

# Spur

coffee roasters



## BUSINESS PLAN

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## Jenna Biersch

*Jenna's a native Californian with an interest in design and business. As a team member, she brings strong communication skills, time management, and critical thinking to the group. Her work background includes the service industry, styling, retail, customer service, and operations. Her wide scope of job experience brings an uncommon perspective to the team. Additionally, she enjoys coffee on the regular and has an immense appreciation for the industry.*

## Avi Magaram

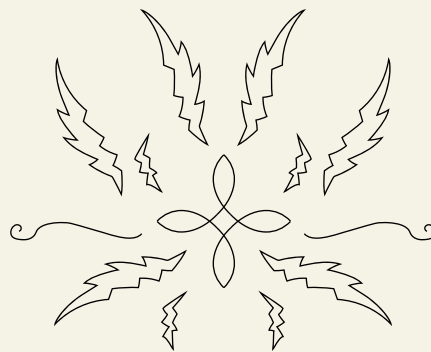
*Born in Seattle, Washington, Avi is an entrepreneur with a background in the fashion industry and a lifelong passion for coffee. Avi's skill set is comprised of critical thinking, marketing, and brand direction. Focusing primarily on consumer relations, he has directed and assisted in the production of various projects for noteworthy editorial firms and has founded two direct-to-consumer fashion companies.*

## Era Asterisk

*Era is an artist with a foundation of design thinking and specializes in creative direction as well as maintaining congruency and authenticity across a business. He has founded multiple entrepreneurial ventures of his own, consulted as a designer with startups, and has worked within the fashion industry from an early age. Focused on achieving alignment between branding, operations, and values, Era helps create focused and highly motivated business entities.*

# THE TEAM

# MISSION / VISION / VALUES



## Mission Statement

*We want to provide an energy solution that is more attuned with our bodies*

## Vision Statement

*Our hope is to help create a world where we have balanced energy*

## Our Values

*We prioritize...*

*Balance  
Taste  
Sustainability  
Trust & Transparency*

# THE PROBLEM

## Current Offerings

*The RTD coffee beverage space is dominated by products that have excessive amounts of caffeine - significantly more than a typical cup of coffee.*

*There are no RTD coffee beverages with low-caffeine and hardly any that are decaf.*

*Most RTD coffee beverages that use milk alternatives are rated poorly because of poor taste.*

## Time of Day

*There is not currently a coffee drink that is intended for consumption later in the day. Coffee drinkers are reluctant to have another coffee beverage later in the day out of concern for being wired too late into the night.*

*Consumers are looking for a source of energy that will sustain them through the rest of their productive hours without cutting into the time allotted for rest and sleep.*

## Caffeine

*85% of the population consumes at least one caffeinated beverage in the day.*

*62% of Americans have coffee every day and average 3 cups daily; one cup of coffee typically contains 80-100 mg of caffeine.*

*FDA recommended caffeine consumption limit is 400 mg per day.*

*Caffeine can have a variety of effects on nearly every system of the body. Most commonly headaches, jitters, and digestion issues are experienced due to excessive caffeine consumption.*

## Acidity and Gut Health

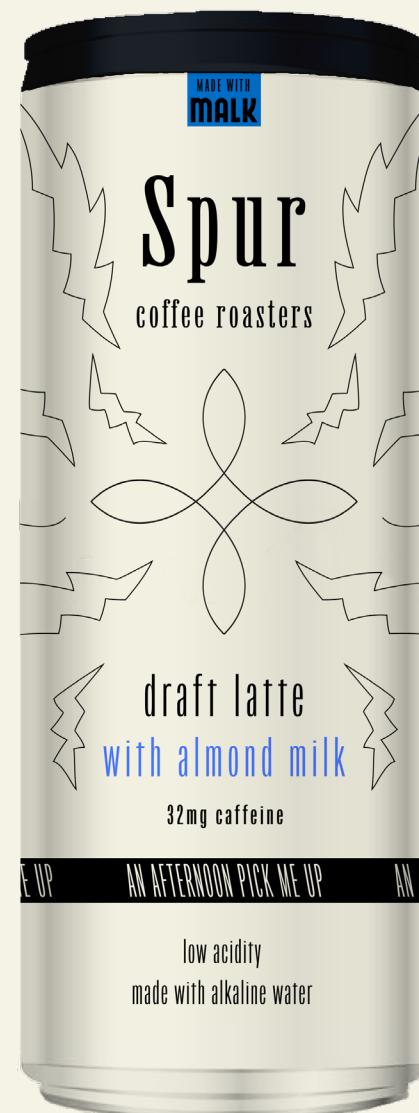
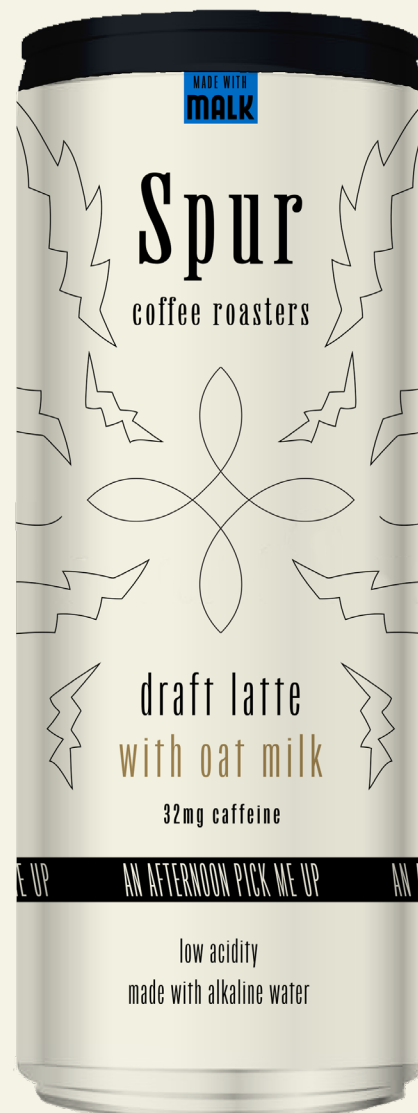
*After drinking coffee, the most commonly reported symptom is heartburn.*

*Coffee is widely known and scientifically proven to affect digestion and in some cases cause acid reflux or an upset stomach. While caffeine does play a role in these side effects, the acids in coffee are also a culprit.*

*Acidity in coffee can be minimized through a variety of factors along the way in making a cup of coffee from the elevation of where the beans are grown, the type of roast (light or dark), the method of brewing (cold brews yield less acidity), and the type of water used in brewing.*

