

Santa's Inc.

*Toy Manufacturing and
In-home Delivery Service*

Executive Summary

SantasPlan.com

Santa's Inc. mission is to bring joy to children around the world by fulfilling toy requests via high-speed in-home delivery service.

Santa's Inc. (Santa) is in a unique position to provide quality toys to children throughout the world by utilizing an innovative patent-pending high-speed delivery system. Santa's state-of-the-art 'Just in Time' delivery capability provides a significant competitive advantage. Additionally, Santa will beat any competitors' price by 100%, ensuring niche market domination.

Santa's Operation

Manufacturing

Santa's first competitive advantage is the Lean Manufacturing facility to be located in the North Pole. This location offers a high concentration of skilled toy makers (including video-gaming and electronics) willing to work year-round for minimal compensation, stock options, and an annual tropical vacation package. Not bound by International copyright laws, Santa can duplicate any toy on the market with no development or market research costs. Santa is in a perfect position to implement a Focused Cost Leadership strategy; we have used the Business Insight software from BRS-inc.com to identify operational, marketing and pricing strategies to dominate our niche market.

Fulfillment

Santa will use a highly-classified transportation system (High Speed Santa Delivery or HSSD) to deliver toys around the world at record speeds and at a fraction of the competitors' fulfillment costs. *Details of the HSSD will be made available to qualified investors.* All orders or change orders requested by 8 P.M. local time (of the shipping destination) on Christmas Eve will be fulfilled between 12 A.M. and 6 A.M. local time Christmas Day. The superiority of our once-a-year delivery method will become evident as details of our HSSD are revealed.

Pricing / Marketing

Competitor pricing is driven by the "old" model of ROI, while Santa's 100% discount (free toys) is a result of a deep affection for children, supplemented by a targeted advertising and royalty revenue model. Each toy that is delivered to a child will be accompanied by an invitation to join the SantasPlan.com social network community. Children can view Santa's on-line toy catalog, update their wish list, view their Naughty/Nice meter, and meet other children with similar toy interests. Advertisers selling toys year round through on-line stores and retail outlets will have the ability to direct targeted advertisements to the children and their parents. Children can forward a wish-list to their parent's email, which will also include targeted ads. Santa has created a personal likeness that conveys jolliness, gentleness, and compassion (see image below). For a one month period prior to Christmas, hundreds of thousands of men will dress up

in costumes that depict this image; they will be called “Santa’s Helpers.” Retail outlets will pay Santa a royalty for the use of this likeness in order to draw children and parents into their stores. Many forms of merchandising of Santa’s likeness, including toys, dolls, books, etc., will contribute significant additional revenues. The combination of these revenue streams will provide a net profit ratio many times greater than any of our competitors. Our free Christmas toy pricing model combined with our social network will create a sizable customer exit barrier. SantasPlan.com will become the destination site for all good little children.



Market

Our primary target is children two to ten years old in developed countries that celebrate Christmas. The world population exceeds 6.6 billion people and is growing more commercialized. As the world ‘flattens’ and heavily populated countries like China and India embrace Western cultures, Santa’s popularity will grow exponentially. In our first year we anticipate to exceed 500 million toys, all delivered in one night thanks to our HSSD system. Children outside of our current distribution area that join the SantasPlan.com community will help create a greater demand for Santa. By year three we conservatively estimate 1 billion toy deliveries.

Competition

Our objective is to promote a healthy toy industry for Santa and all competitors. It is not our goal to eliminate our competitors; we rely on them for our targeted advertising revenue model. Because Santa provides only a fraction of the toys received by children on Christmas, the remaining competitors will compete amongst themselves for market penetration. They are forced to compete on price, channel distribution, discounts, retail shelf dominance, Internet sales, outsourced manufacturing, product knock-offs, and a host of other factors. As a free, benevolent, and annual delivery service, we project a pure, non-commercial image – setting us apart from all competitors.

Management Team

Kris Kringle – Founder and CEO. Santa’s personal likeness is modeled after Kris, with a few pounds added for a more “jolly” appearance. Kris has a lifetime of experience in the toy industry, working in the family business. As former Vice President of Manufacturing for a major toy company, Kris is imminently qualified to lead our manufacturing-intensive organization.

Kylon Gustin – Consultant and CSO. Kylon has been instrumental, providing guidance as we developed our business model. He has over 24 years experience in the high tech industry and provides consulting services to entrepreneurs and growing businesses; information about his services can be found at BusinessPlanAdvice.com. Kylon will continue in the role of Chief Strategy Officer on a part-time basis and will come on board full-time when we receive funding.

Avery Goncalo – Co-founder and CTO. Avery is a member of Mensa International and has been published several times in the Mensa Research Journal for his research and discoveries in Quantum Physics. After he and Kris developed the HSSD technology they realized the significant potential to build a unique business model for the toy industry.

Aubrie Alverad – Vice President of Marketing. Aubrie has over 25 years of marketing experience, 15 of those at a senior level. She is the innovator of our Santa's Helper marketing strategy and has developed several other publicity and public relation plans to propel Santa into the toy market.

We have several other senior-level executives ready to join our organization once funding is acquired.

Financial Projections

(projections in millions)

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Revenue	\$425	\$1,135	\$3,244
Gross Profit	\$250	\$737	\$2,271
EBITDA	\$100	\$331	\$1,136

Capital

We are seeking \$500 million to upgrade the Kringle family manufacturing facility with state-of-the-art equipment, complete development of the HSSD system, and implement our marketing campaign. We will exchange 30% of preferred stock for the \$500 million investment.

Contact Information

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