

NOVEMBER 30, 2021

BUSINESS PLAN
FINAL VERSION

TANGO BUY TEAM



McMaster University

Table of Contents

1. Problem.....3

2. Solution and Unique Value Proposition3

3. Ideal Customer Persona.....3

4. The Company4

5. Market.....5

6. Competition7

7. Product.....8

8. Selling.....9

9. Pricing and Packaging.....10

10. Use of Proceeds (Appendix, part II)11

11. Financial Data12

Bibliography14

Appendix.....15

Executive Summary

The Need

Ontario local farmers and artisanal shop owners struggle to compete with massive retailers due to their constrained production capacity, limited advertising, and distribution infrastructure. Consumers in the GTA crave locally sourced produce that are not readily available in the grocery stores but struggle to have access to these products due to distance from suppliers, and cost of delivery.

The Product/Service Solution

A digital farmers market (mobile based platform) that curates a variety of locally sourced and artisanal products from producers and suppliers around Ontario and makes them available for home delivery to consumers in the GTA.

Unique Value Proposition

Suppliers can expand their business capacity through this new online selling method and can directly connect to their target consumers. This gives consumers a worry-free online shopping experience, without minimum amount for free delivery

Competitive Advantages

Tango Buy provides a unique digital farmers' market experience where we care in choosing and gathering niche products of local artisanal goods which are hard to find in the regular market, protects the relationship with our suppliers and provides distribution services.

Marketing & Sales Plan

Tango Buy will utilize multiple social media platforms through paid advertising, and will showcase products in various farmers markets, craft shows, and festivals.

Operations Plan

For the first two years of operation, Tango Buy will focus on the GTA (Kingston, Hamilton, London, Waterloo). Starting Year 3, We would introduce Ottawa and Montreal.

Development Plan

There are three stages. In the first stage of development, the essential features will be developed and make our website and application run. The second stage will start to attract and improve customer retention. The final stage will help us strengthen our ties with suppliers.

Critical Risks and Contingencies

The key risks we identified are categorized into two parts: Business Operations/Logistics & Suppliers and Customers.

- Business Operations/Logistics: In this category, the critical risks lie in the Delivery Logistics. The contingency plan is to utilize a route optimization tool throughout the delivery process
- Supplier and Customers: In this category, the critical risks lie in the potential of Tango Buy to lose its suppliers by not reaching the sales target. To address this risk, Tango Buy plans to implement a supplier filtering process, prior to signing the contract in order to determine the suppliers' set target sales requirement and streamline who to go with.

Financial Plan

Tango Buy business model is based on group order sales direct to customers, revenue will be generated through 50% commissions from suppliers, service fees and subscriptions. Tango buy is projected \$5M potential sales in 5 years.

1. Problem

Small and medium scale local producers and specialty shop owners face difficulties in competitively selling their products due to their limited production capacity, which inhibits them from signing a contract with prominent retailers and advertising their products.

We have surveyed 100 producers, and multiple responses mentioned that logistics and shipping costs inhibit them from selling their products to the city. They also don't have the time and resources to ship it themselves.

For consumers, they are also facing challenges traveling to where these local shops are. Consumers could not easily travel from the urban area to the rural area to purchase these products.

If they do purchase it online, they have to achieve a minimum order fee. We also saw that the consumers would keep "adding to cart" to reach that amount. Because of that, a setback is that some of these food items with short shelf life can get spoiled quickly and would be thrown away, hence a food waste problem.

They also do not know the source of food or where it is coming from, especially if it is coming from the food terminal. The consumers don't know if it was from another country or the health benefits of these foods.

2. Solution and Unique Value Proposition

Tango Buy provides small and medium scale producers with a platform and operational logistics to sell local produce to more target consumers without having to go through large retailers.

Consumers will have easy access to locally grown produce directly from local producers at a much lower price and minimal delivery fee through "group buying".

The suppliers can expand their business capacity through this new online method of selling their products. In addition, this will also provide them the opportunity to connect to their target consumers directly.

For our consumers, it is a worry-free online shopping experience by not having to travel to distant places to access fresh and organic produce, including not purchasing multiple items to reach the "minimum amount for free delivery." With this, they can minimize food waste by lessening the overbuying of products.

3. Ideal Customer Persona

The ideal customer persona is a 40-year-old female lawyer who lives in Yorkville with her partner. Their combined annual income is around \$400,000. The ideal customer persona likes artisanal products, is a "foodie," tech-savvy, and cares a lot about the customer experience, especially the customer service to the door.

4. The Company

In January of 2020, Tango Buy was able to curate 400 different farmers and artisanal shop owners all over Ontario and successfully acquired 40 of them to be its full-time suppliers.

For three months, the company has maintained a good relationship with the suppliers and has consolidated with Il Gelato di Carlotta as the primary partner for our initial trial for our minimum viable product.

Tango Buy built its introductory platform via Shopify, which has listed our supplier's product lines and descriptions. In our first run, we gathered 30 orders and a total of \$1,050 in revenue, with \$150 in profit by June 2020.

In the months following the first Minimum Viable Product (MVP) trial, the company has decided to focus on non-perishable goods to carry, enabling the finances to lessen expenses and have more margin on the products selected. In addition, careful consideration of product lines has positioned the company well in comparison to its competitors.

Short-term Objectives

Tango Buy will continue to utilize Shopify as its online platform for the next two years, starting January 2022 to December 2023. The company targets 1,600,000 online store visitors, of which 79,000 are newly converted customers and 25,000 are retained customers. By the end of the first two years, the company is projecting \$4,400,000 in revenue. These numbers are accomplished by marketing strategies which are 30% of our gross revenue. It involves advertising in farmers' markets and craft shows, digital marketing, sales promotions, and printing, all over the GTA.

During the first two years, Tango Buy will be building its platform separate from Shopify. The company will be hiring two junior software developers who will start generating the user interface and analyzing the user experience of the beta platform.

Long-term Objectives

In the next three years, from January 2024 to December 2026, Tango buy will expand to other cities apart from the GTA, Ottawa, Montreal, Hamilton, London, Waterloo, and Kingston. It will also release its new platform and mobile app, of which all transactions will now take place while closing its Shopify platform. In addition, the company will acquire three senior software developers starting from its third year of operation.

From January to December 2026, Tango Buy will reach \$14,000,000 in total revenue and reach 4.9 million new visitors.

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5. Market

The Present Market

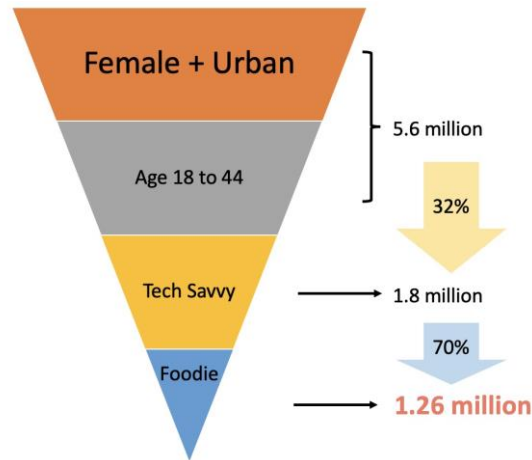
The Rapid Evolution of Online Ordering and Food Delivery

In 2021, food delivery worth more than \$150 billion and has become a global market, having more than tripled since 2017. Food delivery apps have all reported a massive acceleration in orders as the world went into lockdown. In the United States, the market has more than doubled during the COVID-19 pandemic, following healthy historical growth of 8 percent.

As millions of homebound users embraced the idea of online ordering and food delivery via apps during the pandemic, the food-delivery companies' valuations rise steeply. With recent fundraises, including Wolt (which raised \$530 million in January 2021), REEF Technology (\$700 million in November 2020), and Rebel Foods (\$26.5 million in July 2020), and consolidation, including Uber's acquisition of Postmates (for \$2.65 billion in December 2020) and Just Eat Takeaway's acquisition of Grubhub (for \$7.3 billion in June 2021). (Kabir Ahuja, Vishwa Chandra, Victoria Lord, Curtis Peens, 2021)

Marketing Segmentation and Sizing Analysis (Canada)

We focus on the local suppliers who produce non-perishable products in the beginning and will expand the category to perishable food in the future. Our target customers are females, from 18 to 44, urban only, who are also tech-savvy that regularly involved in e-commerce and purchase online at least once a month. Especially those who are foodies, have an avid interest in food and seek new culinary experiences.



Source: Statista, 2020

The market size in Canada, in 2020, the revenue of grocery wholesaling of our target products, which are the specialty, dry goods and bottled goods, was 21 billion dollars (McGrath, 2021) and the revenue of e-commerce in our target products was 1.2 billion dollars, which is expected to grow to 3 to 3.5 billion in 2023. (Mieles, 2021) Moreover, our own survey shows that 22% of customers who bought groceries online had purchased local products online. And 90% of participants were willing to try group buy. So, the current group-buy market size we calculated is 240 million dollars in Canada.

