

MGC Pre-Feasibility Report

Moringa Grower's Co-op

producer-worker | multi-stake | co-operative

Together with neighbors & landowners the Moringa Grower's Co-op, established in 2014, has blossomed into a local share-cropping initiative with over 300+ moringa grower locations, 2 retail locations and 1 processing location. Each MGC grower location is dedicated to growing moringa trees throughout the Tampa Bay area.

The Moringa Grower's Co-op is a network of large and small scale moringa grower's located throughout the world. The Moringa Grower's Co-op originated in Tampa Bay Florida and now has spread to almost every continent on the planet. The MGC is aimed to grow moringa trees and educate everyone on the moringa tree and the process of harvesting the abundant moringa tree material and making hundreds of valuable and healthy products to sell at local farmers markets, specialty stores and package for international sales in the moringa tree industry.

1. Executive Summary

The Moringa Grower's Co-op (MGC) is the largest supplier of moringa, in sales, of moringa trees, retail and wholesale products made from the moringa tree, shipped throughout the world, from Tampa/St. Petersburg, FL and the affiliate farms, MGC Co-op Chapter Locations and MGC Certified Facilities. The MGC's moringa products are sold from stores throughout the State of Florida and affiliate chapters located throughout the world with sales representatives throughout the domestic USA and foreign countries. The MGC maintains a reputation for the most superior taste and quality moringa trees and moringa tree products throughout the world. While the MGC's sales have steadily grown over the past 3 years, the exponential rate of growth can especially be seen in the 4th quarter of 2018. One key factor for this extreme growth rate is the accessible information about moringas numerous health benefits, consuming fresh or locally processed moringa at farmer's markets, to local residents growing and purchasing moringa trees, moringa powders and moringa teas. The MGC offers all these products online at our website **MoringaGrowersCoop.org**. The MGC maintains this web site, and to this date has grossed over \$250,000, in just 5 years, with it's compatible e-commerce platform for online sales. The MGC's B2C sales also occur at local farmers markets in Tampa Bay, St. Pete and Bradenton areas all year, several days a week. Our market schedule can be found on the MGC homepage. The MGC now has planned brick & mortar facilities in Tampa and St. Pete, for growing moringa

trees in pots, for drying and processing moringa trees and material derived from the moringa trees and as co-op retail space. The MGC is gaining potential local customers from competitors who provide only international or online sales, especially within a 20 minute radius from our brick and mortar locations. The moringa market is healthy and shows a continued growth trajectory over the next five to ten years, especially with our regularly scheduled free workshops and demonstrations, the more people will learn and use moringa regularly. The MGC is in a position to capitalize on more local sales and redirecting online sales to our brick and mortars by leveraging and securing more micro retail spaces, urban land to grow locally sourced moringa trees with a goal to reduce costs. The MGC strives to sell more moringa trees in pots and distribute moringa trees to residences and farms, utilizing existing technologies, conducting industry best practices, and employing aggressive marketing and sales campaigns to ramp up the not-for-profit's growth projections for the foreseeable future.

2. Description of Products and Services

The MGC was established in 2014 when a local nursery donated a small portion of their land to grow moringa trees in the ground and in pots for the MGC to process and sell their products at farmers markets. Shortly after, the MGC created the online platform **MoringaGrowersCoop.org**, an online platform from which it's selling existing products made from moringa. The MGC not only has a thriving website, but has sold a large portion of its sales at local farmers markets. The MGC regularly attends several farmers market a week, throughout the entire year. The MGC has also sold its products from its chain of brick and mortar facilities and has not been limited to sales within the geographical regions where its stores reside because of our personal delivery service and international shipping techniques. By doing so, the MGC has been able to capitalize on the sale of moringa trees and encouraging them to grow on members properties. The MGC has noticed specific phone calls pertaining to moringa trees has increased dramatically within the past several months. By offering MGC products at local farmers markets and through an online platform, the MGC can continue to market its products to new farmers markets, increase revenue and growth projections through the product development process, and inform more customers they can purchase our products from the convenience of their own homes on their time from our website or by calling us directly.

What is the source of your product?

The source of all of our products are from locally sourced, organically grown moringa trees.

What are the quality requirements of your source?

Each moringa tree growing location has it's soil tested for poisonous contaminations and to also tell us the quality of the soil so we may begin to amend or treat the soil in anyway.

Each moringa tree is to be grown in organic conditions without the use of chemicals, pesticides or herbicides.

What is your Product?

The MGC specializes in growing **the moringa tree**, which can be sold as a young tree in a pot. The leaves, seeds and roots can also be harvested from moringa trees growing in the ground then dried and processed into useful products including:

Fresh moringa greens, dried moringa teas, dried moringa loose leaf, dried moringa leaf powder, dried moringa leaf powder supplements, moringa seeds, moringa seed oil, moringa spice, moringa extracts and many more items.

How much product can you sell?

With 1 person, growing the trees from seeds, planting them in pots and in the ground all around Tampa and St. Pete, harvesting and stripping the leaves from the branches to prep for drying, making 95% of the products, selling all the products at local farmers markets can make \$50,000 in 1 year. Imagine a team!

Does your product go bad?

The moringa trees in pots only gain value over time, they get bigger and we can charge more for a larger tree.

Unlike produce we can store the products made from the moringa tree for up to 2 years. Because it is a dry material, the product has an extended shelf life and we can travel around with the product, as long as it's stored under 75 degrees in the dark.

What is your product demand?

Moringa in all forms is in very high demand right now. We get 20-30 calls daily from people saying we're the only business in the Tampa Bay area growing moringa trees and offering products made from the moringa trees. We get at least 1 online order a day now.

Young families and children:

Moringa can be used as a prenatal multivitamin for women and as a fertility booster for men, so moringa is helpful in starting families. It is not recommended to consume moringa while pregnant, but is very good for breastfeeding mothers, it helps increase lactation. Children and young boys and girls can consume moringa because of it's high protein and mineral content.

University Students:

Most students are very busy, and enjoy consuming moringa on the go, mostly in powder form added to smoothies and shakes, but students also enjoy making teas and take capsules daily for a fast energy boost.

Home/Land Owners:

It is very easy to grow moringa in the Tampa Bay area, most landowners interested in moringa to purchase pick-up a tree and purchase a small sample of products or wait on buying products for their tree to start producing material for them to harvest. Then, when their tree produces an abundance of material within one year, they call us to harvest several times and we make products from their trees. Moringa trees start producing material within the first year, but we've noticed an exponential increase in moringa material from trees that are 2-3 years old and it increases even more as they get older.

Farmers use the moringa tree to feed their animals. Moringa is very good to consume for dogs and cats, chickens, ducks and fowl, sheep, goats, horses, pigs and llamas all love eating moringa. The animals are healthier and produce higher yields of milk, eggs and meat when consuming moringa.

Working Professionals:

Most working professionals live in tiny spaces and still love growing moringa trees in pots on their balcony. They purchase the widest range of products made from the moringa trees. On the weekdays working professionals mostly consume the capsules and on the weekends they enjoy making teas and smoothies to recover from a long week. Working professionals love staying clean so they typically purchase the moringa deodorant, moringa bath bombs and moringa seed oil.

Landscapers/Gardeners:

Incorporating moringa into the landscape has been a challenge for homeowners in HOA restricted areas because it is rarely approved as a tree to grow, since it is not native to Florida, but there are millions of homes in the Tampa Bay area that are not deed restricted and love growing moringa trees. Landscapers are very hip to their client requests and regularly call us to see if they can get larger established trees. Community gardens and civic centers have been incorporating MGC moringa into their landscapes for several years, we get calls requesting new trees to be planted or for us to harvest existing trees from their gardens.

Elderly:

It's extremely rewarding to help people who have the space to grow moringa trees, that just need the help planting and maintaining the trees, we offer that service for elderly and disabled people. The elderly also consume moringa in high amounts in almost every form. Mostly, people with a history of health issues have been taking the capsules, but those that have maintained healthy eating habits sprinkle the moringa powder or spice on mostly all of their meals and an anti-inflammatory additive.

European American vs Ethnic American:

Most European Americans, the minority of Americans, never heard of moringa, but are willing to try it, if the moringa product is marketed in a way that they feel safe with a good looking product label and brand name. We have been very successful in selling moringa trees and products to European Americans that have never heard of moringa before, then become regular customers and trust our products from the start.

Ethnic Americans, the majority of Americans, are indigenous people that are from North, Central and South America or others that have settled in the US from India, Africa, the Virgin Islands, the Caribbean and Asia are extremely surprised to see moringa in Tampa, at the level we are presenting to the public. They usually know of moringa, have moringa growing in their yards or a friends yard and have used it extensively growing up in their home country. Ethnic descendents are very surprised to see all the products that we offer from the moringa tree and usually support us since they have not seen or had moringa in the US before. We feel there is a majority of Ethnic Americans that if they knew about us and our products, then they would purchase from us regularly as well and tell all of their friends about our local moringa. It's happening already, word of mouth entire apartment complexes of families are ordering moringa in bulk groups to distribute amongst them.

Governments and Municipalities:

Moringa is being used to mitigate runoff and retention areas. Moringa is being planted throughout citrus orchards and state owned properties to increase soil fertility and prevent contaminants entering drinking water. Moringa produces an exuberant amount of abundant mineral rich material and can be used as a living mulch to bring organic matter back into the soil. The bark and the wood can be used to make textiles and paper products. The moringa seeds absorb heavy metal and are used in dams to filter water, entering or leaving the city, especially in agricultural areas using pesticides and herbicides.

