

[Re]Verse Pitch Competition – 2019

Fruited Plain Organics

Executive Summary

A uniquely Texan wine grape BBQ sauce

Contact Information

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Development stage

Seed

Funding Opportunity

The prize money involved would be almost enough to accomplish all of FPO's planned activities for its launch.

PROBLEM/OPPORTUNITY

(150 words)

For every two bottles of wine produced, one bottle's worth of grape "waste" must be discarded, mostly to landfills. This is true anywhere wine is made.

Austin Winery's tens of tons of antioxidant-rich grape solids must be put to better use, making the most of nutritional benefits and keeping these grape seeds and skins away from landfills. Once there, they can pollute the soil and nearby water with fertilizer residue and pollute the air with significant carbon emissions as they decompose.

This business stands to add much to Austin's cultural tapestry by building upon the existing market for Hill Country grape barbecue sauce and expanding awareness of it, heralding this as a new element in the distinctive story of Texas winemaking and what makes Austin both a major BBQ hotspot and a unique place among cities. Who can imagine the California wine industry using grapes for BBQ sauce?

SOLUTION/PRODUCT

(350 words)

Fruited Plain Organics (FPO) intends to produce and bring to market individual-sized bottles of grape barbecue sauce. This endeavor uses Austin Winery's pomace as its signature ingredient, but also makes use of Texas Oncology's styrofoam coolers for storage once the pomace has been initially handled.

The post-winemaking pomace will be transported in large sealed bins from the winery just as soon as the winery's ready. To avoid spoilage, FPO will act quickly to process the pomace at a nearby commercial kitchen, removing liquid and actually mixing in the handful of other ingredients needed for its BBQ sauce.

This will involve moderately heating the grape pomace in such a way that the residual alcohol is removed (except in minute amounts)

while the nutrients and antioxidants remain. After processing is done, FPO will transport mass quantities of its sauce to a local co-packing facility, where the bottling and labeling will take place. This series of steps will be repeated numerous times during the early fall season.

Fruited Plain will benefit Austin at every turn: It will do so by employing marginalized workers, using the goods and services of locally based companies, promoting Texas wine and tourism in the Austin area, reducing local need for landfills and helping Austin reach its zero waste goals. In addition, it stands to bring pleasure to many Austin eaters and enliven many meals locally and beyond.

The ingredients comprising this product make it unique: This is not something that can be easily replicated, unless you happen to have a vineyard full of ripe grapes handy (and available to you for free) and a local population of hungry BBQ eaters ready to try out new tastes and provide useful feedback.

Instead of being limitations, Fruited Plain's small size and local origins are strengths that will endear it to local buyers who wish to buy locally and from small businesses, and from companies trying to improve the environment. This company is a fit for its market.

Numerous tests thus far have created a rapid cycle of incorporating feedback into the next iteration of the sauce.



POTENTIAL RETURN/REVENUE MODEL

(150 words)

This company will initially generate revenue from the sale of its signature grape BBQ sauce in and around Austin. These sales are expected to take place through retailing at various food and wine establishments, select local grocers, and possibly otherwise through personal engagement with prospective customers in venues such as the Mueller farmers' market or the Houston Hot Sauce Festival.

The one competitor identified thus far prices a bottle of grape chipotle pepper BBQ/dipping sauce at eight dollars for an eight-ounce bottle.

Taking this as a starting point, Fruited Plain will competitively price its offering at eight dollars but will expect to market a twelve-ounce bottle, pending further communications with the local co-packing facility FPO intends to use and more in-depth analysis in the early stage of actual production.

FPO presently expects a healthy profit margin from never allowing for expenses to account for more than three quarters of revenue.

COMPETITION

(150 words)

Creating a BBQ sauce in which grape is a major component is nearly new territory; there are practically no competitors that exist beyond one small family-based operation north of San Antonio (the grape chipotle product is pictured below), and no major brand makes a similar product. This competitor only produces seasonally, and doesn't appear to be scaling at all.

Many people who've provided feedback on this business have been familiar with making a meal by combining grape jelly and meatballs, which is the closest comparison found so far. When asked, the owner of a local specialty sauce shop said that there was a local market for some grape sauces, but that it wasn't really a large existing market.

Fruited Plain sees this as a small niche market that can be grown into a regionally distinctive taste that sets Texas barbecue and Texas wine apart from anywhere else.



ENVIRONMENTAL IMPACT

(150 words)

Fruited Plain Organics intends to put Austin Winery's grape pomace "waste" to its best possible use, in addition to making use of Texas Oncology's Styrofoam containers for somewhat longer-term storage.

In using local products (e.g., honey) for most of its needs, FPO will lower the food miles and corresponding pollution of numerous meals consumed by locals as well as help sustain a local marketplace for exactly these kinds of eco-friendly goods produced nearby.

In addition to using two suppliers' materials, every single bottle of FPO's sauce will reduce the volume of usable organic matter being sent to landfills like unusable trash. In so doing, the business will help the city reach its long-term zero waste goals and reduce the area's carbon emissions significantly.

ECONOMIC IMPACT

(150 words)

Virtually all money spent will boost the greater Austin economy. We provide gainful employment prospects and invaluable experience, purchase from numerous Austin companies, and promote the Hill Country wine industry.

From locally owned bottling and local credit union banking to local honey and grape pomace, this business is as authentically Austin in its business relationships as it's possible to be.

Fruited Plain will employ 2-3 hourly workers seasonally in the fall, and will have ongoing opportunities as the company grows. It will look first to disadvantaged persons for its hiring, starting with those known personally who've recently been homeless or are otherwise in need of a chance to prove themselves and bolster their resumes.

THE TEAM
(150 words)

Local talent will supply all the labor for this project. This endeavor is expected to involve the part-time employment of 1) myself, 2) an experienced CPA with decades in accounting before medical reasons prompted early retirement, and 3) a project manager who's been out of work while caring full-time for his spouse. I also have two product managers lined up as unpaid advisers, one of whom worked at a winery for years.

Additionally, I'll rely on Austin-based designers for my branding needs. Through volunteering with a homeless support organization, I've come to know numerous individuals who are recently past homelessness, and who'd appreciate seasonal work. Beyond this, I am very confident in being able to find workers for \$11.90 per hour for up to several weeks in the fall.

As noted in my Pro Forma, nearly all institutions Fruited Plain will do business with are Austin companies.

EXECUTION PLAN/GO TO MARKET STRATEGY
(150 words)

Fruited Plain Organics has a two-pronged initial strategy for bringing its grape BBQ sauce to market in the Austin area. Firstly, this consists of retailing its products at wineries and other wine-related businesses.

In so doing, FPO can help these firms make good on a wine industry expectation that grapes are eventually returned to their original source. Companies can of course profit directly from each sale, but they can also claim credit on this front (to a large degree).

If FPO can likewise convince local BBQ eateries to buy into the vision of a uniquely Texan blend of BBQ sauce and grapes from winemaking, there is a lot of potential for approaching food establishments about putting FPO's sauce on the menu.

The second prong is FPO's intention to approach local grocers like Wheatsville Food Co-op, Central Market, and specialty shops, all of which seek out local companies to work with.