

# NEP OVERSTOCK.COM PARTNERSHIP

JANUARY TWENTY-FIVE, 2013



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# OVERVIEW



Photo Upload

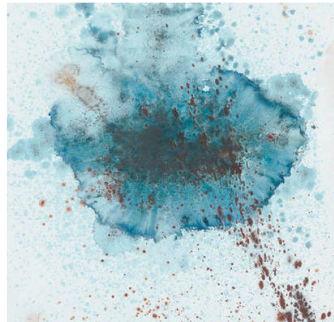
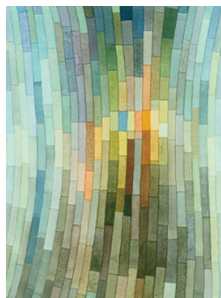
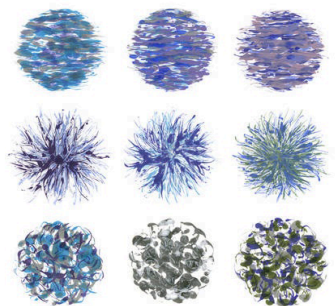
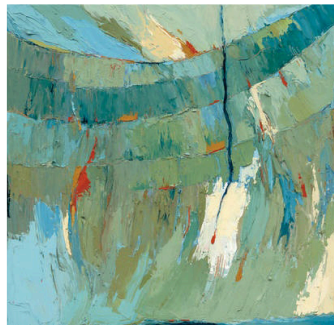
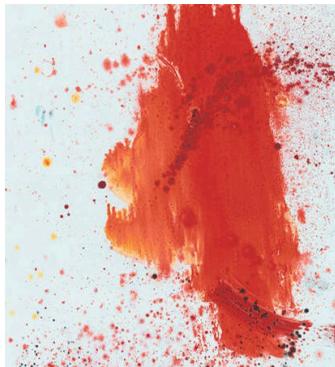
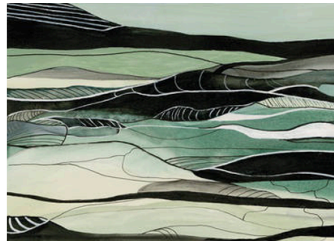
- **Overstock.com** has an opportunity to create a new, significant revenue stream by entering the ever-popular Photo-to-Art marketplace.
- New Era Portfolio, the world's most vertically integrated art company and already a trusted **Overstock.com** partner, offers an end-to-end solution that will allow **Overstock.com** to quickly and securely offer on-demand Photo-to-Art services to its customers.
- Invisible to the customer, New Era's API solution enables a seamless shopping experience, allowing users to customize their photo as art and checkout on **Overstock.com**, with New Era drop-shipping all orders from our state-of-the-art facility in Austin, TX.

# WHAT **WE** BELIEVE



Caroline Ashton | *Story I*





Overstock.com provides:

- The best value
- A superior customer experience
- High-quality products

With the right partner, **Overstock.com** can leverage these core tenets to gain a significant share of the Photo-to-Art market.

# NEPCOMPANYOVERVIEW



Roman Solar | *Lake City I*, Wallcovering (NEP facilities)

# WHOWEARE



Laura Gunn | *Obscurity*

## A global leader in fine art publishing.

We capture, print and deliver images as museum-quality artwork, empowering our customers to create evocative spaces.



## OURCAPABILITIES

### Digital Content Management

Our core competency is digital content management. We're first and foremost a publisher, and we know how to manage and protect fine art assets.



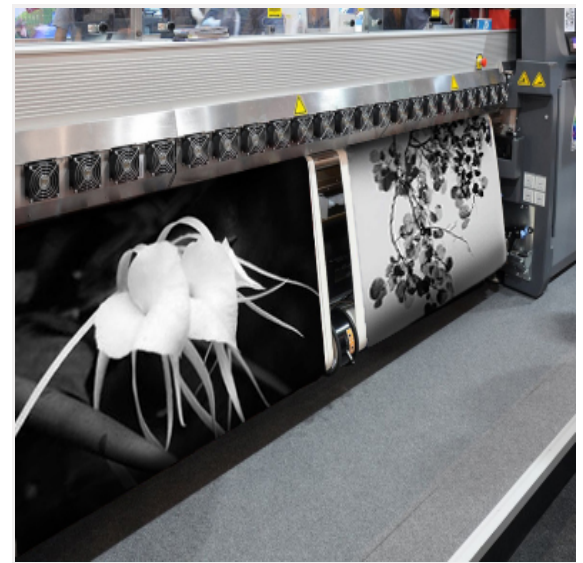
### Experienced Art Consulting

Our expertise in forecasting style trends and managing artists, portfolios, and collections enables us to deliver the finest artwork to you – at the right price.



