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1.0 Executive Summary

With society’s evolving tastes, trends, and fashions, it is every entrepreneur’s aspiration to keep up. Every day, more unique businesses open with innovative ideas that attract entire populations of people. As the world advances, we will not get left behind. We have created a business that ignites our passion and creativity, while also following through with the tastes and interests of modern American: Sipz.

Sipz is the first all-soda buffet-style business to break ground in the Midwest and looks to take advantage of society’s progressiveness. Already popularized along the West Coast, soda shops are becoming a revolutionary option for those who crave soda with a side of creativity. Our business model follows suit with the evolving trends of the restaurant industry, which puts an emphasis on fine-casual dining and the consumer’s desire to create their own food and drinks.

Dreamt by three entrepreneurs: Brooklyn Lofthouse (CEO), Marshall Shine (CFO), and Charles Taylor (COO), Sipz aims to provide service, sincerity, and satisfaction to all customers. Our storefront places us less than a mile from the Missouri’s second largest university and two other college campuses, while also allowing us to reach an extensive number of high school students and local families.

Our marketing plan will draw in our target market by using various media platforms and sales promotions. We will also engage in institutional marketing through our involvement in the community regarding various marketing tactics which will take place at some of Springfield’s most beloved events and places.

Sipz will acquire a loan of $150,000. This is to provide the means necessary to furnish our store, procure resources, and start making an impact in our community. Our down payment of $30,000 will be accompanied by an 9% interest rate. With our payments at $2,333 per month and our rent-to-lease storefront, we guarantee to pay off the loan by 2025.

We offer 12 unique flavor shots and 16 signature drinks with references to pop culture, beach vibes, and various play-on words, these set us apart from our competitors. Friends will introduce friends, parents will introduce children, and innovation will be introduced to everyone who steps inside our one-of-a-kind soda shop.
2.0 Company Profile

2.1 Legal Form of Business

Sipz is a Limited Liability Company (LLC), meaning we are a separate and distinct legal entity. The management of our company is vested in the three chief officers: Brooklyn Lofthouse (CEO), Charles Taylor (COO), and Marshall Shine (CFO). This legal status gives us the benefits of a corporation, such as the right to participate in profits and/or tax advantages and the securities of a partnership, which will protect our personnel assets. We have filed as manager-managed, giving us the authority to manage our company and create obligations for Sipz. This is the ideal legal status for our business and our goals.

2.2 Effective Date of Business

Sipz will open on April 1st, 2020. This gives us just over a year and a half to generate brand resonance within the community and begin operations. We are opening in the spring to ensure optimal weather when our customers are first visiting the storefront.

2.3 Company Mission Statement

Sipz strives to create a fun and relaxing environment for Springfield soda lovers to enjoy the highest quality of mixed sodas.

Our Values
- Service
- Sincerity
- Satisfaction

Service
First impressions are lasting impressions.

Sincerity
Build real relationships with everyone who walks in the door.

Satisfaction
Every customer leaves with a smile on their face.
2.4 Company Governance

Chief Executive Officer:  
Brooklyn Lofthouse

Chief Financial Officer:  
Marshall Shine

Chief Operations Officer:  
Charles Taylor

2.5 Company Location

Sipz will be established in the heart of Springfield, Missouri. Located downtown at 325 E. Walnut St. Suite 102 Springfield, Missouri 65806, Sipz is only one mile away from the Missouri State Campus, Drury University, and Ozark Technical Center and is also within twenty minutes from six local high schools. Downtown Springfield is bustling with independent businesses, making it an extremely high traffic area. Springfield is the third most populous city in Missouri and currently has an estimated population of 167,376. The median household income is $34,775, making our low cost, high quality drinks ideal for Springfield citizens (“U.S. Census Bureau”).

2.6 Immediate Development Goals

Our most immediate goals are centered on marketing, because we are entering into an essentially unexplored soda industry, it is vital that we begin promoting our business and product as soon as possible. We will institute social media marketing in April 2019; we will also partner with locally owned businesses and Missouri State University to promote our drinks at their storefronts and events in January 2020. These goals will create brand resonance and buzz about our company to
generate customer loyalty before we open. Our most immediate goal, aside from marketing, is to create an efficient team of employees; our staff will be hired and fully trained by March 25th, 2020. By focusing on this we will ensure that we have a successful opening day.

2.7 Financial Status

The first action our business will take is borrowing money in order to cover our start-up costs. We plan on taking out a loan of $150,000 from a local bank with each owner making a down payment of $10,000. Our initial balance for the loan will be $120,000 with an interest rate of 9%. This will cover any initial renovation costs, inventory, equipment, rent, and payroll until the company is profitable. Putting the business in debt at the beginning of operations can be risky; however, since we have a limited menu, our operational costs are relatively low. We only need to purchase a limited amount of equipment to sell our product. This means that we do not need to borrow a staggering amount of money. If we end up defaulting, we can sell our assets back and collect all of the capital needed to pay off the loan.

3.0 Industry Analysis

3.1 Description of Industry, Trends, and Opportunities

State Restaurant Industry

The booming restaurant industry in Missouri is a driving force for the state’s economy and plays a large role in building our communities. In 2016, there were 10,907 restaurants in Missouri. Currently, restaurant and food service make up 11% of the state’s employment, and that is projected to increase 9.1% by 2028 (“State Statistics”).

National Restaurant Industry

Nationally, the one million plus food and drink restaurants in the United States make up 4% of the country’s Gross Domestic Product. It is estimated that collectively restaurants make $800 billion in sales a year. As of October 2018, the National Restaurant Performance Index was at an expansion of 101.2. To further show the restaurant industry’s growth, the sales outlook informs that 41% of restaurants expected a large increase in sales in the next six-month time period (“State of the Restaurant Industry”). This industry is continually expanding and there are no projections that predict a slowdown of its growth. Although the restaurant industry is extremely competitive,
modern living has instilled lifestyle changes in Americans that causes them to be constantly on the go and endlessly looking for new food businesses to try out.

