

Business Plan & Proposal with Financial Analysis

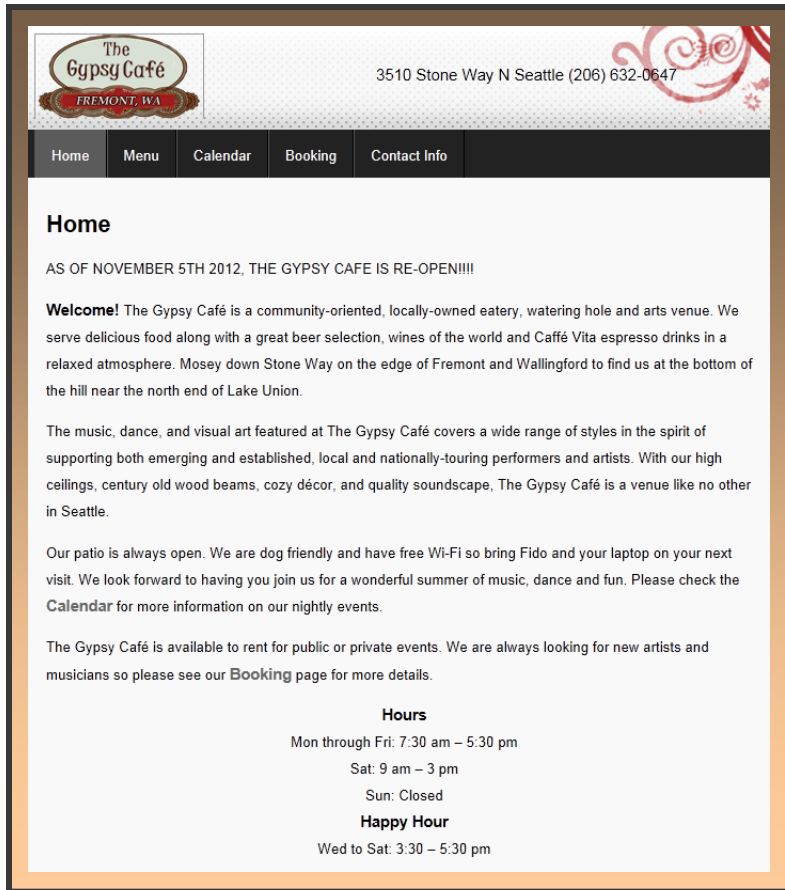


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Current Café Operations for Sale

This is a summary of the current café venue from the Gypsy Café website that describes the overall concept and value-added features of the business for sale:



“Welcome! The Gypsy Café is a community-oriented, locally-owned eatery, watering hole and arts venue. We serve delicious food along with a great beer selection, wines of the world and Café Vita espresso drinks in a relaxed atmosphere. Mosey down Stone Way on the edge of Fremont and Wallingford to find us at the bottom of the hill near the north end of Lake Union.

The music, dance, and visual art featured at The Gypsy Café covers a wide range of styles in the spirit of supporting both emerging and established, local and nationally-touring performers and artists. With our high ceilings, century old wood beams, cozy décor, and quality soundscape, The Gypsy Café is a venue like no other in Seattle.

Our patio is always open. We are dog friendly and have free Wi-Fi so bring Fido and your laptop on your next visit. We look forward to having you join us for a wonderful summer of music, dance and fun. Please check the Calendar for more information on our nightly events.

The Gypsy Café is available to new artists and musicians so please see our Booking page for more details.”

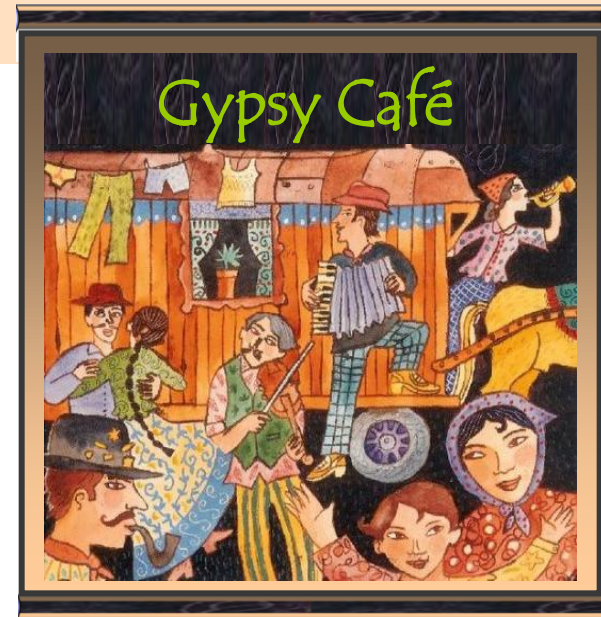
www.gypsycafeseattle.com

Introduction

The **Gypsy Café** is an operating café & entertainment venue in the Fremont area of Seattle that serves beer and wine. It is a rustic atmosphere with the main seating room being an historic version of a warehouse with a front cafe. In recent months, the venue has faded because the current owners have other priorities and have had it up for sale for almost 2 years. At its peak in 2011, it was a popular venue for acoustic music entertainment and events. The café developed the local market and had many loyal customers. The kitchen, menu & service supported the operation overall.

The café location is in the heart of a popular Seattle area near the University of Washington, Lake Union, Gasworks Park, Fremont parking lot and new businesses and related construction. The business area around the café is in a major phase of development including a 120,000 sq ft building that will house 300 employees with the ground floor designed around retail shops.

At its peak, the café had a steady schedule of entertainment, music workshops, and jam sessions that brought in groups of people from different parts of the metro-Seattle community. Weekends were filled with a variety of local and national music entertainment and the venue was popular with musicians because of the intimate and rustic atmosphere. Some of these events often packed the two main rooms of the café and helped put the Gypsy on the metro-Seattle map as a fun and entertaining community-oriented venue. Daytime café & coffee traffic increased as a result. The café's food and drink was popular and profitable at its peak.



Temporary design for new logo captures the energy of the proposed business model. A local artist might be recruited to paint original art that captures a similar idea

The owners have scaled back the business in anticipation of selling and the operation hovers around breaking even at the end of 2012. The café is not open at night and there are no entertainment or music events. The operations have been scaled back for months and the business was closed for a month in October 2012 when the owners were expecting a sale that did not go through due to an unscrupulous buyer. Business is flat and the value of the economic goodwill and operations are priced to sell in an uncertain market.

Plan & Proposal

This is a comprehensive plan that covers café and supporting strategies and includes financial reporting, projections and 3-year forecasts.

The proposed funding plan is to use available cash, two or three investors and bank financing to fund the balance. The plan demonstrates a profitable business within the first year doing things that history proved to be successful for the café as it operated in 2010-2012. There are positive factors for strong business growth including plans to revitalize and makeover the entire business. Enhancement strategies such as entertainment will be pursued along with the main café strategy to create a customer experience with first-class service and excellent food.

A strong aspect of the planned business is to create a concept cafe and notable landmark. The café will be community-oriented with excellent food & service, coffee and free wi-fi. The plan also includes a popular entertainment venue and strong support for the art and music communities. The integrated services will increase traffic & business and virtually assure continued growth for at least the next three years as indicated in the financial sections of this plan.

The proposal & plan should provide assurance to investors or loan providers that the strategies are firmly grounded and that the owner and his main support team are highly qualified to develop, establish and operate a highly successful and profitable business.

The proposed owner's experience & skills and well-honed and known as a 30 year veteran of the private service and hospitality industry. He places the highest value on the customer experience along with the quality of food and service, and his creative spark will result in a first-class menu and kitchen assuring profitability and growth. He is also an accomplished musician and instructor.

He also has the support of a trusted advisor who has complimentary skills in business, accounting, marketing and entertainment management and whose efforts contributed to the peak business of the café in 2011. He is also a high caliber musician and teacher.

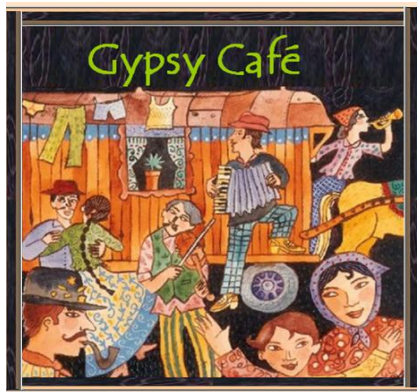
The broad vision of the long-term plan is to expand a successful Gypsy Café business model into a unique franchise opportunity to other national or international locations where profitability integrates with a contribution to the community.

Investors or loan providers should be enthusiastic because the unique concept and philosophy behind the business model that provides a foundation built for success. It is a winning formula that will be managed with expert skills and innovative approach to quickly establish growth and increased profits.

Vision & Mission

The **vision** is honest, simple & practical:

- create a highly unique, successful & profitable café where the customer experience is the number one priority supported by excellent simple food and high quality ingredients
- unify, connect and reach out to people with many backgrounds and diversities and bring them together as a community to eat and enjoy life
- create a home for acoustic-style music, music school workshops, entertainment and a music store which will as the ambient and prevalent design for the café
- give back to the community while running a highly profitable business that grows and supports both community and business goals



The **mission** for the **business view** of the **vision** is:

- makeover the current business and transform it into a profitable operation with a café business strategy that focuses on excellent customer service, high quality food and drinks, and professional attentive, warm, friendly people who are also happy employees
- create highly unique and profitable café in the Fremont district of Seattle that is integrated with entertainment, art & music programs that will serve multiple target communities
- contribute to the development of the business area that is growing around Stone Way North & North 35th Street located in the Fremont/Wallingford districts of Seattle surrounded by the Burke-Gilman Trail, Lake Union, Central Fremont, Gasworks park and just south of the busy North 45th Street that connects to the University of Washington located 10 minutes away

The **mission** for the **community view** of the **vision** is:

- bring people together in a rustic pleasant atmosphere where they can simply enjoy coffee & beverages with the internet and comfortable surroundings, or at times participate in the music and art activities or entertainment featured by the venue. Create a true sense of community.



Overview of Café Strategy & Target Demographic Profile

The café strategy serves includes several key areas in this order:

- ① **Customer experience** - choreographed experience with well-trained employees. Friendly professional demeanor & first-class customer service is a first priority.
- ② **Menu** - Redesign a round-the-clock menu to focus on classic & standard items that are “tried and true”, soups & salad, new on-the-go breakfast items. Implement a picture-based menu.
- ③ **Marketing & advertising strategies** - marketing strategies & plans will be ongoing and aggressive to establish profitability quickly and set the stage for continual growth. They will include major promotions and target advertising to attract customers. The more startup funding there is, the quicker the café will reach planned profitability goals. A percentage of the startup budget will be dedicated to a specific committed investment in marketing.
- ④ **Catering** - as operations become consistent, catering services will be added for special parties, business meetings and groups who can reserve space. Another source of marketing exposure & revenue.
- ⑤ **Professional support systems & suppliers** - use expert chefs and no-charge consulting advice from suppliers. Join the National Restaurant Association. Encourage benchmarking with other local chefs and restaurants.

The target demographic profiles include:

- affluent locals
- tourists
- employees from nearby businesses
- customers from nearby businesses
- UW and other students
- travelers on Stone Way North
- art & music students
- music store customers & browsers
- entertainment music genre target groups
- youth & parents from skate park next door
- youth & parents from many schools nearby
- traffic from major local annual events
- business people who need catering for meetings & events

The vision, strategy and plan of the proposed new owners are inspired by a desire to give back to the community and to support community goals through a profitable business operation. The target groups all fall into or gravitate toward communities who also love art and music and simple, warm surroundings. The business model, operations and atmosphere will be completely unique to Seattle and to other locations when the business grows into a larger national or global community.

A Unique Café

Almost all the features of the Gypsy Café fits the overall strategy and plan for an integrated café and entertainment venue that includes community art and music activities and add-on retail sales.

The entertainment strategy supports a wide range of acoustic music oriented genres. In the past, the venue has been successful with bluegrass, gypsy jazz, singer-songwriter, reggae, rock, youth jazz groups from local high schools and square & Cajun dancing. The core music would be gypsy jazz & swing, bluegrass, Latin and instrumental style music.

The café is an intimate venue that appeals to many musicians who appreciate the opportunity to perform in a warm and cozy atmosphere with good sound system and listeners that are rapt. Customers and audiences will descend on the café for good food, drink and enjoyment of life as past history proves during the café's peak business over the last three years.



The planned enhancements to the business will attract new, distinct target communities that will increase the café's customer base. The café will provide an excellent customer and food service experience and capture customer loyalty, and the additional venue activities will reach new target audiences to enjoy that experience.

Target groups include internet users and café traffic, music & art students, entertainers & audiences, music & art students and music store customers. Each group has different needs and preferences that the venue can serve. New business will increase by penetrating these various communities through good marketing and community involvement.

The current owner made smart community-oriented investments for educational music activities, support for special events by local schools and organizations and participation in the local community festivals and events. The workshop music nights increased business and exposure with a feeling of community goodwill projected and recognized around those activities. The entertainment shows were often packed and often drew audiences from both Seattle and regular café activities.

The new owner would capture and leverage the same investment to create a strong community profile while increasing traffic and sales at the same time.

Gypsy Café Configuration

The Gypsy Café is a modestly-sized rustic two-room converted wooden warehouse & venue with basic kitchen and espresso services, wireless internet, and stage and furnishings with high ceiling that add up to a comfortable, intimate venue. The front room features the counter and small café with a beer & wine bar and the main room features an eclectic collection of tables, chairs and couches.

There are plenty of windows on the front/west side including a warehouse-sized sliding door that had the panels replaced with windows. Other windows on the east side also back the kitchen and the larger room. There is one small rest room with a window.

There is ample kitchen space for two or three employees to serve customers and operate the kitchen. On the south side of the kitchen is a connected room for refrigerators, cooler and beer & wine bar. Tables line the front windows.

Upstairs there are two medium-sized rooms on the south side for private lessons, green room and office, a runway to the north side with shelves ending in a room where there is a large space for music, office or storage. The upstairs also provides a future opportunity to remodel and build out more table space in the main room.

On the front west side is fenced outdoor space that spans the main length of the café with black laced metal tables and barbeque, a perfect compliment for people craving sunshine, fresh air, nice meal and cool drink.



Gypsy Café Entertainment Configuration



A good-sized stage is on the north wall. During the period of Wednesday night community workshops, several donations were made that included custom acoustic walls for the stage area and hand made sound drapes between the two downstairs rooms so music jams can be independent. In this plan, the design will be instruments lining the stage walls that are also part of a low-profile music-instrument store. The main room of the Gypsy supports at least 50 café customers; performances can seat about 100 lined up in concert seating, and workshops can seat up to 50 people instruments and all. Tables are moved out for larger events to maximize customer space.

The stage operations is high tech including a good sound system, large screen monitors to project videos or slides, projector, movie screen and computers to run music, record or run video & shows from the internet.

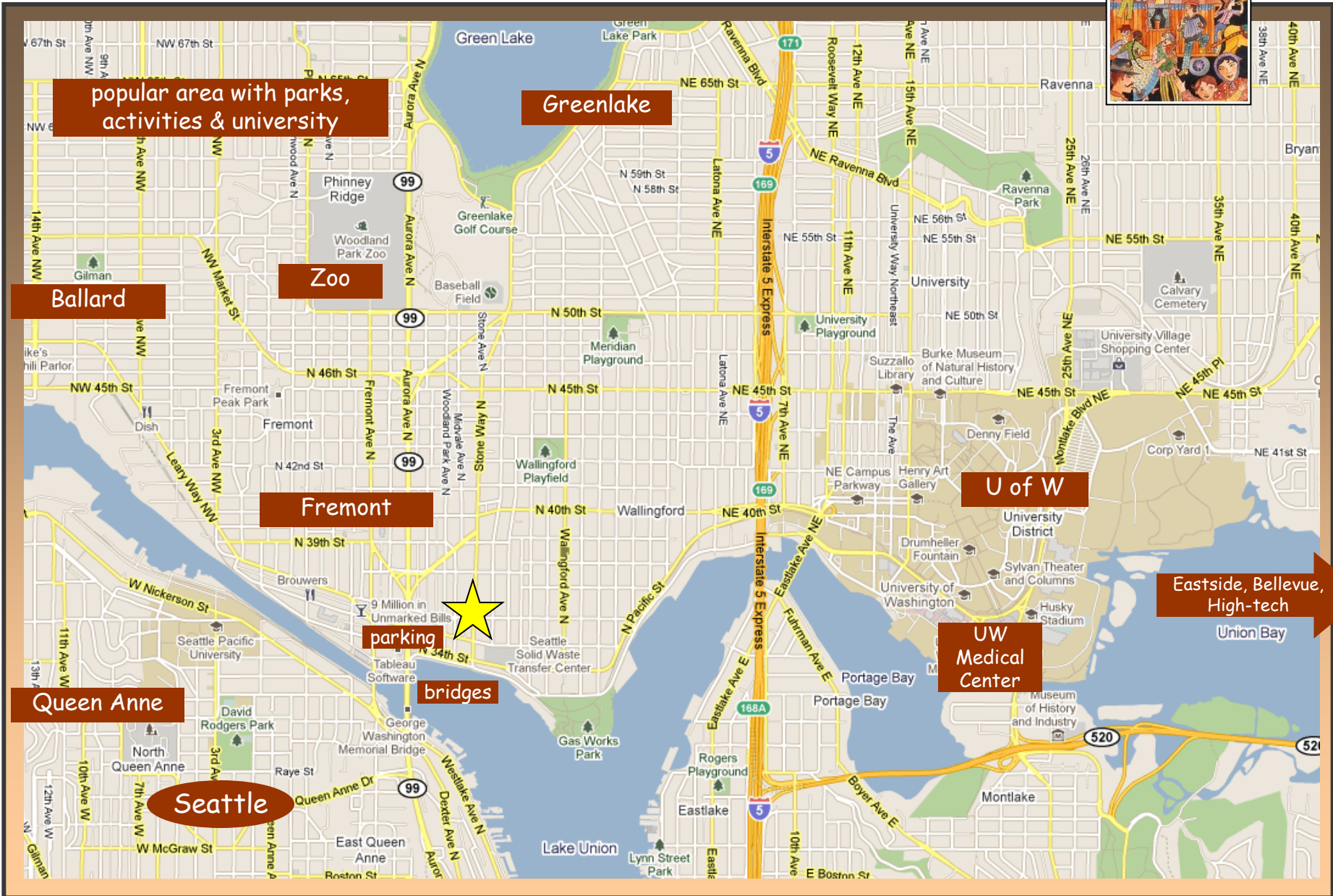
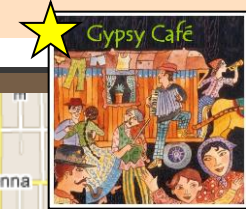


Location, Location, Location



Location, Location, Location

3510 Stone Way North 98125



Fremont: Dynamic & Eclectic Local Community

One very high priority is to both engage and benefit the **local community**. Major goals include:

- give the people in the community active opportunities to engage in the venue as a local popular place with people that are an active part of the community
- give people an opportunity to participate in Gypsy Café activities and to further benefit from learning or intern type roles, such as accounting or kitchen management
- provide a venue for local events when needed
- become central business to Fremont Solstice events and parade
- identify other needs to promote and accommodate integration of community, café, music store and school



Seattle Neighborhoods Fremont



Seattle's Fremont neighborhood is a bohemian district north of downtown. Be sure to check out the statue of Lenin, the outdoor movie theater, and then take a peek under the Aurora Bridge.

Fremont is an eclectic, artsy neighborhood of Seattle located in the north-central section of Washington's largest metropolis. Overlooking Salmon Bay, the small community of Fremont bills itself as "the center of the universe." And at the center it is: Bordered to the east by the Wallingford neighborhood and to the west by the trendy Ballard neighborhood, it commands a central place in Seattle's burgeoning growth.

Known best for its offbeat and irreverent parades, parties and sidewalk art, Fremont is home to such Seattle landmarks as the Annual Solstice Parade, which is famous for its nude cyclists and quirky celebrations; the Fremont Troll Monument; and the neighborhood's controversial 7-ton Lenin statue.

Local Business Development Strategy

The **local business development strategy** is designed to integrate with existing businesses and to attract new business that will increase and enhance business opportunities, customer traffic and revenues for existing business growth.

This strategy will work with local business people to enhance the area and create a friendly business area that is vibrant and dynamic.

The local business development strategy is to compliment local businesses and communities. There will be some music store competition but generally the target audiences are cross-over or altogether different.

The idea is that the venue will both compete and compliment local businesses including espresso shops, café or close by music stores, such as the famous Dusty Strings. These businesses should benefit from new students and people shopping around. The Gypsy music store will mainly feature string instruments and a limited number of accessories and teaching materials.

So when introducing or transitioning the new business into the community, it will be important to market it in a way that promotes the ideas and businesses of music stores or other businesses close by such as Roe Roe BBQ or Dusty Strings or American Music.



Dynamic & Growing Business Area

The Gypsy Café is located in the Fremont-Wallingford area of Seattle, Washington 98108. This location is in the heart of a popular Seattle area near the University of Washington, Lake Union, Gasworks Park, Fremont parking lot and new businesses and related construction.

Stone Way is a north-south roadway that carries approximately 13,000 vehicles per day and connects the Fremont and Wallingford urban villages. Numerous Metro bus routes run along or across the corridor. Adjacent land use is mixed use and residential, retail and commercial. Within five blocks of the corridor there are numerous pedestrian generators including eight schools, two public libraries and five parks. At the morning southbound peak hours, there are almost 100 bicycles & 700 motor vehicles; bicycles are 15% or more of peak traffic. Bicycle traffic increased 35% from 2007-2010.

The café is located on the busy intersection of Stone Way North and North 35th Street. There are several businesses that have been located there for many years including a full service bar, restaurant, kite shop and retail stores. In 2012 a new restaurant and a large Ski shop were built into a converted warehouse one building south of the Gypsy. Another warehouse just off the intersection was built into a large bicycle shop conveniently close to the popular biking path, the Burke-Gilman Trail that extends across the Seattle area.

At the next intersection to the south of the cafe, 34th Street, there are existing businesses including a computer shop, private offices and a small strip mall.

On the northeast corner of North 34th Street, a new building is going up that is part of the Seattle program to assist businesses that build ultra-green buildings (Seattle's "Living Building Pilot Program"). The additional height of the building required a controversial zoning change that was approved partially because of the ultra-green design.

The project, Stone34, is designed to be "an organic and vibrant place to work, mix and meet". The ground floor will house retail stores and there will be four stories above that will house hundreds of office employees. Completion is scheduled for 2013. There will be 8500 sq. ft. of "Pedestrian Open Spaces" and underground parking including 216 parking stalls with plug stations for electric vehicles and sculptural bike racks.

Brooks Sports, Inc. is relocating their global headquarters to the Stone34 project. This is a major event that shows Seattle can attract significant new investment even in tough economic times. They will occupy 80,000 ft² of the 120,000 ft² total to house 300 employees, and the ground floor will be the company's first retail concept shop. Brooks is a leading company that designs and markets a line of footwear, apparel and accessories in 60 countries worldwide.

