

American Butterfly
The Theory of Every Business

Chapter 6

Facebook Business Development

Page 75: Facebook Business Development

Page 78: Facebook Gifts

Page 82: "Lx."

Page 85: Facebook Stores

Page 89: Cities of Science

Page 99: All Facebook Profits Condensed

Facebook Business Development

A short summary of the three point development plan will be presented, then go into detail on each point before generating a profits forecasts at the end, as in all that is "American Butterfly" the exercise is circular, self generating the first point enhancing the last, then the last enhancing the first, and round and round it goes.

1. Facebook Gifts

Facebook gifts is such a simple concept its amazing Facebook or someone making apps for facebook has not already done it. Facebook has considered it and has a patent relating to the technical inner workings. The concept is simply to attach a gift and card-sending service to the birthday reminder function, then offer an automated reminder service for all occasions.

2. Facebook Gifts Plus

With the door opened to e-commerce in a way that pleases members, Facebook can happily sell goods via the same system to anyone at anytime, with the original birthday gifts demo showing a number of test subjects asking "can I send gifts to myself?"

3. Facebook Gifts Stores

Considering the construction of malls and marinas in resorts, an obvious extension to Facebook gifts is to open retail stores, following in the celestial Steve Jobs vision for Apple to control the user experience end-to-end, and paying respect to his retail co partner retail Guru Ron Johnsons teachings: "The size of the store signals the importance of the brand". Each Facebook gifts store will be of greater size than Apples largest.

This is not to overshadow Apples achievements, rather to pay respect to their founder's vision of moving an IT company smoothly into retail and beyond. Apple stores of course sell only Apple products, products that have been selectively made so as not to overwhelm the consumer with to many choices.

Facebook gifts will also sell everything selectively albeit far wider ranges of goods, hence the need for bigger stores.

When Criss Cox, VP of Facebook products said "Were so far, far, far away from the vision of what this can be, which is everything you use and everything you interact with", I doubt he realized just how quickly his vision could materialize.

The Edge

Facebook of course would not consider such ventures unless they were popular with members and represented a significant improvement in the current e-commerce and retail businesses.

When the original Facebook gifts concept was put on line <http://www.s-world.tv/Facebook/home.html> the network structure as described throughout "American Butterfly" was still in its infancy. A year later it is all encompassing. Include Facebook stores and warehouses positioned within each resort delivery and logistics and the control of the end-to-end user experience are firmly in hand.

As for "representing a significant improvement in the current e-commerce and retail businesses", I refer you once more to the "per human results search engine." The only condition on receiving dividends and profit share network credits is that to receive more credits recipients need to have rated previously purchased items.

With a minimum of \$108 Billion of rated goods a year, plus the general public receiving network credits in exchange for voting, alongside their option to update their vote if an item becomes defective at a later stage, a gigantic voting pool will be in effect, certainly enough to give a good indication of what goods are exceptional.

And that's the trick:

All top rated goods for a defined period are to be made exclusive to Facebook Gifts.

Facebook Gifts



The beauty of Facebook gifts is everyone loves it and wants it. For some it will simply be a convenient way to send gifts and cards, for others a tool to spread happiness, for others a marriage saver. Thus far every single person who has seen the demonstration says they will use it. Reactions have varied from:

"This is the most amazing thing I have ever seen in my life..."

Andrew Lee, Film industry & Night club Owner

"I like that Facebook thing you did..."

Tracey Mc Gregor Actress & Model

"Yeah...It's about time they did something like that..."

Clair Metson ... Search consultant within the legal sector

Even the patent lawyers loved it!

Moving into e-commerce in a standard way would be a very hit or miss affair for Facebook. It may well put members off, added to this is the "if you're going to do something, you're have to be the best, Facebook philosophy."

Facebook Gifts is simple, clean and unobtrusive (it's just one word added to the birthday bar) and due to the network and the "per human results search engine" it's a significant improvement over all competitors.

The pop-up box appears when you click the button that says gifts later, some other functions will be available, for choosing the type of gifts displayed such as: For Him, For Her, Mums, Dads, Novelty, Clearance, \$5, \$10.....

The "gift picker, pop up" shows only the most popular items. There will not be endless options but rather a concise selection, which due to collective ordering greatly reduces the price, not only will one receive the highest ranked presents, one receives the highest ranked presents at wholesale prices. A more varied selection of gifts will be available in a separate window. The "local" button sets the gift picker to display only gifts in stock at the nearest resort network, thereby making orders placed before 10.30 am deliverable on the same day for a reasonable fee or available the next day for free.

The simplest part of all is the mathematics, if each of Facebook's 900 Million members, ordered one present as illustrated annual revenue would be \$108 Billion.

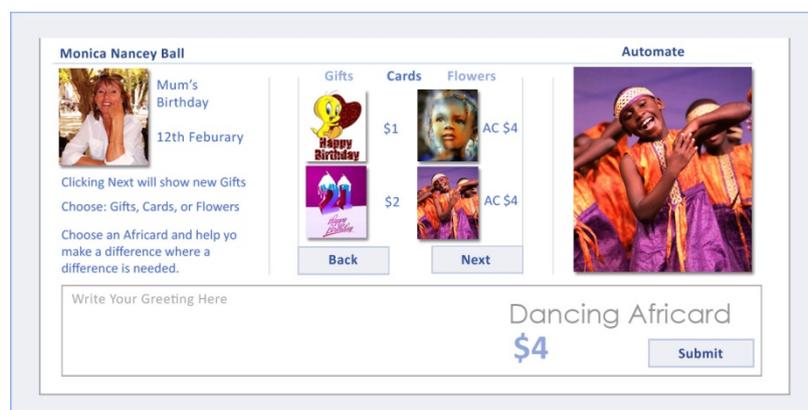
The Africard

The Africard logistics are simple. The card will be written along with a short note by a child such as Noboe for which he receives \$2. Having lived in Africa for 11 years and eventually realizing I was spiritually more akin to the Mandela Park Township Folk than to any other group organization, I can confidently assure you that in Southern Africa \$2 for an hours work is a considerable amount of money. Go deeper into Africa and it's a fortune.

The Africard principle is in many ways sponsorship of an African Child and their family. This concept provides much needed money and promotes literacy and the learning of languages.

If everyone on Facebook sent one Africard a year, 750,000 African children and their families would enjoy a sustainable future, if everyone sent 10 cards, well.... The math is simple.