For the bottom-up market size, according to our secondary research, there are 5.6 million females aged from 18 to 44 (Statistics Canada, 2021), 1.8 million of them are tech savvy (Statistics Canada, 2017), and 70% of them are foodie (Gusto TV, n.d.), which has 1.26 million people. Then, also based on a numerous market research, the average price per order that we assumed is \$25 and the average annual orders per customer is 18. So, we would have a \$570 million market in Canada. Likewise, the addressable market in GTA would be \$122 million.

6. Competition

Porter's Five Forces Analysis



See details on [Appendix, part I](#)

Competitive Rivalry

High - With the increasing popularity of local food consumption, there are currently several kinds of local food initiatives in the market that can lead to competition with Tango Buy. Two commonly seen categories are Short Food Supply Chain (SFSC) and Direct Marketing. For SFSC services, companies and projects supporting local produce and running digitally in this field would be the existing direct competitors. For example, local retailers of local food, food delivery services and local wholesale distributors. Another type of competitors is those who provide Face-to-Face sales through Direct Marketing. The most discussed one is the farmers' market (FM); similar ones also include farm gate stores and farm-to-restaurant sales.

Threat of New Entry

High – The business model on which Tango Buy is operating now does not take a lot of effort or cost to build. New vendors/new entrants can add capacity, supply to the market which will reduce prices. But new entrants come with many challenges. New entrants can get barriers to entry. Because anyone can program app, but they cannot easily promote it. What barriers Tango Buy can give these new entrants is the loyalty customers and suppliers. New entrants need to spend time and money to build the relationship while Tango Buy has already had, but it is not protective enough for us avoid them. Thus, Tango Buy has medium threat of new entries.

Buyer Power

High - Customers are given a wide range food delivery service conveniently from the palm of their hand. This empowers customers with a very high bargaining power to choose the service that suits their preferences.

Threat of Substitution

High – There are many factors that affect the threat of substitutes in Tango Buy. There can be many substitutes for Tango Buy. Local artisanal shops and farmers' markets are threats to Tango Buy if consumers want to directly communicate with vendors and enjoy in-person shopping. Meal Kit delivery companies are a threat to Tango Buy if consumers enjoy the convenience of well-prepared quality ingredients. Wholesale distributors can be a threat to Tango Buy if people have high demands on certain goods and enjoy the benefit of low price.

Supplier Power

High – From the supplier side, those who sell specialty goods, dry goods and bottled goods are ideal vendors Tango Buy prefers to cooperate with. We try to categorize the goods we are going to carry on the platform into a list that can have a long shelf life and doesn't require refrigeration. However, the profit margin can vary significantly depending on the pricing list that they provide us with. For example, artwork, handmade beeswax candles and jewelry, the margin on those things can be high. For bottled goods and canned goods, like marmalade, spice sauces, the margin we could get from the vendors would be low. Thus, our business model will strongly rely on the pricing list they provided, which drives the power of our supplier to be high. We would not say there are no opportunities that we could negotiate with our suppliers since we can potentially boost their sales and provide the delivery process, but suppliers may not treat those factors as beneficial enough to allow us bargaining with them.

Strategies to maintain Competitive Advantage

- 1) Care in choosing and gathering niche products of local artisanal goods which are hard to find in the regular market
- 2) Spend time developing the relationship with suppliers, and better understand their needs
- 3) Provide the distribution service to help both suppliers and customers.
- 4) Keep users up to date with seasonal product availability and unique product offerings with weekly updates

7. Product

MVP Plan for Tango Buy

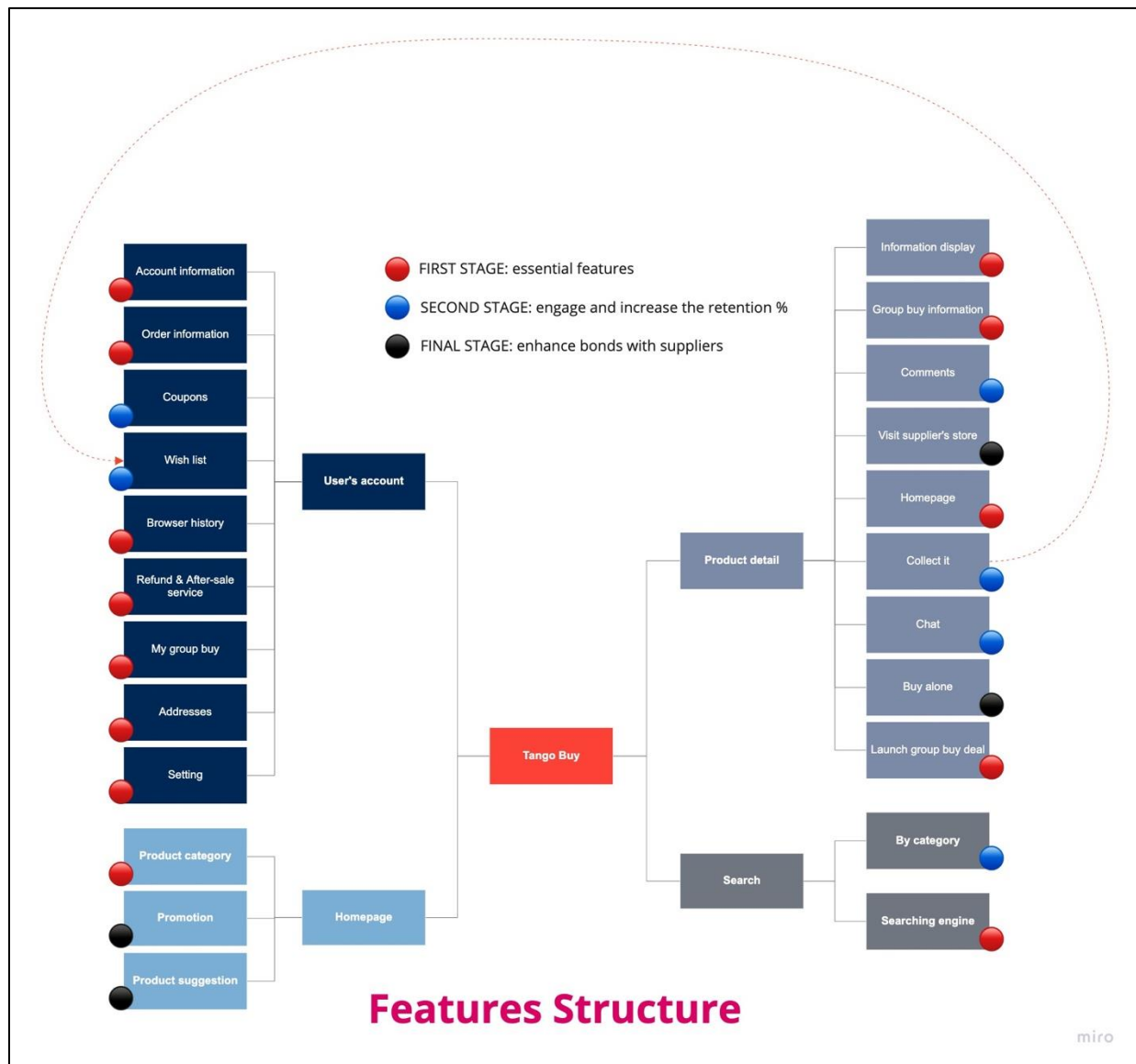
- 1) Provide logistics to deliver local goods right to consumers' doorstep
- 2) Accessibility to group buy deals to enjoy lower price
- 3) Help local artisanal shop owners to create their own personal profiles on the platform for people to learn their story

Features

The features on our platform have been divided by three stages. The first stage is all about essential features like group buy and suppliers' profile creation. The second stage aims to engage and increase the retention rate, and then the final stage is to enhance bonds with suppliers.

Timeline of the Development

1st Stage would be fully developed in the first 6 months, the 2nd stage would be completed in the following 4 months, and the final stage would be implemented within the next 6 months.



8. Selling

Marketing strategies will involve going to live events, digital marketing through social media, paid advertisements, and print. However, the main channel we will focus on is farmers' market and craft show to interact personally with potential customers and suppliers. In the first year, Tango Buy will set up a booth in three major Ontario events, like Foodelicious, Sweetery Toronto, and One of a Kind, and sponsor three other events as a minor sponsor. These events have a total of 265,000 attendees, with a 2% conversion rate. Consecutively, in the second year, we will be attending and sponsoring four major events with 525,000 total attendees in the GTA that is the target market.

