

Ipernity Photo-Sharing Platform Takeover

Background

The Ipernity Photo-Sharing platform under its current business model is no longer viable with expenses greatly exceeding revenues. To establish long-term sustainability, the Ipernity platform needs to be restructured under a new business model. The Ipernity Members Association (IMA) would restructure Ipernity under a non-profit model with a focus on revenue growth and expense optimization.

Objectives

- IMA proposes to take over the Ipernity photo-sharing platform for a symbolic 1 €.
- The IMA offers to share legal/administrator costs related to the platform transfer in a 50% partnership with Ipernity S.A. with the total cost to the IMA not to exceed 4,000 €.
- IMA will utilize crowdfunding donations to provide an emergency cash infusion that will cover March and April hosting costs (Amazon Web Services estimated 10,000 €), site administration salary expenses for April estimated to be 1,100 € by 20 April 2017 contingent upon agreement of the platform transfer to be completed by 30 April 2017.
- IMA will cover the platform's May 2017 direct costs (estimated to be 6,100 €) with crowdfunding donations. This will permit sufficient time for IMA to collect membership dues to sustain the platform through April 2018.
- IMA establish a reserve with the remainder of the crowdfunding donations (estimated to be 6,500 €) to meet unanticipated emergency expenses that may arise due to platform issues and problems and to offset the Year One (2017-2018) projected deficit.
- IMA will establish a permanent crowdfunding presence to allow willing members to supplement their membership dues with donations to further defray platform costs and provide a fund for site upgrades that may include but are not limited to use of https protocol, membership options expansion, advertising and marketing and rethinking and rebuilding the platform to exploit technological gains. Additional donations are estimated to amount to approximately .5% to 3.0% of membership dues before processing costs and other fees.
- IMA will assume no financial or other obligations except for those expressly provided above.

Scope

[After an initial loss in Year 1 (May 2017-April 2018), IMA will break even in Year 2 (May 2018-June 2019) and record a small profit to be invested into the site in Year 3 (May 2019-June 2020) based on 5% membership growth and membership dues at 50 €. The financial forecast for 2017-2018 does not include one-time expenses and exceptional items. These items are listed in "Phase One" and "Phase Two" in the **Projected Budget**. The forecasts are listed below:

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	Year 1: 2017-2018	Year 2: 2018-2019	Year 3: 2019-2020
Members:	1,440	1,512	1,600
Revenue (€):	72,000	75,600	80,000
Expenses (€):			
Amazon Web Services	56,575	59,000	60,000
Google	1,920	1,970	2,020
Domains/Certificates	400	420	450
Site Administration	13,200	14,400	15,600
Total Expenses:	72,095	75,040	78,070
Excess Revenue/(Expenses):	(95)	60	1,030

Timeframe

	Description of Work	Start and End Dates
Phase One	Ipernity photo-sharing Platform transfer + applicable payments to Ipernity S.A./Vendors	30 April 2017
Phase Two	Membership Renewal	1 May 2017-31 May 2017
Phase Three	L-T Site management focused on membership growth, expense reduction, and expanded volunteer base	15 May 2017-31 December 2017
Phase Four	Annual Meeting + Officer Election	December 2017

Note: Platform transfer constitutes transfer of all features and related applications, the global email list, providing administrator information (user name, passwords) to manage and operate the platform, platform documentation and all applicable vendor account information to ensure timely, facilitated payments without further contractual and financial obligations on the part of IMA. To minimize and/or prevent downtime, Christophe Ruelle has offered to assist with problem resolution at no cost to IMA. While this obligation runs through Year One, he may voluntarily extend it if he so chooses.

Projected Budget

	Description of Work	Anticipated Costs
Phase One	Legal Filing and Establishment of IMA February 2017-March 2017	400 €
Phase Two	Payment of March and April Invoices, April site administration costs + maximum 4,000 €	15,100 €

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	legal/administrator costs	
Phase Two	Payment of Operating Costs May2017-April 2018	72,095 €
	Total	87, 595 €

Key Stakeholders

IMA	Eric Desjours (France), Lutz Petersen (Germany), Sami Serola (Finland), Sara Shrives (United Kingdom), Don Sutherland (USA), William Sutherland (USA), and Bernhard Westrup (Austria) – Unpaid, Volunteer Founders
Ipernity photo-sharing platform	Paying Club Members and Non-Paying Members with an interest in joining the membership association
Ipernity S.A.	Christophe Ruelle (CEO and Founder, France), Audrey Marche

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Monitoring and Evaluation

IMA will present quarterly financial statements that monitor actual revenues and losses to determine actual membership participation and real cost savings from deletion of inactive accounts. This will enable IMA to evaluate continued viability since with any business venture there are associated risks that include but are not limited to potential membership attrition, short-term cost increases, unanticipated costs, unforeseen platform issues, and potential obsolescence in the long-term due to technological advances and the emergence of potential new competitors.