

FASHLAB E-COMMERCE WEBSITE PROPOSAL

PREPARED FOR **FASHLAB, INC.**
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MAY 6TH, 2014

**ONE
EIGHTY**
DESIGN STUDIO

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01.
**PROJECT
OVERVIEW**

INTRODUCTION

One-Eighty is pleased and would like to thank FashLab for the opportunity to submit a proposal for the design of FashLab's e-commerce site. Working together, we believe that we can create a site that will meet the needs of FashLab.

This proposal describes the technology, services, terms, and schedule for the web site development of this project.

WHAT IS FASHLAB

FashLab is a new start-up business dedicated to designing, selling, and celebrating the fusion of graphics and fashion. It also serves as an online community that unites artists and fashion conscious people.

PROJECT SUMMARY

FashLab is currently looking for a web design firm to assist with their design and development of an e-commerce website (from scratch) that also includes a proprietary design widget for simple customization of products for its users.

One-Eighty is looking to build a clean and contemporary e-commerce site that will focus on FashLab's hip and savvy products and also the creative artwork customized by its artists.

Since FashLab is a start-up company with no customer base, it's important to build a good first impression by giving users an exceptional user experience and also by making sure that the site is

fully working (with no bugs) when it's launched. We want to leave a good impression on customers' first visit, hoping for return visits in the near future.

Also, while building an e-commerce site, it's important for us as designers and developers to make sure that users feel secure while making the transactions.

PROJECT OBJECTIVES

FashLab aims to be recognized as the number one online supplier of personalized apparel and as a provider of superb customer support.

As an e-commerce site, FashLab's primary goal is to emphasize on sale. It is expected to have a total sale of about three million dollars in the first year. The success measure is to be able to establish a strong web presence, attract large numbers of users, effectively promote their products and provide excellent and economical customer support. In the long run, FashLab is also looking to develop an extensive customer base and spread brand recognition.

Our mission is to give FashLab a professional on-line presence by giving the users an exceptional user experience with sophisticated interface, intuitive navigation and scalable solution to all devices and platforms.



DEMOGRAPHIC

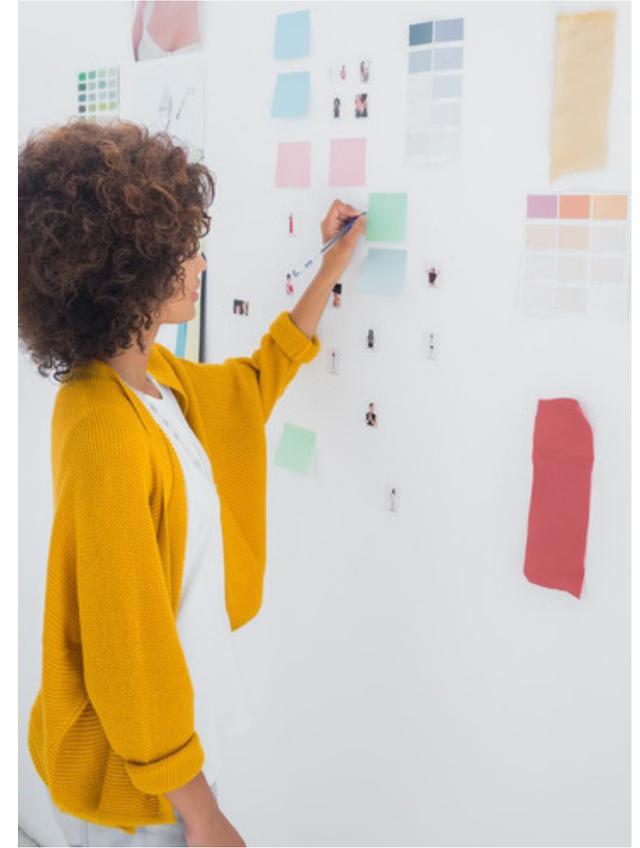
FashLab's target audience consists of creative, fashion-conscious, 18 to 35-years old, male and female, who are looking for unique ways to express themselves through fashion. These women and men are tech-savvy with expectations of fast turnaround times, high-quality products, and trendy designs. In the first year, FashLab's target audiences are primarily located in the United States.



TARGET AUDIENCE: SHOPPERS

The fashion-conscious people who are looking to purchase unique and trendy clothing have a very innovative style and are hip and knowledgeable about fashion. They don't just purchase clothes just based on the brand. But, they are unique individuals that feel their style reflects their identity and believe fashion is a big part of their everyday life.

Comfort level with technology: high.



TARGET AUDIENCE: ARTISTS

They are the creative individuals who are eager to design, make, and upload their artwork. They like to communicate through art they create and be able to wear the clothes they design. These artists also want to connect and build friendship with like-minded people through this website.

Comfort level with technology: high.



03.
**MARKET
RESEARCH**

ONLINE SHOPPING

With the revolution of technology and social media, people have been spending more time on the Internet and purchasing items online.

U.S. Online Retail Forecast, 2012 to 2017

Online retail sales will grow at a compound annual rate of 10% from 2012 - 2017. As Forrester Research says: "By 2017, the web will account for 10% of U.S. retail sales."



Source: Forrester Research, sales in billions

In the U.S., Forrester Research shows that \$291 billion online sales are expected by 2014. A compounded growth of 10% will be forecasted for the next five years. Apparel, computers, and consumer electronics will continue to be dominant purchases. These three areas make up 40% of the current online sales which will not change in the near future.

Another report says that much of the growth in U.S. e-commerce sales comes from online retailers

improving their websites and services. This is particularly true of categories such as apparel and jewelry, which have integrated rich selling tools such as zoom, color swatching, and configurators, as well as office supply stores, which have broader payment options (e.g., small business purchase orders online), and subscription plans for their buyers.

There are a couple of reasons why people like to shop online. For most of the buyers, online shopping is a great way to save money and time. Online shopping allows users to shop from anywhere, at any time. It saves travel time and gives the opportunity to shop at peace. They do not even have to walk or look for items in big stacks since any clothing brand is available online.

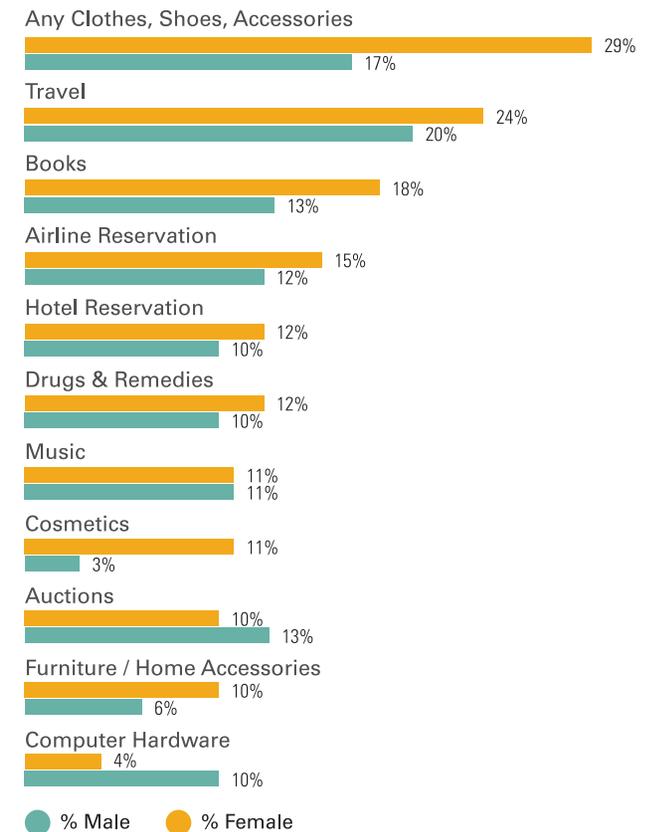
Other than saving money and time, they can also compare the rates and quality of design by browsing through various online stores. This way they get to buy the best clothes and this is definitely not possible to do with retail stores.

GENDER

According to Nielsen, online shopping is popular among both sexes, with almost three-fourths of women (72%) and more than two-thirds of men (68%) have shopped online in the past 30 days. Consumers of both sexes age 35 to 54 had the highest levels of online shopping activity (74%). Women led most online purchases categories except music, auctions and computer hardware.

Females more engaged in most top online purchase categories.

percent of 18+ shopped online last 30 days



Source: The Nielsen Company, Q3 2010

CUSTOMIZED APPARELS

Ordering the custom-made item has traditionally been an option only for bespoke and couture customers. Creating individualized patterns can be time-consuming and expensive. Some celebrities and rich shoppers have the luxury to hop on a plane to Europe or Southeast Asia to purchase custom-made clothing. Although not everyone can afford this lavishness.

Technological advances have created another alternative: economical customized apparels (call it mass customization) for the middle market. Sizing algorithms and e-commerce enable companies to offer a variety of designs and fits at only slightly more than similar off-the-rack prices. This way consumers can buy made-to-order clothing and shoes online.

Customized apparels are all the rage these days. With the convenience of Internet, we can design our own t-shirt from scratch and have it delivered straight to our door in just a few days.

Customized apparel reaches all ages and for a variety of purposes, so the potential consumer is much larger. From sports teams to book clubs and everything in between, everyone has their own reasons for customized apparel and now there are companies

to fit each individuals' need.

According to Forbes.com, "The made-to-order trend has grown significantly in the last decade, on all levels of e-commerce, from solo operations to multinational manufacturers. And it appeals to customers of all ages."

The proliferation of online made-to-order apparel suggests that buyers are hungry for customized garments. While buying these goods online isn't likely to disrupt the retail industry, it is clear that retail apparel companies are busy creating new and innovative ways to reach beyond the traditional brick and mortar experience.

THE GROWTH OF MCOMMERCE

A new report from eMarketer forecasts tablet spending in the U.S. to hit a mighty \$24 billion in 2013, before reaching almost \$50 billion in 2015.

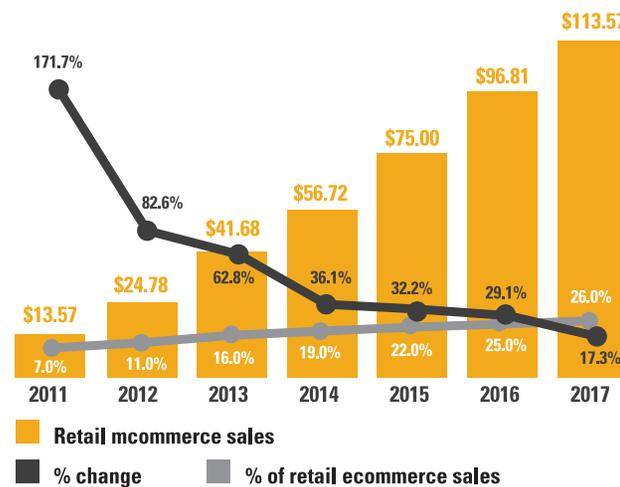
Labelling mobile devices as a key component of the digital shopping landscape, the study states that mobile spending topped almost \$25 billion in 2012, with this representing a year-on-year rise of 81% from 2011. eMarketer is expecting this growth to continue in 2013, with mobile spending reckoned to increase by 55.7% year-on-year to account for 15% of all retail eCommerce sales.

It appears that this growth will largely be driven by tablets; however, with eMarketer saying that models like the iPad will 'produce the bulk' of Mcommerce up until 2017.

The researchers define Mcommerce as all purchases made via smartphones, tablets, and other mobile devices. However, this does not include travel or events tickets sales.

