

Annual Report

2022



**Junior
Achievement™**
of Greater St. Louis

LAF Lounge
Scott Beaver/Lafayette
Wildwood, MO

Executive Summary

Mission Statement:

A company dedicated to growing a positive, personal, and inspiring community that satisfies all customers with quality and reliable apparel.



Product Description:

Long-sleeved T's & Hoodies

- Customizable Design
- Bella & Canvas (T-Shirt)
- Gildan (Hoodie)
- Black, Blue, White, Pink
- Warm, Cozy, School Spirit

Financial Results:

Revenue:\$6,460.30
 Gross Profit: \$2,420.30
 Charitable Contribution:\$217.83
 Return On Investment:100.5%

Table of Contents

<i>Executive Summary</i>	p 02
<i>Our Story & Leadership</i>	p 03
<i>Marketing & Sales</i>	p 04
<i>Innovation</i>	p 05
<i>Finance</i>	p 06
<i>What We Learned</i>	p 07
<i>Our Why</i>	p 08



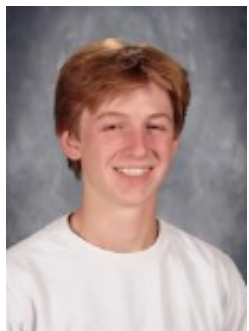
Our Story & Leadership

At the beginning of the semester we set out to create a unique product and brand that would increase school spirit, provide comfort, support our local charity, and learn about managing a business in the process. Overall, we believe that we met all four of those goals.

It wasn't always easy. As a class we struggled early on to solidify a unique custom design. It seemed like we all had a different opinion on the best design to offer the school. As a team, we decided to get input from our customers. We created professional surveys to send out to students and teachers at our school. We learned that the new Lightning Design and "L" design's would be the most popular with our target market. This helped us learn the importance of interacting with our customers.



"As President, I wanted to make sure that every voice of our company was valued and heard"



(Top) Megan Kingston - President

*(Left to Right) Matt Reynolds/Marketing, Blake Klostermann/Finance
Shayla Wade/Sales, Chloe Robinson/Production*

During the process of selecting our products and designs it was clear that we would need to establish a strong leadership team. With so many voices and ideas, we needed a system to make decisions and carry out tasks. Through elections during the class, we nominated candidates and voted on our leadership team. We were looking for leaders that would be able to communicate and work with all members of our teams.

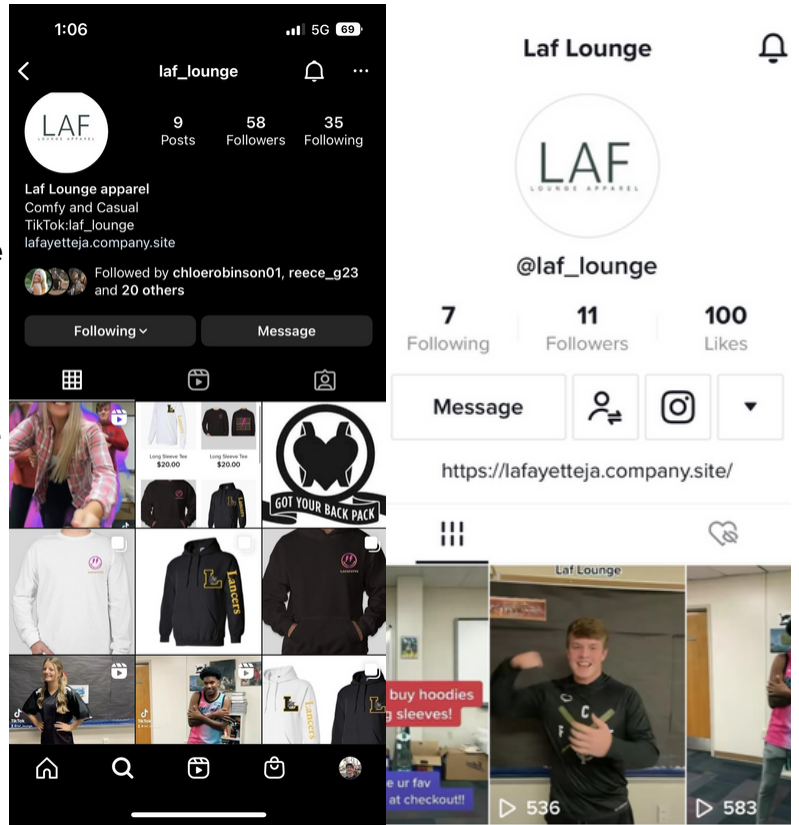
Marketing & Sales

Our marketing team focused on reaching our target audience through social media and posters. Both of these were directed toward students, future students, parents, and teachers. Social media helped us effortlessly promote our product, due to its continuous use by our customers. Our goal with our social media post was to be funny but informative with our posts.

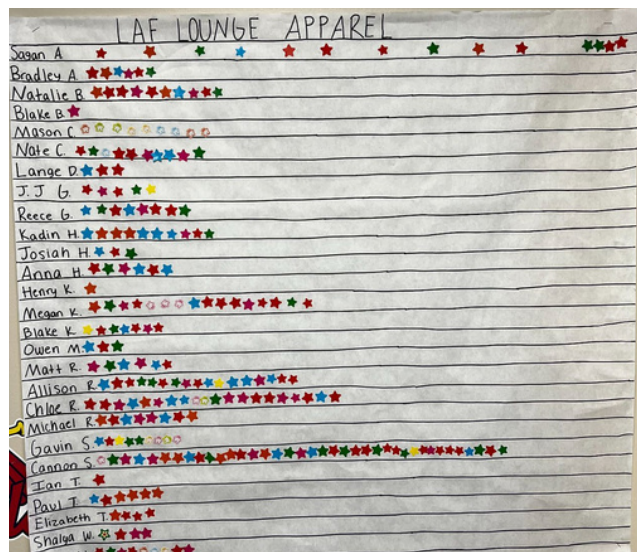
The most successful strategy we used to make our sales was direct personal selling. Before launching our business we immersed ourselves in strategies for personal selling. Our sales team created a sales script to help assist with the process of how to approach each customer. Our goal with each interaction was to create a personal relationship and sell to them based on their personality. The chart below displays the four different personalities and how we should adjusted our pitch accordingly.



In addition to approaching and identifying personalities, we practiced how to overcome a customer's objections. Finally, we wanted to make sure that we followed up with customers to thank them for their purchase. We were excited that every single person in the class sold at least one product. Our tops sales person was Cannon Stuckey achieving 37 sales.



"I worked to build relationships with my customers"
Cannon Stuckey
Top Salesperson



Production & Innovation

LAF Lounge's apparel offers the best of both comfort and design. Our competitive advantage is our unique custom made designs and our low prices compared to our competitors. Our school store sells hoodies for \$40 and we charged customers \$25 for a hoodie and \$20 for a long-sleeved T. We also thought it was important to give our customer the freedom to choose their own design, apparel option, and color of garment.



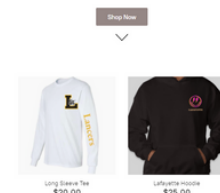
When searching for places to manufacture our products, we thought it was important to support local businesses. After researching different vendors we found that we could engage with a t-shirt business class in our school called AMPED. AMPED is a business and math class that shows students how to use Algebra in their daily lives. It was very beneficial for both of us to establish this relationship. AMPED learned how to press and deliver shirts while our class learned how to sell and collect orders.

Point of Purchase

In addition to being flexible with their design choices, we also wanted to offer a variety of ways for customers to purchase. We encouraged customers to visit our website to check out with a credit card, or they could use cash/Venmo if making their purchase directly with a salesperson. Although we offered a variety of ways to pay, it was clear that customers preferred using our website. Over 95% of our sales came from online orders through our website. We learned that having an easy to use website that displayed our items were extremely important to our success.



Lafayette Apparel



Our Website



Finance

All entrepreneur ventures must start by raising capital for their idea. As a class we decided to sell shares of stock to our employees. We sold each share of stock for **\$2**. This capital that was raised helped pay for samples to show our potential customers. We were very excited about the commitment from our company as almost all of the employees purchased at least one share of stock. After we ceased business operations and liquidated the company, stock holders earned a return of **\$4.01**. We were happy that stock holders earned 100% return on their investment. We believe that our company was successful because we exceeded all of goals that we established at the beginning of the semester. You can see from the below chart that we beat our projected revenue and gross profit. As a class we had a total of **264 items sold**. Our **break-even point for our hoodies was 53 hoodies sold**.

As a Finance department we learned the importance of keeping detailed records of all sales. We also learned the importance of using spreadsheets to perform ongoing calculations for revenue, costs, and profit.

Revenue	\$6,460.30 \$4,050 (PROJECTED)
Cost of Goods sold	\$4,040 \$2,307 (PROJECTED)
Commission	\$2,046 \$1,350 (PROJECTED)
Gross Profit	\$2420.30 \$1,743 (PROJECTED)
Net Profit After Commission	\$281.30 \$298 (PROJECTED)
Charity	\$217.83 \$174 (PROJECTED)
Return On Investment	100.5% 195.18% (PROJECTED)

What We Learned

Entrepreneurship	To Be Successful...	Key Takeaways
Difficult but achievable	Teamwork	Knowledge of how to start a business
Need Start Up Capital	Communication is Vital	Use skills to help manage different personalities
Selecting the Right Product	Starts with a good plan	Interpersonal skills

Thank you Junior Achievement for this experience!



Our Why

Although a business sets out to create a profit, this semester wasn't all about making money for our company. Our bigger mission was to support our local charity Rockwood Got Your Back Pack. Every day there are students in the Rockwood School District that do not have a regular place to stay or a hot meal at home. While most students rejoice on snow days or extended weekends, there is a population of students in our St. Louis community that go hungry during that period of time. Rockwood Got Your Back Pack is a small food pantry that fills students backpacks that are in need of some additional nutritious foods. As a class we are very happy to report that we were able to donate a total of **\$217.83** to Rockwood Got Your Back Pack.



ROCKWOOD GIVES BACK

Helping our students who need it the most

