

Business Plan

Politics, Beyond
the Bias



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Executive Summary

The U.S. government has and always will be an intricate and very unique system. With over nine million individuals currently working directly in the federal government,¹ it's no surprise that understanding its complexity can be a struggle, especially among the country's youth. In 2019, 74% of Americans believed that the country had become very politically divided, which in turn, has created issues for people to obtain accurate and unbiased political information.² And now, in 2021, with 91% of young people (aged 18-24) following politics in some capacity,³ the time for a better understanding of these complex governmental and political topics is now. **MiddleGround** aims to provide young individuals with the necessary tools to understand U.S. government and politics while providing an engaging community for civil discourse.

With **MiddleGround**'s focus on political education, the company is a unique business and is emerging at a key time with high political engagement among the country's youth. The key difference between MiddleGround and other educational methods for U.S. government and politics is the way content is delivered to users. **MiddleGround** utilizes a mobile app platform to provide users with education, news, and community. The educational component of the app allows young people to learn about U.S. government and politics in the form of short, engaging videos that are tailored towards the learning style of youth. The news component of the app provides multiple reliable perspectives on current events, in order to allow users to come to their own conclusions. Finally, the community component of the app is designed as a form of social media that allows individuals to civically discuss political issues and learn from the **MiddleGround** community. To further build community among **MiddleGround** users, strengthen the **MiddleGround** brand, and diversify revenue, the company sells a line of American themed products. As the only firm currently addressing the lack of political education among young people, MiddleGround has a strong competitive advantage at a pivotal time in U.S. politics.

MiddleGround's key strengths lie in how the company differentiates itself from the competition. The way the educational content on the **MiddleGround** app is delivered, a revenue stream based on subscriptions rather than advertisement revenue, and community guidelines that prioritize civility make **MiddleGround** unlike any other firm in the market. Combining this with the passion of **MiddleGround**'s staff and its in-house app development gives the company an opportunity to provide a unique solution to a widespread problem.

Our Mission



MiddleGround's mission is to inform and educate young people about U.S government and politics while providing a community for civil discourse.



MiddleGround partnered with angel investors, which account for the majority of the firm's startup funding. The three angel investors each invested \$50,000 for an equity stake in the company. The Chief Officers and the Director of Marketing invested \$5,000 each for equity in the company.

MiddleGround employees also crowd-funded a total of \$15,000 in exchange for lifetime subscriptions to the **MiddleGround** app. **MiddleGround** secured a \$100,000 loan, which, when combined with other startup funding, will cover the company's operating expenses for 3 months.

MiddleGround has made over \$1.2 million in sales as of March of 2022 and broke even in December of 2021. On top of this, **MiddleGround** has exceeded its sales projections by 23% with \$220,000 more than the anticipated gross sales.

MiddleGround's overall goal is to provide the youth of America with the tools necessary to understand the complexities of U.S. government and politics. In addition to the firm's revenue stream of direct-to-consumer sales, the company also partners with educational institutions to provide the app to students. **MiddleGround** signed a \$500,000 sales contract with the Kern High School District to provide the app to their 42,000 high school students. The firm plans to expand their relations with educational institutions and it is one of their key long term goals. To further support **MiddleGround**'s mission to educate young people, the company donates \$0.76 to the Boys and Girls Clubs of America upon every purchase of a yearly **MiddleGround** app subscription. The amount is a reference to 1776, the year the United States declared independence. This partnership allows the two organizations to work together to better the youth in America. During the first fiscal quarter, **MiddleGround** was able to donate \$35,000 to the Boys and Girls Clubs of America.

MiddleGround is designed to be a place for young people to learn about U.S. government and politics in ways that are engaging and that encourages constructive interaction with others. There is, and will never be, a product as unique, effective, and necessary as the **MiddleGround** app. During such a turbulent time in U.S. politics, **MiddleGround** serves as a symbol of unity for the next generation and is committed to helping its users reach a **MiddleGround**.



Business Rationale

Customer Empathy

The next generation of students are America's future leaders. And with a majority (52%) of young people in the U.S. now believing that our democracy is being threatened or in trouble,¹ there is a need for a tool to help bring young people together. Generation Z, specifically those aged 14-24, makes up **MiddleGround**'s primary target market. The employees of **MiddleGround** have experienced firsthand the frustrations of trying to understand the U.S. government and politics. The U.S. government and political system is very complex with sophisticated rules and constant changes. With 83% of young people (aged 18-24)² believing that they have the power to change the country, **MiddleGround** seeks to be the educational tool for youth to learn more about the U.S. government and political system and facilitate a community for **MiddleGround** users. The firm will give individuals the knowledge they need to become politically literate, no matter the issue.

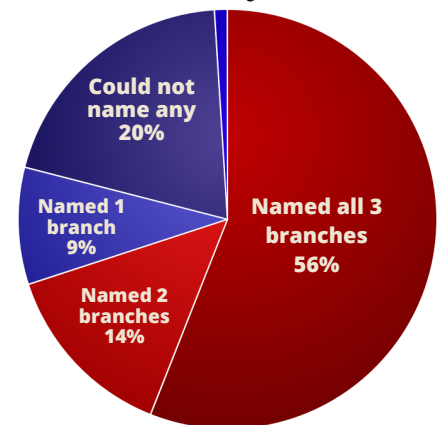
Problem Statement

According to a study done by the Institute of Politics at Harvard Kennedy School, participation among young people in politics (aged 18-29), increased by 50% from 2009 to 2020.³ Despite this, in 2021 only around half of Americans can correctly identify the three branches of the U.S. government, and only around 1 in 3 know the term lengths of senators and representatives.⁴ As more individuals, predominantly young people, begin to get more involved in politics, having a basic understanding of how the U.S. government and political system works and knowledge of current issues is crucial. With the rise of the internet and social media, less reliable information is being shared at a rapid rate, which has accelerated the divide in U.S. politics and has left many young individuals confused and uninformed.

Solution Statement

In order to effectively educate young people on politics and motivate them to continue to learn, the information must be presented using modern tools. No matter the topic, **MiddleGround** provides an engaging way for young people to learn. The **MiddleGround** app features short-form videos to retain the attention of a younger audience while explaining various governmental and political topics in the United States, which is what truly makes the content on the app unique. This includes videos about topics such as the Electoral College and the Supreme Court, as well as more current issues like the infrastructure bill and the national debt limit. In the news section, users are also provided with information on a variety of political topics with multiple political perspectives. This allows users to comprehend issues that are commonly talked about on the news and form their own opinions. Finally, the app offers a community that allows users to engage in civil discussion with peers.

Of American's Surveyed:



Know the term length of a senator







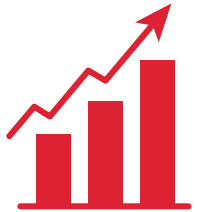
Know the term length of a representative



Source: Annenberg Public Policy Center 2021

By offering information from a variety of perspectives, users can further their knowledge on certain subjects, discuss political issues civilly, and learn how to appreciate others' political views. The MiddleGround app is designed to be an educational tool for schools, institutions, and young people everywhere interested in getting more involved in U.S Government and Politics. **MiddleGround** believes the way the app offers information and educational content will revolutionize how young people learn about these topics so that they can take an active role in reducing division as America's future generation.

Goals and Milestones

Goals		Strategy
Short-Term 	 Identify a philanthropic endeavor that aligns with MiddleGround's mission	Donate to 76¢ Boys and Girls Clubs of America with every purchase of a yearly app subscription.
	 Increase social media engagement by 10% monthly	Post photos, videos, and other branded content at least three times a week. Develop new themed series of recurring posts.
	 Functional app by the end of November 2021	Import initial content, create layouts for the app's main pages, and create an interactive homepage for the app.
Long-Term 	Expand our partnerships with educational institutions	Reach out to more schools/universities and create a student-friendly curriculum around our product.
	Increase Customer Lifetime Value to Customer Acquisition Cost ratio year over year	Attain new customers by increasing the effectiveness of our marketing campaigns and social media engagement. Retain customers through the addition of new app content and exclusive physical products.
	Reach 50,000 users on the MiddleGround App	Continuously update the app with new features such as political trivia and user feedback while expanding partnerships with educational institutions.

