

Society Management– Now and Into the Future!

Strong Business Strategy = Sound Society Strategy

PLUS

Tips and Tricks on Managing Your Society



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Table of Contents

Introduction.....	3
Understanding the need to Plan Sources of Income/Expenditures.....	5
Understanding a Financial Model	7
Understanding Available Resources.....	9
Understanding the cost of every GREAT idea	10
Forecast and Execute based on your Social Marketing Plan	19
Leaving your society better than you found it!	21
Boards and Leadership.....	23

Appendices

Exhibit 1 – E-Leads	26
Exhibit 2 – Business Plan Development	52
Exhibit 3 – Budget	59
Exhibit 4 – FGS Leadership Structure	62

Introduction

Ask: Why do Societies Have Boards and What are Their Responsibilities?



First: Societies have boards to ensure legal, ethical, and philosophical adherence, even *protection* when necessary. Depending on the society's structure and purpose, federal and state laws have to be considered and adhered to. In some cases laws designate the minimum number of board members and even the composition of, or skills required by members. In cases where societies seek nonprofit status, IRS statutes and state finance laws factor in. Ethical and philosophical considerations factor into the proper management and direction of each society based on bylaws, and plans.



Second: Boards in general and board members specifically, have responsibilities based on the size and structure of each society. Bylaws and structure designated by the founders and early board members provide the society's foundation to be built upon. Perhaps the most important responsibility of every board member or society leader is fiduciary, protecting the assets, finances, and good name of the society. *ARTICLE V.—Officers, Directors, and Appointed Officials* and *Article VI.—Duties of Officers* are included in Appendix 4, and detail the Federation of Genealogical Societies' leadership structure.

See Page 22 Also

ASK: Where do we want our society to be in 5 years? 10 years? 20 years?

The answer to these questions will determine what you and your board of directors should do today to get there. Successful businesses practice this strategy – they make tough decisions to stay focused on the goals rather than chasing every good idea that someone on the board has at the moment. This discipline must be taught and practiced within every society. When the leadership changes – as it always will – the corporate memory of the board must now allow things to snap back to these previous unfocused practices if that is the way the society is operating today. If your society already has this mental focus and practices it, then you are already well on your way to remaining a vibrant contributing society in the community. Congratulations!

Examples:

- 1) In **5 years**, our society should have 300 members; annual revenue of \$10,000 and 250,000 names in our online database.
- 2) In **10 years**, our society should have a 100% increase in membership, a full-time office manager and a reserve fund of \$50,000.
- 3) In **20 years**, our society will have published electronically a lineage-linked database of all the residents of our county prior to 1920 with full documentation.

A business plan contains, by its very nature, both strategic and tactical plans. When you hear *strategic plans*, think *business plans*. There are many tools and advice locales floating on the Cloud and sent in printed format to email and snail mail addresses worldwide. We have found that one of the most valuable comes from Blue Avocado who publishes a magazine for non-profits. A compilation of some of their newsletters can be found in *The Best of the Board Café* available across the web and brick and mortar locations. For more information visit www.blueavocado.org.

Among the priceless gems from Blue Avocado they teach:



“Good strategic plans have two dimensions: one you can touch, and the other you can only feel. The first is, of course, the written document. The second is organizational consensus and commitment to the priorities outlined in the document.



“A strategic planning *process* is one by which the organization learns about itself, its constituencies, and its environment, reviews its values and goals, identifies important choices, and organizes itself to make and implement those choices. Strategic planning involves choosing specific *priorities*—making decisions about goals and how to get there, in both the long term and the short term. (*The Best of the Board Café*, p 102)

Understanding the Need to Plan Sources of Income and Expenditures



Business Plans come in all shapes and sizes. We have taken the approach that there are three general society sizes and configurations. We could have sized them differently, but this was clean and crisp. When it comes to designing a business plan there are a myriad of tools and expectations for components. We took a simple business plan from 1997 that sought \$1.25M and patterned our worksheets after it. We have included both the original business plan and a worksheet in the back for you to map your society's needs.

Understanding a Good Business Plan

As society membership grows, so does the need to expand the business or strategic plan. You will notice that the Small, Medium, and Large categories simply build on one another and provide a natural migration and growth process. While there would be mitigating circumstances, for the sake of the workshop's discussion we will consider:

- small societies to have less than 100 members,
- medium societies to have between 101 and 300 members, and
- large societies to have over 300 members.

Again, these numbers are just for discussion. Society leaders will run their society in the manner that works best for them. They will use the parameters that best fit their society.

Small Genealogy Society Model

- 1) The Business Plan
 - a) Introduction
 - b) The Society's Purpose
 - c) Funding
 - d) Members
 - e) Finance and Accounting
 - f) Target Markets
 - g) Goals
- 2) Conclusion

Medium Genealogy Society Model

- 1) Executive summary
 - a) Mission Statement
- 2) The E-leads Business Plan
 - a) Introduction
 - i) Mission Statement
 - ii) Purpose

- b) The Society's Opportunity
 - c) Funding
 - d) Members
 - e) Management
 - i) Job Descriptions
 - f) Ownership
 - g) Budget
 - h) Target Markets
 - i) The Products
 - j) Marketing and Sales Plan
 - k) Business Goals
 - l) Timetable
- 3) Conclusion

Large Genealogy Society Model

- 1) Executive summary
 - a) Mission Statement
 - b) Purpose
 - c) Management
 - d) Target Markets
 - e) Timeline
 - 2) The E-leads Business Plan Is One of Many Possible Models
 - a) Introduction
 - i) Mission Statement
 - ii) Purpose
 - b) The Society's Opportunity
 - c) Funding
 - d) Management
 - i) Job Descriptions
 - ii) Committees
 - e) Ownership
 - f) Bylaws
 - g) Finance and Accounting
 - h) Target Markets
 - i) The Products
 - j) Product Positioning
 - k) Marketing Plan
 - l) Sales Plan
 - m) Business Goals
 - n) Partnership
 - o) Timetable
- 3) Conclusion
- 4) Financial Statements
- a) Budgets
 - b) Balance Sheets
 - c) Cash Flow Statements
 - d) Revenue Worksheets
 - e) Expense Detail

Understanding a Financial Model

Just as with text, financial models grow and mature based on the needs of the society, including their scope, and number of members. Determining a right sized financial model positions a society for the leadership to properly manage their plans, expenses and expectations. Again, just as with prose, you will notice that financially the Small, Medium, and Large categories simply build on one another and provide a natural migration and growth process.

Small Societies do not need a lot of intricate financial modeling. They typically have one to three sources of income and minimal expenses. The numbers can usually be kept by hand, but a spreadsheet is much easier and transferable.

The following spreadsheet would probably work for a small society.

Small Society		
<i>Budget Profit and Loss Summary</i>		
<i>Date</i>		
<i>Dollars</i>		
	<u>Actual</u>	<u>Budgeted</u>
Revenue		
Membership		
Fundraiser		
Donations		
Total Revenue		
Expenses		
Rent		
Storage		
Sales		
Supplies		
Misc		
Total Expenses		

Please refer to **Exhibit 3** for additional worksheets.

Membership Considerations

As societies grow they typically formalize their membership enrolment cycles based on established best practices. When a society is established it is typically looking for members and not focusing on formal membership cycles. It is not unusual for founding members to pay more than what might be scheduled as annual membership dues in order to capitalize the society and meet expenses. As membership increases it becomes less likely for a select few to finance the operations and for the society to be self-sustaining.

Membership Dues – How Much and When?



Society founders, or for mature societies—their **board of directors, are responsible for ensuring that members receive a realized value for their annual dues.** This requires a plan that factors in sunk costs, added benefits, and a proposed cushion divided by an anticipated number of society members. The sunk costs and benefits are easy to factor, the key is to determine how much money to set aside to grow the society through membership campaigns and other activities. As societies grow and mature they need to factor in additional revenues sources and whether or not they will be used to potentially defray membership dues or go towards new initiatives.



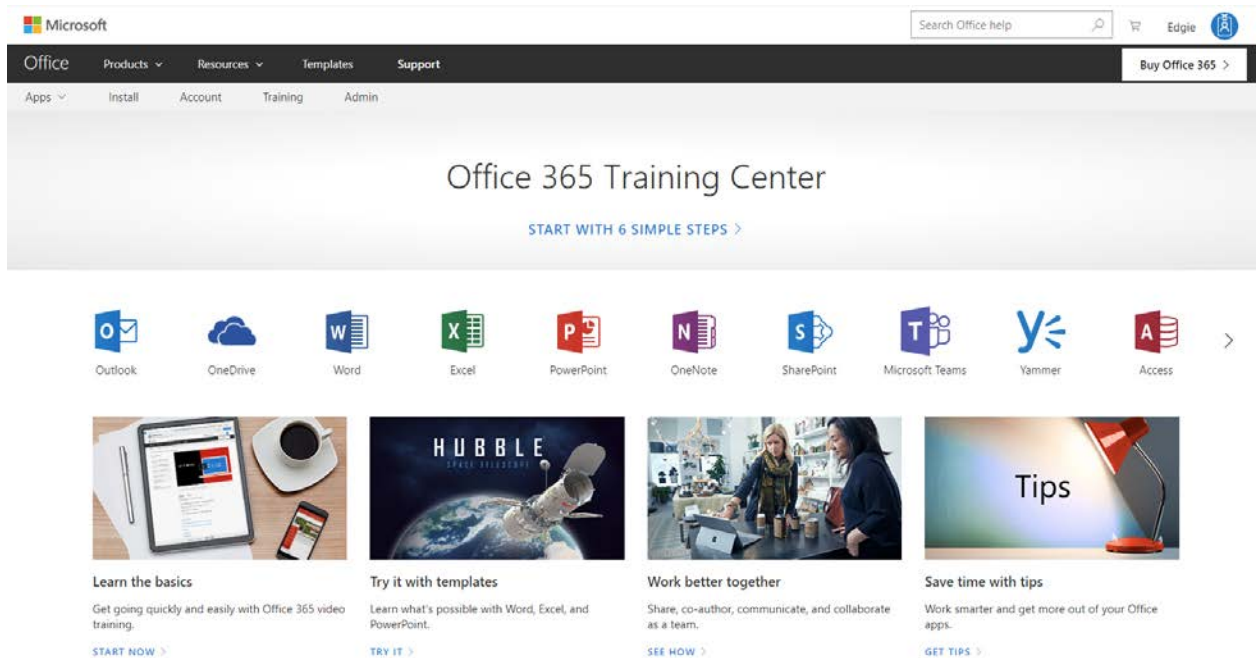
Membership cycles can be either annual or revolving. Annual cycles are based on the calendar or fiscal year. When a member joins in the middle of a cycle it is valid until the end of that cycle. The initial membership registration, unless it begins in the first month of the cycle, is worth less than subsequent membership periods, because the number of months remaining for the society member is less than twelve. In the model all society members renew in the same month. Revolving cycles provide members twelve months of value in the first and all subsequent years. While this provides a fair value from day one for the member, it also elongates the society's workload over the course of the calendar year.

