

Market Analysis for a New Product

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NORTHERN ILLINOIS UNIVERSITY
Assessing Challenges. Providing Insights. Making Breakthroughs.

IBIS World has identified several key success factors for competing in this industry. We recommend to keep these in mind as your business progresses. They are as follows:

- Ability to pass on cost increases
- Supply contracts in place for key inputs
- Ability to adapt to change
- Economies of scale and scope
- Product differentiation

The chart below shows the average size for companies in your industry.

Enterprises by employment size (2012)*

No. of employees	Share (%)
1 to 4	31.1
5 to 9	14.6
10 to 19	13.7
20 to 99	20.0
100 to 499	15.7
500+	4.9

*Latest data available
SOURCE: US CENSUS BUREAU COUNTY BUSINESS PATTERNS

Our Analysts also looked at special consumer segments including: Halal, Kosher, Vegan and Vegetarian to see if there is a potential market opportunity in these areas. From our initial analysis, it appears that these four groups could be potential markets for your company. Below is an insight into the Halal market. Pew Research Center projects that Muslims are the fastest growing religion in the world.¹ Estimates indicate that there 2.6 million Muslims in the United states and 20 million in Europe. If you are interested in acquiring certification, you can contact <http://www.ifanca.org/Pages/index.aspx>. Below is a look at the Halal food:

¹ Pew Research Center, The Future of World Religion: Population Growth Projects 2010-2015, April 2, 2015

Haram (Avoid)	Investigate Further (Questionable)	Concerns about eating out	Other info
animal shortening	artificial & natural colorings	source of meat and poultry	eggs/pancakes cooked on same grill as bacon
bacon	artificial & natural flavorings	use of haram/questionable ingredients	beef/fish grilled on the same as pork
ham	calcium steraoyl	use of common grills/ovens for pork and other products	soup containing meat or meat broth
hydrolyzed	lactylate	use and presence of alcohol within the establishment	steaks wrapped with bacon
porcine collagen	enzymes	contamination by servers/cooks touching haram and halal foods	
pork	fatty acids		
alcohol	glycerin		
gelatin hydrolyzed animal protein	glycerol stearate		
lard	gum base		
shortening	hydrolyzed bovine		

	lactylated fatty acid esters		
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Fitness Events

Our analysts focused on marathons, half-marathons and Ultimate Frisbee. Below are a few marathons that will be taking place in the area throughout the upcoming months. A more complete list of half-marathons is located at the end of this report in the Appendix.

Event	Date	Information
Humana Rock 'n Roll Marathon	July 18-19, 2015	http://runrocknroll.com/chicago/schedule/health-fitness-expo-day-1/
Health & Fitness Expo Days	July 17-18, 2015	http://cdn.runrocknroll.competitor.com/files/2011/03/2015-RNR-Expo-Rates1.pdf
Bank of America Chicago Marathon	October 11, 2015	http://www.chicagomarathon.com/participant-information/registration/
Chicago Half-Marathon	September 6, 2015	https://fundraise.tofightcancer.com/chicago/events/chicago-half-marathon/e44854
Michelob Ultra Chicago Spring 13.1 & 10k	May 14, 2015 & September 27, 2015	http://www.run131series.com/chicago/

Sandblast Ultimate Competition	July 31- August 1, 2015	http://chicagosandblast.com/
D3 College Championship	May 16 & 17, 2015	http://play.usultimate.org/events/tournament/?ViewAll=false&IsLeagueType=false&IsClinic=false&FilterByCategory=AE

