



2021

Whole House
a Junior Achievement Company

Annual Report

Executive Summary

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Over 30 million confirmed US cases and 550,000 deaths attributed to COVID-19. Millions of people unemployed. Small businesses being forced to shut down. Families struggling to meet ends financially. Remote learning and social distancing forced to become part of our everyday vocabulary. A polarizing political climate resulting in more infighting and less listening. Yeah... you could say it's been a tough year.

The result: 1 in 4 American's have reported increased feelings, of anxiety, loneliness, and despair which is a 4-fold increase from the year before. If there was ever a time, our world needed an extra shot of positivity, it's now.

This is where the Whole House team comes in. We handcraft beautiful preset and custom lines of magnets with positive messages and images designed to bring a smile to your face and warmth to your heart. Every six-pack of magnets also includes a positivity card that is meant to be passed along to others to help spread optimism throughout the community. \$1 of every commercial pack sold is also donated to GiGi's Playhouse, a local Down's Syndrome achievement center. Our product may be small but our impact can be huge, because here at Whole House we believe the little things are what makes a **house whole**.

Matthew Garfinkle, CEO



"Whole House magnets make the perfect gift, especially during the pandemic! I had a custom pack made for my Grandma, and she absolutely loved them."



Our Mission at Whole House:

**To help generate
Positivity, Personality,
and Passion around social
issues impacting our
community**

**2,625 Individual Cabochon
Magnets Produced**

\$4,653 in Sales Revenue

219 Satisfied Customers

Break Even - 35 Packs



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wholehouse2020



WholeHouseinPlain

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Financials

Overview of Finances:

We offered a few price point variations, depending on our market. For our B2C markets, we offered our preset 6 packs for \$10/each, with a profit margin of \$7.28 + \$1 (donation). Our custom packs had a more robust margin, selling for \$15 and a profit margin of \$12.28 + \$1 (donation). The B2B customer price point was \$1.25, with a 65% profit margin.

Break Even:

After the donation to Gigi's Playhouse, we account for approximately \$347.62 in fixed expenses. Therefore, our break even point is 35 packs (at \$10 each).

**Overall
Net Profit Margin
26%**

Income Statement

Revenue:

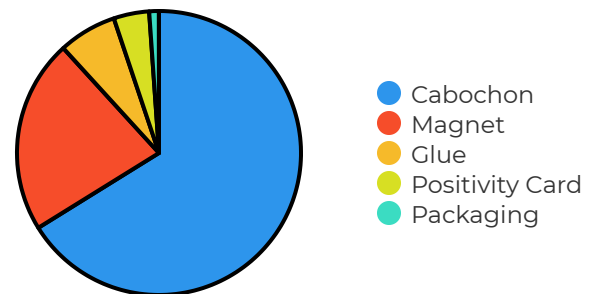
Revenue from Sales	4,653.00
Total Revenue	4,653.00
Expenses:	
Production Supplies	2487.18
Website Expense	46.08
Company Shirts	81.90
Giveback to Gigi's	366.00
JA Loan Interest Expense	30.00
Bank Fees	30.00
Marketing & Promotional Fees	160.00
Sales Tax	244.92
Total Expenses	3,446.08
Net Profit	1,206.92

Balance Sheet

Assets:

Cash	1,829.95
Inventory	298.00
Remaining Inventory	390.00
Accounts Receivable	250.00
Total Assets	2,767.95
Owner's Equity & Liabilities:	
Net Profit	2,767.95
Total Liabilities & Capital	2,767.95