**Soda Industry**

The vastly increasing and mostly unsaturated soda industry in specific is quickly growing. Soda shops similar to ours are prospering across western United States. The western region is known for being the trend-setters in the restaurant and food industry. Frozen yogurt, cupcake, and cookie industries began in the West before migrating to the Midwest and becoming significant industries here. We predict that this will happen with the Soda industry, which is why we are taking advantage of it before anyone else does. The average American consumes 50 gallons of soda a year. In the three-year time period from 2011-2014, 6 in 10 youth (63%) and 5 in 10 adults (49%) drank a sugar-sweetened beverage daily. Americans have an affinity towards the delectable sweet and carbonated taste of soda. Although the industry of soda shops is nonexistent in Missouri, these statistics show that we will have a large possible consumer market.

**Trends and Strategic Opportunities**

Technomic’s Consumer Brand Metrics reports that consumers are more drawn to restaurants that offer items completely unique to their menu. We are the only non-chain restaurant in Springfield that offers unique sodas, making our menu exclusive. Consumers are also actively looking for the freedom to customize the products that they are buying; 72% of consumers find it more satisfying to have the option to “build their own” food and drinks at restaurants. We have a large variety of add-ins that customers can use to create their own, personalized drinks. Convenience is also a growing concern in the restaurant industry with 82% of consumers favoring a quicker restaurant experience. We offer a fast-paced environment with our drive thru and quick service. Authenticity is another trend for restaurants; consumers are beginning to stray away from chain restaurants. They want hip and unique restaurants that stand out. They prefer knowing and feeling a
connection with the owners of restaurants (Coca-Cola). We plan on being transparent with our customers and being known throughout the community to create real relationships with our customers. Our business model significantly reflects many of the current business trends, making Sipz guaranteed to be successful and to appeal to our target market.

History
Food service dates back to ancient times when street vendors and public cooks were bustling along the streets of Ancient Rome selling their primitive cuisine. However, the Industrial Revolution is responsible for the inception of modern restaurants. The advancement of technology made mass food production possible, and the development of the automobile made for a demand of dining venues. Since then, restaurants have remained a staple in the culture and lives of almost every American. In 1866, Benjamin Stillman created the first soda fountain counter in the United States. Soda fountains were typically built in pharmacies which lined almost every main street throughout the states. Soda shops flourished from this time, possibly because soda served as an alcohol replacement during the Prohibition Act, until the 1950s, when fast food and drive thru restaurants brought the decline of traditional soda shops (Oliver). In 2013 the first modern soda shop, Swig, was founded in Provo, Utah.

4.0 Target Market
4.1 Defined Market

With essentially universal products, Sipz has a large possible target market. To better individualize our target market, we have segmented it into two primary groups. The first group is male and females ages 16-23, and the second group is male and females ages 24-45; both groups live in Springfield, Missouri. Sipz facilitates a unique ambiance accompanied by relaxation, energetic vibrations, and a fun-loving atmosphere. The combination of such characteristics breeds the opportunity for a wide reach when considering a target market. As Sipz offers quality products at fair prices, the income range of those targeted is $3,000 per year and higher. Psychographically, Sipz is searching for customers who are
energetic, visionary, flexible, and those who find splendor in a fast-paced environment with a twist. Most importantly, Sipz caters to those who are soda enthusiasts. Overall, Sipz appeals to those who have an eye for the modern world and the ability to appreciate styles that might have been before their time, during their time, and yet to come in the future. Sipz does this while offering an all-inclusive experience for young individuals and complete families, alike.

Ages 16-23

• High School Students
• College Students

Ages 24-45

• Adults With Responsibilities
• Families

Ages 16-23

This target market segment, Generation Z, will mainly be teenagers who live near Sipz and attend the local high schools and universities. Our “instgrammable” business model fits right in with the wants and needs of this target market. They will be able to take aesthetic pictures of our drinks and attractive, modern storefront. This targeted market is constantly online and being bombarded with marketing tactics from hundreds of companies. Because of this, we chose a name and slogan that are short and simple, yet unique enough to stand out among our competitors. Generation Z also values personal relationships and are drawn toward brands that seem authentic (“Alphabet Soup”). To cater to this, we have created a fun and friendly environment in our store. This will be a great place for them to hang out after school with their friends and create personal relationships with the team members and the chief officers. The younger part of this target market, ages 16-18, may have part time jobs, but are mostly still financially dependent on their parents. The older part of this target market, ages 19-23, are most likely college students. Generation Z will be attracted to our low prices. Sipz drinks will be a great alternative to the pricey coffee that college students buy on campus to satisfy their caffeine dependence or smoothies that high school students purchase when hanging out together. We are also open late, giving them a great environment to study for classes, get their caffeine fix, or spend time together.
Ages 24-45

This target market is a mixture of both Millennials and Generation X and is demographically our larger target market. This segment spends more money on eating out than any other generation. Because more families are present among this age group, we have installed a drive thru to make it easier and quicker for this target market to get their drinks while juggling the day-to-day life of raising children. A significant value of this target market is low prices. They are paying off debts, owning homes, putting money into retirement, and paying for their children. These characteristics make this segment very receptive to various types of sales promotions. The coupon promotions that we outlined in our marketing strategies will appeal to their drive to save money and to purchase the most financially sensible products. Social awareness is also held to a high importance for Millennials and Generation X. They are more likely to spend money on a brand that gives back to the community or benefits society, which is why, once we got our feet on the ground, we plan on having various social awareness campaigns including environmental efforts, poverty progressiveness, and sponsoring an adopt-a-child campaign (“Alphabet Soup”).

