



**Chews Green**  
*Business Plan*

**2021-2022**  
**GOING GREEN?**  
**CHEWS GREEN!**

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[https://sites.google.com/  
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# Chews Green Executive Summary 2021-2022

**100,000 tons** of plastic pollution come directly from our mouths. Believe it or not, most chewing gums are made from plastic, chemicals, and artificial sweeteners. That gum is not only detrimental to our health, but it is also detrimental to our environment. When this gum is spat onto pavements, it stays stuck there for thousands of years without decomposing, thus contributing to the exacerbating pollution problem that our planet Earth is facing.

Here at Chews Green, we refuse to *stick* to the status quo. With **our product** of biodegradable, chemical-free, and plastic-free chewing gum, we proudly support **our mission** of promoting environmental sustainability by helping to eliminate the unnecessary plastic gum pollution plaguing our planet.

Chews Green is a certified B-Corporation, aligning with our purpose to utilize business for a better world. We want our impact to span wider than just chewing gum, which is why we also have a partnership with Ocean Cleanup where we will donate a proceed of our profits towards removing plastic from ocean ecosystem.

## GOALS

**Chews Greens aligns its goals to focus on both profitability and positive impact:**

### SHORT TERM

Break-even by March 2022 (completed in February!)

### LONG TERM

Significantly reduce plastic pollution: through our product and our use of our platform to educate the public about the importance of shopping sustainably.



## FINANCIAL HIGHLIGHTS

Chews Green started off with \$20,000 in seed money and sought out 3 angel investors for a total of \$150,000 to kick things off. In February 2022, Chews Green surpassed the break-even point by over \$40,000, raising almost \$270,000 in revenue. In terms of net income, Chews Green expects to end the fiscal year with \$89,122.77 after taxes. With an average profit margin of 76.42%, Chews Green is in a strong financial position. By the end of the fiscal year, Chews Green expects to raise over \$360,000 in revenue!

# ABOUT THE BUSINESS

## OVERVIEW

Founded in October 2021, Chews Green started at Morris Hills High School in Rockaway, New Jersey. Our firm sells biodegradable, plastic-free, and chemical-free chewing gum in an effort to reduce the amount of plastic pollution that is caused by traditional gum. Our gum is made from ethically sourced chicle, a natural tree sap base that is not only healthier for human consumption, but also for the environment when discarded. We are a certified benefit corporation as we take pride in our promotion of social responsibility. We believe that our purpose is to create public benefit by spreading awareness for plastic pollution and attracting consumers to alternative chewing gum that does not harm the environment or one's health.

## Mission Statement

**Chews Green promotes environmental sustainability by helping to eliminate the unnecessary plastic gum pollution plaguing our planet.**



Chews Green is a firm believer in the triple bottom line framework. We are committed to focusing on not only our financial performance but also our social and environmental impact. As Harvard Business School Professor Rebecca Henderson says in Sustainable Business Strategy, “In many situations, it's possible to do the right thing and make money at the same time.”



**People**



**Planet**



**Profit**

# Executive Team



**James Johnson**  
Chief Executive Officer



**Julia Obser**  
Chief Technology Officer



**Samantha Rosenberg**  
Chief of HR



**Isha Gupta**  
Chief Financial Officer



**Jomar Banguero**  
VP of Marketing



**Jarred Saltz**  
VP of Sales

After an intensive week of interviews and resume writing, chiefs for each department, finance, technology, HR, and sales, were selected based on previous leadership experience and business management knowledge. Our chiefs have been trained to keep an open mind and listen to ideas offered by all members of their respective departments to ensure an inclusive and productive working environment.

# Organization



Chews Green follows a hierarchical structure to ensure proper communication and collaboration. Finance, sales, marketing, HR, and Tech departments are each led by a chief who schedules weekly meetings to plan for a productive work week. At the end of each week, employees report back to their chiefs with the tasks they have completed and check in with any questions, concerns, or suggestions. Employees are always looking for new ways to improve by completing PRO Feedback tasks on the VE Hub!

## STRENGTHS

S

**Qualified Staff:** Chews Green has staff members with a strong backgrounds in business management, accounting, social media marketing, and environmental studies!

**Environmentally Friendly:** Consumers are showing greater concern for our rapidly changing planet. Our eco-friendly gum supports fellow environmentalists and budding activists!

## WEAKNESSES

W

**Limited Research and Development Team:** Due to our decision of placing a greater focus on other departments such as finance and marketing, we currently do not have research and development team established. In the near future we plan to allocate a set of employees to brainstorm new and exciting ways to improve our product line.

## OPPORTUNITIES

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**Chewing Gum Global Market:** Global market for chewing gum is expected to grow from US \$29.9 billion to \$37.4 billion.

**Trade Shows:** A wonderful opportunity to make lasting connections with other firms and customers.

**Subscription Bundles:** Plan to implement subscription bundles to increase customer retention rate.

## THREATS

T

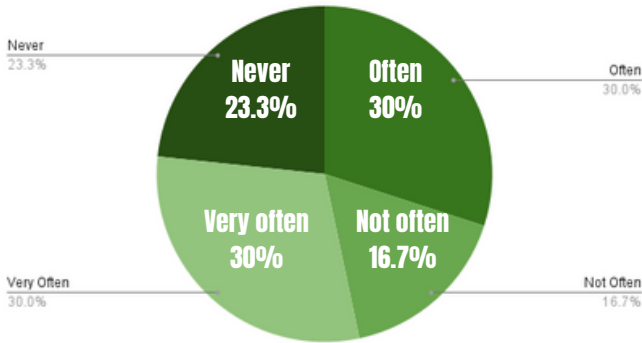
**Competition:** Popular chewing gum companies such as Trident, Wrigley, and Mentos comprise a large share of the current gum market.

**Pandemic Supply Chain Distribution:** The pandemic has raised issues with supply distribution delays or disruptions.

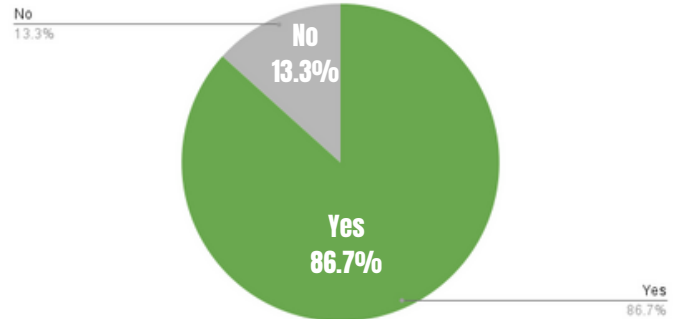
## CONSUMER RESEARCH

We sent out a short survey to our student body asking the following questions:

How often do you chew gum?



Does the idea of biodegradable environmental friendly gum sound appealing to you?



From our research, it is evident that about 60% of high school students chew gum either often or very often. Additionally, a study from the Science Daily found that chewing gum can enhance attention, cognitive performance, mood, and well-being. With 86.7% of student respondents showing interest in a new eco-friendly alternative to traditional chewing gum, Chews Green is capitalizing on the opportunity to intervene in a booming market.

## CUSTOMER EMPATHY

As young adults, we understand the importance of prioritizing our health. Modern gum can be harmful to oral health as the harsh plastic particles contribute to the breakdown of tooth enamel. Additionally, many popular sugar-free gums contain artificial sweeteners such as **aspartame or sorbitol** which negatively affect the immune system due to the slow rate of metabolization in the human body [4]. Chewing gum should be guilt-free--and with Chews Green it is!

