

nomz LLC



nomz.

Presentation for TAP NY – ECC 2013

September 14th, 2013

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CONFIDENTIAL AND PROPRIETARY

Today's Agenda

- **What is the problem?**
- How does nomz solve it?
- Why is the opportunity meaningful?
- Challenges
- The vision

Cooking daily is time-consuming

Typical steps to cooking:

① Buy groceries



② Cook



③ Clean-up



≈ a meaningful amount of your time!

Professionals are busy

1 They get home late

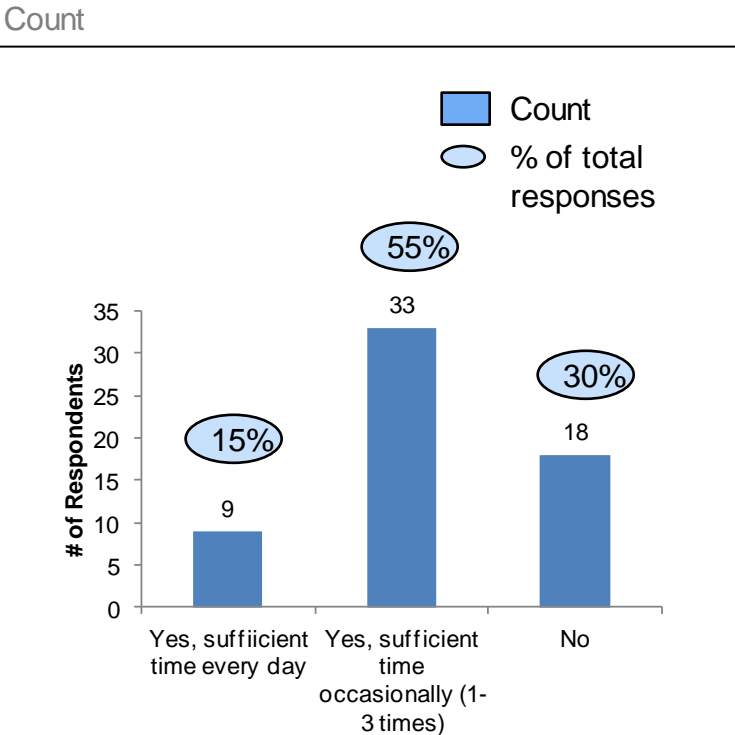


2 They are tired after work



3 They have neither the time nor will to cook

SURVEY: Do you have adequate time in your weekday schedule to regularly prepare meals?



85% of survey respondents did not have time to prepare meals on a daily basis (1)

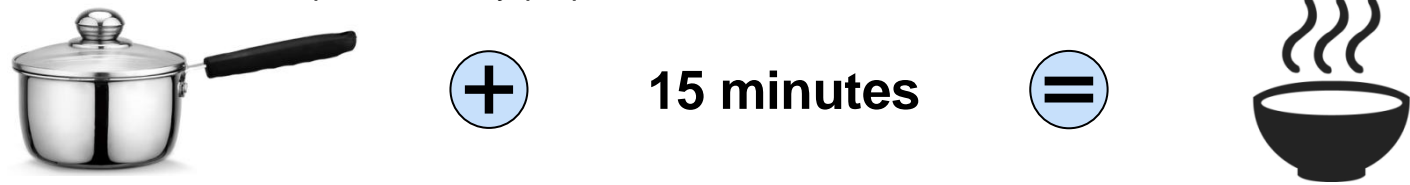
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nomz LLC (“The Company” or “nomz”) will serve busy professionals savory Asian recipes that save time

Concept:

Initial products will include frozen soup stocks (containing protein, herbs and spice) that can be defrosted in ~15 minutes and served with separate, freshly-prepared noodles



Example Products:



Chinese Chicken Soup Infused With Shitake Mushrooms, Red Dates and Asian Herbs (“Xiang Gu Ji Tang”)



Roasted Cabbage With Salted Pork Soup (“Zha Cai Rou Si”)



Korean Oxtail Soup (“Sul Lun Tang”)

Values:

- 1 **Native Recipes:** Authentic , Asian comfort recipes as Dad/Mom made them
- 2 **Convenience:** Easy and speedy preparation
- 3 **High-quality, recognizable Ingredients:** All-natural ingredients, short ingredient lists, no MSG, no preservatives
- 4 **Healthy Recipes:** Company will curate only healthy recipes for its portfolio. No greasy, salt-laden Asian take-out here!

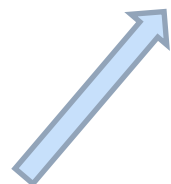
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Asian Americans are the fastest-growing, best-educated and highest-income demographic in America

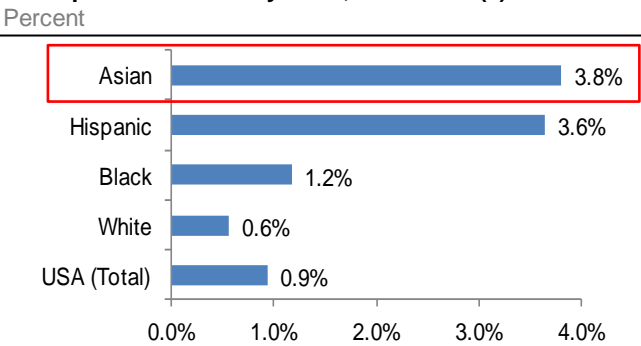


Characteristics of Asian-Americans:



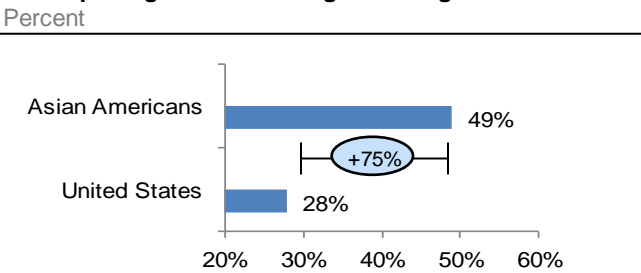
Rapidly Increasing Population

US Population CAGR By Race, 2000-2010 (1)



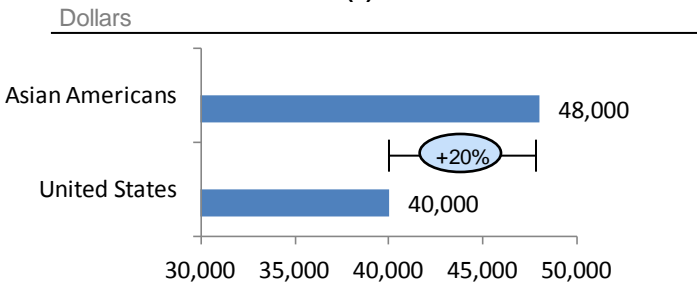
Well-Educated

% Completing Bachelors Degree Or Higher



Wealthy

Median Personal Income (2)



(1) Includes Asian Americans that are of one race or in combination
(2) Median personal income experienced by full-time, year-round workers in the U.S.
SOURCE: GQ; US Census Bureau, December 2012

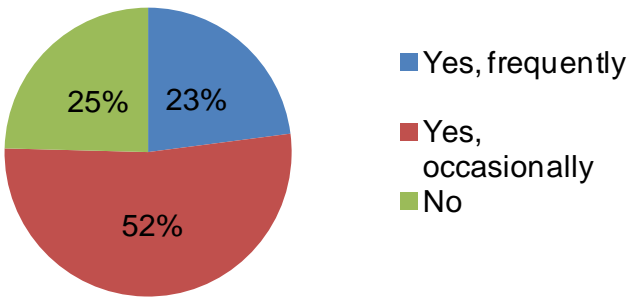
But Asian Americans can be confused at the Asian grocery store

Lost in translation?

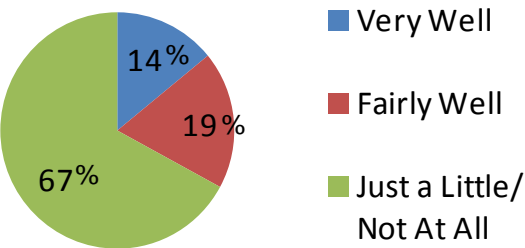
Survey Questions (1,2):

Percent

Is Lack of Brand Familiarity or Language Ever A Barrier When Shopping At The Ethnic Grocery Store?



