

Numi by Agentic AI Ltd. — Business Plan

February 2026 | Confidential

Section 1: Executive Summary

1.1 Business Overview

Agentic AI Ltd. is an Israeli technology company building **Numi** — the world's first agentic AI baby sleep consultant. Numi transforms Dorit Kreiser's proven sleep methodology (25+ years, over 3,000 families, published book) into an autonomous AI agent that coaches parents through sleep training 24/7 via WhatsApp.

Unlike existing sleep apps that passively track data or reactively answer questions, Numi **proactively manages** the entire sleep training process: building personalized plans, running real-time countdown timers at 2AM, detecting mistakes, and coordinating all caregivers in the home.

Detail	Information
Legal Name	Agentic AI Ltd.
Product	Numi — AI baby sleep consultant
Headquarters	Israel
Stage	Active POC, pre-revenue. Company incorporation: March 2026.
Founders	Rotem Levi (CTO) & Dorit Kreiser (Methodology & Marketing Lead)
Ownership	50/50 equity, no external investors
Investment	\$50,000 owner's loan (0% interest, priority repayment)
Revenue model	\$399/year per child (Israel). Annual subscription.
Team	2 co-founders + 1 full-time engineer from Day 0
Technology	Google ADK, Gemini Pro + Flash, RAG, WhatsApp Business API

1.2 Unique Value Proposition (UVP)

Numi is the only AI in the world that proactively manages baby sleep training — built on a proven clinical methodology, delivered via WhatsApp, available 24/7.

The problem: 37% of children aged 4 months to 5 years don't get enough sleep (CDC, 2025). Human sleep consultants cost \$641-962 per package and aren't available at 2AM when the crisis peaks. Generic sleep apps answer questions but don't manage the process.

The solution: Numi is an agentic AI — not a chatbot. It initiates contact, manages real-time check-in timers ("Dorit's Clock"), tracks daily progress, detects mistakes before they derail the plan, and coordinates all caregivers (mom, dad, grandma, nanny) through the same training program.

Capability	Generic Apps	Human Consultant	Numi
Available at 2AM	✗	✗	✓
Proactive coaching	✗	Limited	✓
Real-time timer management	✗	✗	✓
Multi-caregiver coordination	✗	✗	✓
Proven methodology	✗	Varies	✓ (Dorit Kreiser)
Annual cost	\$120	\$641-962	\$399
Sibling coordination	✗	Limited	Planned
Hebrew + WhatsApp	✗	✓	✓

1.3 Target Market

Israel → UK → US expansion strategy.

Market	Annual Births	SAM (method-adjusted)	Year of Entry
Israel	181,609 (CBS Israel via Macrotrends, 2024)	~\$6.1M/year	Year 1 (2026)
UK	594,677 (ONS, 2024)	~\$25.4M/year	Year 2 (2027)
US	3,628,934 (CDC, 2024)	~\$221M/year	Year 3 (2028)

Why Israel first: Highest OECD fertility rate (2.91 children/woman), 99% WhatsApp penetration, zero AI sleep competitors in Hebrew, and Dorit's built-in audience (14K Instagram followers, book readers, active client base). Small enough to dominate quickly; large enough to prove the model.

The global baby sleep coaching market was valued at **\$1.14 billion in 2024** and is projected to reach **\$2.44 billion by 2033** at a CAGR of 8.7% (Growth Market Reports, 2025).

1.4 Business Goals & Objectives

Year 1 (April 2026 – March 2027): Product-Market Fit in Israel

Goal	Target	How We Know
MVP built and launched	November 2026	Operational WhatsApp product with paying customers
First paying families	120 families (base case)	Revenue covers monthly operating costs
AI accuracy	≥90% (Dorit-validated)	9 out of 10 responses methodologically correct
Gate 1 passed	30 families, revenue ≥ costs, <15% refund rate	6 months from launch

Year 2 (April 2027 – March 2028): Growth + UK Expansion

Goal	Target	How We Know
Israel + UK families	400 (base case)	Growing across two markets
Annual revenue	\$190,000 (base case)	Company is profitable
Gate 2 passed	120 families, \$48K ARR, <15% churn, NPS ≥ 50	12 months from launch
\$50K loan repayment	Underway (50% of monthly profit)	Monthly reporting to Dorit

Year 3 (April 2028 – March 2029): Scale + US Entry

Goal	Target	How We Know
Total families	1,000 (base case)	Three-market operation
Annual revenue	\$550,000 (base case)	Strong unit economics at scale
Loan fully repaid	✅ (base: Month 33)	\$0 remaining balance
Profitability	\$320,000 net income (base)	Sustainable and growing

1.5 Financial Highlights

Metric	Value
Total investment	\$50,000 (~156,000 ILS) — owner's loan from Dorit, 0% interest
Monthly operating cost	\$3,000 (one of the lowest in the startup world)
Break-even	~100 paying families (0.05% of annual Israeli births)
Gross margin	90.5% per primary child (even with Gemini Pro for AI quality)
Year 1 revenue (base)	\$48,000*
Year 3 revenue (base)	\$550,000
Year 3 net income (base)	\$320,000
3-year cumulative profit (base)	\$398,000
Cash profit ROI on \$50K (base, 3 years)	8.0x
Loan repayment	Month 33 (base) / Month 24 (optimistic)
LTV:CAC ratio	9.6-28.4x (target: >3x is healthy)

Zero-revenue runway	12 months operational (after \$11K one-time setup from the same \$50K)
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**Year 1 revenue assumes \$399/year standard pricing. First 50 founding members pay \$299/year as a launch incentive (see Section 6.5), which would reduce actual Year 1 revenue by ~\$5,000 to ~\$43,000. This discount is treated as a one-time marketing cost, not reflected in projections.*

Three-Year Scenario Summary

Metric	Conservative	Base	Optimistic
Year 3 families	500	1,000	1,500
Year 3 revenue	\$270K	\$550K	\$850K
Year 3 net income	\$120K	\$320K	\$530K
3-year cumulative	\$115K	\$398K	\$758K
Loan repaid?	Not within 3 years	Month 33	Month 24
Cash profit ROI on \$50K	2.3x	8.0x	15.2x

Conservative scenario honesty: The conservative figures above reflect the multi-market expansion plan. An Israel-only stress test (Section 11) models a more cautious conservative case: 185 families by Year 3, the \$50K loan NOT repaid (~\$46K remaining), and cumulative losses of -\$50K — meaning Dorit's full investment is at risk. The gate system (Section 8.3) provides early warning at Month 14 and Month 20, allowing both founders to course-correct or wind down before full capital depletion. See Section 9.10 ("What Dorit Should Expect") and Section 11 for the detailed analysis.

1.6 Call to Action

Agentic AI is seeking \$50,000 in founder capital to build and launch Numi — the world's first agentic AI baby sleep consultant. This capital funds a 6-month pre-revenue MVP build and 7+ months of post-launch growth (\$11K one-time setup + \$3K/month operations = 12 months of zero-revenue runway).

Why invest now:

- The market is ready.** AI is entering parenting (Huckleberry Berry, Nanit's \$50M raise) — but nobody is building an agentic solution. The window is open.
- The methodology exists.** Dorit Kreiser's method is proven across 25+ years and over 3,000 families. The AI doesn't need to invent — it needs to encode and scale.
- The technology works.** A working POC demonstrates that the multi-agent architecture successfully conducts professional sleep consultations using Dorit's methodology.
- The audience is waiting.** Dorit's 14K Instagram followers, book readers, and active client base provide customers from month 1. This is not a cold start.
- The economics are exceptional.** ~90% gross margins, \$3,000/month costs, break-even at 100 families, and LTV:CAC ratios of 9.6-28.4x.
- The risk is contained.** Maximum loss: \$50K. Even in total failure, company IP retains \$55-120K in residual value. Both founders draw \$0 salary. Every dollar goes to product and growth.

The bottom line: For \$50,000, Dorit gets 50% ownership in a company targeting \$550K revenue and \$320K profit by Year 3 — a potential 8.0x cash return on her \$50K investment (base case, 3 years). If the company

reaches scale and attracts acquisition interest, the equity upside could be significantly higher. The loan is repaid first, before any dividends or salaries. Monthly reporting provides full transparency. And the product is built on her life's work.

Section 2: Company Overview

2.1 Company Description

Detail	Information
Legal Name	Agentic AI Ltd.
Trade Name	Numi by Agentic AI
Legal Structure	Limited Company (Ltd.) registered in Israel
Headquarters	Israel
Year Founded	2026 (formal incorporation: March 2026)
Current Stage	Active POC, pre-revenue
Team Size	2 co-founders + 1 engineer (from day 0)
Initial Capital	\$50,000 (~156,000 ILS) — Owner's Loan

Agentic AI is an Israeli technology company developing agentic AI solutions for the parenting and child health domain. The company's flagship product, **Numi**, is the first of its kind — an autonomous AI-powered baby sleep consultant.

The platform provides personalized, adaptive guidance to parents through an AI agent that learns, adapts, and operates autonomously — available 24/7, in Hebrew, via WhatsApp.

What makes this different from a typical startup: Agentic AI is not starting from zero. It is built on an existing, proven asset — Dorit Kreiser's methodology from her book *"Shhhh... At Night We Sleep"*, her 25+ years of clinical experience with over 3,000 families, and an active customer base. The company is scaling an existing successful consulting practice through technology.

2.2 Mission Statement

Numi's mission is to democratize access to professional baby sleep consulting through AI, making Dorit Kreiser's proven methodology accessible to every parent in Israel and beyond — 24/7, in Hebrew, via WhatsApp. No parent should have to choose between financial well-being and the sleep health of their family.

Value	What It Means in Practice
Accessibility	A full year of AI coaching for \$399, vs. \$641-962 for a single human consulting package
Availability	24/7 — including 2:00 AM, when distress peaks and no human consultant is available

Language	Hebrew at launch; English for UK in Year 2
Channel	WhatsApp — where Israeli parents already communicate. No new app to download.
Methodology	Built on a science-backed method tested over 25 years, not generic internet advice

Why these numbers matter:

- \$399/year vs. \$641-962: Dorit's human consulting packages cost 2,000-3,000 NIS. Numi costs 1,245 NIS/year — roughly half the price, for 12 months of coverage instead of a few weeks.
- 24/7 availability: An estimated 37% of young children don't get enough sleep (CDC, 2025 — US data used as a global proxy; no comparable Israeli study exists, but Dorit's 25+ years of clinical experience confirms the rate is at least as high in Israel). The crisis moments happen at night — when human consultants are asleep.

2.3 Vision Statement

Within 5 years, Numi will become the trusted AI-powered sleep training partner for families in Israel, the UK, and beyond. We envision a world where every new parent has an expert-level sleep consultant in their pocket — AI-powered, learning, adapting, and growing with the family over years and across children.

Vision Milestones

Time Horizon	Target	How We Know We're There
Year 1	Product-market fit in Israel	120+ paying families, revenue covers all costs, NPS ≥ 50
Year 2	UK expansion, growing revenue	400+ families across Israel + UK, \$48K+ ARR from Israel alone
Year 3	US market entry, significant scale	1,000+ families, \$400K+ ARR, preparing for VC fundraise or sustained profitability
Year 5	Leading AI sleep platform globally	Multi-language, B2B partnerships with HMOs and pediatric clinics, \$1M+ ARR

Why Israel first, then UK, then US:

- Israel: 182K births/year, highest OECD fertility rate (2.9 children/family), 99% WhatsApp penetration, zero AI competitors in Hebrew. Small enough to dominate quickly, culturally perfect for the product.
- UK: 594,677 births/year (ONS, 2024), 47% lower digital marketing CPM than the US, documented gap in NHS sleep support services. Larger English-speaking market with manageable competition.
- US: 3.6M births/year (CDC, 2024), massive market. Enter only after product is proven in two markets.

2.4 Company History & Milestones

Period	Milestone	Significance
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2025 Q1-Q2	Rotem identified baby sleep as a critical unserved AI opportunity	Market research, parent interviews, competitive analysis (11 competitors)
June 12, 2025	Rotem first contacted Dorit Kreiser	Initial outreach — proposing to build AI on her proven methodology
2025 Q3	Partnership between Rotem and Dorit established	Technology + clinical expertise combined; Google ADK selected as platform
2025 Q3-Q4	POC developed on Google ADK + Gemini	Technical proof of concept — AI successfully conducts professional sleep conversations using Dorit's methodology
2026 Q1	Business plan completed; partnership formalized	Founders agreement, deal terms defined
2026 Q2	Company incorporation; \$50K seed deployed; MVP development begins	Formal start, engineer hired, build begins
2026 Q3	MVP ready; beta launch (5 free families)	Product validation with real families
2026 Q3-Q4	Public launch; first paying customers	Gate 1 target: 30 families by month 6 from launch
2027 Q1-Q2	Israel growth; Gate 2 evaluation	Gate 2 target: 120 families, \$48K ARR, \$15K UK reserves
2027 Q3	UK expansion begins (if Gate 2 passes)	English localization, UK marketing, first UK customers

How the Idea Was Born

In early 2025, Rotem identified that the agentic AI field was reaching a maturity point that, for the first time, enables taking a proven professional methodology and transforming it into an autonomous agent — one that doesn't just "answer questions" (like a chatbot), but **operates autonomously**: diagnosing, building plans, accompanying, reminding, and adapting in real time. Baby sleep consulting stood out as the perfect use case: a structured methodology, massive unserved demand, and critical moments (2:00 AM) when no human expert is available.

After months of market research and competitive analysis, Rotem reached out to **Dorit Kreiser on June 12, 2025** — Israel's leading baby sleep consultant, author of *"Shhhh... At Night We Sleep"*, and a nurse-midwife with 25+ years of clinical experience. Dorit recognized that demand for her services exceeded her physical capacity to deliver them. At any given moment, dozens of parents are seeking help — at 2:00 AM, on weekends, during holidays. The human consulting model is inherently limited by time. Numi removes that limitation.

The partnership was established in Q3 2025, and within months the first proof of concept was operational — demonstrating that Dorit's methodology could be faithfully encoded into an AI agent.

2.5 Founding Team

Rotem Levi — Co-Founder & CTO

Detail	Information
Role	Chief Technology Officer, Co-Founder
Professional Background	Team Lead, Data Engineering at Bigabid — a private AdTech company
Expertise	Data Engineering, AI/ML, Systems Architecture, Google ADK, Python, Cloud Infrastructure
Education	Software Engineer
Current Employment	Full-time at Bigabid; works on Numi evenings, weekends, and holidays (~15-20 hours/week)
Salary from Numi	\$0 (Year 1) — funded by Bigabid employment

Areas of Responsibility:

- All technology: AI architecture, backend, frontend, infrastructure
- Building and maintaining the multi-agent system (sleep, nutrition, siblings, memory)
- Cloud infrastructure, security, performance
- Company operations and financial management (jointly with Dorit)
- Hiring and managing the engineering team

Full-Time Transition: Rotem transitions to full-time at Agentic AI when the company's monthly net profit reaches approximately 2x his **net (after-tax) take-home salary** (~85,000 ILS/month, approximately \$23,000) for 3 consecutive months. (Rotem's gross salary is 60,000-65,000 ILS; after ~35% tax, net take-home is ~42,000 ILS; the trigger of 85,000 ILS ≈ 2x net.) This requires approximately 880-920 paying families (see Section 12 for detailed calculation).

Why this trigger: It's a data-driven threshold, not a "leap of faith." The company must prove it can pay a market-rate CTO salary before Rotem leaves stable employment. At ~880-920 families, the business generates roughly \$29,300-30,600/month in revenue — enough to cover all costs including Rotem's salary with a safety margin. See Section 12 for full transition analysis.

Dorit Kreiser — Co-Founder, Methodology & Marketing Lead

Detail	Information
Role	Methodology Lead & Marketing Lead, Co-Founder
Professional Background	Israel's leading baby sleep consultant; nurse-midwife since 1994; psychotherapist; doctoral student in infant sleep at Tel Aviv University
Published Work	Author of " <i>Shhhh... At Night We Sleep</i> " (published by Kinneret Zamora, sold at Steimatzky, Book Junction, and Shilav chains). English edition available on Amazon.
Clinical Experience	25+ years of sleep consulting with over 3,000 families

Training School	Founded and runs a sleep consultant certification program — has trained a team of 4-5 consultants in her method
Audience	~14K Instagram followers; established reputation in the Israeli parenting market; active customer base
Salary from Numi	\$0 fixed (earns through 50% equity — dividends when profitable)

Areas of Responsibility:

- Methodology and content: codifying her method for the AI knowledge base, validating AI responses, creating professional content
- Customer referrals: directing her existing audience and clients to the Numi platform
- Marketing and brand: promoting Numi on social media, leveraging her reputation and book
- Strategic decisions (jointly with Rotem)

The Kreiser Family Connection: Dorit's husband, **Dr. Doron Kreiser**, is a senior OB/GYN (Hadassah Medical School graduate, Stanford-trained in high-risk pregnancy, former delivery room director at Sheba Medical Center). Together they run multiple businesses in the maternity and parenting space — including a private birth practice and Dorit's sleep consulting operation. This family brings deep medical credibility, an established professional network in Israeli maternity care, and significant business experience.

The Synergy: Why This Partnership Works

Component	Rotem	Dorit	Together
Technology	Builds the entire AI platform	—	Advanced agentic AI product
Methodology	—	25+ years of proven, science-backed method	AI with genuine clinical depth
Audience	—	14K+ followers, active client base, book readers	Customers from day 1
Brand	—	"Shhhh... At Night We Sleep"	Recognized, trusted brand
Medical credibility	—	Nurse-midwife + OB/GYN husband	Professional legitimacy
Financial risk	Employed at Bigabid (no income risk)	Continues independent consulting	Both founders financially stable
Business model	Builds the platform	Provides content + customers + brand	Product + Market = built-in Product-Market Fit

The bottom line: Rotem without Dorit = technology without content, audience, or credibility. Dorit without Rotem = methodology without a technology product. Together = a complete product with built-in Product-Market Fit.

2.6 Advisory Board

Agentic AI is actively building an advisory board with expertise in three critical domains:

Domain	Why It Matters	Desired Profile	Compensation
Pediatric Sleep Medicine	Clinical credibility, regulatory navigation, methodology validation	Pediatrician specializing in sleep, or certified neonatal nurse	0.25-0.5% equity, quarterly meetings
AI/ML Engineering	Architecture review, model safety, scaling guidelines	Senior AI engineer from a leading AI company or research lab	0.25-0.5% equity, monthly meetings
SaaS Growth	GTM strategy, B2B sales, unit economics optimization	Former VP Growth or CMO at a B2C SaaS company with \$10M+ ARR	0.25-0.5% equity, monthly meetings

Note: Dr. Doron Kreiser (Dorit's husband) may serve in an informal advisory capacity on medical and clinical matters, given his OB/GYN background and Stanford training. Formal advisory role and terms to be defined post-incorporation.

2.7 Founders Agreement — Key Terms

Important: This section summarizes the business terms of the founders agreement. The binding legal agreement will be drafted by an attorney and signed before any capital is transferred to the company.

Ownership & Investment

Parameter	Terms	Why
Ownership	50% Rotem / 50% Dorit	Both founders are equally essential — technology and methodology are both irreplaceable
Investment	\$50,000 owner's loan from Dorit	Covers 12 months of zero-revenue operations after setup costs (see detailed model in Section 9)
Interest	0%	Dorit's return comes through equity appreciation, not interest
Repayment priority	Loan repaid first — before any dividends, founder salaries, or profit distribution	Protects Dorit's investment
Repayment timeline	Target: repaid by end of Year 3	Base case: repaid at Month 33 (December 2028). Optimistic: Month 24 (March 2028). See Section 11 for detailed repayment schedule.
External capital	None — zero dilution	Both founders maintain full control. VC fundraising only if both agree, likely Year 3+

Why \$50,000 (not more, not less):

The \$50K covers the absolute worst-case scenario with a comfortable buffer:

Cost Component	Amount
One-time setup (legal, incorporation, compliance)	\$11,000
6 months of MVP development at \$3,000/month (zero revenue)	\$18,000
6 months of early operations at \$3,000/month (slow revenue ramp)	\$18,000
Worst-case buffer	\$3,000
Total	\$50,000

Monthly costs of \$3,000 include: engineer (\$1,500), cloud infrastructure (\$150), WhatsApp BSP (\$50), AI & dev tools (\$500), accounting (\$300), legal (\$200), and contingency (\$300). Every number is sourced — see Section 9 for detailed cost breakdown with provider pricing.

Revenue Model

Parameter	Terms	Why
Revenue split	100% of revenue goes to the company	Both founders earn through equity and dividends.
Pricing	\$399/year per child (Israel launch)	Positions Numi at roughly half the cost of Dorit's human consulting (2,000–3,000 NIS) while providing 12 months of 24/7 coverage
Profit distribution	After: costs → loan repayment → growth reserve → dividends 50/50	Orderly priority ensures the business stays funded

Compensation

Founder	Year 1 Salary	Income Source	After Transition
Rotem	\$0 from Numi	Bigabid salary (52,323 ILS/month gross)	Market rate: 60,000–65,000 ILS/month when trigger is met
Dorit	\$0 from Numi	Independent consulting income	Salary or dividend distribution when company is profitable

Transition trigger for Rotem's salary: Monthly net profit ≥ 85,000 ILS (~\$27,244) for 3 consecutive months. This requires approximately 880–920 paying families — likely Year 3 or beyond.

Vesting

Parameter	Terms
Schedule	4 years with 1.0-year cliff
Cliff	12 months — if a founder leaves before one year, they forfeit all shares

Post-cliff	Monthly vesting — 1/48 of shares each month
Acceleration	Full and immediate vesting for both founders in the event of an exit (sale/IPO)

Governance & Decision Making

Decision Type	Who Decides	Examples
Day-to-day operations	Rotem (CTO) independently, up to \$3,000	Development tools, cloud services, routine expenses
Spending above \$3,000	Both founders jointly	Marketing campaigns, contractor hires, new services
Strategic decisions	Both founders jointly	Pricing changes, new markets, partnerships, fundraising

Deadlock resolution: Discussion (14 days) → Mediation by agreed external professional (30 days) → Binding arbitration. Both founders commit to good-faith resolution.

Intellectual Property

Asset	Ownership	Notes
Source code, AI models, platform	The company	Everything built for Numi belongs to Agentic AI Ltd.
Customer data, usage patterns	The company	All data is company property
RAG knowledge base	The company	Codified methodology, embeddings, training data
"Numi" brand	The company	Trademark, logo, marketing materials
Original methodology	Dorit (licensed to company)	Exclusive license for AI use; reverts to Dorit if company dissolves
"Shhhh... At Night We Sleep" brand	Dorit personally	Book and personal brand remain hers
New IP created for Numi	The company	Any extensions, new content, or adaptations belong to the company

Key principle: If either founder leaves, all company IP stays with the company. No founder takes code, data, or models with them.

Investment Protection (Dorit's Safeguards)

The \$50,000 loan is protected by multiple mechanisms:

Protection	How It Works
Repayment priority	Loan is repaid before any profit distribution, dividends, or founder salaries

Asset lien	Loan is secured against all company assets and IP
Low burn rate	\$3,000/month — the \$50K provides 12 months of zero-revenue runway (after \$11K one-time setup)
Monthly reporting	Full financial transparency: revenue, expenses, customers, loan balance, updated repayment forecast
Expenditure governance	No spending above \$3,000 without Dorit's approval
Existing customer base	Dorit's audience provides near-certain early revenue — zero-revenue scenario is extremely unlikely
Residual value	Even in total failure, company IP (code, codified methodology, AI models) retains estimated value of \$55,000-\$120,000

How is the \$55,000-\$120,000 residual value derived? The range reflects the minimum recoverable value of company IP assets in a wind-down or acqui-hire scenario. The lower bound (\$55K) is anchored to the development cost investment alone — \$50K+ in engineering effort (6+ months of two-developer work) producing a production-quality multi-agent AI system. The upper bound (\$120K) accounts for three additional IP assets: (1) proprietary AI training data and fine-tuned models built on real family interactions, (2) Dorit's clinical methodology codified into a structured RAG knowledge base — a unique asset that took 25+ years to develop and cannot be recreated, and (3) a working WhatsApp-native AI coaching platform with proven architecture. Comparable early-stage health-tech IP transactions support this range: acqui-hires of pre-revenue AI health startups in Israel typically value the technology stack at \$50K-\$200K (IVC Research Center, 2024), and codified clinical methodology IP has demonstrated value in licensing deals across the digital health sector.

