ENTREPRENEURSHIP AND LEADERSHIP:

THE APPLICATIONS IN A FINANCIAL ADVISING CAREER

By

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Abstract:

Throughout this thesis I will talk about what I have learned in my entrepreneurship and leadership class throughout the semester. A large portion of this will talk about personality tests I took and what I agree and disagree with from those. I have also included the business plan for Bar Harbor Technology, a company that I co-founded with three other students through the McGuire program in the Eller College of Management. Our company is centered around providing improved efficiency for full-service restaurants by reducing wait times and improving accountability of liquor bottle usage. As the CFO of the company, I handled the financials of the company.

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Big Five Personality Test

After taking the Big Five Personality Test I received a score of 25 for extroversion, 34 for agreeableness, 22 for conscientiousness, 30 for Neuroticism, and 21 for Openness to Experience. Going in order I will say that I disagree with my extroversion score. I definitely feel like I am always the one to start a conversation with my friends, with strangers, and with a group that I am meeting with. I think that this is because of the way the test was worded and because of my affect on my conscientiousness score. While I do enjoy starting conversations and having attention, I always try to limit myself from having too much attention. I will only be the center of attention if it is not bothersome to anyone and there is an opportunity for it. In a group meeting I can take over as the leader if no one else does, but I have no problem being a follower. At a party no one is going to be upset by me being the center of attention since they can easily leave the conversation or group.

Achieving a score of 34 for agreeableness is not something that I am surprised about. I tend to always agree with people and tell them that their ideas are good even if I don't necessary feel that way on the inside. I think this because of my problem of self-confidence. I have a problem where I sometimes can be 90% sure that I am right, but I will still not speak up if it is a differing opinion than someone else. Because of this, I tend to agree with people almost every time, unless I am 100% sure that I am right. This semester, I have started to change this, as I have noticed from the many people I've met that it takes confidence and is risky to tell someone that they are wrong.

A score of 22 for conscientiousness is something that is very polarizing for me. In some senses I feel that I should have received a higher score since I always think of others before myself, which is part of the reason that I received such a high agreeableness score. On the other hand I tend to not be very organized and not write stuff down, since I can usually remember things well enough in my head, though I would like to change this soon.

I was most surprised to receive a neuroticism score of 30. I believe myself to not be upset easily and to always keep a happy mood. I almost think the score might be backwards and I instead should have had closer to a 10. I do not easily feel blue, and I am not easily upset yet the way the scoring worked if I put a 1 down, it subtracted it. I also received a much higher score than average which is something that I very much disagree with. I believe myself to always be the diffuser of any bad situations by looking at the positives. Also I would not be the "life of the party" if I did not always have a happy and laughing mood.

A 21 for openness to experience is just about what I expected. I think the definition of this is slightly skewed. I do believe myself to be one that is curious and always looking for new ways to do something and to answers to everything, however I am not very creative or imaginative. I am the kind of person that will always look for previous answers through research, but very rarely come up with new ways or methods or answers to something.

Overall, I wasn't too satisfied with my scores. Some of them were accurate but my neuroticism score was very wrong in my opinion. I do consider myself a good personality for both a leader and an employee since I can both lead a group or work well in a team since I consider myself compassionate, hard working, and a team player. I rarely compare myself to the averages with tests like these since I think that everyone, including myself has biased opinions of themselves. A famous quote that I think about all the time is "we judge ourselves by our intentions and other by their actions" since we always think we are doing the right thing and everyone else is doing the wrong thing.

Core Self-Evaluation Scale

I received a score of 4.41 for the core self-evaluation test. I do believe this score is pretty accurate as I do consider myself a more positive person than the average person. I also saw that a lot of it was based on success and whether or not I think I can achieve success on my own. If I had to put it down to numbers, I would say that success is about 10% luck, 30% opportunity and 60% what I make of it. The luck part is pretty self-explanatory, it's whether or not the person reviewing my job application likes my qualities and decides to give me my dream job or not. 30% of my application might come from connections that I have through my parents or an uncle who works in my dream career already. 60% of what matters though is how much effort I put in, and if I work hard at an internship to do receive a promotion or to be hired on full-time. My GPA is mainly based on how much work I put in, but I do think if I had the most supportive and rich parents in the world that I would have better grades. This is not a complaint, just to state that there have been times where I had to work on personal problems, or financial problems by taking on a job, rather than spending time doing school work. Regardless, I would say that I have always done a good job in school and have achieved a level of success I am happy with. As I am writing this, I have received a job offer with my dream job as a financial advisor, although I did not receive it with my dream company. I do believe I can be successful at both the company I will be working at, and the company I originally wanted, but the job description does not change too much between companies.

