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Business Plan Analysis of Beyond Meat, Inc.

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Abstract

1. Keywords:

- Business Plan Analysis
- Beyond Meat Incorporated
- Plant-based Meat Substitutes
- Financial Analysis
- Market Analysis

2. Main Academic Resources

- Anette, Haag. (2013). Writing a Successful Business Plan an Overview. *Journal of Workplace Health & Safety*. 61(1). 22. American Association of Occupational Health Nursing, Inc.
- Joyce, E. (1990). Developing an Effective Business Plan. *Journal of Nursing Economics.* 8(3). 152-154. Jannetti Publications.
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Short Abstract

In the first part of this thesis, paper will focus on explaining the key components of a proper business plan. Doing an extensive literature review with additional sources such as, articles, news, interviews and surveys, this paper will show the necessity of certain elements such as financial plans, marketing plans, sales strategy and organizational plan in the framework of a business plan, whether it is for a small start-up or a multinational organization. When the literature is examined it shows that a business plan is the most effective tool when it comes to conveying company`s goals and future financial plans. Thus, making it a vital component for the company, managers, reviewers, stockholders and shareholders. Once this paper establishes the important aspects of a general busines plan it examines the case study of Beyond Meat Incorporated. Beyond Meat Inc. is one of America's fastest growing food companies, offering a portfolio of revolutionary plant-based meats. Beyond Meat Inc. produce meat directly from plants, an innovation that allows consumers to experience the taste, texture and other sensory attributes of popular meat products that based on animals, while enjoying the nutritional benefits of eating lab grown meat products based on plant proteins.

Since the company is traded publicly on NASDAQ American Stock Exchange Market, in the second part of this paper, SEC filings and public annual reports are used for the main analysis basis. After an extensive research and analysis this paper concludes that, Beyond Meat brand is uniquely positioned to capitalize on growing consumer interest in high-profile, nutritious, convenient, higher protein content and foods that are based on plants. Beyond Meat have also positioned itself to fit into increasing number of consumers that have public awareness of major animal protein-related issues, including human health, climate change, resource conservation, and animal welfare. company is heavily investing in research and development facilities, staffs and technologies. If these investments pay off in the long run and provide means of cost reduction via research and development, Beyond Meat is on a path to becoming global market leader in meat substitute products.

1. Chapter One, Elements of a Business Plan

A business plan includes the objectives of a business and their goals in a consistent form. It is the most effective tool when it comes to conveying your company`s goals and future financial plans. No matter what stage your business is in; start-up, expending, merging, a proper business plan is a must tool for any enterprise who wishes to have a clear vision. A well-prepared business plan can be used as an internal tool for the company itself or as an external tool for potential investors, shareholders and stakeholders (Hormozi, 2002, p. 755).

In the first chapter,this paper will explain the most important elements when it comes to creating or analyzing a business plan. In its simplest form, the business plan is a piece of document that includes your business, product, service, market and target you will enter and how to achieve these goals. It is no different from plans such as the marketing plan and financial plan created when starting a new business. A business plan is like a roadmap that includes other plans. This roadmap will transform your business into a growing company. The operating plan serves more than one purpose. These objectives vary according to the type of your business and the market in which it will be located. But no matter what your product or market is, you must have a business plan. With the business plan, you can apply for loans to banks, go to investors or become a partner. You can determine the real goals of your business by understanding the market where your business will be located, researching the competition and conducting feasibility studies. Each of these are elements included in the business plan. As a new small business, you need to know not only where you are or where you want to come, but also how to get there. The business plan will let you see this. The business plan will enable you to make more accurate decisions about business strategy, culture, managers and employees, as well as growth efforts for your business. When the financial part of your business plan is created based on the budget of your business, it facilitates the tracking of monthly cash flow. With this convenience, growth targets and profitability become more manageable. Therefore it is vital for managers, analyzers, investors and such to understand the business plan elements before their decision making process.

1.1. Executive Summary

The goals of the executive summary are to offer a clear, quick assessment of the complete project. This element of the plan is usually the most essential piece to write, considering that many reviewers will depend upon this summary for their decision-making process. In order to save time, most of the reviewers will simply read the executive summary and financial summary before going any further with the plan (Katherina, 2017, pp. 121-124). Therefore, an executive business plan should include a brief description of the services and or products that the company offers and why or how it is necessary, considering the current market climate. This executive summary can include but not limited to; product and/or service that is being provided, description of the target market, competition, financial overview, brief company structure and funding needs if necessary. Other topics might include; milestones for the company, evidence of financial stability, evidence of early success.

1.2. Mission Statement

A mission statement is a brief declaration of why a business enterprise exists and explains what its overall intention is, in the current market. Mission statement will help the organization to identify what sort of service or product it provides, its primary clients and/or market. It may also include a brief acknowledgment of the organization`s values, main advantages or their vision for the future state of the enterprise. It also a common practice to aim the mission statement to the employees rather than the customers because a proper mission statement is a clear internal organization communication tool (Entrepreneur Media, n.d.).

1.3. Company Summary

A company overview is an important part of a business plan. It’s an outline of the most crucial factors about your organization such as the organization`s history, management team, location of the services and/or products provided, legal structure of the company and the ownership structure of the whole organization. A company summary will help the organization to answer questions such as company`s competitive advantage, company`s

geographic advantage, organizational strengths and organizational expertise for any reviewers (U.S. Small Business Administration, n.d.).

1.3.1. Ownership and Management

Providing ownership information is a crucial step for any business plan. It provides a legal basis for any reviewers such as investors, stakeholders and shareholders. Therefore, the ownership information should be clear and hundred percent accurate. It should state whether the company is a corporation, limited partnership, sole proprietor or LLC. On the other hand, management information or organizational chart regarding the business is also vital for any reviewers who wishes to see the organizational capabilities of the management (U.S. Small Business Administration, n.d.). Organizational chart lays out who is in charge of which part of the company while demonstrating key employees for the success of the company.

1.4. Services and Products

The main goal of this element of the business plan is to provide an outline of the product and/or services offered. This part of the business plan is there to show unique capabilities that offer a competitive benefit over the competition. Another step is to identify and analyze the products and services provided by the competitors. Entrepreneurs should list the advantages of the product or services provided by their company, together with upgrades over current products and services if there is any. In this section, business plan must explain the strategy of the company for meeting or dominating the competition. It is also vital to include any plans of introducing future products and services, if applicable (Anette, 2013, p. 22).

All of the resources and assets that is necessary for the product development or manufacturing should be included in this segment. This part of the business plan must also include the vital control points for quality assurance, possible problems that might occur with the production or potential complications with the service that the company provides. Being upfront and straightforward while providing unique and achievable solutions to these possible problems will demonstrate that your business is aware of the risks and ready to eliminate them (Joyce, 1990, pp. 152-154). Whether the company offers a service, a product

or both, it is important to showcase the product and service life cycle. The term product or service life cycle refers to the length of a time period that a product or service is made available to the purchasers in the marketplace till it is eliminated or discontinued from the marketplace. While a newly created product or service needs to be explained, a mature one needs to be differentiated (Carol, 2020).

1.5. Market and Industry Analysis

Market and Industry analysis might overlap with each other but they usually focus on two different aspects of the business. Industry analysis is a method used by companies and analysts to determine the competitive dynamics of that given sector. It lets companies and analysts to get a sense of what's happening in a market, e.g. demand-supply figures, degree of industry rivalry, state of industry competition with other emerging industries (Cfi Education Inc., n.d.-b). On the other hand, market analysis is used to detect the appeal of a market and to understand the market`s opportunities and threats. Once these opportunities and threats are identified they relate to company`s own strength and weaknesses. Dimensions of a market analysis are but not limited to; market size, industry cost structure, distribution channels, market trends, market growth rate and key success factors (NetMba, n.d.).

1.5.1. Market Segmentation and Main Competitors

Market segmentation is an important method which works by splitting the consumer markets into groups with common needs and demands. The reason behind the market segmentation is that, in order to gain competitive advantage and superior efficiency, businesses should define demand segments, target specific sectors and create unique marketing mix for each targeted market segment (Madhavaram & Hunt, 2008, pp. 67-82).

It is important to answer questions such as; who are the possible buyers, what do they want to buy, how do they want to buy it, when do they want to buy it, where and why do they want to buy it for every market segment that the business wants to operate. Answering these questions will help the company to create a STP (Segmenting, Targeting, Positioning)

framework. This broad framework will simplify the process of market segmentation and could be beneficial for establishing the marketing strategy of the business (Moutinho, 2000).

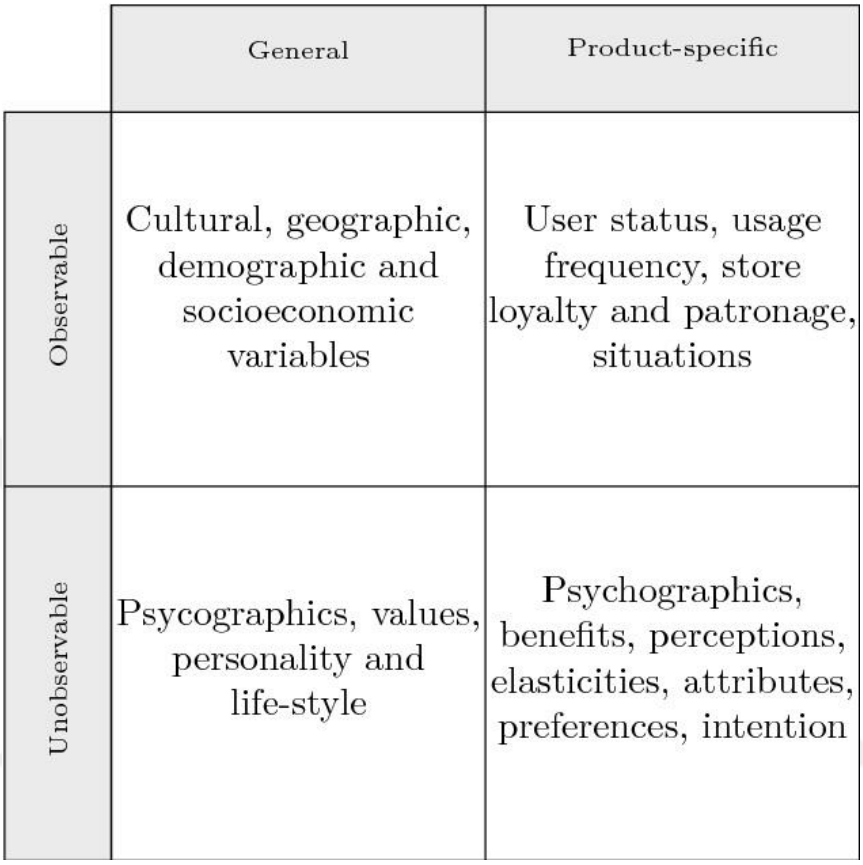

Figure 1. Examples of variables for market segmentation (Karlsson, 2017).

Main competition analysis is another crucial part of the business plan of any given company. Competition analysis is directly beneficial for creating a successful marketing plan because through this assessment, company will decide what makes their product or service unique in the eyes of the possible consumers, thus it helps to identify what qualities the company play up to draw the target market. Categorizing the competition according their risk levels while listing their products or services, growth trends, marketing targets, profitability, strategies, operational cost structure, SWOT analysis and size in sales is an important aspect of competition analysis (Entrepreneur Media Inc., n.d.) This part of the business plan will demonstrate any reviewers that you as a company have a great grasp of the market and your direct competition.