The firm says that U.S. consumers will spend \$24 billion shopping on their tablets in 2013, and expects this figure to almost double by 2015. Such an increase will coincide with tablets accounting for 9.4% of all retail eCommerce sales this year, and for 16.9% by 2016.

US Retail Mcommerce Sales, 2011 - 2017
billions, % change & % of retail ecommerce sales



In conclusion, One-Eighty will give precise attention to mobile, tablet, and desktop experience equally while designing and building it.

Source: eMarketer



Etsy | What are you looking for? | Search | Sign In | Cart 0

Art | Home & Living | Jewelry | Women | Men | Kids | Vintage | Weddings | More ▾

Shop directly from people around the world.

Katie Marks of SilverLiningCeramics
Seattle, Washington

27 Items

Sell | Registry | Community | Blogs | Mobile | Gift Cards

Etsy | Register | Sign In | Search for items and shops

Jewelry

Body | Eco-Friendly | Men
Bracelets | Fine Jewelry | Necklaces
Brooches | Kids | Personalized
Earrings

Statement Rings

Bangles

Strand N

HTTP://WWW.ETSY.COM/

ETSY

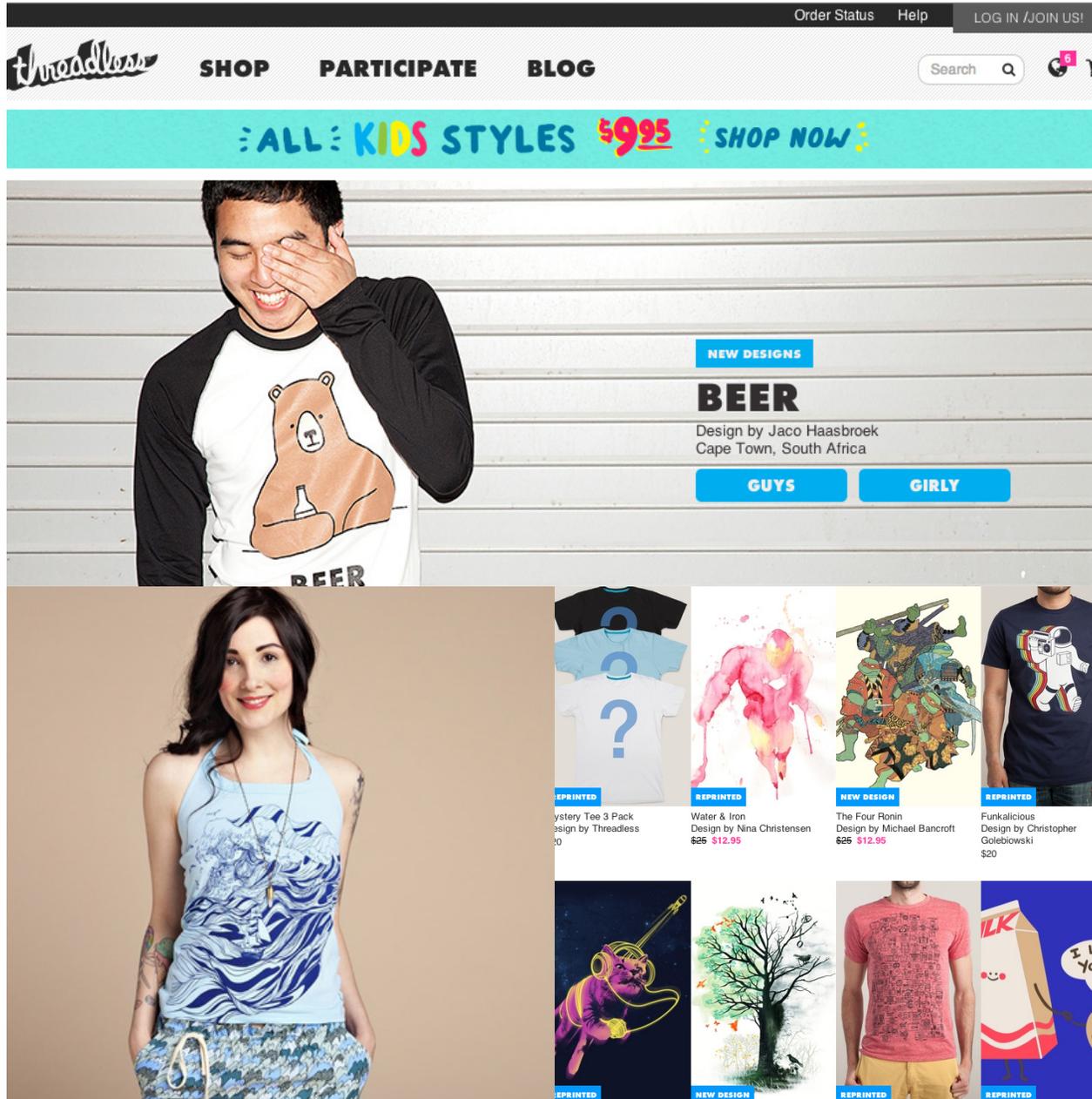
Etsy is an e-commerce website focused on handmade or vintage items, supplies, as well as unique factory-manufactured items. Their mission is to re-imagine commerce in ways that build a more fulfilling and lasting world. Etsy sells a variety of handmade items from jewellery to furniture.

PROS

- Very clean and professional user interface
- Attractive and eye-catching interactive slideshows on homepage
- Good interaction with social media
- Good traffic / good amount of users on the website
- Search engine friendly

CONS

- Inconsistent navigation bar. When you're in the product page, the category navigation disappears. Users have to go back to use the top navigation.
- No distinct differences between the artist and the buyer.
- Inconsistency in product photos
- Lack of quality control



HTTP://THREADLESS.COM

THREADLESS

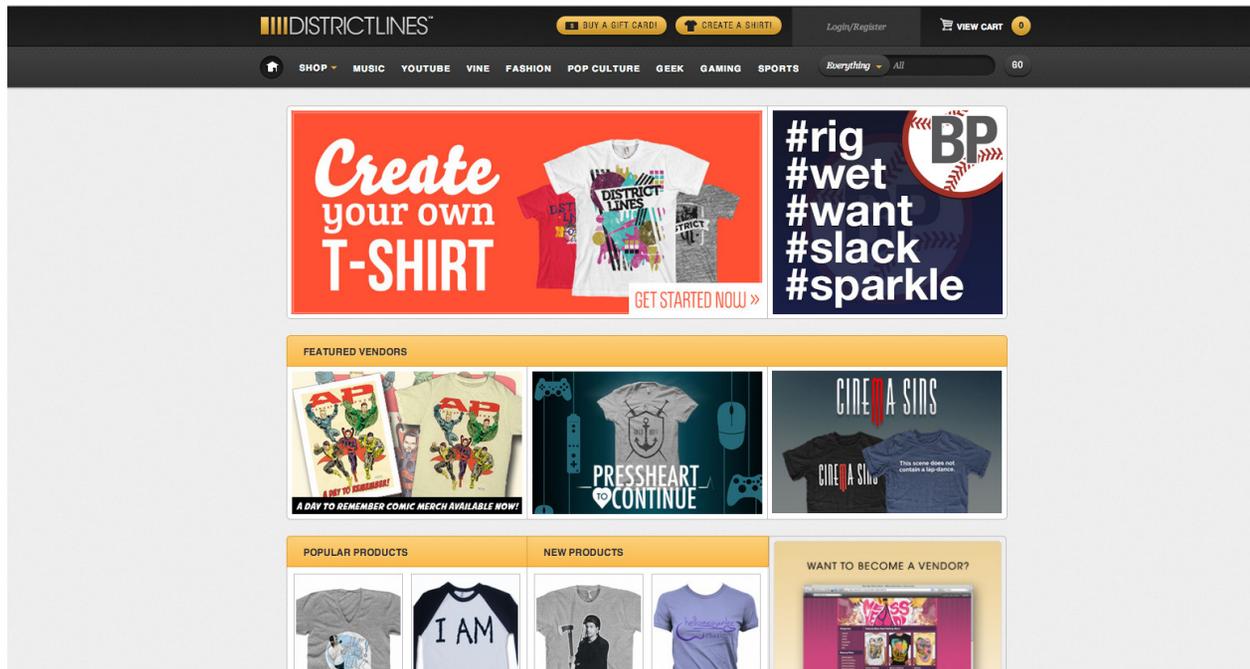
Threadless is an online community of artists and an e-commerce website based in Chicago, Illinois. They sell t-shirts, art prints and iPhone cases. Threadless designs are created by and chosen by an online community. Each week, about 1,000 designs are submitted online and are put to a public vote. After seven days the staff reviews the top-scoring designs. If your design is chosen for print, you'll get paid and the world gets to buy your art.

PROS

- Very good grid system
- Consistent product display
- Distinct difference between "shoppers" (shop) and "artists" (participate)
- Big thumbnails showing the products
- Very good quality control on the artwork
- Good social media integration

CONS

- Very unclear way of showing products on each artist's page
- Difficult to read - no hierarchy
- Too many typefaces are being used on the site
- Not user friendly - while submitting a new design, user has to go through two pages in order to submit
- A lot of negative space on the webpage



HTTP://WWW.DISTRICTLINES.COM//

DISTRICT LINES

District Lines is dedicated to creating the world's most innovative marketplace. Their mission is to build an honest and secure environment that allows artists to sell their products and consumers to embrace their passions. They have a variety of products: t-shirts, wristbands, outerwear, headwear, CDs, posters, toys, housewares, stickers, etc etc. They also sell items from popular Youtube stars and Viners; they also sell Pop-culture and gaming related items too.



PROS

- The upload widget on the site is doing a pretty good job
- Grid system on its homepage
- Distinct difference between shoppers ("shop") and artists ("create a shirt")

CONS

- Lack of professionalism
- Distractive background on each page
- The icons on its navigation bar are very hard to understand and distracting
- The customized page of each artist page can sometimes be a distraction



05.
**COMPETITIVE
MATRIX**

	FASHLAB	ETSY	THREADLESS	DISTRICT LINES
INTERFACE				
CLEAN & PROFESSIONAL	✓	✓	✓	✓
GRID SYSTEM	✓		✓	✓
INTUITIVE NAVIGATION	✓		✓	✓
SLIDESHOW FEATURING PRODUCTS	✓	✓		
<i>(We strongly recommend FashLab to have an interactive slideshow that features its latest products on the homepage.)</i>				
PRODUCTS				
PRODUCT DESCRIPTION	✓	✓	✓	✓
PRODUCT CATEGORY	✓	✓	✓	✓
SIZE AVAILABILITY	✓	✓	✓	✓
PRODUCT COLOR OPTIONS	✓	✓	✓	✓
SORT BY PRICE	✓	✓	✓	✓
FUNCTION				
CUSTOMIZATION WIDGET	✓		✓	✓
<i>(We will build a user-friendly customization widget that makes the process of customizing artwork easy and painless.)</i>				
MOBILE COMMERCE (RESPONSIVE)	✓		✓	✓
SHOPPING CART				
GUEST SHOPPING	✓	✓	✓	✓
ABANDONED SHOPPING CART	✓	✓	✓	✓
WISH LIST	✓	✓	✓	✓
SOCIAL				
LIKING / ADDING TO FAVORITE	✓	✓	✓	✓
ADDING COMMENTS	✓	✓	✓	✓
FOLLOWING ARTISTS	✓	✓	✓	✓
BLOGGING	✓	✓	✓	✓
PAYMENT				
SECURE PAYMENT	✓	✓	✓	✓
ORDER TRACKING	✓	✓	✓	✓



PROJECT SCOPE

One-Eighty will design and develop an e-commerce site for FashLab that provides services such as:

USABILITY DOCUMENTS

• Personas

- 1) **Artists** can upload their designs on the website for sale.
- 2) **Users** (or shoppers) can visit the artists' works and purchase them as needed.

