

## **Newco: “Patagonia Worn Wear” for all retailers**

Patagonia worn wear is intriguing

<https://www.instyle.com/fashion/patagonia-buy-less-demand-more-black-friday>

Could a startup build the next ebay by helping other retailers do the same thing... and revolutionize their business while saving the planet in the process?

How it works

- User searches/browses on retailer website. When viewing an item can see new price and now used item price. if there aren't any used ones actively for sale. can click to request used sellers and put in cell and be informed
- Retailer emails all users who bought that item in that size in the past to see if they want to join the retailers “green team” and sell it
- If one says yes, they ship it to the buyer
- Buyer pays a lot less, Retailer makes same profit per item as selling a new one, prior owner makes \$ from something they are no longer using with near zero effort

In effect the retailer now has their stores as warehouses, but also every past customer is a mini warehouse with same items close to potential buyers, many in like new condition.

Retailer's business model transformed

- Same profit per item sold but they get an ebay multiple vs a retailers multiple on their stock as used % of profits grows
- They go net zero scope 3 fast in their carbon footprint so esg score soars, further expanding their market cap
- Profit may grow materially as they have a compelling reason to engage past buyers who have become inactive. Engage them to sell an old item, now they have \$ in their newco wallet that could be used to buy again at that retailer.
- Brand perception improves dramatically as they are on the right side of climate.

Easy for a retailer to onboard

- Just load your point of sale history file to newco
- Add one line of javascript to your etail site, or if on shopify click one button and the newco shopify app adds a second “used sku” for each existing and prior sku.

Easy for consumers in the newco network to onboard a retailer who has resisted

- Consumer downloads the newco browser extension and syncs their email and newco will find all prior purchases in the order receipt emails. Now when i'm browsing a retailer not yet in the network i can still find used items and connect with those owners.

Newco can partner with doordash and ups. If buyer and used seller are within 20 miles, the delivery can happen within the hour. If not it is picked up by doordash and taken to closest ups store by doordash and boxed and shipped.

Newco is very valuable

- The next ebay
- Easy to get the marketplace to tip as it just takes one retailer to join to have critical mass of buyers and sellers in a category. As more retailers join in more categories, more consumers are informed for free about newco
- Unit economics compelling and scalable. We have zero cac to onboard consumers, just the sales cost to onboard retailers, and we keep 20% of the marketplace fee. Retailers make same profit per item, we make 20% on top of their profit.

Tim is LinkedIn connected with the Patagonia Ventures folks, called Tin Shed Ventures. Would we partner with them to get it going?

Tim connected to Uniqlo. Would they be first.

Tim connected to Anthony Soohoo svp at Walmart. Would they be first...

Founders needed:

Bd person who can sell retailers. Janine from Deliv,

Tech lead. Grab Barclay Loftus, currently at target after deliv acquisition