



Business Plan

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EXECUTIVE SUMMARY

BoldBerry Organic Smoothies and Juice is seeking an initial investment of \$120,000 for startup costs to begin operations January 2015.

Objectives

- To lease a drive-thru quick service restaurant building on commercial real estate in Temecula for the flagship location. Location to be anchored by other tenants, in a shopping center and located on a main street/highway.
- To sell a variety of different organic smoothie and organic juice flavors and combinations and a concise menu of organic quick and healthy meals and snacks for breakfast, lunch and dinner.
- To provide in-store education and events to spread awareness on topics including health and wellness.
- To create a business blueprint and concept in order to create a future opportunity to franchise the company.

Mission

BoldBerry will produce and sell organic smoothies and organic juice with thousands of combinations of flavors, in addition to quick and healthy organic meals for children and adults in the mid- to high-income bracket in Temecula, California.



Keys to Success

- Company will show a high level of support to local community by only purchasing locally grown organic produce.
- Company will be greatly differentiated by the use of organic produce in the smoothies and juice.
- Products will include a range of variety and combinations, in addition to pre-selected combinations, to provide choice to consumers who have different needs – such as food allergies, health problems, or wellness objectives – various choices to meet their needs
- Marketing efforts will be focused on developing relationships with the local community.
- Business has potential to develop into franchise if success is shown with flagship location.

COMPANY SUMMARY

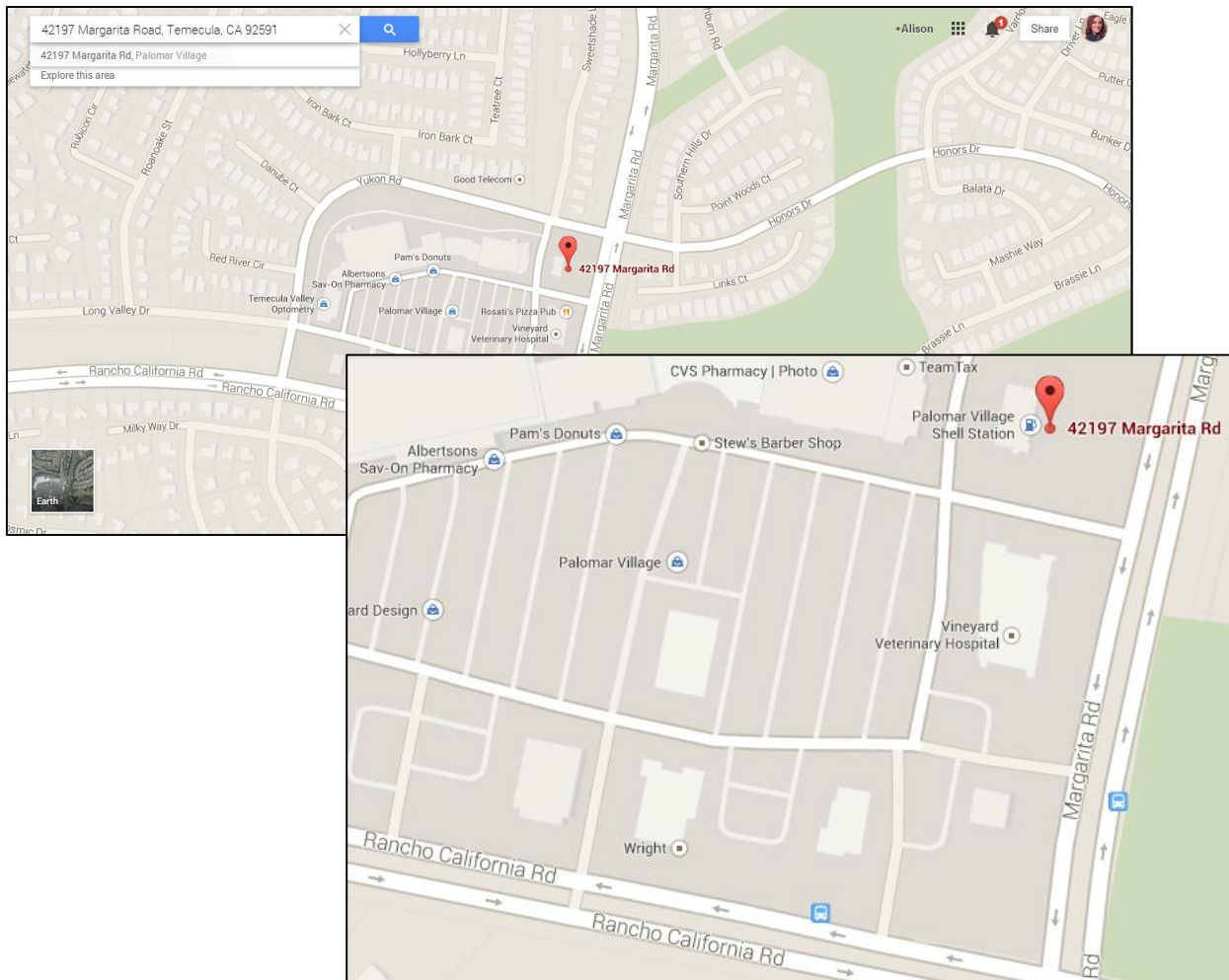
Company Ownership

BoldBerry will be formed as an LLC, with the members being Alison M. LeBlanc and Kathy F. Goodman. The Articles of Organization will be filed accordingly, in addition to the creation of an Operating Agreement. All appropriate licenses and permits will also be filed.

Company Location

The proposed location is in Temecula, California at 42197 Margarita Road, Temecula, CA 92591. The location is 1,675 square feet and property type is stated as “retail, restaurant.” The two anchor tenants include Albertson’s and CVS. The property lot size is 34,848 square feet. Cross streets are Rancho California Road and Margarita Road. The shopping center has use restrictions which will not allow hamburgers or Mexican food. Uses other than chicken may require shopping center approval. Adjacent to the property is a Shell Oil C-store. Additional tenants in the location include Burger King, Carl’s Jr. and Jiffy Lube. Traffic counts on Rancho California Road, not including Margarita Road, is 25,083 average daily traffic and on Margarita Road, not including Rancho California Road, is 23,123 average daily traffic.

Please see Attachment A: Additional Company Location Information.



MARKET ANALYSIS

NAICS Code

2012 NAICS Definition – **722513 Limited-Service Restaurants**

This U.S. industry comprises establishments primarily engaged in providing food services (except snack and nonalcoholic beverage bars) where patrons generally order or select items and pay before eating. Food and drink may be consumed on premises, taken out, or delivered to the customer's location. Some establishments in this industry may provide these food services in combination with selling alcoholic beverages.

