

**SIMPLY CO**

***Let's Make A Better Future  
Paw-ssible!***

## **2022-2023 Annual Report**



**School:** William P. Clements High School

**Teacher:** Brian Russow

**Volunteer:** Safa Chowdhry (University of Houston)

**JA Area:** Junior Achievement of Southeast Texas

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# Executive Summary

## Our Story



Simply Co. has maintained a **strong company tradition** of creating products that help our customers **seamlessly integrate sustainability** into their lives. Furthermore, we push for **entrepreneurship, innovation, and activism** by involving **high schoolers** and **local businesses** to champion sustainable living within our community.

This year, our team discovered a **heartbreaking** fact: the famous Northern white rhinos are now "functionally extinct." In 1960, there were only **2,360** left after years of armed conflict, poaching, and deforestation. Now, the species lives on through a lonely mother-daughter pair. The Northern white rhinos are just one of **thousands** of species facing **extreme survival challenges** because of human greed.



Our world's future stands at an alarming precipice. Nearly **one-third** of U.S. adults admit animal extinction wasn't "on their radar". We conducted a survey, asking 82 individuals aged 10-18 from across the nation to identify four critically-endangered animals in a list of twelve. **Only 3 participants passed.**

Education is essential for people to understand the **devastating** consequences of species extinction, so that we become **proactive** and involved in **conservation** efforts however we can.

## Mission

**Simply Co. aims to make a better future paw-ssible by promoting environmental protection.** We strive to make conservationism accessible and popular, in support of the United Nation's 2023 Sustainability Agenda.

## Our Solution



**The Pawzzle is an engaging, competitive game and educational resource all in one!**

One kit (\$15) includes two 120-piece puzzles featuring **student-made designs** of endangered animals, like the Spix's Macaw and Red Panda. The detailed artwork helps players form a **positive emotional connection** to these animals! It also includes a pamphlet linking players to our website, where they **learn more** about the endangered animals featured, eco-friendly lifestyle choices, and specific donation sites. Our team also designed and sold high-quality **Endangered Animal stickers** that serve as an everyday reminder of the animals we're saving.

## Company Highlights

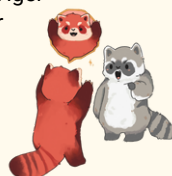
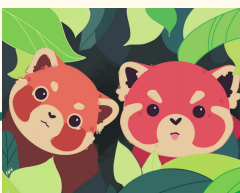
- **607** Stickers sold
- **185** Pawzzles sold
- **\$5,569** in Total Revenue
- **1001.29%** ROI
- **5** Key Business Partnerships
- **8+** Competitions
- **22** Company Shareholders



Lunar New Year  
Pygmy Rabbit  
sticker



Sumatran Tiger  
sticker



Red Panda sticker

## Table of Contents

Executive Summary .....	1
Capitalization .....	2
Financial Performance .....	3
Innovation, Production, and Quality Control .....	4
Marketing .....	5
Sales .....	6
Company Leadership .....	7
Learning Experiences .....	8

# Capitalization

## Stickers

Our primary capitalization strategy was to offer a **secondary product line** at a lower price point (1 sticker for \$3 and 2 for \$5) that was easy to produce & scale to boost our funds for the Pawzzle. **Designed by our Chief Marketing Officer**, Simply Co. introduced our **Endangered Animal** stickers to remind customers of **the animals we're fighting to save**. These stickers are high-quality, colorful, and affordable.



## Partnerships

Our mission of raising awareness was not complete without our **partnerships with local tea shops**. We wanted to **captivate more of our target audience** and capture a larger market share, so Simply Co. proudly partnered with **Sharetea, Kung Fu Tea, Feng Cha, and Beard Papa's** to connect with our community. These partnerships have greatly assisted our capitalization efforts, with our stickers sold at their storefronts, **raising a total of \$357 solely through partnerships**.