These are just some of the many decisions that society leaders must make as they found, develop, and grow their societies.

Understanding Available Resources



- 1) FGS
- 2) Commercial
- 3) Genealogical



The screenshot shows the Microsoft Office 365 Training Center website. At the top, there is a navigation bar with the Microsoft logo, a search bar for Office help, and links for Office, Products, Resources, Templates, and Support. Below the navigation bar, the main heading reads "Office 365 Training Center" with a sub-link "START WITH 6 SIMPLE STEPS >". A row of application icons follows: Outlook, OneDrive, Word, Excel, PowerPoint, OneNote, SharePoint, Microsoft Teams, Yammer, and Access. Below the icons are four featured content cards: "Learn the basics" (video training), "Try it with templates" (Word, Excel, PowerPoint), "Work better together" (collaboration), and "Save time with tips" (productivity tips).

<https://support.office.com/en-us/office-training-center>

Understanding the Cost of Every Great Idea



The Officers and Board of Directors in each society are made up of people with diverse backgrounds and experiences. Some have a business background, others do not. Most have some genealogical background which is what attracted them to serving on the board. Some boards lack the needed personnel with the marketing, financial and project management skills to succeed.

What is a Sunk Cost? Investopedia defines it as:

A cost that has already been incurred and thus cannot be recovered. A sunk cost differs from other, future costs that a business may face, such as inventory costs or R&D expenses, because it has already happened. Sunk costs are independent of any event that may occur in the future.

When making business or investment decisions, individuals and organizations typically look at the future costs that they may incur, by following a certain strategy. A company that has spent \$5 million building a factory that is not yet complete has to consider the \$5 million sunk, since it cannot get the money back. It must decide whether continuing construction to complete the project will help the company regain the sunk cost, or whether it should walk away from the incomplete project. Source: <http://www.investopedia.com/terms/s/sunkcost.asp>

How does this relate to your society?

What are the “sunk costs” in your society today? Some of those may be:

- Library facility – a building or collection within another facility
- Office equipment i.e. computers, printers, scanners, desks, chairs, file cabinets, office supplies, etc.
- Over-printed inventories of periodicals and other publications; sales have ceased
- Exchange journals with other societies
- Maintenance fees i.e. Dropbox, Office 365, etc.
- Employees if they are not independent contractors
- Any regularly scheduled payments on facilities, products or services

Will this “Great Idea” outright kill our society or lead to its extinction?

Societies run on GREAT ideas! But what are the costs of each idea and are they in line with the stated purpose of your society? And even if they are, have you conducted an appropriate risk assessment for the idea’s viability? You may not consider any specific idea directly leading to the demise of your society, but a series of these questionable decisions creates the same outcome.

Compare these possible great ideas to the mission statement that follows:

1. Our society should volunteer at the *Adopt-a-Pet* day on Saturday at the Pine Hills Mall to help raise awareness about our society.
2. Our society should abstract and index all of the obituaries for the years 1910-1960 from the local newspaper and publish them.
3. Our society should have a booth at the AARP convention when it comes to town in 2015.

Alabama Genealogical Society, Inc.

Mission Statement

- **To foster, encourage and promote genealogical research, education, information gathering and exchange, and publications about Alabama people;**
- To contribute to the location and acquisition, preservation, organization and publication of genealogical records and materials about Alabama people;
- To bring together genealogists with interests in the 67 counties of Alabama for the express purpose of strengthening genealogy with respect to mutual statewide issues, interests and concerns;
- And to contribute to the enjoyment and satisfaction of its members through its activities.

Source: <http://algensoc.org/>
Used by permission



Questions to ask:

- Which idea is most directly related to the stated mission?
- What is the return on the investment of each of these ideas?
- How much resource must be expended for each idea? Financial and people?
- What skill sets are needed for each of these ideas?
- Which idea should be developed or investigated further to see if it is viable?

Requests for Board Action

- **Discussion Item** – no committee has brainstormed on the idea, the board member wants feedback from the board;
- **Informational – Exploratory Concept** – a committee of the organization has brainstormed the idea and wants to get a feel from the board if the idea is worth pursuing further;
- **Request for conceptual approval** – there is a good working document, but some conditions warrant waiting to make a final decision until they are resolved, those involved may have a limited budget approved to proceed with a budget cap;
- **Final approval** – the proposal is coming before the board for a final vote to proceed

Does your mission statement have broad general catch all phrases that would allow any proposal to qualify? If so, consider narrowing the focus of your society to better meet the needs of your members.

Board Presentation – Obituary Indexing Proposal

Elements of the Proposal

- Project Statement
- Alignment with the Mission Statement
- Market Analysis
- Financial Assessment
 - Number of copies if in paper
 - Published electronically
 - Member benefit or open to the public
 - Supplementary funding
 - Grant proposal
 - Sponsorship funding
 - Projected Return on Investment (ROI)
 - Sunk costs
- Anticipated short and long-term benefits
 - Greater access
 - Preservation
 - Part of a series
- Scope
 - Publication format – electronic or paper?
 - Number of projected entries (based on what defined projections?)
 - Access to the material
 - Manpower
 - Project management – who oversees the project? Do they have the skills needed?
 - Projected number of volunteers needed
 - Skill sets needed
 - Output format (always designed before input screens are designed)
 - Search criteria
 - Materials needed (computers, supplies, pre-printed forms?)
 - Space requirements
 - Website development needed
- Project timeline
 - Target dates
 - Project milestones

Montgomery Advertiser Obituary Indexing Project (fictional example)
Proposed to the AGS Board on 12 January 2015
Adam and Abbey Workaholic, AGS Board Members

Project Statement

It is proposed that the Alabama Genealogical Society, Inc. abstract and create an every name and locality index to the obituaries in the *Montgomery Advertiser* for the years 1833-2001.

Alignment with Mission Statement

This project is in line with the Alabama Genealogical Society's mission statement:

- To contribute to the location and acquisition, preservation, organization and publication of genealogical records and materials about Alabama people;

Since the *Montgomery Advertiser* was widely circulated throughout the state, the obituaries listed there represent Alabama residents from all 67 counties.

Market Analysis

Ancestry.com

There is no content from the *Montgomery Advertiser* currently on Ancestry.com.

Chronicling America – Library of Congress

There are currently no digital images from the *Montgomery Advertiser* in this database and the microfilm collection in the Library of Congress from which these are drawn is incomplete.

FamilySearch.org

FamilySearch does not collect newspaper content on microfilm or digitally, however their current trend is to partner with other entities that have digital content, including newspapers and have it returned in their "search" results. Their indexing workforce is also indexing historical obituary content from newspapers at a rate of 330,000 entries per day.

Legacy.com

The obituaries for the years 2001-2014 are already online at Legacy.com and are free to search. The obituaries are updated daily, but it is unknown if Legacy.com will be adding obituaries to the collection prior to 2001. In 2012, Legacy.com was valued between \$50 - \$100 million dollars when they were purchased by Great Hill Partners, LLC, a Boston-based equity firm.

Montgomery County Genealogical Society

The society has no plans to publish this content at the present time. They are willing to support the project by making information about the project available to their members.

NewsBank, Inc.

NewsBank offers their newspaper content through a library subscription service. In some markets, users can access the content from their homes.

From their website at <http://www.newsbank.com/about-newsbank>

“NewsBank's content is derived via partnerships with leading news providers worldwide. These publishers are offered extensive, turnkey media services – including hosting, distribution and e-commerce – that enable them to leverage their current and archived content online to generate additional revenue in established markets while driving more traffic and extending their brand.”

Financial Assessment

Publication Options:



1. If published in paper, there is a probable market for 400 softbound print copies at \$35 for a total of \$17,500. Libraries prefer hardbound copies – this market is estimated to be 100 copies at \$55 for a total of \$5,500.
2. Print copies on-demand, bundle orders and ship as printed matter.
3. Publish online electronically, either:
 - a. Open Access to all Users
 - b. Member's Only Section as a Member Benefit

Series

This publication will become another in our series of publications on Montgomery, Alabama newspapers and will consist of the fifth in the series. To date, it will be the largest undertaking in the series.

- 1) Montgomery Chronicle 1898 (Series 1)
- 2) Montgomery Daily Mail 1859-1871 (Series 2)
- 3) Montgomery Evening Times 1903-1904 (Series 3)
- 4) Montgomery Daily Post 1860-1861 (Series 4)
- 5) Montgomery Advertiser 1833-2001 (Series 5)

Supplemental Funding



The Alabama Genealogical Society should apply to the Alabama Historical Commission for a grant of \$25,000 to assist in funding the production of this work. This funding would assist with the needed computing, indexing and publishing expenses. AGS Board Member Stacie Grant is an experienced grant writer and can assist with the submission of this request. The commission accepts grants until 15 May each year and this should allow sufficient time to submit the proposal for consideration. The success of the project is not dependent on this funding; the project may be funded from the reserve for contingencies.

Short and Long-Term Benefits

The justification for this project by the AGS is that this will preserve the information about these individuals, both the commoner and the famous in Alabama. It will be utilized by local and family historians as well as a reference work for schools, archives and libraries throughout the state.

Scope

Number of Entries

Based on an average number of obituaries and names per obituary for the following time periods, the project is estimated to contain 750,000 names.

Years	Obituary Entries	Number of Names
1833 – 1850	2,000	4,500 (2.25 per obit)
1851 – 1900	28,000	103,500 (3.70 per obit)
1900 – 1950	40,940	174,000 (4.25 per obit)
1951 – 2001	78,000	468,000 (6 per obit)
Totals	148,940	750,000

Access to the Materials

Copies of the newspapers are available both on microfilm at the Montgomery County Library and at the Alabama State Archives. The Alabama State Archives also has original hard copies in the event that any of the microfilm images are unreadable.

Manpower

Project Management

Adam Workaholic will be the project coordinator. Adam has worked on three of the previous four published works in the obituary series and understands the mechanics of managing the needed volunteers and formatting the indexing tool. He also has extensive experience with Microsoft Access, the selected software for data entry.

Projected Number of Volunteers Needed

The project will need a minimum of fifty (50) volunteers to produce the product within the projected timeframe. Preliminary inquiries have identified thirty-five (35) persons interested in volunteering for the project.

Skill Sets Needed

Volunteers need to be able to type and they will be trained to use a Microsoft Access Database for the data input. They must have reasonably good eyesight for small print and be able to work for several hours at a time in a sitting position.

