



Michelle Dunn
Making the Business Case for
Sustainability SD 7530 | Fall 2022

SewSaved

**A Sewing Repairs
Company**

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EXECUTIVE SUMMARY

General Company Description:

Here at SewSaved, we are a company focused on reducing the amount of apparel textile waste that is disposed, as 85% of all textiles end up in the dump annually. (Ariella, 28 Dazzling Fashion Industry Statistics [2022]: How Much Is The Fashion Industry Worth 2022). We are an apparel manufacturing company that takes garments that are in need of repair or a style upgrade and save them from the landfill through expert sewing techniques. By recycling or upcycling garments, we strive to make the apparel industry more sustainable.

Products And Services:

Here at SewSaved, we offer four main product offerings. 1) our “Send & Mend” offering to individual consumers who would like to have a garment upgraded or repaired, 2) our “Mobile Mend” traveling sewing van, that goes town to town across the country to repair garments instantly for our consumers, 3) Batch “Send & Mend” targeted towards retail stores to send large batches of garments in need of repair or dead stock needing an upgrade to be resold, and 4) our “Disassemble & Design” sustainable apparel consulting services, where we advise how to make an apparel brand more sustainable in their designs, supply chain, or general business operations.

Marketing Plan:

Our main competitors in this space will remain to be the fast fashion apparel companies. As long as there is still cheap clothing being produced in the market, it remains easy for consumers to simply dispose of their clothing and buy something new. Our other main competition in the sustainable apparel space, are companies that offer alternatives, such as apparel rentals.

We have identified two main target consumers one in the B2B space, and another in the B2C space. Our B2B customers are retail stores, such as thrift stores or boutique stores that lose dollars due to product that cannot sell, and apparel design firms who are in need of consulting services to become more sustainable in their operations. Our B2C customers are those who



have a sense of fashion but aim to be more sustainable. Therefore, recognize the importance of longevity when it comes to their apparel.

Our sustainable niche in this industry is provided by the use of our expert designers and sewers who can take an existing product, repurpose or recycle it, and turn it into something new. Our strategy to gain consumers is through clever marketing, we can show it is possible to be unique and fashionable, while also being more sustainably minded, and save money in the long run.

Operational Plan:

Part of our mission here at SewSaved, is to bring apparel production back to the US. With small scale repairs and production, it is much more feasible to do the work locally. This also allows the opportunity to bring green jobs to the US. We plan to operate under 3 main locations across the US, which allows for reduced carbon footprint in shipping. Orders can be placed via our website, or through an account manager. Our team will be made up of expert designers and sewers to carry out the main operations. As we receive products from the customer, our designers creatively come up with the repair or style upgrade, and our expert sewers execute these changes. We also will have staff to carry out other business operations such as sales, marketing, accounting, and IT.

Management And Organization:

SewSaved is run by its two founders, which own the company 45%, each. We are willing to have inventor ownership as needed for growth with available ownership of 10%.

Financial Plan:

Although the initial startup costs are high for this business, our projected sales numbers show that after 5-months, our business will be profitable.

Next Steps:

Therefore since we calculate the business to be profitable, we aim to implement this business idea and be fully operation by January 2024.





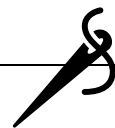
COMPANY DESCRIPTION

We are an organization that repairs garments for individual consumers, retailers, brands, and designers with a team of experienced sewers in all different types of apparel. We also offer the ability to disassemble garments, for the materials to be repurposed again.

Guiding Principles

Our guiding principle is the realization that there is too much apparel waste in the world. To reduce textile waste, we strive to create new green jobs locally within the garment industry by reusing materials rather than disposing of them. Fashion is still a unique expression of self, therefore we want the world to remain with creative expression, while also stepping lighter on this planet.

The Living Principles for Design framework is a catalyst for driving positive cultural change. Created by sustainability professionals working with the AIGA (a US national graphic arts industry group), the LP-Framework distills the four streams of sustainability — environment, people, economy, and culture — into a roadmap that is understandable, integrated, and most importantly, actionable.



THE LIVING PRINCIPLES: Four Streams Of Integrated Sustainability

GUIDING PRINCIPLES



Environment: Actions and issues that affect natural systems, including climate change, preservation, carbon footprint and restoration of natural resources.

- *We strive to lower our carbon footprint through the reduction of apparel and textile waste in the world.*



People: Actions and issues that affect all aspects of society, including poverty, violence, injustice, education, healthcare, safe housing, labor and human rights.

- *We strive to create new green jobs locally within our own country, lessening our reliance on overseas production.*
- *We strive to upskill our staff to learn a dying, yet still needed craft.*



Economy: Actions and issues that affect how people and organizations meet their basic needs, evolve and define economic success and growth.

- *We strive to create opportunities for the apparel industry to continue to make a profit year after year without the need to put more products out in the world that is intended to eventually be disposed of. An inherently non “green” industry due to the nature of trend, we create creative ways the industry to continue to thrive without ceasing to be.*



Culture: Actions and issues that affect how communities manifest identity, preserve and cultivate traditions, and develop belief systems and commonly accepted values.

