

# Business Plan



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March 10, 2016

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## **Executive Summary**

## **General Company Description**

## **Products and Services**

The 'I Can-cer Vive' box is a gift box service that loved ones of someone affected by cancer can purchase to send the cancer patient in their life. Our box will include 4-5 items per box with items being safe for consumption and usage for patients currently going through chemotherapy.

Customers will have the choice to buy an individual box or set up a monthly subscription for a slightly discounted price. We offer boxes for men, women, and children. We plan to update our items every month for our monthly subscription services.

We will offer items such as; Entertainment (puzzles, coloring book, and activity books), Bath & Body (lip balm, and body lotion), Humor (Cancer Sucks cards), Treats (dark chocolate) and Miscellaneous (princess tiara's, fairy wands, superhero capes, and superhero masks).

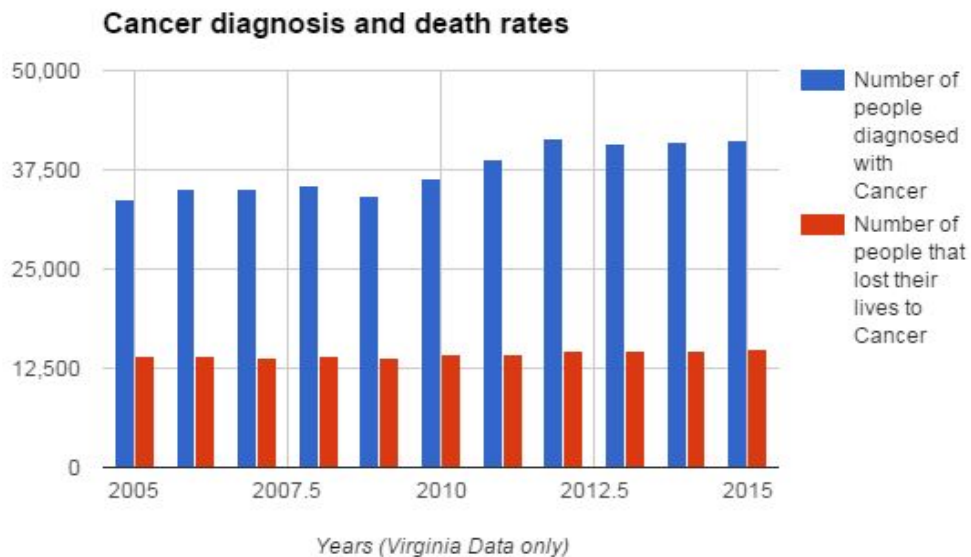
## Market Plan

### Market Research

The 'I Can-cer Vive' box is a gift box service that a loved one of someone affected by cancer can purchase to send to the cancer patient in their life. 1 in 3 women and 1 in 2 men have a chance of developing cancer in their lifetime. Chemotherapy is a treatment that cancer patients receive as often as everyday. Some of the side effects from Chemotherapy are nausea, dry mouth, oral sores, damage to the heart, and hair loss. Our product will provide a selection of items to comfort patients throughout the process of Chemotherapy. Organic lip balm and hand lotion for dry skin and lips. Coloring books, puzzles, and activity books. (crossword, sudoku, word search) for extra comfort while in the hospital. Water Bottle and Dark Chocolate as a quick snack while waiting. We will also have items specifically for children such as: princess tiara's, fairy wands, superhero capes, and superhero masks.

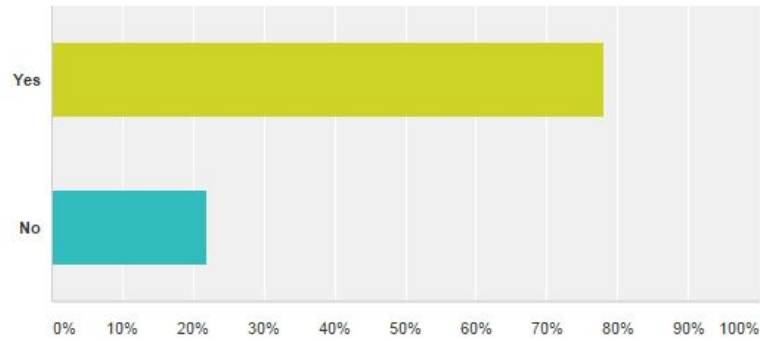
There are 400-600 subscription boxes available for purchase in the United States according to the latest statistics as of 2014. Our business will be exclusively online for convenience. Subscription boxes have become an easy way to try new items and send gifts.

