



# Manage Less, Sell More

Activate massive, complex product catalogs in just days.

August 2022

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# What aftermarket brands face every **bloody** day.

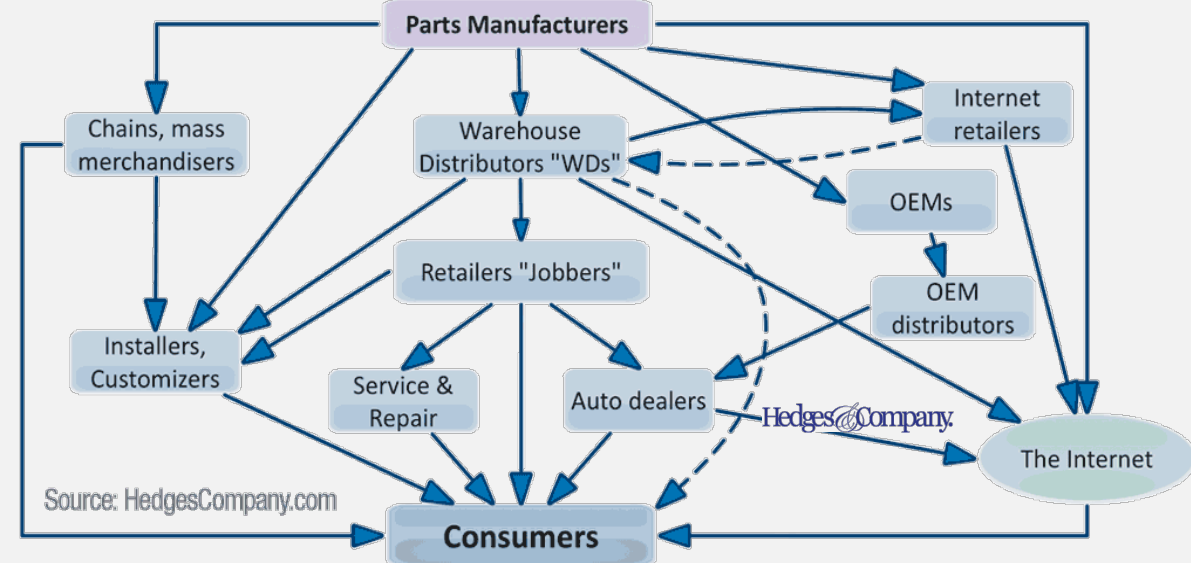
- ▶ There are over 3,000 categories of parts
- ▶ There were 289 million vehicles registered in the US in 2021
- ▶ Meaning there is a market of 10+ million parts on the aftermarket automotive market.

This exists. Today. We didn't make this up. See for yourself  
<https://hedgescompany.com/blog/tag/aftermarket-industry-statistics/>

This is how the market distributes 10s of millions parts

The automotive aftermarket industry in 2022

## Automotive Aftermarket Distribution Channels



**Now. Ready to build a catalog?**

# There must be an **easier** way



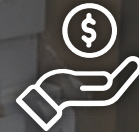
100-500 hours to  
setup a store



Lost revenue



10-15 hours per  
week maintaining



Incorrect pricing



Inaccuracy domino's



Missed  
opportunities



Customer  
nightmares

# Competition & Alternatives



## SPS COMMERCE

INFINITE RETAIL POWER™

Cloud based EDI and integration technology company.



Online shopping cart with certain integrations. Very Similar to Concerto.



Cymbio makes it easier for brands to access hundreds of retailers, growing sales and exposing brands to a global retail ecosystem.

## commercetools

*Next generation commerce*

Headless commerce platform with API driven integrations, PIM, and an application marketplace.

## Where they fall short

- Lacks a unified platform to run an entire ecommerce store.
- Very focused on data transformation and loading, missing ability to translate data to storefront.

- Poor customer service
- Deceptive pricing
- Difficult to use
- Concerto has gained several of their customers recently.

- Lack a shopping cart on their system
- Cannot completely close the loop
- Specifically focused on the supplier side of the equation

- Lacks shopping cart and front-end solution for merchants
- Requires more expensive development and additional integrations to deliver a complete solution

# Concerto Commerce with **Rapid Fire!**



## Precise

AI-powered automation eliminates expensive, time-intensive catalog management

## Complete

World-class Amazon-like shopping cart experience with supply chain automation.

## Paid

Online and offline payments processing delivery system.

