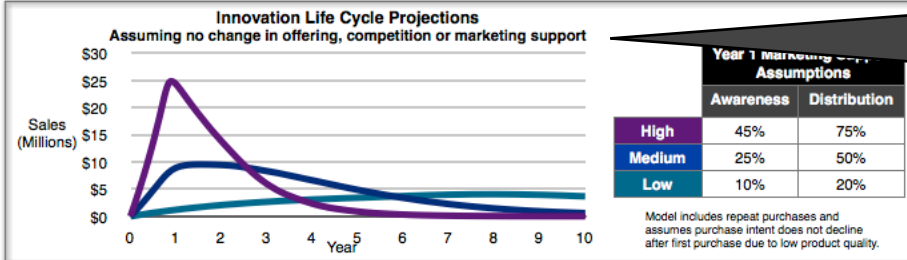


MERWYN
Innovation Life Cycle Forecast

The Facts Needed to Make Smarter Decisions on Advertising, Innovations & Promotions For the long-term life cycle of the innovation.



Sales Projections

Graph of sales forecast for the 3 marketing support scenarios chosen by the client.

Concept Description

This is the marketing message used to persuade a person to purchase a unit. These words are used to calculate the concept score below.

Vengo/Solo Wood-Fired Pizza Cart - Mobile wood-fired pizzas for professional chefs

Final Decision Maker: Caterers, Resorts and Food Service Entrepreneurs

The Vengo/SOLO Mobile Wood-Fired Pizza Cart is the only patented, mobile wood-burning oven on the market. The cart is designed for ease-of-use in transportation, set-up and operation, allowing maximum flexibility in the ability to locate (on-site) at many diverse venue and event locations.

The oven's unique design (40-inch diameter) has the ability to cook at high temperatures (800-1000 degrees) in maximizing heat retention and throughput while maintaining the highest food quality. Up to 4 pizzas (10-inch) can easily be accommodated in the oven at one time, cooking in approximately 2-3 minutes. The entire cart is custom fabricated with food-grade stainless steel in providing durability and sleek appearance and is also registered and compliant with several major health departments.

The cart's design is ideal for both public vending or private events in accommodating small or large venues, and can be efficiently staffed with one or more operators depending on the size of the event. There are no utility requirements as oven cleans and efficiently burns 2-3 pieces of standard firewood (18-20 inches in length) per hour. The cart/oven can be set-up and ready to operate and within one hour of arriving at any event and the cart can be shut down, hooked up and ready-to-go at the end of an event in less than 20 minutes.

The cart can cook 3-4 pizzas (up to 10" pizza) at one time as the overall throughput can be 30-50 pizzas per hour depending on the skill level of the operator(s). Based on this throughput, the average recognized gross revenue is dependent on the event size and pizzas produced.

For private events, pricing is similar to a caterer and priced on a per person basis. For example, a party of 200 people served for a two-hour period at a private venue (\$ 10/person average) would yield \$ 2,000 in gross revenue for the event. Smaller groups warrant a higher price per person as parties under 100 people average \$ 15 -20 per person for the same serving time period. Pricing will vary based on various markets and is competitive with caterers as the uniqueness of the cart and high-end quality gourmet pizzas produced have established a strong reputation in this market.

Additional information, photos and testimonials can be found at the SOLO Pizza website at www.pizzacart.net

Cost: \$19,700 for one cart

Unit Price

Ideas need to include the cost to the purchasers in order to include price and value into the calculation.

IDEAS & ADVICE
From the Merwyn Research Team. Testers of 26,000+ Ideas.

- CONSIDER a rewrite.** Speak onto the page. What would you say in person. Write that. Your writing clarity and idea are being lost. You may have a much better idea here than the results indicate - but we won't know until you make it clear.
- CONSIDER thinking from the customer's perspective.** If you were buying a Vengo/Solo Wood Fired Pizza Card "why would you care?" What would it do for you?
- CONSIDER simplifying the explanation of how the cart works to the fewest most impressive elements.** Think WHY is it that this pizza cart works better than any other. What really, honestly makes it work great?

Ideas & Advice

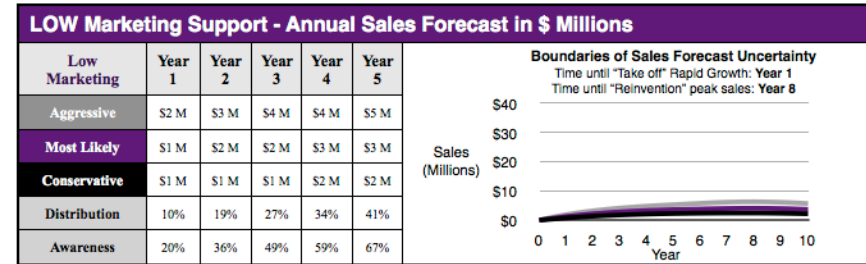
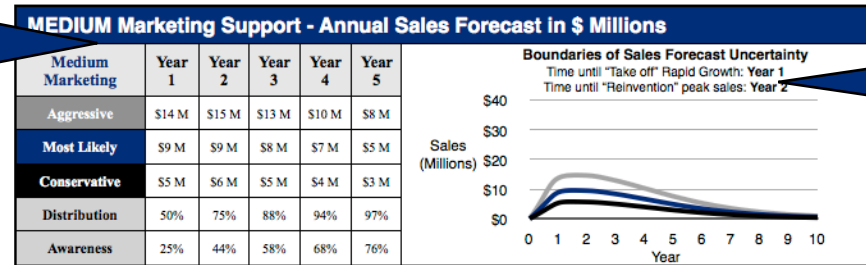
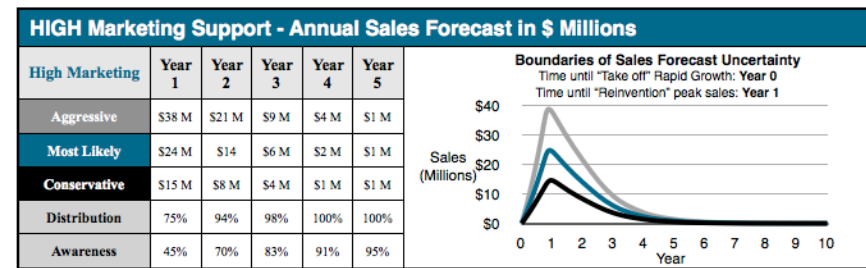
Honest and straight forward advice on how to improve your innovation and increase your odds of success. Written by Doug Hall or Merwyn Research experts.

