TOKEN
FLATPICKS

> "When I first started playing Token picks, I felt like I was home. If you're fortunate enough to try a lot of picks, my guess is you're gonna end up here.
>
> — JEFF TWEEDY, WILCO

ENGINEERED TO EXPAND THE PREMIUM PICK MARKET

The Problem

NO PREMIUM STANDARD.

POOR QUALITY With the market's expectation that picks are cheap, materials and manufacturing methods used to mass produce picks yield low quality products, while methods of producing premium picks by hand lack precision and consistency.

OBSCURITY There is little awareness of the benefits of premium picks outside of the bluegrass community and small pockets of enthusiasts and professionals in rock and jazz.

UNDERSUPPLY Even today's nascent demand exceeds available supply. Since *The Wall Street Journal* spotlighted BlueChip picks in June 2025, the 18-year category incumbent has struggled to meet demand, leaving dealer shelves empty and customers facing multi-week backorders.

The Solution

A SCALABLE PREMIUM PICK BRAND.

KILLER DESIGN Token redefines the premium flatpick as a precision tool, combining advanced materials, machined geometry, consistent bevels, and a superior playing experience musicians immediately recognize.

SCALABLE MANUFACTURING No longer at odds, quality and capacity advance together through Token's repeatable precision machining process, delivering premium performance without handmade production bottlenecks.

MODERN GO-TO-MARKET Token is the first premium pick brand to pair founder-led audience building with a modern software-driven commerce stack, using artist trust, organic social momentum, paid media, marketplace channels, custom tools, and AI-enabled workflows to improve customer experience, create demand, and scale what works.

The Product

THE WORLD'S FIRST TRULY SCALABLE PREMIUM PICKS.

- Fully CNC-Formed
- Premium Materials
- Speed-Beveled
- Satin Finish

The Product

FINALLY, A PREMIUM PICK CATALOG YOU CAN UNDERSTAND.

Systematic Catalog

	AMBER/BLACK AMBER Polyetherimide	TAN Polyetheretherketone	GREEN Polyamide-imide
LARGE TRIANGLE 50 THOU (1.27 MM)	A1-50	A2-50	A3-50
LARGE TRIANGLE 55 THOU (1.40 MM)	A1-55	A2-55	A3-55
SMALL TRIANGLE 45 THOU (1.14 MM)	B1-45	B2-45	B3-45
SMALL TRIANGLE 50 THOU (1.27 MM)	B1-50	B2-50	B3-50
SMALL TRIANGLE 55 THOU (1.40 MM)	B1-55	B2-55	B3-55
SMALL TRIANGLE 60 THOU (1.52 MM)	B1-60	B2-60	B3-60
TWO-ROUND 60 THOU (1.52 MM)	C1-60	C2-60	C3-60
ALL-ROUND 60 THOU (1.52 MM)	D1-60	D2-60	D3-60
STANDARD F 50 THOU (1.27 MM)	F4-50	F2-50	F3-50
STANDARD F 55 THOU (1.40 MM)	F4-55	F2-55	F3-55
STANDARD F 60 THOU (1.52 MM)	F4-60	F2-60	F3-60
		BLACK AMBER	
THIN-GAUGE STANDARD F	F4-35	F4-40	F4-45

- 42 Varieties
- 4 Materials
- 5 Shapes
- 6 Gauges

Token's product line is organized like knobs on a soundboard. *Within each shape category, a player can choose one of three materials and multiple thicknesses for for multi-axis tonal variety. Multiply that by five shapes, and the options are vast. Though vast, they are organized.*

The Machine

Every premium pick before Token was made by hand — imperfect, slow, and impossible to scale. Token machines its picks the way aerospace parts are made.

BEST-IN-CLASS QUALITY. MACHINE SCALE.

Manufacturing Is the Moat

SINGLE-SETUP CNC

All geometry — face, bevel, engraving — cut in one machining operation. Bevel accuracy comes from tool geometry, not operator skill.

PATENT PENDING

Method and product claims, June 2025 priority — already commercialized. At-manufacture engraving enables mixed-part runs. Unique geometry impossible to replicate by hand processes.

NO CAPACITY CEILING

Automated bar feed and part transfer. Output scales with machine time, not headcount — the incumbent's constraint is our advantage.

CONSISTENCY AS A FEATURE

Every pick identical to the design file. Deltas between designs are always the same so players can collect multiple models for reliable tonal variance.

Token operates with a contract manufacturing model designed to minimize capital equipment investment and risk and to leverage a massive network of qualified machine shops. This model enables low risk international expansion by contracting machining services in local markets.

The Traction

First pick sold September 15, 2025. Everything below happened in the ten months since — with one person, no sales team, and with very little paid ad spend.

>$1,100 A DAY. AND CLIMBING.

Ten Months In

$234K revenue to date	**8,650** picks sold	**2,827** buying customers
4.8★ 569 reviews	**15** dealers stocking Token	**385** new customers, last 30 days

PLAYED ON STAGE AND IN THE STUDIO BY

Jeff Tweedy (Wilco) · Chris Eldridge (Punch Brothers) · Trey Hensley (Grammy winner) · Andy Falco (Infamous Stringdusters) · Jon Carin (Pink Floyd, Roger Waters) · Jacob Burleson (Alison Krauss & Union Station), Jake Workman (former Ricky Scaggs…)

Shopify + QuickBooks verified actuals, Sep 15, 2025 – Jul 12, 2026. Artist roster: tokenmade.com. Profiled in Bluegrass Unlimited, Jan 2026.

