Café Noir

Gourmet Coffee, Cigar & Pipe Lounge

Where Macon's Heritage Inspires Timeless Moments and Profound Renewal

Sit, Sip, Puff and Connect.

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A Woman, Minority and Disabled Veteran Owened Business.

We Believe In The Power Of Connection Over The Leaf and The Bean.

Slogan: Sit, sip, puff, connect.

Prepared by: Michael LeMay and Anica Moore

August 2025

Investor Pitch & Operational Overview

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Control Number : 25189182

STATE OF GEORGIA

Secretary of State

Corporations Division
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CERTIFICATE OF ORGANIZATION

I, **Brad Raffensperger**, the Secretary of State and the Corporation Commissioner of the State of Georgia, hereby certify under the seal of my office that

Le Cafe Noir LLC
a Domestic Limited Liability Company

has been duly organized under the laws of the State of Georgia on **09/22/2025** by the filing of articles of organization in the Office of the Secretary of State and by the paying of fees as provided by Title 14 of the Official Code of Georgia Annotated.

WITNESS my hand and official seal in the City of Atlanta and the State of Georgia on **09/29/2025**.

Brad Raffensperger
Secretary of State

I. Dear Prospective Investors & CFO Candidates,

We are excited to present this revised prospectus for Café Noir, a sophisticated lounge blending the timeless pleasures of fine cigars, pipes, and artisanal French press coffee in a welcoming, community-driven space. Our theme, We believe in the power of connection of the Leaf and the Bean, and our slogan, Sit, sip, puff, connect, embodies our commitment to a refined, community-focused experience.

Ideally,the location will be at 689 North Avenue in Northside Macon, Georgia. Café Noir is designed to become the go-to destination for indulgence, connection, and renewal. With Macon's ongoing revitalization and a stable 2025 economy, this venture offers a compelling opportunity for strong returns (15-30% IRR over 5 years) and meaningful impact. We are committed to fostering the city's progress by transforming an existing property into a cornerstone of its growing cultural landscape. And or leveraging an existing one that would be modified.

Investor Pitch & Operational Overview

Slogan: Sit, sip, puff, connect. Prepared by: Michael LeMay and Anica Moore August 2025 © 2025 Café Noir LLC

Welcome to Café Noir, a visionary lounge poised to redefine indulgence and community in Macon, Georgia. Blending premium cigars, artisanal French press coffee, and a dynamic BYOB policy, Café Noir delivers a unique sensory experience rooted in our theme, The Leaf and the Bean, and our slogan, Sit, sip, puff, connect. Located at 689 North Avenue in the revitalizing Northside Macon, we are poised to become a cultural cornerstone, leveraging a stable 2025 economy for strong returns (15-30% IRR over 5 years).

Investment Opportunity: We seek $500,000 in startup capital ($200,000 for property acquisition, $300,000 for renovations, inventory, operations, insurance, and technology). We offer a 25% equity stake for a $300,000 investment or a property contribution as a partnership. Our CFO role includes a 12.5% equity stake, a $40,000–$48,000 salary, and a low-risk mortgage share (~$119/month), aligning interests with minimal exposure.

Backed by a seasoned leadership team, comprehensive risk management, meticulously crafted training, strategic supplier partnerships, and data-driven performance metrics, Café Noir is a low-to-moderate risk venture with high scalability. Our financial plan prioritizes transparency, profitability, and sustainable growth. Join us in shaping Macon’s cultural future and securing strong financial rewards.

II. Financial Summary & The Ask

Startup Costs

● Total Capital Required: $500,000

○ $200,000: Property acquisition (689 North Avenue, Macon, GA 31211). ○ $150,000: Renovations (rustic ambiance, advanced ventilation, zoning for lounge/retail/events/non-tobacco areas). ○ $80,000: Inventory (premium cigars, coffee beans, accessories, merchandise). ○ $45,000: Operations (staff onboarding, utilities, marketing launch). ○ $25,000: Technology (app development, POS, kiosk system). ○ $3,500–$5,000: Insurance premiums (annual, ongoing). ● Mortgage: $954.83/month, shared among partners (CFO share: ~$119/month). ● Financial Safeguards: 3-6 month operating reserve ($75,000) for stability.

