

# Distillery Market Entry: A Sample Business Plan Template

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Heritage Oak Distilling Co. | Delaware C-Corp | Founded Q2 2024 | Asheville, NC | James Calloway (ex-BrewDog brand manager; launched 2 regional beer brands generating \$3.2M cumulative revenue) | Producing premium bourbon/rye at \$55-\$60/bottle, targeting \$384,000 Year 1 revenue | October 2024

## SECTION 1: EXECUTIVE SUMMARY

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US craft distilleries lose \$210M annually due to 18-24 month aging cycles requiring upfront capital for unsellable inventory (DISCUS 2023). Heritage Oak solves this by launching unaged corn whiskey (\$39.99/bottle) in Month 3 to generate cash flow while aging bourbon. We use 100% NC grains within 50 miles (Green Valley Farms contract at \$1.80/lb corn) and Appalachian oak barrels (\$320/unit), achieving 52% gross margins in Year 1 versus industry average of 48% for new distilleries (Beverage Dynamics 2023).

We sell direct-to-consumer (\$54.99 bourbon, \$59.99 rye), tasting room experiences (\$15-\$25/person), and wholesale (\$44.00/bottle to distributors). Target customers: 35-55yo professionals spending \$120+/month on spirits (NielsenIQ). Year 1 revenue: \$384,000 with 52% gross margin. Break-even at 8,700 bottles (Month 22) based on \$32.50 contribution margin per bottle and \$282,000 annual fixed costs.

Seeking \$850,000: \$500,000 equity (58.8% of total), \$350,000 SBA 504 loan (41.2%). Funds deploy to \$790,000 startup costs (92.9%) and \$60,000 contingency (7.1%). Milestones: TTB permit (Month 1), first unaged spirit revenue (Month 3), 15 ABC Fine Wine & Spirits listings (Month 10). Projected 3.2x ROI by Year 5 based on \$4.2M revenue and 18% net margins.

## SECTION 2: COMPANY OVERVIEW

Delaware C-Corp (optimal for VC exit; 37% lower franchise tax vs NC LLC per PwC 2023 study) with NC operational registration. Leased 5,000 sq. ft. facility in Asheville River Arts District (zoned M-2 manufacturing; \$16/sq. ft. annual rent vs \$22 city average) secured through Buncombe County industrial incentive program.

James Calloway (CEO): Grew BrewDog Asheville from \$0 to \$1.4M revenue in 18 months; 2022 NC Craft Beverage Marketer of the Year. Elena Ruiz (COO): Produced 12,000 proof gallons/year at Ole Smoky; DISCUS Master Distiller certification #2023-441. Michael Travers (CFO): Managed \$2.1M SBA loan for Carolina Kombucha; reduced COGS 14% via inventory optimization.

Date	Milestone	Status	Next Steps
2024-04	Delaware C-Corp formation	Complete	NC Secretary of State registration (due 2024-10-15)
2024-06	TTB DSP permit application	In progress	Submit facility diagrams by 2024-10-30
2024-08	Lease execution (123 Riverside Dr)	Complete	Buildout completion by 2025-01-15
2024-10	Angel term sheet signed	Pending	Close \$500k equity by 2024-11-30
2025-01	Distillation equipment installation	Planned	TTB inspection by 2025-02-01
2025-03	First unaged corn whiskey revenue	Planned	Secure 3 Asheville bar accounts by 2025-02-15
2025-06	DTC e-commerce launch	Planned	ShipCompliant integration by 2025-05-01
2025-12	25,000 proof gallons produced	Planned	Expand barrel inventory to 300 units

## SECTION 3: MARKET ANALYSIS

TAM: \$1.8B US craft spirits market (2023 ACSA data). SAM: \$190M Southeast premium bourbon/rye segment (NC, SC, GA, TN, VA; 10.5% CAGR per IWSR). SOM: \$28M Western NC market; targeting 1.4% (\$392,000) in Year 1 based on 5 tasting room locations within 100 miles (Asheville has 42 distilleries; average revenue \$410k/year per ACSA).

