2021 Investor Day

Pre-Recorded Content Transcript

Welcome & Safe Harbor Statement
Meredith Burns, Vice President, Investor Relations & Sustainability, Cimpress

Hello, it's me, Meredith Burns, Vice President of Investor Relations and Sustainability. Welcome to Cimpress' 2021 Investor Day. Well, it's not actually a day, per se. This is the second time that we're doing this as a virtual event, and we thought we would change things up a bit. This year, we're working the way that our own work has evolved during the pandemic…from our remote workspaces. And where things can be done asynchronously, we prefer that. We get together live only when live interaction is the best way to accomplish our goals and when it's a great use of everybody's time.

For this event, what that means is that we've prerecorded presentation content that each of you can view when it suits you. The second that we post them, because you just can't wait? You bet. After the kids have gone to sleep? Sure. While walking on a treadmill? That works great. Or at 7:00 AM on Monday, August 2nd, as if it were live? That's fine too. Just be sure to come back for our live Q and A session at 11:00 AM Eastern Time on Monday. You can pre-submit your questions anytime between now and then, and there will be an opportunity to chat your questions to us through the event microsite.

So let's talk about this microsite. It's pretty intuitive, but for the record, here you will be able to access all of the prerecorded content via the Presentations tab. You'll see videos, slides, and a transcript there, as well as an Excel file with reconciliations of the non-GAAP measures that we show in the prepared content. We've organized the video content into a session order that we think makes the most sense for viewing. This is especially important for the Vistaprint content, where many of the presentations refer to and build on the content that's delivered in presentations higher on the list. You can also read bios for each of the main presenters on the Speaker Bio tab. This microsite is also where you'll come on Monday, August 2nd, 2021 at 11:00 AM for our live Q&A session.

And last, but certainly not least, you'll see the safe harbor statement for this event. But you'll get that here as well. Wait, you didn't think that I would cut that part out of my prepared remarks, did you? No, no, no, no, no. This is too important for that. So I will note that we will make a lot of statements about the future and the content that you're going to see on this microsite. Our strategic aspirations to drive customer value, the expected benefits of our investments, our financial expectations, and more. And our actual results may differ materially from these statements due to risk factors that are outlined in detail in our SEC filings, also here on this slide, and at the event microsite. We invite you to read them.

And now stop spending time with me. Go check out what our executives have to say about our performance over the past year, and our thoughts about the future.

Emerging Stronger from the Pandemic
Robert Keane, Founder, Chairman & Chief Executive Officer, Cimpress

Hi, I'm Robert Keane, founder, chairman, and CEO of Cimpress. And I'd like to thank you for investing the time you're investing to view these prerecorded presentations. I really hope that you will also join us for our live question and answer session on Monday, August 2nd.

For our annual investor days, we intentionally highlight subjects that are not part of a typical investor relations quarterly document. Our intent in doing so is really to help you to develop a deeper understanding beyond the numbers of our opportunity, our aspirations, our increasing talent density, our ability to execute and how we prioritize and think about capital allocation. Now, in order to use your time effectively, we are not going to spend a lot of time on the basics of Cimpress' business model or our strategy in this video or these videos, unless we really are introducing a new concept. However, if you are new to our story, we do have a significant amount of previously published content on our investor relations website that describes concepts like mass customization, our strategy overall, and our history, which we think will aid you in developing an understanding of Cimpress and our opportunity for the future.

To give you a sense of that opportunity, we operate in a massive and highly fragmented market that is undergoing a multi-decade shift from traditional offline suppliers to mass customization online players like Cimpress. And we are the clear market leader in doing so. The products we make are relatively common things like signage, marketing materials, logo apparel, promotional products, packaging, and personalized consumer products. The total addressable market for these products is huge, over a hundred billion dollars annually in the geographic markets where we operate. The majority of our revenues comes from serving small and medium businesses, but we also have significant portions of our revenue, albeit a minority, from a combination of larger businesses, consumer applications, and resellers.

The market consolidation we're driving is happening thanks to the competitive advantage of our business model. We deliver our customers more convenience, a much more vast product selection, lower prices, all in markets where the majority of the competition still relies on traditional means of production and traditional means of service, and therefore, they operate in inefficient small-scale kind of job-shop like physical locations. And they treat pretty much every order as a custom order. To the contrary at Cimpress, we use our very large scale, and the reach and the power of the internet to drive large volumes of standardized homogeneous orders, right into a highly efficient set of both service operations, which are software powered and located around the world and highly efficient service centers. But also into highly automated production operations. And we do all this through an online e-commerce driven model. Because Cimpress is fundamentally advantaged relative to most competitors, and because we're in such a large market, that's why we really believe the future is bright for Cimpress.

That being said, the past 15 months have been tough on our top line revenues because the pandemic-driven lockdowns have curtailed a lot of the applications where we serve our customers. But as we begin our fiscal year 2022, we certainly see recent revenue results returning to pre-pandemic levels. And we see a clear path to return to the sustainable growth we've had in the past, and to continue to improve our competitive position. In the annual letter to investors, which we published on July 28th, I spoke about four key takeaways from the pandemic that we believe are relevant for our future.

First, our decentralized structure enabled our businesses to react quickly and decisively. They leveraged our select few shared strategic capabilities. They leveraged Cimpress-wide financing, and they worked with each others' strengths to better weather the storm, than they could have done as standalone businesses. And this really reinforced the advantages of the structure that we've built in the minds of our team members across Cimpress and should make our future execution even better.

The constraints we faced during the pandemic were harsh, especially in those first few weeks and months. When combined with the long-term orientation of our incentives however, what we collectively needed to achieve was really crystal clear. We learned quickly what we could do without, and we reduced costs accordingly. Our teams demonstrated how fast we can move when we're aligned around common

objectives within the context of these constraints and these incentives. We know now what's possible. We certainly don't need a pandemic in the future to move with that type of speed again, in the future.

During the pandemic, we pivoted to remote work. And for many team members, we moved to a permanent remote-first model. We've been very intentional about our remote-first approach, and we are investing behind this as a way of working so that it helps us better recruit, retain, and engage top-quality talent. We reshaped our office footprint accordingly that freed up capital that we can redeploy into other investments. And those investments include hiring and enhancing team member experience. Time will tell how these real time case studies are moving away from a traditional office culture will work, but at Cimpress the early indicators for us are really very positive.

In the times of the pandemic, the final thing we really learned was that giving back was never more important. And to do so, our businesses actively supported small businesses and communities through grants, donations, advice, and products. We accelerated our carbon pollution reduction targets by setting a net zero carbon goal for 2040. We continued our high standards for using only responsibly harvested forest products. And we implemented a plan to eliminate problematic plastics, and when we do use plastics of any kind, we're accelerating a move toward recycled and recyclable content for our packaging and products. Finally, we continue to increase the diversity of our team members and the inclusiveness of our company culture.

So, to sum up before we go into the details of today's presentation, you should really today get a sense of the power of the Cimpress business model, the value of our various businesses being part of Cimpress and the opportunity ahead of us. Of course, you'll hear about the accomplishment at both the individual business level, but importantly, I think in multiple presentations, you're going to hear why together the different parts of Cimpress are stronger as part of the group in terms of customer delivery, innovation, financial results, and therefore in our ability to create long-term shareholder value for you. I really hope you enjoy and I hope you learn a lot from the presentations that you're about to see.

Mass Customization Platform
Maarten Wensveen, Chief Technology Officer, Cimpress

Welcome from my house here in Boston. I'm excited to update you all today on our amazing journey that we have been going through in the last year. There's so much that has been happening. So let's dive right in, into MCP, something very near and dear to my heart, obviously. And what we're starting to see massive adoption throughout the organization. I do want to sense though, and really take a little bit of the time to describe what it is. It's not always clear for people. There's a lot in there and to really understand why we're doing that and why we're investing in it. Let's take, take a minute to go through that.

So, almost the anchor point of it all in the middle, the most important part of is our PIM, our Product Information Management system. This basically entails all of the products in all of the different forms that our businesses are selling to our customers all over the world. And what you see really here is that we've tried many times in the past, way before MCP, to work with all kinds of third-party systems with article numbers and serial numbers, you know, your typical products out there. But what we've really done here is to create sort of the universal translator of a product, that’s actually more of a recipe actually to make. There is billions of permutations to get to these tens of thousands of products possible when you think about where does the image go, maybe some embroidery on the side, and then the extent of pricing on it. It can get complex quite quickly. And I'm very proud of what we have been able to establish now and the adoption that this is having for us.

Also realization that not every, not all of our businesses, when we go to e-commerce maybe have the latest and greatest front-end tech stack to express that for their websites. So to build sort of a common framework to easily get out there in the market and adopt the latest and greatest techniques, we've been investing a lot in e-commerce, which is almost a later addition to the MCP kind of family, but has had massive adoption. It was almost the thing that unlocked many of it because otherwise they couldn't adapt

really deep given the older technology stacks that we have sometimes seen in the businesses. Not all, but in a few of them.

Supplier network is really on top of that product model really starts to see the adoption of third-party fulfillers, so factories that can make these products. And also the usage of our own facilities, cross businesses, phenomenal.

Fulfillment, all the fulfillment technologies and all the things of like cross-border shipping, and what is this best carrier for what best rates, all these things are very important when you think about also things of... there's a time that some products take to create on a factory floor. Some of them are very easy to make. Some of them have just an amount of lead time on the factory floor, and then calculating the best optimum time from the promise to the customer all the way back to include the shipping is a tremendous value to have to make optimum price choices for us, and also still adhere to the customer promises that we make.

Artwork technology, that is a super popular thing because there is so much upside potential for the customer to make it easier. While we also save a lot of pain under the water in automation and things that we have to correct by hand. This really gives us scale throughout what Cimpress is doing for all of our businesses.

And last but not least almost on purpose at the very foundation, all of the data events that come with that and what we can do with it. But for that, we dive into it a little bit later.

If we go to this, this is more of the, so what, why would you do that? What's in it for the business in it. And especially also as a shareholder why, what's the value? What's the return on investment on any of these things? Well, it varies a little bit on these domains. I have spoken about that a little bit in lighter details before in investor day, but we get... we see more and more use cases active where we see the return on investment coming back on these things. Because sometimes it's much more about a cost savings, getting more efficient on it, or lowering your hurdle rates to actually do something. And other ones are just immediately conversion improvers for our customers. Think about things like, I can actually improve the quality of an image when I upload something to your website. I can immediately correct errors on your website, all the way to there might be still an error in there, but down the line before we actually print it, we auto-correct it for you, or we detect that there might be an error and before we disappoint a customer with it, we just fix it in line. Nobody ever knew about it, but we have a lower complaint rate.

There's a whole bunch of things in that. And so that leads to cost savings, that leads to conversion increases, both top and bottom line basically gets measured in all of our organization and all of these products that we have out there, we measure literally these things on a return of investment system together with the financial departments of the organization. And that is tremendously powerful to know where we need to strategically invest more. And versus this actually isn't that useful as we thought.

So with all of the adoption throughout all of Cimpress, we've seen a ton of change. Many of the businesses have been going much deeper into the latest and greatest technologies that they can do on their website, on their front-ends, right? So Vistaprint or Pixart, National Pen, BuildASign even, they're not on this map, but everybody has been busy with getting much more richer, state-of-the-art technology infused into their website experiences, which will help our customers, which is extremely exciting. And there's a whole bunch more coming, which will get that richer integration, which is so powerful.

But today I don't have like a lot more even to say from an MCP perspective, because what is really excited with the amount of that we invested in it is that the story is going to tell itself. Many of our businesses are actually, when I looked through all of the presentations that were being created are going to talk about MCP and what it is doing for them, even myself later when I'll put my Vistaprint hat on. There is just a tremendous amount of good stuff happening there. I mean, as much as I love to look at new technologies and show them, it is even more rewarding when you see one of the businesses show what they're really proud of and what is happening in it, and they're using our technology, right? There's nothing more rewarding as a technologist when you build something that there's good success, people

that are happy with it, and the customers are actually happy with using that. And when you see that starting to happen around you versus, oh, we had an idea, the one where it actually is working is way more cool than the one where we have a great idea on paper.

It's amazing how far we actually came as an organization to even build this. In the beginning, we didn't have even all the talent in house to build API-forward distributed architectures and these kind of things. But we wanted to, and many organizations want that too, but it's quite... it took us quite a while to attract new talent, train our current talent. And then with that actually started interacting with the businesses and finding out what that sweet spot is, what we needed to build, which now has become MCP.

Vistaprint Overview
Robert Keane, Chief Executive Officer & Sean Quinn, Chief Financial Officer, Vistaprint

Robert Keane:
Hello again. In this presentation on Vistaprint, we decided to invest quite a bit of time relative to the overall amount of screen time that we have in this day's setup presentations, and that's because it's at Vistaprint where Cimpress is undergoing the most change, and that change is really creating some exciting opportunities for the future not only at Vistaprint, but at Cimpress overall. What I'll call the turnaround of Vistaprint is really important for the overall Cimpress story, given the size and profitability of Vistaprint relative to our whole. I think you're going to be very impressed to see what we've been doing and what our plans are for the future. So to start, Sean and I will give a summary update, and then different members of the Vistaprint executive team will provide additional details in the presentations that follow. Again, we have a lot of exciting updates to get into. So I'll just jump right in.

As we've shared with our investors before, for the past two and a half years, we've been on what we call a transformation journey. We needed to address the fact that this great business, Vistaprint, had seen slowing growth. Given the enormous markets we serve and our competitive advantages we should be able to exploit, in fact, we should have been delivering sustained revenue growth that was based on very sound economics, which drove and will drive in the future Cimpress' intrinsic value steadily higher.

So we stepped back and said, "Really, how do we build this Vistaprint back for the long term?" Most of the work we began focusing on today has been in the category of what we refer to as our foundational basics or strengthening and building and rebuilding those foundational basics. By that, I mean the non-negotiable must-haves that any great company needs to have to be highly competitive.

Now, foundational basics are really critical. They're important, and I'll talk about them in the next slide, but it's important to say that we set out to do nothing less than position ourselves through that investment to deliver jaw-dropping customer value. In other words, we wanted to be able to get back to a place like we were in our past history where our customer value we delivered was so differentiated and so strong that we earned the loyalty of millions of customers and that in turn grew or drove the growth of the business. As you know, the pandemic threw a wrench into the works of our plans, but following the pandemic response, we have returned to that original vision, that original journey, even though we've been delayed by nine, 12 months because of the pandemic.

Now, I'm very happy with the progress that we've made in the foundational basics that we've laid out. Throughout the presentations today, my colleagues and I will share examples in multiple categories on this list. I think we'll actually touch on every one of them on this list. Now, in summary, foundational basics are all about building Vistaprint's culture and the company culture back to a point where that culture itself is a competitive advantage. We're going to always strive to improve on these foundational basics. All right? But we are very much excited by the fact that we've reached a phase in this journey where the hard work we've been doing is starting to become evident externally to our customers, to the market, and to our shareholders and to our debt investors. Clearly, the customer value that we need to deliver and that we will deliver in the future has not yet been built, but we have clear plans on what we're building and where we're going.

Now, at the risk of mixing metaphors, we describe the future that we're going to build on top of our foundational basics as our strategic North Star, in other words, where we're driving towards several years into the future. As I mentioned before, this is to deliver jaw-dropping customer value. But specifically, we want to do that with small businesses of the world by becoming their expert design and marketing partner. That North Star, this customer centered vision really describes for us a point that is far away from where we are right now, and we're very motivated and excited to be on a journey that we'll travel to get there. Now, we know we have a long way to go to achieve it, but we've already come far, and we're building the customer insights, the technology, the data systems, the customer reach and the branding, the services operations, the production operations to achieve this audacious goal.

