

*the good
cookies
& beyond*

A Gluten Free Bakery

BUSINESS PLAN

REVISED NOVEMBER 2015

The Plan for The Good Cookies & Beyond

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Executive Summary

The Good Cookies is a unique concept that entered the Los Angeles, California baker's market in September of 2011. Our products primarily consist of baked goods for consumers with specific dietary needs. Our target market consists of those individuals in the greater Los Angeles area with Celiac Disease (a disease which inhibits the ingestion of any product containing gluten). We currently offer delicious baked goods that are both gluten free and Non-GMO. The owners, Lisa McCulloch and Amber Barros, who together bring more than 25 years of customer service and restaurant experience to the business venture, and more than twenty years of baking experience, entered the market primarily without funding from any outside sources. Today, they own and operate a retail bakery in Torrance, California that also wholesales its products to over 65 specialty stores throughout Los Angeles and Orange County.

Business Opportunity

While there are many specialty dessert shops in the Los Angeles area, there are no 100% Gluten Free Bakeries in the South Bay (Southern West Coast Cities of Los Angeles), and in all of Los Angeles there is only one other bakery that offers 100% Gluten free and non-GMO baked goods. In addition to being gluten free and Non-GMO, The Good Cookies caters to many other specific niche markets; Gluten Free, Vegan, Soy Free, Dairy Free, Egg Free and Wheat Free. These niche markets have grown to a great extent over the past five years and have the projections for significantly high growth patterns.

In the Los Angeles area alone there are approximately 78,000 individuals with Celiac Disease, and approximately 2,000,000 that follow a Gluten Free lifestyle. Furthermore, the way people think about food is becoming more important in everyday life. Our products not only cater to those individuals seeking Gluten Free items. Our consumers are also those people who are seeking out bakeries and restaurants that only use Organic and Non-GMO ingredients as well as bakeries that are "Free Of" other allergens. We are one of the first movers to the market in Los Angeles Area.

Product/Service Description

The products we produce are much different than other gluten-free desserts currently available online or in small specialty shops. Instead of replacing the flour that is used in our baked goods with other pre-made gluten free flours, we blend and make all of our own mixes. We also use higher protein flours instead of flours made of only starch. Our bakery is primarily focused catering to those individuals with a gluten-intolerance, and we pride ourselves in being free of any cross contamination. In addition to being free of any gluten cross contamination, we will also cater to those individuals whose allergies go beyond gluten. Many of our baked goods are Soy Free, Corn Free, Vegan, Dairy Free, Egg Free, Nut Free or have many of the combined attributes listed previously. We carry a high staying power due to the fact that all of the flour blends are our own mixes making our recipes harder for other consumers to duplicate.

Our product line is produced and sold solely by us, owners of the company, in order to create and maintain great client relationships and ensure the quality of the products we produce. Our product line currently consists of bread, brownies, almond bars, cookies, muffins, granola, cupcakes, cheesecake, quiche, lasagna and sandwiches.

