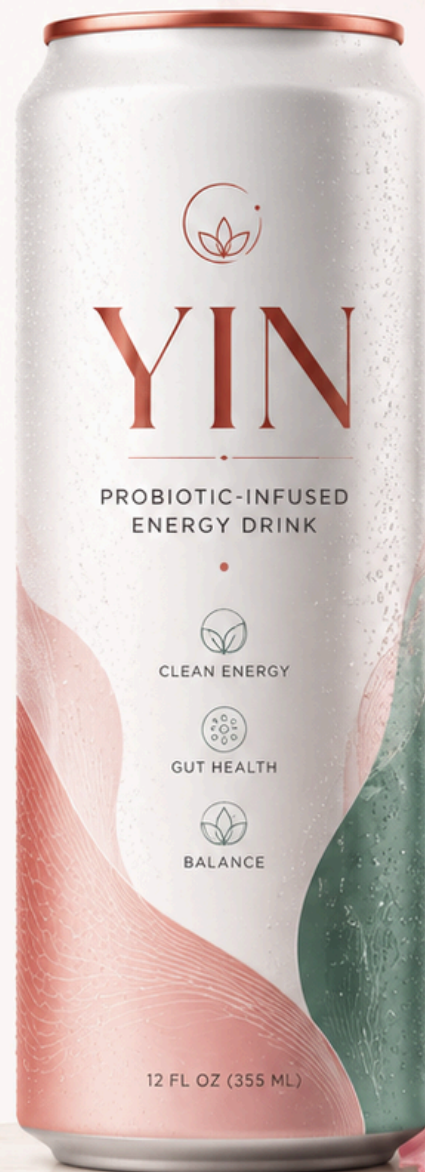




YIN

Business Plan

Probiotic-Infused Energy Drink



Prepared by **Andrew Rodriguez**

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1 Executive Summary

Two deals settled the question of whether this market exists. In April 2025 Celsius bought Alani Nu, a female-focused better-for-you energy brand, for \$1.8 billion, roughly three times its \$595 million in revenue and about twelve times EBITDA. Weeks earlier PepsiCo agreed to buy Poppi, a prebiotic soda, for \$1.95 billion. Both brands did one thing well. They gave health-minded women a functional drink they wanted to be seen holding. Yin enters the same lane with a narrower wedge: the clean midday lift an active woman reaches for at 2 p.m., without the sugar, the crash, or the jitters.

Yin is a 12 oz functional energy drink built on natural caffeine, L-theanine, prebiotic fiber, and adaptogens, sweetened with stevia and monk fruit, with no synthetic dyes and little to no sugar. The L-theanine matters because it blunts the jitter and the crash that push women away from Red Bull and Monster. Taste is the deciding feature, since the category's own customers name flavor as the reason they quit energy drinks. Yin launches with two products, Original and Pre-Workout, and holds Focus and Relax as later extensions once the first two earn their shelf space.

The US energy drink market reached about \$25 billion in 2024 and is on track for roughly \$38 billion by 2030, growing near 7 percent a year. The natural and organic slice grows faster, close to 9 percent. Women are the buyers the category chased late and still under-serves outside of one brand. Celsius priced that gap at \$1.8 billion, which is the size of the opening Yin is aiming at.

Yin holds no patent and claims none. Beverage brands do not win on formula. They win on brand and shelf velocity, the assets Alani and Celsius actually own. Yin's plan earns that velocity in one region first, proves that cans leave the shelf, then raises the capital to go national. The plan draws one hard line on claims. Poppi paid \$8.9 million to settle a class action over gut-health marketing on a drink with two grams of fiber. Yin will make only the health claims a lawyer will sign, and it will not repeat that mistake.

Yin is led by founder Andrew Rodriguez. The management section names the operating roles the company must fill before a national launch and the profile each one requires, rather than listing a team that does not yet exist.

The model is light on manufacturing and heavy on distribution, which is the true shape of a beverage business. Base-case revenue runs from zero in the launch-prep year to \$1.5 million in Year 2, \$4.0 million in Year 3, and \$14.0 million in Year 5. Gross margin climbs from the low forties toward 50 percent, in line with Celsius. Operating break-even arrives around Year 3, once velocity covers trade spend, and the model reaches a 23 percent operating margin by Year 5, the same margin Alani Nu ran at \$595 million in sales.

Yin is raising \$1.75 million in seed capital to fund an eighteen-month regional proof: finalize the formula, sign a co-packer, launch two products across a single region, and hit the sell-through that justifies a Series A. The money goes to product and inventory (46 percent), sales and marketing (34 percent), and general and administrative costs (20 percent). It buys the evidence a national raise will demand.

