

# STAGEBITZ

## Business Update

May 2013

### Milestone 2: Achieved!

We are extremely pleased to report that we have achieved Milestone 2 well ahead of the 30 June 2013 deadline and, as a result, are well positioned going into the formal T2 review processes at ANU Connect Ventures & Proto Investment Partnership (Sydney Angels Side Car Fund). T2 is a total of \$300,000 with \$250k from ANU Connect Ventures and \$50k from the Sydney Angels Side Card Fund. The ANU Connect Ventures Investment Committee is meeting on May 29th and we look forward to hearing their decision.

As a reminder, Milestone 2 included achievement of the following:

1. Commercial release of the 'Task Manager' module into StageBitz customer software offering.
2. Invoices paid by at least 20 new customers.
3. The aggregate of invoices paid by 20 new customers in any three month period being at least \$3,750

We are thus looking forward to having made serious inroads into Milestone 3 prior to the due-date for Milestone 2, which is a great position to be in. Further detail on sales and customers is included later in this report. As a reminder, the Milestone 3 targets are:

1. The Company's Board passes a resolution that it requires the Tranche 3 Monies;
2. Commercial release of the 'Use & Care' and 'Company Inventory' modules into StageBitz customer software offering;
3. Invoices paid by at least 50 new customers (inclusive of those referred to in Milestone 2); and
4. The aggregate of invoices paid by 50 new customers (inclusive of those referred to in Milestone 2) in any three month period being at least \$25,000.

The completion date for Milestone 3 is set at 31 December 2013. As a team, we are focusing not only on meeting that milestone, but also aggressively pursuing cash-flow positive status by June 2014.

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## Financials & Business Development

We continue to track well on expenditure and have stayed within our budget. Key items to note are:

- We received our R&D Tax refund of \$52,000, and many thanks to Anne Marie Perret for her assistance in preparing this for us.
- We have acquitted our ACT Government ICon funding for the Marketplace Pilot Program and expect to receive the \$30,000 before the end of May. This program was very successful amongst participants and has generated a lot of interest from customers or prospective customers in Australia, the UK and North America.
- We have scheduled a Strategic Planning Day for June 17.

## Our US Trip

Mat and I spent the last two weeks of March in the US. The trip was divided almost equally between New York and Milwaukee. The key event of the trip was the US Institute for Theatre Technology Conference ([www.usitt.org/2013](http://www.usitt.org/2013)). I have noted the key contacts of interest for your information.

### New York:

- **MET Opera** ([www.metoperafamily.org](http://www.metoperafamily.org))  
We met with their Production Manager, Paul Masck. StageBitz is unlikely to be detailed enough for them until sometime towards the end of next year, but they are following our progress with great interest. An interesting fact to consider with this company is that they have over twelve hundred shipping containers full of props and set plus a massive climate controlled store for their wardrobe items, so the potential for their inventory is huge.
- **Broadway Green Alliance** ([www.broadwaygreen.com](http://www.broadwaygreen.com))  
This is the leading movement for sustainability in theatre in the USA. I met with key members of their post-production committee to talk about how StageBitz could support their upcoming program to reuse sets from Broadway, which are currently all broken down for disposal (although some materials are recycled). This could be an excellent partner for us in the US as their influence is substantial.
- **AON Risk Services** ([www.aon.com](http://www.aon.com))  
I was introduced to Michael Murdoch, their Senior Vice President, by Wendy Simpson of Springboard Australia. An easily accessible, up-to-date and online inventory system such as StageBitz, while providing clear benefits to our direct customers (i.e. companies in the entertainment industry), could also provide significant benefit to the insurance industry. As the world's largest insurance broker, AON is always looking for ways to provide a competitive advantage both to its customers (many of who are in the entertainment industry) as well as the underwriters with whom it negotiates the premiums for its customers. Lack of accurate inventories causes great delay and additional cost for both underwriters and claimants in insurance events, so a system such as StageBitz could well be the missing piece in the puzzle. As our customers start to put more of their inventory into StageBitz, we will be selecting customers to do comparisons with Aon to see if such a benefit

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is possible. There is therefore a possibility of a partnership going forward whereby together StageBitz and AON could provide significant benefits for customers. Watch this space.

- **Tisch School of the Arts** ([www.tisch.nyu.edu](http://www.tisch.nyu.edu))

Mat did a demo for Tisch, one of the largest theatre production courses anywhere. The interest level was very high, and he did a follow-up Skype demo a few weeks ago. They are currently looking at the best way to incorporate StageBitz into their program.

## **USITT in Milwaukee:**

We had an excellent response at our booth at USITT. In comparison to 2012, when most of the people we spoke to were students, this time the majority of demo were done for production managers and technical directors, who were all coming to see us specifically. We had great referral rate, with many people coming 'because my production manager told me I needed to see you guys', and so on.

We collected 257 business/entry cards, of which 59 were from university faculty members, 42 from Technical Directors, 13 from Production Managers and 18 from professional companies. The balance were from individuals who did not identify their role or organisation on their cards.