# THE CONCEPT

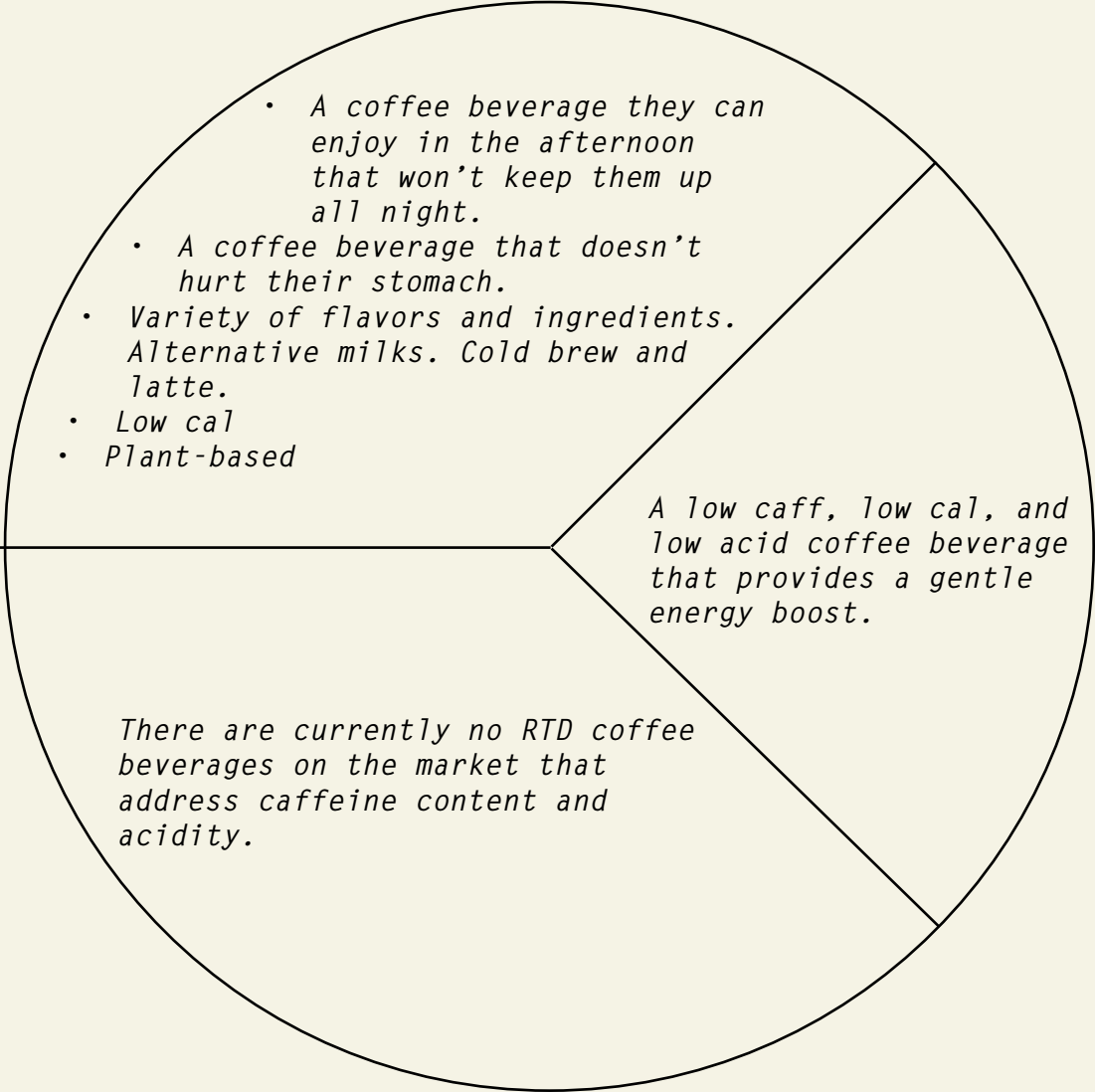
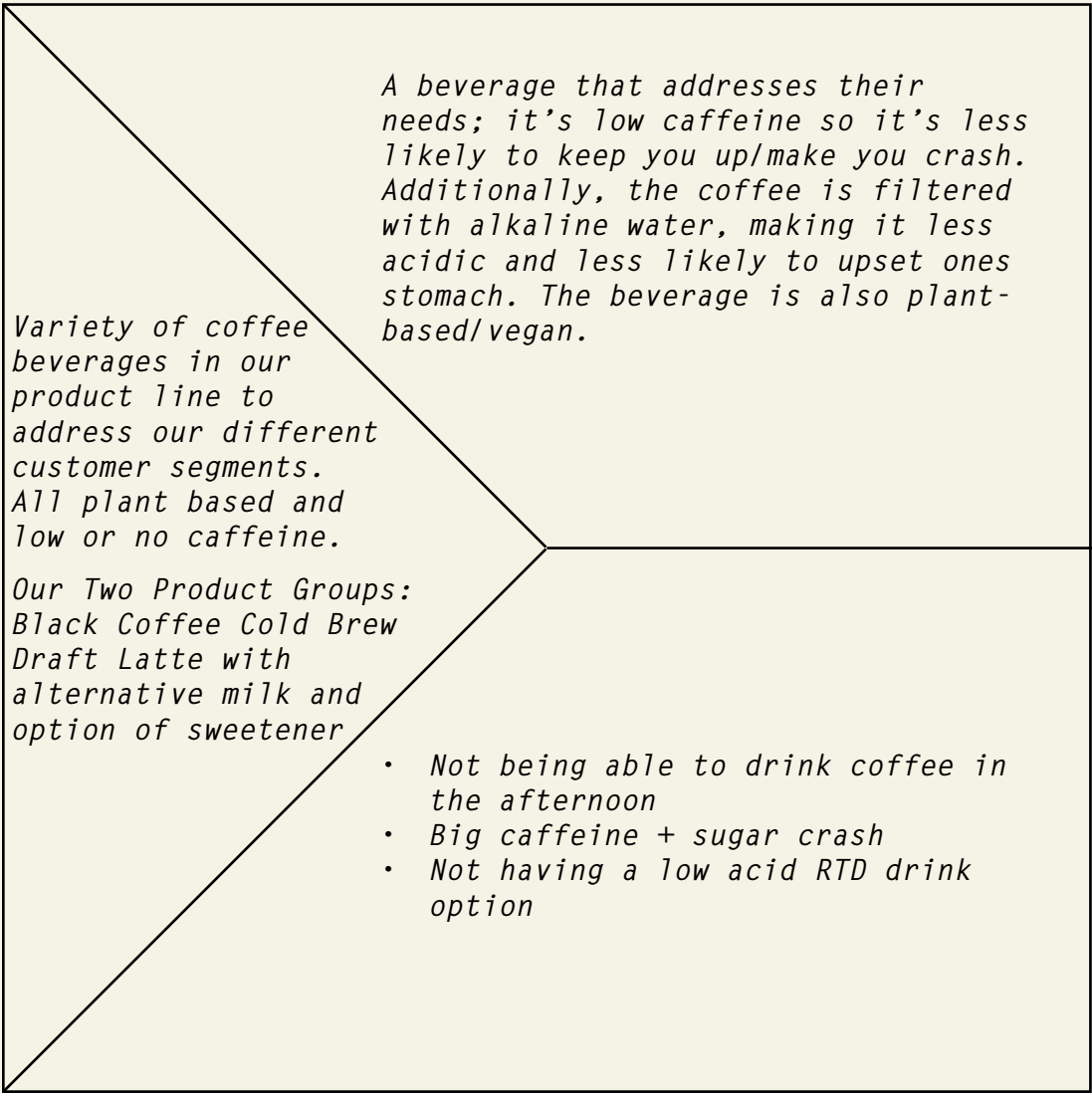
We are producing a ready-to-drink (RTD) coffee beverage with low caffeine content and reduced acidity. Targeting coffee-sensitive groups, our beverage is designed to act as a delicious and gentle afternoon pick-me-up.





<div><div>Key Partners</div><div><ul style="list-style-type: none"><li>Costa Rican low-acidity coffee farm</li><li>Alternative milk supplier</li><li>Distribution/shipping warehouse</li><li>Retail stores (convenience stores/markets)</li><li>Wholesale partners (offices/college campuses, etc.)</li><li>Manufacturing plant (brewing &amp; formulation)</li><li>Future investor(s)</li><li>Advertising agency</li></ul></div></div>	<div><div>Key Activities</div><div><ul style="list-style-type: none"><li>Product development</li><li>Quality control</li><li>Digital marketing</li><li>Customer service</li><li>Retail/Wholesale</li><li>Inventory management</li><li>Shipping</li></ul></div></div> <div><div>Key Resources</div><div><ul style="list-style-type: none"><li>Spur employees</li><li>Low-acidity coffee farm</li><li>Alternative milk</li><li>Spur office</li><li>Manufacturing plant (brewing &amp; formulation)</li><li>Canning facility</li></ul></div></div>	<div><div>Value Propositions</div><div><div>1. A low caffeine coffee beverage</div><div>2. A coffee beverage brewed with alkaline for low-acidity benefiting stomach health and digestion</div><div>3. A variety of flavor offerings to meet the tastes of each individual customer</div><div>4. Accessibility and convenience through RTD format (9 fl oz can)</div><div>5. Promise of integrity of our product and true-to-packaging quality</div></div></div>	<div><div>Customer Relationships</div><div><div>1. Our primary segment seeks our coffee to reflect our branding in regards to caffeine content.</div><div>2. Our secondary segment relies on our presence at their convenient retailers.</div><div>3. Our third segment relies on our coffee maintaining a low acidity through alkaline brewing.</div><div>4. Our fourth segment relies on a consistent offering of delicious alternative milks</div></div></div> <div><div>Channels</div><div><div>1. Grocery stores</div><div>2. Convenience stores</div><div>3. Website/DTC</div><div>4. Corporate offices</div><div>5. Display advertising</div><div>6. Social media marketing/customer service</div></div></div>	<div><div>Customer Segments</div><div><div>1. People that are sensitive to caffeine.</div><div>2. People who are students or work day jobs.</div><div>3. People with sensitive stomachs that want to drink coffee.</div><div>4. People that are vegan/plant-based coffee drinkers.</div><div>The ideal customer (the one who experiences our problem most) falls into all four of these segments.</div></div></div>	
<div><div>Cost Structure</div><div><div>Manufacturing costs of labor (canning, shipping, employee salaries)</div><div>Wholesale coffee costs from Costa Rican farm</div><div>Wholesale ingredients (alternative milk, sweetener, flavoring)</div><div>Advertising/marketing costs</div></div></div>			<div><div>Revenue Streams</div><div><div>Retail price of ~\$3 per 9fl oz can, industry competitive</div><div>Wholesale revenue from grocery &amp; convenience stores</div><div>DTC web store sales</div><div>Wholesale revenue from companies offering product to employees</div></div></div>		

# Value Proposition Canvas and Statement



Spur,  
for a gentler  
afternoon  
coffee  
boost.

## Goals and Objectives

### Where we're going:

- Getting our product on the shelves of premium retailers*
- Forming partnerships with corporate and college campuses to stock our products*
- Cultivating a strong relationship with the public that is built on trust and attentiveness to the consumers' needs*
- Finding new, more sustainable packaging*

### How we'll get there:

- Building the infrastructure to meet and maintain the level of supply required by our retail/wholesale partners*
- Rolling out a fresh and genuine marketing campaign that clearly communicates our value offered and brings people into our company culture*
- Working with packaging companies to prototype new possibilities for beverage containers*



# THE INDUSTRY & COMPETITION



## Industry Write Up

The ready-to-drink (RTD) coffee industry is a rapidly growing, with a 2019 valuation of \$22.44 billion and a projected value of \$42.36 billion by 2027. This growth can be attributed to younger generations' increasingly on-the-go lifestyles and taste for iced coffee beverages. RTD coffee also offers the potential for functional benefits, which many of the key players in the space use to attract health-savvy customers, primarily of the same younger generations. The rising trend towards alternative milks such as oat, almond, and others, is quickly being adopted by RTD coffee companies across the board, with better integration and strategic manufacturing partnerships attributable to market growth. Some of the most successful brands in RTD coffee right now are La Colombe, Stumptown Coffee, and Califia Farms. These companies are on-trend, offering tasty coffee products covering the primary RTD coffee segments: sweetened coffee, cold brew, and coffee with alternative milk. Starbucks, the largest coffee company in the world, offers a wide variety of RTD beverages and has been expanding their offering to follow the trends of the industry. Consumers are seeking differentiation in their RTD coffee products, looking for something beyond what the big coffee brands are offering, creating opportunity for emerging players in the industry.