Exit Provisions

If a founder leaves:

- All IP and data stay with the company
- Vested shares are retained; unvested shares revert to the company
- Remaining founder has right of first refusal to purchase departing founder's shares
- 12-month non-compete on directly competing products
- Ongoing confidentiality obligation

If the company dissolves:

1. External debts paid first
2. \$50,000 loan repaid to Dorit (full priority)
3. Remaining assets split 50/50
4. Methodology license reverts to Dorit

2.8 Why This Structure Is Fair

For Dorit:

Question	Answer
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What protects my \$50K?	Repayment priority + asset lien + monthly reporting + expenditure governance
What if the project fails?	Maximum loss \$50K; IP assets worth \$55-120K; methodology reverts to you
What if Rotem leaves?	IP stays with the company; you hold 50%; you recruit a replacement CTO
What's my upside?	50% of a company targeting \$400K+ ARR by Year 3 (potentially worth \$2-10M+)
Who controls spending?	Equal control — nothing above \$3,000 without your approval

For Rotem:

Question	Answer
Why 50% and not more?	Dorit brings the methodology (the product's core), the audience (customers from day 1), the brand, and \$50K. Fair value.
What if Dorit leaves?	IP codified in the AI stays; methodology license terms require renegotiation
When do I earn a salary?	When the company proves it can pay — net profit \geq 85K ILS/month for 3 months (~880-920 families)
Who runs the company?	Both founders jointly. Day-to-day tech and ops decisions are Rotem's; methodology and marketing are Dorit's. Strategic decisions are shared.

2.9 Execution Timeline

Step	Target Date	Action	Responsible
1	March 2026	Sign founders agreement (with attorney)	Both
2	March 2026	Incorporate Agentic AI Ltd. in Israel	Rotem + CPA
3	March 2026	Open company bank account	Both
4	April 2026	Transfer \$50K owner's loan to company account	Dorit
5	April 2026	Hire engineer; begin MVP development	Rotem
6	April-September 2026	MVP build (worst case: 6 months)	Rotem + Engineer
7	October 2026	Beta launch with 5 free families	Both
8	November 2026	Public launch — founding members (\$299/year)	Both
9	May 2027	Gate 1 evaluation (month 6 from launch)	Both
10	November 2027	Gate 2 evaluation (month 12 from launch)	Both

11	December 2027	Year 1 summary; annual financial report; Year 2 planning	Both
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End of Section 2 — Company Overview

Section 3: Product & Technology

3.1 Product Description

Numi is an agentic AI baby sleep consultant — one product, built on Dorit Kreiser's proven methodology, delivered via WhatsApp today and a native application in the future.

Unlike existing sleep apps that provide generic tips or passive tracking, Numi is an **autonomous agent** — a system that doesn't just answer questions, but initiates action, manages the sleep training process end-to-end, and accompanies parents through the hardest nights of their lives.

The Fundamental Difference: Agentic vs. Reactive

Capability	Competitors (Reactive)	Numi (Agentic)
When it operates	Only when the parent asks a question	Initiates contact proactively — even when the parent doesn't reach out
Type of help	Answer to a single question	Continuous accompaniment: reminders, encouragement, alerts
Process management	Parent manages the process themselves	Numi manages the sleep training process end-to-end
Problem detection	Responds after the parent reports a problem	Identifies patterns and alerts <i>before</i> a problem occurs
Real-time timer	None	Manages "Dorit's Clock" — a fixed-interval check-in timer with strategic withdrawal during training nights
Cross-analysis	Looks at sleep data in isolation	Connects nutrition, sleep, development, and siblings

In simple terms: Competitor apps are like a book you open when you have a question. Numi is like a consultant sitting beside you, watching the baby, and telling you what to do — before you even knew there was a problem.

The Professional Foundation

All of Numi's knowledge is built on **Dorit Kreiser's methodology** from her book "*Shhhh... At Night We Sleep*" and her 25+ years of clinical experience. The AI doesn't generate generic advice from the internet — it retrieves answers from Dorit's specific, proven method using a RAG (Retrieval Augmented Generation) architecture. Like asking Dorit herself, except she's available 24/7.

Who Is Numi For?

Numi is purpose-built for parents who are **ready to make a structural change** to their child's sleep. Dorit's method uses a structured check-in protocol: parents enter the room at fixed intervals when the baby cries, offer brief reassurance (touch, "Shhh"), and withdraw when the crying tone drops — signaling the baby is learning to self-soothe. This is **not "cry it out"** (CIO) — parents don't leave the baby alone indefinitely — but it does involve tolerating some crying during the 2-3 day process.

This means Numi is ideal for:

- Parents experiencing a sleep crisis (baby waking 4-8 times per night)
- Parents open to a structured, time-limited intervention (typically 2-3 days)
- Parents willing to follow a specific protocol consistently
- Families where all caregivers (both parents, grandparents, nannies) can commit to the same approach

Numi is not the right fit for:

- Parents who are philosophically committed to "no-cry" or attachment-only approaches
- Parents seeking co-sleeping support or bed-sharing guidance
- Families looking for a general parenting app rather than targeted sleep training

Research indicates that approximately **55-65% of parents experiencing infant sleep problems** are open to structured sleep training methods (Mindell et al., 2022; Honaker & Meltzer, 2016). This self-selection is reflected in our SAM/SOM calculations (see Section 4.2) and our intake agent's readiness assessment — which screens for commitment level before onboarding a family, reducing refund rates and improving outcomes.

Platform Strategy

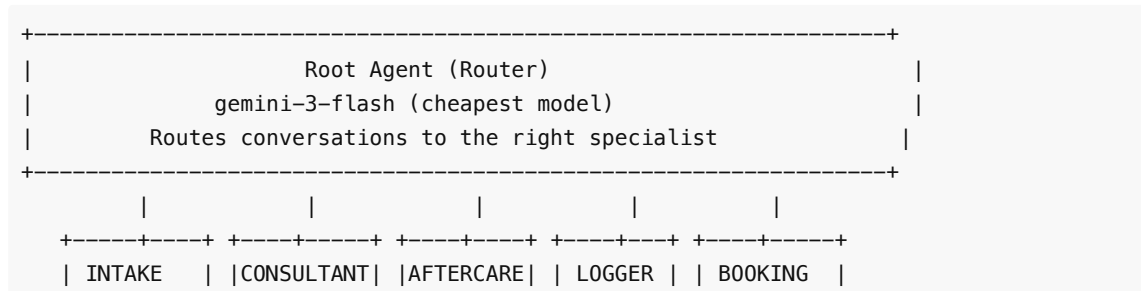
Numi starts on **WhatsApp** — where 99% of Israeli parents already communicate (JPost, 2025). No new app to download. Zero friction. As the product matures and the user base grows, Numi will evolve into a **native application** with richer features (dashboards, charts, historical views), while maintaining WhatsApp as the primary real-time communication channel.

The multi-agent system that powers Numi is a **headless architecture** — it serves only the Numi application. Any other usage of the agent system (white-labeling, licensing to third parties, integration with other products) requires a separate commercial agreement.

3.2 Multi-Agent Architecture

The Client Journey — Not Parallel Agents, But a Flow

Numi doesn't use four equal agents running in parallel. It uses a **journey-based multi-agent system** where specialized agents handle different phases of the parent's experience. The system is built on Google ADK (Agent Development Kit) and uses **cost-optimized model selection** — each agent runs on the cheapest model that can do its job well.



Agent	Agent	Agent	Agent	Agent
Collects	THE BRAIN	Daily	Logs	Escalate
baby	Builds	check-	eat,	to human
profile,	sleep	ins,	sleep,	Dorit
sleep	plan	tracks	poop,	
context,	using	progress	pee	
readiness	Dorit's	detects		
check	RAG	mistakes		
flash	PRO	flash	flash	flash
(cheap)	(smart)	(cheap)	(cheap)	(cheap)
+-----+	+-----+	+-----+	+-----+	+-----+

Why This Architecture Is Smart

Cost optimization through model selection: Only the Consultant agent — which needs deep methodology reasoning, RAG retrieval, and the ability to build personalized sleep plans — runs on Gemini 3.0 Pro (the expensive model). All other agents handle structured tasks (collecting data, logging events, checking in) that work perfectly on Gemini Flash (the cheapest model). This means ~70% of all AI interactions use the cheapest available model.

The journey flow:

Phase	Agent	Model	What Happens
1. First contact	Intake Agent	Flash (cheap)	Collects baby profile: name, age, weight, sleep habits, feeding type. Questions are age-gated using Dorit's methodology groups (3-5mo, 6-11mo, 12-24mo, 2-5yr). Checks readiness for sleep training.
2. The plan	Consultant Agent	Pro (smart)	The critical moment. Retrieves Dorit's methodology via RAG. Builds a personalized, multi-week sleep plan. Explains the "why" behind each instruction. This is where trust is won or lost.
3. Daily follow-up	Aftercare Agent	Flash (cheap)	Collects nightly reports: bedtime, crying duration, wake-ups, what the parent did. Evaluates progress against expected milestones. Detects mistakes (picked up baby, stayed in room too long). Reinforces consistency.
4. Event logging	Logger Agent	Flash (cheap)	Quick logging of eat/sleep/poop/pee events. Builds the data layer for nutrition-sleep correlation analysis.
5. Human escalation	Booking Agent	Flash (cheap)	When the AI can't solve a case (no improvement after 7 days, medical concern, parental distress) — schedules a paid consultation with Dorit herself.

The Consultant Agent — Numi's Brain

The Consultant is the only agent that uses Gemini Pro and RAG retrieval. This is deliberate — it's the highest-stakes interaction:

What it does:

1. Retrieves relevant methodology from Dorit's encoded knowledge base (RAG)
2. Builds a personalized sleep plan based on the baby's profile, age group, and specific challenges
3. Explains Dorit's core principles: breaking sleep dependencies, the "Shhhh..." method, bedtime routine, night feeding weaning
4. Sets expectations: "Days 1-3: crying is normal — it's the baby's way of expressing frustration, not distress. By day 3 on average, the baby will find their self-soothing movement and sleep through the night."
5. Hands off to the Aftercare agent for daily tracking

Why it needs the Pro model: Generic models can parrot sleep advice from the internet. Pro + RAG faithfully applies Dorit's *specific* method — including her unique fixed-interval check-in protocol, the strategic withdrawal when crying tone drops, her strict rules about pacifiers and night feeding, and her warm-but-uncompromising tone. The plan must feel like it came from Dorit, not from a chatbot.

"Dorit's Clock" — The Signature Feature

Dorit's methodology uses a unique protocol — **not** the graduated increasing delays common in other methods (like Ferber). Instead, it follows a fixed-interval check-in with strategic withdrawal:

1. **Allow self-settling** (~30 minutes): Baby may mumble, move, make sounds — normal. Don't enter.
2. **If baby cries for a full minute** → enter quietly (barefoot), touch hand or back, say "Shhh...", leave immediately. [Note: The exact interval duration follows Dorit's clinical protocol — to be confirmed with Dorit during RAG encoding.]
3. **Continue entering every minute** (fixed interval) while baby cries consistently. No limit on entries.
4. **Stop entering when:** (a) baby stops crying, OR (b) crying **tone drops** — this signals the baby is finding their "Transition Movement" (self-soothing motion like head rocking, blanket touching, or rhythmic movement).
5. **Once stopped or tone dropped — do NOT re-enter**, even if crying resumes. This allows the baby to internalize self-soothing.
6. **Results in ~3 days on average.**

Most parents struggle to execute this at 2:00 AM when they're exhausted and the baby is crying — especially the critical judgment of *when to stop entering*.

Numi manages the entire protocol via WhatsApp: counts the one-minute intervals, sends encouragement messages, listens for the parent's description of crying changes, and tells them exactly when to go in and — crucially — when to stop going in. It documents every wake-up and tracks progress across training nights.

Real example: 02:14 AM. Baby wakes up crying. Mom messages Numi: "He woke up again." Numi responds in seconds: "Night 2, second wake-up. Wait one full minute. I'm timing it." After 60 seconds: "Go in now. Touch his back, say Shhh, leave. Let me know when you're out." Mom: "I'm out, he's still crying." Numi: "Starting next minute. Stay strong." After several check-ins: Mom: "He's quieter now, kind of whimpering." Numi: "That's the tone drop — he's finding his self-soothing movement. Don't go in again. He's learning. I'm here if anything changes."

Future Agent Capabilities

The architecture is designed to grow. These capabilities will be added as the product matures:

Capability	How It Works	When
Nutrition correlation	Logger data (feeding events) is analyzed against sleep patterns to detect correlations. "He wakes at 2AM every night he eats late. Let's move dinner earlier."	Q4 2026

Siblings coordination	Multi-child profiles share scheduling data. "Your 3-year-old naps at 2PM. Put the baby down at 1:45 so she's asleep before he gets home."	Q1 2027
Long-term memory	Persistent family history across months and children. "Last time this regression happened (4 months ago), method X worked in 3 nights. Let's try it again."	Q1 2027
Regression prediction	Age-based pattern detection. "Your baby turns 8 months in 2 weeks. A sleep regression is common at this age. Here's what to prepare."	Q1 2027
Cry detection via microphone	AI-powered acoustic analysis of baby crying through the phone's microphone. Detects crying tone changes (intensity, frequency, pitch drop) to automatically determine when to stop check-ins — removing the subjective judgment from exhausted parents. Technology proven viable: Zoundream (92% accuracy, €4M seed), Ubenwa (cry analysis foundation model), ChatterBaby (UCLA).	2027+

3.3 The Seats System — Multi-User, Multi-Child Architecture

Seats: Every Caregiver, Their Own Numi

Every person caring for the child gets their own WhatsApp connection to Numi. The AI adapts its behavior — and its agent selection — based on who it's talking to:

Seat Role	How Numi Behaves	Primary Agents Used	Model Cost
Primary Parent	Full coaching: plan building, "Dorit's Clock" at 2AM, emotional support, deep methodology guidance	Intake → Consultant (Pro) → Aftercare	Higher
Co-Parent	Coordinated support: "Mom entered 30 seconds ago. He's still crying. Wait for the tone to drop before we decide. Don't go in."	Aftercare (Flash)	Lower
Grandmother	Respectful but firm guidance: "I know it's hard to hear him cry. We're waiting for the tone to change. You're doing the right thing. Here's why."	Aftercare (Flash)	Lower
Nanny / Au Pair	Operational mode: clear instructions, no theory. "Nap at 2:00 PM. Put down awake. If crying for 1 minute, go in, touch, say Shhh, leave. Log when asleep."	Aftercare + Logger (Flash)	Lowest
Night Nanny	Night protocol: "Tonight's plan: check every minute while crying. Stop when tone drops. Log every wake-up. Alert parents if crying exceeds 20 minutes."	Aftercare + Logger (Flash)	Lowest

Cost insight: Additional seats primarily use cheap Flash agents (Aftercare, Logger). They don't need the Pro Consultant — the sleep plan is already built for the primary parent. This makes seats a very high-margin

add-on: ~\$0.75/month variable cost vs. \$59/year (\$4.92/month) revenue = **85% gross margin**.

Why this matters: The #1 reason sleep training fails is inconsistency between caregivers. Mom follows the plan, then grandma picks up the baby after 30 seconds of crying — undoing three nights of progress. Numi Seats ensures every caregiver gets the same plan, adapted to their role. No competitor does this. Not even human consultants can simultaneously coach mom, dad, and grandma at 2 AM. Numi can.

Multiple Children: Per-Child Profiles

Each child is a separate subscription with its own:

- Baby profile (age-gated by Dorit's methodology groups)
- Sleep plan (built by the Consultant agent with Pro)
- Aftercare tracking (progress, milestones, reports)
- Event log (eat, sleep, poop, pee)

All children share the same family account. Existing seats carry over — grandma's WhatsApp works for all children in the family.

Cost per additional child: ~\$3.16/month (needs its own Pro Consultant session) vs. \$299/year (\$24.92/month) revenue = **87% gross margin**.

Why this is a competitive moat in Israel: With 2.9 children per family (highest in OECD), per-child pricing creates growing revenue per household. And siblings coordination (planned) will be a feature no competitor offers — managing sleep across multiple children in the same home.

Variable Cost by Product Type

Product	Monthly Variable Cost	Annual Revenue	Gross Margin
Primary child (Pro Consultant + all agents)	\$3.16	\$399	90.5%
Additional seat (Flash agents only)	\$0.75	\$59	84.7%
Additional child (own Pro Consultant)	\$3.16	\$299	87.3%
Family bundle (2 children)	\$6.32	\$599	87.3%

Each seat is a separate WhatsApp conversation. All data feeds into one unified child profile. All margins exceed 84%.

3.4 Technology Stack

Layer	Technology	Why We Chose It	Cost
Agent Orchestration	Google ADK (Agent Development Kit)	Open-source, purpose-built for multi-agent systems. Built-in agent routing, session state, tool invocation. Apache 2.0 license — free.	\$0
Consultant AI	Gemini 3.0 Pro	Deep reasoning for sleep plan building, RAG synthesis, and	~\$2.70/customer/month

		methodology application. The only agent that needs this level. (\$2/1M input, \$12/1M output).	
All Other Agents	Gemini 3 Flash	Fast, cheap, handles structured tasks: data collection, logging, check-ins, routing. (\$0.50/1M input, \$3/1M output).	~\$0.33/customer/month
Knowledge Base (RAG)	Vertex AI RAG + ChromaDB	Dorit's book, methodology, and case files encoded as embeddings for semantic retrieval. Dual backend: Vertex AI for production, ChromaDB for development.	~\$0.01/customer/month
Communication	WhatsApp Business API	99% open rates in Israel. Parents already use it. No new app needed. Service messages (customer-initiated) are free . Business-initiated utility messages: \$0.01/msg in Israel.	~\$0.06/customer/month
Database	Google Cloud Firestore	Serverless NoSQL. Free tier: 50K reads/day. Baby profiles, event logs, session state.	\$1-10/month
Hosting	Google Cloud Run	Serverless — pay only for what you use. Free tier: 2M requests/month.	\$5-30/month
Native App (future)	React Native or Flutter	Cross-platform. Dashboards, charts, historical views. WhatsApp remains the real-time channel.	Phase 2+
Security	AES-256 encryption, TLS 1.3	Full protection of sensitive baby and family data. GDPR-ready.	Included in GCP

Total variable cost per primary customer: ~\$3.16/month (\$2.70 Pro + \$0.33 Flash + \$0.01 RAG + \$0.06 WhatsApp + ~\$0.06 buffer for token overages). Driven primarily by Gemini Pro for the Consultant agent. See Section 9 for detailed cost modeling.

Cost Advantage: Google for Startups Cloud Program

Agentic AI plans to apply to the **Google for Startups Cloud Program**, which offers:

- Up to **\$200,000 in Google Cloud credits** (standard)
- Up to **\$350,000 for AI-first startups** (Numi qualifies — AI is the product, not a bolt-on)
- Credits cover: Cloud Run, Firestore, Gemini API, Vertex AI, and all GCP services

If accepted, cloud costs drop to effectively **\$0 for Year 1-2**. This is not factored into our financial projections (worst-case assumes \$0 credits), but represents significant upside.

Current POC Status

The proof of concept is operational today on Google ADK and demonstrates:

Capability	Status	Details
Multi-agent flow	✅ Working	Root → Intake → Consultant → Aftercare → Logger → Booking
RAG retrieval	✅ Working	Dual backend (Vertex AI + ChromaDB). Retrieves Dorit's methodology accurately.
Age-gated baby profiles	✅ Working	Adaptive questioning by age group (3-5mo, 6-11mo, 12-24mo, 2-5yr) per Dorit's methodology
Multi-language support	✅ Working	Hebrew and English with Jinja2 templates + locale system
Baby event logging	✅ Working	Eat, sleep, poop, pee events with timestamps
Aftercare daily reports	✅ Working	Structured nightly report collection with progress evaluation
Response time	✅ < 3 seconds	Target: < 2 seconds
WhatsApp integration	✅ Working	Conversations via WhatsApp Business API

What the POC proves: The core agentic architecture works — Numi can conduct a professional sleep consultation based on Dorit's methodology, from intake through plan delivery to daily follow-up. The MVP builds on this proven foundation.

3.5 Product Roadmap

Phase	Timeline	Features	Status
POC	2025 Q3-Q4	Multi-agent flow (Intake → Consultant → Aftercare → Logger → Booking), RAG from Dorit's book, WhatsApp integration, age-gated profiles, multi-language	✅ Complete
MVP	2026 Q2-Q3	"Dorit's Clock" real-time check-in timer, multi-seat support (role-adapted AI), payment integration, per-child profiles, Gemini Pro for Consultant	🔨 Next
Enhanced	2026 Q4	Nutrition-sleep correlation (from Logger data), sleep logging dashboards, weekly progress reports	Planned
Advanced	2027 Q1	Long-term memory, regression prediction, siblings coordination, cross-child learning	Planned
International	2027 Q2-Q3	English localization (UK), native app (React Native/Flutter), premium analytics, cry detection via	Planned (requires

		microphone (AI acoustic analysis)	Gate 2)
Scale	2027 Q4+	US market, B2B partnerships (HMOs, pediatric clinics), multi-language expansion	Future

3.6 Compliance & Security

Requirement	How Numi Addresses It
Israeli Privacy Protection Law	All personal data stored and processed in compliance with Israeli privacy regulations. Privacy policy and terms of service reviewed by attorney.
GDPR (for UK expansion)	Data minimization, right to deletion, explicit consent for data processing. Required before UK launch.
Data encryption	AES-256 at rest, TLS 1.3 in transit. All WhatsApp communication is end-to-end encrypted by default.
Health disclaimer	Numi provides sleep coaching guidance, not medical advice. Clear disclaimers in onboarding and throughout the experience. Parents advised to consult a pediatrician for medical concerns.
Data ownership	All data belongs to the company (Agentic AI Ltd.). Users can request data export or deletion at any time.
Access control	Each seat has role-based permissions. Caregivers can log data and receive instructions but cannot modify the sleep plan or access billing.

End of Section 3 — Product & Technology

End of Sections 1-3

Numi by Agentic AI Ltd. — Business Plan

February 2026 | Confidential

Section 4: Industry & Market Analysis

4.1 Industry Overview

The baby sleep consulting industry sits at the intersection of three converging trends: the growing parental awareness of infant sleep health, the explosion of AI-powered digital health tools, and the shift toward subscription-based parenting services.

The global baby sleep coaching market was valued at **\$1.14 billion in 2024** and is projected to reach **\$2.44 billion by 2033**, growing at a **CAGR of 8.7%** (Growth Market Reports, 2025). The broader parenting apps market is growing even faster — from \$1.06 billion in 2025 to \$5.50 billion by 2034, at a **CAGR of 20.37%** (Business Research Insights, 2025).

Why the market is growing:

Driver	Data Point	Source
Sleep problems are widespread	37% of children aged 4 months to 5 years aren't getting enough sleep	CDC, January 2025
Parents are spending on solutions	55% of active parenting app users prefer tiered subscription models with sleep coaching	Business Research Insights, 2025
AI increases engagement	AI-powered guidance led to 50% increase in user engagement in parenting apps	Business Research Insights, 2025
Digital adoption is high	60% of urban new parents use baby-tracker apps	Business Research Insights, 2025
Investors see the opportunity	Nanit raised \$50M in Dec 2025; Huckleberry raised ~\$14M+ in VC funding; Owlet (\$128M revenue) entering AI coaching	PressReleases, 2025-2026

What's missing in the market: Despite billions in market value and growing demand, no product on the market — globally — offers an **agentic AI** that proactively manages a baby's sleep training process. All existing solutions are either passive tracking (Nanit), reactive chatbots (Huckleberry's Berry), or static content (books, courses). Numi fills this gap.

4.2 Target Market Definition (TAM/SAM/SOM)

TAM — Total Addressable Market

Definition: If every parent globally who experiences baby sleep problems used an AI sleep consulting service, how big would the market be?

Component	Number	Source
Global births per year	~140 million	World Bank, 2024
% experiencing sleep problems	~30-37%	CDC 2025, PMC studies
Parents with sleep problems	~42-52 million/year	Calculated
Average willingness to pay	\$200-600/year	Based on current market pricing (Huckleberry \$120/yr to Nanit \$300-600/yr)
TAM	\$8.4 - \$31.2 billion/year	Calculated

More conservatively, using only the baby sleep coaching guides market: **\$1.14 billion (2024)** growing to **\$2.44 billion (2033)** (Growth Market Reports).

We use the conservative figure. The TAM is **\$1.14 billion today, growing to \$2.44 billion by 2033.**

SAM — Serviceable Available Market

Definition: The portion of the TAM that Numi can realistically reach given our geographic focus, cultural adaptation, and distribution strategy.

Important note on expansion barriers: Language translation is technically trivial for AI — Numi can be localized to any language in days. The real barrier to international expansion is **cultural adaptation**. Sleep training philosophies vary dramatically across cultures: Israeli parents are generally receptive to structured sleep training, but UK parents may lean toward gentler approaches, and certain cultures reject sleep training entirely. Each market requires adapting not just language, but methodology framing, tone, cultural references, and marketing messaging. This is why expansion is phased and deliberate rather than immediate.

