

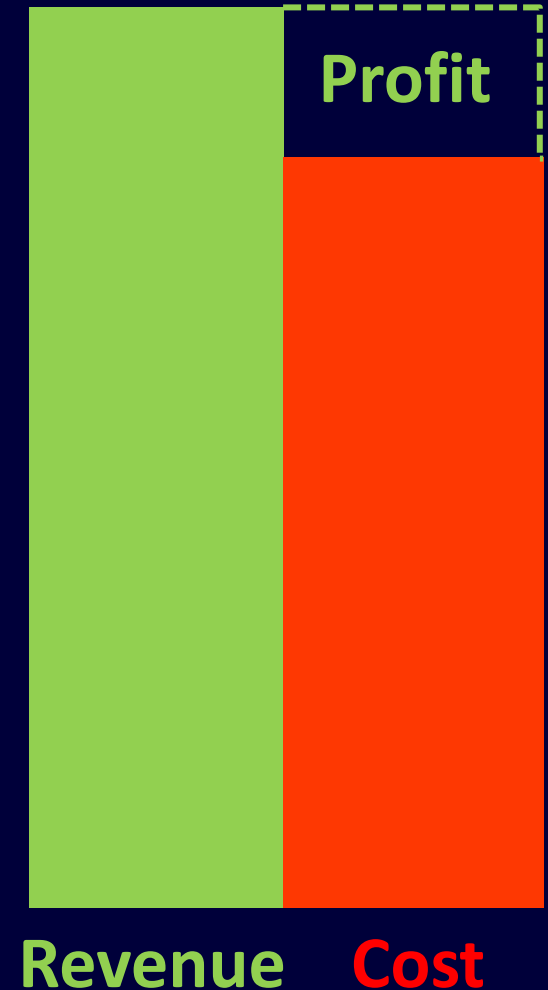
# Project Management

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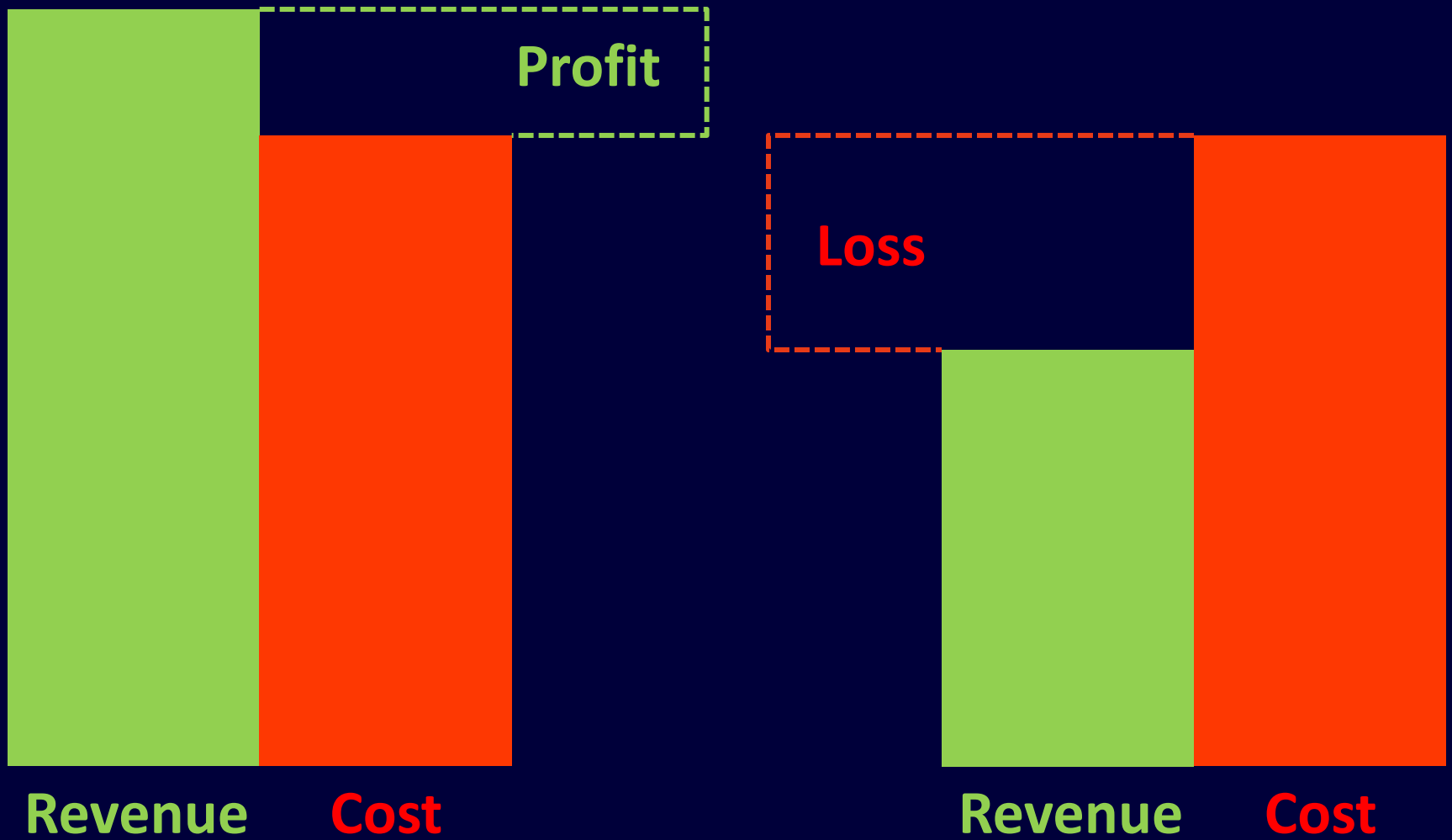
## Profit & Loss (P&L)

# P&L – Outline

- Profit, loss, break-even
- Revenue
- Project costs
- Product variable costs
- Product fixed costs
- Project funding
- Example of project costs
- Example of P&L statement
- Margin & Mark-up
- Extent of PM's P&L responsibility

