



# ARTIST'S GUIDE



## OUR MISSION

**VISUALPUMP WILL USE TECHNOLOGY TO PUMP ART INTO RESIDENTIAL AND PUBLIC SPACES.** We are creating a multimedia enhanced, self-serve, art marketplace. The Internet is the catalyst for Visualpump (the jump for the pump). Currently 38% of computer users have Broadband Internet access. There will be a 300% increase in the next 5 years, Making it possible for these users to connect 30 times faster than dialup. This creates a 9000% growth in the amount of new media that can potentially stream over cable, phone and wireless networks.

**CURRENT MARKET TRENDS** have established that people are buying high and mid-priced items online every day. eBay, Amazon and many others have created a multi-billion dollar Internet market. Internet enabled feedback loops will allow us to analyze and adjust our marketing strategy daily.

**VISUALPUMP WILL FOCUS ON MARKETABLE, CONTEMPORARY ART.** This is a unique niche in the current market. In contrast to many other Internet galleries, Visualpump will jury the art. We will not be a clearinghouse for any artist who is willing to pay a fee for a listing. We will market and brand individual artists with individual gallery sections. The focus will be on limited edition prints and objects as well as reasonably priced original art. Visualpump is about placing art within reach. It's about artists, making a living, making art.

## THE TEAM

**SUSAN BONNER** (Principal) is an arts administrator. She has curated permanent art collections for corporations and has directed galleries at universities. Susan has worked individually with arts organizations consulting them in development.

Susan's roll is to curate, market and administer the eGallery. Susan will work directly with the artists, photographers and fulfillment sources and perform business administration. Susan will also be one of the artists represented in the eGallery.

**BILL FISCHER** (Principal) has been at the forefront of the technology revolution. Founder of BlackBOX, Bill has created multimedia websites for a diverse list of clients. Bill is also on the Faculty at Kendall College and has started and managed several businesses.

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Bill's role is to provide design services, develop and maintain the website as well as participate in business planning, marketing and brand development.

**WEB SERVICES** will be provided by gNetworks, a company specializing in eCommerce, dedicated hosting and custom Internet applications. Providing technology solutions for businesses since 1997. gNetworks will be hosting the website and developing applications. We will be using gNetworks' Better-Cart system to handle credit card transactions. [www.gnetworks.com](http://www.gnetworks.com)

**COLOR INC PROLAB** will be our fulfillment source for 2D Giclee prints. They are a full service Digital photography and print lab. They can produce up to 44" x 600" archival prints on paper and canvas with their state of the art Epson printer. [www.colorincprolab.com](http://www.colorincprolab.com)

**INTERNSHIPS** are an integral part of Visualpump. We are working to give students real life arts management experience. They will be assisting in research, marketing and website implementation.

**THE ARTISTS** will be selected by Susan Bonner. The work curated for the Visualpump eGallery is contemporary, decorative art. Accessible art: art that people can live and work with.

Our artists are interested in the democratization of art. This is possible, primarily, through offering limited edition reproductions. This allows an artist to re-sell each image multiple times at costs that are within reach of a greater audience.

**ARTISTS MAKE ART. WE PUMP ART INTO LIFE.**

# ARTIST'S GUIDE

## MARKETING PLAN

### MARKET POSITION SUMMARY

In comparison to other eGalleries we are (in combination) uniquely:

- contemporary art only
- not a mega site, where customers have to search for contemporary works
- limited edition, archival, signed, collectable
- juried art with a high standard of quality
- multimedia, fun and contemporary with music and artist interviews
- looking out for the interest of the artists, not just making money from the artists by charging high fees and locking them into all exclusive contracts
- offering options for size, material and cost

In comparison to brick and mortar galleries we are (in combination) uniquely:

- Less expensive (because there is less overhead and no inventory)
- Convenient: consumers buy art from their home or office with a credit card and have it delivered to their doorstep

### CUSTOMER DEMOGRAPHICS

Visualpump's consumers are tech savvy art buyers who purchase for the home, office and public spaces. This includes people of different economic and social status and ranges from the individual consumer to the interior designer and corporate curator. Because of the options in costs and size availability, Visualpump's art is able to reach this diverse audience.