1.5.2. SWOT Analysis

The main purpose of SWOT analysis is to make decisions on any personal or responsible issue, or to ensure that weak, advantageous or disadvantageous points are considered as a whole. SWOT analysis helps to determine the most accurate steps to be taken by evaluating the subjects, for example a company`s, strengths and weaknesses, possible opportunities and threats. At the same time, by identifying sales and threats in the market, you can accurately draw the path that will facilitate your company`s success in the future. In addition to these, you can examine company itself and also its competitors within the framework of SWOT analysis and develop strategies that distinguish the company from other competitors in the market or in the industry.

A proper SWOT analysis combines elements from the internal and external environments and it has been evolved and used since the 1960`s. Since a SWOT analysis helps the organization to identify the most prominent activities that are affecting the success of that business, it is considered to be a must have tool for steering a company to success (Krupka et al., 2018, pp. 135-146). The fundamental and the simple idea behind the SWOT model is the concept of determining strengths, weaknesses, threats and opportunities.

The scholars came up with so-called SWOT matrix to present the model in a more understandable way for companies and individuals. SWOT matrix is nothing more than a graphical representation of the SWOT framework. A SWOT matrix usually uses a two by two grid, with one square space for each aspects of the SWOT analysis (Mindtools, n.d.).

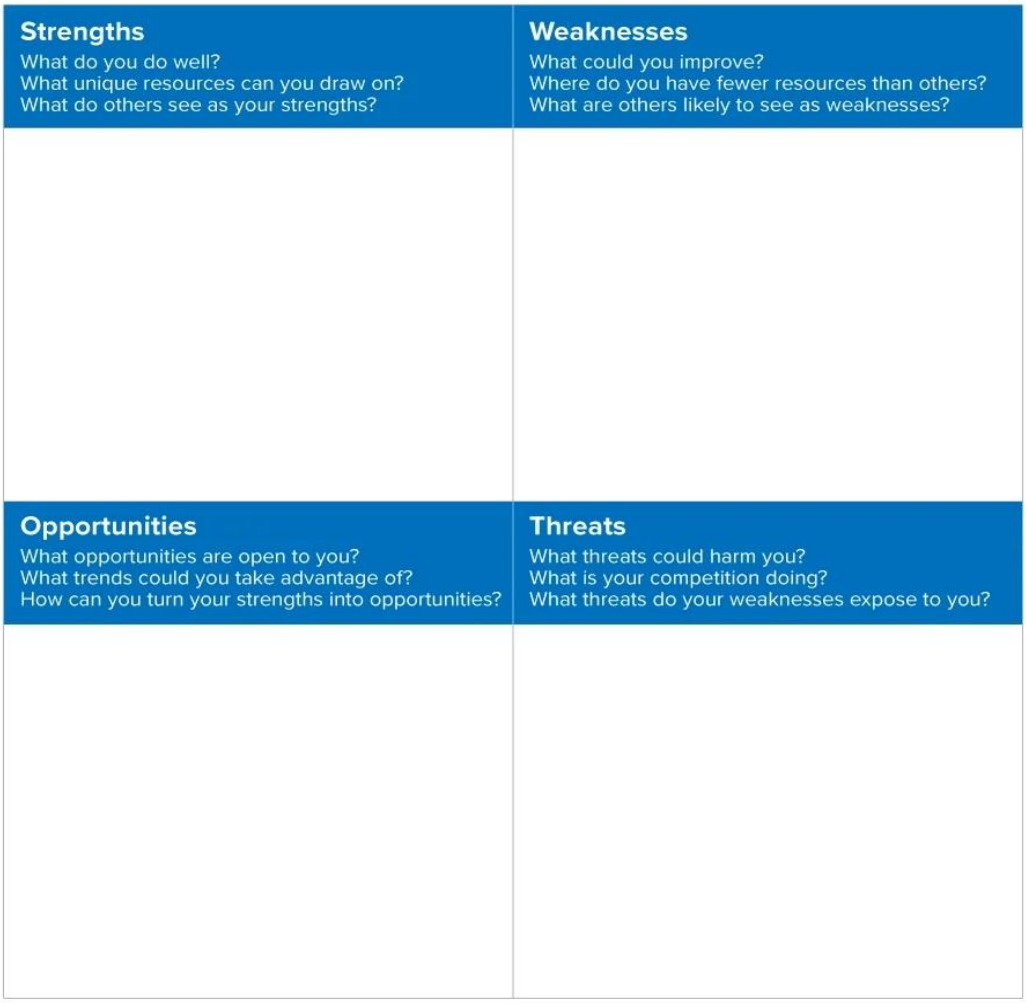

Figure 2. SWOT matrix example (Mindtools, n.d.).

1.6. Marketing strategy and Implementation

Competitive Strategies differ from company to company. A start-ups strategy will be different than a multinational company (Slavik et al., 2002, pp. 125-148). A creative and well-developed marketing strategy is characterized as a set of activities and implementations that are designed to promote selective or full target markets for products and/or services that are provided by the company to achieve business objectives (Muhammad & Nazla, 2016, pp. 668-679). In her published article in Workplace Health and Safety Journal, Ms. Annette B. Haag explains the general marketing strategy implementation process as follows,

``Entrepreneurs survey the existing market to determine size, diversity, and location. They define the competitors and their pricing policies, promotional strategies, and relative share of the market. Is the market growing or shrinking? The owner should outline trends, implied opportunities, and expectations of industry forecasters for the next 2 years, including projections (Anette, 2013, pp 19-29). ``

From this literature review it can be deducted that marketing strategies in general are analyzed selections for target market with the help of marketing mix decisions which in the end aims to satisfy the target market. In their 2011 paper, Yang, Yung-Sheng and Jui-Min Hsiao defines marketing strategies under different dimensions such as, branding strategy, innovation strategy, channel strategy and low-cost strategy (Yung-Sheng & Jui-Min, 2011, pp. 623-634). These are defined as;

1) Innovation strategy is a plan which an organization uses to promote innovations in technology or services, typically by spending money in R&D activities. These innovations should in practice improve operation performance.

2) Brand strategies and brand images are long-term plans that describe and promote the brand. These strategies are determined according to customer needs and perception, competitors' strategies and the evolution of digital life.

3) Channel strategy is the overall plan that stimulates the need for purchase intention for the customer.

4) Low-cost strategy. In addition to other strategies such as, innovation, brand, channel strategies, it is important to utilize price competition and promotion strategies to create demand among the target market.

1.6.1. Competitive Advantage

Understanding and securing a company's competitive advantage begins with determining where are the capabilities of the company`s competitive advantage and how that said company can handle it better to emerge to the market or dominate an existent market. From an organization perspective, an enterprise's success is measured by the disparity between its capacity or willingness to use these resources in response to the rapidly evolving and constantly globalizing world (Lee & Yoo, 2019, pp. 1-18). Competitive advantage can be created in many ways, from branding to clever distribution channels. Often times, there can be more than one factor that creates competitive advantage. These can be, but not limited to, strategic pricing, customer service, market positioning, product attribute, distribution channels, access to innovation and new technologies. At the same time, it is very important that these factors that bring competitive advantage to your company are sustainable. The higher the credibility of the competitive advantage, greater the chance that the company with this advantage will sustain its level of profit and maintain its strength against its competitors. An organization can create and sustain a competitive advantage in two main ways. First one is through external changes. For example, when a PEST factor (Political, Economic, Social, Technological) changes, it might create opportunities for various organizations. If seized upon, these new circumstances could provide benefit and competitive advantage for the company or the organization. Second one is by developing competitive advantage via internal factors. An organization can create competitive advantage when it develops unique VRIO (value, rarity, imitability and organization) resources (SM Insight, n.d.). All of these factors affects where and how a company stands in the industry and how it is perceived by the target group. Which will result in sales volume if applied correctly. Thus, making it a crucial component for any business plan.

1.6.2. Traditional Marketing and Digital Marketing

American Marketing Association defines marketing as, ``the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large `` (AMA, n.d.). Traditional marketing is a conventional mode of marketing style that helps organizations to reach out with different offline ads and promotional methods to a semi-targeted population. Because of that traditional marketing method generally uses offline mediums such as print

media, broadcast, direct mail and outdoor advertising, it relies heavily on the infamous for P`s of marketing. Product, price, place and promotion (Lyfe Marketing, 2019). On the other hand, digital marketing is a marketing method with a high rate of preference and more advantageous than traditional media in today's technology world where you can promote your products and/or services via a digital medium such as social media, online PR projects, website and more. On her published paper Raluca Dania Todor defines digital marketing as, ` a blanket term for the targeted, measurable, and interactive marketing of goods or services using a digital medium`. Later on, she lists advantages of digital marketing as cost efficient, interactive, broader audience, duration, rich content availability, ease to measure and better targeted (Raluca, 2016, pp. 51-56).

In a world where globalization and digitalization move rapidly among the consumers and producers, it is an important point for companies to determine what kind of marketing methods that they want to use to attract the target group they desire. Traditional marketing strategies and digital marketing strategies comes play a big role in this decision-making process.

1.6.3. Sales strategy and Forecasting

A sales strategy is a whole company or individual well designed and organized plan on how to market goods and services, and how to maximize profits. Sales strategies are usually created by the management of an organization along with its managers of sales, marketing, and advertisement departments (Amico, n.d.). In accordance with the sales strategy, forecasting is a prominent component. One of the best ways to lower the risks that are associated with marketing and sales strategy is with forecasting. The sales forecasting has to take into account target segment patterns and should be no greater than market potential (Cristinel, 2016, pp. 1-7).

Global warming and worldwide decline of natural resources push the businesses to establish successful management strategies for both natural resource use and even ecological considerations. Because of this, sales forecasting has a considerable significance for the planning of future events of companies (Leyla & Selahattin, 2018, pp. 705-712). Literature further suggests that sales forecasting forms the fundamentals of company management planning. Efficient and well researched sales forecasting will improve company efficiency

in inventory management, revenue management, procurement of products, while increasing company income and decreasing costs (Fei & Chi-jie, 2017, pp. 2633-2647). Anticipating what will happen and how it will happen in the future is strategically important, especially for businesses in a competitive environment, but this sales forecasting is an uncertain process. It can be said that all managerial decisions of businesses depend on future estimates. Therefore, making a healthy forecast or predicting for uncertain future situations is important for the reliability of the decisions to be made. Thus, sales forecasting and well-planned sales strategy is a must in every business planning framework.

1.7. Operational Planning

The establishment of the operational planning network depends on selecting and bringing together the appropriate number of people who have the skills and are suitable for the goals that are set by the company. If employees are not brought together correctly, problems may arise that will affect the efficiency of the planning development process. Individuals involved in each operational planning component in the network will act as an important node. Connections between these nodes improve the interactions necessary for the planned tasks to be performed. Therefore, an operational plan is a highly detailed plan which provides a clear picture of how a team, section or department can help achieve the goals of the organization. The operating plan maps the daily tasks needed to run and manage a company (Syndicate Room, n.d.).

The strategy of a company is determined by its priorities and purpose, and by those of the networks of which it is a participant. This is called the grand strategy, and it is the process by which the company's various departments formulate their strategies and operating plans. In definition, company`s departments such as logistics, marketing and manufacturing should align their efforts to meet a common operating plan that optimizes the entire project in order to achieve the objective and goals of the company (Robert et al., 1993, pp. 29-40). Therefore the main idea behind this section's purpose is to explain how the company will work. The exact content will represent the type of company, the specific points to be discussed, and the reviewers' information needs. The section should, however, provide ample details to show the business can be run efficiently. The reviewer should be able to picture the whole operation and have faith that all bases have been covered (Katherine, 1988,

pp. 121-124). The operational plan section has vital information about every day-to-day aspect of the company thus making it another essential element of the business plan.

