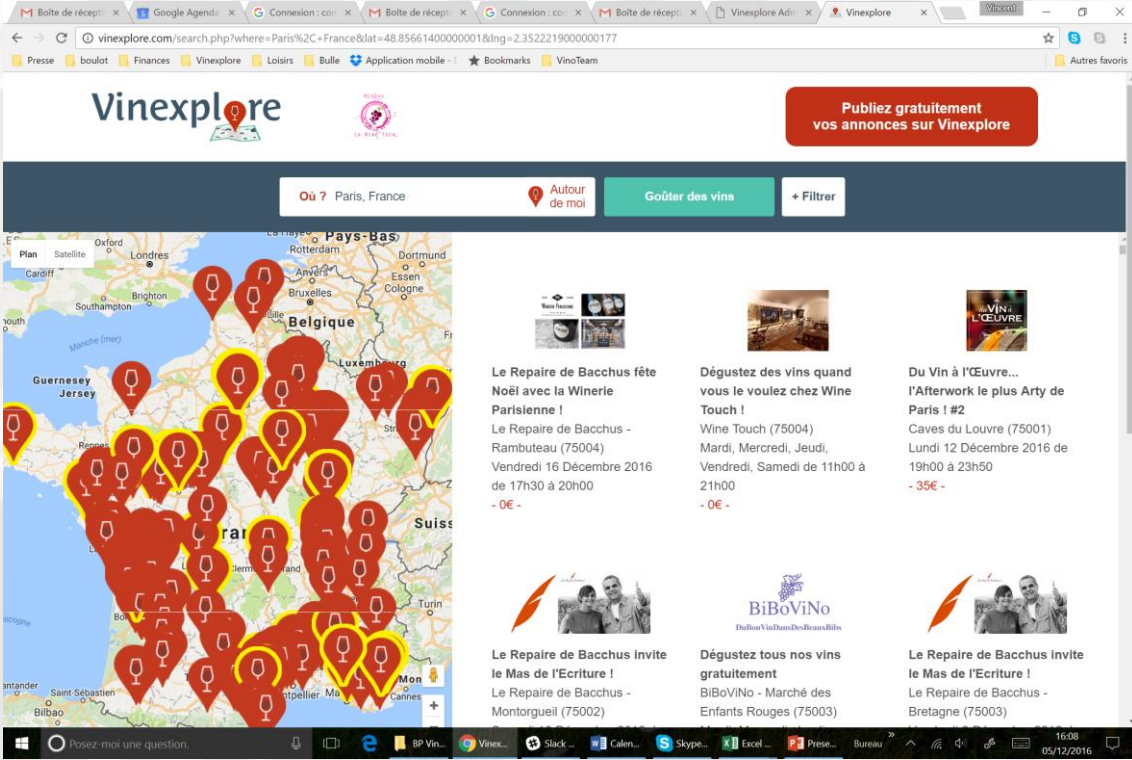
Awarded « Innovation of 2016 »
By La Revue du Vin de France

…who provided partners for the launch in most distribution segments

Pure Players Retail

Pure Players Web

Generalist retail

Wine fairs and salons

Contacts
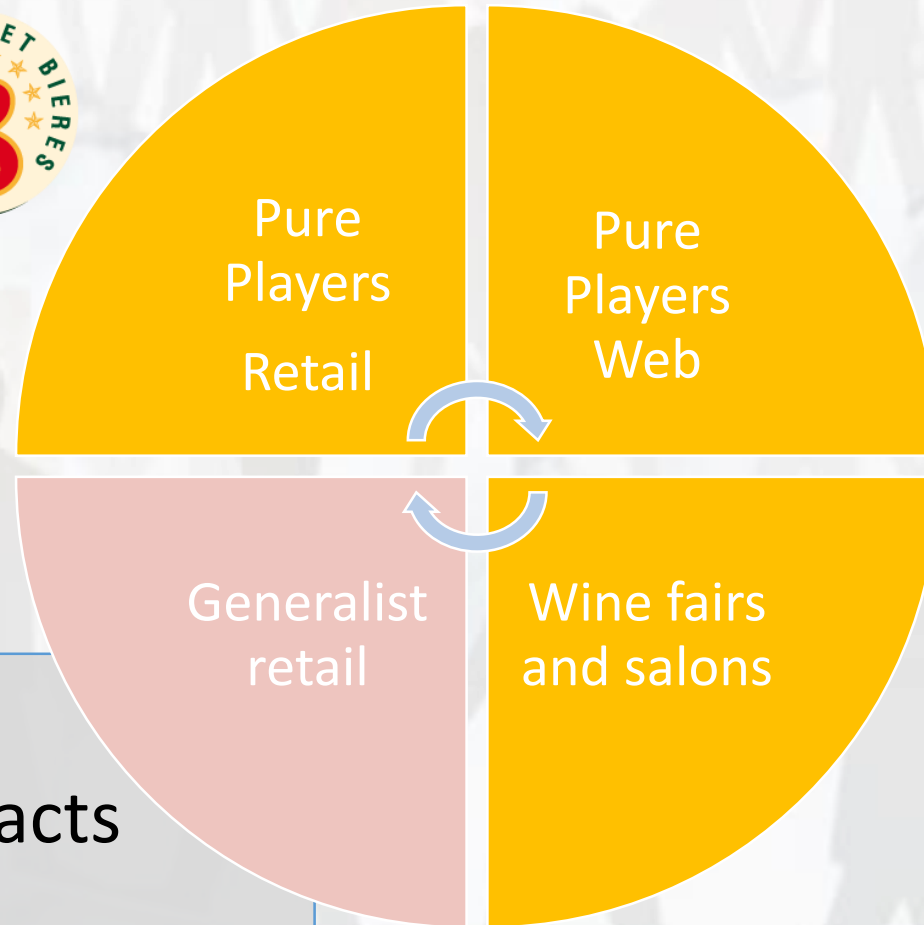
...with a graphic universe adapted to the marketing of each partner

