

“Art may conjure up the flaws in our condition, and promise a happiness lying beyond them, through some resolution that we can achieve right now despite them. When it tries to reproduce the link between a beyond wishful thinking vision of the world and an imperative of existence that lies at the heart of religion, it degenerates into didacticism. It then degrades its transforming power.”

Roberto Mangabeira Unger

1. INTRODUCTION

This document outlines the current state of Offline Ventures Co., Ltd. (“**OV**”), a Japan-based enterprise, as well as its strategic vision for 2021. It is presented as a 6-page narrative which, in one of those accidental ironies of life, apparently happens to be the same format required from top decision-makers at Amazon, where they get 20 minutes to quietly read it prior to starting their (fully offline, no PC allowed) discussion meetings. Seems like breakthrough begins with the ability to articulate the story of an imagined vision (such ability understood as an advantage for implementation, in the “a problem well-stated is a problem half-solved” spirit), which perhaps explains why slideshows have been banished by the business regent of the Online Kingdom.

OV focuses on developing offline learning and entertainment experiences, based on the belief that the value generated by such experiences —especially when uninterrupted by the distractions of online interaction or unflattened by the screen format— is qualitatively richer and potentially more transformative in its ability to harness human potential. As such, we encourage the current most advanced practice of production, knowledge-intensive experimentation, and the propagation of an experimentalist impulse. OV also invests resources trying to find ways to harmonize the tension between a luxurification of the offline experience (further accelerated by the COVID-19 pandemic) and its exclusionary effects.

We identify OV’s goals for 2021 **(2)**, the tenets that inspire them **(3)**, the state of the enterprise **(4)** and the resulting lessons learned thus-far **(5)**, ultimately to set out strategic priorities in our effort to turn OV into a sustainable enterprise by 31 December 2021 **(6)**.

2. GOALS

(i) Develop 1 Offline Platform with 1 Customer: Create one offline platform (“**OP**”) project opportunity that generates a minimum ██████ in revenue for OV. Section 6 provides an explanation of OPs.

(ii) User testing on OV prototypes (ND Planter Bags + Microresidencies): Leverage OV’s newly renovated Kyojima OP prototype space to test one exhibition sales opportunity [revenue goal: ██████] for its (currently prototyped) Nendo Dango Prêt-à-Planter planter bags (“**ND Planter Bags**”) as featured in [Appendix 1](#), as well as at least one paid microresidency [revenue goal: ██████] and one value-exchange microresidency (e.g. with offline content in return).

(iii) Strengthened Communication Capability: Update website and prepare Kyojima OP prototype program/calendar for OV prototypes testing by 31 January 2021. Complete explanatory English version decks on OV, OPs and OV prototypes by 28 February 2021, and their Japanese language version by 31 March 2021. Also identify 3 locations with OP-suitable ecosystems by 30 June 2021.

3. TENETS

OV's current entrepreneurial efforts are inspired and guided by 3 tenets:

(i) *The Transformative Powers of the Offline Experience.* There is no qualitative substitute to the offline experiences that make us grow, individually and collectively, as human. Human interaction with its sensorial poetry and serendipitous storyline has entered the luxury category (i.e. “something adding to pleasure or comfort but not absolutely necessary”) and we wonder whether its transformative powers are a right or a privilege. OV believes that there is value in experimenting for ways to improve the distinguishing qualities of the offline experience, while also attempting to broaden access to it. We grow through experiential knowledge and, in a world where people evaluate choices in relative rather than absolute terms, the ability to experience facilitates our assessment of non-monetary value.

(ii) *Learning powered by the Creative Process.* The creative process, as lived by artists and also practiced in other creative disciplines, is a valuable experiential learning tool which essentially highlights the need for experimentation in the pursuit of innovation and progress. Complemented by the capacity for collective problem solving central to our evolution, we believe that there is value in the propagation of an experimentalist impulse in every aspect of social life. By embracing a propensity for perpetual learning, we must develop a skillset of generic, flexible, high-order capabilities that allow us to constantly innovate by taking full advantage of artificial intelligence (“AI”). [Appendix 2](#) provides detail on this idea.