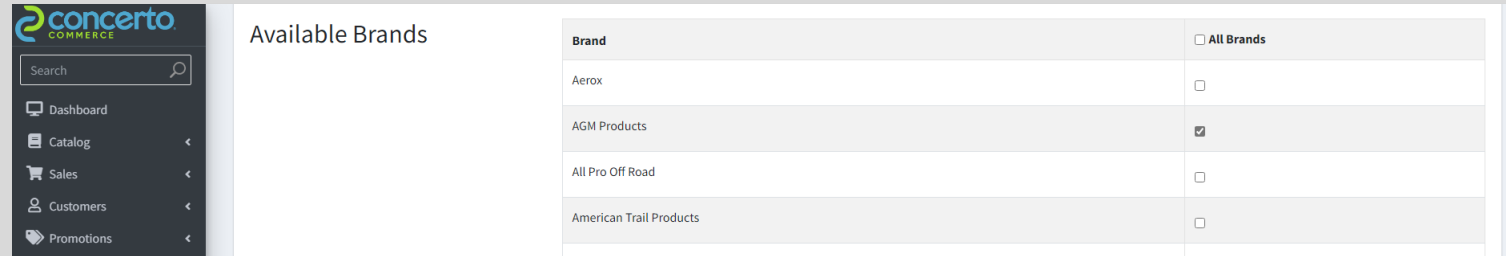


# Rapid Fire – easy as 1, 2, 3



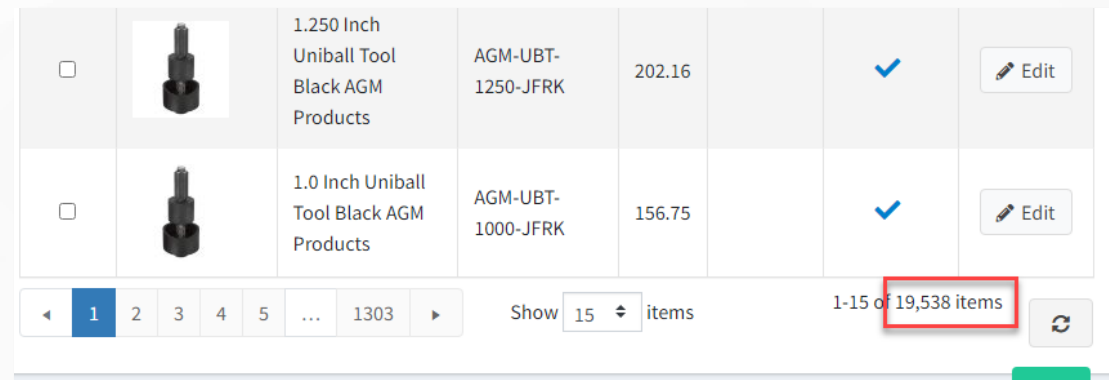
## 1 Pick

Pick the brands you want to list on your site.



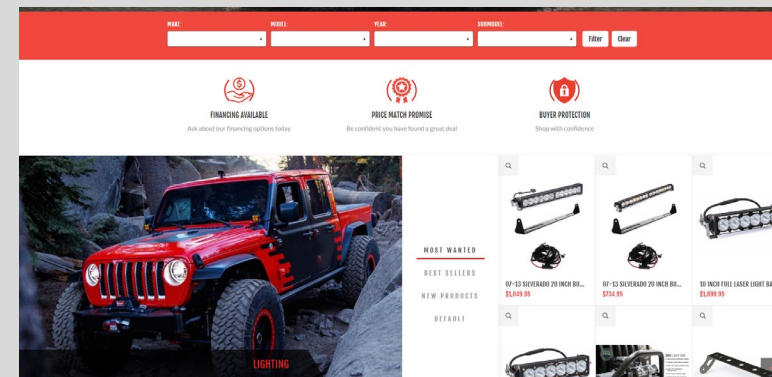
## 2 Chill

Kick back while we populate your entire product catalog



## 3 Sell

Focus on selling while we automate fulfillment!



# Revenue Model



- We are a fintech eCommerce platform. Payments are core to our offering and how we monetize.



## Who?

- CEO, VP Sales for aftermarket automotive distributor/reseller
- Company size: \$500k - \$10m AR
- Average of \$1,500 spent on monthly website expenses



## What?

### Platform Subscription

- \$399 /month - 1+ year contracts
- \$799 /month\* - 1+ year contracts
- \$1299/month\* - 1+ year contracts

\*Future Tiers



## How?

- Payment Processing Revenue
- 0.35% per \$1 of payment processing volume
- \$0.20 per transaction
- 0.35% per \$1 of Buy-Now Pay-Later
- Contracts signed with Sezzle and Katapult

# Prime Focus: Automotive Aftermarket



**TAM** 2020 \$ 57B  
2027 \$147B

Serviceable **SaaS** Opportunity

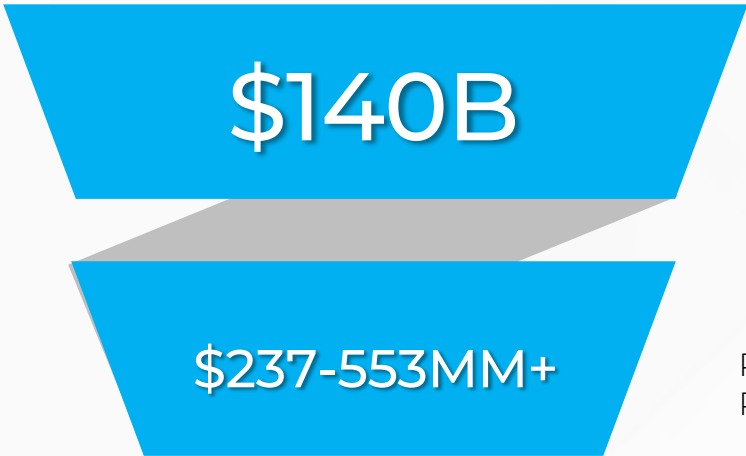


US Businesses

Average on technology  
monthly spend

Potential Annual  
Recurring Fees

Serviceable **Payment** Opportunity



eCommerce  
Addressable  
Market by 2027

Potential Annual  
Recurring Fees

“E-commerce adoption in the automotive aftermarket has grown from 6.5% in 2018 to 12.1% in 2021, representing nearly a 100% increase.”

