

#1.) INTRODUCTION

Manufacture Beer & Soda Cans

A.) My plan is to manufacture Beer and Soda Cans. I have worked for a major beer maker/Brewer (Sam Adams) for 7 years. I have worked in their quality control area in the Lehigh Valley, PA. I manage 27 people. I'm a graduate of Penn State University; Majoring in Business Administration.

B.) My reason for wanting to manufacture cans is due to the constant shortage of available cans for our product. I love working at Sam Adams, I will continue to do so...I love my job. This is my PLAN to initiate a business for my future.

C.) I'm looking for an initial investment of 2 major Sources of Capital:

Investment Capital (\$\$\$) of \$250,000, and
Human Capital – An Expert Can-Manufacturer Person.



#2.) EXPERIENCE AND TIME MANAGEMENT

A.) With my 7 years of quality control experience in the BREWING business, I know that our Company is always searching for reliable sources of cans. We produce approximately 80,000 cans of beer in a normal 24-hour period. With new product introductions, special runs, niche runs, back-log runs, we often double that daily production level of 80,000 cans per day.

The Lehigh Valley location where I work, is one of 12 different manufacturing facilities for Sam Adams. At each location, the production output varies, but the need for cans remains the same: each facility is always looking for cans.

B.) With the **\$250,000** infusion, I will be able to set up a relatively small can manufacturing facility that will be responsive to the needs of – not only my Company's needs – but also the needs of many other beverages Companies that need a source of cans.

C.) The specific use of the **\$250,000 Initial Capital Infusion** (\$\$\$) will be targeted to initiate the process of manufacturing cans:

- \$30,000 (\$2,500/per month) for the first-year lease on a 3,000 square foot manufacturing facility.
- \$75,000 (\$5,500/per month) for 2 manufacturing employees (labor).
- \$80,000 for used can manufacturing equipment.
- \$10,000 for a Used Boxed (transport) Van.
- \$15,000 for our initial Inventory Materials.
- \$10,000 in new office and computer equipment.
- \$30,000 in Working Capital.



D.) The specific need of **Human Capital** is:

- **KEY Manufacturing Manager** – we need an experienced (possibly semi-retired) knowledgeable manufacturer manager... to manage and control every aspect of the manufacturing aspects.
- This KEY Manufacture Manager is vital to the entire process; perhaps just as important as the Capital (\$\$\$) Investment needed.
- This KEY Manufacturing Manager will – in lieu of been paid a salary – will be offered 10% Ownership in the new Company. If needed, we can work out a small draw...and then increased as needed.
- The FOCUS of identifying this new KEY Manager is a top priority. He-She must be entrepreneur and reliable. The search for this KEY person is just as important as any other aspect of funding this deal.



E.) The New Company name and Information:

- Company Name: Beer Can Manufacturing USA
- Ownership %: 10% - KEY Manufacturing Mgr
90% - To Be Determined
- Owner's name(s): R. Moussa and Investor
- Office location: 25 Philadelphia Dr. Northampton PA 18067
- Bank: Bank of America

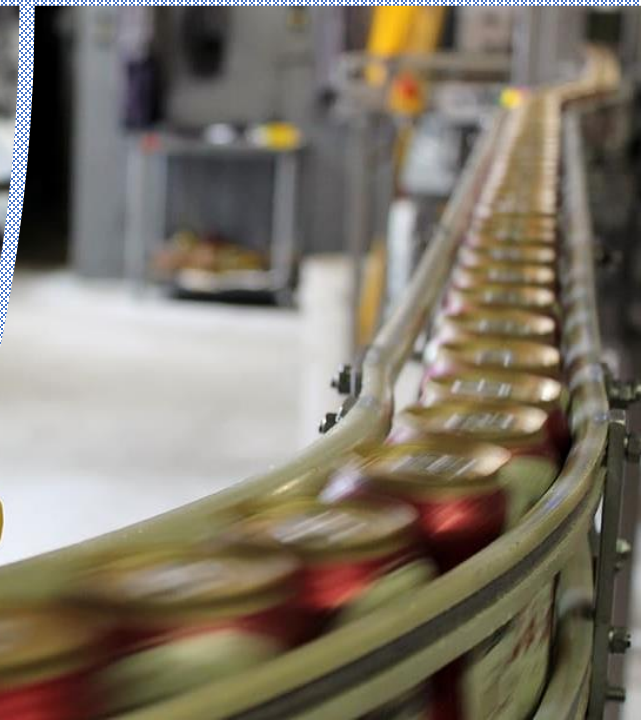
F.) Pricing, Margins and Charges ... (TBD)



G.) I have 7 years of experience working at a major brewing company. In my capacity at the company, I have supervised many people at various positions. Both on the manufacturing floor (where the beer is made/brewed), and at the actual brewing/production office area, I have monitored and supervised the various aspects of the entire brewing process. I have an enormous amount of experience to ENTREPENENURILY lead this process of making cans for this new company.

