

**XYZ
LOGO**

**Business Plan
Year**

**REMOVED
LOGO**



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5.

1. EXECUTIVE SUMMARY

THE PROBLEM

- Small selection of stand-alone shots
- No prominent liqueurs are flavored with XYZ
- No prominent liqueurs are flavored with XYZ
- No prominent liqueurs are branded as XYZ

THE PROPOSED SOLUTION

A new, delicious liqueur flavored with XYZ, XYZ, and XYZ that can be enjoyed as a stand-alone shot or in a cocktail.



THE OPPORTUNITY

- The potential to capitalize on the \$107.7 billion U.S. wine & spirits wholesaling market and an unsaturated stand-alone shot liquor market

THE VALUE

- Delicious
- Uniquely flavored with XYZ
- Uniquely flavored with XYZ
- Can be enjoyed as a stand-alone shot
- Uniquely branded as an XYZ liqueur

THE PRODUCTS

- 100% natural
- 24% alcohol
- Sizes of 375ml, 750ml, 1.75L, and 50ml (Y3)
- Flavored with XYZ, XYZ, and XYZ
- Straight liquor or cocktails

FINANCING

- **Prior:** \$1 million
- **Series A:** \$2.5 million
- **Series B:** \$6 million
- **Type:** Equity

2. COMPANY OVERVIEW

2.1. MISSION STATEMENT

XYZ, LLC's mission is to establish a leading ABC liqueur brand that inspires consumers around the world to enjoy life "like a ABC God".

2.2. COMPANY DESCRIPTION

XYZ (herein also referred to as "the Company") was established as a limited liability company in Delaware in May 2015. The Company is headquartered in ABC, ABC and is owned and led by John Doe and John Doe.

John and John grew up in ABC-American homes where traditional xyz liqueur was ubiquitous to every occasion. They took an ancient family recipe and created XYZ™ with the mission to bring this extraordinary liqueur into homes, bars, and celebrations across the world!

In 2013, they launched XYZ™ as 50/50 partners, at the legendary ABC Distillery in ABC, ABC. ABC Distillery has been producing the world's best liqueurs for more than 150 years.

After being distilled, XYZ™ is infused with XYZ from the XYZ trees in the XYZ.

Today, XYZ™ is headquartered in ABC, ABC and distributed in ABC through XYZ Distributing Company with a contract for national distribution and ABC distribution.

The Company has taken an ancient family recipe and innovated XYZ™: a delicious, specialty liqueur distilled from xyzs, blended with natural xyz from the mountain of ABC, and fermented with xyz, xyz, and other secret herbs.

The Company will utilize state-of-the-art, innovative marketing methods including celebrity endorsement, event sponsorship (parties, clubs, ABC Goddess girls), promotions, street marketing, and various forms of traditional marketing.

XYZ has gained significant momentum over the past two years and has proven that it has a product that consumers want and need.

XYZ has aggressively marketed XYZ™ on social media platforms, engaged over 40 well-known Instagram models to endorse the brand, received favorable responses from the public, sponsored parties and events, and obtained xx, xxx Instagram followers.





Thus far, the Company has accomplished following:

- Distribution in the state of ABC via XYZ Distribution Company and commitment for national distribution
- Launched a successful Global influencer marketing campaign
- Imported xxx cases 750 ml 6-pack
- Distribution throughout the country of ABC
- Currently in xx+ different retail accounts in the U.S.

2.3. CAPITAL REQUIREMENTS

XYZ, LLC seeks \$2,500,000 in equity financing, which will include an estimated \$125,000 for capital expenditures and \$2,375,000 for working capital to support marketing, operations, and inventory.

In month 19, the Company plans to raise a 2nd round of equity financing of \$7 million to supplement increased production, marketing, and operations, including an estimated \$48,750 for capital expenditures and \$6,951,250 for working capital.

2.4. GROWTH STRATEGY

Phase 1 (Months 1-12):

Target Market: U.S., Canada, and ABC

Products: 375ml, 750ml, 1.75L

Marketing:

- Launch marketing throughout the U.S., Canada, and ABC
- Promotional marketing in ABC

Operations:

- Hire and train staff and management
- Become valued community members

Phase 2 (Months 13-24):

Target Market: U.S., Canada, and Europe

Products: 375ml, 750ml, 1.75L

Marketing:

- Launch marketing throughout Europe
- Establish additional distribution partnerships

Operations:

- Improve operational efficiency
- Hire and train additional staff and management

Phase 3 (Months 25-60):

Target Market: U.S., Canada, Europe, and Asia

Products: 50mL, 375mL, 750ml, 1.75L

Marketing:

- Launch marketing in Asia
- Establish additional distribution partnerships

Operations:

- Improve operational efficiency
- Hire and train additional staff and management



3. THE PRODUCTS



3.1. PRODUCT DESCRIPTION

Product of ABC - Real Ingredients - 100%
Natural - 24% Alcohol

XYZTM is a ABC spirit that is perfect for savoring as straight liquor or creating delicious cocktails. It is imported from ABC, where it is produced by the legendary Callicounis Distillery, which has been in business for 150 years.

XYZTM is distilled from grapes, blended with natural honey from xyz trees in the ABC Mountains in ABC, and then fermented with xyz, nutmeg, and other secret herbs and spices, which are, all, natural aromatics.

3.2. PACKAGING

XYZ will use XYZ Distillery to produce, bottle, and label the products.

The Company will initially sell the product in 3 sizes:

- 375ml (12.68 oz.)
- 750ml (Fifth) (25.4 oz.)
- 1.75L (59.2 oz.)

