

Not Just the Kitchen.com

A P L A C E F O R W O M E N



Business Plan
May 2000

Table of Contents

Executive Summary.....	3
Not Just the Kitchen.com Profile	5
Project Description	6
Industry Analysis	11
Not Just the Kitchen.com Corporate Strategy.....	48
Marketing Strategy	51
Key Business Drivers.....	52
Sales Strategy.....	53
Barriers to Entry	54
Milestones Achieved	55
Income Statement.....	56

Executive Summary

INVESTMENT HIGHLIGHTS

- *Corporation is first to market as a Canadian Portal dedicated exclusively to women*
- *Corporation combines two successful business models (B2C & B2B)*
- *Corporation has secured several key partnerships*
- *Corporation has been in operation since 1998*
- *Corporation has consistent revenue streams*
- *Corporation has experienced management*

Not Just the Kitchen.com was founded to deliver an Internet solution to meet the existing needs of Canadian women who have been limited to American content on several key portals. The web site was designed for the purpose of delivering meaningful and informative content to Canadian women in order to save them time. Simultaneously, the site satisfies an existing demand as a venue for Canadian advertising companies.

Not Just the Kitchen.com has evolved into a B2B company that addresses the demand for unique content through syndication. The boom of the Internet economy has also provided Not Just the Kitchen.com with the opportunity for global expansion through franchising.

The corporation is evolving in a market where:

- Canada leads in Internet penetration and usage.
- Canada is experiencing rapid growth in Internet adoption.
- Traditional advertisers have embraced the Internet as a viable advertising medium.
- The growth in Internet advertising outpaces the growth of other advertising media.
- Women comprise 45% of Internet users.
- Women control or influence 80% of all household purchases.
- Women account for 47% of all online sales and are becoming the driving force in e-commerce adoption.
- Women are using the Internet to save time.
- Increase in advertiser demand for highly targeted content.
- Global demand for turn key Internet business in local markets.

The Vision

- Become the pre-eminent web site for women aged 35 and over in Canada by providing informative and relevant content
- Become an aggregator and distributor of niche content
- Become a global brand with local points of access

The Strategy

- Not Just the Kitchen.com will establish itself in the Canadian marketplace as a premier women's portal
- Not Just the Kitchen will syndicate the content providing a platform to enter new markets, increase brand recognition and lower the cost of operation
- Not Just the Kitchen will deploy a turnkey solution for the global Internet economy offering franchise solutions in new markets

Not Just the Kitchen.com Profile

General Company Overview

Not Just the Kitchen.com began with two simple questions:

- What information and experiences do Canadian women need to share?
- How can Canadian advertisers explicitly target Canadian women on the Internet?

Not Just the Kitchen.com evolution:

- Distribution of the original content as seen on Not just the Kitchen.com to other media properties (Syndication)
- Create a turn key Internet business solution in new markets and reinforce the brand (Franchising)

The creation was motivated by two unique yet complimentary realities:

- Canadian women's frustration with the lack of meaningful and informative content.
- The Global boom in the Internet economy

☞ *The result of one year of business operations has provided us with research and validation from key industry participants.*

☞ *The market potential of a Canadian portal dedicated exclusively to women is apparent.*

☞ *The understanding and experience of the management of the Internet economy is the underlying notion for global expansion.*

Project Description

Not Just the Kitchen.com: The master franchise of the Canadian Women's Portal

Not Just The Kitchen.com encompasses:

- 13 High-Demand Channels
- Updated content (Daily, Weekly, Monthly)
- Best of breed partnerships (content & e-commerce)

Not Just the Kitchen.com's goal is to deliver premium content in a timely fashion, providing value for users, advertisers and partners.

The content is organized around 13 channels

Providing Valuable Timely Information is Key in attracting new users

- Information is clearly organized into 13 "channels", providing "sub-channels" within each one. The site combines content, graphic and interactive elements together in a cohesive and entertaining manner.
- One of the most effective ways of building visitors' "stickiness" is to keep the content fresh. Updates are performed regularly on all channels.

Information Updated on a Daily Basis

Daily content displayed on Not Just the Kitchen.com's home page ensures quick information retrieval. This formula enables Not Just the Kitchen.com to remain consistent in providing the target market with relevant information in order to save time. The daily content includes:

- Daily news and major headlines from Reuter's news (including links to Popular Canadian newspapers;
- Weather forecasts specific to geographic region;
- Horoscope, lottery results, and daily humor;
- Stock quotes and quotable quotes of the day (from/about women);
- Survey results on topics of interest to women

Other Pieces of Information are Updated on a Weekly (or Monthly) Basis

Not Just the Kitchen.com develops a majority of the content internally. In house studies on the various topics of interest to women create value for the user. Additional content is sourced out from pre-arranged agreements with content providers in response to popular demand, thereby reducing the risk of losing the user to other sites.

Beauty	
Fashion	
Money	
Relationships	MONTHLY
Automotive	
Food & Wine	WEEKLY
Travel (Business and Leisure)	
Entertainment	DAILY
Gardening	
Decorating	SPECIAL EVENTS
Career	
Sports	
Health	

Every Channel has been Structured to Maximize Content and Sponsorship Opportunity. The Common Features Include:

- **Articles & Studies (Content):** Not Just the Kitchen.com's editorial team (and content providers) provide articles and results from studies on a regular basis.
- **Advice from Experts:** Not Just the Kitchen.com pools recognized experts and opinion leaders who provide advice, suggestions, new ideas, and reply to women's questions by e-mail on a continual basis.
- **Archives:** All articles and tips are easily retrieved using this service.
- **Search Engine:** Visitors search for frequently answered questions and articles using key words and phrases.
- **Contests:** On a voluntary basis, visitors are asked to submit articles that are rewarded with prizes. (conducting studies, sponsorships, entertainment)
- **Affiliate Programs:** Not Just the Kitchen.com has developed relationships with selected brand-named retailers and merchants to sell their products and services directly to women, thereby, collecting referral fees.
- **Message Boards:** These boards allow women to share information and experiences with each other. The message boards provide a reliable source for gathering information.

Not Just the Kitchen.com Consists of 13 Channels Organized by Subject Matter. The Channels Cover Leading Topics of Interest to Women online, Such as:

- **Beauty:** This channel features articles on beauty related issues, such as personal hygiene, cosmetics, skin and hair care;
- **Fashion:** This channel outlines information about fashion-related issues, such as seasonal styles, a review of fabrics, leather, shoes and accessories;
- **Money:** Finance and money-related issues are discussed in this section (e.g. savings, personal and business loans, mortgages, mutual funds, currency fluctuations, stocks and bonds, credit and debit cards);
- **Relationships:** Articles on relationships are found in this section (e.g. women vs. men, children, friends or her parents);
- **Automotive:** This channel relates to automobile-related issues such as comparisons of vehicles, highlights of new models, safety issues, tires, accessories, winter driving, child/baby seats, air bags and comparative analysis of lease vs. buy options;
- **Food & Wine:** For example, this section provides food facts and recipes, evaluates cooking utensils and equipment (and provides recommendations), recipe evaluation for contests, etc.;
- **Travel (Business and Leisure):** This channel features articles on popular destinations, on how to manage fatigue and jet-lag, where to eat, how to avoid awkward situations, online booking. As well, information on taxis, car rental companies, airlines and train travel will be provided.

Channels provide the user with an opportunity to make transactions with our strategic e-commerce partners.

- **Entertainment:** The channel outlines information about museums and galleries, interesting places to visit, parks, beaches and picnic areas, shopping malls and theatre listings with reviews, etc.;
- **Gardening:** Provides articles on outdoor and indoor gardening (e.g. lawns, bushes & hedges, flower gardens, tree maintenance, soil & composts, potting plants, fertilizers, tools & equipment, furniture);
- **Decorating:** This channel features articles on interior decor (e.g. kitchen, bathroom, living & dining rooms, bedrooms and family rooms);
- **Career:** This channel outlines information about becoming an entrepreneur, managing your boss, office politics, review of non-traditional jobs for women, preparing effective resumes and preparing for a job interview, etc.;
- **Sports:** Sports-related issues are discussed in this section such as newest equipment, fashion items, hiking, walking, running, water sports, golf, tennis. Indoor activities including exercise such as aerobics, yoga, tae-bo, kick-boxing and use of weights are discussed;
- **Health:** Provides articles on a large variety of health-related issues interesting to women, including laser surgery, mammograms, menopause, PMS, etc.

Additional Features:

Community of Interests, Women's Contributions and Online Learning Centre

Building a Community of Interests

- The most important thing humans need to do — socially and commercially — is to connect with others. Not Just the Kitchen.com is then committed to build the first community of interests for Canadian women.
- Women need a convenient arena or forum where they can interact. On the net, that arena is created electronically via mailing lists, bulletin boards or chat rooms. That arena provides a window into what's going on around women and a sense of connection and intimacy with others.

A Community Starts with Women Sharing Experiences with Each Other

Encouraging Women's Contributions to the Site

- Women are encouraged to provide articles, feedback, comments, and reviews on existing content and share their own experiences. This not only adds valuable content and depth, but gives the user an investment in the site, thereby, encouraging repeat visits and a sense of belonging to a community. The most poignant use of Web community is when you give people a voice.

Providing On-line Learning Forums

- The Internet is also revolutionizing the way people learn. Not Just the Kitchen.com provides Canadian women with the opportunity to virtually attend the learning forum. Using normal computers and phone lines, an instructor giving a course speaks live audio into the computer and is heard real-time by students anywhere on the Internet. The instructor also pushes pages or slides to students to illustrate the spoken presentation. Students can type questions and responses to the instructor and to other students, answer pop quizzes, or raise a "digital hand" to signal the instructor to slow down or repeat a point.

