



## ENHANCED EXECUTIVE SUMMARY

### ABOUT THE BUSINESS:

Finding its start in the small town of Southold on the rural east end of Long Island, Doze was founded in September 2021 by 11 passionate individuals. A C corporation was the best fit for our company as its flexibility allows for rapid financial growth and opens up possibilities for international connections. Additionally, investors and shareholders share the burden of potential financial risk.

**Our mission here at Doze is to help our customers fall asleep, stay asleep, and wake up feeling their best.** Our product is a sleep drop (think cough drop, but for sleep!) that is formulated from all-natural ingredients scientifically proven to aid in sleep. With help from our production partner, a local farm and hemp grower, Oregon Road Organics, our drops are made with five key ingredients: locally grown organic hemp extract, melatonin, valerian oil, magnesium, and chamomile. Safe for all ages, our sleep drops come in four calming flavors: lavender, honeysuckle, mint, and classic vanilla.



With the goal of reducing waste from disposable packaging, our sleep drops come in a greener alternative: aluminum tins that are completely recyclable.

Beyond our eco-friendly efforts, **Doze gives back by donating 2% of all proceeds to the Pajama Program**, which is a charity dedicated to promoting comfortable night time routines and healthy sleep for

children, a mission similar to our own.



### BUSINESS RATIONALE:

We spent considerable time developing deep customer empathy in order to create a truly beneficial product. We surveyed Southold Jr. Sr. High School's students, faculty, and staff, and conducted in-person interviews with family and friends. **What surprised us were the discoveries that adults – not just teens – suffered from lack of quality sleep, and that staying asleep was a more common problem than we'd originally thought.**

According to the CDC, adolescents who do not get enough sleep have a higher risk of obesity, diabetes, injuries, poor mental health, and problems with attention and behavior. As high schoolers ourselves, we, the Doze team, feel passionately about this issue, as we know first-hand that quality rest is essential for energy, productivity, and mental health. This is where Doze comes to the rescue.

Aware that no one's lifestyle or schedule is identical, we sought to create a product that could be easily implemented into anyone's nightly routine. After a process of exploring the pros and cons of various

potential products, including an aromatherapy pillow or a calming tea, **our team agreed that an ingestible, cough-drop style product was our best option.**

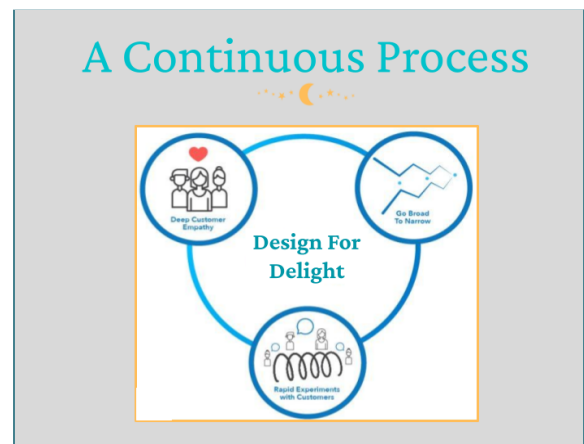
With the health of our customers as our top priority, our team researched and compiled a list of all-natural ingredients that are scientifically proven to aid in sleep: melatonin, which according to WebMD is a naturally occurring hormone that “regulates the body’s circadian rhythm” and “decreases the time it takes to fall asleep,” hemp extract which is a relaxant, chamomile which serves as a calming agent, magnesium which helps to maintain the state of sleep, and finally, valerian root oil, which negates the feeling of grogginess the following morning.

Doze is committed to creating a well-reseted, rejuvenated generation of teens. By creating a product that supports a quality night of rest, **our customers can say goodbye to nights of tossing and turning, and hello to healthier, happier days.**

## COMPANY GOALS

A primary goal for our company is to **break even in our first year.** After an incredibly successful second month of sales we are on track to do just that (see details in finance section).

Additionally, our team has set out to **embrace the professional learning opportunities presented by VEI** competitions and enter as many regional and national competitions as possible, particularly the D4D and Human Resources competitions, which Southold has not entered in the past few years. Last month, our firm placed in the Top 20 of the national D4D competition and earned honorable mention for our elevator pitch.



In an effort to **reach beyond the charity affiliations in the virtual world,** we planned a school bake sale for 12/17, and we donated \$175 to the Pajama Program. Additionally, we held a successful food drive in connection with C.A.S.T., a local community service organization. Giving back is something very important to us here at Doze, and we plan to continue our outreach efforts for the rest of the year.

As for long-term goals, we plan to **streamline our current offerings and expand our product line** to include sleep drops for pets – a suggestion offered to us during a recent meeting with our local production partner, Oregon Road Organics.

Finally, we have made many business to business connections that have grown to friendships. We hope to **foster and grow these connections** so that we at Doze, and all Southold-Companies-to-come, have friends across the nation to share encouragement and support.

## MARKETING PLAN

### Target Market:

Doze’s target market is young adults, ages 17-25 (Gen Z), who balance busy schedules and often feel drained due lack of quality sleep. According to the CDC, 69% of high schoolers get seven or fewer hours of sleep at night, which is considered insufficient. Additionally, recent research conducted by the Sleep Foundation suggests that older teens get less sleep on average compared to early adolescents, information that helped guide us to our target market of young adults.



Young adults value mental and physical health, and they also gravitate towards products made with all-natural, healthful ingredients, packaged in eco-friendly materials. In fact, according to 2020 digital marketing and spending research by First Insight, Inc., “73% of [Gen Xers] surveyed would pay more for sustainable items, with the majority of that chunk willing to pay a 10% price premium.” What’s more, they are familiar with e-commerce and direct-to-consumer social media marketing and purchasing methods, all of which we utilize at Doze.



