



# Manpacks

**Inc.**

**MAXIM**



**The New York Times**



## Co-founders

### **Ken Johnson, CEO**

Product & Business Development

- 8 yrs Retail Management & Ops
- Certified Web Analyst



### **Andrew Draper, CTO**

Design / Development, Creative

- 15 yrs Web Design & Dev.
- JS/jQuery, CSS, PHP/MySQL

## Investors



**Brandon Zeuner & Ryan Swagar**



**Dave McClure**



**Dan Martell**



**Brian Murphy**



**Betaspring**

2010 Incubator

Guys hate to shop :(

So we don't make them.

**Lazy** buyers of:

- underwear
- socks
- shirts
- grooming products
- condoms



**Automation.**



Prefer **fast & easy**, no thought

**Curation.**

Amazon = 37,000 results for "men's underwear"

Aren't monitoring **new products**

**Discovery.**

**[CLICK TO ADD]**

Manpacks makes money with an opt-out, subscription-style service that prompts essential purchases *every 3 months*.



<http://manpacks.com>



# More time to slay dragons



*Auto-delivered underwear, socks, and other things you forget about.*



## Manpacks™

Get Started ▶

or [learn more.](#)



*Homework postponed, got my taxes, AND my next @manpacks came! Holy shit today is getting*



*Signed up for @manpacks because I keep losing socks and forgetting to buy raz*

[Click here for help](#)



# Add to or modify your pack—Choose whatever you like

	YOUR CHOICES	YOUR PACK
<ul style="list-style-type: none"><li>+ UNDERWEAR</li><li>+ SHIRTS</li><li>+ SOCKS</li><li>▼ SHAVING<ul style="list-style-type: none"><li>Shaving Gel</li><li>Razors</li></ul></li><li>+ CONDOMS</li></ul>	 <p><b>Nivea For Men Shaving Gel Sensitive 7oz</b> **Only available in US</p>	 <p>1 @ \$14.00 ea. Sir Richard's 12-Pack Collection, 12-PACK - \$14</p>
	 <p><b>Gillette Fusion Shaving Gel, Ultra Sensitive, 7oz</b> **Only available in US</p>	 <p>2 @ \$24.00 ea. Pact Organic Cotton Essentials, M - \$48</p>
	 <p><b>Raw Materials Extreme Shave Cream</b></p> <ul style="list-style-type: none"><li>• 100% Natural</li><li>• Lightly lathers and conditions skin for an ultra-smooth, close shave</li><li>• Protective elements ensure friction-free razor glide for reducing nicks, irritation and ingrown hairs</li></ul> <p>How many? <input type="text" value="1"/></p> <p>What size? <input type="text" value="6 OZ"/></p> <p><b>\$20</b> each</p> <p><a href="#">Add to Pack</a></p>	 <p>3 @ \$3.00 ea. Champion Performance No-show, REGULAR - \$9</p>
	 <p><b>Raw Materials Skin Grit</b></p> <ul style="list-style-type: none"><li>▪ Rids dirt &amp; unclogs pores</li><li>▪ Antioxidant rich</li></ul>	<p><b>Subtotal: \$71</b> <b>Shipping: FREE</b> <b>Total: \$71</b></p> <p><a href="#">Back to Dashboard</a></p> <p> </p> <p><i>I don't feel badly about throwing out my underwear that is clearly worn out.</i></p> <p>- Thomas Elliott</p> <p><a href="#">Click here for help</a></p>



Welcome,  
**Ken**

Logout →

Ships: Jul. 1

Modify your pack

Snooze

Ship Now

 Pack

 Order History

 Billing Info

 Shipping Address

 Update Password

## Your Pack

	Sir Richard's 12-Pack Collection 1 <input type="text" value="1"/> 12-Pack <input type="text" value="12-Pack"/> @ \$14.00 ea. Rate this item: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	\$14
	Pact Organic Cotton Essentials 2 <input type="text" value="2"/> M <input type="text" value="M"/> @ \$24.00 ea. Rate this item: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	\$48
	Champion Performance No-show 3 <input type="text" value="3"/> Regular <input type="text" value="Regular"/> @ \$3.00 ea. Rate this item: <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>	\$9
			Subtotal: \$71
			Shipping: \$0
			Total: \$71