(iii) *Lifestyle powered by Kairòs.* Humans need time for entertainment, for wellness, for love. *Kairòs* was adopted in Ancient Greece to signify an alternative, more vertical, dimension to time. Time conceived in the sense of an “opportune moment,” as opposed to *Chronos*, her more linear, series-of-events sibling. Digital solutions increasingly allow us to reclaim our most valuable resource —time— by focusing work on progress as opposed to activity. This advantage is reflected on a growing number of pop-up, nomadic lifestyles privileging (amongst other things) access over ownership. We must benefit from the human-made breakthroughs that increasingly empower us to design, and time, our own lifestyle.

(iv) *Bonus: SDG No.5.* With no pretension of truth¹, we have decided to use some of the momentum generated by our enterprise and try to positively affect United Nations 2030 Sustainable Development Goal No.5. We keep an acute reflex for “low-hanging fruit” opportunities to participate in the improvement of this Gender Equality metric.

4. STATE OF THE ENTERPRISE

¹ OV strives to make sense of the inescapable tensions between business success and sustainability by learning about it. Readings vary from theoretical dreamers to factfull optimists, market-appointed conscious leaders and their “elite charade” critique, to the imperative calls for Artificial Intelligence control as well as understanding privacy as a form of power in the digital age. Incidentally, we feel that this book-based effort has helped us better control automatized distractions and their impact on our (very human) ability for deep thinking.

OV's pre-pandemic version was supported by artist-in-residence (“**AIR**”) programs designed to deliver art (for sale or rental via subscription) and content (offline, for events and workshops, as well as digital for online branding/marketing/storytelling). There was also a developing “design & operations” activity line to plug-in AIR programs into spaces (e.g. hospitality venues such as hotels or co-working spaces) that would find (short, mid, and long term) value from the creative flows (and opportunities, such as generative material for ensuing prototypes) brought by these AIR plug-ins. [Appendix 3](#) presents the COVID-obiterated hypothetical ecosystem for that model.

Against this background, OV's 2020 revenue came essentially from an Arts Council Tokyo [REDACTED] grant in support of A Fragmented Garden, a participatory art project employing “Nendo Dango” seed-units. OV currently has [REDACTED] in its capital account, being used to cover recurring administrative costs such as website and email services [around [REDACTED]], an [REDACTED]/year] accountant, the lease of its shared Kyojima OP prototype space [REDACTED]/month until July 2022], product prototyping [REDACTED] in 2020] and [REDACTED]/hour] fee payments to a trainee-assistant who has committed to provide research and communication support up to 15 hours/month. Juan Felipe Botero (CV attached as [Appendix 4](#)) is OV's founder, 100% shareholder and (so far) unpaid representative director, mainly working on weekdays from 9am to 4pm, and after 9:30pm or on weekends on an as needed basis. His current work is to further OV's vision by building opportunities that ideally harness collaborative value exchanges and materialize the value creating potential of offline learning & entertainment.

In a post-COVID-19 iteration, we have decided to reorient our focus under three activity categories: Offline Platforms (project design, implementation, and where applicable AIR operation), AIR (AIR as a creativity engine for content creation, sales/rotation of artworks, and paid microresidencies) and Product Experiments (such as the ND Planter Bags among other collaborations).

5. LESSONS LEARNED

During the four year existence of our enterprise we have accumulated the following lessons:

(i) Carefully calibrate team-building incentives. It is important to distinguish people that are more reliably managed on an arm's length monetary compensation basis from those who have a more confident grasp of the difference between activity and progress. An open-minded and committed local partner, aligned with our vision and ready to put time (i.e. “skin in the game”) would be an ideal addition to the enterprise, even beyond the eventual need for capital. We currently seek to compose our collaboration teams on a project basis, conscientiously balancing progress potential with remuneration incentives.

