



BUSINESS PLAN

2018-2019

Bloom Technologies
1317 S Juniper Street
Philadelphia, PA 19126
(267) 567-3655
bloomtech.gfs@gmail.com
findme.1845.wixsite.com/bloom

Confidentiality Agreement

The undersigned reader acknowledges that any information provided by Bloom Technologies in this document, other than information that is in the public domain, is confidential in nature, and that any disclosure or use of same by the reader may cause serious harm or damage to Bloom Technologies. Therefore, the undersigned agrees not to disclose this information without express written permission from Bloom Technologies.

Upon request, the undersigned reader will immediately return this document to Bloom Technologies.

☐ This is a business plan. It does not imply an offering of securities.

_____ ☐ _____ ☐ _____

Signature

☐ _____ ☐ _____ ☐ _____

Name (typed or printed)

☐ _____ ☐ _____

☐ Date

Table of Contents

Executive Summary - **3**

Business Rationale - **5**

About the Business - **7**

SWOT Analysis - **9**

External Environment - **11**

Marketing Plan - **14**

Financial Plan - **18**

Appendix - **21**

Executive Summary

Each year, people in the United States spend over \$2.7 billion replacing lost items with 2.5 days spent looking for them.¹ Bloom Technologies recognizes this problem and has devoted their efforts to combat it. With ample research and field testing, Bloom has created a low-profile tracking sticker that will save consumers time and money. Its purpose? Reduce the anxiety, monetary, and temporal loss experienced by our customers on a daily basis.

Bloom Technologies is in its first year of business and is based in Philadelphia, Pennsylvania, our primary product being NFC tracking stickers. Our decision to classify Bloom as a C-corporation was finalized in October, 2018, and was influenced by the unlimited amount of stock C-Corporations could offer. Plans for utilizing this feature include: the leveraging of stakes in the company for capital gain and the partnerships with other firms.

On November 2, 2018, Bloom Technologies applied for a \$150,000 loan in order to purchase inventory and cover our necessary expenses. So far, Bloom has made over \$900k in sales from our website, out-of-network contracts, trade shows, bilateral contracts with other VEI firms, and various other types of sales. These sales account for around 7,400 units sold of our Petal product, and our sales growth is around 4% each quarter. We plan to break even in Q2 of 2019.



The main product sold at Bloom Technologies is a tracking sticker called Petal. Petal is a proprietary technology that consists of Near Field Communication (NFC) chips and Cellulose Butyrate Acetate (CBA) plastic. The decision to incorporate NFC chips in Petal came from its ability to operate on a 13.56 MHz frequency with no power needed: The frequency capabilities of NFC chips allow Petal to engage on Radio signals emitted by smartphones, and the non-existent power requirements of the chips give them longevity.

On the other end of tracking technology, Bloom's competitors use Bluetooth and GPS systems - both of which require large bulky power sources. The few direct competitors in both the Virtual Enterprise and real-world economy are Atlas and Tile (Atlas in Virtual / Tile in the real world). Atlas and Tile both use GPS tracking in their products giving Petal a competitive edge with its NFC technology.

Furthermore, Petals competitive pricing, low profile, and flexible yet durable build make our product the favored choice for customers.

The target market of Petal is a smartphone user who relies on smartphone applications and often misplace items. Due to Petal's age range pertaining to mostly young to middle age people, Bloom can focus its advertisements on various social media platforms thus lowering the cost for promotion.

Bloom Technologies has high hopes for its future with projected goals of: meeting the projected sales numbers of 1200 units by February 2019, hitting our break even point by the end of April 2019, diversifying their product line, and completing contracts with future investors. Bloom has already taken

steps towards these goals by creating a team dedicated to the research, development, and implementation of new products.

By utilizing our competitive advantages, Bloom Technologies is poised for great success to stop those hair pulling, wall punching, teeth grinding moments. Our team has a bright future and looks forward to becoming the leaders in the location tracking world.

Sincerely,



Aidan M. Curry
Chief Executive Officer, Bloom Technologies



Business Rationale

Customer Empathy

People around the world lose both time and money searching for and replacing lost items. According to *Pixie*, the average American wastes more than 2.5 days of their life looking for lost items. People in the United States spend \$2.7 billion each year replacing these lost items.² Not only does Bloom Technologies want to help our customers save money, but we also want to end the waste of time, energy, and space that comes with losing an item. At Bloom Technologies, we have created a tracking system that can be used on small, frequently used items like wallets, water bottles, glasses, TV remotes, and earbuds, as well as with larger, more substantial items like laptops and briefcases with relative ease. We are working to incorporate this unique technology into new developing products to make our customers lives easier.

Problem Statement

I am a forgetful smartphone and app user. I want to decrease the time and money I spend searching for and replacing my lost possessions. I am often frustrated by the lack of affordable, discreet technologies available to me to locate my misplaced items.



Ideal State

In an ideal state, I would be able to easily and efficiently locate my missing possessions. I could achieve this goal with access to subtle, cost-efficient technology that would aid in my search.

Company Goals

Short-term Goals:

1. Bloom Technologies' goal is to break-even by Q2 of 2019.
 - ❖ *We are selling our unique product to a variety of customers through our website, direct contracts, trade shows, and out of network contracts.*
2. Bloom Technologies aims to increase its quarterly sales and accomplish the sale of 1,300,000 units of the Petal tracking sticker by the middle of March 2020.
 - ❖ *We will leverage our competitive advantage to increase sales and thus the number of units sold.*

Long-term Goals:

1. Bloom Technologies intends to diversify its product line to include more tracking and location based systems.
 - ❖ *Bloom Technologies has created a team dedicated to the research and development of new product ideas and technologies. This team will be able to streamline the implementation of new products onto our product line.*
2. Bloom Technologies plans to make 3 contracts with angel investors and venture capital firms in order to raise funds.
 - ❖ *Bloom Technologies will reach out to potential investors and have meetings in order to secure the capital needed to continue doing business.*



About the Business

Company Overview

Bloom Technologies is based in Philadelphia, PA, at 1317 South Juniper Street and was incorporated as a C-corporation on October 10, 2018. There are several reasons that we chose to incorporate as a C-corporation over an S-corporation or LLC, many of which are based on the growth potential of our firm. The restrictions for shareholders of a C-corporation are not limited to 100 investors and US citizens like an S-corporation. Such benefits will allow our firm to achieve long term growth through financial investment in our company by various investors; including venture capital firms, private investors, institutional investors, and others. With a C-corporation, benefits such as health insurance, life insurance, and disability insurance are all deductible and not taxable to shareholders.³ There were also many reasons that we chose to incorporate as a C-corporation over an LLC. Our decision was based on the fact that the profits of an LLC must be immediately realized. This means that the firm cannot control the distribution of profits,⁴ moreover, the profits are subject to self-employment taxes such as the Social Security and Medicare taxes.⁵



Currently, our product is an unobtrusive and discreet NFC (Near Field Communication) sticker. Bloom Technologies' sticker, branded under the name Petal, offers tracking capabilities that work in conjunction with our app (in development). Our product is priced lower than many of our competitors, allowing the sticker to be used on a variety of cheaper items.