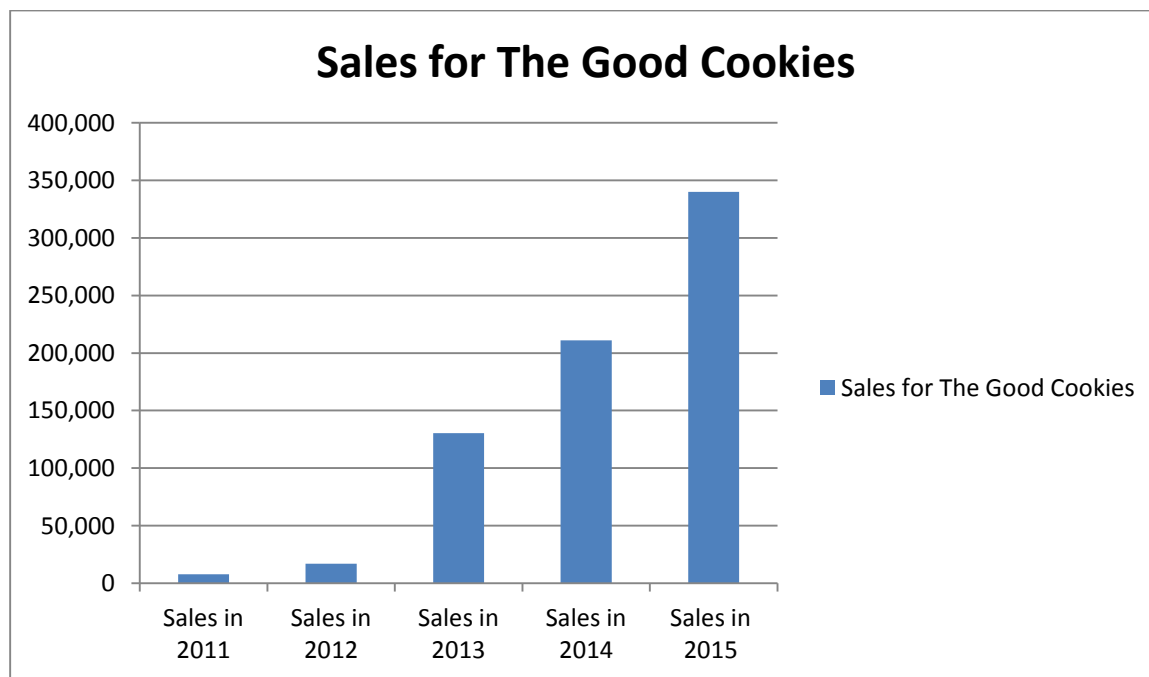
Current Business Position

The Good Cookies & Beyond is owned and operated by Amber Barros and Lisa McCulloch. Our business is structured as a General Partnership with myself, Amber Barros, and my partner, Lisa McCulloch, being the sole owners. Together Lisa and I have over twenty-five years of combined experience in food sales and customer service.

Lisa has been developing gluten-free recipes for 20 years and baking for over 25 years. Lisa McCulloch is the lead in charge of all baking operations and maintaining/structuring good manufacturing practices. I (Amber Barros) graduated with my Bachelor's degree in Business Administration. Through this business venture I have become the lead sales person for The Good Cookies & Beyond (DBA The Good Cookies). My responsibilities include hiring all new staff members, maintaining and acquiring all wholesale accounts, accounting for the business, and generating outside sales for the business, and maintaining client relationships.

Financial Potential

The chart below shows the sales for The Good Cookies the first five years of business. If this trend continues at its current rate, growth potential for The Good Cookies is extremely high.



As our sales revenues continue to increase at this current rate, our sales in two years will reach over 600K and in 5 years over 1.2 Million.

The Request

We are currently seeking out 100,000 for a 20% investment in our company. This would be used to automate our current business and help us to become more efficient while continuing to lower labor costs. This would also help us to increase our accuracy by greatly decreasing the possibility for human error.

Please see below for the cost breakdown:

Unifiller Cookie Depositor \$60,000

Bulk Ingredient Purchase \$10,000 (to purchase pallets and greatly drop our ingredient cost)

New Freezers \$20,000

Electricity re-working for new machinery \$10,000

The above equipment would allow us to increase our productivity by 90% while we maintain the same property we are currently in. If used properly, we would be able to increase our sales and production by over 90% within the first year.

Company Background

The sole owners of The Good Cookies are Amber Barros (myself) and Lisa McCulloch; together we bring more than twenty years of food sales and customer service experience to the business. We have recognized the specialized food needs of individuals with Celiac Disease and view offering specialized desserts to this primary market is one with continued strong potential. Research of how many consumers have Celiac Disease and how many great tasting dessert/ fresh bakery alternatives exist for these individuals support our continued belief of the potential for great success.

Business Description

The Good Cookies & Beyond (DBA The Good Cookies) is a 100% Dedicated Gluten Free Bakery that sells gluten-free and Non-GMO baked goods through its retail store, farmer's markets, over 65 specialty retail store throughout Los Angeles and Orange County and through multiple online sites. Our business goals are to increase our productivity and automate ourselves within the next five years. We are going to enter into the Whole Foods Market (through the Locals Program) Bristol farms (directly), as well as gain entry into various specialty grocers via distribution. Distribution will help to increase our wholesale operations drastically and increase this area of our business by over 100%.

