

Pet Basket

“From Pet Lovers to Pet Lovers”

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Executive Summary

Simply put, Pet Basket is a monthly subscription box service that fulfills all of a pet's needs. The box would contain dog food, which would vary by order due to different dog sizes, treats, and toys. The latter two would add a surprise element for both the customer and their pet. Our product would essentially eliminate the need of going to a retail storefront to purchase your pet necessities which saves the customer both time and effort. Additionally, the owner would never have to worry about running out of dog food or having to grab an extra toy at the store.

In the United States, the pet industry is already a billion dollar industry and is projected to continue growing. According to recent studies, online pet food and pet supplies sales is the fourth fastest growing industry and due to the recent pandemic, total revenue has grown 63%. Our box would be geared towards the dog industry since dogs are the most popular pet in the United States with an estimated 63.4M registered dog owners.

Our main competitors would include large retail stores such as PetSmart, delivery services such as Chewy, and other dog subscription boxes such as BarkBox. Although these competitors already have a presence in the dog industry, Pet Basket fills the specific niche of providing all of a dog's needs in a monthly box delivered right to your door without even thinking twice. One big differentiator between Pet Basket and BarkBox is that you can include multiple dogs to the same order thus reducing shipping time.

We would be asking for a start up investment of \$200,000 to cover the beginning start up costs in exchange for 50% equity and we believe we can repay the investment in full at the end of the initial three years.

Business Concept

Pet Basket is a web based subscription service where customers simply identify their dog size, select their preferred dog food, input any allergy or diet restrictions, and the box is shipped directly to their door. We will use eight specific brand pet foods that we will buy through a wholesaler to increase our profit margins and decrease the price for our customers. The three sizes of dogs that we will cater to are small, medium, and large dogs. The price and size of the food in the boxes will be: \$30 and 15 lbs for small dogs, \$45 and 30 lbs for medium dogs, and \$60 and 60 lbs for large dogs. Our box includes treats and toys as well, based on the size of their dog. These treats and toys will be different every time a customer receives a box, so it gives their dogs a variety of toys to play with and treats to eat. As all dog owners know, dogs bite through treats very fast, so the addition of toys to our box will save our customers a trip to the pet store to buy toys. Also, treats are an essential part of dogs training as people use treats as a positive reward for their dogs. Our treats and toys will be seasonally themed as well. Our customers will be able to compare their dog size with the recommended food conversion preventing overfeeding and the possibility of running out of food during the month. For now, our product only serves dog owners, but we hope to expand our business to cater to all pets and their owners.

The concept of our business that will entice customers is “Do it once and never worry about it again.” Here, customers will receive the same food every time a box comes to their door. We believe this makes our customers lives easier and less stressful as it relieves them of another task. Also, in the age of COVID-19, we plan to market to the customers that do not feel safe to enter and shop in stores.

Market Analysis

In order to fully understand our market, first, we will take a look at a specific age group and other demographics in which we plan to sell and advertise towards. In broad terms, there are 63.4 million dog owners in the United States which represents one of the largest markets this country has to offer. In the wake of the pandemic, more and more people are beginning to own dogs as they need company at home. In this way, our market of dog owners will only keep expanding as our business grows. Next, we plan to target millennials as they are more likely to order an online subscription box than older generations. Here, we see that 35% of pet owners in the US are millennials which is more than any other age group. Our targeted groups are dogs owners initially, but we hope to expand to all pet owners as we grow our company and expand into subscription boxes for all pets.

Along with a target market, we also looked at the dynamics of the industry we are exploiting. In the United States, the spending of pet owners is broken up into 5 sections. These sections include, 36% on food, 27% on veterinary care, 23% on supplies, 10% groom and board, and 4% on animal purchases. Here, we see that a majority of the spending is on food which explains our focus on the fact that our box includes dog food. Online pet sales are ranked as the fourth fastest growing market in the United States. From 2019 to 2020, this sector grew 28.5% in total revenue. We plan to add to this industry in a unique way with our subscription box. Since COVID-19 has struck the United States, there has been an increase of 63% in online pet sales.

Financial Plan

Overall, our business model is a subscription-based service. We believe that once a customer is acquired, it is plausible that they can be retained and continue to use our monthly service. One of our main competitors, BarkBox, boasts a 95% retention rate and we believe that we can reach a similar standard. Additionally, we are planning to incentivize our customers to remain loyal to our subscription service by offering a discount if they lock in their payment for multiple months in advance. We will generate revenue on a consistent basis through these subscriptions.

Based on our survey data and our analysis of the pet and subscription-box service industries, we believe that we can gain 200 subscribers in the first year. As a result, we will need to buy 2400 boxes worth of dog food, treats, and toys. We will also need to pay the miscellaneous costs—shipping, processing, and purchasing customized boxes—for 2400 boxes. Furthermore, it is imperative that we establish a functional website that is able to handle all of our orders. In order for our target market to learn about our business, we have to accrue expenses to cover traditional and social media methods of advertising. Finally, we must each earn enough in wages to provide for basic necessities.

In our first year, we are estimating that each box will contain \$30 worth of dog food. This comes from an average of the size (weight) and number of dogs that our customers and target market own. As a result, our dog food expense will be \$72000. We anticipate placing \$5 worth of dog treats in each box, coming out to an expense of \$12000. We will be placing an average of \$4 worth of dog toys in each delivery, totaling \$9600. Our miscellaneous costs come out to about \$10 per box—the price of a customized cardboard box is \$1 and shipping and handling are estimated to cost us \$9. These costs warrant an expense of \$24,000, bringing the total to

\$117,600 for our supplies. All four members of our team are required to earn \$20,000 per year, so our wages expense will be \$80,000. We plan to hire a website developer to create a simple yet effective page for our orders to be processed. Our website will cost \$10,000 to create and \$1,000 per year to maintain; therefore, the expense for the first year will be \$11,000. Our advertising expense will be \$15,000 for the first year, split 75/25 in traditional and social media methods. The nuances of our advertising measures will be further explained in the Marketing Plan section.

