



**argophilia**

EASTERN EUROPE,  
BREATHTAKING.

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# Instead of introduction:

We needn't overly analyze or sell Eastern Europe as a thriving market, it's growing alright.

We need not explain what technology is capable of, not to tech startup investment experts, let's just accept that almost anything is possible here.

We won't bore or insult you by reeling off technical terms and buzz words like; geocentric mobile apps, user generated content, social media and networking, or the spectrum "so called" Web 2.0 attributes – these are a foregone conclusion really.

What we do need to do is describe the **who**, **where**, **how**, and **what** of why anyone would want to invest money and/or time in Argophilia.

*Everything in online travel service is far from being done. Argophilia will fill in the gaps.*



# Argophilia's Who



## **Phil Butler, Co-Founder & CEO**

Argophilia's *Chief Envisioning Officer* adds a widely varied skill toolbox to the development, but communicating is probably Phil's most valuable attribute. 30 years in the technology realm, from the steel industry to telecommunications, the military, and finally digital communications, this is the sandbox from which one of Web 2.0's most respected evangelists emerged.

Phil's background where early stage tech startups are concerned began with testing and evaluating thousands of them for the world's most read tech blogs: ReadWriteWeb, Mashable, Profy, SitePoint, and many others.

A graduate of the College of Charleston, a former teacher, coach, and an avid sportsman, Phil is the ultimate people person. For Argophilia, as much of the business is about relationships as it is technology, so Phil's role is ideally suited to his best attributes.

*Making people believe, what is more needed than that?*



# Argophilia's Who



## **Mihaela Lica, Co-Founder & COO**

Mihaela brings immeasurable skill and organization to the Argophilia development. With more than 15 years experience as a journalist and PR, she is also something of a Web 2.0 celebrity in her own right.

Before Argophilia, Mihaela earned accolades as an “A” list blogger, SEO expert, and a widely cited authority on search engine optimization and public relations issues (BBC News, Force for Good, Reuters, Al Jazeera and others). She was also a military journalist with NATO and the Romanian Defense Ministry

“Mig”, as she is affectionately called, founder Pamil Visions PR and Eveything PR News (among the top 100 marketing news outlets in the world) almost single handedly.

Graphic design, programming, video editing, poetry, and even on to body language training, Mihaela does not just do everything – she does all things well. She is the “go to” person at Argophilia – to get things done.



# Argophilia's Who

## Peter Golda, Co-Founder & CTO

To say Peter is an “Uber-Geek” is to categorize him very mildly so. This award winning technical wizard is Argophilia's **secret weapon**.

Peter Golda is the genius n-u-k-u-l-a-r physicist behind Argophilia's technical development. He brings over 15 years expertise in e-commerce, software engineering, security, R & D, other technology genius to the company.

Before founding Argophilia, Peter was the CTO of Red Dog Communications, Luxembourg. He also founded his own International e-commerce services company Stidia, whose clients include Siemens. Peter's knowledge of all aspects of the IT realm are actually extraordinary.

Peter also holds two degrees including Master of Sciences in Electronic Engineering, Bachelor of Sciences in Mathematics and Applied Mathematics, and is nearly done with a third – Bachelor of Arts in German & Latin, all from the University of Cape Town.



# Argophilia's Who

## Claudiu Grozea, VP & Creative Director



An avid photographer and traveler as well, Claudiu's passion for the visual arts and for the places of the world is ideally suited to building the stunning visuals Argophilia will be noted for.

Claudiu is an award winning video editor, art and production director, and documentary reporter. His award winning documentary, "*Festival in Bar, Serbia & Montenegro*" is considered a work of art in that genre.

He is a former military cameraman and editor for the Romanian Minister of Defence. Before taking on the VP spot at Argophilia, he was also the Senior Video Editor for Romanian Television – TVR for 12 years. Claudiu's commercial portfolio and associations include names like; ABC, Volvo, Media Galaxy, Raiffeisen Bank, Brava TV, Ikea, and many more.



# Argophilia's Who

**Timothy Goral, Lead Programmer** – Argophilia has no shortage of programming genius to carry the development through any foreseeable technical issues. Tim's expertise ranges from expertness in virtually any known programming language, to theory and the most demanding needs of the world's security agencies no less. He is not only a respected and published expert in his field, but as well rounded and versed a programming guru as we have seen.

