ROYAL WATER BEVERAGES

INVESTOR MEMORANDUM & STRATEGIC OPERATING ROADMAP

"Hydration, Crowned."

PREMIUM NORTH CAROLINA APPALACHIAN MOUNTAIN SPRING WATER

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PART I

Executive Summary

An overview of the premium hydration opportunity and Royal Water's position to capitalize on it.

Royal Water Beverages is building the defining premium canned-water brand of the next decade — a vertically integrated platform anchored on a North Carolina Appalachian Mountain spring source, packaged in 100% infinitely recyclable aluminum and frosted glass, and architected from day one to dethrone the legacy plastic incumbents that have dominated bottled water for forty years.

The premium hydration category is undergoing a generational reset. Smartwater and Fiji built billion-dollar brands on PET plastic and trans-oceanic freight — two assumptions that are now actively rejected by the consumer cohorts driving incremental category growth. Liquid Death proved, decisively, that aluminum is not a packaging compromise but a brand asset: the company crossed $333M in retail sales in just over five years on a single core insight — that water is a lifestyle category, and that sustainable packaging is a permission structure for premium pricing. What Liquid Death did with humor and edge, Royal Water will do with refinement and prestige. The two brands are not competitors; they are bookends of a category that has finally fractured wide open.

Royal Water enters this opening with three structural advantages that no other emerging brand currently combines. First, we own (or have secured rights to) a defensible Appalachian aquifer in North Carolina yielding up to 2.5M gallons per day and 1B gallons per year — the type of single-source provenance Fiji built a global brand on, but located domestically with USD-denominated economics and zero ocean-freight exposure. Second, we operate from a 170,000 sq ft Winston-Salem production and warehousing footprint already prepared for canning, glass-fill, and hospitality-grade single-serve packaging — meaning we are not a brand searching for a co-packer; we are an operating platform with idle capacity ready to scale. Third, our leadership team includes a former BlueTriton (Primo / Poland Spring / Deer Park) C-suite executive and the former Global CMO of Nirvana Water Sciences, Neft Vodka, and NOS Energy Drink — operators who have already built and scaled brands in this exact category.

Key Investment Highlights

- **Owned Appalachian source.** 1B gallons/year capacity, 17-acre source-side parcel, domestic USD economics — Fiji-grade provenance without Fiji-grade freight.
- **Infrastructure-ready.** 170,000 sq ft Winston-Salem operations live today; Phase 2 source-side facility on a 17-acre parcel approximately 20 minutes from HQ.
- **Aluminum-first sustainability.** 100% recyclable cans + frosted glass; 95% energy savings recycled vs. virgin (IAI 2024); US can recycling 43% vs. PET 20%.
- **Premium positioning whitespace.** Refined and aspirational where Liquid Death is rebellious — the Aman to Liquid Death's Soho House.
- **Multi-channel demand stack.** Cruise / hospitality anchor demand layered with DTC, premium grocery, mass retail, and international expansion.
- **Operator-led team.** Former BlueTriton C-suite, ex-Neft Vodka / Primo / Nirvana Water Sciences CMO, hospitality & beverage veterans.
- **Margin architecture.** True BOM ~$0.50/can vs. $11.99 case price — 55–62% target gross margin at scale.
- **Capital efficiency.** Three-tier capital structure ($20M / $40M / $60M) with anchor-equity pricing schedule that aligns supply economics with investor returns.
- **Exit optionality.** Strategic buyers (Coca-Cola, PepsiCo, Keurig Dr Pepper, Nestlé Waters, Danone, BlueTriton, Constellation) actively acquire in this category at 3–5x revenue.
- **Path to $450M+ revenue by 2032** with EBITDA scaling to 25%+ at maturity.

The Capital Ask

Royal Water is raising up to **$80M** in a structured Series A across three investor tiers — designed to function as both a strategic supply agreement and a preferred-equity instrument. Anchor tier capital ($60M) unlocks two years of cost-plus-zero pricing in addition to preferred returns, converting what would otherwise be a procurement line item into ownership. Proceeds are deployed across **$30M** in water assets, buildings, and source-side acquisition; **$30M** in scale, automation, and customer growth (white-label, hospitality, cruise, retail); and **$15–20M** in working-capital reserve to support inventory build, receivables, and ramp.

Why Now — Three Structural Tailwinds

(1) The PET reckoning. Single-use plastic legislation is accelerating across the EU, Canada, California, New York, and New Jersey; the largest hospitality groups in the world have publicly committed to eliminating in-room PET. **(2) Aluminum infrastructure tailwinds.** US can-making capacity has expanded materially since 2020, driving down per-unit costs and enabling premium-format scale that was simply not economic five years ago. **(3) The premiumization of water.** Per-capita US bottled-water consumption surpassed soft drinks in 2017 and continues to compound — but the dollar growth is concentrated almost entirely in premium and functional segments, where Royal Water competes natively.

The bottled water market does not need another brand. It needs a category leader for the post-plastic era. Royal Water is that brand.

Company Overview

The brand story, core values, and strategic market positioning.

Brand Story

Royal Water Beverages began with a simple, almost obvious observation: the most premium category in beverage — fine bottled water — was packaged in the cheapest, most environmentally destructive material on earth. A guest at a Four Seasons in Manhattan could pay $14 for a bottle of water sourced 7,000 miles away in Fiji, drink it from a piece of single-use PET plastic, and be told that this represented the pinnacle of luxury hydration. We didn't believe that anymore. Neither, increasingly, did the consumer.

Our founders — beverage operators who have spent careers inside the engines of brands like BlueTriton (the platform behind Poland Spring, Deer Park, Ozarka, and Primo), Nirvana Water Sciences, Neft Vodka, NOS Energy, and CocoLove — knew that the bottleneck to building a truly premium American water brand had never been the water itself. America has the finest spring water on the planet. The bottleneck was infrastructure, source ownership, packaging discipline, and brand intent. So we built backwards from the brand we wanted to drink: pristine Appalachian Mountain spring water, packaged in sleek aluminum and frosted glass, with a wordmark and a crown that would look as natural on a country-club bar as on a TikTok creator's coffee table.

We acquired access to a defensible Appalachian aquifer in North Carolina, with yields up to 2.5 million gallons per day. We built our operating spine in Winston-Salem — 170,000 square feet of production, warehousing, and logistics already prepared for canning, glass, and hospitality-grade single-serve. We sourced infinitely recyclable aluminum cans from the world's most reputable can-makers. We engineered a closed-loop hospitality program that allows cruise lines, hotels, and venues to recover and recycle every container on-site. And we built a brand identity — the crown, the navy and gold, the wordmark, the tagline "Hydration, Crowned." — designed not for the shelf of 2015, but for the shelf, the social feed, and the suite of 2030.

Royal Water is what happens when source quality, sustainable packaging, operational rigor, and brand discipline all sit in the same company at the same time. That has not previously existed in the premium water category. It does now.

> *"Our mission is to redefine premium hydration through uncompromising source quality, sustainable aluminum packaging,*

> *and a lifestyle brand worthy of the modern consumer."*

Mission Statement

To redefine premium hydration through uncompromising source quality, sustainable aluminum packaging, and a lifestyle brand worthy of the modern consumer — building a category leader for the post-plastic era of bottled water.

Vision Statement

To become the world's most recognizable premium canned water brand — the standard-bearer for sustainable hydration across retail, hospitality, and lifestyle channels, and the default choice for the consumer who believes that luxury and stewardship are no longer in opposition.

Core Values

I. SOURCE PURITY

Our Appalachian headwaters are our most strategic asset. We fiercely protect the integrity of the source, treat every bottling step as an extension of the spring, and refuse to dilute the water — or the story — with municipal blending, reverse-osmosis "purification," or marketing language untethered from geology.

II. SUSTAINABLE BY DESIGN

Sustainability is structural, not seasonal. We will never package in PET. We will only use materials that are infinitely or near-infinitely recyclable. Every operational decision — from logistics routing to retailer pallet configurations to hospitality recovery programs — is weighed against its environmental footprint as a first-order constraint, not a marketing afterthought.

III. PREMIUM WITHOUT COMPROMISE

Every consumer touchpoint is designed to feel premium — the tactile weight of the can, the frost on the glass bottle, the typography on the carton, the email confirmation on the DTC order. Premium is not a price tier; it is a discipline applied to a thousand small decisions.

IV. BUILT TO SCALE

We build the unsexy infrastructure first — production, logistics, S&OP, ERP, retail data, finance. We refuse to be a brand that runs out of stock in the moment that demand finally arrives. Scale is a competence, not an aspiration.

V. LIFESTYLE FIRST

Water is a lifestyle category, not a utility category. We program our brand the way a fashion house programs a season — with cultural calendars, partnerships, drops, and a strict aesthetic discipline. The consumer is not buying hydration; they are buying identity expression.

VI. OPERATOR INTEGRITY

We were built by operators, for operators. We honor retailer terms, distributor relationships, hospitality SLAs, and supplier commitments with the same seriousness we expect of them. Reputation in beverage compounds; we will not spend ours.

VII. STEWARDSHIP OF THE CROWN

The crown is a promise. Every can, every bottle, every activation either reinforces it or erodes it. We will say no to revenue when it conflicts with the integrity of the mark.

Market Positioning

Royal Water occupies a deliberate whitespace at the intersection of three premium-water vectors. **Above Smartwater and Fiji**, where we offer a superior sustainability narrative without sacrificing the upscale, "permissible-luxury" positioning those brands pioneered. **Parallel to but distinct from Liquid Death**, where they own the rebellious / heavy-metal / counter-culture lane, we own the regal / refined / aspirational lane — same packaging category, opposite end of the brand-personality spectrum. **Above Boxed Water and Path Water**, which compete primarily on sustainability narrative and have not invested in lifestyle branding at the same intensity. We are not the cheapest premium water and we are not trying to be. We are the brand the consumer chooses when they want their hydration to match their watch, their workout, and their worldview.

Competitive Advantage

Our defensibility compounds across five reinforcing layers: **(1)** owned/controlled Appalachian spring source with documented yields, providing the kind of single-source provenance that took Fiji thirty years to build a brand around; **(2)** a 170,000 sq ft live production footprint in Winston-Salem with a Phase 2 source-side facility planned on a 17-acre parcel adjacent to the spring — most competitors of our size are still negotiating with co-packers; **(3)** a 100% aluminum-and-glass packaging architecture with a closed-loop hospitality recovery system, creating a sustainability moat that legacy PET brands cannot copy without rebuilding their entire global supply chain; **(4)** a brand identity — wordmark, crown, palette, voice — designed by operators who have built premium beverage brands before, not by an agency starting from scratch; and **(5)** a leadership team with deep relationships across grocery, mass, club, convenience, hospitality, and cruise channels — the exact channels where premium water velocity is won or lost.

Sustainability & Packaging Positioning

Royal Water is built on a single packaging conviction: aluminum is the future of premium beverage, and PET plastic has no place in it. Aluminum is the only major beverage packaging material that is infinitely recyclable without quality loss. According to the International Aluminium Institute (2024), recycled aluminum requires **95% less energy** to produce than virgin aluminum. In the United States, aluminum cans recycle at a rate of **~43%**, more than double the rate of PET plastic bottles (**~20%**). Within the closed-loop hospitality and cruise environments we are pursuing, the realized recovery rate can exceed **90%** — because every container leaves the venue through a single chain of custody.

Our frosted glass 750mL bottle complements the aluminum core for on-premise hospitality, fine dining, and gifting — the contexts where the tactile weight and visual presentation of glass remain unmatched. Glass is fully recyclable, refillable in closed-loop hospitality programs, and aligned with the same sustainability discipline as our cans. We do not, and will not, package in PET. That single packaging discipline is the most important strategic decision the company has made.

The Packaging Math

- **100%** recyclable across the full SKU range (aluminum + glass)
- **95%** energy savings: recycled aluminum vs. virgin (IAI, 2024)
- **43%** US recycling rate for aluminum vs. 20% for PET
- **0** grams of PET plastic in the Royal Water supply chain
- **90%+** realized recovery rate in closed-loop hospitality programs

Brand Identity & Emotional Positioning

The Royal Water identity is anchored on a single mark — the crown — and a disciplined palette of deep navy (#0B1F3A) and regal gold (#C8A85A). The wordmark is set in a refined serif evocative of legacy luxury houses; the can typography is paired with a clean sans-serif designed to read on a coffee table, a country-club bar, and a TikTok feed equally well. Our frosted glass 750mL bottle is engineered as a sculptural object — designed for the table, not just the shelf.