2 Company Overview

Status and ownership

Yin is a pre-launch functional beverage company preparing to sell a better-for-you energy drink to health-minded women in the United States. The concept dates to 2024. The company is at the formulation and branding stage and has not yet shipped product. Before the seed round, Yin intends to incorporate as a Delaware C-corporation, the structure nearly all US venture investors expect and the one that standard seed paperwork assumes. An LLC would cost less to run and suit a lifestyle business, but it complicates equity rounds and option pools, so the recommendation is the C-corp. The exact entity and tax choice should be confirmed with a startup attorney before filing.

Ownership today rests with the founder. The seed round brings in outside investors and reserves a 10 percent employee option pool for the hires the company still needs.

The problem and the vision

The problem is narrow and real. Energy drinks work, and most of them are built for a nineteen-year-old man: heavy caffeine, high sugar or synthetic sweeteners, loud branding, and a crash a few hours later. A woman who wants the function has to accept the packaging, the jitters, and the sugar, or go without. Alani Nu proved she will switch the moment someone builds the drink for her.

Yin's vision is a drink that delivers clean energy and a taste worth repeating, made for the woman who does Pilates at 6 a.m. and needs a lift at 2 p.m. The company's aim over five years is to become the second name, after Alani, that health-minded women say when asked which energy drink is actually for them.

Mission

Yin's mission is to make the best-tasting functional energy drink a health-minded woman can buy, and to make only the health claims it can prove.

Business model

Yin creates value by giving an under-served buyer a better-tasting, lower-jitter, low-sugar energy drink. The customer is a health-minded woman, roughly 25 to 40, who already buys premium groceries and pays up for a clean label. Revenue comes from three channels: wholesale, where the brand keeps net revenue per can after the distributor, the retailer, and trade spend take their cuts; direct-to-consumer, where the brand keeps close to full retail; and a subscription tier for the heaviest DTC buyers. Profit is gated by trade spend and shelf velocity, not by cost of goods, and gross margin should approach 50 percent at scale. The business is light on plant, since cans are co-packed, and heavy on working capital, since inventory and slotting tie up cash before revenue arrives. Insourcing production is a decision for after national scale, not a line in the launch plan.

Value proposition and edge

For the woman who wants energy without the sugar or the shakes, Yin is the drink she can hold without a second thought and drink without a crash. The taste is the promise, the L-theanine keeps the lift smooth, and the label says only what the science supports.

Yin's edge at this stage is honest and modest. It is a better product for a specific buyer, a brand built for her rather than adapted to her, and a claims posture that keeps the company out of the courtroom Poppi ended up in. None of that is a moat yet. The moat, if it comes, is retail velocity and distribution, and the plan is built to earn it.

3 Product Plan

What is in the can

Yin Original is a 12 oz functional energy drink. It pairs a natural caffeine source, green coffee bean and guarana extract, with L-theanine, the amino acid in green tea that softens caffeine's edge. It adds prebiotic fiber and a small adaptogen blend, sweetens with stevia and monk fruit, colors with fruit and vegetable extracts, and carries little or no added sugar. The target is 100 to 150 mg of caffeine per can, enough to work and low enough not to alarm the buyer who reads the label.

Taste decides this category. In the company's own read of the market and in the research behind Poppi and Olipop, the reason people abandon energy drinks is that most of them taste like cough syrup. Yin will spend real money with a beverage flavor house to get this right, because a clean label that tastes bad sells once.

The probiotic decision

The original concept promised live probiotics for gut health. The science does not cooperate. Probiotic strains die quickly below pH 4.2, and an energy drink sits at pH 3 to 4. Keeping cultures alive in a shelf-stable can requires cold-chain distribution, microencapsulation, or acid-adapted strains, and each of those adds cost or breaks the ambient-

shelf model the economics depend on. Poppi and Olipop both use prebiotic fiber for exactly this reason, and Poppi still paid \$8.9 million to settle a suit alleging its two grams of fiber were too little to matter.

Yin's answer is to lead with prebiotic fiber, L-theanine, and adaptogens, to make conservative digestion and focus claims that survive legal review, and to hold any live-culture product for a refrigerated line only if the cold-chain math ever justifies it. This is a real change from the original plan, and it removes the single largest technical and legal risk the product carried.

Packaging

Yin ships in recyclable aluminum cans, the format the better-for-you shelf already rewards. Labels use plant-based shrink sleeves and multipacks use fiber-based carriers rather than plastic rings. The design job is to read, at arm's length on a crowded shelf, as calmer and cleaner than the drink next to it.

