

YOU CHOOSE™

A JA COMPANY

ANNUAL REPORT
2019-2020

SIMPLE PRODUCTS, DEEPER MEANING



Junior Achievement North Central Ohio
Teacher: Mike Grady Volunteer: Joe Rosza

Executive Summary

Our goal is to spread a positive message through the everyday use of our tumblers that have one-word laser engraved inspirational messages on them that serve as a reminder for people to make better choices every day. In today's society, we are seeing more and more teens make choices that have negatively impacted their lives. Every day, we are faced with obstacles, some are more difficult than others. We created a simple product that people would use every day such as a cup, to remind them of the power of positivity. With so many choices made every day, we want to make sure that people are making the right ones. Your decisions can make a positive or negative impact on both your own and someone else's life. We want to help guide those decisions down the right path and to help avoid some of the mistakes that we see every day.

\$10,123.82 in total revenue

\$500 in charitable donations

576 units sold

937% return on investment

\$529.44 book value per share

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Financials

Overview

We sold each YouChoose Tumbler for \$20. After \$6.30 in expenses were paid, we were left with a profit margin of \$13.70. We have sold a total of 576 units, and generated a net profit of \$2,780.90.

Capital

Each team member purchased 1 share of stock at \$50 per share. This gave us a starting capital of \$350. As a result, we were able to keep YouChoose owned solely by our employees. We used this starting capital to produce prototypes and market our tumblers.

Break-Even

With our profit margin of \$13.70 and our fixed costs of \$636, our breakeven point is 47 units.

Return on Investment

YouChoose received \$350 in capital stock from its employees. This catalyzed the growth of the business, helping create a net profit of \$2,780.90, which makes the return on investment 794.54%.

Balance Sheet

<u>Assets</u>	
Cash	\$1,619.52
Supplies	\$425.37
<u>Total Assets</u>	<u>\$3,706.90</u>
<u>Owners Equity+Liability</u>	
Capital Stock	\$350
Other Investment	
Net Profit	\$2,780.90
<u>Total Liabilities and Capital</u>	<u>\$3,706.90</u>

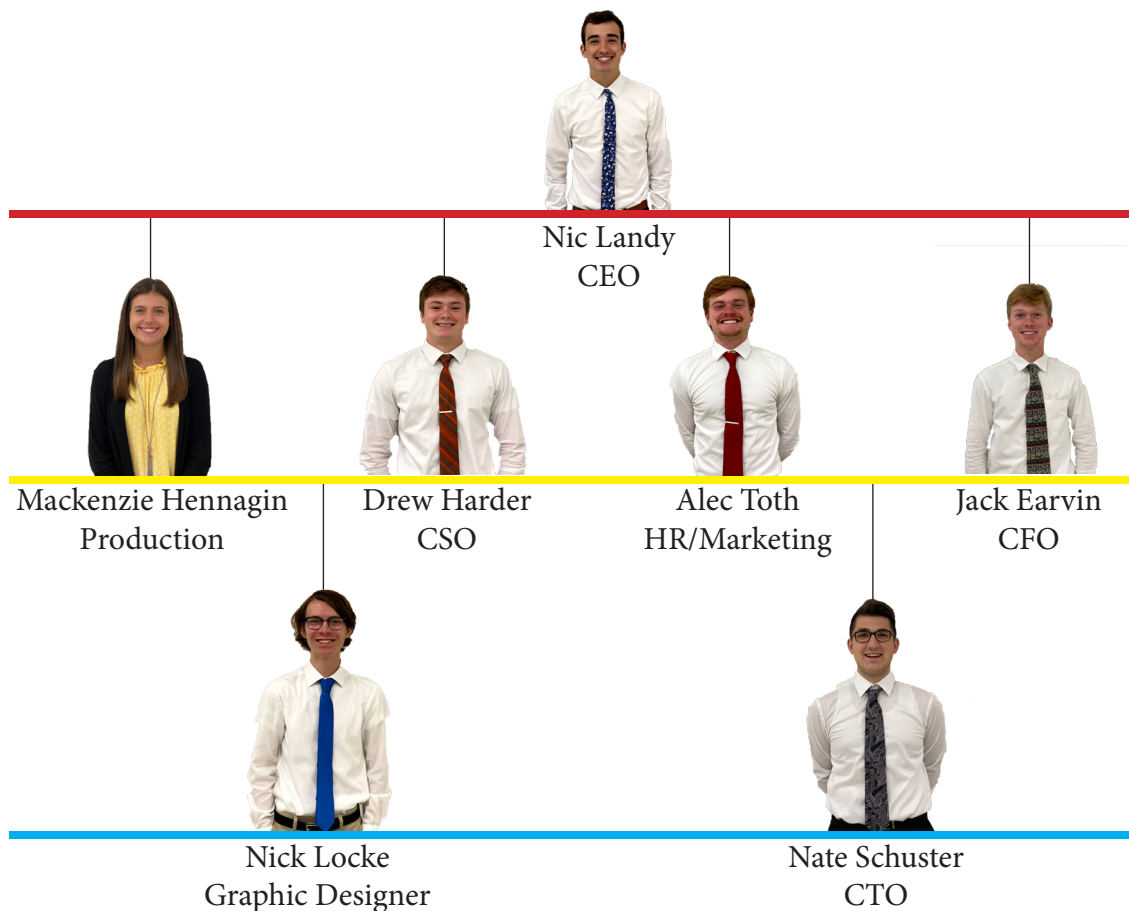
Statement of Activities (Profit or Loss)