Emotionally, the brand promises four things to the consumer: **provenance** (this water came from somewhere specific, not from a municipal tap); **stewardship** (you are not contributing to the plastic crisis when you choose this); **status** (this is what the room you want to be in is drinking); and **self** (this aligns with the person you are trying to become). Royal Water is what the consumer reaches for when they are intentional about what they put in their body and what their choices signal about them.

In a category that has spent forty years selling water on price and packaging weight, we are selling water on meaning. That is the brand whitespace, and it is wide open.

Industry & Market Analysis

Bottled water TAM, packaging trends, and competitive landscape analysis.

Global Bottled Water Market Overview

The global bottled water market crossed **$340 billion** in retail value in 2024 and is projected to grow at a 5.5%–6.8% CAGR through 2030, reaching an estimated $470–500 billion. The category is now the single largest non-alcoholic beverage category globally, having surpassed carbonated soft drinks in 2017 in the United States and in 2021 globally on a volume basis. Per-capita US consumption stands at ~46 gallons annually and continues to compound at low- to mid-single digits.

Critically, almost all category growth is occurring in three sub-segments: **premium / source-based water**, **functional water** (electrolyte, alkaline, mineral, adaptogen), and **sustainable-format water** (aluminum, glass, refillable, boxed). Mass-market PET-packaged still water remains the largest segment by absolute volume, but is experiencing declining velocity in major retailers, declining shelf share in premium grocery, and increasing regulatory pressure across multiple geographies.

Premium Beverage Market

The US premium water segment — defined as products with retail per-ounce pricing above $0.08, source-based positioning, or premium-format packaging — represents approximately **$22 billion** in annual retail sales, growing at 7%–9% annually. Within premium, the fastest-growing brands are aluminum-packaged (Liquid Death at 90%+ YoY in early years, now stabilizing around 30–40%), source-based with strong brand narrative (Saratoga, Mountain Valley resurgence), and functional (Essentia, Cure, Waterloo on the sparkling side).

On a global basis, premium water — including Voss, Fiji, Saratoga, Mountain Valley, Aqua Panna, San Pellegrino, Perrier — represents an estimated $42–48 billion segment growing 6–8% annually. The premium segment now accounts for 14–16% of total bottled water dollars despite representing under 8% of total volume, reflecting the dollar-density of the category.

Aluminum Packaging Trends

Aluminum-packaged water is the fastest-growing format in the broader beverage industry. Liquid Death's $333M+ retail-sales trajectory and successive funding rounds at >$1.4B valuation have validated investor and retailer appetite for aluminum-format water at scale. Open Water, Path Water, and Boxed Water have collectively built brands that now occupy meaningful linear feet at Whole Foods, Sprouts, and premium independents — although none has matched Liquid Death's brand intensity. US can-making capacity expanded materially between 2020 and 2024, driven primarily by ready-to-drink cocktails, hard seltzer, and energy drinks; that incremental capacity is now available to premium water brands at favorable per-unit economics.

Aluminum packaging also delivers a meaningful logistics advantage. Cans stack denser, weigh less per filled unit than glass, do not deform under heat or stacking pressure, and pose materially lower retail breakage risk than glass. The category economics, the consumer narrative, and the ESG narrative now all favor aluminum simultaneously — a triple-tailwind condition that has not existed in any prior decade.

Consumer Shift Toward Healthier Premium Beverages

US consumer behavior is undergoing a structural premiumization across the beverage aisle. Functional beverages (electrolyte hydration, adaptogenic drinks, prebiotic sodas like Olipop and Poppi, protein waters) are taking shelf from carbonated soft drinks. Per-capita CSD consumption has declined every year since 2004. Sugar reduction, label simplification, and "permissible luxury" — paying more for a beverage that signals self-care — are the dominant consumer narratives. Royal Water sits in this current natively: it is hydration in its purest form, premium-packaged, and positioned as a lifestyle accessory rather than a commodity.

Sustainability Trends Driving Purchasing Behavior

Multiple cohort-level studies confirm that sustainability has moved from preference to purchase driver:

- **73%** of global consumers say they would change consumption habits to reduce environmental impact (NielsenIQ).
- **74%** of Gen Z consumers actively avoid PET plastic packaging when a viable alternative exists.
- **66%** of consumers across demographics are willing to pay a premium for sustainable packaging — rising to **83%** among consumers aged 21–34.
- **78%** of Millennials report that sustainability factors influence their purchase decisions on beverages specifically.
- Major hospitality groups (Marriott, Hilton, Hyatt, IHG) have publicly committed to eliminating single-use plastic amenities and in-room PET; cruise operators face increasing ESG disclosure pressure.

Target Demographic Breakdowns

PRIMARY — THE ASPIRATIONAL MODERN CONSUMER

Affluent Millennials and elder Gen Z (ages 25–44), household income $100K+, concentrated in major metros and HENRY suburbs (Brooklyn, Austin, Charlotte, Nashville, Miami, Scottsdale, Pacific Palisades, Westchester). College-educated, brand-aware, fluent in Instagram and TikTok, members of premium gyms (Equinox, Barry's), readers of GQ / Vogue / Monocle, viewers of F1 and the Met Gala. They are not buying water — they are buying identity expression.

SECONDARY — HOSPITALITY, WELLNESS, AND PERFORMANCE BUYERS

Hospitality procurement leaders (hotels, restaurants, members-only clubs, cruise lines), wellness operators (Equinox Hotels, Aman Spa, fitness studios), performance athletes and trainers, and high-end corporate accounts (private aviation, executive offices, luxury automotive showrooms). These buyers control multi-million-dollar annual beverage spend and look for brands that elevate their own brand by association.

TERTIARY — ECO-CONSCIOUS HOUSEHOLDS

Families with HHI $80K+ in suburban and exurban markets who are PET-avoidant for sustainability reasons. They shop Whole Foods, Sprouts, Wegmans, Fresh Market, and premium independents. This cohort is currently underserved by the rebellious tone of Liquid Death and the clinical tone of Smartwater — Royal Water's refined positioning is purpose-built for them.

Market Size Projections — TAM / SAM / SOM

$340B	$62B	$1.2B
TAM — GLOBAL BOTTLED WATER (2024)	SAM — PREMIUM & SUSTAINABLE-FORMAT WATER	SOM — ROYAL WATER REALISTIC CAPTURE BY 2032

The Serviceable Available Market (SAM) of $62B is constructed from US premium water ($22B), premium hospitality and on-premise water (~$8B), private label and white label water for premium retailers and hospitality ($7B), aluminum-format water specifically ($3.5B and growing 25–30% annually), and the premium segments of international markets we plan to enter in years three through five (UK, EU premium markets, UAE, Saudi Arabia, Singapore, Tokyo — collectively ~$21B). The SOM of $1.2B by 2032 reflects approximately 1.9% share of SAM — conservative on the basis of comparable trajectories from Liquid Death, Spindrift, Olipop, and Athletic Brewing.

Consumer Psychology & Purchasing Behavior

Premium water purchasing is governed by four overlapping psychological drivers, all of which Royal Water is engineered to satisfy simultaneously:

- **Status signaling.** The visible can or bottle communicates the consumer's taste, values, and tier. Brand-as-accessory.
- **Permissible luxury.** A $3 can of water is the cheapest luxury good available — accessible daily, low-risk, high-frequency identity expression.
- **Self-narrative.** "I am the kind of person who chooses sustainable, premium, source-based water." Purchase reinforces identity.
- **Tribal alignment.** Brand choice signals membership in a specific cultural tribe — wellness, F1, fashion, hospitality, fitness.

Royal Water satisfies all four simultaneously: visible premium packaging (status), sub-$3 price point (permissible luxury), source + sustainability narrative (self-narrative), and a deliberate cultural calendar of partnerships and activations (tribal alignment).

Competitive Analysis

The table below positions Royal Water against the most relevant competitors in premium and sustainable-format bottled water. The right-most column — *Strategic Gap* — identifies the specific dimension on which Royal Water wins.

BRAND	PACKAGING	SOURCE	POSITIONING	EST. RETAIL $	STRATEGIC GAP VS. ROYAL WATER
Royal Water	Aluminum + Glass	NC Appalachian Spring	Refined, regal, aspirational	Pre-launch	—

BRAND	PACKAGING	SOURCE	POSITIONING	EST. RETAIL $	STRATEGIC GAP VS. ROYAL WATER
Liquid Death	Aluminum	Alpine (Austria) / domestic	Rebellious, edgy, humor	$333M+	Opposite brand tone — owns whitespace they cannot
Fiji	PET Plastic	Viti Levu, Fiji (imported)	Legacy premium, exotic	$600M+	PET liability + trans-oceanic freight cost & carbon
Smartwater	PET Plastic	Municipal / vapor distilled	Functional, clinical, ubiquitous	$1.5B+	No source story; PET-anchored; commoditized
Boxed Water	Carton	Multi-source	Sustainable, minimalist	~$50M	Carton format limits premium pricing & on-premise
Path Water	Aluminum (reusable)	Multi-source	Sustainable, eco-utility	~$30M	Functional design over lifestyle brand intensity
Voss	Glass (also PET)	Iveland, Norway (imported)	Sleek Scandinavian luxury	$200M+	Trans-oceanic freight; aging brand equity
Essentia	PET Plastic	Municipal / ionized alkaline	Functional alkaline	$400M+	PET-anchored; functional, not lifestyle

BRAND	PACKAGING	SOURCE	POSITIONING	EST. RETAIL $	STRATEGIC GAP VS. ROYAL WATER
Saratoga	Glass (cobalt blue)	Saratoga Springs, NY	Heritage premium, hospitality	$80M+	Limited national reach; under-marketed
Mountain Valley	Glass / PET	Hot Springs, AR (since 1871)	American heritage premium	$150M+	Older brand voice; limited cultural relevance

Retail dollar estimates compiled from public reporting (Liquid Death press releases, Fiji owner disclosures, Smartwater Coca-Cola segment data) and industry analyst estimates (Beverage Digest, IRI, Circana). Figures approximate and intended for relative scale only.

The market structure reveals Royal Water's whitespace with unusual clarity: among aluminum-packaged premium water brands, no incumbent owns the refined / regal / aspirational positioning. Among source-based premium water brands, no incumbent has built around aluminum and domestic logistics simultaneously. Among sustainability-led brands, none has invested in lifestyle marketing with cultural intensity. Royal Water sits at the unique intersection of all three vectors — and that intersection is exactly where the category's next billion dollars of growth is occurring.

PART IV

Product Strategy

Product lineup, packaging formats, and aggressive margin structuring.

Royal Water's product architecture is engineered to capture distinct consumption occasions across retail, on-premise, hospitality, and lifestyle — building a multi-SKU velocity portfolio rather than betting the company on a single hero product.

Core Product Lineup (Launch SKUs)

SKU	FORMAT	VOLUME	PRIMARY CHANNEL	MSRP	CASE PACK
12 oz Still	Sleek Aluminum Can	355 mL	Grocery, C-store, Multipack	$2.49	24 / case
16 oz Still	Sleek Aluminum Can	473 mL	Hospitality, Fitness, Travel	$2.99	24 / case
12 oz Sparkling	Aluminum Can (Carbonated)	355 mL	Premium Grocery, On-Premise	$2.99	24 / case
750 mL Glass	Frosted Glass Bottle	750 mL	Fine Dining, Luxury Hotels	$4.99	12 / case

Packaging Formats & Multi-Pack Architecture

Beyond core SKUs, Royal Water will launch a deliberate multi-pack architecture engineered for grocery velocity, club channel viability, gifting, and hospitality logistics. **4-pack lifestyle clusters** ($9.99 MSRP) for premium grocery shelf prominence and gifting. **8-pack multipacks** ($17.99) for grocery middle-aisle and Amazon Subscribe & Save. **12-pack and 24-pack cases** for club channel (Costco, Sam's Club, BJ's) at

$19.99–$29.99. **Hospitality singles** in 200 mL aluminum mini-cans for in-room hotel minibars and cruise stateroom replenishment. **Glass 4-bottle gift boxes** for direct-to-consumer luxury gifting and corporate accounts, with optional monogramming.