### Turnkey Fulfillment Solutions

Our recent \$5.2 million investment in equipment allows us to turn images into customized artwork, from fine art reproductions to wall coverings to 3-D – on any material – in any dimension.



# WHY WE ARE DIFFERENT



Michael Joseph | *Bougainvillea*

## Art Meeting Technology

custom **design** and art consultation | **digital content management** | website hosting | **high quality art** | premier photo selection | **best-in-class printing capabilities** | mixed media | **endless media** | floor to ceiling art | **end-to-end solutions**



# ARTMEETINGTECHNOLOGY



Aluminum Tiered



Aluminum Mounted

## Art Meeting Technology

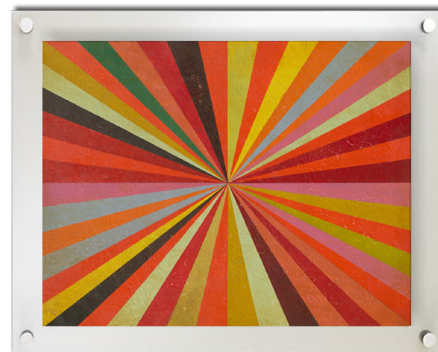
custom **design** and art consultation | **digital content management** | website hosting | **high quality art** | premier photo selection | **best-in-class printing capabilities** | mixed media | **endless media** | floor to ceiling art | **end-to-end solutions**



Canvas



Paper



Acrylic



Birchwood

Benjamin Arnot | *Light Speed*



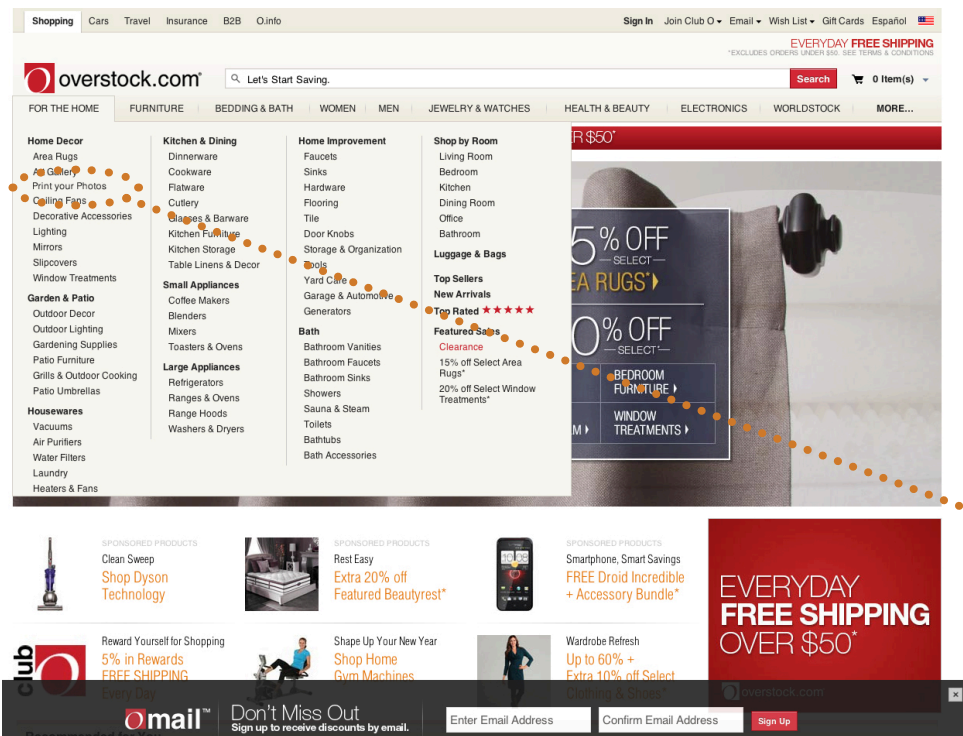
Jasper | *Compacted*



# STEP 1: NAVIGATION

Quick and easy integration.