## PESTLE Analysis

### Political

*The coffee industry primarily outsources cheap labor in places along the “Bean Belt” such as Brazil, multiple Central American countries, Southeast Asia, and a few areas in the Arabian Peninsula.*

### Economic

*Delays in the shipping industry are slowing down supply chains which has significantly impacted the coffee industry. Tight supply of shipping containers and vessels is resulting in longer wait times for the top consuming countries to receive their coffee supply.*

### Social

*Increasing on-the-go lifestyles for younger generations is leading to rapid growth in the RTD market. Consumers are becoming more inclined to grab a ready made drink on their way or nearby their work to avoid the longer commitment of time associated with freshly made coffee.*

### Technological

*New developments in sustainable packaging will open more doors for beverage companies to satisfy the emerging consumer demand for environmentally conscious products. Many of the current packaging options that are intended to be more sustainable often cause more problems than they solve.*

### Legal

*There is still some debate and vagueness from the FDA in regards to the labeling regulations for Plant-Based products. There will most likely be imminent legislation passed that makes those rules more strict.*

### Environmental

*There is a clear market trend toward the use of alternative/specialist milks (oat/almond/etc.) in place of dairy products. The main motivation behind this trend is to minimize the impact that these products have on the environment.*

# Competitive Analysis and Direct Competition

## La Colombe:

- Moderate: \$3.29/ 9 fl oz.
- Dominant in RTD coffee
- Wide offering range
- Backed by Chobani, revenue in \$100Ms
- Privately owned
- No low caffeine variant
- Oatmilk variants have mixed reviews

## Our advantage:

- Affordable (~\$0.30 cheaper)
- Tastier alternative milk offering
- Entirely plant-based
- Low-caffeine alternative
- Low acidity

## Stumptown:

- Secured partnership with Oatly
- 2021 revenue between \$10-100M
- Potential alt Milk RTD leader
- Expensive: \$3.79 11 fl oz
- Caffeine of 1.5 cups, low sugar
- No low caffeine variant

## Our advantage:

- Affordable (~\$0.10 cheaper)
- Low acidity
- Low-caffeine
- Cans (better environmentally)

## Blue Bottle:

- Renowned brand in barista coffee
- Very expensive, \$3.99 8 fl oz
- Well received flavor profile
- No alt milk
- Caffeine content not listed
- Only 3 variants

## Our advantage:

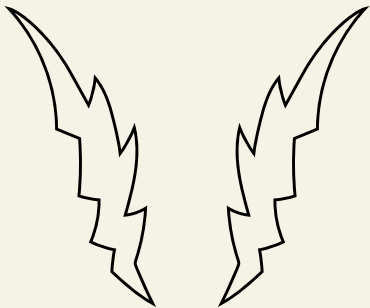
- Affordable (~\$1.48 cheaper)
- Alternative milk / plant-based
- Low-caffeine
- Low-acidity

## Califia:

- Popular brand for alternative milks
- Addresses market for sweeter RTD
- “Medium” caffeine strength (undisclosed)
- Moderate: \$3.19 10.5 fl oz
- Cold brew only
- One of the leaders in alt milk RTD coffee (offers mushroom)

## Our advantage:

- Low-caffeine
- Low-acidity
- Cans (better environmentally)



# Indirect Competition

## MUD/WTR:

- No RTD drink
- Low caffeinated coffee alternative
- Advertises energy and focus without jitters, crashing, and dependency
- Primarily mushroom based
- Vegan
- Low cal, low sugar
- 1 product offering

## Four Sigmatic:

- No RTD drink
- Low caffeinated coffee alternative
- Advertises lions mane and chaga to promote clean and focused energy, no bitterness
- Organic, plant based, no sugar
- Variety of products, flavors, and different benefits

## Teecino:

- No RTD drink
- Non-caffeinated herbal beverage coffee alternative
- Advertises low acidity and bitterness, natural energy boost, health benefits
- Organic
- Large variety of products, flavors, and different benefits

## Dandy Blend:

- No RTD drink
- Non-caffeinated herbal beverage coffee alternative
- Advertises a rich, bold, and creamy flavor without jitters. No acidity or bitterness
- Vegan
- 1 product offering

# Competitive Matrix

Factor	Spur	La Colombe	Stumptown	Blue Bottle	Califia
# of Products	6	15	6	6	6
Avg. Price	\$3.00	\$3.29	\$3.79	\$3.98	\$3.19
Caffeine Content	32mg	180mg	279mg	210mg	50mg-100mg
Alternative Milks	Oat and Almond	Oat	Oat	None	Oat and Almond
Acidity	Low	Mod - High	Mod - High	Mod - High	Mod - High
Taste Rating	High	Moderate (varies across offerings)	Low - Mod	High	Low
Packaging	Cans	Cans	Tetrapaks	Cans and milk style cartons	Plastic Bottles
Other Noteworthy Features	Alkaline and Plant Based	Plant Based and Wide Variety	Partnership with Oatly and Unique Flavors	High End	Leader in Alt Milk

# SWOT Analysis

<b>Strengths</b> <i>Our product line address an under served market with its health-conscious features without sacrificing exceptional taste. This establishes a brand identity that is unique in the market.</i>	<b>Weaknesses</b> <i>As a new entrant, we have yet to establish a strong position in the market. Our business model is also reliant on other international supply chains to manufacture our product which imposes risk.</i>
<b>Opportunities</b> <i>There is potential to find new functional benefits or alternative sources of energy to include in our product lineup as more trends emerge. Additionally, we could enter into other popular beverage categories.</i>	<b>Threats</b> <i>Our entrance into the market could trigger copycat products from larger, more established players in the RTD coffee space. This will be combated by offering a superior drinking experience.</i>

# Competitive 2x2



# Market Analysis Overview

With a current market value of approximately \$23 billion, the RTD coffee market is growing rapidly with new consumers entering constantly. The primary consumers of RTD coffee are gen X, prefer iced coffee, and keep up with emerging trends such as alternative milks and added functional benefits. Spur is a coffee company aiming to target this younger American consumer that has high demands for their RTD coffee beverages. Spur’s unique value comes through its emphasis on being plant-based, low caffeine, and low acidity, which not only appeals to a younger audience but long-time older coffee drinkers seeking an afternoon pick-me-up thats gentler on the stomach.

- Market demand exists for three primary product offerings, which Spur delivers in key varieties:
- 1. Black coffee / cold brew
  - 2. Coffee with alternative milk
  - 3. Sweetened coffee

- Gaps in the market that Spur addresses can be divided into four categories:
- 1. People that are sensitive to caffeine. (psychographic)
  - 2. People who are students or work day jobs. (demographic)
  - 3. People with sensitive stomachs that want to drink coffee. (psychographic)
  - 4. People that are vegan/plant-based coffee drinkers. (behavioral)

The ideal customer (the one who experiences our problem most) falls into all four of these segments. RTD coffee consumers are living on-the-go lifestyles, finding their products at their local grocery and convenience stores, as well as direct-to-consumer websites. Spur is placed at all of these touch points, ensuring that it finds its proper audience and beats competing brands. Opportunities in the RTD coffee market exist in plant-based/alternative milk, low/no caffeine, and added benefits, which Spur address through its wide range of products. Consumers in these opportunity spaces are under served, particularly in low/no caffeine RTD.

# THE MARKET



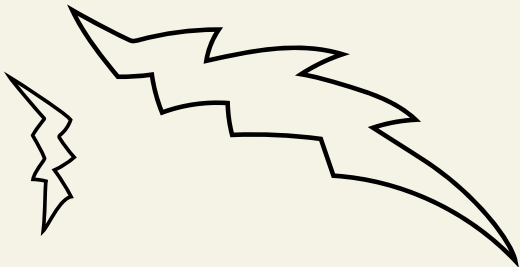
## Interviews and Insights

A majority of interviewees deal with the negative side effects of caffeine on their stomachs

Unanimously desire variety: flavors, specialty milks, types of coffee: cold brew, latte

Majority were interested in a lower caffeinated RTD pick-me-up beverage

Low calorie and low sugar is preferred





# Target Consumer Overview

Our most important consumers are 9-5’ers and university students who live “on-the-go” lifestyles. Spur’s primary target consumer are people who work during the day that already consume coffee. Our secondary market consists of those who are sensitive to caffeine.

# Target Consumer Profile

Age: Millennials to Gen X

Geographic: Urban/Suburban American

Gender: All

Psychographic: Sensitive to coffee/caffeine, sensitive stomach

Behavioral: Vegan/plant-based or enjoys plant-based products

Income: Middle to upper class, RTD coffee with added benefits is a luxury product in many ways, and Spur aims to compete with other higher priced RTD coffee.

