



4 Paws
BE FUR-EVER READY

**20
23**

ANNUAL

REPORT

Marjory Stoneman Douglas High School

Junior Achievement of South Florida

Advisors: Les Campbell, Scott Jablon, and Laura Pierson

Teacher: Mitchell Albert



Executive Summary



At 4Paws, our mission is to improve the health and life of pets and their owners by providing an essential product for a dog on-the-go. By bundling all necessary items pet owners need while walking their four-legged friends into a wearable bag, we make dog walking fun. Our goal is to make our customers' time with their dogs hassle-free and happy, making the world a better place, one Paw Pouch at a time!

Product Line:

- 1 Paw Pouch
- 2 Individual items sold separately
 - Collapsible bowls
 - Poop bags
 - Treats
 - Toys

Product:

The Paw Pouch is our main 4Paws product. The idea originated after our president voiced her frustration with the hassle of carrying everything at once while walking and taking her dog out. After researching, we defined the problem that we wanted to fix, and were inspired to create a product that bundles everything dog owners need to have a fun, convenient day out with their dog.

Product Overview:

4Paws minimizes the hassle of taking your dog out and provides a safe and trouble-free way to have a nice day out with your dog. Our company has a product for every dog owner suitable to their dogs physical characteristics and needs.

Summary Statement:

4Paws prioritized convenience when developing its product to meet the needs of all dog owners and to make their lives more convenient. The company also aims to raise awareness and improve the lives of dogs in need by donating 10% of profits to the Humane Society of Broward County. Through strategic partnerships and collaborations with major corporate and retail clients such as Trader Joe's, Chewy, and United Way, 4Paws has enhanced its products value and garnered significant support and exposure in the community.

Financial Results:

\$8,146 total gross revenue

290 units sold

\$5.39 return per \$1 invested

49.6% gross profit margin

Company Performance

In our 6 months of actively managing our firm, we had significant profitability with a gross profit margin of close to 50%. We were able to generate significant value for our stakeholders, generating \$8,146 in total sales and a net income of \$3,130 before charitable pledges. We are proud to say that our investors will receive a 434% return on their investment.

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President's Letter

Dear Shareholders,

What a fantastic year it has been! I am proud to present 4Paws' company report for the 2022-2023 Junior Achievement Fellows program. This report highlights our achievements, challenges, and future plans.

It has been a challenging year, but I am proud to say that our company has overcome many obstacles and emerged stronger than ever. We have remained focused on our mission and I am proud of the progress we have made. 4Paws began operations in September 2022, and we embarked on an incredible business learning journey. After our initial development of the Paw Pouch concept, we conducted research with our target market, utilizing the results to guide our decisions, to make adjustments to the design of the product. Once we established our business plan, we raised capital to fund the development of our company. With your support, we sold 150 shares of common stock at \$5 per share! This initial capital gave us \$750 to begin production of our Paw Pouches and to begin marketing our product.

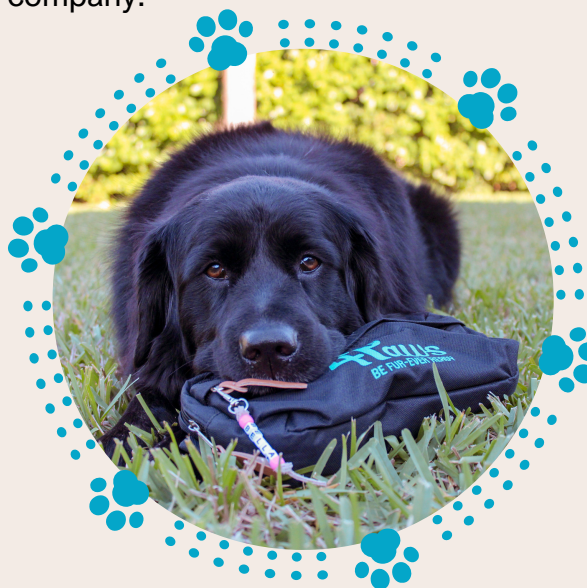
The financial success achieved by 4Paws has given us the opportunity to give back to animals in need through the Humane Society of Broward County. 4Paws began its journey aiming to make lives better for not only dog owners, but for dogs in need as well. We donated 10% of all profit to the Humane Society of Broward County, donating a total of \$313 to aid in the care and health of these animals. This organization aligns with 4Paws' Corporate social responsibility to improve the life for not only our dogs, but for needy animals. We chose to focus our impact on one organization to maximize our impact on an amazing organization like the Humane Society of Broward County, which matches the values of our company culture and those of our customers. While promoting the sales of our product, we also promoted aid for animals in need that will impact them the rest of their lives.