- *We strive to remain empathetic to the self-expression that occurs through fashion, and embrace the creativity and artistic nature of this piece of culture.*
- *We strive to embrace the longevity of a garment knowing that there can be an emotional attachment to a garment that has so closely and aptly clothed an individual.*



Mission, Vision, Values, Goals

Mission Statement:

Our mission is to reduce the amount of apparel and textile waste that goes into the landfill, by creatively extending the life of garments that are already in the world.

Vision Statement:

Our vision is to offer creative products and unique services that demonstrates there can be a profitable industry and inspirational culture around fashion that values the life of a garment, is more cognizant of how and why products are disposed of, and appreciates materials remade into something new.

Values Statement:

We value being kinder to our planet and strengthening our local community through widescale change of creatively diverting less apparel and textile waste from the landfill. This requires those with great problem-solving skills therefore, we value and strive to foster strategic and creative thinkers, who constantly look outside of the box. Additionally, we highly value and provide opportunities for growth to skilled craftsmen with attention to the details, who put their heart and soul into every product they touch. The key to success in an industry-wide culture change calls for collaboration. Therefore, we value and continue to build our partnerships and customer relationships to see positive change for the future of the industry.

Goals and Objectives:

Goals:

- ❖ Be at the forefront of changing mindset of what it means to be “trendy” in the culture of fashion, while still with the consideration for individual personal expression.
- ❖ Be innovators and creatives in the field of repurposing textiles.



- ❖ Embrace emotional attachment to garments by providing opportunities for extended garment life.

Objectives:

- ❖ Divert 10% of all apparel and textile waste from landfills, therefore reducing the fashion industry's carbon footprint by 2025.
- ❖ Create 10% more "green" jobs in a more sustainability minded economy by 2025.
- ❖ Bring 10% of small scale production back to the US and reduce reliance on overseas production by 2025.
- ❖ Maintain annual profit growth opportunities to the apparel industry while also reducing carbon footprint.

Business Philosophy:

Our philosophy is that it is very possible to reduce the amount of apparel waste in the world by giving products a new life. Through fostering creative and innovative thinking among our internal teams and business partners, our business model can reduce waste, provide new job opportunities, while also creating a new type of cherished value to the consumer.

Industry Overview:

The apparel industry is saturated with cheap clothing for consumers to have new ways of expressing themselves through apparel. There is an opportunity to create long-lasting clothing that can be remade to be new and exciting again. There is also an opportunity to meet an individual's personal fulfillment through keeping intact the emotional attachment to beloved garments, rather than through more "stuff".

Market Segment Overview:

The vast majority of individuals do not know how to sew even simple repairs, as this has become a lost skill here in the US. Due to this general lack of knowledge, many consumers find it easier to dispose of their garments, rather than attempt to repair themselves. For companies,



there is a growing lack of resources available, causing material costs to continue to increase year after year. Reusing materials allows for cost saving measures for companies, as well as market differentiators to create something unique. Our business targets both B2B and B2C segments.

Company Strengths and Competencies:

Our core strength and competencies lie with our skilled sewers. Across all levels of apparel (outerwear, formal wear, vintage, etc.) they have the skills needed to make the garment beautiful and functional again. We have a skilled in-house design team to suggest creative ideas on how to make the garment new again. We also have the speed and efficiency to disassemble garments and save materials for future projects, which can be shared among clients. Therefore, we have a superior supply chain and logistics system to be able to accept textile waste, repurpose, and give back the new products to our customers.

Legal Form of Ownership:

We here at SewSaved are a Benefit-Corporation (B-Corp) as we believe that corporations have a responsibility to generate good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunities for all.

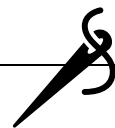
Products and Services

Here at SewSaved, we offer a few different services:

1. Individual consumer "Send & Mend". This is a case by case repair service for the individual. Pricing varies depending on complexity of garment repair.
2. The "Mobile Mend" traveling repair service. This is our mobile sewing van service that visits local areas, giving the ability to have consumers have repairs done immediately, or taken back to our facilities depending on the complexity of the repair.
3. Retail store batch "Send & Mend". This gives the ability for stores such as thrift stores to send large batch repairs in order to restock and resell products that would have otherwise been disposed of.



4. Brand “Disassemble & Design” services. This special service is to work with design brand directly to design products intended to be disassembled, and remade. Brands can choose from their own materials, or material share with other brands using this service to create “new” products from reused materials.



MARKETING PLAN

Here is an introduction to the SewSaved Marketing plan, as the heart of a great business plan is a solid marketing plan.

Market research: Opportunity

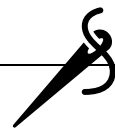
The fashion industry is saturated with cheap clothing, intended to be quickly disposed of in order for consumers to buy into the next trend. With the advent of the internet and social media, “trends” change daily, making consumers feel they need to constantly keep up (Adegeest 2015).