• [Automotive Aftermarket Industry Size, Growth and Trends](#)  
• [Automotive Aftermarket Size Worth Around US\\$ 950.09 Bn by \(globenewswire.com\)](#)

• Analysis from research on BuiltWith  
• AMN press release [aftermarketnews.com/auto-care-aasa-joint-report-long-range-growth-ops-in-e-commerce/](#)



# The Future: Next Markets

Power Sports

TAM

\$ 5B

RV Industry

TAM

\$ 56B

Marine

TAM

\$ 30B

Medical Devices

TAM

\$ 307B

Industrial Aftermarket

TAM

\$ 95B

Sporting Goods

TAM

\$ 68B

TOTAL TAM  
**\$618B**

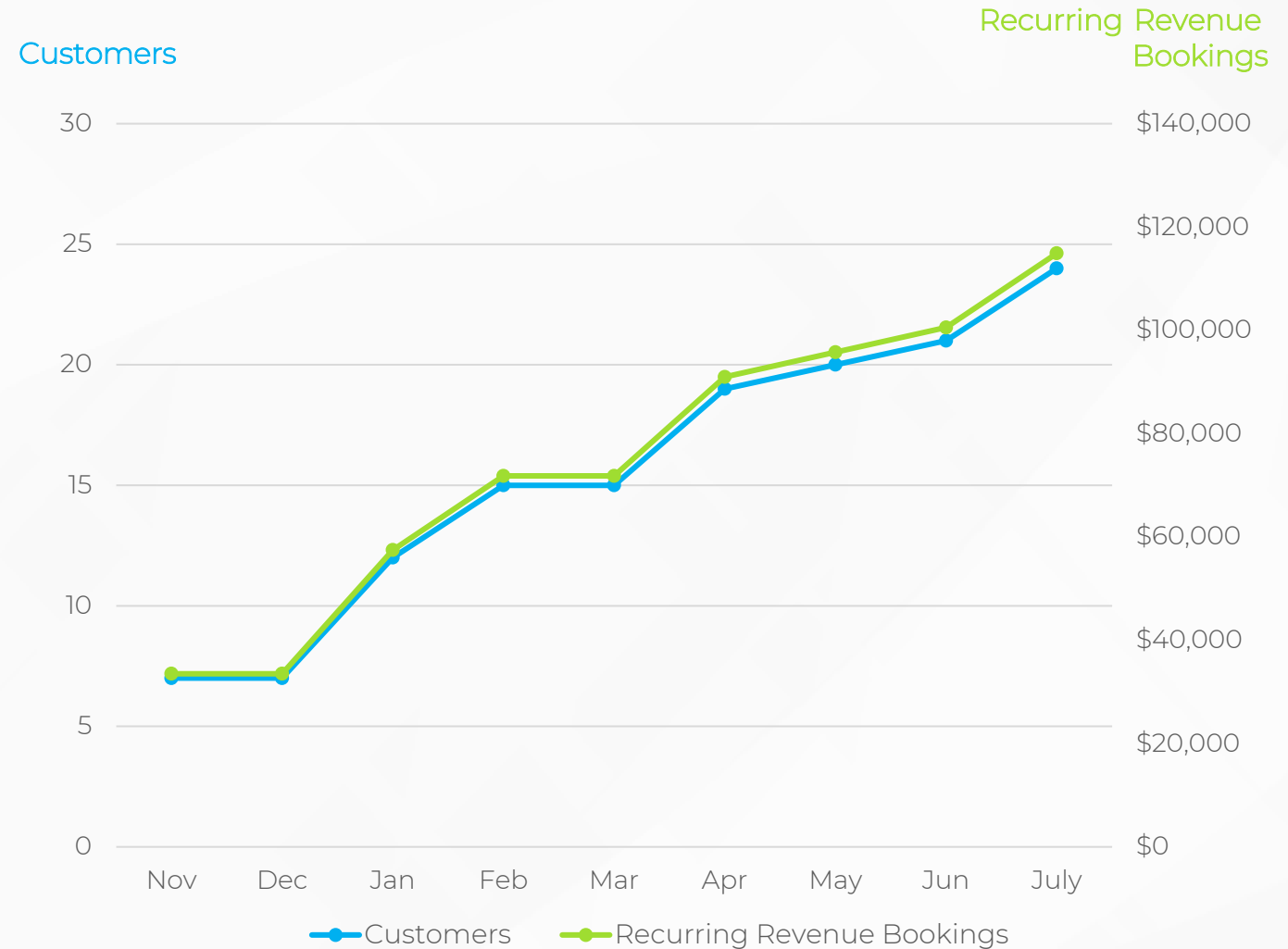
# Traction



- ▶ Investment - \$210k:
  - \$20k Founder
  - \$65k Angel, Friends & Family
  - \$125k Softeq
- ▶ Revenue increases over time (payment residuals build up over time)

## Strong Sales Partners

- ▶ Close rate of 80%
- ▶ ASAP Network – Acquisition Target
- ▶ AFS – Payments Partner
  - Providing Sales & Marketing resources



# Traction – Automotive Customers



## Off Road



## Performance



## RV's



## Custom



## Traction – Customer Testimonial



“With so many choices, who can you trust to build your ecommerce presence? Paul and the group at Concerto Commerce have **proven time and again our decision to grow with them was the right one**. As our online marketing program grows, so too does our need to integrate with other entities.