About the Business

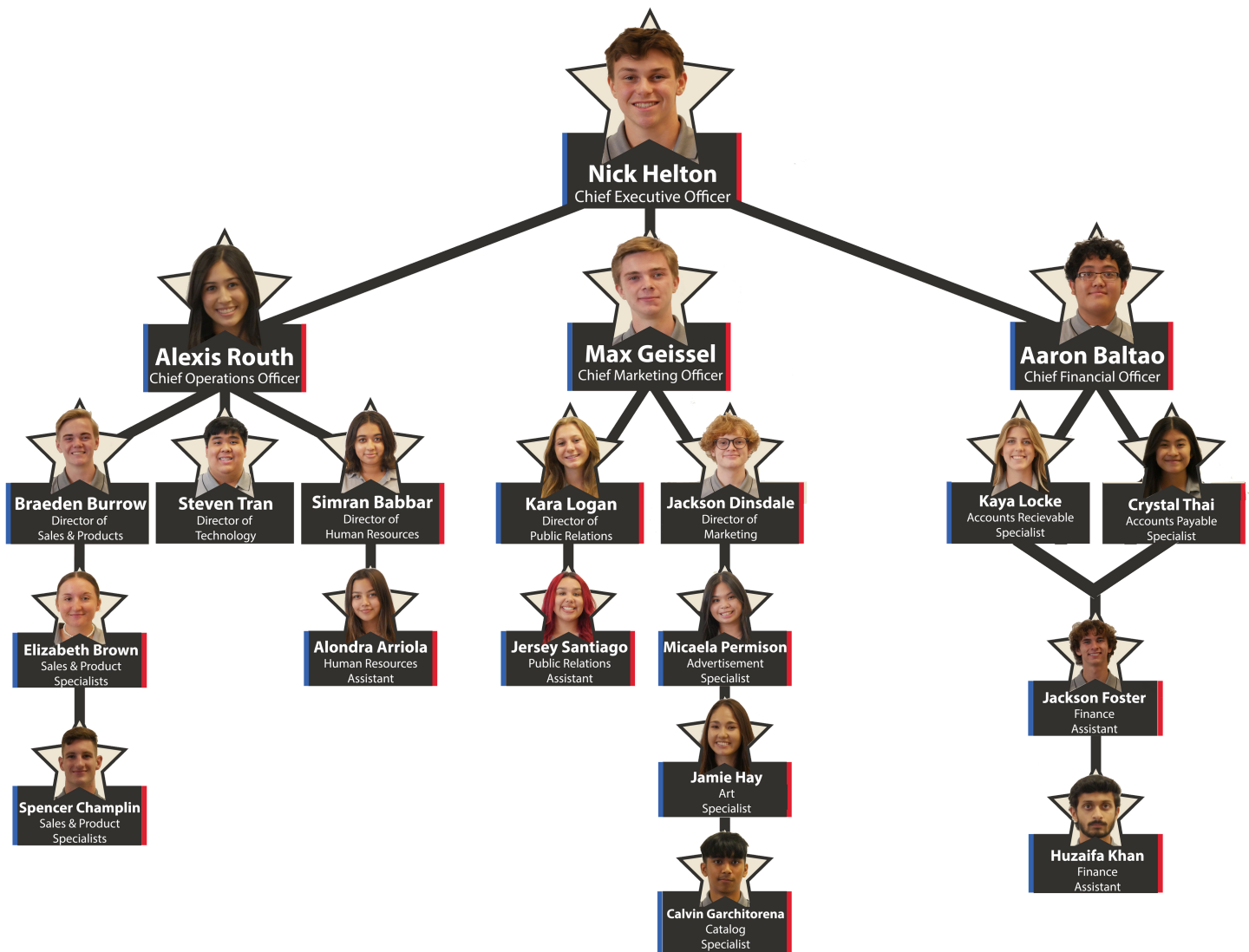
Company Overview

MiddleGround provides young individuals with the necessary tools to understand U.S. government and politics while providing an engaging community for civil discourse. **MiddleGround** was founded in the heart of the Central Valley in Bakersfield, California. The firm is part of the Information Industry and was officially created in October 2021. The company provides a platform that acts as an educational tool for young people to learn more about U.S. government and politics. The **MiddleGround** app is designed for young people using short, engaging videos and a social media component. In addition to the app, the company also sells a variety of American themed products such as hats, shirts, and stickers, all inspired by the **MiddleGround** brand. **MiddleGround** stands out among competitors as the only firm focused on delivering political education to an underserved market. **MiddleGround** incorporated as an S-Corporation upon its founding due to the significant financial tax advantages it provides for start-ups with no corporate income tax and income passing directly to shareholders. These savings will allow **MiddleGround** to reinvest profits and focus on growing the business by adding server space and increasing the marketing budget.

Mission Statement

MiddleGround's mission is to inform and educate young people about U.S. government and politics while providing a community for civil discourse.

Organization



MiddleGround is comprised of four chief officers, five directors, and eleven specialists/assistants. Within the company, there are three departments: Operations, Finance, and Marketing. All participants in these departments collaboratively work together in order for **MiddleGround** to run efficiently and effectively. Communication and teamwork are two things the company values the most. Maintaining communication is extremely important, especially when an employee is away on sick leave for a long period of time, which is more common during the time of Covid quarantines. One way **MiddleGround** is able to maintain communication is through the app BaseCamp. BaseCamp is a great way to stay organized and manage teams. All employees have access to BaseCamp and are able to delegate tasks, communicate with coworkers, as well as make to-do lists. When it comes to sharing files or documents, **MiddleGround** uses Microsoft Teams, which is accessible on mobile devices from anywhere. Every employee has access to Microsoft Teams where they are able to store their work, collaborate, and see what coworkers are working on. These internal communication channels allow the employees of **MiddleGround** to collaborate and help the company achieve success. The firm has also implemented multiple recognition programs such as sales awards to keep employees motivated and efficient.

SWOT Analysis

MiddleGround recognizes the value of determining its strengths, weaknesses, opportunities and potential threats. The company understands that every weakness has the potential to become a strength and every threat can and will become an opportunity.

S

1. **Proprietary educational content:** Based off market research, Middleground is aware of the lack of political education available for teens, therefore the app includes short engaging educational videos that are developed in-house and geared towards the firm's target market
2. **In-house app development:** MiddleGround pulls their own resources to develop the app, having complete control and making sure it is different from competitors. Not only will they be able to curate content for their target market efficiently but they will also have control to add features and evolve the middleground app.
3. **Three complementary components of the middleground app:** The app has three main components: education, news, and community, that all offer a unique educational experience. A platform targeted for teenagers that advances and contributes to the political education in the country.

W

1. **Lack of brand recognition:** As a startup company, MiddleGround understands brand recognition will be a challenge. However, partnering with educational institutions will introduce the Middleground app to thousands of students across the United States.
2. **App profitability while gaining paid users:** Not all Americans are willing to spend their discretionary income on an app priced at \$9.99 a month. We must combat this by increasing the effectiveness of marketing campaigns to lower customer acquisition cost.

O

1. **Increased interest in politics with Gen Z:** 91% of young people (aged 18-24) follow politics in some capacity, knowing this, MiddleGround is confident in their ability to provide politics to young adults and future generations.
2. **Lack of political information/education available for teens:** With the lack of political education in the United States, especially among young people, there will always be a demand for political and governmental education.
3. **Political division within the United States:** Due to the political polarization amongst our nation, there is a need for the middleground app to help Americans find a common ground. The app provides a community for future generations and teaches the value of civil discussion and to appreciate others' political perspectives.

T

1. **People's aversion to political discussion:** Individuals of today's society fear political discussion and have the worry it will negatively escalate causing division and arguments
2. **Non-renewal of educational contracts:** Partnering with educational institutions is a key factor for MiddleGround, for the reason that it allows outreach to tens of thousands of high school students. On the other hand, MiddleGround will still remain profitable with or without securing educational contracts.

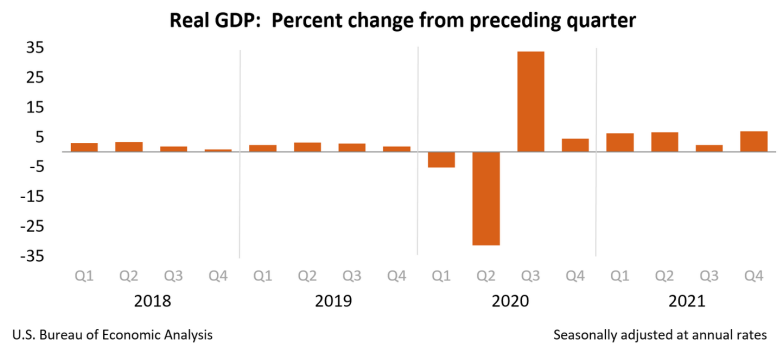
External Environment

Current Economic Conditions

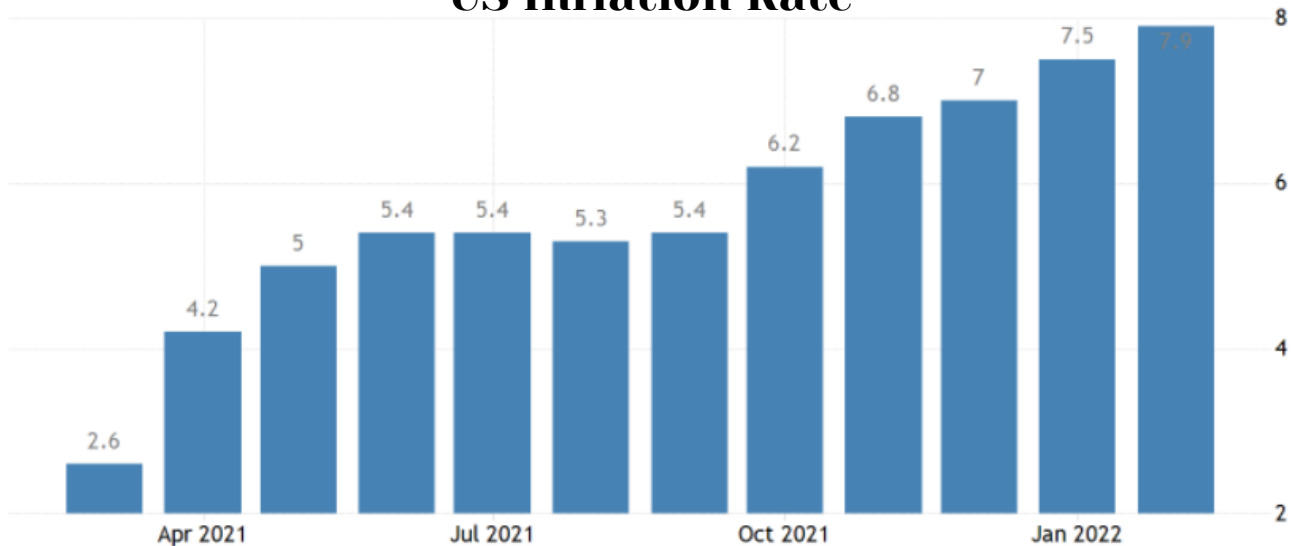
The Real Gross Domestic Product showed an increase of 6.9% in the fourth quarter of 2021, an increase from the 2.3% increase of the third quarter. Totalling in a 5.7% increase from 2020 to 2021.¹ The U.S. economy is slowly recovering from the impact of Covid-19, with establishments reopening, in addition to steadily

decreasing Covid-19 cases and the reduced amount of mandates.² While there is still large uncertainty with the economy, such as housing prices rising to an all-time high³ and supply chain issues.⁴ Overall, Covid-19 is becoming less of a concern and America is returning to normality in the real world and business world, creating a perfect environment for MiddleGround to operate in.

Real GDP



US Inflation Rate



Another relevant problem throughout the world right now is the recent invasion of Ukraine. After months of a speculated war, Russia finally invaded the country in February 2022. This created many short-term and long-term effects for countries and businesses all around the world. Numerous large energy and gas companies are stopping business with Russian companies. As well, President Biden has placed multiple sanctions on Russia and banned the importing of Russian Oil.⁵ This all leads to the increase of gas and oil prices, with a current barrel of crude oil sitting at around \$100.⁶ All of this, in addition to already established economic problems, have built up to the current inflation rate of 7.9 percent, the highest it has been in over 40 years. While not ideal, this situation rises interest in politics and creates more intrigue for the **MiddleGround** app.



Currently, in the United States, there is a large labor shortage; over 4.3 million workers resigned in 2021⁶. Many economists are calling this the “great resignation”. After a troubling pandemic, many workers are struggling to get back on their feet. In addition to finding the long hours and low wages

unfavorable, workers are not going back to work for multiple reasons. Labor-force participation has rebounded recently, but it is still lower than it was in February 2020, right before the pandemic lockdown went into effect. In order to combat this, **MiddleGround** raised its employee pay rate to a minimum of \$16 an hour, \$2 above California’s minimum wage for small businesses as of January 2022. This provides **MiddleGround**’s employees with livable and competitive wages, increasing their company loyalty and securing **MiddleGround**’s labor force.