Market research: Methodology

Market research needed for SewSaved will require using both primary and secondary market research.

Primary:

Primary market research will be used for determining which consumers and businesses we will be working with. For instance, doing “cold calling” type research to determine how many garments a local thrift store disposes of monthly, to gain a better understanding if our business model is feasible for each business partner we take on. Furthermore to gain better insights



into whether they would be interested in our services.

Secondary:

Secondary research is critical here for most other data to gather. Like most businesses within the apparel industry, there is a plethora of business data collection that is essential to running a business in this market. Such as WGSN for trend gathering, NPD for sales data, and Alvanon technical updates, as well as other trade journals, demographic surveys, etc.

Economics

The Fashion Industry:

The global fashion industry is valued at \$1.7 trillion as of 2022. The United States fashion industry is valued at approximately \$369.39 billion, and accounts for 2% of the global Gross Domestic Product (GDP) The fashion market in the United States is forecasted to grow by 12.4% through 2022 (Ariella, 28 Dazzling Fashion Industry Statistics [2022]: How Much Is The Fashion Industry Worth 2022).

TOP 10 BIGGEST FASHION COMPANIES BY MARKET CAP

Company	Country	Mcap (in Billions Usd)
Inditex	Spain	\$117.17
Nike	United States	\$92.89
LVMH	France	\$84.81
TJX	United States	\$49.13
Hennes & Mauritz	Sweden	\$44.47
Hermes	France	\$42.70
Rolex SA	Switzerland	\$37.00
Fast Retailing	Japan	\$36.33
Adidas	Germany	\$34.98
Chanel	France	\$32.67

(Ariella, 28 Dazzling Fashion Industry Statistics [2022]: How Much Is The Fashion Industry Worth 2022)



A Sustainable Fashion Industry:

The fashion industry is one of the most harmful industries to the planet, accounting for approximately 10% of humanity's carbon emissions. The fashion industry is responsible for more global emissions than that of international flights and maritime shipping combined. The garment and textile market is also the second biggest consumer of the global water supply. Additionally, 85% of all textiles end up in the dump annually. The equivalent of one garbage truck filled with clothes is either dumped or burned every second (Ariella, 28 Dazzling Fashion Industry Statistics [2022]: How Much Is The Fashion Industry Worth 2022).

Therefore, there is a large need for change in the fashion industry. By reusing textiles and repurposing into new products, there can be a significant reduction in global emissions by reducing the production of new garments. There is a growing demand and interest for sustainable apparel, particularly among the Gen Z cohort (Hedges 2021). Additionally, there is a lessening interest in new garments or "fast fashion" as the market has become increasingly saturated (Adegeest 2015). A survey found that in 2019 7% of average U.S. consumer's wardrobe consisted of resale clothing, which is expected to rise to 17% by 2029 (Smith 2022).

Barriers to Entry:

Some barriers to entry can include as the business is starting out, there are not as many clients who are contributing materials to be repurposed. The intention is to be able to share materials across our client base through a combined materials library stock. Eventually, as our client base increases, the material library will increase in available choices.

Another barrier to entry is to find skilled labor that is cost effective. The move to overseas production in the garment industry was for cheap labor, then causing a dwindling skill base here in the US. However, we believe there are individuals seeking this type of practical skill based work, and the labor cost will be worth the offset of producing new clothes.

Additionally, a barrier to entry is the cost associated with acquiring warehouse space and production machinery. Along with developing the supply chain logistics to receive and send garments for repair and/or repurposing to both businesses and the individual consumer.



Shipping costs have a large impact on our supply chain. It will be critical to find the right brand partners that already have a solid logistics system in place to start out.

Lastly, although there is a growing interest in the second apparel market, there is still a large segment of the industry that has not accepted this trend yet. Currently, it is still easier and more cost effective for the consumer and business to dispose of garments and garment materials.

Addressing Change in the Industry:

The fashion industry relies on responding to quickly changing trends. This proves to be challenging while the US is so heavily reliant on overseas production. The US found the reliance on overseas production during the COVID-19 pandemic to be challenging not only in the apparel industry, but in several industries. To be able to react to quick changes, bring some production back domestically increases this ability. This will also help with any future taxes or tariffs placed on imports from other countries (Aloisi 2021).

The fashion industry is one of the few industries that still relies on manual labor for sewing skills. It has also been one of the slowest adopters of digital or computer aided design. This is currently changing, albeit slow. However with the increased use of computer aided design, this also allows for quick reacting to design trend, and quick design ideation. This lends itself to small scale or one of a kind developments (Rubin n.d.).

Product

Individual consumer “Send & Mend”. This is a case-by-case repair service for the individual. A consumer is able to send in their damaged garments, whether lightly damaged (such as a broken zipper), or repair through years of wear and tear for a beloved item. The consumer has a choice to “make like the original” with closest matches to original trims, colors, etc. or to “make it unique” with available trim items or fabric and thread colors. Pricing and timeline varies depending on complexity of garment repair.

