

CoattailAI Business Plan

The logo for CoattailAI is centered on a dark gray rectangular background. The word "Coattail" is written in a white, sans-serif font, and the letters "AI" are written in a blue, sans-serif font.

“Helping you ride the coattail to success!”

<https://www.coattailai.com/home>

Contact us at coattailai@help.com

Executive Summary

Here at CoattailAI, our mission is to educate our users on trading stocks and allow our users to ride the coattail to success.

CoattailAI is an internet-based company that focuses on investors and the stock market. This business offers an internet AI service that tracks the stock market for new and upcoming investors. This would be a service that has a monthly subscription, allowing users to start or cancel anytime they choose. A patented machine learning program within the website reads the stock market and offers suggestions of when to sell, buy, or trade their market shares. The AI program would most likely be implemented in Python, due to its machine learning developmental language capabilities. For this business, we would have chancing simulators, advice and suggestions, comparative analysis, and other functions in order to build up your portfolio. CoattailAI would be implemented in the US as a website or app where many people with internet access have the ability to easily view and edit their stock portfolio. According to The Motley Fool, less than half of Gen Z and Millennials trade stocks, with the majority of them losing money within the first quarter. CoattailAI is targeted at these new traders, who have little to no knowledge of trading. Prices begin at \$25/month for a basic subscription to \$45/month for a premium. At this price point, CoattailAI will become one of the most progressive stock advising companies on the market. invest in CoattailAI to “ride the coattail to success”.

Value Proposition

According to USAFacts.org, in 2019, over 50% of American families were invested in the stock market, up 38% from 1989. Of the 53% of American families that did, only 15% of those families had directly owned stock, with the other 85% indirectly owning stocks. These statistics portray the growing trends of investors in the stock market and how the involvement of trading shares has become more widespread, especially among the younger generations such as millennials and older generation z. With CoattailAI, it would be essential for these aspiring investors to subscribe, providing easy access to the world of investing. CoattailAI and its user-friendly UI would allow the transition into the market for new people to be effortless. Throughout the usage of the program, users would be walked through the process. Even though this is a great introduction to beginners in the stock market, it is also aimed toward those with experience but do not want to take the risk themselves, or do not have the time, they are able to rely on CoattailAI to manage their portfolios for them.

Due to the risk of investing in the stock market, over 45% of the population finds investing daunting. 80% of day traders lose all of their money within a year. 75% of all-day traders end up quitting their professions within just two years. Only 12% make a genuine profit from trading. Out of all the 26,000 stocks analyzed, only 1,000 of them accounted for all of the profits in stocks since 1926, and out of those just 86 stocks (one-third of 1%) were responsible for half of those gains. With CoattailAI, the user would be able to be pushed into suggested actions based on the current market, taking into account the different factors. Ultimately, it would compare a pre-run chasing simulator to the current market and see which choice is the best. This way, the user is not forced to make difficult decisions but rather ushered towards a specific choice. As the program is AI, it would take a while before its accuracy rates would be reliable, but by then, CoattailAI has the potential to save large sums of money from being lost and making a profit. This creates the perfect portfolio for an individual and continues to perfect the AI program.

The final pain point that this company solves is the convenience of trading and saving shares from the palm of your hand. Rather than having to find a stockbroker or financial planner over the wide span of the internet, you can customize your own preferences and desires with AI, bundling all extra personnel into one program. This provides conveniences for those who have no time to invest or do not have the resources to do so. Having a centralized portfolio allows for

ease of access and transfers, building and creating credibility for their own portfolio.

Ultimately, CoattailAI solves the problems of novice entry into a new world, the judgments of investing, and the convenience of having a centralized platform to do all stock/share-related topics.