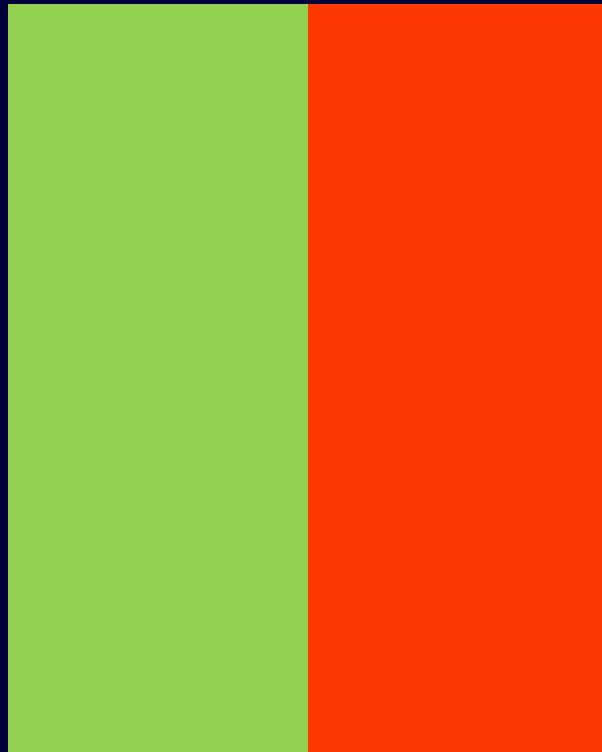


# P&L – Profit & Loss



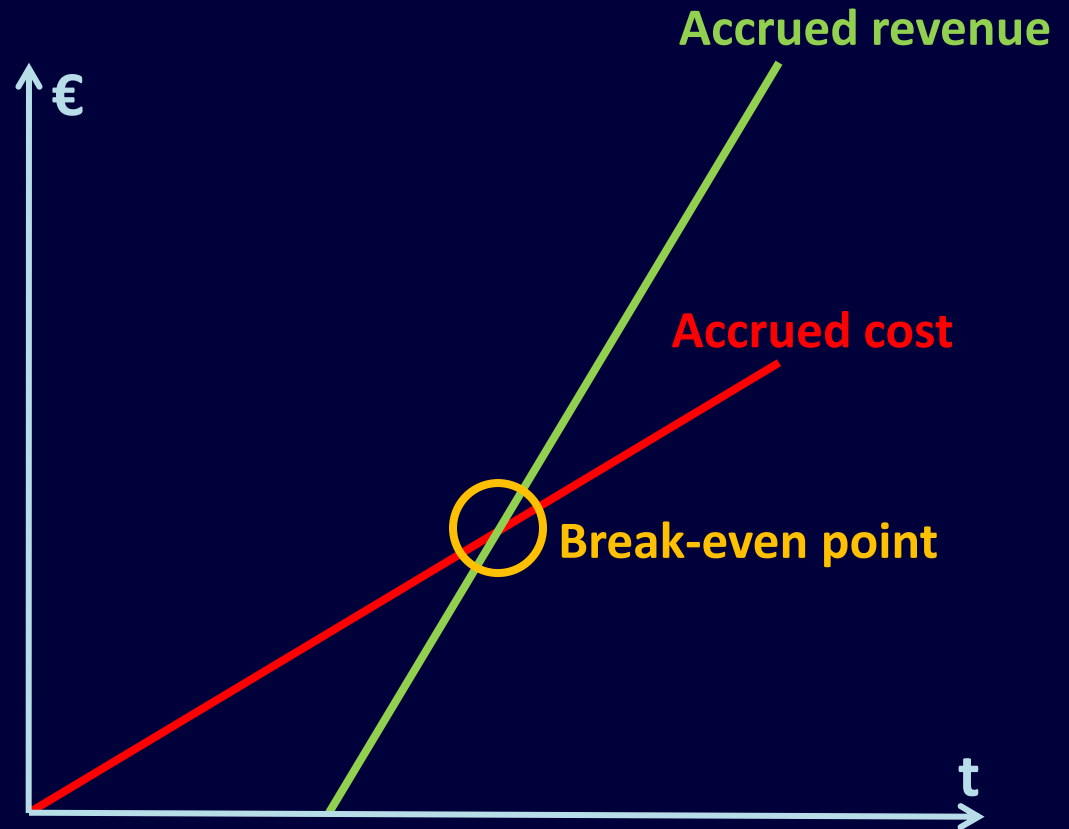
# P&L – Break-even point

Break-even



Revenue

Cost



# P&L – revenue from product sales (1)

The screenshot displays the Microsoft Store homepage. At the top, the Microsoft logo is on the left, and navigation links for Store, Products, and Support are in the center. On the right, there is a search bar, a shopping cart icon with '0' items, and a 'Sign in' link. Below the navigation bar, a dark grey banner contains links for Store, Devices, Software & Apps, Games & Entertainment, Deals, and More.

The main content area features several promotional tiles:

- Surface Book:** A large tile for the 'New' Surface Book, described as 'The ultimate laptop now more powerful than ever'. It includes a 'Pre-order New Surface Book >' link and an image of the laptop displaying a blue ice landscape.
- Xbox One S:** A tile offering a 'ShortList' of Xbox One S consoles, with a 'Save up to £40 on select Xbox One S, plus 3 free games' and a 'Save now >' link. It includes an image of the console and a game box.
- Surface Pro 4:** A tile offering a 'Save up to £229 on select Surface Pro 4' with a 'Shop now >' link and an image of the tablet.

A vertical sidebar on the right side of the main content area contains the text 'Talk to an expert'.

On the left side, a vertical list of categories is provided:

- Surface
- Office
- Student offers
- Xbox
- For your business
- All Windows phones
- PCs and Tablets
- Accessories

Below the main content area, there are three more promotional tiles:

- Office 365:** A tile with the Office 365 logo and the text 'Find the right Office subscription for you, from only £5.99 per month.'
- Xbox One S:** A tile showing Xbox One S consoles and games, with the text 'Get up to £40 off + 3 FREE games or a controller with selected Xbox One S.'
- Porsche Design:** A tile for the Porsche Design Book One laptop, with the text 'Pre-order the new Porsche Design BOOK ONE with Windows 10 Pro.'

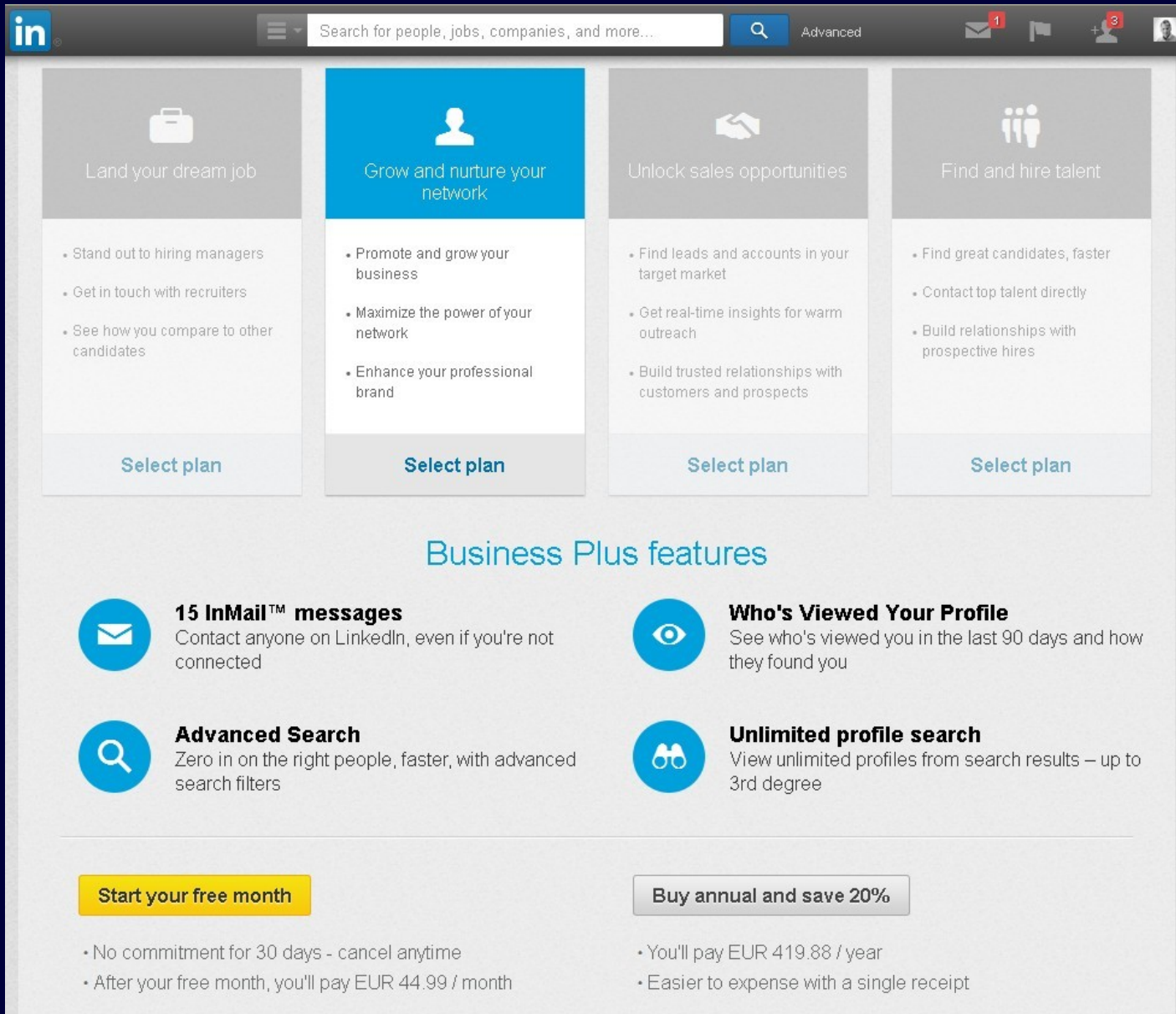
At the bottom, there are partial views of other tiles, including one for Visual Studio.

# P&L – revenue from product sales (2)

The screenshot displays the Amazon.co.uk homepage with the following elements:

- Header:** Amazon.co.uk logo with a "Try Prime" link, a search bar, and navigation links for Prime Video (30-day free trial), Sign in, Your Account, Try Prime, Your Lists, and the Basket.
- Main Banner:** Promoting the "ALL-NEW fireTVstick" for £39.99, highlighting the "Now with Alexa Voice Remote" feature, accompanied by an image of the device and its remote.
- Left Column:**
  - A cookie notice: "Amazon uses cookies. What are cookies?"
  - A "Welcome" section with the text "Sign in for your best experience" and a "Sign in securely" button.
  - A link at the bottom: "New to Amazon? Start here".
- Prime Benefits Section:** Titled "Exclusive Prime benefits", it features four circular icons representing:
  - Fast delivery and much more (with cardboard boxes)
  - Prime Video (with a movie poster for "snaky pete")
  - Prime Music (with album art)
  - Pre-released eBooks (with an eBook cover)A "See more" link is provided at the bottom.
- Fashion Promotion:** A banner for "Up to 50% off fashion" featuring a woman in a dress and the text "MID-SEASON SALE UP TO 50% Off". A "See more" link is at the bottom.
- Prime Offer:** A blue banner for "amazonPrime" offering "30 days of FREE One-Day Delivery, photo storage, movies, music and more" with a "Try Prime now" button and an "Ad feedback" link.
- Deal of the day:** Promoting a hair straightener for £75.99 (List: £99.00, 23% off), with a "Shop all deals" link.

