

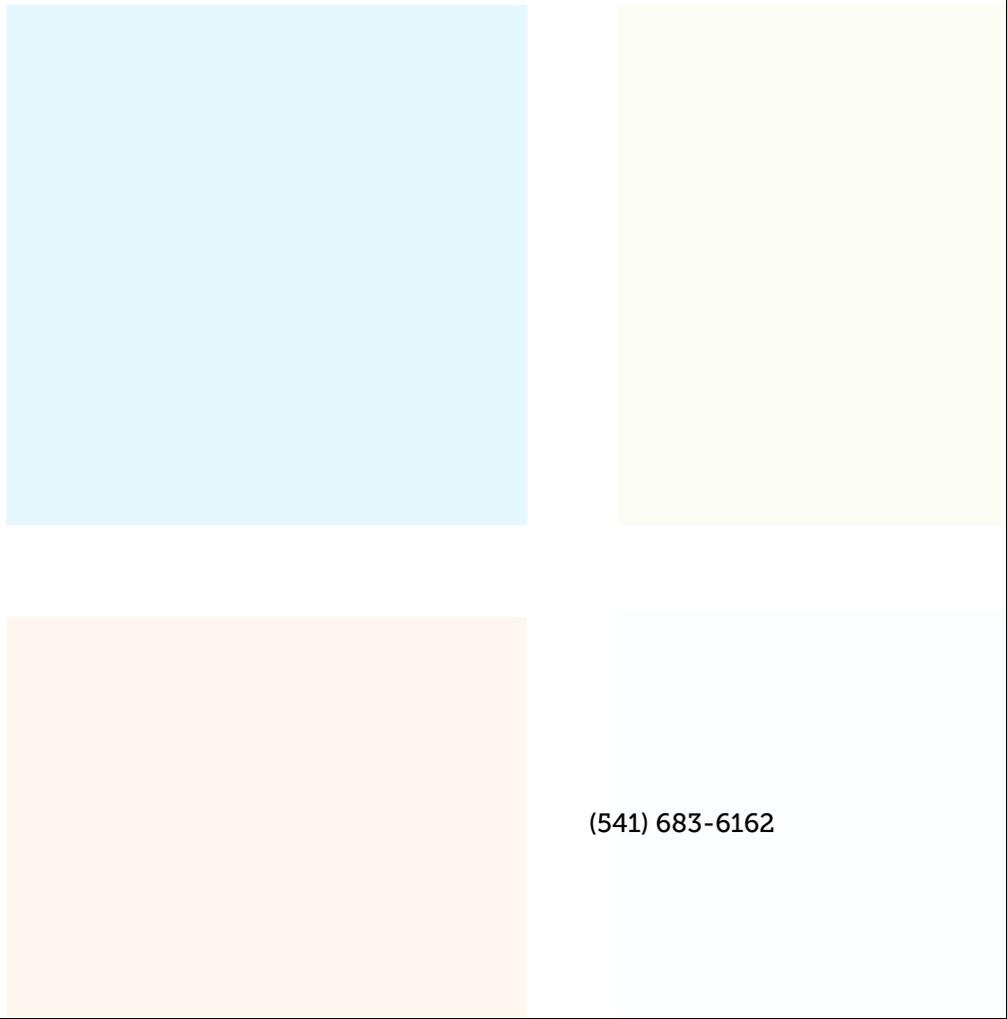
CONFIDENTIAL

Soup There It Is

IT'S NOT JUST LUNCH

BUSINESS PLAN

Prepared August 2018



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Executive Summary

Opportunity

Problem

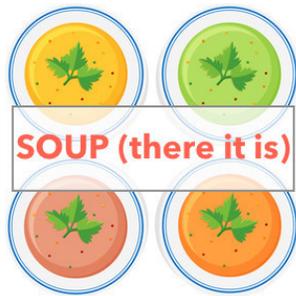
It's not just lunch. It's your body, nutrition, and – let's be honest – an important landing stop at the middle of every normal workday. According to LiveStrong:

Eating in the middle of the day, several hours after breakfast, re-energizes your body and can raise your blood sugar levels when focus and concentration are flagging. If you're feeling sluggish, eating even a small lunch can renew your energy and help you feel refreshed and ready to take on the next several hours. Additionally, eating lunch keeps your metabolism active, especially if you have a moderately sized meal and a snack before and afterward. "Extended periods of starvation between large meals creates gaps which keep metabolism from staying active," says Dr. Kurt Hong, the Center for Human Nutrition director of Huntington Medical Foundation

We're in the midst of a rising trend of health awareness, concern for food, food additives, good eating, organic, farm to table, and local. America is becoming increasingly concerned with wellness. People care more about this every day.

And meanwhile, some of the best-known larger businesses, with campuses, have cafeterias and lunch services for employees in their offices. The economic benefit is well known. But what about businesses that don't have the resources for an in-house cafeteria? Maybe they have hundreds of employees but not that much space. Maybe they don't want to invest in the fixed cost. Maybe they are in an office building with several floors. What can they do? How can they make lunch easier for their employees?

Solution



Our solution is **Soup There It Is**. Soup There It Is is a monthly subscription service that delivers soup to workplaces with initial focus on providing a service to the employer, as an early differentiator. It is tailored and customized to fit the specific needs of the employer, in the office environment.

It's healthy, organic, and sourced locally. Employers and employees care about this; it's Portland, after all. Placing an emphasis on being health conscious allows us to differentiate from other delivery companies.

We offer rotating daily choices in addition to eleven main soup options.

We also have options that will work for vegetarians, vegans, and our gluten-free customers.

It's easy to manage because once the soup is in the delivery containers, there are fewer moving parts, as opposed to other catered food, like sandwiches. Soup is also easier to prepare in bigger batches and serve individually. Therefore, our company is less labor intensive than other options

A strategic focus: An early focus on employers simultaneously gives us an edge over the potential multi-unit business and a solution to the often complicated logistics of delivery. The marketing and sales plans will set a lower limit of at least 10 subscribers per workplace, so we piggyback delivery. We can bill the employers if they want, or bill the individuals, but we keep the no-fewer-than-10 constraint. Some might call this turning a problem into a feature.

Market

At launch, we are going to focus on office workers in businesses and professional firms, mainly in the downtown area of Portland from Pearl District to the I-5 bridge. This will help with delivery logistics. We will work through existing contacts first. We will start with a targeted list of 10 most likely early adopters.

Target market

1. *Portland OR office locations*
2. *25 or more people in single location*
3. *Small-medium businesses*
4. *Larger law firms & professionals*

Why Us?