## Competitions & Awards

Simply Co. was awarded a total of **\$600 in seed money** from multiple pitch competitions. We won the Second Best of Show at the **Junior Achievement Trade Fair** at Memorial City Mall. In addition, Simply Co. placed 2<sup>nd</sup> out of 595 teams internationally at **TiE University Global Appathon (\$500)** and 1<sup>st</sup> at the **Microsoft Tech Innovation Challenge (\$100)**. We pitched at the **JA EnTEENpreneur Conference** at Rice University, the University of Houston/Wolff Center of Entrepreneurship for the **ThinkTank Competition**, the Houston Community College **PitchFest**, and finally the **City of Sugar Land Sparkfest**.



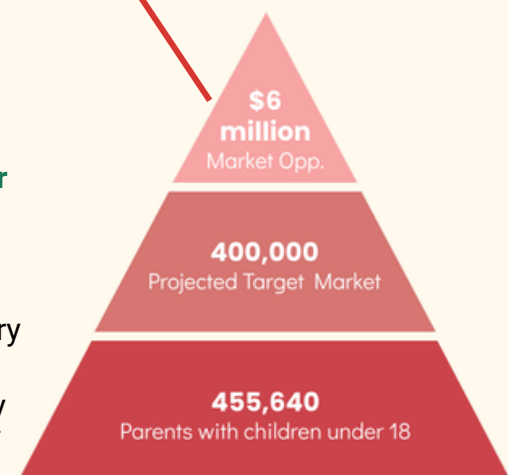
## Market Survey

When tested about which animals were critically endangered, shockingly, only **3.7%** of 82 people surveyed passed. Approximately **89.1% of the 82** people surveyed thought that they **knew only a little**, or at most, moderate amounts about endangered species. Of the surveyed, **89.1%** also believed that people, in general, don't know or care enough about endangered animals. Finally, **87.8%** of people strongly agreed that the general population **should** know more about the issue. These statistics highlighted the need for increased education on environmental and endangered animal conservation.

## Target Market and Audience

With this insight, Simply Co. was able to divide our customer segments into our target market and target audience. The reason for this division is due to the inherent differences in what different age groups desire in a puzzle. The Pawzzle is not only an **engaging** game, but also an **educational tool** that inspires environmental conservation. Our target audience consists of **younger kids, aged 5-15**, who are the people that will be intrigued by our designs. In contrast, Simply Co. anticipated the Pawzzle's **target market** to be those who will actually be **purchasing** the Pawzzle: consisting of young **adults, parents (of target audience), and grandparents**. Our target audience drives our primary target market to purchase our products. They may indirectly influence eco-conscious parents who wish to educate their kids on the issue. With our survey projections, Simply Co. determined that our primary target market consists of **400,000 people** within the Texas area.

$$\text{Market Opportunity} = \text{Price of Product} \times \text{Target Market} \\ = \$15 \times 400,000 = \$6,000,000 \text{ market opportunity}$$



## Balance Sheet

### Assets:

Cash:	\$3,940.42
Equipment:	\$414.42
Inventory:	\$450.47
<b>Total Assets:</b>	<b>\$4,805.31</b>

### Liabilities and Equity:

Tax Payable:	\$360.14
Capital Stock:	\$440.00
Shareholder's Equity:	\$4,005.17
<b>Total Equity &amp; Liabilities:</b>	<b>\$4,805.31</b>

## Overview

The Pawzzle is priced at **\$15** for consumers. The unit cost for the Pawzzle is **\$3.44**. The resulting profit margin is at **77.1% per unit**, which helped us achieve our **1001.29% ROI**.

## Shareholders

Each member of our company purchased a share at the beginning of the year to provide \$440, starting off our funds for our initial **capitalization**.

## Statement of Profit & Loss:

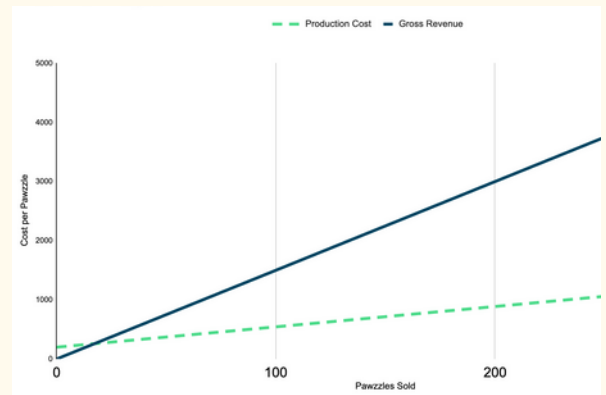
Product Sales:	\$4,469.24
Reinvestment Capital:	\$500.00
Seed Funding:	\$600.00
<b>Total Revenue:</b>	<b>\$5,569.24</b>

