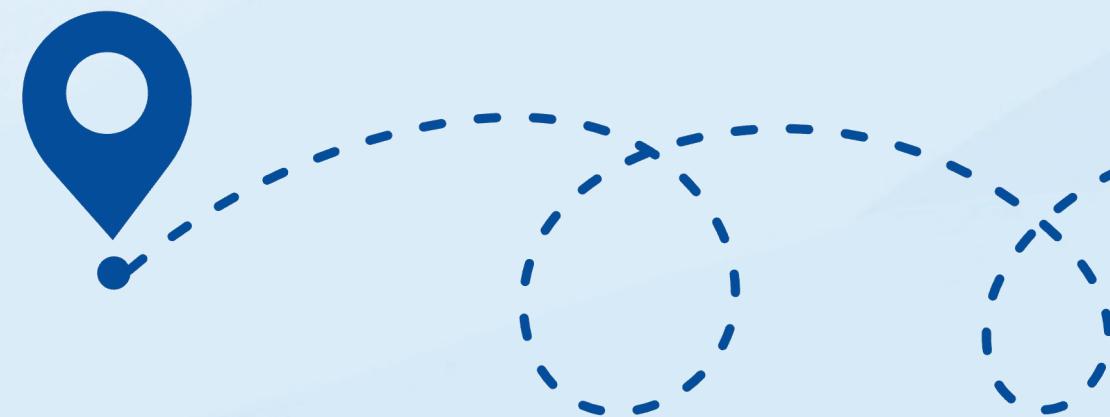


# *Travel Tight*

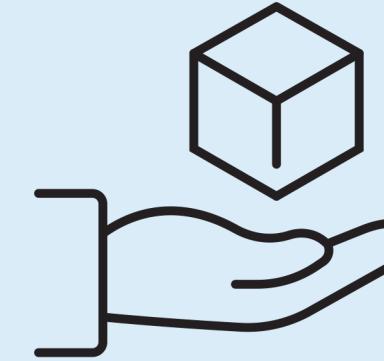
## airBgone Co.

Spring '23

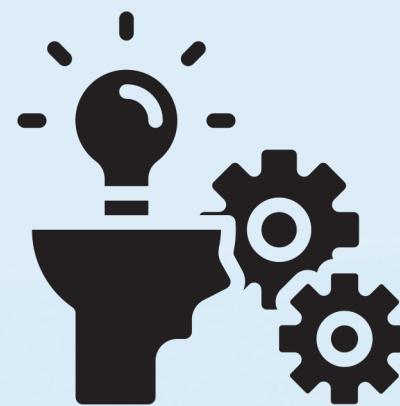


**Avi Dhruva**

# Agenda



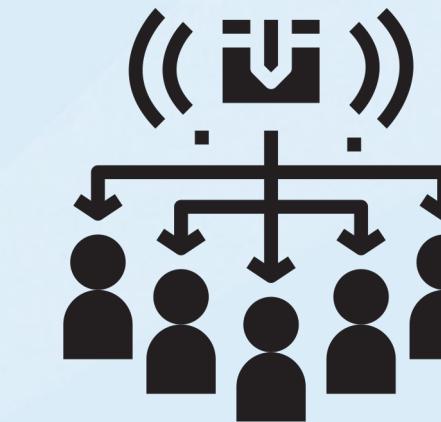
*Our Product  
Travel Tight*



*Product Development  
Factory, Employee & Material*



Agenda



*Distribution Strategy  
Target segment & Marketing*



*Investment Analysis  
Finance & Risks*



*Conclusion*

# Our Product



Agenda

Our Product

Distribution  
Strategy

Product  
Development

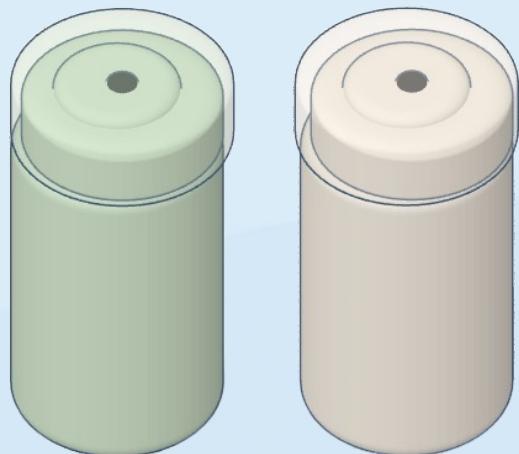
Investment  
Analysis

Conclusion

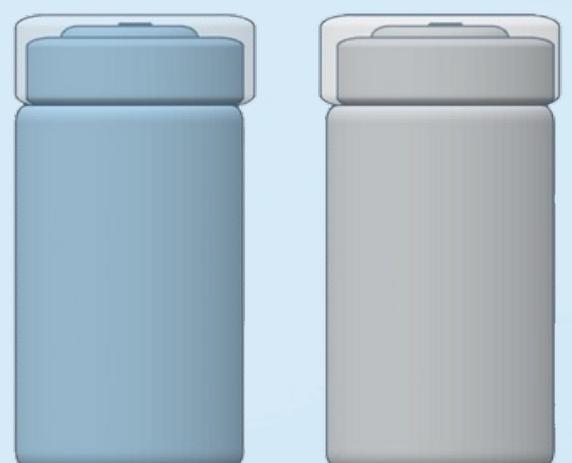
# Travel Tight will revolutionize travel accessories with leakproof technology

- AirBgone focuses on creating products that ease worries during travel
- Our company is sustainability-oriented, and we focus on using eco-friendly materials to reduce our ecological footprint
- The container has vacuum seal technology that prevents liquids from leaking out when traveling
- Containers fall under the TSA regulated 3.4 oz size and come in two different color packs and retail for around \$23 dollars

T1.  
SPRING  
B2  
123



*'SAGE GREEN TREES' AND 'GOLDEN SANDY BEACH'  
PACK 1*



*'OCEAN BLUE BREEZE' AND 'GRAY MOUNTAINS'  
PACK 2*



Agenda

Our Product

Distribution  
Strategy

Product  
Development

Investment  
Analysis

Conclusion

# Distribution Strategy



Agenda

Our Product

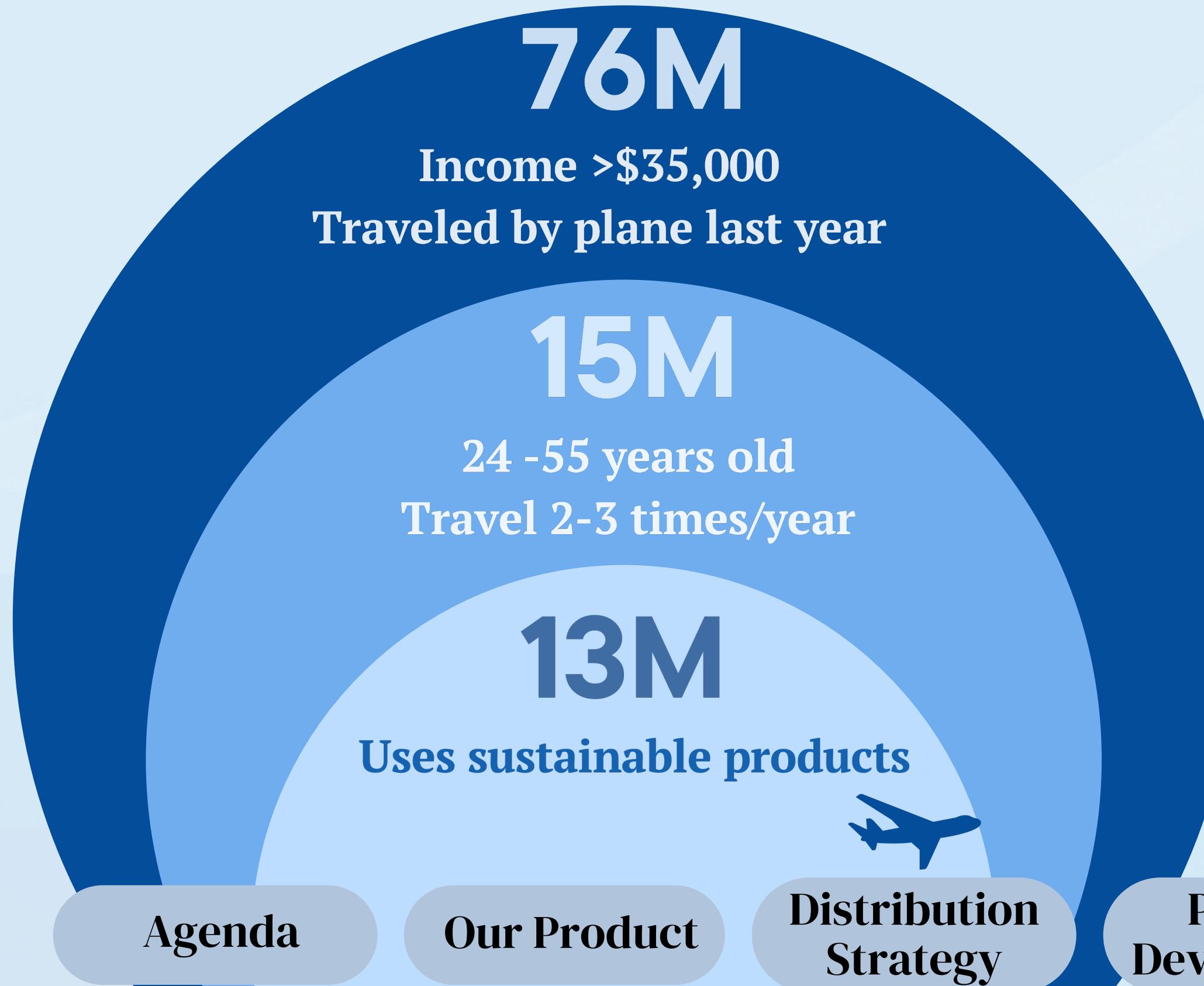
Distribution  
Strategy

Product  
Development

Investment  
Analysis

Conclusion

# Marketing strategies will target 13 million individuals to promote Travel Tight



## Annie

- Looking for leakproof toiletry container that is convenient for all travel purposes
- Prefers to bring her own personal care products
- Wants to be able to reuse the container for many years

