

2017

Hemp & Company



aligned with nature

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Hemp & Company

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Executive Summary

Hemp & Company is a Canadian clothing company that brings natural to the light. All our products are made 100% from organic fibers, both the consumers and the environment thank us.

Hemp & Company offers a wide variety of items including both men and women's stylish and active wear as well as body care products. With 17 years of experience, Hemp & Company has perfected the comfort, style and durability of the eco-fashion industry.

Hemp & Company is looking to expand their clothing line into more stores in the United States, because of the huge success they have had in the U.S. market in recent years. With 1.5 million in net sales last year (2016), Hemp & Company is on track to net 2 million this year, we are confident these numbers will continue to grow and at a faster rate if partnered with a big company, such as Nordstrom. We would love to be selling in at least 15 Nordstrom's by the start of 2018, and are certain it would be ideal for both companies.

Needs Gap

Hemp & Company recognizes that Nordstrom has done very well in the fashion and retail industry, carrying hundreds of different brands in their stores and online. Many of these brands are well-known and respected in the fashion industry for their unique designs and luxurious styles. Nordstrom continues to add and change the brands that are sold in their stores, and Hemp & Company is the diversity that could drive new customers into the stores and drive up sales. Hemp & Company will fit well with the current brands being sold, such as Adidas, Obey, Kendall & Kylie and more, because of the similar target demographics these brands attract; although we also see a gap in the brands being sold. Hemp & Company sees that we have a lot of similarities to these current brands, but also recognizes that we are a brand like no other that Nordstrom carries. The current brands offered at Nordstrom are all very similar, where customers may not be shopping for a brand but are shopping because of the similar styles offered. Hemp & Company wants to be the reason people come to Nordstrom, to try on a new type of clothing they have never seen, felt or worn before, clothing made from hemp. Environmental concerns are in a lot of consumers' minds, but there aren't many clothing lines that can provide them with the satisfaction of wearing organic, fair-trade fabrics. Hemp & Company is the company that can guarantee customers that they are wearing natural fabrics, that will last longer and won't harm the planet while being made.

What Is Hemp?

Hemp is made from the cannabis sativa crop, which is used to create textiles and natural fabrics. Hemp has been used to make clothes for centuries because of its ability to grow in almost any environment. Hemp is the most durable of natural fibers, because of its strength and resistance to weather. Hemp is environmentally friendly, as it requires no pesticides and needs very little water. It also renews the soil with each growth which naturally prevents erosion and helps retain top soil, much unlike the process of growing cotton.

Advantages of hemp clothing:

- **STRONG:** Hemp fiber is four times stronger than cotton.
- **VERSATILE:** Hemp is easily blended with other organic fabrics, to create different textures and fabrics.
- **WEATHER RESISTANT:** Hemp is UV and mold resistant due to its strong fibers.
- **COST- EFFICIENT:** Hemp uses little water and land to grow and requires no pesticides, making it the least expensive fiber to farm.
- **ECO-FRIENDLY:** Hemp has the lowest ecological footprint compared to any other fibers

Competitors

Hemp made clothing and organic fabrics are very popular in other countries. Hemp hasn't taken off yet in the U.S. market, although there is a growing demand for natural and organic products. Hemp made clothing seems to be more accessible to U.S. consumers online than in stores, which can be difficult for companies because of consumers desire to feel and see the clothing before purchasing. Some competitors for Hemp made clothing are Hemp Authority, Rawganique and Earth Creations. These companies all have an online presence, although it is uncertain if they have clothing lines available brick and mortar. These hemp clothing lines are also very limited in selection and style, while Hemp & Company prides itself in creating up-to-date fashions for men and women.

Value Proposition

Hemp & Company offers an entire clothing line of hemp made clothing as well as mixed fabrics which include organic grown cottons and organic dyes that are not harmful to the Earth's environment. Hemp & Company clothing lasts much longer than classic cotton made clothing, but is still reasonably priced, so that a wide-range of customers can afford to wear natural fabrics. Our clothes are water resistant and UV resistant so it can be worn on the beach and act as a protectant to the sun's harmful rays.

The hemp-made clothing industry is growing annually at 20% a year, and the time to get into it is now. Hemp is a material that has been around for centuries but is growing slowly in the U.S., and is ready to explode. Hemp is not only better for the environment, it's better for the consumer. The material is long lasting, warm and strong; opposed to standard cottons that will stretch and rip after just a few hours of wearing. Hemp is also a great UV ray blocker, while cotton and other materials do very little to block out the sun, which can be harmful to consumers. Additionally, hemp is naturally resistant to bacteria and mold, making the crop more resistant to pests, as well as customers happier that they don't have to throw out their clothes after every rainy soccer game or trip to the beach. This reduces risk for the companies selling hemp products as well as reduces consumers risk of clothing growing harmful bacteria's and mold. Finally, the cost is lower because hemp doesn't need pesticides and fertilizers to help it grow like cotton does. As well as the decreased amount of water and land needed for the crop to grow on. These great advantages add value to the product which makes it's versatile and easily marketable.

Pricing

The clothing will sell at similar prices as other brands selling similar clothing, such as active wear, comfortable fashion and street wear. A basic women's white tee will go for \$19.99 and up, and will cost you \$6 to produce and ship to the store. Similarly, a pair of women's jeans will sell for \$59.99 and up, which is very competitive, as many brands are selling jeans for more than \$100. Jeans cost \$12 to produce and ship which will be an even larger return on investment compared to the smaller items. We can also reduce production costs by buying in large quantities. We would need to keep our brand name on the items, and the pricing would need to be within the range we agree on, like the prices stated earlier. We can provide all the services including creating and designing the clothes as well as shipment. Although your staff would need to set up the clothing, keep the shelves and racks neat.

Conclusion

I believe we can start a great partnership and Hemp & Company can provide you with a revolutionary change to rise above your competition. Together we can drive more customers and greater revenues in an industry that has continued to grow, year after year.