



ORIGIN FARMS

C O N S U L T I N G

Business Planning

A. VISION

B. PROJECT CONCEPT

C. EXIT STRATEGY

D. BUSINESS PLAN COMPONENTS

E. RESOURCES



VISION

YOUR VALUE ADDED VENTURE

**SHOULD BE COMPATIBLE WITH YOUR LONG
TERM PLANS FOR:**


- YOUR FAMILY**
- YOUR FARM AND ITS RESOURCES**
- YOUR PERSONAL VALUES**

HOW DO YOU WANT TO LIVE?

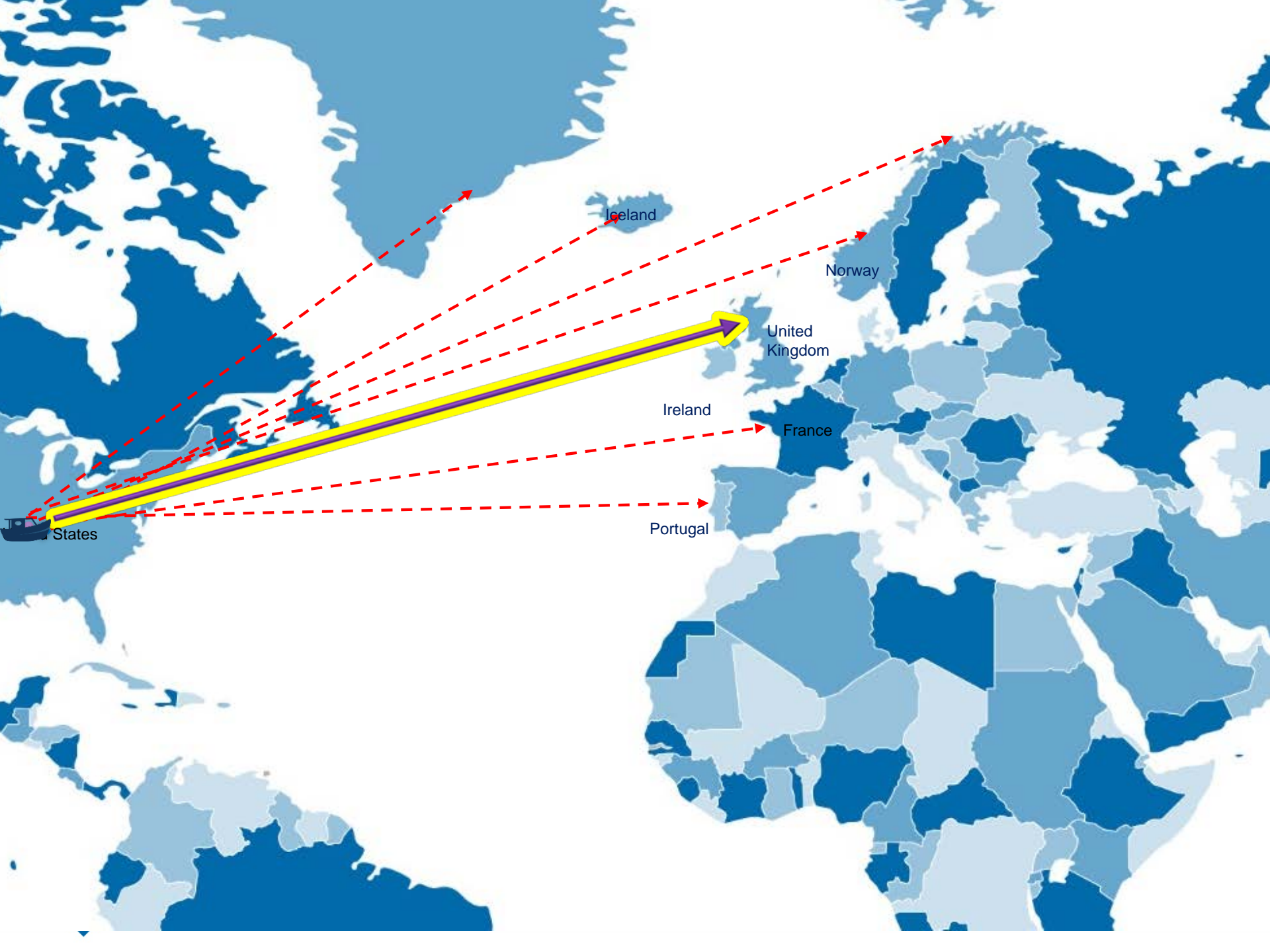


VISION

WHERE DO YOU WANT TO BE
NEXT YEAR?
IN FIVE YEARS?
IN TEN YEARS?