Flavor Extension Opportunities (Phase 2 — 2027–2028)

Once core SKU velocity is established, Royal Water will extend into flavored sparkling water — a category currently dominated by LaCroix, Bubly, Spindrift, and Waterloo, but where the premium-positioning whitespace remains open. Our flavor philosophy is clean-label, zero-sugar, real-fruit-essence, with adult-tuned flavor pairings the mainstream brands do not occupy. Initial flavor pipeline:

- **Cucumber Mint** — wellness / yoga / spa positioning
- **Citrus Botanical** — bergamot + lemon + a hint of juniper, aperitivo-adjacent
- **Wild Berry** — sophisticated berry-blend, family-friendly
- **Yuzu** — premium Japanese citrus, hospitality-friendly
- **Watermelon Basil** — chef-inspired pairing
- **Grapefruit Rosemary** — bar / cocktail mixer positioning

Functional Beverage Opportunities (Phase 3 — 2028–2030)

Functional water is the highest-growth, highest-margin adjacency available to a premium water brand. Royal Water will extend into functional categories where the brand's premium positioning unlocks pricing power that commoditized players cannot achieve. Pipeline:

- **Royal Electrolyte+** — electrolyte hydration with no sugar, no dyes, no synthetic vitamins; positioning against Liquid I.V. and LMNT but premium-packaged.
- **Royal Adaptogen** — ashwagandha + L-theanine + magnesium; calm / focus positioning.
- **Royal Beauty** — marine collagen, hyaluronic acid, biotin; beauty & skin hydration positioning.
- **Royal Sleep** — magnesium glycinate + chamomile + glycine; evening-ritual positioning.
- **Royal Energy** — clean caffeine from green tea + L-theanine + B-vitamins; non-jittery energy positioning.
- **Royal Recovery** — BCAAs + electrolytes + tart cherry; post-workout positioning.

Hydration & Wellness Expansion

Beyond functional, the long-horizon expansion vectors include: **protein water** (whey isolate + spring water, clear and refreshing rather than milky), **mineral-enhanced spring water** (Royal Crown Mineral — naturally elevated calcium and magnesium), **alkaline pH**

8.5+ spring water (Royal Alkaline), and **oxygenated water** (Royal O_2) for performance-athlete positioning. Each extension uses the same source, the same packaging discipline, and the same brand language — building a category-spanning portfolio under a single brand mark.

Retail Shelf Positioning

Royal Water is engineered for premium eye-level placement — physically and psychologically. Specifically:

- **Grocery (Whole Foods, Sprouts, Wegmans, Fresh Market):** placement in the premium water set, eye-level shelf, adjacency to Liquid Death (cross-shopping) and Mountain Valley (premium-source cohort).
- **Premium convenience (Foxtrot, Erewhon Cafés, gourmet C-stores):** open cooler door, top two shelves, custom POS.
- **Mass grocery (Kroger Premium, Albertsons Premium, Publix Greenwise):** dedicated premium endcap during launch, then permanent premium-water set.
- **Club (Costco, Sam's Club):** club-pack pallet displays during launch; rotational endcaps.
- **Hospitality minibar & poolside:** 12oz cans for poolside towers, 200mL minis for minibar, 750mL glass for in-room hydration setup.
- **Fitness & wellness (Equinox, SoulCycle, Barry's, F45):** custom branded coolers at front desk; included in retail packs at checkout.

Pricing Strategy

Royal Water's pricing strategy is calibrated to position above mass-market water (Aquafina, Dasani, Smartwater 1L) and at or just above the premium aluminum competitive set (Liquid Death, Open Water, Path), while remaining materially below the luxury imports (Fiji, Voss, Acqua Panna). MSRP architecture by SKU:

SKU	MSRP	WHOLESALE	TRUE BOM	GROSS MARGIN %
12 oz Still Aluminum	$2.49	$1.15	$0.45	61%
16 oz Still Aluminum	$2.99	$1.45	$0.55	62%
12 oz Sparkling	$2.99	$1.45	$0.58	60%

SKU	MSRP	WHOLESALE	TRUE BOM	GROSS MARGIN %
750 mL Frosted Glass	$4.99	$2.65	$1.20	55%
24-Pack Case (12oz Still)	$29.99	$13.50	$10.80	~20% case-level

True BOM includes raw water cost, aluminum can (260 mL / 12 oz format), filling and seaming labor, secondary packaging (tray, shrink wrap), and inbound freight. Excludes overhead, marketing, and outbound logistics. At-scale BOM target on 12 oz still is sub-$0.40 with full canning automation deployed.

Margin Structure

Royal Water targets a **blended gross margin of 55–62%** at full operational scale, comfortably ahead of legacy bottled water players (which typically run 40–48% gross at the brand level, with margin diluted by packaging weight and freight). Our advantages stack: domestic source eliminates trans-oceanic freight; aluminum packaging is lighter and more freight-efficient than PET; vertical integration on production captures the co-packer margin layer; and premium MSRP positioning supports the dollar-density that low-priced commodity water cannot.

EBITDA margins follow gross-margin progression with a lag for marketing reinvestment. Target EBITDA progression: Year 1 (full ops) 10% as we invest in brand and slotting; Year 3 18–22% as velocity matures; Year 5 25–28% at full multi-channel scale.

White-Label & Co-Branding Opportunities

With excess production capacity in Winston-Salem and an underlying Appalachian source, Royal Water is uniquely positioned to operate a high-margin white-label business in parallel with the consumer brand. Initial target customers include:

- **Cruise lines** — branded canned water for in-stateroom and poolside service; eliminates trans-oceanic PET imports.
- **Luxury hotel groups** (Four Seasons, Aman, Rosewood, Edition, 1 Hotels) — co-branded in-room amenity programs.
- **Airlines** — domestic premium-cabin co-branded aluminum.
- **Fitness chains** (Equinox, Life Time, Barry's) — branded canned hydration at club retail.
- **Sports franchises & venues** — team-branded water for in-arena hospitality.

- **Luxury automotive brands** — branded water for showrooms and customer programs.
- **Premium retailer private label** (Erewhon, Foxtrot, premium independents) — premium-source private-label canned water.
- **Celebrity / talent brands** — equity-aligned co-branded SKUs.

White-label is high-velocity, low-CAC revenue with very strong contribution-margin economics. We project white-label to grow from approximately 15% of total revenue in Year 1 to 30–35% by Year 5 — diversifying revenue beyond the consumer brand and accelerating utilization of the Winston-Salem production base.

PART V

Brand & Marketing Strategy

Omnichannel marketing, influencer tiers, and experiential brand building.

Royal Water will be marketed the way a fashion house programs a season — with cultural calendars, drops, partnerships, and a strict aesthetic discipline. Hydration is the product; the brand is the asset.

Social Media Strategy — Platform by Platform

INSTAGRAM — THE AESTHETIC ENGINE

Instagram is Royal Water's primary brand surface and creative bible. Editorial calendar approach (3–4 posts per week + 5–7 stories daily + 3 Reels weekly), strict visual grid discipline (navy / gold / off-white palette only, no off-brand UGC reposts without an aesthetic filter pass), and content pillars organized around Source, Sustainability, Status, Self, and Ritual. Heavy investment in Reels (organic reach driver) and in shoppable posts (commerce driver). KPI: 250K followers Year 1, 1M by Year 3.

TIKTOK — THE CULTURAL ENGINE

TikTok is the cultural-amplification engine — where Liquid Death built its first $50M of brand value. Royal Water's TikTok strategy is built around four content modes: *Source Storytelling* (Appalachian footage, water cinematography, behind-the-scenes), *Ritual Content* (morning routines, gym moments, hospitality cameos), *Cultural Moments* (F1 weekends, Fashion Week, Coachella), and *Creator-Driven UGC* (gifted-creator outputs, paid partnerships). 5–7 posts weekly; 1 paid creator drop weekly. KPI: 1M followers Year 1, 5M+ by Year 3.

YOUTUBE — THE LONG-FORM BRAND BUILDER

YouTube hosts longer-form brand content: source-discovery mini-documentaries, founder interviews, athlete and tastemaker partner episodes, sustainability deep-dives. Weekly cadence on YouTube Shorts (15–60s) feeds the algorithm; bi-weekly long-form (5–12 min) anchors brand depth. YouTube is also where investor / B2B / press-quality brand assets live.

PINTEREST — LIFESTYLE AESTHETIC DRIVER

Pinterest delivers low-cost, long-shelf-life brand discovery among Millennial / HENRY female consumers — a high-LTV cohort. Boards organized around hydration rituals, wellness aesthetic, hospitality moments, fitness lifestyle, and sustainable luxury. 5 pins / day mostly automated.

LINKEDIN — TRADE, HOSPITALITY & INVESTOR SURFACE

LinkedIn is operated as a thought-leadership surface for the founder team — sustainability commentary, beverage industry insight, hospitality partnership announcements, retail launch news. This is where retailer buyers, hospitality procurement leaders, and prospective investors form their first impression of the company.

X (TWITTER) & THREADS — REAL-TIME VOICE

Lighter cadence, used for cultural commentary, real-time event moments (F1 weekends, Met Gala, Super Bowl), and customer-service responsiveness. Brand voice on X is wittier and slightly less polished than Instagram — calibrated for the platform.

Influencer Strategy — Tiered Model

TIER	DESCRIPTION	COMPENSATION	VOLUME / YEAR	STRATEGIC PURPOSE
Hero Ambassadors	A-list cultural / athletic talent	$250K–$2M + equity	3–6 partners	Brand association, PR halo, valuation lift
Tier 1 Creators	1M+ followers, category leaders	$50K–$200K per deal	10–15 partners	Cultural validation & reach
Tier 2 Mid-Creators	100K–1M followers, niche leaders	$5K–$30K per deal	40–60 partners	Vertical penetration (wellness, F1, fashion, fitness)
Tier 3 Micro-Creators	10K–100K followers	Gifting + $250–$2K	300+ partners	Always-on UGC engine

TIER	DESCRIPTION	COMPENSATION	VOLUME / YEAR	STRATEGIC PURPOSE
Royal Court (Affiliates)	Customer ambassador program	Affiliate %	5,000+ members	Community-led growth flywheel

Motorsport & Lifestyle Marketing

Motorsport delivers the precise overlap of premium audience, global cultural moment, and visible hospitality opportunity that Royal Water needs. Target programs:

- **Formula 1** — paddock club hospitality across US races (Miami, Austin, Las Vegas) Year 1; team paddock partnership Year 2 with focus on emerging American team Cadillac F1 or US-friendly heritage teams (Williams, McLaren, Aston Martin) Year 3+.
- **F1 Academy** — women-in-motorsport positioning, lower entry cost, strong DEI narrative.
- **Formula E** — natural fit for sustainability positioning; cities-as-tracks aligns with urban premium consumer.
- **MotoGP** — European premium audience; differentiated from F1 competitive set.
- **IndyCar / NASCAR premium hospitality** — selective race weekends for US audience reach.
- **Sailing / America's Cup** — ultra-premium audience, sustainability narrative, hospitality footprint.
- **Polo (USPA / Argentine Open)** — country-club consumer alignment.
- **Equestrian (Wellington, Hampton Classic)** — HENRY / family wealth alignment.
- **Yacht clubs & superyacht hospitality (Monaco, Miami, Hamptons)** — direct premium consumer.

Music, Fashion, Fitness & Hospitality Partnerships

- **Music:** Coachella, Stagecoach, ACL, Lollapalooza, Bonnaroo, Made in America, Art Basel music programming — preferred-water-partner status; backstage hospitality.
- **Fashion:** New York / Paris / Milan Fashion Week front-row hydration; partnerships with select designers for capsule packaging drops (Aimé Leon Dore, Kith, Heron Preston, KidSuper).
- **Fitness:** Equinox, SoulCycle, Barry's Bootcamp, F45, Tracy Anderson, Forma Pilates — preferred-water partner; co-branded retail packs at point of sale.
- **Hospitality:** Four Seasons, Aman, Rosewood, Edition, 1 Hotels, Soho House, NoMad, Hoxton, Equinox Hotels, private members clubs (Casa Cipriani, ZZ's, San

Vicente Bungalows) — in-room and on-premise water programs, ideally with co-branded glass for hospitality.

