

PRO(TECH)T, LLC. Business Plan
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PRO(TECH)T, LLC. was founded on the belief that no one should have to experience the trauma of rape and/or sexual assault. From this, our mission was born. One day, women will no longer live out their college years in fear of being sexually assaulted. We will make protection as easy as possible for potential victims while simultaneously working to make a change in the way sexual assault is handled in today's society through educational programs, awareness campaigns, and legislative reform in order to reform the paradigm of rape culture.

I. Overview

Given that the number of reported sexual assaults and rapes on college campuses is rising across the country, we have decided to combat this issue. We have founded the company PRO(TECH)T, LLC. whose primary product is iuvo: a comfortable, durable, and fashionable wearable technology wristband with real-time GPS/GSM that can be activated with the push of a button for any situation in which a wearer feels threatened. An emergency signal containing the wearer's exact location and user profile is sent, via our backend internet platform, to the school's campus police who can track the wearer's location and respond to the situation as needed. Not only does iuvo work to create safer campuses, it is also functional off-campus and can connect local police with the wearer. iuvo is completely cellphone independent which allows wearers to be liberated from fear and experience college fully, knowing that help is only a push of a button away. This new form of individualized security has the potential to drastically lower sexual assaults on college campuses, thereby creating a safer and more conducive learning environment for all students. The gravity of this issue coupled with the desire among students, parents, and campus administrators to eliminate or significantly reduce this threat ensures a strong and growing market for PRO(TECH)T's product. We have been in close contact with the Chief of Police at multiple universities. They agree that our product would be effective and efficient at reporting emergencies and allowing action to be taken before a potential victim is violated. Furthermore, the promising market growth in wearable technology and our relatively low breakeven point present a lucrative investment opportunity. Our product has the potential to reach college students in every state. There is also room for integration into the open field of sensory technology and all wearable technology.

II. Theory of Change

All students deserve to have a college experience free from sexual assault and rape. In order to obtain this, it is crucial to stop the event before it occurs. iuvo allows for wearers to notify campus police, who have the training needed to offer assistance, that they are in need of immediate help or are in an uncomfortable situation. For example, if a student is at a party on campus and is placed in a situation where they feel in danger, they simply press the easy to access button on iuvo and hold for three seconds. Their GPS location is triangulated and through GSM and that location is then sent to campus police who receive an emergency alert that shows a short profile of the wearer and their location in real time which campus police then track and intervene in the altercation. Furthermore, if a student is off campus, their location is still dispatched to campus police who then work in conjunction with local police as they do in other off campus emergencies.

The ease of use and real-time functionality of iuvo allows for use at any time and for campus police to intervene in the situation before the crime is perpetrated. This has the potential to drastically reduce the number of sexual assault victims on college campuses. Because many students do not know where to turn after they experience a rape or assault, PRO(TECH)T provides a means to prevent the event from occurring. Most rapes and assaults are perpetrated by an acquaintance of the victim in a seemingly safe environment, making potential victims particularly vulnerable; iuvo is at the ready even at wearer's most unguarded moments. By adopting our system, colleges and universities will take steps to put student safety and well-being at the forefront. Students wearing iuvo will create a community of like-minded individuals who are joining in solidarity against campus rape and assault, perpetuating a message of solidarity that this is a crime against humanity that will no longer be tolerated. Both of these outcomes contribute to the larger social issue of reforming rape culture. PRO(TECH)T will further catalyzes the reformation of rape culture by dedicating a percentage of profits and solely towards awareness campaigns, support for well formulated legislative reform, and educational programs that begin at a young age to teach people not to rape instead of how not to be raped. The three sectors of cultural focus will be designed as follows:

- I. Awareness campaigns will be created to portray the emotional and physical trauma that rape and sexual assault causes. We will follow marketing style similar to the The Meth Project, which uses videos and print ads to show the horrifying reality of sexual assault. Such an approach creates awareness at a personal level and produces an emotional response which catalyzes change of perception of the subject.

- II. We will support legislative reform that seeks to create a victim-friendly justice system and programs that make reporting and pursuing a case less traumatic for survivors.
- III. Our educational programs will reach a younger demographic through in-class presentations and workshops at elementary and middle schools. We will partner with organizations such as RAINN and Green Dot who are already implementing educational programs that are now geared to the high school and college level. Our programs will be designed to teach about sexual assault in a way that even children can understand such as touching without consent and treating people with respect. Starting at a young age will help to create a positive mindset by the time they reach college.