Tim has trained and/or lectured where crucial Internet security issues were the topic, most notably at the Polish Central Investigation Bureau, Interpol, and even for the FBI and Department of Justice.

**Alex Cristache, Lead Designer** – If you see something you like on Argophilia's various online platforms, odds are Alex created it.

If ever there were a so called "self made man" Alex is the graphic design version. Alex is something of a legend in the world of online web design in Romania. His projects extend from logo design to cutting edge WordPress and website design.

Alex is the Managing Partner and Co-Founder of QBKL Media, the creator of the popular blog Blogsessive, and a contributor to any number of open source projects like CREATIVEurope.



# Argophilia's Who

**Alina Popescu, Localization PR & Business Development** – This seasoned PR and communications specialist is our eyes, ears, and evangelist, especially in the region of the Black Sea. Alina brings almost 10 years experience to our “away team” in the areas of PR, marketing, journalism, tourism, and rich media. Founder of her own PR and Communications firm, Alina is also a respected online journalist and social media expert of note.

Alina holds degrees in Journalism and Communication Sciences, as well as Tourism and Economics from the Universitatea din Bucuresti, and Universitatea Romano Americana respectively.





# Argophilia's Who



## Loren Baker – Board of Advisors

Loren Baker is one of the world's driving forces where social marketing and search engine marketing are concerned. A long time friend and colleague of Argophilia's CEO, Loren will be instrumental in helping to develop our SEO and marketing strategies. As a strategic partner too, Loren's vast networks will also provide support toward Argophilia's success.

As Chief Marketing Officer at Alpha Brands, SVP of Social Media Strategies & Managing Partner at BlueGlass Interactive, Inc., and the founder and past President of SearchEngineJournal, Loren's online reputation is stellar. A respected journalist, Web 2.0 visionary, and key advisor, Loren has played a huge role in the development of the digital revolution.

Loren has been recognized by CNN, Google, Yahoo, Microsoft, AdAge and NPR as a top industry expert on search marketing.



# Where the Market Is

Why did we choose to focus on Eastern Europe? Really a no-brainer: *to help their lagging T & T Industry.*

➤ Other than Asia, **Eastern Europe shows the most potential for growth**, and more importantly, the greatest advantage for an online travel innovation/interjection. The region's economics favor a focused online travel startup due to the following factors:

- the lack of sufficient online engagement so far,
- the emerging (yes, even archaic) nature of the regions "wiredness,"
- the "need" for Eastern Europe's tourism industry to engage,
- the potential for a massive influx in bookings from North America.

➤ Argophilia's core value propositions are more economical in Eastern Europe. Due to our location, and connections within areas of Eastern Europe, **we can get custom content and rich media at a fraction of the cost of most other regions.** We can get content no other online travel site would ever include – it is just too expensive. Our team is uniquely gifted and placed.

➤ Most of our development team is from Eastern Europe. Our team, and even many of our vast social network, would love nothing better than to see Eastern Europe finally thrive. **Our vested interest is everyone in Eastern Europe's.**



# Where the Market Is

Where the market is concerned, our strategy is to take advantage of a disadvantaged market. A report for [Amadeus](#) via the European Travel Commission confirms Argophilia's potential early advantage:

***“European OTAs generate 86% of their revenue from air products despite the fact that air tickets deliver only about half the profit margin available on non-air sales.”***

Argophilia will optimize traditional monetizing elements, as well as more “convertible” means.



# Eastern Europe Emerging

## Left Behind But Not for Long

This is how Expedia, the world's largest online travel company, has engaged **Eastern Europe**.

Pages into the Expedia site, the user has to dig to find a few cities on a slightly interactive map. Expedia clearly focuses only on the “lion's share” of popular destinations.



