

Nyack College

Master of Business Administration

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I certify that I am the author of this paper and that any assistance I receive in its preparation is fully acknowledged and disclosed in this paper. I have also cited any sources from which I used data, ideas, or works, either quoted directly or paraphrased. I also certify that this paper was prepared by me specifically for this course.

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NEAR YOU INC.

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Table of Contents

Summer 2020

Executive Summary.....	5
Mission, Vision, Core Values.....	7
Industry and Proposed Company.....	11
Products and Services.....	24
Market Analysis.....	37
Economics of the Business.....	43
Marketing Plan.....	50
Design and Development Plan.....	54
Manufacturing and Operations Plan.....	60
Management Team.....	65
Sustainability and Impact.....	67
Overall Schedule.....	49
Summer 2020	

Critical Risks, Potential Obstacles and Assumptions.....50

The Financial Plan.....55

Proposed Funding Requirements.....58

References.....60

Appendices.....65

List of Tables

Table I: Start-Up Expenses.....

List of Figures

Figure 1: Core Values.....9

Figure 2:16

Figure 3: Title of Figure.....22

Figure 4 : Title of Figure.....27

Figure 1: Title of Figure.....28

Figure 1: Title of Figure.....28

Figure 1: Breakeven Analysis.....29

Figure 1: Personal Plan.....45

Figure 1: Financial Ratio.....53

Executive Summary

The supermarket and grocery store firms have seen a tremendous shift in demand for the past four to five years. We have seen the influx of new offers from curbside pick-up, home deliveries, and the rise of specialty stores. The two questions that were constant through this shift was, can the businesses keep up with demand? If there was rapid available access solicited to consumers, will they be satisfied? Both questions highlighted one grave resource used by both small and large firms that they were not utilizing accurately at one point in time. Vendor management inventory is where the inaccuracy was at a disadvantage and the questions where the premise behind this conclusion. The cost structure of businesses and the documentation of on-site inventory has often missed essential cost items. Also, to the discrepancies in the levels of integration items, planning process rules, replenishment frequency, demand variability, profit margins, and holding cost, to name a few, speak to the lack of the vendor management tool (Mangiaracina, Melacini, & Perego, 2012).

Near You, Inc wishes to engage this disadvantage in inventory management for the grocery and supermarket industry in the NYC metropolitan city. We acknowledge the research in this business plan, highlighting the grave disparity of not having reliable inventory management software.

Our goal is to introduce an inventory management software that will be processing data through an artificial intelligence hard drive. The software will be programmed to process big data and complete a predictive analysis on demand, profit, customer behavior, and equip the local business to trade within the local bodega's neighboring community.

This business plan aims to secure additional funding from five angel investors and a bank - \$158,105 investment and an \$887,195 four-year term commercial business loan; this will cover the start-up costs and secure the development of Near You, Inc software.

Mission, Vision, Core Values

We believe our offering fits the grocery and supermarket retail industry, our core competencies through our mission, vision, and core values. We have tremendous value to change inventory management- access in communities through innovative software to increase productivity.

Mission Statement

We are changing inventory management through innovative software. The last stage of the supply chain(retailers) suffers from depreciation, Near You Inc. seeks to bridge the gap. Instead of depreciation, let us together increase access and create a healthier urban community.

Retailors, like consumers, require the same thing. One seeks to provide a product, and the other seeks to obtain the product—all while passing through the supply chain of food services but not having the same outcome. Near You, Inc. desires to provide the same outcome at the end of the supply chain. Instead of depreciation, an increase in access structures the retailer to carry products to the community, through trend specifications, and shift the community health options positively. The leading consumer response of the 1994 mission was to do just as Near You, Inc. implies; they led with the reduction of channel costs and improving inventory controls within all levels of the grocery distribution channel while simultaneously improving customer satisfaction (Hoffman, 2000). We stand in agreement with the consumer response and engage inventory management with Near You, Inc. software to create the customized solution service, needed for the future.

Vision

Summer 2020

Near You Inc. vision is to connect retailers with transformative data and transform the community's health options through a shared partnership with bodegas and large grocery store enterprises. We envision within five years of operation attaining statewide brand recognition in New York. By accomplishing brand recognition, we will set to transform the surrounding metropolitan cities surrounding New York City. Specifically- New Jersey, Connecticut, Pennsylvania, Massachusetts, and Washington, D.C. Furthermore, with the brand recognition 5-year vision, Near You Inc. will create a comprehensive social responsibility that partners with local government by creating healthier choice options in the community through the bodega exchange program. We envision changing metropolitan cities, one community at a time.

In light of Near You Inc.'s vision, our primary goal is to create a shared platform between the grocery store enterprises and the local bodegas. In doing so, researcher Kareem Usher suggests access will be reconstructed to reflect a five-dimensional clause, and once those clauses are applied, the barriers will be minimized. The barriers that exist are between the large enterprises and the local bodegas. Both entities serve the community but offer different access. Yes, the difference serves their differentiation strategies, but it does not serve the community demographic or health needs. We believe the five dimensions referenced by Usher- acceptability, accessibility, accommodation, affordability, and availability are intricate factors associated with Near You Inc. software (Usher, 2015). Within the first 5 years, we believe these five dimensions will not only be achieved but will also create a surplus in the government's interest to partner with us. We will be operating as an inventory management software, but through a shared partnership, we will be functioning as a community-based company.

Summer 2020

Core Values

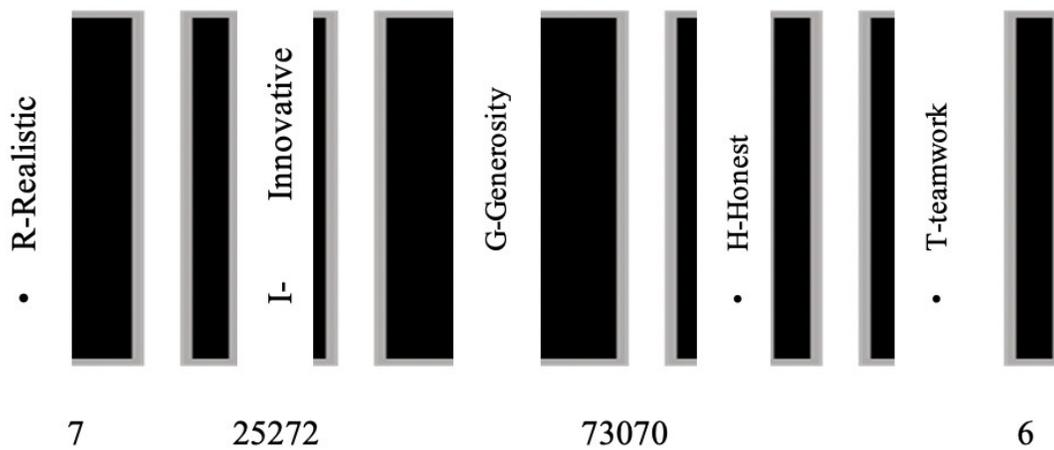
Our core values are reflective of our standards and beliefs. The acronym R.I.G.H.T functions on three main clauses; the first clause we are the consumer's advocate. We are the consumer's advocate because we value their basic human need. Our basic human needs are a part of everyday life (Gottschalk & Leistner, 2013). The second clause addresses the barriers to access. We esteem to break barrier access through quality teamwork. The third clause acknowledges the potential rooted in a nutritious lifestyle that sustains a community and the barriers associated with a nutritional possibility. Researchers at Nielsen Global E-commerce suggest that retailers and manufacturers can add value and differentiation in a competitive retail environment by providing digital tools to help consumers take control of their shopping experience (Nielsen Global, 2015). Near Inc. can function as a digital tool through our software.

The right acronym stands for R, realistic data information available. I, the innovative way consumers will receive complete information—G, Near You, Inc.'s generosity to society. H represents our honesty; we stand transparent before all our employees and clients. T represents the teamwork needed to tie all Near You, Inc.'s values together.

We value partnership and sharing; they represent the oneness of community and facilities connectivity. Connectivity increases communication and opens the door to service. To serve any community, understanding with accountability shifts the culture of any company. Near You Inc., will support one charitable organization two days out the workweek during work hours for (approximately 2 hours). In this way, we ensure the culture of Near You Inc reflects the community in which it services

Figure 1

Core Values



Industry and Proposed Company

Industry Description

Traditional supermarkets are characterized by self-service retailers selling a full line of food products (Hanner et al., 2015). They are operating in the grocery retail industry. The industry is labeled to be dynamic and engaging. Their profitability averages in the billion-dollar industry, researchers guesstimate a 4 % revenue increase into the 2020s (Gale, 2015). Moreover, that was the analysis of brick and mortars without the influence of e-commerce grocery. With the e-commerce grocery, influencers like Instacart and amazon, an increase in revenue peaked at 5.55% from 2009-2016 (Gale, 2015). Gale confirms the industry labeling to be correct; the numbers prove to be dynamic and engaging.

The quantum leap in this industry started to shift in the late 2000s to the present. This change was brought about by the now continually changing business model. In comparison, 1900 and 2003 were completely different. In 1900 specialized wholesaling became common as service wholesalers provided a complete line of grocery products. In 2003 the model changed from providing a complete line of grocery to marketing discounts (Gale, 2015).

In the present-day business model of the grocery industry is affected by evolution. E-commerce arrival in the late 2000s changed and dominated to expectations of consumers. Currently, five varying consumers are participating in the industry. Silent Generation (ages 65+), Baby Boomers (ages 50-64), Generation X (ages 35-49), Millennials (ages 21-34) and Generation Z (ages 15-20). Five varying consumers with different biases and needs. It appears the industry operates to fulfill the needs of the baby boomers to millennials.

The supply chain section, in which Near You Inc. demands to make a change, connects the prescribed utility industry to maintain growth. The Supply chain in the retail industry passes through phases, and the phase-in particular of increase is the effects of Vendor management inventory. The vendor of this concept is the retail grocery brick and mortar stores. When it comes to inventory, the residual risk falls on the retailer's inventory management strategy (Choi, Rabinovich, & Richards, 2019).

The population of retailers dealing with this residual risk is the densely populated metropolitan cities. Researchers tracked a trend from 2004-2009; half of all markets in metropolitan areas (those consisting of at least 5 million consumers) experienced market churn of at least 11% (Hanner et al., 2015). They were eluding to the fact that metropolitan cities are losing customers. New York City (NYC), a metropolitan city that Near You Inc., is considering researchers have labeled launching as a lying economic and social disparity (Cohen, 2018). The communities need for consumption by a lie and disparity. For example, NYC's geographical target are baby boomers, millennials, and some generation Z consumers.

Now, to consider the industry's difference, we can see how the evolution from 1900 to present, 2020 can favor businesses or offers that come with an e-commerce model attached. However, with half of the supermarkets located in a metropolitan area. How is the residual risk with inventory management affecting the overall economy of the area? How can retailers offset the risk, and consumers choose to elude the industry through trade-offs? The industry is dynamic, but the supply chain, as seen through the 2020 pandemic COVID-19, shows that it can be affected.

Competition

Summer 2020

There are three major companies with offering similar to Near You, Inc. offering inventory management software in the industry. To suit the need of consumers better and redefine the purchasing power of the retailer.

- o Oracle Corporation (United States Security & Exchange (SEC), 2018) - Oracle Corporation product and services specialize in several different information technology arenas -applications, platforms, and infrastructure. They have been the industry for almost 43 years and have the equity to create a substitution. For many large retailer's oracles helps with the overall supply chain logistics. However, their instore inventory management does not come equipped to analyze each product's specificity based on geographical demand. They serve the purpose of managing inventory but not analyzing the product trends and demands. They have a cloud base system but to the extent of storage and not analytics.
- o Salesforce.com, Inc., (SEC, 2016). Salesforce services retailers operate with a cloud computing solution – sales cloud, service cloud, marketing cloud, community cloud, analytics cloud, IoT Cloud, and App Cloud. They have been in the industry for 20 years. In contrast to Oracle and SAP, the supply chain inventory management is not a service offered. The focus is more on direct interaction with the retailer and the consumer.
- o SAP SE (SEC, 2019). - SAP is a European based company operating in the USA. Their services vary – software as a service (Saas), platform as a service (Paas), Infrastructure as a service (Iaas), and cloud offerings. They do serve retailers past,

present, and have done so for a number of years. The POS software and interface are mainly controlled through their offering. Furthermore, the supply chain and product management has improved with their offerings.

Competitive Edge

Near You, Inc. competitive is centered around our differentiation service that collects the big data through a cloud-based system and analyzes it to maximize the retailer's profit margins. Clouds in the arena of our competitors are great when utilized to collect big data. We aim to analyze and make a profit from the predictive assortments generated from the data- product trends, profit margin based on geographical region, brand recognition based on geographical region, specificity according to the community, products life cycle, products extension timeframe, stores marketing strategy(how and when to market), purchase demand and consumers response to the product.

Another competitive edge deals with incorporating the bodegas product offering. The research showed that within the metropolitan cities, small firms are more acceptable to consumers. Therefore, we have established the bodega exchange program; instead of large grocery stores sending their overstock inventory back to its vendor or holding the product until sold within the allotted time frame. We are suggesting partnering with local bodegas with product offering demands in the community they occupy. Bodegas will have access to the product, and the consumer will have the information of the item shifting from one establishment to the next.

Another favorable advantage in the market research highlighted that consumers are pontificating on the lack of access to available products and the possibility of that discrepancy shifting their purchase. In addition to the shopping trend of most grocery shoppers are unplanned. So, if there were an application offered for free that points to the product consumers' category, they would be inclined to access the application. Near You, Inc. reaps the benefit of information otherwise missed if the consumer did not need the product by accessing the application.

Our services will lower the sunken cost of the retailer and improve customer satisfaction along with our team members' dedication, convenience, and resilience to reinvent the inventory management at the store level.

Company Description

Near You, Inc. will operate as a subchapter S corporation (S Corp) in the City of Ewing as a Software as a service company specializing in inventory management. As an S Corp, operating equips us with chose benefits, like asset protection, pass-through taxation,
Summer 2020

and salary/dividend. This path leads to accomplishing our long-term goals. The S corp application will be filed with New Jersey State, January 1st, 2021. Another probing filing, such as zoning and local licensing, will be determined at the time of registration. An employee identification number from the Internal Revenue Services (IRS) will be obtained.

Near You, Inc. executive offices will be located in the city of Ewing, NJ. A retail agreement with sources companies; a local realtor will be drafted. The suggestive duration of the lease will be for five years. This location comes with fiber optics, ready usage, parking, and offers to provide six months of free rent payment reclusively. The offering is listed as a first-floor office space, 3,000 square feet at a twelve dollars/SF/YR.

