



**Development Chenango Corp.  
Business Assistance Loan Fund**

**Natural Beauty Breast Prosthesis LLC.**

9 Knapp Street, Sherburne  
607-244-2790  
Contact: Jill Nelson Owner

Loan Request: Development Chenango Corporation has received a request to participate in financing the working capital and payroll for Natural Beauty Breast Prosthesis owned by Jill Nelson.

Amount & Terms: The Finance Committee will consider a loan request for \$25,000 at 3% interest for a term of 72 Months from the Business Assistance Loan Fund.

Background & Project: Natural Beauty Breast Prosthesis located at 9 Knapp Street, Sherburne, was established by Jill Nelson

Natural Beauty Breast prosthesis LLC manufactures an organic all-natural fiber external breast form for women who have had breast cancer and mastectomies without reconstruction. Natural Beauty products helps these women look, move, and feel like their natural selves without doing additional harm to their bodies. The owner is a licensed massage therapist who specializes in orthopedic injury and oncology massage. The idea for an all- natural breast form came about October of 2016 after having a conversation with a client about her current external breast forms on the market. Current market products are made from silicone or polyurethane (both are Synthetic materials and chemicals). These chemicals are dangerous to the human body. Natural Beauty Breast Prosthesis’s owner thought there must be another way and was surprised there wasn’t something out there yet. She decided that someone should be her.

**Sources & Uses Overview:**

Source	Amount	Term	Use	Security
Pitch Competition Grant	18,500	Milestones completed and reimbursements to be made by Jan 2023	\$12,000 for payroll \$6,500 for materials and supplies	None-awarded
Development Chenango	\$25,000	72 Months	Working capital for materials, supplies, rent, utilities and payroll.	Equipment
Village of Sherburne	\$10,000	72 Months	Building upgrades listed above	Equipment
<b>Total:</b>	<b>\$53,500</b>			

Management: Jill Nelson

Professionals: N/A

Employment: Natural Beauty Breast Prosthesis currently employs 3 full-time. The proposed project will assist in the retention of these jobs and the creation of 29 additional full-time position within the next two years.

<b>Job Classification</b>	<b>Pay Range</b>	<b>Employed at Present</b>	<b>In one year</b>	<b>In two years</b>	<b>In Three Years</b>
Owner	\$50k Year 1 \$100k Year 2 \$150k Year 3	1	1 Retained	1 Retained	1 Retained
Production Blocking and felting	\$15/hr	1	1 Retained 3 Added	4 Retained 4 Added	8 Retained 4 Added
Production Sewing	\$15-20/hr	1	1 Retained 3 Added	4 Retained 4 Added	8 Retained 4 Added
Shipping & Receiving	\$15-20/hr	0	1 Retained 3 Added	1 Retained 2 Added	3 Retained 2 Added
Admin	\$17-25/hr	0	1 Added	1 Retained 2 Added	3 Retained 2 Added
Manager	Salary: \$50-75k	0	1 Added	1 Retained 2 Added	3 Retained 2 Added
Upper Management	Salary: \$75-150K	0	1 Added	1 Retained 2 Added	3 Retained 2 Added
<b>Total</b>		<b>3</b>	<b>13</b>	<b>29</b>	<b>45</b>

Financial

Overview:

All financial information for Natural Beauty Breast Prosthesis, Jill has been analyzed and a summary is provided below. Overall, Natural Beauty Breast Prosthesis LLC appears to be a healthy business, and Mrs. Nelson appears to be credit worthy.

Financial

Summary:

Please see attached Profit and loss Statement for both the past two years and projected next 3 Years. As well as the revenue explanation. Year one's sale estimates are based on mostly website retail and some small boutique and clinic sales

Loan Recommendation:

It is recommended that DCC consider participating in financing Working capital for materials, supplies, rent, utilities, and payroll for Natural Beauty Breast Prosthesis LLC by Mrs. Nelson. The business shows promise for growth with this expansion.

Proposed term is 72 months at 3% interest, which yields an approximate yearly obligation of \$4,558.08 or \$379.84 per month.

Collateral for this loan will be the manufacturing equipment. Please see attached break down with all the equipment and there cost.

# Profit and Loss Statement (2 Years)

Natural Beauty Breast Prosthesis, LLC

	2020		2021		
		%		%	
<b>Sales/Income</b>	\$ -	100.00%	\$ 5,500	-	100.00%
<b>Cost/ Goods Sold (COGS)</b>	-	-	-	-	0.00%
<b>Gross Profit</b>	\$ -	-	\$ 5,500	-	100.00%
<b>Operating Expenses</b>					
Salary (Office & Overhead)	\$ -	-	\$ -	-	0.00%
Payroll (taxes etc.)	-	-	-	-	0.00%
Outside Services	-	-	-	-	0.00%
Supplies (off and operation)	1,592	-	1,182	-	21.49%
Repairs/ Maintenance	-	-	-	-	0.00%
Advertising	525	-	750	-	13.64%
Car, Delivery and Travel	423	-	664	-	12.07%
Accounting and Legal	1,300	-	100	-	1.82%
Rent & Related Costs	-	-	1,200	-	21.82%
Telephone	1,070	-	1,167	-	21.22%
Utilities	84	-	86	-	1.56%
Insurance	318	-	304	-	5.53%
Taxes (real estate etc.)	-	-	-	-	0.00%
Interest	-	-	-	-	0.00%
Depreciation	-	-	1,819	-	33.07%
Other expense (admin)	284	-	1,842	-	33.49%
Other expense ()	277	-	170	-	3.09%
<b>Total Expenses</b>	\$ 5,873	-	\$ 9,284	-	168.80%
<b>Net Profit Before Taxes</b>	(5,873)	-	(3,784)	-	-
<b>Income Taxes</b>	-	-	-	-	-
<b>Net Operating Income</b>	(5,873)	-	(3,784)	-	-

