



noveltea catering



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04/08/2026
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Business Growth Plan

real tea.
fresh boba.

www.noveltea.us

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For example, "Figure 12.2" refers to the 2nd picture of the 12th page.

I. Executive Summary

Noveltea is a **boba tea catering business**.

Noveltea Catering LLC is a boba tea catering company founded in 2023 by Jayden Peterson in Silicon Valley, California. Noveltea operates without a physical storefront and is staffed exclusively by Bay Area high school students, skilled baristas who serve boba at our events.

Noveltea caters for weddings, corporate events, birthday parties, street fairs, and open houses. We offer three pricing tiers: Standard, Plus, and Deluxe, ranging from \$7–\$11 per person. In 2025, Noveltea generated **\$76,042** in revenue and currently has a **5.0-star rating on Google**.

Noveltea's five-year growth plan includes **seven key initiatives** meant to transform the business from a small, high school operation into a scalable, multi-location catering brand capable of sustaining itself through leadership transitions.

What is boba tea?

Boba (also known as boba tea, milk tea, bubble milk tea, pearl milk tea) is a tea-based drink most often containing chewy tapioca balls, milk, and flavoring.

It originated in Taiwan during the 1980s before spreading to locations with large East Asian diaspora populations.



Strengths

Low operational cost
Low overhead
Owned and run by high school students
Flexible staff schedules
Mobile business

Weaknesses

Workflow inconsistencies
Marketing inconsistencies
Founder dependency
Time commitments
Limited menu

S

W

O

T

The corporate market
Partnerships with venues
Location expansion
Marketing expansion

Opportunities

Maturing boba markets
Constantly graduating staff
Health concerns
Expanding Competition

Threats



Our Reviews



noveltea.us/reviews

Our Menu



noveltea.us/menu

Offered Products

Noveltea offers a **highly customizable, made-to-order boba tea experience** delivered through a live barista setup at clients' events. Guests choose from a selection of tea bases then personalize their drink with a variety of toppings, flavored syrups, and control over ice and sugar levels. This "build-your-own" structure yields **over 524,000** possible drink combinations. Beyond the drinks, the service includes a fully decorated table setup, custom-designed menus and cup stickers, and baristas who engage guests and even perform light **bartending tricks**, making the boba station as much an entertainment centerpiece as a refreshment.

Proconnect Home Design

1 review · 2 photos

★★★★★ Edited 2 months ago

This is our third time booking this tea catering service, and they continue to impress us every time! The staff are always very professional while still being friendly and approachable, which makes the whole experience enjoyable. The milk tea is incredibly refreshing and consistently delicious. Everything is well organized and handled smoothly. Highly recommended—we'll definitely keep coming back!

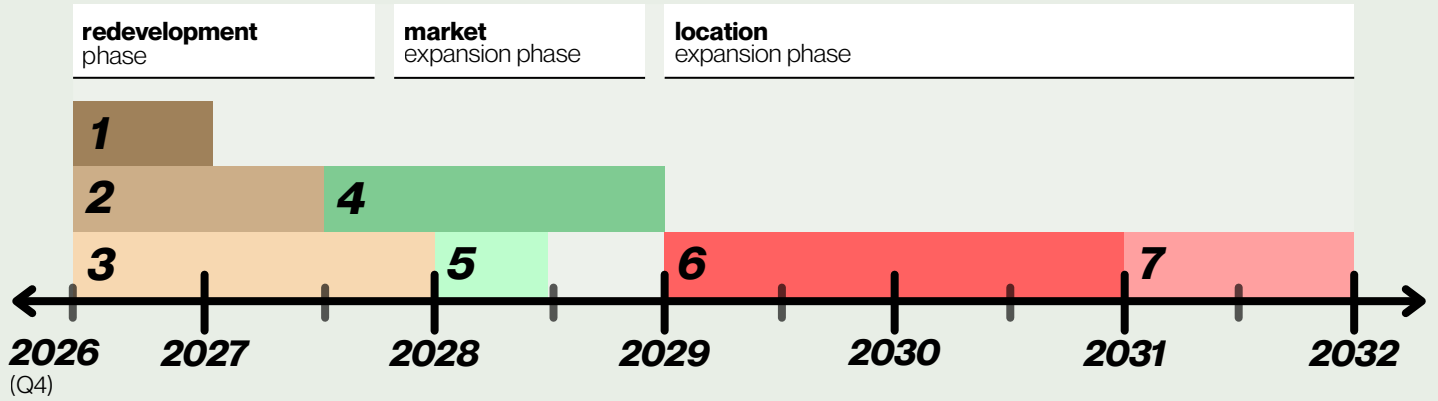
elena wong

Local Guide · 6 reviews · 24 photos

★★★★★ 9 years ago

Came right on time, set up was fast and looked great. Pricing was reasonable and boba was great. Not hard or old but tasted fresh even though it was a pop up. Loved the option to have customized drinks vs. pre-made drinks. They also added custom stickers to the cups which was a nice touch! Will definitely use again!

5 Year Growth Plan



Key Initiatives

4

push to be a "preferred caterer"

Reach out to Bay Area wedding venues and corporations via email, phone, and in-person pitching to earn spots on their **preferred caterer lists**, securing **reliable streams of repeat bookings**.

1

workflow redevelopment

Integrate **Slack** to automate our client onboarding workflow using **generative ai** and **app integrations** to boost productivity.

2

company hiring & restructuring

Construct a formal **hierarchy** with defined roles so Noveltea can sustain itself through graduating staff **without losing operational continuity**.

3

aggressive marketing campaigning

Launch a consistent, multi-channel **marketing campaign** across social media, bridal fairs, and sponsored content to **build brand awareness**.

5

menu and equipment expansion

Update Noveltea's drink menu with trending flavors while purchasing a second vehicle and ice machine to **streamline event logistics**.

6

north bay area branch

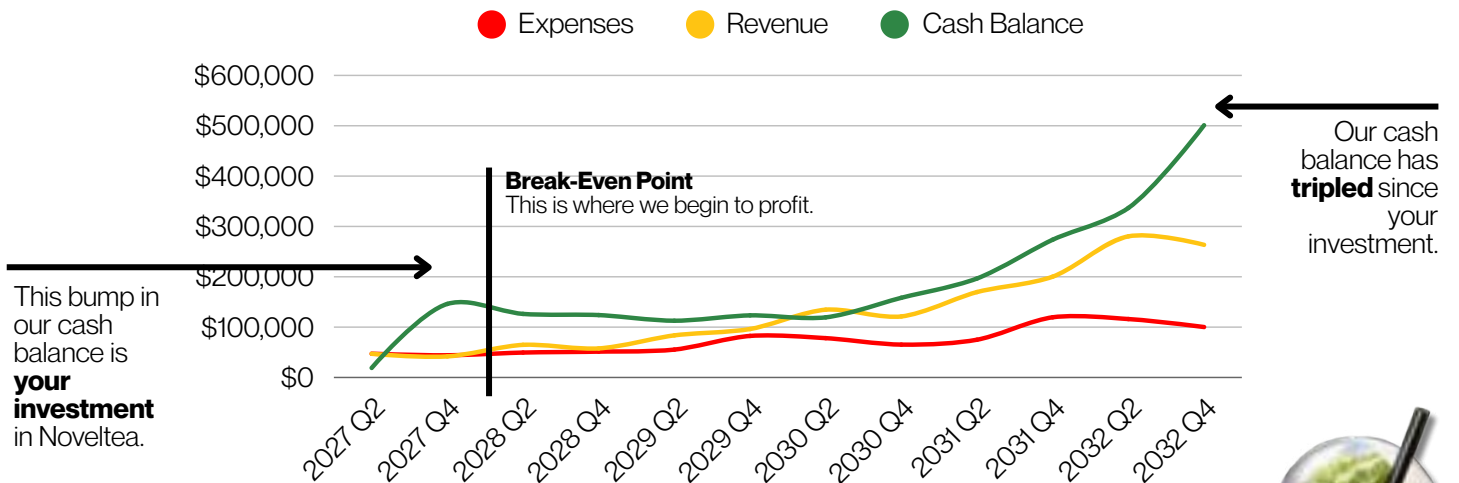
Open a new Noveltea location targeting Marin, Sonoma, and San Francisco County to **extend the brand's reach** beyond Silicon Valley.

7

southern california branch

If the North Bay location meets its key performance metrics after two years, Noveltea will **launch a Southern California branch** in San Diego.

5 Year Projected Revenue, Expenses, and Cash Balance



ASK:

We are seeking a **\$145,000** loan at a **8% interest rate**, repaid over five years, **along with a 9.5% equity stake** in Noveltea.

We predict this investment will net you an ROI of **143.12%**, calculated by taking the interest you earn as well as **9.5%** of our 5th year's projected net income.