## PROBLEM STATEMENT

Most industrialized chewing gum brands contain "gum base" which is comprised of a **long list of synthetic ingredients**, some of which may include petroleum, glycerin, acetate, petroleum wax, stearic acid, and latex. When people conveniently and carelessly spit this synthetic malleable plastic onto pavements and sidewalks, it can stay stuck there for **up to 1,000 years**, not only destroying our Earth's natural beauty but also raising the risk of **toxins seeping into land and ocean food chains** [2]. It is estimated that in the next 5 years, **over 1 million tons** of chewing gum will be produced, chewed, and thrown away, completely unregulated [3]. Additionally, when large corporations began using plastic in their products, chicle farmers were abandoned and primary sources of this good including Mexico, Belize, and Guatemala lost an industry significant in bolstering their economy.

## SOLUTION STATEMENT

To resolve this **GUM-believable pollution**, Chews Green sells chewing gum that is manufactured with organic ingredients and ethically sourced chicle which helps to **support Guatemalan farmers**. We use **100% xylitol**, a natural sugar alternative, and natural flavors. Our gum **does not contain any dyes, artificial flavors, or chemicals**. Our gum contains no plastic, so if it is littered onto pavements, it will eventually biodegrade, unlike traditional gum.

## Company Goals



In February 2021, Chews Green surpassed the break-even point by over \$40,000, achieving profitability! With almost \$270,000 in sales revenue, our firm hopes to achieve our next milestone of earning \$500,000 in total sales revenue by the end of the fiscal year. To begin working towards our long-term goal, we plan to donate 10% of net income to Ocean Cleanup at the end of the quarter.

1] <https://www.uofmhealth.org/health-library/abj7112>

2] <https://makechange.aspiration.com/how-long-does-it-take-for-gum-to-decompose/>

3] <https://justoneocean.org/chewing-gum>



# MARKETING PLAN

## TARGET MARKET



Almost everyone chews gum! Therefore, Chews Green expects to make sales across all demographics ranging from all ages. With research, we have found that targeting specific ages and psychographics will help us maximize our revenue.

## PSYCHOGRAPHICS



Chews Green targets consumers who are conscious about both their health and environmental sustainability. With our healthy sugar alternative use of xylitol, we cater to diabetic individuals or those who want to reduce their sugar intake. In our advertising, we highlight our short list of all-natural ingredients along with our biodegradable packaging. Additionally, our packaging's fun and unique design is aimed to attract younger groups.

## AGE RANGE



Teens and young adults ranging from ages 18-34 have been found to be the primary consumers of chewing gum [4].

## GEOGRAPHIC



According to a recent 2020 survey, 160.03 million Americans chew gum and North America is one of the largest consumers of chewing gum [5]. It is also forecasted for the chewing gum market to grow at a rate of 4.39% within the period 2021-2026 [6]. It is noted that expanding health concerns among the population may hinder this growth due to artificial ingredients present in gum; however, Chews Green is not affected by this concern since our gum is all-natural.

### Our 5 P's

#### Product

Organic,  
biodegradable,  
chemical-free,  
sugar-free, chewing  
gum

#### Promotion

Social Media, School  
Stores, Grocery  
Store Circulars

#### People

Teens and Adults  
Health Conscious People  
Vegans  
Environmentalists

#### Pricing

1-Pack: \$3.50  
3-pack: \$8.99  
10-pack: \$22.50  
Wholesale: \$1.50

#### Positioning

Confectionary Market  
Organic Food Industry

# MARKETING MIX

## PRODUCT

Chews Green sells biodegradable, chemical free, eco-friendly chewing gum. Our wide variety of flavors was selected to satisfy diverse consumer preferences. Flavors such as Spearmint and Wintermint have breath-freshening qualities, while tropical and bubblegum are perfect for those with a sweet tooth! Conventional gums list "gum base" as one of their main ingredients as a way to hide their inclusions of synthetic plastics. At Chews Green our ingredients are short and simple, without compromising the traditional gum flavor that everyone knows and loves!

### FLAVORS:



- SPEARMINT
- WINTERMINT
- BUBBLEGUM
- TROPICAL

### Nutrition Facts

Serving Size 2 Pieces

Amount Per Serving

**Calories** 70 Calories from Fat 25

% Daily Value\*

**Total Fat** 3g 4%

Saturated Fat 1g 5%

Trans Fat 0g

**Cholesterol** 25mg 8%

**Total Carbohydrate** 3g 1%

Dietary Fiber 0g 0%

Sugars 3g

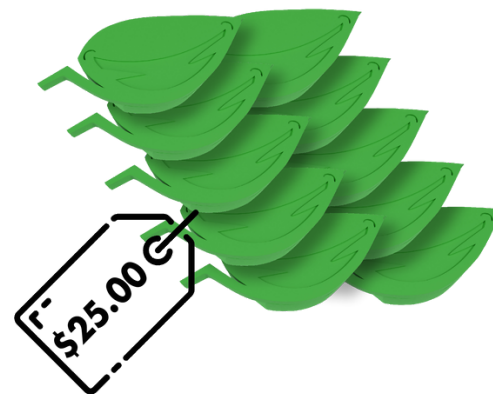
**Protein** 9g

**Ingredients:**

Organic Chicle Sap, Xylitol, Natural Flavors, Organic Vegetable Glycerin

## PRICING

Pricing at Chews Green differs based on the number of packages the consumer wishes to buy. Each pack of gum contains 30 pieces which is almost double the quantity of conventional chewing gum packages that contain 14-15 pieces. Customers save money as they purchase more. One pack costs \$3.50, 3-packs cost \$8.99 (savings of \$.50 per pack), and 10-packs cost \$25.00 (savings of \$1.00 per pack). This strategic pricing helps our firm raise larger amounts of revenue while still maintaining a profit margin for each sale made.



4] <https://www.confectionerynews.com>.

5] <https://www.statista.com/statistics/276026/us-households-consumption-of-chewing-gum-bubble-gum/>

6] <https://www.mordorintelligence.com/industry-reports/chewing-gum-market#:~:text=Market%20Overview,during%20the%20COVID%2D19%20pandemic.>

# MARKETING MIX

## PROMOTION

To promote our product, Chews Green is harnessing the power of social media platforms including Instagram, Facebook, and Google Ads. These platforms also give us a place to educate the public about environmental issues and reasons to be more mindful of the impact of their buying choices. 59% of Instagram users are between the ages of 18-29, capturing a large majority of our primary market. Research has found that 25-34-year-olds are the most active users of Facebook, capturing the second half of our primary age range. Google Ads has been proven to provide a cost-effective way for businesses of all sizes to reach a virtually unlimited, targeted audience. Advertisements are purchased based on keywords such as "biodegradable," "gum," "organic," and "sugar-free." Trade shows hosted by VE are another excellent marketing opportunity that allows for networking with other firms and the acquisition of new customers. So far, Chews Green has participated in trade shows in the months of December, February, March which helped significantly increase our revenue generated.

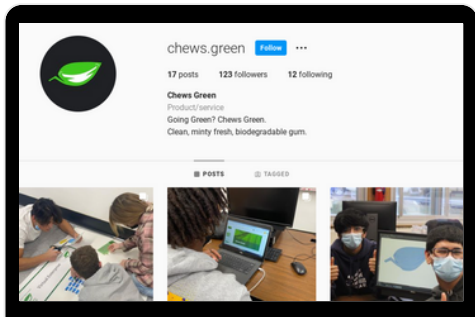
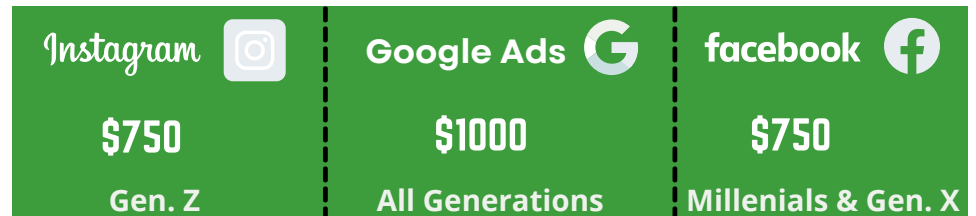
Chews Green employees at March trade show!