Our classification under the North American Industry Classification system (NAICS) will be a software publisher (code 511210), specifically software publisher packaged and software computer, packaged publisher. Based on the North American Industry Classification system's website, the businesses actively participating in the industry surveyed to be 23,535. The standard industrial classification (SIC) for Near You, Inc. will be SIC No.7372.

For the market research side consideration of the grocery and supermarkets, the market life cycle is in its maturity stages. Maturity stages in a given market resemble a market with great opportunity.

Near You, Inc., fantastic product and services is listed the product and services section of this business plan. Our Start-up Cost listed in table 1.

Table 1

Start-Up Cost

Summer 2020

Fixed Assets	Amount
Equipment	\$80,000
Furniture Fixtures	\$30,000
TOTAL FIXED COST	\$110,000
Operating Capital	Amount
Salaries	\$456,000
Pre - Insurance Premium	\$5,000
Software & Hardware Expense	\$550,000
Legal and Accounting	\$50,000
Rent Deposit	\$21,000
Utility Deposit	\$6,200
Supplies	\$8,000
Advertising & Promotions	\$20,000
TOTAL OPERATING COST	\$1,116,200
TOTOAL REQUIRED FUNDS	\$1,226,200
Sources of funding	Totals
Owners' Equity	\$180,900
Angel Investor	\$158,105
Additional loan & Debt	\$887,195
TOTAL SOURCES FUNDING	\$1,226,200

PEST Analysis

The PEST analysis hints to a distinctive set of issues and concerns affecting politics, economics, society, and technology. The online company, Peapod virtual supermarket, says that today's works may not be good enough tomorrow as the competitive bar inches higher

and higher (Caltagirone, 2000). The issue highlighted in the PEST analysis deals with issues affecting the industry and market at an unprecedented rate.

Table 2

PEST Analysis

<p>Political</p> <ul style="list-style-type: none"> o Presidential Election o Zoning regulations – limits the number of grocery stores opening 	<p>Economic</p> <ul style="list-style-type: none"> o Supply Chain disruption o Unexpected national disasters – Pandemic and Food Shortage o Increase in acquisitions o Block chain-cryptocurrencies
<p>Societal</p> <ul style="list-style-type: none"> o Healthier food options at an affordable price o A shift in customer service satisfaction o Income inequality 	<p>Technological</p> <ul style="list-style-type: none"> o E-commerce platforms are surging o Digital Marketing incorporating – social media platforms o Application based infrastructure growth o Cloud based storage increased.

Political

Politically there are two right now issues that could affect this business's prosperity—the first deals with the macro-political environment and the other deals with the micropolitical impediment. This generation's political landscape went through the 2008 depression, health care reform, trade tariffs, and a political divide within the republican policymakers and democracy policymakers. A fellow researcher embarked on a litmus test on the US presidential election to review the past implementations and the possible shift if the current president was still in office and not someone else. The US presidential election poses the local states and federal policymakers directly to consider the country's overall Summer 2020

vision. The country's vision has shifted dramatically and has caused neighboring countries to shift their viewpoint and policies. Within the current presidential term, the US has faced. Unresolved diplomatic conflicts in the Middle East, especially the nuclear threats from Iran, the failed North Korea summit, the Middle East peace plans, and the globally rejected transfer of the US Embassy to Jerusalem (Kasadha et al., 2020). As stated previously, many conflicts are currently not resolved. It is of great concern because of the global dependence on the supply chain and the relational interaction between countries. Trade could be affected, and international finance could be affected. This 2020 presidential election's uncertainty with the current president, Donald Trump, and presidential candidate Joe Biden can create a shift in trade agreements. Even though this election's proximity is not locally connected, it does influence local response and policymakers. On the other hand, the local policymakers present a micro conceptual immediate conflict to the business's success.

The micro conflict with possible detrimental implications deals with NYC zoning regulations. The zoning regulations affect possible retailers looking to occupy a significant amount of land space. Researches have equated rezoning and food displacement of food production in NYC to tradeoffs between urban agriculture and housing (Nevin, 2018). NYC's housing department has been instrumental in the fluidity of housing development projects – higher-income residents and cultural and commercial used the attraction of higher-income visitors (Nevin, 2018). Consequently, it formulated a term known as food gentrification – where higher-income residents contribute to the displacement of existing affordable food establishments. The shift in higher-income residents' practically invites full-service supermarkets to appeal to the high-income residents and shifting affordable food products.

Societal

Summer 2020

With societal issues arising in the industry or market, affordable food products and healthier food have been a concern plaguing the society. The concept of berry picking alludes a choice base action. Berry picking is a search method used by all consumers. The consumer uses a variety of sources to satisfy their search queries (Wimberley, 2012). No longer are customers satisfied with what is available; the sources guiding their choices are practically based on their need, and they know we understand the power they possess. Their value system is found through location and pricing (Gottschalk & Leistner, 2013). As with food gentrification, the food establishment location is intrigued by the customers' ability to get their basic needs. If the supermarket is marketing to higher-income residents, it is practical to assume that the consumer is traveling to obtain affordable price products. They make the local bodegas and supermarket responsible for housing both healthier options and affordable products to fit their geographical position. The critical role of supermarkets and bodegas in residents shopping patterns and support the inclusion of these stores is to create food environments that support and promote healthier eating (Dannefer et al., 2015). Income inequality is a constant battle plaguing many industries. Mainly due to human decision making and the biases of given individuals. Other factors are possible affecting income inequality like institutional and social factors, but the underlying drive is human manipulation. Rational choice models suggest that as income inequality grows, economic interest should motivate more people to support income redistribution (Jackson & Payne, 2020). Proximity wise this societal trend is not a danger to Near You, Inc. but, it is an issue that we aim not to encounter.

Economic

Summer 2020

The economy of 2020 has taken a new form, a new concept, and a new meaning on demand. The supply chain is a network of activities that ensure the end-user receives the finished good (Rana, 2020). A valuable supply chain is visible and reliable. The unexpected national disaster (COVID-19 and possible Food Shortage) tested visibility and reliance. The pandemic began at the beginning of 2020 (February) and stopped the supply chain at all levels. An increased level of out-of-stock and food shortage became instantaneous. The reason for that is not the usual root cause of human ignorance; it stopped because of the one-dimensional function of stalled human interaction, which halted the demand information – order status, inventory levels, lead time, and countless others. A suggestive solution to this is that information technology might improve supply chain performance in retail chain stores (Rana, 2020).

Another economic trend is profit gained from the acquisition. The acquisitions of grocery stores ordering services have increased. Jonathan Heller points out the high turnover-low margin, the recent Amazon, and the whole-food merger has swept the industry (SuperValu, 2018). Their merger has coincided with consumers' need for access- millennials are purchasing grocery at the touch of a finger. Companies such as Instacart followed suit by allowing retailers to meet customers' satisfaction- customers can purchase groceries and receive home delivery (SuperValu, 2018). Both Amazon and Instacart have monopolized on customers having product information through their application or e-commerce platform. The more information is provided to the customer, the higher the trust established between the customer.

The final trend happening in the economy is the increased use of blockchains (cryptocurrencies). The blockchain is labeled to be a value coefficient of the internet; it Summer 2020

provides traceability, trust and transparency to a transaction involving data or physical good (Keogh et al., 2020) And example of transactions resembles, Samsung pay, Google pay, apple pay and internet money (cryptocurrencies). They provide consumers with added security and visibility. The supply chain spectrum offers the traceability of the parts or produces moving from one location to the next.

Technology

Technology in recent studies and consumer usage has increase efficiency and value in all connecting areas. Technology in all industry scan areas has demonstrated to be a fantastic change agent in both a millennial era and the baby boomer era. Millennials are altering the market, but the baby boomer's generation still makes up a considerable share of the economy (Wunderlin, 2018). The social media era and blog post sites have shown both technologies' strengths and weaknesses when they invest in the e-commerce platform. Social media platforms have taken over the marketing platform and allow instant marketing campaigns to run. Platforms like Instagram and Facebook offers advertising advantages to their users at no charge. Technology is the only tool that crosses all boundaries and increases all establishment's revenue streams. Millennials seek information and put a demand on technology by providing at the touch of a finger, information, productivity, and reliability.

An example of this is Peapod virtual supermarket reinforcement of up-to-the-minute information on order status and problem resolution through their application platform (Caltagirone, 2010). Peapod isolated and used technology to validate their differentiation in logistics. Logistics as even adapted the cloud to better deal with big data. Even the adaption of mobile phones receives coupons through an application or being used as a marketing tool.

It is the communication medium that is driving the use of technology. They are inexpensive, quick disseminate, and can issue information reasonable; options to customization. Personal information and prior purchase behavior can be gain, all from a mobile phone.

Products and Services

Near You, Inc. products and services are unique and tailored to the retailers need to re-invent the inventory management software. It will be a software changing the grocery store inventory capacities. Through a cloud base collection, inventory data can be proceeded and given to the retailer to maximize the specification offering with the store and share inventory product availability with consumers for free. Along with the bodega exchange program, we share overstock inventory to local bodegas to facilitate a healthier community. It will be accomplished through a scanner, stationed in the store, and digital dots on the store's products. "Scanners represented a discrete, easy-to-measure, form of technological innovations, providing a clean laboratory to study their impact on productivity" (Basker, 2012). The scanner offers will be at \$72,000 annually per store (approx. 12,000 – 40,000 SF),

Summer 2020

and local bodegas through the bodega exchange program will be offered our services at \$15,000. The pricing for cloud base analysis an additional \$5,000. Our cloud base analysis ensures a decrease in sunk cost for every retailer and increases revenue. In addition to the reduce food waste and overstock inventory.

Table 3

Pricing Strategy



The supply chain is actively evolving in the grocery industry has a depreciation at the end of the supply chain. At the end of the supply chain, inventory management is at the discretion of the retailer. The retailers of this age, presently use inventory management software systems run through their POS systems. However, food waste management has not decreased in the last decade. Even overstock products are not decreasing.

It causes us to think about the advantages and disadvantages we could change. The study done by researcher K. Usher spoke to the desire to change the inventory management to combat the depreciation at the end of the supply chain. He broke down five dimensions to effectively change the relationship between retailers and consumers. The key to success in the five dimensions was access. Access from a five-dimensional view looks like, acceptability, accessibility, accommodation, affordability, and availability:

Acceptability examines and considers the relationship between residents and store associates. Accessibility examines, store location; travel time; transportation resources and transportation cost. Accommodation considers "store hours and resident's ability to meet those hours. Affordability examines "food prices and residents' income," while availability considers "volume and variety of healthy food (Usher, 2015).

Services

We offer retailers the opportunity to increase their revenue streams and become the specialty store trending in the market. Our Software will allow retailers to keep the products working and trade the products that are not right of the geographical region. We plan on doing so by creating a weekly report that will be offered as a cloud-based analysis- this Summer 2020

cloud-based analysis will do the heavy lifting, it will be able to map product trends, consumers' geographical needs and shift the purchasing power of the firm. They will be able to purchase products based on demand specific trends; imagine safety stock is in demand, and revenue can increase. Our reports are store specific and region-specific. We can do the heavy lifting.

Regarding the bodega, their product offering reaches the communities geographically deprived of large grocery stores. We are offering access to product lines that would otherwise not be available. Through the exchange program, new healthier products, and customers having access to inventory. We ensure an increase in the revenue stream.

Furthermore, to address the profit margin of the large retailers and bodegas swapping or impeding each other's profitability, we would be remiss. The large retailers' profit margin is excellent because of the quality offered and the promotions and sales selling segments. Local bodegas are not in the same infrastructure arena as large retailers, and their offerings are only accessible to consumers needing the grab and go product. So, the possible swap or impeding on profitability possibility has a low barrier of entry criteria.

Our product offering is unique and supports the blue ocean criteria for a business to be versatile in differentiation. Inventory management can transform the offering provided by corporate and local retailers. The equipment needed is simple, access to the internet, and reading capability with minimal logistic knowledge.

Table 4

Pricing Details

PRICING DETAILS OVERVIEW		
CATEGORY	DESCRIPTION	PRICING / DETAILS
License / Subscription (Flat Rate)	Software will collect product data, track product profitability and programmed to track integration limitations with new products. Equipment included: Digital scanner & Digital gun	Annually @ \$72,000
Maintenance Cost	Near You, Inc. charges 18% of annual subscription cost for regular maintained upgrades & security enhancements.	18% Annually equals \$12, 960
Installation / Implementation Cost	Implementation is charged at \$180/ hr. The software can be implanted in 7 to 10 weeks, but time can vary. Estimated Installation time - 20hrs	Implementation/ Installation Cost \$3,600 @ 20 hrs.
Customization Cost	Customization is based on geographical region and product life cycle.	Available upon request.

Minimum Commitment	Minimum of two 2 units per 12 SF	Minimum of 2 units per 12 SF
Cloud Analysis	Near You Inc., Processors will analyze the data; compile a marketing and selling strategy in line with the retailer's needs.	Annually @ \$15,000
Recurring / Renewal Cloud Analysis Cost	Fees includes annual renewal, upgrades and ongoing support @ 10% annual rate	Annual fee @ \$7,200
Free Product Availability (Consumer incentive)	Customer Satisfaction Incentive, Free data collect to be implemented in a weekly generated report: consumer behavior and product preference	Free

The license/subscription pricing structure covers the software, access to the e-commerce platform. In addition to the minimum two-unit scanner and two-unit digital gun. The software will use predictive AI analysis to survey the product and customers activates. Implementation or installation of the on-site hardware will be billed separately as it is based on hourly rates. The maximum number of hours allocated for the installation is 20 hrs.

The maintenance cost handles the maintenance of the software -updates and security prevention. Updates will be release periodically, the client will be promoted by the software through the e-commerce platform of the update details. In addition to periodic security checks. Notification will be sent through the e-commerce platform to the retailer(end-user).

There is an option for software customization that is dependent on the need of the user. An example is the customer desiring for a product specializes to go over their purchasing plans and give a comprehensive report on what works based on the current market and the marketing strategy needed to shift revenue profits and assumptions.

The cloud-based analysis will be a weekly generated report detail trends, needs and limitations of product offers in the establishments. The predictive AI intelligence software will formulate strategies that will be implemented in the operations plans of the establishment. A detail list of product overstock and possible strategies to eliminate the future from the same product overstock. A quarterly review will also be rendered to the establishment to review the implementation of the suggestions and the percentage in revenue change.

The customer incentive will be a part of a marketing strategy to provide customers with the in-store product availability. They will receive retail time stock counts and product location all for a price of Zero dollars.

