



Prio

: A Probiotic Soda
Business Plan



Christopher Tiwari, Owner
Created on June 30th, 2024

Executive Summary

Product

Prio is a probiotic soda. Prio LLC will produce and distribute probiotic soda in the U.S., starting with Bloomington, Indiana, to health conscious consumers likely ages 18-35 yrs old. Our main flavor is currently fruit punch. Probiotics are the type of good bacteria that live and thrive in the gut. We will use a co-packer/co-producer that will aid in the sourcing of the various ingredients: water, dextrose, natural flavoring, citric acid, and any others. We plan to do a proof of concept in Bloomington, Indiana and then a full launch to the rest of the U.S.

Customers

The target audience for Prio LLC is health conscious, fitness enthusiast, young adults ages 18-35 yrs old. The global probiotics market was \$77.12 billion in 2022⁽¹⁾.

Probiotics

Probiotics are a growing area of interest in the world. Consumer interest in gut-health and probiotics is increasing. Probiotics are great for digestive health, and have been shown to alleviate irritable bowel syndrome, diarrhea, and constipation. They can help with immune support. They can help with mood and anxiety through the gut-brain connection. They have been shown to improve metabolic health, blood pressure, and cholesterol. They have been shown to have positive skin benefits for those with eczema and acne.

Plan Summary

Prio is a health-focused beverage company dedicated to offering a unique probiotic soda that combines great taste with significant health benefits. Prio aims to fill a gap in the market for a refreshing, enjoyable probiotic drink. Our goal is to establish Prio as a trusted, innovative brand synonymous with wellness and vitality.

Market

The global probiotic market is experiencing significant growth. The market for probiotic beverages is expected to expand as consumers seek out functional foods and beverages that support their health and wellness goals.

Brand Positioning

Prio will be positioned as a premium, health-focused beverage that offers a fun and enjoyable way to support digestive health.

⁽¹⁾ Grandviewresearch.com

Company Description

Mission Statement

It is our mission to provide a delicious and healthy probiotic soda.

Vision Statement

I envision this company being competitors with Poppi, Olipop, Dr. D's, and WildWonder.

List of Values

Quality ingredients, a quality product, an affordable price.

Problem:

There is not a great probiotic soda on the market.

Solution:

Prio: a prebiotic and probiotic soda with 10 billion C.F.U.'s of probiotics per serving..

Management

(Main) Christopher Tiwari — Owner, Manager, & Founder

I have a certificate of entrepreneurship and a technical certificate of entrepreneurship.

Beverage Developer/Co-Packer --- thedrinklabs.com

A team of chemists and beverage development experts to guide me through each step of the way.

Legal Structure

Prio LLC is a Limited Liability Company. Probiotics are a supplement and not required to obtain FDA approval.

Market Research

Industry

The functional beverage market is experiencing substantial growth, driven by increasing consumer awareness of health and wellness. Probiotic drinks, in particular, are gaining popularity as people seek beverages that offer both enjoyment and health benefits. Prio LLC will be a part of the functional beverage market. The global probiotics market size was estimated at **USD 77.12 billion** in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 14.0% from 2023 to 2030 ⁽¹⁾.

Detailed Description of Customers

The target audience for Prio LLC is health conscious, fitness enthusiast, young adults ages 18-35 yrs old.

Competition

There are a few other prebiotic and probiotic soda companies out there including: Poppi, Olipop, Dr. D's, and WildWonder.

Competitive Advantages

Prio has the following advantages compared to competitors:

- Includes 10 Billion CFU's of probiotic
- Includes prebiotics and probiotics.
- A simple focus on taste and the health benefits of probiotics.
- Healthier than soda
- Without the fermentation of Kombucha
- Without the sour taste of Kefir

Regulations

Prio must meet all health department regulations concerning beverage manufacturing.

⁽¹⁾ Grandviewresearch.com

Company Overview

Genesis of Concept: A combination of there being a brand new pop-up kombucha stand at the Bloomington farmer's market this year, my mom making homemade kombucha and raving about the benefits of probiotics, me having taken a daily probiotic for the last few months noticing the benefits, and me being fresh out of entrepreneurship school, one day this June, 2024, I said to my Mom, "do you want to start a probiotic soda company with me?"

History and Current Status: It all started as an idea on June 13th, 2024 when I said to my mom, who has an MBA and whom I've pitched many ideas to in the past, "probiotic soda- do you want to start a probiotic soda company with me!?" She said, "no, start your company on your own." So I did. In the next few days, I researched competitors and the market, I ordered dextrose powder, citric acid powder, lactobacillus salivarius powder, and a Sodastream to start formulating a prototype. I am still working on a prototype. I also contacted Drink Labs (www.thedrinklabs.com), the masters of custom beverage formulation who take a beverage from idea to full scale production, and got a quote. Drink Labs quoted me between \$35,000-40,000 for all three steps in production (Formulation, Production, Sales/Marketing).