A survey we recently conducted consisting of 76 females, and 6 males shows that the average person is most likely to purchase our product if it is priced in the \$25-\$40 range.



### Are you or any loved ones affected by cancer?

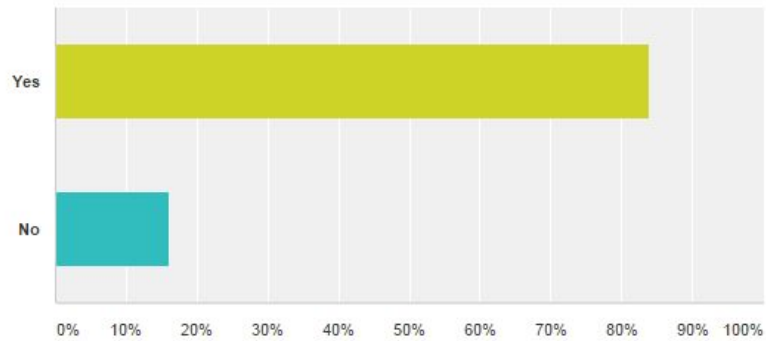
Answered: 82 Skipped: 0



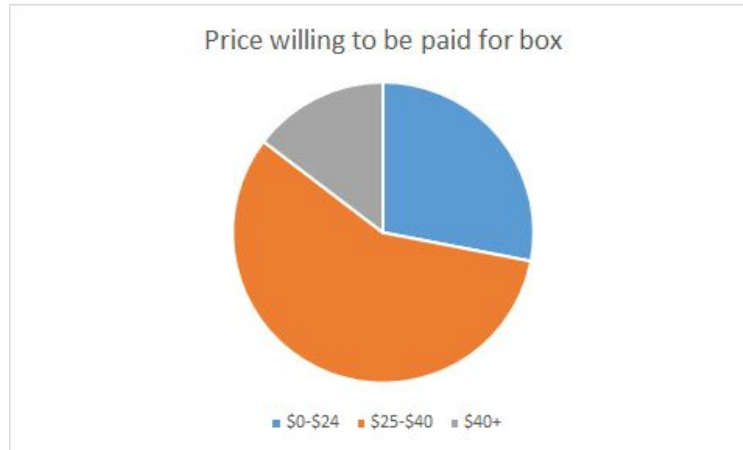
Answer Choices	Responses	Count
Yes	78.05%	64
No	21.95%	18
Total		82

### Would you be interested in purchasing a gift box for cancer patients?

Answered: 81 Skipped: 1



Answer Choices	Responses	Count
Yes	83.95%	68
No	16.05%	13
Total		81



### **Product Information**

The 'I Can-er Vive' box is a gift box service that loved ones of someone affected by cancer can purchase to send the cancer patient in their life. Our box will include 4-5 items per box with items being safe for consumption and usage for patients currently going through chemotherapy. Customers will have the choice to buy an individual box or set up a monthly subscription for a slightly discounted price. We will be able to appeal to any gender and any age because we offer items for men, women, and children. Our box will also be updated with new items every month for subscribers. We will offer items such as; Entertainment (puzzles, coloring book, and activity books), Bath & Body (lip balm, and body lotion), Humor (Cancer Sucks cards), Treats (dark chocolate) and Miscellaneous (princess tiara's, fairy wands, superhero capes, and superhero masks).

### **Features and Benefits**

- Organic products included
- Portion of all proceeds go to Cancer Research Institute
- Available for any gender and age
- Can forward a box to a random cancer patient
- Handwritten note feature

### **Potential Customers**

Our potential customers that we will be targeting for the I Can-Cer Vive Box are friends, family or coworkers of cancer patients. Statistics from the beginning of 2014 show that in the United States alone 7,607,230 women and 6,876,600 men were survivors of a variety of cancer diagnoses. This year alone 564,800 Americans have died from cancer. Each year only 650,000 people from all over the United States will receive chemotherapy. The gift box can also be



purchased by caring people who want to encourage and support a random cancer patient. The consumers that will be buying our box will be located all over the United States.

