



2018 – 19 ReLeaf COMPANY REPORT

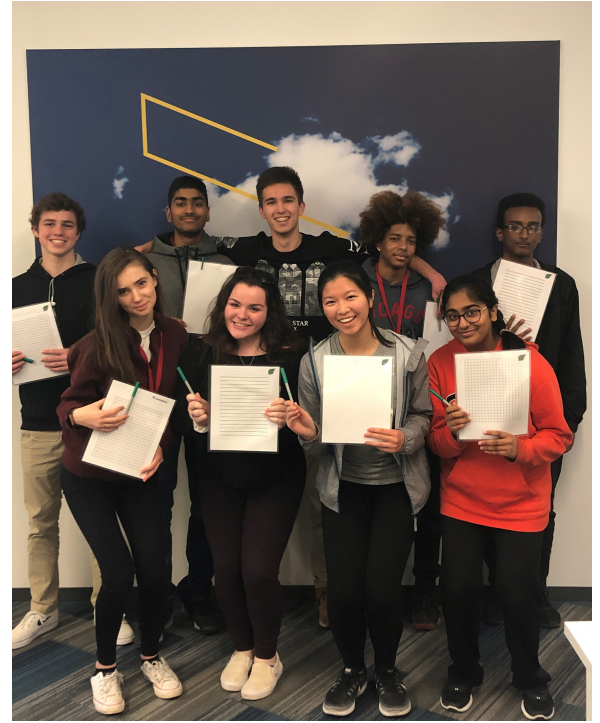
Sponsored by Accenture / Arlington, Virginia
Junior Achievement Chapter of Greater Washington



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Protect the environment and promote your brand with ReLeaf!



Overview

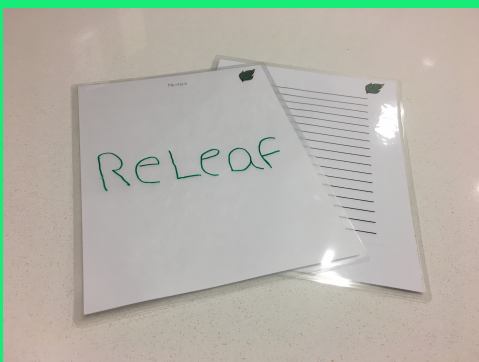
ReLeaf is a student-run B2B corporation that protects the environment through limiting paper waste in the office and the home by providing a reusable writing material.

Our Purpose

We aim to combat the issue of paper waste that occurs daily in offices, schools, and homes, and simultaneously provide businesses with an opportunity to market their brand.

Our Product

The ReLeaf Leaflet Bundle is a completely original and self-made product. Our Leaflets are pliable, convenient, and long-lasting replacements for paper. The product includes a To-Do List, a Notes page and two problem solving pages. This handy leaflet bundle is sold with a wet-erase marker and wrapped with twine. Each product includes the logo of our customer located in the top right corner.



Results

- 134 ReLeaf Bundles Sold
- 81% Profit per Unit
- 6 Corporate Clients
- Total Revenue of \$779

INNOVATION

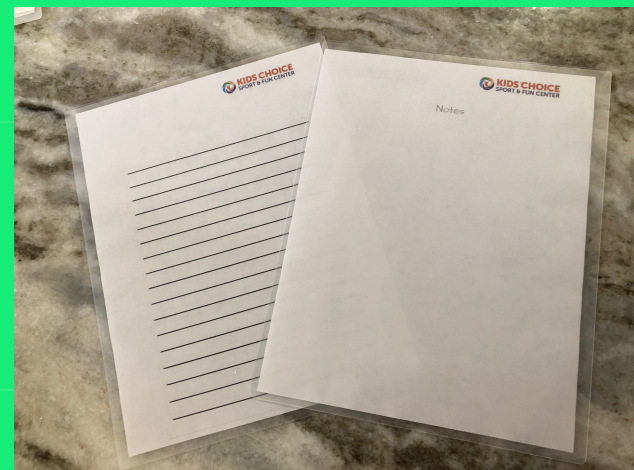


The ReLeaf team developed the idea of the Leaflet through brainstorming ways that our personal lives and the world around us could be improved. We noticed a recurring issue of having to carry around piles of paperwork, and we wanted to address this issue. As students, all members of the team have gone through countless sheets of paper brainstorming ideas for essays, taking math notes, or doing homework. The excess paper usage causes a major threat to the environment.

According to the EPA, paper waste accounts for almost 33% of municipal waste in the US, and constant use of scrap paper is not helping. The ReLeaf team resolved to combat this trend through creating our own eco-friendly writing product. The Leaflet was initially developed as a product that should be marketed directly towards students, as handy supplements to cut down on waste and keep backpacks light.