# Travel Tight becomes available at larger retailers as the company grows from year 1 to 5

T1.  
SPRING 2013  
B2

Year 1

*Independent & Online Retailer*

- Pacific Outfitters
- Boston General
- Topdrawer
- Lazar's Luggage
- Amazon

Year 2

Year 3

*+ Drugstore Chain*

- Rite Aid

Year 4

*+ Specialty Chain & Mass Merchant*

- Sephora
- Target

Year 5

Agenda

Our Product



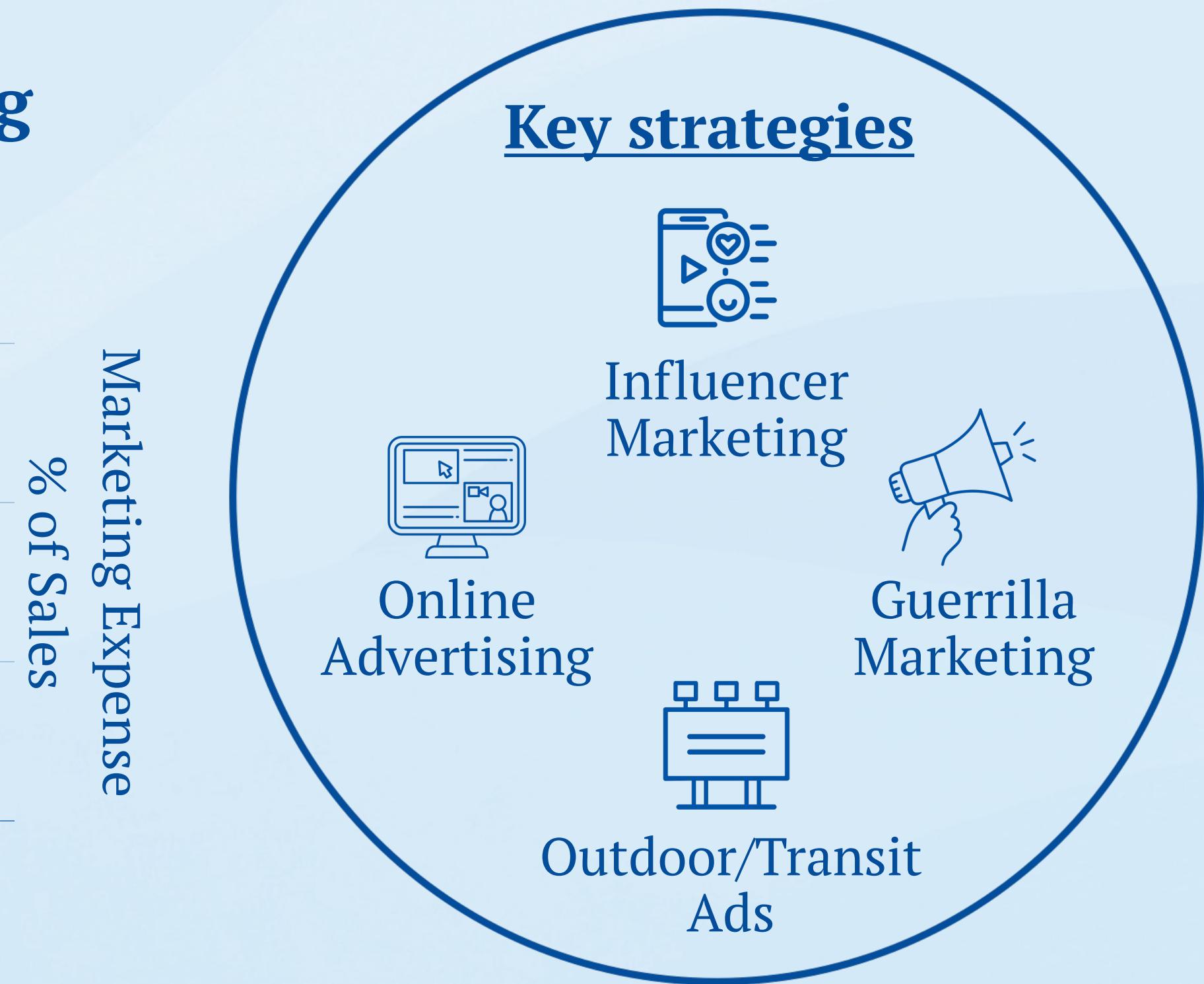
Distribution Strategy

Product Development

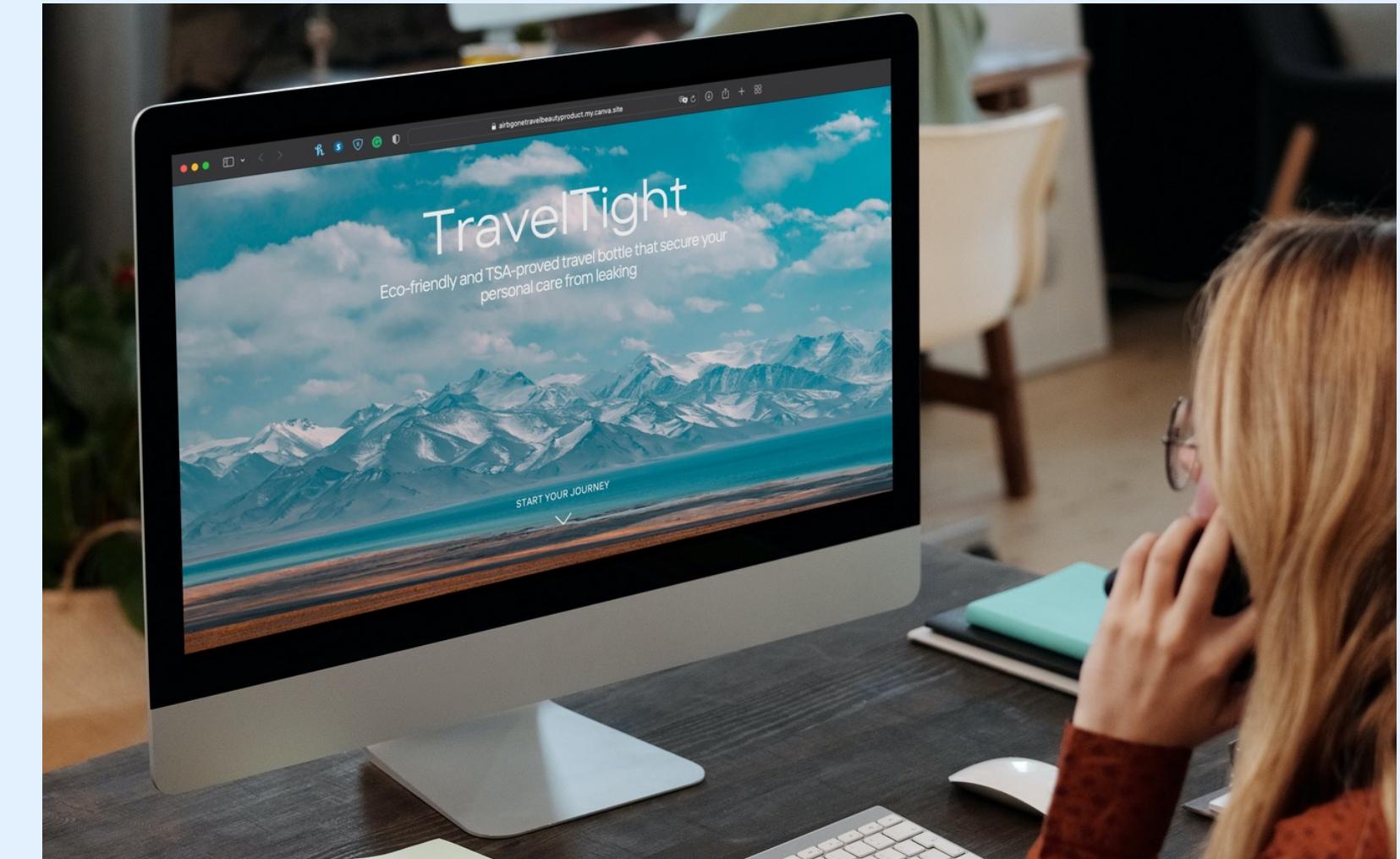
Investment Analysis

Conclusion

# Using effective marketing strategies will increase our annual awareness



# Our marketing strategies integrate key elements to convey brand value



Sustainability

Minimalism

Convenience



New York, Los Angeles, Chicago, Boston, Seattle



Distribution  
Strategy

Agenda

Our Product

Product  
Development

Investment  
Analysis

Conclusion

# Product Development

Agenda

Our Product

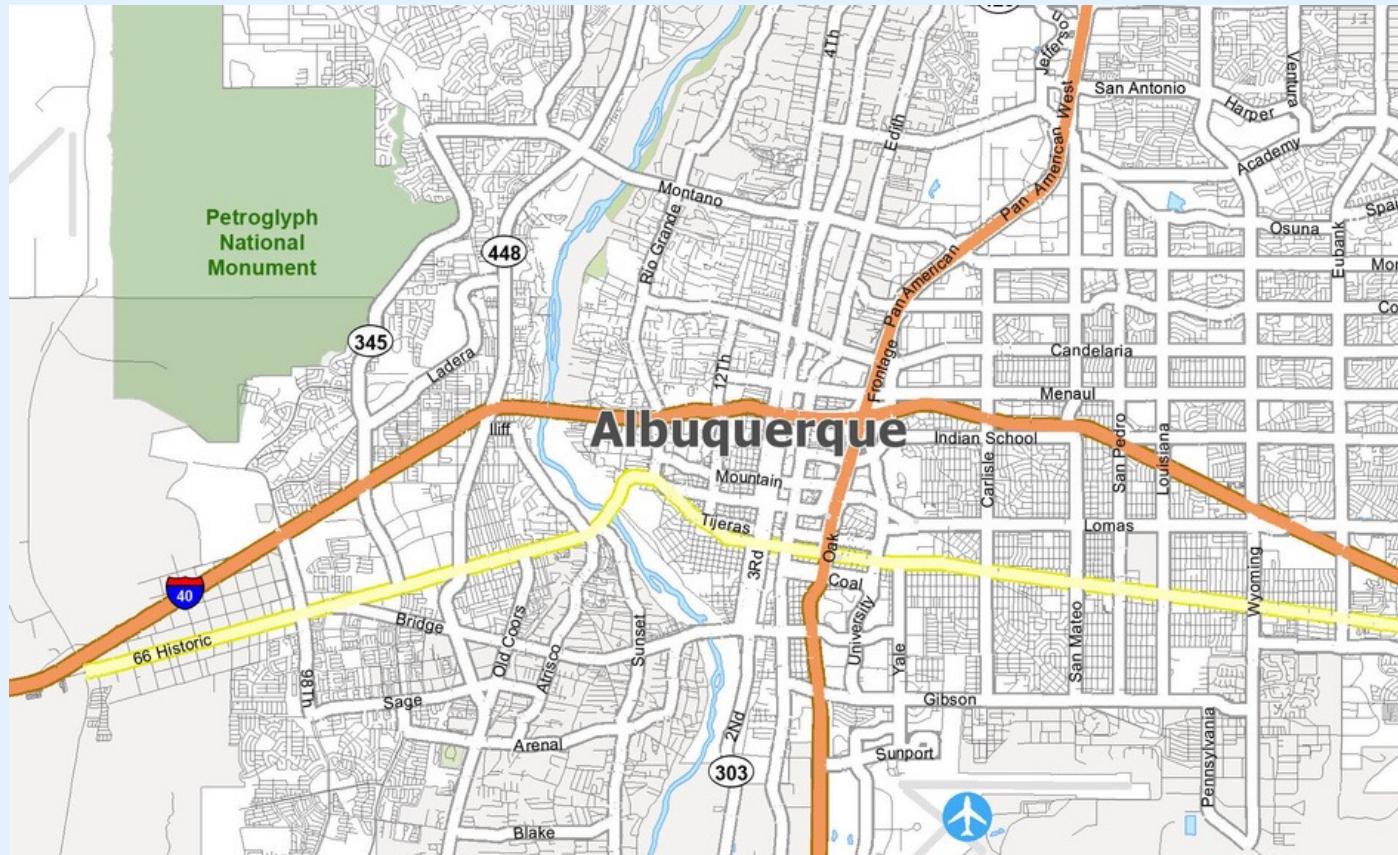
Distribution  
Strategy

  
Product  
Development

Investment  
Analysis

Conclusion

# Creating a safe facility environment for employees allows for greater productivity



## Location: Albuquerque

- Low rent
- Low effective tax rate
- No inventory tax for manufacturers
- CSR initiatives

