

Magic Caravan Collective



Business Plan by
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Executive Summary

The goal for Magic Caravan is to utilize events as a tool to create genuine, face-to-face rapport between the individuals behind the company and its supporters, while also allowing the diverse group of attendees to share an unforgettable unique experience.

Magic Caravan has multiple revenue streams that are interdependent. Although the company is event centric, we want to make the barriers to entry as low as possible for attendees, and hence little to no revenue will be generated through selling tickets. Events will primarily be sponsored by local businesses in the Philadelphia community.

We seek to generate revenue through unorthodox merchandise, content licensing, and web traffic. By licensing Magic Caravan branded video content to YouTube and other outlets that utilize the CPM model, we have the potential to raise additional funds by promoting the products of other businesses in Magic Caravan content through advertisements. The bulk of the company's income will be generated through the sale of brand merchandise, including apparel, functional items such as lighters, and event-specific memorabilia such as branded mason jars, which will be available at events and through other online retailers.

Due to the fact that Magic Caravan's largest assets are intangible brand value and strong leadership, this endeavor requires an upfront investment of a few thousand dollars before it will become profitable. These funds will be allocated towards purchasing merchandise inventory, building a cohesive and professional digital presence, hosting events, and securing trademark and copyright protection for the company's assets. Currently, Magic Caravan has three investors, including the company's two founders, but the company is seeking additional investment from interested individuals.

Mission

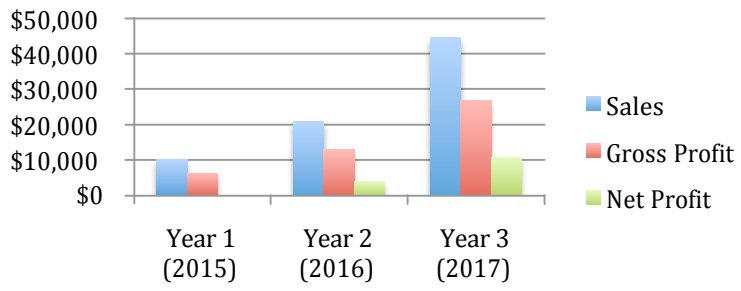
Magic Caravan is a community. Through unique pop-up festivals and thought-provoking media projects, we strive to showcase the work of talented individuals in the arts while simultaneously nurturing a sense of unity and appreciation for self-expression, personal growth, and unexpected adventure.

Elevator Pitch

Magic Caravan hosts boutique pop-up festivals in non-traditional venues and strives to provide an unmatched experience for those who attend. Festival culture is growing rapidly among young adults in the U.S. and we focus on growing a brand around the positive, welcoming atmosphere found at large scale festivals. However, unlike those events, Magic Caravan gatherings are affordable, easy to get to, and take place numerous times throughout the year.

Projected Sales and Profit

Highlights



Keys to Success

1. Implementing personal, face to face grassroots marketing efforts, both at our events and outside of them
2. Building strategic partnerships & sponsorships with local businesses in Philadelphia and eventually across the country
3. Identifying influential brand advocates and enrolling them to create and promote the Magic Caravan lifestyle
4. Designing unique event experiences that boast a positive, welcoming environment for new attendees
5. Maintaining low event costs to allow for free or nearly free admission
6. Creating high quality, engaging, and thought-provoking media content and event media coverage
7. Planning and executing unorthodox digital and physical marketing strategies
8. Monetizing specific event elements, brand merchandise, event memorabilia, and digital content

Objectives

- Create an 'underground' but exceptionally welcoming Magic Caravan community
- Build a loyal base of supporters and gain brand recognition specifically in Philadelphia before expanding geographically
- Attract new participants while maintaining a high retention rate for event attendees
- Develop a strong web presence with strategic website structure and consistent social media use
- Establish an archive of self-produced media content, relating to both events and other cultural and social topics
- Demonstrate brand value to potential event sponsors
- Successfully monetize event concepts and achieve profitability for the company

Company and Management Team

Company Summary

The key elements of Magic Caravan Collective are:

1. *Cultivating a community.* The ultimate success of Magic Caravan will rely on the company's ability to create a tight knit yet welcoming community among its supporters.
2. *Designing unique events.* Magic Caravan must bring a unique and creative approach to each element of its events, including event concept, venue, atmosphere, entertainment, and marketing tactics.
3. *Promoting talented artists.* Magic Caravan must earn a reputation as a tastemaker for up and coming artists in and around Philadelphia.
4. *Creating a quality web presence.* While most of the company's focus will be on face to face interaction outside of the Internet, Magic Caravan will need to support these efforts with a cohesive and well---structured digital presence through quality content and engaging social media accounts and website.

Description of roles and responsibilities

Magic Caravan Collective is co-founded and managed by Emily Egan and Matt Olenik, who are building a team of consultants, media creators, and brand ambassadors to help implement the company's mission in a professional and financially viable manner.

Management Team – *These individuals will not take a salary until the company is profitable.*

Director – Matt Olenik

- General oversight of business operations – long-term
- Event organization
- Oversight of financial recording
- Investor relations
- Brand partnerships and sponsorships

Matt graduated from Drexel University in the spring of 2015 with a BS in Music Industry and a minor in Business Administration. Currently, he is the Promotions Coordinator at the Ardmore Music Hall, where he organizes the Funky Brunch & Market series in addition to helping with general venue marketing and operations. Additionally, in October 2014 Matt aided in the planning of Golden Autumn Music Festival, a full-day event of music and activities with proceeds benefitting the Make A Wish Foundation chapters of Philadelphia & Susquehanna Valley.

Creative Development – Emily Egan

Responsibilities include:

- General oversight of business operations – day-to-day operations
- Brand partnerships and sponsorships
- Media & PR relations
- Event organization
- Marketing/Promotion coordination

Emily is graduating from Drexel University in the winter of 2016 with a BS in Entertainment and Arts Management, with a concentration in Performing Arts Management and a minor in Business Administration. In October 2014, she aided in the planning of Golden Autumn Music Festival, a full-day event of music and activities with proceeds benefitting the Make A Wish Foundation chapters of Philadelphia & Susquehanna Valley. She served as the Vendor Coordinator for the first ever Love on the Streets Festival, a non-profit music and skateboarding event whose proceeds benefitted the Franklin's Paine Skatepark Fund. Emily currently has an Operations/Research & Development intern position at CID Entertainment, the preeminent festival and tour VIP and travel package provider in North America.

Positions to be filled upon finding the best individuals:

Media Coordinator

- Maintain website and social media content
- Initiate and oversee both production and promotion of visual projects
- Arrange with media creators to provide coverage of every event Merchandise

Designer

- Conceptualize and design new merchandise items
- Coordinate with production facilities to create desired merchandise
- Manage fulfillment of digital merchandise orders
- Maintain a presence at Magic Caravan events to sell merchandise onsite

Business Strategist

Areas of Expertise:

- Raising and investing capital
- Business development
- Branding and company image
- Technological development and innovation

Creative Marketing Consultant

Areas of expertise:

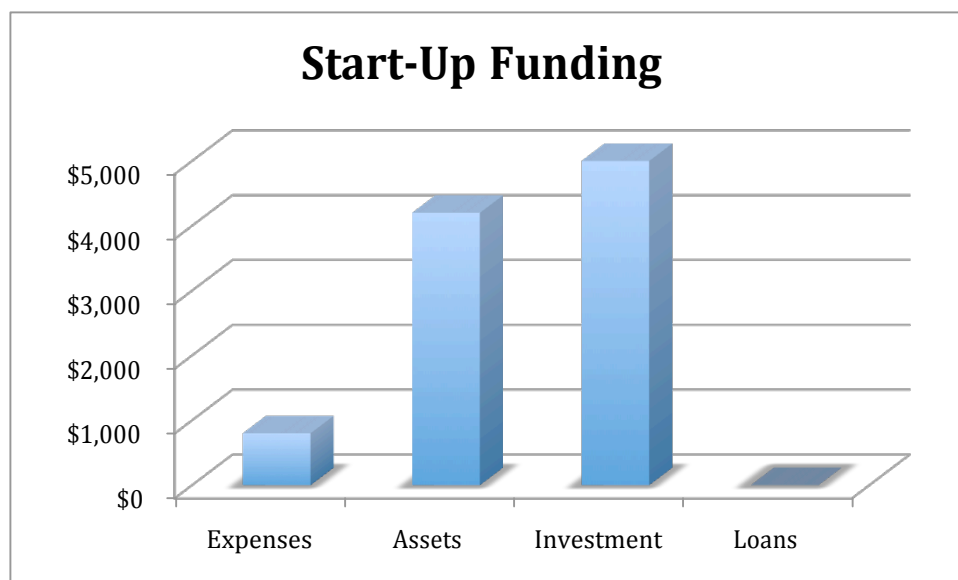
- Grassroots marketing
- Branding and company image
- Use of technology in marketing
- Strategic planning
- Web design and creative design

Support Team – *Although Magic Caravan does not currently have funds to hire these individuals for these positions full-time, the company does have a team of skilled individuals working either for free, pay per project, or for a share of equity in the company.*

- Media Creators & Curators
 - Photographers, videographers, and graphic designers, to produce interactive digital branded content
 - Social media content manager to oversee and monitor online presence
 - Public relations specialist to build relationships with media news publications including blogs, magazines, radio stations, etc.
- Project Managers and Project Architects
 - Event structuring and organization
 - Onsite operational assistance, logistical coordinating
 - Customer and guest services
 - Ticketing
- Brand Ambassadors
 - Influential and motivational individuals who spread awareness of the Caravan through grassroots marketing and promotional efforts
 - Compensated for their efforts through merchandise and tickets

Start-up Summary

Magic Caravan has two co-founders, Matt and Emily, who will each invest \$1,000, and an additional investor will also provide \$1,000 for a total start up investment of \$3,000.



Start-up Funding

Start-up Expenses to Fund	\$800
Start-up Assets to Fund	\$4,200
Total Funding Required	\$5,000

Assets

Non-cash Assets from Start-up	\$1,300
Cash Requirements from Start-up	\$2,900
Additional Cash Raised	\$0
Cash Balance on Starting Date	\$2,900
Total Assets	\$4,200

Liabilities and Capital

Liabilities

Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
Total Liabilities	\$0

Capital

Planned Investment	
Matt Olenik	\$1,000
Emily Egan	\$1,000
Outside investor	\$1,000

Additional Investment Requirement	\$2,000
Total Planned Investment	\$5,000
Loss at Start-up (Start-up Expenses)	(\$800)
Total Capital	\$4,200
Total Capital and Liabilities	\$4,200
Total Funding	\$5,000

Start-up

Requirements

Start-up Expenses	
Legal (register LLC)	\$150
Research and Development	\$0
Rent	\$0
Fees and Permits	\$0
Initial Marketing/Promotion	\$300
Website	\$200
Business Cards	\$125
Other	\$25
Total Start-up Expenses	\$800

Start-up Assets

Cash Required	\$2,900
Start-up Inventory	\$650
Brand Logo(s)	\$300
Trademark/Legal (Long Term Asset)	\$350
Other Current Assets	\$0
Long-term Assets	\$0
Total Assets	\$4,200

Total Requirements	\$5,000
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Product/Service

Product/Service Description

Magic Caravan aims to provide fans with unique experiences while promoting talented individuals in the arts and spreading the company's ideals. This message will be delivered through original events that highlight the personal identities of artists, thought-provoking and socially relevant media content, and out of the ordinary but memorable merchandise.

A Magic Caravan event might look something like a pop-up barbecue in the park with a music performance, or it could involve something more elaborate like a full day music and arts event. Regardless, events are the foundation upon which the Magic Caravan lifestyle can be defined. They allow the company to present its message in a real and tangible form, by bringing together artists of different mediums and facilitating the organic growth of a community through face-to-face interaction.

The company will also produce quality media content to be published through its online channels and social media outlets. Through special projects, Magic Caravan will feature the personalities and faces of artists the company promotes as a means to influence and stimulate audiences. Such projects will include artist features, community interviews, event coverage, and video journalism highlighting under-the-radar but important issues.

Merchandise will be the third tool by which Magic Caravan can empower its fan base to promote the company and spread its message to new audiences. In addition to apparel items such as t-shirts and hats, Magic Caravan will create functional items like lighters and rolling papers, event-specific memorabilia such as branded mason jars and bottles, and artwork in the form of posters and prints.

Value Proposition

Music festivals are rapidly becoming a cultural staple for young adults in the United States. They provide attendees with an opportunity for detachment and personal growth, social acceptance and positive new relationships, a refreshing outlook on the world that surrounds them, and so much more. However, between rising ticket prices, difficult choices between lineups, and travel requirements, fans are limited with the number of festivals they can attend each year. Magic Caravan exists to solve this very problem, by capturing the positive, inspiring, and unexplainably magical elements of festivals and transmitting them through media content, merchandise, and most importantly, events. What separate Magic Caravan projects from regular festivals is their accessibility, affordability, frequency, intimacy and unmatched attention to details that highlight the personal identities of both the artists and attendees.

User Experience

Through attendance at events, Magic Caravan will provide audiences with tangible and intangible experiences that will enable them to discover new places and things, as well as grow as individuals. These events will feature remarkable food, beverage, and merchandise from small businesses, in an effort to grow the local community and help form new relationships between these businesses and the company's audience.

The Magic Caravan website and social media accounts (Instagram, Facebook, and Soundcloud) will provide a full-sensory complement to the live events, by spreading a lifestyle through thought-provoking digital content. This will be achieved through branded media content in the form of recap videos and photos highlighting the event structure, overall vibe, and personalities of the Caravan organizers and event attendees. Outside of events, media content will include original artwork, music, studio sessions, interviews, articles, and more, complete with a personal touch.

Intellectual Property

All content created on the MC website and social media pages, as well as content pulled from artists' personal pages, is copyrighted material. The projects in which the company will engage its artists will be copyrighted material as well, since MCC is creating new content exclusive to the brand's name. Magic Caravan will register copyrights for online works, as this will protect original authorship of text, music, artwork, audiovisual material, sound recordings, and more. Any illegal use of this material will be subject to copyright infringement. The company's founders are also in the process of registering for a trademark, as they feel that the Magic Caravan name perfectly suits their vision and message. They want to protect and own this name so that they can continue to build our brand's presence and expand into broader territory as the company grows.

Risks/challenges and how to mitigate

The company's biggest risk/challenge is competing with other events around the Philadelphia area. There are so many events happening weekly in Philadelphia, especially on the weekends, and some of these events cost people a decent amount of money. MCC aims to stand out from these competitors by charging little to no cost

for attendance, planning events during off-peak times, and adding a special personal touch to each event. These added details will highlight the true personalities of all of the artists involved through curated food and drink menus, special set lists, and live art installations. Another risk/challenge the company will face is drawing audience attention to its branded media content. MCC will capture the memories created at events in unique ways through live sound recordings, genuine photography and video, and tangible memorabilia that is specific to the energy and mood of each event, giving people a reason to connect with that content after the fact.

