

J. A COMPANY



Teacher: Mr. Grady

Volunteers: Joe Rozsa

Tom Preston

Hoover High School

525 7th St NW 44720

North Canton, Ohio

JA East Central Ohio

# Executive Summary

**Mission Statement:** We are **Timeless Creations** and we believe in creating a better world through business. We, as a company, are dedicated to creating quality wooden products for people to capture their personal memories forever. We also prioritize instilling trust, value, and satisfaction among our appreciated customers.

**Our product:** The Keepsake Capsule, is a basswood box that we can engrave anything our customers want on to the top, and comes with 24 handcrafted wooden shapes. Using these shapes, guests at any event are able to record memories and share special advice. Our product is perfect for graduation parties, weddings, baby showers, and any other major life event.

**In depth look into Timeless:** When we started our company in October, we asked ourselves a question, "how can we help our community?" After putting a great deal of thought into this question we came up with an answer, we want to help our community remember major life events and to add something unique to every event. We have worked hard all year not only to work with our community but to also learn about the entrepreneurial process.

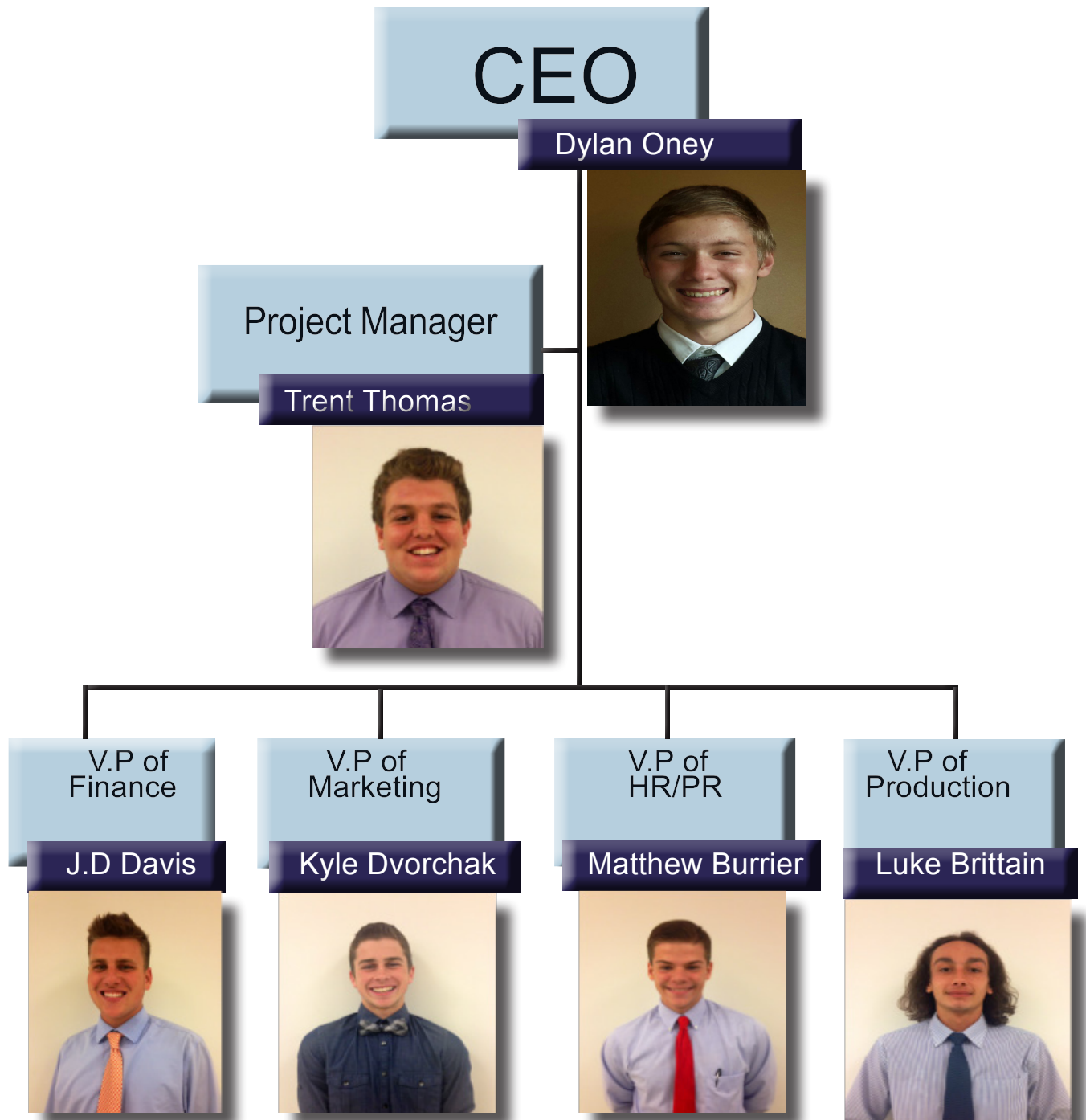
**Summary of JA Company Performance:** Through hard work and dedication we have been successful and have collected over \$2,300 in sales this year. What helped make us successful was the fact that we produced a product that was unique and had a large potential market. With our large success we turned to look how we can continually improve our community, so we decided to donate to two different charities that supported our values and worked for the same goals. We gave 5% of our revenue to the Alzheimers Association and 5% to the Senior Citizens Prom hosted at Hoover High School each year.

