

CONFIDENTIAL

Play GSA

LOCAL BANDS ON STAGE

Business Plan

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Table of Contents

Executive Summary	1
Who We Are	1
What We Sell.....	1
Who We Sell To	2
Financial Summary.....	2
Company.....	4
Mission Statement	4
Company Overview	4
Business Philosophy.....	5
Locations and Facilities	6
Products and Services	8
Products and Services	8
Future Products and Services	9
Competitors	10
Target Market	13
Industry Analysis.....	13
Market Growth.....	16
Market Needs	18
Key Customers	18
Porters 5 Forces Model	20
Strategy and Implementation	23
Marketing Plan.....	23
SWOT Analysis.....	29
Founding of the Association.....	33
Financial Plan.....	36
Revenue Forecast	36
Personnel Plan	38
Budget.....	41



Financial Statements	44
Profit and Loss Statement.....	44
Appendix	46
Revenue Forecast.....	46
Personnel Plan.....	48
Budget.....	49
Profit and Loss Statement.....	51
Bibliography.....	53

Executive Summary

Who We Are

Play GSA is a startup non-profit organization (NPO) with the objective to support Austrian musical talents, by providing them a circuit of venues throughout the countries Germany, Switzerland and Austria (GSA). Additionally we will put our efforts into backing the artists with their musical productions. The important side effect is that we enhance the live music culture in these particular regions, by reviving venues and concert halls with high quality live performances.

The timing is very right for starting this new venture. Ever since the great decline of the record selling business, musicians today make most of their income by performing live on stage. We will not only provide an additional income stream for the artist, but also offer the opportunity to gain experience within the art of performing live.

Felix Mayr-Melnhof, the owner, has been active in the live music industry for more than five years and brings the knowledge and experience for the business of live entertainment. He has recently been working for the business development department for Sony Music Austria where he has earned the respect of his colleagues through hard work and dedication. This business plan organizes the strategy and tactics for the business expansion and set objectives for growth over the next three years.

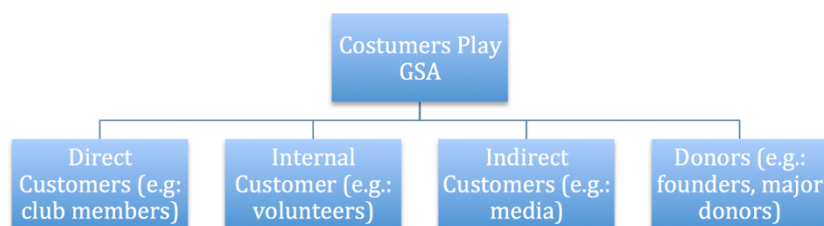
What We Sell

For to support Austrian solo artists and bands, Play GSA will not only offer a circuit of live venues but will also guaranty financial support in forms of a salary along with so-called *per diems*. This is to bear the costs of accommodation, catering and travel costs for each show played.

More than that, the partaking talents will receive monetary support for music promotion and / or marketing actions, which will be granted for a record production and / or marketing action to support the promotion of the tour. By the end of the program, we will release a compilation record of all the participating talents plus a film documentary which shows the artists during their time at Play GSA.

Who We Sell To

Since we are acting as a non-profit organization, we have a very different point of view of our customers than profit generating entities. Consequently, four types of customers for **Play GSA** can be distinguished, and these types are not selective, but must evolve



dynamically and a person or organization can belong to multiple types of customers:

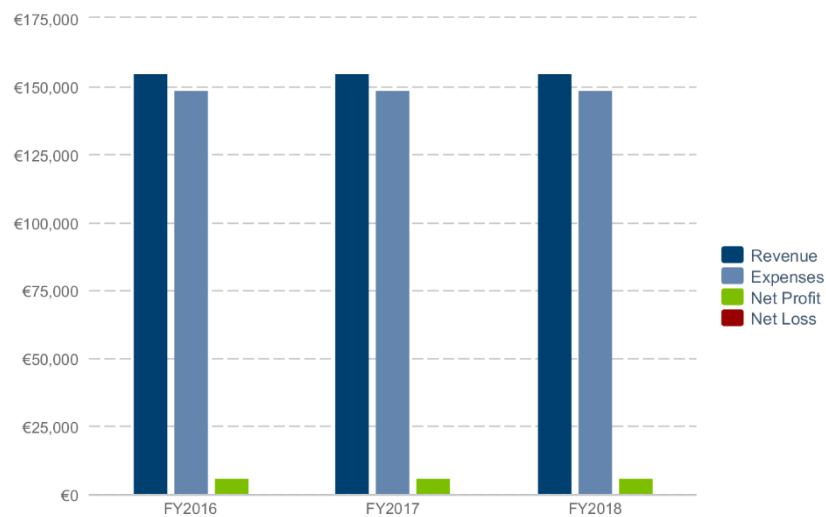
Financial Summary

Financial Highlights

The traditional principal financial objective of a business, the profit maximization, falls away in NPOs like Play GSA. Since NPOs pursue a non-profit strategy, it fundamentally changes the fiscal policy. However, for Play GSA it occurs that the main focus is on the pursuit of liquidity.

Since the NPO will obtain the legal status of an association and is accordingly not allowed to generate profit, we need substantial start-up capital. It is expected that a good portion of that amount is to be secured through official financing by the Austrian government and through sponsorship. The donations received each year will to the greatest part be spent on supporting the program, since the Austrian law forbids to generate reserves. This also ensures the maximum backing of the artists, who are participating at the program. These subsidies are stated as *Revenue* in the Financial Highlights.

Financial Highlights by Year



Company

Mission Statement

Mission Statement

Play GSA is a Non-Profit-Organization, designed to promote and support contemporary musicians and emerging artists from Austria by providing them venues and concert halls beyond their own autonomous regions (in Germany, Switzerland and Austria) and to offer them additional support during the program.

Company Overview

Company Overview

The objective of **Play GSA** is to support Austrian artists of all genres, both solo artists and bands, arranging concerts halls within a circuit around the territory of Germany, Switzerland and Austria, outside the autonomous community of which each artist is originating. Additionally the artists receive assistance for the promotion of their artistic work. This is intended to promote new musical talent and distribution beyond the scope of natural influence of each of them and to encourage the professionalization of musicians.

Play GSA aims to promote live music as a more vivid expression of popular music in general, promotes the music industry and stabilizes the circuit of live music venues in the german speaking countries.

For to join the Program, the talents need to go through an application process. Of all applications received that also meet the specific requirements, 20 artists will be selected and a schedule of at least 4 concerts will be developed for each one of them to be held during the months of November until March, mainly outside of the autonomous region of the artists residence.

Like many of the Austrian non-profit organizations, Play GSA will also be established and operated as the legal form of an association. Initially we seek to receive funds from the local government as well as "EU Culture Programme" and MEDIA programs. In the future we will be also approaching local corporations that have affinity with music.

The Idealistic Association

As for the legal identity, **Play GSA** will be formed as an association. The majority of organizations within the social economy (NPO's) is organized in associations, which offers the advantage of substantial tax breaks (sales tax exemption), but on the other hand an even stronger dependence on the public sector (subsidies). The purpose of the association (Statutes) has no barriers, except for the restriction of the prohibition of violating criminal law or constitutional order. Play GSA as an association is as an entity with its own legal personality. Associations can be founded relatively easy and without much capital investment.

Idealistic organizations like us are not allowed to make a profit, nor to accumulate reserves for future investments. That is, they have to use up the financial resources that they get (with subsidies) directly for the specific purpose during the funding period. Financial gains may not be paid to the members. The liability of the association is limited solely to the association's assets. The necessary requirements to found an association will be mentioned in the chapter "*Founding an Association*".