**Find Your Perfect Trip**

Explore by Destination

[Location Info](#) [City Hotels](#)

Czech Republic | Hungary | Poland | Dubrovnik  
Krakow | Riga | Europe-All

[Find a map](#) [See all destinations](#)

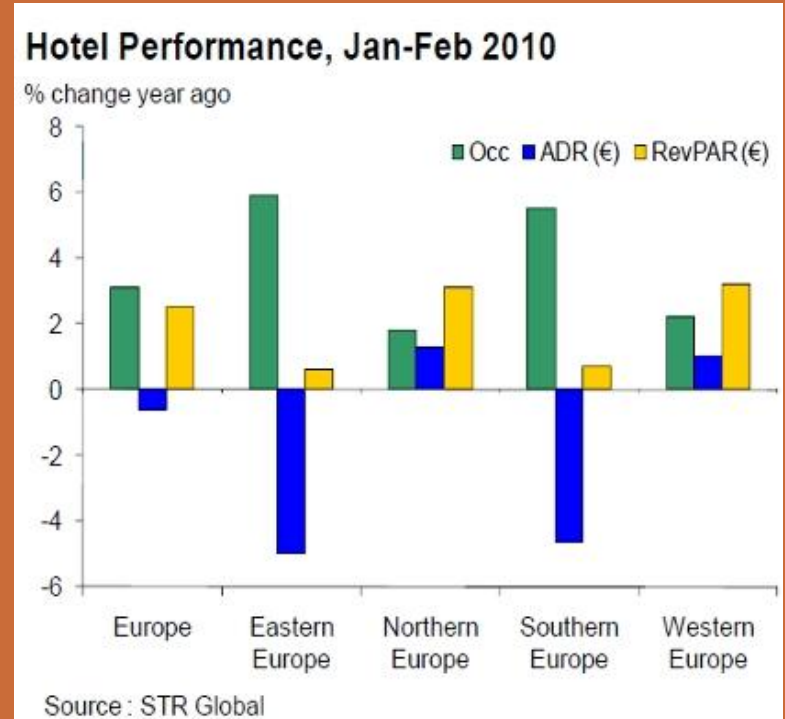


# Eastern Europe Emerging

## Left Behind But Not for Long

With virtually no major online travel booking or guide site focused on Eastern Europe, the region shows the most promise.

The following graphic illustrates current hotel strength for the region.



# Lagging Interest in \$1 Trillion

This is how the world's most visited online travel guide, TripAdvisor, treats an Eastern European city of 3 million – Bucharest Romania.

In some cases TripAdvisor and other major booking/guide sites list 2 or 3 things to do in cities where there are hundreds.



Find the Best Things to Do

- Outdoor Sports & Nature
- History and culture
- Other
- Entertainment and amusement

**Entertainment and amusement**

- ▶ Gambling (1)
- ▶ Nightlife (3)
- ▶ Performances (3)

« 1 2 »

ALL ENTERTAINMENT AND AMUSEMENT

TripAdvisor Traveler Rating:      TripAdvisor Popularity Index:



# Lagging Interest in \$1 Trillion

Meanwhile, another of the world's most visited online travel helpers, IgoUgo, offers up similar mediocrity for Bucharest.

Four things to do, in map view, in all of Romania's largest city.


It should be noted however, that 7 out of the top 10 such sites do not list Bucharest venues at all – let alone Latvia and other fantastic destinations.

## Things To Do in Bucharest

List View **Map View** NEW

Search Things To Do  Go Refine by Type  Go

Move or zoom to search a specific area.



The map displays a grid of streets in Bucharest, Romania. Ten red circular pins with white numbers are placed on the map, indicating points of interest. The pins are numbered 1 through 10. Pin 1 is located near the center of the map, near the intersection of Calea Victoriei and Strada Dorobanilor. Pin 2 is located near the intersection of Calea Victoriei and Strada Stirbei Vodă. Pin 3 is located near the intersection of Calea Victoriei and Strada Cișmigiu. Pin 4 is located near the intersection of Calea Victoriei and Strada Mântuleasa. Pin 5 is located near the intersection of Calea Victoriei and Strada Calărașilor. Pin 6 is located near the intersection of Calea Victoriei and Strada Cișmigiu. Pin 7 is located near the intersection of Calea Victoriei and Strada Cișmigiu. Pin 8 is located near the intersection of Calea Victoriei and Strada Cișmigiu. Pin 9 is located near the intersection of Calea Victoriei and Strada Cișmigiu. Pin 10 is located near the intersection of Calea Victoriei and Strada Cișmigiu. The map also shows various landmarks, including the Palatul Victoria, Academia de Studii Economice, and the Spitalul Coltea.