4.2 Analysis of Market

Ages 16-23

We are choosing to target this market because 24.3% of teenagers drink a serving of soda a day. By 2020, Generation Z will account for 40% of all consumers, which is why we are heavily focusing on them and their buying power. This generation has also grown up on technology; the average Generation Z person spends 15.4 hours a week on their smartphones. The average teenager makes $2,850 a year, making our affordable and high-quality drinks ideal for them. We also predict, that parents would also rather give their children $3 for Sipz, than $8-$12 dollars to go out to eat or $20 to go to the movies. Another reason this target market appears to be potentially lucrative is because 79% of college students reported to drinking caffeine to stay awake, which means the foot traffic in and around our storefront could see heavy increases as students come and go from the nearby campus and high schools (“Alphabet Soup”).
Ages 24-45

The second segment of our target market, Millennials and Generation X are typically extreme soda enthusiasts. They claim to buy between 8-15 cafffeinated drinks a week. According to Springfield’s Census Bureau, this is Springfield’s largest age group making up 26% of the population. These two factors are why we chose them as our target market. Additionally, they are getting more stable jobs and creating families; 25% of millennials have children, making them constantly on the move and looking for fast places to get their drinks and food. The lifestyles of this target market fit perfectly with the vision of Sipz. A trend that we found in this target market is their time spent on Facebook. 80% of this target market spends around seven hours per week on this social media (“Alphabet Soup”).

Due to this trend in the market, we will be using our Facebook page to promote our products geared toward these individuals.

5.0 Competitive Analysis

5.1 Main Competition and Analysis

Competition is the biggest obstacle that a new business must overcome. Being the first soda shop in Springfield, Missouri, Sipz does not have any direct competition, but there are businesses that sell competing products. Restaurants that serve a variety of sodas and flavors are not classified as our competition because consumers do not go to them specifically for the soda. Our three biggest competitors: Sonic, Kum and Go, and Casey’s General Stores, are all well-established, chain businesses that offer flavored soda. These establishments have similar drink sizes and prices to Sipz. Despite the related products and prices, Sipz remains unmatched with our revolutionary soda and personality that customers and competitors alike will speak of long after they have indulged themselves at our store. By differentiating our product and store layout from our competition we are able to individualize our business model from them. After in depth analysis, we do not believe that these competitors will impede on our projected sales and success. Following is an analysis of our competitors’ strengths and weaknesses:
Sonic

Sonic Drive-In is a fast food restaurant that was established in the United States in 1953. Their menu has typical fast food such as: corn dogs, tater tots, and chicken tenders, but the items that compete with Sipz are their limeades, lemonades, and soft drinks. The limeades/lemonades come in cherry, cranberry, strawberry, mango, grape, and peach flavors. The soft drinks that sonic offers are Diet Coke, Coke, Dr. Pepper, Diet Dr. Pepper, Mello Yello, Root Beer, Sprite, Diet Sprite, Hi-C, Fanta, and Powerade, with the options of various real fruit, candy, and flavor add-ins. Additionally, there are nine Sonic locations in Springfield. The biggest advantage Sipz has over Sonic is our indoor lobby area. Sonic’s storefront is not as appealing to the target market as Sipz. Sonic is known for their drive-thru storefront; the only seating they offer is outdoor seating, and the sweltering hot summers and bitterly cold winters in Springfield make it hard for customers to consume their drinks at the store. Sipz offers the best of both worlds by having both a drive thru, for customers in a rush, and comfortable indoor and outdoor seating for our customers to “Sit down and Sip up.”

Kum and Go

Kum and Go is a convenience store primarily in Midwestern states that was founded in 1963. Kum and Go offers fountain sodas in the flavors of: Coke, Pepsi, Diet Pepsi, Dr. Pepper, Sprite, Mountain Dew, Mountain Dew Kickstart, Brisk Tea, Sunkist, Powerade, and Lemonade. They have eight flavor shots. Kum and Go has similar prices to Sipz, but they offer a summer special of $1 any size drinks. While this significant price drop could entice customers, Sipz provides service that Kum and Go cannot. Kum and Go lacks a drive-thru and seating, making their storefront inconvenient and unappealing for many customers. Additionally, consumers must fill and mix their own drinks at the soda station, whereas at Sipz our Team Members mix all of our drinks to ensure optimal quality and hospitality.
Casey’s General Stores

Casey’s is a convenience store, similar to Kum and Go. It was founded in 1959 with over 2,000 locations in the Midwest. They offer 14 fountain drinks: Diet Mountain Dew, Mountain Dew, Coke, Dr. Pepper, Tropicana Lemonade, Ginger Ale, Sprite, Vitamin Water, Diet Pepsi, Cherry Pepsi, Pepsi, Sunkist, Root Beer, and Gatorade. Casey’s does not have any flavor shots or add-ins to specialize their drinks. Like Kum and Go, Casey’s lacks a lobby area for seating and does not have a drive-thru either.

## Competition Overview

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<tr>
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<th>SIPZ</th>
<th>Sonic</th>
<th>Kum &amp; Go</th>
<th>Casey’s General Stores</th>
</tr>
</thead>
<tbody>
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<tr>
<td>Product Variety</td>
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<tr>
<td>Lobby Seating</td>
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5.2 Potential Competition

We anticipate other entrepreneurs will observe Sipz’s success and endeavor in the creation of businesses similar to Sipz. Springfield has a 5% growth rate and was ranked the third best city to start a new business on the 2015 “Best Cities to Start a Business” list (“U.S. Census Bureau”). These two factors lead us to assume that within five years of operation we will begin to see competition in the form of other soda shops.

5.3 Barriers to Entry

The main barrier to entry for new competition is that we will already be established and well-known before they begin their business. The small product mix available for soda shops will make it difficult for our new competition to differentiate themselves enough from Sipz. By the time other soda shops opens up, we will have had time to create relationships with our loyal customers who will see any potential future competitors as copycats, rather than originals.

6.0 Marketing Plan and Sales Strategy

6.1 Key Message

Sipz offers a unique experience for individuals of wide-ranging interests, our fast-paced atmosphere never ceases to invite customers to take a moment to slow down and come together over a refreshing beverage. At Sipz, you’ll discover new tastes while quenching a thirst for creativity you never knew you had.