Business Philosophy

Business Philosophy

We at Play GSA are of the opinion that the experiences a musician gathers in live performance can to a large part contribute to his or her successful career. Coming from the performing side of the industry we know that playing live to an audience regardless how

big endorses the development of emerging artistic values by providing access to a stage. Finding out the effects and reactions of an audience through different ways of performing, thought me many lessons of how to entertain. At last we find that Entertainment is what a musician stands for. Every artists needs to find out in which way an audience responds to his art and we find playing live gives you the ultimate form of recognition. We personally want to strengthen the sector live music and encourage recognition of the profession of playing live.

Moreover we want to support the circuit of live music venues throughout the territory, which is we think a natural breeding ground of good music of the future. In the last years we noticed that a growing number of live music venues in Austria having to close. Venues that have been around for more than half a century were forced to close their doors, mainly because of the lack of a stable audience. It has come to our attention that for young people attending live concerts today has become quite unusual. Going to clubs and bars in which most of the times music is played from the computer has become the standard procedure. Our goal is to attract young people to attend live music shows and therefor revive the culture of live music.

And at last we furthermore want to promote cultural exchange between artists and audiences from different geographical origins. We believe the by sharing each other's musical experience and knowledge can benefit to ones musical career. With the help of this program emerging artists will have the chance of experiencing new audiences and getting to know a variety of musicians in the territory of Germany, Switzerland and Austria.

Locations and Facilities

For our main office we decided we want to be close to our customers and to the vibe of live music in the scene, so will be placed in Austria's capital, Vienna. The music scene in Austria is very much alive and is getting more dominant every year. The electronic scene is

internationally known and recently Pop-Stars like Conchita Wurst, who won the European Song Contest, attracted attention to Austria's music scene.

Also for start-ups just like Play GSA, Vienna seems to be an interesting place. While in 2007 only 2.4 percent made up young entrepreneurs in Austria (last place in the ranking "Global Entrepreneurship Monitor"), in 2012, the share these rose to 9.6 percent, to being fifth place behind the U.S. , Singapore, the Netherlands and Slovakia.(Lehner, 2014)

The office of Play GSA in the future will be established in an upscale, growing area in Vienna which is the district Mariahilf. The district is often referred as the city's home of live music and the rent is also cheaper than in the city center. We are looking for a shared office with cubicles around size of 100 m² which at current prices will cost us around 600€ plus a small amount of utility costs.

Products and Services

Products and Services

Play GSA seeks to promote tours and recorded music of a limited selection of solo artists and groups. We try to enlarge the group of talents with each year Play GSA is growing. To begin with, we will select a group of 20 solo artists or groups, that will benefit from our support. These supports include:

- *The Organization of a tour* of at least 4 concerts within a circuit of venues in the territory of Germany, Switzerland and Austria from November 2015 until March 2016.

- For every concert performed, the group or the artist will receive:
 1. A **salary** of 190 € for each member of the group.
 2. A financial assistance of 150 € to **cover costs** per musician. These fees include accommodation, food and traveling costs.
- The Concerts will not be free. The price for the tickets for these concerts will not be less than 3 € and never exceed the sum of 8 €. The cast of the box office will be 50 % to the artist and 50 % to the venue after deducting expenses and taxes.
- The artist will pay the required backline for these concerts.
- These grants will not be extensible to the staff of the artist nor the technical staff.
- There will be no payment until the concert has been plaid.

- *Support for music promotion and / or marketing actions*: for the total total tour up to 2,200 € will be granted for a record production and / or marketing action to support the promotion of the tour Play GSA (recording a new album or single, reissue of the album

including additional content related to the tour, a concert recording and / or "making of" of the tour, performing a music video, putting up posters and / or advertising to promote the concert tour, etc. .)

Future Products and Services

In year 1:

- Select at least 20 solo artists or bands from all different genres
- Talents perform around 100 concerts in at least 10 different regions
- Further promote and develop the talents with € 2,000 for promotion, such as recording video clips or new CD's.
- Film a documentary of the first edition of Play GSA
- Release compilation CDs with the participating groups, depending on the musical style

Within three years:

- Expand the number of participating talents by 10, therefore increase the number of proposals
- Talents perform around 150 - 200 concerts in more than 20 regions
- Increase the promotional funds to € 3,000
- Approach further sponsors and donors for the program

Within five years:

- Further expand the number of talents supported
- Franchise

Competitors

The Austrian Music Fund Tour Support

The Music Fund is an initiative to promote professional Austrian music production in order to increase the recognition and dissemination and to strengthen Austria as a creative hub.

The Tour Support Program seeks to improve the framework for live performances in the context of Austria-Tours.

The tour support program is in the first phase open to all those artists and bands who were already promoted as part of the Music Fund-production funding.

In addition to the Music Fund, it is mainly band contests that help emerging artists to perform at Festivals and on the big stages of Austria. To make the overview a bit easier, I provide the major band competitions in Austria. They all work their businesses mainly of sponsors and should therefore also be seen as potential competitors.

Local Heroes Austria

Local Heroes Austria is a local live band contest with the goal to promote young bands. This means that bands perform live at their events and their performance is evaluated by the jury and the public to nominate the best live band of the year.

Young bands thereby get the chance to play a gig for which they have virtually nothing to organize by themselves. They have the opportunity to work with other bands in their area to socialize and share tips in the competition. They make (often first) live experiences that are essential in the music business. They receive feedback from an expert jury on their performance and can test their effects on an audience.

In addition, the bands that can prevail in the jury and audience and reach the final, get an appearance on the stage of the Great Hall of the Arena Vienna (where many of the top international music scene already played), and various useful prizes, performances at festivals, but also support and promotion from sponsors and the organizers.

Austrian Newcomer Award

As the name suggests, the "Newcomer Award" is not a band contest but an award for talent. Participating artists will not play any live concerts, but they hand in music, band info and a video (music clip or band performance). After the deadline, a preliminary jury works through the submissions. Afterwards 50 Acts will be presented by the jury (consisting of experts and journalists). In the end 8 Bands / Artists remain that are supported by the team of Newcomer Awards in press work and live gig bookings.

Newcomer Festival

An expert jury selects 14 bands that will then play in an accompanying festival. Each of the participating bands gets 20 minutes of play, half of which must be originals. We are looking for according to organizers primarily acts outside the mainstream. You can win a variety of money, property and appearance prizes.

Austrian Band Contest

The Austrian Band Contest is the largest Central European competition in concert atmosphere (30 minutes of playing time per band, stage management and sound checks for all participants). The preliminary rounds will be held in Vienna, Linz, Salzburg, Graz, Innsbruck and Budapest. At the final Open Air in Vienna's Prater (May 1, free admission) the winner is voted by an expert jury and the audience. Prizes are in denominations of € 45,000, the winners of which get 10,000 in cash.

Agencies

Ultimately, it is also the countless music agencies which in a way we must see as our competitors. The artist agencies provide a service between artists (mainly singers, musicians and actors) and their customers (e.g., organizer of cultural events or film producers), the Agency on the one hand operates the customers requests and on the other hand also the advertising, public relations, and contract for the Artists. The difference to Play GSA exists however mainly in the fact that we offer our product free of charge. We are therefore convinced, that agencies therefore can be seen as competitors only in the broadest sense .