The “Mobile Mend” traveling repair service. This is our mobile sewing van service that visits local areas, giving the ability to have consumers have repairs done immediately, or taken back



to our facilities depending on the complexity of the repair, with the same available options of “make like the original” or “make it unique”. By visiting local areas, it provides an alternative option for the consumer rather to spend the cost in shipping to send garments if they have several needing repair. This also brings a community together, and brings more attention to efforts towards sustainable fashion.

Retail store batch “Send & Mend”. This gives the ability for stores such as thrift stores to send large batch repairs in order to restock and resell products that would have otherwise been disposed of. Many donations are not worth selling as donated due to damage, that could be repaired and then resold. Additionally, some donations although in sellable condition may be out of fashion, and have been in the thrift stores inventory for too long, proving to be of no interest to consumers. These items that have been in inventory for too long, could use a “trend update”. Our skilled designers can update these pieces to be more on trend through changing fits or updating trims, etc. This also applies to brand stores for products that has been in inventory for too long and has not been sold.

Brand “Disassemble & Design” services. This special service is to work with design brand directly to design products intended to be disassembled, and remade. Brands can choose from their own materials, or material share with other brands using this service to create “new” products from reused materials. Brands have the opportunity to work with our skilled designers to design new ways to make their new line of products to be disassembled, modular, easily repaired, etc. With intentional thought to design in this way, products can easily be remade and resold by using less materials.



Features and Benefits

1. Individual consumer “Send & Mend”.
 - a. *Features:* Individual consumer level one-time repairs, includes shipping back to consumers.
 - b. *Benefits:* One off repairs to retain a beloved garment rather than dispose for an easy fix.
2. The “Mobile Mend” traveling repair service.
 - a. *Features:* Traveling van with sewing machine set up and common repair items.
 - b. *Benefits:* Brings a repair service to the individual. No shipping needed.
3. Retail store batch “Send & Mend”.
 - a. *Features:* Large scale batch sending for scaling cost. Updates out of trend product or repairs damaged product.
 - b. *Benefits:* retailers do not take a loss on inventory that otherwise would not be sold.
4. Brand “Disassemble & Design” services.
 - a. *Features:* Contract design services, alongside an expanded materials library from other companies.
 - b. *Benefits:* New innovational and creative contract design ideas. Works with the company’s existing product, and gives more value to the product.

Competition

In general, competition still lies within the ease of producing, buying, and disposing of new apparel products. So therefore, fast fashion markets producing cheaply overseas still remain our competition in the apparel space as a whole. In the sustainable fashion space, competition also lies within the rental apparel market for those consumers who wish to be more sustainable. Fast fashion markets are far reaching, including brick and mortar stores and online. Rental services are mostly online, but also operate under a subscription based model, making it easy for the consumer. More indirect competition includes at home sewers who can repair their own garments. Additionally, after contracting with brands on our design services, these brands now become equipped with the knowledge to design in new ways without our services.



In the final column, estimate the importance of each competitive factor to the customer.

1 = critical; 5 = not very important.

Table 1: Competitive Analysis

FACTOR	SewSaved	Strength	Weakness	Zara	Rent The Runway	Importance to Customer
Products	1	X		1	1	Wanting a large product variety
Price	1		X	1	4	Everyone likes to spend less money
Quality	4	X		5	2	Sustainably minded customers want products that will last
Selection	1		X	1	1	Want a large variety
Service	3	X		5	1	Service is not so important as long as the job gets done
Reliability	1	X		5	1	Dependability to get what is paid for
Stability	5	X		5	3	Important to the business using design services
Expertise	1	X		3	1	Knowing what the trends are
Company Reputation	3	X		5	1	As long as they do the job that was being paid for
Location	3	X		3	4	That its produced domestically, but does not need to be widely available across US
Appearance	5	Neither	Neither	1	2	Not really important
Sales Method	3	X		1	1	Somewhat important depending on consumer
Credit Policies	3	Neither	Neither	1	1	As long as it falls into somewhat standard business practices for the industry
Advertising	3	X		5	5	Not really important
Image	3	X		3	1	May be important to the sustainability minded consumer



SewSaved Competitive Advantages:

Our competitive advantages include a unique offering of products and services, keeping apparel on trend and interesting, while also reducing the industry's carbon footprint through reuse and repurposing. Additionally, our localized production is appealing to the sustainably minded consumer, as well as a company looking to speed up their production. We also offer expertise in sewing and design thinking to come up with new innovational and creative designs.

SewSaved Competitive Disadvantages:

Our main competitive disadvantage is surrounded in cost. As earlier mentioned, it is still cheaper for the apparel industry to produce overseas, buy new, and dispose of garments than to repair or repurpose. Our value lies in the appreciation for the increased efforts in reducing the industry's carbon footprint.

Mainstream Competitors

Our mainstream competitors in the non-sustainable fashion space, include one of the top apparel producers such as Gap Inc. and companies notorious for fast fashion, such as Zara. These companies remain our competition due to their ability to produce clothes frequently and cheaply.