(ii) Beware of the network mirage. Networks can bring exponential advantages to enterprise building. From an “underpromise/overdeliver” perspective, we have also learned that knowing someone who can do something does not translate into being able to do that something, nor that such something will get done. We have experienced in our Japan dealings a series of resource-draining drawbacks and feel that network “support” should be carefully used (and, especially when weak or indirect links are relied upon, upfront clarification over value creation and expectations is key).

(iii) Communication in Japan is a high barrier to entry. Beyond the complexities of language —experienced by (OV's previous iteration) WineBox in the construction of its digital conversion funnel and CRM development— the Japanese context has a complex formality layer to be reckoned with. Decision making patterns and risk tolerance towards experimentation require a heightened degree of care in relationship building, negotiations, and ultimately conducting business. This onerous approach reflects a high-trust culture that dislikes conflict and rarely resorts to litigation. Accordingly, OV tries to adapt its business development timing by investing resources in prototype and track-record refinement.

(iv) As long as scalability stands as a proxy for value, paid marketing remains king. Online digital tools allow for impressive accuracy in targeting and acquiring prospective customers but building a reliable conversion funnel has (cash-burningly) expensive upfront costs. On B2C we try a pop-up approach that concentrates its communications into traffic for OV-curated qualitative experiences. On B2B the focus is on prototype development and quality communication materials to kickstart conversations that organically transform into collaborations.

(v) Pricing must represent value and allow room for profit. Human perception of value is relative, but bank account balances are not. Luxury industries are a manifestation of that idea. OV should keep its prices real, rewarding, and seek profits to promote our growth. If OV's core idea is to pursue its vision in a more sustainable future, an ideal to democratize access to luxury solutions has to be realistically balanced by rewarding the value that experimentation adds to innovation. Scalability will not be powered by targeted marketing but by gradual access to an improved lifestyle where humans, leveraging AI, increasingly participate in its continuous reinvention.

6. STRATEGIC PRIORITIES FOR 2021

(i) Develop 1 Offline Platform with 1 Customer

In December 2020 the Economist reported that 60% of people earning over USD\$100,000/year could perform their job entirely online. In the context of the future workplace, OPs complement the online platforms that have established themselves as efficient virtual tools for productivity. OPs are informal physical spaces for imagination, ingenuity, learning, collaboration, experimentation, serendipity and entertainment. Individuals voluntarily make the purposeful decision to be physically present at these dynamic, non-programmatic, adaptable (to both changing users and work patterns) spaces which can develop in residential, rural, and pop-up formats. Their radical (fully-offline) version can also be imagined as an environment to reclaim our freedom from automated distractions. As we observe an economic reality where planning and execution are increasingly seen as one same process, their productive strength lies in a renewed sense of identity, as well as in teamwork that builds the social capital essential to an innovative (as opposed to a stimulus rich, context poor, contemporary) workforce. To picture this alternative typology we can think about what flagship stores have become to online retail.

Although the development of an OP is tailored to the specific circumstances of a project, it roughly envisages four design components: context, program, infrastructure, and community access. Context means integrating an understanding of the local characteristics of the place where the OP exists (i.e. heritage recognition, preservation, and celebration). Program refers to the features that will keep the space dynamic (e.g. an AIR plug-in, used as a generative engine for both creative energy and offline content such as workshops or events). Infrastructure is the OP's physical building/plant and its modular adaptable systems. Community access refers to the OP's interaction with a physical community by allowing forms of access to the value it generates (e.g. through usage of a shared green area, or participation at workshops).

OPs are distinguished from commercial co-working spaces in their value proposition because they are sustained by the (mid and long term) value of user-generated outcomes² while maintaining access somewhat independent from users' (and potential participants') ability to pay. Key to their success is that users participate both in the OP's conception and programmatic dynamics. In a way, these lifestyle devices could be better understood by imagining a blend of concepts such as cultural center, laboratory, workshop, and social club. OPs foster communication and collaboration, and in this respect the recent USD\$28 billion acquisition of Slack by CRM (customer relationship management, soon to join the big digital "Four") specialist Salesforce should hint that OPs exist to face an HR (human resources) rather than a CSR (corporate social responsibility) challenge.