II. Introduction

A. Type of business owned and operated and a description of the current business operations

Noveltea began from an **unsatisfied 14-year-old boba enthusiast.**

The summer before his sophomore year, Jayden had come home from a friend's birthday party where the boba tea was disappointing. The drinks arrived premade after a 45-minute delivery, with the ice already melted and the boba completely stale. This wasn't the first time he had this experience with catered boba.

He thought, "*I wish I could just bring an entire kitchen here for **boba** actually **made fresh.***"

As a student in both business and hospitality, this thought eventually led to the founding of Noveltea, a quickly growing sole proprietorship that Jayden owned and ran. Elizabeth and Purab met Jayden through a shared hospitality program, and afterwards, joined as Noveltea's first employees. Soon after, Jayden decided to form **Noveltea Catering LLC** with Elizabeth and Purab as business operators. Noveltea started out by serving at open houses and birthday parties, and has since expanded to cater to weddings, corporate events, and high-end private parties. We have operated and prepared our drinks at **Silicon Valley Kitchen, 4580 Almaden Expy, Unit 103, San Jose, since 2023.** Our headquarters/office space remains at 2784 S Bascom Avenue (figure 3.2), where we handle dry storage and work on marketing, planning, inventory management, and more.



Figure 3.1
Purab, Jayden, Elizabeth (left to right)



Figure 3.2

What is the preparation process for a catering event?

months before



1. Work closely with clients to determine their intended package, **menu** choices, **themes**, and other **customizations**.
2. Have the **contract** and invoice signed through DocuSign, then charge a 50% **deposit**.
3. Establish **staffing schedule**.

day before



4. Brew **tea**, prepare **toppings**, and pack our **supplies** as needed.
5. Prepare **customization elements**, including making custom stickers, menu, and theming elements.

event day



6. Load drinks and supplies and drive to our client's event.
7. Assemble boba station and serve to event guests.
8. Return to the kitchen, **wash** containers, then **store supplies** for the next event.

How is Noveltea structured?

Regarding our workforce, Noveltea has grown to **seven part-time employees**. Jayden Peterson oversees all operations, while Elizabeth Huang and Purab Shah (figure 3.1) **manage**, including inventory, bookings, and development. The remaining team members serve as **event baristas**. The business is structured around **high schoolers** who have **limited availability** on weekends and evenings. Since over 95% of events occur on weekends and late afternoons, this allows us to meet students' schedules while **drastically reducing operating costs**.



B. Products and/or services offered

Noveltea's catering services differ based on event types. Below are the three event types that are **most commonly served at**:

1

Private Events

Approximately **85%** of Noveltea's business comes from private events, such as weddings, birthday parties, and corporate events. Private events are Noveltea's **most profitable** channel; event planning and payment are done in advance between Noveltea and the event planner.

2

Street Fairs

Noveltea commonly serves at **street fairs** during weekends when there are no planned events. Although street fair profit margins aren't as large as those in private events, their main function is as a marketing tool for Noveltea to raise awareness and book more private events. Street fairs involve preparing large amounts of boba the night before and charging per-person using a Square terminal.

3

Open Houses

Noveltea's **open house services** are unique in that we provide a self-service boba station for Realtors and property managers to elevate their open house experience. Although the revenue and margins for this type of event are lower than those of the others, it requires minimal effort to prepare and set up.

Products Offered

Noveltea offers a **wide selection of boba options** for event catering, customizable to each guest's preferences. Our menu (*in the appendix*) features milk and fruit teas paired with a variety of toppings, including tapioca pearls, popping boba, and various jellies. We emphasize **high-quality ingredients**, freshly brewed tea, and made-to-order boba for every event. The boba tea itself is prepared live at each event to create a visually interactive and engaging experience.



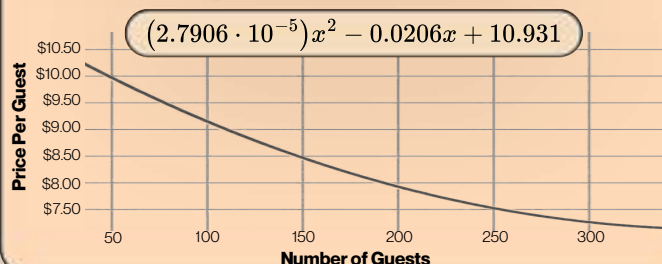
How does pricing work?

Noveltea calculates its price **per guest** based on the guest count, package, and event location. A larger guest count reduces the per-person cost due to economies of scale (*figure 4.1*).

Noveltea charges a 50% deposit when the invoice is signed and charges the remaining 50% the day before the event.

Noveltea's Price Regression Formula
(For Plus package)

Figure 4.1



Tiered Pricing Model

Standard

Your choice of:

- **Three** types of tea
- **Three** toppings
- **Four** syrups

Included is:

- **One** barista
- **Two** sugar syrups
- Wooden Keepsake
- Full table setup at your event

\$7-9
per person

POPULAR

Plus

Your choice of:

- **Four** types of tea
- **Four** toppings
- **Six** syrups

Included is:

- **Two** baristas
- **Two** sugar syrups
- Personalized cups
- Wooden Keepsake
- Full table setup at your event

\$8-10
per person

Deluxe

Your choice of:

- **Five** types of tea
- **Six** toppings
- **Eight** syrups

Included is:

- **Two** baristas
- **Two** sugar syrups
- Personalized cups
- Wooden Keepsake
- Full table setup at your event

\$9-11
per person

Our clients can choose from **three pricing tiers**, with the more expensive tiers offering greater benefits. The dollar range indicates an estimated cost per person for the manually reviewed quote. Clients may edit these packages, which affects the final quote accordingly. Under this pricing model, Noveltea retains an average **gross margin of 82.89%**.



1

Made-to-Order Barista Service

At each event, Noveltea operates with **two trained baristas** to serve boba and **one runner** to replenish tea and toppings.

Noveltea's **made-to-order boba service** offers numerous benefits:

1. Noveltea's baristas' performance becomes a **source of entertainment** at client events. Event guests love to watch baristas perform bartender tricks.
2. Guests can customize the ice, sugar, syrups, and toppings to their exact liking. Boba preferences vary dramatically from person to person, so offering many options ensures that every guest leaves with a drink **suited to their taste**.
3. Noveltea's baristas engage with every guest personally, guiding them through the menu and offering suggestions to those unfamiliar with boba.



Figure 5.1

2

Complete Customization

Noveltea tailors its services to each of our clients' events.

1. Noveltea's **completely customizable menu** allows our clients to select the drinks, toppings, and syrups they want for their event. Included in this process is a custom-decorated poster that displays the clients' selections (*figure 5.1*).
2. Noveltea designs and prints **personalized stickers** that add another layer of personalization to clients' events (*figure 5.2*).
3. Noveltea customizes **decorations** to suit each client's event themes with tablecloths, flowers, vases, and more (*figure 5.3*).



Figure 5.2

3

Owned & Run by High-Schoolers

Noveltea's staff team is composed entirely of high school **students** in the Bay Area. We've conducted thorough interviews and trial shifts to build a responsible, motivated team. This structure creates **several advantages**:

1. **Noveltea has very low payroll expenses relative to our output.** Since students often learn positions just as quickly as adults, Noveltea can hire and train them at a low cost.
2. Noveltea's **brand image** can convey a team of **high-energy, motivated** young students running an **authentic** and **grassroots** business. This significantly benefits our marketing efforts.
3. High schoolers gain **valuable work experience** in both a startup environment and the hospitality industry.

4

No Storefront

As a pop-up boba catering service, Noveltea has **no physical storefront**. This completely eliminates the need for expensive leases and constant staffing to support a storefront. Noveltea incurs operating expenses *only* when it has business, saving **tens of thousands of dollars** per month compared to the average boba store.



Figure 5.3

III. SWOT Analysis

strengths +

crucial

Low operational cost.

Noveltea is meant to run as a "lightweight business," with low operating costs in rent and payroll. Although Noveltea may not generate as much revenue as top boba stores, we can often turn a larger profit because of our business structure.

Low overhead.

Noveltea's COGS is extremely low, with raw ingredients costing an average of **\$0.80** per drink. With a large margin in all areas, Noveltea's competitors are virtually unable to undercut their prices.

Owned and run by high school students.

Being run by high schoolers gives Noveltea a stronger, more compelling brand image, supports our marketing and sales efforts for our target market, and reduces payroll expenses.

Flexible schedules.

Noveltea operates via an open shift system, where students choose which events they want to work at. This not only helps Noveltea identify top performers but also opens the door for more students to apply and prevents job burnout.

Mobile and flexible location-wise.