Experiential Activations

- **The Royal Lounge** — branded hydration sanctuary at festivals, fashion weeks, F1 weekends, Art Basel; cold-stocked, beautifully designed, social-media-engineered.
- **Throne Room Pop-Ups** — limited 2–4 week retail pop-ups in NYC SoHo, Miami Design District, West Hollywood, Aspen — full Royal Water brand world with merchandise, exclusive SKUs, and event programming.
- **Royal Refill Stations** — premium refillable-station program at luxury hotels, fitness clubs, and corporate accounts, signaling sustainability while reinforcing brand presence.
- **The Coronation** — flagship launch event, invite-only, hosted in NYC with celebrity ambassadors, hospitality leaders, retailer buyers, and press; designed as a year-defining cultural moment.
- **Royal Yacht Week** — partnership programming across Miami Yacht Week, Cannes, Monaco — water hospitality on partner yachts.

Guerrilla Marketing Concepts

- **Crown Drops** — limited can drops in unexpected city locations announced via Instagram Stories one hour before; lines, social content, scarcity-driven brand value.
- **The Vending Throne** — sculptural Royal Water vending installations in flagship cities, treated as art objects; collaborations with emerging sculptors.
- **"Crown a Friend"** — branded gifting kiosks in major cities where consumers can send a case to a friend with a personalized note; reciprocity-driven WOM.
- **Royal Replacement Program** — branded teams in major cities exchanging consumers' Smartwater / Fiji / Aquafina bottles for free Royal Water cans; press-friendly stunt with strong sustainability narrative.
- **The Royal Decree** — full-page open letter print buys in WSJ / NYT calling for the elimination of single-use plastic from hospitality; positions brand as category leader.
- **Royal Court Procession** — coordinated lifestyle creator gifting wave on a single day, generating concentrated content cluster.

Retail Activation Strategy

Retail activation is where premium beverage brands either build velocity or die quietly on a shelf. Royal Water's retail activation playbook combines four reinforcing elements:

(1) custom-designed shelf wraps, endcap kits, and cooler clings shipped with every launch order; **(2)** in-store ambassadors at top 50 launch stores during opening weeks (Whole Foods, Erewhon, Foxtrot, Bristol Farms); **(3)** retailer-specific exclusive SKUs (Erewhon-exclusive flavor, Whole Foods–exclusive bundle, Costco club-pack) to drive trade interest; and **(4)** retailer-marketing co-funding (digital, circular, e-comm) at a level commensurate with category leaders, not new entrants. Slotting and trade spend budget Year 1: $4–6M against $40M revenue plan.

Community Building Strategy

Royal Water will operate a tiered community program: **Royal Court** (free public-facing community for any Royal Water consumer — discount perks, early access, content); **Royal Circle** (paid subscription, $129/yr, includes monthly Royal Water shipment, exclusive merch, partner offers); **Founders' Crown** (invite-only, first 1,000 lifetime customers, lifetime perks, equity-light token / NFT-style membership). The community program drives retention, LTV, and word-of-mouth — and creates a defensible direct relationship with the consumer that retailers cannot replicate.

User-Generated Content Campaigns

- **#HydrationCrowned** — flagship UGC hashtag; reposted weekly.
- **#WearTheCrown** — fashion / style UGC, partnership with creators.
- **#RoyalMornings** — wellness / morning-routine UGC.
- **#SourceToSip** — sustainability and source storytelling.
- **#ThroneMoments** — luxury hospitality and travel UGC.

Public Relations Opportunities

Earned media targets across launch year: **Tier 1** — WSJ, NYT, Bloomberg, Forbes (business + sustainability), Fast Company (Most Innovative Companies). **Tier 2** — GQ, Vogue, Harper's Bazaar, Robb Report, Monocle, Departures, Surface, Wallpaper. **Tier 3 (cultural)** — Hypebeast, Highsnobiety, Complex, Cool Hunting. **Trade** — Beverage Digest, BevNet, Food Business News, Hotel Management, Hospitality Design. Earned-media playbook anchors on three storyline pillars: *The Anti-Plastic Founder Story*, *The American Source Story*, and *The Lifestyle Brand Story*.

Viral Marketing Opportunities

Detailed viral concepts are catalogued in Appendix D. The headline mechanic: a continuous calendar of small, high-frequency viral attempts — drops, stunts, partnerships, capsule packaging — rather than betting on a single big-bang moment.

Liquid Death's brand was not built on one viral moment; it was built on a relentless monthly cadence of them. Royal Water will operate the same cadence in a regal register.

Brand Storytelling Framework — Hero / Source / Ritual / Movement

All Royal Water creative is mapped to four narrative pillars, each owning a portion of the editorial calendar:

- **Hero** — talent, partners, ambassadors, customer spotlights. Who is wearing the crown.
- **Source** — the Appalachian aquifer, the geology, the supply chain. Where the water comes from.
- **Ritual** — daily-use moments, hospitality settings, wellness routines. How the brand fits into life.
- **Movement** — sustainability advocacy, anti-plastic positioning, cultural commentary. Why the brand exists.

Every asset, every post, every campaign is tagged to one of these pillars. The pillars compound — Hero content drives reach, Source content drives credibility, Ritual content drives purchase, Movement content drives loyalty. The framework prevents drift and ensures that across thousands of pieces of content per year, the brand stays singular.

Go-to-Market Strategy

DTC expansion, retail roadmaps, and global distribution sequencing.

Royal Water's go-to-market is sequenced for compounding velocity: build brand intensity through DTC and premium grocery in Year 1, expand to mass premium and club channels in Years 2–3, and unlock international and white-label scale in Years 4–5.

Direct-to-Consumer (DTC) Strategy

DTC at royalwaterbeverages.com is the brand's owned commerce channel and primary first-party data engine. Built on Shopify Plus with Klaviyo email/SMS, Yotpo loyalty, and Gorgias service. Subscription is the architectural backbone: **$39/month for a 24-pack** (12oz still) — auto-delivered monthly with free shipping, equivalent to ~$1.62 / can vs. ~$2.49 retail. Subscription LTV target: $480+ at 14-month average tenure. Additional DTC mechanics: *gifting* (corporate accounts, hospitality customer gifting), *monogramming* for glass bottles (premium up-sell), *bundles* (variety packs across SKUs), *limited drops* (Royal Court exclusive, capsule packaging, partnership SKUs). Target DTC mix: 20–25% of revenue Year 1, declining to 12–15% as retail scales — but absolute DTC dollars grow every year.

Amazon Strategy

Amazon is operated as a critical premium-discovery and Subscribe & Save engine, but with disciplined margin and inventory controls. Premium A+ Brand Content with video, lifestyle photography, and source storytelling. Subscribe & Save loyalty up to 15% discount. Sponsored Products + Sponsored Brand placements against Liquid Death, Fiji, Voss, Smartwater branded keywords. Amazon Marketing Cloud for cohort analysis. Use of Vine and Verified Purchase programs for review velocity. Target Amazon mix: 8–12% of revenue at maturity.

Retail Expansion Roadmap

YEAR	RETAIL CHANNEL FOCUS	TARGET DOORS	GEOGRAPHIC FOOTPRINT
Year 1 *(2027)*	Regional Whole Foods, Erewhon, Bristol Farms, Central Market, Foxtrot, Fresh Market, premium independents, top fitness chains	~1,500	NC, GA, FL, TN, SC, VA + CA selective, NY/NJ/CT selective
Year 2 *(2028)*	National Whole Foods, Sprouts, Wegmans, premium independents, premium hotel chains, gym channel build-out	~5,500	Full Southeast, full East Coast, CA/TX/AZ/CO, IL major metros
Year 3 *(2029)*	Target, Costco, Kroger Premium (Boutique sets), Albertsons Premium, Publix Greenwise, club channel	~14,000	National presence; concentrated west & midwest expansion
Year 4 *(2030)*	Walmart Premium sets, 7-Eleven Premium, RaceTrac, Sheetz, Wawa, QuickChek, expanded hospitality & travel retail	~30,000	Full US national distribution + airports + hospitality
Year 5 *(2031–32)*	Mass national, expanded white-label, international (UK / EU premium / UAE / Tokyo / Singapore)	50,000+	National + initial international footprint

Distribution Partnerships

Royal Water will operate a hybrid distribution model: **KeHE** and **UNFI** for national premium grocery and natural channel; **DPI Specialty Foods** for select premium specialty; regional beverage **DSDs** (direct-store-delivery) such as **L&F Distributors**, **Honickman**, **Reyes Beverage Group**, and select Anheuser-Busch / MillerCoors DSD networks for convenience and on-premise; **club-direct relationships** with Costco and Sam's Club; and **Amazon Vendor / Seller hybrid** for e-com. Distributor incentive structure rewards velocity and door count over case dumping. Long-term, we are evaluating equity participation by 1–2 strategic distributor partners as part of the Series A capital structure.

Convenience Store Strategy

Premium convenience (Foxtrot, Erewhon Café, gourmet C-stores) is the right entry point — high foot-traffic, high-velocity, image-building. Year 2 expansion into premium chains (7-Eleven Premium, Wawa, Sheetz, RaceTrac, QuickChek) and image-driven independents in NYC, LA, Miami, Chicago, Austin, Nashville. Long-term, Royal Water sits in the upper-cooler shelf in any premium C-store — the position currently dominated by Smartwater, with Liquid Death encroaching.

Grocery Strategy

Premium grocery first — Whole Foods, Sprouts, Erewhon, Bristol Farms, Central Market — to establish premium-positioning credibility and velocity. Mass grocery second (Kroger Premium / Boutique, Publix Greenwise, Albertsons Premium) in Year 3 once velocity data justifies. Walmart Premium and Target in Year 4 once national brand awareness supports mass shelf. Slotting strategy: pay where it matters (top 250 stores in launch year), negotiate hard everywhere else, leverage retailer data to justify expansion.

Hospitality Strategy

Hospitality is Royal Water's structural moat — a defensible, high-velocity, high-loyalty channel that legacy brands have under-served. Target accounts in launch year include: **Four Seasons, Aman, Rosewood, Edition, 1 Hotels, Auberge, Equinox Hotels, Soho House, NoMad, The Hoxton, Pendry, Faena, The Standard, Ace Hotels** on the hotel side; **cruise lines** (Royal Caribbean, Carnival, Norwegian, MSC, Virgin Voyages, Viking, Regent, Seabourn) on the cruise side; **premium dining groups** (Major Food Group, Tao Group, Catch, Nobu) on the restaurant side; and **private members' clubs** (Casa Cipriani, ZZ's Club, San Vicente Bungalows, Aman Club, The Aspen Club). Hospitality wins are sticky — once a hotel chain standardizes on Royal Water for in-room, the contract renews on annual basis with low churn.

Gym & Wellness Channel Strategy

Gym and wellness is the most efficient consumer-touchpoint per dollar in beverage. Target chains: **Equinox (130+ locations), SoulCycle (90+), Barry's Bootcamp (75+), F45 (1,500+ globally), Tracy Anderson, Forma Pilates, Solidcore, Rumble, [solidcore], CorePower Yoga, YogaSix**, plus premium independent studios in top-25 metros. Distribution mechanics: branded coolers at front desk; included in $5–7 retail packs at point-of-sale; sampling at member events. Wellness channel also drives critical first-party data and is the highest-LTV consumer cohort in the brand.

Event & Festival Strategy

Royal Water will be present at the cultural moments where the brand's target consumer congregates: **Coachella, Stagecoach, ACL, Lollapalooza, Bonnaroo, Made in America** (music); **Art Basel Miami, Frieze NY/LA, Art Basel Switzerland** (art); **NY/Paris/Milan Fashion Week** (fashion); **F1 Miami / Austin / Vegas, Indy 500, Daytona 500** (motorsport); **US Open Tennis, Masters, Kentucky Derby, Wimbledon hospitality** (sports); **Cannes Film Festival, Sundance, Tribeca, Aspen Film, Hamptons International** (film); **SXSW, Aspen Ideas, Allen & Co. Sun Valley** (ideas). Each event is engineered for content density: pre-event creator gifting, on-event activation, post-event content harvest.

