

Porter Road

DELIVERING LIFE-CHANGING MEAT

THE MISSION

Porter Road exists to drive sustainable and scalable change in a broken, \$92B meat industry.

THE MARKET

The US meat industry is undergoing seismic shifts, as **consumers' attitudes are evolving.**

52%

Consumers seeking access to meat **without antibiotics or added hormones**

67%

Consumers who said they were prioritizing healthy or **socially conscious** food purchases

81%

Consumers seeking more **sustainable food options**

30%

of shoppers see **branded meat** / poultry as being more consistent from purchase to purchase and are more confident it is safe to eat

222 lbs.

Average amount of red meat and poultry US consumer will eat per year (2018 study)

MISSION

**Better practices on the
farm means better flavor
at the table.**

HOW DID WE GET HERE? (AND WHY?)

Trained chefs and professional butchers, Chris Carter and James Peisker, founded Porter Road to **transform the food system by working directly with sustainable, family farms**. Having attracted a cult following around its hometown in Nashville, TN, Porter Road expanded its operations online in order to make life-changing meat available to customers across the U.S.



METRICS AT A GLANCE

\$6.8M

Annual Run Rate
(Total Business)

\$118

Average Order Value

70%

Product Margin

2X

Growth YoY

60%

Sales Driven by
Repeat Customers

\$33

CAC

40%

Gross Margin

77

NPS

METRICS AT A GLANCE

\$6.8M ANNUAL RUN RATE

AS OF Q4 2019





The Business

SUPPLY CHAIN COMPARISON

Transparency for the end consumer and better margins for the business.

TYPICAL MEAT INDUSTRY

- 1 Commercial cattle ranch
- 2 Livestock auction
- 3 Stocker operation
- 4 Livestock auction
- 5 CAFO
- 6 Slaughterhouse
- 7 Processing facility
- 8 Grocery store
- 9 Consumer

VS

PORTER ROAD

- 1 Partner farms
Animals on pasture
- 2 Porter Road
- 3 DTC and Wholesale Customers

WHY WE'RE BETTER

More control over the process
= **greater transparency** at every stage

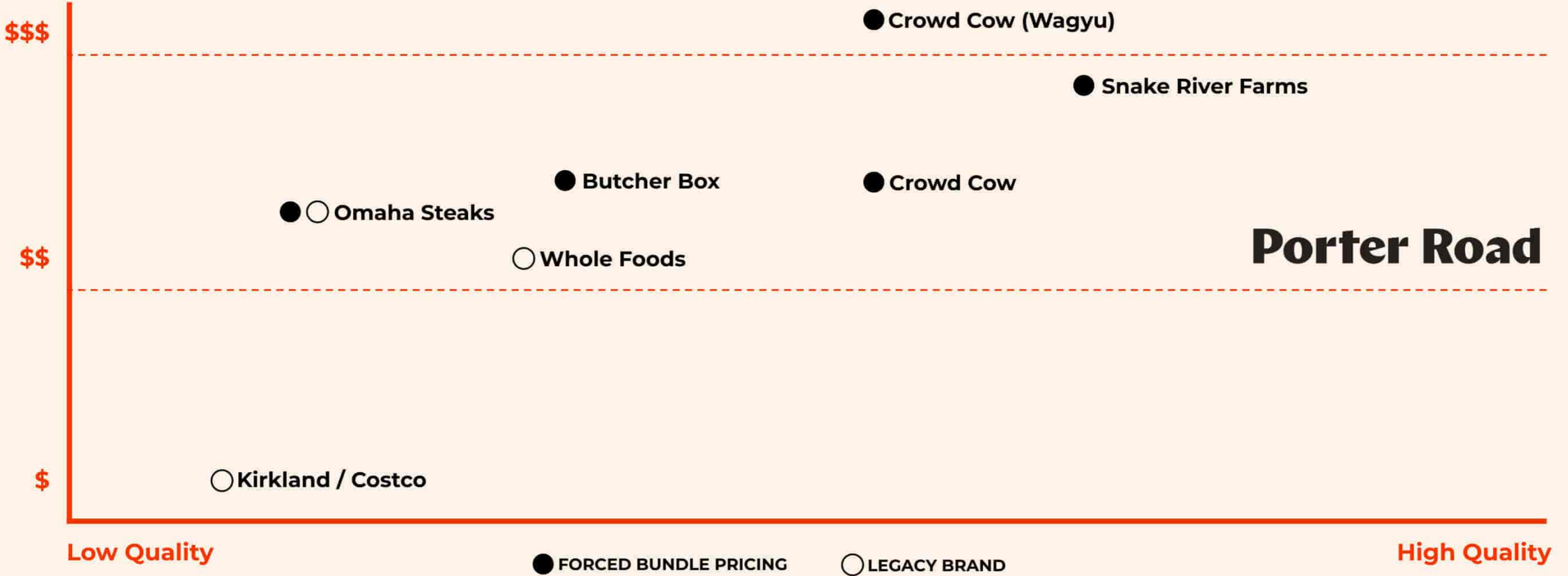
More time on pasture, humane conditions, and less stress on animals
= **better quality meat**

