Arbor Brook

New York Style.
Detroit Sensibility.

Investor Pitch Deck

Formal Menswear Concept: Made-to-Measure, Made in America

Well-fitting and high-quality menswear is not affordable for the majority of Americans

Problem: No good options for formal menswear

- **Confusing:** Pricing is not well-correlated to quality or fit amongst traditional menswear brands
- **Expensive:** Quality menswear is expensive and often requires time-consuming alternations
- **Low quality:** Affordable options have off-shore manufacturing, long lead times, and poor quality control

Sources: Arbor Brook survey results, GQ Style, Forbes

The Arbor Brook startup concept is well-positioned to change how American men shop online for formal attire

Solution: Arbor Brook company concept

1 Made-to-Measure tailoring

- Perfect fit through laser cut fabrics
- Simple & accurate measurement inputs

2 "Made in America" consumer brand

- Quality direct-to-consumer product
- User friendly online portal experience
- Fast domestic shipping

3 High-end tailoring at affordable prices

- Fine all-natural materials
- Designed and Made in America
- $499+ price point

Our team of Stern MBA graduates has a diverse background and a relevant skillset to menswear manufacturing

Team: Our Co-founders

[redacted]

Brag Selvarajan, COO
Supply Chain

- Senor Consultant at Roland Berger
- BS Chemical Engineering, MBA
- Six-Sigma Black Belt certified

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Fun fact:
Our founders came up with the idea for Arbor Brook during a Business School study abroad in Shanghai

Arbor Brook's fully customizable suits are made using all natural materials and offer a perfect fit guarantee

Product overview: Made-to-Measure suit solution for the American man

1 Perfect Fit Guarantee

- Easy-to-use measurement input
- Laser cut wool (exact measurements, minimal waste)
- Local tailoring credit for final alteration ($30)
- Returns are donated to "Dress for Success" non-profit

2 All Natural Materials

- 100% wool fabrics (Super 110s+ quality)
- Bemberg linings (cotton cellulose-based fiber)
- Horsehair canvas construction interfacing
- Authentic Bullhorn buttons

3 Fully customizable

- Details of each suit are fully customizable
- Examples: Fabric pattern, lining color, monograms, button functionality, belt loops vs. suspenders, etc.

Price point:
$499 - $699 depending on customizations

Our competitive advantage stems from sourcing contracts, proposed location, and focused branding

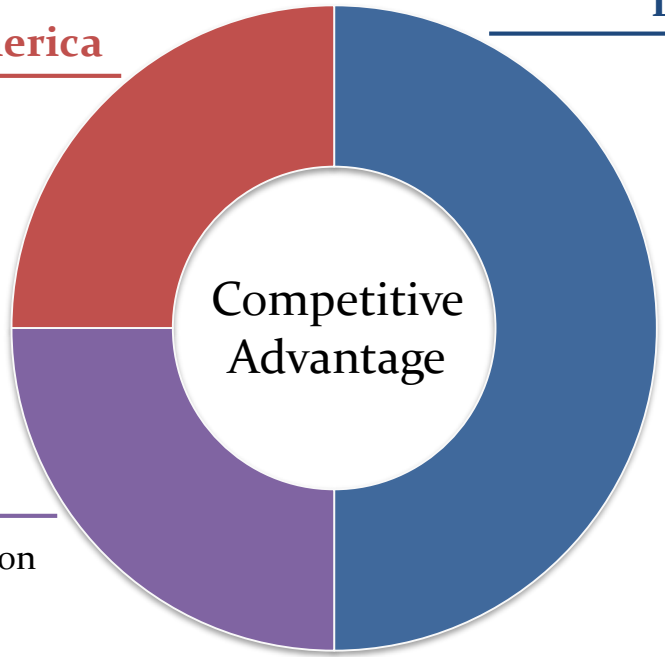
Sources of Competitive Advantage

Differentiation: Made in America

- Branding signals quality and fast shipping to customers
- Almost no direct competitors manufacture domestically
- Tagline Signals a fashionable product without a pricing premium

Attractive location: Detroit

- Easy access to low-cost distribution
- Available low-cost real estate
- Low labor and utility costs