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# Company Structure



Our company is a matrix structure. We chose this structure due to the easy flow of information between management and employees. We also appointed a project manager, this allowed for more leadership opportunities within our own company. The V.P.s were chosen due to their work ethic, their understanding of their department, and their leadership ability.

## Company Leadership

**Employee Motivation:** To keep our employees motivated, we used a multitude of different strategies. We created a focus on setting goals, and most importantly achieving those goals. We encouraged everyone to set their own goals that pertained to the company to pursue those benchmarks. Another way our employees were motivated was the bonus structure that we developed. It takes into account different activities performed by the employees along with their sales numbers and their monthly employee evaluations. Every month the H.R department would hold employee evaluations. This process was designed to improve the company, solve any personnel issues that arose, and help allocate bonuses at the end of the year.

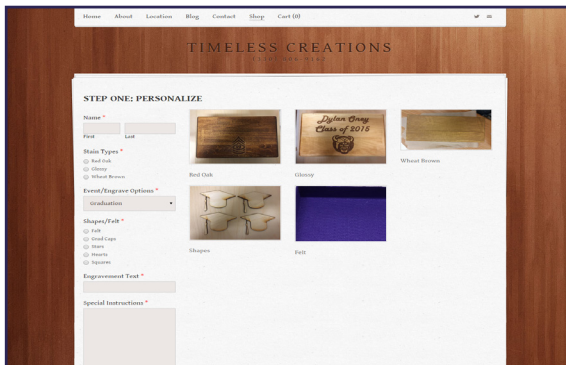
**Charitable Donation:** After several months of determining a charity that we wanted to donate to, we decided we could not just donate to one. After considering multiple charities, we decided to donate to one local foundation, and one national foundation. For the local foundation, we came to the conclusion that we should donate 5% of our revenue to Senior Citizen's Prom, an event that is held every year for local senior citizens in which they can enjoy good food and dance to old time songs. This event was the perfect event for our company to donate to, as it is exactly what our company stands for: creating amazing memories that will last a lifetime. In addition, we wanted to give back to a community that has given us so many opportunities ever since we were children. With our donation, the Senior Citizen's Prom will create even better memories which will be remembered for a lifetime, for many years to come. And for our national foundation we will give a donation of 5% to the Alzheimer's Association. This association is dedicated to finding the cure for Alzheimer's disease. If a cure to Alzheimer's disease is found, more and more people will be able to retain their favorite memories. From the beginning of the year, we have strived to help others, we developed a product that could be an important part of someones life, and like these organizations that we have given to, they too will mean a lot to someone.