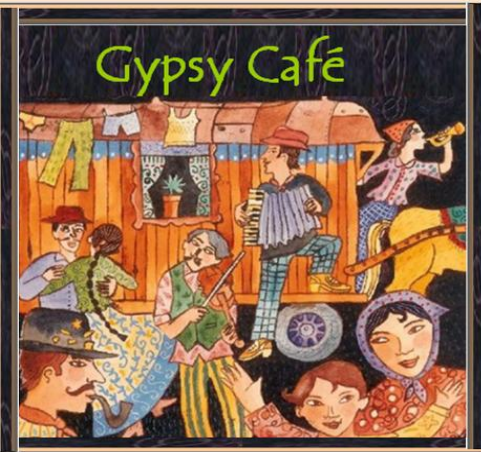
The nearby businesses and competition are mostly complimentary. There are coffee shops north, the busy intersection at the café, BBQ place which the the café has featured in the past.

The "new" Gypsy Café will be a core community venue in the middle of a vibrant Fremont-minded and green-minded business area, and will contribute to and benefit from the continued development and business growth of the area. The opportunity speaks for itself as the business center develops each day.

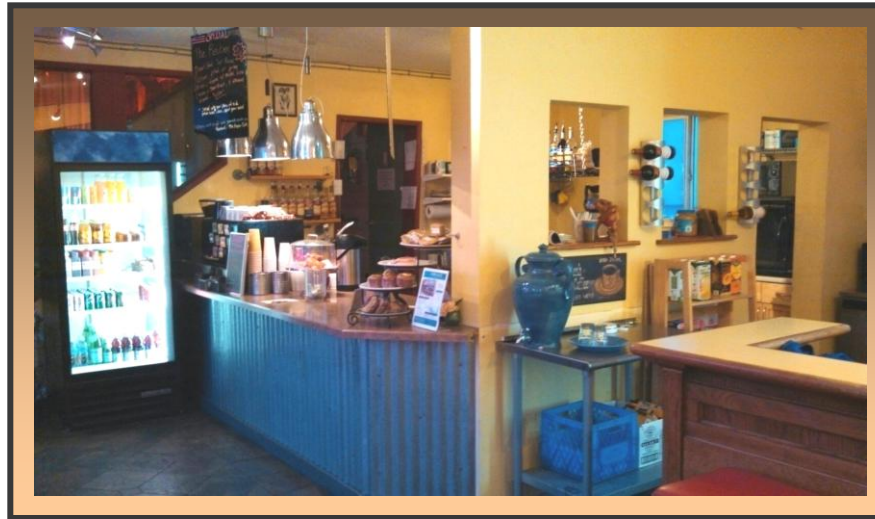
Target local demographic profiles:

- affluent locals
- tourists
- employees from nearby businesses
- customers from nearby businesses
- UW and other students
- travelers on Stone Way North
- youth & parents from Skate Park next door





CAFÉ STRATEGY



Managed with Vision and Skills

Allan Miller

will be
Owner & General Manager
Head Chef
Director of Food Services



Allan is a 30 year veteran of the private service and hospitality industry, having managed private homes and estates of some of America's foremost corporate heads; including a former chairman of General Foods and the Chairman of Southern Pacific Railroad.

He is a graduate of the famed Starkey International Institute for Private Service Management, and also served a three-year tenure as the school's Director and Headmaster. It was during this time that he orchestrated and coordinated the training personal service staff to the President of the United States at Camp David, the White House, the Vice President's residence and the Chairman's Dining Room at the Pentagon.

Raised in the little town of Kingston, Tennessee, he began his career as a houseman and caregiver for a successful Atlanta, Georgia entrepreneur who had been stricken with polio and paralyzed from the neck down during his college years. It was this particular employer and his wife whom he credits with providing the mentoring and inspiration to grow personally as well as professionally. They still enjoy a close, personal relationship to this day.



Allan is an accomplished upright bassist and guitarist, as well as an instructor. He credits his upbringing in rural east Tennessee for nurturing a love and appreciation for old-time mountain style music. Over time, he developed an ear and love for all manner of acoustic music, as well as a deep appreciation for the integral part this style of music plays in creating a sense of community.



Miller is a sought after public speaker and igniter, and has been featured and quoted in major publications such as the New York Times, Arizona Foothills Magazine - Luxury Edition, and Unique Homes magazine to name few, regarding the professional's perspective on the state of service, and service education today.

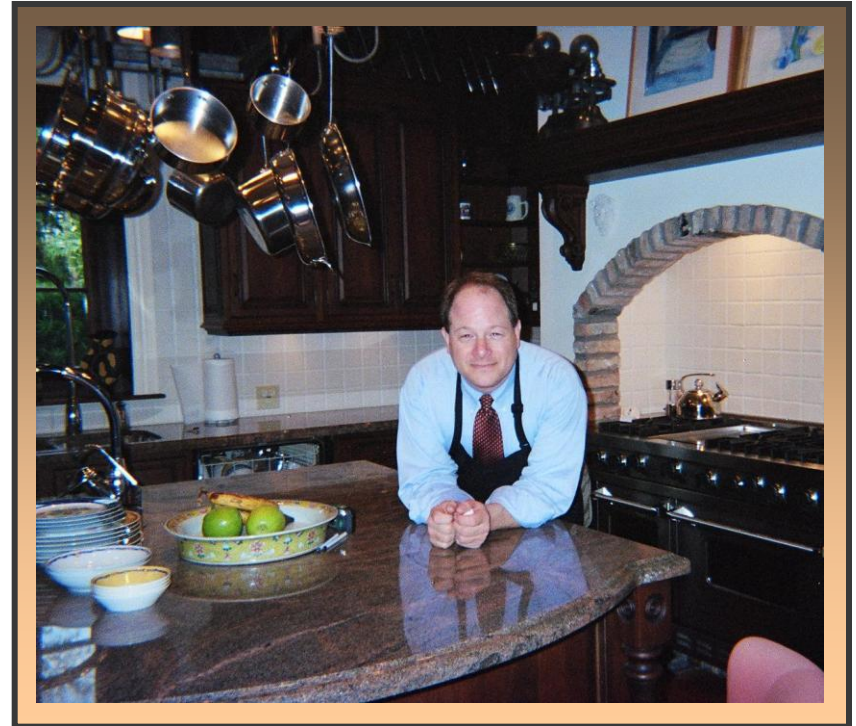
Additionally, he has done extensive work in the area of management and leadership training in a wide range of venues, from small country inns to large conference center/hotel operations - and always with the same emphasis toward results. "Service is a 'heart' business, not a foot business. And understanding this is what distinguishes the service professional or organization in the market place."

"I taught my students that you must first "be" before you ever "do". We are human BEings, not human DOings - Everything we do in life must emulate from our core philosophies regarding integrity, professionalism, and our pursuit of excellence." Miller says. "And with that knowledge, combined with well-honed technical skills, there is no telling how far you can go, or what you might accomplish. After all, 'results' is the name of the game!"

Café & Hospitality Services Strategy

The café strategy serves includes several key areas in this order:

- ① **Customer experience** - choreographed experience with well-trained employees. Friendly professional demeanor & first-class customer service is a first priority.
- ② **Menu** - Redesign a round-the-clock menu to focus on classic & standard items that are “tried and true”, soups & salad, new on-the-go breakfast items. Implement a picture-based menu.
- ③ **Marketing & advertising strategies** - marketing strategies & plans will be ongoing and aggressive to establish profitability quickly and set the stage for continual growth. They will include major promotions and target advertising to attract customers. The more startup funding there is, the quicker the café will reach planned profitability goals. A percentage of the startup budget will be dedicated to a specific committed investment in marketing.
- ④ **Catering** - as operations become consistent, catering services will be added for special parties, business meetings and groups who can reserve space. Another source of marketing exposure & revenue.
- ⑤ **Professional support systems & suppliers** - use expert chefs and no-charge consulting advice from suppliers. Join the National Restaurant Association. Encourage benchmarking with other local chefs and restaurants.



Allan is an expert hospitality manager and chef who has served notable people and directed staff at large estates. He will consult with chefs at Sysco and others to develop an appealing and picturesque menu & kitchen design that will serve high-quality food using excellent ingredients. Menu items will be pictured sumptuously and ordering will be a simple affair and total experience for the customer. Allan works hard to motivate & reward employees.

Café Strategy & Plan - Customer Experience

The café strategy supports these assumptions:

- The café will operate like modest-sized restaurant that serves first quality classic items and food that appeals to the local clientele including featured soups & salads.
- The food service strategy includes a complete offering of espresso, coffee, hot beverages, cold drinks & juice, pastries and related items for the peak morning rush and to serve the café at all open hours.
- The café serves a variety of popular Northwest and import beers and good wine.
- The café will have extended hours 7-days a week to both increase revenue and maintain an open community atmosphere.



General café strategy includes many considerations:

① Customer experience

Well trained employees with strong incentive are the most important asset of the business. Professional, friendly and first-class customer service is the highest priority. The face of the community and the café will be represented by fresh, enthusiastic employees.

Every customer will be treated to a well-choreographed “experience” more typically found at fine restaurants. This is not white table cloths; it is the state of “service consciousness” and the ability of our people to truly set us apart in creating a high-quality customer service experience.

By the same token, every employee will be treated to a fair, safe, fun, positive, productive and growth-oriented work-experience. Friendly management centered around firm principles will ensure a great workplace experience for our people.



Café Strategy - Recreate Customer Experience

Objective: Overhaul Service Strategy:

Step ① - active & involved ownership & management.

Step ② - “hire attitude & teach skills”. Use a careful approach to hiring, interview more than once, look for an enthusiastic attitude, good appearance & self-care, and a good ear for the philosophy behind the strategy and plan.

Step ③ - complete a thorough training process for each employee emphasizing the ‘why’ behind the ‘how’, teach employees how to feel about what they know which will help them achieve an intensity of effort. Professional training will appeal to employee candidates and enhance word-of-mouth reputation.

Step ④ - Implement policies and procedures the promote & ensure service consciousness, a consistent customer experience and attentive friendly attitude.

- provide a consistent greeting for customers
- no personal technology & phone use except on breaks
- use time guidelines for preparing certain dishes
- implement specific policies & procedures to guide workflow and expectations
- check ID & ensure alcohol sales are legal

Step ⑤ - implement a high standard of cleanliness & sanitation including detail procedures for daily, weekly, monthly & annual tasks & efforts.

Step ⑥ - upgrade & maintain ingredients for menu offerings.

Step ⑦ - redesign menu using proven formulas recommended by the National Restaurant Association. Position menu items strategically for maximized sales.

Step ⑧ - expand open time & maintain a very consistent schedule of operating hours. Create successful programs for non-peak mealtime hours.



Café Strategy & Plan - Menu Strategy

② Menu strategy & plan

- To meet food service goals and to help makeover the business, the menu and approach should be redesigned, although any items that are preferred by existing loyal customers should be considered.

The menu is the **silent salesperson**. A well-designed menu can be just as effective if not more so than the sign outside. The menu can create a connection and customer loyalty. Studies from the National Restaurant Association overwhelmingly show that people “eat with their eyes” and that **pictured items** on a menu far outsell non-pictured items.

Currently there is a large menu board hanging high on the south wall. That will be removed in favor of a pictured menu design at the counter and in table menus. An **outdoor encased menu** with pictures will be featured.

Because of proven “view patterns” by which menus are read, items can be effectively positioned for maximum sales impact and familiarity for the customer.

An outdoor menu will attract customers who are browsing the businesses at the busy intersection of Stone Way North and North 35th street. A nicely designed and placed outdoor menu will give an air of service & quality creating a strong first impression for the customer.



The goal will be to feature **8-10 signature sandwiches** and not overwhelm the customer with choices. Of course the customer can choose to adjust the ingredients. Signature items will include classic, tried-and-true choices, but will stand apart in quality and taste from standard café fare. Sandwiches will include Italian on roll, Rueben, French Dip, Roast Turkey Club, Italian meatball and Vegetarian using the

finest olive oil direct from growers in Cholame, California. A bottle of Cholame oil situated on the counter will give a visual of the service & quality consciousness.

The **breakfast menu** will be made-over to include biscuits and croissants with the best possible fillers. We will offer items that can be prepared quickly and that will help guests get onto their daytime destination with food easy to eat in the car or simple to pack on a bicycle.



Café Strategy & Plan - Marketing

③ Marketing strategies:

Marketing includes the broad category of advertising, outreach/membership to community & business groups, charity events or volunteer activities and other ways to connect with customers through both profit and community based efforts. **Advertising** includes actual expenses for specific ads and marketing campaigns.

The “experience” - connect with something bigger - the human experience - reinforcing community. Put the highest value on the customer experience - choreographed experience with well-trained employees who have a friendly professional demeanor & who strive for first-class customer service.

Quality of food & service - The next most important element of the marketing strategy is the delivery of a quality product. Our food, beverage, atmosphere, entertainment and music activities must sell themselves through word of mouth.

New target customers - new marketing strategies will be developed to reach target customers for entertainment, music store, music school and arts communities.

Good press - with good results and community involvement, we can wait for or solicit good publicity from various sources: newspaper, TV, restaurant reviews.

Local chambers of commerce - in keeping with our community focus and the connection to other businesses, owners & customers, we will work with the Fremont Chamber of Commerce, Wallingford Chamber of Commerce, Seattle Chamber of Commerce & Fremont Arts Council. The chambers can provide key information about current trends, legislation, community events, benchmarking, advocacy and more.

Social Media - the goal is to use as many free or low-cost marketing & advertising outlets as possible. This would obviously include Facebook (and Twitter- low priority), but also a meetup.com group to specifically sign up customers and all others in the Gypsy business family (events, calendar, announcements, etc, creates a specific loyalty community in addition to Facebook).

Website: online presence with pages for all aspects of the café and an engine for online sales of café memorabilia to music store sales. Includes a comprehensive website with calendar, menu and more.

Location promotion - an example of this would be to send someone into Pike’s Market, Seattle to distribute promotions such as a 2 for 1 Saturday night’s entertainment or free appetizers with wine.

Community support - free or charity concerts, free music workshops, host special events for local K12 schools and volunteer for community turnouts.



Fremont Bridge!



Café Strategy & Plan - Advertising

Paid Advertising

Several advertising campaigns will be designed and tested. A percentage of the startup budget will be dedicated to a clear investment in marketing and measuring which are the most effective ad channels.

Local Radio - paid ads & volunteer participation in mostly-alternative radio stations including PBS (KUOW, KPLU) and KBCS. Some feature free announcements for entertainment where you can feature the café too. Local radio is probably the strongest cost-beneficial broadcast marketing trumpet over out-of-reach television ads.

Print advertising - carefully placed ads in mostly-alternative channels like *The Stranger* or *Seattle Weekly* or *The Daily*, a student newspaper at the University of Washington.



Special local event promotions - Fremont has several annual festivals and events related with opportunities to advertise, sponsor and participate.

Special café promotions - the café will feature monthly events such as a *celebrate the music* we play or a low-cost *thank you dinner buffet* presenting some of the chef's favorites and specialties along with live music.

Gifts & business promotion items - both free and promotional items from hats and shirts to pens to free giveaways or raffles for a popular item, such as GPS or gift baskets or punch cards for deals.

Incentives, loyalty programs and bouncebacks - loyalty programs like punch cards will strengthen the bond with repeat customers. Bouncebacks are promotional offers given to a customer after a recent sale to encourage them to revisit soon, or "bounce back" to the restaurant.

No discount programs - discounting is probably the least effective promotional technique. Offering a discount such as 10% off or \$1 off can actually hurt profits. Customers are less likely to perceive full value as good value. Regular customers will pay full price anyway. Free stuff is the best incentive!



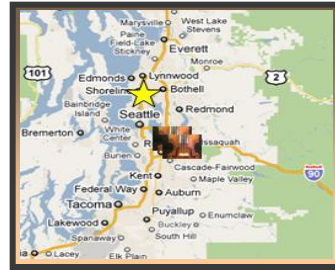
Café Strategy & Plan - Local Media Outlets

Engage & network with local publications and strategize to stagger feature articles about the café and the great impact from music programs & café features on the local community.

- The Stranger
- Seattle Weekly
- Seattle Times
- News Tribune
- Ballard News Tribune
- Belltown Messenger
- Seattle Daily Journal of Commerce
- North Seattle Herald Outlook
- Seattle Business Journal

Universities

- The Daily - University of Washington
- The Falcon - Seattle Pacific University
- Seattle Community Colleges

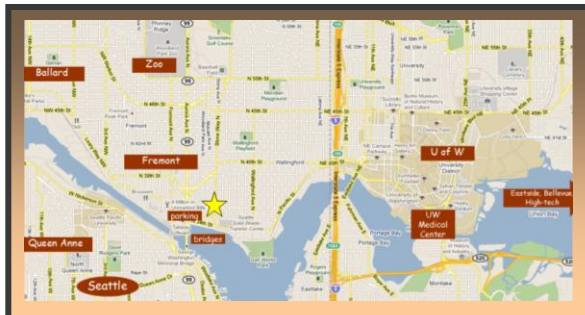


Tie together Fremont & Wallingford as a “community of businesses”, foster win-win relationships.

- position Gypsy as place to go before or after other restaurant, to relax with a great glass of wine and music for example; make Gypsy part of the local area customer experience.
- feature foods from other cafés such as Roe Roe BBQ a couple blocks north

Engage with neighboring cities local air and print media to maximize café exposure and profile. Example townships include:

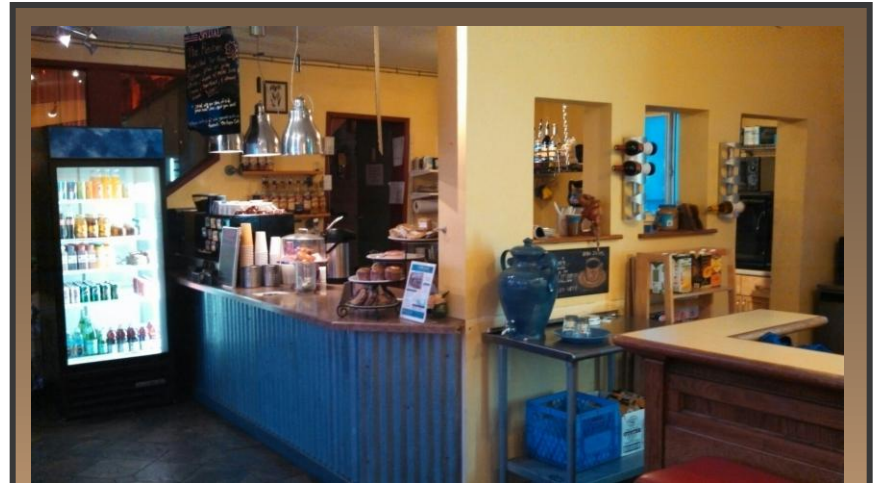
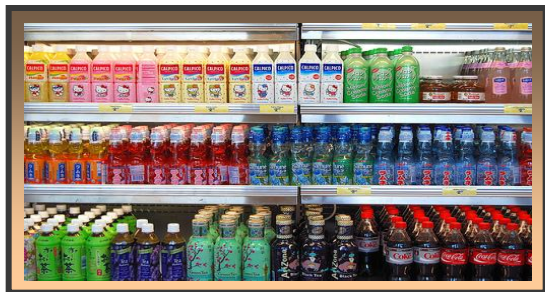
- Bellevue
- Edmonds
- Federal Way
- Shoreline
- Bainbridge Island
- Whidbey Island (home of Djangofest)
- Bothell
- Bremerton
- Des Moines
- Duvall
- Other major Seattle metro-area townships



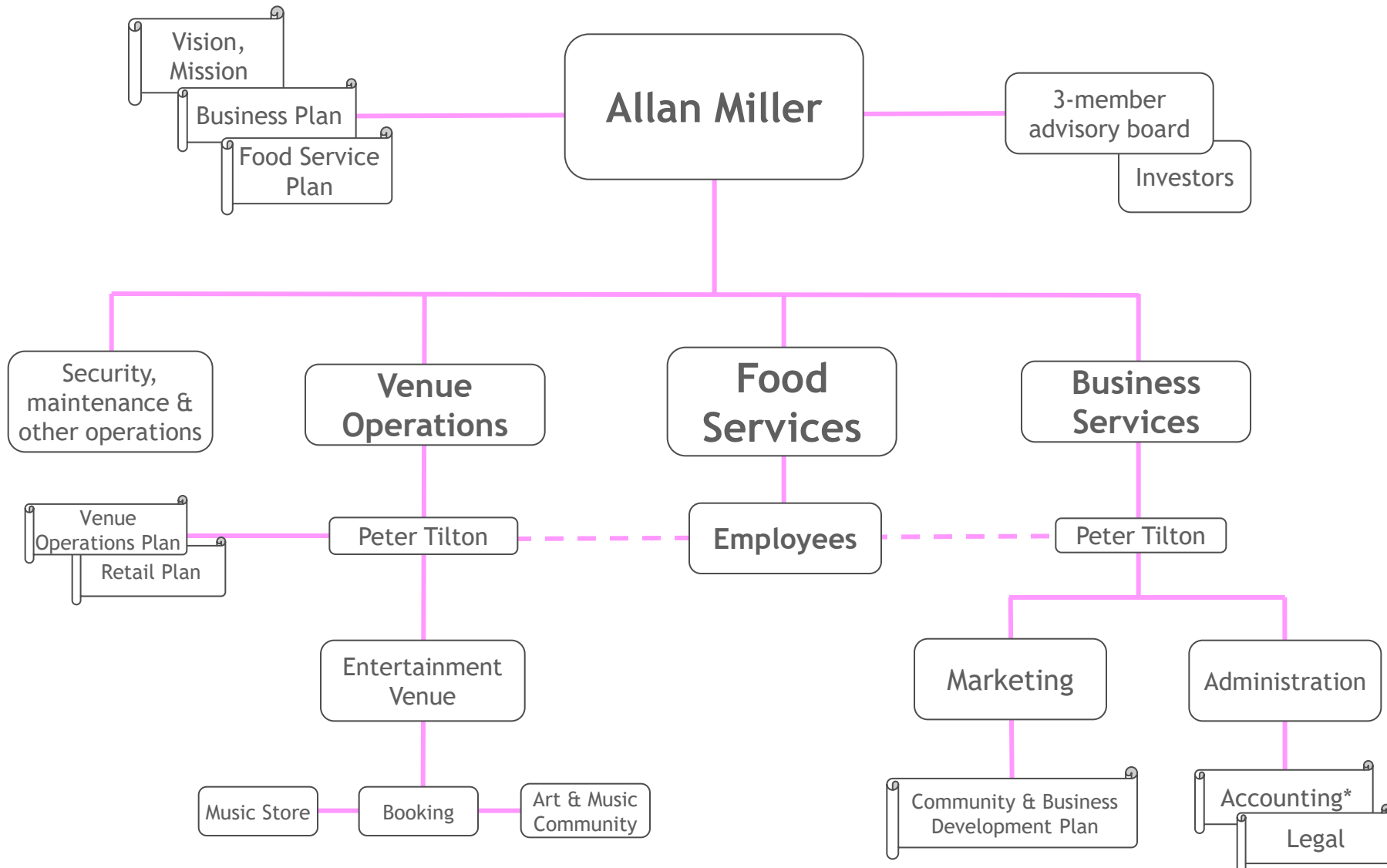
Beverage Services Strategy

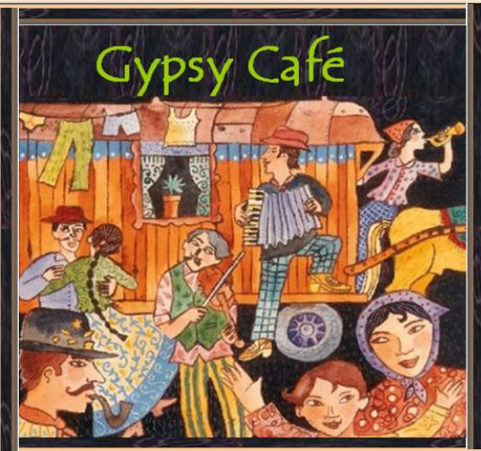
The café beverage strategy considers the following:

- music, art, eating and enjoyment is part of people's relaxation time and responsible alcohol sales and consumption are a natural part community, family & personal enjoyment
- beer, wine & alcohol cooler sales are an important profit center for the venue
- on average Gypsy Café alcohol sales have been about 15% of total food services and this would increase significantly with more events, popularity and increased hours of operation
- the beverage focus will be primarily on mid-range wines, and popular local and regional microbrews
- a longer-term goal would be to have 3 special beers on tap, perhaps rotating as chosen breweries partner for brands and special brews - a beer tap would increase the "public house" and community feel of the venue
- a basic variety of juice soft drinks will be available including local specialties and a soda fountain may be a great enhancement



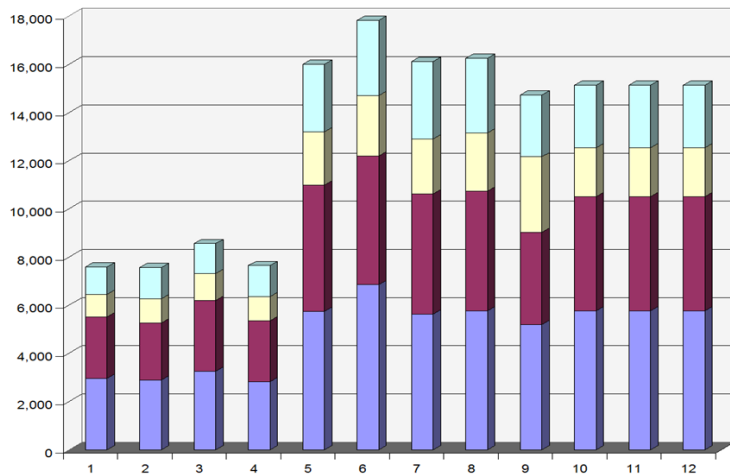
Business Model & Organizational Design



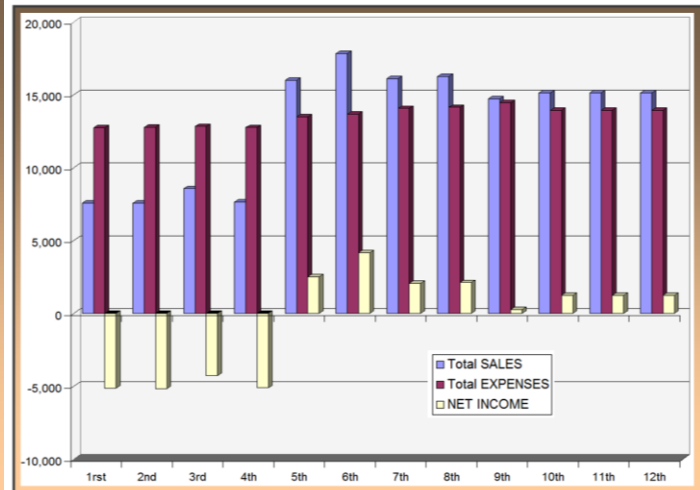


FINANCIAL ANALYSIS

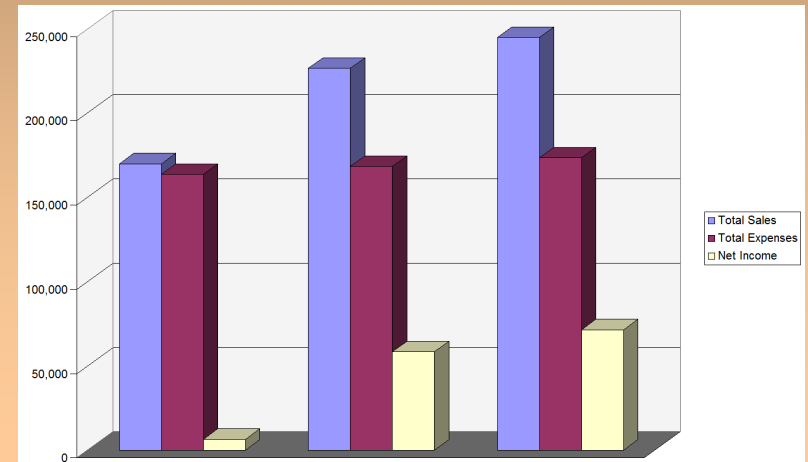
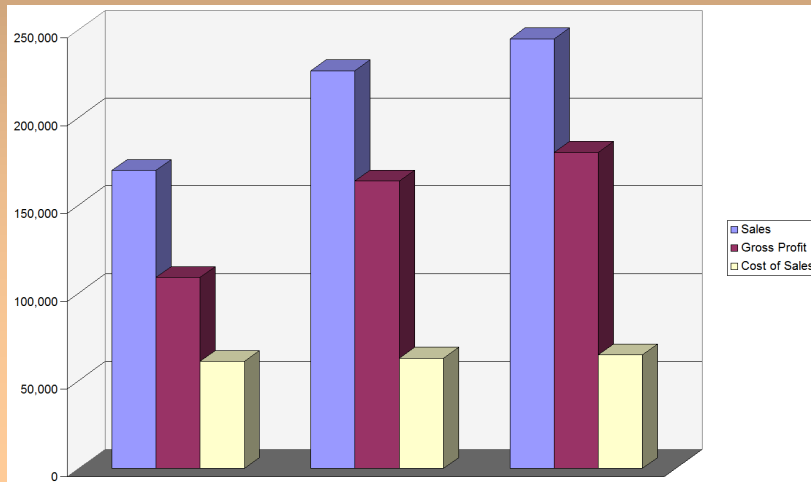
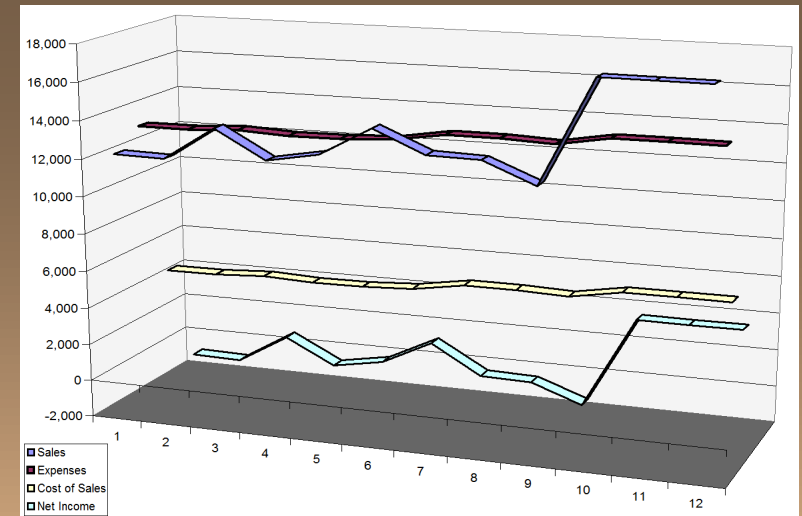
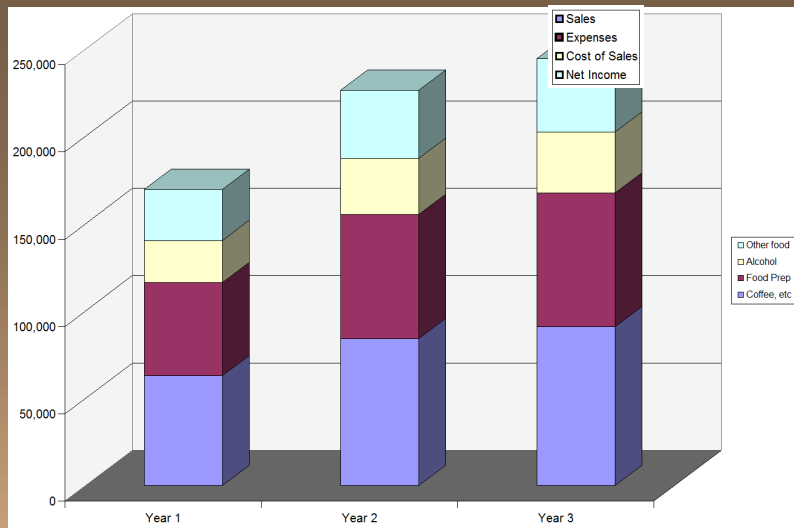
Sales Forecast for Year 1



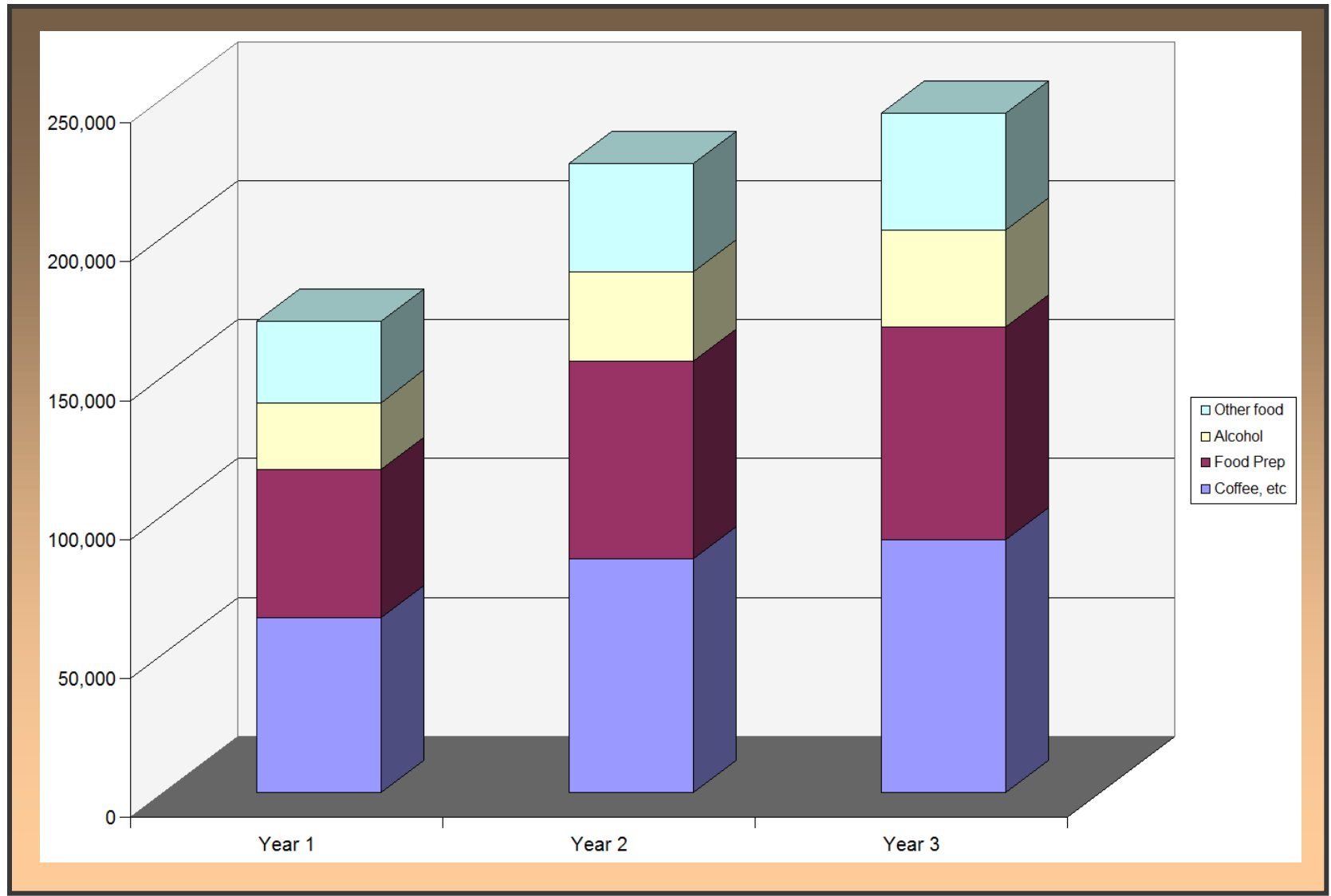
Summary of Forecasted Sales, Expenses, & Net Income for Year 1



Summary of Key Financial Forecasts & Projections



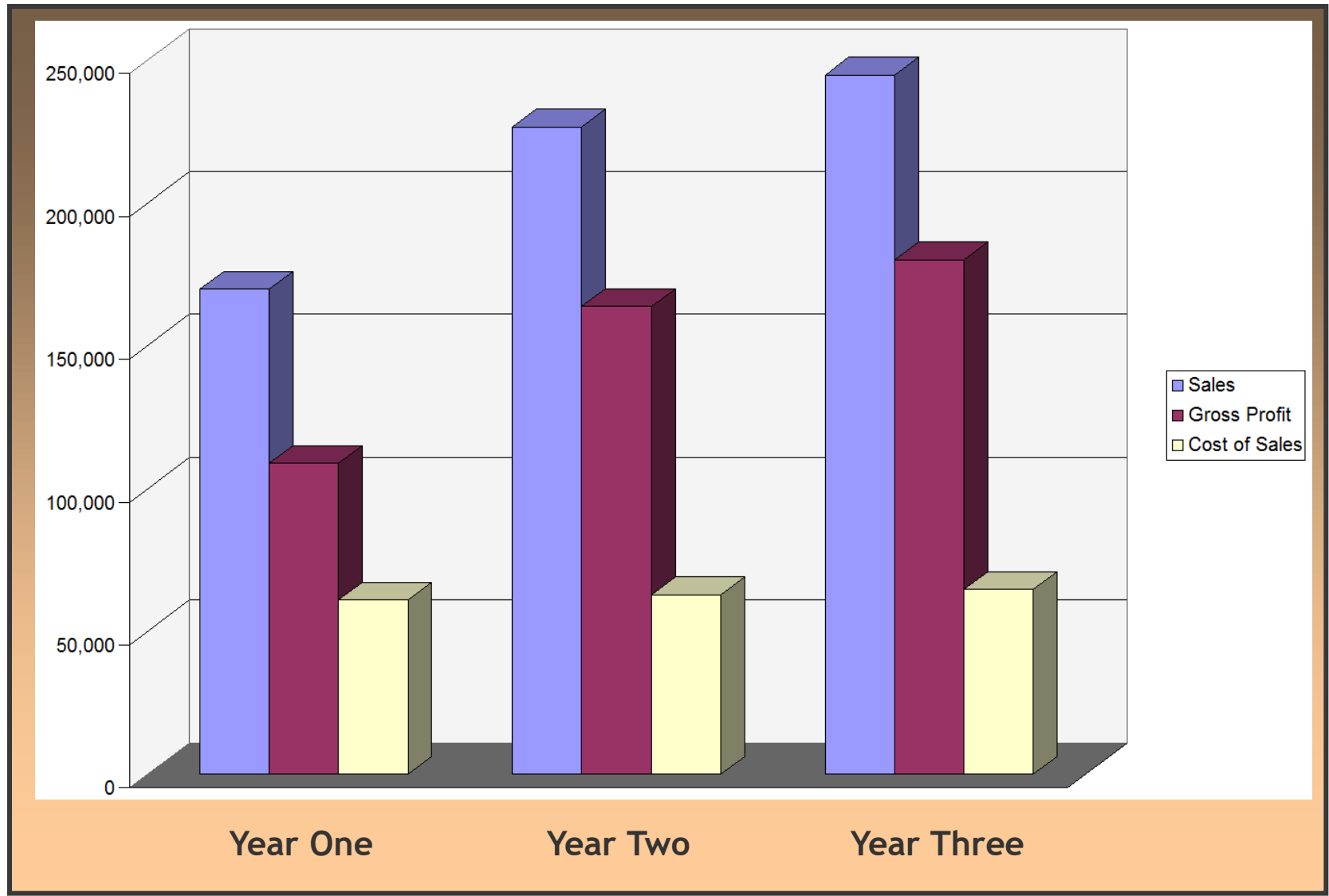
3-Year Sales Forecast



3-Year Sales Forecast

														Total	Avg	%
Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%	
Year 2 Sales	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	226,633	18,886	100%	
Year 3 Sales	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	244,764	20,397	100%	
Total Sales	51,498	51,428	53,197	51,726	52,237	53,744	52,594	52,535	51,443	56,934	56,934	56,934	641,203		144%	
Month	1rst	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%	
YEAR ONE	75 % of 2012 Sales										100% of 2012 Sales + 9%		Q4 Sales Growth = 9.00%			
Coffee, tea, juice, drinks	4,543	4,517	5,175	4,628	4,818	5,378	4,950	4,928	4,523	6,564	6,564	6,564	63,152	5,263	37%	
Food preparation	3,836	3,814	4,370	3,908	4,068	4,541	4,180	4,162	3,819	5,543	5,543	5,543	53,326	4,444	32%	
Beer, wine, alcohol beverages	1,732	1,722	1,973	1,764	1,837	2,050	1,887	1,879	1,724	2,503	2,503	2,503	24,078	2,007	14%	
Other food services	2,104	2,092	2,397	2,143	2,231	2,491	2,293	2,283	2,095	3,040	3,040	3,040	29,249	2,437	17%	
Cash receipts	5,851	5,669	6,429	5,536	6,181	6,604	6,481	6,341	6,310	8,239	8,239	8,239	80,213	6,684	47%	
Credit card receipts	6,363	6,476	7,485	6,907	6,773	7,857	6,829	6,911	5,850	9,411	9,411	9,411	89,593	7,466	53%	
Total YEAR ONE	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%	
YEAR TWO	Sustain Q4 Sales of Year One plus 3.5% industry forecast & 3.5% venue strategies												Sales Growth 7.00%			
Coffee & hot beverages	7,024	7,024	7,024	7,024	7,024	7,024	7,024	7,024	7,024	7,024	7,024	7,024	84,287	7,024	37%	
Food preparation	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	5,931	71,173	5,931	32%	
Beer, wine, alcohol beverages	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678	32,136	2,678	14%	
Other	3,253	3,253	3,253	3,253	3,253	3,253	3,253	3,253	3,253	3,253	3,253	3,253	39,037	3,253	17%	
Cash receipts	8,239	8,239	8,239	8,921	8,921	8,921	8,921	8,921	8,921	8,921	8,921	8,921	105,010	8,751	47%	
Credit card receipts	9,411	9,411	9,411	9,965	9,965	9,965	9,965	9,965	9,965	9,965	9,965	9,965	117,916	9,826	53%	
Total YEAR TWO	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	226,633	18,886	100%	
YEAR THREE	Expected Growth of Sales (3.5% industry forecast,4.5% venue strategies)												Sales Growth = 8.00%			
Coffee & hot beverages	7,586	7,586	7,586	7,586	7,586	7,586	7,586	7,586	7,586	7,586	7,586	7,586	91,029	7,586	37%	
Food preparation	6,406	6,406	6,406	6,406	6,406	6,406	6,406	6,406	6,406	6,406	6,406	6,406	76,866	6,406	32%	
Beer, wine, alcohol beverages	2,892	2,892	2,892	2,892	2,892	2,892	2,892	2,892	2,892	2,892	2,892	2,892	34,707	2,892	14%	
Other	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	42,160	3,513	17%	
Cash receipts	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	9,635	115,621	9,635	47%	
Credit card receipts	10,762	10,762	10,762	10,762	10,762	10,762	10,762	10,762	10,762	10,762	10,762	10,762	129,142	10,762	53%	
Total YEAR THREE	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	244,764	20,397	100%	

3-Year **Gross Profit** Forecast



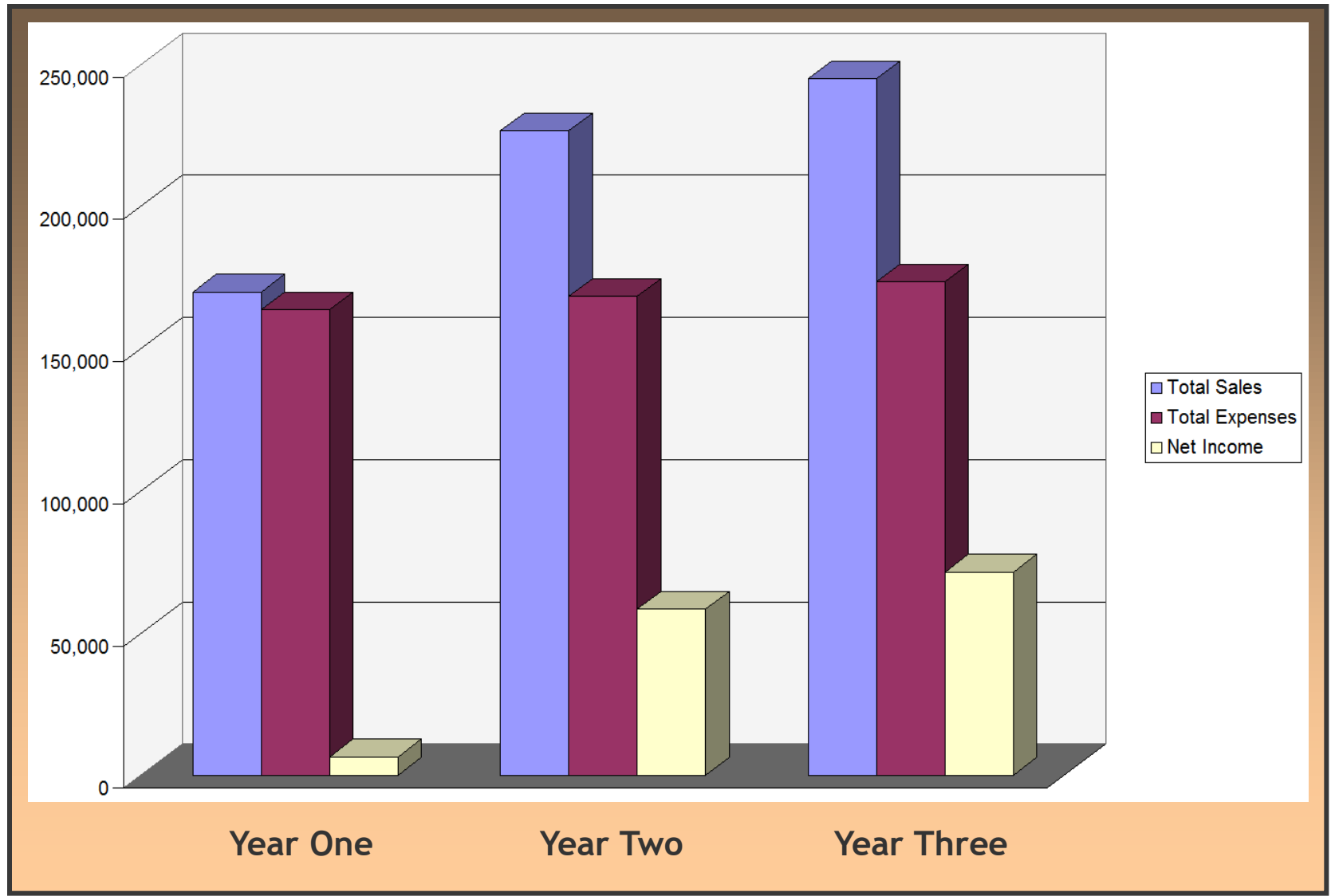
3-Year Gross Profit Forecast

	Year 1	Year 2	Year 3
Total Sales	169,806	226,633	244,764
Total Cost of Sales	61,006	62,836	64,721
GROSS PROFIT	108,801	163,797	180,043