Simply add links to Overstock's navigation.  
New Era provides a JavaScript widget that handles the rest.

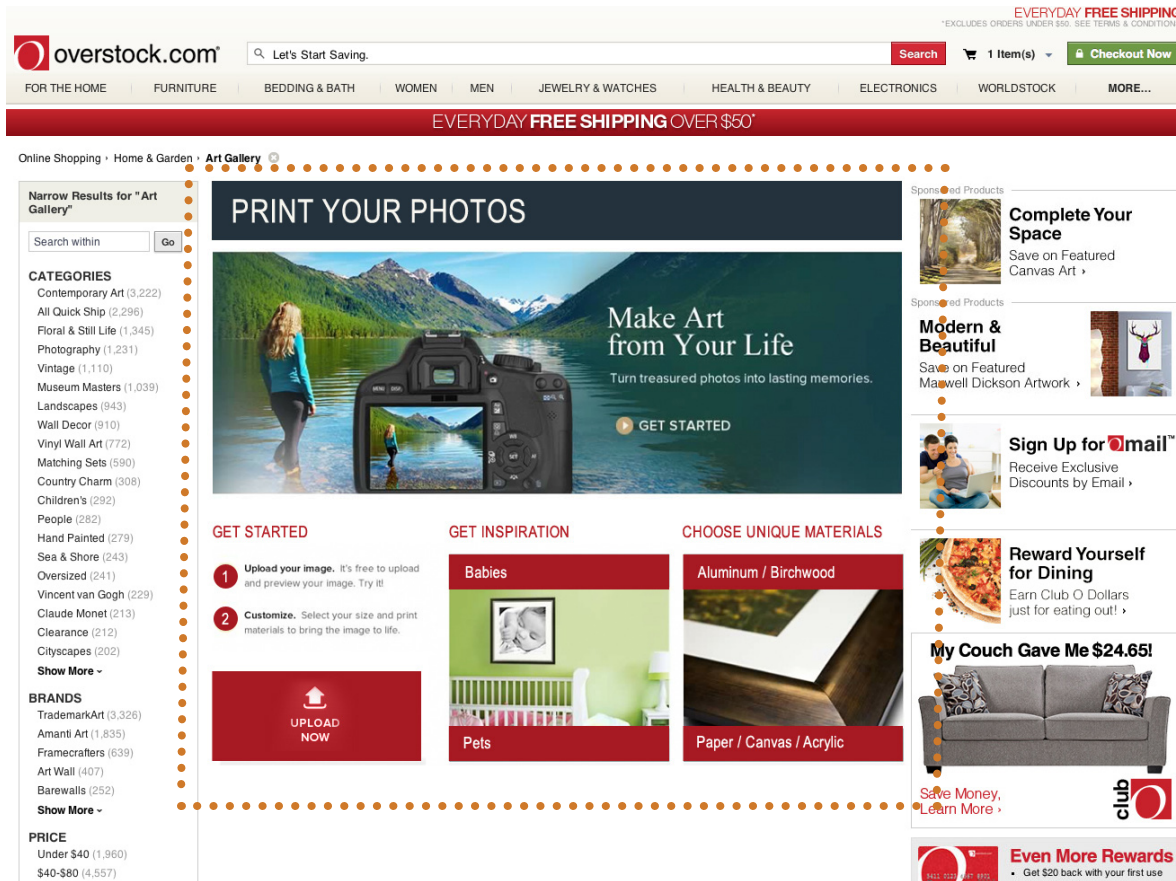


Overstock.com Main Navigation

Home Decor	Kitchen & Dining	Home Improve
Area Rugs	Dinnerware	Faucets
Art Gallery	Cookware	Sinks
Print your Photos	Flatware	Hardware
Ceiling Fans	Cutlery	Flooring
Decorative Accessories	Glasses & Barware	Tile
Lighting	Kitchen Furniture	Door Knobs
Mirrors	Kitchen Storage	Storage & Org
Slipcovers	Table Linens & Decor	Tools
Window Treatments		Yard Care
Garden & Patio	<b>Small Appliances</b>	Garage & Aut
Outdoor Decor	Coffee Makers	Generators
	Blenders	

Overstock.com Main Navigation - "Zoom"