Target customers: 30-55yo household income \$75k+ (287,000 in Western NC per ESRI). Spend \$95/month on spirits; 68% pay premium for local sourcing (NielsenIQ 2023). Primary purchase channels: tasting rooms (42%), ABC stores (33%), direct online (15%). Willing to pay \$55-\$65 for 750ml craft bourbon with traceable grain source.

Key trends: 1) DTC growth at 22% CAGR (ShipCompliant 2023); 2) Sustainability premium: 57% pay 15% more for regenerative agriculture (Mintel); 3) Experience-driven: 54% visit distilleries annually (DISCUS); 4) Bourbon dominance: 61% of craft spirit sales (IWSR).

Segment	Size (\$)	Growth Rate	Our Share Target	Rationale
Asheville tasting room	8,200,000	9.2%	2.1%	42 distilleries; we target 150 visitors/week @ \$22 avg spend
NC ABC stores	62,000,000	7.8%	0.3%	15 store listings by Year 2; \$18k/store/year avg revenue
Regional restaurants	48,000,000	11.1%	0.5%	25 accounts by Year 2; \$24k/account/year revenue
DTC e-commerce	72,000,000	22.0%	0.4%	ShipCompliant data shows avg new distillery DTC revenue: \$120k/Year 1

Category	Total Addressable	Serviceable Available	Serviceable Obtainable	Methodology
US craft spirits	1,800,000,000	190,000,000	392,000	TAM: ACSA 2023; SAM: Southeast bourbon/rye per IWSR; SOM: 1.4% of SAM based on 5 distillery competitors in radius

## SECTION 4: COMPETITIVE ANALYSIS

Market has 42 distilleries within 100 miles of Asheville. Top competitors: Troy & Sons (\$1.2M revenue est., 8% local market share), Ole Smoky (\$45M revenue, 32% tourism share), Durham Distillery (\$2.8M revenue, strong urban branding). Weaknesses: Troy & Sons lacks DTC platform; Ole Smoky uses industrial grains; Durham has no aging warehouse capacity.

Competitive advantages: 1) Hyper-local grains (3 NC farms under \$1.85/lb contract vs \$2.10 industry avg); 2) Climate-optimized aging (Asheville's 40F-85F temp swings accelerate maturation by 18% per UC Davis study); 3) Tasting room revenue per sq. ft.: \$480 vs \$320 regional avg; 4) DTC compliance via ShipCompliant integration (saves \$18k/yr vs manual).

Competitor	Revenue Est.	Pricing	Key Strength	Key Weakness	Our Differentiation
Troy & Sons	1,200,000	\$49.99 bourbon	Local heritage brand	No e-commerce; 12-month aging cycle	ShipCompliant DTC; unaged spirit cash flow
Ole Smoky	45,000,000	\$34.99 moonshine	Tourism volume (1.2M visitors/yr)	Non-local grains; mass-market positioning	100% NC grains; premium price point
Durham Distillery	2,800,000	\$52.99 gin	Urban location	No barrel aging capacity	On-site 1,200 sq. ft. warehouse
Resurgence	950,000	\$47.99 bourbon	Veteran branding	Limited distribution	Carolina Beverage Group partnership
Woodford Reserve	320,000,000	\$39.99 bourbon	National distribution	Non-craft perception	Transparency: batch #, grain source

Strengths	Weaknesses	Opportunities	Threats
1. Master Distiller with 12yr experience	1. 2.5yr aging cycle for bourbon	1. NC ABC DTC expansion (2025)	1. Grain price volatility (+18% 2023)
2. TTB permit secured	2. Limited initial distribution	2. Regenerative ag tourism grants	2. New distillery license cap (NC)
3. 5,000 sq. ft. integrated facility	3. \$350k debt service	3. ShipCompliant state expansion	3. Federal excise tax increase

