



21313 Telegraph Road
Brownstown, MI 48183-1399
734-675-5911

Brownstown Downtown Development Authority 2016 InnovateHER challenge

Details of competition winner

Name: DeAnna Gilbert

Company Name: Integrity Pure & Natural LLC

Company Address: 2704 S. Linville Avenue Westland, Michigan 48186

Company website: www.integritypurenatural.com

Telephone number: (734) 751-5120

Email Address: info@integritypurenatural.com

Host organization

Name: Brownstown Downtown Development Authority

Address: 21313 Telegraph Road Brownstown, Michigan 48183

POC: Sue Trussell, DDA Assitant Director

Telephone number: (734) 675-5911

Email address: Strussell@brownstown-mi.org

Description of product:

Integrity Pure & Natural LLC specializes in Nature's Skincare products made with Natural Oils, Essential Oils, Vitamins and Minerals. The products are created with natural ingredients and researched to provide effective high quality products at affordable prices and are Gluten-free, Dairy-free, Dye Free, Paraben-free, and use no animal testing.

BUSINESS PLAN

Integrity Pure & Natural LLC

2704 S. Linville Avenue
Westland, MI 48186

www.IntegrityPureNatural.com



DeAnna Gilbert, Owner
Info@IntegrityPureNatural.com
734-751-5120

December 2nd, 2015

Table of Contents:	Page Number
Executive Summary	3
Company Introduction	4
Mission Statement	5
Industry Analysis	5
Customers	6
Competition	6
Marketing / Sales	7
Operations	7
Research & Development Plan	8
Financials	9-11

Executive Summary

Integrity Pure & Natural LLC- Specializing in Nature's Skincare. Made with Natural Oils, Essential Oils, Vitamins and Minerals. Our bodies are designed to better absorb what nature has to offer.

Our products are created with natural ingredients and researched to provide effective high quality products at affordable prices. In the interest of our own family's health concerns our line of products are Gluten-free, Dairy-free, Dye Free, Paraben-free, and use no animal testing.

According to a new market report published by Transparency Market Research titled "Organic Personal Care Products Market for Skin Care, Hair Care, Oral Care and Cosmetics—Global Industry Analysis, Size, Share, Growth, Trends and Forecast, 2012–2018," the global demand for organic personal care products was over \$7.6 billion in 2012 is expected to reach \$13.2 billion by 2018, growing at a CAGR of 9.6% from 2012 to 2018. The global organic personal care products market witnessed steady growth in recent years due to increasing consumer concerns regarding personal health and hygiene.

Our primary customers are people who desire a more natural approach to skincare and especially people who suffer with gluten or skin sensitivity issues. The most common skin reaction from beauty products is called "irritation contact dermatitis, which can be decreased by using more natural ingredients.

At this early stage of growth, Integrity Pure & Natural does not yet have any competitors in my local community. As owner, I am a member of the Westland Chamber of Commerce and am the only company that provides this type of skincare product.

My plan to grow the company is to approach retailers who are in the need or desire of my products. Then to move my production to a commercial kitchen and hire employees to keep up with the increasing demand for all natural skin care products.

Integrity Pure & Natural LLC financials are attached at the bottom pages.

Company Introduction

Integrity Pure & Natural LLC- Specializing in Nature's Skincare. Made with Natural Oils, Essential Oils, Vitamins and Minerals. Our bodies are designed to better absorb what nature has to offer.

Our products are created with natural ingredients and researched to provide effective high quality products at affordable prices. In the interest of our own family's health concerns our line of products are Gluten-free, Dairy-free, Dye Free, Paraben-free, and No use animal testing.

My name is DeAnna Gilbert and I have been a Licensed Cosmetologist for 18 years. My husband and I have 3 children and we all suffer with skin sensitivities so we are careful about what we put in and on our bodies. My daughter is gluten intolerant and has been advised by her Doctor to stay away from gluten even in her shampoo, skincare, and toothpaste! Come to find out there are many harmful ingredients in what people use every day! After learning how many chemicals and toxins and even gluten are in our daily products, I knew it was time to rethink about what we do daily to our bodies. In 2014, I began research with my close friend who was raising dairy goats and already making unique goat milk soaps for specific skincare issues. We set out on a journey to find all natural and gluten-free skincare products and was very disappointed in our conclusion.