Marketing Analysis

CoattailAI is targeted at the niche market of Gen Z and millennial investors looking to enter the world of share trading and investing. Despite being surrounded by other educational platforms for stocks such as FinTron and the Motley Fool, we would be able to stick out due to the wide variety of content on our website, as well as the hands-on approach of having full management of an individual's portfolio. Investing in stocks is great for the economy, boosting different aspects of life and having a somewhat secure source of income over the course of your life. It is also a simple way to make money if an individual makes the correct choices, which is what our app will assist in. As a mostly genderless interface, CoattailAI hopes to target as many younger generations and attract more people to invest in this easy method of earning money. Being an online service, we hope to reach everywhere in the US, condensing to the more populated areas to build a higher customer base with a high volume. Considering the price of CoattailAI, we hope that our customers mostly have a stable source of income or depend on a guardian to provide their subscription fee. According to Statistica, almost 50% of the population is comprised of millennials and Gen Z, therefore making our company tap into the pool of more than 100 million people.

To begin our marketing and distribution plan, we will begin by creating a multitude of social media accounts across a multitude of platforms in order to bring our company into the light. Using popular social media platforms for these generations such as Twitter, Instagram, and TikTok, we would be able to reach a large amount of our targeted niche market. After a substantial amount of time with a solid profit and surplus begin created for the company, we hope to expand our reach by sponsoring different YouTube tech and investing channels in order to further our contact with the niche market. We would also create scholarship funds and other education-oriented funds and give them out to aspiring business and investing students to build ourselves a good reputation, bringing to light the importance of this program with altruism and a philanthropist mindset. While there would be no physical store to host our service, we would have a dependable website, with the easy-to-rememberable domain of "www.coattailai.com". With a simplistic design, we would attract consumers to our service. As Steve Jobs once stated, "Simplicity is the ultimate sophistication".

Over the course of the start-up of this business, we would also begin an email subscription service for our patrons and provide them with updates and exclusive content.

Through his emailing system, we would build loyal support for the business, as well as bring more awareness to the company. As an education-based company, we could offer discounts for students in order to boost sales and appeal to a wider range of customers. Other than these sources of media, we would not try to market any other way as it does not fit our target market's reach and the mission of our company.

CoattailAI is a direct-to-consumer subscription service that provides quick and easy access to the utilities of the website. Other than a server room to handle the data coming in and out of the website, there will be no physical store, allowing for the portability of the service, wherever, and whenever. The app will be available as a website, desktop application, or smartphone application, distributed through the Apple App Store or the Google Play Store.

Legal Considerations

Being an independent company that programmed the source code, a patent, and copyright for the program would be put in place in order to create a barrier of entry and prevent other companies from stealing our intellectual property. Due to having a private library and complex AI learning model, it would be difficult to copy the code from our database. CoattailAI plans to secure its intellectual property by applying for patents and copyrights for the source code of our program. The patents will protect the unique and novel aspects of the program, while the copyrights will protect the actual code and documentation. Additionally, they will also use trade secret laws to protect the private library and complex AI learning model that forms the backbone of their program, making it difficult for others to replicate or copy our code without permission.

Management Analysis

FUNCTION	PERSON	RELEVANT SKILLS, EXPERIENCE, and/or EDUCATION HOW WILL YOU INCENTIVIZE YOUR TEAM
General Management (CEO)	Paul Nguyen (Me)	<ol style="list-style-type: none">1. They would need to have at least experience within the company and be able to lead a team of workers in order to keep the general company running2. As it is my own company, I would like to further it myself, but of course with pay
Operations (COO)	Jan Vincent Caccam	<ol style="list-style-type: none">1. They would need to know how to operate things, mainly computers and server systems, as well as software development skills.2. I would be willing to give them premium access to the service and give them a commission for every sale.
Technology and IT (CTO)	Luke Sanborn	<ol style="list-style-type: none">1. They would need to have more advanced and complex knowledge of IT and AI Tech systems. Maybe a bachelor's in Computer Science and Engineering would be great for the position with the ability to work with both hardware and software for computers.2. As a close friend and a big investor in stocks, I would give, to start, some percent ownership of

