

2023

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2024

School:

GlenOak High School
Canton, OH

**Teachers and
Volunteer:**

Mike Nieporte
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**ANNUAL
REPORT**



Executive Summary

Do you stand out in a crowd? More importantly, does your business? At Radical Patches, a Junior Achievement Company, we understand just how important it is to differentiate yourself from the competition. Therefore, our products feature engravings on high-quality materials that endure the test of time. We are excited for you to learn about our lineup of custom leather patches, portfolios, and other leather items that will help promote your company. We also worked hard this year to make our own company memorable by getting in front of our customer base in a variety of ways while providing them value.

We are proud to say that Radical Patches offers a wide variety of customizable products to order from. We also allow the customer to have as much input as they like in the design process. We bring a laser engraver to each trade show we attend so customers can design products and bring them home the same day. We used a link tree QR code that connects to all of our social media accounts and order forms which allows our customers to easily access and order our products. We believe the word is spreading quickly as we have had orders from around the United States including California, Texas, Florida, and New York.

We are proud to see the Radical Patches name begin to stand out amongst the crowd as we help others do the same!



Our Mission Statement

Our mission at Radical Patches is to empower our customers to express their creativity through fully customized leather products, one stitch at a time.

Financial Snapshot

- Sales: \$4,480
- Net Profit from Sales: \$3,405.17
- Products Sold: 503
- Average Profit Margin Per Unit: 60.73%
- Average Profit Per Unit: \$10.32

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The Problem:

At Radical Patches, we tackle the problem of poor marketing that plagues businesses and individuals. Did you know, over 20% of new businesses shut down within 2 years, and 45% fail by the 5th year? We believe many fail because they lack sufficient exposure. That's where we come in - boosting your visibility for lasting success.



Our Solution:

We solve marketing struggles by offering personalized branding solutions through high-quality patches. With over 20% of new businesses failing within the first 2 years due to poor visibility, our customizable patches provide a cost-effective way to stand out and leave a lasting impression on customers

Our Competitive Advantage:

CUSTOMIZABILITY

Our product can be fully customized, from the patch colors and shapes down to custom designs. While other brands might offer similar products, ours stand out because they are of premium quality and can be made exactly to the customer request.

PRICING

Arguably, the most important factor is our pricing. No other product on the market can provide a similar price with our high quality. Other providers on the market can match our quality, but it comes at a price mark up of \$8-\$11 or more.

TURN-AROUND TIME

Our turn-around time is incredibly fast because we we have the ability to engraving directly on the patch while customers are at our trade booth. For bigger orders we can turn around product orders within a week of receiving the order.



Leadership & Organization

We operate our company under a democratic leadership style and while our company meetings may take a while to get through, we can ensure we all agree on the direction before moving forward with a plan. We believe every voice should matter.



- ✓ The Power of Democracy
- ✓ Fostering Accountability
- ✓ Incentive Programs

The Strength of Democracy: When we kicked off our company at the start of the year, we were all about hearing everyone's ideas right from the start. So, when it came down to picking our logo, we had designed out three different versions and had a group decide which one we'd use for the year. It was like a mini election for our brand's face! When it came to brainstorming our new product line, we took another democratic vote. We took a vote on what we wanted to include and what we didn't. It was like letting the whole squad have a say in our company's future.

Fostering Accountability: In our team, we prioritize accountability, which means owning up to our actions. One way we ensure accountability is by setting clear deadlines for tasks. Once these tasks are completed, team members are encouraged to either find additional ways to support the group or take on managerial responsibilities. This approach helps us maintain a productive and responsible work environment.

Incentive Programs: At the beginning of our company, we set the tone for enthusiasm and determination. A mutually agreed-upon incentive to surpass our school's sales record, once we did it we would take the team out for dinner. This dynamic blend of challenge and reward fueled our collective drive. The prospect of achieving this milestone and celebrating as a unified team ignited our spirits with anticipation and purpose.

One of our initial challenges after starting the company was to decide how many product lines to carry. We have a wide variety of products to offer but don't want to overwhelm the customer. We decided to streamline our production to a select few products but have an entire catalogue available for customers who want a deeper selection.



To try to maximize customer satisfaction, we created a link tree QR code with all of our links to our Instagram, our patch sizes, and our order form.



Linktree*



01

Custom Order

The first step in the process is the order form, this is where our customer can see all the products we offer and see the shapes and sizes of our patches. In the order form we allow to pick item you would like, then select the quantity, and put in the design you would like.

