

Slip & Set Event Covers

- **Brief Overview:**

- Our company Slip & Set produces event covers that are universally designed to fit restaurant grade glassware racks as that is where the original dimensions for the event cover came from. However due to the fact that the cover is made to be expandable the cover is also suitable for other various box shaped items. Our product is an expandable fabric (think: a fitted bedsheet for smaller box shaped items); our product is designed for the purpose of providing efficiency, functionality, and visual appeal to various forms of elevation used on buffets, or at conventions, banquets, and other events with the hospitality industry.
- Slip & Set LLC
 - Owned and operated by Tyler Thomas Dick
 - Limited Liability Corporation offering a product for the Hospitality Industry
 - Currently in Start-Up Phase
- How reasonable:
 - Our Product is reasonable because it will pay for itself after about 6 uses.
 - * “About 6 uses” dependent linen costs being variable per company. *
 - From surveying people within the industry there seems to be a genuine need for our product.
- How sustainable:
 - Our product is made from 100% polyester. Polyester typically holds up better than other fabrics such as cotton, or twill, is easily cleaned, and maintains color well even after daily wear and tear.
 - Our business has a large “possible” market, but for start-up purposes we will be focusing on the Orlando, FL area.
- How scalable:
 - Manufacturer is able to scale with increased demand
 - Due to research and development we have figured out a way of producing and distributing our product efficiently.

- **Market Analysis:**

- Is there a need?
 - A large majority of consumers asked within the industry agreed to the usefulness of the product.
- Target Market

- Our target market is very broad as it consists of larger hotel chains, casinos, country clubs, and convention centers alike. For start-up purposes, we will be focusing on the Orlando, FL industry. We feel that it is a good place to start as it is a popular tourist destination, as well as one of the top cities for meetings, and conventions.
 - Size and Growth of Market
 - According to www.ibisworld.com there are:
 - 10,793 Country Clubs in the U.S
 - Over 200,000 Hotels in the U.S
 - 255 Convention Centers reported in 2015
 - In dollars the market size of Country Clubs accumulates to a total of \$23 billion dollars, and is growing at a rate of 1.2% a year.
 - Hotels have a market size of 169 billion dollars with an annual growth rate of 4.3%.
 - Willingness to Pay:
 - Our consumers have a high willingness to pay for our product because our product pays for itself after about 6 uses, and consumers are currently spending \$1,000's of dollars in order to provide the same use as our cover via use of table cloth linens. After the cover pays for itself, it then becomes a depreciable asset to the company.
 - Our product is a quality product manufactured in the U.S.
 - Shorter shipping times to consumers within the U.S.
 - Lower consumer shipping costs
- **Product Analysis:**
 - Is it feasible?
 - Our product is feasible as we have a price per unit on how much it will cost to ship materials, manufacture, and package our product.
 - Can it be duplicated?
 - This is a complication that we have as right now our product is only enrolled under a provisional patent. There is a chance the product could be manufactured overseas at a cheaper price. However, we have the benefit of being able to say that our product is made in the U.S.
 - Potential Substitutes?
 - Currently the only substitutes known to us require the use of table linen to conceal underlying elevation, or using some other form of elevation that does not require a covering.

- **S.W.O.T Analysis:**

- Strengths:

- Currently the most efficient and cost effective solution to this problem
 - Product pays for itself after about 6 uses
 - Reusable
 - Easy to Keep, Store, and Maintain
 - Hope to offer a large selection of colors, and prints to our customers, as well as personalization
 - Low Start-Up Cost
 - Made in the U.S.A

- Weaknesses:

- Undetermined lifetime of our product as it has yet to be tested
 - Have to calculate if overhead costs will play a large role in the total cost of producing, and distributing our product
 - Unexpected Overhead Costs that may incur

Both of these however are learning curves in the larger scheme of the start-up of our business

- Opportunities:

- Broad target market with a possible reach of over 211,000 potential customers.
 - Possibility of reaching markets beyond that of the Hospitality Industry
 - Possibility of lower prices on bulk orders
 - Specials on Holiday prints and patterns
 - Possibility of contracting with a large restaurant supply company
 - Product on website and/or catalog
 - Clientele already provided
 - Ease of distribution
 - Sole Ownership
 - No employees
 - Licensing the product out to a larger company

- Threats:

- Possibility of being manufactured and distributed elsewhere at a lower cost.
 - Overhead costs during the start-up phase may potentially become a threat if financial projects are not met
 - We will need to purchase design or utility patent when our provisional patent expires

- **Competition:**

- Current Competitors:
 - Those within our target market that continue using table cloth linen to provide the same service as our event covers
- Potential Competitors:
 - Those business's abroad that are able to manufacture and produce at rate that would compete with our product.
- Competitive Response:
 - Businesses will try to find loop holes in the patent in order to produce mass quantities at a cheaper rate. Businesses will respond this way after the company leaves its startup phase, and demand starts to rapidly increase.
 - Businesses abroad will try to produce at a cheaper rate as there is only a provisional patent within the borders of the U.S
- **Marketing Strategy: How sales will be achieved.**
 - How realistically defined is the marketing plan?
 - For the start-up stage of our company, our marketing plan will consist of mostly door to door marketing, as we need to build a consumer profile, and the best way to reach the customer is face-to-face. We need to survey and figure out the most efficient way to relay information to our customers whether it be e-mail, social media, telephone, etc. We will start locally within the Orlando area, and build upon our target market. Thus far we have reached out to the country clubs in Orlando (i.e. Country Club of Orlando, Interlachen Country Club, Rio Pinar, etc.). All have expressed a genuine need for our product, and so far e-mail seems like the best route for marketing our product. We also need to create a user-friendly website for our consumers to order, and purchase our products.
 - The 4 P's:
 - Price: \$23.00
 - Our product pays for itself after approximately 6 uses.
 - Opening a business bank account so money can be made out to the company
 - Merchant account to be opened for use of credit cards, in which online payments will be accepted via PayPal.
 - QuickBooks will be used for accounting purposes
 - Product:
 - Our product solves a problem within the hospitality industry
 - After a few uses, product becomes a depreciable asset to the company
 - Is reusable
 - Is more efficient than current methods