Line and roadmap

Yin launches two products and no more. Original is the everyday drink. Pre-Workout is a higher-caffeine, lower-calorie version aimed at the gym, positioned against C4 with a cleaner label. Focus, a nootropic daytime formula, and Relax, a low-caffeine evening drink, are held until the first two prove they sell. Adding SKUs before the core moves is how small beverage brands drown in inventory and slotting fees.

PRODUCT ROADMAP

- Year 1: finalize and launch Yin Original and Yin Pre-Workout.
- Year 2 to 3: add two to three flavors of the winning SKU based on sell-through, and a sugar-free line if the base variant carries any sugar.
- Year 3 and beyond: introduce Focus and Relax only after the core has regional velocity, and test one adjacent format such as a sparkling functional water.

Proprietary rights

Yin will file trademarks for the name, logo, and tagline, which is table stakes for a consumer brand. It will not chase a patent on the formula. A recipe patent in this space is hard to enforce and forces public disclosure of the blend, and a trade secret protects a beverage formula better than a patent would. The company should treat brand and velocity, not intellectual property, as the thing worth defending.

Stage of development and what is left

Yin has a target formula and a brand direction. Five things stand between the company and a first sale: a finished, taste-tested formula with documented shelf stability; a signed co-packer and can supplier; substantiation for every claim on the can, reviewed by counsel; a launch set of retail doors and a DTC storefront; and the working capital to fund the first inventory run and its slotting. On the current plan the company can be on shelf in one region within six to nine months of closing the seed.

Features and benefits

Feature	What it does for the buyer
Natural caffeine plus L-theanine	A steady lift without the shakes or the 4 p.m. crash
Prebiotic fiber and adaptogens	A functional reason to choose it, claimed conservatively
Stevia and monk fruit, low or no sugar	The energy without the sugar the buyer is avoiding
Flavor built with a beverage flavor house	A drink she finishes and buys again
Recyclable aluminum, clean label	A product she is comfortable being seen with

Honest strengths and weaknesses

Strengths	Weaknesses
A product built for a specific, proven buyer	No brand, no shelf presence, no velocity data yet
Clean, defensible claims after the probiotic change	Higher COGS than mainstream energy drinks
A category validated by two 2025 billion-dollar exits	Competing against Celsius-backed Alani and Pepsi-backed Poppi
Lower-jitter formula addresses a named complaint	Distribution and slotting are expensive and slow to win

4 Market and Industry Analysis

The market

The US energy drink market was worth about \$25 billion in 2024 and is forecast to reach roughly \$38 billion by 2030, a growth rate near 7.2 percent a year. Cans dominate the format and off-premise retail dominates the channel. Inside that market, the natural and organic segment grows faster, close to 9 percent a year, which is the tailwind Yin rides. For scale, the global category runs near \$85 billion, with North America about 37 percent of it.

Three shifts open the door now. Sugar-free and clean-label products moved from niche to core, so a low-sugar functional drink is no longer a hard sell. Functional ingredients, from adaptogens to fiber, are what brands now compete on. And the buyer has broadened well past the young man the category was built for, with women the fastest-growing and least-served part of it.

Addressable market

The total US energy drink market, about \$25 billion in 2024, is the outer bound. That figure includes mass-market, male-skewing, sugar-heavy brands Yin will not serve, so it overstates the real opportunity. The serviceable market narrows to better-for-you energy bought by or for women. Taking the better-for-you slice at roughly 40 percent of the category and the female-targeted, reachable share of that at roughly 35 percent gives a serviceable market near \$3.5 billion. Both multipliers are estimates drawn from the growth of organic and sugar-free energy and from Alani Nu's female skew, and they are the numbers to firm up with a purchased category report.

The obtainable market is built from the ground up, not from a share target. On the base-case model, Yin reaches about \$14 million in revenue by Year 5, which is under half a percent of the serviceable market. The point of that small number is honesty: a regional-first brand does not capture a category, it earns a foothold, and \$14 million on a \$3.5 billion serviceable market leaves the entire runway ahead.

Segments and entry point

Four segments sit inside the target. Health-minded women aged 25 to 40 are the core, drawn to a drink that does two jobs at once. Fitness buyers want the Pre-Workout with a cleaner label and fewer calories than C4. Busy professional women want the 2 p.m. lift without the crash. Clean-label shoppers buy on ingredient list before they buy on brand.

The entry point is the first of those, the active, health-minded woman, reached first in one region rather than nationally. She is already paying a premium for clean products, she reads labels, and she talks. A brand that wins her in a single market, with real sell-through, has something an investor can price. A brand that spreads thin across the country has a story and an empty bank account.

Industry structure

The value chain runs from ingredient and can suppliers, through beverage co-packers who blend and fill, through distributors, to retailers and online platforms. Yin sits at the brand layer and outsources the rest.