# P&L – revenue from services



The screenshot displays the LinkedIn Business Plus interface. At the top is a navigation bar with the LinkedIn logo, a search bar, and notification icons. Below this are four main service cards, each with a title, an icon, a list of features, and a 'Select plan' button. The second card, 'Grow and nurture your network', is highlighted in blue. Below these cards is a section titled 'Business Plus features' with four icons and descriptions. At the bottom are two buttons: 'Start your free month' and 'Buy annual and save 20%'. The 'Start your free month' button is highlighted in yellow.

**Land your dream job**

- Stand out to hiring managers
- Get in touch with recruiters
- See how you compare to other candidates

**Select plan**

**Grow and nurture your network**

- Promote and grow your business
- Maximize the power of your network
- Enhance your professional brand

**Select plan**

**Unlock sales opportunities**

- Find leads and accounts in your target market
- Get real-time insights for warm outreach
- Build trusted relationships with customers and prospects

**Select plan**

**Find and hire talent**

- Find great candidates, faster
- Contact top talent directly
- Build relationships with prospective hires

**Select plan**

### Business Plus features

**15 InMail™ messages**  
Contact anyone on LinkedIn, even if you're not connected

**Who's Viewed Your Profile**  
See who's viewed you in the last 90 days and how they found you

**Advanced Search**  
Zero in on the right people, faster, with advanced search filters

**Unlimited profile search**  
View unlimited profiles from search results – up to 3rd degree

**Start your free month**

- No commitment for 30 days - cancel anytime
- After your free month, you'll pay EUR 44.99 / month

**Buy annual and save 20%**

- You'll pay EUR 419.88 / year
- Easier to expense with a single receipt



# P&L – revenue from subscriptions (1)

Welcome to The Times and The Sunday Times

SUBSCRIBE

LOG IN

Get a broader perspective on Brexit

Access the stories behind the headlines

Subscribe to quality journalism, wherever and whenever

Peter Capaldi  
What next for Doctor Who?

MAGAZINE >

Bella Hadid  
A peek inside her make-up bag

STYLE >

Sundae best  
Jamie's fun recipes to get your 10-a-day

THE DISH >

VIDEO

## Revealed: rich peers paid for doing nothing


Multimillionaire peers are claiming up to £40,000 a year in expenses for attending the House of Lords while making little or no contributions to debates, committees or questions, an investigation by The Sunday Times has found. It is a new blow to the reputation of the upper house, which has...

[Read the full story >](#)

## Spain 'duped' May on Gibraltar trade

◆ UPDATED

Spain's attempt to use Brexit to launch a new grab for Gibraltar has caused a bitter government split, amid claims that Theresa May and David Davis were hoodwinked by Madrid into betraying the people of the Rock. Senior government sources accused Spain of going "behind our backs" by persuading the European Union to make Gibraltar's future...




## Student returns to the home where her mother and brother were killed

◆ NEW

A university student returned to her family home to visit the scene where her mother and 13-year-old brother were allegedly stabbed to death by a homeless man. Lydia Wilkinson, 18, who laid flowers with her boyfriend and his parents during the visit, confirmed in a statement shortly after that Aaron Barley, that the...

[Read the full story >](#)

## Oxford hold off Cambridge to win boat race





# P&L – revenue from subscriptions (2)

Login Global

## The International Digital Pack

Enjoy unlimited access to The Times of London online



### What's included:

- Tablet, smartphone, website
- Daily 'best of' news bulletins
- Digital access to The Times archives
- Access to 9,000+ Crosswords and Mind Games

**£1 for 30 days**

£5 per month thereafter

[Subscribe now](#)

[View full details](#)

\*Sterling is the only currency available at the moment.

**Subscription gives you the news exactly the way you want it**

Choose the way you read, watch and interact with our exclusive content

# P&L – revenue from commissions (1)

Hi! Sign in or register | Daily Deals | CLICK & COLLECT | SHOP NOW > | My eBay | Sell | Community | Help & Contact |

**ebay** Shop by category ▾ Search... All Categories ▾ Search Advanced

Home > Electronics Tell us what you think | Share ▾

## Electronics

- Cameras & Photography >
- Mobile & Home Phones >
- Computers/Tablets/Networks >
- Sound & Vision >
- Video Games & Consoles >
- Shop Top Products >
- All Categories

**THE UK'S LOWEST PRICES**  
On selected cutting-edge electronics\*

**SHOP ALL**

Tablets

Cameras

TVs

**FREE UK DELIVERY\*\***

\*Images are representative. Based on daily price checks at leading UK electronics retailers. See full details. \*\*Free delivery to UK mainland.

1 2 3

### DEALS

Get these deals for a limited time only!

**62%\* OFF**

**Fujifilm FinePix Digital...**  
RRP £279.00\*  
**£99.99**  
Free P&P  
RRP as of 01/02/2014

**WEEKLY DEALS**

**40%\* OFF**

**Toshiba AT10-A-104 eXcite...**  
**£169.99**  
Free P&P

**WEEKLY DEALS**

**40%\* OFF**

**Acer TM 15.6" Intel Dual...**  
RRP £499.99\*  
**£299.94**  
Free P&P  
RRP as of 10/03/2014

**WEEKLY DEALS** See more >

Shop with confidence with the eBay Money Back Guarantee.

Simple, fast & free

Learn what's included >

**ebay MONEY BACK GUARANTEE**

Ad Feedback | AdChoice

### New electronics from top sellers

**COLLECT**  
  
**POINTS\***

### Product Finder

Find what you want, quickly and easily, using our new app

# P&L – revenue from commissions (2)

The screenshot shows the eBay Seller Centre interface. At the top, the eBay logo is followed by 'Seller Centre'. Below this is a breadcrumb trail: 'Home > eBay Seller Centre > Fees > What fees you'll pay'. There are two tabs: 'Private' (selected) and 'Business'. A search bar contains the text 'Search for a topic, for example: fees, postage or how to sell' with a 'Search' button. On the left sidebar, under 'Seller Centre', there are links for 'Why sell on eBay?', 'How to sell', 'Postage, payment & returns', 'Feedback', 'Seller protection', and 'Fees' (which is highlighted). The main content area is titled 'What fees you'll pay'. It contains an introductory paragraph: 'We know that selling on eBay is a choice. When you sell with us, you get access to our 18m buyers in the UK and 165m worldwide, for a fair price. Find out why you should sell on eBay or start selling now.' Below this is a list of links: 'Optional listing upgrades', 'eBay Shops', 'eBay Motors Fees', and 'Classified Ads fees'. A green box contains two bullet points: 'List up to 20 items a month for free. After your free 20 items, each item you list costs £0.35.' and 'When your item sells you pay 10% of the final transaction value, including postage. We call this a final value fee. We cap final value fees so you will never pay more than £250 for a single item.' At the bottom, a 'Tip' states: 'Save on fees with our promotional offers. We run offers to give you the best value possible. You can keep track of your offers in My eBay.' On the right, a 'Related links' box contains 'How to pay your fees' and 'Save money with promotional offers'.

ebay Seller Centre

Home > eBay Seller Centre > Fees > What fees you'll pay

Private Business

Search for a topic, for example: fees, postage or how to sell Search

**Seller Centre**

Why sell on eBay?

How to sell >

Postage, payment & returns >

Feedback

Seller protection >

**Fees** >

## What fees you'll pay

We know that selling on eBay is a choice. When you sell with us, you get access to our 18m buyers in the UK and 165m worldwide, for a fair price. Find out why you should sell on eBay or start selling now.

- Optional listing upgrades
- eBay Shops
- eBay Motors Fees
- Classified Ads fees

- List up to 20 items a month for free.** After your free 20 items, each item you list costs £0.35.
- When your item sells** you pay 10% of the final transaction value, including postage. We call this a **final value fee**. We cap final value fees so you will never pay more than £250 for a single item.

**Tip:** Save on fees with our promotional offers. We run offers to give you the best value possible. You can keep track of your offers in My eBay.

Related links

- How to pay your fees
- Save money with promotional offers

# P&L – revenue from commissions (3)

## Selling with PayPal.

We help process payments for millions of customers worldwide. Our transaction fees are based on your total sales volume. So the more you sell, the less you pay.

And if you're a charity, you just pay one small set fee no matter the size of the donation.

### Get paid online

However you do business we'll get you paid.

[More about online payments.](#)

Add PayPal to your existing checkout.

No monthly fee

From 3.4% to as low as 1.9% + 20p per transaction

**based on total sales volume**

[More about Express Checkout](#)

Add PayPal buttons to your website.