1.7.1. Goals, Objectives and Milestones

Once a company developed its vision and mission statements and probably its core values, then it can build the objectives, goals, priorities and action plans required to activate the company's mission and achieve its vision. A company goal is a general statement of what the company wants to achieve in the near future. Therefore, it is logical to think company goals a milestone in the making. Examples of business goals are but not limited to, efficiency increase, profit margin increase, reducing carbon emissions, grabbing a bigger market share, providing more reliable customer service, reducing employee turnover rate and improving internal training. These goals should be suitable for your company, flexible in the need of adaptation and they should be easily understandable by any department`s employees (Iowa State University, 2016).

An objective on the hand is used to transform a general statement of what to accomplish, for example a goal, into a precise, measurable and time-sensitive expression. Objectives will help organizations to put their goals in a more defined framework. An example between a goal and an objective is this; while `increasing profit margin` is a goal, `Earning at least a twenty percent after-tax rate of return on initial investment in the next two fiscal years` is an objective. Or another example for a goal could be `better customer service` while the corresponding objective could be `Reducing the call-back time of customer inquiries and questions to no more than 2 hours`. Any organization objective should fall into the following criteria, objectives should be measurable and suitable within the goals of the company (Iowa State University, 2016). On top of these, in a well created business plan, the milestones table is one of the most essential elements. It sets out the strategy in realistic, concrete terms, with specific budgets, targets and obligations for management. It lets the organization to concentrate as the business plan develops, and then as the company expands, the milestones table helps the organization to execute the planned objectives. It is also a great tool to for planned management versus actual management analysis (Berry, n.d.-c).

1.8. Financial Plans and Projections

It is possible to reach management and investment decisions that will help maximize the return value by making financial planning. There are many tools that can be used for financial planning. Such as, balance sheet and profit/loss statement, ratio analysis, cash flow, running cost analysis and many more. Among these, preparation and analysis of balance sheets and income statements are the most essential points for a successful financial planning. On top of that, ratio analysis enables the performance of a firm and the comparison of this performance with other organizations in its sector.

For most organizations these reports are standard. The owner and upper-management of the company should understand how each of those documents has been made. For any reviewers or possible financial backers, the possibility of any financial success lies in its financial plan and projections. Financial estimates in the business plan should be prudent, practical and backed by actual data, demographic details for clients and reliable cost of production. One basic fact about financial planning is that forecasts of currency should match physical activity of the company (Anette, 2013, p. 22).

1.8.1. Start-up and Running Costs

A business budget that analysis start-up and running costs helps companies to assess how much money they need to start and run the company and also when the company will generate profit. A cost budget also helps the company to pinpoint how much sales that they need to make in order to break even and begin operating at a profit (Brookins, 2019). Calculating proper start-up and running costs can help the company to secure loans and attract investors, estimate profits, identify potential tax deductions and extend the runway of the business (Berry, n.d.-b).

1.8.2. Break-even Analysis

The break-even point (BEP) in economics and business, specifically in cost accounting, is the point at which costs or expenditures and profits are equal and that there is no net loss or benefit, and the organization or the company has `broken even` (Boldrin & Levine, 2008). Meaning that there has been no profit or loss until this time, but on the other hand, opportunity costs were indemnified and capital has a risk-adjusted, anticipated return of cash flow. In other words, it is the stage at which a company's overall income exceeds its total expenses, and the corporation tends to generate capital rather than spend it. Establishing the break-even point lets companies and organizations as such to figure out strategies for the production levels they need to hold to remain profitable.

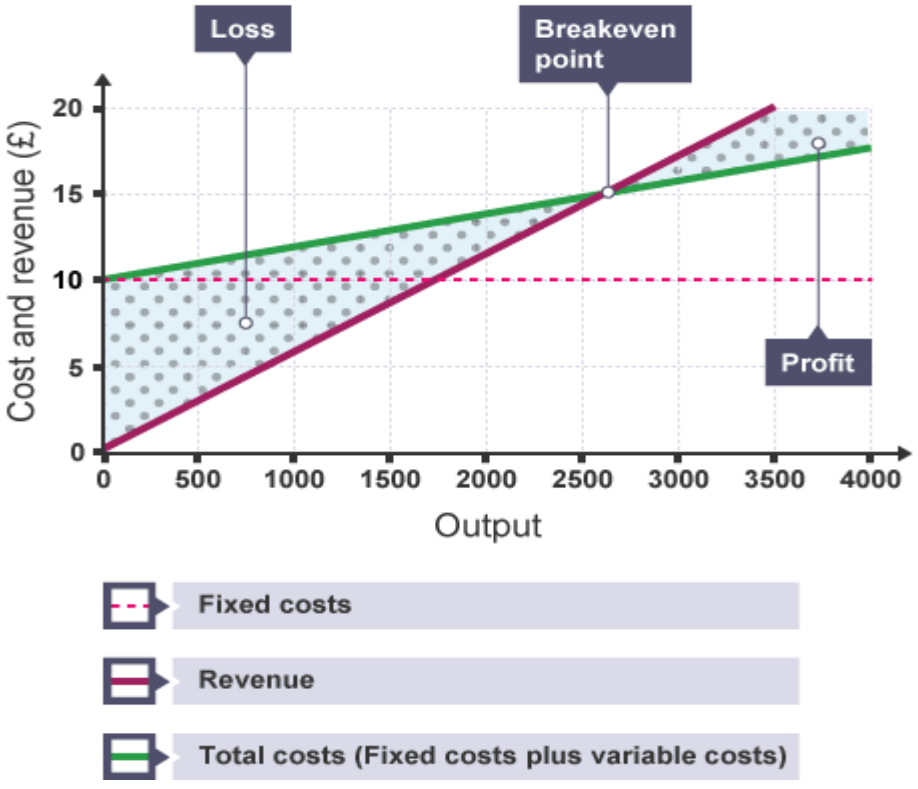

Figure 3. Break-even Analysis Example (BBC, n.d.)

On his published article in social work journal, Lohmann lays out five steps to create a break-even analysis graph for companies, organizations and individuals. The first step is determining the fixed revenues, second step is determining variable revenues, third step is plotting realistic revenue estimates in parallel with sales forecast, fourth step is determining expenditures in both fixed and variable levels and the last step is to plotting expenditure estimates on the graph (Roger, 1976, pp. 300-307). This detailed breakdown makes the break-even analysis the most valuable method that helps companies and/or reviewers to find out if the business if affordable. This approach can be used to monitor costs, classify projects that are not working well or determine future project viability. Since the break-even analysis relies on the use of cost information to determine whether a specific unit, service or a company is going to lose money, make money or break-even, it is an essential element in any business plan (Merry, 2005, pp. 31-34). Since the break-even analysis is based on assumptions made with average sales per unit, average cost per unit and fixed costs, these figures will rarely be hundred percent on point. A recommend practice is that the company or the organization should do the break-even table twice; first, as part of the initial calculation, with informed guesses for estimates, and then using primary data that has been accumulated over time which consists of comprehensive revenue estimate and profit and loss figures (Berry, n.d.-a).

1.8.3. Profit and Loss Statement (P&L)

A profit and loss (P&L) statement, or income statement or statement of operations, is a financial report of a company or an organization that includes a description of the sales, expenditures and profits/losses of a company or an organization for a given period. The profit and loss statement reflects the capacity of a company to produce revenue, control costs and generate profits (Cfi Education, n.d.-c).

In the preparation of the income statement, the principles of financial statements are taken as basis. In the preparation of this table, the income obtained from the main activities and the income obtained from other continuous activities and the extraordinary income that does not show continuity are shown separately. The income statement is prepared within the framework of certain accounting principles. The purpose of these principles is to ensure that sales, revenues, cost of sales, expenses, accounts of profits and losses and operating activity results for certain periods are classified and truthfully displayed. The income statement or

the profit and loss statement can be prepared in one of two methods. For method is the `single step income statement` which totals revenues and subtracts expenses to find the bottom line. The second method, multi-step income statement takes multiple steps to reach the bottom line: beginning with the gross profit, then measuring operating expenses. After that it defines income from sales when deducted from the gross profit (Warren, 2008, pp. 128-132).

"Bottom line" is the net income measured after the revenue is subtracted from the expenditures. Since this is the last line of the income statement, it is informally called "bottom line." It is significant for investors as it reflects the shareholders' attributable profit for the year. Following revision to International Accounting Standards Board in 2003, the formal policy now uses `profit or loss` for the year as the descriptive term for the bottom line of the income statement, rather than net profit or loss or net profits (International Accounting Standards Board, 2007). Profit and loss statement have a great importance, especially for the managers of the business, and for those who have financial connections with the business. In addition, the income statement shows to what extent and through what activities the businesses achieved their profit. For example; The total sales of the company during a period and the expenses generated by these sales will be clearly seen. As a result of this, individuals and companies that have financial connections with the business and manager of that said company will have the opportunity to see which sales and expenses resulted in profit for the company. This detailed framework will help for external and internal decision-making process.

1.8.4. Cash Flow

A cash flow statement is a financial statement that offers aggregate statistics on all cash inflows a business collects from its continuing activities and external sources of investment. It also covers all cash outflows, over a specified time, that a company pays for its operations and investments. The importance of and the need for cash-flow management is a matter of common understanding among researchers and practitioners. Cash is a major resource for any business regarding of their respected industries. As a result, cash flow forecasting helps companies and organizations make provisions to avoid a liquidity crisis during difficult periods (Mostafa et al., 2017, pp. 1045-1059). Furthermore, if we examine the literature, we can see that on her 2013 published paper, Ms. Annette Haag states that

``the cash flow statement measures the flow of money, both expenses and revenue, for the business`` (Anette, 2013, p. 22).

Strauss Printing Services
Statement of Cash Flows
For the Year Ended December 31, 2019

Cash Flow from Operating Activities:		
Cash received from customers	$ 146,000	
Cash paid for expenses	(81,000)	
Cash paid to suppliers	(47,500)	$ 17,500
Cash Flow from Investing Activities:		
Cash paid to acquire additional equipment		(20,300)
Cash Flow from Financing Activities:		
Cash received from investment of owner	$ 10,000	
Cash received from bank loan	50,000	
Cash paid for bank loan – partial payment	(27,000)	
Cash paid to owner – withdrawal	(20,000)	13,000
Net Increase (Decrease) in Cash for the Year		$ 10,200
Add: Cash – January 1, 2019		10,800
Cash – December 31, 2019		$ 21,000

Table 1. Cash Flow Statement Example (AccountingVerse, n.d.)

The need to establish an independent concept of strategic management accounting of the cash flows of the company as part of its strategic management accounting is due to the fact that almost every management decision, such as the expansion of production, the retooling or the introduction of a new technology, can only be achieved if it is assured by sufficient means.

These kind of strategic management decisions can be achieved by using tools such as cash flow statements. The need to establish an independent concept of strategic management accounting of the cash flows of the company as part of its strategic management accounting is due to the fact that almost every management decision, such as the expansion of production, the retooling or the introduction of a new technology, can only be achieved if it is assured by sufficient means. These kind of strategic management decisions can be achieved by using tools such as cash flow statements (Vetrov et al., 2017, pp. 425-435).

1.8.5. Balance Sheet

A balance sheet is sometimes described as a "snapshot of the financial position of a firm." Of the four main financial statements, the balance sheet is the only statement that refers to a single point in the fiscal year of the company. Therefore, the balance sheet is a statement of position, and not a record of history. It displays what the company owns and owes on a given date (Anette, 2013, p. 22). The traditional corporate balance sheet usually has two sides. The assets on the left and the debt on the right – which itself has two parts; the liabilities and the equity capital. The key categories of assets are generally listed first, and typically in terms of liquidity. Assets will be accompanied by liabilities. The difference between assets and liabilities is known as equity or net assets, the company's net worth. On top that, according to the accounting equation, net worth must be equal to assets minus liabilities (Daniels, 1980, pp. 13-14).