All cards sent will be made from 100% recycled paper.



Facebook Gifts Kids



Whether or not parents or indeed Facebook will encourage the idea of children having Facebook accounts is a decision not of my making, if one wanted to send a gift one could always input the recipients address details. However Facebook gifts kids becomes the perfect branding tool. Consider Coca Cola, why does everyone love it, because we loved it when we were kids and it stuck. Kids love presents more than anything in the world, if on every present a child receives they see a little facebook gift tag,.....

In the immortal words of Chandler Bing "could there BE a better branding exercise."

Facebook Gifts Automation

Full credit for this addition to Facebook Gifts goes to Mike Enslin, S-World No2: his concept turns a profitable initiative into a money-making machine. It also solves a number of start up logistics problems, as it will be some time before the parent resorts are set up to handle packaging and delivery. Automation also assists "occasional" Facebook users.

To use, one simply goes to the automation page and picks gifts and card choices for the year ahead. One has the choice for gifts to be delivered directly to the recipient or to receive them personally, so one can give them personally. Besides the wholesale rates and convenience, this eliminates one having to wrap the gifts, as gifts arrived pre wrapped, and if one desires, extravagantly pre wrapped.

The convenience of Facebook gifts is further highlighted in the relatives and friends groups, gifts and cards that most would not often send due to the time and effort involved and in general not having access to the addresses. However, from a personal perspective if I had forty or so birthday cards and a dozen or so

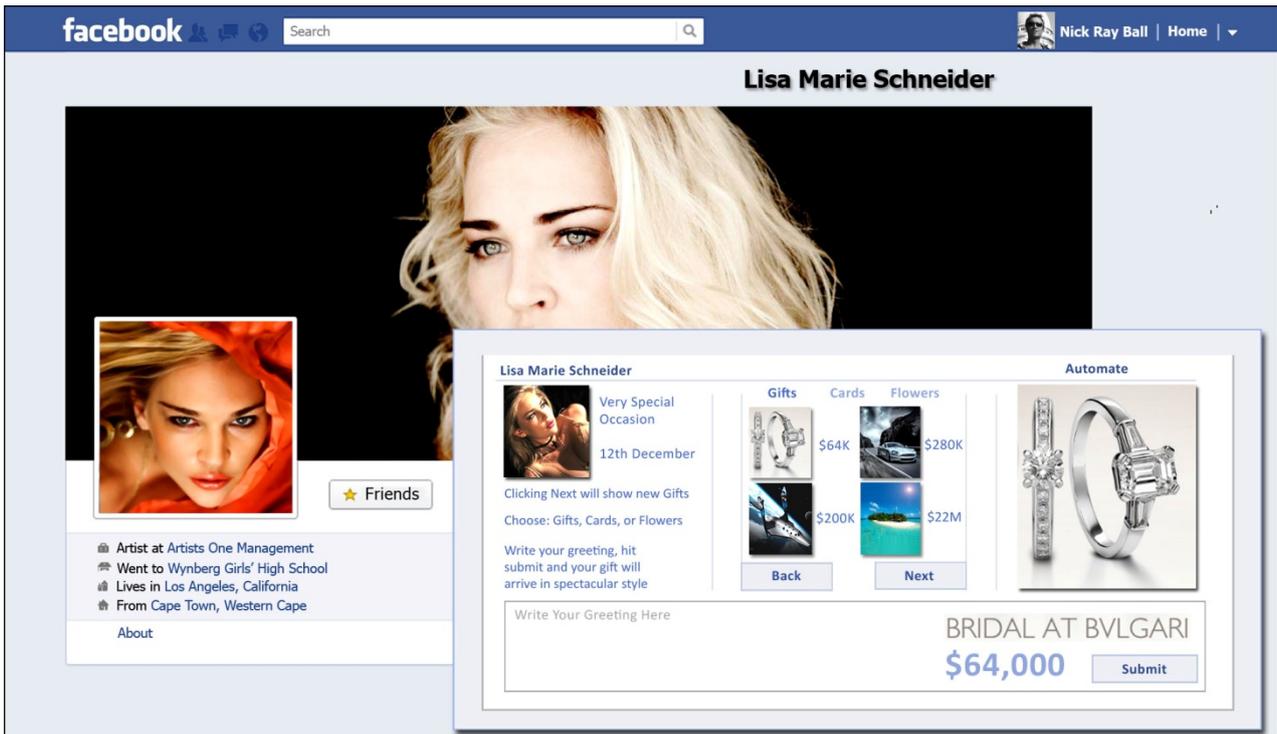
novelty presents on my birthday, I would be delighted.

	Birthdays	Christmas	Mothers Day	Fathers Day	Valentines	Anniversary	TOTAL
Sarah Smith Girlfriend	3 Items \$120 Africard \$4	2 Items \$170 Africard \$4			Flowers #75 \$30 Africard \$4	2 Items \$55 Africard \$4	\$391
Monica Ball Mother	Perfume #3 \$40 Africard \$4	2 Items \$60 Africard \$4	Flowers #15 \$25 Africard \$4			Flowers #24 \$20 Africard \$4	\$161
Raymond Ball Father	2 Items \$25 Luxury Card \$2	2 Items \$35 Luxury Card \$2		Book #1635 \$15 Luxury Card \$2		Afi Card \$4	\$84
Friends Group 1 (16)	Luxury Card \$2	Novelty Set #7 \$5 Standard Card \$1					\$128
Friends Group 2 (32)	Standard Card \$1	Luxury Card \$2					\$96
Relatives Group 1 (8)	Africard \$4	Novelty Set #14 \$10 Luxury Card \$2				Africard \$4	\$160
Relatives Group 1 (12)	Luxury Card \$2	Novelty Set #14 \$5 Standard Card \$1				Standard Card \$1	\$108
Add Friend Or Group	Click on gift to Change						Yearly Total \$1128

This action, particularly with relatives, has significant Facebook membership implications. I have about 20 relatives I'd like to send cards and small gifts to, but less than half are on Facebook, particularly the older generation. Whether one actually wants to have Grandma seeing ones daily posts is a personal decision, so some privacy settings will need to be enabled. This said I'd certainly want all my relatives on Facebook Gifts so I could send them presents, and knowing Grandma and Pops' they would love nothing more than receiving them, so Facebook manages to attract many new members, and as they will know, the baby boomer generation spends a lot more money than siblings generations.