In 2021 we plan to work towards developing one OP project. OV believes it can add value in the design, development & community integration components of an OP. Generally speaking, we trust the flexibility of contract when it comes to having a pie-enlarging mindset for sustainable creative dealmaking. That must be balanced with the realities of OV's own existence, and for an OP project to make sense we need a [REDACTED] minimum revenue for OV with at least 20% (equivalent to the internal operating costs to carry out the project) paid upfront. That amount is likely to be broken down into (i) Project Management: deal design & implementation [revenue [REDACTED], with deliverables such as an OP roadmap and stakeholders' satisfaction as per the terms of the deal]; (ii) OP Context & Infrastructure in collaboration with urban think tank and spicy architecture Studio Wasabi [revenue [REDACTED], divided into (70%) Context research collaboration and (30%) Infrastructure project management support]; and (iii) Programming / Community access design & operation [revenue [REDACTED], but specific costs to be calculated on the basis of a client-approved OP roadmap and its contextual possibilities (e.g. maintenance of the AIR-plugin)]. For general reference, OV fees can be estimated by using a rate of [REDACTED] (+10%VAT).

We currently investigate Japanese policy and budget allocation for 2021 at the crossroads of culture, regional revitalization, and remote work. Considering Japan's very unique cultural and spatial characteristics, we feel that there is a real opportunity for people to upgrade their lifestyle by rebalancing the online/offline components of productivity while revitalizing physical areas in the process. As we deepen our understanding of public policy and approach cultural actors (such as Culture Vision Japan) we intend to refine our targeting for suitable OP partners. In the meantime we will

² In contrast to, for example, the real estate brokerage business model underpinning the nearly collapsed WeWork community. A promising idea practically destroyed by a recklessly risky approach designed for magic valuations and short-term profits.

be experimenting with our own Kyojima OP prototype in Tokyo's Sumida ward, both for profit (space rental, artwork sales, microresidencies, offline experiences) and non-profit intangible value (cultural workshops & community events).

(ii) User testing on OV prototypes (ND Planter Bags + Microresidencies)

Following the 2021 program calendar, OV plans to leverage its Kyojima OP prototype space to gauge sales opportunities for its ND Planter Bags as well as promote testing on microresidencies and their perceived value creation potential. To do so, the approach will be pop-up, with directed and concentrated organic traffic as well as by small digital marketing operations. An ND Planter Bags event can be tied up to the promotion of Happy Bites, a food-as-medicine/superfoods snack currently developed by a pastry chef with the support of OV. Usage of the Kyojima OP prototype remains dependent on applicable COVID-19 protocols.

ND Planter Bags are an extension of A Fragmented Garden, a participatory art initiative with artist Daniel Silva to address people's relationship with nature. The current prototype has been designed so that soil, a Nendo Dango seed unit and water can be directly added to the ND Planter Bag. It also features an internal reservoir system to allow the plant to self-regulate its water needs. The "Prêt-à-Planter" direction of this project tries to blur the difference between a planter and a handbag, perhaps imagining futures where plants are wearable, or treated like mascots. As we continue testing and development (4 more bags are currently being manufactured) we plan, through identity building and communications in collaboration with Daniel Silva, to continue a unique story that further expands the Fragmented Garden and its community.