### **Competition**

Our indirect competition would be any subscription box service or gift box, but since our box is directed towards cancer patients specifically, our direct competition is the ‘Treatmint Box’, and ‘Choose Hope’. The difference between the I Can-Cer Vive Box and our competitors is that a portion of all our proceeds will go to the Cancer Research Institute. Like our competition we offer men and women boxes, but we also have the additional feature of a children's box. We will also have the option of purchasing a box and sending it to a random cancer patient in the area through Cancer centers in the surrounding area. We will also offer the personalization option of being able to fax us a handwritten note for us to scan and print into each card we put into the box.

### **Niche**

What makes the I Can-Cer Vive Box unique is that we provide a children’s box available to consumers, our direct competition currently only sells men and women boxes. Some of the products that will be included in our box are organic, so it will be safer for cancer patients to use. A part of all the proceeds from the I Can-Cer Vive Box will be donated to the Cancer Research Institute. We are also providing the option of forwarding an I Can-cer Vive box to a random cancer patient through cancer centers all over the world.

### **Economics**

The subscription box service industry has rapidly grown over the past few years. Since we have only found two other companies that offer a similar product we estimate that we will occupy 10% of the Central Virginia market in our first year. The market for subscription box services has no limit because there is such a variety of products that can be obtained through box services. The I Can-Cer Vive box will only be available online so that we may reach the maximum amount of customers. We will be selling a box of 5 items for \$40.00, which is the lowest price we have found to purchase a gift box for Cancer patients. The direct material per men and women boxes is \$20.09. We will be using a customized box from ‘PACKLANE’ to package our items which is \$1.89 per unit for a 6”x6”box. Since we will be staying in the United States UPS offers a 9% discount on ground shipping for small businesses. The barriers that we will face when starting up our business include the cost of production for our product, and advertising for our product since it is an online business. To overcome these barriers we plan to become a corporate partner with the Cancer Research Institute, in exchange for advertising we plan to donate a portion of all proceeds to their organization. We see that technological changes will benefit our company greatly due to the fact that our company is exclusively online. To promote our product we plan to go through social media and purchasing ads on facebook.

## **Marketing Strategy**

### **Promotion**

Since the customers we are marketing our product for are technology users we plan to promote our product through online ads and social media. We will buy ads on facebook which costs \$0.10 a click and the costs of social media are free. We will create a facebook page, a twitter page, and an instagram page to appeal to a wide range of customers. We also attend the 25th American Institute for Cancer Research 2016 Research Conference of Nutrition, Physical Activity, Obesity and Cancer in North Bethesda, Maryland to promote our product and get free press exposure. We also plan to become a corporate partner with the Cancer Research Institute due to the fact that we will donate a portion of all our proceeds to their organization in exchange for free advertising on their organization's website and at corporate events. We want to project the image of comfort and compassion for all senders and receivers of our boxes. We understand that the topic of cancer may sometimes be a little awkward and you may not always have the relationship with the patient to pay a visit to them so we have the product that will let them know you are thinking of them in a comfortable way. Since Abigail Place is the most familiar with basic Graphic design principles she has designed our logo which is a bright, yellow sun to promote happiness of surviving another day. We will also install a system that will recognize shipping address so that we can identify the last time that address received a box and what that box consisted of so that they may get similar products but not all the exact same products.

### **Promotional Budget**

We plan to spend \$15,00 in our first year of business to get our name out there in a quickly all across the nation. We will hire a web designer from '99Designs' to design our web page for \$599 so that we will have a professionally made web page to maintain high quality which we want to reflect on our product.

### **Distribution Channels**

We plan to sell our product exclusively online so that we can reach customers all over the nation. Abigail Place is our Marketing Representative so she will be negotiating partnerships with other Cancer Organizations and updating promotional ads to keep the feel of our company modern and up to date.