GROSS PROFIT

Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%
YEAR ONE	75 % of 2012 Sales										100% of 2012 Sales + 9%				
Total Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%
Total Year 1 Cost of Sales	4,641	4,639	4,792	4,672	4,705	4,841	5,282	5,280	5,173	5,660	5,660	5,660	61,006	5,084	36%
GROSS PROFIT	7,574	7,506	9,122	7,771	8,250	9,619	8,029	7,972	6,987	11,990	11,990	11,990	108,801	9,067	64%
YEAR TWO	Cost of sales = plus 3%														
Total Year 2 Sales	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	226,633	18,886	100%
Total Year 2 Cost of Sales	4,780	4,778	4,936	4,812	4,846	4,987	5,440	5,438	5,328	5,830	5,830	5,830	62,836	5,236	28%
GROSS PROFIT	14,106	14,108	13,950	14,074	14,040	13,900	13,446	13,448	13,558	13,056	13,056	13,056	163,797	13,650	72%
YEAR THREE	Cost of sales = plus 3%														
Total Year 3 Sales	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	244,764	20,397	100%
Total Year3 Cost of Sales	4,924	4,922	5,084	4,957	4,991	5,136	5,603	5,601	5,488	6,005	6,005	6,005	64,721	5,393	26%
GROSS PROFIT	15,473	15,475	15,313	15,440	15,406	15,261	14,794	14,796	14,909	14,392	14,392	14,392	180,043	15,004	74%

3-Year **Net Income** Forecast

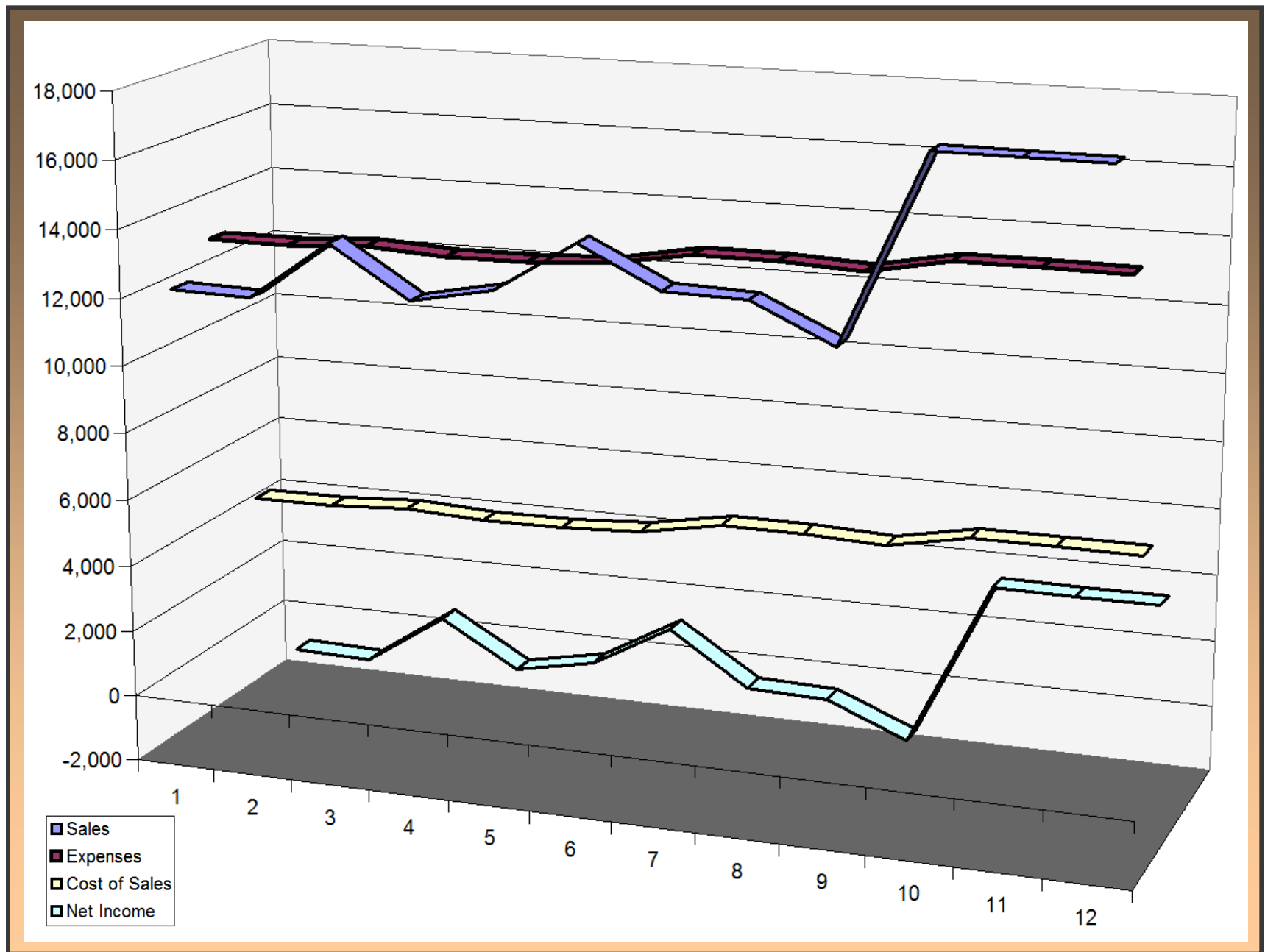


3-Year **Net Income** Forecast

	Year 1	Year 2	Year 3
Total Sales	169,806	226,633	244,764
Total Expenses	163,494	168,398	173,450
NET INCOME	6,313	58,235	71,313

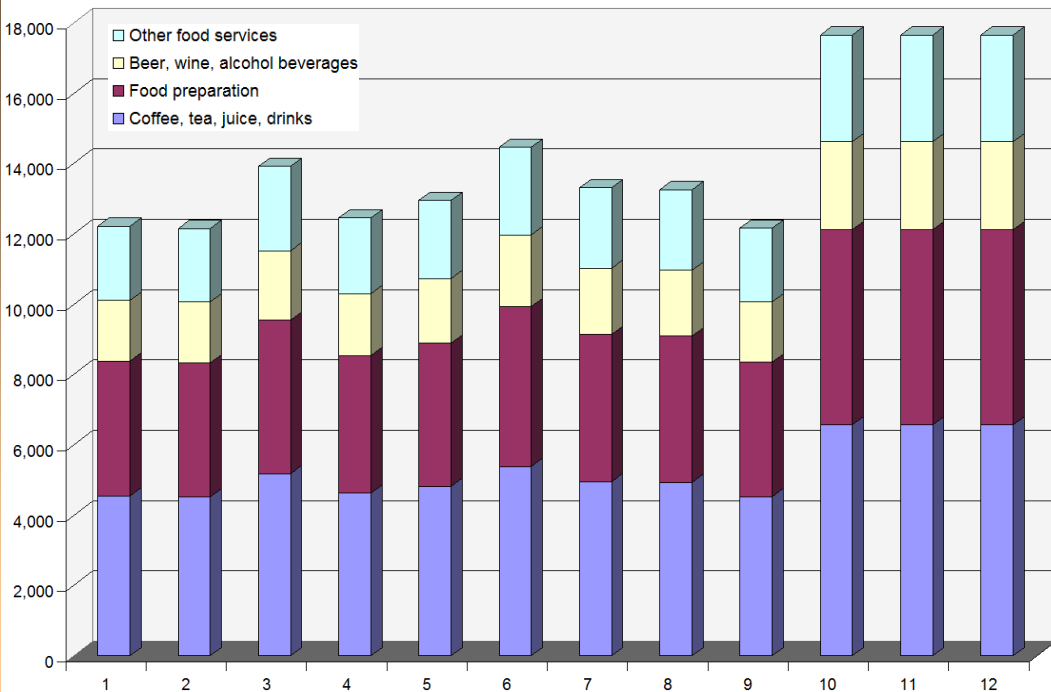
NET INCOME																	
Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%		
YEAR ONE	75 % of 2012 Sales										100% of 2012 Sales + 9%			Q4 Sales Growth =		9.00%	
Total Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%		
Total Year 1 Expenses	13,182	13,180	13,333	13,213	13,245	13,382	13,822	13,820	13,714	14,201	14,201	14,201	163,494	13,624	96%		
NET INCOME	-967	-1,035	581	-770	-291	1,079	-512	-569	-1,553	3,450	3,450	3,450	6,313	526	4%		
YEAR TWO	Sustain Q4 Sales of Year One plus 3.5% industry forecast & 3.5% venue strategies										Cost of sales = plus 3%			Sales Growth =		7.00%	
Total Year 2 Sales	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	18,886	226,633	18,886	100%		
Total Year 2 Expenses	13,577	13,575	13,733	13,609	13,643	13,783	14,237	14,235	14,125	14,627	14,627	14,627	168,398	14,033	74%		
NET INCOME	5,309	5,311	5,153	5,277	5,243	5,103	4,649	4,651	4,761	4,259	4,259	4,259	58,235	4,853	26%		
YEAR THREE	Expected Growth of Sales (3.5% industry forecast,4.5% venue strategies)										Cost of sales = plus 3%			Sales Growth =		8.00%	
Total Year 3 Sales	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	20,397	244,764	20,397	100%		
Total Year 3 Expenses	13,984	13,982	14,145	14,017	14,052	14,197	14,664	14,662	14,549	15,066	15,066	15,066	173,450	14,454	71%		
NET INCOME	6,413	6,415	6,252	6,379	6,345	6,200	5,733	5,735	5,848	5,331	5,331	5,331	71,313	5,943	29%		

Year One Break Even Forecast

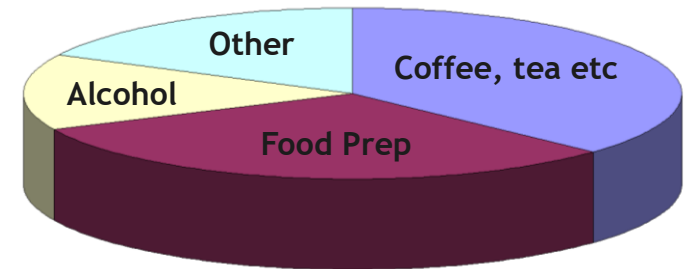


Sales Forecast for Year 1

YEAR 1	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%
SALES	75 % of 2012 Sales									100% of 2012 Sales + 9%			Q4 Sales Growth = 9.00%		
Coffee, tea, juice, drinks	4,543	4,517	5,175	4,628	4,818	5,378	4,950	4,928	4,523	6,564	6,564	6,564	63,152	5,263	37%
Food preparation	3,836	3,814	4,370	3,908	4,068	4,541	4,180	4,162	3,819	5,543	5,543	5,543	53,326	4,444	31%
Beer, wine, alcohol beverages	1,732	1,722	1,973	1,764	1,837	2,050	1,887	1,879	1,724	2,503	2,503	2,503	24,078	2,007	14%
Other food services	2,104	2,092	2,397	2,143	2,231	2,491	2,293	2,283	2,095	3,040	3,040	3,040	29,249	2,437	17%
Cash receipts	5,851	5,669	6,429	5,536	6,181	6,604	6,481	6,341	6,310	8,239	8,239	8,239	80,121	6,677	47%
Credit card receipts	6,363	6,476	7,485	6,907	6,773	7,857	6,829	6,911	5,850	9,411	9,411	9,411	89,686	7,474	53%
Total SALES	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%



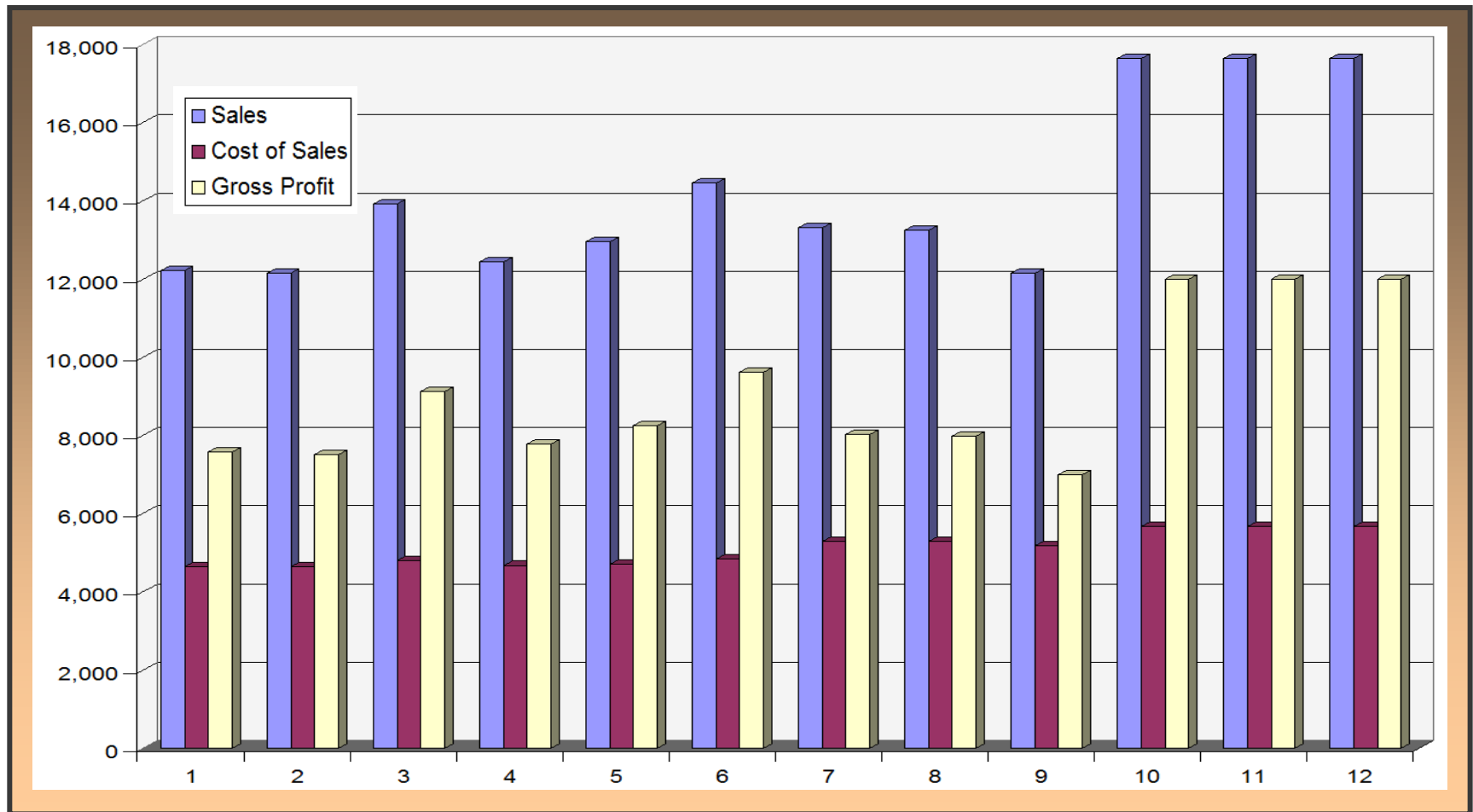
Average composition of sales



■ Coffee, tea, juice, drinks
 ■ Food preparation
 ■ Beer, wine, alcohol beverages
 ■ Other food services

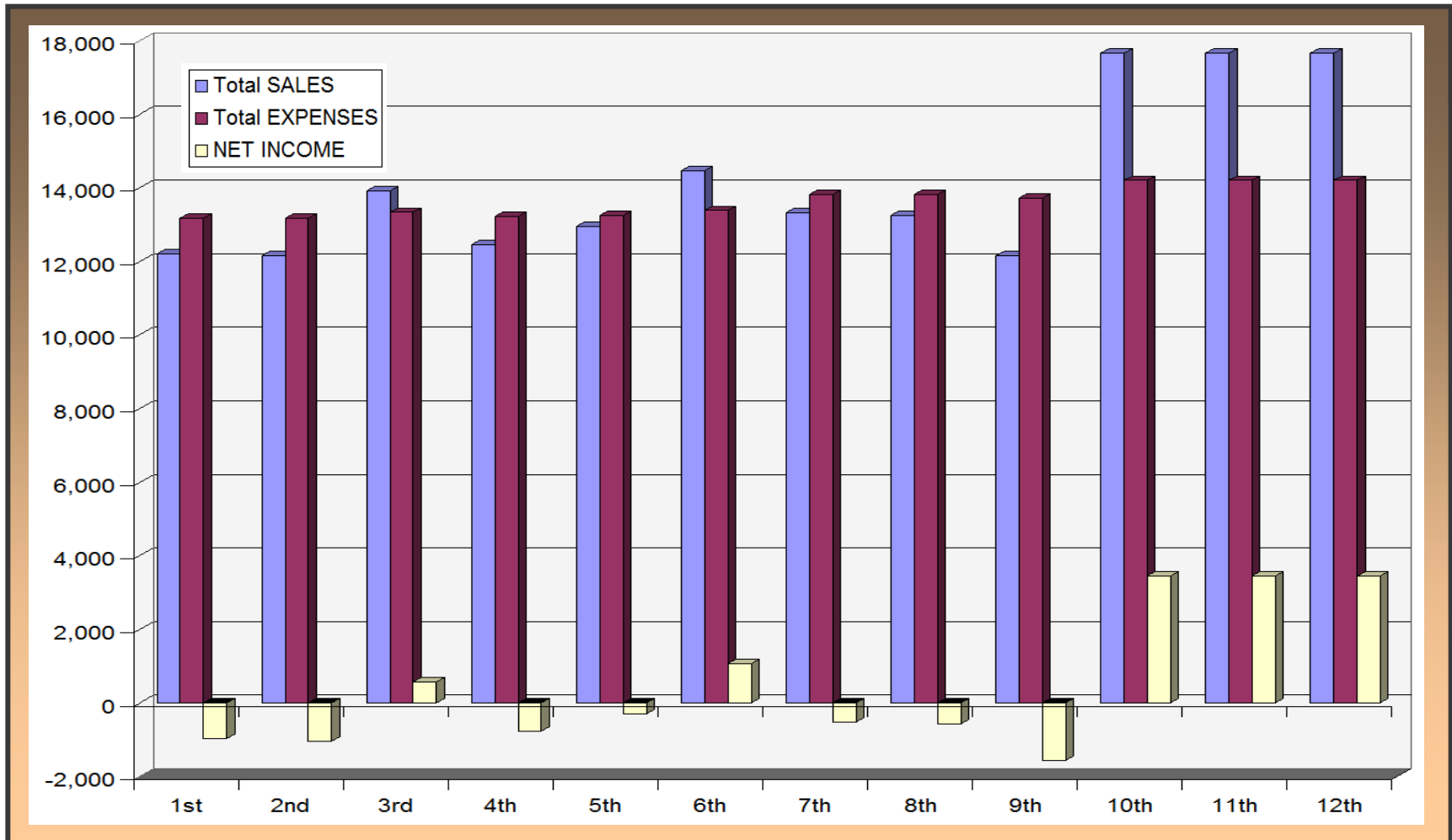
Summary of Forecasted Sales, Cost of Sales, & Gross Profit for Year 1

Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%
YEAR ONE	75 % of 2012 Sales									100% of 2012 Sales + 9%					
Total Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%
Total Year 1 Cost of Sales	4,641	4,639	4,792	4,672	4,705	4,841	5,282	5,280	5,173	5,660	5,660	5,660	61,006	5,084	36%
GROSS PROFIT	7,574	7,506	9,122	7,771	8,250	9,619	8,029	7,972	6,987	11,990	11,990	11,990	108,801	9,067	64%



Summary of Forecasted Sales, Expenses, & Net Income for Year 1

Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%
YEAR ONE	75 % of 2012 Sales									100% of 2012 Sales + 9%			Q4 Sales Growth = 9.00%		
Total Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%
Total Year 1 Expenses	13,182	13,180	13,333	13,213	13,245	13,382	13,822	13,820	13,714	14,201	14,201	14,201	163,494	13,624	96%
NET INCOME	-967	-1,035	581	-770	-291	1,079	-512	-569	-1,553	3,450	3,450	3,450	6,313	526	4%