Our total expenses for the year are \$223,600. Although the service's pricepoint starts at \$50 per month, the average customer will assemble a box that sells for \$75. Since we expect 200 subscriptions, our sales come out to \$180,000. We are expecting a loss of \$43,600 for the first year.

There are a number of important changes for the second year of the financial plan. We are estimating a 150% growth in subscriptions, equating to 300 new members and a total of 500. This number may seem ambitious, but as mentioned in the Market Analysis, the online pet products industry has grown by over 200% in both 2017 and 2018 and the pet industry has seen an increase of 63% solely during the time of COVID-19 (Common Thread). We will maintain the same unit costs for our dog treats, toys, and miscellaneous costs—these expenses will cost \$24,000, \$30,000, and \$60,000 respectively. We plan to negotiate a lower rate with our wholesaler for our dog food expense because our order will increase by thousands of pounds. We estimate that we will pay \$25 per box for dog food. This leads to an expense of \$150,000 for the second year. We are also planning to purchase a storage unit for \$720 in Boston to store our products. Also, a customer service representative will be hired for \$20,000 to aid with our public relations. Furthermore, our advertising expense will increase to \$20,000 as we attempt to reach more of our target market. Our website will cost \$1,000 to maintain.

In total, our expenses for the second year are \$264,000. We predict that the average price of a box will hold constant at \$75 for the customer. Our sales for the second year will be \$450,000. We are projected to make a profit of \$64,280.

There are important updates to mention as Pet Basket enters its third year of operation. We estimate a 100% increase in our customers, coming out to 1,000 subscriptions. Again, this level of growth is relatively conservative according to industry standards and the aforementioned data. We will maintain the same unit costs for our dog toys, treats, and miscellaneous costs. These expenses will cost \$48,000, \$60,000, and \$120,000 respectively. We plan to renegotiate our rate with the wholesaler for dog food because we are doubling the quantity of our order. We estimate that the cost of dog food per box will be \$20 in the third year. The total expense for dog food will be \$240,000 in year three. To keep up with our growing supplies, we will add another storage unit for an annual cost of \$720. Our advertising will increase again, this time to \$25,000, to continue to engage with our growing target market. We will plan to hire another employee to aid in packaging and fulfilling orders; completing 1,000 monthly orders would be an arduous task for just the four founders. This employee will receive a salary of \$20,000. We will be charged \$1,000 to run our website for the year.

The total expenses of the third year are \$615,440. Because we expect to see the same average price point of \$75 per customer per month, we estimate that we will earn \$900,000 in sales revenue. Our net income for the year will be \$284,650.

Our revenue model is dependent on continued subscriptions from our identified target market. As we gain more and more subscriptions, we obtain the ability to negotiate with our wholesalers in exchange for buying larger quantities of materials. We will make money on an ongoing basis through our subscription-model because we believe that the vast majority of our

customers will be retained. We can expect customers to stay subscribed to our service based on the retention rates from our closest competitors.

We are asking for \$200,000 in funding from a venture capitalist in exchange for 50% equity in Pet Basket. This funding will cover our initial supplies and miscellaneous costs, initial advertising, website, and wages for the first year. We believe that our business is worth \$400,000—or \$200,000 for 50% equity—based on our three year pro-forma budget and our estimated growth. At the end of the first three years, our cumulative net income for the period is \$305,240. As we continue to expand our operations in the future, lowering costs by making deals with wholesalers and growing our customer base, our business will be projected to reach \$400,000 in net income and over \$1,000,000 in annual sales.

Pet Basket was founded to make life easier for busy pet owners, saving them time and energy that they can use to bond with their dogs. Our business begins as a tiny startup based out of our houses and expands to an enterprise that serves hundreds of customers and generates hundreds of thousands of dollars in gross sales. However, we must begin to plan for the future and begin to devise an exit strategy. If our expectations were exceeded, Pet Basket could expand into many different areas: adding over-the-counter medicines and vitamins to the boxes, expanding to other pets like cats, or even begin to produce our own pet food and supplies in lieu of ordering from a wholesaler. Although, it is unlikely that our small business explodes into a massive operation. Instead, we anticipate that we will merge or be bought out by one of our competitors. Our main competitors are indirect, meaning that they sell the same products without a subscription-box model, but they are much larger than us. Therefore, we find it plausible to believe that a large multinational like PetSmart or Chewy would want to expand into a growing

subscription-box industry. Our supply chain, infrastructure, and subscriber base would prove valuable to other businesses.

Supply Chain

Capitalizing on the rapidly growing industry of “e-commerce,” Pet Basket will have no brick and mortar stores, rather we will sell all of our products online through our website.

Initially, we will not have a set location or headquarters, rather our employees will be able to work from home. Our only physical location will be where we store our product. We will begin to store our products in our homes based in Boston, and after year one we will upgrade to a storage unit and finally a warehouse when our customer base is large enough to sustain a large quantity of storage.

Despite not creating our own products and relying on manufacturers to create, and ship our products to us, Pet Baskets supply chain is relatively simple, only containing three steps from the moment the product is created to the moment the product arrives at our customers door. To begin with, we will buy our toys, food, and treats from separate suppliers based in different countries. First, we will purchase our toys through Alibaba, buying our product in bulk so we can get the cheapest price for the highest quality toys and passing this cheap price on to our customers while increasing our profit margins. When we create a strong connection with our supplier, we will bypass the need to use Alibaba and purchase our toys directly from the manufacturer. This will give us the opportunity to create custom toys and get cheaper prices further increasing our profit margin. We decided to pick Alibaba because we believe buying toys from China will give us the greatest profit margin and decrease the cost of supplies.