What is a customer going to purchase & how often?

A moringa tree owner is most likely going to make one purchase and we we'll most likely be able to trade their excess moringa tree material within the year, for an exchange of \$20-\$40 worth of ready made products several times a year as we harvest. Each time the MGC harvests a tree for trading products, we get a little more material from the tree as they

grow bigger, increasing our return on investment and we provide a few more products in return as well.

A moringa consumer is most likely going to purchase on average \$24

worth of products with a 10% return rate each month, or at least every other month, to spend another \$30-\$50, on average each returning customers spend \$80-\$100 a year on moringa.

The MGC developed a monthly subscription with a variety of moringa products provided in one box, known as the Moringa CSA-BOX. Customers can also choose from a single box for \$39, a 6-month subscription for \$199, or 1-year subscription for \$360. Add-ons and trade-ins are welcome.



What are your future demand estimates?

The MGC had 50 customers in 2015, 100 customers in 2016, 380 customers in 2017 and so far in 2018 have seen over 1,000 customers. Our estimates conclude the MGC will have over 5,000 customers in 2019.

If the demand continues, and half of the purchases are moringa trees and on average a person gets 2 trees we are in need of growing at least 2,500 moringa trees in 2 gallon pots for 2019. Each pot contains 3lbs of composted soil so we'll need at least 5 cubic yards of soil for the year. Each cubic yard of soil costs \$40 for pick-up or \$100 upon delivery, costing about \$500 for the year. Oak mulch is also used in the pots, but can be obtained for free. 2-gallon re-used pots can cost .05 cents each which can cost up to \$125 for 2,500 pots.

So far in 2018, the MGC has dried and sold 200 pounds of moringa, harvested from 100 separate locations in the Tampa Bay area. The MGC estimates a demand increase to 1,000 lbs of moringa harvested by 2019. Each year the MGC will receive more material from each location from each moringa tree as they continue to grow larger.

The demand for growing moringa trees on member's properties is greater than we can keep up with. We currently have a waiting list of over 100 properties that want us to plant moringa trees on. The MGC estimates over 1,000 separate properties will be demanding to grow moringa trees with the MGC by 2019.

The MGC made \$38,000 in sales in 2017 and estimates \$50,000 in sales for 2018. If the person making a one time purchase averages \$24 and on average is only 50% of the MGC's total sales, that is \$24,000. The other \$26,000 of the sales comes from returning customers, averaging \$90 a year that's 289 returning customers. If the

demand for moringa goes up and the amount of return customers increases with that number, the MGC estimates 1,000 returning customers by 2019.

What are the current market conditions?

Currently, moringa trees are being sold faster than most nurseries can keep them in stock, which is why when most people call us they say we're actually the only ones in town that have moringa trees, in stock, although others advertise on their catalogues that they do, but they don't stock them back up as well as we do, since we have local seeds available to plant all year.

Growing moringa is our specialty. There are a total of 13 varieties of moringa that are in demand, but no other nurseries carry these varieties. We'd love to grow and expand to carrying and making products from all varieties of moringa. We only carry the moringa oleifera at the moment.

Since the MGC only offers moringa, the market is really good because we can offer a competitive price advantage since we're growing the trees in bulk and receiving all the material to make our products for free. Since the MGC does not own or lease the land where any of the moringa trees are growing on, the MGC has significantly less overhead than traditional farmers.

Universities and private institutions are researching moringa and making their claims public. The market demand for moringa is increasing at an alarming rate because of all the good press moringa is getting on their research publications say moringa is a 'miracle tree'.

Health and wellness magazines and blogs are hailing moringa as the best superfood of all time.

It is said that moringa has the most well rounded supply of nutrients and minerals than any other edible plant, with extremely high levels of protein, moringa is said to a source of all 9 essential amino acids, making it a complete protein. It has high levels of calcium, vitamins A,B,C,D,E and K, potassium, iron, magnesium and many more.

When the moringa is grown in healthy soil with all of these nutrients can be present for our consumption. Moringa can grow healthily in sub-tropical regions like Tampa Bay all year. Making it a very marketable edible tree for the Tampa Bay area.

The market is growing at an astounding rate as homeowners are transitioning from grass lawns to edible food forests for eating and pollinator gardens. Moringa is a very good pollinator plant, producing small white flowers with high nectar content for bees, butterflies and hummingbirds..

The moringa tree is drought tolerant, meaning it does not need very much water for survival.

The market has never seen such a high demand for moringa. It is at an all time high and seems to be steady climbing as more people research and use moringa for themselves.

Are we in a growth stage or decline stage?

The moringa market has been in a growth stage around the world for the past 10 years. Specifically, for the Tampa Bay area, has seen an influx of interest to grow moringa and also use moringa regularly in their diet.

1 yr forecast :The market will grow more than 100%

5 yr forecast :The market will grow by 500%

10 yr forecast: The market will grow by 1,000%

Who is your target market?

The MGC target market are single or multi-family residences on more than $\frac{1}{8}$ of an acre up to 1 acre of grow space to grow several moringa trees. This scenario is ideal because the family or families most likely consume the moringa and have excess to share. They are in close proximity to their neighbors and can share the benefits with them. These individuals are active in the community and go out to eat at local restaurants sharing the benefits of moringa, encouraging businesses to add moringa to their menu. These customers/members order moringa from us regularly at discounted prices for their friends and family in need of moringa products.

The MGC target market are also landowners of more than an acre up to 100 acres of grow space, that have the opportunity to talk more about growing moringa trees on their property with the MGC.

The MGC targets retail spaces in specialty food stores and restaurants, cafes and office spaces to showcase moringa in a retail setting.

The MGC targets small businesses interested in selling moringa at their farmers market booth or in their online store. There are several options available with our packaging available or without MGC packaging provided in wholesale bags.

Where do your customers live?

95% of our moringa tree customers live in the Tampa Bay area. 5% of moringa trees ordered online are from other states around the US.

90% of our farmers market customers live in the Tampa Bay area and come from a 20 mile living radius of that particular market. We attend 3-4 farmers markets a week throughout the year.

60% of the customers purchasing from our online store are in Tampa or in Florida. The other 40% are from the remaining continental United States.

How much income do your customers make?

The MGC markets to 3 groups of people. The first group consists of students and young parents (age 18-30) with an income range of \$10,000 - \$80,000 a year would most likely purchase plants to keep in pots and small sample bagges for \$5-\$10..

The next group of business professionals and home/landowners (age 30-50) with an income of \$80,000-\$500,000 a year are interested in design services and installation of moringa trees on their property and usually purchase \$20-\$60 of moringa products..

The most reliable customer base are the elders (age 50+) with an income range of \$35,000-\$80,000, which would most likely purchase the products over and over again, on average spending \$100 a year. They like to grow the trees and are very interested in volunteer opportunities.

What are your customers family status?

Markets B2C - 90% of customers at market, depending on the area, are families, 70% are women getting moringa for themselves or to sneak into their husbands meals.

Online B2C - Trees-90% married men, Products-90% married women

Stores B2B- 50% married, 50% single

There are multi-family households, single working professionals, and young working families and students that love to purchase moringa from MGC.

Elderly and retired people are also reliable customers they usually were married and lost a significant other, 50% live alone 50% live with the family as an extended member and they purchase moringa for their grandchildren.

How do your customers think about small business and buying local products?

90% of the MGC customers are from the local Tampa Bay area.

90% of the MGC customers shop local with us because they know and trust we are locally growing the moringa and providing it in our products.

90% of the MGC customers are conscious about the benefits of shopping local.

90% of the MGC customers go out of their way to shop local on a regular basis with other companies.

25% of the MGC customers have their own local business and use moringa for their handmade products or in their line of products in their stores.

Who is your competition?

The MGC grows, harvests and packages moringa by hand. Our competitors are any businesses and farms that grows moringa and has it processed by a factory or warehouse either on location or close by.

Our competitors use large farming equipment to grow in larger quantities and have more opportunities for purchasing using credit and having a large space for machines to prepare moringa efficiently and to also package the moringa products in a certified organic facility, but there are no other competitors in the Tampa Bay area that grow and process moringa like we do.

Locally

There are 5 local competitors (farmers), that grow moringa on their single property, in the Tampa Bay area that currently grow, harvest and package moringa and offer moringa trees in pots, but not at the the scale and quality we do. They usually are growing other things too, including animals. We only grow moringa on over 200+ properties in Tampa Bay, without paying for any land. There are no other growers at our scale even on one property, we have way more trees in the ground than them and we manage and harvest from thousands of moringa trees in one season.

There are about 20 local growers in the Tampa Bay area that grow moringa on their 1 single property. and take their moringa trees in pots and moringa products to farmers market. Some may have the moringa trees and very limited products. Or they may not have many good trees for sale, but they have alot of variety of moringa products.

There are about 10,000 un-registered moringa growers in the Tampa Bay area. Most are of Filipino, Indian, African Chinese and Latin descent. A growing number of them join the MGC weekly, becoming partners not competition.

Companies selling moringa from around the world in Tampa.

Internationally

There are about 50 farms in the State of Florida that grow moringa commercially, and even fewer that process the moringa. Most all of the moringa grown and processed in the State of Florida is being shipped to California. The market for moringa in California is more than double the size of Florida's market demand.