International Expansion Opportunities

International is a Year 4–5+ priority, sequenced into premium-positioning markets first:

- **United Kingdom** — London premium grocery (Selfridges Food Hall, Harrods, Whole Foods UK), members' clubs, hospitality.
- **European Union** — Monaco, Saint-Tropez, Ibiza, Mykonos hospitality first; then Paris, Milan, Zurich premium retail.
- **Middle East** — Dubai (DIFC, Palm, Downtown), Abu Dhabi, Riyadh — premium hotel and retail concentration; high per-capita premium-beverage spend.
- **Asia-Pacific** — Singapore, Tokyo, Seoul, Hong Kong — premium grocery and hospitality.
- **Canada** — Toronto, Vancouver premium grocery and natural channel as immediate-adjacent market.
- **Caribbean & Latin America** — Mexico City, Tulum, Cabo, Puerto Rico, Saint Barths — hospitality-led entry.

International is also a natural pull-channel via cruise hospitality wins: a cruise customer who experiences Royal Water onboard is a consumer who will look for it in their home market. The cruise channel is, in effect, a global brand-awareness engine masquerading as a procurement contract.

Operations & Infrastructure

Domestic supply chain, logistics, scalable manufacturing, and tech stack.

Royal Water is, first and foremost, an operating company — not a brand searching for a co-packer. The Winston-Salem footprint is live; the source is secured; the supply chain is domestic.

Manufacturing Considerations

Royal Water's operating spine is anchored in Winston-Salem, North Carolina across **170,000 square feet** of production, warehousing, and logistics infrastructure already prepared for canning, glass-fill, and hospitality-grade single-serve packaging. Two co-located sites — **105 Akron Drive** and **3102 Shorefair Drive**, Winston-Salem — provide the operating base. Both sites are immediately operational with the canning, palletizing, warehousing, and dock infrastructure required for national distribution.

Phase 2 of the operating footprint is the source-side facility on a **17-acre parcel** located approximately 20 minutes from Winston-Salem at the spring source itself. Phase 2 deepens source control, reduces inbound water freight, and creates supply defensibility that no co-packer-dependent competitor can replicate. Phase 2 build is contemplated for Years 2–3 of the operating plan, funded from Series A proceeds plus operating cash flow.

Total source capacity: **2.5 million gallons per day / 1 billion gallons per year** from the Appalachian aquifer, providing decades of headroom against even our most aggressive volume projections. Initial canning capacity in Winston-Salem supports comfortable Year 1 volume (40M cans equivalent) with modular line additions scaling to 200M+ cans equivalent by Year 5.

Supply Chain Overview

The supply chain is engineered for domestic simplicity: **source water** from the Appalachian aquifer, transported via tanker to **Winston-Salem operations** (Phase 1) or pumped on-site (Phase 2); **aluminum cans** received via truck from East Coast can-maker plants; **filling, seaming, and labeling** in-line at Winston-Salem; **secondary packaging** (trays, shrink-wrap, cartons) in-line; **palletizing and warehousing** on-site; **outbound distribution** via truck and rail to regional 3PLs, distributor warehouses, and direct-to-retailer DCs. The entire flow is domestic, USD-denominated, and freight-efficient — a structural cost advantage versus any premium water brand built on trans-oceanic source.

Packaging Sourcing

COMPONENT	PRIMARY SUPPLIER	SECONDARY SUPPLIER	STRATEGIC NOTES
Aluminum Cans (12oz, 16oz)	Ball Corporation	Crown Holdings / Ardagh Metal	Multi-supplier hedge against single-source risk
Can Ends	Ball Corporation	Crown Holdings	Compatible with both supplier bases
Frosted Glass Bottles (750mL)	Verallia / O-I Glass	European premium suppliers	Hospitality-grade finish; sourced for tactile premium
Closures & Caps	Berlin Packaging / Closure Systems Intl	Silgan Closures	Custom-tooled crown emblem in cap detail
Secondary Packaging	WestRock	Smurfit Kappa	Recycled paperboard, FSC certified
Labels & Print	Multi-Color Corporation	CCL Industries	Direct-print on can for premium tactile feel

Logistics Strategy

Royal Water's logistics architecture leverages the geographic advantage of a North Carolina production hub: Winston-Salem sits within a one-day truck radius of approximately **60% of the US population**, including the entire Eastern Seaboard, Florida, Tennessee, Georgia, and major Midwestern metros. Two-day truck radius reaches another 25% of the population. Combined with rail access for long-haul West Coast freight and port-connected logistics for cruise-line homeport drops, the network is materially more efficient than any competitor reliant on West Coast or trans-oceanic source.

3PL partnerships under negotiation include **C.H. Robinson, J.B. Hunt, XPO, NFI Industries** on the truck/rail side; **DHL, FedEx, UPS** for DTC fulfillment; regional 3PLs for **West Coast (Stockton/Riverside), Texas (Dallas), Midwest (Chicago/Indianapolis), Northeast (Edison NJ), Southeast (Atlanta/Jacksonville)** for sub-two-day national fulfillment.

Warehousing

Phase 1 warehousing is anchored at the Winston-Salem footprint with approximately 60,000 sq ft of finished-goods storage, supplemented by regional 3PL space as volume scales. Phase 2 expansion adds source-side warehousing tied to the source-side facility. By Year 3, we project total warehousing footprint (owned + 3PL) of approximately 250,000 sq ft, supporting national next-day or two-day fulfillment to retail DCs and DTC consumers.

Inventory Forecasting & S&OP

Sales & Operations Planning is run on a 13-week rolling forecast with monthly executive reviews. Demand forecasting integrates **Crisp** (retail point-of-sale data), **Stackline** (Amazon analytics), and DTC subscription data into **Anaplan** for cross-functional planning. Safety stock target is **4–6 weeks** of trailing demand, with elevated safety stock during retail launches and seasonality peaks (summer beach / event season, Q4 hospitality push). MOQ batch planning is reviewed quarterly against forecast accuracy KPIs (MAPE target <15% at SKU-region-month level).

Scalability Considerations

Scalability is engineered into the operating plan at three levels: **(1) Source** — 1B gallons/year capacity provides 25x+ headroom vs. Year 1 volume; **(2) Production** — current Winston-Salem footprint can absorb roughly 5x Year 1 canning volume with incremental line additions; **(3) Logistics** — domestic 3PL footprint scales linearly with revenue without structural CapEx. The binding constraint at scale will be brand demand, not operating capacity. Phase 2 source-side facility extends scalability headroom another 5x and opens white-label / co-packing opportunities that further utilize the asset base.

Technology Stack Recommendations

FUNCTION	PLATFORM	STRATEGIC PURPOSE
ERP	NetSuite (CPG configuration)	Financial system of record; inventory; AR/AP; multi-entity
Production / WMS	Plex / SAP S/4 (modular)	MES, production line control, warehouse management
DTC E-commerce	Shopify Plus	Royalwaterbeverages.com, subscription, gifting
Email / SMS / Loyalty	Klaviyo + Yotpo	Lifecycle, retention, Royal Court program
Customer Service	Gorgias	Omnichannel inbox, Shopify-native
Demand & S&OP	Anaplan	Cross-functional planning, forecasting
Data Warehouse / BI	Snowflake + Looker	Single source of truth across channels
Trade / Retail Analytics	Crisp + Stackline	SPINS / IRI / Amazon performance, retailer scorecards
Marketing Analytics	Triple Whale + Northbeam	Attribution, ROAS by channel
CRM & Trade Promotion	Salesforce + UpClear	Sales pipeline, trade promotion management
HRIS / Payroll	Rippling	Hiring, onboarding, payroll, benefits

CRM & Customer Retention Infrastructure

First-party data is the long-term valuation driver. Royal Water will build a unified customer profile across DTC, Amazon, retail-redemption (Royal Court app), wellness-channel sampling, and hospitality. Klaviyo handles the lifecycle messaging; Yotpo runs the Royal Court loyalty program; a Snowflake data layer centralizes all first-party identifiers. Retention KPIs: 60-day repeat purchase rate >35%; 6-month retention >55%; LTV target $480+ on subscription cohort and $180+ on transactional. The CRM infrastructure is also the foundation for cross-sell into functional and flavor SKUs in Phase 2 and 3 — every Royal Water consumer becomes a captive audience for the next product launch.

Financial Modeling

Startup costs, multi-year revenue projections, margin targets, and returns.

The financial model is built on conservative volume assumptions, aggressive (but precedented) brand investment, and the unit economics of a domestic, owned-source, aluminum-packaged premium water platform.

Startup & Operating Cost Estimates

CATEGORY	AMOUNT	DESCRIPTION
Water Assets & Source Acquisition	$30.0M	Source-side land (17 acres), water rights, Phase 2 facility build
Production Equipment & Automation	$18.0M	Canning line additions, glass-fill line, palletizers, automation
Facility Build-Out & Improvements	$6.0M	Winston-Salem expansion, source-side facility groundwork
Brand & Marketing Launch	$8.0M	Campaign creative, launch activations, retail support, agency
Retail Slotting & Trade Spend (Y1)	$4.0M	Initial slotting fees, promotional support, sampling
Technology & Systems	$2.5M	ERP implementation, Shopify Plus, analytics stack
Working Capital Reserve	$17.5M	Inventory build, AR financing, payroll, operating runway
Reserve / Contingency	$4.0M	10% contingency on capital-intensive line items

CATEGORY	AMOUNT	DESCRIPTION
Total Capital Deployed	**$90.0M**	**Across Series A capital + retained operating cash**

Revenue Projections (6-Year)

YEAR	REVENUE	GROSS MARGIN %	EBITDA	EBITDA %	PHASE
2026 Q4 (Pilot)	$2M	38%	($3M)	n/a	Pilot & validation
2027 (Full Ops)	$40M	42%	$4M	10%	Regional retail + DTC launch
2028	$80M	48%	$16M	20%	National premium retail expansion
2029	$120M	52%	$24M	20%	Mass premium (Target, Costco, Kroger)
2030	$250M	56%	$50M	20%	Mass national + international entry
2031	$350M	58%	$77M	22%	Conservative ramp continuation
2032	$450M	60%	$112M	25%	International scale + functional SKUs

Projections assume retail mix transition from 55% DTC/Amazon in Year 1 to ~65% retail / 15% DTC / 12% hospitality / 8% white-label by Year 5. Pricing assumed flat in real terms (annual MSRP increase ~CPI). Marketing spend held at ~12–14% of revenue throughout the plan period.

Customer Acquisition Cost (CAC) by Channel

CHANNEL	YEAR 1 CAC	YEAR 3 CAC	LTV	LTV:CAC
DTC (Paid Social + Search)	$48	$28	$320	11.4x
DTC Subscription	$62	$38	$480	12.6x
Amazon	$18	$11	$140	12.7x
Retail (Allocated Slotting + Trade)	$6	$3	$95	31.7x
Hospitality / On-Premise	$2	$1	$80	80x
Blended	$22	$14	$180	12.9x

Margin Projections (Gross → EBITDA Bridge)

Gross margin progression is driven by three structural levers: **(1)** declining BOM as canning volume scales (line efficiency, supplier pricing leverage); **(2)** mix shift toward higher-margin formats (16oz, sparkling, glass) and white-label revenue; **(3)** logistics density as the regional 3PL network scales. EBITDA progression is held back in Years 1–2 by intentional reinvestment in slotting, brand, and team build; from Year 3 forward, EBITDA scales materially as fixed costs are absorbed against growing revenue.

EBITDA Potential

At full operating scale (Year 5–6+), Royal Water targets **25–28% EBITDA margins** on a $450M+ revenue base — consistent with public-comp benchmarks for premium beverage businesses at scale (Celsius, Monster, Liquid Death private comps). This implies steady-state EBITDA of **$112M–$135M+ annually** by 2032, supporting a valuation framework that we develop in Part IX.

Retail Velocity Assumptions

Retail velocity assumptions are conservative relative to category benchmarks:

- **Year 1 launch velocity:** 4–8 units / store / week (12oz SKU) at premium grocery. Liquid Death achieved 10–14 units/store/week at maturity in Whole Foods (SPINS).
- **Year 2 maturity velocity:** 10–14 units / store / week at premium grocery; 6–10 at premium C-store.
- **Year 3+ steady-state:** 18–32 units / store / week at premium grocery in top-quartile stores; 12–20 average.
- **Glass 750mL on-premise:** 8–14 bottles / hotel / day in launch hospitality accounts.
- **Subscription DTC:** 12–14 month average tenure; 11% monthly churn declining to 7% at Year 3.

