The Soshow

A Social hub for adults

Francis, Thomas James

2020

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# Executive Summary

Our mission is to mitigate or reduce the loneliness epidemic in the U.S.[1-3] Current physical social institutions such as bars, restaurants, and special interest activities (SIAs) either do not promote or are ineffective at incentivizing deep and meaningful social interactions or the formation of personal connections within one’s local community. To this end, we have determined that a new physical institution is needed; one that promotes local community formation through three universal languages: dancing, cooking, and PCs and gaming. Offering a variety of shared activities reverts the current model of friend-finding through SIAs, back to the old model of friend-finding: a central place for people to visit regularly, a place which harbors no social stigmas or key assumptions. An example of the old model is church and other religious gatherings. The innovation that sets this endeavor apart from a local community center is that we will be a platform for local businesses and professionals. Local professionals such as dance groups, chefs, tech developers, and entrepreneurs will be invited to hold classes where they earn 100% of their teaching fees, at least in the beginning. The instructor chooses what they will charge students, while our business profits from entry fees and membership fees. It’s a win-win situation. The professional or business profits from teaching fees, receives access to our marketing channels, and engages in networking opportunities. Our business benefits similarly: profits from entry fees or membership fees, access to the professional’s marketing channels, and networking opportunities with that business and other local businesses. Perhaps we come out on top: regular win-win interactions increase our leverage within the local business community similar to how Yelp, the restaurant review web-app, held businesses hostage through their ratings system. The difference is that we will abide by rules that allow local businesses to have a chance at marketing to locals because competition works in our favor. A virtual app has no stake in the well-being of local people, while a physical location does.

## Opportunity

The year 2020 is not an idyllic year for many businesses. Economists have predicted that as many as 30% of businesses might be closed forever due to the COVID-19 pandemic, if not due to the looming economic recession.[4] During this time of crises, people may be open to new ideas. Post-vaccine distribution, Generation Z Americans (20-24) are likely living with their parents, trying to save money, but have little reason to go out and try to meet people at bars and restaurants. Similarly, older Americans around retirement age regularly experience similar existentialism and loneliness. A physical location could direct the first four hours to appeal to elderly people, while the last four hours could appeal to young people who are just getting out of work.

### Problem Summary

Does the loneliness epidemic exist? First-page internet searches for articles about the loneliness epidemic cite Cigna's survey, which is one of only a few publicly available articles.[2] A reputable public figure that supports this issue is former U.S. surgeon general, Vivek H. Murthy, who emphasizes the unseen, but catastrophic effects of the loneliness epidemic.[1] The academic articles cited by these first-page articles are usually used to reinforce the idea that loneliness is a serious public health issue, rather than as a source to support the existence of a loneliness epidemic. Trends in at-home activities like gaming, streaming services, and sex among young people suggest that adults (particularly young heterosexual men) are spending more time at home.[5] These trends have been occurring before the pandemic. Trends and survey data support the existence of a loneliness epidemic in America.

A meta-analytic review from 2015, however, projects that loneliness will reach epidemic proportions by 2030, which does not account for recent advances in technology and the global coronavirus pandemic, which may have increased the rate of loneliness.[3]

### Solution Summary

The solution is to create an entirely new social institution for adults that relies on old communal methods of socialization through universal languages and shared activities such as dancing, cooking, and PCs and gaming. Social leverage and relevancy is ensured by actively inviting businesses to teach classes and swap marketing channels. The idea is like a community center for adults, but unlike a community center, the tone will be a place of high quality and have an emphasis on aesthetic appeal.

### Market Summary

Marketing will be achieved by incentivizing businesses and professionals to hold classes at our location where they earn 100% of their student-teaching fees. Local professionals such as dance groups, chefs, entrepreneurs, and tech developers will be invited to hold classes, swap marketing channels, and engage in networking opportunities. Several B2B businesses and governmental training programs hold offsite training for employees and customers as to not disturb their local work office. It would be economically more convenient to rent out our space to hold such trainings than to rent out or buy a building for this space.

### Competition

While community centers do exist, the ones that do are likely not targeted to or reserved for adults nor has our flexible business model, therefore we have no direct competition.

As for indirect competition, any competitors who are even remotely related to the range of activities and incentives that we offer, could become an ally. Shared workspaces could be considered indirect competition but to a lesser extent because these communities are usually too exclusive for normal people to engage in them.

The greatest indirect competitor are SIAs. SIAs are usually concerned only about managing their own SIA factions and do not usually engage in direct competition with other SIAs. Umbrella organizations that connect SIAs typically exist for sports. We do not offer sports outside of dance and possibly theater, therefore umbrella sports organizations pose serious indirect competition.

### Overview

Our mission is to mitigate or reduce the loneliness epidemic in the U.S. by offering the old model of socialization through universal languages in the form of shared activities, specifically dancing, cooking, and PCs and gaming. We will maintain relevancy and bolster marketing channels by engaging in win-win situations with businesses and professionals, where they will be able to teach classes, earn 100% of their student fees, share marketing channels, and engage in networking opportunities.

