

2023-2024



# Annual Report ●



Lake High School – Uniontown, Ohio  
Teachers: Aja Tompot & Andrea Chavez  
Volunteer: Zach Coblentz



# Executive Summary

## Mission Statement

At Hatari, we are combating animal endangerment by bringing awareness to the problem that extinction has on our planet, one stuffed animal at a time.

## Problem

The large issue with animal endangerment is that it reduces populations of species all across the globe, thus, throwing off the entire food chain cycle and causing the overpopulation of invasive species. Poaching is a very prominent problem as well; illegal wildlife trafficking is a business worth upwards of \$23 billion annually. In Africa alone, poachers kill thousands of endangered animals every day. In fact, over 96 African elephants are slaughtered every day.

## Solution

To help combat the issue of extinction we are raising awareness through our offering of various plush animals of endangered species: the African Lion, African Elephant, Nubian Giraffe, Saharan Cheetah, and Mountain Gorilla. Through the QR code attached to each animal, those who purchase the animals will "unlock" a hidden page on our website full of information about that specific animal, a live feed, and how to help reverse its endangerment. We are partnered with the Akron Zoo to give back a portion of all profits, which is used directly towards conservation efforts.

## Table of Contents

- 1 Executive Summary
- 2 Financial Performance
- 3 Innovation
- 4 Product Development
- 5-6 Marketing & Sales
- 7 Our Team
- 8 Learning Experiences etc.

## JA Company Performance

Total Units Sold: 89  
Total Revenue: \$1,844.70  
Total Profit: \$884.71  
Break Even Point: 45 Units  
Profit Margin: 46%



# Financial Performance



## Overview

Hatari retail price is \$21.30 per unit including sales tax. As of April 2, 2024 we have sold 89 units, generating \$1,844.70 in total revenue. Our profit margin is 46% and our net profit is \$844.71

## Cost Structure & Break-Even Analysis

Hatari costs of goods are \$9.91 per unit. We have spent \$1,048.89 in fixed costs including shipping, and supplies. We sell each unit for \$21.30 and to surpass the break even point we need to sell 45 units.

## Capital

The required capital needed to purchase our initial inventory was \$524.04. In addition we needed to restock animals for \$335.75. We received this start-up capital from a \$600 loan from Junior Achievement of North Central Ohio with 5% interest. Our current net profit is \$844.71 which gives us an ROI of 140.79%.

## Liquidation

Equity will be divided based on performance assessments throughout the year. Commission will be added to every sale, 3% of each stuffed animal sold. We will donate \$1 for every stuffed animal we sell to the Akron Zoo Conservation Fund. Our remaining inventory will be sent to a local children's hospital.

### BALANCE SHEET

<b>Assets</b>	
Cash	\$1,540.22
Supplies	\$10.47
Inventory	\$79.82
<b>Total Assets</b>	<b>\$1,630.51</b>
<b>Owners Equity &amp; Liabilities</b>	
Donations	\$89.00
Net Profit	\$795.81
Sales Tax Payable	\$115.70
Accounts Payable	\$630.00
<b>Total Owners Equity &amp; Liabilities</b>	<b>\$1,630.51</b>

### INCOME STATEMENT

<b>Net Sales</b>	<b>\$1,739.70</b>
Donations Income	\$105.00
<b>Total Revenue</b>	<b>\$1,844.70</b>
<b>Expenses</b>	
Donations To Akron Zoo	\$89.00
Cost of Goods Sold	\$859.79
Shipping	\$51.20
<b>Total Expenses</b>	<b>\$999.99</b>
<b>Net Profit</b>	<b>\$844.71</b>

# Innovation

Hatari is dedicated to helping solve the major crisis of animal endangerment, especially in Africa. By selling 16-inch, U.S. made stuffed animals, we provide a cuddly, fuzzy friend that is educational and gives back. When our customer scans the QR code on the back of their animal's tag, they are sent to a website page full of unique facts, ways to help, and a 24/7 life feed of their specific species. We also are partnered with the Akron Zoo, where we are donating a portion of all proceeds gained, back to help with conservation efforts. Hatari is striving for change, and we want to ensure that these gorgeous animals can stay on our planet for as long as possible.