**TO DEVELOP A SOLID BUSINESS
PLAN, YOU NEED A CLEAR VISION
OF WHERE YOU WANT TO GO,
WHAT YOU WANT TO DO, AND
HOW YOU WANT TO DO IT...
AND HOW YOU WILL EXIT.**



Iceland

Norway

United Kingdom

Ireland

France

Portugal

States

Things to **DO** before planning your journey.

1

Learn about the industry

2

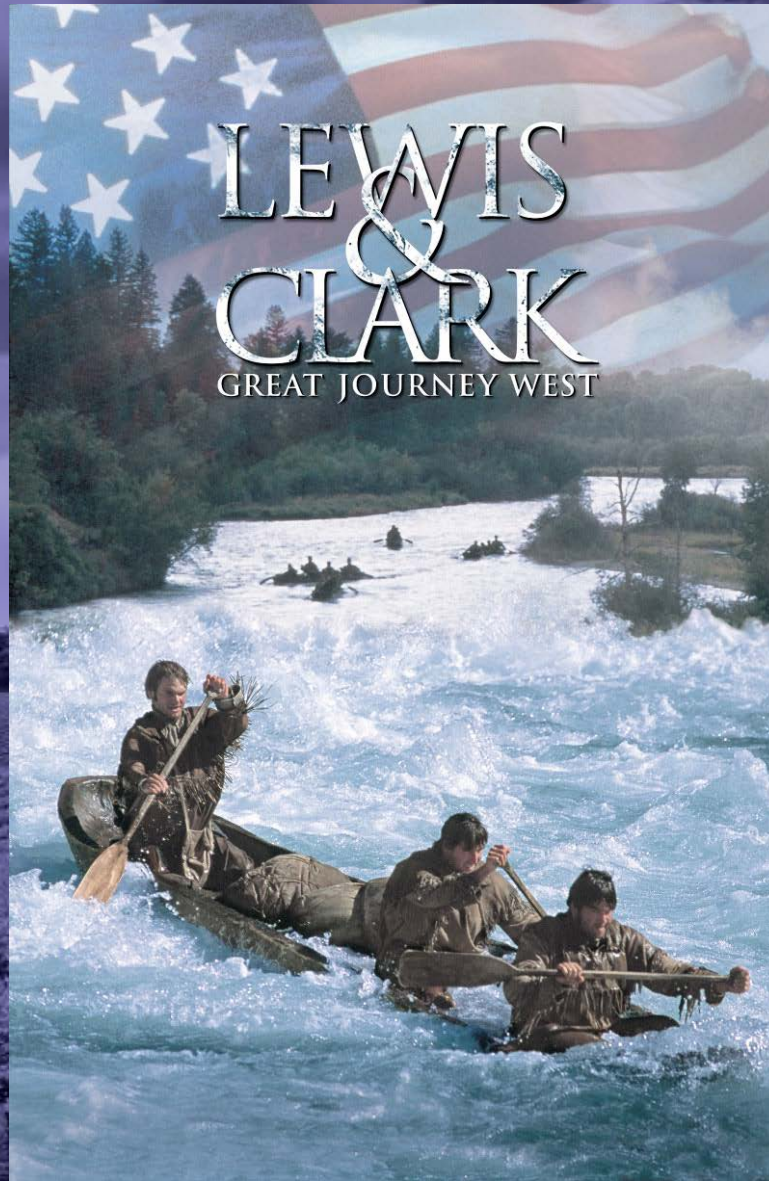
Learn about components of planning and launching a business

3

Develop your project team

The Industry

1. Visit other processing facilities of similar size/scope.
2. Attend trade shows.
3. Subscribe to magazines/periodicals.
4. Know your competition.
5. Learn about successes AND failures/tragedies in the industry.
6. Make the product at home... cheese, ice cream, butter...



Embrace Planning

1. Advice: Local Small Business Development Centers.
2. Training: The Kauffman Foundation =>
WWW.FASTTRAC.ORG
3. Tools for keeping track of information: notebooks, shoe boxes, Pinterest, Evernote.
4. There are different methods for planning/project managemet... study your options and adopt a strategy.

