

Executive Summary Example

Tot Squad

Incorporation type: C-Corp, Consumer Services

Contact: Jennifer Saxton [contact info] totsquad.com

Tot Squad is a platform of services with expertise in the maintenance, safety education and installation of baby gear.

Company Summary: Tot Squad is a baby gear services company aiming to be the “Geek Squad” of the baby industry. Our mobile fleet provides cleaning, repairs, and installation of car seats and strollers, in partnership with retailers like Nordstrom, Babies R Us, and Whole Foods. We have corporate operations in SoCal and NYC, our first franchise recently opened in Washington, DC, and we have over 200 car seat safety affiliates in 40 states. We plan to pilot an in-store service center with a major big box baby retailer this spring, and expect to sign a service contract with Uber this month.

Management Team: Founder & CEO Jen Saxton graduated from the Kellogg School of Management at Northwestern, where Tot Squad won the prestigious Kellogg Cup MBA Business Plan Competition. CFO John Mattox and Head of Marketing, Ann Singhakowinta, are both graduates of the Fuqua School of Business at Duke University. COO Shanna Johnson is a graduate of Columbia University and has spent 10 years scaling people-intensive start-ups. David McKinnon, co-founder of franchise conglomerate Service Brands (Molly Maid, Mr. Handyman, other service co’s with \$300M+ sales) is an investor/advisor, and leader of this round of fundraising.

Customer Problem: Busy parents struggle with the time, hassle and frustration that baby gear can present. Car seats and strollers are dirty, break easily, and are challenging to assemble/install. 90% of car seats are misused, and car accidents are the #1 cause of death for kids. Simultaneously, retailers are struggling to compete vs online retail, and bringing services in store draws foot traffic and boosts sales. Rideshare companies want to appeal to families and need experts in car seat safety and cleaning/quality assurance to provide kid-friendly services.

Target Market: Our end consumers are busy, affluent parents in desirable neighborhoods who spend hundreds, up to a thousand dollars, on a stroller and want to maintain their investment. 65% of Tot Squad customers are women, with 70% between 25-44 years of age. Customers shop in higher-end retail and boutiques. We target both time-stretched working mothers, as well as more budget-conscious parents who need occasional cleaning/repairs help.

Customer Segments: We are growing via franchise sales and B2B partnerships with large companies like Uber and Amazon. Expansion through B2B sales, from gear manufacturers to automotive partners, grows the brand's equity and creates consistent revenue streams. As a first mover with no major threats, we've got great traction.

Business Model: Our business brings foot traffic to stores, creating a captive audience that increases sales (Nordstrom Baby Dept sees 30-40% comps on days of events). In addition to scaling through franchising, we plan to offer a kiosk-style "in-store service center" within a big-box retailer, a la Geek Squad, where we can sell 1-2 year "extended warranty" service packages on registries.

Competitive Advantage: Our strategic partnerships with national retailers and manufacturers provide brand credibility, lead generation (zero customer acquisition cost) and key retail locations (for new franchisees) from Day 1 and create competitive barriers to entry. Our team of certified Child Passenger Safety Technicians also sets us apart from competition. For franchisees, the proven business model, turnkey marketing/sales/operations, technology infrastructure and insurance accessibility are key.

Product & Services: We do the dirty work that busy parents don't have the time or energy to deal with. We clean car seats and strollers using eco-friendly products and steamers. We offer car seat installations by Child Passenger Safety Technicians and are an Authorized Service Center for major stroller brands. Most services can be performed in less than 60 minutes for \$20-80. We do daily popups with major retailers for mom's convenience.

Competitors: There is a handful of small competitors, sprinkled around the country, mostly home-based businesses with only a local radius. Our largest competitor, Stroller Spa, is a low volume, high price point player that works as a hobby business. BabyBubbles is a NYC-based company whose main growth driver is not their gear services, but their privately labeled cleaning products and diaper laundering services. Parents also use local police for safety checks. There are no national brands in any of the service lines on our platform.

Financials (USD thousands)	2016	2017	2018	2019	2020
Systemwide Sales	\$225	\$837	\$5,687	\$19,685	\$50,563
EBITDA	-\$457	-\$506	\$668	\$4,404	\$9,780

Raising \$1.0M-\$1.5MM at \$5.0M pre-money valuation, ~\$1.1M committed. Round led by David McKinnon.