

Teacher:
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Sigurðardóttir

Instructor:
Petra Bragadóttir



Executive Summary

Our product is made out of sea moss (Chondrus Crispus) which is a really nutritious ingredient found by the shores of Iceland. It contains 92 of the 102 minerals that the body needs per day to maintain good health. Our product is also rich in vitamins A and B1, iron, iodine, calcium, magnesium and protein. The product also contains Omega-3 which is a vital fatty acid. Consuming our product is a very good way to get a large quantity of the nutrients your body needs. Our product is in gel form so you can blend it with almost any food but you can also eat it by itself.

The Problem

Lack of nutrients, minerals and vitamins within people, either vegan or not. Today's society doesn't offer enough organic and nutritious food.

Solution

Natural way of consuming e.g. iron, zinc and iodine. Sea moss is plant based and therefore no animals are harmed in the process.

The team

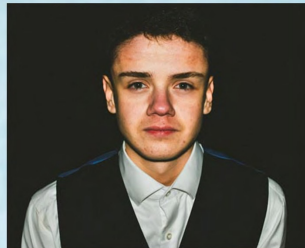
The team is made up of 6 people, the CEO, finance director, two people in head of the production, a marketing manager, and a designer.

CEO



Magnús Már Gunnlaugsson

Head of production



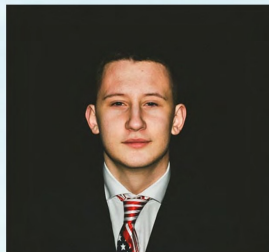
Ási Benjamínsson

Head of production



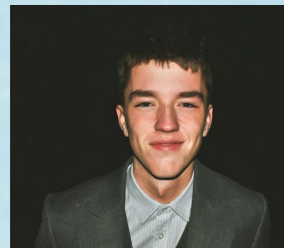
Rúnar Ingi Eysteinnsson

Finance director



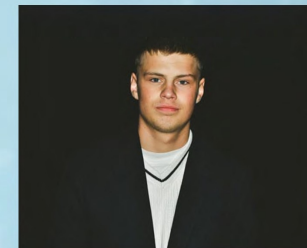
Sigurður Einarsson

Designer



Dagur Steinn Sveinbjörnsson

Marketing manager

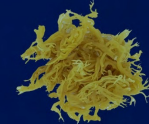


Jón Jökull Sigurjónsson

Origin

The ingredient

Our main ingredient comes from the beaches of west fjords and is handpicked straight from the ocean. From there it is dried, ground into a dust-like form, cleaned, and then delivered to us. From there we process it into a gel and add flavor to the gel to neutralize its sea taste. The origin of the idea for HAF vitamin comes from a small garage in Iceland where Ási, our head of production came up with the idea to make something out of sea moss. We loved the idea from the start and started throwing around ideas of what we could make out of the sea moss. We liked the idea of making a gel because some people can't swallow pills and it's easy to blend in with food.



Brief history

Sea moss was used in the 1500s in Iceland to thicken porridge. It was also used to combat nutritional deficiencies in the 1800s. The red seaweed was added to warm milk with sugar and spices to create a fortified beverage. This drink is still consumed today in both Ireland and the Caribbean. Since the start of the 19th century the usage of this incredible ingredient has gone down but we want to change that.



Benefits

It may:

Support thyroid health.

Seaweeds are rich in iodine, a micronutrient necessary for healthy thyroid function (9Trusted Source).

Improve blood sugar management.

One study found that the compound fucoxanthin in seaweed reduced high blood sugar. Another study found that a compound in seaweed called alginate prevented blood sugar spikes in pigs (19Trusted Source, 20Trusted Source).

Promote heart health.

Some studies have found that seaweed reduces LDL (bad) cholesterol and acts as a blood thinner, which may help reduce the risk of heart disease (16Trusted Source, 17Trusted Source, 18Trusted Source).

Support immunity.

One study in salmon found that supplemental seaweed improved immune modulation and immune response. Scientists need to do more research to see whether it also supports immunity in humans (10Trusted Source).

Improve gut health.

Seaweeds are a good source of live bacteria and fiber, which both support a healthy gut microbiome (11Trusted Source, 12Trusted Source). May help support weight loss. Seaweeds and microalgae are rich in fiber that can help you feel full and prevent overeating. Studies have shown that a compound in seaweed called fucoxanthin promoted fat metabolism in rats (13Trusted Source, 14Trusted Source, 15Trusted Source).

Sustainability

Our sea moss is a sustainable ocean-farmed sea moss and is harvested in a very eco-friendly way, meaning in the process only parts of the sea moss plant are taken, so the plant can regrow.

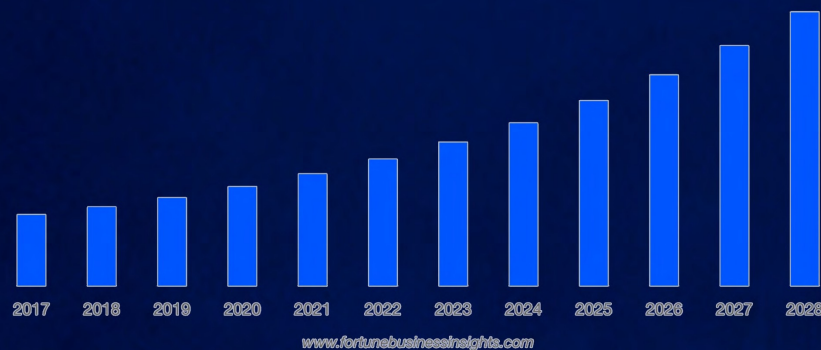


On the topic of sustainability, our company is very environmentally friendly. Iceland's electricity is produced almost entirely from renewable sources. The only non-sustainable factor that our business uses is cars. We have to use our cars to meet up and perform tasks for the business but we plan in the future to use electric cars for delivering our products to lower our CO₂ emissions.