In year 3, the Company will launch a 4th size:

- 50ml (1.69 oz.)

3.3. PRICING

The following is the projected wholesale pricing of the products:

Size	Price
XYZ 375mL 12-Pack	\$70.00
XYZ 750mL 6-Pack	\$140.00
XYZ 1.75L 6-Pack	\$140.00

The following is the projected e-tailer pricing of the products:

Size	Price
XYZ 375mL	\$8.43
XYZ 750mL	\$33.72
XYZ 1.75L	\$33.72



4. THE MARKET

4.1. TARGET CONSUMER

- Adults between the ages of 21 and 45, 55% women and 45% men
- Young at heart and seek transformative experiences
- Embodies the work hard and play hard attitude
- Enjoys capturing memorable moments while jet-setting across the XYZobe.
- Relishes the fact that XYZ is all-natural containing 24% alcohol by volume,
- Active on social media

4.2. TARGET MARKET ANALYSIS

4.2.1. LIQUOR STORES

The U.S. beer, wine, and liquor store industry includes about 34,000 establishments with combined annual revenue of about \$54 billion.¹

4.2.2. DRUG STORES

The top 25 pharmacy chain stores represent about 28,000 pharmacy locations in the U.S. and employ about 46,000 on-staff pharmacists²

4.2.3. MASS MARKET RETAILERS

There are approximately 8500 mass merchandise and club stores in the United States.

There are 3561 Walmart Supercenters and 597 Sam's Clubs (owned by Walmart) in the U.S.³

There are 750 Costco locations across the U.S.⁴

There are 2782 Kroger stores.⁵

There are 1822 Target stores in the U.S.⁶

Sears now has 1,250 stores overall in the United States -- 650 of them are Sears branded and 610 are Kmart locations.⁷

There are 1158 Kohl's stores in the U.S.⁸

BJ's Wholesale Club, Inc. operates over 210 Clubs in 16 states from Maine to ABC.⁹

4.2.4. GROCERY STORES¹⁰

There are an estimated 40,000 grocery stores in the US, 70% of which account for supermarkets, warehouses, supercenters, club stores, natural/gourmet stores; military commissaries make up the remaining 30%.

4.2.5. FOOD SERVICE¹¹

The number of restaurants in the United States reached a total of 660,755 in Spring 2018.

4.2.6. BARS & NIGHTCLUBS¹²

There are 63,615 bars and nightclubs in the U.S. in 2020.

4.2.7. E-TAILERS

The Company's products will be sold on e-tailers that sell liquor, including:

- Drizly- The largest ecommerce on-demand liquor delivery platform in North America

¹ "Beer, Wine, & Liquor Stores Industry Profile; First Research; November 11, 2019

² "Pharmacies in the United States"; Wikipedia; June 2020

³ "Total Number of Walmart Stores in the U.S. by Type"; Statista; 2018

⁴ "Costco's Number of Warehouses Worldwide"; Statista; 2018

⁵ "Number of Kroger Stores"; Statista; 2018

⁶ "Target Corporation"; Wikipedia; 2018

⁷ "Sears is closing 28 More Kmart Stores"; CNN Money; August 24, 2017

⁸ "Kohl's"; Wikipedia; 2018

⁹ "Company Background – BJ's Wholesale Club"; BJ's.com; 2018

¹⁰ "Grocery Stores List US"; Pipe Candy Blog; November 18, 2019

¹¹ "Number of Restaurants in the U.S. 2011-2018; Statista; August 27, 2019

¹² "Bars & Nightclubs in the U.S.; Ibisworld; March 2020

that is legally compliant and plays within the 3-tier system.

- Reserve Bar- E-commerce delivery platform for premium gifting opportunities.
- LibDib- Sells direct as a wholesaler to retailers, restaurants and bars. 3-tier compliant and RNDC distributor partner.
- Wine.com
- Passionspirits
- Amazon Fresh
- Spiritedgifts.com
- Cocktailcourier.com
- Saucey.com

In 2019, the U.S. sales of alcohol online amounted to \$983.4 million.¹³

4.3. U.S. WINE & SPIRITS WHOLESALING MARKET ANALYSIS¹⁴



Over the five years to 2020, industry revenue is anticipated to increase an annualized 2.1% to \$107.7 billion, including growth of 0.2% in 2020 alone.

In 2020, high consumer demand at the retail level is expected to just offset a decline in demand from on-premise establishments that have closed due to the COVID-19 pandemic.

Over the five years to 2025, industry revenue is forecast to increase an annualized 2.3% to \$120.5 billion.

Currently, there are no direct threats or deregulation proposals that have become a major concern.

Industry operators will continue to staunchly oppose any proposed policies that might threaten the industry's growth projection. Additionally, "premiumization," referring to the current consumer trend toward premium spirits and wine, is anticipated to continue to support revenue growth for industry operators.

4.4. GLOBAL DISTILLED SPIRITS MARKET ANALYSIS¹⁵

The global distilled spirits market is projected to reach US\$ 38.08 billion by 2026, exhibiting a CAGR of 4.40% during the forecast period. Increasing demand for alcoholic beverages among steadily growing adult and young demographic worldwide is a major factor propelling growth of the market due to increasing popularity for alcoholic beverages such as whiskey, rum, brandy etc. among millennial population (above the legal drinking age).