The aim of the balance sheet is to give interested parties such as investors or reviewers an indication of the financial status of the company, in addition to showing what the company owns and owes. It is necessary for all investors to know how to use, interpret and read the balance sheet. The balance sheet can provide insight or justification to invest in a stock, a share or a loan.

[Company Name]					© Corporate Finance Institute®. All rights reserved.
Balance Sheet					
[USD $ millions]					
	2014	**2015**	**2016**	**2017**	**2018**
Assets					
Current assets:					
Cash	167,971	181,210	183,715	211,069	239,550
Accounts Receivable	5,100	5,904	6,567	7,117	7,539
Prepaid expenses	4,806	5,513	5,170	5,998	5,682
Inventory	7,805	9,601	9,825	10,531	11,342
Total current assets	185,682	202,228	205,277	234,715	264,112
Property & Equipment	45,500	42,350	40,145	38,602	37,521
Goodwill	3,580	3,460	3,910	3,870	3,850
Total Assets	**234,762**	**248,038**	**249,332**	**277,187**	**305,483**
Liabilities					
Current liabilities:					
Accounts Payable	3,902	4,800	4,912	5,265	5,671
Accrued expenses	1,320	1,541	1,662	1,865	1,899
Unearned revenue	1,540	1,560	1,853	1,952	1,724
Total current liabilities	6,762	7,901	8,427	9,082	9,294
Long-term debt	50,000	50,000	30,000	30,000	30,000
Other long-term liabilities	5,526	5,872	5,565	6,051	5,909
Total Liabilities	**62,288**	**63,773**	**43,992**	**45,133**	**45,203**
Shareholder's Equity					
Equity Capital	170,000	170,000	170,000	170,000	170,000
Retained Earnings	2,474	14,265	35,340	62,053	90,280
Shareholder's Equity	**172,474**	**184,265**	**205,340**	**232,053**	**260,280**
Total Liabilities & Shareholder's Equity	**234,762**	**248,038**	**249,332**	**277,187**	**305,483**
Check	*0.000*	*0.000*	*0.000*	*0.000*	*0.000*

Table 2. Balance Sheet Example (Cfi Education, n.d.-a)

2. Chapter Two, Summary of Business Plan Elements

Until this part, this paper aimed to review and discuss the various literatures and other sources such as online articles, interviews and books to show the importance of preparing a proper, comprehensive and accurate business plan. The business plan components that are listed before this part are considered to be the main foundation for most business` regardless of their industry or their target market. Nonetheless, it should be apparent that there is no specific and restricted way of preparing a business plan. Alternative formats that are suitable for different needs of various different companies can be found online or can be prepared.

This paper also summarized the main benefits of preparing a general business plan. After conducting a literature review, this paper can show that, a business plan can improve the performance of the business by identifying its weaknesses and strengths while pinpointing new or potential problems. It can coordinate the planning process of various departments or units of the enterprise and ensures their consistency. The business plan can also communicate expectations to management and to staff regarding the performance and priorities of the company. It can create and analyze robust metrics to measure the performance of the entire business, its units, departments or managers. In addition to these factors, analysis of the economic, financial and competitive structure in the business plan helps the entrepreneurs to carefully review the assumptions that are being made by the said company. To help with that fact, in business plans, goals and objectives are expressed quantitatively, making it easier to compare to actual result with predictions. It is safe to assume that a business plan provides information to funders and investors about the market potential and plans on how to maintain the market share. On top of these, a business plan can also be used as a training and a motivation tool for managers of the businesses through the development process. The business plan not only increases transparency and confidence in the business, but also helps to obtain loans under more favorable terms. According to a study conducted on 500 SMEs (Small and medium-sized enterprises), one of the most important features that distinguishes growing companies from failing companies is the absence of a written business plan. Again, according to another study, only 12 percent of SMEs (Small and medium-sized enterprises) have a long-term written business plan (Biatime Consultancy, n.d.). When all these factors are considered together it should be evidentiary that the business plan process is one of the most important pieces of paper in a company`s history.

3. Chapter Three, Beyond Meat Inc., Business Plan Analysis

In the second chapter, this paper will solely focus on Los Angeles-based producer of plant-based meat substitutes, Beyond Meat Inc., which is founded in 2009 by Ethan Brown. At a first glance, it can be observed that portfolio of revolutionary plant-based meats is offered by Beyond Meat, Inc. They create realistic meat substitutes from plants directly, an innovation that allows customers to experience the taste, texture and other sensory characteristics of popular meat products based on animals while enjoying the nutritional and environmental benefits of eating products that are based on plants. Their brand dedication, "Eat What You Love," reflects a strong belief that by eating plant-based, consumers can enjoy more of their favorite meals and help address human health, climate change, resource conservation and animal welfare concerns by doing so. The success of their breakthrough innovation model and products has enabled them to attract a wide range of consumers, enabling them to compete directly in the global meat industry market that is worth $1.4 trillion. Using the literature review and research that this paper conducted in the first chapter, we can apply the same analytic and unbiased approach to the Beyond Meat Inc. business plan. Since Beyond Meat Inc. is publicly traded company in the United States of America, second chapter of this paper will focus heavily on the investor relations documents that are provided by the company and regulated by the United States Securities and Exchange Commission. On top of that, this paper will further utilize information from news outlets, blog posts and third-party market analysis companies to have better understanding of the company`s business plan.

3.1. Company Introduction and History

Beyond Meat is a manufacturer of plant-based meat substitutes, based in Los Angeles, founded by Ethan Brown in 2009. In 2012 the company released its first products in the United States. The business was founded in 2009 by Ethan Brown as a startup based in California named Savage River Inc. Mr. Brown initially approached two professors at the University of Missouri, Fu-hung Hsieh and Harold Huff, who had long been developing their meatless protein (Meredith, 2014). After the initial collaboration with Fu-hung Hsieh and Harold Huff, it took the company five years to come up with their initial product called ``Chicken-free Strips``. After the initial product launch, Beyond Meat Inc., limited the product release to several locations. After the first successful product launch the company

has acquired venture funding from Kleiner Perkins, Obvious Corporation, Bill Gates, GreatPoint Ventures, Tyson Foods and the Humane Society organizations. Once the company received a respectable funding from various companies and organizations, they expended their operation and began selling their plant-based chicken products in Whole Foods supermarkets, which got acquired by Amazon Inc. with a $13.7 billion deal, all around the United States around the year 2013. After a steady expansion and growth, Beyond Meat Inc. developed a plant-based beef product in 2014 and expanded their operations to 6.000 stores from 1.500 stores across the United States (Holly, 2015).

After the second expansion which got Beyond Meat Inc. up to 6,000 stores in United States, Tyson Foods, an American multinational corporation that operates in food industry and ranked No. 80 in the 2018 Fortune 500 list, purchased %5 stake in Beyond Meat Inc. in 2016 (Stephanie, 2016). While this five percent stake investment considered to be a huge deal, in 2019, Tyson Foods exited the investment prematurely before the Beyond Meat Inc.`s IPO (Initial Public Offering). In 2018, company opened another manufacturing and assembly line in Missouri, United States. This expansion resulted in three times increase in Beyond Meat Inc.`s manufacturing and assembly space. After expending the company in the United States, Beyond Meat Inc. collaborated with fifty international markets which allowed them to sell their products in United Kingdom, Canada and most of Europe. They have also opened a special research and development center in El Segundo, California, that employs nearly hundred employees (Pomranz, 2018).

On May 2, 2019 Beyond Meat Inc. went public with the opening bell of the New York Stock Exchange. At company`s initial public offering date, it holds a market valuation of $1.46 billion (Wang, 2019).

3.2. Beyond Meat Inc. Executive Summary

Beyond Meat is one of America's fastest growing food companies, offering a portfolio of revolutionary plant-based meats. Beyond Meat Inc. produce meat directly from plants, an innovation that allows consumers to experience the taste, texture and other sensory attributes of popular meat products that based on animals, while enjoying the nutritional benefits of eating lab grown meat products based on plant proteins. Beyond Meat`s brand commitment ``Eat What You Love`` reflects a firm conviction that by eating the company`s

vegetable-based foods, customers will enjoy more, not less, of their favorite meals and thus help solve human health, climate change, resource security and animal welfare issues. The popularity of company`s revolutionary innovation model and products has helped them to cater to a wide variety of customers, including those who traditionally eat meat based on animals, positioning the company directly to compete in the $1.4 trillion global meat industry.

Beyond Meat company`s flagship product is The Beyond Burger, the world's first 100 per cent plant-based burger in the grocery store meat aisles. The Beyond Burger is built to look like conventional ground beef, to cook and taste like a regular burger. On top of that company also markets a variety of other meat items dependent on plants, including Beyond Sausage. All of Beyond Meat`s products are free from genetically modified organisms (GMO), antibiotic, hormone and gluten. Beyond Meat Inc. goods are currently available at about 30,000 distribution points, mainly in the United States and Canada, as well as many other countries, through conventional supermarket, mass merchandiser and natural retailer networks, as well as various food-away-from-home networks, including restaurants. Research, development and creativity are crucial elements of Beyond Meat`s corporate strategy and they believe that these crucial elements represent a major competitive advantage for them. Via their rapid and persistent innovation program, company`s team of scientists and engineers works to continuously enhance the current product formulations and to create new products across our beef, pork and chicken platforms. Their Manhattan Beach Project Innovation Center in El Segundo, California brings together leading scientists from the disciplines of chemistry, biology, materials science, food science, and biophysics who collaborate with process engineers and culinary specialists to fulfill their vision of perfectly building meat based on vegetables.

Company has developed three core plant-based product platforms to capture broad market opportunity that align with the largest meat categories globally: beef, pork, and poultry. Their core products use the primary components of animal-based meat — amino acids, lipids, trace minerals, and water — which are not animal-friendly and available in plants. Beyond Meat created their plant-based products using patented scientific methods that establish the animal-based meat architecture which they are trying to recreate and then assemble them using plant-based amino acids, lipids, trace minerals and water. Beyond Meat focuses on continuous improvement of their products so that they are indistinguishable from their animal-based counterpart to the human sensory system.

Financially, over the past few years, Beyond Meat`s net sales have risen dramatically from $16.2 million in 2016 to $87.9 million in 2018, reflecting a compound annual growth rate of 133 per cent. Company`s net income in 2018 was $87.9 million, a rise of 170 per cent from $32.6 million in 2017. Since its investment in research and development company have made losses. Net loss in 2016, 2017 and 2018 amounted to $25.1 million, $30.4 million and $29.9 million, respectively. Beyond Meat plans to continue investing in creativity, technologies for the supply chain, production and marketing campaigns. Because they believe the demand and the need for their product will grow higher each year (U.S. Securities and Exchange Commission, 2019).

3.3. Beyond Meat Inc. Mission and Vision Statements

Beyond Meat company states their mission statement as `` to create nutritious plant-based meats that taste delicious and deliver a consumer experience indistinguishable from that provided by animal-based meats. `` year (U.S. Securities and Exchange Commission, 2019). On top that, their vision is mainly focused on helping to solve global issues. They believe that there is a better way to feed children and that the good decisions that the company makes will have a huge effect on everyone`s personal health and the health of our world. Beyond Meat vision believes by transitioning from animal to plant-based meat they can have a positive effect on four the global issues: human health, climate change, natural resource constraints and animal welfare.

When their mission and vision statement is examined, we can conduct that their company`s main goals revolve around the global issues such as human health, climate change, constraints on natural resources, and animal welfare. These global issues are getting more important day after day, especially among the generation Z target groups. By establishing a business model that tries to help with these issues via creating products that are plant-based can create a desire to support among new generations. And to support their mission and vision statements Beyond Meat Inc. collaborated with University of Michigan, Center for Sustainable Systems to publish a report to analyze the life cycle of Beyond Meat`s Beyond Burger product and an animal-based based protein source.