Degree to which US-born Asians can carry a conversation in their language of origin



Typical food display at Asian grocer



“When I shop at the Asian store, I **call my parents and ask them what brands to buy** because I have no idea how to choose”
- Survey Respondent

(1) Company conducted survey (n = 60, 87% of respondents were Asian American, age range of 24-40 with a mode of 27 (n = 23))

(2) Survey regarding language sourced from April 2013 Pew Research Center report

SOURCE: Company analysis; US Census Bureau, December 2012

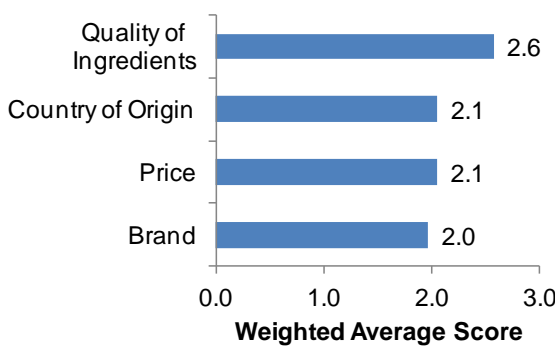
Current products may not offer what Asian Americans value

At the Asian grocer, Asian Americans appear to value quality of ingredients over brand (1)

Survey Question:
Percent

When Shopping At The Ethnic Store, What Are The Major Purchase Criteria?

Note: 1 = Not A Factor; 2 = Somewhat Important; 3 = Deciding Factor



Wouldn't it be helpful to have a brand/product designed with native-born, Asian Americans in mind?

Product Example From An Industry Leader In Asian Food

THAW IN REFRIGERATOR OR MICROWAVE. KEEP RAW MEAT AND POULTRY SEPARATE FROM OTHER FOODS. WASH WORKING SURFACES (INCLUDING CUTTING BOARDS), UTENSILS, AND HANDS AFTER TOUCHING RAW MEAT OR POULTRY. COOK THOROUGHLY. KEEP HOT FOODS HOT. REFRIGERATE LEFTOVERS IMMEDIATELY OR DISCARD.

Nutrition Facts

Serving Size 1 Bowl (482g)
Servings Per Container 1

Amount Per Serving	
Calories 550	Calories from Fat 210
% Daily Value*	
Total Fat 24g	36%
Saturated Fat 7g	37%
Trans Fat 0g	
Cholesterol 100mg	34%
Sodium 1460mg	61%
Total Carbohydrate 58g	19%
Dietary Fiber 7g	28%
Sugars 5g	
Protein 25g	
Vitamin A 40%	Vitamin C 10%
Calcium 6%	Iron 15%

* Percent Daily Values are based on a 2,000 calorie diet. Your daily values may be higher or lower based on your calorie needs.

	Calories: 2,000	2,500
Total Fat	Less than 65g	80g
Saturated Fat	Less than 20g	25g
Cholesterol	Less than 300mg	300mg
Sodium	Less than 2,400mg	2,400mg
Total Carbohydrate	300g	375g
Dietary Fiber	25g	30g

Calories per gram:
Fat 9 • Carbohydrate 4 • Protein 4

2. 將麵碗放在紙盒上的圓孔內，取1/6杯水(40 c.c.)均勻淋入冷凍麵條後，送入微波爐加熱。

3. 從冷凍狀態微波高溫(1200瓦力)加熱，先微波加熱5分鐘，攪拌麵塊均勻散開後，再續微波加熱3-4分鐘，或達中心溫度165°F。

4. 取出時小心燙手。食用時再加入1/6杯熱水(40 c.c.)，風味更佳，應個人喜好請自行調整水量。

※為確保食用安全，請按上述說明加熱。微波瓦力若有異，加熱時間必須不同，請自行調整。

1/6 cup (40 c.c.) of hot water over the frozen noodle.

3. Microwave from frozen state, first set on HIGH (1200 Watt) for 5 minutes, stop and spread out noodle on top evenly, and set another 3-4 minutes on HIGH, or until the internal temperature reach 165°F.

4. Remove from microwave. Handle with care. For best result, add 1/6 cup (40 c.c.) of hot water before serving. Amount of water can be adjusted for personal preference.

※ For food safety and quality, follow these cooking instructions. Microwave ovens vary in heating power. Cooking time may require adjustment.

Ingredients:

COOKED NOODLE (WHEAT FLOUR, WATER, SALT), WATER, BEEF, PICKLED MUSTARD GREENS (MUSTARD GREEN, WATER, SUGAR, VINEGAR, SODIUM METABISULFITE, FD&C YELLOW #5), CHILI GARLIC SAUCE (CHILI, SALT, GARLIC, DISTILLED VINEGAR, POTASSIUM SORBATE AND SODIUM BISULFITE AS PRESERVATIVES, AND XANTHAN GUM), LESS THAN 2 PERCENT OF BEAN SAUCE (WATER, SOYA BEAN, SUGAR, SALT, WHEAT FLOUR AND SESAME SEED OIL), SPICES, SOYBEAN OIL, GELATIN, GREEN ONION, GARLIC, YELLOW CHILI, SOY SAUCE (WATER, SOYBEAN, WHEAT FLOUR, SALT, SUGAR, CARMEL COLOR, SODIUM BENZOATE LESS THAN 0.1% AS FOOD PRESERVATIVE), SHERRY WINE (WINE, SALT, SULFITES), SUGAR, SALT, MONOSODIUM GLUTAMATE, PEPPERCORN, DRY CHILI.

Contains: Soybeans and Wheat.

Manufactured By:
Wei-Chuan U.S.A., Inc.
Bell Gardens, CA 90201
www.weichuanusa.com

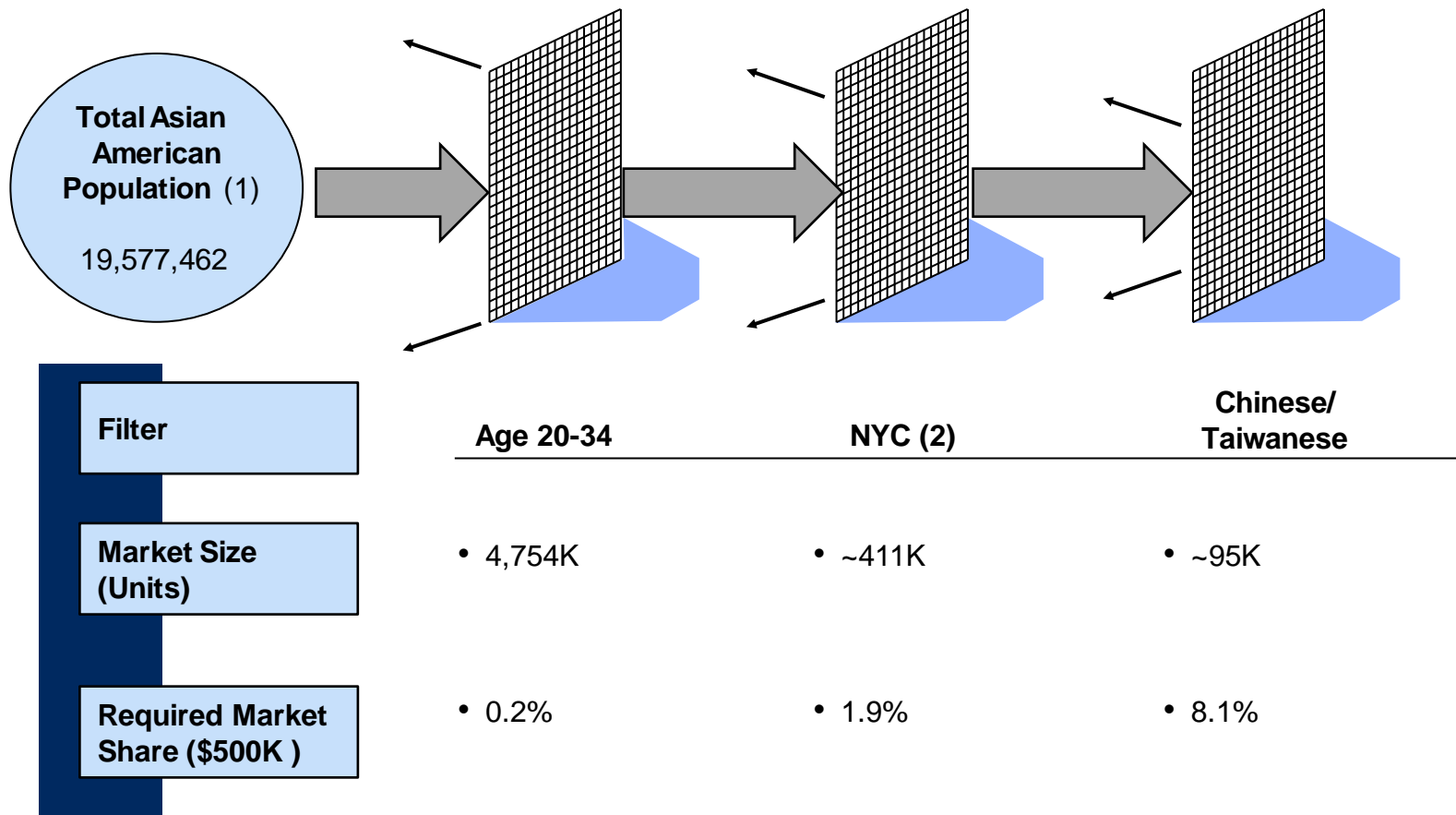
Made in U.S.A.
美國製造

(1) Company conducted survey (n = 60, 87% of respondents were Asian American, age range of 24-40 with a mode of 27 (n = 23))
SOURCE: Company analysis; Wei Chuan

nomz would require a market penetration of ~2% of Asian Americans aged 20-34 in NYC to achieve \$500K in revenues