6.2 Media Platforms

Sipz marketing strategy focuses heavily on the use of social media. As society grows and technology advances, more and more customers are drawn to social media platforms. Businesses who adapt to this trend see increasing levels of engagement from customers and prospects, making technology our primary medium for promotion.
Instagram
We will use Instagram as the main platform for marketing toward our younger target market. One of our promotions will happen the first Monday of every month. Our customers can enter to win a free drink and t-shirt by posting a picture of Sipz profile on their personal pages. This will increase Sipz exposure and create rapport with customers. The winner will then be announced on an Instagram post and will be able to redeem the aforementioned prizes.

Facebook
Facebook will be our way of promoting to our older target market. Videos on Facebook have an 8.71% organic reach compared to the organic reach of text posts which is 5.77%. Because of this, we will post videos on Facebook that show the behind the scenes of our business. The last Monday of every other month we will have our “Sippin’ on the Job” promotion. Our followers can enter by posting Sipz page on their Facebook and telling us why they love Sipz and why they have the best job. We will randomly select a winner and they will have Sipz catered to their work for them and their coworkers in the following week.

Sipz App
The evolution of technology has put company apps at the forefront for promotions. We will develop a Sipz App which will be ready for use after the first year of operations. The app will serve as a marketing tool by allowing customers to view exclusive deals, menu items, and order for pick up.

Rewards System
We will have a “Sipz Punch Card” which will reward frequent customers. Customers can get the card while checking out. After 10 punches (one per drink), their 11th drink is free. If customers bring in ten fully punched cards, then they will receive a free t-shirt and five free drinks, redeemable at any time.
6.3 Sales Procedures and Strategy

Merchandise
Sipz would like to spark brand recognition by offering merchandise upon the opening of the store front. Merchandise is a fun, cheap way to engage our customers and make them apart of the Sipz family. By offering Sipz t-shirts, we are exploring the opportunities for free word-of-mouth marketing. The shirts will be adorned by all ages, sizes, and walks of life.

Cross-Marketing Partnerships
Springfield is known for its various locally owned businesses, which we plan to take advantage of. Before we begin operations, we will partner with local businesses by selling our products at their storefronts and events. This not only gets our name into the community but will allow us to create connections in the independent business industry. Specifically, we plan to work with Crave Cookie Dough, Ozark Mountain Flower Truck, Hurts Donuts, and Insomnia Cookies. We are open to partnering with other businesses as well.

Being a university city, Springfield's colleges are busy all year with events that provide marketing opportunities. Sipz will take advantage of events such as job fairs, sporting events, and other extracurricular activities as a way to reach our target market.

Sales Promotions
To keep Sipz’s marketing strategies fresh and the personality of the businesses exciting, we will offer various specials to our customers. First, we will establish “Happy Hour” from 3-5 Monday through Friday. During this time, customers will get half off the large drink size. This is advantageous because this is when high school and college students are dismissed. Another way we plan to get involved with the community is with the introduction of our “Red Bird” drink flavor. If the Springfield Cardinals win a game, customers who come in the following day with their ticket will get a free Red Bird drink. Similar to this, our “Boomer-Rang” will be half priced after every Missouri State Bears home win, whether it’s football during the fall or basketball during the spring. We will be closed on most federal holidays, but we plan to use other holidays as marketing strategies. If customers come in on Halloween dressed in a costume, they will get a free drink. Wearing green on St. Patrick’s Day will allow customers to get any Mountain Dew
specialty drink for half price. Lastly, on January 20th of each year, in honor of national soda day, Sipz will offer 50% off various drinks, heavily discounted merchandise, and a “Wall of Triumph” that will showcase those who are titled as “Big Sipperz” for drinking 44 oz. of soda under 20 seconds.

Our Three Ps: Personal, Practical, Profitable
The goal of every business, both domestic and global, is to generate profit while satisfying the customer. Sipz is no exception to this rule, and our sales strategies introduces our “Three Ps”: Personal, Practical, Profitable. First, Sipz will offer personal sales experiences starting at the very second a customer comes through the door. Our energetic atmosphere and the contagious smiles that our Team Members wear will make the consumer feel at-home and will allow us to establish a personal relationship with the prospective client. Next, our sales strategy will be practical. We understand that a business’s financial interests should never undermine the needs of the customer, so Sipz’s sales strategies and pricing will always remain practical and reasonable for the consumer. Lastly, Sipz will look to generate profit, as all successful businesses do. Our use of affordable means of production and our innovative ideas will allow us to satisfy our customers and generate the profit we need to further Sipz influence and make an impact on our community.

7.0 Operations
7.1 Business Facility

We will take a lease out on a building, which is 1200 square feet. The building will be located near the Walnut and Jefferson intersection in Springfield, meaning the shop will be a mile away from three different colleges. We will design our storefront to be a comfortable environment for young adults and families to spend time together. In order to create consistency in brand recognition, we have decided to make our colors orange, white, and gray. The front of our store will include two white tables, various colored chairs, and one hammock for outdoor seating options. When customers walk through the front doors of the facility, they will see a counter with a menu where customers can place orders. The lobby area will have six booths, three tables, and six plush chairs. We will also add a jukebox where customers can pay a small fee to play a song. Two restrooms will be located to the right of the front counter. Our concrete flooring and orange walls with white designs will create a modern, yet homely feeling for customers. The wall to the left of the ordering counter will be the “Wall of Triumph,” which will begin to fill up as we tape Polaroid
pictures of our “Big Sipperz.” Behind the counter, will be the drive-thru window and drive-thru terminal. In the back there will be a freezer for storage and a small office for paperwork and accounting needs. Our store hours are 11 am - 12 am, Monday - Sunday. We will be closed on these federal holidays: New Year’s Day (January 1st), Easter, Independence Day (July 4th), Labor Day, Thanksgiving (Fourth Thursday in November), and Christmas (December 25th).