They will need to have access to the public library and/or the Alabama State Archives to view the materials on microfilm.

Output Format

The output will be designed based on the final publication decision, either paper or electronic. Depending on the type of publication, the output will be designed before data input begins.

Search Criteria

Users of the data should be able to search by all of the names within the obituary and by any localities that are listed.

Equipment/Materials Needed

Indexers will need either:

1. Simultaneous access to a microfilm reader and a computer (laptop).
2. To abstract the obituaries with the full citation reference at the public library and data-enter this material on a home computer.

The project coordinators will provide the computer software (preferred) and/or pre-printed forms for the abstracts.

Space requirements

The project will be managed in the private home of the project coordinator who has sufficient space for the storage of supplies and project staging.

Website Development Needed

The society webmaster will need to provide the support for the project as needed. The estimated development costs are projected at \$2,500 if the implementation is electronic access.

Project timeline

Target dates

Project Approval	20 November 2014
Abstract/Data Entry Complete	1 July 2016
Publication	30 November 2016

Project milestones

Volunteers will be assigned dated segments and reassigned as each segment is completed. The segments will be worked on simultaneously and the number of volunteers allocated to each segment will be directly proportional to the estimated entries within each time period.

Volunteers Recruited	15 January 2015
Volunteer Training Completed	28 February 2015
Segment 1833 – 1850 Complete	1 April 2015
Segment 1851 – 1900 Complete	1 July 2015
Segment 1901 – 1950 Complete	15 February 2016
Segment 1951 – 2001 Complete	1 July 2016
Date Edit Checks Complete	15 October 2016
Publication	30 November 2016



Social Media Marketing Plan Ideas for Societies

Five Steps to Begin Using Social Media

1. Identify what the goals are of the society are for using social media.
2. Decide which social media service to begin using. Facebook, Pinterest, Twitter, are three options to choose from. Funding decisions.
3. Establish the society policies for using social media. Be familiar with the policies of each social media service the society chooses to use.
4. Appoint at least two admins for each social media service the society uses.
5. Advertise the society social media sites in the current society publications.

The Social Media Board Member

The new social media board member will be the one who manages the efforts of the society in establishing a social media presence. A committee may be needed to help develop the details of the social media plan and to put it into action.



Develop a Content Posting Plan

The content that is published by the society in their chosen social media services is one of the most important plans to develop. Once the content publishing plan is developed, the effort that is needed to research, write, and create a timeline for publishing is ongoing. Options to consider for the content plan include:

- How often will posts be published?
- What type of content is published? Some options include society news, society events, genealogical industry news, etc.
- Who will monitor and respond to the community comments on the posts?
- How will both positive and negative feedback be addressed?

Have Fun Exploring

Find some of the societies that are already present on social media sites. **LIKE** their pages, **JOIN** their groups, **FOLLOW** their Twitter feeds and Pinterest boards. **LEARN** from other societies by posting on their pages, commenting on their posts, and generally following their activities. The

more you interact with other societies in social media, the more new fans will be drawn to your new social media sites and subsequently to your society itself. Social media is a great way to build new interest in your society and bring in new memberships. A few to start with include:

- Federation of Genealogical Societies <https://www.facebook.com/FGSgenealogy>
- Preserving War of 1812 Pensions <https://www.facebook.com/1812pensions>
- National Genealogical Society <https://www.facebook.com/ngsgenealogy>
- Texas State Genealogical Society <https://www.facebook.com/groups/TxSGS/>
- New Mexico Genealogical Society <https://www.facebook.com/groups/6419958411/>
- Genealogical Society of Hispanic America <https://www.facebook.com/groups/456522601027290/>
- Who Do You Think You Are? <https://www.facebook.com/wdytya>
- California Genealogical Society and Library <https://www.facebook.com/CAancestors>
- And many, many more.

Educate Your Society and the Social Media Committee



A brief list of articles and other sources that might be helpful to society leaders contemplating the usage of social media include:

- Christian Del Monte, “Facebook: An Effective Platform for Business Marketing,” posted on August 21, 2014 at One Mint Julep, an Online Conversion and Media Optimization Blog at julepmedia <http://www.julepmedia.com> and <http://www.julepmedia.com/one-mint-julep/facebook-an-effective-platform-for-business-marketing> Other articles of interest include, “Optimize Business through Pinterest; Build a Powerful Brand With These Three Steps; Increase Brand Visibility with Google+” and others. (Accessed 22 August 2014).
- Conduct a Facebook search for the hashtag #FacebookMarketing to see the current posts appearing on Facebook that are about the subject of Facebook marketing.
- David A. Fryxell’s article, “Best Social Media Websites for Genealogy,” on the Family Tree Magazine website, 1 August 2014, <http://familytreemagazine.com/article/best-social-media-websites-2014> (Accessed 22 August 2014).
- Katherine R. Willson, “Genealogy on Facebook” List is a PDF file that contains 3,800+ links to pages related to genealogy on Facebook as of 7 April 2014 (<http://socialmediagenealogy.com/genealogy-on-facebook-list/> accessed 22 August 2014).
- Melonie Dodaro, “10 Experts Share How to Improve Facebook Organic Reach,” TopDog Social Media, 6 August 2014, <http://topdogsocialmedia.com/how-to-improve-facebook-organic-reach/> (Accessed 22 August 2014).
- Thomas MacEntee, “Facebook and Your Genealogy Society – Episode Outline and Links,” published 12 May 2012 and “Social Media Plans – Outline and Notes” 6 August 2011 on the Federation of Genealogical Societies website <http://voice.fgs.org/2012/05/facebook-and-your-genealogy-society.html> and <http://voice.fgs.org/2011/08/social-media-plans-outline-and-notes.html> (Accessed 22 Aug 2014).

Leaving Your Society Better Than You Found It

The goal of every parent, founder, and original thinker is to leave a better life or set of circumstances to those who follow after them, be it their children, employees, or shareholders. As society leaders it is incumbent on us to leave our society better than we found it, regardless of whether we were the founder or one of many generations of leaders to stand before our constituents and share our visions and hopes for *Our Society*.

Leaving *Our Society* better than we found it **requires preparation, planning and pride**. The 3P's demonstrate that we are not simply showing up and putting in our time, we are in fact, doing our homework because we are committed to *Our Society*. This pride is not ego based arrogance, it is instead grounded in gratitude that *Our Society* means something to us. We love *Our Society*. When we step down or leave we will leave part of our heart with *Our Society*.

Leaving *Our Society* better than we found it means that we have a solid, defensible business plan that includes a complete executive summary, strategic vision and tactical steps necessary to execute the plan. It also means that there is a financial plan that is not built on hope, but on definable reality with both historical accuracy and defensible projections.

While many understand the need for a solid, defensible business plan and supporting financials, there are still those out there that do not understand the importance of seeking help from others who have a different base than we have. If I as a genealogist create a society with my friends and all of us have a wealth of understanding of Texas genealogy, but nothing beyond the border, we will quickly realize that we have self-imposed limitations. There will be roadblocks and we will have to learn to grow. We will have to learn fast. *Very fast!* It is quite likely that we will not even know what we do not know.

If we are wise we will recognize our limitations and identify our needs. Here are some questions that we might ask ourselves:

- What genealogical expertise do we have?
- What genealogical expertise do we need?
- What business expertise do we have?
- What business expertise do we need?
- What financial/accounting help do we have?
- What financial/accounting help do we need?
- What traditional marketing help do we have?
- What traditional marketing help do we need?
- What social networking help do we have?

- What social networking help do we need?
- What legal help do we have?
- What legal help do we need?
- What technical help do we have?
- What technical help do we need?

These are some of the questions that we need to ask. There are many, many more about many more fields. These questions should be asked regularly. At the very minimum they should be asked at the following points in a society's lifecycle:



1. When the society is being formed
2. When leadership is changing in the society
3. When existing leaders realize that they “need help” and want to improve what the society has to offer its members

But we are talking about leaving *Our Society* better than we left it. Before we can leave *Our Society* in an orderly manner we need to ensure that our peers have a significant pool of candidates from which to select our successor. It is not enough to have a list of names from which to identify successors. It is not enough to have a list of seemingly qualified people from which to identify successors. We must help our peers either choose our successors or give our peers the proper tools required to choose our successors.

Leaving *Our Society* with a solid board of directors is a sign of love and support. It shows that we care enough to leave on good terms with *Our Society* heading in the right direction. That doesn't mean though that we simply grab some respectable genealogists and ask them to be on the board of directors. Doing this would be a sign of disrespect, not love. Ouch? Why would we say this? Because we love *Our Society*.

Boards and Leadership

The following are items pulled from *The Best of the Board Café* that every society officer should consider both individually and in a formal board meeting. While reading feel free to interchange the words Nonprofits and Societies.

Why Do Nonprofits Have Boards? (p. 19)

The formal responsibilities of boards of directors are



- To ensure that the organization stays in compliance with laws and regulations relating to nonprofit corporations.
- To determine the organization's mission, strategies, and program priorities.
- To ensure that the organization uses its resources toward fulfillment of its tax-exempt purpose as stated in its application for exemption.
- If appropriate, to hire an executive director or chief executive officer to manage the corporation.
- To fulfill these responsibilities, board members must be in control of important decisions and have adequate knowledge of the organization's operations. This important work often takes the form of detailed discussions about administrative and financial matters. A constant challenge for board members is to remain aware of the link between these administrative responsibilities and their accountability to clients and the community.



Twelve Cool Ideas for Finding Hot New Board Members (p. 148-150)

1. Choose 20 well-connected people of the type you would want on the board who you suspect wouldn't join, but who might know someone who would be a good board member. Ask them to come to a one-time lunch meeting to explain your needs, and then ask them for the name of one person they think would be a great board member. Follow up on those names and explain who nominated them.
2. Put an ad in an appropriate newsletter for volunteers, giving appropriate contact information.
3. Ask the executive director or volunteer coordinator for two or three volunteers, donors, or clients who would make good board members.
4. Pick four local organizations where you don't know anyone, but you wish you did. (Yahoo.com is a good place to look for lists of organization under "Community.") Have each board officer meet with the board president of each organization to establish organizational links and strengthen ties among communities.
5. Read your local paper, especially the profiles of community leaders, to find people who look like you would be interested in having them get involved.
6. See if your community has a board recruitment program run by United Way or another volunteer center.
7. Ask for help from government program officers and foundation grantmakers. Ask for just one terrific suggestion.