Target Market

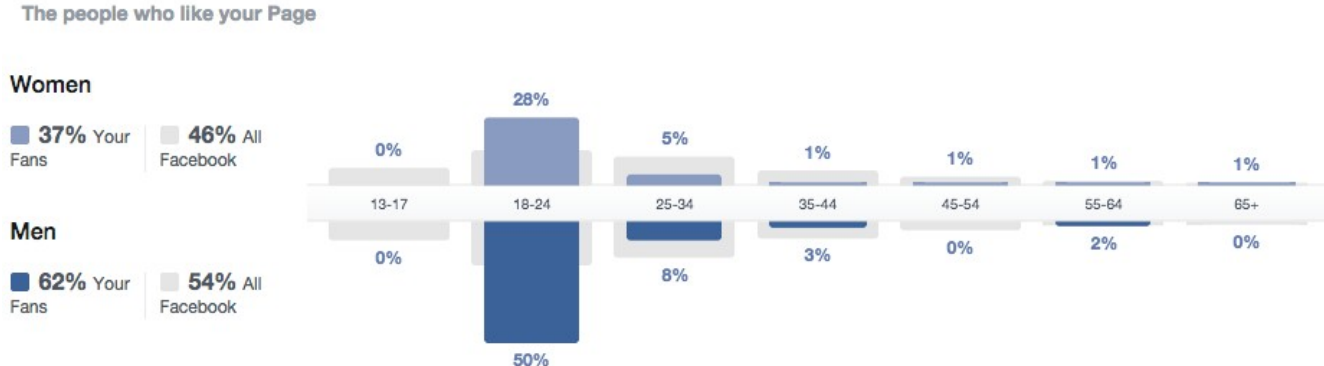
Target market needs addressed by business

Magic Caravan must delve into the culture, lifestyle, and minds of those the company is aiming to reach through direct marketing. One of the most definitive characteristics of the consumers it is trying to reach is that they attend festivals. Music festivals are without a doubt a rapidly growing part of the summer culture in this country among the teenage and young adult age groups. MCC feels passionately that those individuals will resonate with the ideals that the company represents. These people understand the power of bringing multiple art forms into collaboration with each other to accomplish something greater than any one form could on its own. In a sense, Magic Caravan Collective exists to capture the magic of music festivals through online content, music curating, visual art, merchandise, and music events.

Size of market (current and projected)

The company’s current market and projected market consists of individuals between the ages of 18 and 34, known as the Millennial generation. According to an article from the PewResearchCenter, the Millennial generation is projected to surpass the Baby Boomer generation as the nation’s largest living generation. In 2015, Millennials are expected to number 75.3 million, surpassing the expected 74.9 million Baby Boomers. To start, Magic Caravan is focusing on this group of people in Philadelphia and the surrounding areas, with the potential to focus additional efforts New York City and the surrounding areas through brand partnerships. Based on analytical reports pulled from MCC social media accounts and website, the following information was compiled on the company’s current audience:

Facebook: MCC pulled the following information from its current Magic Caravan Collective page likes. As of March 30, 2015, it has 160 page likes of different ages. Overall, 62% of their fans are men and 37% are women. 50% of the page’s fans are men ages 18-24 and 28% are women ages 18-24. 8% of fans are men ages 25-34 and 5% are women ages 25-34. The remaining 9% of fans are ages 35-65+.



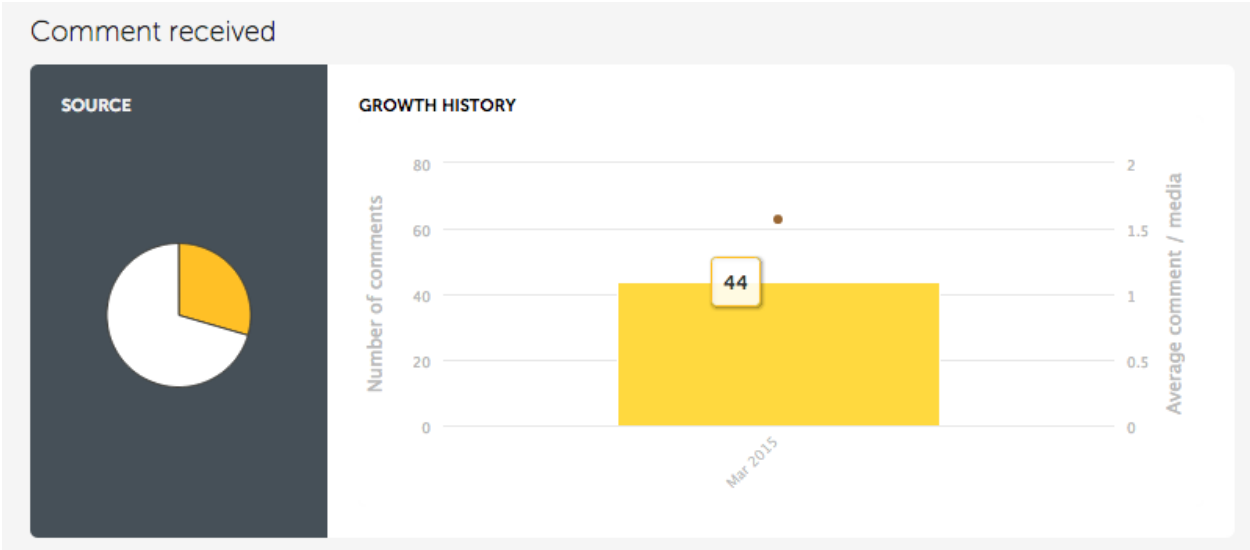
(Source: Facebook)

With this information, MCC predicts that its projected market on Facebook overall will grow an average of 200% each year. As of March 30, 2015, there are 160 total likes on the MCC Facebook and the company aims to increase that number to over 1,500 by 2017.

FACEBOOK		2015	2016	2017	
Potential Market	Growth				CAGR
Men (18-24)	200%	80	240	720	200.00%
Women (18-24)	250%	45	158	551	250.00%
Men (25-34)	200%	13	39	117	200.00%
Women (25-34)	250%	8	28	98	250.00%
Other	100%	14	28	56	100.00%
Total	200%	160	493	1,542	200.00%

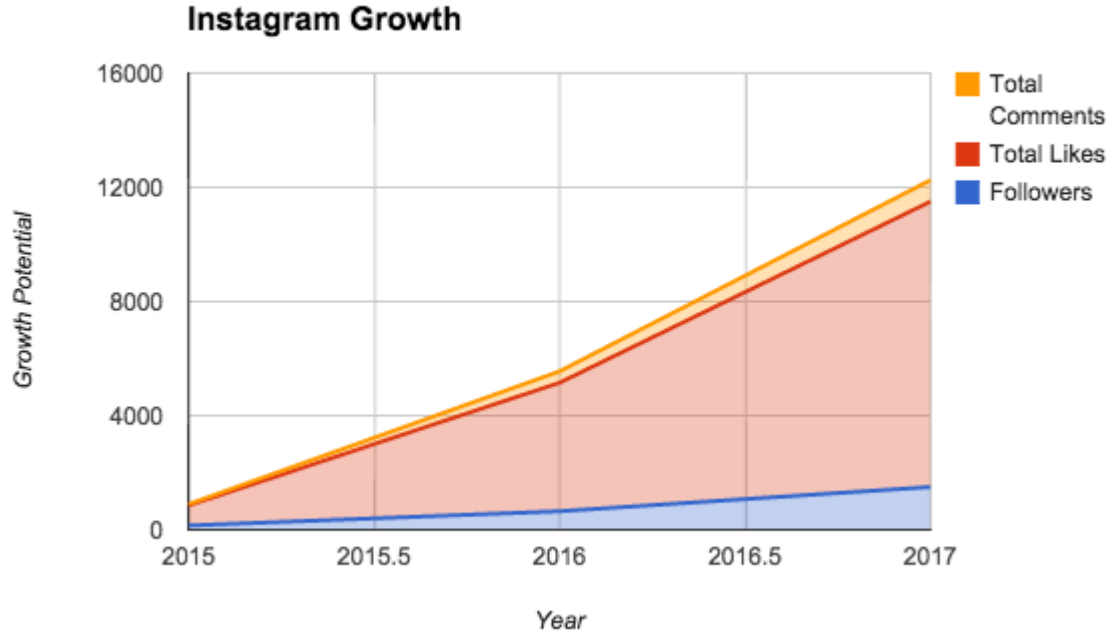
FacebookMarketAnalysis

Instagram: The following chart is based on the amount of comments MCC has received on its photos and videos within the last few weeks on Instagram. The yellow on the pie chart represents the comments received from followers (29.5%) and the white represents the comments received from non-followers (70.5%). MCC has received a total of 44 comments on its content in a period of one week (March 24, 2015 - March 30, 2015). With so many non-followers commenting and interacting with MCC content, it shows that new individuals are beginning to learn about the brand.