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# Profit and Loss Projection (3 Years)

Natural Beauty Breast Prosthesis, LLC

2022

2022

%

2023

%

2024

%

<b>Sales</b>	\$ 979,800	100.00%	\$ 5,106,000	100.00%	\$ 8,418,000	100.00%
<b>Other Income/Grants</b>	\$ 50,000		\$ -		\$ -	
<b>Other Income/Loans</b>	\$ 35,000		\$ -		\$ -	
<b>Total Income:</b>	\$ 1,064,800		\$ -		\$ -	
<b>Cost/ Goods Sold (COGS)</b>	300,000	30.62%	1,430,000	28.01%	2,104,500	25.00%
<b>Gross Profit</b>	\$ 764,800	78.06%	\$ 3,676,000	71.99%	\$ 6,313,500	75.00%
<b>Operating Expenses</b>						
Salary (Office & Overhead)	\$ 500,000	51.03%	\$ 2,000,000	39.17%	\$ 4,000,000	47.52%
Payroll (taxes etc.)	40,000	4.08%	160,000	3.13%	320,000	3.80%
Outside Services	5,000	0.51%	30,000	0.59%	50,000	0.59%
Supplies (off and operation)	10,000	1.02%	80,000	1.57%	100,000	1.19%
Repairs/ Maintenance	3,000	0.31%	13,000	0.25%	20,000	0.24%
Advertising	20,000	2.04%	150,000	2.94%	300,000	3.56%
Car. Delivery and Travel	5,000	0.51%	10,000	0.20%	20,000	0.24%
Accounting and Legal	10,000	1.02%	20,000	0.39%	25,000	0.30%
Rent & Related Costs	15,000	1.53%	22,300	0.44%	-	0.00%
Telephone	2,400	0.24%	3,000	0.06%	5,000	0.06%
Utilities	4,000	0.41%	6,000	0.12%	8,000	0.10%
Insurance	5,000	0.51%	10,000	0.20%	20,000	0.24%
Taxes (real estate etc.)	-	0.00%	-	0.00%	20,000	0.24%
Interest	2,000	0.20%	1,800	0.04%	-	0.00%
Depreciation	5,000	0.51%	5,000	0.10%	30,000	0.36%
Other expense (equipment)	50,000	5.10%	100,000	1.96%	100,000	1.19%
Other expense (new building)	-	0.00%	200,000	3.92%	-	0.00%
<b>Total Expenses</b>	\$ 676,400	69.03%	\$ 2,811,100	55.05%	\$ 5,018,000	59.61%
<b>Net Profit Before Taxes</b>	88,400		864,900		1,295,500	
<b>Income Taxes</b>	1,020		260,000		388,650	
<b>Net Operating Income</b>	87,380		604,900		906,850	

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	Year 1	Year 2	Year 3
	75	1220	4950
	150	1400	4950
	250	1600	5000
	350	1800	5000
	450	2500	5000
	550	2500	5025
	650	3250	5050
	750	3750	5100
	850	4350	5125
	900	4750	5175
	1000	4800	5200
	1100	4950	5200
Total Units	7075	36870	60775
Yearly Revenue	\$979,887.50	\$5,106,495.00	\$8,417,337.50

Year 1 sale estimates are based on mostly website retail B2C and some small boutique and clinic B2B sales.

Year 2 sale estimates are based on direct B2C and increasing our production capacity and moving onto wholesale accounts, as well as introducing our apparel line.

Year 3 sale estimates are based on Increased production to meet B2C, B2B, Wholesale and some international sales.

NBBP's current inventory of equipment:

Name	Size	Qty	Cost/Value
Blocker	2x4	2	\$6,050ea/\$12,100
Blocked Sizes 1-10	Varies	10	\$800ea/\$8000
Felter	4x5	2	\$8500ea/\$17,000
Steamer	1x2	2	\$250ea/\$500
Fabric cutter	Na	1	\$230.00
Fabric spreader and table	4x8	1	\$900.00
End Cutter	NA	1	\$100.00
Tacker sewing machine	2x4	1	\$4,850.00
Serger	2x4	1	\$1,800.00
Straight stitcher	2x4	1	\$1,000.00
Double stitcher	2x4	1	\$3,500.00
Production table	4x8	1	\$1,000.00
Shelving units	2x4	4	\$200ea/\$800
<b>Total current equipment value:</b>			<b>\$52,680.00</b>