		Ann's Ice Cream																		
Task	Duration	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17	M18	M19
1 Planning	270 days																			
2 Name	30 days																			
3 Legal Setup	14 days																			
4 Define products, market	90 days																			
5 Develop image	45 days																			
6 Register trademarks	45 days																			
7 Scout location	65 days																			
8 Obtain funding	180 days																			
9 Plant Set up	105 days																			
10 Purchase building	45 days																			
11 Plan improvements	30 days																			
12 Source contractors	45 days																			
13 Plant Build-out	60 days																			
14 Electrical	15 days																			
15 Plumbing/sewer	30 days																			
16 HVAC	15 days																			
17 Steam	30 days																			
18 Construction	45 days																			
19 Local building inspections	15 days																			
20 Order equipment	65 days																			
21 Office	5 days																			
22 Plant	60 days																			
23 Permits	120 days																			
24 Milk Inspector	90 days																			
26 Label approval	30 days																			
27 Permits Local	30 days																			
28 State/County/City/Fire	30 days																			
29 Order manufacturing supplies	60 days																			
30 Cartons	60 days																			
31 Mixes	30 days																			
32 Labels	30 days																			
33 Boxes	15 days																			
34 Ingredients	15 days																			
35 Product development	15 days																			
36 Test runs	15 days																			
37 Marketing	584 days																			
38 Website development	60 days																			
39 Collateral (design/print)	45 days																			
40 Press release	30 days																			
41 Retailers	180 days																			
42 Arrange tastings/events	530 days																			
43 Processing	400 days																			

Project Delivery Model

	Create the Plan			Execute the Plan		Demonstrate Completion			Close
	Business Planning	Concept Development	Project Definition	Detailed Design	Execution	Verification	Prepare Recipients	Validation	Closeout
Commercial & Operations	Define Opportunity Identify Products	Project Objectives & KPI's Preliminary Production & Distribution Estimates Site Alternatives Defined	Secure Full Project Funding Final Production and Distribution Estimates Resource Plan	Update Resource Plan Training Plan Quality Plan Spare Parts List	Stakeholder Management Develop Training Materials	Operations Participation in Start-Up Review & Approval of Acceptance Documentation		Performance Qualification Live Production	Continuing Operations & Maintenance
Project Management	Build Project Team Define Timeline Goals Define Cost Boundaries	Stakeholder Buy-In Milestone Schedule ROM/Comparative Estimates	Risk Assessment Detailed Scope of Work Critical Path Schedule Appropriation Grade Estimate Cost Control Plan Communication Plan	Procurement Plan Installation Plan Start-Up Plan Detailed Schedule Safety Plan Equipment Acceptance Criteria	Purchase Equipment Secure Permits Hire Building & Installation Subcontractors Ongoing Management of the Plans Created Earlier Construct Facility Install Equipment	Operating Procedures Maintenance Procedures	Receive/Stock Spare parts	Performance Tests As-Built Documents	Assets Transferred to Operations Project Team Released
Technical	Block Diagram Preliminary Mass/Energy Balance Technical Assessment of Feasibility	Process Flow Diagram Mass/Energy Balance Preliminary Utility Requirements Preliminary Equipment Layout Preliminary Code Analysis Preliminary Control Philosophy/System Architecture	Basis of Design Equipment List Instrumentation List Equipment Specs/Data-sheets Preliminary P&IDs Equipment Layout Hazardous Area Classification	3D Model Installation Drawings Install Specifications Permit Documents Development Finalize P&IDs Final Equipment Selection	Equipment Factory Acceptance Test Vendor Coordination Authority Having Jurisdiction Reviews Start-up Plan Submittal Reviews RFIs Field Support O&M Manuals	Installation Qualification Install Checklists Field Support	Operational Qualification Field Support Training	Performance Demonstration Field Support Record Drawings	



The Planning Team, could include:

1. Your family.
2. Your banker.
3. Your attorney. May need a few different ones, including Business Start up and Intellectual Property.
4. Your accountant/book keeper.
5. Consultants: Planning, Construction, Equipment and product development.

The Operations Team





PROJECT CONCEPT



EXAMPLE

The Destination Dairy

Business Concept

Business Concept

1. Agritourism/processing facility developed in good location for tourism
2. Pilot processing plant built with visitor facility
3. Will get “Farm Brand” out into public and industry
4. Facility will produce ice cream for on site consumption and low-fat cream cheese.





