

Beverage Dispensing Backpack Design and Business Plan

A Senior Project  
presented to  
the Faculty of the Biomedical and General Engineering Department  
California Polytechnic State University, San Luis Obispo

In Partial Fulfillment  
of the Requirements for the Degree  
Bachelor of Science

by

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June, 2015



# GRANDE BEVERAGE EQUIPMENT

June 1, 2015

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## Executive Summary

### Mission Statement

To deliver beverage dispensing products, services, and solutions to our customers in innovative and cost effective ways.

### Company Information

Grande Beverage Equipment was formed in March, 2015, by Sterling Grande, who acts as Chief Executive Officer, designer, builder, and salesman. We are located in San Luis Obispo, California.

### Product

We provide portable beverage dispensing backpacks that can deliver soda or beer from pressurized tanks.

### Future Plans

We plan to provide our products to sports venues, wedding planners, caterers, and vendors in Northern California and eventually all across the United States.

## Company Description

Grande Beverage Equipment provides portable beverage-dispensing backpacks to concession and catering companies to meet their needs for serving beverages at sporting events, weddings, parties, and other events.

The backpacks allow employees of concession or catering companies to provide beverages to fans or guests wherever they are located in the venue, which eliminates the need for fans or guests to leave their seats. This improves the experience of the fans or guests wanting a beverage and of those around them. The dispensers are pressurized so they can serve iced soda or beer, which is an improvement over what is currently available for delivery to fans. Because they are not bottled, the beverages also provide a price savings for both the customers and vendors.

Grande Beverage Equipment can provide a valuable product to concession vendors at sports venues, such as the National Football League, Major League Baseball, National Basketball Association, National Hockey League, National College Athletic Association, etc., and catering vendors at weddings, parties, etc.

A competitive advantage of Grande Beverage Equipment is that there are no other companies in the market providing a similar product. Currently, only bottled or non-carbonated beverages are provided to fans in their seats. Our product is the first that would allow fountain-style carbonated drinks to be provided to fans. Another competitive advantage of Grande Beverage Equipment is that we have low operating costs. With only one current employee and no permanent business location, there are no costs for salaries or rent, which lowers the cost of our product and allows us to use all revenue for manufacturing.

# Market Analysis

## Industry Description and Outlook

The beverage-dispensing industry includes hundreds of companies that sell or manufacture equipment for restaurants, bars, schools, and other venues. The International Beverage Dispensing Equipment Association is a non-profit trade association representing over 200 companies that sell, lease, rent, manufacture, and service beverage dispensing equipment and supplies.

The soda and beer industries have annual sales of \$60 billion and \$59 billion, respectively. In the last five years, the soda industry experienced net income growth of 1.69% and revenue growth of 4.72%. The alcoholic beverage industry also experienced net income growth of 11.42% and revenue growth of 8.49% in the same time period.

Statistics for the beverage dispensing industry are difficult to find, but the overall beverage industry growth should cause the beverage dispensing industry to grow as well. Our product is a new dispensing method, so there is even more potential for growth.

The major customer groups within the industry are restaurants, bars, schools, sports venues, catering companies, supermarkets, and other food and beverage venues.

## Target Market

### Distinguishing Characteristics

The critical needs of our customers are a portable and cost-effective way to deliver beverages to their fans or guests. Currently, only bottled beverages are being delivered to guests in their seats. Fountain drinks and beer, which are both served from a pressurized container, require that fans or guests leave their seats and travel to wherever drinks are being served. Our demographic is guests of sports venues, weddings, or parties.

Attendees of the four major sports leagues represent all ages, races, and income levels. Adult guests are more likely to purchase beverages, and because of the current prices, guests with middle to high incomes are more likely to make multiple purchases. Attendance will also include a higher percentage of men than women.

Attendees of weddings and parties also include all races and income levels. Adults are most likely to attend weddings, while parties can include both adults and children. Adults with middle to high incomes are more likely to plan a large wedding or party that would use our product.

Most of these demographic groups are located in or near large cities or urban areas, where sports teams are located and where there are higher populations to get married or host parties. The sports teams each have their own seasons which will affect our sales, but the seasons of the four major sports overlap each other enough to span the entire year. Weddings and parties tend to take place in the summer or fall seasons.

## Size of the Primary Target Market

Soft drinks and beer both constitute billion dollar industries with mild growth of a few percent over the last five years. The increasing cost of attending a sporting event will probably keep attendance from seeing large increases. However, there are still large amounts of fans attending games. The most recent available attendance data is shown below in Table 1.