Target Market

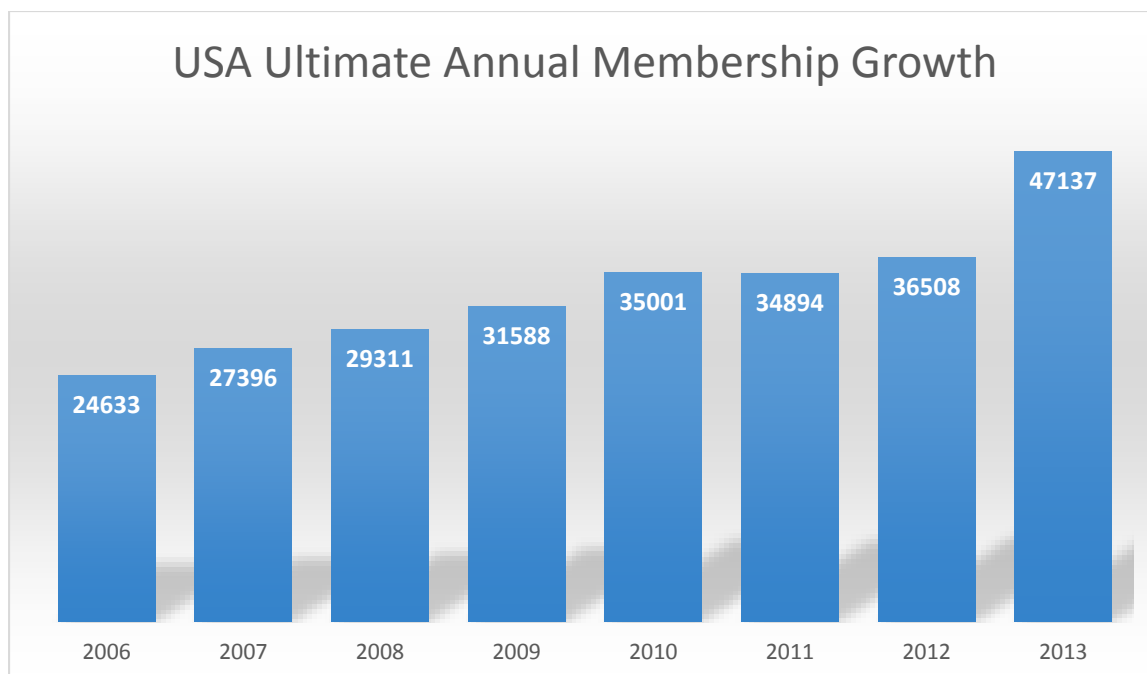
Ultimate Frisbee

Over the last decade, Ultimate has become one of the world's fastest growing sports and is played in 42 countries. Ultimate is a recognized sport by the Olympics. Beginning in 2001, Ultimate was included in the World Games as a full medal sport. Ultimate Frisbee is a fast-paced, non-contact sport with tons of running. Per game it is estimated that a player runs 5-6 miles. During a weekend tournament, the athletes usually participate in 3-4 games. That's a total of 20 miles in a weekend.

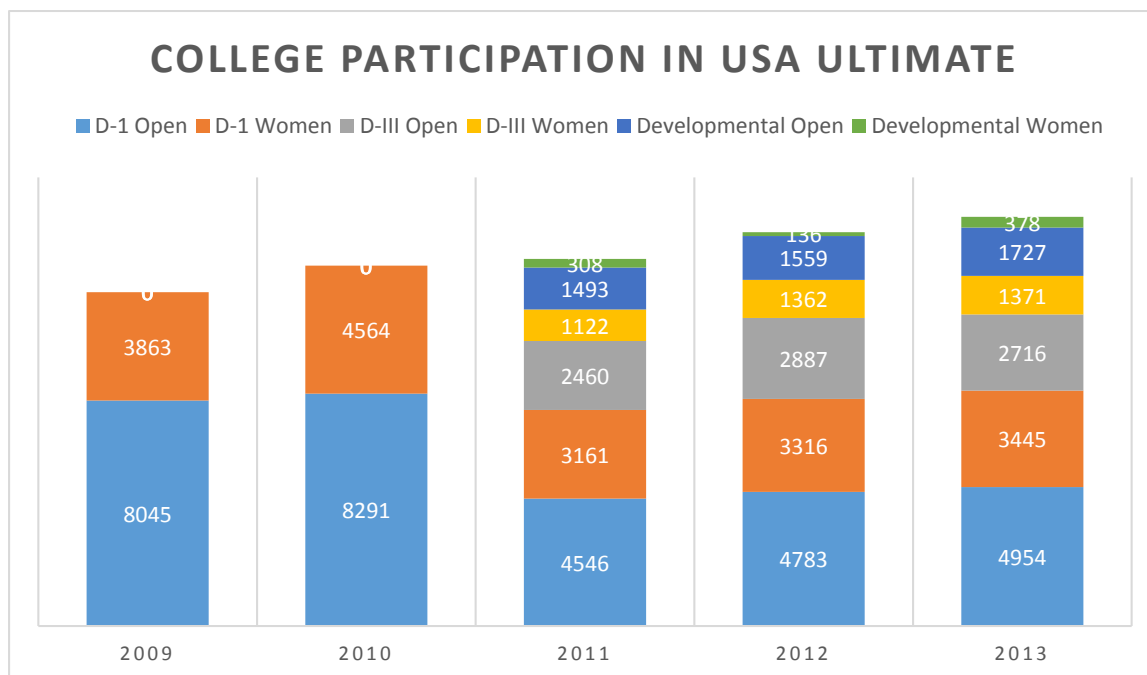
Ultimate has a large draw among college and high school students. Goal 2 of their 2013-2018 Strategic Plan is to "grow youth, college and league Ultimate"². Goal 3 is to "organize the highest quality U.S. competitive events"³. But it doesn't stop there. Ultimate athletes continue their passion and love for the sport after the college years getting involved in "pick-up games", tournaments, Masters and Club teams. If you are not familiar with Ultimate, it is a cross-over sport that gains the interest of soccer and football players. Women have been increasingly becoming interested in Ultimate and there are many mixed gender teams. In 2012, the U.S. alone had over 35,000 members comprising of approximately 1/3 women. In 2013, there were 47,147 members if U.S.A. Ultimate. The majority of membership is comprised of 19-24 year olds.

² 2013-2018 Strategic Plan, www.usultimate.org/thefuture.aspx

³ 2013-2018 Strategic Plan, www.usultimate.org/thefuture.aspx



In 2013, USA Ultimate sanctioned 390 events, 87 regular season college events and 53 regular season club events. They had 10 championship events throughout the youth, college, club and masters divisions. College continues to be the largest member segment.



**D-1 Open and D-1 Women – comprised of upper tier teams.*

**D-III Open and D-III Women- comprised of teams that are not as well-known.*

**Developmental Open and Women -*

Competition Levels in USA Ultimate consist of: Beach, College, High School, Middle School, Youth (Under 19), Youth (Under 16), Masters, and Club. ESPN has started covering the Open, which is a major competition for the elite club players. There are four main divisions or tiers: Pro, Elite, Select and Classic.

USA Ultimate's growth can also be measured through its social media connections. They have over 33,117 Facebook "likes", 14,307 followers on Twitter, and 7,128 subscribers on YouTube. Their website features regular commons including "Nutritious Matters". This column features tips on nutrition tips for Ultimate athletes.