



## Executive Summary

Established in 2019, Belly Dragger Beverages LLC has a strong foundation and is now poised for the next growth phase for which it is currently seeking funding. The strategic plan in place calls for meaningful investment in sales and marketing including a wholesale broker network, event participation and hosting, and digital storefront improvement. To date the company has produced and sold two vintages of two wines, proving the concept by selling through the 2018 vintage.

Belly Dragger is committed to alternative packaging, producing premium Chardonnay and Cabernet Sauvignon in 375ml aluminum cans with fun-loving, mid-century branding. The company is co-founded and owned by husband-and-wife team Chris and Gretchen Helsel Drumm. It is licensed and operated out of their home near Palm Springs; wine production and storage occur off-site. The company's values and culture are rooted in authenticity and inclusivity, seeking to form meaningful connections and be humbly disruptive to an aging California wine industry. Income from sales, personal investment by the couple, and seed money from friends and family contribute to Belly Dragger's healthy capital structure.

The canned wine segment is made up of glass-bottle line extensions, fun-loving wine coolers, and a few high-quality wines with traditional labels. Belly Dragger combines premium wine and creative labelling, two features that are otherwise mutually exclusive in the competitive set. Immediate plans for additional revenue include event bookings and digital sales. Long-term plans to open a Palm Springs tap room target 2025, a year when the canned wine segment is expected to reach 10% of the total U.S. wine market.

There are 750 cases of the 2020 vintage remaining to be sold, representing \$150,000 in potential revenue. The increased margins available in DTC sales accelerate the break-even point to \$62,000 (*see Belly Dragger Financials file*). The responsibility to keep COGS low is shared by consulting winemaker Ralph Hurd; efforts to reduce sulfur usage and vertically integrate the supply chain are of continued focus for the team.

Plans for marketing the brand include social media ad spends, shipping promotions, and mid-century brand adjacencies. Shopify integrations and software upgrades continue to elevate visual storytelling and analytics capabilities.

The funding request is for \$50,000 via a crowdfunding campaign with another \$25,000 via a shareholder investment (*see Belly Dragger Financials file*). Funds from shareholders to be used to pay down debt and provide working capital, whereas crowdfunding monies are allocated for advertising, sales operations, and event equipment.

Without previous budgets for active marketing campaigns, the company nearly doubled sales revenues from 2021-2022 by founders' localized wholesale sales effort. Revenue projections for 2023-2025 are based on a year-over-year growth rate of 35 percent. This is not only aligned with a reported 2022-2028 CAGR for the canned wine category of 10 percent, but also represents sustainable growth supported by current inventory volumes and statewide sales strategy.