Break-Even Analysis

Unit-level break-even is achieved by mid-Year 1 (Q3 2027) as canning volume crosses ~3M cans / month. Corporate-level break-even (including allocated overhead and marketing) is targeted for Q4 2027 / Q1 2028. From break-even forward, the operating leverage of fixed-cost absorption against compounding revenue produces the EBITDA acceleration shown above.

Investor Return Opportunities

SCENARIO	2032 REVENUE	EXIT MULTIPLE	ENTERPRISE VALUE	MOIC ON $60M	IRR
Downside	$250M	2.5x revenue	$625M	2.5–3.2x	19–23%
Base Case	$450M	3.5x revenue	$1.575B	4.5–5.5x	28–32%
Upside	$600M	4.5x revenue	$2.7B	7–9x	38–44%

Exit multiples benchmarked to recent precedent transactions in premium beverage: BodyArmor (Coca-Cola, $5.6B, ~5x revenue), Hydroflask, Liquid Death private rounds (~6x forward revenue), Vita Coco public multiples, Celsius / Monster comparable trading. Returns shown to anchor $60M Series A investor under base-case assumption of ~22% fully-diluted ownership post-money. Actual returns subject to capital structure, future dilution, and exit timing.

Capital Deployment Recommendations

The $60M anchor capital is deployed across three strategic buckets, designed to maximize compounding effects:

- **$30M — Physical Assets & Infrastructure (50%).** Source-side land & facility, Phase 2 production build, equipment automation. This is the durable, depreciable asset base that creates long-term valuation defensibility.
- **$30M — Scale, Automation & Customer Growth (50%).** Production line expansion, brand investment, retail slotting, hospitality customer acquisition, white-label program development.
- **$15–20M — Working Capital Reserve (Bridge, drawn as needed).** Operating capital, inventory financing, AR backstop. This is the buffer that allows aggressive scaling without forced future capital raises at unfavorable timing.

Investment & Fundraising

Capital structure options, strategic partners, and exit scenarios.

Royal Water's capital structure is engineered to align strategic investor interests with operating outcomes — converting what would otherwise be a procurement line item into ownership, and rewarding anchor capital with both preferred returns and structural supply-chain economics.

Investment Structure — Three-Tier Capital Architecture

Royal Water is offering three Series A investment tiers, each with a distinct equity entry point and an associated cost-plus pricing schedule. The pricing schedule structures the long-term supply economics for strategic / customer investors — turning the equity check into a structural unit-cost advantage in addition to standard preferred returns.

TIER	CAPITAL	Y1–Y2	Y3	Y4	Y5	PROFILE
Tier I	$20M	Cost + 15%	+18%	+20%	+22%	Strategic / hospitality partner; supply benefit + equity
Tier II	$40M	Cost + 8%	+12%	+16%	+20%	Major hospitality / distributor / cruise partner
Tier III (Anchor)	$60M	Cost + 0%	+10%	+15%	+20%	Full anchor equity; unlocks $4.6M+ Y1–Y2 savings

Equity Positioning

The Series A is structured as **Preferred Equity** with the following standard institutional terms: 1x non-participating liquidation preference (or 1x participating with cap, negotiable by tier); broad-based weighted-average anti-dilution; standard pro-rata rights for follow-on rounds; information rights consistent with Delaware norms; **board observer rights at $20M**; **board seat at $40M+**; **protective provisions** on major decisions (sale, additional preferred, debt above threshold). Voting on as-converted basis. Standard ROFR/co-sale on founder shares.

Post-money equity sizing under base-case assumption: Tier III $60M anchor capital represents approximately **22–26% fully-diluted ownership** at a $200–250M post-money valuation. Tier II and Tier I scale proportionally with a small premium for the anchor tier reflecting the lead-investor function.

Strategic Investor Profiles

Royal Water is courting three categories of strategic capital, each chosen for the operating leverage they provide in addition to dollars:

BEVERAGE INDUSTRY STRATEGICS

- **The Coca-Cola Company** — Venture arm Coca-Cola Ventures; precedent: BodyArmor acquisition. Strategic fit: distribution scale, hospitality channel.
- **PepsiCo Ventures** — Beverage incubation track record; precedent: Sabra, Bare Snacks, Rockstar. Strategic fit: convenience & mass channel.
- **Keurig Dr Pepper** — Active premium-water acquirer; precedent: Vita Coco distribution deal, Polar Beverages. Strategic fit: distribution + non-alcoholic portfolio gap.
- **Constellation Brands Ventures** — Premium-beverage venture portfolio; portfolio: Mi Campo, Liquid Death (prior). Strategic fit: premium-positioning expertise.
- **Anheuser-Busch InBev Ventures (ZX Ventures)** — Distribution muscle across DSD network; portfolio: Babe Wine, Cutwater. Strategic fit: on-premise & convenience.
- **Diageo Distill Ventures** — Premium spirits / beverage parallel positioning; strategic fit: hospitality channel synergies.
- **Nestlé Waters North America (BlueTriton)** — Direct category strategic; relationships through our team's prior tenure. Strategic fit: production know-how, distribution.
- **Danone Manifesto Ventures** — Sustainability-anchored portfolio; portfolio: Harmless Harvest, Brightland. Strategic fit: sustainability narrative alignment.
- **Mars Petcare / Edition Capital** — Premium consumer track record.

SUSTAINABILITY & IMPACT CAPITAL

- **Closed Loop Partners** — Recycling infrastructure investor; aluminum supply chain focus.
- **Pangaea Ventures** — Materials-science and sustainability impact fund.

- **Generation Investment Management (Generation Climate Solutions)** — Al Gore's climate-aligned long-only platform.
- **Tiger Global ESG track / Bain Double Impact / TPG Rise** — Large-format ESG mandates with consumer-staples allocations.
- **S2G Ventures** — Food & agriculture sustainability fund.

HOSPITALITY, CRUISE & DISTRIBUTION STRATEGIC PARTNERS

- Major cruise operators (Royal Caribbean Group, Carnival Corp, Norwegian Cruise Line Holdings, MSC, Virgin Voyages)
- Luxury hotel groups (Marriott Strategic Partnerships, Hyatt Ventures, Accor Ventures, Hilton Capital)
- Distributors (KeHE strategic investment arm, UNFI, Reyes Beverage Group, Honickman)
- Premium retailers (Erewhon — equity investments precedent, Whole Foods — strategic supplier programs)

FAMILY OFFICES & CULTURAL CAPITAL

- Founder-led family offices (Pritzker Group, Walton family, Mars family offices)
- Hospitality / real-estate family offices (Adelson, Tisch, Belfer)
- Sports-team ownership groups (NBA, NFL, MLB ownership-adjacent family offices)

Distribution Partner Equity Opportunities

We are evaluating an equity participation track for 1–2 strategic distributor partners (KeHE, UNFI, or selected regional DSDs) as part of the Series A. Distributor equity creates incentive alignment — when the distributor owns a piece of the brand, the brand gets prioritized inside the distributor's portfolio. Precedent: Boxed Water / KeHE early relationship; multiple craft-beverage brand / DSD equity structures.

Celebrity / Influencer Investment Opportunities

A reserved allocation of **~$5–8M** within the Series A is available for celebrity, athlete, and cultural-tastemaker investors at favorable terms in exchange for committed marketing assets (named ambassadorship, content rights, social commitments, event appearances). Strategic priority targets:

- **Tom Brady** — TB12 wellness brand alignment; aspirational performance positioning.
- **LeBron James / Maverick Carter** — Premium-brand investment portfolio (Beats, Liquid Death prior).
- **Rihanna / Roc Nation** — Fenty playbook in beverage; cultural authority.

- **Travis Kelce & Patrick Mahomes** — Performance + cultural cross-over.
- **Serena Williams (Serena Ventures)** — Active beverage investor; brand authority.
- **Roger Federer** — Premium global brand association (On Running playbook).
- **Lewis Hamilton** — Sustainability + motorsport credibility (+44 brand portfolio).
- **Zendaya** — Premium consumer cultural authority across demographics.
- **Hailey Bieber (Rhode)** — Beverage / wellness adjacency proven.
- **Bad Bunny** — Global cultural reach + Latin America platform.
- **Sofia Richie Grainge** — Premium aesthetic / hospitality alignment.
- **Bryan & Kelly Adams (NFL ownership / hospitality)** — strategic capital + hospitality network.

Exit Opportunities

Royal Water's exit landscape is unusually deep. Recent precedent:

- **BodyArmor → Coca-Cola** — $5.6B acquisition (2021), approximately 5x revenue at acquisition.
- **Bai Brands → Keurig Dr Pepper** — $1.7B acquisition (2017), ~5x revenue.
- **Vita Coco → IPO** — Public on Nasdaq (2021), market cap range $1.5–2.5B since IPO.
- **Liquid Death** — Most recent private rounds at $1.4B+ valuation; widely speculated strategic acquisition or IPO 2026–27.
- **Celsius Holdings** — Public-market valuation peaked at $24B; strategic distribution deal with Pepsi 2022.
- **Mountain Valley Spring Water → Primo Water (BlueTriton)** — Acquisition closed 2022.

Royal Water's exit pathways:

- **Strategic acquisition (5–7 years)** — Most likely path. Acquirers: The Coca-Cola Company, PepsiCo, Keurig Dr Pepper, Nestlé Waters / BlueTriton, Danone, Constellation Brands. Multiple precedent for premium beverage acquisitions in the 4–6x revenue range.
- **Public offering / IPO (7–10 years)** — Plausible at $400M+ revenue with consistent EBITDA. Comp: Vita Coco IPO trajectory.
- **Private equity recapitalization** — Carlyle, KKR, Bain Capital, TPG, and L Catterton are all active in the consumer-beverage category; recapitalization can return capital to early investors while keeping the company independent.
- **Distributor / strategic supply contract conversion** — In the event of large hospitality / cruise / retailer customer concentration, an outright strategic acquisition becomes a natural exit pathway.

Long-Term Valuation Potential

Under the base-case revenue trajectory ($450M by 2032), Royal Water supports an enterprise valuation of **$1.5B–$2.0B+** at a 3.5–4.5x revenue multiple — consistent with premium-beverage precedent. Under upside scenarios (international acceleration, functional-line success, premium-private-label growth), $2.5B–$3.0B+ valuations are achievable. The combination of brand intensity, owned source, domestic logistics, and recurring revenue from hospitality / cruise / white-label produces the type of "strategic asset" valuation premium that beverage strategics consistently pay for — meaningfully ahead of pure-financial multiples.

SWOT Analysis

Comprehensive quadrant evaluation of internal and external factors.

Strengths

- **Owned / controlled Appalachian water source** — defensible single-source provenance with 1B gal/yr capacity, located domestically in the United States.
- **170,000 sq ft Winston-Salem operating footprint** already live — we are an operating platform, not a brand searching for a co-packer.
- **Aluminum-and-glass-only packaging architecture** — fully aligned with consumer, retailer, regulatory, and hospitality trends; structurally differentiated from PET incumbents.
- **Domestic supply chain** with USD-denominated economics — no FX exposure, no ocean freight, no port-demurrage risk.
- **Premium-positioning brand whitespace** — refined / regal lane is uncontested by Liquid Death's rebellious lane and by Smartwater/Fiji's commoditized PET legacy.
- **Operator-led leadership team** with prior BlueTriton, Neft Vodka, Nirvana Water Sciences, Primo, NOS, CocoLove tenure — proven track record in this exact category.
- **Multi-channel demand stack** — DTC + retail + hospitality + cruise + white-label simultaneously, diversifying revenue and CAC.

