VELD MERGERS & ACQUISITIONS

Executive Summary

NATURAL PRODUCTS SUPERFOOD SUPPLEMENT – TREMENDOUS B2C GROWTH POTENTIAL

INDUSTRY
National Products Industry (NPI)

LOCATION
Los Angeles

ESTABLISHED / OWNED
1998

EMPLOYEES
FT 7 / PT 3

OWNER HOURS
Full-Time / CEO

NON-COMPETE
5 Years / USA

TRAINING
4 Weeks / 20 Hours

LEASE / BUILDING
Light Industrial

LEASE TERM
Expires 2021

SIZE
~ 4,000 square feet

LICENSING
Not Applicable

INVENTORY
$600k *(not included)*

WORKING CAPITAL
A/R & Other Current Assets (included)
Cash (not included)

EARNEST MONEY
$100k

ASKING
$2.0 ml + Inventory

CONTACT
Robert Rodriguez
contact@veldma.com
+1 310.652.8066

SUMMARY

This award-winning Natural Products Superfood supplement company is a health and wellness lifestyle brand leader. Since 1998 the company has manufactured a line of superfood supplements developed with proprietary formulas, primarily in powder concentrate form. Its products are award winners in the weight loss, adult & children's nutritional supplements, vegan & omnivore protein powders and formerly in energy bar lines. The vast majority of sales are wholesale, via global distribution channels that reach > 4,400 stores in the U.S. and Canada, China, New Zealand and other countries. They maintain a strong presence in major U.S. retail chains including Whole Foods, Sprouts, Kroger, Vitamin Shoppe and Walmart. With the exception of a setback in 2018, they boast consistent annual revenue growth and have yet to capitalize on the direct B2C e-commerce market, including direct to consumer retail and subscription based sales models that result in incredible profit margins.

FACILITIES / ASSETS

The company operates from 4,000 square foot facility that leases for a $8,302 per month on a lease until July 2021. All tangible / intangible assets and licenses will be included. Approx. $600k in inventory will be sold at cost.

COMPETITION

Competition is considered to be high as the Natural Products Superfood industry is a highly profitable and popular market segment. Few competitors, however, have a comparable proven track record with the awards and accolades that this firm has received or the credibility it has established over the past 21 years.

FINANCIALS	2018	2017	2016
Revenue	$3.6 ml	$4.9 ml	$4.6 ml
COGS	$1.8 ml	$2.5 ml	$2.3 ml
Rent / CAM	$106k	$102k	$93k
Salaries	$811k	$875k	$810k
Cash Flow	$112k	$600k	$583k

GROWTH OPPORTUNITIES

- ✓ Vast B2C direct e-commerce potential w/incredible margins
- ✓ May implement auto-bill subscription-based direct to consumer strategy
- ✓ Can capitalize on 20+ years of goodwill; Legacy Brand status in the popular health, Lifestyles, Health, Sustainability (LOHAS) category
- ✓ Ability to sell to via major retailers (e.g. Costco) they have established history with, without the need for material CAPEX investment
- ✓ A single large retail account or B2C rollout could catapult earnings