

## DSE Loan Application (Stage II)

<b>Submission ID</b>	3885040556418591932
<b>Submission Date</b>	2017-12-07 20:00:59
<b>Social Enterprise Name</b>	The Honest Bison, Inc.
<b>Your email</b>	sean.m.lenihan@thehonestbison.com
<b>Physical address</b>	531 Main Street #119 El Segundo CA 90245 United States
<b>When did your social enterprise begin operations?</b>	2012
<b>How many paid employees do you have?</b>	.5
<b>Ownership status</b>	Single shareholder
<b>Legal status</b>	B-corp or Public-benefit corporation
<b>Year legally incorporated</b>	2017
<b>Legal Registration Certificate (Articles of Incorporation, Articles of Organization)</b>	<a href="#">THB INC - articles of incorporation - B corp 3-1-17.pdf</a>
<b>What problem are you trying to solve? (2-5 sentences)</b>	<p>The current US population faces 3 significant crisis</p> <ol style="list-style-type: none"><li>1. Preventable diseases are increasing due to diet and lifestyle.</li><li>2. Rural family farmers and small meat processing plants are closing due to industrial agriculture consolidation.</li><li>3. Industrialized food &amp; agriculture favor extractive practices at the cost of environmental impact.</li></ol> <p>The Honest Bison exists to help people eat healthier, more ethical meat that provides a living to ranchers and butchers who are committed to regenerative agriculture.</p>
<b>What is your Business Model and how does it solve this problem? (2-5 sentences)</b>	We contract with bison ranchers to raise animals and a processor to cut and package our meat. Our marketing team operates the website building relationships with our customers seeking healthier meat. Orders are delivered through a fulfillment company. Our COGS is \$8 per lb. and our retail base price is \$16 per lb. The social impact is measured in healthy meals delivered, jobs created, and acres of pasture dedicated to regenerative ranching.

**Where do you operate/what does your market look like? (2-5 sentences)**

2016 bison market was \$350 million and projected to be \$700 million in 5 years. New meat proteins in 2018 include Elk & Venison entering into another \$200 million market. We are the exclusive bison meat on the premium online grocery store in San Francisco (Good Eggs.com). Our competition includes Wild Idea Buffalo, Northstar Bison, and other online meat suppliers. Barriers to entry include 100% grassfed bison meat, processing facility and expensive marketing costs.

**Why are you better than your competition? (2-3 sentences)**

We are trusted and authentic delivered via a transparent approach. We have the most ethical and environmentally responsible practices in place. Our customer service adds value beyond what most of our competitors offer. Our products have been reviewed against other meats and received outstanding marks for taste (meat has a terroir, and ours is unique).

**Who supports you so far? (2-5 sentences)**

Our 1000+ retail customers who buy from our website. We communicate regularly through email, phone and social media. Notable clients include the Executive Chef for the NBA Oklahoma City Thunder and Mark Sisson's new restaurant chain Primal Kitchen Restaurants. Online wholesale clients include GoodEggs.com and Amazon Fresh in Southern California. We've also served in excess of 6000+ customers at the CrossFit Games. We have successfully used Kiva Zip twice.

**What are the major risks in both your business model and with this loan? (2-3 sentences)**

A risk for the business includes loss of supply through disease. This has been mitigated with the new additions of elk & venison. Financial risks for the loan are minimal as the Founder has the ability to generate non-bison related income in short time if necessary. Credit scores are high.

**Please share a brief summary of your social enterprise in 250 words or less. (Try to answer the problem you wanted to solve, how you solve it and what the impact of the loan is.)**

The current US population faces 3 significant crisis;

1. Preventable diseases are increasing due to poor diet and lifestyle.
2. Rural family farmers and small meat processing plants are closing due to industrial agriculture consolidation.
3. Industrialized food and agriculture favor extractive practices at the cost of environmental damage (Global Warming).

The Honest Bison exists to help people eat healthier, more ethical meat that provides a living to ranchers and butchers who are committed to regenerative agriculture.