Each type of user will have a different task flow depending on their needs throughout the website.

Usability Testing: We will conduct usability testing after Phase 02, Phase 03, and Phase 04.

• Main Navigation

- 1) Homepage: Slideshow that features new items and special promotions
- 2) Shop: Categorized by artists and products
- 3) Product: 1 template for estimated 10,000 items
- 4) Artist: 1 template for estimated 1,000 artists
- 5) Create / Upload: Widget
- 6) Shopping Cart: Payment & check-out
- 7) Account: Log-in to your account, track orders
- 8) Blog: Updated posts by FashLab
- 9) Contact: Links to social media

Estimated total number of templates: 12

Home, About Us, Category, Product page, Artist Profile, Upload page, Blog, Shopping cart, Payment, Checkout, Register/Signup, Contact Us.

SITE CONTENTS

- FashLab provides product's images, corporate identity, guidelines including fonts, colors, graphic treatments, and all copywriting.
- One-Eighty reserves the right to modify the branding, identity, and images.
- Interactive slideshow on the homepage.
- Artwork are generated by the artists.

DESIGN

- Sophisticated and clean interface, intuitive navigation, scalable solution, and consistent interface that pairs the FashLab identity.

TECHNICAL AND INFRASTRUCTURE

- Offer the most appropriate and applicable platform/web host for e-commerce.
- Provide scalable solutions across all browsers and devices.

FUNCTIONALITY/PROGRAMMING

- The website contains functions such as: a shopping cart, shipping details, state sales tax inclusion, and secure online payment processing.
- User accounts.
- Provide a search function across the website.
- Sort products by category.
- Email confirmation receipts to customers.
- A blogging platform on the site for staff to post new updates and promotions.
- Approval on uploaded/personalized artwork by FashLab staff for quality control.



Widget reference from Distric Lines

- Offer personalization widget for users to personalize and upload products. Users will be able to scale and position artwork on the widget. Options of color on products base are also provided.
- Options for users to subscribe for newsletter, or getting updates on their favorite artists new uploaded items.
- The site complies with Section 508 of the Workforce Investment Act of 1998.

SEARCH ENGINE OPTIMIZATION

- SEO solutions and consultation is offered as an extra service for FashLab.

SITE MAINTENANCE PLANS

- Short-term support for any technical issues during the first 30 days after the launch is included.
- Sixteen hours training for two key staff members is scheduled prior to launch.

WHAT'S NOT INCLUDED

Branding identity & guidelines, content photographs, all copywriting, and artwork.

07. E-COMMERCE PLATFORM

There are several platforms that meet FashLab's needs. We're comparing Shopify, Magento, and Bigcommerce for the e-commerce platforms, and Bluehost and Hostmonster for the hosting. We are, however, recommending Shopify as both the hosting & e-commerce platform for FashLab because after thorough research and comparison, we found out that Shopify has the best features that suit the needs of FashLab. Shopify also offers unlimited hosting so it would be redundant for FashLab to host the site on another hosting platform.



RECOMMENDED PACKAGE:

UNLIMITED PACKAGE**\$179 /month****2.25% ONLINE SWIPE + 30 CENT**

Estimated total sales

\$3,000,000

Estimated credit card payment

80% (\$2,400,000)

Estimated credit card transaction fee

 $2,400,000 * 2.25\% = \$54,000$ **$80,000 * 0.3 = \$24,000$** **TOTAL = \$78,000**

Estimated other payment methods

20% (\$600,000)

Shopify Annual Fee

\$2,148

Estimated total fee

\$80,148**SHOPIFY**

Shopify is a complete e-commerce solution that allows you to set up an online store to sell your goods. It lets you organize your products, customize your storefront, accept credit card payments, track and respond to orders — all with a few clicks of the mouse.

FEATURES

Shopping cart

Secure transaction

Free SSL certificate

Fixed price / weight-based shipping

Multiple payment gateways

Unlimited hosting

Search engine optimization

Track and analyze product sales

24/7 customer service

Blogging platform

Unlimited file storage

Unlimited products

Discount code engine

No Transaction fees

Gift cards

Abandoned cart recovery

Real-time carrier shipping

Mobile commerce (responsive theme)

Customer accounts

CLIENTS

Shopify has helped like-minded creative companies like Pop Chart Lab, Tattly, Black Milk Clothing, Hiut Denim, and Hard Graft to build their stores with very sophisticated interfaces.

**PAYMENT**

Shopify handles payments directly, no third party required. Major payment methods like Mastercard, Visa, American Express and Paypal are available on Shopify.





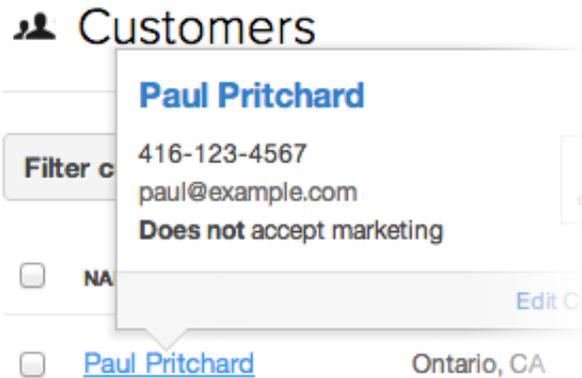
SHOPIFY SITE ANALYTICS

Shopify Reports help you spend less time crunching numbers and more time learning how to boost your sales. Reports let you easily track and analyze your product sales, orders, and payments. See which products are selling — and which ones aren't. Get a better understanding of how your sales vary month-to-month. And easily export any report for your spreadsheets or accountant.

Advanced features include the ability to choose as much or as little information as you need, create new reports that can be shared with staff, and filter your reports to find exactly what you're looking for.

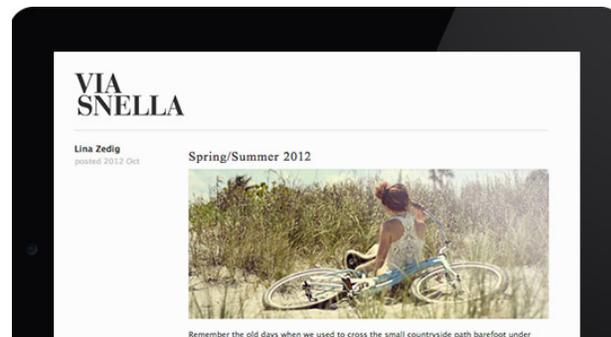
DETAILED CUSTOMER PROFILES

The Customer area in your shop admin lets you learn more about your customers and their shopping habits. You can find their contact info and order history at a glance.



CUSTOMER ACCOUNTS

Encourage return shopping by enabling customer account creation at checkout. Customers can quickly log back in for future orders. Categorize and export customer lists based on their location, purchase history, cart abandonment, and more.



BLOGGING PLATFORM

Shopify includes a full website blogging platform to help you get involved with your customer community. Publicize and categorize articles, create lookbooks, encourage discussion, and moderate comments on your Shopify blog.

CONTENT DELIVERY NETWORK

Shopify was the first hosted ecommerce Web site solution to use a content delivery network.

A CDN is a large network of servers placed across the world to ensure your customers can load your website store quickly, no matter where they are. Our CDN is operated by Fastly, one of the most reputable CDN companies.

Checkout	Email Status	Recovery Status	Date	Placed By	Total
#132243011	Sent	Recovered	Today at 6:06am	Ryan Stark	\$ 15.00
#132241763	Sent	Not recovered	Today at 5:49am	Kristian Smith	\$ 15.00
#132152219	Sent	Recovered	Yesterday at 6:59pm	Jason Garrison	\$ 15.75
#131573959	Sent	Not recovered	Friday at 5:08pm	Tracy Anderson	\$ 20.00
#131372609	Sent	Not recovered	Thursday at 3:54pm	Jeff Jacobson	\$ 15.00
#131345331	Sent	Recovered	Thursday at 1:24pm	Candace Peters	\$ 25.00
#131269275	Sent	Recovered	Thursday at 1:37am	Michael Sims	\$ 13.50
#130839423	Sent	Recovered	Sep 3, 11:21am	Jarrett Strutt	\$ 20.00
#130745563	Sent	Not recovered	Sep 2, 9:40pm	Jess Daff	\$ 25.00

ABANDONED CHECKOUT RECOVERY

You can choose to automatically send an email to a prospective customer who placed items in your store’s shopping cart, but didn’t complete their order. With approximately 1 out of 3 online orders abandoned during the checkout process, this feature can help you draw visitors back and increase your sales.

Currency

- ✓ United States Dollars (USD)
- Euro (EUR)
- United Kingdom Pounds (GBP)
- Canadian Dollars (CAD)
- Argentine Pesos (ARS)
- Australian Dollars (AUD)
- Barbadian Dollar (BBD)
- Bangladesh Taka (BDT)
- Bahamian Dollar (BSD)
- Bahraini Dinar (BHD)
- Brazilian Real (BRL)

Checkout Language

- Russian Русский by Jeļena Kačajaeva
- Shopper by Bruno Sinanian
- Simplified Chinese by Chuan Liang
- Slovenčina by Ladislav MATEJ
- Slovenian by Stanislav Mikolič
- Slovensky by Tomas Bystricky
- Slovensky preklad by mARTIN Bartoš
- ✓ Spanish by María Martínez
- Spanish by Ana María Cuenca Abela
- Spanish (Castellano) by Douglas Schuessler
- Spanish by Borja Berrocal by Borja Berrocal

MULTIPLE LANGUAGES, TAXES AND CURRENCIES

Choose from a number of local currencies and Shopify will automatically handle major country and state tax rates. Shopify checkout comes in 50+ languages, and you can always translate your store’s theme to suit your needs.

SEARCH ENGINE OPTIMIZATION

Potential customers must be able to find your store using search engines. With an SEO friendly CMS, Shopify supports best practices like customizable H1, title and meta tags and SEO friendly urls. Shopify also automatically generates sitemaps.xml files so new products and site changes are indexed and show up on search engines quickly.

SHOPIFY MOBILE

With Shopify Mobile you can view all vital information about your shop from your iOS device. Check your sales statistics, view products, orders, and customer data.