## Marketing Budget

**\$2500 per month**

Diagram shows generations that we expect to reach on each platform based on engagement levels.



4] <https://www.confectionerynews.com>.

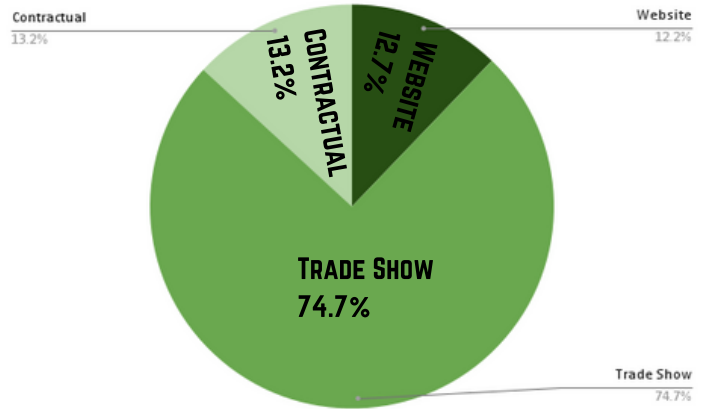
5] <https://www.statista.com/statistics/276026/us-households-consumption-of-chewing-gum-bubble-gum/>

6] <https://www.mordorintelligence.com/industry-reports/chewing-gum-market#:~:text=Market%20Overview,during%20the%20COVID%2D19%20pandemic.>

# MARKETING MIX

## PLACEMENT

Chews Green's sales are comprised of online sales, trade show sales, and out-of-network business contracts. Our sales department works to send out emails to other VE firms to promote our website and increase online sales. A majority of our sales are made during trade shows and 75% of salary expenses are covered by out-of-network sales contracts. The percentage breakdown can be seen here:



## POSITIONING

Chews Green positions itself within the confectionary and sustainable products industry. Research by Nielsen found that 48 percent of US consumers would change their consumption habits to lessen their impact on the environment. In 2018 alone, this sentiment translated to roughly \$128.5 billion in sales of sustainable, fast-moving consumer goods. These statistics show a promising future for the success of Chews Green. With our marketing strategies focused on convincing consumers to switch from harmful plastic-based gums to all-natural biodegradable gum, we forecast that we will attract consumers looking to make smarter buying choices.

### SUSTAINABLE PRODUCT SALES IN THE U.S.

\$ in billions



Sustainability combines free from, clean, simple, sustainable and organic labels.  
Source: Nielsen Product Insider, Powered by Label Insight, Week ending 10/29/2018, Projections based on 3 and 2 year CAGR  
Copyright © 2018 The Nielsen Company (US), LLC. All Rights Reserved

As can be seen from the graph to the left, sustainable product sales in the U.S are steadily rising, demonstrating the increasing demand for products like our own! [16]

# RISKS AND STRATEGIES

## Risks



- NATURAL DISASTER DESTROYING PHYSICAL WAREHOUSE, OR AN INTERNAL SERVER PROBLEM THAT INTERFERES WITH GUM MANUFACTURING.
- LAWSUIT FROM CUSTOMER DUE TO CHOKING INCIDENT

## Strategies

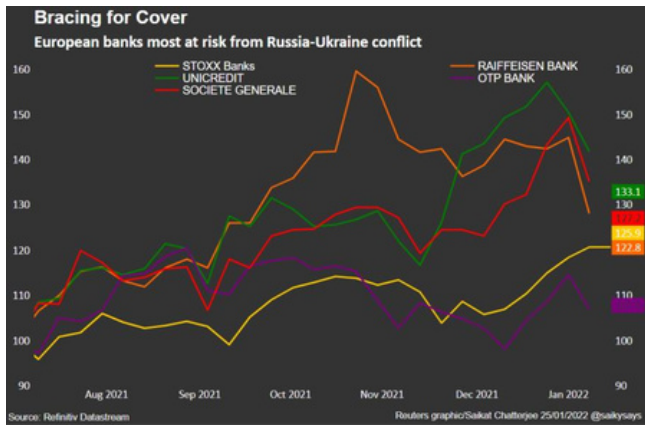


- ESTABLISH A BACKUP LOG USING THE CLOUD, AND PROTECT AGAINST DISASTER WITH INSURANCE
- INCLUDE CHOKING HAZARD LABEL AND HAVE GENERAL LIABILITY INSURANCE

# EXTERNAL ENVIRONMENT

## ECONOMIC CONDITIONS

### Effect of War

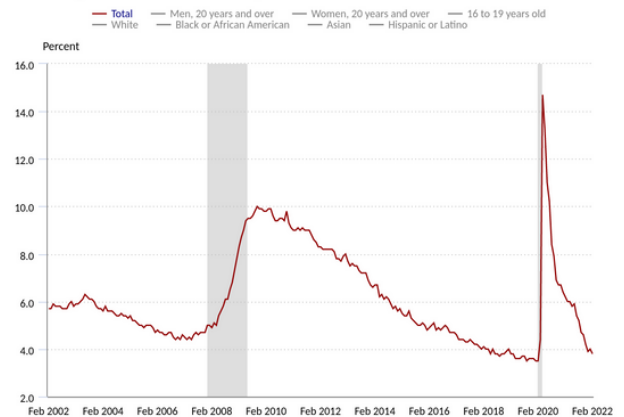


In February of 2022 Russia's invasion of Ukraine took the world by storm. This occurrence has had many effects on our global economy including the rising cost of gas. The inflation of gas prices has drastically effected consumers ability to spend money. Unfortunately, small businesses will take the hit. Since, consumers will be budgeting their money towards necessities, people will have less funds set aside for non essential items mostly sold by small businesses. [2]

### Unemployment

Civilian unemployment rate, seasonally adjusted

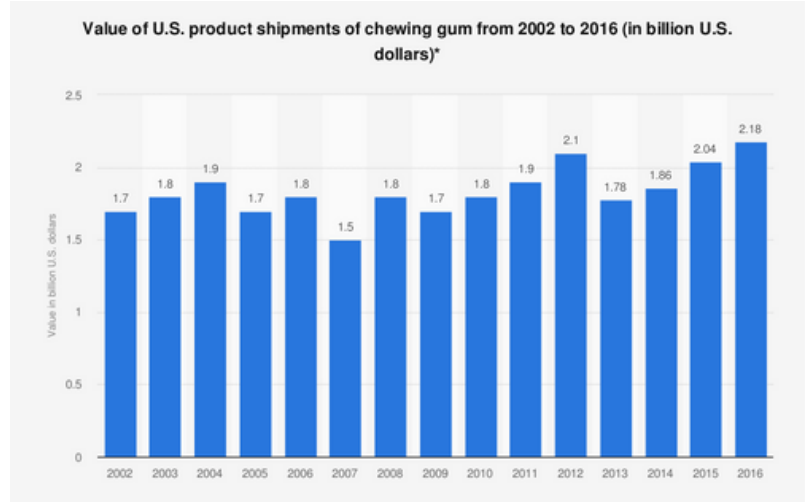
Click and drag within the chart to zoom in on time periods



In February 2022, the unemployment rate edged down to 3.8% or 6.3 million persons. This is a drastic improvement compared to the 14.7% unemployment rate in April of 2020. An increase in the unemployment may cause a decrease in the overall productivity of a company. Therefore, the decrease in the unemployment rate is commonly beneficial to many small businesses. [1]

## Market

Chews Green is a part of the gum industry that is valued at 48.68 billion dollars. Despite the market being very competitive, there are minimal environmentally friendly contributors. Chewing gum also has a very large market being used by all ages in all parts of the world. Chews Green hopes to initiate a movement to biodegradable chewing gum.



