



INVESTOR PITCH DECK & PROSPECTUS

KLR HARD SELTZER



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Introduction & Company Overview

KLR Seltzer is conceptualized as the ideal complement to Mutiny Island Vodka. Mutiny Island Vodka, developed in St. Croix and perfected in 2017, delivers a distinct and clean flavor reminiscent of the island's trade winds and blue waters. The inclusion of breadfruit, a versatile and flavorful ingredient, enriches its Caribbean heritage. KLR Seltzer also incorporates Caribbean rainwater in its production, emphasizing its natural and exotic origins.

- Coconut Lime
- Pineapple Mint
- Tamarindo
- Watermelon Lemonade
- Guava Passionfruit
- Strawberry Hibiscus



The Opportunity

- Current seltzers often lack a truly tropical and refreshing flavor profile that effectively complements premium spirits like vodka.
- There is a growing consumer demand for beverages that are low in calories, low in sugar, and promote overall health consciousness.
- The hard seltzer market is highly competitive, marked by continuous innovation in flavors and packaging, alongside the entry of new brands.
- A significant trend indicates that consumers are increasingly looking to reduce their alcohol consumption, with a growing interest in "sober-curious" lifestyles, which drives demand for low-alcoholic beverage alternatives.
- The COVID-19 pandemic further accelerated a shift in alcoholic beverage consumption habits, with a heightened focus on health and well-being leading consumers to prefer lower alcohol content options.



The Solution: KLR Seltzer



- KLR Seltzer distinguishes itself by blending the crispness of seltzer with the exotic flavors of the Caribbean.
- It is specifically formulated to pair seamlessly with Mutiny Island Vodka, providing a refreshing alternative to traditional mixers.
- KLR Seltzer is crafted using natural fruit extracts, vodka made with breadfruit, and Caribbean rainwater, employing precise blending techniques, and contains no artificial additives or sweeteners.
- The product is designed to appeal to health-conscious consumers seeking an enjoyable yet guilt-free refreshment. Initial flavors include Strawberry Banana, Coconut, and Mango Pineapple.

Market Opportunity

- The global hard seltzer market was valued at USD 18.97 billion in 2023 and is projected to reach USD 66.95 billion by 2033, demonstrating a Compound Annual Growth Rate (CAGR) of 15% from 2024 to 2033.
- Key drivers of this market growth include the rising demand for low-alcohol content beverages among millennials and the younger generation.
- Hard seltzers, with their low-calorie and low-sugar attributes, resonate with consumers who prioritize wellness and seek healthier alcoholic beverage options. Many also seek products that are reduced-sugar, organic, and align with specific dietary preferences like keto and vegan diets.
- Hard seltzers with an Alcohol By Volume (ABV) content of 5.0% to 6.9% comprised 51.8% of global revenues in 2023, driven by the moderation trend. Furthermore, the 1.0% to 4.9% ABV category is anticipated to grow at a CAGR of 15.9% from 2024 to 2030, reflecting consumers' active reduction in alcohol intake.
- Metal cans dominate the packaging market, accounting for over 75% of revenue share in 2023, due to their convenience, portability, ability to preserve product integrity, and ample space for branding. Glass bottles are also projected to grow, often associated with a premium image.



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Competitive Advantages

- Tropical Fusion: KLR Seltzer infuses distinctive tropical flavors like pineapple, mango, and coconut, creating a unique taste profile.
- Perfect Pairing: It is specifically designed to enhance Mutiny Island Vodka cocktails, offering a superior mixed-drink experience.
- Caribbean Inspiration: The brand is deeply inspired by the vibrant essence of the Caribbean, including its azure waters and sandy beaches, providing an authentic and appealing narrative.

Business Model & Revenue Model

Based on a 4, 8 & 12-pack pricing model:

- **Cost of Goods:**
 - \$4.20 (4-pack), \$9.10 (8-pack), \$12.60 (12-pack)
- **Retail Price:**
 - \$8.99 (4-pack), \$18.99 (8-pack), \$26.99 (12-pack)
- **Gross Margins*:**
 - 54% GM (4-pack), 52% GM (8-pack), 54% GM (12-pack)

**Before distribution/brokerage fees*



Distribution Strategy

KLR Seltzer plans to implement a multi-channel distribution approach including:

- Collaborations with liquor stores, restaurants, and online platforms.
- Strategic partnerships with bars and resorts to enhance brand visibility and accessibility.



Sales & Marketing Strategy

- **Existing Marketing Initiatives:** KLR Seltzer's current marketing strategies include Content Creation, Search Engine Optimization (SEO), Email Campaigns & Paid Advertising, Online Advertising & Direct Mail, Social Media Engagement, Customer Referral Programs, Educational Webinars, and Online Reviews and Testimonials.
- The brand has already showcased engagement with social media influencers like X.O. Sher, who has a significant following on Instagram.



Sales & Marketing Strategy

- Key Trade Show Engagement (2025): To amplify market presence and foster partnerships, KLR Seltzer should actively participate in key industry trade shows throughout 2025:
 - Wine & Spirits Daily Summit (Palm Beach, FL): January 12-14, 2025.
 - Nightclub & Bar Show / Bar & Restaurant Expo (Las Vegas, NV): March 24-26, 2025.
 - Vinexpo America (Miami, FL): May 7-8, 2025.
 - Bar Convent Brooklyn (New York, NY): June 10-11, 2025.
 - Cheers Beverage Summit (Annapolis, MD): June 16-17, 2025.
 - Tales of the Cocktail (New Orleans, LA): July 20-25, 2025.
 - Americas Food & Beverage Show (Miami, FL): September 10-12, 2025.



Sales & Marketing Strategy



Micro-Influencer Marketing with MOGL Platform: Integrating micro-influencers through platforms like MOGL (<https://www.mogl.online/>) can significantly enhance KLR Seltzer's marketing efforts. Micro-influencers, with their typically smaller but highly engaged and niche audiences, offer several advantages:

- **Targeted Reach:** MOGL can facilitate connections with micro-influencers whose followers precisely match KLR Seltzer's target demographic, ensuring high relevance and interest.
- **Authenticity and Trust:** Micro-influencers are often perceived as more authentic and trustworthy by their followers, leading to genuine recommendations and stronger brand advocacy.
- **Cost-Effectiveness:** Campaigns with micro-influencers are generally more budget-friendly, allowing for broader outreach across various niche communities and optimizing marketing spend.
- **Diverse Content Generation:** Influencers can produce a variety of engaging content, including product reviews, creative cocktail recipes, and lifestyle integrations, which can be shared across KLR Seltzer's social media channels, boosting user-generated content and social proof.
- **Measurable ROI:** Platforms like MOGL provide analytics to track campaign performance, enabling KLR Seltzer to measure engagement, reach, and ultimately, sales attributed to influencer partnerships.

The KLR Team

The KLR Seltzer team comprises dedicated professionals including mixologists, flavor experts, and sustainability advocates.

- Ronald Henry Jr – Co-founder/CEO
- Burtram Gomes - COO/Logistics
- Ronald Henry III – Co-founder
- Anton Kimble – Director of Creative Services
- Kendall Yorn – Production
- Franz Borghardt/Craig Young - Legal & Compliance
- Leon Codner – Vice President of Sales
- Ned Fasullo – Chief Marketing Officer/Investor Relations



Ask & Use of Funds

KLR Seltzer is seeking \$5 Million in pre-revenue funds to fuel the initial operations, production, sales, and marketing activities. The allocation shown would be spent over the first 18 to 24 months of operations and is subject to change. The allocation of these funds, based on the original pitch deck's proposed percentages, would be:

- **Product Development (30%):** \$1,500,000
- **Marketing & Customer Acquisition (25%):** \$1,250,000
- **Operations and Logistics (20%):** \$1,000,000
- **Sales and Business Development (15%):** \$750,000
- **Legal and Compliance (5%):** \$250,000
- **Contingency Fund (5%):** \$250,000



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Strategic Market Analysis and Growth Roadmap for KLR Hard Seltzer: United States, Mexico, and The Caribbean.

Presented by:
VELOCITY PARTNERS GROUP

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I. Executive Summary

The hard seltzer market represents a dynamic and rapidly expanding segment within the global beverage industry, driven by evolving consumer preferences for healthier, convenient, and flavorful alcoholic options. KLR Hard Seltzer, with its 6 core flavors, is poised to capitalize on this significant market shift. This report provides a comprehensive analysis of the hard seltzer landscape across the United States, Mexico, and The Caribbean, detailing market size, key trends, product characteristics, distribution channels, and the competitive environment.