Company History

Amber Barros and Lisa McCulloch became associated in the summer of 2007 through mutual employment at the C&O Trattoria. A combination of mutual interest in the service industry and shared entrepreneurial attitudes eventually led them to discuss becoming business partners. After doing considerable research of desserts available to individuals with celiac disease Amber and Lisa saw a strong need for gluten-free/Non-GMO desserts in the Los Angeles Area. When Lisa was fifteen her mother was diagnosed with Celiac Disease, it was at this time she developed the recipe for The Good Cookie, our original gluten-free/flour-free cookie. With the combined business background Amber has, and the long time baking background Lisa has, they saw great potential for success in a market such as this. In 2010 they launched their business online and through small events throughout Los Angeles. In 2011 they opened their own storefront operation The Good Cookies & Beyond and started to increase their business, it was at this time they began wholesaling to small independent chains and marketing their products via Local Farmers Markets. In 2013 they were able to stop waiting tables and focus on their business full time. Today their storefront is open to the public Monday-Saturday, and they are happy to maintain over 65 wholesale accounts (continually growing) and operate at 4 Farmers Markets on a weekly basis.

Current Position and Business Objectives

The Good Cookies is currently in a growth phase in its business life. Our business storefront is now up and running with enough staff to run the store. Our main goals over the next five years are to grow our business from what is considered a phase one (generating over \$300K in sales during year 5) business to a phase two business (generating over 1,000K in sales within the next three years). We find the way to best achieve this is through distribution and wholesale. We currently wholesale only 5 types of cookies and are looking to add Almond Bars, Brownies, and Muffins to our SKU list. Through these additions in our wholesale list, we believe will increase our sales significantly and further differentiate our name in the industry. All of our products are made in our own Gluten Free Facility, which is free of any type of cross contamination; this further insures the products we are giving our consumers are “free” of any gluten containing ingredients. We will begin to increase our distribution through DPI, which is a leader in the natural and organics distribution chain. The Good Cookies Mission is as follows:

“Our Mission at The Good Cookies is to be proud of everything we bake. Inspired by Lisa’s mom being diagnosed with Celiac Disease in 1998, we seek the most nutritious, healthful ingredients in order to responsibly share our products with our consumers. We ensure all of our customers, that with just one taste of our products, they will think “indulgent and delicious, yet healthy and nutritious!” Our passion for perfection can be found in everything we create.”

Our long term goal is to build our business to a multi-million dollar enterprise and sell it to a company such as Boulder Brands. We view that our companies' profiles and beliefs go hand and hand, and that Boulder Brands is the one of the best corporations to sell to in the future. They would be able to hold up the integrity of our brand.

All of the expenses for our business thus far have been organically financed by the owners of the company. Should the financial expenses for growth surpass the ability for the owners to cover them, a small investment will be needed to allow the owners the capability to move from Phase one of our business to Phase two.

Ownership

The Good Cookies is owned by Amber Barros (myself) and Lisa McCulloch. Our business is currently structured as a General Partnership. The profit share is 50/50. Our loss share is 50/50. If either partner decides to leave the company at any time they will give sole ownership back to the one member of the original party (Barros or McCulloch only). The original party will then purchase the company from the leaving party for fair market value unless otherwise agreed upon between the two parties.

Products

The sale of gluten-free products is currently on the rise. The need for these products are ever increasing as more and more individuals are being diagnosed with Celiac Disease or some other varying form of a gluten intolerance. The market for gluten-free food and beverage products grew at a compound annual growth rate of 28 percent from 2004 to 2008, and accounted for almost \$1.6 billion in retail sales in 2008. In 2015 the current market size is 3.43BN, with the projection of 23.9 BN in the US alone by 2025 (www.statista.com)

Product Description:

The Good Cookies & Beyond is a full gluten free bakery. Our current product line includes brownies, muffins, almond bars, cookies, ice cream sandwiches, bread, cupcakes, cakes, cheesecake, quiche, lasagna, and sandwiches. However, our growth is focused primarily on the products that we wholesale and distribute to specialty grocers. Please see below for a more detailed description these products:

1. Chocolate Chip cookie with Peanut Butter (Gluten Free, Dairy Free, Soy Free, Wheat Free and Non-GMO)
2. Chocolate Chip cookie with Almond Butter (Gluten Free, Dairy Free, Soy Free, Wheat and Non-GMO).
3. Oatmeal Raisin Cookie with Peanut Butter (Gluten Free, Dairy Free, Soy Free, Wheat Free and Non-GMO)
4. Vegan Almond Butter, Coconut, Chocolate Chip Cookie (Gluten Free, Dairy Free, Soy Free, Wheat Free, Non-GMO and Vegan)
5. Vegan Double Chocolate Sunbutter Cookies (Gluten Free, Dairy Free, Soy Free, Wheat Free, Non-GMO and Vegan)

Products we plan on Wholesaling to all of our accounts and new accounts:

1. Double Chocolate Brownie (Gluten Free, Grain Free, Dairy Free, Wheat Free and Non-GMO)
2. Vegan Almond Squares (Gluten Free, Grain Free, Dairy Free, Wheat Free, Non-GMO and Vegan)
3. Vegan Banana Chocolate Chip Muffins (Gluten Free, Dairy Free, Wheat Free, Non-GMO and Vegan)

All of our cookies are packaged in decorative 4X4X3 boxes with a window in front for transparency. They are clearly labeled with their individual attributes as well as have a personal touch with "Our Mission" on the back. Each cookie flavor has its own color to differentiate them between one another. All of our cookies are packaged by the ½ dozen and have a shelf life of 3 months in ambient air and a shelf life of 6 months frozen. There are no preservatives or additives in any of our products.

Our almond bars, brownies and muffins will be packaged in single 3 X 4 re-sealable cellophane bags, with a colored label on the front containing all of the ingredients for that single item.

The shelf life for our almond bars, muffins and brownies is 3 weeks in ambient air and 3 months frozen.

Competitive Analysis

Below is a brief overview of the other products available in the marketplace that competes with the cookies that we currently wholesale. All of the following contain at least one type of starch based flour, and are not presented as a fresh baked gluten free item.

Types of Competitive Cookies Purchased:

1. Nana's Cookie Company

No Wheat Oatmeal Raisin- Uses Barley flour

No Gluten Chocolate Cookie- Rice Flour (Brown and White)

Cost \$2.29 for 1 individual 3.5 oz. Cookie

2. Pamela's Products

Chunky Chocolate Chip Cookie – Wheat-Free, Gluten-Free, Uses Brown and White Rice Flour, Tapioca Starch

Cost \$4.39 for 9 Cookies 23 grams

Dark Chocolate Chocolate Chunk Cookies- Wheat-free, Gluten-Free, Uses Brown and White Rice Flour, Tapioca Starch

Cost \$1.29 for 2 Cookies total weight 33 grams

3. Kinnikinnick Foods

Montana Chocolate Chip Cookies- Gluten-free, Wheat-Free- White Rice Flour and Potato starch

Cost \$4.59 for 27 Cookies approx weight per cookie 10 grams

4. Breakaway Bakery

Chocolate Chip Cookie Dough- Gluten-free-Uses brown rice flour, potato and tapioca starch

Cost \$12.00 approx. weight 3 pounds

None of the cookies we found on the market were superior in taste to The Good Cookies. The two cookies that tasted the best were Pamela's products Dark Chocolate-Chocolate Chunk Cookies. Pamela's cookie was superior to the others we tried due to the fact that the cookie was very chocolaty. However, you could not taste much of the actual cookie, as the chocolate chunks overwhelmed the flavor.

Sourcing

Below is the breakdown of where The Good Cookies & Beyond currently sources all of our ingredients and supplies.

Packaging and Paper Products: Prime Paper, Nashville Wraps and Uline

Labels for Brownies, Almond Bars and Muffins: San Diego Printers

Organic and Non-GMO Gluten Free ingredients: Bob's Red Mill, Authentic Foods, UNFI

Future Products and Services

Future products include but are not limited to; Additional Muffin Flavors, Cupcakes and Cakes (as we become automated)

Research and Development

The Good Cookies success stems from educating our consumers about Celiac disease and other forms of gluten intolerance; from continually educating ourselves on the newest trends in dietary needs; continually producing innovative delicious gluten free baked goods; providing supreme customer service; continually forming relationships with our consumers; continually researching and seeking out the best Organic and Non-GMO Ingredients and by having a passion for serving others. Price competition has been a minimal influence given the current market conditions for Gluten Free, Dairy Free and Non-GMO baked goods.

Expansion will begin to increase drastically in 2016 as we begin to distribute our products through a large chain. We will also increase our sales revenues through our new upgraded online website which is being updated and re- launched in 2016 (we currently are operating on our original website). In year seven, (2017) we will evaluate our position in the market to see if an additional facility will be necessary for expansion.