Market Section: High-end offering but attainable for a middle-class consumer

Life Cycle: College students, single, newlyweds, new parents



Primary Persona

Focused

Ambitious

Conscious Consumer

Motivation

Incentive

Fear

Growth

Power

Social

Goals

Maintaining work-life balance

Excelling in career

Getting the most out of time in NY

Frustrations

Logistics of everyday adult life (ex: commuting)

Overwhelming amount of work

Maintaining high levels of productivity

Bio

I leave the house around 7:30 am, and I don't return until after 6 pm. I commute about 20 minutes on the metro. This means I'm usually making coffee at home around 7 or I'm grabbing one from my favorite coffee shop on the way. I especially love this artisanal place around the block from my apartment with the best roasted coffee, and they carry my favorite oat milk. Dairy milk upsets my stomach, so I don't consume it anymore. The only time I'll ever go to Starbucks is if there are no other quicker options because I can order it through my phone. I often workout after work, so most days I'm considering caffeine around 2-4 pm in order to have enough energy for the rest of the day. Sometimes I'm hesitant because caffeine can keep me up at night if I consume a lot late in the day.

Personality

Introvert

Extrovert

Thinking

Feeling

Sensing

Intuition

Judging

Perceiving

"Building a career and network."

Age: 25

Work: Marketing Firm

Family: Single

Location: New York, NY

Character: Young Corporate

Secondary Persona

Newly Retied

Health Conscious

Active

Motivation

Incentive

Fear

Growth

Power

Social

Goals

Enjoying new-found free time

Maintaining health

Getting to see grandkids grow up

Frustrations

Seeing the prevalence of unhealthy products

Feeling their age/lethargic

Acid reflux

Bio

After not taking the best care of my body in my youth, I'm trying to make up for my unhealthy ways over the years by doing everything I can now. I retired about a year ago which has given me more free time than ever before to spend time with my family and play a more active role in my grandkids' lives. I exercise regularly whether it be riding my bike, going for walks with my wife, or spending an hour at the gym. I try to eat a clean and healthy diet, but I did maintain one vice from my corporate years - multiple cups of coffee throughout the day. Especially as I get older, I want to feel as energized as possible throughout the day. The problem is that I notice the caffeine and acidity from the coffee taking a toll on my body.

Personality

Introvert

Extrovert

Thinking

Feeling

Sensing

Intuition

Judging

Perceiving

"Enjoying my new beginning."

Age: 67

Work: Retired

Family: Father & Grandfather

Location: Charlotte, NC

Character: Health Nut

# OPERATIONS PLAN

## Organizational Legal Structure

**C Corporation:** Spur Coffee Roasters seeks this classification because it is more permitting for seed and venture capital and growth as a company with a greater equity division. We intend on filing a certificate of formation with the Texas Secretary of State. A C corporation is a legal entity with the characteristics of limited liability, centralization of management, perpetual duration, and ease of transferability of ownership interests (sos.state.tx.us). The owners, Era, Avi, and Jenna, will be known as “shareholders” of Spur.

## Staffing Needs and Structure

### Shareholders

#### Era (CEO)

Delegating and directing agendas, driving profitability, managing company organizational structure, strategy, and communicating with the board.

#### Avi (Head of Branding + Marketing)

His team:

Social Media Coordinator

Ad Agency based in Houston that helps with content

Partnerships: Connect and hires with content creators

#### Jenna (Operations Manager)

Oversees Houston office operations production, Houston Warehouse, Customer Service, keeps licensing up to date (Certified organic and vegan)

Her team:

Employee in charge of inventory and facilitates ordering of ingredients, cans, labels, alkaline water etc

Customer service manager

2 agents

### Other Stakeholders

#### Production and coffee sourcing

Coffee partnership Costa Rica  
1 person based on farm: quality control, safety, proper amount ordered

Houston Production facility  
- third party we pay to make product and package it

#### Retail Partnerships

Team of 2

Communicates with our wholesale partners

#### Accountant

Pays and sends invoices

Keeps tracks of our finances, projects finances, etc

## Where/How We Will Make Money

Spur intends to make our money primarily through wholesale accounts with health focused grocery stores. The largest ones being Whole foods and Sprouts. Being based in Houston, Texas we want to focus on Natural Grocers and HEB (including subsidiary high end grocer Central Market); two large chains in Texas as well. Lastly, Erewhon, a health focused grocery store chain in Los Angeles, that has plans of expansion outside of California. Money will also be made on our website through the e-commerce platform Shopify with direct to consumer sales of Spur. We’ll offer our customers different bundle options (i.e. six packs, 12 packs) and a subscribe & save option that enables our customers to receive Spur on a monthly basis. Spur will also be offered on Amazon through Amazon Fresh and Whole Foods.

## Pricing

Direct competitor pricing ranges from \$3.00-\$4.00 per individual can. Our pricing will fall on the lower end of this range with our cold brews priced at \$3.00/can and draft lattes at \$3.50/can. We will also offer 6-pack bundles and 12-pack bundles which will reduce the per unit price for the customer.



\$3.00



\$3.50



Cold Brew \$15.00

Draft Latte \$17.50



Cold Brew \$30.00

Draft Latte \$35.00





# Marketing Activities & Channels

Our initial marketing activities consist of both digital and physical marketing channels. Our primary digital marketing is through web SEO and Google advertising as well as social media marketing on Instagram, Twitter, and Facebook. While these channels are relatively typical, we plan on putting up billboards in metropolitan areas, sponsoring events, and conducting video ad campaigns on YouTube in the future.

Our purchasing channels are primary through retail stores, ranging from high-to-mid tier grocery stores to convenience stores stocked in the beverage isles alongside RTD coffee competitors such as La Colombe and Starbucks. Additionally, the Spur website allows customers to order and ship Spur products directly to their homes. Spur plans on expanding to wholesale partnerships with corporate offices in the future, with Spur products stocked in company refrigerators, increasing word-of-mouth marketing among young professional coffee drinkers.

Following our value proposition statement, our positioning statement is:

“Spur, for a gentler afternoon coffee boost.”

Support points:

Spur offers a variety of low-caffeine coffee beverages suitable for tired afternoons.

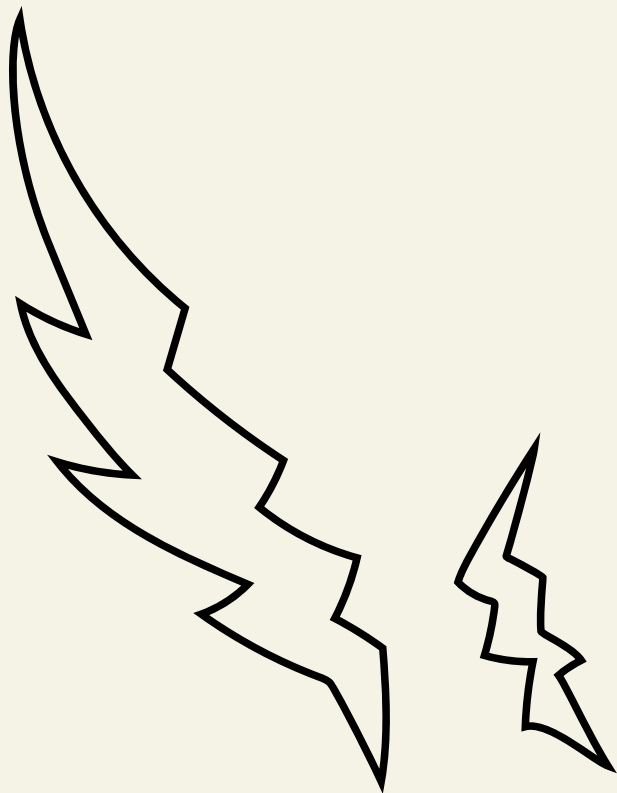
Spur coffee is brewed with alkaline water and sourced from lower altitude coffee plantations, making it less acidic and easier on the stomach.

Spur coffee products are entirely plant-based, with an ongoing collaboration with alternative milk company, Malk.

Tone: Bold and to-the-point but not afraid to crack a joke. Less is more.



