




iDonovan.com™



Business Plan

Submitted by Eddie Donovan

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Executive Summary

iDonovan's goal is nothing less than to become a global competitor to TMP Worldwide (Monster.com). The company will leverage quick international deployment, organic growth, cost-per-performance marketing, second generation technologies, a more comprehensive structure, and seasoned international online management experience to capture market share within the global resume/job bank, resume distribution, resume writing, job order distribution, and specialty publishing markets.

iDonovan will build the world's largest and most complete resume and job database thanks to the implementation of its web agent, scraping, and database fielding technologies. By locating, classifying, and entering all the resumes and jobs posted within the online public domain the company will emerge as the premiere career service. The iDonovan career database will be the first truly universal job and resume database thanks to the rapid implementation of this technology. After a couple of years of hitting the market there will be many competitors emulating this approach. Management believes that its first to market status will help it build a complementary revenue stream concerned with selling customized CRM software suites in conjunction with database subscriptions. This complementary product mix will help the company maintain a lead in the marketplace.

iDonovan will build online communities that will bring jobseekers, employers, and recruiters together directly and provide all sides with the information needed to reach efficient agreements. The huge inefficiencies and costs of online job boards are an anachronism – a relic of a time where employers hoarded information relevant to openings while jobseekers and recruiters remained isolated from each other. iDonovan will offer a range of services that will facilitate exchanges of information so that:

1. Jobseekers may easily access opportunities brokered by employers and recruiters
2. Employers may easily expand their access to jobseekers and recruiters.
3. Recruiters may easily expand their access to employers and jobseekers.

iDonovan has the opportunity to avoid many of the mistakes that have been made by its competition in terms of design and usability. Employers as well as job seekers will be able to choose whether or not to work with recruiters as job orders between employers and recruiters will be kept separate. Resume and job order submissions will take from one to five minutes to be completed. Easier to use query design will prevent decreasing returns from being experienced by the user as the company database rapidly expands. Given iDonovan's newcomer status, the company will not be in danger of being over popular therefore diminishing the value of its posted jobs and resumes for jobseekers, employers, and recruiters. The company will be committed to increasing quality of service as it will develop, license, or acquire the capability to offer automated resume sifting and background check services to its users.

iDonovan possesses the international management experience required to avoid many of the mistakes made by successful US companies who have attempted international expansion amidst many setbacks. The current management team encompasses over 35 years of international and online business experience matured within a combined employer portfolio which includes Merrill Lynch, Quick and Reilly, Terra Networks, NetGuru Systems, and Banco do Brasil. The company will build a strong virtual presence abroad while managing experienced multicultural customer service, sales representatives, copywriters, and other key employees will operate in the US. This will avoid many of the cost, economic, and legislative hurdles encountered while building operations abroad. The company has selected its 22 target expansion markets based on the overall size of their estimated population connected to the Internet, potential logistical hurdles, and according to management's familiarity with local business cultures.

The Resume/Job Bank Market

(IDC) Worldwide Online Resume/Job Bank Revenue by Region, 1999–2005 (\$M):

	1999	2000	2001	2002	2003	2004	2005	2000-2005 CAGR (%)
North America	512	847	1,400	2,235	3,413	4,947	6,653	51.0
United States	474	782	1,291	2,066	3,161	4,583	6,187	51.2
Canada	38	65	109	169	252	364	466	48.2
Western Europe	270	576	1,001	1,695	2,479	3,379	4,511	50.9
Japan	13	15	18	22	28	34	42	22.6
Latin America	18	42	75	114	166	227	302	48.7
Asian/Pacific	52	128	264	471	735	1,141	1,673	67.2
ROW	10	29	58	94	141	196	264	55.4
Worldwide	875	1,637	2,816	4,631	6,964	9,924	13,445	52.4

Domestic

Web recruiting is no longer in its infancy. The year 2000 US market was sized at around \$847M by IDC. It's big business. In fact, most top IT candidates use nothing but the web when looking for work. Recent survey results showed that 67% of companies use the Internet to search for candidates.

It is a well-known fact that a large percentage of jobs available are never advertised publicly. In the past, the jobs that were advertised could be found in the classified section of the local newspaper. This passive approach worked well, and is still used today, but demographics and a tight labor market are forcing companies to actively pursue qualified candidates.

The huge growth in online recruiting is caused by three phenomena related to workforce supply and demand.

1. Global population growth is close to zero, but economic growth continues, causing a shortage of workers.
2. The nation's labor market is performing at record levels. The number of people employed is at an all-time high (133 million Americans), the unemployment rate is at a 30 year low (4.3% in December 1998), and real wages are increasing after years of stagnation. As these two trends suggest, recruiters have a tough road ahead of them. There are fewer workers, which means a smaller qualified candidate pool, and of those qualified workers, chances are, they already have a job.
3. The average tenure of a typical employee at any given company is getting shorter as more people are accustomed to switching jobs more often. This trend has helped to support the recent growth of the online recruiting industry. Technology is helping companies move faster thus reducing the average length of business cycles. Professionals are also taking advantage of technology to better market themselves enabling them to evaluate a greater number of job opportunities.

Today over 2,500 sites offer job posting services. Business 2.0 noted, "In the year 2000 employers spent more than \$105 million on Web site job postings. By 2003, 96 percent of all companies will spend a projected \$1.7 billion to recruit employees via the Internet. Recruiters pay anywhere from \$175 to post one job to \$250,000 for a range of services – and that's just at Monster.com." According to InterBizNet.com's "Electronic Recruiting Index", the electronic recruiting market was estimated at \$4.5 billion in September 1998 and is growing at an annual rate of 100 percent. In a survey by iLogos Corporation, a consulting company specializing in Internet recruiting, 57% of respondents stated that their "career" section was the most visited page aside from their home page.

Abroad

The year 2000 foreign market was sized at around \$335M by IDC. The market is relatively less congested given that higher costs, a slower Internet adoption rate, and slower sales cycles are great obstacles for US companies. Monster.com is the most prevalent figure in worldwide online recruiting. Its greatest competitors HotJobs.com, CareerBuilder.com, and HeadHunter.net are relegated to the US market and are still operating under the dark cloud of unprofitability. Even though Monster had made very large steps towards consolidating its dominance at home and abroad through the acquisitions of FlipDog.com and Jobline.com, there is still considerable space on the international scene for second tier competition to develop.

The Resume Distribution Market

The global resume distribution market will undergo significant changes and will see a rapid increase in customers over the next 10 years. The use of email to distribute resumes will lower the cost for the consumer and increase demand worldwide taking away significant market share from the offline resume distribution market.

Domestic

The size of the US offline resume distribution market is estimated at \$30M. It is relatively young market still in its second decade and remains largely unconsolidated. The offline market is expected to drop considerably over the next 10 years as career consultancies will become experienced in conducting resume distribution via mass email.

The practice of distributing resumes to groups of recruiters or employers offline is performed by professional career consultancies through the use of direct mail. The consultant administers a mailing list of recruiters and employers categorized by industry, size, and other features. Together with the customer, they choose the scope of the direct mail campaign so as to suit the needs of the customer. The customer is charged anywhere from \$1 to \$3 times the number of recruiters/employers that will receive their resume. The cost to send out a letter ranges from 40-80 cents leaving on the table a significant profit margin (20-80%) for the consultant. The sale is closed over the phone or at the agent's office and is usually bundled with career counseling. A career consultancy's ability to generate new business is highly dependant on its ability to sell the personality of its employees so as to best generate positive word of mouth advertising.