8. Contact other community associations such as the Chamber of Commerce, Rotary Club, Council of Churches, etc. Ask if you can make a presentation at one of their meetings about your organization and its need for board members with clout.
9. Contact a friend who is affiliated with a local university and ask them to identify two or three professors who might be capable and interested in serving as board members.
10. Call the head of a local corporate foundation and explain your organization's work. They may have junior members who would like to join boards for leadership development. Ask your contact to circulate a short "organizational resume" among possible candidates.
11. Ask your supervisor at work for suggestions.
12. Offer a modest finder's fee" such as a gift certificate to a local restaurant to board and staff members who recruit new board members.



Questions to Ask Candidates for the Board (p. 159-160)

- What interests you about our organization? What aspect of our organization interests you most?
 - What are some of your previous volunteer experiences or leadership roles?
 - What appeals to you about board service as a volunteer activity?
 - What are you hoping to get out of your board experience?
 - What skills, training, resources, and expertise do you feel you have to offer?
 - Do you have any worries about joining the board?

If fundraising is an important activity for board members, be sure to raise it now:

- We're hoping that if you join our board, you'll be a member of the fund-raising committee. In fact, we hope that you will be able to ask five or ten of your friends for contributions of over \$1,000 each. Is this something you think you could do?
- What would you need from this organization to make this experience a successful one for you?



Questions you should be prepared to answer, if the candidate asks you:

- Why are you interested in me as a board member?
 - What role do you see me playing on your board?
 - What are your expectations and commitments?
 - What is unique about your organization? What do you feel is unique about your board?
 - Are there particular discussions this board has difficulty handling?
 - What weaknesses are there in the way the board works together and with staff?
 - What are the major issues this board is facing?
 - How are you addressing them now?
 - If I were to join this board, what would you want me to do during my first year?
 - If I were to join this board, what could I reasonably expect to get out of the experience?

Exhibit 1: e-leads

Executive summary

The E-leads Business Plan

- Introduction
- The Business Opportunity
- Funding
- Management
- Division of Equity
- Finance and Accounting
- Target Markets
- The Products
- Product Positioning
- Marketing and Sales Plan
- Business Goals
- Timetable
- Conclusion

Financial Statements

- Operating Statements
- Balance Sheets
- Cash Flow Statements
- Hiring Plan
- Revenue Worksheets
- Expense Detail

EXECUTIVE SUMMARY

Introduction to e-leads

e-leads was created to offer electronic leads management products and services to the companies of the world, both large and small. A basic part of the sales and marketing aspect of business is the development and collection of sales leads. Leads are a collection of information about prospective customers. They are created by a number of activities, including trade shows, the Internet, telemarketing, and advertising. Companies spend millions of dollars each year generating leads, apparently, without understanding the impact those leads could have on sales revenue and bottom line profits. Studies have demonstrated that 90% of all leads are never followed up and contacted. Reasons for this are many, e.g. the leads are never distributed to the sales force, the sales staff does not use them because they are not qualified properly, and many more. In our experience, most companies readily admit that they fall in the 90% category. According to a quote from The Competitive Advantage¹, 28% of sales calls result in sales, when the call is prompted by a lead. **e-leads** has created products and services utilizing scanning, e-mail, database and other technologies to radically change the way companies collect, deliver and track sales lead information. The **e-leads** system fills a need that exists in virtually every company, to more effectively capture, qualify and manage leads.

The **e-leads** Solution

The **e-leads** solution is a marriage between traditional sales techniques and leading edge technology, as illustrated in the chart on the following page. Follow along as each step of the **e-leads** system is described below:

1 Capture and Qualification. **e-leads** starts by capturing lead information from the magnetic stripes or barcodes on badges of trade shows attendees. If the prospect has no badge, their ordinary business cards are electronically scanned by a business card scanner (planned for European languages as well). Additional qualifying information about the prospect is gathered by asking a few carefully designed questions, using state-of-the-art “Touch Screen” technology.

¹ Mac McIntosh, The Sales Lead Report Vol. 5, No. 3, Page 3, Worth Noting

Additionally, the **e-leads** system gathers information from the Internet's World Wide Web and traditional telemarketing activities.

2 The Leads Processing Center. After the lead has been qualified, **e-leads** stores the information in a database built specifically for each client. This database resides in a computer called the Leads Processing Center (LPC) where **e-leads** software controls all of the leads management processes. Each lead is carefully screened and numerically weighted according to the client's own criteria for qualifying the leads.

3 Matching & Distributing. A formula is created from the clients criteria for determining which of their sales personnel should follow-up on the lead and how it should be distributed. The idea is to handle the sales leads using the same considerations that would be used if the distribution were made manually. The formula is then used to match the sales leads with resellers or internal salespeople and sent out via e-mail or placed in a mail box on the Internet to be picked up by a specific reseller.

4 Tracking. A customized call report accompanies each lead. The call report is part of the e-mail message, and is quickly and easily filled out after a sales call. The completed call report is e-mailed back to the Leads Processing Center, where the information is included in the database.

5 Reporting. **e-leads** generates reports covering the whole process. Clients use these reports to determine which sales and marketing activities produce the greatest return, and where to concentrate their effort and financial support. Since all events use the same qualifying script, each event can be evaluated according to its ability to generate viable leads.

Products

e-leads has various products and services that provide a complete solution for the management of lead information. This includes shrink wrapped software for trade shows and promotional events, software and hardware for the capture process, reading electronically encoded badges and business cards, database and e-mail tools to build the data structure and control the delivery and feedback system, and finally, the reporting tools for the analysis of lead information. Each product is explained in detail in the body of this plan.

It is through the revenue produced by these lead management products and services that **e-leads** will become profitable in its second year of operation. By developing leading edge tools to manage leads into the future, **e-leads** will set the standard for all potential competitors.

Primary Markets

e.leads' markets are defined as sources of sales leads. We are pursuing three initial target markets: the enormous trade show industry, telemarketing and the Internet's World Wide Web. Trade shows, conventions, expositions, meetings and conferences constitute an eighty three billion (\$83,000,000,000)² dollar-a-year industry in North America alone. There are forty four-hundred (4400) trade shows per year in North America and five thousand (5000) in the International community. The U.S. trade show market had a total attendance of one hundred one million attendees (101,000,000) during the 1996 season and one million, two hundred fifty thousand (1,250,000) exhibitors (**e.leads'** prospective clients). The international trade show market, which is predominantly European, is even larger. By gathering and qualifying sales lead information right at the trade show booth, then processing and distributing that information electronically, **e.leads** positions itself as the industry leader by providing clients with a way to manage their leads and measure the return on their trade show investment dollars.

Telemarketing is the process of handling or creating and qualifying leads resulting from advertising or from an organized process of telephone prospecting. This is a growing activity in today's business environment.

The Internet's World Wide Web is emerging as the premier tool for mass marketing. The staggering growth of the Internet in the 90's only helps **e.leads** to justify the existence of a powerful and comprehensive leads management system for handling the tremendous influx of electronic visitors to a client's corporate Web site. The Internet is a natural market for **e.leads**, and will only enhance **e.leads'** offering as it continues its own rapid growth.

²Mr. Michael Hughes, Director Research, Tradeshow Week Research Services, Los Angeles, CA.

The Management Team

Jack Lynn, President and CEO was the founder of a multi-billion dollar technology venture and followed that up by being one of the founders of Icon International, later known as Sanyo/Icon. He has been involved in the computer industry for over thirty years as a systems and applications programmer, a salesman, a sales manager, a corporate executive and an entrepreneur. During his career, he has been responsible, at various times, for sales, marketing, product management, product development, international operations and overall corporate operations. He has worked for National Cash Register, Hughes Aircraft Company, General Electric, Calcomp, General Automation and he has done consulting and has directed sales organizations and business enterprises in both International and domestic markets. He has had the opportunity to use, evaluate, develop and compare many different types of leads management tools and systems. His interest in and experience with this subject is the reason for his involvement in **e-leads**, Inc. Jack has a Bachelor of Science degree in Business from Brigham Young University.

Edgar Echols, Executive Vice President and Chief Operating Officer, managed personnel and products at WordPerfect Corporation and Novell Inc., responsible at different times for aspects of PerfectOffice, InForms and WordPerfect. Prior to the development roles he was responsible for internal and external product training at WordPerfect. He founded Online Consulting, where he served as President before selling the company to a funded startup. Ed joined the Bison Group in 1994 and functioned as President and Chief Operating Officer where his responsibilities include daily operations, customer service, and product fulfillment. Ed did his undergraduate and graduate studies at Brigham Young University.

Scott Marquis, Senior Vice President and Chief Technical Officer, was a lead software developer at Novell before leaving to start The Bison Group where he functioned as the Bison Group Chairman and Chief Executive Officer. Having consulted at Los Alamos National Lab, Lawrence Livermore National Lab, PepsiCo, and other national and multinational corporations, Scott has hands-on experience with process re-engineering using workflow and network-enabled software on the Windows platform. Scott received his Bachelor's degree in Computer Science from Brigham Young University.

Other management team members are currently employed elsewhere, but are committed to join **e-leads**, and can be identified and curricula vitae provided in confidence as required.

Current Financial Situation

e-leads was originally incorporated in Utah as “Integrated Leads Management Systems, Inc”. For various reasons we have changed the name to “E-leads Incorporated”. We have secured **e-leads** as a domain name on the Internet and have trademarked the name in the United States and Europe.

e-leads has three major shareholders: Scott Marquis, Edgar Echols and Jack Lynn. The Articles of Incorporation authorize 200,000 shares of Class A Voting Stock, of which 100,000 shares have been issued to the following shareholders accordingly:

Scott Marquis	33,334
Edgar Echols	33,334
Jack Davis	33,334

In addition, the company has received loans totaling \$500,000 to carry on business operations, \$50,000 of which has been repaid. The majority of these loans have been provided by one individual, who has a loan agreement with **e-leads** containing an option to convert the loans to 11,500 shares of stock. Otherwise, the balance of the loans are to be paid back with interest over time.

Three other stockholders own 15,000 shares of stock, collectively, which have been allocated to them for services rendered.

e-leads is seeking one and a quarter million dollars (\$1,250,000) of investment capital. The funds will be used to hire the necessary personnel to mount an aggressive marketing and sales effort, purchase or lease necessary equipment and to finance the early operation of the business. According to the assumptions used in the financial statements, we show a need for a minimum of one million dollars (\$1,000,000) capital to meet the indicated revenue projections. However, the revenue projections in the plan are purposely, very conservative and we feel it would be prudent to have another two hundred fifty thousand dollars available to mount a more focused development and marketing plan and to cover any unplanned operational needs.

Revenue Potential

Based on our own independent market research and conservative financial projections, **e-leads** has the potential indicated in the financial statements to be a very successful operation. Because the financial statements are based on estimates, it is very likely the actual operating results will vary.

