

# The Green Economy Magazine

## Overview

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The Green Economy is a business focused environmental magazine & web site, published by The Clear Canopy in strategic partnership with the Lexicon Group, a publisher with over 25 years experience. The Clear Canopy LLC is a woman owned business registered in the state of New Jersey since March of 2003.

Product or service: The Green Economy magazine is a controlled business to business (B2B) publication: That is, it will be provided free to 50,000 qualified senior executives of major United States corporations. Revenue will be generated by advertising sales.

**Controlled publications have the unique advantage of providing predictable sales and revenue, and an enviable cash flow within 6 months of launch.** This allows us to publish a high value, high quality magazine with a much lower entry point than publishing a paid magazine with uncertain newsstand and subscription sales.

Problem solved: This magazine will be the central resource for tangible & practicable green practices, strategies & processes. Created for busy executives who do not have time to research or analyze information available in business magazines and newspapers, it capitalizes on the recent corporate interest in reducing risk and enhancing stakeholder value.

Competition and why we are superior: **Our magazine is the only print magazine devoted to providing access to and information for a unique audience: qualified executives who make decisions about purchasing sustainable products and services.**



## Market

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Target customers: Advertisers seeking exposure to:

- High level executives
- Businesses requiring socially conscious products and services

Size: Our targeted advertisers spent \$3.6 Billion on magazines in the 1st quarter of 2007.

Portion of market: Based on our competitive research, we expect to reach annual advertising sales of close to \$800K within our first fiscal year, reaching over \$5.5M within 5 years.

## Business Model

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Reach: National sales manager with network of magazine reps for advertising sales. Co-op advertising with similar magazines, trade shows and magazine inserts as well as direct mail to 50,000 to reach readers.

Distribution channels: Direct mail from purchasing list of 30,000, with additional 20,000 rented per issue to bring list to 50,000. We will continue to balance readers who drop off with new readers to increase value of our readers. (Readers who request the magazine after 1 year are more valuable to advertisers.)



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**Prior Financing:** A. Tana Kantor and Joenathan Dean have invested \$30,000+. Sylvie Lekarakos received no salary for 6 months, and ½ salary since then. The Clear Canopy has provided infrastructure including office space, IT, computer access, accounting, marketing services and production, and legal.

## Key Principals

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Key principals have over 25 years experience publishing magazines and developing corporate media including web sites, brochures, newsletters, annual reports, video and animation. Projects include work for Oracle, Wells Fargo, Beyer Pharmaceuticals, and Lucent; nonprofits such as UMDNJ (University of Medicine and Dentistry of NJ), USC (University of Southern California), Helen Keller International; and medium sized companies such as Mirapoint, Spirent communications, and ePeople.

## Social and Environmental Impact

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**Our mission is to help business lead the way in creating complete environmental sustainability by transforming the economy to one that is in harmony with the environment, and that treats all of our resources with respect.** Our magazine and web site will serve as a catalyst, providing vital information to decision-makers at key levels throughout the supply chain. By offering a economic, nonpartisan approach, we will reach those seeking a road map to what has been done, can be done, and will be done to design and implement business practices that result in lasting, sustainable change.

We will continually monitor our success in meeting our goals. Includes:

- Quantitative and qualitative research through focus groups, phone interviews and web surveys into the motivations, practices and attitudes of our target audience: decision makers in large US corporations.
- Reader feedback on our website through forums, blogs, and comments on articles, as well as letters to the editor and guest editorials.

## Financing Sought and Use of Proceeds

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\$1.1 million<sup>1</sup> is sought for 2 years, to be provided in a combination of equity and guaranteed liquidity. We seek funding in four phases: expand capacity; build advertiser base: publish three (3) bimonthly publications and launch website; twelve (12) monthly publications thereafter. In year three, revenue will cover expenses.

Our magazine will generate cash, with margins up to 30% in year three. This cash will allow us the flexibility to expand operations if a suitable opportunity arises, or to provide steady return for investors who would like to have funds for other ventures.

In year 6, The Green Economy will be valued at 7x-10x times our projected EBITDA of \$3M, or \$21M to \$30M. Projections available to interested investors.<sup>2</sup>

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<sup>1</sup> A study of 500 magazine launches by the University of Miami shows that \$1.2M is the average investment for start up magazines.

<sup>2</sup> The assumptions that form our financials are based on the experience of our publishing partner with magazines – especially start-ups - and research into magazines that are similar in audience make-up and size to ours. The financial model that we used for our business plan has been in use for over 25 years. Clients range from some of the largest multi-title magazine publishers to single-title local and regional magazines.