### Expenses:

Cost of Goods Sold:	\$659.73
Other Expenses:	\$97.28
Charitable Donations:	\$446.92
<b>Expenses:</b>	<b>\$1,203.93</b>

Income Before Taxes:	\$4,365.31
Sales Tax (8.25%):	\$360.14
<b>Net Profit:</b>	<b>\$4,005.17</b>

## Breakeven Analysis



After all production costs, website maintenance fees, and our 10% charitable donation, Simply Co. will break even at **18 Pawzles**.

## Return on Investment

### Shareholders' Equity:

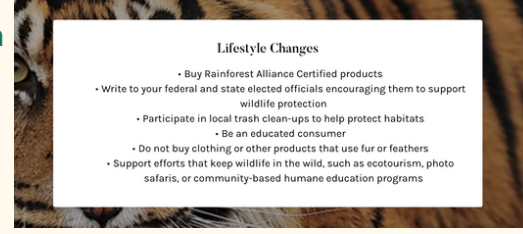
Net Profit:	\$4,005.17
Shares of Stock Sold:	22
Book Value Per Share:	\$200.26
Initial Investment Per Share:	\$20.00
<b>ROI:</b>	<b>1001.29%</b>

## Product Cost

Brochure	\$0.48
Puzzle Template	\$1.78
Printing	\$0.26
Packaging	\$0.92
<b>TOTAL</b>	<b>\$3.44</b>

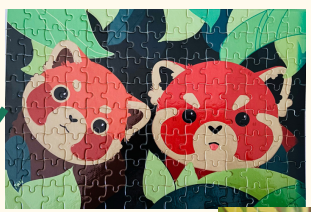


Simply Co. strives to create **engaging and competitive** puzzle sets that also serve as an **educational resource** for **bringing awareness to endangered animals**. From heat-pressing the designs onto **sustainable puzzle templates** to packaging them in **recyclable boxes**, we ensure great quality by creating the Pawzzle ourselves by being involved every step of the way. Simply Co. helps raise awareness through **the educational pamphlet** that links players to our website, where they can make an impact. We captivate our audiences with **student-made artwork** of endangered animals (Red Panda and Spix Macaw), and our **special adaptable gameplay options** that make the Pawzzle **engaging for all age groups**. We offer a unique value to our customers by creating a puzzle that's **more than a fun hobby**, but also a useful tool for **creating discussion on taking action**, **developing an environmentally conscious mindset**, and **spreading awareness!**



Two puzzles in one Pawzzle!

Informative pamphlet!