We believe **e-leads** has the following potential in the first five years of operation, as indicated in the chart below. The chart shows the first three years as indicated in the financial statements and the last two years as reasonable growth estimates. The financial statements are intended to provide our best estimate of results consistent with the assumptions indicated in the supporting data attached to the financial plan, e.g. the Hiring Plan, Revenue Worksheets and Expense Detail.

	1997	1998	1999	2000	2001
Total Sales	\$712,484	\$17,764,609	\$49,650,603	\$69,510,844	\$93,839,639
Total Direct Costs	\$198,454	\$5,504,574	\$14,508,184	\$20,311,457	\$27,420,466
Margin	\$514,030	\$12,260,034	\$35,142,419	\$49,199,386	\$66,419,171
Operating Expenses	\$922,149	\$6,600,155	\$11,658,797	\$16,322,315	\$22,035,125
Pre Tax Income	\$(408,120)	\$5,659,879	\$23,483,622	\$32,877,070	\$44,384,044

Benefits to Potential Investors

Primary benefits to investors include:

- A new business concept in a growth industry with healthy long-term prospects
- An equity position in the company
- Doing an IPO within the earliest possible time frame to provide opportunity for our investors to capitalize on their investment and liquidate their equity position.

The E-leads Business Plan

Introduction

e-leads incorporated provides the most comprehensive set of leads management tools in the world. Leads are sets of information collected about prospective clients. Leads management, as defined by **e-leads**, includes the collection, qualification, matching with reseller or sales personnel, distribution, and follow-up of leads. **e-leads** is a software services company that has developed some very attractive software to collect and manage sales leads from a variety of sources. **e-leads**

uses its software to provide contract services to companies that capture leads at trade shows, seminars, via telemarketing and from their web pages on the Internet. Licenses to use shrink wrapped versions of **e-leads'** leads management software are sold to companies that want a “do it yourself approach” to servicing their needs for leads capture and management. This aspect of the software Industry is a new and exciting business opportunity that offers enormous potential for revenue and market share.

The first sales thrust of **e-leads** is to penetrate the enormous trade show market, an eighty three billion (\$83,000,000,000)³ dollar-a-year industry in North America alone. There are 4400 trade shows per year in North America and 5000 more in the International community. European trade fairs constitute the majority of the 5000 International shows, expositions and conventions. Through gathering and qualifying sales lead information right at the trade show booth, then processing and distributing that information electronically, **e-leads** positions itself as the industry leader by providing clients with a way to manage their leads and measure the return on their trade show investment dollars.

The high-tech computer industry, alone, brings together over 8000 trade show exhibitors including more than 100,000 resellers, systems integrators and distributors displaying their products. Millions of prospective buyers and consumers attend trade shows annually and create the most powerful product distribution and service channel in the world. An example of this is CeBIT, the world’s largest computer trade show, located in Hannover, Germany, with over 7000 exhibitors and 850,000 attendees. Another example is COMDEX, the largest trade show in the US which has 2500 exhibitors and draws 200,000 attendees. Softbank Expos a part of the company group that produces Comdex has included **e-leads** as an authorized leads management supplier for all of its shows.

No registration of attendees takes place at many of the largest shows in Europe, making it even more critical that companies have other means of leads capture and management at those shows. With a surprising variety of new technological tools for the capture and management of leads, **e-leads** has established excellent relationships with large multinational corporations in the European community

³Tradeshaw Week

The Business Opportunity

Proper management of sales lead information is critically important to sustain growth in a company. The absence of an effective leads management system will cause companies to lose millions of dollars of sales revenue, while organizations who determine how to maximize the management of sales leads prosper.

e-leads is now doing leads management for three divisions of NEC as well as large prestigious companies such as Informix, McAfee, Siemens Nixdorf, U. S. Robotics and Xerox. **e-leads** has been contacted by Cabletron, Intel, Iomega, Sony and Sonoco about working for them. Other major corporations are in discussions with **e-leads** for equipment and services at future shows. The business opportunity and **e-leads** products have been validated by the response received to sales presentations and hands on use by current customers.

A comprehensive leads management system can fill an immediate void which exists among the most elite and well known companies in the world. **e-leads** and this system, which captures, qualifies, distributes, tracks and reports on lead information can produce gross revenue of almost \$50,000,000 dollars in its third year. The timing for the introduction of these products has never been better. Even two years ago, it would not have been technically possible to execute this business plan.

As is true with most technology-driven processes, the premise for the business plan entails the combination of historically sound principles with modern computer hardware and software. Sales techniques have been developed and refined over the past several decades, but only recently has technology allowed us to combine those refined techniques with the speed, storage, searching, and distribution capabilities made available by the personal computer. This synergy between these refined sales techniques and new computer technologies has created the business opportunity our software was developed to address. Previously, leads capture and management was basically paper based on leads capture sheets or on the back of business cards. The paper based systems have never been successful because they relied on the weakness of human follow-up. A computer does not forget, doesn't lose or misplace leads, doesn't take vacation, get sick, or any of the things humans do when they are over worked, out of time, too busy, too tired, etc. A computer works 24 hours a day, works on a time standard that takes actions timed in milliseconds instead of minutes or

hours and is always working at the same speed and with the same consistent accuracy. This is the opportunity and **eleads** is the solution to the problems experienced in the old ways of capturing and handling of sales prospects.

In the March 1996 issue of "Tradeshow 200", William Sell, Show Director, SOFTBANK COMDEX, the largest trade show in the United States said, while discussing show registration of attendees: "It's time to make registration simpler and then set up other programs, such as training exhibitors to qualify prospects and follow up on leads, and to offer services to help exhibitors classify prospects. Lead management programs are a lot more effective than cramming 15 more data points on the badge". Mr. Sell is on target and exhibitors are looking for products and services to assist them as he suggests. The **eleads** system is a means of not only classifying prospects but of total electronic leads management.

Funding

eleads is seeking one million two hundred fifty thousand dollars in venture capital to pursue the opportunities indicated above. The invested capital will be used to lease or purchase equipment necessary to actively pursue this market and to finance the early operation of the business. **eleads** is negotiating with domestic and international clients who want their sales leads captured, processed, and distributed. With trade show sales leads being only part of the equation, we feel that we are off to a very successful start. The concept, technology, and personnel are in place to move ahead quickly. The successful execution of this plan requires the capital funding indicated above. Major expenditures include the lease or purchase of equipment, enhancing and refining current software, developing new software, advertising, sales promotion, travel and expenses for a small sales force, and salaries.

We are currently using rented equipment to supplement our inventory of owned equipment used to provide our services. We will continue to use rental equipment where possible. Rental equipment is not always available in the quantities and with controls on the quality and configurations necessitated by our software applications. We have therefore decided to purchase equipment when necessary. It is very important to our business that we control the quality of the equipment we provide to our clients. If the equipment has problems, our reputation suffers and we lose credibility with everyone who encounters a problem. Using rental equipment causes problems

because rental companies buy from different sources as needed and do not require the same brand or at least the same hardware and software configurations at time of purchase. When we rent computer systems, the rental companies cannot always guarantee that the configuration of all the systems will be the same, thereby causing us potential problems and delays in the time we have to set-up prior to a trade show and in providing reliable equipment for the duration of the show. We are also constrained by the size and condition of the rental company's inventory. If they have already rented the equipment to someone else then we have a problem in supplying our clients. The best solution is for us to own or control the equipment by way of a purchase and not have the problems indicated.

In the conservative assumptions made in the financial statements we show a need for \$1,000,000 capital to meet the indicated revenue projections. We will use the balance of the funding to finance additional equipment as necessary and more aggressively expand operations.

Our projections show that **eleads** will be profitable in its second year of operation and will continue to grow and be profitable each year thereafter. The structure of the investment plan is open to discussion.

Management

Executive Profiles

Jack Lynn, President and CEO was the founder of a multi-billion dollar technology venture and followed that up by being one of the founders of Icon International, later known as Sanyo/Icon. He has been involved in the computer industry for over thirty years as a systems and applications programmer, a salesman, a sales manager, a corporate executive and an entrepreneur. During his career, he has been responsible, at various times, for sales, marketing, product management, product development, international operations and overall corporate operations. He has worked for National Cash Register, Hughes Aircraft Company, General Electric, Calcomp, General Automation and he has done consulting and has directed sales organizations and business enterprises in both International and domestic markets. He has had the opportunity to use, evaluate, develop and compare many different types of leads management tools and systems. His interest in and experience with this subject is the reason for his involvement in **eleads**, Inc. Jack has a Bachelor of Science degree in Business from Brigham Young University.

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Division of Equity

Current shareholders of E-Leads, Inc. include Scott Marquis (29%), Edgar Echols (29%) and Jack Lynn (29%). Three other stockholders, John Green (4.3%), Ron Oaks (4.3%), and John Games (4.3%) each own 5,000 shares of Common stock, which have been allocated to them for services rendered.

In addition, the company has received loans totaling five hundred thousand dollars (\$500,000) to carry on business operations, fifty thousand (\$50,000) of which has been repaid. The majority of these loans have been provided by one individual, who has a loan agreement with **e-leads** containing an option that, if exercised, would allow the conversion of the loans to 11,500 shares of Common stock, with all rights pertaining thereto. Otherwise, the balance of the loans are to be paid back with interest over time.

Green, Oaks and Games will join **e-leads** in management roles as revenue and profits permit, Mr. Green as VP of Engineering and Technical Support, Mr. Oaks as Corporate Counsel and VP of Administration and Mr. Games as CFO and VP of Finance. The Articles of Incorporation authorizes 200,000 shares of class A voting stock.

Finance and Accounting

A complete set of financial statements are a part of this business plan, they include Income Statements, Balance Sheets, Cash Flow Statements, Revenue Worksheets, Expense Details and Hiring Plans for 1997, 1998 and 1999. In the Executive Summary we have included a table that estimates results on a pro-forma basis in the form of Total Sales, Total Direct Costs, Margin, Operating Expenses and Pre Tax Income for the additional years of 2000 and 2001 providing a total of five years of pro-forma financial data. The assumptions are all included in the information provided and represent conservative estimates of revenue and expenses for all these periods.

The Accounting for the company will be done daily, with clerks trained by Mr. John Gorsich, who will be finalizing the books on a monthly basis until he joins us full time.

We will be happy to discuss any aspect of the financial data contained in the attached reports.

