



BUSINESS PLAN

This Business Plan written by:



Strategy Capital Growth

Tyler Jensen

Go Green Yoga Mats

4501 Mission Bay Dr., Suite 3C
San Diego, CA 92109

1-800-783-6305

CONFIDENTIAL

Confidentiality Statement

This document contains confidential information proprietary to GoGreenYogaMats®, hereinafter referred to as the “Company”. This information and related conversations are submitted solely for the purpose of introducing selected parties to GoGreenYogaMats’s Business Plan. GoGreenYogaMats’s disclosure of information contained herein and in related conversations does not constitute any subscription or authorization to use the information, ideas, or concepts presented, or to disclose any information to other parties. GoGreenYogaMats retains ownership of this Plan, and the concepts and ideas described herein.

Each recipient of this document agrees to treat it in a strictly confidential manner. The recipient may not to disclose, directly or indirectly, or permit any agent or affiliate to disclose any of the information contained herein, or reproduce this document in whole or part without the prior written consent of the Company.

Any party who accepts delivery of this Plan or any other document or verbal communication of confidential information from GoGreenYogaMats agrees to be bound by the terms of this Confidentiality Statement and further agrees to promptly return documents to the Company upon request.

Securities Statement

This Business Plan does not constitute an offer to sell or the solicitation of an offer to buy any securities or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this memorandum nor any sale of the Company’s securities shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof, or that information contained herein is correct as of any time subsequent to its date.

The market analysis and projections presented in this document represent management’s subjective views of the business and information gathered from reliable industry sources. The financial projections are based on management’s best judgment and reasonable assumptions of future events and circumstances. There can be no assurance that management’s assumptions and expectations will be realized or that its perceptions are accurate. Industry experts may disagree with management’s view of the market. No representations or warranties of future company performance or market trends are intended and such are expressly disclaimed.

Copy Number: _____

Provided to: _____

Date: _____

TABLE OF CONTENTS

TABLE OF CONTENTS3

EXECUTIVE SUMMARY4

MISSION & VISION.....5

 Mission Statement.....5

 Core Values5

 Core Purpose.....5

PRODUCT & SERVICE DESCRIPTION.....6

 Overview of Products & Services.....6

Products8

 Problems, Causes, Solutions and Benefits9

 Product & Service Advantages10

 Product Development Activities.....10

 Product Liability.....10

MARKET ANALYSIS.....11

 Market Segmentation.....11

 Market Demographics12

 Market Trends & Growth Patterns13

INDUSTRY ANALYSIS14

 Industry Overview14

 Industry Participants.....15

 Industry Trends & Growth16

COMPETITIVE ANALYSIS.....18

 Competitive Overview18

 Direct Competitors19

 Indirect Competitors.....20

 Competitive Advantages.....21

MARKETING PLAN21

 Marketing Strategies21

 Sales Forecast 22

 Sales Funnel..... 23

 Positioning 23

 SWOT..... 24

 Branding 24

 Distribution Channels..... 25

 Pricing Strategy / Shippers..... 26

 Customer Service 27

OPERATIONS PLAN..... 28

 Location..... 28

 Staffing and Training 28

 Operational Procedures – Merchandising..... 28

 Purchasing Procedures..... 28

 Inventory Management procedures 29

 Quality Control Measures..... 29

 Administrative Procedures 29

MANAGEMENT TEAM 30

 Key Management..... 30

FINANCIAL PLAN 32

 Financial Summary 32

 Sales Projectons 33

 Profit & Loss Statement..... 35

 Cash Flow Table 36

 Balance Sheet 37

 Financial Assumptions..... 38



EXECUTIVE SUMMARY

Established in 2008, Go Green Yoga Mats sells eco-friendly yoga products in the continental United States. Owners Tyler and Hunter Jensen envision turning gogreenyogamats.com into the #1 seller of eco-friendly yoga packages and products in the US. They will be successful through good business practices, fast delivery, quality products and a comprehensive marketing plan.

The yoga industry has 16 million participants and is continuing to grow.¹ The green movement is also on the rise with people becoming more conscious about how the decisions they make will affect the environment. Consumers are spending more time researching products online before making purchases as well as actually purchasing products online rather than going to a brick and mortar stores.

There are several competitors in this industry including large organizations with online and brick and mortar stores as well as smaller companies that only sell online. Go Green Yoga Mats plans to set itself apart through their high quality products and package deals. They offer a variety of eco-friendly yoga mats and package deals for consumers to choose from. They even have a "MATmatcher" to help customers determine what option is best for them. All of their products are sold at the same or lower price than their competitors making them a better choice for most consumers. The website also contains additional information about yoga so consumers can gain more knowledge about the industry while they shop.

The key in this industry is to create a user friendly and trust worthy company that sells high quality eco-friendly products with great customer service.

Go Green Yoga Mats marketing goals are to increase website traffic by at least 15% each month. They plan for their sales on e-bay to have a similar increase of at least 15% each month.

Hunter Jensen and his team of 1-2 staff members handle software development and some marketing at the Pacific Beach office. Accounting, customer service, marketing, and order fulfillment are handled by Tyler Jensen and a team of 1-2 staff members at the Solana Beach office.

The company expects to generate revenues of \$254k in year one, \$504k in year two and \$1,074k in year 3 with very low costs associated with overhead.

¹ <http://www.snewsnet.com/cgi-bin/snews/14805.html>



MISSION & VISION

MISSION STATEMENT

Go Green Yoga Mats is dedicated to selling high quality, "green" yoga products to the eco-minded individual through individual mat sales and discounted package deals. Our goal is to reach 100% customer satisfaction through our superior products and fast delivery. We believe business can change the world and through the eco movement, gogreenyogamats.com sets out to make positive impacts on the environment while delivering the products our consumers need.

CORE VALUES

- High Quality
- Environmental Awareness
- Customer Service
- Balance

CORE PURPOSE

Go Green Yoga Mats core purpose is to provide yoga enthusiasts with high quality yoga products from a trusted source while considering our environmental impact.

PRODUCT & SERVICE DESCRIPTION

OVERVIEW OF PRODUCTS & SERVICES

Go Green Yoga Mats is an online based company created in August of 2008. The company provides customers with eco-friendly yoga mats and products that help keep the environment safe for generations to come. Gogreenyogamats.com does not sell any products containing more than 1% PVC.

Why PVC is bad for our environment:

- PVC (polyvinyl chloride) plastic, commonly referred to as vinyl, is one of the most hazardous consumer products ever created.
- Most consumers do not know that a 3 in the recycle symbol indicates that the plastic is made of PVC. PVC cannot be effectively recycled due to the many different toxic additives used. One PVC bottle can contaminate a recycling batch of 100,000 bottles. **Less than 1% of PVC is recycled!**
- When produced or burned, PVC plastic releases dioxins, a group of the most potent synthetic chemicals ever tested, which can cause cancer and harm the immune and reproductive systems.
- Health risks include angiosarcoma of the liver, lung cancer, brain cancer, lymphomas, leukemia, and liver cirrhosis.
- Communities surrounding vinyl chloride facilities suffer from groundwater and air pollution.
- New car smell? New shower curtain smell? That's the smell of poisonous chemicals off-gassing from the PVC. Our bodies are contaminated with poisonous chemicals released during the PVC lifecycle, such as mercury, dioxins, and phthalates, which may pose irreversible life-long health threats.

Go Green Yoga Mats provides people with yoga packages that are put together with the yoga user in mind. They set themselves apart from other companies with their unique packages and brand comparisons that other companies are not offering. Go Green Yoga Mats provides mats as package deals to save consumers money. Furthermore, Go Green Yoga Mats provides fast and reliable delivery of its quality products to consumers to help them better their lives in the area of health and well-being.

Go Green Yoga Mats distributes Manduka and Jade Yoga products. Manduka and JadeYoga handle the inventory and shipping of the products through a drop-shipping program. Orders are sent to Manduka or Jade Yoga via e-mail where the orders are placed and shipped to the customer's location accordingly. Go Green Yoga Mats pricing is equal to Manduka and JadeYoga and cheaper than most competitors.

The charts on the following pages portray Go Green Yoga Mats' various packages and demonstrate how the company's products compare to other products on the market.