La WineTech is a relay to promote VinoTeam as online mean of payment

- Vinexplore – VinoTeam is founder and chairman of this dynamic world-wide coalition of wine start-ups.

- The 50 member companies are an effective relay for business – including at an international level

- La WineTech expansion gives contacts for introducing VinoTeam as a mean of payment to the biggest players (e.g sales in « drive » during seasonal wine fairs in supermarket chains).

- The control of the organization also provides privileged relationships with the medias and influencers of the wine sector.

- And a very useful supervising position of innovation trends within the wine industry.

Business Model
———————
Finance and Operations
———————
Financing round

Business / Revenue Model

	Transaction fee on Refunds	Transaction fee on Deliveries	Transaction fee on Payments	Transaction fee on Sales
Principle	2,5-3,5%/Transaction	5% / Amount	Cost difference btw CC/SEPA Hyp. 4€/Transaction	5% / Amount
Who pays ?	Delegate buyers	Logistic professional	Web Merchants	Web Merchants
Exemple	Fred ask a refund of 100€ to Romeo, who pays 103,5€	Romeo pays 80€ for a delivery of 8 boxes (4€ transaction fees).	CC cost on a 500€ purchase = 9,18€. VinoTeam margin = 9,18 – 0,80 = 8,38€	5% on 500€ purchase = 25€ Vinoteam commission

Finance

In K€	2017	2018	2019
I. Transaction fees on refunds	86	450	1 075
II. Transaction fees on deliveries	5	25	80
III. Transaction fees on payments	2	75	305
IV. Transaction fees on sales	0	235	760
Net Profit (I+II + III + IV)	96	785	2 220
Loads	435	750	1 190
EBITDA	(339)	35	1 030
EBITDA Margin	(354%)	4%	46%
Funding	340	170K€ to cover S1 negative cash flows	Depending on international ambition

Milestones

	Objectives
Finance	• Revenue 100K€ end 2017, 800K€ end 2018, 2,2M€ end 2019 • Positive EBITDA end 2018.
Human Ressources	• 2017 : 4,5 FTE : Hiring 1 senior marketing + 1 front end dev + 1 back end dev + 1 web UX-UI + 0,5 sales rep • 2018 : 8 FTE : Hiring +1 front end dev, + 1 kunior marketing + 1 sales rep + 0,5 support • 2019 : 12 FTE : Hiring +2 web dev + 1 junior marketing + 1 sales rep
Product	• S1 / 2017 : UX + user panel on refund, orders and inventory functionalities • S1 / 2017 : Integration of an API for externalised deliveries and storage • S2 / 2017 : Development of VinoTeam as an online mean of payment and plug-in tests with partners • 2018 : Deployment of VinoTeam as an electronic mean of payment within the online wine retail industry
Marketing et sales	• 8000 active referent buyers by end 2017 • VinoTeam refunds reach 4,3M€ by end 2017
Operations	• S2 / 2017 : Outreach of French-speaking EU markets • S2 / 2018 : Deployment begins in various EU and UK countries

Funding Round

Objective	600K€
Deadline	March 2017
Stage	Introduced begining of December 2016.
Structure	• New shares emission / other modalities to discuss • Minimum investment 200K€ - no maximum
Application	• Marketing : 41% • Tech developments : 37% • Support and other : 22%
Other	Support of BPI (State Public Investment Bank) in the pipeline
Desired investors	• Business angel or family office preferably with interests in the wine industry (especially Bordeaux trade) and international retail connexions • VC / fund specialised in seed investment • Financial institution aiming to develop investments in food / wine tech and the wine business or looking for a sectorial opportunity to acquire a strategic commercial target (USPCs) for deploying new means of electronic payments.

Team / Contacts

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