¹³ "U.S. Alcohol Sales Online 2019; Statista; January 30, 2020

¹⁴ "Wine & Spirits Wholesaling in the US"; IBISWorld; September 2020

¹⁵ "Global Distilled Spirits Market"; MarketWatch; January 2019

4.5. PROFILE OF DIRECT COMPETITORS

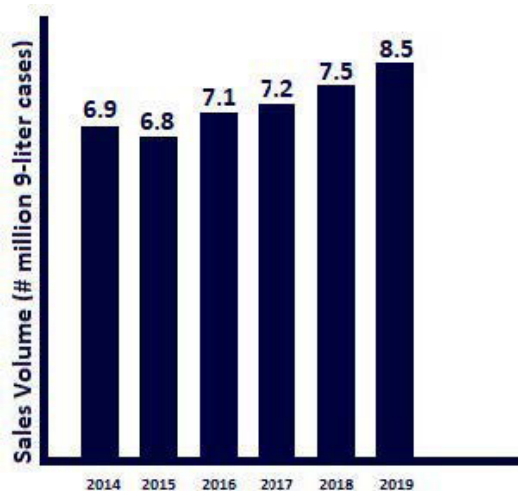
4.5.1. MAST-JAGERMEISTER SE (JAGERMEISTER)



Origin: Germany
Founded: 1935
Product: Digestif liqueur
Alcohol by Volume (ABV): 35%
Revenues: \$536.8M (2016)¹⁶

Highlights:

- World's best-selling German herbal liqueur brand; sold in over 80 countries
- The 70-proof liqueur is made up of 56 natural ingredients
- International sales account for approximately 80% of all revenues, with markets in Eastern Europe, Asia, Latin America and Middle East/Africa as major contributors.
- The brand has long been known as a high energy party shot.



¹⁶ Mast Jägermeister SE Revenue, 2016; Statista; June 29, 2018

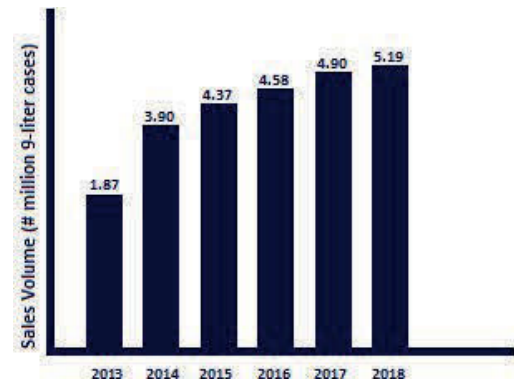
4.4.2. FIREBALL WHISKEY



Origin: Canada
Founded: 1984
Product: Cinnamon whisky
ABV: 33%
Price: \$17.99 for 750mL
Revenues: \$150M (2015)¹⁷

Highlights:

- Garnered mass appeal as shooter and cocktail component
- Originally branded and sold as “Doctor McGillicuddy’s Fireball Whisky,” only in Canada and was available only in Canada
- Sold to the Sazerac Company in 1989.
- In 2007, re-named “Fireball Cinnamon Whisky,”



¹⁷ “Fireball”; Wikipedia; 2020

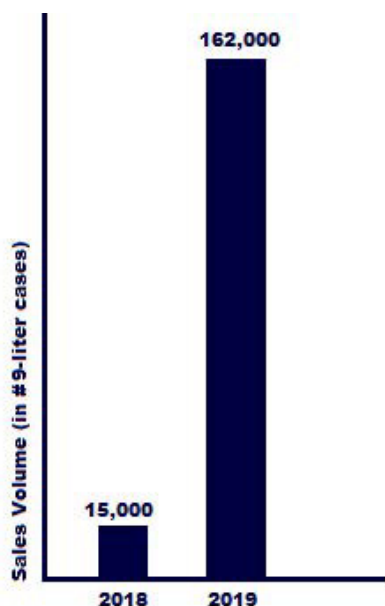
4.4.3. SCREWBALL PEANUT BUTTER WHISKEY



Origin: U.S.
Founded: 2018
Product: Peanut butter whiskey
ABV: 35%
Price: \$27 for 750mL
Revenues: 162,000 12-bottle 750ml cases sold (2019)¹⁸

Highlights:

- All age groups are buying Skrewball. Skrewball Peanut Butter Whiskey
- Only certified women-owned and disability-owned U.S. alcohol brand
- Won the Best Flavored Whiskey award at the New York World Wine and Spirits Competition.
- The category is on fire in the U.S. market. In 2019, 17 top brands combined for a 12% increase in volume to just over 13 million cases. Five years ago, volume for those same flavored whiskies in the U.S. stood at 7.5 million cases.



4.4.4. DISARONNO



Origin: Italy
Founded: 1525
Product: Amaretto (almond liqueur)
ABV: 28%
Revenues: \$67.2 million (2019)¹⁹

4.4.5. SCHWARZE & SCHLICTEBARENJAGER (BARENJAGER)



Origin: Germany
Founded: 1972
Product: Honey bourbon
Bärenjäger ABV: 35%
Revenues: N/A

4.4.6. INTERCONTINENTAL BRANDS LTD. (MESSER SCHMITT)



Origin: United Kingdom
Founded: 1990
Product: Herbal schnapps
Messer Schmitt ABV: 22%
Brands: Messer Schmitt (since 2013), Yorkshire Cream Liqueurs, Soiree Amaretto, Jeeves, Carthy's Country Cream, Cactus Jack's Schnapps, Cococariba, Xambuxo, and Soiree Brand
Revenues: \$43 million (2019)²⁰

¹⁸ "Brown Forman"; Wikipedia; 2020

¹⁹ Disaronno International - Company Profile; DNB.com; 2020

²⁰ "Intercontinental Brands"; ZoomInfo; 2020

4.4.7. BROWN-FORMAN CORPORATION (JACK DANIELS HONEY WHISKEY)



Origin: U.S.