## Marketing Mock-Ups



# MARKETING STRATEGY

# Outlook

*In late 2020, Spur raised funding through friends and family for a total of \$850,000 in exchange for a total of 4% in equity. We carry no significant debts and have succeeded with bootstrapping - putting all of our net income back into the company - since our initial cash infusion. Prior to the start of last year, we projected Spur to capture .5% of our Serviceable Obtainable Market, and we succeeded in capturing 1%. We do plan on exchanging more equity for cash from an angel investor - preferably with expertise in the RTD space. With our current position and the potential additional investment, we project a profit by 2023, and our growth will continue as we build more efficient infrastructure throughout 2022 with that investment. With access to better facilities and manufacturing methods, we will lower our per unit cost and reduce production time, so our profit margin will significantly increase by the start of 2023. Three years from now, we expect to be on shelves in every major market.*

# Expected Costs and Revenue Estimates

*Moving forward into 2022, we expect an increase in costs/expenses primarily in Cost of Goods Sold (COGS) and Marketing and Advertising. We will be raising production, so that our supply meets our increasing demand from new deals with grocers and corporate campuses. As we enter into new spaces, we will simultaneously increase our marketing efforts to make ourselves known in these new areas. Our total expenses projection for 2022 is \$750,000*

*These cost and expense increases are all in pursuit of growth and capturing more of the market. We expect revenues to respond to this input by the end of Q2 2022 at the latest. The amount of revenue generated at the end of 2021 is expected to be approximately tripled in 2022 at \$633,750 which would equate to roughly %3 of our serviceable obtainable market*

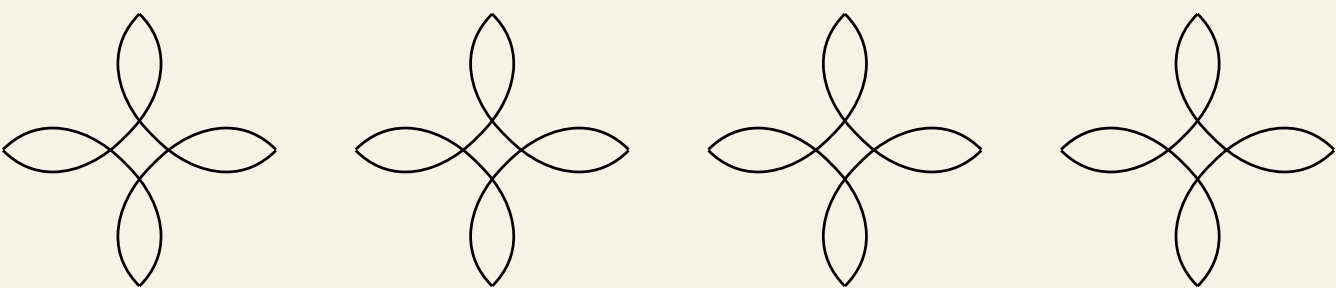
*Revenue per Unit: \$3.00/\$3.50 (Cold Brew/Draft Latte)*

*Cost to Make: \$1.25/\$1.50 (Cold Brew/Draft Latte)*

*Contribution Margin: \$1.75/\$2.00 (Cold Brew/Draft Latte)*

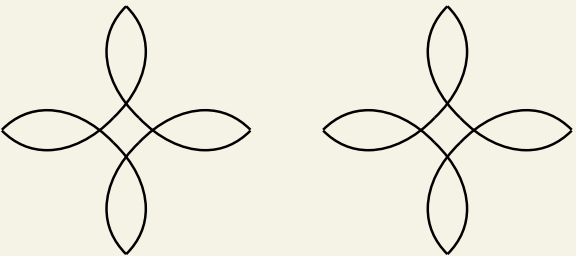
*Break-Even Point (based on 2022 expenses): 400,000 units sold*

*Customer Acquisition Cost (based on 2022 marketing and advertising budget and projected SOM increase): \$3.85/customer*



# Income Statement

	2021	2022 (projected)
Revenue	211,250	633,750
Cost of Goods Sold (COGS)	89,375	268,125
Gross Profit	121,875	365,625
Expenses		
Rent / Facilities	100,000	175,000
Research & Development	85,000	15,000
Marketing, Advertising, & Promotion	110,000	500,000
General & Administrative	215,000	260,000
Total Expenses	510,000	750,000
EBITDA (loss)	(388,135)	(584,375)
Taxes (loss)	---	---
Net Income (loss)	(388,135)	(584,375)



# FINANCIALS

# Balance Sheet

	December 2021
Assets	
Current Assets	
Cash and Cash Equivalents	461,865
Inventories	
Coffee Beans and Products	600,000
Materials and Supplies	75,000
Accounts Receivable	---
Total Current Assets	1,136,865
Investments, Advancements, and Long Term Receivables	---
Property, Plant, and Equipment - Net	110,000
Other Assets incl. Intangibles - Net	35,000
Total Assets	1,281,865
Liabilities	
Current Liabilities	
Notes and Loans Payable	50,000
Accounts Payable	25,000
Income Taxes Payable (projecting loss for 2022)	---
Total Current Liabilities	75,000
Long-Term Debt	---
Total Liabilities	75,000
Equity	
Capital Stock	
(8000 shares authorized, 320 shares issued)	850,000
Earnings Reinvested (Retained)	121,875
Total Equity	971,875
Total Liabilities and Equity	1,056,875

# Investor Ask

We are seeking an investment of \$1,000,000 for a 5% stake in our company.

This gives Spur Coffee Roasters a \$20 Million valuation which we have based on our superb performance in capturing a considerable portion of our serviceable obtainable market, surpassing even our own first year projections. There are still crucial grocer and corporate campus partnership deals that are finalizing in the next quarter which will sustain and likely exceed the growth rate we saw in year one. We are predicting a break even point to also occur in Q1 of 2023.

# Growth Strategy

As Spur Coffee scales and continues to grow, the company intends on expanding its outreach to new consumers while conducting market research and developing timely coffee products. Spur intends on partnering with public-facing companies such as media and news outlets, stocking office fridges in exchange for sponsorship and endorsements. Other aspects of Spur’s growth strategy include strengthening our bottom line, which can be done through larger bulk orders of ingredients through our suppliers, while also seeking new and more efficient partnerships outside of our existing supply chain. With an already aggressive digital and physical marketing strategy, Spur will continue to invest in its existing channels, strengthening our relationships with customers.



# APPENDIX

## **Appendix/Compendium:**

**Research**

**Interviews**

**Notes**

**Branding**

### **Research:**

#### **Coffee**

*“America’s most popular drug”*

*62% of Americans consume coffee every day*

*Average American coffee drinker consumes over 3 cups (80-100mg caffeine per cup) daily*

*FDA recommended caffeine consumption limit is 400mg/day*

*A 2011 study of high school and college students found that 35% of subjects met the criteria for caffeine dependence and 23% expressed a desire to cut down on caffeine*

#### **Decaf Coffee:**

*Done while the beans are still green - before they are roasted*

*Swelling the green coffee beans with water or steam so the caffeine can be extracted*

*Extracting the caffeine from the beans. This is done with water, a solvent or activated carbon.*

*Drying the decaffeinated coffee beans back to their normal moisture level.*

*Although manufacturing processes may slightly differ from one factory to another, generally where solvents are used, the water or the solvent is circulated around the water soaked beans and this causes the caffeine to be released. Then the mixture is drained from the extracting vessel and the process is repeated several times, until only a tiny amount of caffeine is left in the bean. All processes are carefully controlled so that any possible solvent residues remain below the strict limits fixed by law.*

*<https://www.coffeeandhealth.org/all-about-coffee/decaffeination/>*

#### **How flavored Coffee is made:**

*Flavoring oils are combinations of natural and synthetic flavor chemicals which are compounded by professional flavor chemists. Natural oils used in flavored coffees are extracted from a variety of sources, such as vanilla beans, cocoa beans, and various nuts and berries.*

*For example, a nutty, woody, musty flavor can be produced with 2, 4-Dimethyl-5-acetylthiazole.*

The pure flavor compounds described above are highly concentrated and must be diluted in a solvent to allow the blending of multiple oils and easy application to the beans.

Beans are roasted then tumbled in with flavoring oils

<http://www.madehow.com/Volume-3/Flavored-Coffee-Bean.html>

Caffeine alternatives: <https://parade.com/1054164/nicolepajer/caffeine-alternatives/>

Teeccino: herbal blend made from chicory root, cocoa, herbs, berries, and other plants similar to coffee but it contains no caffeine.

Golden Milk: coconut milk + turmeric

Mud Water: black tea powder, ginger, cardamom, nutmeg, black pepper, cloves, cinnamon, cocoa, himalayan salt, cinnamon, and mushrooms.

Dandy Blend - “For those who love the taste of coffee but not the caffeine”: Water-soluble extracts of dandelion root, chicory, and beets, and the extracts of barley and rye grains

<https://dandyblend.com/>

Adaptogenic tea

Ginseng coffee:

Energizing properties

Strengthens brain functions

Improves circulation and reduces cholesterol

Favors digestions

Ingredients: ground coffee, sugar, ginseng extract,

<https://www.caffeiello.it/en/blog-en/lifestyle-blog-en/ginseng-coffee-what-it-is-and-how-to-make-it/#:~:text=Compared%20to%20traditional%20coffee%2C%20this,ancient%20plant%20with%20uncountable%20virtues.>

<https://vancouver.sun.com/news/staff-blogs/ginseng-as-an-energy-booster-mayo-breast-cancer-study-shows-benefits>

## Market/Ideation

We don’t necessarily need to engineer some type of low-caffeinated coffee blend with less caffeine per gram, we can just offer a smaller product that uses less caffeine than a standard shot of espresso (64mg)

Coffee flavoring exists that can be used to flavor other things like coffee (pure coffee extract), and has a much longer shelf life than coffee beans: <https://nielsenmassey.com/products/pure-coffee-extract/>

Coffee flavorings/extracts products are made of water, alcohol, and coffee extract (meaning caffeine is still present)

Decaf coffee extract: [https://www.naturesflavors.com/organic-flavor-](https://www.naturesflavors.com/organic-flavor-extracts/57712-decaf-coffee-extract-organic.html)

[extracts/57712-decaf-coffee-extract-organic.html](https://www.naturesflavors.com/organic-flavor-extracts/57712-decaf-coffee-extract-organic.html)

Alternative caffeine beverages that contain coffee like ginseng coffee might be an interesting avenue for us to pursue, but I’m personally interested in working with just a coffee + milk/milk alternative product

Major market share in canned coffee beverages: La Colombe

La Colombe offers a variety of coffee beverages with differences in flavoring, caffeine levels, and milk types (not all pictured above)

La Colombe oatmilk version:

La Colombe Oatmilk has some poor reviews on Amazon, specifically regarding the flavor

I have personally tried the oatmilk version of La Colombe’s canned coffee and I find the flavor to be quite poor, not in any way comparable to oatmilk flavors from brands like Oatly, Califia Farms, etc.