Tango Buy will also be utilizing social media marketing and using Facebook, Instagram, and LinkedIn as the three leading social media apps. Social media marketing will gather a total of 476,000 visitors in the first year and another 2.1 million visitors in the second year. In addition, Google Ads is part of paid advertising, which will gather 2000 visitors in the first year and 6,000 visitors in the second year.

Sales Promotion consists of 50% of the total marketing budget. These include coupons, discounts, and the like. Print and other materials are to supplement the sponsorships and events.

9. Pricing and Packaging

Current Pricing Strategy

Tango Buy plans to use two strategies when it comes to pricing. The first strategy is pricing at a premium. This is because Tango Buy plans to offer high quality local artisanal goods that are not typically found in the grocery stores. So essentially buyers are paying for the quality and the delivery service provided. However, even though the prices are premium, customers can get the goods at a lower cost through our second pricing strategy “bundle pricing.” This is done through the concept of group buy. The more customers join a particular order, the less the cost of the item. The only thing is that, if customers choose to take this approach, they will have to wait longer to receive their goods.

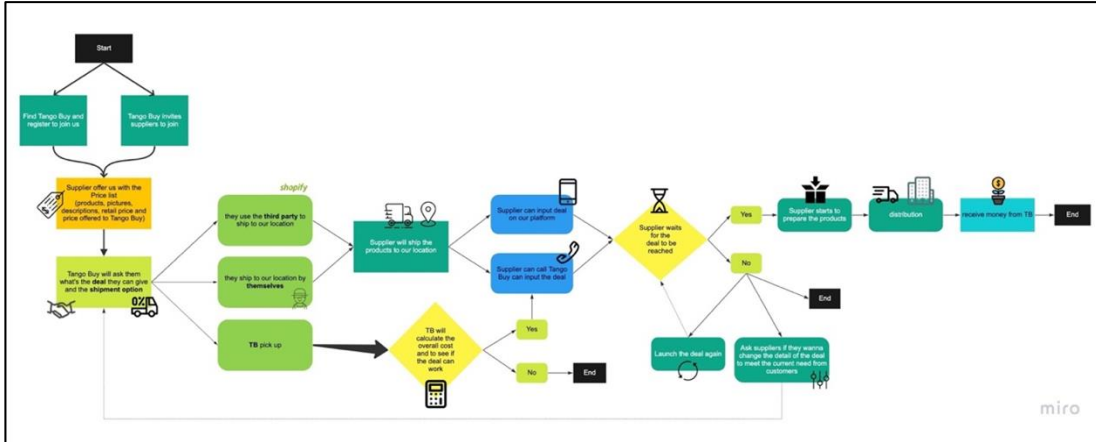
Tango Buy charges customers in the following three main sources (all the assumptions we stated here are illustrated in a way that if there are a couple of areas where we could potentially make this business successful, what are the things you can expect. It does not mean what we end up making it in real, and then we will cover the feasibility of our project with a more realistic version of our financials in the financial projection and appendix):

- First, Tango buy will get commissions from suppliers on every group buy deal that has been successfully reached. The order commission is 50% of the retailing price.
- Second is the Software as a service (which tango buy will charge our customers 5% service fee on each transaction incurred)
- Third is the Subscription service on premium membership with \$5.99/month. Tango Buy offers premium membership for customers who don't want to wait for the group buy to be reached to receive their goods.

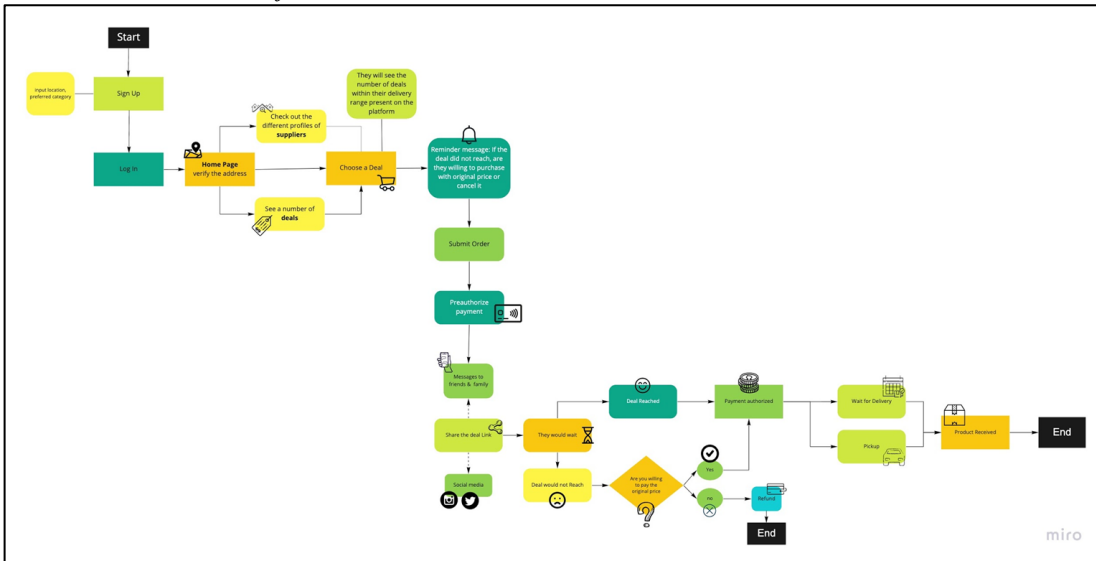
10. Use of Proceeds (Appendix, part II)

As we provide a platform to help the local artisanal product producer to connect with urban customers, we have three major workflows, including the suppliers, the customers, and the company itself.

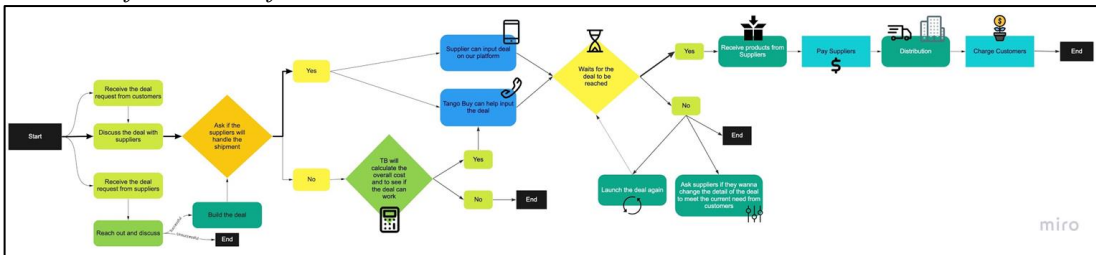
I. Suppliers' workflow



II. Customers' workflow



III. Platform's workflow



11. Financial Data

Financial History

In June 2021, Tango Buy introduced its minimum viable product to a pool of customers in the GTA region with a total of 31 customers. During the testing period Tango Buy focused on selling Gelato from a local supplier in the Niagara district (Il Gelato di Carlotta). The whole process took 4 days in total. The full service was held on Shopify website using a 14-day free trial. The delivery to customers was handled by the supplier and the delivery date was 3 days after the last day of collecting orders. Tango Buy reached \$1159 dollars in sales with a 12% net profit of \$141.61.

Gross Profit	
Net sales	\$1,159
Net sales without cost recorded	\$-
Net sales with cost recorded	\$1,159
Cost of goods sold	\$1,012
Gross Profit	\$147
Tips (+)	\$35
Payment processing fee (-)	\$40
Net Income	\$141

Financial Projections

After we executed our Test Run in June this year and put into consideration our logistics expenses, profitability, and market positioning. We concluded that our business would not be profitable in the long run and have decided not to pursue this business in the real world.

The tables below shows both an optimistic and realistic projection. The optimistic projection is to showcase growth profit. We are aware that a profit margin on 50% is highly unrealistic and this assumption lacks concrete research and validation to back up the feasibility. This is what the total breakdown would look like, causing us to break even in the second year.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Revenue	\$1,090,915	\$3,740,255	\$5,991,751	\$9,641,151	\$17,037,761
Less: Cost of Goods Sold (COGS)	\$513,974	\$1,695,746	\$2,417,728	\$3,922,141	\$7,043,602
Gross Profit	\$576,940	\$2,044,510	\$3,574,023	\$5,719,010	\$9,994,159
Less: Total Operating Expenses	\$762,482	\$1,828,536	\$3,335,651	\$5,018,731	\$7,362,526,
Operating Income before taxes	-\$185,542	\$215,974	\$238,372	\$700,279	\$2,631,632
Less: Income Tax (35%)	\$0	\$10,651	\$83,430	\$245,098	\$921,071
Net Income	-\$185,542	\$205,323	\$154,942	\$455,181	\$1,710,561

The realistic approach takes a more granular approach and do some research. We found a profit margin of 20% was much more realistic. We also segmented a list of products we anticipated having on our platform and conducted user research to determine the profit margin on each product. With that we concluded that 20% was a lot more realistic in this line of business.