E-COMMERCE PLATFORMS COMPARISON

	FASHLAB	SHOPIFY (UNLIMITED PACKAGE)	MAGENTO (ENTERPRISE PACKAGE)	BIGCOMMERCE (PLATINUM PACKAGE)
SHOPPING				
SHOPPING CART	◇	•	•	•
SECURE TRANSACTION	◇	•	•	•
SHIPPING DETAILS	◇	•	•	•
STATE SALES TAX ISSUES	◇	•	•	•
ORDER TRACKING	◇	•	•	•
ABANDONED CART RECOVERY	◇	•	•	•
STORAGE				
UNLIMITED FILE STORAGE	◇	•	•	•
UNLIMITED PRODUCTS	◇	•	•	•
PRODUCT DATABASE	◇	•	•	•
ACCOUNTS				
MERCHANT ACCOUNT	◇	•	•	•
(UNLIMITED) CUSTOMER ACCOUNT	◇	•	•	•
SECURE USER DATABASE	◇	•	•	•
OTHERS				
24/7 SUPPORT	◇	•	•	•
SEARCH ENGINE OPTIMIZATION	◇	•	•	•
COMMUNITY-BUILDING	◇	•	•	•
MOBILE COMMERCE	◇	•	•	•
AUTOMATIC STATISTIC	◇	•	•	•
MULTI LANGUAGES	◇	•	•	•
PAYMENT				
0% TRANSACTION FEES		•	•	•
CREDIT CARD TRANSACTION FEES		2.25% + 30c online 2.15% swipe	2.345% (average)	2.65% + 30c
PRICE				
		\$179/MONTH \$2,148/ANNUAL	\$15,500/ANNUAL	\$199.95/MONTH \$2,400/ANNUAL
TOTAL ESTIMATED PRICE (AFTER TRANSACTION)				
		\$80,148/ANNUAL	\$85,850/ANNUAL	\$90,000/ANNUAL

HOSTING PLATFORMS COMPARISON

	FASHLAB	SHOPIFY (UNLIMITED PACKAGE)	HOSTMONSTER (ENHANCED PACKAGE)	BLUEHOST (DEDICATED ENHANCED PACKAGE)
SHOPPING				
SHOPPING CART	◇	•	MUST INSTALL 3RD PARTY E-COMMERCE PLUGIN	MUST INSTALL 3RD PARTY E-COMMERCE PLUGIN
SECURE TRANSACTION	◇	•		
SHIPPING DETAILS	◇	•		
STATE SALES TAX ISSUES	◇	•		
ORDER TRACKING	◇	•		
ABANDONED CART RECOVERY	◇	•		
STORAGE				
UNLIMITED FILE STORAGE	◇	•	•	•
UNLIMITED PRODUCTS	◇	•	•	•
PRODUCT DATABASE	◇	•	•	•
ACCOUNTS				
MERCHANT ACCOUNT	◇	•	•	•
(UNLIMITED) CUSTOMER ACCOUNT	◇	•	•	•
SECURE USER DATABASE	◇	•	•	•
OTHERS				
24/7 SUPPORT	◇	•	•	•
SEARCH ENGINE OPTIMIZATION	◇	•	•	•
COMMUNITY-BUILDING	◇	•	•	•
MOBILE COMMERCE	◇	•	•	•
AUTOMATIC STATISTIC	◇	•	•	•
MULTI LANGUAGES	◇	•	•	•
PAYMENT				
0% TRANSACTION FEES		•		
CREDIT CARD TRANSACTION FEES		2.25% + 30c online 2.15% swipe	DOESN'T APPLY	DOESN'T APPLY
PRICE				
		\$179/MONTH \$2,148/ANNUAL	\$99.99/MONTH \$1,200/ANNUAL	\$99.99/MONTH \$1,200/ANNUAL
TOTAL ESTIMATED PRICE (AFTER TRANSACTION)				
		\$80,148/ANNUAL	(NOT APPLICABLE)	(NOT APPLICABLE)



08.
**MEASURES OF
SUCCESS**

MEASURING SUCCESS

FashLab expects a total sale of about three million dollars in the first year with the average purchase being in the range of \$25-\$35. One-Eighty is ecstatic to be part of achieving this success.

To measure the success of FashLab, One-Eighty has decided to look at the key factors such as:

- Number of unique visitors monthly
- Completed transactions
- Number of users registered to FashLab
- Abandoned carts
- Time users spent on the site

SITE ANALYTICS

With our recommended e-commerce platform, *Shopify*, offers an advanced store statistic that allows to keep track of the website sales and progress over time. Also it creates easy to understand reports to indicate the measure of success.

UNIQUE VISITORS

FashLab's direct competitor, Etsy, has over one million active online shops and more than 60 million unique monthly visitors, making it an indisputable example of a successful e-commerce platform. We are looking to help FashLab achieve the same level of success in the long run.

FIRST YEAR

- We are expecting about 500,000 unique visitors per month.

COMPLETED TRANSACTIONS

According to Nielsen Norman Group, during the dot-com bubble around year 2000, e-commerce sites typically had average conversion rates around 1%. In 2013, e-commerce sites averaged around 3% conversion rates and we are positive that FashLab is able to achieve the same.

(Conversion rate: completed transaction / number of unique visitor)

NUMBER OF USERS REGISTERED TO FASHLAB ARTISTS

We are expecting a number of 1,000 artists in the first year.

REGULAR USERS (possible shoppers)

We are expecting a number of 50,000 registered users in the first year.

ABANDONED CARTS

Baymard Institute has compiled 24 different studies and has found that the average shopping cart abandonment is a whopping 67.89%. We expect to bring down the number to 50% in the first year.

40% of cart abandonment happens when shoppers are informed of shipping and handling costs later in the process. Including the shipping policy on each product page allows users to make informed decisions before they finalize the purchase.

Item Details	★★★★★ (190)	Shipping & Policies
Payment Methods		
PayPal VISA Mastercard DISCOVER Etsy Gift Cards		
Ready to ship in 2-3 weeks		
Ship To	Cost	With Another Item
United States	\$8.95 USD	\$3.95 USD
Canada	\$29.00 USD	\$8.00 USD
Everywhere Else	\$40.95 USD	\$15.95 USD

Shipping policy on Etsy

One of FashLab's direct competitors, Etsy, lists shipping costs for the products according to the location, so that shoppers from all over the world know exactly how much they will pay at the end. We strongly recommend FashLab to follow the same method.

TIME USERS SPENT ON THE SITE

The average time spent indicates how long users spend on each page. It also reflects the quality of the website.

Between 2008 and 2012, the average amount of time spent per website online decreased by 27 seconds from 3 minutes and 16 seconds to 2 minutes and 49 seconds. ONE-EIGHTY measures the success of FashLab using the 2 minutes and 49 seconds benchmark.



09.
**OUR PHASES
AND STEPS**

OUR METHODOLOGY

Over many years of industry experience, we have developed a methodology that applies to all projects regardless of size, length, and type of service. This continuous process, namely our methodology, begins with learning the project objectives and ends with a great achievement.

This project is divided into four phases:

- **Structure** - Gather information, analyze content, create a sitemap and wireframes.
- **Design** - Create the visuals, user interface and site mockups.
- **Build** - Front-end and back-end development of the site.
- **Measure** - Final assessment for launch preparation.

STRATEGY PLANNING

Upon receiving the request for proposal from FashLab, our team has spent some time studying and assuring that we, as the designers and developers, are confident that we will be able to deliver an outstanding outcome that meets the objectives of FashLab.

Our strategy planning includes gathering information about our client, FashLab, analyzing current market trend, evaluating FashLab's direct competitors, understanding the target audiences, and finally originate a project proposal.

PHASE 1: STRUCTURE

One-Eighty has already done a significant amount of preparatory work and planning. As soon as we receive the FashLab contract, we are able to start working immediately. Phase One is where we will start from the research and content analysis for structuring the website. During this phase, we will learn about the target audience for setting up user personas, which will help develop the user experience. We will also need to work with the content writer for outlining content.

PHASE 1 STEPS:

1) Research and content analysis: Gathering and analysing all the content (photographs, texts, etc) that are going to be used on the site from Fashlab. We will also request for FashLab's corporate identity. Upon receiving all of the above, One-Eighty begins assessing them and make further decisions whether or not we would recommend modifying them.

2) Outlining content: Begin to group things into categories and decide which contents should go on the site.

3) Develop navigation: Create preliminary navigation for the site based on the content we have gathered.

4) User personas: Develop two personas based on the brief description of target audience given by FashLab. Shoppers and artists.

5) Define user task: Create 2- 4 users' scenarios based on the personas.

6) Sitemap and wireframes: Build a sitemap and computer-sketched wireframes of six main templates: Homepage, Category Page, Product Page, Artists Page, Shopping Cart Page, and Payment.

DELIVERABLES

- One sitemap
- Two sets of wireframes (6 pages each)

FORMAT FOR DELIVERY

- Sitemap and wireframes will be delivered in black and white JPEG format

NUMBER OF REVISIONS

- FashLab is allowed to request for refinement from ONE-EIGHTY up to **three** times.

MILESTONE

Phase one will be done with a milestone - sitemap and wireframe. FashLab team will be presented with the deliverables and a summary based on our findings of which you will have to review closely, request changes or ask questions and eventually sign off with an approval. Once you sign off with your final approval, no more refinement will be done. One-Eighty will reserve the rights to charge extra for any changes requested after approval.

TOTAL WEEKS: 4 weeks

TOTAL FEE: \$52,800

TOTAL EXPENSES: 0

PHASE 2: DESIGN

Once FashLab approved our proposed wireframes, we will begin building the visual elements of the website. Our first round of user testing will also be done in this phase.

PHASE 2 STEPS:

1) 1st-round user testing: We gather about 30 people for the first round of user testing using the wireframes we have developed. Paper prototype will be used for the testing.

2) Develop concept: Develop visual concept for the site.

3) Mood board / style guide: Develop two to three sets of different mood boards.

4) Refine current branding: Refine FashLab's current branding in order to make it fit into an e-commerce site.

5) Typeface & color pallette: Suggests two to three main web fonts for the site and three to five color pallette.

6) Design/Interface Mockup: phase two will end with a design mockup of eight main templates: Homepage, About Us, Category Page, Product Page, Artists Page, Contact Us, Shopping Cart Page, and Payment.

DELIVERABLES

- Two sets of design mockup (8 pages each)

FORMAT FOR DELIVERY

- Design mockup will be delivered in full colored JPEG format

NUMBER OF REVISIONS

- FashLab is allowed to request for refinement from ONE-EIGHTY up to **six** times

MILESTONE

Phase two will be done with a milestone - design mockup. FashLab team will be presented with the deliverables and a summary based on our findings of which you will have to review closely, request changes or ask questions and eventually sign off with an approval. Once you sign off with your final approval, no more refinement will be done. One-Eighty will reserve the rights to charge extra for any changes requested after approval.

TOTAL WEEKS: 6 weeks

TOTAL FEE: \$56,400

TOTAL EXPENSES: \$3,600

PHASE 3: BUILD

This is where we start building the site. Once the framework of the website is completed and approved by FashLab, the next step is to focus on the initial setup of the e-commerce platform, start coding the pages, and build database for user accounts.

PHASE 3 STEPS:

1) 2nd-round user testing: UX testing helps us find out how people interact with this site, and what works for them and what doesn't. We will gather about 30 people for the second round of user testing using the site mockup we have developed. **InvisionApp** will be used for the testing.

2) Setup file and directory hierachy: Setup a temporary directory in our own server while buidling the site.

3) Create HTML pages: Start coding HTML/CSS/JS of all pages based on the approved design mockup.

4) Install platform: Install e-commerce platform and begin modifying it.

5) Implementing light animation: Build interactive slideshow that will feature top products on the homepage.

6) Building widget: Build the personalization widget for users to personalize and upload products. Users will be able to scale and position artwork on the widget. Options of color on products base will also be provided.

7) Implementing backend scripting: Build database for users accounts, making sure the payment method is working.

8) Prototype / Beta site: Phase three will end with a beta site.

DELIVERABLE

- A fully working (beta) site uploaded to server

FORMAT FOR DELIVERY

- The link to the beta site

NUMBER OF REVISIONS

- FashLab is allowed to request for refinement from ONE-EIGHTY up to **three** times

MILESTONE

Phase three will be done with a milestone - a beta site. FashLab team will be presented with the deliverables and a summary based on our findings of which you will have to review closely, request changes or ask questions and eventually sign off with an approval. Once you sign off with your final approval, no more refinement will be done. One-Eighty will reserve the rights to charge extra for any changes requested after approval.