### IMPLEMENTATION

Visualpump will be performing ongoing marketing activities. Our mission is to market each individual artist's work to a world market. We will use advertising strategies such as Froogle listings, Google ads, linking from related sites, advertising on search engines, gift certificates, chat room participation and eBay listings (to drive traffic to the site). When a potential customer is searching the Internet for subjects related to contemporary art, we want there to be an ad presence for Visualpump.

We will give discounts to consumers wanting to purchase in quantity, attracting interior designers, corporate curators and other galleries as resellers. We will also market regionally to interior designers. A CD-Rom catalog will be available for use by resellers.

We will use press releases to notify the public of special events and updates. When consumers buy on-line, we will place them on our mailing list and send promotional information to them.

We will continue to explore additional marketing techniques, such as: referral programs, mailers, wish lists, eCards, gift opportunities, product merchandising and language translation services to better reach international customers.

## TIME LINE

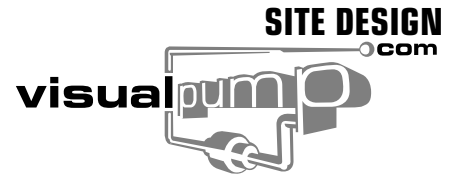
### PHASE 1

6 • 1 • 04	complete market research and business planning
6 • 15 • 04	Mock up of website
9 • 1 • 04	10 artists signed up with Visualpump.com
10 • 1 • 04	Artists digital inventory compiled
10 • 1 • 04	Artist bios submitted (about 150 words)
11 • 1 • 04	Website goes global and marketing begins.
1 • 1 • 05	selling 1 piece / day (goal)
1 • 30 • 05	evaluate consumers, marketing, web design, artwork

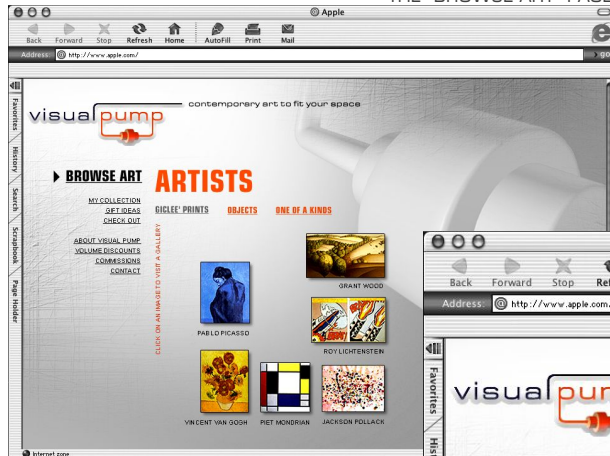
### PHASE 2

3 • 1 • 05	20 artists signed up with Visualpump.com
5 • 1 • 05	selling 3 pieces / day (goal)
6 • 1 • 05	music and interviews for the artist's galleries go live.

# ARTIST'S GUIDE



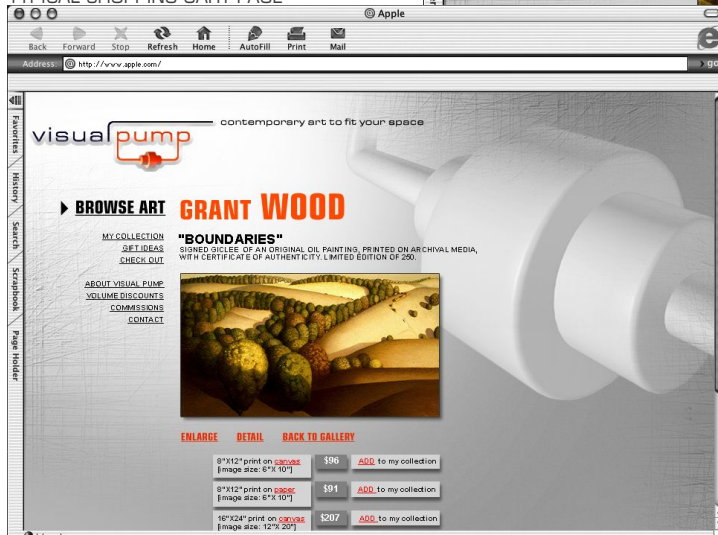
THE "BROWSE ART" PAGE



TYPICAL ARTIST'S GALLERY



TYPICAL SHOPPING CART PAGE



## THE VISUALPUMP BRAND IS:

### VISUAL

Because we pump art.