(Source: Iconosquare)

With 150 followers, 702 likes, and 44 comments on our current content on Instagram, we predict that our overall following steadily increases over the next two years.



Current Market

MCC’s current market consists of current fans of the artists promoted at Magic Caravan events as well as event attendees. Additionally, it includes the personal networks of each member of MCC’s management team and its brand advocates, as well as those individuals currently immersed in the Philadelphia music scene. This market includes creative individuals that are interested in the arts and cultural festivals, mainly within the age range of 18 to 34. MCC has followed numerous different people, brands, and companies on social media pages in order to promote artists with similar interests and lifestyles. These followings include several artists and cultural blogs, music and arts festivals, and millennial and young adult attendees/followers of these mediums. This market of individuals spends their disposable income on attending live entertainment events, going out to bars and restaurants, and finding ways out to make a difference in their lives and the lives of their loved ones by spreading knowledge and creativity.

Projected Market

MCC’s projected market consists primarily of those young adults who are interested in festival culture – individuals who appreciate the concept of bringing together multiple art forms in a collaborative spirit. Music festivals are becoming a more prominent part of summer culture each year. MCC will represent the positive sentiment that surrounds music festivals, and provide these audiences with a place to experience these same feelings year round in both physical and digital environments.

Target customers

Men and women, ages 18-34, progressive and open-minded, appreciative of arts and modern culture, possessing a decent amount of disposable income to spend on artistic creations including artwork, prints, jewelry, clothing, and events.

Competitive Landscape

Overview of competitive landscape

- SoFar Sounds

SoFar Sounds offers artists and music fans the unique opportunity to perform and experience free-of-cost, intimate gigs in packed living rooms regularly. The movement started in London but is now going global with shows in New York, Philadelphia, Paris, and many other cities worldwide. SoFar Sounds is the world's largest live music discovery community; curating secret, intimate gigs in unique spaces all around the world. The shows presented by this company are posted only by date, without the artists that are playing. Fans must sign up for the date they wish to attend, and SoFar Sounds will choose the attendees right before the event occurs, giving attendees a specific location to meet for the secret show. These events stray away from typical events in the sense that attendees must put away all devices and focus solely on the music that is presented in front of them. Artists that are selected to perform at these events can be compensated either through cash in hand or with premium video content marketed by SoFar Sounds. After an artists plays a SoFar Sounds gig, they are asked to join the 'artist community' where they offer artists continual support through their constantly expanding alumni programme. This features global touring, gig marketing, social media promotion, and more.

- Funkadelphia

Funkadelphia is an independent music and arts publication based out of Philadelphia. Through Funkadelphia fans and users will find the freshest new funky beats and jams. Updated daily, Funkadelphia aims to keep people informed with new music, artist interviews, event coverage, exclusive material, and more. With a primary focus on the local scene, Funkadelphia strives to bring a stronger quality of music to people's eardrums, while still investigating all of the niches and corners of Philadelphia. In March 2014, Funkadelphia released its debut compilation "It's Always Sunny In Funkadelphia," featuring 19 exclusive tracks from local musicians. In the summer of 2014, Funkadelphia debuted its first sponsored stage at F.A.R.M. Music & Arts Festival in Vernon, NJ, showcasing primarily local talent from the tri-state area with guest headliners each night. In the fall of 2014, Funkadelphia began its first event series and expanded beyond just its news and journalism aspects. Funkadelphia also helps local artists through street team promotion, artist management and public relations, event booking, stage management (festivals), and record label management (Funkadelphia Recordings). Funkadelphia seeks to build and strengthen a sense of community in the Philadelphia music scene and all aspects of the art community, by encouraging and regularly participating in artistic collaboration..

- We Present

We Present is an event 'gathering' company that strives to build a community through events by partnering with local Philadelphia and New York City artists to promote collaboration and conversation. Their website and social media pages provide a very limited amount of information about the company, which is part of their value as a brand. It is the ultimate opposition to what the 'corporate machine' is feeding to audiences through media and other events. We Present has recently organized an event in Philadelphia include Ode To Earth, an all-day workshop-based music and arts festival with 2 stages, vending, and food. Workshops included information on GMOs, yoga, gardening, fracking, permaculture, and more. Tickets for this event were priced at \$20 for early bird tickets, \$27 for advanced tickets, and \$35 for day-of-show tickets. We Present also promoted 2 event dates of the 'Road to Sonic Bloom' Tour, which was a series of concerts around the country leading up to Sonic Bloom music festival in Colorado.

- Tres Chic Music

Tres Chic Music is a music booking and recording company and music blog promoting the underground talent of Philadelphia. They find and book talent for events, along with finding the right space for the sound. They also provide services in songwriting, production, mixing, and mastering of sound recordings, and music and event coverage through their blog. Upcoming events that Tres Chic is involved in includes Love On The

Streets Festival, Jersey Shore Music Festival, and Go Harder! feat. Barely Alive presented by Special K at District N9ne in Philadelphia. Tres Chic Music has also recorded artists including Zanzibar Blue.

- **Faces of Festivals**

Faces of Festivals is a US based festival and event photography company capturing music festival memories of artists and attendees. Faces of Festivals encompasses the entire atmosphere and mood of a music festival through authentic photography of everyone enjoying themselves in the free-spirited, consciously driven environment. These photos create content with which event attendees can engage with the promoters of the event through finding pictures of themselves on social media accounts. These photos also create tangible memories that can always be looked back on weeks, months, and years after an event has happened.

- **Boiler Room**

Boiler Room is the world's leading news/media website that has formed a community of underground music fans. They know from experience that there is a mass audience for underground music and believe that wherever you live in the world, you should have access to the best emerging scenes and veteran artists alike. Boiler Room is not just more "content" for the internet. They believe in events, and in the people that make those events. They feel that every experience of a broadcast can and should be fascinating and memorable – making you want to know more and more until you are as obsessed. Boiler Room sessions are broadcast per the What's On page, relooped for 72 hours and performances are then stored in their archive, for audiences to listen to at any time.

Competitive advantage/strengths and barriers to entry

When placed side by side with the competitors above, Magic Caravan distinguishes itself in several ways. MCC brings together many single elements that each competitor uses to succeed in their business. MCC believes in the idea of designing and producing intimate, pop-up experiences for little to no cost, but it does not want to make these experiences exclusive, such as those presented by SoFar Sounds. As seen in the underground community formed by Boiler Room, MCC wants to expose audiences to new music and art from around the country in a welcoming and nurturing way through the use of interactive content. They want to share the memories created at MCC events with genuine and personable media, by expanding on the concept presented by Faces of Festivals. Similar to We Present and Tres Chic Music, Magic Caravan strives to create a community-driven environment related to the arts and those who appreciate these forms. The company aims to not be your 'typical' promoter of events, but rather advocates and influencers of multiple artistic scenes and their identities as a whole.