7.2 Production Plan

We will sell small, medium, and large drinks at 20 ounces, 32 ounces, and 44 ounces respectively in Styrofoam cups. Team members will use colored sharpies to write the names of customers’ orders on their cups. The small soda will sell for $1.99, the medium will sell for $2.49, and the large will sell for $2.99. We will purchase an 8 stream Coca-Cola Soda Fountain containing: Dr. Pepper, Root Beer, Mountain Dew, Minute Maid Lemonade, Sweet Tea, Sparkling Water, Coke, Diet Coke, Pepsi, Diet Pepsi, Sprite, Unsweet Tea. If customers would like to customize their own drinks, we will provide flavored mix-ins at an additional charge of $0.49 including: Vanilla, Raspberry, Strawberry, Blueberry, Mango, Coconut, Lime, Lemon, Peach, Guava, Pomegranate, Orange, Grape, Cherry, Pineapple, Watermelon, Cranberry, and Kiwi. Our 16 signature drinks come at the standard price, making them more cost effective for customers. Along with planning our inventory, we have also analyzed potential risks. One of the risks of our business is the low amount of revenue generated from each customer. In order to combat this, we have decided to add vanilla ice cream. For an additional dollar, a scoop of vanilla ice cream will be added to the customer’s drink. This way, our average revenue earned per customer will be higher for a small investment of a scoop of ice cream.
7.3 Workforce Plan

There will be a total of 18 people employed, including the chief officers. The chief officers will each work as team members to combat payroll expenses. Each shift will have a total of three people; one shift leader and two team members. Shifts will be from 10:30 am - 5 pm and 5pm - 12:30 am, allowing team members to arrive 30 minutes before opening and stay 30 minutes after closing. We will have employee meetings the first Sunday of every month. These meetings will provide a forum for feedback from and to team members and will also ensure that all employees are up to date on all promotions and major events happening within the store.

7.4 Impact of Technology

Sipz, as a business entity would like to appeal those of the younger generation, we will eagerly and enthusiastically use social media and technology to our advantage. As mentioned previously, marketing platforms, Twitter, Instagram, and Facebook will be our largest modes of advertisement and promotion. Along with the use of social media platforms, we will create an app for our business within a year’s time of opening the store front. The use of an app will set us apart from competitors and will offer us numerous opportunities to get engaged with our customers. The app will allow consumers to view various deals and specials, select menu items, look at possible rewards programs, and even order beverages to be picked up at a later time. By engaging in the use of technology, we are increasing our ability to network and connect with our consumers.

8.0 Management and Organization

8.1 Key Employees and Principals

Full Time Employees

The chief officers will overlook and govern all part-time employees. It is very important to us that as owners we have a hands-on approach to running our business, which is why we will ensure that Monday - Friday for at least eight hours, one of the chief officers will be at the store interacting with customers and working alongside our part time employees. Additionally, each chief officer will perform duties specific to their positions. Brooklyn Lofthouse, the CEO, will be in charge of ensuring that all employees are working to achieve our short term and long-term goals, hire new
staff when needed, build alliances and partnerships with other local businesses, assure that all legal and regulatory documents are filed and monitor the company’s compliance with all laws and regulations. Charles Taylor, the COO, is in charge of developing and implementing Sipz marketing plan, analyzing and interpreting performance data, and establishing a success-oriented work environment for all employees. Marshall Shine, the CFO, oversees monitoring cash flow, financial planning, analyzing Sipz’ financial weaknesses, and creating and monitoring our budget. The COO and CFO will report directly to the CEO, but all the chief officers will play a vital and intersecting role in the business.

**Part Time Employees**

To ensure steady and successful day to day operations, Sipz will hire fifteen part time employees, which will consist of five shift leaders and ten team members. These employees will work between 10-40 hours a week.

**Shift Leader**

**Employee Count - 5**

Job Description: Shift Leaders at Sipz play a key part in ensuring customers’ satisfaction and success of the company. Shift leaders will resolve cash overages and shortages, develop and assign tasks for all staff members, resolve immediate customer issues, and train new employees. In addition to these responsibilities, they have the same duties as standard Team Members.

Job Requirements: A Shift Leader must be 18 years +, have 1-2 years’ experience in food or retail service, excellent interpersonal communication skills, and a strong leadership style.

**Team Member**

**Employee Count - 10**

Job Description: Team Members at Sipz will take customer orders and mix drinks. They are in charge of keeping the store clean by completing daily cleaning checklists.

Job Requirements: A barista must be 16 years +, have excellent interpersonal communication skills, be flexible, and work well with a team.
8.2 Advisory Committee and Board of Directors

As a new LLC, we will have a small Advisory Committee. This committee will assist in helping ensure that our business is operated at maximum efficiency. It will consist of the chief officers, our lawyers, our banker, and a member of the Springfield Area Chamber of Commerce Board of Directors. The Advisory Committee will meet bi-monthly to discuss our operations and any other important matters.

As an LLC, we have many characteristics in common with a corporation; however, we do not share the need for a Board of Directors. As we do not offer stocks in our business and we only have one storefront, we have decided to not establish a Board of Directors.

8.3 Plan for Identifying, Recruiting, and Securing Key Participants

We will have our full staff hired and trained by March 25th, 2020. Future prospects can begin applying as early as February 1st, 2020. Being located near Missouri State and a handful of high schools, we anticipate most of our employees being college or high school students. However, we do not discriminate against any age. We will post and advertise our online application on all of our social media platforms, including our website. Applicants can either email their applications or submit them via our website. Brooklyn Lofthouse will review all the applications and conduct the interviews which will take place at our store. This will allow her to hire the 15 most qualified, energetic, and charismatic Team Members to be the face of Sipz.

8.4 Compensation and Incentive Plans

Without our employees, we would not be able to run a successful business, which is why it is top priority that we create a satisfactory compensation and incentives plan. Our employees will be
given a free drink of their choice during each of their shifts. While not working, employees will be
given a 50% discount off all drinks and merchandise. The Chief Officers will collectively choose an
Employee of the Month, who will be called the “POP - Star.” They will receive a $50 bonus for the
month. After six months of employment, each employee will be reviewed. If they pass the review,
they will be given a 50 cent pay raise. Because our employees are part-time, they will not be
given designated sick or vacation leaves. They are welcome to ask off when needed, as long as it
is not excessive, and to exchange shifts with other employees as needed.

