**Management Brief**

Francisco Contreras

I have proposed a new product for Wonder Wall Decals. This product is looking to expand upon the Sherwin Williams' DIY market. Home improvement projects have become a huge part of social media culture. Sherwin Williams would have a focus on wall decals that would be readily available in stores. By introducing wall decals in Indianapolis, Sherwin Williams would have the opportunity to see how this new product would affect the DIY market. Throughout the semester this product has gone through Financial, Supply Chain Management, Team Dynamics and Leadership and Marketing Analyses. In this Management Brief, the Organizational Structure of Sherwin Williams will be discussed. The question of if this product should be accepted or rejected by Sherwin Williams will be answered.

Sherwin Williams's current organizational structure is product/geographic divisional structure. This structure begins with the Executive Chairman, President and CEO, Executive President and COO, followed by the Americas Group, Consumers Brands Group and the Performance Coatings Group. Wonder Wall Decals will become part of The Americas Group within the Do-It-Yourself division. This product has been designed to be a user-friendly product available for home improvements. Consumers will be able to have a simple hands-on experience with the product to apply it without help. Some benefits of Wonder Wall Decals joining the Do-It-Yourself division include the fact that it is a cost-effective home improvement that gives consumers the opportunity to apply wall decals for future home improvements.

Adding Wonder Wall Decals into the Do-It-Yourself division does not change the overall structure of Sherwin Williams. There will be additional responsibilities in the marketing, sales, information technology, human resources and finances as these departments will support Wonder Walls Decals in day to day operations. Wonder Wall Decals is decentralized with high formalization and organizational culture of hierarchy and market.

During the first three years of production, Wonder Wall Decals will plan to generate demand with the uses of omnichannel marketing, limited attractive designs, and Sherwin Williams's brand equity. With the use of digital marketing and Sherwin Williams's presence in multiple markets, Wonder Wall Decals have the loyalty of millions of consumers in the home improvement and DIY market. Wonder Wall Decals can also be used in multiple Sherwin Williams promotions and partnerships, including HGTV, Lowes, and Pottery Barn. As the demand for Wonder Wall Decals grows, so can the endless designs and patterns that could be created and printed.  Sherwin Williams Wonder Wall Decals will inspire millions of people, families, and communities with quality decals, one-of-a-kind customer service, and endless opportunities from the whole Sherwin Williams product line.

Staffing for Wonder Wall Decals has been developed to cover all aspects of marketing, production, and internal operations in an efficient and cost-effective process. To create the success of Wonder Wall Decals, a warehouse with a workforce of eight employees will be required. Wonder Wall Decals will employ the following: two Store Service Leaders, an Operations Manager, an Office Assistant, Driver-Warehouse Worker, and three employees on the production line. As the internal workforce, the two Store Service Leaders and the Operations Manager will oversee operations, inventory, customer service, and financial objectives. The Driver-Warehouse Worker, Office Assistant, and the three employees on the production line will primarily work directly with production and distribution operations for Wonder Wall Decals.

To produce a new product for Sherwin Williams' DIY product line, Wonder Wall Decals will operate from a single warehouse and handle manufacturing and distribution operations. Along with manufacturing and distribution, Wonder Wall Decals will also specialize in product quality and customer service to uphold Sherwin Williams's core values. Wonder Wall Decals will aim to provide consumers with a product to easily install for home improvements. An advantage of wall decals being an indoor home improvement will allow Wonder Wall Decals to operate, remain in production, and sell throughout the entire year, maximizing potential revenue.

Since Sherwin Williams has not previously produced wall decals, Wonder Wall Decals will need to source materials for production that has not been used before. Sherwin Williams will be required to lease a warehouse for manufacturing and a delivery van for distribution. Wonder Wall Decals will need to source the following materials for production: HP Latex 115 Print and Cut Solution, HP latex ink, 3M™ Controltac™ Graphic Film with Comply™, and cardboard tubes for packaging. If the product is mass-produced at a larger scale, further research of the target market and resources will be required.

The key financial inputs for Wonder Wall Decals all revolve around the sales forecast as well as costs, marketing expenses, and resource planning. These inputs were used to find the ∆NWC, Capital Spending, and the overall projected net cash flow for the entire project.

Key financial findings for Wonder Wall Decals are changes in net working capital, net present value, internal rate of return and the weighted average cost of capital. Using projected operating cash flow and the weighted average cost of capital, the net present value should be $198,931.85 at the end of year 5, which is a positive outcome. The internal rate of return is projected at 35%, whereas WACC is calculated to be 9.31%. Because the IRR is higher than WACC, and NPV is a positive number, the project should be accepted.

With the proposal of bringing Wonder Wall Decals into Sherwin Williams Do-It-Yourself division, Sherwin Williams can expect growth in the division. Research shows that there are increasingly more DIY'ers in the market that are looking for ways to complete their home improvement projects themselves. As Wonder Wall Decals continue to grow, there will be more opportunities. Other opportunities that could come from this proposal includes expanding our design selection to different age groups and different rooms in consumers' homes. Wonder Wall Decals could also work with the Indianapolis HGTV show "Good Bones" to feature the decals in one of their local remodels. Opportunities could also arise if licensing agreements were obtained from Disney or professional sports teams. Wonder Wall Decals is excited and honored for the opportunity to join Sherwin Williams.