This innovative new way of thinking is what sets us apart from our competitors. We are pledged to saving these animals, one stuffed animal at a time. Hatari is what the earth has been waiting for. It is time to do our part in saving the species that are going extinct every day. We can all work together to ensure that no animal is left behind.



# Product Development

## Ordering

After placing our stuffed animal shell and plush heart order, we received the product within 7-10 business days. We also ordered bandanas and transfer paper from Amazon, which arrived within the next 3-4 days.

## Assembly

All the animals arrived unstuffed and four team members would work consecutively for the next few days to get all the animals fully stuffed. The following day, one team member would print and laminate the tags and attach them to the animals via a tagging gun. Once our bandanas arrived, we measured them out and cut each into four smaller sections. We then press our logo onto each bandana using transfer paper and a heat press. Lastly, each stuffed animal has a red plush heart inserted into the back pocket.

## Distribution

The distribution process is very straightforward, when purchasing on our website we have options for either hand delivery within 10-15 miles or a shipping fee starting at \$15. In-person sales from our various pop-up shops has been another way that we distributed our product into the customer's hands.







# Marketing & Sales



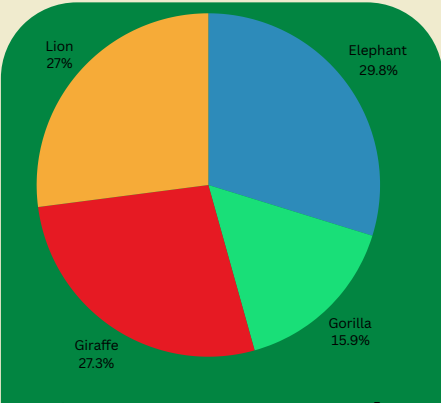
## Market Research and Target Market

### Market Research:

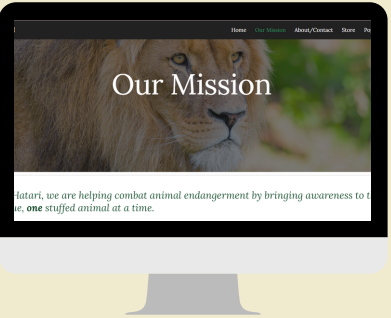
Out of the 150 people we surveyed, the data concluded that the majority of our sales will come from parents and grandparents. This is the main age group purchasing our product, and it is great for younger kids who can't buy it themselves. The majority of target users are ages 3-10.

### Finding our Target Market:

First, we made sales contact forms and surveys that we sent out to our community. This helped us solidify our finalized product based on the feedback that was received. We also were able to get an idea of who exactly would buy, and who we should target on our social media.



Customers voted on which stuffed animals they would purchase



@hatari.ja

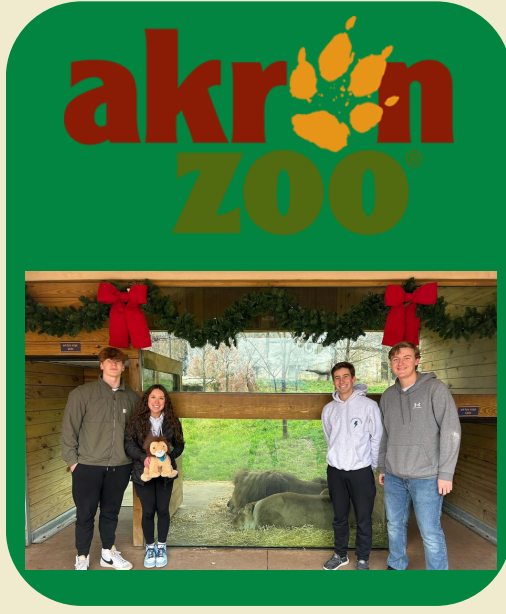


bit.ly/hatarija

## Digital Marketing

Hatari used our platforms to further push out our products. We used email marketing to notify our previous customers of new products, such as when we launched the cheetah. Our main source of marketing was Instagram and we used this to drive customers to our website.

