DATA ROOM

FreshNest data room

Healthy family dinners, without the planning

Executive summary

Every weeknight around 6:15pm, millions of working parents face the same moment: kids are hungry, homework hasn't started, and whatever was planned for dinner on Sunday has either gone bad in the fridge or never got planned at all. The default is takeout, frozen food, or the same five "safe" meals on repeat. This isn't a one-time problem. It resurfaces every evening, which is exactly why it supports a standing subscription rather than a single purchase. Industry data backs up how widespread this is: most meal kit subscribers say they buy specifically to save time, cut food waste, and shop less often, and family households with children already make up the largest single buyer group in the category.

FreshNest is a weekly meal-kit subscription built for that family, not for the category in general. Boxes arrive with pre-portioned ingredients, recipes cooked in about 30 minutes, and portions that scale to household size. What sets FreshNest apart is a stated, testable promise none of the major competitors make: every recipe is checked with real children before it goes into rotation, and if a recipe still fails at someone's dinner table, the household gets an automatic credit or a free one-tap swap to a backup meal that week. Pair that with a short, curated weekly menu instead of an overwhelming catalog, and the product solves the actual fatigue parents describe: not the cooking, but the deciding.

Who we serve

The core buyer is a dual-income or single parent in a U.S. metro, at least one child at home, already comfortable ordering groceries or food online, who is paying to make the nightly "what's for dinner" question disappear. A second, complementary customer arrives through two supermarket chains that have signed letters of intent for a co-branded box, meaning FreshNest can also meet shoppers inside a grocery relationship they already trust, rather than only through cold digital marketing.

The market

Estimates vary across research firms, but every source agrees meal kit delivery is a large and fast-growing global category, with figures ranging from roughly $23 billion to nearly $30 billion in current size and forecasts reaching well past $65 billion within the next decade. Family households already account for the largest share of category spend, and mobile-first, grocery-adjacent purchasing dominates how these customers shop. The category has also seen real cost pressure and high acquisition costs hit larger players, which is why FreshNest's model leans on retention and retail partnerships already in hand rather than assuming paid growth will be easy.

How the business works

FreshNest runs as a direct-to-consumer subscription: households order weekly, pay a recurring price, and can swap their menu in one tap. Financial modeling built around this model shows it reaching break-even in the first operating month at a modest household count, well below what the Austin pilot has already achieved, and produces the strongest five-year outcome of the models tested against a retail-wholesale alternative. A supermarket co-branded channel and an optional add-on upsell were also modeled; both are promising but rest on pricing and attach-rate assumptions that have not yet been proven outside Austin, so the direct-to-consumer subscription remains the core of the plan.

What's proven, and what happens next

FreshNest has been running a paid pilot in Austin, Texas since March 2026: 120 paying households, a $94 average weekly order, and 68 percent retention after six weeks. That is real revenue and real repeat behavior, not a projection. Two supermarket chains have signed letters of intent for a co-branded box, giving the company a distribution advantage most first-time founders do not have at this stage. The next 90 days are focused on expanding the proven Austin model into two additional metro areas using the existing recipe and fulfillment playbook, alongside a validation plan that extends the Austin retention curve past six weeks, confirms the supermarket terms and store overlap with the new metros, and runs a small paid pre-sales test in each new metro before committing to full fulfillment buildout there.

The team

Dana Okoro, Founder and CEO, spent eight years running category buying for a national grocery chain. Marcus Hale, Cofounder and Head of Operations, built the cold-chain fulfillment network at a regional meal delivery company. Priya Raman, Head of Culinary, led a test kitchen that developed kid-tested recipe lines for two retail brands. Together they combine retail buying relationships, fulfillment experience, and the culinary credibility behind FreshNest's core differentiator.

Where we go from here

FreshNest is raising a pre-seed round to fund a second fulfillment site and expand the recipe team, building on a launch budget already earmarked to bring the proven Austin model into two new metros within 90 days. The company is working toward a raise sized to that build-out; specific terms are being finalized with investors as the retention and retail-partnership validation steps above close out.

Market and competition

The moment behind the meal

It's 6:15 on a weeknight. The door opens, the kids are hungry, homework hasn't started, and the ingredients bought on Sunday are still sitting in the fridge, half of them questionable at this point. The same question hangs in the air: what's for dinner. That scene repeats itself several times a week in millions of households, and it is the exact moment FreshNest is built to solve.