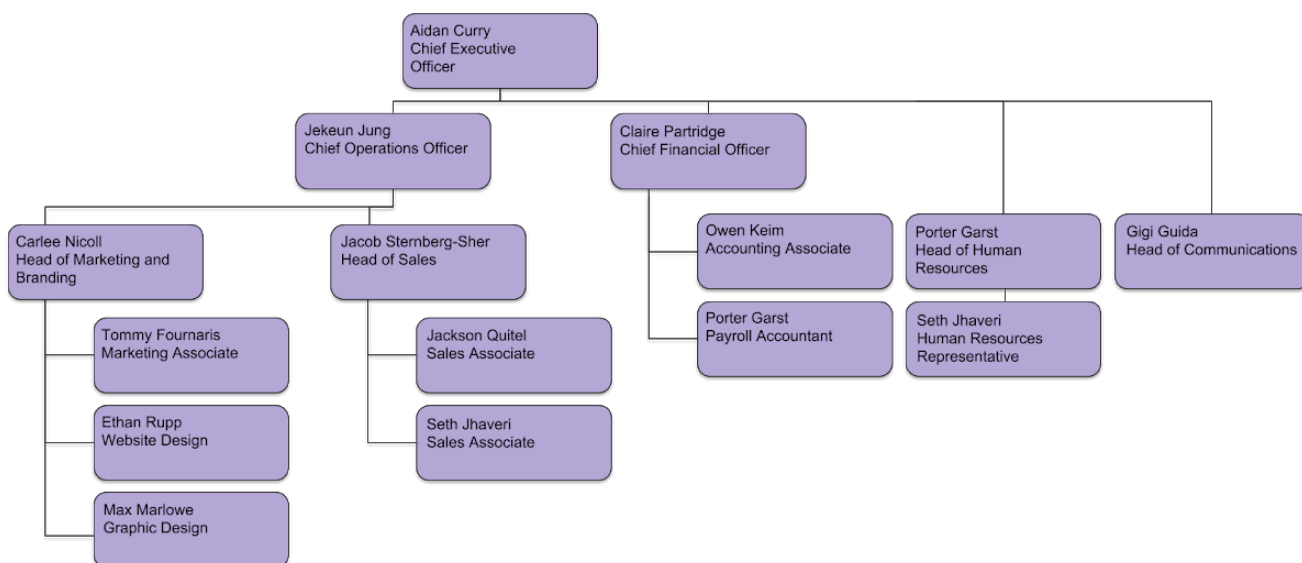
Mission Statement

At Bloom Technologies, we strive to reduce the anxiety and monetary/temporal loss experienced by our customers on a daily basis. Our company develops innovative technology so that you can keep what's worth keeping.

Company Structure

To foster an efficient work environment in which everyone has the ability to communicate with those around them, we use a hierarchical organizational system. Each employee reports directly to their individual superior. This allows the executives to pass off information and periodically check in on departments with ease. These departments include: Marketing, Human Resources, Communications, Sales, and Accounting. Each of the department heads provide a bridge to transfer information to and from the CEO and COO. Furthermore, the department heads also delegate work and ensure that employees are using their time effectively.

At Bloom, we hope to reach a balance between steering and managing employees. To make sure that our employees are spending time wisely, there are multiple ways in which they must demonstrate their work. They have a list of tasks that they must accomplish on Kanbanchi, an app that Bloom uses to clarify and delegate work. Employees also have a task sheet that they must complete weekly with information about how they are spending their time, which is then reviewed at their evaluations. To keep everyone up to date and make sure that all voices are heard, the COO holds monthly check-ins and monthly newsletters are sent out. Finally, in an effort to save time, the CEO and COO will meet with department heads using Slack, an internal communication tool.



SWOT Analysis

Strengths <ul style="list-style-type: none">- Website: Open 24 hours a day, easy to maneuver- Strong liquid cash- Based in a major market in the Eastern seaboard	Weaknesses <ul style="list-style-type: none">- Limited reputation- Large payroll
Opportunities <ul style="list-style-type: none">- Trade Shows- Public offering of Bloom stock in VEI marketplace	Threats <ul style="list-style-type: none">- Competition- Economic downturn and recession- Trade war and tariffs

Strengths

Bloom Technologies has a strong web design team which created one of our easy to navigate company website. Our website allows us to make sales 24 hours a day by having “buy buttons”. Buy buttons save time for the shopper and lead to a more positive shopping experience since the shopper is able to easily maneuver our website and purchase our products. Our product, Petal, is saving people time and money by helping people locate lost items easily. Also, we have accumulated substantial overall funds that can be used to aid in Bloom’s growth as a small start-up. Bloom Technologies’ location in Philadelphia not only promotes relationships with the other major companies nearby, but also allows for major tax exemptions. Our close proximity to a major airport as well as a deep water port allows easy distribution of our product.

Weaknesses

There are a few areas still in development. First, we are a small start-up in a difficult industry to enter, but we are confident that our marketing and sales strategies will guide us to success in the field. Second, we have a large payroll. This could be a problem to most, but we saw it as an opportunity to enter a large out of network partnership, and thus drastically increase our sales.



Opportunities

Our product, Petal, is one of a kind in the VEI Market. Bloom Technologies has limited competitors, so our company has room to expand as we grow our brand name and diversify our products. Recently, our company has been invited to participate in the VE stock market allowing outside investors can invest in our company. As with any trade show, we see our registration at the Youth Business Summit in New York as an opportunity to make sales and network with other VEI firms.