Packages

<p>The “Beginner” Package</p>	
<p>Eko Lite Mat, MatSak (Small), Gravity & Grace DVD</p>	
<p>The Black Mat 85 Package</p>	
<p>Black Mat 85”, eQua Towel (X-large), Cork Block, 10’ Strap, MatSak (Large)</p>	
<p>The eKO 85 Package</p>	
<p>eKO Mat 85”, eQua Towel (X-Large), Jo-Sha Mat Wipes, Cork Block, 10’ Strap, MatSak (Large)</p>	
<p>The Prolite Deluxe Yogi Package</p>	
<p>Prolite Mat 71”, eQua Towel (Large), Jo-Sha Mat Wipes, MatSak (Small) Stainless Steel Water Bottle, Gravity & Grace DVD/CD Set</p>	
<p>The Black Mat 71 Package</p>	
<p>Black Mat 71”, eQua Towel (Large), Cork Block, 8’ Strap, MatSak (Small)</p>	

Overview of Products and Services

Distributors	Go Green Yoga Mats	Gaiam	Barefoot Yoga	Yoga-Clothing.com
Products				
Yoga mats	X	X	X	X
Yoga Accessories	X	X	X	
Yoga Clothing		X		X
Yoga Packages				
Mat and Accessories Packages	X	X	X	
Other Packages		X	X	
Suppliers	Jade; Manduka	Gaiam (own brand)	Manduka, Prana, own brand, +	Manduka; Hugger Muggger; Jade yoga+
Green-ness				
Vinyl Mats	No	X	X	X
Green Certification	Oeko-tex compliant	PEFC; Fair Trade	X	
Mat Life	Jade: 1-3 yrs; Manduka: 5-50 yrs	N/A	Manduka: 5-50 yrs	Jade: 1-3 yrs; Manduka: 5-50 yrs
Shipping				
Cost	\$9.99	Depends on the product	Depends on shipping method and weight	\$8.00, more depending on shipping method
ETA	2-5 Days	2, 5-7 or 7-10	Overnight, 2, 3 or 5-7	Overnight, 2 or 5-10
Customer Support				
Return Policy	X	X	X	X
Other				
Social Media	X	X	X	X
Yoga Info on site	X	X		

Competitor Product Comparisons

	Average yoga mat	Jade	Manduka
Material	PVC/non-organic cotton	Natural Rubber	Natural Tree Rubber
Longevity	3-12 months	1-3 years	5-50 years
Made using ozone depleting substances?	Yes	No	No
Made from renewable resources?	No	Yes	Yes
Biodegradable?	No	Yes	Yes
Environmental causes	No*	Trees for the Future: tree planted for every mat sold.	No

*While we cannot speak for all companies who make yoga mats, the majority of yoga mat producers/ distributors do not support environmental charities if they are not selling eco-friendly yoga mats.

PROBLEMS, CAUSES, SOLUTIONS AND BENEFITS

Common Problems

- Inability to find yoga mats and accessories that meet their green standards
- Products not from a reliable source they trust (ex. WalMart)

Causes

- General desire of producers to make their products using cheap materials, such as vinyl, which are often harmful to the environment

Benefits to the Consumer

- Getting high quality green products
- Opportunity to buy with confidence

Go Green Yoga Mat's Solutions

- Only provide yoga products created by environmentally friendly companies that use green materials and manufacturing processes
- Be a trustworthy source for eco-conscious buyers by providing information about green yoga practices

PRODUCT & SERVICE ADVANTAGES

Go Green Yoga Mats’ products have an advantage by uniquely and effectively meeting the needs of yoga and “green” enthusiasts.

Advantages of Go Green Yoga Mats’ Products

Durability	Jade mats last 1-3 years and Manduka mats last 5-50 years where an average yoga mats only last 3-12 months
Selection	Yoga mats come in a variety of sizes and thicknesses in order to suit the needs of any yoga enthusiast
Packages	Allow customers to easily get everything they need to start yoga
Products	“Green” and eco-friendly products
Information	Plenty of Green/Yoga information on the website
Support	Company supports “Off the Mat, Into the World” and Trees for the Future

What makes Go Green Yoga Mats’ products “green”?

- The Prolite and Black Mat last longer and are less likely to end up in landfills
- Zero-toxic emissions released during production
- Environmentally certified by OEKO-TEX
- Made with biodegradable tree rubber
- Free of toxic plasticizers and foaming agents

PRODUCT DEVELOPMENT ACTIVITIES

Go Green Yoga Mats will expand its product line to include other green yoga related products. This will likely include training videos, clothing, and other yoga accessories.

PRODUCT LIABILITY

Go Green Yoga Mats works closely with all suppliers and vendors to ensure that only high quality, environmentally friendly products are used in the production and distribution of our products.

MARKET ANALYSIS

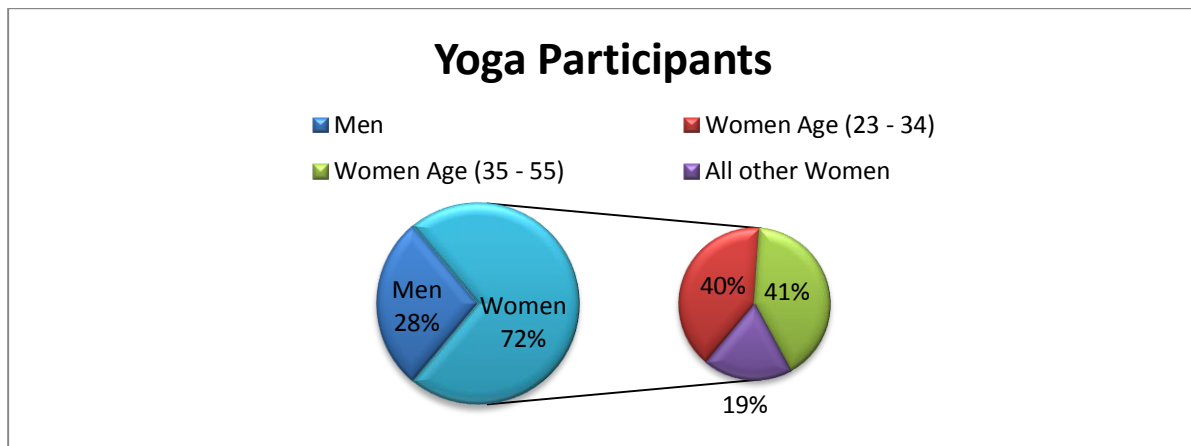
MARKET SEGMENTATION

The market segmentation for Go Green Yoga Mats reaches four potential segments:

- 1) Women between the ages of 23 - 34.
- 2) Women between the ages of 35 - 55.
- 3) Men.
- 4) Yoga instructors.

People who practice yoga often have a median income of \$75,000 or higher² and are looking for health benefits and stress reduction. Go Green Yoga Mats has something to offer all yoga students whether they are focused on high quality, eco-friendly products or concerned with website security and accessibility.

The following graph depicts Go Green Yoga Mats anticipated customer breakdown.



² http://www.yogajournal.com/advertise/press_releases/10

MARKET DEMOGRAPHICS

	Segment 1	Segment 2	Segment 4	Segment 3
<i>Description</i>	Women 23-34	Women 35-55	Men	Yoga Instructors
Size	72% of people who practice yoga are women, 23-34 year olds make up 40%	72% of people who practice yoga are women. 35-55 year olds make up 41%	Men represent 27.8% of the people that practice yoga	Approximately 70,000 instructors
Age range	23-34	35-55	Any	Any
Gender	Women	Women	Men	Men/Women
Race	Any	Any	Any	Any
Religion	Any	Any	Any	Any
Location	USA	USA	USA	USA
Marital Status	Not Married/Married	Married or has been arried	Any	Any
Income level	\$50,000+	\$50,000+	\$50,000+	N/A
Education	College Grad	Any	College Grad	Certified Instructors
Family Structure	Any	Likely to be a wife and mother	Any	Any
Personality	Active social life. Up to date on entertainment news. Young and a compulsive buyer, but sophisticated.	A resourceful woman who is online less than 5 hours a week. More inclined to shop around than buy impulsively	Active, self-confident men focused on health & stress reduction. More inclined to shop around than buy impulsively	Cares about the environment. More inclined to shop around than buy impulsively. Wants quality product
Brand Attitudes	Less concerned with brand name and more likely to buy from emerging one.	Well known brands create a sense of product trust.	Less concerned with well-known brands	Less concerned with brand name, but wants high quality
Goals	Muscle tone, stress reduction	Stay healthy, hobby, stress reduction	Less stress, be healthy, flexibility	Teaching others, Stay healthy
Motivations	Feel better about body image, Style, Eco-friendly, Injury	Health, flexibility, getting away from family, quiet reflection time.	Increased flexibility, Health, Wife/girlfriend, Injury	Love of yoga, Health, Eco-friendly
Needs	Peace of mind knowing they are buying an eco-friendly product	Stress reduction, Weight loss, Feeling young/sexy	Stress reduction, Flexibility	Longevity, Product quality, Eco-friendly product
Decision-Making Factors	Price, Style, Convenience of shipping	Price, longevity, travel ability, website security, quality	Price, Convenience of shipping	Price, longevity, quality
People/ Influences	Friends and family, Entertainment industry, (Magazines, celebrities)	Co-workers, Yoga instructors, Magazine articles	Family and friends, Yoga instructors	Yoga studio, Yoga school, Co-workers
Expectations	Easy site navigation, Fast shipping, Testimonials, Ability to leave reviews	Good customer service (preferably phone), Fast shipping, Website security, Easy site to navigate	Easy site navigation, Fast shipping, Good customer service, Website security	Easy site navigation, Fast shipping, Testimonials, Ability to leave reviews
What they think about Go Green Yoga Mats	Simplicity & convenience of website & shipping. Likes "green-ness" of GGYM. Likes yoga mats with graphics. May be unsatisfied with selection	Appreciates website security features, return policy, and all the yoga info on the site. Might be weary of buying from a new company.	Simplicity and convenience of website & shipping. Appreciates website security, return policy, and the yoga info on the site.	Simplicity and convenience of website & shipping policies. Likes "green-ness" of the company. Appreciates yoga info on site.