The United States market demonstrates robust growth, offering substantial opportunities for new entrants with differentiated products. While Mexico's broader Ready-To-Drink (RTD) market is booming, the hard seltzer sub-category faces unique challenges that necessitate a tailored market entry strategy. The Caribbean, an emerging market for hard seltzers, presents opportunities for early movers to establish a strong presence.

KLR Hard Seltzer's success hinges on strategically leveraging prevalent consumer trends, such as the demand for low-calorie, low-sugar, and natural ingredient-based beverages, coupled with a strong emphasis on sustainable packaging. A multi-faceted sales and marketing approach, incorporating targeted industry trade shows, innovative micro-influencer collaborations via platforms like MOGL, and a robust digital marketing presence, will be critical.

Furthermore, identifying and directly engaging key decision-makers within casinos, resorts, restaurant chains, nightclubs, and major retailers will streamline market penetration. This report outlines a clear roadmap for KLR Hard Seltzer to secure \$5 million in seed funding by demonstrating a profound understanding of the market and a viable strategy for achieving significant market share and sustainable growth.

II. Hard Seltzer Market Landscape: Size, Trends, and Dynamics

A. Market Size & Growth Projections (2024-2037)

The hard seltzer market is characterized by significant growth across the analyzed regions, albeit with varying dynamics.

United States Market Overview:

The United States stands as a powerhouse in the hard seltzer market, exhibiting substantial scale and a strong growth trajectory. In 2024, the market size reached an impressive USD 1,960.6 Million. Projections indicate a remarkable expansion, with the market anticipated to reach USD 5,350.2 Million by 2033, demonstrating a Compound Annual Growth Rate (CAGR) of 11.8% during the 2025-2033 forecast period.¹ This robust growth is further supported by broader North American market data, which valued the market at USD 5.04 Billion in 2024 and expects it to grow to USD 8.99 Billion by 2030 at a CAGR of 10.13%.³ The U.S. alone accounted for a major share of the North American market, at USD 8 billion in 2024, with an expected CAGR of 11.6% by 2034.⁴ This expansion is underscored by the Alcohol and Tobacco Tax and Trade Bureau (TTB), which reported over \$4.5 billion in sales in 2022, marking a substantial 130% increase from 2020.⁵

Mexico Market Overview:

Mexico's hard seltzer market presents a more complex and nuanced landscape. While the broader Ready-To-Drink (RTD) alcoholic beverage market in Mexico has experienced explosive growth, with sales surging by 35% annually from 2018 to 2022 and projected to grow by 36.80% (2023-2027) to reach a market volume of US\$489.90m in 2027, the hard seltzer sub-category specifically has encountered difficulties. Forecasts anticipate a steady decline in hard seltzer consumption in Mexico between now and 2027. This downturn is primarily attributed to market oversupply, insufficient demand, and a general consumer misunderstanding of the product's value proposition. Consequently, some brands have already exited the market due to poor sales. Additionally, RTDs in Mexico are comparatively expensive, often double the price of beer per serve, which may further dampen hard seltzer's appeal in a price-sensitive market.

The Caribbean Market Overview:

Specific, granular market size data for the hard seltzer market in the Caribbean is not explicitly detailed within the available research. However, the region is recognized as an integral part of the broader North American market, which stands as a significant global

driver for hard seltzer growth. The popularity of hard seltzers is on an upward trajectory, fueled by increasing consumer demand for refreshing, lower-calorie, and gluten-free alcoholic options. Cultural shifts towards wellness and moderation, coupled with enhanced accessibility through diverse sales channels, including supermarkets, convenience stores, on-premise establishments, and the growing importance of e-commerce, are providing substantial traction for market expansion across the Caribbean.

Table: Hard Seltzer Market Size & Forecast (USD Million/Billion) by Region (2024, 2030/2033/2034/2037)

Region	Market Size 2024	Forecast 2030/2033/2034/2037	CAGR (2025-2033/2034/2037)
United States	USD 1,960.6 Million ¹	USD 5,350.2 Million (by 2033) ¹	11.8% ¹
Mexico (RTD Market)	92.91 million liters (2022) ⁶	US\$489.90m (by 2027) ⁶	36.80% ⁶
Global Market	USD 17.2 Billion ⁵	USD 62.7 Billion (by 2034) ⁵	13.8% ⁵

The market data reveals a crucial distinction in market maturity and opportunity across these regions. The United States market is large and continues to expand at a significant rate, indicating a competitive but still growing environment where differentiation is key. In contrast, Mexico's overall RTD market is experiencing a boom, but the hard seltzer sub-category specifically has not resonated with consumers, suggesting a need for a fundamentally different approach. The Caribbean, while lacking specific hard seltzer market size data, shows general growth drivers for the category, implying an emerging market that could be receptive to new entrants if positioned effectively. This regional divergence means a "one-size-fits-all" market entry strategy for KLR Hard Seltzer would be ineffective and potentially risky. Instead, a tailored approach for each region is imperative.

The observed "RTD boom" alongside a "hard seltzer fizzle" in Mexico warrants particular attention. Mexican consumers are actively seeking "new and exciting low alcoholic drinks" with "unique and bold flavours". However, hard seltzers have been explicitly noted as "not having taken off" and are expected to decline, being "largely misunderstood". This apparent contradiction suggests a mismatch in either product offering, pricing, or marketing. For instance, the fact that calorie and sugar content have limited impact on Mexican purchasing decisions stands in stark contrast to the US market, where these attributes are primary drivers. The lack of success for hard seltzers, despite the general demand for low-alcohol, flavored, convenient drinks, indicates that existing brands may have failed to

connect with Mexican consumer preferences or cultural drinking habits. They might be perceived as too expensive per serve, or their flavors and positioning do not align with the country's "flavor boom", which includes "exotic and tropical flavors" and even "spicy Mexican seltzers". The success of spirit-based RTDs further points to a different flavor or base preference. To succeed in Mexico, KLR Hard Seltzer must actively address this "misunderstanding" through targeted market research and product adaptation, focusing on local flavor profiles, appropriate pricing, and culturally relevant communication of benefits.

B. Key Market Trends & Characteristics

The hard seltzer market's rapid ascent is underpinned by several interconnected trends that define consumer behavior and industry innovation.

Consumer Preferences: Health & Wellness, RTD Convenience, Mindful Drinking:

A profound shift in consumer preferences is a primary catalyst for the hard seltzer market's growth. A significant driver is the increasing demand for healthier beverage choices, leading consumers to favor lower-calorie, lower-sugar, and gluten-free alcoholic options. Hard seltzers are widely perceived as lighter and less calorically dense alternatives to traditional beers or cocktails, making them an appealing option for health-conscious individuals. The inherent convenience of Ready-To-Drink (RTD) options further enhances their appeal, fitting seamlessly into modern, on-the-go lifestyles. This trend is part of a broader movement towards mindful drinking and moderation, particularly among younger generations, including Millennials and Gen Z, who prioritize wellness-oriented consumption habits. The global COVID-19 pandemic also played a role, accelerating the trend of at-home consumption and boosting hard seltzer sales as they became a popular choice for home entertainment.

Innovation Drivers: Unique Flavors, Craft Seltzers, Sustainable Practices:

Innovation is a critical engine for sustained market expansion and competitive differentiation. There is a rising demand for unique, innovative, and diverse flavors, prompting brands to experiment with exotic fruit combinations, botanicals, and even savory options to capture consumer attention. Limited-edition and seasonal flavors are particularly effective in generating consumer excitement and driving sales, as they offer novelty and exclusivity. Concurrently, there is a growing emphasis on natural ingredients and sustainable production methods, which strongly appeals to health-conscious and environmentally aware consumers. Sustainable packaging, particularly the widespread use of aluminum cans, is a pivotal concern, recognized for its recyclability and environmental benefits. The emergence of "craft seltzer" signifies a consumer preference

for specialized products, creating a sense of exclusivity and supporting local businesses, further driving innovation in the category.

Social & Cultural Influence: Role of Social Media, Gen Z and Millennial Engagement:

Social and cultural dynamics, particularly the pervasive influence of social media, are significant facilitators of market growth. Strong brand presence and marketing efforts, often amplified through digital channels, contribute to market expansion. Leading hard seltzer companies effectively leverage platforms like Instagram and TikTok to showcase product enjoyment and engage directly with consumers, often through user-generated content. Gen Z and Millennials represent the core demographic for hard seltzers, and they are highly influenced by social media trends and brand narratives. These younger generations prioritize transparency, authenticity, and are drawn to brands that emphasize natural ingredients and clean labels, making social media a crucial channel for communicating these values.

The consistent emphasis on "better-for-you" attributes in the market indicates that KLR Hard Seltzer's value proposition must explicitly and consistently communicate its natural ingredients, low calorie/sugar content, and gluten-free status. This is not merely a product feature but a core competitive advantage that resonates deeply with the target demographic. Positioning KLR as a "craft seltzer" can further attract consumers seeking exclusivity and quality, potentially allowing for premium pricing. This messaging should be integrated into all aspects of branding, from packaging to digital content.