SWOT Analysis

The SWOT analysis grants us the opportunity to highlight our strengths and weaknesses. Our core values alluded to our character, and now, the magnitude of our potential can be magnetized. The background of our strengths and weakness will be from an internal perspective of Near You, Inc., While the external perspective will draw attention to the industry environment and the threats present. Due to the uniqueness of Near You, Inc. software offering and product development, we have decided to present two different SWOT analysis to cover the basics. The first SWOT analysis will focus on the company, and the second will deal with the software.

Table 5:

SWOT Analysis for the company Near You, Inc.

INTERNAL ANALYSIS	EXTERNAL ANALYSIS
<p>Strengths</p> <ul style="list-style-type: none"> ○ The present CEO has first-hand knowledge of the grocery store industry and the limitations presented in the inventory management systems. ○ Our core values have been implemented in all stages of the business to ensure good governance and sustainability. ○ The Corporate headquarters projected to be in Ewing, New Jersey puts our finances in good standing, ○ The projected hired professionals will know to assist the CEO with the start-up logistics. They have over ten years of experience in the industry. ○ Near You, Inc. will change communities by equipping local bodegas with healthier product options – through a shared partnership program. 	<p>Opportunities</p> <ul style="list-style-type: none"> ○ The grocery and supermarket industry are in its maturity stage on the product life cycle. ○ Metropolitan cities are one of the most significant contributors to inventory management discrepancies. ○ Artificial Intelligence, being used for inventory management on the store level, could revolutionize the industry. ○ Grocery and supermarket customers are putting high demand for innovation in the industry.
<p>Weakness</p> <ul style="list-style-type: none"> ○ The only investment capital available to start the business is \$175,000. ○ Near You, Inc., needs a staff of 18, but to ensure a low debt ratio, a team of 7 will launch the start-up proceedings. 	<p>Threats</p> <ul style="list-style-type: none"> ○ Companies with an e-commerce presence in the market could implement inventory services that could put Near You, Inc. into a red ocean shortfall. ○ Not acquiring a loan or investors in the slotted

<ul style="list-style-type: none"> o The business development time is premature and subject to change. o The CEO lacks Knowledge of the information software offered as the differentiation aspect of the product offering 	<ul style="list-style-type: none"> time projected. o Possible restrictions with establishing the Patent documentation needed for the government requirements. o Not gaining fast traction in the NYC area.
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Table 6:

SWOT Analysis for the Software.

INTERNAL ANALYSIS	EXTERNAL ANALYSIS
<p>Strengths</p> <ul style="list-style-type: none"> o The software will be developed by a company specialized in Artificial Intelligence and has past project success and accomplishments. o The software programming will lessen the sunk cost accumulated by the grocery stores. o Product tracking will become accurate with the manipulation of human interference. o Customers will be having an unlimited amount of access to the same information processed by the firm's operations team. o The software will use a form of predictive analysis to increase the specialties offered in the firm. 	<p>Opportunities</p> <ul style="list-style-type: none"> o Software development for the store level inventory management has not been forthcoming. o The demand for curbside pick and home delivery groceries places a demand on firms to reinvent and use innovative technology. o Once this software in launch it might expose other areas that the software could be used.
<p>Weakness</p> <ul style="list-style-type: none"> o The software developing company will manufacture the hoisting equipment for the software, Near You, Inc., plans to offer a cash incentive and a stock incentive to get them on board. There is a possibility of running into negotiation issues. o The overall schedule in development might present some challenges. o The local firms might not be willing to invest in the newly developed software. o The focus group firm for testing might 	<p>Threats</p> <ul style="list-style-type: none"> o The software has excellent upsides to fast development, but that same fast development could present some threats – threats of imitation by other software developers o Not enough capital to finishing the software on time o Lack of innovative developers willing to work at a fixed cost

<p>require collateral for the opportunity to launch the software and hardware in their establishment. The financial capital only covers the start-up cost for three years.</p> <ul style="list-style-type: none"> o Software development is fast; if this software is not developed within the next two years, another software might take its place. 	
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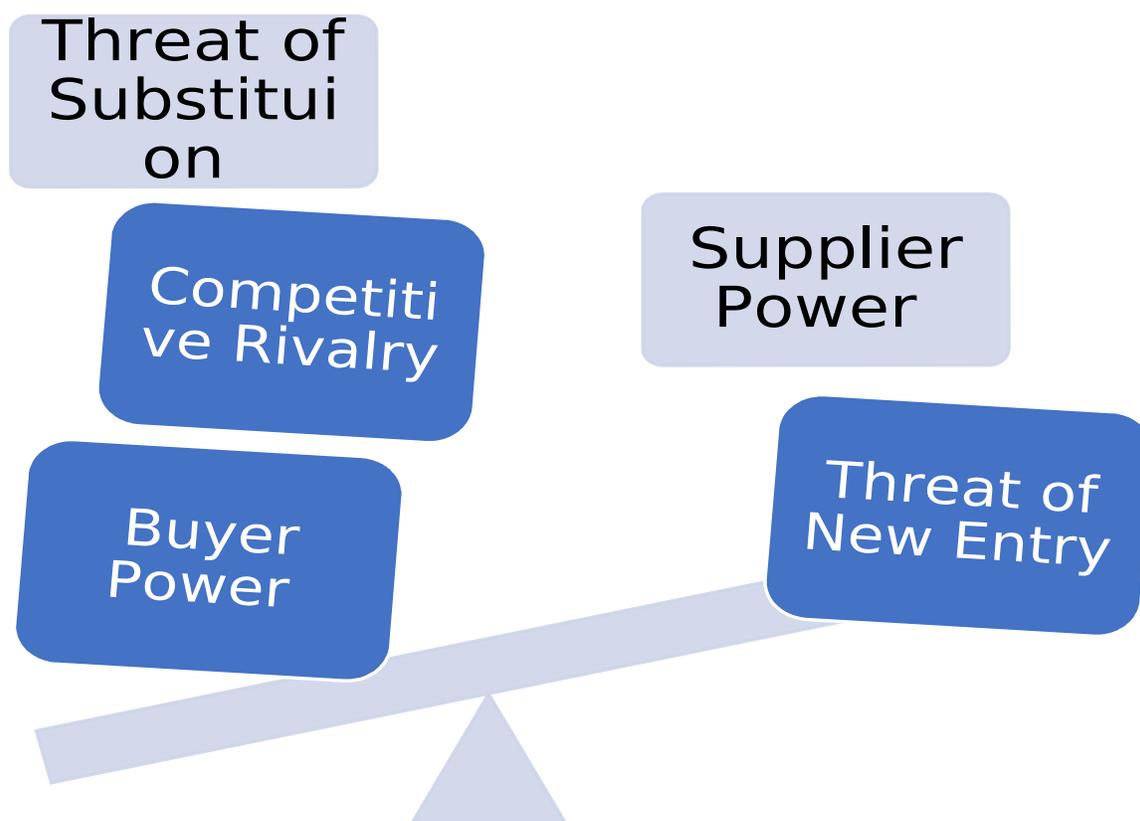
The company's SWOT analysis of the software SWOT analysis shows our strengths and opportunities favoring the companies' ability to steward the development and management of the software in the market. The market product life cycle – maturity presents a great advantage, as well. Alex Swedowsky, associate director of communications in the United Kingdom & European online grocery market, mentioned trends(megatrends) captivating the grocery market. Specifically, megatrends that would carry the market beyond 2010- trends like convenience shopping, Generation-Y shoppers, broadband internet (two-thirds of Americans have access) and customization & personalized shopping experience through digital platforms (Gale, 2019). In the company's SWOT analysis, we share the ability to change the community's health options through the local bodegas; this was due to the trends referenced by Swedowsky because his input spoke to the European markets but here in the USA, NYC, the trends are present and gaining more traction as the market grows. Research even pontificate the consumer's concerns - the availability of a product can cause a customer to give up on a planned purchase (Park et al., 1989). Our Intent as software developers is to provide a service and connect our stakeholders with each so we could maximize our services.

However, our threats and weakness present some concerns because of the major internal contribution that has not been actualized. For instance, the partnership between Near Summer 2020

You, Inc, and software development company has not been proposed, and there is no formal contract. Our hope in this partnership is that the suggestive offering proposed in the assumptions section and proposed funding requirements will be satisfactory. Furthermore, the assumed timeline for the software development is contingent upon the software developer accepting our offer and the possibility of our competitors trying to imitate the product offering.

Figure 2

Porters Five Force Model



Porters Five Force Model

Based on the porters five force model Near You, Inc. faces three major entry points.

The first entry point deals with the threat of substitution, our competitors in the industry scan Summer 2020

section have over forty years of experience in the inventory management – grocery and supermarket industry. Furthermore, we will be partnering with a software developer, which could imply other developers being hired by our competitors to create their digital scanner. Furthermore, CEO knowledge is subjective to only in-store inventory management.

Another possible entry point is competitive rivalry; when we enter the market, if our competitors are not building substitution, they could provide insight into their product and services to compete with our services.

The other possible entry would be buyer power; we are a new start-up company, and the capital infrastructure needed to carry the busy is expensive. If the buyers do not purchase our breakeven suggestion, it is possible to carry a massive debt until the profit margins are there to fulfill demand. Demand is subjective; our first-year marketing plan is to solicit everyday consumers' help by building brand recognition.

- o The threat of Substitution - **High**
- o Competitive Rivalry - **High**
- o Buyer Power- **High**
- o Supplier Power – **Low**
- o The threat of New Entry – **Low**

The most significant advantage for Near You, Inc, based on the five forces model, is supplier power and the threat of new entry. Both entry levels are low and serve our investor's interests. The supplier power is controlled through a hiring partnership with the start-up

developer, and our managing team members will maintain it. The threat of new entry is low; our product offering programmed to specific specifications serves as an advantage. Furthermore, our predictive analysis offering would be unique.

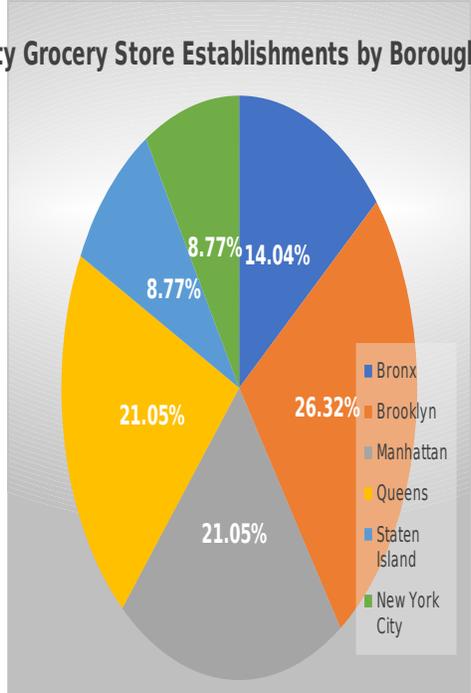
Market Analysis

Globally, supermarkets and grocery stores revenue streams reflect a billion-dollar profit margin. New York City, one of the most visited metropolitan cities globally, carries 40 billion dollars into the broader global market. The estimated number of businesses registered as contributors to the market is summarized to be 10,930 businesses or firms. They are managing an employment force estimated at around \$200,000 (IBIS World, 2020). Several functioning trends fluctuating the market are acquisitions of small firms by large firms. Customers have become a valuable tool of interest and validation tools for marketing segments in the market. Another demand present in the market is specialty supermarkets. Inventory management is explicitly subject to new demands given by customer-centric ideas and strategies. Features like curbside pick-up and home deliveries are shifting the meaning of stockout and safety stock.

Figure 3

Target Market – Supermarkets & Grocery Store

New York City Grocery Store Establishments by Borough, 2000-2008



AECOM, (2010).

The general target business comprises small and large firms- revolving around specialty and brand recognition. Evidence of this is the newly acquired whole foods and Amazon merger. Amazon structured it is merger by ensuring customer specialties as their value proposition. The typical in-store grocery visit became obsolete with the trend of home deliveries. In 2017 amazon experienced a two billion dollar increase in revenue (Western Farm Press, 2019).

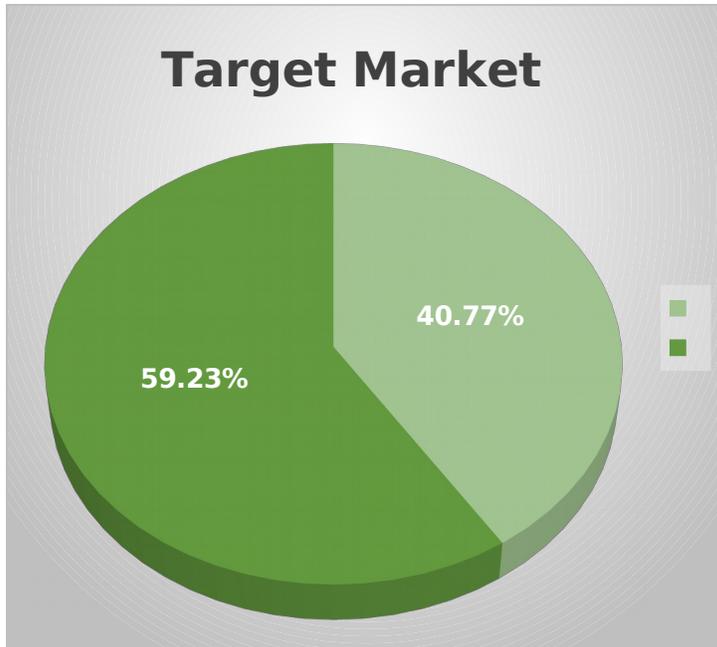
Coincidentally, Millennials (ages 21-34) are the consumers contributing and shifting the market structure to favor specialty stores. Millennials are computer literate, software

savvy, and generationally advanced; they can access more knowledge than before, making their decisions diplomatic and health-conscious. The Millennials have created a need in the market and also has shifted Near You, Inc. target customers. For businesses, our target audience is small and supermarkets. Our target audience is Generation X (ages 35- 39) and millennials (ages 21-34) for public interactions and free data. This largest customer will allow Near You, Inc. to collect reliable data that points out trends – a new product, trending products, and product availability. The small business forecast revenue streams of \$1,000,000 or more. Generation X and Millennials in the New York City region approximately have an income stream average as per 2010 ranging from \$16,000 - \$50,000 (AECOM, 2010). The option of Near You, Inc consumer response application will generate demand - showcasing availability and unlimited engagement with customers. In turn, this will get small and large businesses to commit to Near You, Inc services.