There may be an opportunity in partnering with alternative milk companies to use their product/brand for milk alternative versions of our product (though this will likely result in a large share of profits going to these stakeholders)

Canned Coffee Insights:

Age groups

Demographics

Read-to-drink cold coffee

Options: brain health

Specialist milks

Profit potential:

Canned coffee

Ready made canned coffee

## Gut Research:

When coffee makes your stomach hurt, it’s likely due to components in it, including caffeine, chlorogenic acids and N-alkanoyl-5-hydroxytryptamides.

<https://www.livestrong.com/article/439793-why-does-coffee-hurt-my-stomach/>

That these compounds stimulate the release of gastric acid has long shown in research such as that published in the\_ Scandinavian Journal of Gastroenterology\_ in February 1999. The research notes that coffee stimulates gallbladder contraction and colonic activity, which can be the cause of digestive distress.

Heartburn is the most frequently reported symptom after coffee drinking. It is demonstrated that coffee promotes gastro-oesophageal reflux. Coffee stimulates gastrin release and gastric acid secretion, but studies on the effect on lower oesophageal sphincter pressure yield conflicting

results. Coffee also prolongs the adaptive relaxation of the proximal stomach, suggesting that it might slow gastric emptying. However, other studies indicate that coffee does not affect gastric emptying or small bowel transit. Coffee induces cholecystokinin release and gallbladder contraction, which may explain why patients with symptomatic gallstones often avoid drinking coffee. Coffee increases rectosigmoid motor activity within 4 min after ingestion in some people. Its effects on the colon are found to be comparable to those of a 1000 kCal meal. Since coffee contains no calories, and its effects on the gastrointestinal tract cannot be ascribed to its volume load, acidity or osmolality, it must have pharmacological effects. Caffeine cannot solely account for these gastrointestinal effects.(<https://pubmed.ncbi.nlm.nih.gov/10499460/>)  
<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5544304/>  
High acid coffees: Coffee made from Arabica beans + Light Roast Coffees  
Lower acid coffees: Dark roasts (contain fewer compounds that cause stomach cells to produce acid), espresso beans (brewing process is shorter for an espresso which lessens the acid that filters into your cup), Cold brew (long brew process + cold water creates less bitterness and therefore acid)  
Drinking coffee on an empty stomach can cause stomach aches

## **Weekly Interviews:**

### **First Round:**

Interview Questions:

Name? Age? Occupation?

How often are you consuming caffeine?

If yes, how are you consuming it?

Why do you consume caffeine / why do you not consume caffeine?

Have you noticed any negative side effects to caffeine? If yes, can you describe them?

Have you ever considered quitting or lowering intake? If yes, why?

Would you be interested in a beverage that could reduce your caffeine intake over time?

Updated:

Interview Questions:

Name? Age? Occupation?

How much caffeine do you consume per day?

When is your last cup of caffeinated coffee/tea of the day?

We are making a pre-packaged low-caffeinated coffee beverage that serves an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups.

Pitch product. Would you be interested in a product like this, why or why not?

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Avi:

Justin, 53, Independent Software Developer

Every day, once a day

Drip coffee or espresso

Because it tastes good and it gives me a boost

Discolors teeth, makes you crave more sweet things, accelerates bodily functions (urination)

Never considered quitting or lowering intake

Not interested in this product

Updated questions:

Last cup around 10/11AM

Would be interested, maybe wouldn't buy it, likes a cold beverage like a canned coffee

---

Amy, 56, Graduate Student

Every day, once a day

Drink cold canned coffee (she's quite passionate about it, LaColombe) / Black tea less frequently (one source of caffeine per day), also drinks decaf coffee daily

"If I have the right quantity (which is rare) it makes me feel good, if the canned coffee was sold decaf I would drink it. There's no decaf cold brew out there."

If I have too much caffeine I get jittery, anxious, cranky, and have heart palpitations. It's about having the right amount. I can skip it every so often.

I've considered quitting. Caffeine can make me sleepless or anxious. I'm focused on consuming it once a day between 12pm. I can only drink half a can of one of these canned coffees. One can has as much caffeine as two ¼ cups of coffee, 170mg.

No. If I wanted this beverage, I would think I have to get off caffeine. I don't think I have a problem with caffeine. I don't have any issues with getting off caffeine.

Updated questions:

Last cup before 12PM

Would be very very interested, reminded of people switching from black tea in the morning to green tea in the afternoon, thinks theres a market for



this even in the morning for people with anxiety sensitive to caffeine

Ali, 22, Student + Operations at Tech Startup, WFH

Drinks coffee once a day or less, last cup of coffee at 2PM, on a tough day will have a second cup of coffee at 2PM, first cup of coffee early to midday

Has built a tolerance to caffeine, after taking a break became more sensitive, became more amped after drinking, when consistently drinking coffee doesn't consider sensitivity, currently definitely considering sensitivity

Definitely enjoys LaColombe coffee shop draft coffee which has a chocolatey flavor, in most cases doesn't care it's more like fuel, the smell of coffee is a factor is the enjoyment, drinks regular milk normally, iced latte year round (no warm coffee)

Brands: LaColombe, Joe Coffee, Think Coffee, Starbucks Reserve ("indie" coffee brands), used to drink cheaper coffee but switched to a coffee that presents as more considered or not as a big chain

On RTD Coffee: has tried it many times, the taste and everything about it tasted "mass-produced", doesn't seem like there's much effort behind the creation of canned coffee, will drink it if coffee shop/coffee at home isn't available, the idea of an rtd coffee that Ali can keep in the fridge definitely appeals to him but the flavor has to be good, LaColombe and Starbucks doubleshot canned coffee tasted "very acidic", not smooth at all  
Caffeine quantity vs. flavor: doesn't know caffeine quantity until later on when it kicks on, flavor is immediately more important

Coffee normally with just regular milk, doesn't like sweeteners/artificial sweeteners

On potential product: If it was in the afternoon and needed the boost would definitely be interested in a low caffeinated coffee beverage, provided the flavor is good. A good canned coffee (which Ali hasn't tried) could be game changing for Ali due to convenience.

## 2nd Iteration:

Jenna:

Miles, 23, Film Student, part time job at a garden store

Every day, mainly through coffee and yerba mate. Average 2 cups per day.

It tastes good, enjoys the flavor of coffee. He doesn't think caffeine makes that much of a difference on his body.

Sometimes it leaves a bad taste in his mouth if it's bad coffee, sometimes it can be too aggressive on the bowels. Stains your teeth.

There was a time I would start my day with a quad shot and I felt like it wasn't healthy so I lowered my intake. I asked how? And he said he just started drinking less, willpower.

No.

UPDATED:

Last cup, depends on the day, I would say 2 pm on average. Sometimes I'll have a mate at 5 if I have something due.

Interested if it tastes good. I don't know if there's a direct correlation between not being able to sleep and me having caffeine later in the day. But I'm definitely thinking about it when I'm pushing 2-3 pm. "Should I be smashing this mate right now?" If there was like a drink that had slightly less caffeine or half of a mate but tasted just as dank, sure.

Joey, 22, Student

All the time, 3 cups a day. Sometimes yerba every other day - lowers coffee intake by a cup or 2 if he has a yerba.

Enjoys the taste of coffee, and feels tired if he doesn't have it.

Yes, when I don't eat anything it makes me anxious and nauseous. Jittery.

No.

No, not my priority.

Last cup is at 3pm.

Comes down to how convenient it is, if it was easy to get and I liked it, then I'd be down. But if it was something I had to go out of my way for, it'd probably take a lot to draw me away from getting another coffee.

Me: Like if it was at the market, or a gas station

Yeah if it was easy to pick up, for sure.

Me: Like if it was at your school, you'd get it?

Ohhhh sure. Definitely.

Miles (I was interviewing them together): That's an interesting point. When I'm pushing 2-3 pm, I'm usually not going to get coffee at that time, sometimes I'll get a mate if it's hot but any coffee I'm drinking is coffee I already have. The mid-afternoon coffee, the biggest vice of that is the convenience of already having coffee and mate at home.

Era:

Maritza

1 cup a day - 5 am in the morning

Black coffee, pour overs (fresh ground beans with pour over)

Caffeine is 50% of reason, 50% flavor/warmth/coziness

Limited to one cup due to method of preparation (chimex) - it's a process/

ritual - notices getting jittery if exceeding that usual amount  
Never considered lowering it, always been a one cup a day drinker  
No interest at all

---

Ofir  
2 cups of tea (plus milk and sugar) - one in the morning, one in the afternoon  
Have always done it - “Just what I’m used to. I have to start my day with my tea” Not really sure how big caffeine’s role is in waking up, but she feels more inclined to drink tea in the afternoon if feeling drowsy  
For the most part, no. Sometimes notices the acidity  
Never considered quitting or lowering intake because always had a self imposed limit  
No interest because it’s not a problem

---

Fiona, 20, student  
Depends on how much I’m working, zero caffeine on a slow day, but will consume one caffeinated beverage if busy  
The latest is by 3pm, but if I do drink something later than that I’ll only have part of a drink  
Yes, I would be interested because I think it’d be beneficial to stay awake for the last part of the day without messing up my sleep schedule and ruining the next day

---

Garrett, 21, model  
300mg on productive day but 150mg on a slower day  
Latest caffeinated beverage by 8:30/9pm assuming that I’m going to bed around midnight  
Not heavily affected by caffeine, so drinking caffeine late at night isn’t much of a problem. Would be interested on occasion when having an earlier night than usual.