Once more this exercise is circular, if ones grandchild asked grandma to sign up so she can send grandma gifts, it would make sense to Grandma that her granddaughter would like to receive gifts in the same fashion. Indeed this phenomenon could see more money being spent on Facebook gifts by new members than current.

“Lx.”



With over 40% of the worlds wealth held by the top 1% of people “Lx.” caters to that market.

Value, service, experience & exclusivity, must of course apply. Value comes in two forms.

Firstly the collective ordering process dictating wholesale prices on items from Bulgari wedding rings to Aston Martins.

Secondly the “GDP Buster” hi spends mark up initiative, which sees “Lx.” concierge applying a dedicated service representative organizing an individual or families purchasing needs, hi spenders in this category see “Lx.” Lowering their mark up to 2.5% where as the industry standard is 100%.

Service is provided in the form of the “Lx.” concierge agents and auxiliary logistics staff

Experience comes from the many S-World contingents and “Lx.” Lounge bar’s found within the resort networks. Plus of course Facebook is an experience in itself.

Exclusivity comes from membership, one would need to have a financial advisor or bank manager declare that the member is either in the top 1% or earners, or is in the top 1% of net worth individuals.

Exclusive shopping arrives in the form of the “if-you-have-to-ask-you-can’t- afford-it-range” selling items from Private Islands to Picasso Paintings.

The trick of course is to make the receiving of a "Lx." gift a similar experience to opening a bottle of Dom Perignon Rose 1959 on a slick Super Yacht in St Tropez....

One can tell when the "Lx." representative gets out of an Aston Martin, that it going to be special, you can tell from the look of the concierge representative it's going to be stylish; the gift passes hands to excited eyes, and as the bows and ribbons are removed one see's those magic two letters and the full stop "Lx." And one knows whatever is inside will be special and the sender has style.

One can of course choose the delivery method, if subtly is required, subtlety will be received

Reinventing Steve Jobs' end-to-end customer experience, from the icon on the website, to the films of the products, to the choice of gift, to the delivery method, to the delivery vehicle, to the delivery person, to the bows and ribbons, to the packing beneath, to the smile on the recipients face, the user experience never leaves "Lx".

Luxury goods and services have a new Mantra: "Lx."

It's a step up from Neiman's and Saks Fifth Avenue and Gump's.

Of course "Lx." itself becomes a status symbol, as anyone who receives such a gift will know it is from the top one percentile of global earners or net worth holders, or at least as close as it can actually go beyond the reference of a financial advisors declaration so it would not be hard for the 2nd percentile to gain membership, alongside this would be siblings and parents.

Considering only 30% of the population use the internet, of which 45% are facebook members in the region of 5% of facebook users would fulfill the "Lx." membership requirements, this equates to 54 Million members. If one in ten were to use "Lx." to make a purchase as highlighted Facebook would generate just under \$350 Billion in revenue.

Lastly on "Lx.": One will note the branding does not include the name "Facebook", despite the financial advantages, which in tern lead to great profit which equals great good. It is possible that Mark Zuckerberg and Facebook do not like the concept as it does not cater for all. Should this be the case a swap will be made with S-World for the business gift application as described in the forthcoming S-World financial section.

Facebook Gifts Plus

Due to the popularity of Facebook gifts with test subjects, its implementation opens the door for a full e-commerce service, selling top ranked items produced via the entire network, including big brand investors items.

It will not be an all encompassing service, whilst all goods from Mountain Bikes to Airplanes are available only the top 10% of the "per human results search engine" rated goods and services will be available. This serves two purposes. Firstly it follows Steve Jobs business philosophy, "Deciding what not to include is as important as deciding what to do".

On Steve's return to Apple in 1997 a review of all the Mac computers was initiated, there were a dozen Macintoshes ranging from the 1400 to the 9600. When he asked the team the simple question "which one should I tell my friends to buy" no one could give a straight answer so he scraped 70% of the range. This process led to Apple consolidating to just 4 machines: The Power Mac G3, The Power Book G3, the "iMac" and "The iBook".

This action began the transition of a company on its knees on its journey to become the biggest company in the world.

Secondly limiting Facebook to the top 10% of products allows room for the S-World Business network and other retail stores to compete without competing, as the balance of 90% of goods will be sold via those mediums.

For example consider TV Sets, Facebook Gifts and stores would only sell the top 4 ranges, maybe two brand names and two new brands, personal brand love varies from person to person, and just because a TV Manufacturer only received an 88% rating does not mean it's not an excellent buy.

Lx. Concierge.

In the same manner as Facebook Gifts plus, "Lx." concierge will offer an all encompassing service to members in a similar way to Amex Centurion, albeit additionally concentrating on retail, auctions, real estate, personal shopping and services alongside travel and general arrangements.

Facebook Stores

“The size of the store signals the importance of the brand”

Considering Facebook shareholders, management and employees desire Facebook to become the most successful company on the planet in all areas. Alongside Criss Cox's wish to connect Facebook to everything you use is not an imaginary evolution. Given the framework to excel the idea of Facebook Stores is an obvious extension to Facebook Gifts and “Lx”.

How will Facebook Stores excel?

The top 10 percentile of goods, products, real estate and services initiative is on its own enough to warrant the term “a significant improvement over most or all competitors”.

Within Mall based retail, the physical stores themselves, the quality of service and the enthusiasm offered by staff are also pivotal to achieving greatness. We have already discussed the substantial location enhancing initiatives; however said location enhancements were specific to the resort as a single unit. Within the resort itself there will be a variance in the “Location, Location, Location” principal, and example in real estate would be a property that garden opens out only a lake, or built on a mountain. In retail within a Mall or a Mall within a Marina, there are of course higher and lower traffic areas.

As Facebook Stores themselves will become location-improvement event they shall receive the first pick of location within the Malls, a significant advantage and an immediate boost to their capital asset, as a prime high traffic location within a Mall could see two maybe three times the sales of its low traffic counterpart.

The cost of building a Mall is in the region of \$400 per square ft, add the infrastructure and land and a figure of \$532 per square ft is arrived at. For Facebook Stores we are considering 25,000 sq ft per store, a size equal to Bloomingdales outlet stores and slightly bigger than Apple's largest store. The cost per store equals \$13,300,000 add \$2,325,000 for shop fitting and miscellaneous expenses and we come to \$15,625,000 per resort, which when multiplied by the 256 resorts gives an even \$4Billion initial investment.

