

Confidential

**Executive Summary &
Private Placement Memorandum**



Levis Hotdogs: A Philadelphia Tradition for almost 100 years

Levis started out in 1895 as a lunch stand run by Abe Levis and his wife Anna who had emigrated from Lithuania when he was only 14 years old. Located in what was then the garment trade section of South Philadelphia with hundreds of workshops and retail stores the business operated continuously at the same location for almost 100 years.



Abe purchased a used marble soda fountain for \$30 and over the years concocted a variety of flavors, one of which became the flagship flavor known as “Champ Cherry”



Generations of Philadelphians have enjoyed Levis Hot Dogs and fish cakes and even both together as “The Combo”. Baby Boomers and their parents reminisce about Levis and the special times they shared.



The family sold the business in the 70’s and ownership passed to Elliott Hirsh, who owned a specialty beverage manufacturing and marketing company who had an interest in commercializing “Champ Cherry”, which is available in bottles, cans and as fountain syrup.

The original Levis closed in 1992, but it’s fans and aficionados span three generations long for gourmet hot dogs, fish cakes, hand cut French fries, pickle slices and of course, Champ Cherry. Continuously mentioned in articles about regional foods, hot dog emporiums and the good old days.



Everybody Eats Hot Dogs!

The origin of hot dogs dates back to 1400 BC in Babylon and became popular in Europe as sausages with waves of immigrants as a “fast food” item at the 1890 Chicago Exposition where patrons were lent a pair of white gloves to eat the naked dogs. Someone got the great idea of serving the sausages on buns. The word hot dog became popularized in a cartoon in the 1920’s when “dachshund” sausages became unweily to use. Hot dogs grew in popularity as a baseball park snack and the rest is history.



Here are some interesting statistics about hot dogs:

- **Hot Dogs are also known as franks, frankfurters and weiners.**
 - **About 19 billion hot dogs are eaten annually in the US.**
 - **Five Hundred and fifty hot dogs are eaten every second in the US.**
 - **Thirty eight percent of hot dogs are consumed between Memorial Day and Labor Day.**
 - **Hot dogs are served in 94% of American homes.**
 - **Hot dogs sold in the supermarket account for 83% of total hot dog sales while hot dogs purchased at sport venues, convenience stores, street vendors and specialty hot dog restaurants account for the balance.**
 - **There are usually several strong regional brands of hot dogs in any given market.**
 - **Children prefer hot dogs to hamburgers.**
- Hot dog consumption is uniform throughout various income levels.**
- **Eighty eight percent of hot dog eaters use mustard, the most popular topping.**



• **The top seven hot dog consumption markets are: Los Angeles, New York, Chicago, San Antonio, Philadelphia, Dallas, Ft Worth, Baltimore-Washington**

• **There are all beef, beef and pork, kosher all beef, poultry and vegetarian hot dogs**

• **There are several ways to cook a hotdog: boiled, steamed, grilled, charcoaled, and fried.**

• **There are all kinds of regional variations for hot dogs and their garnishes and condiments ranging from mustard, ketchup, saurkraut, pepper hash, cole slaw, raw onions, stewed onions, chile sauce, cheese sauce, bacon, onions and potatoes and everything in between. And at Levis you top your hot dog with a fish cake, mustard and onion to make a “Combo”**



Plan to Re-open Levis Hot Dogs

Fast food franchises serving sandwiches such as Subway, Quizno's, Blimpie's, Dunkin Donuts, Manhattan Bagel, and Seven-Eleven continue to grow with a spurt of activity over the last five years. The big burger chains continue to expand as well as growth in chicken, Mexican food franchises, and coffee shop and bakery franchisee. For the most part, as one drives down the highway, the mix of retail stores and food establishments repeats.

As far as hot dog establishments, there are a several large regional chains such as Weinerschitzer in California, Stewart's Root Beer, A&W and a few national hot dog chains such as Nathan's, Hot Dog City, and Boardwalk Fries, but there are many smaller operations with unique personalities and histories one or two locations indigenous to a specific location, such as Yacko's in the Allentown area, Pink's in Los Angeles, and The Windmill in Long Branch, NJ. Some of them have a unique building. This was what Levis was to Philadelphia for almost 100 years.

There are very few specialty hot dog restaurant franchises which are in the reach of the typical franchise buyer. The timing is right for Levis to capitalize on this market of opportunity seekers and baby boomers retiring from high pressure corporate careers seeking to remain active and looking for an income to maintain their life style. Some potential franchisees are looking for a business for their adult children, living at home, unable to secure a job, which would enable them to move out and live independently. This is due to the globalization of the world's economy, the outsourcing of manufacturing and white collar customer support jobs with only low paying retail jobs at a large, impersonal big-box retail store, the career option many of the boomers, gen-x and gen-y are facing.