Furthermore, the strong market preference for sustainable practices, particularly the dominance of metal cans due to their recyclability, highlights a critical consumer value. Assuming KLR Hard Seltzer utilizes metal cans, this should be actively and prominently marketed as a key brand value. Highlighting eco-friendly production practices (if applicable) and recyclable packaging can significantly enhance KLR's brand image, attract environmentally conscious consumers, and differentiate it in a crowded market. This is not just a logistical choice but a strategic marketing decision that directly influences consumer perception and market acceptance.

III. Product-Specific Insights for KLR Hard Seltzer

A. ABV Content Analysis

Hard seltzers are generally known for their moderate alcohol content, typically ranging between **4% and 6% ABV**. The **5.0% to 6.9% ABV segment** currently holds the largest

share of the global market, accounting for over **52% in 2022** and **61.2% in 2024**. This dominance is primarily driven by consumer preference for a balance between a refreshing taste and a "noticeable kick," aligning with trends of moderate and responsible drinking. This range offers a sessionable experience without the strong intoxicating effects of traditional spirits or heavy beers, making it popular among young adults and social drinkers.

However, a significant emerging trend is the increasing demand for **lower ABV products, specifically in the 1.0% to 4.9% range**. This segment is projected for rapid growth, with a Compound Annual Growth Rate (CAGR) of around **24% between 2023 and 2032**. It is estimated to capture more than **65% market share by 2037**, and in 2024, products with **2.9% to 4.9% ABV** already held over **62.40% of the market share**. This shift reflects a broader consumer movement towards moderation and overall well-being, where individuals are deliberately cutting back on alcohol use.

The dual trend in ABV content presents a strategic opportunity for KLR Hard Seltzer. While the 5.0-6.9% range currently dominates and aligns with major brands like White Claw and Truly, the rapid growth of the 1.0-4.9% segment indicates a strong future market for lighter options. KLR has the option to either align with the current dominant segment or proactively capture the rapidly growing future segment, or potentially both. To appeal to the most health-conscious and "mindful drinking" consumers, KLR could strategically introduce some of its flavors in the lower ABV range. This dual-ABV strategy could allow KLR to tap into both established demand and the rapidly expanding segment seeking lighter options, broadening its market appeal and demonstrating foresight to potential investors.

B. Packaging Type Insights

Metal cans unequivocally dominate the hard seltzer market, representing over **66.40% of the industry's share in 2024** and a substantial market size of **USD 13 billion** in the same year. Projections indicate their continued lead, poised to capture around **60% revenue share by the end of 2037**. This strong preference is driven by a multitude of practical and consumer-aligned benefits. Cans offer unparalleled convenience and portability, making them an ideal choice for on-the-go consumption. They are lightweight and easy to transport, which makes them popular for outdoor enthusiasts, festivals, beach outings, and sporting events.

Crucially, metal cans are highly regarded for their eco-friendliness due to their high recyclability, aligning with increasing consumer environmental concerns and sustainability initiatives. Beyond sustainability, cans provide superior product integrity, effectively protecting the beverage from light and air, thereby preserving its quality, flavor, and

carbonation more effectively than glass bottles. Furthermore, the compact form factor of cans allows for vibrant and eye-catching packaging designs, which are essential for standing out on crowded retail shelves. While glass bottles and other materials like plastic bottles are present, cans consistently hold the largest share and are identified as the fastest-growing segment.

The overwhelming market preference for metal cans establishes them as a non-negotiable standard for KLR Hard Seltzer. Utilizing metal cans for its 6 core flavors is essential for market acceptance and competitive parity. Beyond simply adopting this packaging, KLR should actively highlight its use of recyclable aluminum cans in all marketing materials. This aligns with the "sustainable practices" trend that resonates strongly with its target demographic, particularly Gen Z and Millennials. The versatility of cans also allows for "vibrant packaging designs", which is crucial for creating a strong brand identity and capturing consumer attention in a visually driven market.

C. Flavor Profile Trends

Flavor innovation is a cornerstone of the hard seltzer market, with brands constantly introducing new profiles to cater to evolving consumer tastes and differentiate themselves.

General Trends:

Consumer demand for new, unique, and innovative flavors is a primary driver in the hard seltzer market. This includes a strong interest in exotic fruit combinations, botanicals, and even savory options. Fruit flavors remain the most popular overall, with lemon, lime, strawberry, orange, and passion fruit consistently ranking high. The continuous introduction of diverse flavors is crucial for enhancing consumer engagement and enabling brand differentiation in a competitive landscape. Limited-edition and seasonal variants also play a significant role in creating excitement and driving sales, tapping into consumer desire for novelty and occasion-specific offerings.

United States:

In the U.S. market, Black Cherry is consistently the most popular flavor, topping sales across major brands like White Claw and Truly. Other popular choices include Mango, Lime, Grapefruit, and Raspberry. However, there has been a notable decline in the popularity of citrus flavors like Lime and Grapefruit since 2019, despite their continued representation in some top products. Recent innovations reflect a broader trend towards diversification, including spirit-based seltzers such as Truly Tequila Soda and hard seltzers uniquely infused with Crystal Light. Seasonal flavors are a significant marketing strategy, with brands releasing specific profiles for summer (e.g., watermelon, mango, pineapple), fall (e.g., apple cider, pumpkin spice, cranberry), winter (e.g., peppermint mocha,

gingerbread, spiced pear), and spring (e.g., strawberry lemonade, cucumber mint, raspberry). Growing flavors in North America specifically include blackberry, Mai Tai, and cranberry.

Mexico:

Mexican consumers, particularly younger demographics, exhibit a strong inclination towards unique and bold flavors, leading many RTD brands to incorporate exotic and tropical profiles. A distinct and noteworthy trend is the emergence of spicy Mexican seltzers, exemplified by flavors like Mango Picosito (mango with chili) and Limón-Pepino (citrus and cucumber). Fruit-based new RTD product launches constituted a significant 85% of innovations between mid-2022 and mid-2023, indicating a strong preference for fruity profiles. Growing flavors in Latin America, which includes Mexico, are Mojito, Green Apple, and Rose.

The Caribbean:

Tropical flavors are highly relevant and popular in the Caribbean, embodying the region's vibrant lifestyle. Examples include Grapefruit, Pineapple, West-Indies Lime, and Mango. Black Cherry is also identified as a fast-growing flavor in the Latin America's Caribbean region, with Spiced Cherry emerging as a new trend that combines familiar sweetness with a warm spiciness. Brands entering the market, such as Quirk Hard Seltzer, emphasize "bold ingredient combinations and real fruit juice" with unique flavors like Cherry Blossom & Lime, Strawberry Lemon & Basil, Blackberry Sage, and Pear Yuzu.

The varying flavor preferences across regions necessitate a tailored flavor strategy for KLR Hard Seltzer. While fruit flavors enjoy broad popularity, specific tastes and emerging trends differ significantly. For instance, the US market sees Black Cherry dominance but a decline in traditional citrus flavors. Mexico is experiencing a "flavor boom" with a clear lean towards exotic, tropical, and notably, *spicy* profiles. The Caribbean, meanwhile, strongly favors tropical and unique fruit/botanical blends. This means a flavor that succeeds in one market might not resonate in another due to cultural tastes or market saturation. KLR's 6 core flavors must be strategically positioned. KLR should strategically market its existing 6 core flavors differently in each region. For the US, emphasizing "real fruit juice" and "natural flavors" for its tropical/berry flavors is crucial, and exploring higher-ABV spirit-based options or lower-ABV lines for specific consumption occasions could be beneficial. For Mexico, KLR has a unique opportunity to introduce a "picosito" (spicy) variant or a cucumber-lime flavor to directly address the "misunderstood" perception of hard seltzers and align with local taste preferences. For the Caribbean, KLR should lean heavily into a tropical and "island vibe" positioning. KLR's ability to offer "multiple flavor hard seltzers" is a major trend that can be effectively leveraged.

Furthermore, the consistent emphasis on "real" and "natural" ingredients in flavor messaging is a powerful differentiator. Multiple sources highlight the rising demand for unique flavors *combined with* natural ingredients and real fruit juice. This directly correlates with the overarching "health and wellness" trend. In a market increasingly saturated with artificial flavors, "real" and "natural" claims build consumer trust and a perception of quality. This is particularly important for health-conscious consumers. KLR should prominently feature "real fruit juice" and "natural flavors" (if applicable) in its branding and marketing for all 6 core flavors. This messaging should be integrated into packaging, digital marketing campaigns, and influencer collaborations. This approach not only appeals to health-conscious consumers but also differentiates KLR from competitors that may use artificial ingredients, positioning KLR as a premium and trustworthy brand.