Unique puzzle designs

100% sustainable puzzle template



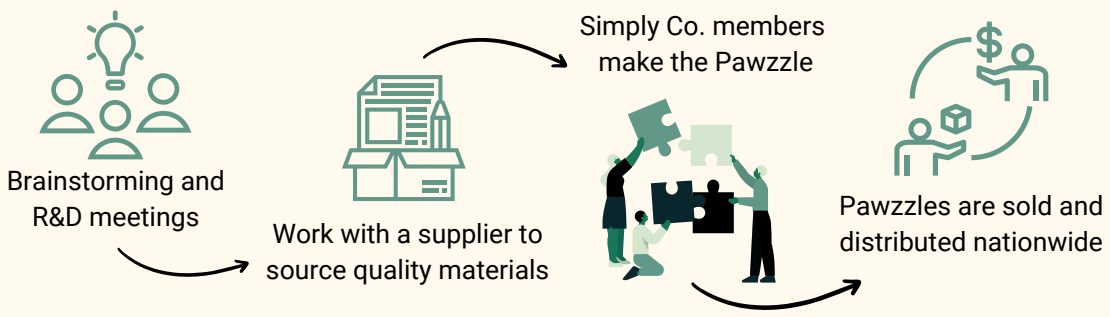
100% recyclable packaging

## Production & Quality Control

To ensure the best quality, Simply Co. contacted numerous manufacturers to find puzzle templates that were **durable, eco-friendly**, and had **more than 100 pieces**. In the end, we chose to source **sustainable puzzle templates** from Shenzhen Qianruo E-Commerce Co, which is highly rated with all 5-star reviews. The puzzle designs are printed using **eco-friendly, water-based sublimation ink**, which is less harmful to the environment than solvent-based ink. Then, our very own team members heat-press them onto the templates. This special puzzle-making technique results in **minimal waste** and **low energy costs**. Finally, we package the puzzles in **100% recyclable boxes**, following our company mission of being **eco-conscious** every step of the way.



By creating the puzzles ourselves, we guarantee that **quality is preserved every step of the way**, as we check every puzzle to confirm **complete design transfers**, separate puzzle pieces by hand to **check durability**, and inspect pieces to ensure **every puzzle is up to standard**. Stickers of endangered species are sold with our Pawzzles as a **constant, visual reminder** of the animals endangered by lack of conservation efforts.



## Marketing Strategy

To reach our target market and audience, Simply Co. has utilized various methods, both **in-person** and **online**, to effectively promote our product. Our in-person advertising consisted highly of **word-of-mouth promotions** helping us create a **strong connection** with our customers. **High school events**, such as our annual International Festival, have allowed us to reach our target market, promoting our mission to peers, who further discussed with their peers. With our involvement in **local farmer's markets in Missouri City and Sienna**, Simply Co. was able to make a large impact and **establish community ties** with both our target market and audience. We were also able to create **partnerships** with local Sharetea, Beard Papa's, Feng Cha, and Kung Fu Tea, where we used **flyers** to promote our company and sell our endangered animal stickers that generate additional and necessary awareness.

Online, we utilized social media marketing with frequent **Instagram** posts (@thesimplycompany) centering around product promotions/partnerships and company achievements to reach a greater number of people. Lastly, we furthered online marketing by creating an **impactful website**, www.simplyco.store, that doubles as an e-commerce tool and action initiative.



## Marketing Strategy Efficacy

Through our marketing strategy, Simply Co. was able to reach many customers in our community. For example, during our in-person sales events, Simply Co. had an extremely successful turnout due to **point-of-purchase marketing promotions** and sold **more than \$400** worth of products within a six-hour period. Even through high school-hosted events with little promotional windows, we managed to consistently reach over **100 different accounts** through our **Instagram story**, advertising our surprise sticker design for I-Fest. Referred to by our story, Simply Co. was able to make **\$382** in revenue from selling our products at Clements I-Fest. Our school event advertising reached beyond students, to even our **teachers** and **principal**, who supported us at I-Fest. Aiming to attract our target audience with colorful, detailed designs, Simply Co. verified this trend at various in-person selling events, such as farmer's markets. Kids were excited about our colorful stickers and puzzles, pushing for their parents to purchase them. Often, our target market purchased products with their children or students in mind. About **1 in 5** returning farmer's markets customers came back to inquire about more puzzle designs, future plans for stickers, and endangered animal stories.

## Competitive Advantage

	Affordability	Educational Value	Gameplay Variety	Mission

While a traditional puzzle set has the comfort that keeps it a longstanding recreational activity, the Pawzzle offers so much more. One Pawzzle set includes **two, 120-piece puzzles** that are designed and produced by members of Simply Co. While remaining both **engaging** and **affordable**, the Pawzzle also provides **educational value** to all players. The Pawzzle combines multiple unique aspects to promote change across a wide demographic, all while remaining 100% eco-friendly; making the Pawzzle distinctive from other puzzles.



## In-Person Sales

To teach our new members how to pitch and to help them gain selling experience, we hosted **several workshops** so they could learn how to effectively sell our products to customers and spread our message on raising awareness for endangered animals. We also had Simply Co.'s former COO, Safa Chowdhry, work with our members in small groups and give **personalized advice** to further improve their sales skills. We honed our sales skills at the **JA Hall of Achievement** by leading schoolhouse sales at the Marriott Marquis in front of Board members and VIPs.