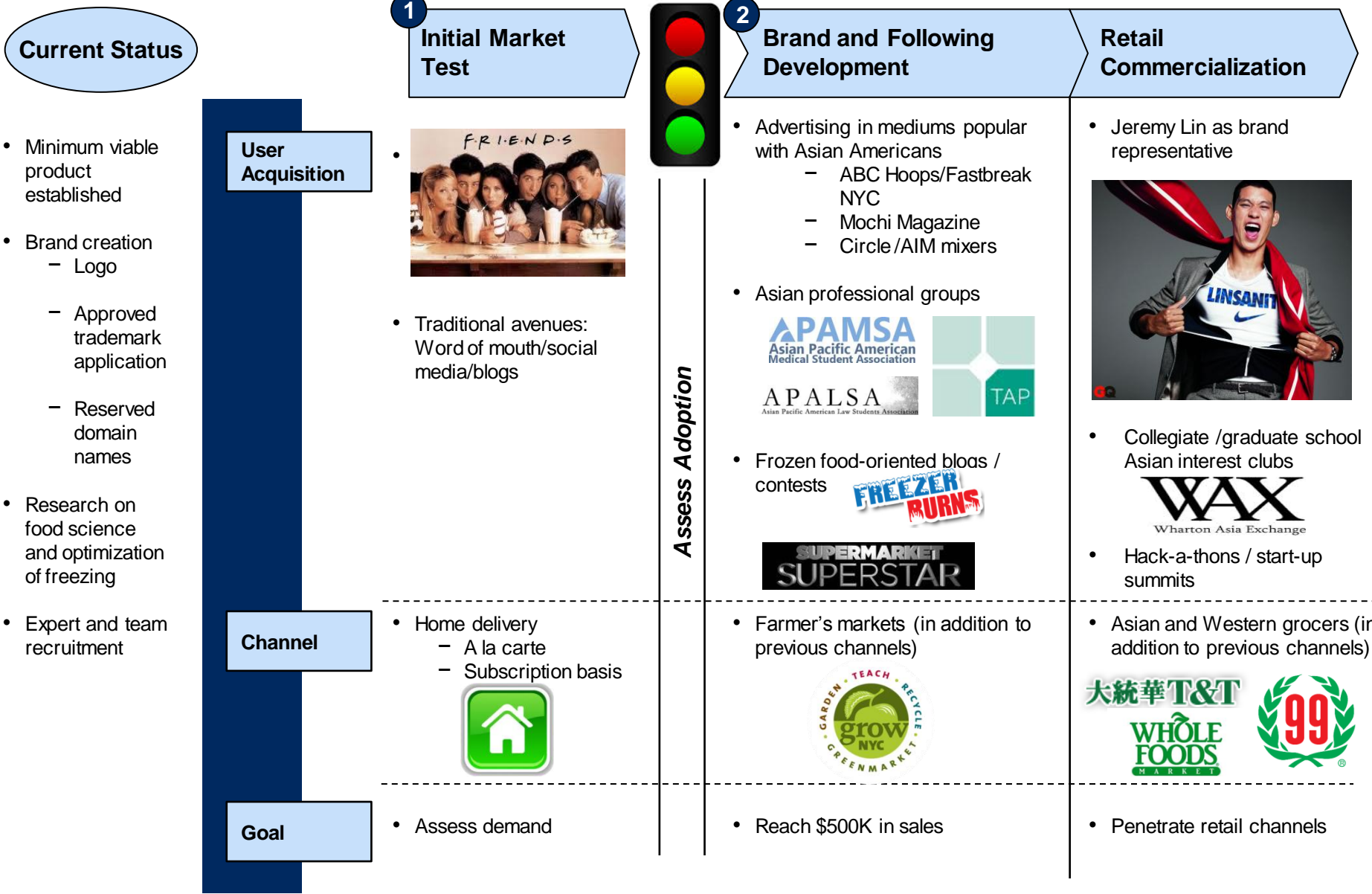
Modest Assumptions:

- Retail price of \$5 a package
- Consumer purchases 1 package every 2 weeks
- Retailer marks up product 100% for retail sale (assumes 100% retail distribution)



Note: Chinese/Taiwanese population of NYC estimated based on national averages
(1) Includes Asian Americans that are of one race or in combination and Pacific Islanders
(2) Represents 50 mile radius around New York City
SOURCE: Company analysis, US Census Bureau 2010

Growth strategy will be a two step commercialization process



Financial projections

	Year 1	Year 2	Year 3	Year 1 break down by quarter			
				Q1	Q2	Q3	Q4
Customers	95	601	3,605	32	67	108	175
Units Sold	2,481	15,621	93,727	206	433	704	1,138
Revenue From Food	12,404	78,106	468,635	1,029	2,167	3,521	5,688
Revenues From Delivery	2,290	14,420	86,517	190	400	650	1,050
Total Revenue	14,694	92,525	555,152	1,219	2,567	4,171	6,738
Cost of Goods Sold	(4,962)	(31,242)	(187,454)	(412)	(867)	(1,408)	(2,275)
Total Waste Cost	(127)	(801)	(4,807)	(11)	(22)	(36)	(58)
Final Gross Profit	9,605	60,482	362,892	797	1,678	2,726	4,404
<i>Gross Margin %</i>	<i>65%</i>	<i>65%</i>	<i>65%</i>	<i>65%</i>	<i>65%</i>	<i>65%</i>	<i>65%</i>
Total Labor Costs (Kitchen)	(848)	(5,341)	(32,043)	(70)	(148)	(241)	(389)
Total Labor Costs (Delivery)	(3,779)	(23,792)	(142,753)	(314)	(660)	(1,073)	(1,733)
Total Kitchen Costs	(2,650)	(16,689)	(100,136)	(220)	(463)	(752)	(1,215)
Freezer Utilities	(120)	(260)	(530)	(30)	(30)	(30)	(30)
Insurance Cost	(1,000)	(1,000)	(1,000)	(250)	(250)	(250)	(250)
Total Expenses before Corp./Mktg.	(8,397)	(47,082)	(276,462)	(884)	(1,551)	(2,346)	(3,617)
Marketing	(2,500)	(5,000)	(10,000)	(625)	(625)	(625)	(625)
Total Operating Costs	(10,897)	(52,082)	(286,462)	(1,509)	(2,176)	(2,971)	(4,242)
EBITDA	(1,292)	8,400	76,429	(712)	(498)	(244)	163
<i>EBITDA %</i>	<i>(10%)</i>	<i>11%</i>	<i>16%</i>	<i>(69%)</i>	<i>(23%)</i>	<i>(7%)</i>	<i>3%</i>
EBITDA Before Corp./Mktg.	1,208	13,400	86,429	(87)	127	381	788
<i>EBITDA % Before Corp./Mktg.</i>	<i>10%</i>	<i>17%</i>	<i>18%</i>	<i>(8%)</i>	<i>6%</i>	<i>11%</i>	<i>14%</i>

Summary Statistics

Growth Rates:

Customer Sales Growth	530%	500%	111%	63%	62%
Sales Growth	530%	500%	111%	63%	62%

Margins:

Gross Profit Margin - Food	60%	60%	60%	60%	60%	60%
Gross Profit Margin - Total	65%	65%	65%	65%	65%	65%
EBITDA %	(10%)	11%	16%	(69%)	(23%)	(7%)
EBITDA % Before Marketing	10%	17%	18%	(8%)	6%	11%

Financial projections – major assumptions

Summary of Major Assumptions

Sales Assumptions:

	Month:											
	1	2	3	4	5	6	7	8	9	10	11	12
Customers	20	25	50	50	75	75	100	100	125	150	175	200
Purchase Rate per Week	0.5											
Year over Year Growth:	Year 2		Year 3									
	500%		500%									

Other Assumptions:

Item:		Unit	Rationale:	
Price per Unit	5.00	Dollars	Assumed; based on pricing analysis of comparable products	
Delivery Charge	1.00	Dollars	Assumed	
Gross Margin	60%	Percent	Based on analysis of cost of materials (implied gross margin of ~70%, but applied haircut for margin of safety)	
Waste	2.5%	Percent	Estimate	
Commercial Kitchen Rent	25.0	\$/Hour	Actual rate for Queens-based shared kitchen (Entrepreneur's Space)	
Freezer Utilities	10	Month	Purchase of freezer, increase by a proportion of sales increases	
General Liability Insurance	1,000	Year	Assumes \$1MM policy; sample quote from Hiscox Insurance	
Production Period	3.0	Hours	Estimate based on experience	
Units per Batch	12.0	Units	12 quart Kuhn Rikon Pressure cooker, quart per serving	
Max Batches Per Kitchen	6.0	Batches	Assume 6 burner in kitchen	
# of Simulataneous Batches per Cook	6.0	Batches	Assumes 1 cook can handle 6 batches	
Units Per Cook Per Batch Period	72.0	Units	Calculated	
Units Per Cook Per Hour	24.0	Unit/Hr	Calculated	
Cost per Hour per Cook	8.0	\$/Hr Per Cook	Assumed	
Cost per Unit	0.3	\$/Unit	Calculated	
Deliveries per Customer Per Month	2.0	Units	Assumed	
Deliveries per Hour	5.0	Units/Hour	Assumed	
Delivery Cost per Hour	8.25	\$/Hour	\$7.25 NY minimum wage + fuel surcharge of \$1	
	Year 1	Year 2	Year 3	
Corporate Costs	2,500	5,000	10,000	Assumed
Additional Customers Added	200	1,200	7,200	Calculated
Expense Per Additional Customer	12.5	4.2	1.4	Calculated

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- **Challenges**
- The vision

There are challenges and mitigants

Challenges:

Channel Penetration

Brand Development

Food Science

Description

- nomz’s niche nature (e.g., ethnic products, higher-end quality) may leave it misaligned with both higher-end Western retailers and lower-end ethnic grocers

- Marketing a new brand with the resources of a small business is typically challenging

- nomz will need to disassociate its products from the negative connotations associated with TV dinners

Mitigant

- Initially, nomz will deliver directly via home delivery and farmer’s markets until it has built a larger brand awareness and following
- Asian food is growing more popular, and there is a trend towards healthy and all-natural foods (e.g. Whole Foods, Sprouts)

- Targeted advertising at venues/events popular with young Asian American or time-starved professionals
 - ABC Hoops/Fastbreak NYC
 - Circle/LQ lounges
 - Mochi Magazine
- Jeremy Lin as brand representative
- Sponsored events at collegiate Asian interest clubs

- nomz is researching the science element of frozen foods and will seek to add relevant expertise to the team

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nomz may be able to save Taiwanese Americans precious time!



The Vision

- The leading food brand amongst Asian Americans providing savory recipes across Asian cuisines and food categories

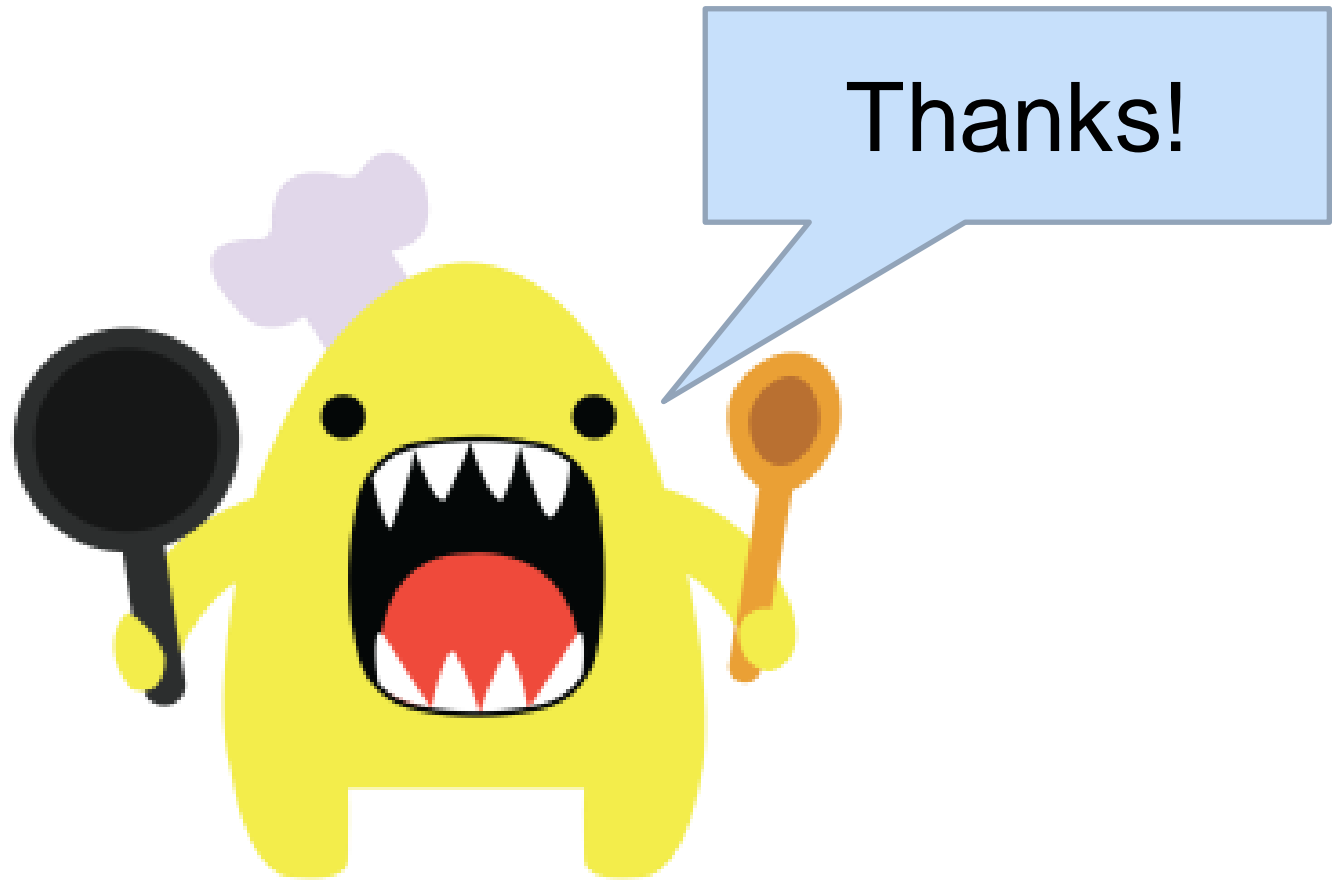
Relevance to Taiwanese Americans

- As one of the most educated and white-collar racial groups, Taiwanese Americans are likely among the busiest Americans today!
- Every minute the products can save for a Taiwanese-American is another minute he or she can devote to his or her family or passion