- Our founders have a great combination of related backgrounds and experience. Amy has food business, Kathy has marketing, Maura has tech, and Peter, from the sidelines, has a wealth of business startup and small business growth experience.
- We believe in it. We believe in healthy, we believe in delivery, we believe in Portland. We tell our stories.

Expectations

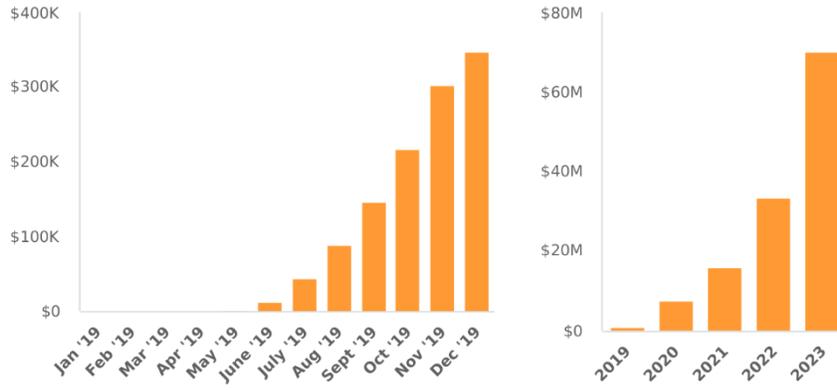
Forecast

We are aiming high. We focus on growth, not profits. We are going to offer our investors an attractive exit. We want to rush into the window with a strong offering to establish a first-mover advantage. And that means we expect to use investor capital to spend in marketing and growth without regard for early profits. We expect to reach \$35+ million in annual sales and profitability in our fifth year – if we get that far without an exit. Ideally we exit before that.

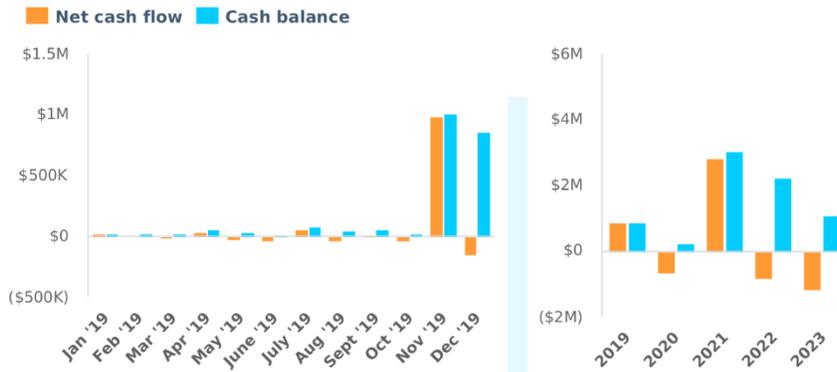
Financing Needed

- We start with \$30K initial founder investment coming from our founders.
- We plan to raise \$300K angel investment as a convertible note late in our first year, and another \$500K convertible during the second year.
- We plan to raise \$2.5 million as Series A venture capital during the third year.
- Funding is needed to support deficit spending required to generate a very high growth rate, with revenues passing \$35 million by our fifth year. We aim for growth, not profits, so we need a significant amount of funding.

Revenue



Cash Flow



Opportunity

Target Market

Market Size & Segments



The Portland Metro area as defined by the U.S. Department of Labor, Bureau of Labor Statistics, (www.blm.com) includes about 1.1 million people working in Portland, Vancouver WA, and Hillsboro. As we launch, we already have verbal commitments from two law firms and eight other businesses in the central downtown area of Portland, which gives us enough market assurance to move ahead.

According to an article written by Employmentlawdaily.com, the average U.S.

worker spends \$37 per week on lunch, \$1924 per year. If we use that statistic, the Portland metro area spends about 1.051 billion on lunch per year. If our fifty target firms for the first year follow that trend, they will collectively spend about \$962K on lunch.

In years three and beyond we will be launching in San Francisco, San Jose, Seattle, Chicago, and New York City.

Market Trends

The following is quoted from ordering.co, the market leader in food ordering and delivery.

1.- Online Consumers are Likely to Increase in Numbers



According to CGA Peach, more than half of the restaurant goes opted for doorstep delivery in the last six months. In fact, there's been an increase in the number of customers who are dependent on online ordering facility. With the availability of food delivery apps, online ordering has become quite a norm and it's expected to grow massively in the next few years

2.- Variation to Happen in the Common Delivery Model

With online ordering gradually becoming the newest trend in the food industry, a tough competition is also building dramatically in the food delivery space. Today, even the small restaurants and local food joints are investing in online ordering system to market themselves more aggressively. This has initiated some drastic changes in the common delivery model. For example, the restaurants are now getting maximum orders online and, in most cases, ensuring successful on-time delivery.

3.- Competition between Third Party and In-house Delivery will Increase

Over the past few years, there has been a steep rise in the number of third-party delivery services. This has undoubtedly disrupted the food delivery space. However, with the arrival of several full-service restaurants, the popularity of the third party delivery services has somewhat decreased in some places. Many restaurants and food joints, nowadays, are opting for their in-house delivery service to compete with the popular third-party delivery services

4.- Delivery Droids and Other AI Solutions Will Come Into the Scene

As the food industry is becoming increasingly technology-driven, many food delivery brands are looking to implement AI solutions and various automation strategies to streamline the process. Delivery droids are also being tested by leading players in the industry. Experts believe that delivery droids will simplify the process and make it as smooth and painless as possible.

5.- Technology Will be the Driving Force in the Food Delivery Industry

To accommodate the modern users' digital expectations, new and creative use of technology is the only way to succeed. That's why, an increasing number of restaurants and food joints are investing in the latest technologies like mobile apps, online ordering, droid based delivery and so on. It's expected that 2017 will bring a few more innovations that will help food delivery brands to make a noticeable growth