- Made in the U.S.A
 - Place:
 - Company based out of Orlando, FL
 - Website based company
 - Easy to access
 - Easy to pay
 - Promotion:
 - E-mail Blasts
 - Door-to-Door Marketing
 - Possibility of special offers on bulk orders
 - To what extent are resources sufficiently allocated for marketing:
 - Our logo, website, and door-to-door marketing will be created and carried out by us.
- **Operations:**
 - What is the likelihood of securing resources required for production?
 - Resources for our product have already been secured, and prototypes have been made.
 - Carr Textiles – Fenton, MI
 - Providing Fabric
 - In good relation with our manufacturer
 - EKL Fashion – Orlando, FL
 - Manufacturing our product
 - Amazon.com
 - Packaging will be purchased through Amazon
 - Cellophane wrapper with adhesive seal
 - Logo will be designed by Slip & Set, and placed once packaged
 - To what extent is there an ability to operate competitively and grow?
 - Due to the fact that our product is first to market it has no known competition in regards to there being “something comparable,” and that it’s only noteworthy competition is companies abroad as the patent is only applied in the U.S, we are definitely able to operate competitively. As for growth, at first our company will grow substantially due to the need for our product which is completely new to the market, and although the growth rate may begin to level off for a period of time, it will begin to rise again when new prints, and patterns are offered, as well as when covers need replacement.

- **Finances:**

- To what extent have the resources required for the venture been addressed?
 - Resources for our product have already been contacted, and prototypes have already been manufactured. Fabric for our product will come for Carr Textiles based out of Missouri. For the initial launch of the product we will be investing in 200 yards of their Presidential Poplin fabric (100 % Spun Polyester). We would be purchasing 100 yards in Black, and 100 yards in White. Each roll will produce 78 covers, for a total of 156. Carr Textiles is in good relations with the manufacturer of our product: EKL Fashion. EKL is a family owned company based out of Orlando, FL. EKL Fashion will be charging us \$3.50 to manufacture one cover, elastic band included, and as our output increases our price on both materials, and manufacturing will decrease.

- Break-Even Analysis:

- Although the 200 yards of fabric that we will be purchasing produces a total of 156 covers, for start-up purposes we will only be producing 100 covers on the first run.
- Considering:
 - For Fabric: \$3.97 per unit
 - For Shipping: \$0.65 per unit
 - For Manufacturing: \$3.50 per unit
 - For Packaging: \$0.10 per unit

----- Total: \$8.22 per unit
 X 100 covers for 1st run
 Total: -----
 \$822.00 to produce 1st 100 covers

Please note we are figuring \$1,000 for total start-up costs.

- Price: \$23.00 per unit
- Fixed Costs: \$822.00 for 100 units
- Variable Costs:
 - \$1,000.00 estimated for start-up costs
 - \$822.00 fixed costs for 100 units

Total: -----

\$178.00 for Variable Costs

- \$178.00/100 units = \$1.78 variable costs per unit

- Break-Even = Fixed Costs/ (Price – Variable Cost Per Unit)
 - \$822.00/(\$23.00 - \$1.78)

- \$822.00/\$21.22
- Break-Even (for 100 units) = 38.7370405
 - **OR**: 39 covers

- How reasonable are the financial projections?
 - Projections are based on very small growth
 - 1 Year Projections:

Sales Forecast - Covers											
Slip & Set Covers Financial Support - Prepared Jan 2017											
	Month	Units Sold	Cost Per Unit	Sell Price	Revenue	Gross Profit	Gross Profit %				
Y E A R 1	Jan	15	\$8.22	\$23.00	\$345.00	\$221.70	64%				
	Feb	20	\$8.22	\$23.00	\$460.00	\$295.60	64%				
	Mar	25	\$8.22	\$23.00	\$575.00	\$369.50	64%				
	Apr	30	\$8.22	\$23.00	\$690.00	\$443.40	64%				
	May	35	\$8.22	\$23.00	\$805.00	\$517.30	64%				
	Jun	40	\$8.22	\$23.00	\$920.00	\$591.20	64%				
	Jul	45	\$8.22	\$23.00	\$1,035.00	\$665.10	64%				
	Aug	50	\$8.22	\$23.00	\$1,150.00	\$739.00	64%				
	Sep	55	\$8.22	\$23.00	\$1,265.00	\$812.90	64%				
	Oct	60	\$8.22	\$23.00	\$1,380.00	\$886.80	64%				
	Nov	70	\$8.22	\$23.00	\$1,610.00	\$1,034.60	64%	Total Gross Profit	Total Revenue		
	Dec	80	\$8.22	\$23.00	\$1,840.00	\$1,182.40	64%	\$7,759.50	\$12,075.00		

- To what extent are there prospects for long-term profitability?
 - As the company grows, clientele will follow, as will profits

- **Investment Proposal:**

- Self-funded
 - Possibility of loans if large purchase orders are received

- Exit strategy:

- To license to a large company

While we still have a bit of research to do, and finer details to investigate, we both feel that we definitely have a solid foot in the door. We would be honored to have a place in this competition.

We appreciate both your time and your consideration.

