

InnovateHER 2016: Innovating for Women Business Challenge Local Competition at EatsPlace

Our Winner



Noobtsaa Philip Vang,
Founder & CEO,

Company: Foodhini,

Authentic home cooked ethnic cuisines direct to your doorstep

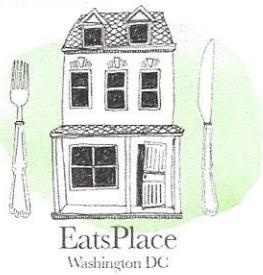
Address: 1111 Arlington Blvd, #742, Arlington, VA 22209

Telephone: 651-338-0465

Product/Service Website: www.foodhini.com

Email: Philip.vang@gmail.com

Description of Product/Service: Foodhini, a for profit social enterprise, provides a platform for independent immigrant home chefs, mainly women, to leverage their existing culinary skills to cook and sell ready to eat authentic home cooked style ethnic meals direct to customers. Ready to eat meals are delivered directly to customers within 60 minutes through a mobile on-demand platform.



EatsPlace | 3607 Georgia Avenue NW | Washington DC 20010
www.eatsplace.com

Statement of Support

EatsPlace is pleased to announce Noobtsaa Philip Vang, Founder and CEO, of Foodhini, as the winner of our local competition. We believe Foodhini best satisfies the Challenge criteria and presents the greatest potential for success.

Foodhini provides a unique and scalable platform to empower women to provide for themselves and their families financially through meaningful self-employment as cooks and provides an easy solution to the question women are faced daily, "what's for dinner?" In many communities, women are responsible for cooking and feeding their families. As a result, women have developed excellent cooking skills.

Foodhini will provide independent female cooks with a platform to leverage the skills they have harnessed by providing ready to eat meals directly to consumers, thus generating sustainable income. This will be accomplished through the use of a mobile on-demand platform. Consumers will be able to log on daily and pick from a menu of authentic home cooked ethnic cuisines. The meals would be delivered directly to the consumer within 60 minutes.

The meals would be prepared daily from central kitchens owned and operated by Foodhini to ensure safety and quality of food. Ten to twelve different home chefs per day with different ethnic cuisines will rotate through the kitchen and set their own schedules. This would allow women to still remain available to care for their families while generating income.

Many women working outside of the home are faced with the daily challenge of providing a home cooked meal. Foodhini provides an easy solution to this by helping moms provide delicious home cooked meals for their family. With Foodhini's diverse ethnic food offerings, moms are able to provide a healthier option than fast food and share the foods they grew up eating or introduce their families to new cuisines.

Foodhini fills both a financial need for women and their families which is measurable and solves a problem faced by working women daily, providing healthy meals when time is limited.



Katy Chang, Chef and Founder
EatsPlace, the Food Incubator and Pop-upery



Date

Foodhini
Authentic home cooked ethnic cuisines direct to your doorstep

Noobtsaa Philip Vang / Founder & CEO

Created 10/31/15

Foodhini

Company Overview:

Foodhini, a for-profit social enterprise, delivers ready to eat meals directly to customers within 60 minutes through a mobile on-demand platform. Foodhini focuses on providing authentic home cooked style ethnic meals that aren't available in most typical restaurants. We can provide these authentic home cooked dishes because we partner directly with a diverse group of budding independent immigrant cooks that cook at home for their friends and family, but haven't been able to launch their own restaurant due to limited funding and resources. As a social enterprise, Foodhini provides an opportunity for cooks to create their own business and build a customer base to someday start their own restaurants. The cooks will operate out of a Foodhini central kitchen that will house smaller micro kitchens (10-11) to accommodate different cuisine types (Thai, Vietnamese, Indian, Japanese, Israeli, Peruvian, Turkish, etc...). There will be 1-2 entrees available per day from each cook. Ingredients and kitchen space will be supplied by Foodhini, while prices per dish will range from \$11(Vegetarian) to \$14 (Meat). Foodhini earns revenue by taking a percentage of revenue for each meal sold. Once delivery and packaging costs have been subtracted, the remaining revenue goes directly to the cook. Foodhini connects cooks to consumers craving authentic ethnic cuisine through a mobile app where consumers can select and order dishes, while cooks can receive and process orders. Foodhini will partner with a third party delivery company to handle delivery, and the mobile app will track orders from the kitchen all the way to the customer's doorstep.