The Market

Guitarists spend ~$10,000 on gear over a lifetime — and about $5 a year on picks.

THE WALLET ISN'T THE CONSTRAINT. AWARENESS IS.

Counted in Players

GUITAR PLAYERS WORLDWIDE

~180M

US play rates applied globally at one-third US penetration — assumption stated, math shown.

CURRENT US PLAYERS

~25M

YouGov 2022 (n=3,000): 26% of US adults have played guitar; ~4 in 10 still play.

US PICK SPEND

~$125M/yr

25M players × ~$5/yr — about one best-selling $5.99 12-pack a year (Fender MSRP; Amazon #1–3).

TOKEN TODAY

2,827 players

$365K/yr run-rate. A converted player is worth $130 over five years — 5× what an average player spends on picks in that time.

16M

started guitar in 2019–21 alone (Fender × YouGov)

$10K

lifetime gear spend per committed player (Fender)

5×

a Token convert's five-year spend vs. the average player's

Sources: YouGov (2022); Fender × YouGov (2021); Fender MSRP; Amazon best-sellers (Jul 2026); Token cohort actuals.

The Thesis

Premium picks reach 3 in 1,000 US players today. The market isn't saturated — it's unbuilt. Token's product, capacity, and channels exist to build it.

EXPAND THE TIER. TAKE THE GROWTH.

Engineered to Expand the Market

0.3% → <1%

US players using premium picks: today → the Token five-year plan

DEMAND OUTRUNS SUPPLY

Premium picks serve ~50–70k players — and the 18-year category leader still runs weeks backordered. The tier is small because it's starved, not because players don't want it.

ONLY TOKEN IS BUILT TO SERVE GROWTH

The incumbent is capacity-capped at ~60k picks/yr by hand-beveling. Token's CNC process is capacity-unconstrained by design — the growth defaults to us.

CONVERTS ARE PROVEN

2,827 buying customers converted in year one at 4.8★ — many switching from the incumbent. Each is worth $130 over five years — 5× what an average player spends on picks in that time.

Premium tier sizing: maker-level unit validation incl. Token actuals and founder capacity analysis of the category leader. Conversion economics: Token cohort data, 2025–26.

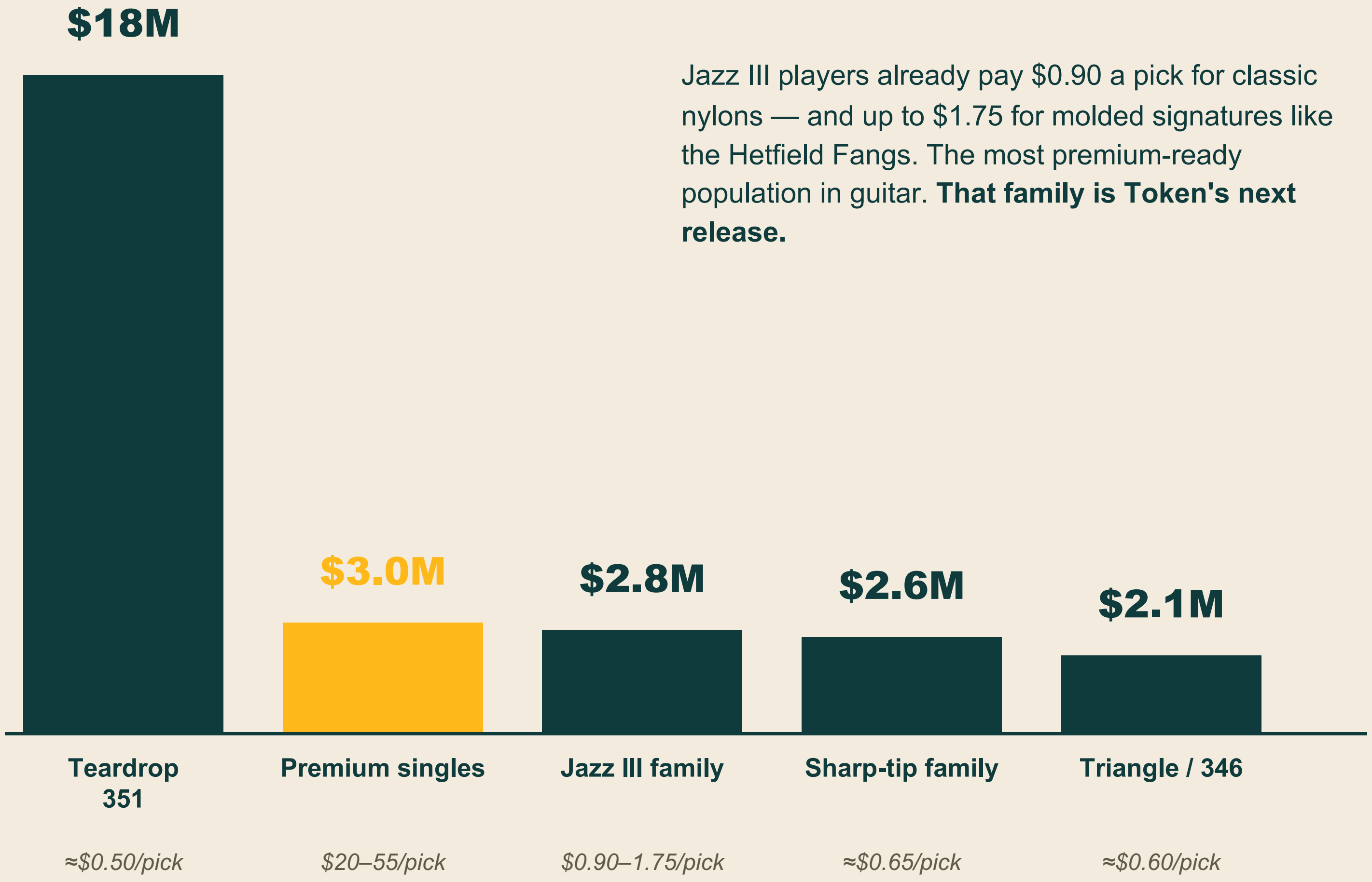
The Shapes

Premium picks live almost entirely in bluegrass flatpicking. **The shapes the other 99% of players use every day have never had a scalable premium standard.**

WE'RE GIVING THEM ONE.