MARKET TRENDS & GROWTH PATTERNS

Women

According to the US Census Bureau, as of 2008, Women between the ages of 25-44 accounted for 26.18% of the US female population, approximately 40.9 million people. As a percentage of the total population, this segment is projected to decrease slightly to 25.68% of women by 2020. However, this will still result in a population increase, to an estimated 43.5 million people in 2020. Overall, the Census Bureau predicts a slow but steady increase in this population over the next decade.³

Yoga

A 2008 study indicated that almost half (49.4%) of current yoga students began practicing to improve their overall health, which has grown since 2003 when that number was 5.6%. Nearly 8%, or 18.3 million Americans, say they are very or extremely interested in yoga and 4.1% of non-practitioners, or about 9.4 million people, say they will definitely try yoga within the next year.⁴

“Green”

Mintel forecasts that there will be a 19% growth for green products by 2013.⁵ About 50% of women say they are looking for more green options. 37% say they are paying more attention to brands that are committed to environmental causes and of all the products in woman’s shopping carts today, 25% of them are environmentally friendly.⁶ **30% of American consumers are willing to pay up to a 20% premium on clean, green products over non-sustainable alternatives.**⁷

Online

Consumers are spending more time investigating what brands are doing before buying products.⁸ Currently approximately 63% of online shoppers are women.⁹ The total number of online shoppers is expected to grow by 4.5% and average online spending per consumer is expected to reach \$1,550 per year.¹⁰

These positive trends in online shopping and green products suggest strong market growth for Go Green Yoga Mats.

³ <http://www.census.gov/popest/national/asrh/NC-EST2008/NC-EST2008-01.xls>

⁴ http://www.yogajournal.com/advertise/press_releases/10

⁵ http://www.consumeraffairs.com/news04/2009/02/recession_greens.html

⁶ <http://www.thedailygreen.com/living-green/blogs/green-products-services/women-marketing-55051206#ixzz0lrd3nW1H>

⁷ <http://www.goodandgreen.biz/>

⁸ <http://www.changeboard.com/resources/article/2929/10-green-trends-for-consumers-in-2009-2010/>

⁹ http://www.internetbasedmoms.com/net_selling.htm

¹⁰ <http://grabstats.com/statcategorymain.asp?StatCatID=3>

INDUSTRY ANALYSIS

Industry Snapshot

- Go Green Yoga Mats operates in the Sporting Good Stores Industry (NAICS Code 451110-454), specifically under the Non Store Retailers subsector.
- The Sporting Good Stores Industry contains approximately 18,390 firms.
- In 2008, Americans spent \$5.7B a year on yoga classes and products, including equipment, clothing, vacations and media, representing an 87% increase since 2004.
- In 2008, there were 261,100 fitness trainers and instructors in the U.S.; this figure is expected to reach 337,900 by 2018.
- There are approximately 70,000 yoga teachers in North America.
- Trends in yoga and health in general are fueling this industry with participation rates higher than ever before. In 2008, yoga had a growth rate of 17.1%, reaching about 16 million participants.
- The yoga, green and online shopping industries are thriving, presenting an incredible opportunity for Go Green Yoga Mats.

INDUSTRY OVERVIEW

Industry Code

Go Green Yoga Mats operates in the Sporting Good Stores Industry (NAICS Code 451110-454), specifically under the Non Store Retailers subsector. The corresponding SIC Code is 5941 or Exercise Equipment Stores. The Sporting Good Stores Industry contains approximately 18,390 firms¹¹, that vary from small online companies to large nationwide organizations.

Industry Size

The Yoga Journal estimated that in 2008 Americans spent \$5.7 billion a year on yoga classes and products, including equipment, clothing, vacations and media (DVDs, videos, books and magazines). This figure represents an increase of 87% compared to the previous study in 2004—almost double of what was previously spent.¹²

The Bureau of Labor Statistics provides projection data for fitness trainers and aerobics instructors. It has projected that the 2008 employment figure of 261,100 will increase to 337,900 by the year 2018. This includes an increase of 76,800 jobs available within the yoga sector and sums up to a 29% increase.² The North American Studio Alliance (NAMSTA) estimates that there are approximately 70,000 yoga teachers in North America.¹³ The yoga mat industry clearly will benefit with this projected increase of yoga professionals.

History

Yoga has been around for thousands of years, but really took hold around the 1960's as more types of yoga become available for a wider variety of participants.¹⁴ Today millions of people practice yoga. The trend is

¹¹ <http://www.bls.gov/bls/industry.htm>

¹² http://www.yogajournal.com/advertise/press_releases/10

¹³ <http://www.yogayoga.com/press/YTTmove>

¹⁴ <http://www.americanyogaassociation.org/general.html>

CONFIDENTIAL

credited to people looking for natural remedies to health problems and individuals looking to improve their overall health and quality of life.¹⁵

Economic Factors

The recession has created a new segment of cash-strapped individuals, looking for inexpensive new ways to exercise. Yoga and cardio kickboxing were among the biggest gainers from 2008 to 2009. Purchases of yoga instructions, mats and supplies continue to increase in a health and money conscious market place.¹⁶ During this economic downturn, green businesses are still surviving. Many companies are seeing the green movement as a way to cut costs and improve their reputation. Businesses are using the movement to improve operations, foster innovation, engage employees and satisfy customers.¹⁷ Online shopping is also becoming increasingly popular during the recession because consumers can research products in advance and find what they want at the least expensive price out there.¹⁸

INDUSTRY PARTICIPANTS

Major trade organizations include:

- Bureau of Labor Statistics run by the United States Department of Labor (Occupational Outlook Handbook)
- The 2010 Statistical Abstract Report collected by the U.S Census Bureau¹⁹
- YogaDayUSA.org operated by Yoga Alliance (Integrity. Diversity. Community)²⁰
- YogaJournal.com continues to expand and provide necessary information for those with yoga on mind.²¹
- Blog sites like www.life.gaiam.com provides insightful and up to date information regarding the new current trends taking place in the yoga industry. The site is well aware that despite the economy and the recession, there was constant growth and expansion in the yoga world.²²

The size of the various organizations in the yoga industry varies widely. Many of the larger organizations have both an online and mortar and brick store such as Lululemon Athletica and Prana. This gives consumers a chance to see the products in person. Other smaller organizations, such as Gaiam, have only online stores. The organizations that only have an online presence tend to be smaller and leaner. These stores often sell a variety of products from various brands, focusing on lower costs, strong customer service and high product quality. While some of these online stores do have their own brand, they differ from the large brick and mortar stores in that they do not sell their own brand exclusively. Some do have their own brand and often focus on a higher quality product that consumers are willing to pay for. Additional smaller online companies include Yoga-Clothing.com, Barefoot Yoga.