Unlike the toys, we will buy our treats, and food from different manufacturers. Instead of using a third party website like Alibaba to buy our product, we will go directly to the supplier of the food and treats and create a connection with them so we can get the cheapest prices. We will buy our food, and treats from Taste of the Wild Natural, Rachel Ray Nutrish Natural, Purina Pro

Plan Shredded Chicken, Hill's Science Diet Sensitive Stomach and Skin, Diamond Naturals, and CESAR Classics Adult Wet Dog Food, all of these companies are based in the United States making it easy for our team to buy the products efficiently and make sure we get what we want. We decided to pick these suppliers because we believe people would be less reluctant to spend money on food if it was manufactured in the United States, we also believe in quality and variety and having many different options to choose from will give us a wide variety of families we can target.

Once our supplies have been shipped to us from one of or many suppliers, we will store it in our storage facilities. Initially, we will store our product in our houses and then upgrade to a storage unit when needed. We will create our boxes at our storage unit and fulfill orders when we receive them. We will distribute our order and ship our boxes using USPS giving us the cheapest prices and fast shipping times in the United States. At first, we will only sell our boxes in the United States, making our logistics simple and creating a simple supply chain since we won't have to worry about selling our product to another continent, but when we generate more revenue and increase our personnel we will begin to sell in different countries.

In summary, provided that everything works smoothly and efficiently, Pet Baskets supply chain is relatively simple, only containing three steps, and not much equipment is needed. First, we will acquire our supplies from one of our many manufacturers based around the world and ship these supplies to our storage units. When they arrive at our storage units, we will process our supplies and create boxes based on the order our customer places. When a customer places an order we will ship our box from our storage units and it will arrive at the customer's home within a specific time frame.

Marketing Plan

In the first year, our main objective would be to promote our product as much as possible to gain consumer interest nationwide. A way we would do this is by using both traditional and social media outlets. Traditional outlets include television, radio, and flyer advertisements and social media outlets include Instagram, Facebook, and Google Ads. Our budget allocates an estimated \$15,000 for advertising in the first year which we would devote 75% towards traditional outlets and 25% towards social media outlets. This can be explained because after research on both outlets, social media advertising tends to be relatively cheaper than traditional outlets and one of our competitors, BarkBox, found that traditional outlets have more of an impact on customer acquisition.

Across all our marketing outlets, our slogan would be “From Pet Lovers to Pet Lovers” because we want to make both our human customers and pet customers happy. The main message that we would want to emphasize about our product is that Pet Basket includes high quality products shipped right to your door to serve all your pet needs, ultimately saving money, time, and energy. Since our business is strictly web based, we could always include our website domain on all advertisements to make sure customers know where to go to find out more about our business.

For traditional outlets, we would approach a local advertising firm who would be willing to help us create a short 30-second television ad showcasing our product, what it offers, and how it can make the customer’s life easier. We would highlight the struggle of going to the pet store after a long day at work and how Pet Basket would eliminate the need of leaving the convenience of your home, especially in these troubling times with the COVID-19 pandemic. Two team members have dogs at home so we could save money by using their dogs instead of

hiring outside dogs. Another traditional channel we would be utilizing is direct mail advertisements. Although newspapers are slowly declining due to its increasing digital presence, everyone still goes to check on their mail at least once a week. With direct mail advertisements, we can showcase our product and leave customers wanting to learn more and hopefully encourage them to visit our website domain. Additionally, although we currently do not have plans to open a brick and mortar extension of Pet Basket, some of our competitors are teaming up with retail stores, such as Target, to gain a physical audience with potential customers. We hope to partner with a big retail store in the future and ask them to place in-person subscription sign ups at kiosks which will expose our product to customers shopping at retail stores.

For social media outlets, we would focus on Instagram, Facebook, and Google Ads. We would start a business account on both Facebook and Instagram. In our biography section, we would include our business website domain, contact information for any questions, and our slogan. Since we plan to hire a customer service representative in the second year, our contact information in the first year would be a cell phone number that a team member always has on hand. Additionally the email provided to the customer would be a custom work email made with Google Business. The account would be run by the Chief Marketing Officer and checked daily. We would establish a social media presence by posting what our product offers, customer testimonials, product samples, and promotions. According to studies, the average amount of posts a business posts a day is around 1.5, therefore we would follow this suggestion until the initial findings specific to our account are made available through Instagram for Business. From these numbers, we can find out which posts are trending the most, the optimal time for posting, and follower engagement. A way we could spread the word of our social media and business

would be to reach out to public relation firms who can help with promoting our value proposition in their publications.

As a business, we hope to work closely with both our human and pet customers by establishing a personal bond with customers through their personalized boxes. We hope to engage with our customers through our social media pages such as Instagram and Facebook and keep them wanting more. Influencers are a growing business not only in the United States but around the world therefore a marketing idea we could devote time to may be sponsorships and giveaways which are very popular on social media platforms such as Instagram, Tiktok, and Youtube. Not only will this engage customers but it will also help us attract new customers from the influencer's network.

Our main sales objective would be to increase our profit margin through customer acquisition throughout the first three years of our business. From there, we hope to have established a strong presence in the dog industry where we can shift our focus to customer retention. This would allow us to truly cater to the exact needs of our customers and slowly begin to increase the quality and price of the box by adding an over the counter medication option as well as offering a broader selection of pet food.

Lastly, since we are a subscription service shipping monthly, our pricing would reflect a monthly charge starting at \$50 a box. The exact price of the box would depend on the size of the dog since that determines the amount of dog food sent in the box, ranging from fifteen pounds to sixty pounds. Our pricing objective would be to hopefully stay at the current selling price that is projected to create revenue as of year two. However in the future, we hope to increase the quality of the box and selection of the food which would lead to higher supply costs and result in a higher selling price for the customer. We hope to have acquired loyal subscribers by this point

who would be willing to continue with their subscription as well as gain more subscribers with new pet food options.