MERWYN Innovation Life Cycle Forecast
Innovation Concept Test & Sales Forecast

Concept Testing Research

1. Clarity <i>What's the idea?</i>		2. Meaningfulness <i>Why should I care?</i>		3. Uniqueness <i>What is the news?</i>		Overall Ratings Meaningful Uniqueness	
WRITING Clarity	5th Percentile	Benefit PROMISE	35th Percentile	Overall Uniqueness	55th Percentile	Overall Probability of Success	37%
IDEA Clarity	40th Percentile	Product/Service PROOF	30th Percentile	Uniqueness Value for the money	40th Percentile	Word of Mouth BUZZ Multiplier	45th Percentile

Percentiles Color Key: Bottom Third = NO (Red), Middle Third = THINK (Yellow), Top Third = GO (Green)



Innovation has 20% odds of reaching at least the Aggressive sales value, 50% odds of reaching at least the Most Likely sales value and 80% odds of reaching at least the Conservative sales values.

Concept Diagnostics

Read in order. 1st, is the idea clear? Then is it meaningful? Lastly is it unique and offer value?

Sales Forecast

For each marketing support level the sales are graphed with variance. The tables contain the sales figures along with the awareness and distribution assumptions.

Concept Score

Overall Probability of Success ranges from 10 to 90. The number represents the odds of sustained success. NOTE: Most ideas get LOW scores - especially at the start - because most ideas fail. Average is 29 and then goal is to score above 50, so odds are in your favor.

Time until..

Take Off is how long before sales start to increase.

Reinvention is how long before sales hits it's peak sales, which is the best time to launch the next generation.

Assumptions for the sales forecast.

Client's estimate and confidence in each input along with the basis for the estimate.

Sales Forecast			
Forecast Assumptions	"Most Likely" Estimate	Confidence	Commentary, Data Source or Basis for Assumptions
Confidence in claims made in description		90%	We have been operating and selling the carts for over fifteen years and our current operators in the field will serve as testimonials in sharing their success operating their carts
# of Final Decision Makers	100,000	50%	Based on what <u>Cookshack</u> estimates is the number of pizza places and caterers
Revenue per First Purchase	\$19,700.00	70%	First time purchasers have historically purchased one unit however the opportunity to market to larger distributors could develop first-time purchases of multiple carts.
% that will Repeat	10%	10%	our market has been the chef or food service employee that has tired of 80 hour weeks in traditional restaurant setting. As of now, those entrepreneurs have needed one
Number of Annual Repeats	1	50%	No independent operator has yet purchased multiple units, though many have been considering expanding their market and territories by operating multiple units
Revenue per Repeat Purchase	\$34,000	50%	A distributor that purchases multiple units would provide for repeat revenue on a going-forward basis. Restaurant chains/large regional caterers could profit from multiple units

Assumptions for marketing support

For each marketing support level assumptions are clearly listed along with the client's confidence and basis for each estimate.

Marketing Support							
Marketing Support:	Year:	1	2	3	4	5	Confidence
Low Marketing	Distribution Build	10%	19%	27%	34%	41%	50%
	Awareness Build	20%	36%	49%	59%	67%	30%
Assumptions: Based on our lowest effort in company history. This would be if we made this a low focus for our company. Based on the result we may actually move forward with this plan rather than the medium, which is more typical.							
Medium Marketing	Distribution	50%	75%	88%	94%	97%	70%
	Awareness	25%	44%	58%	68%	76%	70%
Assumptions: Based on our average numbers for all of our non-smoker products. If the sales forecast is high enough then this is the most likely marketing plan.							
High Marketing	Distribution	75%	94%	98%	100%	100%	30%
	Awareness	45%	70%	83%	91%	95%	20%
Assumptions: Based on the most money we could possibly invest. This would be if we made this product our number one priority and focus. I have low confidence that our company could actually hit these numbers, but we are curious of the potential sales.							

Sales Goals

Client's goals before the forecast was run, so that they can compare the predictive model with the company's goals.

Sales Goals		
Description	Goal	Commentary, Data Source or Basis for Assumptions
Year 1 Sales	\$ 5 Million	
Average Yearly Sales	\$ 10 Million	
Minimum Yearly Sales	\$ 5 Million	
Cumulative Sales	\$ 40 Million	

WARNING: No warranty or guarantee is provided on this report because it's based on client's supplied data. Results should be considered directional in nature. Changes to assumptions, the concept, product or pricing will impact results. Model assumes NO changes are made to marketing, product or pricing after launch, so it is based on the current offering projected forward.

www.EurekaRanch.com for Concept Research & 5 year Sales Forecasting / Business Plan Research www.Merwyn.com for technical review © 2011