Threats

One major threat to most companies, as well as our own, is an economic downturn and a recession. A recession means that finances can and will decrease because the market is falling. We believe that we would still be successful during a recession because our company's goal is to help people locate their possessions, allowing them to save money by not needed to replace lost items.

Another threat is the possibility of a trade war with China which would lead to an increase in tariffs on imported products. The main component in our product is an NFC tracking chip. The number one producer of NFC tracking is China. There already are existing tariffs between the US and China approximating \$50 billion of tariffs on imported goods. An increase in tariffs would require US companies to pay even more for their products to be imported from China and assembled elsewhere. If our company had to pay more for our NFC chips to be imported, we would need to increase the price of which we are selling our products, to make up for the lost money due to tariffs.



External Environment

Current Economic Conditions

Overall, the strong United States and Philadelphia economies benefit the economic progress of Bloom Technologies substantially. The national unemployment rate has steadily decreased over the last 10 years down to 3.7% as of November 2018⁶. Philadelphia and Pennsylvania have experienced slightly higher rates, at 4.9% and 4.2% respectively, as of December 2018⁷. The US market added over 222,000 jobs in January 2019,⁸ leaving consumers with more disposable income and willingness to spend than in previous economic cycles. This will likely lead to more customers for Bloom Technologies, benefitting our business by increasing revenue. The 10-year interest rate is 5.5%⁹.

The US economy has been experiencing healthy growth. United States Gross Domestic Product (GDP) growth reached an all-time high in 2017 and increased 3.5% in the third quarter of 2018.¹⁰ In 2016, the technology industry represented 5.2% of GDP and has since grown.¹¹ In addition, small businesses play a major role in the US economy, as 99.7% of companies in the US have less than 500 employees.¹² This means that Bloom will be able to smoothly integrate into the current national



economy. The current national inflation rate is 1.9% as of December 2018. However, throughout 2018, the United States inflation rate has fluctuated, as compared to during 2017 and 2016, when the rate stayed mostly consistent,¹³ Bloom will likely benefit from the consistency of the current US economy and its customer base, with an inflation rate that lines up with economic growth.

These current economic indicators generally justify that Bloom is integrating into the US market at the right time. However, although economic growth and general health are both currently strong, they are showing signs of slowing down, and can possibly recede in the coming months. While Bloom Technologies currently benefits from a strong US market, the firm may need to protect itself against a recession in the near future, leading to a business strategy that heavily takes into account the possible economic conditions of the future.

Industry Analysis - Real

The technology market in the US is projected to have grown 6.7% in 2018, however, with the threat of an upcoming recession in 2019, Forbes projects slower growth in the technology market, around 5.5%.¹⁵ The global technology market looks to exceed a value of \$3 trillion.¹⁶ The industry is constantly growing and extremely profitable. Additionally, the NFC market projects to be worth \$21 billion by 2023.¹⁷ The global smart tracker market is projected to grow by 9.22% between 2017 and 2021.¹⁸ It is an up and coming market with a huge amount of opportunity.

The smart tracker industry is lead by Tile, TrackR, Link AKC, and Lugloc but includes many other companies. A major issue that many companies in this industry are facing is the question of durability. The customers will carry the product everyday and it will take a beating. Companies are struggling with ways to keep the tracker light and portable but sturdy enough to hold up. Another large issue is battery requirements. Many companies have issues with battery life and functionality.¹⁹ These two common issues are not large concerns for Bloom Technologies. Our sticker is made of tough plastic and a simple chip both of which can withstand a beating. Additionally we have solved the battery problems by using a NFC chip and in doing so relying on the battery of your smartphone.


Industry Analysis - Virtual

There are 103 firms in the VEI marketplace that describe themselves as selling electronics and computers. These firms bring in over \$68 million, which accounts for just under 8% of the total market.²⁰ Given the success of this industry, we expect significant demand for our product and a readiness to spend from our customers. In the more specific field of smart tracking, our only competitors are Atlas and In Touch.

Our product is built for people of many different demographics, with the only requirement being that they own a smartphone. Although our target market consists of Millennials, Generation X, and Generation Z, our product is very easy to use and can help all people. We trust that as a true everyman's product, we will be able to create the demand needed to become a profitable company.

Competitive Analysis

Comparison of Different Trackers

	Needs Power	Number of Times Larger than Petal	Retail Price per Unit
	No	1	\$10
Tile	Yes	150	\$25
TrackR	Yes	135	\$20
Vyncs	Yes	1,640	\$30 + \$73 per year
Bouncie	Yes	2,200	\$96 per year
Atlas	Yes	N/A	\$35
InTouch	N/A	N/A	\$54.80

Bloom Technologies enters a VEI marketplace with only two direct competitors: Atlas and InTouch. Atlas uses GPS and Bluetooth instead of NFC which means that their product is much larger and also more expensive than ours. After doing extensive research about InTouch, we were unable to learn more about their product.

In the real world, there are many companies that sell tracking devices but none use our technology. Tile²¹ and TrackR Pixel²² use Bluetooth to locate an item. This enlarges the range but requires a battery, which greatly increases the size of the device. There are also companies, such as VYNCS²³ and Bouncie,²⁴ that use GPS tracking. The downfalls of this technology are its size and power consumption, and because of this, it is almost exclusively used in cars and trucks.

We have some indirect competitors such as Blue Bite. This company embeds NFC chips into many products such as clothes, packaging, wearables, and sneakers. These chips can then be used to retrieve information about the item. There is no tracking feature, which means they are not a direct competitor, but if in the future they decided to pursue that market they have the infrastructure to compete very successfully.

At Bloom, we use NFC technology in combination with your phone's GPS system to locate lost items. By using NFC chips, our devices can have an incredibly low profile-5mm in diameter and less than 1mm in height. NFC is also very cheap, which allows the product to be used on everyday items such as water bottles and headphones.

Marketing Plan

Target Market

Our product is designed for the everyday consumers who are busy, forgetful, and tend to misplace their items. Bloom Technologies has a primary target market based on the VEI student customers in the age range of 13-18 years of age. The VEI student consumers are the main consumers of products for our company.