**Table 1:** Attendance Statistics for the Four Major American Sports Leagues

Sports League	Year	Total Attendance	Average Attendance Per Game
MLB	2014	73,739,622	30,458
NFL	2014	17,372,838	68,397
NHL	2013-2014	21,632,479	17,587
NBA	2013-2014	21,411,543	17,407

There is some variation in the average total cost of attending a game in each league, but the soda and beer costs are relatively similar. Table 2 shows the average cost for a family of four to attend a game in each league. The total cost includes the purchase of four tickets, two beers, four sodas, and four hotdogs.

**Table 2:** Average Cost for a Family of Four to Attend a Major Sports League Game

Sports League	Year	Cost of Each Beer	Cost of Each Soda	Total Cost
MLB	2012	\$6.10	\$3.71	\$207.68
NFL	2012	\$7.28	\$4.57	\$443.98
NHL	2013	\$7.07	\$4.06	\$354.82
NBA	2010	\$6.96	\$3.95	\$301.06

There are approximately 2,000,000 weddings a year in the United States and the average cost for a wedding in 2012 was \$28,400. On average, 28% of that cost went towards the reception. It would be impossible to compile accurate statistics on the number of parties in the United States every year and how many of them are large enough to involve the use of our product, but it is safe to assume that they number in the millions.

## Market Share

We will focus on earning the business of the Northern California professional sports market. This market includes two NFL teams, two MLB teams, two NBA teams, and one NHL team. Their attendance is shown in Table 3.



**Table 3: Attendance for Northern California Professional Sports Teams**

Team	League	Total Attendance	Average Attendance Per Game
San Francisco 49ers	NFL	557,856	69,732
Oakland Raiders	NFL	371,448	46,431
San Francisco Giants	MLB	3,368,304	41,584
Golden State Warriors	NBA	773,137	18,857
Oakland Athletics	MLB	1,476,792	18,232
San Jose Sharks	NHL	720,042	17,562
Sacramento Kings	NBA	594,828	14,508

This equates to an average combined game attendance of 226,906. Conservatively, if only 10% of fans buy a soda at a game and 25% of those sales are made by a vendor to fans in their seats, that equals 5,673 sodas purchased. With an estimated vendor capacity of 200 beverages sold per game, then 28 vendors using our product would be needed to meet the demand. A spreadsheet of these calculations using different estimates of the percentage of fans buying a soda is included in the Appendix.

Statistics for weddings are not as readily available. However, population statistics can be used to get an estimate of the number of weddings each year in Northern California. With a total United States population of 319,000,000, about 4.4%, or 14,000,000 people, reside in Northern California. Knowing that roughly 2,000,000 weddings take place in the United States each year, then an estimated 88,000 weddings take place in Northern California each year, with about \$700,000,000 spent on receptions. Again assuming that the majority of weddings take place in the summer and fall seasons, then about 2,500 weddings take place a week. If 1% of those weddings would make use of our product at the reception, then 25 devices would be needed to meet the demand.

Parties are even harder to estimate than weddings. However, the Bay Area has enough high-income residents and large corporations to provide a need for our product for private parties and corporate events.

### Pricing and Gross Margin Targets

The first prototype of our product cost around \$750 to design and build. This cost can be reduced to \$500 once the final design is completed and parts are bought in bulk. With an initial price point set at \$1000, the gross margin will be 100%, or \$500.

### Competitive Analysis

There is no known competition with our product because it is a new design for delivering beverages. Although the initial cost for our customers' beverage-delivery services will be increased, their operating costs will be reduced up to 55%, which will cover the higher initial costs and save them money over time.

Our barriers to enter the market are that other beverage-delivery methods are already in use. Although their strength is that they are already established, their weaknesses are a lack of portability for existing fountain drinks and beer and higher operating costs for bottled beverages. Another barrier to entry is

the investment costs for our customers. However, the ability for our customers to save on operating costs will help us overcome this barrier.

### Regulatory Restrictions

Food-grade materials will be used in our products to meet regulations. Also, beer will most likely not be able to be delivered to fans at sporting events because of safety concerns. This will limit our ability to sell beer-dispensing backpacks in that market.

# Organization and Management

## Organizational Structure

Grande Beverage Equipment currently has only one employee. A financial advisor and business advisor/investor are also involved but receive no salaries.

