

Market Validation Partnership for Fortify



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Prepared for:

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PAVXP\$

The Background

Fortify is looking for a strategic marketing and business development partner to help penetrate the US market. PAYXPS is the local, mobile, and global leader in payment experience solutions and champion of financial inclusions - helping independent businesses build community, improve communication, and grow commerce. PAYXPS created the LEOPRD approach which helps businesses optimize the 6 critical touchpoints for creating a winning experience - Locate, Engage, Order, Pay, Re-engage and Deliver. As clients implement this approach, they often need technology support in the form of mobile development, web development, integration, and secure messaging services.

Fortify would like to engage PAYXPS as its Market Validation (MV) partner to drive awareness, generate leads, and grow revenue in the US for named sectors, starting with the Landscaping Services sector. PAYXPS is looking for a strategic partner who can deliver consistent integration, app development and other technology services for enterprise-level opportunities.

Please find the presentation we've discussed and details about The PAYXPS Business Discovery Center.

The Opportunity

PAYXPS offers a true cost-neutral way for businesses to buy Fortify services and can assist Fortify in maximizing the cost coverage for Market Validation while minimizing the Speed To Market and Time To Revenue. In short, PAYXPS has access to:

- 17,000 resellers
- 13.9 million ERC returns
- 15,000 cannabis dispensary locations.

For the initial US target sector, Landscaping Services, there are currently

- 636,249 Landscaping Services businesses in the US as of 2022 (an increase of 5.5% from 2021).

Assuming half of all landscaping companies in the US have a website, and half have an email address available -

- 159,812 businesses can be targeted
- With an average 2022 email open rate of 21.5% and a 2.3% click-through rate, targeted campaigns could achieve 3,675 click throughs and significant revenue opportunities for Fortify's technology services.

Through the CanExport Innovation Program, Fortify has the opportunity to fund its MV effort by demonstrating engagement and results in the following areas:

1. Meetings with a pre-identified foreign R&D partner to negotiate and formalize R&D collaboration agreements for the applicant's technology
2. Development of professional promotional plans or materials for use in meetings with potential R&D partners or investors

Strategy

It's been our experience that a phased approach of **identify, test, and prove** has the best chance for success. As such, we'd like to offer the following proposal and timeline:

Summary

Implement a 90-day program that leverages proven strategies and tactics to:

- Validate value proposition, offerings, messaging, and target audience
- Generate new leads, sales and cultivate current contacts

Target Sectors

The base proposal is for one sector, namely Landscaping Services. Additional sectors can be added in H222. Recommended US tax codes within Landscaping Services are:

1. 541320 Landscape Architectural Services and Landscape Planning Services
2. 561730 Landscaping Services and Landscape Care and Maintenance Services

The strategy for building and running a high performing MV engine begins with a 90 day sprint to do the following:

1. Identify (30 days) – establish a solid foundation to enable a high-performing, efficient, and highly-effective MV engine. Begin with a focus on

1. Defining value
2. Documenting personas
3. Clarifying offerings
4. Creating messaging and marketing that aligns value, personas, and offerings
5. Building the infrastructure for MV

2. Test (60) – use hyper-focused campaigns to target sector. A sample approach:

1. Prioritize geographic areas to focus on and in which order (e.g. Florida first, then New York...etc)
2. Use automation tools to scrape directories such as Yellow Pages, Yelp or Google Maps to

create a list of all landscaping businesses in that state

3. Filter down to results which have a website available
4. Use automation tools to scrape the email addresses from each website and verify
5. Add the verified email addresses to a plain-text email campaign (using Lemlist or Reply.io)
6. Email sequences are sent from Fortify to the landscaping business owners.

3. Prove (90) – build pipeline and close revenue opportunities using validated MV strategy. Based on learnings from Test phase

1. Execute campaigns to build pipeline
 2. Engage with initial clients to deliver technology services.
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Deliverables, Cost and Revenue Opportunity

PAYXPS and Fortify will take a phased approach of *identify, test and prove* to the joint business opportunity.

IDENTIFY April 2022	TEST May 2022	PROVE June 2022	SCALE 2H22 and 2023
<p>Deliverables</p> <ul style="list-style-type: none"> • Strategy Playbook • Value Proposition • Competitive Differentiators • Brand <p>for Landscaping Services Sector</p> <p>Fortify Cost: \$12,000</p>	<p>Deliverables</p> <ul style="list-style-type: none"> • Weekly Performance Meeting + Report • Campaign Planner • Landing Pages • Outbound Emails • Retargeting Plan <p>for Landscaping Services Sector</p> <p>Fortify Cost: \$12,000</p>	<p>Deliverables</p> <ul style="list-style-type: none"> • Integrate Fortify Services into all enterprise channel opportunities - both sell in and sell-thru • Target 2 contracts in totalling \$40k in service revenue <p>for Landscaping Services Sector</p> <p>Fortify Cost: \$12,000 Target Revenue: \$40k</p>	<p>Expand MV strategy to additional (3) sectors</p> <ul style="list-style-type: none"> • Target 6 additional contracts totalling \$100k in service revenue <p>Fortify Cost: \$36k per sector Target Revenue: \$100K</p>

Next Steps

- Execute Agreement pay Initial Investment for April 2022
- Identify team and resources to begin Market Validation work with PAYXPS
- Schedule kick off by April 1, 2022

Thank you for your time and consideration,

Elaine Kennedy
President PAYXPS, Fincomm

Name	Price	QTY	Subtotal
Identify	\$12,000.00	1.00	\$12,000.00
Due April 1, 2022			
Test	\$12,000.00	1.00	\$12,000.00
Due May 1, 2022			
Prove	\$12,000.00	1.00	\$12,000.00
Due June 1, 2022			

Subtotal **\$36,000.00**

Discount **\$0.00**

Tax **\$0.00**

Total \$36,000.00

Contract

This sales contract for product name (the “Contract”) dictates the terms and conditions governing the agreement between PAYXPS (the “Seller”) and Fortify (the “Purchaser”), with their primary places of business at address, who agree to be bound by this Contract.

Whereas, the Seller is producing product/service, a description of product, (the “Product”).

Whereas the Purchaser intends to purchase the Product abiding by these terms and conditions.

In consideration of the mutual covenants and promises from each party, the Seller and Purchaser (individually “Party” and together, “Parties”) agree and covenant the following:

Product Purchased

The Purchaser hereby purchases the quantity and type of Product as detailed in the Proposal and referenced Schedule A, (the "Purchased Product").

Default

Failing to make any payment before or on the specified date on the payment schedule, will be considered a material and full breach of this Contract.

Modifications

Any modifications to this Contract will be invalid unless agreed to in writing by both Parties.

Acceptance

IN WITNESS WHERE OF, each of the Parties has executed this Sales Contract, both Parties by its duly authorized officer, as of the day and year set forth below.

Fortify

Payment

The Purchaser hereby agrees to the software revenue share agreement outlined in the attached Schedule A.

Revenue Share

Revenue Share is defined as the profit after the cost of goods sold.

Applicable Law

This Contract shall be governed in accordance with the laws of name and subject to jurisdiction exclusively of federal and state courts in Massachusetts, USA.

PAYXPS