Similarly to books and newspapers, the practice of distributing resumes via direct mail will never disappear due to the unique usability features that paper media offers us. However, there is current generational shift in progress that will greatly diminish the dependence of the career consultancy industry on direct mail reverting it towards the use of email for resume distribution. Email can be accessed on demand from anywhere in the world and does not cost anything. This reduces the cost for the jobseeker substantially.

The size of the US online resume distribution industry is quite small but is growing rapidly. Adding up the estimated revenues of the top 20 players in the industry gives a figure of \$3.1M. Online resume distribution is still in its infancy. The first web sites to actively engage in this practice launched in 1998.

Abroad

The size of the foreign offline resume distribution market is estimated at \$5M. It is relatively young market still in its first decade and remains largely unconsolidated. The offline market is expected to drop considerably over the next 10 years as more and more career consultancies will become experienced with conducting resume distribution via mass email.

The online resume distribution market abroad is practically non-existent. There are a small number of US online resume distributors having a small number of foreign employers and recruiters mixed in with their US distribution lists. The market will slowly establish itself over the next 10 years and will be disputed equally between US and foreign companies.

The Resume Services Market

Domestic

The size of the US offline resume services market is estimated at \$30M. It is a relatively young market still in its second decade and remains largely unconsolidated. The practice has not changed much over the last 20 years with the exception of easier resume writing caused by the advent of computers along with word processors.

The practice of jobseeker resume counseling is performed by professional career consultancies usually in an office setting or via phone. The resume counselors must have a professional writing background along with solid business experience. The customer is charged anywhere from \$50 to \$300 for a 2 hour time frame in which a counseling session with the customer is conducted. A career consultancy's ability to generate new business is highly dependant on the its ability to sell the personality of its employees so as to best generate positive word of mouth advertising.

After 1998 the first attempts to sell resume-counseling services through the web started to appear. The practice works in an identical fashion as described above with the only difference being the absence of a face-to-face session. Counseling is usually done over the phone until the final resume is drafted to the customer's expectations. The web constitutes a potential consolidating marketing vehicle for the industry even though the resume counseling business is mostly word of mouth driven.

Abroad

The foreign resume counseling market is estimated at \$6M representing only 40% of the worldwide market. It is a relatively young market still in its first decade and remains largely unconsolidated. Resume counseling is synonymous with a capitalist and very entrepreneurial business culture which sees its roots in the United States. However, we will see a rise in use of these services on the international level as more and more countries become more adept at building online services.

The online resume counseling industry is practically non-existent at the international level. However, that is poised to quickly change as traditional counseling services become more adept with online business development.

Job Order Distribution Market

Domestic

The job order distribution market is a relatively new and small market totaling around \$1M. It is the natural extension of job boards in where employers pay a middleman to email their job orders to a select group of recruiters. This service works in the same way as resume distribution with the only difference being that job orders are distributed from employers to recruiters.

Abroad

The international job order market is practically inexistent. US companies provide the only existing models.

Rising Recruiter Demand

"The lifeblood of our industry is not capital equipment, but human capital."

Bill Gates, speaking before Congress's Joint Economic Committee 6/2000

"71% of companies will be spending more next year on Internet recruiting 71.3% of companies spent up to 20% of their recruiting budget this year on the Internet."

Recruiter's Network poll of 1,000 US organizations, 6/99

During the coming of age of Internet usage around 1994 it was very popular to think that the web was going to do away with middlemen in most industries. The logic behind this was that greater communication capacity provided by the Internet would enable companies and customers to deal with each other on a direct level. Many of the companies formed during that period including Monster.com were influenced by this credo and built their foundation accordingly. However, since then we have seen the resurgence of third party recruiters rather than their demise. Why is that? As it turned out the weak link in the middleman extinction theory is not increased technological capability.

The speeding up of world business, shorter business cycles, the lack of experienced technology professionals, and capitalization during the dotcom era are some of the reasons that have made recruiters more indispensable than ever before. Human capital is a company's most valuable resource. Companies realize that it is unrealistic for an HR director to have the ability to conduct all recruiting within a major organization. In order to do so they would have to fully understand the complexities of countless industries and disciplines. Delegation of recruiting down to existing employees is never an option as it poses a logistical nightmare.

The surge in demand of recruiting capability within organizations has uncovered a sizeable unexploited niche demonstrated by the following recent occurrences within the online recruiting industry:

1. The majority of online recruiting sites do not make a distinction between recruiters and employers.
2. Recruiters often complain about diminishing returns experienced at recruiting sites like Monster.com in relation to database and customer base growth.
3. Many recruiters are opting to take their business to smaller niche oriented online recruiting sites in order to achieve greater focused exposure.

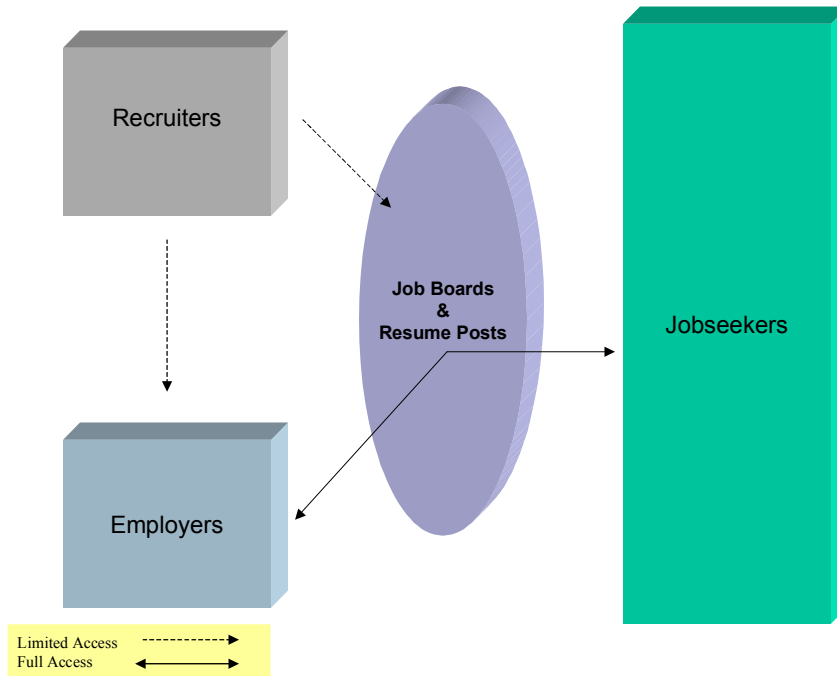
The iDonovan Concept

Structure

iDonovan's mission is nothing less than to become a player in the worldwide career services marketplace by offering a range of recruiting services leveraging the interdependent relationships between jobseekers, employers and recruiters. By leveraging online information scraping and database fielding technology iDonovan will build the world's largest and most sophisticated job and resume database making it a chief competitor to TMP Worldwide (Monster.com) and a market leader in many countries. Revenues will be derived mainly from leasing its database and progressively by building CRM software packages