Looking at the competitive landscape, there are a number of players in the industry. Most notably La Cocina in Virginia focuses on culinary workforce development for the Hispanic community. There are your traditional food incubators like Union Kitchen while there are a number of startups focused on gourmet food delivery on demand such as Maple and Munchery. Because these companies have proven that food incubation and on demand models work, we are confident we can create an ecosystem to partner with immigrant home chefs and apply the delivery on demand model to create social impact, and at the same time sell hard to find ethnic cuisines.

Opportunity/Target Customers/Industry:

The fast food/fast casual and food truck industry is forecasted to grow from \$200B to \$220B by 2019. There are 117 million US households that spend on average \$2,625 annually eating out. 77% of consumers that eat out are unsatisfied with the current ethnic food options while 65% put authenticity as one of the most important dining decision-making factors (www.Technomic.com). Consumers are demanding ethnic foods that are not offered on menus. Foodhini will meet this growing and unmet demand by providing hard to find authentic home cooked ethnic cuisines direct to consumer doorsteps through a convenient and simple mobile app. Foodhini will capture the appetites of consumers because we partner with cooks that have grown up cooking authentic ethnic dishes with recipes that have been developed over generations and are unique to their respective cultures. With over 130 customer interviews and surveys, Foodhini has confirmed these customer insights and discovered the target customer most willing to pay for this type of cuisine. They are 25-35 years old, eat ethnic food on a regular base, earn over \$50,000, live in densely populated areas and desire ethnic food not available in restaurants. In addition, we've found a target market of working mothers that have ethnic backgrounds or enjoy eating ethnic food. They provided feedback to us confirming it's harder and harder to find time to cook meals for their families and Foodhini provides them with a way to ensure they have delicious home cooked meals for their families.

Equally important, Foodhini provides sustainable income generation opportunities for immigrant communities. The population of US immigrants with a high school or lower education consists of nearly 20 million people with an average yearly income of less than \$20K. In comparison, an immigrant with a college degree earns an average income of \$56k per year. These communities possess the drive to earn a sustainable living, but limited education and capital limit their opportunities. Foodhini enables amateur cooks from different ethnic communities to leverage their existing culinary skills and make a sustainable living. Foodhini's founder comes from an immigrant community and has first hand experience on how language, cultural bias, and socio

Foodhini

economic circumstances can deter investment and development in these communities. Foodhini is already investing the necessary time and resources in building partnerships with local communities, and building lasting relationship with communities that have often been overlooked and marginalized by other industries and business startups. These communities can contribute immense value to the market economy and Foodhini is one of the few startups that understand their value and plans to nurture and support their growth.

Mission Statement:

Foodhini, a for profit social enterprise, is focused on creating sustainable income generation opportunities for marginalized immigrant communities through food commerce.

Foodhini provides a platform for independent immigrant home chefs to leverage their existing culinary skills to cook and sell ready to eat authentic home cooked style ethnic meals direct to customers.

Team:

Founder and CEO:

Noobtsaa Philip Vang

- MBA Georgetown University, 2016
- 3M Company, General Mills
- B.S. Mechanical Engineering, University of Minnesota
- <http://www.linkedin.com/in/noobtsaaPhilipVang>

Business Development:

Christopher Foss

- M.B.A & M.S. Global Politics Georgetown University 2016
- Business Development Car Keys Indonesia, Founder Typhoon Haiyan Relief Fund
- B.A. English Literature and Writing – Kalamazoo College
- <https://www.linkedin.com/in/foschristopher>

Product Overview:

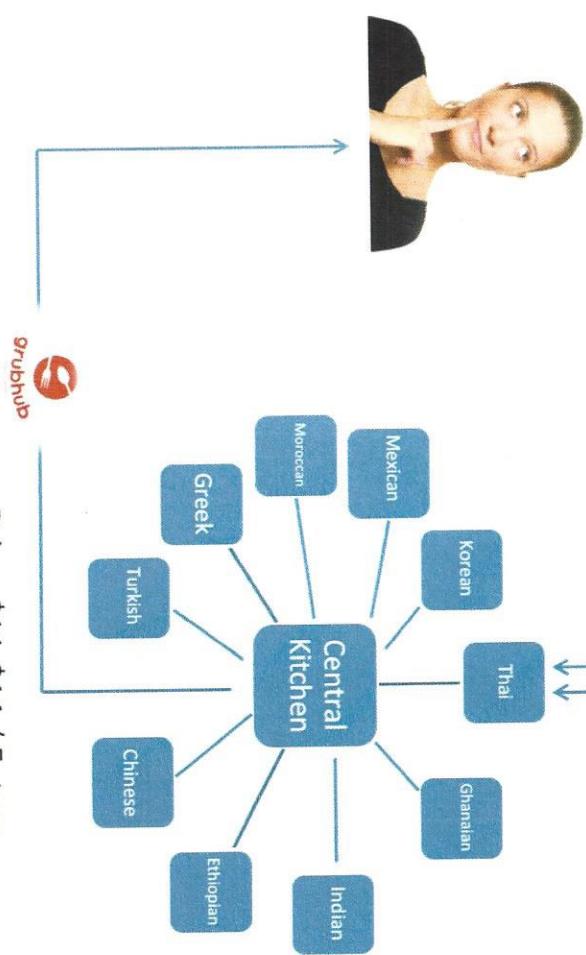


Solution

Grace - Consumer



Kim - Thai Home Chef



Price: \$11-\$14 / Entree

Product: 10-12 different cuisines per day, 1-2 entrees per chef, menu changes weekly

Partners: Grub Hub

Placement: Central Kitchens located near key neighborhoods

Foodhini



Foodhini

Foodhini will operate from central kitchens that house 10-12 different home chefs per day with different ethnic cuisines. Chefs will set their own schedules, which allows for cuisines and chefs to rotate weekly. Foodhini manages the kitchen in order to control food quality and safety. In addition, Foodhini has a mobile application that enables consumers to order directly from their chosen home chef. Meals are prepared on demand at the central kitchen and then delivered to the customers via a third party delivery service within 30 minutes from pickup. All transactions are handled electronically and food is served only through delivery.

Here is an example of how a Foodhini meal is made in reference to the diagram on the previous page. Kim is a Thai home chef, and she is working in the central kitchen today and decided to offer a special curry dish. Because she is working today, her dish appears on the mobile app. On the other end, there's Grace, a hungry customer looking for some authentic Thai cuisine. Grace opens up the Foodhini app, selects and purchases the curry dish. At that point, Kim receives the order and preps the meal on demand. Once Kim is done preparing the dish, she preps it for delivery. At that point, a third party delivery service such as Grub Hub will pick up the order and deliver it to Grace within 30 minutes of pickup.

Foodhini

Mobile/Web Interface:

Mobile/Web Interface

Customer



Foodhini

Foodhini

Competitive Analysis & Competitive Advantage:



Foodhini

Many startups have emerged in the on-demand gourmet food delivery business, while there are plenty of food incubators just within the Washington DC area. There are also many startups that are focusing on hosting dinner parties at different locations, such as Feastly, a DC based startup. However, we are the first startup to see the immense value that immigrant home chefs can bring with their excellent culinary skills in cooking ethnic cuisines. Foodhini provides an outlet for them to grow professionally and create a sustainable living with their skills. This relationship building takes time and patience. Foodhini focuses on creating relationships with immigrant communities, where language and cultural barriers are challenging, but must be handled carefully and respectfully. In addition, building trust is the first priority as many community members have been marginalized or excluded from the market economy. Foodhini sees these communities not as cooks or employees, but as partners. We believe that by creating shared value with Foodhini's business design and with the unique culinary skills of home chefs, we are able to help empower women, men, and families while also establishing a profitable and scalable business.