Target Market

BoldBerry will target the following consumers:

- **Age:** Young adults to middle age – 20 to 50 years old
- **Location:** Temecula, California – Approximately 2 miles from the 15 freeway exit at Rancho California Road
- **Gender:** Male and female
- **Income level:** mid- to high- income level (\$50,000 to \$90,000)
- **Education level:** High school, Some college, college degree
- **Marital or family status:** Single, married, divorced, with or without children
- **Occupation:** White collar
- **Ethnic background:** Any ethnic background
- **Personality:** Upbeat, positive, happy, caring, loving, active, adventurous, athletic, charismatic, considerate, courageous, creative, dedicated, disciplined, faithful, freethinking, friendly, genuine, good-natured, peaceful, rustic, sharing, sentimental, well-rounded
- **Values:** Health, environment, local sustainability, organic, healthy foods, follows trends, art, compassion, harmonic, spirituality, longevity, diligence, truth, logic, awareness
- **Interests/hobbies:** Exercise, travel, cooking, writing, drawing, sports, reading, smiling, yoga, hiking, running, cycling, swimming



The BoldBerry customer cares about their health and the environment – taking care of their body is next to breathing, for this customer, and they make conscious choices about the foods they fuel their machine with. They want the highest quality ingredients and will accept nothing less than the best, and in that case, organic is the way to go. They quench their thirst with organic smoothies and juice while keeping pace with their busy and active lifestyle. Fresh is one word to describe the BoldBerry customer – Fresh ideals, fresh appearance and fresh nutrition.

SWOT Analysis

I N T E R N A L	Strengths	Weaknesses
	<ul style="list-style-type: none"> • Organic product • Allergy friendly • Location in blossoming city (Temecula) • Will develop partnership with the community • Focus on health and wellness 	<ul style="list-style-type: none"> • Similar competitors in the area • Lack of reputation in community starting out • Price point a bit higher than competitors
E X T E R N A L	Opportunities	Threats
	<ul style="list-style-type: none"> • Develop food offering • Develop drink offering to include coffee beverages • Build business and brand through education of eating organic 	<ul style="list-style-type: none"> • Marquee-name competitors, such as Jamba Juice and Juice it Up! • Seasonality with certain produce to limit organic options • Product sourcing may be a challenge





Market Size

Temecula residents have high discretionary incomes making the City an attractive location for retailers. Over the past 10 years, Temecula's retail sector consistently outperformed statewide growth trends (Demographics).

Based on the data in the chart below, BoldBerry's target market fits in ideally with the demographics of the City.

Temecula Demographics	
<i>Data prepared by Nielsen Solution Center on October 17, 2013</i>	
2019 Estimated Population Projection	117,855
2014 Estimated Population	108,450
Population Growth 2014-2019	8.67%
2014 Estimated Number Of Households	27,296
2014 Estimated Median Age (Years)	34
Largest Population Group (age)	45-54 (15.55%)
2014 Estimated Population Age 25+ Education Attainment	High School Graduate: 22.45% Some College: 30.14% Bachelor's Degree: 18.69
Occupation Classification: White Collar	63.58%

Please see Attachment B: Pop Facts Demographic Snapshot Report.

Market Trends

Over the past 10 years, Temecula's retail sector consistently out-performed statewide growth trends. Temecula ranked high (100%) on The Growth Persistence Index and is one of nine cities with the highest retail sales rankings in the state." -California Retail Survey, 2005

Temecula Retail Market Trends			
<i>Data prepared by Nielsen Solution Center on October 17, 2013</i>			
Store Type	2013 Demand (Consumer Expenditures)	2013 Supply (Retail Sales)	Opportunity Gap/Surplus
Foodservice and Drinking Places	170,745,306	390,074,100	(219,328,794)
 Full-Service Restaurants	79,249,011	181,452,919	(102,203,908)
 Limited-Service Eating Places	70,255,380	195,339,608	(125,084,228)
 Special Foodservices	13,622,630	12,213,506	1,409,124
 Drinking Places – Alcoholic Beverages	7,618,285	1,068,067	6,550,218

Please see Attachment C: RMP Opportunity Gap – Retail Stores.

Temecula Small Business Resources: TVE₂

The Temecula Valley Entrepreneur's Exchange, also known as TVE2, is located in Temecula's old city hall building, addressed as 43200 Business Park Drive. In an effort to be proactive and spark job creation and economic vitality, the City Council repurposed the City owned building for use as a business incubator and resource center. TVE₂'s purpose is to support the growth of innovation and entrepreneurs.

Business incubators accelerate the successful development of entrepreneurial companies through an array of business support resources and services. TVE2 is intended to be a regional business resource center that assists not only the clients being incubated but also provides services and resources for many companies in Southwest Riverside County. TVE2 will connect people and ideas with knowledge, expertise and capital to promote technology growth in the Temecula Valley (Temecula Valley Entrepreneur).



Industry Overview

In the last several years, a new type of consumer has emerged: The health conscience environmentalist. In other words, people who want to eat well and keep the planet clean. In a big way, some of these factors have contributed to the explosion of the juice bar and smoothie bar industry. Many businesses, including smoothie and juice bars, are now stepping up their game and becoming a lot more environmentally conscientious in order to both gain a competitive edge, as well as being responsible to their environment and surrounding communities.

In non-organic food, many pesticides and herbicides are used in order to keep insects and weeds from destroying the crops. Many pesticides and herbicides were approved for use on farms before they were linked to causing cancer and other diseases.

In addition, genetically modified foods (GMOs) are also dangerous to an individual's health. The American Academy of Environmental Medicine (AAEM) cite animal studies showing organ damage, gastrointestinal and immune system disorders, accelerated aging, and infertility as a result of consuming GMOs. Human studies show how GMO food can leave material behind inside us, possibly causing long-term problems. Genes inserted into GM soy, for example, can transfer into the DNA of bacteria living inside us, and that the toxic insecticide produced by GMO corn was found in the blood of pregnant women and their unborn fetuses.



Numerous health problems increased after GMOs were introduced in 1996. The percentage of Americans with three or more chronic illnesses jumped from 7% to 13% in just 9 years; food allergies skyrocketed, and disorders such as autism, reproductive disorders, digestive problems, and others are on the rise. Although there is not sufficient research to confirm that GMOs are a contributing factor, doctors' groups such as the AAEM tell us not to wait before we start protecting ourselves, and especially our children who are most at risk (Institute for Responsible Technology).

Organic farming is one way to prevent these chemicals and GMO foods from getting into the environment and also into our bodies. When a business, such as an organic juice bar, procure organic goods, they support agriculture that has the least harmful outcome to the environment and the population.

Organic juice bars, more often than not, need to shop locally in order to get the freshest foods available. Shopping locally means supporting local farmers within the regions in which the business is located. Shopping locally also means reducing the amount of gas (carbon emissions) used to transport the food to the business. The result is a system that functions on as little energy consumption as possible, a successful local economy and something in the end that is sustainable over longer periods of time.

Organically certified food gives consumers a guarantee that their products have been grown and managed under specific measures that protect the farmers, other handlers and the environment. By offering organic products, we offer our client base a guarantee. Organic foods tastes better as it grows and is handled in its most natural state without the interference of pesticides or other harmful substances that are often used in agriculture.