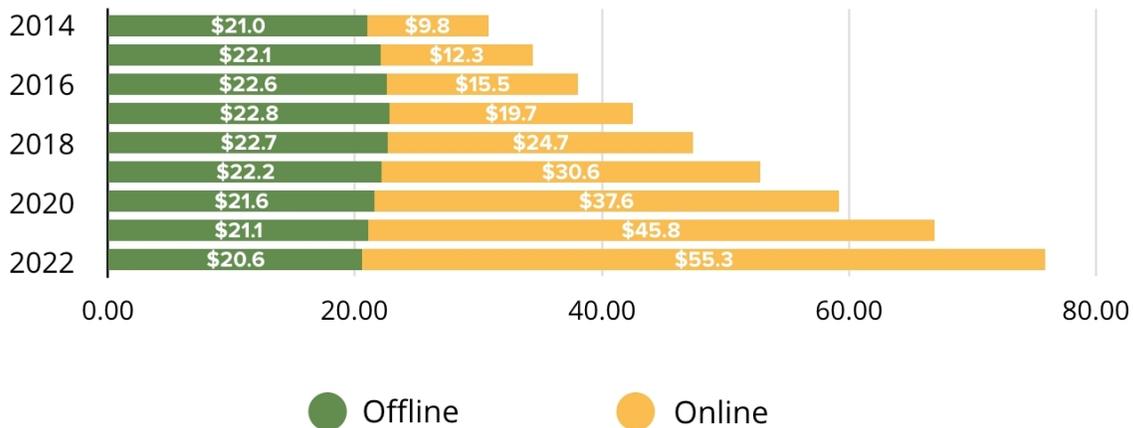
And, finally, there are food delivery apps, which efficiently accommodate the shifting preferences of time-starved customers. On the one hand, these apps serve the customers with better and larger variety of on-demand food and on the other, they help restaurant owners to make good returns.

Market Growth

From a CNBC 2017 report:

Home food delivery is surging thanks to ease of online ordering, new study shows

- Cowen predicts a 79 percent surge in the total U.S. food delivery market by 2022, from \$43 billion to \$76 billion.
- Cowen upgrades GRUB following results from a recent survey that showed that 34 percent of respondents use GRUB.
- Online delivery currently represents 43 percent of all delivery orders.



Competition

- The biggest problem is inertia. "It's their problem. Why do I mess with lunches for everybody?"
- Most important existing competition is the lunch-to-go for business events offerings at Whole Foods, New Seasons, etc.
- Also Grubhub and JimmyJohns already deliver lunches on order. Togos, Cafe Yumm, and others could do it. We need to make the smooth management flow of orderly subscription and flawless delivery an important differentiator.

Business Model		Delivery Model	
		Delivery by Restaurant	Delivery by Online Service
Take Out & Delivery	Online Marketplaces		
	Direct to Consumer Prepared Meals		
	Restaurant Chains		

Execution

Products and Services

Our solution

We focus on employers for good reason. We may go beyond this later on, but for now, it gives us a minimum viable product, and an opportunity we can manage. Some important points related to how we can offer this at the prices we can:

1. We launch in a pilot phase in which we will not serve locations that have fewer than 10 subscriptions. Our client companies pay for a minimum of 10 soups per day whether we deliver 10 or not.
2. Subscriptions can be billed in bulk to the company, or to the individual.
3. We will bill subscriber companies monthly. The actual bill will depend on actual deliveries, calculated at the end of the month. Individual subscribers will have credit cards on file.
4. Individuals will be responsible for dealing with day-to-day changes, via our simple website with a good interface.
5. Each order is set default at the beginning. And each time a soup is changed, the new soup becomes default. It's up to the subscribers if they want to change their soup on a day to day basis. If they do nothing, they get the same soup they ordered yesterday.
6. Customization is manageable. The permutations of customization are manageable. The website will have options to serve the dietary needs of customers including vegetarian, vegan, and our gluten-free customers.
7. Our soup thermos is part of the formula. Every day's delivery picks up the previous day's container, so a rotation of two per subscriber. Subscribers will be billed \$14.95 whenever they lose their containers. And we will sell the containers too, because they can also serve as school lunch containers for our customers with children, packing for activities, etc. The containers control cost, simplify logistics, and solve a problem too.



Our advantages

- The credibility and reputation of a food delivery company relies on the quality of food, which is determined by the food being healthy, organic, farm to table, and local.
- The subscription business is a huge convenience for an ongoing basis, compared to having to order one by one, day by day.
- We have an established position in the social media and industry media.
- We have identified a volume opportunity, via employers, to develop the subscription business in a scalable way.
- The thermos itself, with our design, will be an advantage over companies who do not individualize products.
- We are an eco-friendly company due to our regular collection of our containers.

Roadmap

- We will launch in March 2019. We will start with the minimum viable product and only sell and deliver soup
- In the fall of 2019 we will start selling thermoses on our website and on Amazon.

- After we establish ourselves and start selling thermoses, we are going to expand our soup menu in the beginning of 2020. We will also explore sandwiches and other options.
- In 2021 we want to officially launch in Seattle and San Francisco. In the years to come we also want to launch in San Jose, Los Angeles, Chicago, and New York

Marketing & Sales

Marketing Plan

Mainstays of marketing mix:

Facebook and Twitter content: The Facebook page and Twitter content is healthy eating, advantages of soups, recipes, lifestyle of the office worker, and events and issues for the Portland metro area. We establish Twitter allies by linking often to the content providers, potential clients, and media we want as allies.

Lunch promotions: Once every 3 months have a company win a free soup lunch for 10, publicized in local media and social media. This promotion is only for those who enter the raffle, which means they know who we are. They have been playing with the idea of providing our services for their employees and get a chance to see what we're like. Our service costs money so a trial run might convince those companies on the fence to join us.

Website reviews and testimonials are very important to the growth of our business. We have to encourage good reviews without being too pushy by requesting local blogs and other media outlets to review our service. These reviews are critical.



Media coverage: We are sure we'll get initial publicity in The Oregonian and Portland Business Journal, plus Silicon Forest and other important blogs. We accept speaking engagements from business organizations and startup organizations.

Blog: Posts about soups, recipes, healthy eating, and office environment.

Advertising: Facebook and Twitter. Starting with our Facebook business page. We like the ability to identify target audiences and control the budget offered by Facebook advertising.

Sales Plan

At launch and through the early months, the founders concentrate on landing business relationships with employers. We have a good list of 10 very strong prospects from our own contacts here in Portland.

We grow with the help of a sales force of part-timers with food backgrounds operating on a low fixed cost and high commission.

Our website at soupthere.com will have strong marketing components as well as a hub and logistics for daily details.



ABOUT US

Soup (there it is) is a monthly subscription soup delivery service. We are a monthly

DAZZLE

eau de parfum

Pricing

Unit economics:

- Given a 10-pot strategy for daily provision of soups, we believe we can deliver the daily portion of soup for \$1.25 per portion in actual food costs.
- We occupy two thermoses per subscription: one delivered and one picked up each day.
- With our volume delivery strategy, we see delivery costs of \$12 per delivery spread over 10 or more subscriptions. We average that as \$1.20 per subscription. It will be less where we have more subscribers per site, so this is conservative.
- A single portion of soup costs us \$0.45 in kitchen and labor costs.
- A thermos costs us about \$7.00. We need two per subscription. If each lasts two months – they should last much longer – that's a cost per meal of \$0.32 (\$14.00 divided by 44 meals).