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**3rd Iteration:**

Food and Beverage Investor Advice:

“So it’s a RTD refrigerated product that’s half caf or low caf because the consumer loves the taste of coffee and I’m sure you’re going to have dark, medium roast, oak milk blend, what the case may be?”\

“Exactly”

“I do. Nothing jumps out at me that is available in that. I think it

absolutely deserves a conversation and could very well be a product. As an investor, I’d want to understand consumer behavior and what is the threshold of caffeine tolerance at various times of the day.”

“Are you bracking it by gender? Age?”

I told him the target market. Primary young professionals (22-35) who work 9-5’s and university students (18-23). Secondary is anyone who is sensitive to caffeine.

“But they want a little bit.”

“Yeah”

“Yeah, that’s great.”

“Yeah, I think low, low-no is very popular among all the vices. It’s the greatest area of growth, even in alcohol. Low-alc, no-alc. No-alc space is exploding right now. Low-alc is even growing like 10X faster than fully loaded products. I think there’s a lot of generational points that you can grab on why millennials and Gen Z are gravitating towards that. There’s never been a greater individual focus on life longevity than the millennial generation and Gen Z is following suit as well. They are willing to pay - of every identifiable generation in recent research, millennials are the first generation to pick food and beverage as the one consumable category (technology, entertainment, travel, clothing), millennials want to spend it on food and beverage to be more healthy. For living a more balanced and long healthy life. I do think there is some sort of stigma associated w/ caffeine. That at a certain point, caffeine is not good for you and it wires you out. It can have the opposite effect if you drink too much of it and can actually make you tired. So yeah, Half-caf or low-caf totally deserves to exist.”

I then told him about how Monica was saying we could go the route of introducing ingredients like adaptogens or other various “brian foods” and he asked if we had looked into Mud Water. He said to look into Four Sigmatic and Vita-Cup.

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Era’s Interview:

Age?

“20”

Are you a student? Do you have a job? What is it? Do you wfh?

“Currently a student and working at Levi’s, do not wfh”

Do you drink coffee?

“Yes (only whenever I need to be awake for the day)”

When is your last cup of coffee?

“4 pm”

Are you sensitive to caffeine?

“Very sensitive”

What ingredients are you looking for in your coffee?

‘Sweetener/sugars so it’s easier to get down”

What are your favorite coffee brands?

“Peet’s“

What do you enjoy the most about your coffee?

“The rush that it gives me + the ability that it gives me to perform more than usual/more active/more engaged”

Do you drink RTD/canned coffee? What do you think of it? If not, why not?

“Very rarely, I think that they’re mostly disgusting and don’t get the same sensation as a just prepared coffee (less effective and feels like it wears off sooner)”

When buying coffee (canned or otherwise), do you care more about caffeine quantity or flavor?

“Flavor more important than caffeine quantity - can’t drink something I don’t like”

Do you take your coffee with sweetener, milk, alt milks?

“Couple spoonfuls of sugar and coconut milk”

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups.would you be interested?

“Would definitely be interested if it is successful in not interfering with sleep + milk alternative + good flavor. A product that finds that right caffeine sweet spot“

#### 4th Iteration:

Jenna Interview:

Age? 23

Are you a student? Do you have a job? What is it? Do you wfh? “Full time student, part time job “

Do you drink coffee? How do you take it? Yes, black 9/10 taking it black.

When is your last cup of coffee? “2-3 pm”

Are you sensitive to caffeine? Forgot to ask

What ingredients are you looking for in your coffee?

“A nice African roast, Indonesian coffee”

What are your favorite coffee brands?

“Sey, Bacabra, Colors”

What do you enjoy the most about your coffee?

Do you drink RTD/canned coffee? What do you think of it? If not, why not?

“Sometimes, but only on road trips usually. I drink other canned caffeine beverages like Mate. Thinks the canned coffee he’s tried is garbage, like starbucks canned double shot tastes terrible. Even the blue bottle carton thing sucks, yeah they all suck. They’re all teribble and tastes like shit.”

If you do drink RTD coffee, where are you buying? Which ones do you reach for? Brands and/or flavors?

“Gas station or grocery store. Grabbing one that’s a little sweet because I know their coffee is gonna be bad - but not too sweet because I hate sweet coffee drinks.“

When buying coffee (canned or otherwise), do you care more about caffeine quantity or flavor?

“Usually assume that the coffee has the caffeine I need so I’m not really checking as much. Whenever I need coffee, it’s never enough. So flavor pretty much, I want it to taste dank.”

Do you take your coffee with sweetener, milk, alt milks?

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups.would you be interested?

“Yes, if it tasted good because sometimes I think I shouldn’t be drinking coffee too late but other times I’m like fuck it. But if I was lookign for something with less caffeine and it tasted really good, i’d be so down.”

---

Jenna Interview:

Age? 22

Are you a student? Do you have a job? What is it? Do you wfh?

“Full time student”

Do you drink coffee? How do you take it?

“Yes, black. If I go out, usually black too but sometimes I add sugar“

When is your last cup of coffee? Probably 2 pm

Are you sensitive to caffeine?

“My stomach. Jittery if I don’t eat anything“

What ingredients are you looking for in your coffee? Weird question. I vetoed

What are your favorite coffee brands?

“Love Mcdonald’s brand coffee - light roast beans“

What do you enjoy the most about your coffee?

“Sometimes can cure my head aches”

Do you drink RTD/canned coffee? What do you think of it? If not, why not?

“Yeah, not isn’t usually what I’m reaching for at the grocery store bc I’m usually getting beahs but sometimes I do get them. And a few times this



year I’ve been out and bought one.”

Finds it good and describes it as a treat.

If you do drink RTD coffee, where are you buying? Which ones do you reach for? Brands and/or flavors?

“Grocery stores or gas station. Usually all they have is the stupid starbucks ones. I tend to reach for the one that’s not that. I like to try new things. “

When buying coffee (canned or otherwise), do you care more about caffeine quantity or flavor?

Cares more about flavor. Don’t pay that much attention to caffeine quantity unless it’s advertised “extra shot or extra caffeine”

Do you take your coffee with sweetener, milk, alt milks?

Forgot to ask

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups.would you be interested?

“I’d try it. I can’t really make up my mind until I know how it would taste“

**5th Iteration:**

Age?

Are you a student? Do you have a job? What is it? Do you wfh?

What’s the latest in the day that you’ll have caffeine?

What do you enjoy the most about your drink of choice?

What are some RTD coffee brands you’ve heard of or tried? What do you think/know of them?

When buying coffee (canned or otherwise), do you care about caffeine quantity?

Do you take your coffee with sweetener, milk, alt milks?

Do you get tired in the afternoon?

Are you sensitive to caffeine?

Do you notice any effects of coffee on your stomach/digestion?

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups would you be interested?

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Interview: Liz

Age? “26”

Are you a student? Do you have a job? What is it? Do you wfh? “9-5 remote computer job”

What’s the latest in the day that you’ll have caffeine? “12 pm”

What do you enjoy the most about your drink of choice? “It gets me buzzed”

What are some RTD coffee brands you’ve heard of or tried? What do you think/know of them? “La Colombe, Chameleon cold brew, Stumptown, Minor Figures. I mean there’s starbucks but I would never drink that there is too much sugar. I’m sure there’s more but I can’t think right now. I really love all of the ones I mentioned.”

When buying coffee (canned or otherwise), do you care about caffeine quantity? “Yeah, I do. But I care more about whether it’s packed with sugar.”

Do you take your coffee with sweetener, milk, alt milks? “ Yes, alternative milks. Never sweetener.”

Do you get tired in the afternoon? “Yeah, sometimes”

Are you sensitive to caffeine? “Somewhat, yes”

Do you notice any effects of coffee on your stomach/digestion? “It has to be really really strong”

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups would you be interested in something like this? “Absolutely, yes, if it was easy to buy, totally.”

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Interview: Mckenzie

Age? 24

Are you a student? Do you have a job? What is it? Do you wfh? “I have a day job at a store”

What’s the latest in the day that you’ll have caffeine? “Probably 1 pm”

What do you enjoy the most about your drink of choice? “That it tastes good”

What are some RTD coffee brands you’ve heard of or tried? What do you think/know of them? “Fav is Pop and Bottle, the mocha flavor, and La Colombe. I love them, I actually think they get me more caffeinated than when I make my own coffee or buy it from a barista.”

When buying coffee (canned or otherwise), do you care about caffeine quantity? “No, but I guess when I buy the can I do look a what’s on it but I guess I don’t know what the average amount of caffeine is in a cup when I order it from some place so I don’t know.”

Do you take your coffee with sweetener, milk, alt milks? “Yes, oat milk and vanilla syrup”

Do you get tired in the afternoon? “Yes, all the time”

Are you sensitive to caffeine? “Yes, that’s why I stop drinking it early.”

Do you notice any effects of coffee on your stomach/digestion? “Yeah, If I have it on an empty stomach, I feel super ill.”