Where Pick Dollars Go Today

US pick retail dollars per year, by shape family



Jazz III players already pay $0.90 a pick for classic nylons — and up to $1.75 for molded signatures like the Hetfield Fangs. The most premium-ready population in guitar. **That family is Token's next release.**

Family dollars: company analysis of US retail-channel purchase volumes × current retail pack prices. Per-pick prices shown are current Amazon prices for each family's top-selling packs (Jul 2026).

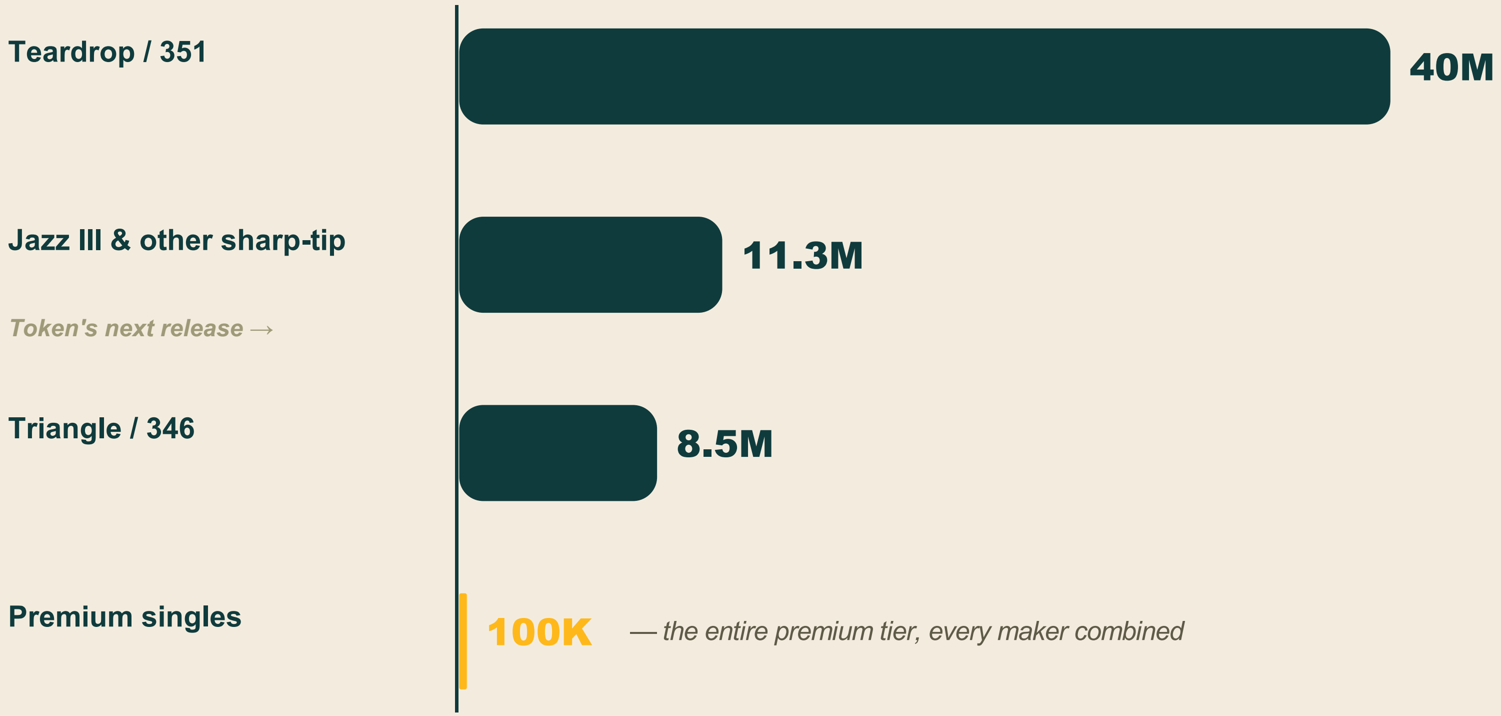
The Volume

Dollars show where the money is. Picks show where the players are. The conversion opportunity is counted in purchases — millions of them, every year.

60M PICKS A YEAR. 100K ARE PREMIUM.

Counted in Picks, Not Dollars

US picks sold, millions per year



Every bar is players already reaching for that shape, purchase by purchase — and almost none of them have ever been offered a scalable premium version of it. This is the volume the next slide releases into.

Company analysis of US retail purchase volumes (Jul 2026). Unit estimates carry pack-size assumptions; ratios between families are the reliable signal. Methodology in backup.

The Proof

Every mainstream shape is a market Token enters with the same machines, the same materials, and the same brand. We just proved the play works.

NEW SHAPE.
TOP SELLER.
8 WEEKS.