IV. Distribution Channel Strategies

Effective distribution is paramount for market penetration and sustained growth in the hard seltzer industry. Understanding the nuances of various channels and regional specificities is critical for KLR Hard Seltzer.

A. Overview of Key Channels

Off-Trade Dominance: The **off-trade segment**, which encompasses retail outlets such as supermarkets, hypermarkets, convenience stores, and liquor stores, is the predominant distribution channel for hard seltzers. This channel captured more than **73.40% of the market share in 2024** and accounted for a significant market size of **USD 13.8 billion** in the same year. This overwhelming dominance is driven by consumer preference for purchasing in bulk for at-home consumption, social gatherings, and parties, making retail sales the largest revenue generator.⁴

On-Trade Significance: Bars, restaurants, and nightclubs, collectively known as the **on-trade segment**, play a crucial, albeit distinct, role in the market. These venues are vital for introducing new products, fostering brand loyalty through direct consumer experience, and providing a social consumption atmosphere. Bartender recommendations, in particular, are powerful influencers of drink choices, especially in premium venues, where they can even change a consumer's mind about their drink selection.

E-commerce & Direct-to-Consumer (DTC) Growth: The rapid expansion of e-commerce platforms and online grocery delivery services has significantly bolstered off-premise sales, making hard seltzers more accessible and convenient for consumers. Online sales channels offer broad reach, enabling brands to reach a wider range of consumers and implement exclusive deals and promotions effectively.

The market analysis clearly indicates that KLR Hard Seltzer must prioritize off-trade channels for volume sales, as they represent the largest revenue generator. However, a comprehensive strategy also requires strategic support from on-trade and digital channels. On-trade establishments are crucial for brand building, encouraging trial, and creating a social buzz around the product. Digital channels, including e-commerce and social media, offer broad reach and enable targeted marketing efforts to specific demographics. KLR's distribution strategy should therefore be multi-faceted, focusing on maximizing retail presence while leveraging experiential and digital channels to reinforce brand image and drive consumer demand.

B. Regional Distribution Considerations

Distribution strategies must be finely tuned to the unique market characteristics and consumer behaviors within each target region.

United States:

In the United States, off-premise channels continue to dominate due to their inherent convenience, accessibility, competitive pricing, and options for bulk purchases, particularly amplified by post-pandemic consumer habits. For retail stores, including grocery stores, liquor stores, and convenience stores, securing listings is crucial for reaching a wide customer base and building initial brand loyalty. Beyond mere presence, effective product placement is vital for gaining consumer attention and driving sales. This includes utilizing point-of-sale displays, strategic shelf designs, and promotional offers. Partnering with bars and restaurants introduces products in social settings, fostering trial and brand awareness, and allowing for direct consumer engagement.

Mexico:

The expansion of the convenience retail channel is a key factor supporting the overall RTD market growth in Mexico. While single-serve RTDs are generally preferred by consumers, there is a growing interest in larger formats that offer greater value for money, such as the 2-liter PET formats successfully sold in convenience stores like Oxxo. The Mexican RTD market is highly competitive, with several established players dominating the landscape. Hard seltzers specifically have struggled with "non-rotation of items on-shelf" and "too much supply – and too little demand," indicating challenges that extend beyond mere distribution placement and point to issues with consumer acceptance and product fit.

The growing interest in larger formats in Mexico points to a strategic opportunity for KLR Hard Seltzer. To address price sensitivity and value perception in this market, offering larger formats (e.g., multi-packs or larger bottles/cans) could significantly enhance KLR's appeal and competitiveness. This adaptation would directly respond to consumer demand for

greater value, potentially overcoming some of the "misunderstanding" or perceived expense that has hindered hard seltzer adoption in Mexico.

The Caribbean:

In the Caribbean, large-scale distribution in supermarkets and convenience stores, alongside on-premise locations such as bars and restaurants, provides high product exposure and accessibility for consumers. The increasing importance of e-commerce sites and delivery applications further improves convenience, allowing consumers to find and purchase products easily across different time zones. Establishing strategic relationships and robust distribution networks is crucial for effective market penetration and streamlining supply chains, ensuring product visibility and availability for a vast demographic. Monarq Group is identified as a key independent drinks distributor in the Caribbean, having recently struck an agreement with Mark Anthony Brands to distribute White Claw hard seltzer in select markets across numerous Caribbean islands, demonstrating their established network and expertise in the region.

The presence of established distributors like Monarq Group in the Caribbean presents a significant advantage for KLR Hard Seltzer. Partnering with such a group can provide immediate access to a wide network of retail and on-premise locations, overcoming typical market entry barriers. Leveraging their existing infrastructure and relationships will be crucial for efficient market penetration and establishing KLR's presence quickly in this developing market.

V. Competitive Landscape & Market Concentration

The hard seltzer market is characterized by intense competition, with a few dominant players, particularly in the United States, and a dynamic landscape of new entrants and strategic partnerships globally.

A. Key Players and Market Share

US Market Leaders:

The United States hard seltzer market is highly concentrated, dominated by a few key players. White Claw Hard Seltzer (Mark Anthony Brands) is the undisputed leader, consistently dominating sales. In 2020, White Claw products accounted for 60.4% of the hard seltzer inventory for on-premise accounts, though this dropped to 45% by June 2021. Overall, White Claw controls approximately 50% of the hard seltzer market. Its success is attributed to being an early market entrant and quickly adapting to trends.

Truly Hard Seltzer (The Boston Beer Company) is the second largest distributor, holding **17.4% of on-premise market share in 2021** and **21.8% of overall market share**. Together, White Claw and Truly account for approximately **75% of the total US market**. Truly's growth has been driven by innovative flavors and product lines, such as its Lemonade and Punch offerings.

Other significant players include:

- **High Noon Spirits Company (E & J Gallo Winery):** Showed the largest gain in on-premise share points, growing by 6.3 points in 2021 to reach **10.4%**. Its success is linked to its "real vodka + real fruit juice" positioning and tropical flavors.
- **Bud Light Seltzer (Anheuser-Busch InBev):** Held **10% of on-premise market share in 2021** and quickly became the third biggest seltzer in the US after its January 2020 launch.
- **Smirnoff Seltzer (Diageo):** A top contender launched in the same year as White Claw and Truly.
- **Topo Chico Hard Seltzer (The Coca-Cola Company):** Saw significant quarter-over-quarter growth in food delivery listings.
- **Corona Hard Seltzer (Constellation Brands):** Leaped to the number 4 spot in the US hard seltzer category after its spring 2020 launch, supported by a substantial marketing budget.
- **Vizzy Hard Seltzer (Molson Coors):** A result of a partnership between Coca-Cola and Molson Coors.
- **BON V! V (The Boston Beer Company):** Another brand under The Boston Beer Company, also a significant player.

Table: Leading Hard Seltzer Brands and Estimated Market Share (US, On-Premise, 2021)

Brand	Market Share (On-Premise, 2021)
White Claw	45%
TRULY	17.4%
HIGH NOON	10.4%
BUD LIGHT SELTZER	10%
BON & VIV	1.28%

The US market is highly concentrated, with White Claw and Truly holding a dominant position. This presents a significant challenge for new entrants like KLR Hard Seltzer. To succeed, KLR must focus on strong differentiation, whether through unique flavor profiles, a distinct brand identity, or targeting specific niches that are not fully served by the market leaders. This will require a clear value proposition to carve out market share.

Competitive Dynamics in Mexico:

The RTD market in Mexico is highly competitive, with several key players dominating. Brown-Forman Corp (with brands like New Mix and Jack Daniel's) and Pernod Ricard Groupe (Malibu and Absolut) hold significant market share, at 38.2% and 25.8% of sales respectively. José Cuervo has also seen remarkable growth in its RTD sales, increasing by 87.8% in 2022 and accounting for 18.7% of Cuervo's total sales.⁶ Despite high levels of investment from major companies and consumer openness to trying new products, hard seltzers specifically have not taken off in Mexico, with forecasts predicting a steady decline in consumption. This indicates that the competitive challenge in Mexico for hard seltzers is not just about market share against other seltzers, but about overcoming a fundamental lack of consumer adoption and understanding, even within a booming broader RTD category.

The Mexican market's competitive landscape for hard seltzers is nuanced; it is not simply about competing for market share within the hard seltzer category but rather overcoming a general consumer misunderstanding and lack of demand for the product itself, despite a thriving broader RTD market. KLR Hard Seltzer must address this fundamental challenge by educating consumers and adapting its product and marketing to local preferences, rather than simply trying to out-compete existing, struggling hard seltzer brands.