Gap Inc: <https://www.gap.com/>

Zara: <https://www.zara.com/us/>

Zara: Company description from their website, “Zara is one of the biggest international fashion companies, and it belongs to Inditex, one of the world's largest distribution groups. The



customer is at the heart of our unique business model, which includes design, production, distribution, and sales, through our extensive retail network” (Zara 2019).



Zara, and similar companies such as Forever 21 and H&M produce approximately 1 million garments every day. They are able to continue pushing new product out into the market through planned obsolescence, (Tassi 2019) which is where the product is intentional made knowing it will either become defective or no longer last in trend for very long, keeping consumers want to buy more rather than being satisfied with their products for a longer amount of time. The below is an example of a cheaply made product that although cute, will likely not stand the test of time.

Big Bow Front Hidden Pocket Backless Dress: \$25.00



(Big Bow Hidden Front Pocket Backless Dress n.d.)

Gap Inc.: Company description from their website, “In 1969, inclusivity meant not just finding a pair of jeans that fit founder Don Fisher’s 6’4 frame, but creating a retail experience that fit for all. It meant Doris Fisher having the same equity stake in the company as her husband, back when most women weren’t expected in the building, let alone in the board room. We believe that when you decide that inclusion isn’t optional, not only do the gaps between us close, but a whole new world of possibilities opens” (Gap Inc. n.d.).

The Gap Inc. along with its subsidiary companies, Athleta, Old Navy, and Banana Republic, are able to produce inexpensive clothing due to the poor “sweatshop” working conditions in overseas factories. For a brand such as The Gap, this can be misleading, as it portrays an “All



American” image. By making products overseas, they take away from American jobs, as well as burn large amounts of fossil fuels to ship products here to the US (balfeo 2017).

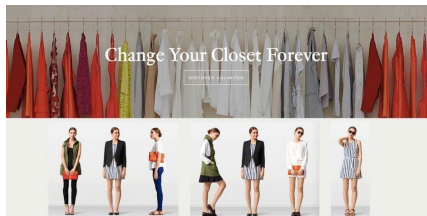
Criss Cross Cutout Mini Dress: \$30.00 on Sale from \$79.95



(Criss-Cross Cutout Mini Dress n.d.)

Sustainability Focused Competitors

To be more sustainable in the apparel industry, some companies have looked to different business models to move away from the “take-make-waste” mentality. For instance, some companies have turned to online clothing rentals with monthly subscription options. Additionally, we can also examine apparel companies such as Eileen Fisher, that although produce a new



line of clothing every year, they also offer an online market place where a consumer can purchase Eileen Fisher products second hand.

Rent The Runway: Company description from their website,

“In 2009, we disrupted the trillion-dollar fashion industry and changed the way women get dressed forever by pioneering the ‘Closet in the Cloud’: a dream closet filled with an infinite



selection of designer styles to rent, wear and return (or keep!). Every trend, every color, every print, everything you've ever wanted to wear — for a fraction of the cost.

We've continued to expand our closet over the past decade, powering our community to save time, money and have more fun getting dressed. All while contributing to a more sustainable future of fashion" (Fleiss n.d.).

Clothing Rentals: Rent the Runway has changed the idea of fashion through a subscription model to rent garments rather than take-make-waste. By having a clothing model such as this, a consumer can keep their closet fresh with new items, without needing to purchase new clothes that will be disposed of after a few times wearing. By renting and returning, many people can "share" these items when one person is done with the trend, allowing another can take up on that trend. This reduces the amount of raw materials used to create new apparel, and allows garments to live longer in the world. This also reduces the need to buy cheap clothing, as it is often hard to justify spending large sums of money for good quality garments that an individual may only wear few times, such as a dress for a special event.

Eileen Fisher: Company description from their website, "When Eileen started the company in 1984, she was working as an interior and graphic designer and had trouble finding clothes. She kept imagining simple, timeless pieces like the kimono, which people have worn for thousands of years. That vision led to her "aha" moment: a system of shapes that worked together to make getting dressed easy. Today, that systems approach has grown to include the whole life cycle of the clothes, from how they're made at the outset to what happens after you no longer need them, taking into account the well-being of those involved along the way. That's why we're designing a circular system and moving away from the take-make-waste manufacturing model toward one that reuses, replenishes or regenerates the resources involved" (Eileen Fisher 2022).

RENEW Program: Eileen Fisher offers a program where they will take back their clothes and resell them on their website. Lightly damaged clothes will be repaired, through their "Mended" program as well. Other products are either donated or made into new designs. This allows the company to take more responsibility in the product they put into the world





(Eileen Fisher Renew n.d.)