## Ownership Information

### Sterling Grande

- 89% ownership
- Chief Executive Officer
- Designs the products, orders parts, manufactures products, and makes sales
- General Engineering BS with a Concentration in Mechanical Engineering from California Polytechnic University, San Luis Obispo

### Bette Grande

- 10% ownership
- Investor and business advisor
- Preferred Stock
- Manages TLC, Incorporated and Grande Properties, which have a combined valuation in excess of \$10 million
- No compensation

### Adam Burrows

- 1% ownership
- Chief Financial Officer
- Advises on Finances and Business Plan
- Preferred Stock
- Business Finance BS from California Polytechnic State University, San Luis Obispo
- No compensation

## Board of Directors

Grande Beverage Equipment currently does not have a Board of Directors.

## Product Line

### Product Description

Our product is a portable beverage dispenser. It can dispense soda and beer from two 2.5 gallon tanks compressed with carbon dioxide. The tanks are located on a backpack inside of an insulated container that holds ice. The ice container has a tube at the bottom that allows the ice to be poured into cups. A carbon dioxide tank is located above the ice container and has hoses that connect it to the liquid tanks. The liquid tanks have another hose running from them to the front of the backpack to dispense the soda or beer. The backpack design allows fountain soda or beer to be delivered to the seats of customers of sports venues, weddings, or parties. The backpack is light enough for a vendor to carry and has the same capacity as an existing vendor selling bottled beverages. The backpack is currently in the late development stage with a working prototype. The soda-dispensing backpack will be called the "Pop Pack" and the beer-dispensing backpack will be called the "Beer Buddy." Pictures of our product are located in the Appendix. Also, a video showing the operation of our product can be found at the following link:

<https://drive.google.com/folderview?id=0B4tQ1LipA8xKfnRUWXIWZUF5QnZ0aXp4Tm1LazZkc0FUVHNuODhaMW9HanFHUnNwQ1F2MFk&usp=sharing>

### Product Life Cycle

Our product is in nearing the end of its life cycle. It has been designed, parts have been bought, and it has been built and tested.

### Intellectual Property

It may be possible in the future to file for a patent. The design would have to be edited in greater detail and legal counsel retained.

### Research and Development Activities

Current research and development (R&D) involves finalizing the configuration of all the parts on the backpack. Also, the final design and build of the ice holder and dispenser may be altered to allow for the ice to be poured into the cup easier. Future R&D could include further research of miniaturizing a full pre-mix soda machine to fit on the backpack. Current designs for this proved impractical due to weight issues.

# Marketing and Sales

## Overall Marketing Strategy

### Market Penetration

Our market penetration strategy is to approach Northern California sports franchises, wedding planners, and caterers in order to demonstrate how our product can be beneficial to them.

### Growth

Our growth strategy is to expand the target market to sports franchises, wedding planners, and caterers in other cities and states.

### Channels of Distribution

Our channels of distribution rely on an internal sales force. Future distribution could be obtained with a beverage-equipment distributor or by licensing our design.

### Communication

Our communication strategy relies on personal selling and customer relationships. Our marketing staff meets and communicates directly with the buyers.

## Overall Sales Strategy

### Sales Force

Our sales force strategy is to have an internal group of sales representatives. Initially, it will be one person. Based on sales, additional sales representatives will be trained on operation of the product and financial information for the customers. They will have a small base salary and will earn additional pay based on commission.

### Sales Activities

Our sales prospects are sports franchises, wedding/party planners, caterers, and vendors. The highest potential for sales is with baseball organizations and wedding/party planners because they have the highest potential of benefiting from the portability and lower operating costs of our product. Initially, ten sales calls will be made per week. As an estimate, 10% of calls will lead to a sale, and each sale will be for an average of \$2000.

## Funding Request

### Current Funding Requirement

Our current funding requirement is \$750 in order to build a prototype.

### Future Funding Requirement

Depending on sales leads, we will require funding of \$500 per product in order to manufacture them for delivery.

### Intended Use of Funds

Funds will be used as working capital in order to manufacture our product to fulfill orders. Also, some will be used for sales trips and delivery costs.

### Strategic Financial Plans

We have no current strategic financial plans for the future. It is possible that we would consider offers for acquisition by a current beverage equipment manufacturer. Licensing any future design patents is also a possibility.

