

Insert company logo  
ABC-Company.com

## **Executive Summary:**

ABC-Company.com answers the critical issue facing corporate executives today: how to reduce recruiting costs, leverage their employees in the most productive manner possible, fill their open positions with the best talent available in an increasing candidate pool, and bring talent on-board in a cost-effective manner.

ABC-Company.com provides this service to companies by creating a hybrid candidate database and web-based third-party recruiting company, offering more services than currently being provided by competitors and at a significantly reduced cost to the hiring companies. ABC-Company.com will employ its proprietary technology to automate functions that currently exist as manual recruiting functions.

The competitive advantage to using ABC-Company.com is that it allows companies to push the cost of recruiting talent out to the candidates. Both candidates and hiring managers effectively have a 24/7 recruiting company at their fingertips, and candidates are able to interact directly with hiring managers to secure a position more quickly. Additionally, ABC-Company.com is the only service of its kind (comparable to The Ladders, Monster, Dice, and CareerBuilder) that allows for candidates to present their results of federal criminal background checks and reference verification to potential hiring managers.

Founded in December 2008, ABC-Company.com is advised/managed by two key figures: founder and CEO, Jane Doe, and Advisory Board Member, John Doe.

**Jane Doe** leverages five years of national staffing and recruiting success in the creation and management of ABC-Company.com. She has consistently broken company records for sales and recruiting, achieving the following notable contributions:

- 3,000% to quota in current sales role at XYZ Staffing
- Achieving ROI within the first 45 days of hire in all previous sales positions
- Served in sales, recruiting, and HR roles for the past 7 years.

**John Doe** most recently was the Managing Director and CIO for World's Largest Staffing Firm, a leading employment services company. Since joining World's Largest Staffing Firm in 2000, Doe has been responsible for leading the company's information technology strategy, aligning the activities of the information technology division to the needs of the business. Leading the effort to integrate and consolidate the information technology resources resulted in annual savings in excess of \$10 million.

## I. Market

### B. Clear pain in the market

Part of the difficulty in connecting the currently-available talent pool to open positions is being fueled by the fee-based candidate database websites aimed at companies seeking talent. During a stable economy, there is little to no disconnect between job boards, companies, and candidates. Competitors like Monster, Dice, and CareerBuilder have been charging significant fees for candidate sourcing and/or job postings, but companies no longer have the budgets to justify these fees (Monster's revenues declined 16% from Q4 2007 to Q4 2008, according to its annual report, although traffic is increasing to its site)<sup>1</sup>. Companies previously had the capital for these services, or they employed the services of staffing firms that, in turn, built the cost of sourcing into their pricing model.

Finally, since some companies still will not have the time, resources, or budgeting for full-time employees, but will have a need for external resources on a consulting basis, they will continue to utilize the services of staffing companies, with the expectation that they can convert a candidate to full-time employment at a later point. What this means for staffing agencies is that they are going to need to continue exploring resources for recruiting purposes; however, because hiring is down, sourcing costs must be managed wisely to ensure only the top candidates are recruited that are likely to be placed at a company.

### **ABC-Company.com answers these needs in the marketplace:**

- By only requiring that hiring managers create a free login and input contact information (to be sent to a potential candidate once the hiring manager has interest in contacting the candidate for an interview), the hiring managers no longer have to work through an HR, internal, or external recruiter to access potential candidates, reducing time-to-fill ratios and expenses which typically reach up to 25% a candidate's annual salary through a staffing agency;

- Staffing agencies who are cautiously spending money for recruiting purposes now want to make certain that when they contact a candidate, that candidate can meet background check and reference verification required by the client. ABC-Company.com solves this problem by providing the Premiere Candidate upgrade option which includes a federal background check and a reference verification of two references.
- Hiring managers will be able to log in to [www.ABC-Company.com](http://www.ABC-Company.com) and have a full-service recruiting tool at their fingertips at a significantly reduced cost.