A business that shows leadership in an important area such as buying organic produce can be a great motivator for employees, building loyalty and inspiring them. Further, if employees have access to such health foods, they will experience more energy and increase their productivity (Smoothie Bar).

Currently, the United States' market for fancy juices is highly fragmented, encompassing both super-premium chilled products sold at retail outlets and fresh-pressed and blended concoctions. The business in all forms is but a sliver of the total \$258 billion U.S. market for nonalcoholic beverages. But it's an exciting sliver that has beverage and packaged-foods giants, food-service companies, venture capitalists, and entrepreneurs seeing green (Drink Up!).

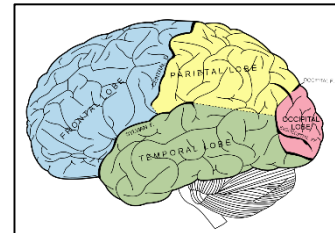


Benefits of Juice and Smoothies

What Juicing Will Do for You

Juices are bursting with pure nutrients that bypass your digestive organs and go right to your bloodstream and your cells to start repairing and healing. They're high in antioxidants that scour your insides to find and destroy free radicals, those destructive molecules that weaken your immune system and set you up for disease. In fact, juices can do the following for you:

- Reduce the risk of modern diseases such as cancer, obesity, heart disease, stroke, arthritis, asthma, macular degeneration, and diverticulosis: Antioxidants found mostly in vibrantly colored red, purple, and orange fruits and vegetables reduce cell damage and, thus, prevent aging and disease.
- Build a stronger immune system by protecting the cells and helping to build white blood cells.
- Improve memory: A general decline in mental performance is caused most often by free radical damage. Juicing with fruits and vegetables that are high in antioxidants (such as pomegranates, black plums, blueberries, cabbage, and cauliflower) protects all the body's cells, including the brain, from the ravishing effects of the unstable oxidizing free radicals.
- Increase energy: When you drink pure raw fruit or vegetable juice, no digestive process has to take place because the nutrients and water have already been extracted from the fiber. So, the energy that would have gone into breaking down the food goes to repairing and protecting cells.
- Cleanse and detox: Fruit juice for cleansing and vegetable juice for fueling and restoring are the best possible drinks for flushing and repairing cells, organs, and systems.
- Lose weight: Fruit and vegetable juices are virtually fat free, and juice from vegetables is low in sugar. Drink them on a regular basis and two things happen: You start to lose your appetite for high-fat, high-calorie junk foods, and you start to feel better, with more energy to get up and get active (Juicing and Smoothies for Dummies).



The Health Benefits of Smoothies

Unlike juices, smoothies retain all the fiber of whole raw fruits and vegetables. Eating fiber is one of the easiest and least expensive ways to prevent disease because it helps the body to eliminate waste materials and deadly toxins. Benefits of smoothies include the following:

- Improved digestion and elimination: Fiber is the one key factor in the body's ability to eliminate waste on a regular basis.
- Weight loss: When used as part of a low-fat, low-sugar diet, vegetable smoothies provide pure nutrients to your cells and bulk from the fiber, which makes you feel full.
- Healthy substitute for empty-calorie drinks and snacks: Smoothies' fiber and other slow-digesting ingredients (like nuts, seeds, or yogurt) allow them to stay with you longer and satisfy you more than coffee, soda, or other drinks.
- Meal replacement: Smoothies are high-nutrient options. If you add small amounts of protein and even some grain to a vegetable smoothie, you can build that drink into a satisfying meal replacement (Juicing and Smoothies for Dummies).



History of Organic Farming

J.I. Rodale, founder of the Rodale Research Institute and *Organic Farming and Gardening* magazine, is commonly regarded as the father of the modern organic farming movement. Beginning in the 1940s, Rodale provided the main source of information about "non-chemical" farming methods and was heavily influential in the development of organic production methods. Rodale drew many of his ideas from Sir Albert Howard, a British scientist who spent years observing traditional systems in India. Howard advocated agricultural systems reliant upon returning crop residues, green manures and wastes to soil, and promoted the idea of working with nature by using deep-rooted crops to draw nutrients from the soil.



By the 1970s, increased environmental awareness and consumer demand fueled the growth of the organic industry. However, the new organic industry suffered growing pains. Although there was general agreement on philosophical approaches, no standards or regulations existed defining organic agriculture. The first certification programs were decentralized, meaning that each state or certifying agent could determine standards based on production practices and constraints in their region. An apple farmer in New York has very different challenges than an apple farmer in California, for example.

The downside of this decentralized approach was a lack of clarity about what "organic" meant from state to state. A movement grew to develop a national organic standard to help facilitate interstate marketing. In response, Congress passed the Organic Foods Production Act (OFPA) in 1990 to develop a national standard for organic food and fiber production. OFPA mandated that USDA develop and write regulations to explain the law to producers, handlers and certifiers. OFPA also called for an advisory National Organic Standards Board to make recommendations regarding the substances that could be used in organic production and handling, and to help USDA write the regulations. After years of work, final rules were written and implemented in fall 2002.

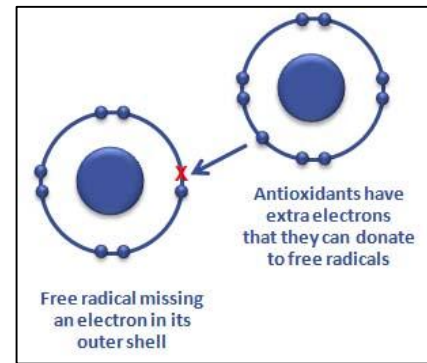
Although the actual production techniques of organic food have not changed dramatically since the implementation of the national standards, "organic" now is a labeling term that indicates that food has been grown following the federal guidelines of the Organic Foods Production Act. The national standards also specify that any producers who sell over \$5,000 annually in agricultural products and want to label their product "organic" must be certified by a USDA-accredited agency. Companies that process organic food must be certified, too.

Any farms or handling operations with less than \$5,000 a year in organic agricultural products are exempt from certification. Those producers may label their products organic if they follow the standards, but they are prohibited from displaying the USDA Organic Seal (History of Organic Farming in the United States).

Benefits of Eating Organic

Greater Antioxidant Value

Antioxidants are important nutrients found in fresh fruits and vegetables and have been shown to impart multiple health benefits, including the prevention of many cancers. Some studies show that organic foods may have more antioxidants compared to commercial varieties. A 2012 study in the "Journal of the Science of Food and Agriculture" discovered higher antioxidants, including vitamin C, in organic broccoli compared to conventional.



Reduced Pesticide Exposure

Many consumers choose organic produce because they desire to lower their exposure to the pesticides found on commercial produce. Certified organic produce is free from pesticide residues. A 2008 study published in "Environmental Health Perspectives" revealed a majority of organophosphorus (OP) pesticide exposure in humans comes from dietary intake (Healthy Eating).