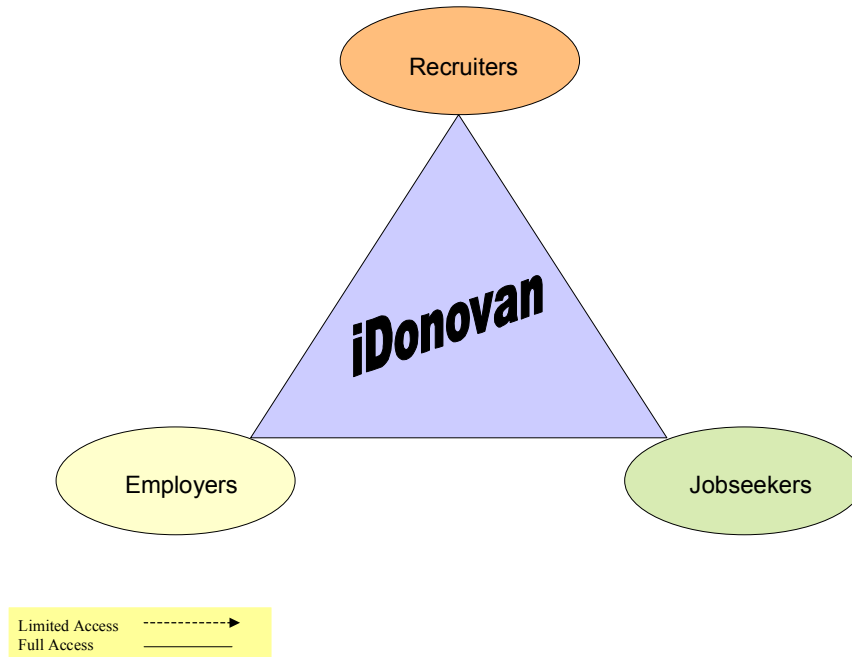
geared towards integrating its database with the IT systems of its main customers. iDonovan will extend leading edge practices of the current online recruiting industry to better service recruiters while offering jobseekers and employers direct access to the latter. The company, aided by the multicultural background of its management honed after several years working across the global dotcom industry, will be able to achieve quick penetration of international markets which will constitute the cornerstone of its future revenues.

Current Standard Online Recruiting Structure:



The current entrenched interests of the online recruiting industry have limited community interaction as a two-way exchange between employers/recruiters and jobseekers with questionable usability. Employers post their jobs on career sites while scanning the resume database for potential candidates. Candidates post their resume on those same sites while scanning the job/contract database. Both parties have the ability to employ the use of agents that scan the database for key words and which automatically email them relevant entries over time. On Monster.com it is not possible for a job seeker to enter more specific criteria such as salary range, job location, related industry as to improve the relevancy results offered by the search engine or the agent mechanism. Jobseekers are expected to type in key words relevant to the position they are seeking and browse through several if not hundreds of pages depending upon their search. This usually leads to frustration. At that point a jobseeker's interaction is relegated to spending 20-40 minutes submitting their resume and waiting for the job agent to deliver job opportunities directly to their inbox. Usability for the employer is slightly better but also commands from \$300 to \$200K in yearly membership fees.

iDonovan Structure:



iDonovan will build online communities that will bring jobseekers, employers, and recruiters together providing all sides with the information needed to reach efficient agreements. The huge inefficiencies and costs of online job boards are an anachronism – a relic of a time where employers hoarded information relevant to openings while jobseekers and recruiters remained isolated from each other. iDonovan will offer a range of services that will facilitate the exchange of information so that:

4. Jobseekers may easily access opportunities brokered by employers and recruiters
5. Employers may easily expand their access to jobseekers and recruiters.
6. Recruiters may easily expand their access to employers and jobseekers.

Strategy

The chief measure of iDonovan's success will be its ability to expand its candidate, jobs/contracts, and recruiter database. The company will employ a diversified strategy towards building the latter. The most effective way of expansion in this sector will come through utilizing automated agent and database data entry mechanisms developed in-house to post jobs and resumes from the Internet on daily basis similarly to FlipDog.com which was recently purchased by TMP Worldwide (Monster.com). The company's web presence fueled by extensive marketing campaigns will also help generate new resume and job order postings. As time progresses the company will take huge leaps in building the latter by pooling resources with other major online recruiting sites. These combined practices will catapult iDonovan to the forefront of the new Internet age where success will be determined by the efficient consolidation of resume and job databases rather than from the efficient marketing of a single isolated source.

iDonovan has the opportunity to avoid many of the mistakes that have been made by its competition in terms of design and usability implementation. Employers as well as job seekers will be able to choose whether or not to work with recruiters as job orders between employers and recruiters will be

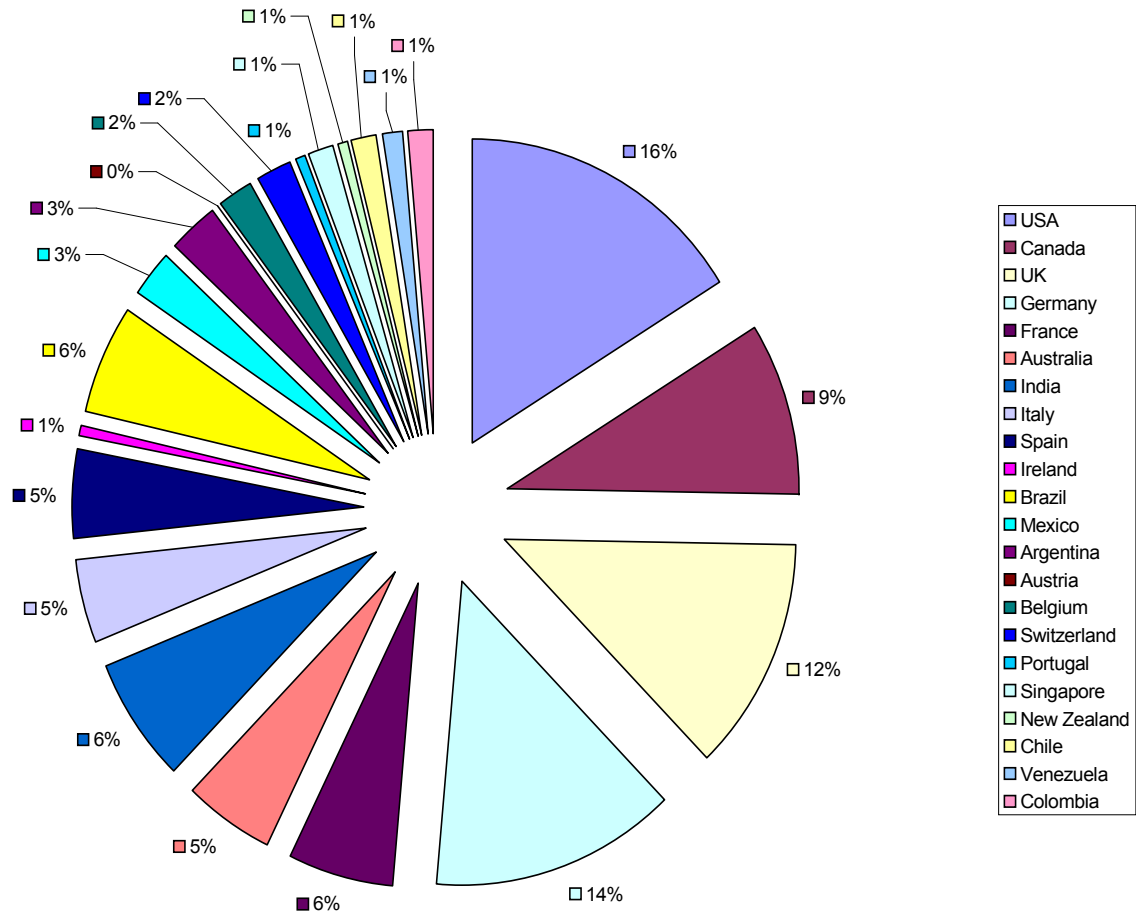
kept separate. Resume and job order submissions will take from one to five minutes to be completed. Superior query design will prevent decreasing returns from being experienced by the user as the company database rapidly expands. Also, given iDonovan's newcomer status, the company will not be in danger of being over popular therefore diminishing the value of its posted jobs and resumes for jobseekers, employers, and recruiters. The company will be committed to increasing quality of service as it will develop, license, or acquire the capability to offer automated resume sifting and background check services to its users.