Release Into Volume

MAY 13, 2026

We release the Standard 351

Token's first teardrop — our premium answer to the 40M-picks-a-year shape.

→

8 WEEKS LATER

Top-3 best-seller

#3 by orders storewide; five teardrop models in the top 20; ~25% of pick revenue. (Shopify actuals, Jul 9)

→

NEXT

The Jazz III family

Expected Summer 2026. 3.8M picks/yr, the priciest mass-market family — its XL is the only major pick search term still growing (+23% YoY).

Same machines. Same materials. Each new shape opens another mainstream market to the only premium maker that can serve it at scale.

Launch and sales figures: Token Shopify actuals, May 13 – Jul 9, 2026. Category volumes and search trends: company analysis; appendix.

The Math

Our five-year model assumes achievable goals: a third of a tier whose leader can't ship, plus about one player in 180 choosing a better pick.

$1.5M + $4.2M = THE MODEL.

Two Targets Meet the Goal

WIN A THIRD OF TODAY'S PREMIUM TIER

$1.5M/yr

30% of the ~$5M premium pick market. We took ~10% unit share in year one — the supply-capped leader can't defend the rest.

+

CONVERT 1 IN 180 NON-PREMIUM US PLAYERS

$4.2M/yr

~140,000 active converted players — about 1 in 180 in the US — at the model's ~$30/yr blended spend (derivation in backup).

= $5.7M FY5 revenue

the financial model's base case

2,827

buying customers converted in year one, with minimal paid spend

4.6×

LTV : CAC — growth self-funds after the initial push

0.9%

of just the 2019–21 new-player wave covers all 140k conversions

Premium market ~$5M/yr (maker-level validation). ~$30/yr per converted player (blend: $26/yr strict five-year LTV average · ~$41/yr FY5 model-implied per active customer). CAC $15.67 blended, 60-day actuals.

The Benchmark

The incumbent built a $2M-a-year business while hand-making picks in one material, with little or no paid marketing. They met demand until they were featured by The Wall Street Journal in June of 2025. Ever since then, they can't — solidifying the thesis that there is significant room to grow the premium market.

PROVEN DEMAND. WE REMOVE THE CEILING.

The BlueChip Comparable

WHAT THE INCUMBENT PROVED

~$2.1M/yr revenue at retail

~60k picks/yr — its hand-beveling capacity ceiling

~35k players ≈ 1 in 700 US players

~$60/player/yr actual premium spend

18 years in: one material, no paid marketing, weeks backordered

WHAT TOKEN CHANGES

No ceiling: capacity-unconstrained CNC manufacturing

4 materials, 4 price points, vs. a single platform

4.6× LTV:CAC proven paid acquisition

DTC + dealers from year one

~10% unit share of the premium tier, year one

2.7×
today's BlueChip = our entire FY5 revenue target

3×
the tier's proven adoption = our five-year endpoint

½
their actual $60/player = our $30/yr assumption

BlueChip est.: ~60k picks/yr (founder capacity analysis, cross-validated) × ~$35 retail; players ≈ picks ÷ 1.5–2 per buyer/yr. Token figures: cohort actuals.

The Model

Two channels, both working: full-margin DTC on our own store, and a dealer network that puts Token on retail walls. Half the business each — by design.

TWO ENGINES. ONE BRAND.

Business Model & Margins

Gross margin by channel

~50 / 50
revenue split today — DTC and dealer growing together

$59
average DTC order — customers buy picks in pairs

$1–4K
dealer opening orders; reorders recurring

WHY THE MIX MATTERS

DTC owns the customer relationship and the margin. Dealers put a $35 pick in players' hands — the single best conversion event the category has. Each channel feeds the other.

Channel margins and mix: Token financial model, live Shopify + QuickBooks actuals.

The Engine

Most consumer brands buy customers at a loss and pray for repeat orders. Token's customers are profitable on their first order — the ads pay for themselves immediately.

PROFITABLE ON ORDER ONE.

Acquisition Economics

The first order, per customer acquired

= +$14 profit before any repeat purchase

4.6×

LTV : CAC — five-year gross-profit LTV of $72 vs. $15.67 CAC (3× is the healthy benchmark)

7.5×

MER — every ad dollar to date sits beside $7.50 of total revenue

37%

of customers repurchase each year — modeled with a 10% discount rate

Forward spend is a rule, not a hope: paid acquisition scales at a declining share of DTC revenue (15% → 8% by FY5). Growth in the plan is paid for, not presumed.

Token financial model, Acquisition Economics tab — Meta + Google actuals through Jun '26 CAC held stable across a 9× weekly-spend increase. Derivations in backup.