¹⁵ <http://hubpages.com/hub/history-of-yoga-and-meditation>

¹⁶ http://www.google.com/hostednews/ap/article/ALeqM5gKj_tonW47wRfetC6K8QC3b93fRAD9EOHI4G1

¹⁷ <http://www.greenbiz.com/news/2010/02/03/state-green-business-2010-alive-and-kicking?page=0%2C0>

¹⁸ <http://www.imediconnection.com/content/20510.asp>

¹⁹ <http://www.census.gov/compendia/statab/2010edition.html>

²⁰ <http://www.yogaalliance.org/History.html>

²¹ <http://www.yogajournal.com/global/2>

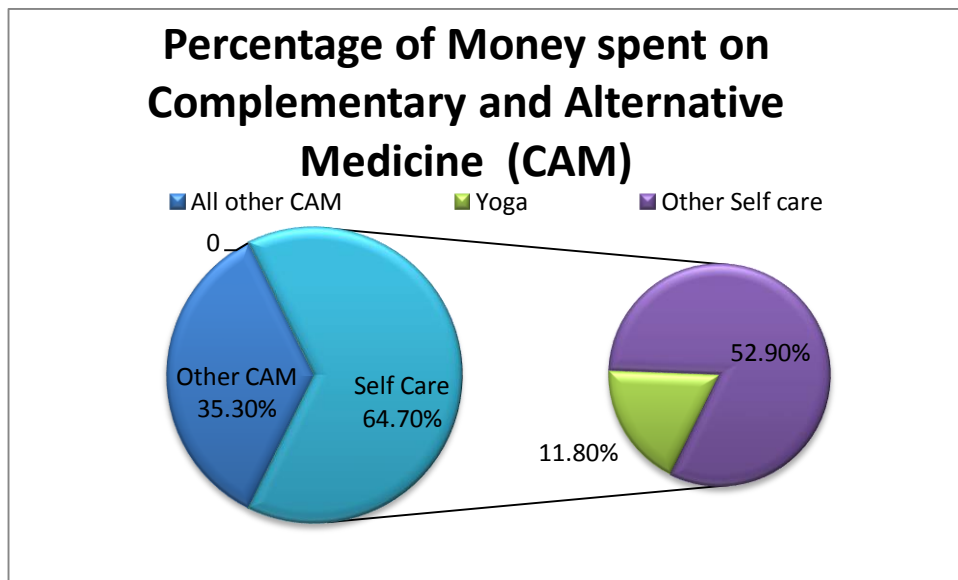
²² <http://blog.gaiam.com/blog/top-10-yoga-trends-for-2009-are-they-here-to-stay>

INDUSTRY TRENDS & GROWTH

Yoga

The yoga industry continues to grow almost every year. According to the National Sporting Goods Association (NSGA), yoga has the second highest growth rate among sports and recreation activities. Following closely behind running/jogging, in 2008, yoga had a growth rate of 17.1% reaching about 16 million participants.²³

Complementary and alternative medicine (CAM) has also become increasingly popular in the past several years. Based on data from 2007 approximately 38% of adults in the past 12 months spent 34 billion on CAM. Self care accounted for 22 billion of the market and 4 billion of that was spent on classes such as yoga and tai chi.²⁴



The U.S Census Health and Nutrition Report which looks at "adults 18 years and over who used complementary and alternative medicine (CAM) in the past 12 months by selected type of therapy 2002 and 2007" shows that between the years 2002-2007 there was a 26.8% increase from 10,386,000 to 13,172,000 in the usage of yoga practices. A 26.8% increase within the 5 year bracket shows that yoga is a growing industry and an increasingly common method of alternative medicine.²⁵

Also, the Bureau of Labor Statistics expects that jobs for fitness workers are expected to increase much faster than the average for all occupations, because of continued job growth in health clubs, fitness facilities and other settings in which fitness workers are concentrated.²⁶

Industry Improvements and Developments

²³ <http://www.snewsnet.com/cgi-bin/snews/14805.html>
²⁴ http://findarticles.com/p/articles/mi_m0CYD/is_12_44/ai_n39401546/
²⁵ <http://www.census.gov/prod/2009pubs/10statab/health.pdf>
²⁶ <http://www.bls.gov/oco/ocos296.htm>

CONFIDENTIAL

Developments such as the recent Lululemon Athletica Inc. profit increase shows what is happening in the yoga sector. The Vancouver based company released better-than-expected 2009 fourth-quarter results and an upbeat outlook. Investors rewarded it by sending its stock to a 52-week high after it had quadrupled in value over the past year.²⁷ Yoga retailers are doing a great job in keeping customers satisfied with a variety of yoga commodities.

The yoga, green and online shopping industries will continue to thrive, according to the statistics and information that are currently available. As the industries continue to grow, yoga supplies will continue to be in high demand, more companies will move more toward green methods and online stores will continue to pop up. The market is expected to grow as individuals become more aware of eco-friendly yoga mats and the availability of them online.

²⁷ <http://www.theglobeandmail.com/report-on-business/lululemon-rides-out-recession-in-quality-fashion/article1512745>

COMPETITIVE ANALYSIS

COMPETITIVE OVERVIEW

Go Green Yoga Mats is in the yoga industry and is focused on selling eco-friendly yoga products. Their main competition rests in companies that sell eco-friendly yoga mats, bags, and props. Go Green Yoga Mats products stand out compared to others by means of quality and by offering package deals. They also offer a variety of eco-friendly yoga mats for customers to compare.

Direct Competitors:

Go Green Yoga Mats' direct competitors are other online distributors of yoga products. Some of the competitors compile all of top brand names to sell on their sites. Consumers will continue to do more research on companies, products, and pricing as more information is available to them online.

Direct competitors include Gaiam, Barefoot Yoga, Yoga-Clothing.com, Manduka and Jade Yoga.

Indirect Competitors:

Indirect competitors include all companies that sell yoga products, but don't offer green products, or sell their products online.

Indirect competition comes in many forms including retailers such as Wal-Mart and Target. Generally, they offer relatively inexpensive yoga products with the appeal of instant gratification (no wait time to receive the product). However, the low-quality, short product life, and the lack of eco-friendliness attracts a consumer market that Go Green Yoga Mats' does not target. Additional indirect competitors include large companies such as Lululemon Athletica and Amazon.

DIRECT COMPETITORS

	GoGreenYoga Mats.com	Gaiam	Barefoot Yoga	Yoga-Clothing.com	Manduka	JadeYoga
Years in Business	0	20	10	5	10	6
Owner	Tyler Jensen	Jirka Rysavy	Kelly LeFebvre	N/A	Peter Sterios	Dean Jerrehian
Est. # of Employees	4	70,000 Stores Domestically/20 Countries Distributed	30	20	25	9
Type of Entity	Partnership	Corporation	Corporation	Corporation	LLC	Corp.
Yearly Sales	N/A	\$263 Million	N/A	N/A	N/A	\$650,000
Company Headquarters	San Diego, CA	Boulder, CO	Seattle, WA	Ventura, CA	San Luis Obispo, CA	Conshohocken, PA
# of Countries Carrying Brand	1	20	1	1	8	7
Average Price Per Mat	\$69.60	\$34.00	\$54.00	\$62.00	\$69.60	\$70.95
Average eco-friendly Package Price	\$185.50	does not offer eco-friendly packages	\$60 (includes mat and a pair of blocks only)	does not offer packages	\$136.25	does not offer packages
Program/ Networks/ Charities	Yoga World Online	Linkshare Affiliate Network	Facebook	bizrate.com	Ambassadors	Trees for the future
Focus	Eco-Friendly Mats & Packages	Eco-Friendly Products/DVD's/Solar Panels	Yoga Products & Clothing	Yoga Clothing & Mats	Yoga Mats & Products	Yoga mats only
Target	Eco Minded People who practice Yoga	Eco-minded people in general	Eco-Friendly yoga people	Eco-Friendly clothing buyers	Eco-Friendly yoga people	Eco-friendly yoga people
Manufacturing/ Importing/ Distributing	Distributor	Manufacturing 73% Importing 27%	Importing	Importing	Importing	Made in the USA
Contact Info	tyler@thenewwaveproject.com	(877) 989-6321	(877) 227-3366	(800) 620-9642	(805) 544-3744	(888)784-7237
Strengths	Packages	Size of Company/ Financial Status in Growth	Focus' strictly on yoga products/ simple, easy Website	Focus' strictly on Clothing/ Simple Website	Website/ Distribution Program	Simple/ easy site navigation
Weaknesses	Margins	Low end selection of yoga products	Advertising	Not enough info/ seems like company w/o experience	Product Selection/Needs to add DVD Program	Lack of accessories/ packages