## Financial Projections

### Income Statements

**Table 4:** Grande Beverage Company Income Statement

Income Statement	
	Year
	2015
<b>Net Revenue</b>	\$500.00
Cost of Goods Sold	(\$536.13)
<b>Gross Profit</b>	(\$36.13)
Other Expenses	(\$201.41)
General Expenses	\$0.00
Research Expenses	\$0.00
<b>Operating Income</b>	(\$237.54)
Tax Expenses	\$0.00
<b>Net Income</b>	(\$237.54)

### Balance Sheets

**Table 5:** Grande Beverage Company Balance Sheet

Balance Sheet					
Assets			Liabilities		
Current Assets			Current Liabilities		
	Cash	\$500.00		Notes payable	\$0.00
	Accounts receivable - net	\$0.00		Accounts payable	\$0.00
	Inventory	\$500.00		Wages payable	\$0.00
	Supplies	\$20.00		Interest payable	\$0.00
	Total current assets	\$1,020.00		Taxes payable	\$0.00
				Unearned revenues	\$0.00
				Total current liabilities	\$0.00
Investments			Long-term liabilities		
		\$0.00		Notes payable	\$0.00
				Total long-term liabilities	\$0.00
Property, plant & equipment			Total liabilities		
	Equipment	\$95.97			\$0.00
	Less: accum depreciation	(\$10.00)			
	Prop, plant, & equip - net	\$85.97			
Total assets			Stockholders' Equity		
		\$1,105.97		Common stock	\$0.00
				Retained earnings	\$1,105.97
				Total stockholders' equity	\$1,105.97
				Total liabilities & stockholders' equity	\$1,105.97

## Cash Flow Statements

**Table 6:** Grande Beverage Company Cash Flow Statement

<b>Cash Flow Statement</b>		
<b>Grande Beverage Equipment</b>		
<b>for the period 1 March 2015 to 31 May 2015</b>		
<b>Cash Flow From Operations</b>		
	Net Earnings	(\$237.54)
<i>Additions to Cash</i>		
	Depreciation	\$10.00
	Decrease in Accounts Receivable	\$0.00
	Increase in Accounts Payable	\$0.00
	Increase in Taxes Payable	\$0.00
<i>Subtractions from Cash</i>		
	Increase in Inventory	(\$500.00)
	Net Cash from Operations	(\$727.54)
<b>Cash Flow From Investing</b>		
	Equipment	(\$95.97)
<b>Cash Flow From Financing</b>		
	Notes Payable	\$0.00
	<b>Cash Flow for the period 1 March 2015 to 31 May 2015</b>	<b>(\$823.51)</b>

## Financial Analysis

**Table 7:** Grande Beverage Company Revenue

<b>Net Revenue</b>			
	Quantity	Price	Revenue
Product Sold:	0	\$1,000.00	\$0.00
Investment:			\$500.00
	Total Net Revenue:		\$500.00



**Table 8:** Grande Beverage Company Cost of Goods Sold

Cost of Goods Sold				
Part	Size	Quantity	Cost (each)	Cost (total)
Cornelius Keg	2.5 gal	2	\$79.95	\$159.90
Hauler Frame Backpack		1	\$64.57	\$64.57
CO2 Tank	5 lb	1	\$85.00	\$86.30
CO2 Fill	5 lb	1	\$18.72	\$19.01
Dual CO2 Regulator		1	\$64.75	\$64.75
Liquid and Gas Line Connectors		2	\$23.99	\$47.98
Polyurethane Laminate	72"x36"	1	\$13.99	\$13.99
Canvas Fabric	60"x36"	1	\$8.87	\$8.87
Upholstery Foam	2"x24"x48"	1	\$11.75	\$13.07
Denim Fabric	72"x36"	1	\$12.99	\$14.03
Upholstery Foam	2"x24"x41"	1	\$17.91	\$18.91
Belt with D-Rings	1"	6	\$1.86	\$11.88
Hook		1	\$2.99	\$3.23
Spring Snap		1	\$2.59	\$2.81
Pipe Insulation	1/4"	1	\$1.79	\$1.85
Heavy Duty Thread	125 yd	1	\$4.61	\$4.98
			Total Cost:	\$536.13
	Total Cost for # of Units:		1	\$536.13