TOTAL WEEKS: 7 weeks

TOTAL FEE: 67,800

TOTAL EXPENSES: \$3,600

PHASE 4: MEASURE

At this phase, we will complete the entire web pages design and programming. This is the part where we make sure that the site is fully functional, bug-free and the payment system is working and secured. After final approval by FashLab, the site is ready to be launched.

PHASE 4 STEPS:

1) 3rd-round user testing: We will gather about 30 people for the third round of user testing using the beta site we have built.

2) Search Engine Optimization: SEO helps to ensure that a site is accessible to a search engine and improves the chances that the site will be found by the search engine.

3) Debugging: Make sure the site is bug-free after the user testing.

4) Key staff member training: Provide up to 16 hours of training to FashLab's two key staff members.

5) Prepare announcement plan: One-Eighty will work together with FashLab to prepare announcement plan.

6) Develop maintenance plan: Come up with a maintenance plan for the site in the long run.

7) Confirm site security: Ensure that the site is secured and it has a good protective system to prevent unwanted data breach.

8) Website launch: After making sure that the site is bug-free and working perfectly, FashLab is ready to launch the site to public.

DELIVERABLES

- The link to final site
- All the HTML/CSS/JS files

FORMAT FOR DELIVERY

- The link to the site
- All files burnt in a DVD

NUMBER OF REVISIONS

- FashLab is allowed to request for refinement from ONE-EIGHTY up to **six** times

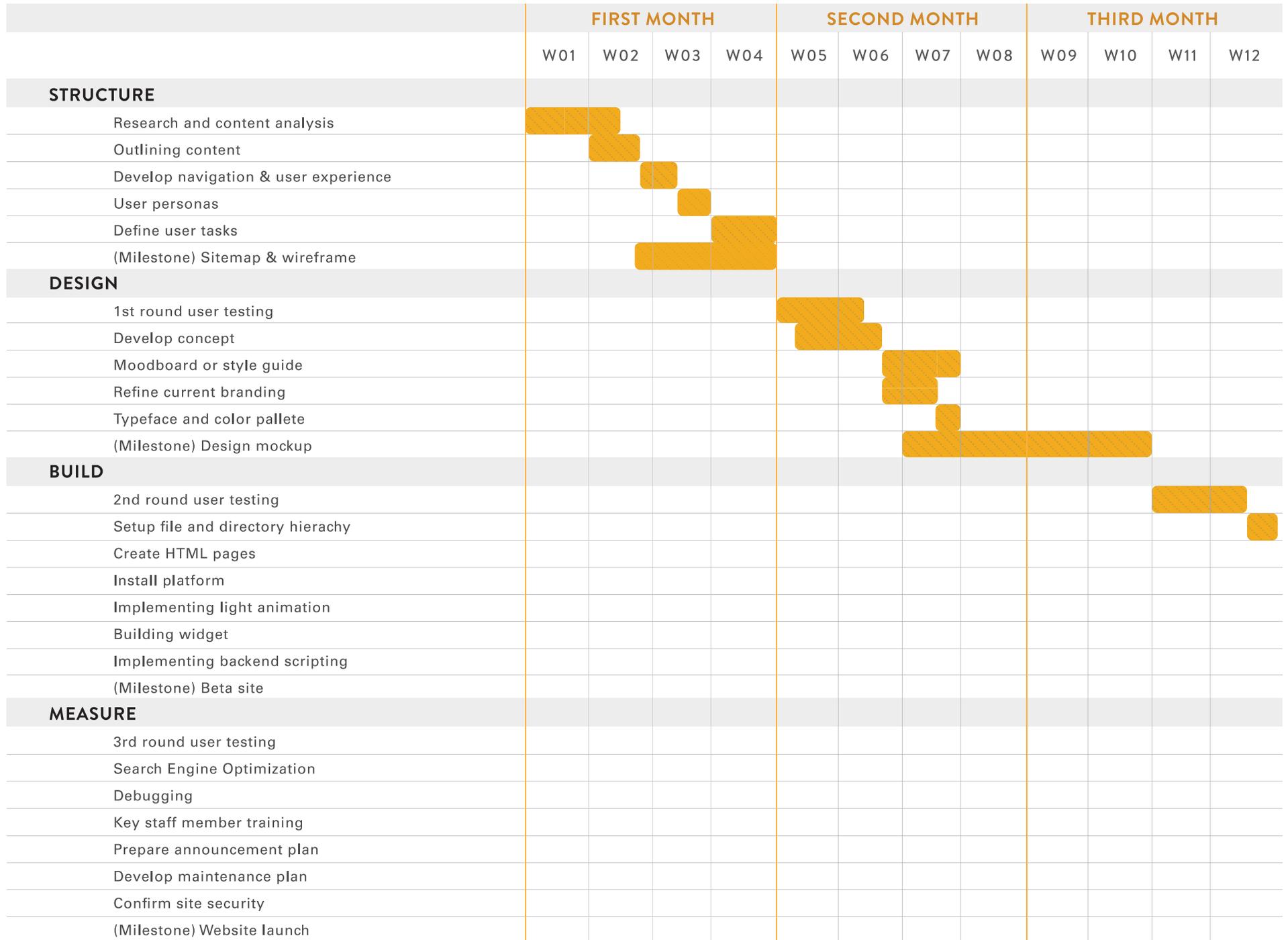
MILESTONE

Phase four will be done with a milestone - website launch. FashLab team will be presented with the deliverables and a summary based on our findings of which you will have to review closely, request changes or ask questions and eventually sign off with an approval. Once you sign off with your final approval, no more refinement will be done. One-Eighty will reserve the rights to charge extra for any changes requested after approval.

TOTAL WEEKS: 8 weeks

TOTAL FEE: \$71,000

TOTAL EXPENSES: \$6,000



FORTH MONTH				FIFTH MONTH				SIXTH MONTH					
W13	W14	W15	W16	W17	W18	W19	W20	W21	W22	W23	W24	W25	
													STRUCTURE
													Research and content analysis
													Outlining content
													Develop navigation & user experience
													User personas
													Define user tasks
													(Milestone) Sitemap & wireframe
													DESIGN
													1st round user testing
													Develop concept
													Moodboard or style guide
													Refine current branding
													Typeface and color pallete
													(Milestone) Design mockup
													BUILD
													2nd round user testing
													Setup file and directory hierachy
													Create HTML pages
													Install platform
													Implementing light animation
													Building widget
													Implementing backend scripting
													(Milestone) Beta site
													MEASURE
													3rd round user testing
													Search Engine Optimization
													Debugging
													Key staff member training
													Prepare announcement plan
													Develop maintenance plan
													Confirm site security
													(Milestone) Website launch



10.
**BILLING
PLAN**

FINANCIAL SUMMARY

One-Eighty has thoroughly analyzed the needs of FashLab, and we came out the billing plan as follow.

An advance deposit, which is 10% of the total budget (\$26,120), will be required after a contract is signed between FashLab and One-Eighty. The remaining balance will be paid after the approval of milestone of each phases, which is 22.5% of total budget (\$58,770).

Maintenance fee and training fee have been included in the contract (under Phase 4: Measure), but the e-commerce platform fee *will not be* covered in this contract, and FashLab will be responsible for that part.

TOTAL WEEKS: 25 weeks
TOTAL EXPENSES: \$13,200
TOTAL FEES + EXPENSES: \$261,200

BILLING PLAN

PHASE

Advance Deposit: 10%

Progress Billing at the end pf Phase 1: **22.5%**

Progress Billing at the end pf Phase 2: **22.5%**

Progress Billing at the end pf Phase 3: **22.5%**

Progress Billing at the end pf Phase 4: **22.5%**

TOTAL (100%)

TOTAL

\$26,120

\$58,770

\$58,770

\$58,770

\$58,770

\$261,200

PHASE SUMMARY

PHASE	WEEKS	FEES	EXPENSES	TOTAL
PHASE 1 Structure	4	\$52,800	0	\$52,800
PHASE 2 Design	6	\$56,400	\$3,600	\$60,000
PHASE 3 Build	7	\$67,800	\$3,600	\$71,400
PHASE 4 Measure	8	\$71,000	\$6,000	\$77,000
TOTALS	25	\$248,000	\$13,200	\$261,200



11. TERMS AND CONDITIONS

BASIC TERMS AND CONDITIONS

1. DEFINITIONS

As used herein and throughout this Agreement:

1.1 *Agreement* means the entire content of this Basic Terms and Conditions document, the Proposal document(s), Schedule A, together with any other Supplements designated below, together with any exhibits, schedules or attachments hereto.

1.2 *Client Content* means all materials, information, photography, writings and other creative content provided by Client for use in the preparation of and/or incorporation in the Deliverables.

1.3 *Copyrights* means the property rights in original works of authorship, expressed in a tangible medium of expression, as defined and enforceable under U.S. Copyright Law.

1.4 *Deliverables* means the services and work product specified in the Proposal to be delivered by Designer to Client, in the form and media specified in the Proposal.

1.5 *Designer Tools* means all design tools developed and/or utilized by Designer in performing the Services, including without limitation pre-existing and newly developed software including source code, Web authoring tools, type fonts, and application tools, together with any other software, or other inventions whether or not patentable, and general non-copyrightable concepts such as website design, architecture, layout, navigational and functional elements.

1.6 *Final Art* means all creative content developed or created by Designer, or commissioned by Designer,

exclusively for the Project and incorporated into and delivered as part of the Final Deliverables, including and by way of example, not limitation, any and all visual designs, visual elements, graphic design, illustration, photography, animation, sounds, typographic treatments and text, modifications to Client Content, and Designer's selection, arrangement and coordination of such elements together with Client Content and/or Third Party Materials.

1.7 *Final Deliverables* means the final versions of Deliverables provided by Designer and accepted by Client.

1.8 *Preliminary Works* means all artwork including, but not limited to, concepts, sketches, visual presentations, or other alternate or preliminary designs and documents developed by Designer and which may or may not be shown and or delivered to Client for consideration but do not form part of the Final Art.

1.9 *Project* means the scope and purpose of the Client's identified usage of the work product as described in the Proposal.

1.10 *Services* means all services and the work product to be provided to Client by Designer as described and otherwise further defined in the Proposal.

1.11 *Third Party Materials* means proprietary third party materials which are incorporated into the Final Deliverables, including without limitation stock photography or illustration.

1.12 *Trademarks* means trade names, words, symbols, designs, logos or other devices or designs used in the Final

Deliverables to designate the origin or source of the goods or services of Client.

2. PROPOSAL

The terms of the Proposal shall be effective for **30** days after presentation to Client. In the event this Agreement is not executed by Client within the time identified, the Proposal, together with any related terms and conditions and deliverables, may be subject to amendment, change or substitution.

3. FEES AND CHARGES

3.1 *Fees.* In consideration of the Services to be performed by Designer, Client shall pay to Designer fees in the amounts and according to the payment schedule set forth in the Proposal, and all applicable sales, use or value added taxes, even if calculated or assessed subsequent to the payment schedule.

3.2 *Expenses.* Client shall pay Designer's expenses incurred in connection with this Agreement as follows: (a) incidental and out-of-pocket expenses including but not limited to costs for telephone calls, postage, shipping, overnight courier, service bureaus, typesetting, blueprints, models, presentation materials, photocopies, computer expenses, parking fees and tolls, and taxis at cost plus Designer's standard markup of **twenty percent (20%)**, and, if applicable, a mileage reimbursement at **.58 cents** per mile; and (b) travel expenses including transportation, meals, and lodging, incurred by Designer with Client's prior approval.