Target Market

Industry Analysis

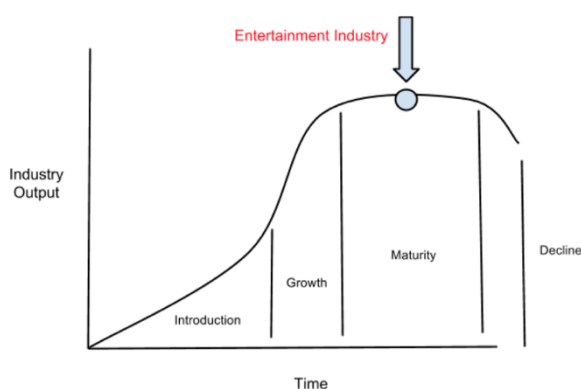
Industry Overview

While the overall revenue from CD sales over the past ten years has plummeted by 30 percent and music is still being downloaded from the internet, predominantly illegally, live performances is the most lucrative and fastest growing sector of the music industry. Fans are now paying twice as much for a ticket to a rock concert as a decade ago. Last year alone, the ticket prices have risen by 8.4 percent and on average, a ticket costs 48.17 €. "Musicians can make much more money with live shows than with records," said Steven Van Zandt, guitarist and founding member of Bruce Springsteen's E Street Band.

The data of the International Federation of the Phonographic Industry shows that overall, musicians conceded \$21.6 billion from live performances in the past year. This represents an increase of 54 percent over three years and is more than earned in record sales. With sound recordings, the musicians achieved only sales of \$ 18.4 billion. (Handelsblatt.com, 2014)

Life Cycle Analysis

Live Entertainment Industry:



Currently, the Live Entertainment industry sector has been following a very steady growth period for over 15 years. Overall, the entertainment industry has had an increase of 66% between 1998-2010 (Masnick, 2012), and entertainment / media spending worldwide increases at

an annual rate of 5.5% (Reportlinker.com, 2014). While the industry has hit maturity, there is no reason to worry about the current state of the live entertainment sector. Where consumers are purchasing less physical media, they are making up for it in purchasing live concert/performance tickets. This industry analysis only ensures that this aspect of the industry is a desirable one for Play GSA, whose focus is on producing live entertainment.

Value Chain



Source: Hull, Hutchinson & Strasser, 2011, p. 47.

Revenue Flows

The figure shows the main revenue streams of each actor of the Live Music Business. For most artists live performances are their main source of income, because only few artists achieve success in the music industry.

According to Wikström (2010) artists receive up to 85% of the gross revenues from live music performance, but only 10% from recorded music revenues. Hull, Hutchinson and Strasser (2011) contend that artist's share in recorded music revenues varies between 14 and 20% of the wholesale price, depending on the stature and popularity of the artist and the kind of deal made with the record company. Of these royalties any advances

and some marketing costs are often recouped, if and when the royalties are earned. The percentage includes the royalties that have to be paid to the producer (3-5%) and others who get royalties from the recording. (Leurdijk and Nieuwenhuis, 2014)

Booking agents work for performers to arrange performances, promoters market events, sell tickets and make arrangements with local venue operators. In this segment Live Nation is the major company being active in Europe and the US. It is estimated to have a 50% market share, followed at some distance by Anschutz Entertainment Group (AEG). Beyond those two multinationals the market is very fragmented and consists mainly of national or regional players. Of the three main revenue streams in the industry, the revenues from sales of recorded music are largest, but declining. Revenues from music publishing and live performances are significantly smaller but (still) growing. (Leurdijk and Nieuwenhuis, 2014)

Actors of the Live Music Industry



Source: Hull, Hutchinson & Strasser, 2011, p. 44

This Figure should give an impression of the main actors in the music industry, but is by no means comprehensive, as many other actors are connected to the music sector.

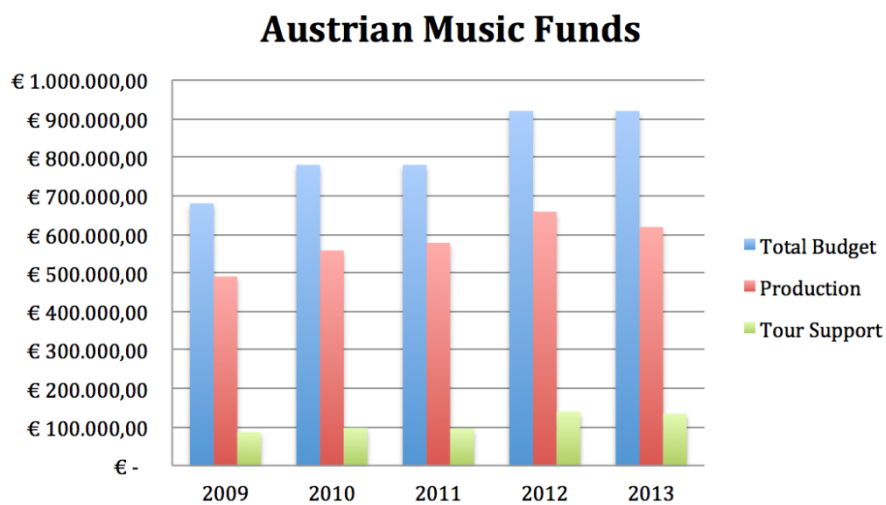
The central section in the music industry is the live performance division. The most significant actors in the live music segment are the musicians, the booking agent, the promoter and the venue operator. Booking agents work for performers to organize concerts, promoters promote events, vend tickets and make appointments with resident venue operators.

Play GSA in a way will act as a combination of personal manager, talent agent and as a promoter. We want to primarily coach and manage talents as well as book them

venues and promote these.

Music Funding Austria

As can be seen from the figures of the Austrian Music Fund, the demand for support steadily grew over the years. As 2009 275 applications were sent in, in 2013 there were already 339 artists applying for support. This is an increase of about 23%.



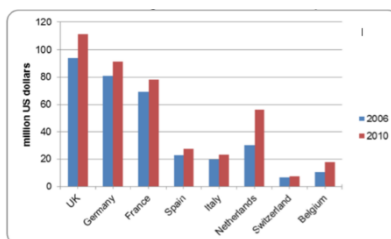
Market Growth

The data one finds on the European sector's live performance branch are generally very scarce. But the worldwide trend is most apparent in the music industry. Whereas the major record labels have seen their revenues nosedive throughout the last decade, the music industry more broadly—encompassing independent labels, live performances, merchandise, music lessons, and the like—did extremely well.

Previous statistics from the International Federation of the Phonographic Industry shows that the "broader music industry," which included "revenues from music in radio advertising, recorded music sales, musical instrument sales, live performance revenues and portable digital music player sales (among a few other income categories)" grew from \$132 billion to \$168 billion. Live music saw particularly dramatic growth (B. Lee, 2014). According to an Industry report brought out this year, the average ticket price for the top 100 tours increased to \$68.76 in 2012 (latest available data) from \$64.61 in 2009. (Edwards, 2014)

The report also states that generally disposable income levels have profoundly influenced consumers' willingness to attend events. Events are an affordable luxury compared with vacations, and due to a persistent demand for live entertainment, this industry is expected to thrive as consumer pocketbooks continue to grow. In the US the total revenue for the Concert and Event Promotion industry is forecast to grow an annualized 2.9% to \$28.7 billion over the five years to 2019. (Edwards, 2014)

Growth in music performance royalties 2006-2010



The general performance rights' incomes have been increasing in each of the eight biggest European music markets. The largest music markets also have the highest statistics for performance rights: revenues in the United Kingdom raised 18% between 2006 and 2010 to 111.1 million dollars; in Germany they grew with 13% to 91 million dollar and the royalties in France also flourished 13% until 78.1 million US dollar. Spain, Italy, Switzerland and Belgium have smaller markets but show the same development. Noteworthy is the evolution in performance rights in the Netherlands: 84% up to 56.4 million US dollars. (Leurdijk and Nieuwenhuis, 2014)

Market Needs

The two segments of the Live Entertainment Industry we want to approach are the venue and the talents. Both of them many times share the same problem: the audience. Our strategy at Play GSA is very simple. We want to give the talent an audience to see their show and at the same time bring the venues customers.