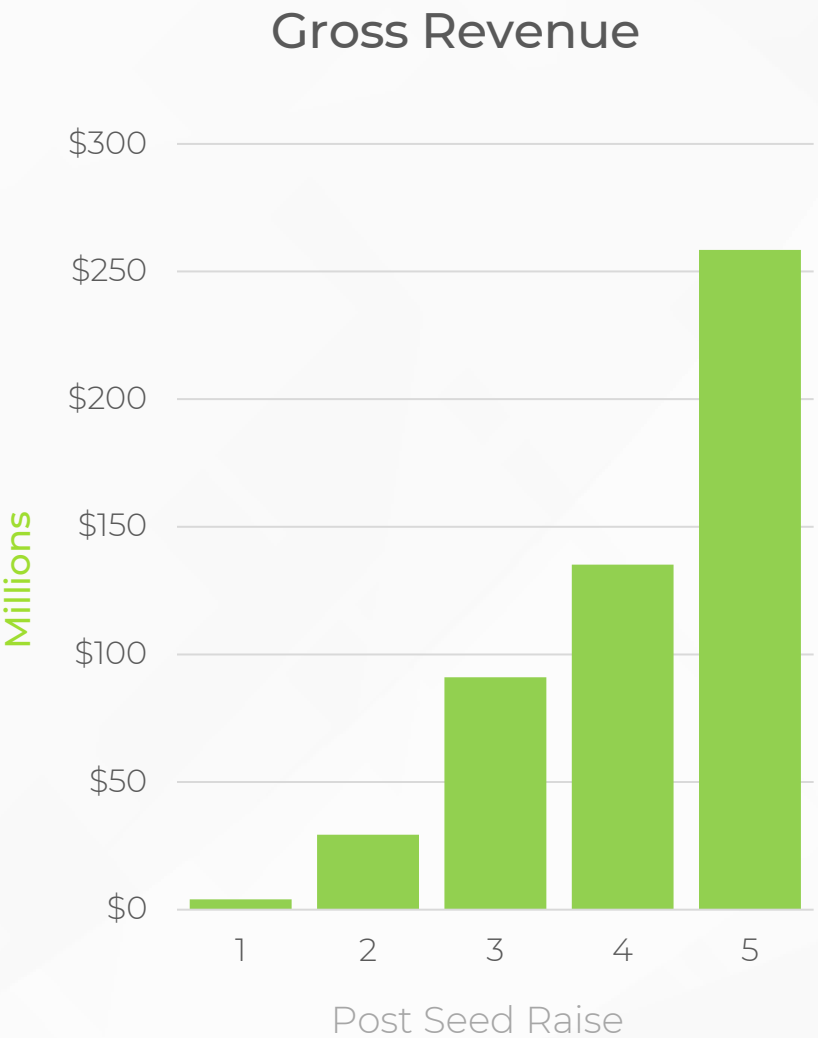
Paul’s **dedication and personal commitment to meet those needs continues to amaze me**. I highly recommend this group for all of your ecommerce needs. Virtually everyone treats you well when the relationship is new... Rest assured Paul will ensure your company remains a top priority long after the “new client” phase!” - Mike McLain, Owner

# Revenue Projections



	Stores+	Gross Revenue	Company EBITA (average 32% margin)
Year 1	400	\$4,045,087	\$1,294,427
Year 2	1245	\$29,401,590	\$9,408,508
Year 3	2,450	\$91,045,340	\$29,134,508
Year 4	3,125	\$135,173,165	\$43,255,412
Year 5	5,000	\$258,426,552	\$82,696,496

Post Seed Raise



# Our team is built like our software, from the ground up.



The right Experience and  
best talent in:



eCommerce



Payments



Fintech



Supply Chain



Technology

Paul Huff  
Founder & CEO

- Built teams
- Created technology
- Sales \$1B to \$3B - AFS



verizonbusiness

NEC

Bala Nagarajan  
Chief Software Architect

- Decades of Experience
- Architecture and code at velocity



The team has worked for and  
with each other in these  
companies:

PIONEER  
NATURAL RESOURCES

AFS  
AGILE FINANCIAL SYSTEMS



Christy Mindt  
Director, Customer Success

- Early customer
- Marketing/Sales
- Relationship builder



Amanda Wickett  
VP, Sales

- Aftermarket goddess
- SEMA black belt



Liz Elliott  
VP, Product Quality

- 6<sup>th</sup> company together
- Knows product and code better than devs.