Agenda

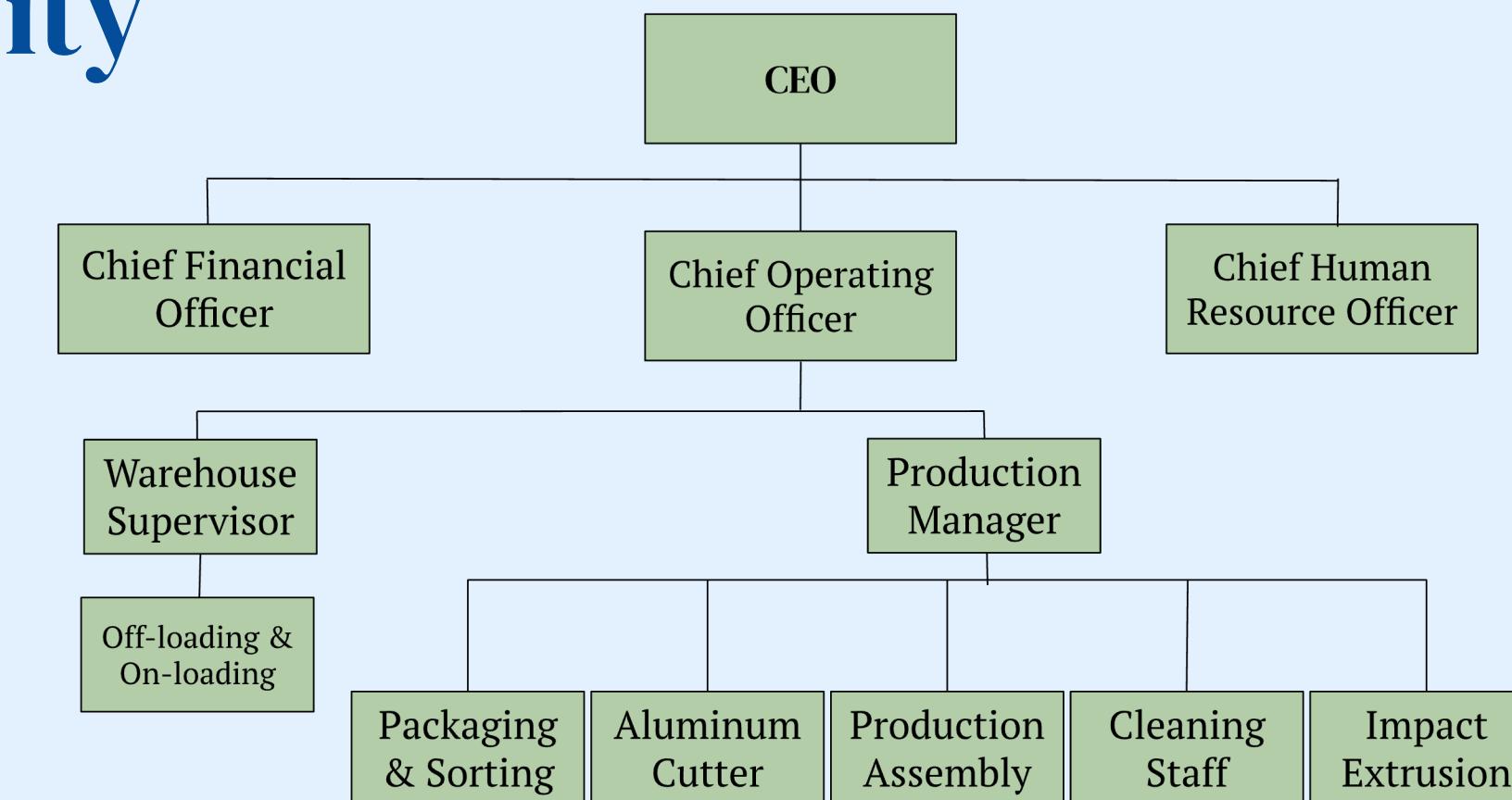
Our Product

Distribution  
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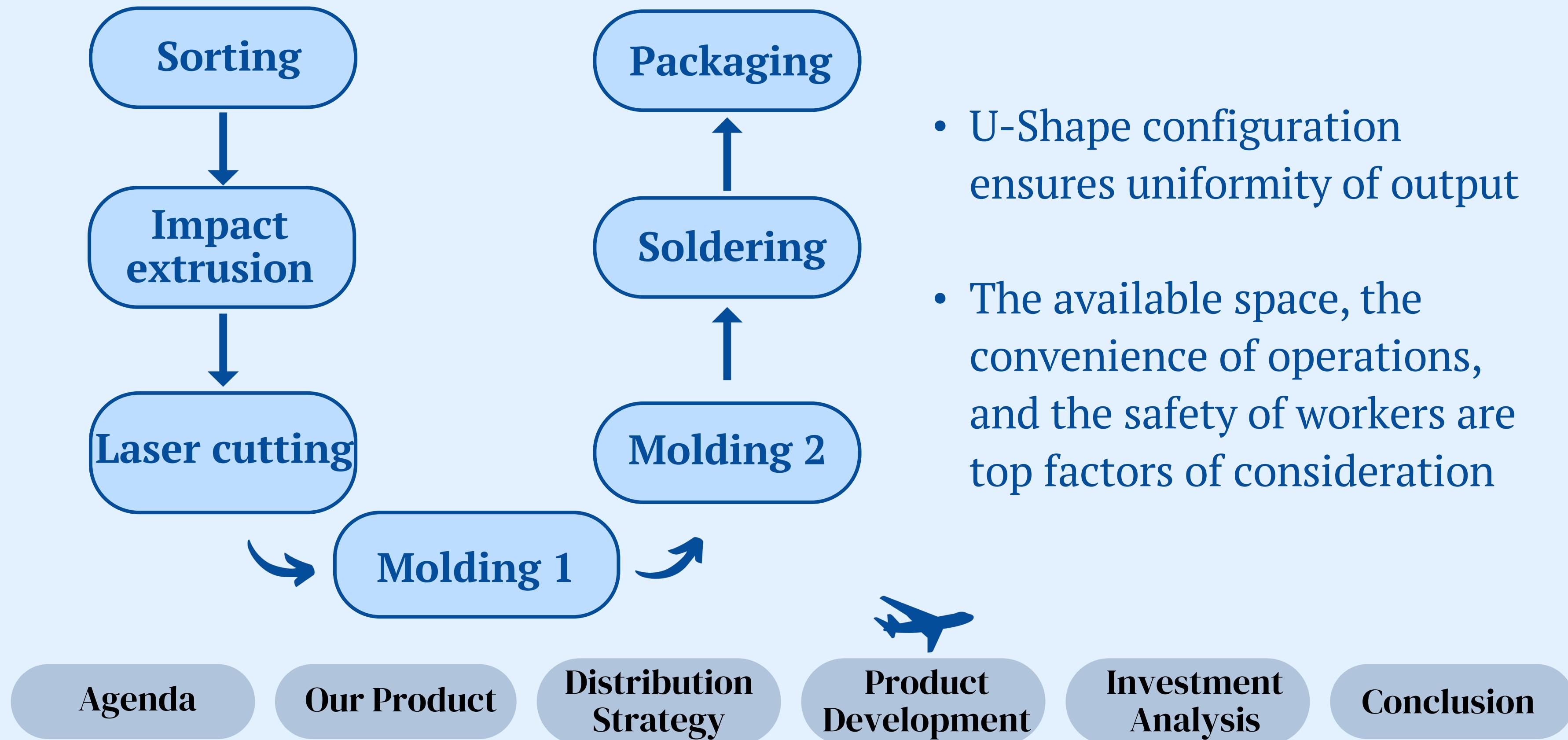


## Organization: decentralized organizational design

- Employee compensation: Salaries, working attire, and a \$10,000 benefit
- Minimum Salary: \$12.75 per hour
- 3% wage raise each year



# A U-shaped layout allows for efficiency when creating Travel Tight



Agenda

Our Product

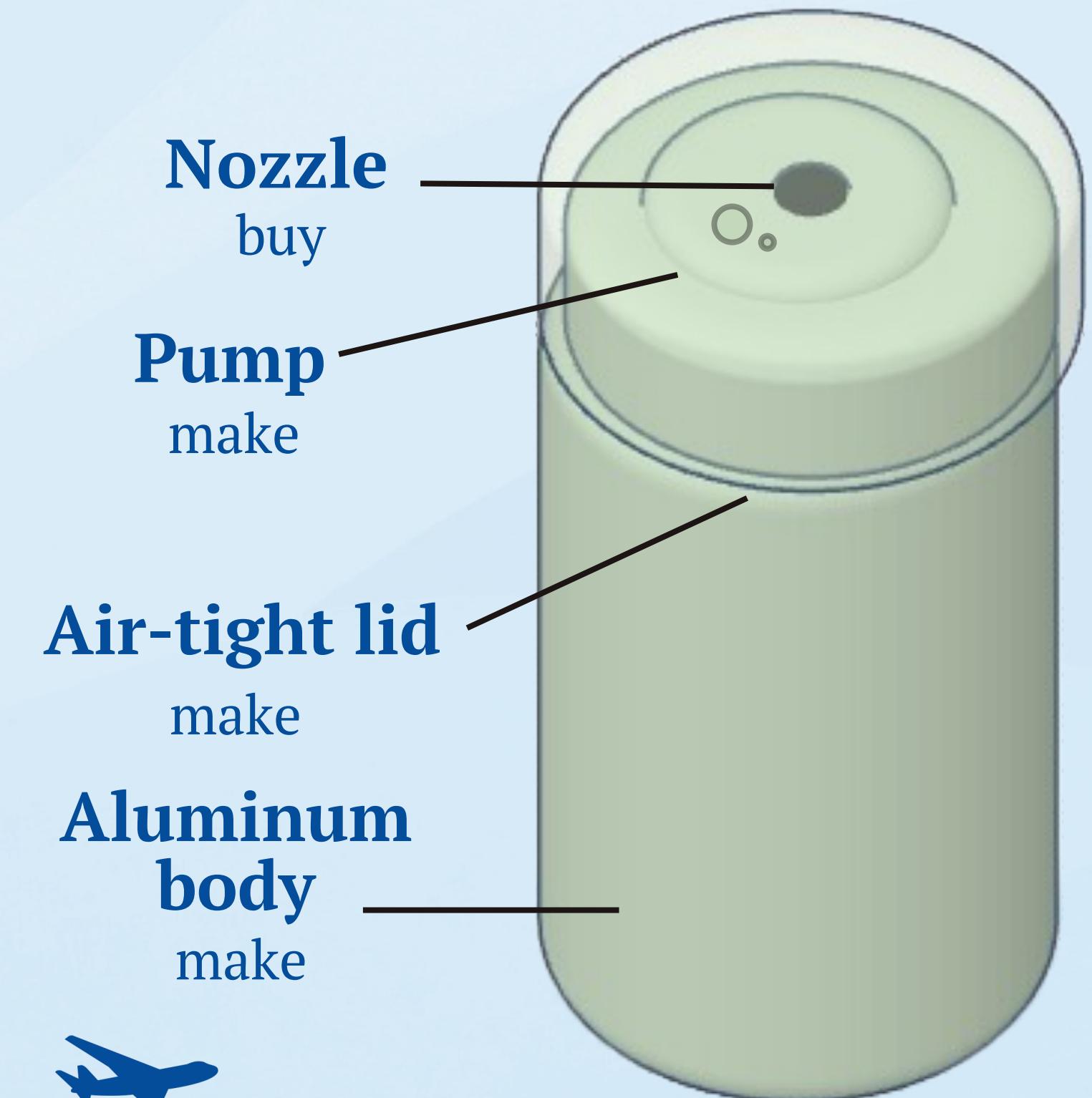
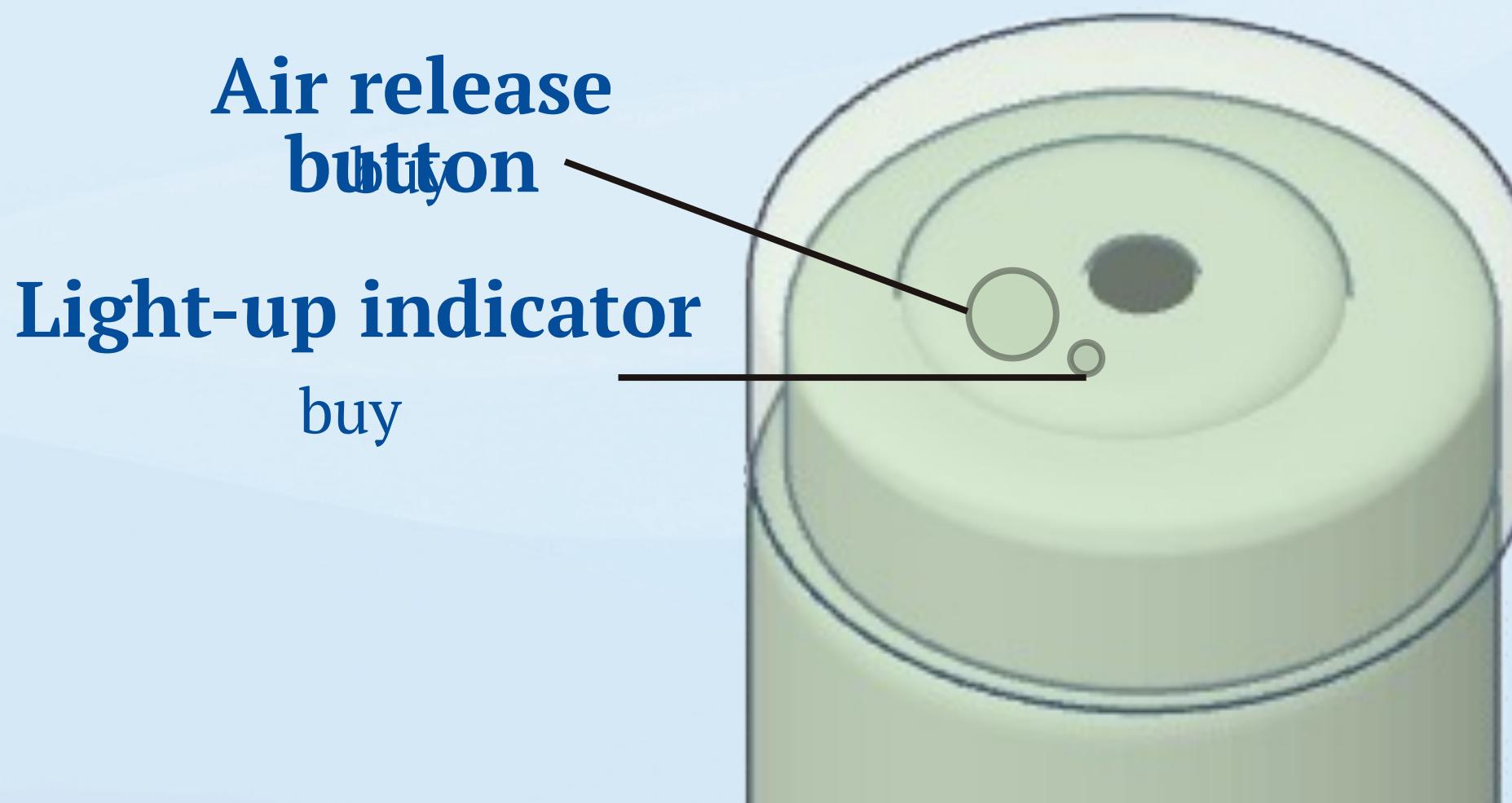
Distribution  
Strategy