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Revenue	\$1,090,915	\$3,740,255	\$5,991,751	\$9,641,151	\$17,037,761
Less: Cost of Goods Sold (COGS)	\$822,359	\$2,713,193	\$3,868,365	\$6,275,426	\$11,269,763
Gross Profit	\$268,556	\$1,027,062	\$2,123,387	\$3,365,725	\$5,767,997
Less: Total Operating Expenses	\$697,722	\$1,614,872	\$3,031,018	\$4,524,541	\$6,475,032
Operating Income before taxes	-\$429,166	-\$587,809	-\$907,631	-\$1,158,816	-\$707,035
Less: Income Tax (35%)	\$0	\$0	\$0	\$0	\$0
Net Income	-\$429,166	-\$587,809	-\$907,631	-\$1,158,816	-\$707,035

Assumptions

Expected Conversion %	5%
Customer Retention Rate	35%
Average order size	\$25.00
Monthly order frequency	1.5
Profit per order	50%
Membership Subscription %	7%
Membership Subscription \$	\$5.99
Average service fee per order	\$1.25
Marketing Cost % of gross profit	20.00%
Year 1 Monthly expected target visitors growth rate	25%
Year 2 - Year 3 growth rate	3%

The number of customers is the “Converted costumers” from expected monthly targeted customers with a 5% conversion rate.

Total no. of new customers is the difference of monthly new converted customers. And the assumption on growth rate for year one is 25%, and year 2 is 3%.

Among those converted customers, we assume 7% of them will subscribe to our service with a monthly fee of \$5.99.

The avg. purchase order is \$25.

COGS is the cost of goods that we pay to our suppliers. We charge 50% of commissions and the rest of 50% we pay suppliers back.

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Appendix

I. List of Competitive Rivalries

1. Food Delivery Services: Good food, Local Line, Mama Earth Organics, etc.

This segment has a similar business model and provides a similar delivery service to Tango Buy, but specializes in the different product offerings, and contains the most competition. In the process of interviewing with suppliers, some said they have been working with some local delivery companies, like Local Line, shop local Canada, Mama earth organics, Penguin pickup. Most of these companies focus on providing fresh produce, perishable goods like fruits, vegetables, meats, and baked goods delivered door-to-door service. However, they would either have a minimum order requirement followed by some delivery charges or sell it in a meal kit. If consumers want to enjoy free delivery, they need to keep adding extra items to reach a certain amount, and usually, the amount is high. This phenomenon may lead consumers to buy unnecessary goods, which eventually could cause food waste by buying too much.

2. Wholesale Distributors: 100 KM Foods, Ontario Food Terminal, etc.

Wholesale distributors commonly do not sales to individual, but rather more focusing on providing B2B service, examples of Toronto-based wholesale distributors are Ontario food terminal and 100 KM Foods. Although the price of the product is low on a wholesale basis, buyer needs to register and be authorized to make purchases. 100 KM Foods has recently opened the channel for individual customers, the way they running their business is not much different with other common food delivery service, they still encountered to have a minimum order value with a delivery fee. Up to today, all those platforms have not started doing group buying method within communities.

3. Retailers: Costco, Walmart, Loblaws, Whole Foods, etc.

When people shop in-store, they love the sense of shopping the same product but comes with different varieties. They also like the feeling that they have freedom to pick and choose the size, the shape and even the smell of the foods. However, the mixture of imported goods and local goods will be very difficult for people to figure out what is really "local". And raise more attention on price and other factors. Another problem for people who want to shop specialty products that is not within their area, they have to travel long-distance to get it and it is very inconvenient and time-consuming.

4. Farmers' Market: St. Lawrence Market, Port Credit's Farmer Market, etc.

To a certain extent, FM can bring social and economic benefits to suppliers. "Many farmers participate in farmers' markets both because of the premium they get over wholesale prices and because they enjoy the market experience as a social event" (Hergesheimer & Kennedy, 2010). Moreover, it also creates the value of social interaction for consumers to motivate them to shop at FM. However, FM is often challenged by the knock-on effect from the lack of vendors leads to few consumers and decreasing sales can contribute to the market's decline and eventual closure (Hergesheimer & Kennedy, 2010). Another issue for the shoppers is the "inconvenience" when accessing those local food markets, and it can be physically distant or restricted by hours of operation. In Lisa Ann Ohberg's Food Hubs interview (2013), one response shows that:

"We had a farmers market very close to us and I was walking to it on Saturdays and I think that now [since the market has closed] that is no longer going to happen... [the farmer's market] was in walking distance, but now I'd have to drive on a certain day every week [to get to another farmers market] and it's probably not going to happen as often as it did when the market was close to me"

Tango Buy	Food Delivery Service	Wholesale Distributor	Farmers' Market	Large Retailer
Door-to-door delivery service	Door-to-door delivery service	High Pricing Power	In-person shopping	In-person shopping
High variety of artisanal products	Specializing on perishable goods	B2B service focused	Seasonal local produce	Wide range of products
No minimum order values	Has minimum order value	Usually not open to public	Only operating on specified days	Open all-year-ed
Group buy feature				

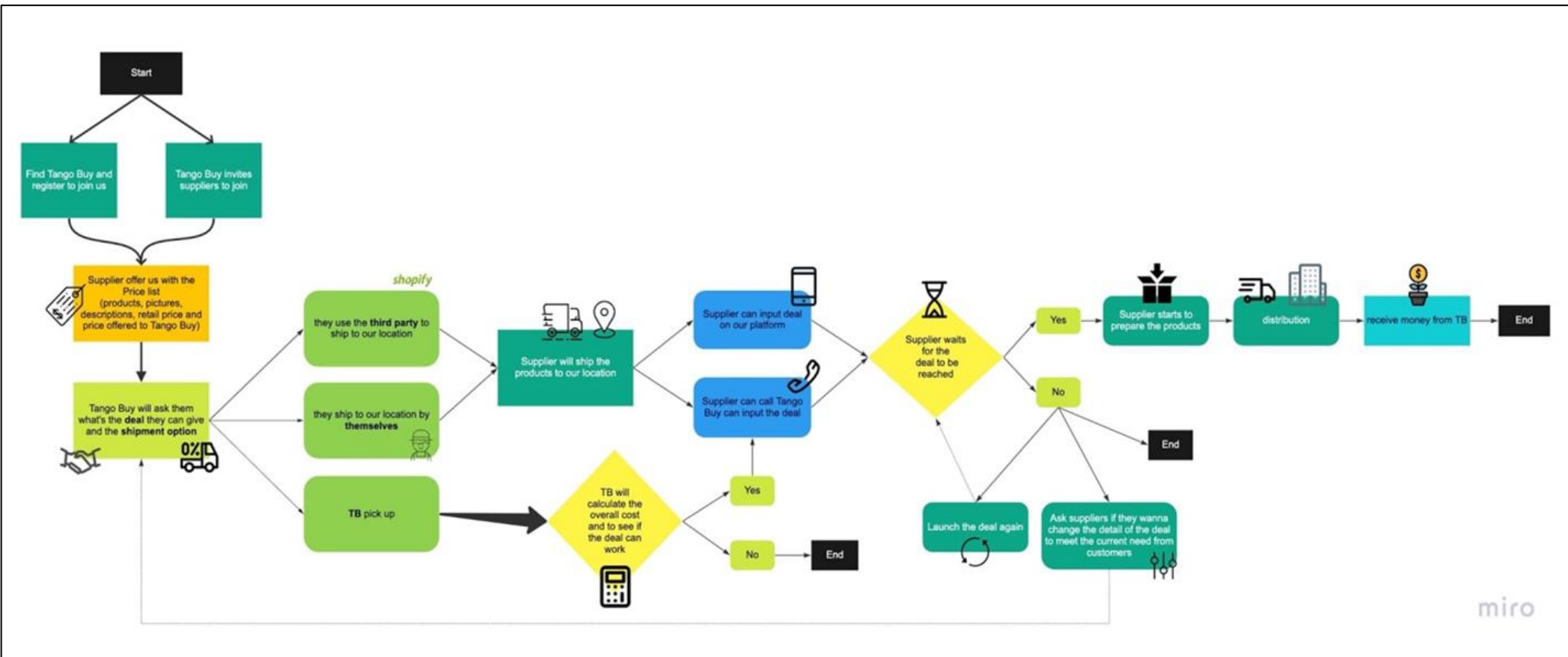
Among all these competitors, Tango buy is an ecommerce platform that offers high variety of local artisanal products, with the home delivery option, without minimum order value, and offers the group-buy option.