Rivalry is intense and getting worse. Red Bull, Monster, and Rockstar own the mass shelf. In the better-for-you lane, Celsius holds about 16 percent of the category and, since April 2025, owns Alani Nu as well. The barriers that matter to a new brand are not technology. They are shelf space, brand recognition, and cash: slotting fees run \$250 to \$1,000 per item per store and \$5,000 to \$20,000 or more per product across a chain, and trade spend takes another 15 to 25 percent of wholesale revenue. Distributors take 20 to 30 percent and retailers 30 to 50 percent, so the shelf price a shopper sees is roughly three times what the brand collects. Pricing power exists only for a brand a shopper asks for by name, which is precisely what Yin does not have on day one.

Competition

Alani Nu is the direct competitor and the template. Female-focused, better-for-you, founded in 2018, about 90 percent female customers, and sold to Celsius for \$1.8 billion. It now has Celsius distribution behind it. Yin cannot out-spend it and should not try. The opening is a sharper sub-niche and a region where Yin can build density before Alani's attention turns there.

Poppi and Olipop compete for the same wallet and the same shelf, though they sell prebiotic soda rather than energy. Both own strong relationships in the natural channel, and Poppi is now inside PepsiCo. Their lawsuit is also Yin's clearest warning on claims. C4, owned by Nutrabort, holds the pre-workout buyer and will contest Yin's second SKU. Red Bull and Monster are indirect, dominant on the mass shelf, and largely indifferent to the health-minded woman. Functional coffee and tea brands take some of the same occasion, with lower convenience.

Market sizing

Layer	Definition	Value
TAM	US energy drink market, 2024	\$25.0 billion
SAM	US better-for-you energy, female-targeted (est. 40% x 35%)	\$3.5 billion
SOM	Yin base-case Year 5 revenue (bottom-up)	\$14.0 million

Competition matrix

	Product	Brand / marketing	Distribution	Capital
Alani Nu (Celsius)	Strong, female-built	Very strong	National, Celsius-backed	Deep
Poppi / Olipop	Prebiotic soda	Strong	Strong in natural channel	Deep (Poppi: Pepsi)
C4 (Nutrabort)	Pre-workout leader	Strong in fitness	Broad	Deep
Red Bull / Monster	Mass, sugar-heavy	Dominant	Dominant DSD	Very deep
Yin	Better product, clean claims	None yet	None yet	\$1.75M seed

5 Marketing Plan

What is known and what is not

The plan does not yet rest on validated demand, and it should not pretend otherwise. What exists is category evidence: women name taste and sugar as the reasons they avoid energy drinks, and Alani Nu's rise shows the female buyer will switch for a brand built for her. That is a reason to test, not proof of a sale.

Before launch, Yin will run 30 to 50 problem interviews with target buyers and a paid pilot in 20 to 40 doors, and will treat four-week sell-through, not survey enthusiasm, as the signal that matters. Sell-through is the number retailers reorder on and investors underwrite. Everything else is anecdote.

The customer and how she buys

The primary buyer is a woman aged 25 to 40, household income around \$80,000 or above, who exercises regularly and shops at Whole Foods, Sprouts, or a strong regional natural grocer. She buys on ingredient list, taste, and how a product fits the life she wants to be living. She buys single cans on impulse near the register and multipacks online when a product earns a place in her routine. She decides at the shelf and on her phone, and she is influenced more by people she follows than by advertising.

The secondary buyer is the broader health-minded 18-to-34 group, men included, who will pick Yin up once it is on shelf and known.

Channels

Yin runs a region-first retail push supported by direct-to-consumer, in that order of priority. Retail is where beverages are actually consumed and where velocity is proven, so the plan concentrates on winning density in one region's natural-channel doors, gyms, and studios before spreading. Direct-to-consumer is a brand and data channel, not the profit engine. Shipping cans is heavy and expensive, and beverage DTC margins are thin after freight, so the website exists to build the list, run the subscription for superfans, and learn what sells, not to carry the company.

Positioning

For the health-minded, active woman who needs a midday lift without wrecking her wellness goals, Yin is a functional energy drink that delivers clean, steady energy and a taste worth repeating. Unlike traditional energy drinks built on sugar and synthetic stimulants, and unlike prebiotic sodas that promise gut benefits they can barely deliver, Yin gives real function, an honest label, and L-theanine for a lift without the crash.

Brand

The name says balance, which is the whole pitch. The look is calm and clean against a loud shelf, with a tagline, Energize Your Wellbeing, that states the benefit plainly. The brand voice is honest and specific, which is both a personality and a legal strategy, since the company that over-claims is the company that gets sued.