This in turn can lead to a complete shift in the paradigm of rape culture and one day allow iuvo to be an obsolete product.

III. Strategy

Our first generation beneficiaries are university students with particular focus on those at highest risk including women and members of the LGBTQA community. Our primary customers will be students and parents of students. We will also approach private universities, who often have budgetary restrictions regarding purchases for individual students than public universities, about purchasing the bands in bulk for their student body. These universities could then distribute iuvo through tuition fees or gift them to the students at no cost. iuvo will have a yearly subscription fee \$75 to cover the cost of data, providing a recurring revenue stream while also keeping the purchase of iuvo attractive to customers.

We intend to launch a limited rollout of a beta version of iuvo by March 2016 at a large university such as North Carolina State University or the University of North Carolina Charlotte. We have administrative connections at both. After receiving user feedback on the product as well as analyzing the functionality we will make any necessary changes prior to mass production.

As we pilot our band, we will simultaneously approach multiple universities, particularly those with higher than average rates of occurrence and/or negative publicity for mishandling cases of rape and sexual assault, and provide them with an overview of how to use our system, which is internet-based and does not require any hardware or software changes. Schools that become PRO(TECH)T certified will then endorse the use of the iuvo and sell the band in campus bookstores. This will allow us to make pre-sales of the product as well as gain momentum and publicity for PRO(TECH)T, thus

increasing our penetration. Universities are incentivized to adopt our system due to the intense scrutiny campuses are receiving pertaining to student safety as well as the positive reputation they will garner because of their adoption of the technology as a resource to prevent assault. Furthermore, new legislation will likely be passed soon that will charge colleges 1% of their working budget plus \$150,000 for each incorrectly handled sexual assault case. For a school the size of UNC Chapel Hill, this could amount to \$40 million in fees for sexual assault mismanagement. By implementing our system, schools could potentially decrease sexual assault overall and take proactive steps in properly handling the issue.

PRO(TECH)T has been initially structured as a limited liability corporation in its early stages in order to provide personal protection to its members as well as to permit greater operational ease as we grow. PRO(TECH)T intends to eventually transform into a Benefit Corporation after gaining sufficient traction. A for-profit model is favorable over a non-profit one due to the fact that PRO(TECH)T intends to receive the majority of funding through earned income, which would not be tax exempt. Furthermore, PRO(TECH)T's primary product, iuvo, benefits college students who, for the most part, can afford to pay for iuvo. In other words, the venture is commercial in nature and should therefore be structured with a for-profit model. The current limited liability structure and the intended benefit corporation both support PRO(TECH)T's mission of selling a commercial product as well as making a cultural change. A percentage of profits will be put directly towards three areas focused solely on making a cultural change: awareness campaigns, educational programs, and legislative reform.

We are currently partnered Enventys, a firm based in Charlotte, North Carolina for prototype development. Initially the first few prototypes will be built in-house allowing for ease and accessibility in providing feedback and making necessary changes. We will outsource the production of iuvo to a manufacturer connected with Enventys and who is focused on wearable technology production. Numerex, another partnering company, will provide the needed data space that the GSM works off of.

Initially our team will consist of the two founding members, Madison Eddings and Benjamin Eisdorfer, as well as the currently organized board of advisors. Eddings and Eisdorfer have acted as Social Entrepreneurship mentors and have shown exceptional progress working for PRO(TECH)T for the past year. The board is comprised of members who have created their own successful businesses and members who are actively involved in higher education and educationally related entrepreneurship. We will hire a marketing/PR expert as we near production. As we grow, we will hire two to three salespeople by year three.

IV. The Market

Research shows that sexual assault has been rising on college campuses at startling rates, as high as 13.6 per 1,000 students over two years. Due to the increasing rate of reported sexual assaults, there is a compelling need for sexual assault prevention methods. This issue is gaining national recognition via celebrity and political campaigns. Wearable technology is a rapidly expanding market, growing at an estimated compound annual growth rate of 24.56%. The market value was \$2.7 billion in 2012 and is expected to reach \$12.6 billion in 2018 with the U.S. accounting for 80%. Wearable technology for the wrist is the largest market. The global market volume is expected to reach 134.27 million units by 2018. Although wearable technology is considered a crowded space, the vast majority of products are focused on fitness tracking leaving ample room for devices in the safety sector. Furthermore, wearable technology devices geared towards females have been focused on the working woman demographic, approximately ages 25-50, with the primary use being notifications sent from one's phone and fitness tracking. Our primary demographic is college women aged 18-24 which research has shown is a missed target market. We have been in steady contact with multiple successful entrepreneurs, many who are socially motivated, all of whom have expressed a strong belief that the product would fulfill an open niche as well as serve its ultimate social purpose.