Competitive Field Summary

Strengths <ul style="list-style-type: none">• Design execution of repurposed garments• Upskilling workers• Niche market penetration and convenience	Weaknesses <ul style="list-style-type: none">• Cost comparison to competitors• Logistics
Opportunities <ul style="list-style-type: none">• Other textile industries, such as upholstery• Sustainable Textile development or sustainable trim development	Threats <ul style="list-style-type: none">• Clothing rental models• “Fast Fashion” take-make-waste models



Customers

B2C:

Our B2C model is targeting consumers from all over the country. These consumers are more likely to be Gen Z, “Zoomers”, or Gen Y, “Millennials”, as the younger generations care more than previous generations about actively being sustainable, and have a clearer understanding of the importance of choosing products that last or making efforts to make them last. Additionally, sewing has become a lost skill through the generations, therefore these consumers are less likely to repair garments on their own (Molitoris 2015). These consumers are also used to send back logistics, and subscription models, therefore being able to send in a garment for repair will feel familiar to them. This consumer is also generally mid-class and moderately well educated with careers, and do not have much free time for their own repairs, therefore a send back solution is time effective to offset the cost.

B2B:

Our B2B model is targeting two different main customers. First, apparel retail stores who lose dollars due to damaged goods or goods they cannot sell. These retailers can send back batch shipments to our warehouse, for us to either repair, or “refresh” to make the style sellable again. Mainly this seems applicable to clothing retailers such as thrift or consignment stores, but could also apply to retailers such as Walmart or other specialty retailers across the country.

Our other B2B consumer, are apparel design firms, who are looking for to design with more sustainable intention. Our consultants can offer design ideas into how to make products more sustainable through construction techniques and material usage. Our consulting team idea’s allow the design firm to also send their garments for remaking to us and allow for easier and more efficient remaking through these suggestions. Therefore, making the long term development more cost effective over time. These firms can be large or small, but lack the internal knowledge or resources to make sustainable change.



Customer Summary

In summary here at SewSaved, we have two sets of target customers, both from a Business to Consumer (B2C) perspective as well as a Business to Business (B2B) model. The B2C consumer is a sustainably minded, younger generation, middle class individual, who lacks the general skill set to repair garments on their own. The B2B consumers include both retail stores and design firms looking to be more sustainable in their business models.

Niche

Here at SewSaved, our Niche to the market is to be the experts in the repurposing of apparel. With efforts ranging as small as basic garment repairs for the individual, to being able to start as far upstream in the development process to offer design consulting to companies to create garments from the beginning that can become more easily repurposed towards the end of its life. Through our logistics systems, we will be able to reach consumers across the country. Being able to have consumers send back individual items, to large batch shipments, to our mobile mend coming to the consumers, we are able to gather several otherwise disposed of garments and utilize those materials to create new products once again.

Other niche element to our organization, is bringing work back more domestically, drastically reducing the apparel industry's reliance on overseas production. Since our manufacturing and production mainly rely on repairing small batch items, it is much more feasible to do this kind of work domestically, rather than producing garments in large quantities using cheap labor. This also allows us the opportunity to upskill American citizens to this kind of work, offering jobs that would have otherwise gone overseas. There are many people in the US as well that need this kind of work in order to better their standard of living (Tacata 2022).

Strategy

In general, our strategy is to gain market share through relatively untapped markets, rather than a focus on out performing our competition. On the B2C side, there is not much of an existing market for clothing repairs. Even local tailor shops are few and far between. On the B2B side, there is not much of a market for companies outsourcing a solution for how to reduce the



amount of garments they lose due to damages and unsold goods. Damaged goods are typically viewed as “cost of business”, and sell through of garments is targeted through smart planning and trend projections. However, in a faster paced world, overseas production facilities are demanding orders to be projected earlier and earlier in the production process, therefore causing companies to anticipate consumer habits without sufficient data (Somani 2022). We will be offering an alternative solution to this unfortunately reality that does not currently exist. The only area that we will be more focused on “out performing” is with our design consultancy. There are companies that strive to design with sustainable intention, and we strive to offer the best product through our expert designers in this arena.

Promotion

B2C:

Our B2C strategy is to gain customers through targeted advertising. Since our consumer is going to generally be of a younger demographic, our targeted advertising will mainly be focused in social media, such as Instagram. This advertisements will focus on two points. 1) being the education to the consumer as to why the take-make-waste model is not sustainable for the planet, and 2) focusing on the uniqueness of repurposed designs and appealing to a consumers need for individuality. We will also focus on partnering with other companies with a similar demographic to send out promotional discounts. And example would be Hello Fresh and to send signup discount codes to those customers. In general, part of our staffing would be to have an in house marketing professional to handle graphics, social media, promotional documents, etc.

B2B:

Our strategy to gain customers in the B2B market are through networking, and store visits. We will utilize the network of industry connections through events such as industry tradeshow, as well as the networking that comes with the hiring of our experienced designers for the consultancy positions. They will be tasked with reaching out to their industry connections to inquire about sustainable design efforts. On the retail side, particularly in areas closest to our warehouse facilities, we will reach out to locally owned retail stores, and speak to managers



and/or owners to inquire about their interests in sending damaged or unsold goods to us for updates. We believe that inquiring and making appointments in person is the best way to build connections and a network, rather than cold calling. Larger chain stores, we can reach out through networking and industry connections. Our goal here in these discussions with potential clients is to show that we care about improving their bottom line, and/or to improve their sustainability efforts if they are an organization that is working to focus there. In general, part of our staffing would be to include a manager who is overseeing of gain new B2B clients.