Underlying Technological Foundation

The existing server hosting the Not Just the Kitchen.com site has been selected to ensure a fast and reliable service. Moving forward, robust and scalable hosting and technical services will be provided by an ASP (Applications Service Provider)

In addition:

- Not Just the Kitchen.com will provide Canadian women with e-mail technology (Anna@Not Just the Kitchen.com) that will be handled by competent third parties.
- Technology enables visitors to design their own personal web pages and make Not Just the Kitchen.com's web site their "home page". A customized Not Just the Kitchen.com is a great starting point for users

Not Just the Kitchen.com will use DART Technology for Managing its Advertising

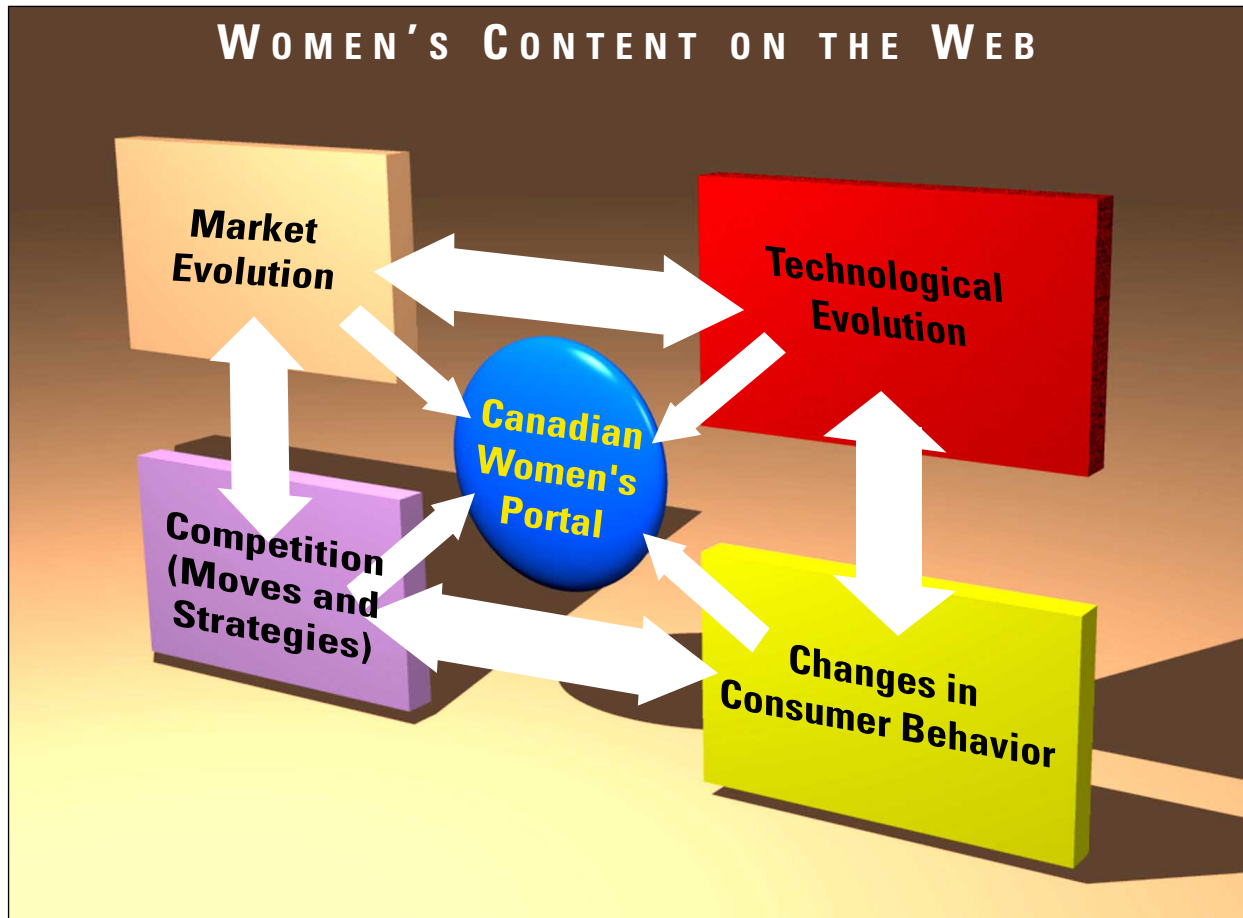
- DoubleClick's DART (Dynamic Advertising Reporting and Targeting) technology provides sites with a scalable, reliable and high-performance Internet advertising infrastructure. DART, which served 17 billion ads in September, continues to emerge as the industry standard in the full service advertising technology arena. Over 10,000 sites worldwide use DART, including Alta Vista, The Wall Street Journal Interactive Edition, The Globe.com, CBS SportsLine, Excite Europe, Infoseek and Bloomberg.

Not Just the Kitchen.com uses Computer-Based Training Technology to Provide Online Learning Seminars

- HORIZONS (HorizonLive.com)'s technology blends the best of classroom and computer-based training in an easy-to-use classroom atmosphere—live over the Internet. Running entirely within a standard Web browser over a standard Internet connection, the HorizonLive.com system will allow Not Just the Kitchen.com to provide learning seminars to Canadian women in a user-friendly atmosphere.

Industry Analysis

Several industry forces will affect Not Just the Kitchen.com's development



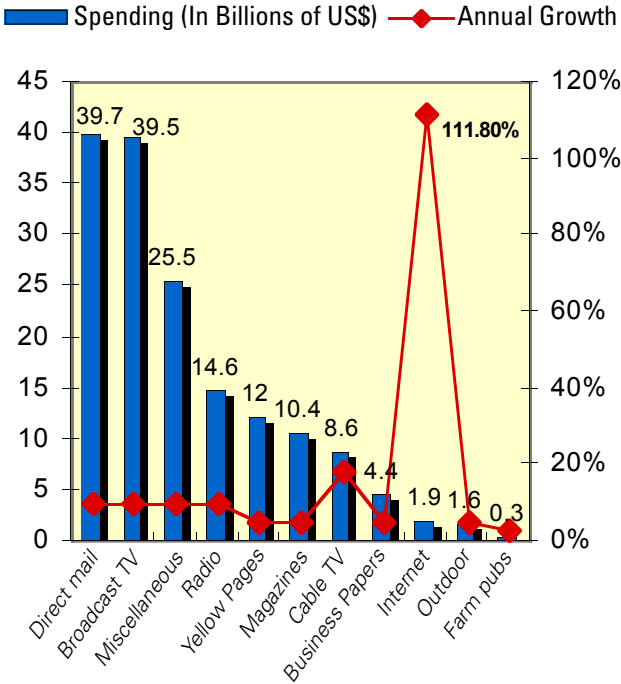
Several market, competitive, consumer and technological forces are currently defining the business model for women's web sites.

Traditional marketers are embracing the Internet as an advertising medium

- In 1998, US Internet advertising spending has surpassed that of outdoor advertising (e.g. billboards) and farm publications in the race for advertising dollars, according to the Internet Advertising Bureau and Pricewaterhouse Coopers.
- The Annual growth rate of Internet advertising far surpasses that of any other media. With a rate of 111.8%, the next best percentage was posted only by cable television at 13%.

Not Just the Kitchen.com has established revenues and continued growth from the outset of its development.

1998 US Advertising Spending (Traditional Media vs. Internet)



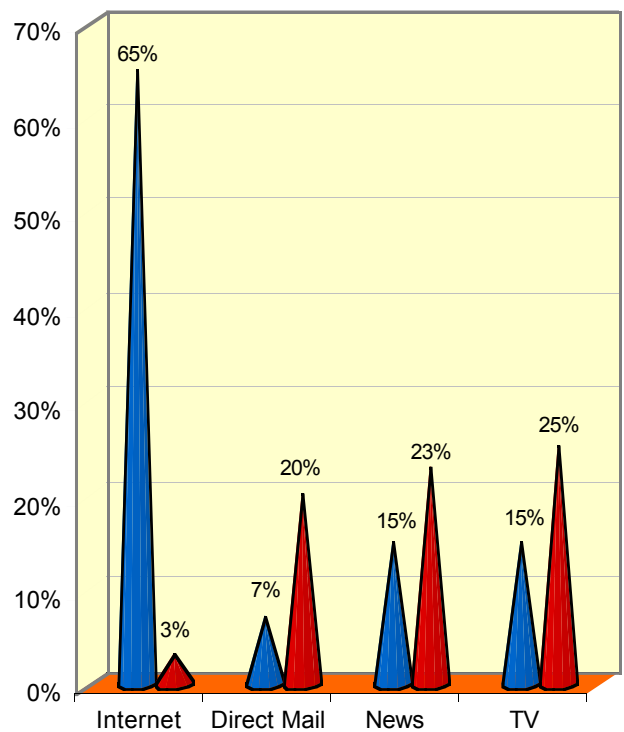
Internet advertising will continue to outpace traditional media over the longer term.

Not Just the Kitchen.com will be able to sustain its development over the long-term as advertising dollars for the Internet will continue to expand. As the market becomes more saturated, the higher demand for quality content will be apparent.

Not Just the Kitchen.com's syndication model ensures long term viability. Truly a win-win situation.

US Advertising Growth (1999-2002):
Internet versus Top Traditional Media

■ CAGR(1999-2002) ■ Market Share in 1999 (Advertising Market)



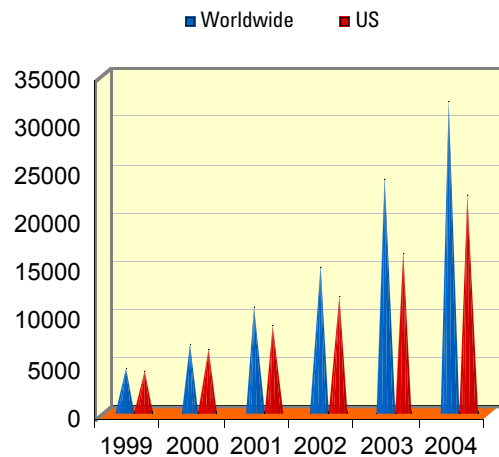
On-line advertising revenue will continue to increase in Canada

The Worldwide Internet Advertising Market will Grow to 33 Billion US Dollars by 2004 and Online Advertising Revenue will Continue to Soar in Canada.