4. 3 farm supply contracts	4. No brand recognition	4. Asheville tourism growth (7.2% CAGR)	4. Competitor price war
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## SECTION 5: PRODUCTS & SERVICES

Core products: 1) Heritage Oak Unaged Corn Whiskey (70% NC corn, 30% barley; 40% ABV; \$39.99/750ml; ready Month 3). 2) Small Batch Bourbon (70% corn, 20% rye, 10% barley; 2.5yr aging; 45% ABV; \$54.99). 3) Appalachian Rye (65% rye; 2yr aging; 47% ABV; \$59.99). All use copper pot distillation, Asheville water, and proprietary yeast strain NC-2024-07.

Pricing set 12% above Troy & Sons based on 2.5yr aging (vs 1yr) and local grain premium. Wholesale price: \$44.00/bottle (20% distributor margin). Tasting room: \$22 avg spend (4-drink flight + merch). Gross margin: 52% Year 1 (unaged spirits drive early margin), rising to 62% by Year 3 as aged inventory sells.

Tier	Price	Features	Target Customer	Expected % Rev	Gross Margin
Unaged Corn Whiskey	\$39.99	Ready Month 3; NC corn	New customers; bars	35%	58%
Small Batch Bourbon	\$54.99	2.5yr aging; #3 char	Core consumers	40%	52%
Appalachian Rye	\$59.99	2yr aging; ex-bourbon finish	Whiskey connoisseurs	15%	50%
Tasting Room	\$15-\$25	4-drink flight; tour	Tourists; locals	10%	78%

Metric	Value	Calculation/Notes
Price per bottle	\$52.50	Weighted avg: $(35\% \times \$39.99) + (40\% \times \$54.99) + (15\% \times \$59.99) + (10\% \times \$22)$
COGS per bottle	\$25.20	Grains \$6.80 + Barrel \$13.33 + Labor \$3.10 + Bottle \$1.97
Gross Profit	\$27.30	$\$52.50 - \$25.20$
Gross Margin	52%	$\$27.30 / \$52.50$
CAC	\$45.00	\$60k marketing / 1,333 customers

LTV	\$210.00	\$52.50 <i>1.4 purchases/year</i> 2.8 years / 10% churn
LTV:CAC	4.67	\$210 / \$45
Payback Period	9.2 months	\$45 CAC / (\$27.30 GM * 1.4 purchases/yr)

## SECTION 6: MARKETING & SALES

Go-to-market: 1) Tasting room (40% of Year 1 revenue): 150 visitors/week @ \$22 avg spend. 2) Digital: Google Ads targeting "craft bourbon Asheville" (CPC \$2.80; 1,071 clicks/month at \$2,500 budget). 3) Wholesale: Carolina Beverage Group distributor (20% commission; targets 25 accounts by Year 2). 4) DTC: ShipCompliant platform (launch Month 6; 28-state compliance).

Sales cycle: 21 days avg. Stages: Awareness (Google/Instagram; 15% conversion to email list), Engagement (tasting room visit; 35% conversion), Purchase (bottle sale; 65% close rate), Retention (Oak Society club; 22% repeat rate). Wholesale cycle: 90 days (distributor pitch to shelf placement).

Retention: Oak Society subscription (\$99/month; 2 bottles + events). Target churn: 8% monthly (vs 12% craft spirits avg). Tactics: Birthday bottle (\$22 cost), limited releases (500-bottle batches), barrel selection events (\$75/person). Expansion revenue: 35% from club members.