# Visibility and Value

Eastern Europe as a destination has its drawbacks. The financial crisis hit hard economies just gaining momentum in developing Europe. But there is another side.

Travel values in Eastern Europe, combined with greater buying power for other international currencies (and other factors) make Eastern Europe an increasingly attractive tourism region.

One advantage is illustrated here – more later on this.

The screenshot displays search results for hotels in Munich and Estonia. It features four hotel listings, each with a photo, name, location, star rating, guest rating, price per night, and a 'Select Dates' button. The hotels are: Hotel Koenigshof (Munich, Germany), The Westin Grand Munich Arabellapark Hotel (Munich, Germany), Savoy Boutique Hotel (Tallinn, Estonia), and Swissotel Tallinn (Tallinn, Estonia). The Savoy Boutique Hotel and Swissotel Tallinn are marked as 'Insiders' Select' hotels.

Hotel Name	Location	Star Rating	Guest Rating	Price per night
Hotel Koenigshof	Munich, Germany	5.0	3.9	\$271
The Westin Grand Munich Arabellapark Hotel	Munich, Germany	5.0	3.9	\$173
Savoy Boutique Hotel	Tallinn, Estonia	5.0	4.8	\$145
Swissotel Tallinn	Tallinn, Estonia	5.0	4.8	\$113



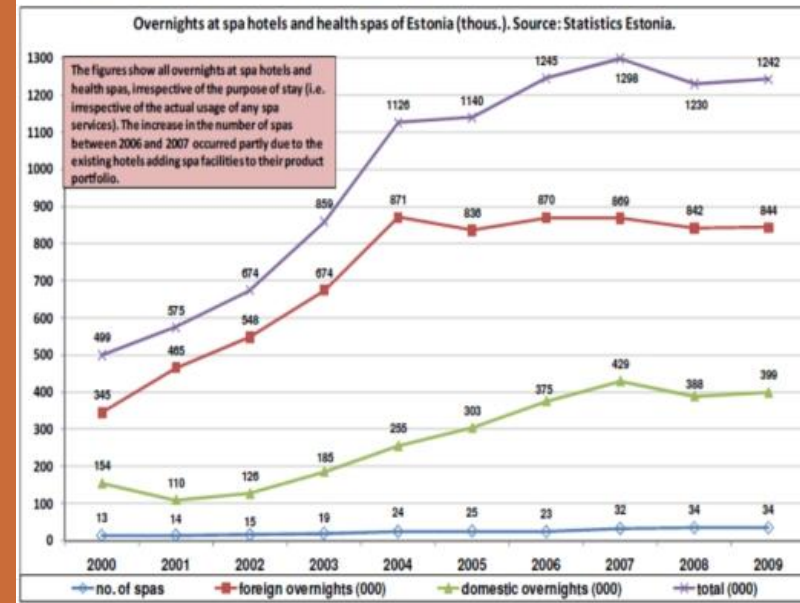
# Visibility and Value

A comparison of Munich with Estonia is not directly correlative. However, tourism in 2009, the worst year in a decade, amounted to over \$1 billion. And the outlook is bright.

Statistically, several of the top performing cities in all Europe are in Eastern Europe.

This graph shows a relative stability for Estonia in particular. But, in examining this we have to factor in the underutilized market by online travel industry leaders. Consider Estonia is virtually invisible now!

Tourism in Estonia in 2009 (as of 23 March 2010)



# Visibility and Value

All the innovation out there, the emerging technologies, the possibility, and no one has utilized it all.

*“When you see someone of worth – study how you can emulate. When you see someone unworthy – study your own character.”*

*Confucius*

## We Have This Gren Tours

TripAdvisor Traveler Rating:



Write a review

TripAdvisor Popularity Index:



Read 65 reviews for this attraction »

### Traveler Description:

Hi, My name is Glen Portch and I am a qualified London 'Blue Badge' tour guide. For personal tours of London and Britain, whether on foot, by car or by..... more »

Familiar with Gren Tours? Write your own description and share what you know with other travelers.