About 100 farms in the United States purchase moringa from other countries and have it imported by the metric tons.

Thousands of resellers in the US purchase moringa from around the world and put it in their products.

Globally

There are tens of thousands of farms around the world growing, harvesting and packaging moringa for wholesale and resale.

There are millions of people consuming moringa products around the world. Our competition is anyone growing moringa trees for sale in pots or for sale of their handmade products.

How many competitors do you have?

Internationally and globally, we face an exuberant amount of competition.

About 5 local farmers are growing and selling moringa at other farmers markets when we're not attending, can't be everywhere at once, but we plan to bring them into the co-op.

Companies selling moringa in Farmers Markets don't sell moringa when we attend. Because we only sell moringa, they are usually selling other things than just moringa so they'll not sell moringa that day when we're at market so we can have the entire market, and they sell other things, most markets hold a no competitors rule, mostly out of respect.

Companies are selling moringa in Tampa, but it was grown in other parts of the world. They're essentially purveyors or distributors of USDA Organic moringa.

How does our product differ from the competitors?

Since our products are locally grown, harvested and packaged in Tampa Bay area we can guarantee where the products are coming from. We stand out from the crowd of competitors that offer USDA Organic moringa, but cannot confirm the source of their moringa, or if it was cut with any other products before packaging.

The MGC can guarantee no chemicals, herbicides or pesticides were used in growing MGC moringa, nor was it packaged with anything else other than moringa, unless otherwise stated for moringa tea mixtures or spices.

The MGC moringa was air-dried in small batches, inside a humid-free zone. Not placed in the sun to dry where Vitamin C and other minerals could be diminished. MGC moringa is guaranteed to be air-dried in small batches.

Competitors try to speed up the drying process by placing moringa greens in the dryer or dehydrator. Sometimes, this could be a solution, but not sustainable on larger scales.

Who owns the market and are the big suppliers of the same product? What is their supply?

Locally: Zija gets their moringa from India and Africa.

Internationally: Paisley Farm & Crafts, LLC gets their moringa from Africa, The Moringa Man, LLC gets their moringa from large distributors growing moringa in India.

Globally: KVS AGRO General Trading Private Limited Company from India.

What are your market channels & outlets?

The MGC sells at farmers markets, offering moringa trees and products made from local moringa trees.

Offer MGC products at specialty stores, farmers markets, brick and mortar locations, online, for retail and also offer moringa products for wholesale.

Sell all of our products on our website: **MoringaGrowersCoop.org**

-Offer free delivery and shipping in Florida.

-Offer free shipping in the US for orders over \$49.

What are you in need of?

The MGC is in need of more certified organic processing facilities and distributors.

The MGC is in need of more locations, ie. moringa trees growing in the ground.

The MGC is in need of more trained staff to educate about the moringa tree at libraries, farmer's markets, farms, trade shows, expos, marketing conferences, plant industry gatherings.

The MGC is need of more volunteers.

The MGC is need of more knowledgeable marketeers able to attend farmers markets.

The MGC is in need of more trained preppers and packagers to prepare the moringa material.

The MGC is need of more farm equipment to process the material from the moringa trees, like separators, powder machines, capsule machines, cold-press moringa seed oil machines.

The MGC is need of merchandising.

The MGC is need of collecting membership fees.

The MGC is need of securing CSA subscriptions.

What is your value proposition?

The MGC values locally grown Tampa Bay Moringa and promise to only provide moringa trees and products grown in the Tampa Bay area.

What is the price of your product?

Moringa trees in 2-gallon pots are \$10 each. 3 moringa trees for \$20. For more than 20 trees they are \$6 each. For more than 100 moringa trees, they are \$5 a piece. For more than 500 trees they are \$4 each. Call for special pricing on 1,000 or more moringa trees.

Moringa products like dried leaf powder is now going for a limited time at \$75/kg, wholesale price.

For 103g of powder costs \$20 retail.

Moringa loose leaf \$10/36g, \$5/9g retail.

Moringa + mint tea is \$10/28g including 9 tea bags in a box, retail.

Moringa spice is selling at \$5/9g and \$20/350g, retail.

Moringa seeds are selling at \$5/5g or \$10 per 20g, retail.

Moringa seed oil is selling at \$10/3.7mL, retail, \$150/8oz, wholesale.

Wholesale prices or 50% off or more from retail price as stated above.

There are several more products @ **MoringaGrowersCoop.org**

What distinguishes your product offering?

Locally Owned Co-operative, We are forming a Multi-stake Co-operative! And the members are co-owners. The MGC is a not-for-profit.

The MGC product offering is unique because we have direct relationships with our growers, all of them are owner-members the MGC and are invested in the honesty and integrity of MGC.

The MGC certifies all the moringa greens used in products are safe for human and animal and insect consumption.

What is your value platform?

The MGC values the fact that all the material grown, harvested and processed for distribution is coming from local Tampa Bay moringa trees.

Locally grown- The MGC only sources local moringa material grown from moringa trees in the immediate Tampa Bay areas including:

Hillsborough County, Pinellas County , Manatee County, Pasco County, Hernando County, Polk County and Charlotte County.

Locally harvested and packaged- The MGC harvests and packages the moringa trees at our mobile processing units and at our brick and mortar facilities as well as partners in certified organic manufacturing and packaging.

What is the consumption experience of your product?

Geographic context, the consumption experience of our product has varied from outdoor farmers markets to our brick and mortar retail spaces to other local brick and mortars and specialty stores. Half the time we meet customers outside at local farmers markets or they like to visit us at the retail spaces during regular operating hours.

Where is your customer origin?



Please, join the **Moringa Grower's Co-op** Facebook Group



@moringagrowerscoop
#tampabaymoringa

Since 2015, the MGC has planted thousands of moringa trees on over 200+ properties.

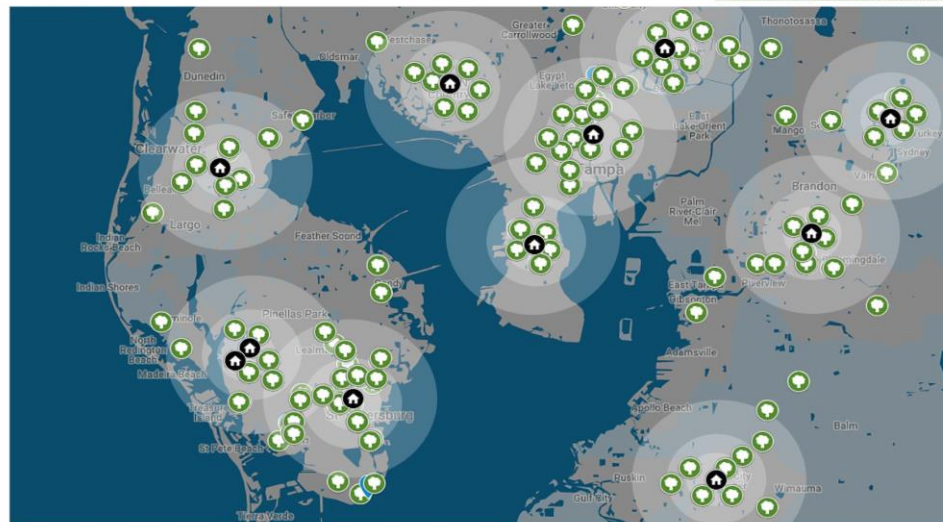
Support the moringa grower's co-op by growing moringa on your property. Adopt a moringa tree today.

Organically Grown, Harvested & Packaged in Tampa Bay



MAP LOCATIONS:

MORINGA TREE:



● MORINGA GROWER ● MGC RETAIL LOCATION

Tampa, FL

The MGC has a map of all it's current and future retail locations, customers that have made a moringa tree purchase or growers that have agreed to the MGC harvesting their moringa trees they have planted in the ground already.

Are your customers driving or ordering online?

The MGC has a positive history of returning customers, from farmers markets to the retail stores and even from online sales. Since we attend several local markets a week, in various regions, we have the ability to be closer to the customer, they drive minimal to local markets or at all if we deliver to them because we have a large portion of sales coming from online with local deliveries regularly occurring daily.

What is your facility access?

The MGC growers range from small urban residential spaces to rural acreage and farm lands in the surrounding Tampa Bay area and outlying counties. Customers have access to plants growing in pots at several of these locations with an appointment.

The MGC retail locations are considered the specialty stores carrying MGC products and also the weekly farmers markets we attend.

The brick and mortar locations are open everyday from 9am-5pm.

The neighborhoods vary in demographic, age and country of origin, but mostly every person age or culture has purchased moringa from us already. The hubs are strategically spaced on the map to give customers an opportunity to travel less than 20 minutes anywhere on the map to meet us for moringa trees or products.

Computers, laptops or mobile phones have access to our entire online store of moringa products available for shipping or delivery.

What are your customers travel behavior?

The MGC sees visitors from many different ages and backgrounds, mostly driving to us, 50% of the time taking highways. Regulars of all ages visit the farmers markets on the weekends, while running errands or passing by, ranging from university students to young working professionals and couples, to retirees and landowners growing the moringa trees. The retirees also visit on the weekend, but also casually visit us at the brick and mortar to volunteer their time to help process moringa into products during the week. Deliveries have picked up, if we can make the trip locally on our way to drop off other packages, we'll try to deliver it, but we always can rely on very reasonably priced shipping methods for packages going anywhere in Florida.