Although Funkadelphia is listed as a competitor, Magic Caravan hopes to work together on the promotion of events in the future, as they have good relationships with artists in Philadelphia.

In addition to an event-based community, MCC plans to incorporate media journalism that goes beyond just music events and delves into other territories of relevant social topics. This will be achieved through the company's partnership with When The Music's Over, which is currently expanding their focus into a hub for thought-provoking conversations.

Strategy and Implementation

Current status of the business and traction to-date

Currently, Magic Caravan has launched its social media accounts (Instagram and Facebook) and is focusing on building the company's following through those outlets. The company's website, www.Magic-Caravan.com is nearing completion and once finished, will be publicized as part of a large marketing push. MCC has also announced its first event, a one-day music and arts event on Saturday, April 25, with local Philadelphia musicians and visual artists showcasing their work. This event will mark the first major opportunity to

strengthen our community of supporters through face-to-face interaction at an event. We also have the artists on our roster and brand advocates spreading the word about the company and inviting friends to follow our social media accounts.

Marketing Plan

In a hyper-competitive music industry, Magic Caravan takes a different approach to marketing events and building a brand. The general idea is for the company to host a number of frequent, small to mid-size events and use these gatherings as the primary foundation for building a community and tangible base of support in Philadelphia, and eventually spread to other parts of the country. From there, self-produced media content and brand merchandise will be utilized to grow the brand further and generate a bulk of the company's revenue.

Magic Caravan plans to utilize the idea of spontaneous pop-up gatherings to create an 'underground' following, and in turn use this momentum to develop a base of supporters who are connected to the company by text, social media, or email. These individuals will be the first to know about MC events and other special offerings from the company, which provides an incentive for people to connect directly with the Caravan through these channels. A heavy emphasis will be placed on encouraging people to bring new friends to events and rewarding those who do so with free admission, drink tickets, or other tokens of appreciation.

The overall goal is for Magic Caravan to develop a strong, tangible support base in Philadelphia through local events, and expand its digital presence worldwide through quality media content and social media outlets. Each event will be documented and shared through branded media content in the form of audio recordings, video recaps, and photographs that feature not only the artists that performed at each event, but also as many of the attendees as possible. This will keep people further engaged with Magic Caravan's Facebook and Instagram accounts, as people will be expecting to find quality photos of themselves there. Additionally, the company will create event-specific 'memorabilia' to help commemorate events and create lasting physical memories for attendees.

Physical events combined a strong online presence will help to drive sales of merchandise, which will be available onsite at every MC event, on the Magic Caravan website, and on the websites of other online retailers. Currently, Magic Caravan has interest from three apparel and lifestyle retailers to sell their merchandise – Chaos Threads (Colorado), Lay Low Clothing Co. (New York & Florida), and Divinely Distilled Collections (State College, PA).

Additionally, Magic Caravan plans to capitalize on strategic partnerships with businesses and media publications. Each event will be sponsored by a local business whose ideals match up with those of Magic Caravan, helping to further support the notion of building a strong community. The company also has strong ties to The Saucy Monster, a New York and Chicago based media production company and When the Music's Over, a live-music-publication-turned-conversation-space. Both companies have agreed to work with Magic Caravan to document events curate stories about the company and its message.

Overview of specific marketing tactics

- I. Digital
 - A. Website
 1. www.Magic-Caravan.com will be the main hub of MCC's activity
 2. Host the Magic Caravan Marketplace
 3. The goal of all online activities will be to drive people to the MC website, where they will hopefully be converted into paying supporters through merchandise sales
 - B. Social Media
 1. Facebook

- a) Regular posting (1-2 times a day) of content from MCC's network of artists, as well as other interesting thought-provoking and discussion-based content, such as articles, music, current events, and more.
 - b) Pay to 'Sponsor' Facebook posts to promote exclusive Magic Caravan projects such as event announcements, interviews, video productions, and more.
 - c) Create photo galleries & videos from the content collected at any MCC events. Encourage people to tag themselves or friends who appear in the photos and regularly share these photos throughout MCC accounts consistently throughout the year.
 - d) Regularly incentivize fans to market on behalf of MCC and help them grow a Facebook following by offering merchandise and ticket giveaways in exchange for supporters sharing/liking/commenting on posts.
2. Instagram
- a) Daily posting of images and video clips featuring the work of individuals in MCC's creative network.
 - b) Tag every post with appropriate hashtags and captions, giving credit to the original creator of the work and linking followers to the rest of the creator's artwork (via Instagram or their personal website).
 - c) Use 'Instagress' to help MCC gain a stronger presence on Instagram, including growing the number of followers and creating consistent interaction with relevant and like-minded individuals who fall into the target market of MCC.
 - d) Host regular contests and giveaways to incentivize MCC's followers to help grow the company's Instagram presence.
3. Soundcloud
- a) Curate and publish two monthly playlists – 'Staff Favorites' and 'Up and Coming.'
 - b) Create a playlist for each event curated by the artists who will be performing
 - c) Host and promote MC-branded set recordings from Magic Caravan events. Each set will feature an introduction stating the date and location of the performance.
 - d) Connect and follow similar artists and music fans to help us grow our Soundcloud following.
4. Tumblr
- a) Follow relevant Tumblr users
 - b) Consistently reblog content from other users
 - c) Post original content in the form of photos, videos, and merchandise which all link back to the Magic Caravan website
5. YouTube
- a) Post all video content to Magic Caravan YouTube account
 - b) Share from YouTube to all other social media accounts
 - c) Create playlists with similar types of content
 - d) Produce video journalism and artist interview series
- C. Public Relations
1. Send press releases to blogs and other relevant online media outlets to publicize select Magic Caravan projects, such as video productions and larger scale events. Potential outlets include but are not limited to:
 - a) TheUntz.com
 - b) Funkadelphia
 - c) WKDU Philadelphia 91.7 FM
 - d) Thissongissick.com

1. Focus on using press to market the company's overall message and vision rather than specific pop-up events
 2. Work with When the Music's Over and The Saucy Monster to refine the Magic Caravan press angle and provide them with exclusive media content
- II. Grassroots
- A. Promotion at relevant events
 1. Create and distribute custom MCC-branded lighters, stickers, and business cards to distribute at music festivals and other relevant concerts.
 2. Generate face-to-face interaction with MCC's target audience and leave them with a functional item which will likely change hands multiple times.
 3. Host DJ sets at festival campgrounds, concert tailgates, parks, porches, outdoor businesses and more.
 4. Travel with MCC merchandise that is always available for sale.
 - B. Develop strong relationships with local businesses
 1. Create eye-catching handbills and business cards to distribute to local businesses that make sense with our target audience.
 2. Include these with customer purchases and create referral programs for businesses.
 3. Partner with local businesses for event sponsorships
 - a) Currently MCC has relationships with Hazel and Ash Organics, Brine Street Picklery, Sweet Tree Artisan Roasters, Beltane Botanicals, Infinite Bit, Old School Skateboards, and more
 - b) Prospective sponsors – record stores, head shops, organic products (food & body products), breweries, environmental companies
- III. Event-based
- A. Engage and connect with event attendees, especially the ones that have not been at events before. Determine where they heard about the event and what they know about the company.
 - B. Distribute stickers, lighters, business cards to new attendees.
 - C. Create unique event tickets that double as a souvenir and piece of artwork
 1. Event-specific artwork on one side with social media handles on the other.
 - D. Sell merchandise at every event and include a free sticker
 - E. Produce engaging pre and post event media.
 1. Post pictures, music, videos, questions, and more to social media, allowing fans to respond and give their input with what they want to see at events.
 2. Photograph as many event attendees as possible and tag them in the Facebook photo album afterwards
 3. Post 'highlight' and 'recap' footage of the event, which will allow fans to remember these events, as well as share the content with their friends to get them to come to the next event.