Revenue Streams

● Breakdown:

○ 40% memberships (Standard: $50/month; Premium: $100/month with credits/lockers/discounts; Corporate: $500/month for groups). ○ 25% retail (coffee blends $15–$25/bag, cigars $7–$75, accessories $10–$50, apparel $20–$40). ○ 25% events (ticketed tastings $20–$50, room rentals $50/hour, food truck/mixologist collaborations). ○ 10% core sales (coffee $4–$8, mocktails $5–$7, cigars). ● Additional Hedges:

○ E-commerce for blends/merch (10-20% passive income by Year 2). ○ BYOB corkage fees ($10-$20/bottle, ~$5,000–$10,000/year). ○ Upsell via app-driven pairing recommendations.

Detailed Financial Projections

Projections align with industry benchmarks ($300K–$500K annual revenue, 50-90% margins):

Metric Year 1 Year 2 Year 3 Year 4 Year 5 Revenue $300,000 $360,000 $432,000 $518,400 $622,080 Gross Profit (60%) $180,000 $216,000 $259,200 $311,040 $373,248 Operating Expenses $218,000 $237,600 $259,200 $290,010 $325,227 Net Income ($38,000) ($21,600) $0 $21,030 $48,021 Investor ROI (25%) N/A N/A N/A $2,629 dividends $6,003 dividends + $36K+ equity Break-Even No Month 15 Yes - - Profitable - - - 10-20% margins 10-20% margins EBITDA $10,000 $30,000 $60,000 $90,000 $120,000

Investment and CFO Returns

● Investor (25% equity): 15-30% IRR over 5 years; $2,629 dividends in Year 4, $6,003 dividends + $36K+ equity in Year 5 (potential buyout at 5x EBITDA). ● CFO (12.5% equity): $40,000–$48,000 salary, ~$119/month mortgage share, ~$18K+ dividends/equity by Year 5 (~$221K cumulative).

The Ask

● Investor Contribution: 25% equity for $300,000 or property contribution ($200,000) with negotiated terms. ● CFO Role: 12.5% equity, $40K–$48K salary, ~$119/month mortgage share, offering a strategic role in a scalable venture.

III. Executive Summary: Pitch to Investors & Prospective Board Members

Café Noir is a 2,700 sq ft sanctuary of Southern elegance, offering premium cigars, artisanal coffee, premium mocktails, a BYOB model, and vibrant events. Located in Northside Macon (pop. ~150,000), we tap into growing demand for unique social hubs amid a $1bn US cigar market and $50bn coffee sector in 2025. Our diversified revenue (40% memberships, 25-30% events) and proactive risk management, including comprehensive insurance and legal compliance, ensure resilience and scalability.

Key Highlights:

- **Unique Value**: Curated cigars, French press coffee, BYOB with corkage fees, vendor-partnered hookahs and bar food, and events like paint-and-sip, live jazz, and themed contests (Best Beard, Best Cowboy Boots).
- **Leadership**: Michael LeMay (CEO/CIO, 25% equity) and Anica Moore (GM, 25% equity) bring deep Macon expertise, joined by a CFO and Operations Manager (12.5% equity each).
- **Resiliency**: Evening revenue via premium mocktails, decaf, and themed events (e.g., jazz nights with mixologist-led tastings); corkage fees and legal consultation for BYOB; non-tobacco zones for inclusivity.
- **Returns**: 15-30% IRR over 5 years; break-even by Month 15.

IV. Company Description: About Café Noir

Business Name: Café Noir LLC
Mission: To create a sophisticated space for relaxation, indulgence, and connection, anchoring Macon's cultural renewal.
Vision: To be Macon's premier destination by 2027, with regional scalability.
Location: 689 North Avenue, Macon, GA 31211—a strategic, accessible site in a revitalizing area with high foot traffic, proximity to downtown, and alignment with local growth trends.
Ownership: Michael LeMay (25%), Anica Moore (25%), CFO (12.5%), Operations Manager (12.5%), Investors (25%).
Legal Structure: LLC for flexibility, liability protection, and tax efficiency; compliant with Georgia business regulations, including tobacco retail permits and BYOB guidelines (no alcohol sales, customer-provided beverages only).

V. The Philosophy of the Leaf and the Bean: A Mature, Refined Experience

The interplay of fine cigars, pipes, and artisanal coffee creates a sensory symphony, offering moments of profound peace and renewal. Our slogan, *Sit, sip, puff, connect*, guides a sophisticated yet inclusive experience for a mature clientele (ages 25-65, professionals, enthusiasts). The natural synergy of the *Leaf and Bean* offers a unique symphony of aromas and flavors—bold coffee balancing robust cigars, lighter blends complementing milder tobaccos—perfect for contemplation or conversation.

