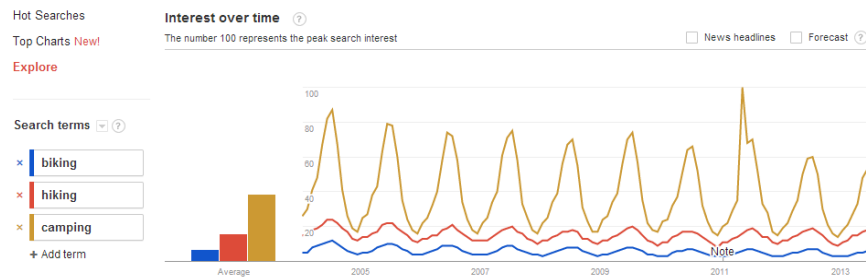


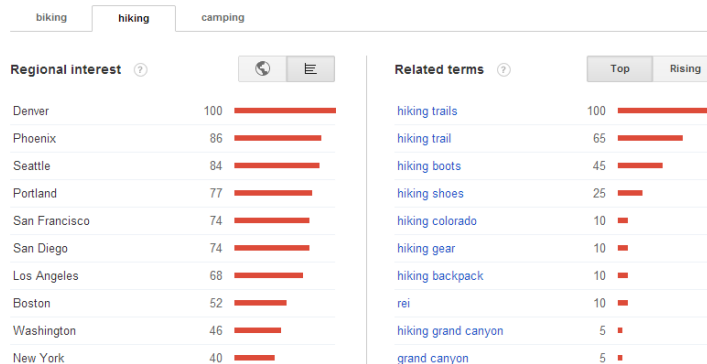
Stroller Hikes Business Plan

A. Customer Segments

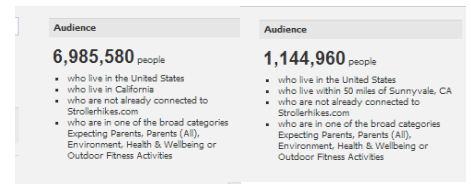
- Families with children inclusive of ages 0 to 7
 - Not restrictive to any income level, in fact appealing to low-income, single-income, or no-income families
 - Broad geographic range, from Milpitas to Santa Cruz, San Jose to Burlingame
- Parent groups (we have supported large groups such as Kaiser Permanente, Palo Alto Medical Foundation, Las Madres, Blossom Birth, and Harmony Parenting Classes)
- Women dealing with post-partum depression (many psychologists and support groups recommend Stroller Hikes)
- Handicapped people
- Dog owners
- Domestic and International Immigrants and locals wanting to explore their region
- Tech-Savvy Youth (Internships)
- Adults wanting to volunteer time, resources, and expertise to better their communities
- Hikers and Bikers not falling into the subgroups above
 - On April 18, 2013, 8.2 Million people liked hiking on Facebook
 - Google Trends indicates that interest in biking, hiking, and camping is predictable. As shown in the chart below, interest for biking and hiking is relatively stable, and interest in camping escalates during the warm months, then declines in the winter.



- Not surprisingly, there is more documented interest in large metropolitan including Denver, Phoenix, Seattle, Portland, San Francisco, San Diego, and LA. The top searched terms are “hiking trails” and “hiking trail,” while successive terms are related to hiking gear.



- On April 18, 2013, Facebook calculated a reachable estimate of almost 7 million for people who did not already like Stroller Hikes, but lived in California and were expectant parents, parents, and/or valued the environment, health and wellness, and outdoor fitness activities. On a more refined level based on Stroller Hikes' most frequent activities, 1.1 million of these people were within 50 miles of Sunnyvale, CA.



