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Elevate Executive Summary

BUSINESS SUMMARY

Environmental and Corporate Sustainability is one of the most critical issues in the world right now, specifically within GenX and upcoming generations, with an enormous market craving high efficiency, environmental-friendly lighting and décor.

Advances in LED lighting technology make them the premier lighting option. Compared to the traditional lightbulb they have the longest light span typically ranging from 35-50K hours, are the most energy efficient (only takes 6 watts compared to the traditional lightbulbs 40 watts) and are the safest and most reliable form of lighting.

By choosing Elevate Sound Cloud your choosing a company founded on the principle that our customers do not have to trade quality for sustainability. We are tapping into an industry that is easy to market with a nationwide boom in e-commerce and social media marketing.

An Elevate Speaker Cloud is the total solution to anyone looking to elevate their living experience, without putting a dent in their pockets and causing harm to the environment. Our customers stunning décor without compromising sustainability.

Our founder and owner, Dexter Leon Law Jr., has over 2 years of experience with social media marketing and business development and history success in small family business. He's gained a small paint business over 270 new customers in the past year by rolling out the online-platform, and even has won a contract developing alumni engagement software for a non-profit.

PRODUCT DESCRIPTION

The Interactive Cumulus Speaker Cloud is all about bring harmony and luminescence into our consumer's space. Our 20" x 20" x 22" inch cloud-shaped multi-color LED speaker lamp that will elevate any room in your home. The light-weight system overs seamlessly from the ceiling on a metal binder wirer. It comes with a remote, and app control capabilities, that powers the LED lights. The LED lights themselves feature 12+ different light and color combinations, and the ability to sync to any song. The lights themselves are powered by a battery pack requiring 4 AA batteries, which is stored in the hollow center. The powerful rechargeable Bluetooth speaker is also mounted the center of Cumulus. It also comes with a screw-hook and instruction for easy assembly and installation. The entire system weights about 80 Ounces without the binder wire. The binder wire is meant to be cut and fit to the consumers choice.

PROBLEM STATEMENT: *What problem am I trying to fix?*

I am a 20-year-old undergraduate computer engineer with a niche for designing, developing, creating with unquestionable persistence and curiosity. I am trying to create affordable, awe-inspiring, draw-dropping room décor tailored to pique the interest of any self-proclaimed interior designer. There are billions of people looking for new ways to make to express themselves via their room décor and make their space truly theirs, while simultaneously being environmentally conscience by offering sustainable option. This makes me feel accomplished and is a great way for me to give back to our mother earth.

BUSINESS MODEL: Description of business model

Value Proposition: Elevate Sound Cloud will utilize a one-for-one business model where a portion of the profits from each sale will go to a Charitable Donations supporting the environment sustainability.

Our product uses powerful LED lights to power it that has been scientifically proven to be the most luminescent, sustainable, and long-lasting lighting option. Our captivating and cozy hand-made cloud lamps are forward thinking with remote and app-controlled capabilities and the ability to sync to the sound of any beat. We also offer a powerful blue-tooth speaker, and light-weight seamless design, that our competitors don't have.

Target Market: Our target audience are primarily 7- to 22- year old's who are extremely trendy, creative, and active on various social media platforms like Tok-tok, Instagram, Twitter, etc.

Cost Structure: The pricing strategy that is recommended for this product is one of the lowest in its class. My target market and retail construction are price sensitive. The materials per Cumulus cost roughly \$31.26 including the packaging and materials needed to ship the cloud. We will charge \$220 per Cumulus with \$5 going off each order being donated to charity. That's \$115 profit per cloud. The only recurring cost are 33\$ month to host the online store and to host the domain name and \$0.33 per purchase to collect payment via our online site. My personal goal is to sell at least 240 clouds a year, which will bring in \$36,000 a year and require 20 hours a week (for one person to operate).

TARGET MARKET: Describe target market and size

Elevates target audience is the 7- to 20-year-old male or female. They are urban-dwelling and span across several income-levels. We supply lighting and sound solutions in the home décor and lighting market. Our product is made using the best quality materials, and employee the latest LED technology, which our customers value. We penetrate the illumination market and replace standard light fixtures and speakers.