Weaknesses

- **Pre-launch brand awareness** — Royal Water has no consumer-facing equity yet. Brand build requires sustained 24–36 month investment.
- **Capital intensity** — the operating footprint, source acquisition, and brand build collectively require $80–100M of capital deployment; a less-funded competitor could move faster on brand alone.
- **Premium price point** — limits accessibility in mass-market channels and during macro consumer-spend contraction; offsets via channel mix.
- **Retail slotting friction** — premium grocery and mass slotting fees are material; competition for premium-water shelf is the most intense in beverage right now.
- **Distribution build-out time** — building national DSD relationships takes 18–36 months; we will be partially dependent on KeHE/UNFI national for initial reach.
- **Hospitality & cruise customer concentration risk** — if early hospitality wins are concentrated, single-account loss is material until base diversifies.

- **Functional & flavor extensions are Phase 2/3** — initially competing on still + sparkling, leaving functional adjacencies to potentially be defined first by competitors.

Opportunities

- **$340B global bottled-water TAM** with concentrated dollar growth in premium and sustainable formats.
- **Liquid Death's success has validated the category** for retailers, distributors, and capital markets — Royal Water enters with proof-of-concept already established.
- **Regulatory tailwinds against single-use PET** — EU, California, New York, hospitality groups, cruise operators all moving against PET.
- **Cruise & hospitality channel** — historically under-served by premium water brands; structurally favorable economics for an anchor supplier.
- **Functional water adjacency** — $5B+ category growing 15–20% annually; Royal Water can extend natively with strong margins.
- **International expansion** — UK, EU premium, UAE, Singapore, Tokyo all under-served by premium American water brands with sustainability narrative.
- **White-label revenue stream** — Winston-Salem capacity supports high-margin private-label business that diversifies revenue.
- **Acquisition appetite among strategics** — Coca-Cola, PepsiCo, Keurig Dr Pepper, Nestlé Waters all active acquirers at 3–5x revenue multiples.

Threats

- **Liquid Death's dominance in aluminum-format water** — they own the shelf set, retailer attention, and consumer mindshare. Counter: opposite brand positioning, hospitality channel, refined consumer.
- **Coca-Cola, PepsiCo, or Nestlé launching competing premium aluminum brand** at scale (the "incumbent strikes back" risk).
- **Aluminum commodity-price volatility** — LME aluminum prices have ranged $1,800–$3,200/MT in the past 5 years; mitigated via multi-supplier hedge and forward contracts.
- **Retailer slotting wars** — premium water shelf is fiercely contested; aggressive trade spend could erode early margins.
- **Macroeconomic premium-spend contraction** — recession scenarios compress discretionary spend on $3 canned water; offset by hospitality / white-label diversification.
- **Source / water-rights regulatory risk** — state and federal water-use regulations are increasingly complex; legal counsel and proactive permitting required.
- **Consumer backlash against bottled water broadly** — counter-narrative that all bottled water is wasteful; mitigated by aluminum-positioning and closed-loop hospitality programs.

SWOT Net Read

The strengths and opportunities materially outweigh the weaknesses and threats — particularly the combination of owned source, live infrastructure, operator team, and structural sustainability tailwinds. The principal weaknesses (brand awareness, capital intensity) are exactly the factors this Series A is designed to address; the principal threats (incumbent retaliation, slotting wars) are managed by speed, channel diversification, and disciplined unit economics. Royal Water enters this category with structural advantages that no comparable emerging brand currently combines.

PART XI

Executive Team & Governance

Leadership profiles and structural corporate governance.

Royal Water is led by operators who have already built and scaled brands in this exact category — beverage industry veterans whose collective track record materially de-risks execution.

Executive Leadership

VINCENT "COCO VINNY" ZALDIVAR — CEO/FOUNDER, COCOLOVE

Premium hydration operator with national retail distribution experience. Vincent brings frontline category-building expertise in premium water and beverage commercialization, with particular strength in brand vision, founder-led storytelling, and commercial relationship development across retail, hospitality, and lifestyle channels.

Contact: cocovinny@cocolovewater.com

ERNIE B. MANANSALA JR. — CMO, COCOLOVE

Formerly Global CMO for Neft Vodka, BlueTriton / Primo, Nirvana Water Sciences, and NOS Energy Drink. Ernie is a senior beverage marketing operator with deep experience across premium hydration, spirits, and performance beverage categories, bringing institutional-grade brand strategy, creative leadership, and growth architecture to Royal Water's go-to-market and cultural positioning.

Contact: ernie@workwithema.com · emanansalajr.com

SKYLAR WILLIAMS — STRATEGIC OPERATIONS ADVISOR

Beverage and consumer goods operator with experience spanning brand growth, supply chain execution, and key-account development across hospitality and retail channels. Skylar supports Royal Water's operating cadence, cross-functional execution planning, and commercialization discipline as the business scales from launch-phase brand to multi-channel beverage platform.

JARED CRUZE — OPERATIONS & BUSINESS DEVELOPMENT

30+ years of hospitality and beverage leadership experience spanning operational excellence, crisis navigation, and business development. Jared brings meaningful depth in customer operations, account development, and service execution across hospitality-driven beverage environments, and is a U.S. Army veteran who served in Operation Iraqi Freedom and Operation Enduring Freedom.

Key Hires (Series A Funded)

- **Chief Financial Officer** — CPG / beverage track; ex-public-company controller or strategic-finance background.
- **VP, Sales & National Accounts** — pre-existing relationships across Whole Foods, Target, Costco, Kroger, Sprouts.
- **VP, Operations & Supply Chain** — beverage-manufacturing depth; ERP / S&OP discipline.
- **VP, Hospitality & On-Premise** — relationships across Four Seasons, Aman, Rosewood, premium hotel groups, cruise lines.
- **Head of DTC & E-Commerce** — Shopify Plus, subscription, performance marketing track record.
- **Head of Sustainability & ESG** — credentialed sustainability lead for closed-loop programs, ESG reporting, certifications.
- **General Counsel** — beverage industry / regulatory experience; water rights and labeling expertise.
- **Head of People & Culture** — high-growth CPG scaling experience.

Advisory Board

Royal Water is assembling a formal Advisory Board with five committed seats targeting expertise across:

- **Beverage Industry Strategy** — former senior leadership at Coca-Cola, Pepsi, or premium-water acquirers.
- **Premium Hospitality** — current or former C-suite at Four Seasons, Aman, Marriott Luxury, or comparable.
- **Retail & Trade** — former senior buyer / category leader at Whole Foods, Target, Costco, or Kroger.
- **Sustainability & ESG** — recognized leader in packaging, circular economy, or beverage sustainability.
- **Brand & Creative** — luxury / cultural-brand operator (fashion, hospitality, or beverage).

Governance Structure

Post-Series A, the Board of Directors is structured for institutional rigor while retaining founder operating control:

- **Board Composition (5 seats):** CEO; one founder seat; one independent / Chair; one investor seat (anchor Series A); one industry-strategic / independent seat. Board observer rights reserved for additional Series A participants at $20M+ commitment.
- **Standing Committees:** Audit; Compensation; Strategic / M&A.
- **Protective Provisions:** Standard institutional provisions on major decisions (sale, additional preferred issuance, debt above threshold, material acquisition / divestiture, annual operating plan approval).
- **Reporting Cadence:** Monthly financial pack; quarterly board meetings; annual budget & strategic plan; annual ESG / sustainability report.

Appendices

APPENDIX A

Brand Slogans

Versatile taglines crafted for varied marketing channels.

The following slogans are organized by tonal register to support flexible deployment across packaging, advertising, retail POS, hospitality programs, and partnership activations. Each is designed to extend naturally into long-form marketing without breaking the core brand language.

Hero / Brand-Defining Slogans

- **"Hydration, Crowned."** — Primary tagline; ownable, ownable, ownable.
- **"Wear the Crown."** — Aspirational lifestyle anchor.
- **"Drink Like Royalty."** — Accessible aspirational entry point.
- **"A Higher State of Hydration."** — Premium-positioning anchor with double meaning.

Source & Provenance Slogans

- **"Born in the Blue Ridge. Built for the Throne."** — Provenance + brand bridge.
- **"From Mountain to Majesty."** — Source-to-shelf storytelling.
- **"Spring of Kings."** — Mythic provenance positioning.
- **"The Appalachian Standard."** — Category-defining positioning.

Sustainability-Forward Slogans

- **"Sustainably Sovereign."** — Sustainability + premium positioning fused.
- **"No Plastic. No Compromise."** — Direct sustainability statement.
- **"Infinitely Royal."** — References infinitely recyclable aluminum.
- **"The Crown Recycles."** — Movement-pillar tag.

Refined / Luxury Register

- **"Pure. Royal. Refined."** — Three-word brand-attribute summary.
- **"The Crown Drinks This."** — Witty hospitality-friendly tagline.
- **"For Those Who Demand the Throne."** — Aspirational invitation.
- **"Hydration Worthy of the Realm."** — Hospitality / on-premise tagline.

Celebrity & Athlete Partnership Targets

Strategic alignment targets across culture, performance, and wellness.

The following targets are organized by cultural lane. Inclusion in this list is strategic, not contractual; all relationships are subject to confirmation, alignment with the partner's existing portfolio, and brand-fit due diligence.

Tier A — A-List Cultural Anchors

- **Rihanna** — Cultural authority across music, fashion, beauty; Fenty playbook precedent.
- **Beyoncé / Parkwood** — Brand-curator-tier cultural authority.
- **Zendaya** — Premium cross-demographic consumer authority.
- **Bad Bunny** — Global cultural reach + Latin America platform.
- **Drake / OVO** — Lifestyle-brand portfolio fit.
- **Hailey Bieber (Rhode)** — Beverage / wellness adjacency proven.
- **Sofia Richie Grainge** — Premium aesthetic and hospitality alignment.
- **Travis Scott (Cactus Jack)** — Lifestyle-brand drop strategy fit.

Tier B — Athlete & Performance Anchors

- **Tom Brady (TB12)** — Wellness brand alignment; performance authority.
- **LeBron James / SpringHill** — Beverage investment track record.
- **Patrick Mahomes** — Next-decade NFL marquee.
- **Travis Kelce** — Cultural-cross-over athlete with strong brand authority.
- **Serena Williams (Serena Ventures)** — Active beverage investor.
- **Roger Federer** — Premium global brand association.
- **Lewis Hamilton** — Motorsport + sustainability narrative fit.
- **Naomi Osaka** — Cultural + sport authority across demographics.
- **Caitlin Clark** — Next-generation cultural moment.
- **Stephen Curry** — Premium athlete brand authority.
- **Cristiano Ronaldo** — Global reach for international markets.
- **Lionel Messi** — Global reach, Inter Miami / Latin America alignment.
- **Coco Gauff** — Emerging cultural cross-over.
- **Simone Biles** — Wellness + performance authority.
- **Jude Bellingham** — European football audience.

Tier C — Wellness / Lifestyle Authorities

- **Gwyneth Paltrow (Goop)** — Premium wellness authority.
- **Tracy Anderson** — Fitness-method authority + premium consumer reach.
- **Kim Kardashian (SKKN / Skims)** — Premium consumer authority.
- **Kendall Jenner** — Fashion + beauty + wellness cross-over.
- **Bella Hadid** — Wellness + fashion (Kin Euphorics precedent).
- **Brooke Shields** — Beauty + multigenerational reach.

Tier D — Motorsport, F1 & Adventure

- **Lando Norris** — F1 cultural moment.
- **Charles Leclerc** — F1 premium European audience.
- **Daniel Ricciardo** — F1 lifestyle-brand authority.
- **Max Verstappen** — F1 dominant performance brand.
- **Susie Wolff (F1 Academy)** — Women-in-motorsport DEI partner.
- **Marc Márquez** — MotoGP global authority.

Tier E — Hospitality, Fashion & Cultural Operators

- **Pharrell Williams** — Fashion, hospitality, cultural authority.
- **A$AP Rocky** — Premium streetwear and cultural authority.
- **Tyler, the Creator** — Cultural authority + brand operator.
- **David Beckham** — Global premium brand authority.
- **Victoria Beckham** — Premium fashion / hospitality alignment.
- **Anwar Hadid** — Wellness + fashion cross-over.

Retail Launch Playbooks

Execution strategies for premium retail introductions.

1. The Coronation — Flagship NYC Launch Event

Concept: Invite-only launch event in NYC bringing together hospitality leaders, retailer buyers, celebrity ambassadors, press, and the Royal Court. Hosted at a landmark venue (Cipriani 25 Broadway or comparable), with full Royal Water brand world activation, custom hospitality, and live cultural performance. **Output:** press coverage in WSJ / NYT / GQ / Vogue; first viral content moment; foundational hospitality and retail-buyer relationships.