**Priced at \$75.00 per individual tin** (30 day supply), our sleep drops are comparable to other virtual marketplace products such as aromatherapy pillows, weighted blankets, or hemp ingestibles, and are slightly more expensive than their real-world counterparts such as CBD gummies or valerian-chamomile tincture drops. Current sales from Out-of-VE sales, our website, and trade shows (our three current placements) suggest that our pricing is appropriate.

### Business Risks:

After conducting a risk assessment, our management team determined that our three most pressing risks are the spread of product misinformation, potential environmental disasters impacting our supply production, and the possibility of changing state and federal regulations regarding hemp, CBD, and the “all natural” product claims.

SOLUTIONS		
<ul style="list-style-type: none"> <li>● <b>Risk: Misinformation regarding our product/ingredients circulating online and/or in our school &amp; community</b></li> <li>● <b>High/Severe</b></li> <li>● Treatment Strategy: Mitigate</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Risk: Natural disaster wipes out supply from Oregon Road Organics</b></li> <li>● <b>Severe/Medium</b></li> <li>● Treatment Strategy: Accept</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Risk: State or Federal Regulatory changes</b></li> <li>● <b>High/High</b></li> <li>● Treatment Strategy: Mitigate</li> </ul>
<p>Our PR manager and CTO consistently monitor web and social media information and comments. Management will provide company wide education and strategies to combat misinformation.</p>	<p>A major goal for us in 2022 is to form additional production agreements with businesses beyond our Long Island region.</p>	<p>Have our COO and Product Manager research &amp; monitor changes to federal and state regulations in regards to product ingredients, and labeling, particularly hemp.</p>

## FINANCES

### Balance Sheet:

The initial start-up funding for Doze was \$70,000, with \$20,000 coming from VE international and the other \$50,000 accumulated from our local business angel investor, Fit Foods.

As of December 31, 2021,

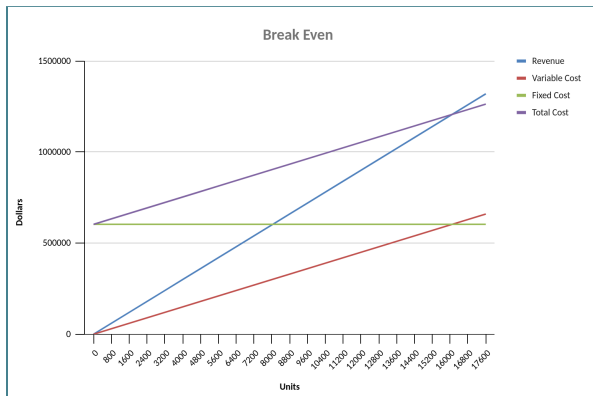
Current assets of cash and supplies, as well as fixed

assets of computers, furniture

and fixtures, and computers, total \$531,997. Our current liabilities, which include current liabilities, long term liabilities, and stockholders equity equals \$531,997, which shows our account is currently balanced.

Doze	
Balance Sheet	
As of December 31, 2021	
<b>Assets</b>	
<b>Current Assets</b>	
Cash	526,401
Accounts receivable	0
Merchandise inventory	0
Supplies	250
<b>Total Current Assets</b>	<b>526,651</b>
<b>Fixed Assets</b>	
Computers	1,840
Less: accumulated depreciation	105
Furniture and fixtures	2,375
Less: accumulated depreciation	136
Office equipment	1,455
Less: accumulated depreciation	83
<b>Total Fixed Assets</b>	<b>5,346</b>
<b>Total Assets</b>	<b>531,997</b>

Liabilities and Stockholders' Equity	
<b>Current Liabilities</b>	
Accounts payable	0
Sales tax payable	67,946
Salaries payable	0
Payroll tax payable	0
401(k) payable	0
Other payable	0
Corporate tax payable	0
<b>Total Current Liabilities</b>	<b>67,946</b>
<b>Long Term Liabilities</b>	
Loan payable	0
<b>Total Liabilities</b>	<b>67,946</b>
<b>Stockholders' Equity</b>	
Common stock, \$10 par value, * # shares issued	70,000
Additional paid-in-capital	
In excess of par value	
Retained earnings	394,051
<b>Total Stockholders' Equity</b>	<b>464,051</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>531,997</b>



### Break Even Analysis

Using the break even formula, annual fixed costs of \$603,405.90, and a unit sale price of \$75.00, **Doze broke even after earning \$1,206,811.80 in revenue, which happened in December 2021.**

### Current Sales and Projections

During the month of October, our total revenue was \$900. In November, from Out of VE Sales we made \$79,445.85, \$46,747.44 from website sales, and an additional \$2,000 through a business deal with another

VE company called Opal, based in Westhampton, NY. Our first Virtual Trade show was a major success, bringing in \$429,373.95. Our total profit for the month of November was \$276,195.78.

Considering our sales from October and November, **Doze projects revenue of approximately \$550,000 for the months of January, March, and April**, with a lower projection of around \$400,000 in February, as there is no trade show that month. By the end of one year of operation, we are projected to have gained a gross profit of approximately \$1.1 million.

## CONCLUSION

After only three months, Doze has made tremendous growth and established a striking reputation in both the Virtual Enterprise landscape and in our local school and community. Beyond that, we are eager to broaden our connections with other virtual enterprise businesses, establish more local partnerships, and continue to learn and grow as employees. We at Doze are looking forward to the future, excited to explore our company's incredible potential, all while ensuring that our customers **sleep well!**