Now, Vistaprint is already very good at serving the world's small businesses profitably, and we do that by focusing on these small order sizes that we produce in large volume, in summary, the mass customization I spoke about earlier. But we are improving every day in how we do that across multiple areas, from quality and reliability to product selection to speed of delivery, to the user experience on our site, to customer service, to beautiful design. That's not just across physical products. You are going to hear today and see over the coming year that we're going to increasingly be bridging the gap between the physical and digital marketing materials of the world, because that's what our customers want and because Vistaprint is very well suited to provide that type of a solution.

Importantly, we need to build new capabilities that expand our customer value beyond the historical limits that we've imposed on ourselves about what types of small business customers we see ourselves as serving and where we work very well. We certainly need to and will continue to serve millions of these one-person micro businesses for print and other physical marketing products. But we need to meet a wider range of customer needs with relevant products and services and expertise and amazing customer service for larger and more established and/or more ambitious small businesses that are more valuable to us in terms of customer value.

When we think about how we want to go about this, we look, like you see on the chart here, at this combination of a customer count funnel, where we have millions and millions of customers coming in, trying our products, of which a few of them, a large number, but relatively few become high-value customers. On the right, that high-value base, those customers create a customer value pyramid, which the basis and the largest portion of our value delivery is from that minority of customers.

Now, I'll talk in the next few slides about the difference of where we've come from and where we're going. I just can't stress enough that we have the strength in these small businesses, the micro businesses that we're going to keep. It's just we want to add on top of it the ability to serve the small businesses who need to and want to spend more on marketing their business.

So let me start, first of all, with our traditional strength, these micro businesses of the world. So what you see here is a number of different TikTok videos you can go on and easily find of customers raving about how they love Vistaprint. Each of the women in this set of videos is a customer who is talking about for her small business how important it was and how enjoyable and satisfying it was to turn to Vistaprint because of the products we offered, because of the quality of the offering, and because at the core what we were doing to make them look and feel really professional as they went about building these very small businesses.

Increasingly, we're seeing customers like some of these here on the screen who are doing small, often one-person e-commerce-based businesses from their home, and Vistaprint is really a trusted partner for huge numbers of these types of customers. But as I said, those are not the only customers we need to serve. These types of customers, although the use of e-commerce and TikTok is relatively new in the growth of huge numbers of small businesses, these types of single one-person, two-person businesses are very much where we came from.

Looking forward to it, in the future, we see in addition, we need to move back to an ability to serve these higher-value customers who themselves remain small businesses, but are higher value. Now, what you see on these charts is data for small businesses. We are not here talking about large businesses and

enterprise customers. Often the customers that are behind the figures I'm going to speak about, some are one or two person businesses sometimes are 5, 10 or 20 person businesses. But it's important to say that small business marketing goes beyond where Vistaprint has traditionally played. And I'm going to start on the left-hand side, and based on a study that we did both in Germany and the United States, you see, first of all, there's the left-hand side, the grayish and black colors show the type of products where Vistaprint has traditionally played. And roughly just under half of the market is for things like promotional products, marketing materials, signage, business cards, stationary, packaging and labels, where we see our traditional strength.

But you see on the right hand of each one of those pie charts that the area of design and the area of digital marketing is increasingly really important. So design has always been around and always important. We didn't focus on it because we gave away do it yourself, free design in the browser, but it's a big part of the market. And digital, of course, has grown enormously over the last 10, 20 years. Now, if you go to the right hand side, you see that small businesses who pay for design represent most of our total addressable market. And in each one of these, again, in the United States and Germany, you see in the left-hand chart, we talk about the percentage of the total population of customers that we surveyed. And you see that a small percentage, 32% in the case of U.S. or 47% in the case of Germany, actually paid for design services.

Vistaprint never really focused on those types of customers before, rather Vistaprint would have focused up in the dark blue, where you see 37% of the segment in the United States or 23% in Germany, where there are large number of small customers, but when you move over to the share of the marketing spend, a small percentage of the total marketing. Now, when we made the investment in 99designs, it was explicitly in recognition of this customer research, and saying that we need to be much better at serving high value customers. Later on today, Ricky Engelberg, our CMO, is going to talk about what we're doing overall. But one of the videos you'll see is from a very small company just starting up in Ottawa, Canada, and they fall into the classic example of one of these higher value, small businesses who want to pay for design because it's so important for the business, and then go on to buy everything from, certainly logos, but packaging, websites, and many other products.

And again, 99designs was a very important investment for us to be able to serve the base of that value pyramid I showed a few slides ago. And 99designs has been around for more than a decade, really building an incredible reputation by bringing together tens and tens of thousands of highly talented graphic designers, like you see moving through in the bottom center of this page, who are available to work with customers to really understand their needs and to develop something which is very bespoke and custom to them. And again, you'll hear a lot more about that later in the presentation.

So I'm going to turn this over to Sean. But I think one of the things I just like to keep in the back, you to please keep in the back of your mind as you think about Vistaprint, both from Sean's presentation and what you'll hear later today, is that we very much recognize the need and the opportunity to continue to serve the micro businesses that we served for so long, but we also recognize the need to go beyond that. And that ability to have that dual focus is very important for us, because our brand reputation, the notoriety of Vistaprint comes from having millions of customers. And we see a big opportunity if and when, and we believe it's going to be a question of when, not if, we get excellent at serving customers like you'll hear about today. So Sean.

Sean Quinn:
Great. Thanks, Robert. As Robert mentioned earlier, one of the sets of capabilities that we've been building is around being able to differentially serve customer needs. And those activities range from building core data tracking and reporting capabilities. You'll hear Emily and Basti talk about that later. But also using data differently to gain better insights into where we need to focus. We frequently have gotten questions over the last really two and a half years around what’s happening underneath the surface of our advertising spend since we pulled back that spend starting in January 2019. And that pullback there was all about ensuring that we're making economically rational decisions in our performance advertising

spend, and then to continue to be able to improve that with robust data, with better tooling, with better talent, and we've done each of those.

As you remember in the first year of those changes that we made back in 2019, we had pulled back our advertising spend by about 30% versus the prior year, but our revenue remained flat. So let me tell you a little bit more about that story, and I think the chart here tells that story well. Here you can see our variable contribution profit per customer, and that's grouped by customer decile based on their profitability. And that profitability is also based on variable contribution profit. The two categories of data across the X axis there represents a set of deciles. The one furthest to the left is the average variable contribution profit per customer for deciles one to four across customer cohorts from each of the last four fiscal years. And then the second group is the same information, but for deciles 9 and 10. Our most profitable customers are in decile one, the least profitable customers in decile 10. And just definitionally variable contribution profit is our revenue less any variable cost of goods sold, payment processing fees, customer service labor costs, and then performance marketing as well.

So this chart here, it's actually really interesting. It shows improvements in each category since the beginning of this journey that we've been on. And it's, of course, great to see that we've been able to improve the way we serve our highest value customers on the left. And you'll hear a lot more about that throughout our sessions. But if you focus on the right for a moment, I think this is really exciting. The insights we gained understanding these bottom two deciles helped to inform where we needed to target our work in things like performance advertising efficiency, and changing discount levels and offer clarity in pricing. And we took targeted actions that were specifically designed to address these bottom two deciles, where we were burning huge sums of capital net of performance advertising. Those bottom two deciles combined, that's now profitable territory. You could see that in FY2021. And we're developing more tools that will allow our teams to explore the insights that will help us to increase share of wallet and retention in our best styles and understand the characteristics and use cases that allow us to attract more customers like.

On the next slide, let's continue with some more per customer metrics. On the left-hand chart here is one that you should be familiar with. We've used it in past investor days as well. And that's our cumulative gross profit per customer by acquisition cohort for the past five years. As you can see there, even through the pandemic, our per customer gross profit improved. So as you'll see in a minute, our customer count was lower impacted by the pandemic. The chart on the right is the same concept, but it shows cumulative contribution profit per customer, and so that factors in performance advertising as well. Here, you can see for the period from fiscal year 2018 to fiscal year 2019, we had taken a step backward for reasons that we've discussed at length previously. But in the most recent cohorts, we're showing significant improvement, even from our previous highs. There's a lot of stuff that contributes to that, and you'll hear, again, specific examples from others on the team in the next sessions.

The next slide shows our variable gross profit per customer and customer count. New customers are on the left and repeat customers are on the right, which combines to tell the full story really. Consistent with the last slide, you can see that for both new and repeat customers, the per customer economics have improved meaningfully over the last two years. You see that on both the left and the right here. New customer count has stabilized, and you'll hear examples of ways we will attract new customers. There were two drivers of that drop that you see there in new and repeat customers. The first is that if you think back to the slide that I showed with our customer profitability deciles, from a customer count perspective we were very intentionally trying to move customers out of those bottom deciles where we were losing money. So, the quality of customers we've been acquiring and continue to serve has improved, but the number of customers has come down. So, that's had some impact. And then the second impact, of course, is the impact of the pandemic over the last two fiscal years. Ricky and Basti will talk more about various elements of what I just described in their sessions as well. And the significant improvement in per customer economics is clear. And we're now focused on increasing new customer count and better serving our existing customers, which goes back to what Robert covered earlier as well.

Another historic lever for growth at Vistaprint has been new product introduction, and we expect that to start to contribute more meaningfully here in fiscal 2022, and then beyond. Our new technology platforms

make it easier than ever for teams to launch new products. And Florian is actually going to talk more about that based on recent experience in countries like Australia and also in the UK.

But I also want to make another point here that I think is often misunderstood, which is that while you see us launch new products to ensure we can serve an even broader range of customer needs, the small-format printed products we're famous for remain a big source of revenue and profit. And pre-pandemic those categories were growing modestly every year. You can see that on the slide here, and we expect that growth to resume as we come out of the pandemic. And that growth can come in a few different forms. It can come in the continuous launch of new product features, product specifications, substrates, finishing options. And it can also come from continuing to take share, which has certainly been the case over the timeframe that you see on the slide.

Specifically in the visual, you'll see that for business cards we've had steady growth over all these years, and of course that's pulled back in FY20 and 21 impacted by the pandemic. And we've specifically labeled business cards here, but you can see that for our other large categories as well. So, now I'll turn things back to Robert.

Robert Keane:
So thanks Sean. If I go back to the strategic North Star I spoke about, a Vistaprint becoming the expert design and marketing partner to the world's small businesses. We see this as opening up enormous revenue streams. I showed a chart before Sean came in about the fact that the customers who pay for graphic design are very large part of the total addressable market. But importantly, we see other ways in addition to 99designs, in addition to the design focus where we can build up new revenue streams. One is by partnering. We've started to do that more and you'll hear more about that over the coming year, where especially in the digital space we think we can have some incredible opportunities to use the strength of the Vistaprint customer base combined with best-in-class partners to really deliver great value. Likewise, we think we have great opportunities to bundle together design services and physical products or digital products in a way which is very compelling to the customer.

And as we look to the future, we see a number of opportunities that you won't see right away happening, but over the coming year, we'll be significantly increasing the amount of testing and development we'll do to move towards subscription packages, which we believe really will deliver great value to our customers importantly, but it also from our own financial perspective give a recurring revenue stream, which we think could be very attractive. So, whether it's fortifying existing revenue streams, or moving into new revenue streams like I just spoke about, moving towards our North Star, that vision I described earlier in this presentation requires us to be really clear on what we need to achieve.

Now on this chart you see on the left-hand side one thing which is an absolute objective of ours to complete in this coming fiscal year, which is to get off of our monolithic software architecture and to get onto the new platform. You'll hear Maarten speak quite a bit about that. And in doing so, we believe we can become technologically supercharged and data driven, and you'll hear quite a few examples today about what we're already able to achieve, especially when we've been able to move different countries onto that new platform. There are four other columns on this chart which talk about something that we're certainly making movement on this year, but you'll see us consistently working on, we believe, for several years, which is to rapidly introduce new products and to grow our product selection, to move from transactions to relationships, to become really strong and to continue to build momentum in what you'll hear about today, this idea of a full spectrum of design and expertise, and to become increasingly digitally relevant.

At the Cimpress level, you all know we measure our success by the growth of our intrinsic value per share. But if you take that down several notches down to what we want to measure our teams at Vistaprint on, we've identified three areas of Vistaprint performance that we want to track over a multi-year period. One is that we've gone out and done a lot of market research to identify the elements of our value proposition which based on what our customers tell us we want to make sure is inherent in our brand, what people know and recognize us for. Yes, this will include some marketing and advertising, but even more it's about how do we develop the quality and the services and the products which address the

needs that were identified in those types of customer research. Secondly, we'll use net promoter score the well-known method to understand the loyalty of customers and to measure the degree to which we improve our earning of that loyalty every day in every year. And financially we're using the net present value of existing cohorts. When I say existing cohorts, say at the end of any given period, at the end of a year, at the end of a quarter, we can with pretty good statistical significance by just understand what the value of our existing cohorts are into the future, and by increasing that over time and making sure we properly discount it through an NPV approach we feel that that is a really tangible measure of future value delivery that we have as a business. Sort of relates really directly back to the intrinsic value we have at the Cimpress level.

Now, all the exciting plans we have and the work we're going to be doing is certainly not delivered by myself or even by the executives you're going to see in the upcoming presentations, although they really are great members of the team. When we rebuilt the leadership team at Vistaprint, we said that we wanted to make sure that Vistaprint became magnetic to talent. That's one of the foundational basics we identified. And we want to be able to attract top talent from around the world to master the challenging, but also the rewarding work of transforming this great brand, the strong brand of Vistaprint into an iconic one. And we wanted to make sure that we retained and grew this amazing talent that we already had in Vistaprint or within this Cimpress who could come over to Vistaprint to really bring that fusion of new talent and established talent together for exciting roles and career growth for them and for great strength building at Vistaprint overall as we go on this journey together.

And one of the things you'll see as we start out in this video is we've also increasingly been recognized in the press and through different awards as a great place to work and for fostering a diverse, inclusive culture, and for being a place, which again, truly is becoming magnetic to talent. So, now let's turn to a video which is going to have both new and existing team members who will tell you more, showing those team members speaking about why they joined us, why they're motivated for the transition even if they joined us 10 years ago and what they're seeing happening at Vistaprint over the last several years. And after that, you'll be able to continue on to other Vistaprint and eventually other Cimpress investor day presentations. So, I hope you enjoy it this next video.

Video: Talent @ Vistaprint:

Anna Kloss: I'm Anna Kloss. I joined from McKinsey, where I helped clients start their analytics journeys.

Brandon McGlynn: My name is Brandon McGlynn, and I've been at Vistaprint or Cimpress in some role for 13 years.

Cliff Skeete: Cliff Skeete. Been here about six months. Before my time here, I was one of the creative leads and executive creative director at the in-house agency for Verizon.

Drew Casey: My name is Drew Casey. Prior to joining Vistaprint, I spent time at Google, where I was responsible for a team of marketing analysts, marketing measurement specialists.

Elaine O'Toole: Hi, my name is Elaine O'Toole. I've spent most of my career in CX roles, so I was very excited to join the Vistaprint family. In the last 13 years, I've actually worked at Amazon within the global care organization.

Emily Shirley: I'm Emily Shirley. I've been in Cimpress for coming up to nine years, across Vistaprint and druck.at.

Hanaa Antunes Boumah: Hi everyone. My name is Hanaa Antunes Boumah.

Heather Deschenes: Hi, my name is Heather Deschenes, and I have been with Vistaprint for almost 10 years. I consider myself extremely lucky to be learning from this amazing network, and we're really raising the bar for talent across the board.

Kate Armstrong: I'm Kate Armstrong. I came from brand marketing at Nike.

Julian Cheevers: Hi, my name is Julian Cheevers. I joined from Media Arts Lab, Apple's global bespoke communications agency.

Kevin O'Connor: Hi, my name is Kevin O'Connor. I've been at Vistaprint for six years.

Lukas Vermeer: My name is Lukas Vermeer. I was previously at booking.com.