9.0 Long-Term Development

9.1 Future Goals

Short Term Goals
The first three years of operation are crucial to the sustainability of our business. About 60% of
food service businesses survive their first three years, so it is in upmost importance that we focus
our short-term goals on establishing every aspect of our business to draw in the customer base
that will bring Sipz success. The goals that we have created, which are divided into four
guarantee that Sipz will flourish and succeed in our beginning years of operation.

Product Service

- Perfect product mix by eliminating unpopular drinks from the menu and experimenting
  with new drinks based on customer feedback.
- Determine accurate inventory levels after the first quarter and adjust the amount of
  flavoring, soda, cups, straws, and cleaning supplies that is ordered based on that.

Customer Service/Human Resource

- Achieve a 5-star rating on Yelp.
- Receive thirty surveys a month, beginning in May. At the bottom of our receipts, customers
  will have the option to fill out a survey for a buy one get one drink free.
- Increase customer survey reports to 90% satisfaction.
- Release the “Sipz App” by the end of the first year. This app will allow customers to
  customize their drinks, view Sipz menu, get exclusive deals, and order for pickup.
Financial

- Make an operation income after three months. This means that the revenue generated from selling our products are higher than the costs associated with making our products, giving Sipz a large profit margin.
- Establish having our monthly EBIT (Expenses Before Interest and Taxes) range from $13,500 - $14,500.

Marketing

- Increase website traffic by 50% by the end of each year.
- Gain 6,000 active followers on our main social media platform. Instagram, by the end of three years.
- Achieve a brand awareness level of 10% within our target market through merchandise, events, and promotions. We will complete this achievement before six months of operations.

Long Term Goals

After four years of operations, our customer base will be established, making us ready to begin working on achieving our long-term goals, which are outlined in the same four categories as our short-term goals. These goals align with our short-term goals and will push us to reach our full potential as a business by continuing to focus on bettering Sipz for our consumers as well as expanding our business.

Product Service

- Reduce the price of our product. The revenue generated leading up to year five will give us the ability to finance this reduction, which will bring in new customers, better satisfy our loyal customers and give us an advantage over our future competitors.
- Expand product mix. With a small product mix, we are limiting our potential customers, which is why by year five we will begin this expansion. Potential products are: smoothies, snow cones, cookies, and milkshakes.
Customer Service/Human Resource

- Increase the number of repeat customers to 65%.
- Have customer surveys report 95% satisfaction.
- Develop a customer retention rate of 95%.
- Further develop Sipz app to ensure optimal usage for customers.

Financial

- Pay off loan and completely own property. We will achieve this goal by the end of our fifth year in operation.
- Establish two operating storefronts; possible locations are in surrounding towns such as: Ozark, Nixa, and Republic. This will happen by the end of the fifth year, they will also both be profitable at the end of the fifth year.

Marketing

- Rank on the first page of Google, through purely organic searches, by the end of four years.
- Launch an initiative solely focused on social awareness. This will take place after five years of store operations.
- Hire a fully staffed Public Relations team six months before the social awareness campaign begins.

9.2 Risks

Financial Risks
The biggest risk we see financially is that the price of our drinks are so low in order to keep up with our competition. Since the profit margins are small, we will need a lot of business to see the profit materialize. We have done two things to remedy this: first, we will have a drive-thru, so people can get a quality soda in a short amount of time. This of course means more inventory turnover for us. The second plan of action we’re taking is to introduce scooped ice cream and sell “Floats.” This way, we can sell a float for a larger price and increase our margins because a scoop of vanilla ice cream does not cost very much money.
Product Risks

The high calorie and sugar content of soda is ill-favoring to those who are more health conscious. To combat this potential risk, we offer diet sodas, sparkling water, iced tea, and calorie free flavor shots. This provides an option for everyone. Because we only offer soda and ice cream, our target market is limited to only people who enjoy those products. We cannot predict what drinks and flavors will be the most popular, and vice-versa. This puts us at a risk of having a surplus of products that do not sell. The shelf life of most of our inventory is nearly indefinite. The fastest expiring product is our ice cream which lasts two months. This gives us an extended period of time to use the products that we ordered before our operations began. To further mitigate this risk, we released a survey on December 4th, 2018 that had all of our soda and flavor shot options. Respondents were able to create a drink of their choice by choosing the soda base and adding in the flavor shots that sounded most satisfying to them. We had 50 responses. We used these surveys as we created our signature drinks, allowing us to better predict what products will be more popular.

9.3 Strategy to Reach Long-Term Goals

Product Service

Our product service goals are based on the projection that, after five years in operation, we will begin to generate a considerably high profit margin. We can ensure that we achieve this goal by constantly offering high quality soda. We must also focus on customer service and marketing to draw in and perform above our customers’ expectations. If we focus on these aspects of our business, then we will have a busy storefront during all of our operating hours. Once we lower our prices, we will have a reopening day to introduce the price drop to our customers and to get them excited for it. When we are ready to expand our product mix, we will engage in product service management by surveying customers and seeing what food they would most like us to add to our product line.

Customer Service

We will instill a customer service mindset in our employees from their first training through the implementation of a three-step service plan. The first step is to always give a warm and sincere greeting. Examples of this would be learning regular customer’s names and greeting them with a personal welcome. The second step is to always anticipate and comply with customer needs. Our Team Members will do this by double checking customers’ orders, asking if their drink was made
correctly after the guest has tried it, and ungrudgingly remaking any drinks that do not meet our customer’s standards. Lastly, team members will always bid customers a fond farewell. Similar to the welcome, they will use customer names as often as possible. Additionally, they will thank them for coming and ask them to come again. Sipz is not just a soda shop, it was a place where anyone can feel comfortable and at home, and our three-step plan will ensure those feelings for all of our customers.