Figure 4

Target Market- Consumer version

Summer 2020



The metropolitan cities have at least five million active consumers and five million split between 10,930 business, making target consumers of 458 belonging to each business as loyalty members. Once 458 consumers access the Near You, Inc consumers' response application, it opens the door for Near You, Inc. to acquire sales in small and large firms.

Market Segments

- o Business / Firms Stakeholders- Businesses in the market have some value stakeholders demanding help, bridge the generational gap with in-store- shoppers, and e-commerce orders—the community in which the business has seen acquisitions take over and monopolize their community. Acquisitions have shifted the demand for its high-income users. Community access is not a concern; it is negated based on revenue streams. The satisfaction of stakeholders like vendors and suppliers are

- seeking better ways to enhance access and business will be open to getting customers the information without lifting the heavy funs.
- o New Products- In order for new products to thrive once introduced, analysts note that companies must fortify them with a robust barrage of promotional strategies (Business Insights Essential, 2019). Near You, Inc. can Lessing the developers' job and formulate an analysis that could position new products to thrive in whatever environment.
 - o Businesses Marketing Strategy – Currently, we are in the age of digital evolving software that can be accessed with an internet connection. Mobile phones have bridged the gap and level the field with immediate interaction to immediate response. Mobile phones serve a clear response marketing strategy and strong customer relations. They are inexpensive, quick to disseminate, and adaptable; moreover, they can convey a reasonable amount of information (Peter et al., 2015).
 - o Business Purchase Power- Purchases account for an overwhelming majority of revenue, estimated to constitute 70.4 percent of the industry revenue in 2019 (Darshan, 2019). All businesses invested in compliance-based tools that can offset productivity while ensuring profit margins in future projects can hire Near You' Inc. software to shift the purchasing power of business and increase profitability. Moreover, the technology change of 2019 listed as a medium will shift to a high.

Economics of the Business

The economic standard of Near You, Inc is to maximize the stakeholder's interest at all times. Based on our financial plan and implementation, this business's economics is leading in slow profitability and progressive market adaptability – this can be seen through

Summer 2020

the income statement, cash flow statement, balance sheet, and the traction of our breakeven analysis.

Income Statement Year 1

Our gross margin in percentage seems reasonable, equating to 68.6 percent for the first year. The owner's compensation level has been established at the lower limits check is \$84,989, and the upper limits check it is at (-49.03) percent. Our advertising of sales is low, coming in at 0.6 percent, but with significant consideration to our financial plan and start-up expenses, this is correct. Near You, Inc. has chosen to forgo an expensive advertising start-up advertising budget using the web-based platform, social media, and marketing email to establish brand recognition. Our profitability levels are harmful (-\$170,751), including profitability as a percentage of sales, negative fifteen percent.

Figure

Insert Income Statement Year 1 - 3

<i>Revenue</i>	<i>2022</i>		<i>2023</i>		<i>2024</i>	
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Summer 2020

License / Subscription	64,000	8		0,400	95		1,524	
Maintenance Cost	64,800			1,280	7		81,	
Installation / Implementation Cost	43,200			7,520	4		76,	
Bodegas Exchange Program	75,000			2,500	8		169,	
Cloud Base Analysis	35,000			8,500	3		44,	
Total Revenue	1,082,000	\$	100%	1,190,200	\$	100%	\$	100%
Cost of Goods Sold								
License / Subscription	00,000	3		0,000	33		529,	
Maintenance Cost	25,000			7,500	2		31,	
Bodegas Exchange Program	15,000			6,500	1		33,	
Total Cost of Goods Sold	40,000	3	31%	4,000	37	31%	595,	31%
Gross Margin	42,000	7	69%	6,200	81	69%	1,302	69%
Payroll	94,225	4		6,086	49		498,	
Operating Expenses								
Advertising	7,000			7,210			7,	
Legal and Professional Services	34,500			5,535	3		36,	
Office Expense	12,200			2,566	1		12,	
Rent or Lease -- Other Business Property	42,000			3,260	4		44,	
Repairs and Maintenance	1,500			1,575			1,	
Travel, Meals and Entertainment	4,700			4,841			4,	
Utilities	6,200			6,386			6,	
Total Operating Expenses	108,100	\$	10%	111,373	\$	9%	\$	6%
Income (Before Other Expenses)	139,675	\$	13%	208,741	\$	18%	\$	36%
Other Expenses								
Amortized Start-up Expenses	88,733	1		8,733	18		188,	
Depreciation	17,429			7,429	1		17,	
Commercial Loan	86,432			0,739	7		53,	
Line of Credit	17,832			9,755	2		33,	

Summer 2020

Total Other Expenses	310,426	\$	29%	306,656	\$	26%	292,503	\$	15%
Net Income Before Income Tax	(170,751)	\$	-16%	(97,916)	\$	-8%	396,550	\$	21%
Income Tax	-	\$		-	\$		-	\$	
Net Income/Loss	(170,751)	\$	-16%	(97,916)	\$	-8%	396,550	\$	21%

Cash Flow Statement

Based on our cash flow statement, the finding projects desirable cash flow level (\$286,923) with a line of credit drawn down at \$286,923 - leaving our accounts receivable ratio of sales at 0.0 percent for the first year.

Table 8

Cash Flow Statement Year 1-3

Beginning Balance	2022	2023	2024
Cash Inflows			
Cash Sales	\$ 1,082,000	\$ 1,190,200	\$ 1,897,330
Accounts Receivable	\$ -	\$ -	\$ -
Total Cash Inflows	\$ 1,082,000	\$ 1,190,200	\$ 1,897,330
Cash Outflows			
Investing Activities			
New Fixed Asset Purchases	\$ -	\$ -	\$ -
Additional Inventory	\$ -	\$ -	\$ -
Cost of Goods Sold	\$ 340,000	\$ 374,000	\$ 595,100
Operating Activities			
Operating Expenses	\$ 108,100	\$ 111,373	\$ 114,746
Payroll	\$ 494,225	\$ 496,086	\$ 498,432
Taxes	\$ -	\$	\$ -
Financing Activities			
Loan Payments	\$ 228,831	\$ 228,831	\$ 228,831
Owners Distribution	\$ -	\$ -	\$ -
Line of Credit Interest	\$ 17,832	\$ 29,755	\$ 33,024
Line of Credit Repayments	\$ -	\$ -	\$ -
Dividends Paid	\$ -	\$ -	\$ -
Total Cash Outflows	\$ 1,188,988	\$ 1,240,046	\$ 1,470,133
Net Cash Flows	\$ (106,988)	\$ (49,846)	\$ 427,197
Operating Cash Balance			

Summer 2020

Line of Credit Drawdown	\$ 286,923	\$ 125,878	\$ -
Ending Cash Balance			
Line of Credit Balance			

Balance Sheet

Our balance sheet is not balanced for the first year, and our debt to equity ratio is 631.2 percent. We will be facing steep trails for the first year because we aim to pay down on our commercial debt for the first four years.

Table 9

Balance Sheet Year 1-3

ASSETS	2022	2023	2024
<i>Current Assets</i>			
<i>Cash</i>	179,935	255,967	683,164
<i>Accounts Receivable</i>	-	-	-
<i>Inventory</i>	550,000	550,000	550,000
<i>Prepaid Expenses</i>	377,467	188,733	-
<i>Other Initial Costs</i>	-	-	-
Total Current Assets	\$ 1,107,402	\$ 994,700	\$ 1,233,164
<i>Equipment</i>	80,000	80,000	80,000
<i>Furniture and Fixtures</i>	30,000	30,000	30,000
<i>Vehicles</i>	-	-	-
<i>Other</i>	-	-	-
Total Fixed Assets	\$ 110,000	\$ 110,000	\$ 110,000
<i>(Less Accumulated Depreciation)</i>	\$ 17,429	\$ 34,857	\$ 52,286
Total Assets	\$ 1,199,972	\$ 1,069,842	\$ 1,290,877
LIABILITIES & EQUITY			
<i>Liabilities</i>			
<i>Accounts Payable</i>	-	-	-
<i>Commercial Loan Balance</i>	744,795	586,703	411,188
<i>Commercial Mortgage Balance</i>	-	-	-
<i>Credit Card Debt Balance</i>	-	-	-

Summer 2020

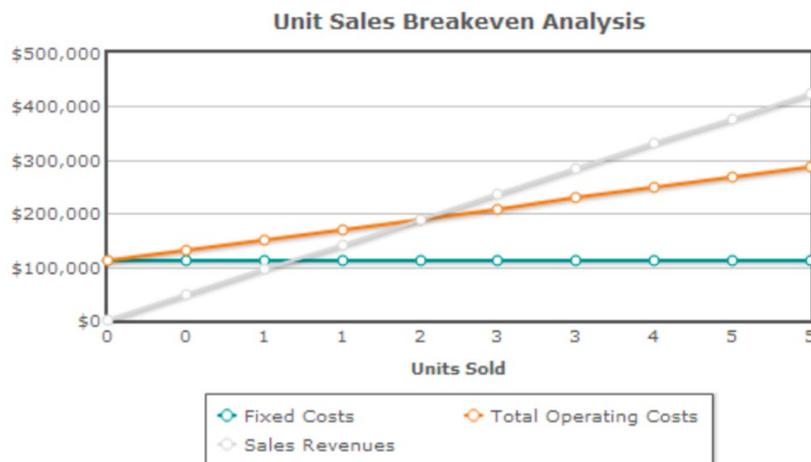
<i>Vehicle Loans Balance</i>	-	-	-
<i>Other Bank Debt Balance</i>	-	-	-
<i>Line of Credit Balance</i>	286,923	412,801	412,801
<i>Total Liabilities</i>	\$ 1,031,719	\$ 999,504	\$ 823,989
<i>Equity</i>			
<i>Common Stock</i>	339,005	339,005	339,005
<i>Retained Earnings</i>	(170,751)	(268,666)	127,884
<i>Total Equity</i>	\$ 168,254	\$ 70,339	\$ 466,889
<i>Total Liabilities and Equity</i>	\$ 1,199,972	\$ 1,069,842	\$ 1,290,877
<i>Balance sheet in or out of balance?</i>	\$	\$	\$
	-	-	-
			<i>Balanced!</i>

Breakeven Analysis

Based on our income statement for year one, the business is operating at a loss. Our profit levels are low, and our debt is high. Presently available inventory is 20 units. The price per unit is \$72,000, and the variable cost per unit is \$30,000. The total fixed cost on our expense sheet is \$110,000. The breakeven analysis would have us sell three units in order to cover our fixed cost. If all anticipated 20 units sold, then our profits/loss would be around \$730,000.

Figure

Breakeven Analysis



Units Sold	Sales Revenues	Variable Costs	Fixed Costs	Operating Profit
0	\$0	\$0	\$110,000	\$-110,000
0	47,143	19,643	110,000	-82,500
1	94,286	39,286	110,000	-55,000
1	141,429	58,929	110,000	-27,500
2	188,571	78,571	110,000	0
3	235,714	98,214	110,000	27,500
3	282,857	117,857	110,000	55,000
4	330,000	137,500	110,000	82,500
5	377,143	157,143	110,000	110,000
5	\$424,286	\$176,786	\$110,000	\$137,500

Marketing Plan

Near You, Inc. at the end of 2021 will be ready to launch our product to businesses and local bodegas. Before the end of 2021, Near You, Inc. will start building our scanner prototype and developing the software. We have estimated a time frame of six months for software and hardware development. To ensure sufficient time with fixing any lingering glitches or bugs. Once a working prototype is ready, we will begin phase two of the process.

Summer 2020

The end goal is to attract supermarkets in the NYC community, and in the beginning, it is our goal to get their attention and implement the initial introduction. We plan on doing so, through our consumer incentive program. Our target customer is three dimensional, the consumer, the supermarket, and the bodega. Our target customer must visualize our company to be for the community.

The best approach to reaching the possibility of that visualization is to give to receive. Through our customer incentive program, we aim to capitalize on evangelize brand marketing. The consumer will assume an evangelistic role (creating the one and one connection) by spreading the word about a free application giving realtime product availability within their local community. In our market analysis section, it revealed that to every supermarket located in NYC, it was a possibility that they had 458 loyalty members. Furthermore, the industry scan showed that the grocery store was guided by customer service. So, what better way to gain favorable recognition by allowing the consumers to make the suggestion notable. Nielsen also identified 61% of customers globally, which believes that going to the grocery store is enjoyable (Nielsen, 2015).

The tools essential to this stage of consumer evangelism will be our social media platforms, application, and web page interface. The consumer will receive an incentive of 5% off a local grocery store bill on us (Near You, Inc.). With the age of media platforms adapting to brand sharing and brand ambassadors, we will gain free marketing and have supermarkets seeking our product.

We will approach two favorable supermarkets to role out this marketing strategy. The supermarket will be offered two scanners for the store for free. We will initiate contact with their customers to get them using the application to locate products.

The other marketing framework will be done through promotion, advertising, direct sales, and direct marketing. Our sales promotion will be based on the demand; we are formulating the idea that when our services are at its peak, to offer grocery store a discounted rate for off-loading products for more than twice a month. The majority of our sales promotions will be offered to grocery stores and bodegas with the idea that they have either contributed or supported a Near You, Inc. in our social responsibility project. Our social responsibility projects will become a catalyst in advertising and direct marketing. We aim to form a network of grocery stores & bodegas that are willing to partner with government health incentive programs sponsored by Near You Inc. To donate weekly to at no cost to community causes like homeless shelters, orphanage, or poverty-stricken communities all need access in some way, either reliability or knowledge could move them from where there are too intricate participants in society.

Direct sales will be made through our support team member interacting one on one with grocery stores. The pitch is on the artificial intelligence algorithm's ability to increase revenue and drive the sunken cost down for all partnering stores and bodegas. The role consumers play in all four areas is a focus group for Near You, Inc. research customization for the grocery store and bodegas.

Direct marketing, however, we will go through game theory. This game theory tries to develop the best possible outcome for two agents to maximize the winner's chance. Furthermore, once all players have been identified in this game, Near You, Inc. does not make the first move; instead, we give autonomy to the consumer (i.e., Grocery store or Bodegas). The customers do not know what they want until placed before them, so Near You, Inc. seeks to capitalize on the notion and not the idea. The Markov Property states that the future is independent of the past given the present, merely meaning that our current state already captures the past states (Singh, 2019). The Markov property is a way to process decisions. So, we propose to create an un-slot of information that we have through the mixed strategy game theory, applied Markov property to the algorithm. This would be based on the customized choice for the grocery store and bodegas software. The services order would be placed in one of four marketing strategies to dominate the region in which they are located, then create precise two agent marketing strategies to be at play in a given region. Virtually the principle of reinforced learning and knowing information before economists even discover it would dramatically shift; the brand positioning & product marketing in a supermarket will never be the same.