Tango Buy

Tango buy still cannot remove the barrier for people who wants to procure local products in-person, however, we will have features like personalized profile for suppliers and we are considering to inserting actual live representation at farmers' market at our booth, and similar events to enrich our customers with a better digital experience. Tango buy has a relatively low pricing power when competing with those large retailers and wholesale distributors. We do have seasonality, since some artisanal products would not be available for all year end, our revenue stream might be volatile by season. However, we believe that make effective use of marketing strategy can help elevate the company.

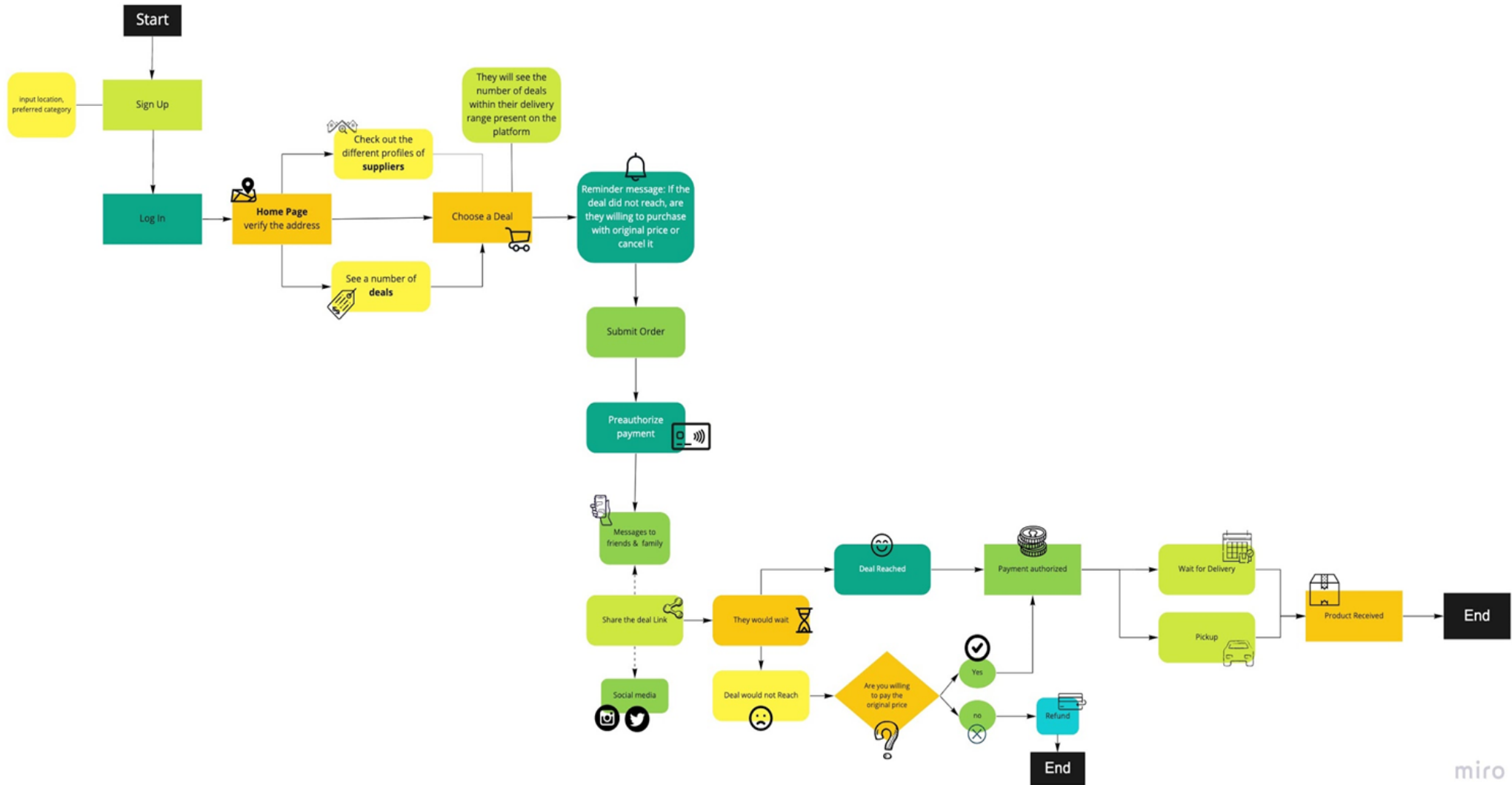
II. Use of Proceeds

1) Suppliers' workflow

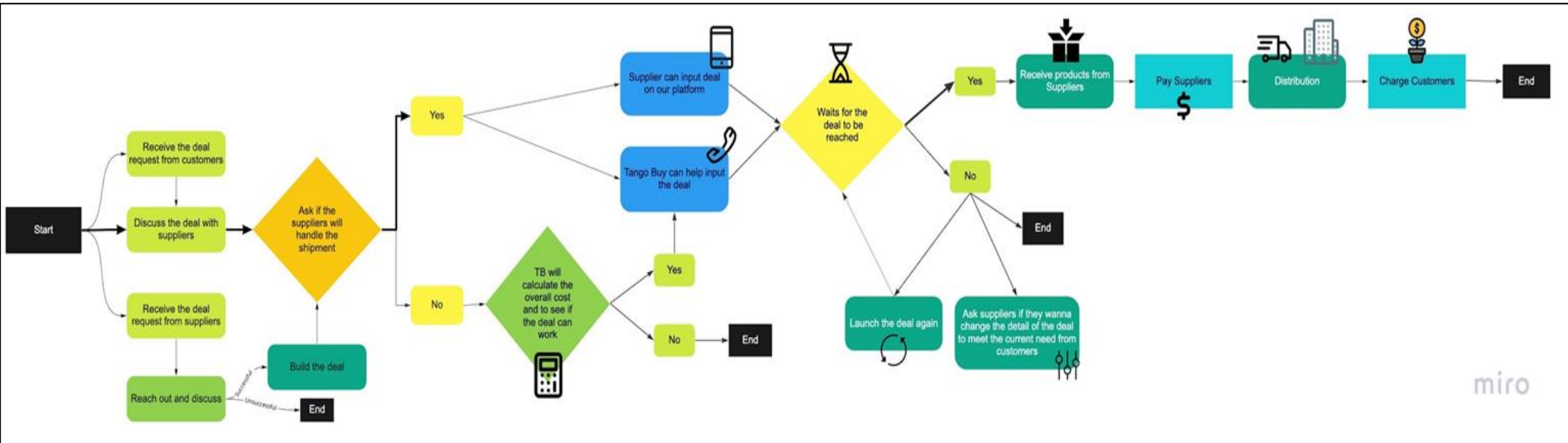


miro

2) Customers' workflow



3) Platform's workflow



miro

III. Detailed Operating Expenses – Explanation

Business Registration Fee: The cost to incorporate a business in Ontario is approximately \$360. This renews every five years

Delivery Supplies/logistics:

- **Number of Trucks:** We determined this based on the target number of orders per month. We set that in 1 day, a total of 30 orders can be fulfilled.
- **Number of Drivers:** It's the same as the number of trucks
- **Driver Salary:**
 - The hourly wage is **\$19 per hour**.
 - The maximum working hours per driver is 8 hours. We set that in 1 day, a total of 30 orders can be fulfilled. Based the projected number of orders per month, the total working hours per month is determined

	YR 1	YR 2
Number of trucks	1 truck (<i>Jan – Sep</i>) 2 trucks (<i>Oct -Dec</i>)	2 trucks (<i>Jan – May</i>) 3 trucks (<i>Jun – Sep</i>) 4 trucks (<i>Oct – Dec</i>)

Rental Expenses: In years 1- 2. Tango Buy would rent one warehouse in the GTA region.