# Our Advisor & Investor team is experienced & involved.



## The right Experience and Successful Exits:



Invested



Made Introductions



Advised on Finance



Advised on Business Model

Sravish Sridhar

Advisor & Investor

- Advisor & Investor
- 4X Entrepreneur
- 2X Successful Exit
- Investment network

Corey Young

Advisor

- Founder & CEO of AFS
- Cashflow Wizard
- 3X Entrepreneur
- 2X Exit

Teressa Erickson

Advisor

- VP Supply Chain, McKesson
- SCM degree Michigan State
- MBA from UT Austin

Bret Siarkowski

Advisor

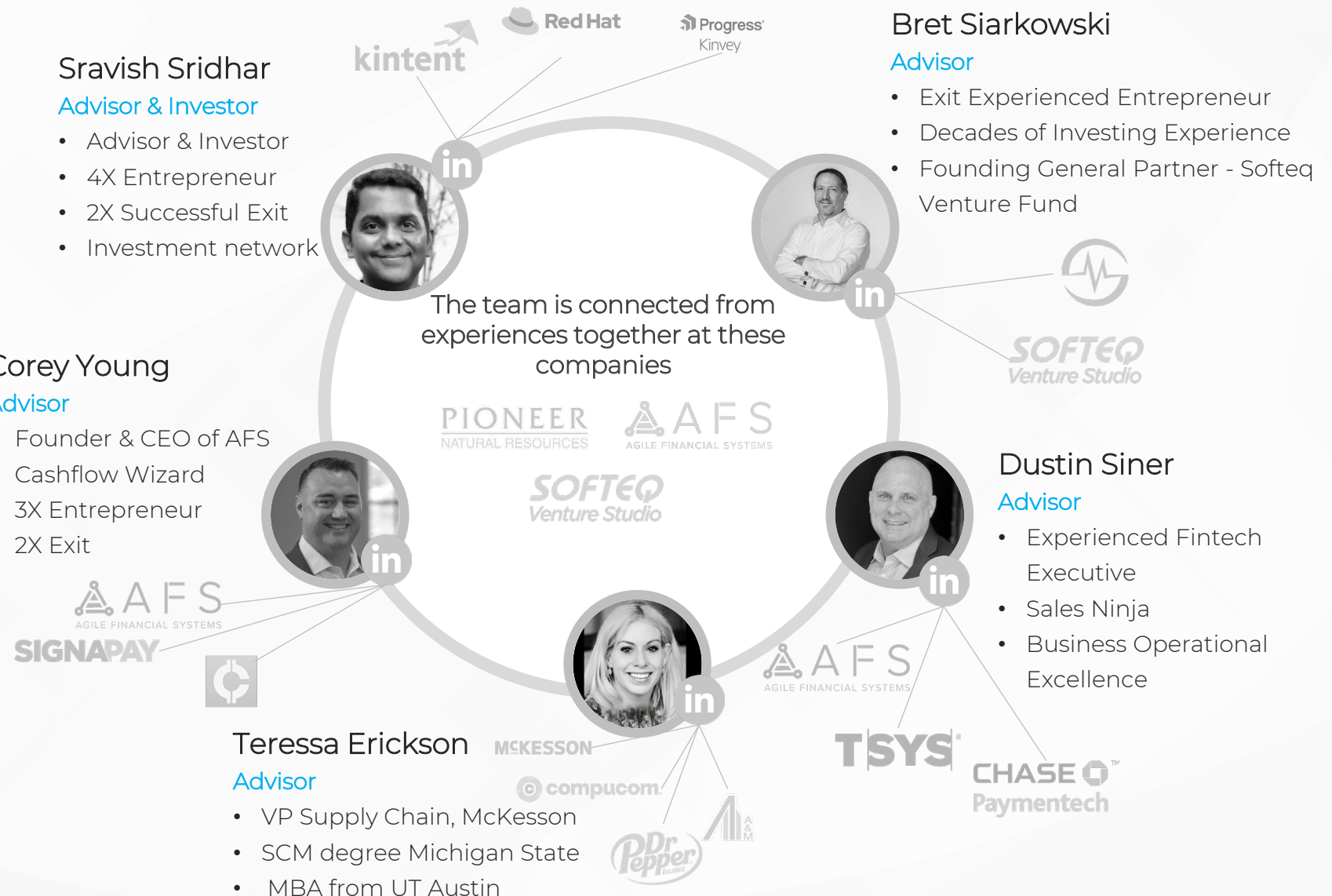
- Exit Experienced Entrepreneur
- Decades of Investing Experience
- Founding General Partner - Softeq Venture Fund

Dustin Siner

Advisor

- Experienced Fintech Executive
- Sales Ninja
- Business Operational Excellence

The team is connected from experiences together at these companies



# The Ask

- ▶ Looking for a lead investor.

## How Much?

\$3M Seed - \$15M valuation

## For What?

- Acquisition & Merger
- Software Development
- Marketing & Sales
  - New Market Penetration
- GA

## Why Acquire?

- Strategic, personnel, tech and customer acquisition
- Bootstrapped to a 6x multiple
- Convert to 30x earnings multiple in a fintech business model
- 5x the value in a very short term
- Accelerate road map by 2 years for much less!
- Transition plan completed
- Our primary data partner and sales channel

# Thank You



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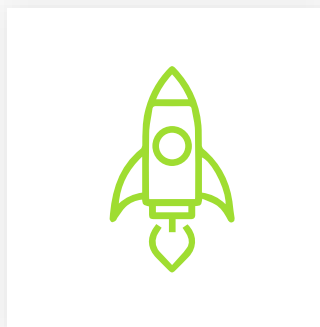
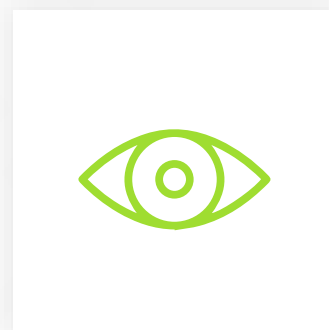


# Appendix



# Our Vision

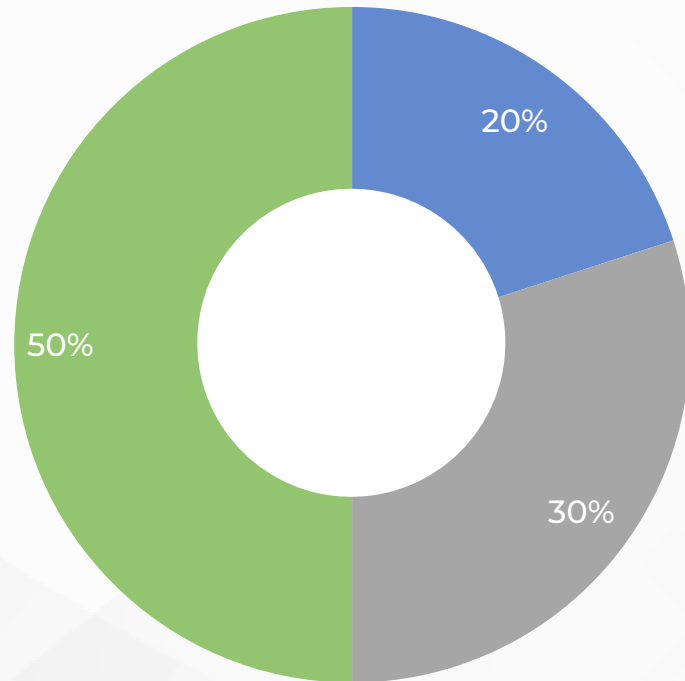
To have a world where online commerce is accessible and easy to everyone from the individual to the large enterprise by automating all the connections in the process.



