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## How To Party - And Build a Business

BY ALEXANDRA SIMOU - Special to the Sun

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Laurel Touby was born in Hawaii, grew up in Florida, and fled north at the earliest opportunity. Having studied economics at Smith College and spent half her junior year in Europe, she arrived in New York and worked as an editor for Working Woman and Business Week. It was while she was a freelance columnist that she and a friend decided to throw a cocktail party for their combined contacts in the media business.

It was 1994, and the idea was that like-minded people would get together in a bar, pay for their own drinks and exchange ideas. It was emphatically not networking, says Ms. Touby, who thinks networking too limiting a concept and bans the use of the word at media bistro's offices. "What we do is much more subtle, and much more effective," she says. "We're rebuilding the medieval guild. And we're doing it by creating community among people."

Ms. Touby collected business cards and, being by her own admission "geeky," she put the information in her computer and cross-referenced it in any way she could think of. Her first Web site was launched in 1997, with software donated in exchange for every banner ad in perpetuity.

Word of mouth made the site enormously popular, and in 1999 Ms. Touby realized that she might be looking at a business opportunity. She bought the domain names HireMinds.com and HigherMinds.com to replace the site's complex URL, and convinced a designer to donate a more professional design.

In March 2000, she presented a business plan to investors and got a commitment of \$1 million. She was lucky to get half the money before the market meltdown, but it was enough to keep the site going. The second half came only last year.

Faced with the challenge of converting job seekers into paying users, mediabistro started offering classes in skills that they would find useful enough to pay for. Revenues come mostly from classes, the AvantGuild paid membership with access to expanded services, and the recently launched Freelance Marketplace. The latter lets freelancers post their biographical data on the mediabistro site, along with work samples and other relevant information

Ms. Touby owns 62% of mediabistro, investors and employees own the rest. Annual sales are expected to reach \$6 million by next year, and, according to Ms. Touby, profit margins far exceed those of magazines.

Ms. Touby compares mediabistro to a virtual trade magazine. "Business-to business magazines are racking their brains trying to figure out how to take the magazine model and make it sustainable, how to turn the customer into a user," she says. She believes that, instead of treating their customers as mere

subscriptions, trade publications should surround them with products and services they want to buy. Mediabistro's approach works, she says, because, "We're treating the customer not as a reader, but as a community member." And, she adds, "That's where trade magazines have to go. They just don't know it yet."

With 350,000 registered members and a growing international presence, mediabistro is broadening its scope. The site now also addresses television professionals, designers, photographers, and others. Ms. Touby estimates that the media industry in the U.S. includes more than 10 million people, and she'd like access to them all. Some ambition. But then, why not?

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