

# Tea shop Market Entry: A Sample Business Plan Template

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Evergreen Tea Co., Delaware C-Corp founded March 2024, operates a 1,800 sq ft retail location in Portland's Pearl District (lease \$4,200/month) and e-commerce platform. Founder Maya Patel (ex-Director of Product at Rishi Tea, scaled revenue from \$800K to \$4.2M in 3 years) leads the company targeting \$750K Year 1 revenue at 60% gross margin through premium loose-leaf tea sales (\$12-\$28/tin) and tea bar beverages (\$4.50-\$7.50/drink). Business plan dated October 2024.

## SECTION 1: EXECUTIVE SUMMARY

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US specialty tea retailers lose \$210M annually due to undifferentiated offerings and poor customer retention (SPINS 2023). Evergreen Tea Co. solves this by combining hyper-local sourcing (20% Oregon-grown herbs), science-backed functional blends (e.g., "Willamette Calm" with ashwagandha), and zero-waste operations. We charge \$24/tin for signature blends (35% markup from \$15.80 landed cost) targeting urban professionals earning \$75K+ who spend \$120/month on premium beverages (Mintel 2023).

Revenue model: 50% retail (\$375K Year 1), 25% tea bar (\$187.5K), 15% subscriptions (\$112.5K), 10% accessories (\$75K). Gross margin 60% (\$450K gross profit on \$750K revenue) with \$300K COGS. Fixed costs \$415K/year. Break-even at \$57,638 monthly revenue achieved Month 10. Year 1 net profit \$35K (4.7% margin) scaling to 12.3% by Year 3.

Seeking \$450K funding: \$150K founder equity, \$150K angel (15% equity), \$150K SBA 7(a) loan (7% interest, 10-year term). Funds deploy to: leasehold improvements (\$120K), equipment (\$85K), inventory (\$45K), working capital (\$120K). Milestones: 1,200 sq ft retail launch (Month 1), 500 e-commerce customers (Month 6), 5 wholesale accounts (Month 18). Projected 3.2x ROI by Year 5 exit.

## SECTION 2: COMPANY OVERVIEW

Delaware C-Corp (foreign qualified in Oregon) chosen for investor familiarity and Series A readiness. Portland location selected due to #2 US city for per-capita tea consumption (18.7 lbs/year vs national 8.2 lbs) and 24% higher willingness-to-pay for sustainable products (Portland State University 2023). Ownership: Maya Patel 60%, James Carter 25%, Pacific Northwest Ventures 15% (\$150K investment).

Maya Patel (CEO): Drove 32% revenue growth at Rishi Tea (2020-2023) through direct trade sourcing, reducing COGS from 45% to 38%. James Carter (COO): Managed 12-unit café chain with \$2.1M revenue, achieving 22% labor efficiency through optimized scheduling. Dr. Elena Ruiz (Tea Master): Developed 17 award-winning blends at Ippodo Tea, reducing waste by 18% via precision blending.

Date	Milestone	Status	Next Steps
Mar 2024	Business registration complete	Done	N/A
Apr 2024	Lease signed (900 NW 10th Ave)	Done	N/A
Jun 2024	Angel term sheet executed	Done	N/A
Aug 2024	SBA pre-approval secured	Done	Final loan docs by Oct 30
Oct 2024	Build-out completion	In Progress	Pass health inspection by Nov 15
Nov 2024	Grand opening	Planned	Hit 150 daily customers by Month 3
May 2025	500 e-commerce customers	Planned	Launch ReCharge subscription by Dec 1
Feb 2026	5 wholesale accounts	Planned	Secure Jupiter Hotel contract by Jan 2025

## SECTION 3: MARKET ANALYSIS

TAM: \$11.2B (US total tea market, Statista 2023). SAM: \$4.2B (specialty tea segment, 37.5% of TAM). SOM: \$18.6M (Portland metro premium tea market: 2.4M population x 68% tea drinkers x 42% premium buyers x \$11.50 avg monthly spend = \$18.6M/year). Methodology: SPINS retail data + US Census demographics + primary survey of 300 Portland residents.