		the company, as well as full access to a free premium membership
Marketing (CMO)	Matt Sahaugan	<ol style="list-style-type: none"> 1. They would need some SUCCESSFUL experience with marketing for different projects or companies and have some basic knowledge of human psychology and marketing tactics. SOCIAL MEDIA SKILLS are definitely required. 2. As a close friend and a big investor in stocks as well, I would give, start, some percent ownership of the company.
Accounting and Finance (CFO)	Mikhail Rodov	<ol style="list-style-type: none"> 1. They would need basic knowledge of financing and have gone to college for accounting. Advanced math skills are required 2. I would be willing to give them premium access to the service and give them a commission for every sale.
Advisory Committee (Recommended)	John Quevedo, Ms. Garrett, Stockbrokers that I trust, and maybe some in the same industry as me (Fintron)	<ol style="list-style-type: none"> 1. Be someone who I would willingly talk to and hold trust that they know the right way for me to handle the business 2. No incentives as they should willingly beagle to give advice without a reward

Attorney (Legal Council)	Paul Pavliouk (Aspiring Corporate Lawyer)	<ol style="list-style-type: none">1. They would need to be a great negotiator and great at communication in order to fend off lawsuits and court cases. It would be preferable if they went to school for law and had a degree.2. As a close friend and a big investor in stocks as well, I would give, start, some percent ownership of the company as well as a commission for every lawsuit, as well as paying out of pocket.
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Paul Nguyen

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Objective: Find a job for the summer to earn money for college expenses. Applying to Northeastern University. Plan to double major in Mechanical Engineering and Computer Science.

Education:

HS Diploma: Will graduate in June 2024 from Shelton High School, Shelton, CT

GPA: UW: 3.92 W: 4.27

SAT: 1320 Math - 690 EVBRW - 630

Course Highlights: AP Physics, AP US Government, AP Psychology, UCONN French, AP English Language, HCC Entrepreneurship, AP Computer Science A (Scored a 5), APUSH (Scored a 3), AP Chemistry,

Additional Training: Red Cross CPR and First Aid Certification

Skills:

- Leadership Skills: open-mindedness, communication, adaptability, negotiation, critical thinking, and work ethic
- Programming Languages: Python, Java, C++, JavaScript, Ruby, Library Management, API Manipulation
- Computer Proficiency: Microsoft Office (Excel, Word, Powerpoint), Google Workspace (Docs, Slides, Sheets, Forms), Adobe Photoshop, GIMP
- Languages: English (Fluent), Vietnamese (Semi-Fluent), French (Limited Working Proficiency)

Honors and Awards:

- National Honor Society Acceptance (November 2022 - Present)
- High Honor Roll (January 2021 - Present)
- Connecticut Elevator Pitch Contest Finalist (2022)

- AP Scholar with Distinction (June 2022 - Present)
- French National Honor Society (November 2020 - Present)

Extra-Curricular Activities:

- Gaelhawks Robotics (2021 - Present) - Worked on the build, programming, and digital marketing subcommittees and went to World Championships in Houston
- Varsity Track and Field (2022 - Present) - Thrower for shotput, javelin, and discus
- SHS Racquet Club (2021 - Present) - Founder and president of a large-scale club with 40+ members piquing interest in racquet sports (badminton, table tennis, pickleball, tennis, etc.)
- Future Business Leaders of America [FBLA] (2022 - Present) - Regular member and prospective treasurer, competing in the spring conference
- Distributive Educational Clubs of America [DECA] (2023 - Present) - Regular member, competing in state competition
- Student Council (2022 - Present) - Regular member, assisted in planning and preparing for prom and other school-based events
- Indoor Percussion (2008-2010) - Drumline member and captain of the bass line
- National Honor Society (2022 - Present) - Volunteer and regular member
- French National Honor Society (2021 - Present) - Regular member and prospective treasurer

Volunteer Activities:

- Member, *Students of Services* (SOS), Shelton High School (2021 - Present)
 - o Assisted in a multitude of parent and new student tours, including volunteering at food drives and bottle drives
- Booth Manager, *Holy Rosary Parish Annual Festa*, Ansonia, CT (2018 - Present)
 - o Handled the management of a concession stand (2021 - Present) and worked as a concession worker previously
- Volunteer, *St. Mary's Soup Kitchen*, East Islip, NY (2019 - 2021)
 - o Assisted in distributing food to the homeless and needy communities in East Islip. New York, building upon intrapersonal skills
- Altar Server, *Holy Rosary Parish*, Ansonia, CT (2014 - Present)
 - o Developed a strong commitment to assisting in the sacraments and liturgical celebrations of the Church
- Catechist, *Holy Rosary Parish*, Ansonia, CT (2021 - Present)
 - o Taught catholic youth groups at a local church and assisted in Family Faith Formation meetings

Projects

- Apple Calendar and Notion Integration (December 2022 - Present)
 - o Computer Proficiency Skills; Python, library management, API manipulation
 - o The Integration project aims to streamline the event management process by allowing users to automatically move events from their Apple Calendar into Notion's database. Utilized the API systems and consoles of both platforms, using Python and JavaScript
- CoattailAI (September 2022 - Present)
 - o Entrepreneurship skills: financing, focus, self-reflection
 - o CoattailAI is a conceptual entrepreneurship venture that offers an online service that implements an AI program, reading the stock market and providing users with advice, options, and decisions.

Financial Analysis

✚ Paul Nguyen - Break Even Statement

✚ Paul Nguyen - Trial Product Selling Prices

✚ Paul Nguyen - BUDGET- Student Workbook

CoattailAI offers a total of two services and one product. The two services include a basic subscription to the program starting at \$25 a month, or a premium subscription for \$45 a month. Our basic subscription offers integrated AI advice and portfolio management, with the premium version including all features of the basic subscription, including a system for automated trades and complete customization of the interface. Our product would be a monthly subscription box that includes exclusive merchandise for the company (shirts, hats, sweats, keychains, etc.), as well as exclusive access to our monthly newsletter and exclusive promotions. For the three products, there is a 5% sales commission, with a \$7 variable cost for the basic subscription, \$11 for the premium, and a \$8 for the subscription box with an average 56% gross profit margin for the three products.

For year 1, there is an estimated \$837,836 in annual fixed costs, including the high salaries, rent and utilities, office supplies, servers, computers, and various other components for building the company from the bottom up. Assuming the maximum amount of a product selling price of \$70 (Premium subscription and monthly merch box), and a product cost per unit of \$12-15, the company would require to sell 14,445 products in order to break even for the first year. This can be translated to a total of \$1,011,181 in sales to break even.

Despite these large amounts of money, there are still a multitude of ways to gain funding for the company.