Noveltea doesn't have to be centered in one place: it can be moved, relocated, or added to without a drastic impact on Noveltea itself.

importance

minor



- weaknesses

crucial

Workflow inconsistency.

Noveltea's staff doesn't have distinct roles, which often leads to confusion about job responsibilities. In an environment where every slowdown increases costs, this is a crucial weakness that Noveltea needs to solve.

Marketing inconsistency.

While Noveltea has had successful marketing campaigns in the past, their efforts haven't been consistent nor followed a clear long-term plan. This occasionally leads to extended periods without social media activity, bridal fair presence, or banner advertising.

Founder dependency.

A large portion of Noveltea's logistics and event execution is dependent on Jayden Peterson, the founder. This can limit Noveltea's scalability in the long run if not addressed.

Time commitments.

During the busiest times of the year, it becomes difficult for staff to find time to work for Noveltea. As a team of high school students, this becomes especially apparent as we approach the end of each school semester.

Limited menu compared to stores.

As a mobile business, incorporating complex drinks and toppings into our menu is more challenging for Noveltea than for a physical storefront. Noveltea is limited by the amount of inventory we can bring to events.

importance

minor

opportunities +

crucial

importance

minor

Untapped corporate market.

The corporate catering market holds consistent, high-volume events throughout the year. Since boba catering is a newer concept, Noveltea has the opportunity to partner with these corporations to secure these bookings.

Preferred caterer lists.

If Noveltea can establish partnerships as a “preferred caterer” with local venues, we can effortlessly generate business by serving them. Securing these relationships would effectively create built-in demand for every event hosted at the venue.

Expansion to other locations.

Boba tea has been growing beyond the Bay Area for years. There is potential for Noveltea to capture the catering market in other major cities where boba remains a staple of their beverage industry.

Expanding marketing effort.

Noveltea can expand its marketing efforts to new markets, specifically pinpointing the corporate sphere and event planners in the San Diego area.



- threats

crucial

importance

minor

Competition in a maturing boba market.

The boba tea market has seen a slight contraction in certain areas of the Bay Area as it matures following the buzz built from years earlier.

Graduation among Noveltea staff.

When staff graduate from high school and leave to college, Noveltea must source new staff to fill in as soon as possible. This process must be done very carefully, and new hires still must meet the training requirements.

Health concerns over sugar usage.

Many competing shops overload their boba with excessive amounts of sugar to attract younger customers. This has contributed to the perception that boba is inherently unhealthy, which could discourage some people from trying it.

Existing boba businesses expanding.

If other established brands begin catering in a similar way to Noveltea, they could become our direct competitors.

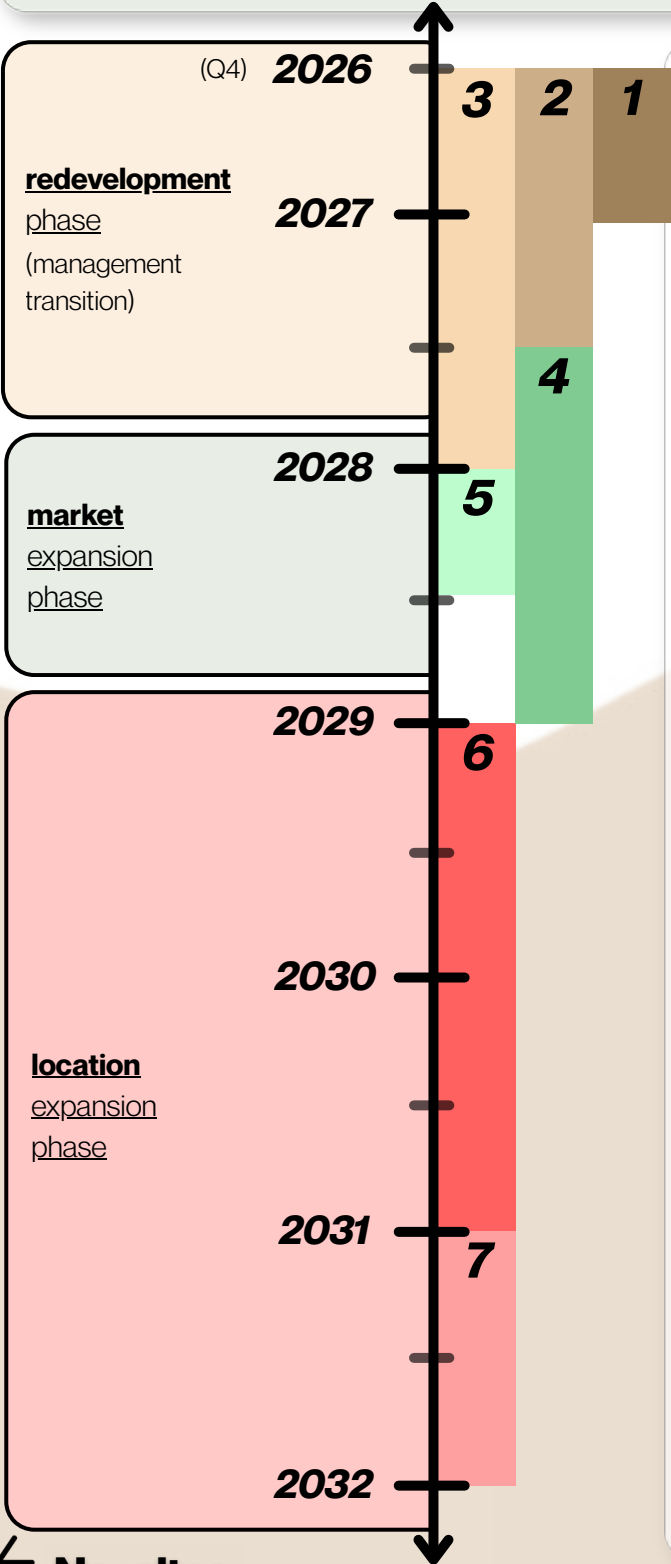


IV. Five Year Plan to Grow and Expand



A. Expansion opportunities

After careful analysis of our SWOT, we have identified **seven key initiatives** over the next five years to grow and expand Noveltea. Every initiative is designed to either take advantage of an opportunity, address Noveltea’s weaknesses and threats, or supplement Noveltea’s strengths. Pages **8-12** will go over each initiative in detail.



1 workflow redevelopment (with AI)

Noveltea will use **Slack**, a powerful software application, to automate our client onboarding process. Slack can smoothly integrate many different apps into “workflows” that can automatically execute when a certain signal occurs. We want Slack to be used to immediately act on leads and automatically generate invoices and contracts.

2 company hiring & restructuring

We plan to implement a formal hierarchy to sustain Noveltea as graduating staff leave. We plan to expand Noveltea’s team to nine part-time employees, including one permanent CEO and two employees at each grade level in high school. Staff will be given distinct job responsibilities and can be promoted once per year.

3 aggressive marketing campaigning

Noveltea will begin a consistent, multi-channel **marketing campaign** on social media applications, bridal fairs, corporate outreach, and more. This is done throughout our redevelopment phase so Noveltea can secure business later on, since clients often book months in advance.

4 push to be a “preferred caterer”

We will reach out to wedding venues and corporations in the Bay Area via email, in-person visits, pitches, and more to be added to their “preferred caterer” lists.

5 menu and equipment expansion

In 2027, we will **expand Noveltea’s menu** to include a wide variety of drinks and toppings. This list is meant to appeal to a larger audience with trendy flavors, healthy alternatives, and curated specialty drinks.

6 north bay branch

We will open a new Noveltea location targeting **Marin, Sonoma, and San Francisco County** to solidify Noveltea’s brand in the Bay Area and **extend our reach** beyond Silicon Valley.

7 southern california branch

If the Noveltea North Bay location meets its key performance metrics after two years, Noveltea will **launch a Southern California branch** to explore an entirely new market in **San Diego**.

1: Q2 2026 - Q4 2026: workflow redevelopment

Key Problem



Noveltea's **communication system** and **client onboarding process** (the process of turning leads into clients) is **inefficient**. We have to respond to back-and-forth emails with our clients and use over 6 different services/software to finalize each contract, wasting valuable time and effort.

Goals:

1

Streamline our client onboarding process by eliminating redundant and unnecessary work.

2

Gain **quicker** and more **accurate** clients responses.

3

Establish an **efficient** communication system to handle staffing and logistics for each event.



We plan to use **Slack**, a software that not only streamlines staff communication through a messaging system but also automatically responds to leads and generates invoices with Slack's "**workflow builder**." By linking software into Slack's system, we can create a workflow where Slack handles the entire client onboarding process. An example of what Slack's interface looks like is pictured on the left.



Our Solution

Before redevelopment:

inquiry →

Client reaches out to Noveltea via website form, text, phone call, or email.