## Competitive Pressures

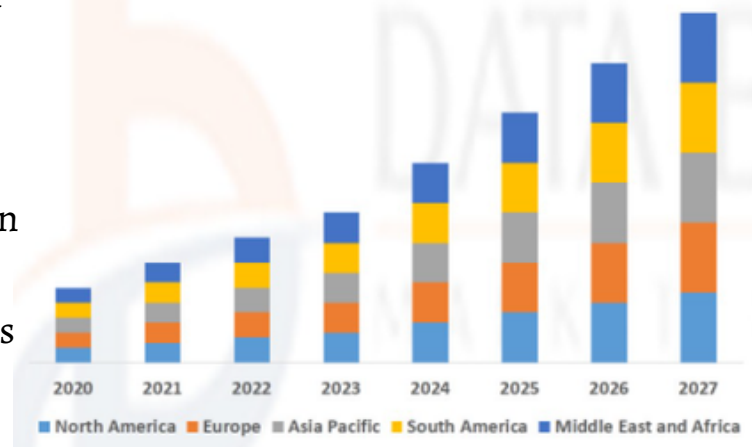
Chews Green's most prominent real-world competitors include Simply Gum, Trident, and Extra. Simply Gum, our closest competitor, offers eco-friendly chewing gum. However, Chews Green is able to differentiate itself from this company with its unique packaging design and competitive pricing. Trident and Extra both offer an extensive flavor menu; however, their gum contains "gum base" which consists of plastic and artificial sweeteners. Overall, when looking for a chewing gum option while also being environmentally conscious, Chews Green is the easy option.



## Pandemic

The chewing gum market is showing positive growth even amidst a global pandemic. Mask breath? No thanks! While the pandemic does present a fair share of challenges for starting businesses, Chews Green is leveraging the circumstances to its benefit. As can be seen on the graph the right, the chewing gum market will grow steadily over the next 5 years. This is beneficial to Chews Green since it means an increase in potential consumers!

Global Chewing Gum Market is Expected to Account for USD XX Billion by 2027



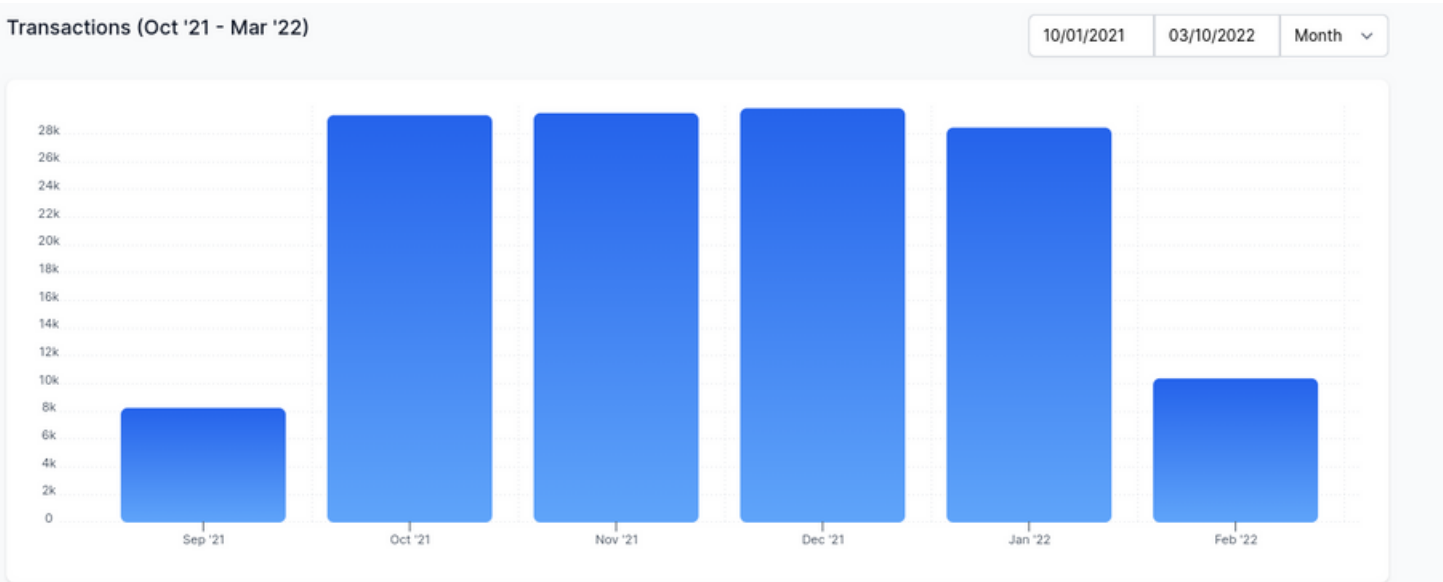
# INDUSTRY ANALYSIS (VIRTUAL)

The Virtual Enterprise (VE) network allows high school students to put themselves in the shoes of high-ranking industry professionals. Students take on responsibilities such as department meetings, payroll, and employee evaluation. A salary is also earned ranging from \$25,000-\$80,000.

Although people of all ages from all backgrounds chew gum, our product mainly target teens. This is very beneficial in the VE network since most participants are teenagers! Not only does our product satisfy the dental hygiene needs of our customers, but it also offers a modern sustainable product that is in line with the social standards of today's world.

Based on VE Market Insights, it can be seen that customers are quite active on the Marketplace.

Transactions (Oct '21 - Mar '22)



From the chart above it can be seen that large volumes of transactions are made on the network, ranging from \$19,000,000 to \$70,000,000. Chews Green is placed within both the Food and Beverage/Novelty industries which combined total a positive net income of over \$4,000,000 with average transactions amounting to \$1,200. With placement in an industry with active customers, Chews Green was able to not only meet, but exceed revenue expectations for each month.

## COMPETITIVE ANALYSIS

Chews Green differentiates itself from other products by offering an environmentally friendly alternative to typical chewing gum.

Chews Green does not have any direct competitors since no other firms on the VE Network offer identical/similar products. However, some indirect competitors nationally and internationally include Eco fruits, Coco Ice Cream Re-Imagined, and Be Seven. Although all three of these firms provide eco-friendly alternatives to the typical product, they lack some of the unique qualities that Chews Green possesses. While Eco fruits is eco-friendly, they lack a wide flavor variety and organic product line. Be Seven provides eco-friendly and organic fruits, but the product is not a confectionary and the fruit baskets are very similar. Coco Ice Cream Re-Imagined, one of our closest competitors, attains many of the assets including eco-friendly products, confection, and a wide flavor variety; however, compared to Chews Green their ingredients are not organic.