### Why Us?

I have not created a team yet. I am going to need a team.

## Expectations

I’m not sure what the expectations part is.

### Forecast

I will need help from someone who is better at finances than me to look over my financial calculations before I fill out the financial part.

### Financial Highlights by Year [chart]

### Financing Needed

# Opportunity

## Problem & Solution

The problem is the United States loneliness epidemic.

### Problem Worth Solving

Loneliness is a public health problem with major long-term health implications.

### Our Solution

Our solution is to create a post-modern version of the old method of socialization. The post-modern version will maintain relevancy by becoming a platform that allows businesses and professionals to market their products and services.

## Target Market

Our target market is 18-30 year-olds and 50-80 year-olds

## Competition

No direct competition because there are no physical spaces that act as a platform quite like us.

SIAs, specifically, an umbrella organization for sports are our indirect competitors.

### Current Alternatives

Current alternatives for meeting people include online dating, bars, restaurants, and SIAs.

### Our Advantages

Our advantages are flexibility, long-term relevancy, and our ability to elevate local communities by creating win-win situations with local businesses and residents.

# Execution

## Marketing & Sales

Business side, the business relations manager will be responsible for inviting and negotiating with local businesses and professionals to hold classes. On the storefront side, the front desk person’s roles will include interacting and marketing to potential members and potential business partners.

### Marketing Plan

A Facebook page, Instagram profile, and a Twitter account will be created and maintained by the business relations manager. Although the plan is to invite local businesses, it becomes a chicken or egg situation: do the professionals come first to hold classes or do the consumers come first to incentivize businesses to hold classes. To get past the chicken or egg situation, inviting dance groups to practice for free or reduced entry fees will be a crucial for getting the business off the ground. Finding a decent place to dance is often difficult or expensive for dance groups or for people who want to learn how to dance or for people who want to dance regularly. By fulfilling this common community niche, we could negotiate with these dance groups to promote or endorse our location to their connections.

### Sales Plan

Local dance groups will be contacted first and negotiated with. Since I [Thomas Francis] know a decent amount of breakdancing from my college years, I can offer breakdance classes initially. Local tech developers and entrepreneurs will be contacted to teach a class about their specialties. At some point, a local restaurant owner or chef will be convinced by the amount of regular visitors that they will be willing to work with us in setting up the first cooking class.

## Operations

Daily checklist

* Communications
  + Emails
    - Send emails inviting people.
    - Respond to emails
  + Social media
    - Update Facebook page
    - Update Instagram profile
    - Update Twitter profile
  + In-person salesmanship
    - Visit brick-and-mortar locations and talk to managers and business owners.
    - Sell to individual professionals.
* Storefront side
  + Ensuring cleanliness and proper working equipment in all areas
  + Security
    - Ensuring that no suspicious activity is occurring
    - Ensuring that people are asked to leave or thrown out if they are acting irresponsibly.
  + Regulating computer usage
  + Keeping track of which events and classes are occurring where and when, then assessing their needs.

Weekly Checklist

* Team meeting to discuss problems, current events and trends, and ideas.

Biweekly checklist

* Bills
  + Employee checks

Monthly checklist

* Bills
  + Electric
  + Water
  + Rent
  + Wi-fi
  + Insurance

Annual checklist

* Insurance
* Lease
* Changes in laws

### Locations & Facilities

One brick-and-mortar location in the heart of the community or city. This location must be approximately 10,000 square feet. This idea can be replicated anywhere, but I think it would be best to choose our first location to be New Haven, Connecticut, since I know this area well.

### Technology

Cash register system: it will probably be a touchpad and a cash box.

Member ID registration: members will be known by their driver’s license, full-name, and password.

Computers will be maintained by using Docker to containerize the computer’s state so that it will always be able to return to that state. In other words, all custom files will be deleted every night.

### Equipment & Tools

* Computer area
  + Desks
  + Chairs
  + Computers
  + Cables
  + Cable management devices
  + Tables
  + White board and markers.
* Dance area
  + Dance floor
  + Big mirror
* Eating area
  + Chairs
  + Tables
* Kitchen area
  + Kitchen hoods
  + Sinks
  + Countertops
  + Three-door refrigerator
  + Mixers
  + Knives
  + Utensils
  + Food and spices
  + Various cooking appliances
  + Pots, pans, and cooking utensils

## Milestones & Metrics

### Milestones Table

Milestones

* Securing Funding
* Forming a team
* Training a team
* First business or professional agrees to teach a class.
* First dance group agrees to practice at our location
* First entry fee customer
* First member customer
* Breakeven point

### Key Metrics

Metrics

* Typical number of hours people typically hang out
  1. This helps determine maximum capacity
* Frequency of members
  1. This helps determine maximum capacity.
* Volume of people on which days
  1. This helps determine maximum capacity.
  2. This helps determine which days it is worth staying open on.
* Entry fees vs. Membership ratio
  1. This helps determine pricing. We could possibly be losing money to people who use memberships rather than entry fees. This means that memberships would need to cost more.
* Types of people who hang out and which activities they prefer.
  1. This helps determine future planning.
  2. We could possibly sell this information to marketers.