Use of Proceeds

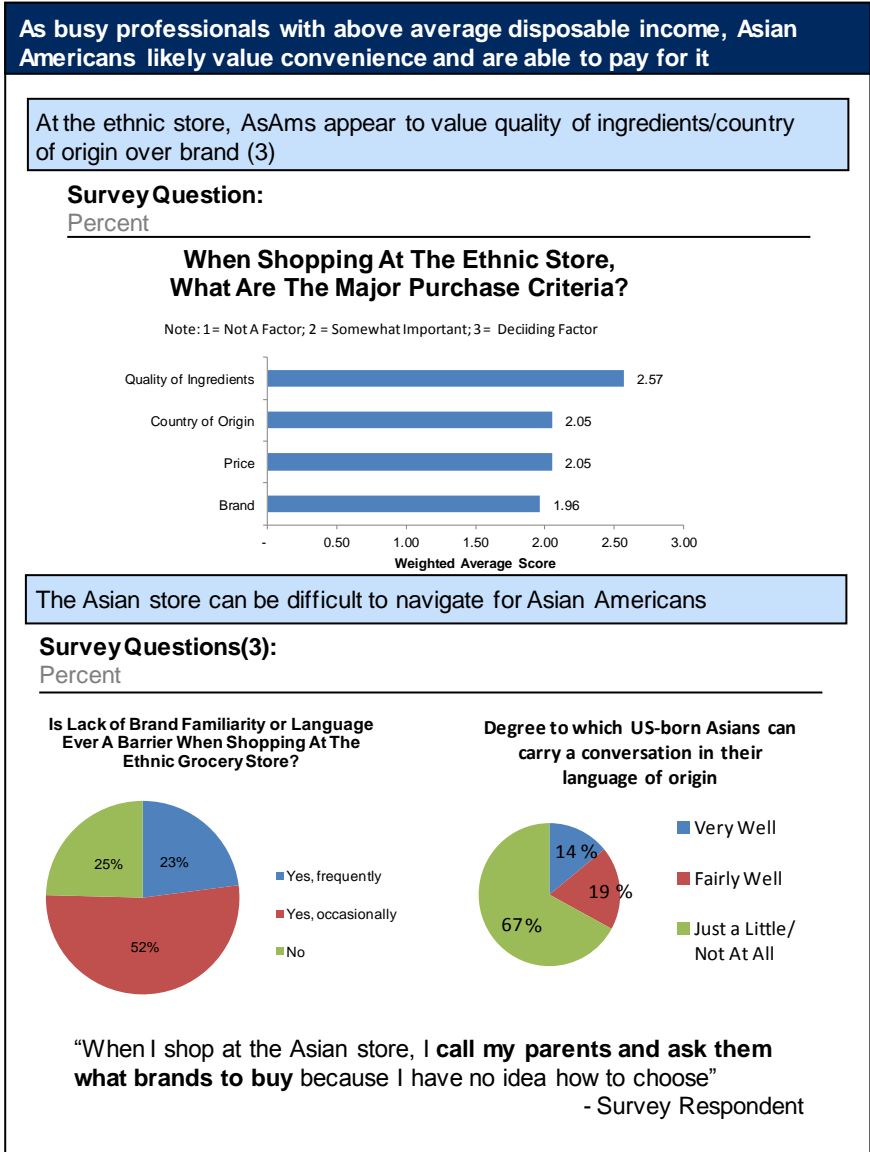
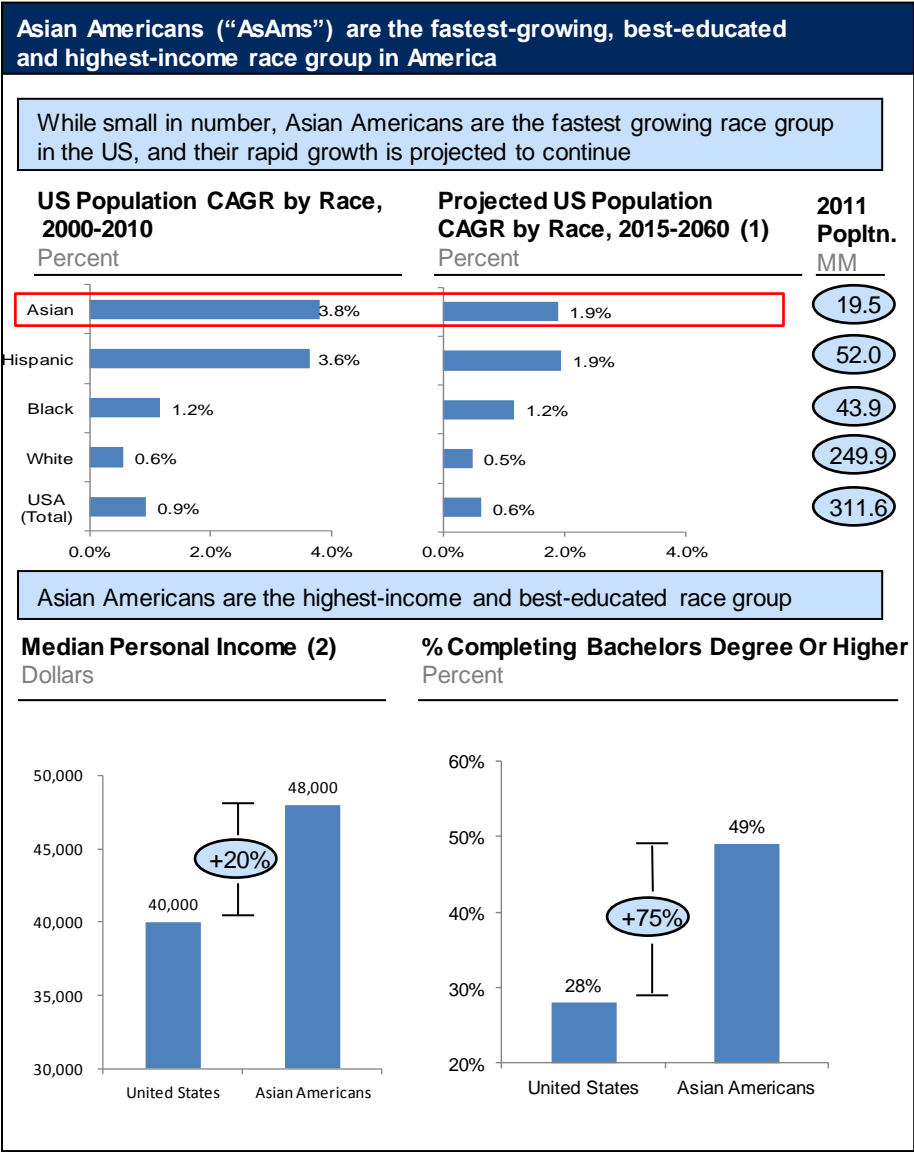
- If fortunate enough to receive funding from TAP, nomz would anticipate using proceeds for the following:
 - Pressure cooker (Kuhn Rikon, 12 quart , ~\$350)
 - Commercial freezing equipment (AF Eurodib Blast Chiller, 33-55 lb, +\$10,000)
 - Fund recipe R&D





nomz.

Asian Americans are a rapidly growing and attractive market segment which currently may be underserved

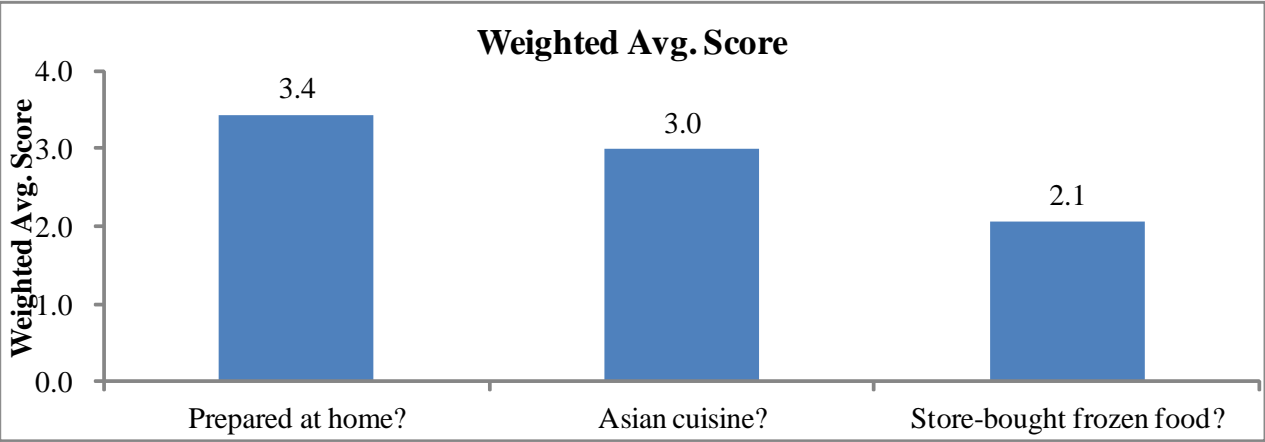


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(2) Median personal income experienced by full-time, year-round workers in the U.S.
(3) Company conducted survey (n = 60, 87% of respondents were Asian American, age range of 24-40 with a mode of 27 (n = 23))
SOURCE: US Census Bureau, December 2012; Pew Research Center, April 2013

Asian Americans do eat Asian food as well as purchase frozen food

Q4) Out of 14 lunches and dinners each week, how many are :

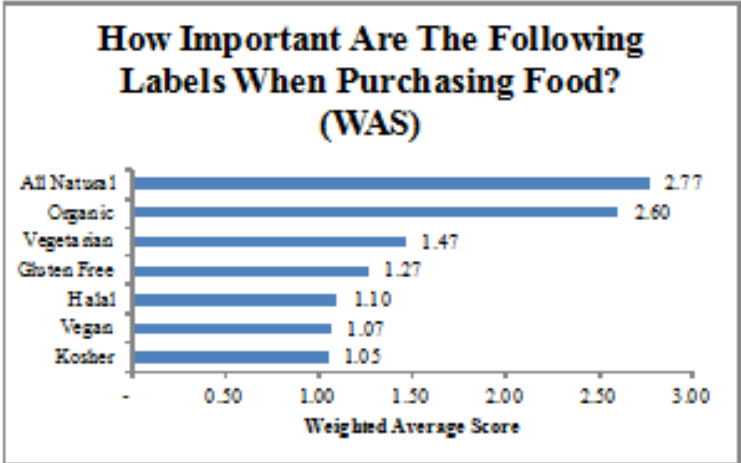
Score Value(For WAS)	Frequency per Week						Total	Weighted Average Score ("WAS")
	0	1-2	3-4	5-6	7-8	> 8		
	1	2	3	4	5	6		
Count of Responses								
Prepared at home?	5	16	14	8	7	10	60	3.4
Asian cuisine?	5	20	16	11	6	2	60	3.0
Store-bought frozen food?	17	28	11	1	1	1	59	2.1
% of Responses	0	1-2	3-4	5-6	7-8	> 8	Total	
Prepared at home?	8.3%	26.7%	23.3%	13.3%	11.7%	16.7%	100.0%	
Asian cuisine?	8.3%	33.3%	26.7%	18.3%	10.0%	3.3%	100.0%	
Store-bought frozen food?	28.8%	47.5%	18.6%	1.7%	1.7%	1.7%	100.0%	



All-natural or organic ingredients are meaningful food labels to the survey sample

Q8) How important to you are the following labels when purchasing food at the grocery store?