iDonovan will leverage the power of face-to-face relationships in an office setting by progressively offering resume counseling services on site when possible within key US and foreign metropolitan areas. In the new economy virtual business along with person-to-person interaction cannot exist without the other. The company will seek to deploy one to three people run agencies that will constitute a brick and mortar base for its global web community. The power of person-to-person relationship building will be instrumental towards driving online revenue as well as generating the long-term relationships needed towards building a solid long-term customer base. The "brick and mortar" agencies will be marketed through the company's online presence and will provide the added intelligence needed to adapt online services to meet the needs of the different foreign markets the company will operate in.

iDonovan will simultaneously build its user base on an international scale along with expanding its US presence in order to seek the path of least resistance within the market place. Traditionally, US technology centric companies such as Monster.com seek success domestically before extending their operations internationally. Although Monster.com faces tough competition in the US, its competitive threat in foreign markets is represented by thousands of small private online recruiting presences a far cry away from well capitalized US firms such as HotJobs.com or Careerbuilder.com. The expansion of successful US companies abroad is mired by inexperience in dealing with foreign business cultures along with all the economical and legislative hurdles associated with building a corporate infrastructure abroad. On the other hand, Asian, European, and South American firms have the advantage of possessing the management experience necessary to succeed within their native markets. However, most foreign firms lack seasoned online business development experience putting them at great disadvantage in comparison to their US competitors.

iDonovan possesses the international management experience required to avoid many of the mistakes made by successful US companies who have attempted international expansion amidst many setbacks. The company will build a strong virtual presence abroad while managing experienced multicultural customer service, sales representatives, copywriters, and other key employees will operate in the US. This will avoid many of the cost, economic, and legislative hurdles encountered while building operations abroad. "Brick and Mortar" presences abroad will be deployed in a cautious and conservative timeframe and will be limited to small subsidiary resume counseling and sales offices with no more than 3 employees each. The company has selected its 22 target expansion markets in the diagram below based on the overall size of their estimated population online, potential logistical hurdles, and according to management's familiarity with local business cultures.

Estimated Long Term Revenue Sources by Country:



Y2K Online User Census (Courtesy of Nielsen Net Ratings):

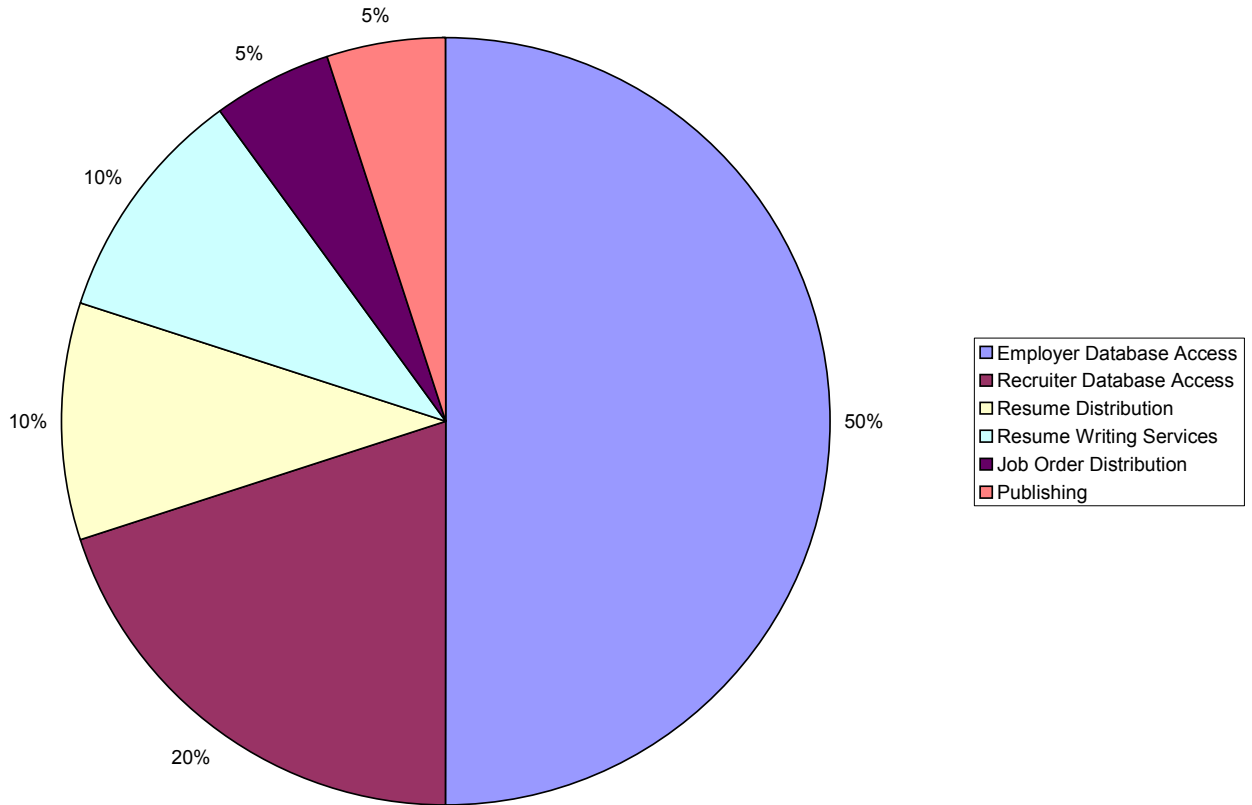
USA	153M	Spain	5M	Portugal	2M
Canada	14M	Ireland	1M	Singapore	2M
UK	19M	Brazil	9M	New Zealand	1M
Germany	21M	Mexico	4M	Chile	2M
France	9M	Argentina	4M	Venezuela	2M
Australia	8M	Austria	3M	Colombia	2M
India	10M	Belgium	3M		
Italy	13M	Switzerland	2M		

iDonovan's initial success will rely on the lightning fast deployment of a virtual online presence. Management feels that it is a realistic goal for the company to achieve this within all of its targeted 22 markets by the 2002. Although the company most likely will not be able to guarantee profitability within its first year, thanks to its pay per performance marketing tactics it expects to come close to breaking even by generating substantial amounts of revenue through employer/recruiter database subscriptions and resume distribution. The company will succeed in realizing a low cost customer acquisition model. The successful marketing of its interdependent services will foster cross-selling community with a strong WOM return on investment.