Promotional Budget

Much of our promotional budget is taken up with full time staff positions to fulfill those duties. As listed above, we will need to fill at least the following roles internally:

- Marketing & Graphic Designer
- Apparel Designer
- Production Manager
- Sales Manager

Depending on level of experience, these salaries can range anywhere from 50k-150k annually. As we grow, we will likely hire more people into these roles. According to sources, it is suggested to spend about 10% of your projected income on other promotional efforts (Carmicheal 2021).

Pricing

Within each 3 of our 4 different product offerings, there will be two separate pricing options. First option is a “pay as you go” type model, or a monthly subscription type model. This can apply to both the B2C consumer and the B2B clients. For instance, a consumer can pay a one time fee to have a garment repaired. Or, if they find in time that they are utilizing our service quite a bit, they can send back as many garments for repair under a subscription monthly fee model. The reason for offering these two different types of packages allows for our consumers and clients to gain a better understanding of what their needs are as they begin this new way of thinking about the end life of garments. Another for instance, is that our B2B client of a local thrift store, may send in product to us quarterly, and utilize the pay as you go model, depending on how many



garments they accumulate, whereas, larger big box retailers may accumulate products much faster, and may want to sign up for the subscription model.

For the B2C models, individual pricing is set based on how complicated the repair is. For the B2B model, retailers will be required to send in a minimum quantity by weight. Since these services are not widely available elsewhere, it will be important that this offering makes financial business sense to the firm overtime. For instance, if a retailer spends the money to send their unsold goods to us for a “refresh” so they can be sold again, this should be more cost effective compared to producing new products to fill a sales floor, and reduce costs of overall inventory. Our pricing can be negotiated to a degree to be feasible for the business to avoid simply disposing of the product.

For our consulting services, we will offer three separate areas for consultation which include, Design Direction, Supply Chain, and Business Ops & Culture. Three separate pricing packages are available based if the client would like to take on one, two, or three of our services.

Proposed Location

Since our facilities are to receive products from all over the country, it would be key to have about 2 or 3 regional production facilities, such as a location in the West, East, and Central United States. This will help to cut down on shipping costs to have regional facilities. Since these are not consumer facing facilities, they can be in more remote areas of the states. However, it also makes sense to locate our facilities near apparel hubs, such as Los Angeles or New York City. Some of the jobs within the organization could be handled remotely, such as the Marketing & Graphics manager. However, most positions within the organization will require hands on work since they bulk of what we do is working with textiles and apparel.

Distribution Channels

For our “Send & Mend” product offering consumers can go onto our website and purchase a shipping label for their send back needs. In addition to our offering for “Send & Mend” we have our “Mobile Mend” offering where the sewing repair will come to a local area. These will likely first go to major metropolitan cities to gain the most traction. Additionally, the “Mobile Mend”



area can target areas with large gatherings of individuals, such as college campuses or shopping centers. For our B2B services, future clients can inquire on our website, and will be put in touch with a representative as a direct contact for their business needs.

Sales Forecast

The following pages include our Sales Forecast, which includes a Leads Tracker, Forecasted Sales, and a monthly weighted forecast graph.



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12/1/2022

DETAILED LEADS TRACKER

Lead name	Lead contact	Lead source	Potential opportunity	Chance of sale	Forecast close	Weighted forecast
East Coast Thrift Store	Bob	Network	\$50,000.00	90%	January	\$45,000.00
East Coast Big Box	Suzy	Trade Show	\$200,000.00	10%	February	\$20,000.00
East Coast Specialty Boutique	Ashley	Sales call	\$100,000.00	20%	March	\$20,000.00
East Coast Mobile Mend	N/A	Online Event	\$20,000.00	10%	April	\$2,000.00
Central Region thrift store	Jade	Network	\$40,000.00	75%	March	\$30,000.00
Central Region Big Box	John	Trade Show	\$300,000.00	30%	June	\$90,000.00
Central Region Specialty Boutique	Will	Sales call	\$50,000.00	50%	April	\$25,000.00
Central Region Mobile Mend	N/A	Online Event	\$25,000.00	10%	August	\$2,500.00
West Coast Thrift Store	Katie	Network	\$100,000.00	80%	April	\$80,000.00
West Coast Big Box	Megan	Trade Show	\$250,000.00	25%	October	\$62,500.00
West Coast Specialty Boutique	Ryan	Sales call	\$45,000.00	95%	November	\$42,750.00
West Coast Mobile Mend	N/A	Online Event	\$15,000.00	10%	December	\$1,500.00
Individual Customer Repairs	N/A	Online	\$50,000.00	100%	December	\$50,000.00
Consultancy	N/A	Trade Show	\$500,000.00	50%	December	\$250,000.00
Total			\$1,745,000.00			\$721,250.00

Our leads here are broken out by our three operating regions, East Coast, Central, and West Coast. Within each region, we expect to find at least one thrift store, one big box retailer, and one specialty boutique interested in our services. Additionally, we have broken out our “Mobile Mend” sales by region as well. We also expect forecasted sales from all of our customer send backs from online repair orders. Our consultancy efforts are not broken out by region, as much of that work is done high level, and remotely from our Central Headquarters.