- Total cost per serving: \$1.25 food, \$0.45 kitchen help, \$0.32 thermos, \$1.20 in delivery, for a total of \$3.22.
- Total cost per monthly subscription, at 22 meals: \$70.84.

Subscription pricing:

- One monthly subscription, an average of 22 meals, costs \$99. That's \$4.50 per day.
- The first two thermoses are part of the subscription. From there on, we bill subscribers \$9.95 per thermos.
- A thermos to a non-subscriber costs \$14.95. We sell them on Amazon for \$14.95 each.

Operations

Locations & Facilities

- We will start operating management out of Amy's apartment, and later on set up flexible management space in the Portland Customs House location of wework.
- We believe in remote working for admin, marketing, and sales employees. Office space is obsolete.
- We are renting a kitchen from Portland Contract Kitchens in Northeast Portland from 7 am to 11 am. The deliveries will be made from the kitchen to the workplace.



Technology

- Our own recipes -- for quality, healthy soup -- is our technology. We treat it carefully and will preserve our credibility at all costs to build our brand.

- We use third-party add-ons for website features as much as possible.
- We maintain the absolute best quality in the market for the thermoses, which will be critical to establishing the companies high reputation.

Regulatory Requirements

Amy is on top of local requirements for food preparation and kitchens. This is not trivial, by any means, but with our strategy of paying the hourly cost for the rental commercial kitchen, we have it covered.

We are very aware of possible liabilities for food preparation. We trust our expertise.

Milestones & Metrics

Milestones Table

Milestone	Due Date	Who's Responsible	Details
Business plan done	September 28, 2018	Amy and Peter	First draft. The initial lean plan sets main strategy and tactics, plus milestones, metrics, and financial projections
Bank account set up	November 06, 2018	Amy	Business account for the LLC. For now Amy should be the only signer.
Kitchen facility contracted	November 15, 2018	Amy and Kathy	Visit, review, decide among the several offerings of kitchen space for lease or by the hour in Portland area.
Website ready	December 10, 2018	Maura	With a lot of recognition that for the beginning adequate is good enough, but first impression and interface are also important. Amy and Kathy both have to sign off.
Legal entity finished	January 04, 2019	All 4 founders	LLC established and on the books as Oregon LLC
Initial funding checks in the bank	January 08, 2019	All 4 founders	\$10,000 each from Amy, Kathy, and Peter.
Social media platforms & profiles	January 10, 2019	Kathy	
Kitchen ready and stocked	February 10, 2019	Amy	
Launch	March 01, 2019	Amy, Maura, Kathy	First formal day of open for business
Thermos product launch marketing plan	August 15, 2019	Kathy	
Angel investment materials ready	September 17, 2019	Amy and Peter	Revised business plan, pitch deck, summaries on gust.com

Key metrics

Important subscription metrics:

- Total subscriptions
- New subscribers per month
- Cancellations per month (called churn)

Important fundamental metrics

- Gross margin
- Revenue growth monthly and annually
- Revenue per employee
- Average revenue per subscriber
- Cost of customer acquisition

Company

Overview

Ownership & Structure

We begin as Soup There It Is, an Oregon LLC, owned 35% by Amy Ortiz, 25% each (but as separate entities) Kathy and Peter Madison, and 15% by Maura Benson. The original capital contribution of \$30,000 comes at \$10K each from Amy, Kathy, and Peter. Maura is welcomed as partner without writing a check because she is doing the coding for the minimum viable product website at souphere.com. We are well aware that for our seed round of angel investment we will need to convert the LLC to an Oregon C-corp. We'll do that in a timely manner when the need arises.

SWOT Analysis

Strengths

- Industry experience in food, food prep, healthy eating, organic, farm to table, local
- Good reputation and personas in blogging, social media, and local press
- Amy's experience in catering is excellent for ramping up to managing a kitchen
- Strength in values, we believe in what we're doing
- Peter adds experience with start ups and angle investment
- Strong relationship with local media and national food-related media.

Weakness

- Lacking the right team to ramp up sales via scaling and logistics. We'll need to hire people
- No specific experience in delivering services.
- No specific experience in volume food production
- No direct sales experience

Opportunity

- The soup delivery is an open field at the moment
- We have great relationships personally with our top 10 volume prospects

Threats

- Every business that delivers to offices can in theory compete with us
- Lyft and Uber are looking around for ways to take advantage of capacity
- Trends can change

Team

Management team

We've come together around shared values. We all believe in the value of good healthy eating, of ensuring people eat lunch for their wellbeing and their work, and of trends in food that take us away from processed foods to a new generation that goes back to the ingredients and practices that made humans healthy throughout most of our history.

A note about titles: We reject the common practice of title inflation. We are not going to start out as a business with three employees who are all C-level officers. We want to give ourselves room to grow, which means the flexibility to hire people stronger than ourselves as we grow into a \$35-million-per-year business. So Amy, who will perform the job of CEO, will settle for President. Maura is just tech lead, not CTO. And Kathy is head of marketing, not CMO.



Amy Ortiz. **President.** Successful founder and owner of Amy's Organic Catering. Established blogger, active in social media, a minor celebrity in the field of healthy, organic, farm-to-table, and local. BA in anthropology from the University of Oregon. The choice of title is strategic – we expect to recruit a CEO before our series A venture round. The CEO needs to have the industry experience to take us to multiple cities quickly. And to be the face of Soup There It Is for that round and into the future. In the meantime, Amy is in charge.



Maura Benson. **Tech lead.** Gifted programmer, MS in computer science from the University of Oregon. Maura entered the contract programming world after graduation three years ago, and is now the star programmer at CSI, the Portland contracting company. She commands the highest hourly rates in the industry because of her technical expertise.



Kathy Madison. **Head of marketing.** Ten years in marketing at Fresh Foods. BA in literature from Reed College. Kathy is well versed in blogging and social media, and created the community role in Fresh Foods.



Peter Madison. We call him advisor, but this is a defined, close-in role, with Peter taking several hours a week in the office as an investor and co-founder. Peter has an MBA degree from the University of Notre Dame and ample experience in startups and entrepreneurship, as founder and chairman of CSI, the programming contract giant.

More to come: We are happy to hire above us. We want the best and the brightest. The goal is to grow very fast and exit in five years, and that takes some stars.

A note about sales: To simplify planning for commissions, we estimate sales commissions as an operating expense, separate from the base salaries of salespeople.

Advisors

- For now, we have strong relationships and trust with Tom White, Attorney, and Roanne Branch, CPA.
- Peter serves as advisor on raising money with angel investors.
- We will add a board of advisors if and only if we find we have good working relationships with people who will work for us in exchange for future options.