## Early Target Market =



**Tech-savvy Male**  
(5M male iPad owners)

- Young Professional
- 25-45
- Making money, upping game

### Occupations

Designers, Developers, Founders,  
Managers, Marketers, VC Associates

### Reading

Uncrate, Wired, Esquire, Thrillist,  
Ask Men, Fitness blogs

**Made, Paid, Laid.**

## Other Segments



**Moms**  
**Girlfriends**  
**Wives**

### **Military**

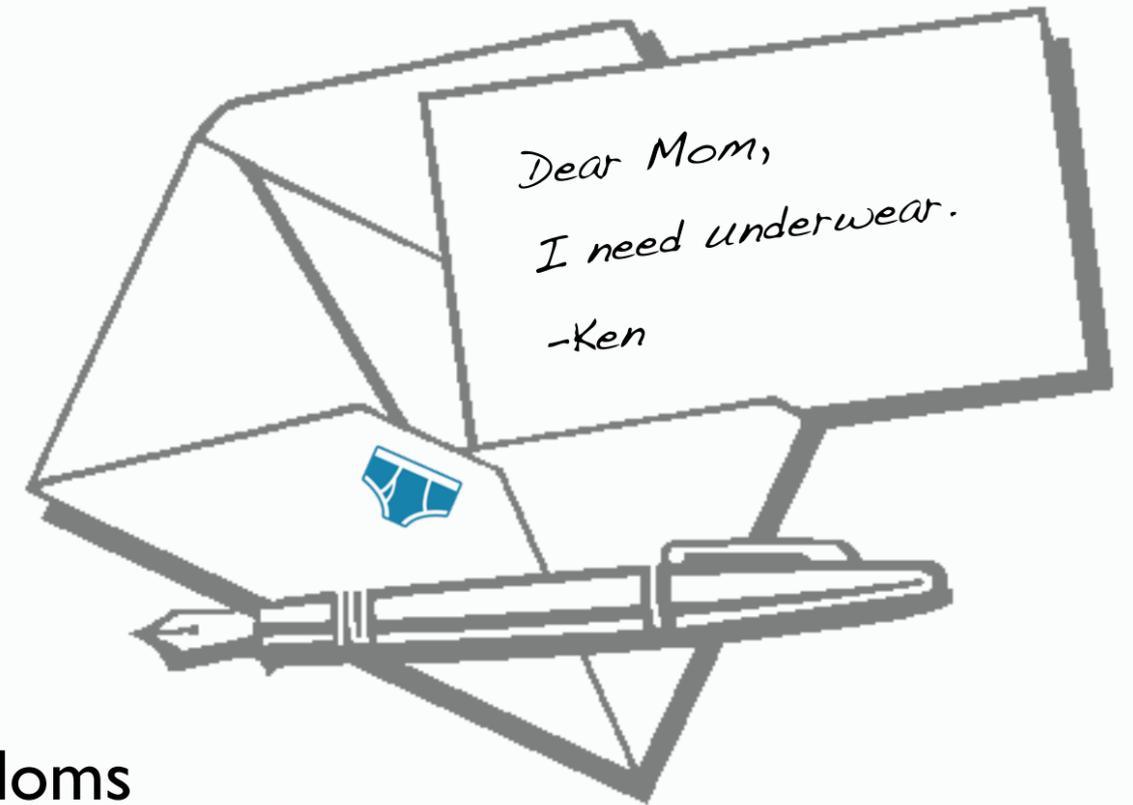
- Care-packages
- Boot socks
- Activewear & Undershirts