# The process today

Hundreds of thousands of SMB's Struggle with process and technology every day.

## How they manage



■ Shopify ■ Ad Hoc ■ Manual

Advantage	Concerto	Manual	Ad Hoc	Shopify
Access 50% of Market SKU's	●	●	●	●
Simplicity	●	●	●	
Cost	●	●	●	●
Automation	●	●	●	●
Speed	●	●	●	●

● Best ● Poor ● N/A



# Traction - Accelerators



The University of Texas at Austin  
**Jon Brumley Texas Venture Labs**  
*McCombs School of Business*

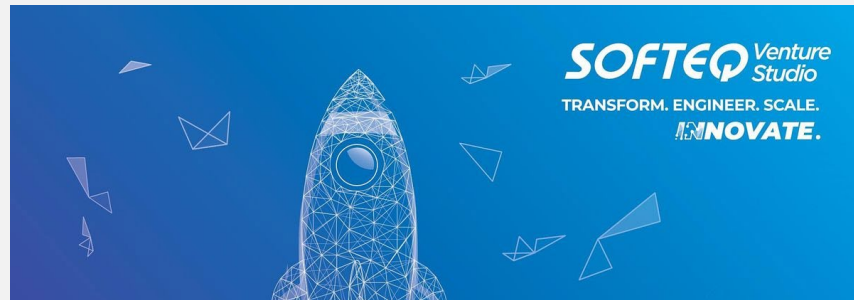
<https://www.mcombs.utexas.edu/centers-and-initiatives/jon-brumley-texas-venture-labs/investors/>

## Fall 2021 Cohort

► 1 of 12 selected startups

## Spring/Summer Cohort 2022

► 1 of 14 selected startups



<https://www.softeq.com/venture-studio>



## Portfolio Company

► Completed 409A valuation

# Execution Plan

(From time of funding)



Leverage our 2 sales channels and hire internal sales team

► ASAP Network/Complete Web

► Agile Financial Systems (AFS)

## 3

Months

60 Customers

Full API and Enhanced Content Management

Full order automation (Amazon like fulfilment for resellers)