No monthly fee

From 3.4% to as low as 1.9% + 20p per transaction

**based on total sales volume**

[More about Website Payments Standard](#)

Accept debit and credit card payments on your website.

There are **2 fee structures** available for this solution. Please call 0800 368 7177 to speak to a payments specialist.

[More about Website Payments Pro.](#)

Micropayments Discounts.

If your transactions typically average less than £5, you could save money with our 5% + 5p rate.

[More about micropayments.](#)

### Get paid over the phone

Accept card payments directly over the phone. No website or terminal needed.

There are **2 fee structures** available for this solution. Please call 0800 368 7177 to speak to a payments specialist.

[More about payments by phone](#)

# P&L – revenue from advertising (1)

statista

The Statistics Portal

Statistics and Studies from more than 18,000 Sources

Enter search term, e.g. social media



new

Prices & Access

Our Services

Industries

Topics

Digital Markets

Consumer Markets

Infographics

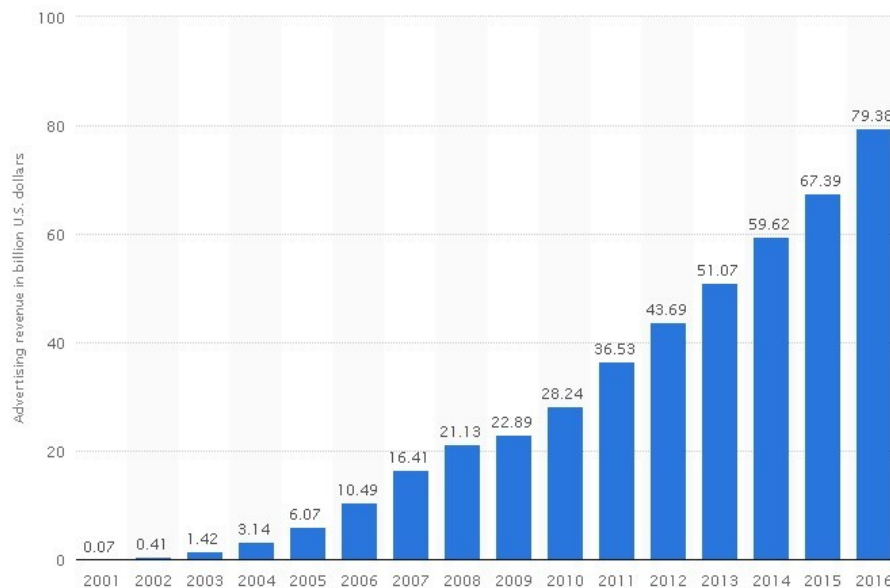
Login



Industries > Internet > Search Engines & SEO > Google: ad revenue 2001-2016

## Google's ad revenue from 2001 to 2016 (in billion U.S. dollars)

**\$ 79.4 billion!**



[Complete Source Details](#)

### ABOUT THIS STATISTIC

This statistic displays Google's advertising or ad revenue since 2001. In 2016, Google's ad revenue amounted to almost 79.4 billion US dollars. That year, advertising accounted for the majority percent of the online company's total revenues.

[Show more...](#)

### SPECIAL FUNCTIONS

Download as ...

Graphic (PNG)

Excel (XLS)

PowerPoint (PPT)

PDF

Options

Settings

Print

Research Alerts

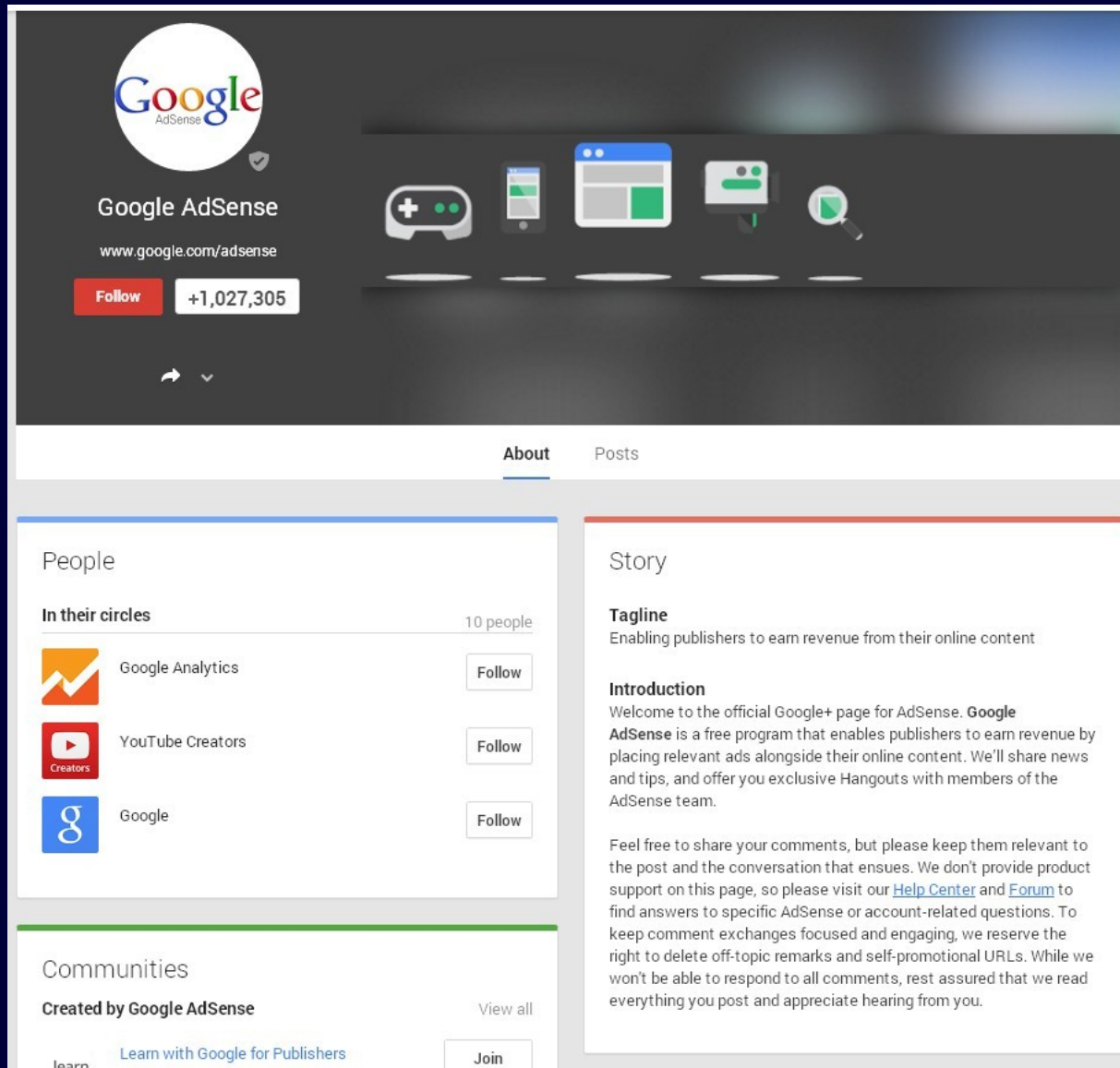
Google sites: advertising revenue 2001-2016

Google's digital advertising revenue in the United

Google's digital advertising revenue in the United



# P&L – revenue from advertising (2)



The image shows a screenshot of the Google AdSense Google+ profile page. At the top, there is a circular profile picture with the Google AdSense logo. Below it, the text "Google AdSense" is displayed, followed by the URL "www.google.com/adsense". A red "Follow" button is next to a follower count of "+1,027,305". To the right of the profile information is a horizontal row of five icons: a game controller, a smartphone, a web browser window, a speech bubble, and a magnifying glass. Below the profile section, there are two tabs: "About" (selected) and "Posts". The "About" tab is active, showing a "People" section with "In their circles" and "10 people". Three people are listed: "Google Analytics", "YouTube Creators", and "Google", each with a "Follow" button. Below the "People" section is a "Communities" section with the heading "Created by Google AdSense" and a "View all" link. A "Join" button is visible at the bottom of the "Communities" section. On the right side of the page, under the "About" tab, there is a "Story" section. It includes a "Tagline" that reads "Enabling publishers to earn revenue from their online content" and an "Introduction" that welcomes users to the official Google+ page for AdSense, explaining that it is a free program for publishers to earn revenue by placing relevant ads. The introduction also mentions that users will receive news, tips, and exclusive Hangouts with the AdSense team. At the bottom of the "Introduction" section, there is a paragraph encouraging users to share comments but to keep them relevant to the post and conversation, and to visit the "Help Center" and "Forum" for specific questions.