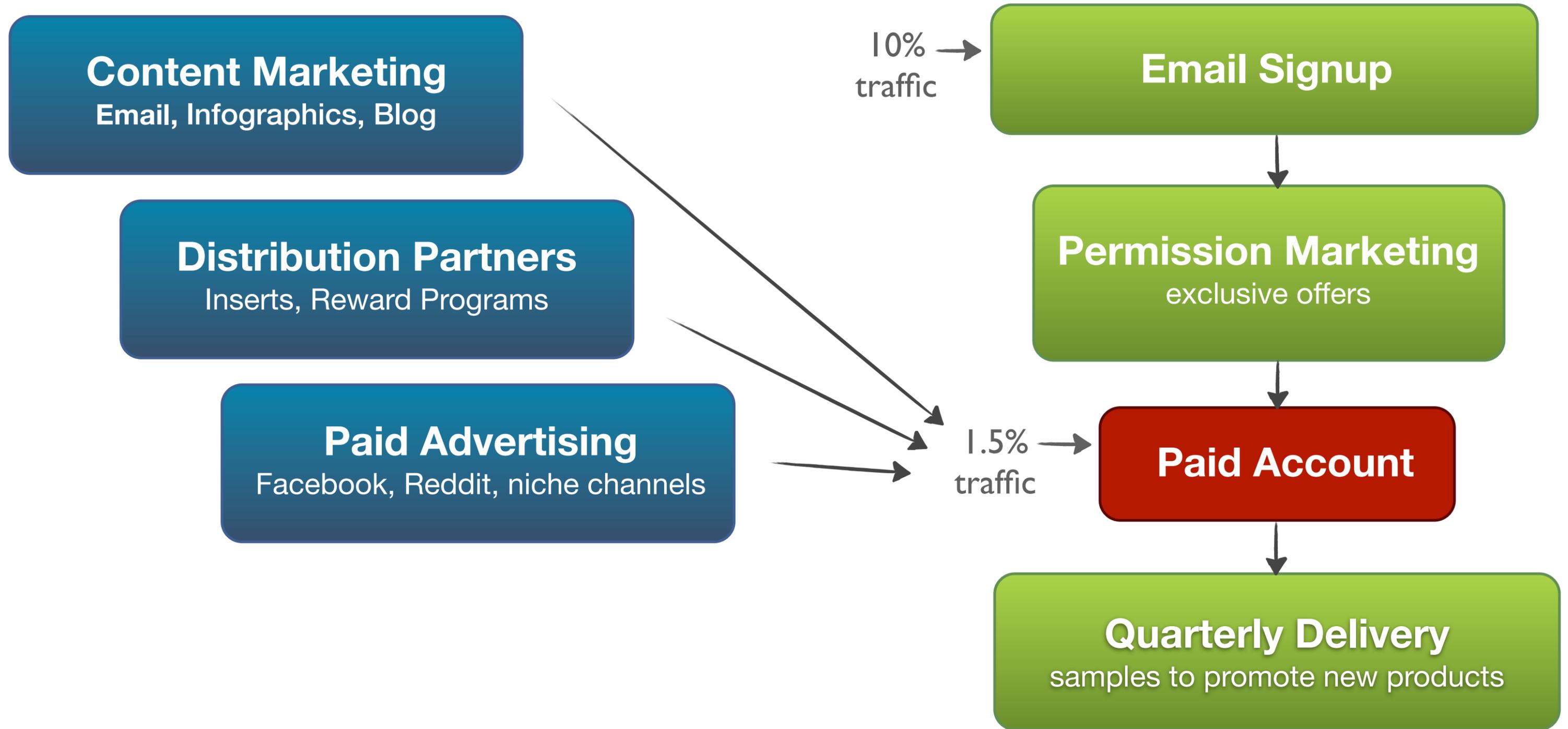
### **College**

- Semester budget
- Underwear, essentials, condoms
- Credits not redeemable for booze