V. Competitors

Recently, there has been a trend in smartphone app development focused on allowing users to program emergency contacts that are notified when the user issues an alert on their smartphone. Some applications include Circle of Six, Guardian, and WatchMe911. Although these apps have helped to bring more awareness to the issue, they have multiple faults making them far less effective in protection than iuvo. The phone apps require a high level of premeditation from the user to launch the app as they walk home, make sure their 'guardians' are available to watch them as they travel, and plot their route. Furthermore, the applications connect users with their friends and family who can really only act as a middleman for the wearer and police. Also, cellphone apps are not efficiently accessed and launched; they require a user to find their phone, unlock it, find the app, launch it, and use it all while in a high-stress situation. iuvo completely eliminates these faults. It is ready to use whenever the situation presents itself, it requires no other premeditation than simply wearing it. It also uses innovative technology to connect potential victims directly with those holding the power to help. iuvo liberates wearers from the burden of planning their route and coordinating with

others to look out for them, and instead allows wearers to go about their life knowing that help will be there when they need it.

VI. Growth

In our first year of production we intend to reach approximately 250,000 students at twenty universities across the country with a higher concentration of North Carolina schools due to relationships we have built with decision-makers totaling multiple schools. We estimate a 25% penetration with sales of 62,500 units. In year two, we plan to expand the number of PRO(TECH)T certified schools to forty and market to 250,000 new students at a 30% penetration as well as continued sales for incoming freshmen at the universities we reached in year one. Projected year two sales are approximately 165,000 units. This level of scaling will be achieved through direct contact with universities as well as publicity and coverage of PRO(TECH)T, thereby creating a desire among colleges to become certified and to endorse iuvo. For year two, we will expand our marketing team with an aggressive strategy for greater impact. We will also create a sales force that will meet with administrators directly to increase university penetration. By year three we intend reach at least 100 universities across the country and sell approximately 310,000 units. We will continuously work on the technology to provide additional specifications and nuances to ensure we are providing users with the most sophisticated and user friendly technology for safety. As previously noted, iuvo is designed with rapid web and technological development in mind.

PRO(TECH)T is a business with a great capacity to scale due to its modest approach to staffing, robust profit margins, and the ability to produce large quantities of iuvo through outsourcing. It can be implemented on every college campus in the nation as well as globally. PRO(TECH)T also has the ability to eventually reach a multitude of other markets including children, the elderly, those with health conditions, and individuals with high risk careers such as miners and health professionals who interact with dangerous patients. We recently spoke with the former Director of the Peace Corps, Aaron Williams, who expressed a serious interest in one day seeing iuvo implemented in the program.

VII. Financial Analysis (Please see attached quantitative projections)

iuvo will be priced at \$75 with an automatic yearly subscription fee of \$75 for data usage. The current estimated cost of building one iuvo band is \$25, which would create a 67% gross profit margin. Our cost for data space is approximately \$1.25 per band. The charge of \$75 a year equates to \$6.25 per month, a fee many can afford, which would yield a profit margin of 80%.

Thus far, PRO(TECH)T's founders have combined their personal capital, family and friends contributions, and winning from the North Carolina Social Entrepreneurship Competition for a total of \$25,000 in financial resources. This amount, combined with the InnovateHER grant would cover the cost of minimal viable product creation (MVP); once the MVP is created, we will launch a crowdfunding campaign on either IndieGoGo or Kickstarter. Through discussions with marketing consultants, it is believed that PRO(TECH)T can run a highly successful campaign and raise upwards of \$250,000. That money would go towards further development of iuvo at the highest level of functionality. We also plan to investigate in detail SBA programs that can facilitate financing. Upon reaching an appropriate technological soundness, we intend to approach socially focused investment firms for the remaining capital needed to begin full scale production. A clear list of what the funds will go towards as well as our revenue and expenses can be seen in our attached income statement.

We will attain company viability and sustainability when our gross annual revenue reaches \$3 million. We will break even at a sales volume of 25,266 bands, which we project to reach in 8-10 months after sales commence. Our business will have long-term growth through steady sale increases as well as through technological innovations and modifications in the form of downstream adaptations to new high technological products in the wearable and body sensory technology sector.