Target Markets

We are targeting some very attractive markets for our products and services. They are :

1. Trade shows and other commercial events
2. The Internet
3. Inbound and Outbound Telemarketing.

Our initial primary market is the trade show and events industry. There are thousands of trade shows each year (4400 in the U.S. & 5000 outside the U.S.) covering all industries and business interests. Business executives go to trade shows to become informed about new products and services in their industry. Trade show attendees are the most highly concentrated group of buyers assembled at any one time and place. Thousands of companies, large and small, go to trade shows to exhibit their products, find buyers and influence purchasing. Within this market **e-leads** offers services to exhibitors at shows using **e-leads**' *SHOWPLUS* capture software and *MANAGEMENT SERVICES* leads management software. Shrink wrapped software from **e-leads** to capture leads using **e-leads**' *SHOW* and manage leads collected at trade shows using **e-leads**' *LEADS MANAGER* is also available for clients that want a lower cost solution or just want to do it themselves.

The Internet's World Wide Web is emerging as the premier tool for mass marketing. The staggering growth of the Internet in the 90's only helps **e-leads** to justify the existence of a powerful and comprehensive leads management system for handling the tremendous influx of electronic visitors to a client's corporate Web site. The Internet is a natural partner for **e-leads**, and will only enhance **e-leads'** offering as it continues its own rapid growth. **e-leads** offers solutions to capturing and managing leads collected on the Internet via contracted services using proprietary **e-leads'** software called *NETLEADS+PLUS* or by way of **e-leads'** shrink wrapped subset of *NETLEADS+PLUS* called *NETLEADS*.

In order to provide consistency among the leads created by **e-leads'** software, regardless of the source of the leads, they must be qualified by the same process and criteria. Leads are typically generated by trade shows, special promotional events, the Internet, advertising, telemarketing and by prospecting efforts on the part of the individual sales personnel. Capturing and handling leads at trade shows, events and via the Internet has been covered above, however, leads resulting from printed media advertising, sometimes called "bingo leads" are rarely classified as qualified leads until they go through a process of contact and qualification by either a sales person or by a telemarketer. Ideally, salespeople would prefer that some- one other than themselves qualify bingo leads. Generally, that leaves it to some form of telemarketing. Telemarketing also involves the creating and qualifying of leads resulting from an organized process of unsolicited telephone prospecting, by the same people who would also follow-up and qualify a bingo lead or handle incoming calls responding to ads which list a telephone number for product information. The process of qualifying a lead via telemarketing should be the same as in the other primary sources of leads so as to create a common, unified and consistent process resulting in leads that are all of equal value and importance to the sales personnel who receive them. The approach to this market is with an **e-leads** shrink wrapped software package called *TELEMARK*.

The Products

e-leads has identified seven products in various stages of development: *SHOWPLUS*, *SHOW*, *TELEMARK*, *NETLEADS+PLUS*, *NETLEADS*, *MANAGEMENT SERVICES* and *LEADS MANAGER*. Most of the products are basically the same software, modified to meet the needs of each of the targeted markets.

SHOWPLUS is the top of the line for **e-leads'** products and is a current service offering. It is a custom product with considerable flexibility in the exhibitor's choice of screens and questions. Development of all custom screens, consultation on questions, design, rating of questions for

qualification, custom reports, special graphics on screens, etc. are billable services. This system feeds into Management Services; a back end application to manage the captured leads according to client's needs and is available as a total leads management system when the two products are thus combined. ShowPlus service fees are \$1495 per capture station per show. A client may supply his own equipment if he desires to do so and the equipment meets all **e-leads**' standards. The cost is the same as though we had supplied the equipment. We do offer discounts for clients who contract for multiple shows during a year. The consultation and custom modification of the basic software is charged at a rate of \$200 per hour or \$1500 per day. In the financial statements we use an average charge of \$2250, which is lower than we have experienced. If the client elects to use the back end services of matching the leads with resellers, sending the leads, following up on the leads, receiving the call report from the reseller and preparing a report of leads management activities, there will be additional charges on a per transaction basis, which will average between three (\$3) to five (\$5) dollars per lead. In the financial statements we use the three dollar (\$3) number to be conservative. Business plan assumptions relating to the number of clients using the back-end leads processing services, range from 2% in the first year to 30% in the third year.

SHOW is a shrink wrapped software product, available in July 1997 that is licensed for use on one specific personal computer running Windows 3.1 or Windows 95. Various kinds of scanners and badge readers, to capture information about prospects from their badges or business cards, may be purchased from **e-leads** for use with **SHOW**. Information can also be entered in the system from the keyboard. Once the basic information identifying the prospect is captured by the system, he is asked to answer up to ten questions by clicking on the answers with a mouse. These questions can be created or customized in the program by the purchaser of **e-leads SHOW**. The name of the user's company and/or his logo can be entered into the first screen and color choices for screen backgrounds, text and button bars are selectable. The system is very easy to use and installs in a few minutes.

The purchase of a license to use this software continuously under the terms of the license agreement is \$695. A business card scanner or a mag stripe scanner can be purchased with the software for an additional price of \$300. The software is also leased or rented at trade shows for \$350 for use during the show only. If this software is leased or rented with a capture station, the cost is \$750. This facilitates a lower cost for clients with small booths who do not have the ability to pay the higher cost of a custom service like **SHOWPLUS**.

Note: Both products may use optional capture devices, e.g., mag stripe scanners, bar code scanners, etc.

TELEMARK is a shrink wrapped software product, planned for release in November 1997, that provides a complete telemarketing system for the user. Every company can now have their own telemarketing group using a customized system. **e-leads TELEMARK** guides the user through the development of the necessary scripts and questions required in the telemarketing process. It uses electronic lists to allow the telemarketing user to identify and record the name and address of the prospect in his telemarketing database and automatically dial his number. The software provides customizable screens to display a script for the telemarketer to use in describing the product being marketed. Other custom screens qualify the prospect, gather market research information, take credit card information and allow online purchases of products or services, generate documents to cause the purchased products to be shipped, leads to be distributed or product information to be sent to the prospect. All this is done automatically as a result of the information captured in the telemarketing interview and within minutes of the call being concluded. The License to use this software is priced at \$695 for continuous use under the terms of the license agreement.

NETLEADS+PLUS for Internet is a service product provided by **e-leads** to be released in February 1998. **NETLEADS+PLUS** generates sales and service leads by linking existing corporate web sites to **e-leads'** web site for customer qualification and management. Clients who browse web sites for specific product information, reseller contact or direct product sales are qualified with the same script used to qualify potential leads at trade shows. Once the lead is qualified, action is taken to:

- Send product information to the prospect, either printed or electronic format
- Redirect the lead information to a reseller or internal sales person for fast follow-up
- Where feasible, transact a sale directly on the Internet for the purchase of a product or service

NETLEADS+PLUS is a leads management service product offered by **e-leads** on a fee per transaction basis, The charge is relative to the services provided in the leads management process on the Internet. In the financial statements we have calculated charges based on the percentage of hits on the client's web page that constitute qualified leads. We indicate a charge of three dollars (\$3) to handle the leads the same way we handle leads in the leads management system for trade shows, etc. For example if a client gets 100,000 hits a month on his web page , we estimate that some percentage of those hits are real prospects. We determine which of the hits are, in fact, prospects who want to do business with the client. We then qualify the prospect by asking the same kind of

questions we ask on a trade show booth, to determine what products and services are of interest and when a purchase will likely be made, etc. In other words, we determine which of the leads are "HOT" leads. We then match the leads with salespeople and send them the leads for follow up. We get them to fill out the e-mail enabled call report, after they have called on the prospect, and send it to us so we can prepare a report for our client. In the financial statements we have estimated that between five and ten percent of the hits will be hot leads and we charge the same \$3 that we have indicated for leads management services at trade shows. Please note that the Internet business will be a very productive part of **e-leads'** business plan, while still using conservative estimates.

NETLEADS is a shrink wrapped subset of **NETLEADS+PLUS** and is due for release in June 1998. It is a licensed product for use by a user on a single computer. This product is intended to be used by a client who has a web page and wants to automatically capture lead information from those persons who hit his web page seeking information about the client (company) or it's products. The product creates it's own database and may be customized in many ways. It works like *SHOW* but has the ability to be integrated with the client's own Internet presence in a seamless manner to capture information about visitors to his web page. Custom questions are asked and answered to qualify visitors and determine if they are prospects for the purchase of the client's products or services. The software allows visitors to make on-line purchases via C.O.D., credit cards (client must have a Merchant Account set up to handle whichever cards he will accept) or pre-authorized credit terms. Lists of the client's sales staff and resellers may be added to the database enabling the process of matching the prospect with the most appropriate salesperson or reseller to contact him. The software will automatically send out leads to salespeople and require them to complete and reply with call report information on the sales contact. A wide variety of custom features are included in the software such as the ability to use logos, graphics and other features to customize the look and feel of the software in the clients Internet environment. Questions may be custom tailored by the client to fit his needs. A library of stock question formats which may generally comply with the needs of many users is resident in the software and may be selected individually for use. The system can provide fulfillment lists for mailings and sending items requested or purchased. **e-leads** can handle all fulfillment requirements for the user of **NETLEADS** or he can provide the fulfillment lists to any fulfillment company of choice. Text features, fonts, size, color, shading, background features, etc. are all part of the customizing tools at the disposition of the user. This is a very sophisticated product that performs a broad spectrum of leads management functions. A licence to use the product on one computer is sold for \$2495.

MANAGEMENT SERVICES, consists of a variety of custom service products including:

Lead Evaluation and Management

Once qualified, in any of **e-leads'** products, the customer's name and information are stored in a database for further processing. One of several actions can be taken:

- 1) If product is sold on-line, the customer information may be routed electronically for fulfillment processing.
- 2) If the lead is sufficiently "hot" (this is determined by the client company at the marketing activity) the prospect information is routed electronically to a reseller or internal sales person for follow-up sales activities. These activities can be tracked by the company itself, at any time, for sales performance evaluations.
- 3) If the lead does not warrant direct contact by a sales associate, printed or electronic marketing material may be sent to the prospect instead. These leads may become "hot" leads over time.

Tracking Sales Progress

For prospects who qualify as "hot" leads, lead information is sent electronically to internal salespeople or resellers. This information is given to them with the intent that they will follow-up quickly in order to close a sale. **e-leads** sends this information to salespeople in one of three ways:

- 1) An e-mail message is sent to the sales person with all the prospect information. After a contact with the prospect, information about the results of the contact is sent via an e-mail enabled call report to the database updating the sales effort. The call report is designed to be answered easily, by just clicking on a selection from a list of possible answers after each question, to indicate the result of the sales call and then clicking on the send button to reply.
- 2) An e-mail message is sent to the sales person, notifying them that a new lead has been entered into their sales account. The sales person points their web browser to the **e-leads** Sales Activity web site, where they enter their mail box and find out who the prospect is and later go through the same call report process to provide on-line updates on the status of their sales effort.

3) If the salesperson is not computer literate or has no computer, a fax is sent with the lead information. The sales person makes the sales call and responds by fax, with a call report form.