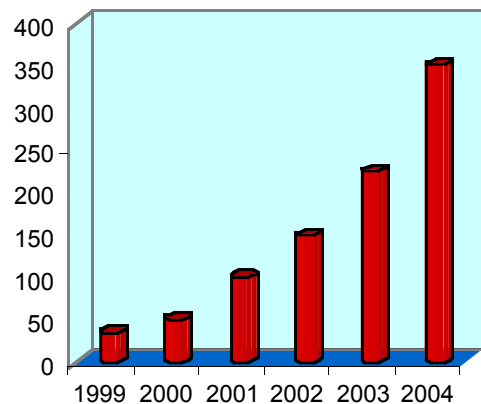
- The Canadian Internet Ad spending will increase by more than tenfold from 1999 to 2004. In 1999, Canadian Internet advertising jumped from 26 million US\$ in 1999 to an estimated 345 million US\$ in 2004.
- The US Internet Ad spending will top a 22.2 billion US\$ by 2004 (it already represents 5 billion US\$ in 1999-2000).

Not Just the Kitchen.com geographical market (Canada) is set to outpace global and US advertising spending over the next five years.

Worldwide and U.S. Internet Ad Spending (In millions of US\$)



Canadian Internet Ad Spending (In millions of US\$)

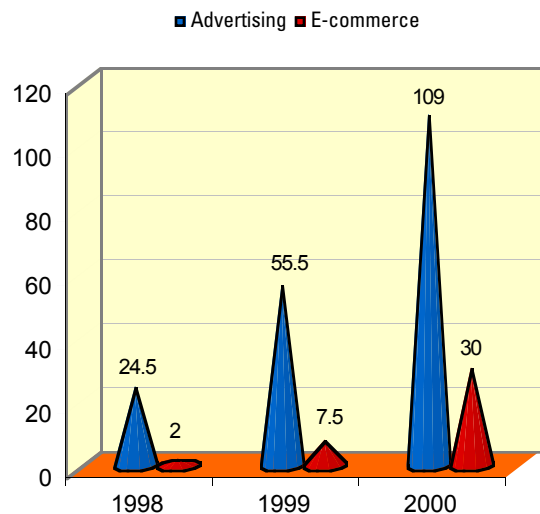


Advertising revenues are still the primary source of Internet revenues in Canada

- According to Ernst & Young and IAB Canada (1999), ad revenues were 55.5 million CDN\$ for 1999. In 2000, revenues are projected to reach 109.0 million CDN\$. Advertising revenue will continue to be the primary driver of revenues, but e-commerce revenue sources (ranging from direct selling of products, subscriptions, and affiliate programs) are becoming increasingly significant (representing 30.0 million CDN\$ for 2000).

Not Just the Kitchen.com's revenue focus is advertising based, however through strategic partnerships, e-commerce has become a more significant revenue stream

Internet Revenue Sources in Canada
(In millions of CDN \$)



Internet Advertising Growth Drivers

The increase in Internet Ad spending is caused by the following factors:

- Increasing number of users are coming online;
- Users are becoming more comfortable with online purchasing;
- Marketers are being allocated larger advertising budgets and focus increasingly on Internet advertising; and
- New technologies permit more defined targeting of specific users.

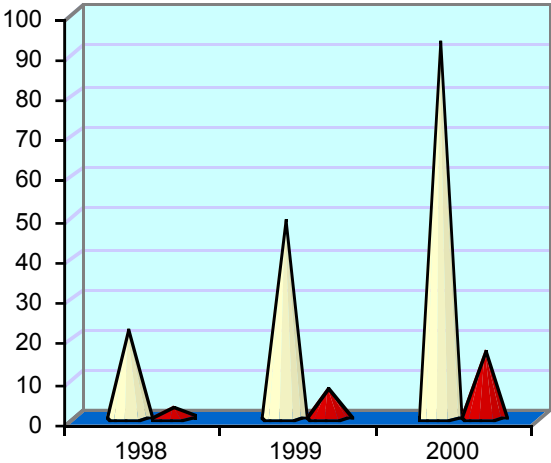
English Internet advertising revenues dominate in Canada

English Advertising Revenues Dominate in Canada, but French Advertising Revenues are Growing More Rapidly

■ Annual revenue growth from French ads grew 180% in 1999 and a further 136% in 2000. This outpaces revenue growth from English ads, which is projected to grow 90% for 2000. However, revenue from English ads will account for 85% of total annual advertising revenues in 2000.

Not Just the Kitchen.com will continue to focus on English Canada as a primary market and move into French Canada for Q4 2000 as part of Not just the Kitchen.com's first franchise transaction.

French & English Advertising Revenue in Canada
(In million of CDN \$)
■ English ■ French



Five industries account for more than 58% of total Internet advertising expenditures

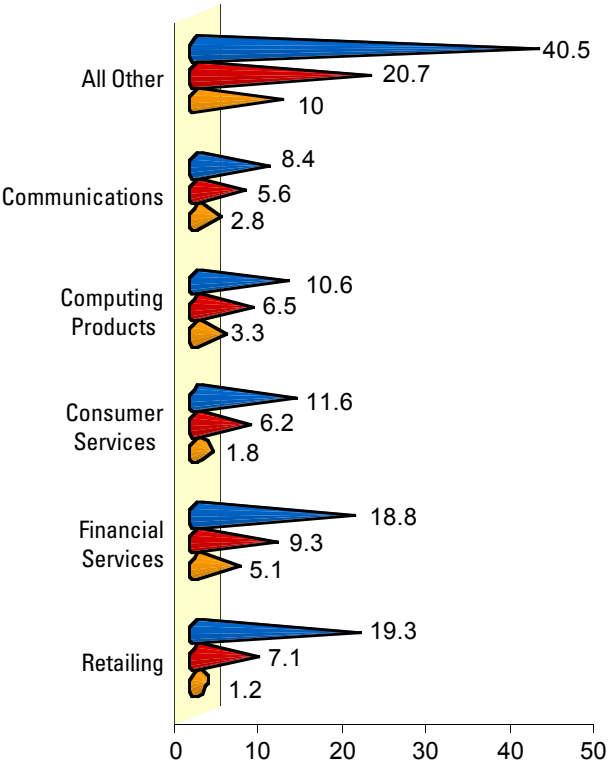
■ The top 5 industries buying ads are retailing, financial services, consumer services, computing products and communications. Retailing is expected to be spending 19.3 million in 2000; experiencing an annual growth rate of 491% in 1999 and of 172% in 2000.

Not Just the Kitchen.com has sought out key players in these five industries. Sponsorship commitments valued at over \$4 million CDN are in place, contingent on gaining market share.

Current advertising trends indicate packaged goods as a major advertiser in 2000

Distribution of Total Internet Advertising Expenditures by Top Industries in Canada (In millions of CDN \$)

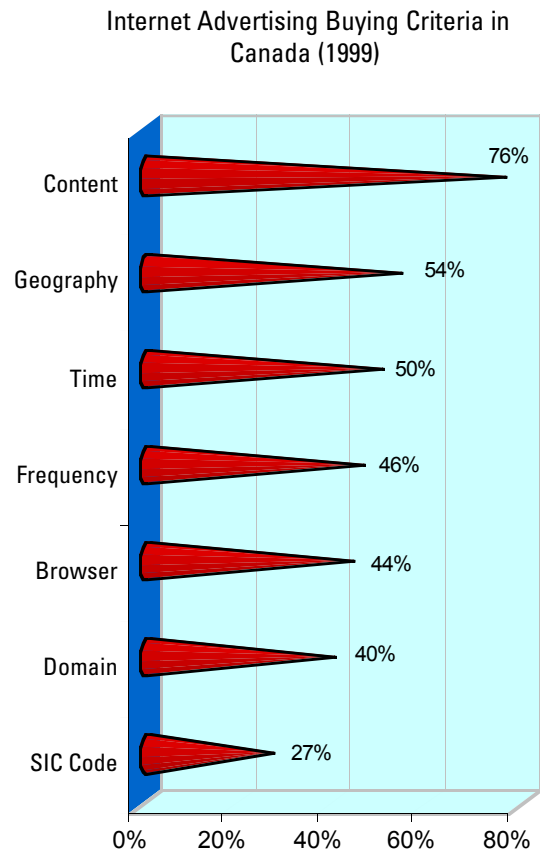
■ 1998 ■ 1999 ■ 2000



Content and geography are key in recruiting Internet advertisers

- According to Ernst & Young and IAB Canada (1999), advertising buying criteria for online media planning are as indicated in chart below.

As a Canadian site targeted to women, Not Just the Kitchen.com fulfills the Internet advertising market's top buying criteria. DART inventory management satisfies the remaining criteria.



Banner advertising remains the dominant format in Internet advertising revenues

- Banners remain the predominant type of Internet advertising, however, sponsorships are second and growing rapidly.

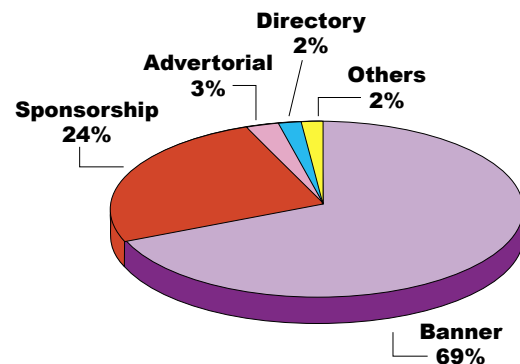


Typical ad banner

Not Just the Kitchen.com has provided advertisers both formats since the initial stages of its development.

Distribution of 1999 Ad Revenue by Format

While banners continue to be the most popular advertising format, sponsorship revenues are gaining prominence (up from 34% from 1999)



Sponsorship (Growth Drivers)

50% of the respondents to the Quicken.com survey (1999) said the main benefit of sponsorships is gaining new customers. The two most cited reasons for the growing popularity of sponsorships are:

- The advertiser's ability to be explicitly associated to specific content (38%);
- The ability to build brand awareness (34%)

*Continued technological evolution
will increase consumer adoption and
usage*

Declining Hardware Component Prices

- Although the potential for growth in the Internet is tremendous, high PC prices have so far hindered further market expansion. However, as the cost of hardware components continues to decline, the rate of market expansion will resume an upward trend. (**
www.freepc.com, www.peoplepc.com)

The Development of Sophisticated Encryption Protocols

- In order to ensure transaction security over the Internet or external networks, many software companies are developing sophisticated encryption protocols.
Not Just the Kitchen.com partners encompass these and other SSL services.

Technological Advances in Hardware and Software

- Technological advances in hardware (i.e. better networking solutions, less bandwidth limitations) and software (i.e. better user interface, efficient algorithms) create better web sites, as these new features are incorporated into the network.
Not Just the Kitchen.com consults with Razorfish (Nasdaq:RAZF) to maximize resources.