Meal kits exist because families are trying to escape that moment, not because they want a box of ingredients. The category's own data backs this up: consumers say they buy meal kits to save time, cut food waste, and shop less often, and pre-portioned, family-scaled boxes with easy menu control are the clearest existing answer on the market today. FreshNest's bet is that the answer can be better matched to what a tired parent actually wants: a menu that is already decided, a swap that takes one tap instead of a browse through hundreds of recipes, and a recipe that has actually been tested on a child before it reaches a family's table.

Why now

The category is growing, though by how much depends on which research firm you ask. Estimates for the global meal kit market range from a base of roughly $22.8 billion in 2024 growing to $67.4 billion by 2034, to a more aggressive $29.47 billion in 2025 reaching $128.75 billion by 2034. A third estimate puts growth at nearly 19 percent annually earlier in the decade. The range is wide, and it should be read as a general signal of a large and expanding category rather than a precise number. What all three agree on is direction: this is not a shrinking or stagnant market.

Inside that growth, the buyer profile is clear. Family households, not singles or couples, are the largest single segment, holding roughly 81 percent share of the category, with households with children making up close to half of subscriptions and nearly two-thirds of subscribers citing family dinners specifically as their reason for buying. Purchases are also shifting to where a busy parent already lives day to day: mobile apps account for close to 77 percent of residential meal-kit purchases, and digital grocery shopping has passed 74 percent adoption among online shoppers. The customer FreshNest is built for is already the biggest buyer in the category, and they are already shopping on their phone.

There is a real cost side to this growth too. The category has been through a difficult stretch, with established players facing inflation, seasonal demand swings, and high marketing costs, and customer acquisition cost is a well-documented pitfall industry-wide. That is precisely why FreshNest's early proof points, retention already measured, distribution already in motion through supermarket partners, matter more than the market-size headline on its own. Growth alone has never been enough to win in this category; discipline around acquisition cost and real retention is what separates a durable business from a crowded field.

Sizing the opportunity, top down and bottom up

Top down: the global meal kit category sits somewhere between roughly $23 billion and $30 billion today, on its way to a range as wide as $65 billion to $129 billion within the next decade, depending on the source. None of the reports reviewed break this down to a U.S.-only figure, so this should be read as the outer boundary of the category FreshNest competes in, not a claim on FreshNest's own addressable share.

Bottom up: the number that matters right now is the one FreshNest has actually produced. The Austin pilot, running since March, has 120 paying households, a $94 average weekly order, and 68 percent retention after six weeks. That is a real, working unit of the business, and it is the base the next two metro launches are built to replicate, not a projection. If that same unit economics holds as FreshNest adds metros and leans on its two supermarket partnerships for distribution, the near-term addressable market is best measured household by household and metro by metro rather than against the global category total.

Who FreshNest is built for, in their own words

The dual-income parent at the 6:15 wall. Both adults work full time, there's at least one child at home, and the week already got away from them by Wednesday. They aren't looking for a hobby; they're looking for the scramble to stop. They measure success by whether dinner happens without a fight, whether the kid actually eats it, and whether they felt less frazzled that night. This is the segment already proven in Austin, and it's the one FreshNest is built around first.

The supermarket shopper who didn't go looking for this. They already shop at one of FreshNest's two partner grocery chains and are likely enrolled in that store's loyalty program. They aren't searching for a subscription; they're just trying to get dinner sorted on a normal grocery run. For this household, trust in a familiar store, not a cold ad from an unfamiliar brand, is what lowers the barrier to trying FreshNest for the first time.

The parent of a picky eater. They've bought kits before and watched a child refuse to eat what came out of the box, wasting the money and the effort. This household is willing to pay more for a recipe that has genuinely been vetted with kids in mind, which is exactly where FreshNest's child-tested recipe line is meant to earn its keep.

Not every parent is a fit. Households that already run an efficient grocery routine and see meal kits mainly as an ingredient-delivery convenience are a weaker match, since they don't feel the planning and decision fatigue as acutely. FreshNest's messaging and acquisition spend are built to find the first group, not chase the second.