CUSTOMER BASE: Current and potential

My customers are young and cheerful and harbor creative-innovative mindsets. They value sustainability, simplicity and experience, with a serene and joyous outlook on life. They love technology and are active on social medias like Instagram, Facebook, Twitter, and Snapchat. They are connected with the world and often hopping from trend to trend. They fun do-it-yourself projects, arts and crafts, and are inspired by nature.

LEADERSHIP: Description of team/operations

My business, as it stands right now, is a lifestyle business; Run by one person and utilizes freelance work to oversee some operations. I only hire additional personnel as needed and utilize trusted third-party marketing and shipping services for the lowest possible cost. My business requires very little start-up funds with the possibility for a high return on my investment. It allows me to have full creative control over my business and maximize revenue. I am growth-focused and will expand as the demand for my product rises.

It's takes me an hour to construct and prepare each cloud for shipping. Assuming I start work part-time meaning 4 hours a day, I can produce 240 clouds a year and bringing in \$36,000 in total revenue.

Day to day operations can be categorized into the following:

1. *Manufacture/Shipping:* Constructing clouds, creating shipping labels, gathering materials, shipping product, tracking shipments, focus on sourcing sustainable materials, sustainable packaging
2. *Marketing/Advertisements:* Tracking engagements/marketing analytics, drafting marketing advisements flyers and social media post, stocking up on materials, passing out hand flyers, actively sourcing for HARO interviews, collaborations, influencer promotions, and small business events and opportunities in local communities, creating marketing materials (videos, posters, flyers, commercials)
3. *Customer engagement:* Ensuring charitable funds get distributed, getting customer reviews, creating customer coupon codes, influencer discount codes/partnerships

TIMELINE/STEPS: Description of launch plan/product roadmap

PHASE I - IDEATION

This phase includes but is not limited to; Product ideation (choosing materials, choosing features, sourcing and gathering materials and their alternatives), competitor research to set price-point, market sounding, secure a domain for the website, setting up social media accounts, and business phone number/email address

PHASE II - CONCEPT

This phase includes but is not limited to; Creating prototype, calculating demand for the product, creating initial marketing campaign plans, begin brand development efforts (logos, slogan, merchandise), getting found on google and setting up AdWords, design the website, choose mail service, choose packaging

PHASE III - TESTING

This phase includes but is not limited to; Gather data like durability, functionality, and fashion from beta testers, analyzing the brand name, and campaign planning strategies, optimizing the landing page, dry-run order process.

PHASE IV - RELEASE

This phase includes but is not limited to; Continuous product testing (reiterate, optimize, and finalize), open pre-order, release marketing campaign, preparing for retail launch, creating a the press release, developing full campaign strategy (look for HARO opportunities, reaching out to influencers, create contest and giveaway's, building the press-kit, affiliate programs, and referral opportunities), creating marketing materials (videos, flyers, advertisements)

USE OF FUNDS: Breakdown of investment

Ask: \$10,000

50% Product Development: \$5,000 will be used for raw materials. This is enough funds to make 159 20" cumulus and will bring in a \$38,188 in revenue at a price point of \$220.

30% Marketing: \$3000 will be used for marketing and promotional materials like videos, commercials, and social media advertisements. Our target audience is extremely active on social media, so It's essential time and money is invested into developing a strong and strategic social media marketing plan. This includes but is not limited to, flyers, posters, promotional videos, and advertisement material

15% Wages: \$1500 will be used to pay workers as we get an increase demand in sales beyond what I can supply myself. This is enough to pay 1 worker(myself) \$12 an hour for the 159 clouds.

5% Operational Cost: 500 will be used to fund the website and domain. I also plan to get my product set-up on amazon marketplace, and several start-up websites and blogs.