I would like to take this opportunity to thank our shareholders for their continued support and trust in 4Paws. Your trust and confidence in our team and our vision has been instrumental in our success, and we are deeply grateful for your ongoing commitment to our company. All 46 shareholders represent your belief in our mission and success. We are proud to report to you that with a 434% return on investment, our company's shareholder equity has increased to \$3,204. We know that our success would not be possible without your unwavering support and belief in our company.

Thank you for your support!

Morgan Fink

Morgan Fink
President and CEO, 4Paws



Market Research



Type of bag



Preferred items



Price range



Surveyed

400



dog owners

Target Market



The Paw Pouch was developed by 4Paws to cater to dog owners who are willing to make a modest investment to enhance the dog walking experience and happiness of both pets and owners.



Advantages



The Paw Pouch bundles all the products needed to walk a dog, making it cost effective and convenient.



HUMANE SOCIETY OF BROWARD COUNTY

4Paws shows its care for dogs by donating 10% of profits to the Humane Society

Marketing Strategy

Product

- Survey helped identify top five desired items for Paw Pouch: collapsible water bowls, poop bags, treats, hand sanitizers, and toys.
- Customization is popular among customers, and they were willing to pay extra for it.
- Customers prefer a product that consolidates all essential components into a single, convenient package.



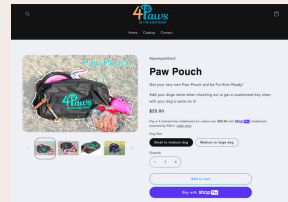
Price \$25 \$25 \$25

After market research and analysis of survey, we determined that pricing the Paw Pouch at \$25 would be optimal price for the Paw Pouch. This permits the inclusion of the top five items of interest to, as well as a personalized keychain with the dog's name.

Place

4Paws leverages the element of place in the marketing mix by strategically selecting distribution channels to expand the market for the Paw Pouch.

- Farmer's markets and Renaissance fairs
 - Taps into substantial foot traffic and showcases the Paw Pouch to a wide audience.
- 4pawsparkland.myshopify.com
 - For customers who prefer to shop from the comfort of their homes, offering a convenient e-commerce option.



Promotion

Social Media



Facebook



Twitter



Instagram



Nextdoor

Posts

- #BeFur-EverReady
- Highlight Convenience

4Paws creates a relatable and personable brand image by featuring photos of satisfied customers and their pets using the Paw Pouch on social media. This approach showcases the practicality and convenience of the product while highlighting the emotional connection that customers have with their pets.



Sourcing: 4Paws provides customers with a range of product options, available both as a bundle in the Paw Pouch and as individual items.



- 4Paws sources from Amazon for stability, reliability, and fast delivery times
- Offers a variety of quality items at a low cost, maximizing profits while providing outstanding value to our customers.
- 4Paws ensures that only the best quality products are sourced from credible vendors, backed by Amazon's guaranteed delivery and money-back policies.
- Efficient inventory management, a crucial aspect for a startup with limited capital.

- 4Paws established a partnership with Woof Gang Bakery to market their nutritious dog treats
 - Conducted comprehensive research to ensure the safety and quality of ingredients and analyzed customer reviews and testimonials to ensure high levels of customer satisfaction



Our Paw Pouches are sourced from Wizard Creations, a local printing company. This allowed us to work directly with them in selecting the ideal pouch for our needs at a competitive price.

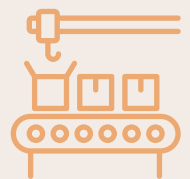
Quality Control



At 4Paws, we prioritize customer safety by using only high-quality products. Our team researched the small treats included in the Paw Pouch and decided to purchase all-natural treats made with human-grade ingredients, which is appreciated by customers with dogs on strict diets. We continuously strive to improve our supply chain by building relationships and redundancy to maintain our competitive advantage.

Assembly/Production

At 4Paws, we operate a streamlined system where all team members are involved in fulfilling both in-person and online orders. Our supply chain team is responsible for closely monitoring inventory levels during assembly. We uphold a strict standard of quality and ensure that all products undergo rigorous testing before they are distributed to our valued customers.



Design Challenges

We initially included an innovative “Paw Pocket” in the design of the Paw Pouch, which held biodegradable doggy waste bags and recycled bags from customers. However, the pocket was too time-consuming and expensive to produce for the response we received. To solve this, we introduced bone-shaped dispensers, which customers preferred and led to decreased unit cost and increased revenue.