Step into Café Noir, where Southern flair meets rustic sophistication in a 2,700 sq ft space with inviting front porch patio, cozy interior zones (quiet reflection, social gathering, event areas, non-tobacco sections), and advanced ventilation for comfort. This is a sanctuary where daily burdens lift, endorphins flow, and guests emerge lighter and clearer. Our devoted staff guides pairings, ensuring well-being that nurtures the soul. Aligned with Macon's resurgence, Café Noir celebrates local charm while promoting eco-friendly practices like sustainable coffee sourcing and waste reduction, fostering community ties through events and partnerships.

VI. Products and Services: Offerings & Products

Premium Cigars & Pipes: We will offer a meticulously curated selection of top-tier cigars and pipe tobacco for all palates. Our walk-in humidor will feature a broad range of products from renowned brands, including both well-known favorites and boutique options.

Gourmet Coffee & Espresso Bar: We will source from ethical roasters to provide a full range of high-quality coffee beverages, from classic espresso drinks to innovative seasonal creations. Our coffee program is a core element of our business, designed to appeal to both enthusiasts and casual drinkers.

Artisanal Tea & Non-alcoholic Drinks: An extensive menu of premium teas and non-alcoholic beverages will be available for non-smokers and those who prefer an alternative.

Exclusive Member Lockers: Secured, climate-controlled storage for members' personal collections. This provides a key revenue stream and builds customer loyalty.

Weekly Events & Contests: We will host regular, high-engagement events to build community and a vibrant atmosphere:

The Best Dressed Contest on Wednesdays

Boots on the Ground Contest on Thursdays

The Best Beard in the House Contest

The Best Cowboy Hat Contest

Live Entertainment: We will feature local talent with Live Jazz on Friday evenings, creating a sophisticated, soulful atmosphere that invites guests to linger.

Wine & Spirit Selection: We will offer a curated selection of fine wines and spirits specifically chosen to complement our cigars and coffee, enhancing the overall experience.

Tastings & Educational Events: We will host regularly scheduled events designed to educate and engage our community while creating additional revenue streams:

Coffee Vendor Tastings: We will partner with local and regional roasters to showcase their products, providing an in-depth look at different beans and brewing methods.

Wine Tastings: Partnering with local and national wineries, we will offer curated tastings that pair specific wines with our cigars.

Cigar Vendor Events: We will host events with cigar vendors, allowing them to showcase new products, educate guests on their brand's story, and offer exclusive deals.

- **Core Experience**: Premium cigars/pipes ($7–$75, sourced from Padron, Davidoff for diverse profiles: mild Connecticut wrappers to robust Maduros); French press coffee ($5–$8/cup, single-origin beans from Colombia, Ethiopia for notes of cocoa, fruit); non-alcoholic beverages (premium mocktails $6–$10 with herbals, decaf); BYOB with corkage fees ($10-$20/bottle, glassware/ice provided, strict limits to comply with Georgia regulations).
- **Retail/Merchandise**: Signature coffee blends ($15–$25/bag, eco-friendly packaging); cigar starter kits ($50–$100); accessories (cutters, lighters $10–$50); branded apparel ($20–$40); LeMay Imagery Publishing books on pairings ($15–$25).
- **Events & Engagement**: Business meetings (corporate packages $500/month); private parties (room rentals $50/hour); paint-and-sip, poetry readings, karaoke, live jazz/music, pairing workshops, board games, weekly contests. Specific weekly events:
    - **Monday - Best Cowboy Hat**: Guests showcase their cowboy hats for prizes (e.g., free coffee or cigar credits), encouraging themed attire and casual socializing, drawing 30-50 attendees for a relaxed start to the week.
    - **Tuesday - Best Beard**: A fun contest for best-groomed or creative beards, with entry fees ($5) benefiting local charities, fostering community spirit and attracting 40-60 participants.
    - **Wednesday - Boots on the Ground (Best Boots)**: Highlighting the best cowboy boots, with photo ops and discounts for winners, promoting Southern heritage and drawing 30-50 guests mid-week.
    - **Thursday - Best Dressed**: Evening contest for stylish attire, with complimentary mocktails for top entrants, building buzz for weekends and attracting 40-60 fashion-conscious patrons.
    - **Friday - Friday Jazz at Café Noir**: Live quartet performance (4-piece band with saxophone, piano, bass, drums, $600-800 per night), creating an upscale vibe with 50-80 attendees enjoying pairings and dancing.
    - **Saturday - Live DJ Night**: Energetic DJ sets ($400-600 per night, mixing jazz, blues, and contemporary), turning the lounge into a lively spot for 60-100 guests, with themed cocktails and dancing.
- **Monetized Events**: Ticketed tastings ($20–$50/person), room rentals ($50/hour with AV setup), food truck and mixologist collaborations (20% commission).
- **Memberships**: Standard ($50/month access, priority seating); Premium ($100/month with $20 credits, lockers, 10% discounts); Corporate ($500/month for 10 users, event discounts). App features personalized pairing recommendations, event bookings, and loyalty tracking.