Founded: 1870

Product: Honey Whiskey

J.D. Honey Whiskey ABV: 35%

Brands: Jack Daniel's (J.D. Honey Whiskey since 2011), Colingwood,

Canadian Mist, The Benriach, The Glendronach, Glenglassaugh, Herradura, El Jimador, Finlandia, Chambord, Korbel, Fords Gin

Revenues: \$3.08 billion (2016)²¹

4.5. COMPETITIVE ANALYSIS

Jagermeister, Fireball Whiskey, Screwball Peanut Butter Whiskey, Messer Schmidt, Disaronno, Barenjager, and Jack Daniels Honey Whiskey are competing brands in the stand-alone shot liquor market.

Of these brands, the leading players are Jagermeister, Fireball Whiskey, and Screwball Peanut Butter Whiskey.

Jagermeister is a digestif herbal liqueur with an ABV of 35% that is over 75 years old. Jagermeister is heavily involved in sports, whereas XYZ is more focused on leisure, partying, and fun.

Fireball is a cinnamon flavored whiskey that originated in Canada in 1984. Until the past decade, Fireball was barely known outside of Canada and has just recently entered the U.S. market. Although Fireball is available in other countries now, it is not very relevant in Europe, Asia, or South America at the moment.

Screwball Peanut Butter Whiskey is a relatively new company as it was founded in 2018 and it is a relatively small player in the liqueur industry with approximately \$25 million in sales in 2019. It is a direct competitor as it is specifically trying to garner market share within the stand-alone shot market.

Messer Schmitt is a popular herbal schnapps that has been around since 2013. It is one brand within a line of several brands owned by a medium-sized company.

Disaronno is an almond liqueur that has been around since 1525. Almond is significantly different than the Company's flavoring of xyz, xyz, and xyz.

Barenjager is a honey bourbon and Jack Daniels Honey Whiskey is a honey whiskey and is one brand within a line of many brands owned by a very large international liquor company.. Neither of these players are considered significant players in the stand-alone shot market.



²¹ "Brown Forman"; Wikipedia; 2020

5. MARKETING PLAN

5.1. OVERVIEW

XYZ's marketing and branding efforts will continue to be focused on bringing ABC life and XYZ to the consumer through moments, big and small. Giving consumers the nectar of the gods/goddesses that transports them to an uninhibited life, inspiring them to enjoy life to the fullest.

The marketing campaign will combine a strong digital, social, and influencer programming strategy as outlined below. At its core, the strategy will be to connect with the tastemakers and influencers in each of the Company's core market segments to integrate the XYZ™ brand into the social fabric of each community.

5.2. PUBLIC RELATIONS

PR & publicity is a critical element to XYZ's marketing efforts and the Company will garner press in newspapers, magazines, TV, radio, and online articles.

XYZ's organic XYZ liqueur carries a message that resonates well with today's consumers; non-discriminatory, all-natural, uninhibited God and Goddess lifestyle. Positive and consistent coverage on the ABC life.



5.3. DIGITAL MARKETING

- **Social Media Integration:** Facebook, Instagram and Pinterest will be XYZ's primary social platforms using targeted Influencer outreach, video content that is both user-driven and XYZ produced. The XYZ Instagram profile has over 40,000 followers. XYZ will continue to build relationships with profiles that have a substantial following in order to further promote XYZ.
- **DTC Influencer promotion:** XYZ's paid influencer strategy will drive sales to drinkxyz.com using their platforms to communicate the ABC Life attributes of the brand in the influencer's natural setting.
- **Instagram Live Series:** The executive team's extensive network of celebrities, chefs and artists will produce an Instagram Live series "Lightning Strikes" or "Get Struck." This series will feature "behind the scenes" with XYZ's influencer models, chef pairings of ABC influenced food, artist visual presentation and exclusive music content. Content from this series will be tested and upon positive results will be used for paid news feed ads.
- **Digital Objects/ AR technology:** XYZ will enable consumers to engage in social AR experiences by animating the mythical product labels and participating in virtual scavenger hunts. They can actually "strike lightning through the bottle" by using their own mobile devices to scan the product and bring it to life.



By doing so, consumers will reap rewards, unlock exclusive offerings for product drops, and share the experience on social media.

SEO: XYZ's web page will be optimized for keywords to drive search traffic on the product and where to buy it.

- **Virtual Sampling:** XYZ will partner with various off premise accounts and offer their shoppers a unique virtual sampling experience e.g.: LiquorLab. This is done through a live mixology demonstration, brand education, and socialization with other patrons.
- **Virtual Cocktail Parties:** XYZ will partner with small to medium-sized cafes, hotels, bars, and restaurants across the globe to promote the product, acquire new consumers, spread brand awareness, and increase brand perceived quality.

Partnerships will be formed with like-minded brands to spread brand awareness to consumers that should enjoy XYZ™.

5.4. PARTNERSHIPS

- **Influencers (The ABC Life):** XYZ will partner with Influencers giving them the tools to recreate their rendition of the ABC Life to provide an authentic and unique interpretation of the brand. A very select one or two will be invited to ABC to experience their adventure and their curated XYZ life. These influencers will be chosen on their audience as well as their proven ability to convert their audiences to brand advocates.
- **Corporations:** XYZ will partner with appropriate corporate partners to extend the life and brand attributes of the ABC Life. Potential partners could include Sailing Nations and Google.