Competitive Analysis

MiddleGround offers information and education through a downloadable app filled with features and attributes that differentiate **MiddleGround** from its competitors. Through the combination of government and political education, news, and community, in addition to **MiddleGround**’s teen-friendly design and content, a unique and distinctive platform has been created. This platform gives its users an engaging and beneficial experience that can not be found elsewhere.

Real World Competitors

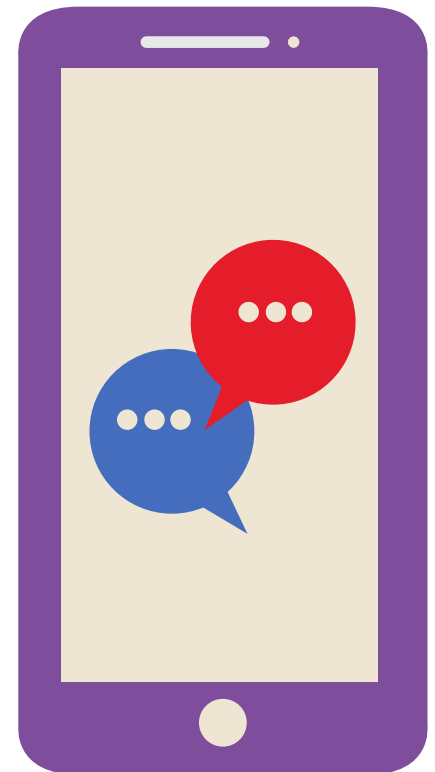
One of **MiddleGround**’s direct competitors is a platform known as AllSides. This website/app is an American company that provides multiple perspectives on different topics. Presenting the user with different versions of the same news stories, all from different sources with varying political alignments. While similar to **MiddleGround**’s bipartisan and unbiased approach to delivering news, AllSides only provides the user with different articles. They lack

	AllSides™	CT	MiddleGround
SOCIAL MEDIA COMMUNITY		✓	✓
POLITICAL NEWS	✓		✓
EDUCATIONAL CONTENT			✓

the educational, short-formatted videos **MiddleGround** produce which resonate more with younger audiences than an article. The home page of AllSides contains different articles and headlines with many different tabs, creating a convoluted and overwhelming experience when compared to the simplicity of **MiddleGround**’s design. Additionally, AllSides does not provide the opportunity for its


users to interact with each other, which is prevalent in the **MiddleGround** app. AllSides profits off of ads, donations, and an optional ad-free membership program, starting at \$4.99 a month, with options to pay more to contribute to the company.⁸ Another direct competitor of **MiddleGround** is the social media network, CivilTalk, which formed recently to combat the issue of lack of civil discussions among citizens with differing political opinions, as well as the division that social media causes. Their solution is to provide a controlled environment for discussion. A membership is required to use all of CivilTalk's features, at a price of \$2.99 monthly, and \$19.99 yearly, with a 7-day free trial provided.⁹ Same in concept to **MiddleGround**'s platform for discussion, CivilTalk is missing the educational and informational aspects of the app. Which **MiddleGround** believes is an important component in addressing misinformation and providing necessary details and facts to users. Many young Americans do not know the full context of political topics, making it difficult for them to discuss in the first place.

MiddleGround's indirect competitors are other social media platforms where people can discuss politics such as Facebook, Twitter, and Instagram. Over half of **MiddleGround**'s target audience, American teenagers, get their news from social media and Youtube.¹⁰ The difference between applications like Facebook and Twitter compared to **MiddleGround** is that the platform focuses on controlled civil discussion about politics and government. Other social media platforms contain many more topics than politics. These other platforms were created with entirely different missions and goals than **MiddleGround**, making **MiddleGround** stand as a specialized location for political and governmental education, information, and discussion. The platform limits the amount of fake news and misinformation that is so prevalent in most other social media platforms, through **MiddleGround**'s strict terms of service, specialization in education, and membership cost. In addition to the focus on a younger target market, compared to other social media apps like Facebook or Twitter, which are aimed more at adults. **MiddleGround** provides a go-to app for teenagers when they want to educate themselves and discuss politics with their peers.



VE Firm Directory

Sort by: Spotlight


MiddleGround, Bakersfield, CA, USA

An educational app to inform America's youth on U.S. government and p
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Address: 8601 Hageman Rd.
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Virtual Competitors

MiddleGround is a very unique firm within the Virtual Enterprise (VE) market. There are no other VE firms tackling politics and/or government. In addition, there are no firms with a social media-related product. This difference gives **MiddleGround** a unique selling point and sets it aside completely from other VE firms. Therefore, **MiddleGround** has a very strong competitive advantage in the VE marketplace.

Industry Analysis

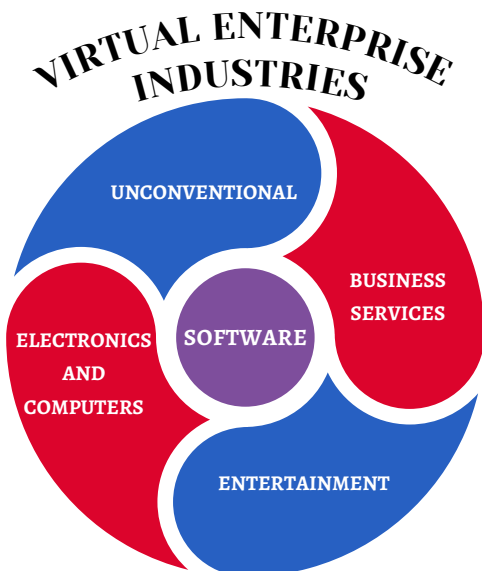
Industry Analysis (Real)

MiddleGround falls into the information industry, while simultaneously offering components found in the social media industry and news media industry. These three are consistently relevant industries that are ever-expanding. The Information industry within the United States in 2021 has a market size of \$1.9 trillion dollars with an expected growth of 7.7% this year.¹¹ Social Media is growing at an exponential rate, with the U.S. Social Networking Sites Industry rising at a rate of 6.4% active users over the last five years.¹² In addition, the total global social media market is expected to grow from \$94.83 billion to \$102.62 billion from 2020 to 2021. The amount of users is also increasing rapidly, with some user bases surpassing 2 billion. Around 90% of teens claim they have used social media in the past, while 51% of teens report they visit a social media site daily.¹³

In the case of the News Media industry, TV prime news has increased over the last few years, with more people tuning in to cable news programs than ever before. Cable news media has also steadily been transitioning to utilizing the internet more, with streaming services and applications. 73% of the highest-traffic news outlets have apps on either iOS or Android.¹⁴ Americans prefer this form of consumption as well, roughly six-in-ten citizens are more likely to get news from mobile devices. While many citizens might prefer cable TV prime news as a source for their politics, these same viewers are not in **MiddleGround**'s target market, as the majority of viewers are older than 24, almost half being 65 and older.¹⁵

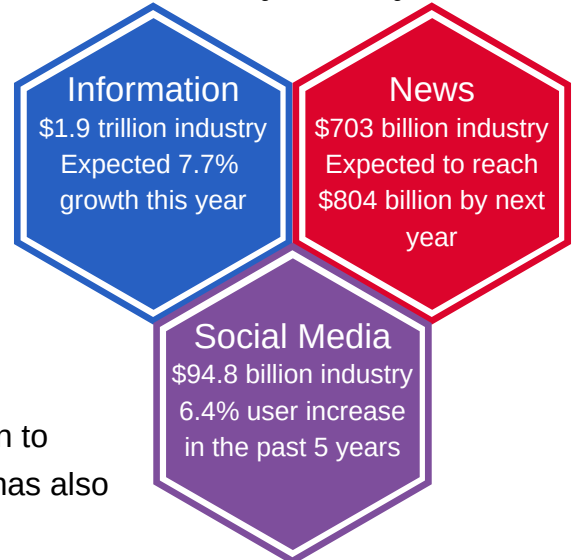
Industry Analysis (Virtual)

Within Virtual Enterprise, the **MiddleGround** firm falls under the following industries: Software, Business Services, Electronics and Computers, Entertainment, Software, and Unconventional.



MiddleGround's crossover in so many different categories gives the company a wider range of possible users. **MiddleGround**'s main industry is software and is one of the few VE firms to have a fully functional application, giving **MiddleGround** an advantage over its competitors. The software industry within VE has an average transaction of over \$5,628, with a total of 13,521 transactions since January 2022.¹⁶ In turn, making the software industry very profitable and valuable. There are now over 1,100 VE firms across the U.S., and as of now, **MiddleGround** is the only firm within VE to relate to politics and government, making the firm stand out from the crowd. This gives **MiddleGround** a very unique benefit within in the VE marketplace.

Industry Analysis



Marketing Plan

Target Market

MiddleGround primarily aims to serve high school and college students from age 14 to 24 in hopes of gaining a foundational understanding of government and politics. Over half of American teenagers have admitted they cannot identify fake news when they see it.¹ **MiddleGround**'s market research indicates political interest in teenagers is very high with 81.9 percent of teenagers being at least somewhat interested in politics (See Figure 1.1). This interest provides **MiddleGround** a great untapped market ready to be reached.

Secondary Target Market

MiddleGround's secondary target market is parents who will be paying for this app for a large portion of our teenage users. Studies show parents are very involved in their children's academic and educational life today, making them a great market niche for our services.² A majority of parents are concerned about the future of their children and the United States, worried their children will be worse off than they were.³ **MiddleGround** hopes to ease some of this anxiety by educating the next generation of politically engaged individuals.

Tertiary Target Market

MiddleGround has identified our tertiary target market to be schools and educational institutions wanting to purchase **MiddleGround** app subscriptions in bulk to distribute to their students as a supplemental educating tool for teachers to use in the classroom. Having access to a major portion of our target market, educational facilities hold a massive possibility for sales contracts and bulk deals to reach a larger audience.

Of Teens Surveyed

How important are politics to you?