Human Resource Issues

Our current management team consists of Alejandra Robles, Alex Turkienicz, Eddie Mercurio, and Mark Darakjy. Alejandra will act as the Chief Marketing Officer, Alex as Chief Operating Officer, Eddie as Chief Financial Officer and Mark as Chief Human Resource Officer. Alejandra brings past experience from the retail industry which has allowed her to understand how a business works at the customer level and how to better market towards customers. Eddie brings delivery experience which taught him the value of receiving your ordered product on time. And lastly, Alex and Mark bring experience from a sports team which has shown them responsibility in a team setting. These past experiences will translate into the necessary skills of accountability, perseverance, value creation, and customer service needed to successfully launch and run the business. Although we are still learning how to effectively run a business, these skills will be vital in helping us achieve our sales and pricing objectives as highlighted before. Once we reach the three year mark and compare our projected financials with our actual financials, we will reevaluate the skills necessary to expand our business and increase our profit margin for the future.

The current staffing plan for the first year is to keep our team to four members, resulting in less start up salary costs. Keeping the staff to only four people will allow us to closely work together on fulfilling orders and promoting our product without having to make decisions through a large chain of command. However as of year two, we plan to hire a full time customer service representative which would take some responsibility off of the Chief Human Resources Officer so he can focus on organizational culture and how many employees to hire in and after year three to efficiently run our business. Starting in year three, we hope to employ one

employee or multiple to help with fulfilling orders such as packaging, ordering supplies, reaching out to potential manufacturers, and website maintenance.

Employees are essential when running a business and an important lesson our team has learned from our past experiences is that to work as a team, everyone must be given the opportunity to use their voice. Although everyone has a formal title that delegates their assigned roles, no one should be afraid to ask for help or raise concerns. We hope to hire employees who are passionate about our business as much as we are and are committed to growing our business. Even though an employee may not own a dog of their own, our business' love for pets must be reflected within each order to show our dedication to our loyal customers. To engage our employees, we hope to provide a safe and energetic workplace for everyone from group lunch breaks to relaxed but productive business meetings.

Our organizational culture will also have a major influence on our business. The Chief Human Resource Officer would establish clear values for the business to follow and how to resolve any issues if any arise within the team. These values would be written into the Code of Ethics in order to establish accountability within the workplace. One big value we hope to emphasize is the sharing of ideas. Ideas are always welcome whether it be about how to decrease time spent fulfilling orders or new product offerings we could include in a Pet Basket subscription box. Other important values our business would focus on include integrity, respect, responsibility, and giving back to the community. We hope to partner with local animal shelters to promote adoption, especially now during the current pandemic. With these partnerships, we hope to contribute 2-3% of earned revenue towards donations to these shelters to help with food, toys, bedding, and cleaning supplies. Community outreach is important to our company culture because it shows our commitment to both pet owners and pets in the surrounding area.

We hope to promote these values within the workplace but also to our customers as well. These values will show the customer how we plan to effectively run our business and uphold these responsibilities with every order. To let our customers know about our values and how we are establishing them in the workplace, we will publish them on our website. Making our values clear to the customer will allow us to hold the team accountable as well as gain loyal customers who are also committed to the values we promote as a business.

Appendices - Bibliography

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Appendices - Full Financial Pro-Forma

				Pet Basket			
				Pro Forma Cash Budget			
				Year 1	Year 2	Year 3	Period
				Pre-opening 3 months	Post-opening 9 months		
REVENUES							
	Merchandising Sales						
	Subscriptions				200	500	1700
	Average Spending per Customer per Box				\$75.00	\$75.00	\$75.00
	Volume of Boxes				12	12	12
	Net Revenue				\$180,000.00	\$450,000.00	\$900,000.00
	Sale of Equity			\$200,000.00			\$200,000.00
	Total Cash			\$200,000.00	\$180,000.00	\$450,000.00	\$900,000.00
EXPENSES							
	Wages						
	CFO Salary			\$5,000.00	\$15,000.00	\$20,000.00	\$60,000.00
	CMO Salary			\$5,000.00	\$15,000.00	\$20,000.00	\$60,000.00
	COO Salary			\$5,000.00	\$15,000.00	\$20,000.00	\$60,000.00
	CHRO Salary			\$5,000.00	\$15,000.00	\$20,000.00	\$60,000.00
	Human Resource Officer Salary					\$20,000.00	\$40,000.00
	Packaging Assistant Salary					\$20,000.00	\$20,000.00
	Supplies						
	Dog Food			\$18,000.00	\$54,000.00	\$150,000.00	\$462,000.00
	Toys			\$3,000.00	\$9,000.00	\$30,000.00	\$102,000.00
	Treats			\$2,400.00	\$7,200.00	\$24,000.00	\$81,600.00
	Miscellaneous Costs						
	Processing & Handling				\$2,400.00	\$6,000.00	\$20,400.00
	Shipping				\$19,200.00	\$48,000.00	\$163,200.00
	Customizable Cardboard Boxes			\$600.00	\$1,800.00	\$6,000.00	\$20,400.00
	Website			\$10,000.00	\$1,000.00	\$1,000.00	\$13,000.00
	Storage Unit					\$720.00	\$2,160.00
	Advertising						
	Television, Radio, Print			\$2,812.50	\$8,437.50	\$15,000.00	\$45,000.00
	Social Media			\$937.50	\$2,812.50	\$5,000.00	\$15,000.00
	Total Expenses			\$57,750.00	\$165,850.00	\$385,720.00	\$615,440.00
FINANCING							
	Cash from Sale of Equity	\$200,000.00		-\$57,750.00			\$142,250.00
	Net Income				-\$43,600.00	\$64,280.00	\$305,240.00
	Excess/Deficit for Period						\$447,490.00
	VC's Equity - 50%						\$223,745.00
	Founder's Equity - 50%						\$223,745.00