Even though our production is very eco-friendly we can always better ourselves. For example, we could make our packaging even more sustainable and are always looking for the best way to keep the packaging suitable and environmentally friendly. We don't want any sea moss going to waste so we keep the portions smaller, suitable for around two weeks. As our product is organic it can go bad in a few weeks so we minimize food waste by having our portions 1-2 weeks.

Uniqueness

Our product is unique in that it can be: mixed easily into almost all food, is **vegan**, and is rich in minerals and other nutrients all at the same time. It allows supplementing to be an easy and seamless task throughout the day. Our product is also very **eco-friendly** from the packaging to the very ingredients used in it.

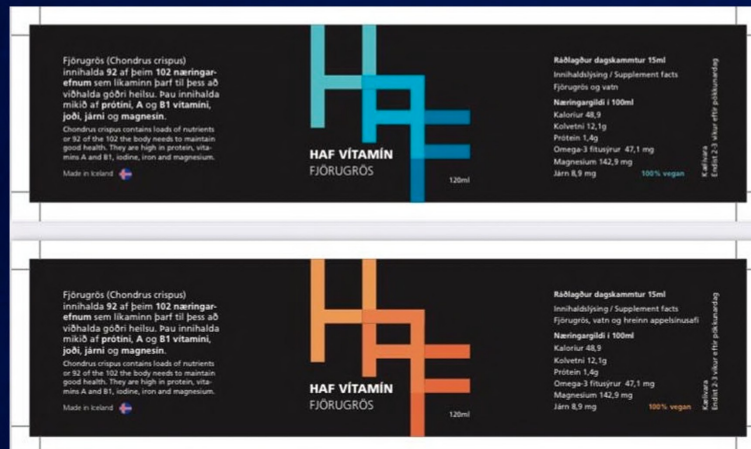


Being vegan is a big part of our brand, not only is it solving a big problem in the world, it's open to an already big and growing market of vegan food. The compound annual growth rate for the vegan food market is estimated to be **12.95%** annually from 2021-to 2028.

Production

After making our business plan in early February, we began testing in our home kitchen ways to make the gel. We tried different tastes, textures, and logo designs. After a lengthy experimentation process, we were satisfied with the gel that we had produced.

After the experimentation stage, we were granted access to a certified kitchen at a local food institution where we could produce for the trade fair in a safe environment.



We have many ideas and have already started working on some new flavors.

The design of the logo and packaging was made with two words in mind, pure and simple. Easy for the mind to process. The logo itself is just the word HAF which translates to ocean or sea.

Finances

Revenue and cost factors

Due to our continuous experimentation, our only sales come from the trade fair held in Iceland where we sold out in a few hours. We have free access to a certified kitchen so our fixed cost is extremely low for now. Our main cost factors are the Irish sea moss and the jars which are both variable costs.

Possibility of increasing our profit margin

At the trade fair, our product was only available in a weekly dose. We have calculated that if we increase our old jar size (120 ml) to two weeks (210 ml) our profit margin becomes even better. By increasing the portion size we can increase our gross profit margin from 55.6% up to 67.3%, which is an 1.7% increase! We already have a supplier that can sell us these jars at a reasonable price and they will be used when we start selling again.

	Profit & loss account	(in €)
A	Revenue	683.16
B	Purchases	281.81
C	Production wages	0.00
D	Closing stock	0.00
E	Cost of sales (B+C+D)	281.81
	Gross profit (A-E)	401.35

	Salaries, commissions and bonuses	
F	Stationery	0.00
H	Rent & Hire	0.00
I	Miscellaneous Expenditure	63.92
J	Registration fee	0.00
	Total expenses (F+G+H+I+J)	63.92

K	Gross Profit Less Total Expenses	337.43
L	Miscellaneous Income	0.00
M	Net Profit (Or loss) (K+L)	337.43
N	Corporation Tax Payable (20%)	0.00
O	Profit after Tax (M-N)	337.43

P	Appropriations of Profit (Q+R+S)	337.43
Q	Dividends	337.43
R	Donations	0.00
S	Other	0.00
	Balance (O-P)	0.00

	Balance Sheet	(in €)
	Stock	
	Debtors	
	Cash at Bank	
	Cash in hand	1815.95
(A)	Total Current Assets	1815.95

	Current Liabilities	
	Bank overdraft	0.00
	Loans	0.00
	Creditors	0.00
	Corporations Tax Payable	0.00
	VAT Due	0.00
(B)	Total Current Liabilities	0.00
(C)	Balance (A-B)	1815.95

	Main numbers	
	Break-even Point (quantity sold)	6.00
	Gross Profit Margin (%)	0.56
	Net Profit Margin (%)	0.49



67.3%



55.6%

Marketing plan

Step 1:

Fully test the product, and promote the brand.



Step 2:

B2C sales via grocery stores, and athletic stores. Ad campaigns.



Step 4:

Start selling HAF vitamin outside Iceland to Scandinavia and Europe



Step 3:

Expand flavors and form of HAF vitamin, Possible B2B sales in bulks.

Future

Larger promotions

HAF research facility

Expand ways of consumption and usage

HAF sea moss harvesting and manufacturing



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