	Confectionary	Eco-Friendly	Wide Flavor Variety	Organic
	✗	✓	✗	✗
	✓	✓	✓	✗
	✗	✓	✗	✓
	✓	✓	✓	✓

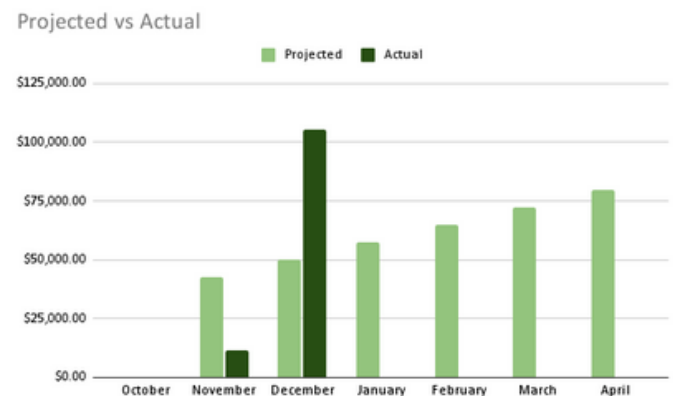
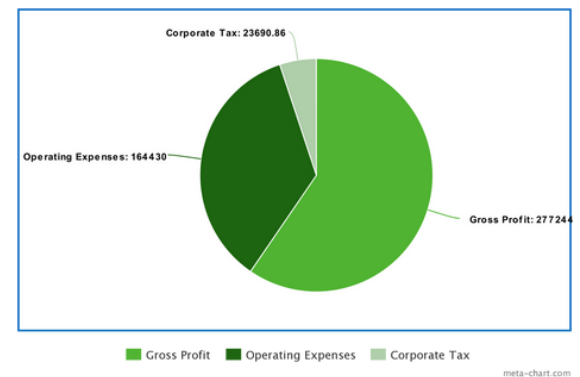
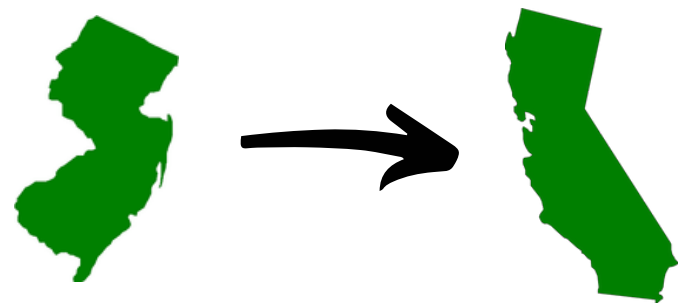
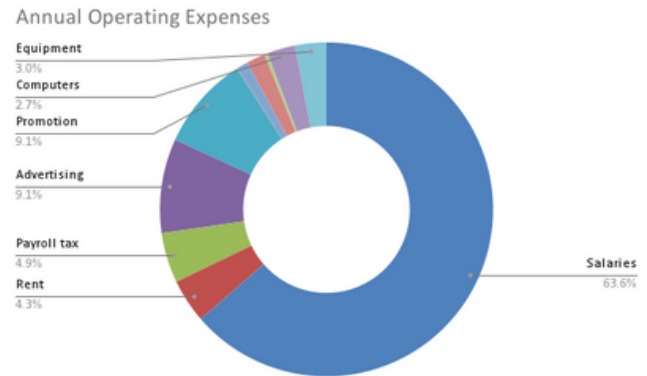
Chews Green is also competing with the other 700+ firms a part of the VE network. These firms range in categories from food/beverage, home decor, vehicles and pet products. However, what sets Chews Green apart is our ability to take advantage of the natural resources that come organically from our planet while also giving back. Our gum is made with organic chicle sap, no artificial sweeteners, dyes, or chemicals. Our responsible sourcing also helps to support Guatemalan farmers! As a certified B corporation, we firmly believe in the triple bottom line framework and focusing not only on profits but also on people and the planet.





# FINANCIAL HIGHLIGHTS

- To get started, Chews Green received seed money \$20,000 from VE and an additional \$150,000 from three angel investors. With a total of \$170,000, Chews Green was able to cover all fixed and monthly costs. Here's the breakdown:
- As of December 31st, 2021, Chews Green has been exhibiting financial success. With sales from across the country ranging from New York to California, we are proudly spreading our mission to raise awareness for environmental sustainability.
- In terms of net income, Chews Green expects to end the fiscal year with \$89,122.77 after taxes. The chart to the right shows the breakdown of gross profit, operating expenses, and corporate tax.
- Chews Green expects to see an upward trend in revenues. While we did not reach our goals in November, we surpassed our projections in December. With new strategies in place, we are confident that we will meet, if not surpass, our sales goals for the months to follow. By the end of the fiscal year, we forecast that \$362,226 will be generated. We have already made about \$270,000 in sales!



# BREAK-EVEN ANALYSIS

We used the following formulas to make calculations:

**Average selling price per sale:** (Total projected revenue)/(Total projected units sold)

**Average cost of goods sold per sale:** (Inventory)/(Production yield quantity)

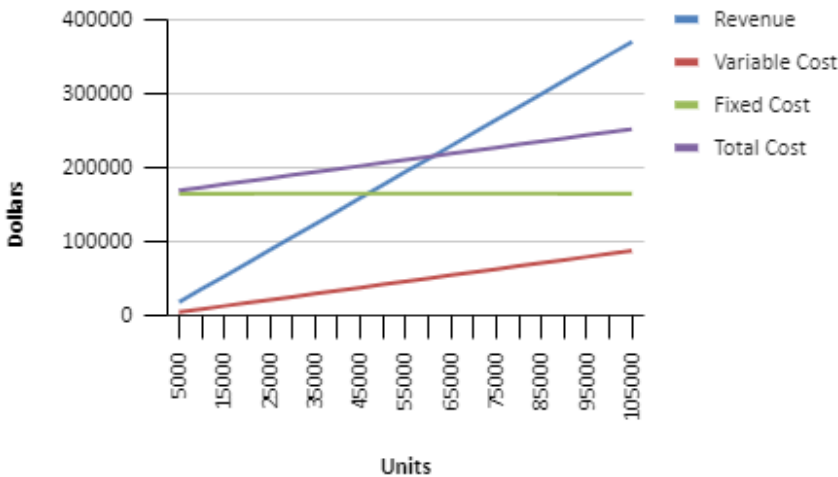
Average selling price per sale	\$3.52
Average cost of goods sold per sale	\$0.83
Average profit rate	76.42%
Annual Fixed Cost	\$164,430.00

X	Y	Y	Y	Y
Units Sold	Revenue	Variable Cost	Fixed Cost	Total Cost
5000	\$17,600.00	\$4,150.00	\$164,430.00	\$168,580.00
10000	\$35,200.00	\$8,300.00	\$164,430.00	\$172,730.00
15000	\$52,800.00	\$12,450.00	\$164,430.00	\$176,880.00
20000	\$70,400.00	\$16,600.00	\$164,430.00	\$181,030.00
25000	\$88,000.00	\$20,750.00	\$164,430.00	\$185,180.00
30000	\$105,600.00	\$24,900.00	\$164,430.00	\$189,330.00
35000	\$123,200.00	\$29,050.00	\$164,430.00	\$193,480.00
40000	\$140,800.00	\$33,200.00	\$164,430.00	\$197,630.00
45000	\$158,400.00	\$37,350.00	\$164,430.00	\$201,780.00
50000	\$176,000.00	\$41,500.00	\$164,430.00	\$205,930.00
55000	\$193,600.00	\$45,650.00	\$164,430.00	\$210,080.00
60000	\$211,200.00	\$49,800.00	\$164,430.00	\$214,230.00
65000	\$228,800.00	\$53,950.00	\$164,430.00	\$218,380.00
70000	\$246,400.00	\$58,100.00	\$164,430.00	\$222,530.00
75000	\$264,000.00	\$62,250.00	\$164,430.00	\$226,680.00
80000	\$281,600.00	\$66,400.00	\$164,430.00	\$230,830.00
85000	\$299,200.00	\$70,550.00	\$164,430.00	\$234,980.00
90000	\$316,800.00	\$74,700.00	\$164,430.00	\$239,130.00
95000	\$334,400.00	\$78,850.00	\$164,430.00	\$243,280.00
100000	\$352,000.00	\$83,000.00	\$164,430.00	\$247,430.00
105000	\$369,600.00	\$87,150.00	\$164,430.00	\$251,580.00



Fixed cost of \$164,430 was determined by adding together all expenses including salaries, rent, equipment, advertising, computers, and tax.