Our secondary target market includes the consumers above the age of 18. This includes adults present at VEI trade shows, Parents purchasing products for their children, and adult consumers purchasing our product for personal use. The secondary target market also includes the many out of network consumers working with the students in VEI. Consumers in this demographic tend to try to prevent the parental struggle of finding their child's lost items.

By creating data with our own community we were able to notice that 67% of students lose their belongings at least once every two weeks. Most often feeling frustrated and annoyed trying to search for their lost items. Bloom Technologies looks to reduce and diminish the sense of anger and anxiety in students and adults using our technology. Our target customer must own a smartphone, and an increasing number of Americans claim ownership of this type of device.

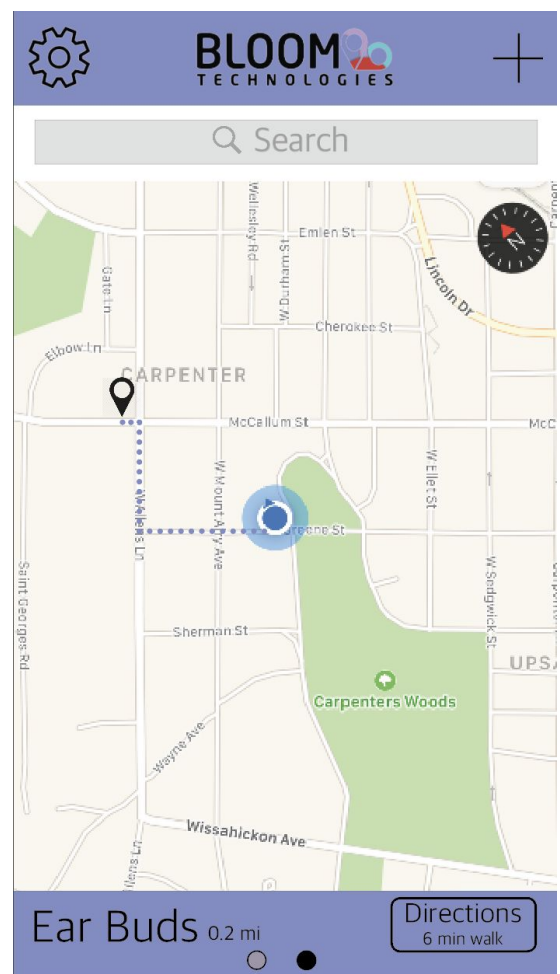
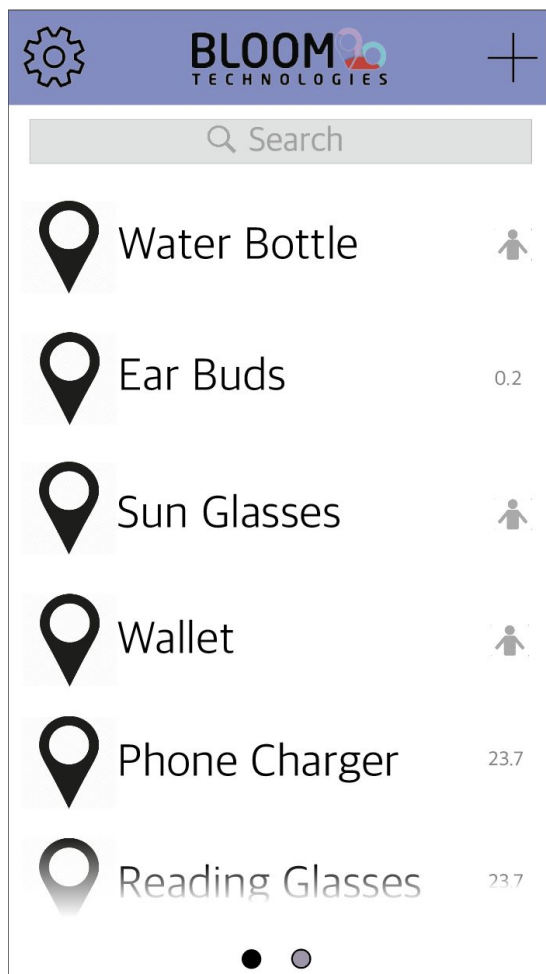
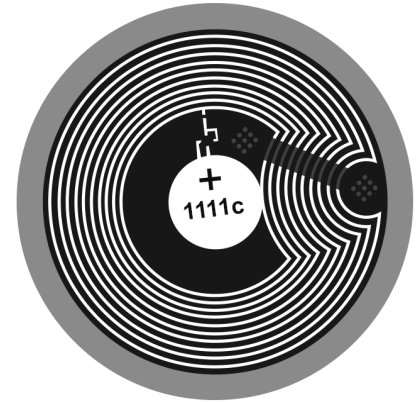
Market Segmentation

- ❖ **Target Age:** Primary: 13-18 years old. Secondary: 18+ years old
- ❖ **Estimated Income:** The average US income, according to Time, is \$59,039. Our target consumer makes anywhere above or below the average US income. Our product is for the everyday consumer, and is not limited to a specific age or income. However, is aimed towards the ages of teen users that are active on the VEI market.
- ❖ **Psychographic:** Our demographic consists of the youngest smartphone users to people of retirement age. Our goal is target a certain characteristic in people rather than a certain age. We want to attract people smartphone users who easily misplace items. Through social media (Instagram and Twitter), virtual advertising with established companies, and our website, we will be able to communicate with our demographic on multiple platforms. With a virtual office location in a highly populated urban area, we will be able to reach more consumers in the business world. Through connecting with our demographic, we can also improve our product based on their input.

Marketing Mix

Product Description

Bloom Technologies sells Petal: a small NFC (Near Field Communication)-enabled sticker to keep track of personal belongings. Whenever you lose an item, just open our app and a pin will be dropped in the last place you had it. Our product enables consumers to spend less time looking for lost items, and to save money on replacements.



Price

Petal starts at \$30 for a pack of three and is priced in tiers up to \$20,000. The pricing was chosen to give Petal an edge over our competitors with it ranging from \$10-\$86 lower than our competition.

Placement

The majority of our sales are made from either our website or direct sales through contracts with other companies. A Bulgarian company called Brief Time Delivery is responsible for all of our shipping; we pay \$200 a month for unlimited deliveries.