What are your customers payment options?

Customers can pay in Bitcoin, Paypal, Venmo, Stripe, Square, Credit Cards, Debit Cards, Cash or Check and Volunteer.

The public?

Pay retail prices. Coupons and codes can be used on the website, for purchases over \$49, free shipping in the US.

Businesses?

Pay wholesale prices. 50% or more off of retail price. minimum order of \$300.

An individual is required to order a minimum of \$300 for wholesale pricing.

A business usually has about \$600 worth of MGC product on their shelves and sell on average about \$100/week, writing us a check for on average \$50/week at wholesale pricing and pay as they sell the product we continue to refill the shelves. We have 5 stores selling our moringa products on their shelves.

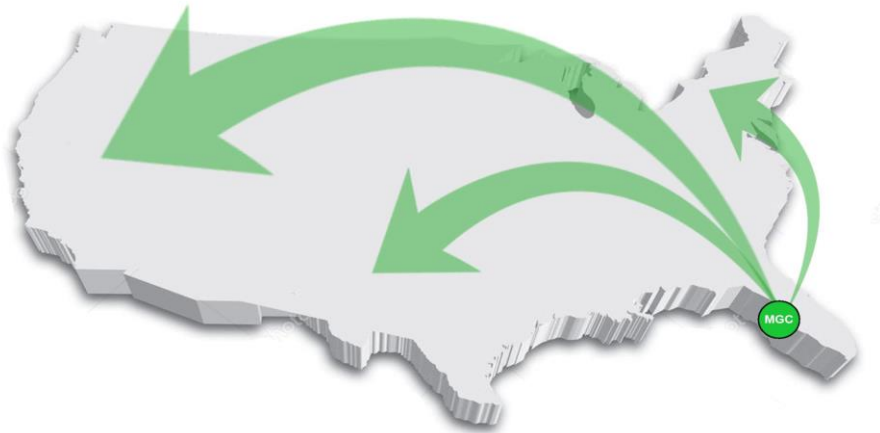
Some businesses sell their first couple hundred dollars worth of MGC products in sales and catch up with the invoice completely, then ask for more products within 2-3 months.

What are your terms of repayment?

Individuals must pay before receiving the product.

Businesses must pay their invoice within 30 days of receiving the product.

What is your customers destination?



MGC Customer Destination

Most visitors leave us with more information than they could ever imagine about the moringa tree. Customers ask questions and are very inquisitive since most never heard of moringa before.

Customers pick up moringa trees to grow at their residence, both knowing about it prior to meeting and those who never heard of moringa before still purchase a tree.

Typically, at market once they try the free tea samples they'll taste it and stay longer to hear about the benefits of moringa and say it tastes very good and usually they'll buy 3 moringa + mint tea boxes for \$20, that is our best seller.

Or if they don't make a purchase, or never heard of moringa they'll go home to do more research.

Customers visit multiple times trying out different products.

Once they feel more confident consuming moringa on a regular basis, and find out we have several locations carrying our products, they start buying from the local distributors, specialty stores or order from our online store.

3. Technology Considerations

The MGC utilizes many forms of technology. Considering every form of technology, new and old, as a valuable asset to our growth & development will keep cost and time savings to a minimum as we attempt to maximize efficiency and profit.

Multiple forms of technology to consider:

Land - Farming - Harvesting - Planting - Growing Technology

Facility - Drying - Processing - Packaging Technology

Internet - Marketing - Sales - Branding Technology

There are many opportunities to study large moringa farms in India and Africa, which have been growing and harvesting moringa trees for thousands of years as a commercial agricultural product. The technology they use is very interesting and surprisingly very useful in today's moringa industry.

The MGC's goal is to practice appropriate technology and keep things very simple, not over complicated.

The MGC prefers to use natural materials in building or constructing equipment and enjoys using low tech solutions.

Upgraded technological capabilities will be required for MGC to move toward a thriving online marketplace. There is currently a website using Wix.com as the host, but

seek alternative hosting from wordpress.com from which customers may purchase our products with much more options and faster service.

Additionally, new online marketing functionality must be considered in order to target existing and potential customers through methods such as e-mailing lists, promotional advertisements, and loyalty discounts.

While the MGC maintains a small information technology (IT) group, ie Kendrick, the expertise does not currently exist internally to design, build, and implement the sort of extensive online platform required for this effort, while planting and harvesting trees is a priority. Therefore, the recommendation is to contract this work out to an internet marketplace provider who can work with MGC to meet its needs within the determined timeframe and budget. It should be noted that while MGC does not have this expertise internally, the technology exists and is in use throughout the marketplace which lowers the risk of this concept considerably. The MGC has someone in mind for this position.

MGC currently maintains a high speed internet connection, web server, and the latest software and an e-commerce portal. It is expected that there will be an overall cost increase of 5-10% for web server operations and maintenance costs as we transition from Wix.com to Wordpress.com..

What is your competing technology?

A) Land- moringa grower's have huge amounts of land in one place, while the MGC has several plots of land it is more spread out and takes a lot more energy to travel and harvest the material.

Farming- the farmers growing moringa around the world are far more knowledgeable and have a lot more trained staff that know plants and how they work. Most farmers in the US do not have the knowledge to teach the MGC how to farm moringa.

Planting- the skills to know when and when not to plant moringa, when to harvest and when not to harvest moringa and when to plant and not to plant moringa given the season or weather conditions.

Growing- competitors are growing moringa in more tropical climates, while the MGC has a great growing season in Tampa, it still gets cold here and the moringa trees go into a dormant state for several month out of the year.

Harvesting- using large machinery to harvest fields of moringa competitors are able to use technology to harvest large amounts of moringa at one time, while the MGC uses one hand saw to cut and make several small trips and loads in a van to harvest moringa around town.

B) Facility- competitors have access to large warehouses and farm space to process moringa material, while the MGC uses member's land to grow moringa, every

piece of material is being driven to the MGC processing facility, which at the moment is a small 10' x 30' storage unit.

Drying- competitors have large areas to place moringa greens while drying, spread out on screen racks they dry much faster and maintain color, while the MGC has space to dry moringa greens, it is very confined and already outgrowing the space we have..

Processing- processing equipment such as cold-press oil machines and large blending and powdering machines as well as automated capsule machines and overwrapping machines that get products ready for the shelf are what most competitors have. While the MGC has been able to make do with very small scale equipment we are already reaching maximum capacity with the current tools we have available to not only keep up with demand but with cost to hire for that amount of time when it can be done in a fraction of time with far less people with more efficient machines to process.

Packaging- competitors have the capital to put up for large orders of packaging equipment which also drops the price per unit, allowing them to invest in sorting and packaging machines like tea bag makers. While the MGC has had great success in designing a label and brand that is effective

C) Internet- competitors use the same internet but can partner with more larger companies and have a better network of distributors, buyers and sellers.

Marketing- The global moringa sellers have new products coming out regularly, for example, Zija just came out with a moringa powder that is water soluble. Typically, moringa leaf powder dropped in water remains chalky and tastes bitter. With a mixing agent, the Zija moringa dissolves in water.

Sales- Larger competitors are selling in large retail chains like Wholefoods, Publix and Winn-Dixie, while our sales remains heavily reliable at farmers markets which is subject to weather and seasons. While our products are in a few small stores, locally owned, it would be a great success to have a large chain pick-up our line of moringa products to sell.

Branding- While the MGC has had success making a brand name that people can trust thus far, it has only been the work of a very small team. The amount of time an effort to maintain the MGC success would need a large team of marketing, sales and branding professionals, to compete with larger companies. Obtaining certifications and licenses can make a brand stand out and being able to have certain logos on our brand would allow us to have a competitive edge in the future..

What facilities do you need to be competitive?

There is an invisible structure guiding our success with hundreds of people and businesses that we will begin to form partnerships with the MGC in order to stay competitive, in this case, there are several sectors within the MGC that need to be successful in order to have a competitive advantage.

There needs to be repair technicians and fabricators on call, for designing and building farm equipment in order to stay productive if in case a machine needs to be built or repaired due to efficiency slow-ups and malfunction failures.

The MGC needs a small farm agricultural zoned, 1-5 acres to start processing material from local moringa trees and accumulate farm equipment to make our job exponentially more efficient to be profitable.

The MGC needs more drying space at the MGC Farm, more like a warehouse facility on site.

How many moringa trees do you need growing to keep up demand?

In order to stay competitive, the MGC needs to have competitive growing spaces. While most moringa grower's use one large piece of property to grow moringa, costing several thousands of dollars a year in mortgages and taxes, the MGC uses several smaller residential properties, spread out amongst the community, not paying any lease or land commitments to date, of which is a huge competitive advantage. The MGC needs more residential properties to grow moringa on to be more competitive.

The MGC also grows moringa at community gardens and other local farms, of which are not paying any lease agreements, but need to be growing alot more at each location to make it much more worth our time, which would not be much more to do, since we're already in mostly all of the local community gardens, there is still alot more work to be done.

To stay competitive, the MGC does need a small to medium sized property to not only grow moringa trees but to harvest and process.

Harvesting & Processing?