Market Analysis

The Good Cookies will take advantage of the rapid growing health conscious food market by focusing on individuals with Celiac Disease and those seeking alternative healthier baked goods. The market for these products has been growing rapidly over the past ten years as Celiac disease is 5 times more common than it was just fifty years ago. The gluten free and “free of” markets are the fastest growing in the food industry and have been for over the past five years. (health.usnews.com)

Industry Definition

The US bakery industry has about 2,600 commercial bakeries, with combined annual revenues of \$25 billion, and 7,000 small retail bakeries with over \$2 billion total revenue. The Good Cookies will be competing against the small retail bakeries in the greater Los Angeles area. We will also be competing against the continually rising health conscious dessert products. However, our main target is those individuals who have celiac disease, gluten intolerance and individuals seeking to purchase allergy friendly Non-GMO desserts.

Target Market

Our direct target market of individuals that have been diagnosed with Celiac Disease currently consists of around 78,000 people in the Los Angeles area. In addition our target is expanded by others with some other type of gluten-intolerance (which in the Los Angeles area alone is currently over 1,400,000 people) (mintel.com)). While our target consumer is one with a gluten-intolerance, we plan on acquiring sales from the everyday consumer as well. Our product while intended to serve a specific market will not have any negative taste variance from other gourmet baked goods, it will have the added benefit of being made with only Non-GMO ingredients. In addition, our products are traditionally lower in sugar, fat and caloric content when compared to traditional baked goods.

Market Size

Los Angeles is the second largest city in the United States, with a population of just under 4 million people, according to a 2015 census on suburbanstats.com. However, the total market we will originally be catering to is that of Los Angeles County. Los Angeles County is the largest county in the United States (based on population). According to the United States Census Bureau in 2013 the population of Los Angeles County was 10.2 Million. The total number of individuals in Los Angeles County that have been diagnosed with Celiac Disease are just over 100,000 with statistics that show individuals with Celiac Disease doubling every 15 years (according to the Celiac.Org 2015 Celiac Disease Foundation Annual Report).

Primary Competitors

Our primary competitor for our storefront location is the Breakaway Bakery in Santa Monica, California. The Breakaway Bakery is the only other dedicated gluten free and Non-GMO bakery in Los Angeles Area. However, most of their products contain high amounts of starch (which is from the key ingredient (rice flour) they use in their products). Consumers wanting to stay away from starch is a trend we have noticed consumers are becoming more and more aware of, as starch increases the level of glucose in your body once consumed. This is the only primary competitor of our bakery.

Our primary competitor in our wholesale markets is Pamela's Products. However, this is a large corporation that has grocery cookies, where as our products are primarily sold in the bakery area. Pamela's Products are also rice (starch) based and the taste is inferior to our baked goods.

SWOT Analysis

Strengths:

First 100% Gluten Free Bakery in the entire South Bay Area of Los Angeles

One of the first gluten free bakeries to enter the specialty food stores in Los Angeles

Catering to small niche market with specific dietary needs- with the niches continually on the rise

Startup expenses were low—and continue to have a lower debt than other start up businesses

Great tasting baked without the guilt that comes with consuming 'junk' food

Over 20 years experience in baking gluten-free

We have owned and operated our business for over 5 years

Packaging purchased in bulk to significantly lower our costs

Promotional products provided at cost (pens, paper, t-shirts, coupons, etc.)

Expansion to other groups of individuals with dietary needs (dairy free, vegan, low cholesterol, soy free, egg free, Non-GMO, organic)

Home is Torrance, California where health concerns are prevalent and consumers are health conscious.

We are a "Take Out" bakery so we do not have sales tax and we don't have to pay taxes on our food ingredient

We did not take out a loan to start our business; our business has been organically funded from conception

We have obtained our Non-GMO verification

Weaknesses:

Niche market (not catering to larger general population)

Don't own commercial kitchen- Currently on a 5 year lease

Market size is continually increasing with competitors joining our "market space" every year

Production is currently done by hand, instead of automated

Opportunities:

Market Size is continually increasing with opportunities to increase our product line and gain entry into specialty food markets we are currently in.

Opportunity to expand outside of Los Angeles and Orange County

Market expansion will be much greater once in Whole Foods

Economic market is on the rise

General public beginning to be more health conscious

Ability to expand into retail chains throughout the country

Opportunity to Franchise our retail store and make it turn key

Threats:

Other company's already making similar products that sell in large retailers can potentially reproduce The Good Cookies

Economic Uncertainty

Companies entering the market with other gluten free baked goods

Possibility of Rent increase in future

Needs Analysis

Celiac Disease is also referred to as gluten sensitive enteropathy (GSE), gluten intolerance, or celiac sprue. It is considered to be the most under-diagnosed common disease today, affecting 1 in every 100 people in the United States in 2015 (in 2012 1 out of every 133). Celiac Disease is a chronic, inherited disease, and if untreated can ultimately lead to malnutrition. Gluten intolerance is the result of an immune-mediated response to the ingestion of gluten that damages the small intestine. Gluten can be found in wheat, rye, and barley. Instead of these nutrients being absorbed in the small intestine they are quickly passed through. To develop celiac disease three things must be present:

1. You must inherit the gene
2. Consume gluten (and)
3. Have the gene triggered

Common triggers may include stress, trauma (surgeries, pregnancy, etc.) and viral infections.