Financial
In order to reach our goals, we will take out a loan of $150,000 to cover our start-up costs. We will also pursue a rent-purchase option on a lease, so that way our rent payments will be giving us equity in an asset. The first main obstacle is to actually build the soda shop, and that is what our loan is intended to do. Once the facility is ready for launch, we will open our doors and see our operating income in the green by the first few months. Once we start creating profit, our main focus will be to cut product costs in order to lower our prices. At that point, we will spend more on advertising to foster awareness and brand recognition. After three years, we will have a second location opened in Springfield. When this location is profitable, we can focus on community outreach and our social responsibility as a business. By following this outline, we can reach all of our financial, marketing, human resource, and product service goals.

Marketing
We will use search engine optimization to increase our chances of ranking on the first page of Google. Google’s search engine ranking will get Sipz the highest amount of organic website traffic. In order to reach this goal, we are willing and ready to continually update and rework our website to reach maximum efficiency. We will also set smaller goals, like ranking for certain keywords, and then progress to ranking for an expanded variety of more keywords. After doing these steps, we believe that we will be able to get on the first page. Because we see ourselves as more than just a soda shop, we are eager to launch a social awareness initiative. To do this, we must be in a strong place with our business and our products which is why it is best to focus on this initiative after our five-year benchmark. We will review different charities and the needs of our Springfield community, and then the chief officers will choose what the focus of our initiative will be.
10.0 Financials

10.1 Accounting System

To accurately record our transactions, we will be using QuickBooks Desktop Pro 2019 in conjunction with Microsoft Excel. These applications are the industry standard for all bookkeeping and financial analysis. QuickBooks’s utility is in its convenience and ease of use. The program allows business owners to manage bills, send invoices, and pay their employees. Excel is mostly used for data visualization; this makes analyzing financial ratios faster and easier. As required by the IRS, we will be using the accrual accounting method, meaning that revenue and expenses are recorded when they are earned and not necessarily when the cash is acquired or spent. This method of accounting proves to be the most accurate way to record transactions. Therefore, it makes our financial statements more precise.

10.2 Loan Amortization

<table>
<thead>
<tr>
<th>Sipz Loan Amortization</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEGINNING</strong></td>
</tr>
<tr>
<td>YEAR</td>
</tr>
<tr>
<td>2020</td>
</tr>
<tr>
<td>2021</td>
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<td>2023</td>
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<td>2024</td>
</tr>
<tr>
<td>2025</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
</tr>
</tbody>
</table>
### 10.3 Monthly Cash Flow Statement

#### Sipz Monthly Cashflow Statement

<table>
<thead>
<tr>
<th>Operations</th>
<th>Apr-20</th>
<th>May-20</th>
<th>Jun-20</th>
<th>Jul-20</th>
<th>Aug-20</th>
<th>Sep-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Receipts From:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of Goods</td>
<td>$18,250.00</td>
<td>$19,160.00</td>
<td>$20,120.00</td>
<td>$21,125.00</td>
<td>$22,180.00</td>
<td>$23,290.00</td>
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<tr>
<td>Cash Payments For:</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>$(6,965.00)</td>
<td>$(5,997.00)</td>
<td>$(6,297.56)</td>
<td>$(6,612.13)</td>
<td>$(6,942.34)</td>
<td>$(7,289.77)</td>
</tr>
<tr>
<td>Payroll Expense</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
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<tr>
<td>Operating Expenses</td>
<td>$(3,600.00)</td>
<td>$(2,600.00)</td>
<td>$(2,600.00)</td>
<td>$(2,600.00)</td>
<td>$(2,600.00)</td>
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<tr>
<td>Sales Tax Payable</td>
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<td>$1,629.72</td>
<td>$1,711.13</td>
<td>$1,796.58</td>
<td>$1,886.49</td>
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<tr>
<td>Net Cashflow From Operations</td>
<td>$2,048.25</td>
<td>$4,999.88</td>
<td>$5,737.16</td>
<td>$6,509.00</td>
<td>$7,319.24</td>
<td>$8,171.72</td>
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<td>Investing Activities</td>
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<td>Cash Receipts From:</td>
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<tr>
<td>Purchase of Equipment</td>
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<tr>
<td>Net Cashflow from Investing</td>
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</tr>
<tr>
<td>Financing Activities</td>
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<td></td>
</tr>
<tr>
<td>Cash Receipts From:</td>
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<td>Borrowing</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loan Payments</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
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<tr>
<td>Net Cashflow from Financing</td>
<td>$147,567.00</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
</tr>
<tr>
<td>Net Cashflow</td>
<td>$116,815.25</td>
<td>$2,566.88</td>
<td>$3,304.16</td>
<td>$4,076.00</td>
<td>$4,886.24</td>
<td>$5,738.72</td>
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</tbody>
</table>

#### Sipz Monthly Cashflow Statement

<table>
<thead>
<tr>
<th>Operations</th>
<th>Oct-20</th>
<th>Nov-20</th>
<th>Dec-20</th>
<th>Jan-21</th>
<th>Feb-21</th>
<th>Mar-21</th>
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<tr>
<td>Cash Receipts From:</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Sale of Goods</td>
<td>$24,455.00</td>
<td>$24,500.00</td>
<td>$23,200.00</td>
<td>$24,200.00</td>
<td>$25,410.00</td>
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</tr>
<tr>
<td>Inventory</td>
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<td>$(7,668.50)</td>
<td>$(7,261.60)</td>
<td>$(7,574.60)</td>
<td>$(7,953.33)</td>
<td>$(8,430.66)</td>
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<td>Payroll Expense</td>
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<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
<td>$(7,115.00)</td>
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<tr>
<td>Operating Expenses</td>
<td>$(2,600.00)</td>
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<td>$(2,600.00)</td>
<td>$(2,600.00)</td>
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<tr>
<td>Sales Tax Payable</td>
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<td>Net Cashflow From Operations</td>
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<td>Investing Activities</td>
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<tr>
<td>Cash Receipts From:</td>
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<td>Cash Payments For:</td>
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<tr>
<td>Purchase of Equipment</td>
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<td>$-</td>
</tr>
<tr>
<td>Net Cashflow from Investing</td>
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<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Financing Activities</td>
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<td>Cash Receipts From:</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Borrowing</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Cash Payments For:</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Loan Payments</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
</tr>
<tr>
<td>Net Cashflow from Financing</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
<td>$(2,433.00)</td>
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<tr>
<td>Net Cashflow</td>
<td>$6,632.44</td>
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<td>$5,669.60</td>
<td>$6,417.60</td>
<td>$7,366.88</td>
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</tbody>
</table>
# 10.4 Monthly Income Statement