155 Responses

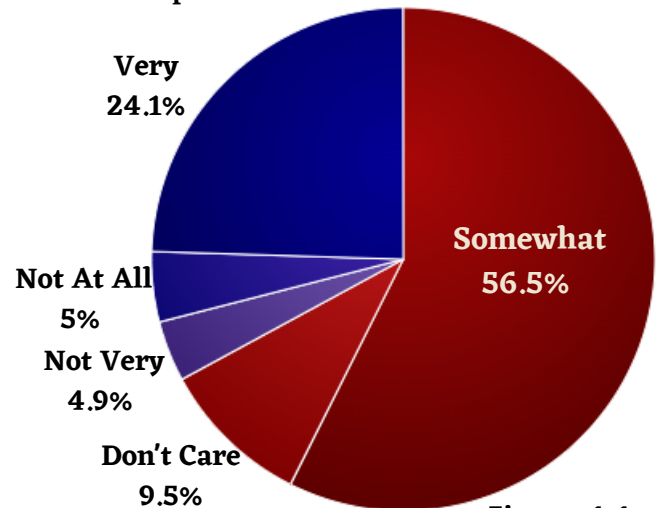


Figure 1.1

Target Market Persona



THOMAS

Full-time college student
with a part time job

Demographics

- Age: 20
- \$2,200/month
- Employed/minimum wage
- Unmarried/no dependents

Needs

- Unbiased information
- A platform for civil political discussion

Solutions

- **MiddleGround** educational app

Market Segmentation

Demographics

- Male and female high school and college students ages 14-24

Behavioral

- Uses and is familiar with social media platforms
- Follows U.S. Politics

Geographics

- Young adults residing in the United States

Socio-economic

- Average monthly income of \$2,200

Psychographics

- Desire to learn
- Patriotic

Demographics

MiddleGround has determined the primary target market will be high school and college students ages 14 to 24 because these ages have interest in government and politics but studies show they are severely uneducated.

Geographics

The primary geographic factors of **MiddleGround** consumers is United States residents given that the application exclusively covers U.S. government and politics.

Psychographics

MiddleGround consumers are most likely already interested in government and politics to have a jumping off point. Consumers are also very likely to have a desire and want to learn about U.S. government and politics since they are paying for this application. **MiddleGround** consumers will also be very likely to be patriotic given the fact that many users use the **MiddleGround** application to not only better themselves but the nation.

Socio-economic

The average monthly income of **MiddleGround**'s target market is \$2,200 so the firm has appropriately priced its products to be affordable to the companies average consumer. In many cases parents will be buying the **MiddleGround** app for the firms primary target market. In these cases the consumer will only be more likely to purchase the application since the consumers discretionary spending will most likely increase.

Behavioral

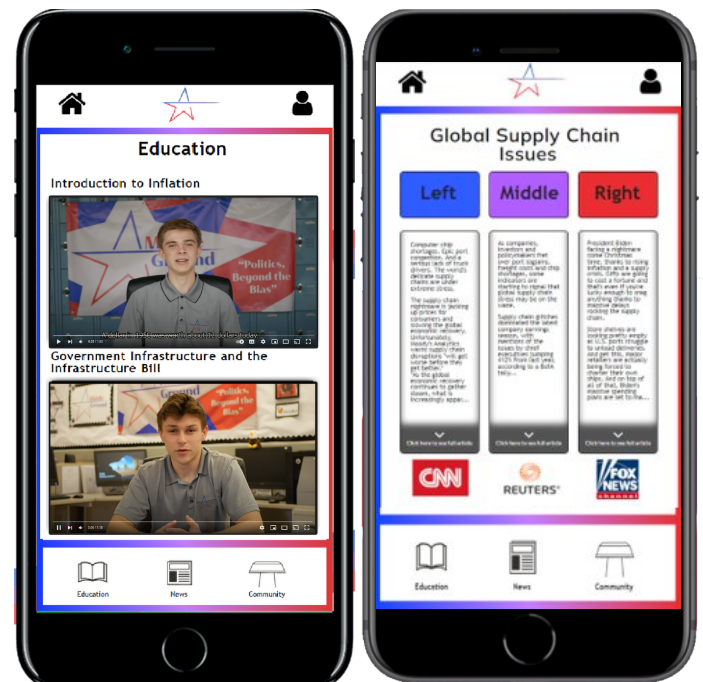
MiddleGround's average consumer will be familiar with popular social media platforms since the **MiddleGround** app is meant to mimic the format of these platforms. Average consumers will also already be following U.S. government and politics to some degree and have prior knowledge before using the **MiddleGround** app.

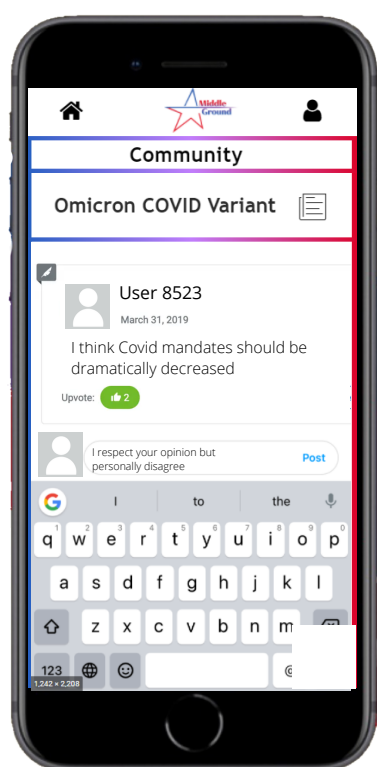
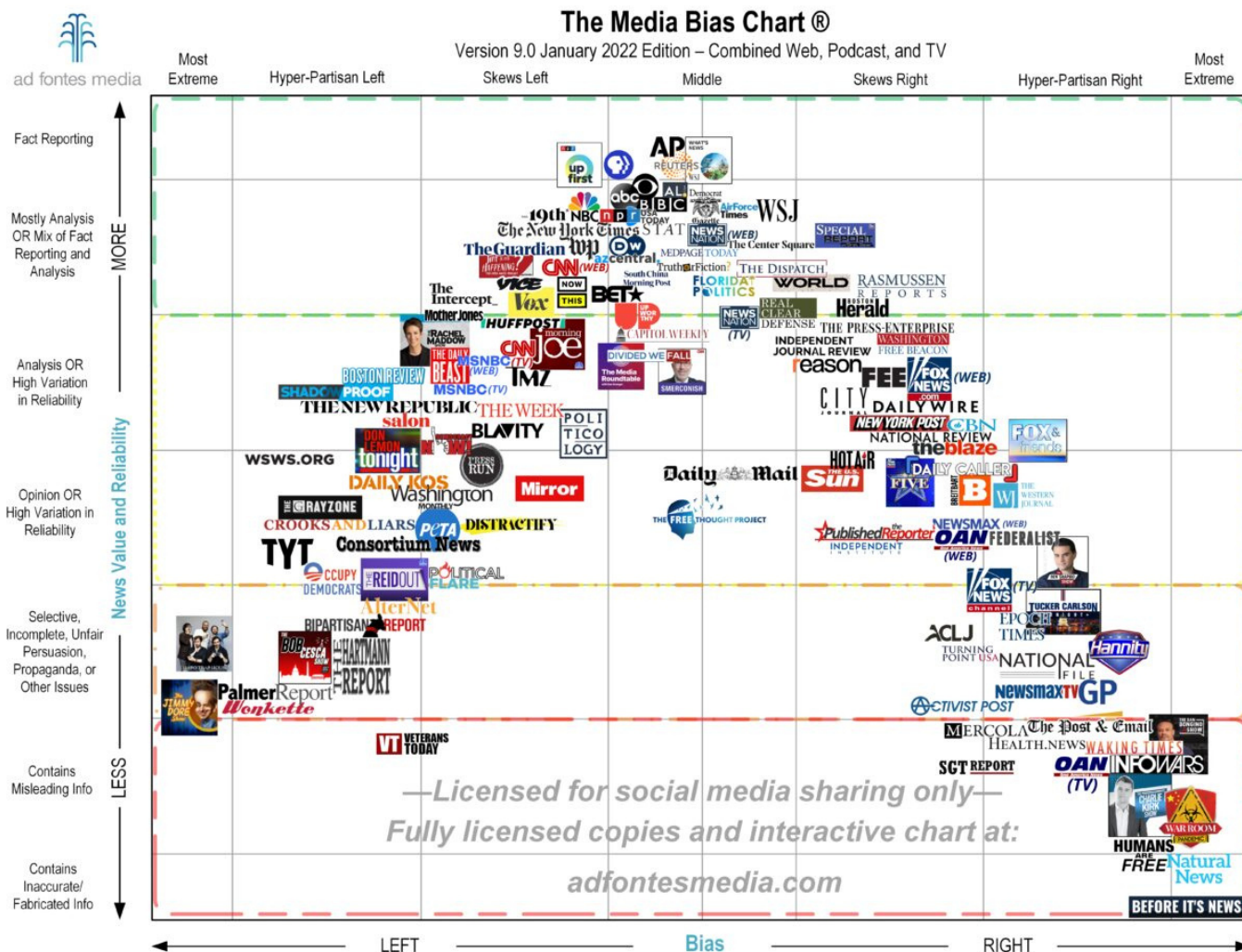
Marketing Mix

Product

The main product of the company is the **MiddleGround** app. The app has three main components: education, news, and community, that together offer a unique educational experience. The education component helps users to learn the foundations of U.S. government and politics through short engaging videos created by our staff and vetted by our industry professional consultants. These videos range from 30 seconds to three minutes in order to replicate a social media format and appeal to our target market. One example is our video on inflation, which educates the reader of the different types and causes of inflation.

Another component of the **MiddleGround** app is the news section which provides three perspectives on one given topic: a left leaning perspective from CNN, a right leaning perspective from Fox News, and down the middle perspective from Reuters. **MiddleGround** chose CNN and Fox News because they are well known, reputable, and generally agreed upon to be left leaning and right leaning, respectively. Reuters was chosen to be the down the middle perspective because it is a very well known centered news source that offers factual articles. This section is meant to provide users with current events and issues that they can apply our educational content to and begin forming their own opinions.





MiddleGround's platform also provides a community component where users can civilly discuss and debate various political topics using the knowledge gained from the education and news sections.

MiddleGround encourages its young users to appreciate, respect, and learn from others' viewpoints while forming their own opinions. This community section will be monitored and mediated via chatbots and physical moderators that will initiate a three strike ban protocol on users violating our terms and conditions. If a user is determined to be in violation of the set terms and service, they will be banned from the community section but will still have access to all other components.

Alongside the app, **MiddleGround** is proud to offer an exciting lineup of American themed products and apparel designed for the **MiddleGround** community of users. These products include clothes, mugs, plushies, and pens. These physical products provide another stream of revenue allowing for customers to spend more money at **MiddleGround**. These products also strengthen brand awareness as consumers will be wearing merchandise that supports and markets **MiddleGround**.

