



SAFE CHAIN

Lake High School

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Volunteer: Zach Coblentz

Junior Achievement of North Central Ohio

2022/2023 ANNUAL REPORT



EXECUTIVE SUMMARY

Have you ever debated looking at your phone when you hear that buzz or hear that ding, don't like the song and want to change the music. 13,623 people have gotten in motor vehicle accidents due to distracted driving (in 2020). This sadly happens way too often in our generation today. We wanted to create something that serves as a visual reminder to put those things aside for just a second so that you can focus on one thing only **DRIVING SAFE**. As of April 4, 2023, is it illegal to use or hold a cell phone or electronic device while driving. Officers can pull over drivers they see holding a phone behind the wheel. Our product is a 11.5in keychain that reads "Text me when you get home" so you can throw those distractions away and get home safe, someone needs you here. We wanted to create a business that people can relate to while being affordable and trendy. Our keychain comes with or without our slogan, with the option to customize the other side with your name, school, or loved ones name. We have two keychain colors which are black and white with 10 different thread options. We will be donating our leftover products to local driving schools in our area to help get this topic to our young drivers.

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Performance Overview

Units Sold
113

Total Sales
\$713.81

Profit Margin:
Tan 91%
Black 94%

Mission Statement

Everyone deserves to get home safe

Problem

Distracted driving is in the top 5 causes of death in the state of Ohio





FINANCIAL PERFORMANCE



INCOME STATEMENT	
CC Sales	\$450.81
Cash Sales	\$263.00
Total Sales	\$713.81
Expenses	
Advertising and Marketing Supplies	\$97.32
CC Processing Fees	\$15.19
Materials and Supplies	\$32.27
Cost of goods	\$362.69
Total Expenses	\$507.47
Net Income/(Loss)	\$206.34

BALANCE SHEET	
ASSETS	
Cash	\$870.62
Supplies	\$28.47
Inventory	\$11.28
Total Assets	\$910.37
LIABILITIES	
Sales Tax Payable	\$43.57
JA Loan	\$600.00
Net Income (Loss)	\$206.34
Equity	\$60.46
Total Liabilities & Equity	\$910.37

Overview

The current retail price for each one sided standard keychain is \$10 with a gross profit of \$9.06. Our retail price for our double sided keychains are \$12 with a gross profit of \$11.06. A total of 113 keychains were sold resulting in a revenue of \$713.81 and a gross profit of \$206.34, giving us a return investment of 34.39%

Capitalization

Our Safe Chain team worked hard to prepare and present a pitch to Junior Achievement. Because of our pitch, we were awarded a \$600 loan with 5% interest rate.



Return on Investment

Safe Chain received a \$600 loan from JA. Currently we have a net income of \$206.34, making our return on investment 34.39%.

Break Even Analysis

We received a \$600 loan from Junior Achievement. Our gross profit on our standard keychains are \$9.06. In order to pay back the loan in full, we had to sell 67 of our one sided/standard keychains. With a mixture of our double sided, we were able to break even before we had sold 67 keychains.

Liquidation

We plan to try to sell any extra keychains we have at a stand in the marketplace and sell them to driving schools, we will then make keychains with any extra material and donate our product to driving schools. Our profit will be split amongst the group based on the sales each member brought in.



Leadership

Hiring Process

After 3 or 4 weeks of leadership training the students that were interested in the CEO position presented to the class their goals and aspirations for their potential JA business. The CEO's were then picked and began interviewing with the rest of the students to see who fit the best with each other's leadership styles and goals. That is how the masterminds behind Safe Chain came to be.



Leadership

We have a very Hands-On leadership style we portray within our company. We each manage and operate our own divisions within our company, but it is all hands on deck in the production of our keychains. We felt that this overall style worked best and helped with accountability when managing all the many components that come with running a business. But along the way we ask for guidance or reassurance from each other if needed. With that at the beginning of the week the CEO makes a weekly agenda with different tasks for each person under their division and each week starts out with a team meeting and goal setting session. Throughout the week everybody has those five days to complete the tasks given. We found that this was the best way to split up work and make sure everything gets done in an efficient manner.

COMPANY STRUCTURE

Organization:

Running a company can be an extremely overwhelming process. As a group we decided that we always wanted to stay on top of things no matter what. We created a Google Drive that we placed all of our work in that was accessible to our team at all times. This is super important for our order sheets and other important documents especially because we handmake our keychains. It was important to know what keychains have already been made or what keychains have already been shipped out.

Motivation:

We found the best way to keep us all motivated and on top of our work was our sales goals. We also took time for ourselves with breakfast breaks and group talks to help us remember why we wanted to start this company in the first place. Knowing that we are helping people learn the importance of safe driving is motivation in itself.

Communication:

Early on, we established a line of open communication throughout our team. It is crucial that all members are able to voice their opinion in order for our company to run smoothly. Communication is also very important especially about notifying the rest of the team when you are absent so that the group is aware and continues to stay on task and get what needs done that day. If an employee did not notify the group that would be missing a work day, That may have resulted in possible consequences or discussion with management.



INNOVATION

With our product being handmade there are a lot of components going into that. At the beginning of the year we struggled with finding the best process to help us produce our keychains in a timely manner. Once we came together as a team and figured out the most productive and effective process for everybody in the company, it became 100% easier and allowed us to produce our products efficiently. Through education classes we learned how to mass produce the keychains and make up to 15 at a time which allowed us to fill bulk orders.