## 6

Months

150 Customers

150 Product Information Management System

## 9-12

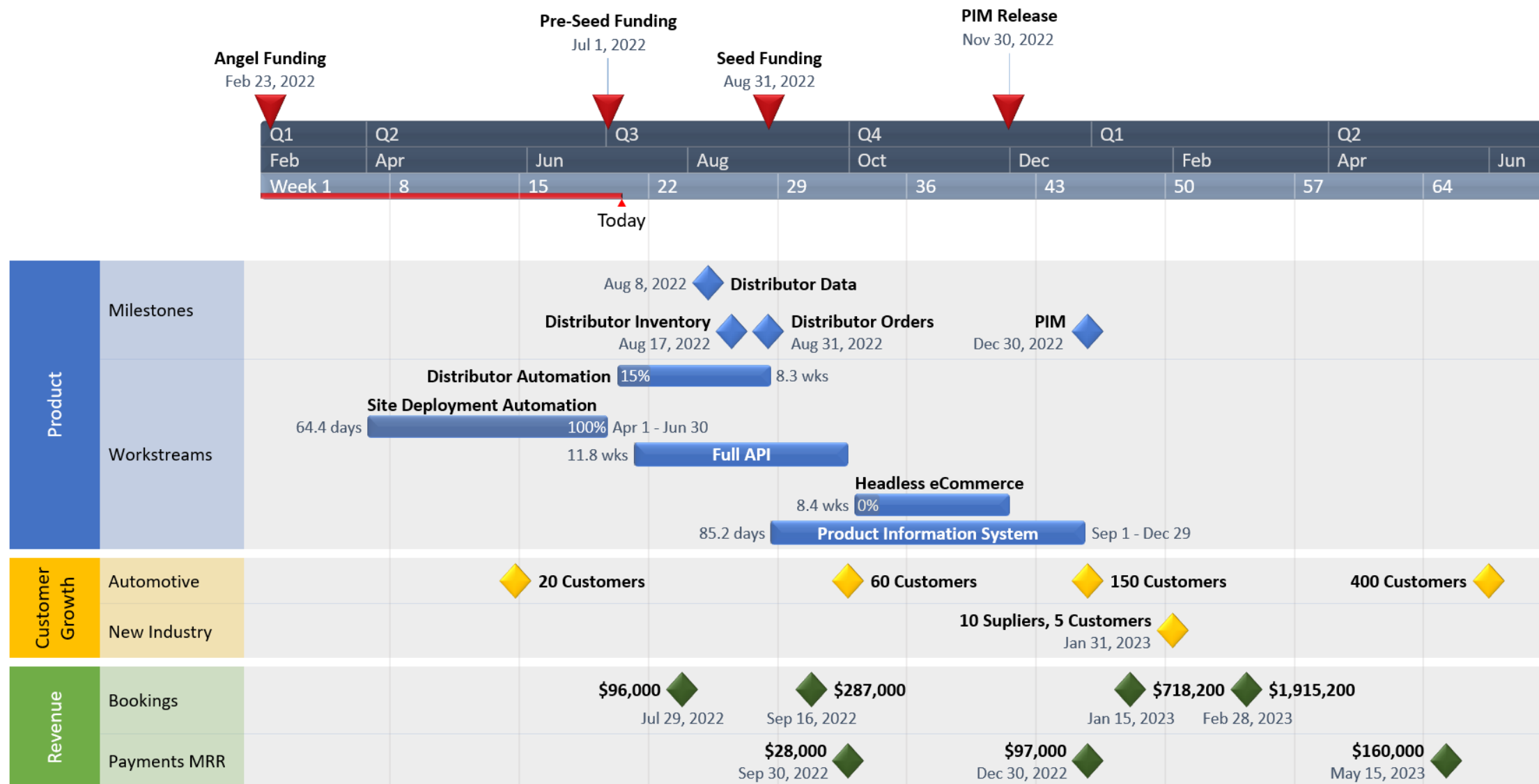
Months

10 Suppliers in new industry

5 customers in new industry

360 Automotive customers

# Roadmap



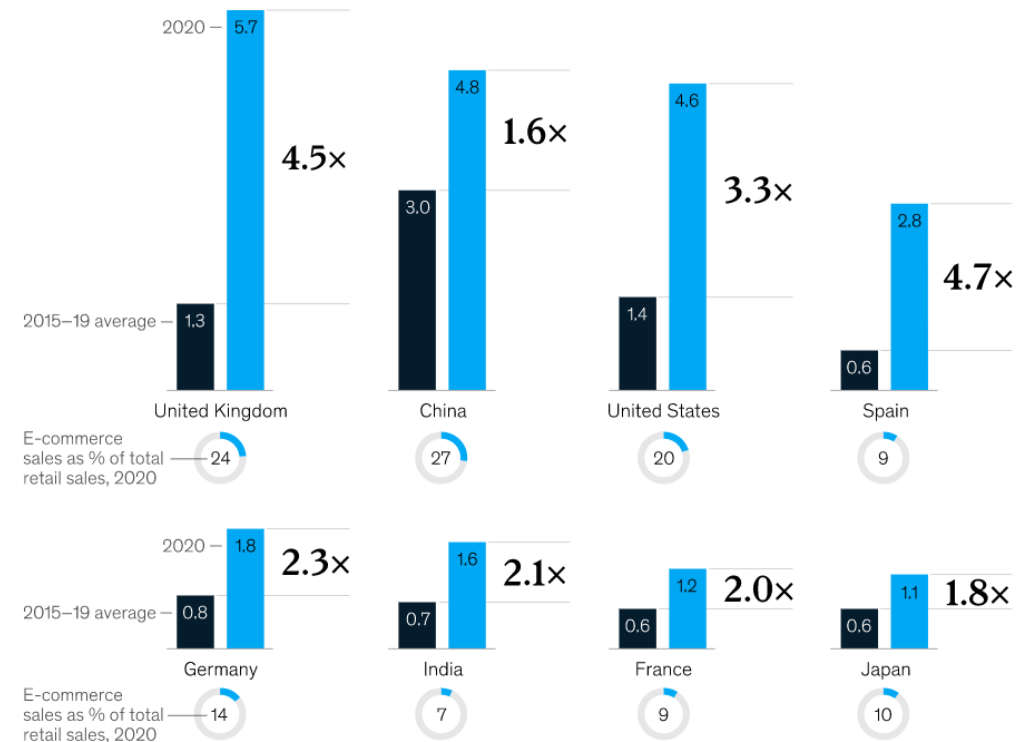
# Why Now?

eCommerce has been growing incredibly fast over the past decade.

- The recent Covid-19 challenges have accelerated digital transformation and forced many companies to move to online commerce.
- It is no longer a convenience but has become a necessity.

► eCommerce share of total retail sales has grown two to five times faster than before the pandemic.

Year-over-year growth of e-commerce as share of total retail sales, percentage points



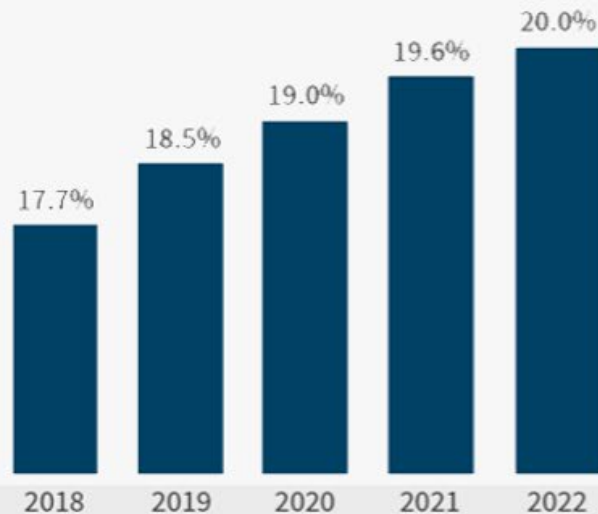
Source: Retailing by Euromonitor International, 2021; McKinsey Global Institute analysis

# The Future

## Accelerating eCommerce Growth for Auto Parts (Annual Growth Rate by Year)

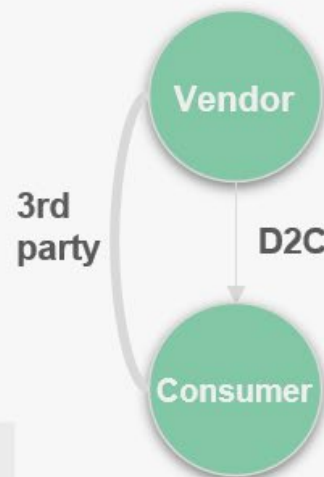
Several reports point to a **growth explosion** when forecasting the future of the automotive parts market. The market has been growing consistently over the past 3 years, with projections that the total addressable market will **triple from its pre-pandemic size** in the next 6 years.

