

Secure Chirp

2020- 2021

JA of Greater Washington

@ Howard University



EXECUTIVE SUMMARY

Logo and Mission



We aim to protect and defend our customers from the danger they may face in their daily lives. We pride ourselves on supporting our community so everyone can continue their journeys confidently.

The Product

The Chirper is a personal self-defense keychain that carries out two potentially life-saving functions. One, that creates a large, high volume noise that scares off any potential threats and two, connects to an app via Bluetooth to send an SOS signal to an emergency contact with just a touch of a button



Financial Summary

To summarize, Secure Chirp didn't receive the expected financial performance due to complications throughout this project. However, it happened to be a meaningful learning experience where the team and specifically the finance department grasped an understanding of how to calculate financial reports and budget. Even though we weren't able to physically sell our product, the team did calculate the amount of money we would have made had our situation been somewhat different. If we sold the 31 units customers had ordered, it would have been valued at \$667.92. The company also did receive a very kind \$60 in donation funds from our customers on our website. In total, the company could have had a total of \$727.92 as our total sales revenue but only made \$60. According to the estimated calculation, we would have needed at least 33 units sold in order to reach the break-evening point. Even though this project didn't go as planned, we all gained valuable knowledge and information from this process that we believe will be applied in the future. We're better business owners from it and can now use real-life finance skills whenever we need to.

Company Performance

In terms of results, our company performance was not as well as we hoped, but still, our team worked through our hardships with effort and hard work. Our team's numbers were cut short from the beginning due to several program dropouts, including both students and mentors. Regardless of our numbers, we pushed through and started our venture into developing the most innovative product in the JA program as a whole. After numerous setbacks due to problems with manufacturing and assembling a product internationally during a pandemic, we believed that with the time constraints of the program, we wouldn't have been able to deliver a quality product to our customers. So we decided to offer them a refund and use this extra time to find a way to bring this product to life.

FINANCIAL PERFORMANCE

SALES REVENUE (Hypothetical)

Number of keychains sold	31
Average Sale Price/Unit	\$20
Donate Fund From Squarespace website	\$60
Total Revenue	\$727.92

EXPENSES

COGS	\$650
Sale Tax (6%)	\$43.68
Total Expenses	\$693.67
Net Profit	\$34.25
Net Profit %	4,71%

BREAK-EVEN ANALYSIS

Break-even point	33 units
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CAPITALIZATION

Investor Investment	\$250
Secure Chirp Investment (12 members)	\$400
Total Investment	\$650

LIQUIDATION

Net Profit	\$34.25
Total Investment	\$650
Return on Investor	\$72.792
ROI%	10%
Return on Secure Chirp Investment	\$611.46
ROI %	152.86%

Overview

Unfortunately, our company could not sell our product due to an issue with manufacturing but were able to calculate statistics in terms of what profits would have looked like had we been successful. As far as the company's performance, we didn't actually have financial growth to present. Finding the proper manufacturing company that met our requirements proved extraordinarily challenging and caused complications in physically producing the final product. Hypothetically speaking, had our company sold 31 units of our product, it would have been worth \$667.92. However, we did receive \$60 as donation funds from our customers on our website. In total, the company could have had a total of \$727.92 as our total sales revenue. According to the estimated calculation, we would have needed at least 33 units sold in order to reach the break-evening point. Yet, thanks to our customers' genuine support as they supported us with donating funds, we've reached the break-evening point sooner than expected.

Capitalization and ROI

In order to capitalize the company, members of Secure Chirp would have invested a total amount of \$400, but since we didn't, there was no investment on our part. We had an investor that gave \$250 in turn for a 10% equity in the company. Based on Secure Chirp's hypothetical capital statement, our investor would have gotten \$72.79, while Secure Chirps members have been kept \$611.46 with an ROI of 152.86%. This financial breakdown of our investment return would have looked like under different circumstances is very promising. It shows that there is potential and promises for this company and product. As for the \$60 we received in donations, Secure Chirp will be donating that to an organization called "*My Sister's Place*," where they do work to prevent and save women from domestic violence. This organization has shown that it's a worthy cause, and even though Secure Chirp didn't sell its product, we feel donating to this group is still a mission.

SALES REVENUE

Number of keychains sold	0
Average Sale Price/Unit	\$20
Donate Fund From Squarespace website	\$60
Total Revenue	\$60

EXPENSES

COGS	\$0
Sale Tax (6%)	\$0
Total Expenses	\$0
Net Profit	\$0
Net Profit %	0%

BREAK-EVEN ANALYSIS

Break-even point	33 units
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CAPITALIZATION

Investor Investment	\$0
Secure Chirp Investment (12 members)	\$0
Total Investment	\$0

LIQUIDATION

Net Profit	\$0
Total Investment	\$0
Return on Investor	\$0
ROI%	10%
Return on Secure Chirp Investment	\$0
ROI %	0%

INNOVATION

The Problem

As we grow, we realize the need for self-defense and safety in today's world while also recognizing the duty we have to make the world a better place for the generations that will follow. Especially as a group of high school students in the DMV, we have seen these terrible consequences of failing to take precautions. Many studies showed that upwards of 50% of commuters felt unsafe or uneasy walking home alone at night. This number doesn't even begin to cover the numerous young adults in high schools and colleges worldwide that also fear the "what-ifs" they hear on the news every day.