The Popularization of Web Design Languages

- The popularization of certain Web design languages (i.e. XML, HTML, JAVA) has prevented the Internet from getting bogged down by incompatibility issues. As a result, companies can easily adopt an existing architecture when designing their Web interfaces. Not Just the Kitchen.com consults with Razorfish to remain competitive in this area.

*Technological
evolution will continue
to drive Internet
adoption and usage;
these technology
drivers continue to
benefit Not Just the
Kitchen.com's
development.*

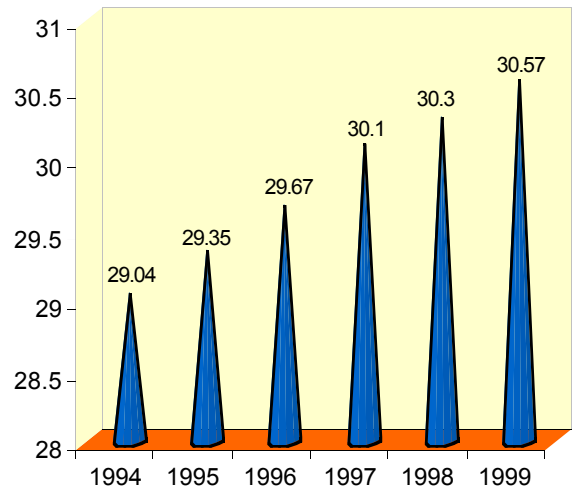
Canada's population will continue to grow

Overall Canadian Population is Growing

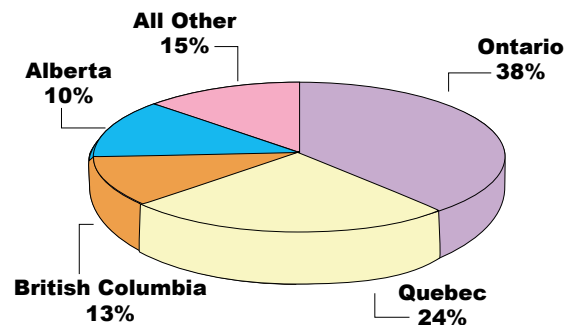
- Over the last 5 years, the Canadian population has grown by a compound annual growth rate of 1.03% from 29 million in 1994 to 30.6 million in 1999. Moreover, the 4 provinces of Ontario, Quebec, British Columbia and Alberta account for 85% of the overall Canadian population.

Not Just the Kitchen.com's focus on English Canada will give it coverage to approximately 76% of the Canadian market.

Canadian Population (1994-1999)
(In millions)



Percentage of Canadian Residents by Province
(1999-30.6 million)



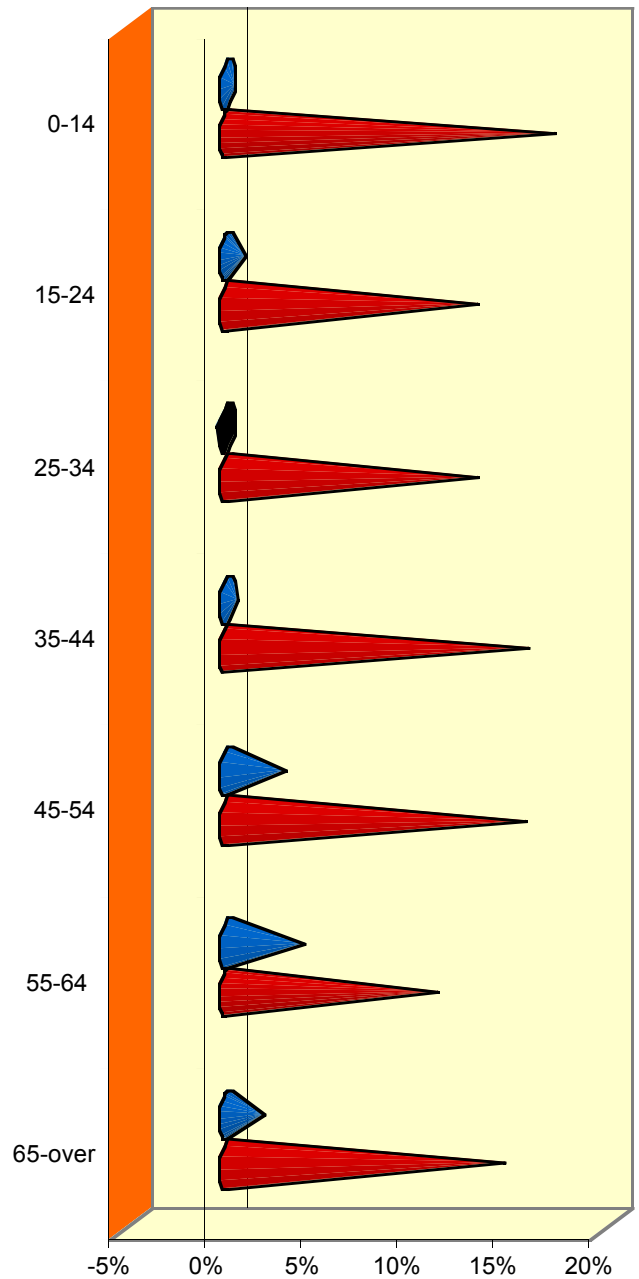
Canadian Women Population Evolution (1996-2006, by Age Group)

The 35+ age categories are expected to lead in growth among women

Not Just the Kitchen.com clearly benefits from the population evolution as the primary target audience is the 35+ category.

Canadian Women Population Evolution (1996-2006, by Age Group)

■ % of Total Canadian Women (2006) ■ CAGR (1996-2006)



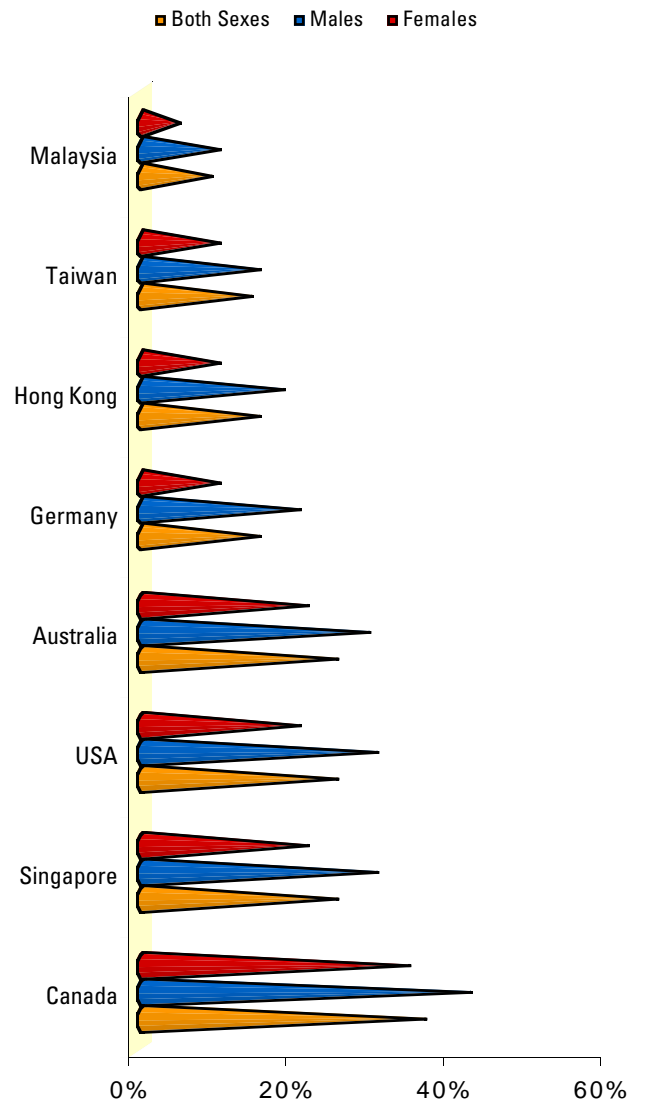
Canada leads in Internet penetration

According to the ACNielsen NetWatch study (1999),

- Canada has 38% of its population using the Internet;
- Canada also finishes first with regard to its percentage of females using the Internet (34%)

*Not Just the
Kitchen.com
operates in
an Internet-
savvy
market.*

Percentage of Population Using the Internet Across Nations (Male, Female)



81% of Canadian users access on a weekly basis

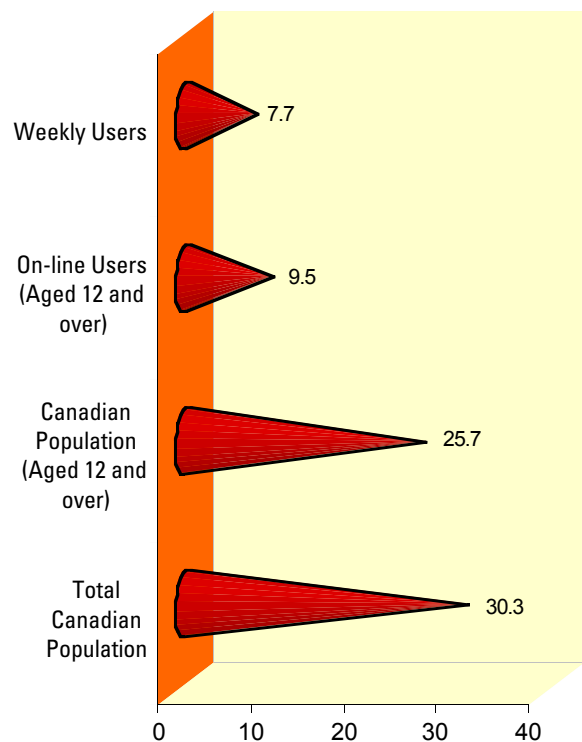
The Canadian Internet User Community Continues to Grow

According to the ACNielsen Canadian Internet Survey (1998):

- 37% (9.5 million) of Canadians (ages 12 to 65) are now online users. This is up from a penetration level of 31% a year ago, and represents a growth rate of 20%.
- Some Canadians use the Internet more often than others. For instance, 30% (7.7 million) of the Canadian population uses the Internet at least on a weekly basis. Similarly, ComQUEST Research (1999) found 7.6 million weekly users in Canada.