The Honest Bison contracts with bison ranchers to raise animals and a processor to slaughter and package our cuts of meat. Our marketing team operates the website and content channels to build relationships with our customers seeking healthier meat. Orders are fulfilled through a frozen fulfillment company. Our COGS is \$8 per lb. and our retail base price is \$16 per lb. The social impact is measured in meals delivered, jobs created, and acres of pasture dedicated to regenerative ranching. Tracking these metrics include sales, ranch acres under contract and job hours required to produce and deliver a meal.

We are alumni of Village Capital Agriculture Accelerator and Rabobank FoodBytes program and are prepared to execute on our business plan.

The impact of this loan will accelerate our growth and receptive impacts. In addition to the outlined impact this loan will also provide working capital to grow our company in preparation for equity investment in the future. Our goal is to achieve \$1 million in Sales within 36 months.

**Please describe your current and future sales strategy (3-5 sentences)**

Current sales flow through our website. Our 2018-19 focus will be to triple web sales. We are the exclusive supplier of bison meat to GoodEggs.com. They are scheduled to expand from 1 to 5 markets within 3 years. We are also exploring expanded distribution via Amazon Fresh in Southern California. Their delivery radius covers 17+ million consumers. Our restaurant client, Primal Kitchen Restaurants is scheduled to expand to 10 stores over the next 2 years.

**Please state your average days sales outstanding/days receivables**

Direct customers pay with Credit Card. Wholesale clients pay on 14 days

**Please describe your current and future supply chain strategy (3-5 sentences)**

Each of the current ranchers have capacity to grow with us. We are also in negotiations with a very large rancher in Texas with the ability to supply us several thousand grassfed bison each year.

The long-term strategy is to grow our own pasture land in conjunction with Grand View Bison. We can finish the highest quality meat (and highest profit margin) at this single location with our processor and fulfillment all centrally located.

**Please state your average days payable outstanding**

14 days for ranchers, processor, fulfillment vendor. 30 days for marketing services

**What is the most important social impact metric/KPI that you track?**

Healthy meals delivered / consumed

**Based on this KPI, what has been your impact to-date?**

56,000 healthy meals delivered / consumed

**Based on this KPI, what is your anticipated future impact in the next one to two years?**

Next 12 months:

1500 Direct to Consumer clients = 75,000 meals delivered / consumed

Next 24 months:

3000 Direct to Consumer clients = 150,000 meals delivered / consumed

**Do you track any other social impact KPIs?**

Yes

**What is another impact social impact metric/KPI that you track?**

Jobs created by working on our supply chain and marketing efforts

**Based on this additional KPI, what has been your impact to-date?**

10 jobs

**Based on this additional KPI, what is your anticipated future impact in the next one to two years?**

Next 12 months:

15 jobs

Next 24 months:

20 jobs

**How many clients have you served/impacted over the past 12 months?**

600

<b>How do you define clients served/impacted?</b>	Clients who have consumed and shared with others our healthy meals																																																																		
<b>Total Equity contributions (all time)</b>	\$200,000																																																																		
<b>List of Shareholders (For all shareholders with more than 5% ownership)</b>	<table border="1"> <thead> <tr> <th></th> <th>Name</th> <th>% of Shares</th> <th>Year</th> <th>Amount Contributed</th> <th>Notes</th> </tr> </thead> <tbody> <tr> <td>1</td><td>Sean Lenihan</td><td>100</td><td>2013</td><td>50000</td><td></td></tr> <tr> <td>2</td><td>Sean Lenihan</td><td>100</td><td>2014</td><td>100000</td><td></td></tr> <tr> <td>3</td><td>Sean Lenihan</td><td>100</td><td>2015</td><td>50000</td><td></td></tr> <tr> <td>4</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>5</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>6</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>7</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>8</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>9</td><td></td><td></td><td></td><td></td><td></td></tr> <tr> <td>10</td><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table>		Name	% of Shares	Year	Amount Contributed	Notes	1	Sean Lenihan	100	2013	50000		2	Sean Lenihan	100	2014	100000		3	Sean Lenihan	100	2015	50000		4						5						6						7						8						9						10					
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<b>Total Grant contributions (all time)</b>	0																																																																		
<b>Which of the following have contributed equity to your organization?</b>	Self																																																																		
<b>If your loan was posted on Kiva, estimate how many individuals from your personal, social, and business networks would lend to you.</b>	50																																																																		
<b>How would you promote your loan to prospective lenders within your personal, social, and business networks?</b>	<p>Personalize email  Social Media channels  Face to face meetings</p>																																																																		