Tolerance for Ambiguity Scale

I received a score of 57 as my tolerance for ambiguity. I think this score is a bit high but overall not too crazy. I think the reason is that some of these questions appealed to me in different ways. For example the second question “I would like to live in a foreign country for a while” really spoke to my interest in different cultures and languages, and not necessarily to my interest in being in an unknown situation, thus I gave it a 7. Otherwise I would probably say I am uncomfortable in many situations of not knowing what is happening, but occasionally I can be comfortable. The reason for this is because I like to do a lot of research on everything and be knowledgeable on everything that goes on in my life. For example, I always research movies before and after watching them to see if there is anything I should look out for. I try to learn as many languages as possible so that I can always know what someone is saying around me. I try to memorize maps to know my way around a new city. Because of this I enjoy learning, and can be uncomfortable in a new situation that I know nothing about. However, being in an unknown situation is not necessarily bad for me since I can also use it as a learning experience. As an arbitrary example, If I were to hypothetically be dropped in Germany, I would at first be very scared and not know what is going on. Through the little research I know about Germany I would maybe figure out what geographical area I am in due to my limited knowledge of German history and my understanding of German soccer teams. I would then try to pick up on German as quickly as possible to make it home or to live out the rest of my life there. This applies to me now because I will be entering my career soon as a financial advisor and will be in a city that I am not very familiar with. Part of my job will be to familiarize myself with my surroundings and I will have to adapt quickly to be successful in this new stage of my life.

Skills of Effective Leaders

Since the skills of effective leaders had no total grading system, I will only go into detail about the ones that I have a strong opinion on. I think that communication is an important skill for leaders, but is probably one of the least important skills since anyone can eventually get their point across with enough time, though it may take a long time. Time and stress management is pretty important because it leads to organization, and not having organization can be a huge downfall for any leader. Additionally if employees are upset with their leadership because of time and stress management they will most likely cause many problems that will decrease productivity. Decisiveness is the skill I lack the most that is important for a leader. I usually struggle as mentioned earlier with fully committing myself to something unless I am 100% sure I am right. I do believe that this is an important skill for leaders though because if a leader seems unsure their followers will not trust them. As mentioned before, I believe organization is hugely important, but I think it can be helped a lot by having followers or an assistant who does the organization for you. Again, this is a skill I lack but I think I can fix it in the future. Motivating and influencing others is something I think I am decent in, and a skill that is important but not any more or less important than other skills mentioned here. As such I have no real opinion of it. I think delegation/managing of people could be the most important skill a leader needs. This is a skill that I am pretty good at, but could always improve in. I always try to put myself in someone else's shoes and see what strengths they have. For example, in my venture I always tell the marketing guy to do anything that involves research or looking up information on anything, while I always stick to anything that involves numbers and financials. I do think it is important to do this the right amount however since one person could become upset at having to do too much work or too little work. I think this is where a great manager can outshine a good manager since it also shows that know their followers strengths and weaknesses. I think that many leaders, including myself can and sometimes do forego setting goals. While it is great to set goals, if everything else is working efficiently there really isn't a need to set a goal other than, "do the best job possible". Self awareness is not necessarily something that I think is very important and I don't think I do a good job as a result. Team building is super important, and something that I think I am very good at. Much like with time and stress management, if a team does not work well together they will be inefficient and thus fail. Managing conflict is something that can be foregone if everything else is ran well, especially team building. If a team always works well then there will always never be conflict. I would rather work to avoid conflicts than to have to get rid of them once they become a problem.

Strengths and Weaknesses

Speaking with my fellow group members and family members, my biggest weakness is my confidence and my ability to think on the spot. As mentioned before I struggle with committing to something without being sure that I think it is going to go well. I have been working on improving this by making riskier decisions, and also improving my chances of things going well by putting in more effort into research. I sometimes struggle with thinking on the spot since I tend to get nervous if everything is not planned out. Such as during a presentation, I struggle with being asked questions and put on the spot. With practice I have gotten better, especially during the McGuire process where I know I already have the information I need.

Some of the strengths I possess are adaptability, being hard working, and being dependable. I think I am adaptable in the sense that I can learn a new subject pretty quickly and when presented with a new challenge I will tackle with a lot of different angles until I figure out the solution. I also work hard, which can be shown by my grades, and my determination to succeed. I also am very dependable and will always keep to my word, not only to others but to myself. Because of this I always try to finish everything in one sitting, whether it is a homework assignment, or my dinner, I will keep working until it is done.

