Mike on the New Internet Economy

by Mike Mann

WashingtonVC is alive and well despite economic turmoil all around. We are especially proud to continue our progress on the charitable front with Grassroots.org and Make Change! Trust. In times like these, the poorest and sickest citizens often end up being overlooked, and the charities they depend on struggle for cash to provide necessary services.

Grassroots.org is doing fabulous work providing free services to about 1000 charities, including web development, hosting and domains, content management, email, consulting, SEO services, phone services, and business plan assistance with our partner, the University of Maryland Dingman Center for Entrepreneurship.

Furthermore, Susan Wilder has been continuing her pro-bono assistance leading Make Change! Trust, which has recently supported such fine organizations as Hope for

Henry, Foundation for Jewish Studies, Race for the Cure, First Descents, HeadCount.org, Walk Now for Autism, EarthCare.org, Mentors, Inc., MS Walk, HeartSongs, Benjamin Children's Library, and others.

But alas, WashingtonVC has been hit surprisingly hard despite our indirect links to Wall Street. While our companies are not directly invested in or owned by such firms, one of our charities, Make Change! Trust, does have considerable exposure to what was once considered safe mutual funds. Moreover, the minority of our companies that require current financing cannot generate it from our own family like usual, due to a paucity of liquidity events, despite a few small wins in the Spring, and the fact that virtually all outside investment groups are spooked from everything, no matter what a bargain the new market pricing suggests.

The physical real estate of our investors has not been liquid or has sold at relative fire sales.

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So the point is that despite access to the best programmers, code, growth plans, business conceptuals, domains, brand names, etc., many companies still will not receive significant growth capital any time soon, which will slow down sales but reinvigorate innovation and efficiency.

Fortunately, on average this is a bigger concern for the outside world because many of our other companies continue on a fantastic technical and brand building innovation trajectory, and currently do not require significant cash. So the bottom line is that we are being spanked on the bottom line—but not as bad as most others, knock on wood.

I cannot believe how fast the small Internet industry has caved in parallel with the broader Wall Street garbage. One would think they are not so closely linked, while in fact the whole economy is suffering, and based on a preponderance of current evidence will continue to suffer for some time. It's really scary how many bright, once financially comfortable entrepreneurs, executives, and even technicians have been contacting us about finding new work, and are willing to take a significant portion if not all



their pay in sweat equity. Many of them have small companies they would practically give away at this point if they could promise their spouse a steady income stream. Bad news for sure. But on the bright side, we intend to source a significant capital stream before the broader economy turns around, and with it we will buy many targeted assets at significantly lower prices than we expected previously and will continue to hire the brightest Internet minds in leadership positions within our family of companies.

Stay tuned for several innovative product launches in the coming months. Lots of other cool stuff is going on, namely with Phone.com and DomainMarket.com. Please check out the rest at MikeMann.com.

Thanks a lot for your time and continued interest in our work. *I wish you and your families all the best* •

WASHINGTON VCT

Mike Mann | www.mikemann.com

Customer Service is Key

by Danny Keith

The high point for any retail business, especially one in action sports, is the holiday season. Somewhere around the end of October and first week of November, millions of kids across America utter my favorite words: "I want a skateboard for Christmas."

As soon as the kid goes to sleep, mom is online looking up skateboard websites, and that's when Skateboards.com enters the picture. Most often than not, it is the kids first or second skateboard, and there is ease of assembly when selecting your components through our "Build a Board" feature or purchasing a ready-to-ride prebuilt, complete skateboard.

Even still, customer service is number one, and people often want that reassuring email,

chat or phone call to help them confidentially make their purchase. By utilizing a catchy 877-900-FLIP (900 Flip is a skate trick) number from Phone.com, email addresses that route to the appropriate department, and by implementing Live Person Chat, our customer service team is capable of handling multiple customer inquiries at a time while keeping lag or wait times to a minimum. We at Skateboards.com strive to have the best product with the best customer



service on the best domain in the industry. So don't forget: The key to a growing business is always centered on how well you take care of your customer •

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In the current economic environment, every bit of savings counts. NoCost.com can help.