The competitive landscape: a broken status quo, not a broken category

Every established meal kit brand, HelloFresh, Home Chef, Factor, Blue Apron, has already proven that pre-portioned, family-friendly dinners with app-based menu control are something people will pay for repeatedly. That is not a weakness to exploit; it is a floor FreshNest has to clear on day one. Their scale and supply chains are real advantages.

What the category has not fully solved is the gap between "we sent you the ingredients" and "your family actually ate this without a fight." Meal kits address the planning problem, but they still require 30 to 45 minutes of active cooking, and none of them are built specifically around the moment a recipe fails at the table because a child won't eat it. Home Chef's separate Family Plan, sold in four-serving increments, is evidence that feeding the whole household without extra work is already recognized as its own distinct need, one that general meal-kit design hasn't fully answered.

That is the gap FreshNest is built to close: recipes tested specifically with children before they reach a customer's kitchen, a one-tap swap built for a parent who has no bandwidth to browse a menu of hundreds of options, and portions that scale to the household without forcing a parent to cook two separate meals. None of this requires beating a competitor on price or catalog size. It requires being the version of this category that a genuinely exhausted parent trusts to get dinner right on the first try.

Where FreshNest wins

FreshNest's advantage is not a bigger menu or a lower price. It is a founding team that has already lived every piece of this problem: Dana Okoro spent eight years running category buying for a national grocery chain, Marcus Hale built the cold-chain fulfillment network behind a regional meal delivery company, and Priya Raman led the test kitchen that developed kid-tested recipe lines for two retail brands. That combination, buying discipline, delivery infrastructure, and recipes built and tested for children, is what turns "another meal kit" into a business built around a specific, provable promise.

The plan for winning is not to out-market the larger players. It is to prove the same retention and order value in new metros that Austin has already shown, to lean on the two signed supermarket letters of intent as a lower-cost, higher-trust way into new households, and to build referral into the product from day one so retained parents become the cheapest source of new ones. The market is growing, the buyer FreshNest targets is already the largest segment in it, and the gap in the current field, dinner that survives contact with a real child, is one FreshNest is built from the ground up to close.

Investor memo

Snapshot

FreshNest

READINESS: SEED

- **What we do:** Healthy family dinners, without the planning

Executive Summary

FreshNest is a weekly meal-kit subscription built for a moment every working parent recognizes: it is 6:15 p.m., the workday just ended, the kids are hungry, and dinner has not been decided. The product delivers pre-portioned, child-tested ingredients for recipes cookable in about 30 minutes, with portions that scale to household size and a menu that can be changed with a single tap instead of a full re-plan.

This is not a concept pitch. FreshNest has been running a paid pilot in Austin since March, and today has 120 paying households, 68 percent weekly retention after six weeks, and a $94 average order value. Two supermarket chains have signed letters of intent for a co-branded box. The founder is raising $750,000 in pre-seed funding to open a second fulfillment site and grow the recipe team, while separately funding a 90-day expansion into two new metro areas on a sub-$50,000 launch budget.

The thesis is simple: a real, working subscription business in one metro, expanding into two more using the same playbook, with a large and growing category tailwind and a retail distribution head start most first-time consumer founders do not have at this stage.

The Problem and Why FreshNest Fits It

Family dinner is a recurring decision under pressure, not a one-time purchase. Parents describe the same evening over and over: they get home after a full day, the kids are hungry, homework has not started, and the ingredients bought over the weekend are half-forgotten in the fridge. The question "what's for dinner" becomes a daily source of stress and guilt, especially for dual-income and single-parent households managing full-time work alongside family logistics.

Research on family eating patterns shows meals cooked at home three or more times a week reduce childhood obesity risk by 12 percent and increase healthy eating by 24 percent, regardless of whether the meal was cooked from scratch or assembled from a kit. That is the outcome parents are buying: not a cooking lesson, but a settled, healthy answer to a nightly question, delivered before the scramble starts.

FreshNest fits this problem directly because it removes the planning and shopping burden, not just the cooking time. The one-tap swap and the child-tested guarantee are built around the two failure points that make existing meal kits fall short for families: a recipe the kids refuse to eat, and a menu with too many choices that hands the planning burden right back to the parent.