Leadership Skills

Over the next twenty-four months, I will be starting my job as a financial advisor, as well as moving to Tempe. For the next 12 months I will mainly be focused on training and getting my certifications done and thus will not have much of an opportunity to lead as I will be by myself. After that, the bulk of my job will involve me going out into the community to acquire clients to build my practice as a financial advisor. In an industry where it takes several years to build a decent sized portfolio of clients, it is hard to become a leader in such a short amount of time. What I can do though is set an example for any new financial advisors that come through. The biggest complaint I had while interviewing for positions was that I was too young to be a financial advisor since I was “too young to be trusted with people's’ money”. While I personally think I can use it to my advantage to acquire clients, it still stands that a person of my age most likely does not know all of the ins and outs of the financial advising industry. As a result, I would like to show my leadership by being successful in my first few years and being someone that other new financial advisors can look to for inspiration. I will not have anyone working directly underneath me so I cannot lead directly, but rather I can do the next best thing which is mentor and inspire others.

Desire and Ambitions

As mentioned above, my role will not have any direct leadership involved, but rather clients that I acquire. Seeing as how JP Dahdah had a similar career path to the one I would like to have. As he explained, time is the most important currency. I think this is true because I want to become as successful as possible in as little time as possible. One of my goals is to be known as the financial advisor who made it, while still being really young. As explained above I want to be a symbol for other people looking to get into the field. I also am a big fan of mentoring and helping other people and I want to be successful enough to be able to help everyone else, since as JP said, it will come back around to me as well. As Barry Gabel said, accountability is key. If I am accountable I will be successful, and that is how I plan on acquiring clients. Part of my job requires me to literally go knocking door to door in a neighborhood to try and convince people to let me become their financial advisor. The hardest part of this will be to build credibility with them and convince them to not slam the door in my face, as 99% of them will do. If I can build accountability with them, then I can gain their trust and make them my client. The hard part, however, will be to build that initial accountability. I do not yet know how I will do that but I would like to figure it out.

Apart from being a leader, I would also like to be mentored throughout my life, until I am comfortable enough to start mentoring someone else. The company I am working for has a program where one in three people will have the chance to be mentored, and that is something that I really want to be a part of. I am a big believer that there is always more to learn and thus I always listen with an open mind whenever someone offers me advice. I also feel a lot safer if I have someone who I can fall back onto for advice. After a few years I would like to take on my own intern to be able to mentor them and help them get a job. This is because I recently finished an internship with a financial advisor while I was in school and I learned so much from my mentor. I had to spend money to uber to work and thus I made very little money, but it was never about the money. At the same time, I spent very little time actually doing work because I would finish my work very quickly and then I would spend the rest of the day reading or asking my boss questions. It got to the point where I went around to other financial advisors and asked if they had any work for me to do because I was so eager to learn that I ran out of stuff to do in a day for my boss. I firmly believe that my boss did not really need me to do most of the work that I did, but that it was in fact to help me, and make some money in the process. For example, I was forced to read a weekly newspaper about the stock market and make note of any stocks that were mentioned that were owned by clients, then I would give my boss the list, and he claims he would communicate with clients about it, if anything happened to their stock. I am almost certain that my boss would pick one or two pages out of the twenty or thirty I would give him and only read those, while the other twenty-eight pages I read were just to expand my knowledge on the stock. Moreover, there were times when I had to recreate a client portfolio and then pitch it to my boss and if he wanted he would take my advice on the stock picking. Again, I believe that he already knew the stocks he was going to buy, and merely made me do research and practice pitching a stock. Because of people like him, I would like to do the same and help others. The amount of time I spent reading a newspaper in a day was probably close to one-hundred times what my boss would have spent to learn the same relevant information. He was not paying me to help him, he was merely doing a good deed for the world and I will consider myself successful the day I can do the same thing. The day that I can pay an intern to learn on their own and not worry about my financial situation is when I believe I succeeded in my goals.

All in all, I know that I have strengths and weaknesses that I can improve on. I believe I am going into a field where I can use my strengths to my fullest extent and minimize my weaknesses. I will continue to improve every day, and hopefully learn something new every single day as well. The speakers in this class have taught me to focus on what is important, such as being accountable or focusing on employee and customer happiness, and less on other things, such as what people think of me, or things that are out of my control such as the decisions of a family member. I hope to one day come back and be a speaker and have a story that I can share with people to help them achieve what I will hopefully achieve in the future.

BAR HARBOR TECHNOLOGY

Business Plan

Ivan Escobosa
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Problem & Opportunity
According to our research and understanding gained through one-hundred different interviews of restaurant customers, owners, and managers the biggest inefficiencies in the full-service restaurant industry are long wait times for cocktail service, disorganized methods for purchasing alcohol inventory, and unnoticed over pouring costs. These three inefficiencies give Bar Harbor Technology an opportunity to provide solutions using radio frequency identification and near-field communication technology.