Simply Co. cultivated our skills at our community **Sienna Farmer's Market**. In total, our members sold 14 Pawzzles and 58 stickers, **making over \$350 dollars** in revenue. In addition to this location, Simply Co. also sold at the **Imperial Farmer's Market** twice and successfully made **\$160 dollars**.

Simply Co. also sold at **Memorial City Mall** during **JA's Trade Fair**. Our general members used their training and sales experience to ensure that smooth sales and our company mission were conveyed. We laid out our Pawzle designs and had members actively playing the puzzles so our target audience of kids was drawn in, and we could speak to our target market of parents and adults. Furthermore, we created attractive incentives, such as our **"Buy 1 for \$3, 2 for Just \$5" sticker deal**. Simply Co. **made over \$400** in a few hours and placed **Overall Best of Show - Second Place**.



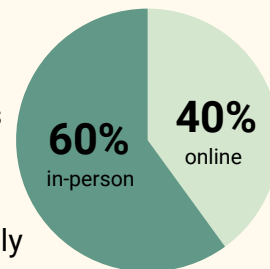
Throughout the year, Simply Co. participated in several competitions with an expo. We were able to sell at **Sparkfest Innovation Challenge's** expo, and in the end, Simply Co. **made over \$230** worth of sales! Simply Co. also sold at our school's popular **International Festival**, where we debuted our limited edition cultural sticker design of the **Lunar New Year Pygmy Rabbit**. We sold over **150 stickers** and generated nearly **\$400 dollars** of revenue in just 3 hours! We also completed a **bulk order of 30 Pawzzles** for a local banquet at Houston Christian University, increasing income by **\$450 dollars**.

## Online Sales & Customer Satisfaction



Simply Co. created an official company website to make our products accessible **nationwide**. With our promotions consisting of **free shipping** (if customers spent over \$20), we sold **70 units of the Pawzle**, earning **over \$1k in revenue** online.

**Customer satisfaction** is an important factor at Simply Co. For website purchases, any questions are handled by our trained customer service representatives, who would respond within two business days. For in-person sales, we handed out business cards so customers had a way to reach out to Simply Co. for any inquiries.



"I really appreciate Simply Co. for expediting shipping for me!"

Jinghan Zhang, Pawzle customer



# Company Leadership

Simply Co.

7

## Structure

Our company's leadership structure focuses on accountability and clear communication. Leadership positions are earned by measuring commitment to the company, participation during the year, and experiences from shadowing past officers. Our department heads **utilized weekly in-person meetings** for planning activities with members, creating new selling and marketing strategies, and scheduling community selling events. By forming strong department bonds and clearly setting goals, officers could reliably delegate tasks to general members

We also organized **fun** team-building meetings twice a month to grow a **motivated member base**, make announcements, and encourage **input** from everyone. Our company has **benefited greatly** from this coordination, as members are enthusiastic about putting creative ideas forward that improved our final product before it went to market. They've also contributed greatly to our **80.9%** membership growth, where we went from 21 to 38 members this year!



## Special Events & Training

Simply Co. utilized all resources possible through the help of **personalized alumni workshops**. Our team maintains bi-weekly meetings with our **former COO** and current mentor, Safa Chowdhury, who trained us extensively in **business operations** and **product ideation**. We also work with Sophia Zhao, formerly a **nationally-ranked CEO** of her own Junior Achievement enterprise, where she guides us on **social impact** and strategizing **selling channels**. Lastly, thanks to winning the regional **Microsoft Innovation Challenge**, Simply Co. officers shadowed Mitchell Kuy, a **Digital Solution Specialist**. He offered incredible insight on **career development**, goal-setting, and **pitching strategies**.

Our co-CEO, Michelle Chen, also advocated for youth empowerment through KPMG's virtual town hall celebrating **Financial Literacy Month**. Our co-CEO, Jingzhuo Zhang, provided an interview for a collaboration between **JA USA** and **Nerd Wallet** on her summer work experience and how much the JA Company Program impacted her.