H.) The new manager will manage the actual Can Manufacturing Process: supervising the activity of the new laborers/employees, making the cans, and basically running the company. The new manager will get direction from R. Moussa as well as the new Investor.

I.) The 2 new laborers will assist with any/all aspects of the Can Manufacturing process.



#3.) **CASH FLOW** : Involves the **Inflows and Outflows** of cash... and that is the focus of this Section. Some aspects of cash flow involve the use of the initial cash investment. Some expenses may be missing from the first year's cash flow and accompany graphs (i.e. labor expense)...we should view the cash flow in this light.

A.) R. Moussa will continue to work at the Brewery; he will join the new company when revenue is sufficient to cover his salary.

B.) This cash flow analysis involves the cash flow for the new company, **Beer Can Manufacture USA**.

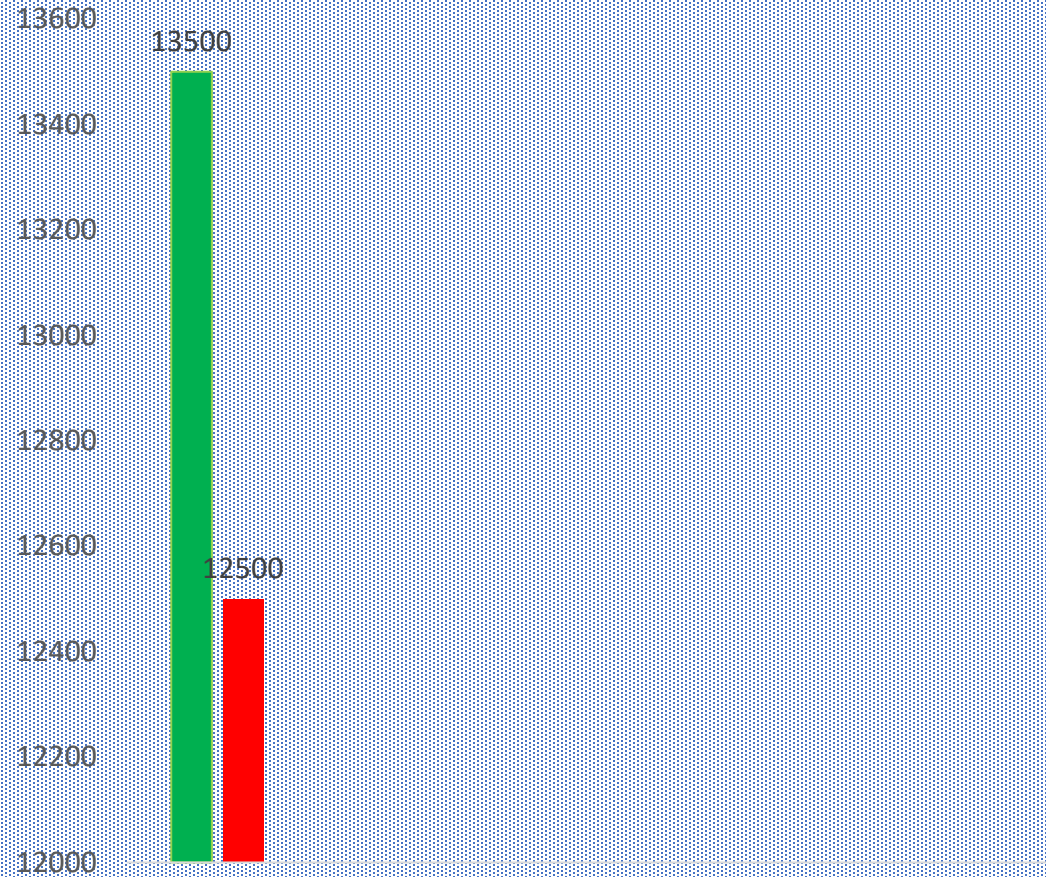
***For example, (before we get into the cash flow), the use of some of the cash infusion will be as follow:

- \$30,000 (\$2,500/per month) for the first-year lease on a 3,000 square foot manufacturing facility.
- \$75,000 (\$5,500/per month) for 2 manufacturing employees.
- \$80,000 for used can manufacturing equipment.
- \$10,000 for Used Boxed (transport) Van.
- \$15,000 for our initial Inventory Materials.
- \$10,000 in new office and computer equipment.
- \$30,000 in Working Capital.