**Table 9:** Grande Beverage Company Other Expenses

<b>Other Expenses</b>				
<b>Equipment:</b>				
Heavy Duty Needles		1	\$3.88	\$3.88
Pins	100 ct	1	\$3.49	\$3.77
Sewing Machine		1	\$75.99	\$82.07
CO2 Tank	2.5 lb	1	\$49.99	\$49.99
Spray Adhesive		1	\$5.99	\$6.25
			Cost:	\$145.96
<b>Shipping Charges:</b>				
Cornelius Kegs				\$28.00
Polyurethane Laminate				\$2.33
Canvas Fabric				\$3.99
Belt with D-Rings				\$14.53
Upholstery Foam				\$6.60
			Cost:	\$55.45
<b>Delivery Charges:</b>				
				\$0.00
			Cost:	\$0.00
			Total Cost:	\$201.41

**Table 10:** Grande Beverage Company Total Expenses

<b>Total Expenses</b>		
Cost of Goods Sold		\$536.13
Other Expenses		\$201.41
	Total:	\$737.54

# Sterling Grande

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## Technical Experience

Intern                      WSP – San Francisco, CA                      June 2014 – September 2014

- Performed heat load calculations.
  - Created heat load zones using the building floorplan in AutoCAD.
  - Modeled the zones with relevant heat sources using Trace software.
- Updated mechanical equipment schedules for AutoCAD and Revit.
- Created and formatted Title 24 forms for use in AutoCAD.
- Updated, added, and tested parameters and connectors for Revit mechanical equipment families.
- Converted and formatted mechanical detail drawings from AutoCAD to Revit.
- Updated riser diagrams in AutoCAD.
- Created, updated, and formatted sheets, tags, notes, and callouts in Revit.
- Created multiple options for bathroom drainage.
  - Inserted multiple gravity drainage piping routes in Revit.
  - Created sheets with floorplan and section views of each option.
- Created drafts for submittal review.

## Education

California Polytechnic State University – San Luis Obispo

Bachelor of Science in **General Engineering with a concentration in Mechanical Engineering.**

June 2015

Class Level: 5<sup>th</sup> Year                      GPA: 3.17                      Dean's List recipient

### Relevant Coursework:

Engineering Statics • Engineering Dynamics I, II • Thermodynamics I, II • Fluid Mechanics I, II • Heat Transfer Fundamentals of HVAC Systems • Mechanical Vibrations • Mechanics of Materials I, II • Philosophy of Design Engineering Economics • Electric Circuit Theory/Electronics • Calculus I–IV • Linear Analysis I, II • C and UNIX

## Technical Skills

- Computer knowledge including Revit, AutoCAD, Trace, SolidWorks, Pro/Engineer, Microsoft Office
- Strong communication skills and experience with business letters and memos
- Strong math and accounting skills

## Work Experience

Property Rental Office Manager                      TLC, Incorporated – Tracy, CA                      June 2009 – August 2010

- Recorded and deposited all payments received
- Performed bookkeeping and office duties
- Provided customer service and screened applicants



**Figure 1: Back View**



**Figure 2: Front View**



**Figure 3: Side View**



**Figure 4: Top View**





**Figure 5:** Angled View



**Figure 6:** Kegs, regulator, hoses, and carbon dioxide tank

**Table 11: Cost of Fountain Soda vs. Bottled Soda**

Cost of Soda					
	Item	Size	Quantity	Cost (each)	Cost (total)
Fountain Soda:					
	Syrup	5 gal	1	\$50.00	\$50.00
	Water	25 gal	1	\$0.04	\$0.04
	CO2	5 lb	1	\$20.00	\$20.00
	Ice	10 oz	192	\$0.01	\$0.96
	Cup	20 oz	192	\$0.05	\$9.60
	Lid		192	\$0.01	\$1.92
	Straw		192	\$0.02	\$3.84
				Total Cost:	\$86.36
Bottled Soda:					
	Bottle	20 oz	192	\$1.00	\$192.00
				Total Cost:	\$192.00