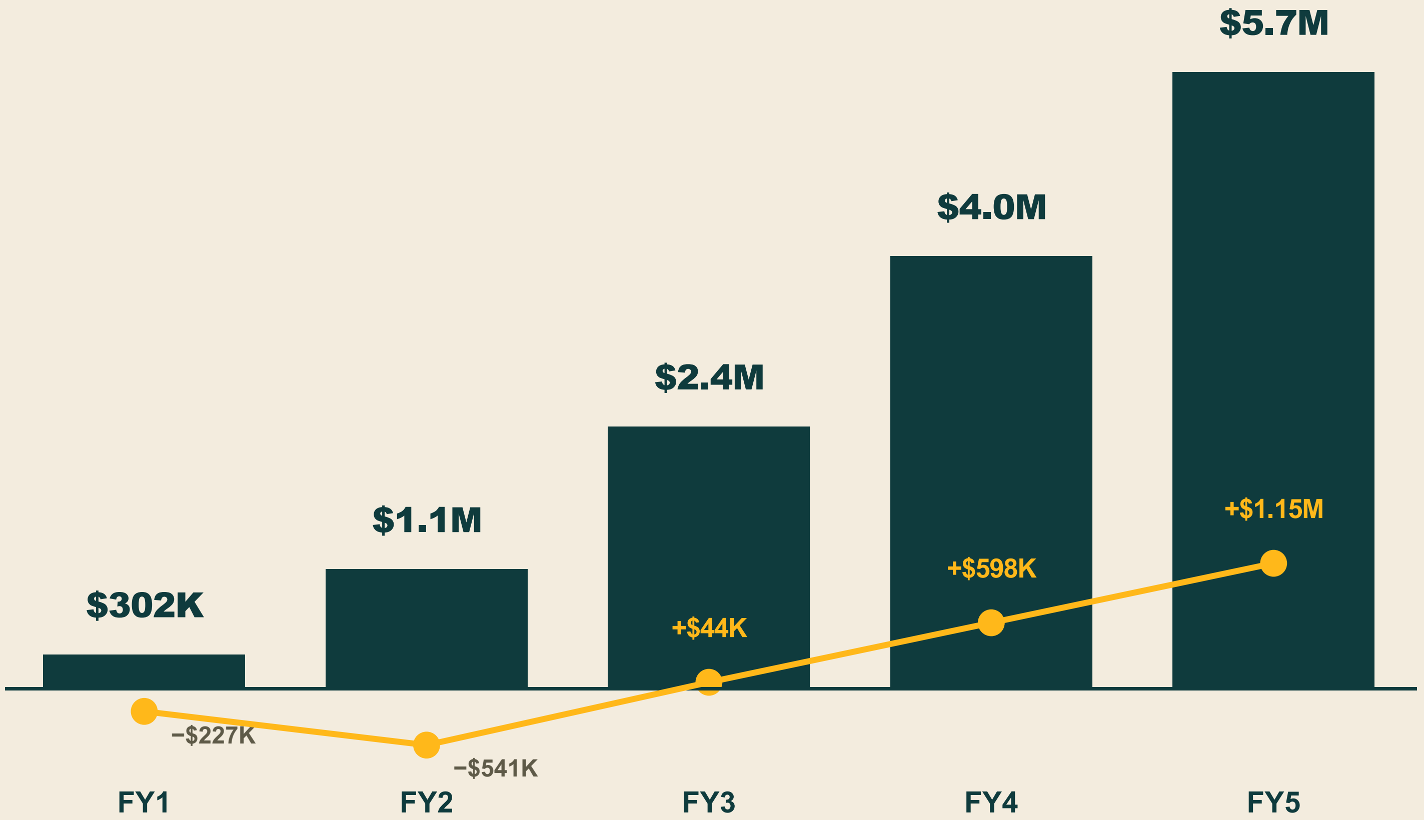
The Forecast

DTC compounding on proven acquisition economics while the dealer network builds. EBITDA turns positive in year three.

$5.7M BY FY5. PROFITABLE FY3.

Five-Year Base Case

Revenue (bars) and EBITDA (gold), $ per fiscal year



205K

picks/yr by FY5 — from 11.1K in FY1

~53%

blended gross margin, rising across the plan

+$1.15M

FY5 EBITDA — profitable from FY3 onward

Token financial model v2, live view (Jul 12, 2026) — reconciles to Shopify + QuickBooks actuals. Full assumption schedule: The Inputs slide and backup.

The Inputs

Every forward-looking number in the model is built from the schedule on this slide — no hidden inputs, no plugged figures.

DECLARED, NOT BURIED.

Schedule of Assumed Values

PRICING & MARGIN

Blended DTC retail price $29.50 / unit (mix-weighted)
Blended dealer price $22.50 / unit (mix-weighted)
Product mix Green 50% · Tan 25% · Ambers 12.5% ea.
COGS per unit $6.96 – $18.56 by material
Blended gross margin 53%
Scrap / packaging 3% / $0.50 per unit

GROWTH & CHANNEL BUILD

DTC growth Y1 12 · Y2 11 · Y3 4 · Y4 3 · Y5 3 %/mo
Year-5 growth cap 25% annualized, tapered
Dealer base 15 today · +4 new dealers per month
Dealer orders 80 units initial · 15 units / mo reorder

WORKING CAPITAL & CASH

Cash conversion cycle 90 days of inventory carried
Starting balances Live from QuickBooks, not assumed

TEAM

Payroll burden rate 40% on base salaries
Payroll start At funding close

INVESTMENT & VALUATION

The round $1.25M · assumed close Aug 14, 2026
Pre-money / existing debt $5.25M / $80K
Method settings 4× exit · 4× required return · 4× forward
IP appraisal (outside ask) Royalty 5% · disc. 30% · grant 60%

Every value above is a live input in the operating model — the forecast, valuation, and cap table recompute from this schedule.

The World

Our five-year model is 100% United States. Beyond it sits a developed-world market 1.4× larger — same wallets, same retail, same playbook — counted at zero in the plan.

US-ONLY PLAN. GLOBAL UPSIDE.

Held Outside the Plan

THE UNITED STATES

25M players

The market in the plan — all of it.

DEVELOPED MARKETS BEYOND THE US

35M players

Europe, UK, Japan, Canada, ANZ — 1.4× bigger. $0 of it in the plan.

+$3.4M/yr

by FY5 — the same playbook, run two years behind the US, entered dealer-first. Our year-three US business × 1.4. Just like in the US, benefits from existing local markets machine shop networks.