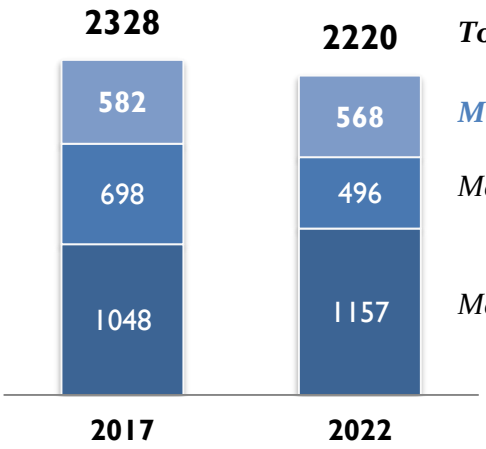
Low cost sourcing: Materials

- Wool fabric & thread from India
  - Low-cost source of high quality wool fabrics
  - Sourcing contract signed
- Horsehair canvas from Italy
  - Global low cost source
  - Italian components imbue quality feel to consumers
  - Bulk purchase contacts made
- Bemberg linings from Japan
  - Best price-per-performance Bemberg fabric in the world
  - Sourcing contract in-progress
- Bullhorn buttons from Illinois
  - Low-cost Midwest beef industry byproduct
  - Bulk purchase contacts made

Arbor Brook's unique brand positioning will enable growth despite a declining overall men's suit market in the US

Market growth: US sales of men's suits | $mm, 2017-2022

Regional Breakdown | ***CAGR (2017-2022):***



Total: - 0.9%

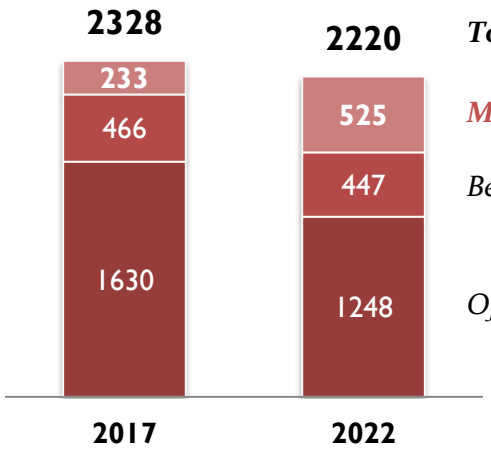
Made in America: -0.5%

Made in Europe: -6.6%

Made in Asia: +2.0%

Suits that are **Made in America** show strong lasting power amongst US consumers despite pricing pressure from Asian imports

Product Breakdown | ***CAGR (2017-2022):***



Total: - 0.9%

Made-to-Measure: +17.6%

Bespoke: -0.8%

Off-the-rack: -5.2%

Made-to-measure is by far the fastest growing segment in the US men's suit market, rapidly capturing share from Off-the-rack products

Sources: Statista, U.S. Imports, Macy's, GQ Style, Textile Insight Magazine

The resulting Serviceable Obtainable Market for Arbor Brook suits will be $375 mm by 2022

Addressable market size: Arbor Brook | $mm, 2022

Sources: Statista, Macy's, GQ Style, Arbor Brook survey results

We have defined a clear go-to market approach to capture Arbor Brook's Serviceable Obtainable Market