## List of funders

Name of Funder	Funding Source	Type of Funding	Amount	Year	Tenor	Financial Covenants	Notes
1 Sean Lenihan	personal savings	equity	200000				
2 Kiva Zip	online	debt	10000	2016		36 month term	
3 Michael Lenihan	Father	debt	9000	2015		10 yr term	
4 Chase Bank	Bank	line of credit	63000	2017		7%	
5							
6							
7							
8							
9							
10							

## Revenue/Net Profit Actuals & Projections

	Year	Revenue	Net Profit
Year 1	2014	64,117	-57,928
Year 2	2015	297,592	-30,105
Year 3	2016	642,327	11,963
Year 4	2017	100,000	10,000
Year 5			

**Historical financial statements, including Income Statement, Balance Sheet, Statement of Cash Flows, and Notes (audited or unaudited)**

[THB historical financials 2014-15-16 Binder.pdf](#)

**YTD P&Ls, Cash Flow statements, most recent Balance Sheet, and/or Purchase Orders/Accounts Receivables/Invoices**

[THB financials - 2017 YTD 11-28-17 Binder.pdf](#)

## Leadership 1

Sean Lenihan, Founder & CEO  
Entrepreneur since 1993  
<https://www.linkedin.com/in/seanmlenihan/>

past career in Experiential Marketing and Brand Strategy  
<https://www.linkedin.com/in/seanlenihan/>

## Leadership 2

Karin Djelaj, Chief Marketing Officer  
Creative Director, Copywriter  
<https://www.linkedin.com/in/kdjelaj/>

**Leadership 3**

Roland Kroos, Supply Chain & Ranch consultant  
<https://www.linkedin.com/in/roland-kroos-baa80a/>

**Names, titles, and LinkedIn profiles of all members of the Management team - include organizational chart if available**

[THB Management Team 12-5-17.pdf](#)

**Names, titles, and LinkedIn profiles of all members of the Board**

[THB BOD \\_ Management Team 12-5-17.pdf](#)

**Name** Lori Ann David

**Email** la@lorianndavid.com

**Phone Number** 805-452-1397

**Relationship** Advisor

**Name** Kris Brown

**Email** grandviewbisonranch@gmail.com

**Phone Number** 715-563-1519

**Relationship** Rancher

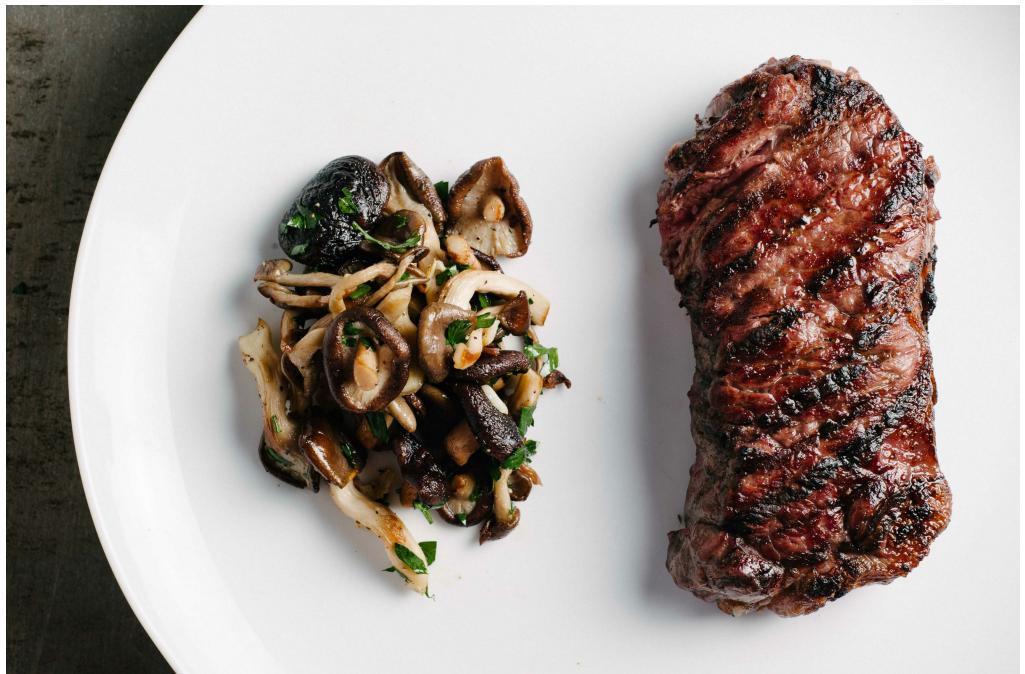
**Your logo** [ApprovedBisonLogo\\_a.pdf](#)