$9.1M/yr

combined FY5 exit run-rate — international still two years from maturity

50%

of US revenue already runs through dealers — the export motion is proven

$0

of international revenue counted in the five-year model

Developed markets beyond the US ≈ Europe/UK, Japan, Canada, ANZ at US-comparable play rates. Worldwide player base and emerging markets: backup.

The Stage

Token sits at the size of a seed-stage company — but at the risk level of one underwritten to a growth-equity standard. The right question isn't “why not bigger?” It's “how so fast?”

SEED SIZE. GROWTH-GRADE PROOF.

Stage & Multiple

PRICED LIKE SEED

$234K fiscal-year-to-date revenue; $365K run-rate.

$5.25M pre-money — inside the 2025 consumer-seed band ($4–8M post on $1–2M revenue).

DE-RISKED LIKE GROWTH

- ✓ **Product** — full line launched in four months
- ✓ **Market fit** — ~15% of the 18-year incumbent’s annual volume in ten months
- ✓ **Unit economics** — first-order profitable; 4.6× LTV:CAC

All of it built on $187K of founder capital. Capitalization doesn’t underwrite proof of concept here — **it hyperdrives proven capabilities.**

4 mo
from first product to a full product line

~15%
of the incumbent’s annual volume in ten months

6.7×
this round vs. total founder capital invested to date

Framing and figures: Token financial model, Equity tab — Stage & Multiple (Jul 11, 2026). Valuation methods and investor return sensitivity in backup.

The Ask

Angel, strategic, or private capital partners welcome. The raise carries the plan through its post-investment working-capital trough and into profitability.

$1.25M TO GROW & REACH PROFITABILITY.

The Round

$1.25M	$5.25M	$6.50M
equity investment	pre-money	post-money

Use of funds

DEALER NETWORK

Expand into independent guitar retailers nationwide — the channel that converts

PAID ACQUISITION

Scale the Meta + Google engine already running at 4.6× LTV:CAC

WORKING CAPITAL

Inventory build for dealer and DTC growth — shape expansions into major markets

HUMANS

Payroll for core group of three running entire operation.

Valuation grounded in comps and four methods — and the patent-pending IP is held outside the ask, not inside it. Detail in backup.

The Founder

Daniel Flanigan. Lifelong guitarist. Thirty years building hardware products and companies. Now building the best pick company in the world.

BUILT FOR EXACTLY THIS.

Daniel Flanigan

FIVE COMPANIES FOUNDED

Thirty years of hardware product development — machining, materials science, supply chain, IP, fundraising. “Wore all the hats.”

TESLA SOLAR ROOF

Co-founder of Zep Solar (pioneered rail-less rooftop solar); Senior Staff at Tesla, co-inventor of the Tesla Solar Roof. Mentored and worked directly with Tony Fadell & developed products in direct collaboration with Elon Musk.

>$100M+ RAISED

Experienced operator across venture rounds and an exit (Zep Solar acquired by SolarCIty in 2013, SolarCity acquired by Tesla in 2016, Ojjo acquired by Nextracker in 2024).

PLAYER FIRST

Guitar player since age twelve. The company started the night a BlueChip pick met a thirty-year engineering career.

Profiled in Bluegrass Unlimited, January 2026.

Why Now

The category leader can't ship. The mainstream shapes have no premium standard. The machine is built, the economics are demonsrated, and the brand is already trusted.

THE WINDOW IS OPEN.

The Plan Is Already in Motion

- ✓ **$234K in ten months** — revenue with no sales team and minimal ad spend — $1,000/day run-rate and climbing
- ✓ **Profitable customer acquisition** — +$14 on the first order; 4.6× LTV:CAC with room to scale spend
- ✓ **Proven expansion play** — first mainstream shape hit top-3 seller in 8 weeks; Jazz III family next
- ✓ **Supply-constrained incumbent** — the leader is backordered for weeks — demand already exceeds premium supply
- ✓ **Patent-pending platform** — June 2025 priority, already commercialized — scale is defensible
- ✓ **A raise that reaches profit** — $1.25M carries the plan through the trough into FY3 profitability

Backup

Sources, derivations, and methodology behind the numbers in this deck.

BACKUP · Player Counts — Sources & Derivation

~25M current US players. YouGov, “Musical Instrument Experiences,” Jun 2–Jul 4 2022, n=3,000 US adult citizens, ±2%, census-weighted. 18% of adults ever learned acoustic guitar + 8% electric ≈ 26% ever played; of those, 39% (acoustic) / 42% (electric) still play → ≈10% of US adults ≈ 25–27M current players. Toplines PDF is public.

16M started learning guitar 2019–21. Fender × YouGov, “New Guitar Player Landscape Analysis,” Oct 2021, n=10,644 ages 13–64. Wording discipline: “started to learn” is an inflow with a low bar — never added to the 25M stock. It evidences momentum and a young funnel (72% of new players aged 13–34).

~180M players worldwide. Derived, not cited: US adults ≈ 4.6% of world adults. At US play rates globally ≈ 580M (too high); at one-third US penetration ≈ 190M ≈ 180M. Stated as an assumption with the math shown.

~$5/yr average pick spend. Anchored to observed behavior: Amazon's #1–#3 best-sellers in picks are $5.49–$5.99 12-packs (Dunlop Tortex, Fender 351); Fender MSRP $5.99; single Fender 351 Medium retails at $0.50 (Ellis Music). $5/yr ≈ one best-selling pack per year — deliberately modest; a pack can last longer.