Primary customer: 32-year-old female professional earning \$87,500/year, spends \$105/month on tea, shops at New Seasons Market, attends 2 yoga classes/week. Buys tea for stress relief (68% cite), prefers loose-leaf (57%), willing to pay 22% premium for organic certification (Mintel 2023). Secondary: 28-year-old male tech worker (\$112K income) seeking nootropic blends, spends \$85/month.

Key trends: Functional teas growing at 14% CAGR (Grand View Research 2023); 57% of consumers prioritize sustainability in tea purchases (up from 41% in 2020); Portland tea shops average \$1,850/sq ft annual sales vs national \$1,420 (Commercial Café Report 2023).

Segment	Size (\$)	Growth Rate	Our Share Target	Rationale
Local Retail	\$9.1M	8.7%	4.1%	1,800 sq ft x \$1,850/sq ft = \$3.33M revenue capacity
E-commerce	\$6.2M	12.3%	1.8%	Year 1 target \$112.5K subscriptions + \$75K accessories
Wholesale	\$3.3M	9.1%	0.3%	5 accounts @ \$2,000/month = \$120K Year 2

Category	Total Addressable	Serviceable Available	Serviceable Obtainable	Methodology
Loose-Leaf Retail	\$4.2B	\$1.1B (Portland)	\$375K	SPINS data x local population density
Tea Beverages	\$2.8B	\$700M	\$187.5K	Average \$5.50/drink x 95 customers/day x 365 days

## SECTION 4: COMPETITIVE ANALYSIS

Steven Smith Teamaker (acquired by Unilever) dominates Portland with \$2.1M annual revenue but charges \$28/tin (40% markup) with no local sourcing. Tea Chai Tea (local) generates \$950K revenue but uses 100% imported herbs with 32% online conversion rate. David's Tea national chain has 20% market share but closed 50% of stores in 2023 due to 18% negative margins (SEC filings).

Competitive advantages: 1) 20% Oregon herb sourcing reduces COGS by 8% vs competitors (\$15.80/tin vs \$17.20 industry avg); 2) Zero-waste model cuts packaging costs by 12% (\$0.85/tin vs \$0.97); 3) Tea educator role drives 35% repeat rate (vs 22% industry avg); 4) Wholesale pricing at \$14/tin (40% discount) secures hotel contracts.

Competitor	Revenue Est.	Pricing	Key Strength	Key Weakness	Our Differentiation
Steven Smith	\$2.1M	\$28/tin	National distribution	No local sourcing	20% Oregon-grown herbs; \$24/tin
Tea Chai Tea	\$950K	\$22/tin	Strong e-commerce	32% online conversion	35% repeat rate via education
Starbucks	\$1.8B tea	\$4.95/drink	Foot traffic	Low-quality tea bags	Premium loose-leaf bar; \$5.50 avg

Strengths	Weaknesses	Opportunities	Threats
Hyper-local sourcing (20% OR)	Limited brand awareness	RTD tea market +14% CAGR	Starbucks Teavana expansion
Certified Tea Master on staff	No drive-thru capability	Wellness tourism growth (12%)	Tea import tariffs +5%
Zero-waste operations	Small retail footprint	Corporate gifting programs	Yerba mate trend growth

## SECTION 5: PRODUCTS & SERVICES

Core product: 1.5 oz tins containing 28g loose-leaf tea (yields 14 servings). "Cedar Mist" blend: 60% Yunnan green tea (\$8.50/lb wholesale), 20% Oregon Douglas fir (\$12/lb), 20% lemon balm (\$10/lb). Hand-blended in Portland facility with 98% batch consistency (tested via HPLC). Shelf life 18 months stored at 60°F/60% humidity.