Personnel Table

	2019	2020	2021	2022	2023
Kitchen etc. (84.56)	\$83,750	\$630,000	\$1,653,750	\$3,472,900	\$9,116,250
Amy (0.92)	\$14,000	\$60,000	\$120,000	\$150,000	\$175,000
Maura (0.95)	\$10,500	\$50,000	\$90,000	\$120,000	\$150,000
Marketing (21.68)	\$127,500	\$1,188,000	\$2,178,000	\$3,593,700	\$5,929,605
Sales staff (4.48)	\$12,500	\$60,000	\$120,000	\$180,000	\$300,000
Admin employees (13.07)	\$12,000	\$375,000	\$900,000		
Totals	\$260,250	\$2,363,000	\$5,061,750	\$7,516,600	\$15,670,855

Financial Plan

Forecast

Key assumptions

Regarding profits:

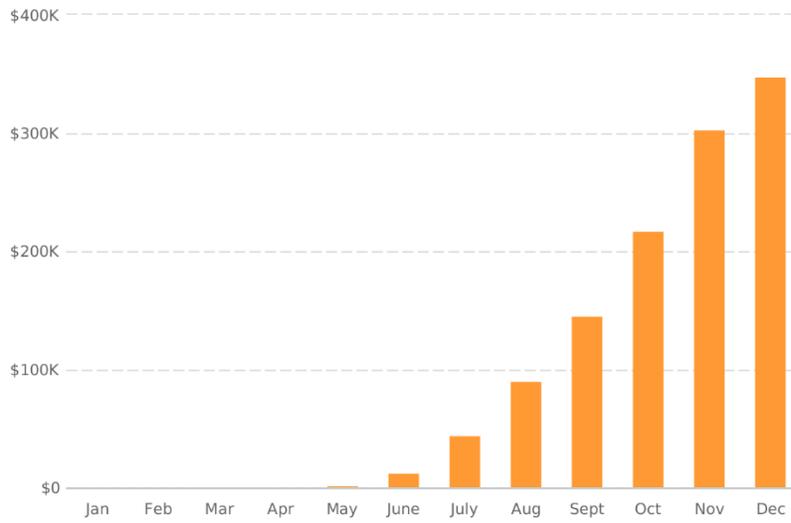
Yes, we plan to lose money every year of the five-year forecast. That's strategic spending to grow revenues. We have an interesting market window that will draw competition if we're successful, so we have to grow fast, which means pricing low enough to generate growth, and spending substantially on marketing.

The projected losses match the strategy of raising \$300K angel investment the first year, \$500K the second year, and \$2.5 million series A venture capital in the third year. This kind of funding goes hand in hand with unprofitable growth.

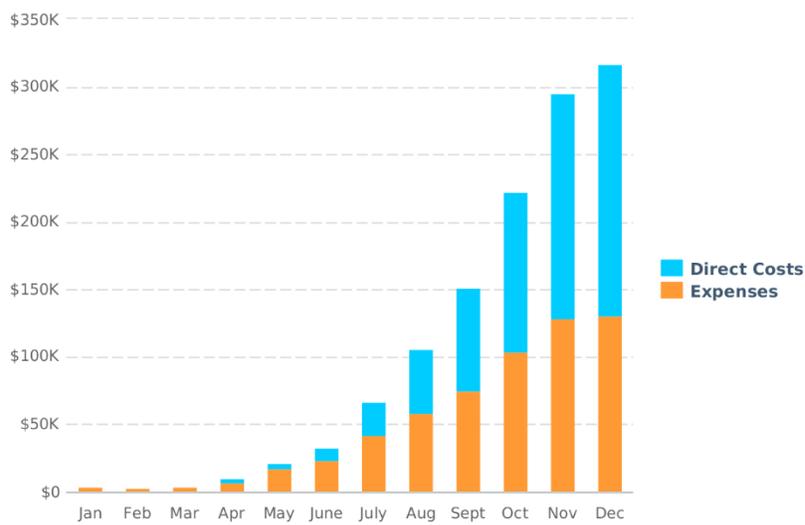
We could have planned to grow to something like \$5 million per year in the Portland market, charging \$179 per month per subscription. We didn't.

Heavy salaries will be required as we grow. Marketing doesn't happen by itself. And admin will be serious as we grow as fast as we plan to grow.

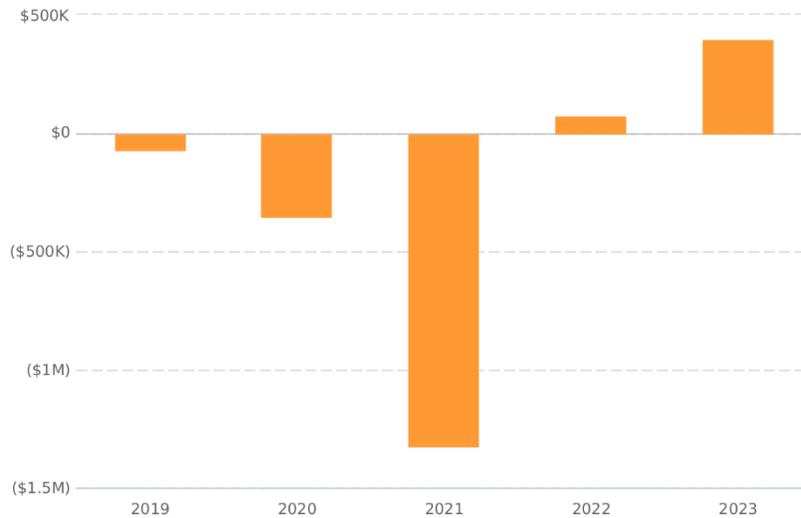
Revenue by Month



Expenses by Month



Net Profit (or Loss) by Year



Financing

Use of funds

The initial founder investment funds our launch period with startup expenses and deficit spending as shown in the appendices while we ramp up and win angel investment towards the end of the first year.

Additional angel investment and venture capital fund ramp-up in heavy marketing expenses and admin to support infrastructure and logistics.

Sources of Funds

- The founders will invest \$30K to launch.
- We project two rounds of angel investment via convertible note. The first in November of our first year, \$300K. The second midway through the second year, \$500K.
- We project a \$2.5 million raise as Series A venture capital in the third year.

Exit strategy

Making the exit to liquidity for our investors is a main priority goal. We plan to become a desirable acquisition. Possibly ...

- ... for brands like Doordash or Blue Apron looking to expand delivery
- ... for brands like Whole Foods and similar to grow into delivery (or even Amazon.com, which now owns Whole Foods).
- ... for brands like Subway or Togos to expand into lunch delivery.