$10K lifetime gear spend. Fender (CEO Andy Mooney), widely reported: committed players average ~$10,000 on gear over a lifetime, 5–7 guitars. Contrast anchor for pick-wallet headroom.

BACKUP · Pick Market Study — Methodology

What was measured. US pick volumes by shape family, estimated bottom-up from cumulative Amazon US review counts across all significant listings (Jun–Jul 2026 collection).

The chain. 1 review ≈ 40 purchases → ÷10 to annualize for listing age → Amazon ≈ 30% of US retail channel → × category-typical pack sizes = annual units; × observed prices = dollars.

Results (US picks/yr). Teardrop/351 ≈ 40M · Triangle/346 ≈ 8.5M · Sharp-tip ≈ 7.5M · Jazz III family ≈ 3.8M · Premium singles ($20+) ≈ 100K. Premium ≈ 0.16% of units and ~10% of flatpick dollars.

Precision. ±2× on absolute levels; ratios between categories are the reliable signal, and only ratios are used on main slides. Premium-tier units are separately validated with maker-level data (Token actuals; incumbent capacity analysis; founder-validated peer volumes).

What this deck does NOT use. Syndicated “Guitar Picks Market” reports ($300–600M claims): no methodology, mutually contradictory — excluded deliberately.

BACKUP · Incumbent Benchmark — Derivation

Capacity ≈ 60K picks/yr. Founder capacity analysis: ~5 hand-beveling stations × ~50 picks/day × working days, cross-validated against dealer coverage and persistent multi-week backorders.

Revenue ≈ $2.1M/yr. ~60K picks × ~$35 retail. Consistent with an 18-year, supply-constrained hand shop.

Players served ≈ 35K/yr ≈ 1 in 700 US players. 60K picks ÷ 1.5–2 picks per buyer per year (premium picks are durable; buyers replace rarely). Internal estimate — the one soft input, flagged as such.

Per-player spend ≈ $60/yr. $2.1M ÷ 35K buyers. Token's modeled ~$30/yr per converted player is roughly half the incumbent's demonstrated rate.

The benchmark multiples. Token FY5 revenue $5.7M ≈ 2.7× today's incumbent. Five-year adoption endpoint (<1% of players) ≈ 3× the tier's proven 0.3%. Every plan number is a small multiple of something already achieved by a shop that cannot ship.

BACKUP · Conversion Math & Customer LTV

The FY5 decomposition. 30% of the ~$5M US premium tier = $1.5M. Remainder $4.2M = created market: ~140,000 active converted players × ~$30/yr. 140K ≈ 0.56% of 25M US players (≈1 in 180) and ≈0.9% of the 16M 2019–21 new-player inflow alone.

Cross-check vs. model units. Model FY5: 205K picks/yr ÷ ~1.5 picks per customer-year ≈ 137K active customers — independently consistent with the ~140K conversion requirement.

LTV build (model, Acquisition tab). AOV $54 × 55.8% GM = $30.13 gross profit on first order. 37% annual repurchase, discounted at 10%: +$10.14 / $9.21 / $8.38 / $7.61 / $6.92 over five years → $72.39 gross-profit LTV ($130 revenue LTV).

LTV:CAC = 4.6×. $72.39 ÷ $15.67 blended CAC (Meta + Google actuals). Healthy benchmark is 3×. First order alone repays CAC 1.9×.

Conservatism flags. GP-basis LTV (not revenue); 10% discount rate; flat 37% repurchase (no loyalty improvement assumed); no dealer-channel LTV counted.

Per-player rate derivation. The $130 five-year revenue LTV averages $26/yr strictly; the model's FY5 implies ~$41/yr per active customer (total revenue ÷ ~137K actives, incl. dealer channel). The deck's ~$30/yr is the conservative blend of the two.

BACKUP · Paid Acquisition — Actuals Detail

Window. Oct 2025 – Jun 2026, Meta + Google, ~$29.1K total spend ($21.4K Meta, $7.7K Google).

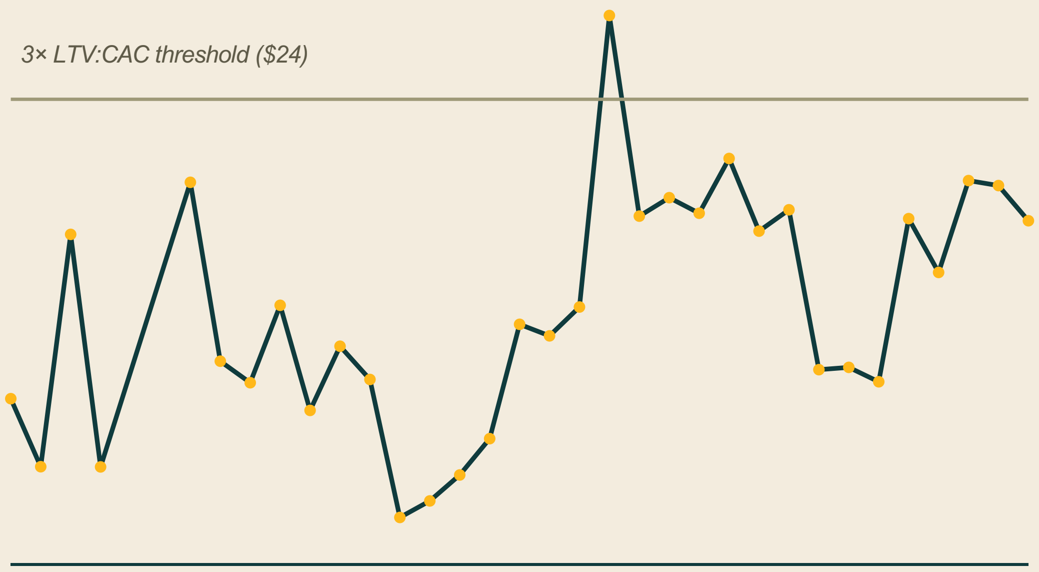
Blended CAC. $15.67 (60-day), $13.40 full-window. Weekly CAC has ranged ~$5–$28 and stabilized in the high teens as spend scaled.

