

# Wework: More than an office space

Presenting to the Board of Directors:

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# Mandate

How should Wework extend its product offering?

New products and  
Services

Business lines

# Agenda

## 1. Recommendation

2. Analysis

3. Strategy

4. Implementation

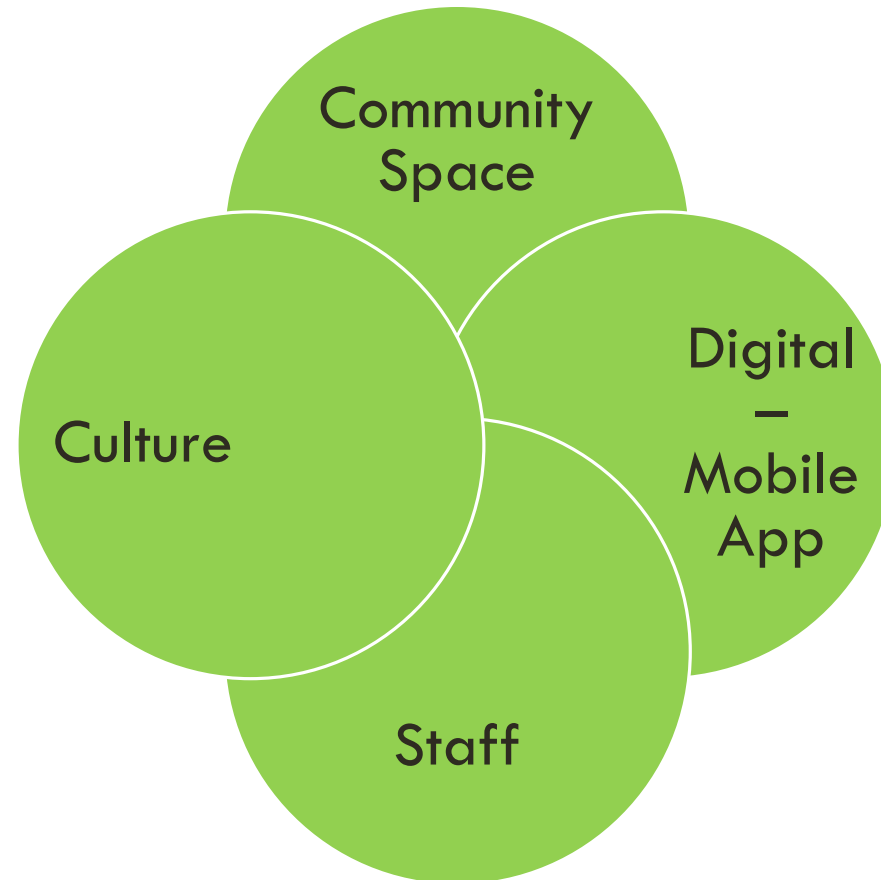
5. Wrap up

# Recommendation

Use WeWork core competencies to expand products and services under current business and under Welive

Use the core competencies to create two businesses: “WeDesign and WeBusiness”