### THREE DIMEN-SIONAL

Because it is current, leading edge graphic design aesthetic.

### GRAY

To let the art rule.

### ORANGE

Because it's hot, both in hue and emotion as well as trend.

### PUMP

Because we **pump art into life.**

# ARTIST'S GUIDE

## START UP AND OPERATING COSTS

### FOR VISUALPUMP

#### Labor

- Marketing
- Web Development
- Business Management
- Image Preparation
- Art Curating

#### Expenses

- Web hosting \$30/mo
- Credit Card Services: Millennium package \$20/mo and 2.2% + \$0.15 /transaction
- Paypal Services: Aprox. 2.2%/transaction
- Studio Operations: 3 Macs with monitors, Epson quality 2200 archival printer, Computer Maintenance, Misc. Computer Peripherals, Misc. Office Expenses, Insurance and certificates. etc.

### FOR 2D TRADITIONAL MEDIA GICLEE PRINT ARTISTS

#### Labor

- Producing new art on a regular basis
- Drop off and Pick up art at photographer
- Participating in the proofing process
- Signing and numbering certificates of authenticity

#### Expenses

- Artists will be investing to create a digital inventory of 6 -10 pieces. They should update their digital inventory periodically (to keep the artworks fresh for return customers). They must purchase photography and digital proofs. The artist will maintain ownership of this inventory. Usage rights are detailed in the contract at the end of this document.

### FOR 2D DIGITAL MEDIA GICLEE PRINT ARTISTS

#### Labor

- Producing new art on a regular basis
- Participating in the proofing process
- Signing and numbering certificates of authenticity

#### Expenses

- Artists will be investing to create a digital inventory of 6 -10 pieces. They should update their digital inventory periodically (to keep the artworks fresh for return customers). They must supply digital files and purchase print proofs. Visualpump will supply specifications for these files. The artist will maintain ownership of this inventory. Usage rights are detailed in the contract at the end of this document.

### FOR 3D AND ORIGINAL WORK ARTISTS

#### Labor

- Producing new art on regular basis
- Production on demand, or maintaining an inventory of work
- Signing and numbering certificates of authenticity
- Shipping and handling, (cost to be passed through to Visualpump)

#### Expenses

- Tooling for creating multiples (molds, etc.)
- 3D artists must supply photographs to Visualpump in digital form. Artists should update their work periodically (to keep the artworks fresh for return customers). The photography should be consistent and is subject to the approval of Visualpump.

### FOR ALL ARTISTS: ADVERTISING POOL

Advertising is essential to the success of Visualpump and the artists. The first 6 months of the advertising pool is to be paid up front. We ask that the artists put in \$40 per month or 3% of net sales. The up front cost is \$240. This payment is due every 6 months.

In order to create more advertising, which will create more sales, when an artist's net sales go beyond the break point of \$1,333.33 in one month, they will be charged 3% of that net, for that month, which will go directly to the advertising pool.

For instance if the artist passes the break point (which is \$1,333.33) and sells \$3,000 in one month, the 3% of the net sale will be charged to the artist that month. Since the artist would have already paid \$40 for that month in advance, and 3% of \$3,000 equals \$90, the artist's draw on sales would be reduced by \$50. This money would go directly towards additional advertising.

If an artist does not pass the break point of \$1,333.33 in net sales within one month, the cost for advertising pool remains at \$40, which would have been paid up front and there is no extra charge.

# ARTIST'S GUIDE

## CASH DISTRIBUTION

### PRICING STRUCTURE FOR 2D GICLEE PRINTS

Giclee prints can be offered in different sizes and surfaces. The surfaces include a watercolor paper, a luster finish paper and a water resistant canvas. They will be produced as signed, limited edition, archival, Giclee prints. The pricing structure is based on our market research and will start out near the low end, which will help to drive initial traffic and sales to the eGallery.

### PRICING STRUCTURE FOR 3D AND ORIGINAL ART

3D and Original art works will be offered through Visualpump. The pricing structure will be based on our market research and agreed upon by the artist and will start out near the low end, which will help to drive initial traffic and sales to the eGallery.

### PRICING VARIATION

Each artist's work will be moved up or down in price according to market demand and fluctuation, but will never be sold below the cost of order fulfillment.