Product  
Development

Investment  
Analysis

Conclusion

# Make vs. buy analysis helps maximize factory processes and revenues



Agenda

Our Product

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Conclusion

# Investment Analysis

Agenda

Our Product

Distribution  
Strategy

Product  
Development

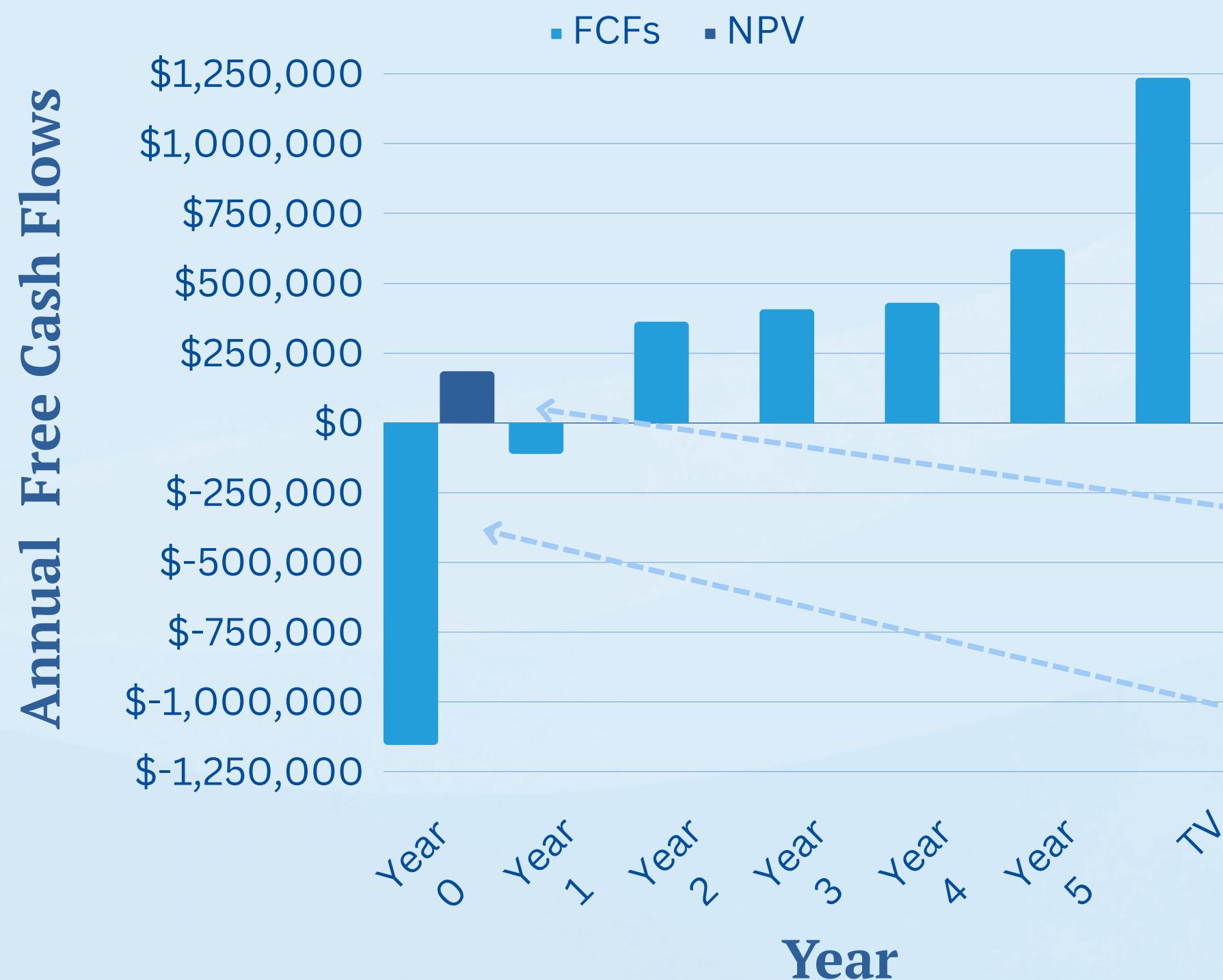
Investment  
Analysis

Conclusion



# Initial funding will generate growing investor returns

## Annual Cash Flows and Terminal Value



**Discount Rate:**  
20.2%

**IRR:**  
25%

**Payback Period:**  
4.19 yrs

Projected terminal value over a 10-yr product life cycle is \$1.23M

Travel Tights' expected NPV is \$184k

The firm will require in total: \$1.26M from investors to launch Travel Tight

Agenda

Our Product

Distribution Strategy

Product Development

Investment Analysis

Conclusion



# We will identify backup plans and invest more in marketing to mitigate risks

## Qualitative Risks Mitigation



Government Regulations

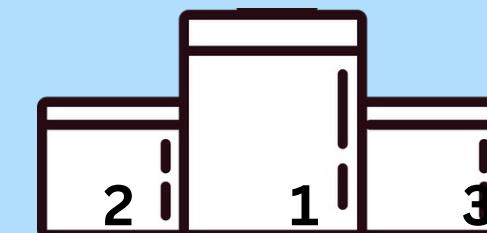


Supply Chain Issues

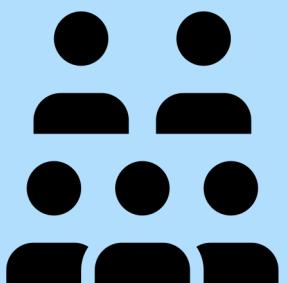
## Quantitative Risks Mitigation



Awareness



Price Competition



Segment Size



Product Development

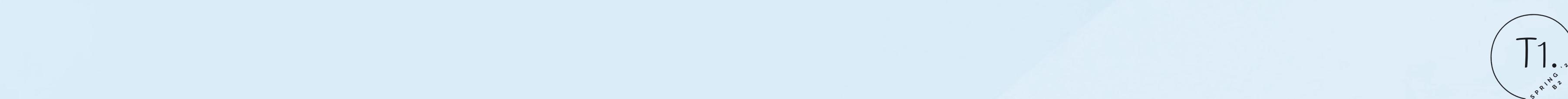
Investment Analysis

Agenda

Our Product

Distribution Strategy

Conclusion



# Conclusion

Agenda

Our Product

Distribution  
Strategy

Product  
Development

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Analysis



Conclusion

# airBgone begins with Travel Tight and will continue to grow in the future



Travel Tight is created to be:

- Leakproof
- Convenient
- Sustainable



Total Investment:

- \$1,009,119

NPV:

- \$184,567

Total Returns to Investors:

- \$3,040,000



Potential Brand Extension:

- Toiletry refill stations
- Luggage storage units at airports



Agenda

Our Product

Distribution Strategy

Product Development

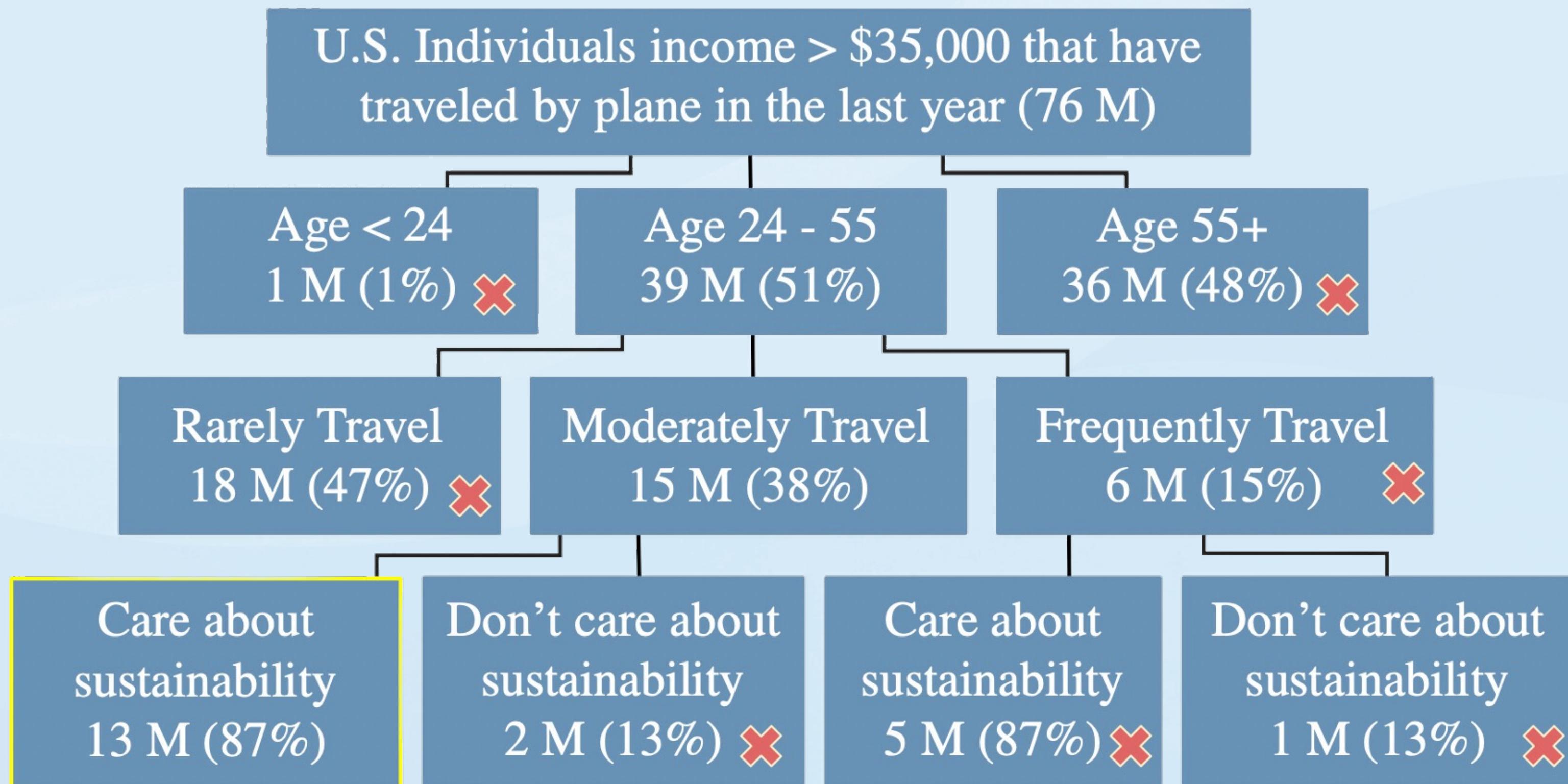
Investment Analysis

Conclusion

*Thank you!*

# Backup Slides

# Segmentation Tree



# IMC Schedule Year 1

T1.  
SPRING 2023  
B2

Year 1 IMC Schedule	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Target Segment	13,000,000	
													TOTAL COST	CPM	AWARENESS
<b>Pull</b>															
<b>Paid Media</b>													\$	237,059	9.75%
Online Advertising													\$	19,059	\$ 4.42
Influencer Marketing													\$	10,000	1%
Nano (3)													\$	1,500	
Micro (3)													\$	8,500	
<b>Outdoor/Transit</b>															
"Kong" Ultra King Bus AD (Total)													\$	88,000	2.64%
"Poster" Median Billboard													\$	110,000	3.3%
<b>Owned Media</b>													\$	10,000	0%
Website													\$	10,000	0%
<b>Earned Media</b>													\$	5,000	1%
WOM													\$	-	0%
Public Relations													\$	5,000	1%
Carryover													\$	-	0%
<b>TOTAL PULL</b>													\$	252,059	10.75%
<b>Push</b>															
Trade Shows													\$	14,000	N/A
"International Travel Goods Show"															
"US Travel Association's IPW"															
Trade Magazines/Websites													\$	1,200	N/A
"Travel Goods Association Magazine"															
<b>TOTAL PUSH</b>													\$	15,200	N/A
<b>TOTAL IMC SCHEDULE</b>													\$	267,259	10.75%
<b>Marketing % of Sales</b>														20.3%	

# IMC Schedule Year 2

T1  
SPRING 2023  
B2

Year 2 IMC Schedule	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Target Segment	13,000,000	CPM	AWARENESS
													TOTAL COST			
<b>Pull</b>																
<b>Paid Media</b>														\$ 328,420		15.54%
Online Advertising														\$ 40,250	\$ 4.59	5.62%
Influencer Marketing														\$ 20,000		2%
Nano (2)														\$ 1,000		
Micro (7)														\$ 19,000		
<b>Guerrilla Marketing</b>																
"The Exploded Shampoo"														\$ 33,000		1.98%
<b>Outdoor/Transit</b>																
"Kong" Ultra King Bus AD (Total)														\$ 88,000		2.64%
"Poster" Median Billboard														\$ 110,000		3.3%
<b>CSR Initiatives</b>																
4Ocean														\$ 4,293		
EOL Program														\$ 12,878		
<b>Owned Media</b>														\$ 1,500		0%
Website														\$ 1,500		0%
<b>Earned Media</b>														\$ 5,000		2.68%
WOM														\$ -		0.68%
Public Relations														\$ 5,000		1%
Carryover														\$ -		1%
<b>TOTAL PULL</b>														\$ 334,920		18.22%
<b>Push</b>																
Trade Shows														\$ 11,000		N/A
"International Travel Goods Show"																
"US Travel Association's IPW"																
"Travel Goods Show"																
Trade Magazines/Websites														\$ 1,200		N/A
<b>"Travel Goods Association Magazine"</b>																
<b>TOTAL PUSH</b>														\$ 12,200		N/A
<b>TOTAL IMC SCHEDULE</b>														\$ 347,120		18.22%
<b>Marketing % of Sales</b>														12.82%		