We have acquired a partnership with the Akron Zoo. We had the opportunity to pitch our idea to their staff and see if they had any feedback. We were also allowed to take pictures and film the animals which we displayed on our website. They handed out our brochures to visitors at the zoo. We also plan on donating a profit of our proceeds to their conservation foundation.





# Marketing & Sales

## Sales Strategies

Our most successful sales were through in-person events. These in-person events were mainly at the Hartville Marketplace, Hardware, and Flea market, which brought in many different customer bases. Our website pulled in 10% of our sales, however, it was much harder for us to get customers to purchase off of our website. When we went to the Canton Chamber of Commerce event, we had people fill out a pre-order form, which allowed us to gain multiple sales and as well as network with new consumers.

## Schools

We visited local elementary schools near us to help spread awareness about our mission. We gave an interactive presentation to educate the students and get them excited about our business. Brochures were also sent home with all the children, which turned into sales.

## The News

Junior Achievement offered us the opportunity to speak about our business on FOX 8 New Day Cleveland. This was a wonderful chance to spread the word and gain a larger customer base. We did gain around 10 orders from being aired on the news, and a few of those were out-of-state purchases.

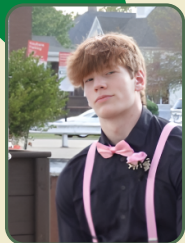




# Our Team



## Lessons Learned:



**CEO:** Berkely Rhodes "Growing as a leader means being able to push my team to strive for the best, even on our hardest days."

"The most important lesson I learned was how to compromise with others, during critical decisions."

**COO:**  
Logan Ball



**CMO:** Kadin Sommers "Marketing is not solely social media, it is how you interact with the consumer base."

"I learned that the key to selling is connecting with the customer."

**CSO:**  
Jacy Kinsley



**CFO:** Phoenix Smith "The best way to run your business is knowing the numbers and the finances."

"Finding a reliable supplier is a crucial aspect when starting a business."

**Supply Chain:**  
Bret Leising



**Sales:** Aaron Bof "Just go for it! The worst thing a customer can say is no."



## Company Culture

### Motivation:

Hatari has been putting in a lot of effort to keep team members motivated while raising awareness about animal endangerment. We have made it a priority to ensure that no one feels overworked or stressed. We aim to create a fun and educational experience that also benefits the world.

### Structure:

Hatari has a flat organizational structure, where the executives are working alongside the frontline employees. This encourages everyone to share their ideas and ensures that no team member is ignored or shut down. We also encourage healthy competition among employees and provide rewards based on performance.



# Learning Experiences and Future Applications



## Successes

- Sold 80+ stuffed animals in 3 months
- Generated a revenue of over \$1,800
- Sold 23 stuffed animals in one day
- Created a website from scratch, without prior knowledge



## Challenges

- Difficulty targeting the exact consumer market
- Finding new places/events to sell at
- Creating consistent and relevant content for social media

## Failures

- Decrease in online orders after holiday rush
- Running out of inventory of certain animals

## Key Learning Opportunities

- Experimenting with different selling set-ups
- Forming a connection with The Akron Zoo
- JA networking/selling events/FOX 8 New Day Cleveland

## Customer Testimonial

“A great cause, and an awesome stuffed animal! I purchased the Mountain Gorilla Plush- and it’s adorable. My favorite part is that I can scan the QR code on the tag and see a live-action video feed of the animal. Very well done!”

**-Stacy Green, Customer**