

Overstock.com and Worldstock

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Reality

- First Day of Trading April 19 2002
- Opened at \$27
- Closed at \$43.63
- Currently \$ 4.85 as of 4/2/2011
- Gained 67% in debut



Background

"I tried to pay attention
but attention paid me"
-Mr. Carter (lil wayne)

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Background 2.0

- Initial investment
- Strategic hub placement
 - Selective route choice
- Rapid operations growth
- Executive expertise

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Airline Industry

- Risk Exposure
- Highly Competitive
- Southwest
 - High-frequency, short-haul, point-to-point service
 - Standard model for upstarts



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JetBlue Strategy - Others Jet Lag behind

- One model of aircraft
- In flight entertainment
- Safety
- Low fare & small airports
- Fuel efficiency (Airbus A320)



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IPO Process

- All Hands Meeting
- Quiet Period
- Due Diligence
- Letter of Intent
- Filing Process/ SEC Approval
- Offering Price Established

IPO Dilemma

- Positives
 - Capex & Working Cap
 - Publicity
- Negatives
 - Disclosure
 - Cost
 - Control



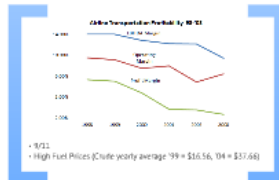
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Recommendations

- DCF = \$23
- COMP = \$27-\$32
- Case = \$22-24

*Handout

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Pre IPO Process

- Credible Business Plan
- Qualified Management Team
- Outside BOD
- Audited FS
- Performance Measures and Projections
- Establish connections

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Eric Grimes

Nick Hartnett

Fred Kampo

Pete Pakalski

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