



Turning Costs Into Profits

— A CFO's Brief

CFO Summary

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|-------------------------------|---|
| Current tool spend leakage | \$41.50/month per distributor (approx. \$498/year) across meetings, file sharing, and video messaging (illustrative). |
| Pricing scenarios | \$30 or \$40 per paid Host per month. |
| Billing model | Hosts pay the Company (licensee). The Company pays AWS hosting fees plus a per-Host royalty to WebMeet (royalty fixed by tier). |
| Adoption targets (paid Hosts) | Month 3: 10% · Month 6: 30% · Month 12: 60% · Month 24: 75% (policy-driven phased rollout). |
| Unit economics definitions | Net/User = Price per Host - Royalty/User - AWS/User. Net Margin (%) = Net/User / Price per Host. AWS/User is illustrative and varies with usage within enforced limits. |

Current State: Decentralized Tool Spend

Distributor members commonly purchase core collaboration tools out-of-pocket:

- Web Meetings & Webinars: \$12–\$16/month (avg. \$14)
- File Sharing: \$9–\$13/month (avg. \$11)
- Video Postcards/Email: \$13–\$20/month (avg. \$16.50)

That totals about **\$41.50 per distributor per month**—spend that typically flows to **outside vendors**, delivering no strategic benefit to the company.

The Opportunity: Company-Owned Solution

Licensees can fully brand and bundle web meeting services to fit their operating model. A common package includes a 100-seat meeting room, a file-sharing repository, and a Video Postcard Studio.

- Hosts pay your company (not a third party), converting fragmented tool spend into a predictable recurring revenue stream.
- Your brand, your platform: users authenticate and operate under your company's identity and domain.

- At \$30/month, pricing is approximately 28% below the \$41.50/month average out-of-pocket tool spend (savings varies by tool mix).
- At \$40/month, pricing is near parity with typical spend while increasing licensee retained revenue per paid Host, retaining branding and messaging control.

The Financial Engine

For each paid Host who migrates from external vendors to your company-controlled platform, the economic impact is measurable:

- Distributor-level **savings and simplification** (single platform vs. multiple vendors).
- A **predictable subscription revenue** stream collected directly by the company.
- Operating leverage as adoption rises: **royalties step down by tier**, improving Net/User and Net Margin.
- **Revenue recapture**: dollars that previously went to outside vendors are retained within the organization.

Adoption Ramp and Billing Model

Who Pays and How the Money Flows

- Distributor members (Hosts) pay the Company (licensee) for a branded meeting room subscription (monthly or annual; credit card).
- The Company pays AWS hosting fees in its own AWS account and remits a monthly per-Host royalty to WebMeet (fixed by tier).
- Only Hosts pay; meeting attendees do not generate subscription charges.

Adoption Ramp Assumptions (Policy-Driven Rollout)

- Required tool rollout, implemented in phases by rank, team, and/or region.
- Illustrative paid Host adoption targets: Month 3: 10% · Month 6: 30% · Month 12: 60% · Month 24: 75%.

Risk & Mitigation

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|------------------------------------|--|
| Payments & data custody | WebMeet™ does not process payments or store card data. All billing is handled by the Company (licensee). |
| Reliability | Target 99.0% uptime. Establish internal escalation and field communications procedures for major incidents. |
| Support model | WebMeet™ provides platform support, reducing internal support load during rollout and ongoing operations. |
| AWS cost variability | AWS costs vary with usage. Enforced limits include: guest caps per room; Video Postcard time/count limits; up to 3 recordings per meeting session; file storage capped at 25GB on Business accounts. The licensee bears AWS overage risk—budget with a variance buffer for high-usage cohorts. |
| Exit / data retention | Because the platform is deployed within the Company's AWS account, the Company controls data custody. If discontinued, the Company is responsible for archiving/exporting and deletion in accordance with internal policy and applicable regulations. |
| Pricing stability | Royalty pricing is fixed by tier. No term commitments are required, preserving flexibility. |

Illustration at Scale



[Scalability/Revenue Calculator](#)

The following revenue projections illustrate a standard 100-seat meeting room package with file sharing repository and Video Postcards. AWS/User is assumed at \$7.50 for illustration; actual AWS costs vary based on platform usage.