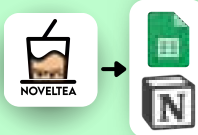
negotiation →

1. Write important info down on Notion.
2. Draft response asking for additional info for finalize quote.



proposal →

3. Fill out invoice template in Google Sheets.
4. Update Notion with necessary event info.



contract →

5. Set up the invoice and contract through DocuSign and send to client.



→ payment

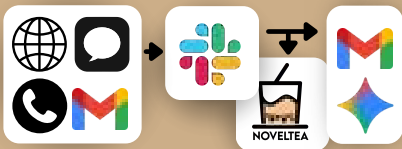
6. Charge 50% deposit with preferred payment method.
7. Contact team and request shifts.



After redevelopment:

preparation →

1. Slack receives inquiries.
2. Slack uses Google Gemini to draft a response.
3. **Noveltea reviews the response** before it is sent.



contract →

4. Slack updates invoice based on the client's response
5. **Noveltea reviews the invoice.**
6. Slack uses DocuSign to send the invoice to the customer.



payment

7. Slack prepares payments through Square.
8. **Noveltea reviews the payment link.**
9. Slack updates financial documents to reflect the transaction.
10. Slack sends a shift request to the chat.



With this implementation, all tedious customer-facing tasks are **handled by Slack rather than Noveltea**. Our role in client onboarding would be to simply verify that Gemini and Slack's drafts contain no mistakes. We project that this change will make the client onboarding process five times faster, vastly improving staff productivity.

2: Q2 2026 - Q2 2027: hiring and restructuring

Key Problem



Noveltea's current staff system can feel **disorganized**, with some staff doing several different jobs while others do only one. We also have no method to replacing seniors who are graduating and moving on to college.

Goals:

1 Define and clearly outline job responsibilities.

Our Solution



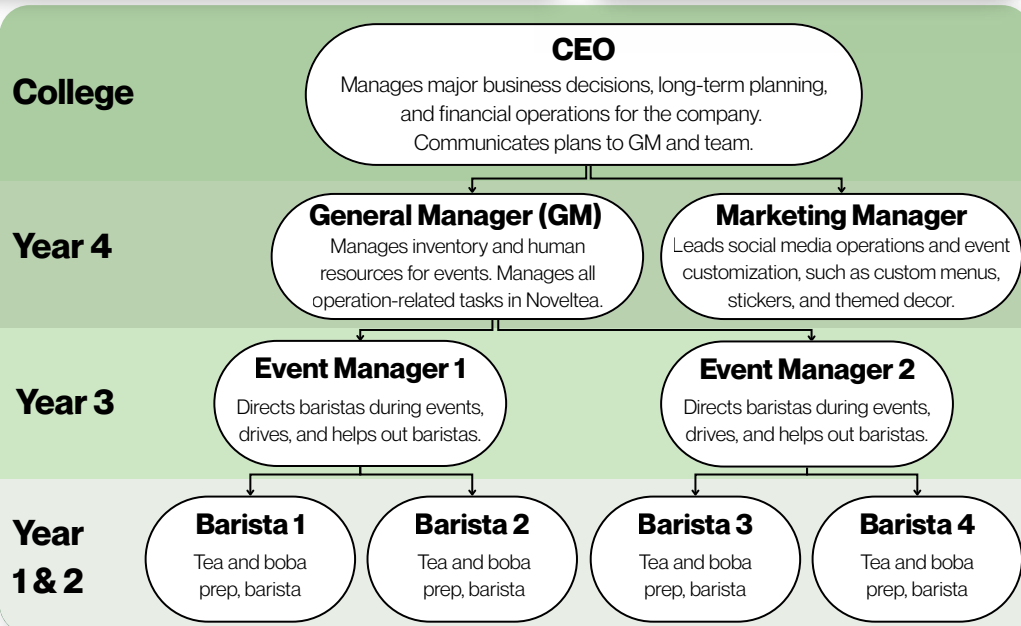
The Rotation System. This new hierarchy includes two employees per year of high school and a college CEO for a total of nine employees. As seniors leave, freshmen are hired.

2 Replace graduating seniors so Noveltea is future-proof.

The CEO.

Jayden Peterson will maintain his CEO position for the foreseeable future, guiding the overall business direction. Noveltea will still be run by high schoolers, as Noveltea's GM will take on most of the event planning. If a GM performs exceptionally well, arrangements may be made to transfer the CEO position.

If a staff member's work is deemed **unsatisfactory** or they wish to **quit**, the best performing staff member from the year prior is promoted to fill in their spot, and one extra staff member is hired the next year.



4: Q2 2027 - Q1 2029: "preferred caterer" push

#3, our marketing plan, can be viewed on page 17.

The Opportunity



Most corporations and event venues maintain a "preferred caterer list," a curated selection of vetted vendors they allow to cater at their offices and venues. Nearly none of these preferred catering lists include a boba catering service. If we can get approved onto these lists, it will bring **repeat, high volume business**.

Our Solution



Noveltea will **contact various social event venues and corporate event departments** (located below) through as many channels as possible. We will cold outreach through email and phone, drop by offices for in-person pitches, and attend networking events to **secure spots** on preferred caterer lists.

database building

1 We first **gather data** using the Apollo and Evaboot software tools, scraping LinkedIn to find thousands of profiles and emails for corporate event planners and venue coordinators in Silicon Valley.

cold email sequence

2 **Reach out** to all contacts stored in the database, showcasing our services and asking for a 15-minute call.

drop-ins and networking

3 **Drop by** venues and corporate offices with samples, flyers, and a pitch, and **attend local networking events** like SVEF and Plug & Play to build relationships with corporate event planners.

We've compiled a list of **40 corporations** and **48 venues** to contact, listed below.



Corporations



Venues



https://www.google.com/maps/d/u/4/edit?mid=1EZ08hi_0Se0KwugrDL1bVeV4HmKK-Y&usp=sharing

5: Q1 - Q3 2028: menu & equipment expansion

Key Problem



Rather than being a comprehensive list of everything you can order, Noveltea's menu functions like a **"build it yourself"** list. However, guests who don't drink boba tea often don't know what to order. Furthermore, since this menu was introduced, Noveltea hasn't introduced many new, trendy flavors that are popular in physical boba stores.

Goals:

1 **Revamp** menu with new and familiar flavors, appealing to both boba and non-boba drinking guests.

2 **Invest** in logistical improvements to balance out menu additions.

Our Solution

special(tea) drinks

These specialties are pre-selected drinks that let non-boba drinkers try Noveltea's authentic boba tea if they aren't familiar with the options on our menu. This widens Noveltea's market and improves our guest experience.



Strawberry Matcha

Popular even among non-boba drinkers for the unique taste and interesting color palette of green, white, and red. Good for Noveltea's marketing as well.



Passion-Lychee Milk Tea

A good introduction to milk tea with a fruity flavor that makes the taste more interesting.



Mango Green Tea

Suitable for people who have never tried boba before. Mango Green Tea tastes similar to a refresher.

base drinks

These additional base drinks mainly keep up with the latest trends (for regular boba drinkers) and introduce a few options familiar to non-boba drinkers to expand Noveltea's market.



Hojicha

Popular among teenage audiences and recently grown in popularity.



Osmanthus

A staple in boba shops like MOLLY TEA, popular among teenage audiences.



Horchata

A drink that is perfect introduction for Hispanic audiences.



Earl Grey

A familiar name for non boba drinkers, especially those from the UK.

toppings & dairy alternatives

Based on popular demand, we have added **dairy alternatives** to expand our market to lactose-intolerant guests. We are also introducing trendy **toppings** to enhance the quality and appeal of our menu, as well as make some drinks appear healthier.



Oat Milk

Healthy alternative to non-dairy creamer or for lactose intolerance.



Cheese Foam

A salty-sweet, trendy topping that gained popularity from HEYTEA.



Almond Milk

For the same reasons as oat milk, but for those with a preference for almond milk or nut allergies.



Fresh Fruit

A premium upgrade that makes fruit teas appear healthier and higher quality. Makes the overall experience more like a real bar.

new equipment



2016 Ford Transit Connect XLT
\$12,250



In addition to our 2016 Ford Explorer, we will invest in a used **Transit Connect**. This vehicle has plenty of storage and will give us a second mode of transportation to make multiple-event days far easier logistically.

EUHOMY Nugget Ice Machine
\$719



We have been relying on the commercial kitchen to provide ice at our events. However, a **nugget ice machine** functions far better for boba catering. It absorbs the tea flavor, cools the drink faster, and is soft enough to be chewed.

6 & 7: Q1 2029 - Q4 2031: location expansion

The Opportunity



Outside of Silicon Valley, boba is **revolutionizing** the beverage market in many different places. **San Francisco** and **San Diego** are prime candidates for this, with both locations containing a growing demographic of boba drinkers, a large corporate presence, and plenty of venues for special events.