Marcus Marchant: I'm Marcus Marchant, and previously ran digital innovation for a large Australian insurance group.

Maureen Carroll: Hi, my name is Maureen Carroll. I joined Vistaprint in 2019 from Adidas where I had been leading talent acquisition for the Reebok global brands.

Mike Shores: My name is Mike shores and I'm a senior director for data science.

Ricky Gordon: My name is Ricky Gordon. I came in from fuboTV, an OTT live TV replacement service based in the U.S.

Steven Gianakouros: Hi. My name is Steven Gianakouros. I am coming from Netflix.

Sagini Ramesh: Hi, I'm Sagini Ramesh, and I've been with Cimpress for 14 years.

Kate Armstrong: I'm so excited to join a fantastic company and team going through an amazing transformation, to be part of the journey of making Vistaprint a true partner for small business, obsessing the customer relationship, and building an iconic brand is an incredible opportunity.

Emily Shirley: I'm particularly energized by the pace and drive we have achieved and how we're building something impactful. And I love how we're playing at the leading edge in so many areas.

Heather Deschenes: I believe in the growth strategy that we have ahead, and just super excited to be a part of the team. To be able to raise the bar across every area and see the success.

Julian Cheevers: It's a once in a career opportunity to get a chance to build a world-class brand, knowing that you have world-class capabilities across print, digital design, and expert service.

Lukas Vermeer: I'm excited about this new opportunity because I recognize a strong desire to become one of the world's iconic data-driven companies. And I personally believe that experimentation is a very important component of becoming data driven.

Ricky Gordon: The main reason why I came here was to actually help small businesses become their true digital self. The opportunity to do that is huge, and opportunity for Vista print is huge, and that's why I came here.

Brandon McGlynn: Really reinvigorating that culture of technology and innovation, and using that to grow beyond our print roots into a modern marketing partner that helps all of our small business customers.

Cliff Skeete: Probably the main reason why I came to Vistaprint was the opportunity to do something more meaningful, to do something with more impact, and that can help to work on small businesses. Which I think ordinarily would be something that was special, but especially now trying to recover from this pandemic.

Drew Casey: Outside of being really motivated by our mission to be the partner to small businesses globally, that I thought it was a really exciting opportunity to join at this inflection point where there was a new data and analytics organization being created under Basti Klapdor.

Elaine O'Toole: I was excited to join Vistaprint because Vistaprint already has a reputation for delivering excellent customer service. And as a small business owner myself, I have a small dog training company in Ireland, I know how difficult or daunting it can be to create a website, to build a brand, to design a business card, to think about swag, and everything goes with a small business.

Sagini Ramesh: I'm super excited to become more than a print provider to our customers, and to become their marketing and design partner.

Steven Gianakouros: I was excited to join for the mission to help bring great design to small businesses around the world.

Hanaa Antunes Boumah: I'm quite energized by our renewed ambition to serve customers across all dimensions of marketing needs beyond just print. I'm quite impressed by our progress so far in creating, within Vistaprint, an array of fast and nimble teams that leverage strong shared capabilities.

Mike Shores:
I joined from United Airlines for two main reasons. The first, was the company's commitment to delivering customer value through the creation and use of innovative data products. And the second reason that I joined, was knowing that I'd be working at a company full of awesomely talented colleagues who are going to continuously push me and the company further.

Marcus Marchant: I was inspired to join Vistaprint, not only because of the transformation journey we're on, but also because the passion I saw in the executive and the stakeholders I met as part of my interview process. I saw a company full of people united around a single vision, and with a passion and a commitment to making it happen.

Anna Kloss:
I love our growth frame. From taking AI and ML to the next level, working as data product teams, and all being entrepreneurs.

Kevin O'Connor: I'm extremely excited about our focus on data and technology. It's going to enable us to provide a more targeted, easy to use site experience, make design accessible to all, and allow us to really expand our product selection. We're all excited. And most importantly, we want to provide that true credibility and partnership to our consumer base. Thank you so much. And I hope you're just as excited as we are.

Enabling a Technology-Supercharged Vistaprint
Maarten Wensveen, Chief Technology Officer, Vistaprint

Hello again, with my Vistaprint hat on. I'm excited to update you a little bit about the journey of Vistaprint and the transformation that it's been going through. I will do that purely from a tech perspective, but many of my colleagues will later talk about the full transformation, which is truly inspiring and ambitious.

And we started this ambitious journey in April 2019, from a tech perspective, maybe wrote the first line, hello Vistaprint, basically, and started really over from scratch to enable all that we think is in the potential for Vistaprint. We launched that internal proof of concept in June, and we launched Ireland in September, as the first country to basically get the most data from and work with our customers to improve this platform. So after Ireland, we launched in seven more countries while we also went straight to a pandemic. Our latest launch was in the United Kingdom and it went live in May, and we are now gearing up to launch in Canada, which is great to get the North America team, their hands on this technology, and really gets them also ready for one of the biggest launches that we need to do, which is the United

States. It looks like the United States will actually fall a little bit in next calendar year, early in the beginning, because we're also getting ready for our peak season, obviously, and we don't want to jeopardize that too much.

The migration has taken a lot longer than we wanted, for sure. I certainly wanted to go a little bit faster on it, but having great data insights like our conversion rate or customer satisfaction is pretty hard when you're changing so much technology at the same time, and it's harder when you're in the middle of a pandemic. And so, we had to change our course a little bit and be adaptable along it. I spoke about that last time also too, with my cockpit analogy, that all of the telemetry was a little bit all over the place, but balancing speed with delivering a great product for our customer is important. Also, and that's maybe where we today definitely want to focus on, see the new things that the platform is actually delivering to us, which are really, really exciting. Small though, because again, they're not live in the major markets just yet, most of these things, but they are really, really awesome and my colleagues will talk a little bit about them later, about the so what from a business perspective.

I will first talk about them from a technical perspective. So let's start with this deeper, richer integration with MCP, also for Vistaprint, which on the right side, you see this sort of map of all of the factories in the world, which are 140 active fulfillers and also our own factories. You see a little bit these nodes, you can almost guess of course they are Vistaprint factories, or there is the PrintBrothers factories, or there is National Pen. There are a couple of these places that have a lot of traffic for many of our businesses. And there's third party fulfillers here and there that we make use of. The exciting thing on that is normally all of these connections and uses from each other were all point to point, and that takes a lot of work. It's not only just sending the order from a technical perspective. It's how do you deal with cancellations? How do you deal with damage in the postal? What are the pricing conditions? How much volume can you actually handle? All of these things get standardized with MCP and makes this actually a breeze for a particular business to just operate and make use of this entire network without the need of technologists, because especially with some of these products on the original Vistaprint stack, it required a lot of software engineers and people to help along to actually launch these products, where today, this is becoming a self-service web interface where they can just launch new products in different countries. So, Florian will talk a little bit more about today and what kind of advantage we'll see from that.

With machine learning, especially in this artwork automatization part with MCP, Vistaprint is really, really integrating that deep, both in the new platform, and here there's also parts where the old platform, where the old website is actually benefiting from, but we use this thing called a convolutional neural networks, which are very good for imaging, from an image perspective, to really enhance images in terms of resolution, but also detect certain things like, oh, there's quote marks already included, which we don't need because we add them later, and all kinds of other error correction work, which we just do inline, seamlessly for the customer, which actually gives us great results in terms of lowering the error rate and also having a higher conversion rate. Again, if you think back on the MCP part of the presentation where we talk about what are the benefits from us on the organization investing in these things. We really see those being paid off here, and Emily will talk a little bit about that later.

Another great thing is just this data, right? I talked about it many times, and let's talk a little bit more about what that really means for the organization. So, we had this traditional data warehouse, which is still very much alive for our current Vistaprint.com, and even though you shouldn't always compare because it's not always apples to apples, 35 terabyte versus 220 terabytes, I can just say there is a multitude more of events and things that we store. Of course, we store a little bit more, but it basically comes down on the current Vistaprint.com orders, customers, products, some Google data, some other stuff. We store that and that's what we use for your typical analytical software and some spreadsheet analysis, which is how we run the business. Very, very typical, and that's an okay way to run your business. But to really go a couple of steps further in terms of the richness, what you can do with these data, is where Basti and Ricky will touch upon in both of their presentations later. There is a tremendous amount more of data from ourselves generated, and third party, that all goes into this data lake that have certain parts into data meshes that we can then use for real-time personalization and in all kinds of different, unique ways to help our customers have better experiences. It's also exciting to see what is starting to happen there.

And last but not least, I showed this image before, but I can't stress enough that what MCP, which is the orange blocks in this particular diagram, and Vistaprint, the things that are unique to Vistaprint that we build ourselves, and then a lot of third party are non-differentiating stuff that we just need to have, but we don't build anymore, which we used to in many cases, but today, just use best of breed, third party, SaaS vendors out there. We really are so much faster and can do things so much faster as an organization. We talked extensively last time about masks and how quickly we actually launched that entire experience, which was much more mobile relevant, and really made a big impact to the customer base, and in a time that we needed to do that also quick. That's just the beginning. We saw how quickly we can do that there, and now it just comes down to the inspiration and figuring out how we can serve our customers better. And Ricky will talk about that because those things used to be almost impossible or so expensive and so long to build where today there's a world opening up for us based on this tech stack that we can build on top of. And I'm excited to see Ricky talk about that later. So with that, thank you.

How we Work and Drive Accountability
Emily Whittaker, President, North America, Vistaprint

Hello, I'm Emily Whittaker, EVP and president of Vistaprint North America. And I'm going to talk about how we work and drive accountability within Vistaprint and share some tangible examples of the impact that this has on our ability to execute and drive financial benefit. About two and a half years ago, we started on our transformation journey, and we knew at the time we had some really big cultural, organizational, and operational changes to make in order to achieve our goals. I had been working on the Cimpress Technology team, but I took a role within Vistaprint to help solve these challenges. It resulted in defining a new way of working that we implemented across teams in January 2020. Soon after that, I took the role of running our North American business, and I've had a great opportunity to put this new org structure, its principles and accountability mechanisms to the test. Because how we work is critical to how we drive success.

Our ways of working is our organizational operating model in order to realize our ambitious goals. So, in other words, the way that we organize our work and deliver value. Ways of working, also called “Ways” around Vistaprint, helps us be faster and more customer obsessed. We have clear definitions of our roles and responsibilities, and we feel empowered to execute on our priorities. To make us more nimble, cross-functional, and close to the customer, Ways established a hybrid organizational structure. We maintain central functions for capabilities that are common across Vistaprint, but we have moved a significant amount of activities into regional teams that are made up of cross-functional lines of business.

Four principles drove our decision-making process as we architected our ways of working, and these remain our guiding principles under the structure. First and foremost, we are customer obsessed. We start with the customer and we work backwards. The customer needs shape which capabilities Vistaprint builds and improves. It guides our priorities and our decisions and drives our execution. Earning, and more importantly, keeping customer trust will in turn drive success in other measures. We don't ask team members to justify why we should fix what is obviously wrong from the perspective of the customer. We empower teams to just do it.

The next principle is inversion of control. We should build and leverage best in class and scalable capabilities as platforms, which then invert control to the users of those platforms or systems. An example is how we build technology platforms or data reports that we then hand over to team members in those lines of business to apply the results or the insights driven by those capabilities in service to the customers that they serve in the regions that they represent.

The next principle of the way we work is to be data driven. We must be connected to the details, audit frequently, and be skeptical when metrics and anecdotes differ. We must build world class analytical and data science capabilities that drive insights, personalization, pricing optimization, service improvements, and ultimately, our mass customization capabilities. We need Vistaprint-wide systems and disciplines so

that we can combine data driven decision making and continuous experimentation to create value for our customers and our long-term shareholders.

And finally, we are one Vistaprint team. No matter what our organizational model is, teamwork is the cornerstone of success. We will succeed or fail depending on how well we work together to achieve our Vistaprint-wide objectives. That is why it is critical that everyone consider the Vistaprint wide team to be their first team. And remember that their specific sub-team exist for the sole purpose of helping to achieve our broad Vistaprint wide objectives.

When we set up Ways, we adopted OKRs as our goal setting framework for defining and tracking objectives and their outcomes. These are set at the executive team level to set our top-level objectives. Teams then set their own OKRs in function of these top-level priorities. Business reviews are run weekly, monthly, and quarterly. Quarterly reviews focus on progress and challenges relative to objectives and key results, customer satisfaction levels, and financial performance. Weekly and monthly business reviews are held at the team level and focus on a mixture of operational and financial metrics, tactical actions, OKR progress monitoring and following up on unanswered questions from previous reviews.

We also leverage financial metrics; P&Ls are critical for financial rigor and accountability. We publish them monthly, quarterly, and annually. They're used in our quarterly business reviews and support data driven and financially rigorous decisions. The financial metric by which we measure progress is cohort NPV. The net present value of cashflow we can expect from existing customers in the future. Cohort NPV ties directly to customer satisfaction and guides our investment options like increasing customer service levels or the number of product teams that we support. We also use operational dashboards across central functions, these are often led by data and analytics, and they create team specific reporting and tools to help track financial, customer satisfaction, and they ultimately drive improvement opportunities.

All of these mechanisms are used in an agile fashion. Teams adopt additional inter-quarter routines and ceremonies to help ensure progress is coordinated across quarterly objectives or even weekly.
They leverage agile practices and process, including sprints to complete a set amount of work within a finite period of time. Starting with idea prioritization and ending with results and analysis. Daily stand ups help improve communication and visibility across the team by creating a regular opportunity to identify impediments, make quick decisions and enable feedback loops. Demos are used to showcase completed work and celebrate team accomplishments within a sprint, retrospectives are a time to reflect and identify opportunities for improving things along the way.

But let's look at an example of how this works in practice through the lens of improving our customer experience. Because as described previously, our customers drive everything we do. To create a better customer experience. We introduced a Vistaprint-wide objective to reduce what we called “death by 1,000 cuts”. Death by 1,000 cuts are those small annoying errors from navigating the site, designing online, or even receiving their shipment. It's the friction that can surface that makes the experience tolerable versus great. None of these issues were so severe that they bubbled to the top of a prioritization list immediately, but collectively they led to an extremely frustrating customer experience. We knew we needed to change it. So, we set improving the customer experience as a Vistaprint-wide objective, and teams then set their own key results against that objective to achieve that goal. They started chipping away at the death by 1,000 cut backlog closing actions to address customer dissatisfaction, focusing on making material customer experience improvements for specific products and so much more. The operating routines that I just described helped us ensure that we were coordinated, provided transparency, and made sure we were making meaningful progress.

In a minute, you will see a video showcasing the end-to-end journey of a customer order. You'll see where we've injected points along that journey to ensure we deliver a quality experience for our customer, and you'll see some of the practices that I've described above. You'll see how we use leading edge software driven capabilities that integrate people, process, and technology to deliver jaw dropping customer value. You'll see how data keeps us informed and connected to the details, allows us to audit frequently and dig deeper when metrics signal that there could be a problem. You'll see how we leverage the scalable capabilities to invert control to our team members who are equipped with the operational

tools and data that they need, and they are empowered in order to take the action and drive improvements that they see fit. Getting this right requires that we focus on all three initiatives collectively. We can't be great at one. We can't have great technology without great tools and processes that help us identify where we should apply that technology on behalf of our customers. They need to work seamlessly together to truly drive impact.

Video: End-to-End Quality
@juliannetaylorstyle [Vistaprint customer]...: New logo check. I've been working with Vistaprint and 99designs to create a new business logo. I filled out a short questionnaire and their talented team of graphic designers sent me hundreds of options to choose from and here's the winner. I ordered note cards and stickers for all of my packages, and everybody needs a little good juju. Overall, the process was easy and fun.