02

Mockup

Based on our customers' image they gave us, we put the image into Lightburn, the engraving program. Once we have the engraved version, we save it and put it into the drive on the computer.

03

Client Approval

We send our customer their mockup, along with a square invoice via email or text. If there are issues with their designs, we have the customer contact us through the email or text we have sent.

04

Production

Once our client has approved the mockup and paid, we will start to engrave the product or products they have asked to engrave. Once we have finished all of the engraving, we will put on adhesive paper if required.

05

Delivery

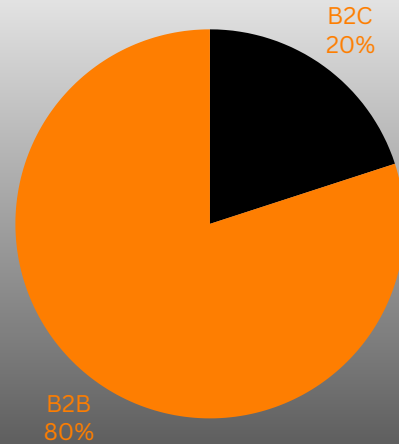
Delivery is guaranteed within two weeks of payment. Usually, we hand deliver all products within Stark County. For customers outside of our county, we offer shipping for a fee.

Competitive Advantage

At the start of the year, Radical Patches set out with a big dream to transform how individuals express themselves. However, our early efforts taught us a valuable lesson. While individuals might not prioritize patches as a way to show who they are, businesses are always on the lookout for smart and stylish ways to promote themselves without breaking the bank.

Luckily, we have some advantages over our competitors. First off, our prices are super competitive, making our products accessible to everyone. Plus, we're get order done very quickly, and perfect for businesses that need things done ASAP. And we don't just stop at patches. Our range of products includes all kinds of top-notch leather goods, making us even more appealing and flexible in the market.

Percentage of Sales



Once we figured out Business to Business was where we needed to be selling to, it accounted for 80% of our sales for the year. To put that in a little bit better perspective we only moved 200 units straight to consumer, while we moved 600 units business to business.



Sold Nationwide!

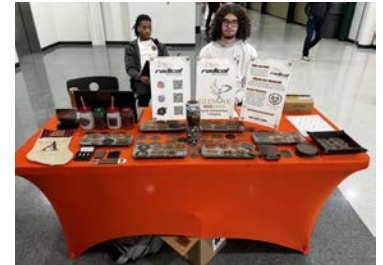
Push Marketing

- Face to Face
- School Events
- Hartville Market
- Trade Shows

Pull Marketing

- Social Media
- Word of mouth
- Flyers

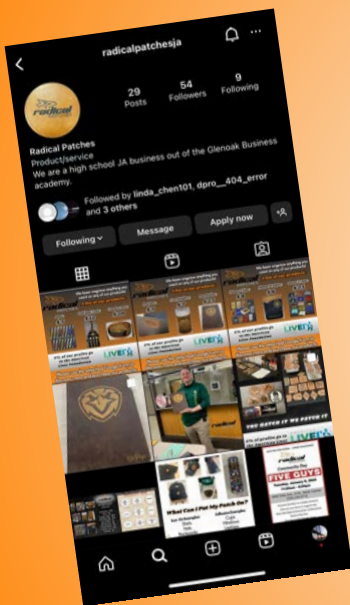
Our in person selling displays:



Social Media

@RadicalPatchesJA   

We actively utilized a variety of social media platforms, including X, Instagram, and TikTok, to maximize our online presence. Notably, we observed that our Instagram account generated the highest traffic and engagement rates. Recognizing this, we strategically shifted our focus to leverage Instagram as our primary avenue for promoting new products and showcasing exclusive deals.



Brand Evolution



We went through several Logo changes as well as name changes before we settled on Radical Patches. We started with "Radical Designs" and all agreed to focus on patches. We also decided to modernize our logo."

Customer Testimonials

- *Matt Gagnon* - I really like the design, I'm glad I bought it!
- *Tanya Rose* - Your portfolios are really amazing and I will be buying another one!
- *Victoria Newkirk* - I'm glad that these products are affordable.
- *Gayle Kimbrough* - I love what you guys are doing, keep up the great work.
- *Mark Parent* - They really give me a new way to express myself!