Researchers, Martin C. Heller and Gregory A. Keoleian found out that based on a comparative evaluation of the existing Beyond Burger production framework, Beyond Burger produces 90% less greenhouse gas emissions, consumes 46% less non-renewable electricity, has 99% less water shortage impact and 93% less land use impact than 1⁄4 pound of U.S. beef (Martin & Gregory, 2018). Therefore it is safe to assume that Beyond Meat Inc. has a well-planned mission and vision for their company.

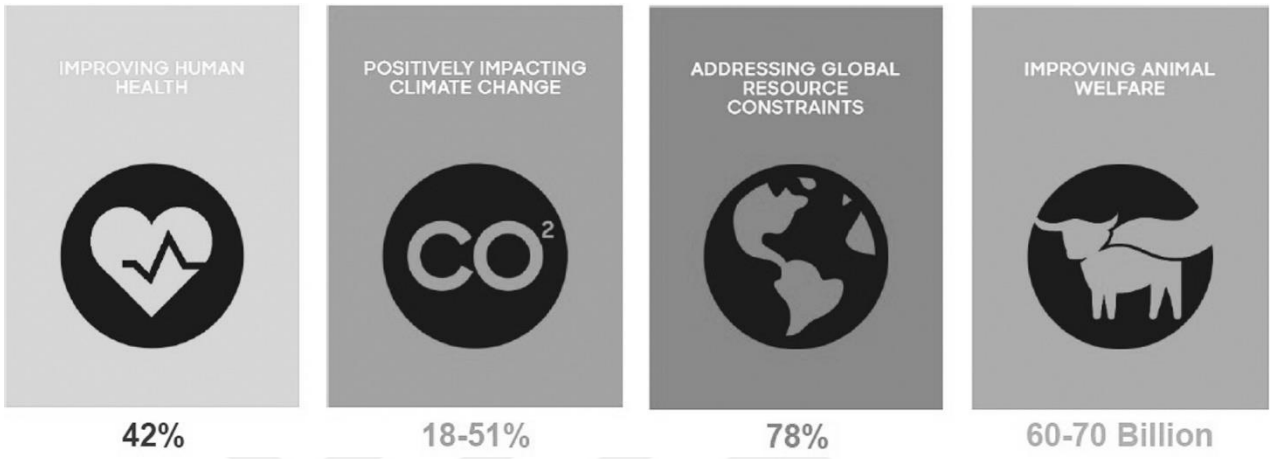

Figure 4. Beyond Meat Investor Presentation (Beyond Meat Inc., 2019-b)

3.4. Beyond Meat Ownership, Management and Facilities

3.4.1. Board of Directors, Key Individuals

Ethan Brown: Ethan Brown is the founder of Beyond Meat and has served since the company`s inception in 2009 as organizations President and Chief Executive Officer and as a member of Board of Directors. Mr. Brown began his career with a focus on clean energy and the environment and served as an energy analyst for the Center for Best Practices for National Governors. He then joined Ballard Power Systems, a fuel-cell hydrogen company,

being promoted from an entry-level manager to report directly to the chief executive before leaving establish Beyond Meat. Mr. Brown holds an MBA from Columbia University, an MPP with a University of Maryland emphasis on Climate, and a BA in History and Government from Connecticut College.

Seth Goldman: Seth Goldman is an American entrepreneur. He is the former CEO of Honest Tea which he co-founded with his former professor of business, Barry Nalebuff in 1998. In February 2013, Seth Goldman joined Beyond Meat as a member of company`s Executive Board. Mr. Goldman served as Beyond Meat's Executive Chair from February 2013 until February 2020. Mr. Goldman holds a BA in Government from Harvard College and a Master's degree in Private & Public Management from Yale Management School.

Christopher Isaac Stone: Since January 2012, Christopher Isaac Stone has served as a member of Beyond Meat Inc. board of directors. Mr. Stone is an American entrepreneur who is also the co-founder of Twitter Inc. Mr. Stone attended Northeastern University and the University of Massachusetts Boston but did not graduated from neither of them. Beyond Meat Inc. believes that Mr. Stone is more than qualified to serve in the board of directors' team due to his exceptional experience working in innovative and entrepreneurial companies.

Dr. Van Lengerich: Dr. van Lengerich is the founder of the Seeding the Future Project, a food safety organization in sub-Saharan Africa. In 2015, he also founded Food System Strategies, LLC, which he provides strategic advisory services to businesses along the food value chain. Dr. Van Lengerich holds MS and PhD degrees in Food and Biotechnology from Berlin University of Technology, which awarded him an Honorary Professorship and where he also teaches Extrusion Processing. Because of his experience in the food industry and strong background in food science and technology, company believes Dr. van Lengerich is qualified to serve on our board of directors.

3.4.2. Management Team, Key Individuals

Information regarding these individuals are obtained from official company website and presentation documents that are provided by the company. (Beyond Meat Inc., n.d.-a)

Mark J. Nelson, Chief Financial Officer and Treasurer: Mr. Nelson holds a Bachelor of Business Administration from Amherst University of Massachusetts, and an MBA from Babson College. Mr. Nelson is an entrepreneur and is a growth focused leader with 25 years of experience with value creation for businesses ranging from $10M to $1B+ within the consumer, technology and life sciences markets.

Sanjoy C. Shah, Chief Operating Officer: In September 2019, Sanjay C. Shah joined Beyond Meat as its chief operating officer. Before joining Beyond Meat, from May 2018 to September 2019, Mr. Shah worked as Senior Vice President of Energy Operations at Tesla, Inc. where he was responsible for the worldwide energy sector and lead the North America region sales, services and delivery for automotive department. Mr. Shah served a number of leadership positions at Amazon.com, Inc. from January 2011 to May 2018, raising his duties over time, including being the regional director for various regions from January 2011 to July 2015 and as a vice president of North American Fulfillment Centers from July 2015 to May 2018, where he was instrumental in opening several new fulfillment centers during his tenure. Mr. Shah currently serves as a board member for the University of Michigan's Tauber Center for Global Operations.

Dariush Ajami, Chief Innovation Officer: In June 2015, Dariush Ajami, Ph.D., joined Beyond Meat company. Dr. Ajami has been Beyond Meat 's Chief Innovation Officer since July 2018. Mr. Ajami holds a BS in Chemistry from the University of Isfahan, Iran, an MS in Organic Chemistry from Iran's Chemistry and Chemical Engineering Research Center, and a PhD in Organic Chemistry from the Technical University of Brunswick, Germany.

Stuart Kronauge, Chief Marketing Officer: In January 2020, Stuart Kronauge joined Beyond Meat as Head Marketing Officer. Ms. Kronauge has over 20 years of experience in marketing and brand building at The Coca-Cola Company, most recently as President of the Sparkling Business Unit from January 2019 to December 2019. She

currently serves on the advisory board of Kenan-Flagler Business School at the University of North Carolina. Ms. Kronauge received her BA from Chapel Hill at The University of North Carolina.

3.5. Location and Facilities

Beyond Meat Incorporated headquarters are located at 119 Standard St. El Segundo, CA 90245, United States. In the year 2018, Beyond Meat Inc. opened a second production department in Columbia, Missouri which increased their production facility three times (Watson, 2018). Beyond Meat also operates a 26.000-square foot research and development center in El Segundo, California that employs nearly hundred employees (Pomranz, 2018). Internationally, Beyond Meat broke ground on a new facility in the Netherlands as an initial development footprint in the European Union, through the company`s co-manufacturing partner Zandbergen, and started operations with a new co-manufacturing partner in Quebec, Canada. Beyond Meat company also expanded their supply agreement with Roquette by three years on the ingredient front, locking up greater volume in availability and qualified two additional suppliers of pea protein. Beyond Meat company have built a strong presence at top food retailers across the United States. Their goods had been sold at nearly 28,000 retail outlets in the United States and Canada as of December 31, 2019. In 2019, net sales revenues from their retail channel increased by $94.0 million or 185.2% compared to the previous year. Beyond Meat Inc. production items are available at around 36,000 restaurant and food service outlets in the United States and Canada as of December 31, 2019. Company continue to expand their relationships with restaurant and food service customers in the United States and abroad including major FSR and QSR customers.

Beyond Meat Inc. items are also available at famous hospitality and entertainment vendors and sports venues. In 2019, net sales revenues from the restaurant and food service channels grew by $115.9 million, or 312.0 percent, compared with the previous year. Beyond Meat Inc. also offer supermarket, restaurant and food service networks to a range of customers in the United States and mainly internationally through distributors who buy, store, distribute, and deliver their goods. But company does not consider these distributors to be direct customers because they act in an intermediary role (Beyond Meat Inc, 2019).

3.5.1. Manufacturing Process

Firstly, the manufacturing facility blends a dry blend containing plant protein. Then the dry blend gets into the extruder, where water and steam are applied. Then the company use a mixture of heating, refrigeration and pressure variations to bind the proteins together. The shaped woven protein is then cut into smaller pieces to facilitate the freezing process and aid in the final step of manufacture. This protein is the basis of all their products. After this step, co-manufacturers further process the frozen woven protein by adding flavorings and other ingredients, after which the co-manufacturer prepares the final packaged product which is then shipped to distributors or distributed directly to clients. To preserve the quality of company`s goods, Beyond Meat Inc. have adopted a "defining, evaluating, assessing, enhancing and regulating" strategy, to improve, optimize and stabilize the processes and design (Beyond Meat Inc, 2019).

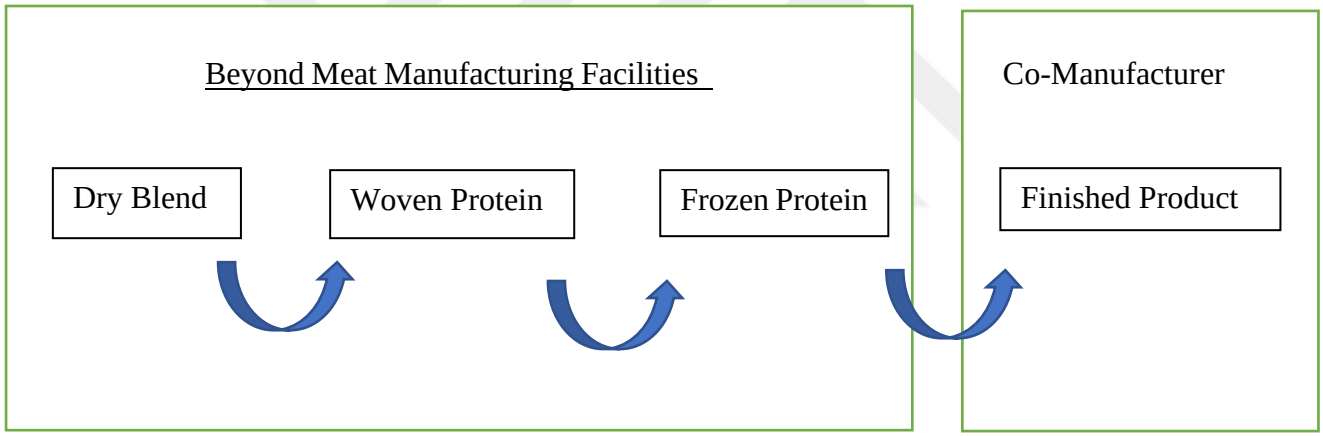

Figure 5. Beyond Meat Manufacturing Process

3.6. Beyond Meat Inc. Products

``Imagine your favorite meaty dishes like burgers and tacos delivering the juicy, delicious taste you know and love, while being better for you and the planet. That's the future we're working to build. Learn more about each of our products and discover The Future of Protein today. `` (Beyond Meat Inc., n.d.-b). Below are the best performing, flagship products of Beyond Meat Inc.;

Beyond Breakfast Sausage Classic: One of Beyond Meat`s flagship product is Beyond Breakfast Sausage Classic. It offers delicious taste of traditional pork breakfast sausage while being a plant-based and lab grown meat substitute. For convenience this product can be cooked from frozen without a need to thaw.