In addition, Foodhini plans to provide development and equity based funding opportunities to support talented chefs in developing their business skills and starting up their own restaurants in the future. This may seem as though Foodhini would lose talented chefs, but we see this as an opportunity to help support talented chefs develop under the Foodhini brand and then startup their own restaurants when ready. As talented chefs branch out on their own, we are able to onboard new and talented chefs that provide different cuisines and specialties. It's a natural way for Foodhini to provide variety and diverse offerings to consumers and also continue social impact for our home chefs.

BETA Testing, Progress to Date:

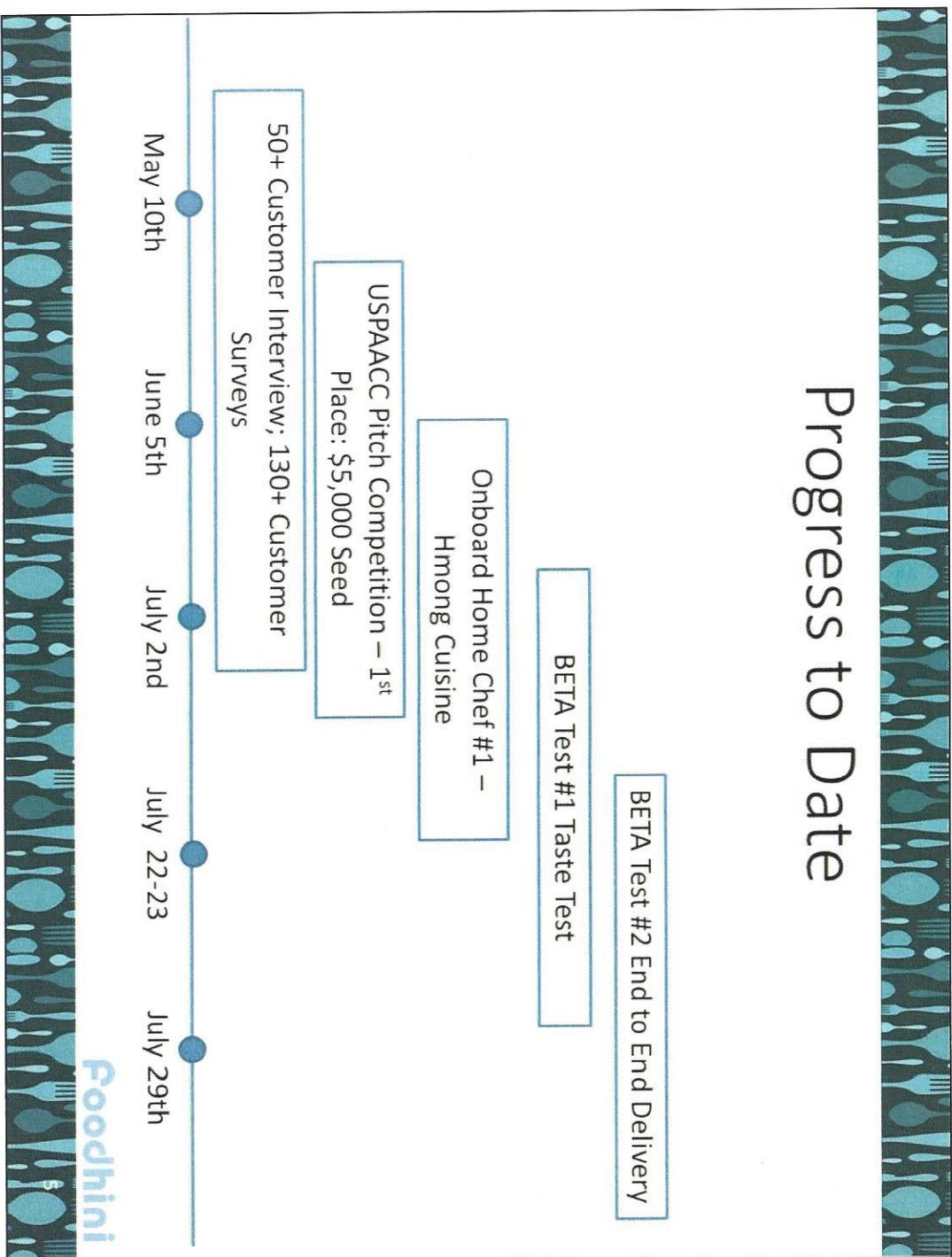
During the summer of 2015, Foodhini was accepted into the Georgetown Summer Launch Incubator Program. Through this program, Foodhini was able to accelerate their lean startup process, complete two beta tests and obtain seed funding. During this time, Foodhini was able to conduct over 130 customer interviews and surveys focused on what type of food people searched and yearned for. Foodhini found three very distinct customer groups. 1) Young professionals with immigrant backgrounds looking to get that home cooked meal they grew up eating 2) Young professional that just loved eating new types and foods (foodies), and 3) working moms with limited time to make home cooked meals for their families.