INDIRECT COMPETITORS

	Lululemon Athletica	Amazon	Walmart	Target
Name of Owner/CEO	Christine Day	Jeffrey P Bezos	Michael Duke	Gregg Steinhafel
Company Headquarters	Vancouver, British Columbia	Seattle, Washington	Bentonville, Arkansas	Minneapolis, MN
Year Founded	1998	1995	1962	1902
Contact Info	604-732-6124	1-866-216-1072	479-273-4000	(612) 304-6073
Website URL	http://www.lululemon.com	www.amazon.com	www.walmart.com	www.target.com
Type of Entity	Corporation	Corporation	Corporation	Corporation
# of Locations/Stores	110	Online only	8,400	1,750
# of Employees	3,219	13,300	2,100,000	351,000
International Presence	Yes – Canada, USA, Australia, Japan	Yes – Canada, China, USA, France, Germany, Japan, UK	15 countries	Only USA
Manufacturing, importing, distributing	Sell in stores and online	Sell online only	Sell in stores and online	Sell in stores and online
Product/Service Summary	Athletic gear	Large variety of products- from household goods to exercise equipment to books	Large variety of products- from household goods to exercise equipment to books	Large variety of products- from household goods to exercise equipment to books
Target Market	Active women and men	Online shoppers	Discount shoppers	Discount Shoppers
Estimated annual revenues for last 3 years	270 – 450 million	470-902 million	405 billion	63 – 65 billion
Pricing	Yoga mats - \$28 – 90 dollars	Yoga mats – \$13 – 100 dollars	Yoga mats – \$12 – 50 dollars	Yoga mats – \$19 – 70 dollars
Strengths	Brand	Variety of products, inexpensive online store	Discount Store	Discount Store
Weaknesses	Specific brand for higher cost	Online only + shipping costs	Inexpensive lower quality product	Inexpensive lower quality product

COMPETITIVE ADVANTAGES

Go Green Yoga Mats only carries organic, toxin free, naturally made mats with no exceptions. Their premium yoga mats are made with only all natural products, contain no harmful substances like PVC (polyvinyl chloride), and are lovingly crafted using sustainable green practices. In addition to their “green” nature, Go Green Yoga Mats products stand out from their competitors due to their high quality and package deals. They offer a variety of eco-friendly yoga mats for customers to be able to compare to determine what option is best for them. The website also contains additional information about yoga so consumers can continue to gain more knowledge about the industry.

MARKETING PLAN

MARKETING STRATEGIES

Go Green Yoga Mats will focus on the following online marketing strategies in order to reach its goals of increasing website traffic by at least 15% each month.

Online Marketing Strategies

Go Green Yoga Mats will develop a social media presence via Facebook, LinkedIn and Twitter in order to establish a dialogue with customers and create a sense of community around the brand. Sales will take place on the Go Green Yoga Mats website, gogreenyogamats.com. Go Green Yoga Mats will continually undergo SEO strategies to improve search engine rankings and will experiment with various PPC advertising on Google and Facebook to drive traffic.

Online Marketing Goals

➤ Goal 1- Traffic Goals

To accomplish our traffic goals in November and December we will focus on both paid and unpaid online marketing tactics.

On Paid online advertising we will focus only on Google Adwords only. By using Adwords analytics we can monitor our impressions to clicks rate.

In terms of unpaid online marketing tactics, we will focus on SEO & blogging tactics. Future strategies could also involve Online PR, Social Media Strategies, & Viral Marketing Strategies.

➤ Goal 2- Conversion Rate

In the first few months we will be primarily focused on creating content and landing pages that match the users’ intent of arriving at the page. (Lower the bounce rate). Secondly we will focus on converting the visitor to a sale by making the site easy to navigate, contain the correct information and highly visible calls to action.

Monitoring Results

Go Green Yoga Mats will monitor results through the following methods:

- Analyze adwords account. Test various ads, landing pages, keywords, and monitor bounce rate.

CONFIDENTIAL

- Survey customers after checkout (to gather info regarding their shopping experience, site navigation, etc) and once through a follow-up email three weeks after placing the order (to gather info on shipping, product quality, and customer satisfaction).
- Track sales, leads, visitors to your web site, percentage of sales to impressions through google analytics on a biweekly basis.
- AB testing, although not forecasted to be used in the first quarter of business, is being considered as a future tool

Customer Service

Go Green Yoga Mats has set up a return policy for both damaged mats and when consumers change their minds. For damaged mats, Go Green Yoga Mats must be notified within 3 days of the consumer receiving the product or no refund/exchange will be provided.

Go Green Yoga Mats accepts returns or exchanges up to 30 days from the date of purchase. There is a \$15.00 restocking fee for all non-defective Go Green Yoga Mats merchandise that is returned out of the original packaging. In order to process a return/exchange, we must receive ALL of the following:

1. Returned merchandise in clean condition
2. Proof of purchase (i.e. sales receipt)
3. Return Authorization Form

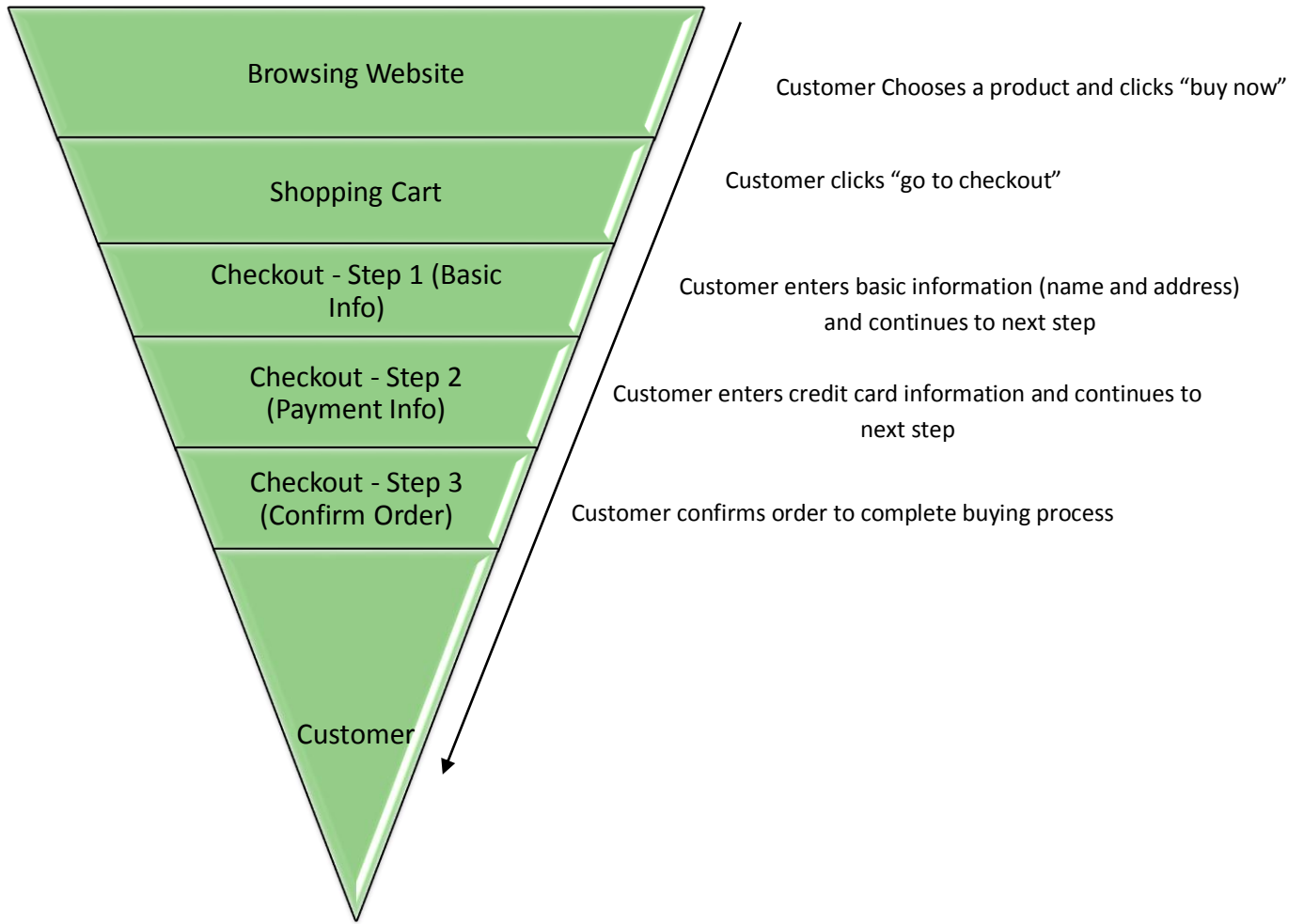
SALES FORECAST

Go Green Yoga Mats seeks to meet the following sales goals.