B. Value Propositions

- Reducing or eliminating anxiety in caregivers of very young children about venturing outside and starting/resuming exercise
 - Outings are customized to the attending group
 - Intimidation about diaper changing, nursing, addressing sun or wind exposure, or pace of movement are reduced, as attendees face similar issues and model different ways to address them
 - Interaction is personalized; the group establishes goals and meets them together, developing a socio-emotional connection that will drive attendees to return in the future and build a community of like-minded families
 - Risks are reduced by educating parents and children about poisonous plants (e.g. poison oak), avoidance of ticks and rattlesnakes, moving in a group to intimidate large mammals (e.g. coyotes, mountain lions), trail navigation, and group communication
 - Convenience: Outings range in geography, timing, difficulty, and mode of youth transport so as to appeal to a wide audience and be a go-to resource for last-minute plans
 - Low- or no-obligation attendance model means that attendees never feel guilty about not attending, joining “last minute,” or inviting others
- Instilling classic values and experiences such as value of environment, unstructured and inventive play, turn taking and responding to a range of authorities, and using wild space to run, get dirty, and be loud
- Developing healthy routines of outdoor recreation, exercise, sun and fresh air exposure, social interaction
 - Kids tend to want to do more, go farther, accept more challenges, and enjoy their experience more, in a social setting
 - In large residential/metropolitan areas, outdoor play is restricted, so kids do not have a regular outdoor or exercise routine. Even in public school, outdoor exertion can be limited to 1 hour per week.
- Developing appreciation of local environment, history, geology, biology, weather, and geography
- Developing intuitive understanding of ecology through immersion
- Providing alternative to indoor screen time, digital or book-based learning, structured playing and learning
- Promoting physical activity and a lifelong love of it through a non-competitive, gear un-intensive sport (hiking)
- Providing safe environments for families to begin/resume exercise, hike, or camping with other families

- Providing 3-5 high school students annually with summer internships in technology development including mentorship by business and programming professionals
- Training volunteers in new technology, allowing technology professionals to pass on expertise to others and contribute to development of new technology
- Developing routine commitments in adults to give back to the community through regular community outreach or leadership
- Providing FREE opportunities for hiking, biking, playgroups, and low-cost opportunities for camping and crafts
- Accessibility: Communicating clearly about accessibility of events, based on what gear is required and providing gear through Gear-On-The-Go as requested. The Bravo Ranch Camping Trip is designed to make car camping as accessible as possible, by making the environment as safe and kid-centric as possible, without modifying the pristine nature of the setting. The backpacking and other camping events improve accessibility of camping by reducing costs, providing guides and safety equipment, and coordinating details of the trip so that planning by the attending families is largely effortless.

C. Channels

- Recurring weekly events of a great variety including
 - Stroller Hikes
 - Rugged Hikes (baby carriers/backpacks required)
 - Toddler Treks
 - Backpacking Bambinos (backpacking camping training for kids 2 years and up)
 - Bike-A-Hikes
 - Rock Climbing
- e-Newsletter (weekly)
 - Essays on a variety of inspiring topics
 - Summary of upcoming weekly events
 - From-The-Field (reflection on recent event so families know what to expect on events)
 - Other family- and health-friendly events
- StrollerHikes.com
 - Detailed text and photo descriptions of locations and recommended hikes
 - Find-A-Hike App
 - Interactive Map
 - Matrix of Locations with ratings based on terrain, sun exposure, difficulty, attractions, and other features (e.g. bike-friendly, dog-friendly, has bathrooms)
 - Preschool Curriculum for backyard, kitchen, and open space exploration
 - Archived Newsletters
- Presentations quarterly to local parenting groups including Kaiser Permanente's new parent classes
- Presentations at local and regional family- and health-centric community fairs
- Car Camping and Backpacking Events between April and November
- Annual Family Camping Fundraiser at the Bravo Ranch
- Gear-On-The-Go Lending Library (loaner strollers, backpacks, carriers, and joggers)
- Volunteer and Internship Program
- Holiday Craft Party

- Marketing Partners
 - Print and online resources such as Bay Area Parent (a subdivision of Parenthood.com)
 - Local parenting resource centers/parent group centers such as Blossom Birth
 - Trail-centric nonprofits such as Bay Area Ridge Trail Council
 - Regional government entities such as Santa Clara County Parks and Recreation
 - Local government entities such as City of Cupertino