*** As you can see, the 1st year's RENT, 1st year's salary for the 2 LABORERS, all manufacturing EQUIPMENT, the INITIAL INVENTORY, the OFFICE & COMPUTER EQUIPMENT, a BOXED VAN, and WORKING CAPITAL...is all paid for with the initial \$250,000 cash infusion.

C.) Accordingly, a very succinct 1st year's cash flow is as follow:

Cash Flow for New Beer Can Manufacture USA Company



*** Total Income for 1st Year is \$121,500 vs. Total Expenses of \$117,050.

Monthly Cash Inflows (Income) After 5 Months		Cash Outflows (Expenses)	
		7% Dividend to Investor per month	\$1,450
		Variable Costs	\$2,000
225,000 Cans/mth x \$0.06	\$13,500	Utilities	\$2,500
		Payback to Investor (\$250,000/5 year payback). Paid monthly.	\$4,200
		Auto /Truck	\$ 750
		Office Expenses	\$ 600
		Accounting/Legal	\$1,000
Total Monthly Income	\$13,500	Total Monthly Expenses	\$12,500

#4.) CONSTANT STREAM OF CUSTOMERS

Much of this plan needs to focus on HOW to obtain a constant stream of customers. More importantly, we need to focus on how to obtain our target market customers. We will be a niche-producing manufacturing company...we will not be able to compete with the large can manufacturing companies. Here is a list of proactive prospecting activities that we will implement to ensure that we have a constant stream of customers.

- a) 5 proactive calls by the new KEY Manufacturing Manager each day.
- b) Networking: R. Moussa attempts 1 monthly networking activity.
- c) 15 new postcards mailed out each week by the 2 laborers.
- d) Call 5 brewing companies each week.
- e) Start a 5 x 8 index card system (transfer daily results into Microsoft data base each day).

There are 5 specific things that the New KEY Manufacturing Manager is accountable for each day.

What will he do (specifically)?

- 1) Answer phones.
- 2) Proactively make prospecting phone calls each day.
- 3) Schedule the jobs with the workers and the clients.
- 4) Report any problem or concerns with R. Moussa and Investor.
- 5) Manage 2 laborers.
- 6) Manage the entire manufacturing process.

When will he do it?

- a.) He is responsible for proactive calls each day.
- b.) His hours will be dictated by the manufacturing process; and what he deems appropriate (after discussing with R. Moussa and Investor)

How will this prospecting work?

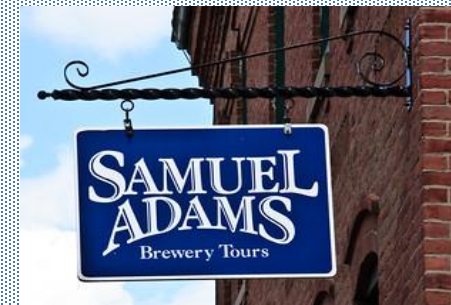
- a.) Telephonically, pick up the phone.
- b.) Focus on brewing companies, soda companies.
- c.) Work closely with R. Moussa and Investor on targeting KEY clients.

Why do it at all?

- a.) Prospecting works...we need to get the word out.
- b.) Need to keep score.
- c.) Other advertising will follow as determined appropriate.

How much should we call?

- a.) Initially, introductory calls should be 'blanketed' covering all brewing and soda producers. Thereafter, niche opportunities will be more focused and targeted at a more niche clientele.
- b.) New KEY Manufacturing Manager will serve as the communication person for the new business. R. Moussa and the Investor will communicate with new clients as they deem appropriate...it's a TEAM effort.



#5.) DAILY PLAN

A.) DAILY PLAN FOR WORKFLOW

- Notebooks, which describe a daily plan of action, will be completed daily by the new KEY Manufacturing Manager and the 2 laborers. Daily plan is not optional.
- KEY Manufacturing Manager texts laborers... with the activities for the day.
- KEY Manufacturing Manager updates weekly calendar where everybody clearly understands what needs to be done.
- Reality: KEY Manufacturing Manager, Laborers, R. Moussa and Investor are constantly available for clients and each other.