# Core competencies



# Values and culture

Inspired

Entrepreneurial

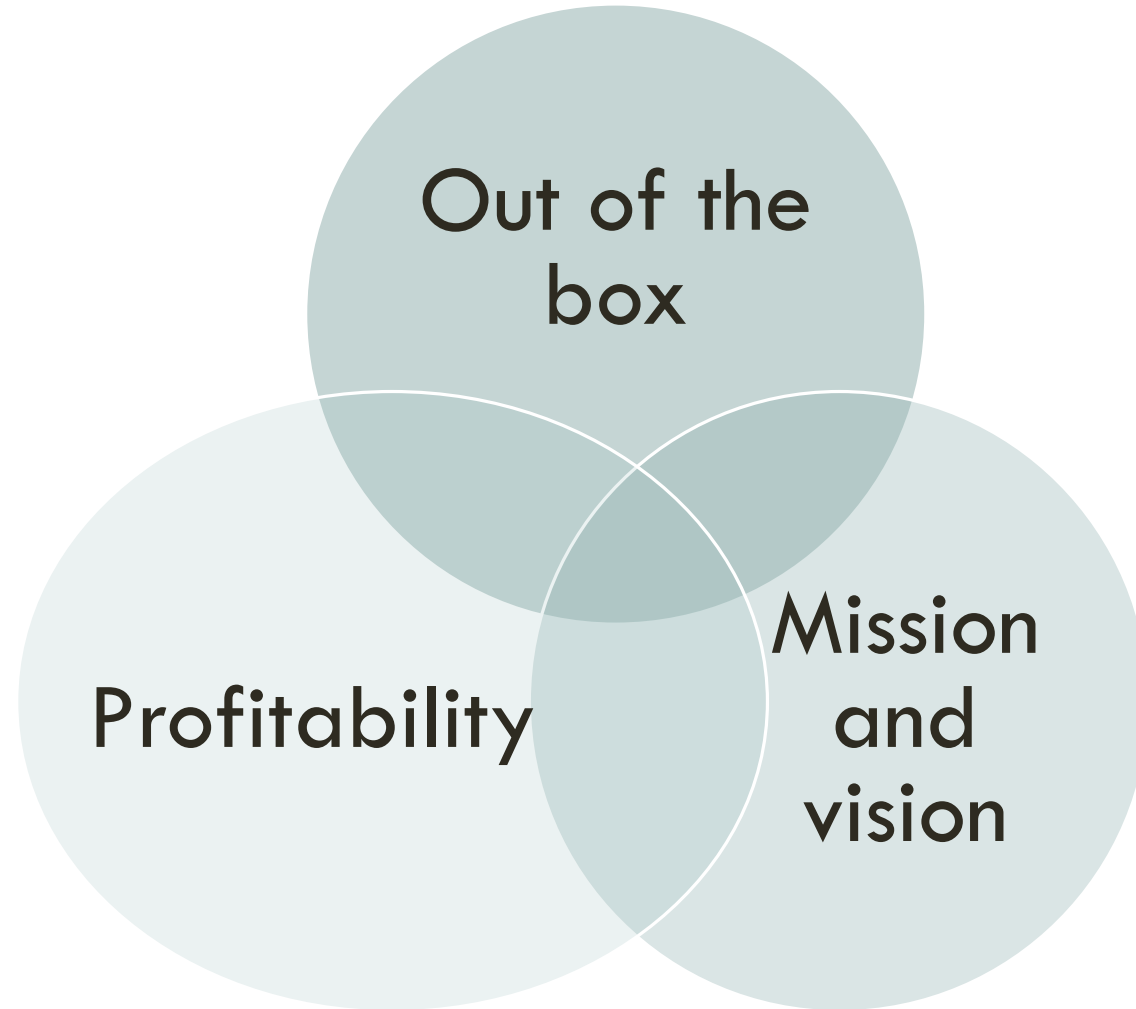
Authentic

Tenacious

Grateful

Together

# Key focus



# Wework members

- Entrepreneurs
- Start-ups
- Freelancers
- Service business
- Corporate employees (banking/lawyers)
- Small businesses



# Wework Unique advantages

- Lower cost per square foot/office
- Access to common space
- No annual leases → no strings attached
- No furniture and utility expenses

# Not just an office space

Inspiration and energy

Ability to connect with others

Ability to grow businessse

# Target market — people in economic developed cities

- Multicultural People coming from all around the world
- Diverse professional backgrounds
- Higher income per capita
- Career Focused

# Ideal City Requirements

- Cost structure of Real State Deals
- Accessibility, Cost per square foot
- Profitability
- Infrastructure (Building design)

# Convert to Welive

## Creating members from our current members

- Pull-in current Wedesk users:
- Capacity – 100K desks
- Pull in 25% → 25K more WeLive residents from a target of 36K.
- Incentivize with a free month office rent.

# Create WeBusiness

People in urbanized cities need a place to do  
business

# Create WeBusiness



## Business and People coming together

Chefs

Sports

Language instructors

# WeBusiness Financials

14 – 112 buildings in 3 years  
300% GROWTH

Start with 10 more  
buildings for WeWork

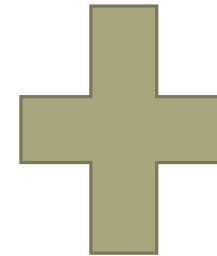
	Per Square foot
Revenue	\$ 160.00
Cost	\$ 58.00
Net Income	\$ 102.00

	Financials	
	1 building	10 buildings
<i>Squarefoot per building</i>		
Revenue	\$ 17,142,880	\$ 171,428,800
Cost	\$ 6,214,294	\$ 62,142,940
Net Income	\$ 10,928,586	\$ 109,285,860



# WeBusiness Profits for each building

	Financials		
	1 building	10 buildings	Long term 20 Buildings
<i>Squarefoot per building</i>			
Revenue	\$ 17,142,880	\$ 171,428,800	\$ 342,857,600
Cost	\$ 6,214,294	\$ 62,142,940	\$ 124,285,880
Profits before Salaries and Expenses	\$ 10,928,586	\$ 109,285,860	\$ 218,571,720
		64%	



Salaries, expenses, taxes

# Enhancing WeLive -Catering our own members needs

- Many members are parents
- Cater the need to leave their child in good hands



# Attract with incentives

Free one month trial membership

1 000 new users

\$45 USD per user → \$45K investment

Retain 20% → 200 new members

200 new members averaging 1 year and avg. rent  
\$1 375 → \$275K

Investment is recovered in 4 months.