Approximately 1 in 10 first-degree relatives could have Celiac Disease (this number was 1 in 20 in 2012) triggered in their lifetime. The disease is permanent and damage to the small intestine will occur every time you consume gluten, regardless if symptoms are present.

The only treatment currently available for this disease is strict adherence to a gluten-free diet for life. This involves the elimination of wheat, rye, barley, and derivatives of these grains from your diet. (CDF 2015 Annual Report)

It is from this information and the recipes that Lisa developed almost 20 years ago we believe our company will continue to be successful. This is not just a trend in dietary needs there is actually a need in the market for food items such as ours. This need is ever growing and will only continue to double every 15 years.

Marketing Plan

The Good Cookies overall marketing strategy will be to educate consumers about what Celiac Disease and gluten-intolerance; we will continually promote the availability of products that cater to these needs through The Good Cookies. The Good Cookies potential consumers will be reached through Social Media, E-mail Marketing, Product Demos, Grocery stores where are products are sold, and Farmers Markets. These different avenues will continue to be used to obtain and sustain consumers for The Good Cookies. These avenues will also bring awareness to our storefront and create multi-level marketing and cross over sales to our storefront, online store and wholesale accounts.

The Good Cookies primary target are individuals with celiac disease, gluten-intolerance, food allergies, consumers seeking foods made with only Non-GMO ingredients, as well as those who are dissatisfied with the limited selection of desserts found in local grocers or specialty stores. We will also target well-educated, affluent, progressive customers who are interested in trying new products and experiences and are dissatisfied with the lack of quality of baked goods currently available to them.

Competitive Advantage

For our Storefront -- There is only one other business in the greater Los Angeles area that currently caters to the specific needs of our target consumer. While gluten-free and Non-GMO products, their products lack the quality of ingredients we use and are mostly filled with starch. These starch filled ingredients increase the level of glucose in your body once consumed. Our bakery will maintain to be lower sugar, higher protein and lower calorie. Our company is determined to build relationships, provide superior tasting baked good, create all of our products with the highest standard of ingredients available and promote our dedication to customers.

For our Wholesale Accounts – Our baked goods are still the only ones available in the marketplace that does not use any starch filled ingredients. We are also only one of two fresh baked cookies that have obtained our Non-GMO certification in the wholesale stores we are in. Our products are also in packaging that is superior to our competitors. We also have gained prime real estate on the shelves where our products are sold, making our products easy to purchase and one of the first items a consumer will see. We maintain this placement by creating and maintaining great relationships with our wholesale accounts.

Pricing

For our storefront – Research in Los Angeles, California, indicated that there is currently only one store that is completely dedicated to selling gluten-free products, Non-GMO baked goods (Breakaway Bakery). While Breakaway bakery is located in Santa Monica, we still remain the only Gluten Free & Non-GMO Bakery in the South Bay Area. Our products are priced competitively with other high-end bakeries in the Los Angeles Area.

For our Wholesale Accounts – Pricing Analysis for our competitors has shown cookies from \$1.59 for 2 small cookies to \$12.00 for pre-packaged cookie dough.

The Good Cookies is currently offered at the following prices:

(1) 6-Pack of Gluten Free, Dairy Free, Soy Free Cookies \$5.79-\$5.99

Distribution Channel

The Primary distribution for The Good Cookies will be through direct sales at our Storefront, directly through Farmer's Markets, Direct Sales through our online store. We also distribute most of our products directly via UPS. We also have two small distributors in Los Angeles (PK and Family Tree). We are looking to expand our distribution through DPI a large distributor specializing in Natural and Organic Specialty Food products.

The packaging which we sell our cookies in through our wholesale accounts will promote our other distribution channels as well, as the boxes are clearly marked with our online store, Facebook, Twitter and Instagram accounts. Through the release of our new packaging in September we have gained over 100 new Twitter followers and over 100 new Facebook likes.