To stay competitive, the MGC would need to have more access to large moringa trees to harvest. Since the MGC has planted thousands of moringa trees throughout Tampa Bay in just three years, we anticipate the growth rate of the moringa trees to reach new heights and harvest rates will increase every year from now. There are several large moringa trees in Tampa we have not yet found of know of and we are on a mission to find and manage every moringa tree in Tampa Bay.

To process, the MGC needs more small to medium warehouse spaces to dry and process moringa trees at hubs strategically located throughout Tampa Bay. Almost like 'chapters' each hub will have a owner-manager.

Each location should also be considered certified organic facility, if it too much cost to obtain several certified organic facilities starting out, we

may have one central certified organic processing facility and the hubs are just for retail and plant sales.

The facilities we would need to run large farm equipment should be considered agricultural spaces, farms are the most recommended facility to grow, harvest and process. There should be capabilities to have several small farms strategically located throughout the Tampa Bay area owned-operated by the MGC.

Selling & Marketing?

In order to stay competitive, the MGC needs to hire a team of sales representatives and marketing geniuses.

The MGC needs a social media consultant and a number of other consultants ready to do any task the MGC has for them.

The MGC needs video equipment and drone footage of our growing locations to get a better context to the feasibility of growing moringa and the benefits.

The MGC needs to hire Kendrick T Henry to write the moringa management E-book to help generate more funds, as a marketing strategy.

Distributors, vendors, and sellers. The MGC needs a fleet of people checking and stocking the stores carrying our products.

The MGC needs a website director and a director of marketing and a director of sales.

The MGC needs to be on more radio shows and cooking shows, local newspapers and enter into art and design competitions using the moringa tree as generator for biodiversity awareness.

The MGC needs to be offering more demonstrations and workshops to get the education out there about moringa trees and how they grow to be able to market the trees even better.

The MGC needs more retail spaces to be more competitive. Each retail space may have a small area to the side that has the opportunity to grow some moringa trees in pots to sell.

The MGC needs to be the supplier of moringa for a large portion of moringa distributors in at least starting out, Florida, with plans to become the largest moringa grower's in country and the largest co-op of its kind.

In order to do so, the MGC needs to promote the clinical findings of moringa and the benefits of consuming moringa on a regular basis.

4. Product/Service Marketplace

The moringa tree can be eaten fresh or dried. It can be sold in a pot to be kept in a pot outside or also sold as a plant to place in the ground. Once the moringa trees are established in the ground, around 2-3 years old they start producing an abundance of material, although young moringa trees are still harvested in the first year or 2, the amount of material grown from the moringa tree is exponential after the 2nd year.

There are literally hundreds of products the moringa tree can be made into, and used in thousands more products.

Moringa can be made into loose leaf teas, protein powders for smoothies and shakes, supplements for daily multi-vitamins, the seeds are very valuable and can be eaten or sold to grow trees or even to make moringa seed oil, which can be used in thousands of cosmetic products. The bark can be used to make textiles and the sticks and stems can be used to make fertile soil, live mulch and compost as well as paper products.

Existing marketplace for the products

The online marketplace for moringa trees and moringa products has been thriving for many years. In 2018 the **MoringaGrowersCoop.org** online store, sales accounted for approximately <.01% of total moringa sales worldwide.

While locally, the MGC accounted for 2% of the total moringa trees and products sold in the Tampa Bay area.

Moringa is not even available in most stores, our primary marketplace consists of specialty stores, health food stores and garden centers, but we've managed to secure 5 locations around the Tampa Bay area carrying our moringa products. **Chuck's Natural Fields, Vegan International Co., Quality Foods, MarketSpace For Good and Essential Balance Holistic Wellness.**

All of MGC's current major competitors have an established online presence of at least 3-5 years. The top 3 competitors are currently: Zijainternational.com, MoringaFarms.com and TheMoringaMan.com.

A large majority of MGC's customer base are returning customers 288 out 1,000 and referrals from existing customers. By providing a more convenient means of purchasing our products online it is expected that we will retain these customers while conducting an even more of an online marketing campaign for new customers as well.

The MGC distributes online purchases via the US Postal Service by packing in the MGC locations and dropping the packages off to the nearest store location. This allows the MGC to provide timely shipping and eliminate the need for a central warehouse or facility from which to store and ship its products. Such a facility would require a significant capital investment as well as increased operation and

maintenance costs. However, based on anticipated growth projections, the MGC must ensure that all store locations maintain adequate inventories on hand to satisfy customer demand.

Future marketplace for the products?

Our goal is to expand and attend all the local Tampa Bay area farmer's markets as vendors.

Have the ability to sell our products in more health food locations, and supply more marketeers to offer moringa at their local booth.

The MGC strives to supply large packagers with locally grown moringa.

The MGC plans to build several small trailers to hold our products and plants for display for each market we attend, making it easier on the person attending the market saving time on unpacking and packing allowing us to expand our reach to other local markets in an attempt to cover a larger area of markets.

The MGC plans to grow online sales by 150% in 2019.

Open more MGC chapter locations which serve as processing facilities and retail stores.

5. Marketing Strategy

In order to be even more successful, the MGC must differentiate itself from competitors in order to appeal to customers in person presence and online marketplace. The MGC plans to hire a marketing consultant.

The MGC will market the **CSA-subscriptions** as a way to generate more income up front. There are many tiers and levels to CSA's and have an option for most income levels. We sell the Moringa Mini-Baskets for \$25 each, a value of \$30, offered a 6-month subscription of mini-baskets delivered once a month for \$120 for 6-months and \$199 for the year. The next tier is The Moringa CSA-Box selling for \$39/each, a \$60 value for \$199 for 6-months and \$360 for the year. The third tier is the Moringa Basket, for the entire family, \$60/each, a \$95 value, offered at \$299 for a 6-month supply or for \$570 for the entire year. Each CSA-subscription is capable of custom packaging inside to match the retail price value. Each CSA-subscription can be fulfilled immediately or spread out over the duration of the subscription.

The MGC will begin to utilize the practice of personalizing its product packaging which it currently offers to businesses purchasing moringa products, but would like to expand that service to all customers.

The MGC currently has a customer e-mailing list of over 1,300 people and businesses. We send product promotions, sales advertisements, and other special offerings to customers who have provided their email directly on our website by subscribing or by putting their email on our list directly at farmers markets.

Additionally, MGC offers referral incentives to customers who refer our products to friends and family by providing them with a custom coupon code, much like a sales representative. When someone orders using their coupon code at checkout, the customer get 13% off their order and the person who's coupon code it is, earns 32% off of each sale, while MGC collects 55% of each sale that uses the coupon code.

In order to provide additional incentives the MGC also maintains a customer database in order to determine its target customer groups and geographical regions. The MGC has a current map of all it's customers and growers and performs market research by messaging and keeping in contact with customers regularly.

The MGC researches marketing intelligence providers to determine the benefits and costs of purchasing customer information for bulk email campaigns as well as generating sales funnels for their clicks.

Another important consideration of MGC's marketing strategy is cost. Electronic marketing communication costs are very small in comparison to direct mail marketing. MGC currently utilizes electronic marketing with plans to send out a mass direct mail campaign to generate some interest in becoming a member to the MGC. We expect the additional revenue from direct sales to give us an advantage in gaining more electronic marketing consulting.

It is important to note that MGC's current marketing and sales team has been volunteer based and will require training and pay for online marketing and sales practices as well as the overall knowledge of moringa and how it grows and how we harvest and package for the consumer to feel more confident in us. Moringa customers typically have a lot of questions for us. This training will need to be contracted to a training provider as part of our startup costs and schedule.

6. Organization and Staffing

Current officers: Kendrick Henry and Jay McGee.

Each person involved in the MGC needs to be of high quality and reliable character.

Each individual interested in being a member of the MGC needs to have an interest in plants and moringa and wants to increase their knowledge capacity for caring and growing moringa trees and also have certain level of respect for nature.

The MGC is in need of several positions.

The MGC is organizing to be a multi-stake co-op that has voting/non-voting membership levels. Although currently, there are over 200 locations growing moringa trees with the MGC in the Tampa Bay area, and our sales are estimated to reach \$50,000 by the end of 2018, the MGC does not currently have 'not-for-profit' status nor have official members that have paid a fee nor individuals that have accepted benefits of any kind. The MGC organization includes:

Producers/growers- individuals, organizations and farmers growing the moringa trees, members and non-members donating material to the MGC.

Workers/managers- Members training and educating others about moringa. Members vending at farmers markets around Tampa Bay. Members harvesting moringa trees training others how to harvest moringa trees. Members processing, prepping and packaging moringa products. Members running the retail stores and managing the producers and growers. Members acting as board members and members marketing and making content for social media.

Buyers- Individuals and businesses, members and non members purchasing moringa products from MGC at retail and wholesale prices.

Future Positions

Each producer/grower needs to have been growing moringa on their property for 1 year to become considered a member. Each producer/grower member has benefits, membership fees and yearly quotas required.

Each worker/manager needs to have a level of understanding of the moringa tree and have gone through at least 72-hours worth of training on growing, harvesting, prepping, packaging, and educating on moringa before considered for a worker/grower member position.

The MGC sales has significantly increased over the last 6 months. Several board members and manager additions are required to successfully implement the 2019 growth and sales campaigns. All of these positions are being developed and report to MGC Headquarters.