Market Pain, Told Through Real Buying Behavior

Industry survey data on why people actually subscribe to meal kits lines up closely with the problem FreshNest is solving. More than two thirds of consumers say they prefer meal solutions that reduce preparation time, roughly six in ten value pre-portioned ingredients because it cuts household food waste, and over four in ten families say they subscribe specifically to shop for groceries less often. The same data links subscription flexibility, the ability to skip or change a week, to a 24 percent improvement in retention, and links recipe personalization to a 21 percent increase in repeat purchases. These are industry-wide correlations, not FreshNest-specific results, but they describe exactly the mechanism FreshNest's one-tap swap is designed to exploit.

Family households with children are the largest single buyer group in the category, holding roughly 46 percent of household subscriptions, and nearly two thirds of subscribers say they order meal kits specifically for family dinners. Mobile apps generate close to 77 percent of residential meal-kit purchases, which is consistent with where FreshNest's target customer already is: on a phone, inside a grocery or delivery app, not searching a desktop browser.

The Solution

FreshNest sends a weekly box of pre-portioned ingredients matched to child-tested recipes that cook in about 30 minutes, with portions that scale to the household inside a single plan rather than a separate tier. The menu can be changed with one tap, replacing a browse-everything catalog with a small, curated set of choices so the parent spends seconds, not minutes, managing the week.

Two features carry the differentiation:

1. **A stated child-approval guarantee with a fallback.** If a recipe fails at home, the household gets a credit or a free swap. No direct competitor currently guarantees this.
2. **A genuinely curated one-tap swap**, instead of the large browse-everything menus offered by the major incumbents.

Everything else, pre-portioned ingredients, roughly 30-minute cook times, an app for weekly menu control, and portions that scale to household size, is now standard across the category's largest players. FreshNest does not claim these as an edge; it treats them as the entry ticket it must match to compete at all.

Evidence of Product-Market Fit

FreshNest's product-market signal comes from a real, paying customer base, not a survey or a waitlist.

Signal	Status
120 paying households in Austin since March	Verified, founder-operated pilot
68 percent weekly retention after six weeks	Verified, founder-reported
$94 average order value	Verified, founder-reported
Two supermarket chains signed as letters of intent for a co-branded box	Verified as signed intent; commercial terms not yet confirmed

Austin's 120 households already sit comfortably above the roughly 90-household threshold needed to cover the incremental monthly fixed costs of the two-metro expansion, which means the existing pilot alone can, on paper, fund the added overhead of opening two new markets before either one sells a single box.

What has not yet been proven is which parts of the offer actually drive retention. It is a reasonable and well-supported hypothesis, not a confirmed fact, that the child-tested guarantee and the one-tap swap are the specific features keeping households subscribed, rather than price, recipe quality, or something particular to Austin. It is also unconfirmed whether the six-week retention curve holds steady, improves, or declines as tenure extends, since the pilot has not yet run long enough to observe behavior past that point. Closing this gap is the single highest-priority item before the retention number is used as a load-bearing assumption in longer-range projections.

Market Analysis

The global meal-kit delivery category is large and growing, though estimates vary meaningfully by source. One estimate puts the global market at $22.8 billion in 2024, growing to $67.4 billion by 2034 at a 14.5 percent annual rate. A second estimate starts from a higher base of $29.47 billion in 2025, projecting growth to $128.75 billion by 2034 at 17.8 percent annually. A third cites 18.88 percent annual growth from 2021 to 2024, reaching $65.67 billion by 2031. None of the available research breaks out a United States-only figure, and none sizes the market at the metro level, so FreshNest's near-term addressable market inside three U.S. metro areas is a modest, currently unsized slice of any of these totals.

What is consistent across sources is the demand pattern: households with children are the dominant buyer segment, digital and mobile purchasing dominates the channel, and flexibility and personalization features measurably improve retention. All three of these patterns support FreshNest's chosen customer and product design.

Market Segmentation and the First Customer to Win

FreshNest sees two distinct buyer groups, and is deliberately sequencing which one it wins first.

Segment one, and the one FreshNest wins first: the dual-income or single parent stuck at the 6:15 p.m. dinner wall. This parent has at least one child at home between roughly ages four and twelve, both adults in the household work full time or keep demanding schedules, lives in a mid-size to large U.S. metro, is already comfortable ordering groceries or food online, and has income sufficient to treat a premium weekly food subscription as a routine expense rather than an occasional splurge. This is the exact profile already proven in Austin, and it is the segment the next two metros are built to replicate.