Working in the Beauty Industry and knowing about skincare I decided to start making my own. My close friend who has the goat farm taught me the requirements of lotion and soap making. With the experience she taught me and with the skincare knowledge I knew from cosmetology, I decided to start making even more types of products for family & friends. Before I knew it I had created about 15 different products!

The positive feedback and testimonies I received encouraged me to make a full line of all natural products. After a great deal of research on Companies claiming to be all natural, it was disappointing to read labels and realize they were not as natural as they wanted you to believe. For this reason Integrity Pure & Natural LLC was born. Thankfully we learned that there IS a better, more natural and healthy way of living. It is amazing how Nature has so much to offer.

Integrity Pure & Natural LLC focuses on products that are healthy for you. Our all-natural products are like applying vitamins and minerals right onto your skin. Our skin absorbs 60% of what we apply on it, therefore it should be as healthy as what we eat.

We offer a full line of all-natural products, such as:

All-Natural Lotions, Lip Balms, Daily Face Care for different skin types, Mineral Salt Bath Soaks, Bug Repellent, After Sun Spray, Charcoal & Sea Kelp Mask, Rose Kaolin Mask, Soaps, Shea Butter Lotion Sticks, Aromatherapy Sprays, Argan Oil Blend, Body Powders, Cuticle Care, Deodorants, and Hair Care. Our company is looking forward in adding in new products as we grow.

Mission:

Integrity Pure & Natural's Mission is to make all-natural skincare that will be more affordable, healthy, and trustworthy. We value the natural approach to skincare and will be honored in helping others improve their well-being with Integrity Pure & Natural Products.

Integrity Pure & Natural, LLC was formed in September of 2014. DeAnna Gilbert is the sole owner and currently the only employee. Our products are sold primarily through our website, home parties, and vendor shows

Industry Analysis

According to a new market report published by Transparency Market Research titled "Organic Personal Care Products Market for Skin Care, Hair Care, Oral Care and Cosmetics—Global Industry Analysis, Size, Share, Growth, Trends and Forecast, 2012–2018," the global demand for organic personal care products was over \$7.6 billion in 2012 is expected to reach \$13.2 billion by 2018, growing at a CAGR of 9.6% from 2012 to 2018. The global organic personal care products market witnessed steady growth in recent years due to increasing consumer concerns regarding personal health and hygiene. In addition, widening distribution channels and new product development are the other factors that contribute to the market growth. However, limited shelf life, raw material supply and a stringent regulatory scenario are expected to be key challenges to market growth over the next five years.

Skin care products dominated the demand in the global organic personal care products market in 2011, with a 32.1% share, followed by hair care and cosmetics segments. In terms of revenue, the market for organic skin care products is expected to grow at a rate of 9.9% from 2012 to 2018. Demand for the three segments increased due to the entry of large multinationals in the organic personal care products space giving them tremendous visibility and increasing their accessibility across varied consumer segments. The three segments are also expected to dominate the global organic personal care market in the coming years. North America accounted for 34.8% of the global demand in 2011 and is expected to grow at a CAGR of 9.8% from 2012 to 2018. Europe and Asia Pacific followed North America in terms of organic personal care product consumption. This dominance is driven by new product launches and widening distribution channels. Asia Pacific is expected to be the fastest-growing region at an estimated CAGR of 9.7% from 2012 to 2018, due to rising consumer incomes, changing lifestyles and increasing awareness and demand for organic personal care products. Japan and China dominated the Asia Pacific market, together accounting for over 64% market revenue in 2011. At the country level, the U.S. was the largest market for organic personal care products followed by Japan and Germany.

The U.S. demand for organic products is estimated to grow at a CAGR of 10.2% from 2012 to 2018. Strong awareness about the efficacy of organic personal care products and lifestyle changes are key drivers in this region. Countries such as India, China, Brazil and Mexico offer huge market opportunities for organic personal care products as well. Some of the leading

brands in the organic personal care products market include Bare Essentials, Aveda, Burt's Bee, Origins, Kiehls, and The Body Shop..