Break Even



Chews Green will break even after selling 61,266 units, totaling a revenue of \$215,164.

As of February 2022, Chews Green has already generated \$269,960 in revenue, breaking even and therefore achieving profitability!

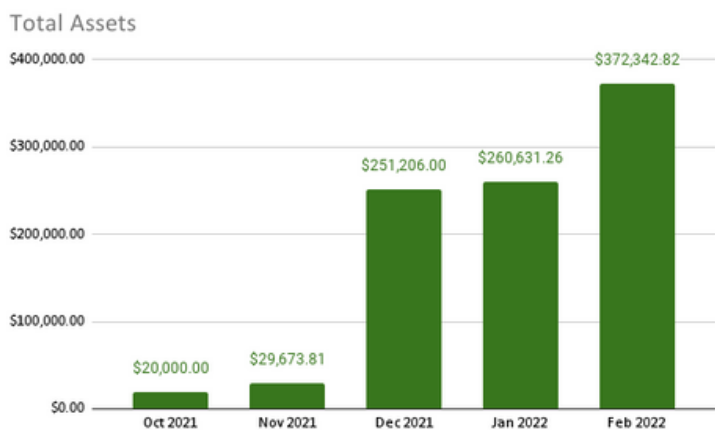
# BALANCE SHEET

Assets					
	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022
<b>Current Assets</b>					
Cash	\$5,444.00	\$16,226.36	\$235,738.00	\$234,069.35	\$357,522.22
Investments in stocks	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Accounts receivable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Merchandise inventory	\$4,256.00	\$2,578.35	\$4,498.00	\$12,864.64	\$3,641.95
Supplies	\$300.00	\$869.10	\$970.00	\$3,697.27	\$1,178.65
<b>Total Current Assets</b>	<b>\$10,000.00</b>	<b>\$19,673.81</b>	<b>\$241,206.00</b>	<b>\$250,631.26</b>	<b>\$362,342.82</b>
<b>Fixed Assets</b>					
Computers	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00
Furniture and fixtures	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Office equipment	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
<b>Total Fixed Assets</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>
<b>Total Assets</b>	<b>\$20,000.00</b>	<b>\$29,673.81</b>	<b>\$251,206.00</b>	<b>\$260,631.26</b>	<b>\$372,342.82</b>
<b>Liabilities and Stockholders' Equity</b>					
<b>Current Liabilities</b>					
Accounts payable	\$0.00	\$9,104.71	\$37,138.00	\$48,468.00	\$51,468.00
Sales tax payable	\$0.00	\$569.10	\$2,440.37	\$3,029.25	\$3,216.75
Salaries payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payroll tax payable				\$711.38	\$3,097.18
Corporate tax payable					
<b>Total Current Liabilities</b>	<b>\$0.00</b>	<b>\$9,673.81</b>	<b>\$39,578.37</b>	<b>\$52,208.63</b>	<b>\$57,781.93</b>
<b>Long Term Liabilities</b>					
Loan payable	0	0	0	0	0
<b>Total Liabilities</b>	<b>\$0.00</b>	<b>\$9,673.81</b>	<b>\$39,578.37</b>	<b>\$52,208.63</b>	<b>\$57,781.93</b>
<b>Stockholders' Equity</b>					
Common stock, \$10 par value, * # shares issued	\$20,000.00	\$20,000.00	\$170,000.00	\$170,000.00	\$170,000.00
Additional paid-in-capital					
In excess of par value	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Retained earnings	\$0.00	\$0.00	\$41,627.63	\$38,422.63	\$144,560.89
<b>Total Stockholders' Equity</b>	<b>\$20,000.00</b>	<b>\$20,000.00</b>	<b>\$211,627.63</b>	<b>\$208,422.63</b>	<b>\$314,560.89</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$20,000.00</b>	<b>\$29,673.81</b>	<b>\$251,206.00</b>	<b>\$260,631.26</b>	<b>\$372,342.82</b>

**Total assets= Total liabilities+Stockholder's Equity**

As of February 28th 2022, Chews Green has a cash balance of \$357,722.22. Chews Green did not take out a bank loan, therefore, avoiding any interest-bearing liabilities. Currently, 97.3% of our total current assets are comprised of cash, indicating our high level of liquidity. Our accounts payable under the current liabilities are to vendors for additional merchandise inventory. \$5000 in office equipment accounts for the 3D printers we use to model our innovative packaging design.

The graph to the right shows the steady increase of Chews Green's total assets, demonstrating our strong financial performance.



# PROFIT AND LOSS STATEMENT

**Chews Green**  
**Profit and Loss Statement**  
**For the Year Ending 4/30/2022**

	November	December	January	February	March	April	Total
<b>Sales revenues</b>	Actual	Actual	Actual	Actual	Projected	Projected	
Online Sales	\$11,781.73	\$14,776.25	\$6,800.71	\$27,000.00	\$7,800.00	\$11,000.00	\$79,158.69
Trade fair revenues	\$0.00	\$90,616.02	\$0.00	\$100,131.62	\$16,000.00	\$51,858.00	\$258,605.64
Contractual sales to non-VE entities	\$0.00	\$0.00	\$2,873.00	\$2,873.00	\$2,873.00	\$2,873.00	\$11,492.00
<b>Total sales revenues</b>	\$11,781.73	\$105,392.27	\$9,673.71	\$143,112.62	\$26,673.00	\$65,731.00	\$362,226.00
<b>Cost of goods sold</b>	\$2,827.00	\$25,294.00	\$11,957.00	\$14,955.00	\$15,618.00	\$16,281.00	\$84,982.32
<b>Gross profit</b>	\$8,954.73	\$80,098.27	-\$2,283.29	\$143,112.62	\$11,055.00	\$49,450.00	\$277,244.00
<b>Gross profit margin</b>	76.54%	76.54%	76.54%	76.54%	76.54%	76.54%	76.54%
<b>Operating expenses</b>							
Salaries	\$17,430.00	\$17,430.00	\$17,430.00	\$17,430.00	\$17,430.00	\$17,430.00	\$104,580.00
Rent	\$1,166.67	\$1,166.67	\$1,166.67	\$1,166.67	\$1,166.67	\$1,166.67	\$7,000.00
Payroll tax	\$1,333.40	\$1,333.40	\$1,333.40	\$1,333.40	\$1,333.40	\$1,333.40	\$8,000.37
Advertising	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$15,000.00
Promotion	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$15,000.00
Insurance	\$1,666.67	\$1,666.67	\$1,666.67	\$1,666.67	\$1,666.67	\$1,666.67	\$10,000.00
Supplies	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$1,800.00
Utilities	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$3,000.00
<b>Total operating expenses</b>	\$27,396.73	\$27,396.73	\$27,396.73	\$27,396.73	\$27,396.73	\$27,396.73	\$164,380.37
<b>Income from operations</b>	-\$18,442.00	\$52,701.54	-\$29,680.02	\$115,715.89	-\$16,341.73	\$22,053.27	\$112,813.63
<b>Other revenues/gains and expenses/losses</b>	0	0	0	0	0	0	0
<b>Net income before taxes</b>	-\$18,442.00	\$52,701.54	-\$29,680.02	\$115,715.89	-\$16,341.73	\$22,053.27	\$112,813.63
Corporate income tax	0	\$11,067.32	-\$6,232.80	\$24,300.34	-\$3,431.76	\$4,631.19	\$23,690.86
<b>Net income after taxes</b>	0	\$41,634.22	-\$23,447.21	\$91,415.55	-\$12,909.97	\$17,422.08	\$89,122.77

Chews Green had negative net income in the month of November due to the late launch of our website. However, we quickly caught up in the month of December by generating \$105,392 in revenue due to successful trade show sales--almost double our projected sales! Our contractual sales with ShopRite began in the month of January and remain constant for the months to follow. By the end of April, it is projected that Chews Green will raise a total of \$362,222 in revenue. After the costs of goods sold and total operating expenses are subtracted, it is projected that a total positive net income of \$89,122.77 will be generated. With a positive net income, Chews Green plans to take a portion and donate to Ocean Cleanup to further its mission of eliminating plastic pollution from the environment. Not only is Chews Green making a positive impact by reducing gum pollution, but it is making impact in eradicating other plastic pollution as well!