All updates on the sales effort by the sales person are returned to **e-leads** electronically. The concept of reporting on the progress of the sales effort allows **e-leads** to provide up-to-date information to corporate managers on the status of their collective sales efforts. It also allows managers to generate ad hoc reports.

The process of charging for these services has already been explained in the description of the ShowPlus software product which interfaces with and feeds required information to Management Services for processing..

LEADS MANAGER is a shrink wrapped subset of Management Services intended to be used in conjunction with SHOW and TELEMARk to manage the leads captured or created with those products. The same basic features found in MANAGEMENT SERVICES are found in LEADS MANAGER but with less flexibility and scope of expansion. Instead of paying a service fee for the individual transactions required to manage leads, a user of this software will be able to let his computer manage the leads for him and create his own report formats to document the various activities monitored and managed by the software.

When leads are collected and qualified by *SHOW* and *TELEMARk*, that information becomes input data for *LEADS MANAGER*. Leads qualified as "hot" leads, are immediately matched with and sent electronically via e-mail to the internal salespeople or resellers the user has listed in the database. This information is given to them with the intent that they will follow-up quickly in order to close a sale. After a contact with the prospect, information about the results of the contact is sent via an e-mail enabled call report to the database updating the sales effort. The call report is designed to be answered easily, by just clicking on a selection from a list of possible answers following each question, to indicate the result of the sales call and then clicking on the send button to reply.

If the salesperson is not computer literate or has no computer, an electronic fax is sent with the lead information. The sales person makes the sales call and responds by fax, using a call report form attached to the electronic fax. All updates on the sales efforts of the salespeople are returned

to the database electronically. The concept of reporting on the progress of the sales effort allows *LEADS MANAGER* to provide up-to-date information to corporate managers on the status of their collective sales efforts. It also allows managers to generate ad hoc reports and to use the information to evaluate the performance of the sales team and the success of the events producing the leads.

LEADS MANAGER can provide fulfillment lists for mailings and sending items requested or purchased. **e.leads** can handle all fulfillment requirements for the user as a service provider or *LEADS MANAGER* allows the user to provide fulfillment lists, electronically or printed, to any fulfillment company of choice. Reports may be generated on request or periodically as set-up in the software by the user to indicate the number of leads collected by a source activity, how many leads were qualified as “hot” leads, how many leads were distributed and to whom, how many prospects were contacted, how many sales were made, etc. The user will also have the ability to query the database to determine the status of activity on a particular lead, all leads, by salesperson or reseller, by territory or some other criteria at any given time and not have to wait for a report indicating what is happening with the leads. This is a great tool for the sales and marketing management of any company.

Product Positioning

Studies show that, on average, **26%**⁴ of the people who inquire about a particular kind of product or service **will buy from somebody within six months**. It is also true, according to research, that salespeople, in general, follow up with only **10%**⁵ of the sales leads generated at trade shows and other promotional events. It follows then, that of 100 trade show inquiries, 26 will become buyers during the next six months. If only 10% of those inquiries are qualified, followed up and contacted, 2.6 of the prospects will buy from the exhibitor. **The other 23 prospects will buy from someone else**, because they did not get qualified as hot leads and sent to someone who would follow up and contact them. **Leads management is important!** This absence of good qualified leads results in the most significant complaint from resellers: that the leads they receive are either **incomplete** or simply **not qualified**. Rather than spending the time to pursue hundreds of leads in hopes of finding one that is promising, resellers learn to ignore leads entirely. Traditional sales lead distribution

⁴Wilson and Associates Research

⁵ CARR (Cahners Advertising Research Reports)

methods under a two-tiered system have been primarily paper-based, with minimal feedback on the sales call result. Without leads management, call reports and good feedback, companies lack the tools to measure the efficiency of sales and marketing promotions at trade shows or the ROI on their trade show expenditures.

e-leads has positioned itself to both replace and enhance existing leads systems while building accountability, qualification, matching, distribution, tracking and follow up into the process. The electronic lead is qualified at the point of entry, not at the time it arrives at the reseller's desk. Moreover, the electronic lead is built to automatically feed information back to the point of origin, reporting on the contact and the outcome of the reseller's pursuit of the lead.

The difference between traditional leads systems and **e-leads** is that **e-leads** manages the lead and provides a closed loop system. The lead is captured, qualified, matched, distributed, tracked, followed-up and reported on to complete the cycle. Leads are gathered from several capture sources in a uniform and consistent format. Resellers who receive leads from an **e-leads** product know they can depend on the consistent quality and accuracy of the lead because regardless of the source of the lead, it has gone through the identical process of qualification, matching, distribution, tracking and follow-up as all other leads produced by **e-leads** products.

Marketing and Sales Plan

Marketing **e-leads'** products and services will entail the use of various tools such as multi-media presentations on compact disk, demo diskettes with presentations from previous trade shows, demos of shrink wrapped software on diskette, direct mail, media ads, and occasional trade show booth rentals at shows. Mailings will be sent to trade show exhibitors several months prior to their participation in a show and will be followed up with telephone calls to schedule a meeting for a sales presentation. **e-leads** also plans to create a video tape showing what we do to capture leads at trade show and how we manage leads in general. This will be used where we do not have a local sales person and we need to make a sales presentation in absentia. The video tape will be created in various languages as required. We will use attractive and informative ads in industry publications. **e-leads** will be featured in articles in leading magazines, periodicals and news media as a part of our public relations program to visit leading editors of the most important media publications.

The sales process for **e-leads'** products varies on a product by product basis. The shrink wrapped software products will be sold by teams of commissioned salespeople using the following sales channels and techniques:

1) Via telemarketing

Contacting companies from various lists, asking if they exhibit at trade shows, who handles their show planning, then introducing **e-leads'** software as new tools available to help them capture, qualify and manage sales leads. Orders can be taken on the phone with a 30 day money back guarantee or leads can be distributed to our sales teams.

2) At trade shows to exhibitors

We will have a small booth at most trade shows where we will demonstrate **e-leads'** SHOW software. Our sales teams will be active on the show floor during set up and throughout the show to introduce exhibitors to our product and invite them to **e-leads'** booth for a demonstration etc.

3 By direct sales.

Demonstrations will be made to companies and presentations given on the benefits of using the **e-leads'** products. Shrink wrapped software will be sold by commissioned sales teams called Temp Reps. Temp Reps are part time, computer literate people, well groomed, articulate, who own a notebook computer they can use to demo our software. We train them to make the demo presentations and talk about our software. In general these Temp Reps are college students, house wives, retirees, etc. who need a flexible work schedule to accommodate their other commitments. They are a well educated, intelligent, self motivated individuals who will represent **e-leads'** in a very professional manner. Working as an **e-leads'** Temp Rep will provide the flexibility they need and will compensate them better than a part time job where they are paid hourly for what they do. We only pay them if they sell something. There will always be some turnover in personnel but that should not create a major problem. It is also probable that some of them will eventually decide to work full time, as they are successful and see the rewards for working more hours. Hiring them as independent contractors, we will not have the costs of providing benefits and withholding taxes, etc. Our costs are to recruit , train and supply them with demo software. This is a program that has worked well in other sales organizations.

The financial information included with this business plan assumes that these Temp Reps will sell, on average at least one software package per week and not more than five per week. Shrink wrapped software will also be sold via telemarketing. Corporate salespeople will also sell shrink wrapped software to their accounts.

4) Through a network of advertising agencies, display companies and fulfillment companies who assist their clients with trade show services.

These organizations have established rapport with exhibitors and are relied on to help prepare for trade shows by building their booths, creating their exhibits, signs, graphics, brochures, product spec sheets, promotional items for giveaways etc. These are people exhibiting companies depend on to be knowledgeable about trade shows. **e-leads** corporate sales personnel will be responsible for contacting and recruiting these agencies and display companies to become commissioned sales organizations. They will recommend that their client contract with us to provide the needed products and services at the trade show. Advertising agencies, fulfillment houses and display companies receive a flat rate commission on each sale they bring in. Harte Hanks, the largest fulfillment company in the United States, is working with **e-leads** in this program as are other companies.

It is significant that we do not intend to use typical software distribution and reseller sales channels. The reasons are many: we already know who the prospects for this software are, we know how to contact them, the cost of selling through distribution is extremely high, the inventory requirement is much larger, it is harder to train an effective reseller sales force because they are not committed to just our product, etc. We feel a direct sales approach is the best method for **e-leads**.

Customized products and services will only be sold through **e-leads**' corporate sales personnel. These are full time salaried sales reps who receive commission as well. These highly trained salespeople will have the ability to create a sales approach designed to structure a leads management system for a client. The corporate sales staff will contact prospects from:

- 2) Exhibitor lists at trade shows
- 3) From those who inquire about **e-leads** products and services by visiting **e-leads**' web page on the Internet
- 4) Selecting companies off the Internet, who have web pages
- 5) The same network of advertising agencies, display companies and fulfillment companies mentioned above
- 6) Media advertising
- 7) Telemarketing
- 8) Seminars on leads management, etc.

A Vice President of Sales will direct all sales and marketing activities. Sales Administration staff at corporate headquarters will handle all marketing and sales support services required by domestic regional sales personnel. Regional Sales Managers will be responsible for all products and services

sold in each of four regions in the US located in the East, Southeast, Midwest and West. Regional Sales Managers will have a minimum of one (1) corporate salesperson and ten (10) commissioned sales reps (Temp Reps). **e-leads** will develop, over time, sales teams in the exhibit centers of the world, e.g., Las Vegas, Chicago, Atlanta, New York, Dallas, New Orleans, Miami, San Antonio, Houston, Anaheim, Los Angeles, San Francisco, Hannover, Munich, Frankfurt, Dusseldorf, Paris, Milan, Geneva, London, Birmingham, Tokyo, Seoul, Beijing, etc. Country Managers in the International markets will be responsible for sales in their countries as offices are opened. In each region or international office the Manager will have a minimum of one (1) corporate salesperson and 10 or more commissioned sales reps. A marketing manager will be hired to promote and provide advertising, public relations, brochures and other sales tools. He will also be responsible for **e-leads** booths at trade shows. A sales administrator will report to and assist the V.P. of Sales and Marketing. It is expected that all of these various sales teams will expand as required.

Business Goals

Sales leads have traditionally been captured in three ways: print media, telephone, and trade shows; the newest frontier is the Internet. It is already a significant factor in the sales operations of most computer literate companies; however the Internet will, by most knowledgeable estimates, become the single most important influence in the development of the "Information Highway" and the sale of products from virtually all industries. It should, therefore, become the largest potential market for **e-leads**' products in the future. Data-gathering applications allow us to capture information and store it in databases. Networks, e-mail, and the Internet facilitate group and long distance communication. Through the use of **e-leads** products and services, companies can automate much of their traditional labor-intensive marketing communications efforts. The same basic **e-leads** products work at trade shows, on the Internet, with telemarketing, direct mail, conferences, seminars or any other promotional activity designed to create sales leads.