B.) DAILY PLAN FOR KEY MANUFACTURING MANAGER

- Develop, etc....)
- Review appropriate informcommunication processes (i.e. Billing, E-mail, Communication with clients, Communication with laborers, Use of Book-Keeping Software with R. Moussa, clients, and laborers... daily.
- Keep notebook with you at all the times.
- COOPERATE and communicate with Investor, R. Moussa, Laborers, and clients.
- Direct and workflow and Manufacturing Process.

C.) DAILY PLAN FOR R. Moussa

- Communicate with KEY MANUFACTURING MANAGER daily. Initiate 3-way phone calls with Investor at least twice a week to make sure that the direction of company, the direction of the processes, and the communication with the clients is clearly understood.
- Incorporate daily plan for Laborers and KEY MANUFACTURING MANAGER into a working and cooperative overall daily plan. In short, make certain that Laborers and the KEY MANUFACTURING MANAGER understand exactly what they need to do each day.



#6.) ORGANIZATION

Organization is 1 of the 10 components of creating a fully developed plan. When you are organized, you are serious about your work. When you are disorganized, you have little chance of succeeding.

A) ORGANIZING YOUR TARGET MARKET

1) Target Market:

- Niche runs, special order runs, introductory runs, new product runs, smaller-volume runs, seasonal runs, etc...
- We are not a mass producer of cans; we are a Niche producer.
- R. Moussa, Investor, and KEY MANUFACTURING MANAGER must adhere to the 80/20 rule. We are not all things to all people.

B.) ORGANIZING THE MANUFACTURING PROCESS:

1) Determine Processes:

- Identify 'best' manufacturing runs,
- Categorize runs according to size and profitability.
- Segregate your target market. Initiate scheduling to maximize potential of short runs.
- Understand the 80/20 rule; Plan for profit.
- Identify and know who your top 20 clients are.
- Don't waste your time on trivial processes.

C.) ORGANIZING YOUR WORKFLOW:

1) Keep control over all aspects of workflow.

- In-house Controls: Billing, laborers scheduling, e-mail, ZOOM meetings, Inventory Control, Weekly Company Meetings.
- Outward-Focused Controls: Interface and Communicate with Clients, Deliveries, Sales Initiatives.
- Individual Accountability: Everyone needs to be organized and on target.
- Daily action plan needs to be printed out each day by KEY MANUFACTURING MANAGER.





#7.) PERSONAL PREPAREDNESS

A) ARE YOU READY TO DO THIS?

- 1) R. Moussa is ready to do this; he and his colleagues at his brewery have discussed the lack of cans for years and have discussed how profitable it will be to manufacture cans on a niche basis.
- 2) The KEY MANUFACTURING MANAGER is also a vital consideration for this business. There has to be a FT person to perform all the activities needed.
- 3) THE KEY MANUFACTURING MANAGER has to be the right person.
- 4) R. Moussa has to sufficient energy to perform this business.
- 5) R. Moussa wants this business to be his retirement business income.
- 6) This re-focusing of Moussa's business life will be more profitable, and a bit less stressful, as he gets older.

B.) PERSONAL ASSESMENT

- 1) R. Moussa is 33 years old. His physical and mental health is excellent.
- 2) R. Moussa is excited to start his business and focus on Manufacturing Cans.
- 3) There are no personal, business, or other obligations in his life that would impede him for doing this new business.

C.) COMPELING REASONS.

There are **3 primary things** that R. Moussa wants from this business:

- 1) Re-focus his life and initiate this business to serve as his retirement income.
- 2) To become one of the premier Can Manufacturing businesses in the USA.
- 3) To allow R. Moussa more flexibility – and earn more income – without having to do work at the brewery (Sam Adams) for his entire adult life.

#8.) PROJECTIONS

Here are 3 different Projections scenarios.

The 1st Projection is from the CASH FLOW Section of this presentation. the last 2 Projections are variations, illustrating different income and expenses.