Channel	Monthly Budget	Expected CAC	Expected Leads/Month	Conversion Rate	Expected Customers/Month	ROI
Google Ads	\$2,500	\$23.50	1,071	4.2%	45	2.8x
Instagram	\$1,200	\$36.00	333	3.0%	10	1.5x
Tasting Room	\$0	\$8.00	600	65%	390	8.8x
Influencers	\$800	\$40.00	20	2.5%	5	1.2x
Wholesale	\$500	\$120.00	4	25%	1	0.9x

Month	Google Ads	Social Media	Content/SEO	Events	Other	Total	Expected Leads	Expected Customers
1	2,500	500	1,000	0	500	4,500	1,304	52
2	2,500	800	1,000	0	500	4,800	1,434	57
3	2,500	1,000	1,000	1,500	500	6,500	1,634	65
4	2,500	1,000	1,000	2,000	500	7,000	1,734	69
5	2,500	1,000	1,000	2,000	500	7,000	1,734	69
6	2,500	1,200	1,000	2,500	500	7,700	1,884	75
7	2,500	1,200	1,000	2,500	500	7,700	1,884	75
8	2,500	1,200	1,000	3,000	500	8,200	1,984	79
9	2,500	1,200	1,000	3,000	500	8,200	1,984	79
10	2,500	1,200	1,000	3,500	500	8,700	2,084	83
11	2,500	1,200	1,000	3,500	500	8,700	2,084	83
12	2,500	1,200	1,000	4,000	500	9,200	2,184	87

## SECTION 7: OPERATIONS

Daily workflow: Grain milling (6am), fermentation (8am-4pm), distillation (4pm-10pm). Production capacity: 3 batches/week (1,500 gal/year Year 1). Aging: 200 barrels (Year 1); 300 by Year 2. Bottling: Bi-weekly runs (semi-auto filler; 120 bottles/hour). Tasting room: 4 days/week; 2 staff (1 bartender, 1 server). Compliance: Daily TTB logs; monthly inventory audits.

Technology: NetSuite (\$1,100/month) for production tracking; Shopify Plus (\$2,000 setup + \$299/month) with ShipCompliant (\$1,200/year); StillDragon sensors (\$4,500 one-time) for real-time still monitoring. Backup systems: Manual logbooks; secondary grain supplier (Blue Ridge Farms).

Vendor/Supplier	Service	Monthly Cost	Contract Terms	Backup Option
Green Valley Farms	NC corn/barley	\$1,500	12-mo fixed price	Blue Ridge Farms
Independent Stave	Charred oak barrels	\$2,667	Prepaid Year 1	Local cooperage (waiting list)
Carolina Glass	Bottles/labels	\$1,250	Net 30	Atlanta Packaging
Carolina Beverage	Distribution	20% commission	Terminable 60 days	Direct ABC store sales
Asheville Utilities	Natural gas	\$850	Month-to-month	Propane conversion

Tool	Purpose	Monthly Cost	Users	Alternatives Considered
NetSuite	ERP/Inventory	\$1,100	3	Odoo (rejected: no TTB module)
Shopify Plus	E-commerce	\$299	2	BigCommerce (rejected: \$450/mo)
ShipCompliant	DTC compliance	\$100	1	Manual (rejected: \$18k/yr labor)
StillDragon Suite	Distillation monitoring	\$0	1	Manual gauges (rejected: 22% error rate)
HubSpot	CRM	\$800	2	Mailchimp (rejected: no sales pipeline)

## SECTION 8: MANAGEMENT TEAM

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Flat structure: CEO (operations/marketing), COO (production/compliance), CFO (finance/strategy). Salaries: CEO \$95k, COO \$90k, CFO \$105k (benchmarked to NC food/beverage roles via Salary.com). No bonuses until Year 2 profitability. Equity: 10% option pool vesting over 4 years.

Advisory board: David Chen (ex-DISG CEO; 0.5% equity; guides TTB compliance), Sarah Jennings (NC State Fermentation Lab; \$150/hr; yeast strain development).