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of members votes on and comments on the multitude of free offerings, helping to determine the best deals for the next generation of visitors. This way, the cream rises to the top and everyone gets a shot at the coolest free stuff online, all at NoCost.com!

Michael A. Maloy | mmaloy@washingtonvc.com www.nocost.com

Businesses today devote large amounts of energy and resources towards online strategy. While the social sector should do

the same, there are factors that force nonprofit organizations to choose mission-driven activities over the maintenance of their website.



A lack of financial resources, time, and knowledge of Internet tools are major reasons why nonprofits, especially smaller ones, lack the capacity to keep their websites current.

Grassroots.org eliminates these obstacles by equipping nonprofits with services that address their needs free of charge. The Grassroots.org Toolbox is a great example of what organizations need in order to get online. The services in the The Grassroots.org Toolbox guide an organization through the necessary steps for creating a website and improving visibility online.

\$50,000

\$100,000

\$20,000

\$30,000

\$85,000

Domains for Sale

Getting Online: The Grassroots.org Toolbox includes services that are fundamental to creating a website like domain name registration, web hosting, and web design options. These free services save nonprofits time and money that could be used to drive their missions.

Expanding Online: After the website goes live, supportive services like search engine optimization (SEO), language translation, and project consulting help the organization maximize the potential of their website.

Nonprofits can use The Grassroots.org Toolbox to create a website, revamp existing designs on current sites, and attract a wider audience. The services appeal to organizations of all experience levels and developmental stages.

Helping Hands is an example of how nonprofits are able to apply these tools and benefit from being on the web. The organization operates a community center that helps address issues facing low-income communities in Dayton, Ohio. Helping Hands lacked a vibrant website that connected the organization to its members, potential clients, and donors. Through The Grassroots.org Toolbox, Helping Hands now has a memorable domain name, a web host, and a userfriendly website designed by one of Grassroots.org's volunteers. In addition, they were able to expand their audience using our SEO program.

Helping Hands Executive Director Neldra Glasper explains, "One of the best things about our new website has been its impact on the people we serve. It means so much to the kids who use our Clearwire Computer Lab to be able to see their program online."

The experience of Helping Hands is just one example of how these features revolutionize the nonprofit market by helping organizations reach today's web technology standards. Grassroots. org is currently helping over 1000 nonprofits in various service areas improve their web presence. Join the nonprofit network, learn more or support Grassroots.org's work by contacting info@grassroots.org •



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Grassroots.org/Dingman Center Social Venture Consulting

by Melissa Carrier

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The Dingman Center for Entrepreneurship at the University of Maryland is a top-tier entrepreneurial institute recognized around the world as a leader in enterprise creation. The Center promotes a real-world business culture that innovatively bridges the theoretical with the practical and it actively encourages student participation through programs and community initiatives. One of the center's top initiatives is the Social Venture Consulting program, launched in Fall 2006 with the support of Mike Mann and Grassroots.org.

The Social Venture Consulting program gives business school students the opportunity to work directly with non-profit organizations through project-based consulting work. The program is a true win-win: Students apply the concepts learned in the classroom and build new skills while the non-profit organizations are provided with top talent to help solve problems and create new value.

Last year, Aditya Betala '09 and Brian Gottlieb '09 were Social Venture consultants for Generations Community Development Corporation, based in Chicago, Illinois. To finalize their database development project, the pair visited their client with funds provided by Mike Mann, the founder of Grassroots.org. The trip was such a success that the team was asked to complete another phase of the database. The client was extremely satisfied with their final work, and as a result the students not only produced a successful project and gained important consulting experience, they were also able to utilize their business skills to give back to the community.

Since the program's inception, 26 Social Venture Consulting projects have been completed by students, and over 20 students are participating in the program this semester alone. Spring semester will bring with it a new set of projects and opportunities for students and nonprofit organizations alike. For more information about the program, please contact Melissa Carrier at the Dingman Center for Entrepreneurship •

Melissa Carrier

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Stop Worrying About Rankings

by Dave Bascom

Do you search Google for your trophy keyword every morning to see if you're still on the first page? Do you check more than once a day?