# IMC Schedule Year 3

Year 3 IMC Schedule	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Target Segment	13,000,000	
													TOTAL COST	CPM	AWARENESS
<b>Pull</b>															
<b>Paid Media</b>													\$ 375,383		19.57%
Online Advertising													\$ 61,633	\$ 4.67	8.42%
Influencer Marketing													\$ 30,000		3%
Mid-Tier (5)													\$ 30,000		
<b>Guerrilla Marketing</b>															
"Find Your Dream Destination"													\$ 36,900		2.21%
<b>Outdoor/Transit</b>															
"Kong" Ultra King Bus AD (Total)													\$ 88,000		2.64%
"Poster" Median Billboard													\$ 110,000		3.3%
<b>CSR Initiatives</b>															
4Ocean													\$ 4,713		
EOL Program													\$ 14,138		
<b>Owned Media</b>													\$ 1,500		0%
Website													\$ 1,500		0%
<b>Earned Media</b>													\$ 5,000		3.68%
WOM													\$ -		0.68%
Public Relations													\$ 5,000		1%
Carryover													\$ -		2%
<b>TOTAL PULL</b>													\$ 381,883		23.25%
<b>Push</b>															
Trade Shows													\$ 6,000		N/A
"International Travel Goods Show"															
"US Travel Association's IPW"															
"Travel Goods Show"															
Trade Magazines/Websites													\$ 1,200		N/A
<b>"Travel Goods Association Magazine"</b>															
<b>TOTAL PUSH</b>													\$ 7,200		N/A
<b>TOTAL IMC SCHEDULE</b>													\$ 389,083		23.25%
<b>Marketing % of Sales</b>													11.15%		

# IMC Schedule Year 4

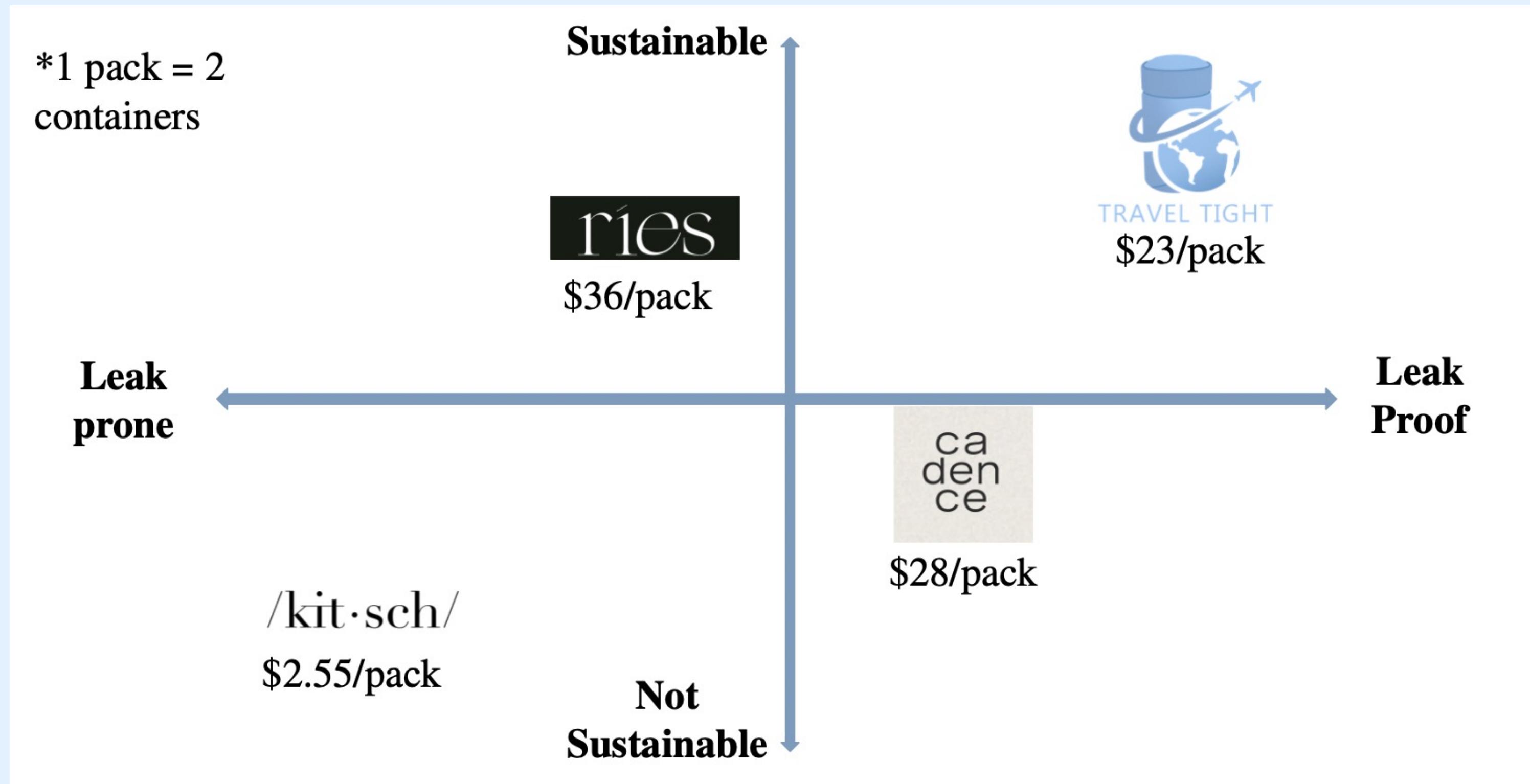
Year 4 IMC Schedule	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Target Segment	13,000,000													
													TOTAL COST	CPM	AWARENESS												
<b>Pull</b>																											
<b>Paid Media</b>																											
Online Advertising													\$ 418,343		23.50%												
Influencer Marketing													\$ 86,143	\$ 4.77	11.58%												
Mid-Tier (1)													\$ 40,000		4%												
Macro (2)													\$ 4,000														
Guerrilla Marketing													\$ 36,000														
"The Exploded Shampoo"													\$ 33,000		1.98%												
Outdoor/Transit																											
"Kong" Ultra King Bus AD (Total)													\$ 88,000		2.64%												
"Poster" Median Billboard													\$ 110,000		3.3%												
CSR Initiatives																											
4Ocean													\$ 5,300														
EOL Program													\$ 15,900														
Owned Media													\$ 1,500		0%												
Website													\$ 1,500		0%												
Earned Media													\$ 5,000		3.68%												
WOM													\$ -		0.68%												
Public Relations													\$ 5,000		1%												
Carryover													\$ -		2%												
<b>TOTAL PULL</b>													\$ 424,843		27.18%												
<b>Push</b>																											
Trade Shows													\$ 6,000		N/A												
"International Travel Goods Show"																											
"US Travel Association's IPW"																											
"Travel Goods Show"																											
Trade Magazines/Websites													\$ 1,200		N/A												
<b>"Travel Goods Association Magazine"</b>																											
<b>TOTAL PUSH</b>													\$ 7,200		N/A												
<b>TOTAL IMC SCHEDULE</b>													\$ 432,043		27.18%												
<b>Marketing % of Sales</b>													10.35%														

# IMC Schedule Year 5

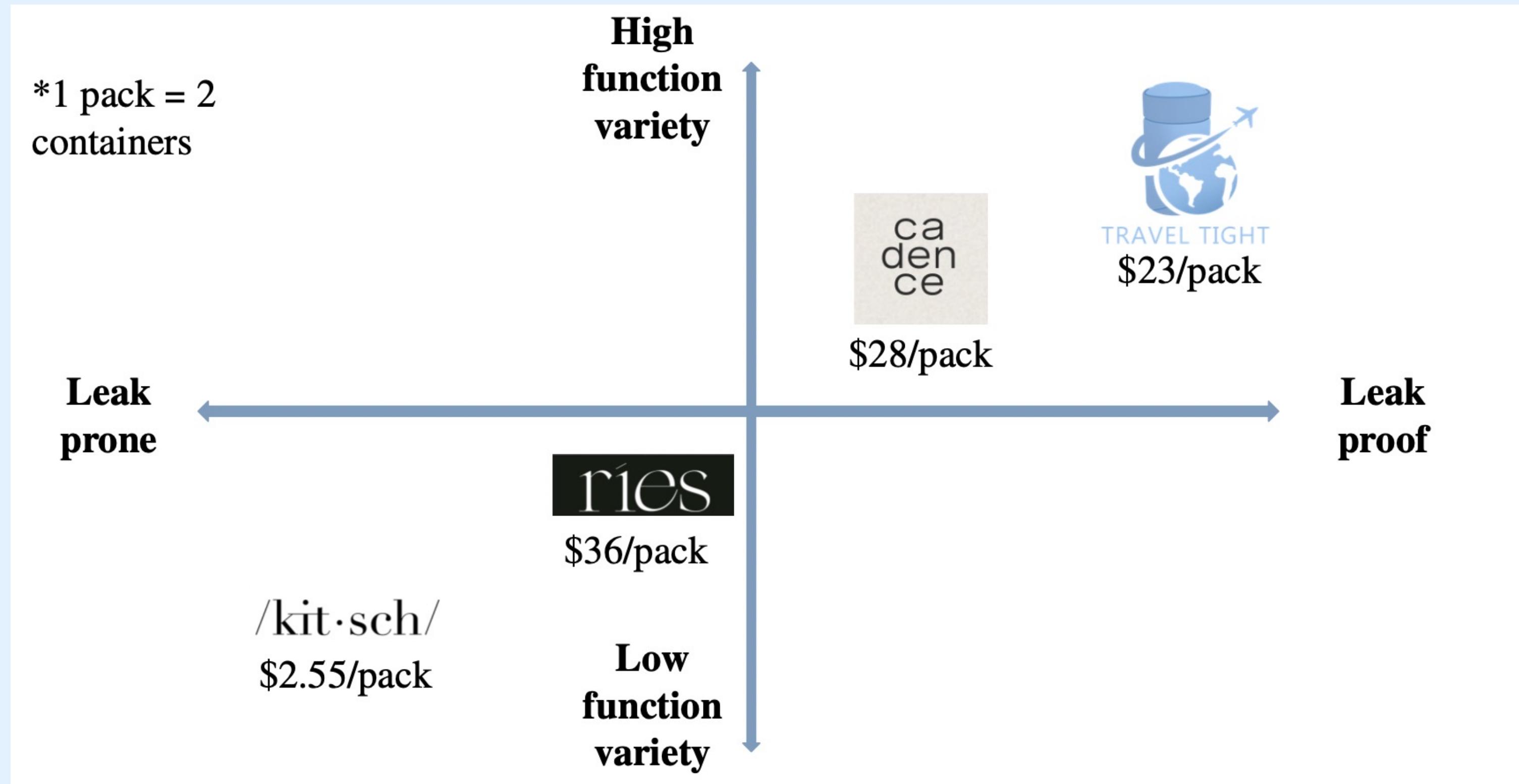
T1  
SPRING  
B2  
23

Year 5 IMC Schedule	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Target Segment	13,000,000													
													TOTAL COST	CPM	AWARENESS												
<b>Pull</b>																											
<b>Paid Media</b>																											
<b>Online Advertising</b>																											
<b>Influencer Marketing</b>																											
Mid-Tier (3)																											
Macro (2)																											
<b>Guerrilla Marketing</b>																											
"Find Your Dream Destination"																											
<b>Outdoor/Transit</b>																											
"Kong" Ultra King Bus AD (Total)																											
"Poster" Median Billboard																											
<b>CSR Initiatives</b>																											
4Ocean																											
EOL Program																											
<b>Owned Media</b>																											
Website																											
<b>Earned Media</b>																											
WOM																											
Public Relations																											
Carryover																											
<b>TOTAL PULL</b>																											
<b>Push</b>																											
Trade Shows																											
"International Travel Goods Show"																											
"US Travel Association's IPW"																											
"Travel Goods Show"																											
Trade Magazines/Websites																											
<b>"Travel Goods Association Magazine"</b>																											
<b>TOTAL PUSH</b>																											
<b>TOTAL IMC SCHEDULE</b>																											
Marketing % of Sales																											