VII. Management Team & Organizational Structure

Our leadership team combines entrepreneurial acumen, local expertise, and operational excellence to drive Café Noir's success. We are expanding our four-member executive board, offering equity stakes to strategic partners who share our vision.

Board Member Roles and Duties

- **Michael LeMay, CEO & Chief Information Officer (25% equity)**:
  - **Role**: Visionary leader and technology architect, responsible for brand strategy, systems innovation, and partnerships.
  - **Duties**: Oversees brand vision and market positioning; designs and implements technology infrastructure (e.g., Café Noir app for entry, pairings, data analytics; kiosk system, web interfaces); develops training manuals and advertising campaigns; secures supplier partnerships (e.g., Padron for cigars, roasters for coffee); drives e-commerce and franchise scalability; monitors KPIs like LTV and CAC.
- **Anica Moore, General Manager (25% equity)**:
  - **Role**: Brand champion and operational leader, ensuring a seamless customer experience rooted in local culture.
  - **Duties**: Manages daily operations, staff performance, and customer satisfaction; upholds the *Leaf and Bean* philosophy through event planning and community engagement; ensures compliance with policies (e.g., BYOB, safety, sustainability); provides local market insights to tailor offerings; oversees supplier relationships and inventory; fosters partnerships with local businesses for cross-promotions.
- **Chief Financial Officer (12.5% equity, $40K–$48K salary, ~$119/month mortgage share)**:
  - **Role**: Financial strategist overseeing budgeting, compliance, and investor relations.
  - **Duties**: Develops and monitors financial plans, budgets, forecasts, and cash flow; ensures regulatory compliance (e.g., tobacco permits, BYOB guidelines, labor laws); manages investor reporting, ROI tracking, and tax strategies; oversees insurance policies, risk mitigation, and contingency planning; conducts quarterly audits and financial modeling for expansion; advises on pricing, cost controls, and franchise financials.

- **Operations Manager (12.5% equity)**:
    - **Role**: Floor operations leader ensuring seamless daily execution and high standards.
    - **Duties**: Manages lounge operations, including staff scheduling, inventory control, facility maintenance, and vendor coordination; oversees training programs to uphold the *sanctuary* experience; ensures compliance with SOPs, safety protocols, and sustainability practices (e.g., waste reduction); coordinates events and collaborations; tracks operational KPIs (e.g., table turnover, inventory turnover); reports metrics to the board for continuous improvement.

Proposed Weekly Director Schedule

To ensure consistent leadership presence, our board operates on a staggered schedule, with the CFO on-site once weekly and other directors covering high-traffic days.

Day	On-Site	Day Off
Monday	CEO, GM, Operations Manager, CFO	Operations Director
Tuesday	CEO, GM, Operations Director	Operations Manager
Wednesday	GM, Operations Director, Operations Manager	CEO
Thursday	CEO, Operations Director, Operations Manager	GM
Friday	CEO, GM, Operations Director, Operations Manager	CFO (remote)
Saturday	CEO, GM, Operations Director, Operations Manager	CFO (remote)
Sunday	CEO, GM, Operations Director, Operations Manager	CFO (remote)

Schedule Rationale

- **CFO's Role**: On-site every Monday (8 AM–6 PM) to balance off days, working remotely otherwise, ensuring financial oversight without overburdening operational presence.
- **Flexible On-Site Directors**: The CEO, GM, Operations Director, and Operations Manager each have a different weekday off, guaranteeing at least three directors on-site daily. Directors can swap days for flexibility.
- **Weekend Coverage**: All four primary directors are on-site during high-traffic weekends, maximizing leadership for peak hours.
  This schedule ensures robust management, operational continuity, and investor confidence in our leadership structure.