Emily Whittaker: How do we deliver good juju? By bringing people, process, and technology together to focus on quality at every step along the way. MCP APIs detect and auto correct artwork issues. Once the artwork is approved, MCP prepress APIs automatically prepare it for printing, replacing time consuming manual steps. MCP, manufacturing, production, and logistics API's schedule the production of all order components to meet customer expectations, optimize capacity, and reduce costs. MCP APIs also manage and track order flow through our facility to final shipment. Meanwhile, in our production facilities, we have tested, learned, and iterated our way to hundreds of small changes that collectively make a big difference for customers and deliver quality and also approve our efficiency. [Video continues to show scenes from Vistaprint's European manufacturing facility]

Emily Whittaker:
That video was just a really quick glimpse of what goes on behind the scenes to lead up to an amazing unboxing experience for our customers. It's videos like that, that drive our motivation and our teams. Hopefully this gives you an idea of how our structure and our operating routines reinforce accountability. And through that accountability, we apply rigor through everything that we do. I've shared a bit about how we work, but how does that translate to the customer? Let's turn back to our example of quality. Death by 1,000 cuts are inherently smaller issues, but they add up quickly. The same is true of their results. Chipping away at these issues one by one leads to a relatively small incremental improvement, but collectively, has a huge impact.

Vistaprint has continued to make significant strides in improving our product quality scores and reducing complaint rate. Both our key measures of customer satisfaction and overall quality. During the past fiscal year, Vistaprint achieved a product quality satisfaction score of 77.5 in FY21. A 1.9 improvement versus FY20. And a complaint rate of 3.23%, which is a 51-basis point improvement over FY20. Both measures are record performances when we look back on the data over the past six years. These improvements also show up in our financial performance as production and sales credits. From FY19 to FY21, we delivered $13 million in profit over that three-year period.

When all of the teams with all of the skillsets and all of the cross functional capabilities driven through technology and data are aligned against a Vistaprint wide objective, and empowered to take the actions that they need in service or in alignment with the principles, which is customer obsessed, using data, technology driven, agile in our mindset, iterative, when all of that combines and we're aligned against a Vistaprint wide objective, the power that a single team can make is significant. But how that compounds against the teams also working in parallel is where the power comes in. I described an example that brought a $13 million reduction in sales credit but imagine that across every dimension that we're working towards as a Vistaprint wide objective, and you can just see the power of this way of working and its compounding nature over time.

Tech-Enabled New Product Introduction & Site Migration Experience
Florian Baumgartner, President, International, Vistaprint

I'm Florian Baumgartner, President of Vistaprint International. In order for us to be the expert marketing and design partner for our customers, we need to continue to innovate and launch new products. The new technology platform unlocks this opportunity for us, and we're seeing some really encouraging results already in Europe and Australia. Let's briefly look at some specific examples.

In Europe, we're really fortunate to have a strong network of Cimpress companies in the upload and print space that has allowed us to do two things. A. we launched entirely new product categories and B. we're significantly increasing the number of variants in existing categories. So, specifically we've launched an entirely new category, which is packaging. That's an interesting one for us because it's growing very fast and also it's actually quite complex for customers to design great looking packaging products. That's why we think it could actually be a really nice segue into our new premium design services. Looking at business cards and marketing materials, we have significantly increased the number of variants available; we've doubled the number of premium business card paper stocks that we offer customers and again, we're confident this will over time improve the perception of us being a provider of premium marketing materials. Taken together, these new product launches already account for approximately 5% of net sales in European countries, where we launched the new platform.

Let's turn to Australia, a new platform country where in Q4 FY21 variable gross profit was up 5% versus the same quarter in FY19, i.e. pre-pandemic. That's a really encouraging sign and new product launches played a big part in that success. For example, we launched laminated business cards, flags, and roll labels. We launched 28 new products in total using our in-house manufacturing facility in Deer Park and seven entirely new products in close collaboration with third party suppliers.

But it's not just about the number of new product launches, it's also about the experiences that come along with them. For the first time we're now offering die-cut stickers and an upload and go experience. This is already alive in the UK and Ireland and already die-cut stickers are among our fastest selling new products. Here you can see what we imagine the experience will look like as it evolves. Leveraging our creator network, we will be able to offer new designs and shapes to a broader customer set, and then using better visualization, it'll be even easier for customers to see what they can get. This would never have been possible on the old platform.

So, what other benefits are we seeing in new platform countries besides new product introductions? Well there's clear financial evidence of at least two additional benefits. One is personalization benefits, and that is coming from much improved abilities in the new platform to experiment and develop more personalized experiences for our customers. The second one is growth of promotional products. In the new platform, that product range is much more deeply integrated with the core site experience and clearly customers are telling us that that is something they like and it shows in the numbers. Taking a step back, we're really excited to bring these and other improvements to all of our markets around the world and by doing so, reignite growth. We're extremely excited to see the 5% year over two year uplift in variable gross profit in Australia, that I talked about earlier.

Well, we also have more work ahead of us. When you put the customer at the center of everything you do and that isn't just lip service, then obviously you'll find a ton of things that you can improve. Customers are telling us loud and clear that there are a couple of areas where they perceive the new platform experience can still be optimized to their needs. Specific examples include how customers can edit a previously ordered product or navigation and filtering options throughout the site. This feedback is important to us and with the new tech stack, we're now truly able to enter these rapid tests and improve cycles through which we will ultimately deliver significantly better experiences for our customers, not just in one country, but in all countries, because in fact, the improvements that we make can be made available very rapidly in every market where the new platform is live. A lot of exciting things as we move forward with this in FY22. Thank you.

Driving Jaw-Dropping Customer Value @ Scale
Sebastian (Basti) Klapdor, Chief Data Officer, Vistaprint

Hey, I'm Sebastian Klapdor. I am the chief data officer at Vistaprint, and I'm very excited to share today how we are driving jaw-dropping customer value through data and analytics at scale. Basically by the things our new team is doing at Vistaprint. But before jumping right into the content, let me share first above my core belief around data, which is data should be like water. And why am I saying that? Because often you will hear that data's referred to as the new oil. And I think it's pretty bad. It's a pretty bad picture because oil is very costly to extract, it is very expensive to transport, you need specialized equipment to handle it and to process it, and after all, oil is pretty toxic and deadly to all organisms on the planet. And with data, it should be much more the opposite of many of these things. It should be much more like water. It should be very easy and cost-effective to extract, to transport, to store, to process and it should be in the end really life creating, right? And water is life creating.

So, and that's what I want data to be, life creating in the spirit of kind of enabling sustainable impact for our business. And it should be as water a democratized good for all team members at Vistaprint to drive value. Now, how are we doing that? First of all, by having a vision, and the vision for the DnA team is to transform Vistaprint into one of the world's most iconic data and analytics driven companies. Now looking back on the achievements over the last 18 months that we already had since this entire DnA team was inaugurated, I think we can truly, truly get there because that is very promising, that is very promising the results of things we've done is very promising, and I'll share more about that in a few minutes. But also I think what is very promising is still the opportunity ahead of us of that value pools we can still tackle with advanced machine learning, AI and very clean, reusable, scalable data.

How are we doing that? How are we tackling, delivering against and working against the mission? By basically doing two things. One is generating substantial and lasting value with industry leading data products, insights and expertise. So, there is a notion around data as a product, as a scalable software tool basically. Much more than data as a by-product of some manual work. So really data as a product, data product thinking, this is a very, very core component of how we are delivering against that vision. And then, the second part of that is that we'll never work without the most awesome data talent on the planet. Therefore, the second part, how we are delivering against that vision is building a kick-ass organization, a kick-ass team that attracts, excites, develops, and retains exceptional, diverse talents in the data and analytics space.

Now, where are we on that journey? As you can see, we started 18 months ago on the very left-hand side of that page, with that very small and fragile plant. We didn't have any data products when we inaugurated DnA. Didn't have any self-service tools for all of our stakeholders and colleagues to use, and to leverage the value as data of scale. There was also no “data as a product” thinking. It was really like yeah, and here's also some data. So data as a clearly more much more data as a byproduct and we were operating on an old data stack. It was basically a monolithic data warehouse with one central data warehouse team that needed to be contacted whenever you wanted access to data. And that was clearly also an organizational bottleneck. And overall the entire data and analytics team was very small. Way too small for a 1.5 billion e-commerce company.

Now, today we already made big steps towards division and in the right direction. As you see this tree is growing in the middle. We as of today have over 80 self-service data products, which many of our colleagues are using every day to inform their business decisions based on clean and good data. We are really fostering this data as a product thinking approach. And these products are built in a proper way by full stack data product teams, which are following software engineering best practices. We are also using and completely changed our architectural approach to data. Moving away from these monolithic technology and organizational paradigms of having a data warehouse and one BI team or data warehouse team operating that to a data mesh approach. It's a very innovative new approach how data is architected across the organization in different data domains basically. And each of the data domains has their own or has its own data product teams that can basically build full stack products from the foundations up to user interfaces.

And so clearly de-bottle-necking the access to data and building scalable data products. And then last but not least, we also were able in the last 18 months to significantly grow our team. I'll share more about that again in a few minutes. And I will also talk more about the big three you see on the right-hand side, the tree of tomorrow where our vision is scaling to. Now, talking about data products. What you see on the right-hand side is the key of the DnA org structure, which we are organized into these domains, which are these big white boxes. And each of these domains is ramping up and building and maintaining and improving data products.

These are the small boxes within these five big white boxes. Our domains basically follow the value chain from marketing, which is the channel platform domain to pricing, promotional, personalization, algorithms and data products to customer and business performance. Which is all about the underlying models like LTV modeling, forecasting, cohort modeling, to manufacturing, supply chain, everything that hits our plants or third-party manufacturers and then the supply chain inbound and outbound. As well as customer care. As we are getting over 8 million customer contacts every year.

So there's also a lot of data and optimization potentially. So we've ramped up these domains and each domain again has data products and we believe that you really believe that by building the scale of the data products we would be able to unlock well over a hundred million of an annualized incremental profit pool. So that is variable contribution profit. And out of that, we have already unlocked and delivered into the P&L tens of millions of impacts in the last fiscal year. Which makes me again very, very, very optimistic about the impact of DnA as of today. And also about the future impact of data and analytics at Vistaprint. Let me share a couple of specific examples from data products where we've seen impact already come out.

The first data product I have for you is our brand-new recommendation engine. We've built that data product using collaborative filtering and a neural network. And that recommends for each individual customer the most relevant products based on their shopping history, but also based on many, many other signals we have from them. For example, also the web browsing history, interactions on certain channels. Now, this is now live on the site at different site stages. These are the placements on site you see at to top off that page. But also, for the first time ever in Vistaprint's history enabled that now in our emails, both in the promotional as well as in transactional emails.

Before that, these recommendations in emails were just non-existent. And by doing that, what we've seen is, in A/B tests, they unlock a plus 5% profit uplift of variable contribution profit, and of the entire VCP baseline in that given country where we go live with that new platform. So that's a pretty exciting path. Now, a second example for a very exciting data product is in industry classification at scale. So we've built a machine learning model, which is able to infer our customers' industry, the vertical, from the content our customers are uploading and from other customer data we have available and we are able to use. This is just live for a couple of weeks, basically, and now already allowed us to know the industry for 50% of the customers in our active database.

And this is great because we don't only want to learn the industry of our customers, but we would like to also use that information to provide them with a much more personalized experience. And here, we ran another experiment on our new website by creating industry specific imagery and content, which you see as an example for three industries on the right-hand side, beauty, handyman, and food. And we used our zero shot learning classification model, I've shown you on the previous slide, to target specific audiences and show the relevant content to them. And that led to a 15% uplift on click-through rate. And that's the entire funnel already. So that, in the end, results in a 15% uplift in variable contribution profit. Pretty cool impact.

So again, another testament of how we are using data to create impact. But we not only do that to drive data products and better experience for our customers, we are also using that internally to become more efficient. This is an example for a data product we use for our weekly business review meetings across our lines of businesses. And this data product, I've just heard it last week, which really excites me a lot, has driven down the time to prepare and pull data and analyze it for that weekly meeting from one and a

half days to 40 minutes. So it's a 95% reduction in manual effort to use data at scale and prepare data for a meeting, where we want to use data to drive better decisions and optimizations for our business.

Another data product is from the CARE space. It is a machine learning model that uses natural language processing to understand why our customers are contacting us. I talked about 8 million customer contacts we have every year. This is a goldmine in terms of information, what our customers are saying, what they are writing to us, what they are chatting, what they are putting into chats when they chat with us. And we are now able to use that language, that natural language, and natural input from our customers, what they say us, chat us, email us, to understand why they are contacting us, and to identify patterns out of that, do pattern recognition. And that already led to over 50 tickets for our technology colleagues to improve on the new platform leading to eventually then an avoidance of credit costs, 3% here, and also 5% reduction of care contacts, because we were able to fix issues upstream in our website experience, for example, by using that pattern recognition.

Now last but not least. One other data product I wanted to show, which is pricing and promotions. I'm also very excited about that because we're already, for the last two actually fiscal years, on a very data driven path to pricing where we are using econometrical models to determine optimal prices for our customers. And that has led, in the last fiscal years, again, very exciting outcome, to a five percentage point reduction in discounting. And that directly hits our bottom line, obviously, which is again, great results from using data at scale for our decision-making.

Now, what do we do with all of that impact? And there, the concept of the data flywheel comes into play. Let me explain that to you. Now, as I said, and depicted with the last five examples, we are building these data products and drive the adoption, and providing insights and expertise through embedded analysts in our business teams, basically. That's starting on the top right-hand side of the data flywheel. As you've seen, now going to the bottom right of the data flywheel, that drives a lot of impact, which is great. And that impact is not only financial impact, but also customer impact, as we see, for example, NPS going up by these measures.

Now, what we then do is we reinvest that impact, parts of that impact. So parts of that impact, we give back to Vistaprint to be able to invest more into all areas of the business. But part of that impact, we also keep within DnA to invest into stronger foundations like data governance, a better data architecture, talked about it, the data mesh. That'd be also a better tech stack for data, data platform. But also data literacy, training up our colleagues, everyone at Vistaprint to be more able and more data literate, more able to use data to drive better decisions. Because we truly believe, if we do that, we will, and now I go to the top left of the data flywheel, we'll be able to increase the productivity of the data product teams. So they will be able to build the next data products even faster because they know where data sits because it's documented, for example. But also analysts that are working with data. And eventually also, every business stakeholder at Vistaprint, knowing where to find data and having really strong data products that drive value.

So that really drives the productivity of decision-making and building data products through these foundations. And that then leads to even more, I jump to the top right side, to even more data products and even more insights that are driven through data, which is awesome, because that then will create even more impact. Therefore we can invest even more into foundations, and give even more back also to Vistaprint to invest.

So that's the data flywheel we want to get going here. And now, what are these foundations? I talked about these foundations. Now, these foundations are really there to make the most important unit, so to say, in DnA, efficient and resilient. And the most important unit is our teams, our cross-functional product teams. So let me start with them in the middle. Here, you see a cross-functional team building a race car. And that's, I think, a very good analogy to what we are doing because these race cars are really our data products that should be then handed to our internal stakeholders to drive better decisions based on data and analytics. It's really like building a car, handing it to a driver to win the race. Now, in this team, we have really people from many different disciplines building that race car. We have data scientists, analysts building dashboards, data engineers building the data pipes, data product managers who are

really there to think about what value do we drive with the data product, which business question do we answer, and then building a vision and a roadmap for the team to deliver against. But then we also have more specialized roles, like data governance managers who help these teams to build the data products in the right data quality, embed that, for example, but also architects, for example, as well as agile coaches.

Now, let me talk a bit about the actual foundations that you see around that team and the race car. So let's start with data governance. I talked about it a lot. Basically, that's three things. It's one, organizing. It's creating an organization and the governance structure around data, making sure that we have responsible people for data in our company. Then it's about making sure that we are documenting data and that people can easily find data and reuse data. And the third big pillar is data quality. Monitoring data quality, making sure we understand the data lineage from the producer of the data to the consumers of the data. That's called the data lineage with all of the steps that happen in between.