Google AdSense

www.google.com/adsense

Follow +1,027,305

About Posts

People

In their circles 10 people

Google Analytics Follow

YouTube Creators Follow

Google Follow

Communities

Created by Google AdSense View all

Learn with Google for Publishers Join

Story

**Tagline**  
Enabling publishers to earn revenue from their online content

**Introduction**  
Welcome to the official Google+ page for AdSense. **Google AdSense** is a free program that enables publishers to earn revenue by placing relevant ads alongside their online content. We'll share news and tips, and offer you exclusive Hangouts with members of the AdSense team.

Feel free to share your comments, but please keep them relevant to the post and the conversation that ensues. We don't provide product support on this page, so please visit our [Help Center](#) and [Forum](#) to find answers to specific AdSense or account-related questions. To keep comment exchanges focused and engaging, we reserve the right to delete off-topic remarks and self-promotional URLs. While we won't be able to respond to all comments, rest assured that we read everything you post and appreciate hearing from you.



# P&L – revenue from advertising (3)

**TC** News Video Events Battlefield Crunchbase Unicorn Leaderboard

Got a tip? Follow Us

## Advertise with TechCrunch

TechCrunch is the #1 business blog for startup and investment news from around the world.

Every month, TechCrunch reaches 6.5M US readers from across the tech industry — entrepreneurs, venture capitalists, investors, startup fans, developers, and business-decision makers.

Almost half of the TechCrunch audience consumes our content only on a mobile device. Tens of thousands attend our premier tech events in person, while millions more watch and read about them online. Meanwhile, TechCrunch's 13M+ social media followers continue to grow and be engaged in our original tech content.

If you want to connect with these smart, savvy, and affluent tech influences, please email [advertise@techcrunch.com](mailto:advertise@techcrunch.com) to see how you can partner with TechCrunch!

## Advertise with Us

Email [advertise@techcrunch.com](mailto:advertise@techcrunch.com) for:

- Pricing info
- Requests for proposal
- Additional advertising opportunities:
  - Mobile
  - Native
  - Video
  - Roadblocks
  - Newsletters
  - Content hub sponsorships
  - Digital sponsorships for events
  - Advertise internationally
  - And more

## Sponsor an Event

Email [events@techcrunch.com](mailto:events@techcrunch.com) to be an onsite sponsor for TechCrunch's many premier events like:

- Disrupt
- The Crunchies
- Hardware Battlefield
- Reader Meetups
- Summer Party at August Capital

## Send a News Tip

Email [tips@techcrunch.com](mailto:tips@techcrunch.com) to submit a press release or to be considered for

The infographic features a large blue number '1' in the center, representing TechCrunch's position as the #1 source of breaking news. Surrounding this central figure are various statistics in green and blue boxes. At the top left, a large green '6.5' is followed by 'MILLION UNIQUE VISITORS per month in the US'. To the right of the central '1' is a box stating 'SOURCE OF BREAKING NEWS ON TECHMEME LEADERBOARD since our inception in 2005'. Below the '6.5' is a box for '195K NEWSLETTER SUBSCRIBERS'. To the left of the central '1' is a box with a large green '3' and 'CITIES WORLDWIDE HOST DISRUPT: NEW YORK, SAN FRANCISCO, LONDON'. To the right of the central '1' is a box with a large green '21' and 'MILLION PAGE VIEWS per month in the US'. Below the '3' is a box with a large green '44%' and 'READ TECHCRUNCH ON MOBILE'. At the bottom left is a box with '1+' and 'MILLION FLIPBOARD READERS'. At the bottom right is a box with '13+' and 'MILLION MONTHLY FLIPS'. At the bottom left of the infographic is a small footnote: '\* comScore, March 2015, US only desktop and mobile | Flipboard, March 2015'.

Metric	Value
Unique Visitors (per month in the US)	6.5 Million
Source of Breaking News	#1 on TechMeme Leaderboard since inception in 2005
Newsletter Subscribers	195K
Cities Worldwide Host Disrupt	3 (New York, San Francisco, London)
Page Views (per month in the US)	21 Million
Read on Mobile	44%
Flipboard Readers	1+ Million
Monthly Flips	13+ Million

\* comScore, March 2015, US only desktop and mobile | Flipboard, March 2015

### Audience Statistics



# P&L – revenue from advertising (4)

<http://www.milliondollarhomepage.com/>

**The Million Dollar Homepage™** 1,000,000 pixels • \$1 per pixel • Own a piece of internet history!  
1000 Limited Edition MDHP Poster Prints - Available Now **SOLD OUT!**

Follow @twenty Homepage | Buy Pixels | FAQ | Blog | Pixel List | Press | Testimonials | Contact me

Page 2

# P&L – revenue from contractor fees



Cost of project for the contractor

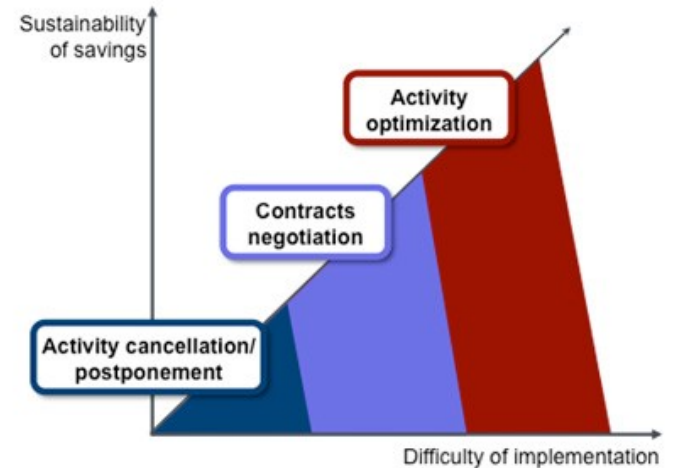
Revenue = price paid by the client



# P&L – operating cost reduction



CATEGORIZATION OF COST SAVING OPPORTUNITIES



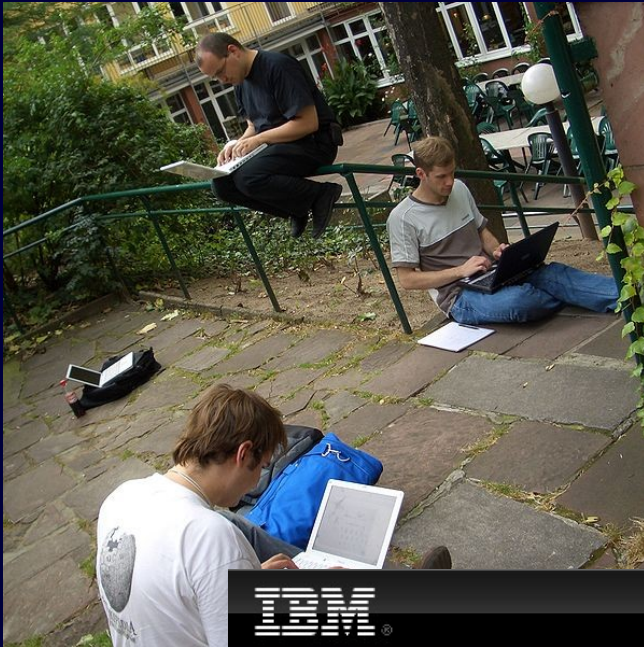
Source: SBC analysis

➤ Indirect "revenue"!

# P&L – project costs (1)



# P&L – project costs (2)



United States [ change ]

Search

Home Solutions ▾ Services ▾ Products ▾ Support & downloads ▾ My IBM ▾

Welcome [ IBM Sign in ] [ Register ]

## Here's a solid plan for staying liquid

→ Finance the IT services you need instead of drying up your ready cash

 Smarter railroads could help business and the environment

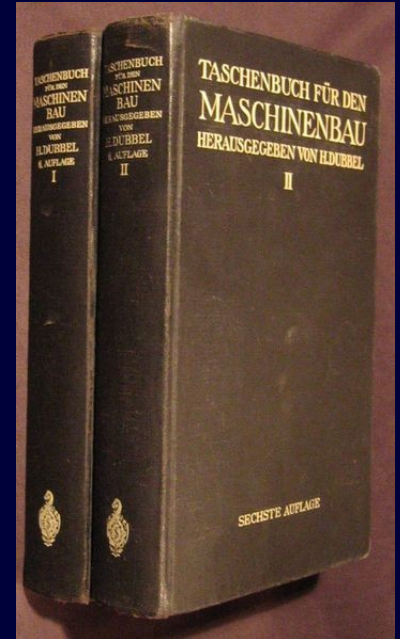
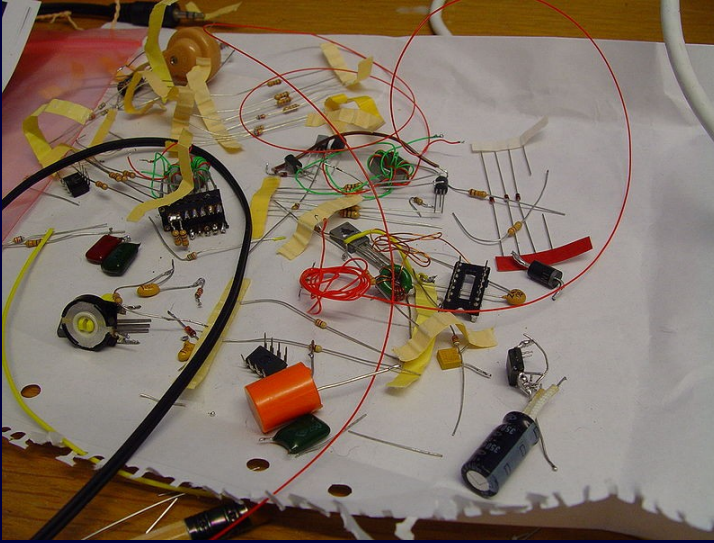
 Solutions to help you succeed in our complex, interconnected world