Appendices - SWOT 2x2 Matrix

Strengths <ul style="list-style-type: none">● Low cost● Growing industry for pets across the country● Online shopping and subscription boxes are becoming increasingly popular● Multiple dogs per box	Weaknesses <ul style="list-style-type: none">● Large supply chain● Only have boxes for dogs● May not carry a specific dog food brand
Opportunities <ul style="list-style-type: none">● Potential to expand into different pets● Add on feature for products like over the counter medicine and vitamins	Threats <ul style="list-style-type: none">● Only focusing on dogs● Many indirect competitors

Appendices - Google Slides



Alejandra, Alex, Eddie, and Mark

The Team

Alejandra Robles
CMO

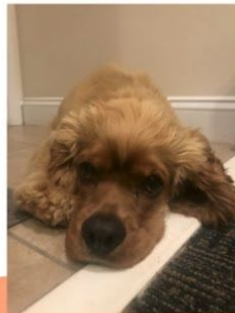
Alex Turkienicz
COO

Eddie Mercurio
CFO

Mark Darakjy
CHRO



Meet Jack and Sunny



From Pet Lovers to Pet Owners

Pet Basket is a subscription service that offers a surprise box containing all of your pet needs.

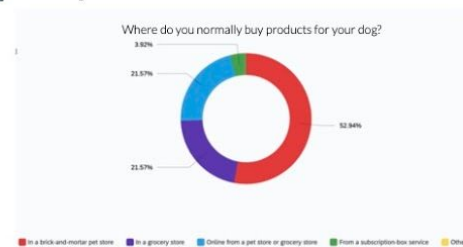


Product Pricing

- Dog food - \$25-70 (dependent on dog size)
- Toys - \$1-2 per toy from AliExpress
- Treats - \$5 per dog
- Box - \$1 per custom cardboard box
- Free Shipping

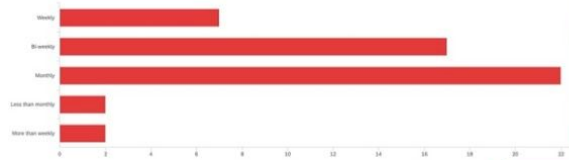
Boxes start at \$50

Survey Results



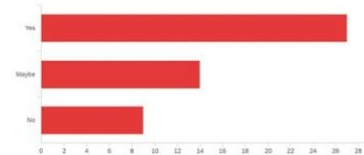
Survey Results

How often do you buy products for your dog?



Survey Results

Would you be interested in a monthly subscription-box service containing dog food, toys, and treats?



Finances

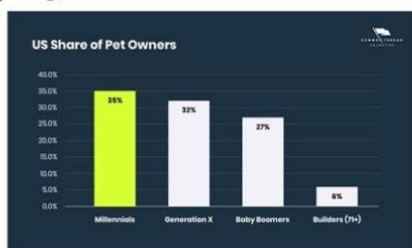
EXPENSES	Year 1	Year 2	Year 3
Wages	80000	100000	120000
Supplies	117600	264000	468000
Dog Food	72000	150000	240000
Treats	12000	30000	60000
Toys	9600	24000	48000
Misc Costs	24000	60000	120000
Website	11000	1000	1000
Storage Unit	0	720	1440
Advertising	15000	20000	25000
Total Expenses	223600	385720	615440
REVENUES			
Sales	180000	450000	900000
Total Revenues	180000	450000	900000
Net Income	-43600	64280	284560

- We will hire a customer service representative and an employee to help fulfill orders at the start of years 2 and 3, respectively
- We anticipate the unit cost of the dog food and treats to decrease over time as we partner with wholesalers
- The box costs \$30-40 to make and will sell for \$75 (on average)
- We plan to have 200 subscriptions year 1, 500 year 2, and 1000 year 3
- 125% average growth in 3 years is conservative for industry standards

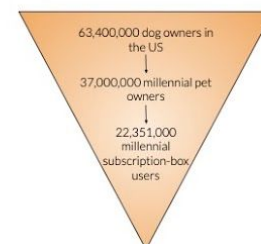
Industry Dynamics



Target Market



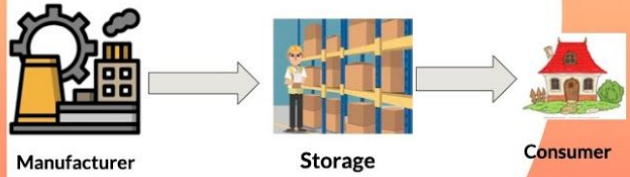
Target Market



Marketing Plan

- Traditional Channels
 - Television/Mail
- Social Media
 - Instagram/Facebook
- Slogan
 - From Pet Lovers to Pet Lovers

Supply Chain



Human Resources

- Customer Service Representative
 - Ordering inquiries
- Packaging
 - Fulfilling orders



Competition



SWOT Analysis

Strengths <ul style="list-style-type: none"> Low cost Growing industry for pets across the country Online shopping and subscription boxes are becoming increasingly popular Multiple dogs per box 	Weaknesses <ul style="list-style-type: none"> Large supply chain Only have boxes for dogs May not carry a specific dog food brand
Opportunities <ul style="list-style-type: none"> Potential to expand into different pets Add on feature for products like over the counter medicine and vitamins 	Threats <ul style="list-style-type: none"> Only focusing on dogs Many indirect competitors

Recap

- Customer convenience
- Grow pet industry
- Ideas to expand business in the future
- Differentiation from competitors