These Projections help to understand the projected revenue streams. Some points to consider:

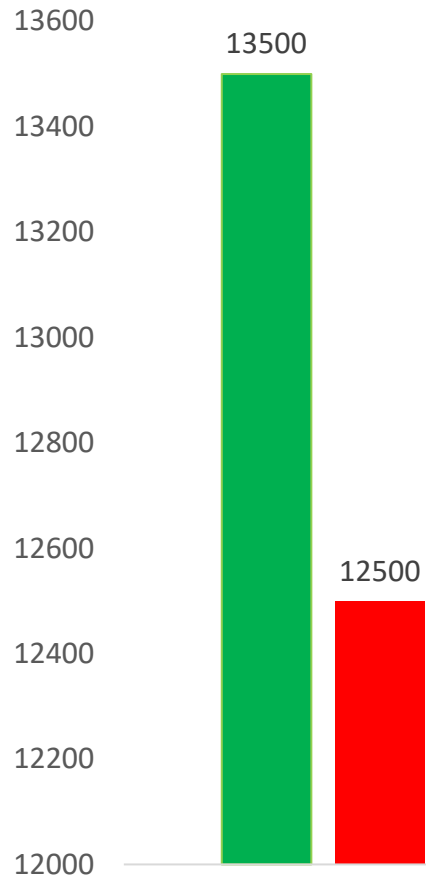
- 1.) They can be altered and adjusted.
- 2.) They assume an initial cash infusion of \$250,000
- 3.) Introducing different variables will affect the projections

Projection #1

Cash flow for New Beer Can Manufacture USA Company

Monthly Cash Inflows (Income) After 3 Months		Cash Outflows (Expenses)	
		7% Dividend to Investor per month	\$1,450
		Variable Costs	\$2,000
225,000 Cans/mth x \$0.06	\$13,500	Utilities	\$2,500
		Payback to Investor (\$250,000/5 year payback). Paid monthly.	\$4,200
		Auto /Truck	\$ 750
		Office Expenses	\$ 600
		Accounting/Legal	\$1,000
Total Monthly Income	\$13,500	Total Monthly Expenses	\$12,500

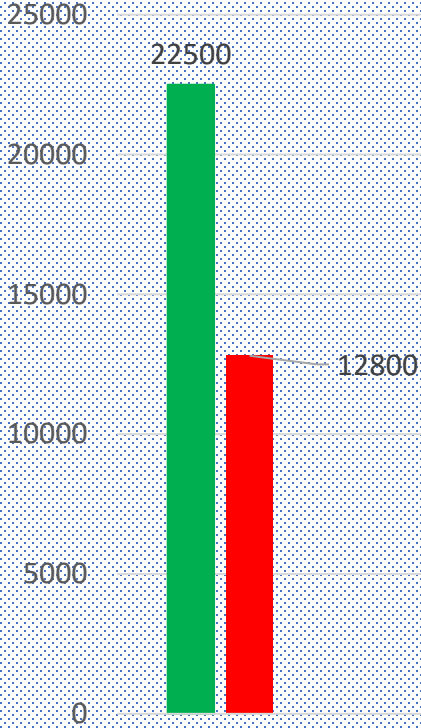
Cash flow for New Beer Can Manufacture USA Company