## STEP 2: EMBED JAVASCRIPT WIDGET



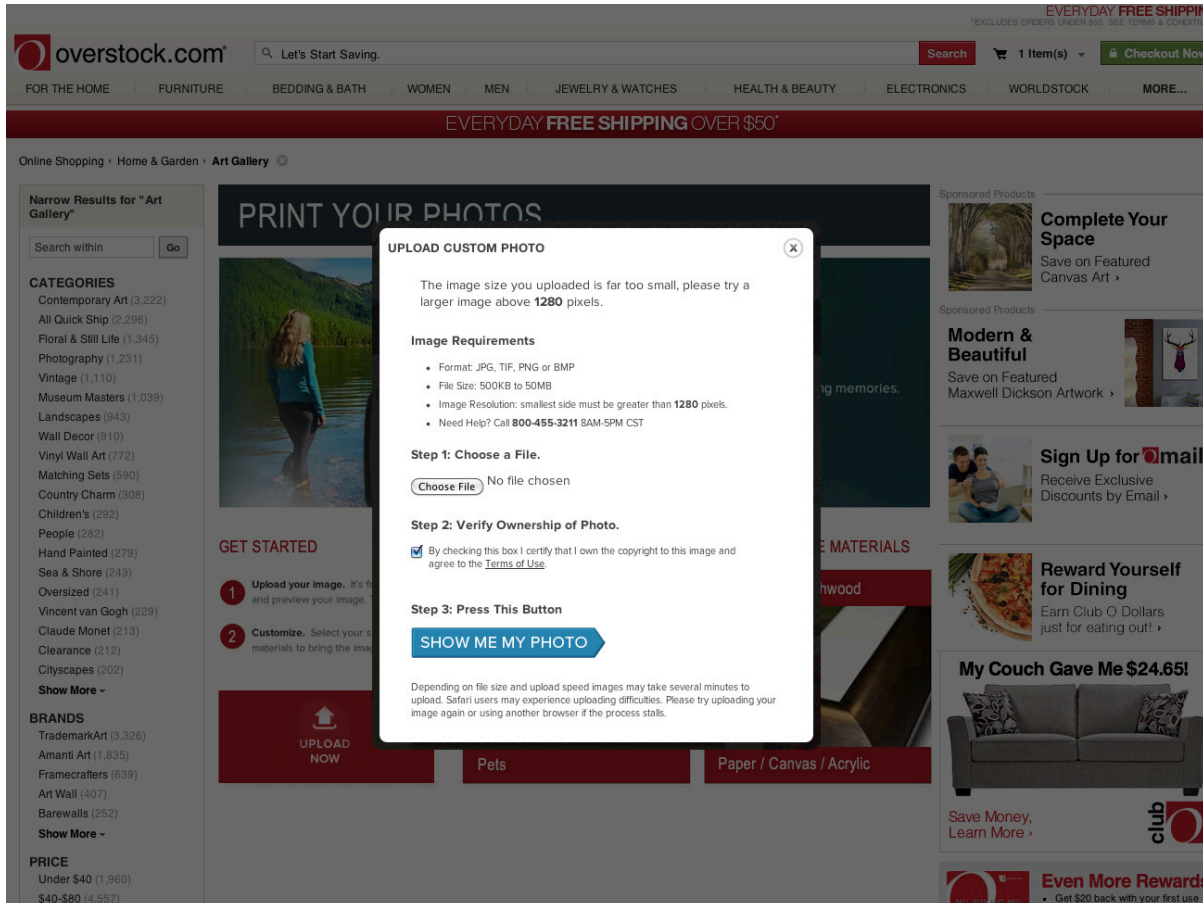
Landing Page

Simply create a new page and embed New Era's JavaScript widget, which contains all the content for the Photo Upload pages, customization process, and Add to Cart functionality.

The widget (JavaScript library):

- Is secure
- Can be themed to match **Overstock.com's** look and feel
- Handles all interactions between the customer, their photo, and the customization process
- Adds the item to **Overstock.com's** shopping cart.

# STEP3:UPLOADYOURPHOTO



Upload your photo

The widget includes a secure upload process. Users select a photo from their computer and upload it to New Era's servers.



# STEP4: CUSTOMIZE YOUR PHOTO

Shopping Cars Travel Insurance B2B O.info Sign In Join Club O Email Wish List Gift Cards Español

EVERYDAY FREE SHIPPING  
\*EXCLUDES ORDERS UNDER \$50. SEE TERMS & CONDITIONS

overstock.com Let's Start Saving. Search 1 Item(s) Checkout Now

FOR THE HOME FURNITURE BEDDING & BATH WOMEN MEN JEWELRY & WATCHES HEALTH & BEAUTY ELECTRONICS WORLDSTOCK MORE...