Business model: Go-to market approach

Market

- Formal menswear
- Made-to-measure suiting
- All natural fiber attire

Customer

- Young professionals
- Savvy affluent buyers
- Graduate students

- Demographics:
  - US resident
  - Ages: 22-35
  - Income: $70k+

Product

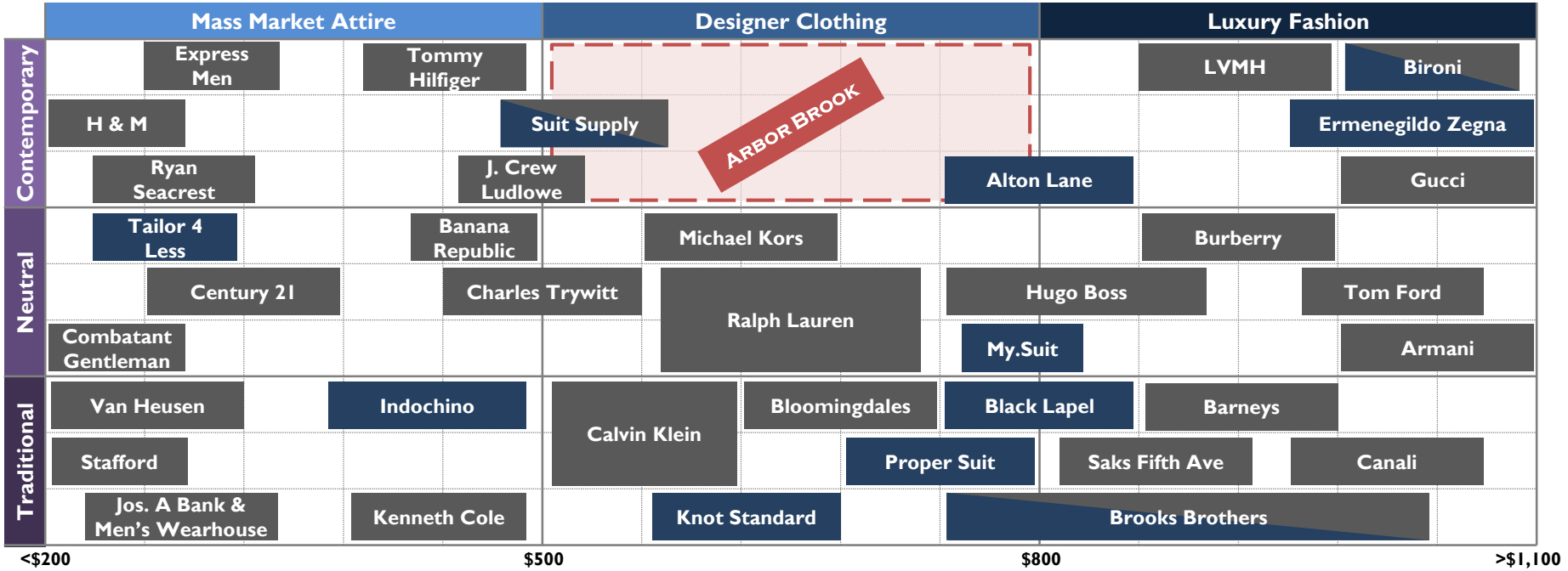
- High quality suits at affordable price points
- Customer friendly online shopping experience
- Perfect fit guarantee

Channel

- Online retail portal
- On-Campus measuring events for MBA and JD students
- Corporate tie-ins and bulk orders (e.g. monograms, matching suits)

As part of our strategy, Arbor Brook will target an untapped segment within the crowded formal menswear marketplace

Competitive Landscape: Formal menswear industry



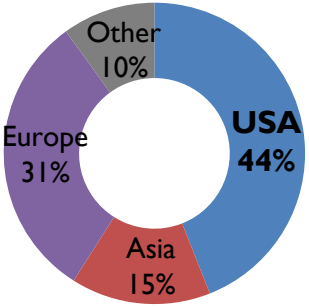
Sources: Arbor Brook market research, Industry experts, Macy's, GQ Style

Our consumer survey results indicate that there is a strong interest in affordable high-quality menswear

Market validation: Survey results | Sample size = 221 responses

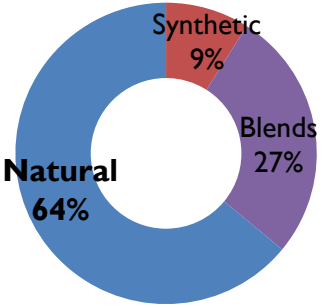
Given identical pricing, where would you like your suits to be manufactured?

44% of respondents selected "Made in the United States"



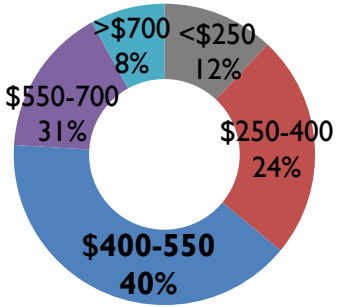
What type of materials would you prefer your suit to be made out of?