\$30 per paid Host per month

| Paid Hosts | AWS/User | Royalty/User | Net/User | Net Margin | Licensee Net Revenue (Monthly) |
|------------|----------|--------------|----------|------------|--------------------------------|
| 500 | \$7.50 | \$9.00 | \$13.50 | 45.0% | \$6,750 |
| 1,000 | \$7.50 | \$8.98 | \$13.52 | 45.1% | \$13,520 |
| 3,000 | \$7.50 | \$8.86 | \$13.64 | 45.5% | \$40,920 |
| 5,000 | \$7.50 | \$8.76 | \$13.74 | 45.8% | \$68,700 |
| 10,000 | \$7.50 | \$8.52 | \$13.98 | 46.6% | \$139,800 |
| 25,000 | \$7.50 | \$7.76 | \$14.74 | 49.1% | \$368,500 |
| 50,000 | \$7.50 | \$6.52 | \$15.98 | 53.3% | \$799,000 |
| 75,000 | \$7.50 | \$6.01 | \$16.49 | 55.0% | \$1,236,750 |
| 100,000 | \$7.50 | \$5.00 | \$17.50 | 58.3% | \$1,750,000 |

\$40 per paid Host per month

| Paid Hosts | AWS/User | Royalty/User | Net/User | Net Margin | Licensee Net Revenue (Monthly) |
|------------|----------|--------------|----------|------------|--------------------------------|
| 500 | \$7.50 | \$9.00 | \$23.50 | 58.8% | \$11,750 |
| 1,000 | \$7.50 | \$8.98 | \$23.52 | 58.8% | \$23,520 |
| 3,000 | \$7.50 | \$8.86 | \$23.64 | 59.1% | \$70,920 |
| 5,000 | \$7.50 | \$8.76 | \$23.74 | 59.4% | \$118,700 |
| 10,000 | \$7.50 | \$8.52 | \$23.98 | 60.0% | \$239,800 |
| 25,000 | \$7.50 | \$7.76 | \$24.74 | 61.9% | \$618,500 |
| 50,000 | \$7.50 | \$6.52 | \$25.98 | 65.0% | \$1,299,000 |
| 75,000 | \$7.50 | \$6.01 | \$26.49 | 66.2% | \$1,986,750 |
| 100,000 | \$7.50 | \$5.00 | \$27.50 | 68.8% | \$2,750,000 |

Paid Host = anyone who has an active Host account under your brand.

Our pay-as-you-grow structure reduces per-Host royalty costs as adoption increases. This means each new tier improves per-Host profitability, supporting EBITDA expansion as you scale.

Definitions

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|-----------------------|--|
| Price per Host | Monthly subscription price paid by each paid Host (e.g., \$30 or \$40). |
| Royalty/User | Per-Host royalty fee paid by the licensee to WebMeet™ for ongoing development, upgrades, and platform support. |
| AWS/User | Per-Host hosting cost incurred by the licensee to operate its branded deployment in its own AWS account. (Illustrative in this brief; actual varies with usage within enforced limits.) |
| Net/User | Licensee retained revenue per paid Host after Royalty/User and AWS/User: Net/User = Price per Host - Royalty/User - AWS/User. |
| Net Margin (%) | Net Margin (%) = Net/User ÷ Price per Host. Equivalently: (Price per Host - Royalty/User - AWS/User) ÷ Price per Host. |

The Bottom Line

Your distributor members are already paying for collaboration services. WebMeet™ enables the company to consolidate fragmented third-party spend into a company-owned revenue stream that:

- Reduces distributor out-of-pocket costs (depending on pricing and tool mix).
- Improves retention and repeat engagement through a standardized, branded experience.
- Supports predictable EBITDA expansion as adoption scales and per-Host royalties step down by tier.

Instead of watching outside vendors capture that value, you retain it—converting decentralized costs into enterprise profit.