SALES GOALS

	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	3 yr
# Sales	20	40	60	80	100	150	200	250	300	350	400	450	12000
# Sales on E-bay	10	15	20	40	60	80	100	120	140	160	180	200	3000
Total # Sales	30	55	80	120	160	230	300	370	440	510	580	650	15000
Avg. Sale Amount	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72
Total Revenue	\$2165	\$2955	\$5746	\$8661	\$11576	\$16614	\$21652	\$26690	\$31728	\$36766	\$41804	\$46842	\$1074120

SALES FUNNEL



POSITIONING

We will position our product as eco-friendly, high quality, and fashionable. "We are not the Wal-Mart of yoga mats." We will build customer satisfaction through customer service, fast delivery, and high quality products.

SWOT



BRANDING

Ideal Customer Profile

Go Green Yoga Mats’ ideal customers are people that currently practice or plan to start practicing yoga. This group is made up of mostly women between the ages of 23-55, since they are the majority of the market. These consumers often make over \$50,000 a year and are usually college graduates or have families. The consumers tend to practice yoga in order to bring them flexibility, stress relief, muscle tone and more. They are conscious of their effects on the environment and look to make a difference by purchasing more eco-friendly products. They are willing to do the research to find the best price and a company that they trust. These customers like the convenience of shopping online, but also the ability to get their questions answered when needed.

CONFIDENTIAL

Core Message

Go Green Yoga Mats is a one-stop shop for eco-friendly yoga mats. Customers can compare the products and prices of the various brands they offer, and then choose which one to purchase. They will also use the website for additional information on yoga

Our green philosophy is not only represented by our selection of the best eco friendly mats but also by the foundations supported by our sales. For every Jade yoga mat we sell, the foundation Trees for the Future plants one tree. For every Manduka yoga mat sold, a donation is made to Off the Mat Into the World, a foundation that promotes taking lessons learned from yoga and applying them to help your local community and environment.

DISTRIBUTION CHANNELS



	Packages						Wai Lana		Kulae		Jade							
	Black Mat 71	Black Mat 85	ProLite Deluxe Yogi	Eko 71	Eko 85	Beginner	Green Enviromat	Green Eco mat	tpECOMat	tpECOMat Plus	Travel Mat	Professional Mat 68"	Professional Mat 74"	Fusion Mat 68"	Fusion Mat 74"	XW Mat 68"	XW Mat 74"	Edge Collection
Wholesale cost	\$111	\$141	\$156	\$107	\$120	\$59	\$27	\$36	\$29	\$35	\$23	\$30	\$33	\$50	\$55	\$36	\$39	\$38
Drop Ship fee	\$5	\$5	\$5	\$5	\$5	\$5	\$3	\$3	\$3	\$3	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5
Our total cost	\$121	\$146	\$161	\$112	\$125	\$64	\$30	\$39	\$32	\$38	\$28	\$35	\$38	\$55	\$60	\$41	\$44	\$43
Customer price	\$199	\$225	\$275	\$199	\$225	\$99	\$45	\$60	\$39	\$47	\$48	\$60	\$65	\$100	\$110	\$72	\$78	\$75
Profit	\$78	\$79	\$114	\$87	\$100	\$35	\$15	\$21	\$7	\$9	\$15	\$25	\$27	\$45	\$50	\$31	\$34	\$22
Profit margin	39%	32.64%	39%	40.65%	41.3%	31.5%	27.27%	30%	14.28%	15.79%	25.86%	35.71%	36%	40.91%	41.67%	37.80%	38.64%	29.33%
	Manduka						Bolder Mat Company						Natural Fitness					
	Black Yoga Mat 71"	Black Yoga Mat 85"	Pro Lite Mat	Eko Mat 71"	Eko Mat 85"	Eko Lite Mat	Boulder Mat	Cosmic Breath	Peace Prayer	Fish Wish	Go with the flow Turtle	Flower Power	Eco-yoga Mat	Journey	Fitness Professional	Professional Extra long	Divine	
Wholesale cost	\$52	\$69	\$37	\$35	\$45	\$21	\$35	\$35	\$35	\$35	\$35	\$35	\$18	\$26	\$30	\$37	\$52	
Drop Ship fee	\$5	\$5	\$5	\$5	\$5	\$5	\$1	\$1	\$1	\$1	\$1	\$1	\$5	\$5	\$5	\$5	\$5	
Our total cost	\$57	\$74	\$42	\$40	\$50	\$26	\$36	\$36	\$36	\$36	\$36	\$36	\$23	\$31	\$35	\$42	\$57	
Customer price	\$85	\$99	\$68	\$70	\$89	\$42	\$49	\$49	\$49	\$49	\$49	\$49	\$30	\$40	\$55	\$60	\$90	
Profit	\$28	\$25	\$26	\$30	\$39	\$16	\$13	\$13	\$13	\$13	\$13	\$13	\$7	\$9	\$20	\$18	\$33	
Profit margin	29.5%	22.94%	34%	37.50%	39.4%	32%	22.41%	22.41%	22.41%	22.41%	22.41%	22.41%	17.5%	18%	30.77%	25.71%	33%	

CUSTOMER SERVICE

Go Green Yoga Mats has a customer service representative in place to take care of the majority of website and e-bay customer service needs. This person is in charge of handling consumer questions, whether through the company email (info@gogreenyogamats.com) or company phone number (1-800-783-6305). The consumer is kept in contact throughout the whole ordering process through email. Other customer service questions regarding the mats will be handled by Manduka and Jade Yoga customer service teams. In order to make sure delivery is quick Go Green Yoga Mats has an agreement with their suppliers that the products will be shipped out within 24 hours of receiving the order. The suppliers will send a confirmation with the tracking number to the intern when the item has been shipped. Go Green Yoga Mats asks their customers for feedback 2-3 weeks after their product has been received in order to make sure the process went smoothly and the consumers are satisfied.

OPERATIONS PLAN

LOCATION

Our customers are located in the United States and are all online. Our competitors are United States based online suppliers of yoga mats and related products. All of our California sales are taxed. The community lifestyle that makes up our customer base are those located within the United States that have started to embrace the movement to “Go Green”, the more recent trend of yoga, and also that of conveniently shopping online.

There are two physical locations of our facilities. One office is located in Solana Beach, California and another in Pacific Beach, California. Our relation with our vendors is not related to our physical locations because we drop-ship and do not need vendors to physically come to us. There is no stock carried at these locations so no customers come to them.

STAFFING AND TRAINING

Hunter Jensen, Chief Technology Officer (CTO) and his team of 1-2 staff handle software development and some marketing at the Pacific Beach office. Tyler Jensen and his team of 1-2 staff handle marketing, operations and customer service at the Solana Beach office

Training is done through an operation manual that is kept for all operations for new staff to review and become up-to date with all current practices.

OPERATIONAL PROCEDURES – MERCHANDISING

The merchandise category of Go Green Yoga Mats is an online direct selling specialty store. The product line currently consists of yoga mats but will soon be expanding to include clothing, dvds and other entertainment, and more yoga related accessories. We provide a unique competitive advantage through our top of the line, extremely high quality and environmentally friendly yoga mats and products. The major activities that make up our product line through the merchandising process include search engine optimization (SEO) and social media optimization (SMO). SEO is worked on daily by our tech team in Pacific Beach and is scaled as we grow. SMO is done on a daily basis by the Solana Beach team to gain product awareness and grow our brand. Our product selection is done through margins of upwards of 20% and a minimum of \$10. Research within our categories determined our pricing through costs of shipping, drop-shipping, and the actual goods that we sell. No products are stored in-house, as all are drop-shipped from the manufacturers. Our orders are handled by one intern who takes care of customer service calls and emails and also fulfills orders.

PURCHASING PROCEDURES

All GGYM sales are done over the phone or are placed online through ebay and through our website with a valid credit card currently through do-it order. Eventually, this will be done on net 30-90 day payment terms with our vendors. We only ship within the United States and customers receive their orders within two to five days of order placement. Refunds are handled through our customer service intern. We do not manage any

inventory as all products are drop-shipped from our vendors. Our website is updated and organized as to size, color, and availability on an as-needed basis.

