

<b>TO</b>	Tom Anderson <i>By Email</i>	<b>FOR</b>	Brand and Web Development
		<b>DATED</b>	1 June 2018

Hi Tom,

Please find below a Proposal which applies to Stage 1 and Stage 2 of the Poacher & Smith Project. This includes a timeline and a cost estimate for each Stage. This document can be considered an official Scope of Work.

### Context

The Poacher & Smith Project has been discretised into four Stages as shown below. This Proposal applies to Stage 1 and Stage 2 only. Stage 3 and Stage 4 will be addressed at a later date.

Stage 1	Stage 2	Stage 3	Stage 4
Business Discovery and Visual Identity Design	Website and Online Store Development	Customer Touchpoint Visual Design	Other Marketing Collateral and Ongoing Deliverables
15 June 2018	30 June 2018	15 July 2018	30 July 2018

### Proposed Timeline

A proposed schedule is shown in **Appendix A**. Key dates for deliverables are as follows:

- Business Discovery Workshop to be held on 13 June 2018;
- Website Functional Design to be delivered on 23 June 2018;
- Visual Identity to be delivered on 29 June 2018;
- Website Conceptual Design to be delivered on 2 July 2018; and
- Website Soft Delivery to occur on 12 July 2016 (followed by a brief refinement period).

### Stage 1 (Visual Identity)

#### Synopsis

The brand Visual Identity includes a trademark, colour scheme and supporting elements that represent the Poacher & Smith brand, and values of that brand. Lucidus Creative will communicate with representatives of Poacher & Smith through Initial Discovery questions and a targeted Business Discovery Workshop to achieve a Visual Identity that is authentic and genuine.

Note that this process does not include development of a brand personality or a business strategy, but a Visual Identity that is consistent with the existing Poacher & Smith personality, strategy and ethos.



### Process

The creation of a Visual Identity involves four discreet steps:

1. Communication of the brand personality through an Initial Discovery and meeting.
2. Communication of the values, personalities and needs through a Business Discovery Workshop.
3. Development of a Visual Identity through analysis of responses to the above, market research and creative brainstorming (with targeted input from Poacher & Smith representatives).
4. Delivery of the Visual Identity.

### Deliverables

Deliverables at the completion of Stage 1 will comprise:

- a trademark (provided in a variety of file types for a variety of applications);
- a colour palette, to be enumerated in formats suitable for both digital and print design;
- supporting materials (e.g. a branded pattern to support the Visual Identity) – the scope of this item will be determined by Poacher & Smith's needs as identified through the Business Discovery Workshop; and
- a brand typeface for use on all branded materials.

### Cost Estimate

A cost estimate has been prepared based on an estimate of the time requirements for development of Stage 1. This time requirement is outlined in **Table 1**. The rates applicable to this estimate are outlined in **Appendix B**.

**Table 1**  
Estimated Time Requirements for Stage 1

Brand Workshop	
Preparation	2 hours
Workshop	1.5 hours
Review	0.5 hours
Scope Change Allowance	1 hour
Competitor and Consumer Research	
Research and Analysis	1 hour
Concept Development	
Sketch Concept	5 hours
Refinement	1 hour
Concept Presentation	2 hours
Final Trademark Development	
Revision Allowance	4 hours
Refinement and Delivery	3 hours
Contingency	
Contingency	2 hours
Total Time Requirement	23 hours



Based on **Table 1** and the Schedule of Rates as shown in **Appendix B**, Stage 1 is allocated a cost estimate of **1495 AUD**. Note that no GST is payable on this amount.

The amount billable for Stage 1 will be proportionate to the time spent on work (as estimated in **Table 1**). Lucidus Creative will notify Poacher & Smith when 70% of the time allocation has been reached. Given the above, Poacher & Smith must be efficient and specific in their collaboration during the branding process. There is scope for revision, but this is limited to that which has been budgeted in **Table 1**.

If excess time is required, Lucidus Creative will liaise with Poacher & Smith prior to work being undertaken. Hourly rates will apply to excess time as outlined in **Appendix B**. Similarly, if less than the estimated time is required, Poacher & Smith will be billed accordingly.

## Stage 2 (Website and Online Store)

### Synopsis

A website and online store to support Poacher & Smith is requisite in contemporary trading and will allow customers to view and purchase in-store items from the comfort of their computer or mobile device. This website will integrate an online store (built on the Shopify platform) seamlessly with informational content and links to social media. Responsiveness and accurate display on mobile is a key objective.

This online store will include a back-end for modifications to the online offering, as well as a checkout system and infrastructure to process orders and payment securely.

The website and online store is an opportunity for customers (both potential and returning) to experience the brand personality through a user-friendly interface consistent with the Visual Identity.

### Process

The creation of a website and online store involves five discreet steps:

1. Identification of the needs of the online store (e.g. number of items, number of expected sales, extent to which the logistical process should be automated).
2. Development of a functional design which outlines the way in which Poacher & Smith and visitors will use, interact and take action using the website.
3. A visual design of the website and online store (following delivery of the Visual Identity).
4. Soft delivery of the website and online store (i.e. the website is made live for testing).
5. A brief refinement period to ameliorate any errors or omissions.