Numi's expansion plan is Israel (Year 1) → UK (Year 2) → US (Year 3). Here's the SAM calculation for each market:

Israel SAM:

Component	Number	Source
Annual births	181,609 (2024)	CBS Israel via Macrotrends
% experiencing sleep problems	37%	CDC, based on NSCH 2020-2021 data — US figure applied as proxy (no Israeli-specific study available; Dorit's 25+ years of clinical experience confirms comparable or higher rates in Israel)
Parents seeking help (subset of those with problems)	~50% of those with problems	Conservative estimate
WhatsApp penetration	99%	JPost, 2025
Hebrew-speaking (target)	~76% (Jewish births)	CBS Israel
Addressable parents (before method filter)	~25,500	$181,609 \times 37\% \times 50\% \times 76\%$
Method-willingness filter	~60%	~55-65% of parents with sleep problems are open to structured training methods (Mindell et al., 2022; Honaker & Meltzer, 2016). We use 60% — the midpoint. Israeli culture is generally receptive to structured approaches (Dorit's 25+ year practice confirms), but no Israel-specific survey exists.
Israel SAM (parents/year)	~15,300	$25,500 \times 60\%$
Israel SAM (revenue at \$399/yr)	~6.1 million/year	Calculated

UK SAM:

Component	Number	Source
Annual births	594,677 (2024)	ONS
% experiencing sleep problems	30%	Conservative estimate for UK
Parents seeking help	~50%	Conservative
Addressable parents (before method filter)	~89,200	Calculated
Method-willingness filter	~50%	UK leans toward gentler approaches; the NHS does not recommend leaving babies to cry. Lower willingness than Israel.
UK SAM (parents/year)	~44,600	89,200 x 50%
UK SAM (revenue at £449/yr ≈ \$569)	~\$25.4 million/year	Calculated

US SAM:

Component	Number	Source
Annual births	3,628,934 (2024)	CDC
% experiencing sleep problems	37%	CDC 2025
Parents seeking help	~50%	Conservative
Addressable parents (before method filter)	~671,350	Calculated
Method-willingness filter	~55%	US is polarized: growing co-sleeping movement (46% of parents, AASM 2024), but also strong sleep training culture. 55% is conservative midpoint.
US SAM (parents/year)	~369,200	671,350 x 55%
US SAM (revenue at \$599/yr)	~\$221 million/year	Calculated

Combined 3-market SAM: ~\$253 million/year

Why we apply a method-willingness filter: Dorit's methodology is a structured check-in protocol that involves some crying (see Section 3.1, "Who Is Numi For?"). Research consistently shows that ~35-45% of parents are philosophically opposed to any form of structured sleep training or will only accept "no-cry" approaches (Mindell et al., 2022; Blunden & Bails, 2013). Excluding these families gives a more

honest and defensible SAM. Future product evolution (gentler protocol options, partnerships with other methodologists) could expand the addressable market back toward the unfiltered figures.

SOM — Serviceable Obtainable Market

Definition: What Numi can realistically capture in Years 1-3, given our team size, marketing budget, and growth rate.

Market	Year	Target Families	Revenue	% of SAM	How We Get There
Israel	Year 1	50-120	\$15K-\$48K	0.2-0.5%	Dorit's audience, organic social, word of mouth
Israel	Year 2	200-350	\$80K-\$140K	0.8-1.4%	Continued organic + small paid marketing budget
Israel + UK	Year 2	300-500	\$130K-\$250K	—	UK launch adds 100-150 families
Israel + UK + US	Year 3	600-1,200	\$300K-\$650K	—	US entry, growing all markets

Note: All SOM revenue figures are **gross revenue** (total subscription income), not profit. At 90% gross margin, Year 3 gross profit on \$300K-\$650K revenue would be approximately \$273K-\$592K. After fixed costs (\$36K/year) and marketing, net profit would be approximately \$200K-\$500K.

Why these numbers are conservative:

- Israel Year 1 target of 120 families = just **0.8%** of the method-adjusted SAM (15,300 parents/year). Even capturing 2% would mean 300+ families.
- Dorit's Instagram alone has 14K followers. Converting 1% of followers = 140 families — already exceeding Year 1 target.
- The SOM assumes minimal marketing spend and organic growth. Paid marketing would accelerate significantly.
- The SOM targets only families who self-select into Numi — Dorit's audience skews heavily toward parents already open to her structured approach, so conversion rates within this segment are higher than the general population.

4.3 Market Trends & Demand

Trend 1: Parents Increasingly Turn to Digital Solutions

The shift from human consultants to digital tools is accelerating. 60% of urban new parents already use baby-tracking apps (Business Research Insights, 2025). The COVID-19 pandemic permanently changed parenting behavior — telehealth and digital coaching became the norm, and parents never went back.

Trend 2: AI Is Entering Parenting — But Nobody Is Agentic Yet

Huckleberry launched Berry (an AI chatbot) in February 2026. Nanit is building a "Parenting Intelligence System." Multiple new entrants (Luna Sleep, ARIA, Bambii) are emerging. But all current solutions are **reactive** — they wait for the parent to ask a question. None proactively manages a sleep training process. This is Numi's window of opportunity.

Trend 3: Israel Is the Perfect Launch Market

Factor	Why It Matters for Numi
Highest OECD fertility rate (2.91)	More babies = more customers. Average 2.9 children per family makes the siblings feature and per-child pricing especially valuable.
99% WhatsApp penetration	No need to convince parents to download a new app. They already live on WhatsApp.
Zero AI sleep competitors in Hebrew	No direct competition. The market is completely unserved.
High willingness to pay for baby services	Israeli parents routinely pay 2,000–3,000 NIS (\$641–962) for human sleep consulting.
Cultural norm of involved extended family	Grandmothers, nannies = natural seat upsell. Israeli families are close-knit and hands-on.
Small market = fast validation	182K births/year is small enough to dominate quickly, large enough to prove the model.

Trend 4: The UK Is the Ideal Second Market

Factor	Data
Large English-speaking market	594,677 births/year (ONS, 2024)
Lower marketing costs	Digital CPM ~47% lower than the US
NHS gaps in sleep support	Parents frequently report inadequate sleep advice from the NHS, creating demand for private solutions
Strong WhatsApp adoption	Growing rapidly in the UK for business communications
Stepping stone to US	Proves the English-language product before entering the massive US market

4.4 Market Forecasts

Year-by-Year Revenue Projections (Three Scenarios)

Metric	Year 1 (Israel)	Year 2 (Israel + UK)	Year 3 (IL + UK + US)
Conservative			
Families	50	200	500
Revenue	\$20,000	\$90,000	\$270,000
Base			

Families	120	400	1,000
Revenue	\$48,000	\$190,000	\$550,000
Optimistic			
Families	200	700	1,500
Revenue	\$85,000	\$350,000	\$850,000

Assumptions behind these numbers:

- Conservative: Only Dorit's direct referrals, no paid marketing, slow word-of-mouth
- Base: Dorit's audience + organic social + small paid marketing + word-of-mouth
- Optimistic: Active marketing budget + partnerships + PR + strong word-of-mouth
- Average revenue per family: \$399-475/year (base + some seat add-ons) in Israel; £449+ in UK; \$599+ in US
- Annual churn: 15% (conservative — annual payment model reduces churn significantly)

Key growth drivers by year:

- **Year 1:** Dorit's existing audience and referrals. Her Instagram (14K followers), book readers, and active client base provide a warm market that requires minimal marketing spend.
- **Year 2:** UK expansion (requires passing Gate 2). English-language product opens a 3x larger market. Israeli growth continues through word-of-mouth and repeat families (second children).
- **Year 3:** US entry. Proven product in two markets. Potential VC fundraise to accelerate growth. Premium US pricing (\$599/year) significantly improves revenue per family.

Section 5: Competitive Analysis

5.1 Direct Competitors

Competitor 1: Huckleberry

Detail	Information
Founded	2017 (independent, VC-backed)
Funding	~\$15.9M+ total (Burst Capital, City Light Capital, Morningside Group, Spero Ventures)
Product	Baby tracking app with SweetSpot nap prediction + Berry AI chatbot (launched Feb 2026)
Pricing	Free (tracking) / Plus \$5.74/mo / Premium \$9.99/mo (\$120/year)
Users	5000000+ families (lifetime)
AI Type	Reactive — Berry answers questions when asked. Uses logged child data for context-aware responses. Does not proactively manage sleep training.
Strengths	Large user base (5000000+ families), free tier attracts users, SweetSpot prediction is well-liked, Berry adds AI chat with family context

Weaknesses	English only, reactive (not agentic), no methodology-driven coaching, no real-time timer, no sibling coordination
Source	Huckleberry Pricing , Berry Launch PR , Crunchbase

Competitor 2: Nanit

Detail	Information
Founded	2016
Product	Smart baby camera with AI-powered sleep tracking + upcoming "Parenting Intelligence System"
Pricing	Camera \$299+ / Subscriptions \$120-\$300/year
Funding	\$125M+ total (\$50M raised December 2025)
AI Type	Monitoring — tracks sleep patterns via camera. Does not coach or intervene.
Strengths	Hardware moat (camera data is unique), strong brand, well-funded, expanding into developmental tracking
Weaknesses	High entry cost (\$299 camera), monitoring only (no coaching), no methodology, English only, no WhatsApp
Source	Nanit , Nanit \$50M raise

Competitor 3: Owlet

Detail	Information
Founded	2012 (publicly traded: OWLT)
Product	Smart baby monitor (Dream Sock, Dream Sight) + Dream Lab sleep coaching + upcoming AI coaching via webAI partnership
Revenue	\$103000000-106000000 projected 2025 (Q3 2025: \$32M, +44.6% YoY)
Data Asset	1200000+ monitored babies
AI Type	Monitoring + early coaching — Dream Lab offers sleep coaching. Generative AI coaching in pilot stage via webAI partnership (announced Feb 2026).
Strengths	Massive data moat (1200000+ babies), strong revenue (\$100M+), 171% international growth, hardware ecosystem, entering AI coaching
Weaknesses	Hardware-first (high entry cost), app-only (no WhatsApp), English only, AI coaching is early stage, no specific methodology
Source	Owlet Q3 2025 , Owlet-webAI Partnership

Competitor 4: Luna Sleep

Detail	Information
--------	-------------

Product	WhatsApp-native sleep coaching
Pricing	~\$9 after 3-day free trial
AI Type	Claims AI-powered, trained on "decades of research." Likely LLM-based, not agentic.
Market	English only. Consultants listed in London, Singapore. No Hebrew.
Strengths	Validates WhatsApp as a channel for sleep coaching
Weaknesses	No Hebrew, no proven methodology, no sibling coordination, no agentic behavior
Source	LunaSleep.ai

Competitor 5: ARIA

Detail	Information
Product	WhatsApp-based parenting assistant (broader than just sleep)
AI Type	Reactive — answers parenting questions
Market	Global (South Africa-based developer, Augmented AI).
Strengths	WhatsApp-native, broad parenting coverage
Weaknesses	General parenting (not sleep-specialized), no specific methodology, reactive only, no confirmed Hebrew support
Source	Augmented Startups

Competitor 6: Bambii

Detail	Information
Product	Combined sleep + feeding + meal planning + milestone tracking app with family sharing
Pricing	\$44.99/year (flat, all features). Free plan available.
Market	UK + US (available globally via App Store)
Strengths	Sleep + feeding integration, low price, broad feature set
Weaknesses	App-based (not WhatsApp), no proven methodology, no agentic behavior
Source	Bambii.app

Competitor 7: Smart Sleep Coach by Pampers

Detail	Information
Product	AI-powered step-by-step sleep coaching app by P&G Baby Care Digital LLC
Pricing	Subscription with 7-day free trial

AI Type	Guided coaching — follows a structured plan with daily tips and adjustments
Market	US, English-speaking
Strengths	P&G brand trust, low price point, structured coaching approach
Weaknesses	App-based (not WhatsApp), no real-time 2AM support, generic methodology, English only, no agentic behavior, no caregiver coordination
Source	App Store, Smart Sleep Coach

Competitor 8: Little Ones

Detail	Information
Founded	2016 (New Zealand)
Product	Sleep tracking app + personalized sleep programs ("Sleep-O-Rhythm")
Pricing	\$19.99/month (\$240/year)
Users	800000+ families (claimed)
AI Type	Guided — builds programs based on baby's data, sends notifications
Strengths	Large user base, proven market demand, Sleep-O-Rhythm technology, good UX
Weaknesses	App-based (not WhatsApp), no agentic AI, no real-time coaching at 2AM, no specific methodology, no caregiver coordination
Source	Little Ones

Competitor 9: Taking Cara Babies

Detail	Information
Product	Online sleep courses + Instagram content (Cara Dumaplin, neonatal nurse)
Pricing	\$179-\$319 per course (one-time)
Users	~~3000000 Instagram followers, massive US brand
AI Type	None — pre-recorded video courses, not AI-powered
Strengths	Massive brand awareness, proven methodology, strong community, celebrity endorsements
Weaknesses	No AI, no real-time support, one-time purchase (no ongoing coaching), no personalization, English only
Source	Taking Cara Babies

Competitor 10: Cradlewise

Detail	Information
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Product	AI-powered smart crib (\$1,700-\$2,200) with sleep tracking and automated soothing
Funding	\$7M (seed, 2021)
AI Type	Hardware — auto-bounces the crib to soothe baby back to sleep
Strengths	Full hardware+software solution, automates soothing, good data collection
Weaknesses	Extremely high price (\$1,700+), creates dependency on the crib (opposite of self-soothing), hardware logistics, no methodology coaching
Source	Cradlewise

Competitor 11: Lullaai

Detail	Information
Product	AI sleep coaching app with "AutoCalm" technology
Pricing	\$19.99/month (\$240/year)
AI Type	Reactive AI — answers questions and provides tips
Strengths	AI-powered, AutoCalm feature
Weaknesses	App-based, reactive (not agentic), no proven methodology, no WhatsApp, no caregiver coordination
Source	App Store

5.2 Indirect Competitors

Competitor Type	Examples	Price Range	Key Limitation
Human sleep consultants	Dorit Kreiser, independent consultants	\$641-\$962 per package	Available via WhatsApp/phone/SMS but not 24/7; limited capacity; expensive
Books and courses	"Shhhh... At Night We Sleep", Ferber, Weissbluth	\$15-\$50	Static — no personalization, no real-time guidance
Facebook groups	Israeli parenting groups	Free	Unvetted advice, contradictory information, no accountability
Pediatricians	General practitioners	Covered by insurance	Sleep is not their specialty; 5-minute appointments; generic advice
"Cry it out" with no help	DIY approach	Free	High failure rate, parental distress, no methodology

5.3 SWOT Analysis

Strengths

Strength	Why It Matters
Agentic AI — only one on the market	Proactive coaching (not just answering questions) is a fundamentally different product category
Dorit's proven methodology	25+ years, over 3,000 families, published book, science-backed. Cannot be replicated by generic AI
WhatsApp-native	99% penetration in Israel. Zero friction — parents don't need to download anything
Multi-agent architecture	Sleep + nutrition + siblings + memory = insights no single-agent system can provide
Sibling coordination	No competitor offers this. In Israel (2.9 children/family), this is a decisive advantage
Seats system	Multi-caregiver support ensures consistency — the #1 factor in sleep training success
Extremely low costs	\$3,000/month fixed costs + ~\$3.16/month variable per family. Break-even at ~100 families. Very hard to kill.
Built-in audience	Dorit's 14K Instagram followers + book readers + active client base = customers from day 1

Weaknesses

Weakness	Mitigation
Pre-revenue	POC is operational; business plan funded; first revenue expected within 6 months of launch
Two-person founding team + 1 engineer	Lean by design. Hire additional engineers after revenue validates demand
Rotem works part-time (evenings/weekends)	Full-time engineer hired from day 0 compensates. Rotem transitions full-time at ~880-920 families
No brand recognition outside Dorit's network	Dorit's brand provides the launch base; Numi brand builds over time through results
AI accuracy is not 100%	RAG architecture grounds responses in Dorit's verified methodology; human escalation path for edge cases
Regulatory uncertainty for AI health advice	Clear medical disclaimers; Numi is coaching, not medical advice; attorney review of all claims
Single-methodology product	Dorit's method involves structured check-ins with some crying — ~35-45% of parents prefer "no-cry" approaches and are not addressable today. Intake agent screens for readiness, reducing mismatched sign-

ups. Future: explore gentler protocol options or methodology partnerships to expand TAM

Opportunities

Opportunity	Potential Impact
Hebrew market is completely unserved	First-mover advantage in Israel's entire AI sleep consulting market
Google for Startups Cloud Program	Up to \$350K in cloud credits for AI-first startups — could eliminate cloud costs for 2+ years (requires VC funding for AI tier — future upside if Numi raises external capital)
B2B partnerships (HMOs, pediatric clinics)	Israeli HMOs (Clalit, Maccabi, Meuhedet, Leumit) could offer Numi as a benefit — massive distribution
Dorit's training school	Consultants trained in Dorit's method = potential channel partners or white-label clients
Per-child pricing in high-fertility market	Israel's 2.9 children/family means revenue per family grows with each new baby
Cross-child learning	Unique data asset — no competitor has multi-child, multi-year family sleep data

Threats

Threat	Likelihood	Mitigation
Huckleberry invests heavily in Berry / Owlet enters AI coaching	Medium	Berry is reactive, not agentic. Owlet's AI coaching is early stage. Neither supports Hebrew. Different product categories.
Nanit adds coaching features	Low-Medium	Nanit's DNA is hardware + monitoring. Coaching requires methodology and a fundamentally different architecture.
New AI startup with better funding	Medium	First-mover advantage in Hebrew market. Dorit's methodology is an irreplaceable moat. Speed matters.
Regulatory changes restrict AI health advice	Low	Numi is positioned as coaching, not medical advice. Proactive compliance.
Method controversy limits addressable market	Medium	Dorit's structured check-in method involves some crying, which ~35-45% of parents reject. SAM is filtered accordingly (see Section 4.2). Within the target segment, controversy drives awareness and Dorit's 25+ year track record provides credibility. Intake agent screens for readiness to reduce refund rates.
Economic downturn reduces	Low	Baby sleep is not discretionary — it's a crisis. \$399/year is already far cheaper than alternatives.

discretionary spending		
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5.4 Differentiation Strategy

Feature Comparison Matrix

Feature	Numi	Huckleberry/Berry	Nanit	Owlet	Luna Sleep	A
AI Type	Agentic (proactive)	Reactive chatbot	Monitoring only	Monitoring + early AI	AI-powered	Rea
Real-time coaching at 2AM	Yes	No	No	No	Limited	No
"Dorit's Clock" timer	Yes	No	No	No	No	No
Proven methodology	Dorit Kreiser (25+ yrs)	Generic	None	None	Generic	Ger
Sibling coordination	Yes (Planned)	No	No	No	No	No
Multi-seat (grandma, nanny)	Yes	Basic sync	Up to 10 viewers	No	No	No
WhatsApp-native	Yes	No (app only)	No (app only)	No (app only)	Yes	Yes
Hebrew	Native	No	No	No	No	No
Per-child memory (years)	Yes (Planned)	Limited	Camera-based	Camera-based	No	No
Price (annual)	\$399	\$120 (Premium)	\$420-\$600+	\$99 monitor + sub	~\$9/trial	Fre

Numi's Three Moats

Moat 1: Methodology. Dorit's method cannot be replicated by training GPT on generic sleep advice. It's 25+ years of clinical experience codified into a structured, proven system. A competitor would need their own Dorit — and there aren't many.

Moat 2: Architecture. The multi-agent system (sleep + nutrition + siblings + memory) is designed from the ground up for family sleep management. Bolting sibling coordination onto Huckleberry would require them to rebuild their entire system.

Moat 3: Data. As Numi accumulates family sleep data over months and years, across children, the AI gets smarter. Each family's history becomes irreplaceable. Switching to a competitor means losing years of personalized learning. This is a compounding advantage that strengthens with time.

Section 6: Sales & Marketing Strategy

6.1 Go-to-Market Strategy

Phase 1: Israel Launch — "Dorit's Network" (Months 1-6)

Strategy: Leverage Dorit's existing audience and brand to acquire the first 30-120 families with zero or minimal paid marketing.

Channel	Action	Expected Result
Dorit's Instagram (14K followers)	Series of posts: "I put my method into AI. Meet Numi." + stories showing real-time demo	50-100 website visits/post; 1-3% conversion to sign-up
Dorit's existing clients	Direct WhatsApp outreach to past clients: "Try my AI — founding member price \$299"	10-30 founding members in first month
Dorit's book readers	Insert/sticker in new book copies; QR code to Numi	Ongoing low-volume lead generation
Dorit's consultant team	Her 4-5 trained consultants recommend Numi to clients who can't afford human consulting	Steady referral pipeline
Word of mouth	Happy parents tell other parents. Baby sleep is a topic every parent discusses.	Organic growth multiplier
Super Numi (website agent)	AI on Dorit's website converts 2AM visitors into leads or paying customers	24/7 lead conversion

Marketing spend in Phase 1: ~0-500/month (organic-first strategy)

Phase 2: Israel Growth — "Expand the Circle" (Months 6-12)

Strategy: After Gate 1 (30 families, revenue covers costs), invest in small-scale paid marketing to grow beyond Dorit's direct network.

Channel	Budget	Expected CAC
Facebook/Instagram ads (Israeli parents)	500-1000/month	30-50/family
Google Ads (Hebrew: "baby doesn't sleep", "sleep consultant")	\$300-500/month	40-60/family
Content marketing (blog posts, sleep tips, Dorit's expertise)	\$0 (Dorit creates content)	\$0 (organic)

Parenting forums and communities	\$0 (organic posts)	\$0
Partnerships with baby stores (Shilav, etc.)	Co-marketing	Low

Total Phase 2 marketing: 800-1500/month

Phase 3: UK Launch (After Gate 2, ~Month 12-15)

Strategy: Adapt the proven Israeli playbook for the UK market.

Component	Budget	Notes
Content adaptation (English, UK cultural norms)	3000-5000 (one-time)	NHS references, British English, UK sleep norms
UK sleep expert/advisor consultation	2000-3000 (one-time)	Local credibility and methodology validation
Instagram/Facebook ads (UK parents)	2000-3000/month	Target: new parents, 25-40, UK
Google Ads (UK)	\$1,000-2,000/month	"baby sleep help UK", "sleep consultant"
UK parenting communities (Mumsnet, etc.)	\$0 (organic)	Mumsnet is a major parenting forum in the UK
Total UK launch budget: 12500-20000 (from Israeli profits)		

6.2 Marketing Channels & Budget Allocation

Year 1 (Israel Only)

Channel	Monthly Budget	% of Marketing Spend	Expected CAC	Expected Families/Month
Organic (Dorit's network)	\$0	0%	\$0	5-15
Social media ads	\$500-1,000	50-60%	\$30-50	10-20
Google Ads	\$300-500	25-30%	\$40-60	5-10
Content/SEO	\$0	0%	\$0	2-5 (long-term)
Partnerships	\$200-500	10-20%	\$20-30	3-5
Total	\$1,000-2,000	100%	\$25-40 blended	15-35

Why marketing spend is so low: Dorit's existing audience is the primary acquisition channel. Paid marketing is a supplement, not the driver. This is one of the key advantages of building on an existing practice — CAC is dramatically lower than a cold-start.

6.3 CAC & LTV Analysis

Metric	Value	How It's Calculated
Blended CAC	\$25-40	Weighted average: \$0 for organic (Dorit's network) + 30-60 for paid channels. ~50% of families come through Dorit organically.
Average revenue per family (Year 1)	\$425	\$399 base + ~\$26 average from 0.44 extra seats per family (see note below)
Gross margin per family	~90%	Variable cost per family: ~\$41.88/year (\$3.16/month primary + \$0.33/month avg seat). Gemini Pro drives the Consultant agent — worth paying for quality.
LTV (1 year, net of variable costs)	\$383	\$425 - \$41.88 variable costs
LTV (2 years, 85% renewal)	\$709	\$383 + (\$383 × 0.85)
LTV (with second child, 30% probability)	\$788	\$709 + (\$299 - \$37.92) × 0.30
LTV:CAC ratio	9.6 - 28.4x	\$383 / \$40 = 9.6x (worst). \$709 / \$25 = 28.4x (best). Target: >3x is healthy.
Payback period	< 1 month	Annual payment upfront. CAC is recovered immediately at sign-up.

Where does "0.44 extra seats per family" come from? We estimate ~44% of Israeli families will purchase at least one additional seat (e.g., grandmother, nanny). This is a conservative assumption for the Israeli market, where extended family — especially grandmothers — are deeply involved in childcare (Israel has the highest OECD fertility rate at 2.91 children/family, and multi-generational households are common). At \$59/seat, 0.44 extra seats × \$59 = ~\$26 average add-on revenue per family. If the actual attach rate is lower (e.g., 30%), average revenue drops to ~\$417/family — still well above break-even.