Revenue Model

iDonovan will generate revenues worldwide by offering an affinity mix of services to jobseekers, recruiters and employers. Its chief source of revenues will be derived from subscriptions to its job and resume database along with sales of customized CRM applications geared towards integrating client IT systems with the new data made available by iDonovan. In the short term the company will seek to leverage an early mover advantage towards claiming market share in the relatively small resume/job order distribution markets and by offering resume/job order bank subscriptions customized to meet the demands of recruiters. Over the long term, the company hopes to leverage its position in these areas to create a synergistic online recruiting presence. It is estimated that the US market will constitute less than 25% of yearly revenues, Management believes that iDonovan is still in time to become a recruiting player in many international markets over the next 5 years. Eventual international success will help forge iDonovan.com into a durable international competitor to Monster.com.

Estimated Long Term Revenue Sources by Service:



Employer Database Access

iDonovan will enter the worldwide online resume bank market and charge employers subscription fees to access the resume bank portion of its web site. iDonovan will strive to improve the level of usability already offered by industry leaders like HotJobs.com and Monster.com. It will be possible to conduct both broad and very specific queries onto the iDonovan resume base combining the value incentive equal to that of 160 different specialty resume banks. Users will be able to query a database containing hundreds of thousands of resumes by industry, geographic location, sponsorship preference, salary, work type desired, availability, time on the job market, etc.

The firm will offer discounted pricing during its first 8 quarters to allow for easier penetration of the worldwide resume bank market. Pricing will range from US\$100-\$200 for yearly access to one of the country specific resume banks. There will be optional pricing of US\$200-\$400 for a one year subscription to all of iDonovan's worldwide resume banks. Subscriptions will enable employers to publish an unlimited number of job postings onto the iDonovan network. This will be a far cry from the \$170-\$300 Monster.com charges for a single job posting.

The firm will leverage partnerships with existing resume banks combined with the latest advancements in agent technology to populate its resume bank with fresh prospects. By doing so the firm will be able to acquire resumes much lower than the industry cost per resume standard of \$1. The firm is currently evaluating whether to develop the agent technology it needs to do so in house or to license the agent technology provided by WhizBangLabs.com currently showcased on FlipDog.com. In the meantime, the firm is populating its resume database with resumes originating from its online jobseeker user base.

Recruiter Database Access

iDonovan will charge recruiters subscription fees to access the resume and job order bank portions of the web site. Recruiters will be able to access jobseeker resumes and employer job orders. It will be possible to conduct both broad and very specific queries onto the iDonovan resume and employer job order base combining the value incentive equal to that of 160 different specialty resume and job order banks.

The firm will offer discounted pricing during its first 8 quarters to allow for easier penetration of the market. Pricing will range from US\$100-\$200 for yearly access to one of the country specific resume/job order banks. There will be optional pricing of US\$200-\$400 for a one year subscription to all of iDonovan's worldwide resume/job order banks. Subscriptions will enable recruiters to post an unlimited number of job orders onto the iDonovan network. These job orders will be placed into a separate category and viewable on the web site for those jobseekers who have a preference towards working with recruiters.

The firm will leverage partnerships with existing corporate job order posts combined with the latest advancements in agent technology to populate its job order bank with fresh prospects. By doing so the firm will be able to acquire job orders at much lower than the industry cost per job order standard of \$1. The firm is currently evaluating whether to develop the agent technology it needs to do so in house or to license the agent technology provided by WhizBangLabs.com currently showcased on FlipDog.com. In the meantime, the firm is populating its job order database with job orders coming from iDonovan's recruiter and employer user base.

Resume Distribution

iDonovan's mission is nothing less than to become the premiere worldwide resume distribution service to recruiters and employers. This goal will be accomplished by hosting the largest and most up to date recruiter and employer database in the market coupled with state of the art customization and delivery techniques. iDonovan will leverage the power of the Internet as well as its business relationships with recruiters and employers to restructure the traditional relationship between job seekers, employers, and recruiters. By doing so all three parties will have access to the information they need to reach efficient agreements.

The entrenched interests in the industry as it is currently structured have little incentive to change or even react to the real competitive forces being unleashed by the Internet. As is clear from their web sites, traditional recruiters view the Internet simply as another advertising medium. The result has been an increase in technology spending on behalf of recruiters dedicated towards creating their own isolated career information communities. Although this phenomena has helped market recruiters, it renders it very difficult for a jobseeker to access recruiters on a truly grand scale. In order for jobseekers to do so today it would be necessary for them to register at thousands of recruiter sites.

Resume distribution will always remain a small percentage of the overall recruiting market since it is predicated upon jobseekers making a financial commitment in an attempt to expand their professional opportunities. However, resume distribution is the best tool for serving the needs of veteran professionals who desire a more time sensitive and aggressive approach towards marketing their credentials not adequately served by passive online resume banks and career bulletin boards.

iDonovan's success will heavily rely upon offering the most competitive pricing structure in the industry. The firm will be the first to market resume distribution services in many international markets. However, iDonovan will face a broad range of competitors within the US market. The firm will not offer the cheapest rates for its services but will offer the best value, which will be derived by calculating the ratio of dollars per recruiter email.

iDonovan's strategy is to build a free resume referral service for recruiters and subsequently expand that service to include employers. Initially, the free resume referral service will be a generic email referral list. Subsequently it will evolve into a customized service referring resumes fitting the exact parameters of recruiters/employers subscribed to the service.

In the modern economy an industry leader cannot survive without an aggressive on-line presence. However, as the demise of the dotcoms has showed, a business model based upon marketing itself and selling its wares solely through an online presence usually leads to disaster. Online firms are realizing that it is very difficult to build a customer base via the web alone. Even though the web is one of the most effective mediums for reaching customers it is the only medium where all of a firm's competition is just a few mouse clicks away.

iDonovan realizes that a firm's success within any industry is strongly reliant on its ability to create, build, and maintain relationships with customers and prospects over the long term. We believe that is essential for a service company to maintain point of contact physical/retail presences if it is to grow into an industry leader. Although the Internet enables a user to access all public level information regarding a firm (audio, video, text, graphics, multimedia interaction, etc.) it is not conducive towards creating a lasting human bond between a firm and it's customer. iDonovan plans to launch retail presences devoted primarily towards resume/career counseling. Delivering this particular person-to-person centric portion of the revenue model via a physical medium will help tie in customers and prospects into becoming long-term users of iDonovan's online services. In turn, the firm's online one to one marketing programs will induce customers and prospects to visit iDonovan offices or web sites.