Log files indicate that 30% of the users access Not Just the Kitchen.com's site on a weekly basis. (Minimum)

Canadian Population Online (1998, In millions)



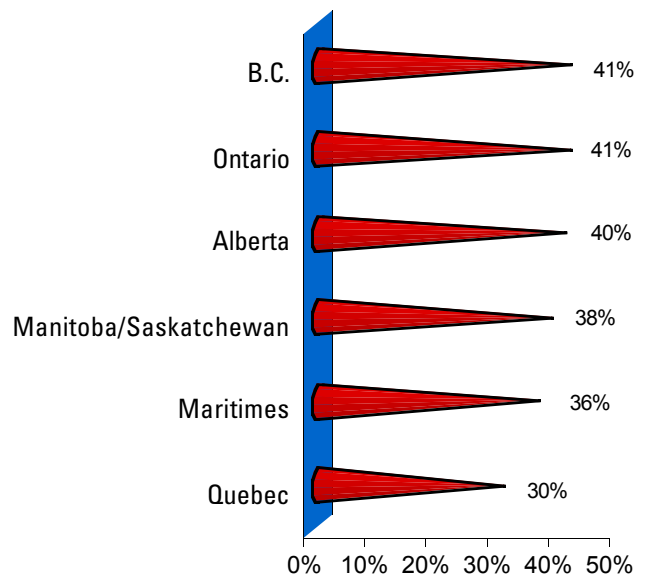
English Canada leads in Internet penetration

Ontario, British Columbia and Alberta Continue to be the Most Heavily Penetrated Regions in Canada

- In 1998, the ACNielsen Canadian Internet survey demonstrated that Ontario, BC and Alberta still remain the most heavily penetrated provinces.

Through its initial English Canada focus, Not Just the Kitchen.com will continue to grow in these markets.

Canadian Population Online (1998, by Regions)

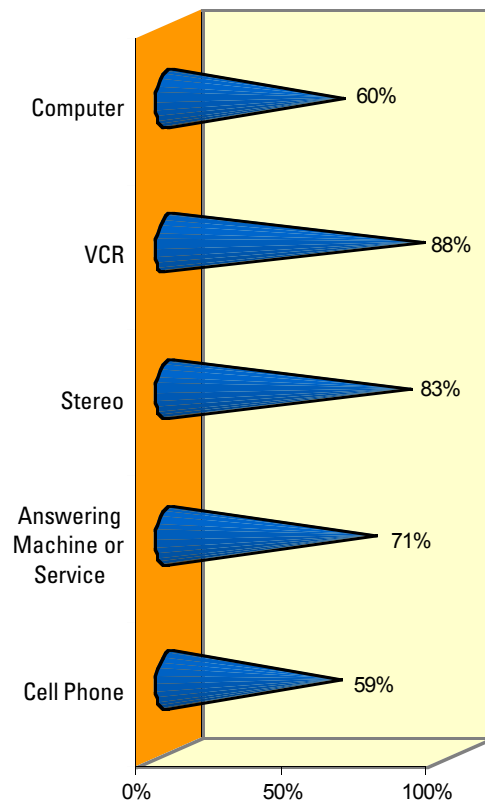


Canadians are technically prepared to use the Internet

- According to the Pollara survey (1999), 60% of Canadian households have at least one computer. The home computer is becoming as common as many other mainstream consumer electronics products, such as the VCR, stereo and answering machine.
- The relatively high cost of buying a computer—compared with other consumer electronics products—seems to be the main obstacle that prevents Canadians from going online for the first time. According to Pollara (1999), more than half of the people who are not currently using the Net say it's because they don't own a computer.

Computer hardware is becoming less of a barrier for Canadians to access the Internet.

Canadians and Technology
(Penetration Rate, %)



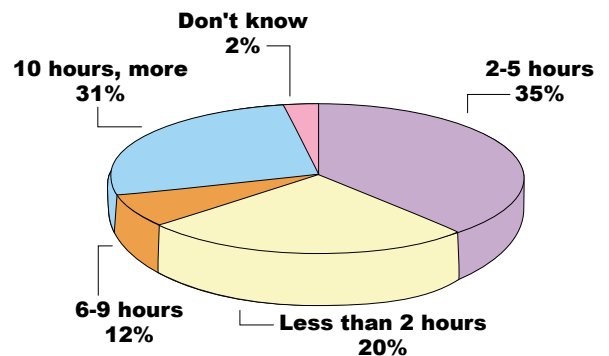
Canadians spend on average two hours a week or more online

Most Canadians Wired to the Internet Spend at Least 2 Hours On-line Each Week From Home

- According to the Pollara survey (1999), most home users (78%) spend at least two hours online each week. One-third say they use the Internet for ten hours or more each week. (These numbers include time spent sending or receiving e-mail);
- In addition, 75% of home users say they use the Internet as a source of information about products. Canadians even log on from work (58%) to gather product information;
- 75% of Canadian users surveyed identified e-mail as their most frequent activity on the Internet. As well, Internet users are actively searching for local information, news and consumer information.

Not Just the Kitchen.com is in the process of providing free web-based e-mail for registered users and has affiliations with a major provider of search technology.

Hours / week Spent on the Internet at Home



E-commerce remains in its infancy in Canada

According to the Pollara survey (1999):

Very few Canadians are actually spending money on the Internet. 87% say they have never bought anything on the Net.

- Web shoppers (13%) tend to be relatively young, affluent, and well educated. 56% of Canadians who bought something online last year had a household income of \$100,000 or more. Nearly half of those who purchased more than 5 items are in the 18-34 year-old demographic; 47% have a university degree.

It seems that Canadians are using the Internet frequently to gather information about products and services, even if transactions are not made online. The trending up of e-commerce purchases is inline with Not Just the Kitchen.com's e-commerce strategy and forecast.

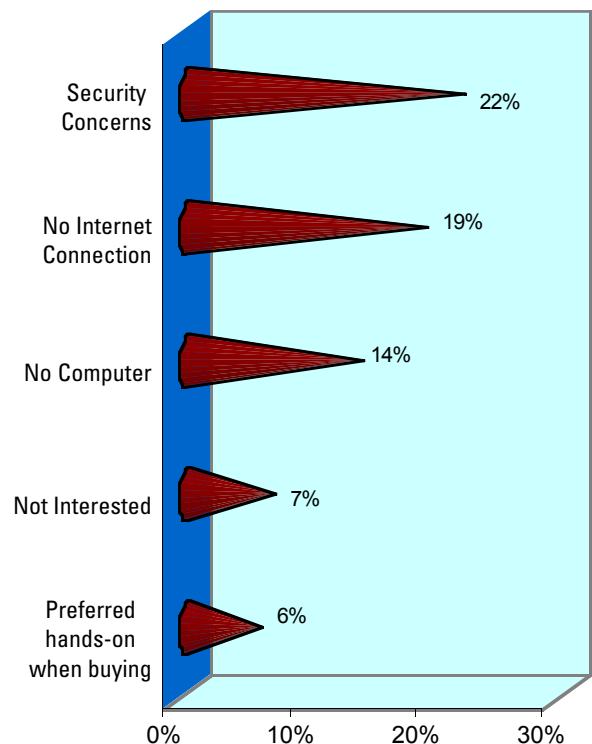
- More than two-thirds of Canadians (71%) have a credit card.

Four out of five (86%) have a bank card but Canadians are not using them much online.

- Security concerns are the primary issue for potential consumers. Also, the lack of Canadian e-tailers is a major barrier in online purchases. The majority of online purchases require the user to buy from a property outside Canada that is subject to currency exchange, shipping and customs costs. Not Just the Kitchen.com has addressed these issues by providing name-brand retailers without the security or transaction issues that prohibit Canadians from buying online.

Not Just the Kitchen.com is inline with the e-commerce strategy and the continued growth will foster greater leverage with future partners.

Top Reasons why Canadians Don't Buy Online



Women are narrowing the “Internet Gender Gap . . .”

Women Surfers, Once a Minority, are Flocking to the Internet, Constituting Nearly Half of Online Users

According to the ACNielsen Canadian Internet Survey (1998):

- More Canadian females became Internet users in the last year than males. Consequently, the traditionally male-skewed gender ratio has narrowed, to 51% male and 49% female.

According to the report “Internet User Trends: Year-End 1998” by The Strategis Group:

- Use of the Internet by adult females in the US rose from 16% in mid-1997 to 38% by the end of 1998.

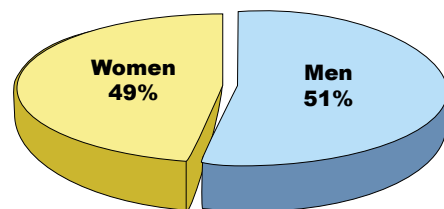
. . . and driving overall Internet adoption

According to a study released by CommerceNet and Nielsen Media Research (April 1999):

- 46% of the 92 million Internet users (adults, 18+) in North America are women, compared to 43% two years ago.

As women continue to narrow the Internet gender gap, Not Just the Kitchen.com will experience growth in its user base.

Internet Gender Gap
(% Using Internet, in US)



Women are becoming a driving force in e-commerce

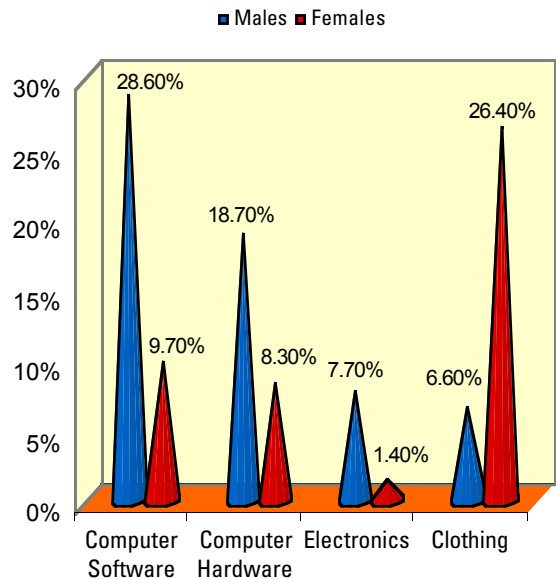
This Increase in Female Internet Usage, and the Mainstreaming of the Internet in General, is Changing the Way People Shop on the Internet

According to the "Internet User Trends: Year-End 1998", by the Strategis Group:

- The demographic change is impacting what type of goods are purchased online and largely explains why clothing, for example, is one of the fastest-growing categories of e-commerce, as female online purchasers buy clothing at a 4:1 ratio compared to males. Alternatively, men buy software at a 3:1 ratio and electronics at a ratio exceeding 5:1.
- 41% of today's 55 million shoppers are women, compared to 36% over the last 2 years. (Neilson. April 1999)

Not Just the Kitchen.com will address the higher demand categories as priority when expanding the e-commerce strategy.