Key Customers

The Key Customers of **Play GSA** are people or organizations that either accept services from us, or to any other way participate in the mission fulfillment of the organization or indirectly benefit from it. The term *customer* of an NPO likes is difficult to distinguish. One reason for the problems with the concept lies within the variety of forms of NPO's while the other is based on the existence of multi-level customer relationships. Consequently, four types of customers for **Play GSA** can be distinguished, and these types are not selective, but must evolve dynamically and a person or organization can belong to multiple types of customers:



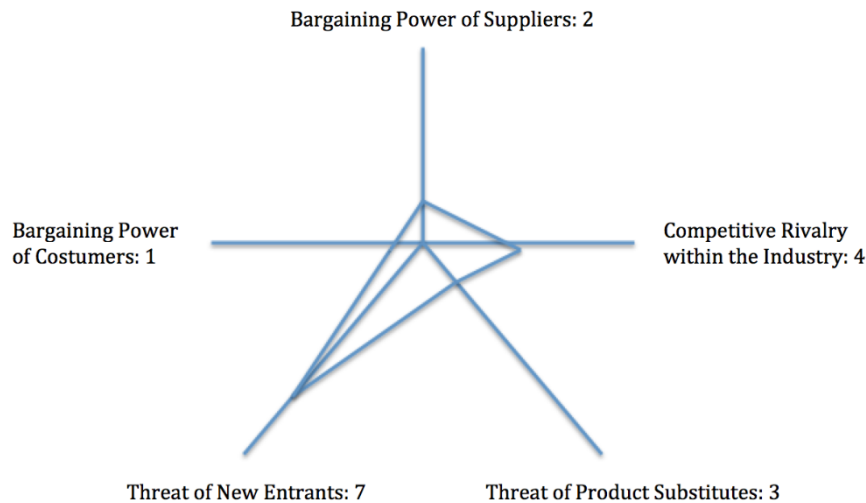
Direct Customers: individuals who are either direct beneficiaries of a service, i.e. they directly benefit from the performance of Play GSA, or persons who purchase the products or services offered by Play GSA. These are in our case the talents, being part of the program.

Internal Customers: individuals who participate as volunteers donating their labor to a considerable extent in the strategic planning and the implementation of projects of Play GSA also donating time to the company.

Indirect Customers: all the individuals or organizations (eg businesses) that do not use the services / products of Play GSA itself, however, are involved in a broad sense to the provision of services (e.g. the venues who participate within the live music circuit or the music scene in general), or in other forms participate in the mission fulfillment (eg the public, the media or interest groups).

Donors: all persons or organizations that support Play GSA as a NPO through monetary or in-kind donations. The different kind of donors are mentioned in the section *Pricing* in the section Marketing Plan.

Porters 5 Forces Model



Supplier Power:

Play GSA will not face a strong power of suppliers. In the case of Play GSA the term supplier stands for all sources of supply required for the provision of corporate services inputs - or else our collaborators. These are mainly the venues in which the concerts will take part and the artists we are working with. The German, the Swiss and the Austrian market in our case is fortunately not dominated by a few large suppliers. In these regions there is a large number of venues available, for each also a large number of substitutes exist. The same accounts for emerging solo artists and bands in these regions. Also we are trying to collaborate with the bands and venues in a way, which makes the supplier our partner in a way.

Play GSA will probably not face high bargaining power of suppliers that would lead to either higher prices or provide lower quality for the same price. Since this has a positive effect on the profit potential of the company, the industry is all the more attractive.

Buyer Power:

Play GSA is a non-profit organization that is very unique in its existence, since there is no other company in Austria that offers a similar product. This means that we offer a relatively high level of differentiation of our product compared to our competitors. This is an important indicator of a low bargaining power of customers. However, a high risk consisting of backward integration must be noted: The customer can credibly threaten to produce the corresponding products on his own, or else organize a tour on his own.

Competitive Rivalry:

As previously mentioned above in the section Competitors, Play GSA operates within a small groups of competitors in the entertainment industry but yet manages to assume a unique position due to its unique offerings. Even though there is the Austrian music fund offering a similar product, we have quite dissimilar strategies, thus our projects is characterized by its uniqueness. As mentioned above the live entertainment industry has a detectable growth, which also is an indicator for a relatively low rivalry. In fast-growing industries, competition is often less than in slow-growing or even shrinking industries, as an extension of their own sales is possible.

Threat of Substitutes:

The threat of substitutes in our case in particular is, that more cost-effective or efficient replacement products can pull a substantial part of the sales volume in circulation and thus significantly limit the sales potential. On the other hand, there are in this sector no noticeable brand loyalty of customers, a low intensity of customer loyalty and ultimately there is no customers for the resulting conversion costs. All these are factors that distinguish a minor threat.

Threat of New Entry:

In this area of the music industry, we see a certain obstacle to enter, as existing companies already have a cost advantage by having experience-curve-effects. Organizations like the Austrian Music Fund are doing their job quite well and are generally seen as effective. Especially when it comes to governmental support, the scarcity of important resources has to be considered, which in our case is the financial support. Since the support of the state can turn at any time, there is always a latent reaction and adaptation pressure on the company. Furthermore, one can realistically imagine a certain control of distribution channels of existing companies. All these are all signs for relatively high barriers of new entry.

Strategy and Implementation

Marketing Plan

Marketing Strategy

We at **Play GSA** believe that the success of non-profit organizations (NPO) depends crucially on good communication. It guarantees attention in the steady flow of information and opinions; it arouses the interest of supporters and binds it to the own organization.

We think that if you want to communicate effectively as a non-profit organization needs a clear and consistent message, a holistic marketing thinking, direct dialogue with donors and supporters, a lot of emotion and a lot of patience.

As economic target marketing to generate revenue from sponsorships, promotional income and profits is to follow from the possible events. The monetary surpluses to be used for financial guarantee of the association or to the pre-financing of other events.

As psychological or ideological marketing target the board wants to reach a satisfactory awareness of Play GSA. Furthermore, we want to satisfy a vast majority of the artists with our service offer (e.g. 90-95% are very satisfied with the services).

Economic and psychological marketing objectives are going to be defined exactly by the board and reviewed after the end of the first period. After the first year of the live circuit we want to examine the economic objectives by controlling and conduct a survey among the members and local artists.

For all the previously determined segments, an (extended) Marketing Mix is composed to set concrete measures. In this case, the non-profit marketing contains "6 Ps" (*performance, price, promotion, positioning, people, politics*). The operative marketing mix is based on the

vision / mission of the association. The vision / mission as well as the overall strategy are to be communicated to the outside world, so it is clearly evident what Play GSA stands.

Positioning

The choice of locations for the events / concerts depends, of course, on the type of event. When selecting the venues we want to ensure good accessibility and an appropriate infrastructure. The Play GSA circuit features concert halls with regular programming throughout the territory of Germany, Switzerland and Austria that are promoting emerging artists. We want to find locations that have a cultural value to the city, also to support the cultural activities within the live music sector.

The keyword "place" however for us also stands for the accessibility and the service environment of our program. Essential for our online offers are the easy access and the constant availability. Requests to apply for the program and other questions must be answered quickly.

Pricing

Main topic for this area is the question of how to finance the program and how profits from the events can be generated. The following points need to be addressed:

- Funding institutions at the municipal level / state level / federal level / EU level and
- Sponsors - Contributions: This contains mainly two areas. Sponsorship of fringe benefits and personnel capacity (know-how) as well as sponsorship of funds.