- **Artists:** Fans of XYZ, XYZ and XYZ are potential partners to produce a limited-edition bottle that would convey the #GetStruck lifestyle and the artist's interpretation.
- **E-Commerce Partnerships:** Online retail service partnerships will also be a focus with co-branded sweepstakes and educational experiences. Partnerships with Passionfruit, Drizly, Flaviar and Libdib will be explored.

5.5. SAMPLING

The Company will constantly offer in-person promotional sampling at bars, nightclubs, events, and parties, which will be a promotional means to spread brand awareness.

The Company will also conduct live virtual sampling by offering live mixology demonstrations and further educating prospective customers and existing customers of the of the product.

5.6. E-MAIL MARKETING

XYZ will produce a newsletter informing consumers and accounts of news, recipes, events, promotions, and exclusive product updates to keep the brand top of mind and offer new opportunities for engagement. XYZ will target existing and prospective consumers, as well as community members.

5.7. ONLINE SALES

XYZ™ will sell its products via e-tailers including *Amazon, Wine.com, Country Wine & Spirits, Passion Spirits, Nestor Liquor, and Top Shelf Wine & Spirits.*



6. OPERATIONAL PLAN

6.1. OPERATIONAL OVERVIEW

XYZ, LLC is registered and headquartered in the state of ABC with business operations in the city of ABC.

6.2. BEVERAGE PRODUCTION

The XYZ™ liqueur is produced in Kalamata, Greece, by the legendary XYZ Distillery.

6.3. PACKAGING & LABELS

XYZ uses ABC Distillery to produce the packaging, and labels for the products. The labels portray the history of the liquor and have an ancient ABC theme.'

6.4. INVENTORY MANAGEMENT

XYZ's staff and management will manage inventory to maintain a sufficient and reasonable stock of supplies to conduct day-to-day business. XYZ's electronic logistic system will keep and track inventory.

6.5. COMPUTER HARDWARE & SOFTWARE

XYZ™ will obtain the necessary computer hardware and software systems to support inventory management, payroll administration, sales management, accounting, and financial analysis & reporting.

6.6. LEGAL & INSURANCE

XYZ has retained the services of John Doe to handle all legal matters. XYZ will obtain the required insurance to manage the risks that are associated with this type of business operation.

6.7. ACCOUNTING

XYZ will outsource all accounting responsibilities to John Doe, CPA, who produces monthly reports for A/P, A/R, payroll, and operational expenditures.

6.8. LICENSES & PERMITS

XYZ has a business license from the city of ABC and a Seller's permit from the ABC Board of Equalization.



7. MANAGEMENT

7.1. JOHN DOE, CEO

Removed info



7.4. JOHN DOE, SALES MANAGER

Removed info



7.2. JOHN DOE, PARTNER

Removed info



7.5. JANE DOE - COMMUNITY
MANAGER

Removed info



7.3. JANE DOE, CHIEF MARKETING
OFFICER

Removed info



7.6. JANE DOE - PUBLIC RELATIONS
MANAGER

Removed info



8. FINANCING & EXIT STRATEGY

8.1. CAPITAL REQUIREMENTS

XYZ, LLC seeks \$2,500,000 in equity financing, which will include an estimated \$125,000 for capital expenditures and \$2,375,000 for working capital to support marketing, operations, and inventory.

XYZ, LLC Capital Requirements - Round 1	
Capital Expenditures:	Cost:
Marketing Materials Design	\$50,000
Website Design	\$10,000
Computer Hardware & Software	\$25,000
Office Furniture	\$40,000
Total capital expenditures	\$125,000
Working capital:	
Marketing expenses	\$1,300,000
G&A expenses	\$750,000
Inventory	\$325,000
Total working capital	\$2,375,000
Total capital requirements	\$2,500,000

In month 19, the Company plans to raise a 2nd round of equity financing of \$7 million to supplement increased production, marketing, and operations, which will include an estimated \$48,750 for capital expenditures and \$6,951,250 for working capital for marketing, operations, and inventory.

XYZ, LLC Capital Requirements - Round 2	
Capital Expenditures:	Cost:
Computer Hardware & Software	\$18,750
Office Furniture	\$30,000
Total capital expenditures	\$48,750
Working capital:	
Marketing expenses	\$4,201,250
G&A expenses	\$1,500,000
Inventory	\$1,250,000
Total working capital	\$6,951,250
Total capital requirements	\$7,000,000

8.2. RISK ANALYSIS

The Company is venturing in a market and an industry that has risks given the economic cycle and the volatility of early-stage investments. The Company is targeting a specific demographic for its liqueur and will brand the liqueur as a premium liqueur brand. This risk, overall, falls within the medium risk segment of the investment spectrum. There are no guarantees that the Company will be able to build and effectively market and sell the units as proposed in the time expected.

Management believes, however, that given the current trends in the real estate marketplace and the opportunities to meet the needs of the target demographic, it is very confident that it will be able to successfully execute the venture.

8.3. EXIT STRATEGY

The Company's management expects to grow the Company continuously over the next 5 years to garner increased market penetration. Management's purpose shall seek to provide the best options to protect the interest of investors, while maintaining the Company's liquidity, and profitability. The Company will consider selling the Company to an interested buyer or acquisition by a larger liquor company.