Customers

Our primary customers are people who desire a more natural approach to skincare and especially people who suffer with gluten or skin sensitivity issues. The most common skin reaction from beauty products is called "irritation contact dermatitis. The symptoms usually consist of stinging, redness, swelling, itching, or blisters. This can be caused from chemicals, parabens, fragrances, preservatives, gluten, dyes, and other irritants. To fill this need in the market our company provides natural products with less possible irritants making them with ingredients that are better absorbs by our bodies. The geographic area for this type of customer is nationwide due to the increase of gluten allergies and skin sensitivities on the rise.

Competition

At this early stage of growth, Integrity Pure & Natural does not yet have any competitors in my local community. As owner, I am a member of the Westland Chamber of Commerce and am the only company that provides this type of skincare product. As I grow into a larger company, I predict my competitors would be companies such as Bare Essentials, Burt's Bee, Origins, and The Body Shop.

Strengths --- Gluten-Free All-Natural Skincare, Quality and reliability, Product innovation ongoing, affordable pricing, fills a need in the market

Weakness – Product testing is still in progress, need larger facility to produce products on a faster scale, Need to hire employees to keep up larger purchase orders

Opportunities – Fresh made Skincare, can hire employees and provide jobs

Threats – Limited shelf life, need to grow before hiring employees

Marketing/Sales Plan

My plan to grow the company is to approach retailers who are in the need or desire of my products. Then to move my production to a commercial kitchen and hire employees to keep up with making the skin care products.

Currently I demo at home parties and vendor shows and provide education on the benefits of changing over to all natural skin care. I use social media as in Facebook, Instagram, Twitter and I sell from my website. I will be investing in catalogs, brochures, and educating the staff of the retailers who will carry my products. I plan to continue on this successful path.

I've attend 10 Vendor Shows and 26 Home Parties in the past 11 months.

My pricing structure is based on my profit and margin data information. Fair margins to the consumer, the retailer, and for my company. Very competitive pricing in regards to other all natural skin care products on the market. (Prices range from \$3.00 to \$25.00)

Management and Operations

Management

DeAnna Gilbert, A wife and mother of 3 children. Licensed Cosmetologist for 18 years. Knowledgeable in the beauty industry, creator of products, label designer, marketing and sales, fundraiser organizer.

Operations

The owner is responsible for all daily operations of the business. This includes: ordering raw material, ordering bottles & packaging, making the products, filling the bottles, designing and printing the labels, keeping inventory, marketing and sales.

Research and Development Plan

Currently there are no FDA regulations for skin care products other than label guidelines. However, I would like to get each product tested at a Cosmetic Laboratory for the extra credibility of the integrity with each product.

Financials

Integrity Pure & Natural LLC

Profit and Loss

January 1 - November 24, 2015

Income	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015	Jul 2015	Aug 2015	Sep 2015	Oct 2015	ESTIMATED			Total
											15-Nov	Dec-15		
Miscellaneous Income				31		40								71
Refunds-Allowances	-18			22										4
Sales of Product	546	1,022	956	1,096	317	937	1,262	1,412	1,426	678	1,000	1,000		10,651
Total Income	528	1,022	1,008	1,096	357	937	1,262	1,412	1,426	678	1,000	1,000		10,725
Cost of Goods Sold														
Cost of Goods Sold	629	591	997	649	1,107		1,417	657	1,333	81	185			7,461
Freight & delivery - COS		60					44							104
Home Party Display	106	194	65			29	67		47	136	7			644
Other Costs - COS						25			515					515
Subcontractors - COS	250													275
Supplies & Materials - COGS	43			7						114	8	350		514
Total Cost of Goods Sold	1,028	845	1,062	656	1,107	54	1,528	657	1,896	331	200	350		9,514
Gross Profit	-500	178	-54	440	-750	883	-266	755	-470	347	800	650		1,212
Expenses														
Advertising				36			103	10			8	50		189
Bad Debts	0													0
Bank Charges	22	10	10		12	12	12							78
Commissions & fees	63													63
Dues & Subscriptions				292				200						492
Freight & Delivery	18													18
Insurance	100		150		228									478
Job Materials									37					37
Meals and Entertainment						31					257			31
Office Expenses	68	52		161		123	219	24	64			50		886
Other General and Admin Expenses						0	0	0	0					
Professional Development										136		50		186
Shipping and delivery expense						16	8							24
Stationery & Printing				918										918
Subcontractors					100	145						50		295
Taxes & Licenses			225					48						273
Travel	69						183							252
Uncategorized Expense														0
Total Expenses	\$ 340	\$ 62	\$ 385	\$ 1,406	\$ 340	\$ 173	\$ 278	\$ 660	\$ 61	\$ 200	\$ 265	\$ 200	\$	4,104
Net Operating Income	-\$ 840	\$ 115	-\$ 439	-\$ 966	-\$ 1,090	\$ 711	-\$ 544	\$ 95	-\$ 531	\$ 146	\$ 535	\$ 450	-\$	2,892
Net Income	-\$ 840	\$ 115	-\$ 439	-\$ 966	-\$ 1,090	\$ 711	-\$ 544	\$ 95	-\$ 531	\$ 146	\$ 535	\$ 450	-\$	2,892