Attraction type: Tour

► <http://www.grentours.co.uk>

► [glenp@tinyworld.co.uk](mailto:glenp@tinyworld.co.uk)

Address: London  
England

Tel: 44-07949-185140

## A Jumble

The screenshot shows the TripAdvisor website interface for searching hotels in London. The search results are displayed in a grid format, listing hotels like Church Street Hotel, Glastyn Guest House, and Arosta. Each listing includes the hotel name, a small image, the number of reviews, and the price per night. There are also promotional banners for 'Top Values' and 'Top Deals for June 2014'.

And No Community

# Visibility and Value

Argophilia, as a development, will emulate and refine the best user features in the online travel sector.

The combination of very refined content, minimalist design theory, an advanced and simplified user interface, and especially **mobile/social technologies** will effectively outclass many other online travel businesses.

In addition, “on the ground” resources and business affiliations will provide very personal and unique information and engagement for online users. **“See the people where you go online.”** User and editorial video segments.

Letting travelers “see” and learn more is what the future holds for travel.



# Key Market Drivers

We list several key Eastern European travel market variables we believe will offer our development significant advantage and opportunity.

We believe a careful scrutiny of the Indications contained in this [European Travel Commission Report](#) (PDF) reveal a potential boom in East Europe travel. 2010 Q3 already reveals a drastic swing for the region compared with 2009.

- Over half of all European travelers book online – and Eastern Europe is where the most penetration potential is
- The percentage of intermediary sales for services in all of Europe lag behind Asia and North America. Tours to hotels and restaurant bookings, Argophilia has huge potential for monetizing through sales and advertising of these segments.
- In 2008 Eastern Europe accounted for only 3 % of online travel, but 30 percent of total travel. Argophilia will fill this gap.
- A key component of Argophilia will be its integration with Facebook. Facebook is rapidly taking over other networks in Europe.

# Key Market Drivers

And the list continues:

- North American travel to the region has not been optimized – other than business travel, most Americans do not know where Estonia is.
- Eastern European TDM inbound traffic projections indicate 3 to 5 % growth for the next two years. Only parts of Asia and Latin America outpace.
- The growth of smartphone use in the EuroZone has been over 30 percent the last two years. Argophilia takes advantage of geocentric mobile apps.
- Eastern Europe, especially Russia is rapidly catching the West in Internet usage. As Eastern Europe goes wired – Argophilia engages more ad and monetization opportunities in the future.
- Google, Expedia, LastMinute, all the major players in OT are moving. Google's recent ITA buyout, rumors of their Opodo interest – these are key components of Argophilia's overall market strategy too. Opodo in particular reflects on East Europe.

# You landed here, we'll take your breath away soon

## How – The Product

We are building what we think is one of the most aesthetically stunning online travel sites. But this is not all. Argophilia is actually what you might call a “complete OTA” – one which incorporates all the best attributes of competitors – but much more than that.

We know that the users want more than just technological wizardry – more than a booking engine – more than deals (deals are a dime a dozen). They want a “connectedness” to the physical world where people live and breathe.

The next generation online travel site would have to be aesthetically clean and simple – mobile, with community. Argophilia as a product will be all these things, while bringing people much closer than ever before to the real places they want to go.

The “how” of this is fairly simple. By engaging real people, businesses, and even governments in Eastern Europe, Argophilia has a unique opportunity to deliver real time, rich media, direct connections to places many people know nothing of. We are talking about a real adventure, one that starts once people are introduced to Argophilia – ***and the introductions continue...***

# Something No One Else Has: The Real People

A Greek café owner with his guest - Argophilia is not just about the places you love - it's about *people you will love.*



# Engaging Travel Like No One Else Before

The next slide will be a graphical representation of how Argophilia will engage the online travel world. In a very real way, this engagement will be indicative of why greater players in this market have not cornered digital travel.

- Expedia to Kayak – far beyond these – online travel is just an extension of traditional business – lip service digitally
- No online travel entity has sufficiently offered the features people want most – mobile to content and beyond
- No online travel entity provides a high degree of credibility where ratings are concerned – belief is waning
- Not one online travel site makes substantial use of **video** as a channel for connecting business to people
- No online travel site maximizes the income streams that are possible – let alone the user value suggested
- Lastly, no travel site is geared to actually help the communities of the world – tourism is still just a commodity
- No leading online travel startup has significantly engaged users or potential clients via a news portal (Google News)





**ORBITZ**  
WHEN YOU ORBITZ, YOU KNOW.



10,500 likes?