Our Solution



Noveltea will **open two more locations**. Our second location will open in the North Bay Area in 2029, and if we meet a few target key metrics, we will open a third location in San Diego two years after.

2029: Noveltea North Bay

Noveltea North Bay's main purpose is to reinforce our brand as a boba catering business in the Bay Area and to serve locations too far from Noveltea Silicon Valley, particularly Marin, Sonoma, and San Francisco Counties. San Rafael is Noveltea North Bay's ideal location due to its proximity to San Francisco and Santa Rosa, low rent costs, and serviceable distance from Silicon Valley. As this will be Noveltea's first location expansion, we want to ensure that Noveltea Silicon Valley is close enough to help in emergencies yet distant enough to target a completely different market. We also plan to recruit local students primarily from **Redwood High School** and **Marin Academy**, given their strong initiative culture and high test scores. They will undergo the same rigorous interview and trial process as those in Silicon Valley. Noveltea's second commercial kitchen will be the North Bay Commissary Kitchen (pictured on the right). Rent is **\$600/month** (including storage), so our operating expenses continue to remain low.



Key Metrics

Before moving onto our second location, we will test Noveltea North Bay with a series of **key metrics** to ensure that a third expansion will be financially feasible **two years** after Noveltea North Bay.

1. Events/Month > 6

The average number of events we cater each month must be greater than six. Ideally, Noveltea sees a **positive trend** over the first year.

2. Gross Margin > 50%

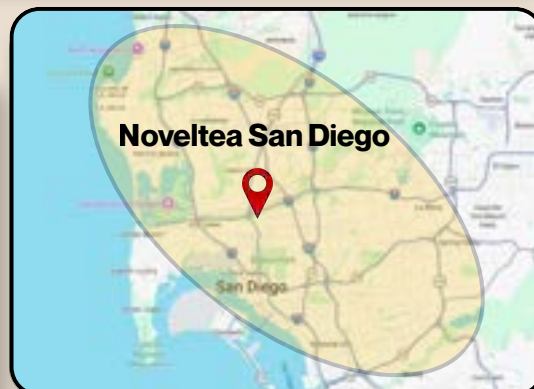
From **Q2-Q4 of 2031**, Noveltea North Bay must obtain a gross margin greater than 50%.

3. Break-even timeline ≈ 3y

North Bay must break even (or project that they can break even) by **year three** of opening.

2031: Noveltea San Diego

If all of North Bay's key metrics are met, Noveltea will expand to **San Diego, California**, targeting Mira Mesa, Sorrento Valley, and La Jolla. This branch will be managed by Jayden Peterson, Noveltea's founder, as he has committed to **UC San Diego**. San Diego features wedding venues along the coastline, biotechnology companies, and a large, rapidly expanding boba industry. This area also comprises a young, diverse, and trend-conscious demographic, driven by college students, young professionals, and a strong Hispanic community. Despite the demand for boba, there is a lack of dedicated catering services, with most stores focusing on in-store services. Noveltea San Diego will pull staff from **Mission Bay** and **Point Loma High School**, with a commercial kitchen at **Park 734 Commissary Kitchen** for \$800/month. Located in an untapped market and supported by Noveltea's founder, **Noveltea San Diego** has the foundation and expertise to thrive.



B. New Market Analysis



TAM - total addressable market

\$248.99M

Our TAM comprises of **100%** of the global boba catering market. After an analysis of several market research publications^{1,2,3}, we can estimate that the total boba beverage market is roughly **\$3.18B**. By assuming catering accounts for 7.83%⁴, we estimate our TAM to be **\$248.99M**.

SAM - service addressable market

\$7.98M

Our SAM narrows our TAM by focusing on the Silicon Valley and SoCal markets while considering our maximum business output post-scaling. Using a similar method to calculating TAM⁵, our SAM is roughly **\$7.98M**.

SOM - service obtainable market

\$352.30K

Our SOM conveys the market we can feasibly attract and do business with. When our small team operates at maximum efficiency in the Bay Area, our SOM is calculated to be **\$352.30K**.

Existing Markets

wedding couples



Age:
Gen Z → Millennials
(20-35 years old)

Ethnicity:
SE Asian

Income:
Upper Middle Class
(\$125-300k)

The bride and groom are often Southeast Asian (SE), commonly working in business or tech positions at large Silicon Valley firms.

young adults



Age:
Gen Z → Millennials
(14-35 years old)

Ethnicity:
SE Asian, White,
Hispanic

Income:
\$0-125k

Often drinking boba tea 3-4 times per week, they are up-to-date with the newest trends. They are also more susceptible to social media advertising and SEO than other markets.

parents / party hosts



Age:
Gen Z → Millennials
(20-35 years old)

Ethnicity:
SE Asian, White,
Hispanic

Income:
Upper Middle Class
(\$125k-300k)

This market has children who often drink boba and may or may not drink boba themselves. They host parties where boba is catered, knowing their children will appreciate it.

corporate event planners



Age:
Gen Z → Gen X
(21-50 years old)

Ethnicity:
SE Asian, White

Income:
Upper Middle → Upper
Class
(\$150-500k)

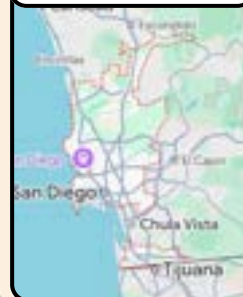
One of our primary targets for our marketing plan. Typically office managers, HR coordinators, or executive assistants at large Silicon Valley corporations.

Bay Area



The **Bay Area** has one of the largest boba tea markets in the entire United States, with significant Asian (28.5%) and Hispanic (24.5%) populations and hundreds of boba shops. Although the market is slowly growing, the boba landscape has become **increasingly saturated**.

San Diego



San Diego's boba market is rapidly growing, with local stores estimating the number of boba shops **doubling** since COVID⁶ in areas like the Convoy District. Noveltea specifically wants to target the **Southeast Asian** and **Hispanic** communities in our expansion as they are the most common boba demographic in San Diego.

¹ Grand View Research predicted \$2.75B - <https://www.grandviewresearch.com/industry-analysis/bubble-tea-market>

² Fortune Business Insights, predicted \$2.83B - <https://www.fortunebusinessinsights.com/industry-reports/bubble-tea-market-101564>

³ Precedence Research predicted \$3.95B - <https://www.precedenceresearch.com/bubble-tea-market>

⁴ Estimate found comparing the beverage to beverage catering market size, which falls at around 1:12 - <https://www.ibisworld.com/united-states/industry/caterers/1682/>

⁵ Grand View Research U.S. boba market of \$953.36M - <https://www.grandviewresearch.com/industry-analysis/us-bubble-tea-market-report>

⁶ The Camellia Road Boba Shop - <https://www.camelliard.com/blogs/blog/boba-part-4>

C. Marketing Plan

We are allocating **\$30,517** to marketing over the **next five years**.

Marketing Goals

1 Stronger Brand Presence

We want to establish a solid brand presence for Noveltea as a **common name** in the catering market.

2 Penetrate Corporate Market

The corporate sphere of catering requires unique approaches but contains many opportunities.

3 Consistent Marketing Efforts

To grow, Noveltea needs **stable, consistent** marketing channels over the next five years.

Key Metrics

- **Top 3rd** result on Google
- **500** unique monthly website visitors
- **6,000** followers on all social media

- **\$27,000** annual corporate revenue
- **2,000** event planners engaged
- **5** corporate partnerships

- **156 posts/year** across 3 platforms
- **Zero weeks** of no marketing output
- **>10%** conversion rate

32%

\$9,750 Bridal Fairs

Event Marketing

Wedding Couples

Purpose: to strengthen our image as a wedding caterer and market to potential clients.

Bridal fairs are large trade shows where wedding vendors showcase their services to prospective clients. Couples and event planners walk through and gather information from vendors they are interested in. We plan to participate in **two bridal fairs per year** by partnering with the California Bridal & Wedding Expo and Bay Area Wedding Fairs. In the past, Noveltea has frequently attracted large crowds to these events, resulting in many impressions and engagements over the past 5 years.

64,555 impressions

3,020 engagements

31%

\$9,336 Corporate & Venue Outreach

Relationship Marketing

Corporate Events

Purpose: to serve as a preferred caterer for non-alcoholic beverages at corporate social events.

For a monthly fee, **Apollo** and **Evaboot** will scrape LinkedIn to deliver thousands of profiles and emails for corporate event planners and venue coordinators in Silicon Valley. In person, we will focus on building relationships with corporate event planners, budgeting **\$550** per year for travel to drop by their offices, pitch to their teams, and offer gifts. We also budgeted **\$700** per year to attend various networking events around Silicon Valley (CES, SVEF, Plug & Play, Techstars, etc.) and connect with corporate planners. A **single spot** on a preferred catering list with corporations or venues can **significantly increase** our growth potential.