Sales Strategy

MCC's business model will support a revenue stream as follows:

- Revenue from hosting events
- Revenue from merchandise sales, both directly through the MCC website and through other online retailers
- Revenue from licensing video content and advertising
- Revenue from other 'lifestyle extension' items such as beer and wine

One revenue stream for MCC will be created through hosting events. While the company aims to keep admission free or at a low cost so as to not turn off potential guests, MCC plans to augment event revenue by monetizing other elements of the experience aside from admission. These will include things like food, beer (potentially custom-brewed Magic Caravan beer), specialty cocktails curated and named by the artists

performing, event memorabilia (custom printed mason jars for each event), event artwork, and other functional items. Some of these tactics were used at MCC's first music and arts event, Home for the Weekend on April 25, 2015, with an indoor and outdoor stage hosting 5 musical artists, and visual art installations. This event was priced at \$10 per person, where each of our 60 attendees received a ticket and free drink of choice. MCC had drink specials that each band named and created, based on song names or lyrics and the alcohol they enjoy drinking. Drinks were priced at \$2-4 per item and the majority of our revenue was made from these personalized drinks. MCC's next event is Bacon and Beats, a pre-Jam On The River show and breakfast bonanza featuring bacon themed breakfast foods.

MCC will also collect revenue from merchandise sales through their website and other online retailers. It is important that MCC researches their audience members, the type of brands they associate themselves with, and the merchandise that they purchase. MCC will partner with retail and merchandise distributors that reflect this lifestyle and overall promotion of artistic individuals. MCC will share a percentage of merchandise sales with these distributors and artists. MCC will partner with Divinely Distilled Collections, a marketplace created by the members of When The Music's Over, as well as Chaos Threads (CO) and Lay Low Clothing Co. (NY).

Once a significant amount of branded media content is created, MCC will license this content to audiovisual streaming companies including YouTube, Vimeo, and other smaller streaming companies. Streaming can give MCC more control over the way content is distributed, as it will be associated through the MCC brand. MCC will either host content where users will pay a membership fee to access all content or utilize CPM advertising through media content. Through apps such as Google AdSense, MCC can create revenue by displaying relevant, engaging, and targeted ads next to or within audiovisual content. With every 1,000 visits on this media content, MCC can leverage these views into money.

Magic Caravan will also introduce a series of other 'lifestyle' items during its first or second year, most notably specialty beer and wine brewed under the Magic Caravan name. This will eventually allow the brand to spread its promotional reach into new channels by distributing alcohol to establishments that are frequented by members of the company's target market, such as bars and music venues.

Milestones for the next 6--12 months

Spring 2015

April

- April 25th - 'Home for the Weekend' event
- Create and post event media content

May

- May 15th - 'Bacon and Beats' event
- Create and post event media content
- Refine business plan and secure additional investment

June

- 'Release Yourself' NYC event sponsorship through design and creation of event poster
- Finish website and create social media strategy/plan
- Design and order merchandise
 - Business cards, lighters, stickers, bandanas, functional merchandise
- Prepare to spread the word at festivals, shows and other events
- Create MC flag to bring to events and other festivals for a visual representation of the Caravan's presence

July-

- August -Grassroots marketing at festivals

-Begin to produce media journalism

Fall 2015

- Capitalize on freshman orientations at Drexel, Temple, and Penn State
- Begin planning for Night Market at The Ardmore Music Hall
- Begin filming documentary on hosting events

Winter 2016

- Host indoor events – Night Market in February/March
- Create original video content – use footage from documentary for short, engaging videos

Spring 2016

- Start to expand the brand geographically with events in New York City, Washington DC, and Rutgers University

Summer 2016

- Take the brand across the country and introduce the touring caravan concept on a small scale
 - Host 'spontaneous' performances and parties in park campgrounds and houses
 - Tap into pre-existing fan bases of major acts like Pretty Lights to find individuals around the country who are supportive and already engaged in their local music communities

Fall 2016 and beyond

- Continue to market to colleges aggressively outside Philadelphia
- Execute 'pop up' events around the country and create the true touring festival caravan. Bring musicians, vendors, and food trucks along for a caravan across the whole country.
- Secure bigger-name brand sponsors with a national presence to help fund the U.S. Caravan
- Promote a full line of merchandise and MC beer
- Produce a professional video series and license it to a major outlet

Revenue Model

Since MCC is a business that encompasses multiple types of media content, merchandising, and event production, the following revenue models apply:

Commerce and Retail

MCC will sell brand merchandise at events and on the company's website, as well as through digital retailers who have followings in different parts of the country. Each party in the transaction-Magic Caravan, the retailer, and the original artist of the design – will each receive a percentage of sales revenue from such items. At events, MCC will sell drinks and food at appropriate prices in relation to what these items originally cost.

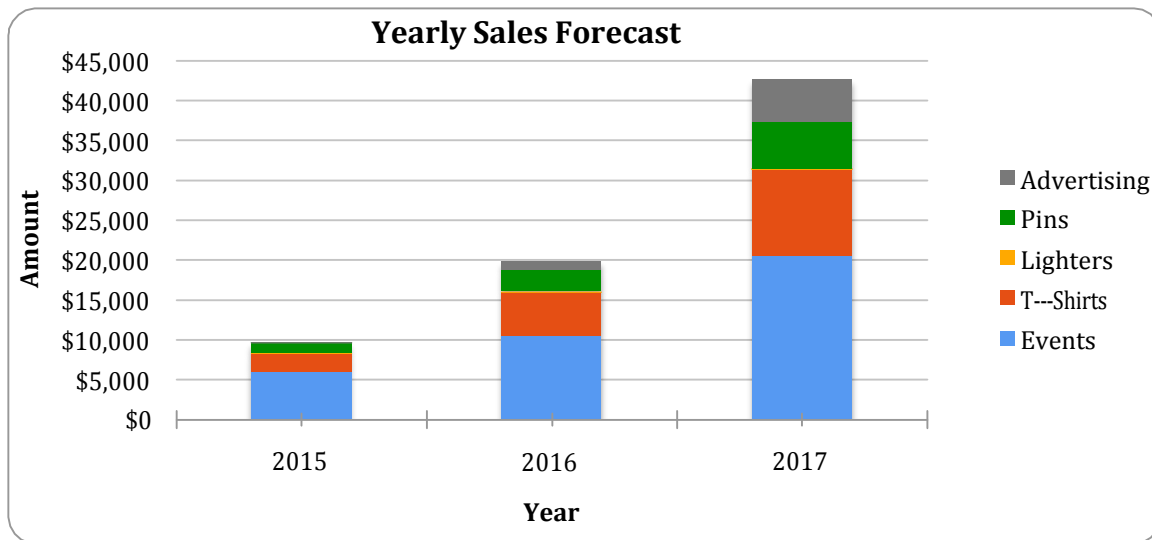
Advertising

Advertising is key in getting the word out about events, artists, media content, merchandise, and more. MCC will utilize its presence in the artistic community to demonstrate advertising value and attract potential third party advertisers. MCC will seek local businesses and brands that audience members follow in order to create meaningful partnerships and sponsorships for events.

Licensing

MCC will use licensing as a means to distribute media content across the board, especially through streaming. These licenses can be limited by time, territory, and types of content.