 Tap into IT services without tapping into your wallet

IBM News: IBM breaks speed record processing financial market data



# P&L – project costs (3)

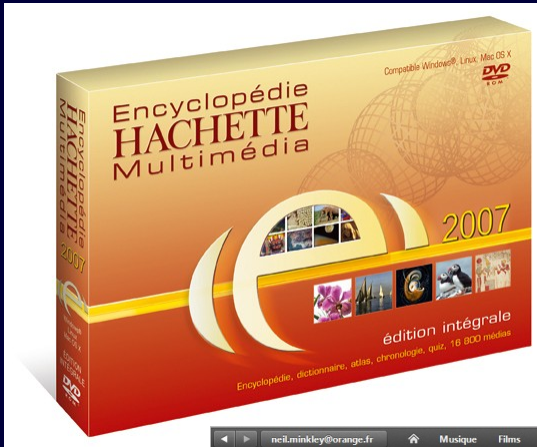


# P&L – project costs (4)

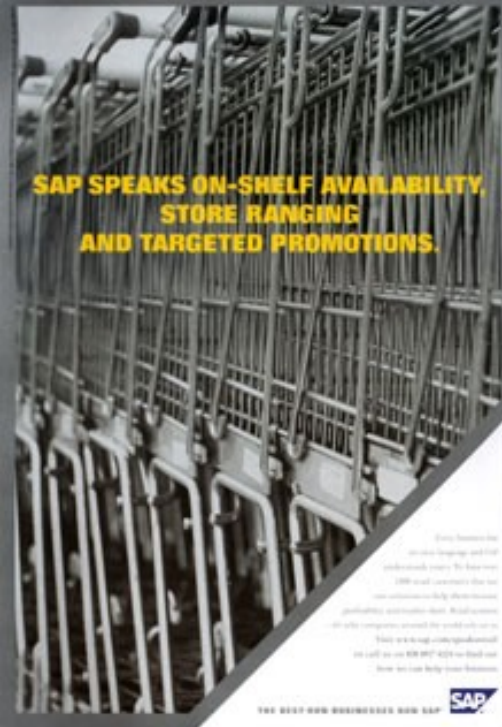




# P&L – product variable costs



# P&L – product fixed costs (1)



**SAP SPEAKS ON-SHELF AVAILABILITY,  
STORE RANGING  
AND TARGETED PROMOTIONS.**

Every business has  
different needs and SAP  
understands yours. We have over  
100 small companies that use  
our software to help them grow  
profitability and success. Real success  
for only companies around the world who can't  
live without it. You can't stop using SAP!  
Call us at 800 847 4214 or visit our  
SAP website to learn more.

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- Reach people actively looking for information about your products and services online
- Easily control costs - pay only when people click on your ad



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Want more information about AdWords? [Learn more >](#)

Find out how our sales team can help you reach your online advertising goals. [Contact Sales](#)

Looking for an ad server?

Hello Visitor LOGIN OR REGISTER

JOB | CARS | AUTOS A-Z | REAL ESTATE | RENTALS | NEW HOMES | MERCHANDISE | HOME DELIVERY

**SunSentinel.com** 83° F, Mostly Cloudy

Home **News** Broward Palm Beach Dolphins Sports Entertainment Lifestyle Money Health Opinion

SCHOOLS WEATHER HURRICANE HQ OBITS TRAFFIC FLORIDA NATIONWORLD CONDOS & HOAS BLOGS NEWS TIPS BROWARD COUNTY PALM BEACH COUNTY

**HOT TOPICS** | FLIFF Opens Friday | FSU's Nightmare Season | One-way Fares For \$99 | Database: Airline Baggage Fees | Ask The Pediatrician

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Fast Internet Up to 12 Mbps with Powerboost

Unlimited Nationwide Calling

1.800.COMCAST WWW.COMCAST.COM Comcast dream big.

**BreakingNewsCENTER**  
Sponsored by Comcast

**Port St. Lucie man accused of leaving baby alone in running car** Updated: 18 minutes ago  
A 42-year-old man was arrested after allegedly leaving his baby daughter alone in a vehicle at a business on South U.S. 1, according to an affidavit released Wednesday.

**Police dog detects signs of arson at Miami Lakes mayor's law office** Updated: 33 minutes ago  
A Labrador retriever named K-9 Sierra helped authorities determine that a fire at the law office of the Miami Lakes mayor was intentionally set, authorities said Wednesday.

**Officials investigate fire at Oakland Park pain clinic** Updated: 39 minutes ago  
The cause of a fire that broke out this morning at an Oakland Park pain clinic is under investigation, authorities said.

**HURRICANE HEADQUARTERS**  
CLICK HERE

# P&L – product fixed costs (2)

On January 24th,  
Apple Computer will introduce  
Macintosh.  
And you'll see why 1984  
won't be like "1984"

<https://www.youtube.com/watch?v=VtvjbmoDx-I>





# Project funding – in-house or bank

*Gold Company*





# Project funding – Venture Capital

U.S. › Seed					
Companies				Team	
A123	FireEye	Nimble Storage	Y Combinator	Roelof Botha	Timothy Lee
AdBrite	Funny or Die	Nimbula	YouTube	Mark Dempster	Douglas Leone
AdMob	GameFly	Palo Alto		Randy Ditzler	Alfred Lin
Alion	Infoblox	Quantenna		Joe Dobrenski	Greg McAdoo
Blippy	LogLogic	RockYou		Gaurav Garg	Michael Moritz
Cast Iron	Loopt	Ruckus		Jim Goetz	Luis Robles
Clean Cell	Luxim	Songbird		Michael Goguen	Bryan Schreier
Clearwell	Mark Logic	TokBox		Warren Hogarth	Donald Valentine
Dropbox	Meebo	Traiana		Mark Kvamme	

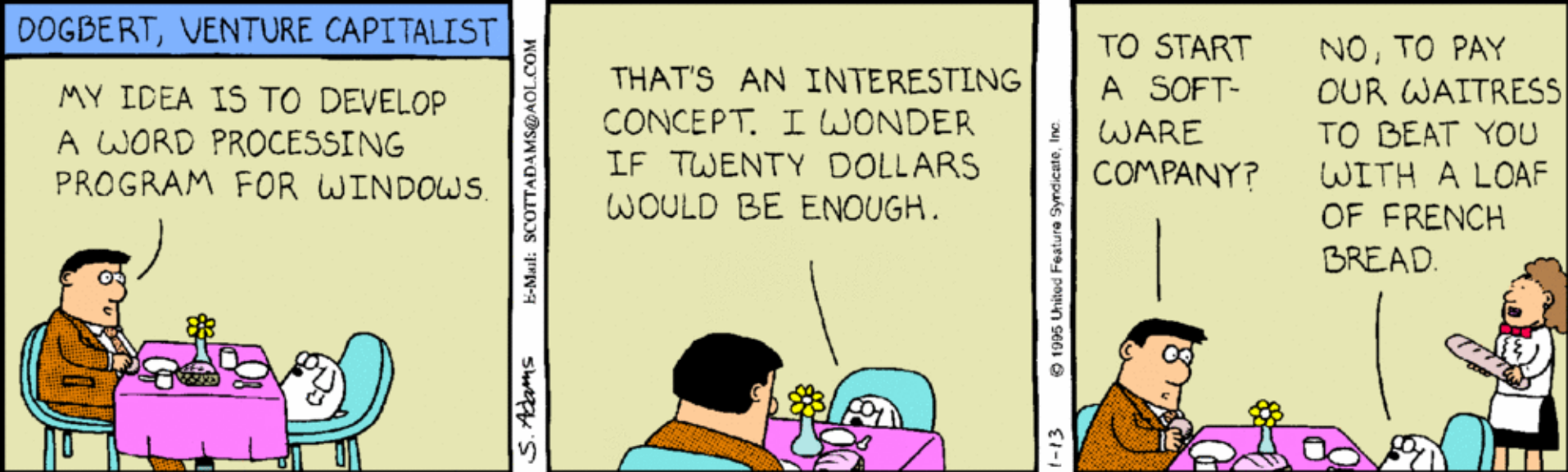


## Seed Stage

China | Israel | U.S.