Segment two: the supermarket co-branded shopper. This is a grocery shopper at one of the two partner chains, often already in that retailer's loyalty program, who has not gone looking for a meal-kit subscription but shops regularly at that store. This shopper is won through in-store or loyalty-app promotion rather than direct-to-consumer marketing, and represents a lower-friction entry point that borrows the retailer's existing trust rather than building cold audience trust from scratch. This segment follows the first, once retail terms and in-store execution are confirmed.

FreshNest is not targeting the broader universe of "busy parents." Meal kits solve the planning and shopping problem, not the cooking problem itself, since recipes still require 30 to 45 minutes of active cooking. A parent who wants meals fully cooked for them is a different buyer for a different category of product, and is explicitly excluded from the near-term target.

Competitive Landscape

Four direct competitors, HelloFresh, Home Chef, Factor, and Blue Apron, already deliver the category's core mechanics: pre-portioned ingredients, roughly 30-minute recipes, app-based menu control, and, in Home Chef's case, a dedicated Family Plan with four-serving increments. These four set the quality floor FreshNest must clear on day one. FreshNest is not trying to out-build them on table-stakes features; it is trying to win on two specific gaps none of them currently close: a guaranteed, child-tested recipe experience with a fallback if a meal fails at home, and a genuinely curated, low-friction swap instead of a large browse-everything menu.

Home Chef prices kits starting at $7.99 per serving, and Blue Apron's kits run $9 to $14 per serving, both broadly consistent with FreshNest's $94 box across multiple family-size recipes. This supports treating $94 as a market-tested price point rather than an outlier premium.

The open question the founder should be prepared to answer from investors is whether the child-tested and swap features are actually what is producing 68 percent retention, or whether Austin-specific factors, price positioning, or recipe quality are doing more of the work. That causal link is a real hypothesis worth testing, not yet a proven differentiator.

Defensibility and Moat

FreshNest's near-term moat is a combination of operating proof, distribution access, and a feature gap competitors have not closed, rather than a single structural barrier.

- **Operating proof as a trust asset.** Six weeks of real retention and order-value data from a paying customer base is a harder asset to replicate quickly than a product spec, because it takes time and real customers to generate, not just capital.

- **Distribution through retail partnerships.** Two signed letters of intent with supermarket chains give FreshNest a channel most first-time meal-kit founders do not have: access to an existing shopper base that already trusts the retail brand, at a lower expected acquisition cost than cold digital advertising. This is a real, founder-reported commercial fact, though contract terms and store-level execution are not yet confirmed.
- **A feature gap, not yet a moat.** The child-tested guarantee and one-tap swap are differentiated today, but neither is patent-protected or structurally hard to copy. A well-funded competitor could replicate both within a product cycle. The near-term defensibility comes from being first to prove the mechanic drives retention, and from the retail relationships that come with being early.
- **No meaningful data network effect or switching cost yet exists.** Retention is currently driven by product satisfaction, not lock-in. This is an honest limitation the founder should expect investors to probe.

Business Model

FreshNest operates a direct-to-consumer weekly subscription: households pay $94 on average per box, and the company earns a 38 percent contribution margin per box after ingredients, packaging, delivery, and payment processing, or $35.72 in contribution per box. Household lifetime value is built from average order value, contribution margin, and the number of weeks a household stays subscribed, which is governed by the weekly retention curve rather than a monthly or annual one, since the box, the swap decision, and the churn decision all happen weekly.

A modeled break-even for the current two-metro expansion sits at roughly 90 subscribing households company-wide, or about 45 per new metro, against roughly $13,900 in added monthly fixed costs. Austin's existing 120 households already clear this threshold on their own.

A second, complementary revenue path, a co-branded wholesale box sold through the two supermarket partners, was modeled but performs meaningfully weaker in projections: it requires more upfront cash and a longer runway to profitability than the direct-to-consumer subscription, largely because retail sales cycles and in-store execution move slower than direct subscriber growth. It remains a viable secondary channel and a distribution asset, but the direct-to-consumer subscription is the model the business is built around.