Design and Development Plans

Design

Near You, Inc. design covers two segments, one segment deals with the operating officer's equipment at the retail level. The other is the manufacturing of the digital scanner and a digital dot gun. Along with software programming, needed to operate and solicit product information through a dual partnership with MobiDev, a software engineering company. The connection has not been actualized yet, and with that precursor. Near You, Inc., will take the initiative and map the intended design desired.

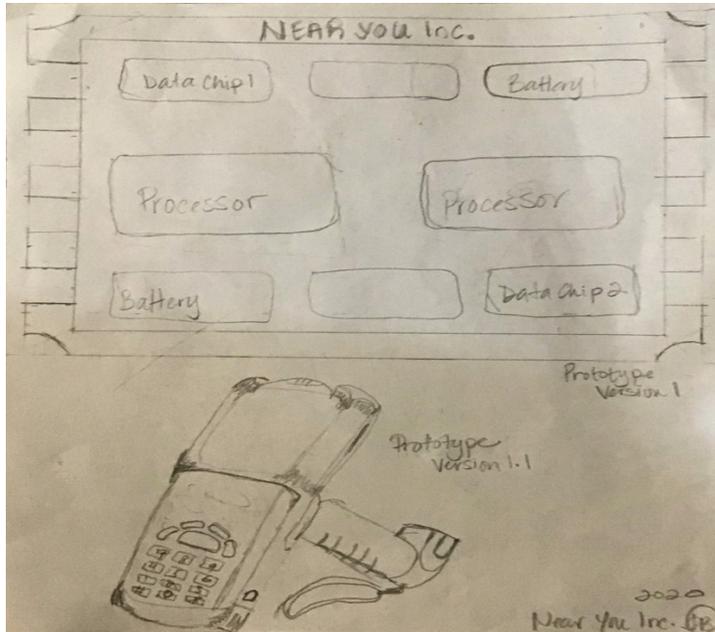
The preferred design template will be eloquent and sleek. The scanner and digital gun's foundational mechanics will have three guiding principles: flexibility, scalability, and

Summer 2020

adaptability. The digital scanner will collect itemized product data and act as the processing system on site. The digital scanner will be a piece of stationary equipment placed in the store; each scanner should scan approximately 12 square feet. Twelve square feet is the minimum average size of a retail grocery store in a metropolitan city. Near You, Inc. will use this minimum average as a design specification for a local retail grocery metropolitan city minimum digital scan. The proposed likely dimension of the scanner will be approximately 12 X 20 X 6.00 inches. They are operating on an AI intelligence, programmed to collect data and itemized forecast solutions based on the software analysis chosen for this type of product data gathering. The desired color of this scanner will be white or off white. The digital gun, however, will be black size ranging from 6.1 inches to 7.1 inches. Also, it will be programmed with the same AI intelligence foundation. Its priority function is to imprint a digital dot on products for identification purposes. The given product will be stamped with a digital dot, and the digital scanner from its fixed location will be able to track the item. The digital gun will be designed to function with a touch screen display; the gun user interface will be programmed through an external class interface. The swallow class interface templates allow the micro product itemization and allow flexible interaction between the store stock associate and the software. The design notes that the stock associate unloading the products, have to be proactive and fast. The interface will have five functional platforms or tabs; this allows retailers to sign-in to their customized location and express inventory itemization. The digital gun will be equipped with a strap, which is necessary for stock associates moving quickly.

Figure 6

Prototype drawing
Summer 2020



The software design will differ in the class interface template due to the dual function of information flowing from the local retailers to Near You Inc. To ensure a predictive analysis through tree pruning will give an accurate forecast of product profitability based on geographic placement and public desire. The software will be built under a deep class interface template. An in-depth class interface allows for large abstractions. Large abstractions are foundational when dealing with big data sets. A processor memory display will also be optimal in this design. Dashboard style user interface; for example, the first screen interface will be optimized to receive inputs and outputs. Inputs and outputs will be detected through texts, numbers, and digital dots. A rectangle display with a seven-page layout or tabs functioning a predictive analysis programming. The predictive analysis will work to collect, analyze, predict, forecast, and manage. The code design will detect numbers, digital scan, define errors out of expectations and images. The color palette for the user interface will be vibrant colors (i.e., Red, Blue, and White). With a traditional font 12 font

across the interfaces. Further information will be forthcoming through the actualization of the dual partnership with MobiDev software engineer.

Near You, Inc. software development will be a collaborative effort with a software developer. MobiDev is a software developer of choice. They are located in Atlanta with an executive office in Germany. Germany is a leading pioneer of software development. They have ten years (+), experience in the software development industry, and have successful active projects with AI intelligence capabilities. The specifications of this are subject to change, with the actualization of the dual partnership with MobiDev. The software development 'Near You, Inc' will streamline retail inventory management, increase life cycle management, and increase customer satisfaction.

There are some best practices used for software as a service development criteria which Near You Inc. will use as a check and balance formula. Our development will be focused, proficient in usability, design, and realistic features as the best practice. We will be developing through a three-phase quota: deployment model, integration of our database, and advanced system resources management in the software. Once those three quotas are met, a post-launch phase of maintenance and data integrations will be required.

The timeframe of the project completion is scheduled to last approximately four to six months. The average software development can range from 1000 to 1500 hours. We have estimated a range of 2000 hours to produce a prototype and adequate testing. Our minimum budget per hour is \$200 - \$250 per hour. We are placing our software development budget at around \$400,000 to \$500,000—one unit of the prototype scanner with a digital dot gun

budgeted at \$5000. We have projected a starting inventory count of 20 units. Therefore, our starting inventory manufacturing budget is \$100,000.

Our contract stipulations between MobiDev Software development would require them to complete the task of coding the software and developing a prototype within six months of the contract actualization. The design starts with the perimeters the scanner dimension stays in the lines of rectangle construction with a 12 X 60 X 6.0 inches. Plastic exterior, with AI intelligence processor, installed. The scanner should be built with the capability to scan a 12 square radius. The scanner should also be flexible to examine through shelf life fixtures. The specifications of the digital gun go as follows; it must be 6.1. to 7.1 inches in dimension, with a touch screen display. Built with a digital AI processor capable of imprinting a dot-like image on all product types. Product types like plastic, metal, rubber, aluminum, cardboard, paper, and all bag like substances (i.e., sandbags).

In this order, Near You, Inc., the software will be developed. The development team will be compiled of a project manager, business analyst, UX/UI designer, or front-end or mobile developer, and a QA tester. They will oversee and maintain the project; the project includes the scanner, digital dot gun, scanner, and software. That completes the operation (work activity) in the development stages. Following the operation stage, the development will move to assemble (20) prototypes. After that, the inspection stage will begin. This stage allows for adequate testing. Once all prototypes have been tested and cleared. The product will move to the design station where the logo (Near You Inc.) and other garnishes will be imprinted. The scanners and digital guns will be packaged and stored to be shipped to the store. From storage, the equipment will be deployed to the store, where our technicians will install it. All authorized personnel will be trained and prepared to use the services within two Summer 2020

weeks of installation. Once all employees are trained, the equipment will be ready to go. The software will be functional, and the digital dots would have been imprinted on the different products.

In-store procedures will precede as follows, Near You, Inc. software will be equipped to process UPCs and other related POS systems to ensure a smooth transition to our scanner capabilities. The order of operations for in-store end-users is to receive all incoming product through the loading dock. After the product is received when it is being processed to enter the firm's floor, the stock associate will be ready and equipped to imprint the digital dot on the product. Once it is processed a place on the shelf, the scanner will scan the store to pick-up the digital coding. The scanners' line of sight does not have to be directly pointed towards the product; the scanner will perform a rector scan to put up the digital code.

The other part of the transaction would be the consumer picking the product and ready to purchase it. Once the product is scanning, the scanner will be alerted to the item leaving the store. Moreover, the same goes for the returns of the product. The digital dot and the UPC will alert the scanner of the return of the product, and the cashier personnel will enter the description of the product conditions.

Manufacturing and Operations Plan

Near You, Inc. manufacturing plans lack a significant participant to add depth and accuracy to plan detail and schedule. Our business desires to have MobiDev develop and assist with manufacturing the digital scanner and digital gun needed to assist with data gathering of grocery products. The standard prototype desired requires an external shell of plastic. Internally, parts such as the battery, AI processor, and cloud memory chip will be needed. Similar parts will be acquired for the digital gun, the plastic external layer with a Velcro strap to wrap around the stock associates' hand. Internally, the battery processor and cloud memory chip. MobiDev, from past business partnerships and projects, possesses the capability to manufacture the scanner and digital gun. Because of their commercial capabilities, production has been slotted solicited and contracted to be completed by MobiDev development. A non-competition/non-disclosure agreement is in place, and a copy of the document is included in appendix A.

Management Team

Operational management will function under the principle of cross-functionality throughout the organization. The regulation of cross-functionality is taken from the attributes which depict. Knowledge and diversity, due to the progressive ideology, which can be found throughout our enterprise to ensure our customers' best services. Knowledge diversity expands the range of perspectives that teams can draw to innovate (Edmondson, 2018). The foundational team members will function in this shared knowledge diversity throughout the expertise and create a transparent quarterly report to be reviewed at the monthly team meetings. Seven experts in their given fields will complete the executive management team of Near You Inc. The executive members are the operations manager, Buyer/Marketing Director, Financial Director, Software manager, order processor/website manager, IT manager, and Human resources manager. The prerequisite for all positions will be both objective and subjective. As part of the subjective necessity of our executive team and support team, we will have to comply with Near You, Inc. partnership and vision. Subjectively, passion, creativity, organizational skills, teamwork, persistence, open-mindedness, integrity, empowerment, and accountability are all required attributes. The

definition of the precepted subjective characteristics are self -determined through the Merriam - Webster's Collegiate Dictionary, or whatever collegiate dictionary you so choose to view or reference.

On the other hand, the objective necessity will require any executive team member to have 2- 3 years of related work experience and hold a master's degree from an accredited institution. The visuals of a circle can best describe the connective between the executive team and support team members. The supportive team members are a Cloud/information processing manager and two process staff members. The cloud/information processing manager's responsibility is to assist with the level and the consciences of our customers' information and ensure that the processing staff members mission is always sifting through the information that adds value to the customers' enterprise and increases their innovative brand strategy. The suggested salary can be seen in figure 1-1.

The day to day operations follow in the part of a ladder; the software will be developed and patent. Near You, Inc. will be the sole owner and developer of this software. The software is an interactive inventory manager that captures data via a cloud interface. The equipment needed will be manufactured by a company that exemplifies the capability of creating a scanner base box that possesses the ability to cover at least an average size grocery store of 40,000 square feet (gecurrent.com,2020). The device will be marketed and, through a contract, be purchase by a grocery enterprise.

The Software interface can be seen in figure 1-2.

The consumers and customer will be able to collect inventory data in the equipment and software: usage, profit, trends, and change in brand awareness. This information will be
Summer 2020

viewed and processed by our supportive staff members. They will compile a comprehensive monthly report that will advise the customer's innovative strategy and support the phasing out of products or unused inventory. All interactions will take place through Near You Inc. web-based platform. Figure. 1-3 depicts the flow chart of Near You Inc. operations.

Near You Inc. will staff (8)

- Jody-Ann
- Operations Manager
- Buyer/ Marketing Director
- Financial Manager
- Cloud Manager/ Information
- Software Manager
- Processing staff (2)

Table 10

Personnel Plan

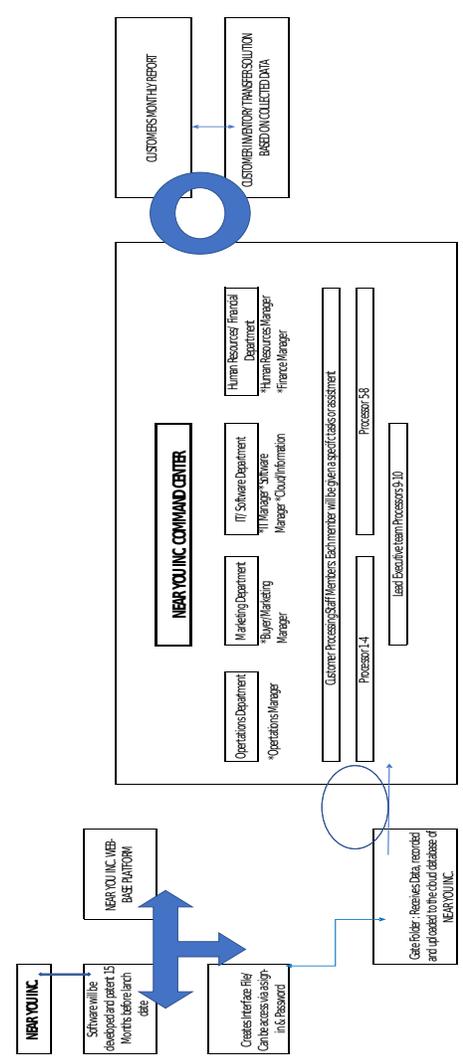
Personnel Plan			
	YEAR 1	YEAR 2	YEAR 3
Jody-Ann (CEO)	\$85,000	\$85,000	\$85,000
Operations Manager	\$50,000	\$50,000	\$50,000
Marketing/Buyer Manager	\$60,000	\$60,000	\$60,000
Finance Manager	\$70,000	\$70,000	\$70,000
Cloud Manager	\$69,000	\$69,000	\$69,000
Software Manager	\$72,000	\$72,000	\$72,000
Software Processor Team-member 1	\$25,000	\$25,000	\$25,000

Summer 2020

Software Processor Team-member 2	\$25,000	\$25,000	\$25,000
TOTAL PEOPLE	8	8	8
TOTAL PAYROLL	\$456,000	\$456,000	\$456,000

Figure 7

Near Year Inc. operation structure



Sustainability and Impact

Together we stand and commit to the shared responsibility of a sustained environment. Our core values guide us to serve the community and lead by the implementation of sharing. Here at Near You Inc., we value the partnership of realistic, Summer 2020

innovative, generosity, and honest teamwork. We will attain sustainability through communication and operations. Our efforts are built to sustain a lasting partnership that maximizes our stakeholder's needs through our products and services. We commit to a sustainable software solution while securing the community health metrics by accelerating equal food distribution on the grocery enterprise level.

Near You, Inc. engineer's software solutions that our stakeholders can use to enrich the community's productivity it services. We are the facilitators of a productive conversation; our data collection will give a divisive insight not just to the profitability of the information but also the shared responsibility to sustain a healthy community. We commit to sharing as a compliment to implementation. Our management team focuses on cultivating a culture that is accountable to stakeholders and diligent in reporting accurately.