Product Solutions
Bar Harbor Technology has two solutions, using NFC and RFID based solutions, which are a NFC enabled coaster and RFID enabled scales. A consulting service will also be provided to all our customers so that each restaurant can utilize our solution in the most beneficial manner.

NFC Enabled Coaster
Our NFC coasters are designed to aid in customer service rather than replace traditional service. When a customer wants a new beer, cocktail or wine, they can place their drink on the NFC coaster. The scanner in the NFC coaster will read the NFC tag located on the bottom of their glass and automatically send this drink order to the bar so that the bartender can begin making their drink. The coaster will emit a light blue glow so when the server walks by the table, they know to go straight to the bar to grab the customer's drink, allowing the customer to receive their drink in half the time. When the customer requires a different drink than the one they currently have, the customer can press a button on the side of the coaster which will have the coaster emit a glowing white light, allowing the server to reach the customer's table in half the time. The NFC coasters will also be integrated with the restaurant's current POS system, allowing the coaster to distinguish which person at the table ordered which drink and the server to identify who placed their glass on the coaster by assigning coasters to different seat numbers.

RFID Enabled Scales
RFID enabled scales will be fitted with each liquor bottle behind the bar and each liquor bottle will have its RFID tag. This RFID tag will know what the bottle is, how much it weights when full, how much each shot costs the restaurant, and how much each shot costs the customer. When the bartender lifts the bottle to pour a drink and then sets it back down on the scale the RFID scanner will transmit this data to an inventory management system that is integrated with the current POS system. This data will be tracked in real time and offers a couple of different benefits for the restaurant managers. The first benefit is a more organized way of purchasing inventory, since the data is tracked in real time a manager will always have an accurate representation of exactly how much inventory they need at a period. This saves the restaurant revenue that could be lost due to bottles sitting in the back-storage room for an extended amount of time or from losing a drink order due to a lack of inventory. The second benefit is allowing the managers to view over pouring costs. Over-pouring costs are one of the most ignored costs in the restaurant industry and can potentially result in the loss of thousands and thousands of dollars in revenue. For example, if a bartender is serving a customer a shot of

Jameson which costs $7, but gives the customer a shot and a half instead. While this does not seem like much the restaurant is losing $3.50 in revenue, as you can see, over-pouring costs can quickly build up to huge sums over a larger period in time. Our system does not provide disciplinary actions; however, the system allows managers to identify potential shrink problems.

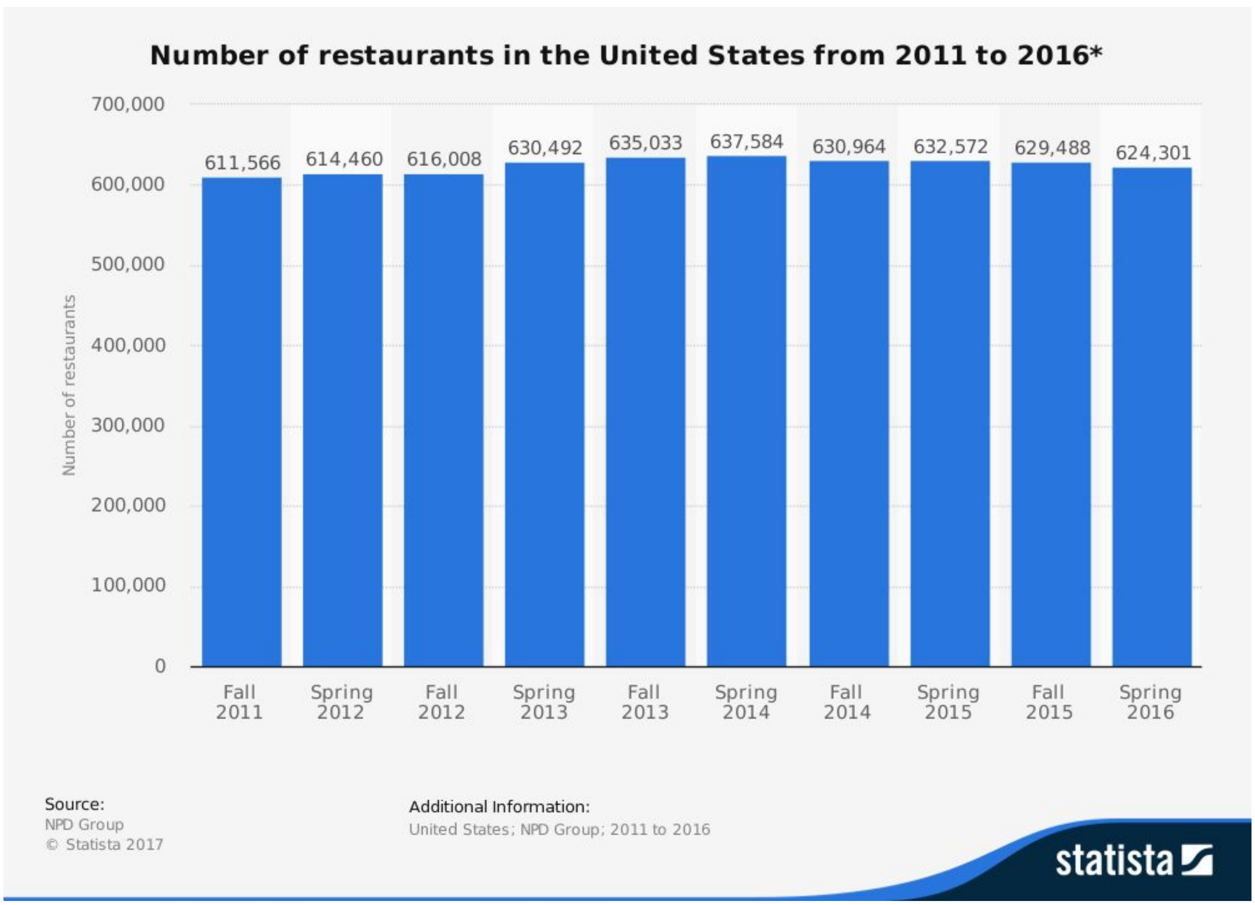
Unique Value Proposition
For full-service restaurant owners or managers who want to decrease customer wait times for cocktail service, decrease liquor inventory costs and track liquor revenue, our products, with the help of NFC and RFID technology, will increase customer satisfaction and improve inventory management which will translate into actionable revenue metrics.