VIII. Market Analysis & Competitive Landscape

Macon's 2025 resurgence (stable economy, urban growth in Northside with population ~150,000) supports demand for social hubs, aligning with a $1bn US cigar lounge market (declining -0.9% in 2025 but with 3.5% CAGR potential through pairings) and $50bn coffee sector (3.5% growth, 66% of adults drinking daily). Our target market segments:

- **Enthusiasts (40%)**: Cigar/coffee aficionados (ages 35-55, $75K+ income), seeking premium pairings.
- **Professionals (30%)**: Business users (ages 25-45), for meetings and networking.
- **Event Seekers (20%)**: Social groups for contests, workshops.
- **Community Members (10%)**: Locals for renewal, including non-tobacco options.
- **SWOT**: Strengths (unique cigar-coffee-BYO model, eco-friendly practices, app tech); Opportunities (franchise in Southern states with 3.5% coffee growth); Weaknesses/Threats mitigated via diversification, legal compliance, and insurance.
- **Competition**: Limited—Churchill's (upscale, liquor-focused); we differentiate with coffee pairings, BYOB efficiency (compliant with Georgia regulations allowing customer-provided alcohol), non-tobacco zones, and community events.
- **Benchmarks**: Lounges generate $300K–$500K annually; 50-90% margins on core products; CAC $30–$50, LTV $300–$500; break-even within 15 months.

IX. Marketing & Sales Strategy

- **Branding**: Emphasize sophistication, community, and sustainability via a sleek website, Instagram/TikTok (viral contests like Best Beard, local influencer partnerships reaching 10K+ followers), and targeted ads highlighting *Leaf and Bean* pairings.
- **Promotions**: Loyalty programs (app-based points for visits/purchases), collaborations with local businesses (hotels for referrals, mixologists for tastings), grand opening with high-profile events (live jazz, free pairings for first 100 guests). Pre-launch buzz via social media trends, surveys, email newsletters (target 5,000 subscribers Year 1), and community pop-ups.
- **Digital Push**: SEO-optimized app/website for bookings, e-commerce; Google Ads and Facebook targeting Macon demographics (35-65, interests in cigars/coffee); customer acquisition cost ~$10–$15 via retargeting.
- **Sales Tactics**: Upselling training for staff (e.g., suggest pairings adding 20% to average check); seasonal promotions (holiday gift sets); metrics tracking for ROI (e.g., 15% conversion from social to visits). Budget: $20,000 Year 1 (10% of revenue).

X. Operational Plan

- **Facility**: Renovations for rustic ambiance, advanced ventilation, zones (lounge/retail/events/non-tobacco, capacity 100 guests).
- **Tech**: App for entry, memberships, and event bookings.
- **Policies**: BYOB with corkage fees and strict compliance; relaxed dress code; non-tobacco zones for inclusivity.
- **Staff Training**: Ongoing cross-training on cigar-coffee pairings, event management, and BYOB protocols to ensure expertise.

XI. Strategic Advantages & Financial Resilience

Diversified revenue (memberships, events, retail) and BYOB cost savings ensure stability. Evening income is bolstered by premium mocktails, decaf, and themed events. Scalability via franchises and e-commerce adds long-term value. Legal consultation and liability insurance mitigate risks.

XII. Proof of Concept

Strong niche demand, experienced leadership, and a sustainable model align with Macon's market. Local expertise and community focus enhance viability.

XIII. Growth Strategy & Future Vision

- **Short-term**: Establish in Macon. Long-term: Expand to 3-5 cities, e-commerce, franchises.

XIV. Viability Assessment: A Moderate-to-High Opportunity

Rated 7/10, Café Noir stands out in Macon's $1B US cigar lounge market (3.5% CAGR) and $50B coffee sector. Our strengths—real property, diversification, and a deep community focus—mitigate risks. With our resiliency hedges, this is a local gem with national scalability.

XV. Risk Mitigation and Insurance Policy

Draft Risk Mitigation Policy

Café Noir LLC is committed to safeguarding our operations, employees, customers, and investors through a comprehensive risk mitigation framework. This policy integrates proactive strategies, compliance measures, and insurance coverages to address potential threats, ensuring business continuity and financial protection. Key principles include:

- **Identification and Assessment**: Regularly evaluate risks in categories such as operational (e.g., equipment failure), health/safety (e.g., smoke-related incidents), legal/regulatory (e.g., tobacco/alcohol laws), financial (e.g., revenue dips), and market (e.g., competition). Annual reviews will be conducted by the executive board, with input from legal and insurance advisors.
- **Mitigation Strategies**: Implement preventive measures like advanced ventilation systems to reduce smoke exposure, strict BYOB protocols (e.g., corkage fees, consumption limits), non-tobacco zones for inclusivity, employee training on safety and compliance, and diversified revenue streams to hedge economic fluctuations. Emergency response plans will cover incidents like fires or customer injuries.
- **Insurance Coverage**: Secure tailored policies from reputable providers (e.g., Georgia-based carriers) to transfer financial risk. Coverage will be reviewed annually and adjusted for growth. Budgeted premiums (~$3,500–$5,000/year) are included in startup and operating costs.
- **Monitoring and Response**: The CFO will oversee compliance, with quarterly audits and incident reporting. Contingency funds (3-6 months reserve) will support rapid response to unforeseen events.
- **Compliance Commitment**: Adhere to Georgia laws, including workers' compensation for 3+ employees, tobacco regulations, and potential dram shop liability for BYOB. Legal consultation will ensure ongoing alignment with state requirements.