### **Husbands & Boyfriends**

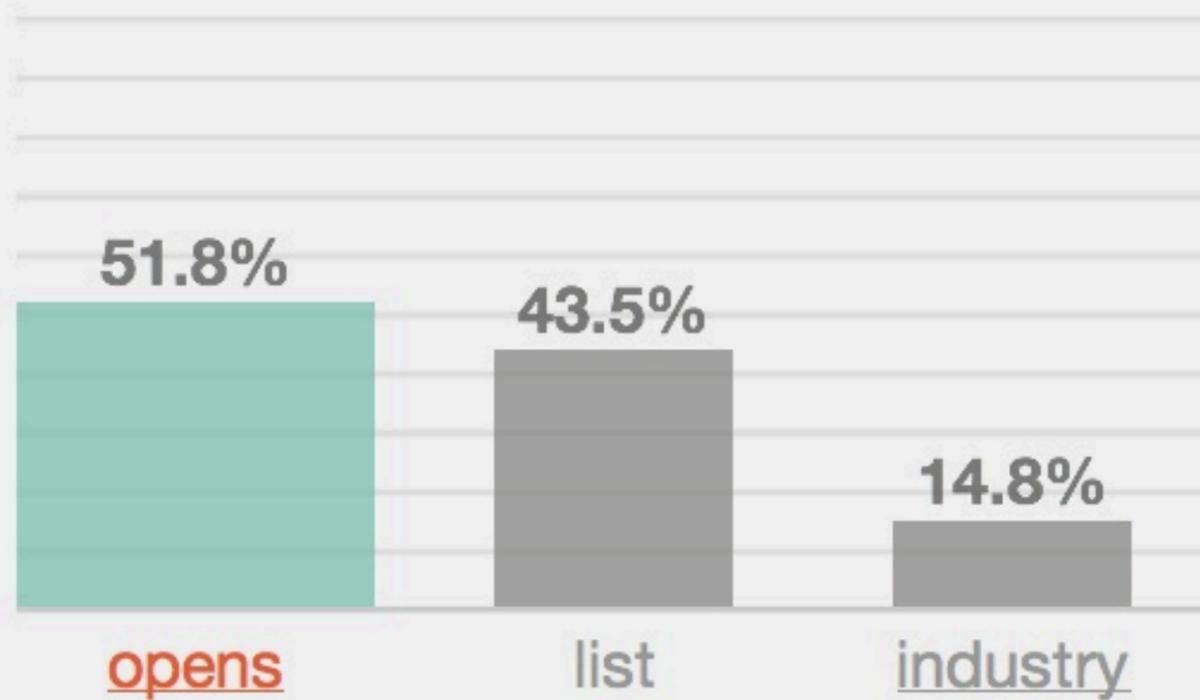
- As a gift (Father's day, X-mas)
- Female-controlled accounts