The key to realistic exit is producing good numbers. We need rapid growth in subscribers and low churn. Profitability is not the priority. Growth is.

Statements

Projected Profit and Loss

	2019	2020	2021	2022	2023
Revenue	\$1,165,913	\$7,845,272	\$16,007,427	\$33,665,765	\$70,085,032
Direct Costs	\$635,457	\$4,451,659	\$9,533,270	\$20,074,465	\$44,084,283
Gross Margin	\$530,456	\$3,393,612	\$6,474,158	\$13,591,300	\$26,000,749
Gross Margin %	45%	43%	40%	40%	37%
Operating Expenses					
Salaries & Wages	\$176,500	\$1,733,000	\$3,408,000	\$4,043,700	\$6,554,605
Employee Related Expenses	\$35,300	\$346,600	\$681,600	\$808,740	\$1,310,921
Kitchen time	\$53,500	\$220,000	\$500,000	\$1,000,000	\$3,500,000
Marketing expenses	\$145,800	\$250,000	\$750,000	\$2,500,000	\$3,500,000
Office equipment etc.	\$5,000	\$20,000	\$50,000	\$100,000	\$200,000
Professionals: Legal, CPA etc.	\$4,500	\$3,000	\$5,000	\$15,000	\$25,000
Insurance	\$58,296	\$392,263	\$800,372	\$1,683,288	\$3,504,251
Other expenses	\$116,591	\$784,527	\$1,600,743	\$3,366,577	\$7,008,503
Total Operating Expenses	\$595,487	\$3,749,391	\$7,795,714	\$13,517,305	\$25,603,280
Operating Income	(\$65,031)	(\$355,778)	(\$1,321,557)	\$73,995	\$397,469
Interest Incurred	\$3,528	\$0	\$1	\$0	\$0
Depreciation and Amortization					
Income Taxes	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$1,234,473	\$8,201,049	\$17,328,984	\$33,591,770	\$69,687,564
Net Profit	(\$68,559)	(\$355,779)	(\$1,321,556)	\$73,995	\$397,468
Net Profit / Sales	(6%)	(5%)	(8%)	0%	1%

Projected Balance Sheet

	2019	2020	2021	2022	2023
Cash	\$862,289	\$231,196	\$3,047,496	\$2,246,324	\$1,100,244
Accounts Receivable	\$164,908	\$427,892	\$804,680	\$1,760,148	\$3,605,221
Inventory	\$182,952	\$455,967	\$880,262	\$1,905,758	\$3,484,142
Other Current Assets					
Total Current Assets	\$1,210,150	\$1,115,056	\$4,732,438	\$5,912,229	\$8,189,607
Long-Term Assets					
Accumulated Depreciation					
Total Long-Term Assets					
Total Assets	\$1,210,150	\$1,115,056	\$4,732,438	\$5,912,229	\$8,189,607
Accounts Payable	\$198,709	\$459,393	\$898,332	\$2,004,128	\$3,884,037
Income Taxes Payable	\$0	\$0	\$0	\$0	\$0
Sales Taxes Payable	\$0	\$0	\$0	\$0	\$0
Short-Term Debt	\$0	\$0	\$1	\$1	\$1
Prepaid Revenue	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$198,709	\$459,394	\$898,333	\$2,004,129	\$3,884,038
Long-Term Debt					
Total Liabilities	\$198,709	\$459,394	\$898,333	\$2,004,129	\$3,884,038
Paid-In Capital	\$1,080,000	\$1,080,000	\$5,580,000	\$5,580,000	\$5,580,000
Retained Earnings	\$0	(\$68,559)	(\$424,338)	(\$1,745,894)	(\$1,671,899)
Earnings	(\$68,559)	(\$355,778)	(\$1,321,557)	\$73,995	\$397,469
Total Owner's Equity	\$1,011,441	\$655,662	\$3,834,106	\$3,908,101	\$4,305,569
Total Liabilities & Equity	\$1,210,150	\$1,115,056	\$4,732,438	\$5,912,229	\$8,189,607

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Projected Cash Flow Statement

	2019	2020	2021	2022	2023
Net Cash Flow from Operations					
Net Profit	(\$68,559)	(\$355,779)	(\$1,321,556)	\$73,995	\$397,468
Depreciation & Amortization					
Change in Accounts Receivable	(\$164,908)	(\$262,984)	(\$376,788)	(\$955,467)	(\$1,845,073)
Change in Inventory	(\$182,952)	(\$273,015)	(\$424,295)	(\$1,025,495)	(\$1,578,385)
Change in Accounts Payable	\$198,709	\$260,684	\$438,939	\$1,105,796	\$1,879,909
Change in Income Tax Payable	\$0	\$0	\$0	\$0	\$0
Change in Sales Tax Payable	\$0	\$0	\$0	\$0	\$0
Change in Prepaid Revenue	\$0	\$0	\$0	\$0	\$0
Net Cash Flow from Operations	(\$217,711)	(\$631,093)	(\$1,683,700)	(\$801,172)	(\$1,146,080)
Investing & Financing					
Assets Purchased or Sold					
Investments Received	\$1,080,000		\$4,500,000		
Change in Long-Term Debt					
Change in Short-Term Debt	\$0	\$0	\$0	\$0	\$0
Dividends & Distributions					
Net Cash Flow from Investing & Financing	\$1,080,000	\$0	\$4,500,000	\$0	\$0

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Cash at Beginning of Period	\$0	\$862,289	\$231,196	\$3,047,496	\$2,246,324
Net Change in Cash	\$862,289	(\$631,093)	\$2,816,300	(\$801,172)	(\$1,146,080)
Cash at End of Period	\$862,289	\$231,196	\$3,047,496	\$2,246,324	\$1,100,244

Appendix

Profit and Loss Statement (With monthly detail)