Add to My Page's Favorites

Suggest to Friends

And that's it?

TripAdvisor

3,278 Tweets | 2,554 Following | 125,670 Followers | 3,927 Listed

Following 2,554

Broadcasting only? Shame.

You say you care?



While We're At - It Bikes to Bistros



Newark Airport Parking



Book a parking space – or whatever

argophilia EASTERN EUROPE, BREATHTAKING.

Take Off Everything for Adriatic Cruise

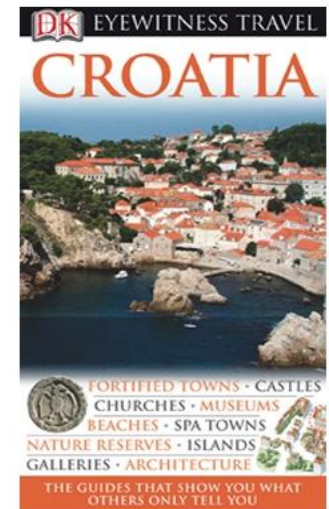
Turkey On the Vine

Buxa Reserve – Bengali Natural Treasure

Buy one, get one 50% off

Advertise with us

No News Element? Say What?



Partners & e-Books

**Argophilia Core Product - Booking**

Free, Where Users Believe Premium Services Should Be – Premium Services They Won't Believe – Finally, An All-In-One That Makes Sense

Content Leader – Free User Value When Headed to Eastern Europe

More Than Reviews – Rich features & Community “put you there”

Argophilia Travel News – User value – ads – traffic bonus – branding – market leverage

Beat Em  
Or  
Join Em

**Social Networks + Media Engagement**

Sharing Options Across the Spectrum – Tripit Meets TripWolf & NileGuide

Rich Channels – Flickr, Picasa, YouTube, Personalized & Popularized

**Biz Dev Partners**

Eastern Europe's T&T – The Benefits of Affiliation

The Looooong Tail of Mobile Apps and Community Integration

Custom Apps  
Premium Services

**Argophilia**  
**A Premier Travel Product**

# Funding

The following suggested funding needs for Argophilia.com, and its supportive domains consists primarily of costs for the first six to eight months of development in preparation for public beta insertion 6 to 12 months in.

## Developing an Online Travel Icon – Increment One Seed

Deployment Aspect	Expenditure	6 Month Funding
Country location staff	Salaries and expenses	€60,000
CTO + programmers	Salaries	€70,000
CEO, COO, + PR	Salaries	€60,000
Design Team	Salaries	€35,000
Content Team	Salaries + Cost of Production	€55,000
Equipment + Offices + Support	Interim Server Architecture + video+etc.	€62,000
Misc. Travel	Conferences Etc.	€10,000
<b>Cost until Beta</b>	All aspects	<b>€352,000</b>

# Funding (cont.)

The suggested costs on the previous page are estimated without full knowledge of the cost of team members not already added. Given the **substantial reductions** in PR and management cost, as well as content production for 50 destinations, it is not advisable to “bargain” where highly skilled programming and interface creation is concerned. Pamil Visions core team is assuming a substantial **investment in time** and resources at the bare minimum in order to proposition the best technical and on the ground teams possible.

At the approach of 6 months, just prior to the Alpha and Beta testing phases, further funding will need to be addressed. It is unlikely that the second series of funding will exceed those in the seed round, and more likely that costs will go down as the core expertise mentioned in PR, Marketing, support, and promotional activities will receive the only added focus. Projected second round funding - **€1.2 million**.



# Funding (cont.)

At the 10 to 12 month milestones, especially after initial public release, it is highly likely acquisition offers considerations will supersede ongoing funding needs. This one of the keys to ongoing return or investor early return. However, it is not the sole business plan focus. It is as likely the investors will decide to go forward in generating market value, if not complete ROI via the services values at this time.

We offer on the next slide a suggested return schedule. However, this too is highly arbitrary in all transparency. We are not market experts. But, look at the acquisitions in the space - €1.2 million turns into €50 million quickly in some cases – with far less use value and innovation



# Travel Startup Acquisition Model

The list of movements and acquisition within the travel space is extensive. Most of this movement is between key players like Expedia, Kayak, Orbitz and others. Expedia has spent a great deal of money both adding to, as well as fighting competition for their number one online draw – TripAdvisor.