This policy minimizes exposure, protects our 15-30% IRR projections, and demonstrates our dedication to sustainable, investor-aligned operations.

Assessment of Risks and Recommended Coverages

Based on industry benchmarks for small cigar lounges, coffee shops, and BYOB venues in Georgia, Café Noir faces moderate risks due to tobacco use, alcohol consumption, and public gatherings. Georgia law mandates workers' compensation for 3+ employees and emphasizes liability for alcohol-related incidents, even in BYOB settings. We've budgeted conservatively for coverages, with total annual premiums estimated at $3,500–$5,000 (factored into financial projections). Recommended policies and amounts (per occurrence/aggregate where applicable) are tailored to our 2,700 sq ft facility, ~$300K–$600K revenue, and operations:

- **Operational Risks** (e.g., equipment failure, spoilage of inventory like cigars/coffee): Moderate. Mitigation: Advanced ventilation and maintenance protocols.
    - **Property Insurance**: Covers building, renovations (~$300K value), and inventory (~$50K). Recommended: $500K coverage. Cost: ~$500–$800/year. Includes spoilage endorsement for perishable goods.
    - **Business Interruption Insurance**: Protects against lost income from closures (e.g., fire, storm). Recommended: $100K–$200K (covering 3-6 months revenue). Cost: ~$300–$500/year.
- **Health/Safety Risks** (e.g., customer injuries from burns/slips, second-hand smoke exposure): High due to cigars and events. Mitigation: Non-tobacco zones, safety training, and signage.
    - **General Liability Insurance**: Covers bodily injury, property damage, and lawsuits (e.g., slip-and-fall). Required for most Georgia venues. Recommended: $1M per occurrence / $2M aggregate. Cost: ~$200–$1,000/year.
    - **Product Liability Insurance**: Protects against claims from defective cigars/coffee (e.g., illness). Often bundled with general liability. Recommended: $1M coverage. Cost: ~$300–$500/year.
- **Legal/Regulatory Risks** (e.g., tobacco laws, BYOB-related alcohol incidents): Moderate-high. Georgia's dram shop laws may apply to BYOB if overserving occurs; proactive legal review is essential. Mitigation: Strict policies, legal consultation.
    - **Liquor Liability Insurance**: Covers alcohol-related damages (e.g., fights, accidents), even for BYOB. Recommended: $500K–$1M. Cost: ~$542/year average.
    - **Workers' Compensation Insurance**: Mandatory in Georgia for 3+ employees; covers work injuries. Recommended: Based on payroll (~$100K/year); full coverage as required. Cost: ~$1,000–$2,000/year.
- **Financial/Market Risks** (e.g., revenue dips from regulations or competition): Low-moderate. Mitigation: Diversified streams and reserves.
    - **Cyber Liability Insurance**: For app/tech vulnerabilities (e.g., data breaches). Recommended: $100K–$250K (optional but advised). Cost: ~$300–$500/year.

These coverages provide robust protection, with total costs representing ~1-2% of projected Year 1 revenue, ensuring minimal impact on profitability while safeguarding investor returns.

XVI. Resiliency Mechanisms: Events, Memberships, and Additional Hedges

Our plan emphasizes sustainability through events and memberships, while addressing BYOB and evening coffee concerns.

Events & Community Engagement: A diverse lineup drives 20-30% revenue and fosters loyalty.

Membership Model: 40% recurring revenue via tiers that encourage repeat business.

Addressing BYOB Concerns: We hedge costs with corkage fees ($10-$20/bottle), strict policies, and the potential for a hybrid license.

Maintaining Evening Income (Coffee Focus): We will pivot from daytime bias with diversification (herbals/decaf/mocktails), event-centric specials, and themed hours.