Fewer parties involved
= **better margins**

Better Margins
= **better experience for customers**



POSITIONING



HOW WE COMPARE

	NO MINIMUM A LA CARTE	TRANSPARENT SOURCING	VERTICALLY INTEGRATED	OMNI CHANNEL	SHIPS FRESH, NOT FROZEN	FAST, ACCURATE DELIVERY	WHOLE ANIMAL DRY AGING	CHEF & BUTCHER OWNED	SUBSCRIPTION
PORTER ROAD	✓	✓	✓	✓	✓	✓	✓	✓	✓
BUTCHER BOX									✓
CROWD COW		✓							✓
OMAHA STEAKS			✓	✓		✓			

OMNI-CHANNEL SALES STRATEGY

Online

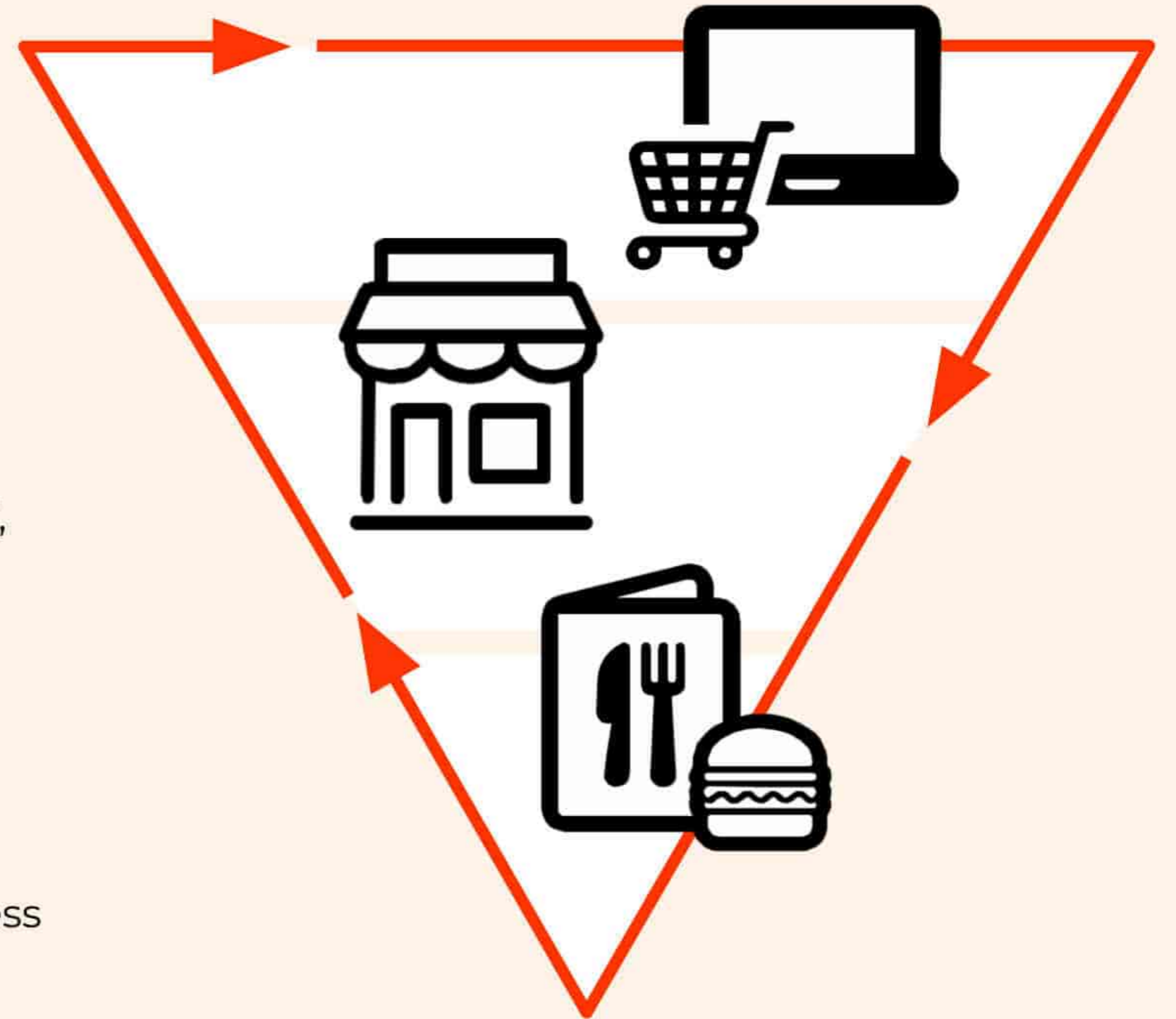
Online is the growth / awareness engine. Geo cluster data will help identify targets for brick and mortar expansion.

Brick and Mortar Retail

Brick and mortar provides a direct customer feedback loop, **captures demand from the 58% of customers that shop for meat 'just in time'**, accelerates online growth, and opens local advertising opportunities.

Wholesale

Wholesale turns ground beef and other byproduct back into cash, preserving whole animal product margins and drives additional awareness through name on menu inclusion.





Customer and Growth

NEW CUSTOMER SOURCE MIX AND GROWTH

Porter Road is a **naturally conversational brand** and the diverse marketing strategy is set up to ignite those conversations

Digital Media

Facebook, Instagram, Google Adwords, Google Shopping, sponsored content

Direct Mail

Shared mailers, LAL solo mailers, and zip saturation mailings

Local Media

Radio / OOH / Print to lift both online and brick and mortar shop awareness

Partnerships

Partnerships take many forms from email / LAL swaps, sweeps to more integrated programs