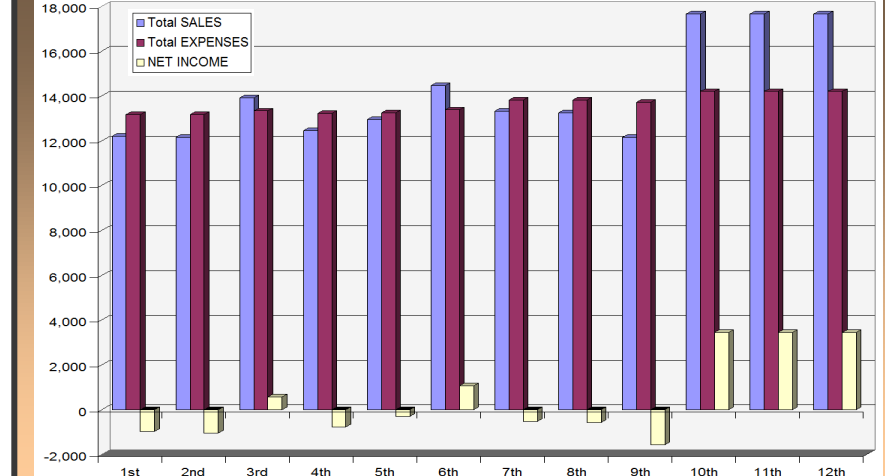
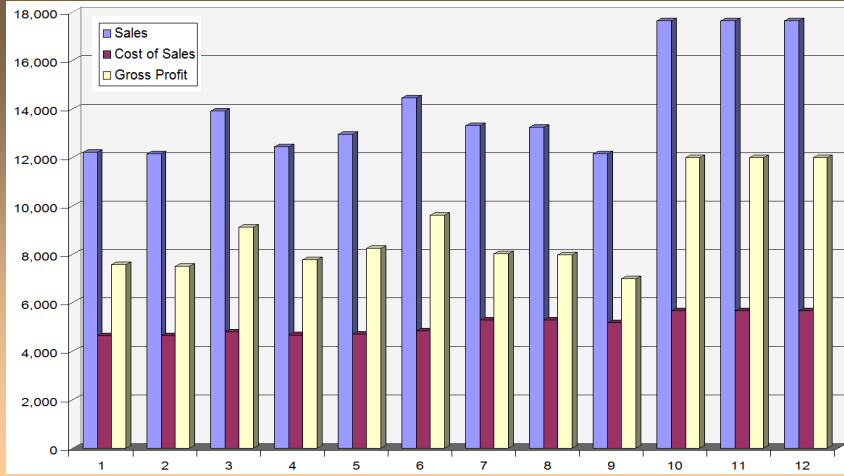
Summary of Forecasted Sales, Gross Profit, & Net Income for Year 1

GROSS PROFIT

Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%
YEAR ONE	75 % of 2012 Sales									100% of 2012 Sales + 9%					
Total Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%
Total Year 1 Cost of Sales	4,641	4,639	4,792	4,672	4,705	4,841	5,282	5,280	5,173	5,660	5,660	5,660	61,006	5,084	36%
GROSS PROFIT	7,574	7,506	9,122	7,771	8,250	9,619	8,029	7,972	6,987	11,990	11,990	11,990	108,801	9,067	64%

NET INCOME

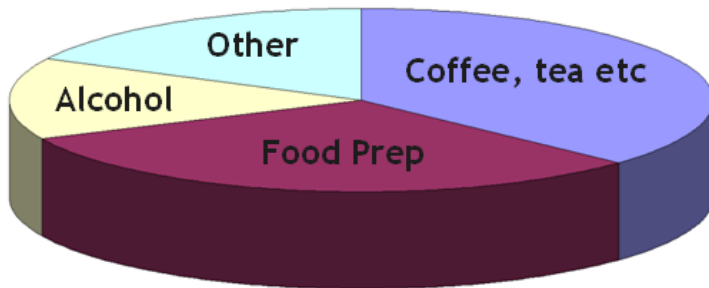
Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Average	%
YEAR ONE	75 % of 2012 Sales									100% of 2012 Sales + 9%			Q4 Sales Growth = 9.00%		
Total Year 1 Sales	12,215	12,145	13,914	12,443	12,954	14,460	13,311	13,252	12,160	17,651	17,651	17,651	169,806	14,151	100%
Total Year 1 Expenses	13,182	13,180	13,333	13,213	13,245	13,382	13,822	13,820	13,714	14,201	14,201	14,201	163,494	13,624	96%
NET INCOME	-967	-1,035	581	-770	-291	1,079	-512	-569	-1,553	3,450	3,450	3,450	6,313	526	4%



Sales Forecasts for Year 1, 2 & 3

The sales forecast includes the following considerations & assumptions: (sales are difficult to predict because of numerous economic & environment variables - these forecasts are a budget and management tool):

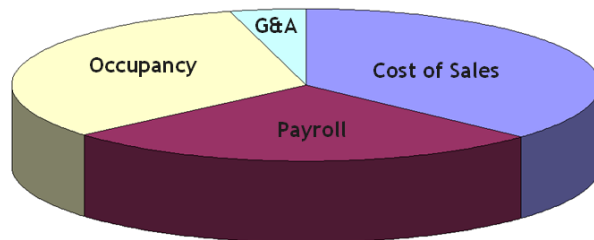
- ① **2010-2012 Sales** - current owner had unreconciled amounts between total line item sales and actual cash & credit card receipts; those actual receipts were higher or lower by 10% or more. Since actual sales is based on actual cash & credit card receipts, line items were calculated from the line item percentage sales of total sales in the respective year.
- ② **Notable growth factor** - the average café open hours will increase by at least 50%. The 2012 average is about 7 days/week 10 hours/day which averages out to account for short hours on the weekend. The Year 1 open hours will increase to an average of 7 days/week 15 hours/day. (2012 60 hours /week increased to 105 hours for Year 1 or 300 versus 450 hours per month). Increase in hours does not correspond to a proportional increase in sales due to variable time-of-day sales patterns.
- ③ **Year 1 Forecast** - this is based on expecting sales for Jan-Sep to be 75% of 2012 Sales. Sales are expected to quickly reach 2012 average totals given that the café should easily reach the levels achieved by the current owner for 2012. For the last 3 months, to even out sales for the year, a 3.5% industry growth factor plus 5.5% resulting from implementing café strategy. In year one, sales should quickly approach and exceed the previous average sales with better management, better café strategy, better entertainment programs, better marketing initiatives, the potential of new target customer groups and significantly increased café hours.
- ④ **Year over year growth trends positive** - the National Restaurant Association and others project a 3.8 percent increase for 2013 in current dollars. For smaller or limited service restaurants, the range of increase is 3%-5%. For purposes of forecasting, a 3.5% growth rate plus 3.5% growth from implementing business strategies is assumed for a total of 7% growth using the 12th period of Q4 as the base. In year three the numbers are 3.5% industry forecast and 4.5% resulting from business strategies for a total growth factor of 8%. Based on current strategies and plans, sales & industry growth should conservatively meet or exceed the estimated forecasts.



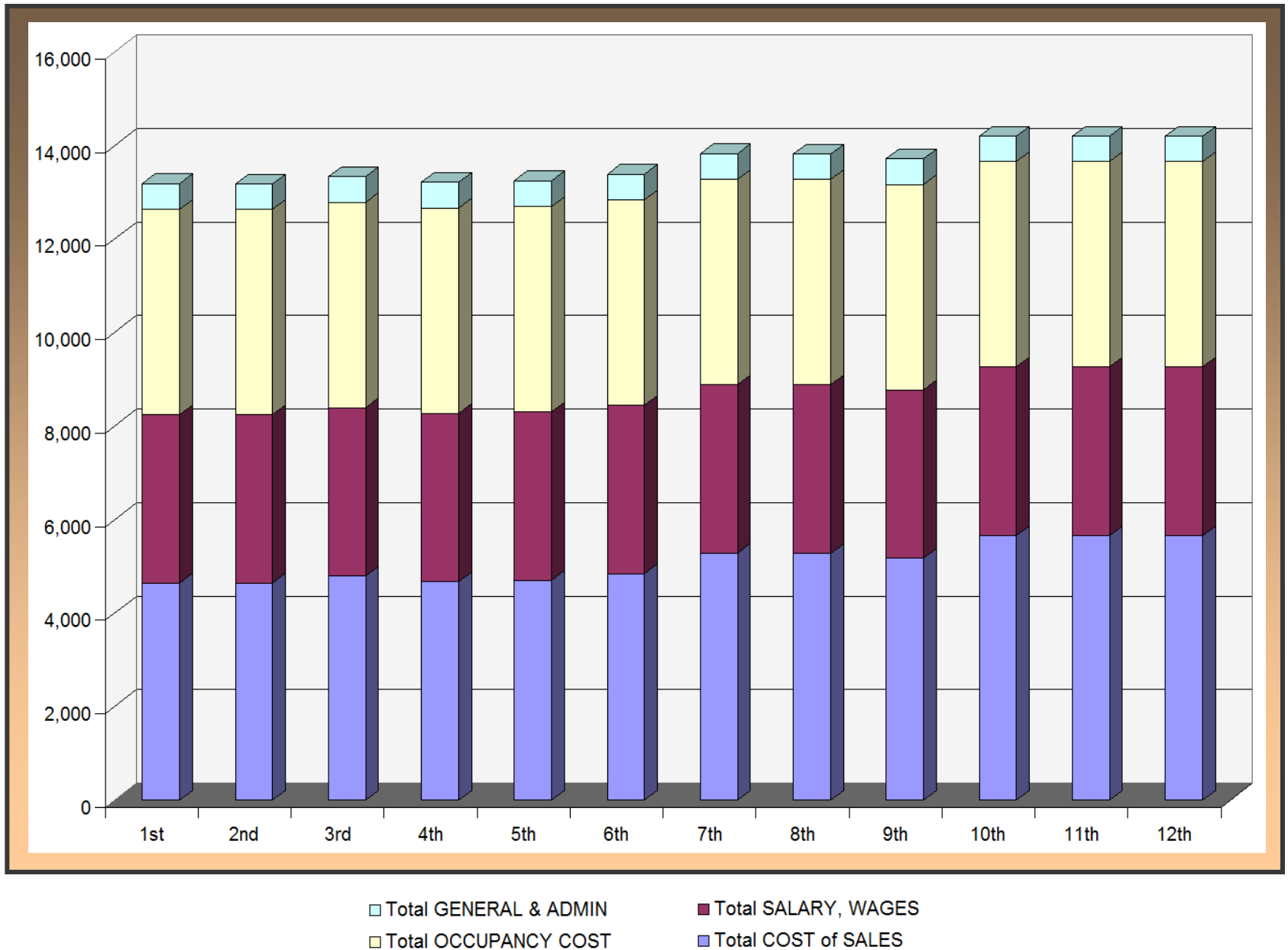
Cost Projections for Year 1 and 2

The cost projections include the following considerations & assumptions: (costs are difficult to predict because of numerous economic & environment variables - these forecasts are a budget and management tool):

- ① **Sysco Food Services** - Sysco will provide the core food services, consulting, equipment and maintenance. Based on discussions with Sysco, year 1 costs might be close to \$750 per week for a total of \$3,000 per month. Given growth forecasts, \$750 will apply to the first six months and \$850 will be applied to the last six months (\$3400). Year 3 Sysco costs will be increased to \$1050 the first six months and \$1100 indicating slower growths in costs for Year 3.
- ② **Alcohol sales** - alcohol cost is based on 50% of alcohol sales as the cost base used for previous and forecasted years.
- ③ **Other food & beverage** - other food & beverage consists of other food purchased from vendors such as fresh pastries, fresh or locally made drinks, juices or energy/food bars. The estimate for the first 6 months of Year 1 is \$20 per day or \$600 per month and \$25 per day or \$750 per month for the last six months.
- ④ **Occupancy** - the main expense is the lease cost which includes lease, water, sewer & building insurance. Other expenses include other utilities & insurance.
- ⑤ **Salaries & Wages** - these costs are primarily controllable to the extent that management can cover open hours. Management expects to be on site continuously and will be inspired and motivated to meet business goals and obligations. 2012 hours are based on 300 hours @ \$12/hr. However, costs will remain flat through managing payroll. Based on open hours, Year 1 hours are budgeted at 450 with 150 no-cost management cover hours. So Year 1 employee hours will be about 300 @ \$12/hour and management hours covering the counter and operations will be 150 hours.
- ⑥ **Occupancy costs** - the main expense is the lease cost which includes lease, water, sewer & building insurance. Other expenses include other utilities & insurance.
- ⑦ **General & Administrative** - The primary and most critical cost is marketing investment including consulting & advertising. It is also the most variable cost that is likely to suffer at the expense of fixed & required costs. Start-up costs include a significant amount for marketing costs, so they could be considered outside a cash flow statement expense which reduces operating costs by forecasted \$300/month. Initial start up marketing investments are expected to be maximized with available funds.
- ⑧ **Year over year cost increases** - estimated at 3% but could be a percentage of the increased cost of sales. The goal would be to manage down cost of sales through better management & efficiency.



Cost Projections Year 1



Cost Projections for Year 1

	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th			
COST of SALES															
Sysco Food Services	3,000	3,000	3,000	3,000	3,000	3,000	3,400	3,400	3,400	3,400	3,400	3,400	38,400	3,200	63%
Alcohol beverages (sales*50%)	866	861	987	882	918	1,025	944	940	862	1,251	1,251	1,251	12,039	1,003	20%
Other food \$20-30/day	600	600	600	600	600	600	750	750	750	750	750	750	8,100	675	13%
Credit card expenses (2.75%)	175	178	206	190	186	216	188	190	161	259	259	259	2,466	206	4%
Total COST of SALES	4,641	4,639	4,792	4,672	4,705	4,841	5,282	5,280	5,173	5,660	5,660	5,660	61,006	5,084	100%
SALARY, WAGES															
Controlled costs															
Monthly open hours:															
300 hours @ \$12/hour	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,200	3,600	100%
150 mgt covered hours	0	0	0	0	0	0	0	0	0	0	0	0			
Total SALARY, WAGES	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,200	3,600	100%
OCCUPANCY COST															
Primarily fixed costs															
Lease & building services	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	45,444	3,787	86%
Business & alcohol licenses	37	37	37	37	37	37	37	37	37	37	37	37	440	37	1%
Seattle City Light	210	210	210	210	210	210	210	210	210	210	210	210	2,520	210	5%
Internet & phone	107	107	107	107	107	107	107	107	107	107	107	107	1,284	107	2%
Garbage & recycle	125	125	125	125	125	125	125	125	125	125	125	125	1,500	125	3%
Puget Sound Energy	65	65	65	65	65	65	65	65	65	65	65	65	780	65	1%
Insurance	60	60	60	60	60	60	60	60	60	60	60	60	720	60	1%
Other															
Total OCCUPANCY COST	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	52,688	4,391	100%
GENERAL & ADMIN															
Fixed and variable costs; marketing is a controllable key investment															
Markeing & ad investment	300	300	300	300	300	300	300	300	300	300	300	300	3,600	300	7%
Accounting & legal	50	50	50	50	50	50	50	50	50	50	50	50	600	50	1%
Repairs & other	100	100	100	100	100	100	100	100	100	100	100	100	1,200	100	2%
Office, printing & supplies	100	100	100	100	100	100	100	100	100	100	100	100	1,200	100	2%
Laundry or uniform services															
Total GENERAL & ADMIN	550	550	550	550	550	550	550	550	550	550	550	550	6,600	550	100%
Total EXPENSES	13,182	13,180	13,333	13,213	13,245	13,382	13,822	13,820	13,714	14,201	14,201	14,201	163,494	13,624	96%

Composition of Cost Projections for Year 1

Coffee, tea, juice, drinks	63,152	5,263	37%
Food preparation	53,326	4,444	31%
Beer, wine, alcohol beverages	24,078	2,007	14%
Other food services	29,249	2,437	17%
Cash receipts	80,121	6,677	47%
Credit card receipts	89,686	7,474	53%
Total SALES	169,806	14,151	100%

COST of SALES

Sysco Food Services	38,400	3,200	63%
Alcohol beverages (sales*50%)	12,039	1,003	20%
Other food \$20-30/day	8,100	675	13%
Credit card expenses (2.75%)	2,466	206	4%
Total COST of SALES	61,006	5,084	100%

SALARY, WAGES

Monthly open hours:			
300 hours @ \$12/hour	43,200	3,600	100%
150 mgt covered hours			
Total SALARY, WAGES	43,200	3,600	100%

OCCUPANCY COST

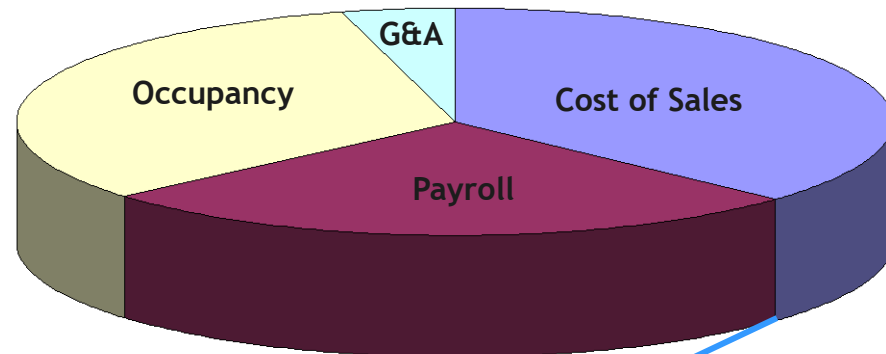
Lease & building services	45,444	3,787	86%
Business & alcohol licenses	440	37	1%
Seattle City Light	2,520	210	5%
Internet & phone	1,284	107	2%
Garbage & recycle	1,500	125	3%
Puget Sound Energy	780	65	1%
Insurance	720	60	1%
Other			
Total OCCUPANCY COST	52,688	4,391	100%

GENERAL & ADMIN

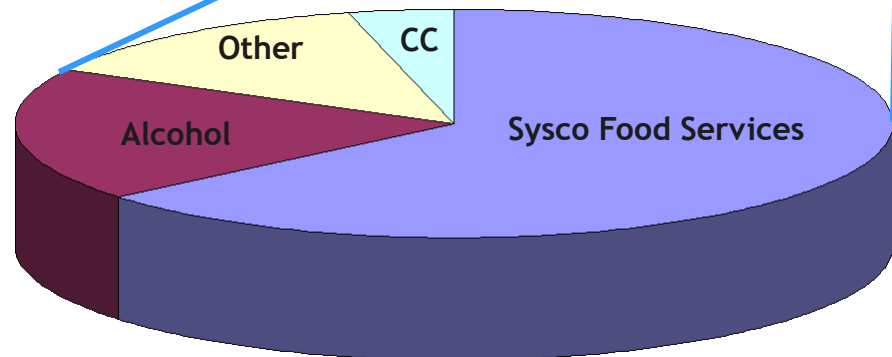
Marketing & ad investment	3,600	300	7%
Accounting & legal	600	50	1%
Repairs & other	1,200	100	2%
Office, printing & supplies	1,200	100	2%
Laundry or uniform services			
Total GENERAL & ADMIN	6,600	550	100%

Total EXPENSES	163,494	13,624	96%
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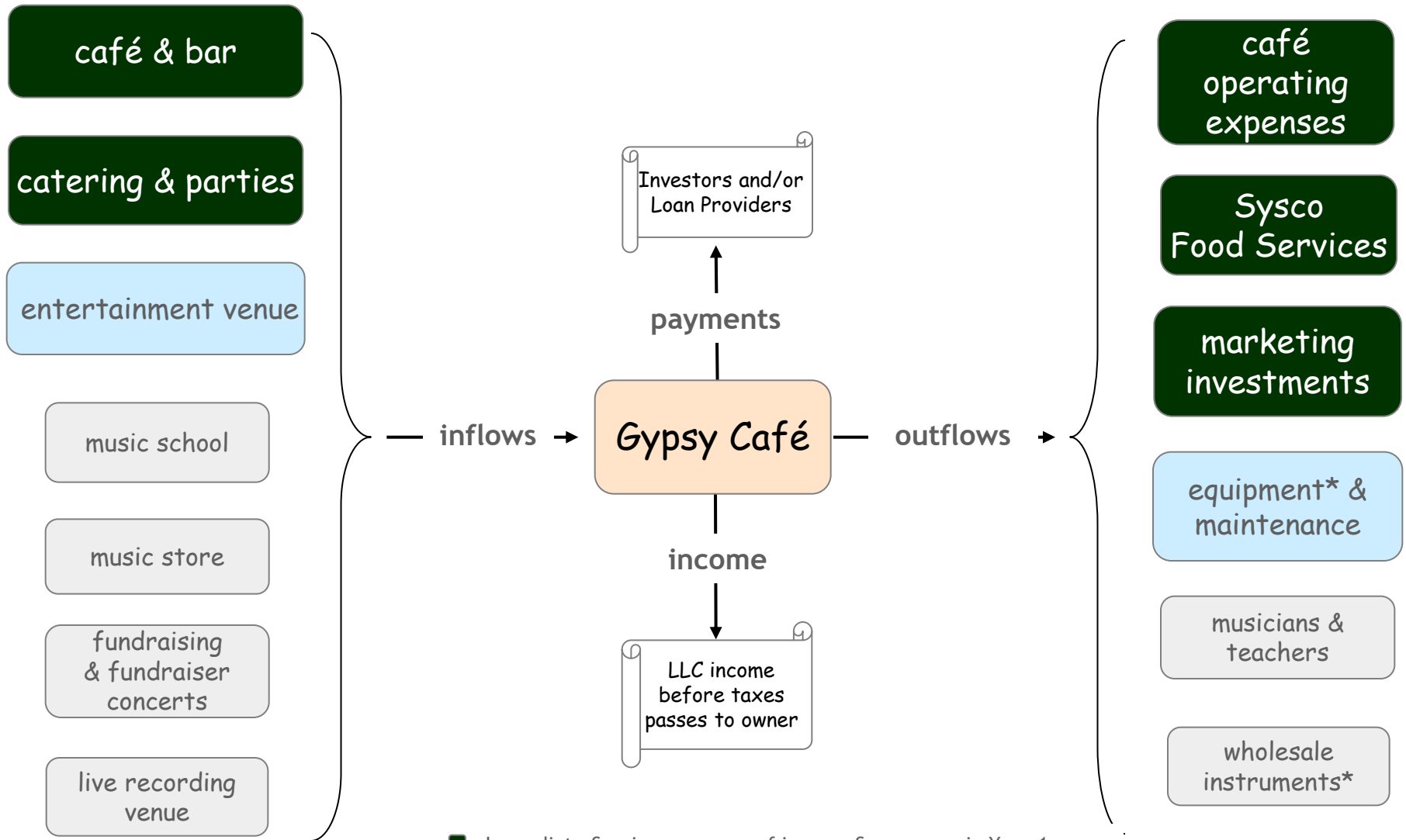
Total Average Allocation of Total Expenses