Resume Writing Services

iDonovan will become a worldwide leader in the resume/CV writing market. Although resume counseling will not be the firm's major focus per se, it will be instrumental in helping the firm create person-to-person relationships that will help it become a leader over the long term. The company will aggressively market resume-writing services initially in the US only. The company will begin with the Boston market and will seek to expand its person-to-person resume writing services in conjunction with its US office expansion. iDonovan will service remote users via email, online chat, and phone. Pricing will be competitively set starting at \$150 per resume, which will include a free phone/person to person consultation.

Job Order Distribution

iDonovan will become the worldwide leader in job order distribution to recruiters. The service will operate in identical fashion to resume distribution with the only differences being that employers are the users and job orders are the delivery media. Pricing will be set at competitive rates.

Publishing

Plans are being made to launch a publishing arm of the company by late 2002. iDonovan already is the premiere information contact information resource regarding the North American, South American, and European recruiting industries. The company will follow in the footsteps of the world famous "Directory of Executive Recruiters" provided by the Kennedy Information, LLC since 1971. iDonovan's directory will be a much larger directory providing the contact and industry information of the international recruiting industry. Temporary research personnel will be hired to perform necessary data entry

consolidation work and industry research where needed. The “iDonovan Directory of Global Recruiters” will be offered in CD-ROM format as well. Both the published book and the CD-ROM will be distributed and sold via iDonovan’s web site and various online bookstores. We are in the early stages of soliciting a publisher for the directory.

Customers

Over the long term, iDonovan’s customer base will target anyone who is actively involved in the international job market (employees, contractors, recruiters, and employers). However, in order to maximize return on investment within the first 3 years, the company will specifically target the following international demographic groups due to their higher probability of dissatisfaction with current online recruiting mechanisms:

Resume/job order bank:

1. Contingency/retained recruiters

Resume Bank:

1. Fortune 10K
2. Small companies/SOHO

Resume distribution:

1. Mid career to senior executives
2. International opportunity seekers
3. Expatriates
4. Proactive/impatient job seekers

Resume services:

1. Jobseekers – all levels

Job order distribution:

1. Small companies/SOHO
2. Independent consultants
3. Fortune 10K

Competition

Resume/Job Order Banks (Domestic)

(IDC) Year-on-Year Versus Sequential Quarterly Revenue by Major Job Boards, 1Q00–1Q01 (\$M):

	1Q00	2Q00	3Q00	4Q00	1Q01	1Q00–1Q01 Growth (%)	4Q00–1Q01 Growth (%)
Monster.com	61.4	76.9	97.1	113.8	129.2	110.5	13.5
HotJobs.com	10.5	16.9	21.7	25.6	26.9	156.2	5.1
HeadHunter.net	6.4	9.8	15.0	18.0	17.0	166.5	-5.8
Dice.com	7.6	9.6	14.4	14.9	15.6	105.3	5.0
StepStone	7.2	10.3	12.8	17.2	16.8	132.9	-2.5
JobPilot AG	5.0	6.7	9.1	9.8	12.2	143.7	24.4
Jobline Intl.	3.5	5.6	5.4	7.9	7.7	121.9	-3.1

According to an IDC survey, 54% of companies with over 1,000 employees currently use erecruiting services as of 2000, and an additional 16% plan to use erecruiting services in 2001. Like most regions, early adoption meant posting jobs online. IDC’s survey revealed that, of large companies that use erecruiting services, 98% of the firms post jobs online. The online job posting market quickly became crowded as entrepreneurs realized its potential and low barriers to entry. To fend off competition, national job boards spent heavily to create recognizable brands and turned to alternative revenue streams, namely résumé database searches. By 2000, consolidation had begun with **Headhunter.net** taking out **CareerMosaic**, and **CareerBuilder** merging with **CareerPath**. Meanwhile, the market leader, **Monster.com** (with the help of its parent company, **TMP Worldwide**), took its acquisition strategy to new heights in 2001, with three major purchases within a month’s timeframe:

- On May 25, 2001, TMP Worldwide announced its intention to acquire **Jobline International**. This acquisition was mainly a geography play, providing Monster.com with a gateway into Scandinavia through an established erecruiting service provider and extending its overall presence throughout Europe.
- Less than a week later, on May 30, 2001, TMP announced another acquisition, this time **FlipDog.com**. FlipDog’s Web site and management team are supposed to remain intact and continue to operate as a separate unit as Monster leverages the spidering and job extraction technologies created by **WhizBang! Labs** for its other Web sites.
- On June 29, 2001, TMP Worldwide announced its intention to acquire Monster.com’s main rival, **HotJobs.com**, for approximately \$460 million. This acquisition was basically a market domination play. Although executives at Monster claim that overlap in unique site visitors is approximately one out of every eight, and the company plans to manage both sites as different brands under the same ownership, the firm will be challenged initially to keep customers of both services from dropping one subscription. In an effort to maintain customers, Monster may look to convert HotJobs into a more specialized site while capitalizing on the established HotJobs brand. Although on the surface these acquisitions seek to make Monster the undisputed leader of online job boards, the company has also picked up a number of recruiting technologies in the process. By combining the existing technologies and research and development teams of HotJobs’ Resumix and Softshoe, Jobline’s Wideyes, FlipDog’s spidering and matching technologies, and its own Momentum service, Monster could develop a global, end-to-end erecruiting service to compete with the current established players in the end-to-end segment.

Resume/Job Order Banks (Canada)

Although United States-based firms have gone north of the border to expand operations, Canada boasts a number of indigenous e-recruiting service providers. These domestic players have the advantage of understanding the culture of the nation's job seekers, as well as the ability to cater to a bilingual audience, which may inhibit the penetration of United States-based vendors. Examples of Canada-based e-recruiting firms include:

- **e-Cruiter.com**, launched in 1996, targets midsize businesses with e-Cruiter Enterprise, an end-to-end recruiting service delivered to customers via the Internet that the company hosts and manages externally. In addition to preparing and posting job requisitions and identifying and assessing candidates, e-Cruiter Enterprise also hosts corporate employment Web sites for clients. The firm also offers e-Cruiter Express for small businesses to manage job postings and résumé collection. In November 2000, e-Cruiter established a partnership with **ADP Canada** to provide its recruiting services as a part of ADP Canada's services package. In 2001, e-Cruiter has announced acquisitions of four United States-based firms: **Allen and Associates**, a career transition and outplacement firm; **OMNIpartners**, a recruiting research and human resources services firm offering executive and professional search services; **RezLogic**, an end-to-end recruiting service; and **ResumeXPRESS**, a résumé distribution services for job seekers. e-Cruiter seeks to offer a broad range of recruiting and staffing services through these acquisitions and through its 20 offices across North America.
- **Jobshark.com** has not simply focused on Canada and waited for Monster and others to encroach on its home turf. Instead, this job board has expanded its operations from Toronto to the United Kingdom and Ireland, as well as across Latin America in countries such as Argentina, Brazil, Chile, Colombia, Mexico, Peru, and Venezuela. The company promotes its skill-based screening and matching technology, JAWS, to determine which candidates fit with current job openings. The company does not sell access to its résumé database to customers to search on their own. The firm boasts over 1,000 corporate customers to date.
- **CNC Global** is a recruiting service specifically for IT professionals. The firm has expanded on its core offering of IT staffing, permanent placement, and contract consulting to offer online job posting for IT professionals as well as online career fairs. Although its business depends on customer relationships, CNC Global has recognized the ability to identify and assess IT candidates who naturally turn to the Internet to find career information and new job opportunities. In addition, its Positionwatch Web site enables the firm to offer customers a complete array of IT recruiting services, not simply point services.