alzheimer's   
association™

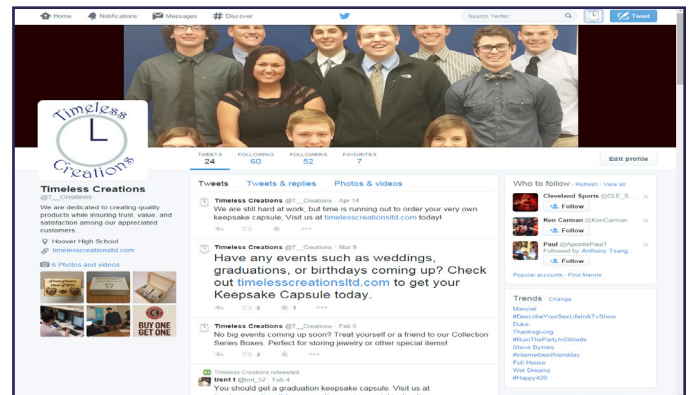
# Marketing

**Target Market:** Our target market was parents of high school students. These parents were the bulk of our sales. The most popular box out of this group was the graduation box. To reach these potential customers we created advertisements for the school T.V channel, sent out fliers to teachers, placed an advertisement on the school website, and we attended school sport functions like basketball games and wrestling matches.

## Online Store



## Social Media Post



**Sales Strategies:** We used three different marketing techniques to generate sales this year. The first strategy we used was attending craft shows and local sporting events. We were able to let our customers see and handle our product. The second strategy was through online marketing. We were able to advertise on our website, our social media accounts and with videos online. Our third strategy was to market to contacts we have already made. With an established reputation we were able to market our product uses efficiently.

**Competitive Advantage:** Not many products are similar to ours because we take an ordinary basswood box and make it into something that our customers will remember for a lifetime. Many of our competitors do not offer the engraving option, which is why our product is unique. Also, what really sets us apart is that we offer the cutout shapes that can be used by guests at a graduation party or wedding to write advice to the host. These serve as a constant reminder of the memories they have received over the course of a lifetime.

# Marketing

**Customer Segments:** Throughout the year we have sold to a very diverse group of customers. This includes the swimming team, craft show attendants, and Hoover sporting event attendants. Of all of the customers we sold to, however, graduation was easily the biggest market for us. Approximately 61% of our sales were for graduates. This was likely because we were selling in the season just before graduation. In addition, all of our employees are seniors so many of our parents or relatives purchased a graduation Keepsake Capsule. We had many other successful designs such as anniversaries and baby showers but the graduation Keepsake Capsule was our most consistent seller.

**Customer Service:** Timeless Creations contacted our customers through email to tell them how their Keepsake Capsule was coming along. When their Keepsake Capsule was finished we would email the customer and let them know. If we didn't hear back from the customer via email we would then call the customer and leave a message. A company member would then personally delivered our product to the customer. After the customer received their product we asked them to take our survey on Survey Monkey and ask for their feedback. At Timeless Creations we made sure that we worked for 100% customer's satisfaction.

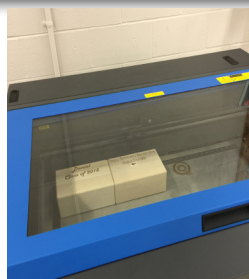




**Product Sourcing:** When we first started with the Capsule we looked to build the box in house, when that became unpractical, we decided to outsource the work. After researching several outside vendors, we found an online vendor that we could buy B2B, and get a high quality basswood box that would meet our standards. We purchased craftwood in bulk and manufactured them in our fabrication lab, we could control the process which improves quality along with we could offer any shape the customer wanted.

What makes us unique is that we can give our customers a high quality and personalized box that can relate to any event they would like. Our product puts a focus on our customers and allowed them to conserve any words of advice or memories they would on the handcrafted, cut-out shapes.