In addition to promotions and sponsorship contributions, of course, the revenue from sales of tickets would be suitable to fund an event. But we from Play GSA do not want to go this way since this always involves the risk of the unknown factor of income. Our model, the previous cost recovery, has the advantage that the revenue from ticket sales goes entirely to

the artist and the venues and the sponsorship money is to finance further events and to contribute to the liquidity of the organization.

EU level

The EU Culture program (2007-2013), for example, promoted Theater, festivals, cultural institutions, cultural associations, etc. for the implementation of interdisciplinary projects. For the period 2007-2013 there was a funding budget of approximately 400 million euros. It finances the networking of cultural organizers. Whether that is matchable for non-profit organization like Play GSA, has to be considered in each case. Information and contact details are to be retrieved via the website of the Federal Ministry for Education, Arts and Kultur or over the side of the European Commission.

Federal level

A) Federal Ministry for Education, Arts and Culture:

At the federal level funding in the arts / cultural sector are granted on the basis of the Art Promotion Act 1988 Federal Law Gazette 146/1988 in the current version, depending on the available funds. Individuals as well as groups of artists and art institutions may apply for it. Both annual programs as well as individual actions in different departments are funded.

An application which is submitted to the Federal Ministry is available as a pdf download or can be requested from the Authority as a printed version. An annual art report to the Austrian National Council discloses what support measures were carried out.

B) IG Culture Austria

The IG Culture Austria's point of contact for legal issues and problems with statutes of the association, subsidy and funding concerns, questions of cultural sponsorship, etc.

Furthermore, it supports clubs and seminars, among others on marketing and advertising in the nonprofit sector.

They can also be understood as a lobbyist to secure and increase the total funding for cultural promotion.

State level

At the state level, for example, you have institutions like the Viennese cultural funding in the field of management. In many states a culture committee exists. In many states a culture committee exists. Here you usually see, which projects and initiatives have been promoted.

Community level

Each community usually has a culture budget, which they can supply you for different projects. The politically responsible body has the opportunity to ask (sometimes only by consent of the municipal council) for resources at the request of individual actions.

A key factor for Play GSA here is always the personal contact and the presentation of a well designed concept of the project.

Promotion

In this section a brief overview of selected instruments in fundraising (raising funds) shall be given what measures are planned to address the different target groups (women, men, self-employed, manager, public servants, workers, students, etc.) can win and as a donor.

Fundraising Tools:

- Personal Contact
- Donor Letters and Mailings

- Cold Callings
- Charity Events / Fundraising Events
- Sponsoring
- Internet Fundraising

Also the notice of the Play GSA events / concerts should be spread as widely as possible:

- Notice on the Play GSA homepage
- Newsletter to members or participants of the platform
- Information on schools with art (craft) education
- Send out Information to associations, guilds and interest groups, which in turn forward this information to their members
- Pasting in regional centers or in costs of supporting companies
- Pre-announcements in local newspapers and national newspapers
- Send invitations to business people and politicians as guests of honor

Apart from the human workload, primarily expenditures for printed materials are to be seen, which should be covered by sponsors if possible. These could, in turn, put their logo on the printed materials. For very large events however it is ideal to have media (television, newspapers), bring reports and pre-announcements in advance of the event.

Performance

Since for NPOs like **Play GSA** services are primarily in the foreground, the term "*product*" is extended to "*performance*" and thus includes products and services.

The focus of our marketing mix is the creation of the web-based platform. We want to create a website for the association as for the use of a platform for artists, talents and

sponsors / supporters. The website, which serves as a basic source of information for the association shall be the basis for presenting the artists, talents and sponsors / supporters. This is to be constructed so that the artists present themselves with a portrait and describe their art direction.

Also we need a distinctive part of the website for to apply to the program. It must show all the requirements that have to be met and be open for questions of the talents applying.

A separate part of the platform is dedicated to all persons, companies, etc. offering their support for Play GSA.. In return, their company logo will appear on the homepage in a rotation mode and they are also entitled to use their support for their own media appearances. This serves the company's positive image factor.

Politics

In the NPO sector in particular measures to promote non-profit organizations have to be pushed. This concerns, for example, the prevention of regulations that are to the detriment of non-profit organizations, and the recruiting of politicians to support NPOs.

The influence of politics and administration around the event area have to be considered during the organization and we have to obtain consents or support in time.

Especially when events are to be held in public space (on free places, local places, etc.) , their support or approval is required. Just in time before the event the key people (mayors of municipalities, etc.) have to be presented an edited event concept for to seek for support or approval.

People

The staff policy within **Play GSA** deals with the quality of the staff and the treatment of employees in the association. They have a special status in the association as the activities

take place on a voluntary basis. Therefore, non-monetary incentives are of high importance (e.g. the creation of emotional incentives). At the same time, the club needs professional knowledge in many different areas such as marketing, event management, etc. plus jury members for to choose the talents which are to partake in the program.

We from Play GSA therefore want to encourage two activities within our association:

- Creation of emotional incentives on non-monetary base such as Honors for longtime membership, official congratulations at anniversaries, mentions at events for special use in the club, etc.

These incentive schemes carried on entirely free basis. This involves the recognition and appreciation that is shown for members for to recognize their voluntary work.

- Forming of employees in the organization in the areas of marketing, event management, etc.

This can be achieved in part as an internal training of qualified members who are already active in these areas. There are also organizations that support other nonprofit organizations and share their experience.

SWOT Analysis

Analysis

The basis for all subsequent steps of Play GSA's strategic management is the analysis of the above-mentioned conditions in connection with the SWOT analysis. This analysis is viewed from two perspectives. The one hand is a view of the external factors, which

examines the opportunities and risks, and the other one, offers a view of the internal factors and considers the strengths and weaknesses of the organization.



Strengths

Interior Views can leverage the following strengths:

- **Vision and Mission:** The dynamics of Play GSA derives from its mission - we are mission driven. And herein also lies its strength. Play GSA's greatest strength is its passionately following of its mission. Being a NPO, the focus lies on supporting the artists and talents and not having to work on profit orientated strategies.
- **Tax exempt:** We can offer service at a discount since we don't have the expense of taxes, and we possibly can offer products to our buyers who pay no sales tax on the purchase
- **Volunteer Staff:** We are trying to work with as many Volunteers as we can since this would mean an enormous saving to the business, which is particularly important to

a small nonprofit like Play GSA. Keeping our Vision in mind, the entire staff is strongly devoted to the mission.

Weaknesses

As we build on our strengths, we need to also stay conscious of these areas of weakness:

- **Cash-Flow:** One weakness we have to face is that we are not generating any cash-flow for to cover our expenses with revenue. We solely depend on donors and government support which we will mainly receive once a year.
- **Voluntary Failure:** Despite the personal and financial support of members and donors, the size of the organization and thus the dissemination of the ideology of the company is limited. Our services are difficult to provide continuously, because donations and volunteer work are subject to fluctuations and often go back in times of crisis.
- **Lack of Experience:** Finally, there is a lack of professional expertise. In both, concert organization as well as organizing support and donation we are not very experienced yet.

Opportunities

Play GSA's strengths will help it capitalize on emerging opportunities. These opportunities include, but are not limited to:

- **Cooperation with the State:** As we receive funding from the state on different levels, we also expect some advantages with this corporation. Thus, however, we will be able to overcome specific limits on the provision of services.

- **Media Support:** The alliance with local media (TV, Radio, Print) will help us market Play GSA as well as give us some funding. Since at least one of the Jury Members will be coming from this sector it will also give us some professional advice of who to choose for the program.
- **Brand Corporations:** Over the last years more and more brands imaged their company with music. Companies like Red Bull show that with music affinity, a lot of new costumers can be aquired. We also want to use this and perhaps receive funding or other types of cooperations with one of the major entities in Austria.