The average staff levels within a Mall retail store are one per 1,000 square feet, in the financials one per 800 sq feet is presented. The average Apple floor staff wage is between \$9 and \$15 per hour, for Facebook Stores entry level staff a basic of \$15 per hour plus profit share and commissions is offered, which if distributed evenly would double their salaries to a figure in excess of \$60,000 a year. However profit share and commissions are awarded on a performance and customer rating statistics, alongside QE & EEE points (to be clarified later). This will have the effect of seeing exceptional performance being rewarded with plus \$100,000 salaries often for US citizens without 16 plus education.

This exercise along with the desired glamour's stature of being a Facebook Store delegate is designed to create the enthusiasm akin to that of flight attendant in the 60's and 70's, as highlighted in Leonardo DiCaprio's film “Catch me if you can” At the end of the day, these staff initiatives boil down to one objective,

to motivate to generate as much revenue as possible whilst increasing facebook’s brand image on a daily basis.

Before we look at the figures, let’s examine the see the original opening paragraph to the Facebook section. “On the subject of making profit when I worked out the “American Butterfly” enabled Facebook 22 year profit forecast, I felt like the Italian Scientists at Cern when after they broke the speed of light, there simply had to be a mistake. From the parent resorts alone, from a \$4 Billion investment, without a single customer moving a mouse or paying a cent in cash we were just under \$1.5 Trillion, what on earth was the figure going to be when we added paying customers, e-commerce and revenue from the sibling resorts? I checked and rechecked, but I could find no errors. This becomes possible due to the \$425 Million resort network economic stimulus initiative.



Seeing as Facebook Stores sell will just about everything including holidays, Concept cars, Real Estate, Solar Arrays and Financial Services alongside standard retail and apparel, it’s fair to direct \$100 Million of the economic stimulus their way.

The following spreadsheets are available at www.s-world.biz/downloads, the one presented is a condensed version, first we look at the amount of staff and their basic salaries.

Total sq ft	25000
Floor Staff Per sq ft	782.6
Total Staff	94.3
Store open 7 days - 8am to 10pm	
Auxiliary Staff Night Shift	
Salary per Year	\$20 800
Total Staff Needed	12.0
Sub Total	\$249 600
Flore Staff	
Staff Annual Salary	\$31 200
Total Staff Needed	68.1
Sub Total	\$2 123 333
Management Floor Staff	
Senior Floor Staff Annual Salary	\$45 760
Senior Flore Staff Needed	10.2
Sub Total	\$467 133.33
Senior Management	
Annual Salary	\$83 200
No off	4
Sub Total	\$332 800
Director	
Total	\$3 172 867

Facebook Stores: Profit, Dividends & Capital Assets.

Year	Stimulus	Mark	Turnover	Operations	Staff +	FACEBOOK	Half Dividends	POP 2	New Stores	FB Balance
	Revenue	Up	- Sales Tax		Social Tax	PROFIT	Reinvested		\$16,000,000	
2019	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956		\$15,974,168
2020	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956		\$15,974,168
2021	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2022	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956		\$15,974,168
2023	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2024	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956		\$15,974,168
2025	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2026	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2027	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2028	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2029	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2030	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2031	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2032	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2033	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
2034	\$100,050,000	50%	\$30,015,000	\$1,000,000	\$4,645,559	\$24,369,441	\$3,180,212	\$12,793,956	\$16,000,000	-\$25,832
							\$50,883,392		\$192,000,000	\$63,586,694

Above we see the \$100 Million economic stimulus return \$24,369,441 after a 50% mark up on costs of goods, including staff operations and sales tax.

American Butterfly Question – AB9: Is this figure a reasonable assessment?

Higher _____ OK _____ Lower _____?

To clarify the second half of the spreadsheet:

The “Half Dividends Reinvested” column see’s the choice of any company re-investing their dividends into the next resort network; if this is enacted POP 1 profits are redirected to balance the books.

The POP 2 Column represents the 52.5% “POP Cash Injection” into sibling resorts, which pays for their next store within the next report.

Facebook Stores 2036 Profit & Assets Forecast

		Location	Dividends	Start up Stores	14 New Stores	Total Stores	FB Balance	Total
				\$16,000,000	\$16,000,000	\$16,000,000		
				2	14	16		
				\$32,000,000	\$224,000,000	\$256,000,000		
1	Locations Butterfly	100%				\$256,000,000		
	Sub Total					\$512,000,000		
2	Prime Position	50%				\$256,000,000		
	Sub Total					\$768,000,000		
3	Economic Recovery	70%				\$537,600,000		
	Sub Total					\$1,305,600,000		
4	Affordability	-50%				\$652,800,000		
	Totals		\$50,048,411			\$652,800,000	\$59,392,592	\$762,241,002
	Add 2nd Phase							\$1,524,482,004

This analysis accounts for three location improving factors, before addressing the long term desire for properties to become more affordable.

1. Locations Butterfly: The previously highlighted premise that due to the 16 location enhancing exercises, properties within resorts will be worth double their infrastructure, land and building costs.
2. Prime Position: Introducing the unique once off factor "first choice of location within the mall" and whilst it has been mentioned, that foot traffic could double or triple in a prime positioned store for safety a 50% improvement in foot traffic is presented.
3. Economic Recovery: The general principal that once growth returns all properties will rise by 70% to their 2006 value.
4. Affordability: The "American Butterfly" desire to increase living standards for all as illustrated earlier on sees a 50% reduction in property.