### **Sales Forecast**

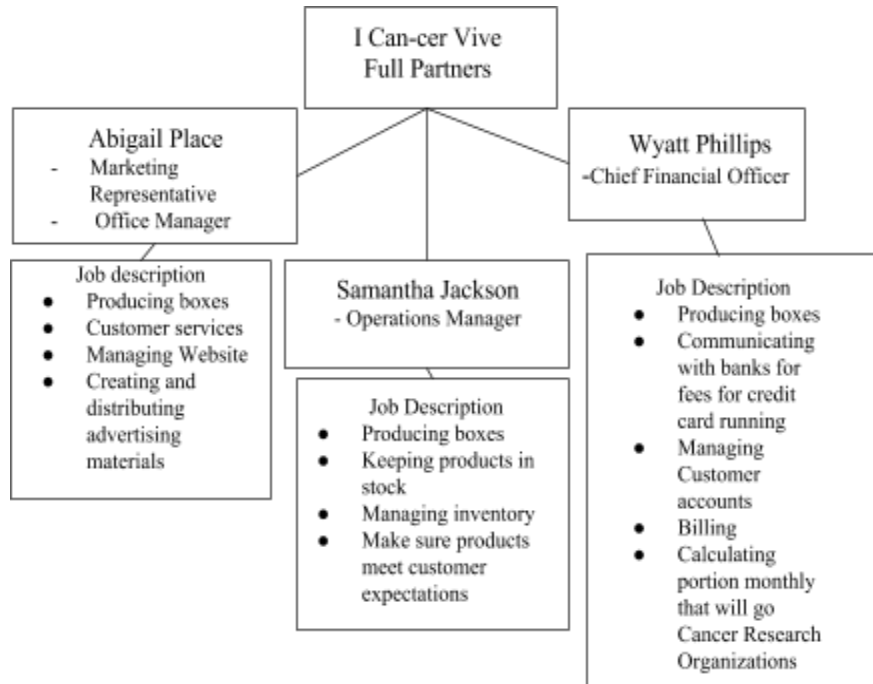
For the first year of selling the I Can-Cer Vive Box we plan to capture 1% of the market and reach our goal of selling a total of 3,720 boxes. Our plan is to sell 2,000 boxes to women, 1,500 boxes to men, and 220 boxes to children. We will be selling our boxes for \$50 for men and women, and the children's box for \$35. The total cost in sales for the first year will be \$183,800, our direct costs will be \$78,306, and our gross profit will be \$106,931. We plan to obtain an additional 1% of the market each year. We plan to sell 8,000 boxes for women and men in the fifth year and 2,600 for children. The total cost in sales will be \$904,000, our direct cost will be \$361,552, and our gross profit will be \$542,448. The direct material costs for men and women's boxes will be \$20.09. The direct cost for the children's box will be \$8.56. The direct labor costs 0.96 cents for all boxes.

## **Operational Plan**

### **Management and Organization**

Our business will producing boxes 4 days a week and managing the online shop 7 days a week. of a home in Pelhams Reach, Culpeper, VA to minimize initial overhead costs. We will be working from this location until it will no longer be able to maintain our businesses needs. The equipment needed in the startup is a computer to run the online shop, telephone to make and receive calls from customers and product partners, a fax machine to receive documents, and tables and chairs to produce our product since we will be producing every box ourselves. The facility we will be using has existing electrical and water hookup for lighting and a restroom. We will be exclusively an online business only so accessibility for our customers will not be an issue but it's accessible for delivery of inventory.

Abigail Place will be running our website and managing sales on a day to day basis. Wyatt Phillips will be our Chief Financial Officer, and Samantha Jackson will be our Operations Manager. Everyone on the I Can-cer Vive team will contribute to producing our boxes to minimize time of production and shipping.



### **Production**

We will be producing boxes ourselves, and we will also be storing a small amount of inventory at all times. We estimate that we will sell 3,720 boxes within our first year, which means that we will be producing an estimated 5 boxes a day each. In the additional time that we will be working we will also be working on customer service, meeting with companies and organizations to market our product, researching new items, and managing customer billing. To produce our box we plan to buy everything in bulk. To produce our product including the box, tissue paper, filler, the item, and the shipping it will cost. To maintain quality control we will be keeping our products in a cold, dry environment due to the fact that we will be storing some consumable products. Our website will contain all contact information and also a tab for customers to submit comments and questions. In the first two years of business we will be running out of a garage so there is plenty of space for the amount of inventory we are planning to keep. We plan to keep at least 20 items of every item we will be sell in stock at all times in the first year for easy accessibility and as our sales grow so will our inventory. UPS gives a 9% discount of shipping for ground delivery to small businesses. Our company decided to start production out of a two car garage to minimize initial overhead costs to give us the ability to get better, more natural products for our customers rather than generic products they could purchase at any big franchise.

### **Location**

In the first two years we will be working out of Abigail's two car garage to minimize overhead cost. This garage is 420 square feet and has accessibility to electricity and Wifi. The restroom inside the home is also available for usage. Since we are an online company access for our customers is not necessary but access is available for shipping and receiving merchandise.