Threats

Threats to Play GSA's ongoing success include:

- **Economic Crises:** Non-profit Organizations are very vulnerable to economic crises. Benevolent giving is one of the first cash expenditures that consumers cut back on when money is constricted.
- **Higher Standards:** Charities are held to a higher standard than for-profits. Since they rely on donations, non-profits like Play GSA need to avoid the perception of immodesty. A small scandal can be very harming.
- **Competition:** Increasing competition by commercial providers and as a result an extreme pressure for efficiency are challenges that Play GSA has to face today.

Conclusion

Play GSA has a strong base of internal strengths and is currently addressing their internal weaknesses in an effort to turn those into organizational strengths. Developing a strong organizational structure that revolves around Play GSA is the first step in eliminating internal weaknesses. Play GSA also has numerous opportunities for success by cooperating with big companies to gain attention and funding.

Founding of the Association

To establish an association, the following items have to be clarified (Federal Ministry of Finance, 2014):

Institutional Bodies

According to Law on Associations at least the following organs are set up in the Articles of Association:

- The General Assembly is the "supreme" body of the association. You must meet at least every 4 years.
- The governing body must consist of at least two individuals to ensure the four-eye principle. Otherwise, the law gives free space for the organizational structure and distribution of tasks.
- There have to be at least two auditors. For large organizations, the act even asks for a "statutory auditor".

Required Documents

- Display of the association establishment, personally signed by the association founders or members already appointed and the following information of the above-mentioned persons:
 1. First and Last Name
 2. Date of birth
 3. Place of birth
 4. Address for correspondence

- A copy of the Statutes of Play GSA

Costs

- Announcement:
 1. € 14,30 Federal
 2. Supplement Fee (Statutes): € 3,90 per sheet (max. € 21.80)
- Copy of the applicable statutes and the first extract from the Register of Associations: toll-free
- Positive decision on the invitation to be the association's activities on request: € 6.50 Federal administrative fee
- Negative decision: toll-free

The fees are payable after the completion of the procedure. For this purpose, a payment slip will be sent. The association Play GSA finally is formed as a **Legal Entity**, if

- the Authority does not make the declaration that the association founded was not permitted within four weeks after receipt of the construction of display (§ 2 Abs. 1 VerG 2002), or
- an explicit invitation to accommodate the association's activities by the Authority before the deadline was sent

Resolution

In case we need to resolve **Play GSA** as an association we need to follow certain requirements. An association may be dissolved by the decision of the General Assembly.

Who will receive the association's assets is either written into the statute, or if the General Assembly makes this determination. Among the members, the assets can not be divided, because on the other hand are not liable and the club members for the club. The liability of the association is limited solely to the Association's assets.

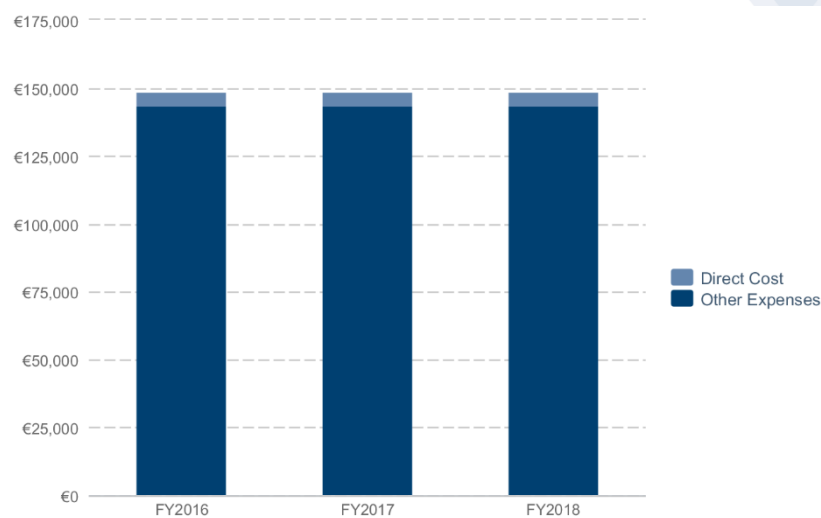
Financial Plan

Revenue Forecast

Revenue Forecast

	FY2016	FY2017	FY2018
Revenue			
Governmental Funding Agreements	€100,000	€100,000	€100,000
Funding Agreements with the EU	€20,000	€20,000	€20,000
Sponsoring	€20,000	€20,000	€20,000
Corporate Donations	€10,000	€10,000	€10,000
Donations from Individuals	€5,000	€5,000	€5,000
Total Revenue	€155,000	€155,000	€155,000
Direct Cost			
Governmental Funding Agreements	€0	€0	€0
Funding Agreements with the EU	€0	€0	€0
Sponsoring	€3,000	€3,000	€3,000
Corporate Donations	€1,500	€1,500	€1,500
Donations from Individuals	€750	€750	€750
Total Direct Cost	€5,250	€5,250	€5,250
Gross Margin	€149,750	€149,750	€149,750
Gross Margin %	97%	97%	97%

Expenses by Year



About the Revenue Forecast

The revenue forecast represents mainly revenues generated from subsidies. These are already mentioned within the marketing plan and consist mainly of public funds (Austria, EU), Sponsoring and Fundraising.

Public Funds:

Public subsidies are going to benefit "Play GSA" especially, as we fulfill tasks that actually are a responsibility of the state. Another way of public support is a tax relief we will be granted, since we have aligned our purpose by charitable activities.

Fundraising (Corporate/Individual Donations):

Fundraising as a form of financing can be defined as "attracting / acquiring donations for a good cause." Particularly important in this context, is Play GSA's communication policy, which is intended to present the organization to the outside world and to convey its values and goals.

Sponsoring:

We hope to acquire companies that have a certain music affinity as sponsors and want to image their brand by supporting music in Austria.

Direct Costs:

The direct costs of Play GSA includes all the attributable expenses of the fundraising and donor care that should be creating those donations, which enable it to deliver services. These are for example costs of a fundraiser event or the costs of an agency we hire to receive donations. We calculated this being around 15% of our subsidies.

Personnel Plan

Personnel Table

	FY2016	FY2017	FY2018
Chief Executive Officer	€12,000	€12,000	€12,000
Chief Financial Officer	€12,000	€12,000	€12,000
Chief Operating Officer	€12,000	€12,000	€12,000
Chief Marketing Officer	€12,000	€12,000	€12,000
Total	€48,000	€48,000	€48,000

About the Personnel Plan

Elected Functionaries

We will elect four professionals on our executive board as our initial roster of employees to cut costs and to keep efficiency to a maximum. This will not only refine our organizational plan, it will also lay the groundwork for training future employees and voluntary workers. These elected officials will have fixed working hours, etc. and officially have an

employment relationship. They have a service contract for 20 hours a week and monthly receive €1,000.

1. Chief Executive Officer:

The Chief Executive Officer will oversee the daily operations of Play GSA. The CEO will approve all partnerships, venues, artists and marketing plans as well as review financial documents and the most serious of public relations issues. The CEO will also be the ultimate visionary for the future success of Play GSA by initiating dialogue on new ideas that will feed our aspirations for growth. The CEO will also oversee any revisions to the operations plans and implement any new policies, that have been agreed to by the executive board.

2. Chief Financial Officer:

The chief financial officers main responsibility is to ensure that Play GSA will be responsible to generate the subsidies needed to operate as a NPO. The CFO will focus on profit/loss margins for each show, and will be prompted to thoroughly analyze the strengths and weaknesses of each show from Play GSA's standpoint. The financial department will be required to monitor day to day transactions and handle all financial aspects throughout the year including: balance sheets, income statements, cashflow statements, taxes documents and payroll. The CFO will also forecast future profit projections to further find ways to increase our revenue.