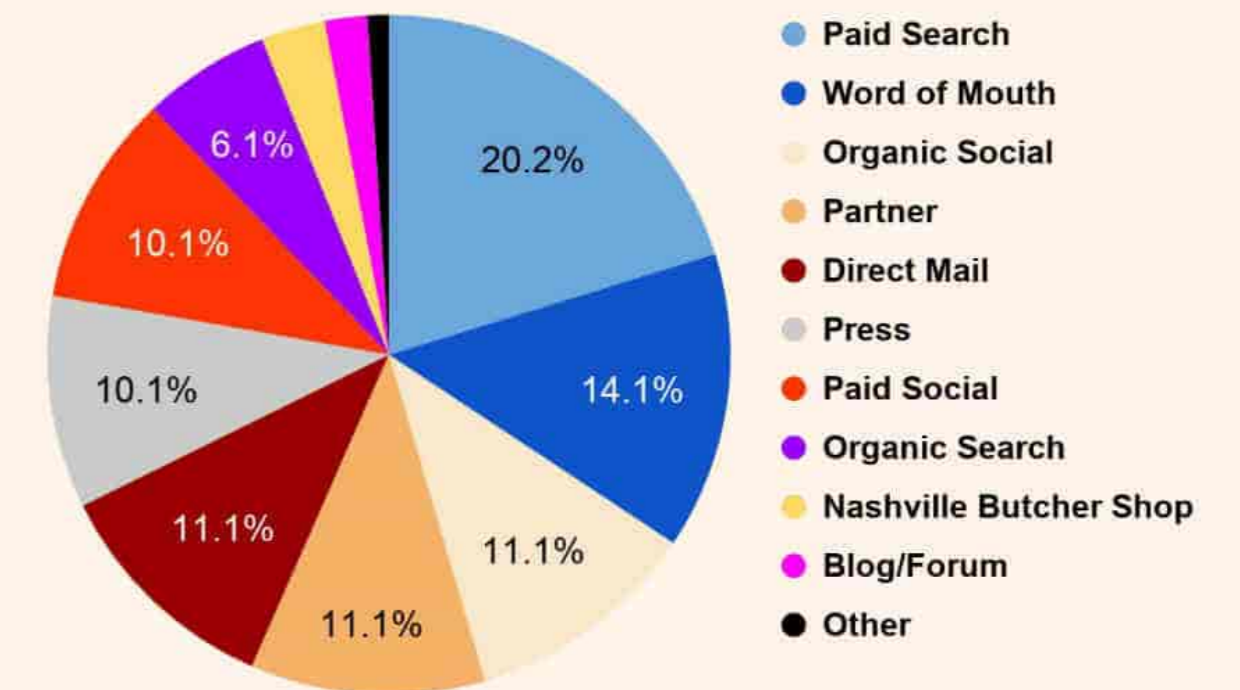
Influencers / Affiliates

Activating enthusiastic communities on IG, YouTube, BBQ / cooking forums, and bloggers

Press

As a Chef and Butcher founded business, Porter Road is rightfully seen as an authority in this space

New Customers by Source



New Customers by Month



CUSTOMER LOVE

"I love this place!! I order once a month and it's worth the price. The peace of mind just knowing your food source. No more supermarket meat for me."

- Raymonia C



"Love this meat. Worth every penny. Customer service, excellent, right to my door in 2 days, notified it was sitting on my porch, everything frozen, or still cold. Can't say enough about this company! Thank you Porter Road!"

- Lori B

**First class
meat, best
I've had—
EVER!**

- Byron L

"Why go to a steakhouse when you can get meat this good at home? I haven't had a steak that good in a long time."