The most recent of these buyouts is the hotel review platform [TravelPost](#). This 2004 startup was intended to compete with TripAdvisor's massive market share in reviews. Significantly, the buyout is by Expedia alumnists of a new competitor called [NewTravelco](#), which just raised nearly \$10 million in initial funding. For the uninformed investor, there is no technology or depth to this service comparatively. There are many, many others as well.

The impending entry of Google into the online travel market cannot be underestimated either. No matter where you look online, and especially within last year's [ITB Berlin Convention](#), everything we are suggesting rings true.

If we build this correctly, patiently, and paying attention to detail, Argophilia will sell for many millions. Or, there is the **ongoing business model**.

# Sustained Revenue Model

Online travel bookings for Eastern Europe alone [are expected](#) to reach \$1.3 billion in two years. The world's largest online travel player's earnings were reportedly up over 50 percent as of the 1<sup>st</sup> Quarter of 2010 - \$59.4 million. Interestingly, TripAdvisor is one of Expedia's most powerful tools and the service uses [fake reviews](#). This aspect alone, which we are intimately familiar with in helping build a recent Norwegian travel site, will prove devastating once a better player comes along.

[Orbitz](#), even without an online tool such as TripAdvisor, earned \$187.2 million in Q1, slightly down from 2009. Orbitz and TravelPort are perfect candidates for a substantial travel platform like Argophilia. Especially given their vulnerability other players enter the market.

There are a dozen or more players at the top of this market. However, a quick look at TravelZoo and others here, reveals the money making capability for the future, and for a significant interjection like Argophilia. It is reasonable to assume that such an Eastern European niche product will significantly cut into the bigger player's profits from these segments, and all but eliminate smaller Web 1.0 competitors.

There is also much room for collaboration and support from tourism businesses within Eastern Europe.



# Sustained Revenue Model

In today's online market, ad free platforms are by far the most attractive. Pamil Visions is not ruling out what we term "very refined" advertising revenues, but on the main surfaces of Argophilia no ads will appear.

Hotel booking revenues, restaurant affiliations, rentals of all types, and other models seem to be the prime forms of revenue gathering – along with possible premium services. Only negotiations will enable us to project exact revenues obviously.

Pre + Post Launch Phases	Projected Users
Private Beta	Add 2,000
Argophilia Labs	Add 500
Launch + 1 month	Add 12,000 +
Launch + Beta 2.2 (2-3 mos.)	Add 25,000+
Beta 2.3 – 2.5 (SEO + Travel News source # see notes)	Add 50,000+
6 to 12 mo. After launch	600,000 users
Added value of Travel News	10,000 visitors a day



# The Human Resource

Anyone investing their hard earned money wants to know the return, the potential, who and what they are investing in. Basically any concern interesting in the Internet as a vehicle should consider the following. The power of the human dynamo. Just one example of many is Stay.com. Content, PR, consulting, social media, networking, and ultimately early startup success – **we know our business like no one else.**



Thousands of pages, millions of images, PDF downloads, Facebook and Twitter connects, UI consulting, collaborations, guides, profiles, a host of activities only a travel site developer would identify with.

And then, the media outreach. Launch day saw coverage on [TechCrunch](#), [Readwriteweb](#) (twice), [Lifehacker](#), [Tnooz](#), [Fox Business](#), [Killer Startups](#), [AppScout](#), [TreeHugger](#), [Miami New Times](#), [DemoPit](#), and dozens of others, the Press from PRWeb was massive as well – ranging from [CNBC](#) and far beyond.

As stated, for the niche, the most extensive “wholly positive” media coverage of any similar early stage startup. Right out of the gate.

Add our SEO optimization, the thousands of Twitter, Digg, Facebook, and other social media aspects – you have a recipe unlike any other. We planned it this way, from the start – now we are ready to build an even better mousetrap – with your help.

**CONFIDENTIALITY NOTE:** This presentation is intended only for the person or entity to whom it is sent. It may contain information which is privileged, confidential, or otherwise protected from disclosure.

***The Team at Argophilia thanks you for your valuable time, your interest in our vision – sincerely***