### C. *Market Overview*

#### **Size of the market**

According to Compete.com, the peak number of unique visitors to monster.com from February 2008 to February 2009 occurred in February 2009 at 37,597,624 visitors, and the peak number of visitors to careerbuilder.com for the same time frame occurred in January 2009 at 18,336,004<sup>2</sup>. The peak for Dice occurred in January 2009 at 1,066,481. Additionally, two smaller competitors, job.com and theadders.com had their largest traffic numbers in January 2009 as well with 5,522,594 and 1,701,269 respectively.

The number of hiring managers listed on CareerBuilder's website is 33,000, leaving a difference of more than 18 million visitors as job seekers. According to these statistics, a very large market of individuals are currently being untapped as potential revenue streams. Currently, the only notable company targeting this market is The Ladders (which will be covered in the Competition section).

#### **Initial target market**

The initial target market for ABC-Company.com is technical and professional employment seekers. This market has been chosen due to its comfort with utilizing the Internet for job seeking, it's statistically higher household income, and a greater likelihood that they are comfortable with engaging in a federal background check and reference verification, and the demand for hiring managers for candidates with technical and/or professional skills.

The market for these individuals follows below (as provided by the [BLS March 2009 report](#)):

*Table 1*

Management, business, and financial operations	1,038,000
Professional and related occupations	1,254,000
Sales and related occupations	3,020,000
Office and administrative support	1,511,000
Total Unemployed March 2009	6,823,000

The market of professional and/or technical jobseekers who are currently unemployed is almost 7 million, which is the full market scope; however, for initial growth purposes, ABC-Company.com plans to set growth goals of achieving 0.25% of the market currently being serviced by The Ladders, or penetration which equals 12,975 individual paying subscribers at a minimum \$29.99 monthly fee. Of additional note, because of the relationships built in the Atlanta market, ABC-Company.com has begun and will continue to grow through advertising in Atlanta, then grow organically outward to the U.S., in addition to the national marketing that will be detailed later within the Sales and Channel Strategies section of this plan.

#### *D. Competition*

The competition for a similar product currently exists with Monster/Jobs.com, CareerBuilder, LinkedIn, Dice, The Ladders and Craig's List. Monster and CareerBuilder represent a significantly higher market; however, for comparison purposes that follow, The Ladders has been chosen for competitive analysis. The Ladders is a subscription-based job search product that is similar to ABC-Company.com because it is paid for by both job seekers and hiring managers. The Ladders services candidates in the 100k annual salary market. According to Alexa.com, The Ladders went live on December 19, 2002. By May 2007, The Ladders reported a pre-recession growth to 1,350,000 members.<sup>3</sup> As of February 2009, Compete.com reported that The Ladders had a growth of unique visitors to 1,701,269, which represents a growth of 26% during the recessionary period.<sup>4</sup>

The majority of The Ladders users are American, falling in at 93.6%. Traffic on The Ladders has increased by 52% in the past 3 months. The Ladders functions by way of a user signing up for either a free account that allows for limited searching of their positions or by selecting from one of the following options:

- \$30/30-day subscription
- \$75/90-day subscription

- \$120/6-month subscription
- \$180/12-month subscription

#### *E. Competitive advantage*

ABC-Company.com responds to a significant market shift from companies that previously had funding that are no longer able to pay recruiting-related expenses. Although there are sites that are free for recruiting/hiring managers to use, only ABC-Company.com functions at a level comparable to Monster, Dice or Careerbuilder for free. This service option will gain a reputation among job seekers for drawing in managers who have open positions, decreasing the candidate's unemployment duration.

ABC-Company.com provides an online one-stop shopping mechanism for hiring managers to address their employment needs: 1) Free searchable database; 2) No need for recruiter/HR involvement unless desired; 3) Access to pre-screened candidates through the Premiere Candidate offering; 4) No need to work with third-party agencies to find talent unless desired for time or budgeting reasons; 5) An extension of ABC-Company.com exists in its subsidiary staffing agency which provides full-service recruiting and payroll services at reasonable prices.