2019	Jan '19	Feb '19	Mar '19	Apr '19	May '19	June '19	July '19	Aug '19	Sept '19	Oct '19	Nov '19	Dec '19
Total Revenue				\$0	\$1,999	\$13,391	\$45,201	\$90,035	\$146,276	\$217,448	\$303,682	\$347,881
Total Direct Costs				\$3,000	\$3,950	\$9,294	\$25,012	\$46,878	\$76,173	\$118,004	\$166,632	\$186,514
Gross Margin				(\$3,000)	(\$1,951)	\$4,097	\$20,189	\$43,157	\$70,103	\$99,443	\$137,051	\$161,367
Gross Margin %					(98%)	31%	45%	48%	48%	46%	45%	46%
Operating Expenses												
Salaries and Wages		\$0	\$0	\$500	\$8,000	\$9,000	\$17,000	\$20,000	\$23,500	\$32,500	\$33,000	\$33,000
Employee Related Expenses		\$0	\$0	\$100	\$1,600	\$1,800	\$3,400	\$4,000	\$4,700	\$6,500	\$6,600	\$6,600
Kitchen time		\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$3,000	\$4,000	\$6,000	\$8,000	\$10,000	\$10,000
Marketing expenses				\$4,000	\$4,800	\$8,000	\$12,000	\$15,000	\$18,000	\$24,000	\$32,000	\$28,000
Office equipment etc.	\$3,000							\$2,000				
Professionals: Legal, CPA etc.	\$1,000	\$1,000	\$1,500								\$500	\$500
Insurance				\$0	\$100	\$670	\$2,260	\$4,501	\$7,314	\$10,872	\$15,185	\$17,394
Other expenses				\$0	\$200	\$1,339	\$4,520	\$9,004	\$14,627	\$21,745	\$30,368	\$34,788
Total Operating Expenses	\$4,000	\$3,500	\$4,000	\$7,100	\$17,200	\$23,309	\$42,180	\$58,505	\$74,141	\$103,617	\$127,653	\$130,282
Operating Income	(\$4,000)	(\$3,500)	(\$4,000)	(\$10,100)	(\$19,151)	(\$19,211)	(\$21,992)	(\$15,348)	(\$4,038)	(\$4,174)	\$9,398	\$31,085
Interest Incurred					\$167	\$167	\$168	\$501	\$504	\$671	\$674	\$676

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Depreciation and Amortization												
Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$4,000	\$3,500	\$4,000	\$10,100	\$21,316	\$32,770	\$67,360	\$105,885	\$150,818	\$222,293	\$294,958	\$317,473
Net Profit	(\$4,000)	(\$3,500)	(\$4,000)	(\$10,100)	(\$19,317)	(\$19,379)	(\$22,159)	(\$15,850)	(\$4,542)	(\$4,845)	\$8,724	\$30,409
Net Profit / Sales					(966%)	(145%)	(49%)	(18%)	(3%)	(2%)	3%	9%

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	2019	2020	2021	2022	2023
Total Revenue	\$1,165,913	\$7,845,272	\$16,007,427	\$33,665,765	\$70,085,032
Total Direct Costs	\$635,457	\$4,451,659	\$9,533,270	\$20,074,465	\$44,084,283
Gross Margin	\$530,456	\$3,393,612	\$6,474,158	\$13,591,300	\$26,000,749
Gross Margin %	45%	43%	40%	40%	37%
Operating Expenses					
Salaries and Wages	\$176,500	\$1,733,000	\$3,408,000	\$4,043,700	\$6,554,605
Employee Related Expenses	\$35,300	\$346,600	\$681,600	\$808,740	\$1,310,921
Kitchen time	\$53,500	\$220,000	\$500,000	\$1,000,000	\$3,500,000
Marketing expenses	\$145,800	\$250,000	\$750,000	\$2,500,000	\$3,500,000
Office equipment etc.	\$5,000	\$20,000	\$50,000	\$100,000	\$200,000
Professionals: Legal, CPA etc.	\$4,500	\$3,000	\$5,000	\$15,000	\$25,000
Insurance	\$58,296	\$392,263	\$800,372	\$1,683,288	\$3,504,251
Other expenses	\$116,591	\$784,527	\$1,600,743	\$3,366,577	\$7,008,503
Total Operating Expenses	\$595,487	\$3,749,391	\$7,795,714	\$13,517,305	\$25,603,280
Operating Income	(\$65,031)	(\$355,778)	(\$1,321,557)	\$73,995	\$397,469
Interest Incurred	\$3,528	\$0	\$1	\$0	\$0
Depreciation and Amortization					
Income Taxes	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$1,234,473	\$8,201,049	\$17,328,984	\$33,591,770	\$69,687,564
Net Profit	(\$68,559)	(\$355,779)	(\$1,321,556)	\$73,995	\$397,468
Net Profit / Sales	(6%)	(5%)	(8%)	0%	1%

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Balance Sheet (With Monthly Detail)

2019	Jan '19	Feb '19	Mar '19	Apr '19	May '19	June '19	July '19	Aug '19	Sept '19	Oct '19	Nov '19	Dec '19
Cash	\$28,000	\$25,250	\$21,375	\$62,150	\$41,093	\$14,748	\$79,627	\$44,859	\$63,921	\$27,572	\$1,013,121	\$862,289
Accounts Receivable	\$0	\$0	\$0	\$0	\$660	\$4,749	\$17,126	\$37,170	\$63,127	\$95,893	\$136,094	\$164,908
Inventory	\$0	\$0	\$0	\$1,000	\$6,294	\$20,512	\$40,878	\$67,173	\$100,005	\$139,631	\$159,515	\$182,952
Other Current Assets												
Total Current Assets	\$28,000	\$25,250	\$21,375	\$63,150	\$48,046	\$40,009	\$137,631	\$149,202	\$227,052	\$263,097	\$1,308,730	\$1,210,150
Long-Term Assets												
Accumulated Depreciation												
Total Long-Term Assets												
Total Assets	\$28,000	\$25,250	\$21,375	\$63,150	\$48,046	\$40,009	\$137,631	\$149,202	\$227,052	\$263,097	\$1,308,730	\$1,210,150
Accounts Payable	\$2,000	\$2,750	\$2,875	\$4,750	\$8,797	\$19,971	\$39,584	\$66,504	\$98,393	\$138,611	\$174,846	\$198,709
Income Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Taxes Payable				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Short-Term Debt				\$50,000	\$50,167	\$50,334	\$150,502	\$151,003	\$201,507	\$202,178	\$202,852	\$0
Prepaid Revenue				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$2,000	\$2,750	\$2,875	\$54,750	\$58,963	\$70,305	\$190,086	\$217,507	\$299,899	\$340,789	\$377,698	\$198,709
Long-Term Debt												
Total Liabilities	\$2,000	\$2,750	\$2,875	\$54,750	\$58,963	\$70,305	\$190,086	\$217,507	\$299,899	\$340,789	\$377,698	\$198,709

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Paid-In Capital	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$1,030,000	\$1,080,000
Retained Earnings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Earnings	(\$4,000)	(\$7,500)	(\$11,500)	(\$21,600)	(\$40,917)	(\$60,296)	(\$82,455)	(\$98,305)	(\$102,847)	(\$107,692)	(\$98,968)	(\$68,559)
Total Owner's Equity	\$26,000	\$22,500	\$18,500	\$8,400	(\$10,917)	(\$30,296)	(\$52,455)	(\$68,305)	(\$72,847)	(\$77,692)	\$931,032	\$1,011,441
Total Liabilities & Equity	\$28,000	\$25,250	\$21,375	\$63,150	\$48,046	\$40,009	\$137,631	\$149,202	\$227,052	\$263,097	\$1,308,730	\$1,210,150