Online Sales Challenges

The development of a user-friendly, engaging, and functioning website proved challenging for our marketing team. Consequently, we faced difficulties in introducing our online platform. To address this issue, we implemented social media promotion and mentioned online ordering during sales events. These efforts have successfully increased online sales, enabling us to reach clients through e-commerce.

Sales

Wholesale/Corporate

For our main product, the Paw Pouch, we established a standard price of \$25. In collaboration with our primary retail partner, Broward County Dog Training, we were able to sell our pouches at retail locations at full price and at standard margins. Similarly, our collaboration with Woof Gang Bakery allowed us to purchase treats at a substantial discount in return for promotional consideration. Woof Gang Bakery sold our Paw Pouch in their store, and we offered their gourmet dog cookies at all our selling events.



Sales Strategy

Direct Sales:



Our 41 member sales team were thoroughly trained, prepared and motivated to meet our selling quotas for each event. We incentivized our members with gift cards to achieve above and beyond our sale goals. From selling in person, to reaching out on social media, to marketing to a local Rotary club, 98% of our orders are generated directly from our sales team and their efforts.

Sales Channels



shopify



On December 4th, our product launch at the Parkland Farmers market generated over \$1,150 in sales in three hours. Our primary sales channel is through in-person events, with our Shopify domain serving as a secondary channel. These events, such as the Farmers Market and Florida Renaissance Festival, provide an opportunity to connect with customers and explain the unique features of our customizable product, which has proven effective in boosting sales.

Sales Promotions

We used a prize wheel as a method of customer engagement. As potential consumers passed by or glanced at our booth, our prize wheel immediately caught their attention. This was particularly helpful at events with children, as they become enticed by the opportunity to spin the wheel. To increase sales, we included a free spin with purchase giving the customer a chance to win a free gift. The wheel significantly increased traffic to our booth, which in turn helped overall sales.



Expenses Breakdown

| | |
|---|------|
|  Bags | 6.00 |
| Poop Bag Dispenser | 0.68 |
| Rubber Toys | 1.35 |
| Squeaky Toys | 0.88 |
| Rope Toys | 1.04 |
| Collapsible Water Bowl | 1.78 |
| Hand Sanitizer | 0.00 |
| Treats (per pouch) | 0.42 |



Leadership and Corporate Structure



CEO/President
Morgan Fink

Morgan Fink has made many contributions to the success of 4Paws include providing direction and planning, exercising strong leadership, making crucial decisions, and utilizing her extensive background in business.



VP of Brand Management
Mia Ye

Mia Ye, acknowledged for her proficiency in creating successful marketing strategies, safeguarding brand reputation, and amplifying market exposure.



CFO
Alexa Schulman

Alexa Schulman is responsible for accurate financial measurement and record-keeping, utilizing her exceptional math skills, organizational abilities, and finance background.



VP of Sales
Lauren Ofstein

Lauren Ofstein plays a crucial role in driving revenue growth and expanding market share through strategic planning, effective leadership, and building strong customer relationships.



VP of Management
Geetanjali Srivastava

Geetanjali Srivastava plays a key role in overseeing and coordinating the operations of the organization, managing personnel, implementing policies and procedures, and ensuring that the company's goals and objectives are met.



VP of Supply Chain
Alexis Presno

Alexis Presno, is responsible for ensuring the timely and efficient movement of goods and materials throughout the company, reducing costs, and optimizing processes to improve overall efficiency and customer satisfaction.

4Paws takes great pride in its exceptional founding team of Executive Officers, who were selected through a rigorous interview process. The team is comprised of the CEO, CFO, VP of Sales, VP of Management, VP of Supply Chain, and VP of Brand Management, who all bring with them a wealth of experience, diverse interests, a strong passion for business entrepreneurship, and fulfill their assigned roles and various company responsibilities.

In addition, our executive team has effectively utilized the students participating in the JA Fellows program into the company's operations. These student employees contribute to production, assembly, events, and other business experiences, serving as sales representatives for the company on a weekly basis. Through this program, JA officers have developed valuable leadership skills, helping to achieve the company's objectives and enhance overall business performance.

Financial Performance

Financial Overview

Over the past five months, 4Paws has experienced exceptional financial success. The company's total gross revenue to date totals \$8,292, with \$7,250 coming from the sale of 290 units. We also sold items separately to consumers to maximize profits. In less than a week, the company was able to raise \$750 in capital by selling 150 shares for \$5 each. 4Paws was a profitable company after selling 290 pouches, with total cost of goods sold amounting to \$4,180 for a gross profit margin of about 50%.

