



Company Overview

Each year, almost 520,000 Americans are hospitalized for chronic dehydration, and 10,000 of these individuals die. BioVital Incorporated acknowledges this issue and is devoted to combating it, as a company that not only focuses on improving the pinnacle of health and wellness of our consumers, but providing them with safer and more convenient alternatives to health-concerning technologies. According to a study done by Tech Wellness, Apple Watch and FitBit are largely attributed to consumers' skin irritation and exposure to EMF radiation. On top of health concerns, the research structure for EMF radiation is alarmingly limited and muddled with research bias. Luckily, the BioVital team has designed our debuting product, HydroWear, a wearable chip that measures hydration levels from the sodium and electrolyte concentrations in sweat and appropriately relays the information to a user-friendly interface on a phone app. The chip itself can be safely and comfortably worn through skin-friendly adhesives and reusable wrist-bands, without worry of EMF radiation emission. HydroWear's function relies on a process of facilitating a voltage gradient on the skin called iontophoresis through which biomarkers found in sweat are transported through the outer epidermis as its permeability increases. To ensure safety for the user, hydrogen-based electrodes have been built into HydroWear's sensors which prevent currents from causing injury to the skin.

Corporate Positioning

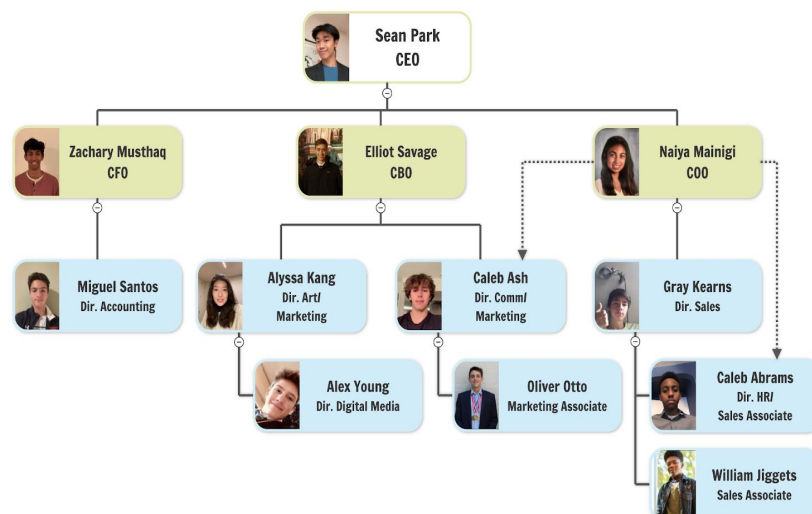
We are a C-Corporation because it protects our employees and officers from legal liability in the event of litigation and allows us to raise capital by selling stock. BioVital Inc. is located in Philadelphia because of the city's several rapidly growing industries, and the numerous economic incentives for doing business. BioVital Inc was initiated in 2020 as a new firm for the purpose of helping our prospects find their "Way to Wellness".

Mission Statement

Our mission at BioVital is to provide people the opportunity to enhance their wellbeing, make health easily accessible, and set realistic goals through the monitoring of hydration.

Organization

Our employment organization is traditional. We employ 8 associates and 4 officers that report directly to the CEO. Each Chief Officer leads their respective departments and communicates in tandem with the executive team. We have found that this works effectively for communication and organization.



Business Rationale

Customer Empathy & Pain Points

Upon surveying a diverse population of high school students, it was discovered that 74% of students did not know when they were dehydrated, which is concerning because over 75% of Americans experience chronic dehydration, whether it's at the workplace, home, or school.¹ After research, it was found that dehydration often raises a multitude of mental health concerns such as foggy memory, irritability, stress, lack of motivation, and unproductiveness.² In contrast, maintaining hydration levels has proven to improve overall health in ways often unseen by individuals.³ Upsides to staying hydrated includes boosted metabolism, improved memory, feeling energetic, and removal-filtration of toxins stored in the body which leads to clear skin and decreased risk for diseases.⁴ These benefits have proven to consequently lead to increased cognitive processing and higher test scores, higher athletic performance and recruitment likelihood, and boosted physical and mental health.