3. Chief Operating Officer:

The chief operating officer will be responsible for all aspects of the organization and supervision of our concerts and oversee the development of an articulate plan of action for the event. He will work to find the best venues, partners and artists to collaborate with Play GSA and will handle all paperwork and negotiations pertaining to this aspect of our

operations. The COO will search for venues interested in a new means of concert promotion and for venues that are a good fit for the our circuit. He will also find local partners to work with to build an audience and to help promoting the show. The COO will also act as an A&R agent for Play GSA by finding the best talent, both locally and nationally who are interested in the special program that we create. He will be also sitting in the Jury that will choose the Artists that will play the Circuit at Play GSA.

4. Chief Marketing Officer:

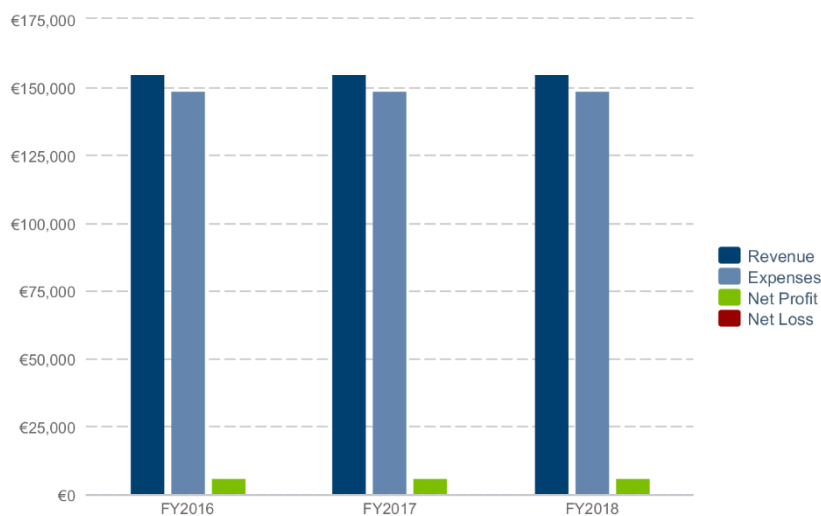
The Chief Marketing Officer's main function is to market Play GSA and help create a steady stream of new talents applying for the program. The marketing team will determine the most cost effective means in which Play GSA will be advertised to consumers as well as creating advertisements for individual artists who will be performing for our concerts. The CMO will also create our website and maintain our social media presence which will be the main source of information for our services. The marketing team will also establish any beneficial marketing partnerships and explore not just local but national advertisement strategies.

Budget

Budget Table

	FY2016	FY2017	FY2018
Operating Expenses			
Salary	€48,000	€48,000	€48,000
Employee Related Expenses	€9,600	€9,600	€9,600
Play GSA Services	€70,000	€70,000	€70,000
Marketing & Promotions	€5,000	€5,000	€5,000
Rent	€7,200	€7,200	€7,200
Utilities	€3,000	€3,000	€3,000
Office Supplies	€840	€840	€840
Total Operating Expenses	€143,640	€143,640	€143,640

Financial Highlights by Year



About the Budget

Based on very basic research of each aspect of the value chain, the following expenses have been calculated for Play GSA's first years of business (we were very careful calculating the

numbers and always added around 10% for unforeseen expenses). The results for our expenses are as follows:

Salary

We discuss this section in the Personnel Plan. This is where we cover salaries and wages paid to your employees. Depending on your location, other employee-related expenses may include payroll taxes, workers compensation insurance, health insurance, and other benefits and taxes. So we calculated an extra 20 % for employee-related expenses.

Play GSA Services

These are the costs we will have to offer our services to the talents. This includes the artists salary, the *per diems* and the additional support for music promotion and / or marketing actions.

Marketing Costs

Website

Our website is one of the most important components of our company. There, both the artist as well as any sponsors find accurate information about our company. The artist should be able to edit his application on this platform as well as put up a short biography. A professional website by web designers with extra features such as these, amounts to about 1,000 to 1,500 €. The registration of the web domain, averages in between 40 and 500 € flat fee.

Search Engine Optimization

To ensure that our website will be found, we need a search engine optimization (SEO). For a basic optimization we need to plan for a budget of around 500 to 1,000 €, depending on the

size of the site. Optionally, we should book a continuous optimization as well, which serves the building of links. It costs around 100 € a month.

Social Media Marketing

For the appearance of Play GSA in a variety of social media channels such as Facebook and Google+, we need to plan for about 200 to 400 €.

Others

For other marketing activities like printing posters and flyers and getting business cards etc we have to calculate another 200 €.

Startup Costs

Total start-up requirements for **Play GSA** include legal costs, logo design, stationery and related expenses. The start-up costs are to be financed partially by the direct owner investment.

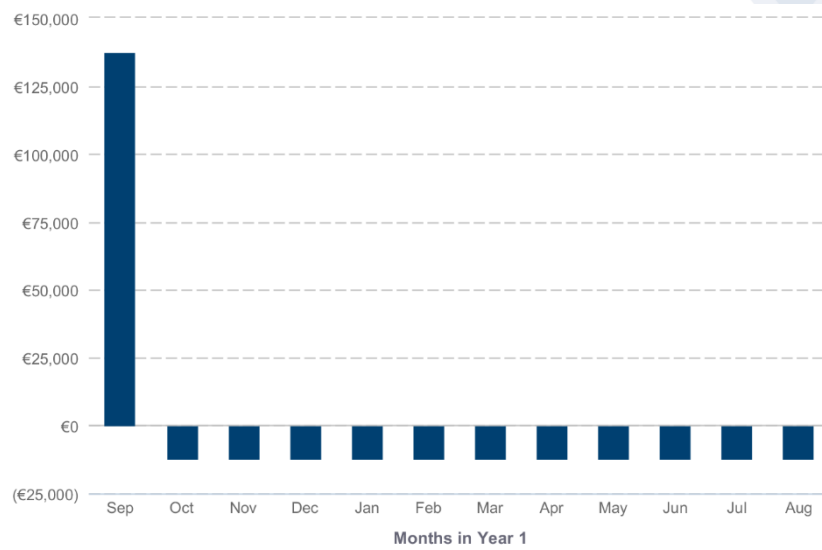
Financial Statements

Profit and Loss Statement

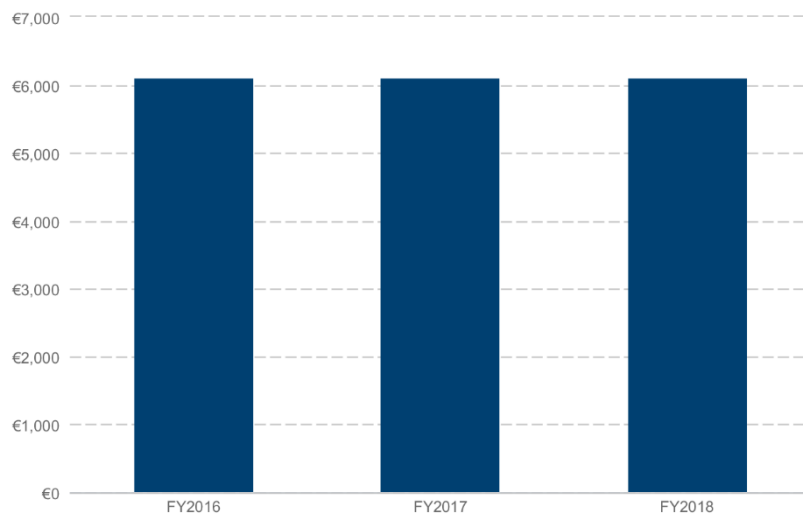
Profit and Loss Statement

	FY2016	FY2017	FY2018
Revenue	€155,000	€155,000	€155,000
Direct Cost	€5,250	€5,250	€5,250
Gross Margin	€149,750	€149,750	€149,750
Gross Margin %	97%	97%	97%
Operating Expenses			
Salary	€48,000	€48,000	€48,000
Employee Related Expenses	€9,600	€9,600	€9,600
Play GSA Services	€70,000	€70,000	€70,000
Marketing & Promotions	€5,000	€5,000	€5,000
Rent	€7,200	€7,200	€7,200
Utilities	€3,000	€3,000	€3,000
Office Supplies	€840	€840	€840
Total Operating Expenses	€143,640	€143,640	€143,640
Operating Income	€6,110	€6,110	€6,110
Income Taxes	€0	€0	€0
Total Expenses	€148,890	€148,890	€148,890
Net Profit	€6,110	€6,110	€6,110
Net Profit / Sales	4%	4%	4%