Product	Price (\$)	Price per Unit (\$)
Corporation (10,000 pack)	20,000	2.00
Institution (5,000 pack)	13,000	2.60
Business (1,000 pack)	3,200	3.20
Establishment (500 pack)	1,800	3.60
Start-up (200 pack)	800	4.00
Family (50 pack)	300	6.00
Pair (12 pack)	90	7.50
Single (6 pack)	50	8.33
Starter (3 pack)	30	10.00

Promotion

When Bloom Technologies was first incorporated, our first priority was to start making sales. We began with a website where we could sell directly to consumers and created social media platforms for our company. We plan on expanding to larger retailers by forming partnerships with organizations like Amazon. In terms of advertising, we maintain a social media presence on Facebook, Instagram, and Twitter. We also use content from our own website to aid our marketing campaigns. Looking forward, Bloom plans to hold promotions on other well-known websites using Google AdSense, and hopes to begin showing video advertisements on television or YouTube. Commercials will be 6-30 seconds long, and will showcase how Petal can improve the consumer's life. Using YouTube, these advertisements will cost roughly 10-30 cents per viewer. Each ad will give us an opportunity to showcase that Bloom is not just another tech company -- we care about our customers and their well-being.



Position

At Bloom Technologies, one of our goals is to respect our Philadelphia and global communities. Our company was founded with the goal of keeping plastic water bottles and other lost items out of landfills. Our materials, products, distribution networks, and other aspects of our business are constantly being refined to meet our high standards for environmental consciousness. At Bloom, we also strive to make sure that our local community of Philadelphia benefits from our business. Philadelphia has been our home since our inception, and by making sure that we keep close ties to the city by reinvesting in public transport, housing, and more, we hope to improve our home.

Discussion of Business Risks

It is possible that our company will have lower than anticipated profits if we are unable to advertise effectively to the rest of the VEI market. The majority of Bloom Technologies' sales come from contracts drafted within the VEI marketplace. While this reliance on the VEI marketplace can sometimes yield large gains, it is detrimental to our firm if our sales are not met within the VEI marketplace. Possible factors that could influence this outcome would be a lack of communication between our firm and others, as well as a lack of interest within the market. Additionally, it is possible that, given shifts in political conditions, China could place tariffs on NFC materials being exported into the USA. This would pose a risk to our business, but our profit margin is large enough that the dent will be almost negligible. Overall, Bloom Technologies faces many potential business risks as a firm, but by understanding how to solve the challenges we anticipate, we can prepare ourselves and improve our company.



Financial Plan

Overview

After extensive research, Bloom Technologies' financial team determined that October was the ideal time to begin running the firm, with November being the best time to initiate trade and transactions. Our financial team has made precise charts and graphs such as a loan amortization, a break even analysis, and a balance sheet.

Our CFO and accountant have shown that they have the commitment and ability to run the company effectively. When Bloom Technologies began employee training in October, we were granted a fund worth \$20,000 in seed money directly from Virtual Enterprises. Due to the training, our company did not make any transactions or apply for a loan throughout October. Our company started the month of November with a loan of \$150,000 at a 7.25% interest rate over 5 years. Bloom Technologies needed \$150,000 to pay for inventory stock, payroll, rent, and utilities so that we could start making sales starting in November. At that time, our company chose a small business loan over angel investors because we did not want to give up any equity until

we had a more solid grasp on the actual proceedings of our company.

As sales have increased, our financial department has balanced our Quickbooks account in order to match up with our VEI bank account. This makes it easier for us to stay up to date and keep track of our sales, budgeting, and tax payments.

Bloom has recently been granted the exciting opportunity to take our company public. Now that we have a firm grasp on the everyday operations of our company, as well as a strong sales record, we believe that we are ready to introduce shareholders into the company. This will help Bloom build a network of non-employees who care about the success of the firm; this support system will be an effective marketing tool. Additionally, it reduces the threats Bloom faces in times of low sales or economic recessions.

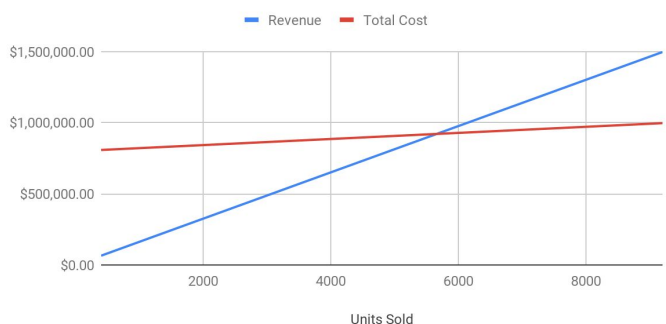
Based on our projected profit and loss statement, we predict that we will be able to break even by April, 2019.

Break Even Analysis

Bloom's fixed costs for the year are \$799,426.31. The average selling price of each unit is \$162.62 and our average profit rate is \$21.42. Therefore, in order to surpass the break even point, Bloom will need to make \$920,699.05 in sales.

Break Even Analysis

Bloom Technologies 2018-2019



Summary Profit/Loss Statement

Bloom Technologies' total revenue is \$1,200,618.90 with a gross profit of \$927,300.15, and a gross profit margin of 77%. Bloom Technologies' total net loss is \$1,072,745.06, which includes a total cost of goods is \$273,318.75 and a total operating expenses of \$799,426.31. Bloom Technologies' total net income is \$127,873.84.

Bloom Technologies	
Summary Profit & Loss	
For the Year Ending 4/30/2019	
Total Revenue	\$1,200,618.90
Total Cost of Goods Sold	\$273,318.75
Total Gross Profit	\$927,300.15
Gross Margin %	\$0.77
Total Operating Expenses	\$799,426.31
Net Income (Loss)	\$127,873.84

Balance Sheet

Bloom Technologies has a total of \$418,970.90 in the bank account as of February 28, 2019. Bloom Technologies has a total equity of \$261,197.08. with a total income of \$472,108.04, and an opening equity was \$20,000.

Loan Amortization

Near the end of October, Bloom Technologies applied for a loan of \$150,000 dollars at a 7.25% fixed interest rate. By November of 2023, the \$150,000 loan will be paid off in its entirety with a total interest cost of \$29,274.25, causing the total payment over the course of the five years to be equivalent to \$179,274.25. By that time, 60 monthly payments will have been made, each costing \$2,987.90.