Beyond Breakfast Sausage Spicy: Easy to cook plant-based patties that are kosher and has no GMO`s while having 11 grams of protein per serving. An alternative spicy version to the flagship product Beyond Breakfast Sausage Classic.

Beyond Burger: One of Beyond Meat`s most innovative and well sought out product. Beyond Burger resembles a traditional burger patty while being plant-based. It has 20 grams of protein per serving. It does not have any GMO`s, gluten and it is kosher.

Cookout Classic: is a product that is developed for summer grilling parties. It is a limited edition that is usually found around summer time in various markets. Like other product this product is also kosher and has no GMO`s or gluten.

Beyond Beef: is Beyond Meat`s plant-based ground beef replacement product. Has 20 grams of protein per serving. Women`s Health magazine defines this product as ``Beyond Beef goes well, beyond and is almost indistinguishable from ground beef. `` (Woman`s Health Magazine, 2019)

Beyond Sausage Variations: Beyond meat also has variety of plant-based sausage products that are ready to grill, griddle or fried. These products are Hot Italian, Brat Original and Sweet Italian. Each of them comes with a fast decomposing packaging and has 4 portions per package.

3.6.1. Beyond Meat`s Unique Approach to the Product

Beyond Meat employs a creative and innovative approach to making their products, with the goal of providing the same pleasing taste, flavor and texture as the products that are obtained from animals. Their scientists and engineers work in their Manhattan Beach Project Innovation Center to constantly refine their goods to mimic the sensory experience of animal-based meat. By investing in innovation, company have extended their portfolio to

include new items like Beyond Beef, Beyond Breakfast Sandwich, Beyond Fried Chicken and Beyond Meatball. The capital-efficient production model enables the company to scale faster to support the increasingly growing number of goods that are in demand. Company expects to develop their own domestic and foreign manufacturing facilities to produce woven proteins, flavor blends and binding systems, and potentially turn woven proteins into packaged goods, while establishing additional strategic partnerships with co-manufacturers (Beyond Meat Inc., 2019-a).

3.7. Beyond Meat Inc. Pricing Strategy

Protein prices-as is the case for most goods-are all about production costs. For example, beef producers are trying to earn a profit for all of their expenses. And beef at the local store costs more than chicken, since cattle eat much more feed than chickens do on their way to the market. To produce a pound of meat, cattle eat about 7 pounds of feed, hogs eat 4 and chickens eat 2 pounds (Al, 2019).

On top of current high production costs, the coronavirus outbreak also disrupted the production and supply chain line of traditional protein manufacturing companies. The World Health Organization declared on February 11, 2020 an official name for the disease that is causing the 2019 novel coronavirus outbreak, first detected in Wuhan China. Coronavirus disease 2019 is the current name for this disease, abbreviated as COVID-19 (CDC, 2019). Because of this a crisis has enveloped in the US meat supply chain in recent months. Coronavirus has sabotaged the procurement and production potential of US agricultural supply chains. There still produce, but it can't either be processed in a timely manner or shipped to market parts that need it. Meat shortages give Beyond Meat company an incentive to gain market share. Indeed, Mr. Brown, founder and CEO said in the coming months company`s products will competitively priced to draw customers in (Powell, 2020).

Mr. Will Sawyer, the lead economist of Cobank states that ``We hear that the premium on these products isn't that bad, but when I go to the grocery store and I see the alternative product at $12 or $11 per pound and then I can go into the meat case and find a ton of traditional meat products under $3 per pound, that's a big ask for the US consumer to realize that kind of differential.`` (Reinicke, 2019). This is one of the main pricing problems for Beyond Meat company as of right now. But to counter that Beyond Meat also states that,

they set a target for underpricing animal protein in at least one of their beef, pork and poultry segments over the next four years. They go on to say that this will require them to innovate with key customers in the supply chain, their own manufacturing processes and pricing structures (Beyond Meat Inc, 2019).

3.8. Plant-Based Meat Market Analysis

Plant-based or cultured meat market is determined by the increase in preference of the consumer to consume alternatives for animal products. The growing concern for meat production with animal abuse has had a significant impact on the way consumers think about meat intake. As consumer awareness of environmental sustainability increases, the demand for plant-based meat products also increases, this will become a key factor in stimulating market growth. Another driving force for promoting market growth is expected to be the trend of investment in various industries which will help to develop technological culture. Thus, reducing the cost of production via technological advancements. As of right now, the first lab grown products are expensive, but soon with the help of research and development, the cost of production will go down. Consumer awareness of global issues and new technologies that will reduce the cost of production, are the two main factors that will increase the market growth (MarketData, 2020). Beyond Meat operates in the large and global meat industry, which consists of fresh, packaged meats based on animals for human consumption.

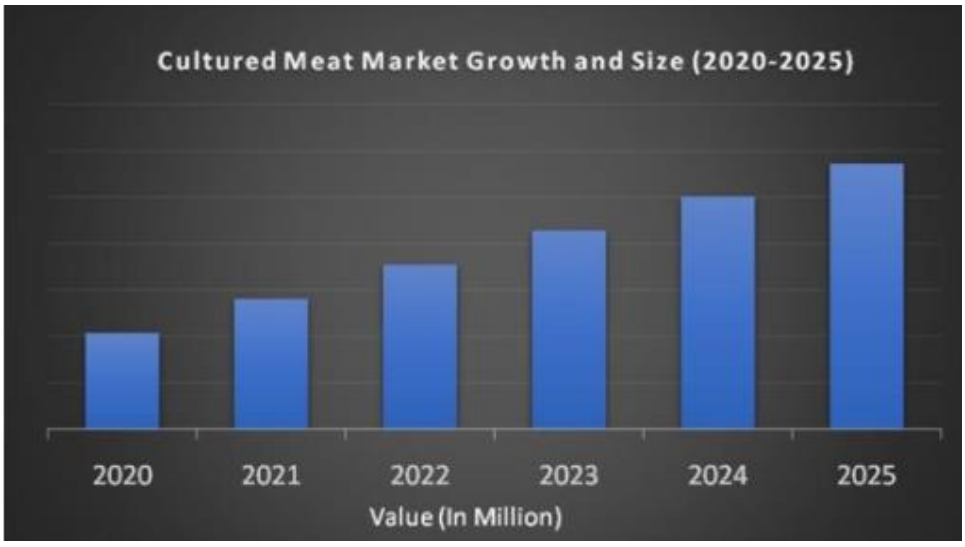

Figure 6. Cultured Meat Market Growth and Size Forecast (MarketData, 2020)

The meat industry is the largest food market category and estimated sales of approximately $270 billion across retail and food service channels in the United States and approximately $1.4 trillion worldwide in 2017. Growth in revenue will enable Beyond Meat to capture an increased share of the U.S. meat category, supported by a number of key drivers, including the authentic comparability and sensory experience of their products to their animal-based meat equivalents, and continued mainstream acceptance of their products to the traditional meat consumer (Beyond Meat Inc., 2019-b).

3.9. Beyond Meat Target Market

According to the Beyond Meat company, their groundbreaking product advances have allowed for a paradigm shift in both marketing and target audience — tapping into the enthusiastic pull of delicious and satisfying, but better-for-you plant-based meats from mainstream consumers. This strategy is summed up in their pledge to the brand—"Eat What You Love. " At one of the largest traditional supermarkets in the United States, Kroger, 93 percent of Beyond Burger buyers over the 26-week period also purchased animal protein over the same period which ended in June 30, 2018, evidencing Beyond Meat's attractiveness to meat-loving consumers. Company was approaching the marketplace in an unprecedented way when they launched Beyond Burger flagship product in 2016. Instead of marketing and merchandising The Beyond Burger to vegans and vegetarians, they asked that the product be sold to grocery retailers in the meat aisle where meat-loving consumers are used to shopping. Beyond Meat states that it was never their intent to market themselves to vegans and vegetarians only. Their goal is not to become the bestselling veggie burger company or to market their products like any other veggie burger companies. Company believes that these products have had limited appeal to traditional meat eaters, who are often critical of regular veggie burgers. Instead Beyond Meat wants to target a wider audience of all meat eaters and vegan, vegetarians together by achieving products that are indistinguishable from real meat (United States Securities and Exchange Commission, 2019). Therefore, Beyond Meat Inc. targets mainstream consumers who want to reduce their meat consumption in the face of growing concerns about health risks, animal welfare and environmental hazards of industrial animal farming (Bellon, 2019).

3.10. SWOT Analysis of Beyond Meat Inc.

Strengths	**Weaknesses**
Environmentally Friendly. Provides its own R&D. Non-GMO and Soy Free. Experiencing growth because of plant-based trend. Market Leader. Popular niche brand.	High price compared to traditional meat products. Not available world-wide. Research and Development investments are cutting down end year profit margins. Longtime required for attaining actual growth.
Opportunities	**Threats**
Can introduce more health-related sub-products. Can broaden the market towards Asia. Continue acquisitions and joint endeavors to increase market share.	New world-wide competitors Research and development expenses might not pay out. Supply chain failure.

Table 3. Swot Analysis of Beyond Meat

By leveraging internal strengths faster than competitors, the detailed SWOT analysis can help the Beyond Meat exploit the opportunities. SWOT analysis offers the Beyond Meat diverse advantages. Such as, provide valuable information for wise business strategies. This analysis allows the Beyond Meat to maximize its strengths, overcome the weaknesses, reduce threats, and take advantage of opportunity. The core competencies can be identified, market projections made and future planning done.

3.11. Main Competitors

Beyond Meat Inc. operates in a highly competitive environment. Beyond Meat states that they compete with both conventional animal-protein companies, such as Cargill, Hormel, JBS, Tyson and WH Group (including its Smithfield division) and also plant-based protein brands, such as BocaFoods, Field Roast Grain Meat Co., Gardein, Impossible Foods, Lightlife, Morningstar Farms and Tofurky. The competitive factors which are deciding points for consumer between these brands are; taste, ingredients, texture, nutritional value, price tag, ease of purchasing and access to variety of products. But two main competitors of Beyond Meat are, Tyson Foods and Impossible Foods.

	BEYOND MEAT	IMPOSSIBLE	Tyson Foods, Inc.
Founding Date	2009	2011	1935
Type	Public	Private	Public
Location	United States	United States	United States
Employees	279	541	141,000
Valuation ($)	7.9 B	4 B	22.4 B
Twitter + Instagram Followers	1,100,100	300,000	60,000
Revenue $ (Est.)	297.9M	N/A	42.4 B
Cost of Goods $	198.1M	N/A	37.4 B
Gross Profit $	99.8 M	N/A	5 B
Net Income $	12.4 M	N/A	2 B
Restaurant Serviced	12,000	7,000	N/A
Funding Raised $	200,7 M	1,4 B	N/A

Table 4. Competitor Analysis of Beyond Meat. (Craft Co., n.d.)

Other main companies in cultivated meat industry have substantially greater financial resources, more comprehensive product lines, a broader market presence, longer standing relationships with distributors and suppliers, longer operating history, greater production and

distribution capabilities, stronger brand recognition and more marketing resources than Beyond Meat company has.