APPENDIX A – EXPENSE REPORT

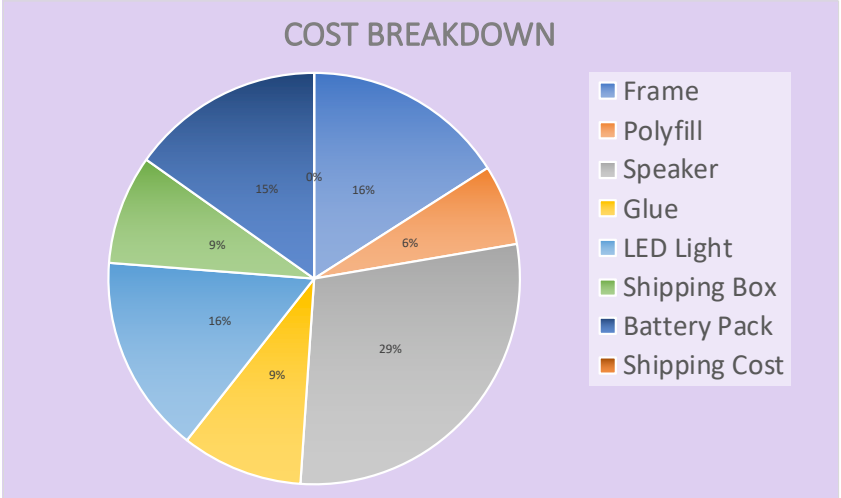
***Assuming we produce and sell 30 cumulus a month*

COST PER CUMULUS					
MATERIAL	COST PER UNIT	TOTAL PRICE	TOTAL QUANTITY	UNITS REQUIRED PER LAMP	WEIGHT PER UNIT (oz)
Frame	4.99	4.99	1	1	3
Polyfill	1.98	26.44	160	12	12
Speaker	8.99	8.99	1	1	4.4
Glue	2.99	5.97	1	0.5	20.8
LED Light	4.88	4.88	1	1	1.6
Shipping Box	2.69	26.85	10	1	28.8
Battery Pack	4.75	18.99	4	1	5
Shipping Cost	0.00	9.00	1	1	1
TOTAL COST	31.26	106.11	179.00	18.50	76.60

COST PER CUMULUS						
MATERIAL	SUPPLIER	BUY HERE	POLT (BY MAIL)	POLT (PICKUP)	NEARESTY PICKUP LOCATION	NOTES
Frame	Ikea	ClickHere	14 Days	2.5 Hours	7810 Katy Fwy, Houston, TX 77024	
Polyfill	Walmart	ClickHere	2 Days	Same Day	643 N Harvey Mitchell Pkwy, Bryan, TX 77807	
Speaker	Walmart	ClickHere	12 Days	N/A	N/A	
Glue	Walmart	ClickHere	1 Day	Same Day	643 N Harvey Mitchell Pkwy, Bryan, TX 77807	
LED Light	Walmart	ClickHere	7 Days	Same Day + 5\$	643 N Harvey Mitchell Pkwy, Bryan, TX 77807	
Shipping Box	Home Depot	ClickHere	14 Days	14 Days	1615 University Dr East #6559 College Station, TX	
Battery Pack	Amazon	ClickHere	1 Day	N/A	N/A	
Shipping Cost	EasyPost	ClickHere	N/A	N/A	N/A	~\$9 for USPS Priority ~\$33 for USPS in US
TOTAL COST						

FIXED COST		
ITEM	FREQUENCY	COST
Wix Business Site	Yearly	\$142
GoDaddy	Yearly	\$12.16
TOTAL COST (Yearly)	154.16	
TOTAL COST (Monthly)	12.85	