Operation

Our development stages (design phases) are done to specification, optimization, accessibility, usability, and sufficient energy. We determine the development stages based on the suggestion of software sustainability researchers. One researcher equates the focus to production effects on the positive and negative effects on optimization, product virtualization and simulation, and the systemic effects of long-term direct and indirect challenges (Deneckère, 2020). Our software sustainability goals are to leave a lasting impact on the economy, society, human beings, and the environment from the inception. We envision our first ten years of operations, becoming a leading agent in software sustainability in metropolitan cities surrounding New York City. Through the adaption of eco-labels and the

guidelines of ISO-26000. We are making it possible to fulfill sustainability in this continually changing industry.

Communication

Near You, Inc. believes in modeling a diverse channel of shared responsibility. We empower our stakeholders and our management team to consider the economic value of effective communication, transparency, and awareness. Communication done effectively fosters employee engagement. Communication has specific economic effects and is recognized as a tool to build local economic resilience (Kimmons, 2012). Local communities lack the awareness of healthier options and access. Our social responsibility is the solution to this lack of awareness and access. We will submit a plan to the local government to grant local bodegas and large corporate supermarkets the ability to bargain goods through our social responsibility program.

Overall Schedule

TARGET DATE	TASK	RESPONSIBLE PERSONNEL	TASK OBJECTIVE
1/20/21	Near You Inc. Registration	Owner & Legal team	Meet with Lawyers to establish operating agreement. Along with obtaining a business license and EIN.
1/30/21	Insurance	Owner & Legal team	Establish an insurance policy for liability
2/10/21	Mobidev Contract, Signed and First Payment	Owner & Legal team	Mobidev, is the software developer contracted by Near You Inc. to assist in the development and refining of the software service and manufacturing of Near You Inc. Software and Hardware
1/12/2021 - 7/12/2021	Patent writing	Owner, Legal team & Mobidev legal team	Filling a Patent with the United States Patent and Trademark office (6 months waiting period)
1/14/21	Office rental agreement	Owner & Legal team	Sign rental agreement with Source company's relator
1/20/2021- 2/12/2021	Purchase operating resources / Hiring a third-party carrier	Owner	Purchasing office equipment (tables & chairs) computers, Cloud equipment (data storage computers), Kitchen equipment (table, chair, Utensils, Coffee machine, water dispenser, microwave). The third-party carrier will serve the purpose of internet provider. (Suggestion are Verizon or Optimum)
2/1/2021 - 3/21/2021	Hiring	Owner	Start the hiring process for the executive and supporting team members
4/10/2021 - 04/20/2021	Financial budgeting	Owner, Finance Manager, Operating Manager and Marketing Manager.	Organizing a budget to launch the services to the grocer and bodegas. Strategizing Financial Systems needed to for the day to day operations.
5/10/21	Software Development Check-up	Owner, MobiDev, Software developing Manager and Cloud Manager	This to secure the development of the software accuracy and meeting the needs of the vision of the Near You Inc. offering. With the second projection of completion date. This is

Summer 2020

			to determine the launch date and test date.
6/11/21	Software Development Check-up	Owner, MobiDev, Software developing Manager and Cloud Manager	This to secure the development of the software accuracy and meeting the needs of the vision of the Near You Inc. offering. With the second projection of completion date. This is to determine the launch date and test date.
7/1/21	Software Development & Hardware Prototype	Owner, MobiDev, Software developing Manager and Cloud Manager	This to secure the development of the software accuracy and meeting the needs of the vision of the Near You Inc. offering. With the second projection of completion date. This is to determine the launch date and test date.
8/1/2021-01/1/2022	<i>Customer incentive Soft launch</i>	<i>Near You, Inc's. marketing team</i>	<i>Solicit two grocery stores as a test group and 458 customers to use the application platform</i>

Critical Risks, Problems, and Assumptions

This section will explore the potential risk, problem, and assumptions of Near You, Inc., development. Change in any area, dealing with inventory management innovation, can encounter possible stumbling blocks. With this possibility, we sought out research that took the place of a guideline to outline valid limitations within our start-up. We came across the validation tool, which told of twenty-three risk factors surveyed and of expert opinion. Out of the twenty-three risk factors- seven apply to Near You, Inc's potential risk and obstacles.

The first risk deals with the possibility of an inadequate budget and software cost risk. We are missing a critical input from our business plan. MobiDev software development will be a partner, Near You, Inc. hires to build the artificial intelligence software needed; to innovate inventory management by enhancing the grocery industry's specification. We set a budget, based on the general predictions of software as service development. The general prediction is 1500 hours, at \$200 an hour. Our budget is 2000 hours at \$200 an hour, putting us in the ballpark of \$400,000 for software development and MobiDev compensation. The other budgeted expense is manufacturing the scanner and digital guns needed to house the software; this is an additional \$150,000. The mechanics of these calculations are premature until the formal meeting.

Another assume risk is the software quality risk and software scheduling risk. These risks are coupled together because of the use of artificial intelligence has changed since the early 2000s, this could be seen through the artificial intelligence system on the internet such as Apple's Siri, Microsoft's Bing, and Google search engines (Lui & Shi, 2020). Near You, Inc., aspiring use of the AI Intelligence will not resemble the general use of AI intelligence as it stands today. A key component of intelligence is memory (Jamilly, Nagle, & Ross, 2018).
Summer 2020

Near You, Inc., because of our services' nature, will be dealing with big data. Big data requires much memory. Our challenge is developing a processor with a depth of memory capable of recording and analyzing the product information. In addition to the allocated schedule of six months, this might not be enough time to develop a processor capable of processing all possible problems to produce the right solution. Therefore, we might reschedule to avoid risk, and testing coupled with more trials leads to delay.

Software requirement risk and complexity architecture is another critical risk. The software requirement risk is more along the lines of security. Security in the software will be instrumental to customers and to the integrity of our ability to deliver the report to increase revenue. McGraw has departmentalized security as trinity trouble (McGraw, 2012). The trinity of trouble includes- connectedness, complexity, and extensibility. The security of the software connectedness is a significant concern; the uploaded information transferred to Near You, Inc's headquarters directly from the in-store scanners. The COVID-19 pandemic of 2020 showed the extent of importance when it comes to securing the product's information and meeting the customer's interest.

Assumptions

We plan to gain excellent brand recognition within the first year because of the marketing plan structure we have created. Marketing has become the end-all, along with the consideration of finance. Near You, Inc. will assume marketing our services through our e-commerce platform and social media. Under the assumption of our guided marketing control will be the target consumer to access our application. Consumers are the driving force and deal-breaker to revenue; the consumer response program will be a good advantage of Near

You, Inc., Where customers have unlimited access to the business's current product stock levels.

Near You, Inc., at the end of year one, accumulate added brand recognition in order to launch the software in year two. The optimal priority in year one is to allow good product development, prototype testing, and marketing introduction with the consumer incentive. Development takes approximately six months, and after that, the customer incentive will be in place for six months per to our launch date of January 2022.

The assumption for years one and two differs by a three percent increase. Year three is where the revenue stream increases with the increase in sales. The increase in sales in year three takes us out of the red and position us to breakeven. Moreover, the profits yielded in years one to three position us to pay down on our commercial loan debt in the sequential schedule we have created, to start paying back our angel investors in year five.

Our five-year profits and losses, along with our three-year financial ratio assumptions, can be seen below.

Figure 8

Profit and losses assumption

Summer 2020

PROFIT AND LOSS ASSUMPTION					
	Year 1	Year 2	Year 3	Year 4	Year 5
Annual cumulative price (revenue) increase	0.00%	3.00%	6.00%	9.00%	12.00%
Annual cumulative inflation (expense) increas	0.00%	2.00%	4.00%	6.00%	8.00%

Table

Three-Year Financial Ratio

Ratios	Year One	Year Two	Year Three
Liquidity			
Current Ratio	1.1	1.0	1.5
Quick Ratio	0.2	0.3	0.8
Safety			
Debt to Equity Ratio	6.1	14.2	1.8
Debt-Service Coverage Ratio - DSCR	-0.1	-0.1	0.5
Profitability			
Sales Growth	0.0%	10.0%	59.4%
COGS to Sales	31.4%	31.4%	31.4%
Gross Profit Margin	68.6%	68.6%	68.6%
SG&A to Sales	55.7%	51.0%	32.3%
Net Profit Margin	-15.8%	-8.2%	20.9%
Return on Equity (ROE)	-101.5%	-139.2%	84.9%
Return on Assets	-14.2%	-9.2%	30.7%
Owner's Compensation to Sales	7.9%	7.1%	4.5%
Efficiency			
Days in Receivables	0.0	0.0	0.0
Accounts Receivable Turnover	0.0	0.0	0.0
Days in Inventory	582.4	536.8	337.3
Inventory Turnover	0.6	0.7	1.1
Sales to Total Assets	0.9	1.1	1.5

Angel Investor Assumptions

Summer 2020

As an angel investor, we asked for a contribution of \$31,621 for the initial start-up cost for the project. We need five angel investors, investing with the promise of a convertible debt loan option; within the fifth year of the company, the interest of twenty percent of the initial investment will be paid in cash. A maturity cap of five years is the loan term, based on our financial projections, five years into the business we will have passed the infant stages of a start-up, and our commercial debt would be paid down.

The five-year interest payments starting the year 2026 thru 2030 can be found below.

Table 12

Five-year interest payments

Angel Investor	Interest paid	Investment Contribution	Five Year Interest Payment
Year One	20%	\$31,621	\$37,945.20
Year Two	20%	\$31,621	\$45,534.04
Year Three	20%	\$31,621	\$54,640.84
Year Four	20%	\$31,621	\$65,569.00
Year Five	20%	\$31,621	\$78,682.80
TOTAL			\$282,371.88

Exit Strategy

Summer 2020

Angel Investor, Near You, Inc. at all times values the contribution to the company and respects the right to exit the terms of our agreement. Several possibilities will be discussed if that time should ever come to fruition.

- o The options included, but are not limited to:
- o Initial Public Offering (IPO)
- o Acquisition terms
- o Investor's right to the first refusal in the next round of financing
- o Buy-back after the initial five years

Furthermore, we thank you for being a part of the team. As a team member, a quarterly comprehensive report of the following (this is contingent on your desire to participate):

- o Sales projections, balance sheet projections and the standing financial position of the company
- o corporate governance provisions – sustainability report.

There is a possibility of entering the public market on our sixth anniversary. However, careful consideration of the public market shift will be based on our level of aggregate funding and management knowledge.

The Financial Plan

Near You, Inc. intends to increase brand recognition and revenue by systematically providing services to large grocery store corporations as a test group. This effort helps us

Summer 2020

fulfill our marketing and advertising strategy by positioning our product offerings in the hands of those who are experiencing inventory fatigue. Inventory fatigue is a term coined by Near You Inc.; it covers and focuses on inventory expenses, overstock inventory, and waste management. By offering an unbeatable data solution through our software, it increases revenue and allows an even exchange of slow-moving or overstock products in the grocery store to local bodegas. All team members driving the dreams and executing competent expertise, for the first three years of operation, our hired personnel will be compensated on a fixed salary. It includes all executive members, supporting team members, and CEO, which totals to a team of eight (8). After that, an increase of three percent is considered based on performance evaluations. This allows us to function with payroll taking up to two percent of over revenue for three years.

The fixed assets cover our servers, computers, TV (will be used as a projector), printers, office furniture (chairs, tables, stands), kitchen utilities, office stationery, and other necessities. The projected budget of \$110,000 is adequate.

The operational capital of \$1,116,200 covers:

salaries, insurance premium, software development, hardware development, legal fees, rent deposit (six months), utility (first year), supplies (travel and additional supplies not realized), and the marketing cost.

Our potential office rental space in Ewing, New Jersey, is a Fiber optic ready building and gives an incentive of the first six months free rent, allows Near You, Inc. to secure an equitable annual rate for rent.

We have covered the product and services; revenue now is another influential segment of our finance is marketing and advertising. Our marketing strategy for Near You Inc. is centered around the principle of marketing evangelism. This marketing strategy solicits one major participant and through word of mouth and test groups (via social media). We will market through our website and test grocer to create a buzz in the retail grocery industry of an inventory software system, revolutionizing inventory management.

Another great expense would be manufacturing the stationary equipment sold to the grocer to map the product and track real-time inventory in the store. It will be manufactured by a software engineer company located in Atlanta. Their headquarters are located in Germany; we plan to offset production cost by soliciting their help with the invention. They oversee a start-up program offered to start-up companies looking to create software and need someone to help with development. The patenting of this inventory will be registered as intellectual property. The production cost will be transferred to MobiDev, while software maintenance will be left up to Near You, Inc.

Near You, Inc. feels secure with this venture and is looking forward to working with MobiDev. Our goal after production as maintenance is to keep production costs at 15% of the total expenses.

The CEO, Jody Ann Bradford, will invest \$180,0900 to cover the start-up expenses, and an additional loan of \$887,195 will be requested from Capital One Bank or TD Bank.

The additional funds needed of \$158,105 will be financed through investments and angel investors.

Proposed Funding Requirements

We are now commencing on the segment of funding requirements, and this business venture as the inclusive term of growth plan; growth plan will refer to the proposed funding. We are committed to transparency and honest transactional interactions. We value the financial contribution officiated through this proposal.

Our estimated start-up cost, as stated in the start-up expenses, is \$1,226,200. Our capital expenses will be \$1,116,200. The CEO contribution to start-up equity is \$180,900.

Approximately \$158,105 additional funding will be needed. The purpose of this business plan is to secure financing for that amount. We need a total of five angel investors. Any angel investor contributing to Near You, Inc growth plan is encouraged to participate in the company. The funds provided by the investor will be used for daily operational equipment and forego the start-up expenses not covered by the owner's contribution. Details concerning the investor's interest in the company are in the assumptions section.

For the remaining \$887,195 additional financing needed to cover the start-up cost, Near You, Inc. plans to receive a four-year commercial loan that will add to the business's cash flow. The borrowed funds will be used exclusively to create the software and purchase hardware equipment's. A detailed list will highlight the pieces of equipment. The standard loan repayment agreement equal monthly installments over four years.

Our cash-flow analysis demonstrates the company's zeal and ability to repay the loan and meet the interest payment obligations, while maintaining fluent liquidity and generating positive cash flow and positive cash reserves for the unseen future events.