Pricing strategy: \$24/tin (67% markup from \$14.35 landed cost) vs competitors' \$22-\$28 range. Tea bar beverages priced at \$5.50 avg (72% gross margin) based on \$1.54 ingredient cost per drink. Subscription at \$35/month (30% discount vs retail) locks in 12-month LTV of \$420.

Tier	Price	Features	Target Customer	% Revenue	Gross Margin
Premium Tins	\$24	1.5 oz, compostable	Core (\$75K+ income)	60%	58%
Tea Bar	\$5.50	Customizable, house-made syrup	On-the-go professionals	25%	72%
Subscription	\$35/mo	3 blends, brewing guide	Loyalists (35% repeat)	10%	65%

Metric	Value	Calculation/Notes
Price per unit	\$24.00	1.5 oz tin retail
COGS per unit	\$10.08	\$8.50/lb base tea + \$1.20 herbs + \$0.38 packaging
Gross Profit	\$13.92	\$24.00 - \$10.08
Gross Margin	58%	\$13.92 / \$24.00
CAC	\$28.50	\$60K annual marketing / 2,107 customers
LTV	\$91.20	\$75 avg monthly spend x 1.22 months / 10% churn
LTV:CAC	3.2x	\$91.20 / \$28.50 (industry min 3x)

Payback Period	4.1 months	\$28.50 CAC / (\$75 x 58% margin)
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## SECTION 6: MARKETING & SALES

Primary channel: Instagram targeting Portland ZIP codes 97209/97205 with \$3.80 CPC (2023 industry avg). Budget: \$8,500/month driving 2,237 clicks (2.1% CTR), 94 conversions (4.2% rate), 94 customers at \$90.43 CAC. Secondary: Local partnerships with 12 yoga studios (\$500/studio referral fee) generating 18 customers/month at \$27.78 CAC.

Sales cycle: In-store - 7-minute consultation (staff trained in Steepster certification), 68% close rate. Online - 30-day subscription trial, abandoned cart email sequence (37% recovery rate). Average sales cycle: 2.1 days (in-store), 8.7 days (online).

Retention: "Evergreen Circle" loyalty program - 1 point/\$1 spent, 100 points = \$10 credit. Target churn: 8.3% monthly (vs 10% industry avg). Tactics: Monthly tea-tasting webinars (42% attendance), personalized blend recommendations (23% upsell rate), referral bonus (\$15 credit).

Channel	Monthly Budget	CAC	Leads/Mo	Conv. Rate	Customers/Mo	ROI
Instagram Ads	\$5,000	\$90.43	2,237	4.2%	94	2.1x
Yoga Studio Partnerships	\$6,000	\$27.78	216	8.3%	18	4.7x
Google Ads	\$3,000	\$68.18	750	5.5%	41	1.8x

Month	Google Ads	Social Media	C Events	Other	Total	Leads	Customers	
1	\$3,000	\$5,000	\$1,000	\$500	\$11,500	1,125	62	
2	\$3,000	\$5,000	\$1,000	\$1,500	\$500	\$11,000	1,075	59
3	\$3,000	\$5,000	\$1,000	\$500	\$10,500	1,025	56	
4	\$3,000	\$5,000	\$1,000	\$500	\$10,000	975	53	
5	\$3,000	\$5,000	\$1,000	\$500	\$9,500	925	50	
6	\$3,000	\$5,000	\$1,000	\$500	\$9,500	875	47	
7	\$3,000	\$5,000	\$1,000	\$500	\$9,500	825	44	
8	\$3,000	\$5,000	\$1,000	\$500	\$9,500	775	41	
9	\$3,000	\$5,000	\$1,000	\$500	\$9,500	725	38	
10	\$3,000	\$5,000	\$1,000	\$500	\$9,500	675	35	
11	\$3,000	\$5,000	\$1,000	\$500	\$9,500	625	32	
12	\$3,000	\$5,000	\$1,000	\$500	\$9,500	575	29	

## SECTION 7: OPERATIONS

Daily workflow: 6:00 AM - staff arrival, inventory check via Square POS; 7:00 AM - brewing setup; 8:00 AM - open; 2:00 PM - restock; 6:30 PM - close register; 7:00 PM - deep clean. Capacity: 120 customers/hour (12 seats x 10 turns), 300 tins blended/day. E-commerce orders processed same-day by 3PM cutoff via Fulfillment by Oregon (\$3.20/order handling + \$4.80 shipping).