OUR PRODUCT

Our product is a 11.5 inch piece of 50% cotton 50% polyester canvas belting. Each keychain reads “Text me when you get home” to serve as a reminder to drive safely. It also has an option for a customizable front with 10 thread color options. We can do 20 characters including spaces for your customizable orders. Our keychain is a tool to create awareness so people can look at and see our message and know that someone out there loves them and wants to see them get home safe that night. We have read studies that show if you see something multiple times a day while completing the same action it will impact your subconscious behavior to actually listen to the words you are reading.



Marketing

Accounts Reached on Instagram: 953

Our marketing strategies varied in many different ways. We made flyers, business cards, posters, informational sheets, and stickers. We emailed all of Lake staff about our keychains and gave them order forms. We also used email to reach out to former customers about discounts or new designs.

We had great success in sharing our informational sheets placed on our pop up booths and placed in each bag after purchase. We placed flyers with a barcode to our website around the school. Along with all of that we also got a shout out on a local Stark Media podcast to showcase our product that reaches over 1,000 people.

Competitive Advantage

What makes our product so unique is that we can sell our keychains at a very low and affordable price for the sort of family community that we are a part of. We have also been provided our own embroidery machine which allows us to give our customers an option of their choice of wording, making our product more personal to you while still getting our message out.

PRODUCT

A canvas keychain with our message "Text Me When You Get Home." to promote safe driving habits

PRICE

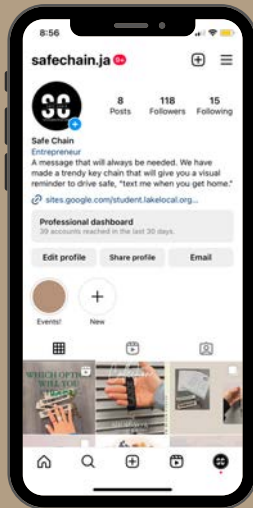
**\$10 single side \$12 double side
No tax, \$2 shipping fee per keychain**

PLACEMENT

Our website and pop up booths

PROMOTION

Sharing the importance of practicing safe driving habits in our generation through social media advertisements and face to face sales



TARGET MARKET

Our target market which is supported in our sales analytics would be parents of young drivers.

SOCIAL MEDIA

Social media in this day and age is a crystal way to get our product out there. We used Instagram and Facebook as our main forms of advertising as this is where the majority of our target customers are present. Social media was especially helpful to notify our customers about our new drops and designs. We recently did a giveaway online which helped to grow our customer base and spread awareness of our business and cause.



SALES STRATEGIES

Units
Sold: 113
\$713.81

Starting mid April of 2023 we will be selling business to business at The Shops of Hartville. We are in communication with them and are currently talking about retail displays or end caps. At the end of the year we will be donating remaining physical product to Drive Team, a local driving school. We wanted to give our keychains to new drivers once they receive their license to promote our message from the start.



Website:

Our website is an easy-to-use platform that makes it accessible for customers to place orders. It has been a solid avenue for us as customers can place orders through our website. A user-friendly platform that made it a fast and efficient shopping experience even for our customizable orders when picking out thread colors and characters.

Pop-Ups:

Hartville Marketplace - This event was our most successful making over \$150 in sales and starting to spread awareness of our brand.

Hartville Hardware - We quickly figured out that this wasn't our ideal target market customer but it gave us a chance to lock in and work on our sales and pitch.

Chamber of Commerce Expo - This event gave us an unlimited amount of opportunity to receive feedback and work on selling our product.



SUPPLY CHAIN

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Customer Order- The first step in the process is the order form. This is where the customer is able to determine which version of the keychain they would want, the color of the keychain and wording as well as what they would like embroidered on it.

Materials purchased from Amazon. They arrive within 3-4 days of purchase. When we receive our items they are organized in different rooms in our work space so we can ensure our business is organized. As each item gets put into a bin it will then be tracked in a digital spreadsheet and a receipt will be given to our CFO.



2

Production- When a customer fills out an order form our team receives an email that we then insert into a spreadsheet. This is to keep track of all orders and make sure we have organized, easy access to everything customer related. The next step is to review the customer's order and begin the production of the keychain. We then cut the fabric to the correct length, insert it onto the embroidery machine and then type in what we would like to have printed on the keychain. Once it is finished, we remove it from the machine and add a clamp onto the end of it. You now have your finished SafeChain keychain.

When determining our price, we wanted to guarantee our customers a high quality keychain for a very affordable price. After researching our competitors' products, we found that the average price for custom keychains was \$14-\$17. Our company decided to price our product at a low price range at \$10-\$12 which keeps it affordable for our customers while allowing us to maintain a high profit margin.

3

Delivery- Once the product is made, it is then put into a secured bubble wrap packaging that is marked with our own personal Safe Chain sticker. In person delivery is estimated within 5 days of payment along with delivery by shipment in Stark County. Any order outside of Stark County has an estimated delivery within 7 days of payment.



Learning Experiences



"I couldn't be more grateful to be a part of something this impactful. I truly have learned so much about myself though this year. Sometimes it's not about being the best but trying your best."



"Getting to experience starting my own business has given me skills that I will use going into college and my future career."



"I valued this opportunity so much and appreciated learning about all the different components that go into running a business."



"I have had so much fun this year getting to experience this with my team. The skills I have learned from this I will take with me though life."



"I have loved getting to learn all about the best ways to market products to different target markets, and getting to tap into my creative side."