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated

beverages for sensitive groups would you be interested? “Yeah, definitely!”

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Interview: Will

Age? 23

Are you a student? Do you have a job? What is it? Do you wfh? “9-5 remote work”

What’s the latest in the day that you’ll have caffeine? “11:30 am”

What do you enjoy the most about your drink of choice? “It waking me up in the morning”

What are some RTD coffee brands you’ve heard of or tried? What do you think/know of them? “The only ones I’ve heard of are alcoholic ones.” So you’ve never heard of any canned coffees? “No, I just don’t drink any of them so I can’t recall any brands”

When buying coffee (canned or otherwise), do you care about caffeine quantity? “Not really, I mean like I’m not going to drink de-caf but I don’t care about caffeine quantity”

Do you take your coffee with sweetener, milk, alt milks? “Splash of whole milk usually”

Do you get tired in the afternoon? “Yes”

Are you sensitive to caffeine? “Yes.”

Do you notice any effects of coffee on your stomach/digestion? “Yes. Negative ones. Upset stomach and I have to fart.”

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups would you be interested? “Yes. Definitely because like when I get coffee, I like never finish it. I usually drink like half, get the caffeine I need - I don’t need a full cup of coffee.”

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Interview: Zito

Age? 23

Are you a student? Do you have a job? What is it? Do you wfh? “Day job, remote, 9-5”

What’s the latest in the day that you’ll have caffeine? If it’s not coffee, I’ll have a celsius at like 2 pm but if it’s coffee, 12”

What do you enjoy the most about your drink of choice? “It keeps me focused on my task at hand”

What are some RTD coffee brands you’ve heard of or tried? What do you think/know of them? “I’ve heard but I have never tried them.”

When buying coffee (canned or otherwise), do you care about caffeine quantity? “Yes, I don’t have a high tolerance for caffeine so if it has a ton in it, I tend to stay away or not drink the entire thing.”

Do you take your coffee with sweetener, milk, alt milks? “Regular milk or

sometimes oat when I’m at my girlfriends.”

Do you get tired in the afternoon? “Yes”

Are you sensitive to caffeine? “Yes, definitely.”

Do you notice any effects of coffee on your stomach/digestion? “Yes, bad. Upset stomach.”

Pitch product: A pre-packaged low-caffeinated coffee beverage that serves as an afternoon pick-me-up and as an alternative to higher-caffeinated beverages for sensitive groups would you be interested? “Yes, if it was easy to find and get, yes.”

## Misc Notes:

### Week 1:

The Business Opportunity:

Flesh out and describe your business idea clearly. Focus on one core idea.

An oral product that is thoughtfully dosed to aid someone who is trying to quit caffeine

What problem or need is it solving?

Lack of options to treat caffeine addiction

Thoroughly address the criteria on evaluating business opportunities. Demonstrate that it is a worthwhile opportunity to pursue. Show how this is a real, significant need faced by many, which is not adequately being addressed by existing solutions.

Find data on caffeine usage, negative effects, market for products for treating a caffeine addiction

“America’s most popular drug”

62% of Americans consume coffee every day

Average American coffee drinker consumes over 3 cups (80-100mg caffeine per cup) daily

FDA recommended caffeine consumption limit is 400mg/day

A 2011 study of high school and college students found that 35% of subjects met the criteria for caffeine dependence and 23% expressed a desire to cut down on caffeine

How will it be profitable?

Create a product + sell it for more than it was to make

Subscription based model will provide recurring revenue; cost of goods is low and able to be automated therefore scalable

Who is this solution for? (Your target audience)

We can’t claim it will cure their addiction but it can aid them in their journey/recovery

They could be good for people who are sensitive to caffeine too (ones who can’t drink coffee for that reason), or people who aren’t able to

drink coffee for any reason like surgery, or getting teeth whitened? Just throwing these opinions around...

Why are you qualified as a team to address this solution?

We are all somewhat of the market but we'll need an expert during R&D most likely

Similar position to the Of Mercer founders - we understand the consumer perspective as we all have an interest in caffeine reduction personally

Talk to 5-6 potential customers. What is the feedback?

Why should we do this?

The Team - Logistics:

What will our roles be?

Product Development, Marketing & Branding, Financial Management,

When will we meet?

Mondays 4:30 EST (Avi) - 1:30 PST (Jenna) - 3:30 CST (Era)

How will we meet?

Zoom

What tools will we use to do work and connect?

Google docs, Google Sheets,

What are your individual strengths and abilities that will push your business idea to success

Jenna: organized, receptive,

Era: Providing direction, critical decision making, product development

Avi: Teamwork & leadership, financial management, strategic planning

Ideas:

Drink

Keep the sensation of drinking coffee

Decaf or lowered caffeined

Gallon in fridge

Canned coffees sent in the mail customizable

6 different kinds of coffee - sampling

Identify the target market

Ramune like drink

Names:

Recaf

After-noon

“Kick” - something that gets you going

This week

Independent research on decaf coffee, coffee flavoring, caffeine alternatives (mushroom, ginseng, etc). Done by Wednesday 10/20

Independently complete 3 of the boxes in the business model canvas

The Business Plan - Iteration 1:

Cover Page

Table of Contents

About the Team (Bios)

No lengthy bios just highlight the experiences or qualifications for each team member. Why are they the right individuals to launch this business?

Mission, Vision & Values

The Problem or Need or Opportunity

Outline the problem and its scope. The market trends that may affect your market experience in the years ahead, then introduce the solution

You may need to help readers see and appreciate the business opportunity you have identified. Describe in clear compelling terms

Highlight the economics underlying the problem and the factors that will drive your solution's success, such as market penetration and product innovation.

Promotes stomach health? Ph balanced coffee

acidity? brand story telling? How we source our ingredients? Brain function?

This is also a suitable place to cite the magnitude of the funding you are



seeking and to explain how it will be used in pursuing the opportunity.

But also don't drown it with a bunch of facts

We can talk about Gen Z trends and tastes

The Concept

What is the idea & basic features

How we plan to roll the business out

Latest Prototype Visuals

Lean Canvas or Business Model Canvas

Value Proposition Canvas

Value Proposition Statement

The Market

Market/Opportunity Analysis Summary

strongest customer segment

Early adopters

Market Sizing (TAM, SAM, SOM)

The Consumer

Target Consumer Profile & Overview

Interviews & Insights

Primary & Secondary Personae (xtensio.com is a great tool you can use to create professional-looking personas)

11/17 Meeting

Feedback: Having interviewees rank most important characteristics, taste, stomach concerns, etc.

To do next:

Interview 6 people for next class

What claims resonate with people?

Research for on-pack claims: acidity, bitterness, alkalinity/PH level, roast, taste, caffeine quantity

Develop interview questions for new iteration

Test similar claims together, side by side: which claims resonate with them more, or bitterness, or the roast, caffeine content. How to phrase and frame those in the best language possible.

Possible interview questions:

What coffee characteristics are most important to you? Offer a ranking.

Flavor, Caffeine content, Roast,

Do you have stomach issues from drinking coffee? What are the effects? What brands do you prefer and why? When you look for a coffee brand or ready to drink coffee brand?

Does that prevent you from certain brands of coffee?

Oftentimes can oftentimes stimulate bowel movements.

Sugar content: no sugar, type of roast: something that sounds interesting and not generic, looking a light to medium roast, oftentimes a high caffeine content because I don't just drink for pleasure and I'm looking for alternative milks. Like nut milks, not so much oat milk because I've heard and read about oat contamination. Look for brands that appear to be smaller, not looking for coffee from big generic brands.

Taste?

Because I drink it with a specific caffeine purpose in mind, I'm less conscious of taste unless it's really tasty or really bad. If it's really bad, I'll never buy again. If good, I'll lean towards buying again. I don't think I see much have emphasize taste unless they're sweet. Usually the taste in my mind goes hand in hand with the type of roast and origin of the bean.

Have you tried mushroom coffee?

Yes, forsigmatic coffee, or latte. I don't think I've tried a coffee mushroom mix. Unless maybe I didn't realize. I don't like that they don't have RTD but I don't like it generally.

Look for adaptogens: Lions mane: mental function, cordyceps, chaga, Some promote relaxation

Looks at RTD coffee with a specific purpose in mind. Two functions of coffee in my life: there's enjoyment at a cafe maybe, or for a positive ritual experience, one purpose for functionality, healthy ingredients, added benefits. Enhanced mental capacity, energy, etc.

RTD coffee seem to be more of a functional drink.

Are you aware of lower acidity coffee?

Perceived effect of ingredients

Are RTD drinks for energy or for another purpose?

When you choose a coffee, what do you start out with?

Business plan Feedback: bold and highlight certain texts, talk about

stomach effects and health

The problem or need

Be more clear with sensitive coffee drinkers

Remainder of work on our slide deck:

[https://docs.google.com/presentation/u/1/d/1QstsXJSLx8iZq63Xu266Aexnw630rt2YTCz\\_YGAPpMc/edit?ouid=116630364340813685668&usp=slides\\_home&ths=true](https://docs.google.com/presentation/u/1/d/1QstsXJSLx8iZq63Xu266Aexnw630rt2YTCz_YGAPpMc/edit?ouid=116630364340813685668&usp=slides_home&ths=true)

(Monica, you are shared on this document)

Branding:

Different Iterations:

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