Month	Role	Salary	Priority	Source	Onboarding Time
1	Distillery Assistant	\$38,000	High	DISCUS job board	45 days
3	Tasting Room Bartender	\$34,000	High	Asheville Hospitality Group	30 days
6	Sales Rep (wholesale)	\$52,000 + 5% commission	Medium	Carolina Beverage referral	60 days
9	Distillery Assistant #2	\$38,000	Medium	DISCUS job board	45 days

## SECTION 9: FINANCIAL PLAN

Key assumptions: 1) 8,700 bottles sold Year 1 (725/month); 2) 150 tasting room visitors/week @ \$22 avg; 3) 25% wholesale revenue growth Year 2; 4) 10% monthly customer churn; 5) \$25.20 COGS/bottle; 6) \$45 CAC; 7) 5.5% SBA loan interest; 8) 25% effective tax rate.

Revenue streams: 1) Direct bottle sales (70% of revenue); 2) Tasting room (10%); 3) Events (10%); 4) Wholesale (10%). Growth drivers: DTC expansion (28 states by Month 6), Oak Society subscriptions (target 85 members by Year 1), ABC Fine Wine listings (15 stores by Month 10).

Cost structure: 48% fixed costs (\$282k/year: rent \$4k, salaries \$22k, loan \$3.75k, software \$2.2k), 52% variable (\$198k: COGS \$151k, marketing \$58k, commissions \$35k). Fixed costs grow 3% annually; variable costs scale 1:1 with revenue.

Funding: \$850k total (\$500k equity, \$350k SBA loan). Covers \$790k startup costs + \$60k contingency. Provides 26 months runway to Month 26 break-even. Milestones: TTB permit (Month 1), first revenue (Month 3), 15 ABC listings (Month 10), DTC launch (Month 6).

C: Item	Cost	Notes
Legal/Flavor incorporation	1,500	Wilson Sonsini quote
Licenses/PPA application	2,000	TTB fee schedule
Licenses/ABC Distiller Permit	10,000	NC ABC fee schedule
Equipment 500 gallon copper still	185,000	American Stillage Co. quote
Equipment fermenters	75,000	SS quote
Equipment bottling line	45,000	Used equipment

Technical Site setup	8,500	Implementer fee
Technical Site Plus setup	2,000	Developer cost
Initial Inventory 200 barrels	64,000	\$320/barrel
Initial Inventory Grain (6 months)	18,000	\$1.80/lb corn
Initial Inventory Bottles/labels	15,000	Carolina Glass quote
Marketing Launch Website/branding	25,000	Agency contract
Working Capital 6 months operating cash	41,000	Based on OpEx model
Insurance 12 month policy	18,000	Travelers quote
Professional Fees Attorney law counsel	15,000	Moore & Van Allen estimate
Contingency costs Unplanned	60,000	7.6% of total
<b>TOTAL</b>	<b>790,000</b>	

C Type	Monthly Cost	Annual Cost	Notes
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Refixed	6,667	80,000	\$16/sq. ft. on 5,000 sq. ft.
Salaries	22,000	264,000	3 FTE @ avg \$7,333
Benefits	4,400	52,800	20% of payroll
Insurance	1,500	18,000	General liability
Software	2,200	26,400	NetSuite, Shopify, HubSpot
Utilities	1,200	14,400	Gas/water
Marketing	5,000	60,000	Per channel plan
Professional Services	1,250	15,000	Accounting
Supplies	1,500	18,000	Lab/cons
Travel	500	6,000	Sales meetings
Loan Payments	3,750	45,000	SBA 504 @ 5.5% over 10 years
Other	1,000	12,000	Contingency
Fixed Total	37,517	450,200	
Variable Total	7,500	90,000	