 **Our Ask**

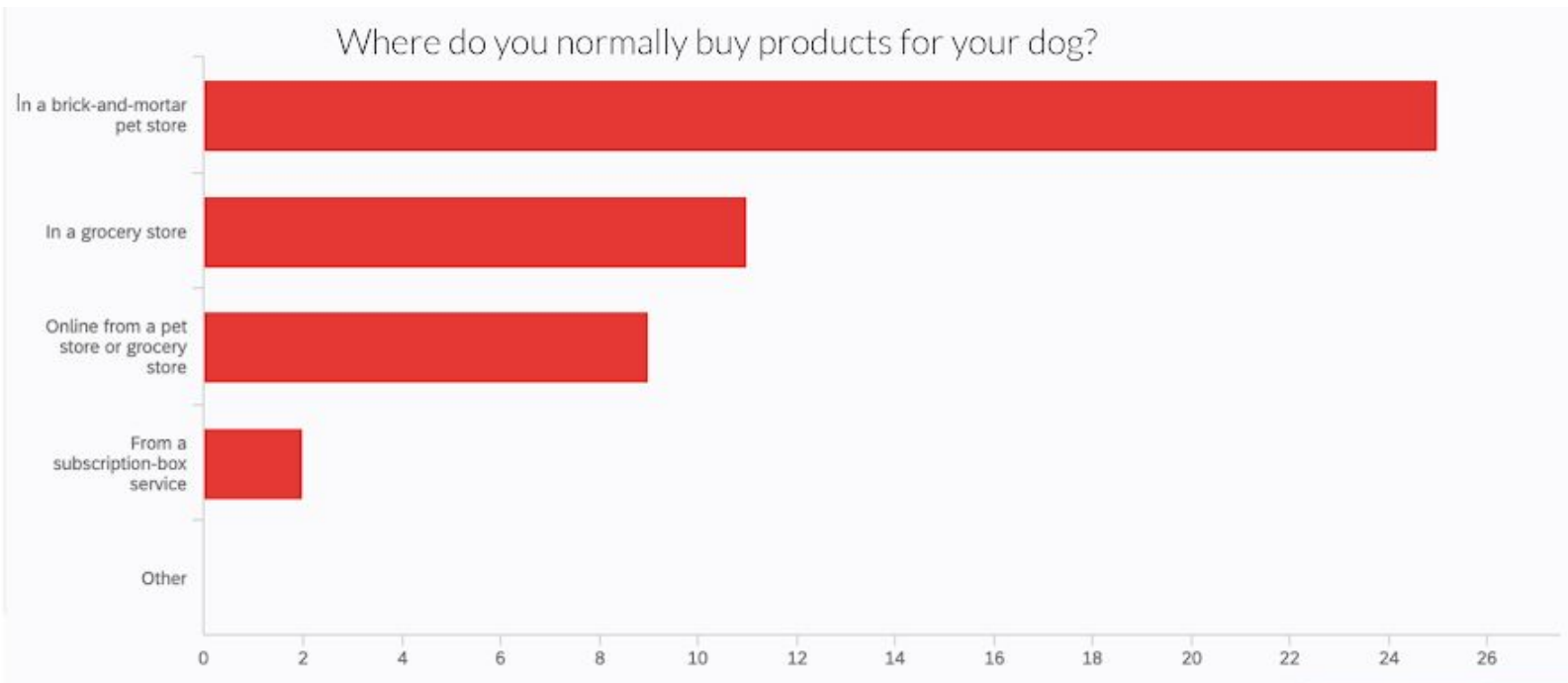
\$200,000

Thank You! Questions?