D. Customer Relationships

- Self-service: Thousands of people use StrollerHikes.com for information to plan their own outdoor events
 - From March 18 to April 17, about 2500 people visited Stroller Hikes, with 46.2% visiting the homepage, 12.4% visiting the events page, 20% using a tool for finding a location or hike, 15% learning more about Stroller Hikes (meeting staff, reading FAQ, reading about activity advice or expectations (e.g. running with babies and toddlers)), 60% visiting hike and location information pages, and a small percentage viewing curriculum or newsletter content
 - Website activity easily doubles in the summer months.
 - Top visits in the aforementioned March to April time range were from (in order) LA, San Jose, San Francisco, Mountain View, Sunnyvale, Santa Clara, Cupertino, Palo Alto, Menlo Park, and Larkspur. Other states and nations provided traffic to the site as well.
- Dedicated Personal Assistance: Event attendees view event leaders as advisors, coaches, and social leaders
 - 4754 people* participated in Stroller Hikes events in 2013 (there were 308 events in 2013, * = not unique participants; some participants counted more than once)
 - Stroller Hikes had a volunteer staff of 37 in 2013 offering 3502 hours of service
- Automated Services: StrollerHikes.com has used automation to
 - Suggest appropriate locations for StrollerHikes.com users (Find-A-Hike App)
 - Refresh website content (WordPress Widgets, Google Calendar and Form Content)
 - Provide calendar-based reminders or revisions (for users subscribing to our calendar events)
 - Disseminate a weekly eNewsletter to about 700 families
 - Track website use (Google Analytics)

E. Revenue Streams

- Volunteer Commitment
 - Event Leadership
 - Community Outreach
 - Technical Support
 - High School Intern Program
 - Development of new website content and applications
 - Marketing
 - Writing, Photography, Screenprinting
- Financial Donations
 - Annual fundraisers are Bravo Ranch Family Camping Trip and Holiday Craft Party
- In-Kind Donations (for example for: Gear-On-The-Go, Bravo Ranch Fundraiser)

- Partner In-Kind Donations (for example: food for hikes from Frog Hollow Farm or Pirate's Brands, free rentals for rock climbing, free marketing, free gear storage (City of Cupertino), parking passes for Healthy Trails leaders (Santa Clara County))
- 2012 "selling out" for all camping events

F. Key Resources

- Marketing materials (cards, fliers, apparel)
- Gear-On-The-Go Gear (backpacking, strollers, and carriers)
- Backpacking gear (SUMO Stove, SPOT Satellite GPS Messaging System)
- Commitment from Bravo Family for Bravo Ranch for Annual Family Camping Fundraiser
- Volunteer Staff and Board Members
- StrollerHikes.com with dynamic calendar, RSVP system, attendance tracking system, descriptions of locations and hikes and associated database, database of eNewsletter subscribers, archived newsletters, preschool curriculum, Find-A-Hike App
- First Aid Kits and "trail toys" such as laminated field guides, bug boxes, magnification glasses, bug nets
- Donated snacks from Pirate's Brands and Frog Hollow Farm
- Craft supplies, obstacle course, and prizes for large community events

G. Key Activities

- Production and Maintenance of and Innovation with StrollerHikes.com content (includes weekly eNewsletter design, new location and hike content or incorporation of new features such as ScribbleMap, applications of database content)
- Development, Marketing, and Management of Events (includes managing the Stroller Hikes calendar; supporting event leaders with first aid kits, marketing supplies, and trail gear; researching new locations for hikes and camping, making reservations, planning camping in detail, handling reservation fees, disseminating information to attendees, and attending camping and community events; supporting volunteers with technical training on use of tools integrated with StrollerHikes.com and on finding substitutes as needed)
- Collecting Input from the Public (includes in-person attendance of events, interaction with partners and like-minded agencies, solicitation of users/members through polls, and feedback from event leaders)
- Regular Business Activities (includes filing local, state, and federal taxes and licenses, paying for domain and website hosting, ordering and distributing marketing materials and in-kind donations, communicating with partners, managing Gear-On-The-Go)
- Managing Technical Development (includes educating and managing volunteers and interns, recruiting professional technical assistance, recruiting high school interns, procuring needed technical and intellectual resources for internships)
- Large-Scale Goal Evaluation and Setting (includes board meetings, subcommittee meetings discussing the sustainability of current business practices and integration of volunteer and/or technical supports to make business more sustainable)

H. Key Partnerships

- Coopetition (would-be competition that we partner with, out of common missions): Baby Boot Camp, Blossom Birth