And data quality monitoring, for example, means that we are not only understanding and defining that lineage, but we are also constantly monitoring it. So that we know directly when something in that lineage happens, that the end products are affected and that the data can't be trusted anymore. Super important. And that's also in itself a two, three-year journey to get that into place and make sure we have strong data quality based on governance.

Now, the second big thing is hiring world-class data talents. I am super excited that over the last 18 months, we've been able to hire a large three-digit number of really, really good data talents, and that despite of a global pandemic, and that also despite that data and analytics is a really hot talent market. But what clearly helped us there, I have to say, is our remote-first strategy, which not only helped us to tap into new locations where we couldn't hire before, but also attract talents and retain talents in existing locations because they just want to be more flexible and work more flexibly.

There was just a recent article in the New York Times showing that millennials really demand remote work and that it's much easier to retain them if you are offering remote work. Then on the technology side, we really are investing into our best-in-class data stack. And I already talked about that briefly. The data architecture we are following is a data mesh model. It's a very progressive, modern approach to data architecture. Not many companies have solved that. But we truly believe in it because that unlocks basically data at scale because it federates data. There is no more central data teams that build the different layers of the data stack, for example, a central data warehouse team. But this is broken up into domains and each of the domains has the data product teams and they build basically their products full stack. So it's really about resolving and reducing dependencies on other teams and building a scalable data organization. And that's based on the data mesh principle we are following here.

So high employee satisfaction. Once we hired kick-ass people and excited them, and kind of also data stacks and technology is part of that because people love working with new technologies and they love working in a data mesh, it's really also about retaining them. I'm super happy that we made huge progress there. Basically, a complete turnaround from taking over the old analytics team with very low employee satisfaction to now have an employee satisfaction which is among the top quartile of tech companies in the data and analytics space. So that's super. But we will not stop here. Our next goal is to get into the top decile for employee satisfaction and retention.

Now, jumping to the right-hand side, what we also did a lot is defining the way we work. And that includes data science best practices, data engineering best practices, and they are all documented in our Data Product Lifecycle Cookbook. So that's basically a set of criteria that describe what a data product needs to adhere to when we move it along the life cycle. And there's a clearly defined life cycle for each data product, starting at an early concept to then going to proof of concept, to going to an MLP, a minimum lovable product, which can be already used in production, going then to a stabilized product. And for each, whenever a data product moves from one stage to the next, there are stage gate criteria. They need to be fulfilled. And only when they are fulfilled, these criteria are fulfilled, for example, documentation, then the team can move into the next stage and also get additional funding, additional investment to further build out the data product.

There are already a number of data product which didn't make that jump and they are now deprecated. I truly believe that it's super important to have that in place to make sure that all of the investments we are putting into these data products are paying back and that we also are building the data products in a very good quality and resilient way, trying to avoid as much tech debt as possible.

So last but not least, collaboration. Very important part as well. Not only these data product teams are cross functional, but they are also working with many different parts in the Vistaprint organization. I truly believe in user-centric product development. So that means for each and every data product we are building, we are closely working with end users that are using them. And understanding these end users through ethnographic research, user testing, to understand actually what their pain points are and how we can build features into these data products to make the lives and the decisions of our business stakeholders easier with data.

And then last but not least, data culture. Again, super important point. That's a lot about driving data literacy, making sure we are role modeling a data-driven Vistaprint, making sure that we are kind of explaining people and helping people to use data. I truly believe we, as a tech company, for example, everyone should be able to run simple SQL queries to get data out of systems, because that's at a tech company, for me, just kind of a must-have. And there are also very progressive things like building, for example, being data-driven into our core leadership principles, which we are evaluating all of our staff members against. Now, this is now one of these official criteria or leadership principles. And in each performance evaluation, colleagues will be evaluated against how data-driven they are. So that's the foundations. One, double-click into the team - into growing the team and hiring. I'm super happy that over the last 12 months we've been able to add so many incredible colleagues from globally leading institutions to our data and analytics team with people joining from companies like Google, from Booking.com, from McKinsey, from, from e-commerce tech houses and powerhouses, but also from very data-rich companies, like for example, United Airlines, where our head of data science, Mike Shores joined. So I'm very happy that kind of talents are joining us. And they really see, I think our employer value proposition or employee value proposition really is very strong on the market because in DnA people can be entrepreneurial, they can have a ton of impact, and they can build the first 80% of an algorithm versus being one out of 3,000 data scientists that does the last 0.01% of something.

So there's a pretty cool value prop to work here in terms of, again, impact, entrepreneurship, but also being part of a pretty cool team with a pretty cool spirit and being part of one of the world's largest and most progressive data transformations. Yeah. And why are we doing that? Because we clearly want to move to the right-hand side of that page. We want to get to that tree. Will we get there in just a day as it's actually written here? No, clearly not. With tomorrow, we need the next two, three years, which will take us to move towards that north star of having fully democratized data, in Vistaprint that everyone can clearly just go in there and find all the data she or he needs to drive a better business decision. We also want to use data even more to drive customer facing innovations.

For example, in the area of design where you can do so much with machine learning and AI. For example, generative adversarial networks for tech to actually picture creation, manipulation. Again, design is so important for us as a company, and there's so much you can do with, again, AI and in that area, but also many other areas. For example, optimizing customer experience by finding out which are operational drivers that have the most leverage on CX, on NPS for our customers and helping them to provide a better experience. Just as another example that we are ramping up a data product team and heavily investing into. Then we don't want just a tech stack and a data platform that works, but we want to also have a world class data science platform and a data platform overall and keep investing into that as well as finally for our talents.

My clear ambition is to make being part of DnA, A, make it the most awesome time in our team members' lives, but also make sure that the external industry and market really sees Vistaprint as a badge for data and analytics talent so that if somebody has that on her LinkedIn page, she says, "Oh my God, she was part of Vistaprint's DnA team." And that really kind of is a badge for the next generation of data and analytics leaders across the globe. And that's clearly also part of the ambition here. Now, just swimming a bit closer to what are we driving the next or this fiscal year, I have to say, which started already in July.

We've set ourselves three objectives at DnA. First, focus on our external customers and our customers, yeah? By enabling basically Vistaprint with our data products and our expertise to win our customers' hearts, minds, and loyalty.

Again, I talked a lot about personalization for example, that shows that helps to show much more relevant content to our customers. I talked about the CXPs where we want to identify operational kind of detractors and drivers that are creating pain points for our customers, long waiting times in call centers for example, or bad site experience or whatever distracts our customers from having an awesome, kick-ass experience investing in here. So really clearly the customer column. Then, there's the second objective geared towards our interim users at DnA by continuing to democratize data, fostering data driven decision-making experimentation on our new overall e-commerce tech stack. and, for example, just hired a world-class expert on experimentation who has built one of the top three experimentation platforms in e-commerce. This is, again, a massive opportunity for us to drive experiments at scale. Learning in a very data driven way how to optimize our experience for our customers.

And then the third pillar objective for the DnA team is to focus on a DnA team, yeah? So by kind of making DnA as one of the most awesome and inclusive places to work in a data and analytic space. I talked about driving engagement for our team members, continuing to do that, but also hiring is, again, a key priority for us this fiscal year. We've set ourselves, again, very high and ambitious hiring targets across all disciplines, from data scientists, to analysts, to data engineers, to data product managers. And that obviously also takes a lot of time and effort to find top notch talent in the data and analytics space.

Yeah. So I hope that at the end of that fiscal year, then, we will, again, have made a big step towards a picture that much more looks like this. Not a small fragile plan, but kind of a big, big, big field that is green that is fueled by data, that is democratized to Vistaprint that drives a ton of value for our customers, for internal stakeholders. Obviously also for our shareholders. Thank you so much for your attention, and bye-bye.

Full-Spectrum Design, Digital & Full-Funnel Marketing
Ricky Engelberg, Chief Marketing Officer, Vistaprint

Hello, everyone. I'm Ricky Engelberg, CMO of Vistaprint. I've had the good fortune to oversee marketing, customer experience, digital, and product at Vistaprint for the last two years, and couldn't be more excited to be here today to share where we are on this journey.

As you've heard a lot today, Vistaprint has the goals to be the marketing design partner for small businesses everywhere. When you're a small business, there are so many challenges that exist. We talk to small businesses all the time, and the challenges emerge quick and constantly. You think about the pandemic, how do you do take out? What's a QR code? How do I safely reopen? How do I get stickers that make tamper-proof seals on the bags? How do I get my website updated? What do I need to do on Instagram to communicate when I'm open and not open? Every single day, there is new challenges that emerge for small businesses and things that were not remotely under consideration three years ago, become indispensable, non-negotiable parts of their existence today.

Their world constantly changes fast. We hear from them loud and clear. They need a partner that could help them navigate all of the opportunities and challenges they face. They need a partner who can help simplify, help provide a true solution. And then that partner can't just be about being a printer, that partner needs to be able to help with design. They need to help with digital. They need to be able to help with their print needs, with their retail needs. They need to go provide insights on what solutions might work for them and truly understand their unique needs as a small business and a whole for where they are in their life journey and what their ambition is.

That opportunity to be that holistic partner is there for us, and we are at the beginning of the journey. This journey is an ongoing journey and the reality is the journey will go on forever because needs will

constantly emerge and change. But for us, the goal of the journey isn't just to have a great industry classifying system, or to increase our product selection, or to offer better design, it's to truly be a partner that takes all these different elements and weaves them together to truly be a partner for someone starting a yoga studio in Chicago or a bakery in Berlin. All these capabilities that we're building, and all the capabilities you've seen throughout the day, they all serve that end customer. How do we help that bakery in Berlin succeed? How do we help them thrive? How do we make sure we have the right products for them? So to be their partner, from the moment they have the idea for the business, to the grand opening, to every single day that they run the business.

Success for Vistaprint in the past would have been selling them items. It would have been, we have the business cards that say, "I am real. I am in business," and it was great, and I hear amazing stories from partners all the time that talk about how they felt like a real business when Vistaprint printed their business cards. Success would have been selling them a grand opening banner and celebrating the fact that we now are more than business cards, we have other print items and we're there for them for their grand opening. But the reality is that to truly be a partner, we have to be there from day minus 100 to day 5000. Day minus 100 is when you have that idea of starting a small business. It's, "I'm going to open a yoga studio." Like, "I'm going to make this change in my life and I'm going out on my own and do this."

Think about all the overwhelming things you have to figure out at that point in time. What's my name? What's my logo? What's my website design? Who should my hosting platform be for? What do I actually need to open this? What items are the must-dos that are going to make me feel legitimate and credible to that customer on day one? We can help answer all of those questions, but if we just stopped at the grand opening, that'd be a let down. Then they'd be on their own at that point for the small business. We want to be with them for all their design and marketing needs all the way through, hopefully day infinity on their journey. Not just day 5,000, but it seems like an aspirational goal, but if they can make it 10 years, it's a good run.

So success for us in the future is truly being their partner, helping them with all aspects of marketing designs. That means we need to increase the odds of more success for small businesses. We need to make things accessible that previously weren't accessible to small businesses. It's not just about us selling the more items, but rather solutions that truly help them make their life as a small business owner better. And we need to graduate to solutions, we are truly that partner for the small business. A new small business, we can be their partner for life with, and we will earn that relation with them.

You'll hear me talk about relationships a lot. We want to be in a relationship with a small business. We want to make sure we're able to serve every single audience at scale. We don't want to be like, "Hey, we are here perfect partner if you happen to be a pizza shop, but if you're a yoga studio, we can't serve you." We have to help every small business, so we have to serve them at scale.

This whole room should look and feel like Vista. It should feel like the same brand, the same core values, great, amazing products, amazing design systems. But if you zoom in on one corner, and we need to look like we exist to serve bakers in Berlin or a CrossFit studio in Chicago. It has to be that level of personalization to earn that relationship. And that relationship is something that is absolutely critical. Once you earn that relationship, it will be an amazing journey together. With our relationship and makeing sure we have to be your partner. That relation means we have to be your partner in lots of different aspects.

So, you've seen a lot today. Florian earlier today talked to you about NPI. You'll hear me talk about full-spectrum design. I'm going to talk about digital. All of these things, you saw Basti talking about data and personalization. All of these things have to interplay together to make a relationship. It can't be, "We now offer Flex-Pack packaging, but we don't have designers to help you with that." It can't be, "We have a website design for you, but good luck figuring out how to actually get it out to the world." These things have to interrelate together to make the small business' life easier, to remove the friction, to increase the odds of success. And so that notion that this is not just about one thing, but it's about how all these things interconnect together to become a constellation. It's not about just making more stars. It's about forming gorgeous constellations in the sky for small businesses.

So, walking on a journey through some of those building blocks, NPI, Florian took you on the tour of it. You see so much excitement for us to add in these new products, and coming online in Australia, with some of the packaging options that are coming online in Europe, with the new stickers that are coming on board. There are so many more amazing things that are coming on board to serve small businesses, and it's absolutely critical for us that we have this robust, endless selection pulling from across third-party fulfillers, across Cimpress, from out Vistaprint to be able to deliver the perfect product for the small business' respective need.

But it's not just about selling them that individual product. We have got to make sure that we're able to design the product for them. We view design as an absolute critical foundation for us. Let me hit play on this video to take you on a little bit of a tour of what we mean by full-spectrum design. [Full-Spectrum Design Video]

It's an incredibly exciting future with full spectrum design for us. There are so many possibilities. One of the things that we know that we've heard loud and clear and seen from research, deep research we've done in the US and Germany and many other countries is that the population of small business owners that pays for design, that truly values design, has the largest spend on marketing items.

So if someone is willing to invest in a great logo for their company or invest in their overall brand identity, they're not just building that to have as a file on their computer. They want it on their website. They want it as the t-shirts to aprons, the coffee cups. All aspects of design translated elevate all the touch points.

And so for us, we know that great design leads to great customers, and leads to great potential customers who are great small business owners. It's our job to make design as accessible as possible to be an amazing design partner. And that means getting you the best bespoke design possible and letting the design come to life in every way you need.

Full spectrum design, as you saw in the video, is about the right tool for the job. Need a logo? Hire someone from 99designs by Vistaprint. Need a quick banner? Use our template with your logo. Need a file check? Use design services. Need a complex product design like packaging? Use 99designs.

For us 99designs, the acquisition of 99designs last year completely changed the way we can serve a small business. Imagine you're a new, small business. You're at that day minus 100. You have so many things to worry about. There's a good chance you've never worked with a designer before. 99designs removes all of that friction. Then no longer do you have to call your first cousin's friend who's a designer to help that they can help ... to hope that they would be willing to help you design the logo for your bakery. Instead, you're going to work with unbelievable designers around the world to be able to get a logo made for you and incredibly convenient and incredibly inspiring experience.

So to take you on more of a tour of 99designs, I want to introduce Pat Llewellyn. Pat is an unbelievable leader of the 99designs team and an absolutely critical part of our journey ahead. So Pat, take it away.

Patrick Llewellyn: Oh, hi, it's Patrick here, and I'm delighted to have this opportunity to introduce you to 99designs and why we're so excited to be part of the Vistaprint family. For over 13 years, 99designs has been champion in creativity to bring opportunity to people all around the world. And at the heart of what we value is people helping people create their own success. Our creator community calls 99designs home. And they've helped over half a million small businesses and entrepreneurs bring their brands to life. We thought there'd be no better way to explain why we love doing what we do than to introduce you to some people whose lives were positively impacted.

Exequiel: Zappyo was a combination of us being in quarantine and wanting to ... We've always had this passion for wanting to start our own business. And we combine it with a passion for us to love to drink Yerba Mate. So we said, "Why don't we start a Yerba Mate online store?" And again, we were in quarantine in Canada. So we said, "Let's just start exploring and see how we can do this."