	Unit Prices
Base Rental Fee	\$2,500 monthly
Annual Rental Increase Rate	1.2%
Electricity Fee	\$160 monthly
Electricity Annual increase rate	2%
HVAC Maintenance	\$25 monthly
Insurance	\$21 monthly

Office Supplies: This consists of Computers, WIFI, Telephone, Telephone Bills and Charges, and Software (Microsoft)

	YR 1	YR 2
# of computers (for customer service rep and software developer)	2	3
# of phones	1	1

Platform Payments/ Software Development Fee:

Tango Buy is using the Basic Shopify Plan. The basic plan costs US\$29 per month + 2.9% and 30cents per transaction

Marketing Cost: 20% of Gross Profit

Board of Directors: \$25,000/year for each member

Human Resources (Staffing)

*Tango Buy Internal team responsible

** Outsource to an accounting firm

*** Outsource to a legal firm

		YR 1	YR 2
1	Customer Service Rep	*	1
2	Customer Success Manager	*	1
3	Product/ Supplier Logistics Manager	*	1
4	Marketing Manager	*	*
5	Operations Manager	*	1
6	Software Developer	2	2
7	Human Resources Manager	*	*
8	Accountant/Financial Advisor	**	**
9	Legal Advisor	***	***

IV. Financial Data

Exhibit A: Revenue Plan that details the expansion of the sales force, number of new customers, new business, and recurring business. (50% profit margin)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Monthly Target Customers	379,454	1,191,214	1,698,387	2,768,570	4,971,954
New Converted Customers	18,973	59,561	84,919	138,429	248,598
Number of orders expected from retained customers	5,214	20,239	28,856	46,143	82,866
Sales	\$1,027,948.86	\$3,391,491.33	\$4,835,455.68	\$7,844,282.30	\$14,087,203.98
Orders commission	\$513,974.43	\$1,695,745.66	\$2,417,727.84	\$3,922,141.15	\$7,043,601.99
Number of New Membership Subscription	5,464	41,572	102,517	194,684	356,632
Subscription Income	\$32,731.99	\$249,014.39	\$614,076.29	\$1,166,154.18	\$2,136,227.09
Service Fee Income	\$30,233.79	\$99,749.74	\$142,219.28	\$230,714.19	\$414,329.53
COGS	\$513,974.43	\$1,695,745.66	\$2,417,727.84	\$3,922,141.15	\$7,043,601.99
Gross Profit	\$576,940.21	\$2,044,509.79	\$3,174,023.42	\$5,319,009.52	\$9,594,158.62
Total No. of orders per year	24,187	79,800	113,775	184,571	331,464

Exhibit B: Revenue Plan that details the expansion of the sales force, number of new customers, new business, and recurring business. (20% profit margin)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Monthly Target Customers	379,454	1,191,214	1,698,387	2,768,570	4,971,954
New Converted Customers	18,973	59,561	84,919	138,429	248,598
Number of orders expected from retained customer	5,214	20,239	28,856	46,143	82,866
Sales	\$1,027,948.86	\$3,391,491.33	\$4,835,455.68	\$7,844,282.30	\$14,087,203.98
Orders commission	\$205,589.77	\$678,298.27	\$967,091.14	\$1,568,856.46	\$2,817,440.80
# of New Membership Subscription	5,464	41,572	102,517	194,684	356,632
Subscription Income	\$32,731.99	\$249,014.39	\$614,076.29	\$1,166,154.18	\$2,136,227.09
Service Fee Income	\$30,233.79	\$99,749.74	\$142,219.28	\$230,714.19	\$414,329.53
COGS	\$822,359.09	\$2,713,193.06	\$3,868,364.55	\$6,275,425.84	\$11,269,763.19
Gross Profit	\$268,555.55	\$1,027,062.40	\$1,723,386.71	\$2,965,724.83	\$5,367,997.42
Total No. of orders per year	24,187	79,800	113,775	184,571	331,464

Exhibit C: Financials Model – 5-year plan (50% profit margin)

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	\$1,027,949	\$3,391,491	\$5,235,456	\$8,244,282	\$14,487,204
Membership Subscription	\$32,732	\$249,014	\$614,076	\$1,166,154	\$2,136,227
Service Fee	\$30,234	\$99,750	\$142,219	\$230,714	\$414,330
REVENUE TOTAL	\$1,090,915	\$3,740,255	\$5,991,751	\$9,641,151	\$17,037,761
COGS	\$513,974	\$1,695,746	\$2,417,728	\$3,922,141	\$7,043,602
Gross Profit	\$576,940	\$2,044,510	\$3,574,023	\$5,719,010	\$9,994,159
OPERATING EXPENSES					
Business Registration Fee (Renews every 5 years)	\$360	\$0	\$0	\$0	\$0
Delivery Supplies					
<i>Insulated Food Delivery Coolers</i>	\$0	\$0	\$0	\$0	\$0
<i>Shopping / Take out Bags (\$1/ carton); 1000 bags = 1 carton</i>	\$24	\$80	\$114	\$185	\$331
Rent & Utilities					
<i>Base Rental Rate</i>	\$21,600	\$21,859	\$77,572	\$78,425	\$79,537
<i>Electricity</i>	\$1,920	\$1,958	\$6,336	\$6,453	\$6,570
<i>HVAC Maintenance</i>	\$300	\$300	\$1,200	\$1,200	\$1,200
<i>Insurance</i>	\$252	\$252	\$1,044	\$1,044	\$1,044
Office Supplies					
Computers	\$2,000	\$3,000	\$5,000	\$5,000	\$9,000
Wifi	\$1,200	\$1,200	\$4,800	\$4,800	\$4,800
Telephone	\$200	\$200	\$400	\$600	\$800
Telephone Bill and Charges	\$480	\$480	\$960	\$1,440	\$1,920
Software Licensing (Microsoft Office)	\$432	\$648	\$1,080	\$1,512	\$1,944
Shopify Payment / Software Development Fee					
<i>Base Plan Cost</i>	\$480	\$480	\$480	\$480	\$480
<i>Extra Features Cost</i>	\$5,220	\$5,220	\$5,220	\$5,220	\$5,220
<i>Credit Card Rate (approx. 3% of sales)</i>	\$30,838	\$101,745	\$145,064	\$235,328	\$422,616
Marketing Cost	\$115,388	\$408,902	\$634,805	\$1,063,802	\$1,918,832
Staff Salaries					
<i>Junior Software Developer</i>	\$150,000	\$154,500	\$0	\$0	\$0
<i>Software Developer</i>	\$0	\$0	\$300,024	\$412,033	\$515,041
<i>Accountant/Financial Advisor</i>	\$18,000	\$18,540	\$67,980	\$69,420	\$70,860
<i>Legal Advisor</i>	\$6,000	\$6,180	\$6,360	\$6,540	\$6,720
<i>Human Resource Manager</i>	\$0	\$0	\$82,500	\$84,975	\$87,450
<i>Drivers</i>	\$105,028	\$299,249	\$426,658	\$692,143	\$1,242,989
<i>Opearations Manager</i>	\$0	\$80,100	\$245,106	\$330,012	\$330,012
<i>Marketing Manager</i>	\$0	\$0	\$74,100	\$152,646	\$154,869

<i>Customer Success Manager</i>	\$0	\$54,996	\$113,292	\$169,938	\$226,584
<i>Customer Service Rep</i>	\$0	\$38,501	\$77,003	\$115,504	\$154,006
<i>Product/Supplier Logistics Manager</i>	\$0	\$72,804	\$149,976	\$299,952	\$299,952
Staff Expenses					
Travel Expenses (Internal team to other operating regions)	\$0	\$0	\$12,524	\$12,524	\$12,524
Employee Benefits (CPP, Insurance, STAT Holiday, Work Safety Insurance) - 20% of Staff salary	\$55,806	\$144,974	\$308,600	\$466,633	\$617,696
Co-Founder Salaries					
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
Board of Directors Salaries					
<i>BOD #1</i>	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
<i>BOD #2</i>	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
<i>BOD #3</i>	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
<i>D & O Insurance</i>	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351
Delivery Logistics					
Auto Lease	\$15,754	\$44,887	\$39,624	\$39,624	\$41,016
Auto Insurance	\$4,376	\$12,469	\$11,220	\$11,220	\$11,400
Fuel/ Gasoline	\$48,374	\$159,600	\$227,551	\$369,143	\$662,927
Contingency (1% OF GROSS PROFIT)	\$5,769	\$20,445	\$35,740	\$57,190	\$99,942
Bank Service Charges	\$480	\$480	\$480	\$480	\$480
OPERATING EXPENSE TOTAL	\$762,482	\$1,828,536	\$3,335,651	\$5,018,731	\$7,362,526
Operating Income before Tax	-\$185,542	\$215,974	\$238,372	\$700,279	\$2,631,632
Income Tax (35%)	\$0	\$75,591	\$83,430	\$245,098	\$921,071
Net Income	-\$185,542	\$140,383	\$154,942	\$455,181	\$1,710,561

Exhibit D: Financials Model – 5-year plan (20% profit margin)