Pricing

Yin uses value-based pricing anchored to the better-for-you shelf, not to mass energy. The recommended shelf price is \$2.99 for a 12 oz Original and \$3.29 for Pre-Workout, with a DTC 12-pack of Original at \$29.99, or \$2.50 a can. This sits above Red Bull and Monster and in line with Alani, Celsius, and the prebiotic sodas, where the buyer already pays a premium for a clean label. The original plan's \$3.99 single-can price sat above the category leaders and would have cost velocity, which is the one thing a new brand cannot spare.

The number that matters is not the shelf price but what the brand keeps. The waterfall below shows why. On a \$2.99 can sold through a distributor, after the retailer, the distributor, trade spend, and amortized slotting, Yin nets about \$1.28. Against an estimated landed cost of \$0.75, that leaves roughly \$0.53 a can, a wholesale contribution near 41 percent of net revenue. It clears the 30 percent floor a beverage brand needs, and it is thinner than the shelf price suggests. That gap is the reason this business is funded, not bootstrapped.

Go to market

Pre-launch, Yin builds an email list and a following through partnerships with health and fitness creators in the launch region and a website that takes pre-orders. At launch, the company runs sampling where the buyer already is, in gyms, yoga studios, and natural grocers, backed by targeted social ads and in-store displays in anchor accounts. After launch, the work is repeat purchase: a subscription for the heaviest buyers, content that keeps the brand in the feed, and new flavors of whatever SKU is moving. The funnel assumptions are deliberately harsh. DTC conversion is

modeled under 2 percent, blended customer acquisition cost near \$50 and rising, and the whole model turns on repeat rate, not first orders, because a low-price consumable only pays back on the second purchase.

Price waterfall, Yin Original, wholesale via distributor

Line	Per 12 oz can
Shelf price (MSRP)	\$2.99
Less retailer margin (30%)	-\$0.90
Retailer cost	\$2.09
Less distributor margin (22%)	-\$0.46
Brand list price	\$1.63
Less trade spend (18%)	-\$0.29
Less amortized slotting	-\$0.06
Net revenue to Yin	\$1.28
Less landed COGS (est.)	-\$0.75
Contribution per can	\$0.53

6 Operations Plan

Strategy

Yin outsources everything that is not brand and product design. That keeps capital out of plant and equipment and puts it into the two things that decide the outcome, a great-tasting formula and shelf velocity. The company holds R&D, brand, and customer relationships in-house and contracts manufacturing, filling, warehousing, and freight.

Manufacturing

The original plan named Ball Corporation as the manufacturer. Ball makes aluminum cans; it does not blend or fill beverages. Yin will contract a beverage co-packer to formulate to spec, fill, and seam the cans, with Ball or a comparable supplier providing the empty cans. The distinction matters for cost and for who owns quality. A co-packer relationship, negotiated with clear minimums and a documented quality spec, is the single most important operational agreement the company signs.

Initial capacity is modest, on the order of 100,000 cans a month, scaling with demand as the co-packer allocates lines. The company will run at least two ingredient suppliers for anything critical, so that a single shortage cannot stop production.

Quality, R&D, and claims

Formulation and flavor work stay in-house, guided by a contract flavor house and a food scientist. Every batch is tested for taste, stability, and shelf life, and every claim on the can is documented and reviewed by counsel before it prints. This is not box-checking. The company's entire defense against a Poppi-style suit is that it can prove what it says.

Yin will follow FDA rules on energy-drink labeling and caffeine disclosure, will vet all functional claims against FTC advertising standards, and will pursue organic certification only for products that qualify and where the certification pays for itself in sell-through.

Inventory and logistics

Yin uses a fixed-interval reorder cycle, reviewing stock and placing orders on a set two-week schedule, which keeps cash out of excess inventory while protecting against stockouts of the fast movers. Warehousing and freight run through third-party providers. Inventory is the quiet cash trap in beverage, since the product is heavy, bulky, and low-priced, so the plan watches inventory turns as closely as it watches revenue.

7 Development Plan

The plan runs on value-creation milestones, each tied to a financial inflection, over roughly twenty-four months from the seed close. Raising money is not a milestone. Investors fund what the money proves, so each step below is written as evidence the next round can be priced on.