Additional Hedges:

Category Suggestion Rationale/Impact Revenue Diversification E-commerce for blends/merch 10-20% passive income; hedges dips Partnerships Hotel/event referrals 10-15% added revenue; community ties Financial Safeguards 3-6 month fund; soft launch Protects against regulations and slow starts Marketing Social trends/surveys Boosts visibility and adaptation Risk Mitigation Non-tobacco zones/insurance Counters health trends; covers liability

- **Events & Community**: Paint-and-sip, poetry nights, live jazz, and contests (Best Beard, Best Cowboy Boots), and live jazz drive 25-30% revenue and loyalty.
- **Memberships**: 40% recurring revenue via tiered plans.
- **BYOB Hedges**: Corkage fees ($10-$20/bottle), strict policies, legal consultation for compliance, and exploration of a hybrid license.
- **Evening Income**: Premium mocktails, decaf/herbals, event specials, and themed hours (e.g., jazz nights, mixologist-led tastings).
- **Additional Hedges**:

Category	**Suggestion**	**Rationale/Impact**
Revenue Diversity	E-commerce for blends/merch	10-20% passive income
Partnerships	Hotels, event venues, mixologists	10-15% added revenue; community ties
Financial Safeguards	3-6 month reserve; soft launch	Protects against slow starts

Marketing	Influencer campaigns, social trends	Boosts pre-launch buzz
Risk Mitigation	Non-tobacco zones, liability insurance	Counters health trends, covers risks

XVII. Staff Training Outline: Crafting the Sanctuary Experience

Welcome to Café Noir! Our mission is to provide an exceptional experience for every customer, centered around our core philosophy: The Leaf and the Bean. Our brand is built on a simple, yet profound slogan: Sit, sip, puff, connect. Your role is to bring this ethos to life.

This fast track training guide is designed to get you up to speed quickly on the fundamental principles and procedures of our lounge. We'll cover our brand philosophy, essential customer service standards, and the basic layout of our space. Your success is our success, and your ability to make every guest feel welcomed and valued is our highest priority.

Our Philosophy: We believe in creating a sanctuary from the everyday hustle. The combination of a fine cigar or pipe with a perfectly brewed French press coffee is a meditative art form. We are here to facilitate that moment of peace and connection for our customers.

Brand Experience: We serve a mature, refined clientele. Our atmosphere is sophisticated yet welcoming, encouraging genuine conversation and personal renewal. Your demeanor should be professional, knowledgeable, and genuinely friendly.

Essential Knowledge: You will be cross-trained on both our coffee and cigar offerings. Understanding the basics of different roasts and tobacco types will be essential to guiding customers to their perfect pairing.

- **Philosophy**: Facilitate moments of peace via cigar-coffee pairings.
- **Brand Experience**: Serve a mature clientele with professionalism and warmth.
- **Training**: Master cigar/coffee profiles, event hosting, and BYOB policies through
- ongoing cross-training.

XVIII. Standard Operating Procedures (SOPs)

These procedures are the backbone of our operation, ensuring consistency, efficiency, and an unparalleled customer experience. Adherence to these guidelines is mandatory.

A. Customer Service & Greeting Protocol

The 5-Second Rule: Acknowledge every customer who enters the lounge within five seconds of their arrival. This can be a friendly "Hello, welcome to Café Noir!" or a simple smile and nod if you are currently assisting another guest. This is a crucial first step in making them feel seen and valued.

Greeting: Greet every customer with a warm, genuine welcome. Address returning members by name when possible.

Inquiry: After the initial greeting, gently inquire about their needs. Examples: "How can I help you find your perfect moment today?" or "Are you looking for a recommendation or just browsing?"

B. Product Knowledge & Recommendations

Pairing Expertise: Be prepared to suggest pairings of cigars and coffee. Use the "Leaf and the Bean" philosophy to guide your recommendations. For example, "This medium-bodied cigar has notes of cocoa and earth, which would pair beautifully with our Colombian French press."

Knowledge is Key: Regularly review new products and their flavor profiles. Stay informed on new events, specials, and membership benefits.

C. Lounge Maintenance & Cleanliness

Continuous Upkeep: The lounge should be continuously maintained. This is not a "once a day" task. As soon as a customer leaves, clean and sanitize their area.

Ashtrays: Empty and clean ashtrays as soon as they are no longer in use. A clean environment is essential to a high-end experience.

Ventilation: Ensure the ventilation system is always operating at full capacity.

D. Closing Procedures

Last Call: Announce last call for sales and corkage one hour before closing.

Final Checks: Ensure all products are properly stored, registers are balanced, and the lounge is clean and ready for the next day.

Team Debrief: Briefly discuss the night's successes and challenges with your team before leaving.