### **Legal Environment**

We will be a limited liability company. We will also be filing for the Virginia license tax for small businesses. This is an annual application you must submit where the fee is calculated off your gross receipts from the previous year. We will also be purchasing liability insurance which is an annual cost of \$500.

### **Personal**

In the first two years we will have 3 employees as part-time producing boxes 4 days a week. When our company has expanded at an estimated time of the 3rd year we will transition to 3 full time employees and 2 part-time employees. Our company does not require and skilled labor to produce the boxes but it does require some knowledge in technology if we were to hire another person to manage our online shop. We plan to visit cancer support groups and survivor groups in the area who may be interested in our company and its philosophy. In the start-up our 3 employees will start with \$10,000 dollars a year, which will be \$9.61 an hour. To train our new employees we will walk them through the production process and start them off on just constructing boxes, lining them with tissue paper, and filling them with filler. We will require closed toed shoes and gloves at all times when handling items, due to the fact that the customer receiving the box is going through treatment and could be hypersensitive to any germs we may have on our hands. All employees are able to assemble the product in a timely fashion.

### **Inventory**

We will be keeping products in our inventory because we are only a production company and not a manufacturing company. Our inventory investment to keep at least 20 of each item in stock at all times will be \$868. Seasonal buildups will not be an issue because none of the products we will be purchasing will be exclusive to any specific season. We will be ordering a new stock of items when we get to a minimum of 5 items.

### **Suppliers**

The supplies that will be purchased for the I Can-Cer Vive box will be wholesale prices. Our key suppliers are Dollar Days, Choose Hope, Equal Exchange, and Hand in Hand. The amount of inventory that we are going to be purchasing is \$868 and that will consist of 1,926 items and 10 pounds of filler. Our suppliers are very reliable sources and there reviews are positive. Keeping item in stock needed for the I Can-Cer Vive Box will be a priority but in case of a

shortage our items we have chosen Walmart as our backup supplier. Since will be bought in bulk we don't plan to have a shortage of any items. We plan on making sure we are stocked in every product and when we are running low our operations manager will place the order.

### **Professional and Advisory Support**

The Board of Directors will consist of Samantha Jackson, Abigail Place and Wyatt Phillips. The management board will also be the same as the mentors and key advisors, who are Carolyn Burnett and John Marshall. Our attorney will be David Place, the vice president of Synergy Settlements. Our insurance agent will be Alan Place of Central Virginia insurance. Our banker, who is also one of our mentors, will be Carolyn Burnett. Our lead consultant will be Lou Owens.

### **Startup Expenses**

The largest portions of our startup expenses will go towards pre-opening salaries, advertising, and any other contingencies, which add up to make 54,415. Advertising for the first year will be the most expensive year at \$15,000, so we can push our products reach to consumers and our target market. After the first year, advertising for the business will drop down to \$12,500, and every year after that we will be at \$10,000. There will also be a \$6,500 contingency in case there are any foul ups or malfunctions with either productional equipment or depletion of the inventory. Pre opening salaries will be \$10,000 per each employee, which is \$30,000 in total. There will be no facility for the first two years, which means we will have more readily available capital if needed to keep more inventory in stock. Our rent will also cost nothing, because we are making and selling the product out of a personally owned facility. The Furniture, prepaid insurance, production will comprise the rest of the cost in the startup expenses, which is \$2,915. Some of the equipment that we need to run the business is already owned, which leaves the startup expenses for equipment and technology lower than average starting businesses.

## Exhibits



## Women/Men's Box



### Children's Box



- |  |  |  |   |   |
|--|--|--|---|---|
| #1<br><br>Blue<br>Superman    | #2<br><br>Pink<br>Spiderman   | #3<br><br>Red<br>Superman | #4<br><br>Yellow<br>Batman | #5<br><br>Rose Red<br>Batman |
| #6<br><br>Red<br>Spiderman    | #7<br><br>Purple<br>Spiderman | #8<br><br>Flash           | #9<br><br>Wonder<br>Women  | #10<br><br>Green<br>Lantern  |
| #11<br><br>Captain<br>America | #12<br><br>Iron<br>Man        | #13<br><br>Hulk           | #14<br><br>Thor            | #15<br><br>Robin             |