EVERYDAY FREE SHIPPING OVER \$50\*

CUSTOMIZE YOUR PHOTO

Your Custom Image

STEP 1: Select Material STEP 2: Select Style

Canvas [?] Paper [?] Aluminum [?]

Acrylic [?] Mirror [?] Birchwood [?]

YOUR SELECTIONS  
Canvas (edit) Gallery Wrap (edit)

Outer Size: 24x18 Image Size: 24x18 [size guide]

S M L XL CUSTOM SIZE

WAS \$178 NOW \$80 You Save \$98 ADD TO CART

People Who Bought Items in Your Cart Also Bought

Hand-painted Plum Blossom 315 5-piece  
Today \$114.99 Add to Cart

Hand-painted Plum Blossom 310 3-piece  
Today \$119.99 Add to Cart

Pillow Perfect Flowering Branch Throw Pillow  
Today \$22.49 Add to Cart

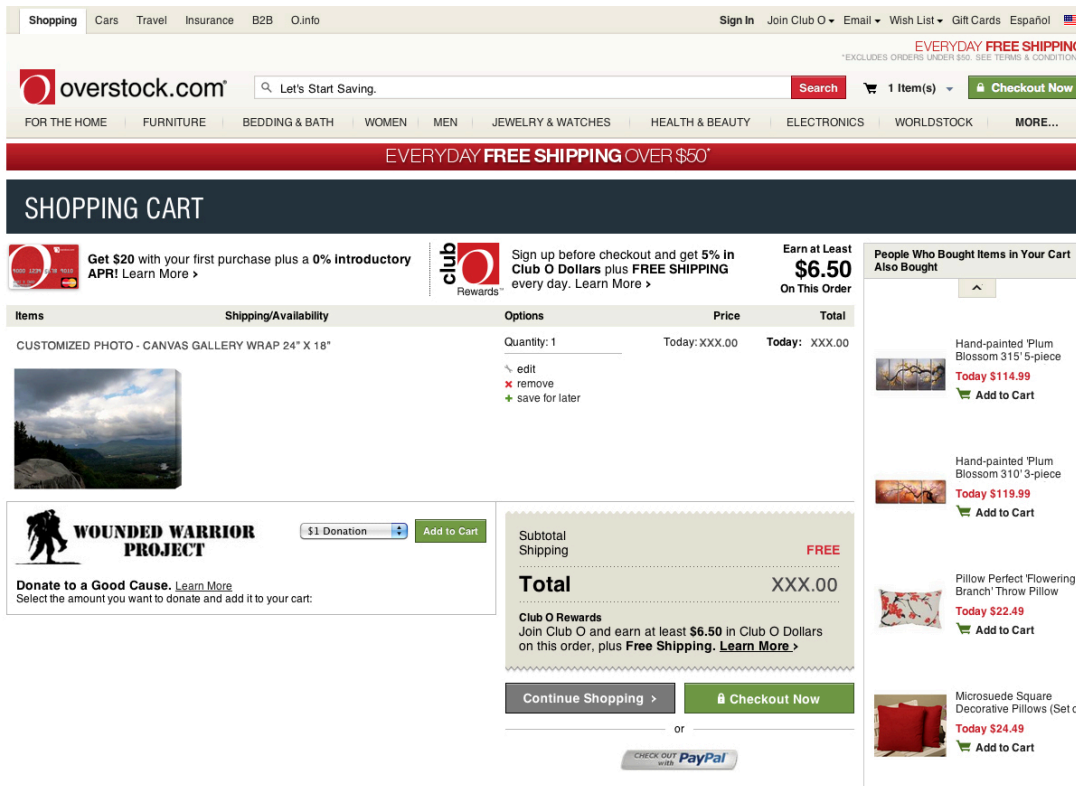
Microsuede Square Decorative Pillows (Set of 2)  
Today \$24.49 Add to Cart

Customization

Once the user's photo has been uploaded to New Era, the user can customize it by choosing the media to print on, the frame, and size.

# STEP 5: ADD TO CART

- Via an API, New Era sends the product information to **Overstock.com** shopping cart via the Cart Receivable Path.
- Since each image is unique, we can either create a SKU on the fly (if the **Overstock.com** platform supports it) or use a product attribute to append a unique identifier to a generic SKU.