3.3 *Additional Costs.* The Project pricing includes Designer's fee only. Any and all outside costs including,

but not limited to, equipment rental, photographer's costs and fees, photography and/or artwork licenses, prototype production costs, talent fees, music licenses and online access or hosting fees, will be billed to Client unless specifically otherwise provided for in the Proposal.

3.4 *Invoices.* All invoices are payable within **fifteen (15)** days of receipt. A monthly service charge of 1.5 percent (or the greatest amount allowed by state law) is payable on all overdue balances. Payments will be credited first to late payment charges and next to the unpaid balance. Client shall be responsible for all collection or legal fees necessitated by lateness or default in payment. Designer reserves the right to withhold delivery and any transfer of ownership of any current work if accounts are not current or overdue invoices are not paid in full. All grants of any license to use or transfer of ownership of any intellectual property rights under this Agreement are conditioned upon receipt of payment in full which shall be inclusive of any and all outstanding Additional Costs, Taxes, Expenses, and Fees, Charges, or the costs of Changes.

4. CHANGES

4.1 *General Changes.* Unless otherwise provided in the Proposal, and except as otherwise provided for herein, Client shall pay additional charges for changes requested by Client which are outside the scope of the Services on a time and materials basis, at Designer's standard hourly rate of **\$100** per hour. Such charges shall be in addition to all other amounts payable under the Proposal, despite any maximum budget, contract price or final price identified therein. Designer may extend or modify any delivery schedule or deadlines in the Proposal and Deliverables as may be required by such Changes.

4.2 *Substantive Changes.* If Client requests or instructs Changes that amount to a revision in or near excess of **fifty** percent (**50%**) of the time required to produce the Deliverables, and or the value or scope of

the Services, Designer shall be entitled to submit a new and separate Proposal to Client for written approval. Work shall not begin on the revised services until a fully signed revised Proposal and, if required, any additional retainer fees are received by Designer.

4.3 *Timing.* Designer will prioritize performance of the Services as may be necessary or as identified in the Proposal, and will undertake commercially reasonable efforts to perform the Services within the time(s) identified in the Proposal. Client agrees to review Deliverables within the time identified for such reviews and to promptly either, (i) approve the Deliverables in writing or (ii) provide written comments and/or corrections sufficient to identify the Client's concerns, objections or corrections to Designer. The Designer shall be entitled to request written clarification of any concern, objection or correction. Client acknowledges and agrees that Designer's ability to meet any and all schedules is entirely dependent upon Client's prompt performance of its obligations to provide materials and written approvals and/or instructions pursuant to the Proposal and that any delays in Client's performance or Changes in the Services or Deliverables requested by Client may delay delivery of the Deliverables. Any such delay caused by Client shall not constitute a breach of any term, condition or Designer's obligations under this Agreement.

4.4 *Testing and Acceptance.* Designer will exercise commercially reasonable efforts to test Deliverables requiring testing and to make all necessary corrections prior to providing Deliverables to Client. Client, within five (5) business days of receipt of each Deliverable, shall notify Designer, in writing, of any failure of such Deliverable to comply with the specifications set forth in the Proposal, or of any other objections, corrections, changes or amendments Client wishes made to such Deliverable. Any such written notice shall be sufficient to identify with clarity any objection, correction or change or amendment, and Designer will undertake to make the same

in a commercially timely manner. Any and all objections, corrections, changes or amendments shall be subject to the terms and conditions of this Agreement. In the absence of such notice from Client, the Deliverable shall be deemed accepted.

5. CLIENT RESPONSIBILITIES

Client acknowledges that it shall be responsible for performing the following in a reasonable and timely manner:

- (a) coordination of any decision-making with parties other than the Designer;
- (b) provision of Client Content in a form suitable for reproduction or incorporation into the Deliverables without further preparation, unless otherwise expressly provided in the Proposal; and
- (c) final proofreading and in the event that Client has approved Deliverables but errors, such as, by way of example, not limitation, typographic errors or misspellings, remain in the finished product, Client shall incur the cost of correcting such errors.

6. ACCREDITATION/PROMOTIONS

All displays or publications of the Deliverables shall bear accreditation and/or copyright notice in Designer's name in the form, size and location as incorporated by Designer in the Deliverables, or as otherwise directed by Designer. Designer retains the right to reproduce, publish and display the Deliverables in Designer's portfolios and websites, and in galleries, design periodicals and other media or exhibits for the purposes of recognition of creative excellence or professional advancement, and to be credited with authorship of the Deliverables in connection with such uses. Either party, subject to the other's reasonable approval, may describe its role in relation to the Project and, if applicable, the services provided to the other party on its website and in other promotional materials, and, if not expressly objected to, include a link to the other party's website.

7. CONFIDENTIAL INFORMATION

Each party acknowledges that in connection with this Agreement it may receive certain confidential or proprietary technical and business information and materials of the other party, including without limitation Preliminary Works (“Confidential Information”). Each party, its agents and employees shall hold and maintain in strict confidence all Confidential Information, shall not disclose Confidential Information to any third party, and shall not use any Confidential Information except as may be necessary to perform its obligations under the Proposal except as may be required by a court or governmental authority. Notwithstanding the foregoing, Confidential Information shall not include any information that is in the public domain or becomes publicly known through no fault of the receiving party, or is otherwise properly received from a third party without an obligation of confidentiality.

8. RELATIONSHIP OF THE PARTIES

8.1 *Independent Contractor.* Designer is an independent contractor, not an employee of Client or any company affiliated with Client. Designer shall provide the Services under the general direction of Client, but Designer shall determine, in Designer’s sole discretion, the manner and means by which the Services are accomplished. This Agreement does not create a partnership or joint venture and neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. Designer and the work product or Deliverables prepared by Designer shall not be deemed a work for hire as that term is defined under Copyright Law. All rights, if any, granted to Client are contractual in nature and are wholly defined by the express written agreement of the parties and the various terms and conditions of this Agreement.

8.2 *Designer Agents.* Designer shall be permitted to engage and/or use third party designers or other service providers as independent contractors in connection with the Services (“Design Agents”). Notwithstanding,

Designer shall remain fully responsible for such Design Agents’ compliance with the various terms and conditions of this Agreement.

8.3 *No Solicitation.* During the term of this Agreement, and for a period of six (6) months after expiration or termination of this Agreement, Client agrees not to solicit, recruit, engage or otherwise employ or retain, on a full-time, part-time, consulting, work-for-hire or any other kind of basis, any Designer, employee or Design Agent of Designer, whether or not said person has been assigned to perform tasks under this Agreement. In the event such employment, consultation or work-for-hire event occurs, Client agrees that Designer shall be entitled to an agency commission to be the greater of, either (a) 25 percent of said person’s starting salary with Client, or (b) 25 percent of fees paid to said person if engaged by Client as an independent contractor. In the event of (a) above, payment of the commission will be due within 30 days of the employment starting date. In the event of (b) above, payment will be due at the end of any month during which the independent contractor performed services for Client. Designer, in the event of nonpayment and in connection with this section, shall be entitled to seek all remedies under law and equity.

8.4 *No Exclusivity.* The parties expressly acknowledge that this Agreement does not create an exclusive relationship between the parties. Client is free to engage others to perform services of the same or similar nature to those provided by Designer, and Designer shall be entitled to offer and provide design services to others, solicit other clients and otherwise advertise the services offered by Designer.

9. WARRANTIES AND REPRESENTATIONS

9.1 *By Client.* Client represents, warrants and covenants to Designer that (a) Client owns all right, title, and interest in, or otherwise has full right and authority to permit the use of the Client Content, (b) to the best of

Client’s knowledge, the Client Content does not infringe the rights of any third party, and use of the Client Content as well as any Trademarks in connection with the Project does not and will not violate the rights of any third parties, (c) Client shall comply with the terms and conditions of any licensing agreements which govern the use of Third Party Materials, and (d) Client shall comply with all laws and regulations as they relate to the Services and Deliverables.

9.2 *By Designer*

(a) Designer hereby represents, warrants and covenants to Client that Designer will provide the Services identified in the Agreement in a professional and workmanlike manner and in accordance with all reasonable professional standards for such services.

(b) Designer further represents, warrants and covenants to Client that (i) except for Third Party Materials and Client Content, the Final Deliverables shall be the original work of Designer and/or its independent contractors, (ii) in the event that the Final Deliverables include the work of independent contractors commissioned for the Project by Designer, Designer shall have secure agreements from such contractors granting all necessary rights, title, and interest in and to the Final Deliverables sufficient for Designer to grant the intellectual property rights provided in this Agreement, and (iii) to the best of Designer’s knowledge, the Final Art provided by Designer and Designer’s subcontractors does not infringe the rights of any party, and use of same in connection with the Project will not violate the rights of any third parties. In the event Client or third parties modify or otherwise use the Deliverables outside of the scope or for any purpose not identified in the Proposal or this Agreement or contrary to the terms and conditions noted herein, all representations and warranties of Designer shall be void.

(c) EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES STATED IN THIS AGREEMENT, DESIGNER MAKES NO WARRANTIES WHATSOEVER. DESIGNER EXPLICITLY DISCLAIMS ANY OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT

NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR COMPLIANCE WITH LAWS OR GOVERNMENT RULES OR REGULATIONS APPLICABLE TO THE PROJECT.

10. INDEMNIFICATION/LIABILITY

10.1 *By Client.* Client agrees to indemnify, save and hold harmless Designer from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of any breach of Client's responsibilities or obligations, representations or warranties under this Agreement. Under such circumstances Designer shall promptly notify Client in writing of any claim or suit; (a) Client has sole control of the defense and all related settlement negotiations; and (b) Designer provides Client with commercially reasonable assistance, information and authority necessary to perform Client's obligations under this section. Client will reimburse the reasonable out-of-pocket expenses incurred by Designer in providing such assistance.

10.2 *By Designer.* Subject to the terms, conditions, express representations and warranties provided in this Agreement, Designer agrees to indemnify, save and hold harmless Client from any and all damages, liabilities, costs, losses or expenses arising out of any finding of fact which is inconsistent with Designer's representations and warranties made herein, except in the event any such claims, damages, liabilities, costs, losses or expenses arise directly as a result of gross negligence or misconduct of Client provided that (a) Client promptly notifies Designer in writing of the claim; (b) Designer shall have sole control of the defense and all related settlement negotiations; and (c) Client shall provide Designer with the assistance, information and authority necessary to perform Designer's obligations under this section. Notwithstanding the foregoing, Designer shall have no obligation to defend or otherwise indemnify Client for any claim or adverse finding of fact arising out of or due to Client Content,

any unauthorized content, improper or illegal use, or the failure to update or maintain any Deliverables provided by Designer.

10.3 *Limitation of Liability.* THE SERVICES AND THE WORK PRODUCT OF DESIGNER ARE SOLD "AS IS." IN ALL CIRCUMSTANCES, THE MAXIMUM LIABILITY OF DESIGNER, ITS DIRECTORS, OFFICERS, EMPLOYEES, DESIGN AGENTS AND AFFILIATES ("DESIGNER PARTIES"), TO CLIENT FOR DAMAGES FOR ANY AND ALL CAUSES WHATSOEVER, AND CLIENT'S MAXIMUM REMEDY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, SHALL BE LIMITED TO THE NET PROFIT OF DESIGNER. IN NO EVENT SHALL DESIGNER BE LIABLE FOR ANY LOST DATA OR CONTENT, LOST PROFITS, BUSINESS INTERRUPTION OR FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF OR RELATING TO THE MATERIALS OR THE SERVICES PROVIDED BY DESIGNER, EVEN IF DESIGNER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

11. TERM AND TERMINATION

11.1 This Agreement shall commence upon the Effective Date and shall remain effective until the Services are completed and delivered.