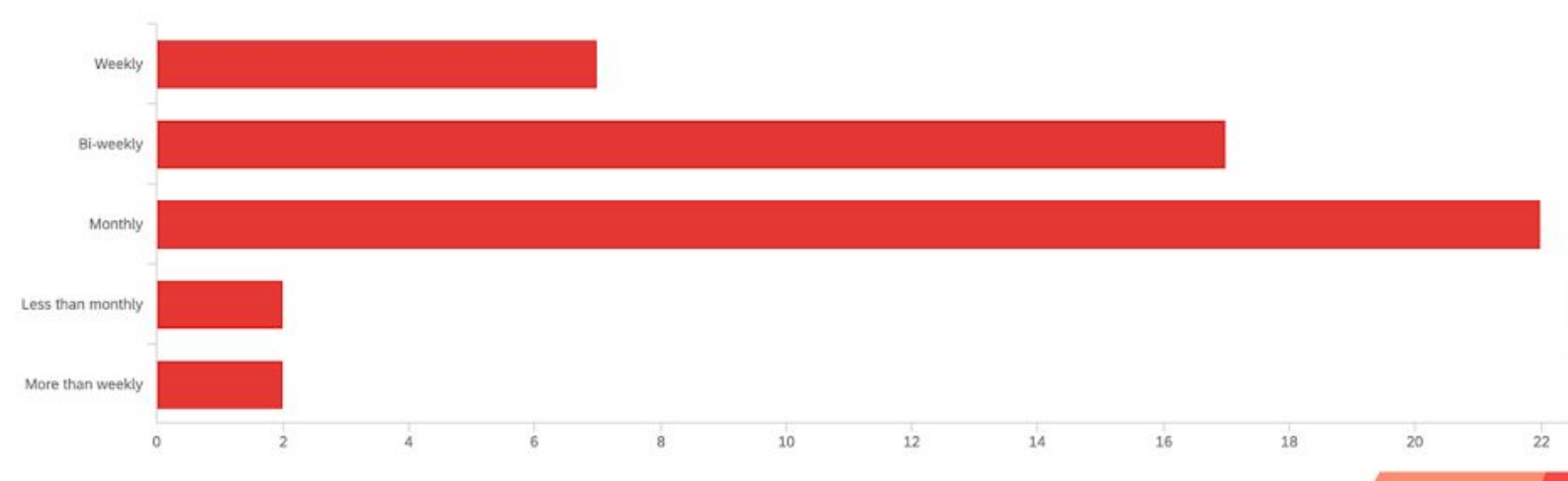


Appendices - Exhibit A - Survey Results

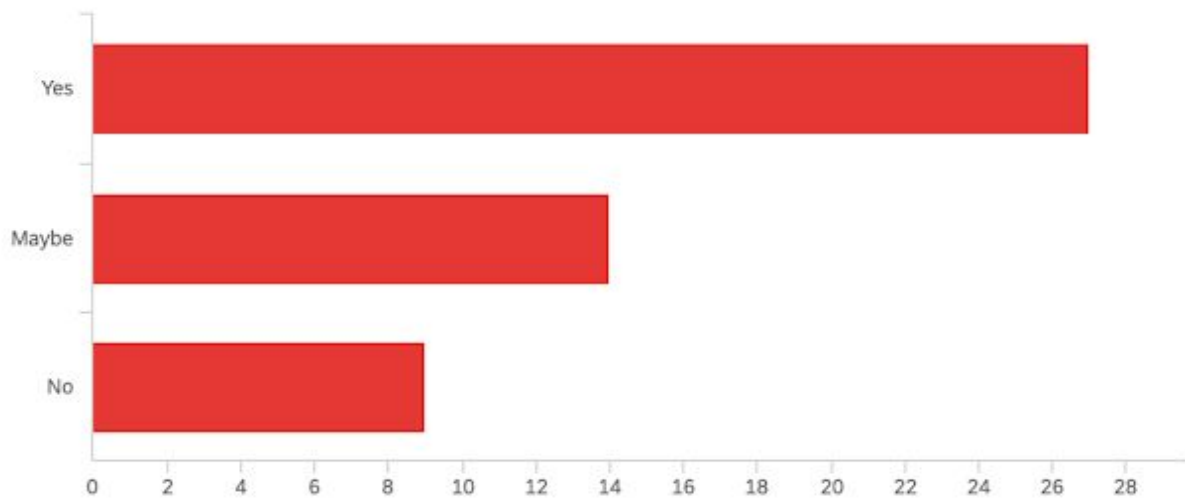
Survey results derived from 50 respondents.



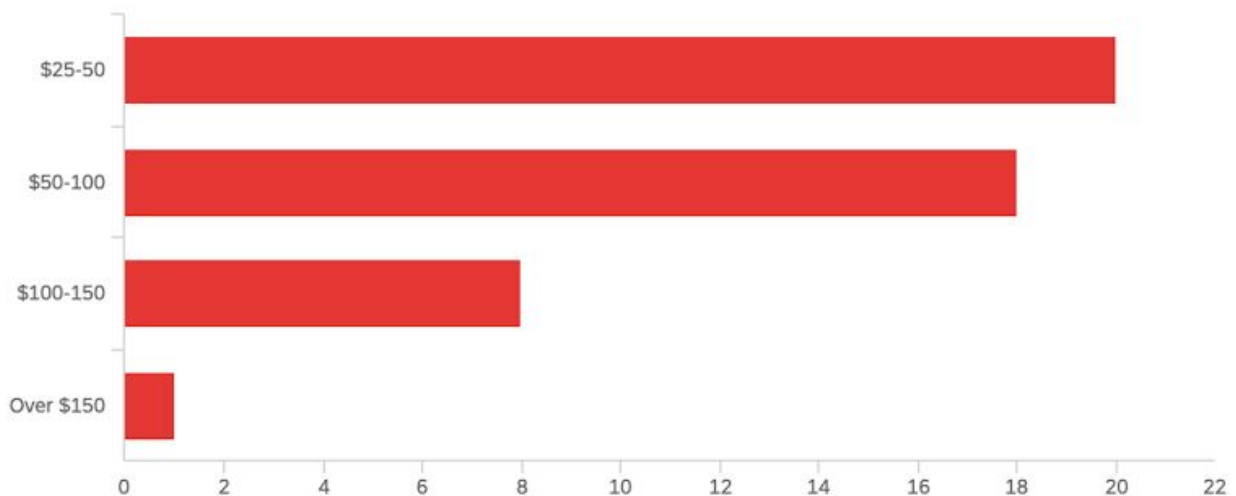
How often do you buy products for your dog?