# SALES PROJECTIONS

## Chews Green Sales Forecast

Units Sold	Year 1						Total Units Sold
	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	
1-pack	2575	3140	4000	5145	5715	6285	26860
3-pack	500	525	745	900	1890	2100	6660
10-pack	350	550	840	1000	800	960	4500
Wholesale	10654	10654	10654	10654	10654	10654	16650

Unit Price	Avg Unit Price						
1-pack	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50
3-pack	\$8.99	\$8.99	\$8.99	\$8.99	\$8.99	\$8.99	\$8.99
10-pack	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Wholesale	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50

Sales Growth Rate	Avg Growth Rate						
1-pack	0%	22%	27%	29%	11%	10%	20%
3-pack	0%	5%	42%	21%	110%	11%	38%
10-pack	0%	57%	53%	19%	-20%	20%	26%
Wholesale	0%	0%	0%	0%	0%	0%	0%

Revenue	(Units Sold * Unit Price)						Total Revenue
1-pack	\$9,000	\$11,000	\$14,000	\$18,000	\$20,000	\$22,000	\$94,000
3-pack	\$4,495	\$4,720	\$6,700	\$8,100	\$17,000	\$19,000	\$60,015
10-pack	\$8,750	\$13,750	\$21,000	\$25,000	\$20,000	\$24,000	\$112,500
Wholesale	\$15,981	\$15,981	\$15,981	\$15,981	\$15,981	\$15,981	\$95,886
<b>Total Revenue</b>	<b>\$38,226</b>	<b>\$45,451</b>	<b>\$57,681</b>	<b>\$67,081</b>	<b>\$72,981</b>	<b>\$80,981</b>	<b>\$362,266</b>

Unit COGS	Avg COGS						
1-pack	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53
3-pack	\$1.59	\$1.59	\$1.59	\$1.59	\$1.59	\$1.59	\$1.59
10-pack	\$5.30	\$5.30	\$5.30	\$5.30	\$5.30	\$5.30	\$5.30
Wholesale	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53	\$0.53

Margin Per Unit	(Unit Price - Unit COGS)						Avg Margin
1-pack	\$2.97	\$2.97	\$2.97	\$2.97	\$2.97	\$2.97	\$2.97
3-pack	\$7.46	\$7.46	\$7.46	\$7.46	\$7.46	\$7.46	\$7.46
10-pack	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20
Wholesale	\$0.97	\$0.97	\$0.97	\$0.97	\$0.97	\$0.97	\$0.97

Gross Profit	(Revenue - COGS or Margin Per Unit * Units Sold)						Total Gross Profit
1-pack	\$7,648	\$9,326	\$11,880	\$15,281	\$16,974	\$18,666	\$79,774
3-pack	\$7,400	\$7,771	\$8,140	\$8,511	\$8,880	\$9,251	\$49,951
10-pack	\$6,020	\$9,460	\$14,448	\$17,200	\$13,760	\$16,512	\$77,400
Wholesale	\$10,334	\$10,334	\$10,334	\$10,334	\$10,334	\$10,334	\$62,006
<b>Total Gross Profit</b>	<b>\$31,402</b>	<b>\$42,350</b>	<b>\$45,065</b>	<b>\$47,780</b>	<b>\$50,065</b>	<b>\$52,350</b>	<b>\$277,244</b>

Overall, sales are expected to show growth throughout the fiscal year!

Our 10-pack bundles generate the largest amount of revenue, followed by wholesale, 1-pack bundles, and then 3-pack bundles.

Sales Projections were determined based on research of real-life chewing gum industries and VE Market Insights. It was found that similar startups in the real world generate about \$500,000 annually. Considering the scope of the virtual setup, our projections were made to ensure that we were within this reasonable range of revenue generation.

# APPENDIX

## BANK BALANCE

### Account details

Account:	<input type="text" value="Chews Green (Budget Checking) - 630907951"/>	<a href="#">Download account details (Excel)</a>
Period:	from <input type="text" value="1/01/2022"/> until <input type="text" value="2/28/2022"/>	<input type="button" value="Show"/>

Date	Name/Description/Acct#	Ref#	Amount	Balance
Feb. 25, 2022	Leeann Palmer.59353.59353 (US013196), Hopewell Junction, NY VE Checkout transaction #671354 02/25/2022 08:01 PM CT Acct #630981604	6070903	\$3.75	\$357,522.22

# APPENDIX

## ANGEL INVESTOR 1

Wilk Construction Company

November 16, 2021

VE Central Office  
122 Amsterdam Avenue  
New York, NY 10023

Dear **Mr. Paul Presti**:

Please accept this letter of support as my intention to invest \$50,000 in **Chews Green**. In exchange for this investment of funds, I understand that I will be taking an equity stake in their business by receiving a commensurate number of shares of stock in their company.

I affirm that I have done the following to review and evaluate this company:

1. Listened to a business pitch from the executive team outlining the firm's business plan, including the marketing plan, operating budget, and sales/revenue projections.
2. Reviewed company projections and assumptions.
3. Engaged in Q&A or discussion to clarify and guide the firm's direction.

I understand that upon approval of this equity investment by the VE Central Office, **Chews Green** will prepare and send to me a stock certificate outlining the number of shares awarded based on a \$10 Par Value. I also understand that as a result of my investment, I will be placed on the company's Board of Directors.

**Chews Green seems like an innovative company and I look forward to helping you increase your positive impact on the world**

Sincerely,

**Mary Jo Wilk**  
Human Resources/Purchasing  
mwilk@mhrd.org

# APPENDIX

## ANGEL INVESTOR 2



### Morris Hills Regional District

Keith Bigora, Supervisor of Career and Technical Education

Morris Hills: 973-664-2349

Fax: 973-664-1966

Morris Knolls: 973-664-2279

Email: [kbigora@mhrd.org](mailto:kbigora@mhrd.org)

November 23, 2021

VE Central Office  
122 Amsterdam Avenue  
New York, NY 10023

Dear Mr. Paul Presti:

Please accept this letter of support as my intention to invest \$50,000 in Chews Green. In exchange for this investment of funds, I understand that I will be taking an equity stake in their business by receiving a commensurate number of shares of stock in their company.

I affirm that I have done the following to review and evaluate this company:

1. Listened to a business pitch from the executive team outlining the firm's business plan, including the marketing plan, operating budget, and sales/revenue projections.
2. Reviewed company projections and assumptions.
3. Engaged in Q&A or discussion to clarify and guide the firm's direction.

I understand that upon approval of this equity investment by the VE Central Office, Chews Green will prepare and send to me a stock certificate outlining the number of shares awarded based on a \$10 Par Value. I also understand that as a result of my investment, I will be placed on the company's Board of Directors.

I am looking forward to investing in your company. I see a valuable return on my investment. I am looking forward to making money with you.