The following tables for that we intend to deliver \$10,000 in sales the first year. This will increase by 206.1% from 2015-2016 and 215% from 2016-2017



Yearly Sales Forecast	2015	2016	2017
Unit Sales			
Event Sales - Food and Beverage	1,000	1,400	2,100
Merchandise Sales			
T-Shirts	150	270	432
Lighters	200	320	512
Pins	100	180	288
Advertising/Licensing	2	7	14
Total Unit Sales	1452	2177	3346

Unit Prices			
Events - Average Food and Beverage	\$6.00	\$7.50	\$9.75
Merchandise			
T-Shirts	\$15.00	\$20.00	\$25.00
Lighters	\$2.00	\$3.00	\$4.00
Pins	\$12.00	\$15.00	\$20.00
Advertising/Licensing	\$75.00	\$150.00	\$375.00

Sales			
Events - Food and Beverage	\$6,000.00	\$10,500.00	\$20,475.00
Merchandise			
T-Shirts	\$2,250.00	\$5,400.00	\$10,800.00
Lighters	\$400.00	\$960.00	\$2,048.00
Pins	\$1,200.00	\$2,700.00	\$5,760.00
Advertising/Licensing	\$150.00	\$1,050.00	\$5,250.00
Total Sales	\$10,000.00	\$20,610.00	\$44,333.00

Direct Unit Costs			
Events - Food and Beverage	\$2.50	\$3.00	\$3.60
Merchandise			
T-Shirts	\$5.00	\$7.50	\$11.25
Lighters	\$1.00	\$1.50	\$2.10
Pins	\$3.00	\$3.75	\$5.25
Advertising/Licensing	\$37.50	\$75.00	\$187.50
Direct Cost of Sales			

Events - Food and Beverage	\$2,500.00	\$4,200.00	\$7,560.00
Merchandise			
T-Shirts	\$750.00	\$2,025.00	\$4,860.00
Lighters	\$200.00	\$480.00	\$1,075.20
Pins	\$300.00	\$675.00	\$1,512.00
Advertising/Licensing	\$75.00	\$525.00	\$2,625.00
Subtotal Direct COS	\$3,825.00	\$7,905.00	\$17,632.20

Financials

Financial Projections – 2 years

The financial projections for this plan are presented in the tables and charts of the following subtopics.

Important Assumptions

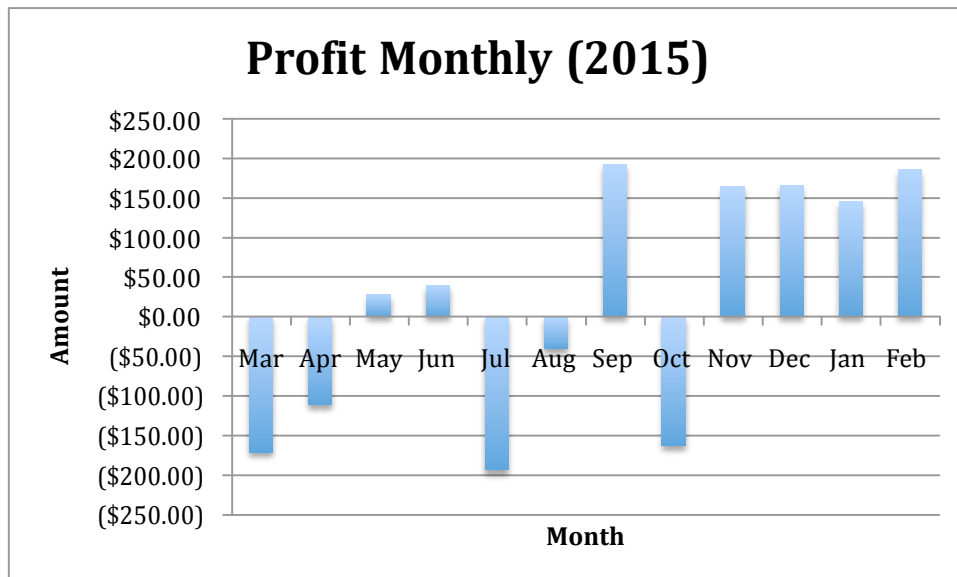
The following table presents the assumptions used in the financial calculations of the business plan.

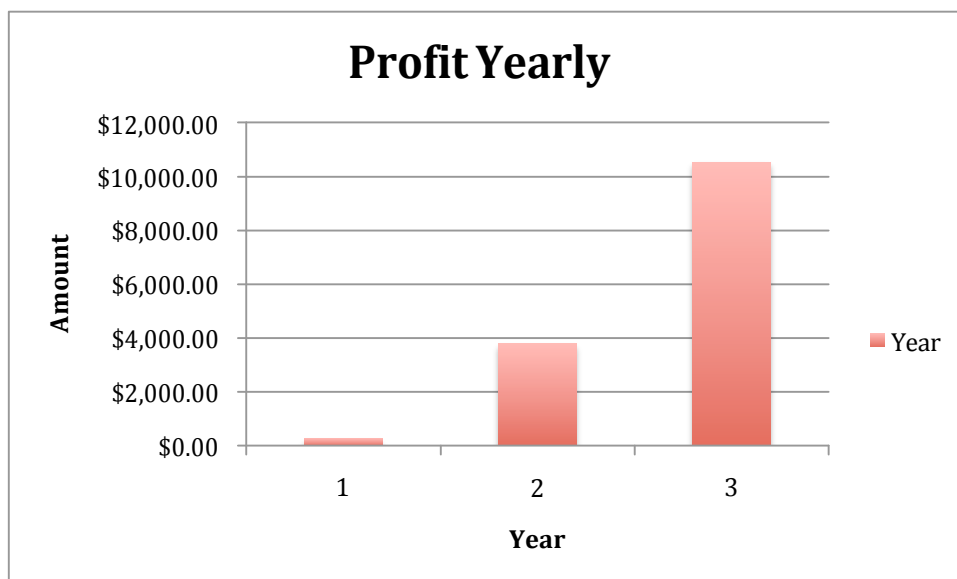
General Assumptions

	2015	2016	2017
Plan Month	1	2	3
Current Interest Rate	10%	10%	10%
Long-Term Interest Rate	10%	10%	10%
Tax Rate	25%	25%	25%

Projected Profit and Loss

The following table and chart will show the projected profit and loss for Magic Caravan.





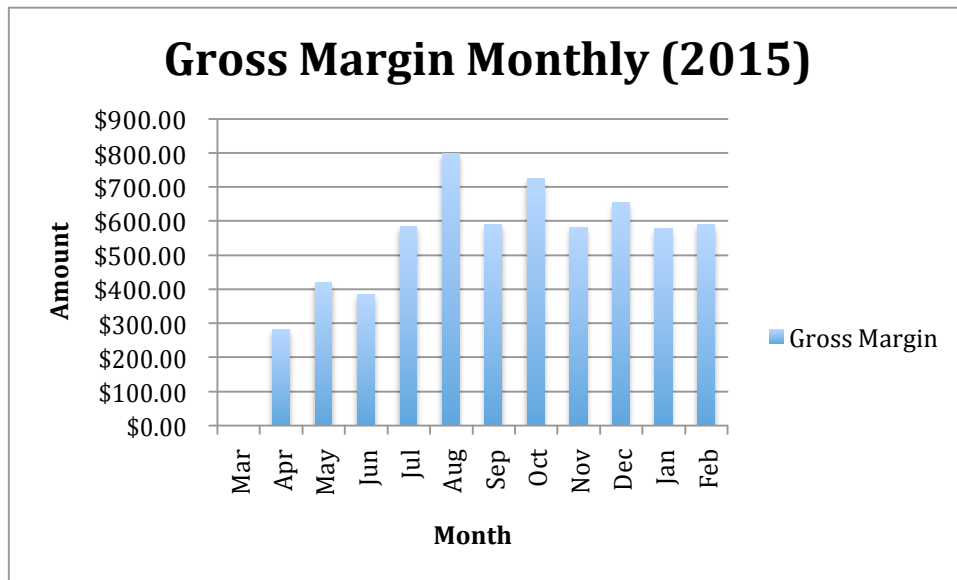
Pro Forma Profit Loss

	Year 1 (2015)	Year 2 (2016)	Year 3 (2017)	Note
Sales	\$10,000.00	\$20,610.00	\$44,333.00	
Cost of Goods Sold	\$3,825.00	\$7,905.00	\$17,632.20	
% of Sales	38.25%	38.36%	39.77%	
Gross Profit	\$6,175.00	\$12,705.00	\$26,700.80	
% of Sales	61.75%	61.64%	60.23%	
Operating Expenses				
Sales & Marketing Expenses	\$839.50	\$839.50	\$839.50	
Research & Development				
Media Management Tools	\$467.88	\$467.88	\$467.88	
General & Administrative				
Stipend	\$1,200.00	\$2,400.00	\$6,600.00	1
Supplies	\$240.00	\$312.00	\$421.20	
Production Costs (events)	\$2,000.00	\$2,200.00	\$2,420.00	
Repair and Maintenance	\$30.00	\$39.00	\$52.65	
Event Insurance	\$1,080.00	\$1,404.00	\$1,895.40	2
Depreciation Expense	\$0.00	\$0.00	\$0.00	