Financial Summary

Average profit margin of our top 3 products:

60.73%
or
\$10.32

Donations and Capitalization

We secured loans from a group members' parents and the business program to kickstart our business, and place our initial order for inventory. While we delivered an "investment pitch" to junior achievement sharks at the beginning of the year, we were most interested in hearing their opinions, constructive feedback, and guidance

Units Sold

As of now, our sales have reached \$4,480, and we've successfully sold 503 units of our top three products. Our top three products had a combined profit margin of 60.73% per unit. Some of our noteworthy ongoing negotiations include potential deals with the Plain Local Fire Department and Junior Achievement. Junior Achievement of North Central Ohio has just agreed to purchase 332 golf bags tags at \$2,822 for their annual golf outings!

*(This sale is not yet reflected in our sales)

Total Revenue

In addition to our current sales, of \$4,480, Radical Patches was able to successfully secure a microgrant worth \$1000 bringing revenue to \$5,480.

**Average Selling Price of Our Top 3 Products
=\$17**

**Average Cost to Produce Our Top 3 Products
=\$6.68**



Our Top 3 Products

Radical Patches	
Income Statement	
For Date Ended March 20, 2024	
Revenue	
Sales	\$4,480.00
Veale Grant	\$1,000.00
Total Revenue	\$5,480.00
Expenses	
Cost of Goods Sold	\$1,756.84
Sales Tax Payable	\$260.00
Transaction Fees	\$57.99
Total Expenses	\$2,074.83
Total Net Profit	\$3,405.17

Balance Sheet	
March 20, 2024	
Assets	
Cash	\$34.00
Checking Account	\$3,731.70
Finished Goods	\$335.00
Total Assets	\$4,100.70
Liabilities	
Sales Tax Payable	\$260.00
Total Liabilities	\$260.00
Total Owner's Equity	\$3,840.70
Total Liability & OE	\$4,100.70

Liquidation of Radical Patches

As our product was developed early, we were able to establish early business-to-business connections. Our intentions are to operate this company until May 2024. At the end of the year, we have decided to distribute the proceeds equally among all seven group members after donating 10% of our earnings to the American Liver Foundation.

ACTION As is the case with every business, Communication was also key to Radical Patch's success. When we started, it was hard to keep everybody on the same page with tracking sales. We had people who were just putting money in the cash box but without telling our finance manager. To solve this issue, we implemented a tracking system that we all committed to use so our finance manager could see sales as they were coming in. Then we also committed to only keeping \$50 in the cash box at any one time before depositing it so it was easier to keep track of cash.

IN Organization was crucial for the success of our business. In the beginning, we underestimated how hard it would actually be to run a business and how many tasks there are to manage at once. To account for this, we created a document where employees could easily find their weekly tasks and check them off once they had them completed. This alerted the team they were free to help with other roles or needed assigned additional work.

LEARNING Initially, our B2C sales were our strongest market, but after about 6 weeks (just after Christmas), these sales started to plateau. Once we became aware of that trend, we started to explore new and additional markets. We changed focus to B2B sales and in order to successfully serve this market, we retrained our sales team with a new sales pitch as well as adding additional product lines that would be better a better fit for our B2B market.

Throughout this year, I've had the opportunity to acquire a lot of new skills, much of which I plan to apply in my future plans in business. These learnings have equipped me with a solid foundation upon which I plan to build my own future business ventures on.



Dillan Rynes
CEO



Brock Whitman
VP

No other class has taught me more than this one. Being put into a real situation where we need to work with others and using it with real money really puts running a business into perspective. Working with other real businesses and people has given us such a great experience.

Participating in the high school business program taught me useful skills like effective communication, problem-solving, time management, and public speaking. These skills have not only boosted my confidence but also prepared me for future academic and future career plans.



Trent Shrader
Marketer



David Chen
PR

During my time at the GlenOak High Business Academy, I've improved my communication, teamwork, time management, and public speaking skills. I've delivered presentations, enhancing critical thinking skills and prepared for what comes after high school.

I gained a lot of valuable skills this year like how to work in a group. I have also learned great information on how to sell a product and how to run a business. These skills will help me so much in my future career.



Kantin Walls
Sales



Linda Chen
Finance

Throughout this year, I have learned how to express myself better and communicate more effectively. Whether it's through group discussions or customers, I've gained confidence in expressing my thoughts and ideas clearly.

This year in business I have learned how to work better in teams, key aspects of running a business, and very valuable information to selling. The knowledge I have gained from this year will definitely help me pursue my career in the future



Evan Hogen
Production