Bloom Technologies

BALANCE SHEET

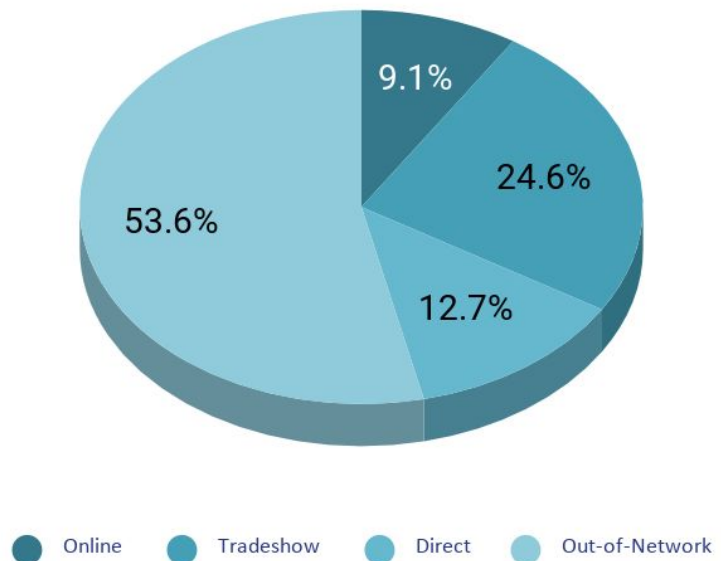
As of February 28, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Company Account	418,970.90
Total Bank Accounts	\$418,970.90
Accounts Receivable	
Accounts Receivable (A/R)	0.00
Total Accounts Receivable	\$0.00
Other Current Assets	
Inventory Asset	32,657.84
Total Other Current Assets	\$32,657.84
Total Current Assets	\$451,628.74
TOTAL ASSETS	\$451,628.74
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	2,750.00
Total Accounts Payable	\$2,750.00
Other Current Liabilities	
Pennsylvania Department of Revenue Payable	50,966.46
Short Term Liabilities	-2,750.00
Total Other Current Liabilities	\$48,216.46
Total Current Liabilities	\$50,966.46
Long-Term Liabilities	
Real Loan	139,465.20
Total Long-Term Liabilities	\$139,465.20
Total Liabilities	\$190,431.66
Equity	
Opening Balance Equity	20,000.00
Retained Earnings	
Net Income	241,197.08
Total Equity	\$261,197.08
TOTAL LIABILITIES AND EQUITY	\$451,628.74

Projected Sales

We projected sales over a 6-month time period (November, December, January, February, March, and April). Our sources of revenue are broken into 5 categories: online, trade show, direct, out-of-network, and other. Our online website is projected to produce \$108,904.55 in total. Our direct sales are projected to produce \$152,925.00 of revenue. Our out-of-network sales are projected to be \$643,009.35 in total. For trade shows and other sources of revenue, the projected number is \$295,780.00. Our projected total revenue is \$1,200,618.90 over the 6-month period.

Revenue Distribution



Bloom Technologies

Monthly Sales Projections

FY 2018-2019

Sources of Revenue	Months												Total
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Projected	Projected	
	May	June	July	August	September	October	November	December	January	February	March	April	
Online	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$386.90	\$275.00	\$5,624.65	\$2,618.00	\$90,000.00	\$10,000.00	\$108,904.55
Tradeshow	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45,780.00	\$0.00	\$0.00	\$250,000.00	\$295,780.00
Direct	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,416.00	\$2,450.00	\$0.00	\$31,059.00	\$45,000.00	\$60,000.00	\$152,925.00
Out-of-Network	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$643,009.35	\$0.00	\$0.00	\$0.00	\$643,009.35
Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14,802.90	\$2,725.00	\$694,414.00	\$33,677.00	\$135,000.00	\$320,000.00	\$1,200,618.90

Appendix A. Bank Statement as of 2/28/2019

ve

VIRTUAL
ENTERPRISES
INTERNATIONAL

US Network Bank

A. Preetman (Bloom Technologies - PF Code US012240) | [Return to portal](#) | [Sign out](#)

Account summary

Account details

Bill payment

Funds transfer

Scheduled transactions

Payees

U.S. Network Bank Manual

Account details

Account:

Bloom Technologies (Budget Checking) - 630593213

[Download account details \(Excel\)](#)

Period:

from 10/01/2017

until 02/28/2019

Show

Date	Name/Description/Acct#	Ref#	Amount	Balance
Feb. 28, 2019	Tiffany Brandon (US01295), Brooklyn, NY VEI Checkout transaction #368308 02/28/2019 09:20 PM CT Acct #630634173	4246051	\$48.15	\$418,970.90

Appendix B. Loan Amortization



Reference Files

Virtual Enterprises International Loan Amortization Table

Loan Information

Loan Amount (Principal)	150,000
Annual Interest Rate	7.25%
Term of Loan in Years	5
# of Payments per Year	12
Payment Type	end of period
Monthly Payment	(\$2,987.90)

Summary

Rate (per period)
Number of Payments
Total of Payments
Total Interest

No.	Principal	Interest for the Period	Total Balance Outstanding	Payment for the period	Principal Reduction
1	150,000	906.25	150,906.25	2987.90	2081.65
2	147918.35	893.67	148,812.02	2987.90	2094.23
3	145824.11	881.02	146,705.14	2987.90	2106.88
4	143717.23	868.29	144,585.52	2987.90	2119.61
5	141597.62	855.49	142,453.10	2987.90	2132.42
6	139465.20	842.60	140,307.80	2987.90	2145.30
7	137319.90	829.64	138,149.54	2987.90	2158.26
8	135161.64	816.60	135,978.24	2987.90	2171.30
9	132990.33	803.48	133,793.82	2987.90	2184.42
10	130805.91	790.29	131,596.20	2987.90	2197.62
50	31706.06	191.56	31,897.62	2987.90	2796.35
51	28909.72	174.66	29,084.38	2987.90	2813.24
52	26096.48	157.67	26,254.14	2987.90	2830.24
53	23266.24	140.57	23,406.80	2987.90	2847.34
54	20418.90	123.36	20,542.26	2987.90	2864.54
55	17554.36	106.06	17,660.42	2987.90	2881.85
56	14672.51	88.65	14,761.16	2987.90	2899.26
57	11773.26	71.13	11,844.39	2987.90	2916.77
58	8856.48	53.51	8,909.99	2987.90	2934.40
59	5922.09	35.78	5,957.86	2987.90	2952.12
60	2969.96	17.94	2,987.90	2987.90	2969.96
Totals		29,274.25		179,274.25	150,000.00

Appendix C. Sample Out of Network Contract



Business Contract

This agreement is effective as of 12/18/2018, between Germantown Friends School and Bloom Technologies from 12/18/2018. The parties hereby agree to the following terms and conditions:

DESCRIPTION OF SERVICE/SUPPLIES: Petal: NFC tracking stickers

Germantown Friends School hereby agrees to purchase the items below, supplied by Bloom Technologies.