For development purposes, the annual interest rates have been estimated at 10.50 percent. The actual interest rate and the borrowing terms will be negotiated with the participating bank. Substantial collateral could be provided if required and by the SBA guarantee, and owners' assets could be used as collateral. (For example, cash collateral in the form of the certificate of deposit)

The assumption laid out in appendix D points to key benefits with Near You, Inc. The risk and benefits are balanced and upon your consideration, present itself as a favorable investment.

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Appendix A

Confidentiality Agreement

The undersigned reader acknowledges that any information provided by _____ in this business plan, other than information that is in the public domain, is confidential in nature, and that any disclosure or use of same by the reader may cause serious harm or damage to _____. Therefore, the undersigned agrees not to disclose it without express written permission from _____.

Upon request, the undersigned reader will immediately return this document to _____.

Signature

Name (typed or printed)

Date

This is a business plan. It does not imply an offering of securities

Appendix B

Summer 2020

START-UP EXPENSES

Fixed Assets	Amount
Equipment	\$80,000
Furniture Fixtures	\$30,000
TOTAL FIXED COST	\$110,000
Operating Capital	Amount
Salaries	\$456,000
Pre - Insurance Premium	\$5,000
Software & Hardware Expense	\$550,000
Legal and Accounting	\$50,000
Rent Deposit	\$21,000
Utility Deposit	\$6,200
Supplies	\$8,000
Advertising & Promotions	\$20,000
TOTAL OPERATING COST	\$1,116,200
TOTOAL REQUIRED FUNDS	\$1,226,200
Sources of funding	Totals
Owners' Equity	\$180,900
Angel Investor	\$158,105
Additional loan & Debt	\$887,195
TOTAL SOURCES FUNDING	\$1,226,200

Appendix C

PRICING DETAILS

Summer 2020

PRICING DETAILS OVERVIEW		
CATEGORY	DESCRIPTION	PRICING / DETAILS
License / Subscription (Flat Rate)	Software will collect product data, track product profitability and programmed to track integration limitations with new products. Equipment included: Digital scanner & Digital gun	Annually @ \$72,000
Maintenance Cost	Near You, Inc. charges 18% of annual subscription cost for regular maintenance upgrades & security enhancements.	18% Annually equals \$12, 960
Installation / Implementation Cost	Implementation is charged at \$180/ hr. The software can be implemented in 7 to 10 weeks, but time can vary. Estimated Installation time - 20hrs	Implementation/ Installation Cost \$3,600 @ 20 hrs.
Customization Cost	Customization is based on geographical region and product life cycle.	Available upon request.
Minimum Commitment	Minimum of two 2 units per 12 SF	Minimum of 2 units per 12 SF
Bodega Exchange	Near You Inc., Processors will analyze the data; compile a marketing and selling strategy in line with the retailer's needs.	Annually @ \$15,000
Recurring / Renewal Cloud Analysis Cost	Fees includes annual renewal, upgrades and ongoing support @ 10% annual rate	Annual fee @ \$7,200

Free Product Availability (Consumer incentive)	Customer Satisfaction Incentive, Free data collect to be implemented in a weekly generated report: consumer behavior and product preference	Free
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Appendix D
SALES FORECAST YEAR 1

Product Lines	Janua ry	Februa ry	Marc h	Apr il	May	June	July	Augus t	Septemb er	Octob er	Novemb er	Decemb er	Annual Totals	Category Breakdo wn	Category / Total
License / Subscription															
20 Sold	0	0	0	0	1	1	2	1	2	2	2	1	12		29.3%
Total Sales	-	-	-	-	72,000	72,000	144,000	72,000	144,000	144,000	144,000	72,000	\$ 864,000	100.0%	79.9%
Total COGS	-	-	-	-	25,000	25,000	50,000	25,000	50,000	50,000	50,000	25,000	\$ 300,000	34.7%	88.2%
Total Margin	-	-	-	-	47,000	47,000	94,000	47,000	94,000	94,000	94,000	47,000	\$ 564,000	65.3%	76.0%
Maintenance Cost															
20 Sold	0	0	0	0	0	1	0	1	0	2	0	1	5		12.2%
Total Sales	-	-	-	-	-	12,960	-	12,960	-	25,920	-	12,960	\$ 64,800	100.0%	6.0%
Total COGS	-	-	-	-	-	5,000	-	5,000	-	10,000	-	5,000	\$ 25,000	38.6%	7.4%
Margin	-	-	-	-	-	7,960	-	7,960	-	15,920	-	7,960	\$ 39,800	61.4%	5.4%
Installation / Implementation Cost															
20 Sold	0	0	0	0	1	1	2	1	2	2	2	1	12		29.3%
Total Sales	-	-	-	-	3,600	3,600	7,200	3,600	7,200	7,200	7,200	3,600	\$ 43,200	100.0%	4.0%
Total COGS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	0.0%	0.0%
Margin	-	-	-	-	3,600	3,600	7,200	3,600	7,200	7,200	7,200	3,600	\$ 43,200	100.0%	5.8%
Recurring / Renewal Cost															
20 Sold	0	0	0	0	0	0	0	0	0	0	0	0	0		0.0%
Total Sales	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	0.0%	0.0%
Total COGS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	0.0%	0.0%
Margin	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	0.0%	0.0%
Bodegas Exchange Program															
20 Sold	0	0	0	0	0	0	0	1	0	2	2	0	5		12.2%
Total Sales	-	-	-	-	-	-	-	15,000	-	30,000	30,000	-	\$ 75,000	100.0%	6.9%
Total COGS	-	-	-	-	-	-	-	3,000	-	6,000	6,000	-	\$ 15,000	20.0%	4.4%
Margin	-	-	-	-	-	-	-	12,000	-	24,000	24,000	-	\$ 60,000	80.0%	8.1%

Cloud Base Analysis															
20 Sold	0	0	0	0	0	1	1	1	0	2	2		7		17.1%
Total Sales	-	-	-	-	-	5,000	5,000	5,000	-	10,000	10,000	-	\$ 35,000	100.0%	3.2%
Total COGS	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	0.0%	0.0%
Margin	-	-	-	-	-	5,000	5,000	5,000	-	10,000	10,000	-	\$ 35,000	100.0%	4.7%
Total Units Sold	0	0	0	0	2	4	5	5	4	10	8	3	41		
Total Sales	\$ -	\$ -	\$ -	\$ -	\$ 75,600	\$ 93,560	\$ 156,200	\$ 108,560	\$ 151,200	\$ 217,120	\$ 191,200	\$ 88,560	\$ 1,082,000		
Total Cost of Goods Sold	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 30,000	\$ 50,000	\$ 33,000	\$ 50,000	\$ 66,000	\$ 56,000	\$ 30,000	\$ 340,000		
Total Margin	\$ -	\$ -	\$ -	\$ -	\$ 50,600	\$ 63,560	\$ 106,200	\$ 75,560	\$ 101,200	\$ 151,120	\$ 135,200	\$ 58,560	\$ 742,000		

SALES FORECAST YEAR 1- 3

Appendix E
OPERATIONAL EXPENSES YEAR 1

Expenses	January	February	March	April	May	June	July	August	September	October	November	December	Annual Totals
Advertising	1,000	1,200	1,200	-	-	-	1,200	-	-	-	1,200	1,200	7,000
Car and Truck Expenses	340	340	340	340	340	340	340	340	340	340	340	340	4,080
Insurance (other than health)	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Legal and Professional Services	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	1,500	34,500
Office Expense	1,200	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,200
Rent of Lease-- Other Business Property	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000
Travel, Meals and Entertainment	1,000	900	-	-	800	-	-	1,000	-	-	-	1,000	4,700
Utilities	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Total Expenses	\$ 14,290	\$ 14,190	\$ 13,290	\$ 12,090	\$ 12,890	\$ 12,090	\$ 13,290	\$ 13,090	\$ 12,090	\$ 12,090	\$ 13,290	\$ 12,790	\$ 155,480
Other Expenses													
Depreciation	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	19,429
Interest													
Commercial Loan	15,750	15,405	15,217	14,947	14,674	14,399	14,122	13,842	13,560	13,276	12,989	12,699	170,960
Line of Credit	-	210	455	455	455	455	455	455	455	455	455	455	4,755
Total Other Expenses	\$ 17,369	\$ 17,314	\$ 17,290	\$ 17,020	\$ 16,748	\$ 16,473	\$ 16,196	\$ 15,916	\$ 15,634	\$ 15,349	\$ 15,062	\$ 14,773	\$ 195,144
Total Fixed Operating Expenses	\$ 31,659	\$ 31,504	\$ 30,580	\$ 29,110	\$ 29,638	\$ 28,563	\$ 29,486	\$ 29,006	\$ 27,724	\$ 27,439	\$ 28,352	\$ 27,563	\$ 350,624

OPERATIONAL EXPENSES YEAR 1-5

Appendix F

INCOME STATEMENT YEAR 1

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec	Annual Totals
Revenue													
License / Subscription	-	-	-	-	72,000	72,000	44,000 ¹	72,000	144,000	44,000 ¹	4,000 ¹⁴	72,000	\$ 864,000
Maintenance Cost	-	-	-	-	-	12,960	-	12,960	-	25,920	-	12,960	\$ 64,800
Installation / Implementation Cost	-	-	-	-	3,600	3,600	7,200	3,600	7,200	7,200	7,200	3,600	\$ 43,200
Recurring / Renewal Cost	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Bodegas Exchange Program	-	-	-	-	-	-	-	15,000	-	30,000	0,000 ³	-	\$ 75,000
Cloud Base Analysis	-	-	-	-	-	5,000	5,000	5,000	-	10,000	0,000 ¹	-	\$ 35,000
Total Revenue	\$ -	\$ -	\$ -	\$ -	\$ 75,600	\$ 93,560	\$ 156,200	\$ 108,560	\$ 151,200	\$ 217,120	\$ 191,200	\$ 88,560	\$ 1,082,000
Cost of Goods Sold													
License / Subscription	-	-	-	-	25,000	25,000	50,000	25,000	50,000	50,000	0,000 ⁵	25,000	\$ 300,000
Maintenance Cost	-	-	-	-	-	5,000	-	5,000	-	10,000	-	5,000	\$ 25,000
Installation / Implementation Cost	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Recurring / Renewal Cost	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Bodegas Exchange Program	-	-	-	-	-	-	-	3,000	-	6,000	6,000	-	\$ 15,000
Cloud Base Analysis	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Total Cost of Goods Sold	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ 30,000	\$ 50,000	\$ 33,000	\$ 50,000	\$ 66,000	\$ 56,000	\$ 30,000	\$ 340,000
Gross Margin	\$ -	\$ -	\$ -	\$ -	\$ 50,600	\$ 63,560	\$ 106,200	\$ 75,560	\$ 101,200	\$ 151,120	\$ 135,200	\$ 58,560	\$ 742,000
Payroll	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 41,185	\$ 494,225
Operating Expenses													
Advertising	1,000	1,200	1,200	-	-	-	1,200	-	-	-	1,200	1,200	\$ 7,000
Car and Truck Expenses	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Commissions and Fees	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Contract Labor (Not included in payroll)	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Insurance (other than health)	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Legal and Professional Services	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	1,500	\$ 34,500
Licenses	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Office Expense	1,200	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	\$ 12,200
Rent or Lease -- Vehicles, Machinery, Equipment	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Rent or Lease -- Other Business													\$ 42,000

Summer 2020

Property	-	-	-	-	-	-	7,000	7,000	7,000	7,000	7,000	7,000	\$
Repairs and Maintenance	-	-	-	-	-	-	500	-	-	500	-	500	1,500
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	\$
Travel, Meals and Entertainment	1,000	900	-	-	800	-	-	1,000	-	-	-	1,000	4,700
Utilities	500	450	500	500	500	450	500	500	450	600	650	600	6,200
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	\$
Other Expense 1	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expense 2	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	\$ 6,700	\$ 6,550	\$ 5,700	\$ 4,500	\$ 5,300	\$ 4,450	\$ 13,200	\$ 12,500	\$ 11,450	\$ 12,100	\$ 12,850	\$ 12,800	\$ 108,100
Income (Before Other Expenses)	\$ (47,885)	\$ (47,735)	\$ (46,885)	\$ (45,685)	\$ 4,115	\$ 17,925	\$ 51,815	\$ 21,875	\$ 48,565	\$ 97,835	\$ 81,165	\$ 4,575	\$ 139,675
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortized Start-up Expenses	15,728	15,728	15,728	15,728	15,728	15,728	15,728	15,728	15,728	15,728	¹ 5,728	15,728	\$ 188,733
Depreciation	1,452	1,452	1,452	1,452	1,452	1,452	1,452	1,452	1,452	1,452	1,452	1,452	\$ 17,429
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Loan	7,763	7,664	7,564	7,464	7,362	7,260	7,156	7,052	6,947	6,841	6,734	6,626	\$ 86,432
Commercial Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	\$
Credit Card Debt	-	-	-	-	-	-	-	-	-	-	-	-	\$
Vehicle Loans	-	-	-	-	-	-	-	-	-	-	-	-	\$
Other Bank Debt	-	-	-	-	-	-	-	-	-	-	-	-	\$
Line of Credit	-	446	895	1,340	1,781	1,893	1,913	1,913	1,913	1,913	1,913	1,913	\$ 17,832
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	\$
Total Other Expenses	24,943	25,291	25,639	25,984	26,323	26,332	26,249	26,145	26,040	25,934	² 5,827	25,719	\$ 310,426
Net Income Before Income Tax	\$ (72,829)	\$ (73,026)	\$ (72,525)	\$ (71,670)	\$ (22,209)	\$ (8,408)	\$ 25,565	\$ (4,270)	\$ 22,525	\$ 71,901	\$ 55,338	\$ (21,144)	\$ (170,751)
Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Profit/Loss	\$ (72,829)	\$ (73,026)	\$ (72,525)	\$ (71,670)	\$ (22,209)	\$ (8,408)	\$ 25,565	\$ (4,270)	\$ 22,525	\$ 71,901	\$ 55,338	\$ (21,144)	\$ (170,751)