Levis has the advantage of having multi-generation recognition in Philadelphia and to Philadelphians living elsewhere, years of folklore including the marble soda fountain, the "fifty year club", unique items such as fish cakes, kosher pickles and it's own signature beverage, "Champ Cherry".



Capital Requirements for the Business

A potential franchisee with \$100K or more to invest in a food business with little or no food service experience has a choice of at least 100 different franchise operations. Because there is not an active prototype store to visit, presenting the opportunity to a potential franchisee is difficult. They want to see what a typical operation looks like, see how the operation flows, look at real operating costs and profits, talk to satisfied customers and a hands-on manager.

The only way to launch a successful Levis Hot Dog chain is to have the parent company open and operate one to three units as company stores and to then use these prototype units for show and tell to potential franchise investors. The logical place to locate these two units would be in the Philadelphia area. One unit would likely be a strip mall unit of about 1200-1500 square feet with seating, a second would be a smaller unit in a mall food court with a common seating area, and the third unit would be a stand alone building with parking.



The concept of what Levis Hot Dogs would be is open for discussion. One needs to bridge

the what people liked best about Levis with what their needs are for satisfying food, convenience, service and lasting ambience.

The visual theme and decor as well as menu would need to be examined and concepts developed. Some market research should be done to insure that today's public as well as those former patrons and fans of Old Original Levis respond to the proposed concept.

Professional design services would be needed to tend to the decor, branding elements, architectural details, equipment requirements and site specific build-out and construction plans.

The units would be



operated by company employees and could be eventually sold off as a turn key operation to a

franchisee. The chain would expand by opening up one or two locations at a time and selling them off and assigning the leases to franchisees.

Suppliers would be sourced for consumables and distribution to the units made either through a company operated commissary or a food service supply company. In this way, standards would be maintained and consistency insured through the operation.



Food Product Brand Marketing Opportunities

Specialty Food Products based on the signature foods sold at the restaurant could be packaged and sold as mail order items or sold through retail supermarket sales. The Levis sodas are being bottled and distributed in the Philadelphia metro area by Amazing Beverages, Inc. and Champ Cherry has been packaged as fountain syrup in conventional bag in box (BIB) format and being distributed by a local company serving this segment.

Relationships with food production suppliers could be made under a licensing agreement whereas some of the food products could be sold by these suppliers through their existing channels of distribution with license fees or royalties paid the parent company or else the company with contract for the production and packaging of the food products and then have them marketed by the Parent Entity through food brokers covering the retail trade and placed with food wholesalers serving these retail channels.

A partial list of food products could be hot dogs, fish cakes, mustard, pickles, pepper hash, sauces knishes, bbq sauce and the signature sodas packed in four packs.

Additional capitalization would be required to develop the packaging for this line,, production of packaging materials and perhaps the initial production run of products.

Proposed Business Structure and Investment Opportunities

There would be several levels of investment opportunity available.

ACTIVE INVESTOR Minimum Investment \$100,000

The active investors will own controlling interest in the company with a minimum of three and a maximum of five serving on the company's board of directors. Individuals with backgrounds in food service management, real estate, franchise development, and sales would make meaningful contributions to the development of the franchise chain and building of valuable brand equity. In addition to holding stock in the company in proportion to their investment, each active investor will be granted the right to open up one franchise location without payment of an additional franchise fee. This license can be assigned with approval of the board of directors. A unit, which conforms to the franchisee standards and plan, must be opened up within 6 months of the transfer date.

PASSIVE INVESTOR Minimum Investment \$25,000

This level of investment is intended for people who would like to invest by acquiring shares in a non-publicly held corporation. These shares would not be tradable and there is no liquidity other than offering to sell or receiving an offer to buy the stock from another shareholder or other individual. No representation is made that the stock can be sold, the future value of the stock or whether the company would be sold, acquired or make and complete a public offering at which time the stock would be converted or redeemed.

MASTER FRANCHISEE

Minimum Investment \$100,000

The master franchisee would be purchasing the rights to open up 6 Levis Hot Dog Restaurants within a three-year period in a protected territory defined by state, country and zip code. The initial fee would be the licensing fee and additional capital requirements would be needed to fund the acquisition of the site and build-out and equipment at each location and working capital.

INDIVIDUAL FRANCHISE Minimum Investment \$25,000

This level of investment includes the franchise fee for one unit. Additional funds and financing estimated to be \$100-\$150,000 would be required for site acquisition, refinement of architectural plans, development of construction plans, equipment, fixtures, installation, and working capital for inventory, payroll, insurance, utilities, advertising and promotional costs.

The trademarks and other intellectual property is currently owned by Amazing Beverages, Inc., which is organized as a "C" Corp in the State of Pennsylvania. The principal stockholders are Elliott and Deborah Hirsh. The trademarks would be transferred to the new company, which would be formed as a "C Corp" or a "LLC" for 20% of the issued stock. Amazing Beverages, Inc. would receive a license to continue to bottle and market "Champ Cherry" soda.