Key systems: Square for Retail (\$99/month) for inventory tracking with 99.2% accuracy; Shopify Plus (\$2,000/month) for e-commerce; Klaviyo (\$450/month) for email automation. All staff certified in Oregon Food Handler training (\$15/person).

Vendor/Supplier	Service	Monthly Cost	Contract Terms	Backup Option
Yunnan Sourcing	Tea base	\$8,200	12-month, 30-day notice	Ippodo Tea Co.
Willamette Valley Herb Farm	Local herbs	\$1,800	Seasonal, MOQ 50 lbs	Portland Herb Co.
Fulfillment by Oregon	Shipping	\$2,400	Month-to-month	ShipBob

Tool	Purpose	Monthly Cost	Users	Alternatives Considered
Square for Retail	POS/inventory	\$99	8	Toast (rejected: \$299/month)
Shopify Plus	E-commerce	\$2,000	3	BigCommerce (rejected: \$79/mo + 0.5% fees)
Klaviyo	Email/SMS	\$450	2	Mailchimp (rejected: \$300/mo + lower deliverability)

## SECTION 8: MANAGEMENT TEAM

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Organizational structure: CEO (1), COO (1), Tea Master (1), Marketing Director (1), Operations Manager (1), Baristas (2), Retail Associates (2). Compensation: Leadership \$85K-\$110K base + 5% profit share; frontline \$18.50/hr + tips. Benefits: 100% health insurance premium coverage after 90 days.

Advisory board: David Lee (ex-CEO of Numi Organic Tea) - strategic guidance, no cash compensation; Maria Chen (food safety attorney) - \$200/hour retainer. Both signed 1-year agreements.

Month	Role	Salary	Priority	Source	Onboarding Time
1	Barista	\$33,000	High	Craigslist	2 weeks
1	Retail Associate	\$31,000	High	Indeed	2 weeks
3	Event Staff (PT)	\$18.50/hr	Medium	Local colleges	1 week
6	Wholesale Manager	\$48,000	Low	LinkedIn	4 weeks

## SECTION 9: FINANCIAL PLAN

Key assumptions: Month 1: 150 customers/day (60% retail, 40% tea bar), \$5.50 avg ticket. Monthly customer growth: 3.5% (slowing to 1.8% by Year 3). Churn: 8.3% monthly. COGS: 40% of revenue. Payroll: \$20,784/month (8 FTEs @ \$30/hr incl. benefits). Rent: \$4,200 fixed. Marketing: \$9,500/month declining to \$7,200 by Month 12.

Revenue drivers: 1) Local foot traffic (Pearl District avg 12,500 visitors/day), 2) Subscription retention (75% Month 3), 3) Wholesale expansion (5 accounts by Month 18 @ \$2,000/month). Pricing validated via \$24 test price point achieving 28% conversion in 300-person survey.

Cost structure: Fixed costs 78% of OpEx (\$34,583/month), variable 22% (\$9,917). Fixed costs scale linearly: +\$8,200/month per new location. Variable costs tied to sales volume: COGS 40%, payment processing 2.9% + \$0.30/transaction.

Funding: \$450K total. Use: Leasehold improvements \$120K (26.7%), Equipment \$85K (18.9%), Initial inventory \$45K (10.0%), Website/tech \$25K (5.6%), Marketing launch \$35K (7.8%), Legal/licensing \$15K (3.3%), Working capital \$120K (26.7%), Contingency \$5K (1.1%). 14.2 months runway at \$31,667 monthly burn.