## Sipz Monthly Income Statement

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Apr-20</th>
<th>May-20</th>
<th>Jun-20</th>
<th>Jul-20</th>
<th>Aug-20</th>
<th>Sep-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Sales</td>
<td>$18,250.00</td>
<td>$19,160.00</td>
<td>$20,120.00</td>
<td>$21,125.00</td>
<td>$22,180.00</td>
<td>$23,290.00</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$(6,965.00)</td>
<td>$(5,997.08)</td>
<td>$(6,297.56)</td>
<td>$(6,612.13)</td>
<td>$(6,942.34)</td>
<td>$(7,289.77)</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$11,285.00</td>
<td>$13,162.92</td>
<td>$13,822.44</td>
<td>$14,512.88</td>
<td>$15,237.66</td>
<td>$16,000.23</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Apr-20</th>
<th>May-20</th>
<th>Jun-20</th>
<th>Jul-20</th>
<th>Aug-20</th>
<th>Sep-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Expense</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
</tr>
<tr>
<td>Rent Expense</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Utilities Expense</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
</tr>
<tr>
<td>Advertising Expense</td>
<td>$2,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Loan Payment Expense</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$13,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>$(1,863.00)</td>
<td>$1,014.92</td>
<td>$1,674.44</td>
<td>$2,364.88</td>
<td>$3,089.66</td>
<td>$3,852.23</td>
</tr>
</tbody>
</table>

## Sipz Monthly Income Statement

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Oct-20</th>
<th>Nov-20</th>
<th>Dec-20</th>
<th>Jan-21</th>
<th>Feb-21</th>
<th>Mar-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Sales</td>
<td>$24,455.00</td>
<td>$24,500.00</td>
<td>$23,200.00</td>
<td>$24,200.00</td>
<td>$25,410.00</td>
<td>$26,935.00</td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$(7,654.42)</td>
<td>$(7,668.50)</td>
<td>$(7,261.60)</td>
<td>$(7,574.60)</td>
<td>$(7,953.33)</td>
<td>$(8,430.66)</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$16,800.59</td>
<td>$16,831.50</td>
<td>$15,938.40</td>
<td>$16,625.40</td>
<td>$17,456.67</td>
<td>$18,504.35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Oct-20</th>
<th>Nov-20</th>
<th>Dec-20</th>
<th>Jan-21</th>
<th>Feb-21</th>
<th>Mar-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Expense</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
<td>$7,115.00</td>
</tr>
<tr>
<td>Rent Expense</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Utilities Expense</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
<td>$400.00</td>
</tr>
<tr>
<td>Advertising Expense</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
<td>$1,000.00</td>
</tr>
<tr>
<td>Loan Payment Expense</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
<td>$2,433.00</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
<td>$12,148.00</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>$4,652.59</td>
<td>$4,683.50</td>
<td>$3,790.40</td>
<td>$4,477.40</td>
<td>$5,308.67</td>
<td>$6,356.35</td>
</tr>
</tbody>
</table>
# 10.5 Income Statement for Years 1-5

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Sales</td>
<td>$ 272,825.00</td>
<td>$ 286,465.00</td>
<td>$ 429,700.00</td>
<td>$ 472,675.00</td>
<td>$ 519,940.00</td>
<td></td>
</tr>
<tr>
<td>Cost of Goods Sold</td>
<td>$(86,646.98)</td>
<td>$(89,663.55)</td>
<td>$(134,496.10)</td>
<td>$(147,947.28)</td>
<td>$(162,741.22)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$ 186,178.03</td>
<td>$ 196,801.46</td>
<td>$ 295,203.90</td>
<td>$ 324,727.73</td>
<td>$ 357,198.78</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Expenses</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Expense</td>
<td>$ 85,380.00</td>
<td>$ 85,380.00</td>
<td>$ 175,000.00</td>
<td>$ 180,000.00</td>
<td>$ 195,000.00</td>
<td></td>
</tr>
<tr>
<td>Rent Expense</td>
<td>$ 14,400.00</td>
<td>$ 14,400.00</td>
<td>$ 30,000.00</td>
<td>$ 30,000.00</td>
<td>$ 30,000.00</td>
<td></td>
</tr>
<tr>
<td>Utilities Expense</td>
<td>$ 4,800.00</td>
<td>$ 4,800.00</td>
<td>$ 10,000.00</td>
<td>$ 10,000.00</td>
<td>$ 10,000.00</td>
<td></td>
</tr>
<tr>
<td>Advertising Expense</td>
<td>$ 13,000.00</td>
<td>$ 13,000.00</td>
<td>$ 15,000.00</td>
<td>$ 15,000.00</td>
<td>$ 15,000.00</td>
<td></td>
</tr>
<tr>
<td>Loan Payment Expense</td>
<td>$ 29,196.00</td>
<td>$ 29,196.00</td>
<td>$ 29,196.00</td>
<td>$ 29,196.00</td>
<td>$ 29,196.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$ 146,776.00</td>
<td>$ 146,776.00</td>
<td>$ 259,196.00</td>
<td>$ 264,196.00</td>
<td>$ 279,196.00</td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>$ 39,402.03</td>
<td>$ 50,025.46</td>
<td>$ 36,007.90</td>
<td>$ 60,531.73</td>
<td>$ 78,002.78</td>
<td></td>
</tr>
</tbody>
</table>

## 11.0 Appendix

### 11.1 Works Cited