Summer 2020

NEAR YOU INC
INCOME STATEMENT 1- 5

INCOME					
	2022	2023	2024	2025	2026
Revenue					
License/Subscription	864,000.00	889,920.00	943,315.20	1,028,213.57	1,151,599.20
Installation/Implementation	43,200.00	44,496.00	47,165.76	51,410.68	57,579.96
Recurring/Renewal	14,400.00	101,232.00	411,001.92	1,680,997.85	1,882,717.60
Cloud Base Analysis	35,000.00	36,050.00	74,263.00	229,472.67	945,427.40
Bodega Exchange	60,000.00	61,800.00	65,508.00	71,403.72	79,972.17
Total revenue	1,016,600.00	1,133,498.00	1,541,253.88	3,061,498.49	4,117,296.32
Cost of Sales					
License/Subscription	432,000.00	440,640.00	458,265.60	485,761.54	524,622.46
Installation/Implementation	18,000.00	18,360.00	19,094.40	20,240.06	21,859.27
Cloud Base Analysis	30,000.00	30,600.00	31,824.00	33,733.44	36,432.12
Cost of goods sold	540,000.00	550,800.00	572,832.00	607,201.92	655,778.07
Gross Profit	476,600.00	582,698.00	968,421.88	2,454,296.57	3,461,518.24
Non-Operation Income					
Loss (gain) on sale of assets	-	-	1,000.00	-	-
Total Non-Operation Income	-	-	1,000.00	-	-
TOTAL INCOME	476,600.00	582,698.00	969,421.88	2,454,296.57	3,461,518.24
EXPENSES					
Operating expenses					
Sales and marketing	7,000.00	7,140.00	7,425.60	7,871.14	8,500.83
Depreciation	16,000.00	22,440.00	22,880.00	23,320.00	23,760.00
Insurance	7,500.00	7,650.00	7,956.00	8,433.36	9,108.03
Salaries	494,225.00	496,086.00	498,432.00	514,628.00	526,263.00
Utilities	6,200.00	6,324.00	6,576.96	6,971.58	7,529.30
Administrative fees	12,200.00	12,444.00	12,941.76	13,718.27	14,815.73
Interest expense on long-term debt	82,459.18	67,351.64	50,657.81	32,211.14	11,827.56
Other	1,000.00	1,020.00	1,060.80	1,124.45	1,214.40

Summer 2020

Total operating expenses	626,584.18	620,455.64	607,930.93	608,277.92	603,018.85
TOTAL EXPENSES	626,584.18	620,455.64	607,930.93	608,277.92	603,018.85
TAXES					
Income Tax	- 44,995.25	- 11,327.29	108,447.28	553,805.59	857,549.82
TOTAL TAXES	- 44,995.25	- 11,327.29	108,447.28	553,805.59	857,549.82
NET PROFIT	- 104,988.92	- 26,430.35	253,043.66	1,292,213.05	2,000,949.58

Appendix G

CASH FLOW FORECAST YEAR 1

Summer 2020

	Janu ary	Febru ary	Marc h	April	May	June	July	Aug ust	Septem ber	Octo ber	Novem ber	Decem ber	Totals
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,832	\$ 31,725	\$ 59,307	\$ 136,160	\$ 196,342	
Cash Inflows													
Cash Sales	-	-	-	-	7 5,600	93,5 60	1 56,2 00	1 08,5 60	151 ,200	2 17,12 0	191 ,200	88, 560	\$1,082 ,000
Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Total Cash Inflows	\$ -	\$ -	\$ -	\$ -	\$ 75,600	\$ 93,560	\$ 156,200	\$ 108,560	\$ 151,200	\$ 217,120	\$ 191,200	\$ 88,560	\$1,082,000
Cash Outflows													
Investing Activities													
New Fixed Asset Purchases	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Additional Inventory	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Cost of Goods Sold	-	-	-	-	2 5,000	30,0 00	50,0 00	33,0 00	50 ,000	6 6,000	56, 000	30, 000	\$ 340,000
Operating Activities													
Operating Expenses	6,700	6 ,550	5,700	4,500	5,300	4,45 0	13,2 00	12,5 00	11 ,450	1 2,100	12, 850	12, 800	\$ 108,100
Payroll	4 1,185	41 ,185	4 1,185	4 1,185	4 1,185	41,1 85	41,1 85	41,1 85	41 ,185	4 1,185	41, 185	41, 185	\$ 494,225
Taxes	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Financing Activities													
Loan Payments	1 9,069	19 ,069	1 9,069	1 9,069	1 9,069	19,0 69	19,0 69	19,0 69	19 ,069	1 9,069	19, 069	19, 069	\$ 228,831
Owners Distribution													\$ -
Line of Credit Interest		446	895	1,340	1,781	1,89 3	1,91 3	1,91 3	1 ,913	1,913	1, 913	1, 913	\$ 17,832
Line of Credit Repayments													\$ -
Dividends Paid													\$ -
Total Cash Outflows	\$ 66,955	\$ 67,251	\$ 66,849	\$ 66,095	\$ 92,336	\$ 96,597	\$ 125,368	\$ 107,668	\$ 123,618	\$ 140,268	\$ 131,018	\$ 104,968	\$1,188,988
Net Cash Flows	\$ (66,955)	\$ (67,251)	\$ (66,849)	\$ (66,095)	\$ (16,736)	\$ (3,037)	\$ 30,832	\$ 892	\$ 27,582	\$ 76,852	\$ 60,182	\$ (16,408)	\$ (106,988)
Operating Cash Balance	\$ (66,955)	\$ (67,251)	\$ (66,849)	\$ (66,095)	\$ (16,736)	\$ (3,037)	\$ 30,832	\$ 31,725	\$ 59,307	\$ 136,160	\$ 196,342	\$ 179,935	
Line of Credit Drawdown	\$ 66,955	\$ 67,251	\$ 66,849	\$ 66,095	\$ 16,736	\$ 3,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286,923
Ending Cash Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,832	\$ 31,725	\$ 59,307	\$ 136,160	\$ 196,342	\$ 179,935	
Line of Credit Balance	\$ 66,955	\$ 134,206	\$ 201,055	\$ 267,150	\$ 283,886	\$ 286,923	\$ 286,923	\$ 286,923	\$ 286,923	\$ 286,923	\$ 286,923	\$ 286,923	

CASH FLOW FORECAST TOTAL YEAR 1- 5

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Summer 2020

Operating activities	2022	2023	2024	2025	2026	Total
Net income	- 104,988.9 2	- 26,430.35	253,043. 66	1,292,213.0 5	2,000,949. 58	3,414,7 87.02
Depreciation	16,000. 00	22,440. 00	22,880. 00	23,320.0 0	23,760. 00	108,4 00.00
Total operating activities	- 88,988.92	- 3,990.35	275,923. 66	1,315,533.0 5	2,024,709. 58	3,523,1 87.02
Investing activities	2022	2023	2024	2025	2026	Total
Sale of fixed assets	-	-	- 1,000.00	-	-	- 1,000.00
Total investing activities	-	-	- 1,000.00	-	-	- 1,000.00
Financing activities	2022	2023	2024	2025	2026	Total
Long-term debt/financing	- 142,400.0 0	- 160,470.1 1	- 175,682.6 5	- 194,129.33	- 214,512.91	- 887,195.00
Common stock		-	-		37,945. 00	37,9 45.00
Total financing activities	- 142,400.0 0	- 160,470.1 1	- 175,682.6 5	- 194,129.33	- 176,567.91	- 849,250.00
Cumulative cash flow	- 231,388.9 2	- 164,460.4 6	99,241. 01	1,121,403.7 2	1,848,141. 67	2,672,9 37.02
Beginning cash balance	179,935. 00	- 51,453.92	- 215,914.3 8	- 116,673.37	1,004,730. 35	
Ending cash balance	- 51,453.92	- 215,914.3 8	- 116,673.3 7	1,004,730.3 5	2,852,872. 02	

Appendix H

Summer 2020

BALANCE SHEET YEARS 1- 5

ASSETS						
Current Assets	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Cash and short-term investments	179,935.00	- 51,453.92	- 215,914.38	- 116,673.37	1,004,730.35	2,852,872.02
Total inventory	550,000.00	550,000.00	550,000.00	550,000.00	550,000.00	550,000.00
Prepaid expenses	373,533.00	186,767.00	186,767.00	-	-	-
Total current assets	1,103,468.00	685,313.08	520,852.62	433,326.63	1,554,730.35	3,402,872.02
Property and Equipment	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Equipment	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00	80,000.00
Furniture and Fixtures	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
Less Accumulated depreciation expense	17,429.00	17,429.00	17,429.00	17,429.00	17,429.00	17,429.00
Total Property and Equipment	92,571.00	92,571.00	92,571.00	92,571.00	92,571.00	92,571.00
TOTAL ASSETS	1,196,039.00	777,884.08	613,423.62	525,897.63	1,647,301.35	3,495,443.02
LIABILITIES						
Debt	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Long-term debt/loan	887,195.00	744,795.00	584,324.89	408,642.24	214,512.91	-
Total Debt	887,195.00	744,795.00	584,324.89	408,642.24	214,512.91	-
Other Liabilities	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Line of Credit	286,923.00	286,923.00	286,923.00	286,923.00	286,923.00	286,923.00
Total Other Liabilities	286,923.00	286,923.00	286,923.00	286,923.00	286,923.00	286,923.00
TOTAL LIABILITIES	1,174,118.00	1,031,718.00	871,247.89	695,565.24	501,435.91	286,923.00
EQUITY						
	Initial	Year 1	Year 2	Year 3	Year 4	Year 5

Summer 2020

	balance					
Owner's equity (common)	175,000.00	175,000.00	175,000.00	175,000.00	175,000.00	175,000.00
Paid-in capital	158,105.00	158,105.00	158,105.00	158,105.00	158,105.00	158,105.00
Retained earnings	- 168,784.00	- 104,988.92	- 131,419.27	121,624.39	1,413,837.44	3,414,787.02
TOTAL EQUITY	164,321.00	228,116.08	201,685.73	454,729.39	1,746,942.44	3,747,892.02
TOTAL LIABILITIES AND EQUITY	1,338,439.00	1,259,834.08	1,072,933.62	1,150,294.63	2,248,378.35	4,034,815.02

Appendix I

LOAN AMORTIZATION

<i>MONTH</i>	<i>BALANCE</i>	<i>SCHEDULED PAYMENT</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>
	887,195.00			

Summer 2020

1	887,195.00	18,861.71	11,449.05	7,412.65
2	875,745.95	18,861.71	11,544.71	7,316.99
3	864,201.24	18,861.71	11,641.17	7,220.54
4	852,560.07	18,861.71	11,738.43	7,123.27
5	840,821.63	18,861.71	11,836.51	7,025.20
6	828,985.12	18,861.71	11,935.41	6,926.30
7	817,049.72	18,861.71	12,035.13	6,826.58
8	805,014.59	18,861.71	12,135.68	6,726.02
9	792,878.91	18,861.71	12,237.08	6,624.63
10	780,641.83	18,861.71	12,339.32	6,522.38
11	768,302.51	18,861.71	12,442.42	6,419.29
12	755,860.09	18,861.71	12,546.38	6,315.33
13	743,313.71	18,861.71	12,651.20	6,210.50
14	730,662.51	18,861.71	12,756.91	6,104.80
15	717,905.60	18,861.71	12,863.49	5,998.21
16	705,042.11	18,861.71	12,970.97	5,890.74
17	692,071.14	18,861.71	13,079.34	5,782.36
18	678,991.80	18,861.71	13,188.62	5,673.08
19	665,803.17	18,861.71	13,298.82	5,562.89
20	652,504.36	18,861.71	13,409.93	5,451.78
21	639,094.43	18,861.71	13,521.97	5,339.73
22	625,572.46	18,861.71	13,634.95	5,226.76
23	611,937.51	18,861.71	13,748.87	5,112.83
24	598,188.63	18,861.71	13,863.75	4,997.96
25	584,324.89	18,861.71	13,979.58	4,882.13
26	570,345.31	18,861.71	14,096.38	4,765.32
27	556,248.93	18,861.71	14,214.16	4,647.55

Summer 2020

28	542,034.77	18,861.71	14,332.92	4,528.78
29	527,701.85	18,861.71	14,452.67	4,409.03
30	513,249.17	18,861.71	14,573.43	4,288.28
31	498,675.74	18,861.71	14,695.19	4,166.51
32	483,980.55	18,861.71	14,817.97	4,043.73
33	469,162.58	18,861.71	14,941.78	3,919.93
34	454,220.80	18,861.71	15,066.62	3,795.09
35	439,154.18	18,861.71	15,192.50	3,669.20
36	423,961.68	18,861.71	15,319.44	3,542.27
37	408,642.24	18,861.71	15,447.44	3,414.27
38	393,194.80	18,861.71	15,576.50	3,285.20
39	377,618.30	18,861.71	15,706.65	3,155.06
40	361,911.65	18,861.71	15,837.88	3,023.83
41	346,073.78	18,861.71	15,970.21	2,891.50
42	330,103.57	18,861.71	16,103.64	2,758.07
43	313,999.93	18,861.71	16,238.19	2,623.52
44	297,761.75	18,861.71	16,373.86	2,487.85
45	281,387.89	18,861.71	16,510.67	2,351.04
46	264,877.22	18,861.71	16,648.61	2,213.09
47	248,228.61	18,861.71	16,787.72	2,073.99
48	231,440.89	18,861.71	16,927.98	1,933.72
49	214,512.91	18,861.71	17,069.42	1,792.29
50	197,443.49	18,861.71	17,212.03	1,649.67
51	180,231.46	18,861.71	17,355.84	1,505.86
52	162,875.61	18,861.71	17,500.85	1,360.85
53	145,374.76	18,861.71	17,647.08	1,214.63
54	127,727.68	18,861.71	17,794.52	1,067.18

Summer 2020

55	109,933.16	18,861.71	17,943.20	918.51
56	91,989.97	18,861.71	18,093.11	768.59
57	73,896.85	18,861.71	18,244.29	617.42
58	55,652.57	18,861.71	18,396.72	464.99
59	37,255.85	18,861.71	18,550.43	311.28
60	18,705.42	18,861.71	18,705.42	156.29

Appendix J

General Assumptions Year I

General Financing Assumptions	Value
Owner's Cash Injection into the Business	14.8%
Cash Request as percent of Total Required Funds	0.0%
Loan Assumptions	Value
Commercial Loan Interest rate	10.5%
Commercial Loan Term in Months	60

Summer 2020

Commercial Mortgage Interest rate	9.0%
Commercial Mortgage Term in Months	240
Debt-Service Coverage	-14.9%
Income Statement	Value
Gross Margin as a Percent of Sales	68.6%
Owner's Compensation Lower Limit Check	\$ 84,989
Owner's Compensation Upper Limit Check	-49.8%
Advertising Expense Levels as a Percent of Sales	0.6%
Profitability Levels	\$ (170,751)
Profitability as a Percent of Sales	-15.8%
Cash Flow Statement	Value
Desired Operating cash Flow Levels	\$ 286,923
Line of Credit Drawdowns	\$ 286,923
Accounts Receivable Ratio to Sales	0.0%
Balance Sheet	Value
Debt to Equity Ratio	613.2%
Breakeven Analysis	Value
No Breakeven Year I	\$ 26,223

Disclaimer