11.2 This Agreement may be terminated at any time by either party effective immediately upon notice, or the mutual agreement of the parties, or if any party: (a) becomes insolvent, files a petition in bankruptcy, makes an assignment for the benefit of its creditors; or (b) breaches any of its material responsibilities or obligations under this Agreement, which breach is not remedied within ten (10) days from receipt of written notice of such breach.

11.3 In the event of termination, Designer shall be compensated for the Services performed through the date of termination in the amount of (a) any advance payment, (b) a prorated portion of the fees due, or (c) hourly fees for work performed by Designer or Designer's agents as of the date of termination, whichever is greater; and Client shall pay all Expenses, fees, out of pockets together with any Additional Costs incurred through and up to, the date of cancellation.

11.4 In the event of termination by Client and upon full payment of compensation as provided herein, Designer grants to Client such right and title as provided for in Schedule A of this Agreement with respect to those Deliverables provided to, and accepted by Client as of the date of termination.

11.5 Upon expiration or termination of this Agreement: (a) each party shall return or, at the disclosing party's request, destroy the Confidential Information of the other party, and (b) other than as provided herein, all rights and obligations of each party under this Agreement, exclusive of the Services, shall survive.

12. GENERAL

12.1 *Modification/Waiver.* This Agreement may be modified by the parties. Any modification of this Agreement must be in writing, except that Designer's invoices may include, and Client shall pay, expenses or costs that Client authorizes by electronic mail in cases of extreme time sensitivity. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

12.2 *Notices.* All notices to be given hereunder shall be transmitted in writing either by facsimile or electronic

mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to the addresses identified below, unless notification of change of address is given in writing. Notice shall be effective upon receipt or in the case of fax or email, upon confirmation of receipt.

12.3 *No Assignment.* Neither party may assign, whether in writing or orally, or encumber its rights or obligations under this Agreement or permit the same to be transferred, assigned or encumbered by operation of law or otherwise, without the prior written consent of the other party.

12.4 *Force Majeure.* Designer shall not be deemed in breach of this Agreement if Designer is unable to complete the Services or any portion thereof by reason of fire, earthquake, labor dispute, act of God or public enemy, death, illness or incapacity of Designer or any local, state, federal, national or international law, governmental order or regulation or any other event beyond Designer’s control (collectively, “Force Majeure Event”). Upon occurrence of any Force Majeure Event, Designer shall give notice to Client of its inability to perform or of delay in completing the Services and shall propose revisions to the schedule for completion of the Services.

12.5 *Governing Law and Dispute Resolution.* The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of the United States and the state of **California** without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this Agreement, the parties agree to attempt to resolve any dispute by negotiation between the parties. If they are unable to resolve the dispute, either party may commence mediation and/or binding arbitration through the American Arbitration Association, or other forum mutually agreed to by the parties. The prevailing party in any dispute resolved by binding arbitration

or litigation shall be entitled to recover its attorneys’ fees and costs. In all other circumstances, the parties specifically consent to the local, state and federal courts located in the state of **California**. The parties hereby waive any jurisdictional or venue defenses available to them and further consent to service of process by mail. Client acknowledges that Designer will have no adequate remedy at law in the event Client uses the deliverables in any way not permitted hereunder, and hereby agrees that Designer shall be entitled to equitable relief by way of temporary and permanent injunction, and such other and further relief at law or equity as any arbitrator or court of competent jurisdiction may deem just and proper, in addition to any and all other remedies provided for herein.

12.6 *Severability.* Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect and the invalid or unenforceable provision shall be replaced by a valid or enforceable provision.

12.7 *Headings.* The numbering and captions of the various sections are solely for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Agreement nor shall such headings otherwise be given any legal effect.

12.8 *Integration.* This Agreement comprises the entire understanding of the parties hereto on the subject matter herein contained, and supersedes and merges all prior and contemporaneous agreements, understandings and discussions between the parties relating to the subject matter of this Agreement. In the event of a conflict between the Proposal and any other Agreement documents, the terms of the Proposal shall control. This Agreement comprises this Basic Terms and Conditions document,

the Proposal, Schedule A, and the following document as indicated by the parties’ initials:

- ___ , ___ Supplement 1: Print-specific Terms and Conditions
- ___ , ___ Supplement 2: Interactive-specific Terms and Conditions
- ___ , ___ Supplement 3: Environmental-specific Terms and Conditions

By their execution below, the parties hereto have agreed to all of the terms and conditions of this Agreement effective as of the last date of signature below, and each signatory represents that it has the full authority to enter into this Agreement and to bind her/his respective party to all of the terms and conditions herein.

SCHEDULE A: INTELLECTUAL PROPERTY PROVISIONS

IP 1. RIGHTS TO DELIVERABLES OTHER THAN FINAL ART

IP 1.1 *Client Content.* Client Content, including all pre-existing Trademarks, shall remain the sole property of Client or its respective suppliers, and Client or its suppliers shall be the sole owner of all rights in connection therewith. Client hereby grants to Designer a nonexclusive, nontransferable license to use, reproduce, modify, display and publish the Client Content solely in connection with Designer's performance of the Services and limited promotional uses of the Deliverables as authorized in this Agreement.

IP 1.2 *Third Party Materials.* All Third Party Materials are the exclusive property of their respective owners. Designer shall inform Client of all Third Party Materials that may be required to perform the Services or otherwise integrated into the Final Art. Under such circumstances Designer shall inform Client of any need to license, at Client's expense, and unless otherwise provided for by Client, Client shall obtain the license(s) necessary to permit Client's use of the Third Party Materials consistent with the usage rights granted herein. In the event Client fails to properly secure or otherwise arrange for any necessary licenses or instructs the use of Third Party Materials, Client hereby indemnifies, saves and holds harmless Designer from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a third party arising out of Client's failure to obtain copyright, trademark, publicity, privacy, defamation or other releases or permissions with respect to materials included in the Final Art.

IP 2.B *Assignment:*

IP 2.5 Upon completion of the Services, and expressly subject to full payment of all fees, costs and expenses due, Designer hereby assigns to Client all right, title and interest, including without limitation copyright and other intellectual property rights, in and to the Final Art. Designer agrees to reasonably cooperate with Client and shall execute any additional documents reasonably necessary to evidence such assignment.

SUPPLEMENT 2: INTERACTIVE- SPECIFIC TERMS AND CONDITIONS

I 1. SUPPORT SERVICES

I 1.1 *Warranty Period.* "Support Services" means commercially reasonable technical support and assistance to maintain and update the Deliverables, including correcting any errors or Deficiencies, but shall not include the development of enhancements to the Project or other services outside the scope of the Proposal. During the first 1 month following expiration of this Agreement ("Warranty Period"), if any, Designer shall provide up to 36 hours of Support Services at no additional cost to Client. Additional time shall be billed at Designer's regular hourly rate, then in effect upon the date of the request for additional support.

I 1.2 *Maintenance Period.* Upon expiration of the Warranty Period and at Client's option, Designer will provide Support Services for the following 1 month (the "Maintenance Period") for a monthly fee of \$8800 [or Designer's hourly fees of \$100 per hour]. The parties may extend the Maintenance Period beyond one year upon mutual written agreement.

I 2. ENHANCEMENTS

During the Maintenance Period, Client may request that Designer develop enhancements to the Deliverables, and Designer shall exercise commercially reasonable efforts to prioritize Designer's resources to create such enhancements. The parties understand that preexisting obligations to third parties existing on the date of the request for enhancements may delay the immediate execution of any such requested enhancements. Such enhancements shall be provided on a time and materials basis at Designer's then in effect price for such services.

I 3. ADDITIONAL WARRANTIES AND REPRESENTATIONS

I 3.1 *Deficiencies.* Subject to the representations and warranties of Client in connection with Client Content, Designer represents and warrants that the Final Deliverables will be free from Deficiencies. For the purposes of this Agreement, "Deficiency" shall mean a failure to comply with the specifications set forth in the Proposal in any material respect, but shall not include any problems caused by Client Content, modifications, alterations or changes made to Final Deliverables by Client or any third party after delivery by Designer, or the interaction of Final Deliverables with third party applications such as Web browsers other than those specified in the Proposal. The parties acknowledge that Client's sole remedy and Designer's sole liability for a breach of this Section is the obligation of Designer to correct any Deficiency identified within the Warranty Period. In the event that a Deficiency is caused by Third Party Materials provided or specified by Designer, Designer's sole obligation shall be to substitute alternative Third Party Materials.

I 3.2 *Designer Tools.* Subject to the representations and warranties of the Client in connection with the materials supplied by Client, Designer represents and warrants that, to the best of Designer's knowledge, the Designer Tools do

not knowingly infringe the rights of any third party, and use of same in connection with the Project will not knowingly violate the rights of any third parties except to the extent that such violations are caused by Client Content, or the modification of, or use of the Deliverables in combination with materials or equipment outside the scope of the applicable specifications, by Client or third parties.

I 4. COMPLIANCE WITH LAWS

Designer shall use commercially reasonable efforts to ensure that all Final Deliverables shall be designed to comply with the known relevant rules and regulations. Client, upon acceptance of the Deliverables, shall be responsible for conformance with all laws relating to the transfer of software and technology.