Pricing

The **MiddleGround** app costs \$9.99 a month, with a yearly subscription price of \$89. This price was determined by looking at the firm's expenses and determining a price point that would result in a healthy CLTV to CAC ratio. Another factor in determining the app price was considering other common app subscription prices to see what customers would be willing to pay for a monthly subscription. To determine the yearly price of the app, the company multiplied the monthly price by nine to arrive at the \$89 price point, giving our customers a three-month discount enticing them to prepay. The firm has determined that there will be no ad-based revenue on the **MiddleGround** app as that would introduce outside bias and go against the company's mission. **MiddleGround's** product line is accompanied by multiple pricing strategies that help draw the consumer's attention to what the firm wants them to see. One of these strategies is charm pricing where prices end in 99 cents so the price looks more appealing to consumers⁴. Another important pricing strategy implemented is bundle deals. This pricing strategy allows the consumer to get a discount for buying in bulk while increasing their overall spend with **MiddleGround**, the strategy has proven very successful during trade shows especially in combination with the firm's physical apparel.

Drawstring Backpack



\$14.99

Mug



\$9.99

Pens



\$10.99

Eagle Plushie



\$10.99

Logo Sticker



\$1.99

Navy "Dad Hat"



\$19.99

Abraham Lincoln Memorial Hoodie (January)



\$24.99

Statue of Liberty Crewneck (December)



\$24.99

Iwo Jima Memorial Shirt (November)



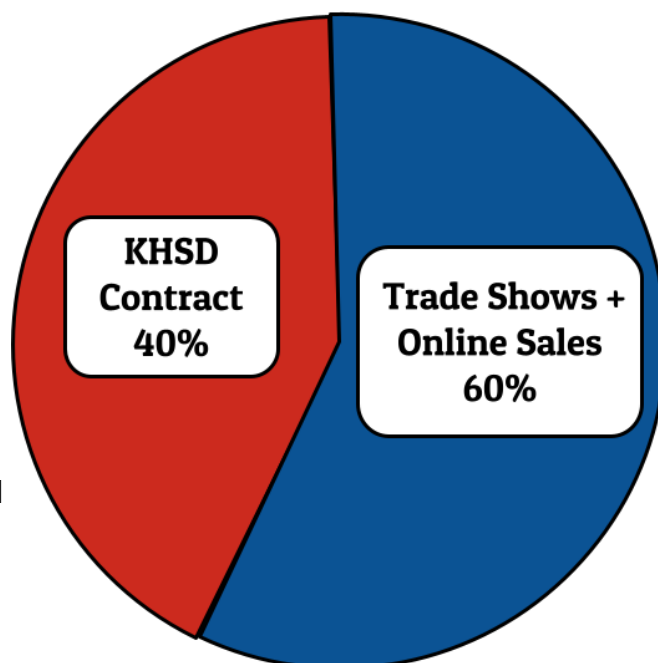
\$24.99

Placement

A large percentage of **MiddleGround's** sales will be generated at Virtual Enterprise trade shows and on our company website combined. Since our main product, our app, is an online service sold in the app store, customers will receive the product immediately after their purchase. This convenience is important to customers and the ability to receive a product instantly after purchasing will help drive sales, given that speed is a top priority of the average consumer.

MiddleGround's physical product line will be available for purchase online or at trade shows. If one of these products is purchased at a live event, the customers will be able to receive it immediately, otherwise the products will be shipped. The large majority of revenue generated by **MiddleGround** is from educational institution partnerships like the sales contract with the Kern High School District.

Revenue Sources



Promotion

MiddleGround has determined that the most cost-effective and efficient way to advertise is using online platforms and social media. These platforms include Instagram, Facebook, Google, YouTube and TikTok. **MiddleGround** has also decided to spend \$1,000 a month advertising on a podcast that tailors its content towards VE students. **MiddleGround** has decided to spend a monthly budget of \$5,000 on social media advertising given our research indicating that the average organization spends around \$6,000 a month on social media marketing. **MiddleGround** has reduced this amount as the company is a start-up firm and doesn't have as big of a marketing budget as bigger companies. However, the firm feels the \$5,000 monthly budget will be enough to spread brand awareness and gain customers. **MiddleGround**'s physical apparel also provides exposure for the company since customers will be wearing and using products with the **MiddleGround** logo on it. **MiddleGround** also has our own company Instagram, Twitter, and TikTok accounts as a very cost-friendly way to promote our business, posting three times a week on each platform, updating followers and customers of our business and events. The firm has also implemented a segment on the company social medias known as **MiddleGround** Mondays, which are street styled videos in which high school students are asked basic government and political trivia to expose the need for the **MiddleGround** app.

Advertising Campaign Breakdown

Facebook
Budget: \$1050
CPC*: \$1.72



Instagram
Budget: \$1050
CPC*: \$1.10



Google
Budget: \$600



TikTok
Budget: \$700



Youtube
Budget: \$600



Radio Advertising*
Budget: \$1000



*Radio Advertising is done through another VE company called the C.H.A.T which advertises **MiddleGround** products for a fee.

*CPC = Cost per Click



MiddleGround
Mondays!



Positioning

MiddleGround has established itself to consumers as a great educational platform with reliable information they can trust. The company has made design and marketing choices to help guide the consumer on our platform.

The **MiddleGround** company colors, red and blue, represent both patriotic colors and the two major political parties. In our logo the red and blue is seen coming together with a gradient into purple signifying the shared middle ground between differing opinions. For the company's philanthropic component, **MiddleGround** has pledged to donate 76 cents for every annual subscription of our app sold to the Boys and Girls Clubs of America. A donation of 76 cents is a call to America's 1776 founding date. **MiddleGround** has chosen to support The Boys and Girls Clubs of America because their mission aligns with the firms. Like the **MiddleGround** app, they support developing youth in hopes of creating a better future in America. The Boys and Girls Clubs will benefit from our donations and will use them towards funding their afterschool programs for youth.



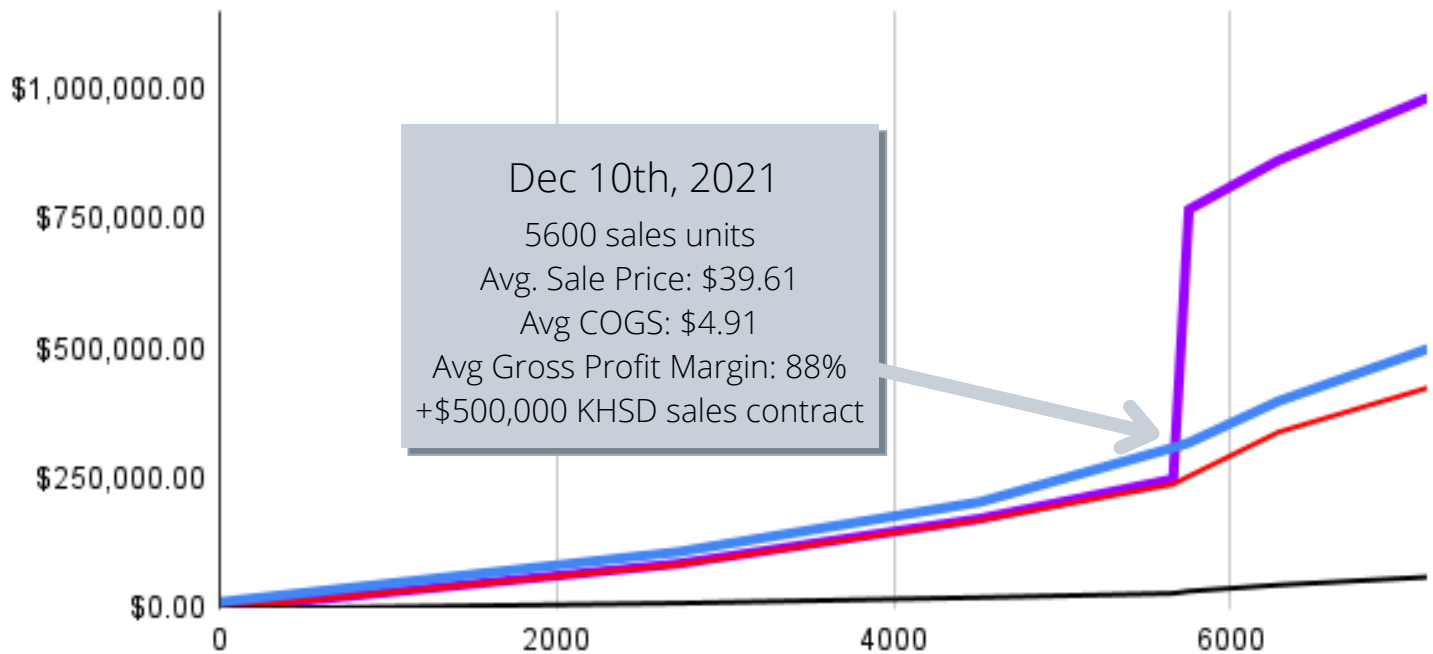
Business Risks

Risk	Problem	Solution
Inflation 	Hurts the spending power of everyday americans.	<ul style="list-style-type: none"> • Focus on B2B market by partnering with educational institutions
Bias 	Bias is present in almost all news sources.	<ul style="list-style-type: none"> • Straight-forward videos • Content reviewed by industry professional consultants

Financial Highlights

Break Even Analysis

MiddleGround broke even on December 10th, 2021, largely due to an Out-of-Network sales contract with the Kern High School District (KHSD) for \$500,000.




■ Total accumulated revenue per month ■ Fixed Expenses per month
■ Variable Expenses per month ■ Accumulated Expenses per month

The accumulated expenses up to the break-even total to about \$350,000. The graph of the break-even point was calculated using the average price and cost of each product to create a \$39.61 sales unit with an average gross profit margin of 88%. The sales units are weighted towards the products and services **MiddleGround** sells the most. These figures show that without the sales contract with KHSD, MiddleGround would have been set to break even in mid-April 2022. At the break-even point, **MiddleGround** was projected to sell around 4,400 sales units as well as secure the \$500,000 KHSD sales contract. Although **MiddleGround**'s average gross profit margin for its products is 48%, a large factor in **MiddleGround**'s early break-even is the fact that **MiddleGround**'s app subscriptions have an average gross profit margin of 95% (Dec. 10th). The profitability of the **MiddleGround** app will only continue to increase as the costs to make the app do not accumulate as fast as the revenue from the service as time goes on (costs of app in P&L). At the break-even point, **MiddleGround** actually sold about 5600 sales units alongside the KHSD sales contract.