**Quality Assurance:** Before we get started with the production of the Keepsake Capsule, we make sure we have the highest standard of tools such as paint brushes and stains. In addition to the tools, we also have high quality materials such as our basswood boxes and craft wood. We use our industry standard laser engraver to make precise etchings on our product. After the engraving process is completed, our production team then sands out any remaining imperfections. The next step is to stain the Keepsake Capsule based on the customer's order. Brushes and stains are replaced often to insure consistency in our products. The staining process takes several days because we use multiple layers of stain to create a smooth even finish. Our last step in our quality control process, is our distribution method. A team member always hand delivers our product to our customer.



## Finance

Timeless Creations Income Statement For Month Ended March 31, 2015				
				% Of Net Sales
<b>Revenue Vases:</b>				
Sales		62.00		3.14%
<b>Cost of Merchandise Sold:</b>				
Purchases Vases		104.93		
<b>Gross Profit: Vases</b>			(42.93)	
<b>Revenue: Boxes</b>				
Sales		1,953.00		96.83%
<b>Cost of Merchandise Sold:</b>				
Purchases Display	7.03			
Purchases Paint Brush	19.88			
Purchases Felt	25.50			
Purchases Craft Wood	62.04			
Purchases Boxes	479.55			
Total Cost of Merchandise Sold		594.00		
<b>Gross Profit: Boxes</b>			1,359.00	67.38%
<b>Expenses:</b>				
Advertising Expense	90.00			
Misc. Expense	127.93			
Website Expense	59.00			
Total Expenses		276.93		
Net Income			1,041.46	48.50%



# Finance

Timeless Creations Balance Sheet For Month Ending March, 2015			
Current Assets		Current Liabilities	
Cash	\$ 1,096.46	Dividends Payable	\$ 15.00
Accounts Receivable	\$ 150.00		
		Total Liabilities	\$15.00
		<b>Owners Equity:</b>	
		Donations	\$195.00
		Stockholders Equity	\$ 70.00
		Dividends	\$ (75.00)
		Retained Earnings	\$1,041.46
		Total Owners Equity:	\$1,231.46
Total Assets	\$ 1,246.46	Total Liabilities and Owners Equity	\$1,246.46

**Break Even Point:** To calculate our break-even point, we totaled up the material cost, which equalled \$14.75. We then added to the cost our 15% sales commission, and a 6.50% sales tax. With the material cost, tax and commission, the total variable cost of each box to make is \$20.53. With our retail price of \$35.00, we make a profit of \$14.47 on each individual sale. With a fixed cost of \$600.00, we would have to sell 42 Keepsake Capsules, and we are happy to say that we have exceeded our break-even point.

**Start Up Capital:** We had two main methods we raised our start up capital. First each one of our employees bought a \$10 stock in our company with a %15 return on their investment. The second method was we were able to host a shark tank event at our school this year which was a success. The angel investors invested \$400 with a 15% return on their investment.

## Dear Stockholders of Timeless Creations:

With your trust and purchase of a Timeless stock, you have helped create and preserve many timeless memories. We were able to turn your investment into a successful and proud company that, within a few short months, has gained much more than a profit but has gained valuable knowledge and experience. With our company staff of 12 employees, we all learned the importance of everyone working together for the betterment of the company. When we unveiled our first product, our decorative vases, we learned a valuable lesson that truly helped us to move our company forward and to create a successful brand. The vases were unsuccessful, but we used the same platform to create a new product to move on to a more successful marketing strategy, our Keepsake Capsules. We were able to launch our second product successfully due to your investment. With the new boost from your investments, we were able to buy the supplies and tools needed to have sales reaching over \$2,000. With those successful numbers, we are proud to announce a 15% return on your investment. From all of us at Timeless Creations we thank you for your trust, patience and support.

Sincerely,

The Timeless Creations Team:

