

The New Way to Buy Plants Online - Bridging the Divide Between Nurseries & Your Home!



liveyroot.com San Diego CA    

ROR Beta1 R2C

Featured Investors



Chadwick Manning

Syndicate Lead

Follow

I am investing in Lively Root because I am a very happy customer. I love their products/services, and believe in Colin and his team to execute. LR has a proprietary packaging solution that differentiates them from the competition by lowering the cost of shipping and allows them to ship a more diverse array of plants. LR is also vertically integrated with their own nursery, which allows them to be cost competitive, while also hitting great gross margins. It is a massive market that will continue to grow in the coming years.

Invested \$5,000 this round

Highlights

- 1 \$12.2M Lifetime Rev
- 2 Gross Rev doubling YoY; 113% CAGR
- 3 Americans spend \$56B annually on plants — an increase of 50% over the last 3 years.
- 4 500,000 customers across all 48 contiguous states.
- 5 Current B2B Clients include Apple, Airbnb, LinkedIn, Oracle, and many more.
- 6 Channel provider for Petco's entire Pet-Friendly plant category.
- 7 Founders are ex-YC (S16), and experienced in building horticulture and e-Commerce brands.
- 8 2022 - 3.4 LTC/CAC, \$93.9 AOV

Our Team



Colin Barceloux CEO



3X Founder, YC Alum, Stanford GSB, StartX Mentor.



Jenna Dower Marketing

10+ years experience optimizing and scaling top eCommerce brands & digital storefronts.



Brian Bates Biz Development

Sales leader with a proven track record for high growth, through scalable, repeatable processes to scale.



Anurag Grover Engineering

Senior Engineer with 15+ years of programming and startup experience.



John Arathoon Operations

Over 15 years of operations experience at startups with logistics & warehouse management skills.

The New Way to Buy Plants Online



Mission Bridging The Divide Between Nurseries & Your Home – The New Way To Buy Plants Online

Lively Root is a rapidly growing e-commerce company building a horticultural lifestyle brand designed to revolutionize the Garden Center Industry



From Three Generations of Farmers

With over 200 combined years of horticultural experience, our founders are also plant lovers who want to pass their passion for green spaces down to their future green thumbs. From our first nursery in San Diego to our local nursery partners across the US now we are able to deliver hand-packed, healthy and happy plants right to your doorstep.



Why has it taken 30 years for the plant industry to go online?

- Living products like plants are very hard to ship. Cut flowers are easy, but plants (especially larger varieties) require special handling.
- Improvements in ground shipping speeds allow for desired time to cost effectively mail plants.
- Local and regional nurseries are motivated to go directly to consumers and open up alternative sales channels after years of big box retailers who have been squeezing their margins.
- Customer behavior has changed with the next generation of shoppers who want to purchase plants just as they do all their other products via

eCommerce.

- Personalization and search capabilities enable the online experience to ideally tailor a customer's individual needs and preferences to their perfect plant.

The Future of Plant Shopping

Lively Root is a modern solution to gardening that avoids high-costs of traditional storefronts

Traditional Storefronts



- High capital expenditures
- Limited product selection due to geographic & climate limitations
- Inventory-heavy with significant care
- Aging core customer base
- Not meeting the needs of new customers

lively root

- Fully digital platform
- Robust product offering
- Customer convenience
- Access to next generation of shoppers
- Recurring gifting opportunities
- No regional limitations

82% The industry is outdated, cumbersome, and impersonal with 82% of sales at big box stores

↑60% Total consumer spending for plants (driven mostly by urban millennials) is up 60% since 2015.

E-Commerce Solutions for Nursery Partners

Lively Root unlocks wholesale nursery inventory previously unobtainable to consumers online

Online Sales Channel



Lively Root opens a new sales channel for nursery partners and generates demand unfulfilled by traditional retailers

Customer Experience



Lively Root provides and maintains the complete online customer, order, and service experience

Access to Modern Consumers



Lively Root offers their nursery partners the ability to access the hard-to-reach modern online customer

Expand Geographic Reach



Lively Root offers their nursery partners the ability to reach customers outside the capabilities of their traditional storefronts



Why now, why hasn't this been done before. Unique selling points/products:

- Custom Technology that allows shipment of plants 365 days a year to all 48 continental states. This includes all the software, equipment, and processes to turn a nursery into a fulfillment center.
- End to End fully integrated technology enabled solution to pick, pack and manage all aspects of the order fulfillment process. All orders are drop shipped directly from one of our partner nurseries to the customer typically by the next business day.
- Custom patented boxes for shipping. On our 7th generation with 12 different sizes for optimal shipping and cost reduction. This includes specialized wrapping and packaging to ensure all our live plants can withstand shipping in any weather.
- Offers personalized plans, and the ability to customize pots for customers.

Large \$60B Market Opportunity

Americans spend **\$56B per year** on plants with no online retailer over \$10M

Trends

Household spending on plants has **increased by over 60%** since 2015

GARDEN RESEARCH

Plant sales are soaring, even at nurseries closed due to coronavirus

Los Angeles Times

Covid lockdowns turned buying plants into the **next big pandemic trend** - for good reason

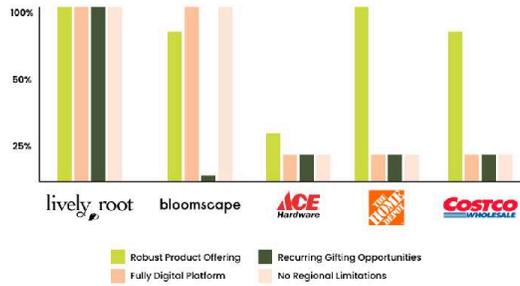
NBC NEWS

US plant sales have risen 50% in the last three years

Plant Industry Association

Competitive Differentiators

Competition lacks a comprehensive customer experience strategy



Robust Revenue Streams



Experienced Management Team

w/ over 100 years of combined experience



Colin Barceloux
CEO
Repeat Founder & Stanford MBA with last D2C startup booking over \$100M revenue



Brian Bates
Biz Development
Sales leader with a proven track record for high growth, through scalable, repeatable processes to scale



Jenna Dower
Marketing
10+ years experience optimizing and scaling top eCommerce brands & digital storefronts



John Arathoon
Operations
Over 15 years of operations experience at startups with logistics & warehouse management skills

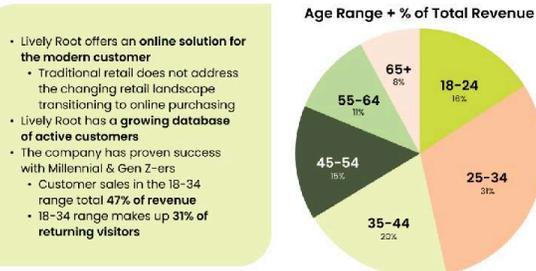


Anurag Grover
Engineering
senior engineer with 15+ years of programming & startup experience



Valuable Modern Customer Database

Lively Root has a database of over 500,000 modern consumers underserved in the traditional horticulture market



National Year-Round Reach

Lively Root launched targeting large urban city centers, and is now a national presence.





- Lively Root has customers in all 48 contiguous states with no one state representing more than 20% of total sales
- Lively Root ships 365 days a year—round in cold & hot weather. Their thermal packaging allows for shipping year-round. Competitors are very regionally & seasonally limited

Sustainable Customer Gifting



1/3 of Lively Root's Customers are shopping for a sustainable gifting option

Not only Sustainable but Beautiful!

Lively Root really made Mothers Day special. My mom LOVES her plants! I choose Lively Root for their dedication to Sustainability. This gift will be something to enjoy every day vs flowers that die after a week. Highly recommend & will be back for other gifts!

-Danielle A.

Petco Channel Partnership Case Study



Lively Root partnered with Petco as a channel provider for their entire Pet-Friendly plant category

Stage 1



Lively Root partnership will include the launch of Lively Root's broad assortment of pet-friendly products through their e-commerce platform Petco.com

Stage 2



Their partnership is expected to expand to include Lively Root's pet-friendly products inside all of Petco's 1,500+ physical stores throughout the United States.

- Petco is the 3rd largest online pet store and the 2nd largest physical pet specialty company in the US
- Petco believes there is a tremendous opportunity to merge their community of pet-owners with Lively Root's large assortment of pet-friendly products
- Lively Root sees significant near-term and future opportunities within the \$100B US pet industry
- Lively Root is leveraging the Petco partnership model as a repeatable framework for partnering with other large retailers.

Testimonials



My orders are always on time

My orders are always on time. I've never had any problems. They really care about plants and about how we get high quality plants



11/10 Customer Service!

The customer service team was exceptional. My order was a gift to a friend and was never received at her home. When I called Lively Root, they did all they could to make things right & get a new gift underway!



Best Plants Around.

I've ordered from many plant shops & have found Lively Root to be the best of all. Every plant I've received has been very healthy & grown quickly. I highly recommend Lively Root to anyone looking to add a plant pal.



You can tell they care

You can tell they care about their plants and how they arrive to their customers. 10/10 experience. Will definitely buy from them in the near future!

2022 Key Revenue Metrics

\$4.7M

Gross Revenue

127.5%

YOY Growth Rate

5.9%

Subscription Churn Rate

\$93.9

Blended Average Order Value (AOV)

3.5M

D2C Sessions

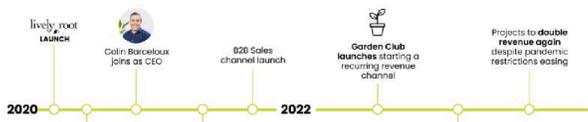
2.5%

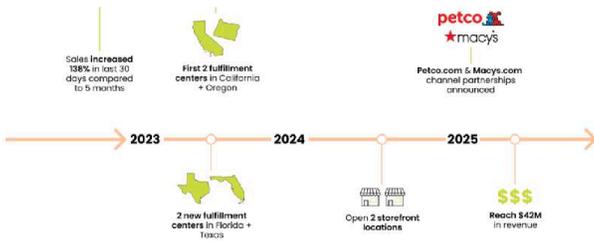
D2C Conversion Rate

3.4

LTV/CAC

Corporate Timeline





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



Note: All investments will be made via the legal entity Grow Source Technologies, Inc.