# Email Campaign Performance

↑ Wowzers, your open rate was **36.9%** higher than your industry average



**1500+** paid subscribers

10% monthly growth

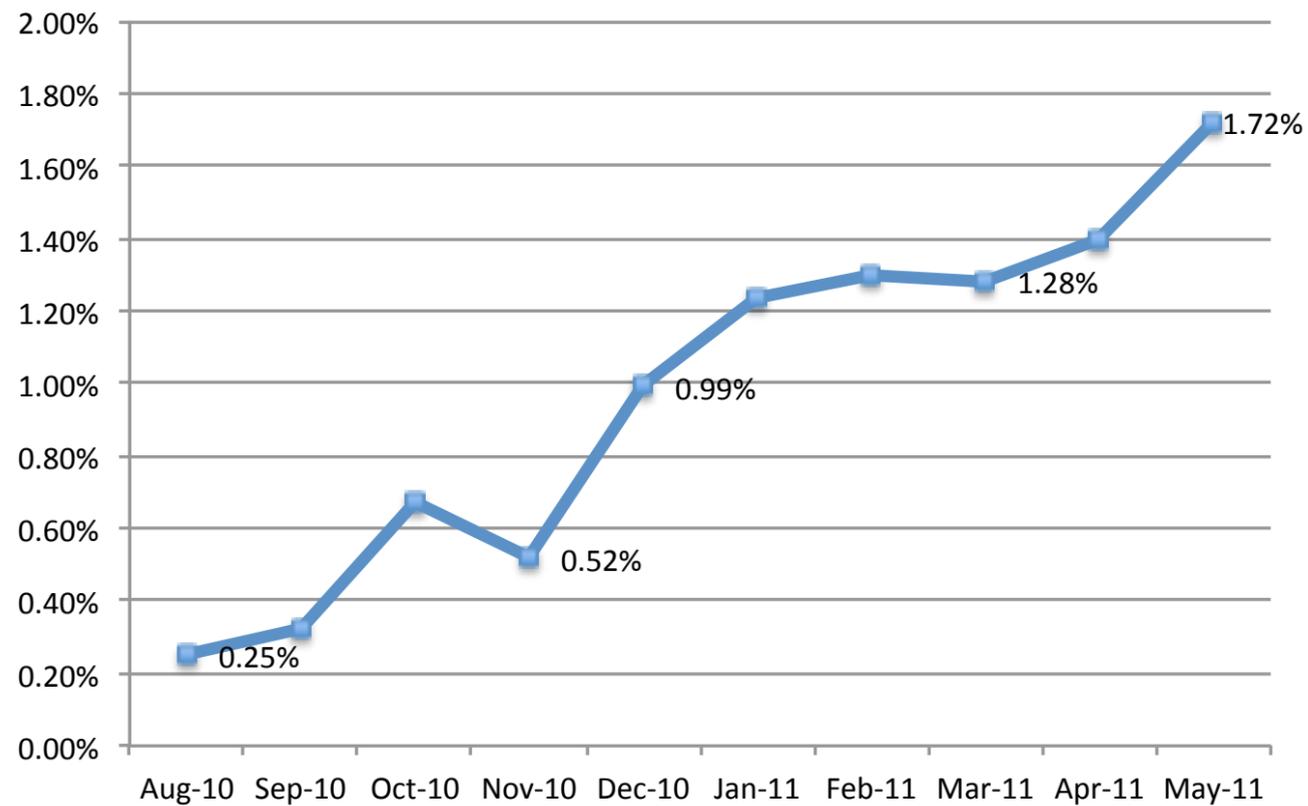
\$9 CAC

**65%** Q1–Q4 retention

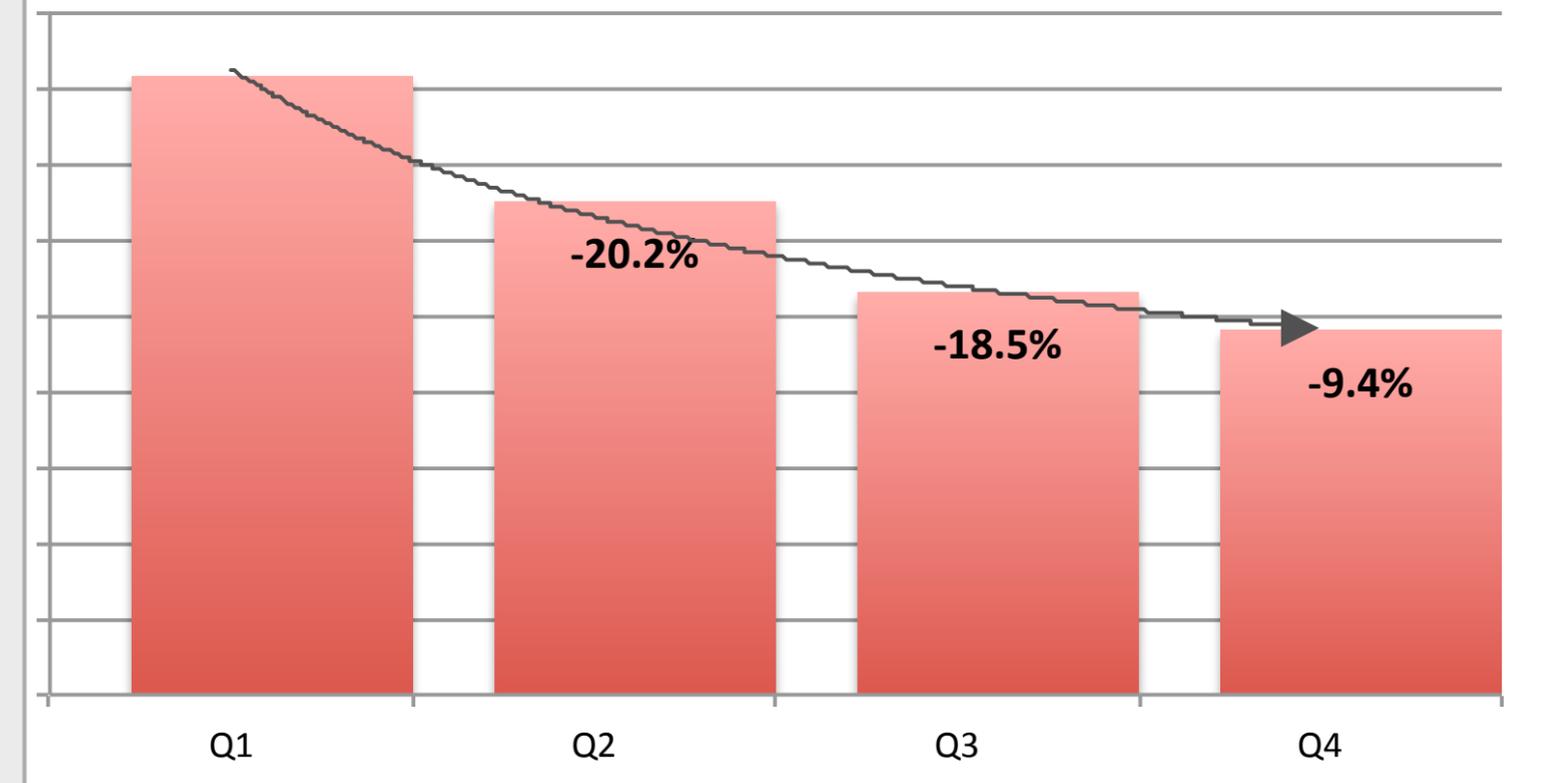
Avg. Order Value \$40

\$325 LTV

**Conversion Rate by Month**



**Cohort #1 Customer Churn**



**YEARLY SUMMARY**

	2011	2012	2013	2014	
End-of-Year Customers:	3,383	25,231	84,841	262,754	<b>Assumptions</b> <b>Average basket: \$47.24</b> <b>Quarterly Churn: 10%</b> <b>LTV: \$325</b>
Returns & Exchanges (as % of Gross):	2.33%	3.34%	3.99%	4.24%	
<b>Total Revenue</b>	<b>\$292,388</b>	<b>\$2,731,463</b>	<b>\$8,477,960</b>	<b>\$22,401,655</b>	
Cost of Goods Sold	\$144,598	\$1,341,097	\$4,086,377	\$10,690,070	
COGS (as % of Revenue)	49.5%	49.1%	48.2%	47.7%	
<b>Gross Profit</b>	<b>\$147,790</b>	<b>\$1,390,365</b>	<b>\$4,391,583</b>	<b>\$11,711,585</b>	
<i>Gross Margin</i>	50.5%	50.9%	51.8%	52.3%	
Operating Expenses					
Sales & Marketing	5.3%	14%	22%	25%	
Shipping & Fulfillment	9.1%	21%	28%	30%	
Administrative & Personnel	85.6%	65%	50%	45%	
<b>Total Operating Expenses</b>	<b>\$497,436</b>	<b>\$1,500,842</b>	<b>\$4,353,020</b>	<b>\$10,927,384</b>	
<i>OpEx as % of Revenue</i>	170.1%	54.9%	51.3%	48.8%	
<b>EBITDA</b>	<b>(\$349,646)</b>	<b>(\$110,476)</b>	<b>\$38,563</b>	<b>\$784,201</b>	
<i>EBITDA Margin</i>	N.A.	N.A.	0.45%	3.50%	

## Competition:

**amazon.com**<sup>®</sup>

Subscribe & Save = automation for shoppers who know what they want

## Defensibility:

- #winning name with fun & casual brand. See: **woot!**
- External attitude, loyal user base, internal culture of fun.
- Relentless (niche) customer focus