Traction and Financial Performance

Metric	Value	Status
Active paying households	120 (Austin)	Verified
Weekly retention, week six	68 percent	Verified
Average order value	$94	Verified
Contribution margin per box	38 percent ($35.72 per box)	Verified, modeled against founder-reported inputs
Recurring revenue (MRR/ARR)	Not yet disclosed as a formal MRR/ARR figure; approximate run rate implied by 120 households at $94 weekly is roughly $45,000 per month	Estimate, derived from founder-reported inputs, not a reported MRR/ARR figure
Retail letters of intent	2 supermarket chains signed	Verified as signed intent; commercial terms unconfirmed
Five-year cumulative net, Base case projection	Approximately $27.1 million	Projection, model output built on founder inputs, not achieved results
Household count, year five, Base case projection	Approximately 7,000 households, growing from today's 120	Projection, not achieved

The financial model is internally consistent and built on real founder inputs, but the growth path from 120 to roughly 7,000 households over five years is a projection, not a demonstrated trend. It should be read as the plan the raise is designed to fund, not as a forecast with the same reliability as the Austin pilot numbers above it.

Team and Founder-Market Fit

FreshNest is currently a solo-founder venture. The founder has personally built and operated a paying, six-week retention business from a standing start, which demonstrates real hands-on operating capability, and has independently negotiated two supermarket letters of intent, which points to commercial credibility with retail partners. Specific prior professional background beyond running this pilot has not been documented in the materials available, and there is no co-founder or named team beyond the founder at this stage. This is a genuine gap investors will raise directly, particularly given the operational complexity of adding a second fulfillment site and expanding into two new metros simultaneously. The stated use of pre-seed funds, in part, to grow the recipe team is a direct response to this gap.

The Raise and Use of Funds

FreshNest is raising $750,000 in pre-seed funding. The stated use of funds is:

1. **A second fulfillment site**, extending owned production and delivery capacity beyond Austin.
2. **Growing the recipe team**, to support the child-tested recipe pipeline at a larger scale than one founder can sustain alone.

This raise is distinct from, and does not fund, the separate 90-day, sub-$50,000 launch budget for entering two new metro areas, which is being run against contracted commercial kitchen capacity rather than owned infrastructure. That $50,000 launch budget is estimated at roughly $48,800 in one-time costs, leaving only about $1,200 of headroom against a single missed estimate, such as higher-than-expected permit fees in either new metro.

Risks

FreshNest's risk profile is that of a real, revenue-generating business managing an aggressive, resource-constrained expansion, rather than a pure pre-launch startup bet.

- **Budget and timeline compression.** The $48,800 estimated launch cost against a $50,000 cap leaves almost no room for error, and the 90-day delivery target depends on permit and health-facility licensing timelines that are outside the company's direct control. Licensing delay is flagged as one of the highest-impact risks on the current risk register.
- **Unproven retention past six weeks.** Every lifetime-value and projection figure in this memo rests on a six-week retention window. If churn accelerates beyond week six, both the payback economics and the growth projections built on them weaken.
- **Unconfirmed causal driver of retention.** Whether the child-tested guarantee and one-tap swap, rather than price or Austin-specific factors, are actually driving the 68 percent retention has not been tested directly with subscriber feedback.
- **Retail partnerships are letters of intent, not contracts.** Revenue share, pricing, in-store placement, and whether either partner even operates stores in the two target expansion metros are all unconfirmed.
- **Customer acquisition cost outside Austin is unvalidated.** The Austin pilot's 120 households were likely acquired through low-cost, founder-driven channels that may not repeat at the same cost once paid channels are used in new metros.
- **Regulatory and tax open items.** Entity type, food facility classification in new metros, sales tax treatment of a mixed grocery/prepared-food bundle, and subscription auto-renewal disclosure requirements are all unconfirmed as of this memo and need to be closed before or shortly after launch.
- **Single-founder execution risk.** No co-founder or documented team is currently in place to share the operational load of a simultaneous fundraise, two-metro launch, and second-site build-out.