OV-tailored microresidencies are short-term (as short as 1 week) AIR programs where participants can be artists (we would need another 6-page memo to discuss how such title can actually be claimed or granted!) but not necessarily so. Amongst the breakthrough-generating benefits of AIR programs are *Time & Space* (for deep engagement to enrich heart & mind), *Knowledge* (resulting from an immersion in a reality generally not accessible, the discovery of technological solutions, or an exchange of ideas while creating new human relationships) and *Creativity* (the potential to invent new aesthetic experiences and push for a qualitative leap).

iii) Strengthened Communication Capability

OV's main challenge to operate in Japan is effective, reliable communication. We have recently added a 15 hour/month trainee assistant for basic operational needs, as we develop (by trial-and-error) a collaboration roster to work with on a project basis. Among the main communication needs are policy research, copywriting, localization (i.e. community understanding and involvement), and translation/interpretation for dealmaking. As mentioned above it would be a game-changer to find a local "skin-in-the-game" partner with aptitude for business development and sales. We can make progress on this front with a more accomplished bilingual set of communication materials and a more targeted approach to identifying and communicating with potential partners. Our research efforts must also be directed at identifying at least 3 locations with suitable ecosystems for OPs to thrive.

Appendix 1

Nendo Dango Prêt-à-Planter Prototype



Appendix 2

The Propagation of an Experimentalist Impulse on Every Aspect of Social Life³

To generate broad-based perpetual growth we have to develop and disseminate throughout the economy the most advanced practice of production of our times: knowledge-intensive experimentation.

This means an approximation of production to the imagination. Imagining is made possible by the plasticity of the brain to freely recombine everything with everything else (in mathematics, called recursive infinity) and, because imagination is also about vision, it powers our ability to innovate. This power of the mind as anti-machine is shaped by the organization of culture and society. When innovation becomes a daily habit of production, internal to the production process (i.e. the productive plan is continuously revised by the work team in the course of it being carried out), it becomes perpetual rather than episodic. The knowledge economy “requires that its [human] participants have minds that can increasingly dispense with the contrast between doing things and changing the framework of arrangements and assumptions within which we do them.”

The translation of imagination into cooperation requires wider discretion and greater trust, as well as strengthening and refinement in our disposition to cooperate. It attenuates the contrast between supervision and execution. When we distinguish ourselves from the machine, wage labor gives way to self-employment and cooperation (or partnership), and fosters cooperative competition within and amongst firms. This in turn increases “our chances of more fully realizing in practice the ideal that commands the greatest authority in the world and the strongest kinship to democracy: the ideal of effective agency, of the ability of every man and woman to act upon the circumstances of his or her existence”.

Cooperative activity with imagination requires a higher order of capabilities from its participants than mass production (i.e. the most advanced means of production throughout most of the last century) needs. Education (both in youth and throughout life) should:

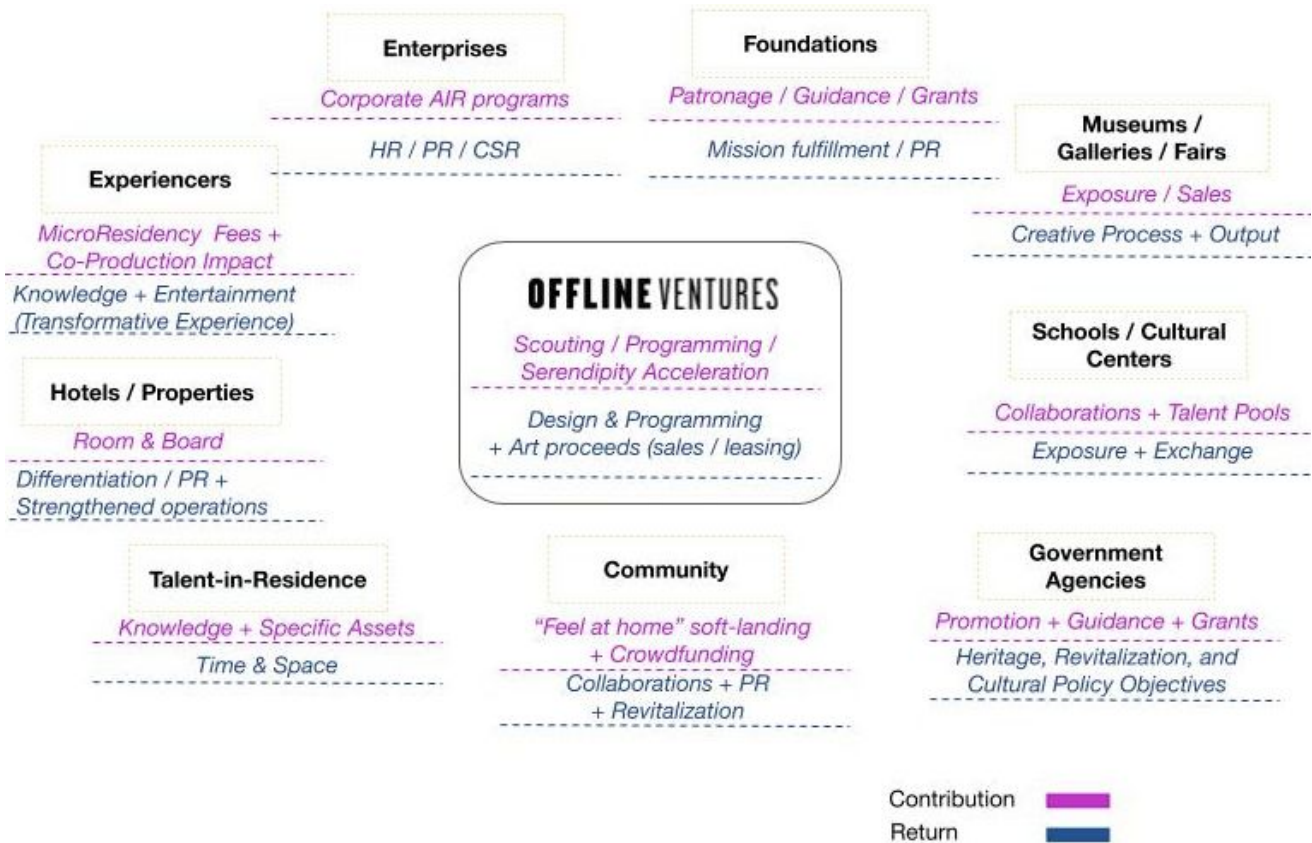
- prioritize analytic and synthetic capabilities;
- on its content, prefer selective depth over encyclopedic superficiality;
- foster cooperation in teaching and learning; and
- be dialectical: every subject and method is to be presented by at least 2 points of view. This aims to form a mind that refuses to treat radical doubt and intellectual experimentation as the prerogatives of genius and turns them instead into a common possession.

Ultimately, “if the market order is to be the institutional expression of experimentalism, the experimentalist impulse must apply as well to that expression: we must not allow the market order to be fastened to a single, exclusive version of itself. We must turn its institutional and legal reinvention into part of its everyday business. We must refuse to put the constitutive arrangements of the market beyond the reach of its defining impulse to establish an ordered and creative anarchy”.

³ This explanation is based on the book *The Knowledge Economy* by R.M. Unger.

Appendix 3

OV's Pre-Pandemic Ecosystem



Appendix 4**Brief profile - Juan Felipe Botero**

Juan Felipe Botero pursues opportunities that stimulate offline learning and entertainment. His entrepreneurship experience includes the development of #OfflineEntertainment via online wine subscription service winebox.jp. WineBox iterated into Offline Ventures in February 2019.

Among his Interests are dealmaking, art & the creative process, history, music, food and gender equality. To borrow Tom Kelley's "10 Faces of Innovation" terminology, he is an aspiring Cross-Pollinator, Collaborator, Experience Architect and Storyteller.

He previously built a 10-year career in the legal profession, in a journey that began in Beijing (corporate and antitrust lawyer at the French law firm Gide Loyrette Nouel), continued in Boston (LLM at Harvard Law School), New York City (trusts & estates firm Loeb, Block & Partners), Paris (M&A department at Gide), and Tokyo (in house counsel working on global expansion for the Fast Retailing group). He is a lawyer qualified both in New York and Colombia.

Juan Felipe lives in Tokyo with his wife and two daughters. He is fluent in English, Spanish and French, proficient in Italian, and has basic command of Japanese and Mandarin Chinese.