Solution Statement

In order to address this issue at its core, we realized that we needed to find a way to make hydration information accessible so that one knows when to replenish with fluids. Upon extensive research in the technological advancements of chip-readers and natural hydration indicators, we developed HydroWear, a wearable chip that can be worn on a

customizable reusable wristband or attached to the skin via an adhesive patch, and measures electrolyte and sodium concentrations in the skin/sweat to relay hydration information onto a user-friendly interface on a phone app. Hydrowear is a viably effective product both in and out of quarantine. Essentially, this technology benefits anyone that uses it because, frankly, *everyone* can benefit in their health from being hydrated! (See page 3 for target market)

Goals and Strategies

Short Term Goal: BioVital Incorporated anticipates \$764,186 in gross sales this fiscal year from participation in 3 regional, national and international trade shows, substantial Out of Network Sales, social media, and website sales.

Strategy: Educate prospects about benefits of using Hydrowear's services in response to an extreme push for at-home workouts due to COVID, and capitalize on this demand by pushing individual sales through our platforms mentioned above.

Long Term Goal: Diversifying our product-line and making BioVital a prominent name in the health and wellness industry.

Strategy: Design and release new products that will aid our customers with health and wellbeing *beyond* hydration and make Hydrowear a titan of not just hydration but the Health and Wellness industry.

Long Term Goal: Establishing a strategic alliance with another business

Strategy: Communicating with other businesses which can lead to reciprocating advertisements via social media, newsletters, etc., and consistent sales on both sides.

¹"6 Dehydration Facts That May Surprise You." *DripDropORS*, 21 Jan. 2015. dripdrop.com/blogs/news/6-dehydration-facts-may-surprise.

²Ganio, M. S., Armstrong, L. E., Et. Al (2011). Mild dehydration impairs cognitive performance and mood of men. *British Journal of Nutrition*, 106(10), 1535-1543.

³Embon, O. M., Rose, G. A., & Rosenbaum, T. (1990). Chronic dehydration stone disease. *British journal of urology*, 66(4), 357-362.

⁴Borghesi, L., Meschi, T., Amato, F., Briganti, A., Novarini, A., & Giannini, A. (1996). Urinary volume, water and recurrences in idiopathic calcium nephrolithiasis: a 5-year randomized prospective study. *The Journal of urology*, 155(3), 839-843.



Marketing Plan

Target Market & Marketing Segmentation

Here at Biovital, we focus on the 75% of Americans who are in need of a hydration solution. Our primary target market is 13-19-year-olds, with a special focus on student athletes. By focusing on this age range, we match VE's largest demographic. With the poverty line being at \$12,760 per year, our target customer produces over \$30,000 annually.⁵ We have chosen to target this income range because our product is a luxury and not a basic necessity. Additionally, HydroWear's reliance on our mobile app limits our customer base to smartphone users.

Marketing Plan

HydroWear's unique market positioning allows us to heavily exercise youth focused marketing strategies. We sell our product on our website, at VE Trade Shows, and through social media. We emphasize marketing through social media because it best fits our primary target market of 13-19 year olds. We further promote HydroWear through NuApp, our external VE marketing firm. Not only does NuApp produce marketing materials for BioVital, but they promote HydroWear through their mobile app, *Near*. Going forward, we plan on expanding our marketing strategy to include sponsorships of teams and athletes, ranging from school teams and up. As part of these sponsorships, we plan

to engage our target audience through carefully placed physical and digital product placement.

Company Risk

As a VE company, the biggest risk that we face is our sales channels. Out of network contracts encompass 55.9% of sales, and VE trade shows make up another 31.6%. If an issue arose with our channels, we would redirect attention to the website and other out-of-network sources. In response to sports teams meeting far less due to the pandemic, we've capitalized on the extreme push for at-home workouts by pushing sales of individual units through social media and email.⁶ Finally, we understand the economic turbulence that has occurred in the U.S. due to the pandemic. We are seeing a K-shaped recovery where the wealthy aren't as affected by financial hardships.⁷ We have conformed to this by marketing higher-priced products heavily so that we can tap into wealthier consumers.

Competitive Analysis & Pricing Advantage

Our most direct competition originates outside of VE. Competitors include the Nix Biosensor (Not in production), Aura Strap & App (\$119.00), and Sixty Smart Band (\$147.00-220.00). That being said, Hydrowear outprices all of the competition (starting at \$75.00). Though similar to Hydrowear, other products target different customers with regard to marketing, purpose, and pricing. BioVital's customer focus is unique, and Hydrowear's pricing is unmatched.

⁶ Robert, Yola. "Is The Online Fitness Boom Here To Stay?" *Forbes*, Forbes Magazine, 30 Apr. 2020, www.forbes.com/sites/yolarobert1/2020/04/29/is-the-online-fitness-boom-here-to-stay/?sh=74e7d2d87080.