- Mike J

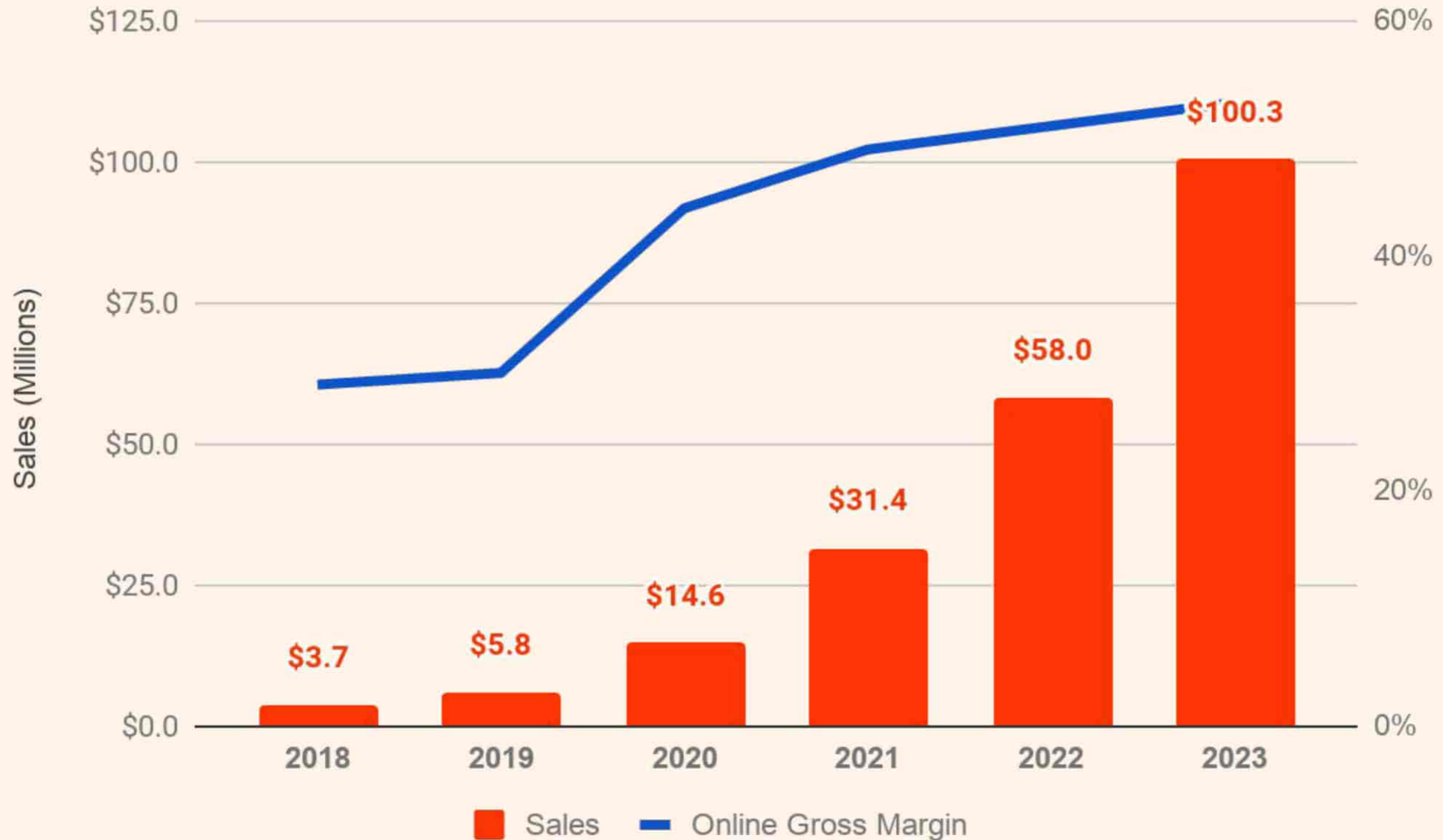


Love Porter Road. The only meat we now buy. Best of all the online meat companies.

- Robin Y



SALES PROJECTIONS





The Economics

PRODUCT MARGIN FUNDAMENTALS

ANIMAL	COST PER LB (HANGING WEIGHT)	YIELD	FINISHED PRODUCT COST PER LB	AVG RETAIL PRICE PER LB	PRODUCT MARGIN
Beef	\$2.60	58%	\$4.48	\$14.66	69%
Pork	\$1.43	79%	\$1.81	\$10.02	82%
Lamb	\$4.20	68%	\$6.18	\$16.47	62%
Chicken	—	—	\$4.63	\$9.42	51%