The timing of USITT is such that many organizations will not start formally trialling any new system until after their summer break, but we have had several universities and companies start free trials and one, Michigan Technical University, convert to a paying customer already. The real fruits of USITT will be seen in August/September.

## **Marketing & Publicity**

### **Media Kit**

We engaged a photographer to take professional photos of Mat and I in the Opera Australia prop store, as well as photos of various 'proppy' things. We developed a media kit with articles, interviews and print-quality photos which we distributed prior to USITT and were used as part of the LSA and Artshub articles mentioned below.

### **MailChimp**

We are continually improving with MailChimp and usually have an open rate of between 30 & 50 percent, which is excellent. We are currently looking at how we can build our click-through rate and drive traffic back to the website.

### **Linkedin**

This proved a very valuable resource just prior to the US trip for making connections and introductions and we are having a session with LinkedIn staff in Sydney in the coming week to look at how further to leverage this.

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## Social Media

As mentioned above, we have engaged Bek Lambert to develop and implement a social media strategy for us.

## ArtsHub

I was profiled in both a personal profile and in an article on creative entrepreneurship on this site which is a much-used resource for both Australian and UK arts professionals.

### Personal profile:

<http://au.artshub.com/au/news-article/profiles/arts/catherine-prosser-stagebitz-ceo-193734> January 21, 2013

### Article:

<http://au.artshub.com/au/news-article/features/arts/how-to-make-millions-as-a-creative-entrepreneur-194849> April 2, 2013

## Lighting & Sound America Magazine

We were profiled in the lead-up to USITT in their online news and I will be featured in their 'People Worth Knowing' section in the May issue. We have also placed an ad in that issue, which is published in both print and online.

### USITT article:

<http://www.lightingandsoundamerica.com/news/story.asp?ID=MUNQQ5> 18 March 2013

### Digital May Issue:

<http://www.lightingandsoundamerica.com/lisa/thisissue.asp> (You will need to subscribe to read it, but it's free. The People Worth Knowing feature is inside the back cover. Our ad is on page 71 & 104).

## Stage Directions Magazine

We were listed as David McGraw's favourite stage management tool. David is from the University of Iowa's theatre production program and wrote a piece about key stage management skills for Stage Directions magazine.

### The Data Crunchers of Theatre:

<http://www.stage-directions.com/current-issue/28-feature/4999-the-data-crunchers-of-theatre.html> March 1, 2013

## UK Promotional Opportunities

We are currently analysing the best opportunities for promotion in the UK. The most likely prospect is World Stage Design 2013 ([www.wsd2013.org](http://www.wsd2013.org)) This event is held in Cardiff, Wales this year and will be attended by thousands of stage designers all coming to discuss best practice and innovation in the field. The organisers of WSD2013 are currently in discussions with us about how to use StageBitz to manage the event itself and it could prove to be an excellent partnership.

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## **The Australian Theatre Forum**

Being held in Canberra at the end of May, the ATF is a biennial event for professional theatre producers in Australia. Most of the medium and large performing arts companies will be there. StageBitz is providing support to a breakfast event and promotional opportunities will be provided in return. Mat and I will both attend most of the event and Nick McNaughton will also attend for a half-day.

## **Sales**

### **Our Pipeline**

Our Pipeline currently has approximately 700 leads in it. We are continually qualifying those and will have a 'hit-list' of our top targets to help us achieve and surpass Milestone 3.

### **System Analysis**

Geveo is currently scoping out the best way to use Google Analytics to hook into our admin system to provide insight into how our customers are using the system and the key points to focus on for converting free trials to paid customers.

### **Our Milestone 2 Customers**

This is the list of the first 20 paying customers in StageBitz. As you can see, it includes everything from high schools and small, 3 person companies to internationally recognised performing arts companies and even a church! We have also cracked 3 continents, as 4 out of the 20 companies are either in the US or the UK.

One very important thing to note is that the value figures indicated include only their subscription to the project management side of the system, which in many cases will continue to increase regardless. A big part of the business plan from day one has been that the marketplace aspect of StageBitz will form the largest share of our revenue. Now the Company Inventory is available, customers are starting to build up their items in their individual inventories. Revenue from hire/sale transactions which follow that will be in addition to the project management subscriptions listed below.

1. Bell Shakespeare
2. Belvoir St Theatre
3. Fox River Christian, Waukesha
4. Fox River Christian, Waterford
5. National Institute of Dramatic Art
6. Queensland University of Technology – Creative Industries
7. Malthouse Theatre
8. Glyndebourne Opera
9. Gungahlin College
10. Radford College
11. Sydney Theatre Company

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12. Creative Works Australia
13. Opera Australia
14. Canberra Youth Theatre
15. Bard On The Beach
16. Victorian College of the Arts
17. Lyneham High School
18. Opera Queensland
19. Michigan Technical University
20. St Francis Xavier College