VIII. Social Impact Analysis

Within the North Carolina's public university system alone there are upwards of 7,700 sexual assaults each year, which will be reduced substantially by the adoption of iuvo and the PRO(TECH)T system. We recognize that the majority of assaults are acquaintance incidents; our band can be extremely effective in such circumstances. The accuracy of the GPS would give campus police locational precision when intervening. The ease and comfort in wearing the bracelet will facilitate continual wear by individuals.

Wearing iuvo will provide students with a greater feeling of safety and security knowing that they can always reach someone in case of emergency. This freedom from fear will allow students to focus on their academics as well as on their social lives in a healthy and productive manner, allowing them to ultimately get so much more from their college experience. It would be disingenuous and myopic not to recognize that the initial product will be open to the complaint that it puts the burden of action on the potential victim. We also believe it would be equally shallow not to acknowledge a current reality while planning for a future eventuality.

We also understand that the real way to stop sexual assault permanently is to develop educational programs at a young age that eradicate rape culture. This is, however, also an incremental societal educational effort that must reach across

educational institutions, social media, visual arts and commercialization, and even political messaging to teach individuals not to rape, instead of how not to be raped, which is the current societal norm. We will invest a portion of our income into such educational programs.

There are multiple methods to measure the effectiveness of iuvo. We will analyze the number of emergency alerts issued as well as the number of reported assaults. We predict that the number of emergency alerts will increase but the number of reported sexual assaults will decrease which would show that students are able to request help before they are subjected to trauma. We will also collect statistical analysis of the most common situational uses of iuvo. Furthermore, steps will be taken to measure the disciplinary action taken against those perpetrating or attempting to perpetrate the crime. Most importantly, we will collect detailed user reports to measure ease of use and effectiveness so we can best fulfill our social mission.

If even one sexual assault is prevented by iuvo we are making a difference in the quality of human life. We are confident that with the ease and convenience of wearing this bracelet, it will be readily available whenever needed. It is time to stop allowing 20% of women and 3% of men to be sexually assaulted during their time in college. It is time that schools become more proactive in their methods of preventing sexual assault and handle it responsibly. It is time to stop the clock on sexual assault, which occurs on a college campus every 21 hours. PRO(TECH)T, LLC. is the first step in reducing college sexual assault and restoring a feeling of comfort and security to both women and men during their time at school.

	Pre-Sales	Year 1 of Sales	Year 2 of Sales	Year 3 of Sales
Sales				
Sales	\$0	\$4,687,500	\$12,375,000	\$23,250,000
Recurring Data Charge	\$0	\$4,687,500	\$12,375,000	\$23,250,000
Total Sales	\$0	\$9,375,000	\$24,750,000	\$46,500,000
Materials and Labor	\$500	\$1,600,000	\$4,200,000	\$9,300,000
Total Cost of Goods Sold	\$500	\$1,600,000	\$4,200,000	\$9,300,000
Gross Profit	\$(500)	\$7,775,000	\$20,550,000	\$37,200,000
Operating Expenses				
Research and Development	\$300,000	\$10,000	\$25,000	\$25,000
Platform Development	\$150,000	\$0	\$0	\$0
Data Space Cost	\$15	\$1,000	\$3,000	\$5,000
Distribution Cost	\$1,000	\$388,750	\$1,027,500	\$1,860,000
Salaries	\$50,000	\$100,000	\$150,000	\$400,000
Payroll Taxes	\$6,000	\$12,000	\$18,000	\$48,000
Rent	\$0	\$18,000	\$18,000	\$18,000
Utilities	\$0	\$1,500	\$1,500	\$1,500
Repairs and Maintenance	\$5,000	\$25,000	\$20,000	\$15,000
Travel	\$5,000	\$10,000	\$7,000	\$9,000
Telephone	\$1,800	\$1,800	\$1,800	\$1,800
Postage	\$200	\$500	\$750	\$1,000
Office Supplies	\$1,000	\$7,000	\$5,000	\$1,000
Marketing	\$10,000	\$25,000	\$20,000	\$20,000
Professional Fees	\$2,000	\$2,000	\$2,000	\$2,000
Insurance	\$3,000	\$5,000	\$7,000	\$10,000
Attorney Fees	\$26,700	\$30,000	\$20,000	\$20,000
Total Expenses	\$560,715	\$637,550	\$1,326,550	\$2,437,300
Income Before Taxes	\$(560,715)	\$7,137,450	\$19,243,450	\$34,762,700