<u>Total Income</u>	<u>\$6235.67</u>
<u>Expenses</u>	
Total Sales Tax	\$657.77
<u>Cost of Goods Sold</u>	<u>\$3,235.28</u>
Wages, Salaries, and Comission	\$1,120.70
Charitable Donation: Elec Simon Foundation	\$500
<u>Total Expenses</u>	<u>\$2,944.97</u>
<u>Net Profit</u>	<u>\$2,780.90</u>

Book Value of Stock (Upon Liquidation)

<u>Net Profit</u>	<u>\$2,780.90</u>
Capital Stock	\$350
<u>Total Owner's Equity</u>	<u>\$3,706.09</u>
<u>Number of Shares of Stock Sold</u>	<u>7</u>
<u>Book Value/Share</u>	<u>\$529.44</u>
Percent Return/Share	794.54%

Leadership and Organization



Company Structure

Our company chose the line structure so that each department worked in specific groups to maximize time and effort during the class-time we had each day. All work and decisions ran through the CEO. Departments reporting directly to the CEO were marketing, sales, finance and production. These departments operated as separate entities allowing decisions to be made quickly with only one degree of separation from the CEO. The marketing department was unique. It had two additional members, (Graphic Designer and CTO) coordinating with the VP of the marketing department. Creating promotional graphics, materials, maintaining social media channels and website were key roles of these two individuals.

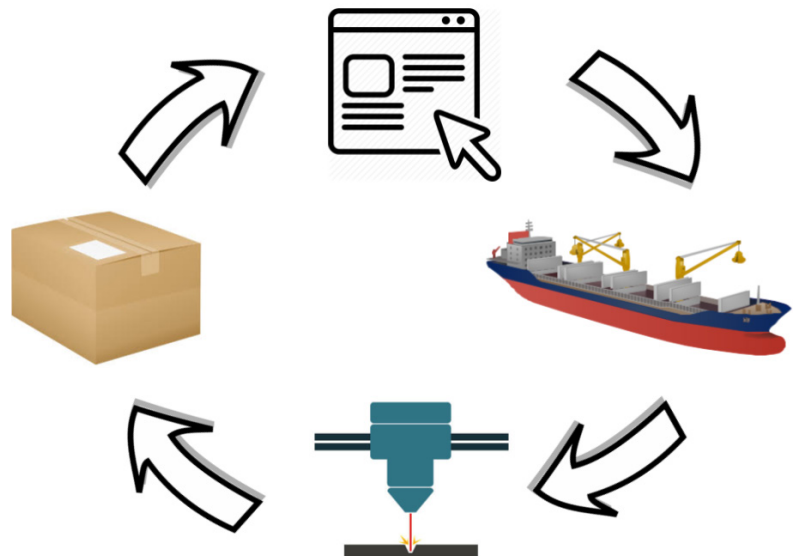
Growth

Self-improvement was one of the largest successes in the growth of our company throughout the year. We learned through trial and error, to cut our production time by 36% for higher yield and more production. We also learned by creating contracts for large orders, we were able to keep both parties more engaged and committed to the sale. Communication as a company improved by creating a group chat to stay connected and informed to assure all responsibilities were being met.