Overall Strategy and Objective of the Venture: The plan is to put \$5000 of my own money in and fundraise the remaining \$35,000 to fully start this company. Fundraising methods will include: SeedInvest, Kickstarter, Friends & Family, Angel Investors, Business Partners, and pitch competitions like Shark Tank. **The three steps of Drink Labs:**

- **Step one:** \$15,000 Formulation working with a team of chemists and beverage experts to produce the drink.
- **Step two:** \$10,000 Production of the can, the lid, the label, the labor, 10,000 cans is a common place to start.
- **Step Three:** \$10,000-\$15,000 Sales and Marketing (barcodes, trademarks, website, insurance).
- * DrinkLabs guides me through the process each step of the way, ensuring success. Drink Labs has an 85% success rate with its clients. The ones that fail, fail because of underfunding.

Plan: The plan is to produce enough cans to get into stores(Bloomingfoods, Fresh Thyme, Dollar General, Kroger, Gas Stations, cafes) and launch fully in Bloomington, Indiana as a proof of concept. After a successful proof of concept, the plan is for a national launch.

Service Line

Product/Service

I will sell individual 12 oz cans of Prio. We will start with one fruit punch flavor and expand to cherry, grape, orange, and/or others after a proof of concept.

Pricing Structure

Cost:

- \$1 per 12 oz can.

Price:

- \$2.40 for 1 12 oz can.

Product Lifecycle

Prio is currently in the ideation phase of the startup business.

Intellectual Property Rights

Prio LLC will be a registered business in the state of Indiana. I have plans to own myprio.com. I have an original flavor and recipe. I plan to trademark my name and logo. I plan to seek a utility patent on my recipe.

Research and Development

The company is planning to conduct or has conducted the following research and development:

- Researched the market, industry, and competition.
- Developed a prototype, basic formula, and specific overall idea of product.

Marketing & Sales

Growth Strategy

- Formulation
- Production
- Proof of concept in Bloomington, Indiana: Bloomingfoods, Fresh Thyme, Dollar General, Kroger, Gas Stations & cafes, Target, Wlamart.
- Launch nationally
- Roll out a full scale marketing effort.
- Sell on our website www.myPrio.com (currently <https://tiwarichris.wixsite.com/prio>) and on Amazon
- Pay for ads on Google, Facebook, and other social media.

Communicate with the Customer

Prio LLC will communicate with its customers by:

- Website updates: myPrio.com
- Using targeted Google and Facebook advertisements.
- Utilizing social media such as Twitter, YouTube, Facebook, LinkedIn, Pinterest, Instagram, Tik Tok and Tumblr.
- Adding labels on our product that include company name, contact info, and web address.

Method of Sale

I will start with a soft launch and proof of concept in Bloomington, Indiana at local stores and the farmers market. We will also sell online on our website and on Amazon. After that, we will expand to more stores across the U.S.

Marketing Channels:

- Digital Marketing: Social media campaigns, influencer partnerships, SEO-optimized website, email marketing.
- Retail Partnerships: Health food stores, grocery chains, gyms, wellness centers.
- Events and Sponsorships: Participation in health and wellness expos, sponsorship of fitness events and community health initiatives.

Sales Strategy:

- Online Sales: Direct-to-consumer sales through an e-commerce platform.
- Retail Distribution: Placement in health food stores, supermarkets, and specialty beverage retailers.
- Subscription Service: Monthly subscription plans offering regular delivery of Prio

products with discounts and exclusive offers.

Statement of Cash Flow

Line Item	Increase or Decrease
Operating Activities	
Net Income	\$0.00
Payroll	\$0.00
Depreciation	\$0.00
Office Rent	\$0.00
Accounts Receivable	\$0.00
Cash from Operations(Research and Development)	\$262.93
Investing Activities	
Equipment Sale	\$0.00
Property Purchase	\$0.00
Cash from Investing	\$0.00
Financing Activities	
Loan Payment	\$0.00
Cash from Financing	\$0.00
Net Change in Cash Account	

Income Statement

		June	July	August	September
Revenue					
Sales					
Net Sales					
Cost of Goods Sold					
Gross Profit					
Operating Expenses					
Research and Development		\$262.93			
Salaries and Wages					
Depreciation					
Office Expenses					
Rent					
Travel					
Maintenance					
Advertising					
Total Operating Expenses					
Income from Operations					
Income Before Taxes					
Income Tax Expense					

Net Income					
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Balance Sheet

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash and Cash Equivalents		Loans Payable and Current Portion Long Term Debt	
Short Term Investments		Accounts Payable and Accrued Expenses	
Accounts Receivable		Income Taxes Payable	
Inventories		Accrued Retirement and Profit-Sharing Contributions	
Deferred Income Taxes		Total Current Liabilities	
Prepaid Expenses and Other Current Assets		Other Liabilities	
Total Current Assets		Long Term Debt	
Other Assets		Accrued Retirement Costs	
Property, Plant, and Equipment at Cost		Deferred Income Taxes	
Long Term Cash Investments		Deferred Credit and Other Liabilities	
Equity Investments		Total Other Liabilities	
Deferred Income Taxes		Total Liabilities	
Other Assets			
Total Other Assets			
Total Assets			

Composed With Help of The U.S. Small Business Administration