Category	Item	Cost	Notes
Legal/Formation	Delaware filing	\$1,000	Includes foreign qualification
Licenses/Permits	Oregon Health Authority	\$2,000	Food handler certs for 8 staff
Equipment	La Marzocco tea system	\$38,000	Includes installation
Equipment	Hario brewing stations	\$12,000	4 stations @ \$3,000
Equipment	Refrigeration	\$8,500	4 units

Technology	Shopify Plus setup	\$15,000 Custom theme + ReCharge
Initial Inventory	Tea base (500 lbs)	\$22,000 1000 Sourcing contract
Initial Inventory	Packages (5,000 units)	\$16,500 Enclose contract
Marketing Launch	Influencer campaign	\$18,000 micro-influencers @ \$1,200
Marketing Launch	Google Ads credit	\$7,000/month for 14 months
Working Capital	Payment reserve	\$62,352 months @ \$20,784
Working Capital	Rent	\$25,000 months @ \$4,200
Working Capital	Marketing buffer	\$29,448 months @ \$9,544 avg
Contingency	Unexpected costs	\$5,000 10% of total
TOTAL		\$450,000

Category	Type	Monthly Cost	Annual Cost	Notes
Rent	Fixed	\$4,200	\$50,400	Pearl District lease
Payroll	Fixed	\$20,784	\$249,408	8 FTEs @ \$30/hr incl. benefits
Benefits	Fixed	\$2,078	\$24,936	10% of payroll
Insurance	Fixed	\$800	\$9,600	GL, property, workers' comp
Loan Payment	Fixed	\$1,744	\$20,928	SBA 7(a) \$150K @ 7% 10-yr
Utilities	Fixed	\$1,000	\$12,000	Electricity, water, gas
Marketing	Fixed	\$9,500	\$114,000	See Section 6 table
COGS	Variable	\$30,000	\$360,000	40% of \$750K revenue
Payment Processing	Variable	\$2,250	\$27,000	2.9% + \$0.30 on \$75K avg monthly
Shipping	Variable	\$1,800	\$21,600	E-commerce orders

Supplies	Variable	\$1,250	\$15,000	Cups, napkins, cleaning
TOTAL	Fixed	\$40,506	\$486,072	
TOTAL	Variable	\$35,300	\$423,600	
TOTAL	Combined	\$75,806	\$909,672	

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Year 1
Revenue	\$45,000	\$46,575	\$48,207	\$49,899	\$51,652	\$53,468	\$55,350	\$57,299	\$59,318	\$61,410	\$63,577	\$65,821	\$658,576
COGS	\$18,000	\$18,630	\$19,283	\$19,960	\$20,661	\$21,387	\$22,140	\$22,920	\$23,727	\$24,564	\$25,431	\$26,328	\$263,430
Gross Profit	\$27,000	\$27,945	\$28,924	\$29,939	\$30,991	\$32,081	\$33,210	\$34,379	\$35,591	\$36,846	\$38,146	\$39,493	\$395,146
Marketing	\$11,500	\$11,000	\$10,500	\$10,000	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$114,000
Salaries	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$20,784	\$249,408
Rent	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$4,200	\$50,400
Software	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$2,549	\$30,588
Insurance	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$9,600
Other OpEx	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$72,000
Total OpEx	\$45,833	\$45,333	\$44,833	\$44,333	\$43,833	\$43,833	\$43,833	\$43,833	\$43,833	\$43,833	\$43,833	\$43,833	\$526,000
EBITDA	-\$18,833	-\$17,388	-\$15,909	-\$14,394	-\$12,842	-\$11,752	-\$10,623	-\$9,454	-\$8,242	-\$6,987	-\$5,687	-\$4,340	-\$130,854
Depreciation	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$70,000
EBIT	-\$24,666	-\$23,221	-\$21,742	-\$20,227	-\$18,675	-\$17,585	-\$16,456	-\$15,287	-\$14,075	-\$12,820	-\$11,520	-\$10,173	-\$200,854
Interest	\$875	\$868	\$860	\$853	\$845	\$837	\$829	\$821	\$813	\$805	\$797	\$789	\$10,080
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income	-\$25,541	-\$24,089	-\$22,602	-\$21,080	-\$19,520	-\$18,422	-\$17,285	-\$16,108	-\$14,888	-\$13,625	-\$12,317	-\$10,962	-\$210,934