Assuming 1,000,000 shares of stock are authorized and 500,000 shares of stock are issued to corporate investors, for each dollar invested would be exchanged for one (1) share of stock.

As described in the proceeding section, investors in this project could be active or passive investors and participate in the development and operation of the company through membership in an elected board of directors.

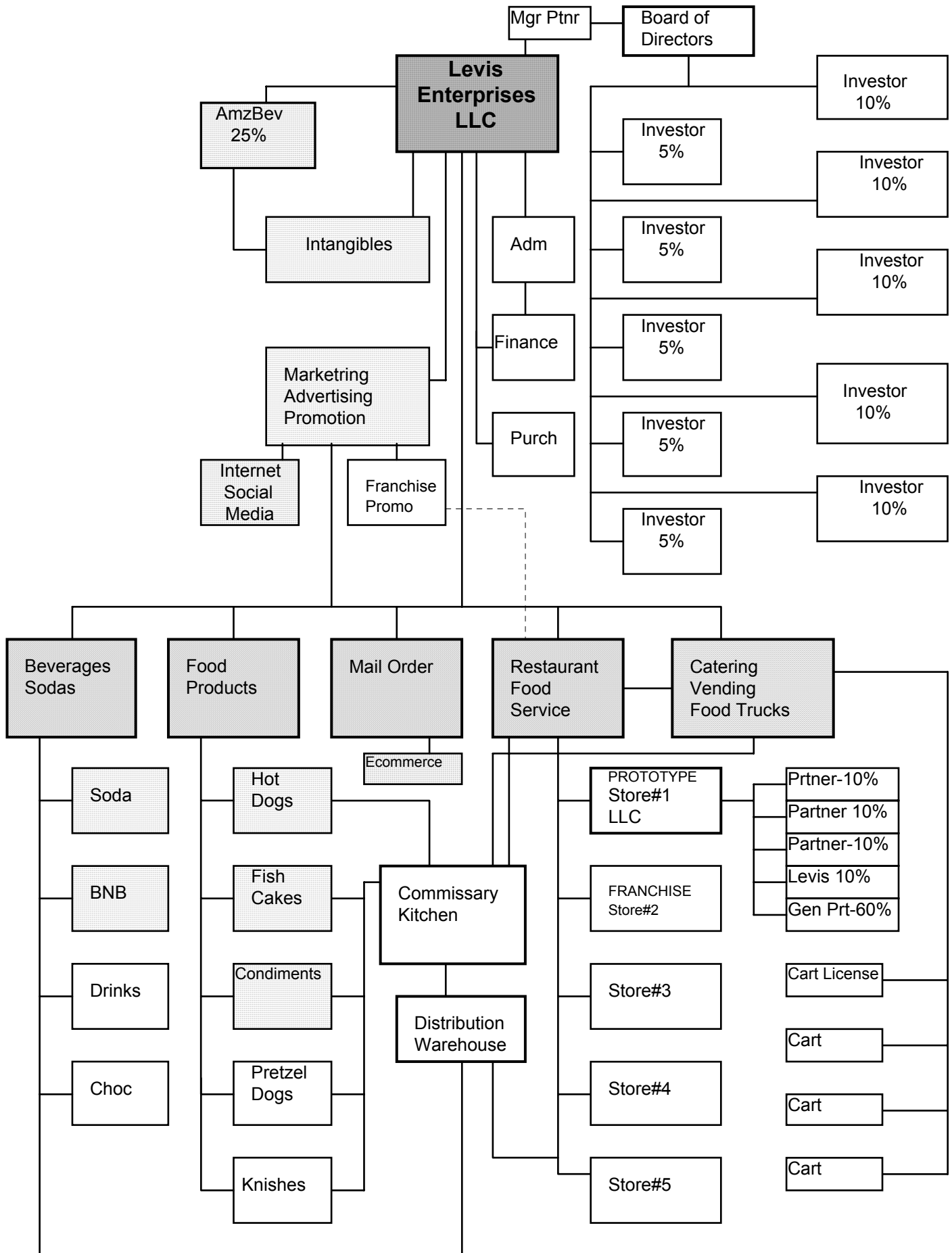
The Board of Directors would elect officers of the corporation, approval the employment of key personnel, approval leases, contracts and capital expenditures.

Other available options would be to invest in the franchise operation by buying one franchise with the option to open a second unit. The second unit would have to be opened by the end of the second year. The franchisee would be able to sell off one or both of the units at the end of the third year commencing with the opening of the first unit. Approval of the buyer by the company is required, with approval not to be unreasonable withheld.

