



# Turning a Passion Into a Business

## BACKGROUND

Padel is a very popular sport, particularly in Spain and Argentina. A combination of tennis and racquetball, our client was a passionate player and promoter of the sport. Born in Spain, Hub's founder played padel for years but found himself working in the U.S. and no place to play his beloved sport. So he decided to do something about it; open a padel club. With a successful, full-time career, the founder had little time to work on his vision; so, he turned to Pigs on the Roof for help.

## THE CHALLENGE: **Translating a Passion Into a Business**

Padel needed funding in order to open the first club, with the vision of growing to a nationwide chain. Past the sport itself, which was obviously well known to the owner, the company needed to monetize the concept. Particularly challenging was the expense side of the equation in order to arrive at profit and loss and breakeven projections. Requiring support with financial projections, Hub turned to Pigs on the Roof.

To produce viable financial projections, the engagement focused on the following:

- ✦ Arriving at estimates for building construction and maintenance
- ✦ Competitive analysis of other sports clubs to determine fee structures and pricing
- ✦ Estimation of customer acquisitions costs
- ✦ Financial projects: profit and loss, balance sheet, cash flow and investor offer

## THE SOLUTION: **Financial Projections and Investor Offer**

Via a combination of online research and visits to local gyms, tennis clubs and other similar venues, data was derived in order to construct the financial estimates. The expense and revenue projections were used by Pigs on the Roof to accomplish the following:

- ✦ Production of complete financial projections
- ✦ Creation of a financial projections spreadsheet based on several key variables so as to allow for modeling of various scenarios
- ✦ Preparation of investor offer
- ✦ Accompanied Hub's founder on several investor pitches