	2019	2020	2021	2022	2023
Cash	\$862,289	\$231,196	\$3,047,496	\$2,246,324	\$1,100,244
Accounts Receivable	\$164,908	\$427,892	\$804,680	\$1,760,148	\$3,605,221
Inventory	\$182,952	\$455,967	\$880,262	\$1,905,758	\$3,484,142
Other Current Assets					
Total Current Assets	\$1,210,150	\$1,115,056	\$4,732,438	\$5,912,229	\$8,189,607
Long-Term Assets					
Accumulated Depreciation					
Total Long-Term Assets					
Total Assets	\$1,210,150	\$1,115,056	\$4,732,438	\$5,912,229	\$8,189,607
Accounts Payable	\$198,709	\$459,393	\$898,332	\$2,004,128	\$3,884,037
Income Taxes Payable	\$0	\$0	\$0	\$0	\$0
Sales Taxes Payable	\$0	\$0	\$0	\$0	\$0
Short-Term Debt	\$0	\$0	\$1	\$1	\$1
Prepaid Revenue	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$198,709	\$459,394	\$898,333	\$2,004,129	\$3,884,038
Long-Term Debt					
Total Liabilities	\$198,709	\$459,394	\$898,333	\$2,004,129	\$3,884,038
Paid-In Capital	\$1,080,000	\$1,080,000	\$5,580,000	\$5,580,000	\$5,580,000
Retained Earnings	\$0	(\$68,559)	(\$424,338)	(\$1,745,894)	(\$1,671,899)
Earnings	(\$68,559)	(\$355,778)	(\$1,321,557)	\$73,995	\$397,469
Total Owner's Equity	\$1,011,441	\$655,662	\$3,834,106	\$3,908,101	\$4,305,569
Total Liabilities & Equity	\$1,210,150	\$1,115,056	\$4,732,438	\$5,912,229	\$8,189,607

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Cash Flow Statement (With Monthly Detail)

2019	Jan '19	Feb '19	Mar '19	Apr '19	May '19	June '19	July '19	Aug '19	Sept '19	Oct '19	Nov '19	Dec '19
Net Cash Flow from Operations												
Net Profit	(\$4,000)	(\$3,500)	(\$4,000)	(\$10,100)	(\$19,317)	(\$19,379)	(\$22,159)	(\$15,850)	(\$4,542)	(\$4,845)	\$8,724	\$30,409
Depreciation & Amortization												
Change in Accounts Receivable	\$0	\$0	\$0	\$0	(\$660)	(\$4,089)	(\$12,377)	(\$20,044)	(\$25,957)	(\$32,766)	(\$40,201)	(\$28,814)
Change in Inventory	\$0	\$0	\$0	(\$1,000)	(\$5,294)	(\$14,219)	(\$20,366)	(\$26,295)	(\$32,832)	(\$39,627)	(\$19,883)	(\$23,438)
Change in Accounts Payable	\$2,000	\$750	\$125	\$1,875	\$4,047	\$11,175	\$19,613	\$26,919	\$31,889	\$40,218	\$36,235	\$23,863
Change in Income Tax Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Sales Tax Payable				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Prepaid Revenue	\$0			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow from Operations	(\$2,000)	(\$2,750)	(\$3,875)	(\$9,225)	(\$21,224)	(\$26,512)	(\$35,289)	(\$35,269)	(\$31,442)	(\$37,021)	(\$15,125)	\$2,020
Investing & Financing												
Assets Purchased or Sold												
Investments Received	\$30,000										\$1,000,000	\$50,000
Change in Long-Term Debt												

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Change in Short-Term Debt				\$50,000	\$167	\$167	\$100,168	\$502	\$50,503	\$672	\$674	(\$202,852)
Dividends & Distributions												
Net Cash Flow from Investing & Financing	\$30,000			\$50,000	\$167	\$167	\$100,168	\$502	\$50,503	\$672	\$1,000,674	(\$152,852)
Cash at Beginning of Period	\$0	\$28,000	\$25,250	\$21,375	\$62,150	\$41,093	\$14,748	\$79,627	\$44,859	\$63,921	\$27,572	\$1,013,121
Net Change in Cash	\$28,000	(\$2,750)	(\$3,875)	\$40,775	(\$21,057)	(\$26,344)	\$64,879	(\$34,768)	\$19,062	(\$36,349)	\$985,549	(\$150,832)
Cash at End of Period	\$28,000	\$25,250	\$21,375	\$62,150	\$41,093	\$14,748	\$79,627	\$44,859	\$63,921	\$27,572	\$1,013,121	\$862,289

	2019	2020	2021	2022	2023
Net Cash Flow from Operations					
Net Profit	(\$68,559)	(\$355,779)	(\$1,321,556)	\$73,995	\$397,468
Depreciation & Amortization					
Change in Accounts Receivable	(\$164,908)	(\$262,984)	(\$376,788)	(\$955,467)	(\$1,845,073)
Change in Inventory	(\$182,952)	(\$273,015)	(\$424,295)	(\$1,025,495)	(\$1,578,385)
Change in Accounts Payable	\$198,709	\$260,684	\$438,939	\$1,105,796	\$1,879,909
Change in Income Tax Payable	\$0	\$0	\$0	\$0	\$0
Change in Sales Tax Payable	\$0	\$0	\$0	\$0	\$0
Change in Prepaid Revenue	\$0	\$0	\$0	\$0	\$0
Net Cash Flow from Operations	(\$217,711)	(\$631,093)	(\$1,683,700)	(\$801,172)	(\$1,146,080)
Investing & Financing					
Assets Purchased or Sold					
Investments Received	\$1,080,000		\$4,500,000		
Change in Long-Term Debt					
Change in Short-Term Debt	\$0	\$0	\$0	\$0	\$0
Dividends & Distributions					
Net Cash Flow from Investing & Financing	\$1,080,000	\$0	\$4,500,000	\$0	\$0
Cash at Beginning of Period	\$0	\$862,289	\$231,196	\$3,047,496	\$2,246,324
Net Change in Cash	\$862,289	(\$631,093)	\$2,816,300	(\$801,172)	(\$1,146,080)
Cash at End of Period	\$862,289	\$231,196	\$3,047,496	\$2,246,324	\$1,100,244

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