Projection #2

Cash Flow for New Beer Can Manufacture USA Company

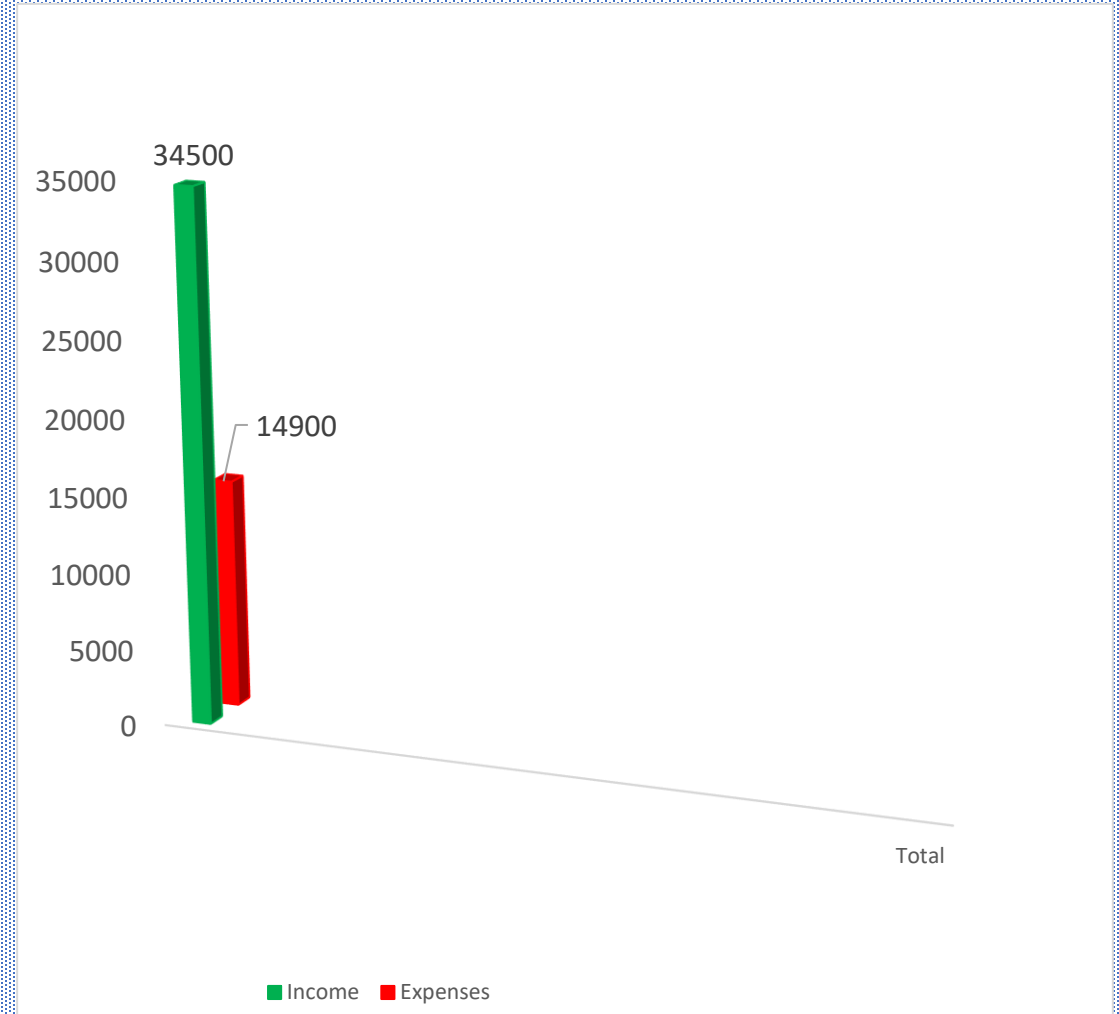
Monthly Cash Inflows (Income) After 3 Months		Cash Outflows (Expenses)	
		7% Dividend to Investor per month	\$1,450
		Variable Costs	\$2,300
375,000 Cans/mth x \$0.06	\$22,500	Utilities	\$2,500
		Payback to Investor (\$250,000/5 year payback). Paid monthly.	\$4,200
		Auto /Truck	\$ 750
		Office Expenses	\$ 600
		Accounting/Legal	\$1,000
Total Monthly Income	\$22,500	Total Monthly Expenses	\$12,800



Projection #3

Cash Flow for New Beer Can Manufacture USA Company

Monthly Cash Inflows (Income) After 3 Months		Cash Outflows (Expenses)	
		7% Dividend to Investor per month	\$1,450
		Variable Costs	\$3,000
575,000 Cans/mth x \$0.06	\$34,500	Utilities	\$3,200
		Payback to Investor (\$250,000/5 year payback). Paid monthly.	\$4,200
		Auto /Truck	\$ 1,100
		Office Expenses	\$ 950
		Accounting/Legal	\$1,000
Total Monthly Income	\$34,500	Total Monthly Expenses	\$14,900



#9.) CAPITAL INVESTMENT

Based on the CASH FLOW AND PROJECTIONS, the CAPITAL INVESTMENT is – or should be -- \$250,000

A.) **The Investment of \$250,000**, as previously stated, is for the following:

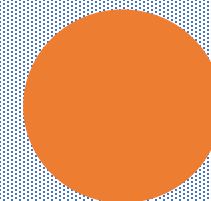
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|--|----------|
| • 1 st Year's Lease | \$30,000 |
| • 1 st Year Salaried (2 Laborers) | \$75,00 |
| • New Office Equipment | \$10,000 |
| • Can Manufacturing Equipment | \$80,000 |
| • Purchase used Transport BOXED Van | \$10,000 |
| • Working Capital | \$30,000 |
| • Initial Inventory and Materials | \$15,000 |

B.) **Parameters:**

- 1–Time Infusion of \$250,000.
- Targeted infusion to cover specific costs (see above).
- **Collateral required:** on a.) Manufacturing Equipment, b.) all office equipment, and c.) inventory (UCC filing statements), the d.) Title of the Boxed Van being purchased, e.) Accounts Receivable, f.) Any Working Capital (cash), g.) Investor claims ownership of a.b.c.d.e.f.g. It is understood that a.b.c.d.e.f.g. are effectively the property of the Investor...until the initial infusion of \$250,000 is paid in full.
- \$250,000 Infusion to be made upon completion of this signed EXECUTED AGREEMENT.