An investor with sufficient capital and net worth could invest as a Master Franchisee with the option to open and resell 10 franchise units within a 3 year period.

As stated previously, the company can not make any representation that the stock in a privately owned, non-public company has any market for resale, liquidity or distribution of profits on net earnings.

Old Original Levis Hot Dog Business Structure



Use of Proceeds

Oranization Costs	
Legal	2000
State Fees to Incorporate	250
Brand Development	
Market Study	5000
Focus Group	3000
Market Survey	3000
Branding Approach	5000
Architectual Design	10000
Graphics	5000
Equipment Layout	5000
Prototype Store	
Site Selection	2000
Site Acquisition/Deposit	5000
Permits and Fees	350
Deposits to Utilities	2000
Equipment & Fixtures	36000
Plumbing-Water/Gas/Sewer	15000
HVAC	15000
Electrical	15000
Outside Signage	3600
Prototype Store Operation	
Intial Inventory- Consumeable	2500
Payroll-2 months	28800
Payroll Taxes'Expenses	3000
Rent	5000
Utilities	3000
Insurance	500
Promotion	
PR	2000
Store Promotion/Advertising	3000
Working Capital Reserve	
	220000
Total	400000

The promoter of this placement requires a minimum of \$400,000 to initiate the project and as detailed in the table below. These funds would be used for organizational expenses, market and branding studies, design, architectural services, restaurant layout and design and the costs to locate a site, enter into a lease, build out and outfit one prototype restaurant. Included in the budget would be the working capital requirements to operate the unit for a two-month period without accounting for any revenue from sales. This does not take into account any cost or concessions granted by the property owner while the premises are being renovated. A generous amount has been budgeted for the installation of plumbing, electrical, gas and HVAC.

Two months after opening the store, a second location would be located and fitted out. At that point the second unit could be sold as a turn key operation to a franchisee with the costs therefore recovered either through a cash purchase or proceeds from a loan obtained by the franchisee who would be financing all or part of the purchase. Thus, the capital requirements would be constantly used by the company to build and sell off stores as rapidly as the units could be sold.

Personnel would need to be recruited and employed by the company to manage and train and supervise franchisees, deal with operational and supply issues and other people to promote and sell the franchises.

Revenue would accrue to the company in the form of initial franchise fees after sales commissions and expenses, royalty payments of approximately 3% on sales from each franchise store, commission or profits on the sale of consumable supplies and also receive a contribution from each franchisee for advertising and promotion. Assuming that at the end of 5 years there are 50 Levis Hot Dog locations each grossing \$350,000 based on \$1000 a day in gross sales x 316 days per year (6 days a week), the income in royalties to the company would be \$468,000. Extrapolated to 100 units in a 100 mile radius of Phila, the income from royalties based on the same assumptions per store would be \$1.87 MM.

If the venture was successful and the company was to be sold or acquired, the investors would benefit from the valuation of the business at the time of sale or acquisition. On the other hand, there is the risk that the concept would not be successful, individual stores could not be sold or sold at the level expected, that the sale per unit would be lower than estimated. Also, franchisees would be certain to form an association of owners and could make demands on the company, which would seriously erode profitability at the company level or create management problems.



Old Original Levis and Champ Cherry
are registered trademarks of Amazing Beverages, Inc.

Amazing Beverages, Inc.
1921 Wharton Road
Jenkintown, PA 19046
Phone: 215-886-9356 Fax: 215-886-9362
E-mail: elliott@elliottsamazing.com

First Name _____ M _____ Last _____

If Corporation, please indicate:

Corporate Name _____

and provide corporate resolution authorizing this transaction.

Address _____

City _____ State _____ Zip _____

Daytime Phone _____ Evening (Optional) _____

Best time to call: _____ AM PM

Email Address _____ @ _____

Birth date _____ SS#/EIN# _____

Profession or Occupation _____ Retired? Y N

Where you a patron of Levis on 6th Street Y N

Are you interested in being on the Board of Directors? Y N

Are you interested in being active in the management of the company?

What capacity? Please circle no more than three:

Planning Marketing Legal Accounting Real Estate and Site Location Restaurant Operation
Franchise Operation Franchise Sales and Promotion

Level of Investment:

Active Investor	\$100,000	100,000	Common Shares Plus One Franchised Store
Passive Investor	\$ 25,000	25,000	Common Shares of stock
Master Franchisee	\$100,000	No Stock/6	Franchise stores
Individual Franchise	\$ 25,000	No Stock/1	Franchise with option for second

Please make check payable to:

LEVIS HOT DOG ESCROW ACCOUNT c/o Sovereign Bank N.A. and mailed to
Amazing Beverages, Inc. 1921 Wharton Rd. Jenkintown , PA 19046

If the minimum of \$400,000 is not received by December 31, 2012 a disbursement to all investors will be made.