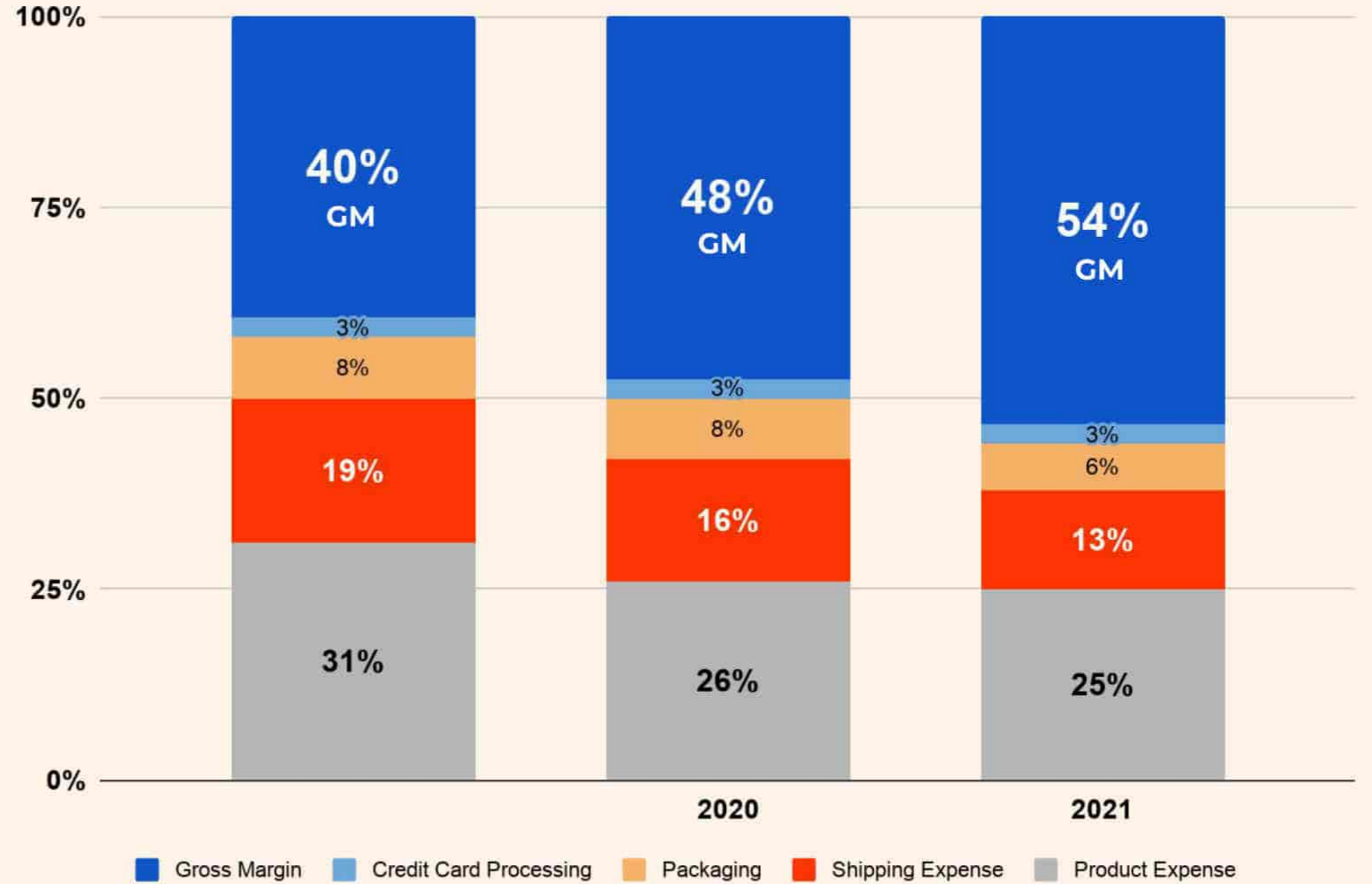
LEVERS TO DRIVE ONLINE GROSS MARGIN

Shipping Economics

- Facility expansion plan will cut the distance between Porter Road and the end consumer allowing 80% of packages to ship via 2 day ground, moving blended carrier fees from \$23 to \$15

Margin Expansion

- Increased whole animal utilization through product expansion (i.e. stocks / broths, jerky, dog food) to drive product margin improvements. 100% utilization of bones and fat increases beef product margin from 69% to 75%





Use of Funds

USE OF FUNDS

- Establish West Coast fulfillment center
- Further retail expansion
- Product line expansion
- Org
- Marketing



THANK YOU