Not only are pesticides dangerous to the environment, but they are also hazardous to a person's health. Pesticides are stored in your colon, where they slowly but surely poison the body. You may not realize this, but when you are eating a non-organic apple, you are also eating over 30 different pesticides that have been sprayed on the apple. Even if you wash a piece of fruit, such as an apple, there are still many pesticides lingering on it and they could have seeped into the fruit or vegetable. Strawberries, apples, carrots, celery, spinach, grapes, apples, cucumbers are just a few types of food that you should not eat if they are not organic because the pesticide level is the highest on them.

More specifically, heavy use of the world's most popular herbicide, Roundup, could be linked to a range of health problems and diseases, including Parkinson's, infertility and cancers, according to a new study. The peer-reviewed report, published last week in the scientific journal *Entropy*, said evidence indicates that residues of "glyphosate," the chief ingredient in Roundup weed killer, which is sprayed over millions of acres of crops, has been found in food. Those residues enhance the damaging effects of other food-borne chemical residues and toxins in the environment to disrupt normal body functions and induce disease, according to the report, authored by Stephanie Seneff, a research scientist at the Massachusetts Institute of Technology, and Anthony Samsel, a retired science consultant from Arthur D. Little, Inc. Samsel is a former private environmental government contractor as well as a member of the Union of Concerned Scientists. "Negative impact on the body is insidious and manifests slowly over time as inflammation damages cellular systems throughout the body," the study says (Leader).

After countless studies, pesticides have been linked to cancer, Alzheimer's Disease, ADHD, and even birth defects. Pesticides also have the potential to harm the nervous system, the reproductive system, and the endocrine system. Pesticides can even be very harmful to fetuses because the chemicals can pass from the mother during pregnancy or if a woman nurses her child. Although one piece of fruit with pesticides won't kill you, if they build up in your body, they can be potentially detrimental to your health and should be avoided as much as possible (Pesticides).

When commercial produce was replaced with organic produce, pesticide exposure was reduced significantly. Among other concerns, OP pesticide exposure has been shown to contribute to deficiencies in neurodevelopment, becoming a factor in autism, ADHD and other neurological impairments in developing children (Healthy Eating).

Reduced Antibiotic Exposure

With the increasing usage of antibiotics among dairy farms and feed lots, antibiotic resistance is becoming a concern for many Americans. Organically raised animals are not given antibiotic additives; therefore, organic dairy and meats products do not contain these residues. Consistent exposure to low doses of antibiotic residues can also disrupt the normal flora of the human gut, reducing the number of healthful bacteria and leaving humans more vulnerable to harmful bacteria and illness.

Genetically Modified Foods

More recently, an increase in production of genetically modified organisms (GMOs) in foods and the lack of labeling of these foods is causing many concerned Americans to choose organic foods. The health implications of GMO foods is still being studied, but preliminary results do not look good. Rat studies show depressed immune systems, reproductive dysfunction, cancer, allergies, toxicity and more. In one 2005 study, conducted at the Russian Academy of Sciences, a 55 percent death rate of rat pups born to rats fed a GMO soy diet was discovered, compared to a 9 percent death rate of rat pups born to rats fed a non-GMO soy diet. Nearly 70 percent of all processed foods contain GM ingredients, and choosing organic is the only guarantee that food is free of genetic modification (Healthy Eating).

Organic Food Regulations

Organic is a labeling term that indicates that the food or other agricultural product has been produced through approved methods that integrate cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity. Synthetic fertilizers, sewage sludge, irradiation, and genetic engineering may not be used.



For a complete version of these regulations, please see Attachment D: Organic Food Regulations

PRODUCTS

Product Description

BoldBerry's goal is to provide beverage and food options to consumers with all different types of preferences. We cater to customers who are strictly organic, vegetarian, vegan or have various food allergies. All foods will be handled carefully in order to avoid cross contamination in regards to food allergies. Customers will be aware up front of any beverage or food item that may come in contact with an allergen-causing ingredient.

All beverage and food items will go through food and nutritional testing, and a nutrition guide will be made available to customers.

BoldBerry's menu will include the following different types of beverages and food items:

- **Organic Juices, Made to Order:** The customer will have the option to choose from a single juice option, to a combination of juices they select, or from a pre-set menu of juice combinations. These combinations are creations specific to the store, and have been tried and tested as popular and desirable flavors.
- **Organic Smoothies:** Customers will have the ability to customize their smoothie according to their needs, and will be able to choose from one smoothie flavor, to a combination selected specifically by the consumer, or they can select a smoothie from the pre-set menu of smoothie combinations that have been created, and are preferred by most customers.
- **Breakfast Menu:** Our breakfast menu will consist of only the highest ingredients, many of which will be organic, if available. The food options are considered ideal for the active person on the run. All foods will be cooked and baked in-house to ensure the highest level of quality and healthy ingredients. Breakfast foods will be prepared to order.
- **Lunch and Dinner Menu:** The lunch and dinner menu consists of different flavored wraps, again, ideal for the busy, active person. These wraps will be prepared each morning, each day and stored cold. Organic ingredients will be used, if available.
- **Acai Bowls:** Acai bowls are an ideal meal throughout the day. These will be prepared to order and feature a variety of options for different preferences.



Please see Attachment E: Proposed Menu.

Future Products

Future products will include alterations and improvements to the existing menu, based on customer preference and demand. The food menu will also be revisited quarterly to evaluate the success of the existing items, add or change the items.

Difference between Juices and Smoothies

Juicing

Juicing is a process which extracts water and nutrients from produce and discards the indigestible fiber. Without all the fiber, your digestive system doesn't have to work as hard to break down the food and absorb the nutrients. In fact, it makes the nutrients more readily available to the body in much larger quantities than if you were to eat the fruits and vegetables whole. This is especially helpful if you have a sensitive digestive system or illness that inhibits your body from processing fiber. The fiber in produce helps slow down the digestive process and provides a steady release of nutrients into the blood stream. Freshly squeezed vegetable juices form part of most healing and detoxification programs because they are so nutrient rich and nourish and restore the body at a cellular level.

The most widely available and traditionally used juicer in the home (and many juice bars) is a centrifugal juicer. These appliances extract juice with a fast-spinning metal blade that spins against a mesh filter, separating juice from the fruit/vegetable flesh via centrifugal force. As the blade inside this juicer spins it generates heat, destroying enzymes and micro-nutrients in the process. This heat also creates oxidation (which is what ages us), rendering the nutrients that do make it into your juice less pure. Centrifugal juicers also produce a juice that usually is quite foamy - and that foam is made up of air bubbles, exposing your juice to continued nutrient loss. In order to receive any real benefit from this type of juice, you need to drink it within 20 minutes of it being made.

Smoothies

Unlike juices, smoothies consist of the entire fruit or vegetable, skin and all and contain all of the fiber from the vegetables. However, the blending process breaks the fiber apart (which makes the fruit and vegetables easier to digest) but also helps create a slow, even release of nutrients into the blood stream and avoids blood sugar spikes. Smoothies tend to be more filling, because of the fiber, and generally faster to make than juice, so they can be great to drink first thing in the morning as your breakfast, or for snacks throughout the day. By including the fiber in your smoothie, the volume will increase. Also, you can pack more servings of fruits and veggies into a single serving of juice than you can into a smoothie (Juicing VS Blending).