- **Customer Service & Greeting Protocol**: Acknowledge customers within five seconds (e.g., “Welcome to Café Noir!”). Warm, personalized welcomes; use names for returning members. Ask, “How can I guide you to your perfect moment today?”
- **Product Knowledge & Recommendations**: Suggest pairings (e.g., “This Padron cigar pairs beautifully with our Ethiopian French press”). Stay informed on products, events, and membership benefits.
- **Lounge Maintenance & Cleanliness**: Clean and sanitize areas immediately after use. Empty/clean ashtrays promptly. Ensure full ventilation operation.
- **Closing Procedures**: Announce one hour before closing for sales/corkage. Store products, balance registers, clean lounge. Review successes/challenges nightly.

XIX. Supplier Partnerships and Sustainability Practices

Suppliers: We are committed to building long-term, mutually beneficial relationships with our suppliers. Our partnerships go beyond a simple transaction; they are a collaboration. We will feature vendors at tasting events, promote their products to our members, and provide a clear, easy-to-understand framework for our business relationship.

Cigars: We will partner with renowned brands to ensure a consistent supply of premium products. We will establish clear pricing agreements and an organized reordering process to avoid stock shortages.

Coffee: Our coffee will be sourced from ethical roasters that provide fair-trade coffee and high-quality beans, ensuring a superior taste and sustainable business practices. Our vendor agreements will outline delivery schedules and quality control standards.

Food & Beverage: We will collaborate with local vendors for food trucks, mixologists, and breweries to offer a dynamic, ever-changing menu that supports the Macon community. These arrangements will be a percentage of sales, making it a low-risk, high-reward partnership for both parties.

Event Vendors: For special events like tastings, we will offer a clear agreement: a flat fee, or a small fee plus a percentage of sales, based on the type of event and the vendor's product. This transparency ensures a smooth and productive partnership.

Sustainability: We are committed to eco-friendly practices, including eco-friendly packaging, energy-efficient lighting, and waste reduction through composting coffee grounds.

- **Suppliers**: Padron, Davidoff for cigars; ethical roasters for coffee (Colombia, Ethiopia); local vendors for food trucks, mixologists.
- **Sustainability**: Eco-friendly packaging, energy-efficient lighting, waste reduction (composting coffee grounds), Fair Trade coffee.

XX. Key Performance Indicators (KPIs) and Monitoring

- **Revenue Metrics**: Total revenue ($300K Year 1), membership share (40%), event revenue (25%).
- **Customer Metrics**: Acquisition cost ($10–$15), lifetime value ($300–$500), retention rate (60%).
- **Operational Metrics**: Table turnover (2-3x/evening), inventory turnover (4x/year).
- **Monitoring**: CFO-led monthly reviews; app analytics for customer behavior.

XXI. Customer Acquisition and Retention Strategies

- **Acquisition**: SEO, social media ads, influencer partnerships, hotel referrals, pop-up events.
- **Retention**: App personalization, loyalty points, member perks, feedback surveys (NPS goal 70+).

XXII. Contingency Plans and Exit Strategy

- **Contingencies**: Virtual events for closures; pivot to retail/e-commerce if regulations tighten; reserve for economic dips.
- **Exit Strategy**: Sale to chain or investor buyout at 5-7x EBITDA (~$600K–$840K by Year 5); franchise system for sustained growth.

XXIII. Market Feasibility & Hookah Lounge Plan Adjustment

Based on our market analysis of Macon, the initial plan for a dedicated hookah section and vendor relationship needs to be revised.

Hookah Space Feasibility: A 100 sq. ft. space is not adequate for a traditional hookah lounge. According to industry standards, a comfortable lounge requires at least 1,000 square feet for seating alone to ensure proper ventilation and a comfortable experience for guests. Furthermore, most commercial spaces in Macon lease on an annual per-square-foot basis, not a flat monthly vendor fee.

Revised Hookah Strategy: Instead of a dedicated hookah vendor space, a more viable and profitable option is to offer a hookah service model. This involves having our own high-quality hookahs available for rent and served directly to customers at their tables in a designated area. This eliminates the need for a separate, dedicated space and allows us to retain 100% of the revenue. This model is also easier to manage from a ventilation and safety standpoint, as we can control the product and service standards.

Vendor Relationships & The Macon Market: A flat vendor fee of $500 per month for a 100 sq. ft. space is not a standard or realistic model for commercial real estate or vendor partnerships. In Macon, commercial rental rates range from about $12-$20 annually per square foot. A more realistic and attractive arrangement for a vendor would be a percentage of their sales, or a combination of a small flat fee plus a percentage of sales. This aligns both parties' interests and minimizes risk for the vendor, making the partnership more appealing.

Summary: We will pivot from a "vendor space" to a "hookah service" model to maximize profitability and streamline operations, while also pursuing more flexible, collaborative vendor partnerships for our other offerings.