Sincerely,

Mr. Keith M. Bigora

"Excellence in Education"

MORRIS HILLS REGIONAL DISTRICT 48 Knoll Drive, Rockaway, NJ 07866

[mhrd.org](http://mhrd.org)



# APPENDIX

## ANGEL INVESTOR 3



### Morris Hills High School



520 West Main Street • Rockaway, NJ • 07866-3799  
Main: 973-664-2309 • School Counseling: 973-664-2329

Todd M. Toriello,  
Ed.D.  
Principal  
973-664-2301

Robert Merle, Jr.  
Assistant Principal  
Discipline Grades 10&11  
973-664-2301

Gene Melvin  
Assistant Principal  
Discipline Grades 09&11  
973-664-2317

Emily Barlow  
Assistant Principal  
Student Attendance  
973-664-2305

Robert Baraka  
Athletic Director  
973-664-2307

Yvesia Rivera -  
Carney  
School Counseling  
Supervisor  
973-664-2313

**1**  
**11/18/2021**

VE Central Office  
122 Amsterdam Avenue  
New York, NY 10023

Dear **Mr. Paul Presti**:

Please accept this letter of support as my intention to invest \$50,000 in **Chews Green**. In exchange for this investment of funds, I understand that I will be taking an equity stake in their business by receiving a commensurate number of shares of stock in their company.

I affirm that I have done the following to review and evaluate this company:

1. Listened to a business pitch from the executive team outlining the firm's business plan, including the marketing plan, operating budget, and sales/revenue projections.
2. Reviewed company projections and assumptions.
3. Engaged in Q&A or discussion to clarify and guide the firm's direction.

I understand that upon approval of this equity investment by the VE Central Office, **Chews Green** will prepare and send to me a stock certificate outlining the number of shares awarded based on a \$10 Par Value. I also understand that as a result of my investment, I will be placed on the company's Board of Directors.

**Calling this a good business hardly seems adequate, as this enriches the school as a whole. I am honored to invest in this company that aims to promote sustainability.**

Sincerely,

**Dr. Toriello**  
Principal, Morris Hills High School  
[ttoriello@mhhsd.org](mailto:ttoriello@mhhsd.org), 973-664-2301

# APPENDIX

## CONTRACTUAL SALES



**Chews Green**  
520 West Main Street, Rockaway NJ  
(973) 664-2309  
[chewsgreen.nj@veinternational.org](mailto:chewsgreen.nj@veinternational.org)

### Business Contract

This agreement is effective as of **11/01/2021**, between **ShopRite** and **Chews Green** from **12/01-5/01**. The parties hereby agree to the following terms and conditions:

#### DESCRIPTION OF SERVICE/SUPPLIES:

**ShopRite** hereby agrees to purchase the items below, supplied by **Chews Green**.

<b>Item 001</b>	<b>Quantity</b>	<b>Unit Price (\$)</b>	<b>Extended Price (\$)</b>
Spearmint Gum	2873	\$1.50	\$4309.58
<b>Item 002</b>	<b>Quantity</b>	<b>Unit Price (\$)</b>	<b>Extended Price (\$)</b>
Wintermint Gum	2873	\$1.50	\$4309.58
<b>Item 003</b>	<b>Quantity</b>	<b>Unit Price (\$)</b>	<b>Extended Price (\$)</b>
Bubblegum	2873	\$1.50	\$4309.58
<b>Item 004</b>	<b>Quantity</b>	<b>Unit Price (\$)</b>	<b>Extended Price (\$)</b>
Tropical Gum	2873	\$1.50	\$4309.58
<b>Total (Items 001-004)</b>			<b>\$17,238.33</b>

# APPENDIX

## CONTRACTUAL SALES

**TERMS AND CONDITIONS** - This contract agreement may be cancelled with 90 days (or other terms) written notice. The period of this contract is for monthly purchases from the effective date unless modified in writing 90 days in advance on any agreed delivery dates stated in the agreement. Title and ownership of this agreement is non-transferable to any other party.

Chews Green guarantees delivery of the quantities and items stated above in accordance with the terms and conditions stated in this agreement. Chews Green hereby agrees to honor the firm-fixed prices stated above during the period of the contract agreement with no consideration for economic price adjustments. (unless other terms are agreed upon)

**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.

**RENEWABLE OPTIONS** - During the final period of this agreement, either party may offer to negotiate optional years.

**CORPORATE COMMITMENT** - By signing this agreement, ShopRite, hereby agrees to offer the expertise of its officers as advisors to Chews Green. This mentoring will assist in the successful operations of Chews Green, thus protecting your valued investment in our product.

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

  
\_\_\_\_\_  
Signature of Shoprite

12/7/21  
\_\_\_\_\_  
Date

JOHN LOMBARDO GSM  
\_\_\_\_\_  
Printed Name / Title

(973) 366-3343  
\_\_\_\_\_  
Phone Number

  
\_\_\_\_\_  
Signature of ShopRite Representative

JOHN LOMBARDO GSM  
\_\_\_\_\_  
Printed Name / Title

(973) 366-3343  
\_\_\_\_\_  
Phone Number

  
\_\_\_\_\_  
Signature of Chews Green Firm Representative

12/19/2021  
\_\_\_\_\_  
Date

Jared Saltz  
\_\_\_\_\_  
Printed Name and Title

201-274-3938  
\_\_\_\_\_  
Phone Number

# APPENDIX

## CITATIONS

1. [https://www.bea.gov/data/gdp/gross-domestic-product#:~:text=What%20is%20Gross%20Domestic%20Product,used%20up%20to%20produce%20them\).](https://www.bea.gov/data/gdp/gross-domestic-product#:~:text=What%20is%20Gross%20Domestic%20Product,used%20up%20to%20produce%20them).)
2. [https://www.worldometers.info/gdp/gdp-by-country/#:~:text=World's%20GDP%20is%20%2480%2C934%2C771%2Co28%2C340%20\(nominal%2C%202017\).](https://www.worldometers.info/gdp/gdp-by-country/#:~:text=World's%20GDP%20is%20%2480%2C934%2C771%2Co28%2C340%20(nominal%2C%202017).)
3. <https://www.nationalgeographic.com/environment/article/plastic-pollution>
4. <https://ourworldindata.org/plastic-pollution>
5. <https://www.arboday.org/programs/rainforest/report/2010/mexico2.cfm#:~:text=C%20hicle%20comes%20from%20the%20sap,place%20in%20the%20rainy%20season.>
6. <https://www.wellandgood.com/natural-chewing-gum/>
7. <https://en.wikipedia.org/wiki/Chicle>
8. <https://www.myunemployment.nj.gov/>
9. <https://www.nj.gov/labor/myunemployment/schedule.shtml>
10. <https://www.nj.gov/labor/>
11. <https://www.fsb.org.uk/resources-page/8-marketing-tips-tricks-for-beginners.html>
12. <https://www.wordstream.com/social-media-marketing>
13. <https://sproutsocial.com/insights/social-media-marketing-strategy/>
14. [https://lancasteronline.com/news/local/what-are-those-black-dots-on-the-sidewalk-is-it-chewing-gum-the-scribbler/article\\_4f17dfao-977d-11e9-9bob-bbd871808566.html#:~:text=The%20culprits%20are%20those%20who,Investment%20District%20cannot%20remove%20gum.](https://lancasteronline.com/news/local/what-are-those-black-dots-on-the-sidewalk-is-it-chewing-gum-the-scribbler/article_4f17dfao-977d-11e9-9bob-bbd871808566.html#:~:text=The%20culprits%20are%20those%20who,Investment%20District%20cannot%20remove%20gum.)
15. <https://makechange.aspiration.com/how-long-does-it-take-for-gum-to-decompose/#:~:text=Though%20there%20has%20yet%20to,of%20synthetic%20plastic%20and%20rubber.>
16. <https://www.foodbusinessnews.net/articles/13133-sustainable-product-market-could-hit-150-billion-in-us-by-2021#:~:text=New%20York%2Dbased%20Nielsen%20forecasts,22%25%20of%20total%20store%20sales.>