Different E-Commerce Tendencies of Men and Women
(Percentage of Internet Purchasers-1998)



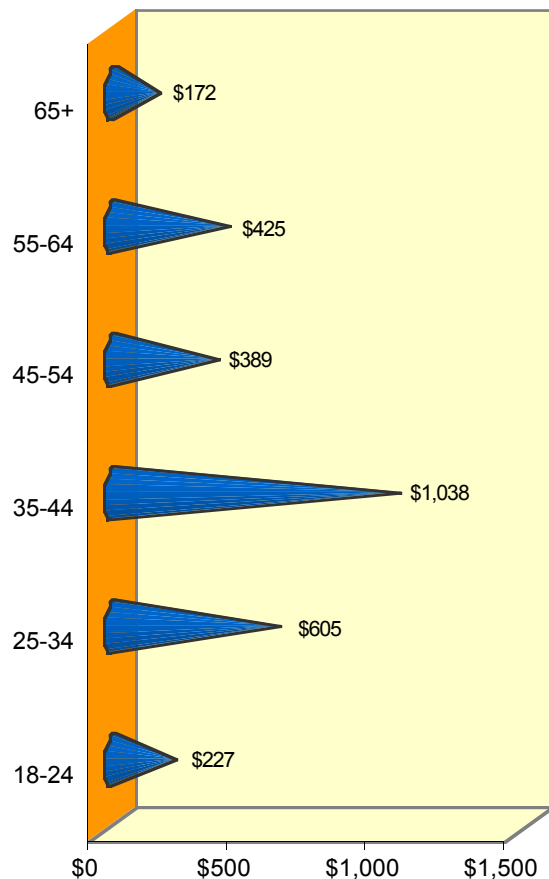
Women (Aged 35-44) spend significantly more on the Internet

According to the Angus Reid survey (1999):

- 14% of all Canadian women have already purchased products and services online.
- Average dollar amount spent for the age category was \$1,038CDN

Not Just the Kitchen.com will continue to enjoy success as the spending patterns of the targeted demographic category increase.

Amount Spent On-line Per Age Group



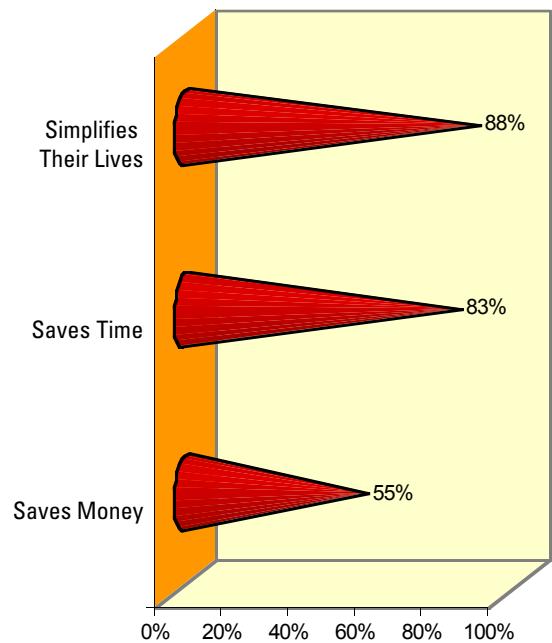
Women use the Internet to simplify their lives

A study by America Online and The Business Women's Network (BWN) (1999) found that:

- 84% of women say the Internet saves them time in every aspect of their lives;
- Nearly all (96%) of the women surveyed have researched products online;
- Working women use the Internet more than 14 hours per week, and more than half go online more than once a day;
- More than half of working women currently online use the Internet for work purposes, and two-thirds have used the Internet to learn about careers and career advancement. Almost half of working women have used the Internet to find a job.

Not Just the Kitchen.com addresses these concerns through the design, strategy and marketing of the site.

Women's Reasons To Go Online (1999)



Women are more responsive to Internet ads

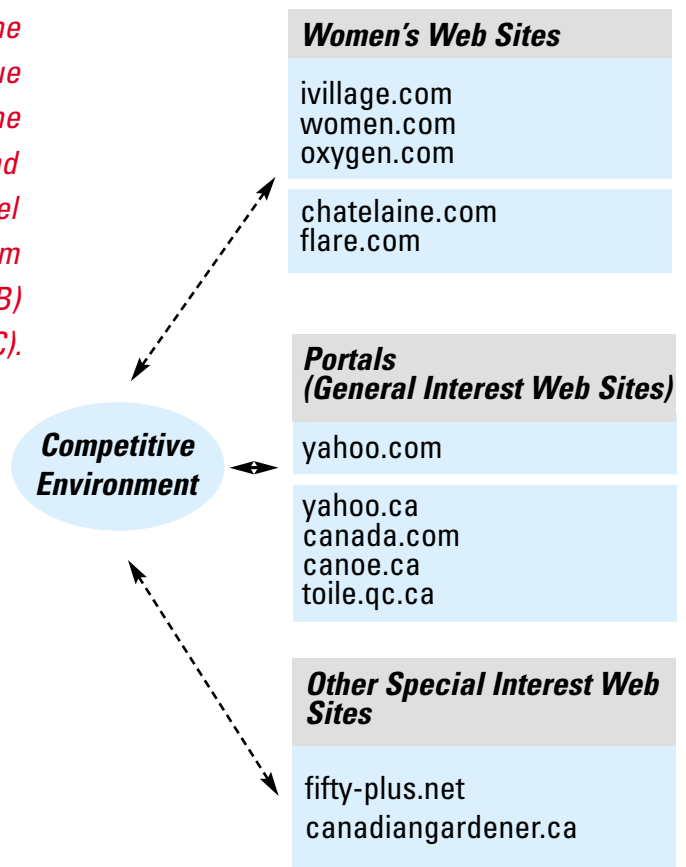
According to a survey of 2,812 Internet users conducted by PC Data (1999):

- Men are not as motivated to click on an Internet banner ad as women. When asked how often they clicked on an Internet banner advertisement, 51% of women and 43% of men said they do so occasionally.
- Animated ads are the most popular with all respondents (70%), followed by non-animated ads (23%) and pop-up ads (7%). Non-animated ads appeal more to men (25%) than women (20%). Pop-up ads are the least favored by both sexes at 6% for men and 8% for women.
- Respondents rank curiosity about the subject of the ad (61%) as their primary motivator behind banner clicks, rather than discounts (10%) or familiarity with the product (10%).
- When clicking banner ads, women (63%) are motivated more by curiosity than men (59%).
- Although women enjoy animated ads, it is not the graphic content alone that makes them click through. Highly targeted ads that employ animation are frequently the real winners.

Not Just the Kitchen.com works with the advertisers to address these preferences in order to enhance the campaign's performance and web site's revenue. As performance-based advertising increases, the need for high-performing campaigns is essential. Not Just the Kitchen.com gathers user information and activity to ensure future campaigns meet the demands of the users and advertisers.

Not Just the Kitchen.com competes against general interest and special interest sites

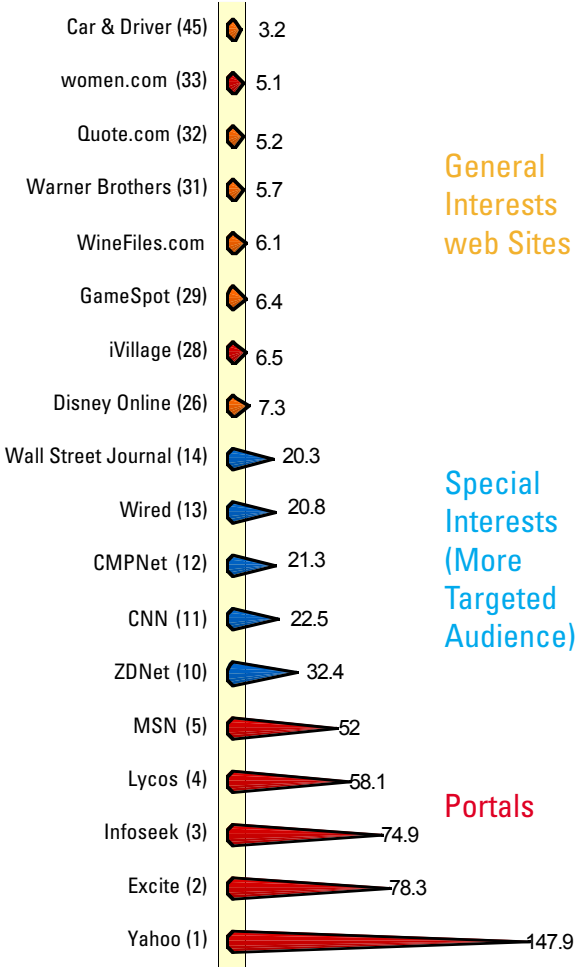
Not Just the Kitchen.com's unique position in the marketplace and business model generates revenues from web properties (B2B) and advertisers (B2C).



Women's web sites figure among the top 50 list in terms of overall revenues

Among more specialized web sites, women's web sites (iVillage.com and women.com) play a dominant role in attracting revenues.

Top Web Sites by Revenues (1998, In millions of US\$)



iVillage.com differentiates itself through its proprietary content



Corporate Snapshot

Principal place of business: New York, NY
Number of employees: 200
Primary industry classification: Information retrieval services
CEO: Candice Carpenter (Co-founder)

Corporate Strategy

To become the pre-eminent online network of sites tailored specifically to the interest and needs of women using the Internet.

Primary Sources of Revenue

The corporation derives 73% from the sale of sponsorship and advertising contracts ranging from one to three years. The balance of revenues stem from commerce revenues from iBaby, iMaternity and Astrology.net.