Supporting comparable data for the 44% assumption: Family/multi-user add-on attach rates in subscription services provide a useful benchmark. Spotify Family plans account for ~~30-35%~~ of total subscribers (Spotify Q4 2024 Earnings). Netflix reports that the average account has 2.0+ profiles, implying ~~~50%+~~ of households use multi-profile features. In Israel specifically, cultural norms of extended family involvement in childcare are significantly stronger than in Western markets — grandmothers routinely provide daily childcare. A 44% attach rate sits between the Spotify Family baseline (30-35%) and the Netflix multi-user engagement (~50%+), which is reasonable given that Numi Seats solve a real coordination problem (inconsistency between caregivers is the #1 reason sleep training fails). The assumption will be validated during beta testing (Month 7) and adjusted based on actual data.

Why these unit economics are excellent: The combination of (1) 90% gross margins (even with Gemini Pro for the Consultant), (2) annual upfront payment, and (3) organic acquisition through Dorit creates LTV:CAC ratios that are 3-9x better than typical SaaS benchmarks (which target 3:1). Seats and additional children improve economics further — seats use only cheap Flash models (\$0.75/month variable cost vs. \$59/year revenue = 85% margin).

6.4 Retention Strategy

Why Retention Is Critical

The annual subscription model means retention = renewal. A customer who renews for Year 2 is pure profit (no re-acquisition cost, near-zero variable cost). The key challenge: **the usage is bursty**. Parents use Numi intensively for 2 weeks (crisis), then barely at all for months. If they don't see value during the quiet months, they won't renew.

Retention Mechanisms

Mechanism	How It Works	Impact
Proactive regression alerts	Numi messages: "Your baby turns 8 months in 2 weeks. A sleep regression is common at this age. Here's what to prepare."	Parent thinks: "Good thing I have Numi" during quiet months
Weekly sleep reports	Summary: "This week: 6 continuous sleep nights, 1 wake-up. Trend: improving."	Ongoing engagement even when things are going well
Nap transition guidance	Numi detects: "Based on patterns, your baby is ready to drop from 2 naps to 1. Here's a transition plan."	Tangible value during a developmental shift
Seat engagement	Grandmother and nanny interact with Numi regularly for daily instructions	More touchpoints = more perceived value
Long-term memory	"6 months ago, method X worked in 3 nights. Let's try it again for this regression."	Demonstrates irreplaceable accumulated knowledge
Second child incentive	"Expecting again? Add your new baby for \$299 — we'll use everything we learned from your first child."	Upgrades an at-risk churning customer into a higher-paying one

Target annual renewal rate: 85% (15% churn). This is conservative for a product with bursty usage but strong proactive engagement.

6.5 Pricing Strategy

Pricing Architecture (Detailed)

Product	Israel Price	UK Price	US Price	Notes
Numi Sleep Program	\$399/year per child (1,245 NIS)	£449/year	\$599/year	Core product. 2 seats (parents) included.
Founding Members	\$299/year per child (933 NIS)	—	—	First 50 families only. Israel launch.

Additional Seat	\$59/year (184 NIS)	£69/year	\$79/year	Grandmother, nanny, au pair, night nanny. Own WhatsApp, role-adapted AI.
Additional Child	\$299/year per child (933 NIS)	£349/year	\$399/year	Sibling coordination included. Existing seats carry over.
Family Bundle (2 children)	\$599/year (1,869 NIS)	£699/year	\$899/year	Save vs. buying separately.
Money-back guarantee	14 days, full refund	Same	Same	Risk-free trial. If Dorit's method works in 3-5 nights, almost no refunds expected.

Why \$399/Year in Israel

Comparison Point	Price	Numi's Position
Dorit's human consulting package	2,000-3,000 NIS (\$641-\$962)	38-59% cheaper — and available 24/7 for 12 months, not just 4-8 weeks
Huckleberry Premium (annual)	\$120/year	3.3x more expensive — but Numi is agentic (proactive), methodology-backed, Hebrew, WhatsApp-native. Entirely different product category.
Nanit (camera + annual subscription)	\$420-\$600+	Similar price range — but Numi is pure software (no hardware), coaches (doesn't just monitor), and includes methodology.

The positioning: Numi is priced between generic sleep apps (\$120/year) and human consultants (\$641-962). This is the "professional AI coaching" tier — premium enough to be taken seriously, affordable enough to be a no-brainer compared to human consulting.

Pricing Flexibility for Negotiation

These prices can be adjusted based on market response. The key constraint is that the unit economics must remain viable:

Minimum viable price (Israel)	\$249/year	Still profitable at ~100 families. Below this, break-even becomes too hard.
Target price (Israel)	\$399/year	Optimal balance of value perception and revenue.
Maximum price (Israel)	\$499/year	Risk: perceived as too expensive vs. generic apps. Test needed.

End of Sections 4-6

Numi by Agentic AI Ltd. — Business Plan

February 2026 | Confidential

Section 7: Management Team

7.1 Team Philosophy

Numi is built by **two co-founders and one full-time engineer** — a deliberately lean structure for the pre-revenue stage.

Advantage	Why It Matters
Founder salary cost: \$0	Both founders draw zero salary. 100% of capital goes to product and operations.
Zero bureaucracy	Two decision-makers = immediate execution. No committees, no "alignment meetings."
Complementary skills	Rotem builds the product. Dorit provides the methodology, brand, and customers. No overlap.
Skin in the game	Dorit invests \$50K of family capital. Rotem invests 15-20 hours/week of personal time at \$0 pay. Both hold 50% equity.
Full-time engineer from day 0	Eliminates single-point-of-failure risk. The second person who knows the entire system.

Core Principle: Numi requires exactly two things — **advanced AI technology** and **a proven sleep methodology**. Rotem provides the first. Dorit provides the second. Everything else can be hired — but these two cannot be faked.

7.2 Founders

Detailed bios, qualifications, and founders agreement terms are in Section 2.5-2.7. This section focuses on the team's operational structure.

Rotem Levi — Co-Founder & CTO

Detail	Information
Role	CTO. Builds the product, manages technology and operations.
Current employer	Team Lead, Data Engineering at Bigabid (AdTech)
Time on Numi	Evenings, weekends, holidays (~15-20 hours/week)
Salary from Numi	\$0 (Year 1). Funded by Bigabid salary (52,323 ILS/month gross).
Full-time trigger	Net profit ≥ 85,000 ILS/month for 3 consecutive months (~880-920 families)

Why not full-time from day 1: Rotem keeping his Bigabid salary means zero cost pressure on the company. At a market rate of \$10,000-15,000/month for a CTO in Israel, this saves the company \$120,000-180,000 in Year 1 alone. A full-time engineer (\$1,500/month) handles day-to-day development, and Rotem architects, reviews, and builds critical systems during off-hours. This is de-risking, not lack of commitment.

Dorit Kreiser — Co-Founder, Methodology & Marketing Lead

Detail	Information
Role	Methodology Lead + Marketing Lead. The "brain" behind every AI response.
Background	Israel's leading baby sleep consultant. Nurse-midwife since 1994. Psychotherapist. Doctoral student in infant sleep at Tel Aviv University.
Published work	"Shhhh... At Night We Sleep" — published by Kinneret Zamora, sold at Steimatzky, Book Junction, Shilav. English edition on Amazon.
Audience	~14K Instagram followers. Team of 4-5 trained consultants. Active client base.
Investment	\$50,000 owner's loan to the company
Salary from Numi	\$0 (earns through 50% equity)

The Kreiser Family Advantage: Dorit's husband, **Dr. Doron Kreiser**, is a senior OB/GYN (Hadassah graduate, Stanford-trained, former Sheba delivery room director). Together they run businesses in maternity and parenting — bringing medical credibility, business experience, and a professional network in Israeli maternal care.

7.3 Engineering Team

Day-0 Engineer — \$1,500/month

Detail	Information
Role	Full-stack engineer. Learns the entire codebase and business from day 0.
Start date	Day 1 of operations (April 2026)
Cost	\$1,500/month (~5,550 ILS). Largest single line item in the budget.
Hiring profile	Junior-to-mid engineer. Python, cloud, willing to learn AI/ADK.
Employment type	Contractor or freelancer (flexibility, no employer overhead costs)

Why hire from day 0 (not later):

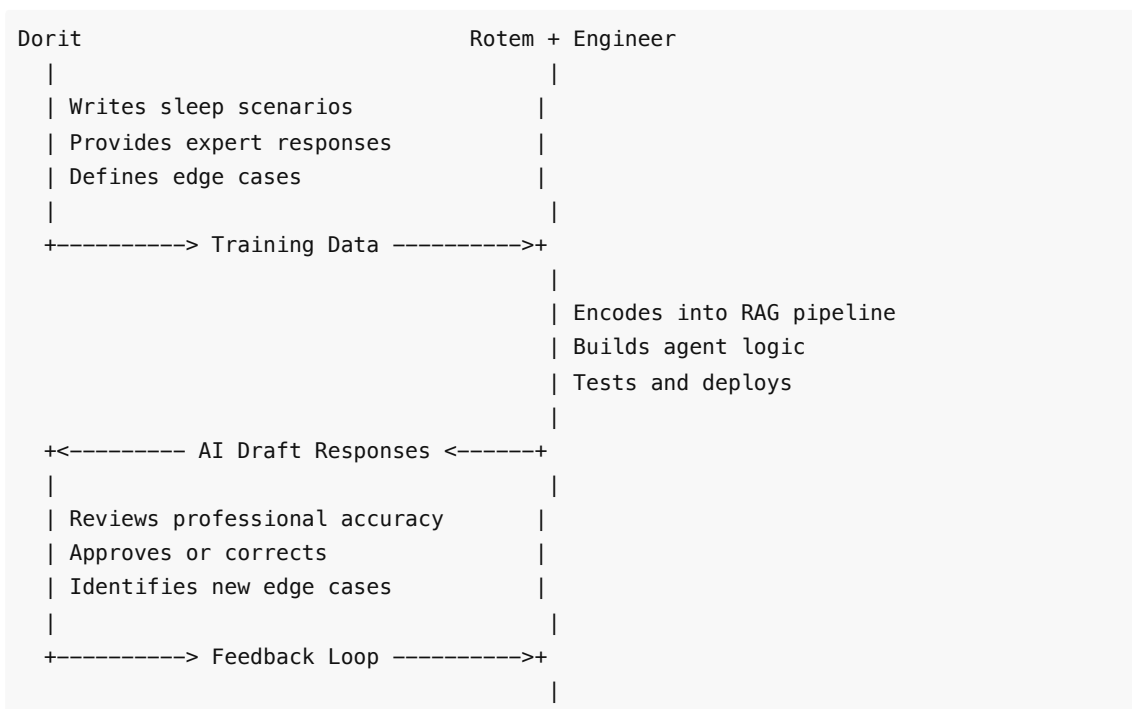
Reason	Explanation
Bus factor	If only Rotem knows the system and he's unavailable, the company stops. Unacceptable risk.
Knowledge transfer	It takes months to deeply understand an AI agent system. Starting early means the engineer is productive by launch.
Velocity	Two developers build faster than one. Rotem architects; the engineer builds features.

Transition preparation	When Rotem goes full-time, he'll need to manage the engineer — better to have that relationship established.
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7.4 Responsibility Matrix

Area	Rotem	Dorit	Engineer
AI architecture & design	Leads	—	Supports
Backend development	Leads (critical systems)	—	Leads (features)
RAG & knowledge base	Implements	Provides content	Supports
AI response validation	Reviews	Validates	—
WhatsApp integration	Designs	—	Implements
Infrastructure & DevOps	Leads	—	Supports
Methodology & content	—	Leads	—
Marketing & social media	—	Leads	—
Customer referrals	—	Leads	—
Financial management	Shared	Shared	—
Strategic decisions	Shared	Shared	—
Company operations	Shared	Shared	—

The AI Training Loop



Numi improves
with every iteration

This is an ongoing process — not a one-time effort. As more parents use Numi, Dorit identifies new patterns and the engineering team implements them. The product improves continuously.

7.5 Advisory Board

See Section 2.6 for full advisory board strategy.

Agentic AI is building an advisory board in three domains:

Domain	Why	Target Profile	Compensation
Pediatric sleep medicine	Clinical credibility, methodology validation	Pediatrician or neonatal nurse specializing in sleep	0.25-0.5% equity
AI/ML engineering	Architecture review, model safety, scaling	Senior AI engineer from a leading AI company	0.25-0.5% equity
SaaS growth	GTM strategy, unit economics, B2B sales	Former VP Growth at a B2C SaaS company (\$10M+ ARR)	0.25-0.5% equity

Dr. Doron Kreiser may serve in an informal advisory capacity on medical and clinical matters.

7.6 Hiring Plan

No speculative hires. Every position is triggered by a specific revenue or operational milestone.

Trigger	Role	Type	Cost	Purpose
Day 0 (April 2026)	Full-stack engineer	Contractor	\$1,500/month	Core development, bus factor
Gate 2 passed (Month 12 from launch)	UK content/marketing contractor	Contractor	2000-3000/month	English localization, UK market adaptation
~300 families	Part-time customer success	Contractor	500-1000/month	Handle edge cases, onboarding support
~880-920 families (Rotem's transition)	Rotem full-time as CTO	Employee	60,000-65,000 ILS/month	Full-time leadership and development
Year 3 / US entry	US market lead	Contractor/Employee	4000-6000/month	US GTM, partnerships,

				cultural adaptation
Year 3+	Second engineer	Employee	3000-5000/month	Scale engineering team

Hiring principles:

1. **Revenue first, then hire** — every hire is justified by existing revenue, not projections
2. **Contractors before employees** — flexibility, no overhead, easy to scale down
3. **Protect the runway** — no hire that threatens the company's survival
4. **Each hire must pay for itself** — within 3 months, the hire should generate more value than it costs

7.7 Why This Team Works at This Stage

Investor Question	Answer
"Why only two founders + one engineer?"	Because that's all that's needed. Technology + methodology = product. The engineer ensures continuity.
"Where's the marketing team?"	Dorit — with 14K Instagram followers, a published book, an active client base, and a team of 4-5 consultants who refer clients.
"Why is the CTO part-time?"	He dedicates 15-20 hours/week unpaid. A full-time engineer handles day-to-day. Rotem transitions full-time when the numbers prove it.
"Why no salaries?"	Because both founders can afford it — and \$0 founder salary means 100% of the \$50K goes to product and operations, not paychecks.
"What if someone leaves?"	Founders agreement with 4-year vesting, 1.0-year cliff, IP stays with company, exit clauses defined. See Section 2.7.
"Why 50/50 equity?"	Without technology there's no product. Without methodology there's no value. Both contributions are equally irreplaceable.

End of Section 7 — Management Team

Section 8: Operations Plan

8.1 Operational Philosophy

Numi's operations follow one principle: **lean, fast, and data-driven**.

Instead of building a full mobile application with heavy infrastructure, Numi launches as an AI agent inside WhatsApp — the platform Israeli parents already use every day. This approach enables:

Advantage	Detail
Rapid launch	MVP in 4-6 months (not 12-18 for a native app)

Zero friction	No app download, no new account, no learning curve
Low operating costs	\$3,000/month fixed costs — \$50K covers 12 months zero-revenue (after \$11K setup)
Direct channel	98% WhatsApp message open rates (message open rates — distinct from the 99% platform penetration figure) in Israel (JPost, 2025)

8.2 Development Roadmap

See Section 3.5 for the full product roadmap. This section focuses on the operational execution plan.

Phase 1: MVP Build (Months 1-6 from operations start)

Goal: Build a working AI sleep consultant on WhatsApp. Prove the technology works.

Timeline: April 2026 – September 2026

Month	Focus	Deliverable
Month 1 (Apr 2026)	Infrastructure setup	GCP project, WhatsApp BSP connection, ADK framework, CI/CD pipeline, Firestore schema
Month 2 (May 2026)	RAG pipeline + Sleep Agent core	Dorit's methodology encoded into embeddings. Sleep agent conducts basic conversations.
Month 3 (Jun 2026)	"Dorit's Clock" + intake flow	Real-time check-in timer with strategic withdrawal works via WhatsApp. Intake questionnaire builds baby profile through natural conversation.
Month 4 (Jul 2026)	Personalized plan generation	AI builds custom multi-week sleep plans based on baby profile + methodology. Dorit reviews and validates.
Month 5 (Aug 2026)	Multi-seat support + payment	Seats system (parent, co-parent, grandma, nanny) operational. Payment integration (Stripe/PayPlus).
Month 6 (Sep 2026)	Testing + hardening	Internal testing, edge case handling, Dorit validates 100+ conversation samples. AI accuracy target: ≥85%.

Phase 1 cost: \$3,000/month × 6 = \$18,000 (operations) + \$11,000 (one-time setup) = **\$29,000**

Phase 2: Beta + Launch (Months 7-8)

Timeline: October – November 2026

Month	Focus	Deliverable
Month 7 (Oct 2026)	Beta with 5 free families	Real families use Numi under close monitoring. Dorit reviews every conversation. Bug fixes and refinements.
Month 8 (Nov 2026)	Public launch — founding members	First 50 families at \$299/year. Marketing via Dorit's Instagram, book network, and consultant team referrals.

Phase 3: Growth + Feature Expansion (Months 9-14)

Timeline: December 2026 – May 2027

Month	Focus	Deliverable
Months 9-10	Nutrition Agent	Food-sleep correlation tracking. Feeding data integration.
Month 11	Weekly reports + proactive alerts	Automated weekly sleep summaries. Regression prediction (age-based).
Month 12	Long-term memory	Cross-month developmental tracking. Child profile enrichment over time.
Month 13	Basic siblings logic	Schedule coordination for families with 2+ children.
Month 14 (May 2027)	Gate 1 evaluation	6 months from launch. Full assessment against gate criteria.

Phase 4: UK Preparation (Months 15-20)

Timeline: June – November 2027

Month	Focus	Deliverable
Months 15-17	English localization	Full platform translation + UK cultural adaptation (NHS references, British norms).
Month 18	UK compliance	GDPR compliance, UK data residency (GCP London region).
Month 19	UK content validation	UK sleep expert reviews English content for cultural accuracy.
Month 20 (Nov 2027)	Gate 2 evaluation → UK launch	12 months from launch. If gate passes, UK operations begin.

8.3 Key Milestones – 24 Months

Month	Milestone	Success Metric	Gate?
1 (Apr 2026)	Company incorporated, \$50K deployed, engineer starts	Legal complete, bank account open, first sprint	—
6 (Sep 2026)	MVP complete	All core features working, AI accuracy ≥ 85%	—
7 (Oct 2026)	Beta launch (5 families)	Real conversations, ≥80% satisfaction, ≤5 critical bugs	—
8 (Nov 2026)	Public launch	Founding members sign up. First revenue.	—

10 (Jan 2027)	30+ families	Revenue covers monthly operating costs	—
14 (May 2027)	Gate 1 (6 months from launch)	30 families, revenue ≥ costs, <15% refund rate	✓ Gate
17 (Aug 2027)	80+ families	Consistent month-over-month growth, NPS ≥ 40	—
20 (Nov 2027)	Gate 2 (12 months from launch)	120 families, \$48K ARR, <15% churn, NPS ≥ 50, \$15K UK reserves	✓ Gate
21 (Dec 2027)	UK launch begins	First UK customers, English product live	—
24 (Mar 2028)	End of Year 2	300-500 families (Israel + UK), loan repayment underway	—

Gate System — Decision Framework

Gates are go/no-go decisions. Both founders review the data together and decide whether to proceed, pivot, or pause.

Note on timing: Gate dates are measured from launch (November 2026), not from the fiscal year start (April 2026). Gate 1 (May 2027) falls in early Year 2 fiscally, but just 6 months post-launch. Gate 2 (November 2027) falls mid-Year 2 fiscally, 12 months post-launch.

Gate 1 — Month 6 from Launch (May 2027)

Criterion	Minimum Threshold	What It Proves
Active paying families	≥ 30	Product has real demand
Monthly revenue	≥ monthly costs (\$3,000+)	Business model is viable
Refund rate	< 15%	Product delivers on its promise
AI accuracy (Dorit-validated)	≥ 90%	AI is trustworthy

If Gate 1 fails: Analyze why. Options: adjust pricing, improve product, extend timeline by 3 months, or wind down.

Gate 2 — Month 12 from Launch (November 2027)

Criterion	Minimum Threshold	What It Proves
Active paying families	≥ 120	Sustainable growth beyond Dorit's direct network
Annual Run Rate (ARR)	≥ \$48,000	Revenue trajectory supports expansion (120 families × \$399 = \$47,880)
Annual churn	< 15%	Families renew — the product has lasting value

NPS	≥ 50	Families actively recommend Numi
Cash reserves for UK	≥ \$15,000	Company can fund UK expansion from profits

If Gate 2 fails: Continue Israel growth. Re-evaluate UK timeline. Do not expand until all criteria are met.

8.4 Technology Operations

Performance Targets

Metric	Target	Why
AI response time	< 3 seconds (target: < 2 seconds)	Parents at 2AM won't wait. Every second beyond 3 increases abandonment.
System uptime	≥ 99.5%	~44 hours max downtime per year. Acceptable for early stage.
WhatsApp delivery rate	≥ 99%	A parent who doesn't receive a response = broken trust.
AI accuracy (Dorit-validated)	≥ 90%	9 out of 10 responses must be methodologically correct.
Cost per customer per month	< \$5	Variable costs must remain a small fraction of revenue. Current estimate: ~\$3.16/month (primary child).

Monitoring Stack

Tool	Purpose
Google Cloud Monitoring	System health, uptime, latency, error rates
Google Cloud Logging	Detailed logs of every conversation and agent action
Firestore analytics	Usage metrics, customer behavior, retention patterns
Custom dashboard (future)	Business metrics: revenue, families, CAC, LTV, churn

AI Quality Assurance — The Dorit Loop

Every AI response is grounded in Dorit's methodology via RAG, but quality must be continuously validated:

Process	Frequency	Owner
Conversation sampling	Daily (first 3 months), weekly (after)	Dorit
Edge case review	Every flagged case	Dorit
Accuracy audit	Monthly	Dorit + Rotem

Methodology update	As needed (new scenarios, corrections)	Dorit creates → Engineer implements
Safety escalation review	Every occurrence	Both founders

Escalation rules:

- **Low AI confidence** → Flag for Dorit's review within 24 hours
- **Medical concern detected** (fever, breathing, vomiting) → Immediate referral to pediatrician + escalation to Dorit
- **Parental distress detected** (depression, harm) → Emergency hotline referral + immediate escalation to both founders

8.5 Compliance & Security

Regulatory Timeline

Requirement	When	Status
Israeli Privacy Protection Law (1981)	Before launch (Month 7)	Privacy policy drafted, attorney review planned
Health disclaimer	Before launch	"Numi is coaching, not medical advice." Clear in onboarding, terms, and ongoing communication.
Terms of service	Before launch	Attorney-drafted, covering: data use, AI limitations, refund policy
GDPR (EU/UK)	Before UK launch (Month 20)	Data minimization, right to deletion, explicit consent, UK data residency
SOC 2	Year 3+ (if B2B/enterprise)	Not needed for B2C launch; required for HMO/clinical partnerships

Data Security

Domain	Measure
Encryption in transit	TLS 1.3 for all communications (built into GCP + WhatsApp)
Encryption at rest	AES-256 for all data in Firestore (built into Google Cloud)
Access control	Role-based permissions: seats have read/log access, not plan modification or billing
No data sharing	Personal information is never shared with third parties. Fixed policy.
Right to deletion	Parents can request complete data deletion at any time
AI safety guardrails	Medical content filtering, automatic human escalation for edge cases

8.6 Daily, Monthly, and Quarterly Operations

Daily

Task	Owner	Details
Customer support	AI (automated)	95%+ of interactions handled by AI
Conversation monitoring	Dorit	Sample review of AI conversations for accuracy
System health check	Engineer	Uptime, response times, error logs

Monthly

Task	Owner	Details
Financial review	Both founders	Revenue, expenses, cash balance, loan balance, updated projections
AI quality audit	Dorit	Review of 20+ conversation samples, identify incorrect responses
Cloud cost review	Rotem	GCP billing analysis, optimization opportunities
Marketing performance	Both founders	CAC by channel, conversion rates, ROI

Quarterly

Task	Owner	Details
Strategic review	Both founders	Direction, roadmap, market changes, competitive moves
Customer feedback analysis	Dorit	Satisfaction trends, recurring requests, pain points
Pricing review	Both founders	Market comparison, willingness-to-pay signals, adjust if needed
Competitive monitoring	Rotem	New entrants, competitor feature updates, market shifts

End of Section 8 — Operations Plan

Section 9: Financial Plan & Projections

Financial Executive Summary

Numi is built on a lean financial model designed for capital efficiency and rapid path to profitability. The company is funded by a **\$50,000 owner's loan** from Dorit, with **\$0 founder salaries**, monthly operating costs of **\$3,000**, and break-even at approximately **100 paying families**.