Until now, no one had yet combined traditional lead generation methods and modern technologies as a total packaged leads management solution for the businesses of the world. Companies typically deal with multiple vendors or partial solutions rather than spending the effort required to assemble a comprehensive leads processing program. **e-leads** now provides a flexible, cost effective alternative for these companies and they are very receptive to it. They generally ask how much it costs and when we respond, they comment that our price is less than or equal to what they pay now and the benefits of our system are much greater.

Timetable

The window of opportunity, while definitely visible and definable, will not stay open forever as competition develops and becomes more aggressive. As **e-leads** responds to this opportunity, all parties involved will prosper. **e-leads**' shrink wrapped software packages will be ready to sell

starting in the third quarter of this year. We have completed the packaging design for the *SHOW* software which is currently in beta test. The shrink wrapped version of our telemarketing software, *TELEMARK* will follow a similar progression later in the year.

The European trade show market is a major factor in our planning. Because of little known and unrecognized opportunities, most U.S. based companies do not understand the advantages of doing business in Europe. Many U.S. companies are not familiar with Europe and they think it would be difficult to enter the market. **e-leads** management has over thirty years' experience in Europe, and understands the market, potential at the trade shows and need for assistance in computer and channel marketing. The following are some of the differences between European and U.S. trade shows:

- 1) The world's largest trade shows are held in Europe, e.g. CeBIT, The Hannover Fair, SMAU, Systems in Munich, etc.
- 2) Exhibitors in Europe conduct a lot of business at shows and spend lots of money to prepare for the trade shows e.g. one major computer supplier spends in excess of twenty million dollars, each year, for a week at CeBIT.
- 3) There is not much competition in Europe for leads management. When we talk to clients, they say they do their own leads capture and management. After watching our presentation they are amazed at what we do and admit they have never seen anything like it.

The experience of successful shows for major clients at shows in New York, Las Vegas, Atlanta, Los Angeles and other top exhibit cities has validated the quality and value of our products and prepared **e-leads** to aggressively market its products and services.

Conclusion

We believe that **e-leads** provides the most efficient and comprehensive solution for servicing the lucrative, yet untapped market of leads capture and management. The need addressed by **e-leads** was created, in part, by the introduction of new and emerging technologies into an otherwise mature market. More than fifteen years of study and experience in developing concepts, programs and technology for the capture and management of leads in all types and sizes of companies is represented in the **e-leads** products. The magnitude of the profit potential and the size of the market make this an unusual opportunity for investment and reward

Exhibit 2: Business Plan Development

Based on the size of your society, fill in the components that most readily apply. Remember that being small does not prohibit the board or management team from addressing all of the areas, we have just based our divisions on what we have seen in the field.

Small Genealogy Society Model

1) The E-leads Business Plan

- a) Introduction
- b) The Society's Purpose
- c) Funding
- d) Members
- e) Finance and Accounting
- f) Target Markets
- g) Goals

2) Conclusion

Medium Genealogy Society Model

- 1) Executive summary

- a) Mission Statement

- 2) The E-leads Business Plan

- a) Introduction

- i) Mission Statement

- ii) Purpose

- b) The Society's Opportunity

- c) Funding

- d) Members

- e) Management

- i) Job Descriptions

f) Ownership

g) Budget

h) Target Markets

i) The Products

j) Marketing and Sales Plan

k) Business Goals

l) Timetable

3) Conclusion

Large Genealogy Society Model

1) Executive summary

a) Mission Statement

b) Purpose

c) Management

d) Target Markets

e) Timeline

2) The E-leads Business Plan

a) Introduction

- i) Mission Statement

- ii) Purpose

- b) The Society's Opportunity

- c) Funding

- d) Management
 - i) Job Descriptions

 - ii) Committees

- e) Ownership

- f) Bylaws

g) Finance and Accounting

h) Target Markets

i) The Products

j) Product Positioning

k) Marketing Plan

l) Sales Plan

m) Business Goals

n) Partnership

o) Timetable

3) Conclusion

4) Financial Statements

a) Budgets

b) Balance Sheets

c) Cash Flow Statements

d) Revenue Worksheets

e) Expense Detail

Exhibit 3: Budgets

Small Society *Budget Profit And Loss Summary*

Date
Dollars

	<u>Actual</u>	<u>Budgeted</u>
Revenue		
Membership		
Fundraiser		
Donations		
Total Revenue	<hr/>	<hr/>
Expenses		
Rent		
Storage		
Sales		
Supplies		
Misc		
Total Expenses	<hr/>	<hr/>

Medium Society

Budget

Date

Dollars

	<u>Actual</u>	<u>Budgeted</u>
Revenue		
Membership		
Fundraiser		
1		
2		
3		
4		
Donations		
Products		
Total Revenue		
Expenses		
Salaries		
Benefits		
Contractors		
Rent		
Rental Insurance		
Storage		
Product		
Sales		
Cloud		
Travel		
Supplies		
Misc		
Total Expenses	<hr/>	<hr/>

Large Society

Budget

Date

Dollars

	<u>Actual</u>	<u>Budgeted</u>
Revenue		
Membership		
Fundraiser		
1		
2		
3		
4		
Donations		
Products		
Services		
Investments		
Interest		
Wills and Trusts		
Total Revenue		
Expenses		
Salaries		
Benefits		
Contractors		
Mortgage		
Property Insurance		
Utilities		
Product		
Marketing		
Sales		
Cloud		
Travel		
Supplies		
Misc		
Total Expenses	<hr/>	<hr/>



Exhibit 4: FGS Leadership Structure

(<https://fgs.org/about/bylaws/>)

ARTICLE V. – Officers, Directors, and Appointed Officials

Section 5.01 – Elected Officers:

- A. The officers of FGS shall be President, Vice President of Administration, Vice President of Development, Vice President of Membership Services, Secretary, and Treasurer.
- B. Officers shall be elected for a two-year term. Their terms of office shall begin on 1 January of the year following their election. The President, Vice President of Administration, and Secretary shall be elected in even-numbered years. The Vice President of Development, Vice President of Membership Services, and Treasurer shall be elected in odd-numbered years. Officers may not serve for more than two consecutive terms in the same office, and no person may serve more than twelve consecutive years as a Board member, including those filling an appointed position. Any officer who has served at least one-half a term shall be deemed to have served a term. The twelve-year limitation shall not apply to the Immediate Past President position.

Section 5.02 – Directors:

- A. There shall be twelve elected directors and may be up to two appointed directors. Directors may serve a maximum of twelve years.
- B. Directors shall be elected on a staggered basis, four per year, for three-year terms. Directors may not serve more than three consecutive terms as a director, and no person may serve more than twelve consecutive years as a board member. Any director who has served at least one-half a term shall be deemed to have served a term.
- C. Directors may be appointed by the President with the approval of the Board and shall serve from date of ratification by the Board until the end of the year of appointment. Directors appointed by the President have the same rights, privileges, and responsibilities as elected directors. Appointed directors may serve no more than four consecutive years as a Board member. There may be no more than two appointed directors serving at one time on the board. This does not include vacancies filled by the Board.
- D. Removal of Directors. Any Director of FGS may be removed either with or without cause at any time by an affirmative vote of three-fourths of the entire Board of Directors and one-half of the entire Executive Committee at any scheduled or special meeting of Directors called for that purpose.

Section 5.03 – Appointed Officials:

- A. The President, with the approval of the Executive Committee and ratification by the Board, shall have the authority to appoint officials as needed, including independent contractors.
- B. The term of office of appointed officials shall be for the same term as the President. The term of a contract will be defined therein.
- C. The Secretary shall present to the Board by 31 December an accounting of all contracts currently in effect.

ARTICLE VI. – DUTIES OF OFFICERS

Section 6.01 – In addition to the basic duties prescribed by these bylaws and by the parliamentary authority adopted by FGS, each officer shall be responsible for such other duties as may be assigned by the Board.

- A. The President shall:
 - 1. Preside at all meetings of FGS and the Board.
 - 2. Be the principal executive officer with responsibility for the general supervision of the affairs of FGS.
 - 3. Be the official spokesperson of FGS. Represent FGS in all matters concerning external affairs and relations with other organizations.
 - 4. Appoint, with the advice and consent of the Board, the chairs of all standing committees, except the Nominating Committee.
 - 5. Be a member ex-officio of all committees, except the Nominating Committee.
- B. The Vice President of Administration shall:
 - 1. Assume the presidency in the absence, incapacity, or resignation of the President.
 - 2. Oversee the management of FGS office.
- C. The Vice President of Membership Services shall:
 - 1. Serve as the chair of the Membership Committee.
 - 2. Maintain membership and delegate records.
 - 3. Determine the qualified delegates for any meeting or vote.
 - 4. Actively promote FGS to societies that are not members and coordinate the efforts of the Board to solicit new memberships.
- D. The Vice President of Development shall:
 - 1. Work with the President and the Board to establish priorities and goals for fundraising.
 - 2. Initiate and oversee all fund-raising activities for FGS.
 - 3. Chair the Development Committee.
 - 4. Coordinate all the fund-raising efforts of FGS, working with individuals, groups, and committees within and outside of FGS.
- E. The Secretary shall:
 - 1. Maintain an accurate record of the proceedings of FGS and the Board.
 - 2. Ensure that all official documents of FGS are in a safe repository.

3. Maintain files of all committee reports.
4. Receive a copy of the report of the tellers and notify all candidates of the results of the election.
5. Present to the Board by 31 December an accounting of all contracts currently in effect.

F. The Treasurer shall:

1. Be custodian of the funds of FGS and disburse or invest them pursuant of the Board's policy or directive.
2. Present a proposed budget for the next fiscal year to the Board within the first thirty days of the fiscal year.
3. Prepare financial reports for each Board meeting and at the end of the fiscal year.
4. Make all financial records available for audit within thirty days after the close of the fiscal year.

G. **Removal of Officers.** Any officer of FGS may be removed either with or without cause at any time by an affirmative vote of three-fourths of the entire Board of



Directors and one-half of the entire Executive Committee, or by an affirmative vote of the entire Board of Directors and one member of the Executive Committee whenever in their judgment the best interests of FGS will be served thereby.

Conclusion

Successful Societies Require Planning

- **Business Plans Include**

- Financial Plans
 - Revenue
 - Expenses
- Marketing Plans
- Social Media Plans
- Membership Plans
- Succession Plans