REVENUE	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	\$1,027,949	\$3,391,491	\$5,235,456	\$8,244,282	\$14,487,204
Membership Subscription	\$32,732	\$249,014	\$614,076	\$1,166,154	\$2,136,227
Service Fee	\$30,234	\$99,750	\$142,219	\$230,714	\$414,330
REVENUE TOTAL	\$1,090,915	\$3,740,255	\$5,991,751	\$9,641,151	\$17,037,761
COGS	\$822,359	\$2,713,193	\$3,868,365	\$6,275,426	\$11,269,763
Gross Profit	\$268,556	\$1,027,062	\$2,123,387	\$3,365,725	\$5,767,997
OPERATING EXPENSES					
Business Registration Fee (Renews every 5 years)	\$360	\$0	\$0	\$0	\$0
Delivery Supplies					
<i>Insulated Food Delivery Coolers</i>	\$0	\$0	\$0	\$0	\$0
<i>Shopping / Take out Bags (\$1/ carton) ; 1000 bags = 1 carton</i>	\$24	\$80	\$114	\$185	\$331
Rent & Utilities					
<i>Base Rental Rate</i>	\$21,600	\$21,859	\$77,572	\$78,425	\$79,537
<i>Electricity</i>	\$1,920	\$1,958	\$6,336	\$6,453	\$6,570
<i>HVAC Maintenance</i>	\$300	\$300	\$1,200	\$1,200	\$1,200
<i>Insurance</i>	\$252	\$252	\$1,044	\$1,044	\$1,044
Office Supplies					
Computers	\$2,000	\$3,000	\$5,000	\$5,000	\$9,000
Wifi	\$1,200	\$1,200	\$4,800	\$4,800	\$4,800
Telephone	\$200	\$200	\$400	\$600	\$800
Telephone Bill and Charges	\$480	\$480	\$960	\$1,440	\$1,920
Software Licensing (Microsoft Office)	\$432	\$648	\$1,080	\$1,512	\$1,944
Shopify Payment / Software Development Fee					
<i>Base Plan Cost</i>	\$480	\$480	\$480	\$480	\$480
<i>Extra Features Cost</i>	\$5,220	\$5,220	\$5,220	\$5,220	\$5,220
<i>Credit Card Rate (approx. 3% of sales)</i>	\$30,838	\$101,745	\$145,064	\$235,328	\$422,616
Marketing Cost	\$53,711	\$205,412	\$344,677	\$593,145	\$1,073,599
Staff Salaries					
<i>Junior Software Developer</i>	\$150,000	\$154,500	\$0	\$0	\$0
<i>Software Developer</i>	\$0	\$0	\$300,024	\$412,033	\$515,041
<i>Accountant/Financial Advisor</i>	\$18,000	\$18,540	\$67,980	\$69,420	\$70,860
<i>Legal Advisor</i>	\$6,000	\$6,180	\$6,360	\$6,540	\$6,720
<i>Human Resource Manager</i>	\$0	\$0	\$82,500	\$84,975	\$87,450
<i>Drivers</i>	\$105,028	\$299,249	\$426,658	\$692,143	\$1,242,989
<i>Operations Manager</i>	\$0	\$80,100	\$245,106	\$330,012	\$330,012
<i>Marketing Manager</i>	\$0	\$0	\$74,100	\$152,646	\$154,869

<i>Customer Success Manager</i>	\$0	\$54,996	\$113,292	\$169,938	\$226,584
<i>Customer Service Rep</i>	\$0	\$38,501	\$77,003	\$115,504	\$154,006
<i>Product/Supplier Logistics Manager</i>	\$0	\$72,804	\$149,976	\$299,952	\$299,952
Staff Expenses					
Travel Expenses (Internal team to other operating regions)	\$0	\$0	\$12,524	\$12,524	\$12,524
Employee Benefits (CPP, Insurance, STAT Holiday, Work Safety Insurance) - 20% of Staff salary	\$55,806	\$144,974	\$308,600	\$466,633	\$617,696
Co-Founder Salaries					
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
<i>Co-Founder</i>	\$24,000	\$24,000	\$48,000	\$60,000	\$72,000
Board of Directors Salaries					
<i>BOD #1</i>	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
<i>BOD #2</i>	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
<i>BOD #3</i>	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
<i>D & O Insurance</i>	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351
Delivery Logistics					
Auto Lease	\$15,754	\$44,887	\$39,624	\$39,624	\$41,016
Auto Insurance	\$4,376	\$12,469	\$11,220	\$11,220	\$11,400
Fuel/ Gasoline	\$48,374	\$159,600	\$227,551	\$369,143	\$662,927
Contingency (1% OF GROSS PROFIT)	\$2,686	\$10,271	\$21,234	\$33,657	\$57,680
Bank Service Charges	\$480	\$480	\$480	\$480	\$480
OPERATING EXPENSE TOTAL	\$697,722	\$1,614,872	\$3,031,018	\$4,524,541	\$6,475,032
Operating Income before Tax	-\$429,166	-\$587,809	-\$907,631	-\$1,158,816	-\$707,035
Income Tax (35%)	\$0	\$0	\$0	\$0	\$0
Net Income	-\$429,166	-\$587,809	-\$907,631	-\$1,158,816	-\$707,035

Exhibit E: Financial Assumptions (18 Month Plan) - 20% Profit Margin

		YEAR 1												YEAR 2					
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Marketing Campaign	Monthly Target Visitors	7000	8750	10937.5	13671.875	17089.8438	21362.3047	26702.8809	33378.6011	41723.25134	52154.06418	65192.58022	81490.72528	83935.44704	86453.51045	89047.11576	91718.52923	94470.08511	97304.18767
Conversion	New Converted Customers	350	438	547	684	854	1068	1335	1669	2086	2608	3260	4075	4197	4323	4452	4586	4724	4865
	# of orders /week	350	438	547	684	854	1068	1335	1669	2086	2608	3260	4075	4197	4323	4452	4586	4724	4865
	Total Number of orders/month	350	560	700	875	1094	1367	1709	2136	2670	3338	4172	5215	5623	5792	5965	6144	6329	6518
Revenue	Sales	\$14,875.00	\$23,800.00	\$29,750.00	\$37,187.50	\$46,484.38	\$58,105.47	\$72,631.84	\$90,789.79	\$113,487.24	\$141,859.05	\$177,323.82	\$221,654.77	\$238,971.55	\$246,140.70	\$253,524.92	\$261,130.67	\$268,964.59	\$277,033.52
	Orders commission	\$2,975.00	\$4,760.00	\$5,950.00	\$7,437.50	\$9,296.88	\$11,621.09	\$14,526.37	\$18,157.96	\$22,697.45	\$28,371.81	\$35,464.76	\$44,330.95	\$47,794.31	\$49,228.14	\$50,704.98	\$52,226.13	\$53,792.92	\$55,406.70
	# of New Membership Subscription	25	55	93	141	201	276	369	486	632	815	1043	1328	1622	1924	2236	2557	2888	3228
	Subscription Income	\$146.76	\$330.20	\$559.50	\$846.13	\$1,204.42	\$1,652.28	\$2,212.11	\$2,911.89	\$3,786.62	\$4,880.03	\$6,246.79	\$7,955.25	\$9,714.95	\$11,527.45	\$13,394.32	\$15,317.20	\$17,297.77	\$19,337.75
	Service Fee Income	\$437.50	\$700.00	\$875.00	\$1,093.75	\$1,367.19	\$1,708.98	\$2,136.23	\$2,670.29	\$3,337.86	\$4,172.33	\$5,215.41	\$6,519.26	\$7,028.58	\$7,239.43	\$7,456.62	\$7,680.31	\$7,910.72	\$8,148.04

Exhibit F: Financial Assumptions (18 Month Plan) - 50% Profit Margin

		YEAR 1												YEAR 2					
		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Marketing Campaign	Monthly Target Visitors	7000	8750	10937.5	13671.875	17089.8438	21362.3047	26702.8809	33378.6011	41723.25134	52154.06418	65192.58022	81490.72528	83935.44704	86453.51045	89047.11576	91718.52923	94470.08511	97304.18767
Conversion	New Converted Customers	350	438	547	684	854	1068	1335	1669	2086	2608	3260	4075	4197	4323	4452	4586	4724	4865
	# of orders /week	350	438	547	684	854	1068	1335	1669	2086	2608	3260	4075	4197	4323	4452	4586	4724	4865
	Total Number of orders/month	350	560	700	875	1094	1367	1709	2136	2670	3338	4172	5215	5623	5792	5965	6144	6329	6518
Revenue	Sales	\$14,875.00	\$23,800.00	\$29,750.00	\$37,187.50	\$46,484.38	\$58,105.47	\$72,631.84	\$90,789.79	\$113,487.24	\$141,859.05	\$177,323.82	\$221,654.77	\$238,971.55	\$246,140.70	\$253,524.92	\$261,130.67	\$268,964.59	\$277,033.52
	Orders commission	\$7,437.50	\$11,900.00	\$14,875.00	\$18,593.75	\$23,242.19	\$29,052.73	\$36,315.92	\$45,394.90	\$56,743.62	\$70,929.53	\$88,661.91	\$110,827.39	\$119,485.78	\$123,070.35	\$126,762.46	\$130,565.33	\$134,482.29	\$138,516.76
	# of New Membership Subscription	25	55	93	141	201	276	369	486	632	815	1043	1328	1622	1924	2236	2557	2888	3228
	Subscription Income	\$146.76	\$330.20	\$559.50	\$846.13	\$1,204.42	\$1,652.28	\$2,212.11	\$2,911.89	\$3,786.62	\$4,880.03	\$6,246.79	\$7,955.25	\$9,714.95	\$11,527.45	\$13,394.32	\$15,317.20	\$17,297.77	\$19,337.75
	Service Fee Income	\$437.50	\$700.00	\$875.00	\$1,093.75	\$1,367.19	\$1,708.98	\$2,136.23	\$2,670.29	\$3,337.86	\$4,172.33	\$5,215.41	\$6,519.26	\$7,028.58	\$7,239.43	\$7,456.62	\$7,680.31	\$7,910.72	\$8,148.04