Five key facts:

Fact	Number	Why It Matters
Total investment	\$50,000 (~156,000 ILS)	Covers \$11K one-time setup + 12 months of zero-revenue operations
Monthly operating cost	\$3,000 (~9,360 ILS)	Among the lowest in the industry — almost impossible to kill
Break-even	~100 paying families	Just 0.05% of annual Israeli births (181,609)
Variable cost per customer	~\$3.16/month (primary child)	90.5% gross margin — driven by Gemini Pro for the Consultant agent
Revenue from month 7-8	Yes — Dorit's existing audience	This is not a cold start

9.1 Investment Structure**Owner's Loan — \$50,000 (~156,000 ILS)**

Detail	Terms
Type	Owner's loan from Dorit to the company
Amount	\$50,000 (~156,000 ILS at 3.12 exchange rate)
Interest	0%
Repayment priority	First — before any dividends, founder salaries, or profit distribution
Repayment timeline	Target: 12-18 months from first revenue
Security	Lien on all company assets and IP
Monthly reporting	Full financial transparency: revenue, expenses, customers, loan balance

Why \$50,000 — Not More, Not Less

The \$50K covers the absolute worst-case scenario (6-month build with zero revenue, 6 months of slow ramp, and unexpected costs) with a comfortable buffer:

Component	Amount	Calculation
One-time setup (legal, incorporation, compliance)	\$11,000	Itemized below
6 months MVP development at \$3,000/month (zero revenue)	\$18,000	Worst case: full 6-month build
6 months early operations at \$3,000/month (slow revenue)	\$18,000	Conservative: revenue doesn't fully cover costs yet

Worst-case buffer	\$3,000	Unexpected costs, delays, market surprises
Total	\$50,000	

Why not more: \$50K provides 12 months of zero-revenue runway after \$11K setup costs. Revenue starts by month 7-8, extending effective runway well beyond year 1. More capital would be idle and unnecessary. Marketing is funded from revenue once it starts.

Why not less: Cutting to \$30K would leave only 3-4 months of buffer after MVP build. One delay or surprise could force an emergency. The extra \$20K buys peace of mind and negotiating power.

Why an Owner's Loan — Not Venture Capital

Criterion	Owner's Loan (\$50K)	Venture Capital (\$500K+)
Ownership dilution	0% — Rotem and Dorit hold 100%	15-25% to external investors
Decision-making control	Full — both founders only	Board seats, veto rights, reporting obligations
Growth pressure	None — grow at a healthy pace	Aggressive — investors demand 10x in 3-5 years
Personal risk	Limited — \$50K max	High — expectations for \$5M+ ARR
Revenue timing	Month 7-8 (existing audience)	Often month 12+ (building audience from scratch)
Return priority	First — loan repaid before dividends	Only at exit (sale/IPO)
Fundraise later?	Yes — if both founders agree, likely Year 3+	Already committed to investor timeline

9.2 Startup Costs (One-Time)

Item	Cost	Notes
Legal — founders agreement (attorney)	\$3,000	Binding agreement covering equity, IP, exit, governance
Company incorporation	\$1,000	Agentic AI Ltd. registration in Israel
Accountant — setup, tax registration	\$1,500	VAT registration, bookkeeping setup, tax structure
WhatsApp BSP — initial setup	\$500	Business Solution Provider onboarding
Domain, branding, landing page	\$1,000	sleep-allnight.com or numi-sleep.com, basic website
Business insurance	\$1,000	Professional liability, cyber insurance

Compliance — privacy policy, terms of service	\$2,000	Attorney-drafted, Israeli Privacy Protection Law
Setup contingency	\$1,000	Unexpected registration or legal requirements
Total one-time	\$11,000	

9.3 Monthly Operating Costs

Fixed Monthly Costs — \$3,000/month

Item	Monthly Cost	Annual Cost	Source / Notes
Engineer (contractor)	\$1,500	\$18,000	Full-time contractor. Largest line item.
Google Cloud (Cloud Run + Firestore)	\$150	\$1,800	Free tier covers early usage. Scales with users. GCP Pricing
WhatsApp BSP fee	\$50	\$600	Business Solution Provider monthly fee
AI & Development tools	\$500	\$6,000	Claude Code (2 developers), AI-powered video/creative editors, GitHub Pro, monitoring tools
Accounting	\$300	\$3,600	Monthly bookkeeping, VAT filings
Legal retainer	\$200	\$2,400	Ongoing legal questions, contract review
Contingency	\$300	\$3,600	Buffer for unexpected costs
Total fixed	\$3,000	\$36,000	

What's NOT included (and why):

Item	Why It's Not Here
Founder salaries	\$0 — both founders have external income
Marketing	Funded from revenue. See Section 9.4.1 below.
Office space	Remote-first. No office needed at this stage.
Gemini API costs	Variable cost — see below
WhatsApp message costs	Variable cost — see below

Variable Costs — Multi-Model Architecture

Numi uses **cost-optimized model selection**: each agent runs on the cheapest model that can do its job. Only the Consultant agent (which builds sleep plans using RAG + methodology) uses Gemini Pro. All other agents (Intake, Aftercare, Logger, Booking, Root) use Gemini Flash.

Primary Child — ~\$3.16/month variable cost:

Component	Cost/Month	Calculation	Source
Gemini Pro (Consultant agent)	\$2.70	~135 consultant calls/month. Avg 2,500 input + 1,250 output tokens/call. \$2/1M input, \$12/1M output.	Google AI Pricing
Gemini Flash (all other agents)	\$0.33	~70% of interactions. Intake, Aftercare, Logger, Root. \$0.50/1M input, \$3/1M output (Gemini 3 Flash).	Google AI Pricing
RAG retrieval (embeddings)	\$0.01	Vertex AI RAG. \$0.15/1M tokens. Used by Consultant agent.	Google AI Pricing
WhatsApp messages	\$0.06	Service messages (customer-initiated): FREE . Business-initiated (utility): \$0.01/msg. ~2-3 proactive/day.	WhatsApp Pricing
Total (primary child)	~\$3.16/month		

Additional Seat (grandma, nanny) — ~\$0.75/month variable cost:

Component	Cost/Month	Why Cheaper
Gemini Flash only	\$0.60	Seats use Aftercare + Logger agents (Flash). No Consultant (Pro) — the sleep plan is already built for the primary parent.
WhatsApp	\$0.06	Same per-message pricing
RAG	\$0.01	Minimal retrieval
Buffer	\$0.08	Usage variance margin
Total (per seat)	~\$0.75/month	85% cheaper than primary child

Additional Child — ~\$3.16/month variable cost:

Each child needs its own Consultant session (Pro) for personalized sleep plan building, so the cost is the same as the primary child.

Variable Cost Summary by Product:

Product	Monthly Variable Cost	Annual Revenue	Annual Gross Profit	Gross Margin
Primary child	\$3.16	\$399	\$361.08	90.5%
Additional seat	\$0.75	\$59	\$50.00	84.7%
Additional child	\$3.16	\$299	\$261.08	87.3%
Family bundle (2 children)	\$6.32	\$599	\$523.16	87.3%

Why these margins are excellent despite Pro costs:

- Gemini Pro is 20-30x more expensive than Flash *per token* — but it's only used for ~30% of interactions (the Consultant)
- The Consultant is the highest-value interaction (builds the plan, wins trust) — worth paying for quality
- All data collection, logging, and daily check-ins run on the cheapest model
- WhatsApp service conversations (customer-initiated) remain **free**
- Even with Pro, the annual variable cost per primary child (\$37.92) is just 9.5% of revenue (\$399)

Gemini pricing note: The variable costs above use **current Gemini 3 Flash pricing** (\$0.50/\$3.00 per 1M tokens). The original cost basis (Gemini 2.0 Flash-Lite at \$0.075/\$0.30) was ~\$0.04/month — current pricing at \$0.33/month is ~8x higher but still negligible relative to Pro costs (\$2.70/month). Google's model lifecycle is ~6-12 months; pricing changes with each generation. See sensitivity analysis in Section 9.8 for impact of 2x pricing scenarios.

Marketing Costs (Revenue-Funded)

Marketing is NOT part of the \$3,000 base operating costs. It's funded from revenue once the company generates income:

Phase	Period	Monthly Marketing	Funded By
Pre-launch	Months 1-6	\$0-200 (organic only)	Minimal — Dorit creates content herself
Launch (Phase 1)	Months 7-10	\$0-500	Founding member revenue
Growth (Phase 2)	Months 11-14	\$1,000-1,500	Growing subscription revenue
Scale	Months 15+	\$1,500-2,000	Established revenue base

Year 1 total marketing: ~5000-8000 (funded entirely from revenue)

9.4 Revenue Model

Pricing Recap (from Section 6.5)

Product	Israel	UK	US
Numi Sleep Program (1 child, 2 seats)	\$399/year	£449/year (~\$569)	\$599/year
Founding Members (first 50 families)	\$299/year	—	—
Additional Seat (grandma, nanny)	\$59/year	£69/year	\$79/year
Additional Child	\$299/year	£349/year	\$399/year
Family Bundle (2 children)	\$599/year	£699/year	\$899/year

Revenue Per Family

Metric	Value	Calculation
Base subscription (Israel)	\$399/year	Core product price
Average seat add-on revenue	~\$26/year	~44% of families buy 1 extra seat at \$59 [ASSUMPTION — see Section 6.3 for derivation]
Average revenue per family (Year 1)	~\$425/year	\$399 + \$26
Monthly equivalent	\$35.42/month	For break-even calculation purposes. But payment is annual upfront.
Variable cost per family per year	~\$41.88	Primary child \$3.16/month × 12 = \$37.92 + seat cost \$3.96
Gross margin per family	~90%	$(\$425 - \$41.88) / \$425 = 90.1\%$

Revenue Streams

Stream	Year 1	Year 2	Year 3	Notes
Core subscriptions	~90%	~80%	~70%	\$399/year (Israel), £449/UK, \$599/US
Seat add-ons	~6%	~8%	~10%	\$59-79/seat. Grows as families add grandma, nanny
Additional children	~4%	~10%	~15%	\$299/child. High in Israel (2.9 children/family)
Family bundles	—	~2%	~5%	2-child discount package

9.5 Break-Even Analysis

Monthly Break-Even

Fixed monthly costs:	\$3,000
Revenue per family per month:	\$33.25 (\$399/year ÷ 12)
Variable cost per family per month:	\$3.16
Contribution margin per family/month:	$\$33.25 - \$3.16 = \$30.09$
Break-even:	$\$3,000 / \$30.09 = 99.7 \approx 100$ families

At 100 paying families, monthly revenue covers all fixed + variable costs. Note: this break-even calculation covers operational costs only (engineer, cloud, accounting, legal, contingency) and does not include marketing spend. With marketing costs of \$500-1,500/month (funded from revenue), the effective break-even shifts to approximately 115-140 families depending on marketing intensity. See marketing cost phasing in Section 9.3.

With average seat add-on revenue (\$425/year per family, including ~0.44 extra seats — see Section 6.3 for derivation: ~44% of Israeli families add 1 extra seat [ASSUMPTION — based on cultural norms of extended-family involvement in Israel; sensitivity: at 30% attach rate, break-even shifts to ~97 families; at 0% attach rate, break-even = 100 families]):

Revenue per family: $(\$425/12) = \$35.42/\text{month}$
 Blended variable: $\$3.16 + (0.44 \times \$0.75) = \$3.49/\text{month}$
 Contribution margin: $\$35.42 - \$3.49 = \$31.93/\text{month}$
 Break-even: $\$3,000 / \$31.93 = 94 \text{ families}$

Break-Even in Context

Comparison	Number
Break-even families needed	100 (base subscription only) or 94 (with seat revenue)
Annual births in Israel	181,609 (CBS Israel via Macrotrends, 2024)
Break-even as % of births	0.05%
Parents with sleep problems (~37%)	~67,195
Break-even as % of parents with problems	0.15%
Dorit's Instagram followers	~14,000
Break-even as % of Dorit's followers	0.71% (100/14,000)

Capturing less than 1% of Dorit's own followers covers all costs — including Gemini Pro for the Consultant. This is an extremely low bar.

When Does Break-Even Occur?

Scenario	When	Cash Burned Before Break-Even	Cash Remaining
Conservative	Month 16 (8 months after launch)	~\$39,000	~\$11,000
Base	Month 13 (5 months after launch)	~\$32,000	~\$18,000
Optimistic	Month 10 (2 months after launch)	~\$27,000	~\$23,000

Note: "Break-even" here means monthly revenue \geq monthly costs (fixed + variable, not including one-time startup costs or marketing). Full capital recovery happens later — see loan repayment analysis in Section 11.

9.6 Three-Year Financial Projections

⚠️ MODEL SCOPE: Multi-Market Growth Plan (Israel → UK → US) The projections in Section 9 reflect the **full three-market expansion plan**: Israel (Year 1), UK (Year 2), and US entry (Year 3). These are growth-plan projections that assume successful gate passage and international expansion. For a more conservative, **Israel-centric stress test** of loan repayment viability, see **Section 11** — which uses the

Python financial model with single-market-weighted growth assumptions. The two models produce different Year 3 totals by design: Section 9's base case reaches 1,000 families/\$398K cumulative profit (multi-market), while Section 11's base case reaches 580 families/\$69K cumulative profit (Israel-weighted). See Section 11.5 for a detailed reconciliation.

Revenue recognition note: The projections below use **annual upfront cash accounting** — each family pays the full annual subscription at sign-up, and the revenue is recognized at the time of payment. This reflects actual cash flow timing and is appropriate for early-stage financial planning. The Python financial model (Appendix A) uses **monthly accrual** for loan repayment calculations, which produces slightly different monthly revenue figures. Both approaches yield the same annual totals.

Year 1: Israel Only (April 2026 – March 2027)

Months 1-6: Pre-revenue. MVP build. Year 1 includes a 6-month pre-revenue build period followed by 4-5 months of customer acquisition. **Months 7-12:** Launch → growth. First paying families.

Metric	Conservative	Base	Optimistic
Families (end of year)	50	120	200
Revenue	\$20,000	\$48,000	\$85,000
Total costs	\$45,000	\$55,000	\$57,000
Net income	-\$25,000	-\$7,000	+\$28,000
End cash balance	\$25,000	\$43,000	\$78,000

Revenue calculation (base case):

- 50 founding members × \$299 = \$14,950
- 70 regular families × \$399 = \$27,930
- Seat add-ons (~44% of 120 families × \$59) = \$3,120
- Additional children (~5% × \$299) = \$1,794
- **Total: ~\$47,794 ≈ \$48,000**

Cost breakdown (base case):

- One-time setup: \$11,000
- Operations (fixed): \$3,000 × 12 = \$36,000
- Marketing (revenue-funded): ~\$6,000 (growing from \$200/month pre-launch to \$1,500/month by M12)
- Variable costs (AI/API): ~\$1,000 (growing with family count at \$3.16/family/month)
- **Total: ~\$54,000** (\$47K from seed capital + ~\$7K marketing and variable costs funded from revenue; see Section 9.7 month-by-month for detail)

Year 2: Israel + UK (April 2027 – March 2028)

Metric	Conservative	Base	Optimistic
Israel families	150	280	450
UK families	50	120	250
Total families	200	400	700

Revenue	\$90,000	\$190,000	\$350,000
Total costs	\$70,000	\$105,000	\$150,000
Net income	+\$20,000	+\$85,000	+\$200,000
Cumulative profit	-\$5,000	+\$78,000	+\$228,000

Revenue calculation (base case):

- Israel renewals: 102 families (85% of 120) × \$399 = \$40,698
- Israel new: ~178 families × \$399 = \$71,022
- UK new: ~120 families × £449 (\$569) = \$68,280
- Seat + child add-ons: ~\$10,000
- **Total: ~\$190,000**

Cost breakdown (base case):

- Operations base: \$3,000 × 12 = \$36,000
- Engineer (full year): included in base
- UK launch costs: \$15,000 (one-time) + \$3,000/month × 6 months = \$33,000
- Israel marketing: \$1,500 × 12 = \$18,000
- UK marketing: \$3,000 × 6 = \$18,000
- Accounting/legal (scaled): \$5,000
- **Total: ~\$105,200 ≈ \$105,000**

Year 3: Israel + UK + US Entry (April 2028 – March 2029)

Metric	Conservative	Base	Optimistic
Total families	500	1,000	1,500
Revenue	\$270,000	\$550,000	\$850,000
Total costs	\$150,000	\$230,000	\$320,000
Net income	+\$120,000	+\$320,000	+\$530,000
Cumulative profit	+\$115,000	+\$398,000	+\$758,000

Per-Market Family Breakdown (Base Case)

Market	Year 1	Year 2	Year 3
Israel	120	280	400
UK	—	120	350
US	—	—	250
Total	120	400	1,000

Note — Two models, by design: The loan repayment analysis (Section 11) uses an Israel-centric projection (580 families by Year 3) to stress-test loan repayment under conservative, single-market-weighted assumptions. The multi-market totals above reflect the full expansion plan — Israel → UK (Year 2) → US (Year 3). This produces a significant gap in Year 3 numbers (1,000 vs. 580 families; \$398K vs.

\$69K cumulative profit). **Both models agree on the most critical metric: loan repayment at Month 33.** See Section 11.5 for a detailed side-by-side reconciliation.

Per-market breakdown (all scenarios):

Market	Conservative	Base	Optimistic
Israel Y3	250	400	550
UK Y3	150	350	500
US Y3	100	250	450
Total Y3	500	1,000	1,500

Three-Year Comparison

Metric	Conservative	Base	Optimistic
Year 1 families	50	120	200
Year 3 families	500	1,000	1,500
Year 1 revenue	\$20K	\$48K	\$85K
Year 3 revenue	\$270K	\$550K	\$850K
Year 3 net income	+\$120K	+\$320K	+\$530K
Loan repayment	Not within 3 years	Year 3 (Month 33)	Year 2 (Month 24)
Profitability	Year 2	Year 1 (end)	Year 1
Cumulative profit (3 years)	+\$115K	+\$398K	+\$758K
Cash profit ROI on \$50K	2.3x	8.0x	15.2x

9.7 Month-by-Month Cash Flow — Year 1 (Base Case)

This table shows actual cash position, accounting for annual upfront payments and timing of expenses.

Month	Phase	New Families	Cumulative	Cash In	Cash Out	Cash Balance
1 (Apr 2026)	Setup + build	—	0	\$0	\$14,000*	\$36,000
2 (May)	Build	—	0	\$0	\$3,000	\$33,000
3 (Jun)	Build	—	0	\$0	\$3,000	\$30,000
4 (Jul)	Build	—	0	\$0	\$3,000	\$27,000
5 (Aug)	Build	—	0	\$0	\$3,200 [†]	\$23,800
6 (Sep)	Build + test	—	0	\$0	\$3,200	\$20,600

7 (Oct)	Beta	5 (free)	5	\$0	\$3,200	\$17,400
8 (Nov)	Launch	25	30	\$7,475 ¹	\$4,000	\$20,875
9 (Dec)	Growth	15	45	\$4,485 ²	\$4,000	\$21,360
10 (Jan 2027)	Growth	20	65	\$6,980 [¶]	\$4,100	\$24,240
11 (Feb)	Growth	25	90	\$10,475 [#]	\$4,500	\$30,215
12 (Mar)	Growth	30	120	\$17,765 ^{**}	\$4,800	\$43,180

* Month 1: \$11,000 one-time + \$3,000 operating = \$14,000 + Months 5-7: \$200/month pre-launch marketing begins ¹ 5 beta families convert to founding rate + 20 new founding members × \$299 = \$7,475 ² 15 founding members × \$299 = \$4,485 (total founding: 40) ¶ 10 founding × \$299 + 10 regular × \$399 = \$6,980 (50 founding member slots filled) # 25 regular × \$399 = \$9,975 + ~\$500 seat add-ons = \$10,475 ** 35 regular × \$399 = \$13,965 + ~\$3,800 accumulated add-ons (seats + additional children) = \$17,765

Monthly cash out includes: fixed operating costs (\$3,000), marketing (growing from \$500 to \$1,500/month post-launch), and variable AI/API costs (growing with family count at ~\$3.16/family/month).

The key insight: Cash balance never drops below \$17,400 (month 7). The \$50K provides ample runway even with a full 6-month pre-revenue build. By month 8 (launch), cash flow turns positive on a monthly basis. Total Year 1 revenue reaches ~~\$48,000 from 50 founding members (\$14,950) + 70 regular families (\$27,930) + seat/child add-ons (\$4,900).~~

9.8 Sensitivity Analysis

What If Key Assumptions Are Wrong?

Variable	Change	Impact on Break-Even	Impact on Year 1 Cash
Price drops to \$299 (permanent, not just founding)	-25% revenue/family	121 families (vs. 99)	-\$12K more burn
Growth is 50% slower	60 families instead of 120	Break-even at month 18	End cash ~\$28K (safe)
Engineer costs double (\$3,000/month)	+\$18K annual	103 families	End cash ~\$28K (safe)
Gemini Pro costs 2x higher	+\$40/family/year	92 families	-\$5K additional burn
Marketing spend 2x planned	+\$8K annual	122 families	End cash ~\$38K (more families too)
Disaster: all of the above	Everything goes wrong	~150 families	End cash ~\$12K (still surviving)

Even in the disaster scenario, the company retains ~\$12,000 in cash and 4+ months of runway to correct course or wind down orderly.

Conservative scenario note: In the conservative scenario (50% slower growth), cumulative cash may reach a low point around Month 22 before recovering. The gate system (Gate 1 at Month 14, Gate 2 at Month 20) provides early warning well before cash depletion becomes a risk. See Section 10.3, Contingency 2 for the decision framework at each gate.

Price Sensitivity

Annual Price	Revenue/Family/Month	Contribution/Month	Break-Even Families	Viability
\$249/year	\$20.75	\$17.95	167 families	Tight – minimum viable price.
\$299/year (founding)	\$24.92	\$22.12	136 families	Viable for founding cohort.
\$399/year	\$33.25	\$30.09	100 families	Target price. Optimal balance.
\$449/year	\$37.42	\$34.62	87 families	Possible with proven results.
\$499/year	\$41.58	\$38.78	77 families	Premium positioning. Test needed.

Churn Sensitivity

Annual Churn	Year 2 Renewals (of 120)	Revenue Impact	Notes
10% (excellent)	108 renewals	+\$5,400 vs. base	Strong product-market fit
15% (base)	102 renewals	Base case	Conservative for annual subscription
20% (concerning)	96 renewals	-\$2,400 vs. base	Investigate retention mechanisms
30% (crisis)	84 renewals	-\$7,200 vs. base	Product needs major improvement

9.9 Burn Rate Summary

Pre-Revenue (Months 1-7)

Metric	Value	Calculation
Monthly burn	3000-3200	\$3K base + \$200 pre-launch marketing from M5

Total pre-revenue burn (Months 1-7)	~\$32,600	\$14K (M1: \$11K setup + \$3K ops) + \$9K (M2-4) + \$9.6K (M5-7 incl. marketing)
Cash remaining after 7 months	~\$17,400	\$50K - \$32,600 = \$17,400 (matches Section 9.7 month-by-month)
Months of additional runway (at zero revenue)	~5 months	\$17,400 / \$3,000 per month = 5.8 months
Total zero-revenue runway	~12 months	7 months pre-revenue + ~5 months additional at \$3K/month

Post-Revenue (Months 8+)

Metric	Value
Monthly costs (ops + marketing)	\$3,100-3,600
Monthly revenue (at 50 families)	~\$1,660 (\$33.25 × 50)
Monthly revenue (at 100 families)	~\$3,325 (break-even)
Monthly revenue (at 120 families)	~\$3,990 (positive cash flow)
Monthly revenue (at 200 families)	~\$6,650 (strongly profitable)

Cost Scaling

As the company grows, costs increase — but much slower than revenue:

Families	Monthly Revenue	Monthly Fixed	Monthly Variable	Total Costs	Monthly Profit	Margin
50	\$1,660	\$3,100	\$158	\$3,258	-\$1,598	-96%
86	\$2,860	\$3,100	\$272	\$3,372	-\$512	-18%
100	\$3,325	\$3,200	\$316	\$3,516	-\$191	-6%
120	\$3,990	\$3,300	\$379	\$3,679	+\$311	8%
200	\$6,650	\$3,600	\$632	\$4,232	+\$2,418	36%
300	\$9,975	\$4,000	\$948	\$4,948	+\$5,027	50%
500	\$16,625	\$5,000	\$1,580	\$6,580	+\$10,045	60%
1,000	\$33,250	\$8,000	\$3,160	\$11,160	+\$22,090	66%

Why margins improve with scale: Fixed costs (\$3,000/month base) are spread across more families. Variable costs (\$3.16/month per family) scale linearly but remain a small fraction of revenue (\$33.25/month per family). The main cost increases come from: marketing budget (grows with revenue), cloud infrastructure (scales gently), and eventually team hires (triggered by revenue milestones).

9.10 Investment Return Analysis (ROI for Dorit)

From the Investor's Perspective

Metric	Value
Investment	\$50,000 (~156,000 ILS)
Investment type	Owner's loan (priority repayment) + 50% equity
Maximum risk	\$50,000 (in case of complete failure)
Loan repayment (base case)	Full — during Year 3 (Month 33)
Equity value (Year 3, base)	~\$1.6M-\$2.8M (at 3-5x revenue multiple on \$550K ARR)

ROI by Scenario — Cash Profit on \$50K Investment

Scenario	Loan Repaid?	When?	Cumulative Cash Profit (Year 3)	Cash ROI on \$50K
Conservative	✗ No	N/A (~\$46K remaining)	-\$50,000 (loss)	-1.0x (loss)
Base	✓ Yes	Month 33 (~Year 3)	+\$398,000	8.0x
Optimistic	✓ Yes	Month 24 (~Year 2)	+\$758,000	15.2x

Equity upside (separate from cash ROI): If the company reaches scale and attracts acquisition interest, equity value at 3-5x revenue multiple could reach \$1.6M-\$2.8M (base) or \$2.5M-\$4.2M (optimistic) at Year 3. However, this is speculative and depends on market conditions. The cash ROI above represents actual profits.

Conservative scenario honesty: In the conservative scenario (50 families Year 1, 185 Year 3), the \$50K loan is NOT repaid within 3 years and cumulative losses reach ~\$50K. This represents the downside case. The gate system (Gate 1 at Month 14, Gate 2 at Month 20) provides early warning signals to either correct course or wind down before full capital depletion. See Section 10.3, Contingency 2 for the decision framework.

The Asymmetric Bet

Downside:	Maximum loss of \$50K (~185K ILS) Conservative scenario: loan not repaid in 3 years. Even in total failure, company IP has residual value (\$55-120K).
Upside:	50% ownership in a company generating \$550K+ revenue in Year 3 (base case). Cash profit: \$398K (base) to \$758K (optimistic).
Risk/reward:	\$50K investment → 8.0x cash return (base case)

What Dorit Should Expect

Scenario	Loan Status	Cash Outcome (3 Years)	What Happens
Conservative (~20% likelihood)	Not repaid (~\$46K remaining)	-\$50,000 (full investment at risk)	Growth stalls at ~185 families (Israel only). Gate system catches this early — Gate 1 (Month 14) and Gate 2 (Month 20) trigger reassessment or wind-down before full capital depletion.
Base (~50% likelihood)	Fully repaid at Month 33	+\$398,000 cash profit (8.0x return)	Steady growth to 1,000 families across 3 markets. Loan repaid in ~2 years 9 months. Company is profitable and growing.
Optimistic (~30% likelihood)	Fully repaid at Month 24	+\$758,000 cash profit (15.2x return)	Rapid growth to 1,500 families. Loan repaid in under 2 years. Rotem transitions full-time. Significant equity value.

Likelihood estimates are subjective assessments, not statistical predictions.

The honest bottom line:

- **Most likely:** Dorit's \$50K loan is repaid by Year 3 with substantial cash profit. She owns 50% of a growing, profitable company.
- **Downside risk:** In the conservative scenario, the loan is NOT repaid within 3 years and cumulative losses reach ~\$50K. The gate system provides 2 structured decision points to course-correct or wind down before full capital depletion.
- **Upside:** In the optimistic scenario, the loan is repaid within 2 years with 15.2x cash return, plus significant equity value.
- **Transparency:** Monthly reporting gives Dorit full visibility into revenue, expenses, customers, and loan balance. There are no surprises.

Why This Is Low Risk

Protection	How It Works
Tiny break-even	Only 100 families — 0.71% of Dorit's own Instagram followers
Revenue starts early	Dorit's audience provides customers from month 8, not month 18
\$0 founder salaries	No salary drain. Every dollar goes to product.
Loan repaid first	Before any dividends or profit distribution
Monthly transparency	Dorit sees every expense, every customer, every dollar
Spending controls	Nothing above \$3,000 without Dorit's approval
Residual IP value	Even in total failure, codified methodology + AI system worth \$55-120K
12 months runway	At zero revenue after \$11K setup (\$39K / \$3K/month). In practice, revenue starts by month 7-8.

9.11 Key Assumptions

Assumption	Value	Source / Basis
Exchange rate (USD/ILS)	3.12	Average 2025-2026
Annual price (Israel)	\$399/year	Positioned between generic apps (\$120) and human consulting (\$641-962)
Average revenue per family	\$425/year	\$399 base + \$26 average seat add-on
Founding member price	\$299/year	First 50 families only
Annual churn	15%	Conservative for annual subscription with proactive engagement
Gemini Flash cost (Intake, Aftercare, Logger, Booking)	\$0.50/1M input, \$3/1M output (Gemini 3 Flash)	Google AI Pricing , Feb 2026
Gemini Pro cost (Consultant agent only)	\$2/1M input, \$12/1M output	Google AI Pricing , Feb 2026
WhatsApp service messages	Free (customer-initiated)	WhatsApp Pricing
WhatsApp utility messages (Israel)	\$0.01/message	WhatsApp Rate Card
Israel annual births	181,609 (2024)	CBS Israel via Macrotrends
UK annual births	594,677 (2024)	ONS
Sleep problems prevalence	37% of children 4mo-5yr	CDC, January 2025
WhatsApp penetration (Israel)	99%	JPost, 2025
Israel fertility rate	2.91 children/woman	Macrotrends, 2024
Blended CAC	\$25-40	~50% organic (Dorit's network) + paid channels (\$30-60 CAC)
LTV (1 year, gross)	\$425	Single year, no renewal
LTV (1 year, net of variable costs)	\$383	\$425 - \$41.88 variable costs
LTV (2 years, 85% renewal, net)	\$709	\$383 + (\$383 × 0.85)
LTV:CAC ratio	9.6-28.4x	\$383/\$40 = 9.6x (worst) to \$709/\$25 = 28.4x (best)

9.12 Financial Summary — For Decision-Makers

Why this investment makes sense — in five numbers:

#	Number	What It Means
1	\$3,000/month	Fixed operating cost. One of the lowest in the startup world.
2	100 families	Operational break-even (~115-140 with marketing). Less than 1% of Dorit's Instagram followers.
3	~90% gross margin	Variable cost per family: \$3.16/month (Gemini Pro for quality). Still exceptional.
4	12 months	Zero-revenue runway after setup costs. Revenue starts at month 8.
5	8.0x	Base-case cash ROI on \$50K investment over 3 years.

The Bottom Line

Question	Answer
How much money is needed?	\$50,000 (~156,000 ILS)
What happens in the worst case?	Conservative: loan not repaid, up to \$50K at risk. Even in total failure, IP retains value (\$55-120K).
What happens in the best case?	50% of a company worth \$2.5M-\$4.2M+
When is the loan repaid?	Month 33 / Year 3 (base). Conservative: not within 3 years — see Section 11.
When does the company profit?	End of Year 1 (base). Year 2 (conservative).
Who controls the company?	Rotem and Dorit — 50/50, no external investors.
How soon is revenue?	Month 7-8 from formation. Dorit's audience is the launch pad.
What's the exit?	Not planned — build a profitable business. VC option in Year 3+ if both agree.

End of Section 9 — Financial Plan & Projections

End of Sections 7-9

Numi by Agentic AI Ltd. — Business Plan

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Section 10: Risk Analysis

10.1 Risk Matrix

Every risk below is specific, sourced, and paired with a concrete mitigation. We categorize risks by domain — platform, regulatory, technology, market, financial, and operational.

Platform Risk

#	Risk	Severity	Likelihood	Impact	Mitigation
P1	<p>WhatsApp bans Numi under new chatbot policy — Meta banned general-purpose AI chatbots from WhatsApp Business API effective Jan 15, 2026. If Meta classifies Numi as "general-purpose AI" rather than a structured coaching service, our primary channel is gone.</p>	CRITICAL	Low-Medium	Loss of primary channel. Product unusable until native app built.	<p>Numi is a structured sleep coaching service, not a general purpose assistant. It supports a specific business function (personalized sleep consulting) with defined workflows (Intake → Consultant - Aftercare), human escalation paths, and template-based messaging. This matches Meta's definition of an allowed bot. Legal review of WhatsApp Business Solution Terms before launch. Fallback: Accelerate native app development.</p>
P2	<p>WhatsApp API pricing increases — Meta changes message pricing or introduces new fees for AI-enhanced conversations.</p>	Medium	Medium	Variable cost increase. At current volumes, manageable — WhatsApp costs are ~\$0.06/customer/month (2% of total variable cost).	<p>Monitor WhatsApp pricing updates quarterly. Service-initiated messages (customer-initiated) remain free. Even a 5x price increase would add only \$0.24/customer/month. Build native app capability to reduce WhatsApp dependence over time.</p>

P3	<p>WhatsApp BSP (Business Solution Provider) instability —</p> <p>The third-party BSP connecting us to WhatsApp's API becomes unreliable or shuts down.</p>	Medium	Low	Temporary service disruption.	Use a major BSP with redundancy (e.g., Twilio, 360dialog, Vonage). Maintain ability to switch BSPs within 2-4 weeks. BSP connection is a thin layer — the AI system is platform-agnostic.
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Regulatory & Legal Risk

#	Risk	Severity	Likelihood	Impact	Mitigation	Source
R1	<p>Israel: Privacy Protection Law Amendment 13 non-compliance — Amendment 13 (effective Aug 14, 2025) explicitly covers AI systems processing personal data. Numi processes sensitive baby health and sleep data. Non-compliance risks fines and enforcement.</p>	High	Medium	<p>Fines up to 3.2M ILS (~\$865,000). Reputational damage. Potential forced shutdown.</p>	<p>Conduct a Data Protection Impact Assessment (DPIA) before launch. Appoint a Data Protection Officer (can be external/part-time for early stage). Implement informed consent flows in onboarding. Draft attorney-reviewed privacy policy and terms of service (budgeted at \$2,000 in</p>	<p>IAPP, 2025; Safetica</p>

					startup costs).	
R2	<p>Medical device misclassification</p> <p>— If Israeli or UK regulators classify Numi as a medical device rather than a wellness/coaching tool, registration requirements could delay or block launch.</p>	High	Low	Months of delay + regulatory costs. In Israel, AMAR (Ministry of Health) registration required. In UK, MHRA registration required.	<p>Position Numi as coaching guidance, not medical advice. Clear disclaimers: "Numi is not a medical device and does not diagnose, treat, or prevent any medical condition." No health claims. Engage regulatory counsel before launch to confirm classification. Dorit's credentials add legitimacy but the product does not perform clinical functions.</p>	ICLG Digital Health, Israel
R3	<p>EU AI Act: high-risk classification —</p> <p>The EU AI Act (enforcing from Aug 2, 2026) classifies health-related AI as potentially high-risk, requiring conformity assessments and CE marking. Applies when</p>	Medium	Medium	Conformity assessment costs (\$10K-25K). CE marking process. Delayed UK entry.	<p>Not applicable for Israel launch (Year 1). For UK (Year 2): conduct classification assessment before expansion. Sleep coaching is wellness, not</p>	Trilateral Research, 2025 ; SecurePrivacy, 2026

	entering UK/EU markets.				clinical AI — likely not high-risk. If classified as high-risk: budget for conformity assessment in UK launch costs. EU Digital Omnibus package may postpone deadline to Dec 2027.	
R4	<p>US state AI laws</p> <p>— California (AB 489, SB 243), Texas (TRAIGA), Colorado AI Act, and Illinois mental health AI laws create a patchwork of compliance requirements for US entry (Year 3).</p>	Medium	Medium	Multi-state compliance costs. Disclosure requirements. Potential restrictions on AI-provided coaching.	<p>US entry is Year 3 — 2+ years to prepare.</p> <p>California SB 243 requires chatbot disclosure and minor protections; Numi already discloses AI use and targets adult parents. Engage US regulatory counsel 6-12 months before US entry. Budget \$40K-60K for multi-state compliance review.</p>	<p>Wiley, 2026;</p> <p>Cooley, 2021</p>
R5	<p>AI liability for harmful advice</p> <p>— If Numi's AI provides incorrect sleep guidance that results in harm (e.g., unsafe sleep positioning,</p>	High	Low	Lawsuit, reputational damage, regulatory action. EU expanded liability includes	<p>Dorit validates AI accuracy through continuous sampling (the "Dorit Loop"). RAG</p>	<p>Goodwin Law 2025</p>

	<p>failure to escalate a medical concern), the company faces legal liability. EU Product Liability Directive (Dec 9, 2026) explicitly covers AI-caused psychological harm.</p>			<p>psychological harm.</p>	<p>architecture grounds responses in verified methodology, not generic internet content. Hard-coded safety escalation rules: medical concerns → pediatrician referral; parental distress → crisis hotline. Human escalation path (Booking Agent → Dorit). Professional liability insurance. Health disclaimer in every conversation.</p>	
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Technology Risk

#	Risk	Severity	Likelihood	Impact	Mitigation	Source
T1	<p>Gemini model deprecation — Google deprecates models Numi depends on. Gemini 2.0 Flash-Lite already deprecated (shutdown Mar 31, 2026). Gemini 2.5 Flash</p>	High	High	<p>Must migrate to new model version. Testing and validation required. Potential temporary quality changes.</p>	<p>ADK framework abstracts model selection — switching models requires changing one configuration parameter, not rewriting code. Run migration testing during</p>	<p>Google AI Dev Forum; Google AI Changelog</p>

	<p>scheduled for deprecation June 2026. Model lifecycle is ~6-12 months.</p>				<p>Google's deprecation notice period (typically 3-6 months). Maintain latest-generation model compatibility. Current POC already uses gemini-3-flash-preview — latest generation.</p>	
T2	<p>Gemini pricing increases — Google increases API prices. Current Gemini 3 Flash is \$0.50/\$3.00 per 1M tokens (already more expensive than Flash-Lite at \$0.075/\$0.30). Pro is \$2.00/\$12.00. Price increases directly impact variable costs.</p>	Medium	Medium-High	<p>Variable cost per customer increases. At current usage, doubling Pro prices would increase variable cost from \$3.16 to ~\$5.86/month per primary child — still under 18% of annual revenue.</p>	<p>Multi-model architecture provides pricing flexibility — can shift workloads between model tiers. Monitor cheaper alternatives (e.g., Gemini 2.5 Flash-Lite at \$0.10/\$0.40 per 1M tokens — 5-7x cheaper than Gemini 3 Flash for non-critical agents). Negotiate Google for Startups credits (\$200K-350K). At worst: price increase absorbed by margin (90.5% → ~82% at 2x Pro pricing — still excellent).</p>	<p>Google AI Pricing</p>

					Consider self-hosted models for Flash-tier tasks if pricing becomes prohibitive.	
T3	<p>Google Cloud platform dependency</p> <p>— Single cloud provider. If Google Cloud has extended outage or changes terms unfavorably, Numi is affected.</p>	Medium	Low	Service disruption during outage. Vendor lock-in.	<p>GCP has 99.95% uptime SLA for Cloud Run. ADK is open-source (Apache 2.0) — can be self-hosted. Firestore data can be exported. WhatsApp integration is BSP-agnostic. True lock-in is minimal — the custom code (agents, RAG, prompts) is ours. Migration to Azure/AWS would take 2-4 weeks of engineering.</p>	GCP SLA
T4	<p>AI accuracy failures — Numi gives incorrect or dangerous sleep advice. Edge cases not covered by RAG. AI "hallucination" overrides methodology.</p>	High	Low-Medium	Harm to child, liability, reputation damage, churn.	<p>RAG grounds responses in Dorit's verified methodology — reduces hallucination risk vs. generic LLMs. "Dorit Loop" quality process: daily conversation sampling (first 3 months), weekly thereafter. Hard safety</p>	See Section 8.4

					rules for medical concerns. Human escalation path. Target: ≥90% accuracy validated by Dorit. Continuous methodology updates based on edge cases.	
T5	Data breach — Unauthorized access to sensitive baby and family data.	High	Low	Legal liability, regulatory fines, reputation destruction.	AES-256 encryption at rest (GCP default). TLS 1.3 in transit. Role-based access control. Minimal data collection. No third-party data sharing. Compliance with Amendment 13 and GDPR requirements. Cyber liability insurance (budgeted).	See Section 8.5

Market & Competitive Risk

#	Risk	Severity	Likelihood	Impact	Mitigation	Source
M1	Huckleberry invests heavily in Berry AI / Owlet enters AI coaching — Berry launched Feb 2026. Huckleberry (\$15.9M VC-funded,	Medium	Medium	Direct competition from well-funded competitors.	Berry is reactive (answers questions), not agentic (manages the process). Different product category. Owlet's AI coaching is early stage.	Berry Launch PR , Owlet-webAI

	5000000+ families) could evolve Berry from reactive to proactive. Owlet (\$128M revenue, 1200000+ babies) announced AI coaching partnership with webAI (Feb 2026).				Neither supports Hebrew. Hebrew localization would require methodology partnership — a significant barrier. Numi's moats: Dorit's methodology, WhatsApp-native, multi-seat, sibling coordination.	
M2	Nanit expands into AI coaching — Nanit raised \$50M in Dec 2025 for "Parenting Intelligence System." Could add coaching to their camera-based monitoring.	Medium	Low-Medium	High-funded competitor with camera data advantage.	Nanit's DNA is hardware + computer vision. Adding methodology-driven coaching requires a fundamental pivot. They have no methodology partner. Camera data ≠ coaching ability. Different price tier (\$420-600+ vs. \$399). And they don't support WhatsApp.	Nanit \$50M Raise
M3	New Israeli AI competitor with Hebrew support — A well-funded Israeli startup builds a competing AI sleep consultant with Hebrew support and WhatsApp delivery.	Medium	Low	Direct head-to-head competition in our primary market.	First-mover advantage — Numi will be operational before any competitor can build a comparable product. Dorit's methodology is an irreplaceable moat (25+ years, published book, clinical credibility). Building a multi-agent sleep	—

					system from scratch takes 12-18 months. Data moat grows with every family.	
M4	<p>Economic downturn reduces discretionary spending — Israeli families cut "non-essential" spending, including sleep coaching.</p>	Low	Low-Medium	Slower customer acquisition. Higher churn.	<p>Baby sleep is not discretionary — it's a crisis. Parents in distress at 2AM will pay for help. \$399/year is already 38-59% cheaper than human consulting (\$641-962). Low break-even (100 families) means the business survives even with slow growth.</p>	—
M5	<p>Dorit's reputation risk — Controversy about the "cry-it-out" methodology. Public criticism or negative media attention.</p>	Medium	Low-Medium	Brand damage. Customer hesitation.	<p>Dorit's method is evidence-based and published by a major publisher (Kinneret Zamora). She's a nurse-midwife and doctoral student at TAU — credentials are solid. Controversy actually drives awareness. Numi's safety protocols (fixed-interval check-ins with monitoring, not pure cry-it-out) provide defense. Clear disclaimer: "This is Dorit's methodology. Consult your pediatrician for medical concerns."</p>	—

Financial Risk

#	Risk	Severity	Likelihood	Impact	Mitigation	Source
F1	<p>Conservative scenario: business not viable — If growth follows the conservative path (50 families Y1, 185 Y3), the \$50K loan is not repaid within 36 months and cumulative losses reach ~\$50K.</p>	High	Low-Medium	Loan default. Total loss of investment.	<p>Gate system provides early warning: Gate 1 (Month 6 from launch) requires 30 families. If not met → reassess. Gate 2 (Month 12) requires 120 families. If not met → do not expand. M12 go/no-go: <80 families → consider shutdown. The \$50K covers 12 months of operating costs (after \$11K setup) — ample time to identify if the business works.</p>	Financial Modeler analysis, Feb 2026
F2	<p>Loan repayment slower than projected — Even in the base case, the \$50K loan is repaid at Month 33 (December 2028). Dorit may expect faster repayment.</p>	Medium	Medium	Tension between co-founders.	<p>Clear expectations in founders agreement: target 12-18 months from first revenue (Month 8). 50% of net profit allocated to loan repayment. Monthly financial reporting gives Dorit full visibility. If base case timeline is unacceptable, discuss before signing.</p>	Financial Modeler analysis, Feb 2026

F3	Exchange rate fluctuation — Plan assumes 3.12 ILS/USD. Material changes affect all calculations.	Low	Medium	Revenue/cost calculations shift. A 10% ILS strengthening (3.33 ILS/USD) increases effective NIS costs for USD-priced services.	Most costs are in ILS (engineer, accounting, legal). Revenue is collected in local currency per market. Natural hedge: Israeli revenue in ILS, UK in GBP, US in USD. Exchange rate sensitivity: ±10% shifts break-even by ~8 families.	—
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Operational Risk

#	Risk	Severity	Likelihood	Impact	Mitigation	Source
O1	Rotem unavailable (illness, burnout, personal emergency) — Rotem is part-time CTO. If he's unavailable for an extended period, development stops.	High	Low	Development halted. Company loses its technical leader.	Full-time engineer from Day 0 knows the entire codebase. ADK framework is well-documented. Codebase is modular (5 independent agents). Dorit can manage the engineer for maintenance. If long-term: hire a replacement engineer/CTO (funded by existing revenue or remaining capital).	—
O2	Dorit unavailable — Dorit is the methodology expert. If she can't validate AI responses or provide content,	High	Low	AI quality drops. No methodology updates. Marketing effectiveness decreases.	RAG knowledge base is already encoded — the AI operates from existing methodology. Dorit's team of 4-5 trained	—

	quality degrades.				consultants can provide temporary methodology support. Published book serves as methodology reference. Most ongoing work is validation, not creation.	
O3	Engineer quits or underperforms — The Day-0 engineer is a single point of failure for day-to-day development.	Medium	Medium	Development slows. Recruitment takes 2-4 weeks. Knowledge transfer required.	Rotem maintains architecture knowledge. Comprehensive code documentation. Modular codebase. Contractor model (no employment obligations). Replacement engineer can be hired within 2-4 weeks at \$1,500/month.	—
O4	Slow customer onboarding — Parents find the WhatsApp intake process confusing or too long. Drop-off before completing baby profile.	Medium	Medium	Lower conversion from sign-up to active customer. Wasted marketing spend.	5-stage intake designed for natural conversation (not forms). Test with beta families (5 free families in Month 7). Optimize based on drop-off data. Dorit reviews onboarding flow for warmth and clarity.	—

10.2 Risk Priority Map

Critical Risks (Require Immediate Action Before Launch)

Risk	Action	Owner	Deadline
P1: WhatsApp policy	Legal review of WhatsApp Business Solution Terms. Confirm Numi's classification as structured coaching service.	Rotem + Attorney	Before WhatsApp BSP connection (Month 1)
R1: Amendment 13 compliance	Conduct DPIA. Draft privacy policy. Implement consent mechanisms.	Rotem + Attorney	Before launch (Month 7)
R5: AI liability	Draft comprehensive health disclaimers. Implement safety escalation rules. Obtain professional liability insurance.	Both founders + Attorney	Before launch (Month 7)
T4: AI accuracy	Dorit validates 100+ conversation samples before beta. Define accuracy benchmarks ($\geq 85\%$ pre-beta, $\geq 90\%$ at launch).	Dorit + Rotem	Before beta (Month 7)

High Risks (Monitor Actively, Act if Triggered)

Risk	Trigger	Action
T1: Model deprecation	Google announces deprecation of current model	Begin migration testing within 2 weeks of announcement
F1: Conservative scenario	<80 families at Month 12	Founders review: pivot, extend timeline, or wind down
R2: Medical device classification	Regulatory inquiry or pre-UK legal review	Engage regulatory counsel immediately
O1/O2: Founder unavailability	Extended absence (>2 weeks)	Activate contingency plan (engineer/consultants)

10.3 Contingency Plans

Contingency 1: WhatsApp Channel Lost

Trigger: Meta revokes Numi's WhatsApp Business API access or explicitly bans structured AI coaching bots.

Immediate response (Week 1-2):

- Notify all active families via email
- Activate SMS-based interim communication
- Begin emergency native app development sprint

Medium-term (Month 1-3):

- Launch minimal web-based chat interface (ADK supports web deployment)
- Accelerate React Native/Flutter app timeline to emergency priority
- Maintain all backend AI systems (they're platform-agnostic)

Impact: 1-3 months of disruption. Estimated cost: \$10K-20K for accelerated app development. Revenue may drop 30-50% during transition (some families churn due to inconvenience). The multi-agent AI system, RAG, and all business logic remain intact — only the communication layer changes.

Why this is survivable: The AI system is headless. WhatsApp is a **delivery channel**, not the product. The product is the multi-agent sleep consulting system. Channels can be replaced. The intelligence cannot.

Contingency 2: Business Fails to Reach Viability

Trigger: <80 families at Month 12 (4 months after launch), OR <200 families at Month 24.