## Motivation & Succession

This year, our co-CEOs and VPs created our own **company mock pitch competition** for members. Officer **shadows** are especially encouraged to form and **lead** their own teams, where they spend weeks working to **conceptualize, proof, and pitch** a product. Through these business-oriented presentations, we will nurture a growing **entrepreneurial** presence at Clements High School that grows our impact even more.



We motivate members by using a **point-tracking system**, designed to reward those who actively participated in events, meetings, Zoom workshops, and more. Further categories beyond attendance were that members would receive specific **compensation** for how many products they sold. This system was great for gauging **initiative**, but it also **incentivized** our members and pushed them into going above and beyond! The data we gathered helped us pick shadows for next year, who we specially mentor during the school year to prepare them to **succeed current leaders!**



The JA Company Program has taught us both **hands-on experience running a company** and foundational skills of **resilience, adaptability, teamwork**, and how to cultivate and grow **an innovation and entrepreneurial mindset**. The officer team strengthened the company by building close bonds throughout the year. These bonds were tried and tested, from supply chain issues to finding successors, but **our team grew stronger** and **more well-rounded from the challenges faced**. It's been incredible how we've been able to establish and scale our very own business!

One of the biggest roadblocks we faced was **finalizing the production process of our product**. Due to the continuing effects of the global supply chain crisis, high international shipping fees **made working with an overseas puzzle manufacturer unfeasible**. Our Head of Supply Chain and Head of Finance researched extensively on a solution and decided the best option was for **Simply Co. to make the puzzles ourselves**. After investing in a sublimation printer and securing blank puzzle templates, we created puzzles using the heat press we already had. The officer team **quickly adapted** to this new solution by **each specializing in a specific part of the process**, whether that be helping print the designs, heat-pressing the puzzles, or packaging them. Through this **localized manufacturing process**, we were able to decide what designs to print, save on costs, and ensure high quality throughout production.

Looking towards the future, we were concerned that the entire officer team was composed of seniors. We wanted to ensure that Simply Co. would **continue to thrive even after we left**, continuing our mission of spreading awareness and helping conservation efforts, so we created a succession plan. The officer team **recognized the importance of teaching the new generation** and recruited **more than 20 new people** to join our company this year, adding **6 new shadows**. Our shadows get a closer look into how the company runs, from how our Head of Sales plans selling events to how our Head of Finance calculates our profit margin.

These new shadows **provide us with fresh perspectives and feedback on how we can be better as a company**. Working together, this new dynamic has led to **greater efficiency in performing critical tasks** and **stronger team cohesion**. The current officer team plans to return to Simply Co. **as mentors** to provide the new officer team with **any guidance and support** that they need **to succeed**. Also, in order to scale Simply Co. next year, we are currently working on **an acquisition of another JA company** at our high school.



## Future Application 🌱 🌱

Simply Co. plans to diversify our Pawzzle designs by working with **nationally-recognized art students** at our school and connecting with **well-known local artists** to highlight more endangered species, such as the Galapagos Penguin and Green Sea Turtle. We plan to make our product more accessible to communities who will love the Pawzzle by **participating in local markets** like the Sugar Plum Festival, and **seasonal celebrations** like the Lunar New Year festival at Houston POST. We plan to build more **partnerships with local organizations**, such as the Houston Zoo, which shares a similar mission with us of conservation. Through our partnership with them, we'll be able to expand our marketing efforts to **reach a greater number of people** interested in **environmental preservation** by selling our products at the zoo and participating in their special Keeper Talks to **educate people on ways they can make an impact**.

## Giving Back 🌱 🌱 🌱 🌱

To further our impact, Simply Co. hosted an **entrepreneurship workshop** at the Stafford Early Childhood Center. This event reached **over 60 young women** and helped us advance the conservation mindset in families, so they will in turn influence their children. We are also **donating 10% of our profits to the World Wildlife Fund (WWF)**, the world's largest conservation organization. The WWF is one of the organizations we highlight on our website as a way our consumers **can make a difference**, and through this donation, we're hoping to **further our impact on worldwide conservation activities**.