Steering Committee:

Kendrick-President, Secretary, Marketing,

Jay Mcgee-Vice President Internal

Robert Welch Jr.- Vice President External

Star Dyal-Treasurer

Board Position #1: **President**, full time board position leading the team of vice presidents and managers. Reports to MGC Headquarters.

Board Position #2: **Vice President, Operations**, oversees

-Sales & Marketing Director

-Education Director

-Field Director-oversees harvests. contacts the clients to set up the appointments and route for field director,

full time board position leading operating managers in identifying opportunities for improving efficiency both in the field and internal operations. Reports to MGC Headquarters.

Board Position #3: **Vice President, Technology**, full time board position leading managers in identifying technological advancements in the moringa industry and how we can implement them. Reports to MGC Headquarters.

Board Position #4: **Vice President, Finance**, full time board position overseeing the financial functions of both private and public affairs with expertise including financial reporting, forecasting, budgeting, cash management, payroll, financial analysis, and accounting management. Reports to MGC Headquarters

Board Position #5: **Vice President, Membership**, full time board position overseeing the functions of memberships and their benefits. Reports to MGC Headquarters.

Board Position #6 **General Counsel & Executive Director, Compliance**, full time board position and licensed attorney overseeing the implementation of corporate policies, procedures and programs. Ensures that the MGC and its distributors conduct business in compliance with applicable regulatory laws to secure MGC's future as a fortune 100 co-operative.

Manager Position: **Executive Director, Education:**

Manager Position: **Executive Director, Sales & Marketing**, full time board position leading marketing managers in identifying opportunities in marketing in person and online. Reports to MGC Headquarters. full time board position leading sales managers in identifying sales opportunities at farmers markets and online. Reports to MGC Headquarters.

Manager Position #10: **Executive Director, Field Development**, full time position overseeing moringa trees in pots, planting in the ground, harvesting and maintenance. Reports to VP Operations.

Manager Position #11: **Executive Director, Internal Operations**, full time position overseeing facilities and production. Reports to VP Operations.

Position #12: **Executive Director, MGC Retail Store #1**, Full time position overseeing the the management of the MGC retail store #1. Reports to VP Operations.

Director of Education..

Director of Markets

What kind of training does the MGC need?

The MGC has many positions available. The training requirements will be full extensive 72-hour hybrid course educating each person on the growing, harvesting and packaging process of each item we offer and make from the moringa tree. The course offered by the MGC is entitled "Moringa Management 72-Hour Training Course" is instructional, online and field report takes each enthusiast through the history of moringa, its uses, applications and processing requirements to bring the abundant material from the moringa tree to market.

What management skills do I need to oversee a successful venture?

The most important management role I need to play is as Founding Member. I may have many hats and play several roles in the management of each and every position at MGC.

What are your Inputs?

Our most important inputs for MGC are the people. The more we invest into the people growing moringa for the MGC, ie their health, wellness and happiness, with just the love of one tree, then the more healthy the MGC moringa trees will be.

People- growing moringa is very fun, rewarding and somewhat labor intensive. The MGC will need a team of people growing, harvesting, packaging and

selling the MGC moringa to local markets, specialty stores and soon to be national and international sales.

Raw Materials- Moringa Trees. The moringa trees growing exceptionally well in Tampa FL. We'll use them to to make all of our products sold through MGC.

Energy- Tons of Sun! The most important and renewable resource for the MGC to be successful is full sun. To grow moringa with the MGC, each piece of area the moringa tree is growing needs to be in full sun all year long. Another source of energy will be from the creation of soil. The MGC will invest in massive amounts of mycelium, food waste streams, composted soil, mulch and rain water harvesting.

Information- the MGC needs to hire Kendrick T. Henry to design, photograph and write the "Moringa Management 72-Hour Training Course" for members and managers. The MGC also needs to acquire cloud storage and several computers for each manager. The MGC will be flooding the market with moringa information, photos, videos, workshops and demonstrations and educational material at every farmer's market to share the health benefits of moringa.

Finance (economy, manufacturing plant, farm, computer systems)- the economy needs to be in a rising productive and prosperous economy for our moringa market to thrive, in order to get a loan or a grant for some of the start-up costs. Short term, The MGC will utilize existing local manufacturing plants to package and process moringa material after its been dried at the MGC Farm. The MGC needs to finance a small piece of land, potentially 'list of lands' by the county for a low price or even for free. Then, with the next season, the MGC can have a facility built on the MGC Farm to accommodate drying and manufacturing. The mGC needs an assortment of computers and software that will cost several thousands of dollars.

Compile a grasp of what it will take to grow, produce, harvest, and process moringa, how much water, how much soil, how much land, how many trees do you need to produce profit?

What are the Expenses/Inputs From Seed to Tree?

Start with 2,000 lbs of composted soil for \$40 from Florida Organic Solutions. That will make 1,000 2-gallon pots which sell for \$10 each, within the first 60 days. \$10,000 every 60 days, 6 times a year is \$60,000 retail sales for small moringa trees for 1 year, \$30,000 wholesale per 1,000 2-gallon moringa trees in pots per year. On average, if half were sold retail and the other half wholesale, it would be a total of \$45,000 in gross sales for 6,000 moringa trees in 2 gal pots.

25lbs of azomite rock dust for \$30 for 60 days. Times 6, \$180.

3 blocks of Coconut coir - \$50 for 60 days. Time 6, \$300

Throughout the duration of the moringa tree sprouts lifespan in the same pot, for 60 days before sale, each tree needs 1 liter of water a day, in the

summer, the rains maybe sufficient without water. In a greenhouse condition to at least control the intensity of rains, the water should be coming from RainCube. Half of the year it's raining and the trees do not need irrigation if outside, but even in the summer, in pots should be covered, so it may be best to keep the young pots in some sort of shadehouse-greenhouse condition. That adds to a high estimate of 1 Liter per day per tree or 60 Liters per tree per 60 days of water. Multiply that by 1,000 trees thats 60,000 liters or 15,850 gallons of water for 1,000 pots every 60 days. That's 95,000 gallons of water per year per 6,000 moringa trees. If water costs .01/gallon we spend **\$950** in water a year.

It will take 2 people, 10 hours to pot up 1,000 moringa trees, thats 20 hours of labor, for \$15/hour comes to \$300. Coming to **\$1,800** for 6,000 moringa trees potted up in labor a year.

In the first 60 days, the trees need to be cut back 1 time to build the root structure. It will take 1 hour to cut back 1,000 moringa trees costing **\$30** in labor for 2 people.

Throughout the course of 60 days, the 2 workers will spend on average 1 hour a day maintaining weeds and watering the 1,000 moringa trees costing **\$10,800** in labor to manage 6,000 moringa trees a year.

The moringa trees will need to be re-fertilized and sprayed with compost teas at least once in the 60 days, adding 2 hours every 60 days, times 6 @ \$15/hour is **\$180**.

It will take a space of 1,000 sq. ft to grow 1,000 moringa trees, each tree is roughly 1 sq. ft. If the cost to store the trees in a commercial space is \$1/sq.ft per month, It will cost \$1,000 in land cost a month, multiplied by 12 months is **\$12,000** a year on land for the 6,000 moringa trees.

Taking all of the expenses into account, **\$26,280** and our gross income of \$45,000, We could potentially make a **net profit of \$18,720 per 6,000 2-gal potted moringa trees a year.**

Let's say 10% of those trees become apart of the co-op and we wait 2 years to make a harvest. That's 600 moringa trees in the ground producing 3 kg of dried moringa leaf powder for each tree after the 2nd year, making a total of 1,800 kg. If we sell 1kg of wholesale leaf powder for \$75, we made **\$135,000** in gross wholesale from 600 moringa trees after the 2nd year if a portion of those sales we're retail it would be much higher.

After the 4th year, each tree is producing 7 kg of dried leaf a year, thats $600 \times 7 \times \$75 =$ **\$315,000** in wholesale leaf powder.

In the 2 years to grow each moringa tree in the ground it cost the homeowner some labor of love and some water, but we return their investment as a co-op member in a shared return of sales.

If we're to take the 1kg moringa leaf powder and break it down into retail pricing, it could make 10, 100g pouches which sell for \$20 each, making \$200 retail. Potentially, making \$840,000 in retail sales from 600 moringa trees in the ground producing 7 kg of dried leaf powder after the 4th year.

Not to mention, by the 4th year, each tree has produced thousands of seeds to make more trees, and also pressed some of the seeds to make oil, also, each time the tree is harvested, it makes cuttings, making several hundred new trees to propagate and also mulch and soil are created from the excess branches after harvesting.

The labor required to make each product can vary. Starting with loose leaf, the easiest to make because it's closest to a ready product from the time it is dry. We sift the leaves to remove any sticks or branches leftover from separating the leaves from the stems. To sift 1 kg of leaves and package 27- 36g loose leaf packages can take one person 1 hour, costing \$15 in labor and they can make \$270 worth of retail loose leaf.

The next labor intensive product to make is tea. It can take 1 person 1 hour to sift and add mint leaves and place material in each reusable tea bag by hand adding to 225 tea bags and package them into 25 tea boxes. That's \$250 retail price.

The next most labor intensive product is the leaf powder. Once the loose leaf is sifted we blend and sift the leaves into a fine powder. It can take 1 person 1 hour to make 1kg of powder, which can sell for \$99 bulk retail.

From the leaf powder, we can encapsulate and offer the leaf powder as a supplement. 1 person in 1 hour can press 5-100 capsule bottles adding to \$150 retail.