3.12. Beyond Meat Inc. Marketing Strategy

Beyond Meat brand is uniquely positioned to capitalize on growing consumer interest in high-profile, nutritious, convenient, higher protein content and foods that are based on plants. Beyond Meat have also positioned itself to fit into increasing number of consumers that have public awareness of major animal protein-related issues, including human health, climate change, resource conservation, and animal welfare. Company`s brand awareness is driven by strong social marketing, with more than 1.2 million social media and newsletter followers as of March 2019, while more than 9.9 billion media impressions earned in 2018, and 4.0 billion media impressions earned between January and March 2019, Beyond Meat stands strong in social media marketing segment (United States Securities and Exchange Commission, 2019).

Reflecting Beyond Meat's strength and value to its partners, many of their restaurant, hotel and other food service customers choose to feature their brand name prominently on their menu and in item descriptions, in addition to displaying Beyond Meat's branded signage throughout the venue. Beyond Meat`s food service business not only functions as a form of paid testing for their products, helping drive additional retail demand, but also creating even greater brand awareness for Beyond Meat through the advertising they receive on-menu and in-store. Beyond Meat`s sales have seasonal fluctuations, which can have a disproportionate effect on operating results. Historically, due to the weather and related increase in outdoor activities such as barbecues, Beyond Meat sales have a higher portion, higher net income and operating cash flows in second and third quarters of the fiscal year. Thus, Beyond Meat`s marketing strategy is usually turned up a notch just before the second quarter to get ready for the season (Strategy Online 2016). On top that Beyond Meat continues to position itself among the regular meat aisle instead of vegetarian aisle in grocery stores, to implement the idea that their product is not a veggie-burger but a meat substitute.

As of 2019, company sales and commercial team of 33 people is divided into three divisions: grocery, food service and international. The sales team has vast experience from leading natural food firms, meat firms and plant-based protein companies. They operate in

close collaboration with a global network of broker and distributor sales teams that provide the company with access to accounts around the U.S., Canada and around the world. Social and digital media, PR, ambassador and influencer activations, customer media, and strategic partnerships, are the primary means by which the company drives consumer awareness and interest in their products. Company is partnered with a network of brand ambassadors and built strong following from sports and entertainment world celebrities who share their core values. For online and digital marketing, company make extensive use of social media sites such as Facebook, Instagram and Twitter. These channels radically change the way they interact with their customers and encourage them to meet attractive demographic goals, such as millennials and "Generation Z," directly.

3.13. Beyond Meat Inc. Milestones and Goals

Milestones (Popular Times, n.d.)

2009 - Beyond Meat Inc. founded by Ethan Brown as Savage River Inc.

2012 – Company launched its first product. Design to mimic chicken and sold it frozen. Product was initially liked by celebrities but the public did not agree, and it got discontinued in 2019.

2014 - Company started to develop a new product to emulate traditional burgers, product released a year later and became one of the flagship products of the company.

October 2016 – American giant Tyson Foods purchased a five percent stake in the company and exited the investment in 3 years later before the company`s IPO, to establish their own line of cultured meat products.

December 2017 – Company announced a second flagship product called Beyond Sausage. There were three varieties of the product. Bratwurst, Hot Italian and Sweet Italian.

June 2018 - Beyond Meat opened its second manufacturing facility in Columbia, Missouri, resulting in a triple increase in manufacturing space for the company. The company claimed to have 27,000 different distribution points in the United States for its products and rolled out its products to fifty international markets.

September 2018 - Beyond Meat received a United Nations Champions of the Earth award in September 2018. This was intended to recognize the sustainability efforts of the company put beyond their products, such as swapping plastic packaging trays into compostable trays for use in their Beyond Sausage.

May 2019 - In July 2019, Dunkin' Donuts announced they will start selling breakfast sandwiches using the Beyond Meat`s Meatless Sausage product, with national distribution plans starting on November 6, 2019.

2020 - Beyond Meat established an e-commerce site to sell products directly to consumers. The company also announced to open a manufacturing facility in Shanghai.

Goals

As demonstrated by their Manhattan Beach Project Innovation Center in California, Beyond Meat has continued to invest heavily in research, development, and innovation. Company`s work is defined by passionate and capable management, scientists, technicians and engineers sharing a common goal of achieving tremendous lasting benefits for the society and the planet. Company`s goal is to identify large categories of animal-based meat products across their core plant-based beef, pork and poultry platforms which exhibits long-term consumer trends. Beyond Meat then devote substantial research and development resources to produce authentic plant-based versions for those products that mimic their animal-based equivalents' taste, texture and aroma. Company`s goal is to pipeline a range of new products and develop at least one new product per year (United States Securities and Exchange Commission, 2019).

3.14. Beyond Meat Inc. Financial Analysis

Tables that are displayed on the next pages are extracted directly from Beyond Meat Inc.`s Annual Investor Report from 2019. (Beyond Meat Inc., 2019-a)

Beyond Meat Inc. Balance Sheet

	December 31,	
	2019	2018
Assets		
Current assets:		
Cash and cash equivalents	$ 275,988	$ 54,271
Accounts receivable	40,080	12,626
Inventory	81,596	30,257
Prepaid expenses and other current assets	5,930	5,672
Total current assets	403,594	102,826
Property, plant, and equipment, net	47,474	30,527
Other non-current assets, net	855	396
Total assets	$ 451,923	$ 133,749
Liabilities, Convertible Preferred Stock and Stockholders' Equity (Deficit):		
Current liabilities:		
Accounts payable	$ 26,923	$ 17,247
Wages payable	1,768	1,255
Accrued bonus	4,129	2,312
Accrued expenses and other current liabilities	3,805	2,391
Short-term borrowings under revolving credit line and bank term loan	11,000	—
Short-term capital lease liabilities	72	44
Stock warrant liability	—	1,918
Total current liabilities	$ 47,697	$ 25,167
Long-term liabilities:		
Revolving credit line	$ —	$ 6,000
Long-term portion of bank term loan, net	14,637	19,388
Equipment loan, net	4,932	5,000
Capital lease obligations and other long-term liabilities	567	404
Total long-term liabilities	$ 20,136	$ 30,792

Table 5. Beyond Meat Balance Sheet (Beyond Meat Inc., 2019-a)

Beyond Meat Inc. Statement of Operations

Statements of Operations Data: (in thousands, except share and per share data)	Year Ended December 31, 2019	2018	2017	2016
Net revenues	$ 297,897	$ 87,934	$ 32,581	$ 16,182
Cost of goods sold	198,141	70,360	34,772	22,494
Gross profit (loss)	99,756	17,574	(2,191)	(6,312)
Research and development expenses	20,650	9,587	5,722	5,782
Selling, general and administrative expenses	74,726	34,461	17,143	12,672
Restructuring expenses	4,869	1,515	3,509	—
Total operating expenses	100,245	45,563	26,374	18,454
Loss from operations	(489)	(27,989)	(28,565)	(24,766)
Other expense:				
Interest expense	(3,071)	(1,128)	(1,002)	(380)
Remeasurement of warrant liability	(12,503)	(1,120)	(385)	—
Other, net	3,629	352	(427)	—
Total other expense, net	(11,945)	(1,896)	(1,814)	(380)
Loss before taxes	(12,434)	(29,885)	(30,379)	(25,146)
Income tax expense	9	1	5	3
Net loss	$ (12,443)	$ (29,886)	$ (30,384)	$ (25,149)
Net loss per share available to common stockholders—basic and diluted	$ (0.29)	$ (4.75)	$ (5.57)	$ (5.51)
Weighted average common shares outstanding—basic and diluted	42,274,777	6,287,172	5,457,629	4,566,757

Table 6. Beyond Meat Statement of Operations (Beyond Meat Inc., 2019-a)

Beyond Meat Inc. Cash Flow Statement

	2019	2018	2017
Cash flows from operating activities:			
Net loss	$ (12,443)	$ (29,886)	$ (30,384)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	8,106	4,921	3,181
Non-cash expenses related to convertible note	—	—	1,123
Share-based compensation expense	12,807	2,241	665
Loss on sale of fixed assets	93	76	—
Amortization of debt issuance costs	181	109	37
Change in preferred and common stock warrant liabilities	12,503	1,120	385
Restructuring loss on write-off of fixed assets	—	—	2,302
Net change in operating assets and liabilities:			
Accounts receivable	(27,454)	(9,045)	(2,702)
Inventories	(51,339)	(22,113)	(1,959)
Prepaid expenses and other assets	(2,362)	325	(795)
Accounts payable	10,149	10,455	2,361
Accrued expenses and other current liabilities	2,743	3,798	464
Long-term liabilities	21	278	49
Net cash used in operating activities	$ (46,995)	$ (37,721)	$ (25,273)
Cash flows used in investing activities:			
Purchases of property, plant and equipment	$ (23,795)	$ (22,228)	$ (7,908)
Proceeds from sale of fixed assets	—	67	—
Purchases of property, plant and equipment held for sale	(2,123)	(1,022)	—
Proceeds from sale of assets held for sale	299	—	—
Payment of security deposits	(545)	(59)	(207)
Net cash used in investing activities	$ (26,164)	$ (23,242)	$ (8,115)
Cash flows from financing activities:			
Proceeds from issuance of common stock pursuant to the initial public offering, net of issuance costs	$ 254,868	$ —	$ —
Proceeds from issuance of common stock pursuant to the secondary public offering, net of issuance costs	37,394	—	—
Proceeds from Series H preferred stock offering, net of offering costs	—	49,999	—
Proceeds from Series G preferred stock offering, net of offering costs	—	1,347	43,188
Proceeds from Series F preferred stock offering, net of offering costs	—	—	79
Proceeds from convertible note issuance	—	—	10,000

(continued on next page)

	2019	2018	2017
Proceeds from revolving credit line	—	6,000	2,500
Proceeds from term loan borrowing	—	20,000	—
Proceeds from equipment loan borrowing	—	5,000	—
Proceeds from payoff of notes receivable for restricted stock purchase	—	951	—
Repayments on revolving credit line	—	(2,500)	—
Repayment on term loan	—	(1,000)	(500)
Repayment of Missouri Note	—	(1,450)	—
Payments of capital lease obligations	(55)	(153)	(221)
Proceeds from exercise of stock options	2,669	1,369	379
Proceeds from restricted stock exercise	—	2	—
Payments of deferred offering costs	—	(2,415)	—
Debt issuance costs	—	(437)	—
Payment for repurchase of common stock	—	(514)	—
Net cash provided by financing activities	$ 294,876	$ 76,199	$ 55,425
Net increase in cash and cash equivalents	$ 221,717	$ 15,236	$ 22,037
Cash and cash equivalents at the beginning of the period	54,271	39,035	16,998
Cash and cash equivalents at the end of the period	$ 275,988	$ 54,271	$ 39,035
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	$ 3,019	$ 924	$ 269
Taxes	$ 9	$ 4	$ 3
Non-cash investing and financing activities:			
Capital lease obligations for the purchase of property, plant and equipment	$ 225	$ 85	$ 35
Issuance of convertible preferred stock warrants in connection with debt	$ —	$ 248	$ —
Non-cash additions to property, plant and equipment	$ 1,418	$ 1,146	$ 1,376
Offering costs, accrued not yet paid	$ —	$ 745	$ —
Reclassification of warrant liability to additional paid-in capital in connection with the initial public offering	$ 14,421	$ —	$ —
Conversion of convertible preferred stock to common stock upon initial public offering	$ 199,540	$ —	$ —
(concluded)			

Table 7. Beyond Meat Cash Flow (Beyond Meat Inc., 2019-a)

Beyond Meat IPO and SPO

Beyond Meat company completed its initial public offer of common stock ("IPO") in 2019, in which it offered 11,068,750 shares. The shares started to transact on the Nasdaq Exchange Market on May 2. The shares were sold for net proceeds of about $252.4 million at a public offering price of $25.00 per share. Business has completed a public secondary offer of common stock in which it 250,000 shares were sold, and 3,487,500 shares sold by the selling stockholders. The shares were sold for approximately $37.4 million at a public offering price of $160.00 per share for net proceeds (Beyond Meat Inc., 2019-a).