**\$500k\***

*convertible note @ 20% discount  
or \$4M valuation cap*

**\*\$200k committed**

# Appendix

## Masculine Dynamism—Men's Care Growing Fast

"The [United States] region is set to continue to see strong growth, adding more than \$800 million to its size by 2014 as men in the region move beyond basic products related to shaving to more sophisticated grooming regimens that incorporate numerous skin care and post-shave products."

[http://www.gcimagazine.com/marketstrends/consumers/men/111394189.html?utm\\_source=Most+Read&utm\\_medium=website&utm\\_campaign=Most+Read](http://www.gcimagazine.com/marketstrends/consumers/men/111394189.html?utm_source=Most+Read&utm_medium=website&utm_campaign=Most+Read)

## Men's Grooming Booming

"With sales of \$4.7 billion, the U.S. is by far the largest single market for men's care, and has nearly doubled in value size during the past 10 years, rising from around \$2.7 billion in 1999, according to Euromonitor International."

[http://www.gcimagazine.com/marketstrends/consumers/men/69565577.html?utm\\_source=Most+Read&utm\\_medium=website&utm\\_campaign=Most+Read](http://www.gcimagazine.com/marketstrends/consumers/men/69565577.html?utm_source=Most+Read&utm_medium=website&utm_campaign=Most+Read)

## Men's underwear purchases examined

"According to Mintel, men buy an average of 3.4 pairs of underwear in a year. But from 2004 to 2008, the proportion of men buying single pairs at a time increased from 5 percent to 8 percent, while the share of men opting for packs of four or more fell slightly, to 66 percent - indicating that shoppers may be trying to save money by buying only when necessary."