Financial Snapshot

Sales: 15 million US\$
Total Assets: 46.8 million US\$
Net Income: (43.7) million US\$
Market Capitalization: 738.7 million US\$ (October 22, 1999)

Target Market and Key Differentiator

The corporation targets university educated, middle to high income women aged 25 to 49.
The corporation differentiates itself from the competition through its proprietary content.

Key Features

The corporation features sixteen channels covering a variety of: family, health, money, food, relationships etc. The corporation also provides free e-mail, news and horoscope feeds as well as links to third party and corporate-owned virtual stores.

iVillage.com entered e-commerce in the second phase of its development



July 1, 1995

- iVillage CEO and Editor-in-Chief Nancy Evans launches iVillage with seed money from AOL

1996

- Acquires ParentsPlace.com, an Internet content provider

1997

- Acquires Health Response Ability Systems, an Internet content provider from AOL in exchange for iVillage shares
- Acquires Health Student Center LLC, an Internet content provider

1998

- Enters into a joint venture with Ourbaby LLC and creates iBaby
- Acquires AboutWork, an Internet content provider
- Enters into agreement with NBC by which NBC will provide advertising on the NBC network and on Snap.com and NBC.com in exchange for shares in iVillage
- iVillage goes public

1999

- Purchases balance of iBaby it does not already own
- Acquires Astrology.net, an Internet content provider
- Acquires Online Psychological Services Inc. an Internet content provider

iVillage.com relies on six key drivers to fuel its business expansion



- ***Pursue Strategic Acquisitions and Alliances***
- ***Increase Sponsor and Advertising Revenues***
- ***Generate E-Commerce Revenues***
- ***Continuously Enhance and Expand the Network***
- ***Aggressively Grow Membership***
- ***Build Strong Brand Recognition***

iVillage.com addresses each business driver through several action points



Build Strong Brand Recognition

- Has over 30 online distribution partners
- Has begun off-line relationships with NBC and AT&T to promote iVillage through TV and mass media advertising

Aggressively Grow Membership

- Increases membership through member promotions, interactive service, community building and relationships with women's organizations
- Plans to transition part of its programming to member-only areas

Enhance and Expand the Network

- Expands the number of channels and the content on existing channels
- Develops channels with sponsors and media partners in order to maintain low development costs

Pursue Strategic Acquisitions and Alliances

- Bolsters traffic by acquiring other strategic high traffic sites
- Enters into alliances with larger companies to leverage their brands while incorporating content that is consistent with the network

Increase Sponsor and Advertising Revenues

- Provides consultative relationships with key brand marketers to help them market to women online and to support broad-marketing objectives
- Hired a discrete sales force to attract banner advertising with leading brand marketers

Generate e-commerce Revenues

- Provides affiliated-based e-commerce model with leading e-commerce partners
- Intends to partner with online merchants and sell products tailored to their membership base

women.com differentiates itself through its content relationships



Corporate Snapshot

Principal place of business: San Mateo, CA
Number of employees: 264
Primary industry classification: Printing and Publishing
CEO: Marleen McDaniel

Corporate Strategy

To become the leading Internet network for women on the Internet. The corporation is adopting a high-quality content and network approach to create brand recognition and a loyal audience that will be attractive to advertisers and merchants.

Primary Sources of Revenue

The corporation derives virtually all of its revenues from the sale of sponsorship and advertising contracts ranging from one to three years. An immaterial amount of revenue stems from commissions on sponsor product sales.

Financial Snapshot

Sales: 7.3 million US\$
Total Assets: 18.1 million US\$
Net Income: (13.6) million US\$
Market Capitalization: 722.5 million US\$ (October 22, 1999)

Target Market and Key Differentiator

The corporation targets middle to high-income women aged 25-49. The corporation differentiates itself from the competition through its content relationship with Hearst, Rodale, Bloomberg, etc.

Key Features

The corporation features 90,000 pages of content organized into 20 topical channels. Their strategic relationship with Hearst and Rodale enable them to offer an online newstand featuring 12 of the world's leading magazines.

women.com focuses explicitly on advertising revenues to fuel its business model



October 1992

- Company launches as an online subscription service for women

1995

- Launches its current Internet site

1997

- Enters into content relationship with Bloomberg to develop a money channel for women for an initial term of three years
- Enters into a content relationship with Rodale Press, publisher of New Woman and Prevention

1998

- Enters into content relations with Crayola to develop a channel for busy mothers with children aged 2-11 for an initial term of five years

1999

- Merges with Hearst HomeArts, a new media division of Hearst Communications
- Enters into a content relationship with Hearst and Harlequin, a subsidiary of Torstar
- Enters into an exclusive advertising relationship with Disney, Hearst and Torstar emerge as key shareholders in women.com

*women.com relies on six key drivers
to fuel its business expansion*



- Develop and extend relationships with Hearst and other leading content providers
- Enhance the user's experience
- Enhance e-commerce offerings
- Partner with advertisers to provide unmatched access to women
- Extend brand recognition
- Produce, enhance and distribute compelling and original content

women.com addresses each business driver through several action points

Produce, enhance and distribute compelling and original content

- Hired 25 journalists and editors with extensive print and broadcast experience
- Engaged personalities and experts from a wide range of areas of interest to create content and interact directly with users
- Supplement network's original content with articles from leading women's magazines

Develop and extend relationships with Hearst and other leading content providers

- On-line distribution rights to 12 of the world's leading women's magazines
- Provides women.com with 100 pages of free print promotion in Hearst magazines over a two-year period

Extend brand recognition

- Has over 30 online distribution partners including portals such as America Online, Infoseek, Microsoft Network, Netscape and Yahoo!
- Delivers 3,000 headlines and articles each month to their distribution partners

Enhance the user's experience

- Offers services such as e-mail, homepages and my.women.com
- Encourages users to register to tailor content, community and shopping to their needs

Partner with advertisers to provide unmatched access to women

- Provides consultative relationships with their key advertisers to help them market to women online
- Offers a variety of options to advertiser: Banners, buttons, content sponsorships, e-commerce placements, links, mini-sites and promotions

Enhance e-commerce offerings

- Provides affiliated-based e-commerce model with leading e-commerce partners
- Intends to partner with online merchants and sell products tailored to their demographic base

oxygen.com is entering with a dual cable television and Internet focus



Corporate Snapshot

Principal place of business: New York, NY
Number of employees: 250
Primary industry classification: Communications
CEO; Gerry Laybourne (former CEO of Nickelodeon)

Target Market and Key Differentiator

The corporation targets middle to high-income women aged 25-49. The corporation differentiates itself from the competition through the synergies it hopes to attain between its media properties (TV and Internet) and on its ability to attract star talent (Oprah Winfrey, Candice Bergen, Meryl Streep etc.)

Primary Sources of Revenue

The corporation is currently in start-up mode but plans to derive most of its revenues from cable subscriptions and the sale of sponsorship and advertising contracts. An immaterial amount of revenues stem from commissions on sponsor product sales.

Corporate Strategy

To become the leading television and Internet media vehicle for women as well as the mothership for a pragmatic brand of feminism. The corporation is betting on the synergistic benefits of TV and the Internet in the next century.

Key Features

The site carries several sites currently found on AOL and carries Oprah Winfrey's site. It plans to link its cable television shows currently in development to offerings on the internet.

oxygen.com focuses primarily on cable; their web site is seen as complementary



1999

- Acquires electra.com and thriveonline from AOL and integrates them as channels within oxygen.com
- Re-launches oxygen.com on October 25 with a massive public relations campaign in the media (New York Times, Time, Oprah Winfrey etc.)
- Hires high profile talent (Roni Selig, developer of The View and producer of The Rosie O'Donnell Show, Linda Corradina, executive producer of MTV's House of Style, and Cheryl Mills, the White House deputy counsel who defended Bill Clinton.)
- Signs production deal with Carsey-Werner-Mandalach creators of Roseanne and Cybill

2000

- ATT-Media One and Telecommunications have signed to carry Oxygen to their cable networks reaching 10 million households
- Corporation is working on a variety of productions tailored for women:
 - *Inhale, a fitness show*
 - *K-Khing, a money management show*
 - *Exhale, an interview show with Candice Bergen*

Chatelaine.com is currently seen as an offshoot of the core magazine business



Corporate Snapshot

Principal place of business: Toronto, Ont.

Number of employees: 40

Primary industry classification: Print media (subsidiary of Rogers Media)

Editor: Rona Maynard

Target Market and Key Differentiator

The corporation targets middle to high-income well-educated women aged 25 to 49. The corporation differentiates itself from the competition by a variety of broad-based content.

Primary Sources of Revenue

The corporation derives virtually all of its revenues from the sale of sponsorship and advertising contracts ranging from one to three years. An immaterial amount of revenues stems from commissions on sponsor product sales.

Web Strategy

To enhance their magazine customer loyalty by enhancing their readership experience through the web. Chatelaine is slowly transitioning the site from magazine off-shoot to separate entity.

Key Features

The corporation offers 16 different channels emulating the different sections of its magazine. Approximately 50% of the magazine's content can be found online. The corporation also offers a bulletin board as well as basic course on the Internet.