Product Road Map
According to the Restaurant POS Survey Results, the top seven POS solutions are Aloha POS, MICROS, Digital Dining, Clover, Adelo POS, Future POS, and POSitouch. These seven POS solutions hold 47.5% of the total market share and all other POS solutions are each accounted for less than 3% of the market share. Beginning in 2018, Bar Harbor Technology will have fully developed our NFC Coasters and RFID Scales, and will continue to integrate more POS solutions and features into the Inventory Management System. The Inventory Management System will be integrated with the two most currently used POS systems which are Aloha, 18.1%, and Micros, 16.8%. The two key features that will be developed for the system in 2018 are liquor usage tracking for each individual bottle and graphing an accurate representation of inventory needs using real time data.

Industry and Target Market
Market Segments Include:

- Full-Service
- Fine Dining
- Fast Food
- Full-Service Franchise
- Quick Service
- Buffet

In the United States, there are 624,301 full-service restaurants where 159,839 are quick service, 38,244 are full-service franchise. Our target market does not include quick service and full-service franchise restaurants, bringing our target market to 426,218 full-service restaurants. Our target market earns $259.21 billion in food and drink sales per year and if we expect to reach out to 1,300 of the 426,218 restaurants in five years, we will earn a potential revenue of $20,548,412.



Competitive Analysis
Our main competitors at this point are TouchBistro, BarVision, ORCA Inventory and Ordering, and Simple Order.

TouchBistro
TouchBistro is an all-in-one application with some inventory management capabilities. TouchBistro is primarily a Point of Sale tablet application, but competes with Bar Harbor as they aim to solve inventory management issues for restaurants. However, TouchBistro's focuses on many features, resulting in a more versatile product that is less focused on inventory management issues. TouchBistro's complex system offers floor plan customization, staff management, and menu customization in addition to an inventory management system. TouchBistro is an all-in-one application that many restaurants would be wasteful to use if they only need a way to reduce inventory losses.

BarVision
BarVision is a platform that tracks alcohol usage via RFID Spouts. BarVision is our closest competitor as they deal directly with the reduction of monetary losses due to over pouring. In addition, BarVision aims to improve inefficiencies with RFID technology. BarVision is limited by their choice to use spouts to measure over pouring. Spouts have been proven to be inaccurate and unsanitary when being cleaned as laundry detergent can destroy the spout.

ORCA Inventory and Ordering
ORCA Inventory and Ordering is another competitor of Bar Harbor aiming to solve inventory management issues due to poor inventory records. ORCA offers features like Inventory Management Control, Budgeting Tools, Invoicing and Receiving, Automatic Reordering, and Robust Financial Tracking and Statements. However, ORCA does not work towards limiting monetary losses due to over pouring. ORCA offers many similar products to Bar Harbor such as Inventory Management Control and Automatic Reordering without working to solve a daily inefficiency in the industry.