Product Sourcing

BoldBerry customers care about where their food is coming from, and realize that the norm in the United States is for food to travel thousands of miles before reaching its destination, while emitting pollution and consuming fuel. Our customers feel comfort in the fact that our produce is grown and sourced locally, and organically.

BoldBerry will partner with a wholesale organic produce distributor in Southern California. Potential suppliers include:

- **Napoli Farms, San Diego, California:** Napoli Farms, a wholesale organic produce distributor committed to connecting San Diego's local organic farm to local restaurants (Wholesale Local Organic Produce).



- **Albert's Organics:** Founded in 1982, Albert's Organics is the nation's leading distributor of quality organically grown fresh produce and perishable items, including meat, dairy, soy products, juices/beverages, and much more. From our 7 distribution centers, we deliver to almost 7,000 stores in all major metropolitan cities, most regions in the continental U.S., and to many areas in Canada, with the largest effective distribution coverage of any organic produce supplier in the country (About).



- **Earl's Organic Produce:** Earl's Organic Produce promotes organic agriculture and a sustainable food trade by cultivating enduring partnerships with growers and customers. They achieve their mission by anticipating supply and demand throughout the marketplace and distributing premium certified organic fruits and vegetables across the United States (Earl's Organic).



Organic Certification

Retail stores are not required to be certified. But they can choose to be in order to provide assurance to customers and go the extra mile to ensure that organic product integrity is maintained.

Retail food establishments (retailers) do not need to be certified in order to sell organic agricultural products. However, they are responsible for verifying and maintaining the organic integrity of those products and cannot label the product as certified organic or use the USDA seal. The retailer also needs to comply with product composition requirements and labeling requirements under the regulations.



In order to certify your retail store, organic certification involves the same standards as processor organic certification and is applied to specific departments in the store.

Verification includes that organic products are handled in a manner that maintains their organic integrity until they are in the hands of the customer and meets USDA NOP organic product handling standards. This includes, but is not limited to:

- Verification of compliant signage and organic claims
- Verification of organic sources
- Prevention of contamination with pest control materials
- Prevention of contamination with sanitation materials (used on organic food/contact surfaces)
- Prevention of commingling of organic products with non-organic products, both on display and in storage/receiving (Frequently Asked Questions)

Please see Attachment F: Steps to Becoming Certified Organic.

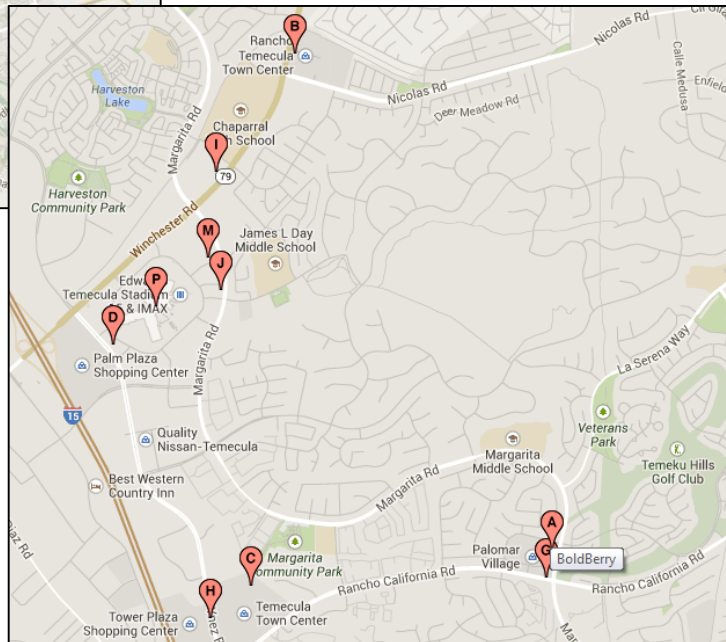
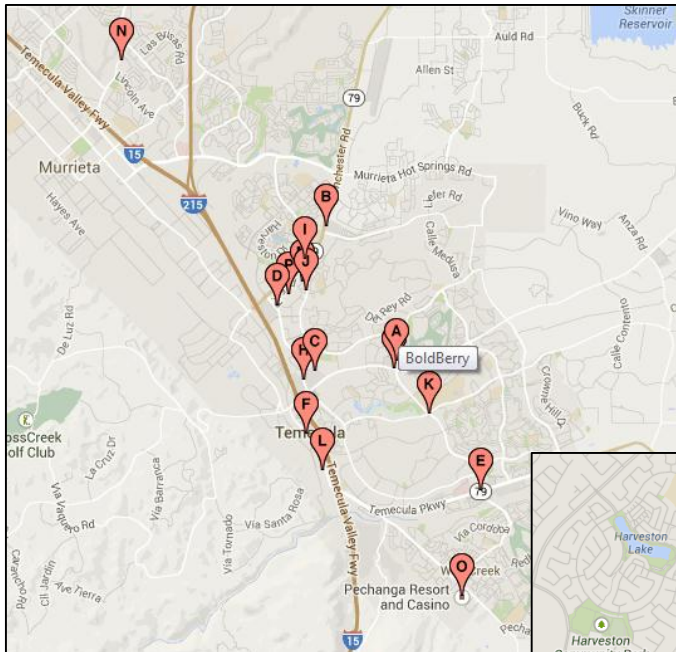
COMPETITION

Store Placement

Temecula, California is the target city for the flagship store placement.

Temecula Competitors

- | | | |
|--|---|----------------------|
| A. BoldBerry (Location marked for reference within map) | G. Nutrition For You | M. Organic Roots |
| B. Juice It Up! | H. Maui Wowi Hawaiian Coffees and Smoothies | N. Waterzon |
| C. Juice Bar | I. Chill Zone | O. Caffe Cocoa |
| D. Jamba Juice | J. Simply Healthy Temecula | P. Surf City Squeeze |
| E. Jamba Juice | K. Olivera's Coffee & Juice Bar | |
| F. Natural Juice Bar and Deli | L. Reza Café | |



Top Juice and Smoothie Competitors in Temecula



Juice It Up! is a franchised juice and smoothie bar company. It has 85 locations in its chain through which it delivers real fruit handcrafted smoothies, fresh squeezed raw juices, and healthy snacks. Frank Easterbrook is the company's principal owner along with being the President and CEO. The company is based in Irvine, California, and originated in 1995. Juice It Up! believes life is all about blending the right ingredients in the right proportions: nutrition, health, love, passion, work, family & friends. Eating healthy foods and living an active lifestyle are the keys to feeling great. Our commitment to quality includes using fresh ingredients and offering delicious options for our customers (Nutritional Info).



Jamba Juice Company is a restaurant retailer headquartered in Emeryville, California, with over 800 locations operating in 26 states, the Bahamas, Canada, the Philippines, Mexico and South Korea. There are approximately 287 company-owned locations and 517 franchise-operated stores in the United States of America, in addition to the 45 international stores.