Competitive Dynamics in The Caribbean:

The hard seltzer market in the Caribbean is still developing, but major players are beginning to establish a presence. White Claw, the global leader, is expanding into selected Caribbean markets through a distribution agreement with Monarq Group, indicating a growing interest from established brands in the region. Local entrants, such as Vibe Hard Seltzers by Blue Light Distillery, are also emerging, focusing on tropical flavors and eco-friendly packaging to appeal to the Caribbean lifestyle. This suggests an early-mover opportunity for KLR Hard Seltzer to establish a strong presence as the market matures.

B. Strategic Partnerships & Innovations by Competitors

Major beverage companies are actively investing in the hard seltzer category through strategic partnerships and product innovations to capture market share. This includes

major beer brands increasingly launching their own hard seltzer lines. Notable examples include:

- **Coca-Cola and Molson Coors:** Partnered in 2022 to enter the hard seltzer market with their brand Vizzy, leveraging Coca-Cola's brand recognition and Molson Coors' brewing expertise.
- **Boston Beer Company and Beam Suntory:** Formed a long-term strategic partnership in 2021 to extend iconic brands into fast-growing beverage alcohol segments, creating unique ready-to-drink (RTD) alcoholic beverages by blending spirits and hard seltzer.
- **Anheuser-Busch InBev:** Acquired Cutwater Spirits in 2019, known for its canned cocktails including hard seltzers, to diversify its product range.
- **Heineken N.V.:** Acquired a minority stake in Dutch hard seltzer brand STËLZ in May 2024, aiming to bolster its presence in the "beyond beer" segment and leverage STËLZ's strong position among young consumers and innovative marketing strategies.

These strategic moves by major players highlight the competitive intensity and the industry's commitment to the hard seltzer category. For KLR Hard Seltzer, this means navigating a market where large corporations have significant resources for marketing and distribution. KLR's strategy must emphasize its unique value proposition, potentially focusing on craft appeal, specific flavor profiles, or a strong brand narrative that differentiates it from these established giants.

VI. Sales & Marketing Roadmap for KLR Hard Seltzer

A robust sales and marketing strategy is essential for KLR Hard Seltzer to secure funding and establish a foothold in its target markets. This involves a multi-pronged approach leveraging industry events, targeted influencer marketing, and comprehensive digital engagement, all while adhering to regional advertising regulations.

A. Industry Trade Shows & Conferences

Participation in key industry trade shows and conferences offers invaluable opportunities for KLR Hard Seltzer to gain visibility, network with potential distributors and buyers, understand market trends, and build brand recognition.

Recommended Events for 2025 (United States):

- **Bar Convent Brooklyn (June 10-11, New York, NY):** Focuses on cocktail education, relationship building, and product showcase for the bar and beverage industry, bringing together premium spirits and craft cocktail innovators.
- **Cheers Beverage Summit (June 16-17, Annapolis, MD):** A buyer-focused experience for new product discovery, high-level education, and networking.
- **Aspen Food & Wine (June 20-22, Aspen, CO):** Provides varied experiences and opportunities to taste foods and wines from around the world, promoting education and relationship building.
- **Tales of the Cocktail (July 20-25, New Orleans, LA):** Brings together industry partners to identify opportunities for progress in the spirits industry.
- **Flavor Experience (August 17-19, San Diego, CA):** An opportunity for high-volume players in the bar and restaurant industries to discuss trends and celebrate flavors.
- **IMI's B4 Summit (September 28 - October 1, Sea Island, GA):** A premier beverage industry gathering for national account chain buyers, suppliers, and distributors, focusing on beverage trends and innovation in the on-premise hospitality channel (by invitation only).
- **Park City Food & Wine (October 3-5, Park City, UT):** Offers an immersive experience focused on a wide variety of wine, with a goal of industry connections and product variety.
- **Wine Spectator's New York Wine Experience (October 16-18, New York, NY):** Provides visibility and a celebratory atmosphere for the wine industry.
- **NBWA Annual Convention & Trade Show (October 12-15, Las Vegas, NV):** The central event for the beer and beverage distribution industry, offering a one-stop shop for learning about exciting beverage products and cutting-edge technology, connecting with over 300 exhibitors.

Recommended Events for 2025 (Mexico):

- **Wine Room 2025 (September 4-6, Mexico City):** Focuses on alcoholic drinks and wine.
- **Agave Fest 2025 (September 4-6, Mexico City):** Focuses on alcoholic drinks and natural products, potentially relevant given hard seltzer ingredients.

- **Cerveza México 2025 (October 25-27, Mexico City):** Focuses on beers and alcoholic drinks, providing a platform within the broader beverage alcohol industry.
- **The Mexico Conference (May 14-15, Guadalajara, Mexico):** While focused on fresh produce, it provides a broader industry context and potential networking opportunities with buyers in Mexico.
- **San Francisco Ready-to-Drink Competition (2025):** While not in Mexico, this competition recognizes standout RTDs and can provide valuable recognition and awards for KLR products, enhancing their credibility in the broader North American market, which includes Mexico.

Recommended Events for 2025 (The Caribbean):

- **Cayman Cookout 2025 (January 15-20, Cayman Islands):** A luxury culinary and beverage festival with world-class experts, offering opportunities for product pairings and networking.
- **Barbados Food & Rum Festival (November 6, Barbados):** A major regional event for food and rum, relevant for broader beverage industry engagement.
- **CHIEF - Caribbean Hospitality Industry Exchange Forum (November, 2025):** The annual networking, education, and best practice sharing event for industry professionals in Caribbean hospitality.
- **Taste of the Caribbean (November, 2025):** The region's premier culinary competition and food & beverage educational exchange.
- **Caribbean Travel Marketplace (May 18-22, Antigua and Barbuda):** The Caribbean's largest marketing event connecting suppliers with global buyers, relevant for broader tourism and hospitality channels.

Strategic Approach for Event Participation:

KLR Hard Seltzer should strategically select events based on their target audience alignment and specific objectives. For the US, events like NBWA and Bar Convent Brooklyn offer direct access to distributors and on-premise buyers. For Mexico, Cerveza México and Agave Fest can provide exposure within the local beverage alcohol industry. In the Caribbean, hospitality-focused events like Cayman Cookout and CHIEF are ideal for engaging resorts and restaurants. At these events, KLR should focus on:

- **Product Showcase:** Offering tastings of its 6 core flavors.

- **Brand Building:** Communicating KLR's unique selling propositions, including its commitment to natural ingredients, low-calorie profile, and sustainable packaging.
- **Networking:** Engaging with distributors, buyers, and industry influencers to establish crucial partnerships.
- **Market Intelligence:** Gathering insights on competitor activities, emerging trends, and consumer feedback.

Targeted participation in these events is crucial for KLR Hard Seltzer to gain visibility and establish critical connections for distribution and sales. By strategically selecting and actively participating in these events, KLR can efficiently build its brand, secure partnerships, and gather market intelligence, which are vital for initial market penetration and investor confidence.

B. Micro-Influencer Marketing via MOGL

Micro-influencer marketing, particularly through specialized platforms, offers a highly effective and targeted approach for KLR Hard Seltzer to reach its core demographic, especially Gen Z and Millennials, who are highly influenced by social media.

MOGL Platform Capabilities:

MOGL is a tech platform designed to deliver mass-scale influencer marketing, particularly in the Name, Image, and Likeness (NIL) space, connecting brands with athletes. Its AI solution efficiently matches athletes with brands, significantly reducing the time required to launch campaigns. For instance, the time from campaign posting to athlete signing and content delivery has been reduced from 14 days to just three minutes in its soft launch phase. MOGL works with over 25,000 athletes and 2,500 national brands. The platform initiates contact with automated outreach, manages campaigns from a single dashboard, and offers enhanced data tools for real-time tracking and audience insights (age, geography, post success). A case study with 5Star electrolyte drink mix demonstrated MOGL's ability to connect with 100 athletes in short order, leading to a campaign that reached 300 million users. MOGL also recently launched "NIL Feed," a community-driven social media feed dedicated to NIL updates, increasing transparency and allowing athletes to see successful deals and learn how to maximize their earning potential.

Actionable Strategies for KLR:

KLR Hard Seltzer can leverage MOGL to:

- **Product Seeding & Social Promotion:** Provide free product to micro-influencers (athletes) in exchange for authentic social media content. This generates user-

generated content (UGC) that resonates more genuinely with audiences than traditional ads.