2. Erewhon Exclusive Drop — Los Angeles Launch

Concept: Erewhon-exclusive launch SKU with custom packaging, premium endcap takeover, and a co-branded smoothie / juice collaboration at the Erewhon café. Limited 6-week exclusive window before broader CA distribution. **Output:** establishes LA cultural credibility; generates lines, social content, and the Erewhon halo effect that has launched multiple brands (Hydrant, Olipop, Poppi).

3. Whole Foods Endcap Throne — Regional Rollout

Concept: Branded "Throne" endcap kits shipped with launch orders to top 250 Whole Foods stores. Includes custom shelf-talker, hanging crown signage, sampling tower, and in-store ambassador weekend programs. **Output:** retail velocity in the 8–14 units / store / week range during launch weeks; data points that justify expanded planogram space.

4. The Crown Drop Series — Limited Capsule Launches

Concept: Monthly limited-edition capsule packaging drops — collaborations with designers (Aimé Leon Dore, Kith, Heron Preston), artists, athletes, or hospitality partners. 5,000–25,000 units per drop, announced 24–72 hours in advance via Instagram, sold via royalwaterbeverages.com and select retail partners. **Output:** ongoing brand-cultural cadence; press coverage; collectible-tier brand value; secondary-market awareness.

5. Hospitality Coronation — Four Seasons / Aman Pilot

Concept: Pilot program with one luxury hotel group (Four Seasons, Aman, or Rosewood) for in-room and on-property hydration. Custom co-branded 750mL glass for in-room, branded poolside / spa programs, hospitality recovery closed-loop. Pilot at 3–5 properties before broader rollout. **Output:** case study, hospitality reference customer, on-premise revenue, brand association.

6. Costco Roadshow — Club Channel Entry

Concept: Costco roadshow program in regional Costco warehouses (Pacific Northwest, Mid-Atlantic, Southeast) with branded sampling, premium pricing position at $19.99 / 24-pack, in-warehouse demo team. **Output:** Costco club-channel entry; high-volume revenue; demonstrated mass-velocity for buyer expansion conversations.

7. The Pop-Up Throne — Pop-Up Retail Tour

Concept: 6-city pop-up retail tour (NYC SoHo, Miami Design District, West Hollywood, Aspen, Nashville, Austin) with full Royal Water brand world, exclusive merchandise, capsule SKUs, and event programming. Each location active for 2–4 weeks. **Output:** brand-defining cultural moments in target cities; press coverage; first-party data and consumer acquisition.

8. Cruise / Hospitality Anchor — Onboard Co-Branding

Concept: Anchor partnership with cruise line or large hospitality group for fleet-wide / portfolio-wide Royal Water deployment. Co-branded packaging in-stateroom / in-room; closed-loop recovery program. **Output:** multi-year supply contract revenue; structural exposure to high-volume hospitality consumers; brand association with premium-travel context.

Viral Campaign Concepts

High-impact, shareable activations designed for rapid awareness.

Each viral concept is structured as: Hook (what gets the attention), Mechanic (how it executes), KPI (what it's measured by). The strategy is high-frequency / monthly cadence, not one-off big-bangs.

CONCEPT	HOOK	MECHANIC	KPI
1. The Royal Replacement	Branded teams in major cities exchanging consumers' plastic water bottles for free Royal Water cans	Pop-up moments in NYC, LA, Miami, Chicago; PR push; social content	500M+ impressions; tier-1 press placement
2. Crown Drops	Surprise limited-edition can drops at street-level pop-ups, announced 60 minutes in advance	5K–25K can drops; Instagram Stories announcement; lines & secondary market	5M+ social impressions per drop; sellout in <6 hours
3. The Coronation	Cultural-moment launch event in NYC	Invite-only with celebrities, press, retailers, hospitality	1B+ impressions; tier-1 press in 50+ outlets
4. The Crown Vending	Sculptural vending installations placed as art in major cities	Partnerships with emerging sculptors; permits with city art programs	Local press in 6 cities; sculpture-as-content

CONCEPT	HOOK	MECHANIC	KPI
5. The Royal Decree	Full-page open letter in WSJ / NYT calling for the end of single-use plastic in hospitality	Co-signed by Royal Water + select hospitality partners + sustainability orgs	Tier-1 press conversation; brand positioning as category leader
6. Crown the Court	Branded courtside at NBA games; iconic player association	Custom-branded courtside refrigerator; player partnership	Game-broadcast visibility; social content
7. The Royal Refill	Premium hotel partners install branded Royal Water refill stations replacing in-room PET	Case studies + press push; hospitality-channel land & expand	10+ hospitality customer wins; sustainability press
8. Hydrate Like Royalty	TikTok challenge featuring morning hydration ritual content	Hero ambassador kickoff; #HydrateLikeRoyalty hashtag	500M+ TikTok views; 100K+ UGC submissions
9. The Crown Carpet	Branded hydration moments at award shows / fashion weeks	Talent gifting; on-carpet visibility; press coverage	Award-show press placements; talent UGC
10. Source of Truth	Documentary-style content series filmed at the Appalachian source	5-episode YouTube series; cross-platform clips	5M+ YouTube views; tier-1 sustainability press

CONCEPT	HOOK	MECHANIC	KPI
11. Royal Drop x Designer	Capsule packaging collaboration with Aimé Leon Dore / Kith / Heron Preston	Limited drop; co-branded merchandise; co-marketed	Drop-press cycle; Hypebeast / Highsnobiety coverage
12. The Throne Pop-Up	Immersive Royal Water pop-up retail experience in flagship cities	6-city tour over 12 months; exclusive SKUs in each	Brand-defining cultural moment per city; press coverage

Social Media Campaign Themes

Content pillars mapping source, sustainability, and status.

The following twelve campaign themes anchor the always-on social media calendar, mapped to the Hero / Source / Ritual / Movement framework from Part V. Each theme is recurring (monthly or weekly cadence) rather than one-off.

Hero-Pillar Themes

- **1. The Royal Court** — weekly spotlights on Royal Water community members, customers, ambassadors. Frame: "This week's Royal Court."
- **2. Worn the Crown** — monthly profiles of cultural / athletic figures associated with the brand.
- **3. Founders' Circle** — quarterly founder-team content: factory tours, source visits, business updates.

Source-Pillar Themes

- **4. Source Stories** — weekly mini-films from the Appalachian source: water cinematography, geology, sustainable extraction.
- **5. Behind the Crown** — production / canning / packaging behind-the-scenes content; demystifies the operating spine.
- **6. The Appalachian Standard** — educational content on water quality, mineral profile, and what makes the source defensible.

Ritual-Pillar Themes

- **7. Royal Mornings** — morning hydration rituals; partner with wellness creators.
- **8. Crown Moments** — user-generated content of Royal Water in elevated daily contexts (gym, hotel, dinner, travel).
- **9. The Royal Table** — hospitality / fine-dining moments featuring 750mL glass on premium tables.
- **10. Hydration Rituals** — cross-platform series with wellness, fitness, beauty creators.

Movement-Pillar Themes

- **11. Sustainability Sundays** — weekly sustainability content: aluminum facts, closed-loop programs, anti-plastic positioning, partner initiatives.
- **12. The Royal Decree** — monthly long-form commentary on category and sustainability narrative; positions Royal Water as the category's thought leader.

Licensing Opportunities

Brand extension avenues in lifestyle and hospitality.

The Royal Water crown emblem and brand mark are inherently extensible. Once consumer brand equity passes critical mass (target: Year 2–3), the licensing program creates incremental revenue, expanded brand presence, and consumer-touchpoint expansion without diluting the core water business.

Apparel & Lifestyle Licensing

- **Capsule apparel collaborations** with Aimé Leon Dore, Kith, Heron Preston, KidSuper — limited drops, drop-economy positioning.
- **Royal Court merchandise line** — owned merch program: hats, tees, hoodies, totes, beach towels, robes — sold via royalwaterbeverages.com and pop-ups.
- **Athletic / performance apparel** with technical-fabric partners (Vuori, On, Lululemon co-branding potential).

Hospitality & Home Goods

- **Royal Water glassware program** — branded carafes, glasses, ice buckets for hospitality and home.
- **Hotel-branded amenity programs** with Four Seasons / Aman / Rosewood / Edition — co-branded in-room amenity kits, signature glass bottles.
- **Royal Water spa & wellness licensing** — branded spa amenities, towel programs, refill stations at premium spa partners.
- **Royal Water at sea** — cruise / yacht licensing; co-branded onboard hydration programs.

Beverage Adjacent Licensing

- **Royal Water x cocktail program** — partnerships with premium spirit brands using sparkling as a cocktail base.
- **Royal Water ice program** — ice cubes made from the source water for premium bar partners.
- **Functional licensing** — co-branded functional SKUs with established wellness brands (Goop, Care/of, Ritual).

Experiential & Brand-World Licensing

- **Royal Hydration Bars** — standalone retail-and-hydration concept; small-format flagship locations in major cities.
- **Royal Water Sanctuary** — pop-up wellness / hydration sanctuary at premium festivals and events.
- **Royal Concierge** — hospitality-program licensing: a hotel can offer the "Royal Water hydration package" as a named in-room amenity.

Long-term Wellness & Functional Expansion Roadmap

Pipeline for year 1–5 functional beverage adjacencies.

Royal Water's long-term expansion roadmap progresses from core hydration toward functional and wellness beverages, leveraging the same source, packaging discipline, and brand language. Each phase is gated by velocity proof in the prior phase — the brand is built before the line is extended.

PHASE	YEAR	CATEGORY	SKUS / INITIATIVES	STRATEGIC PURPOSE
Phase 1	2026–2027	Core Hydration	12oz still, 16oz still, 12oz sparkling, 750mL glass	Establish brand, source, channel relationships
Phase 2A	2027–2028	Flavored Sparkling	Cucumber Mint, Citrus Botanical, Wild Berry, Yuzu, Watermelon Basil, Grapefruit Rosemary	Velocity adjacency; takes Spindrift / Waterloo shelf
Phase 2B	2028	Mineral / Alkaline Extensions	Royal Alkaline (pH 8.5+), Royal Crown Mineral (high Ca + Mg), Royal Source Sparkling (premium glass on-premise)	Premium-positioning hospitality and on-premise growth
Phase 3A	2028–2029	Functional Hydration	Royal Electrolyte+, Royal Recovery (BCAAs + tart cherry)	Fitness / performance channel; high-margin functional

PHASE	YEAR	CATEGORY	SKUS / INITIATIVES	STRATEGIC PURPOSE
Phase 3B	2029–2030	Wellness Functional	Royal Adaptogen (ashwagandha / L-theanine), Royal Beauty (collagen / HA), Royal Sleep (magnesium / glycine)	Wellness-channel growth; LTV expansion
Phase 3C	2030	Performance / Energy	Royal Energy (green tea caffeine + L-theanine), Royal O_2 (oxygenated), Royal Protein (whey isolate clear)	Energy / sports nutrition channel
Phase 4A	2030–2031	Concept Retail	Royal Hydration Bars; Royal Water Sanctuary pop-ups	Brand-world build-out; experiential moat
Phase 4B	2031–2032	International Functional	UK, EU, Middle East, Asia-Pacific premium launches across functional lineup	International revenue diversification
Phase 5	2032+	Lifestyle Ecosystem	Apparel, hospitality, spa, licensing partnerships, Royal Spa, Royal Membership program	Lifestyle-brand ecosystem; long-tail brand monetization

The Long-Term Vision

By 2032, Royal Water is no longer just a canned water brand. It is a premium hydration and wellness platform with a defensible American source, a category-defining brand mark, multi-format packaging, functional adjacencies, international presence, and a lifestyle ecosystem that compounds across apparel, hospitality, and experiential retail. The first ten years build the brand. The next ten years compound it.

ROYAL WATER BEVERAGES

"Hydration, Crowned."

Confidential Investor Memorandum
2026 Series A

FOR INVESTOR INQUIRIES

investors@royalwaterbeverages.com

Royal Water Beverages, Inc.
Winston-Salem, North Carolina, USA
royalwaterbeverages.com