#### *F. Solution Overview*

- ABC-Company.com requires a subscription for job seekers at a fee of \$29.99 per month for a Basic subscription. For the Premiere service, the fee is a one-time charge of \$49.99 (which includes a federal background check and verification of two references) and a monthly service fee of \$29.99.
- ABC-Company.com is pursuing a possible partnership with a respectable background check in Atlanta. The goal of this relationship is to create a seamless, secure integration of applications that ensures that ABC-Company.com at no time has access to the social security numbers of candidates. Additionally, the reference verification process (which is typically a time-consuming process that is handled manually) is automated through a proprietary process. Currently, this process involves two manual steps in which the reference email is uploaded into the application, then the reference verification form is uploaded into ABC-Company.com database; however, in a later release of the ABC-Company.com software, the two steps will also be automated.

- By providing a streamlined recruiting/job seeking tool for both hiring managers and candidates at a significantly reduced price, ABC-Company.com has a unique service offering that pairs top, pre-screened candidates to the hiring managers with open positions.
- In addition to the subscriber-based revenue stream, ABC-Company.com will also utilize fee-based advertising on its website. This advertising will be provided on the web pages viewable by hiring managers and Basic subscribers; however, Premiere candidates will have limited exposure to advertising. The advertising is being provided through Google AdSense.

#### *G. Marketing strategy*

- ABC-Company.com leverages the proven sales experience of CEO Jane Doe in selling to the market of both candidates and hiring managers to achieve its aggressive growth. The strategy for marketing follows below:
- Capitalize on Jane Doe's reputation as a knowledge base for recruiting and staffing services within the Atlanta market. This reputation has been gained through personal connections and through various publications, blogs, LinkedIn answers to questions, etc., that she has created in the past 5 years. In March 2009, Jane released the first installment of her eBook on job seeking. It was initially published on TechMag and has received significant response, in addition to increased word of mouth exposure that has resulted in growth of subscribers ready to sign up for ABC-Company.com. The remaining installments will also be released on TechMag, in addition to inclusion on the ABC-Company.com website within an area reserved for advice for job seekers and hiring managers. The remaining installments are set for release every two weeks, starting on April 15. Additionally, the blogs for ABC-Company.com have been generating an average of 100 new readers weekly.
- Jane Doe has also been utilizing speaking engagements to generate sales of subscriptions to ABC-Company.com. A successful speaking engagement in February 2009 gave ABC-Company.com its first 60 subscribers.

- ABC-Company.com already has generated hiring manager subscriptions from several Fortune 500 companies, through Jane's network of previous clients.
- ABC-Company.com will also employ the usage of affiliate programs (currently being utilized by The Ladders) and referrals.
- ABC-Company.com will leverage SEO strategies to drive traffic.
- Finally, as revenue is generated or as investment is provided to allow for advertising, ABC-Company.com will secure advertising space within Atlanta to generate additional traffic and subscriptions. Budget for advertising is critical to ABC-Company.com achieving its aggressive first-year sales numbers without the expense of hiring additional salespeople (who will not be added until year two).
- ABC-Company.com has targeted The Ladders as its main competitor and has set itself the goal of capturing 0.75% of the top traffic reported by The Ladders as its 12-month sales goal (approximately 13,000 subscribers).

## II. Technology

### A. Differentiation

ABC-Company.com is differentiated from its competitors by the following:

- 24/7 availability as a full-service recruiting channel for both companies and candidates;
- Free searchability of database to hiring managers, replacing the need for fee-based job boards and removing the need for internal/external recruiting personnel;
- Premiere subscriptions allow candidates to showcase their employability to interested hiring managers by proving that they can pass a federal criminal background check and reference verification;
- Web-based background check and proprietary reference verification process that is secure, user-friendly and automates two of the most time-consuming verification processes for companies and candidates;
- Proprietary resume builder, created to assist candidates in creating an achievements-based resume that highlights the

contributions of each candidate, creating a significantly stronger impression on hiring managers;

- Proprietary profile-page and resume builder are created to ensure that candidates input all critical information for hiring managers (serving as a preliminary interview sheet), guides to assist candidates in creating the best first impression, and a fool-proof resume builder that ensures all candidate resumes are formatted in a uniform, easy-to-read manner for the hiring managers.

#### *B. Intellectual Property*

ABC-Company.com maintains intellectual property through the following:

- Proprietary algorithm utilized for the purposes of concise matching of targeted keyword searches to suitable candidates;
- Proprietary resume builder and interview/profile page;
- Proprietary dashboard for candidacy management for both candidates and companies;
- Proprietary automated web-based reference verification and federal background check process.