Accelerating E-commerce Growth for Auto Parts

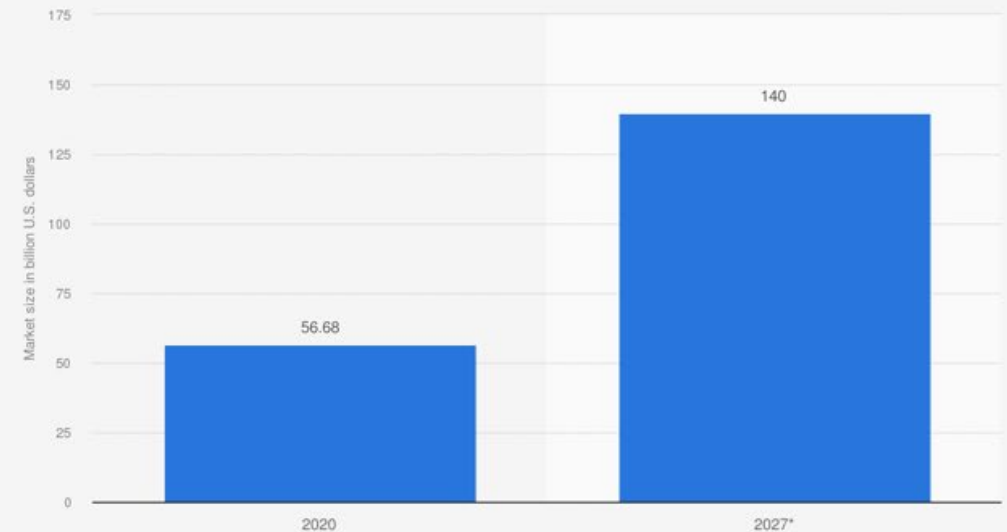


Source: Technavio

	TAM	CAGR
2020	\$57B	16%
2027	\$143B	



Market size of the online automotive aftermarket worldwide between 2020 and 2027 (in billion U.S. dollars)



Source  
Global Market Insights  
© Statista 2021

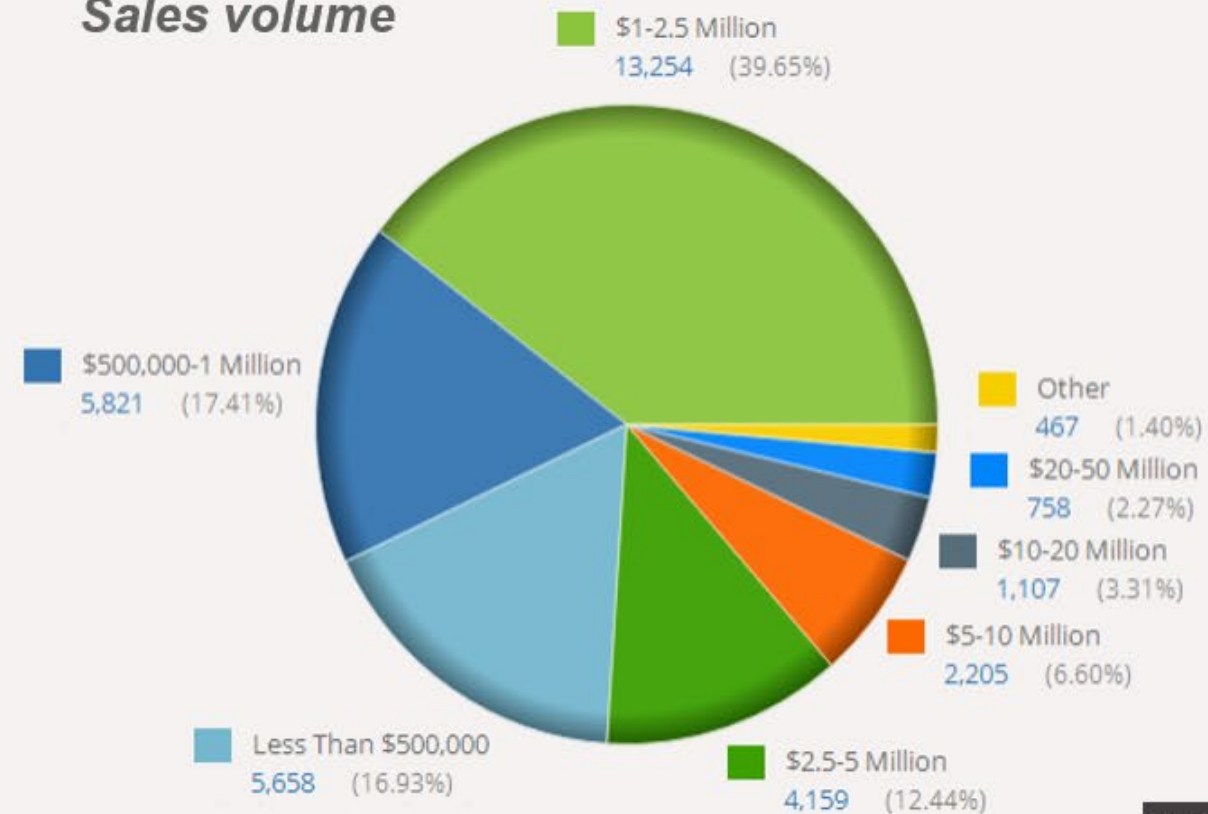
Additional Information:  
Worldwide; Global Market Insights; 2020

# Market Segmentation

## Industry Profile

▶ 33,429 U.S. businesses

### Sales volume



### Employee size