Jamba Juice was conceived and founded in April 1990 by Kirk Perron, an avid cyclist and healthy-lifestyle advocate who opened his first store in San Luis Obispo, California. It was incorporated in 1990 as Juice Club, Inc. in San Luis Obispo. Jamba Juice acquired all nationwide Zuka Juice, Inc. stores in March 1999. Zuka Juice was founded in Orem, Utah, by Dave Duffin and also was a prominent smoothie company at the time.

On March 13, 2006, Jamba Juice agreed to be acquired by Services Acquisition Corp. International for \$265 million. Services Acquisition is headed by Steven Berrard, former CEO of Blockbuster Inc. Upon the closing of the transaction, the publicly traded Services Acquisition changed its name to Jamba, Inc.

In June 2008, Jamba, Inc. announced that it had completed a \$35.0 million convertible preferred stock transaction. The convertible preferred stock becomes redeemable by Jamba, Inc. at the election of the purchasers in June 2016 unless converted earlier and includes an 8% annual dividend. The preferred stock is convertible into common shares at a price of \$1.15 per share. The funding was led by a \$19.55 million investment by Mistral Equity Partners, a private equity fund focused on consumer products and services companies, with the remaining \$15.45 million investment made by a company controlled by the Serruya Family, a successful entrepreneurial Canadian-based family who founded the Yogen Früz frozen yogurt and smoothie chain. In December 2008, Jamba began a strategic move to transform the company from a smoothie shop to include a line of wraps, sandwiches, salads, and flatbreads. Jamba currently has over 750 locations in 26 states across the U.S. with a small number of international outlets (Jamba Juice).



Nutrition for You carries Herbalife products, vitamins, supplements and weight loss programs. They specialize in protein drinks. They are open from 8 a.m. to 2 p.m. and closed on Sundays. Their focus is on health and supplements, with a small smoothie bar. They lack a significant web presence or following, with only 4 reviews on Yelp! and a Facebook page. There is no active website page. They offer no food menu. They have free Wi-Fi available for customers (Nutrition for You).



Juice Bar of Temecula opened in 1995 and was the first smoothie shop to open in Temecula. They carry items such as boba, ice tea, fruit slushies, coffee slushies, a juice bar, protein shakes, specialty smoothies and mixed fruit smoothies. They are a local business and use real frozen yogurt as a main ingredient (Juice Bar).



Founded in 1982 by Jeff & Jill Summerhays, Maui Wowi Hawaiian was built to provide their 'Ohana (family) a healthy alternative to the sugar and fat laden foods that seemed to be everywhere!

Just as passionate, the Summerhays wanted to create a business model that was fun, flexible, and mobile so they could offer their all-natural, fresh fruit smoothies anywhere they felt like traveling. The Australia's Gold Coast seemed like the perfect place to hang and put their concept to the test... so they packed it up, and headed to the 'Land Down Under'. It was not long before the Aussies learned to crave these 'onolicious blends.

Over the years the Summerhays continued to painstakingly perfect their proprietary non-fat yogurt recipes, research exotic locations for their fruit juices, fruit purees, and all-natural flavorings. Today, Maui Wowi Hawaiian Smoothies are considered be the highest quality smoothies in the world!

Products include all-natural fresh fruit smoothies, Hawaiian coffees and Kona espresso, hot koko, kona and Tahitian vanilla chill (Maui Wowi).



Competitor Comparison

Features	BoldBerry	Juice It Up!	Jamba Juice	Nutrition for You	Juice Bar	Maui Wowi
Made with organic fruits & vegetables?	Yes	No	No	No	No	No
Offer variations for food allergies?	Yes	Only non-dairy blends and option for soy	Only non-dairy blends that do not contain sherbet, frozen yogurt, or other milk products	Only non-dairy blends	Only non-dairy blends	Only non-dairy blends
Fresh or frozen?	Fresh	Frozen	Frozen	Frozen	Frozen	Frozen
Customizable juice and smoothie options available?	Yes	No, only pre-created combinations	No, only pre-created combinations	No, only pre-created combinations	No, only pre-created combinations	No, only pre-created combinations
In-store health-centric education and events?	Yes	No	No	No	No	No
Food options available?	Yes – breakfast, lunch, dinner options	Yes – Only small snacks	Yes – flatbreads, baked goods, breakfast wraps, sandwiches, bowls	Yes – Only small snacks	Yes – Only small snacks	Yes – Only small snacks
Fundraising?	Yes	Yes	Yes	Yes	Yes	Yes
Drive-thru?	Yes	No	No	No	No	No



MARKETING STRATEGY

Positioning Statement

For active, trendy, health enthusiasts, BoldBerry is the organic, locally-sourced juice and smoothie bar that surpasses all chain smoothie shops, due to our commitment to freshness and quality.

Promotion Strategy

BoldBerry's strategy is to build a local presence and relationship with our client base. We want to provide support and health awareness to the community. We will leverage social media, once our client base has been established and we are a well-known and recognized name in the community.

BoldBerry's goal is to become a fabric of the local community where all types of people meet to discuss healthy eating, their health goals, and their active lifestyle – in addition to the latest gossip and PTA meeting!

Relationship Building

BoldBerry will utilize the following promotion methods to build brand awareness, relationships and partnerships:

- **Direct Mail Marketing Campaign:** Before the store opens, a direct mail marketing campaign will be distributed to invite the local community to the Grand Opening Event. Year one: One campaign each quarter. Year two: One campaign every six months. Year three: One campaign.
- **Participation in Local Food Events:** "Taste of Temecula" event for local restaurants. Samples will be provided to attendees. Goal to raise awareness and presence in community.
- **Presence at Temecula Farmer's Markets:** This is a great way to have a presence for like-minded individuals that shop at farmer's markets. Brand exposure and also exposure to our values, such as quality and organic produce. Old Town Temecula Farmer's Market is every Saturday and Wednesday from 8 a.m. to 12 p.m. in Old Town Temecula. There is an additional Farmer's Market at Promenade Mall every Wednesday from 9 a.m. to 1 p.m.
- **Partner with Local Schools and Organizations for Fundraising:** Meet with local schools and provide opportunity for specific days where family and friends of the school can purchase from BoldBerry, and a percentage of purchases are donated back to the school or organization.

Please see Attachment G: List of Local Schools and Organizations.

Social Media

- **Call to Action Text Alerts:** Provide customers opportunity to sign up in-store with contact information for coupons ad blog alerts. Phone number will also be provided, and call to action text alerts will be distributed intermittently where customers can show the text and receive a special deal or coupon.
- **BoldBerry Blog:** Blogging will occur at least twice per month. Email blast of the blog will be sent to those on the customer list that signed up in-store. Blog content will consist of health and food related topics.
- **Social Media Presence:** Facebook, Twitter, Pinterest, Yelp!, Instagram, Vine, Urbanspoon under available username *BoldBerry Smoothies*



"Deal" Apps

Use of deal apps starting in year two. Goal is to grow client base and relationships organically in the community in year one, before discounting the brand on "deal" apps.