Milestones

Window	Milestone	Value created
Months 0-4	Final formula and shelf-stability data; claims documented and reviewed by counsel	Removes the product and legal risk that scares beverage investors
Months 2-5	Co-packer and can supply signed; first production run costed and quality-specced	Turns a recipe into a sellable, repeatable product with a known COGS
Months 4-7	Brand, packaging, and DTC storefront live; trademarks filed	A brand a buyer recognizes and a channel that captures data
Months 6-9	Regional launch in 100-300 doors plus gyms and studios	First revenue and, more important, first sell-through data
Months 9-15	Four-week sell-through at or above category velocity in anchor accounts	The single number that justifies a Series A
Months 12-18	Two to three flavor extensions of the winning SKU; repeat rate above 30 percent	Proof the brand has pull, not just placement
Months 15-24	Distributor agreement for regional expansion; Series A raised on velocity	The capital and the rails to go national

8 Management Plan

The team the company has and the team it needs

Yin is founded and led by Andrew Rodriguez, who owns the vision, the brand, and the fundraise through the seed stage. The honest position at this stage is that Yin is a founder and a plan, not a full executive team, and the seed round exists in part to build one. The management section below describes the roles the company must fill and the profile each requires, rather than listing names and titles that do not yet correspond to real people.

Three hires matter before a national launch. An operations and supply-chain lead, with real co-packing and beverage-logistics experience, owns the co-packer relationship and inventory. A head of sales, with existing distributor and natural-channel relationships, owns retail velocity, the metric the whole company lives on. A brand and growth lead owns the creator partnerships, the DTC funnel, and the content engine. Until those seats are filled, the founder and contractors cover them, and the plan says so plainly rather than papering the gap with placeholder resumes.

Compensation and ownership

Early salaries are deliberately low, benchmarked to conserve the runway the seed buys, with the upside in equity. The company reserves a 10 percent option pool for employees, vesting over four years with a one-year cliff. The founder holds the majority stake through the seed; the round's dilution is set out in the Funding section.

Board and advisors

At seed, the board is the founder plus one investor representative once the round closes. As the company grows it adds a chair with consumer-goods operating experience and a director with sustainability or natural-channel depth. Two advisors are worth their equity from the start: a former FDA or food-law expert to keep the claims defensible, given the Poppi precedent, and a beverage operator who has taken a brand from regional to national distribution. Advisor grants of 0.25 to 0.5 percent, vesting over three to four years, are the market standard and the right structure here.

Illustrative ownership after seed (base case: \$3.5M pre-money, \$1.75M raise)

Holder	Ownership
Founder	~57%
Seed investors	33.3%
Employee option pool	~10%

9 Corporate Social Responsibility

Yin's social commitment is not a program bolted onto the business. It is three operational choices that also happen to protect the brand.

The first is packaging. Aluminum cans are recyclable and carry a lower environmental cost than single-use plastic, and Yin uses fiber-based multipack carriers rather than plastic rings. The second is sourcing, with organic and responsibly sourced ingredients where the supply and the economics allow. The third, and the one most companies leave off the CSR page, is claims integrity. Telling the truth about what the drink does is an environmental and consumer-welfare stance and a financial one. Poppi's \$8.9 million settlement is what the alternative costs.

The shareholder case is straightforward. Clean packaging and honest claims build the trust that a premium price depends on, and they lower the legal and reputational risk that has already bitten a direct comparable. Yin will measure what it can, starting with recyclable packaging share and supplier sourcing standards, and will avoid publishing impact numbers it cannot stand behind.

10 Competitive Advantage

An honest audit of Yin's advantages, sorted by how durable they actually are, is more useful to an investor than a list of strengths, so here is the audit.

There is no strong, enforceable advantage yet. Yin holds no patent, no exclusive supply, and no locked distribution. A trademark protects the name, which is necessary and not a moat. A formula patent is unlikely to be granted or enforceable and would require disclosing the blend, so the recipe stays a trade secret, which is weak protection on its own.

The credible advantages are real but must be built. A drink that genuinely tastes better than the clean-label competition earns repeat purchase, and repeat purchase is where beverage brands actually make money. A claims

posture that survives legal scrutiny keeps the company out of the litigation that hit Poppi. And execution, the daily work of winning doors and driving velocity, compounds if the team is right.

The advantages the original plan leaned on are the weakest of all. First-mover is not real here; Alani already owns the female better-for-you lane and Poppi owns gut-health soda, both now backed by strategics with billions behind them. Lead time and brand are worth something only once earned.

The conclusion is the one the plan is built around. Yin has no durable moat at seed. The path to one runs through brand and shelf velocity, the same assets Alani, Celsius, and Monster actually own, and the whole strategy is a sequence for building that velocity in one region cheaply enough to prove it before the capital runs out.

11 Risks

The plan turns on a handful of things going right and names the ones most likely to go wrong, each with a mitigation and each placed on the likelihood-and-impact grid below.

Velocity fails (the one that kills it)

If cans do not leave the shelf, retailers do not reorder and the brand dies, whatever the survey said. Mitigation: launch in one region, buy the sampling to drive trial, and treat four-week sell-through as the go or no-go gate before spending on expansion.