The partner's current sales knowledge in this area will continue to contribute greatly to their success in this market. As our business increases, the owners continue to innovate themselves and educate themselves on products available in the market in order to continue to differentiate themselves in the marketplace.

Promotional Plan

The Good Cookies will promote our bakery to consumers via:

Product Demos

Farmers Markets

Local Advertisement through the Easy Reader

Social Media Posts on Facebook, Twitter and Instagram

We also plan to start participating in Trade Shows to promote our products in different geographic regions.

Farmer Markets:

Passing out samples and providing baked goods for sale to educate consumers on what our products are, what makes our company superior and cross promote our wholesale accounts and our Storefront.

Newspaper Advertisements:

Regular newspaper advertisements will focus on attracting new consumers to our storefront and promoting sales. This will continue to bring awareness of our company.

Flyers:

Educational and Promotional fliers will be distributed to local doctors that specialize in food allergies, gastroenterology and other similar fields in order to promote and bring awareness of our company.

Discounts:

Discounts will be given to local business members to encourage repeat sales and word of mouth. Economies of scales will be acknowledged.

Social Media:

Social Media will be used to promote our products through all of our distribution channels. Promotion to our wholesale accounts, farmers markets, online store, as well as to our storefront.

Feedback

When possible, The Good Cookies owners will conduct informal interviews with its customers. Questions regarding the overall enjoyment of the products, acceptance of the product's prices and overall satisfaction with The Good Cookies experience will be asked. The company will also continually focus on providing products that the consumers would like to see in the future. In addition, analysis of the effects of any marketing or promotional campaigns on immediate revenues will be performed on a case-by-case basis.

Operating Plan

The Good Cookies administrative office, bakery and storefront is located at 2081 Torrance Boulevard in Torrance, California. The retail portion of our business occurs at four Farmer's Markets on weekly basis throughout the greater Los Angeles area, but mainly directly through our bakeries doors. Our storefront is open Monday through Saturday and is open to the public during those days. Our current Wholesale business consists of over 65 accounts which is constantly growing and this is the area we are looking to expand. We see the most potential for growth and profitability in this portion of our business. In order to become more efficient overall, the equipment we need is minimal for the first stage of expansion. We will continue to grow our business at a steady rate that will allow us to smoothly operate our business. The following sections elaborate on The Good Cookies operations.

Location

The Good Cookies administrative office is located in Torrance, California. This is a central location to where most of our retail and wholesale business currently operates. We currently participate in the Studio City Farmers Market, Manhattan Beach Farmers Market, Children's Hospital Farmers Market and Cal State Long Beach Farmers Market. The farmers markets that we participate in on a weekly basis allow us to have an offsite storefront location one day a week in cities that gain our storefront and wholesale accounts notoriety, these create cross-over sales as well as generate a constant cash flow for our business.

Our bakery/storefront location is located in the same building as our administrative office in Torrance, California. Our bakery is open to the public Monday-Friday from 11-5 and on Saturday from 11-4. We are currently closed on Sunday. This is also the location where all of our baking is done. We are an open concept bakery, so patrons can see us baking all day long and view us as they purchase their fresh baked goods. This also provides transparency for our business which gains us much credibility with our consumers.

Our wholesale business currently operates in over 65 Specialty High End Grocers and Coffee Shops throughout Los Angeles and Orange County. We are currently looking to expand this portion of our business into other areas of Orange County and San Diego County. Once we have satisfied our sales goals in these regions we will focus on Central California and then Northern California following our expansion into Central California.

Facility and Operating Equipment

Our bakery is currently on a 5 year lease (with the term available for renewal in 2019). However, we own all of the equipment in our business thus far. We purchase and upgrade our equipment on an as-needed basis in order to not accrue an unmanageable amount of debt. Our location currently has the large machinery we need to commence business. In order to grow our business and make us more efficient, an automated cookie depositor is needed. This machine will allow us to cut our operating costs and will leave less room for error. This is the next piece of equipment we plan to purchase.

For our administrative purposes an upgrade in our accounting software will be needed within the next 1-2 years. The cost for this software should be minimal.

Suppliers

The Good Cookies suppliers include but are not limited to:

Prime Printers and San Diego Printers- To provide the packaging, and promotional products needed for business

Vistaprint- To provide print materials such as menus and handouts at our store and farmers markets

UNFI, Bob's Red Mill, Dawn Foods, and Authentic Foods- To provide the organic and Non-GMO ingredients we need to make our products and sustain our quality

Farmers Markets- Provide us with Fresh Organic Produce for our Store.