#### *C. Scalability*

Although ABC-Company.com has an original target market of Atlanta professionals, it is a web-based product with full scalability on a national and international basis. For the purposes of growth through the next 12 months, there are no plans to target international markets with a preference to focus on US growth. ABC-Company.com is entirely scalable to achieve significant national growth with no foreseeable hindrances due to its web-based automation of previously manual functions.

### **III. Management/Organizational structure**

ABC-Company.com is organized as a Georgia-based LLC. Currently, ABC-Company.com is solely owned by its CEO Jane Doe; however, ABC-Company.com plans to issue 10,000,000 shares with a majority/controlling interest to be held by Jane Doe. A minority issue will be granted to John Doe in return for services rendered to ABC-Company.com. ABC-Company.com will reserve a minimum 25% of its authorized shares for the purposes of investment.

#### *A. Management*

Jane Doe is currently the CEO and only employee. There are no plans to employ additional managers, as during the primary growth phase of ABC-Company.com, Jane Doe can dually function as executive management and salesperson. Any services that will be further required

(in terms of legal, accounting, and professional services) will be secured on a consulting basis only.

**B. Board of Directors**

Currently, ABC-Company.com does not have any managing board members outside of Jane Doe.

**C. Advisory Board**

ABC-Company.com has one Advisory Board member, John Doe.

**IV. Financials (3 years)**

**A. Forecast**

	Year 1	Year2	Year 3
Revenue	xxx,xxx	xxx,xxx	xxx,xx
Capital Expenses	x,xxx	x,xxx	x,xxx
Gross Profit	xxx,xxx	xxx,xxx	xxx,xx
GPM%	xx%	xx%	xx%
Operating Expense	xxx,xxx	xxx,xxx	xxx,xx
Total Expenses	xxx,xxx	xxx,xxx	xxx,xx
Net Income	xxx,xxx	xxx,xxx	xxx,xx
Net Profit Margin%	xx%	xx%	xx%

**B. Revenue model**

ABC-Company.com realizes revenue in the two following ways:

- Basic and Premiere subscriptions sold to candidates and as of May 2010, Premiere service will be sold to hiring managers to utilize the dashboard/ATS for candidate management;
- Advertising revenue gained through Google.

**C. Investment needs**

To achieve the aggressive, exponential growth necessary during this economic transitional period, ABC-Company.com will need to access additional capital within its first 18 months. This capital will be used to hire ten full-time sales staff at the end of year one. The procurement of this staff is critical to meeting the growth objectives, since each salesperson will be responsible for generating 300% ROI within their first year. The funding for this growth will also be used to procure laptops, phones, and software, for the usage of the salespeople who will work from home.

1. How much do you need

To allow Jane Doe to focus on sales of the product, gain outside consulting for subsequent releases and to fund advertising, ABC-Company.com requires an investment of \$200k.

2. How long will it carry you

An investment of \$200k will carry ABC-Company.com through its first 12 months and will allow for the company to achieve its growth projections.

3. What you plan to do with funds

Funds will be used to provide salary, professional services, and advertising needs.

## V. Exit strategies

The philosophy of ABC-Company.com is to reward investors as soon as economically and legally possible. By year two, ABC-Company.com may begin declaring dividends for shareholders. At the four-year mark, the Company will explore two possible liquidity strategies for investors:

- Optional company stock buy-back at a graduated rate;
- Begin actively looking for a possible acquisition or merger.

For additional information, please contact Jane Doe at 555-555-1212 or janedoe-ceo@gmail.com.

## References

<sup>1</sup> <http://phx.corporate-ir.net/phoenix.zhtml?c=110723&p=irol-IRHome>

<sup>2</sup> <http://www.compete.com/>

<sup>3</sup> [http://findarticles.com/p/articles/mi\\_m0EIN/is\\_2007\\_May\\_8/ai\\_n27230282/?tag=content:col1](http://findarticles.com/p/articles/mi_m0EIN/is_2007_May_8/ai_n27230282/?tag=content:col1)

<sup>4</sup> <http://www.compete.com/>

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