Combined Total	45,017	540,200
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Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Year 1 Total
Revenue	0	0	16,000	28,000	32,000	38,000	42,000	45,000	48,000	52,000	55,000	58,000	384,000
COGS	0	0	6,880	12,040	13,760	16,340	18,060	19,350	20,640	22,360	23,650	25,000	198,320
Gross Profit	0	0	9,120	15,960	18,240	21,660	23,940	25,650	27,360	29,640	31,350	33,060	185,680
Marketing	4,500	4,800	6,500	7,000	7,000	7,700	7,700	8,200	8,200	8,700	8,700	9,200	90,000
Salaries	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Rent	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	6,667	80,000
Software	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	26,400
Insurance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Other OpEx	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000
Total OpEx	39,617	39,917	41,617	42,117	42,117	42,817	42,817	43,317	43,317	43,817	43,817	44,317	512,400
EBITDA	-39,617	-39,917	-32,497	-26,157	-23,877	-21,157	-18,877	-17,667	-15,957	-14,177	-12,467	-11,257	-326,720
Depreciation	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
EBIT	-45,117	-45,417	-37,997	-31,657	-29,377	-26,657	-24,377	-23,167	-21,457	-19,677	-17,967	-16,757	-392,720
Interest	1,604	1,599	1,594	1,589	1,584	1,579	1,574	1,569	1,564	1,559	1,554	1,549	18,990
Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	-46,721	-47,016	-39,591	-33,246	-30,961	-28,236	-25,951	-24,736	-23,021	-21,236	-19,521	-18,306	-411,710

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Beginning Cash	850,000	803,279	756,263	716,672	683,426	652,465	624,229	598,278	573,542	550,521	529,285	509,764
Cash In	0	0	16,000	28,000	32,000	38,000	42,000	45,000	48,000	52,000	55,000	58,000
Funding	850,000	0	0	0	0	0	0	0	0	0	0	0
Total Cash In	850,000	0	16,000	28,000	32,000	38,000	42,000	45,000	48,000	52,000	55,000	58,000
Cash Out	46,721	47,016	55,591	61,246	62,961	66,236	68,951	70,736	71,021	71,236	70,521	70,306

Total Cash Out	46,721	47,016	55,591	61,246	62,961	66,236	68,951	70,736	71,021	71,236	70,521	70,306
Net Cash Flow	803,279	-47,016	-39,591	-33,246	-30,961	-28,236	-26,951	-25,736	-23,021	-19,236	-15,521	-12,306
Ending Cash	803,279	756,263	716,672	683,426	652,465	624,229	598,278	573,542	550,521	529,285	509,764	497,458

Metric	Y1	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	Y3 Q1	Y3 Q2	Y3 Q3	Y3 Q4	Y3 Total
Revenue	384,000	240,000	265,000	290,000	315,000	345,000	375,000	405,000	435,000	1,560,000
COGS	198,320	117,600	130,350	142,100	154,350	169,050	183,750	198,450	213,150	764,400
Gross Profit	185,680	122,400	134,650	147,900	160,650	175,950	191,250	206,550	221,850	795,600
OpEx	512,400	128,100	128,100	128,100	128,100	128,100	128,100	128,100	128,100	512,400
EBITDA	-326,720	-5,700	6,550	19,800	32,550	47,850	63,150	78,450	93,750	283,200
Net Income	-411,710	-15,000	-3,000	10,000	23,000	38,000	53,000	68,000	83,000	242,000
Ending Cash	497,458	472,458	469,458	479,458	492,458	530,458	583,458	651,458	734,458	734,458

Metric	Value	Calculation
Monthly Fixed Costs	28,200	OpEx \$45,017 - Variable \$7,500 - COGS \$9,317 (fixed portion)
Variable Cost per Unit	25.20	COGS breakdown
Price per Unit	52.50	Weighted average
Contribution Margin per Unit	27.30	\$52.50 - \$25.20
Contribution Margin %	52%	\$27.30 / \$52.50
Break-Even Units per Month	1,033	\$28,200 / \$27.30
Break-Even Revenue per Month	54,233	1,033 * \$52.50

Expected Break-Even Month	22	Per cash flow projection
Safety Margin	15.2%	(1,200 units - 1,033) / 1,200 (Year 1 avg)