9. FINANCIALS

9.1. SALES

9.1.1. SALES ASSUMPTIONS

E-Tailer Sales:	Year 1	Year 2	Year 3	Year 4	Year 5	
# of e-tailers orders:	10%	6%	4%	3%	2%	growth/mo.
# XYZ 375mL	1.5	2	2	2	2	per order
# XYZ 750mL	0.75	1	1	1	1	per order
# XYZ 1.75L	0.75	1	1	1	1	per order
Drug Store Sales:						
# of drug stores:	12%	10%	6%	4%	3%	growth/mo.
# XYZ 375mL 12-Packs Sold	4	5	6	7	8	turns/store/mo.
# XYZ 750mL 12-Packs Sold	6	7	8	9	10	turns/store/mo.
# XYZ 1.75L 6-Packs Sold	6	7	8	9	10	turns/store/mo.
Grocery Store Sales:						
# of grocery stores:	12.0%	10.0%	6.0%	4.0%	3.0%	growth/mo.
# XYZ 375mL 12-Packs Sold	7	8	9	10	10	turns/store/mo.
# XYZ 750mL 12-Packs Sold	7	8	9	10	11	turns/store/mo.
# XYZ 1.75L 6-Packs Sold	7	8	9	10	11	turns/store/mo.
Mass Market Retail Store Sales:						
# of Mass market retail stores:	12%	10%	6%	4%	3%	growth/mo.
# XYZ 375mL 12-Packs Sold	6	7	8	9	10	turns/store/mo.
# XYZ 750mL 12-Packs Sold	9	10	11	12	13	turns/store/mo.
# XYZ 1.75L 6-Packs Sold	9	10	11	12	13	turns/store/mo.
Liquor Store Sales:						
# of Liquor stores:	12%	10%	6%	4%	3%	growth/mo.
# XYZ 375mL 12-Packs Sold	3	4	5	5.5	6	turns/store/mo.
# XYZ 750mL 12-Packs Sold	4	5	5.5	6	6	turns/store/mo.
# XYZ 1.75L 6-Packs Sold	4	5	5.5	6	6	turns/store/mo.
# XYZ 50mL 150-Packs Sold			1	2	3	turns/store/mo.
Food Service Sales:						
# of Food Service Stores	12%	10%	6%	4%	3%	monthly growth rate
# XYZ 1.75L 6-Packs Sold	3	4	5	5.5	6	turns/store/mo.
Bars/Nightclub Sales:						
# of Bars/Nightclubs	12%	10%	6%	4%	3%	monthly growth rate
# Greek Lightning 1.75L 6-Packs Sold	6	8	10	11	12	turns/store/mo.
ABC/Int'l Sales:						
# Stores	10%	8%	6%	4%	3%	monthly growth rate
# XYZ 375mL 12-Packs Sold	2	2	2	2	2	turns/store/mo.
# XYZ 750mL 12-Packs Sold	3	3	3	3	3	turns/store/mo.
# XYZ 1.75L 6-Packs Sold	3	3	3	3	3	turns/store/mo.
# XYZ 50mL 150-Packs Sold			1	2	3	turns/store/mo.

E-Tailer Revenues:						
XYZ 375mL	\$8.43	\$8.64	\$8.86	\$9.08	\$9.30	per pack
XYZ 750mL	\$33.72	\$34.56	\$35.42	\$36.31	\$37.22	per pack
XYZ 1.75L	\$33.72	\$34.56	\$35.42	\$36.31	\$37.22	per pack
Total e-tailer revenues						
Drug Store Revenues:						
XYZ 375mL 12-Pack	\$70.00	\$71.75	\$73.54	\$75.38	\$77.27	per pack
XYZ 750mL 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
XYZ 1.75L 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
Total drug store revenues						
Grocery Store Revenues:						
XYZ 375mL 12-Pack	\$70.00	\$71.75	\$73.54	\$75.38	\$77.27	per pack
XYZ 750mL 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
XYZ 1.75L 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
Total grocery store revenues						
Mass Market Retailer Revenues						
XYZ 375mL 12-Pack	\$70.00	\$71.75	\$73.54	\$75.38	\$77.27	per pack
XYZ 750mL 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
XYZ 1.75L 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
Total Mass Market Retailer Revenues						
Liquor Store Revenues:						
XYZ 375mL 12-Pack	\$70.00	\$71.75	\$73.54	\$75.38	\$77.27	per pack
XYZ 750mL 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
XYZ 1.75L 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
XYZ 50mL 150-Pack			\$183.86	\$188.46	\$193.17	per pack
Total Liquor Store Revenues						
Food Service Revenues						
XYZ 1.75L 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
Total Food Service Revenues						
Bar/Nightclub Revenues:						
XYZ 1.75L 6-Pack	\$140.00	\$143.50	\$147.09	\$150.76	\$154.53	per pack
Total Bar/Nightclub Revenues						
ABC/Int'l Revenues						
XYZ 375mL 12-Pack	\$75.00	\$76.88	\$78.80	\$80.77	\$82.79	per pack
XYZ 750mL 6-Pack	\$150.00	\$153.75	\$157.59	\$161.53	\$165.57	per pack
XYZ 1.75L 6-Pack	\$150.00	\$153.75	\$157.59	\$161.53	\$165.57	per pack
XYZ 50mL 150-Pack			\$183.86	\$188.46	\$193.17	per pack
Total ABC/Int'l Revenues						
Total Revenues						
Cost of goods sold	47.5%	45.0%	45.0%	45%	45%	of sales
Cost of distribution	12.5%	12.5%	12.5%	12.5%	12.5%	of sales