MER 7.5×. Total revenue in window ÷ total ad spend — the blunt, non-attributed ratio; includes dealer-halo revenue by design.

Amazon channel. AOV $33, CAC $12.79, 5% fee — tested and viable as a secondary channel.

Scale plan. Forward policy wired into the model: paid spend = declining share of DTC revenue (15% → 12% → 10% → 8% by FY5, Meta 75/Google 25); Year 2 assumes only observed revenue-per-ad-dollar. CAC held stable across a 9× weekly-spend increase ($230 → $2,000), no agency, no systematic creative testing.

Weekly blended CAC, Oct '25 – Jun '26



in all but one week, CAC stayed below the 3× LTV:CAC threshold

BACKUP · Valuation — Methods & Comparables

Four methods, one conclusion. Venture Capital method · forward revenue multiple · consumer-seed round pricing ($4–8M post on $1–2M revenue, 2025 CPG data) · marketplace floor (0.9× rev / 3.3× SDE, 1,661 sold e-comm deals). At current settings: VC $5.66M · forward multiple $2.36M · consumer-seed $4.75M · floor $222K — median of the growth methods $4.75M; concluded pre-money ask $5.25M.

IP held outside the ask. Relief-from-royalty value of the patent-pending claims: $374K PV, $224K probability-weighted (Jun 2025 priority, commercialized) — sits on top of the concluded valuation, deliberately excluded from the ask.

Evidence base. 4.8★ × 569 reviews · ~$1,000/day verified revenue · 15+ dealers · breakeven-to-profitable ROAS run by one person · zero stockouts · sixth company built from scratch.

Stage & multiple. Seed-stage size at a growth-equity risk standard: full product line in 4 months; ~15% of the 18-year incumbent's annual volume in 10 months; first-order-profitable unit economics. Capitalization hyperdrives proven capabilities rather than underwriting proof of concept.

Deal & returns. $1.25M at $5.25M pre ($6.50M post, investor ~19.5%); close Aug 14, 2026. Round = 6.7× total founder capital invested to date ($187K). 5-yr sensitivity at the modeled exit: ≈1.6×–4.3× investor MOIC across 1.5–4× exit revenue multiples.

Comparables (from the model's Equity tab)

Steinway / Paulson '13	**~1.45× rev · 10× EBITDA** mature music M&A anchor
e.l.f. / Naturium '23	**~4× revenue** prestige multiple on growth + margin
Helen of Troy / Drybar '20	**~3.9× revenue** premium tools on brand mindshare
Movado / MVMT '18	**~1.4× revenue** sober mid anchor, no IP moat
P&G / Native '17	**~1× run-rate rev** the floor without IP
2025 consumer seed rounds	**$4–8M post** on $1–2M revenue — direct comp

BACKUP · Global Upside — Time-Shift Math

The model. Each developed market matures on the US curve, two years behind, entered dealer-first (half of US revenue already runs through dealers — the export motion is the proven half of the business, not a new bet).

The base. ~35M players in developed markets beyond the US (Europe/UK ~27M, Japan ~5.5M, Canada/ANZ ~5M) ≈ 1.4× the US player base at US-comparable play rates. The remaining ~120M global players are excluded from even this exhibit.

The arithmetic. International(year N) = US(year N−2) × 1.4. FY3 ≈ $0.4M · FY4 ≈ $1.6M · FY5 ≈ US FY3 $2.41M × 1.4 ≈ $3.4M/yr.

Combined exit. ≈ $9.1M/yr run-rate leaving FY5 ($5.7M US plan + $3.4M international) — with international still two years from its own maturity. None of it is in the five-year model.

Simplification flag. Single-clock approximation: real launches stagger by market, so FY5 blends markets at different ages. Incumbent demand proof: the category leader has shipped premium picks worldwide for 18 years.

BACKUP · Five-Year Base Case — Model Summary

	FY1 '26	FY2 '27	FY3 '28	FY4 '29	FY5 '30
Revenue	$302K	$1.10M	$2.43M	$4.01M	$5.72M
Units (picks)	11.1K	40.1K	87.5K	144K	205K
Gross margin	50.9%	52.4%	52.9%	53.1%	53.2%
EBITDA	−$227K	−$541K	+$44K	+$598K	+$1.15M

Assumptions (base case). DTC MoM growth 12% (Y1) → 11% → 4% → 3% → 3% with a 25% Y5 cap; blended gross margin 51→53%; paid acquisition by rule (15%→8% of DTC revenue); payroll starts at funding close, 40% burden; $1.25M equity in at Aug 2026. Full schedule: The Inputs slide.

Cash. The $1.25M raise covers the plan with a ~$469K minimum post-investment cash position; cumulative earnings turn positive inside FY5. Live model reconciles against Shopify (DTC) and QuickBooks (wholesale) actuals.

Source. token-financial-model-v2 published plan of record + live view, July 12, 2026. The model is a living document — these are the numbers as of deck date.