### Deliverables

Deliverables at the completion of Stage 2 will include:

- a functioning website that is consistent with the Visual Identity, hosted on Lucidus Creative servers;
- an online store for customers to view items and make purchases (built using the Shopify platform); and
- a back-end portal for use by Poacher & Smith staff to manage content, sales and inventory.



### Cost Estimate

A cost estimate has been prepared based the time requirements for development of Stage 2. This time requirement is outlined in **Table 2**. The rates applicable to this estimate are outlined in **Appendix B**.

**Table 2**  
Estimated Time Requirements for Stage 2

Conceptual and Functional Development	
Sitemap & Layout Preparation	2 hours
Initial Wireframe Visual Designs	16 hours
Finalisation of Visual Designs	4 hours
Web Development	
Development of Main Site Template	32 hours
Implementation of CMS	8 hours
Content Placement	12 hours
Testing and Bug Fix	8 hours
Online Store	
Integration of Online Store Functionality	16 hours
Finalisation	
Review and Deployment	2 hours
Contingency	
Contingency	4 hours
Total Time	104 hours

Based on **Table 2** and the Schedule of Rates as shown in **Appendix B**, Stage 2 is allocated a cost estimate of **6760 AUD**. Note that no GST is payable on this amount. This value includes complimentary web hosting of the informational side of the website for a period of twelve (12) months from the date of soft launch.

The amount billable for Stage 2 will be proportionate to the time spent on work (as estimated in **Table 2**). Lucidus Creative will notify Poacher & Smith when 70% of the time allocation has been reached. Given the above, Poacher & Smith must be efficient and specific in their refinement of the web development process.

If excess time is required, Lucidus Creative will liaise with Poacher & Smith prior to work being undertaken. Hourly rates will apply to excess time as outlined in **Appendix B**. Similarly, if less than the estimated time is required, Poacher & Smith will be billed accordingly.

Note that ongoing costs to license the Shopify platform are also liable to Poacher & Smith, as discussed below.

### External Costs

Licensing of the Shopify platform is required to support the online store. Lucidus Creative endorses the use of a third-party platform to ensure transactional security for online customers. This system is trustworthy and has a high adoption rate within industry.



There are two tiers of membership that Poacher & Smith should consider in the implementation of an online store based on the Shopify platform; the “Basic” subscription or the “Pro” subscription.

Basic Subscription	29 AUD per month
Pro Subscription	79 AUD per month

These services can be reviewed at this link: <https://www.shopify.com.au/pricing>

The notable omission in the “Basic” subscription is the use of online gift cards. However, given that the store is in its infancy, Lucidus Creative recommends a “Basic” subscription for initial trading. This can be upgraded at any time.

This fee can be billed directly to Poacher & Smith if appropriate. Alternatively, Lucidus Creative can arrange to make this payment on Poacher & Smith’s behalf at cost plus a 10% handling fee.

### Stage 3 and Stage 4

Stage 3 and Stage 4 will be assessed in future correspondence and are not considered in this Proposal.

### Billing

It is proposed that this Project is billed on a milestone basis. A proposed billing schedule is shown in **Table 3**

**Table 3**  
Proposed Billing Schedule

Expected Date	Milestone Billing Item	Approximate Billing Amount
16 April 2016	Business Discovery Workshop	25% of Stage 1 Cost Estimate
15 May 2016	Visual Identity	75% of Stage 1 Cost Estimate
22 May 2016	Website Conceptual Design	50% of Stage 2 Cost Estimate
29 May 2016	Soft Delivery of Website	50% of Stage 2 Cost Estimate
Ongoing	Monthly Shopify Billing	TBD

As noted in the cost estimates for Stage 1 and Stage 2, if excess time is required Lucidus Creative will liaise with Poacher & Smith prior to work being undertaken. Hourly rates will apply to excess time as outlined in **Appendix B**. Similarly, if less than the estimated time is required, Poacher & Smith will be billed accordingly.

Billing will be via electronic funds transfer (EFT) with a 14 day term of payment from the date of the invoice. Payments outside of this window will incur interest at a rate of 10% per annum.

As discussed, we will not issue an invoice until Poacher & Smith is satisfied with the service and/or product related to that milestone – this is our commitment to your satisfaction. We are invested in our Projects as much as our clients.



If you wish to proceed, could you please confirm your acceptance of this Proposal by close of business **Friday 8 June 2018** to allow for work to begin immediately. On acceptance of this Proposal, you confirm that you accept to all of the above terms and conditions.

Preferences regarding the Shopify subscription (and associated billing) can be made at a later date, and are not time-critical at this stage.

Thank-you again for your time at our meetings, we appreciate your busy schedule. Please don't hesitate to contact us at any time on 0400 123 123 or at [contact@lucidus.com.au](mailto:contact@lucidus.com.au).

Regards,

**Lucidus Creative**



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