Appendix

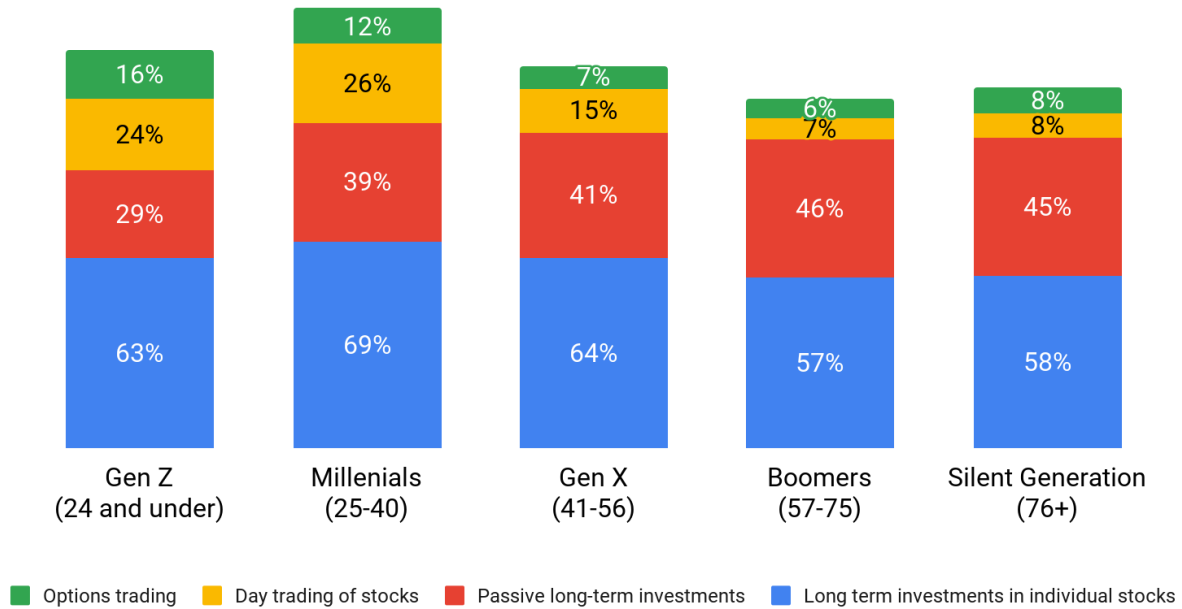
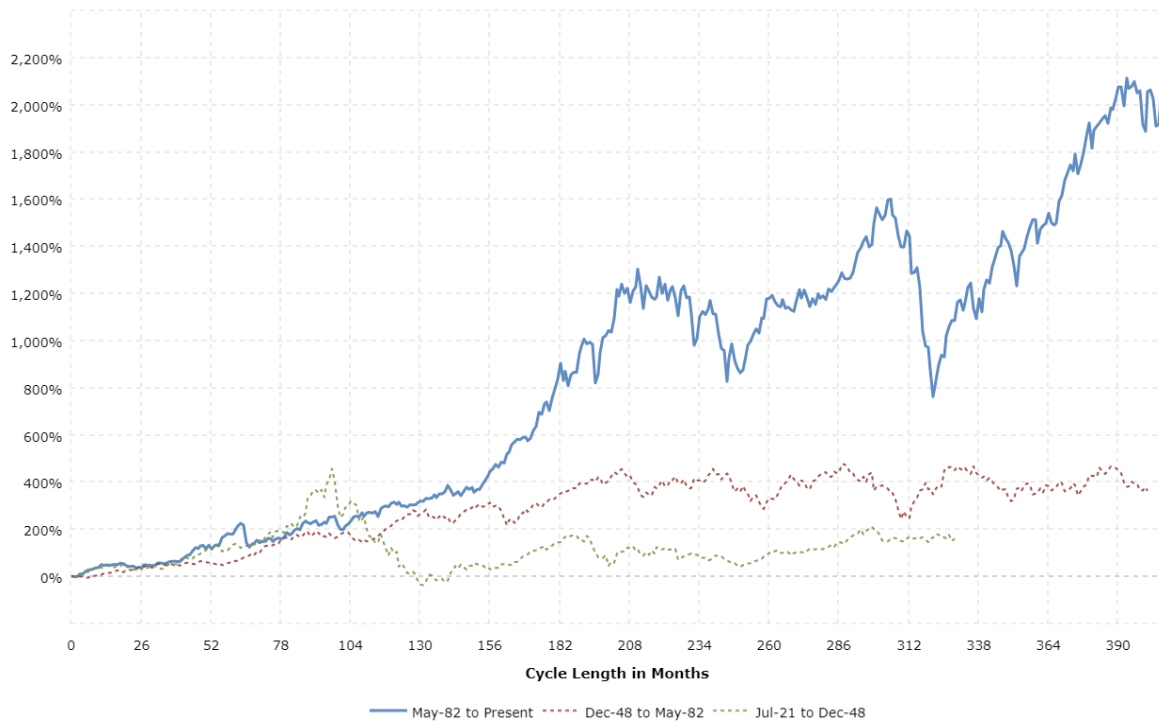


Chart 1 - Generational Participation in Stock Trading



Graph 1 - Rising Advantages of Trading over History

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