

Best Yo-Yo, Inc. (a Fictitious company)

Deal Room Email: best.yo-yo.inc.a.fictitious.company@wharton-alumni-business-plan-showcase.angelgroups.net

One Line Pitch: In one year we have become the #1 brand of high-end yo-yos (targeted to yo-yo hobbyists). We are now expanding into the broader consumer market.

Business Summary: We use PTFE impregnated yo-yo string which facilitates unprecedented performance. Our products were endorsed by the International Assoc of Yo-Yo Professionals (IAYYP). In just over a year, we have become the #1 selling line of professional yo-yos. The pro yo-yo market is small compared to the broader consumer market. We are now planning to launch a less-expensive line of entry-level yo-yos.

Management: Our company which was founded by a passionate yo-yo hobbyist, understood the needs of professional yo-yoers and serious enthusiasts. As we expand into the broader consumer market, we have hired operating and sales executives from the Duncan Company, the world's largest maker of yo-yos.

Customer Problem: The serious yo-yoer is seeking a performance oriented product. The consumer market is driven by kids that casually play. This 5-10 yr old is seeking: (a) fun; (b) a slight challenge and (c) skill recognition.

Product/Services: By impregnating yo-yo string with PTFE (our Technology), we have been able to significantly improve the performance of yo-yos. This is critically important to professional yo-yoers and serious hobbyists. The Technology, also allows us to (a) offer first time yo-yoers an "ease of use" benefit; and (b) offer to their parents a product that their child can be master (without frustration) and enjoy for long periods of time.

Target Market: The serious yo-yo enthusiast market (about \$2 million), is one that we have penetrated successfully in just over a year. Our estimated share is about 40%. The entry yo-yo market (about \$200 million) user is a male child (age 5-10). The user tends to be less "sports" oriented than his friends. The purchaser is his mom who is seeking to find a "healthy" engaging individual "sport" that her son can master easily – one that can build self-confidence.

Sales/Marketing Strategy: The Serious yo-yo market -- Products are sold through better sporting goods stores, which we sell directly. Unfortunately, the market is too small for sporting goods chains like Sports Authority. We have used social media coupled with PR to reach users. The larger, first time yo-yoer is a much broader market. About 85% of all entry level yo-yos are sold through mass merchants. We are now finalizing our marketing, sales and distribution plans.

Business Model: We acquire plastic shells made to our specs in China and unspun cotton domestically. Our assembly facility impregnates the cotton with PTFE using a proprietary process. 90% of our sales are through retailers.

Competitors: Before we entered the pro market, Duncan dominated it. Others differentiate their products by offering highly styled shapes and "pro-only" colors. We were the first to offer a functional benefit. Duncan enjoys a 35% share of the larger entry level market - the balance is almost entirely private label -- about 45% is driven by low-end unbranded novelty yo-yos.

Competitive Advantage: Making a low-end yo-yo is easy. We make a functionally unique, easier to use yo-yo. We have filed a provisional patent on impregnating string. Our entry level yo-yo will retail for about \$1.00 more.

Has your company or your sponsor entered the Wharton Alumni Business Plan competition before? Please explain.: No. We have not entered the Wharton Business Plan Competition in any prior year.



Company Profile:

URL:

Industry: Consumer Products and Services

Employees: 5

Founded: September 2009

Contact:

Michael Smith

Michael@BestYoYo.com

Work: 800-123-1234

Fax: 800-123-1235

Financial Information (USD):

Company Stage: Full Product Ready

Previous Capital: 150,000

Monthly Net Burn: 45,000

Pre-money Valuation: 2,500,000

Capital Seeking: 500,000

Additional Information:

Management:

Michael Smith (a fictitious person), CEO
John Doe (a fictitious person), VP Sales
Simon Garfinkel (a fictitious person), VP Operations

Advisors:

Lawyer: Bill Green (brother in law of Michael Smith)

Accountant: Pat Harris (cousin of Michael Smith)

Investors:

Family Investment - \$50,000

Jasper Jones - \$100,000 (former sporting goods store owner)

Referred By:

Michael Smith, W09, Founder, CEO,
Member of Board of Directors

Best Yo-Yo, Inc. (a Fictitious company) 100 Main Street Newark, NJ 12345 United States	Financials* (USD)	2010	2011	2012	2013	2014	2015
	Revenues	350	750	3,500	-	-	-
	Expenditures	550	850	2,800	-	-	-
	Net	-200	-100	700	-	-	-

* In Thousands (000) of USD - US Dollar