Sequoia Capital invests between \$100K-\$1M in start-ups across the **energy, financial services, healthcare services, internet, mobile, outsourcing services** and **technology** markets. These are situations where we have the privilege of collaborating with very special founders who have a unique insight on the customer problem and a novel idea for addressing that pain point. A seed stage investment often occupies space in our building where a subsistence of ramen, red bull and portable furniture are at the founding team's disposal. We enjoyed assisting entrepreneurs in this manner such as Gaurav Garg of Redback Networks, Jerry Yang and David Filo of Yahoo and Chad Hurley and Steve Chen of YouTube.

# Example of VC



# Project funding – Business Angels



## » FRANCE ANGELS

### » BUSINESS ANGELS

#### Definition

#### The financing cycle

#### Networks

#### Figures

## » CODE OF CONDUCT

## » PUBLICATIONS

## » CROSSBORDER INVESTMENT

## » SEARCH

## » CONTACT

## » SITE MAP

Rechercher

ok

Mot(s) Clef(s)

### France Angels

16, rue Turbigo  
75002 PARIS  
contact@franceangels.org  
Fax : 01 44 82 77 76

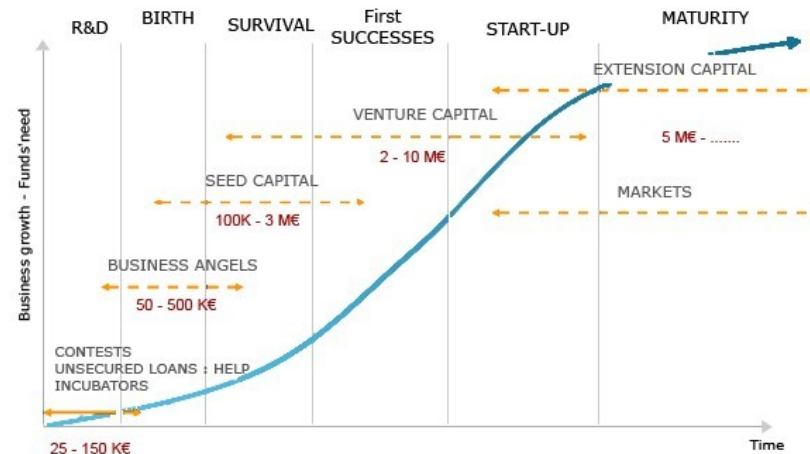
## ✓ The financing cycle

### BUSINESS ANGELS: THE ESSENTIAL LINK FOR FINANCING COMPANIES WITH STRONG POTENTIAL

The Business Angel, alone or with others, can finance investments from 50 to 500k€ (rarely more).

As shown by the graphic underneath, Business Angels usually take part in the cycle **after** the "love money" (Friends, Family and Fools), public funds and unsecured loans (allowing entrepreneurs to find the necessary funds to start their activity) and **before** capital investment professionals (venture capital, expansion capital).

### The financing "chain", throughout the innovative company life cycle



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# Project funding – subsidies





# Project funding – donations

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“Imagine a world in which every single person on the planet is given free access to the sum of all human knowledge.”

— Jimmy Wales, *Founder of Wikipedia*

## Support Wikimedia

Contribute with your credit card through PayPal. (Other ways to give, including check or mail, can be found [here](#).)

Amount

☐ \$100

☐ \$75

☐ \$30

☒ Other:

EUR - €

Public Comment

Have a thought to share with the world? Put up to 200 characters here:

☒ Please list my name (next to my comment) on the public donor list.

☒ I agree to receive future Wikimedia Foundation newsletters or emails. We will never sell or trade your information. Our donor privacy policy can be found [here](#).

Your credit card donation will be processed by PayPal. The charge will appear as "Wikimedia Foundation, Inc." on your credit card statement.

**DONATE**

For more information about our non-profit status, our Annual Report, or other questions, [click here](#).

To give to a local Wikimedia chapter, [click here](#).

# Don't forget thanks for a donation!

Wikimedia's 2008-09 Annual Report - Unicode (UTF-8)

Fichier Edition Affichage Outils Message ?

Répondre Répondr... Transférer Imprimer Supprimer Précédent Suivant Ad

**De :** Wikimedia Foundation  
**Date :** mercredi 27 janvier 2010 00:42  
**À :** Neil Minkley  
**Objet :** Wikimedia's 2008-09 Annual Report

Dear Neil,

Earlier this month, we completed the most successful fundraiser in the history of Wikipedia. In total, we received more than USD 8 million from over 230,000 donors. Thank you so much for your generosity.

We're also grateful to our foundation supporters this year, including the Alfred P. Sloan Foundation, Omidyar Network, Stanton Foundation, and the William and Flora Hewlett Foundation, and the Ford Foundation.

This was the most successful fundraiser for our international chapter organizations, who received more than USD 1.8 million in donations. Our chapters support Wikipedia's work on the ground in 27 countries or regions, and are our partners in many international projects.

Today, I am very pleased to share with you our Annual Report for the time period of July 1, 2008 to June 30, 2009. During that time:

- \* Wikipedia and its sister projects grew by 1.6 billion words and 1.8 million media files.
- \* We expanded our global readership to more than 300 million visitors per month.
- \* We launched initiatives to substantially improve Wikipedia's ease of use.
- \* We continued to invest in operations infrastructure and innovative technologies.
- \* We began developing new partnerships to increase Wikipedia's quality.

For details, I encourage you to review our **Annual Report**, which also includes our audited financials:

[http://wikimediafoundation.org/wiki/Annual\\_Report](http://wikimediafoundation.org/wiki/Annual_Report)

Wikimedia is a unique global movement to share the world's knowledge, to deepen our understanding of the world and each other. Thank you again for being part of our story.

Sue Gardner  
Executive Director, Wikimedia Foundation

Thank you from the Wikimedia Foundation - Unicode (UTF-8)

Fichier Edition Affichage Outils Message ?

Répondre Répondr... Transférer Imprimer Supprimer Précédent Suivant Adresses

**De :** Sue Gardner  
**Date :** mardi 23 novembre 2010 18:11  
**À :** Neil Minkley  
**Objet :** Thank you from the Wikimedia Foundation

Dear Neil,

Thank you for your gift of EUR 50.00 to the Wikimedia Foundation, received on November 23, 2010. I'm very grateful for your support.

Your donation celebrates everything Wikipedia and its sister sites stand for: the power of information to help people live better lives, and the importance of sharing, freedom, learning and discovery. Thank you so much for helping to keep these projects freely available for their nearly 400 million monthly readers around the world.

Your money supports technology and people. The Wikimedia Foundation develops and improves the technology behind Wikipedia and nine other projects, and sustains the infrastructure that keeps them up and running. The Foundation has a staff of about fifty, which provides technical, administrative, legal and outreach support for the global community of volunteers who write and edit Wikipedia.

Many people love Wikipedia, but a surprising number don't know it's run by a non-profit. Please help us spread the word by telling a few of your friends.

And again, thank you for supporting free knowledge.

Sincerely Yours,

Sue Gardner  
Executive Director

- \* To donate: <http://donate.wikimedia.org>
- \* To visit our Blog: <http://blog.wikimedia.org>
- \* To follow us on Twitter: <http://twitter.com/wikimedia>
- \* To follow us on Facebook: <http://www.facebook.com/wikimedia>

This letter can serve as a record for tax purposes. No goods or services were provided, in whole or in part, for this contribution. The Wikimedia Foundation, Inc. is a non-profit charitable corporation with 501(c)(3) tax exempt status in the United States. Our address is 149 New Montgomery, 3rd Floor, San Francisco, CA, 94105. Tax-exempt number: 20-0049703



# Project funding – crowdfunding



www.crowdfunding.com


gofundme Over \$3 Billion Raised! Learn More Start Raising Money

## Top 10 Crowdfunding Sites

This list is based on independent traffic data found on Alexa & Compete.

TOP 3

Rank	Crowdfunding Site	2014 Volume	US Alexa Rank	Fee	Important to Know...
1		\$470M	330	5%	Over \$3 Billion raised for personal fundraisers. Processing fee of 2.9% + \$0.30 applies.
2	KICKSTARTER	\$444M	218	5%	Personal fundraising <u>not allowed</u> . Creative only. Processing fees of between 3-5% apply.
3	 indiegogo	???	787	5%	3% processing fee. \$25 fee for international wire.