After receiving data through an extensive market research survey, we learned that another key demographic has demand for our reusable note-taking devices: office workers, who can use Leaflets to replace their thick notebooks and piles of sticky-notes. We redesigned our product so it would better meet the needs of office workers, and realized that an efficient sales method would be to position the logo of a company in the corner and then sell the product as a piece of branded merchandise. ReLeaf grew into a Business-to-Business company with an aspiration to help the environment.

The ReLeaf team also altered the product to make it more visually appealing for sales. When we first created our leaflets, we packaged them in envelopes that made it difficult to see the product. After going to a trade show and seeing the flaws in our packaging, we regrouped and brainstormed ideas of how to package our product to make it more visible and identifiable. We decided to package our leaflets in twine. This made the product very easy to see and gave it more of an eco-friendly look.

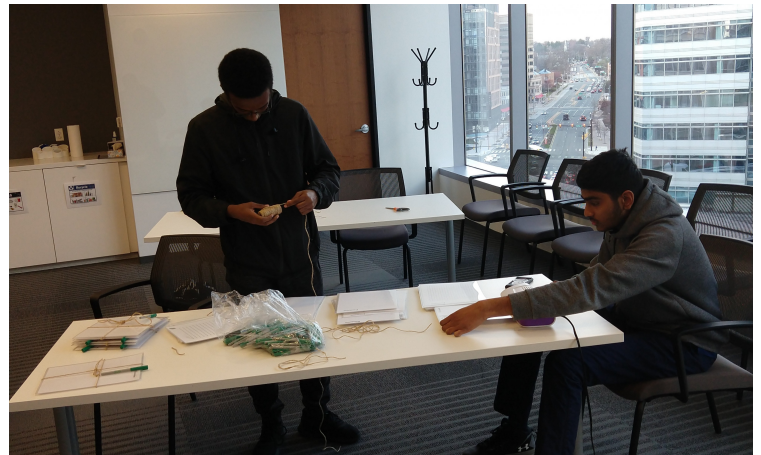


SUPPLY



The ReLeaf team personally designed and manufactured each Leaflet. The process of creating each Leaflet includes designing a template, printing it out, and laminating it. For production we formed an organized assembly line and each member performed a specialized task. It takes approximately one and a half minutes to produce each ReLeaf bundle (2 Leaflets), but several bundles can be produced simultaneously.

Each ReLeaf bundle is made up of a laminated To-Do List, a Notes page and two problem solving pages, complete with a wet-erase marker, all wrapped in twine. For corporate clients the customer's logo is additionally included in the corner of each Leaflet.



Materials Needed For Each Leaflet

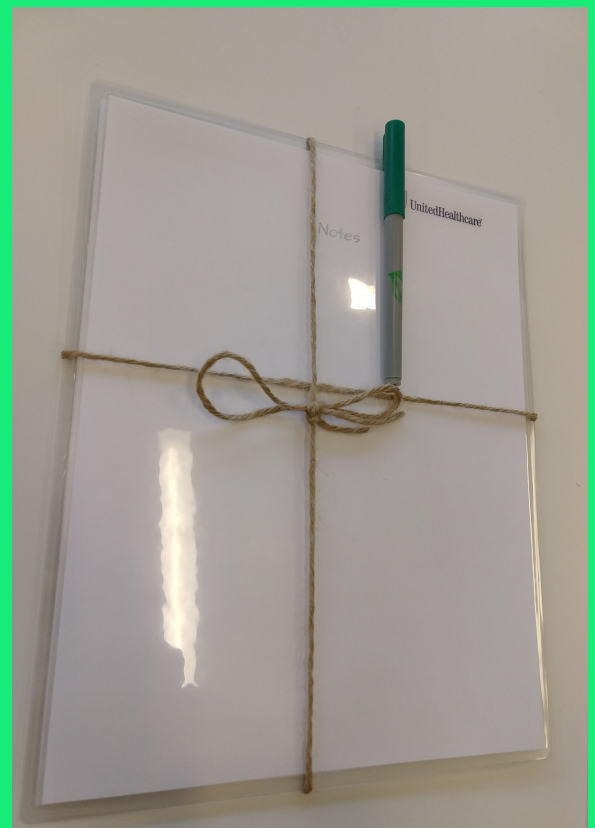
Sheets of Cardstock Paper (2)
Quill.com

Laminating Pouches (2)
MyBinding.com

Custom Wet Erase Markers (1)
AnyPromo.com

These markers include ReLeaf's logo as our own corporate branding.