Decision framework at Month 12:

Situation	Action
<50 families	Wind down. Repay remaining capital to Dorit. Dissolve company. IP retained for potential future use.
50-80 families	Extend. 3-month extension with zero marketing spend. Focus on product improvement and retention. If no improvement by Month 15 → wind down.
80-120 families	Continue. On base-case track. Maintain current strategy.
>120 families	Accelerate. Invest in growth. Consider Gate 2 preparation.

Wind-down process:

1. Notify all active families (30-day notice)
2. Offer pro-rated refund for unused months
3. Export family data per privacy policy
4. Shut down cloud infrastructure
5. Repay remaining capital to Dorit (priority)
6. Distribute remaining assets 50/50

Estimated wind-down cost: \$5K-10K (legal, refunds, infrastructure shutdown). Remaining capital returned to Dorit.

Contingency 3: AI Safety Incident

Trigger: Numi provides advice that results in harm, or a parent reports a safety-related complaint.

Immediate response (Hours):

1. Both founders notified immediately
2. Pause the specific AI workflow that caused the incident
3. Manual review of the conversation log
4. Contact the affected family directly (Dorit leads)
5. If medical concern: refer to pediatrician immediately

Investigation (Days): 6. Dorit reviews the AI response vs. methodology 7. Identify root cause (RAG retrieval error? Hallucination? Edge case?) 8. Implement fix (RAG update, guardrail addition, prompt correction) 9. Re-validate with 50+ test cases

Communication (Week): 10. If public: transparent statement about the incident and fix 11. Update all families if the issue could affect them 12. Report to insurance provider 13. Legal review of liability exposure

Prevention:

- Hard-coded safety rules that cannot be overridden by AI: medical symptoms → pediatrician referral; distress signals → crisis hotline
- Never advise on: medication, medical conditions, feeding allergies, physical health
- Every AI response includes implicit context: "Based on Dorit Kreiser's sleep coaching methodology"

Contingency 4: Co-Founder Dispute

Trigger: Disagreement that cannot be resolved through normal discussion within 14 days.

Resolution process (defined in Founders Agreement):

1. **Discussion** (14 days): Good-faith direct discussion
2. **Mediation** (30 days): External professional mediator, agreed upon by both parties
3. **Binding arbitration:** If mediation fails, binding arbitration by agreed arbitrator

Financial protections during dispute:

- No spending above \$3,000 without joint approval (already a standing rule)
- Operations continue under existing budget
- Engineer continues work under current direction
- No unilateral changes to pricing, strategy, or IP

End of Section 10 — Risk Analysis

Section 11: Loan Repayment Plan

⚠ MODEL SCOPE: Israel-Centric Stress Test Section 11 uses the **Python financial model** (Appendix A) with **Israel-weighted growth assumptions** to stress-test loan repayment under conservative conditions. This produces lower Year 3 totals than Section 9 (580 families vs. 1,000; \$69K cumulative profit vs. \$398K) because it does not assume successful multi-market expansion. This is intentional: the loan repayment plan should survive even without UK/US revenue. If multi-market expansion succeeds (Section 9), loan repayment occurs earlier and cumulative profit is significantly higher. See Section 11.5 for a side-by-side reconciliation of both models.

11.1 Loan Terms Summary

Parameter	Terms
Loan amount	\$50,000 (~156,000 ILS at 3.12 exchange rate)
Lender	Dorit Kreiser (co-founder)
Interest rate	0%
Repayment priority	FIRST — before dividends, founder salaries, or profit distribution
Security	Lien on all company assets and IP
Reporting	Monthly: revenue, expenses, customers, loan balance

Repayment allocation	50% of monthly net profit
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Full terms: See Section 2.7 (Founders Agreement — Key Terms).

11.2 Repayment Methodology

How Repayment Works

Repayment begins when the company achieves positive monthly net profit. Each month, **50% of net profit** is allocated to loan repayment. The remaining 50% stays in the company as a growth reserve.

Monthly Net Profit = Revenue - (Fixed Costs + Variable Costs + Marketing)

If Net Profit > 0:

Loan Payment = MIN(Net Profit × 50%, Remaining Loan Balance)

Growth Reserve = Net Profit - Loan Payment

If Net Profit ≤ 0:

Loan Payment = \$0

Loss absorbed by remaining capital

Why 50% and not 100%: Allocating all profit to loan repayment would leave the company with zero growth capital during its most critical growth phase. 50% balances Dorit's repayment priority with the company's need to invest in marketing, features, and expansion. At 50% allocation, the loan is repaid 4-6 months slower — but the company retains the resources to grow.

Revenue and Cost Assumptions

Parameter	Value	Source
Revenue per family (standard)	\$33.25/month (\$399/year)	Section 6.5
Revenue per family (founding, first 50)	\$24.92/month (\$299/year)	Section 6.5
Fixed costs	\$3,000/month	Section 9.3
Variable cost (primary child)	\$3.16/month	Section 9.3
Marketing (pre-revenue)	\$0-200/month	Organic only
Marketing (post-launch)	\$500-1,500/month	Revenue-funded
Startup costs	\$11,000 (Month 1 only)	Section 9.2

11.3 Repayment Schedule — Three Scenarios

Base Scenario (120 families Year 1, 580 Year 3)

Note on scenario alignment: This loan repayment model uses the Python financial model (Appendix A), which projects Israel-centric growth with month-by-month granularity. Section 9.6 projects higher Year 3 totals (1,000 families / \$550K revenue) because it includes multi-market expansion (UK Year 2 + US Year 3). The loan repayment model intentionally uses more conservative, single-market-weighted

projections to stress-test repayment viability. Under the multi-market projections of Section 9.6, loan repayment would occur earlier.

Loan fully repaid: Month 33 (December 2028)

Milestone	Month	Families	Monthly Revenue	Monthly Costs	Monthly Profit	Loan Payment	Loan Balance
Operations start	1 (Apr 2026)	0	\$0	\$13,600*	-\$13,600	\$0	\$50,000
Launch	8 (Nov 2026)	20	\$4,485 [†]	\$3,100	\$1,385	\$693	\$49,307
End of Year 1	12 (Mar 2027)	120	\$3,573 [‡]	\$3,736	-\$163	\$0	~\$49,000
First sustained profit	16 (Jul 2027)	180	\$5,372	\$4,104	\$1,268	\$634	~\$47,500
Mid-Year 2	20 (Nov 2027)	280	\$8,728	\$4,384	\$4,344	\$2,172	~\$38,000
End of Year 2	24 (Mar 2028)	340	\$10,888	\$4,752	\$6,136	\$3,068	~\$27,000
Cumulative profit positive	29 (Aug 2028)	460	\$14,843	\$5,088	\$9,755	\$4,878	~\$7,000
Loan repaid	33 (December 2028)	500	\$16,175	\$5,200	\$10,975	\$7,000	\$0
End of Year 3	36 (Mar 2029)	580	\$18,868	\$5,424	\$13,444	\$0	\$0

* Month 1: \$11,000 one-time + \$3,000 fixed = \$14,000 † Launch month: 20 cumulative families (5 beta conversions + 15 new founding members × \$299/year = \$4,485 upfront) ‡ Month 12 revenue reflects monthly equivalent of annual subscriptions

Key insight: In the base case, Dorit's loan is fully repaid in 2 years and 9 months (Month 33, December 2028). After repayment, the company retains \$13,444/month in profit for growth and dividends.

Conservative Scenario (50 families Year 1, 185 Year 3)

Loan status at Month 36: ~\$46,000 remaining (NOT fully repaid)

Period	Families	Monthly Profit	Loan Payment	Loan Balance
End Year 1 (M12)	50	-\$1,400	\$0	\$50,000
End Year 2 (M24)	125	\$500	\$250	~\$49,000

End Year 3 (M36)	185	\$1,400	\$700	~\$46,000
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Assessment: Conservative scenario does NOT achieve loan repayment within 3 years. Cumulative losses reach ~\$50K. This is the scenario that justifies the \$50K investment size — it's the amount at risk if growth is very slow.

Action if heading toward conservative: Gate 1 (Month 6 from launch) catches this early. If <30 families at Gate 1 → reassess viability. See Contingency 2 in Section 10.3.

Optimistic Scenario (200 families Year 1, 1,350 Year 3*)

*Section 11 uses a more conservative optimistic growth curve (1,350 families by Year 3) than Section 9's multi-market optimistic (1,500 families). Section 11 models Israel-heavy growth with slower UK/US ramp to stress-test loan repayment timing under less aggressive international expansion.

Loan fully repaid: Month 24 (March 2028)

Period	Families	Monthly Profit	Loan Payment	Loan Balance
End Year 1 (M12)	200	\$2,490	\$1,245	~\$46,000
Cumulative positive	M21 (Dec 2027)	600	\$7,027	~\$18,000
Loan repaid	M24 (March 2028)	700	\$18,000	\$0
End Year 2 (M24)	750	\$18,621	\$0	\$0
End Year 3 (M36)	1,350	\$36,891	\$0	\$0

Assessment: In the optimistic scenario, the loan is repaid in under 2 years. By Year 3, cumulative profit exceeds \$380K. This is the scenario that enables both loan repayment AND Rotem's full-time transition.

11.4 Scenario Comparison

Metric	Conservative	Base	Optimistic
Loan repaid?	✗ No (36 months)	✓ Month 33	✓ Month 24
Loan remaining at Year 3	~\$46,000	\$0	\$0
Cumulative profit at Year 3	-\$50,000	+\$69,000*	+\$381,000
Monthly profit at Year 3	\$1,400	\$13,444	\$36,891
Rotem transition feasible?	✗ No	✗ Not in 3 years	✓ Month 28
Viability	✗ Not viable	✓ Viable	✓ Excellent

* Base cumulative profit uses the Israel-centric loan repayment model (Section 11.3). The multi-market ROI model (Section 9.10) projects \$398K cumulative cash profit at Year 3, reflecting UK (Year 2) and US (Year 3) expansion revenue.

11.5 Model Reconciliation — Section 9 vs. Section 11

This business plan intentionally uses **two financial models** with different assumptions. An investor comparing Section 9 and Section 11 will notice significant differences — this is by design, not an error.

Side-by-Side Comparison (Base Case)

Metric	Section 9 (Multi-Market)	Section 11 (Israel-Centric)	Gap	Explanation
Scope	Israel + UK (Y2) + US (Y3)	Primarily Israel, conservative intl. ramp	—	Section 9 assumes successful gate passage and expansion
Year 1 families	120	120	0	Both models agree on Year 1 end-of-year total (Israel only); monthly ramp differs
Year 2 families	400 (280 IL + 120 UK)	340	60	Section 9 includes full UK launch at Gate 2
Year 3 families	1,000 (400 IL + 350 UK + 250 US)	580	420	Section 11 excludes most UK/US growth
Year 3 annual revenue	~\$550K	~\$227K	~\$323K	Driven by family count difference
3-year cumulative profit	+\$398K	+\$69K	\$329K	Multi-market revenue vs. single-market
Loan repaid	Month 33	Month 33	0	Both models agree on loan repayment timing

Why Two Models?

Section 9 answers: *"What does the full growth plan look like if we expand successfully into three markets?"* This is the aspirational, growth-plan view presented to investors. It includes UK families from Year 2 and US families from Year 3, each contingent on passing gate criteria.

Section 11 answers: *"Can the loan be repaid even if we only grow in Israel with modest international success?"* This is the stress test. It proves that loan repayment is achievable without assuming aggressive multi-market expansion.

Which Number Should Dorit Trust?

- **For loan repayment planning:** Use **Section 11** (the stress test). Both models agree: the loan is repaid at Month 33 in the base case. This is the most important number for Dorit, and it's consistent across both models.
- **For upside potential:** Use **Section 9** (multi-market). If UK and US expansion succeed, cumulative profit is significantly higher (\$398K vs. \$69K).
- **For risk assessment:** Use **Section 11's conservative scenario** — the loan is NOT repaid within 3 years, and cumulative losses reach ~\$50K. This is the realistic downside.

The key takeaway: Section 11's stress test validates that the business model works even under conservative assumptions. Section 9 shows what's possible with successful execution of the full plan.

11.6 Repayment Protection Mechanisms

Protection	How It Works
50% allocation	Ensures consistent repayment even during growth
Priority over dividends	No founder earns from dividends until loan is repaid
Priority over salaries	No founder salary until loan is repaid (except Rotem's transition, which requires both loan repayment progress and profit threshold)
Monthly reporting	Dorit sees every dollar: revenue, costs, customers, loan balance
Asset lien	Loan secured against all company IP and assets
Residual value	Even in total failure, codified methodology + AI system worth \$55K-120K
Spending governance	Nothing above \$3,000 without Dorit's approval

11.7 Dividend Distribution Policy

When Do Founders Receive Dividends?

Dividends are the way both founders — Rotem and Dorit — earn financial returns from Numi beyond salary. Here is the explicit policy:

Prerequisites (ALL must be met before any dividend distribution):

#	Condition	Why
1	\$50K loan fully repaid	Dorit's capital is returned before anyone profits
2	3 months of operating reserves in cash	Company must survive a revenue downturn (~\$9,000-12,000 minimum)
3	Positive net profit for 3 consecutive months	Proves the profit is sustainable, not a one-month spike

Dividend Allocation Formula

Monthly Net Profit (after all costs, marketing, and loan repayment):

If all prerequisites met:

Growth Reserve: 50% of net profit stays in company

Dividend Pool: 50% of net profit available for distribution

Rotem's dividend: 25% of net profit (50% of dividend pool)
 Dorit's dividend: 25% of net profit (50% of dividend pool)

Dividend Timeline by Scenario

Scenario	Loan Repaid	First Dividend Eligible	Monthly Dividend (Each Founder)	Annual Dividend (Each)
Conservative	✗ Not in 3 years	✗ Not in 3 years	N/A	N/A
Base	Month 33	~Month 36 (Mar 2029)	\$3,361 (10,486 ILS)	\$40K (124K ILS)
Optimistic	Month 24	~Month 27 (Jul 2028)	\$5,645 (17,612 ILS)	\$68K (212K ILS)

Base case calculation (at Month 36, 580 families):

- Monthly revenue: \$18,868
- Monthly costs: \$5,424
- Net profit: \$13,444
- Growth reserve (50%): \$6,722
- Dividend pool (50%): \$6,722
- Each founder: **\$3,361/month** (~12,435 ILS)

Optimistic case (at Month 27, ~900 families):

- Monthly net profit: ~\$22,581
- After Rotem's salary (if transitioned): ~\$5,013 → each founder: ~\$1,253/month
- Before Rotem's salary (still part-time): ~\$22,581 → each founder: ~\$5,645/month

Note: If Rotem transitions to full-time (adding ~\$20,833/month salary), the dividend pool shrinks significantly. In practice, dividends and Rotem's salary represent **alternative return paths** — Rotem earns through salary, Dorit through dividends. Both earn through equity appreciation. See Section 12 for the transition analysis.

Dividend Governance

Rule	Details
Frequency	Quarterly distribution (reviewed at each quarterly financial meeting)
Both founders must approve	Joint decision — neither founder can unilaterally declare dividends
Tax-efficient structure	CPA advises on optimal distribution method (dividend vs. management fee vs. contractor payment) — to be determined based on Israeli tax law
Reinvestment option	Either founder may choose to reinvest their dividend share into the company for additional equity or as a shareholder loan
Emergency suspension	If monthly profit drops below \$3,000 for any month, dividend distributions pause until 3 consecutive months of \$3,000+ profit

Summary: How Each Founder Earns

Period	Rotem's Income	Dorit's Income
Year 1 (pre-profit)	Bigabid salary (\$16,770/month)	Independent consulting income
Year 2-3 (pre-loan-repayment)	Bigabid salary	No dividends yet (loan being repaid)
After loan repaid (base: Month 33+)	Bigabid salary + dividends (~\$3,361/month)	Dividends (~\$3,361/month)
After transition (optimistic: Month 28+)	Numi salary (\$20,833/month) + reduced dividends	Dividends (reduced due to salary cost)

End of Section 11 — Loan Repayment Plan

Section 12: Founder Transition

12.1 Transition Overview

Rotem Levi currently works as Team Lead, Data Engineering at Bigabid (AdTech), earning 52,323 ILS/month gross (\$16,770/month at 3.12 ILS/USD). He dedicates evenings, weekends, and holidays (15-20 hours/week) to Numi. A full-time Day-0 engineer (\$1,500/month) handles daily development.

The transition to full-time CTO at Numi is triggered by a **data-driven financial threshold** — not a subjective decision. The company must prove it can sustain Rotem's salary before he leaves stable employment.

12.2 Transition Trigger

The Threshold

Parameter	Value	Calculation
Trigger condition	Monthly net profit \geq 85,000 ILS (~\$27,244)	For 3 consecutive months
Rotem's Numi salary	60,000-65,000 ILS/month (\$19,231-\$20,833)	Market rate for Israeli CTO (see research/2026-02-18-cto-salary-israel-benchmarks.md)
Safety margin	Profit must exceed salary by ~31-42%	Ensures company stays profitable after adding salary
Families required	~880-920	Calculated below

Calculation — How Many Families?

Target: Net Profit \geq \$27,244/month

At X families (all standard pricing, \$33.25/month):

Revenue: $X \times \$33.25$
 Variable costs: $X \times \$3.16$
 Fixed costs: $\$3,000$
 Marketing: $\sim\$1,500/\text{month}$ (at this scale)

$$\text{Profit} = X \times \$33.25 - X \times \$3.16 - \$3,000 - \$1,500$$

$$= X \times \$30.09 - \$4,500$$

Solving for X:

$$X \times \$30.09 = \$27,244 + \$4,500 = \$27,473$$

$$X = 913 \text{ families (at } \$1,500/\text{month marketing)}$$

With blended revenue (\$35.42/month including seat add-ons):

$$X \times (\$35.42 - \$3.49) - \$4,500 = \$27,244$$

$$X \times \$31.93 = \$27,473$$

$$X = 860 \text{ families (with seat revenue)}$$

Rounded: ~880-920 families depending on marketing spend and seat attach rate at that scale.

When Does This Happen?

Scenario	Families at Year 3	Transition Possible?	Timing
Conservative (185 families Y3)	185	❌ No	N/A
Base (580 families Y3)	580	❌ Not within 3 years	Would need Year 4+
Optimistic (1,350 families Y3)	1,350	✅ Yes	~Month 28 (August 2028)

The honest assessment: Rotem's full-time transition requires optimistic-level growth (~160 families Year 1, aggressive Year 2 growth including UK). In the base case, transition happens sometime in Year 4+. This is acceptable — Rotem's part-time arrangement works (the Day-0 engineer handles daily development), and the company is profitable without Rotem's salary.

12.3 Transition Economics — Before and After

Before Transition (Part-Time Rotem)

Metric	At 900 Families
Monthly revenue	$\sim\$29,925$ ($900 \times \$33.25$)
Fixed costs	$\$3,000$
Variable costs	$\$2,844$ ($900 \times \$3.16$)
Marketing	$\sim\$1,500$

Monthly net profit	~\$22,581
Rotem's income	\$16,770/month (from Bigabid)
Rotem's cost to Numi	\$0

After Transition (Full-Time Rotem)

Metric	At 900+ Families
Monthly revenue	~\$29,925+
Fixed costs	\$3,000 + \$20,833 (Rotem's salary) = \$20,568
Variable costs	\$2,844+
Marketing	~\$1,500
Monthly net profit	~\$5,013
Rotem's income	\$20,833/month (from Numi)
Rotem's salary increase vs. Bigabid	+\$3,427/month

Key insight: After Rotem joins full-time, the company is still profitable (~\$5,013/month) but with reduced margins. At 1,100+ families, profit recovers to \$7,500-9,500/month — comfortable for growth and operations.

The Growth Accelerator Effect

Why the transition pays for itself: Part-time Rotem contributes ~15-20 hours/week. Full-time Rotem contributes ~45-50 hours/week — 2.5x more capacity. This enables:

Before (Part-Time)	After (Full-Time)
One sprint per week	Multiple sprints per week
Engineer works semi-independently	Direct daily collaboration
Strategic decisions delayed to evenings	Immediate strategic execution
Limited availability for partnerships	Full availability for B2B, HMO discussions
Can't attend conferences/events	Active industry presence
UK/US expansion is engineer + contractor	Rotem leads expansion directly

The growth acceleration from full-time leadership should generate **50-100+ additional families per year** in incremental growth — more than enough to cover the salary cost (\$20,833 × 12 = \$211K/year vs. 50 families × \$399 = \$20K additional revenue per 50 families).

12.4 Transition Timeline

Pre-Transition Checklist

#	Requirement	Status	Notes
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1	Net profit \geq 85K ILS/month for 3 consecutive months	Data-driven	No subjective judgment
2	\$50K loan substantially repaid (>75%) or fully repaid	Financial	Loan should not be a burden post-transition
3	Cash reserves \geq 6 months of post-transition costs	Financial	At least ~\$123K in cash ($\$20,568 \times 6$)
4	Engineer established and productive	Operational	Existing team can maintain operations during transition
5	Bigabid resignation process (30-90 day notice)	Legal	Standard Israeli employment notice period
6	Both founders agree on timing	Governance	Joint decision per founders agreement

Transition Steps

Step	Action	Timeline
1	Profit trigger confirmed (3 consecutive months)	Month X
2	Both founders review financials and agree on transition	Month X + 1 week
3	Rotem submits resignation to Bigabid	Month X + 2 weeks
4	Notice period at Bigabid (30-90 days)	Month X + 1-3 months
5	Rotem starts full-time at Numi	Month X + 2-4 months
6	Salary begins at 60,000-65,000 ILS/month	From full-time start date
7	90-day review: confirm transition is sustainable	Month X + 5-7 months

12.5 Alternative Transition Strategies

Option A: Direct Transition (Recommended if Base Scenario)

If the optimistic scenario doesn't materialize but the base case does, Rotem transitions directly from part-time to full-time once the profit trigger is met:

Phase	Timing	Rotem's FTE	Numi Salary	Trigger
Part-time (Current)	Month 1 until trigger	~30%	\$0	N/A
Full-time	After trigger + notice period	100%	\$20,833/month (65,000 ILS)	Profit \geq 2x net take-home salary for 3 consecutive months (~880-920 families)

Why this works: The binary transition (part-time \rightarrow full-time) is cleaner than a phased approach. Rotem resigns from Bigabid only when Numi can fully replace his income with a safety margin. The Day-0 engineer

carries daily operations until then. In the base scenario, this trigger is reached toward the end of Year 3 or shortly after.

Option B: No Transition (Conservative Scenario)

If growth follows the conservative path, Rotem remains part-time indefinitely. This is **not failure** — it means:

- The company operates profitably at a smaller scale
- Rotem maintains his Bigabid income (zero personal financial risk)
- The Day-0 engineer handles daily operations
- The product serves hundreds of families successfully
- Both founders earn through equity (dividends from profit)

The company doesn't need Rotem full-time to be a successful business. It needs him full-time to be a *fast-growing* business.

12.6 Risk Mitigation for Transition

Risk	Mitigation
Transition happens too early	Hard trigger: 3 consecutive months above threshold. No exceptions.
Profit drops after adding salary	6-month cash reserve requirement ensures survival even if profit dips
Bigabid re-entry if Numi fails	Rotem maintains industry relationships. Data engineering team leads in Israeli tech are in high demand.
Tax implications	CPA consultation before transition (employer vs. contractor structure, social security, pension)
Dorit disagrees with timing	Both founders must agree per governance rules. If Dorit believes it's premature, discuss and resolve per conflict resolution process.

End of Section 12 — Founder Transition

Section 13: Appendices

A. Financial Models

A.1 Python Financial Model

A comprehensive Python financial model is available at:

Location: `/models/numi_financial_models.py`

The model generates:

- 36-month projections for all 3 scenarios (Conservative, Base, Optimistic)
- Month-by-month: revenue, costs, profit, loan balance, cumulative profit
- Founder transition trigger analysis

- Break-even sensitivity analysis
- Go/no-go decision framework

To run: `python3 numi_financial_models.py`

A.2 Financial Quick Reference

See: [financial-quick-reference.md](#)

Key numbers at a glance: break-even (100 families), loan repayment timeline, scenario outcomes, monthly economics at key milestones, go/no-go decision points.

A.3 Cash Flow Analysis

See: [cash-flow-analysis.md](#)

Cash flow waterfall for each scenario, phase-by-phase recommendations, sensitivity analyses.

B. Market Research Data

B.1 Market Data (February 2026)

See: [research/market-data-2026.md](#)

Contains sourced data on:

- Birth statistics (Israel: 181,609; UK: 594,677; US: 3,628,934)
- Sleep problem prevalence (37% of children 4mo-5yr — CDC 2025)
- Market sizes (Baby sleep coaching: \$1.14B → \$2.44B by 2033)
- WhatsApp penetration (Israel: 99%)
- Competitor pricing (Huckleberry, Nanit, Israeli human consultants)
- Dorit Kreiser community data (14K Instagram, book distribution)

B.2 Competitor Update (February 2026)

See: [research/competitor-update-2026.md](#)

Latest developments: Huckleberry Berry AI launch, Nanit \$50M raise, new entrants (Luna Sleep, ARIA, Bambii).