INVENTORY MANAGEMENT PROCEDURES

Go Green Yoga Mats does not carry inventory in-house. Orders are drop-shipped from the manufacturers. They use a computer database in order to keep track of the products that the manufacturer has in stock, the specs on each product (color, size, etc.) and to track how much of what is sold and how often. The computers do most the other work when it comes to re-ordering and keeping the supply consistent.

QUALITY CONTROL MEASURES

Quality control and customer service are done through refunds and response to questions by email and phone within a timely manner.

Unhappy customers email us reporting their problems and we then contact the vendor with the issue. Money is returned unless the product has been used or destroyed by the customer.

ADMINISTRATIVE PROCEDURES

Accounting, customer service, marketing, and order fulfillment are handled by Tyler Jensen and a team of three to four at the Solana Beach office.

MANAGEMENT TEAM

KEY MANAGEMENT

TYLER JENSEN

Mr. Jensen is the founder of Coastal Latitude Consulting a strategic advisory firm specializing in helping entrepreneurs and business owners achieve success in their lives. Mr. Jensen is also the founder of The New Wave Project, a personal internet incubator that is developing ideas into businesses. Mr. Jensen is the founder of VAVi, a sport & social club which he grew to over 25,000 members in six years, was recognized as San Diego's 30th fastest growing private company in 2006 by the San Diego Business Journal and 32nd fastest in 2007, and sold for over 25X the capital investment. Mr. Jensen's background and experience includes: sales, marketing, business and website development, and internet strategy. Mr. Jensen has developed an extensive network of business relationships focused on rapidly expanding companies. He specializes in the development of creative ideas, problem solving and effective and efficient planning in numerous areas of business. Mr. Jensen is quite knowledgeable in a broad range of growth issues including strategies for accelerating growth, development of the company's business plan, strategic direction, sales and marketing, management team development, recruiting and motivating employees and numerous other operational and strategic issues. Mr. Jensen is a serial entrepreneur, investor and strategic advisor and he is passionate about assisting other entrepreneurs.

EXPERIENCE

Co-Founder - www.GoGreenYogaMats.com - Retail industry

January 2009 – Present (1 year 5 months)

We currently sell eco friendly yoga mats. Soon to expand to other eco friendly yoga products.

Founder - Coastal Latitude Consulting - Management Consulting industry

January 2008 – Present (2 years 5 months)

Founder - The New Wave Project - Internet industry

January 2007 – Present (3 years 5 months)

Personal internet incubator. Testing and developing internet business ideas.

Board of Director - Rent a Toy - Consumer Goods industry

September 2008 – March 2009 (7 months)

Partner - Ignite It Consulting - Management Consulting industry

August 2007 – January 2009 (1 year 6 months)

Strategic advisory firm specializing in helping high growth companies expand rapidly.

CEO - VAVi Sport & Social Club - Sports industry

July 2002 – January 2008 (5 years 7 months)

Deputy Campaign Manager - Citizens for Tim Kane – Sports industry

2001 – 2001 (less than a year)

Education

University of Virginia - Commerce Marketing & Management - 1997 – 2001

Norfolk Academy - 1992 – 1997

HUNTER JENSEN

After running Barefoot Solutions for several years, I have worn many hats. At some point in my company's history I have played the role of consultant, project manager, programmer, designer, lawyer, accountant, and janitor. I love new and exciting ideas. I like pushing the envelope with technology. I'm interested in securing more contracts for my company, building the portfolio of sites that my company owns, and partnering with other entrepreneurs on their ventures.

EXPERIENCE

Founder/CTO - Antenna LLC - Privately Held; Computer Software industry

October 2009 – Present (8 months)

Antenna is a free mobile application that facilitates real-time, location-based, person-to-person exchanges. By turning traditional classified listings into geo-tagged twitter sized microlistings, Antenna lets you quickly connect with people nearby. Got an extra ticket? Need an extra ticket? Lost your dog? Having a yard sale or an open house? Just post a quick mobile microlisting.

As CTO, I focus on product development. This includes the web properties, the iPhone app, and the upcoming Android and Blackberry apps.

Owner/Founder/CEO - Barefoot Solutions, LLC

Privately Held; 1-10 employees; Computer Software industry

2003 – Present (7 years)

I am the Founder/Owner/CEO of Barefoot Solutions, LLC. My position involves overseeing my team of project managers, graphic designers, programmers, and other web development specialists. It also involves seeking out clients and securing contracts for web development projects.

Writer - PHP Architect - Computer Software industry

January 2008 – December 2008 (1 year)

PHP Architect is the leading print magazine that focuses on the PHP programming language. In 2008 I wrote a 4-part series on the different legal implications of the software development industry. Articles included - NDAs and Noncompetes, Web Development Contracts, Source Code Escrow, and Software Patents. Copies of these articles can be seen in the articles section of my blog - <http://www.barefootsolutions.com/blog/resources/>

Education

University of Virginia - BA Economics, Philosophy - 2000 – 2005

ACTIVITIES AND SOCIETIES: Kappa Sigma Fraternity, Men's Club Lacrosse

Norfolk Academy - Diploma - 1994 – 2000

FINANCIAL PLAN

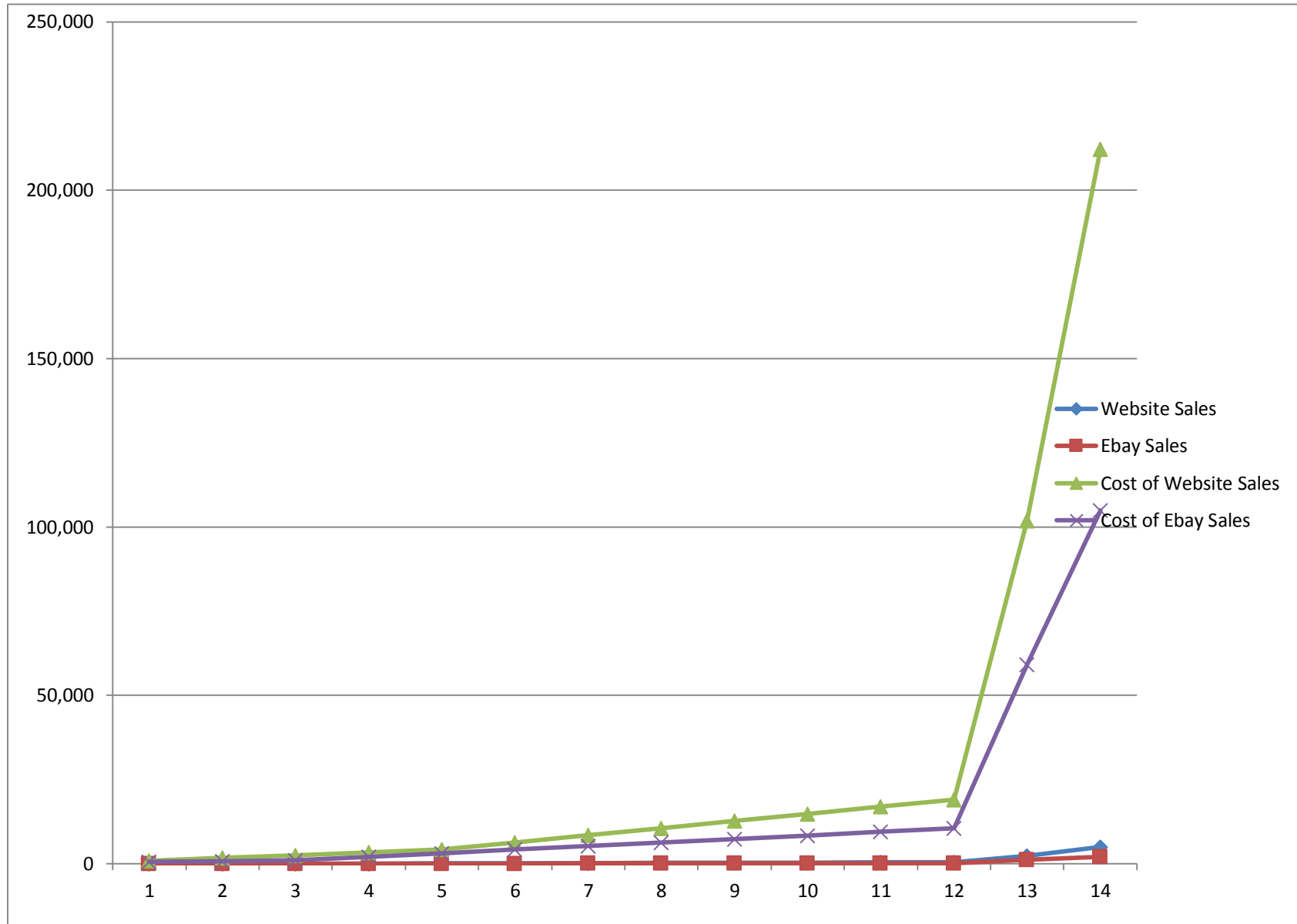
FINANCIAL SUMMARY

Go Green Yoga Mats' projects steady growth through its first three years. The company will experience fixed and variable expenses each year. The company does not have many initial fixed expenses beyond rent and employee compensation. The majority of variable expenses comprise of marketing expenses and office supplies. The graphs and charts on the follow pages present Go Green Yoga Mats' projected revenue, expenses and profits.