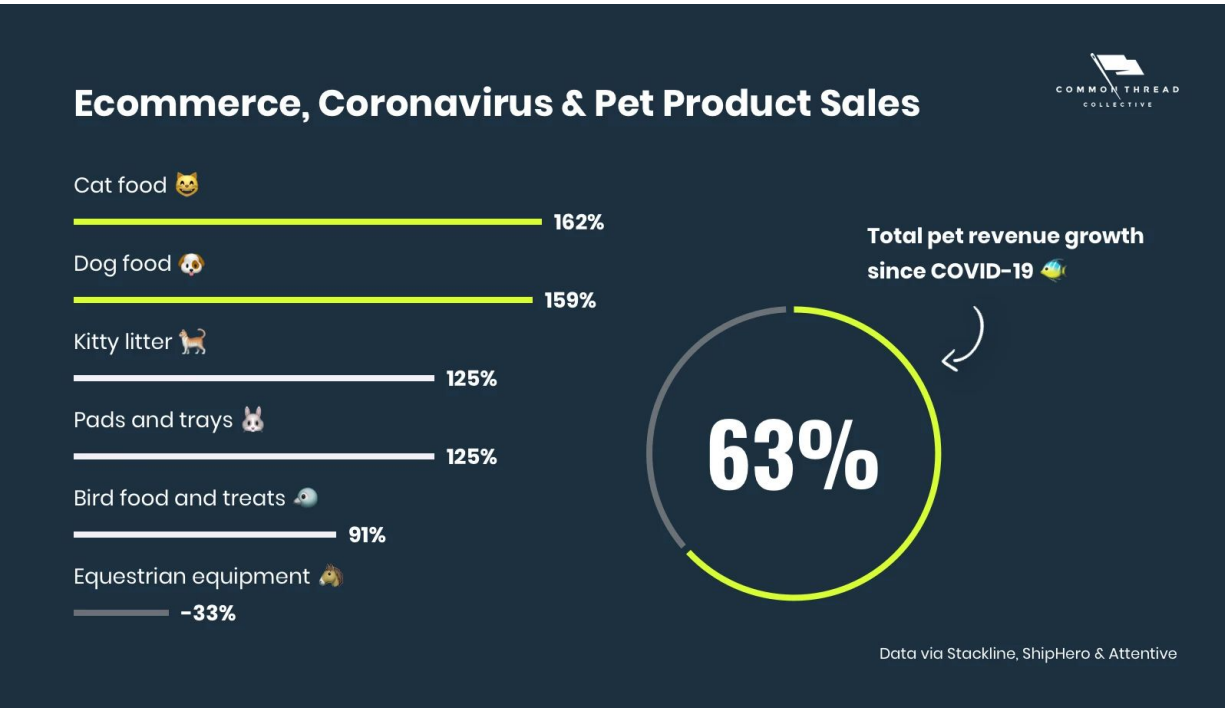
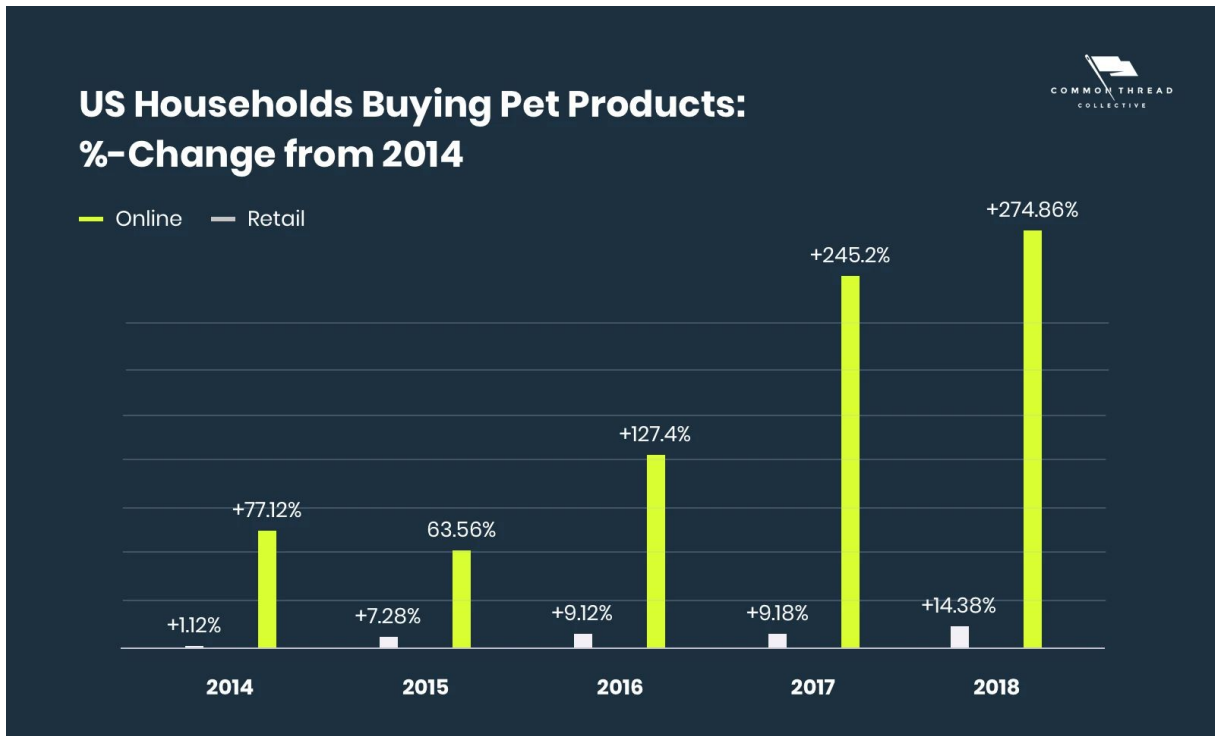
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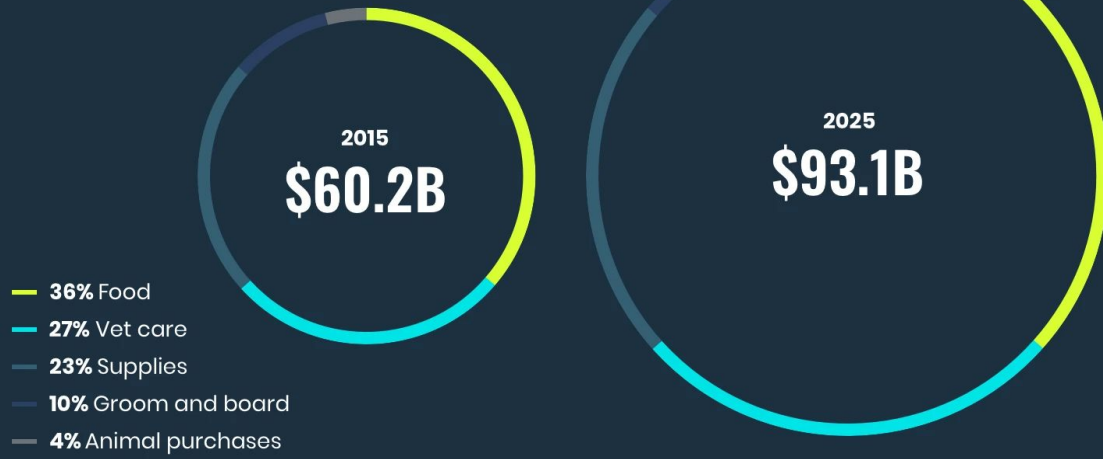
How much would you be willing to pay for this service?



Appendices - Exhibit B - Trend Charts



US Pet Market by Product



US Share of Pet Owners