- Strategic Alliances: Sports Basement (for event space), Pirate’s Brands and Frog Hollow Farm (for food for event participants), Santa Clara County Parks and Recreation (for marketing and Healthy Trails, Tutti Fruity, Moonlit Hikes, and other trail use ventures), and Bravo Family (for event space, resources, planning support)
- Other Partnerships: City of Cupertino (storing our Gear-On-The-Go gear), Bay Area Parent Magazine (Parenthood.com), Roonga (lending library digital management), Bay Area Ridge Trail Council and other nature- or trail-minded nonprofits (many which market us, as we do them)

I. Cost Structure

Stroller Hikes retains a minimum-cost business model with a high experiential value.

J. Competition

Tiny Treks (TinyTreks.com)

This parent-participation program is centered around short hikes in which kids walk and paid instructors enrich the experience with crafts, songs, and snacks. It is fee-based and available in Seattle, Chicago, and the San Francisco Bay Area. Information about hikes and curriculum is “secret,” though paid participants receive copies of descriptions of locations that they are asked to keep private. Events are two hours long. Cost is \$950 for one hike per week during the school year, \$500 for a half-school year or biweekly option, and \$228 for the summer (three sessions can be broken up: \$85+\$85+\$58). Owner Pam Worth also offers fee-based private coaching. Birthday parties can also be ordered. There are 13 session options offered in the San Francisco Bay Area, if summer is considered as one session. If the attending group is on average 12 couples (mom + child), then in a year in the San Francisco Bay Area revenue is \$183,786.

Trails.com

This website has content on a wide range of trails all over the US and some content on international travel, specific activities (general, along with some articles written about more specific things), and features for users such as archiving content, using a forum, and buying gear (Trails.com is owned by REI). It is exclusively web-based, with a complex GUI and heavy placement of ads. Descriptions of trails are funny and interesting, but some descriptions and names of trails are not convincing; it is questionable if the authors have used the trails before. This is a fee-based service, and with limited content available without entering a credit card (even for a free trial), many users will be “turned off.” Trails are rated with links to other trails and sometimes additional resources such as books. Database-centric details are not as useful for families hiking with kids; only general details are provided. Contents might be more assuredly found through a local resource with substantially more accountability such as a State or County Website. Cost for an annual subscription is \$7.95.

EveryTrail.com

This website has content on a wide range of trails all over the US. Content grows based on community input, so some hikes are described, and others are simply uploads of mobile app data (like a trail map). EveryTrail offers their resources, including mobile apps, for free, and makes money based on advertising. It is a subdivision of GlobalMotion Media Inc. out of Palo Alto. This group seems to be more focused on making tools for users, which subsequently can result in more content, rather than providing complete, accurate content for their users. Trails are not rated or categorized for families, but this group offers interesting applications of trail data, tools to use on the trail, and caters to a mobile audience with digital devices.

Baby Boot Camp -- one of Stroller Hikes' partners (BabyBootCamp.com)

This national franchise primarily provides workouts at public parks, provided by local franchise owners that are paid, certified instructors of Baby Boot Camp's cardio-resistance training, yoga, or running programs. The workout provided is customizable and challenge-driven with the goal of getting mom back into shape after labor and delivery. Babies are welcome, but workouts focus on moms (and sometimes dads). There is a commitment (sign-up) fee to join, plus a per-class fee. Prices range. For instance, you could pay \$85 to commit for 1 year, then \$100 for 8 classes; this amounts to \$85 + \$650 if attending only once per week, though instructors will urge at least three times per week to see results (\$85 + \$1950). Members also enjoy Stroller Friends, a free playgroup that meets regularly, typically for indoor or playground play time, not for exercise. Similar businesses exist: Stroller Strides (Fit4Mom.com, StrollerStrides.net), Super Mommies (mysupermommies.com), and plenty of local trainers that market similar for-fee options including private training. Baby Boot Camp was named business #407 in Entrepreneur Magazine's 2013 Franchise 500, based on "financial strength and stability, growth rate, and size of the system." The 2013 Media Package lists over 1000 classes per week, online reach of 15,000, print resource reach of 30,000, and online member reach of 34,000. If there are 34000 active members that continue for a full year and complete an average of 3 classes per week, this amounts to \$69,190,000 income based on the fees described above.