Well-funded incumbents

Alani sits inside Celsius and Poppi inside PepsiCo, with distribution and marketing budgets Yin cannot match. Mitigation: do not fight them on the national shelf. Win a sub-niche in one region with density and brand love, the position a new brand can defend and a strategic later pays for.

Claims and regulation

Functional and gut-health claims draw FTC and FDA scrutiny and plaintiff lawyers, as Poppi learned. Mitigation: conservative claims, documented substantiation, legal review before print, and a food-law advisor.

Formulation and shelf stability

A functional drink that separates, browns, or loses potency on the shelf is a recall risk. Mitigation: the prebiotic-first reformulation, real stability testing, and a co-packer with the process to hold spec.

Distribution and slotting cost

Shelf space is expensive and slow, and slotting plus trade spend can swallow the margin. Mitigation: region-first, natural-channel and independent doors before national chains, and every account run through the unit-economics model before it is signed.

Under-capitalization

The seed funds a regional proof, not a national launch, and the company needs a Series A to scale. Mitigation: hit the sell-through milestone that makes the A raisable, and keep enough runway to reach it without a bridge.

Likelihood and impact

Risk	Likelihood	Impact
Velocity fails	Medium	Fatal
Well-funded incumbents	High	High
Claims / regulation	Medium	High
Formulation / stability	Low-Medium	High
Distribution cost	High	Medium
Under-capitalization	Medium	High

12 Financial Plan

What drives the numbers

Three levers move this model. Shelf velocity sets revenue, since revenue is cans sold times a net price the brand only partly controls. Gross margin, modeled from the low forties toward 50 percent as volume lowers COGS, tracks the category, where the median public beverage gross margin is about 52 percent and Celsius runs 50.4 percent. Trade spend, at 15 to 25 percent of wholesale, is the line founders under-budget and the reason break-even lands in Year 3 rather than Year 2.

The revenue path is aggressive because a better-for-you brand that is working grows fast off a small base, and flat growth would signal a brand that is not working, which no investor funds. It is also gated by a real assumption: that Yin achieves category-typical velocity. If it does not, the downside case below applies.

Break-even and the comps

Operating break-even arrives around Year 3, once gross profit covers marketing, trade spend, and a lean payroll. The original plan's Year 2 break-even depended on a \$5.86 million first commercial year, which is a scaled-brand number, not a launch number, so the corrected model pushes profitability out by a year and tells the truth about it.

The comparables are recent and specific. Celsius runs a 50.4 percent gross margin and, at scale, keeps a widening share of each dollar as profit. Alani Nu did \$595 million in revenue at \$137 million of EBITDA, a 23 percent margin, and sold for about three times revenue. Poppi sold to PepsiCo for \$1.95 billion. Yin's Year 5 model, at a 23 percent operating margin, is built to look like a smaller version of the business Celsius just paid \$1.8 billion for.

Stress test

Cut revenue 30 percent across the plan and raise costs 20 percent, and the model does not break, it slows. Break-even moves from Year 3 into Year 4, the Year 5 operating margin compresses into the low teens, and the company needs its Series A sooner and possibly a small bridge. The plan survives the assumptions being a third wrong, which is the test that matters. What it does not survive is zero velocity, which is why the seed is scoped to prove velocity before more money goes in.

Unit economics, Yin Original (base case)

Metric	Wholesale (via distributor)	DTC (12-pack)
Price to buyer per can	\$2.99 shelf	\$2.50
Net revenue to Yin per can	~\$1.28	~\$1.88 (pre-CAC)
Landed COGS per can (est.)	\$0.75	\$0.75
Contribution per can	~\$0.53	~\$1.13 (pre-CAC)
Contribution margin on net revenue	~41%	~60% (pre-CAC)

Five-year summary (base case, US\$)

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	0	1.5M	4.0M	8.0M	14.0M
Gross margin	n/a	42%	45%	48%	50%
Gross profit	0	0.63M	1.80M	3.84M	7.00M

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales & marketing	0.10M	0.33M	0.80M	1.28M	1.96M
G&A and R&D	0.75M	0.80M	0.90M	1.30M	1.80M
EBIT (approx.)	(1.00M)	(0.50M)	0.10M	1.26M	3.24M
Operating margin	n/a	neg	~3%	~16%	~23%

13 Funding

The ask

Yin is raising \$1.75 million in seed capital. The amount is set by the cash trough, not by a round-number wish. Year 1 burns roughly \$1.0 million on formulation, branding, first inventory, and lean payroll; Year 2 burns roughly another \$0.5 million before revenue covers costs; and inventory and slotting tie up several hundred thousand more in working capital. Add a cushion, and the number that reaches the Year 3 break-even with margin for error is about \$1.75 million. The original plan's \$1.23 million only works if the company stays smaller and the founders take almost no salary, and it does not fund a national launch. This raise funds a regional proof, and the plan says which one it is.