Total Operating Expenses		\$5,857.38	\$7,662.38	\$12,696.63
	% of Sales	58.57%	37.18%	28.64%
Operating Income (EBIT)		\$317.62	\$5,042.62	\$14,004.17
Interest Expense		\$0.00	\$0.00	\$0.00
Taxes				
	Fed Tax (15%)	\$47.64	\$756.39	\$2,100.63
	PA Tax (10%)	\$31.76	\$504.26	\$1,400.42
Net Income		\$238.22	\$3,781.97	\$10,503.13
	% of Sales	2.38%	18.35%	23.69%

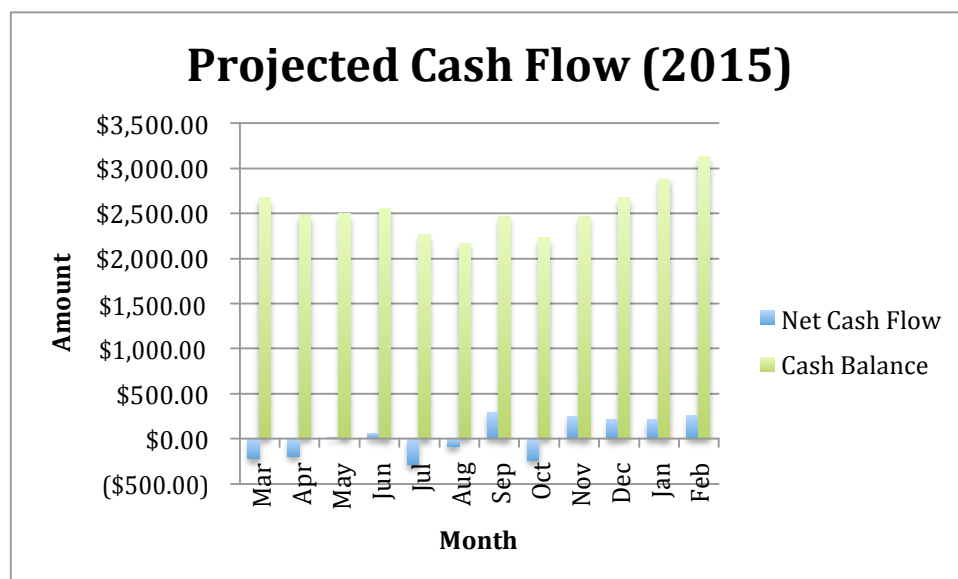
Assumptions:

- 1) Company is still in start-up / growth phase. Will pay certain members of 'management team' each \$50/month during Y1 and the others will work for a share in company equity- not a fulltime job. Increases by Y2 and again by Y3.
- 2) General liability outdoor event insurance



Projected Cash Flow

The following table and chart are the projected cash flow from 2015-2017.



Pro Forma Cash Flow

	2015	2016	2017
Cash Received			
Cash from Operations			
Cash Sales	\$9,000.00	\$18,549.00	\$39,899.70
Cash from Receivables	\$906.00	\$1,889.25	\$4,063.86
Subtotal Cash from Operations	\$9,906.00	\$20,438.25	\$43,963.56
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0.00	\$0.00	\$0.00
New Current Borrowing	\$0.00	\$0.00	\$0.00
New Other Liabilities (interest-free)	\$0.00	\$0.00	\$0.00
New Long-term Liabilities	\$0.00	\$0.00	\$0.00
Sales of Other Current Assets	\$0.00	\$0.00	\$0.00
Sales of Long-term Assets	\$0.00	\$0.00	\$0.00
New Investment Received	\$0.00	\$0.00	\$0.00
Subtotal Cash Received	\$9,906.00	\$20,438.25	\$43,963.56
Expenditures			
Expenditures from Operations			
Cash Spending	\$1,200.00	\$2,400.00	\$6,600.00
Bill Payments	\$8,482.38	\$13,167.38	\$23,728.83

Subtotal Spent on Operations	\$9,682.38	\$15,567.38	\$30,328.83
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0.00	\$0.00	\$0.00
Principal Repayment of Current Borrowing	\$0.00	\$0.00	\$0.00
Other Liabilities Principal Repayment	\$0.00	\$0.00	\$0.00
Long-term Liabilities Principal Repayment	\$0.00	\$0.00	\$0.00
Purchase Other Current Assets	\$0.00	\$0.00	\$0.00
Purchase Long-term Assets	\$0.00	\$0.00	\$0.00
Dividends	\$0.00	\$0.00	\$0.00
Subtotal Cash Spent	\$9,682.38	\$15,567.38	\$30,328.83
Net Cash Flow	\$223.62	\$4,870.87	\$13,634.73
Cash Balance	\$3,123.62	\$7,994.49	\$21,629.22

Projected Balance Sheet

The following is the projected balance sheet from 2015-2017.

Pro Forma Balance Sheet

	2015	2016	2017
Assets			
Current Assets			
Cash	\$3,123.62	\$7,994.49	\$21,629.22
Accounts Receivables	\$94.00	\$265.75	\$635.19
Inventory	\$650.00	\$650.00	\$650.00
Other Current Assets	\$0.00	\$0.00	\$0.00
Total Current Assets	\$3,867.62	\$8,910.24	\$22,914.41
Long-term Assets			
Long-term Assets	\$1,300.00	\$1,300.00	\$1,300.00
Accumulated Depreciation	\$0.00	\$0.00	\$0.00
Total Long-term Assets	\$1,300.00	\$1,300.00	\$1,300.00
Total Assets	\$5,167.62	\$10,210.24	\$24,214.41
Liabilities and Capital			
Current Liabilities			
Accounts Payable	(\$3,825.00)	(\$11,730.00)	(\$29,362.20)
Current Borrowing	\$0.00	\$0.00	\$0.00
Other Current Liabilities	\$0.00	\$0.00	\$0.00
Subtotal Current Liabilities	(\$3,825.00)	(\$11,730.00)	(\$29,362.20)
Long-Term Liabilities	\$0.00	\$0.00	\$0.00
Total Liabilities	(\$3,825.00)	(\$11,730.00)	(\$29,362.20)
Paid-in Capital	\$5,000.00	\$5,000.00	\$5,000.00
Retained Earnings	\$800.00	\$800.00	\$800.00
Earnings	\$3,192.62	\$16,140.24	\$47,776.61
Total Capital	\$8,992.62	\$21,940.24	\$53,576.61
Total Liabilities and Capital	\$5,167.62	\$10,210.24	\$24,214.41
Net Worth	\$8,992.62	\$21,940.24	\$53,576.61

Appendices

Financial details and supporting information