157,031 impressions

3,014 engagements

13% →

\$4,103 Social Media

Digital Marketing

Private Events

Purpose: to build brand awareness and drive website traffic.

Noveltea's social media campaign will focus mainly on **quantity**, posting **3 times per week** and featuring setup time-lapses, challenges, and barista POVs during events. Half of our advertising expenses will be used on **CPC** (cost per click) marketing on Instagram, TikTok, and Facebook. The remaining half of the budget will be spent on **food influencer sponsorships**, which charge an average of **\$180** per post. Overall, while social media advertisements are a good source to building brand recognition, we budgeted less due to historically low conversion rates.



8% →

\$2,570 Tasting Events

Event Marketing

All Customers

Purpose: to showcase our event setup and convert leads to contracts.

Tastings are events where we prepare a number of drinks from our menu at Noveltea's office and invite 2-10 prospective clients to taste them while we pitch our services. We have allocated a budget for **one tasting per quarter**. Not only do tastings help our leads decide which drinks they'd like to include, but they also foster a sense of **emotional involvement and investment** in Noveltea. We've noticed that clients who can imagine the setup and drinks they'd want at their wedding are much more likely to do business with us: in the past, **95%** of our leads who attended tastings went on to book with us.

502 impressions

264 engagements



One of our past tasting events.

16% →

\$4,758 SEO & Brand Infrastructure

Digital Marketing

All Events

Purpose: to strengthen brand image, drive website traffic, and build reputation.

To improve Noveltea's relevance in Google search results, we will use Ahrefs' SEO service at a cost of **\$129 per month**. We will also implement our own SEO methods by writing blog posts using generative AI to improve our rankings. We hope to be one of the **first results** when someone searches "boba catering" in Silicon Valley.

Building our brand infrastructure won't earn us customers alone: rather, it supplements every other marketing channel by improving our overall brand image. Annually, we will update our website and hire a professional photographer to showcase our setup and services at certain events and during tastings.

V. Financing Plan

A. Current financial situation

Scan the **QR code** for a thorough breakdown of **Noveltea's ten-year financials**. →



<https://docs.google.com/spreadsheets/d/1uw8lHROWywTy19gO4b0DDmzxGBfIoXEm5UnHG0lkjNI/edit?gid=0#gid=0>



Below is our **cash flow statement for 2025**. The statement tracks monthly cash inflows, outflows, and ending balances to ensure sustainability as the business scales.

Noveltea's primary source of cash inflow is catering revenue, totaling \$76,042 for the year. Revenue varies significantly month by month, with strong growth in late spring and summer (May–July), peaking in July at **\$8,399**.

Ingredients & consumables increase during high-revenue months, totaling **\$8,806** annually due to higher event volume. Payroll increases during peak months to support staffing needs.

	January	February	March	April	May	June	July	August	September	October	November	December	2025 TOTAL
Beginning Cash Balance	\$1,952	\$3,146	\$2,919	\$5,847	\$6,986	\$8,836	\$11,145	\$13,483	\$15,390	\$16,289	\$17,137	\$18,407	
Cash Inflows													
Owner Funds		\$750											
Loan													
Revenue	\$4,265	\$4,866	\$7,125	\$5,926	\$7,415	\$8,374	\$6,399	\$7,793	\$5,302	\$5,272	\$5,916	\$4,390	\$76,042
Total Cash Inflows	\$6,015	\$4,866	\$7,125	\$5,926	\$7,415	\$8,374	\$6,399	\$7,793	\$5,302	\$5,272	\$5,916	\$4,390	\$76,762
Available Cash Balance	\$7,967	\$8,012	\$11,043	\$11,773	\$14,400	\$17,211	\$18,544	\$21,286	\$20,692	\$21,561	\$23,053	\$22,797	
Cash Outflows													
Variable Expenses													
Ingredients/Consumables	\$610	\$564	\$605	\$686	\$859	\$970	\$973	\$903	\$614	\$611	\$685	\$508	\$8,806
Marketing	\$325	\$250	\$300	\$425	\$500	\$550	\$525	\$625	\$300	\$325	\$250	\$250	\$4,625
Equipment	\$256	\$263	\$270	\$277	\$285	\$290	\$292	\$306	\$313	\$300	\$327	\$368	\$3,528
Fixed Expenses													
Payroll	\$1,619	\$1,496	\$2,191	\$1,822	\$2,280	\$2,575	\$2,582	\$2,396	\$1,830	\$1,621	\$1,819	\$1,350	\$23,380
Catering Permit	\$432	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$432
Commercial Kitchen Lease	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$650	\$7,800
Insurance	\$492	\$492	\$492	\$492	\$492	\$492	\$492	\$492	\$492	\$492	\$492	\$492	\$5,904
Web & Software (Premier, Google)	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$300
Miscellaneous	\$21	\$21	\$21	\$21	\$21	\$21	\$21	\$21	\$21	\$21	\$21	\$21	\$250
Other Expenses													
Taxes	\$382	\$332	\$422	\$388	\$452	\$493	\$491	\$479	\$358	\$359	\$377	\$315	\$4,964
Loans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OUTFLOWS	\$4,821	\$4,093	\$5,196	\$4,767	\$5,563	\$6,067	\$6,051	\$5,886	\$4,402	\$4,424	\$4,846	\$3,879	\$58,826
Net Cash Flow	\$1,194	\$773	\$1,909	\$1,158	\$1,852	\$2,307	\$2,348	\$1,907	\$899	\$848	\$1,270	\$511	
Ending Cash Balance	\$3,146	\$3,919	\$5,847	\$6,986	\$8,836	\$11,145	\$13,483	\$15,390	\$16,289	\$17,137	\$18,407	\$18,918	

B. Fixed Overhead and Cost of Operations

Payroll is a semi-fixed cost as staffing levels are adjusted seasonally. While not a fully “fixed” expense, it is Noveltea’s highest operational cost, totaling **\$23,380 annually**. June and July were the busiest months, requiring the most staffing.

Lease expenses total **\$7,800 annually**, covering secure storage and preparation space for equipment and ingredients. This ensures that Noveltea can keep its catering permit under a licensed commercial kitchen.

Insurance costs, totaling **\$5,904 annually**, cover general and product liability. This provides Noveltea with some protection against basic operational risks.

Web expenses are **\$25 per month**. Our website, www.noveltea.us, is hosted on Framer with a Squarespace domain.

Permits and compliance costs, including a one-time catering permit expense of **\$432.00**, ensure full regulatory compliance with Santa Clara health and business authorities.

C. Capital needed for expansion opportunities

\$6,840 Workflow Redevelopment

Redevelopment Phase

Purpose: to increase productivity and have quicker client interactions.

Workflow redevelopment and automation are our first investments, including **Slack** integrations, automation tools, AI-assisted contract and invoice generation, and workflow management software. This investment quickly pays itself off by reducing administrative time and minimizing errors, allowing the team to manage significantly more events without adding overhead.

Year	2027 Q2	2027 Q4	2028 Q2	2028 Q4	2029 Q2	2029 Q4	2030 Q2	2030 Q4	2031 Q2	2031 Q4	2032 Q2	2032 Q4	TOTAL
Slack Subscription (\$5/User/Month)	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$486	\$5,832
Slack Integrations (\$5/Month)	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$360
DocuSign Subscription (\$15/Month)	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$54	\$648
Total Expenses:	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$6,840

\$5,750 Hiring and Restructuring

Redevelopment Phase

Purpose: to improve efficiency and increase transparency around roles and responsibilities.

These funds support **onboarding, training, and other costs** to implement the new positions created by Noveltea’s new hierarchy (Marketing Manager, additional Baristas, and Team Managers). This investment ensures clear promotion pathways, smoother event execution, greater job transparency and accountability, and better-defined leadership as seniors graduate.

Year	2027 Q2	2027 Q4	2028 Q2	2028 Q4	2029 Q2	2029 Q4	2030 Q2	2030 Q4	2031 Q2	2031 Q4	2032 Q2	2032 Q4	TOTAL
Hiring/Screening Process	\$265	\$230	\$196	\$161	\$127	\$92	\$58	\$23	\$0	\$0	\$0	\$0	\$1,055
Onboarding & Training	\$633	\$550	\$468	\$385	\$303	\$220	\$138	\$55	\$0	\$0	\$0	\$0	\$2,750
ServSafe Food Handler Certification	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$650
Uniforms & Equipment	\$275	\$240	\$204	\$169	\$132	\$96	\$60	\$24	\$0	\$0	\$0	\$0	\$1,200
Total Expenses:	\$1,223	\$1,070	\$918	\$765	\$612	\$468	\$328	\$155	\$0	\$0	\$0	\$0	\$5,750

\$11,442 Menu & Equipment Expansion

Market Expansion Phase

Purpose: to stay current with trends, improve logistics, and enhance event experience.