Why equity, and why angels first

A pre-launch beverage brand cannot service debt, since it has no revenue and no track record, and debt covenants would strangle the early years. So the seed is equity, aimed first at angels and early-stage funds with consumer or beverage experience. The right investor brings distributor introductions and category knowledge as well as cash, which is worth more than a slightly better valuation from a passive check.

Valuation and dilution

Here the plan corrects an arithmetic error and a market one. The original offered a 20 percent stake at a \$6.15 million pre-money valuation, but a \$1.23 million raise at a \$6.15 million pre-money is 16.7 percent of the company, not 20 percent, and a \$6.15 million pre-money for a pre-revenue concept is above what the seed market pays without traction.

A defensible seed pre-money for a pre-revenue better-for-you beverage brand is roughly \$3 to \$4 million, an estimate drawn from pre-revenue consumer-brand seed comps and the concept stage. The table below shows the trade-off. Raising \$1.75 million at a \$3.5 million pre-money sells about a third of the company, which is the real cost of raising before there is velocity to price on. The way to pay less for the same capital is not to argue for a higher number now; it is to raise a tighter seed, hit the sell-through milestone, and price the Series A on evidence. Alani at three times revenue and Poppi at \$1.95 billion are the exits that make the later rounds worth the early dilution.

Exit

The exit is not hypothetical in this category. In 2025 alone, a strategic bought the female better-for-you energy leader and another bought the prebiotic-soda leader, each for close to \$2 billion. Yin's realistic outcome, if it earns real velocity, is acquisition by a larger beverage company buying its way into the health-minded female buyer, on a three-to-five-year horizon. Building for that buyer, with clean claims and clean books, is the same as building a good standalone business.

Sources and uses

Uses of funds	Share
Product, inventory, and R&D (formula, co-packer setup, first runs, claims substantiation)	46%

Uses of funds	Share
Sales and marketing (regional launch, sampling, creator partnerships, first slotting)	34%
General and administrative (incorporation, legal, lean payroll, office)	20%

Seed valuation options

Pre-money	Raise	Post-money	Investor stake
\$3.5M (recommended)	\$1.75M	\$5.25M	33.3%
\$4.0M	\$1.50M	\$5.50M	27.3%
\$6.15M (original, above market)	\$1.23M	\$7.38M	16.7%

Assumptions and Data Notes

Every number in this plan is one of three things: a figure from a cited source, a modeling assumption stated as such, or a placeholder the founder must replace with a real input. The load-bearing ones are listed here so a reader can rerun the model with better numbers.

- Landed COGS of \$0.75 per can is an estimate for an organic functional canned beverage at launch volume, with a plausible range of \$0.60 to \$0.95. Replace with a real co-packer quote before finalizing pricing. This is the single most important number to firm up.
- The serviceable market of \$3.5 billion applies estimated multipliers (about 40 percent better-for-you, about 35 percent female-targeted) to the \$25 billion US market. A purchased category report from a firm such as Mintel or Circana would replace the estimate.
- Revenue of \$1.5M, \$4.0M, \$8.0M, and \$14.0M in Years 2 to 5 assumes Yin reaches category-typical velocity. This is the plan's central risk; the downside case cuts it by 30 percent.
- Channel margins (distributor 22 percent, retailer 30 percent, trade spend 18 percent, slotting) are drawn from 2025-2026 beverage benchmarks and will vary by account. Confirm against real distributor and retailer term sheets.
- Customer research is not yet complete. The plan commits to 30 to 50 problem interviews and a 20-to-40-door paid pilot before national spend, with four-week sell-through as the decision metric.
- The management team beyond the founder is described as target hires, not filled seats. Real names and backgrounds go here once recruited.
- Entity choice (Delaware C-corp) and any tax questions should be confirmed with a startup attorney before filing.

Sources

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Peer-reviewed and industry sources on probiotic viability (NCBI PMC10065269; ScienceDirect 2025). Probiotic strains lose viability below pH 4.2; carbonated/acidic beverages require encapsulation, cold-chain, or acid-adapted strains.

Eightx; PartnerSlate; Cultivar; Come Sell Or High Water, 2025-2026. Beverage unit economics: category gross margin median ~52% (Celsius 50.4%), distributor 20-30%, retailer 30-50%, slotting \$250-\$1,000/store/item, trade spend 15-25%, DTC F&B CAC \$45-\$53.