12,500 ft²

multi-use facility

Retail – 2,500 ft²


Processing - 8,000 ft²

Cold Storage – 1,000 ft²

Dry Storage – 500 ft²

Offices/Support – 500 ft²

- **Retail space with ice cream parlor, cheeses, and locally made products.**
- **Tourist can view products being made.**
- **Ice cream sold at “farm location” only**
- **Flavored cream cheeses sold in region through retailers.**
- **Cows can be viewed in pasture**
- **Cold Storage/delivery**



**NEED TO HAVE GOOD
VISION AND PROJECT
CONCEPT BEFORE
YOU CAN BUILD A
BUSINESS PLAN.**



EXIT STRATEGY

Options for successful exit?

1. Pass on to family.
2. Sell business.
3. Shut down, liquidate.



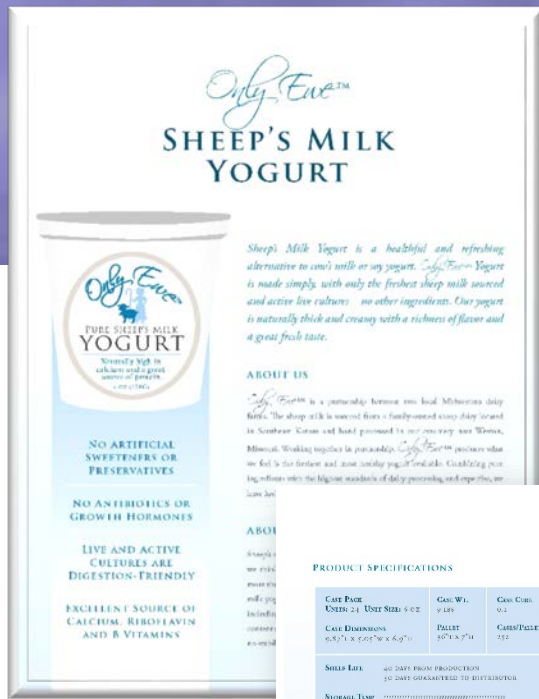


BUSINESS PLAN COMPONENTS

PARTS OF THE PLAN

- 1. EXECUTIVE SUMMARY**
- 2. DESCRIPTION OF PRODUCT(S)**
- 3. THE MARKET**
- 4. COMPETITION**
- 5. OPERATIONS**
- 6. FINANCIAL PROJECTIONS**
- 7. MANAGEMENT & STAFFING**
- 8. IDENTIFICATION OF RISK FACTORS**

The Products



Sheep's Milk Yogurt is a beautiful and refreshing alternative to cow's milk or soy yogurt. Only One Yogurt is made simply with only the freshest sheep milk sourced and active live cultures - no other ingredients. Our yogurt is naturally thick and creamy with a richness of flavor and a great fresh taste.

ABOUT US

Only One is a partnership between two local, Midwestern dairy farms. The sheep milk is sourced from a family-owned dairy farm located in Southern Kansas and hand processed in our dairy near Warren, Missouri. Working together in partnership, Only One produces what we feel is the freshest and most healthy yogurt available. Combining pasteurized milk with the highest standards of dairy processing and operations, we have just

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PRODUCT SPECIFICATIONS

CASE PACK Units: 24 Unit Size: 5 oz	CASE Wt. 9 LBS	CASE Cnt. 900
CASE DIMENSIONS 6.5" x 3.5" x 6.5"	PALLET 50" x 70"	CASE/PALLET 120
SHELF LIFE 90 DAYS FROM PRODUCTION 90 DAYS GUARANTEED TO RETAILER		
STORAGE TIME 90 DAYS GUARANTEED TO RETAILER		

Nutrition Facts		Amount/erving		% DV	
Serving Size 5 oz (142g)		Total Fat 5g		10%	Total Carb 2g
Calories 140		Sat Fat 3g		6%	Fiber 0g
Cal from Fat 80		Trans Fat 0g		0%	Sugar 0g
		Cholest 25mg		5%	Protein 10g
		Sodium 40mg		8%	

READY TO SHIP DATE
June 1, 2022

PLAIN FLAVOR INGREDIENTS
Pasteurized Grade A sheep's milk and active yogurt cultures.

CONTACT INFORMATION

Ann Williams
email: onlyone@onlyone.com address: Only One Creamery
phone: (816) 922-2220 300, 10th Street
Warren, Missouri 64782

What is going to be made?

How is it going to be processed, packaged, stored and distributed?

How much will be sold?

How fast will production ramp up?

The Market

Who is going to buy the product?

How much are they going to pay for it?

When will they pay for it?

Returns? Product pickups?

What is the overall market size.