These suppliers are all located on the East Coast of the United States which allows for quick delivery (4 days maximum). We have already created relationships with the suppliers, and have determined they are the most trustworthy and cost effective suppliers. No problems in obtaining adequate supplies of important ingredients are anticipated.

Personnel Plan

The Good Cookies owners, Amber Barros and Lisa McCulloch oversee and manage daily operations as well as implement quality control guidelines for our employees to use. This allows our business to run smoothly and effectively while maintaining high quality and the highest health standards. We currently have one store manager, one supervisor and two full time employees. We hire our employees on an as-needed basis in order to ensure that our operating expenses remain low.

General Operations

The Good Cookies & Beyond is open for business 6 days a week, with the following hours of operation:

Monday-Friday 11 am- 6 pm

Saturday 11 am – 4 pm

The current administrative/bakery/retail location is compliant with all local codes and permits. The Good Cookies is also compliant with all local codes regarding environmental laws and safety regulations.

Management, Organization and Ownership

The Good Cookies owners are well experienced in the food industry and hospitality industry. They are experienced with both customer contact tasks and management/operations duties. The following sections discuss the principals of The Good Cookies and those that they will consult with.

Management/Principles

Amber Barros has over fifteen years of experience in the restaurant/hospitality industry. She is a 2006 graduate of the University of Central Florida business school with a specialization in Marketing. She is currently the lead for The Good Cookies is sales and wholesale accounts. Amber is in charge of hiring new employees and training them in the sales field. She also manages the accounting area of The Good Cookies and makes sure operations are running smoothly.

Lisa McCulloch has over fifteen years of experience in the restaurant/hospitality industry. She has over 20 years of baking experience, and has developed the original recipe that The Good Cookies baked goods are modeled after. Lisa is in charge of operations inside of the bakery as well as developing good manufacturing processes and seeing that they are followed.

Organizational Structure

The Good Cookies will be structured as a General Partnership. As the business continues to grow and become more profitable The Good Cookies will re-form into an LLC or S-Corp, whichever is advised by our CPA at the time of re-organization.

Professional Consultants

Due to the size of the business, and the industry experience of the partners, the need to hire outside consultants should be relatively minimal. The Good Cookies partners mostly rely on the advice of mentors who have worked in fields similar to ours, as well as professional advice from our CPA. Other professional services will be sought out as needed.

Goals and Strategies

The Good Cookies is the first of its kind in the South Bay area, which is a large portion of a major metropolitan city with over 10 million consumers, of which 2 million are in our niche market. The company's high quality products, marketed to the health conscious gluten-free consumers, are expected to lead the partner's to financial success. Our sales have increased by more than 30% each year. We expect this trend to continue over the next five years.

Business Goals

The Good Cookies Business goals are as follows:

- To Automate our operations within the next year
- To obtain a large distributor increase the wholesale portion of our business by over 75 % within the next two years
- To become noticed by Boulder Brands and sell our business to a large corporation within the next five years.

Keys to Success

The Good Cookies success has already stemmed from hard work, durability and the ability to understand and grow with our consumers needs. We will also continually educate consumers and ourselves about Celiac Disease and gluten-intolerance. We will continue to providing high quality desserts that are dedicated to our specific consumers. Los Angeles County has one of the highest continual growth rates in the United States, which will consistently provide an increased population in our niche market.

The Good Cookies is the only company completely dedicated to providing gluten-free and non-GMO desserts in the South Bay Los Angeles area, and only one of two in the entire Los Angeles County. This provides considerable flexibility in pricing and allow for the creation of a great deal of customer awareness and brand loyalty. We are a company that knows our success depends on satisfied consumers and are committed building customer relationships. Our company will always listen to consumer needs and focus on filling those needs.

Customers will continue to be reached through our sales channels and we will continue to increase our sales channels to create more awareness of our brand. Social media will continue to play a crucial role in marketing and promotion. Our business has grown from only farmers markets, to wholesale and retail within the first 5 years of business strictly by organic funding. We plan to continue this rate of growth and become a household name in Southern California within the next two years.

The Good Cookies future plans include:

- The possibility of franchising stores.
- Expansion into all areas of California within the next five years
- Exiting our business through the sale of our business to a major corporation.