- Groupon
- Living Social



In-Store Events and Demonstrations

Partner with local health coaches and activists to come to store location each week for special presentation on a particular health/wellness/environmental topic, and present products. Goal is to establish community with customers, expand awareness on certain topics and bring in customers.

Examples of these events include:

- DoTerra Essential Oil presentation (medicine cabinet makeover)
- NuSkin products (vitamins and weight-loss plans)
- Green Smoothie Girl health coaches
- Environmental awareness presentations

Please see Attachment H: Sample Event and Demonstration Materials.



Website

Website has been created to serve as a resource for our customers on our beverages and foods, in addition to health news and in-store events. URL <http://www.boldberry.com> is available.





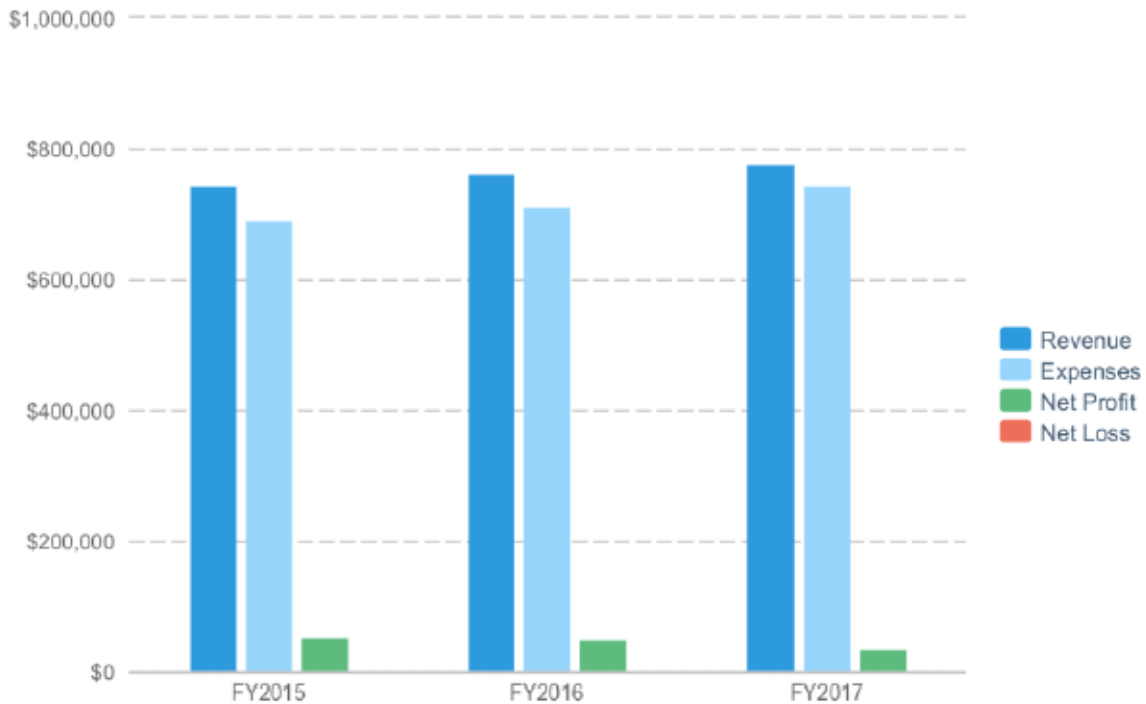
SALES AND PRICING STRATEGY

Pricing Strategy

- Organic Juices, Made to Order
 - Small (8 oz): \$4.00
 - Medium (16 oz): \$6.00
 - Large (32 oz): \$8.00
- Organic Smoothies
 - Small (8 oz): \$3.50
 - Medium (16 oz): \$5.50
 - Large (32 oz): \$7.50
- Breakfast Menu
 - Wrap: \$6
 - English Muffin: \$5
 - Yogurt Parfait: \$5
 - Waffle Sandwich: \$4
 - Bagel/Muffin: \$5
- Lunch and Dinner Menu
 - Wrap: \$6
- Acai Bowls
 - Small: \$5
 - Large: \$7.50
- Add-In: \$1

Projected Financial Highlights by Year

Based on Total Revenue





IMPLEMENTATION TIMELINES AND MILESTONES

The goal is to have the store up and running with a six month timeframe. Target opening mid-January 2015.

Milestone	Start Date	End Date	Budget	Owner
Finish Business Plan	1/8/14	4/23/14	\$0	AML
Acquire Financing	6/1/14	7/1/14	\$500	AML/KFG
Lease Space (\$2/SF @ 1,675 SF)	7/1/14	8/1/14	\$3,350	AML/KFG
Order Equipment/Supplies	8/1/14	8/14/14	\$34,200	AML/KFG
Secure Produce Suppliers	8/1/14	8/14/14	\$500	AML/KFG
Paint/Construction	8/1/14	10/1/14	\$10,000	Painter/Family
Install Internal and External Monument Signage	10/1/14	10/14/14	\$10,000	Sign Company
Begin Hiring	11/1/14	12/14/14	\$200	AML/KFG
First Direct Mail Marketing – Promote Grand Opening	12/1/14	12/7/14	\$8,000	AML/KFG and Marketing Printer
Decorate/Furnish Restaurant	10/1/14	11/1/14	\$10,000	AML/KFG
Website/Social Media/Blog Up	8/1/14	N/A	\$0	College Marketing Intern
Website Hosting	8/1/14	N/A	\$100	College Marketing Intern
Finalize Menu	9/1/14	9/7/14	\$0	AML/KFG
Buy Food for Opening	1/1/15	N/A	\$4,000	AML/KFG
Staff Scheduling	1/1/15	1/7/15	\$0	AML/KFG
Finalize Hiring and Train Staff	12/14/14	1/1/15	\$2,000	AML/KFG
Grand Opening	1/14/15	N/A	\$10,000	AML/KFG
Begin Full Marketing Program	12/1/14	N/A	\$200	College Marketing Intern
Plan vs. Actual Review	2/1/14	N/A	\$0	AML/KFG

MANAGEMENT TEAM



Alison M LeBlanc, Founder and CEO

Alison holds a Master's degree in business administration with an emphasis in marketing from Concordia University in Irvine, California. She began her career at Chick-fil-A in Yorba Linda, where immediately she shot up to a managerial position after being hired and worked side by side with the Marketing Manager to execute marketing campaigns for the Yorba Linda location. Soon, Alison's passion for marketing took over and she became a Marketing Representative for Chick-fil-A. Later, Alison transitioned into the insurance industry in the role of a Marketing Analyst at CorVel Corporation in Irvine, California. Working under the Marketing Manager, Director of Marketing and Vice President of Marketing, she is responsible for numerous marketing projects and receives first hand training from the marketing team. She also coordinates multi-million dollar proposals in order to acquire new business for CorVel.

Alison's passion for health, eye for marketing and branding, combined with her business expertise converge to create the perfect storm for success of BoldBerry Organic Juice and Smoothies.