Metric	Y1	Y2	Y3	Industry Benchmark
Gross Margin %	52%	58%	62%	50% (new distilleries)
Operating Margin %	-107%	-2%	15%	-40% (Year 1)
Net Profit Margin %	-107%	-1%	15%	-35% (Year 1)
Current Ratio	1.2	1.8	2.5	1.0 (minimum)
Quick Ratio	0.9	1.5	2.1	0.8 (minimum)
CAC Payback	9.2 mo	6.8 mo	5.1 mo	12 mo (beverage)
LTV:CAC Ratio	4.67	6.25	8.10	3.0 (healthy)
Monthly Burn Rate	34,309	1,250	-20,167	N/A
Runway (months)	26	376	Infinite	18 (min safe)

## SECTION 10: RISK ANALYSIS

Top risks: 1) Grain price volatility (Probability 4/5; Impact \$42k loss at +20% corn prices); 2) Aging inventory cash drain (Probability 5/5; Impact \$185k revenue delay); 3) DTC regulation changes (Probability 3/5; Impact \$120k revenue loss); 4) TTB compliance failure (Probability 2/5; Impact 6-month shutdown).

Mitigation: 1) Fixed-price contracts with 3 farms (Green Valley, Blue Ridge, Hickory Farms) covering 100% Year 1 needs; 2) Launch unaged corn whiskey Month 3 generating \$16k revenue; 3) ShipCompliant real-time state law monitoring; 4) Weekly TTB checklist audits by COO Ruiz.

Risk	Probability	Impact	Risk Score	Mitigation Strategy	Contingency Plan	Owner
Grain price volatility	4	4	16	3 farm contracts @ \$1.85/lb max	Switch to sorghum (20% lower yield)	CFO
Aging inventory cash drain	5	5	25	Unaged spirit launch Month 3	Bridge loan (pre-approved \$100k)	CEO
DTC regulation change	3	4	12	ShipCompliant integration	Pause DTC; focus on tasting room	COO
TTB compliance failure	2	5	10	Weekly audit logs	Hire DISCUS consultant (\$200/hr)	COO
Distributor underperformance	3	3	9	Carolina Beverage KPIs	Sell direct to ABC stores	CEO
Production contamination	2	4	8	HACCP protocols; backup yeast	Discard batch (max \$5k loss)	COO
Key personnel loss	2	5	10	20% equity pool; non-competes	DISCUS job board recruitment	CEO
Excise tax increase	3	3	9	Lobby via NC Distillers Guild	Price increase (5% max)	CFO

## SECTION 11: IMPLEMENTATION TIMELINE

Critical path: TTB permit (3 months), equipment installation (2 months), first revenue (Month 3). Dependencies: TTB approval before equipment installation; distributor contract before wholesale launch. Key Year 1 priorities: Achieve 150 tasting room visitors/week by Month 6; secure 15 ABC Fine Wine listings by Month 10; maintain \$45 CAC.

Month	Milestone	Deliverables	Resources Needed	Success Metric	Owner
1	TTB permit approval	DSP permit #	\$12k fees; legal docs	Permit issued	COO
2	Facility buildout	Plumbing/electrical	\$220k budget; contractors	TTB inspection pass	CFO
3	First revenue	Unaged whiskey sales	3 bar accounts; inventory	\$16k revenue	CEO
4	Website launch	Shopify store	\$2k dev cost	100 email signups	CFO
5	Tasting room opening	Staff training	2 employees; NC ABC	100 visitors/week	COO
6	DTC launch	ShipCompliant integration	\$1.2k fee	28-state compliance	CFO
7	First bourbon batch	Barrel filling	20 barrels; grains	2,000 gal produced	COO
8	Oak Society launch	Subscription platform	HubSpot setup	25 members	CEO
9	ABC Fine Wine listing	1st store placement	Distributor contract	\$1,500 store revenue	CEO
10	15 ABC listings	Regional distribution	Sales rep hired	\$18k/store revenue	CEO
11	Break-even projection	Cash flow positive	8,700 bottles sold	\$54k monthly revenue	CFO
12	Year 1 review	Financial audit	CPA services	95% budget accuracy	CFO