Resume/Job Order Banks (Western Europe)

The need for e-recruiting services varies on a country-by-country basis across the region as local cultures, recruiting practices, and unemployment rates differ among the nations of this region. Certain countries have led the way in adopting e-recruiting services:

- Like the United States, the United Kingdom has seen an overabundance of online job boards in recent years. According to a BLS comparative report, the United Kingdom's civilian unemployment rate has fallen from 8.1% in 1995 to 4.3% in 1999. With the increase in ebusiness and United States-based firms using the United Kingdom as a launching pad for European operations, the demand for skilled candidates has increased, putting a crunch on employers to find new hires. This scenario is ripe for e-recruiting services.

- Germany and France have emerged as strong erecruiting markets, but historical job seeker tendencies have altered the model. Because job seekers in these countries have typically turned to government resources to find employment, government-run Internet job boards see more traffic than the for-profit firms do in these countries.
- The high Internet adoption rates combined with extremely low unemployment rates has made Scandinavia an attractive erecruiting market. According to the IDC/World Times Information Society Index, which measures countries' abilities to access and absorb information and information technology, Sweden, Norway, and Finland, respectively, hold the top 3 spots, with Denmark placing fifth behind the United States. Headquartered in Sweden, Jobline International has established a strong presence in this region. TMP Worldwide recognized Jobline's strengths, and on May 25, 2001, TMP announced its intention to acquire Jobline to expand Monster's European services.

Recently, the major erecruiting vendors have targeted Italy and Spain because they have the largest nonagricultural workforces in Europe behind Germany, the United Kingdom, and France. Despite the large sizes of these workforces, both countries have historically had high unemployment rates when compared with their continental neighbors. According to OECD, Italy's unemployment rate was 10% at the end of 2000 while Spain's unemployment rate was 13.7%. Although both countries have seen a decrease in unemployment in recent years, they are far from being the tight labor markets that typically fuel growth for erecruiting services. Nevertheless, as European firms employ technology to improve their erecruiting processes, countries with sizeable workforces like Spain and Italy will need to be addressed.

Competition in the Western European erecruiting market occurs at both the regional and country level. Major job boards, like **StepStone**, **jobpilot**, Jobline International, and Monster.com, are known for acquiring local erecruiting services and rolling them into their folds to gain market share in untapped countries. Now, the major players are eyeing each other as potential merger and acquisition targets. As mentioned earlier, Monster already announced its intention to acquire Jobline International. Management teams from both companies seek to leverage their combined strengths to challenge Stepstone and jobpilot in Monster's drive to win market share. Typically, pan-European erecruiting services hold strong positions in their home-base countries. For instance, Jobline is a leading job board in Sweden, jobpilot draws strong usage numbers in Germany, and StepStone is a leader in the Netherlands. Additionally, some vendors have reported profitability within their countries of origin, but have posted overall losses due to expansion efforts. Outside of indigenous countries, pan-European vendors also compete with local providers that typically outperform the larger vendors in terms of traffic. For example, in France, the job board **Cadres Online** and government-run sites lead the market. In addition, **Havas Numerique**, the division of **Vivendi Universal** that launched Cadres Online's tools and targets the French recruitment market. Localized content combined with extensive knowledge of the culture and customs of their own countries gives country-specific erecruiting vendors an advantage over their pan-European counterparts. In response, pan-European firms have established local offices to provide content and services to local customers and are heavily promoting their brands in each country. Acceptance of a brand name, however, may take longer than expected. Although the names Monster and StepStone stand out from a crowd of Web sites with "job" and "career" in their names, these names also have nothing to do with jobs, and can initially cause lack of awareness in new countries.

Resume/Job Order Banks (Latin America)

The following e-recruiting vendors have emerged in Latin America in an attempt to stay ahead of the curve:

- **Bumeran.com** has set out to be the leading e-recruiting service provider for all of Latin America. Founded and headquartered in Argentina in 1999, the company currently has additional offices in Brazil, Chile, Mexico, and Venezuela. In December 2000, **Terra Lycos** acquired a majority stake in Bumeran.com to support its continued growth and expansion into new markets. At the end of 2000, Bumeran.com's corporate client list exceeded 3,500. In addition to online job postings and résumé database searches, Bumeran.com offers hosting services for private, corporate résumé databases as well as private-label corporate Web sites within Bumeran.com. Also, Bumeran.com has worked with **The Computer Psychologist** to create a personality test to assess candidate traits and behavior. Employers can purchase tests and ask candidates to complete these tests to augment their existing profiles.
- **Jobshark.com**, which is based in Canada, has established operations across Latin America in Argentina, Brazil, Chile, Colombia, Mexico, Peru, and Venezuela. Additionally, the company has established a partnership with Internet portal **El Sitio** as the site's recruitment channel. The firm has sought out country-specific partnerships, such as **Authent Executive Search** in Brazil and **Talent Search** in Argentina, to broaden its offering in the region. Approximately 500 corporate customers use its services in Latin America. In April 2001, Jobshark announced its intention to launch a new site in Uruguay.
- **laborum.com** is another job board focused on the Latin America region. Launched in November 1999 by executive training and search firm **Seminarium International**, laborum.com operates sites in Argentina, Chile, Colombia, Mexico, and Peru. In addition to the usual job posting and résumé database services, laborum.com also provides private-label corporate employment Web sites and online outplacement services.

iDonovan expects to see end-to-end e-recruiting services emerge in Latin America once the xSP model gains traction in this region. Until then, online job boards will fuel the initial growth of the e-recruiting market across the region.

Resume Distribution

The largest players in online resume distribution currently are ResumeBlaster.com, ResumeZapper.com, and ExecutiveAgent.com. The remaining 50 odd some competitors are estimated as distant competitors with yearly revenues well under 300K. It is expected that the number of competitors will increase dramatically as more and more career consultancies will attempt to secure a niche within this young market.