Menu expansion includes sourcing new tea bases, dairy alternatives, toppings, and featured drinks, as well as recipe testing costs.

Expanding the menu lowers the barrier to entry for first-time boba customers and enables greater customization. We will also expand our equipment with a **2016 Ford Transit Connect XLT** financed with a 15% down payment and \$270/month for ten years.

Year	2027 Q2	2027 Q4	2028 Q2	2028 Q4	2029 Q2	2029 Q4	2030 Q2	2030 Q4	2031 Q2	2031 Q4	2032 Q2	2032 Q4	TOTAL
Recipe Research	\$0	\$0	\$0	\$0	\$1,500	\$1,500	\$250	\$0	\$0	\$0	\$0	\$0	\$2,250
Staff Training & Onboarding	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$7,200
Ingredient Waste	\$0	\$0	\$0	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$2,700
2016 Ford Transit Connect XLT (financed)	\$0	\$0	\$0	\$880	\$880	\$880	\$880	\$880	\$880	\$880	\$880	\$880	\$8,800
EventOnly Sugar Ice Machine	\$0	\$0	\$0	\$719	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$719
Total Expenses:	\$0	\$0	\$0	\$1,779	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$11,442

\$26,977 Noveltea: North Bay

Location Expansion Phase

Purpose: to break into a new market and increase Noveltea’s brand recognition.

Below are **Noveltea North Bay’s startup costs**, calculated from condensing Noveltea Silicon Valley’s startup costs into a shorter time frame. This includes all materials and supplies, the same Ford Transit and Ice Machine, staff training and onboarding, legal paperwork, and an ample marketing budget to jumpstart Noveltea North Bay as soon as possible.

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
Assets (Materials, Vehicle, Inventory, Ice Machine)	\$6,557	\$145	\$145	\$190	\$190	\$145	\$495	\$270	\$270	\$270	\$270	\$270	\$8,527
Staff Training & Onboarding	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$7,200
Permits, Kitchen Inspections, Food Handling, Kitchen Rent	\$1,400	\$725	\$725	\$725	\$725	\$725	\$725	\$725	\$725	\$725	\$725	\$725	\$8,700
Startup Marketing	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$7,200
TOTAL COSTS	\$9,157	\$2,070	\$2,070	\$2,235	\$2,235	\$2,070	\$2,770	\$2,495	\$2,270	\$2,095	\$2,495	\$2,270	\$26,977

\$38,627 Noveltea: San Diego

Location Expansion Phase

Purpose: to break into a new, valuable market.

Noveltea San Diego's startup costs are similar to those in North Bay, with the key differences in Staff Training and Onboarding. Training staff will require frequent, lengthy trips back and forth from San Diego to Silicon Valley. Operational costs are higher on average, reflecting higher rent and labor costs as well as access to a much larger corporate and private event market.

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
Assets (Materials, Vehicle, Inventory, Ice Machine)	\$1,557	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$1,745	\$14,777
Staff Training & Onboarding	\$1,548	\$1,401	\$1,238	\$1,073	\$908	\$743	\$578	\$413	\$248	\$83	\$0	\$0	\$8,290
Permits, Kitchen Improvements, Food Handling, Kitchen Rent	\$1,653	\$938	\$993	\$998	\$998	\$998	\$998	\$998	\$998	\$998	\$998	\$998	\$14,500
Startup Marketing	\$915	\$765	\$675	\$585	\$495	\$405	\$315	\$225	\$135	\$45	\$0	\$0	\$4,500
TOTAL COSTS	\$12,672	\$4,849	\$5,350	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$5,150	\$38,627

D. Time to achieve profitability

Noveltea has been profitable for roughly **10 months since its founding**, largely because our catering-only business structure allows us to avoid the high operating costs other boba shops incur (please refer to page 5 for more details). However, from Quarter 2 of 2027 to Quarter 4 of 2027, we undergo **many internal shifts in preparation** for the next five years and will operate at a loss for the first **9-12 months**. Below is our **cash flow statement** for further elaboration.

This is **your loan**. Without it, Noveltea wouldn't be able to expand.

Q2 2028 is when we shift **out of our redevelopment phase**, now focusing on **pure growth**.

For each new location, our costs increase (Q4 2029, Q4 2031), but our revenue grows significantly in the following periods (Q2 2030, Q2 2032).

Year	2027		2028		2029		2030		2031		2032		2027-2032
Quarter	Q2	Q4	Q2	Q4	Q2	Q4	Q2	Q4	Q2	Q4	Q2	Q4	
Starting Balance	\$18,985	\$146,303	\$126,227	\$123,933	\$112,678	\$123,346	\$119,388	\$158,296	\$196,607	\$273,652	\$336,667	\$500,921	
Revenue:	\$46,580	\$41,812	\$64,809	\$57,680	\$83,636	\$96,381	\$134,654	\$121,388	\$169,664	\$200,203	\$280,285	\$263,467	
Loan	145,000												
Total Inflows:	\$191,560	\$41,812	\$64,809	\$57,680	\$83,636	\$96,381	\$134,654	\$121,388	\$169,664	\$200,203	\$280,285	\$263,467	\$1,705,560
Bridal Fairs	\$1,050	\$600	\$950	\$550	\$950	\$550	\$1,150	\$550	\$1,150	\$550	\$1,150	\$550	\$8,050
Tastings	\$90	\$108	\$288	\$360	\$270	\$234	\$296	\$180	\$285	\$180	\$207	\$252	\$2,570
Brand Infrastructure	\$214	\$579	\$294	\$579	\$214	\$579	\$294	\$579	\$214	\$579	\$294	\$579	\$4,758
Social Media Advertisements	\$304	\$311	\$398	\$325	\$332	\$338	\$345	\$352	\$359	\$366	\$373	\$380	\$4,303
Corporate & Venue Outreach	\$778	\$778	\$778	\$778	\$778	\$778	\$778	\$778	\$778	\$778	\$778	\$778	\$9,336
Workflow Redevelopment	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$6,840
Restructuring	\$1,323	\$1,150	\$978	\$805	\$633	\$460	\$288	\$115	\$0	\$0	\$0	\$0	\$5,750
Menu & Equipment Expansion	\$0	\$0	\$0	\$3,779	\$1,653	\$1,150	\$680	\$810	\$810	\$810	\$810	\$810	\$11,442
Noveltea North Bay Startup	\$0	\$0	\$0	\$0	\$0	\$20,432	\$6,545	\$0	\$0	\$0	\$0	\$0	\$26,977
Noveltea LA Startup	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,922	\$8,705	\$0	\$38,627
Payroll	\$20,564	\$18,508	\$19,988	\$19,389	\$21,327	\$26,689	\$29,856	\$26,275	\$27,589	\$37,245	\$40,970	\$36,873	\$325,246
Catering Permit	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$5,184
Commercial Kitchen Lease	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$7,800	\$93,600
Insurance	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$5,278	\$63,333
Miscellaneous	\$780	\$780	\$780	\$780	\$780	\$780	\$780	\$780	\$780	\$780	\$780	\$780	\$9,360
COGS	\$8,039	\$7,155	\$10,090	\$9,870	\$14,312	\$16,459	\$23,042	\$20,738	\$29,033	\$34,259	\$47,963	\$45,085	\$267,048
Loan Interest + Principal	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$17,640	\$0	\$0	\$176,400
Total Outflows:	\$64,862	\$61,688	\$67,304	\$68,934	\$72,968	\$100,139	\$95,746	\$82,877	\$92,618	\$137,389	\$116,030	\$100,367	\$1,060,323
Ending Balance:	\$146,303	\$126,227	\$123,933	\$112,678	\$123,346	\$119,388	\$158,296	\$196,607	\$273,652	\$336,667	\$500,921	\$664,222	
Expenses:	\$47,222	\$44,048	\$49,464	\$51,294	\$55,328	\$62,499	\$78,306	\$65,237	\$74,978	\$119,549	\$116,030	\$100,367	
Profit	-\$242	-\$2,236	\$15,345	\$6,386	\$28,308	\$13,682	\$56,547	\$55,951	\$94,685	\$80,654	\$164,255	\$163,308	

Payroll expenses are projected to decrease (relative to output) after Slack automations and Noveltea's staff hierarchy are in place.

We are in an **operating loss** while we go through restructuring processes. Once we reach **Q2 2028**, restructuring will be complete and we expect to see a **revenue spike**.