Kathy F. Goodman, Co-Founder and COO

Kathy earned a Bachelor's degree in Business Administration from Chapman University in Orange, California. She began her career in medical billing, and through her experience realized that society's current norms for health, diet, exercise and wellness are subpar. This dove Kathy into her true passion – Health and Wellness. She pursues numerous classes and seminars to further her education on a wholesome and pure lifestyle – while continuing to expand her network of resources. Kathy's background as a Senior Marketing Analyst lends to her keen eye for marketing, branding, social media and new business acquisition.

Kathy's desire to educate society on the benefits of an organic diet while creating local sustainability – combined with business experience – drives her passion to create BoldBerry Organic Juice and Smoothies' success.

For additional information, please see Attachment I: Management Bios.



PERSONNEL PLAN

Store Hours

Monday – Friday 6:30 a.m. – 7:00 p.m.

Saturday: 7:00 a.m. – 7:00 p.m. & Sunday: 8:00 a.m. – 6:00 p.m.

Hourly Sales Projection

Hour	Projected Percentage Business Conducted	Average Ticket Amount	Projected Tickets	Projected Sales
5:00 AM (Prep)*	0	0	0	0
6:00 AM	3%	\$10	3	\$30
7:00 AM	7%	\$10	12	\$120
8:00 AM	15%	\$12	14	\$168
9:00 AM	4%	\$12	17	\$204
10:00 AM	3%	\$12	17	\$204
11:00 AM	5%	\$10	12	\$120
12:00 PM	15%	\$12	16	\$192
1:00 PM	18%	\$12	14	\$168
2:00 PM	5%	\$5	12	\$60
3:00 PM	4%	\$5	12	\$60
4:00 PM	4%	\$5	12	\$60
5:00 PM	8%	\$5	12	\$60
6:00 PM	6%	\$12	14	\$168
7:00 PM	3%	\$10	16	\$160
8:00 PM (Closing)*	0	0		0
Total	100%	--	183	\$1,744

**Adjustments will be made for Saturday and Sunday schedules*



Staffing Model

Hour	Projected Percentage Business Conducted	Amount of Kitchen Staff Required	Amount of Front of House Staff Required	Manager
5:00 AM (Prep)*	0	1	1	0
6:00 AM	3%	1	1	0
7:00 AM	7%	2	1	0
8:00 AM	15%	2	1	1
9:00 AM	4%	2	1	1
10:00 AM	3%	2	1	1
11:00 AM	5%	2	1	1
12:00 PM	15%	2	1	1
1:00 PM	18%	2	1	1
2:00 PM	5%	1	1	1
3:00 PM	4%	1	1	1
4:00 PM	4%	1	1	1
5:00 PM	8%	1	1	1
6:00 PM	6%	1	1	1
7:00 PM	3%	1	1	0
8:00 PM (Closing)*	0	1	1	0

	FY2015	FY2016	FY2017
Kitchen Manager FT	\$31,200	\$34,320	\$37,752
Kitchen FT	\$22,880	\$25,168	\$27,685
FOH FT	\$22,880	\$25,168	\$27,685
Alison LeBlanc	\$75,000	\$82,500	\$90,750
Kathy Goodman	\$75,000	\$82,500	\$90,750
Marketing Intern FT	\$22,880	\$25,168	\$27,685
Total	\$249,840	\$274,824	\$302,307



FINANCIAL SUMMARY

Start Up Expenses

- First Month Rent: \$3,350
- Security Deposit: \$3,350
- Insurance: \$5,000
- Permits/Licenses: \$5,000
- Utilities: \$2,000

Initial Equipment Costs

- Refrigeration: Walk-in Cooler: \$7,000
- Ice Machine: \$2,500
- Deli Case Refrigerated Merchandiser: \$4,000
- Convection Oven: \$1,100
- Bread Toaster: \$1,100
- Range with Oven: \$4,500
- (2) Juicers: \$4,000
- (3) Blenders: \$1,800
- Food Prep Supplies: \$3,000
- Dining Room Supplies: \$2,000
- Bakeware/Cookware: \$1,500
- Warewashing/Shelving: \$1,000
- Janitorial Supplies: \$1,000

Initial Furniture Costs

- Tables: \$10,000
- Décor: \$2,000

Start Up Food Costs

- Food: \$4,000

Misc

- POS System: \$10,000
- Monument and Interior Signage: \$10,000
- Grand Opening: \$10,000
- First Direct Mail Marketing: \$8,000
- Paint/Construction: \$10,000

Total: \$116,100

Loan Requested: \$120,000

Budget

Budget Table

	FY2015	FY2016	FY2017
Operating Expenses			
Salary	\$249,840	\$274,824	\$302,307
Employee Related Expenses	\$49,968	\$54,966	\$60,461
Grand Opening	\$8,000	\$0	\$0
Utilities	\$37,212	\$38,055	\$38,871
Insurance	\$10,000	\$10,000	\$10,000
Lease Payment	\$40,200	\$40,200	\$40,200
Acquire Financing	\$500	\$0	\$0
Produce Purchase	\$52,097	\$53,277	\$54,419
Staff Training	\$22,327	\$22,833	\$23,323
Direct Mail Marketing Campaign	\$8,000	\$4,000	\$2,000
Marketing Program	\$3,721	\$3,806	\$3,887
Interest Expense	\$6,000	\$6,000	\$6,000
Loan Repayment	\$15,360	\$15,360	\$15,360
Start-Up Labor for Training Time	\$5,000	\$0	\$0
Total Operating Expenses	\$508,225	\$523,321	\$556,828
Major Purchases			
Order Equipment / Supplies	\$34,500	\$0	\$0
Paint / Construction	\$10,000	\$0	\$0
Monument Signage	\$10,000	\$0	\$0
Decorate / Furnish Restaurant	\$12,000	\$0	\$0
Major Purchase Allotment After Year 1	\$0	\$10,000	\$0
POS System	\$10,000	\$0	\$0
Total Major Purchases	\$76,500	\$10,000	\$0



Please see Attachment K – Financial Summary for all projected financials for BoldBerry.



ATTACHMENTS

- A. Additional Company Location Information
- B. Pop Facts Demographic Snapshot Report
- C. RMP Opportunity Gap – Retail Stores
- D. Organic Food Regulations
- E. Proposed Menu
- F. Steps to Becoming Certified Organic
- G. List of Local Schools and Organizations
- H. Sample Event and Demonstration Materials
- I. Management Bios
- J. Works Cited
- K. Financial Summary



Attachment A: Additional Company Location Information



Attachment B: Pop Facts Demographic Snapshot Report



Attachment C: RMP Opportunity Gap – Retail Stores



Attachment D: Organic Food Regulations



Attachment E: Proposed Menu



Attachment F: Steps to Becoming Organic



Attachment G: List of Local Schools and Organizations



Attachment H: Sample Event and Demonstration Materials



Attachment I: Management Bios



Attachment J: Works Cited



Attachment K: Financial Summary