NEED GOOD UNDERSTANDING OF THE MARKET.



The Competition

Who else is selling this product
or similar products?

Is there a potential niche for your product?

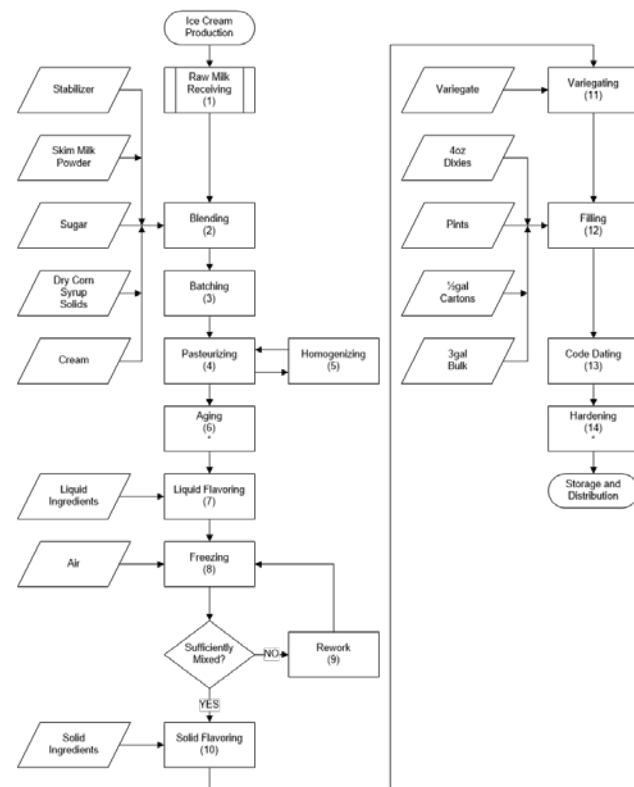
The Operations

Have a good understanding of Process Flow of the product through value adding.

What equipment is going to be used?

How much labor is going to be used?

Ingredients/Supplies/Packaging?



Financial Projections

Pro-forma Income Statement

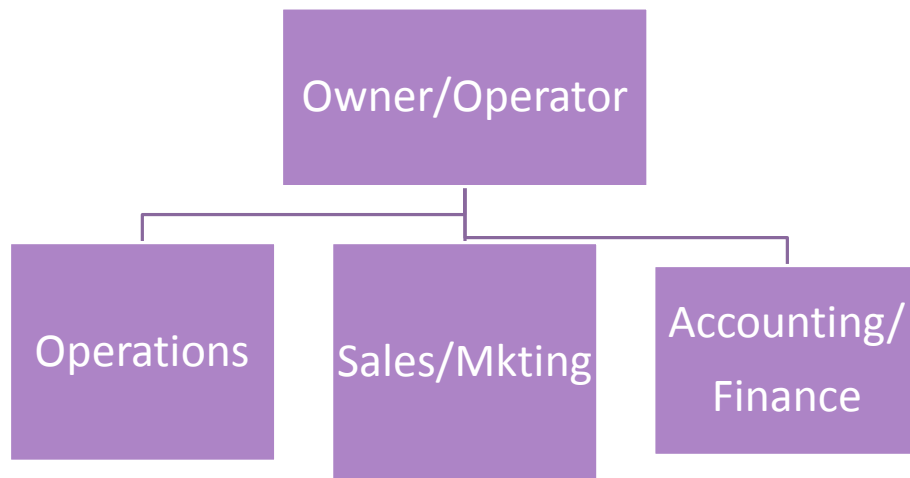
- Revenue by product
- Cost of Good Sold, by Product
- Gross Margin Estimates
- Expenses
- Interest/Depreciation
- Net Income

Financial Projections

Critical

- Keep businesses separate for reporting purposes.
- Keep track of metrics by volume.
- Run financials with different scenarios...
- Project income, inventory, cash flow for business.

Management/Staffing



It is critical to have a good understanding of who is doing what job. Written job descriptions are essential.

What is the long-term vision for each person, especially family members?

What are the critical responsibilities of each job?





Project Risk

<i>Impact</i>	Critical			
	Major			
	Manageable			
		Remote	Possible	Likely
<i>Likelihood</i>				

TYPES OF RISK:

BUSINESS... OPERATIONS... MARKET... REGULATORY... UNFORSEEN

WHAT ARE YOUR RISKS? HOW WILL YOU MITIGATE THOSE RISKS?



ORIGIN FARMS
CONSULTING

Thank you