9.1.2. REVENUE PROJECTIONS

Table 3 XYZ, LLC Revenue Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues:					
E-tailer revenues	\$457,700	\$2,120,877	\$5,186,609	\$9,348,231	\$14,350,400
Drug store revenues	\$473,009	\$1,937,410	\$5,455,810	\$11,127,306	\$19,067,660
Grocery store revenues	\$886,893	\$3,522,563	\$9,691,242	\$19,408,093	\$32,176,676
Liquor store revenues	\$320,971	\$1,409,025	\$3,876,497	\$7,633,850	\$11,917,287
Mass market retailer revenues	\$283,806	\$1,103,736	\$2,656,118	\$5,693,040	\$9,533,830
Food service revenues	\$101,359	\$469,675	\$1,435,740	\$2,846,520	\$4,766,915
Bar/nightclub revenues	\$57,437	\$199,612	\$488,151	\$879,834	\$1,350,626
ABC revenues	\$212,783	\$755,211	\$2,078,704	\$4,363,950	\$7,254,601
Total revenues	\$2,793,958	\$11,518,109	\$30,868,872	\$61,300,825	\$100,417,996
Cost of sales:					
Cost of goods sold	\$1,327,130	\$5,183,149	\$13,890,992	\$27,585,371	\$45,188,098
Cost of distribution	\$349,245	\$1,439,764	\$3,858,609	\$7,662,603	\$12,552,249
Total cost of sales	\$1,676,375	\$6,622,913	\$17,749,601	\$35,247,974	\$57,740,348
Gross margin	\$1,117,583	\$4,895,196	\$13,119,271	\$26,052,850	\$42,677,648

9.2. EXPENSES

9.2.1. G & A EXPENSES

Table 3 XYZ, LLC General & Administrative Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Wages & salaries	\$516,000	\$605,175	\$802,103	\$919,233	\$842,709
Payroll expense	\$72,240	\$84,725	\$112,294	\$128,693	\$117,979
Benefits	\$51,600	\$60,518	\$80,210	\$91,923	\$84,271
Liability insurance	\$41,909	\$172,772	\$463,033	\$919,512	\$1,506,270
Legal & consulting	\$120,000	\$158,400	\$207,360	\$259,200	\$298,080
Supplies	\$12,000	\$15,840	\$20,736	\$25,920	\$29,808
Telephone & communications	\$18,000	\$23,760	\$31,104	\$38,880	\$44,712
Utilities/Internet	\$7,800	\$10,296	\$13,478	\$16,848	\$19,375
Travel	\$60,000	\$79,200	\$103,680	\$129,600	\$149,040
Meals & entertainment	\$60,000	\$79,200	\$103,680	\$129,600	\$149,040
Auto mileage expenses	\$27,000	\$35,640	\$46,656	\$58,320	\$67,068
Total general & administrative expenses	\$986,549	\$1,325,525	\$1,984,335	\$2,717,729	\$3,308,352

9.2.2. MARKETING EXPENSE

Table 4 XYZ, LLC Marketing Expenses					
	Year 1	Year 2	Year 3	Year 4	Year 5
Marketing materials	\$12,500	\$13,800	\$15,180	\$15,939	\$16,337
Internet marketing	\$750,000	\$1,125,000	\$1,800,000	\$2,070,000	\$2,277,000
Print advertising	\$360,000	\$540,000	\$864,000	\$993,600	\$1,092,960
Outdoor advertising	\$0	\$60,000	\$144,000	\$165,600	\$182,160
Industry events	\$64,000	\$64,000	\$64,000	\$64,000	\$64,000
Promotional marketing	\$210,000	\$315,000	\$504,000	\$3,000,000	\$3,300,000
Total marketing expenses	\$1,396,500	\$2,117,800	\$3,391,180	\$6,309,139	\$6,932,457

9.2.3. STAFF HEADCOUNT & SALARIES

Table 6 XYZ, LLC Staff Annual (Full-Time) Salaries					
	Year 1	Year 2	Year 3	Year 4	Year 5
Chief Executive Officer	\$0	\$0	\$0	\$0	\$0
Partner	\$0	\$0	\$0	\$0	\$0
Chief Marketing Officer	\$120,000	\$132,000	\$138,600	\$142,065	\$145,617
Chief Financial Officer	\$0	\$0	\$138,600	\$142,065	\$145,617
Community Manager	\$60,000	\$66,000	\$67,650	\$69,341	\$71,075
Administrative Assistant	\$42,000	\$46,200	\$47,355	\$48,539	\$49,752
Sales Manager	\$84,000	\$92,400	\$94,710	\$97,078	\$99,505
Marketing Manager - ABC	\$78,000	\$85,800	\$87,945	\$90,144	\$92,397
Public Relations Manager	\$90,000	\$99,000	\$101,475	\$104,012	\$106,612
Influencer Manager - ABC	\$60,000	\$66,000	\$67,650	\$69,341	\$71,075
Accountant	\$54,000	\$56,700	\$58,118	\$59,570	\$61,060