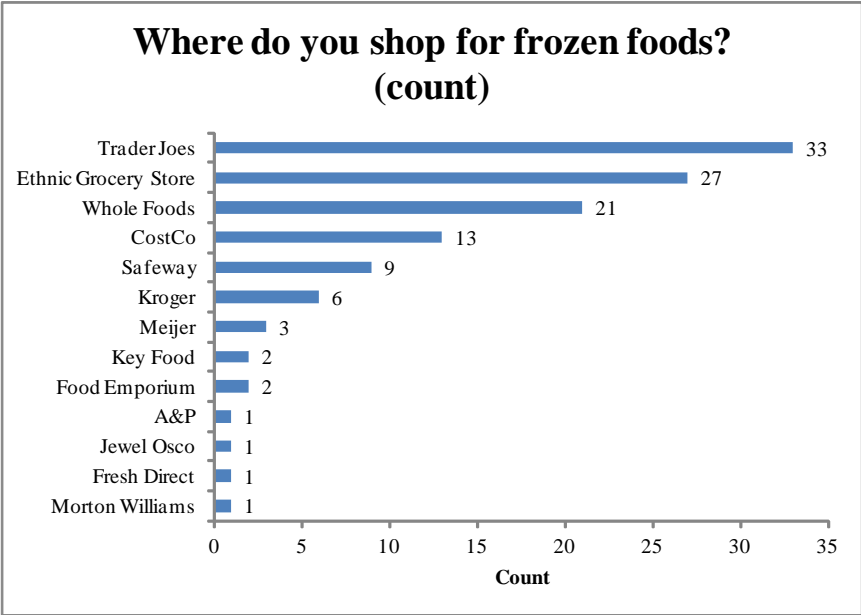
Score Value(For WAS)	1	2	3	4	5	Weighted Average Score ("WAS")	
	Not important	A minor consideration	Somewhat Important	Very Important	Extremely Important	Total	WAS
Gluten Free	50	6	2	2	0	60	1.27
Organic	9	21	17	11	2	60	2.60
All Natural	9	11	25	15	0	60	2.77
Vegetarian	45	6	6	2	1	60	1.47
Vegan	57	2	1	0	0	60	1.07
Halal	55	2	2	0	0	59	1.10
Kosher	57	3	0	0	0	60	1.05



Where The Survey Sample Shops

Q5) Where do you typically shop for frozen foods?

	Count	% of Respondents (out of 60)
Trader Joes	33	55%
Ethnic Grocery Store	27	45%
Whole Foods	21	35%
CostCo	13	22%
Safeway	9	15%
Kroger	6	10%
Meijer	3	5%
Food Emporium	2	3%
Key Food	2	3%
Morton Williams	1	2%
Fresh Direct	1	2%
Jewel Osco	1	2%
A&P	1	2%
	120	



Asian Americans are densely concentrated



Key: Color indicates young AsAm count (aged 20-34): Purple = +200K, Red = 100K-200K, Blue = 50K-100K, Yellow = 25K-50K

There are 3 major hotspots containing ~30% of the young Asian American population

Analysis: Young AsAm Hot Spots by Area and by County

1. Los Angeles Area (~50 mile radius around LA)

County	Yuppie AsAm Count (K)	% of Total Yuppie AsAms in USA
LA County	370.6	7.8%
Orange County	138.9	2.9%
Riverside County	42.1	0.9%
San Bernardino County	40.5	0.9%
Total	592.1	12.5%

2. San Francisco Area (~50 mile radius around SF)

County	Yuppie AsAm Count (K)	% of Total Yuppie AsAms in USA
Santa Clara	144.7	3.1%
Alameda County	111.1	2.3%
SF County	74.2	1.6%
San Mateo County	48.1	1.0%
Contra Costa County	38.7	0.8%
Total	416.8	8.8%

3. New York City Area (~50 mile radius around NYC)

County	Yuppie AsAm Count (K)	% of Total Yuppie AsAms in USA
Queens County	142.6	3.0%
Brooklyn County	80.7	1.7%
New York County	76.0	1.6%
Middlesex County	45.5	1.0%
Hudson County	37.0	0.8%
Bergen County	29.2	0.6%
	411.0	8.7%

Source: US Census, 2011

Note: Includes only counties in the top 50 counties for Asian Americans aged 20-34

Source: US Census Bureau; Company analysis

Asian Americans are skewed towards youth

Summary - Asian Americans Demographics

Source: 7/1/2011 population estimate by US Census Bureau

Asian American population by age

	Asian, Hapa, Pacific Islander	Asian Only	Total Population			
USA	19,577,462	15,578,383	311,591,917			
% of Total Population	6.3%	5.0%	100.0%			
	Asian, Hapa, Pacific Islander	% of Total	Asian Only	% of Total	Total Population	% of Total
0 to 4 years	1,525,659	7.8%	962,178	6.2%	20,162,058	6.5%
5 to 9 years	1,474,715	7.5%	985,889	6.3%	20,334,196	6.5%
10 to 14 years	1,370,839	7.0%	945,385	6.1%	20,704,852	6.6%
15 to 19 years	1,365,717	7.0%	976,676	6.3%	21,644,043	6.9%
20 to 24 years	1,535,525	7.8%	1,172,332	7.5%	22,153,832	7.1%
25 to 29 years	1,615,867	8.3%	1,298,906	8.3%	21,279,794	6.8%
30 to 34 years	1,591,604	8.1%	1,312,235	8.4%	20,510,704	6.6%
35 to 39 years	1,575,253	8.0%	1,342,435	8.6%	19,594,309	6.3%
40 to 44 years	1,455,434	7.4%	1,247,779	8.0%	21,033,645	6.8%
45 to 49 years	1,315,472	6.7%	1,129,874	7.3%	22,158,005	7.1%
50 to 54 years	1,188,502	6.1%	1,024,769	6.6%	22,560,198	7.2%
55 to 59 years	1,031,867	5.3%	906,916	5.8%	20,255,548	6.5%
60 to 64 years	848,490	4.3%	757,688	4.9%	17,806,592	5.7%
65 to 69 years	578,586	3.0%	517,949	3.3%	12,873,788	4.1%
70 to 74 years	426,224	2.2%	384,189	2.5%	9,607,950	3.1%
75 to 79 years	300,846	1.5%	271,706	1.7%	7,388,687	2.4%
80 to 84 years	203,341	1.0%	183,999	1.2%	5,786,543	1.9%
84+ years	173,521	0.9%	157,478	1.0%	5,737,173	1.8%
TOTAL	19,577,462	100.0%	15,578,383	100.0%	311,591,917	100.0%
20 to 34 years	4,742,996	24.2%	3,783,473	24.3%	63,944,330	20.5%