 **HIDDEN FEE ALERT!** Sites claiming to be '100% Free' will charge your donors up to 15% and you'll still need to pay 3% for processing. GoFundMe will never charge your donors anything. Questions about this page? Contact GoFundMe >>

# Project costs: example

Project DANTE: forecasted project costs (established on 24/06/1996 - values converted into €)

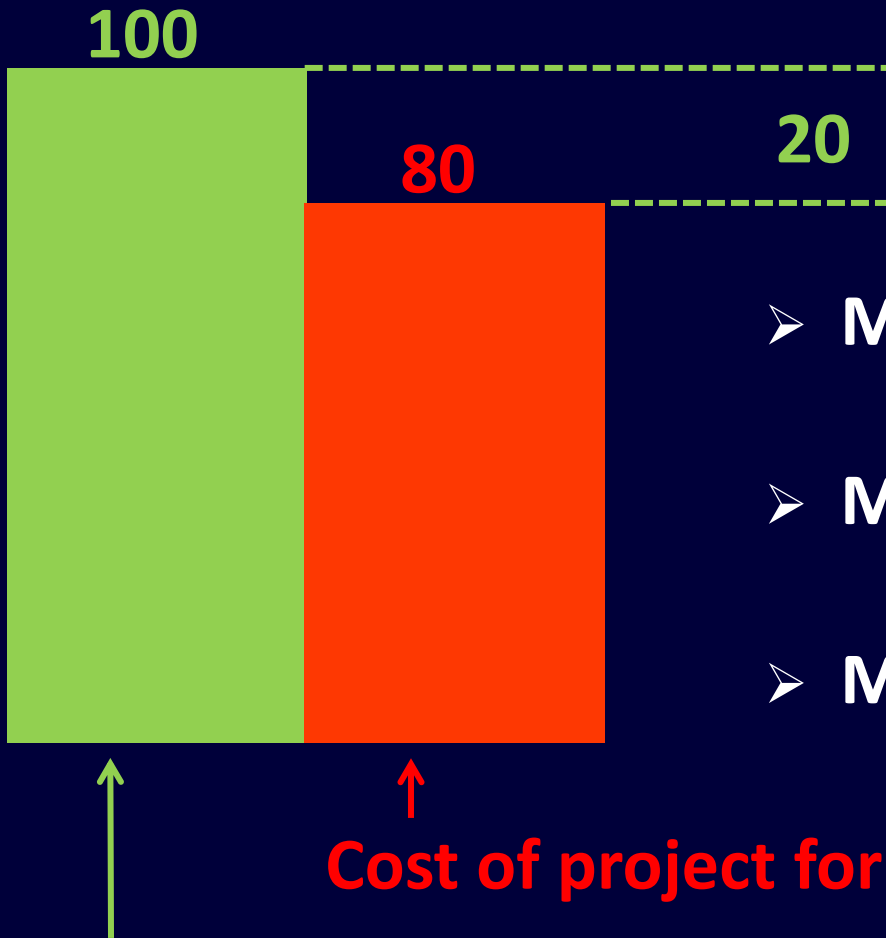
Writing/restructuring texts	600,000
Writing captions and titles	33,000
Writing scenarios, scripts and commentaries	76,000
Creation of font and acquisition of rights	30,000
Design and creation of quiz	23,000
Digitization of texts	20,000
Typing manuscripts	7,500
Proofreading and typing corrections	168,000
Tagging, creating metadata and links	225,000
Sourcing of media assets	53,000
<b>TOTAL CONTENT CREATION</b>	<b>1,235,500</b>
<b>MEDIA ASSETS REPRODUCTION RIGHTS</b>	<b>275,000</b>
Creation and digitization of media assets	290,000
Recording and synchronization of vocal commentaries	65,000
Software development	330,000
External testing	23,000
<b>TOTAL PRODUCTION</b>	<b>708,000</b>
Hardware & software	60,000
Documentation, travel, etc.	15,000
<b>TOTAL EQUIPMENT, TRAVEL, etc.</b>	<b>75,000</b>
<b>STAFF (incl overhead)</b>	<b>915,000</b>
<b>GRAND TOTAL</b>	<b>3,208,500</b>

# P&L statement: example

Project DANTE: forecasted 3-year P&L statement (established on 24/06/1996 - monetary values in €)

	Average per unit	1997	1998	1999	TOTAL 3 years
<b>Number of units sold</b>		<b>32,000</b>	<b>80,000</b>	<b>130,000</b>	<b>242,000</b>
Recommended retail price (incl VAT)	77.0	90	75	75	
<b>Recommended retail price (excl VAT)</b>	<b>64.9</b>	<b>76</b>	<b>63</b>	<b>63</b>	
Retailers' revenue	64.9	2,428,331	5,059,022	8,220,911	15,708,263
Retailer discount (40% of revenue)	26.0	971,332	2,023,609	3,288,364	6,283,305
<b>Publisher's net revenue</b>	<b>38.9</b>	<b>1,456,998</b>	<b>3,035,413</b>	<b>4,932,546</b>	<b>9,424,958</b>
Product manufacturing & packaging cost	3.0	96,000	240,000	390,000	726,000
Distribution cost (7% of retailers' revenue)	4.5	145,399	363,497	590,683	1,099,578
Customer Services cost	1.1	35,200	88,000	143,000	266,200
Other costs	1.5	48,000	120,000	195,000	363,000
<b>TOTAL variable costs</b>	<b>10.1</b>	<b>324,599</b>	<b>811,497</b>	<b>1,318,683</b>	<b>2,454,778</b>
Margin on variable costs	28.8	1,132,400	2,223,916	3,613,864	6,970,179
as a % of publisher's net revenue	74%	78%	73%	73%	74%
Advertising/promotion costs		915,000	762,000	762,000	2,439,000
Amortization of product creation cost		1,375,000	916,750	916,750	3,208,500
Product update costs			230,000	230,000	460,000
<b>TOTAL fixed costs</b>	<b>25.2</b>	<b>2,290,000</b>	<b>1,908,750</b>	<b>1,908,750</b>	<b>6,107,500</b>
<b>NET MARGIN</b>	<b>3.6</b>	<b>-1,157,600</b>	<b>315,166</b>	<b>1,705,114</b>	<b>862,679</b>
as a % of publisher's net revenue	9%	-79%	10%	35%	9%

# Margin & Mark-up



➤ Margin (profit) = 20

➤ Margin% =  $20/100 = 20\%$

➤ Mark-up% =  $20/80 = 25\%$

Price paid by the client

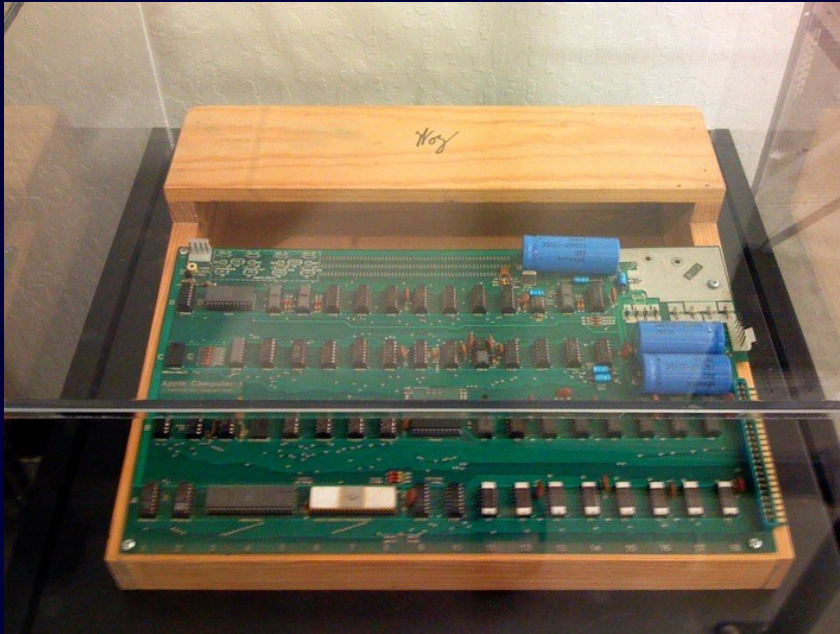
Cost of project for the contractor

$\text{Price} = \text{Cost} / (1 - \text{Margin}\%)$

$\text{Mark-up}\% = 1 / (1 - \text{Margin}\%) - 1$



# Other example of margin% vs mark-up%



Apple I, July 1976

- Wholesale price = \$500
- Retail price = \$666.66
- Retailer's **margin** = \$166.66 (=  $1/4$  or **25%** of \$666.66)
- Retailer's **mark-up** = \$166.66 (=  $1/3$  or **33.33%** of \$500)

# Extent of a PM's P&L responsibility



**Questions?**