Integrity Pure & Natural LLC

CASH FLOW

	Pre Startup		ACTUAL		PROJECTIONS		
	Est		2015		YEAR 1, 2016	YEAR 2, 2017	YEAR, 3 2018
Cash on Hand	0		350		(2,261)	7,370	11,417
Cash Receipts	0		10,725		25,000	37,500	56,250
Loan/Cash Injection	350		0		0		
Total Cash Receipts	350		10,725		25,000	37,500	56,250
Total Cash Available			11,076		22,739	44,870	67,667
Cost of Goods Sold	0		9,514		10,000	15,000	22,500
Advertising			199		200	300	450
Bank Charges			78		117	176	263
Commissions & fees			63		94	141	212
Dues & Subscriptions			492		500	750	1,125
Insurance			478		500	750	1,000
Job Materials			0		0	0	0
Legal & Professional Svcs			0		2,000	3,000	4,500
Office Expenses			886		900	1,350	2,025
Payroll			0		0	7,200	10,800
Professional Development			186		280	420	500
Rent			0		600	900	1,350
Shipping and delivery expense			0		0	0	0
Stationery & Printing			918		1,000	1,500	2,000
Taxes & Licenses			273		400	500	600
Travel			252		378	567	850
Overhead Expenses	\$	- \$	3,824 \$		4,369 \$	6,453 \$	9,025
TOTAL COGS & Overhead Exp	\$	- \$	13,337 \$		14,369 \$	21,453 \$	31,525
Loan principal payment		0	0		1,000	0	0
Capital purchase		0	0		0	0	0
Owner Draw/Dividends		0	0		0	12000	24000
Cash Position		350	(2,261)		7,370	11,417	12,142

Integrity Pure & Natural LLC

PROJECTIONS

	ACTUAL 2015	PROJECTIONS		
		YEAR 1, 2015	YEAR 2, 2016	YEAR, 3 2017
Income		150%	150%	150%
Total Income	10,725	100%	25,000	100%
Total Cost of Goods Sold	9,514	89%	10,000	40%
Gross Profit	1,212	11%	15,000	60%
Expenses				
Advertising	199	2%	200	1%
Bank Charges	78	1%	117	0%
Commissions & fees	63	1%	94	0%
Dues & Subscriptions	492	5%	500	2%
Insurance	478	4%	500	2%
Legal & Professional Svcs	0	0%	2,000	8%
Office Expenses	886	8%	900	4%
Payroll	0	0%	0	19%
Professional Development	186	2%	280	1%
Rent	0	0%	600	2%
Stationery & Printing	918	9%	1,000	4%
Taxes & Licenses	273	3%	400	1%
Travel	252	2%	378	2%
Total Expenses	3,824	\$	4,369	\$
Net Income	(2,612)	10,631	43%	16,047
Owner Draw/Dividends	0.00	0	12000	24,725
Adjusted to Retained Earnings	(2,612)	\$	10,631	\$



21313 Telegraph Road
Brownstown, MI 48183-1399
734-675-5913

December 3, 2015

Re: Local Winner Statement of Support – *Integrity Pure & Natural LLC*
Brownstown, Michigan

Dear Sir or Madam:

Following review of five applicants' packet and a presentation at our Pitch Competition held on November 18, 2015 in Brownstown, Michigan, the judges unanimously select Integrity Pure & Natural LLC as our local winner. The four judges believed Integrity Pure & Natural LLC has a solid vision with a supporting business plan to further produce and commercialize their variety of all-natural skin care products.