Exhibit G: Financial Model (18 Month Plan) - 20% Profit Margin

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
REVENUE																			
Sales	\$14,875.00	\$23,800.00	\$29,750.00	\$37,187.50	\$46,484.38	\$58,105.47	\$72,631.84	\$90,789.79	\$113,487.24	\$141,859.05	\$177,323.82	\$221,654.77	\$238,971.55	\$246,140.70	\$253,524.92	\$261,130.67	\$268,964.59	\$277,033.52	
Membership Subscription	\$146.76	\$330.20	\$559.50	\$846.13	\$1,204.42	\$1,652.28	\$2,212.11	\$2,911.89	\$3,786.62	\$4,880.03	\$6,246.79	\$7,955.25	\$9,714.95	\$11,527.45	\$13,394.32	\$15,317.20	\$17,297.77	\$19,337.75	
Service Fee	\$437.50	\$700.00	\$875.00	\$1,093.75	\$1,367.19	\$1,708.98	\$2,136.23	\$2,670.29	\$3,337.86	\$4,172.33	\$5,215.41	\$6,519.26	\$7,028.58	\$7,239.43	\$7,456.62	\$7,680.31	\$7,910.72	\$8,148.04	
REVENUE TOTAL	\$15,459.26	\$24,830.20	\$31,184.50	\$39,127.38	\$49,055.99	\$61,466.74	\$76,980.18	\$96,371.97	\$120,611.72	\$150,911.41	\$188,786.02	\$236,129.28	\$255,715.08	\$264,907.58	\$274,375.86	\$284,128.18	\$294,173.08	\$304,519.32	
COGS	\$11,900.00	\$19,040.00	\$23,800.00	\$29,750.00	\$37,187.50	\$46,484.38	\$58,105.47	\$72,631.84	\$90,789.79	\$113,487.24	\$141,859.05	\$177,323.82	\$191,177.24	\$196,912.56	\$202,819.94	\$208,904.53	\$215,171.67	\$221,626.82	
Gross Profit	\$3,559.26	\$5,790.20	\$7,384.50	\$9,377.38	\$11,868.49	\$14,982.36	\$18,874.71	\$23,740.14	\$29,821.93	\$37,424.17	\$46,926.96	\$58,805.46	\$64,537.84	\$67,995.02	\$71,555.92	\$75,223.65	\$79,001.41	\$82,892.50	
OPERATING EXPENSES																			
Business Registration Fee (Renews every 5 years)	\$360.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Delivery Supplies																			
Shopping / Take out Bags (\$1/carton) ; 1000 bags = 1 carton	\$24.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$79.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Rent & Utilities																			
Base Rental Rate	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,800.00	\$1,821.60	\$1,821.60	\$1,821.60	\$1,821.60	\$1,821.60	\$1,821.60	\$1,821.60
Electricity	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$160.00	\$163.20	\$163.20	\$163.20	\$163.20	\$163.20	\$163.20	\$163.20
HVAC Maintenance	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Insurance	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
Office Supplies																			
Computers	\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wifi	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Telephone	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Telephone Bill and Charges	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
Software Licensing (Microsoft Office)	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$54.00	\$54.00	\$54.00	\$54.00	\$54.00	\$54.00
Shopify Payment / Software Development Fee																			
Base Plan Cost	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
Extra Features Cost	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00	\$435.00
Credit Card Rate (approx. 3% of sales)	\$446.25	\$714.00	\$892.50	\$1,115.63	\$1,394.53	\$1,743.16	\$2,178.96	\$2,723.69	\$3,404.62	\$4,255.77	\$5,319.71	\$6,649.64	\$7,169.15	\$7,384.22	\$7,605.75	\$7,833.92	\$8,068.94	\$8,311.01	
Marketing Cost	\$711.85	\$1,158.04	\$1,476.90	\$1,875.48	\$2,373.70	\$2,996.47	\$3,774.94	\$4,748.03	\$5,964.39	\$7,484.83	\$9,385.39	\$11,761.09	\$12,907.57	\$13,599.00	\$14,311.18	\$15,044.73	\$15,800.28	\$16,578.50	
Staff Salaries																			
Software Developer	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00	\$12,500.00
Accountant/Financial Advisor	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
Legal Advisor	\$1,500.00	\$0.00	\$0.00	\$1,500.00	\$0.00	\$0.00	\$1,500.00	\$0.00	\$0.00	\$1,500.00	\$0.00	\$0.00	\$1,500.00	\$0.00	\$0.00	\$1,500.00	\$0.00	\$0.00	\$0.00
Drivers	\$1,750.00	\$2,800.00	\$3,500.00	\$4,375.00	\$5,468.75	\$6,835.94	\$8,544.92	\$10,681.15	\$13,351.44	\$12,516.98	\$15,646.22	\$19,557.77	\$21,085.73	\$21,718.30	\$22,369.85	\$23,040.94	\$23,732.17	\$24,444.13	
Operations Manager	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,675.00	\$6,675.00	\$6,675.00	\$6,675.00	\$6,675.00	\$6,675.00	
Customer Success Manager	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,583.00	\$4,583.00	\$4,583.00	\$4,583.00	\$4,583.00	\$4,583.00	
Customer Service Rep	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,115.00	\$3,115.00	\$3,115.00	\$3,115.00	\$3,115.00	\$3,115.00	
Product/Supplier Logistics Manager	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,067.00	\$6,067.00	\$6,067.00	\$6,067.00	\$6,067.00	\$6,067.00	
Staff Expenses																			
Employee Benefits (CPP, Insurance, STAT Holiday, Work Safety Insurance) - 20% of Staff Salary	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$6,588.00	\$6,588.00	\$6,588.00	\$6,588.00	\$6,588.00	\$6,588.00	\$6,588.00
Co-Founder Salaries																			
Co-Founder	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Co-Founder	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Co-Founder	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Co-Founder	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
Board of Directors Salaries																			
BOD #1	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83
BOD #2	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83
BOD #3	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,083.33	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83	\$2,145.83
D&O Insurance	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$103.00	\$103.00	\$103.00	\$103.00	\$103.00	\$103.00	\$103.00
Deliver Logistics																			
Auto Lease	\$262.50	\$420.00	\$525.00	\$656.25	\$820.31	\$1,025.39	\$1,281.74	\$1,602.17	\$2,002.72	\$1,877.55	\$2,346.93	\$2,933.67	\$3,162.86	\$3,257.74	\$3,355.48	\$3,456.14	\$3,559.83	\$3,666.62	
Auto Insurance	\$72.92	\$116.67	\$145.83	\$182.29	\$227.86	\$284.83	\$356.04	\$445.05	\$556.31	\$521.54	\$651.93	\$814.91	\$878.57	\$904.93	\$932.08	\$960.04	\$988.84	\$1,018.51	
Fuel/ Gasoline	\$700.00	\$1,120.00	\$1,400.00	\$1,750.00	\$2,187.50	\$2,734.38	\$3,417.97	\$4,272.46	\$5,340.58	\$6,675.72	\$8,344.65	\$10,430.81	\$11,245.72	\$11,583.09	\$11,930.58	\$12,288.50	\$12,657.16	\$13,036.87	
Contingency (1% OF GROSS PROFIT)	\$35.59	\$57.90	\$73.85	\$93.77	\$118.68	\$149.82	\$188.75	\$237.40	\$298.22	\$374.24	\$469.27	\$588.05	\$645.38	\$679.95	\$715.56	\$752.24	\$790.01	\$828.92	
Bank Service Charges	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00	\$40.00
OPERATING EXPENSE TOTAL	\$41,610.30	\$39,933.61	\$41,561.08	\$45,095.42	\$46,138.34	\$49,316.99	\$54,790.31	\$58,256.96	\$64,465.27	\$68,753.63	\$75,711.10	\$86,282.95	\$120,183.07	\$117,435.54	\$119,528.78	\$123,184.81	\$123,905.53	\$126,192.86	
Operating Income before Tax	-\$38,051.04	-\$34,143.41	-\$34,176.58	-\$35,718.03	-\$34,269.85	-\$34,334.63													