Item	Quantity	Unit Price (\$)	Extended Price (\$)
Petal (pack of 500)	382	1800.00	687,600.00
Petal (pack of 50)	1	300.00	300.00
Petal (pack of 12)	1	90.00	90.00
Petal (pack of 3)	1	30.00	30.00

Total \$688,020.00

TERMS AND CONDITIONS - This contract agreement may be cancelled with 90 days with written notice. This is a one time contract unless modified in writing 90 days in advance to any agreed delivery dates stated in the agreement. Title and ownership of this agreement is non-transferable to any other party.

Bloom Technologies guarantees delivery of the quantities and items stated above in accordance with the terms and conditions stated in this agreement. Bloom Technologies hereby agrees to honor the firm-fixed prices stated above during the period of the contract agreement with no consideration for economic price adjustments.

CANCELLATION - The Contract may not be cancelled without the written agreement of both parties. Any party defaulting on the stated terms will incur the costs associated with recovery and all associated litigation fees.

CORPORATE COMMITMENT - By signing this agreement, Germantown Friends School, hereby agrees to offer the expertise of its officers as advisors to Bloom Technologies. This mentoring will assist in the successful operations of Bloom Technologies, thus protecting your valued investment in our product.

31 W Coulter Street Philadelphia, PA 19118 • findme1845.wixsite.com/bloom •
bloomtech.gfs@gmail.com • 267-234-4485

Bloom Technologies

*



The signatures below represent the authority to fully execute this agreement.

Dana Weeks December 18, 2018
Signature of Germantown Friends School Representative Date

Dana Weeks 215-951-2300
Printed Name / Title Phone Number

Tacob Stenberg-Sher, Seth Thaveli
Signature of Bloom Technology Representative

Tacob Stenberg-Sher, Seth Thaveli 267-234-4485
Printed Name / Title Phone Number

Andrew Proctor 12/18/18
Signature of (Virtual Enterprise Firm Representative) Date

Andrew Proctor 215-951-2300
Printed Name and Title Phone Number

Contract Received by Virtual Enterprises International, Mid-Atlantic Region

Signature _____ Date _____

31 W Coulter Street Philadelphia, PA 19118 • findme1845.wixsite.com/bloom •
bloomtech.gfs@gmail.com • 267-234-4485

Bloom Technologies

Appendix D. Break-Even Point



VIRTUAL
ENTERPRISES
INTERNATIONAL

Reference Files

Bloom Technologies Break Even Analysis

Average selling price per sale					\$162.62
Average cost of goods sold per sale					\$21.42
Average profit rate					86.83%
Annual Fixed Cost					\$799,426.31
X	Y	Y	Y	Y	
Units Sold	Revenue	Variable Cost	Fixed Cost	Total Cost	
400	\$65,048.00	\$8,568.00	\$799,426.31	\$807,994.31	
800	\$130,096.00	\$17,136.00	\$799,426.31	\$816,562.31	
1200	\$195,144.00	\$25,704.00	\$799,426.31	\$825,130.31	
1600	\$260,192.00	\$34,272.00	\$799,426.31	\$833,698.31	
2000	\$325,240.00	\$42,840.00	\$799,426.31	\$842,266.31	
2400	\$390,288.00	\$51,408.00	\$799,426.31	\$850,834.31	
2800	\$455,336.00	\$59,976.00	\$799,426.31	\$859,402.31	
3200	\$520,384.00	\$68,544.00	\$799,426.31	\$867,970.31	
3600	\$585,432.00	\$77,112.00	\$799,426.31	\$876,538.31	
4000	\$650,480.00	\$85,680.00	\$799,426.31	\$885,106.31	
4400	\$715,528.00	\$94,248.00	\$799,426.31	\$893,674.31	
4800	\$780,576.00	\$102,816.00	\$799,426.31	\$902,242.31	
5200	\$845,624.00	\$111,384.00	\$799,426.31	\$910,810.31	
5600	\$910,672.00	\$119,952.00	\$799,426.31	\$919,378.31	
6000	\$975,720.00	\$128,520.00	\$799,426.31	\$927,946.31	
6400	\$1,040,768.00	\$137,088.00	\$799,426.31	\$936,514.31	
6800	\$1,105,816.00	\$145,656.00	\$799,426.31	\$945,082.31	
7200	\$1,170,864.00	\$154,224.00	\$799,426.31	\$953,650.31	
7600	\$1,235,912.00	\$162,792.00	\$799,426.31	\$962,218.31	
8000	\$1,300,960.00	\$171,360.00	\$799,426.31	\$970,786.31	
8400	\$1,366,008.00	\$179,928.00	\$799,426.31	\$979,354.31	
8800	\$1,431,056.00	\$188,496.00	\$799,426.31	\$987,922.31	
9200	\$1,496,104.00	\$197,064.00	\$799,426.31	\$996,490.31	

Break even point in sales dollars: =

Average selling price x Breakeven point in units

Total sales at break even = \$920,699.05

Break even point in # of sales:

Breakeven point in units = Fixed costs / (Average selling price per unit - average variable cost per unit)