Meetup.com

Meetup is a national website facilitating formation of community groups with common interests. There are dozens of meetup groups in most geographic regions, for most interest types, including hiking, single people hiking, couples with kids hiking, and so on. Most groups have private meetup webpages and strict requirements about RSVPs, fees, and attendance at events.

Blossom Birth Parent-Baby Classes -- Blossom is a Stroller Hikes partner (BlossomBirth.org)

Blossom is a local family resource center, offering a wide range of indoor classes and fitness opportunities to people interested in growing their families as well as pregnant families and new families. All classes are parent-participation and provided by a paid leader. Classes include parent-baby groups (for instruction, open discussion, and free play) for \$15 per class, mom-baby yoga for \$18 per class, and pre-ballet (\$90 for six classes; \$15 per class). In the first week of April 2013, 19 classes were offered in a week that involved mom-and-baby play or exercise and required a fee. If the average class size is 15 (classes cap at about 30), and the average class cost is \$16, then over a year's time, income based on the fees described above is \$237,120 at a single location. There are centers like this in at least each larger city in California, including DayOne in Menlo Park/Palo Alto and Harmony in San Jose.

YMCA (our branch is ymcasv.org)

YMCA is a national organization providing low-cost fitness, childcare, and recreation resources for families. They provide summer hiking day camps and family camping excursions. Hiking day camp is NOT parent participation, but family camping is. Day camp cost is \$275-\$290 for grades 1-3 for one week (5 days; up to \$58 per day). Family overnight camping is up to 7 days at \$545 to \$585 per person (that's \$334 per day for a family of four). Leaders are paid.

ToursByLocals.com (toursbylocals.com/hike)

This web-based organization facilitates guided tours by locals. A five-hour tour of a bay area hike (close to San Francisco) costs \$395 for up to 5 people with options to expand the tour for \$75/hour

(\$395/5 hours = \$79/hour). The hike I found listed was not handicapped accessible, but was open to kids as long as they liked hiking. The guide offered to pick-up/drop-off from hotels and appeared knowledgeable about the trails. This service would work great for one family at a time.

The Little Gym

The Little Gym is an indoor child class (with parent participation required at ages less than 3) that uses basic tumbling, dance, popular sports (e.g. soccer), team games (e.g. parachute play), song, and communication, and pays young adults for class management and supervision. Cost is steeper than most options above: \$50 annual payment plus fees per class (\$164.50 for seven weeks, 1 class per week, or \$23.50 per class). For a whole year, this amounts to \$1272. Assuming a class size of 15 couples (mom + child), and 20 classes per week at a single location, this amounts to \$381,600 for a single location. There are Little Gyms and similar tumbling, group indoor play centers with parent participation programs multiple places in most cities. These are kid-centric indoor programs that operate year-round, and some parents perceive as a gateway to focused, organized sports including team sports (e.g. soccer), gymnastics, and dance which also require ample supply and travel budgets as children become more competitive.

K. Amortization of Stroller Hikes

Stroller Hikes' market already invests substantially in their children and exercise. With respect to alternative exercise and entertainment options for young children, parents, and families, it is not hard to envision families willing to pay at least \$1000 per year on fitness focused on a single person (e.g. a child's tumbling class or a mom's boot camp class), and likely \$2000 per year on a parent-centric fitness class and a child class.

If there are 1,144,960 people within 50 miles of Sunnyvale California who meet some of our demographic description (estimate from Facebook), it could be predicted that this group would spend \$2,289,980,000 on fitness for a parent and child.

Knowing that Stroller Hikes has harnessed less than 1% of the market, there is only huge growth potential. Stroller Hikes has proven itself by obtaining and retaining users over several years, developing a reputation for quality events, resources, and service, and continuing to attract and inspire users today. Stroller Hikes has obtained positive local, regional, and national press in a wide range of publications both in print and online forms, and has collaborated with many government agencies.

Stroller Hikes currently operates as a low-income, high experiential nonprofit staffed entirely by volunteers. Weekly hikes are provided for free, and overnight trip fees are as minimal as possible, generating little or no profit. The annual fundraisers (Bravo Ranch Camping Trip and Annual Crafting Party) are the focal sources of income.