Use of expertise in design of space optimization and creating fun social environments

Deep in-house expertise in design and construction

Brand awareness and prestige

Cultural knowledge in 5 continents

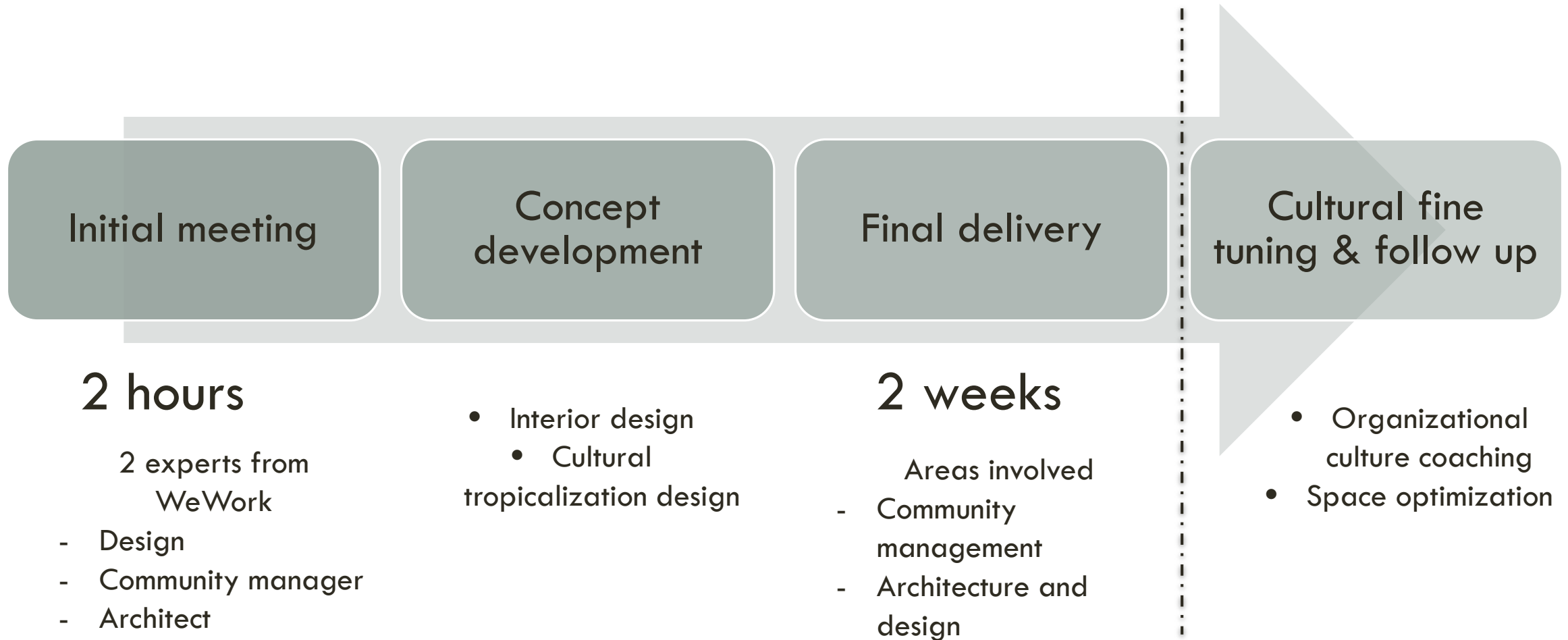
# Client profile

Small-Medium  
companies

Big  
corporations  
(long term)