Noveltea's revenue and expenses **increase significantly** in Q2 due to higher demand in warmer seasons.

We end with **\$664,222**, enough to pay back your loan by year five, so you can have the peace of mind that your investment is **safe by year ten**.

Statistical Analysis

We calculated the time to achieve profitability and feasibility of location expansion using **two statistical tests** to predict Noveltea's revenue from 2026 to 2032. We used both an **XGBoost test** and a **multivariate linear test** to predict revenue using two different approaches.

Revenue

Noveltea's **2027–2032** revenue projections were developed using an **"XGBoost" gradient-boosted regression model**, a machine learning technique that can predict a variable (Revenue) based on historical data with other variables (**payroll, marketing spending, etc**). XGBoost trains by building decision trees (figure 18.2), eventually outputting a model that we can use to **predict future revenue** by feeding it **future inputs**.

Historical Data (2025)

Payroll, Marketing, Revenue, Time Index

XGBoost Training (Figure 18.2)

Trained Model
Learned pattern:
Inputs → Revenue

Future Inputs (2026-2032)

Planned Payroll
Predicted Marketing Engagements
Active Location Count
Key Initiative Stage
Time Index

Prediction Engine
Applies learned pattern to inputs

Revenue Forecast

Tree 1



Tree 800

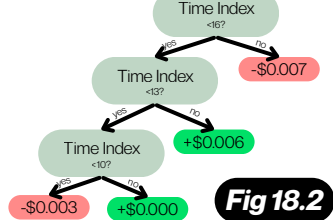
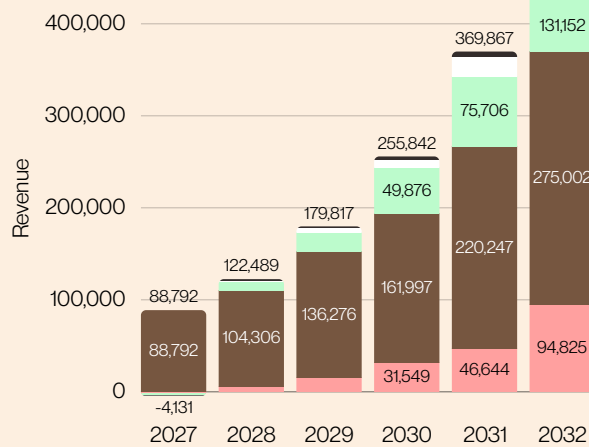


Fig 18.2

XGBoost Results

XGBoost v21+, 800 estimators, max depth 5, learning rate 0.03, L1/L2 regularization.



Payroll - 41.5%

Payroll indicates our business capacity and performance, and is thus the strongest indicator for revenue.

Marketing Spend - 21.6%

This shows how our marketing campaigns bring in clients.

of Active Locations - 21.6%

This shows how market expansion ends up affecting our revenue.

Key Initiative Stage - 5.7%

This shows which section of the key initiative we have reached, from 1-5.

Organic Growth - 2%

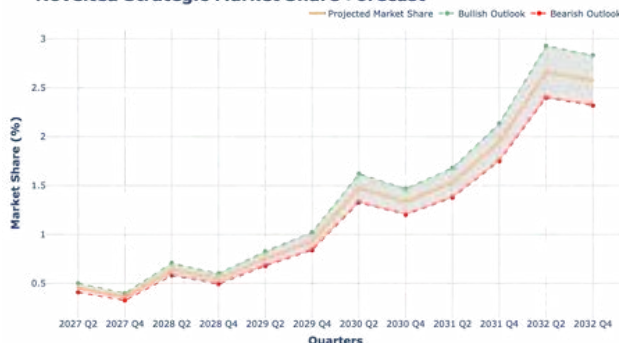
A catch-all time index that accounts for many other factors combined into a small increase.

Market Share

To further verify our XGBoost results, we used a **multivariate linear regression model** to estimate the Service Addressable Market share that Noveltea could capture by 2032. This allowed us to identify a few specific input indicators that drive our market share: namely, **Payroll, Social Advertising, and Startup Costs**.

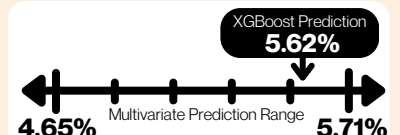
$$\text{Percent of Market Share} = 0.52 + (4.1 \cdot 10^{-5})\text{Payroll} + (1.2 \cdot 10^{-3})\text{SocialAds} + (1.8 \cdot 10^{-5})\text{StartupCosts} + (2 \cdot 10^{-4})\text{Tastings}$$

Noveltea Strategic Market Share Forecast



The mathematical model (represented by the **solid line** on the left) uses the following regression equation to calculate **Market Share** based on our four primary strategic inputs. The **shaded region** indicates the range of **possible market outcomes**, illustrating Noveltea's capacity to earn profits despite any deviations in its performance due to factors beyond our control.

Based on a **90% confidence interval** from our multivariate regression analysis, Noveltea is projected to capture between **4.65%** and **5.71%** of our SAM in 2032. By comparing our SAM size (\$7.98M, page 13) with our **XGBoost prediction** of **\$543,752**, we capture **5.62%** of our SAM, well within the multivariate regression model's prediction of 4.65-5.71%.



VI. Conclusion

Summary

Noveltea Catering LLC is a **mobile boba tea catering business** founded in 2023 by **Jayden Peterson** and based in California's Bay Area/Silicon Valley. We specialize exclusively in **on-site boba catering** for various events, offering fresh, customizable drinks made to order by trained baristas. As we have no storefront, our operating expenses are **significantly lower** than our competitors'. We are owned and run by a team of **dedicated high schoolers** with experience in the hospitality and catering industries.



During the next five years, we plan to:

1. **Automate** a large part of our client onboarding process using Slack to reduce administrative work by five times.
2. **Restructure** our staff system to reduce founder dependency and create a sustainable leadership pipeline.
3. **Become a preferred caterer** for multiple Bay Area venues and large corporations through marketing techniques.
4. **Expand our menu and equipment** to keep up with boba tea trends and improve logistics.
5. **Expand geographically:** first in the North Bay Area, then in San Diego.

Your investment would provide us with the capital required to execute this.

Our Ask



We are seeking a **\$145,000** loan at an **8% interest rate**, repaid over five years, **along with** a **9.5% equity stake** in Noveltea.

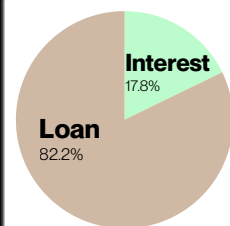
We will allocate **\$35,000** of your investment to paying our staff during redevelopment. As revenue will be relatively low during the period when we develop our business hierarchy and hire more people, we will use your investment to keep us afloat while we make these refinements. Additionally, as payroll is consistently our biggest expense, another **\$95,000** will be put towards business expansion. Our focus in this category is the purchase of the new equipment, specifically the Ford Transits, as well as location expansion. The remaining **\$15,000** will serve as a safety net in the event of unforeseen events or budget overruns.

Principal:
\$145,000

Interest:
\$31,404.63

Monthly Payment:
\$2,940.08

Total Payment:
\$176,404.63



We predict this investment will net you an ROI of **143.12%**, calculated by adding the interest you earn to **9.5%** of our 5th year's projected net income.

From Noveltea, Thank you!



Noveltea
catering

We **truly hope** you can join us at Noveltea, and we look forward to hearing back from you.



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 **noveltea.us**



VIII. Appendix

Our Menu

tea

**Classic**
milk tea
hong kong black tea leaves,
nondairy cream, brown sugar

**Jasmine**
green tea
jasmine green tea leaves,
simple syrup

**Mango**
milk tea
jasmine green tea, mango
powder, nondairy cream

**Jasmine**
milk tea
jasmine green tea leaves,
nondairy cream, brown sugar

**Taro**
milk tea
fresh taro bits, taro powder,
nondairy cream

**Oolong**
green tea
oolong tea, simple syrup

**Matcha**
milk tea
rich matcha powder, nondairy
cream, simple syrup

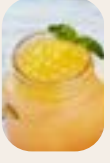
**Thai**
iced tea
loose leaf thai tea, evaporated milk,
condensed milk, nondairy creamer,
simple syrup

**Strawberry**
milk tea
jasmine green tea, strawberry powder,
nondairy cream

toppings

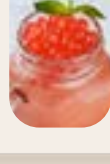
**Boba**
with brown sugar
tapioca balls, brown sugar

**Rainbow**
jelly
inside layer of coconuts

**Mango**
popping boba
inside layer of coconuts

**Lychee**
jelly
inside layer of coconuts

**Grass**
jelly
grass jelly powder

**Strawberry**
popping boba
inside layer of coconuts