Cost Breakdown Per Pack



Business to Business

B2B

Selling Price

Cost

Profit Margin

\$1.25/Each

\$0.44/Each

65%

Business to Consumer - Preset Packs

B2C

Selling Price

Cost

Profit Margin

\$10/6 Pack

\$2.72

73%

Business to Consumer - Custom Packs

Selling Price

Cost

Profit Margin

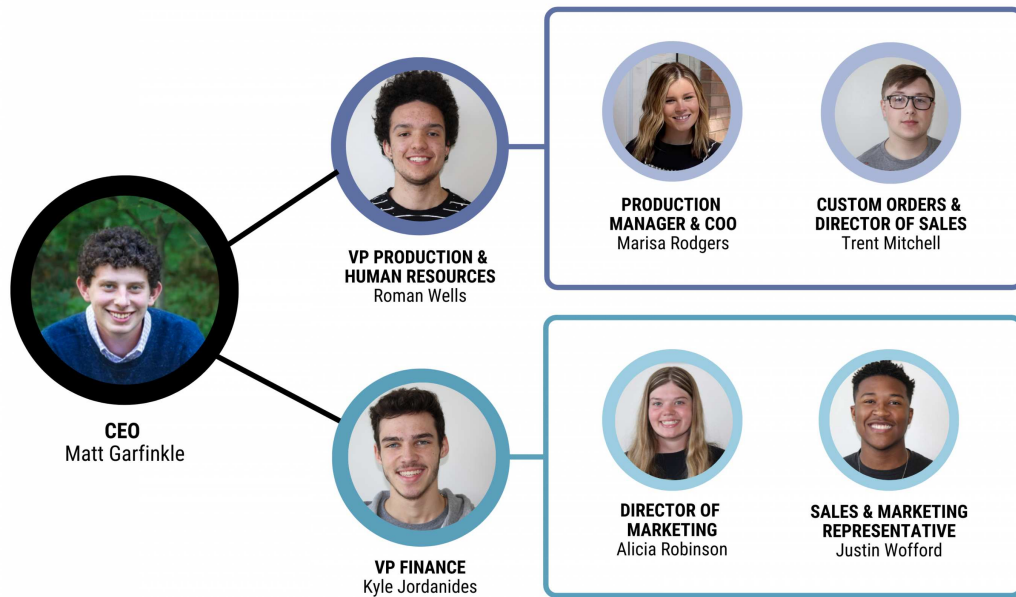
\$15/6 Pack

\$2.72

82%

WHOLE HOUSE TEAM

3



Core Values & Our Leadership

Accountability

Accountability was a core value ingrained throughout our whole company. Clear expectations and regular progress checks became a regular part of how we do business. Our entire team worked together to create a handbook that outlined our company “non-negotiables” for success including expectations while in and out of the classroom and set consequences for breaking rules. In addition, individual weekly productivity goals were set by management and weekly meetings were held with each team member to ensure goals were being met so that we could work as efficiently and effectively as possible.

Democratic

Our company believes strongly in an open environment, and we were able to use that philosophy to our advantage. Management decided to include all employees on company decisions as it allowed for easier synergy between departments and also helped minimize any delays in productivity when a team member was absent as we all had the ability to do multiple roles. Additionally, our open nature exposed us to more facets of business which gave us a better understanding of one another’s perspectives.

Incentive

We quickly realized that if you are going to hold team members accountable to achieving high expectations, it is crucial to also reward those who meet and exceed those standards. This ensures everyone remains motivated to giving their best effort. Therefore, we held multiple contests throughout the year that rewarded those who produced or sold the most magnets with gift cards to their favorite restaurants. In addition, we also took time at our weekly team meetings to celebrate and recognize great individual performance as we understand that sometimes just an encouraging word or display of appreciation can be the best incentive of all.

Sales

We quickly realized that if you are going to hold team members accountable to achieving high expectations, it is crucial to also reward those who meet and exceed those standards. This ensures everyone remains motivated to giving their best effort. Therefore, we held multiple contests throughout the year that rewarded those who produced or sold the most magnets with gift cards to their favorite restaurants. In addition, we also took time at our weekly team meetings to celebrate and recognize great individual performance as we understand that sometimes just an encouraging word or display of appreciation can be the best incentive of all.