Cart

# STEP 6: ORDER PROCESSING


**overstock.com**  
 Partner Connect  
 Hi, **newera!** (Logout)  
[Messages](#)

**Main Menu**  

- Home
- Manage Products
- Manage Orders
- Download Order File
- Upload Files
- Manage Returns
- Manage VC Returns
- Download Ship Confirms Template

**Partner Compass**  

- Partner Compass

**Manage Product Offers**  

- Manage Product Offers

**Vendor Affiliations**  

- Create Affiliations
- List Affiliations

**Help**  

- File Templates

**Logs**  

- View Upload Logs

**Links**  

- TMS
- O University

join us at  
**PARTNER OASIS**  
*partneroasis.overstock.com*


**overstock.com**

Orders will be processed as usual with Partner Connect.

# STEP 7: ON-DEMAND CUSTOMIZATION & RAPID FULFILLMENT



New Era prints all orders on-demand and drop-ships directly to the customer on **Overstock.com**'s behalf.



# IMPLEMENTATIONSUMMARY

COMPONENT	PROVIDED BY / CONTROLLED BY	NOTES
<b>Host Page</b>	OSTK	Ex - <a href="http://www.overstock.com/print-your-photo">www.overstock.com/print-your-photo</a> Contains JavaScript Widget in addition to standard OSTK page elements (Header, Footer, Left-Nav, etc)
<b>Photo Upload Widget</b>	New Era	Contains all photo upload and customization functionality
<b>Content within Widget</b>	New Era	New Era will provide all content that resides within the widget, subject to approval by OSTK
<b>Image Storage</b>	New Era	Images are saved securely to New Era's servers
<b>Pricing</b>	New Era	Controlled through the widget. New Era and OSTK will collaborate on setting Retail prices.
<b>Photo Customization</b>	New Era	New Era can limit the number of options available if OSTK requires a matching SKU in their back-end system for every configuration option.
<b>Add to Cart API</b>	New Era	Securely adds the item to OSTK shopping cart using HMAC authentication. Via the API, OSTK can do a price check to verify the price in the widget matches the SKU price in their back-end.
<b>Security</b>	New Era	All communication done over SSL using HMAC authentication
<b>Checkout / Payment</b>	OSTK	Standard OSTK checkout process
<b>Order Management</b>	OSTK	Orders will be downloaded from Partner Connect per usual
<b>Drop-Ship Fulfillment</b>	New Era	
<b>Customer Service</b>	OSTK	
<b>Returns</b>	OSTK	Standard OSTK policy



# REVENUEMODEL



Sia Aryai | *Hibiki IV*

## Annual Photo Upload Revenue Matrix

### Assumptions

Average Order Value: \$100

**Overstock Margin: 42%**

Annual traffic assumptions are conservative and highly dependent on Overstock.com's willingness to market Photo Upload prominently on the site, in email campaigns, and via social media. New Era is happy to update these projections if Overstock can provide more accurate traffic estimates.

Conversion Estimate	Annual Traffic Estimate		
	Low 1,000,000	Med 2,000,000	High 3,000,000
High 3.0%	Total Revenue 3,000,000 Overstock Margin 1,260,000	Total Revenue 6,000,000 Overstock Margin 2,520,000	Total Revenue 9,000,000 Overstock Margin 3,780,000
Med 2.0%	Total Revenue 2,000,000 Overstock Margin 840,000	Total Revenue 4,000,000 Overstock Margin 1,680,000	Total Revenue 6,000,000 Overstock Margin 2,520,000
Low 1.0%	Total Revenue 1,000,000 Overstock Margin 420,000	Total Revenue 2,000,000 Overstock Margin 840,000	Total Revenue 3,000,000 Overstock Margin 1,260,000

Direction  
of Traffic

# SUMMARY



Photo Upload

- With the right partner, **Overstock.com** can leverage its brand promise and loyal customer base to claim its fair share of the popular Photo-to-Art market.
- New Era Portfolio, already a trusted **Overstock.com** partner, provides an end-to-end Photo-to-Art solution that can be implemented fairly quickly, easily, and securely.
- This powerful combination of one of the world's most recognized retailers and one of the world's most vertically integrated art companies will generate significant revenue streams for both parties.