



Inc.com

MyPunchbowl is Aiming to Knock Evite Off Its Party-Planning Pedestal

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The Pitch: MyPunchbowl.com offers everything you need to plan a party or event. Evite is our largest rival, but what we do is different. Using the latest technology, our system walks you through every step, from agreeing on a date with your guests and buying supplies to sending invitations and sharing pictures and video afterward. The product is inherently viral and social, and our user base is up 50 percent a month. The party-supply industry is large and fragmented; as our traffic builds, our site will become a centralized source of e-commerce for party-supply companies.

Company: MyPunchbowl.com

Owners: Matt Douglas and Sean Conta

Location: Natick, Massachusetts

Employees: Four, including the two co-founders

2006 revenue: \$0

2007 projected revenue: Less than \$100,000

Investment needed: \$3 million for marketing, partnership, and development, and to hire engineers and a sales force

Recent buzz: A positive review by Walter Mossberg in *The Wall Street Journal*; coverage in the blog TechCrunch and *PC Magazine* and on CNBC

The Investors React

Change the game

The company's primary market--online party invitations--is dominated by Evite. Evite has a huge lead in consumer awareness, is owned by a \$10 billion parent (IAC), and is unlikely to stand still while an unfunded start-up attempts to take market share. I believe Evite is so dominant that it could be unseated only by a "game-

changing" approach (think Apple's iPod) and huge marketing expenditures. A user interface that is only marginally better is not game-changing, and a \$3 million venture capital raise will not provide sufficient marketing clout to unseat Evite and IAC.

William F. Dunbar
Managing director
Core Capital Partners
Washington, D.C.

Find a niche

MyPunchbowl has targeted a growing market with enormous advertising potential. But there are established players with better access to the ad revenue, and MyPunchbowl doesn't seem to have anything that differentiates it. The company should target a niche--some demographic, such as college students, that tends to communicate a lot or plan parties--and build its name there. Even so, it will have a hard time attracting investors because of the lack of proprietary technology and the crowded market. MyPunchbowl should plan a bootstrap growth strategy.

Liddy Karter
Executive director
Angel Investor
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No exit?

Evite hasn't taken over the world yet, and the site's current owners don't seem to be adding new features. MyPunchbowl has some fun features, like the ability to share photos and video. And given the press coverage the company has received, it's clear that this product gets people talking. But investors lack imagination. They need to have some idea of how big this can get and what kind of exit it will have. Is this going to be a niche company or a \$100 million company? How big is the party-planning industry? Do the founders have any market analytics on this?

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