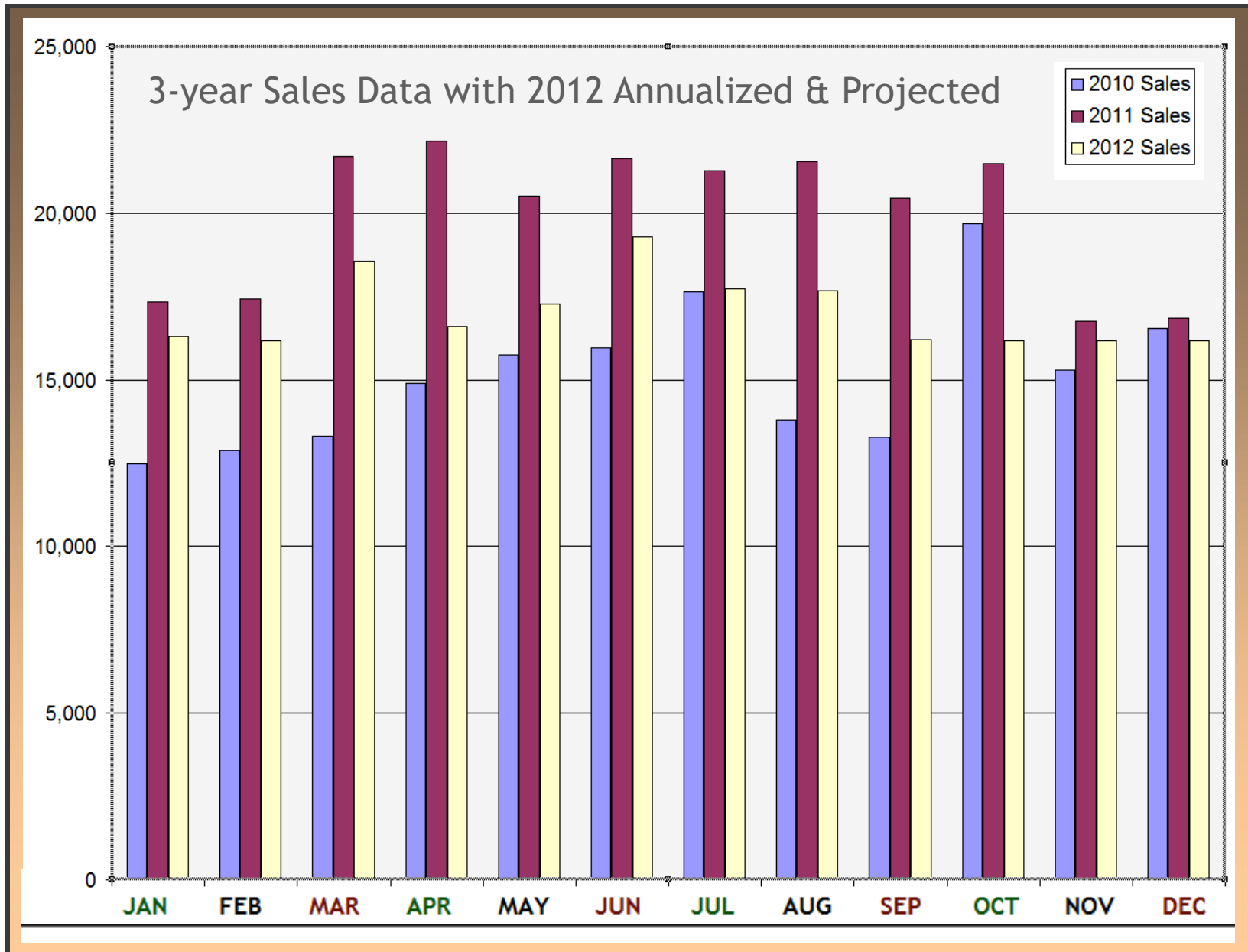
Total Average Cost of Sales



Year 1 Operational Cash Flow Plan



- Immediate & primary source of income & expenses in Year 1
- Entertainment will generate income growth; other expenses include café upgrades/maintenance
- Year 1 not dependent on these revenues/expenses, but growth is expected
- ✳ PT already owns sound equipment and inventory of instruments for décor of café

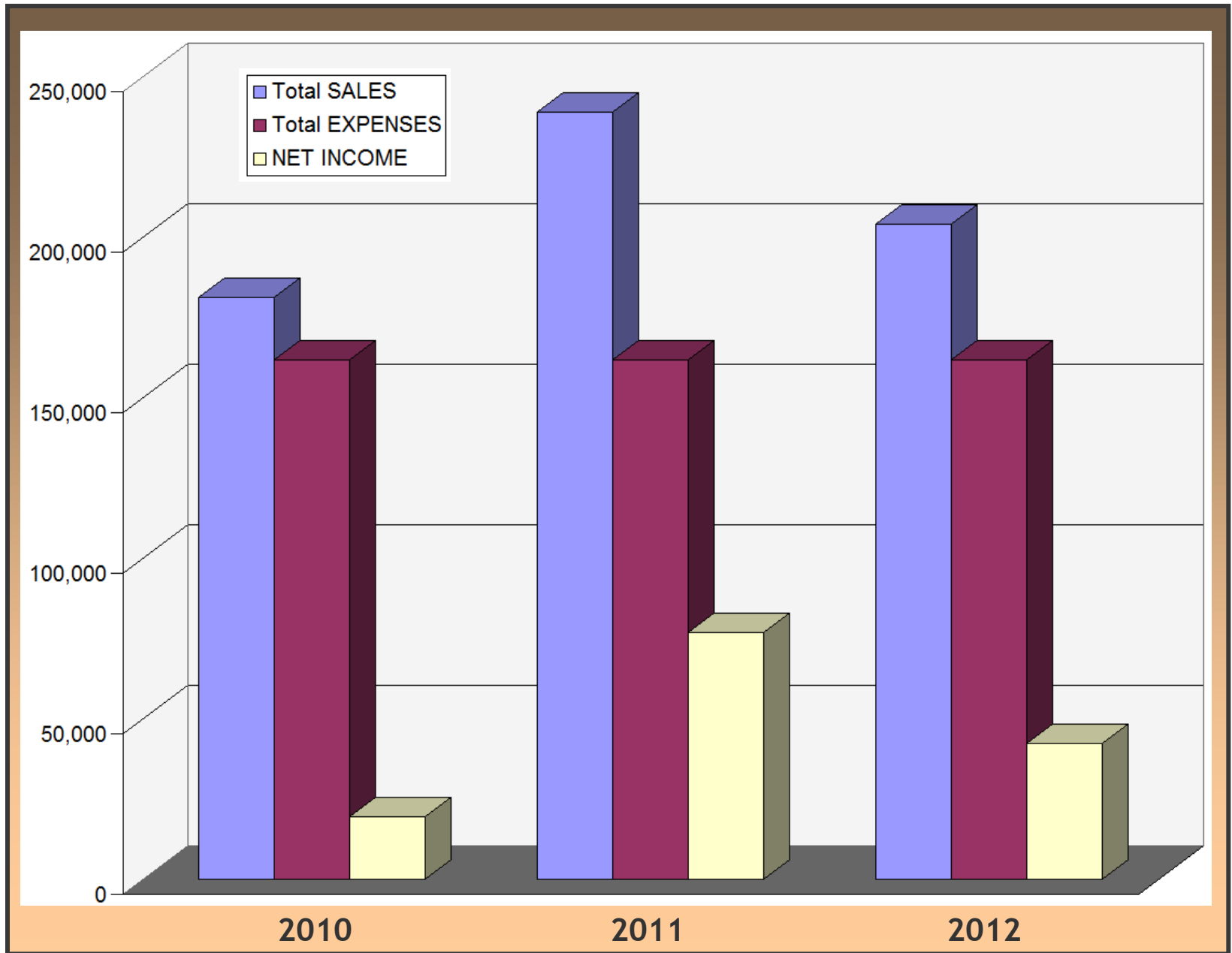


3-year Sales Data with 2012 Annualized & Projected

2010-2011-2012

														Total	Avg	%
2010 Sales	12,475	12,872	13,298	14,895	15,758	15,958	17,630	13,792	13,282	19,703	15,286	16,558	181,507	15,126	100%	
2011 Sales	17,332	17,444	21,715	22,155	20,500	21,632	21,267	21,542	20,458	21,495	16,766	16,861	239,168	19,931	100%	
2012 Sales	16,286	16,193	18,552	16,591	17,273	19,281	17,748	17,669	16,214	16,193	16,193	16,193	204,386	17,032	100%	
Total Sales	46,093	46,509	53,565	53,641	53,530	56,871	56,644	53,003	49,953	57,391	48,246	49,613				
2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total	Average	%	
SALES 2012										Estimated*						
Coffee & hot beverages	5,918	5,771	6,499	5,632	5,739	6,846	5,621	5,765	5,199	5,771	5,771	5,771	70,305	5,859	34%	
Food preparation	5,104	4,738	5,882	5,055	5,237	5,342	4,998	4,968	3,828	4,738	4,738	4,738	59,366	4,947	29%	
Beer, wine, alcohol beverages	1,885	2,023	2,244	2,011	2,217	2,517	2,284	2,423	3,132	2,023	2,023	2,023	26,806	2,234	13%	
Other	2,252	2,611	2,486	2,590	2,806	3,118	3,210	3,095	2,560	2,611	2,611	2,611	32,562	2,713	16%	
Net 3 on receipt	16,296	16,204	18,575	16,561	17,319	19,296	17,457	17,568	15,798	16,204	16,204	16,204	203,687	16,974		
Morning net 3	4,872	5,015	5,220	4,776	5,751	6,414	5,185	5,764	4,501	5,015	5,015	5,015	62,544	5,212		
Daytime net 3	6,753	6,205	7,929	7,131	8,324	9,474	5,262	7,118	2,641	6,205	6,205	6,205	79,452	6,621		
Cash receipts	7,802	7,559	8,572	7,382	8,242	8,805	8,642	8,454	8,414	7,559	7,559	7,559	96,548	8,046	47%	
Credit card receipts	8,484	8,634	9,981	9,209	9,031	10,476	9,106	9,215	7,800	8,634	8,634	8,634	107,838	8,986	53%	
Total SALES 2012	16,286	16,193	18,552	16,591	17,273	19,281	17,748	17,669	16,214	16,193	16,193	16,193	204,386	17,032	100%	
SALES 2011																
Coffee & hot beverages	6,075	5,870	6,551	6,781	7,050	7,556	6,961	7,034	5,998	7,139	5,859	6,103	78,978	6,581	33%	
Food preparation	5,212	5,250	6,748	6,386	5,902	6,179	5,916	6,223	5,994	5,470	4,946	4,133	68,359	5,697	33%	
Beer, wine, alcohol beverages	2,500	2,597	3,798	4,140	3,040	2,607	3,170	2,943	3,719	3,835	2,585	2,924	37,859	3,155	19%	
Other	2,348	2,345	2,917	3,101	2,958	3,601	3,533	3,753	3,218	3,180	2,425	2,446	35,825	2,985	18%	
Net 3 on receipt	17,337	17,445	21,763	22,093	20,483	21,580	20,978	21,572	20,519	21,702	16,934	16,923	239,331	19,944		
Morning net 3				1,928	2,575	6,074	4,437	7,277	5,090	5,827	4,057	4,473	41,738	3,478		
Daytime net 3	7,299	8,198	9,509	9,393	7,355	9,181	7,718	10,769	9,076	9,557	6,187	8,156	102,398	8,533		
Cash receipts	10,092	9,822	11,500	12,324	11,063	11,152	11,177	11,431	10,711	11,181	8,482	8,718	127,652	10,638	53%	
Credit card receipts	7,240	7,622	10,214	9,831	9,436	10,480	10,091	10,111	9,747	10,314	8,284	8,144	111,516	9,293	47%	
Total SALES 2011	17,332	17,444	21,715	22,155	20,500	21,632	21,267	21,542	20,458	21,495	16,766	16,861	239,168	19,931	100%	
SALES 2010																
Coffee & hot beverages	4,749	4,656	4,868	5,110	5,341	6,203	5,705	4,907	4,671	6,544	5,084	5,555	63,394	5,283	35%	
Food preparation	3,831	3,836	4,411	4,682	4,725	4,499	4,845	3,863	3,976	5,159	3,977	4,766	52,570	4,381	26%	
Beer, wine, alcohol beverages	1,362	1,641	1,030	2,029	2,012	1,480	3,002	1,454	1,993	4,741	2,444	5,747	28,934	2,411	14%	
Other	1,492	1,763	1,950	2,642	2,524	2,700	2,578	2,391	1,853	2,624	1,985	2,253	26,756	2,230	13%	
Net 3 on receipt	12,435	12,925	13,295	14,909	15,814	15,919	17,612	13,623	13,324	19,875	15,326	16,610	181,669	15,139		
Morning net 3																
Daytime net 3																
Cash receipts	7,354	6,867	7,545	7,813	8,263	8,800	9,301	7,016	7,578	10,543	8,196	9,142	98,417	8,201	54%	
Credit card receipts	5,121	6,005	5,753	7,082	7,495	7,158	8,329	6,776	5,704	9,161	7,090	7,417	83,090	6,924	46%	
Total SALES 2010	12,475	12,872	13,298	14,895	15,758	15,958	17,630	13,792	13,282	19,703	15,286	16,558	181,507	15,126	100%	

3-year Total Sales, Expenses & Net Income - Annualized & Projected



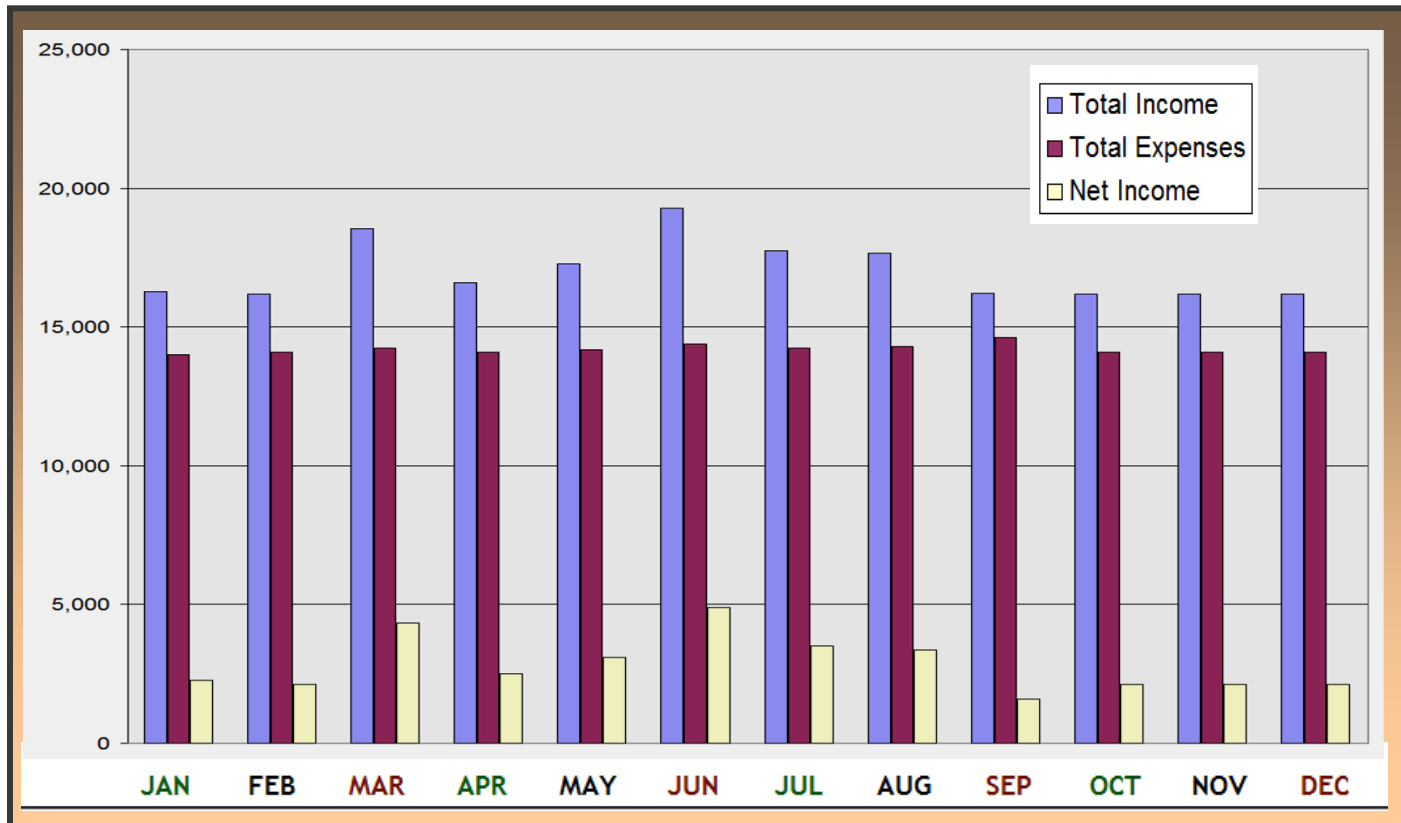
3-year Total Sales, Expenses* & Net Income - Annualized & Projected

2010 Net Income	-842	-518	-239	1,496	2,261	2,271	4,097	186	-639	6,313	1,896	3,169	19,450	1,621	100%
2011 Net Income	4,015	4,054	8,177	8,755	7,002	7,945	7,734	7,936	6,537	8,105	3,377	3,472	77,111	6,426	100%
2012 Net Income	2,969	2,803	5,015	3,192	3,775	5,593	4,215	4,063	2,293	2,803	2,803	2,803	42,329	3,527	100%
Total Sales	6,143	6,340	12,954	13,443	13,038	15,809	16,046	12,185	8,190	17,222	8,076	9,444	138,891		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total	Average	%
2012										Estimated*					
Total 2012	16,286	16,193	18,552	16,591	17,273	19,281	17,748	17,669	16,214	16,193	16,193	16,193	204,386	17,032	100%
Total EXPENSES	13,317	13,390	13,537	13,399	13,497	13,687	13,533	13,606	13,921	13,390	13,390	13,390	162,056	13,505	100%
NET INCOME	2,969	2,803	5,015	3,192	3,775	5,593	4,215	4,063	2,293	2,803	2,803	2,803	42,329	3,527	100%
2011															
Total 2011	17,332	17,444	21,715	22,155	20,500	21,632	21,267	21,542	20,458	21,495	16,766	16,861	239,168	19,931	100%
Total EXPENSES	13,317	13,390	13,537	13,399	13,497	13,687	13,533	13,606	13,921	13,390	13,390	13,390	162,056	13,505	100%
NET INCOME	4,015	4,054	8,177	8,755	7,002	7,945	7,734	7,936	6,537	8,105	3,377	3,472	77,111	6,426	100%
2010															
Total 2010	12,475	12,872	13,298	14,895	15,758	15,958	17,630	13,792	13,282	19,703	15,286	16,558	181,507	15,126	100%
Total EXPENSES	13,317	13,390	13,537	13,399	13,497	13,687	13,533	13,606	13,921	13,390	13,390	13,390	162,056	13,505	100%
NET INCOME	-842	-518	-239	1,496	2,261	2,271	4,097	186	-639	6,313	1,896	3,169	19,450	1,621	100%

* Most EXPENSE data was unavailable (salaries, cost of goods sold). 2012 expenses were used for 2010, 2011 & 2012 to calculate an overview of annualized & projected NET INCOME for those 3 Years. 2011 EXPENSES are probably low because of more hours open and increased wages. Profits would still be projected as very positive.

2012 Sales

2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
SALES										Estimated*		
Coffee & hot beverages	5,918	5,771	6,499	5,632	5,739	6,846	5,621	5,765	5,199	5,771	5,771	5,771
Food preparation	5,104	4,738	5,882	5,055	5,237	5,342	4,998	4,968	3,828	4,738	4,738	4,738
Beer, wine, alcohol beverages	1,885	2,023	2,244	2,011	2,217	2,517	2,284	2,423	3,132	2,023	2,023	2,023
Other	2,252	2,611	2,486	2,590	2,806	3,118	3,210	3,095	2,560	2,611	2,611	2,611
Net 3 on receipt	16,296	16,204	18,575	16,561	17,319	19,296	17,457	17,568	15,798	16,204	16,204	16,204
Morning net 3	4,872	5,015	5,220	4,776	5,751	6,414	5,185	5,764	4,501	5,015	5,015	5,015
Daytime net 3	6,753	6,205	7,929	7,131	8,324	9,474	5,262	7,118	2,641	6,205	6,205	6,205
Cash receipts	7,802	7,559	8,572	7,382	8,242	8,805	8,642	8,454	8,414	7,559	7,559	7,559
Credit card receipts	8,484	8,634	9,981	9,209	9,031	10,476	9,106	9,215	7,800	8,634	8,634	8,634
Total SALES	16,286	16,193	18,552	16,591	17,273	19,281	17,748	17,669	16,214	16,193	16,193	16,193

2012
Projected
Sales,
Expenses &
Net Income

Projected Monthly Sales, Expenses & Net Income for 2012

MONTHLY - 2012

													Total	Avg	%
Total Income	16,286	16,193	18,552	16,591	17,273	19,281	17,748	17,669	16,214	16,193	16,193	16,193	204,386	17,032	100%
Total Expenses	13,317	13,390	13,537	13,399	13,497	13,687	13,533	13,606	13,921	13,390	13,390	13,390	162,056	13,505	79%
Net Income	2,969	2,803	5,015	3,192	3,775	5,593	4,215	4,063	2,293	2,803	2,803	2,803	42,329	3,527	21%
2012	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total	Average	%
SALES										Estimated*					
Coffee & hot beverages	5,918	5,771	6,499	5,632	5,739	6,846	5,621	5,765	5,199	5,771	5,771	5,771	70,305	5,859	34%
Food preparation	5,104	4,738	5,882	5,055	5,237	5,342	4,998	4,968	3,828	4,738	4,738	4,738	59,366	4,947	29%
Beer, wine, alcohol beverages	1,885	2,023	2,244	2,011	2,217	2,517	2,284	2,423	3,132	2,023	2,023	2,023	26,806	2,234	13%
Other	2,252	2,611	2,486	2,590	2,806	3,118	3,210	3,095	2,560	2,611	2,611	2,611	32,562	2,713	16%
Net 3 on receipt	16,296	16,204	18,575	16,561	17,319	19,296	17,457	17,568	15,798	16,204	16,204	16,204	203,687	16,974	
Morning net 3	4,872	5,015	5,220	4,776	5,751	6,414	5,185	5,764	4,501	5,015	5,015	5,015	62,544	5,212	
Daytime net 3	6,753	6,205	7,929	7,131	8,324	9,474	5,262	7,118	2,641	6,205	6,205	6,205	79,452	6,621	
Cash receipts	7,802	7,559	8,572	7,382	8,242	8,805	8,642	8,454	8,414	7,559	7,559	7,559	96,548	8,046	47%
Credit card receipts	8,484	8,634	9,981	9,209	9,031	10,476	9,106	9,215	7,800	8,634	8,634	8,634	107,838	8,986	53%
Total SALES	16,286	16,193	18,552	16,591	17,273	19,281	17,748	17,669	16,214	16,193	16,193	16,193	204,386	17,032	100%

COST of SALES															
Total COST of SALES	4,776	4,849	4,996	4,859	4,957	5,147	4,992	5,065	5,380	4,849	4,849	4,849	59,568	4,964	100%
SALARY, WAGES															
Total SALARY, WAGES	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,200	3,600	100%
OCCUPANCY COST															
Total OCCUPANCY COST	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	52,688	4,391	100%
GENERAL & ADMIN															
Total GENERAL & ADMIN	550	550	550	550	550	550	550	550	550	550	550	550	6,600	550	100%
Total EXPENSES	13,317	13,390	13,537	13,399	13,497	13,687	13,533	13,606	13,921	13,390	13,390	13,390	162,056	13,505	79%
NET INCOME	2,969	2,803	5,015	3,192	3,775	5,593	4,215	4,063	2,293	2,803	2,803	2,803	42,329	3,527	21%