Channels, features, e-commerce and tools are all staples of women's web sites

Not Just the Kitchen.com will adopt many of these staples in the development of its web site. Not Just the Kitchen.com replicates most of chatelaine.com's existing functionalities and offers many additional enhancements and features.

	iVillage	Women.com	Oxygen	Chatelaine
Channels	<ul style="list-style-type: none"> • allhealth • astrology.net • book club • diet & fitness • food • money life • parent soup • parentsplace • pets • relationships • travel • work from home 	<ul style="list-style-type: none"> • career • cars • entertainment • family • fashion & beauty • fitness • food • garden • health • home • horoscopes • money • news & trends • pregnancy • sex & romance • small business • tech & Internet • travel • weddings 	<ul style="list-style-type: none"> • Thriveonline • Moms Online • Ophrah • ka-Ching • electra • Girls on 	<ul style="list-style-type: none"> • beauty and fashion • book club • computers • family • food and recipes • health • home and garden • humour • money • news and views • passions • special guest • travel • virtual fitness • wheels • work
Daily Features	<ul style="list-style-type: none"> • horoscopes • news • stocks • joke of the day 	<ul style="list-style-type: none"> • weather • stocks • free stuff • services 		
Additional Features	<ul style="list-style-type: none"> • e-mail • chat • boards • experts • games • member center 	<ul style="list-style-type: none"> • search • e-mail • chat • boards • polls • member center • 18 links to web sites including 12 Hearst and 3 Rodale magazines 	<ul style="list-style-type: none"> • search • chat • boards • games • newsletter 	<ul style="list-style-type: none"> • boards • experts • recipe file • user surveys
E-commerce	<ul style="list-style-type: none"> • links to 8 shopping sites including: <ul style="list-style-type: none"> • gap.com • macys.com • petopia.com etc. 	<ul style="list-style-type: none"> • shopping channel • daily promotions 		
On-line Tools	<ul style="list-style-type: none"> • career shift quiz • pet name finder • retirement planner • due date calculator • breast exam reminder 		<ul style="list-style-type: none"> • chat • boards • games • newsletter 	<ul style="list-style-type: none"> • Internet 101 • gift subscriptions • subscribe to Chatelaine

Not Just the Kitchen.com's Corporate Strategy



Not Just the Kitchen.com's corporate vision

- Not Just the Kitchen.com is aiming to become the pre-eminent destination site for women aged 35 and over in Canada by providing interesting and informative content
- More specifically, Not Just the Kitchen.com targets women who are web-savvy, lead busy lives and who depend heavily on quality content
- Not Just the Kitchen.com provides visitors with a sense of community and will be continuously enhanced by visitor's responses
- Not Just the Kitchen.com is the first complete Canadian women's portal. Adapting an already successful formula from the US market in a B2C environment
- Not Just the Kitchen.com will aim to be the first complete aggregator and distributor of women's content adapting an already successful formula from the US market in a B2B environment.
- Not Just the Kitchen.com will aim to be the first true Internet franchise inline with the recent global Internet economic boom

*Not Just the Kitchen.com
incorporates value*



Superior Value Proposition for All Stakeholders

- Members and Users
- Advertisers
- Content Providers
- Key Partners and Allies
- Syndication customers
- Franchise Owners
- Investors

Not Just the Kitchen.com is committed to providing superior value in all aspects of operations. Not Just the Kitchen.com's value-based strategy is seven-fold and provides significant benefits to each stakeholder.

Not Just the Kitchen.com provides benefits for stakeholders



Members and Visitors

- Premium destination site exclusively for Canadian women on the Internet
- Provides time saving, informative, relevant content that addresses real issues and helps solve real problems
- Provides a forum for Canadian women to interact and express their specific concerns
- Provides a venue for learning and growing on topics exclusively for women, by women
- Free expert services not currently available on one property

Content Providers

- Increase level of users accessing their content (reach)
- Enhance brand awareness
- Generate incremental revenue

Advertisers

- Target specific and influential demographic
- Increase visibility and coverage
- Enhance brand awareness and reach
- Create high performance campaigns that help realize objectives

Key Web Partners and Allies

- Enhance brand awareness without cash outlays
- Increase e-commerce revenues and traffic to their sites
- Increase data mining
- Strengthen loyalty of existing clients

Syndication Customers (other media properties)

- Provides high quality content to attract users and maintain loyalty of existing users (stickiness)
- Customized for “white label” or co-branded use
- Facilitates the revenue generating efforts for publishers
- Replaces/Minimizes production efforts
- Reduces/Removes operating costs

Franchise Owners

- Low risk turn key Internet business solution
- Complete A-Z initiatives and support
- Low cost start-up
- Proven business models—combining traditional elements of media and commerce with technology

Marketing Strategy



Not Just the Kitchen.com will require various campaigns during the growth cycle targeting end users, the investment community and building the brand

The overall marketing strategy of Not Just the Kitchen.com will specifically target middle to high income Canadian women in the 35+ age group. However the plan also encompasses specific objectives and audiences over a strategic timeline. Each campaign has a dedicated budget and objective.

Marketing Objectives and Timeline:

- Hire internal experienced marketing personnel – Q3 2000
- Partner with experienced advertising agencies and PR firms for both Off/Online campaigns – Q3 2000
- Intense launch campaign to attract new users to the site – Q4 2000
- Begin the branding campaign to establish loyalty among users and increase the value of the brand Q1 2001
- Begin Investor relations PR strategy—target the financial community Q2 2001
- Massive Pre-IPO branding campaign to increase awareness to investors Q3/Q4 2001

The marketing strategy will encompass many elements of traditional and new media marketing. Not Just the Kitchen.com realizes that creating a brand is a major investment and requires several high level promotional and PR campaigns. The campaigns are essential in developing loyalty and brand value among users, advertisers and investors.

Key Business Drivers



Produce, enhance and distribute compelling and original content

- Will engage journalists and editors with extensive experience
- Will engage personalities and experts from a wide range of areas of interest to create content and interact directly with users
- Supplement network's original content with articles from leading women's content

Develop and extend relationships with leading content providers

- Develop relationships with leading Canadian women's magazines
- Develop relationships with other leading publishers of women's content

Extend brand recognition

- Follow marketing strategy and keep inline with trends and market conditions
- Develop relationships with key women's organizations
- Follow through on value delivery and benefits

Enhance the user's experience

- Offer services such as e-mail, personalized homepages, expert advice, etc
- Encourage users to become members and receive member benefits including discounts on e-commerce transactions and free online services

Partner with advertisers to provide unmatched access to women

- Provide advertisers with high performing campaigns that realize their marketing objectives
- Partner with strategic online merchants that will encourage the users to transact

Develop efficient distribution of Syndicated content

- Streamline sales and distribution process of content
- Maximize returns on syndicated content

Develop global franchise operations

- Create global brand to increase value per franchise
- Reach new markets
- Provide online business solution for franchise operators

Sales Strategy



The sales strategies incorporate the different types of clients and reflect competitive pricing in the marketplace

- Advertising—banner and sponsorship sales
- E-commerce and performance based revenue
- Syndication – content and technology sales
- Franchise sales

Advertising

The banner sales will be outsourced to a third party sales force. 24/7 Media (NASDAQ: TFMS) is currently under contract for the sale of banner inventory.

Sponsorship sales will be handled by an internal sales force on a salary and commissions basis.

E-commerce /Performance revenues

Strategic partners are chosen to enhance the user experience and maximize revenue potential. A strategic partner will be based on channel relevancy and availability. Sales performance will dictate the revenue split.

Syndication

Syndication sales will be handled by an internal sales force on a salary and commissions basis. Each sales representative will be given a specified vertical or geographic region to develop a client base.

Franchise Sales

Franchise sales will be handled by an internal sales representative on a salary and commissions basis. The representative will be responsible for developing a sales strategy and objectives.

Barriers to Entry



Creating a global brand inline with industry trends will create competition. Reducing the threat of competition entering the market is essential

- Be first to market with turn-key franchising solution in new markets
- Partner with strong online/offline companies in different industries
- Create high yielding investment opportunity
- Maintain global brand status
- Acquisition

Milestones Achieved



Since the conception of Not Just the Kitchen.com there have been tremendous strides in developing the site and the business

- **Q4 1998** Launch
- **Q1 1999** Established partnerships with Chapters.ca
- **Q1 1999** Established partnership with Travelocity.ca
- **Q2 1999** Established partnership with Canada.com
- **Q3 1999** Partnered with 24/7Media as advertising representatives
- **Q3 1999** Angel Investors provide seed capital
- **Q4 1999** Deloitte and Touche focus groups and research complete
- **Q4 1999** Stikeman Elliot Federal Incorporation
- **Q1 2000** Over 150 original articles available online
- **Q1 2000** Develop new global strategy
- **Q2 2000** Complete strategic business plan
- **Q2 2000** Begin investor presentations for second round financing

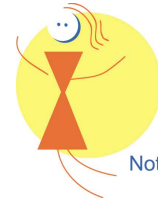
Income Statement

INCOME STATEMENT NJTK.COM



Revenues	2000-2001	2001-2002	2002-2003
Consolidated revenues	\$1,928,050	\$10,942,860	\$17,893,332
Total yearly sales	\$1,928,050	\$10,942,860	\$17,893,332
Expenses			
Variable Costs			
Application Service Provider fees	\$172,100	\$426,400	\$651,200
Commissions - To 24/7 Media	\$326,025	\$1,149,000	\$1,328,000
Cobranding revenue split	\$226,388	\$126,740	\$0
Author Expenses	\$168,000	\$1,176,000	\$1,752,000
Total Variable Costs:	\$892,513	\$2,878,140	\$3,731,200
Fixed Costs			
Office equipment	\$84,888	\$17,331	\$19,775
Salaries	\$832,125	\$1,495,530	\$2,062,145
Administration	\$92,100	\$113,700	\$110,100
Marketing	\$1,400,000	\$1,200,000	\$1,950,000
Consulting, legal	\$360,000	\$120,000	\$180,000
Travel	\$230,000	\$570,000	\$1,200,000
Total Fixed Costs:	\$2,914,225	\$3,499,230	\$5,502,245
Total Expenses:	\$3,806,738	\$6,377,370	\$9,233,445
Profit (loss):	(\$1,878,688)	\$4,565,490	\$8,659,887
Margin:	-0.97	0.42	0.48

Disclaimer and Confidentiality Provision



NotJusttheKitchen.com

*This business plan contains proprietary trade secrets and other confidential information belonging to **Not Just the Kitchen.com**. By accepting possession of this business plan, you agree to maintain the confidentiality of the information contained within it. This business plan may not be quoted, reproduced or distributed without prior written consent of **Not just the Kitchen.com***

THIS BUSINESS PLAN HAS BEEN GIVEN TO YOU FOR THE SOLE PURPOSE OF PROVIDING INFORMATION NECESSARY FOR YOU TO MAKE A DECISION CONCERNING ENTERING INTO FUTURE BUSINESS RELATIONS WITH NOT JUST THE KITCHEN.COM. NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OTHER THAN AS CONTAINED IN THIS BUSINESS PLAN.

*This business plan includes certain statements and estimates provided by **Not Just the Kitchen.com** with respect to future performance. Such statements and estimates reflect various assumptions by **Not Just the Kitchen.com** concerning anticipated results that may not prove correct. No representations are made as to the accuracy of any such statements or estimates.*