### ARTIST'S DRAW (2D GICLEE PRINTS)

The draw for the artist will be 70% of the net sale. Visualpump will draw 30% of the net sale. The net sale is the price minus the printing cost. The printing cost is treated as a pass through, because it varies as a percentage of the gross (price).

### ARTIST'S DRAW (3D AND ORIGINAL ART)

The draw for these artists will be 70% of the gross (price). Visualpump will draw 30% of the gross (price).

## CASH FLOW

### SMALL ORDERS

Visualpump places advertising using funds from the advertising pool, as well as employing other marketing activities. Consumers purchase work online. They order using their Visa, MasterCard or Paypal account, which automatically deposits funds into the Visualpump account. When the consumer orders, an email is sent directly to Visualpump who then sends requests to the Giclee fulfillment source, 3D artists or Original work artists. Visualpump distributes funds to the fulfillment source and artists monthly. Visualpump's operating expenses are paid out monthly.

## CASH FLOW continued

### LARGE ORDERS

Cash flow will need to be flexible when working with interior designers, corporate accounts, curators and large quantity orders. For instance, a corporate curator orders 300 prints. Visualpump requests half of the payment, as a retainer, to be made at the time of order and the other half at the time of shipment. Visualpump will use this to fund the cost of printing, shipping and other operating expenses required to fill the order. Artists will be paid when the final payment is received from the buyer.

### ORDER FULFILLMENT

The Visualpump Studio does not hold any physical inventory. When a piece is ordered, we request it from the Giclee fulfillment source or directly from the artist. A signed certificate of authenticity and other promotional material from Visualpump will be included with each shipped work of art. The return address will be the Visualpump Studio. This process will take no more than 5 work days. If there are certain cases when 3D or original work will not be ready to ship within the 5 work days, the 3D/Original work artist must notify Visualpump before the piece is placed on the website, so that we can list the expected time of shipment.

The buyer has a choice of shipment priority. For example they may choose to have their order shipped next day, 3 days or next week. This will change the price of shipment which the buyer will cover. All shipments will be handled by the artists and the Giclee fulfillment source. Returned orders will be handled by the Visualpump Studio. Shipping costs incurred by the artists and the Giclee fulfillment source will be billed to Visualpump and reimbursed monthly.

# CONTRACT

## CONTRACT - ARTIST RELATIONSHIP WITH VISUALPUMP

### ART USAGE

Ownership of art while under contract with Visualpump is defined as follows:

The artist keeps and may sell any original art from which limited editions will be produced.

The artist owns any digital files (also called "digital inventory") from which limited editions will be produced.

After the one-year contract, if the artist wishes to separate from Visualpump, the artist will receive all digital files.

Original art that is listed for sale on the Visualpump eGallery must be available for immediate sale and shipping. This art is owned by the artists and must be stored at their studio. The artist may sell this work from their studio, but must notify Visual Pump of the sale immediately so the work can be de-listed.

### THE ARTISTS' RELATIONSHIP WITH OTHER GALLERIES

Both the 2D and 3D artists may have other contracts with brick and mortar galleries. The 2D artist owns their digital inventory and can order prints to be sold at brick and mortar galleries or by the artist themselves (at art fairs, their studio, etc.). Both the 2D and 3D artists artist may not sell through other on-line venues, including but not solely other internet galleries and markets like eBay. They may have a web presence beyond Visualpump. This includes but is not limited to their own website and other websites where there work is not being sold on-line.

### THE ARTIST'S RELATIONSHIP WITH OTHER WEBSITES

The artist may not sell the same work on any other website that they they are selling on the Visualpump site, but may include a link to Visualpump.com. Images may be posted on the web. ie: The artist may be interviewed by art magazines that include images, or be included in art organization sites and directories. The artist's work may be posted on a brick and mortar gallery website for advertisement and display but may not be sold on the web by that gallery, only in their physical space.

### MARKETING

The artist must add to the advertising pool at a minimum of \$40 per month or 3% of net sales per month, whichever number is greater. The advertising pool must be paid in advance for the first six months of the relationship with Visualpump. This will total \$240. When sales go up for the artist so that \$40 is less than 3% of net sales, the excess will be deducted from the artist's draw on a monthly basis. For example if the artist sells \$3,000 worth of prints in one month, instead of \$40 for marketing, they will be charged \$90, which is 3% of the amount sold. \$50 would then be deducted from their draw that month for the advertising pool. None of the advertising money will be used for operating costs incurred by Visualpump. It will be used solely to purchase advertising.