The judges assessed the applicants and selected Integrity Pure & Natural LLC based on their ability to have the greatest potential for success. The name *Integrity Pure & Natural* exemplifies their passion and mission to provide products in the crowded skin care market by producing all natural products to customers with skin sensitivities to gluten, dairy or chemicals.

The owner, Mrs. DeAnna Gilbert and her company has an exceeding advantage over their competition by producing skin care products that are all natural, gluten free and dairy free with no animal testing, which many customers are etching to discover and relieve skin irritation. Also, the product's price point is very affordable in the natural skin care market, which appeals to consumers along with their inspirational product messaging such as, "*Let integrity and uprightness preserve me; for I wait on thee*" – Psalm 25:21.

The success of these skin care products fills a need and meets the InnovateHER 2016 Challenge Criteria:

Measurable Impact on the Lives of Women and Families – Integrity Pure & Natural skin care products used by women, men, and their immediate and extended family members have comfort in knowing that their gluten, dairy, and chemical sensitivities will not impact their family and work life. Recent studies show that from eczema and acne to Psoriasis and Dermatitis Herpetiformis from gluten that is digested and/or applied to the skin (the body's largest organ) can cause some extremely uncomfortable skin issues. As we know, gluten is a protein in wheat and other grains and because of its gumminess it is also added to lotions, cosmetics, toothpaste, and shampoo. The impacts on women and men with skin sensitivities have a debilitating effect on their lives not to mention the lives of family members that rely on them for support and basic needs.

Health conditions caused by not using the correct skin care products can be a full time frustration, impacting on all areas of daily life. Working outside the home can be especially affected with two of the biggest problems being absenteeism and presenteeism. 58% of people with skin conditions affected by gluten and dairy intolerance report absence from work and on average select skin conditions reduce productivity at work by almost 8%, which has a significant financial impact on women and their families.

Potential for Commercialization – The 1½ year old company has a solid customer base with a large percentage of repeat consumers. Many consumers completed service/product surveys and/or commented on social media to encourage others to experience the health benefits of these quality all natural products. Mrs. Gilbert has been aggressive to respond to survey results and comments and has taken steps to continuously implement a solid company and product line. Products are currently sold at health and beauty expos, through social media and online sales. Mrs. Gilbert has the skills, knowledge, and financial support to move into a commercial kitchen to expand product supplies to niche health and beauty retailers and eventually mass retailers. This expansion plan will support job growth in the Michigan market and grow product lines. It is not all about selling products; it's about educating consumers and retailers about the clinically proven affects of all natural, gluten, and dairy free products. Currently there are no FDA and USDA regulations for skin care. However, Mrs. Gilbert plans to get each product tested at a cosmetic laboratory to ensure quality and integrity of products sold.

Need in the Marketplace – Integrity Pure & Natural is at the right place and time to flourish and grow the product line...according to a market report published by Transparency Market Research the demand for organic personal care products is expected to reach \$13.2 billion by 2018. Skin care products dominated the demand in the organic personal care products market in 2011 and continued to do so with approximately 32%. In terms of revenue; the market for organic/natural skin care products is expected to grow at a rate of 9.9% by 2018.

Mrs. Gilbert clearly understands natural products don't need to position themselves as "more effective" to win over consumers – natural is enough. But consumers that are engaged with natural ingredients also prefer to use them due to rising concerns for health safety, green consciousness, and growing consumer awareness about hazards in synthetic chemicals...this is a win-win proposition for Integrity Pure & Natural LLC to expand and grow their vision and mission and to provide knowledgeable consumers with affordable natural skin care products.

Respectfully Submitted,
Brownstown Downtown Development Authority



Sue Trussell
Assistant Director