Breakeven point in units = 5,661.66

Endnotes

1. Pixie Technology Inc. "Lost and Found: The Average American Spends 2.5 Days Each Year Looking For Lost Items Collectively Costing U.S. Households \$2.7 Billion Annually in Replacement Costs." PR Newswire: News Distribution, Targeting and Monitoring, 2 May 2017, www.prnewswire.com/news-releases/lost-and-found-the-average-american-spends-25-days-each-year-looking-for-lost-items-collectively-costing-us-households-27-billion-annually-in-replacement-costs-300449305.html. Accessed 29 Nov. 2018.
2. Pixie Technology Inc. "Lost and Found: The Average American Spends 2.5 Days Each Year Looking For Lost Items Collectively Costing U.S. Households \$2.7 Billion Annually in Replacement Costs." PR Newswire: News Distribution, Targeting and Monitoring, 2 May 2017, www.prnewswire.com/news-releases/lost-and-found-the-average-american-spends-25-days-each-year-looking-for-lost-items-collectively-costing-us-households-27-billion-annually-in-replacement-costs-300449305.html. Accessed 29 Nov. 2018.
3. Haman, Edward A. "What Is the Difference Between S Corp and C Corp?" *Legalzoom.com*, 14 Aug. 2017, www.legalzoom.com/articles/what-is-the-difference-between-s-corp-and-c-corp.
4. "LLC Advantages and Disadvantages: Overview." *Legalzoom.com*, 28 Oct. 2016, www.legalzoom.com/knowledge/llc/topic/advantages-and-disadvantages-overview?kid=_k_Cj0KCQiAi57gBRDqARIsABhDSMrfq2MucT2OHsFft09aioq1bRmvHLHldB3DFezbAxq1lvNB5ZDzK4aAskEEALw_wcB_k_&utm_source=google&utm_medium=cpc&utm_term=llc%2Bvs%2Bcorporation&utm_content=293447349061&utm_campaign=BlZ_%7C_LL_C_vs_Other&kpid=go_849130737_41377569737_293447349061_kwd-312718415889_c&gclid=Cj0KCQiAi57gBRDqARIsABhDSMrfq2MucT2OHsFft09aioq1bRmvHLHldB3DFezbAxq1lvNB5ZDzK4aAskEEALw_wcB.
5. "LLCs Compared to Corporations." *Legalzoom.com*, 28 Oct. 2016, www.legalzoom.com/knowledge/llc/topic/llcs-compared-to-corporations.
6. Brainerd, Jackson. "NATIONAL EMPLOYMENT MONTHLY UPDATE." *Affirmative Action | Overview*, 2 Nov. 2018, www.ncsl.org/research/labor-and-employment/national-employment-monthly-update.aspx.
7. Bureau of Labor Statistics. "Pennsylvania Economy at a Glance." *U.S. Bureau of Labor Statistics*, U.S. Bureau of Labor Statistics, 2018, www.bls.gov/eag/eag.pa.htm.
8. Bureau of Labor Statistics. "Current Employment Statistics Highlights." *U.S. Bureau of Labor Statistics*, 2018, .
9. Wall Street Journal. "Wall Street Journal Prime Rate." *Bankrate*, Bankrate.com, 2019, www.bankrate.com/rates/interest-rates/wall-street-prime-rate.aspx.
10. CNBC. "US Third-Quarter GDP Growth Unrevised at 3.5%." *CNBC*, CNBC, 28 Nov. 2018, www.cnbc.com/2018/11/28/us-gdp-q3-2018.html.
11. PriceWaterHouseCoopers. "U.S. Economic Contribution of the Consumer Technology Sector." *The Consumer Technology Association*, 2016, www.cta.tech/cta/media/ResearchImages/U-S-Economic-Contribution-of-the-Consumer-Technology-Sector-2016.pdf
12. Longley, Robert. "How Small Business Drives U.S. Economy." *Thoughtco.*, Dotdash, 2 Mar. 2018, www.thoughtco.com/how-small-business-drives-economy-3321945.
13. Inflation Calculator. "Current US Inflation Rates: 2008-2018." *US Inflation Calculator*, 14 Nov. 2018, www.usinflationcalculator.com/inflation/current-inflation-rates/.
14. Forrester. "US Tech Market Poised For A Strong 2018, But With Doubts About 2019." *Forbes*, Forbes Magazine, 11 Sept. 2018, www.forbes.com/sites/forrester/2018/07/12/us-tech-market-poised-for-a-strong-2018-but-with-doubts-about-2019/#169d7bae29f0. Accessed 5 Dec. 2018.
15. Forrester. "US Tech Market Poised For A Strong 2018, But With Doubts About 2019." *Forbes*, Forbes Magazine, 11 Sept. 2018, www.forbes.com/sites/forrester/2018/07/12/us-tech-market-poised-for-a-strong-2018-but-with-doubts-about-2019/#169d7bae29f0. Accessed 5 Dec. 2018.
16. Forrester. "Global Tech Market Will Grow By 4% In 2018, Reaching \$3 Trillion." *Forbes*, Forbes Magazine, 18 Oct. 2017, www.forbes.com/sites/forrester/2017/10/18/global-tech-market-will-grow-by-4-in-2018-reaching-3-trillion/#5cfea61e12c9. Accessed 5 Dec. 2018.
17. "Near Field Communication (NFC) Market Worth US\$ 21 Billion By 2023." *MarketWatch*, MarketWatch, 13 Aug. 2018, www.marketwatch.com/press-release/near-field-communication-nfc-market-worth-us-21-billion-by-2023-2018-08-13. Accessed 6 Dec. 2018.
18. Itd, Research and Markets. "Global Smart Tracker Market 2017-2021." *Research and Markets - Market Research Reports - Welcome*, www.researchandmarkets.com/research/b2sffp/global_smart. Accessed 5 Dec. 2018.
19. Itd, Research and Markets. "Global Smart Tracker Market 2017-2021." *Research and Markets - Market Research Reports - Welcome*, www.researchandmarkets.com/research/b2sffp/global_smart. Accessed 5 Dec. 2018.
20. <https://insights.veinternational.org/>
21. "Tile." *Tile*, www.thetileapp.com/en-us/. Accessed 16 Nov. 2018.
22. "Pixel." *TrackR*, protempo.myshopify.com/products/pixel-3-pack. Accessed 16 Nov. 2018.
23. "VYNCS GPS TRACKER." *Vyncs*, vyncs.com/. Accessed 19 Nov. 2018.
24. "Bouncie." *Bouncie*, www.bouncie.com/. Accessed 19 Nov. 2018.