MG App GPM
95%
Avg. GPM
88%
Product GPM
48%

Profit & Loss Summary

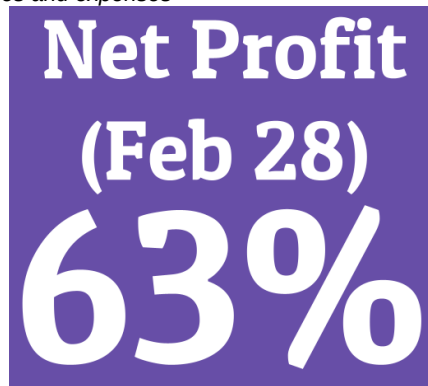
Actual Profit & Loss

Compiled using Quickbooks Online 	October-21 Total	November-21 Total	Decemeber-21 Total	January-22 Total	February-22 Total
Income					
Total Income	\$ 92,373.93	\$ 256,142.45	\$ 665,976.61	\$ 160,605.79	\$ 19,530.00
Cost of Goods Sold	19,030.20	9,379.29	6,330.92	13,684.56	0.00
Gross Profit	\$ 73,343.73	\$ 246,763.16	\$ 659,645.69	\$ 146,921.23	\$ 19,530.00
Expenses					
Advertising & Marketing	3,000.00		3,000.00	3,000.00	5,000.00
Insurance	1,507.93		2,049.60	2,049.60	2,049.60
Legal & Professional Services	500.00		500.00	1,070.00	1,500.00
Payroll Expense	N/A	57,357.02	58,373.80	55,323.36	55,323.36
Payroll Tax Expense	N/A	27,275.72	27,275.77	27,275.77	26,435.73
Purchases	8,076.20	16,544.48	6,238.50	189.29	4,659.24
Rent & Lease	2,023.00		2,023.00	2,023.00	2,023.00
Repairs & Maintenance	5,128.00		0.00	0.00	0.00
Utilities	350.00		392.74	381.36	399.25
Taxes				4,553.99	552.28
Total Expenses	\$ 20,585.13	\$ 101,177.22	\$ 99,853.41	\$ 95,866.37	\$ 97,942.46
Net Income	\$ 52,758.60	\$ 145,585.94	\$ 559,792.28	\$ 51,054.86	-\$ 78,412.46

*COGS for Feb is \$0 due to left-over inventory, Projected Profit & Loss is in terms of accumulated sales and expenses

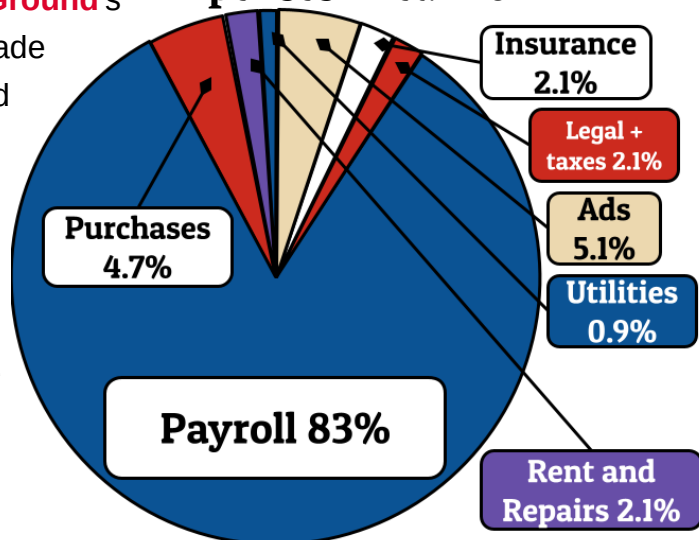
Projected Profit & Loss

All Dates - March 2022		All Dates - April 2022	
	Total		Total
Income		Income	
Sales	1,150,578	Sales	1,272,503.00
Total Income	1,150,578	Total Income	1,371,503.00
Cost of Goods Sold	56,362	Cost of Goods Sold	65,993.79
Gross Profit	1,094,216	Gross Profit	1,206,509.21
Total Expenses	645,324	Total Expenses	775,098.78
Net Operating Income	448,892	Net Operating Income	431,410.43
Net Income	448,892	Net Income	431,410.43



Projections for the P&L were created using **MiddleGround's** average revenue per account of \$180 at each VE trade show. Projections for the cost of goods were created using the average wholesale cost of each physical product alongside **MiddleGround's** fixed expenses. The **MiddleGround** app cost of goods includes the salary of the IT Department (\$4300/month), production costs such as our cameras, a monthly server space expense of \$570, and payments made to an industry consultant who is compensated \$1,000/month to help vet the accuracy of **MiddleGround's** app content.

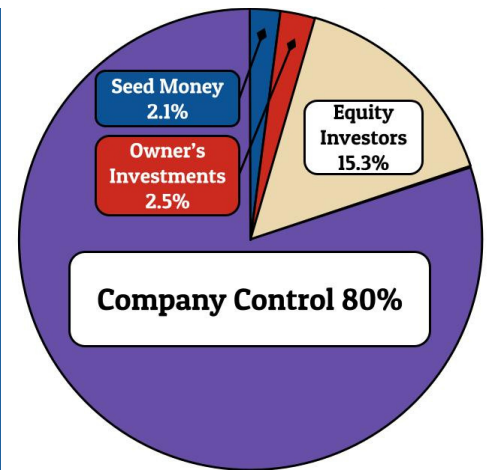
Expenses Breakdown



Start Up Financing

Start Up Expenses	Start Up Funding
<ul style="list-style-type: none"> Initial Expenses + Inventory Three Months Operations <ul style="list-style-type: none"> Salary Liabilities and Company Bills Inventory costs 	<ul style="list-style-type: none"> Seed Funding \$20,000 Crowdfunding \$15,000 Owners' Investments \$25,000 Loan \$100,000 Equity Investments \$150,000
\$310,000	\$310,000

Stakeholder Breakdown



Balance Sheet (as of Feb 28th)

Compiled using Quickbooks Online

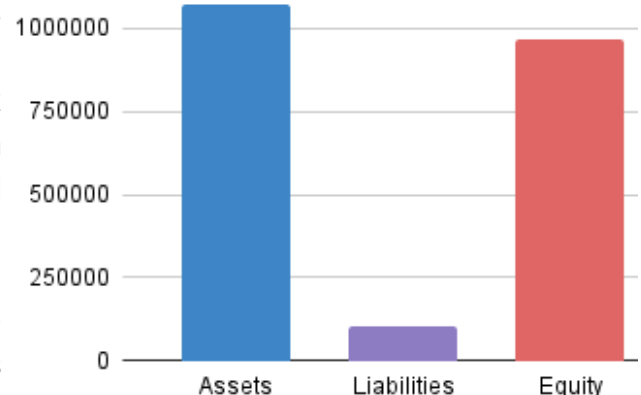


▶ ASSETS	\$1,074,254.64
▼ LIABILITIES AND EQUITY	
▶ Liabilities	\$105,361.25
▼ Equity	
Crowd Funding	15,000.00
Opening Balance Equity	184,736.50
Owner's Investment	25,000.00
Retained Earnings	
Net Income	744,156.89
Total Equity	\$968,893.39
TOTAL LIABILITIES AND EQUITY	\$1,074,254.64

MiddleGround's assets totaled to about \$1,074,000 on February 28th, 2022. MiddleGround's liabilities totaled to about \$105,400, giving MiddleGround a current ratio of 10:1. Most of MiddleGround's assets consist of cash. As of February 28th, 2022, MiddleGround had about \$1 million in its bank account. MiddleGround's high current ratio can be attributed to the \$500,000 sales contract with the Kern High School District. Because the KHSD paid for MiddleGround's services upfront, MiddleGround expects this ratio to decrease over time because of fixed monthly operating expenses. However, to take advantage of these funds, MiddleGround increased its advertising expenses from \$3,000 to \$5,000.

Current Ratio

10:1



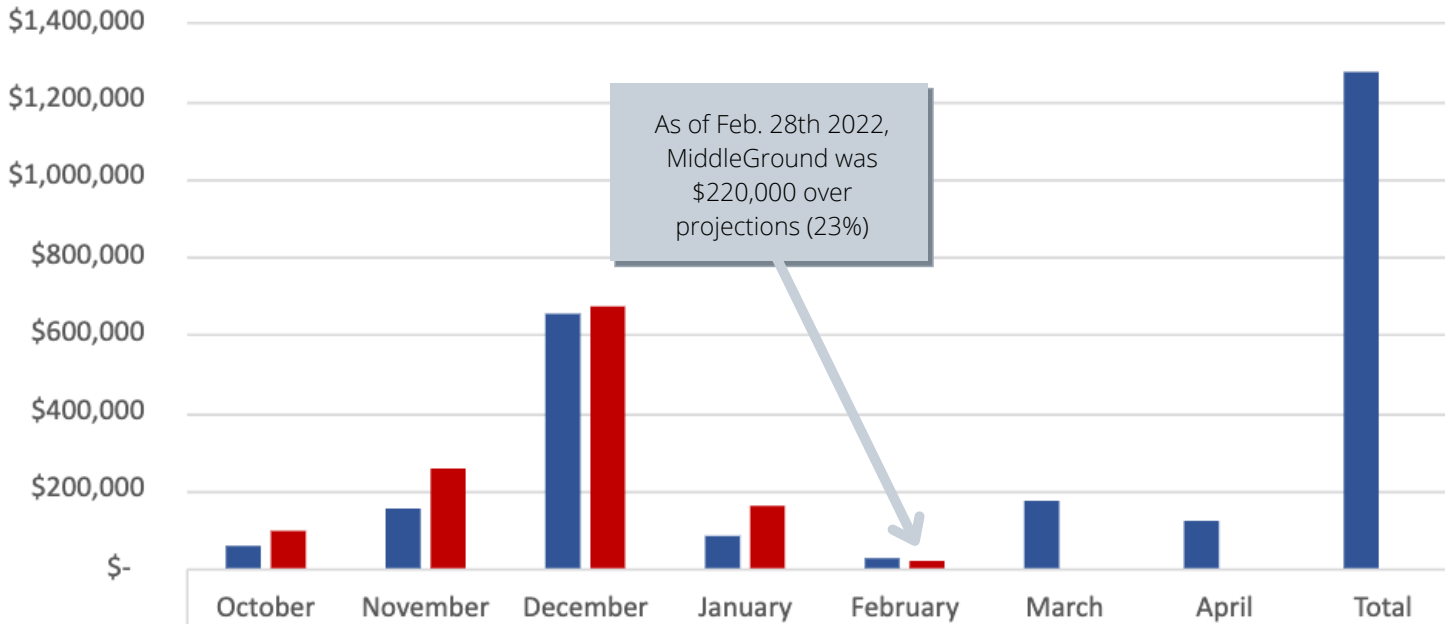
Accrual basis March 13, 2022

Sales Projection Summary

MiddleGround Sales Projections v. Actuals (by month)

	October	November	December	January	February	March	April	Total
Projected	\$60,000	\$156,500	\$651,575	\$86,663	\$22,950	\$172,890	\$121,925	\$1,272,503
Actual	\$94,158	\$256,223	\$670,876	\$161,507	\$19,530	\$ -	\$ -	N/A

Projections V. Actuals (by month)



Projected sales were created using an average revenue per account of \$180. MiddleGround set the KHS D contract to set into effect December 2021.