Cedric: Yeah, I think it was really important for us to grab people's attention and then let them fall in love with the product. We wanted them to love the packaging, open the cupboards in the morning or in the afternoon and see our packaging and make them smile. That was our number one goal. And you guys have no idea how big of a role you guys have played in helping us build Zappyo. From start to finish and still to this day.

Exequiel: The way that I like to describe it, it's a little bit more sophisticated. So it's a level up, right? So are you willing to make that investment because the quality will come with it, but you have to make the investment. And so we did it. So we took a chance with our logo and that completely, that's when the journey really started. And we did our first contest with our first designer. She's based out of Boston, yeah. And we have such a great time with her. And then when we knew the amount of value that we got out of it, we said, "We need to do it again." And that's when we went with the packaging, and we ran another contest. And again, that one was a little tougher because the designers were just like so good. The quality of the designs were like completely out of this world.

The story doesn't end there. You know? We're just starting now that we're live, it's now we're starting to gain that momentum. And I know we're going to have more designer needs and it's kind of like, well, but there's a world of designers that we haven't explored yet. So we're just itching to start to come up with a new line of teas so that we can go back and see if we can meet new people.

Dunya: Hi, I'm Dunya. 99designs has literally changed my career and it helped me to define what I truly love to work.

Gustavo [in Spanish]: Hi, my name is Gustavo. I have worked as a freelance graphic designer for 25 years.

Setup Shop: Right. I started 99designs I think back when I was in college, probably around 2009, but I really head off after I graduated.

Dunya: I'm actually an architect who came across this platform 10 years ago. And after I designed my first logo, I realized how much I enjoyed that process and I decided to go that direction. So to date, I work as a graphic and UI designer and I'm still an architect but of virtual spaces.

Gustavo [in Spanish]: 99designs came to my life when I was looking for new opportunities. I found the platform. I found a new way to reach out to the rest of the world, to learn about new cultures and people, to learn about other ways of thinking and other idiosyncrasies. Also as a way to prove that design can transcend any barriers – be it a language or cultural barrier.

Setup Shop: I started out with logo design and tried my luck on print and funding. But I found that web design is really what I love the most. I've hired a designer, which is actually also pretty good and I'm paying him full time to work with me.

Dunya: What I like the most about 99designs is that I met great people, I built strong relationships, and I like the freedom to choose who to work with. And that's how I chose to work with Exequiel and Cedric from Zappyo. Their contest invite was so friendly and personalized that I just wanted to be the part of their story. I captured their vision from the beginning and thanks to their great feedback and communication I designed the logo, which is fun, which is young and modern at the same time.

Patrick Llewellyn: The powerful relationships that creator community forms for the creative process paves the way for the types of relationships we want to have, as we bring together the mass customization and reach of the Vistaprint platform with the might of our creative community. Together, we can be the expert design and marketing partner for small businesses all around the world. The sorts of problems that Exequiel and Cedric experienced as they went through the packaging process, we're so excited to be able to solve, and so, so much more. That's why together we can be that partner that fuels the success of small businesses and creators alike, wherever they may be, all around the world.

Ricky Engelberg: Thanks so much, Pat. It's so exciting to see. And the stories from the customers are so awesome. It's always amazing to hear how much impact our services can provide on a customer's life and increasing the chances of success as a small business owner. Just really being that partner for them. As you can see, 99designs by Vistaprint is the perfect partner for anyone that needs a logo, a website design, a complex product like packaging. And I'm blown away every single day by the designs of the community. I can't wait to see more and more of those out in the world.

Full spectrum design, again, is so much more than just a bespoke design. As important as those things, full spectrum design is also about day in, day out design excellence. That's where things like Do It With Help come in. I'm incredibly excited to introduce Elaine O'Toole to share more on our design services capabilities, that are going to be able to provide day in, day out excellence for us. Elaine?

Elaine O'Toole: Thanks, Ricky. I'm delighted to be here today to talk about Do It With Help. Design is a very personal thing. It reflects your company brand, your value proposition as a business owner, and sometimes design can actually be a very emotional decision for many businesses. It's understandable that small business owners might feel a little overwhelmed with this decision- making process and may need some guidance and reassurance along the way. Reassurance comes in lots of shapes and sizes. Like, I got stuck, I need help. Can you confirm my design edits or recreation within this template look good enough? Have I picked the right color palette, font size, paper quality? Or will this physical product transfer to a really cool digital campaign through TikTok or Instagram when I proceed to that next part of my business development process? And my team is really there to diverse across the end-to-end experience, and to bridge the gap between customers who are confident to design themselves, to customers who want to have that full design experience that Pat talked about earlier on in the presentation.

Within Vistaprint design services, we already have a talented team of designers that work with our customers. For those customers who interact with design services love us. And this is reflective in our 90% satisfaction rating. And it also shows in our financial results. As you look at the cumulative gross profit over a period of two years, you can see the 2.5X uplift for those customers who interacted with design services and those who did not. So we know there's value that we're adding, that we want to lean into to accelerate how we offer Do It With Help, and how we engage and drive that interaction model with all small and medium sized businesses as we move forward as part of our strategy.

Our future vision for Do It With Help is to introduce real time expert support throughout the customer journey. In-channel support, which is live chat, design live, studio live. At the moment where the customer needs help and we can instantaneously interact and engage with that customer, and really help them fulfill and deliver the design task. Multimedia content, it doesn't always have to be a human. We can push interactive content videos, nudges, prompts within the flow to reassure the customer as they're actually going through the experience.

We also want to think about how do we surface the ability to enable customers to discover the end of selection of products that we have to offer, because different cohorts have different needs for different design and marketing material. So it's important that we are there to help them uncover the breadth of product offering that we have within the company. In addition to delivering the Do It With Help capability throughout the experience, we are also looking to further enhance the capabilities of our design team that we have within Vistaprint. If we really want to be that partner and move away from a transactional interaction model to become that trusted partner, it's very important that we work on deep expertise, deep understanding of the different business cohorts to be that true partner to those small and medium sized businesses, wherever they need us to be.

Ricky Engelberg: Thank you so much, Elaine, incredibly excited to see how Do It With Help plays such a major role in the day in, day out lives of our customers. All of these elements together help us to truly be a design partner to small businesses everywhere, and change the starting point of many of the conversations we have with our potential customers. But it's not just about new product introduction or design, it's also about expanding our capabilities that cover digital. The importance of digital doesn't need to be said, the pandemic has made it an absolute must-do. And we have incredible momentum building

up for digital for us. We've recently hired a new VP of our digital product offering. He's building an amazing team there. And we've really expanded to not just be about the products we're making, but are holistically serving the digital ecosystem with taking that great design through.

So if you need to get an amazing website design, you could use 99designs by Vistaprint to get a website designed with Wix, Shopify, Squarespace or Square to name a few. You're able to purchase things like search engines, listing the manager with Google, or Google workspace, to be able to get you set up, to be able to have the right listing for your small business. In addition, we have new innovations to help deliver solutions for small businesses. With our core products, we're introducing Vistaconnect, which is going to allow QR or NFC to be directly integrated into our business cards. So a small business will be able to have their customer just tap their phone directly to it, or scan a QR code and link directly to, be it their Facebook page, Instagram page, their website, a simple slimmed down website experience they might need. With a notion that the printed product is just as much an opportunity for lead gen for a small business, and a relationship builder for us is at the heart of what we're trying to do with our connected products initiatives.

And there is so much more we're going to be doing in the digital space in the months ahead that we're incredibly excited to share. This is just a simple taste that it's not just about getting a website, but it's about getting the perfect website design on whatever platform you need, extending the life of our print products to be about relationships, and making sure that you're able to tap into critical components of the digital marketing ecosystem through partners like Google.

As a partner, we have to be ready to offer solutions. Not solutions from four to five years ago, but solutions that help small businesses thrive today and in the future. Because as a company, we have to always be on the offense in how we serve our customer and their needs. And there's one thing that we think is practically guaranteed, is the world moves fast for small businesses and they need a partner that can help them thrive. This isn't just the future though. We're starting to live in this world and our marketing now.

The acquisition of 99designs accelerated our strategy of truly being a partner. In the last four months we started marketing 99designs by Vistaprint. We have seen all-time high levels of search for 99designs since we started doing our marketing efforts called 99 days of design. This deep partnership marketing is only possible because of the ability to serve a great design talent to the small businesses around the world.

And we've been able to work with partners that Vistaprint could never work with before. Partners like Complex, 100 Thieves, the amazing e-sports platform, Refinery29, Claima Stories is one of the top podcasts in the Apple podcasts platform. We've partnered with them to give design grants to new small businesses that are parts of their communities, and to create unbelievably compelling stories of what impact design and marketing support has for them. The design results that you see on the screen are absolutely stunning and give us confidence that design is a massive foundational building block and marketing for us going forward and really truly connecting as a partner to small businesses everywhere.

What you see us doing with 99 days of design and many other things we've done in the last six months is a continuation of our marketing evolution. Until three years ago, Vistaprint was primarily a direct response television, advertising, and search marketing company that built up a large customer base that was trained to look for discounts and focused primarily on printed items like business cards. We have drastically changed our footprint and the story we tell the customers. The pandemic obviously caused an impact in everyone's plans. We're starting to see very positive outcomes from the efforts in the last two years.

By embracing a full funnel marketing approach with a digital foundation, we both made a brand impact and a performance impact. When you begin to look at the brand impact, we're starting to see great lift in awareness and consideration of perception from our most recent campaigns. We're starting to reach incredible amounts of qualified traffic, but we're also seeing positive impact of lower funnel performance.

We now have way more channels than we did two years ago, open and performance marketing. We've been able to open channels like Snapchat and Pinterest. We're able to get Facebook and Instagram to payback profitably as well as opening a key programmatic DSPs and networks. That full funnel offense means that if someone's able to be inspired by us at the top of the funnel, we're going to be able to reach them on the platforms that matter to them from a performance marketing standpoint at the lower ends of the funnel. And by coordinating the full funnel, we've been able to take platforms like YouTube, where it was not performing for us as a performance channel a year ago and get to a place where YouTube is a profitable performance channel for us by having great compelling messages at the top of the funnel and be able to follow up down the funnel with those engaged audiences.

YouTube has a massive high density of new small business owners and the ability to have it be a profitable channel for us in lower funnel unlocked a massive potential to connect with so many small businesses. We're seeing that in our latest campaign, upwards of 2X to 5X to recall for Vistaprint through YouTube for new small businesses compared to existing small businesses. New small businesses are being formed on digital platforms and we've got to be there in a major way to be part of their life. And we're seeing the results. We're seeing the results that give us a lot of optimism for the future about this approach. Everything we have shared today is in service of the goal of earning relationships with small businesses that span from day minus 100, to day one, to day 5,000. We have to know these small businesses to serve them.

And we have to make sure that every single touch point in the journey truly matters. The good news for us is we're building off of a core business built over the last two decades. Vistaprint knows how to operate so incredibly well and serve customers so well with and will be able to amplify with new capabilities acquired or built on top of. What's going to matter is making sure every single touch point is magical from shipping to product quality, to product design, to customer care, to personalization, to the pricing models, to the emails, to the ads, to the spoke design. They have to seamlessly work together to deliver that magic at every touch point on the journey over and over and over. If we're able to do that, we'll truly graduated. We'll have graduated from selling items to delivering solutions that have incredible value to really earning relationships. Once we've earned those relationships, we'll be the marketing design partner for every small business. Again, it's an incredibly exciting journey we're on. One that I'm excited to be a part of sharing, being able to share the progress on, but I want to leave you all with a video that shows a glimpse of what the future can look like for us over the next few years. We hope you enjoy this.
[Personalization Video]

Upload & Print Update
Paolo Roatta, Chief Executive Officer, The Print Group

Hi, I'm Paolo Roatta, the CEO of The Print Group. And here is where we transform the ideas of our customers into products.

With about 800 million US dollars [in annual revenue], Upload and Print is the largest player in Europe by far. Our sales are 50% more than our next biggest competitor, and we are twice the size of the third player. If we include Vistaprint revenues, so to calculate all of Cimpress in Europe, we are twice the size of our biggest competitor and four times the size of the next biggest player.

Efficiency, which means speed and cost advantages and quality derived from routing a high volume of single products into a focused production line that operates with very little variations, because its orders are homogeneous. Getting to that state, other than for basic products like standard fliers, depends on achieving a high volume overall, where each individual product type format is a small percent of the total. This is a principle of mass customization. We combine focused internal production with a network of over 100 third party fulfillers. This is the ability to take advantage of both models, depending on the need, by producing internally not only do we achieve lower costs, but also especially were able to deliver innovation in newly emerging applications.

We partner with our technology providers across the globe, in America, in Asia, in Europe, to research and develop new ways of manufacturing new and interesting products that are often at the forefront of the technology on a global scale. By using also in our sourcing production model, we're able to deliver a massive product range for our customers, and this by being asset light and with very little fixed costs.

We have unlocked the secret formula to making money in delivering significant product depth and breadth. And this is a special thing that we do better than anyone else in the market. And it is figuring out not just one technology, or one process or one software, or one format, but mainly to the benefit of our customers, our team members, our long-term shareholders and society. We believe that being competitive today means acting responsibly towards the environment and the community. And this principle is a leading inspiration in everything we do.

Being part of the Cimpress family has a number of advantages, including being able to leverage Cimpress procurement, Cimpress security Cimpress India services and also, we can take advantage of a common technology platform called MCP. In Pixartprinting, for example, we've migrated half of our territories to the new ecommerce platform away from our legacy systems and are planning to migrate the rest in the course of this fiscal year. This is enabling us to release new and more advanced features and to better respond to a rapidly evolving customer base.

In WIRmachenDRUCK, we have opened up the supply chain via MCP to the group enabling our other businesses to already improve margins. Also, we're launching a new reseller online storefront system on top of MCP that will be available for the whole group.

The integration of our different businesses and their respective production facilities in MCP allows us to potentially exploit all of our 11 manufacturing plants in Europe to better serve our customers. We have already achieved financial benefits from this. And in fiscal year 22, we will start sourcing products for the French customers of the whole Print Group from the Exaprint plant in Mauguio next to Montpellier, France, so to serve our customers better in less time and with a lower cost of shipping.

The same is true for the UK, where we leverage our Tradeprint plant in Dundee to deliver our products to our British customers faster than when they are coming from continental Europe and without any Brexit-related border challenges.

Our historical customers have been the graphic arts professionals, freelance designers, communication agencies, resellers and the printers themselves. With time we've expanded our market to include also end customers mostly medium to large businesses.

The COVID pandemic has caused an acceleration in this process, with the explosion of ecommerce bringing online many new customers, big and small, searching for the best solution to their printing needs, and mass customization services demand. So, on one hand our businesses were hurt by the pandemic due to the lock downs and social restrictions that reduced public and business events, travel and tourism activity, suspended all sorts of trade events and fairs, concerts and so on. On the other hand, our businesses also benefited from a higher number of customers going online, instead of looking for brick and mortar service providers. The net effect has been negative in our businesses this past year, but less so than the impact on our competitors with narrower product offerings, fewer supply chain advantages, and a weaker presence online.

Many segments related to COVID protection or stay at home/work from home grew significantly, like masks, screens, floor decals or photo products. Higher value products like, for example, labels, stickers, packaging, never stopped the growth trend. On the contrary, they grew up to triple digit versus pre-COVID state.

Looking ahead, we think that the negative impact will lift in the coming year. With the progress in the vaccination programs and social restrictions being progressively lifted in Europe, we see already right now strong signs of recovery across most of our businesses in Upload and Print, with revenues in certain

areas already ahead of pre-COVID states. Of course, future restrictions on business activity is out of our control. But we are ready to respond, as we've done so well these past 18 months to changing conditions.