**Table 12: Product and Operating Cost Information for the San Francisco 49ers**

San Francisco 49ers								
Attendance Per Game				69732				
Total Soda Purchases (% of attendance)								
15%			20%			25%		
10460			13946			17433		
Soda Purchases In Seat (% of total soda purchases)								
30%	40%	50%	30%	40%	50%	30%	40%	50%
3138	4184	5230	4184	5579	6973	5230	6973	8717
Numbers of Vendors Needed Using Our Product					150 sodas per game			
21	28	35	28	37	46	35	46	58
Operating Cost				\$0.30	per soda			
\$941.38	\$1,255.18	\$1,568.97	\$1,255.18	\$1,673.57	\$2,091.96	\$1,568.97	\$2,091.96	\$2,614.95
Existing Operating Cost				\$1.00	per soda bottle			
\$3,137.94	\$4,183.92	\$5,229.90	\$4,183.92	\$5,578.56	\$6,973.20	\$5,229.90	\$6,973.20	\$8,716.50
Operating Cost Savings (per game)								
\$2,196.56	\$2,928.74	\$3,660.93	\$2,928.74	\$3,904.99	\$4,881.24	\$3,660.93	\$4,881.24	\$6,101.55
Operating Cost Savings (per season)								
\$17,572.46	\$23,429.95	\$29,287.44	\$23,429.95	\$31,239.94	\$39,049.92	\$29,287.44	\$39,049.92	\$48,812.40
Operating Cost Savings Using				10	Vendors with our Product (per game)			
\$1,050.00								
Operating Cost Savings Using				10	Vendors with our Product (per season)			
\$8,400.00								

**Table 13: Product and Operating Cost Information for the Oakland Raiders**

Oakland Raiders								
Attendance Per Game				46431				
Total Soda Purchases (% of attendance)								
15%			20%			25%		
6965			9286			11608		
Soda Purchases In Seat (% of total soda purchases)								
30%	40%	50%	30%	40%	50%	30%	40%	50%
2089	2786	3482	2786	3714	4643	3482	4643	5804
Numbers of Vendors Needed Using Our Product					150 sodas per game			
14	19	23	19	25	31	23	31	39
Operating Cost				\$0.30	per soda			
\$626.82	\$835.76	\$1,044.70	\$835.76	\$1,114.34	\$1,392.93	\$1,044.70	\$1,392.93	\$1,741.16
Existing Operating Cost				\$1.00	per soda bottle			
\$2,089.40	\$2,785.86	\$3,482.33	\$2,785.86	\$3,714.48	\$4,643.10	\$3,482.33	\$4,643.10	\$5,803.88
Operating Cost Savings (per game)								
\$1,462.58	\$1,950.10	\$2,437.63	\$1,950.10	\$2,600.14	\$3,250.17	\$2,437.63	\$3,250.17	\$4,062.71
Operating Cost Savings (per season)								
\$11,700.61	\$15,600.82	\$19,501.02	\$15,600.82	\$20,801.09	\$26,001.36	\$19,501.02	\$26,001.36	\$32,501.70
Operating Cost Savings Using				10	Vendors with our Product (per game)			
\$1,050.00								
Operating Cost Savings Using				10	Vendors with our Product (per season)			
\$8,400.00								

**Table 14: Product and Operating Cost Information for the San Francisco Giants**

San Francisco Giants								
Attendance Per Game				41584				
Total Soda Purchases (% of attendance)								
15%			20%			25%		
6238			8317			10396		
Soda Purchases In Seat (% of total soda purchases)								
30%	40%	50%	30%	40%	50%	30%	40%	50%
1871	2495	3119	2495	3327	4158	3119	4158	5198
Numbers of Vendors Needed Using Our Product					150 sodas per game			
12	17	21	17	22	28	21	28	35
Operating Cost				\$0.30 per soda				
\$561.38	\$748.51	\$935.64	\$748.51	\$998.02	\$1,247.52	\$935.64	\$1,247.52	\$1,559.40
Existing Operating Cost				\$1.00 per soda bottle				
\$1,871.28	\$2,495.04	\$3,118.80	\$2,495.04	\$3,326.72	\$4,158.40	\$3,118.80	\$4,158.40	\$5,198.00
Operating Cost Savings (per game)								
\$1,309.90	\$1,746.53	\$2,183.16	\$1,746.53	\$2,328.70	\$2,910.88	\$2,183.16	\$2,910.88	\$3,638.60
Operating Cost Savings (per season)								
\$106,101.58	\$141,468.77	\$176,835.96	\$141,468.77	\$188,625.02	\$235,781.28	\$176,835.96	\$235,781.28	\$294,726.60
Operating Cost Savings Using				10 Vendors with our Product (per game)				
\$1,050.00								
Operating Cost Savings Using				10 Vendors with our Product (per season)				
\$85,050.00								