From that point on, Foodhini's founder pitched in the US Pan Asian American Chamber of Commerce Pitch Competition and won 1st place and \$5,000 in seed funding. This was a great opportunity to test out the customer hypothesis and validate their product hypothesis with a crowd of over 200 hundred business leaders and consumers.

Over the next few weeks, Foodhini focused on implementing two BETA tests, the first being focused on testing the taste of Hmong cuisine, a Southeast Asian cuisine with influences from Thailand, Laos and China. These BETA tests depended on the ability of Foodhini to build a partnership with a local chef. Foodhini was able to partner with a Hmong female home chef named Yer Thor in the Washington DC area. She immigrated to the United States from Laos after the Vietnam war with limited education and has worked in multiple jobs to support her family for over 25 years now. This provided Foodhini with a great opportunity to test our value to potential home chefs, and understand how to partner with independent home chefs. The beta test involved inviting over 20 individuals from Foodhini's target customer groups. By testing the food on our customer groups, we were able to validate the taste of the food and customer feelings about getting access to hard to find ethnic cuisines. We were able to validate the taste of the food and that propelled us to begin our 2nd BETA test. The 2nd BETA was focused on a complete end to end pilot with a functional web/mobile friendly ordering platform and delivery of food to customers. Over a two-day test we were able to obtain willingness to pay data from 20 target customers, understand the value customers see in Foodhini, and also test the scaling of operations. We were able to test and validate the required time to prepare meals, delivery windows, cost of ingredients, and staffing needs. In addition, we were able to obtain a 90% hard commitment from customers on reordering within 2 weeks. Additionally, we were able to test the perception of Foodhini's social impact goals among our target customers by providing a profile of

our home chef on the website/mobile friendly page. Our customers were so excited to support the empowerment of immigrant communities and they cited that as one of the biggest reasons to support Foodhini, in addition to getting access to delicious hard to find ethnic food.