7. Schedule

The MGC was established in October of 2015 at Zen Den. We planted 50 moringa trees on 1/8th of an acre. Since that time, we've advertised our sharecropping platform and have amassed over 200 locations growing and proving moringa trees to our efforts. Some properties already had moringa established for many years.

By the summer of 2016, we established a website and e-commerce platform. Since then, we've had 150 orders adding up to \$5,300.

The MGC started attending local farmers markets in summer of 2016. Since then we've grossed over \$90,000.

October 5th 2015: MGC established at Zen Den.

June 2nd, 2016: Launched MoringaGrowersCoop.org.

July 4th, 2016: First MGC farmers market appearance.

October 5th 2016: Started MGC Facebook Group (over 300 members to date).

November 17th 2016: Attended the Florida Permaculture Convergence.

January 29th 2017: Opened first retail location, 3008 N Nebraska Ave Ste B221, Tampa.

March 21st 2017: Gave an MGC workshop at Sweetwater Organic Farm.

August 4th 2017: First large harvest from Zen Den.

June 1st, 2018: Started planting moringa trees at TrailBale Farm.

June 2nd 2018: Opened 2nd retail store, 7830 38th Ave N, Ste. 1 St. Pete.

October 1st, 2018: MGC opened 3rd retail location, 6785 46th Ave N Ste. B, St. Pete.

What is the schedule time it takes to see a return on your investment?

The moringa tree is one of the fastest growing trees in the world. It is a softwood and stretches fast, so the stems can fall over with the weight of the seed pods and drop seeds, or even propagate from a broken stem or cutting far from the base. This is how they spread in the wild. Since they are not native to Florida, they can take a little maintenance and care, but in comparison to most commercial tree, the moringa tree is by far the most versatile and profitable tree to grow with a fast return on investment.

Planting Trees from seed?

Moringa trees can sprout from seed within 2 weeks. Seedlings can sell for \$1 within 2 weeks. Within 1 month a young seedling can be planted in a 2 gallon pot and within 60 days can be sold for \$10. A year old tree, 2-3' tall, in a pot with bark formed can sell for \$25.

Planting trees from cutting?



Moringa trees can sprout from propagating cuttings. Within just 1-2 weeks sprouts can be harvested from placing the cuttings in the ground. Within 3-4 months, moringa trees from cuttings can be 6' tall. Cuttings can be sold for \$5 (2-6" dia x 4' long)

Harvesting Leaves?

Sprouted leaves can be harvested within 1 month from planting moringa seeds.

Within the first year moringa trees can be harvested several times, each harvest produces more stems, creating more leaves every few months until the moringa tree is about 2 years old, then we see significant growth and material return.

Flowers?

Flowers begin to form on moringa trees propagated from cuttings much earlier than trees that were started from seed.

A cutting can produce flowers, depending on the time of year, with a few weeks.

Flowers are edible and can be used to make extracts.

Pods?

Seed pods form from moringa tree flowers and flowers can form from stem cuttings within a few weeks of planting.

On trees grown from seed, flowers can form within the first year and within the first season can have several seed pods on one tree. Each seed pod can hold 10-20 seeds. One tree can produce hundreds of seed pods, or thousands of seeds each year.

Seed pods can be eaten when young, before the seeds have formed inside and are still soft and green.

Flowers can turn into seed pods, if pollinated, but if the stems are not strong enough to support the weight of the seed pods, they will break. Usually, on a young tree, if the flowers turn to seed pods, we like to pick them off when they are young, as to not rob the tree of nutrients making less leaves, instead we pop flowers and pods off young trees (1-2 years) so the stems get thicker and can support the weight of the seed pods.

Seeds?

Seeds are very valuable. On a moringa tree from cutting, seeds can be fully formed within the first year and viable to sprout into trees.

Seeds formed on trees that have been grown from seed, within the first year, may not be viable for tree production, but could still be harvested as young pods or even as seeds to make filtration systems. It may take 2 years for trees from seed to fully develop the root system to produce seeds that can reproduce.

Seeds can be eaten like multi-vitamins, crushed to filter water for drinking, or pressed for the oil.

Roots?

Moringa roots can be eaten like a horseradish, seeds make the radish like tuber within 30 days and can be sold at market, just the tuber, for \$5/lb. Once the young seedling is harvested for the root, the fresh green sprouts can be dried and sold as a moringa green sprout, a product we can ask premium pricing.

8. Financial Projections

The following financial projections describes the MGC's expected yields vs additional costs. We will prepare net present value (NPV), cost-benefit calculations and balance sheets as well as illustrated financial projections for the following section.

What is the standard borrowing amount of other co-op's seeking financing?

The standard borrowing amount for co-op's our size and description ranges from \$100,000 to \$250,000.

What are your start-up costs?

In 2015, Kendrick started planting moringa trees on friends properties, establishing the MGC without any cost other than time and labor, the first 80 moringa trees were donated from a local nursery in exchange for Kendrick's labor. The first MGC property, Zen Den does not charge the MGC to use their land.

In 2016, Kendrick sold his vending machine business for \$20,000 and invested/loaned the entire amount to the MGC. During that time, the \$20,000 paid for rental space to live/grow/process moringa trees until 2017.

In 2018, the MGC acquired 2 retail spaces and 1 processing facility, costing \$3,000/month.

The MGC will need a small farm, costing \$1,000/month.

Operating Costs?

The MGC collects harvested material and packages it for distribution. The cost of goods sold and labor costs are considered the MGC operating costs.

Cost of goods sold?

2017 cost of goods sold accounted for \$16,000.

Labor costs?

2017 labor costs accounted for \$6,300.

Land Costs?

The MGC has not paid for nor leased any land to date.

Equipment

Seed press: \$500

Capsule Machines: \$200

Licenses

Hillsborough County Business: \$60/year
Pinellas County Business: \$60/year

Certifications/Requirements

Certified Organic: N/A

Ease of Raw Materials?

The raw materials for making moringa products are free. Each tree is grown on members property. All of which are locally grown. Although, it is quite labor intensive to harvest the trees, and process them into products, at least we do not have to pay for raw materials. In fact, we'll be setting membership costs up so that they pay a fee for us to harvest and the labor costs involved will be covered at that point.

Potential revenue projections?

Revenue projections reach 1 million in local sales by 2020. With projections to reach \$10 million from domestic sales by 2020.

Profitability/ revenue?

The profitability projections are 1/2 of the revenue. If we generated 1 million in revenue, comparatively the profit will be \$500,000.

Price in quantity?

Moringa trees 2 gallon:

- 1: \$10/each
- 3: \$20 (buy 2 get 1)
- 4-19: \$6.50/each
- 20-99: \$6.00/each
- 100-999: \$5.50/each
- 1,000 or more: \$5/each

moringa loose leaf:

- 9g: \$5
- 36g: \$10
- 1kg: \$50

moringa tea:

- 3 bag: \$5
- 9 bag: \$10
- 50 bag: \$30

moringa powder:

9g: \$5
103g: \$20
1kg: \$75

moringa capsules:
10 capsules: \$5
100 capsules: \$30
500 capsules: \$90

Will you need to take out a loan?

Yes.

Do you plan on applying for grants?

Yes.

Do you plan on having investors?

Yes, and preferred shareholders.

Do you have other sources of funding?

Yes, Kendrick Henry has been funding the MGC since conception and plans to continue investing until the MGC start-up is profitable.

What are your fixed costs?

Rent?

Retail Spaces: \$1,500/month
Processing Facility: \$1,000/month

Insurance?

Property insurance: \$60/month
Market insurance: \$300/yr
Vehicle insurance: \$3,000/yr

What are your variable costs?

Cost of Labor?

Currently, Kendrick Henry has been the only officer to get paid in salary, at \$6,300 for both 2017 and 2018.

Other forms of labor include volunteers, which we train and use on more than one occasion.

Raw materials?

The MGC members grow moringa trees on their property and share the excess material they do not use. Currently, we do pay for land to grow, each moringa tree is considered the home owner's trees. We maintain and harvest the moringa trees without a charge. In fact, the MGC will be charging memberships very soon, where members pay a fee for us to harvest their trees, but with the benefits of being a member, discounts and other services are included.

Moringa trees in pots have several costs.

Cost of Pots and soil?

Pots are .05cents each, the soil costs .05cents each, the seed did not cost anything. The azomite rock dust, coconut coir and worm casting/mushroom additives only cost .10cents each pot. Adding to \$0.20 cents for a gallon moringa tree, which sells retail for \$10.

Cost of seeds?

We collect 90% of our seeds from locally grown moringa trees, the cost of labor to harvest these trees is \$15/1,000 seeds harvested, processed (seed packets or oil) and packaged.

The other 10% of moringa seeds are purchased from local moringa farms in Florida, which on occasion depending on the season, sources their organic moringa seeds from Ethiopia, Africa, costing the MGC on average \$100/month.

Cost of ingredients?

