

Warehousing and Logistics for E-Commerce Sellers

PITCH VIDEO INVESTOR PANEL



warehousepublic.com Austin TX

Retail Technology Infrastructure B2B Services

LEAD INVESTOR



Chris Shonk

Our family office & VC fund are active investors in the logistics/supply chain, manufacturing, inventory management and freight/maritime industry. The "Amazon & Shopify Effect" has only just begun. The need for innovative and dynamic warehouse space is poised for exponential growth. Mark & Abhi are well known in their industry and respected founders. Their performance, data-driven decision making and creative problem solving have them positioned to be a leader in this space.

Invested \$50,000 this round

Highlights

- 1 We are profitable and growing fast. On track to do ~\$2M+ in revenues in 2021
- 2 Waitlist of 400+ customers, ready to grow with us. We expect to 4-5X our monthly revenue in 1 year (not guaranteed)
- 3 Our customer base represents the fastest-growing segment in e-commerce
- 4 We have grown mostly via word of mouth. We get 3-5 organic inquiries every day
3 Our customer base represents the fastest-growing segment in e-commerce
- 4 We have grown mostly via word of mouth. We get 3-5 organic inquiries every day
- 5 Demand for our services outstrips the supply in our industry for the next 5-10 years!

Our Team



Mark Taylor CEO/Co-Founder

While working in private equity, Mark led multiple turnarounds and directed an international sales organization. His career required him to run through walls, and solve operationally complex problems. You want him in a foxhole with you.

We believe small & medium businesses should have access to world-class logistics services to be competitive. As e-commerce sellers, we couldn't find a logistics partner who was willing to work with us given our small size and our specialized needs. So we set out to solve our needs as sellers, and in doing so, created Warehouse Republic.



Abhi Dobhal COO/Co-Founder

Abhi co-founded Factom, a venture-backed blockchain company. Prior to that, he has led digital transformation projects, built a web to print manufacturing platform, and helped set up a BPO subsidiary (acquired). You want him as your wingman.

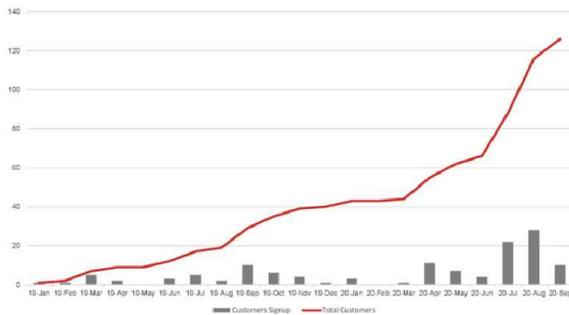
Pitch



PROBLEM

TOO MANY CUSTOMERS!

CUSTOMERS SIGNUP AND TOTAL CUSTOMERS



IN 2.5 YEARS

CURRENT STATE

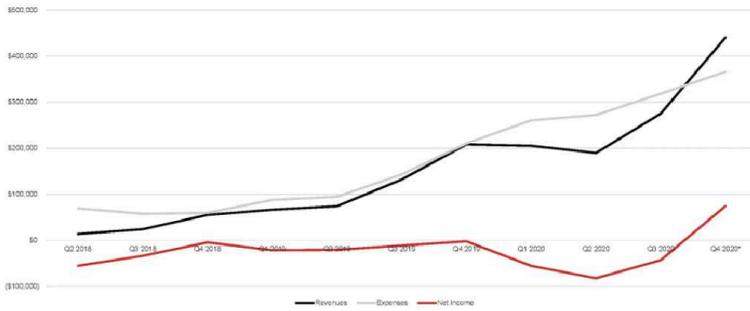
- 50,000 SQ. FT (SF)** under management
- PROFITABLE** since September 2020
- ~\$150,000+** in Avg. Monthly Revenues
- AVG REV/MONTH/CUSTOMER (ARMC)** grew from \$700 to \$2335
- PROVEN BUSINESS MODEL** \$1+/SF/Month in EBIT (at scale)

<p>ACQUIRED 100+ customers, stopped accepting customers - twice!</p>	<p>WAITLIST 400+ potential customers</p>
<p>INQUIRIES 3-5 daily organic customer inquiries</p>	<p>FORECAST 4-5X ARMC within a year</p>

This slide contains forward-looking projections that cannot be guaranteed.

IN 2.5 YEARS

REVENUE, EXPENSES, AND NET INCOME



CONTEXT

3PL demand from SMBs (small & medium size businesses) exceeds supply

Very few 3PLs understand the challenges of serving ecommerce sellers, the new generation of SMBs.

Even fewer 3PLs willing to work with customers spending less than \$5k/month.

E-commerce sales grew 31.8% in only 3-months following the COVID-19 outbreak

The supply chain was strained pre-COVID. It is currently operating beyond capacity. Small sellers are feeling the highest impact.