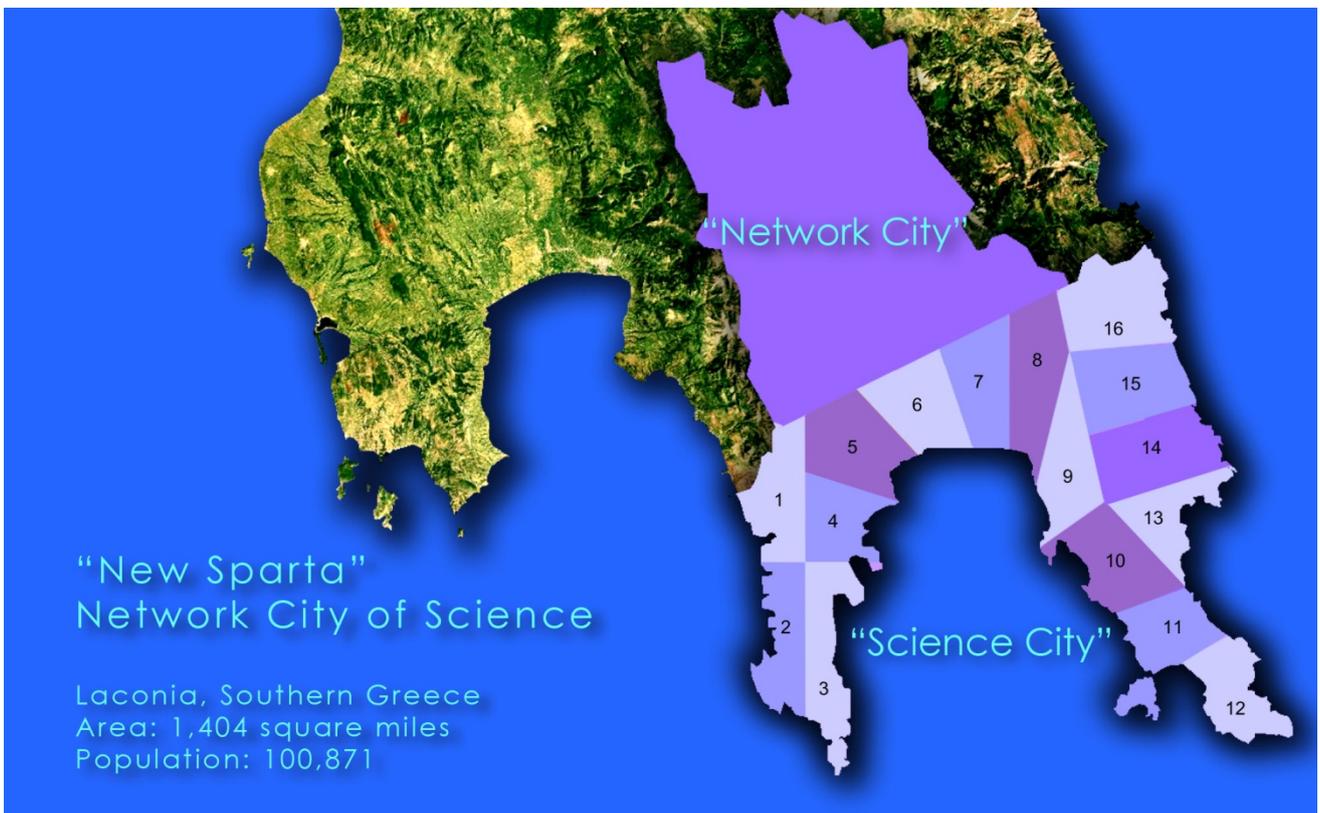
Once the dividend yields, general profits and the second phase of resorts are accounted for, all in, by 2038 the economics stimulus is generates facebook \$1.5 Trillion.

Before we get into Facebook 2018 profits from paying customers we have one last efficiency enhancing exercise needs to be described "Network Cities of Science"

“S-World Network - City of Science”



The “S-World Network - City of Science” concept originated from the preceding “American Butterfly” Eurozone economic thesis “Sparta Rises Again”, which focused on the creation of many resort networks adjacent to each other in Laconia Southern Greece, the original home of Sparta, to be named “New Sparta, City of Science”.



"New Sparta" is split into two parts: Network City & Science City with industry sitting in the middle.

To adapt the model within the USA as the US has two of the 8 continental network cubes it would seem practice to situate one the "S-World Network – City of Science" in a southerly central location, maybe on the border with Mexico and another in a Northerly location maybe on the border of Canada.

A Network City is designed as an international network-trading hub, seeing the land split evenly between qualifying nations, from where they build an embassy and a small resort network around it. The size of the city is not indicative of density, as existing settlements will remain untouched and in general expanses of nature will separate all countries allocated land.

Science City in many respects designed to replicate "Silicone Valley" which started its life as a practical university.

In the early 1950's Stanford University dean of engineering, Frederick Terman, created a seven-hundred-acre industrial park on university land for private companies that could commercialize the ideas of his students.

First came Hewlett Packard who made semiconductors, then came Intel who on 1971 they created the first microprocessor. This lead to Don Hoefler of Electronic News reporting the region using the name "Silicone Valley USA"

Science City is designed in a similar fashion, the City built around research and development in all fields applied to 16 industry sectors found within. Besides generating revenue independently Science City will be subsidized by all resort networks.

The combined cities (Network & Science) become the host and central nerve station for Facebook Gifts, S-World & Buinessbook operations, vetting applications to join or work within the network, considering new ideas presented and acting as a customer service centre for retail & service inquiries or complaints.

As each complaint or inquiry is central to the networks ambitions for product superiority, by 2018 the 100,000 or so staff dedicated to Facebook Gifts, S-World & Buinessbook operations all become an intrinsic part of the customer service network, each complaint seeing proactive assessment and when necessary definitive actions.

With such a high compliment of staff on call the concept of phone auto attendants offending an endless series of digit options leading to voice mail recordings becomes a thing of the past.

Alongside the availability of one on one conversations comes the reassurance that whoever one speaks to will do their best to assist in a courteous manor as the "Per human results, search engine" principal applies, the caller having the options to vote on the satisfaction of the conversation after it ends, simply by pressing either 1,2 or 3 on their telephone. The same principal will apply to web based enquiries.

Facebook Stores 2018 Profits

As we have seen in 2018 the economic stimulus method generates Facebook \$24,369,441 based on guaranteed income, in addition to this income from paying customers needs to be estimated.

To do this one needs to realistically estimate the number of customers expected to visit the store and how much each will spend.

The general rule in estimating retail sales is "revenue per square foot", at \$6,200 per square foot Apple are the retail industry leaders by quite some way. This is not simply due to their branding; more significant is the concept that they do not sell a wide variety of products as such they do not need as much space. In second place comes Tiffanys at \$3,000 per square foot, however on the whole most high end Mall's retailers receiving the region of \$1,000 to \$1,500.

Let's examine the various reasons why Facebook Stores have the capacity to match Apple stores.