Innovation

Production Process

Our production process begins with ordering from our supplier that is then shipped directly to us. We created four unique designs, pairing each with a particular tumbler color. Using our in-house laser engraver, each design was engraved into the cup, leaving the cup color and revealing the stainless steel material below. Once the design is engraved, the tumblers were packaged and personally delivered.



Quality

The quality of our tumblers is very important to us. We ensure quality control by ordering high-quality tumblers and meticulously inspect each tumbler before and after engraving for any imperfections. After we engrave every tumbler and we package them up by hand to ensure our customers are receiving the highest quality possible. We also ensure customer satisfaction by constantly emailing and handling any issues that may arise immediately.



Meanings

We chose the word “Strength” for red since it is associated with determination and perseverance. The word “Honesty” for white since it relates to purity and sincerity. The word “Positivity” for yellow since it is associated with optimism and cheerfulness. Finally, the word “Confidence” for blue since it is related to steadfastness and sticking to one’s principles. Every day we see people around us making poor choices, and as high school students, we see it even more amongst our peers. We cannot force people to make better decisions but we can have a positive impact by inspiring them.

Strategic Partners

Why We Do It

We have partnered with Stark County Mental Health and Addiction Recovery, the Elec Simon Foundation, Logan's Sports and the North Canton Chamber of Commerce which we joined as members. Our goal was to include as much of our community as possible in our #YouChoose movement. These groups helped us accomplish that goal as they were passionate about the movement as we are. We will donate a portion of our revenue to the Elec Simon Foundation as a way to ensure our movement and message continues well into the future.



The Elec Simon Foundation helps troubled youth in our community by providing a sense of positivity, excitement, and purpose. We've chosen to give a \$500 donation to his foundation to help facilitate getting children to focus their energy into something more positive such as schoolwork and after school activities like sports.



The North Canton Area Chamber of Commerce has been the leading business organization in North Canton by collaborating, facilitating, and advocating for its members and community. As members of the North Canton Area Chamber of Commerce, we utilized the monthly newsletter to inform other Chamber members of the products and mission of You Choose.



Stark Mental Health and Addiction Recovery supports wellness and recovery through innovation in funding, collaboration, education, and advocacy. They advocate our message through blog posts on their website while also sharing information about us on their social media.



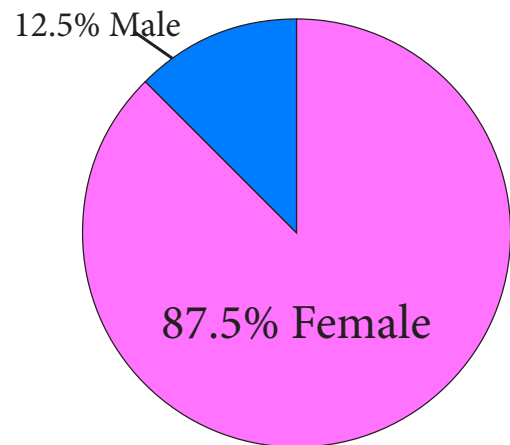
Logan Sports, a local spirit wear store, purchased 32 of our tumblers to sell, promote, and advocate our mission in our community. Through this connection we learned how important a contract is in a business transaction.

Marketing

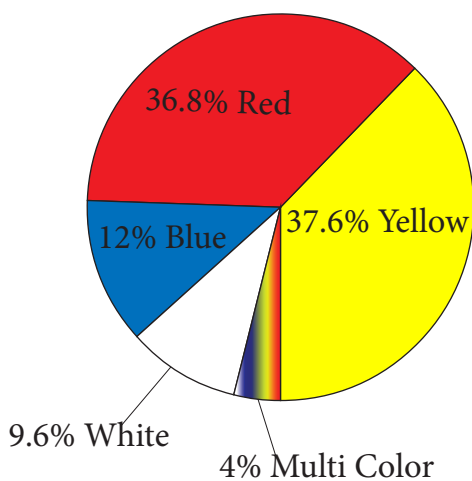
Target Market

Our target market focuses on those that need strength, confidence, honesty, or positivity in their lives. Like all humans, our customers are often challenged with everyday problems. Our tumblers can help as motivation. The majority of our customers were women, who made up 80% of our sales. Women preferred our yellow "Positivity" tumbler, making up 93% of our yellow tumblers sales. Men preferred our white "Honesty" tumbler and made up 40% of those sales.