Progress to Date



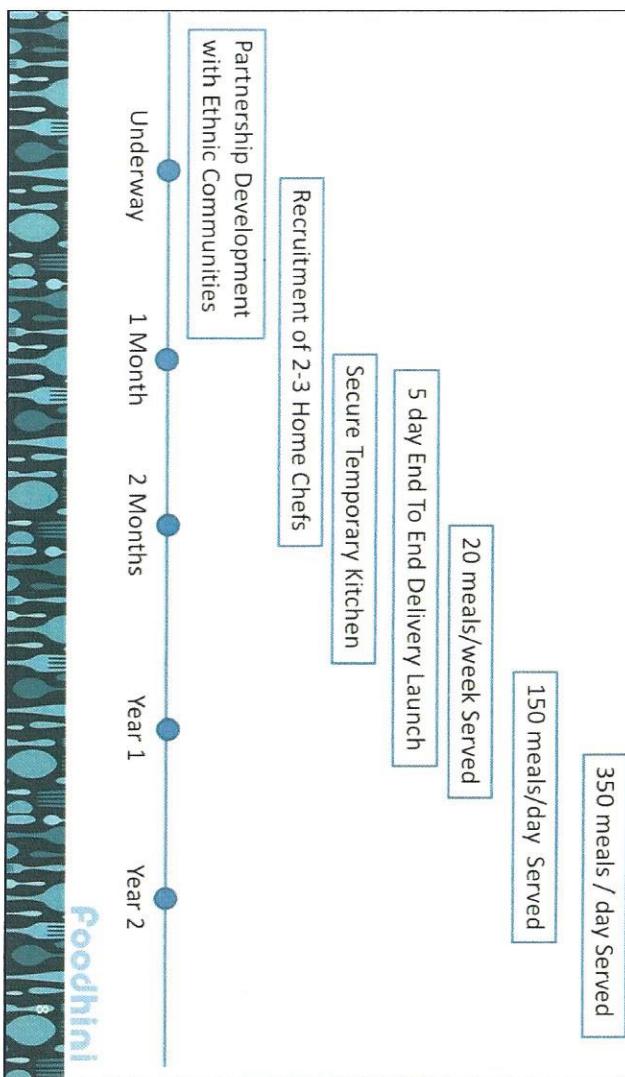
Next Steps & Scaling:

Over the next two months Foodhini plans to complete a soft launch and then pursue a full launch within 6 months. The \$40,000 from the innovateHER Challenge would provide the funding needed to launch one Foodhini central kitchen in Washington DC, covering expenses to support 6-9 months of full operation serving 150 meals / week, onboard 2-3 home chefs, ingredients, packaging, and kitchen space rental. In our first year of operation we would scale chef operations slowly. We would scale to 3-5 chefs in the first year in order to help us learn how to scale appropriately and reach our long term goal of 10-12 chefs in the kitchen per week. In addition, we would look to rent existing commercial kitchen space from a food incubator.