Our Solution

We started Secure Chirp, a student-led, minority-owned company that focuses on protecting our customers from dangers they may face in their day-to-day lives. We created a product that would improve safety in our cities and safeguard clients by giving our customers the reassurance of security. The Chirper is a multi-functional security keychain that uses Bluetooth to connect a user with an emergency contact, so they will always be a button away from help. Our solution is quite unique and has never been on the market before, which requires us to code a completely new app and create a customized product to go with it as well.

MARKETING & SALES

Target Audience

Our target demographic is the commuters of America, especially those who live in metropolitan areas. We plan to primarily market towards students and adults between the ages of 13-28 that commute to school/work, run errands, or go out for social events on a daily basis. Still, this product can be used by every demographic for a variety of reasons like a safety device for children or a medical alert for senior citizens. We plan to further promote and market this usage of the product more as we grow our company.

Competitiveness

The Chirper is similar to our competitor's products in form and function where we make the same loud noise, but we stand out with our device's Bluetooth capabilities. Our product's ability to send SOS messages directly to an emergency contact's cellular device puts us at the market's forefront. Not only is our product innovation, but it is also relatively inexpensive to manufacture, giving us the edge over other companies.

Marketing Strategies

Our team has marketed on various platforms. The product's primary promotions are conducted on Instagram. We also have accounts on social media sites like Twitter, LinkedIn, and Youtube. We posted our commercial on our Instagram page and YouTube channel. In the future, we plan on using paid promotions on Instagram to reach a wider audience and even advertising using the traditional forms of media like TV. As we grow, we also hope to sell these products in stores and hope the notoriety of being on shelves will help with brand recognition and lead to more people buying the product.

Trade Show

At the JA 2021 Trade Show, we marketed our product to the show's attendants by promoting our brand through virtual live chat. We engaged directly with our customers in an open Q&A. In the end, we made over \$600 from customer preorders.

Pricing

The Chirper is priced at \$20. We charge \$1.99 to ship each product, and we incur \$7 of the shipping price into our own cost.

LEADERSHIP AND ORGANIZATION

At SecureChirp, leadership is a trait that all our employees learn and practice throughout our company meetings. We identified individuals to lead as the head of each group (i.e. finance, sales, marketing, etc.) by allowing the individuals who were interested in the position to perform a pitch for themselves. Then as a company, we voted for those we felt fit best. This process does not exempt leaders from being replaced if they are not fulfilling their duties in their respective groups, show a lack of performance, don't actively contribute, and are overly absent with no excuse. SecureChirp's leadership team are the ones that we refer to in terms of reporting; they are the ones reporting back to the CEO for their group's performance and assignments.

To motivate our employees, we ensure to allow every employee a chance to discuss their ideas. By giving our employees a space to speak and grow, they have a place to continue to grow, allowing them to understand they are always appreciated. In accordance, we complete team bonding exercises once every week. This allows for our team to take a breather and be more inclined to their work afterward.

To achieve company goals, we maximize the use of breaking into groups and coming back together to review our progress and what our next steps are. By breaking into groups, we can tackle multiple assignments as a whole; for example, one group drafts a pitch while the other group works on a commercial. This allows us to decide if either needs any changes or if they are clear to proceed with the subsequent phases by the end of the meeting. We use groups to ensure that everyone's voice is being heard and voiced on a personal level to avoid overlooking any of our valued employees. Since we are working hand-in-hand, we can closely evaluate each person to see who would fit best in certain positions. By meeting twice a week and having interpersonal communication, we can stay productive and keep each other responsible for assignments and deadlines.

LEARNING EXPERIENCES/FUTURE APPLICATION

If people never experience failure, we would never learn. SecureChirp has had its share of unexpected and unpredictable experiences that have, moving forward, shaped us for the better. During the few weeks, we lost around 15 team members and many mentors. This took a toll in the beginning stages as we had to replace their positions and make up for our lack of personnel. As being the smallest company, communication still stumped us at certain points. By working through both the loss of teammates and errors in communication, we came together as a team and discussed everything that was occurring, not leaving anyone in confusion. Coming together as a team ensured that we could listen to everyone's opinion, recognize our teammates' thoughts and doubts, and announce the following steps we will take as a whole. As time progresses, our communication has improved, and when things falter, we have the trust in each other that we will prevail.

These experiences were needed for us as a company to move forward. They have allowed us, as people, to overcome the barrier of the screen we are all looking at instead of seeing each other in person. With the difficulties surrounding our situations with the pandemic, we have challenged our obstacles, we have persisted through. We also know when it's time to hit the drawing board. As we take responsibility for our faults, we do not dwell on them. We process it and continue to push forward. These skills that our team has developed on a personal level will continue to benefit them as we move into times where we will be independent and responsible for our actions. Skills that we have sharpened, such as communication, we have also nonetheless acquired new skills. With new skills, we are also able to approach new situations with different and creative solutions. We value our team's critical thinking skills, and we also see the potential of our teammates to continue in pushing them forward as we will continue to grow as individuals, thanks to experiences and failures.