Line Item	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Beginning Cash	\$120,000	\$94,459	\$70,370	\$47,768	\$26,688	\$7,168	-\$11,254	-\$28,539	-\$44,647	-\$59,535	-\$73,160	-\$85,477
Cash In	\$45,000	\$46,575	\$48,207	\$49,899	\$51,652	\$53,468	\$55,350	\$57,299	\$59,318	\$61,410	\$63,577	\$65,821

Funding	\$330,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash In	\$375,000	\$46,575	\$48,207	\$49,899	\$51,652	\$53,468	\$55,350	\$57,299	\$59,318	\$61,410	\$63,577	\$65,821
Cash Out	\$300,541	\$70,664	\$70,809	\$71,079	\$71,172	\$71,890	\$72,635	\$73,407	\$74,206	\$75,035	\$75,894	\$76,783
Net Cash Flow	\$74,459	-\$24,089	-\$22,602	-\$21,080	-\$19,520	-\$18,422	-\$17,285	-\$16,108	-\$14,888	-\$13,625	-\$12,317	-\$10,962
Ending Cash	\$94,459	\$70,370	\$47,768	\$26,688	\$7,168	-\$11,254	-\$28,539	-\$44,647	-\$59,535	-\$73,160	-\$85,477	-\$96,439

Metric	Y1	Y2 Q1	Y2 Q2	Y2 Q3	Y2 Q4	Y3 Q1	Y3 Q2	Y3 Q3	Y3 Q4	Y3 Total
Revenue	\$658,576	\$225,000	\$240,000	\$255,000	\$270,000	\$300,000	\$320,000	\$340,000	\$360,000	\$1,320,000
COGS	\$263,430	\$90,000	\$96,000	\$102,000	\$108,000	\$120,000	\$128,000	\$136,000	\$144,000	\$528,000
Gross Profit	\$395,146	\$135,000	\$144,000	\$153,000	\$162,000	\$180,000	\$192,000	\$204,000	\$216,000	\$792,000
OpEx	\$526,000	\$135,000	\$132,000	\$129,000	\$126,000	\$135,000	\$132,000	\$129,000	\$126,000	\$522,000
EBITDA	-\$130,854	\$0	\$12,000	\$24,000	\$36,000	\$45,000	\$60,000	\$75,000	\$90,000	\$270,000
Net Income	-\$210,934	-\$8,000	\$5,000	\$17,000	\$29,000	\$37,000	\$52,000	\$67,000	\$82,000	\$235,000
Ending Cash	-\$96,439	\$10,561	\$82,561	\$169,561	\$271,561	\$398,561	\$540,561	\$697,561	\$869,561	

Metric	Value	Calculation
Monthly Fixed Costs	\$34,583	OpEx \$40,506 - Variable \$5,923
Variable Cost per Unit	\$2.20	COGS \$10.08/tin x 21.8% mix + \$1.54/drink x 78.2%
Price per Unit	\$5.50	Weighted avg ticket
Contribution Margin	\$3.30	\$5.50 - \$2.20
Contribution Margin %	60%	\$3.30 / \$5.50
Break-Even Units	10,480	\$34,583 / \$3.30

Break-Even Revenue	\$57,638	10,480 units x \$5.50
Expected Break-Even	Month 10	Month 10 revenue \$61,410 > \$57,638
Safety Margin	6.1%	$(\$61,410 - \$57,638) / \$61,410$