Competitive Advantages & Innovation

	 WHOLE HOUSE <small>a Junior Achievement Company</small>	STAPLES	 shutterfly	Etsy
Price	\$10/6 pack - Preset \$15/6 pack - Customized	Starting at \$18.99	\$7.99/per magnet	\$2.00/each
Super High Strength (based on customer reviews)	✓	✓	✗	✓
Aiding the Community	✓	✗	✗	✗
Customizable Images	✓	✓	✓	✓
High Quality Glass	✓	✗	✗	✗

Innovation

Businesses are always looking for ways to boost the bottom line through the implementation of new processes, services, products and ideas. Here are some examples of innovation at Whole House:

- **Product Line Expansion** - We expanded our original product line of 4 designs to include 6 additional designs along with a totally custom package in which our clients submit their own photos. Along with adding additional lines, we also created a new market segment by adding our B2B line. These efforts significantly increased our sales and bottom line.
- **Production Specialization** - Our product is hand-crafted, and in order to eliminate variable factors, increase consistency and boost our turnaround time, we moved to a production model where company members specialized on only their role. As a result, we were able to complete more orders.

Sample of Product Lines



Positivity Pack



Valentines Pack



Class of '21



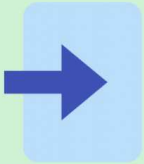
Chanukah



Plain Pride Pack



Customer places an order on our Website, Google Order Form, or Representative



Orders are then logged and confirmed with customer in our shared Drive.



Production starts. For custom orders, artwork will be sized. Each image is cut, laminated to a glass cabochon and a high strength magnet is applied.



Once set, packs are assembled and the positivity card is added to each bag.



Customers are contacted about delivery and payment is established.

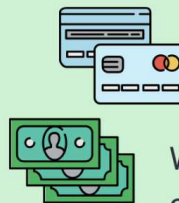


219 Satisfied

Customers



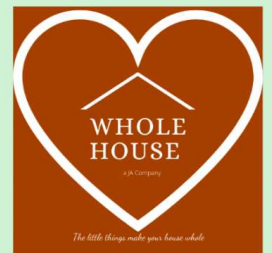
Our centralized spreadsheet is updated to reflect payment and delivery, and we close the order.



We accept all major credit cards, debit cards, cashless apps, check and cash. Once payment is established, delivery occurs.



Whole House ORDER PROCESSING WORKFLOW



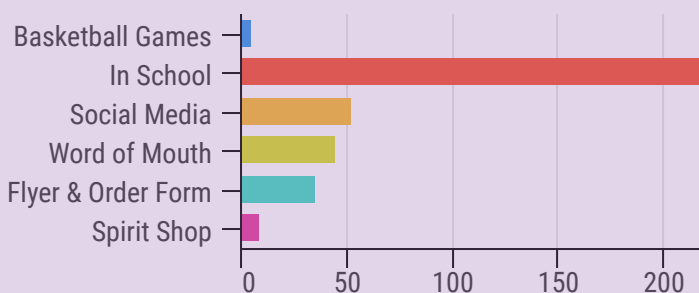
Whole House initially launched with the ultimate consumer in mind, and worked several months just to fill our B2C market orders. After the holiday rush, we were able to focus our efforts in expanding our market to include the B2B consumer.

B2C

Business to Consumer Market

Total Packs Sold: 364
Total Revenue: \$3,995

Business to Consumer Sales Methods



B2B

Business to Business Market

Total Revenue: \$658

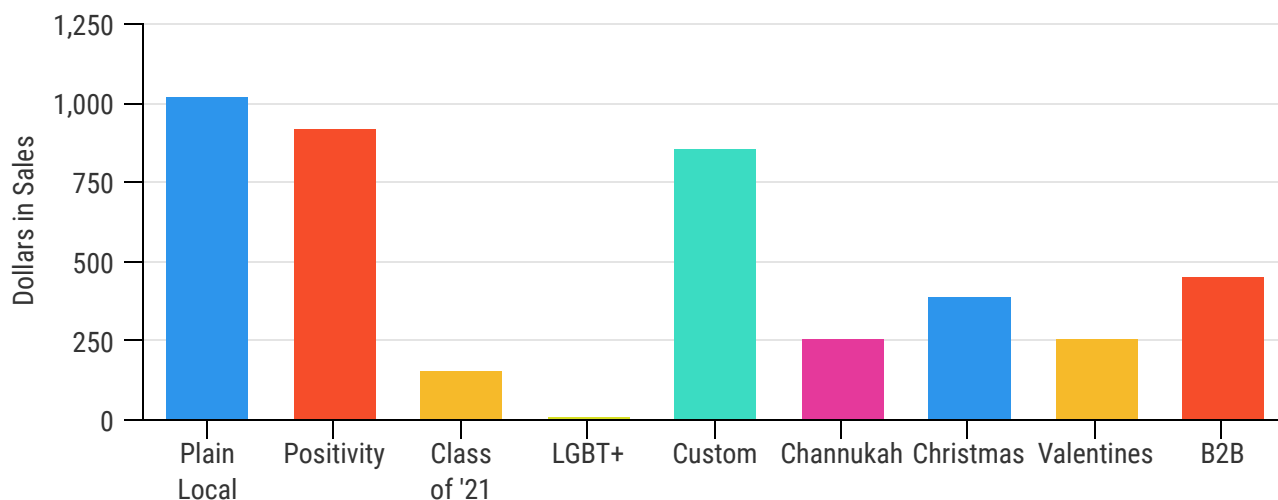
We had several B2B completed sales with the following businesses:

- GiGi's Playhouse
- DW Fastener
- Royal Docks Brewing Company
- The Buffs
- Lepley & Co. (consignment)

In addition to these sales, we have several other leads with businesses and have arranged for personal sales meetings on-site.

In developing our B2B market, we realized the need to offer solutions beyond packs of 6. Our single packs were popular with this market segment.

Sales by Pack Type & Market



A collection of six circular social media icons: Pinterest (red with white 'P'), Twitter (light blue with white bird), Facebook (blue with white 'f'), YouTube (red with white play button), Google+ (red with white 'g+'), and Instagram (purple with white camera icon). A large number '7' is in the top right corner.

Our marketing strategies were varied across several platforms. Based on the fact that production was at 110% of capacity, we were effective in reaching our target market.

Social Media



Our social media accounts were a true representation of our message and brand. We used the following social media schedule:



*Motivational Monday, Positivity
Tuesday, Wisdom Wednesday, Thankful
Thursday, Feel Good Friday, Small
Business Saturday, Spotlight Sunday*

Our posts have received over 1,546 views!

The Customers



Word of mouth advertising was our first form of marketing. It was so successful that we quickly experienced an inventory shortfall.

Our customers loved our products, and reengaged many times over - in part, due to our innovative product lines.

Plain Pride Article

We were featured in our district's Plain Paper, which reaches more than 30,000 households locally!



Our Message

Spreading Positivity



Each one of our packs comes with a special positivity card for you to give to someone else!

Printed on each package, customers were encouraged to use #WHOLEHOUSE to show the world how they are sharing positivity.

#WHOLEHOUSE

TAG US TO SHOW THE WORLD HOW YOU ARE CHOOSING
TO SPREAD POSITIVITY WITH OUR MAGNETS



Running our Junior Achievement company has been both the most exciting and scary thing we have done. There have been countless lessons learned over the duration of our company. These lessons provided practical, hand-on learning that we otherwise would have not received in a traditional classroom setting.

This experience has shaped our future plans in that it has given us each the chance to try on a business role that we had a passion for to see if it was a fit. We have developed confidence, leadership skills, and an understanding of how all of the business functions must work together to be a success.

Overall, we feel such a sense of accomplishment. We were pushed to work outside of our comfort zones, and survived. We would like to highlight a few of our top learning experiences:



Using Technology to Increase Efficiency

Initially, orders were flying in across our 7 company members. We were all so excited that we failed to set up an effective system shared among all company members to log and track orders. This problem was quickly realized and we discussed the best system to put in place. Our system was simple to use but provided comprehensive information that was needed by all company roles. Once in place, we cut our turnaround time in half.

Quality Control is Paramount

Every order had to be perfect! Our name was on it, and our reputation was on the line. There were a lot of variable factors in producing our magnets. To combat this, we worked to standardize the process as much as possible, and have each pack closely inspected before it was delivered. In the end, we had rave reviews and many repeat customers.



In Giving, We Receive

Establishing our giveback upfront felt rewarding. We are proud to donate both cash and custom sets of Gigi's magnets as part of our giveback, and have enjoyed getting to learn about this fantastic organization!