Simple Order
Finally, Bar Harbor's last major competitor is Simple Order. Simple Order offers an easy to use inventory management program that focuses on saving managers time. The major limitation to Simple Order is the software itself isn't saving the restaurant money. The software simply makes identifying what inventory is needed much easier, sometimes resulting in increased profit margins. Simple Order relies on the manager to identify waste while Bar Harbor identifies waste and alerts the manager.

In conclusion, there are many companies offering similar features to Bar Harbor Technology.

However, none of these companies offer the unique set of features that Bar Harbor can provide. Working with Bar Harbor can offer restaurants the best of all available inventory management features.

Go-to-Market Strategy

The different market segments of restaurants in the United States include full-service, fine dining, fast food, full-service franchise, quick service, and buffet. Our target market is the full-service restaurants which provide table side service from a waiter or waitress and a complete bar with a bartender who mixes and creates the alcoholic beverages. As of Spring 2016, there are 426,218 full-service restaurants in the United States. These restaurants have $259.21 billion dollars in food and drink sales per year which, if our company can achieve 100% of the target market, would be $2,855,660,600 in revenue for Bar Harbor Technology which is only 1.1% of the total revenue made by the target market per year. Our company expects to provide 1,300 restaurants our solution in a span of 5 years which is a revenue of $20,548,412 for our business. Please see our financial model for more information about our company's revenue goals for the next five years.

Reaching out to Potential Clients - Trade Shows

While we have multiple ways to reach out to clients, trade shows will not give us the most clients per investment, but they will give us other benefits such as increasing our brand visibility and giving us critical feedback with our product. We find that the prospective customers at trade shows are the most receptive and willing to buy our product for their restaurants. We've identified two main trade shows to attend to maximize our client acquisitions for the lowest cost. Both trade shows are put on by the Net World Media Group. They are the Restaurant Franchising and Innovation Summit as well as the ICX Summit.

The Restaurant Franchising and Innovation Summit focuses specifically on improving restaurants and giving other restaurants feedback and advice with how to run day to day operations. This summit more closely aligns with our RFID enabled scales that help manage a restaurant's liquor inventory. Looking at the numbers, the registration fee for our company is $2,995. Our travel costs will be around $2,276 for the flights and hotel. We plan on spending around $1,500 on the booth at the summit. When we add these numbers, we achieve a total cost of around $6,771 for the convention.

The ICX summit focuses more on technology, where we would like to focus on marketing our NFC coasters. This is mainly since this summit focuses more on technology and less on restaurants. Our costs for this summit are the same, and will only change based on the location of it.

Using these costs, we expect to get around 9 customers per summit, and at a cost of $6,771 for the summit, our customer acquisition cost is $752.33.

Reaching out to Potential Clients - In-Person Cold Calling

Our goal is to reach out to 200 different full-service restaurants per month which gives us about a 15% opportunity window and about a 5% sales conversion rate based on the industry standard. The number of restaurants we reach out to will increase every 6 months as we hire more people to work in sales. Our five-year goal for the total number of customer acquired through in-person cold calling are:

Year One 45 Total Customers
Year Two 204 Total Customers
Year Three 454 Total Customers
Year Four 794 Total Customers
Year Five 1,210 Total Customers

Staffing Plan

Job Title	Project Responsibility	Skills/Minimum Job Requirements	Duration Required	Number of Staff Required per Number of Clients
Software Developer	Inventory Management System Development	Engineering background/relevant experience, bachelor degree	Full-Time	For every 5 new clients we need 2 Software Developers
Computer Hardware Engineer	RFID and NFC Product Development	Engineering background/relevant experience using RFID and NFC technology, bachelor degree	Full-Time	For every 5 new clients we need 2 Computer Hardware Engineers
Salesperson	Selling products to bars	B2B sales experience, 1+ year of prior experience	Full-Time	Amount of salesperson needed depends on rate of expansion, need to start with at least 2
IT Maintenance	On-call maintenance	Relevant experience, bachelor degree preferred	Part-Time	1 IT Maintenance person is needed for every 10 clients
Accountant	Financial Statements	Business Accounting background, 3+ years of prior experience, bachelor degree	Full-Time	1 Accountant is needed for every $1 million earned in revenue

Operations & Technology

RFID

RFID stands for radio frequency identification and will allow an inventory management system to communicate with each liquor bottle being used. Each liquor bottle will be fit with a RFID tag specific to that bottle meaning the RFID tag will have data about what type of liquor it is, what the name of the bottle is, how much it weighs when full, how much each shot costs, etc. When a bartender lifts the bottle from the RFID scale, which holds the RFID antenna, and places the bottle back onto the scale this data will be sent to the inventory management system. The system will track liquor usage using the real-time data and will track over pouring costs, total revenue, revenue for each individual bottle, and create an accurate representation of what the next inventory order must include.