90% of all our material comes from locally grown moringa trees.
10% of our product list uses other ingredients to make:

Moringa Deodorant:

Aluminum Free Baking Soda: \$20
Local Tampa Bay Beeswax: \$50
Organic Unrefined Coconut oil: \$30
Organic Unrefined Shea Butter: \$30
Extra-virgin raw unrefined Moringa Seed Oil: \$50
Moringa Powder: \$20

Moringa Bath Bomb

Bath Bomb mold:\$20
Aluminum Free Baking Soda: \$20
Epsom Salts: \$20
Fractionated Coconut oil: \$50
Arrowroot: \$30
Moringa Powder: \$20
Organic Food Color: \$5

Moringa Soap

Lye: \$50
Moringa Leaf Powder:

Moringa Extract

190 proof organic grape seed alcohol: \$300
moringa leaf: \$20

Moringa Spice

Moringa Leaf Powder: \$20
Organic Turmeric Root Powder: \$20
Organic Cayenne Pepper Powder: \$20
Organic Paprika Pepper Powder: \$20
Organic Brown Mustard Seed Powder: \$20
Organic Cumin Seed Powder: \$20
Organic Coriander Seed Powder: \$20
Organic Fenugreek seed Powder: \$20
Organic Ginger Root Powder: \$20
Organic Oregano Leaf Powder: \$20
Organic Ceylon Cinnamon Powder: \$20
Organic Dandelion Leaf Powder: \$20
Organic Goldenseal Root Powder: \$20

Moringa Date Balls

Medjool Dates: \$20
Rolled oats: \$10
Almonds: \$20
Walnuts: \$20
Honey: \$39
Moringa Leaf Powder: \$20
Vanilla Extract: \$10

Moringa Cacao Truffles

Cacao Powder: \$30
Coconut Oil: \$30
Honey: \$20
Moringa: \$20

Moringa + Mint Tea

Moringa Leaf: \$20

Spearmint Leaf: \$10

Moringa + Cranberry Hibiscus Tea

Moringa Leaf: \$20

Cranberry Hibiscus Leaf: \$20

Cost of packaging materials

moringa + mint tea baggie:

2" x 3" Baggie:

3 natural tea bags:

1- 1 1/4" x 1 3/4" label:

moringa + mint tea carton:

9 natural tea bags:

Carton:

moringa loose leaf baggie:

3" x 5" Baggie:

1- 1 1/4" x 1 3/4" label:

moringa loose leaf pouch:

Rice Paper Pouch:

2- 2 5/8" x 2" labels:

moringa loose leaf 1kg bag:

LG plastic bag:

moringa leaf powder baggie:

Baggie:

2- 1 1/4" x 1 3/4" labels:

moringa leaf powder pouch:

Rice paper pouch:

2 labels:

moringa leaf powder 1kg bag

1 gal. bag:

moringa herbal supplement (500mg) baggie:

2 capsule pieces:

Baggie:

2- 1 1/4" x 1 3/4" labels:

moringa herbal supplement (500mg) bottle:

2 capsule pieces:

Bottle:

Label:

Cotton:

wholesale moringa herbal supplement (500mg) 1,000ct. Bag:

2 capsule pieces:

1 gal bag:

moringa leaf extract bottle 1oz:

190 proof org grape seed alcohol:

Bottle:

Label:

R/O water:

moringa spice baggie:

Baggie:

2- 1 1/4" x 1 3/4" labels:

moringa spice jar:

Jar w/lid:

2 labels:

moringa oleifera seeds:

Baggie:

2- 1 1/4" x 1 3/4" labels:

moringa seed oil 1 dram:

1 dram vial w/lid:

carton:

moringa deodorant + cleanser

lavender & sweet orange tin:

Tin:

1 label:

moringa deodorant + cleanser

tea tree & lemongrass tin:

Tin:

1 label:

moringa deodorant + cleanser

lavender & sweet orange jar

moringa deodorant + cleanser

tea tree & lemongrass jar

moringa bug spray bottle

moringa basket

moringa survival bin

moringa tree 2 gallon pot

Do you experience seasonal rises and falls in sales?

Yes, market season in Tampa, FL is from October through May. During this time, it's the highest sales of the year. The holiday season usually gets people to spend more. Also, people's immune systems are being compromised by the over eating and happen to get sick more often during this time resulting in people seeking more herbal and natural remedies . In turn our sales pick up around the market season as well.

Although, during this time of the year we don't have as much fresh greens available, we sell other items like the dried teas, powders, capsules, spice and oil in higher quantities.

The summer time is usually unpleasant to grow crops or be at a Farmers Market, especially when they are located in a sizzling hot parking lot. We do sell much more fresh greens and seed pods during the summer months as well as harvest most all of the material for the year during the months of May-October.

The financial projections for market sales and online sales for MGC are highlighted in the table below. These figures account for projected online sales, additional staffing requirements, shipping, material, and insurance costs, contract support for IT and training needs, and web server and hosting costs.

The assumptions for these projections are as follows:

- Market sales projections
- Online sales projections
- All milestones are performed in accordance with the schedule
- All transactions are closed yearly with no carry-over to subsequent years

Measure	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
	2015	2016	2017	2018	Proje cted 2019	
Market Sales						

Online Sales	\$500	\$1,000	\$1,500	\$2,600	\$	\$2,725,000
Staffing Costs	\$160,000	\$170,000	\$200,000	\$235,000	\$255,000	\$1,020,000
Cost of Goods Sold-Material, Shipping, Insurance Costs	\$42,000	\$58,000	\$70,000	\$78,000	\$84,000	\$332,000
Web Server and IT Hosting/Maintenance	\$22,000	\$25,000	\$30,000	\$35,000	\$40,000	\$152,000
Training for Moringa Education, Sales and Marketing Staff	\$75,000	\$0	\$0	\$0	\$0	\$75,000
	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Total Additional Costs for Online Sales	\$399,000	\$253,000	\$300,000	\$348,000	\$379,000	\$1,679,000
Cash Inflow	- \$49,000	\$172,000	\$200,000	\$302,000	\$421,000	\$1,046,000

9. Findings and Recommendations

The MGC finds the practice of preparing a pre-feasibility study to be an excellent exercise in summarizing the mission, culture and direction of the MGC. The courses of action recommended to take from the initial findings is to delegate the task of doing more market research and completing all sections of the feasibility study with more detail and accurate information.

The pros and cons of the MGC

Pros- sets the standard for growing organic moringa trees and providing high quality moringa products. Bringing to the table moringa tree professional educators, moringa growers, moringa sales technicians and moringa enthusiasts. Operates on a small scale, in the urban environment.

Cons-the MGC business model may not be as profitable until scale is attained, with large processing facilities, large machinery and equipment, hundreds of thousands of acres of land and potential mono-cropping. MGC operations use natural resources and commercializing a sacred tree, cultivating it in large scale agricultural practices, possibly altering the natural state of the tree's seeds to obtain optimal nutritional content and wider range of growing conditions with also less pest issues. Some may see this as a con, but are not mindful to the food on their plate and how it got there, most all foods today have been altered to a state of commercialization. It can be a con, but also a pro, depending on your perspective, moringa grown in larger scales could help the environment and also feed more people.

The likelihood of the MGC succeeding is very high because it is a cooperative and has the power of its members to support it. The MGC will also likely succeed and become profitable because more and more of the younger generations are getting back to nature, while using technology to their advantage, becoming aware of more information, faster with more insight and a huge network of moringa growers, moringa workers and moringa investors around the world.

Based on the information presented in this feasibility study, it is recommended that the MGC improves their online sales initiative and begins to hire professional marketers and designers to propel the initiation of becoming the #1 moringa provider in the world . The findings of this feasibility study show that the groundwork of educating the public about moringa is the Number 1 priority and main focus in developing the MGC Data Software.

Key findings are as follows:

Technology:

- Start-up utilizing existing technology which lowers project risk, low cost website developers, currently using Wix.com. The next step would be to use wordpress.com with all the collected data on MGC servers.
- Launch the MGC Data Software. This is the member dashboard that allows growers, workers and investors to track the progress of the MGC data mining capabilities.
- E commerce infrastructure will be contracted out to vendors which allows the MGC to share risk. Also, utilize blockchain.
- Once in place these technology goals are simple to operate and maintain for a relatively low cost.

Marketing:

- This marketing initiative will allow the MGC to reach large number of target groups electronically at a low cost.
- The MGC can expand customer base beyond geographic areas where stores are currently located.

- The marketplace for online chocolate and confection sales is in a steady state of growth.
- The MGC is able to differentiate itself from its competitors and will utilize incentive programs to target new consumers.
- To growers- make money growing moringa on your property. Make money growing moringa on your balcony.
- To workers-make money as a worker-owner educating, processing and selling MGC moringa tree products.
- To investors- offer high rates of capital gains for MGC investors. With the funds provided, each investor can feel safe putting their money to work in growing more moringa trees, securing more land to grow moringa trees, certify more facilities to process moringa tree material, train more moringa tree professionals to attend local farmers markets.

Organizational:

- Solidify the Full Board of Directors Positions
- Increase the number of staff required with many changes to the organizational structure.
- Open new MGC Chapter facilities
- Obtain capital investments.

Financial:

- The break even point occurs early in the upcoming year.
- Five year projections show online sales growing substantially, accounting for 50% of total sales
- The MGC will be in a position to capture greater market share by maintaining both an in-store, at the farmers market and online presence.

Thank you for reading, this is a draft written by Kendrick Henry, from October-December of 2018. Revised and edited in July of 2019 and is a continual work in progress.

Initial notes were taken to create this pre-feasibility study while attending the Cooperative Entrepreneurship Course presented by Florida CEED and Pinellas Technical College 2018.