- **Target Gen Z & Millennials:** MOGL's focus on college athletes provides direct access to the primary demographic for hard seltzers.
- **Scalability:** The AI-powered matching allows KLR to efficiently onboard a large number of micro-influencers, generating significant impressions (e.g., Liquid I.V. case study: 4,115 brand ambassadors, 101 million impressions, 10,965 UGC pieces).
- **Authenticity:** Encourage influencers to integrate KLR Hard Seltzer into their daily lives and activities, showcasing the product in a relatable and aspirational lifestyle context.
- **Track Performance:** Utilize MOGL's data tools to monitor campaign progress, engagement rates, and audience demographics, allowing for optimization of marketing spend.

MOGL offers KLR Hard Seltzer a scalable and targeted influencer marketing channel. By leveraging MOGL's AI-powered platform, KLR can efficiently connect with a large network of micro-influencers, particularly college athletes, who can generate authentic user-generated content. This approach provides a cost-effective way to reach the crucial Gen Z and Millennial demographic, build brand awareness, and drive engagement, which is critical for a startup seeking to establish market presence.

C. Digital Marketing Best Practices

Digital marketing is crucial for hard seltzer brands, given the target demographic's heavy reliance on online platforms and social media for discovery and engagement.

Social Media Engagement:

Social media is a powerful tool for hard seltzer brands, with platforms like Instagram and TikTok being particularly effective. KLR Hard Seltzer should focus on:

- **Lifestyle Marketing:** Position KLR as the ideal drink for social gatherings, outdoor activities, and other aspirational lifestyle occasions, creating a strong emotional connection with consumers.
- **Visual Content:** Utilize compelling imagery and short-form video content showcasing people enjoying KLR Hard Seltzer in fun, refreshing, and health-conscious contexts.

- **User-Generated Content (UGC):** Encourage consumers to share their experiences with KLR, as UGC builds authenticity and trust.
- **Promotional Campaigns:** Offer exclusive promotions, deals, and discounts on social media to attract new customers and reward loyalty.
- **Interactive Engagement:** Respond promptly to comments and messages, host Q&A sessions, or run polls to foster two-way dialogue and community building.

Content Strategy:

KLR's content strategy should align with prevailing consumer trends:

- **Highlight Health Benefits:** Prominently advertise KLR's attributes as a low-calorie, low-sugar, and gluten-free beverage made with natural ingredients. This directly appeals to the health and wellness trend.
- **Unique Flavors:** Showcase the distinctiveness of KLR's 6 core flavors, emphasizing their natural profiles and refreshing taste.
- **Brand Lifestyle:** Create a clear brand identity with consistent ideas and imagery that resonate with the target audience, defining KLR within a niche market.

Navigating Alcohol Advertising Regulations:

Alcohol advertising is subject to various regulations that differ by country and even within regions. KLR Hard Seltzer must meticulously adhere to these guidelines to ensure compliance and maintain brand reputation.

United States:

In the U.S., alcohol advertising is primarily governed by the Federal Alcohol Administration (FAA) Act and is monitored by the TTB.⁵⁰ The Federal Trade Commission (FTC) encourages the alcohol industry to adopt and comply with self-regulatory standards to reduce targeting of underage individuals. Key requirements include:

- **Audience Demographics:** No more than **28.4% of the audience for an ad may consist of people under 21**, based on reliable audience data.
- **Content Appeal:** Ad content should not appeal primarily to people under 21. Cartoon styles should be avoided, and models should not appear to be under 21.
- **Truthful & Non-Deceptive:** Advertisements must provide adequate product information, identify the responsible advertiser, and avoid false, misleading, or deceptive statements. Claims about health benefits must be substantiated and not misleading.

- **Mandatory Disclosures:** All alcohol advertisements, including on social media, must contain certain mandatory disclosures. TTB Industry Circular 2024-1 now permits advertisers to meet these requirements by linking directly to a separate page with the information, provided the link is clearly labeled and accessible. Hired influencers can also satisfy this by tagging the industry member's account if it contains the disclosures.
- **Influencer Disclosures:** Material connections (e.g., paid endorsements) must be clearly and conspicuously disclosed using hashtags like #ad or #sponsored, placed at the beginning of the post.

Mexico:

Mexico is seeing increasing momentum for stricter alcohol advertising regulations. Proposed reforms aim to:

- **Ban Outdoor Advertising:** Prohibit alcohol advertising in public spaces near schools, hospitals, sports centers, and public transport.
- **Digital Platform Restrictions:** New guidelines, effective March 2025, for prepackaged food and non-alcoholic beverages (which may set a precedent or apply broadly to RTDs) restrict advertising on the internet and digital platforms. These restrictions include prohibiting the use of animated characters, pets, interactive games, celebrities, athletes, or mascots that appeal to children. Advertisements may require a permit/approval from COFEPRIS.
- **Content Restrictions:** Prohibit content that promotes excessive consumption, suggests physical or intellectual abilities from consumption, or compares products with natural ones.

The Caribbean:

Regulations in the Caribbean vary, with some countries having limited or no explicit restrictions on alcohol advertising and marketing. However, there is a regional push for more comprehensive restrictions, particularly concerning marketing to young people and women. The West Indies Rum and Spirits Producers' Association (WIRSPA) has a voluntary Code of Practice that KLR should adhere to:

- **Social Responsibility:** Promote beverages responsibly and only to those of legal drinking age.
- **No Youth Targeting:** Do not target the youth market, vulnerable persons, or pregnant women. Avoid using persons appearing under 21 (or 25 in some

recommendations) or celebrities primarily appealing to those below legal drinking age.

- **Responsible Messaging:** Include responsible drinking messages in marketing communications.
- **Content Restrictions:** Do not link alcohol consumption to driving, prowess, bravado, violence, sexual success, illicit drugs, or enhanced physical capabilities. Avoid presenting abstinence negatively or associating alcohol with the attainment of adulthood. Do not make curative or therapeutic claims.
- **Placement Restrictions:** Avoid placing outdoor advertising in clear view of established places of worship, schools, or children's playgrounds, except on licensed premises.
- **Media Audience:** Communications should only be placed in media where a clear majority of the audience can reasonably be expected to be above legal drinking age.

Navigating the diverse and evolving alcohol advertising regulations across these markets is a foundational element of KLR Hard Seltzer's marketing strategy. Prioritizing understanding and adhering to these rules is not merely a compliance issue but a strategic imperative for risk management and maintaining brand integrity. Non-compliance can lead to legal issues and significant damage to brand reputation, particularly given the heightened scrutiny on alcohol marketing's impact on vulnerable populations. KLR must integrate regulatory compliance into its digital marketing planning from the outset, ensuring all campaigns are both effective and responsible.

VII. Identifying Key Decision Makers for Market Entry

Successful market entry and expansion for KLR Hard Seltzer require a precise understanding of the purchasing hierarchies and decision-making processes within key industry segments.

A. Casinos & Resorts

Casinos and resorts operate as large-scale hospitality enterprises with complex procurement structures for beverages.

- **Key Purchasing Roles:** The primary decision-makers for beverage procurement in casinos and resorts are typically **Purchasing Buyers** and **Purchasing Department Leaders**. These individuals are responsible for reviewing requisitions, conferring with vendors to obtain product information (price, availability, delivery), and

maintaining current knowledge of Food and Beverage (F&B) purchasing policies. They evaluate and select F&B suppliers based on price, quality, availability, and reliability, soliciting quotations and negotiating contracts within budgetary limitations.⁶¹ Collaboration with internal customers, such as **chefs, restaurant managers, and department heads**, is crucial to obtain specific product requirements and evaluate vendor satisfaction.

- **Engagement Avenues:** Specialized industry events like **BITAC (Business & Industry Transformation & Collaboration)** are highly effective for engaging these decision-makers. BITAC events, such as **BITAC Casino Resorts** (June 8-10, 2025, Phoenix, AZ; June 7-9, 2026, Scottsdale, AZ) and **HEALTHTAC Food & Beverage** (December 7-9, 2025, Litchfield Park, AZ; February 1-3, 2026, Fort Myers, FL), specifically gather executive-level buyers, purchasing decision-makers, owners, specifiers, and project managers from top gaming and resort properties. These events offer structured private meetings, team-building activities, and networking receptions designed to facilitate direct engagement with key procurement personnel.

To secure listings in casinos and resorts, KLR Hard Seltzer should strategically target these specific procurement roles. Leveraging specialized events like BITAC provides a unique opportunity for pre-qualified, one-on-one meetings with buyers actively sourcing products. This direct engagement allows KLR to present its product, highlight its unique attributes, and negotiate terms efficiently, bypassing traditional cold outreach methods and significantly enhancing the likelihood of securing significant contracts.

B. Restaurant Chains & Nightclubs

The on-premise sector, encompassing restaurant chains and nightclubs, represents a critical channel for brand visibility, trial, and building consumer affinity.

