

ChopChop Kids



FOUNDED: 2010

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Oklahoma State University Extension Agency conducts a nutrition class for 4th grade students. Their representative gave me your magazine. I LOVE it.

Thank you for putting together kid-friendly, healthy recipes.

T.R., Oklahoma (teacher)



ChopChopKids is the non-profit publisher of ChopChop, The Fun Cooking Magazine for Families, a quarterly food magazine launched as an antidote to childhood obesity. While obesity is a multi-layered and very complicated problem, ChopChop offers a solution that is both simple and easily achievable: cook real food at home with your family. Engage your kids and grandkids. Or let them engage you if that's what it takes.

ChopChop's mission is to inspire and teach kids to cook and eat real food with their families. Endorsed by the American Academy of Pediatrics and published in both Spanish and English, the magazine is filled with nutritious, great-tasting, ethnically diverse and inexpensive recipes, as well as interesting and little-known food facts, Q&A's and games.

ChopChop Kids has a blended revenue model designed to maximize the number of children and families reached:

- Grants support free distribution of more than 1,100,000 copies annually through a network of pediatricians and children's hospitals.
- Paid distribution includes individual subscriptions, government-funded nutrition education programs, and sales to schools and after-school programs.

There is significant potential in the market for paid custom orders, which provide 68-82% margins and represent an opportunity for ChopChop Kids to reduce its dependence on grant funding and become financially self-sustaining.

Further opportunity exists to develop ChopChop's current digital assets and audience and to leverage the brand content across additional new platforms in the future.

INVESTMENT OPPORTUNITY

ChopChop Kids is seeking a \$350,000 investment to grow custom publishing and sales, particularly in the education, corporate, and government markets. Funds will be used as follows:

- to build on existing magazine sales to nutrition education programs
- to secure human resources for corporate sponsorship development
- to increase and improve consumer marketing to individual consumers

With this investment, ChopChop Kids will increase earned revenue from \$600,000 to \$1.8 million within two years. This will enable ChopChop Kids to support free and subsidized distribution to children in communities most vulnerable to obesity. By 2016, ChopChop Kids will reach more than 4 million children through both paid and unpaid channels.

LEADERSHIP & GOVERNANCE

President and Founder Sally Sampson is an award-winning author of 22 cookbooks. Her team includes:

- Catherine Newman, Editor
- Vic DeRobertis, Creative Director
- Carl Tremblay, Photographer
- Cathy Chute, Publishing Director
- Stacy Ciaravella, New Business Director

ChopChop's Board of Directors

- Christine Madigan, *New Balance Foundation*
- Peter Nirenberg, *Image Architects*
- Lisa Simpson, MD MPH, *Academy Health*
- Andrew Steinberg, *Modern Publishing*
- Shale Wong MD, *U. Colorado*
- Barry Zuckerman MD, *Boston Med. Ctr.*

Board of Advisors (partial listing)

- David Ludwig, MD MPH, *Boston Children's Hospital*
- Walter Willett, MD MPH, *Harvard School of Public Health*
- John Willoughby, *America's Test Kitchen/Cook's Illustrated*

Company History

In founding ChopChop Kids, Sally Sampson brought together her passions for cooking and children's health, developed over a long career as a food writer and cookbook author and active member of children's hospital and health care organization boards.

ChopChop Magazine launched in 2010, with the endorsement of the American Academy of Pediatrics, through grant-funded national distribution to pediatricians for use during well-child visits.

The print format of the magazine is a purposeful component of its effectiveness— the magazine is a convenient and portable package designed to be used in the kitchen, the classroom, at the pediatrician's office, and at home, encouraging children to get into the kitchen and cook.

ChopChop content is also available in additional formats: as an award-winning cookbook, on tablets, in customized digital newsletters, on posters, at educational workshops, and through live special events.

Since its founding, ChopChop has been recognized for its unique role in addressing childhood obesity in the United States and for its high quality content. Awards and recognition include:

- Corporate, state, and federal government relationships
- White House and Michelle Obama's Let's Move affiliation
- 2013 "Publication of the Year" James Beard Foundation
- 2014 Parents' Choice Foundation Gold Award
- 2014 International Association of Culinary Professions (IACP) Outstanding Cookbook in Children, Youth and Family category

Financial Sustainability

Currently, 50% of ChopChop Kids' budget is supported by magazine sales, sponsorships, and licensing. Philanthropy supports the remainder. In 2013, subscription revenues grew 165% after implementing circulation fulfillment and renewal marketing. In 2014, two nutrition education programs and four children's hospitals renewed, and two health care insurance foundations began ChopChop programs.

ChopChop's most significant revenue opportunity is in custom sales to government programs and the education market, and in corporate/foundation sponsorships. The Federal SNAP nutrition education program spends \$350M annually in state-level programs. In addition, U.S. health care insurance foundations spent \$45M in childhood obesity prevention efforts in 2012.

ChopChop is in a strong position to increase its sales, and to provide corporations with effective communications vehicles for health/wellness messaging. Mandated wellness policies in U.S. public schools, growth in insurance industry prevention spending, and corporations seeking to align with health-related societal shifts all indicate demand for high-quality content about nutritious eating and cooking that ChopChop is uniquely qualified to supply.

Sales Channel	Margin	2014		2018	
		# copies/ Revenue		# copies/ Revenue	
Direct to Consumer	50%	47K	\$96K	89K	\$235K
Education	81%	47K	\$49K	183K	\$192K
Gov't/Corp	82%	85K	\$357K	700K	\$871K

Note: Pediatric Practices represent a significant distribution channel for ChopChop. However, most copies distributed through pediatricians are complimentary.

KEY PARTNERS/CUSTOMERS:

- **NEW BALANCE FOUNDATION**
- **AMERICAN ACADEMY OF PEDIATRICS**
- **CLINTON FOUNDATION**
- **HARVARD PILGRIM FOUNDATION**
- **PHILADELPHIA PUBLIC SCHOOLS**
- **UNIVERSITY OF ARKANSAS**