9.3. ANNUAL PRO-FORMA FINANCIAL STATEMENT SUMMARIES

9.3.1. INCOME STATEMENT

Schedule 1 XYZ, LLC Projected Income Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenues:					
Drug store revenues	\$473,009	\$1,937,410	\$5,455,810	\$11,127,306	\$19,067,660
Grocery store revenues	\$886,893	\$3,522,563	\$9,691,242	\$19,408,093	\$32,176,676
Liquor store revenues	\$320,971	\$1,409,025	\$3,876,497	\$7,633,850	\$11,917,287
Mass market retailer revenues	\$283,806	\$1,103,736	\$2,656,118	\$5,693,040	\$9,533,830
Food service revenues	\$101,359	\$469,675	\$1,435,740	\$2,846,520	\$4,766,915
Bar/nightclub revenues	\$57,437	\$199,612	\$488,151	\$879,834	\$1,350,626
ABC/Int'l revenues	\$212,783	\$755,211	\$2,078,704	\$4,363,950	\$7,254,601
Total Sales	\$2,336,258	\$9,397,233	\$25,682,263	\$51,952,593	\$86,067,596
Total cost of sales	\$1,676,375	\$6,622,913	\$17,749,601	\$35,247,974	\$57,740,348
Expenses:					
Marketing expense	1,396,500	2,117,800	3,391,180	6,309,139	6,932,457
General & administrative	959,549	1,289,885	1,937,679	2,659,409	3,241,284
Expenses - Total	2,356,049	3,407,685	5,328,859	8,968,548	10,173,742
Net operating income:	(\$1,696,166)	(\$633,365)	\$2,603,803	\$7,736,071	\$18,153,506
Depreciation	8,810	8,810	8,810	12,143	12,143
Interest earned	13,124	41,303	76,546	127,587	257,333
Interest expense	0	0	0	0	0
Income before taxes	(1,691,852)	(600,871)	2,671,539	7,851,515	18,398,697
Income taxes	0	0	0	0	0
Net income	(\$1,691,852)	(\$600,871)	\$2,671,539	\$7,851,515	\$18,398,697

9.3.2. STATEMENT OF CASH FLOWS

Schedule 2 XYZ, LLC Projected Statements of Cash Flows					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash flows from operations:					
Net Income:	(\$1,691,852)	(\$600,871)	\$2,671,539	\$7,851,515	\$18,398,697
Depreciation	\$8,810	\$8,810	\$8,810	\$12,143	\$12,143
Increase (decr.) in accrued liabilities	\$26,660	(\$15,567)	\$2,721	\$2,017	(\$1,318)
Increase (decr.) in accrued taxes	\$0	\$0	\$0	\$0	\$0
Increase (decr.) in accounts payable	\$100,105	(\$64,335)	\$47,726	\$65,135	\$24,563
(Increase) decr. in accounts receivable	(\$40,051)	(\$6,328)	(\$62,852)	(\$92,068)	(\$115,671)
(Increase) decr. in inventory	(\$317,442)	(\$428,458)	(\$776,707)	(\$1,722,676)	(\$1,681,495)
Net cash flows from operations	(\$1,913,770)	(\$1,106,750)	\$1,891,237	\$6,116,067	\$16,636,918
Cash flows from investing:					
Capital expenditures	\$35,000	\$0	\$0	\$20,000	\$0
Prepaid expenses	\$0	\$0	\$0	\$0	\$0
Net cash flows from investing	\$35,000	\$0	\$0	\$20,000	\$0
Cash flows from financing:					
Proceeds from issuance of debt	\$0	\$0	\$0	\$0	\$0
Proceeds from sale of stock	\$2,500,000	\$7,000,000	\$0	\$0	\$0
Debt service payments	\$0	\$0	\$0	\$0	\$0
Net cash flows from financing	\$2,500,000	\$7,000,000	\$0	\$0	\$0
Net increase (decrease) in cash	\$551,230	\$5,893,250	\$1,891,237	\$6,096,067	\$16,636,918
Beginning cash balance	\$0	\$551,230	\$6,444,480	\$8,335,717	\$14,431,784
Ending cash balance	\$551,230	\$6,444,480	\$8,335,717	\$14,431,784	\$31,068,702

9.3.3. BALANCE SHEET

Schedule 3 XYZ, LLC Projected Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets:					
Current assets					
Cash and marketable items	\$551,230	\$6,444,480	\$8,335,717	\$14,431,784	\$31,068,702
Accounts receivable	\$40,051	\$46,379	\$109,231	\$201,299	\$316,970
Prepaid expenses	\$0	\$0	\$0	\$0	\$0
Total current assets	\$591,281	\$6,490,859	\$8,444,948	\$14,633,082	\$31,385,672
Net non-current assets:	\$26,190	\$17,381	\$8,571	\$16,429	\$4,286
Total assets	\$617,472	\$6,508,240	\$8,453,519	\$14,649,511	\$31,389,958
Liabilities & Shareholders' Equity:					
Current liabilities					
Accounts payable	\$100,105	\$35,770	\$83,496	\$148,631	\$173,194
Accrued liabilities	\$26,660	\$11,093	\$13,814	\$15,831	\$14,513
Accrued taxes	\$0	\$0	\$0	\$0	\$0
Total current liabilities	\$126,765	\$46,863	\$97,310	\$164,462	\$187,707
Long-term Liabilities					
Long-term debt (1)	\$0	\$0	\$0	\$0	\$0
Total long-term liabilities	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$126,765	\$46,863	\$97,310	\$164,462	\$187,707
Shareholders' equity					
Common stock	\$2,500,000	\$9,500,000	\$9,500,000	\$9,500,000	\$9,500,000
Retained earnings	(\$1,691,852)	(\$2,292,723)	\$378,817	\$8,230,332	\$26,629,029
Total shareholders' equity	\$808,148	\$7,207,277	\$9,878,817	\$17,730,332	\$36,129,029
Total liabilities and equity	\$934,914	\$7,254,140	\$9,976,126	\$17,894,794	\$36,316,736