B.3 Regulatory Risk Research (February 2026)

See: [research/regulatory-risks-2026.md](#)

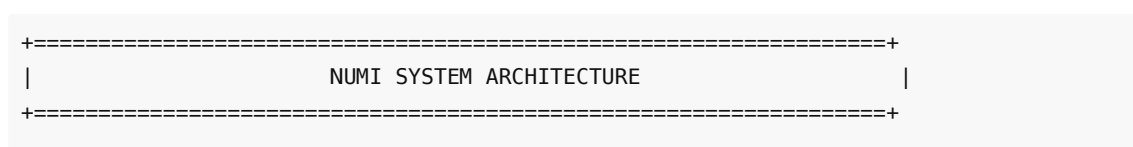
Comprehensive regulatory analysis across all target markets:

- WhatsApp Business API chatbot policy (Jan 15, 2026)
 - Israel Privacy Protection Law Amendment 13
 - EU AI Act classification and timeline
 - UK GDPR and MHRA requirements
 - US state AI laws (California, Texas, Colorado, Illinois)
 - Insurance requirements (Tech E&O, Cyber liability)
 - AI liability precedents and litigation
-

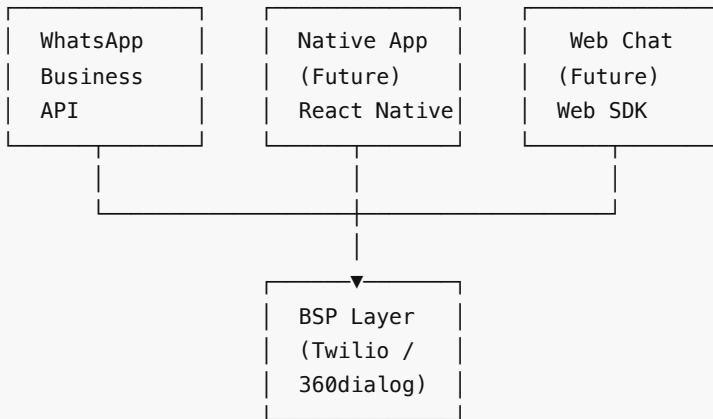
C. Competitive Feature Comparison Matrix

Feature	Numi	Huckleberry Berry	Owlet Dream Lab	Nanit	Luna Sleep	ARIA
AI Type	Agentic (proactive)	Reactive chatbot	Reactive (pilot)	Monitoring only	Rule-based	Reactive
Real-time 2AM coaching	✓	✗	✗	✗	Limited	✗
Check-in timer ("Dorit's Clock")	✓	✗	✗	✗	✗	✗
Proven methodology	✓ (Dorit Kreiser, 25yr)	Generic	Generic	None	Generic	Generic
Sibling coordination	✓ (Planned)	✗	✗	✗	✗	✗
Multi-seat (grandma, nanny)	✓ (role-adapted)	Basic sync	✗	Up to 10 viewers	✗	✗
WhatsApp-native	✓	✗ (app)	✗ (app)	✗ (app)	✓	✓
Hebrew	✓ (native)	✗	✗	✗	Unclear	✓
Multi-child memory	✓	Limited	Limited	Camera-based	✗	✗
Human escalation	✓ (to Dorit)	✗	✗	✗	✗	✗
Cost-optimized AI	✓ (Pro + Flash)	Single model	Single model	N/A	N/A	N/A
Annual price	\$399	\$120	\$300+ (hardware req.)	\$420-600+	~\$108	Freemium

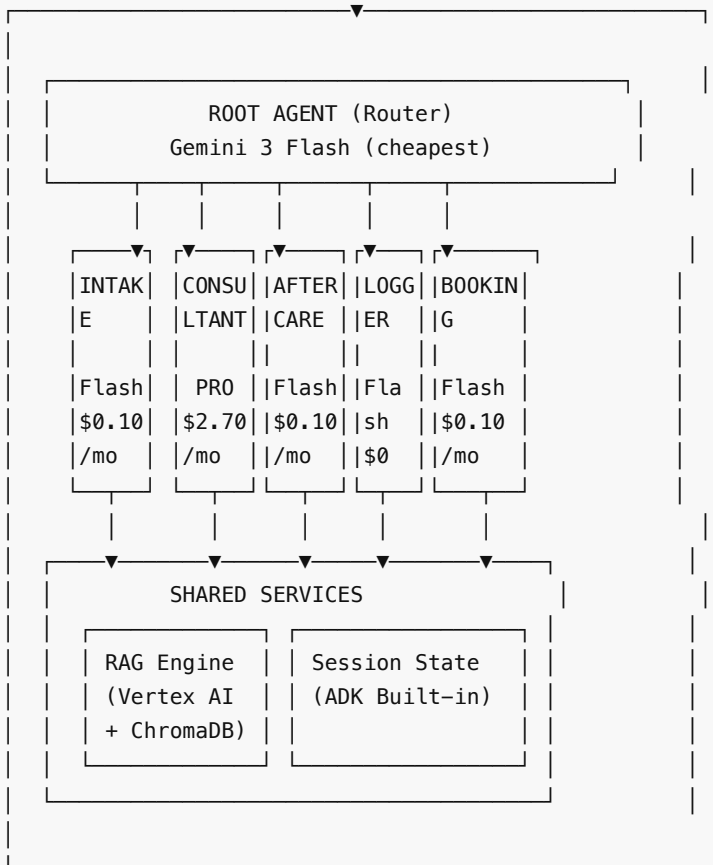
D. Technical Architecture Diagram



COMMUNICATION LAYER



AI AGENT LAYER (Google ADK)



DATA LAYER



Session data	Error logs	Error rates
Family data		
SECURITY: AES-256 at rest TLS 1.3 in transit ACCESS: Role-based (parent, seat, admin) COMPLIANCE: Amendment 13 GDPR-ready		
INFRASTRUCTURE (Google Cloud)		
Cloud Run (serverless)	Israel region (me-west1)	
Auto-scaling	UK region (europe-west2)	
99.95% uptime SLA	for UK expansion	

E. Extended Team Bios

See Section 2.5 for full founder bios and Section 7 for operational team structure.

Summary:

Person	Role	Key Qualification
Rotem Levi	Co-Founder & CTO	Team Lead, Data Engineering at Bigabid; AI/ML, Python, Cloud, Google ADK
Dorit Kreiser	Co-Founder, Methodology & Marketing Lead	25+ years sleep consulting; nurse-midwife; TAU doctoral student; published author
Dr. Doron Kreiser	Informal Medical Advisor	Senior OB/GYN; Hadassah graduate; Stanford-trained; former Sheba delivery room director
Day-0 Engineer	Full-Stack Developer	To be hired April 2026. Python, Cloud, willing to learn AI/ADK. \$1,500/month.

F. Letters of Intent

Status: To be obtained before or during incorporation (March-April 2026).

Letter	From	Purpose
Letter of intent (investment)	Dorit Kreiser	Confirms \$50,000 owner's loan commitment
Letter of intent (methodology)	Dorit Kreiser	Confirms exclusive license of methodology for AI use
Letter of intent (referrals)	Dorit Kreiser	Confirms intent to direct her audience and client base to Numi

Beta participation agreement	5 families	Confirms participation in free beta testing (Month 7)
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G. Beta Results

Status: Planned for October 2026 (Month 7).

Beta plan:

- 5 families selected from Dorit's client base
- Free access to full Numi system
- Close monitoring: Dorit reviews every conversation
- Success metrics: $\geq 80\%$ satisfaction, ≤ 5 critical bugs, AI accuracy $\geq 85\%$
- Duration: 4-6 weeks
- Output: Beta results report with satisfaction scores, accuracy metrics, bug count, and Dorit's professional assessment

H. Compliance Checklist

Pre-Launch (Before Month 7 – October 2026)

#	Requirement	Status	Owner	Cost
1	Privacy policy (attorney-drafted)	Planned	Rotem + Attorney	\$1,000 (included in \$2,000 compliance budget)
2	Terms of service (attorney-drafted)	Planned	Rotem + Attorney	\$1,000 (included in \$2,000 compliance budget)
3	Health disclaimer language	Planned	Dorit + Attorney	Included above
4	Data Protection Impact Assessment (DPIA)	Planned	Rotem + Attorney	\$500-1,000 (can be done in-house with legal review)
5	Consent mechanisms in onboarding	Planned	Rotem (engineering)	\$0 (development time)
6	WhatsApp Business Solution Terms compliance review	Planned	Rotem + Attorney	Included in legal retainer
7	Professional liability insurance	Planned	Both founders	\$1,000/year (budgeted in startup costs)
8	Cyber liability insurance	Planned	Both founders	Included in \$1,000 business insurance budget
9	Safety escalation protocols (medical, distress)	Planned	Dorit + Rotem	\$0 (engineering + methodology)
10	Right to deletion mechanism	Planned	Rotem (engineering)	\$0 (development time)

Pre-UK Launch (Before Month 20 – November 2027)

#	Requirement	Status	Owner	Cost
11	UK GDPR compliance assessment	Future	Rotem + UK attorney	\$3,000-5,000
12	Updated DPIA for UK operations	Future	Rotem	\$500-1,000
13	UK data residency (GCP London region)	Future	Rotem (engineering)	\$0 (GCP configuration)
14	UK-specific privacy policy and terms	Future	UK attorney	\$2,000-3,000
15	MHRA classification assessment (medical device check)	Future	UK regulatory counsel	\$2,000-5,000
16	UK sleep expert content validation	Future	Dorit + UK expert	\$2,000-3,000

Pre-US Entry (Before Year 3 – 2028+)

#	Requirement	Status	Owner	Cost
17	Multi-state compliance review	Future	US attorney	\$15,000-25,000
18	COPPA compliance (if applicable)	Future	Rotem + Attorney	\$5,000-10,000
19	FTC health claims substantiation	Future	Dorit (evidence) + Attorney	\$5,000-10,000
20	State-specific AI disclosures (CA, TX, CO, IL)	Future	US attorney	Included in #17

Total estimated compliance costs:

- Israel launch: ~4000-5000 (included in \$11K startup budget + legal retainer)
- UK expansion: ~10000-16000 (funded from Israeli profits)
- US entry: ~25000-45000 (funded from multi-market profits)

I. Regulatory Landscape Summary

By Market and Timeline

Market	Key Regulation	Effective	Status	Risk Level
Israel	Privacy Protection Law Amendment 13	Aug 14, 2025	✅ In effect	Must comply before launch
Israel	WhatsApp Business API chatbot policy	Jan 15, 2026	✅ In effect	Legal review needed

Israel	Medical device classification (AMAR)	Ongoing	Assess	Classification review needed
UK	UK GDPR (health data)	Ongoing	Future	Before UK launch
UK	MHRA medical device registration	Ongoing	Future	Classification review needed
EU	EU AI Act (high-risk deadline)	Aug 2, 2026	Future	Assess for UK — likely not high-risk
EU	EU Product Liability Directive	Dec 9, 2026	Future	Covers AI-caused psychological harm
US	FDA wellness guidance (Jan 2026) — favorable: AI wellness coaching explicitly NOT a medical device	Jan 2026	✅ In effect	Favorable for Numi — confirms classification as wellness tool
US	COPPA (updated)	Apr 22, 2026	Future	Year 3 compliance
US	California SB 243, AB 489	Jan 1, 2026	✅ In effect	Year 3 compliance
US	Texas TRAIGA	Jan 1, 2026	✅ In effect	Year 3 compliance
US	Colorado AI Act	Jun 30, 2026	Future	Year 3 compliance

Sources: See [research/regulatory-risks-2026.md](https://www.numi.com/research/regulatory-risks-2026.md) for comprehensive sourced analysis of each regulation.

J. Glossary of Terms

This glossary defines business, financial, and technical terms used throughout the plan.

Business & Financial Terms

Term	Definition
ARR (Annual Recurring Revenue)	The total revenue the company expects to receive from subscriptions over the next 12 months. If 120 families pay \$399/year, ARR = \$47,880. It's the key metric for measuring a subscription business's health.
Break-even	The point at which total revenue equals total costs — the company stops losing money. For Numi, this is 100 families.
Burn rate	How much money the company spends each month. Numi's burn rate is \$3,000/month before revenue starts.
CAC (Customer Acquisition Cost)	The average cost to acquire one new paying customer. Includes marketing spend divided by new customers. Numi's blended CAC: \$25-40 per family.

CAGR (Compound Annual Growth Rate)	The average annual growth rate of an investment or market over a period of time, assuming growth compounds (builds on itself). A market growing at 8.7% CAGR doubles roughly every 8 years.
Churn	The percentage of customers who cancel or don't renew their subscription. 15% annual churn means 85% of customers stay each year.
Contribution margin	Revenue minus variable costs for one customer. For Numi: \$33.25/month revenue - \$3.16/month variable cost = \$30.09 contribution margin per family.
Gross margin	The percentage of revenue left after subtracting variable costs. Numi's 90% gross margin means for every \$1 of revenue, \$0.91 is profit before fixed costs.
LTV (Lifetime Value)	The total revenue a customer generates over their entire relationship with the company, minus variable costs. Higher LTV = more valuable customers.
LTV:CAC ratio	Compares customer value to acquisition cost. A ratio of 3:1 or higher is considered healthy. Numi's 9.6-28.4x means each \$1 spent on acquiring a customer generates \$9.60-\$28.40 in value.
NPS (Net Promoter Score)	A measure of customer satisfaction. Customers rate from 0-10 how likely they are to recommend the product. Score above 50 is excellent.
ROI (Return on Investment)	How much money you get back relative to what you invested. An 8.0x ROI on \$50K means the investment generates \$400K in value.
Runway	How many months the company can operate without any revenue. Numi has ~12 months of runway on the \$50K investment (after \$11K one-time setup costs).
Unit economics	The revenue and costs associated with a single customer. Good unit economics = each customer is profitable on their own.
Owner's loan	Financing provided by a company owner (Dorit) rather than a bank or external investor. Numi's \$50K owner's loan carries 0% interest and is repaid from profits before any distributions.
Gate (Go/No-Go)	A predefined decision point where the company evaluates performance against benchmarks before proceeding to the next phase. Numi has 3 gates — see Section 8.3.
Founding members	The first 50 paying families who receive a discounted rate (\$299/year vs. \$399) in exchange for providing feedback and building early credibility.

Market Terms

Term	Definition
B2B (Business-to-Business)	Selling to other businesses. Example: selling Numi to HMOs (health insurance companies) who offer it to their members.
B2C (Business-to-Consumer)	Selling directly to individual consumers (parents). Numi's primary model.

CPM (Cost Per Mille)	The cost an advertiser pays per 1,000 ad impressions (views). Lower CPM = cheaper advertising. UK CPM is roughly half of US CPM.
GTM (Go-to-Market)	The strategy for launching a product and reaching customers. Numi's GTM starts with Dorit's existing audience.
SaaS (Software as a Service)	Software delivered as a subscription (monthly or annual payments) rather than a one-time purchase. Numi is a SaaS product.
TAM (Total Addressable Market)	The total market demand for a product if every possible customer bought it. Numi's TAM: \$1.14 billion globally.
SAM (Serviceable Available Market)	The portion of TAM that Numi can realistically reach given language, geography, channel, and method willingness. Numi's method-adjusted 3-market SAM: \$253 million.
SOM (Serviceable Obtainable Market)	The realistic slice Numi can capture in Years 1-3 given team size and marketing budget. Numi's SOM: \$550K by Year 3 (base case).

Technology Terms

Term	Definition
ADK (Agent Development Kit)	Google's open-source framework for building multi-agent AI systems. The platform Numi is built on. Free to use (Apache 2.0 license).
Agentic AI	AI that acts autonomously — initiating actions, making decisions, and managing processes without waiting for human commands. Unlike a chatbot that only responds, agentic AI proactively reaches out and manages workflows.
API (Application Programming Interface)	A set of rules that allows two software systems to communicate. The WhatsApp Business API lets Numi send and receive WhatsApp messages.
BSP (Business Solution Provider)	A company authorized by Meta to provide access to the WhatsApp Business API. Examples: Twilio, 360dialog, Vonage.
CI/CD (Continuous Integration / Continuous Deployment)	Automated systems that test and deploy code changes. Ensures new features are released quickly and safely.
Gemini	Google's family of AI models. Gemini Pro: powerful but expensive (for sleep plan building). Gemini Flash: fast and cheap (for routine tasks).
MVP (Minimum Viable Product)	The simplest version of the product that can be launched to real customers. Numi's MVP includes core sleep consulting, "Dorit's Clock," and multi-seat support.
POC (Proof of Concept)	A working demonstration that the technology works. Numi's POC proves the AI can conduct professional sleep consultations. Already built and operational.
RAG (Retrieval Augmented Generation)	A technique where the AI retrieves specific information from a knowledge base (Dorit's methodology) before generating a response. This ensures

answers are grounded in verified content, not generic internet information.

Numi-Specific Terms

Term	Definition
Dorit's Clock	Numi's signature feature. An AI-managed real-time check-in timer that guides parents through Dorit's sleep training protocol during training nights. Counts one-minute intervals, tells parents when to enter/leave the room, and — critically — detects when to stop entering based on crying tone changes.
Transition Movement	In Dorit's methodology, the self-soothing movement a baby naturally discovers when given the space to self-settle (e.g., head rocking, blanket touching, rhythmic hand movement). Central to Dorit's approach — the goal is for the baby to internalize this movement.
Seats	Numi's multi-caregiver system. Each person caring for the child (mom, dad, grandma, nanny) gets their own WhatsApp connection to Numi with role-adapted AI behavior. Ensures consistency across all caregivers.
Sleep regression	A period when a baby who was sleeping well suddenly starts waking up frequently. Common at 4 months, 8 months, 12 months, and 18 months. Numi predicts and proactively prepares parents for these.
Self-soothing	The ability of a baby to calm themselves down and fall asleep independently, without external aids (rocking, pacifier, feeding). The core skill Dorit's methodology teaches.

Regulatory Terms

Term	Definition
Amendment 13	Israel's 2025 update to the Privacy Protection Law. Explicitly covers AI systems processing personal data. Requires consent, transparency, and data protection measures.
CE marking	European certification that a product meets EU safety, health, and environmental requirements. May be required for AI products classified as high-risk under the EU AI Act.
COPPA (Children's Online Privacy Protection Act)	US law protecting children's online privacy. Applies to services collecting data from children under 13.
DPIA (Data Protection Impact Assessment)	A formal process to identify and minimize data protection risks before launching a product. Required under Amendment 13 and GDPR.
DPO (Data Protection Officer)	A person responsible for ensuring the company complies with data protection laws. Can be external/part-time for small companies.
EU AI Act	European regulation classifying AI systems by risk level and imposing requirements accordingly. Health-related AI may be classified as "high-risk."

FTC (Federal Trade Commission)	US agency that enforces consumer protection laws, including truth-in-advertising and health claims.
GDPR (General Data Protection Regulation)	European (and UK) data protection law. Requires explicit consent, data minimization, right to deletion, and transparency. Applies to Numi's UK expansion.
HMO (Health Maintenance Organization)	In Israel: the four national health insurance organizations — Clalit, Maccabi, Meuhedet, and Leumit. Potential B2B customers for Numi.
MHRA (Medicines and Healthcare products Regulatory Agency)	UK agency that regulates medical devices. If Numi were classified as a medical device (unlikely), MHRA registration would be required.
SOC 2	Security certification for technology companies. Demonstrates data security practices meet industry standards. Required for enterprise/B2B deals.

Statistical Terms

Term	Definition
CBS (Central Bureau of Statistics)	Israel's national statistics agency. Source for birth data, demographics, and economic statistics.
CDC (Centers for Disease Control and Prevention)	US health agency. Source for sleep problem statistics (37% of children with insufficient sleep).
FTE (Full-Time Equivalent)	A way to express work hours as a fraction of a full-time position. Rotem at ~30% FTE means ~15-20 hours/week on Numi.
OECD (Organisation for Economic Co-operation and Development)	An international organization of 38 developed countries. Israel has the highest fertility rate among all OECD members.
ONS (Office for National Statistics)	UK's national statistics agency. Source for UK birth data (594,677 births in 2024).

K. Sources & References

All key numbers in this plan are backed by verifiable sources. This appendix collects them in one place.

Market Data

Claim	Source	URL
Global baby sleep coaching market: \$1.14B (2024) → \$2.44B (2033), 8.7% CAGR	Growth Market Reports, 2025	growthmarketreports.com/report/baby-sleep-coaching-guides-market
Parenting apps market: \$1.06B (2025) → \$5.5B (2034), 20.37% CAGR	Business Research Insights, 2025	businessresearchinsights.com/market-reports/parenting-apps-market-113806

37% of children aged 4 months to 5 years don't get enough sleep	CDC, MMWR 2021 & FastStats 2025	cdc.gov/sleep/data-research/facts-stats/children-sleep-facts-and-stats.html
55% of active parenting app users prefer tiered subscription models	Business Research Insights, 2025	businessresearchinsights.com/market-reports/parenting-apps-market-113806
AI-powered guidance led to 50% increase in user engagement	Business Research Insights, 2025	businessresearchinsights.com/market-reports/parenting-apps-market-113806
60% of urban new parents use baby-tracker apps	Business Research Insights, 2025	businessresearchinsights.com/market-reports/parenting-apps-market-113806

Demographics

Claim	Source	URL
Israel annual births: 181,609 (2024)	CBS Israel via Macrotrends	macrotrends.net/global-metrics/countries/isr/israel/birth-rate
UK annual births: 594,677 (2024)	ONS, Births in England and Wales 2024	ons.gov.uk — Births summary tables 2024
US annual births: 3,628,934 (2024)	CDC, NCHS Vital Statistics Report 2025	cdc.gov/nchs/data/vsrr/vsrr038.pdf
Israel fertility rate: 2.91 (highest in OECD)	Macrotrends 2024, Times of Israel	macrotrends.net — Israel fertility rate
WhatsApp penetration in Israel: 99%	JPost, January 2025	jpost.com/business-and-innovation/article-871715
UK digital CPM ~47% lower than US	Lebesgue, Facebook Ads CPM by Country 2025	lebesgue.io/facebook-ads/facebook-cpm-by-country

Competitor Intelligence

Claim	Source	URL
Huckleberry Berry AI launched February 2026	PR Newswire, February 2026	prnewswire.com — Huckleberry launches Berry
Huckleberry: independent, VC-backed (\$15.9M total funding, 5000000+ families)	Huckleberry official website, Tracxn	huckleberrycare.com
Huckleberry pricing: Free / Plus \$5.74/mo / Premium \$9.99/mo	Huckleberry official website	huckleberrycare.com/pricing
Owlet revenue: \$103000000-106000000 projected 2025; Q3 2025	Owlet SEC filings	Owlet Investor Relations

\$32M (+44.6% YoY)		
Owlet-webAI generative AI coaching partnership (Feb 2026)	BusinessWire, February 2026	businesswire.com — Owlet-webAI
Nanit raised \$50M in December 2025	PR Newswire, December 2025	prnewswire.com — Nanit raises \$50M
Nanit total funding: \$125M+	Tracxn, 2026	tracxn.com/d/companies/nanit

Technology & Pricing

Claim	Source	URL
Gemini Pro pricing: \$2/1M input, \$12/1M output	Google AI for Developers, Feb 2026	ai.google.dev/gemini-api/docs/pricing
Gemini Flash pricing: \$0.50/1M input, \$3/1M output (Gemini 3 Flash)	Google AI for Developers, Feb 2026	ai.google.dev/gemini-api/docs/pricing
WhatsApp Business API: service messages free, utility \$0.01/msg (Israel)	Meta, WhatsApp Business Pricing	developers.facebook.com/docs/whatsapp/pricing
Google for Startups Cloud Program: up to \$350K credits for AI startups	Google Cloud	cloud.google.com/startup
Google Cloud Run: 99.95% uptime SLA	Google Cloud SLA	cloud.google.com/run/sla

Regulatory

Claim	Source	URL
Israel Privacy Protection Law Amendment 13 (effective Aug 14, 2025)	IAPP, 2025	iapp.org — Israel Amendment 13
EU AI Act high-risk deadline: Aug 2, 2026	Trilateral Research, 2025	trilateralresearch.com — EU AI Act implementation
EU Product Liability Directive covers AI-caused psychological harm (Dec 9, 2026)	Goodwin Law, 2025	goodwinlaw.com — EU product liability
WhatsApp general-purpose AI chatbot ban (Jan 15, 2026)	TechCrunch, October 2025	techcrunch.com — WhatsApp chatbot terms

Note: See [research/regulatory-risks-2026.md](#) for the full 75+ source regulatory analysis, and [research/market-data-2026.md](#) for extended market data.

End of Sections 10-13