MiddleGround Sales Projections

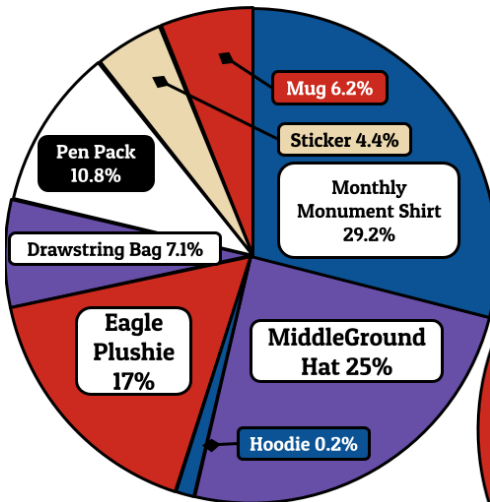
	October	November	December	January	February	March	April	Total
Out of Network Sales	N/A	N/A	\$ 500,000.00	N/A	N/A	N/A	N/A	\$ 500,000
IP Trade Show Sales	N/A	\$ 75,000	N/A	\$ 85,000	N/A	N/A	\$ 120,000	\$ 280,000
Online Trade Show Sales	N/A	\$ 80,000	\$ 150,000	N/A	N/A	\$ 171,000	N/A	\$ 401,000
Open House Sales	\$ 60,000	N/A	N/A	N/A	\$ 21,200	N/A	N/A	\$ 81,200
Website Sales	N/A	\$ 1,500	\$ 1,575	\$ 1,663	\$ 1,750	\$ 1,890	\$ 1,925	\$ 10,303
Total	\$ 60,000	\$ 156,500	\$ 651,575	\$ 86,663	\$ 22,950	\$ 172,890	\$ 121,925	\$ 1,272,503

MiddleGround Sales Actuals

	October	November	December	January	February	March	April	Total
Out of Network Sales	N/A	N/A	\$ 500,000.00	N/A	N/A	N/A	N/A	\$ 500,000
IP Trade Show Sales	N/A	\$ 84,341	N/A	\$ 161,229	N/A	N/A		\$ 245,570
Online Trade Show Sales	N/A	\$ 171,399	\$ 166,058	N/A	N/A		N/A	\$ 337,457
Open House Sales	\$ 94,158	N/A	N/A	N/A	\$ 18,105	N/A	N/A	\$ 94,158
Website Sales	N/A	\$ 483	\$ 4,818	\$ 278	\$ 1,425			\$ 5,301
Total	\$ 94,158	\$ 256,223	\$ 670,876	\$ 161,507	\$ 19,530	\$ -	\$ -	\$ 1,202,293

*Calculated by using projected number of customers multiplied by Average Revenue Per Account (ARPA) of \$180.00 at each trade show

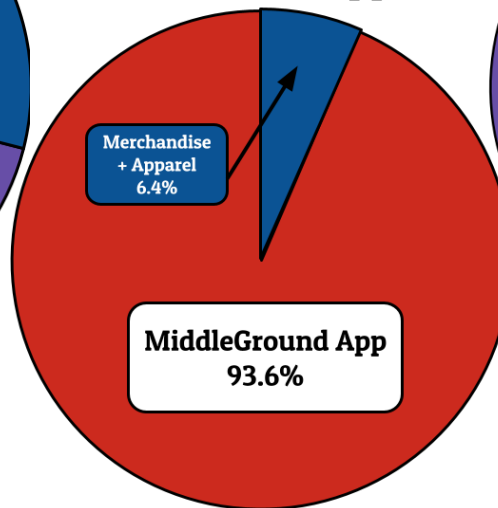
Product Sales Breakdown



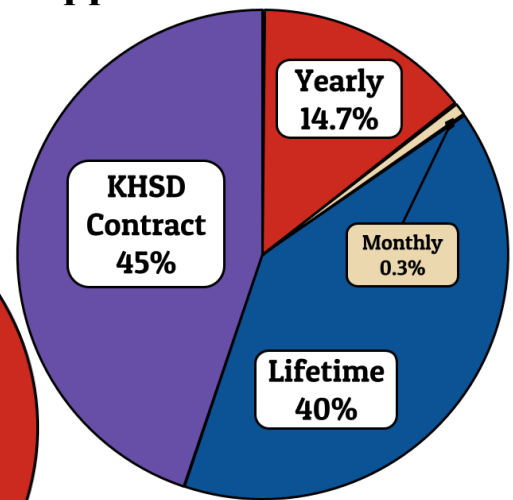
Merchandise + Apparel refers to all items listed in Product Sales Breakdown
MiddleGround App refers to all items listed in App Sales Breakdown

Each breakdown is in terms of the revenue generated by each product/service as of Feb. 28th

Products vs App



App Sales Breakdown



Lifetime subscriptions are only offered as part of the Supreme Court Collection Bundle found at MiddleGround Trade Shows and is not sold on the MiddleGround website

Kern High School District Contract

MiddleGround secured a sales contract with the Kern High School District in November 2021. The contract includes a yearly subscription for all students within the KHSD. It also includes an \$80,000 package that includes materials for teachers to learn how to integrate the app with their classes. This resulted in a \$500,000 sales contract for **MiddleGround**. The subscription was discounted by 88% to accommodate for their 42,000 students (\$10/year/student). It gave KHSD students full access to the **MiddleGround** app and all its features starting December 2021. **MiddleGround** plans to substantially increase its revenue by securing sales contracts with other educational institutions.



Financial Write Up

The **MiddleGround** finance team uses QuickBooks Online to keep track of its transactions, financial reports, and financial statements, which serve as essential tools to keep **MiddleGround** on track financially. At its start in Oct. 2021, **MiddleGround** received \$310,000 worth of start up funding which includes investments from VE, equity investors, and company owners and covers three months of operating expenses as a contingency fund. MiddleGround's assets consist mainly as \$1 mil in cash as of Feb 28th, which results in a 10:1 current ratio. Because of its complexity, **MiddleGround** has separated its gross profit margins into 48% for its physical products and 88% for the **MiddleGround** app. **MiddleGround**'s net profit margin is 63% as of Feb 28th due to an Out-of-Network sales contract with the KHSD and is projected to attain over \$1.2 million in total revenue and over \$400,000 in net profits in its first fiscal year. **MiddleGround** surpassed its break even point in Dec. 2021 and is 23% over sales projections as of Feb 28th. Most of MiddleGround's revenue comes from the MiddleGround app, which can be used in homes and educational institutions to teach students about US government and politics and teach students to discuss politics in a civil manner.

Appendix



Reference Files

Virtual Enterprises International Loan Amortization Table

Loan Information

Loan Amount (Principal)	100,000
Annual Interest Rate	6%
Term of Loan in Years	5
# of Payments per Year	12
Payment Type	end of period
Monthly Payment	(\$1,944.93)

Summary

Rate (per period)	0.5208%
Number of Payments	60
Total of Payments	116,695.57
Total Interest	16,695.57

No.	Principal	Interest for the Period	Total Balance Outstanding	Payment for the period	Principal Reduction	Revised Balance Outstanding
1	100,000	520.83	100,520.83	1944.93	1424.09	98,575.91
2	98575.91	513.42	99,089.32	1944.93	1431.51	97,144.40
3	97144.40	505.96	97,650.36	1944.93	1438.97	95,705.43
4	95705.43	498.47	96,203.90	1944.93	1446.46	94,258.97
5	94258.97	490.93	94,749.90	1944.93	1453.99	92,804.98
6	92804.98	483.36	93,288.34	1944.93	1461.57	91,343.41
7	91343.41	475.75	91,819.16	1944.93	1469.18	89,874.23
8	89874.23	468.09	90,342.33	1944.93	1476.83	88,397.40
9	88397.40	460.40	88,857.80	1944.93	1484.52	86,912.88
10	86912.88	452.67	87,365.55	1944.93	1492.25	85,420.62
11	85420.62	444.90	85,865.52	1944.93	1500.03	83,920.59
12	83920.59	437.09	84,357.68	1944.93	1507.84	82,412.75
13	82412.75	429.23	82,841.99	1944.93	1515.69	80,897.06
14	80897.06	421.34	81,318.40	1944.93	1523.59	79,373.47
15	79373.47	413.40	79,786.88	1944.93	1531.52	77,841.95
16	77841.95	405.43	78,247.38	1944.93	1539.50	76,302.45
17	76302.45	397.41	76,699.86	1944.93	1547.52	74,754.93
18	74754.93	389.35	75,144.28	1944.93	1555.58	73,199.36
19	73199.36	381.25	73,580.60	1944.93	1563.68	71,635.68
20	71635.68	373.10	72,008.78	1944.93	1571.82	70,063.85
21	70063.85	364.92	70,428.77	1944.93	1580.01	68,483.84
22	68483.84	356.69	68,840.53	1944.93	1588.24	66,895.60
23	66895.60	348.41	67,244.02	1944.93	1596.51	65,299.09
24	65299.09	340.10	65,639.19	1944.93	1604.83	63,694.27
25	63694.27	331.74	64,026.01	1944.93	1613.19	62,081.08
26	62081.08	323.34	62,404.42	1944.93	1621.59	60,459.49
27	60459.49	314.89	60,774.39	1944.93	1630.03	58,829.46
28	58829.46	306.40	59,135.86	1944.93	1638.52	57,190.94
29	57190.94	297.87	57,488.81	1944.93	1647.06	55,543.88
30	55543.88	289.29	55,833.17	1944.93	1655.64	53,888.25
31	53888.25	280.67	54,168.91	1944.93	1664.26	52,223.99
32	52223.99	272.00	52,495.99	1944.93	1672.93	50,551.06
33	50551.06	263.29	50,814.35	1944.93	1681.64	48,869.42
34	48869.42	254.53	49,123.95	1944.93	1690.40	47,179.02
35	47179.02	245.72	47,424.75	1944.93	1699.20	45,479.82