	Yearly Revenue	Yearly email Resumes	Recruiting Database Entries	Pricing	International Presence?	Yearly Page Views
ResumeBlaster.com	\$1.5M	20800	5345	\$49-\$120	No	1.7M
ResumeZapper.com	\$657K	10950	9000	\$49-\$70	No	960K
ResumePath.com	\$1200	60	5500	\$20	No	< 500K
ResumeDispatcher.com	\$32500	500	2000	\$50-\$130	No	< 500K
Careerxpress.com	\$92K	1320	5000	\$70-\$190	Yes	< 500K
ExecutiveAgent.com	\$300K	3000	5000	\$99	Yes	< 500K
ResumeBlitz.com	\$18K	300	250	\$50-\$80	No	< 500K
ResumeBlitz.net	\$33K	300	5000	\$85-165	No	< 500K
ResumeXpress.com	\$3600	300	5000	\$120	No	< 500K
Jobsearchpage.com	\$9K	300	3000	\$24-\$50	Yes	< 500K
Resumerunners.com	\$9K	300	2000	\$30	No	< 500K
Salesworkz.com	\$12K	300	2000	\$40	No	< 500K
Broadcstaresume.com	N/A	N/A	N/A	N/A	No	< 500K
Rocketresume.com	\$30K	300	5000	\$99	No	< 500K
Resumeshotgun.com	N/A	N/A	N/A	N/A	No	< 500K
Seemereresumes.com	\$24K	300	4500	\$79	No	< 500K
MailMyResume.com	\$22500	300	1,524	\$50-80	No	< 500K
AllAgencies.net	\$30K	300	3774	\$99	No	< 500K
Resumegenius.com	\$18K	300	6000	\$60	No	< 500K
yourmissinglink.com	\$30K	300	9000	\$100<	No	< 500K
blastmyresume.com	\$15K	300	7000	\$50	No	< 500K
wsacorp.com	N/A	N/A	N/A	N/A	No	< 500K
supersonicresume.com	N/A	300	5000	N/A.	No	< 500K
recruiterregistry.com	\$15K	300	3700	\$50	No	< 500K
nvo.com/firststop	\$12K	300	4000	\$40	No	< 800K
paperpuzzle.com	\$12K	300	4000	\$40	No	< 500K
wesendyourresume.com	\$24K	300	5000	\$80	No	< 500K

While iDonovan will most likely achieve an unchallenged first to market status within many foreign markets within its first year, it will have to wage a war of attrition against the numerous US competitors over the long-term. Management has analyzed the competition and believes that it has to offer superior quality of service in every aspect of its offering to win this war. iDonovan is committed to maintaining a decisive competitive advantage by any means available:

- The company has set a benchmark of maintaining a US subscription base of 9000 recruiters currently the highest within the industry. There are various competitors who claim higher numbers but who do not advertise that great portions of their distribution subscribers consist of employers. iDonovan plans to take the high road by always keeping recruiter resume distribution separate from that of employers while keeping the latter as an optional or add-in service.
- It will also be more aggressive in maintaining free recruiter and employer resume subscriptions by offering higher usability and filtering capabilities to its recipients.
- The company is also committed to maintaining the most competitive pricing within the US industry by offering a point four to point ten cent distribution cost per recruiter (\$40 for 9000 recruiters).

- iDonovan will offer a range of affinity recruiter, employer, and jobseeker services that will tie into and promote its resume distribution services. Currently, 90% of the US competition does not do this.
- iDonovan will be able to offer a larger employer distribution base at a much lower cost to jobseekers as it builds its job/resume bank subscription business.
- Asides from offering superior service, iDonovan will be able to benefit from a larger marketing plan that will bundle resume distribution along with its job/resume bank subscriptions and resume counseling services.
- Thanks to its localized foreign market resume distribution services, iDonovan will be the obvious choice for US jobseekers who have an interest in international opportunities.

Resume Services

iDonovan.com will be directly competing with thousands of small independently owned resume-counseling organizations across the US which constitute 90% of the worldwide market. Since this market is extremely dispersed being served throughout university campuses, government agencies, placement agencies, and a myriad of independent professional writers, iDonovan is not aiming to achieve majority market share anytime within its first two years of operation. Its main goal is to generate substantial revenues from resume counseling to substantially promote cross selling of its resume/job bank and resume/job order distribution services. The use of the Internet presents a potential consolidating factor within the industry from a marketing and sales perspective. Currently there are hundreds of independent resume counselors who dispose of a web presence where they advertise their services. However, the most notable effort to create an online resume-counseling portal is represented by e-Resume.net.

	Yearly Revenue	Yearly email Resumes	Pricing	International Presence?	Yearly Page Views
e-Resume.net	\$200K	500	\$200	No	< 500K

iDonovan management believes it will quickly surpass e-Resume.net within 8 months of the launching of its resume counseling services mainly because it will be dispose of greater marketing potential as it will be promoting resume counseling services along with resume/job order banks and resume distribution.

Job Order Distribution

Job order distribution being an extremely small market of barely \$1M is still in its infancy. JobOrderBlaster.com and JobZapper.com currently lead the market. These web sites are subsidiaries of resume distribution leaders ResumeBlaster.com and ResumeZapper.com.

	Yearly Revenue	Yearly email Job Orders	Recruiting Database Entries	Pricing	International Presence?	Yearly Page Views
Joborderblaster.com	\$28K	280	4K	\$99	No	< 500K
Jobzapper.com	\$19600	400	N/A	\$49	No	< 500K

iDonovan.com will apply the same competitive tactics employed within its resume distribution business in order to wage a war of attrition against the above competition.

Publishing

By publishing a global directory of recruiter information, iDonovan will follow in the footsteps of the world famous "Directory of Executive Recruiters" provided by the Kennedy Information, LLC since 1971. Based in New Hampshire, they are the only company that has the experience necessary to compete with iDonovan within the global recruiter directory publishing market. It is very likely that Kennedy Information will be also be a long term competitor in the US resume distribution market as well thanks to their quickly growing web site ExcecutiveAgent.com.

Corporate Culture

Management plans to run iDonovan in an extremely conservative fashion from a fiscal and strategic point of view. However, through several years of dotcom experience, management also believes that it can drive greater productivity from its workforce by nurturing a "revolutionize the world" air of excitement within the corporate culture. Smart people are motivated as much by spirited ideals and by the opportunity to leave a mark on the world than they are by compensation alone. Management will be committed towards instilling an air of evangelization without running the risk of believing in its own propaganda when fiscal and strategic issues are concerned. In part to promote company values from a public relations perspective, management plans to donate a considerable percentage of revenues towards charities yet to be chosen.

Limitations and Obstacles

Unfortunately, the Internet cannot wholly replace the human element within the international labor market. Many jobseekers will continue to rely heavily on friends and acquaintances as their principal source of employment opportunities. However, iDonovan.com will serve as a vital link to the international recruiting industry. Our services will allow jobseekers to be more effective in their search while providing recruiting professionals with the candidate and employer information necessary to enable them to prosper as chief matchmakers. Management believes that career sites will have to provide just this type of value-added services to attract and retain customers.

Management Team

Eddie Donovan – President and Chief Information Officer

Eddie has a background in developing and managing high audience web presences for prominent dotcoms and “click and mortar” companies. Most recently, he directed the relaunch of South America’s largest banking web site BB.com.br for Banco do Brasil in Sao Paulo, Brazil. Previously, Eddie was the Director of Web Marketing/Design for the financial services division of one of Europe’s largest e-Banks with first-e in Dublin, Ireland currently merging with the online banking division of Terra Networks.

Rosangela Teixeira – Vice President of Customer Service

Rosangela has several years of experience in marketing and customer service. Her multicultural background coupled with her extraordinary language skills (English, Portuguese, Spanish, and Italian) will be a valuable asset in managing the complex obstacles related to multi-product/country management in the Latin American market.

The company is also in discussions with several additional team members. A CTO candidate is a technology manager currently employed by Staples.com who is an ex-Lycos lead software/web engineer. Finally, we have begun early-stage discussions with a senior member of the marketing team currently serving as the marketing director for WallStreetService.com a prominent New York recruiting firm.