SALES PROJECTONS

Sales	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 1	Year 2	Year 3
Unit sales (units):															
Website Sales	20	40	60	80	100	150	200	250	300	350	400	450	2,400	5,000	12,000
Ebay Sales	10	15	20	40	60	80	100	120	140	160	180	200	1,125	2,000	3,000
Unit prices (\$):															
Website Sales	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76	70.76
Ebay Sales	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Total sales (\$):															
Website Sales	1,415	2,830	4,246	5,661	7,076	10,614	14,152	17,690	21,228	24,766	28,304	31,842	169,824	353,800	849,120
Ebay Sales	750	1,125	1,500	3,000	4,500	6,000	7,500	9,000	10,500	12,000	13,500	15,000	84,375	150,000	225,000
Total sales (\$)	2,165	3,955	5,746	8,661	11,576	16,614	21,652	26,690	31,728	36,766	41,804	46,842	254,199	503,800	1,074,120
Unit cost (\$):															
Website Sales	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46	42.46
Ebay Sales	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50	52.50
Total cost of sales:															
Website Sales	849	1,698	2,547	3,396	4,246	6,368	8,491	10,614	12,737	14,860	16,982	19,105	101,894	212,280	509,472
Ebay Sales	525	788	1,050	2,100	3,150	4,200	5,250	6,300	7,350	8,400	9,450	10,500	59,063	105,000	157,500
Total cost of sales	1,374	2,486	3,597	5,496	7,396	10,568	13,741	16,914	20,087	23,260	26,432	29,605	160,957	317,280	666,972

SALES CHART



PROFIT & LOSS STATEMENT

P & L	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 1	Year 2	Year 3
Sales (\$)	2,165	3,955	5,746	8,661	11,576	16,614	21,652	26,690	31,728	36,766	41,804	46,842	254,199	503,800	1,074,120
Cost of sales:															
Materials and Manufacturing (\$)	1,374	2,486	3,597	5,496	7,396	10,568	13,741	16,914	20,087	23,260	26,432	29,605	\$160,957	\$317,280	\$666,972
Total cost of sales	1,374	2,486	3,597	5,496	7,396	10,568	13,741	16,914	20,087	23,260	26,432	29,605	\$160,957	\$317,280	\$666,972
Gross profit (\$)	791	1,470	2,148	3,164	4,180	6,046	7,911	9,776	11,641	13,506	15,372	17,237	\$93,242	\$186,520	\$407,148
Operating expenses (\$)															
Marketing and Advertising expenses															
Sales and Marketing Payroll	4,000	4,000	4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$48,000	\$96,000	\$102,000
Advertising (\$)	\$200	\$300	\$400	\$500	\$600	\$700	\$800	\$900	\$1,000	\$1,000	\$1,000	\$1,000	\$8,400	\$12,000	\$24,000
Promotional Material (\$)	\$50	\$53	\$55	\$58	\$61	\$64	\$67	\$70	\$74	\$78	\$81	\$86	\$796	\$1,800	\$3,000
Trade Shows (\$)			\$800						\$800				\$1,600	\$1,600	\$1,600
Total Marketing and Advertising expenses	\$4,250	\$4,353	\$5,255	\$4,558	\$4,661	\$4,764	\$4,867	\$4,970	\$5,874	\$5,078	\$5,081	\$5,086	\$58,796	\$111,400	\$130,600
General and Administrative Expenses															
Administration Payroll	3,500	3,500	3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$42,000	\$44,400	\$48,000
Rent (\$)	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000	\$6,000	\$6,000
Utilities (\$)	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$600	\$600
Telephone (\$)	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$180	\$250	\$300
Insurance (\$)	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$1,000	\$1,200	\$1,300
Supplies (\$)	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$700	\$800
Miscellaneous (\$)	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,300	\$1,400
Total General and Administrative Expenses	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$4,298	\$51,580	\$54,450	\$58,400
Other expenses															
Legal (\$)	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,300	\$1,400
Credit Card Fees	\$57	\$113	\$170	\$226	\$283	\$425	\$566	\$708	\$849	\$991	\$1,132	\$1,274	\$6,793	\$14,152	\$33,965
Total Other expenses (\$)	\$157	\$213	\$270	\$326	\$383	\$525	\$666	\$808	\$949	\$1,091	\$1,232	\$1,374	\$7,993	\$15,452	\$35,365
Total expenses (\$)	\$8,705	\$8,864	\$9,823	\$9,183	\$9,342	\$9,587	\$9,831	\$10,076	\$11,121	\$10,467	\$10,612	\$10,758	\$118,369	\$181,302	\$224,365
Profit (\$)	\$7,914	\$7,394	\$7,675	\$6,018	\$5,162	\$3,541	\$1,921	-\$300	\$520	\$3,040	\$4,760	\$6,479	-\$25,127	\$5,218	\$182,783

CASH FLOW TABLE

Cash Flow	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 1	Year 2	Year 3
Beginning cash	50,000	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	50,000	24,873	30,091
Cash in:															
Net profit	(7,914)	(7,394)	(7,675)	(6,018)	(5,162)	(3,541)	(1,921)	(300)	520	3,040	4,760	6,479	(25,127)	5,218	182,783
Depreciation & amort.															
Change in accts payable															
Current borrowing															
Long-term borrowing															
Increase other liabilities															
Capital input															
Total cash in	(7,914)	(7,394)	(7,675)	(6,018)	(5,162)	(3,541)	(1,921)	(300)	520	3,040	4,760	6,479	(25,127)	5,218	182,783
Cash out:															
Change in A/R															
Change in inventory															
Change other ST assets															
Capital expenditures															
Loan repayment (ST)															
Loan repayment (LT)															
Dividends															
Owner withdrawal															
Total cash out															
Net cash flow	(7,914)	(7,394)	(7,675)	(6,018)	(5,162)	(3,541)	(1,921)	(300)	520	3,040	4,760	6,479	(25,127)	5,218	182,783
Cash balance	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	24,873	24,873	30,091	212,874

BALANCE SHEET

Balance Sheet	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Year 1	Year 2	Year 3
Current assets:															
Cash	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	24,873	24,873	30,091	212,874
Accounts receivable															
Inventory															
Deposits															
Total current assets	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	24,873	24,873	30,091	212,874
Fixed Assets															
Capital assets															
Less accum depre															
Other assets															
Total assets	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	24,873	24,873	30,091	212,874
Accounts payable															
Short-term notes															
Other ST liabilities															
Total current liab.															
Total liabilities															
Beginning capital	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Profit or (loss)	(7,914)	(15,308)	(22,983)	(29,002)	(34,163)	(37,704)	(39,625)	(39,925)	(39,406)	(36,366)	(31,606)	(25,127)	(25,127)	(19,909)	162,874
Owner's withdrawal															
Capital-end of period	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	24,873	24,873	30,091	212,874
Total liab. & equity	42,086	34,692	27,017	20,998	15,837	12,296	10,375	10,075	10,594	13,634	18,394	24,873	24,873	30,091	212,874

FINANCIAL ASSUMPTIONS

Assumptions	
<i>Reccurent ratios</i>	
Average account receivable days	30
Average account payable days	1
Inventory days	0
% of sales in cash	100%
% of purchases in cash	100%
% of payroll for taxes & benefits	20%
Short-term interest rate	10
Long-term interest rate	10
% of payroll for taxes & benefits	
Average COGS for Website	70%
Average COGS for Ebay	85%