



Connecting merchants with local customers

Summary: Circle Street is a promotions platform that drives in-store traffic by distributing offers through an aggregated audience network. Merchants save time, generate incremental revenue and enhance customer loyalty by using a single interface to publish and distribute offers to targeted customers. Circle Street provides a comprehensive promotions solution in a highly fragmented digital environment.

Market Opportunity and Size: Merchants are increasingly bombarded with new marketing opportunities such as Groupon, Foursquare and Shopkick in addition to managing their own Facebook and Twitter accounts. Circle Street generates ROI and ROT (return-on-time) by simplifying the complex world of social media, coupon syndication and digital advertising. Over 12 million US brick-and-mortar businesses can benefit from using Circle Street to drive local consumers to their locations. Several macro-trends indicate now is the time for Circle Street’s comprehensive solution:

1. Widespread use of social networks and viral sharing of promotions
2. LBS mobile applications connect marketers with hyper-local consumers
3. All stripes of brick-and-mortar merchants are online
4. Explosive growth of online coupons (308% increase –[Mashable](#) Feb, 2010)
5. Merchants desire a central platform to communicate with targeted consumers

TechCrunch Article: [Why Online2Offline Commerce is a Trillion Dollar Opportunity](#)

Description of Product/Service: Circle Street is an easy-to-use online and mobile tool that enables merchants to create attractive real-time promotions. The Circle Street algorithm intelligently distributes promotions to consumers through an aggregated network of social nets, online offer sites and location-based mobile applications. Suggestive, intuitive tools such as weather and sports triggers encourage merchants to create automated and recurring promotions in order to drive more customer traffic. The Circle Street analytics dashboard enables merchants to track and control the virality and effectiveness of published promotions and suggests future promotions based on audience, channel, day-parts, marketing goals, events and other metrics.

Watch the [Circle Street video animation](#).

Business Model: Circle Street has three revenue streams: subscription, transactions, and ad impressions. Merchants pay a tiered monthly subscription based on a menu of distribution channels and analytics functionality. Additional revenue streams are transactions (30% margin) and ad impressions (50% margin).

Circle Street	2011	2012	2013
Merchant Locations	2,494	6,841	12,365
ARPM/month	\$87	\$105	\$173
Revenue	\$1,141,687	\$5,953,394	\$19,239,766
EBITDA	(\$419,054)	\$1,238,476	\$7,097,504

Competitive Advantage: The digital promotions ecosystem is cluttered with single-purpose daily deal providers, social media services and consumer-facing offer sites with a single distribution channel. Circle Street’s advantage resides in the following:

- 1) Easy-to-use promotion creation tools, first-class interface
- 2) Real-time push promotions and automated, recurring triggers
- 3) Algorithmic distribution through aggregated audience network
- 4) Refined online and mobile targeting capabilities

Management Team: Circle Street's team has deep domain experience in local and chain business marketing, merchant acquisition, and audience acquisition through syndication and digital advertising. Circle Street's founder plans to replicate the success he had with Ripple TV in providing profitable solutions for major multi-location businesses such as Jack in the Box, Seattle's Best, Borders, Tully's Coffee, Noah's Bagels and Burger King.

Company Profile:

Circle Street, Inc
www.circlestreet.com
Employees: 5
Founded: 2009

Contact:

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Funding Round:

Series A Preferred Equity

Funds Sought:

\$1,500,000

Use of Funds:

Product Development
Merchant Execution
Distribution Execution

Current Investors:

[Crosscut Ventures](#)
Alex Nocifera

Management Team:

[Alex Nocifera](#)
Founder, CEO
[Ted Rupp](#)
Strategic Partnerships
[Liesl Chang](#)
Operations
[Will Gardenswartz](#)
Merchant Acquisition

Advisors:

Andy Steuer
CEO of MerchEngines
David Shor
CEO Placements Media
Bob Spaulding
Former SVP Marketing at ENRG

Company Milestones:

Developed Circle St 1.0
100+ beta merchants
[LaunchPad LA Top 10](#)