1 Foot of Twine (1)
Ayers Hardware



MARKETING & SALES

ReLeaf's Sales and Marketing departments were tasked with contacting potential consumers and raising awareness about Leaflets. The three primary markets that ReLeaf marketed and sold to were businesses, students and office workers, and teachers or other educational staff. Our technique for approaching each of these groups was individually tailored in order to yield the best results.



Companies:

Businesses were contacted via emails that included our company pitch contained within a blurb, as well as a short advertisement and several pictures of the product. After receiving a response from a company we would then set up a meeting with them if necessary to distribute more information. When selling to businesses we emphasized the value of the company branding, as we felt that businesses would be especially interested in distributing their own branded merchandise.

Individuals:



The ReLeaf team sold Leaflets to individuals through marketing to family, friends and neighbors, as well as through attending several trade shows in local malls. We found that by raising awareness through social media we were capable of driving our sales up when attending trade shows. When selling to individuals we emphasized the convenience of the product, and the benefit to the environment that it provides.

Teachers:



From launch ReLeaf was designed to create a product for educational environments, however school policy about selling on campus posed as restraints in our attempts at pushing our Leaflets in those areas. Though ReLeaf was unable to sell directly to students on the school campus, our company advertised and sold to teachers through developing an email marketing campaign and marketing to Parent-Teacher Associations.



Financial Performance



Capitalization:

ReLeaf is a largely self-funded, and completely employee owned company. At the beginning of the program the ReLeaf team elected to fund our start up costs through evenly purchasing stock in the company, with each of the 9 members contributing \$34. Soon afterwards, ReLeaf partnered with Jim Corcoran, who provided us a loan of \$250 at a 15% interest rate, to be payed off at the end of the program. We used these initial investments to buy our materials, such as cardstock and laminating sheets in bulk, square card readers, wet erase markers with our logo on it, and various marketing materials for trade shows and sales opportunities.

Break-Even Analysis:

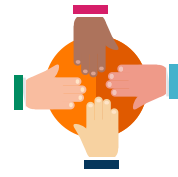
In order to produce the ReLeaf Leaflets at the lowest price possible, nearly all materials ordered were bought in bulk, so one Leaflet bundle costs just \$1.14 to produce. In addition to buying products in bulk, we decided to laminate and print our product ourselves, in order to save nearly two dollars per unit. Through purchasing materials in bulk, and assembling the product ourselves, we were capable of minimizing our costs. As we are selling one Leaflet bundle for \$6.00, we receive a profit margin of 81% on each unit sold. Our calculated break-even point stands at 124 units, which we have matched.

Revenue	Price Sold For	Products Purchased	Total Amount Earned
Tyson's Trade Show	\$6	31	\$186
Westfield Trade Show	\$6	17	\$102
Individual Sales	\$6	27	\$162
United Health Care	\$5	25	\$125
Other Corporate Clients	\$6	34	\$204
Total		134	\$779

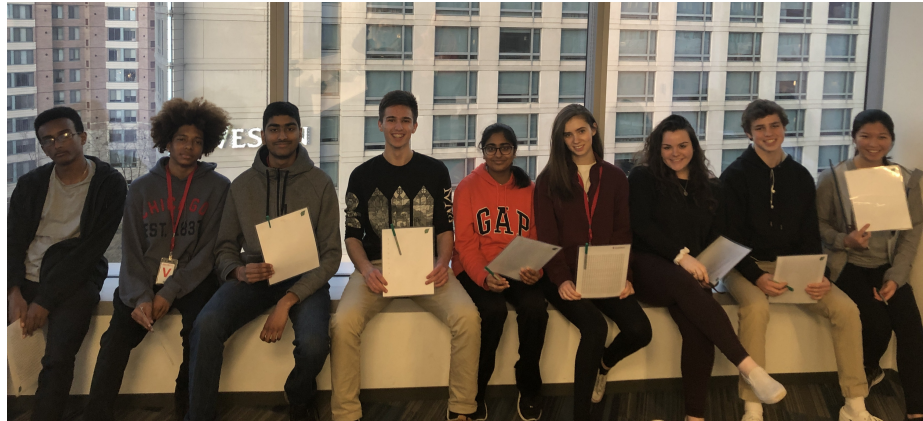
Overall Finances	
Cash Balance	\$770.90
Additional Inventory Value	\$350
Total Expenses	\$649.27
Net profit	\$121.63

Expenses	
Cost of Goods	\$512.98
Sales Tax (6%)	\$46.74
Charitable Donation (5% on Profit)	\$ 7.05
Loan Payment (15% interest rate)	\$37.50
Marketing Expenses	\$45
Total	\$649.27

MANAGEMENT



Prior to forming ReLeaf the majority of team members were not acquainted with each other, and many studied at different schools. Over the course of the Junior Achievement program team members bonded and grew to rely on one another. Initially the company was founded with no clear cut leadership structure; several weeks into the program we held elections with speeches and anonymous voting. Officers were selected to head each of the four departments, as well as a CEO. These officers would become responsible for assigning goals, organizing the team, and dispersing workload among team members.



