

First Internet, then

- **brick-n-mortar**
- **school fairs**

(What could go wrong?)



About Grassroots

- 2003 Internet from home
- 2006 employees in warehouse
- 2007 sale events in parking lot
- 2009 brick-n-mortar
- 2011 school fairs

- Almost \$1M in sales
- “Toyota Production” inspired management

Grassroots “numbers”

- (redacted)

Started slow

(redacted)

Free shelves with \$5000 used DVD purchase



Most bookstores have gone out of business

- What's a business model that works?
- These fail or “labor of love”
 - Paperback exchange
 - 2000 sf and smaller

Business model – brick-n-mortar

- Pay cash for stuff
- Used and new books
- Used CDs and DVDs

- *18 team members*
- *6600 sf*



This didn't happen with our online business.



*7-11 has published
how to reduce number and severity of robberies*

(yes, he was caught)

Two Reno residents receive medal

by Tribune Staff

22 months ago | 411 views | 0 | 2 | | |



RENO — At the Reno City Council meeting, Reno Police Chief Steve Pitts presented residents Staheli Meyer and Melanie Bolin the Chief's Commendation medal for their actions, bravery and commitment to the safety of the community.

On Sept. 5, the friends were in the parking lot in front of Vitamin World at 6135 S. Virginia St. when their attention was drawn to a man suspiciously walking around the parking lot. The two called 911 and began reporting their observations. As they were reporting the information, the

man removed a mask from a bag he was carrying, placed the mask over his head, and entered Vitamin World. The pair watched and provided crucial information to the emergency dispatcher as the masked man robbed the employees of the store at gunpoint. After the armed man left the store with a bag of money, the pair followed a distance behind the suspect's car while providing information for the responding police officers.

About Grassroots Books' business model – school fairs



**How are “Internet-first”
brick-n-mortar different?**

How are “Internet-first” brick-n-mortar different?



How are “Internet-first” brick-n-mortar different?



Complementary aspects of 3 businesses

1. Customers bring items for Internet
2. Inventory to book fairs after store
3. Can try in store for 2 weeks, then Internet
4. Book fairs promote store
5. Book fairs organizers like “stuff-raisers”
6. Kids books 99 cents in store for a week, then 49 cents in book fairs

(redacted)

School Fairs Market

- Scholastic
- Barnes and Noble

Barnes & Noble, Inc. (NYSE:BKS)

Add to portfolio

12.45 -0.33 (-2.58%)

Real-time: 2:10PM EDT
NYSE real-time data - Disclaimer
Currency in USD

Range	12.35 - 12.89	Div/yield	-
52 week	9.35 - 26.00	EPS	-1.27
Open	12.89	Shares	59.96M
Vol / Avg	660,554.00/1.22M	Beta	1.03
Mkt cap	747.05M	Inst. own	59%
P/E	-		

+1 34

Compare: Dow Jones S&P 500 BMM HAST BGPIQ IDGBF SHXWF [more »](#)



Scholastic Corp (NASDAQ:SCHL)

Add to portfolio

32.11 +0.33 (1.04%)

Real-time: 2:14PM EDT
NASDAQ real-time data - Disclaimer
Currency in USD

Range	31.86 - 32.51	Div/yield	0.12/1.56
52 week	24.20 - 40.17	EPS	3.19
Open	32.04	Shares	31.54M
Vol / Avg	105,382.00/188,739.00	Beta	1.18
Mkt cap	1.01B	Inst. own	85%
P/E	10.07		



Compare: Add Dow Jones Nasdaq EDUC PSO PEDH JW.A MHP MDP more »



School fairs

- Finger lights, Aero-props, and other “stuff”

(redacted)

Promotions we love

April Fool's Day Protest



Author Signings













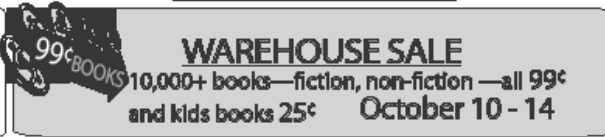









Exciting story time



Warehouse Sale – all books \$.99



October 2012 Grassroots BOOKS

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
 DOWNLOAD CALENDAR <small>grassrootsbooks.com</small>	 1 Select DVDs \$1.99	 2 Select DVDs 99¢	 3 Select DVDs 49¢	 4 Romance <small>unstickered books includes Debbie Macomber, Nora Roberts and Fern Michaels</small> 99¢	 5 Romance 49¢	 6 Vinyl \$1.99	
 7 Vinyl 49¢	 8 Vinyl 25¢	 9 Cookbooks <small>Buy 2 Get 1 **</small> FREE	 WAREHOUSE SALE 10,000+ books—fiction, non-fiction—all 99¢ and kids books 25¢ October 10 - 14				
 14 BAG SALE <small>\$4.99 9am-5pm fill grocery-size bags</small>	 15 VHS 29¢	16 Comic Books 19¢	17 Biographies and Memoirs <small>unstickered books</small> 99¢	18 Science Fiction and Fantasy <small>unstickered books</small> \$1.99	19 Arts and Crafts Section <small>new and used books at our price \$4 and under</small> 99¢	20 Kids books 49¢* <small>up to grade level 6</small> 	
21 Young Adult <small>unstickered hardcovers</small> 99¢	 22 CDs 49¢	 23 CDs 29¢	24 Exciting Story Time <small>10:30am for ages 2-4 FREE unstickered book for kids present up to grade level 6</small>	 25 Audiobooks <small>unstickered on CD</small> \$1.99	 26 Religion <small>unstickered books</small> 99¢	 27 Humor <small>unstickered books</small> 99¢	
28 Young Adult <small>new hardcovers</small> 30% off our price	 29 VHS 29¢	30 Free Book Day! <small>select an unstickered book</small>	31 Free Book Day! <small>select an unstickered book</small>	TRICK OR TREAT! Grassroots makes it affordable to give kids a book instead of candy for Halloween. Box of 50 for \$20. Call to reserve.			

*Unstickered, limit 20 until 6pm **Equal or lesser value

Promotions that didn't work

Tomato Day, Chocolate Day