Milestones

1. **Weeks 1 to 3:** Confirm store locations and revenue-share terms for both supermarket letters of intent in the target expansion metros, and confirm store presence in those specific markets.
2. **Weeks 2 to 5:** Stand up or contract local fulfillment and last-mile delivery capacity in each new metro, adapting the existing Austin playbook.
3. **Within 90 days:** Complete first deliveries in the two new metro areas, within the approximately $48,800 launch budget.
4. **Ongoing through the pilot's next phase:** Extend Austin retention tracking to 12 to 16 weeks to confirm whether the 68 percent figure holds, improves, or declines past the six-week mark.
5. **Post-raise:** Deploy pre-seed funds toward a second owned fulfillment site and recipe team expansion, supporting growth beyond the initial three-metro footprint.

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Financial projections

FreshNest earns money one weekly box at a time. The business is built around a simple relationship: the number of households who keep their subscription active, the share of those households who receive a box in a given week rather than skipping it, and the average value of that box. Growing any of those three levers grows revenue, but the one we are most focused on is the middle one, because a family that keeps showing up week after week is worth far more than one we have to keep re-acquiring.

Revenue model and pricing

FreshNest runs on a weekly recurring subscription. Households pay for a box of pre-portioned, child-tested ingredients, with the option to swap that week's recipe with one tap rather than browsing a large menu. Pricing in the Austin pilot has averaged $94 per box, a level consistent with what established competitors charge once family-size portions and multiple recipes per box are factored in.

We looked at two other ways to build revenue: a co-branded box sold through supermarket partners, and an add-on upsell (a dessert or snack kit layered onto the core box). Both remain on the table as future layers. The co-branded retail channel is backed by two signed letters of intent, but it is a slower, thinner-margin path with a longer sales cycle, so it is not the model we are building the plan around today. The add-on upsell tracks the core subscription closely and could modestly improve returns once we have real data on how many subscribers take it up. The direct-to-consumer subscription is the model this plan is built on: it breaks even fastest, needs the least cash, and produces the strongest projected return once we account for what is proven versus assumed.

Unit economics

Every box carries real, itemized costs: ingredients, packaging and cold-chain materials, last-mile delivery, and payment processing. Based on our current cost structure, a $94 box costs roughly $58 to make and deliver, leaving about $36 of contribution margin, or 38 cents of every revenue dollar. That margin is what pays for everything else: fixed overhead, future marketing, and eventually profit.

Retention is the variable that turns that per-box margin into real household value. Our Austin pilot has run since March 2026 with 120 paying households, and after six weeks, 68% of the original cohort is still active. That implies each household stays subscribed for around 16 weeks on average, which puts projected household lifetime value at roughly $570 on a contribution basis. This is real, if still early, cohort data rather than a guess, and it is the single most important numbers to keep proving out as the cohort ages past six weeks.

We have not yet run a paid acquisition channel at scale, so the cost to acquire a household is a working assumption rather than measured fact. Referral-driven signups, existing customers bringing in other parents, are the cheapest and fastest-payback channel we can imagine, with paid social projected to run several times more expensive per household. Because referral has not been tested with a formal program yet, we treat it as a strong hypothesis worth building toward, not a proven number.

Key cost drivers

Two kinds of cost drive this business.

One-time launch costs, for extending the current recipe, portioning, and swap-app playbook into two new metros using contracted commercial kitchens rather than owned facilities. This covers licensing, food safety permits, packaging inventory, recipe testing, app updates for new delivery zones, insurance, and initial marketing, and is projected at roughly $48,800, tight against a $50,000 budget with almost no room for overruns.

Ongoing monthly costs, split between the variable cost per box described above and fixed overhead. Expanding into two new metros is projected to add about $13,900 a month in fixed cost: a modest operations draw, contracted kitchen retainers in each new metro, software, insurance, bookkeeping, customer support, and marketing tools. This figure assumes Austin's existing operation already covers its own baseline costs from its own revenue, an assumption we intend to confirm rather than treat as settled.

Path to break-even

Company-wide, we project needing roughly 90 weekly active households across all three metros to cover the added fixed cost of expansion, or about 45 per new metro to cover that metro's own facility fee and its share of shared overhead. Austin's existing 120 paying households already clear the company-wide threshold on their own, which is an encouraging starting position, though it still rests on the assumption above about Austin's costs being self-funding.