### PRICING

The pricing of the work will be based on our market research and will start out near the low end, which will help to drive initial traffic and sales to the eGallery. Each artist's work will be moved up or down in price according to market demand and fluctuation, but will never be sold below the cost of order fulfillment. Visualpump may have limited time, promotional sales of works with special pricing. The draw, as a percent of the sales, will always remain constant for the artist and Visualpump.

### ARTIST EXCHANGE

One of the benefits included in working with Visualpump includes the ability to purchase other artists works at the cost of production. Artists that agree to this exchange will be able to contact Visualpump and order a work by another artist at cost. The purchaser will need to pay for shipping, can pick it up at the printer or at the artist's studio at time of completion. Only artists who sign into this benefit are able to request work by other artists at the cost break. Only artists who have agreed to this exchange will have works available to other artists at this cost break. These works will be included in the edition number.

#### I agree to be a part of the Artist Exchange

sign here \_\_\_\_\_

#### I do not wish to be a part of the Artist Exchange

sign here \_\_\_\_\_

# CONTRACT

## CONTRACT - continued

### PRINTING YOUR 2D LIMITED EDITIONS FOR YOUR OWN PURPOSES

If the artist wants to print their own pieces for an exhibition, for sale from their studio or as a gift, for example, they may do so by contacting Visualpump and paying the printing cost and a \$5 processing fee. Slides can be made from the digital files by contacting the printer.

### USING 2D PRINT PROOFS AND ORIGINAL AND 3D ART PHOTOGRAPHY FOR PROMOTION

Visualpump reserves the right to print proofs at any time for promotional purposes. Proofs are not deducted from the edition number. Visualpump also reserves the right to publish images of all art listed on the gallery for promotional purposes.

### MAKING 2D ART "PRINT READY"

The artist is responsible for making their work digital. In the case of a traditional media artist, they are required to procure professional photography and purchase proofs from the Visualpump printing resource. If the artist is a digital artist, they must prepare all files according to the specifications of Visualpump in the size formats required and purchase proofs from the Visualpump printing source. Both the artist and Visualpump must approve the proofs before any item can be posted or sold on the website.

Digital signatures will be made and placed on finished limited edition prints. Therefore they do not need to be on the original pieces. If an original piece is signed, keep in mind that the piece may be reduced and that the signature needs to be readable in the smaller sizes. The original artwork must be created at the largest size that will be printed, which will insure highest quality images.

The artist must guarantee that works are limited editions, and will not be printed beyond the limit agreed upon. Edition numbers for the 2D artist will be tracked by the printer.

### THE ARTIST'S DRAW (2D PRINTS)

The draw for the artist will be 70% of the net sale. Visualpump will draw 30% of the net sale. The net sale is the price minus the printing cost. The printing cost is treated as a pass through, because it varies as a percentage of the gross (price).

### MAKING ORIGINAL AND 3D ART "PRODUCTION READY"

The artists selling 3D reproductions must be ready to produce on demand, the items that will be listed for sale. Any tooling (molds, etc.) must be produced and will be owned by the artist. The artist must guarantee that these are limited editions, and will not be produced beyond the limit agreed upon.

The artist selling originals must have physical inventory in-place, or the capability to produce the work, that will allow for order fulfillment within the advertised time frame.

The artist is required to provide photography of their work for posting on the website. These photographs are subject to the approval of Visualpump.

The artist will be responsible for developing an order fulfillment plan that will be subject to the approval of Visualpump.

### THE ARTIST'S DRAW (3D REPRODUCTIONS AND ORIGINAL ART)

The draw for the artist will be 70% of the gross (price). Visualpump will draw 30% of the gross (price).

### THE ARTIST IS RESPONSIBLE

The artist is responsible for insuring the original artwork against damage while the work is at the printer and at the Visualpump studio. The artist is also responsible for transporting all art to the photographer and printer.

### SIGNATURE

I have read, understand and agree to the above terms.

#### Artist

sign here \_\_\_\_\_

print here \_\_\_\_\_

#### Visualpump

sign here \_\_\_\_\_

print here \_\_\_\_\_

Date \_\_\_\_\_