Meeting Structure:

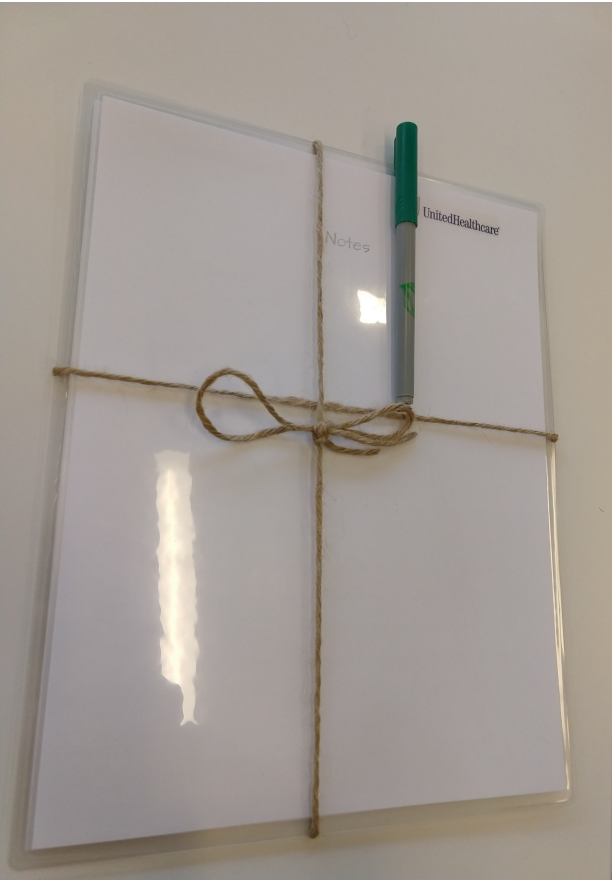
Every full-team ReLeaf meeting would begin with each officer describing what their department had been working on over the previous week, and a suggestion as to what they felt needed to be done over the course of the meeting. Based on these suggestions a meeting agenda would be developed and placed on the board, and the team would divide into sub-groups in order to accomplish their individual assignments. As the productive meeting time would draw to a close, the ReLeaf team would once again meet in order to describe what they had accomplished and what they plan to do before the next meeting. Based on this conversation, a plan would be developed that includes departmental assignments that require completion. Keeping the group on track to meet these goals was then the responsibility of the officers.

Management Style:

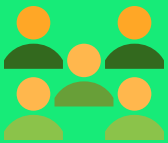
In order to meet all the goals described during the full group meeting, each ReLeaf officer would actively coordinate tasks with group members. Due to the small size of the Releaf team, just 9 group members, the communications channel could often be streamlined through speaking to the group directly via a messaging platform. The ReLeaf team emphasized group commitment and all large happenings were discussed in a general group chat in order to allow all team members to give input. In order to accomplish department specific goals, department heads would organize group calls for their department and lead the way in accomplishing assigned tasks. Additionally over the course of several weeks during which the scheduled meetings were cancelled due to extraneous weather, the ReLeaf officers held frequent calls in order to decide on what course of action needs to be taken, and to develop group goals.



LEARNING EXPERIENCES



- 1. In Sales - aesthetic is as important as purpose.** When we initially started selling our product we realized that our manila folder packaging was unappealing, but after switching to twine wrapping we noticed a visible increase in interest in our product.
- 2. Successful products are built through extensive market research.** The ReLeaf bundle was created with specifically students in mind and it was only our later market research that guided us to capitalize on what would be our largest customer bases -- companies and office workers.
- 3. Telecommuting hurts worker morale and company communication.** We faced several concurrent weeks of snow and holidays that made it difficult for us to meet in person. Although we had frequent calls, we found that we struggled to stay coordinated without physical meetings, and recognized issues with the digital workplace.



Throughout the company development period, ReLeaf company members gained knowledge and practice in the position of their choice. Many acquired useful task-related skill such as graphic design, video animation, sales abilities, and knowledge of financial and statistical software. Ultimately, the entire ReLeaf team personally saw that they can drive innovation and free thinking, and help improve the world while their at it!