Similar mission  
and values

# WeDesign process flow



Initial meeting  
\$4k

Concept development  
\$10 per m<sup>2</sup> + \$100 per  
employee



**Cultural fine tuning**  
**\$50 per employee per month**

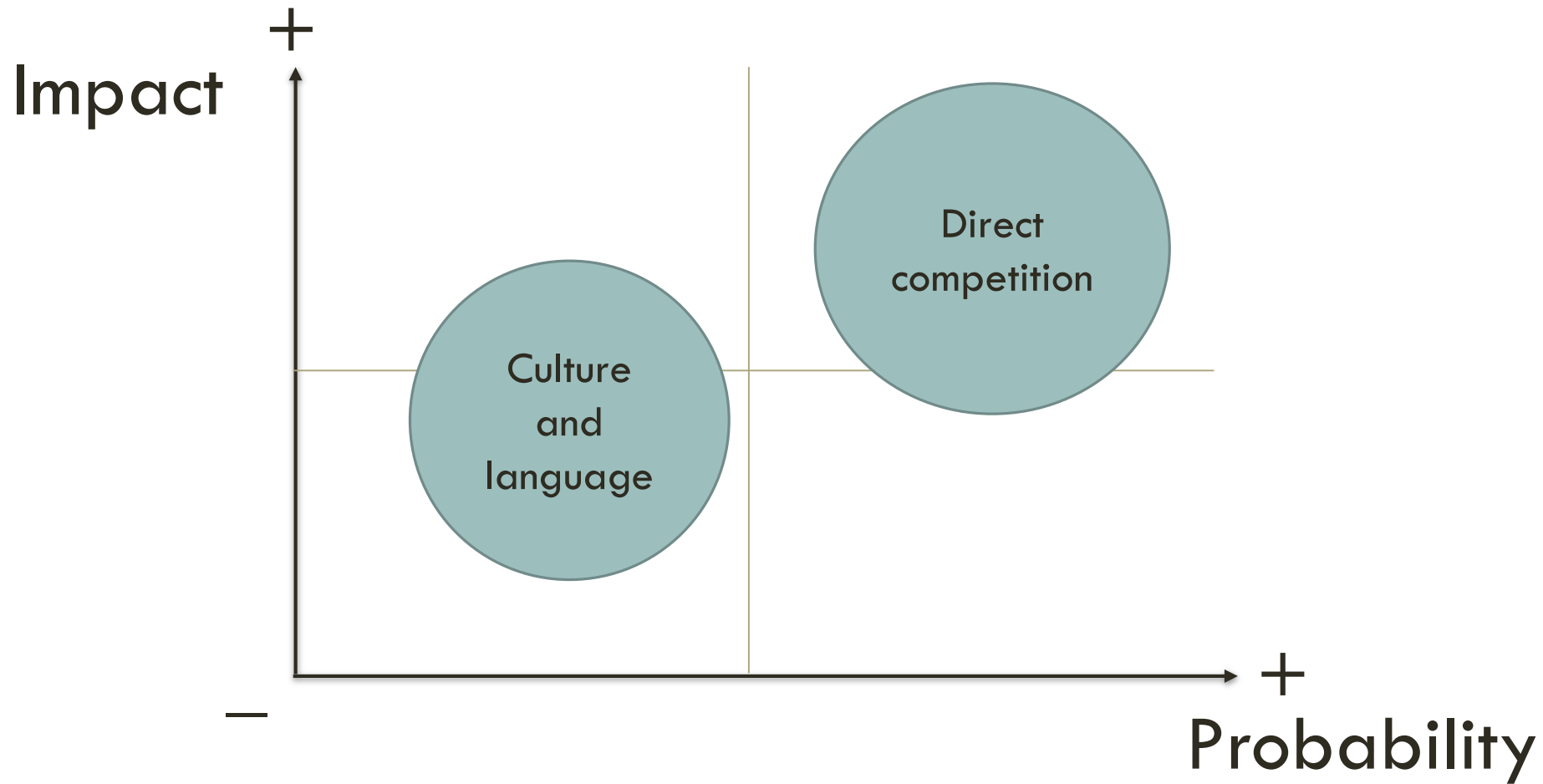
## Additional service

- **WeDesign-G** (global)



Global solutions  
for international  
opening or  
relocations

# Understanding risks



# Financial projections – 1rst year

First year projections	Month 1	Month 12	X Factor	First year projects
15 clients	15	60	4	450

## Average client profile

400

40

Initial meeting	\$	4,000.00
400m2 x 10 usd	\$	4,000.00
40 employees x \$100	\$	4,000.00
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Total project sold	\$	12,000.00
	\$	450.00
<b>First year revenue</b>	<b>\$</b>	<b>5,400,000.00</b>

# Wrap up