Net Revenues by Platform

(in thousands)	2019	2018	2017
Net revenues:			
Gross Fresh Platform	$ 306,585	$ 81,686	$ 18,109
Gross Frozen Platform	17,772	15,896	19,588
Less: Discounts	(26,460)	(9,648)	(5,116)
Net revenues	$ 297,897	$ 87,934	$ 32,581

	Year Ended December 31,		
(in thousands)	2019	2018	2017
Net revenues:			
Retail	$ 144,809	$ 50,779	$ 25,490
Restaurant and Foodservice	153,088	37,155	7,091
Net revenues	$ 297,897	$ 87,934	$ 32,581

Table 8. Net Revenues by Platform (Beyond Meat Inc., 2019-a)

Analysis

Beyond Meat reached the milestone of a profitable Initial Public Offering on 2 May 2019. Beneath this highly visible achievement, through investments in innovation, development, and market share initiatives, company continued to create a solid base for sustainable growth whilst producing net sales of $298 M in 2019. Beyond Meat has seen a velocity rise of 106 percent in U.S. retail, has risen 26 times faster than the category 's largest competitive brand, and has seen a market share gain of 830 basis points over 2018 (Marketwatch, n.d.). Over the preceding periods company continue to experience good revenue growth. Net sales in 2019 grew from $87.9 million in 2018 and $32.6 million in

2017 to $297.9 million, reflecting a compound annual growth rate of 202 per cent. The Beyond Burger product accounted for about 64 percent of gross sales in 2019, 2018 and 2017, respectively, 70 percent and 48 percent. Beyond Meat assumes the Beyond Burger sales will continue to form a large portion of their revenue, profits and cash flow for the near future. Company generated losses from the inception. Net loss in 2019, 2018, and 2017, respectively, was $12.4 million, $29.9 million, and $30.4 million, as the company heavily invested in innovation and towards the long-term company growth. Net sales revenues in distribution market rose from $50.8 million in 2018 by 185.2 percent in 2019 to $144.8 million and from $25.5 million in 2017 by 99.2 per cent in 2018. Net sales revenues in restaurants and food service markets rose by 312.0 percent in 2019, from $37.1 million in 2018 to $153.1 million and by 424.0 percent in 2018 from $7.1 million in 2017. Company expects more growth on both channels as they expand their production capacity in response to demand, scale globally, attract new customers and increase sales speeds at existing customers.

Beyond Meat`s research and development expenses consist mainly of staffing and associated costs for their R&D employees including wages, benefits, bonuses, and share-based compensation, scale-up expenditures, and research and development assets depreciation and amortization costs. Beyond Meat will keep innovating rapidly to be able to continue attracting a greater market share of customers who usually eat meat based on animals. It is expected these expenses will grow in absolute dollars but decline as a percentage of net income as the company continue to scale production. On top of this, sales and marketing expenditures are expected to rise dramatically, both with a greater emphasis on promotions and through changes to their domestic and international sales and marketing organizations. Since Beyond Meat plans to continue expanding their marketing activities significantly to increase brand recognition, accelerate their international expansion initiatives, gain new customers, drive the acceptance of their products by consumers and increase market penetration. Another important aspect is the seasonality, company is expected to encounter greater demand during the summer grilling season for some of their items. Company experienced strong net income growth in each of 2019, 2018 and 2017 compared to the previous year which masked this seasonal effect. As the company continues to expand, it is expected to see additional seasonality effects, especially within retail channel, this channel's revenue contribution expected to increase in the second and third quarters of the year.

Ratio Analysis

It is easy to contrast the one-year profit figure with the previous year while analyzing a company's finances. Changes in sales revenue can also be identified, as can variations in current assets, current liabilities and shareholder equity from one year to the next. But it is not always the best method to calculate performance. That is where financial ratios come into play. They will provide better insight to the company for potential investors, researchers and internal, external controllers.

Profit Margin Ratios of Beyond Meat Year 2019 (in thousands)

(Gross profit / Sales Revenue) * 100 = (99,756 / 297,897) * 100 = 33.4%

(Net profit / Sales Revenue) * 100 = (-12,443 / 297,897) * 100 = -4.17%

From these figures we can figure out that Beyond Meat Inc. is operating at a reasonable gross profit ratio of 33.4%. But once the net profit margin is examined it shows that with operating expenses and other expenses are counted the business is at operating at a loss. Furthermore, once the statement table is examined, we can see that main cost is research and development for Beyond Meat Inc. Therefore, it can be argued that these costs will actually lower the cost of production in the future.

Return on Capital Employed Year 2019 (in thousands)

Capital Employed = (non-current assets + current assets) − current liabilities OR non-current liabilities + shareholders' equity = 355,897

(Net profit / Capital Employed) * 100 = (-12,443 / 355,897) * 100 = -3.49%

Ultimately, the return of capital employed equation informs us the amount of profit a business produces per $1 of employed capital. Higher return of capital employed indicates a stronger and better probability for the said company. When the Beyond Meat Inc.`s return on capital employed is examined over the course of 3 years we can see that negative ratio is getting closer and closer to a profitable positive ratio. Since the company is getting profitable each year it is possible to turn this figure to a positive in the coming 2 years.

Current Liquidity Ratio Year 2019 (in thousands)

Current Liquidity Ratio = (Current Assets / Current Liabilities)

Current Liquidity Ratio = (451,923 / 47,697) = 9.4 Ratio

Liquidity ratios are an important class of financial metrics used to assess the capacity of a debtor without raising external capital to pay off current debt obligations. A lower ratio might indicate problems such as unable to pay off short term debts. Beyond Meat Inc.`s 9.4 current liquidity ratio puts them in relatively safe position when it comes to paying debts. But this ratio also might suggest that too many funds are tied up in unprofitable inventories, cash or debtors.

Stock (Inventory) Turnover Ratio Year 2019 (in thousands)

Stock (Inventory) Turnover Ratio = Costs of Goods Sold / Value of Stock

Stock (Inventory) Turnover Ratio = 198,141 / 81,596 = 2.42

This ratio indicates the rate at Beyond Meat Inc. sells and replaces its stock during a year period. But there is no `correct` ratio when it comes to analyzing this number. Different companies, different sectors have very different stock turnover ratios. For example, a truck manufacturer will have a lower stock turnover rate than a fresh vegetable supplier. But we can still say that Beyond Meat Inc. is effectively managing their stock with a turnover rate of 2.42 over the course of a year.

3.15. Investment Risk Factors

Company is exposed to risk related to the price and availability of their ingredients because, among other things, their profitability depends on their ability to predict and respond to cost of raw materials and foods. At the moment pea protein is the main ingredient for their goods. The prices of pea protein and other ingredients that the company use are subject to several factors beyond company`s control, such as the number and size of farms that grow yellow peas, the vagaries of these farms, including weak harvests due to adverse weather conditions, natural disasters and pestilence, and changes in the domestic and world economic conditions, including the COVID-19 pandemic. Moreover, company buys certain ingredients and other offshore products, and the price and availability of those ingredients and materials can be influenced by political events or other factors in those countries or

tariffs or trade wars. Beyond Meat Inc.`s revenues and costs are denominated in US dollars and are not subject to risk of foreign exchange. However, to the degree that their sourcing strategy shifts or if they start producing considerable amount of net sales outside the U.S. denominated in currencies other than the U.S. dollar, adjustments in exchange rates may influence their operating results.

Company`s expansion efforts may be more expensive than they anticipate, and they may not be able to increase their revenues and margins enough to offset expected higher expenses. In developing their innovative products, building manufacturing facilities, securing an adequate supply of raw materials, obtaining and storing ingredients and other products, and marketing the products they offer, company will incur significant expenses. Moreover, many of expenses, including some of the costs associated with existing facilities and any future fabrication facilities, are fixed. Therefore, company may not be able to achieve or sustain profitability, and may incur substantial losses in the foreseeable future.

In addition, COVID-19 can affect the demand of both customers and consumers. Governmental organizations, such as the United States Centers for Disease Control and Prevention, as well as state and local governments, have recommended and/or imposed increased community-based interventions, including cancelations of events, social distancing measures and restrictions on gatherings of more than 10 people. Several state governors have restaurants and bars temporarily closed, and others may follow suit. These measures are likely to result in fewer eating out people and more closures of restaurants, both of which would have a negative impact on restaurant and food service business. Retail and grocery stores could be similarly affected, especially if governments continue to implement regional lockdowns and business closures to slow the virus spread.

4. Chapter Four, Conclusion

This paper showed that a business plan includes the objectives of a business and their goals in a consistent form. It is the most effective tool when it comes to conveying company`s goals and future financial plans. No matter what stage your business is in; start-up, expending, merging, a proper business plan is a must tool for any enterprise who wishes to have a clear vision. A well-prepared business plan can be used as an internal tool for the company itself or as an external tool for potential investors, shareholders and stakeholders. This paper picked Beyond Meat as a case study to analyze its business plan with the help of public documents since the company has a stock trading option in NASDAQ American Stock Exchange Market. Beyond Meat is a manufacturer of plant-based meat substitutes, based in Los Angeles, founded by Ethan Brown in 2009. In 2012 the company released its first products in the United States. The business was founded in 2009 by Ethan Brown as a startup based in California named Savage River Inc. Mr. Brown initially approached two professors at the University of Missouri, Fu-hung Hsieh and Harold Huff, who had long been developing their meatless protein. Beyond Meat is one of America's fastest growing food companies, offering a portfolio of revolutionary plant-based meats. Beyond Meat Inc. produce meat directly from plants, an innovation that allows consumers to experience the taste, texture and other sensory attributes of popular meat products that based on animals, while enjoying the nutritional benefits of eating lab grown meat products based on plant proteins. Beyond Meat`s brand commitment ``Eat What You Love`` reflects a firm conviction that by eating the company`s vegetable-based foods, customers will enjoy more, not less, of their favorite meals and thus help solve human health, climate change, resource security and animal welfare issues. The popularity of company`s revolutionary innovation model and products has helped them to cater to a wide variety of customers, including those who traditionally eat meat based on animals, positioning the company directly to compete in the $1.4 trillion global meat industry. Beyond Meat brand is uniquely positioned to capitalize on growing consumer interest in high-profile, nutritious, convenient, higher protein content and foods that are based on plants. Beyond Meat have also positioned itself to fit into increasing number of consumers that have public awareness of major animal protein-related issues, including human health, climate change, resource conservation, and animal welfare. Beyond Meat does not market itself as a vegan or vegetarian company, instead they want to compete with the meat industry itself and this puts them in a bigger but a more competitive market. When the financial of Beyond Meat is analyzed, a net growth in

sales can be observed but instead of profit company acquired losses. This is because company is heavily investing in research and development facilities, staffs and technologies. If these investments pay off in the long run and provide means of cost reduction via research and development, Beyond Meat is on a path to becoming global market leader in meat substitute products. Since the company is announcing losses and since the initial build-up for the IPO has ended, this puts the company in a good price point for long term investment opportunity. When this paper analyzed company`s marketing strategy and goals it found out that, as of right now, company is not focused on third world countries where the meat prices are high and proper nutrition is not adequate. Therefore, once the initial investment for research and development pays off, it will be beneficial for the company to enter the market in poorer countries and undercut the price of beef in those said countries. On top of that, Beyond Meat should focus their efforts on both psychographic and behavioral segmentation with regards to their Business-to-Consumer (B2C) marketing and geographic segmentation for its Business-to-Business (B2B) marketing framework.

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