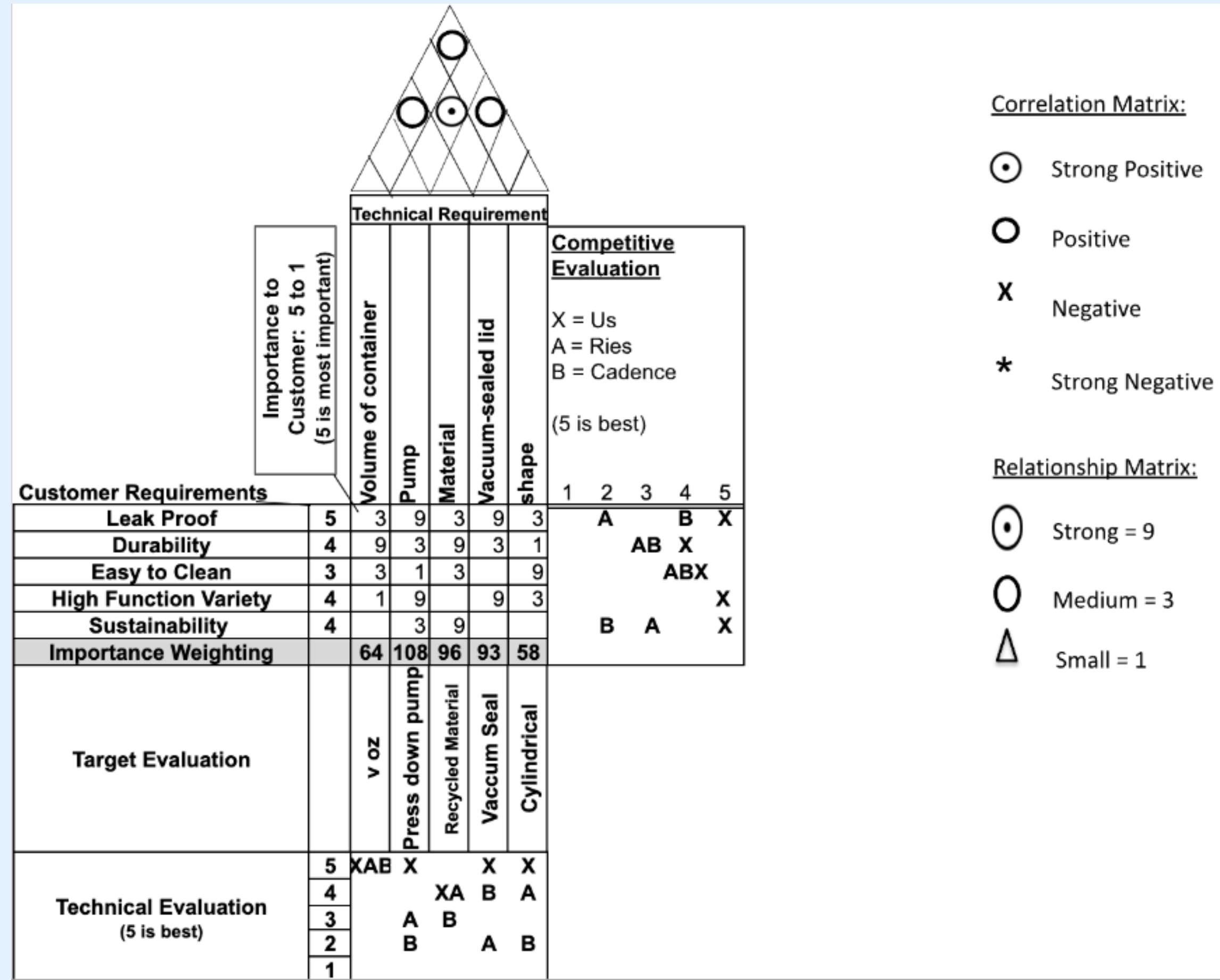
# Perceptual Map #1: Leakproof vs. Sustainability



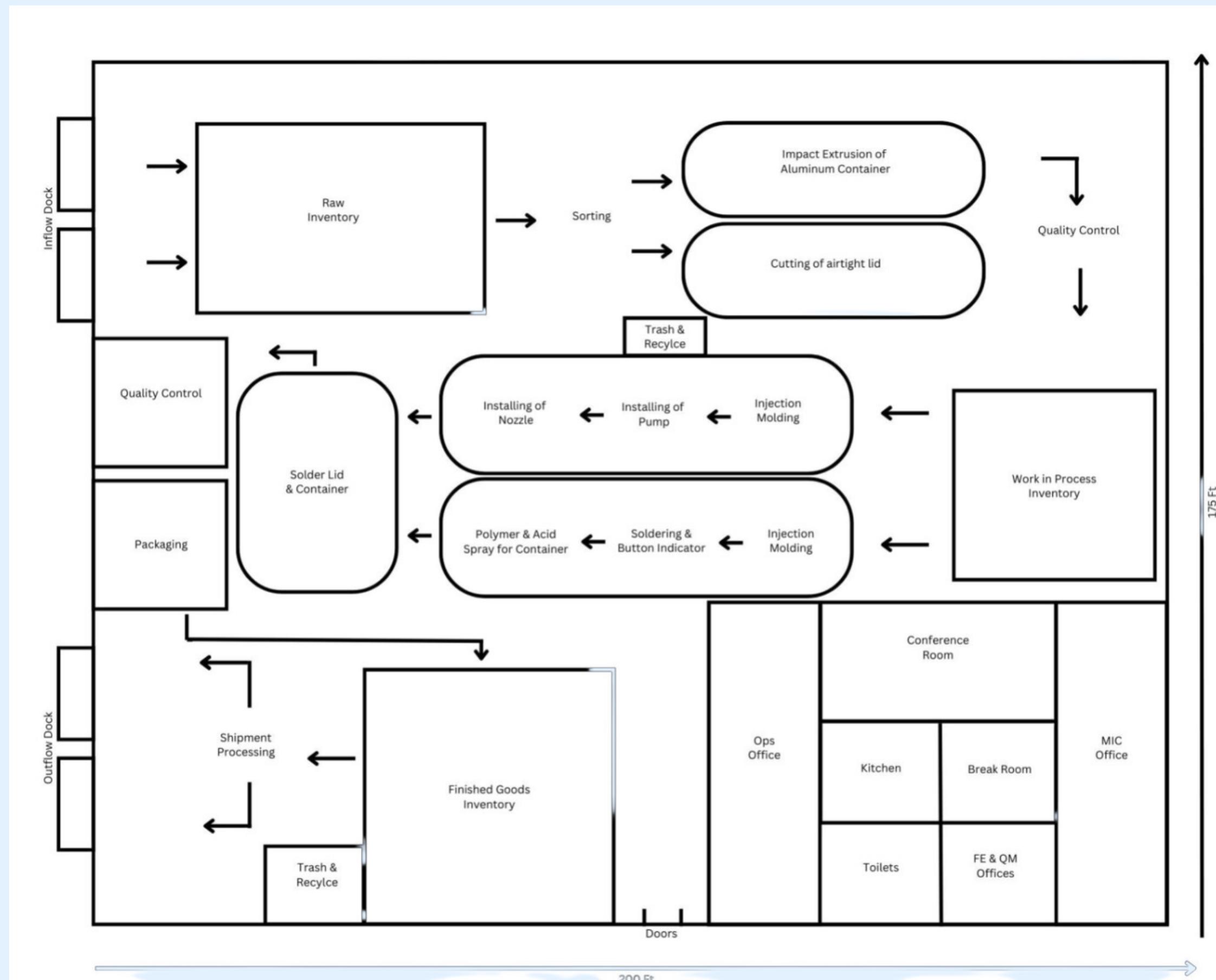
# Perceptual Map #2: Leakproof vs. Function Variety



# House of Quality



# Process Layout



# COGS

<b>Structure of COGS</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Cost of Raw Materials per unit	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29
Direct Labor per unit	\$2.65	\$2.10	\$2.18	\$2.06	\$1.96
Mfg Overhead per unit	\$0.31	\$0.28	\$0.22	\$0.25	\$0.21
Outbound Freight per unit	\$0.76	\$0.70	\$0.70	\$0.69	\$0.68

# Location Analysis

Center of Gravity Analysis							
Channel Type	% of Total Forecasted Market Demand for Year 5	Latitude	Longitude				
Independent Retailer #1 (Pacific)	20%	39.15286	-123.20454				
Independent Retailer #2 (Boston General)	6%	42.29475	-71.13907				
Independent Retailer #3 (Topdrawer)	6%	41.90843	-87.67404				
Independent Retailer #4 (Lazar's Luggage)	6%	34.15089	-118.44956				
E-Commerce (Amazon)	21%	33.83432	-118.22777				
(Amazon x2)	21%	40.61951	-74.18687				
Specialty Chain Retailer (Sephora)	7%	36.26356	-115.03632				
Drug Store Chains (Rite Aid)	1%	34.72136	-118.17983	Lancaster CA Distribution Center			
Mass Merchants (Target)	13%	32.43669	-97.05898	Midlothian TX Distribution Center			
	Calculated Center of Gravity:	37.30065224	-102.4442906				
	Region of the US:	Colorado					
Factor Rating Analysis							
Weighted Scores							
Factors	Weight	Location #1	Location #2	Location #3			
Distribution Costs	0.3	60	80	70			
Factory and Labor Costs	0.3	80	75	80			
Proximity to Suppliers	0.15	40	40	20			
Ability to Attract Employees	0.1	90	80	50			
Room for Future Expansion	0.1	60	20	30			
Tax Considerations	0.05	60	40	80			
	Total Weighted Scores:	66	64.5	60			
	Latest Census Data on Population for Location	572,864	200,478	1,119			
	Selected Location:	Albuquerque, NM	Salt Lake City, Utah	Hansen, Idaho			
				Uinta County, Wyoming			

# Capacity Analysis

Capacity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5
Throughput Time(in minutes)	5.49	3.35	2.37	2.04	1.66
Takt Time(in minutes)	1.25	0.61	0.45	0.35	0.29
Cycle Time(in minutes)	1.15	0.58	0.44	0.35	0.26
Capacity Utilization(Whole)	92.25%	96.25%	97.05%	99.06%	90.87%
Capacity in Units	108,522	213,943	285,257	356,571	480,000

# Discounted Cash Flows

	Startup Period	Year	Year 2	Year 3	Year 4	Year 5	Terminal Value
Net Income	(241,646)	(53,930)	492,873	500,074	541,269	710,365	
Depreciation	-	15,062	15,062	19,312	18,228	18,228	
Change in NWC	(43,183)	(148,534)	(148,534)	(99,672)	(134,919)	(109,354)	
Change in Fixed Assets	(866,150)	-	-	(15,750)	2,500	-	
Total Cash Flows	(1,150,979)	(108,140)	359,400	403,694	427,079	619,239	1,233,163

# Balance Sheet Data: Year 0 – Year 5 Assets

Balance Sheet							
(In US Dollars)	Time 0	Year 1	Year 2	Year 3	Year 4	Year 5	
<b>Current Assets</b>							
Cash reserves	\$ 10,970	\$ 65,822	\$ 135,386	\$ 174,408	\$ 208,748	\$ 245,576	
Accounts Receivable	\$ -	\$ 49,011	\$ 132,098	\$ 198,308	\$ 304,235	\$ 381,801	
Raw Materials and WIP	\$ 19,683	\$ 21,629	\$ 37,083	\$ 47,022	\$ 57,037	\$ 66,984	
Finished Goods Inventory	\$ 12,530	\$ 11,159	\$ 21,044	\$ 28,104	\$ 34,859	\$ 41,597	
Current Assets	\$ 43,183	\$ 147,622	\$ 325,610	\$ 447,842	\$ 604,878	\$ 735,958	
<b>Fixed Assets</b>							
Gross Fixed Assets	\$ 866,150	\$ 866,150	\$ 866,150	\$ 881,900	\$ 879,400	\$ 879,400	
Accumulated Depreciation (cumulative)		\$ (15,062)	\$ (30,123)	\$ (49,435)	\$ (67,663)	\$ (85,892)	
Net Fixed Assets		\$ 851,088	\$ 836,027	\$ 832,465	\$ 811,737	\$ 793,508	
<b>TOTAL ASSETS</b>	<b>\$ 909,333</b>	<b>\$ 998,710</b>	<b>\$ 1,161,637</b>	<b>\$ 1,280,307</b>	<b>\$ 1,416,615</b>	<b>\$ 1,529,466</b>	

# Balance Sheet Data: Year 0 - Year 5 Liabilities, Equity and Ratios

T1.  
SPRING  
B2  
123

Current Liabilities										
Accounts Payable	\$	-	\$	35,167	\$	64,621	\$	87,180	\$	109,298
Current Liabilities	\$	-	\$	35,167	\$	64,621	\$	87,180	\$	109,298
Equity										
Paid in Capital (cumulative)	\$	1,150,979	\$	1,259,119	\$	1,259,119	\$	1,259,119	\$	1,259,119
Retained Earnings (cumulative)	\$	(241,646)	\$	(295,576)	\$	(162,103)	\$	(65,993)	\$	48,198
Total Equity	\$	909,333	\$	963,543	\$	1,097,016	\$	1,193,126	\$	1,307,317
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$</b>	<b>909,333</b>	<b>\$</b>	<b>998,710</b>	<b>\$</b>	<b>1,161,637</b>	<b>\$</b>	<b>1,280,307</b>	<b>\$</b>	<b>1,416,615</b>
Friends & Family Funding										
FoF Funding	\$	250,000	\$	250,000	\$	250,000	\$	250,000	\$	250,000
After FoF Needed External Financing	\$	900,979	\$	1,009,119	\$	1,009,119	\$	1,009,119	\$	1,009,119
% of Funding needed from External Investors		78.28%		80.14%		80.14%		80.14%		80.14%
Check Total Assets - Total Liabilities & Equity	\$	-	\$	-	\$	-	\$	-	\$	-