DESIGNER:
ONE-EIGHTY DESIGN STUDIO, LLP
180 NEW MONTGOMERY ST,
FIFTH FLOOR,
SAN FRANCISCO, CA 94105
UNITED STATES

CLIENT:
FASHLAB, INC
180 NEW MONTGOMERY ST,
FIFTH FLOOR,
SAN FRANCISCO, CA 94105
UNITED STATES

SIGNED: _____

SIGNED: _____

DATE: _____

DATE: _____



12.
**ABOUT
ONE-EIGHTY**



**CREATIVE
STRATEGY**



**BRANDING
& IDENTITY**



**WEB
DEVELOPMENT**



**USER
RESEARCH**

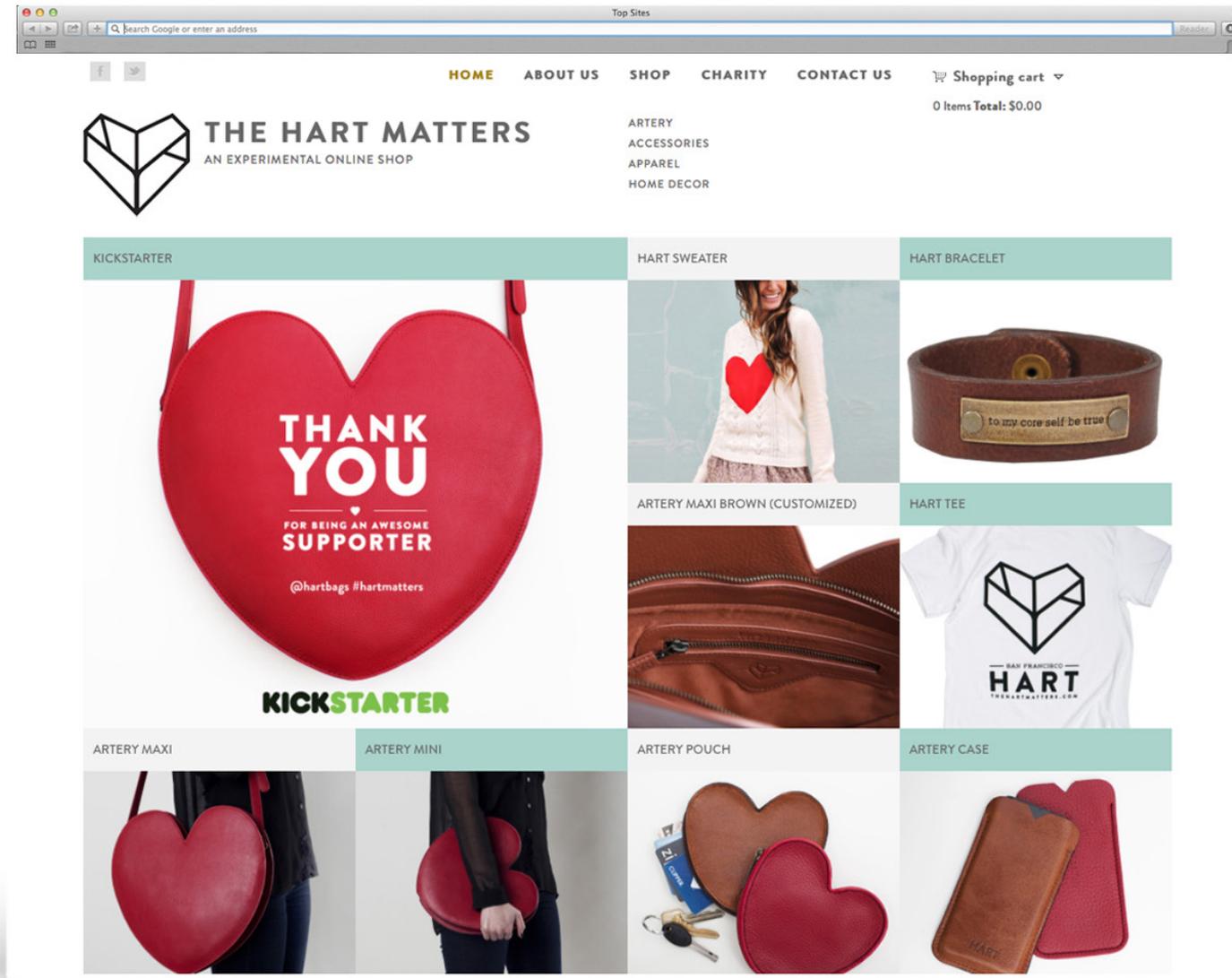
WHO WE ARE

One-Eighty is a leading creative design agency in the Bay Area. For more than two decades we have been creating branding, strategy, user research and web development that resonates with people and deliver results. We also have never forgotten that a part of our job is to make our clients' jobs easier.

WHAT WE DO

One-Eighty provides services that include creative strategy, branding, identity design, web development, and user research. Our strategists help our customers to create brands' values and product development. Our visual designers and UX specialists work collaboratively to make elegant, user-friendly, and unique solutions to a wide variety of business challenges. Our technologists are platform agnostic specialists who are not afraid to find the best solutions for every business needs. Whether it's building a mobile application, a content-rich responsive website or an internal employees network. Our work is built for scale, performance, and longevity.

HTTP://THEHARTMATTERS.COM/DRUPAL/
THE HART MATTERS



The screenshot shows a web browser window displaying the Sky Mall website. The browser's address bar contains the text "Search Google or enter an address". The website's header features the Sky Mall logo, a search bar, and navigation links for WOMEN, MEN, KIDS, TRAVEL, HOME LIVING, BRANDS, and SALES. Below the navigation, a breadcrumb trail reads "Home / Women / Beauty & Fragrance / Fragrance".

A left-hand sidebar lists product categories under the heading "Women":

- Beauty & Fragrance
 - Fragrance
 - Cosmetics
 - Skincare
 - Bath & Body
- Accessories
- Clothing
- Shoes

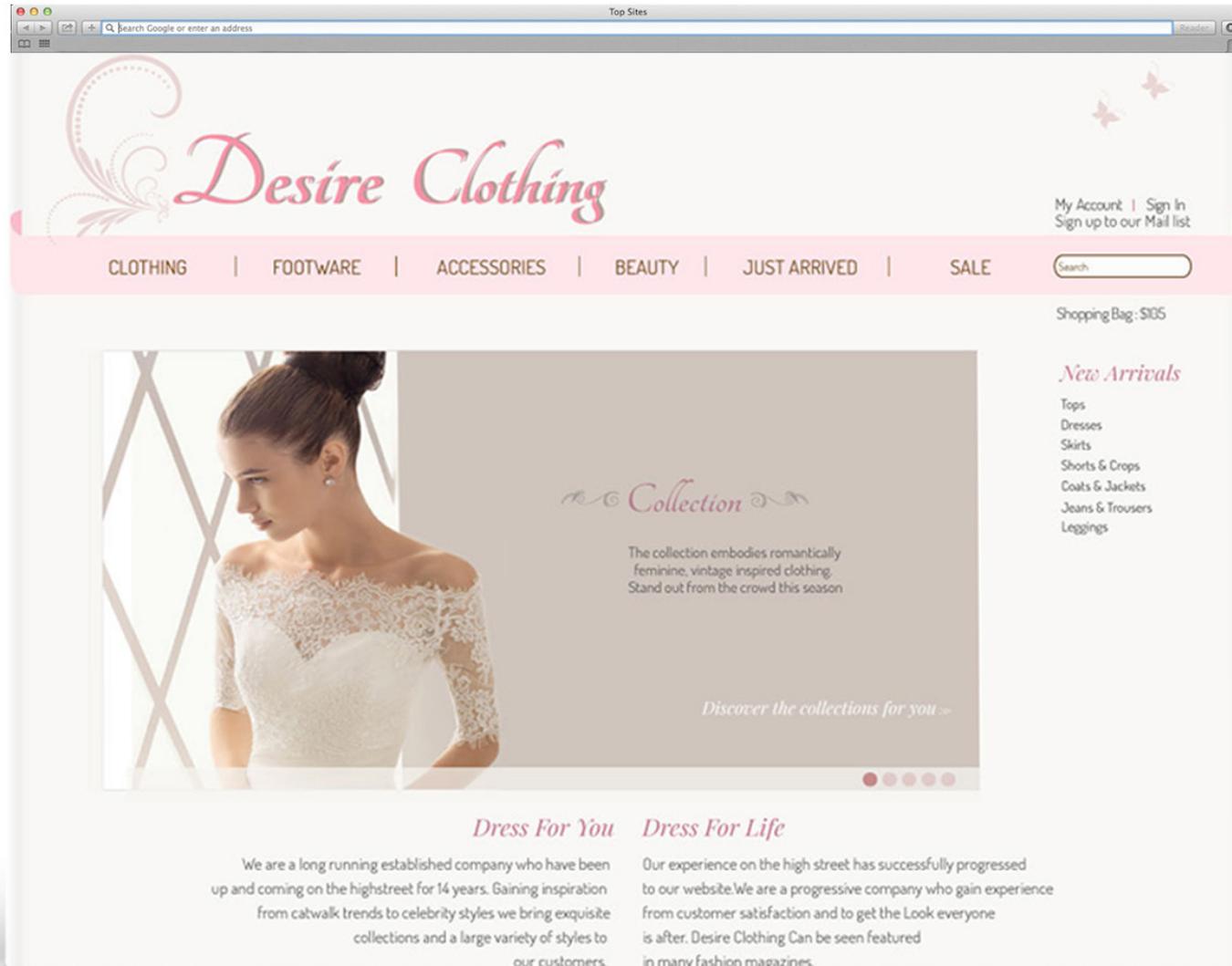
The main content area displays a grid of fragrance products. At the top of the grid, there are sorting options: "SORT BY: FEATURED | NEWEST | PRICE" and a count of "520 ITEMS". Navigation controls include a left arrow, a sequence of numbers "1 2 3 4 ... 39", a right arrow, and options to "VIEW 20", "VIEW 40", and "VIEW ALL".

The grid contains the following items:

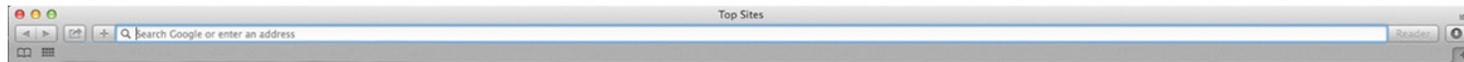
- MARC JACOBS Daisy**: Price range \$20.00 - 82.00
- RALPH LAUREN Romance**: Price range \$20.00 - 84.00
- THIERRY MUGLER Angel**: Price range \$25.00 - 169.00
- VIKTOR & ROLF Flowerbomb**: Price range \$29.00 - 160.00
- VERSACE Bright Crystal**: Price range \$20.00 - 89.00
- GUCCI Guilty**: Price range \$25.00 - 95.00
- DOLCE & GABBANA The One**: Price range \$25.00 - 103.00
- ESCADA Cherry In The Air**: Price range \$20.00 - 56.00

HTTP://DESIRECLOTHING.COM

DESIRE CLOTHING



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LUNA BOUTIQUE

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SAMIA AHMADI

PROJECT MANAGER

As a Project Manager and resident CSS jock at One-Eighty, Samia leads web design clients from concept through production to delivery. She won't leave you alone until she makes sure that there is a plan in place to keep the content on the new site fresh and up-to-date.

Samia has worked with clients that represent a wide array of industries—from financial services to nonprofits to universities—all of whom benefit from her clear communication. She takes great pride in producing compliant, well-formatted code that is intuitive for developers to integrate and easy for clients to grow.



CHELSEY EOM

UX SPECIALIST

Chelsey brings over 10 years of design acumen to her role as User Experience Lead at One-Eighty. With previous design roles at PayPal, Hotwire, 3Com, and other tech companies, she is adept at creating web and mobile interfaces that span the needs of users, business, and technology. When leading the UX Design process from concept through final design, she relentlessly seeks to create coherent, elegant solutions. She loves simplifying complexity.



LU WANG

INFORMATION DESIGNER

As the Information Designer, Lu will continue to build on the disciplines of information architecture and user experience (UX) and work with clients on their long-term web strategies. She also brings her passion for website optimization and enhancements, as well as a deep understanding of employing analytics to their best advantage.

Lu has a strong background of web strategy and user experience. She brings more than 5 years of experience in information architecture, user experience, and web analysis to this position and holds a MFA degree from the University of California.



IRENE

VISUAL DESIGNER

Irene joined One-Eighty Design team in 2010. She gets a kick out of improving interfaces and websites with better usability. She's a Mac, wielding the Adobe Creative Suite, Flash, and ActionScript with considerable aplomb.

As Creative Director and Senior Designer, Irene leads the team providing visual solutions for our clients—creating engaging websites and highly usable applications.



FRADA QIN

FRONT-END DEVELOPER

As a Front-End Developer at One-Eighty, Frada manages teams and architects Web software in HTML5/CSS3/Javascript and has also worked to integrate applications with web services ranging from Salesforce.com's API to PayPal.

Frada brings over 10 years of experience in software development to bear on the business problems of clients ranging from retailers to VC firms to businesses organizing their model around the Web.



MICKY HUANG

BACK-END DEVELOPER

As a Back-End Developer, Micky focuses her talents on building websites and web applications for One-Eighty clients. Her specialties are PHP, MYSQL, Javascript, and meeting new people.

Micky builds the inner workings behind the websites and web applications One-Eighty creates. Her work has ranged from algorithms for intelligent content suggestion to Web 2.0 communities.



PREPARED BY

ONE-EIGHTY DESIGN STUDIO

ONEEIGHTY.COM

180 NEW MONTGOMERY, FIFTH FLOOR

SAN FRANCISCO, CA 94105