C.) PAYBACK OF INVESTMENT

- DIVIDEND: 7% - monthly to investor, 60 to 90 days after initial infusion, (\$1,450 per month).
- Each month: investor gets paid \$4,200, until \$250,000 amount (amount of total infusion), is paid in full. This results in an effective 60-month payback.
- After \$250,000 is paid in full: Investor is paid \$2,500 per month.
- KEY Manufacturing Manager is paid \$1,000/per month. After 6 months, this increases to \$2,500/per month.
- After Investor has been paid back \$250,000 infusion: KEY Manufacturing Manager assumes his 10% ownership, plus a salary of \$5,000/per month. R. Moussa will be paid \$3,000 per month, effective in year 2. He is effectively a 25% owner.
- After initial investment has been paid in full: R. Moussa reserves the right to utilize any excess profits as he deems appropriate, subject to investor's interests.
- R. Moussa reserves the RIGHT OF FIRST ACCEPTANCE/REFUSAL, to buy out investor. (Base on 10% of Company appraised Value... or \$25,000 buyout is applicable).



10.) EXECUTION OF THE PLAN

EXECUTION OF THE PLAN (PLAN #155)
PLAN FOR Manufacturing of Beer and Soda Cans

CAPITAL INFUSION: \$250,000

ENTITY: Business to be operated under Newly Formed LLC.

OWNERSHIP: Percentage of ownership TBD. Key Manufacturing Manager gets 10%. R. Moussa wants 25%. Investor wants Dividend Monthly payment, effective 5-year principal payment monthly, 65% ownership, \$3,500 continuing monthly payment after payback of all \$250,000.

PAY-BACK: Investor is paid \$4,200 per month until \$250,000 infusion is paid back in full. Also paid 7% Dividend of \$1,450 per month. Thereafter, investor is paid \$3,500/Per month.

DIVIDEND: 7% pay monthly to investor, 60 to 90 days after initial infusion, (\$1,450 per month).

KEY MGR PAY: Key Manufacturing Manager is paid \$2,000 per month for first 6 months; based on his direct participation with the manufacturing of cans.

ONGOING: After initial investment has been paid in full, R. Moussa reserves the right to utilize any excess profits as he deems appropriate.

BUY-OUT: R. Moussa reserves the RIGHT OF FIRST ACCEPTANCE/REFUSAL, to buy out investor (based on 10% buyout, or \$25,000)

COLLATERAL: a.) The Newly purchased Moving Boxed Transport Van.
b.) Office Equipment
c.) Manufacturing Equipment
d.) Inventory Materials
e.) Accounts Receivable

f.) *** All assets of company are effectively the property of the new LLC but belongs to the Investor until paid back his initial infusion, in full.

COVENANTS: a.) R. Moussa, Investor, and the KEY Manufacturing Manager will meet twice a week.
b.) R. Moussa reserves the right for acceptance/refusal to BUYOUT when/if the Investor wants to sell/alter/change his interest in the company OR the income stream OR make additional infusions of Capital.
c.) KEY Manufacturing Manager directs and manages the everyday activity of the company, with the direct input of the R. Moussa and the Investor.
d.) Investor may interface with the KEY Manufacturing Manager and R. Moussa at any time. Investor holds 'Override' authority on any/all issues, until payback of initial infusion is made.

PARAMETERS: a.) 1-Time Infusion of \$250,000.
b.) Targeted infusion to cover specific costs: 1st Year Salary for 2 laborers, Purchase of Used Transport Boxed Van, Can Manufacturing Equipment, 1st Year's Lease, Initial Inventory Materials, Working Capital.
c.) \$250,000 Infusion to be made upon completion of a signed EXECUTED AGREEMENT.

Investment Made: _____ DATE: _____

R. Moussa
Manufacture Beer & Soda Cans
Business

(Investor)