# Company

## Overview

I need to convince people not just to give money, but to work on this project. I can offer 49% of the profit to venture capitalist while 51% will be owned by sweat equity project managers like myself.

## Team

I am the sole founder so far.

### Management Team

* Backend
  + B2B Salesman
  + Business relations manager
  + Social media marketer
* Frontend
  + Storefront manager
  + Security
  + Greeter

### Advisors

Gena Mavuli

* Art studio owner
* Worked for non-profits

Tonino Mavuli

* Real estate broker and appraiser
* Invests time and money in various business deals
* Specialization in restaurants

Toni Mavuli

* Retired, previous owner of Villa Bianca (weddings, events, and parties)
* Works at Villa Bianca mostly for fun and some profit

My advisor pool is currently family business women and men, but I am looking to expand.

# Financial Plan

All financial information can be found in the embedded excel document:

## Forecast

Copy and paste from the forecast in the beginning.

### Key Assumptions

80/20 rule: 80% of profit will come from 20% of our users. The formula broken down in the following visual:

A close up of text on a white background

Description automatically generated

### Revenue by Month [chart]

Expected revenue

### Expenses by Month [chart]

Expenses

### Net Profit (or Loss) by Year [chart]

## Financing

### Use of Funds

### Sources of Funds

### Personal, Fundraising, Grants, Loans, Angel Investor

## Statements

### Projected Profit & Loss

### Projected Balance Sheet

### Projected Cash Flow Statement

# Appendix

## Resume and Bios

Leadership

* In my freshman year of high school, I single-handedly convinced seniors and juniors to perform a Filipino dance called *Tinikling* for a summer talent show.
* In my senior year of high school, I single-handedly convinced half of my graduating class and ten teachers, to play a game of Assassin, twice. These games lasted for two weeks each.
* In college, the cooking parties that I have held for friends have always been successful socially, even when the resultant dish was a complete failure. A successful cooking party is an event that is fun and inclusive to everyone.
* In college, I have tried starting three separate businesses with a friend. All of them failed.
* In my fourth year of college, as an ally I co-founded the Queer Asians and Allies (QAA) club at UCONN. It won the Lavender Award from UCONN in its first year of operation. New clubs do not receive funding from UCONN during their first year of operation.

Academia and Work

* I won the Roland Award for an outstanding senior thesis from the UCONN Chemistry Department.
* I have worked at Duracell, Henkel (detergent department), BYK (chemical manufacturer), and MHK (Medicare software platform) in a span of a year. I have left each job with better data management infrastructure than how I came to it. Many scientists have subpar data management skills. I am currently working from home on the MarketProminence Medicare software platform for the MHK company, owned by Hearst Media.
* I have received a 3% raise in salary within the first nine months of working at MHK when the performance-based range for raises was between 2.0% to 2.5%.

## Product Pricing Projections

If membership becomes a popular option, I might use the Planet Fitness pricing model: high overhead cost like $60 with a $10 monthly fee and a $60 contract termination charge.

## Monthly Financial Forecasts

This is just operating costs and amortization of debt.

## Permits/Licensure/Lease Agreements

Lease agreement is dependent on receiving funding.

## Insurance Quotes or Contacts

Insurance from companies

Workman’s Compensation insurance

Contacts do not exist yet.

## Additional Documentation

None, except for the references.

# References

1. McGregor, J. *This former surgeon general says there’s a ‘loneliness epidemic’ and work is partly to blame*. 2017 [cited 2020 6/30/2020]; Available from: <https://www.washingtonpost.com/news/on-leadership/wp/2017/10/04/this-former-surgeon-general-says-theres-a-loneliness-epidemic-and-work-is-partly-to-blame/>.

2. Polack, E. *NEW CIGNA STUDY REVEALS LONELINESS AT EPIDEMIC LEVELS IN AMERICA*. 2018 [cited 2020 6/30/2020]; Available from: <https://www.cigna.com/newsroom/news-releases/2018/new-cigna-study-reveals-loneliness-at-epidemic-levels-in-america>.

3. Holt-Lunstad, J., et al., *Loneliness and social isolation as risk factors for mortality: a meta-analytic review.* Perspectives on psychological science, 2015. **10**(2): p. 227-237.

4. Crutsinger, M. *IMF head says global economy now in recession*. 2020 [cited 2020 6/30/2020]; Available from: <https://www.pbs.org/newshour/economy/imf-head-says-global-economy-now-in-recession>.

5. Saumya Joseph, A.B. *Young U.S. men having a lot less sex in the 21st century, study shows*. 2020 [cited 2020 6/30/2020]; Available from: <https://www.reuters.com/article/us-usa-health-sex/young-u-s-men-having-a-lot-less-sex-in-the-21st-century-study-shows-idUSKBN23J2LI>.