- **Key Purchasing Roles:** Beverage purchasing decisions in restaurant chains and nightclubs are typically made by **bar owners, bar managers, beverage directors**, and at the corporate level for chains, **corporate buyers**. These individuals are responsible for selecting product offerings, managing inventory, and ensuring consistent beverage programs across multiple locations.
- **Influencing Factors:** Consumer drink choices in these environments are influenced by a variety of factors:
 - **Menus:** In casual dining, the menu itself is the most influential factor, guiding 46% of guests' drink choices.

- **Bartender Recommendations:** Bartenders are powerful influencers, with 38% of consumers in premium bars and 29% in fine dining citing their suggestions as a top influence. Notably, 63% of consumers who already know what they want to drink can still be swayed by a bartender's recommendation.
- **Social Media Presence:** For high-energy venues like nightclubs, 29% of visitors are influenced by seeing a brand on social media before their visit.
- **Promotions:** Limited-time offers (LTOs) and happy hours are highly effective in sports bars (53% influence).
- **Pricing:** In venues like stadiums and arenas, pricing is a primary driver for 50% of patrons.
- **Engagement Avenues:** KLR Hard Seltzer should pursue a multi-faceted approach:
 - **Direct Outreach:** Engage directly with beverage directors and corporate buyers, presenting KLR's unique flavors and alignment with "better-for-you" trends.
 - **Promotional Offers:** Offer promotional pricing during happy hours or exclusive offerings for specific venues to drive trial and sales.
 - **Bartender Advocacy Programs:** Invest in programs that educate and incentivize bartenders to recommend KLR products, recognizing their significant influence on consumer choice.
 - **Online Platforms:** Utilize platforms like Provi, an all-in-one alcohol marketplace for bars and restaurants, which can streamline ordering, provide compliance reporting, and offer visibility into purchasing behavior for chains.
 - **Menu Integration:** Work with establishments to ensure prominent placement and appealing descriptions of KLR Hard Seltzer on menus.

A tailored strategy for different on-premise venues is essential for KLR Hard Seltzer. This means leveraging menus for casual dining, focusing on staff recommendations in premium bars, and emphasizing digital presence and promotions for nightclubs and sports bars. By understanding these diverse influencing factors, KLR can optimize its engagement with beverage buyers and drive sales in these crucial social consumption environments.

C. Retailers (Total Wine, Grocery Store Chains)

Retail channels, particularly large chains, are fundamental for achieving broad market penetration and volume sales.

- **Key Purchasing Roles:**
 - **Total Wine & More:** As America's largest independent retailer of fine wine, spirits, and beer, Total Wine & More's purchasing is managed by a dedicated **Buying Team** for suppliers and a **Market Management Team** (state-specific) for wholesalers. Specific roles include **Associate, Regional Buyers** who handle wine and beer buying and replenishment for stores, manage vendor relations, perform cost and deal analysis, and identify opportunities for sales through promotional activity. The company also has a Supplier Diversity Program to connect diverse companies with their decision-makers.
 - **Grocery Store Chains:** Beverage purchasing roles in grocery chains include **Beverage Buyers, Senior Beverage Buyers, and Merchandising Swing Representatives** who interact directly with store management and buyers to influence product placement and promotions. These roles are responsible for profitable procurement and maintaining beverage programs.
- **Strategies for Product Placement & Promotions:**
 - **Secure Listings:** Establishing KLR Hard Seltzer in well-known retail chains is a critical step for reaching a wide customer base and building loyalty.
 - **High Visibility:** Focus on securing optimal product placement within stores through point-of-sale displays, strategic shelf designs, and promotional offers.
 - **Value Proposition:** For Total Wine, emphasize KLR's alignment with their focus on broad selection, low pricing (if applicable), and enhanced customer experience through tastings or educational materials. Total Wine also actively leans into "hot categories" like canned beverages.
 - **Data-Driven Pitches:** Buyers at large chains often make decisions based on sales data, consumer trends, and profitability. KLR should present its market analysis and projected growth to demonstrate its potential for strong sales velocity.

Navigating the complex procurement structures of large retailers requires KLR Hard Seltzer to understand the specific roles of buyers and tailor pitches accordingly. For Total Wine,

this involves direct engagement with their Buying Team and Market Management Teams, highlighting KLR's unique flavors and market appeal. For grocery chains, KLR should focus on demonstrating consumer demand, profitability, and effective in-store merchandising strategies. Emphasizing KLR's alignment with current trends like health and wellness, unique flavors, and sustainable packaging will be crucial for securing valuable shelf space and driving sales in these high-volume channels.

VIII. Conclusion & Strategic Recommendations

The global hard seltzer market, particularly in the United States, presents a compelling opportunity for KLR Hard Seltzer. The strong consumer shift towards healthier, convenient, and flavorful alcoholic beverages, coupled with the pervasive influence of social media and a growing emphasis on sustainability, creates a fertile ground for innovative brands. While the Mexican market requires a highly localized and educational approach to overcome existing misconceptions, the emerging Caribbean market offers an early-mover advantage.

KLR Hard Seltzer's 6 core flavors, if positioned to emphasize natural ingredients, low calorie/sugar content, and gluten-free attributes, align perfectly with the "better-for-you" trend. The strategic adoption and prominent marketing of recyclable metal cans will further resonate with environmentally conscious consumers. KLR has the flexibility to strategically position its ABV content, potentially introducing lower-ABV options to capture the rapidly growing segment of mindful drinkers, alongside its current core offerings. Furthermore, adapting flavor strategies to regional palates—such as exploring spicy profiles for Mexico and leaning into tropical themes for the Caribbean—will be critical for market acceptance beyond the US.

To secure the \$5 million in seed funding and achieve initial market penetration, KLR Hard Seltzer should prioritize the following actionable recommendations:

1. Tailored Market Entry Strategy:

- **United States:** Focus on differentiation through KLR's unique flavor profiles and "craft seltzer" positioning. Leverage the strong "health and wellness" trend in all marketing.
- **Mexico:** Conduct deeper consumer research to understand the specific reasons for hard seltzer's struggle. Consider introducing culturally relevant flavors (e.g., spicy, cucumber-lime) and offering larger, value-driven packaging formats to address price sensitivity. Marketing efforts must focus on educating consumers about the product's benefits in a culturally

appropriate manner, emphasizing flavor and convenience over strictly health-focused claims.

- **The Caribbean:** Capitalize on the emerging market by establishing strategic partnerships with established distributors like Monarq Group. Emphasize KLR's tropical flavors and "island vibe" positioning to align with regional preferences and lifestyle.

2. Strategic Sales & Marketing Execution:

- **Targeted Trade Show Participation:** Selectively attend key industry events in each region (e.g., NBWA in the US, Cerveza México in Mexico, CHIEF/Cayman Cookout in the Caribbean) to network with distributors, buyers, and industry leaders, showcase products, and gather market intelligence.
- **Leverage Micro-Influencer Marketing:** Utilize platforms like MOGL to efficiently connect with a large network of micro-influencers, particularly college athletes, to generate authentic user-generated content. This will effectively reach the Gen Z and Millennial target demographic, build brand awareness, and drive engagement.
- **Robust Digital Marketing:** Implement a comprehensive digital strategy focusing on social media platforms like Instagram and TikTok. Emphasize lifestyle marketing, visually appealing content, and clear messaging about KLR's health benefits, natural ingredients, and unique flavors.
- **Strict Regulatory Compliance:** Proactively understand and adhere to the diverse and evolving alcohol advertising regulations in the US, Mexico, and the Caribbean. This includes audience targeting, content restrictions, mandatory disclosures, and influencer guidelines to avoid legal issues and maintain brand integrity.

3. Focused Decision-Maker Engagement:

- **Casinos & Resorts:** Target Purchasing Buyers and F&B Directors. Leverage specialized events like BITAC to secure pre-qualified meetings and present KLR as a premium, health-conscious option.
- **Restaurant Chains & Nightclubs:** Engage Beverage Directors and corporate buyers. Implement a multi-faceted approach that includes direct outreach, promotional offers, and supporting bartender advocacy programs. Ensure KLR is prominently featured on menus and that its unique attributes are communicated effectively.

- **Retailers (Total Wine, Grocery Store Chains):** Identify and engage with Regional Buyers and Market Management Teams. Emphasize KLR's alignment with consumer trends, its profitability potential, and its ability to attract the target demographic. Focus on securing optimal product placement and supporting in-store promotions.

By meticulously executing this strategic roadmap, KLR Hard Seltzer can effectively navigate the complexities of the hard seltzer market, differentiate itself from competitors, capture significant market share across diverse regions, and demonstrate a clear path to profitability for potential investors.