⁷ Akhtar, Allana. "Meet the 'K-Shaped' Recession, Where Professional Workers Are Largely Fine and Everyone Else Is Doing Awful." *Business Insider*, Business Insider, 30 Sept. 2020, www.businessinsider.com/what-is-a-k-shaped-recovery-coronavirus-pandemic.

⁵ US Census Bureau. "Income and Poverty in the United States: 2019." *The United States Census Bureau*, www.census.gov/library/publications/2020/demo/p60-270.html.



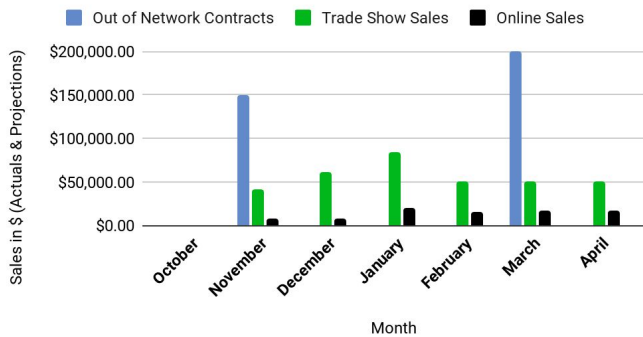
Financial Highlights and Projections

Summary of Start-Up Funding

BioVital began operations in October by receiving \$20,000 in start-up funds and negotiating a \$150,000 fixed loan financed at a 5.25% interest rate over five years. We chose to fund through the acquisition of a loan instead of pitching to angel investors because giving up significant equity early in the process was undesired. The \$170,000 was used to pay off October's payroll, rent, and utilities, along with acquiring initial inventory stock to prepare for sales in November. In this first quarter, our CFO and accounting team have made calculated decisions with BioVital's cash accounts and have created materials to summarize the company's financial performance and projections.

Sales Projections

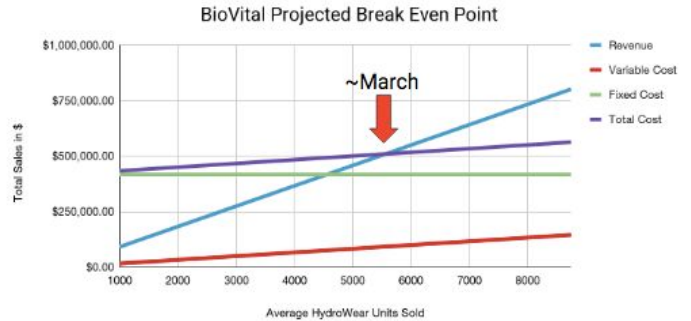
BioVital Monthly Sales Breakdown



The chart above depicts BioVital's monthly sales projections. The months of October to January are actual values, while February onwards are projections. The chart is broken down into our three most significant sources of revenue: out of network contracts, trade show sales, and online sales, which make up 55.9%, 31.6%, and 12.5% of our total year revenue, respectively. One sales highlight so far was our performance at the January New York Metro

Regional Trade Show, when we sold over \$84,000 of HydroWear in a day, significantly exceeding our \$40K projection.

Break-Even Analysis



BioVital sells HydroWear at an average price of \$91.67 per unit with an average COGS per sale of \$16.67 -- both determined using our regional trade show sales as a sample. According to our cash budget, estimated annual fixed costs (no COGS) will amount to \$417,421. Therefore, BioVital is projected to break even at \$510,200 in sales, or 5,565 units sold. We project to hit this point in March 2021.

Fiscal Year Totals

BioVital's end of year fiscal year values are glowing. Our fiscal year sales revenue is estimated to be \$764,186, netting over \$201,569 in profit after paying off the total operating expenses of \$562,617. Our profitability attests to our favorable profit margin percentage of 81%, as we expect to spend just \$145,195 in total cost of goods sold. Breaking even and generating an additional \$200K+ in profit demonstrates financial success in BioVital's first fiscal year of operations.

Summary Profit & Loss	
Dated for End of Fiscal Year - 4/30/2021	
Total Revenue:	\$764,186.42
Total COGS:	\$145,195.42
Total Gross Profit:	\$618,991.00
Gross Profit Margin:	81%
Other Operating Expenses:	\$417,421.92
Net Fiscal Year Income:	\$201,569.08