NFC

NFC stands for near-field communication and will allow a customer to place their empty cocktail on the coaster and cut the waiting time in half. The coaster will hold a NFC antenna and each individual cocktail glass will have its own NFC tag that is unique to each glass meaning the NFC tag will know what each glass type is such as white wine, red wine, martini, rocks, etc. In the POS system, each customer is recorded in a different seat number so when the customer places their glass on the coaster, it will know which person at the table ordered what. The drink order will automatically be sent to the POS system and the bartender will receive the drink order right away. The coaster will then emit a light white glow notifying the server to go straight to the bar to retrieve the cocktail. If the customer wants a different drink, a button will be located on the coaster and when pressed will emit a light blue glow notifying the server to go to the table to take the new order.

All our technology will be ordered through Texas Instruments and will be purchased after a consulting service is done for each restaurant so we don’t have excess inventory on hand. The only exception to this is in the first six months of operations where we will purchase enough inventory to develop and test out the inventory management system.

Revenue Model
Bar Harbor Technology will use an asset and subscription revenue model which includes a small upfront cost and a large annual cost that is paid monthly. Using this revenue model, we will pay back our cost of goods sold within month for each individual restaurant.

Since each restaurant is unique, Bar Harbor Technology will provide a full consultation service so final price will be determined after the consultation. We have put together a chart using the average number of tables in a restaurant and liquor bottles behind the bar to categorize restaurants in the small, medium, or large size so that restaurants can get an estimate of the cost prior to the consultation service.

Asset Price - Small	$500
Monthly Subscription Price - Small	$300 *$3,600 Annually*
Asset Price - Medium	$700
Monthly Subscription Price - Medium	$500 *$6,000 Annually*
Asset Price - Large	$1,200
Monthly Subscription Price - Large	$650 *$7,800 Annually*
Cost of Replacement	3x COGS

Founders

Olivia Ripps is from Scottsdale, Arizona and is graduating from the University of Arizona with a bachelor of science and business administration focusing in Management Information Systems, Entrepreneurship, and Global Business in May 2017. The concept used to create the business, Bar Harbor Technology, was formed due to her 6 years of experience working in the restaurant industry. Olivia's primary role in the company is as the Chief Solutions Officer for Bar Harbor Technologies and will continue to work with product development and hire software developers and computer hardware engineers in the future.

Ivan Escobosa hails from Culiacan, Sinaloa, Mexico but has lived in Tucson, Arizona for most of his life. Upon coming to the University of Arizona, Ivan became passionately involved and joined many organizations including, investments club, Eller ambassadors, La Paz Living Learning Community, and Alpha Kappa Psi. Currently he is the Vice President of Finance for Alpha Kappa Psi, and is a Finance and Entrepreneurship major. Ivan is also the Chief Financial Officer of Bar Harbor Technologies.

Connor Stewart is from Phoenix, Arizona. He is a double major in Marketing and Entrepreneurship and is interested in business development and RFID technology. Connor is the Chief Marketing Officer of Bar Harbor Technologies. Connor's primary roles as the Chief Marketing Officer include developing and maintaining promotional campaigns as well as supervising all marketing research.

Garrett Patrick is graduating from the University of Arizona with a B.A. in Environmental Studies, and is pursuing an MBA with a focus on global business. His experience as a mobile app developer has allowed him to engage in the RFID industry with a unique and positive perspective. Garrett's primary role is to facilitate team members needs within the company to ensure that operations are functioning at the most efficient level possible.

Financial Plan

Our financial plan discusses the amount of clients we have, how much revenue we will make, our total costs, and finally what our net cash flow is per year. Using our customer acquisition cost of $790.79 per restaurant, we were able to estimate how many restaurants we would have as clients every year. To do this we directly calculated it based on how much we will spend on marketing per month. For example, in our first year we plan to spend around $50,000 on salespeople and trade shows which gives us an estimated 63 restaurant clients at the end of the year. This is boosted by our spending in advertising.

Moving onto our revenue, we assumed that in the first two years we will have mainly small restaurants, followed by medium sized restaurants in years three and four, and finally large sized restaurants in year five. We calculated our revenue based on our initial asset price multiplied by the amount of restaurants we have. We also multiplied our average subscription cost in a year by the amount of restaurants, using our beginning and ending amount of restaurants as our average.