COST of SALES

Sysco Food Services	36,000	3,000	60%
Food (Sysco)			
Coffee & beverages (Sysco)			
Alcohol beverages (sales*50%)	13,403	1,117	22%
Food service, pastries, etc. (30 days * \$20 /day)	7,200	600	12%
Credit card expenses (2.75%)	2,966	247	5%
Total COST of SALES	59,568	4,964	100%

SALARY, WAGES

Monthly open hours:			
300 hours @ \$12/hour	43,200	3,600	100%
Total SALARY, WAGES	43,200	3,600	100%

OCCUPANCY COST

Lease & building services	45,444	3,787	86%
Business & alcohol licenses	440	37	1%
Seattle City Light	2,520	210	5%
Internet & phone	1,284	107	2%
Garbage & recycle	1,500	125	3%
Puget Sound Energy	780	65	1%
Insurance	720	60	1%
Other			
Total OCCUPANCY COST	52,688	4,391	100%

GENERAL & ADMIN

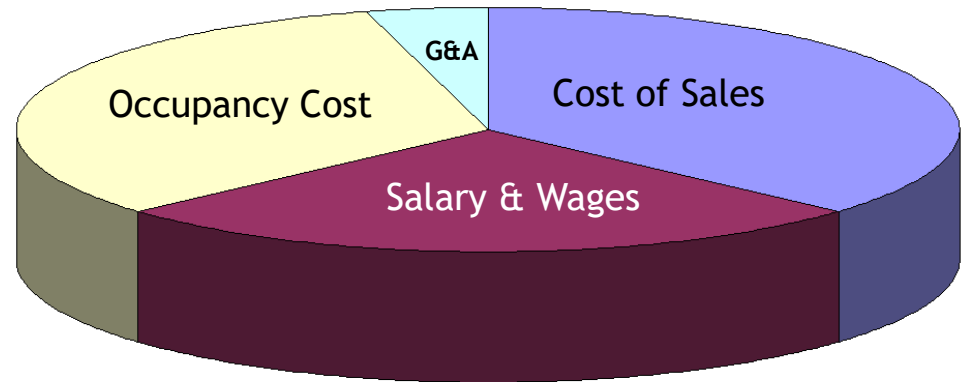
Advertising & Marketing	3,600	300	7%
Accounting & legal	600	50	1%
Repairs & other	1,200	100	2%
Office, printing & supplies	1,200	100	2%
Laundry or uniform services			
Total GENERAL & ADMIN	6,600	550	100%

Total EXPENSES	162,056	13,505	79%
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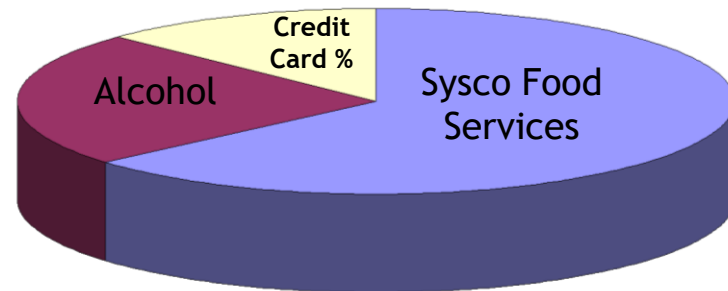
2012 Projected Average Costs per Month

Total Expenses

■ Total COST of SALES
■ Total SALARY, WAGES
■ Total OCCUPANCY COST
■ Total GENERAL & ADMIN



Cost of Sales

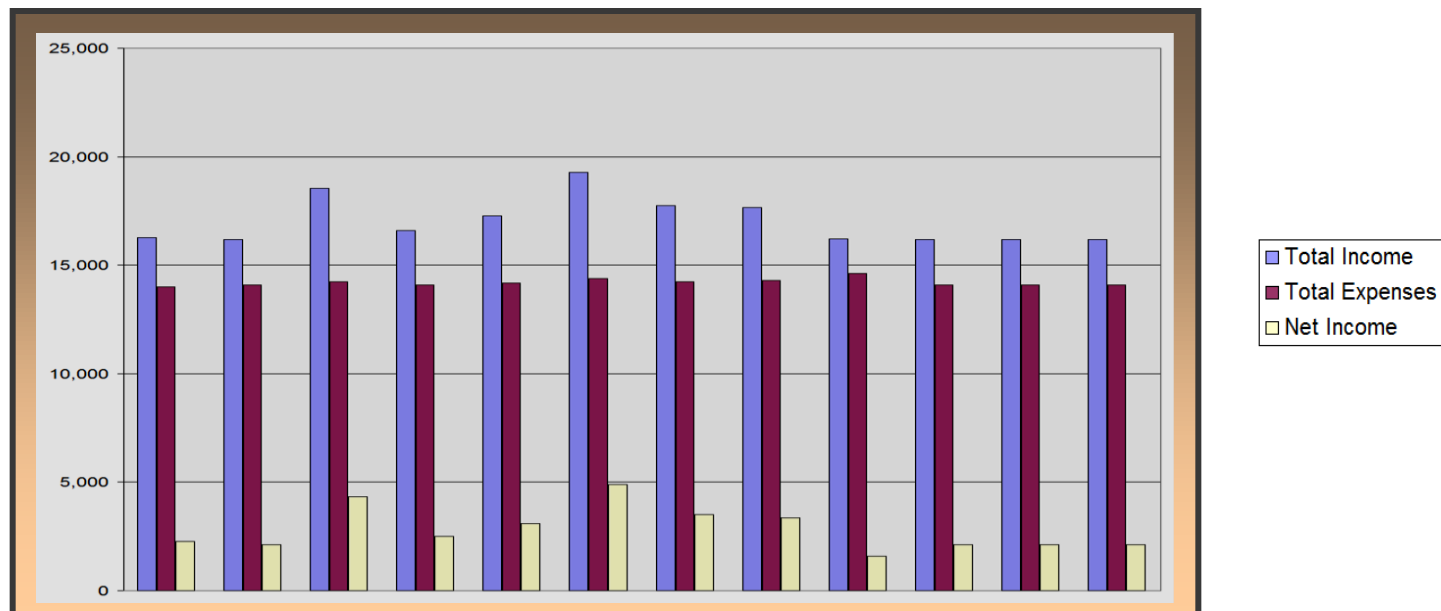


COST of SALES															
Sysco Food Services	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000	3,000	60%
Food (Sysco)															
Coffee & beverages (Sysco)															
Alcohol beverages (sales*50%)	943	1,012	1,122	1,005	1,108	1,259	1,142	1,212	1,566	1,012	1,012	1,012	13,403	1,117	22%
Food service, pastries, etc. (30 days * \$20 /day)	600	600	600	600	600	600	600	600	600	600	600	600	7,200	600	12%
Credit card expenses (2.75%)	233	237	274	253	248	288	250	253	214	237	237	237	2,966	247	5%
Total COST of SALES	4,776	4,849	4,996	4,859	4,957	5,147	4,992	5,065	5,380	4,849	4,849	4,849	59,568	4,964	100%
SALARY, WAGES															
Monthly open hours:															
300 hours @ \$12/hour	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,200	3,600	100%
Total SALARY, WAGES	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	43,200	3,600	100%
OCCUPANCY COST															
Lease & building services	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	3,787	45,444	3,787	86%
Business & alcohol licenses	37	37	37	37	37	37	37	37	37	37	37	37	440	37	1%
Seattle City Light	210	210	210	210	210	210	210	210	210	210	210	210	2,520	210	5%
Internet & phone	107	107	107	107	107	107	107	107	107	107	107	107	1,284	107	2%
Garbage & recycle	125	125	125	125	125	125	125	125	125	125	125	125	1,500	125	3%
Puget Sound Energy	65	65	65	65	65	65	65	65	65	65	65	65	780	65	1%
Insurance	60	60	60	60	60	60	60	60	60	60	60	60	720	60	1%
Other															
Total OCCUPANCY COST	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	4,391	52,688	4,391	100%
GENERAL & ADMIN															
Advertising & Marketing	300	300	300	300	300	300	300	300	300	300	300	300	3,600	300	7%
Accounting & legal	50	50	50	50	50	50	50	50	50	50	50	50	600	50	1%
Repairs & other	100	100	100	100	100	100	100	100	100	100	100	100	1,200	100	2%
Office, printing & supplies	100	100	100	100	100	100	100	100	100	100	100	100	1,200	100	2%
Laundry or uniform services															
Total GENERAL & ADMIN	550	550	550	550	550	550	550	550	550	550	550	550	6,600	550	100%
Total EXPENSES	13,317	13,390	13,537	13,399	13,497	13,687	13,533	13,606	13,921	13,390	13,390	13,390	162,056	13,505	79%

Projected Financial Results for 2012

Total 2012	Q1	Q2	Q3	Q4	Total
Total Income	51,032	53,144	51,630	48,579	204,386
Total Expenses	40,244	40,584	41,059	40,169	162,056
Net Income	10,788	12,560	10,571	8,410	42,329

	Q1	Q2	Q3	Q4	Total
Total Income	100%	100%	100%	100%	100%
Total Expenses	79%	76%	80%	83%	79%
Net Income	21%	24%	20%	17%	21%



Projected Quarterly Summary for 2012

Q1 & Q2

Total 2012	Q1	Q2	Q3	Q4	Total		Q1	Q2	Q3	Q4	Total
Total Income	51,032	53,144	51,630	48,579	204,386		100%	100%	100%	100%	100%
Total Expenses	40,244	40,584	41,059	40,169	162,056		79%	76%	80%	83%	79%
Net Income	10,788	12,560	10,571	8,410	42,329		21%	24%	20%	17%	21%

Q1						
Q1	Total Income	16,286	16,193	18,552	51,032	100%
	Total Expenses	13,317	13,390	13,537	40,244	64%
	Net Income	2,969	2,803	5,015	10,788	36%
2012 Q1		JAN	FEB	MAR	Q1	%
Sales						
Total Sales		16,286	16,193	18,552	51,032	100%
Expenses						
Sysco Food Services		3,000	3,000	3,000	9,000	62%
Other cost of sales		1,776	1,849	1,996	5,622	38%
Total Cost of Sales		4,776	4,849	4,996	14,622	100%
Salary & wages		3,600	3,600	3,600	10,800	27%
Occupany cost		4,391	4,391	4,391	13,172	33%
General & administrative		550	550	550	1,650	4%
Total Expenses		13,317	13,390	13,537	40,244	64%
Net Income		2,969	2,803	5,015	10,788	36%

Q2						
Q2	Total Income	16,591	17,273	19,281	53,144	100%
	Total Expenses	13,399	13,497	13,687	40,584	63%
	Net Income	3,192	3,775	5,593	12,560	37%
2012 Q2		APR	MAY	JUN	Q2	%
Sales						
Total Sales		16,591	17,273	19,281	53,144	100%
Expenses						
Sysco Food Services		3,000	3,000	3,000	9,000	60%
Other cost of sales		1,859	1,957	2,147	5,962	40%
Total Cost of Sales		4,859	4,957	5,147	14,962	100%
Salary & wages		3,600	3,600	3,600	10,800	27%
Occupany cost		4,391	4,391	4,391	13,172	32%
General & administrative		550	550	550	1,650	4%
Total Expenses		13,399	13,497	13,687	40,584	63%
Net Income		3,192	3,775	5,593	12,560	37%

Projected Quarterly Summary for 2012

Q3 & Q4

Total 2012	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Total Income	51,032	53,144	51,630	48,579	204,386	100%	100%	100%	100%	100%
Total Expenses	40,244	40,584	41,059	40,169	162,056	79%	76%	80%	83%	79%
Net Income	10,788	12,560	10,571	8,410	42,329	21%	24%	20%	17%	21%

Q3	Total Income	17,748	17,669	16,214	51,630	100%
	Total Expenses	13,533	13,606	13,921	41,059	62%
	Net Income	4,215	4,063	2,293	10,571	38%
2012 Q3		JUL	AUG	SEP	Q4	%
Sales						
	Total Sales	17,748	17,669	16,214	51,630	100%
Expenses						
	Sysco Food Services	3,000	3,000	3,000	9,000	58%
	Other cost of sales	1,992	2,065	2,380	6,437	42%
	Total Cost of Sales	4,992	5,065	5,380	15,437	100%
	Salary & wages	3,600	3,600	3,600	10,800	26%
	Occupancy cost	4,391	4,391	4,391	13,172	32%
	General & administrative	550	550	550	1,650	4%
	Total Expenses	13,533	13,606	13,921	41,059	62%
	Net Income	4,215	4,063	2,293	10,571	38%

Q4	Total Income	16,193	16,193	16,193	48,579	100%
	Total Expenses	13,390	13,390	13,390	40,169	64%
	Net Income	2,803	2,803	2,803	8,410	36%
2012 Q4		OCT	NOV	DEC	Q4	%
Sales						
	Total Sales	16,193	16,193	16,193	48,579	100%
Expenses						
	Sysco Food Services	3,000	3,000	3,000	9,000	62%
	Other cost of sales	1,849	1,849	1,849	5,547	38%
	Total Cost of Sales	4,849	4,849	4,849	14,547	100%
	Salary & wages	3,600	3,600	3,600	10,800	27%
	Occupancy cost	4,391	4,391	4,391	13,172	33%
	General & administrative	550	550	550	1,650	4%
	Total Expenses	13,390	13,390	13,390	40,169	64%
	Net Income	2,803	2,803	2,803	8,410	36%

Comparison of 2012 Annualized to Year One Forecast Expenses

	Total	Avg
Total Income	169,806	14,151
Total Expenses	163,494	13,624
Net Income	6,313	526
Projected End Balance		

YEAR 1	Total	Average
SALES	Sales Growth	
Coffee & hot beverages	63,152	5,263
Food preparation	53,326	4,444
Beer, wine, alcohol beverages	24,078	2,007
Other	29,249	2,437
Cash receipts	80,121	6,677
Credit card receipts	89,686	7,474
Total SALES	169,806	14,151

COST of SALES		
Sysco Food Services	38,400	3,200
Alcohol beverages (sales*50%)	12,039	1,003
Other food \$20-30/day	8,100	675
Credit card expenses (2.75%)	2,466	206
Total COST of SALES	61,006	5,084

SALARY, WAGES	-	-
Monthly open hours:		
300 hours @ \$12/hour	43,200	3,600
150 mgt covered hours		
Total SALARY, WAGES	43,200	3,600

OCCUPANCY COST	-	-
Lease & building services	45,444	3,787
Business & alcohol licenses	440	37
Seattle City Light	2,520	210
Internet & phone	1,284	107
Garbage & recycle	1,500	125
Puget Sound Energy	780	65
Insurance	720	60
Other		
Total OCCUPANCY COST	52,688	4,391

GENERAL & ADMIN	-	-
Marketing & ad investment	3,600	300
Accounting & legal	600	50
Repairs & other	1,200	100
Office, printing & supplies	1,200	100
Laundry or uniform services		
Total GENERAL & ADMIN	6,600	550

Total EXPENSES	163,494	13,624
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NET INCOME	6,313	526
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	Total	Avg
Total Income	204,386	17,032
Total Expenses	194,360	16,197
Net Income	10,025	835
Projected End Balance		

2012	Total	Average
SALES		
Coffee & hot beverages	70,305	5,859
Food preparation	59,366	4,947
Beer, wine, alcohol beverages	26,806	2,234
Other	32,562	2,713
Cash receipts	96,548	8,046
Credit card receipts	107,838	8,986
Total SALES	204,386	17,032

COST of SALES		
Sysco Food Services	70,305	5,859
Alcohol beverages (sales*50%)	13,403	1,117
(30 days * \$20 / day)		600
Credit card expenses (2.75%)	7,200	247
Total COST of SALES	59,568	4,964

SALARY, WAGES		
Monthly open hours:		
300 hours @ \$12/hour	43,200	3,600
150 mgt covered hours		
Total SALARY, WAGES	43,200	3,600

OCCUPANCY COST		
Lease & building services	45,444	3,787
Business & alcohol licenses	440	37
Seattle City Light	2,520	210
Internet & phone	1,284	107
Garbage & recycle	1,500	125
Puget Sound Energy	780	65
Insurance	720	60
Other		
Total OCCUPANCY COST	52,688	4,491

GENERAL & ADMIN		
Advertising & Marketing	3,600	300
Accounting & legal	600	50
Repairs & other	1,200	100
Office, printing & supplies	1,200	100
Laundry or uniform services		
Total GENERAL & ADMIN	6,600	550

Total EXPENSES	194,360	16,197
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NET INCOME	10,025	835
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	Total	Avg
Total Income	204,386	17,032
Total Expenses	194,360	16,197
Net Income	10,025	835
Projected End Balance		

Year 1 Minus 2012	Total	Average
SALES		
Coffee & hot beverages	-7,153	-596
Food preparation	-6,040	-503
Beer, wine, alcohol beverages	-2,727	-227
Other	-3,313	-276
Cash receipts	-16,427	-1,369
Credit card receipts	-18,152	-1,513
Total SALES	-34,579	-2,882

COST of SALES		
Sysco Food Services	-31,905	3,000
Alcohol beverages (sales*50%)	-1,364	-114
(30 days * \$20 / day)	8,100	75
Credit card expenses (2.75%)	-4,734	-42
Total COST of SALES	1,437	-80

SALARY, WAGES	Costs are flat	
Monthly open hours:	Costs are flat	
300 hours @ \$12/hour		0
150 mgt covered hours		0
Total SALARY, WAGES		

OCCUPANCY COST	Costs are flat	
Lease & building services	Costs are flat	
Business & alcohol licenses		0
Seattle City Light		0
Internet & phone		0
Garbage & recycle		0
Puget Sound Energy		0
Insurance		0
Other		0
Total OCCUPANCY COST		0

GENERAL & ADMIN	Costs are Flat	
Advertising & Marketing		0
Accounting & legal		0
Repairs & other		0
Office, printing & supplies		0
Laundry or uniform services		0
Total GENERAL & ADMIN		0

Total EXPENSES	-30,867	-2,572
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NET INCOME	-3,713	-309
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Startup Costs & Total Funds Required

The **Gypsy Café** configuration includes the general location and equipment and assets required to run the kitchen.

- an immediate need is outdoor signage and commercial refrigeration unit
the current configuration is adequate and maintained to otherwise support the café
- the initial marketing budget is a critical expense for achieving Year 1, 2 & 3 forecasts
due to timing and some uncertainty with beginning sales, 3 months of payroll and occupancy cost are budgeted.

Examples of future costs that could be considered:

- adding grill and hood for fresh cooked food
\$50,000
- remodel upstairs for additional seating
\$50,000-100,000
- entertainment & seating upgrades
\$20,000

The café atmosphere and interior décor should remain similar....rustic, funky, comfortable:

some upgraded furniture would improve comfort

Café upgrade & maintenance	
Paint, construct & prepare café for a fresh start	2,000
Outdoor signage	3,000
New or used commercial refrigerator	1,500
Other	1,500
	8,000
Backup funds for payroll, rent & other expenses	
3 months average payroll	9,600
3 months rent/occupancy cost	13,172
	22,772
Marketing	
Marketing & advertising	6,000
	6,000
Total Potential Startup Costs	
	36,772
Estimated Cost of Business	
	25,000
Total Potential Funds Needed	
	61,772

Restaurant Industry Report - Challenges & Opportunities

While the restaurant industry is expected to grow in 2013, operators will continue to face a range of challenges. The top challenges cited by restaurateurs vary by industry segment, and include food costs, the economy and health care reform.

After increasing steadily in the last three years, wholesale food costs will continue on an upward trajectory through 2013, putting significant pressure on restaurants' bottom lines as about one-third of sales in a restaurant goes to food and beverage purchases. Because of these prolonged cost pressures, restaurant operators will continue to use creativity and innovation to drive out cost inefficiencies and increase productivity to not pass along the increases to consumers at the same rate.

The sluggish economic and employment recovery impacts consumers' cash-on-hand situation, which in turn impacts restaurants as there is a strong correlation between consumers' disposable income and restaurant sales. There is currently substantial pent-up demand for restaurant services, with 2 out of 5 consumers saying they are not using restaurant as often as they would like; with improving economic conditions, that demand is likely to turn into sales.

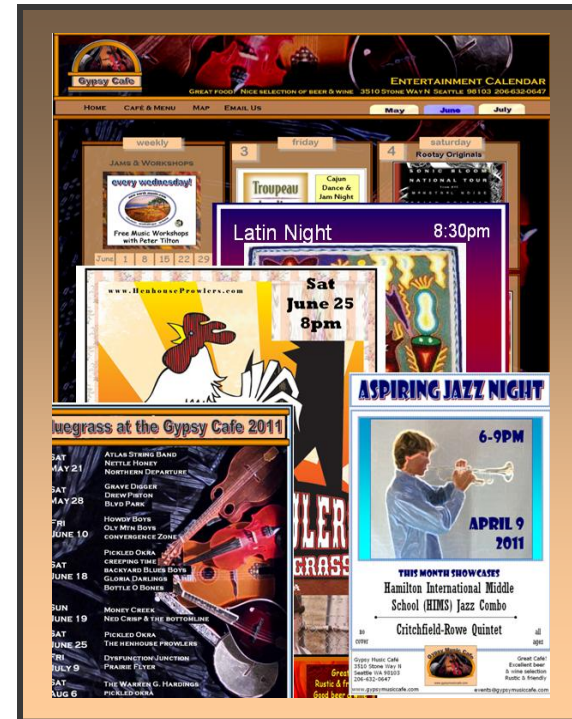
Preparing for the implementation of health care reform will put additional cost pressure on some restaurant operators in the near future. One-third of a typical restaurant's sales go toward labor costs, so significant increases in those costs will result in additional cost management measures to preserve the already slim pre-tax profit margins of 3-5 percent on which most restaurants operate.

Also among the strongest consumer trends for 2013 are local sourcing and nutrition. More than seven out of 10 consumers say they are more likely to visit a restaurant that offers locally produced menu items, and more than six out of 10 said locally sourced menus are a key attribute for choosing a restaurant. Currently, a majority of table-service restaurants offer locally sourced produce, meat or seafood, with availability being highest in the fine dining segment.

In addition, more than seven out of 10 consumers say they are trying to eat healthier at restaurants now than they did two years ago; women more so than men (75 percent vs. 66 percent). Similarly, about three-quarters of consumers say healthy menu options are an important factor when choosing a restaurant (80 percent of women vs. 71 percent of men). Restaurants are responding to this increasing demand for nutritious options, as 86 percent of consumers say that restaurants are offering a wider variety now than two years ago.



BUSINESS ENHANCEMENT PLANS



Entertainment Strategy

Between workshop and entertainment activities, a significant number of musicians have connected or performed at the venue. The venue is popular and in demand by musicians and it was booked months ahead at its peak. Some groups do not get paid and rely on charging a cover which has met with mixed success; many musicians initially work to make the venue successful for their music and to gain exposure. Marketing, graphics and more are provided for groups who are happy with the in-kind contribution. This has also provided an opportunity to introduce and promote new acts, and to expose new acts to audiences as front bands.

The long-term strategy will be to support professional fees for musicians through cover charges and sales.