1. Few would argue, in terms of brand awareness and love that Facebook are a match for Apple
2. Having first choice of location, and indeed a say in how the Mall will be designed offers a distinct advantage in awareness and foot traffic
3. Staff are better paid, in some cases by a factor of four, said factor creating a highly motivated profit and service orientated workforce.
4. Facebook stores are due to be based on the Apple concept of not having an overwhelming amount of products, an example: A large electronic goods store could be 25,000 sq feet, however as Facebook Stores only sell the top ten percentile of network products, the space need to sell electronic goods would take up only a tenth of the space.

All in all there is a reasonable argument that Facebook Stores could match Apple Stores revenue, but for safety we shall work half it to \$3,100, as such 25000 square feet multiplied by \$3100 equates to \$77,500,000 in the tills. From here we apply the 50% mark up and 10% sales tax and we are left with \$23,175,000 in pre operations profits, however as the staff costs are accounted for via the economic stimulus revenue, we need only to concentrate on staffs profit share which would be in the region of \$1 Million and a marginal \$500,000 increase in operations budgets leaving \$21,675,000.

For the sake of contingency items an annual profit forecast of \$20 Million is presented.

America Butterfly Question, AB10: Is this a reasonable assessment

Higher _____ OK _____ Lower _____?

Facebook Gifts

Facebook Stores become a terrific platform for Facebook Gifts, as many members will at one time or another visited the stores. Alongside this we need to look at the totality of the “American Butterfly” ambitions, I did not decide to give “Quantum Economics” freely to the world just so that Facebook could make money, It for the creation of hospitals & solar arrays, the protection of social security, pensions & welfare alongside the ecological and philanthropic initiatives. Facebook’s inclusion is out of necessity as they become the catalyst which makes “Quantum Economics”, as such whenever one considers “Quantum Economics” and all the good it can bring one will immediately associate the concept with Facebook

A few summary points will be presented before moving into the financial forecasting.

1. Facebook E-Commerce and Stores products have a concise voting pool assessing all goods of which Facebook Gifts and Stores only present the top ten percentile.
2. Facebook stores allow consumers to the touch and feel the products an experience not offered by competing e-commerce vendors.
3. The University Media and Adverting departments create superior website imagery, including hi end photography, films or film clips and where appropriate 3D rendering renderings of products and services.
4. Within “S-World Network – City of Science” Over 100,000 staff are available to assist consumers.
5. The focus on high turnover on specific product ranges dictates higher wholesale ordering resulting in lower prices.
6. Should only a like for like price be available, the knowledge that buying from Facebook Gifts assists the fight against global warming, protects ecology, provides medical aid, secures pensions and welfare for the disadvantage, in comparison to another company that sees profits used for personal gain, it would not be a stretch to boldly say, a consumer would need to be clinically insane to purchase from a un-philanthropic source.
7. All polls taken regarding Facebook Gifts concept have indicate a 100% approval and usage rate.
8. Lastly comes the rather obvious fact that millions upon millions of people already love facebook

Facebook Gifts 2018 Profits

Having made countless financial forecasts over the years two major lessons have been learned. Firstly whatever your gut tells you it's best to half it, as in general ones optimism tends to over inflate. Secondly half it again as it's best under promise and over deliver. So the philosophy dictates safety should be found in a 25% forecast of initial estimates. This suggests that starting out with a 100% usage statistic one if four facebook members using the service is a safe bet, however to be truly minimalistic the forecast presented accounts for ratio of one in ten members using Facebook Gifts.

Facebook Gifts	Usage	Spend	Revenue	Mark	Turnover	Costs	Profit After	512	Per Resort
Members 850M			Received	UP	After Tax		Operations		
Not Using FB Gifts	90.0%								
Cards only	2.00%	\$100	\$1,700,000,000	50%	\$504,900,000	60%	\$201,960,000	512	\$394,453
Cards & Novelty	1.75%	\$250	\$3,718,750,000	50%	\$1,104,468,750	60%	\$441,787,500	512	\$862,866
Light Users	1.50%	\$500	\$6,375,000,000	50%	\$1,893,375,000	60%	\$757,350,000	512	\$1,479,199
Moderate Users	1.30%	\$1,000	\$11,050,000,000	50%	\$3,281,850,000	60%	\$1,312,740,000	512	\$2,563,945
Standard Users	1.05%	\$2,000	\$17,850,000,000	50%	\$5,301,450,000	60%	\$2,120,580,000	512	\$4,141,758
Regular Users	0.95%	\$3,500	\$28,262,500,000	50%	\$8,393,962,500	60%	\$3,357,585,000	512	\$6,557,783
Frequent Users	0.70%	\$5,000	\$29,750,000,000	50%	\$8,835,750,000	60%	\$3,534,300,000	512	\$6,902,930
Extravagant Users	0.50%	\$7,500	\$31,875,000,000	50%	\$9,466,875,000	60%	\$3,786,750,000	512	\$7,395,996
Cherished Users	0.25%	\$10,000	\$21,250,000,000	50%	\$6,502,500,000	60%	\$2,601,000,000	512	\$5,080,078
New Users	5.00%	\$500	\$21,250,000,000	50%	\$6,311,250,000	60%	\$2,524,500,000	512	\$4,930,664
Sub Total	105.00%		\$173,081,250,000	*	\$51,596,381,250		\$20,638,552,500		\$40,309,673
Half International									\$20,154,836

Explaining the Spreadsheet:

On the left we see the category of user and the percentage of facebook members within it, after which we see the annually amount spent followed by the total revenue (cash in tills) received. Next comes the 50% mark up which equates to an item costing \$1,500 being purchased for \$1,000 from the manufacturer. It is worth emphasizing that the standard retail mark up is 100%, which would make a \$1,000 item \$2,000.

The "Turnover after Tax" represents Facebook's income after paying sales tax.

"Costs" represent operational and staff costs. Note: As an on line service one would expect lower costs, however this figure includes the rather time consuming art of wrapping the gifts, writing the tags and the network service representatives salaries.

The "Profit after Operations" sees the total profit divided between the 512 Resort Networks, this figure accounts for the second phase of 256 resorts due to launch in 2016.

In regards to spending, caution has been applied the highest figure being \$10,000, in polls one in ten suggested this would be the figure they would spend, if we note the 0.25% figure next to the "Cherished Users" column this indicated that only one in 400 would spend this much, all in all a very guarded estimate.

Please note the "New Users" column at the bottom, this account for the Baby Boomer generation joining facebook.