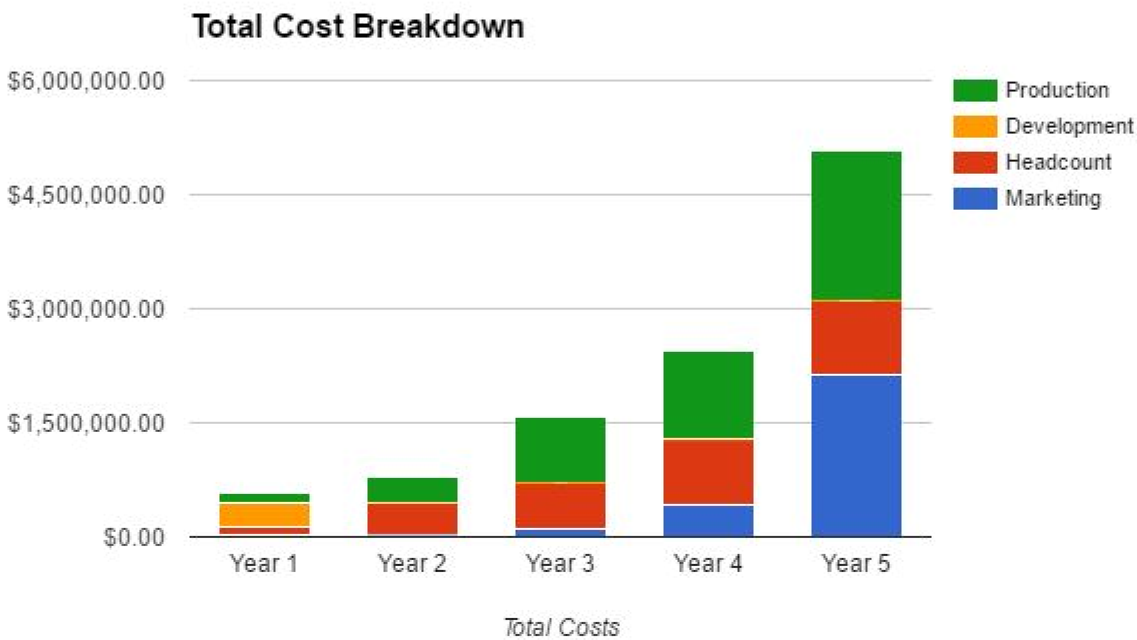
For our costs we simply added up our yearly costs for our production, development, headcount, and marketing.

For production we found our cost of goods sold per product, multiplied by our estimates for how many we would need depending on the average size of restaurant. We then multiplied by the amount of restaurants we expect to have, much like in our revenue.

For our development costs, we plan on having most of them in the first year to help us develop our POS system integration. The total comes out to around $300,000 and then significantly drops off in future years to only a few thousand dollars.

Our headcount was based on the salaries we plan on paying out to all of our employees. At first, the founders will be the only ones on the payroll. After growing we plan to start hiring accountants, salespeople, and information technology maintenance specialists.

Our marketing costs will consistently come from attending trade shows at around the same cost. We will start advertising after the first year which will grow exponentially with our company.



After finding our revenues and costs, we can simply subtract them to find our net cash flow. As we can see, we only have a negative cash flow in the first year. We plan to cover this negative cash flow by finding funding for our company in the amount of $350,000. We can find the value of our company at around $104,000,000 within five years based on our cash flows and price earnings ratio of twenty. If we discount this to today at a rate of 100% per year, we have a current value of our company at $3,525,870.62. Based on this number and our expected seed funding of $350,000, we plan to give up 10.77% equity in our company.


Cash Flow
$6,000,000.00
$4,000,000.00
$2,000,000.00
$0.00
-$2,000,000.00
Revenue
Time
$0.00
-$338,030.15
$107,220.45
$1,538,769.61
$2,774,179.98
$5,153,862.86

Statement of roles of group members:

As the CFO of Bar Harbor Technology, Ivan Escobosa dealt with all of the financials of the company. From valuation, to income statements and projecting growth models.

Olivia Ripps was the CTO of the company due to her background in technology. She was the one that did the most research into producing our two products. She also was the one that kept the entire team organized.

Connor Stewart was the CMO of the company and did much of the research of the market and the industry. Having a background in Marketing allowed him to do this effectively and produce exemplary research.

Garrett Patrick was the GM of the company, tasked with helping the day to day operations of the company.

All four members worked together as a group to produce, improve, and present all aspects of the company.