OPPORTUNITY

The consumer experience is moving from the retail locations to fulfillment and delivery

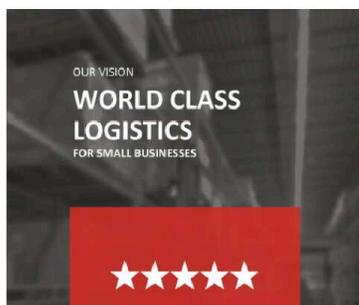
Sellers need better service than what traditional 3PLs are tooled for –
Simpler pricing, automated workflows, high level of customer support

Seller willing to allocate retail location savings to supply chain AND pay a premium for great service

Amazon, Walmart, Target, Shopify + other retailers & marketplaces are expanding their e-commerce capabilities by relying on omni channel sellers who fulfill through 3PLs

Omni channel sellers are limited in growth due to lack of access to superior logistics partners

Amazon internally estimates they need **5.5M SF** of ancillary warehousing space (3PLs) for every **1M SF** of space in Amazon fulfillment centers



KEY SUCCESS FACTOR
World class 3PL partner



E-commerce Sellers represent profitable, high margin, long tail customers



Sellers prefer to focus on selling, not logistics. Once they find a good partner, they stay with

Democratized consumer ratings are becoming the new brand

them

We enable small businesses to compete with big-name retailers

OUR SOLUTION

SIMPLE FLAT-FEE

ALL-INCLUSIVE SERVICE

\$35

Per pallet, per month

\$0

in- or out-processing fees

\$0

holiday surge fees

\$0

Long-term storage fees

Customers with less than 30 pallets pay **\$40/pallet**

Pick & Pack, Removals, Rework responsible for **15-20% additional revenue**

*Pallet pricing will vary by pallet height. \$30-\$35/pallet is based on 48 inches pallet height

INVESTMENT OPPORTUNITY

Seeking **\$3M** to expand to 400k SF under management in 2 years

GROWTH ROADMAP

	Nov 2021	Mar 2022	JAN 2023	DEC 2023
LOCATIONS	200K+ SF Reidsville, NC	150K SF Dallas	200K SF West Coast	All warehouses at capacity
INVESTMENT	\$0.5M	\$2M	\$5M	-
TARGET ANNUAL REVENUE	\$6M	\$9M	\$13M	\$28M
SQFT UNDER MANAGEMENT	250K SF	400K SF	600K SF	600K SF

This slide contains forward-looking projections that cannot be guaranteed.

THE TEAM





MARK TAYLOR
CEO & CO-FOUNDER

Mark loves executing opportunities with high operational components. Skilled at rapidly assessing business issues, identifying business drivers and creating strategies for increasing revenue, he has returned 30x to investors within 3 years in previous ventures.

Mark holds a double BS in Finance and Entrepreneurship/Venture Management with a minor in Spanish from the University of Oklahoma, and an MBA in Entrepreneurship from the Acton School of Business in Austin, TX.



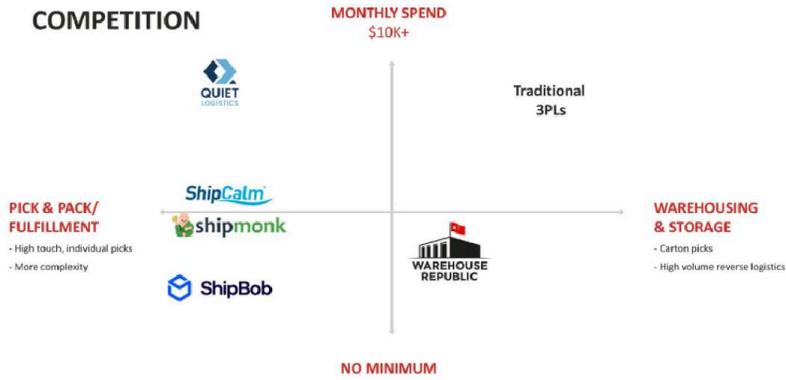
ABHI DOBHAL
COO & CO-FOUNDER

Abhi is passionate about building powerful, profitable ways to serve customers. A "design thinker" and entrepreneur at heart, Abhi thrives at the intersection of great products and big markets. Abhi has more than 15 years of experience pioneering high-growth and efficient technology operations across both large-scale and start-up arenas.

Abhi holds a BS in Management in Information Systems from the University of Arizona, a MS in Finance from the University of Illinois at Urbana-Champaign, and an MBA in Entrepreneurship from Acton School of Business in Austin, TX.

APPENDIX

COMPETITION



APPENDIX

MARKET TRENDS

The biggest pain point for E-commerce growth is logistics infrastructure

E-commerce purchases represented 10% of total US retail purchases, but accounted for 49% of retail purchase growth in 2019.

E-commerce grew to 16.1% of all retail sales, up from 11.8% in Q1 2020.

Amazon represented 37.5% of all e-commerce sales in 2019

FBA sellers account for > 50% of Amazon's total sales (15% of all e-commerce sales). The next largest e-commerce seller was Best Buy with 4.74% of the market.

Amazon is in the selling business, not the storage business.

Amazon has a major congestion problem in their fulfillment centers

More recently, Amazon has imposed more restrictive inventory limits for FBA Sellers.

This change has forced FBA Sellers to rely more heavily on 3PL partnerships.

Downloads

[warehousere-republic.png](#)