Metric	Y1	Y	Y	Industry Benchmark
Gross Margin %	60%	60%	60%	45-65% (specialty retail)
Operating Margin %	-31.9%	5.0%	7.8%	5% (mature)
Net Profit Margin %	-32.0%	0.4%	7.8%	10%
Current Ratio	0.8	1.92	5.1	1.5-3.0
CAC Payback	4.1 mo	3.83	5.6-18 mo	mo
LTV:CAC	3.2x	3.5	8.8	8.0x minimum
Monthly Burn	\$31,667	\$0		
Runway	14.2 mo			

## SECTION 10: RISK ANALYSIS

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Top risks: 1) Supply chain disruption (Probability 4/5, Impact 5/5) - Yunnan tea harvests down 12% in 2023 due to drought. 2) Labor shortage (Probability 5/5, Impact 4/5) - Portland food service vacancy rate 9.2% (BLS 2023). 3) SBA loan denial (Probability 2/5, Impact 5/5) - 18% rejection rate for food startups. 4) Subscription churn >10% (Probability 3/5, Impact 4/5) - industry avg 9.7%.

Mitigation: 1) Maintain 4-month safety stock (\$18,000 inventory buffer); diversify to 3 suppliers across China/Japan/India. 2) Implement \$1,500 signing bonus; profit-sharing at 5% net income. 3) Secure backup line of credit with NW Business Development Center (\$50K approved). 4) Introduce "skip a month" feature; target 8.3% churn via retention tactics.

Risk	Probability	Impact	Risk Score	Mitigation Strategy	Contingency Plan	Owner
Tea import tariffs +5%	3	4	12	Lock in 6-month pricing with suppliers	Absorb 2% cost increase	Patel
Competitor price war	2	5	10	Focus on local sourcing differentiation	Launch \$19 "Essential" tin line	Carter
Health code violation	4	3	12	Monthly internal audits	3-day staff retraining	Ruiz

## SECTION 11: IMPLEMENTATION TIMELINE

Priority 1: Achieve 150 daily customers by Month 3 through 12 yoga studio partnerships (\$500/studio) and Instagram ad blitz (\$5K/month). Critical path: Health inspection clearance by Nov 15 (dependency: plumbing certification). Priority 2: Hit 500 e-commerce customers by Month 6 via subscription launch (ReCharge integration by Dec 1). Priority 3: Secure first wholesale contract (Jupiter Hotel) by Jan 2025 with \$14/tin pricing.

Month	Milestone	Deliverables	Resources Needed	Success Metric	Owner
1	Build-out completion	ADA-compliant space	\$120K leasehold budget	Pass inspection Nov 15	Carter
1	Staff hiring	8 certified staff	\$15K recruitment budget	All positions filled by Nov 1	Patel
2	Supplier contracts	3 signed agreements	\$2K legal fees	Inventory secured by Dec 1	Ruiz
3	150 daily customers	12 yoga partnerships	\$6K partnership budget	4,500 monthly customers	Kim
4	POS system live	Square Retail configured	\$2K setup fee	99% inventory accuracy	Carter
5	First wholesale deal	Jupiter Hotel contract	20 sales calls	\$2,000/month revenue	Patel
6	500 e-commerce customers	ReCharge subscription	\$15K tech integration	35% subscription attach rate	Kim
7	Break-even revenue	\$57,638 monthly	Current marketing spend	Positive gross profit	Patel
8	Staff profit-sharing	5% net income pool	\$5K reserve	15% turnover reduction	Carter
9	RTD pilot launch	3 cold-press flavors	\$8K production	5 café placements	Ruiz
10	Cash flow positive	\$10,962 net income	Current operations	Ending cash >\$0	Patel
12	Year 1 review	Financial audit	\$5K CPA fees	95% budget accuracy	Patel

## SECTION 12: APPENDIX

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Supporting documents available: SBA pre-approval letter (Oct 2024), Yunnan Sourcing contract (MOQ 500 lbs), Pearl District lease agreement, 300-person customer survey data. Key assumptions validated against Specialty Food Association benchmarks and Portland metro economic data. Full financial model with scenario analysis (base/optimistic/pessimistic) available upon request.