PRODUCT	PRICE PER ITEM	MATERIALS	LABOR	PROFIT
CUMULUS	220	31.26	12	176.74



APPENDEIX B – CASH FLOW PROJECTIONS

***Assuming we produce and sell 30 cumulus a month*

CASH FLOW PROJECTIONS	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
CASH REVENUE												
Revenue from Product Sales	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00	6,600.00
Investments												
TOTAL CASH REVENUES	6600	6600	6600	6600	6600	6600	6600	6600	6600	6600	6600	6600
CASH DISBURSEMENTS												
Cash Payments to Trade Suppliers	937.82	937.82	937.82	937.82	937.82	937.82	937.82	937.82	937.82	937.82	937.82	937.82
Promotion Expense Paid	75	75	75	75	75	75	75	75	75	75	75	75
Salaries and Wages	360	360	360	360	360	360	360	360	360	360	360	360
Website Fees	33	33	33	33	33	33	33	33	33	33	33	33
TOTAL CASH DISBURSEMENTS (with wages)	1,405.82	1405.815	1405.815	1405.815	1405.815	1405.815	1405.815	1405.815	1405.815	1405.815	1405.815	1405.815
TOTAL CASH DISBURSEMENTS (without wages)	1,045.82	1045.815	1045.815	1045.815	1045.815	1045.815	1045.815	1045.815	1045.815	1045.815	1045.815	1045.815
CASH FLOW (without wages)												
OPENING CASH BALANCE	0	5554.185	11108.37	16662.56	22216.74	27770.93	33325.11	38879.3	44433.48	49987.67	55541.85	61096.04
CLOSING CASH BALANCE	5554.185	11108.37	16662.56	22216.74	27770.93	33325.11	38879.3	44433.48	49987.67	55541.85	61096.04	66650.22
CASH FLOW (with wages)												
OPENING CASH BALANCE	0	5194.185	10388.37	15582.56	20776.74	25970.93	31165.11	36359.3	41553.48	46747.67	51941.85	57136.04
CLOSING CASH BALANCE	5194.185	10388.37	15582.56	20776.74	25970.93	31165.11	36359.3	41553.48	46747.67	51941.85	57136.04	62330.22

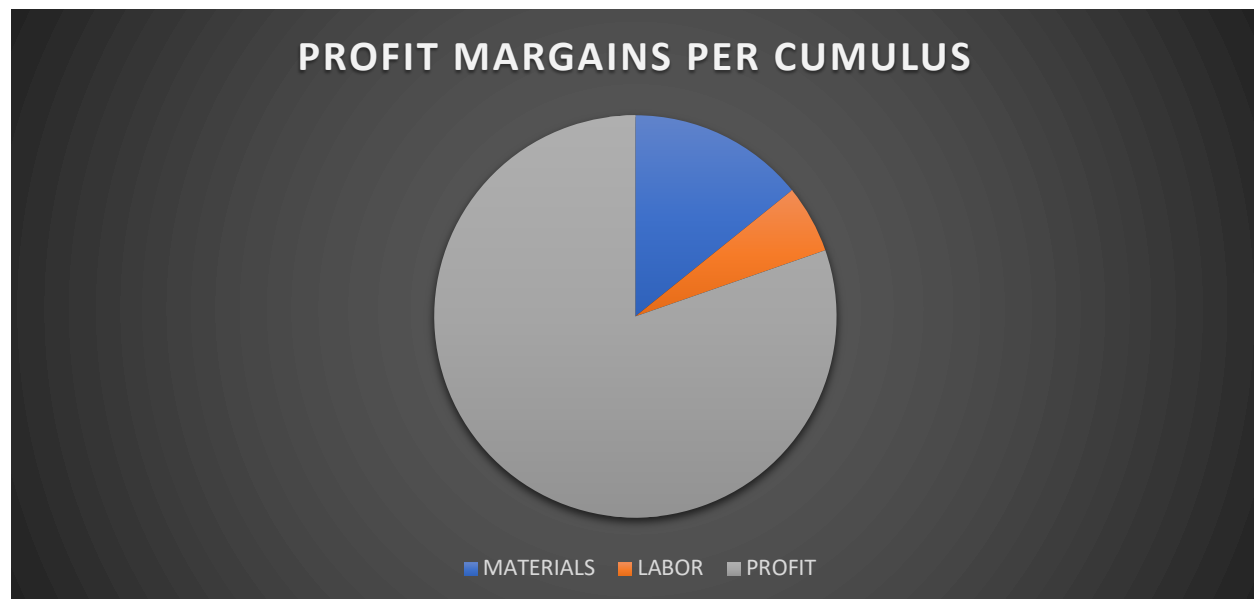
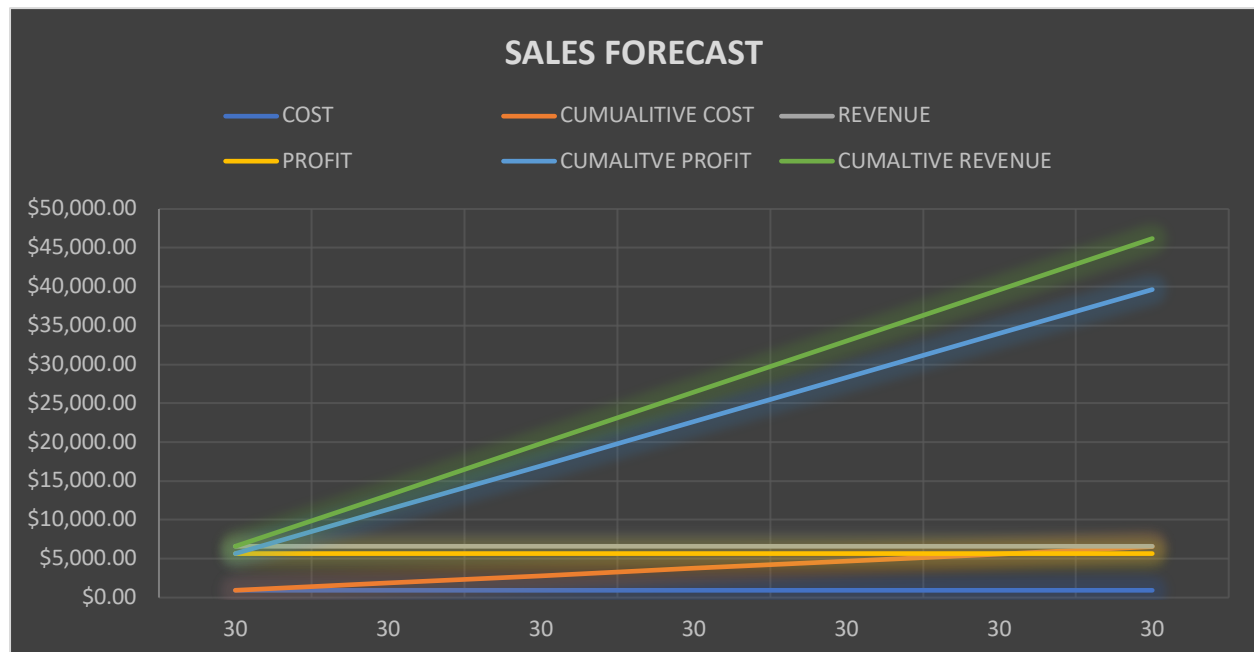
****Assuming we produce and sell 30 cumulus a month**