36	45479.82	236.87	45,716.70	1944.93	1708.05	43,771.77
37	43771.77	227.98	43,999.75	1944.93	1716.95	42,054.82
38	42054.82	219.04	42,273.86	1944.93	1725.89	40,328.93
39	40328.93	210.05	40,538.98	1944.93	1734.88	38,594.05
40	38594.05	201.01	38,795.06	1944.93	1743.92	36,850.14
41	36850.14	191.93	37,042.06	1944.93	1753.00	35,097.14
42	35097.14	182.80	35,279.94	1944.93	1762.13	33,335.01
43	33335.01	173.62	33,508.63	1944.93	1771.31	31,563.70
44	31563.70	164.39	31,728.10	1944.93	1780.53	29,783.17
45	29783.17	155.12	29,938.29	1944.93	1789.81	27,993.37
46	27993.37	145.80	28,139.16	1944.93	1799.13	26,194.24
47	26194.24	136.43	26,330.67	1944.93	1808.50	24,385.74
48	24385.74	127.01	24,512.75	1944.93	1817.92	22,567.82
49	22567.82	117.54	22,685.36	1944.93	1827.39	20,740.44
50	20740.44	108.02	20,848.46	1944.93	1836.90	18,903.53
51	18903.53	98.46	19,001.99	1944.93	1846.47	17,057.06
52	17057.06	88.84	17,145.90	1944.93	1856.09	15,200.98
53	15200.98	79.17	15,280.15	1944.93	1865.75	13,335.22
54	13335.22	69.45	13,404.68	1944.93	1875.47	11,459.75
55	11459.75	59.69	11,519.44	1944.93	1885.24	9,574.51
56	9574.51	49.87	9,624.38	1944.93	1895.06	7,679.45
57	7679.45	40.00	7,719.45	1944.93	1904.93	5,774.52
58	5774.52	30.08	5,804.60	1944.93	1914.85	3,859.67
59	3859.67	20.10	3,879.77	1944.93	1924.82	1,934.85
60	1934.85	10.08	1,944.93	1944.93	1934.85	(0.00)
	Totals	16,695.57		116,695.57	100,000.00	

Aaron Baltao.56363.56363 (MiddleGround - PF Code US012001) | [Return to Marketplace Tools](#) | [Return to H](#)

US Network Bank

Account details

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

Period: from until

Date	Name/Description/ Acct#	Ref#	Amount	Balance
Feb. 28, 2022	Avik Gautam.67114.67114 (US021801), South Pasadena, CA VE Checkout transaction #671989 02/28/2022 12:48 PM CT Acct #630997896	6077170	\$11.79	\$993,383.50
Feb. 28, 2022	Arms Eli.50591.50591 (US01773), Cookeville, TN VE Checkout transaction #671938 02/28/2022 11:37 AM CT Acct #630949654	6077010	\$11.79	\$993,371.71
Feb. 28, 2022	Alex Krawczyk.53338.53338 (US06250), Owosso, MI VE Checkout transaction #671926 02/28/2022 11:34 AM CT Acct #630913722	6076986	\$10.71	\$993,359.92
Feb. 28, 2022	Kaylin Campbell.21727.21727 (US01773), Cookeville, TN VE Checkout transaction #671924 02/28/2022 11:34 AM CT Acct #630813000	6076982	\$10.71	\$993,349.21
Feb. 28, 2022	Lancaster Carter.50581.50581 (US01773), Cookeville, TN VE Checkout transaction #671922 02/28/2022 11:33 AM CT Acct #630947449	6076978	\$21.44	\$993,338.50
Feb. 28, 2022	Hoosung Lee.50469.50469 (US013608), Montville, NJ VE Checkout transaction #671903 02/28/2022 11:25 AM CT Acct #630935092	6076940	\$26.80	\$993,317.06
Feb. 28, 2022	Jillian Butler.51262.51262 (US013134), Lawrenceburg, TN VE Checkout transaction #671793 02/28/2022 09:53 AM CT Acct #630910499	6076718	\$11.79	\$993,290.26
Feb. 28, 2022	Dylan Sells.55440.55440 (US01464), Murfreesboro, TN VE Checkout transaction #671777 02/28/2022 09:45 AM CT Acct #630993947	6076686	\$11.79	\$993,278.47
Feb. 28, 2022	Abby Feasel.52954.52954 (US06134), Eagleville, TN VE Checkout transaction #671727 02/28/2022 09:09 AM CT Acct #630988730	6076586	\$11.79	\$993,266.68

Lewis Ventures

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VE Central Office

122 Amsterdam Avenue
New York, NY 10023

Dear Teri Jones:

Please accept this letter of support as my intention to invest \$50,000 in MiddleGround. 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, MiddleGround 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 fully support the Virtual Enterprise business MiddleGround and am showing my support with this investment. I believe this business has what it takes to be successful. I am excited to be a part of this business venture that is sure to be prosperous.

Sincerely,

Jenny Lewis
CEO, Lewis Ventures
661.900.3904
jennyllewis@gmail.com

LAUREL

A G & W A T E R

10000 STOCKDALE HWY SUITE 100 | BAKERSFIELD, CA 93311 | (661) 368-3550

October 5, 2021

VE Central Office
122 Amsterdam Avenue
New York, NY 10023

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Thank you for the opportunity to invest. I look forward to working with the talented team at MiddleGround.

Sincerely,

Bryce Sterling
Sales Manager, Laurel Ag & Water



06 October 2021

VE Central Office
122 Amsterdam Avenue
New York, NY 10023

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I believe Middle Ground is a feasible business for investment due to the mix of products, education, and training services as well as the App being developed that the company is providing to the VEI marketplace.

Sincerely,
Angel J. Cottrell, CEO
805-636-2625
angel@apolloconsultancygroup.com

For Educational Purposes Only



8601 Hageman Rd, Bakersfield, CA 93312
(661) 588-8601
middlegroundvei@gmail.com

Business Contract

This agreement is effective as of **December 1, 2021** between the **Kern High School District** and **MiddleGround** from December 1, 2021 - December 1, 2022. The parties hereby agree to the following terms and conditions:

DESCRIPTION OF SERVICE/SUPPLIES:

Kern High School District hereby agrees to purchase the items below, supplied by **MiddleGround**.

Item 001	Quantity	Unit Price (\$)	Extended Price (\$)
Access to MiddleGround App			
One Year Subscription	42,000	\$10.00	\$420,000.00
Item 002	Quantity	Unit Price (\$)	Extended Price (\$)
Teacher Training	1	\$80,000	\$80,000.00
Total (Items 001-002)			\$500,000.00

TERMS AND CONDITIONS - This contract agreement may be cancelled with 90 days (or other terms) written notice. The period of this contract is (**can be for a one-time purchase, or for monthly purchases for one year or more**) 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.

MiddleGround guarantees delivery of the quantities and items stated above in accordance with the terms and conditions stated in this agreement. **MiddleGround** 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.

For Educational Purposes Only



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

CORPORATE COMMITMENT – By signing this agreement, the **The Kern High School District**, hereby agrees to offer the expertise of its officers as advisors to **MiddleGround**. This mentoring will assist in the successful operations of **MiddleGround**, thus protecting your valued investment in our product.

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

KHSD
Business Name

11-18-21
Date

Brian Miller ROP Principal
Printed Name / Title

661-397-7301
Phone Number

[Signature]
Signature of Business Representative

Ryan Coleman KHSD Director
Printed Name / Title

661-827-3112
Phone Number

[Signature]
Signature of Business Representative

MiddleGround
VE Firm Name

18 Nov 2021
Date

Aaron Baltao
Printed Name / Title

661-378-6609
Phone Number

Aaron Baltao
Signature of (VE Firm Representative)

Citations

Executive Summary

1. <https://www.brookings.edu/policy2020/votervital/public-service-and-the-federal-government/>
2. <https://www.usnews.com/news/politics/articles/2019-02-21/poll-most-americans-think-country-is-divided-have-unfavorable-view-of-trump>
3. <https://www.hamilton.edu/news/polls/political-attitudes-of-young-americans>

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1. <https://iop.harvard.edu/youth-poll/fall-2021-harvard-youth-poll>
2. <https://circle.tufts.edu/latest-research/poll-young-people-believe-they-can-lead-change-unprecedented-election-cycle>
3. <https://iop.harvard.edu/youth-poll/spring-2021-harvard-youth-poll>
4. <https://www.annenbergpublicpolicycenter.org/2021-annenberg-constitution-day-civics-survey/>

External Environment

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2. https://covid.cdc.gov/covid-data-tracker/#trends_dailycases|New_case|select
3. https://finance.yahoo.com/news/zillow-2022-housing-forecast-way-093355186.html?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLnNvbS8&guce_referrer_sig=AQAAAJ4EOEmvUeIQCOJillwjm5dRmy4hnUS85Vk7ZSyhk-pWs7i3F1xwHDrGx7FxPrCPTafJR0dd67dUc-2UXkorHI3LFVO4RdzYkYi719hldvHSZDOFNmlSqvjZUJbJkEoGyNAPSyOmiI9T7mPMynBEeGan4ms_-ptWypDOLazff0u
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8. <https://www.allsides.com/unbiased-balanced-news>
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10. <https://www.ibisworld.com/united-states/market-research-reports/social-networking-sites-industry/>
11. <https://ourworldindata.org/rise-of-social-media>
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13. <https://www.journalism.org/fact-sheet/digital-news/>
14. <https://www.pewresearch.org/fact-tank/2019/11/19/americans-favor-mobile-devices-over-desktops-and-laptops-for-getting-news/#:~:text=Americans%20continue%20to%20be%20more,a%20Pew%20Research%20Center%20survey.>
15. https://www.aacap.org/AACAP/Families_and_Youth/Facts_for_Families/FFF-Guide/Social-Media-and-Teens-100.aspx
16. <https://insights.veinternational.org/>

Marketing Plan

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2. https://nces.ed.gov/pubs2010/2010004/figures/figure_10.asp
3. <https://www.nbcnews.com/business/consumer/only-37-percent-americans-think-their-kids-will-be-better-n768706>
4. <https://www.entrepreneur.com/article/279464>