**Image 1**



[2014\\_HonestBison\\_Wisconsin\\_Summer-4417PANO 2 small.jpg](#)

## Image 2



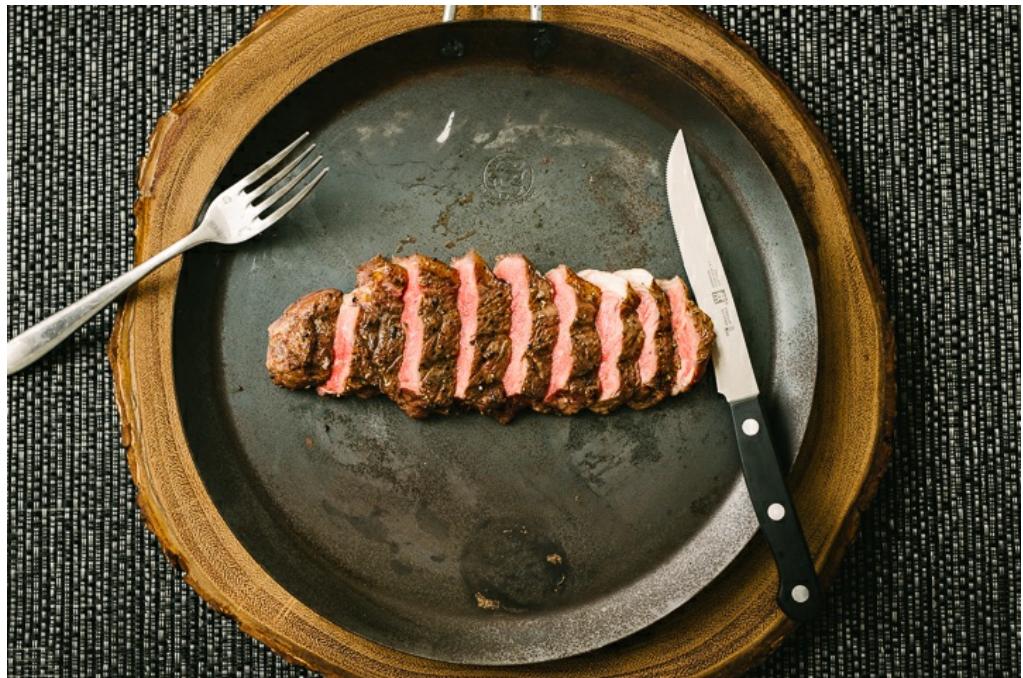
[bison rib eye steak - honest bison 3.jpg](#)

## Image 3



[The Honest Bison Sean Lenihan in pasture \(small\).jpg](#)

#### Image 4



[2015 THB LA1-1995.jpg](#)

#### Image 5



[bison family.jpg](#)

Please use this area to input  
any additional comments,  
questions, etc. that you feel  
are relevant.

Thank you again for this opportunity!  
Sean