4Paws Balance Sheet 28-Mar-23

| Assets | |
|--|----------------|
| Cash | \$4,320 |
| Accounts Receivable | \$1,025 |
| Inventory | \$126 |
| Total | \$5,471 |
| Liabilities and Owners' Equity | |
| Liabilities | |
| Commissions Payable | \$827 |
| Sales Tax Payable | \$528 |
| Other Payables | \$913 |
| Total Liabilities | \$2,268 |
| Equity | |
| Capital Stock | \$594 |
| Retained Earnings | \$2,609 |
| Total Equity | \$3,204 |
| Total Liabilities and Owners Equity | \$5,471 |

4Paws Income Statement Inception to March 28, 2023

| Sales Revenue | \$8,292 |
|--------------------------------------|----------------|
| Cost of Sales | \$4,180 |
| Gross Profit | 49.6% |
| Gross Profit | \$4,113 |
| Selling Administrative Expenses | |
| Sales Commissions | \$827 |
| Marketing, Other | \$24 |
| Total Selling, Admin Exp | \$851 |
| Net income before Charitable Pledges | \$3,262 |
| Charitable contributions pledged | \$652 |
| Net Income | \$2,609 |
| Projected Shareholder Distributions | |
| Net Income | \$2,609 |
| Divided by Capital Stock | \$594 |
| Net Return Per \$1 Invested | \$4.39 |
| Return of Capital | \$1.00 |
| Total Return per \$1 Invested | \$5.39 |

TRADER JOE'S



Partnerships

4Paws' dedication to enhancing the convenience of dog walking has resulted in strategic partnerships with several distinguished organizations. We are always seeking opportunities to collaborate with others that share our vision of creating a better experience for dogs and their owners. As we move forward, 4Paws is enthusiastic about the prospect of continuing to partner with these organizations and continuing our mission of simplifying dog walking, one pouch at a time.

Lessons Learned

Price

Through market research our team established prices for each individual product maximizing sales. We took into account manufacturing prices, inventory supply, return times, and client feedback to set our prices and achieve our significant profit margins. Through the initiation of social media campaigns and promotional activities we consistently achieved strong sales value at each sales event.

Good Fit Sales Events

In scheduling and navigating selling events, we made several discoveries as to where we fit in the market. After attending dog-centered events, we found that "non-pet" events prompted more sales for our company, as we had less direct competition. It became evident that people find more interest in our product when we have less surrounding competition.

Communication Challenges

Communication and efficiency was a top priority amongst the team. During the initiating process, there was a struggle to communicate and work effectively as a team. Over time we established an effective process for our team, including weekly meetings, to-do lists, and a consistent line of communication to ensure each member understood their responsibilities and felt that they had an effective forum for two-way communication. These strategies led to our success as a company both internally and externally.

Social Responsibility

4Paws placed an emphasis on making a better life for not only dog owners, but for animals in need. In America alone, there are over 3.3 million dogs in shelters, motivating us to donate 10% of our profits to the Humane Society of Broward County. When selecting our charitable partner, we chose the Humane Society of Broward County not only because of the great work that they do, but because it helped us connect all of our stakeholders to our company mission.

Viability

We strongly believe that 4Paws is a commercially viable company which can expand through various outlets. Currently, demand for our product exceeds supply. If 4Paws had time to scale production and become a part of a bigger product line, the company could grow exponentially. In addition, with greater emphasis on e-commerce and marketing, 4Paws could gain larger market share. Additional expansion could include bundles for other pets, such as cats.

What We Learned

Morgan Fink: Founding and managing 4Paws honed my love for business, teaching me about leadership and determination. I am excited to apply these learnings to my future endeavors.

Mia Ye: 4Paws taught me the value of creating innovative solutions that make a real impact in the world, and inspired my passion for building successful businesses from scratch.

Geetanjali Srivastava: 4Paws taught me teamwork and responsibility. Our collective efforts made an impact and the skills I gained will benefit my future academic pursuits.

Lauren Ofstein: Being part of the 4Paws team confirmed my interest in business, building my foundation and experience, motivating me to pursue business in college.

Alexis Presno: 4Paws taught me the basics of marketing, further fueling my passion for business in the future. It has motivated me to utilize my skills in presenting and marketing professionally.

Alexa Schulman: 4Paws strengthened my interest in business, laying a foundation of knowledge and experience, motivating me to pursue further education in this field.

Special Thanks

We would like to thank our teacher, Mr. Albert, and our volunteer mentors, Les Campbell, Laura Pierson, and Scott Jablon, for their time and dedication they put into guiding our company. We are extremely grateful for their unconditional support and aid in helping us curate and manage 4Paws.