<http://www.allbusiness.com/economy-economic-indicators/economic-conditions-recession/12796665-1.html>

**office.manpacks.com**—orders & inventory management.  
demand forecasting.

**Simple Office**—performance tracking & real-time social monitoring

**Mailchimp**—track newsletter effectiveness

**Twitter**—listening & relationship building, support, contests

**Zopim (live chat)**—customer service & feedback

**KISSmetrics**—funnel conversion reports

**Optimizely**—A/B testing copy

**Zendesk**—customer service ticketing

**Taskforce**—task management

**AgileZen**—project management & workflow

**Internal Dashboard**  
- Management & KPIs

**Database**  
- Lifecycle behaviors



**Customer Dashboard**  
- Easy account management

**Email Communication**  
- One-click purchases

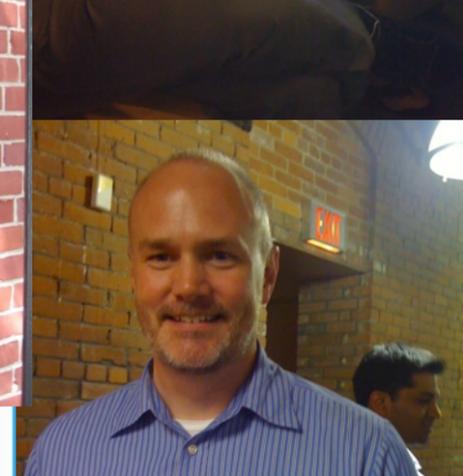
**Underneath:** Linux, Apache, MySQL, PHP, Amazon Web Services;

**Up front:** Javascript/jQuery

## **Current Investors:**

Venture 51, Dave McClure (500 Startups),  
Dan Martell (Flowtown), David Hauser (Grasshopper),  
Brian Murphy (MOO), Chipper Boulas (former Ebay).

Issued \$14k common stock to Betaspring in June 2010

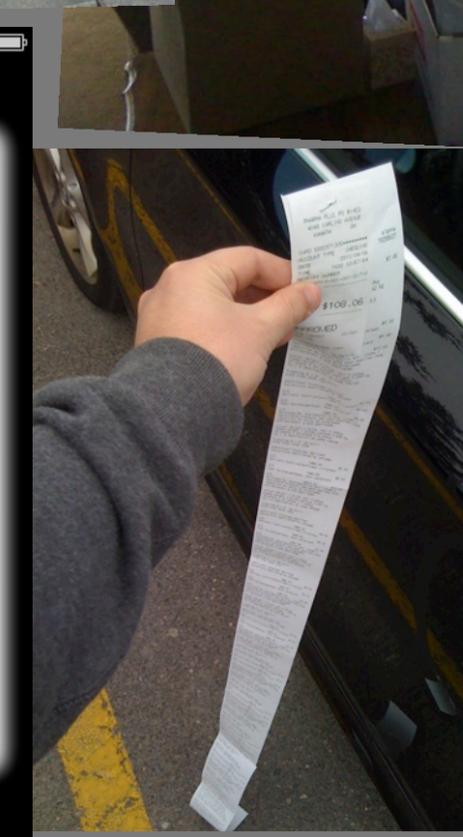


Chargify

Hashbrown Interactive Inc  
Production

Signups Today	1
Customers	7
Revenue (Jan)	\$47.00
Revenue (2010)	\$133.00

Updated 10-01-17 6:00 PM



**BRAINS IN THEIR PANTS:  
Manpacks**

There's one thing we can universally acknowledge, it's that the average man doesn't think much about his own underwear. This leads to an abundance of holes, rips and various other forms of terribleness. Men, it's time to take ownership of your underpants. It's time for Manpacks.

"We liken it to how Amazon started with just books," says co-founder Ken Johnson. "We're a service for men to alleviate shopping for multiple pairs of underwear. You can customize your subscription for the number of pairs of underwear you get a pair of underwear a month. You can customize your subscription for the type of dress socks you want. Our belief is that men need to take ownership of their underwear. It's time for Manpacks."

"At the beginning, we were just a joke. We were laughing. The idea came from Florida and California. (think New York). We hadn't considered it before. We were flying to Florida and California. We didn't know it was a one-year thing. It was an amazing home. He says. "The space in the