**Table 15: Product and Operating Cost Information for the Golden State Warriors**

Golden State Warriors								
Attendance Per Game				18857				
Total Soda Purchases (% of attendance)								
15%			20%			25%		
2829			3771			4714		
Soda Purchases In Seat (% of total soda purchases)								
30%	40%	50%	30%	40%	50%	30%	40%	50%
849	1131	1414	1131	1509	1886	1414	1886	2357
Numbers of Vendors Needed Using Our Product					150 sodas per game			
6	8	9	8	10	13	9	13	16
Operating Cost				\$0.30	per soda			
\$254.57	\$339.43	\$424.28	\$339.43	\$452.57	\$565.71	\$424.28	\$565.71	\$707.14
Existing Operating Cost				\$1.00	per soda bottle			
\$848.57	\$1,131.42	\$1,414.28	\$1,131.42	\$1,508.56	\$1,885.70	\$1,414.28	\$1,885.70	\$2,357.13
Operating Cost Savings (per game)								
\$594.00	\$791.99	\$989.99	\$791.99	\$1,055.99	\$1,319.99	\$989.99	\$1,319.99	\$1,649.99
Operating Cost Savings (per season)								
\$24,353.82	\$32,471.75	\$40,589.69	\$32,471.75	\$43,295.67	\$54,119.59	\$40,589.69	\$54,119.59	\$67,649.49
Operating Cost Savings Using				10 Vendors with our Product (per game)				
\$1,050.00								
Operating Cost Savings Using				10 Vendors with our Product (per season)				
\$43,050.00								

**Table 16: Product and Operating Cost Information for the San Jose Sharks**

San Jose Sharks								
Attendance Per Game				17562				
Total Soda Purchases (% of attendance)								
15%			20%			25%		
2634			3512			4391		
Soda Purchases In Seat (% of total soda purchases)								
30%	40%	50%	30%	40%	50%	30%	40%	50%
790	1054	1317	1054	1405	1756	1317	1756	2195
Numbers of Vendors Needed Using Our Product					150 sodas per game			
5	7	9	7	9	12	9	12	15
Operating Cost				\$0.30	per soda			
\$237.09	\$316.12	\$395.15	\$316.12	\$421.49	\$526.86	\$395.15	\$526.86	\$658.58
Existing Operating Cost				\$1.00	per soda bottle			
\$790.29	\$1,053.72	\$1,317.15	\$1,053.72	\$1,404.96	\$1,756.20	\$1,317.15	\$1,756.20	\$2,195.25
Operating Cost Savings (per game)								
\$553.20	\$737.60	\$922.01	\$737.60	\$983.47	\$1,229.34	\$922.01	\$1,229.34	\$1,536.68
Operating Cost Savings (per season)								
\$22,681.32	\$30,241.76	\$37,802.21	\$30,241.76	\$40,322.35	\$50,402.94	\$37,802.21	\$50,402.94	\$63,003.68
Operating Cost Savings Using				10	Vendors with our Product (per game)			
\$1,050.00								
Operating Cost Savings Using				10	Vendors with our Product (per season)			
\$43,050.00								

**Table 17: Product and Operating Cost Information for the Sacramento Kings**

Sacramento Kings								
Attendance Per Game				14508				
Total Soda Purchases (% of attendance)								
15%			20%			25%		
2176			2902			3627		
Soda Purchases In Seat (% of total soda purchases)								
30%	40%	50%	30%	40%	50%	30%	40%	50%
653	870	1088	870	1161	1451	1088	1451	1814
Numbers of Vendors Needed Using Our Product					150 sodas per game			
4	6	7	6	8	10	7	10	12
Operating Cost				\$0.30	per soda			
\$195.86	\$261.14	\$326.43	\$261.14	\$348.19	\$435.24	\$326.43	\$435.24	\$544.05
Existing Operating Cost				\$1.00	per soda bottle			
\$652.86	\$870.48	\$1,088.10	\$870.48	\$1,160.64	\$1,450.80	\$1,088.10	\$1,450.80	\$1,813.50
Operating Cost Savings (per game)								
\$457.00	\$609.34	\$761.67	\$609.34	\$812.45	\$1,015.56	\$761.67	\$1,015.56	\$1,269.45
Operating Cost Savings (per season)								
\$18,737.08	\$24,982.78	\$31,228.47	\$24,982.78	\$33,310.37	\$41,637.96	\$31,228.47	\$41,637.96	\$52,047.45
Operating Cost Savings Using				10	Vendors with our Product (per game)			
\$1,050.00								
Operating Cost Savings Using				10	Vendors with our Product (per season)			
\$43,050.00								

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