Net Profit (or Loss) by Month



Net Profit (or Loss) by Year



About the Profit and Loss Statement

As already mentioned Play GSA as a NPO cannot generate of profit as profit generating companies. Profits are mainly seen as subsidies and a month-by-month forecasts for those are included in the appendix.

Appendix

Revenue Forecast

Revenue Forecast Table (With Monthly Detail)

FY2016	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16	Jul '16	Aug '16
Revenue												
Governmental Funding Agreements	€100,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Funding Agreements with the EU	€20,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Sponsoring	€20,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Corporate Donations	€10,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Donations from Individuals	€5,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Total Revenue	€155,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Direct Cost												
Governmental Funding Agreements	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Funding Agreements with the EU	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Sponsoring	€3,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Corporate Donations	€1,500	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Donations from Individuals	€750	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0

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Total Direct Cost	€5,250	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Gross Margin	€149,750	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Gross Margin %	97%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

	FY2016	FY2017	FY2018
Revenue			
Governmental Funding Agreements	€100,000	€100,000	€100,000
Funding Agreements with the EU	€20,000	€20,000	€20,000
Sponsoring	€20,000	€20,000	€20,000
Corporate Donations	€10,000	€10,000	€10,000
Donations from Individuals	€5,000	€5,000	€5,000
Total Revenue	€155,000	€155,000	€155,000
Direct Cost			
Governmental Funding Agreements	€0	€0	€0
Funding Agreements with the EU	€0	€0	€0
Sponsoring	€3,000	€3,000	€3,000
Corporate Donations	€1,500	€1,500	€1,500
Donations from Individuals	€750	€750	€750
Total Direct Cost	€5,250	€5,250	€5,250
Gross Margin	€149,750	€149,750	€149,750
Gross Margin %	97%	97%	97%

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Personnel Plan

Personnel Table (With Monthly Detail)

FY2016	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16	Jul '16	Aug '16
Chief Executive Officer	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000
Chief Financial Officer	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000
Chief Operating Officer	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000
Chief Marketing Officer	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000	€1,000
Total	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000

	FY2016	FY2017	FY2018
Chief Executive Officer	€12,000	€12,000	€12,000
Chief Financial Officer	€12,000	€12,000	€12,000
Chief Operating Officer	€12,000	€12,000	€12,000
Chief Marketing Officer	€12,000	€12,000	€12,000
Total	€48,000	€48,000	€48,000

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Budget

Budget Table (With Monthly Detail)

FY2016	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16	Jul '16	Aug '16
Operating Expenses												
Salary	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000
Employee Related Expenses	€800	€800	€800	€800	€800	€800	€800	€800	€800	€800	€800	€800
Play GSA Services	€5,833	€5,833	€5,833	€5,833	€5,833	€5,833	€5,833	€5,833	€5,834	€5,834	€5,834	€5,834
Marketing & Promotions	€416	€416	€416	€416	€417	€417	€417	€417	€417	€417	€417	€417
Rent	€600	€600	€600	€600	€600	€600	€600	€600	€600	€600	€600	€600
Utilities	€250	€250	€250	€250	€250	€250	€250	€250	€250	€250	€250	€250
Office Supplies	€70	€70	€70	€70	€70	€70	€70	€70	€70	€70	€70	€70
Total Operating Expenses	€11,969	€11,969	€11,969	€11,969	€11,970	€11,970	€11,970	€11,970	€11,971	€11,971	€11,971	€11,971

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	FY2016	FY2017	FY2018
Operating Expenses			
Salary	€48,000	€48,000	€48,000
Employee Related Expenses	€9,600	€9,600	€9,600
Play GSA Services	€70,000	€70,000	€70,000
Marketing & Promotions	€5,000	€5,000	€5,000
Rent	€7,200	€7,200	€7,200
Utilities	€3,000	€3,000	€3,000
Office Supplies	€840	€840	€840
Total Operating Expenses	€143,640	€143,640	€143,640

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Profit and Loss Statement

Profit and Loss Statement (With Monthly Detail)

FY2016	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16	Jul '16	Aug '16
Revenue	€155,000	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Direct Cost	€5,250	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Gross Margin	€149,750	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Gross Margin %	97%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Operating Expenses												
Salary	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000	€4,000
Employee Related Expenses	€800	€800	€800	€800	€800	€800	€800	€800	€800	€800	€800	€800
Play GSA Services	€5,833	€5,833	€5,833	€5,833	€5,833	€5,833	€5,833	€5,833	€5,834	€5,834	€5,834	€5,834
Marketing & Promotions	€416	€416	€416	€416	€417	€417	€417	€417	€417	€417	€417	€417
Rent	€600	€600	€600	€600	€600	€600	€600	€600	€600	€600	€600	€600
Utilities	€250	€250	€250	€250	€250	€250	€250	€250	€250	€250	€250	€250
Office Supplies	€70	€70	€70	€70	€70	€70	€70	€70	€70	€70	€70	€70
Total Operating Expenses	€11,969	€11,969	€11,969	€11,969	€11,970	€11,970	€11,970	€11,970	€11,971	€11,971	€11,971	€11,971
Operating Income	€137,781	(€11,969)	(€11,969)	(€11,969)	(€11,970)	(€11,970)	(€11,970)	(€11,970)	(€11,971)	(€11,971)	(€11,971)	(€11,971)
Income Taxes	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0	€0
Total Expenses	€17,219	€11,969	€11,969	€11,969	€11,970	€11,970	€11,970	€11,970	€11,971	€11,971	€11,971	€11,971
Net Profit	€137,781	(€11,969)	(€11,969)	(€11,969)	(€11,970)	(€11,970)	(€11,970)	(€11,970)	(€11,971)	(€11,971)	(€11,971)	(€11,971)

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Net Profit / Sales	89%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
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	FY2016	FY2017	FY2018
Revenue	€155,000	€155,000	€155,000
Direct Cost	€5,250	€5,250	€5,250
Gross Margin	€149,750	€149,750	€149,750
Gross Margin %	97%	97%	97%
Operating Expenses			
Salary	€48,000	€48,000	€48,000
Employee Related Expenses	€9,600	€9,600	€9,600
Play GSA Services	€70,000	€70,000	€70,000
Marketing & Promotions	€5,000	€5,000	€5,000
Rent	€7,200	€7,200	€7,200
Utilities	€3,000	€3,000	€3,000
Office Supplies	€840	€840	€840
Total Operating Expenses	€143,640	€143,640	€143,640
Operating Income	€6,110	€6,110	€6,110
Income Taxes	€0	€0	€0
Total Expenses	€148,890	€148,890	€148,890
Net Profit	€6,110	€6,110	€6,110
Net Profit / Sales	4%	4%	4%

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