Finally we see the total profit received halved due to international operations, as such in total this forecast suggests each resort network will generate \$20,154,836

America Butterfly Question, AB11: Is this figure a reasonable assessment?

Higher _____ OK _____ Lower _____?

Facebook Gifts Plus

FB Gifts Plus	Usage	Spend	Revenue	Mark	Turnover	Costs	Profit After	512	Per Resort
Members 850M			Received	UP	After Tax		Operations		
Not Using FB Gifts	90.0%								
Once off users	2.00%	\$100	\$1,700,000,000	50%	\$504,900,000	60%	\$201,960,000	512	\$394,453
Infrequent Users	1.75%	\$250	\$3,718,750,000	50%	\$1,104,468,750	60%	\$441,787,500	512	\$862,866
Light Users	1.50%	\$500	\$6,375,000,000	50%	\$1,893,375,000	60%	\$757,350,000	512	\$1,479,199
Moderate Users	1.30%	\$1,000	\$11,050,000,000	50%	\$3,281,850,000	60%	\$1,312,740,000	512	\$2,563,945
Standard Users	1.05%	\$2,500	\$22,312,500,000	50%	\$6,626,812,500	60%	\$2,650,725,000	512	\$5,177,197
Regular Users	0.95%	\$5,000	\$40,375,000,000	50%	\$11,991,375,000	60%	\$4,796,550,000	512	\$9,368,262
Frequent Users	0.70%	\$10,000	\$59,500,000,000	50%	\$17,671,500,000	60%	\$7,068,600,000	512	\$13,805,859
Extravagant Users	0.50%	\$12,500	\$53,125,000,000	50%	\$15,778,125,000	60%	\$6,311,250,000	512	\$12,326,660
Cherished Users	0.25%	\$25,000	\$53,125,000,000	50%	\$15,778,125,000	60%	\$6,311,250,000	512	\$12,326,660
New Users	5.00%	\$500	\$21,250,000,000	50%	\$6,311,250,000	60%	\$2,524,500,000	512	\$4,930,664
Sub Total	105.00%		\$272,531,250,000	*	\$80,941,781,250		\$32,376,712,500		\$63,235,767
Half International									\$31,617,883

Facebook Gifts Plus is the everyday version of facebook gifts, in essence facebook stores on the web, people spend a more on everyday items than gifts hence the greater profit return.

In total we see a figure of \$31,617,883

America Butterfly Question, AB12: Is this figure a reasonable assessment?

Higher _____ OK _____ Lower _____?

“Lx.”

As described earlier “Lx” is exclusive to the top 1 percentile of the world’s net wealth holders and earners, before looking at the forecasts, two aspects need to be explained.

Firstly and simply Facebook “Lx” will be called “ Lx” so remove the connotations of elitism from the Facebook brand proper, Lx on its own has nice connotation of Love Kiss” Lx.” Facebook have the further option of exchanging the “Lx.” application for the S-World.Biz Business Gifts application, as described shortly.

Secondly the “Lx.” retail system is what is later described as a “GDP Buster” as whilst it makes profit for facebook, due to the low Mark Up’s for high spenders it is designed to stimulate economic growth by encouraging the super rich to spend money as opposed to saving and investing. With over 40% of the worlds wealth owned by the top 1% and the other 45% owned by the top 10% encouraging the movement of this capital will result in a significant rise in global GDP, GDP being “the amount of money spent by businesses and citizens with a year”.

For top spenders we are looking at an average mark up of 2.5% depending on the type of goods or services purchased. Property for instance would see a 0.5% mark up, on the other end of the scale a top of the range mountain bike would see a 10% mark up. In general due to shop rent, staff, taxes and general operations a bike shop would sell such a bike at a 100% mark up, if it cost \$2,000 to manufacture, it would sell for \$4,000. However if bought via “Lx.” The same bike would cost \$2,200.

With goods as such value, the super rich will be more inclined to buy them, relatives receive more flamboyant Christmas presents, wives receive more jewellery, and billionaires buy more supercars and yachts.

Lx. Gifts

Lx. Gifts	Usage	Spend	Revenue	Mark	Turnover	Costs	Profit After	512	Per Resort
Members 50M			Received	UP	After Tax		Operations		
Not Using FB Gifts	90.00%								
Light Users	2.50%	\$10,000	\$12,500,000,000	25.0%	\$2,250,000,000	30%	\$1,575,000,000	768	\$2,050,781
Moderate Users	2.50%	\$25,000	\$31,250,000,000	25.0%	\$5,625,000,000	30%	\$3,937,500,000	768	\$5,126,953
Regular Users	2.00%	\$50,000	\$50,000,000,000	22.5%	\$8,550,000,000	30%	\$5,985,000,000	768	\$7,792,969
Frequent Users	2.50%	\$100,000	\$125,000,000,000	20.0%	\$22,500,000,000	30%	\$15,750,000,000	768	\$20,507,813
Cherished Users	1.00%	\$500,000	\$250,000,000,000	17.5%	\$33,750,000,000	30%	\$23,625,000,000	768	\$30,761,719
Gold Service	0.20%	\$1,000,000	\$100,000,000,000	15.0%	\$11,700,000,000	40%	\$7,020,000,000	768	\$9,140,625
Gold Plus	0.15%	\$5,000,000	\$375,000,000,000	12.5%	\$37,125,000,000	45%	\$20,418,750,000	768	\$26,586,914
Platinum Service	0.10%	\$10,000,000	\$500,000,000,000	10.0%	\$40,500,000,000	50%	\$20,250,000,000	768	\$26,367,188
Platinum Plus	0.05%	\$25,000,000	\$625,000,000,000	7.5%	\$39,375,000,000	55%	\$17,718,750,000	768	\$23,071,289
New Users	2.50%	\$50,000	\$62,500,000,000	22.5%	\$10,687,500,000	30%	\$7,481,250,000	768	\$9,741,211
Sub Total	103.50%		\$2,131,250,000,000	*	\$212,062,500,000		\$123,761,250,000		\$161,147,461
Half International									\$80,573,730
Lx Lounges									\$10,000,000
Total									\$70,573,730

Besides the lower "Mark Up", there are four differences to the facebook gifts model, most significant is the amount spent, whilst the top tier of \$25 Million seems like a lot this category only accounts for one in 560 of those qualified to become "Lx." members.