Balance Sheet Financial Ratios										
Accounts Receivable Days DSO		0		14		18		21		27
Total Inventory Days DOH (include RM, FPI & WIP categories)		0		20		19		18		18
Accounts Payable Days DPO		0		21		21		21		21

# Income Statement Data: Year 0 - Year 5 Revenues, Expenses and NI

Income Statement (In US Dollars)	Start-up	Year 1	Year 2	Year 3	Year 4	Year 5
TOTAL REVENUES	\$ 1,316,449	\$ 2,707,721	\$ 3,488,158	\$ 4,174,952	\$ 4,911,515	
Variable Costs	\$ 494,252	\$ 903,399	\$ 1,237,770	\$ 1,536,721	\$ 1,854,518	
Fixed Production Costs (allocated Manufacturing overhead)	\$ 107,066	\$ 201,563	\$ 252,938	\$ 332,180	\$ 385,859	
TOTAL COST OF GOODS SOLD	\$ 601,318	\$ 1,104,962	\$ 1,490,707	\$ 1,868,901	\$ 2,240,377	
GROSS PROFIT	\$ 715,131	\$ 1,602,759	\$ 1,997,451	\$ 2,306,050	\$ 2,671,138	
One-time Start Up Expenses	\$ 131,890					
Administrative Overhead (salaries)	\$ 39,667	\$ 452,484	\$ 469,795	\$ 753,446	\$ 881,137	\$ 912,750
General operating expenses not already part of COGS	\$ 30,000	\$ 4,995	\$ 4,995	\$ 8,195	\$ 9,595	\$ 9,595
Marketing Expenses Excluding Mfg Reps Commission	\$ 40,089	\$ 267,259	\$ 347,120	\$ 389,083	\$ 432,043	\$ 472,676
Manufacturer's Sales Reps Commission Expense (10%)		\$ 29,261	\$ 90,619	\$ 142,382	\$ 223,581	\$ 284,786
Depreciation on original PP&E		\$ 12,645	\$ 12,645	\$ 12,645	\$ 12,645	\$ 12,645
Depreciation on new PP&E (purchased after start-up)		\$ 2,417	\$ 2,417	\$ 6,667	\$ 5,583	\$ 5,583
	\$ 241,646	\$ 769,061	\$ 927,590	\$ 1,312,418	\$ 1,564,585	\$ 1,698,035
Earnings Before Tax	\$ (241,646)	\$ (53,930)	\$ 675,168	\$ 685,033	\$ 741,465	\$ 973,103
Taxes (27%)			\$ (182,295)	\$ (184,959)	\$ (200,196)	\$ (262,738)
<b>NET INCOME</b>	<b>\$ (241,646)</b>	<b>\$ (53,930)</b>	<b>\$ 492,873</b>	<b>\$ 500,074</b>	<b>\$ 541,269</b>	<b>\$ 710,365</b>
<b>Statement of Retained Earnings</b>						
Net Income	\$ (241,646)	\$ (53,930)	\$ 492,873	\$ 500,074	\$ 541,269	\$ 710,365
minus cash returned to investors (dividends)	\$ -	\$ -	\$ (359,400)	\$ (403,964)	\$ (427,079)	\$ (619,239)
Increase (Decrease) in Retained Earnings	\$ (241,646)	\$ (53,930)	\$ 133,473	\$ 96,110	\$ 114,191	\$ 91,126

# Income Statement Data: Year 0 - T1

## Year 5 Retained Earnings and Ratios

<b>Statement of Retained Earnings</b>											
Net Income		\$ (241,646)	\$ (53,930)	\$ 492,873	\$ 500,074	\$ 541,269	\$ 710,365				
minus cash returned to investors (dividends)		\$ -	\$ -	\$ (359,400)	\$ (403,964)	\$ (427,079)	\$ (619,239)				
Increase (Decrease) in Retained Earnings		\$ (241,646)	\$ (53,930)	\$ 133,473	\$ 96,110	\$ 114,191	\$ 91,126				
<b>Income Statement Financial Ratios</b>											
COGS % Sales				45.68%	40.81%	42.74%	44.76%				45.61%
Gross Margin %				54.32%	59.19%	57.26%	55.24%				54.39%
SG&A % Sales				58.42%	34.26%	37.62%	37.48%				34.57%
Marketing Expenses % Sales				20.30%	12.82%	11.15%	10.35%				9.62%
Operating Margin				-4.10%	24.93%	19.64%	17.76%				19.81%
Profit Margin				-4.10%	18.20%	14.34%	12.96%				14.46%

# Qualitative Risk Matrix

High Impact	<p>Safety Hazards Workers Strike Material Consistency Reputation Damage Material Consistency Employee Health Facility Fire Fraud Supply Chain Risk of Shut Down</p>	Changes in Government Regulations
Low Impact	<p>Brand Uniformity Website Down Distribution Channel Reduction of Shutting Down Employee Shoplift Late Delivery</p>	Facility Temperature
	Low Probability	High Probability

# Quantitative Risk Matrix

High Impact	<p>Cost of Raw Materials per unit ACV Administrative Salaries Selling Expenses Marketing Expense</p>	<p>Segment Size Adjusted PI Awareness Competition Price War Demand Influx Direct Labor Floor Worker Hourly wage</p>
Low Impact	<p>Rent Expense Outbound Freight per unit Manufacturing Overhead Total</p>	<p>A/R Days Cash Reserves A/P Days Manufacturer's Sales Reps Commision Expense (10%)</p>
	Low Probability	High Probability