Breakdown of Asian American Demographic

Population Sizing - Estimate of Young Professional Population by Asian Ethnicity

		<u>Source/Comments:</u>
Total number of Asian-Americans in United States (Incl. Hapas)	19,577,462	2011 Census data
<i>Less:</i> Percent which are aged 15-44	46.7%	
# of Asian-Americans aged 15-44	9,139,400.0	
<i>Less:</i> Percent which are aged 20-34	24.3%	2011 Census data
# of Asian-Americans aged 20-34	4,754,717	
<i>Less:</i> Percent of AsAms which are Chinese	23.2%	2011 Census data
# of Chinese AsAm aged 20-34	1,103,094.29	
<i>Less:</i> Percent of Adult AsAms which are native-born	26%	2012 Pew Study on Adult AsAms. Number for all AsAms is 41%
Estimate of native-born AsAm of Chinese descent (20-34)	286,805	
Percent of AsAms which are Filipino	19.7%	2011 Census data
Percent of AsAms which are Vietnamese	10.0%	2011 Census data
Percent of AsAms which are Korean	9.9%	2011 Census data
Percent of AsAms which are Japanese	7.5%	2011 Census data
Estimate of AsAm of Filipino descent (20-34)	936,679	
Estimate of AsAm of Vietnamese descent (20-34)	475,472	
Estimate of AsAm of Korean descent (20-34)	470,717	
Estimate of AsAm of Japanese descent (20-34)	356,604	
Estimate of native-born AsAm of Filipino descent (20-34)	243,537	
Estimate of native-born AsAm of Vietnamese descent (20-34)	123,623	
Estimate of native-born AsAm of Korean descent (20-34)	122,386	
Estimate of native-born AsAm of Japanese descent (20-34)	92,717	
Estimate of AsAm of East/SE Asian descent (20-34)	3,342,566	
Estimate of native-born AsAm of East/SE Asian descent (20-34)	869,067	
# of Chinese international students studying in the US	194,029	NAFSA (Assoc. of Intl' Educators)
# of Taiwanese international students studying in the US	23,520	NAFSA (Assoc. of Intl' Educators)
Total # of Chinese/Taiwanese international students in the US	217,549	

SUMMARY:	
# of Asian-Americans aged 20-34	4,754,717
Estimate of AsAm of East/SE Asian descent (20-34)	3,342,566
# of Chinese AsAm aged 20-34	1,103,094
Estimate of native-born AsAm of East/SE Asian descent (20-34)	869,067
Estimate of native-born AsAm of Chinese descent (20-34)	286,805

Census already includes international students in estimate

Product Cover









Annie Chun's Product



Potential Recipes

Prospective Soup Recipes

	English Name	Name In Language of Origin	Picture	Why	Healthiness (High = Healthy)
1.)	Chinese Chicken Soup Infused with Shiitake Mushrooms, Red Dates and Asian Herbs	Xiang Gu Ji Tang (Chinese)		Familiar and popular recipe across different Asian cultures, preparation is time-consuming, healthy	High
2.)	Korean Chicken Soup Infused with Shiitake Mushrooms, Red Dates and Asian Herbs	SamGae Tang (Korean)		Familiar and popular recipe across different Asian cultures, preparation is time-consuming, healthy	High
3.)	Korean Oxtail Soup	Sul Lun Tang (Korean)		Preparation is time-consuming, healthy	High
4.)	Taiwanese Beef Noodle Soup	Niu Ro Mein (Taiwanese)		Famous, popular recipe. Preparation can be time-consuming	Medium
5.)	Korean Short-Rib soup	Kal Bi Tang (Korean)		Preparation can be time-consuming, healthy	High
6.)	Roasted Cabbage With Salted Pork Soup	Zha Cai Rou Si (Chinese)		Freezes well, preparation can be time-consuming	Medium

Pricing comparables

Pricing Analysis

Date	Store	Brand	Origin	Type	Item	Main Ingredient/Flavor	Price	Package Size (grams)	Cost per gram	City	Other notes
2/9/2013	Whole Foods	Annie Chuns	USA	Frozen Dinner	Chicken and Garlic Soup	Chicken	3.69	124	0.030	Ann Arbor	Organic, all-natural
2/9/2013	Galleria	Chang Tung	USA	Refrigerated Dinner	Cornish game hen soup	Chicken	12.99	907	0.014	Ann Arbor	
2/9/2013	Galleria	Chang Tung	USA	Refrigerated Dinner	Cornish game hen soup	Chicken	12.99	907	0.014	Ann Arbor	
2/9/2013	Galleria	Yijo Foods	USA	Refrigerated Dinner	Soybean tofu paste soup	Soup	4.49	600	0.007	Ann Arbor	
2/9/2013	Galleria	Shinsegae	Korea	Refrigerated Dinner	Jya Jya Myung	Noodles and black bean sauce	5.99	640	0.009	Ann Arbor	MSG, Korean packaging, high in sodium
2/19/2013	Manna Int'l	Noodle Lovers	Korea	Refrigerated Dinner	Green tea mul nangmyun	Noodles and black bean sauce	6.29	1,000	0.006	Ann Arbor	
2/19/2013	Manna Int'l	Pulmone	Korea	Refrigerated Dinner	Katsuo udon	Udon and fish	6.99	472	0.015	Ann Arbor	No MSG
2/19/2013	Manna Int'l	CJ	USA	Frozen Dinner	Japchae	Rice noodles, meat, Kimchi	5.49	400	0.014	Ann Arbor	No MSG
2/19/2013	Hua Xing	Prime Food	USA	Frozen Dinner	Noodle Soup	Por and Shrimp Wontons	3.15	227	0.014	Ann Arbor	MSG
2/19/2013	Hua Xing	Wei Chuan	USA	Frozen Dinner	Rice Bowl	Stewed Pork and Mushroom	2.99	340	0.009	Ann Arbor	MSG, Sodium Benzoate
2/19/2013	Hua Xing	Oriental Mascot	USA	Frozen Dinner	Noodle Soup	Stewed Beef Soup Noodle	1.99	340	0.006	Ann Arbor	
2/19/2013	Hua Xing	Wei Chuan	USA	Frozen Dinner	Noodle Soup	Stewed Beef Soup Noodle	5.99	454	0.013	Ann Arbor	MSG, Sodium Benzoate, Very high sodium
3/30/2013	Hong Kong Mkt.	Nippon Trends	USA	Frozen Dinner	Noodle Soup	Tonkatsu Soup Ramen	5.99	356	0.017	NYC	MSG, high in sodium
3/30/2013	H Mart	Hanroreum	Korea	Frozen Dinner	Noodle Soup	Cold Noodles (Nangmyun)	7.99	1,575	0.005	NYC	
3/30/2013	H Mart	Choripdong	Korea	Frozen Dinner	Noodle Soup	Mul Naeng Myun	7.99	1,620	0.005	NYC	High in sodium
4/20/2013	99 Ranch	Day-Lee Foods	USA	Frozen Dinner	Rice Bowl	Chicken Teriyaki (no rice)	7.99	567	0.014	LA	Sodium benzoate, labeled as all-natural
4/20/2013	99 Ranch	Wei Chuan	USA	Frozen Dinner	Noodle Soup	Stewed beef noodle w vegetable	3.79	505	0.008	LA	MSG, Sodium Benzoate
4/20/2013	99 Ranch	Fortune Avenue	USA	Frozen Dinner	Rice Bowl	Beef with Rice	2.99	340	0.009	LA	High in sodium, MSG, Sodium Benzoate
4/20/2013	99 Ranch	Wei Chuan	USA	Frozen Dinner	Noodle Soup	Spicy beef w. pickled mustard greens	3.89	482	0.008	LA	Many food additives, high sodium
4/20/2013	99 Ranch	Fortune Avenue	USA	Frozen Dinner	Noodle Soup	Spicy beef noodle soup	2.69	340	0.008	LA	MSG, Sodium Benzoate
4/20/2013	99 Ranch	Wei Chuan	USA	Frozen Dinner	Noodle Soup	Leaf mustard, pork & soybean kernels	3.99	495	0.008	LA	MSG, Sodium Benzoate, High in Sodium
5/8/2013	1 Way	I Mei	Taiwan	Frozen Dinner	Rice Bowl	Gluten Rice Bowl (Sticky Rice)	5.39	640	0.008	Ann Arbor	Titanium dioxide as coloring agent
5/8/2013	1 Way	Wei Chuan	USA	Frozen Dinner	Noodle Soup	Stewed beef noodle w vegetables	3.99	505	0.008	Ann Arbor	Many food additives, high sodium
5/8/2013	1 Way	Wei Chuan	USA	Frozen Dinner	Rice Bowl	Curry chicken rice bowl	2.89	340	0.009	Ann Arbor	Sodium benzoate, MSG, Disodium gunylate,

Descriptive Statistics (excluding Annie Chun's)

Low	1.99	227	0.005
High	12.99	1,620	0.017
Average	5.61	611	0.010
Median	5.39	495	0.009

Descriptive Statistics (Annie Chun's Only)

Annie Chun's	3.69	124	0.030
Annie Chun's Premium to Average Cost Per Gram of Comparable Offerings			200%

Potential Cost of Nonz Products:

Serving Size (grams)	450
Cost Per Gram (\$)	0.011
Retail Price (\$)	5.00

Premium to Average Cost of Per Gram of Comparable Offerings	12.0%
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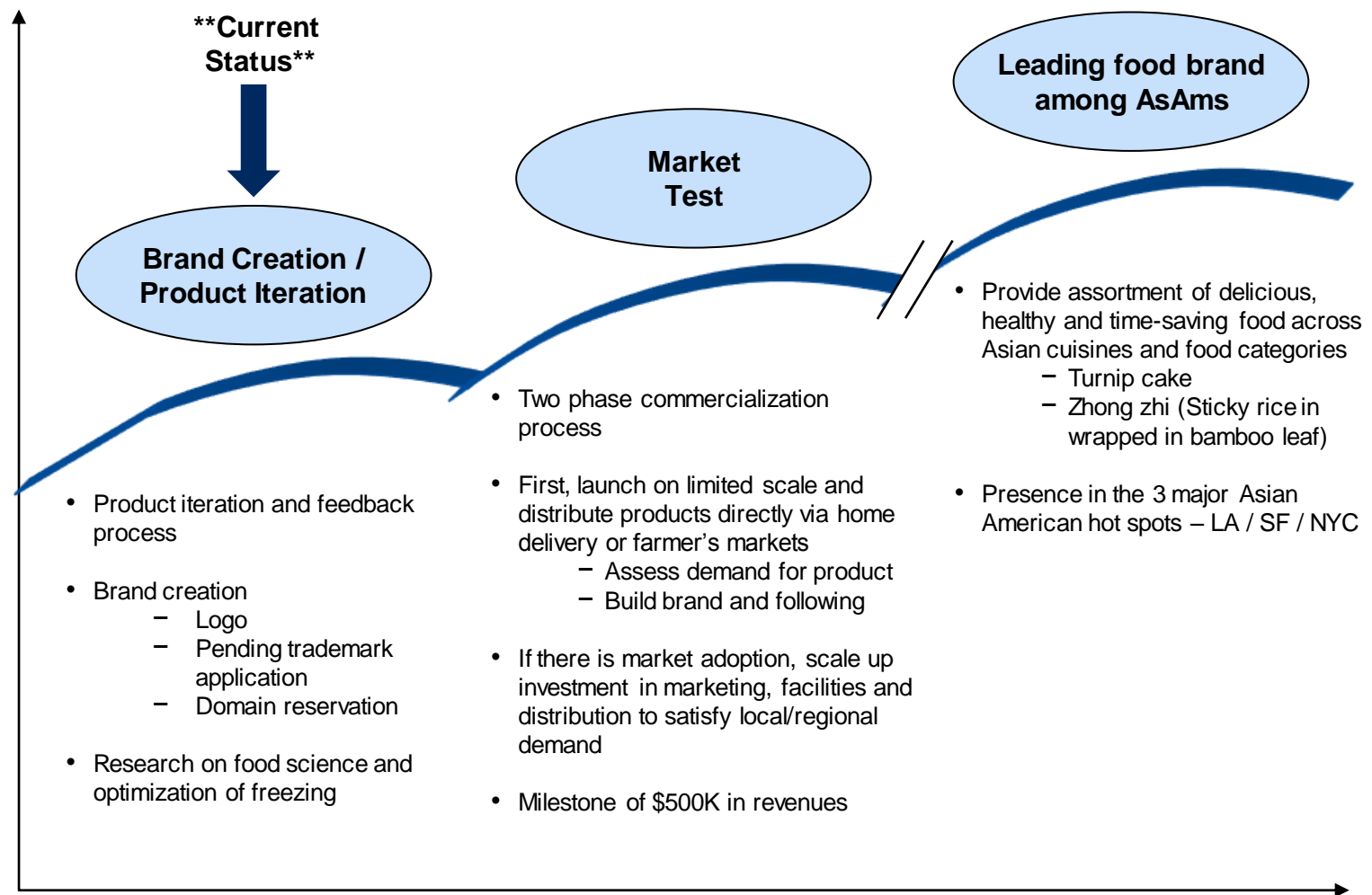
Serving Size Analysis

Serving Size Analysis

Brand	Origin	Type	Item	Main Ingredient/Flavor/ Other	Package Size (grams)	Adj. Package Size (Grams)
One Serving Dinner						
PF Chang	USA	Frozen Dinner	Teriyaki Chicken	Dinner for 2	613	307
" "	" "	" "	Shrimp Lo Mein	Dinner for 2	613	307
" "	" "	" "	Shanghai Style Beef	Dinner for 2	613	307
" "	" "	" "	Shrimp in Garlic Sauce	Dinner for 2	613	307
" "	" "	" "	Orange Chicken	Dinner for 2	613	307
" "	" "	" "	Sweet and Sour Chicken	Dinner for 2	613	307
Birdseye	" "	" "	Teriyaki Chicken		600	600
Tai-Pei	" "	" "	Sweet and Sour Chicken		420	420
Michelin	" "	Lean Frozen Dinner	Sweet and Sour Chicken		227	227
Amy's	" "	Frozen Dinner	Palak Paneer		283	283
Saffron Road	USA	Frozen Dinner	Chicken Pad Thai	Chicken	312	312
Innovasian	USA	Frozen Dinner	Orange Chicken Breast	Chicken	510	510
Chang Tung	USA	Refrigerated Dinner	Cornish game hen soup	Chicken	907	907
Yijo Foods	USA	Refrigerated Dinner	Soybean tofu paste soup	Soup	600	600
Shinsegae	Korea	Refrigerated Dinner	Jya Jya Myung	Noodles and black bean sauce	640	640
Noodle Lovers	" "	Refrigerated Dinner	Green tea mul nangmyun	Noodles and black bean sauce	1,000	1,000
Pulmon	" "	Refrigerated Dinner	Katsuo udon	Udon and fish	472	472
CJ	USA	Frozen Dinner	Japchae	Rice noodles, meat, Kimchi	400	400
Annie Chuns	USA	Frozen Dinner	Mini Wontons	Pork	227	227
" "	" "	" "	Dumplings	Chicken	215	215
Low					215	215
High					1,000	1,000
Average					525	433
Median					600	309

nomz's vision is to become the leading food brand among Asian Americans by serving healthy Asian recipes that save people time

Milestone Map



nomz would require a market penetration of ~2% of Asian Americans aged 20-34 in NYC to achieve \$500K in revenues

Modest Assumptions:

- Retail price of \$5 a package
- Consumer purchases 1 package every 2 weeks
- Retailer marks up product 100% for retail sale (assumes 100% retail distribution)

Market Sizing - Required Share to Achieve \$500K In Revenue

<u>Assumptions:</u>		<u>Comment:</u>
Consumption Frequency Per Week	0.5	Assumed
Price of SKU	5.00	Assumed / informed by market analysis
Wholesaler/Retailer Mark-Up	100%	Assumed / informed by interview with CPG CEO
Percent of Asian Americans that are college-educated	50%	2010 US Census Bureau
Consumption Frequency Per Year	26	Calculated
Price to Wholesaler	2.5	Calculated

	Population	Population w. College Degree	Penetration (people)	Units Consumed Per Year	Est. Revenue	Req. Share (Of College-Educated)	Req. Share (Of Total Segment)
# of Asian-Americans ("AsAms")							
aged 20-34 years	4,754,717	2,377,358	7,692	200,000	500,000	0.3%	0.2%
NYC area (50 mile radius) - AsAm							
Population (aged 20-34)	411,000	205,500	7,692	200,000	500,000	3.7%	1.9%
# of Chinese/TW AsAm							
aged 20-34 years in NYC	95,352	47,676	7,692	200,000	500,000	16.1%	8.1%

Gross Margin Analysis

Gross Margin Analysis					
Item:	Amount	Retail Cost	Assumed Wholesale/Bulk Cost	Percent Used	Cost
Organic chicken drumstick (Wholefoods)	1 lb	3.29	2.3	100.0%	2.30
1 piece of organic ginger (Wholefoods)	1 large piece	0.49	0.3	5.0%	0.02
Dried shitaake mushrooms (Wei-Chuan)	16 oz	12.00	8.4	5.0%	0.42
Red Dates (Lam Sheng Kee)	12 oz	5.00	3.5	1.0%	0.04
Gojee	17.6 oz	8.50	6.0	2.0%	0.12
Sea Salt	26 oz	2.99	2.1	0.1%	0.00
Pepper	3 oz	2.69	1.9	0.1%	0.00
Rice Wine	750 ml	4.29	3.0	5%	0.15
Total Ingredient Cost					3.05
Packaging					0.50
Gross margin analysis:					
Total cost for two servings		3.05			
Cost per Serving		1.52			
Anticipated revenue per serving		5.00			
Gross Margin (based solely on material cost)		69.5%			