LEADERSHIP BIOS

RON HENRY JR. – Co-founder & CEO

Ron Henry Jr. was born in the US Virgin Islands and moved to Orlando in 1986 to complete his education. In 2023 he and his family moved back to the Caribbean where his wife is a medical professional. Ron's professional background dates back to 1998 when he became an aircraft dispatcher for multiple US based airlines but he always had dreams of owning his own business in the consumer packaged goods sector.

His first chance at it in 2006 when he co-founded Expedite Distribution out of Orlando, Florida where he and his team were the importer on record for Baluarte Tequila and the nationwide distributor of Hype Energy Drink.

Ron and his son Ronnie created the KLR Hard Seltzer concept several years ago and are now ready to bring the product to the market. Ron & Ronnie believe that KLR is a true disruptor in the market in several ways.

"KLR is different from other seltzers in a couple of ways. First there is a soda water and flavor imbalance in many seltzers. KLR's approach is making a beverage that from start to finish the consumer can taste the flavor, while keeping the calories down. Next, we use a first of its kind spirit made from breadfruit. Lastly, our flavor profile is inspired from the various flavors of the Caribbean. Being from the Caribbean, I wanted to bring an authentic aspect to KLR that no other seltzer has, and that is breadfruit vodka. This is locally made in St. Croix, with sustainability in mind. Breadfruit is something I grew up eating in various forms; it is much like a potato, but when made differently it takes on a flavor of its own. After tasting Mutiny Vodka I knew we needed this for KLR, as the flavor profile is one of a kind."



RON HENRY III – Co-founder

Ronnie Henry is a Los Angeles-based Social Media Director at iHeartRadio, where he leads digital strategy and content development across major platforms.

With a passion for storytelling, marketing and audience engagement, Ronnie brings creativity and insight to one of the most recognized names in media and entertainment.



LEON CODNER – VP Sales

Leon Codner is a dynamic entrepreneur and visionary leader with over two decades of experience driving innovation and success. Holding a master's degree in strategic leadership, he co-founded and developed a thriving beverage brand that has expanded to nationwide distribution.

Beyond his accomplishments in the beverage industry, Leon is also an inventor with two tech patents, underscoring his dedication to groundbreaking solutions.

His diverse expertise and entrepreneurial spirit fuel his passion for shaping impactful ventures and guiding teams toward excellence.



ANTON KIMBLE – Creative & Packaging



Anton Kimball Design began in Portland, Oregon in 1976 after I left grad school. I found work in New York where I established relationships with publishers and returned to Oregon where I designed and painted over 100 book covers for Dell, HarperCollins, Scholastic, Penguin, and Scribner's.

I next applied my brand and packaging ideas to projects for Kraft Foods, Clorox, PetSmart, and, especially, Nabisco.

I created packages for some 150 Nintendo titles, and began working on corporate design, creating packaging and logotypes and "brand refreshes" for Nordstrom, Life Fitness, Nordic Track, JCPenney, Lundberg Family Foods, Brown & Haley, and many craft breweries and regional wineries.

Current projects are name invention and brand design for a new, national construction enterprise, label designs and paintings for a line of craft whiskeys, a new packaging system for Costco, and the latest labels for KLR hard seltzers!

CRAIG YOUNG – Legal & Compliance

With over 12 years of experience in corporate and transactional law, I specialize in providing strategic legal counsel to businesses across all stages of growth, from early-stage startups to established Fortune 500 companies. My core focus lies in mergers and acquisitions within the healthcare sector, where I have successfully guided clients through complex transactions, regulatory challenges, and post-acquisition integration.



In addition to M&A, my legal practice encompasses contract negotiation and drafting, corporate governance, intellectual property, regulatory compliance, and strategic growth planning. I have particular expertise in healthcare law, FDA/USDA compliance, and consumer packaged goods regulation, making me uniquely positioned to support a variety of companies navigating today's evolving legal and regulatory landscape.

Beyond my legal practice, I serve as a trusted C-Suite executive and board member for organizations across healthcare, energy, and CPG industries. In these roles, I lead legal strategy across all operational facets — from risk management and litigation to compliance and corporate governance — while advising executive leadership on high-impact decisions and growth opportunities. My approach combines legal precision with a deep understanding of business strategy, ensuring that clients and companies receive high-quality, efficient, and solutions-oriented legal support.

I am committed to advancing innovative, socially responsible businesses, and take pride in helping mission-driven organizations succeed in a highly regulated environment.

NED FASULLO – Chief Marketing Officer & Investor Relations

Ned Fasullo is a 30+ year veteran of consulting, sales & marketing. Through his career he has worked as a trusted advisor to business owners/operators in the food & beverage, healthcare, legal, technology, construction, and industrial sectors, helping them achieve their desired business outcomes through business best practices. Due to his success, he is tapped as a public speaker for events, media interviews, sales & marketing consulting, and is most recently a published author of “The Small Book of Big Marketing” in 2017 and was a Silicon Bayou Top 100 List maker in 2012, 2013, 2014, 2015, 2016 & 2017. In his spare time, he spends time with his wife & five children, is the leader of Ned Fasullo & The Fabulous Big Band Orchestra & plays competitive tennis at Bocage Racquet Club in Baton Rouge.



KEY CAREER HIGHLIGHTS

- Designed & implemented the first public Internet Café in Pensacola, Florida in 1996 in Seville Quarter Entertainment complex.
- Created and hosted his own cable television and talk radio programs in 1995-1997 in Pensacola, Florida with audience of over 100,000 along the LA/MS/AL/FL Gulf Coast.
- Worked for NetWireless as Regional Manager in 1997 to launch the Nextel Wireless product in Louisiana moving 1500 Nextel handsets in initial 90 days of product launch, the second highest in company history.
- Co-created and managed one of the first commercial Content Management Systems (CMS) in the world with Transformyx called DynaSite. Between 1999 and 2004, DynaSite was used to create, host and manage over 500,000 websites in the US and abroad.
- Launched Louisiana's first Managed IT Services company (Truistic Solutions) in 2006 driving revenue from \$0 to \$100k per month in just 9 months of operations, focusing on small & medium-sized businesses in Louisiana.
- Acquired Truistic Solution in 2008 and re-branded as SimplifyIT managing & supporting over 150 customer technology implementations over a 2-year period.
- Creator of the TechX Conference & Expo held in 2011 and 2012 in Louisiana that showcased national, regional and local technology solutions companies with over 1500 attendees over the two-day event at the Raising Canes River Center.
- Creator and host of TransformyxLIVE on 107.3FM in 2011 which provided a weekly call-in talk show for Transformyx.

- Creator of the Markenomics Equation© and Markenomics Training Program©.
- Author of “The Small Book of Big Marketing” published in 2016 and available on Amazon.com.
- As Chief Marketing Officer of Global Data Systems, created a 5-year marketing plan that added \$12 million in new opportunities, \$7.6 million dollars in closed revenue from marketing activities and sales enablement, averaging \$200k per month booked revenue working within a monthly departmental expenditure range of \$40k to \$60k. Marketing and sales enablement program created weekly lead generation of 50-75 net-new prospects per week for GDS sales team to meet with.
- As Chief Strategy Officer for Envoc, created a new sales team and drove net-new revenue of \$1.4m software, mobile application and digital marketing sales in initial 9 months of employment, created operational and management team, managed product development, sales and operations and a staff of 28.
- At Transformyx, Ned rebuilt a fledgling division of his own former mid-market client sales from \$800k annually into a \$4m annual recurring revenue stream between April of 2018 to current, with a move to \$6m in 2021, while also overseeing all the company’s digital and traditional marketing programs.
- As the Chief Marketing Officer at Focus Foods, Inc., Ned oversaw all marketing, business development, government relations and technology for the company as it rapidly expands across Louisiana providing pre-packaged food services to the state’s most food-insecure areas and children.
- As Managing Partner of APEX Technologies, Ned took the company from a \$100K per year start up to a \$1.8m per year managed IT services firm in less than 2 years. The company acquired a small competitor in 2023, and continues to chart record growth each quarter.
- As Founder of Velocity Partners Group, Ned created an entity that captures his 29+ years of ‘side-consulting projects’ into a full-fledged agency offering sales, marketing and business development support to small businesses in the Gulf South Region.

BOARD & ECONOMIC DEVELOPMENT PARTICIPATION

- Board Member – Business & Legal Advisory Council, BR Community College (2024)
- Board Member – Computer Science/STEM Advisory Council, BR Community College (since 2020)
- Member – Committee of 100 for Economic Development for Louisiana (since 2017)
- Board Member – Louisiana Alliance for Nonprofits (formerly LANO) (since 2021)
- Board Member – Louisiana Retailers Association
- Professional Member – AIA of Louisiana
- Professional Member – LA Public Charter School Association