64% of respondents selected "Natural Materials"



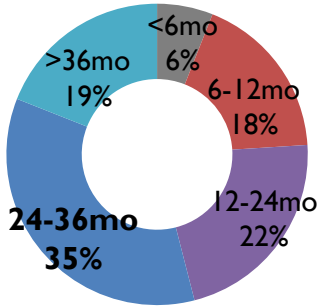
What is the price you are willing to pay for a well-fitted suit (including tailoring)?

40% of respondents selected "$400 - $550"



What is your expectation on the longevity of a suit? How long do you expect it to last?

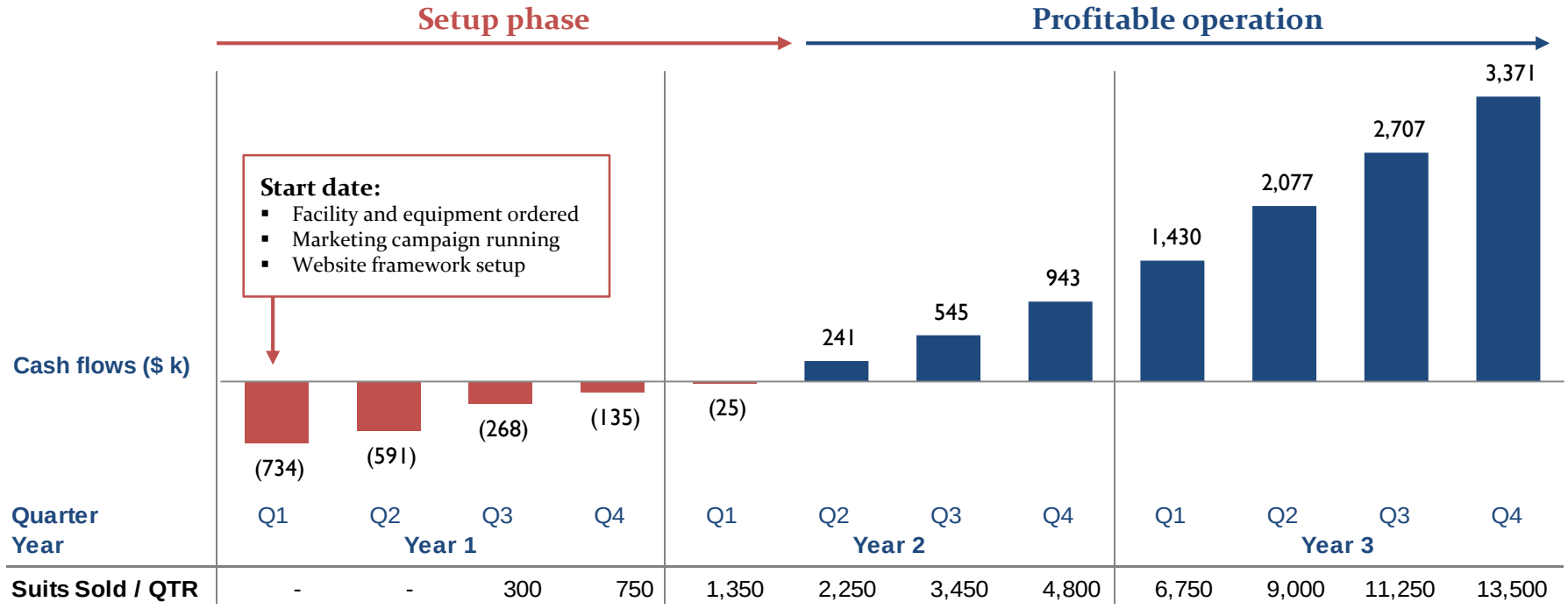
35% of respondents selected "24 – 36 months"



Sources: Arbor Brook survey (221 respondents: 195 Americans, 26 Internationals | 136 Urban, 85 Rural | 210 Male, 11 Female)

Our 3-year financial projections indicate that Arbor Brook will become profitable by Quarter 6

Financial Projections: 3 year cash flows | Est. 2017-2019, $ k, units



We are looking for 18 months funding to reach profitable operations at ~1,000 suits sold or $540 k revenues per month

Investment requirements: Financials

$2.5 mm

Initial investment opportunity

20%

Equity share

$12.5 mm

Post-investment valuation

$9.6 mm

Expected Year 3 Net Profit

Please contact any of our co-founders for more information on Arbor Brook

Contact information: Our Co-founders

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Thank You