Through the pandemic, our businesses have been constantly investing, innovating and optimizing through processes and people. We have not been standing still, we've been launching new brands, like PackStyle, or new sites, like drucken.de or gifta.com, to expand our customer reach.

We've been using these 18 months to strengthen the foundation of our companies and prepare them for a high growth in the future. In the PrintBrothers group, we invested in a common CRM system that will support our growth. Also, we have been focusing on green products that are growing significantly. For example, we launched the greenest paper cup in Europe, and are extending the portfolio constantly.

Also, from an organization point of view, we are currently expanding the product teams across three businesses at PrintBrothers starting at druck.at, and merging them together to accelerate new product introductions even further.

In the Netherlands, we launched our own delivery service at drulwerkdeal, which is more convenient and more reliable compared to DHL or PostNL, and we will deliver more value to our customers.

We kept investing in research and innovation, often in partnership with our technology providers. We have implemented a new digital printing platform integrated with the finishing line. And this allowed us to cut the finished unit cost up to half versus the prior technology. We've expanded our range of labels, stickers and packaging. We have developed a new technology for digital cut and crease, and we've invested in a new plant dedicated exclusively to flexible packaging.

Finally, we've improved efficiency in our offset printing and managed to double throughput per hour. This pandemic has been an opportunity for us. We're moving into high value products. We're delivering more value to our customers. We're coming out of this pandemic stronger than what we were before.

BuildASign Update
Bryan Kranik, Chief Executive Officer, BuildASign

[BuildASign Video]

Jeff Novak: I always really loved BuildASign culture and BuildASign way of doing things.

Nikki Powell: The culture here is wonderful.

Bryan Kranik: BuildASign is extremely, extremely collaborative. Everything we do here is a team effort.

Boomer Russo: Nobody can do it by themselves. There's no one person department.

Ashley Birkeland: We are an all hands on deck type of environment.

Adriana Thompson: We all need to collaborate. We are all steering the boat in the same direction.

Bryan Kranik: Our core values are make it happen.

Ashley Birkeland: Make smart decisions.
Kit Mellem: Getting better every day.

Ashley Birkeland: Take pride in your work.

Bryan Kranik: Make a difference.

Everyone: Win as a team.

Nikki Powell: Winning as a team means that even in the mornings, we'll get together, we'll have these stand ups. It's a stand up to try and pump the team up. "These are our goals. This is what we're going to do today. Let's have a great day." And just that mojo, you can feel it throughout the rest of the day.

Bryan Kranik: Our mission is really creating something special. Everything we do has an emotional connection for our customers and what we're creating for them.

Megan Carter: We also try to make a whole experience for those customers who want a totally different website, which is how we ended up with easycanvasprints.com and alliedshirts.com, and several of our other websites that target a specific product line and do it really well.

Christian Orawetz: One of our big advantages is that we produce a lot of the things we sell ourselves.

Megan Carter: My best day at BuildASign would be when we found out that Cimpress was acquiring us.

Adriana Thompson: Once we became a part of the Cimpress family, we've just grown and blossomed.

Kit Mellem: Cimpress has been huge for us, particularly considering it's the decentralized model. I've been really surprised with how much we've been able to get out of the shared resources.

Raul Takahashi: Now it feels more global. It feels more part of a community, more a part of this bigger picture.

Christian Orawetz: Just in the last month we launched six or maybe 10 products that would have taken us many, many months in the past, if not years.

Jeff Novak: We're right now in a pilot program with the Cimpress GSO team. We already engaged them on a template project, came back with 100, 150 designs that should be extremely valuable for our business.

Boomer Russo: It's honestly really inspiring to see how far we've come in my 10 years here and see where Vistaprint is, where Pixart[printing] is and understand, oh man, we still have a ways to go.

Ashley Birkeland: I think people are more than ever really excited about the future.

Bryan Kranik: I feel like at BuildASign we have so many ideas, so many great ideas.

Kit Mellem: What I'm really excited about right now is we're in the process of moving all of our stores to a new e-commerce platform.

Bryan Kranik: I foresee a big focus on our enterprise sales team who have the opportunity to sell a more products to their current customer base. We've always been handicapped with just the products that we produce ourselves, and our customers would have to go elsewhere.

Raul Takahashi: And we live in an Amazon world where everything's convenient, everything's easy. It should be almost as easy as clicking one button. And you would have a mug at your house or a yard sign. Right? With your brand.

Boomer Russo: I know that we're a smaller portion of the portfolio for now. We're coming. We're aggressive. We've learned, oh, there's a lot more we can do. There's a lot more automation. There's a lot more back-end production systems that we can tighten up on and really improve the way we do things here. [Video ends]

Bryan Kranik: Hi, I'm Bryan Kranik, the CEO of BuildASign. This video was actually completed in February, 2020. And at the time none of us could have imagined what was in store for us during the upcoming year. While last year was a tough year for so many businesses, I'm thrilled to share that BuildASign delivered its best ever financial performance.

In fiscal year, 2021 BuildASign grew revenue 13% over FY20 and 23% over our proforma view about FY19. EBITDA was an even better story, growing at 33% over FY20 and 78% over the same proforma view for FY19. But it was far from easy. Similar to every business in the United States, BuildASign saw a dramatic decline in our business in the mid-March timeframe last year. To prepare for the uncertainty ahead of us, we immediately took some financially decisive measures to prepare for the worst, including dramatic pullbacks in our marketing spend.

But in very much the BuildASign culture, this team demonstrated that no matter how difficult the challenge in front of us, we will find a way to win. So we then went on the offensive and took multiple fast, decisive, and proactive actions at the onset and throughout the pandemic to not only get our business back to the pre-pandemic levels, but also to eventually materially exceed them. Some of those actions included immediately adding over 2,000 new COVID related templates to our existing signs and graphics brands and predominantly displaying them throughout the sites, as well as in marketing campaigns.

During the first few weeks of the pandemic, we saw COVID related orders represent over 20% of our signs and graphics bookings each week. We also began manufacturing and selling COVID related products, including floor decals, sneeze guards, face shields, and face masks, all in record time from ideation to launch. School graduation signs was another category that increased in popularity due to restrictions on group gatherings. In response, we added hundreds of graduation related templates, increased site exposure for graduation related products and launched new marketing campaigns to capture this demand.

In the home decor segment, our second largest customer acquisition channel after SCN is affiliate networks. This channel is unique in that our offers compete for real estate and mind share, not only against traditional direct competitors in the canvas space, but also against businesses in entirely different industries, such as banks and home improvement companies. During the pandemic many of those businesses experienced a significant drop in demand for their products. So we doubled down on this channel by onboarding new and re-engaging inactive affiliate partners, focusing on landing page improvements to increase conversion rate and effectively refreshing creatives and promotions. The results were outstanding.

In FY21 we also doubled the amount of revenue generated by Vistaprint on orders fulfilled by BuildASign versus FY20. Most importantly, we were able to do all this while keeping our team members safe. In that effort, we rearranged the production floor to ensure social distancing throughout every process, made masks mandatory at the onset, tripled our daily cleaning efforts, and initiated weekly electrostatic disinfection cleaning, which is an ionized disinfectant spray that coats the front, back, and underside of every object on the production floor. We also raised pay for the entire production team in the form of an hourly thank you bonus ranging from $1 to $2 per hour for each team member throughout last year.

Additionally, we also invested in upgrading our air filtration on the production floor in common areas and held multiple onsite vaccination clinics once the vaccine became available. We also focused on meeting the needs of our community during this difficult time. BuildASign immediately offered our manufacturing capabilities to the Austin Chamber of Commerce to help address the PPE shortage in our community. This resulted in us quickly implementing programs to provide free signage, masks, face shields, and plexiglass dividers for first responders and essential services, such as the Austin Police Department, Austin Emergency Services and the Austin Independent School District.

Over the year, we gave away more than 30,000 face shields and other PPE to the local community. Also last year, we found even more ways to leverage the synergies of being part of Cimpress. In a typical holiday season, we more than double our production workforce for the use of temporary workers to handle the highly seasonal canvas demand. At some point last summer, we realized that we simply could

not ramp to the head count levels needed to handle last year's holiday volume due to social distancing. So we approached National Pen about partnering with us to produce canvas out of their Tijuana facility and then ship them for our west coast customers. In less than four months, we went from an idea to actually producing in Tijuana, and just in time for the holidays.

During those four months, we expedited the shipment of a gently used printer from Vistaprint's European production facility in Venlo, as well as multiple other manufacturing parts from Austin to the Tijuana production facility. We also successfully trained the entire team on a production team, thanks to the National Pen team visit to Austin, who observed the process and then a BuildASign team visit to Tijuana to help administer the training.

The results were phenomenal as we were able to manufacture an additional 82,000 canvas units during the holidays from the Tijuana facility, which equated to a 12% incremental overall canvas unit growth year over year. In FY21 we also successfully launched Customer Love team in Montego Bay, Jamaica, which is the first customer support team ever situated outside of Austin. This could have never been accomplished so quickly without the best practice sharing expertise of the customer support teams at Vistaprint and National Pen, who have been operating in Jamaica for years. The team started training last fall and were instrumental in enabling us to handle our holiday seasonal call volume with tremendous success.

Today approximately half of our Customer Love team is located in Jamaica and we couldn't be more pleased with their work. We also had to figure out ways to come together as a team last year and during the pandemic. We embraced video conferencing for both meetings and team builders. We also adopted virtual holiday celebrations, philanthropic events, and other creative means to recognize team members.

And in FY22, we have even more to be excited about, namely in the next few months, we will transition our legacy brand, BuildASign.com from our dated and difficult to use technology platform to a new e-commerce platform that leverages multiple microservices, created by Cimpress Technology, including the brand new Cimpress design staff. The new platform has significantly updated technology and is easier to use and build upon. More notable is that the new platform will be completely responsive to improve mobile conversion rates and have an improved UX for the overall site.

Finally, the new platform is already integrated to the mass customization platform, MCP, which will enable BuildASign to quickly add products to the site that we don't currently offer, and that are manufactured by one of the other companies in the Cimpress portfolio. We also began leveraging this new platform with our enterprise customers this year. Historically, we have served these customers through custom branded microsites built on our legacy technology platform, which only allowed us to sell products manufactured directly by BuildASign. Through the integration with the mass customization platform, we're now able to offer countless products manufactured by other Cimpress companies through our enterprise customers that they're currently buying today from competitors, such as an extensive list of paper, apparel, and promotional products.

In FY21 our enterprise sales team grew revenue 28% year over year, and we attribute almost half of this growth to the 75 microsites we launched on the new platform over the fiscal year, which all included a much more comprehensive product offering. In FY22 we plan to launch another 100 microsites to ensure we're offering a one-stop shop for custom branded products for all of our largest enterprise customers.

In FY22 we also see a big opportunity for growth in Canada. Currently less than 1% of our North America revenue is generated in Canada, primarily due to lack of focus on our side. With Canada's population more than 11% of that of the US and the need of cross-border shipping infrastructure already built, we believe this is a growth opportunity for the company. In Q1 FY22 we will launch our first ever targeted site at the Canadian market. We have also received requests for Canadian dedicated sites from several of our largest enterprise customers over the years, especially the largest real estate customers, and we're finally in a position to launch those this quarter as well.

Finally, we will also have a big focus on maintaining and improving our company culture in FY22 as we embrace on a more flexible work environment. We have always prided ourselves on having a deep and robust culture at BuildASign that enabled us to compete effectively for talent in the aggressive Austin market. With that said, we recognize that times are changing and we need to adapt in order to continue to leverage this competitive advantage to attract, maintain, and engage talent. Overall, we couldn't be more excited about FY22 and beyond. The future is so bright for BuildASign. Thank you.

Capital Allocation
Sean Quinn, Chief Financial Officer, Cimpress

Hello again. My name is Sean Quinn, and I am the executive vice president and CFO of Cimpress and also of Vistaprint in case you're watching these out of order. In this session here, we're going to cover a few things. We'll cover a look back at our financial performance in 2021. We'll cover a number of capital allocation topics, capital structure, and then I'll also provide some commentary for fiscal 2022, the year ahead.

So let's start with looking backwards. And if we look back at fiscal year 2021, I'll begin with this visual that both Robert and I used last year on investor day, which shows our consolidated weekly bookings growth or decline versus the prior year, starting at the beginning of calendar year 2020, which you see on the far left there, so prior to the pandemic and through our most recent weekly results in July this year. Just to orient you here on what you're looking at, the gray horizontal line is at the 0% on the Y axis, and so in other words, flat to the prior year. The blue line there is our consolidated weekly growth or decline. And then the green line is our consolidated weekly growth or decline excluding COVID specific products, the same as what we showed last year. And each of these lines excludes acquisitions so it's representative of our organic trends.

There's a few things that I'll highlight here which I think help to put this last year into context. Of course, you can see the significant and steep drop-off in bookings when the pandemic set in. We showed that last year. And as a result of a whole suite of actions from our teams across Cimpress that we've previously talked about, we started the recovery path off of those lows in April. And when we were together last year, we had just finished in July where we were down about 5% year-over-year.

Now that recovery back to down 5% year-over-year that we talked about at this meeting last year was helped by COVID specific products that we'd introduced, most notably face masks and also increase demand for products like home decor and packaging. But at that time, most of our product categories were still down significantly. We demonstrated the ability to quickly identify pockets of demand through new product innovation, through adaptation of our existing products and that continued throughout the year. That said, bookings remain significantly impacted, especially in National Pen and also in our Upload and Print businesses. And then you can see at the end of calendar of 2020 that bookings ticked up too and actually just a bit past prior year levels on the back of strong demand for photo products, for home decor products and other consumer oriented products in the holiday season before, again, dropping back off in the March quarter as restrictions in most of our markets tick back up again in the new calendar year and for the beginning of our second half of our fiscal year.

So we've now comped the most severe impact on bookings last year and of course, that means that growth are high mathematically. Our reported growth for Q4 was 49%. But you can see that as we started to comp the 5% down last year, recognizing that last year had significant contribution from COVID products, the year-over-year growth rates are starting to become more insightful. So let me just double click on a few things that we've seen recently. Throughout the fourth quarter, we saw improvement, but it was really in June that we saw Europe start to participate more meaningfully, and that was evident across the board. It was evident in Vistaprint and Upload and Print, and National Pen. And that follows the trends that we saw previously in North America and also in Australia between demand recovery for us and the return of activity from reduced or eliminated restrictions.

For the month of June, our consolidated reported revenue growth was 6% and our organic constant currency revenue growth was roughly flat [compared to June 2019]. That's on a consolidated basis. The contribution of COVID specific products is now negligible and while the categories that have performed well over the last year continue to perform well, the improvement that we saw in June was from the recovery and core products like business cards, like flyers, like brochures. And just as a specific example of that, in Vistaprint for the month of June compared to two years ago, we had bookings growth in signage and also in promotional products and business cards and marketing materials were down less than 10% combined. So we're definitely not fully back, but we're optimistic about these trends and the opportunity to leverage the improvements and the investments that we've made over the last year against these higher volumes. And I should say also that these trends have continued in July as well. So those are recent trends.

Let me move now to a brief overview of our financial results and longer-term trends over the last decade at the Cimpress level and then I'll take a tour through our segments as well. I'm going to start here with revenue and you can see our track record of growth over the last decade. Because of the changes that we had planned in fiscal 2020, including reductions in advertising spend in both Vistaprint and National Pen that we spoke about two years ago, our consolidated constant currency revenue growth had shifted down to about 3% for the trailing-twelve-month period to February 2020 you see on the chart there, excluding the impact of acquisitions. And with a full year of impact of the pandemic, we ended this past year with $2.6 billion of revenue, which on an organic constant currency basis was about flat to 2020.