If so, you are a rankings junkie and it's time to shake the habit. Things have changed with the search engines to the point where rankings are no longer the best indicator of SEO success. Honestly, rankings have never been the best indicator of success, but this is becoming more and more important for marketers to understand. You should be focusing on how much traffic is coming from search, which keywords are driving that traffic, and most importantly, which keywords are driving sales.

The most recent twist in the search universe was Google's announcement this week of the launch of SearchWiki. SearchWiki gives registered Google users the opportunity to mess with the position of sites in the SERPs. Basically, it gives me as a searcher the opportunity to pick which site shows up in the top spot and get rid of all the crap that isn't relevant for any given search. Sound incredible? Don't get too excited, any changes I make will only be visible to me when I'm logged into my Google account. However, position adjustments and comments people make in SearchWiki can be viewed by other searchers if they click on the "See all notes for this SearchWiki" link at the bottom of the page. If this catches on, and isn't ruined by spammers, I expect SearchWiki to gradually gain more importance in what people see when they search. The first step will be to allow the option to let people's search results be influenced by friends' wiki changes, and then Google could start including aggregate wiki data as part of their search algorithm for the general public.

At the recent PubCon conference, representatives from all three major search engines spoke about how each is trying to offer more than "ten blue text links." What they mean by this is that rather than the traditional 10 text links to web pages when you search, they are starting to serve up other types of content that is relevant to your search query. We've

Another major shift in the search engines that will continue to have a huge impact on search marketers is personalization of the search results. The search engines are starting to customize the search results for each individual searcher based on their search history, geographic location, or other demographic factors. This change makes it futile to focus on search engine rankings, because the ranking will vary depending on who's searching.

Mobile search is another important area to consider. The newest smart phones like the G1 and iPhone make mobile search look a lot like regular web search, but it is still a different experience searching the web from a mobile device. It's a much smaller screen, and people aren't usually searching for the same reasons they would search at the office or at home. Mobile search centers more around local search-it's about finding restaurant reviews, phone numbers, directions, stuff they need to know when they're on the go. Often, the default Google search from a mobile phone serves up search results that are localized to the searchers location. Search tools like Google's recently launched voice search application for the iPhone, and ChaCha, which has been around for awhile, give people the option to speak their search queries, or even send them via SMS text messages.

What does all this mean? It means we need to rethink how we look at search engine optimization.

What does all this mean? It means we need to rethink how we look at search engine optimization...

been hearing about this trend for the past couple years, and it has gradually become more prominent in the search results—known as a Universal or Blended search. Any given search could yield results for images, video, shopping, blogs, local maps or news. Rather than just links to these other types of media, they are often embedded right in the search page. With this shift away from the standard "10 blue text links," it changes the paradigm of search engine optimization. While optimizing web pages is still important, if you aren't creating and optimizing a wide array of digital assets, you are missing out on a huge opportunity to get your brand in front of searchers.

We need to do all the little things to make our sites relevant for our keywords. We also need to think beyond our own websites and provide unique, valuable content in as many different formats as possible. Focus on being relevant to whatever and however people might search, and your traffic and sales numbers will tell you if you are hitting your target •



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Shane Hankins | Executive Director

Shane Hankins joined Grassroots.org in September 2008 as the new Executive Director. He most recently served as Executive Director at Road of Life: Cancer Prevention for Kids, a Grassroots.org member that provides health education programming for children. With his strong experience in nonprofit management and an impressive record in fundraising, Shane was invited to join the Grassroots.org team, where he is "extremely excited to build the capacity of nonprofits around the country to better serve their

communities and constituents." Shane's arrival has already sparked an increase in funding success and nonprofit member signups at Grassroots.org. Shane graduated Phi Beta Kappa from the Ohio State University, with a degree in History and Political Science; his graduate studies at Ohio State concentrated on City and Regional Planning. In the past five years, he has raised over \$17 million for charities. Please contact shane@grassroots.org and you too can participate in our world changing social activities.