Female/Male Sales Ratio



Website Sales By Color



Website and Social Media

Our marketing strategy was designed to entice new customers, explain our mission, and introducing our movement to embrace positive choices. The most valuable online marketing tool was Instagram. We posted pictures of customers using and enjoying our product along with examples of our colorful tumblers with inscribed positive messages. Instagram allows us to share inspiring customer stories. The traffic generated on Instagram is funneled to our website, which has proven to be a valuable resource generating 29 orders and over \$1,900 in sales in just two months. In addition to our online presence, our attendance at craft shows, basketball games, and malls have also promoted our name out in the community and resulted in approximately \$2,500 in sales.



Sales

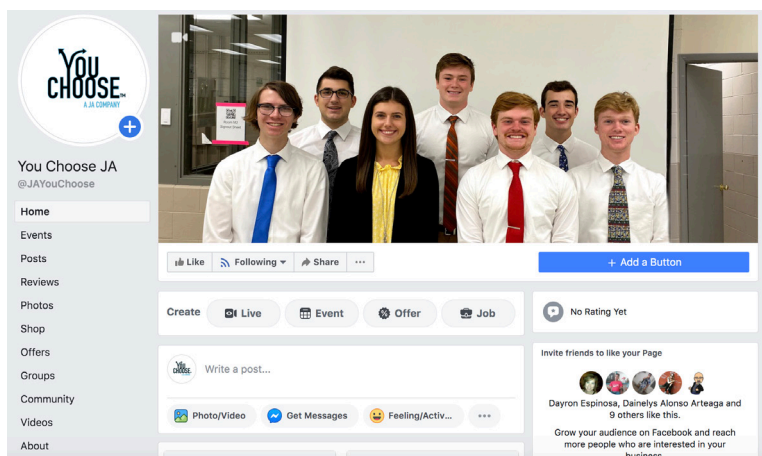
Sales Strategy

We built our sales strategy utilizing face to face sales, attending craft shows and door to door sales throughout our community. After pitching our product, we sold 64 tumblers at one craft show alone. As an effort to boost sales, we held an individual sales competition within the company. This internal motivation helped jump-start additional sales thus resulting in a total of \$10,132 in total sales. An important part of our sales strategy was B2B sales. We partnered with a local sporting goods store that purchased over \$350 of tumblers and allowed us to set up a booth to sell our product in their store. We also sold many tumblers to local businesses, allowing them to use our tumblers as a marketing tool.



Competitive Advantage

Our strongest competitive advantage was providing tumblers that helped jump-start an inspirational challenge for our customers to make positive choices in the #YouChoose movement. We partnered with local businesses in our community to help spread this message. Some examples of these local partnerships include Stark County Mental Health and Addiction Recovery, Logan's Sporting Goods, The Elec Simon Foundation, and the North Canton Area Chamber of Commerce. These partners strongly supported our message and helped promote positive choices. Another competitive advantage is our exemplary customer service. One specific example of this; one of our tumblers arrived to our customer with a broken lid. The customer notified us and a new lid was delivered to her the next day.



Learning Experience

What We've Learned

Throughout the year, every member of our company has experienced what it is like to run an actual business. We've learned skills that most students in high school would never have the opportunity to learn. Examples of this include working with and negotiating with local businesses, tracking inventory, creating sales projections, cooperating with a team and team members, and why we should not make rash decisions. In October, we dealt with the consequence of making a rash decision. A local sporting goods store-bought our product and assumed ownership of the design and sold it as its own. From this experience, we learned that team decisions should always be made when deciding to move forward with any opportunity. Along with this, we learned the importance of a contract and not to waiver from our offers/propositions when making sales with other businesses. We did this through our bulk order pricing sheet, allowing us to be consistent and avoid being manipulated into an unfavorable deal. We have also learned how to work as a team. Through monthly evaluations and we improved as a fellowship while working with one another in a corporate environment. This was not your typical class. We treated it more like a job than as a business class. We learned the best way to get the most work done was not just to stay ahead of work during class time but to also out of school where we continued to improve our company. We set monthly goals and improved our strengths and weaknesses. We used each weakness as a motivator to do something to improve our overall work performance and experience.



Why We're Passionate

Poor choices are made daily. As high school students we see it more amongst our peers. We can't force decisions, but we can try to inspire them. Our goal is to inspire people to make better choices that lead to a happier, healthier lifestyle. Our way of conveying this message was to sell custom made tumblers. The tumblers were designed in different colors with an inspirational word engraved on them. We inspire people with a simple product to spread an important message.