Entertainment will include acoustic-style music especially gypsy jazz & swing, bluegrass, Latin and other local flavors of cross-over folk, folk-rock and other complimentary genres. There is also Cajun and Square dancing, old time music, and hosted weekly and monthly jam sessions in different music genres.

A popular entertainment strategy will be to host luncheon concerts of appropriate background or pleasant listening music two days a week. Friday is a good day for people breaking from work for the early weekend and Thursday might be another good day as people's weeks wear on and a break is tempting their food and beverage needs.

The long-term goal is to have activities 7 days a week with big Wednesday, Friday and Saturday nights.



Peter creates all the marketing materials and websites

Low-profile Music Store

The **music store plan** has several goals:

- provide affordable new high-quality instruments with good tone and older instruments supplied through trades, commissions and violin maker-dealers. The underpinning for this is “all the people”
- generate profits to the café and help fund community workshops and events
- provide an environment that is attractive and comfortable for people to try out instruments or jam, and that is still attractive to regular internet café users, many of which come from the nearby University of Washington
- provide a backdrop to the entertainment venue and stage and the overall atmosphere of the unique world of the Gypsy Café
- maintain a complete online store including worldwide shipping of instruments and Gypsy Café paraphernalia

The music store has a starting demonstration-style inventory of guitars, banjos, violins/fiddles, mandolins, Dobros and other instruments in related families.

- there are separate funds committed to build out a larger instrument inventory including accessories to fill up the store and provide adequate variety and selection, and to represent things that can be ordered
- a strong inventory base will provide a higher profit potential and more appealing and professional music outlet

The **current business resources** include:

- established relationships with major wholesale suppliers including Saga, MusicCorp and The Music Link. n.e.w. gets the same prices and can price match other shops.
- established relationship with violin-maker dealers who will provide instruments old and new and repairs....eventually there will be a kiosk violin shop within the music store that can also provide outside instrument repairs.

While the music store intends to compete and achieve profitability for the café and school, the general goal would be to compliment its unique style to the area music stores such as Dusty Strings or American Music. Generally, as would be identified in the detail marketing plan, the target audience for the music store is generally different, new or cross-over. And the target audience will be attracted by virtue of the workshop and what people might need in instruments or accessories in the workshop format. If anything, the store would bring more musicians into all stores and encourage shopping and enjoyment of the experience.

The atmosphere goal is to create a dynamic environment & retail venue where a person can experience the music store, café, entertainment venue, wireless internet or any of the many other activities happening.

Sample Music Store Items & Marketing

gypsy jazz guitar
for sale \$1,350

Gitane Stephen Wrembel

GITANE - SELMER STYLE JAZZ GUITAR - MODÈLE STEPHANE WREMBEL: This is one of four guitars made by Gitane that are both beautiful and unique in that there is a mistake in putting the guitars together. The headstock is the wrong one...it is the "Modèle Lulu Reinhardt" but this is the Wrembel guitar with the Wrembel signed label. So there are only four of these "mistakes". Of course the mistake has no bearing other than interest in this beautiful and amazing sounding Selmer style guitar.

With modern looks combined with high-end features like a tuned/compensated bridge, traditional neck shape, select woods, and features that pay homage to Stephane's original guitar - this new Gitane will once raise the bar for our competition and inspire every guitar player to learn this exciting style of music. Includes custom-shaped hard case.

- Select Sitka spruce top
- Premium rosewood back and sides
- Walnut binding on all body edges
- Horizontal cutaway
- Moustache bridge with movable center
- Mahogany neck with adjustable truss rod
- Ebony fingerboard without position markers
- Ebony peghead overlay that should say "Modèle Stephane Wrembel" script and Gitane logo in metallic silver. Peghead overlay instead says "Modèle Lulu Reinhardt"
- Silver-plated Trapeze tailpiece with Ebony insert
- Silver-plated, engraved tuners with ivory rod buttons
- Distinctive pearl block inlay on soundhole rosette
- Long 26 5/8" scale
- Dovetail neck/body joint
- Bone nut, zero fret
- Natural gloss finish
- Traditional slotted peghead design
- Signed label
- Shop adjusted

Peter Tilton
txt or call
206-465-9383
pt@newearthmusic.com

www.newearthmusic.com

gypsy jazz guitars
for sale \$500

Cigano D-hole & Oval-hole

From the complicated playing techniques, to the limited availability of truly affordable instruments necessary to capture that proper Gypsy tone, the obstacles to learning how to play Gypsy Jazz music can easily discourage the seasoned guitarist, let alone a beginner. To make it even easier to begin this exciting journey, Saga Musical Instruments and Gitane guitars introduce the new Oval or D-hole Cigano Student Gypsy Jazz guitar! Its long-scale, oval/D-hole design gives it that, fast playability, cutting power and characteristic tone making it the perfect lead instrument. Value, tone, playability and workmanship will meet or exceed any players expectations.

- * Solid Sitka spruce top
- * Beautiful Asian rosewood back and sides
- * Long scale, oval hole design
- * Nato neck with rosewood fingerboard
- * Deep horizontal cutaway
- * Black plastic body binding
- * "zero" fret bone string guide
- * Mahogany peghead with Cigano logo
- * Ebony moustache bridge movable center
- * Brass tailpiece with plastic insert
- * Gold-plated tuners with 14:1 ratio
- * Shop-adjusted

Includes custom-shaped hard case

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206-465-9383
pt@newearthmusic.com

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Selected Inventory - much more available

Lyon & Healy
1919

European
Mid-1800s

Yuan Qin
Viola

new
3/4

new
1/2

James Curtis
Mandola

Kentucky
KM-505

The Loar
LM-600-S

Kentucky Electric
KM-300E

JB Player
JBMA12

Recording
King
Lap Steel

1929 National
Troubadour

The Loar
Small Body
Acoustic

Recording
King Electric
Cutaway

Recording King
Resonator
5-string

Morgan
Monroe
Resonator
5-string

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206-465-9383
Peter Tilton

Recording
King Open
Back
5-string

Workshop School Plan

The workshop music school is core strategy of the community service program.

The heart of the workshop is the Accelerated Music Program™ (AMP™) developed by Peter Tilton and which includes formal workshop courses, music events and jams sessions for live playing with other people.



Peter uses visual aids to describe music concepts and demonstrates examples on most instruments and then the workshop students & participants play along. Back up music is often used and the chord progressions flow by on the screen for easy viewing.

Major **workshop strategy** areas and requirements are:

- Restart the Wednesday night workshops (see brochure sidebars)
- identify interior spaces to configure for large, small, and individual workshop areas and start projects to modify spaces as necessary (e.g. music store)
- identify available time slots for workshops outside of Wednesday nights and weekends where workshops and popular entertainment are already scheduled
- identify groups that are underserved on Wednesday workshops, such as youth or elderly or targeted Seattle school and so on. Set up a second major workshop in one of those areas
- Upgrade and secure workshop & PA backup equipment with any funds that might be available beyond setting up the business requirements. Equipment also supports performance & events revenues & and customer growth strategies

2010-2011 Brochure for Workshops & Teaching

what it is

Peter's non-profit foundation, new earth workshop is sponsoring a no-cost (FREE) program of music including learning workshops with much playing & many jam sessions. The creative energy

students jammers

This is a fantastic opportunity for almost any musician at any level to participate, although beginners may have to have

Experienced musicians

Goals for working musicians include:
..Share your music and skills with people eager to learn and appreciate.

of note

..a **primary goal** of the program is to promote the amazing acoustic music in all of bluegrass & fiddle, swing & gypsy jazz, Latin, progressive cross-over styles. You can bring or select some of the tunes that are used to apply the Accelerated Music Program (AMP). Extensive materials, videos & more are updated regularly on website.

Workshop participants will absorb a broad variety of music & accelerated techniques from which proficiency and musicality will be improved significantly. You will expand your jamming capabilities and tune list. Bluegrass/country players will especially benefit from the Accelerated Music Program to step over to swing & jazz as will any player who wants connect their mind and heart to their fingers. Classical players who want to broaden or relax & loosen up their style will benefit greatly!

The workshop series is a rolling set of musical energy, concepts and intense playing & jamming focused on learning by sound, sight and experience. The most important thing you can do is attend most workshops each week to maximize the benefit and meet the quick learning goals of the Accelerated Music Program. There may be weeks where something seems over your head, but continued reinforcement over the next few months will smooth you into learning it. The individual student basis of the program is to develop a 1-year plan to optimize your learning strategy.

calendar

**Every Wednesday Evening
6:45pm-9:15pm Workshop**

Accelerated Music Program
AMP Fundamentals

Applied Music
Fiddle, Swing & Gypsy Jazz,
Bluegrass, Latin and more!

8:45pm-2am
Jam sessions - always
Performances, guests - sometimes

Monthly Events
See calendar at
www.gypsysteattle.com

3rd Saturdays
11am-2pm
Open Workshop Jam Session
or Review Workshop with Peter

4th Saturdays
Bluegrass Nights &
newearthworkshop parties
celebrate music we make

Periodically
6-hour Extreme Workshop
Review, catch-up, new people

Accelerated Music Program™
Individual or small group AMP
sessions with Peter

Don't Fall Behind!*

** Peter will work with new or current participants to catch up, no problem.



Peter Tilton & the Gypsy Music Café in Fremont WA launched Peter's non-profit music program and workshop music school in Mar 2010. The mission of the school is to enjoin people in music and to promote, teach, perform and play acoustic style music with a focus on bluegrass & fiddle, swing, gypsy jazz, Latin and progressive cross-over as styles of music to teach, coach & learn music and musicianship.



Gypsy Cafe
3510 Stone Way North Seattle 98103
206-632-0647

Program Features

Every Wed 6:45pm-2am
Wed Workshops are FREE
2 or more jam sessions @ 9:15pm
gypsy jazz-swing-bluegrass-fiddle
Workshops oriented toward all
acoustic string instruments
& playing levels

www.newearthmusic.com/gypsy
Peter Tilton 206-465-9383 txt me
pt@newearthmusic.com

* all custom
graphics,
websites &
designs by
Peter Tilton

Festivals and Events

Part of the **music store and workshop marketing strategy** is to attend major festivals and events. In 2011, newearthmusic was a vendor at four bluegrass festivals and one guitar show.

Festivals are a great opportunity to spread the word and sell a few things to raise funds for the school and to feature advertising and retail goods from the cafe. Longer-term, the business could be represented at:

- the current set of festivals plus more consistent appearance at a wider selection of festivals
- Djangofest - premier Gypsy Jazz festival and concerts
- when a solid approach is developed, to appear at classical events such as the Olympic Music Festival to provide alternatives and color for the classical music players and listeners



Vision and Skills of Director

Peter Tilton

will be
Director of
Creative Operations



Peter's vision is honest, simple & practical:

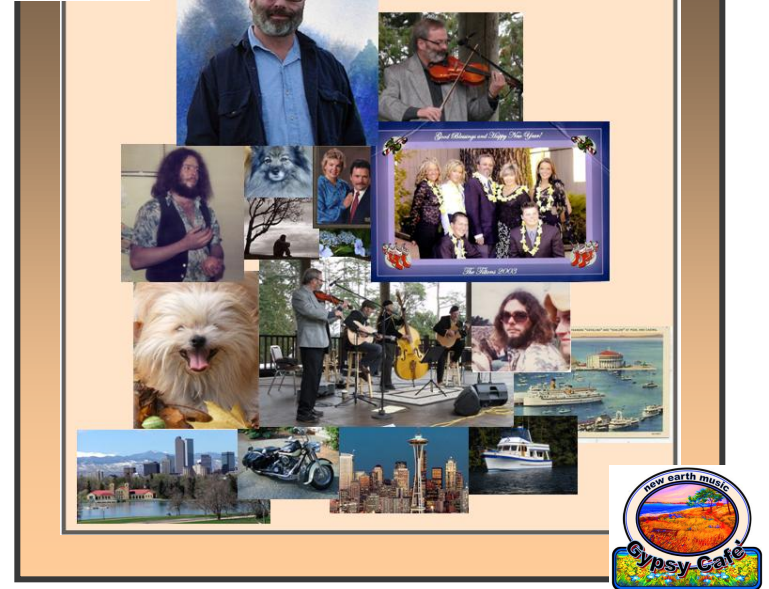
- increase peace, harmony and awareness in the world through a gathering place for community, music and art
- unify, connect and reach out to people and bring them together to create, share and experience music and art
- preserve a more natural connection to the world through acoustic-style music and nature and landscape style art and universe-friendly behavior for living

From the business side, Peter's experience includes:

- twenty year business career starting at Price Waterhouse ending with retiring from almost ten years as director at Microsoft
- active CPA for twenty years, highly active in professional organizations including board positions after graduating at top of class in college (#1)
- as a business and computer auditor and consultant, worked in many different business areas including management, accounting, marketing, legal, product design, computer systems and more
- Peter has advanced computer skills, designs websites & graphics, marketing materials and is the designer and author of this plan

Peter has written the business plan to achieve all the business and community goals of the primary stakeholders plus the specific objectives of the music and entertainment programs. Creative experience includes:

- played string instruments since his Grandfather Knudson put a banjo-ukulele in his hands in 3rd grade where he played together with uncles, aunts and cousins and for his 3rd grade class
- development of a successful music school workshop program and community
- design of an effective teaching approach based on site, sound and feel with deep musical understanding
- proven musical proficiency through extensive practice combined with teaching and performance & actively organizing and participating in spontaneous musical events...i.e. jam sessions, performances, workshops



Peter developed The **Accelerated Music Program™ (AMP™)** which is the heart of his workshop music school. AMP™ is a combination of components that cover **all aspects of music and musicianship** required for creating and playing live spontaneous music with other people by site, sound and feel. Please see the business plan section for the venue entertainment, music store & music school.

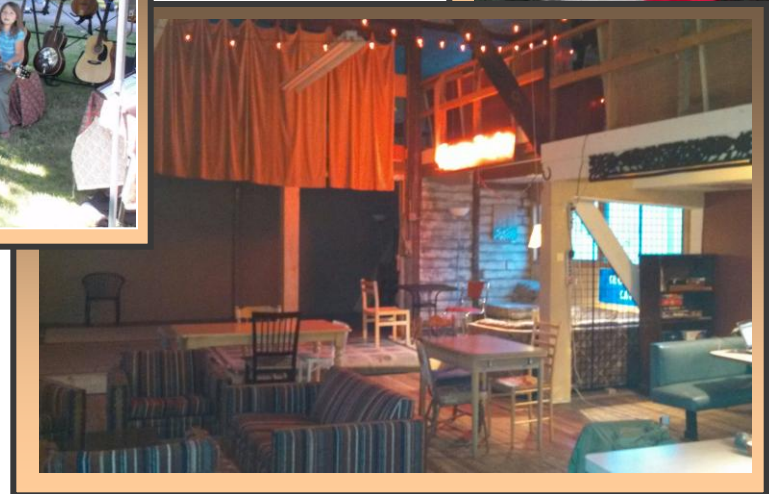
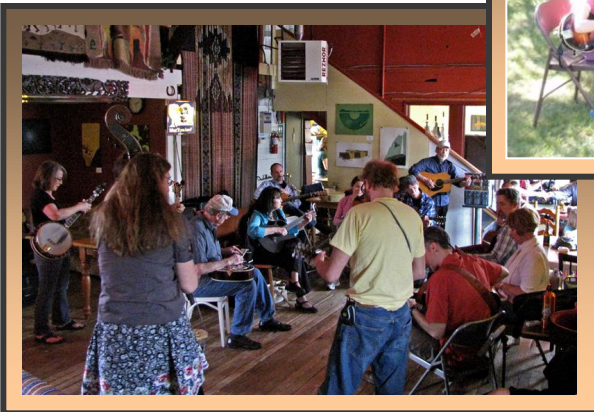
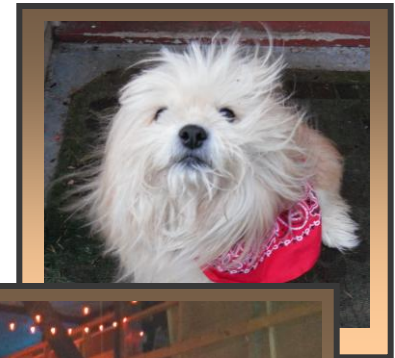
Peter is qualified in many ways to direct and accomplish the vision and strategy of the integrated café and programs. His personal characteristics and work ethic will help to promote, protect and defend the philosophically important nature and community focus of the mission. He also led the music efforts for two years at the venue and booked and marketed entertainment for a year. He taught almost 100 straight weekly workshops from 2010-2011.

Peter is an excited promoter of the Gypsy Café and his startup music school and promoting acoustic entertainment & instruction. With personal motivation combined with twenty years of business skills including presenting and teaching, CPA in accounting and computers for 20 years, and five years of planning, Peter will make a good executive director of the program.

Music Workshop and Store Activities



Workshop #52 2011
Alison and the workshop group present a surprise gift basket & \$1,000 in donations to Peter at the one-year milestone of the school





Governance



Business Form - Limited Liability Company

Limited Liability Business Entity

The simplest most flexible business entity is the Limited Liability Company, or the LLC. The LLC will provide limited liability to its owners (technically called 'members'), meaning that any liability created by the company is limited to the company. The members' personal assets are protected from all claims against the company.

LLCs Get the Best of Both Worlds

The LLC is like a hybrid between a partnership and a corporation. Like a partnership, owners of an LLC will have income flow directly to them, avoiding the double taxation problems of a C-corporation. Like a C-corporation, every owner of an LLC has limited liability. In a partnership, one partner must act as a 'general partner', who is personally liable for all debts of the company. There is no need for a 'general partner' in an LLC.

LLCs Allow Flexible Ownership Structures

An LLC can have any number of members, and each can own any percentage of the company that the members agree upon (the total percentage ownership has to add up to 100%, obviously). Members can be individuals, other LLCs, trusts, and C-corporations. The variations are nearly unlimited, and people have come up with very inventive structures for accomplishing different tax and asset protection goals.

No Double Tax with an LLC

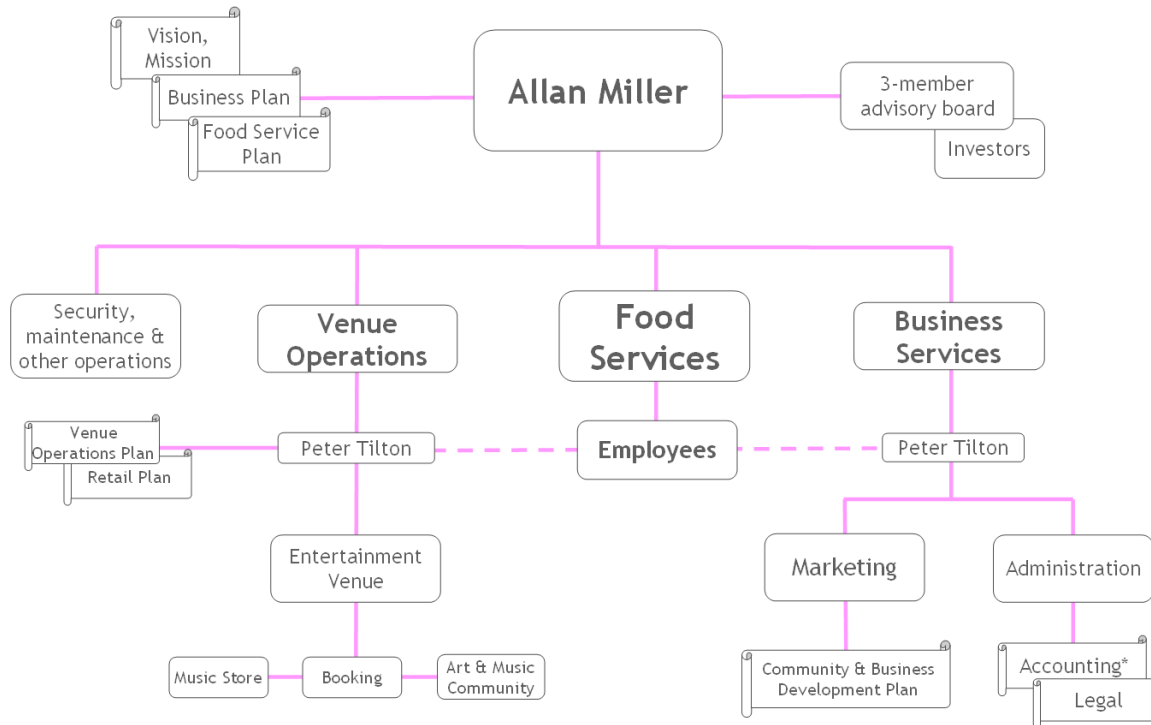
An LLC has much more favorable tax treatment than a corporation. Unlike a corporation or C-corp, LLCs don't pay an "entity-level" tax. Profits and losses flow through from the LLC to the members directly. Corporations have to pay a tax first, then the owners pay again when they receive dividends.. A consultation with an accountant or attorney will be helpful in making sure the full tax benefits of this type of business structure are realized. These include methods of minimizing self-employment tax, and ensuring smooth pass-through taxation of all profits.

Other

Business & Liquor License

The Washington business and liquor license is included in the price of the business.

Independence, Integrity & Governance



Board of Advisors

A board of directors is critical to and required for good governance of an organization. The new Gypsy Café does not really need a board, but will have a group in the form of a three to five member advisory board.

The Board of Advisors will help develop good approaches to community and art and music programs. The board of advisors are likely to be from the local community and the art and music community. This will help provide a direct tie into the hearts and needs of those communities and ensure the business is achieving plans to both be profitable and a contributing force in the community.

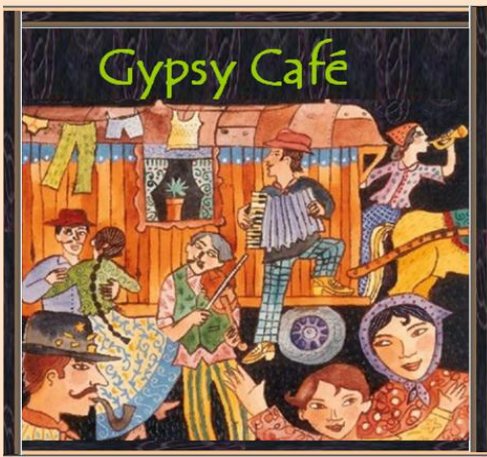
Funding for community activities may be provided by outside entities. The Board of Advisors can ensure and validate appropriate use of the funds.

Traditional governance functions such as accounting and legal will be handled by the owner and his manager of administrative functions.



Use of Financial Information

- Statements & disclaimer
 - This “Business Plan” & “Financial Analysis & Projected Financial Statements for 2012” includes forecasts, projections and other predictive statements that represent assumptions and expectations in light of currently available information.
 - No guarantee is presented or implied as to the accuracy of specific forecasts, projections or predictive statements contained herein.
 - None of the information contained herein is intended as investment advice, as an offer or solicitation of an offer to buy or sell, or as a recommendation, endorsement, or sponsorship of any security, company, or fund.
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END



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