

When Will OurCo Become An Online Business?

Narrative and Assumptions:

We assume OurCo closes its FY10 today with Revenues for the year of €500k. 20% of these (€100k) are from online business. OurCo is growing Year-on-Year at 5% but its online business is growing at 25% Year-on-Year.

At this rate, at some date in the future, more than half the revenues will come from online business. It looks like that date is 2 Jan 2016. It also looks as though online revenue growth is contributing to group revenues and masking a real decline in non-online sales.

Key Starting Data

Company Name:	OurCo
Total Revenue:	500
Currency (optional):	€
Units (optional):	k
Annual Growth Rate of Total Revenue:	5.00%
Share of Revenues Today Which Are Online:	20.00%
Growth Rate of Online Revenues:	25.00%

Some Key Derived Facts

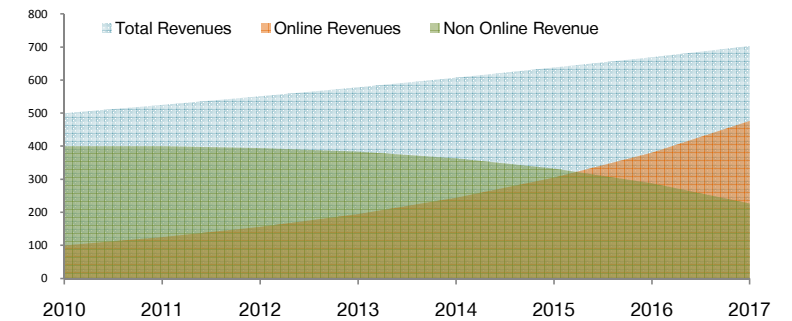
Online Revenues Today:	100
"Non Online" Revenue Today:	400
Non-Line Revenues Are In Decline:	YES

For Year-Ending (Assuming FY2010 Ends Today)

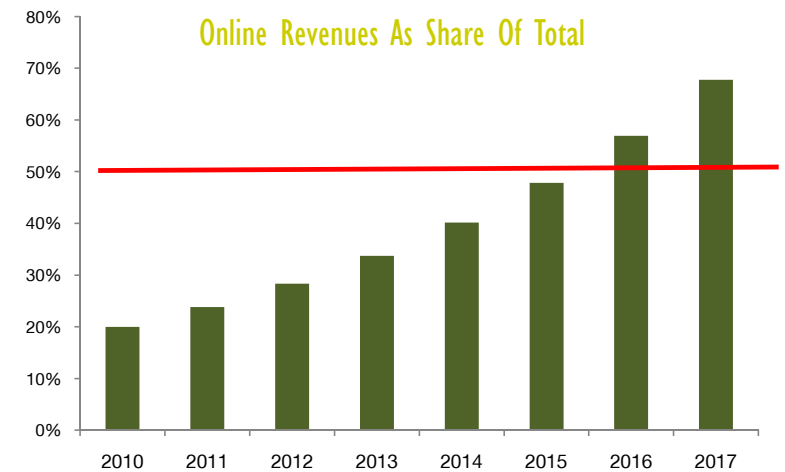
	2010	2011	2012	2013	2014	2015	2016	2017
Total Revenue:	500	525	551	579	608	638	670	704
Online Revenue:	100	125	156	195	244	305	381	477
Non-Online Revenue:	400	400	395	384	364	333	289	227
	500	525	551	579	608	638	670	704

Online Share of Total Revenue: 20% 24% 28% 34% 40% 48% 57% 68%

Revenues: Total, Online and Non-Online



Online Revenues As Share Of Total



OurCo will be an online business on:

02 January 2016

With 6 yrs to go, cultural and technical change needs to be underway by 2 Jan 2013