The second difference is in "Operating Costs", if we consider selling one luxury item can cost ten to one hundred times more than a standard goods item, the need for staff is lower, as such presented costs decrease from 60% to 30%. However for "Service clients" spending over \$1,000,000 a year the mark up increases due to dedicated concierge staff.

Thirdly the amount of resorts increases from 512 to 768, as unlike facebook gifts "Lx." profits are split between all resorts.

Lastly a \$10,000,000 deduction is made for Lx lounges, much the same as exclusive lounge bars in New York or LA, however "Lx" lounges will be subsidized to the tune of \$10,000,000 thus affording the Michelin Star chef's, stylish, attentive staff and named performers, whilst selling food and beverages at reasonable prices.

All in all Lx. Gifts is forecast to generate just over \$70 Million

America Butterfly Question, AB13: Is this figure a reasonable assessment?

Higher _____ OK _____ Lower _____?

“Lx.” Infinity

Lx. Infinity	Usage	Spend	Revenue	Mark	Turnover	Costs	Profit After	512	Per Resort
Members 50M			Received	UP	After Tax		Operations		
Not Using FB Gifts	90.00%								
Light Users	2.500%	\$5,000	\$6,250,000,000	25.0%	\$1,125,000,000	30%	\$787,500,000	768	\$1,025,391
Moderate Users	2.000%	\$10,000	\$10,000,000,000	25.0%	\$1,800,000,000	30%	\$1,260,000,000	768	\$1,640,625
Regular Users	1.750%	\$25,000	\$21,875,000,000	22.5%	\$3,740,625,000	30%	\$2,618,437,500	768	\$3,409,424
Frequent Users	1.500%	\$50,000	\$37,500,000,000	20.0%	\$6,750,000,000	30%	\$4,725,000,000	768	\$6,152,344
Cherished Users	1.000%	\$100,000	\$50,000,000,000	17.5%	\$6,750,000,000	30%	\$4,725,000,000	768	\$6,152,344
Gold Service	0.700%	\$1,000,000	\$350,000,000,000	15.0%	\$40,950,000,000	40%	\$24,570,000,000	768	\$31,992,188
Gold Plus	0.300%	\$5,000,000	\$750,000,000,000	12.5%	\$74,250,000,000	45%	\$40,837,500,000	768	\$53,173,828
Platinum Service	0.150%	\$10,000,000	\$750,000,000,000	10.0%	\$60,750,000,000	50%	\$30,375,000,000	768	\$39,550,781
Platinum Plus	0.060%	\$25,000,000	\$750,000,000,000	7.5%	\$47,250,000,000	55%	\$21,262,500,000	768	\$27,685,547
Diamond Service	0.030%	\$37,500,000	\$562,500,000,000	5.0%	\$25,312,500,000	60%	\$10,125,000,000	768	\$13,183,594
Diamond Plus	0.010%	\$50,000,000	\$250,000,000,000	2.5%	\$5,625,000,000	65%	\$1,968,750,000	768	\$2,563,477
New Users	2.500%	\$50,000	\$62,500,000,000	22.5%	\$10,687,500,000	30%	\$7,481,250,000	768	\$9,741,211
Sub Total	102.50%		\$3,600,625,000,000		\$284,990,625,000		\$150,735,937,500		\$196,270,752
Half International									\$98,135,376

In the same vein as Facebook Gifts Plus becomes the general e-commerce facebook product delivery system, “Lx.” Infinity is the every day usage version of “Lx.” Gifts.

Looking at the top tier “Diamond Plus” we see a \$50,000,000 spend, this is representative of one of 0.006% of facebook members, adopting a dedicated network concierge team to look after their purchasing and procurement needs. At a mark up of 2.5% in comparison to the standard 100% if one was to spend this amount in a year, it would make sense to do so via there “Lx.” Concierge procurement team, not only will the recipient take advantage of the low mark-up, a dedicated team within the network would have excellent knowledge of the best products and services found within the network.

This figure accounts not just for everyday items and general travel and concierge items, alongside these capital acquisitions such as off plan real estate in future resort networks and other high price items.

Please notice the Diamond Plus on the far right at \$2,563,477 a figure far lower than lower spending members, this is indicative of the “GDP Buster” concept where in essence for “Lx.” is close to a loss leader, the object of the excursive being to generate as much revenue as is possible for the suppliers. As this business model/concept is unique and as such it is impossible to accurately predict usage, as such the figures have been worked on 2500 “Lx.” Infinity Diamond Plus members, considering the advantages the service could well see more.

All told, “Lx.” Infinity is forecast to generate just under \$100 Million

America Butterfly Question, AB14: Is this figure a reasonable assessment?

Higher _____ OK _____ Lower _____?

All Facebook Profits Condensed.

FB Stores Economically Stimulated	\$24,369,441
Facebook Stores	\$30,000,000
Facebook Gifts	\$20,154,836
FB Gifts Plus	\$31,617,883
Lx. Gifts	\$70,573,730
Lx. Plus	\$98,135,376
	\$274,851,267

Adding up all components facebook e-commerce, stores and concierge services are forecast to generate just under \$275 Million.

America Butterfly Question, AB15: Is this figure a reasonable assessment?

Higher _____ Spot on _____ Lower _____? (If higher or lower please present your estimate)

Facebook Share Price

On the 18th May Facebook launched its IPO (Initial Public Offering / Stock market Floatation), shares were sold at a record setting value of \$38 each, at the end of the day valuing Facebook at \$104 Billion. However as soon as the IPO had launched certain narrow minded vultures within the financial sectors started to look at what Facebook makes now, rather than what it could make in the future. As such shortly after facebook stock lost about 20% of its value. By the end of August Facebook shares had lowered to 50% of their initial value.

Currently Facebook make around \$1Billion a year in profit, which compared to other companies at a similar share value is low, as such dividend yield will be comparatively lower. To make matters worse the swing of facebook users from desktop to Cellular phones impacts revenue as currently Facebook to not have an advertising strategy for this medium.

All told if we take into account the "Lx." forecasts are split between 768 resort networks "American Butterfly" enabled Facebook profits total just over \$180 Billion. On top of that is the \$1.5 Trillion 2036 Real Estate assets.

America Butterfly Bonus Question, AB16: On validation from budgetary and financial analysts alongside the bipartisan cooperation from US governments, is it fair to say Facebook shares are due to sky rocket?

Higher _____ OK _____ Lower _____?

American Butterfly