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APPENDIX D – BREAKEVEN ANALYSIS

***Assuming we produce and sell 30 cumulus a month*

MONTH	NUMBER OF SALES	COST	CUMULATIVE COST	REVENUE	PROFIT	CUMULATIVE PROFIT	CUMULATIVE REVENUE
Apr-2021	30	\$937.82	\$937.82	\$6,600.00	\$5,662.19	\$5,662.19	\$6,600.00
May-2021	30	\$937.82	\$1,875.63	\$6,600.00	\$5,662.19	\$11,324.37	\$13,200.00
Jun-2021	30	\$937.82	\$2,813.45	\$6,600.00	\$5,662.19	\$16,986.56	\$19,800.00
Jul-2021	30	\$937.82	\$3,751.26	\$6,600.00	\$5,662.19	\$22,648.74	\$26,400.00
Aug-2021	30	\$937.82	\$4,689.08	\$6,600.00	\$5,662.19	\$28,310.93	\$33,000.00
Sep-2021	30	\$937.82	\$5,626.89	\$6,600.00	\$5,662.19	\$33,973.11	\$39,600.00
Oct-2021	30	\$937.82	\$6,564.71	\$6,600.00	\$5,662.19	\$39,635.30	\$46,200.00
Nov-2021	30	\$937.82	\$7,502.52	\$6,600.00	\$5,662.19	\$45,297.48	\$52,800.00
Dec-2021	30	\$937.82	\$8,440.34	\$6,600.00	\$5,662.19	\$50,959.67	\$59,400.00
Jan-2022	30	\$937.82	\$9,378.15	\$6,600.00	\$5,662.19	\$56,621.85	\$66,000.00
Feb-2022	30	\$937.82	\$10,315.97	\$6,600.00	\$5,662.19	\$62,284.04	\$72,600.00
Mar-2022	30	\$937.82	\$11,253.78	\$6,600.00	\$5,662.19	\$67,946.22	\$79,200.00



APPENDIX E – PRODUCT PHOTO