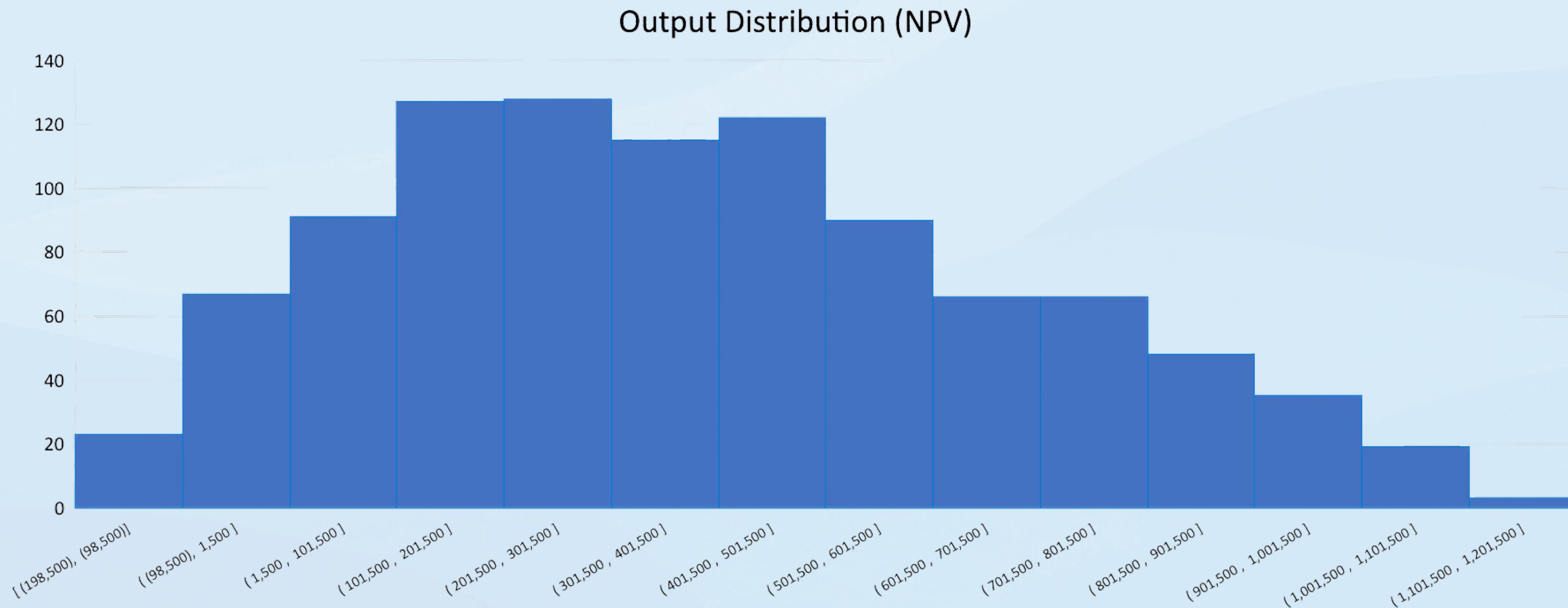
# QM Simulation Segment Size

## Input Graph

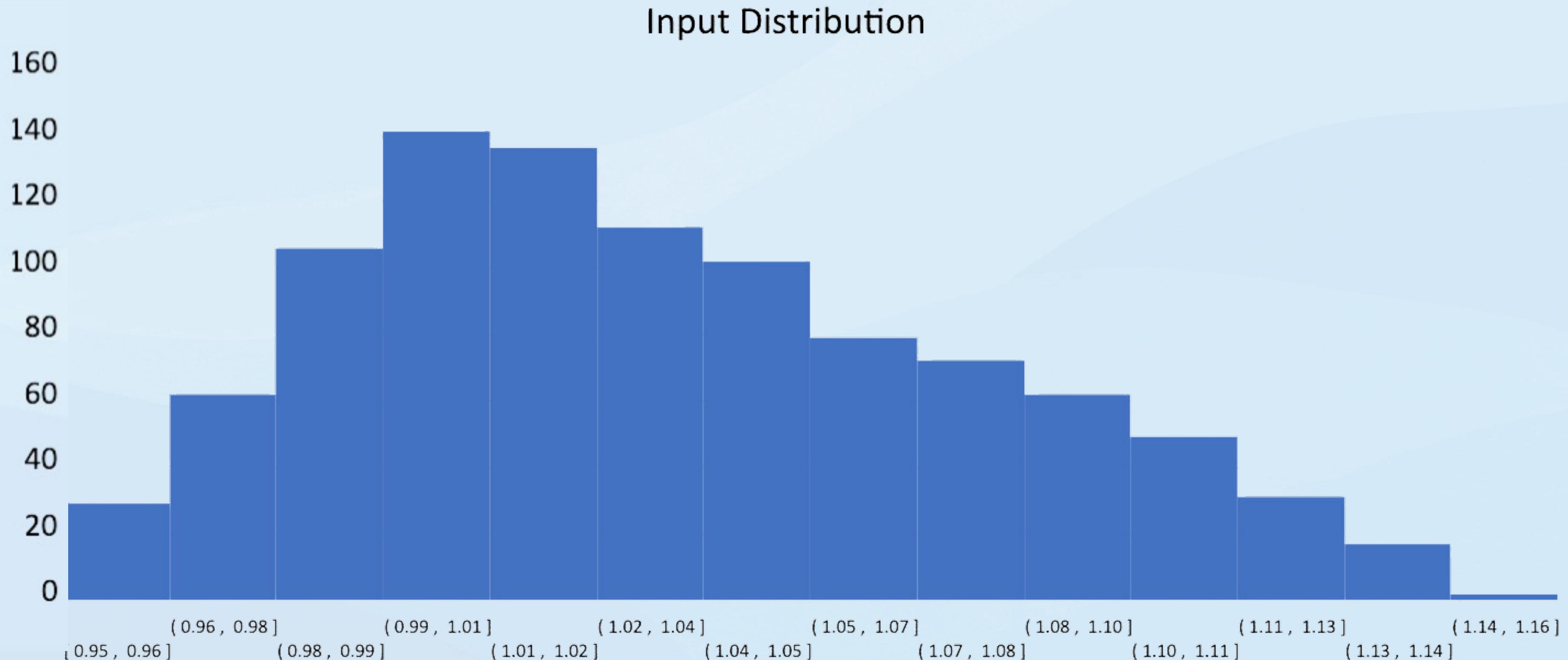
Input Distribution



# QM Simulation Segment Size Output Graph

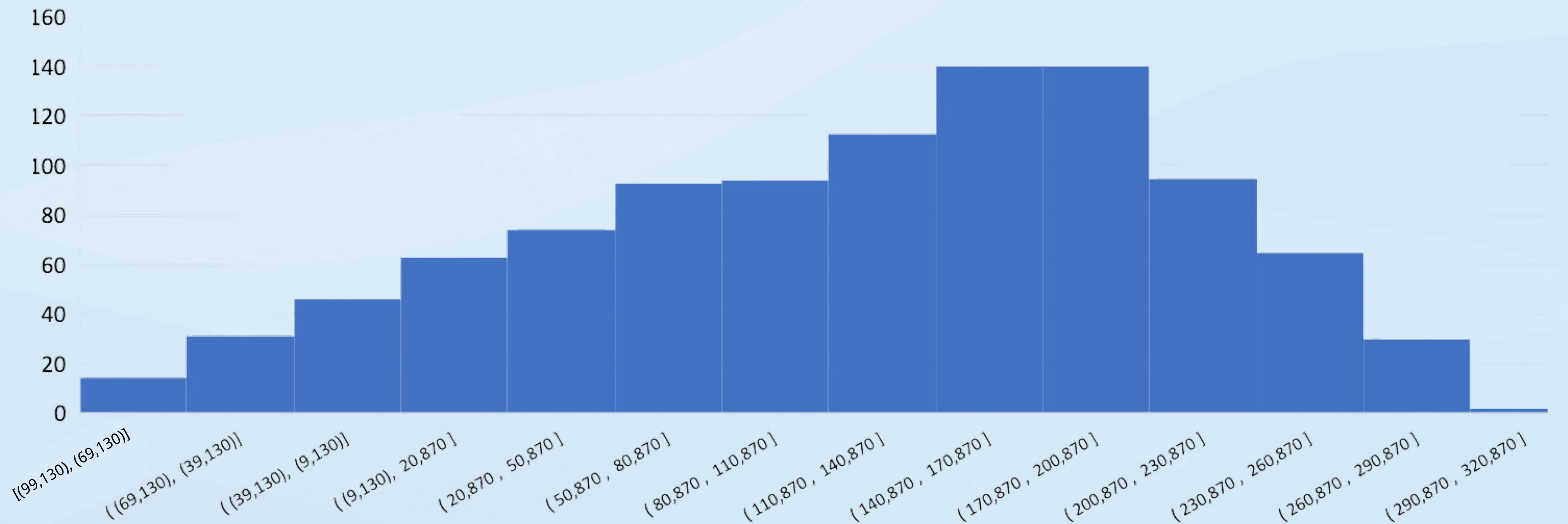


# QM Simulation Hourly Wage Input Graph

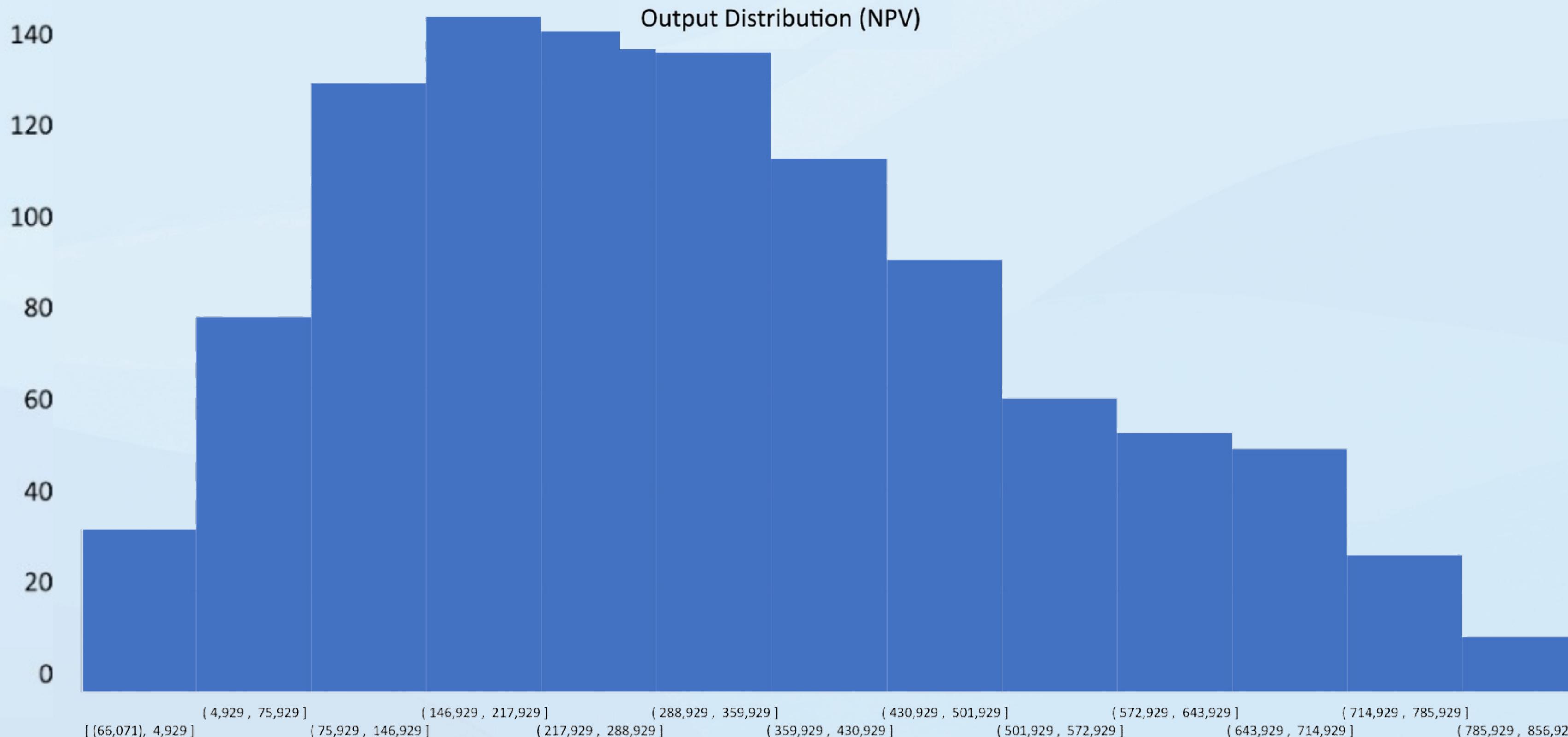


# QM Simulation Hourly Wage Output Graph

Output Distribution (NPV)

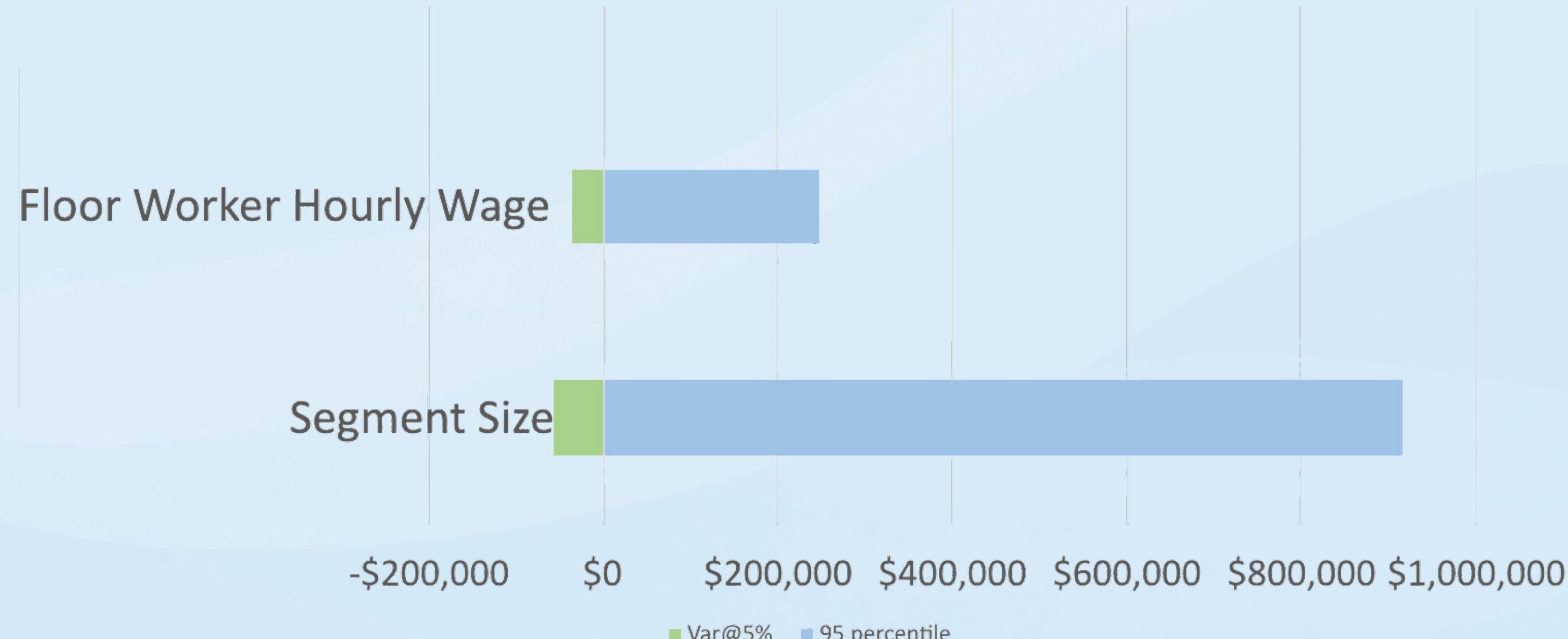


# QM Simulation Combined Variables Output Graph



# QM Simulation Tornado Chart

T1.  
SPRING 2023  
B2



# Avg. Weighted Man. Selling Price

T1.  
SPRING 2013  
B2

## Y1-Y2

Average weighted manufacturer's selling price to channel							
Year 1	% Manufacturer total units	Manufacturer selling price	Retailer Margin	Retail Selling Price	Units Sold	Manufacturer Sales	
Units into independent retailers	22%	\$ 12.50	50%	\$ 25	22,252		
Units online (Amazon)	78%	\$ 13.80	40%	\$ 23	77,858		
Units into drugstore chain	N/A	N/A	N/A	N/A	N/A	N/A	
Units into specialty chain retailer	N/A	N/A	N/A	N/A	N/A	N/A	
Units into mass merchants	N/A	N/A	N/A	N/A	N/A	N/A	
Average weighted manufacturer's selling price to channel		\$ 13.15				\$ 1,316,447	
Average weighted retailer selling price				\$ 24.00			
Average weighted manufacturer's selling price to channel							
Year 2	% Manufacturer total units	Manufacturer selling price	Retailer Margin	Retail Selling Price	Units Sold	Manufacturer Sales	
Units into independent retailers	33%	\$ 12.50	50%	\$ 25	68,911		
Units online (Amazon)	67%	\$ 13.80	40%	\$ 23	136,999		
Units into drugstore chain	N/A	N/A	N/A	N/A	N/A	N/A	
Units into specialty chain retailer	N/A	N/A	N/A	N/A	N/A	N/A	
Units into mass merchants	N/A	N/A	N/A	N/A	N/A	N/A	
Average weighted manufacturer's selling price to channel		\$ 13.15				\$ 2,707,717	
Average weighted retailer selling price				\$ 24			

# Avg. Weighted Man. Selling Price

## Y3-Y5

T1.  
SPRING  
B2  
123

Average weighted manufacturer's selling price to channel							
Year 3	% Manufacturer total units	Manufacturer selling price	Retailer Margin	Retail Selling Price	Units Sold	Manufacturer Sales	
Units into independent retailers	40%	\$ 12.50	50%	\$ 25	109,457		
Units online (Amazon)	59%	\$ 13.20	40%	\$ 22	163,836		
Units into drugstore chain	1%	\$ 12.10	45%	\$ 22	3,545		
Units into specialty chain retailer	N/A	N/A	N/A	N/A	N/A	N/A	
Units into mass merchants	N/A	N/A	N/A	N/A	N/A	N/A	
Average weighted manufacturer's selling price to channel		\$ 12.60				\$ 3,488,159	
Average weighted retailer selling price				\$ 23			

Average weighted manufacturer's selling price to channel							
Year 4	% Manufacturer total units	Manufacturer selling price	Retailer Margin	Retail Selling Price	Units Sold	Manufacturer Sales	
Units into independent retailers	37%	\$ 12	50%	\$ 24	130,186		
Units online (Amazon)	46%	\$ 12.60	40%	\$ 21	164,056		
Units into drugstore chain	1%	\$ 11.55	45%	\$ 21	4,970		
Units into specialty chain retailer	5%	\$ 11.55	45%	\$ 21	18,554		
Units into mass merchants	10%	\$ 11.40	40%	\$ 19	35,445		
Average weighted manufacturer's selling price to channel		\$ 11.82				\$ 4,174,954	
Average weighted retailer selling price				\$ 21.2			

Average weighted manufacturer's selling price to channel							
Year 5	% Manufacturer total units	Manufacturer selling price	Retailer Margin	Retail Selling Price	Units	Manufacturer Sales	
Units into independent retailers	37%	\$ 11.50	50%	\$ 23	162,911		
Units online (Amazon)	42%	\$ 12	40%	\$ 20	183,273		
Units into drugstore chain	1%	\$ 11	45%	\$ 20	5,552		
Units into specialty chain retailer	7%	\$ 11	45%	\$ 20	29,019		
Units into mass merchants	13%	\$ 10.80	40%	\$ 18	55,436		
Average weighted manufacturer's selling price to channel		\$ 11.26				\$ 4,911,511	
Average weighted retailer selling price				\$ 20.20			