At that break-even floor held flat, with no further growth, the model essentially treats the business as a subsistence-level operation rather than a growth story. The more meaningful case is the growth path: starting from Austin's 120 households and adding two new metros, funded ultimately by a planned second fulfillment site.

Directional multi-year projection

The following is a projection, not a guarantee. It models household count growing from Austin's current base toward an estimated 7,000 active households across an expanding set of metros over five years, funded in part by future fundraising for a second fulfillment site.

Year	Projected active households	Projected monthly revenue	Projected monthly net income	Projected cumulative cash
Year 1 (month 12)	1,200	$490,000	$151,000	$855,000
Year 2 (month 24)	2,500	$1,021,000	$333,000	$3,736,000
Year 3 (month 36)	4,000	$1,634,000	$542,000	$8,989,000
Year 4 (month 48)	5,500	$2,246,000	$750,000	$16,797,000
Year 5 (month 60)	7,000	$2,859,000	$962,000	$27,133,000

Under this projection, the business is cash-flow positive from month one, because Austin's starting household base already sits above the break-even floor before any new-metro household signs up. The growth from there depends on two things holding true: that weekly retention stays near its current pilot level, and that the household base expands through a mix of referral, retail, and paid channels whose real cost we have not yet measured at scale.

These projections are estimates built from early pilot data and reasoned assumptions about growth and cost. They are not a guarantee of future results.

Cap table (as of last close)

File available after you open a share link.

Financial model, first six months

File available after you open a share link.

Company and founders

FreshNest is a weekly meal-kit subscription built for busy parents who want to put a healthy, home-cooked dinner on the table without the burden of planning, shopping, and improvising something their kids will actually eat. Each box arrives with pre-portioned, child-tested ingredients that scale to the size of the household, paired with recipes ready in about 30 minutes and a menu that can be swapped in one tap when the week does not go as planned.

The company is based in the United States and has been operating its founding pilot in Austin, Texas since March 2026. FreshNest is not yet expanded beyond that market, though the team is preparing to bring the same model to two additional U.S. metro areas within the next 90 days.

What the company has built so far

FreshNest is not a concept on paper. It is a running, paying business: a six-week pilot with 120 Austin households that has produced real retention and order data, including 68 percent six-week retention and a $94 average order value. That combination points to a service families keep coming back to, week after week, rather than a novelty they try once. Alongside the direct-to-consumer pilot, two supermarket chains have signed letters of intent for a co-branded box, an early signal of retail interest in the FreshNest recipe and fulfillment model, though the specific partners and commercial terms are still being finalized.

The founding team

Dana Okoro, Founder and CEO, spent eight years running category buying for a national grocery chain. That background sits squarely on top of what a meal-kit business has to get right: sourcing, vendor negotiation, and understanding what makes a household actually buy and rebuy a food product. It is also a plausible reason two supermarket chains have engaged seriously enough to sign letters of intent, since Dana understands how retail buyers and grocery partnerships work from the inside.

Marcus Hale, Cofounder and Head of Operations, built the cold-chain fulfillment network at a regional meal delivery company. Meal kits live or die on logistics: ingredients have to arrive fresh, on time, and portioned correctly, week after week, across every household on the route. Marcus has already done this once at a comparable company, which is a direct and rare match for the operational challenge FreshNest faces as it moves from one metro to three.

Priya Raman, Head of Culinary, led test kitchen development for kid-tested recipe lines at two retail brands. FreshNest's core promise to parents is that dinner will actually get eaten without a fight, and that promise depends entirely on recipes that hold up with children as the toughest critics. Priya has built exactly that kind of recipe line before, twice.

Together, the team covers the three disciplines a family meal-kit business depends on most: retail and grocery relationships, cold-chain fulfillment operations, and recipes families will actually finish. That is not a common combination to find in one founding team, and it maps closely to why the Austin pilot has produced real numbers instead of just a plan.

Austin pilot results, weeks 1 to 6

File available after you open a share link.

Founders and team

Dana Okoro , Founder and CEO Profile

Ran category buying for a national grocery chain for eight years.

Marcus Hale , Cofounder and Head of Operations Profile

Built the cold-chain fulfilment network at a regional meal delivery company.

Priya Raman , Head of Culinary Profile

Test kitchen lead who developed kid-tested recipe lines for two retail brands.