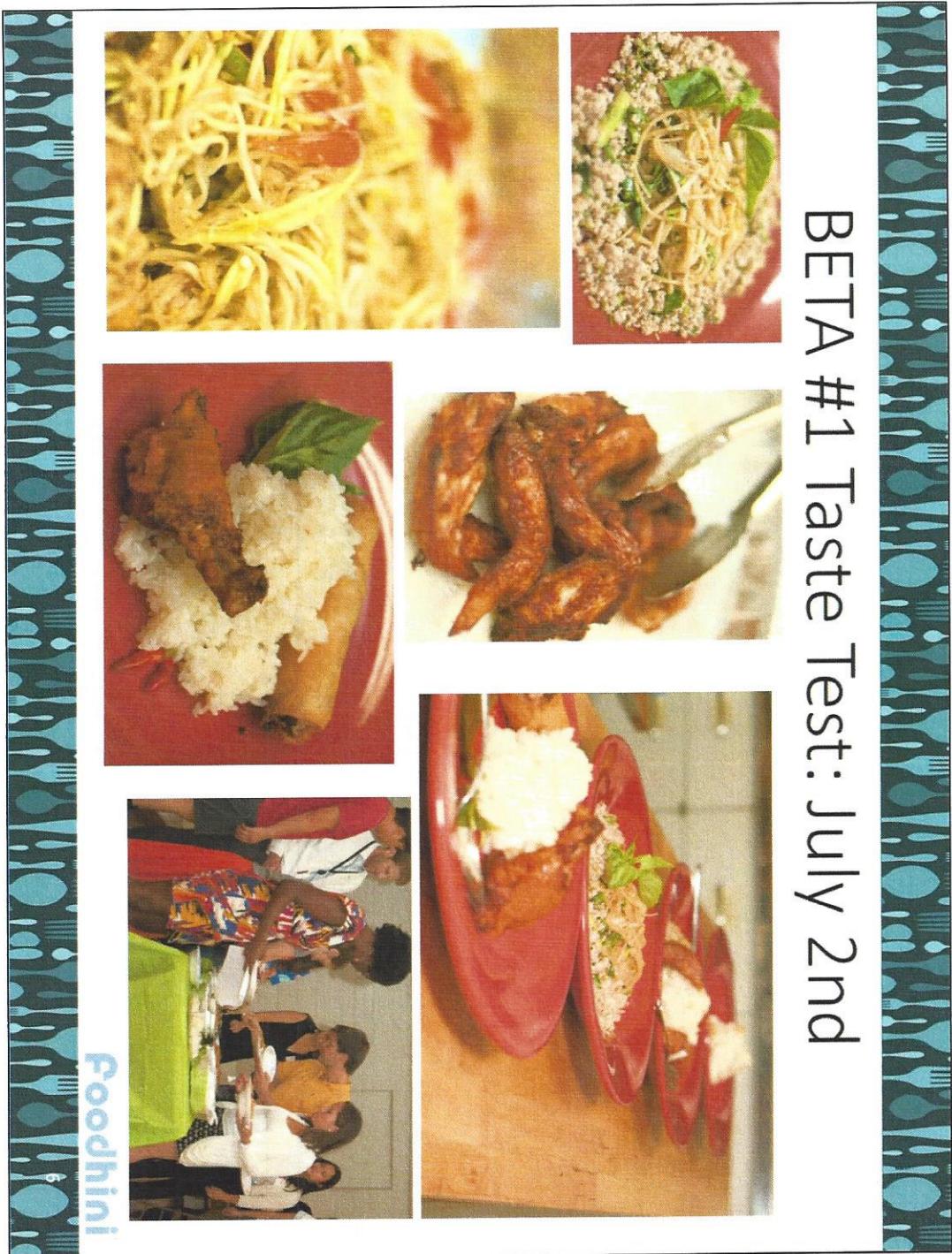
Over the next 3 years, Foodhini plans to launch 3-4 additional central kitchens to cover the entire Washington DC area, while also looking to expand nationally in other diverse and large metropolitan areas such as New York City, Los Angeles, San Francisco, Seattle, Chicago, Miami, etc.... These locations provide a great source of talent with home chefs and also large unmet demand from target customer groups.



Next Steps



BETA #1 Taste Test: July 2nd



BETA #2 End to End Delivery: July 22-23



BETA #2 Key Learnings

Cooking Time < 25 min

Delivery Time < 30 min

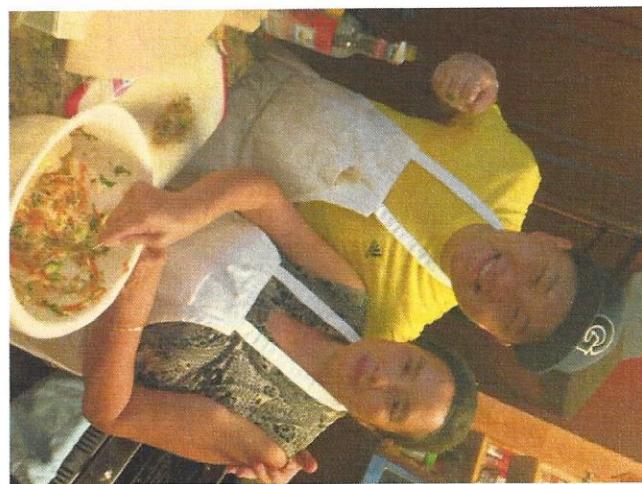
WTP = \$13 - \$15 / entrée

Reorder Hard Commit – 90%

Cost of Ingredients ~ 30%

Value to Customers:

- Brings ethnic customers a taste of home-
- Access to Hard to Find Cuisine-
- Social Impact-



Marketing and Sales Plan:

Foodhini will implement heavy and focused advertising on social media with platforms such as Facebook, Twitter, and Instagram. These platforms allow us to have direct advertising to customers that have shown preferences and behaviors that match those of our target customer groups. In addition, we plan to implement a grassroots marketing effort to engage customers on a personal and local scale. We will apply for a tent at the Taste of DC and other local farmer's markets and events to provide taste testing and assist in customer engagement and acquisition.

Business development will also play a critical role in helping Foodhini grow. We will look for partnerships with other institutions and business that will help Foodhini engage with a larger and more diverse customer base. A key partnership that will impact Foodhini's growth potential is finding a third party delivery service that can support Foodhini's operational goals and also support our growth well into the future. With many existing players like Amazon and Google entering the delivery space that already includes companies such as Uber, DoorDash, Postmates, Caviar, and GrubHub, we are confident Foodhini can find a partner with aligned values.

Technology development will also play a key role in how we interface with customers. We plan to develop a full scale mobile application in order to capture mobile users.

Financial Projections:

Below is an overview of our five year projections and how we plan to measure our social impact. As a for profit social enterprise we are able to generate significant revenue for the firm and also for home chefs. For each meal sold, Foodhini and home chefs will each take \$4, or roughly around 35%. The metrics we plan to measure for social impact are the number of jobs created, percentage increase in income for home chefs, and the number of jobs created that provide the main income source for home chefs and development opportunities for them as well. These projections are based on one single central kitchen location. Financial projections could be estimated for multiple kitchens in Washington DC by multiplying the projections by the number of central kitchen locations. In addition, these financial projections include the cost of one full commercial kitchen renovation of a rental space within the first year.

Financials & Metrics

Projections for a Single Central Kitchen

	Year 1	Year 2	Year 3	Year 4	Year 5
Average Meals Sold per Day	150	350	700	1100	1500
Revenue	\$684,375	\$1,596,875	\$3,193,750	\$5,018,750	\$6,843,750
Total Costs	\$ 1,047,000	\$ 1,567,094	\$ 3,020,250	\$ 4,598,875	\$ 6,241,375
Firm - EBITDA	(\$362,625)	\$29,781	\$173,500	\$419,875	\$602,375

Home Chefs - Total Annual Revenue	\$253,219	\$542,938	\$1,085,875	\$1,706,375	\$2,326,875
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Financial Inputs:

- Pricing: \$11-\$14/Entrée
- Foodhini Revenue Share / Meal = \$4
- Home Chef Revenue Share / Meal = \$4
- 2,000 sq. ft kitchen space required; \$40/sq. ft rent
- Grub Hub delivery fee is 5% - 15%
- Packaging costs are 20%
- COGs are approximately 30%
- Mobile App Development = \$60k
- Capital for Kitchen Renovations = \$250k
- Galley Foods: Achieved 150 orders/day in Year 1
- Munchery: Reached 1,500 orders/day in Year 4

Social Impact Metrics:

- % Increase in income to home chefs
- # of jobs created
- # of jobs created that provide main income source for home chefs
- Development opportunities for home chefs

Foodhini

Meeting InnovateHER Challenge Criteria:

Foodhini provides a unique and scalable way to empower and positively impact women's lives in a meaningful way. In many immigrant communities, many women are responsible for cooking and feeding their families. Through their roles, they've perfected their culinary skills in crafting their cultural cuisines, however they've never been able to use those skills to create a sustainable income for themselves and their families. Foodhini will focus on partnering with independent female cooks and provide a platform for them to leverage their skills and gain sustainable income generation opportunities.

In addition, Women have become even more important and critical to the working world. 57% of all women now participate in the labor force and there are 31 million working moms with children younger than 18 years. Women now also drive about 80% of all consumer purchasing. This translates into working moms having less time to make home cooked meals for their families and relying more on restaurants or fast food. Foodhini provides an easy solution to this by helping moms provide delicious home cooked meals for their children, even on the go. With Foodhini's diverse ethnic food offerings, moms are able to share the foods they grew up eating or can introduce new cuisines to their children.