On the next slide, let me go through our profitability. On the left is our GAAP operating income. On the right is our adjusted EBITDA, which shows the trajectory of our profitability when you remove the impact of things like restructuring cost, impairments and certain impacts of acquisitions like amortization, but also includes currency hedging, gains and losses. And as we spoke about last year, we were delivering record performance through the trailing twelve months that ended February 2020 prior to the pandemic. Adjusted EBITDA had expanded about $90 million compared to fiscal year of 2019, so just eight months prior, which was a record level. And the drivers of that EBITDA expansion are still present today under the surface and have actually improved even further since then. And those namely are Vistaprint's improved advertising efficiency, improved execution broadly, reduced investment in our early-stage businesses through both rationalization, but also improved focus and the growth of our bill assigned business.
In fiscal year 2021, we generated $349 million of adjusted EBITDA and demonstrated that if and when necessary, we can rapidly pivot and reduce cost and deliver material profitability, even in an extremely adverse economic environment. And once we had stabilized our financial situation, especially in the second half of the fiscal year, we also increased organic growth investments building for the future by recruiting a significant number of talented new team members, driving innovation and expanding our capabilities while continuing to push for quality improvements and efficiency gains. I'm going to cover that from a financial perspective in a bit. And you've heard from many of my colleagues already about tangible examples of these investments and improvements. I should note before I end on EBITDA that currency did weigh on EBITDA by about $15 million versus 2020 as well.

On the next slide here, you can see our cash flow trends over the last decade. On the left is our cash flow from operations, and then you can see here on the right, our adjusted free cash flow, which also shows the cash interest we paid related to borrowing so that you can get back to unlevered free cash flow. Again, you see the record results here in the trailing-twelve-month period prior to the pandemic. We delivered material cash flow in fiscal 2021, although lower than those pre-pandemic levels, with $166 million of adjusted free cash flow and $283 million of unlevered adjusted free cash flow. Cash interest costs were up materially and later, I'll cover the changes we made to our capital structure in May that will reduce cash interest in the upcoming year.

So now let me take a quick spin through our segments starting with Vistaprint, and here you can see Vistaprint had $1.4 billion of revenue in fiscal year 2021, up slightly on an organic constant currency basis over the last year. Our unlevered free cash flow remained roughly flat, but segment EBITDA decreased with COVID impacts, but also increased growth investment that you heard about earlier in the Vistaprint session, and I'll talk about more in a moment.

Next up is Upload and Print where reported revenue was up slightly and organic constant currency revenue declined 7%. Segment EBITDA was $86 million and unlevered free cash flow was $73 million near our FY2019 levels, which was helped by material year-over-year improvement in working capital in The Print Group.

National Pen reported revenue growth of 5%, or 2% excluding currency which was helped by the fulfillment of masks for Vistaprint. The $12 million of segment EBITDA that you see here for fiscal 2021 was reduced by about $8 million of write downs of inventory for pandemic related products. You also note that National Pen's unlevered free cash flow increased by $36 million over the last year of which a significant portion of that was due to working capital improvements which working capital was a material inflow this year and it was a material outflow last year, which was impacted by various things from the pandemic.

BuildASign is next and had a great year as you heard from their CEO, Bryan Kranik, earlier. Record revenue and EBITDA, which grew 13% and 33% year-over-year respectively. And on a two-year basis, I think Bryan mentioned this earlier, if we had owned BuildASign for the full year of 2019 versus just three quarters, their pro-forma revenue and EBITDA was 23% and 78% higher than in FY2019 respectively. Unlevered free cash flow had some unfavorable year-over-year working capital timing. Otherwise, the growth there would be consistent with the EBITDA trend as the tax energies that we had from that acquisition allow for a very high EBITDA to cash flow conversion.

And finally, our early-stage businesses which along with BuildASign form our all other businesses reporting segments showed their resilience this past year. Even with the effects of the pandemic, Printi consumed less cash in FY2021 than it did in FY2020 and significantly less than 2019. And that business is a market leader in upload and print in Brazil and it has been growing despite the economic and social trauma in Brazil from the pandemic. YSD, which is based in China demonstrated its capabilities over the last year with an impressive list of third-party customers and continued to support multiple of our Cimpress businesses in their supply chain automation for custom master in the pandemic. The YSD team is actually in the process of pivoting the business model to more directly leverage the technology and supply chain expertise that they demonstrated through the mass project. The multi-year improvement here in these early-stage businesses is certainly notable as the portfolio and the scope of businesses was rationalized and focused. And you can see the very material reduction that that's led to in both EBITDA and unlevered free cash flow investment which continued in this past year.

On the next slide, you'll see on the left here our net debt over the last decade going from the starting point of a cash position in 2011 to $1.4 billion of net debt at the end of fiscal 2021. We reduced our net debt by $58 million this year as you can see on the slide. And in a moment, I'll describe the recent changes we made to our capital structure as well. On the right-hand side of the slide, you can see how our share count has decreased over time from 45 million weighted average diluted shares outstanding to 26.5 million. That's an over 40% reduction net of shares issuance from equity wards and any M&A. We did not repurchase any shares over this past fiscal year, although you can see the reduction in weighted average diluted shares from the significant share repurchases that we completed prior to the pandemic last year that had a full weight on that number in fiscal 2021.

So now turning to capital structure, on the slide here, you can see the composition of our net debt at the end of the March quarter on the left and at the end of the fiscal year on the right. And in May, as we've previously disclosed, we closed a $1.2 billion senior secured Term Loan B. And in conjunction with that, we redeemed all of the $300 million 12% second-lien notes that we issued a year earlier during the height of pandemic uncertainty. As part of that, we also repaid our Term Loan A and repaid all amounts that were drawn at that time under our credit facility. The Term Loan B that we closed consists of two tranches. The first is a $795 million US Tranche and the second is a €300 million Euro Tranche, both of which will mature in 2028. The US dollar Tranche bears interest at LIBOR with a LIBOR floor of 50 basis points plus 3.5%, and then the Euro Tranche bears interest at EURIBOR with a EURIBOR floor of 0%, again, plus 3.5%.

And so we now have a debt structure that consists of two things, a Term Loan B due in 2028 and $600 million of our 7% senior notes that are due in 2026. Our senior notes are callable now and we'll continue to evaluate our options on that front. So this new flexible capital structure allowed us to lower our weighted average cost of debt. It allowed us to diversify and expand our lender base and it also extended the maturity profile of our secured debt. And it leaves us with ample liquidity primarily through the $385 million of cash, cash equivalents and marketable securities that we have on the balance sheet following that transaction, but also through a $250 million secured revolving credit facility that's currently undrawn. And so long as that facility is undrawn, we no longer have quarterly financial maintenance covenants, but we're still subject to incurrence-based tests for certain uses of capital.

And on the next slide here, you can see our leverage profile over time. Given our new structure that I previously described, we now look at net leverage where you can see we ended the year at 3.7 times our trailing-twelve-month EBITDA. And you can see from this historical trend that goes back to 2016 that we've consistently managed to a conservative net leverage profile. And prior to the pandemic, our net leverage fluctuated based on capital allocation intensity where increases have typically been followed by a de-leveraging cycle. You could also see here that we've been very focused on managing our leverage throughout the pandemic and our net leverage over the last five quarters has ranged between 3.3 times and 3.8 times. Our new structure allows us to have temporary increases in that leverage and we expect net leverage to tick up in the September quarter as we comp what was an expansion of EBITDA last year, driven by significant temporary cost reductions and also government incentives, which means that we expect EBITDA to be down year-over-year in the first quarter.

We're not going to be specific about a certain level of net leverage in FY22, but the main points that I'd like to make around leverage are as follows. The first one is we've managed leverage well, even through the pandemic. The second one is there's been no change to our previously communicated financial leverage policy. And the last one is we expect to be delivering in fiscal 2023 or sooner.

I referenced organic growth investment earlier. And on this slide now, you can see our historical organic growth investments by segment as we disclose each year in Robert's annual letter to investors. Here, we're looking at the impact of those growth investments on our unlevered adjusted free cash flow. You heard in the Vistaprint section about examples of our recent investments. We've increased organic growth and investment in fiscal of 2021 as you can see here from $52 million to $67 million, most notably in the second half of the year. Subject to the continual evaluation of these recent investments and the overall post pandemic recovery for this next fiscal year in 2022, we plan to increase our organic growth investment in Vistaprint significantly driven by two things. The first is the annualized impact of that increased in investment in the second half of 2021, given a large portion of that was from hiring so it's now in the run rate. And the second is we plan to continue to invest in talent across a broad set of capabilities as you heard earlier, as well as performance advertising, upper funnel brand spend and sponsorships, new product introduction and design capabilities.

Moving to Upload and Print on the top right, you can see investment levels came down through the pandemic. In fiscal 2022, these businesses plan to invest to drive further competitive advantage in their customer offerings and experience as well as production and supply chain benefits. Compared to last year, we expect the EBITDA impact of growth investments to be slightly higher in fiscal 2022, and there to be an uptick in capital expenditures for new product introduction and innovation which impact unlevered free cash flow.

National Pen's growth investments you can see were consistent with last year. In FYI 2022, we expect that growth investment in National Pen will be roughly consistent with those levels over the last two years. And in our All Other Businesses segment, here you can see the significant decrease in growth investment in recent years that I mentioned earlier with respect to our early stage businesses. That decrease is significant, it's down $37 million from two years ago and we do expect investment levels in that segment to remain at roughly similar levels in fiscal 2022. And in MCP, we increased growth investment by $6 million over the last year in domains like e-commerce and artwork technology. We expect a modest increase here in fiscal 2022 as well. And lastly, our other central investments which are small are expected to remain at similar levels in fiscal 2022.

In terms of capital allocation priorities, as we look forward, the headline here is really that nothing's changed. Our clear near-term capital allocation priority is organic investment, especially in Vistaprint as we just mentioned. In our Vistaprint session, we share tangible examples of recent investments that we've made, and also the results that they're driving and we believe are organic investment opportunities right now will be the biggest driver of increased per share value. We do see opportunities for smaller scale M&A or tuck-ins. 99designs I think is a great example of bringing a critical capability to Vistaprint to accelerate its strategy. As another example, in the last quarter, we also closed the small acquisition under BuildASign of a fast-growing business in a new product category that could be leveraged through other Cimpress businesses in North America as well. And as you heard from Bryan Kranik earlier, the BuildASign team has demonstrated clearly the ability to best leverage the share strategic capabilities of Cimpress to drive results. Beyond that, we don't expect to pursue large scale M&A and we have no plans for share repurchases in the near term and we'll continue to adhere to our commitment not to repurchase shares when our net leverage ratio is above three and a half times.

Let me now turn to some commentary from both a P&L perspective and cash flow perspective looking towards 2022 that will hopefully help to sort of set the picture for some impacts for the year ahead. From a P&L perspective, let me start with revenue growth. We're not going to give specific guidance on revenue or revenue trends, but you can see from our commentary in the earnings document in Robert's letter and hopefully throughout these sessions that based on recent trends, we're certainly optimistic about a return to sustainable growth in fiscal 2022.

From an advertising spend perspective, in fiscal 2021, we increased advertising spend throughout the year as we pushed out payback thresholds and increased upper funnel spend in Vistaprint, but also as overall volumes returned. And while absolute spend increased throughout 2021, we continue to see improved efficiency of performance spend and we think we have an opportunity to continue to improve that. In this next year of fiscal 2022, we'll have a full year with payback thresholds where they were in the fourth quarter of last year and we expect the upper funnel spend in Vistaprint to increase year-over-year as well. So putting that together on a consolidated basis, we'd expect that advertising spend as a percentage of revenue to increase, but still remain below fiscal 2019 levels.

From an OpEx perspective, earlier I provide a commentary on the direction of organic growth investments. The vast majority of that increased investment will be in Vistaprint and is related to hiring. And as noted, the pace of that investment is going to be balanced with the progress that we're seeing in the overall recovery, but also with recent investments in terms of how those are impacting the top half of the P&L.

Lastly, from a P&L perspective on currency, I mentioned before, currency was a $15 million headwind on adjusted EBITDA in 2021. We do expect the year-over-year impact in fiscal 2022 to be slightly positive to adjust EBITDA based on where we're at in terms of our average hedge rates.

Okay. Next is free cash flow considerations for FY22, and I'll start with working capital. In fiscal 2021, we had significant influence from working capital, about $68 million as volumes filled back in given fiscal 2020 had ended during the heightened pandemic impact. We're past the material unnatural working capital impacts from things like delayed payments as well. And so as we turn to fiscal 2022, we expect there to be influence from working capital that look more like pre-pandemic patterns.

Next on cash taxes, there's of course a lot, any year that factors into our cash taxes, but we expect this to increase a bit in fiscal 2022 as we did receive some refunds in 2021. We do have about $11 million of refunds receivable on the balance sheet, but we expect those to be received in 2023.

Next, we expect cash interest cost to be significantly lower in fiscal 2022 compared to 2021, and that's based on the capital structure changes that I outlined earlier. That year-over-year decrease is expected to be approximately $20 million.

On CapEx, we expect to see an increase here mostly from growth investment, including new product introduction and production innovation on top of a normal maintenance spend. Some of this is dependent on what we're seeing in terms of overall recovery, but as a percentage of revenue, just to kind of frame this, I'd expect next year to be slightly higher as a percentage of revenue than where we were just before the pandemic, so in the range of three or so percent of revenue.

And lastly, capitalized software should be slightly higher than fiscal 2021. This past year, we had a material amount of external spend that was capitalized as well, which we expect to transition more and more to internal teams as those teams ramp.

As Robert wrote in his annual letter, while the impact of the blurred the evidence of our progress that we believe would have otherwise been evident in our fiscal 2021 financial results, our advantages throughout Cimpress building off the momentum that we had prior to the pandemic have only become clear. In a full year impacted by the pandemic, we generated $2.6 billion of revenue with still significant EBITDA and unlevered adjusted free cash flow.

And although we haven't published our estimate of steady state free cash flow for fiscal 2021 as we've done in past years, because that would require estimating the full impact of the pandemic on our results, which frankly is just not possible with precision. Based on recent trends and the progress, we see a clear path to return to the pre-pandemic levels previously disclosed and to be able to grow beyond that.

Our capital allocation priorities are clear and throughout these sessions, you've heard examples of where we're investing, examples of tangible evidence of the progress we're making. In addition to the over $30 million of annual cash costs we've removed from our structure, comparing back to pre-pandemic levels, the improved efficiency of our advertising spend and improved per customer metrics and Vistaprint and much more.Thanks to an approved competitive position, a team with demonstrated ability to execute well and the investments that we've made over the last years, we now turn to FY22 and we're optimistic about returning to sustainable revenue growth and growth of our intrinsic value per share. And of course, that's not possible without a talented and motivated team.

Over the last two years, we've increased our talent density and our senior most team members incentives are aligned to those of our long-term shareholders, including the roughly 40% of shares that are held by our board members. In many of our businesses, we've talked about this in the past, these long-term incentives are centered around achieving above hurdle rate returns on invested capital for that respective business, and at the Cimpress level and in Vistaprint, our performance share program incentives are centered on long-term shareholder returns above our hurdle rate.

While these programs have been in place for a number of years now, over the next few years, we'll begin to have annual cycles of measurement opportunities, meaning that those running our businesses and central teams are as motivated as ever to execute to deliver these returns. We look forward to reporting on our progress in the year ahead.

So this is the final session so I'd like to just end by saying thank you to our long-term shareholders and our lending partners. We appreciate your trust in Cimpress and your partnership, which was especially valuable and appreciated over the last 5 quarters. Thanks also for investing your time to watch these sessions. We hope pre-recording them made it more efficient and convenient.

I also hope that both our optimism and our excitement about the year and years ahead was evident throughout the sessions along with very concrete examples from our talented leaders across Cimpress of the progress that we've made and expect to make in the year ahead. Robert and I along with other members of the team look forward to answering your questions in our live session on Monday at 11 am Eastern Time, and Robert will share his closing thoughts at the end of that live session together. We'll see you then.