SewSaved

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12/11/2022**FORECASTED SALES**

Lead name	January forecast	February forecast	March forecast	April forecast	May forecast	June forecast	July forecast	August forecast	September forecast	October forecast	November forecast	December forecast
East Coast Thrift Store	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
East Coast Big Box	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
East Coast Specialty Boutique	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
East Coast Mobile Mend	\$0	\$0	\$0	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Central Region Thrift Store	\$0	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Central Region Big Box	\$0	\$0	\$0	\$0	\$0	\$90,000	\$0	\$0	\$0	\$0	\$0	\$0
Central Region Specialty Boutique	\$0	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Central Region Mobile Mend	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0
West Coast Thrift Store	\$0	\$0	\$0	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
West Coast Big Box	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$62,500	\$0	\$0
West Coast Specialty Boutique	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,750	\$0
West Coast Mobile Mend	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500
Individual Customer Repair	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Consultancy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Total	\$45,000	\$20,000	\$50,000	\$107,000	\$0	\$90,000	\$0	\$2,500	\$0	\$62,500	\$42,750	\$301,500
Cumulative Total	\$45,000	\$65,000	\$115,000	\$222,000	\$222,000	\$312,000	\$312,000	\$314,500	\$314,500	\$377,000	\$419,750	\$721,250

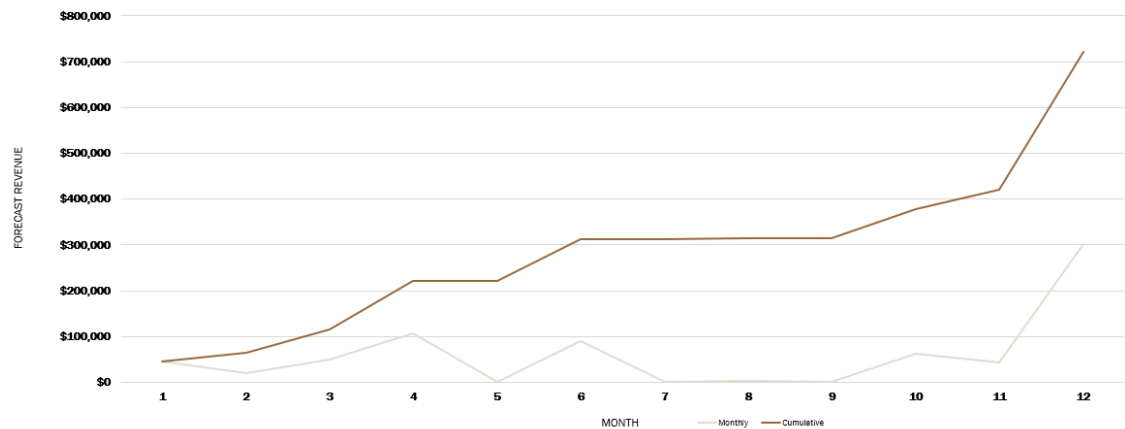
Here our forecasted sales are shown by the month they are expected to close deals, and based off the likely percentage that the lead will be interested in our services, based on our contacts conversations. For annual sales such as individual send backs and our consultancy projects, we have those to close in December of the year.

The following graph shows this data spread across the year, projecting our first year season growth. As you can see, we expect to grow steadily within our first year of gaining business. As our services become more well known, we expect to easily gain more clients for year two.



SewSaved

MONTHLY WEIGHTED FORECAST





OPERATIONAL PLAN

Here at SewSaved, on a daily basis, we have a talented team of sewers who are repairing or deconstructing old garments we have received from our clients, and sewing them into new garments. Additionally we have our creative team who considering or clients needs by constantly looking at our inventory of materials, and coming up with new designs ideas to freshen up the garments needing a lift.

In addition to the creative teams, we have our marketing, sales, and logistics team to gain new clients, and ship products in to us from around the country.

Implementation Framework

THE LIVING PRINCIPLES: Four Streams Of Integrated Sustainability

ENVIRONMENT: Actions and issues that affect natural systems, including climate change, preservation, carbon footprint and restoration of natural resources.



Behaviors

- Reuse textile materials.
- Bring attention to how much textile materials are easily disposed of in the world.

Creation

- Turning otherwise disposed of garments into new garments
- Creating new designs for ease of disassembly

Durability

- Already extending the life of garments that would have otherwise been disposed of.
- Saving materials from products that could not be remade, creating a library of materials for whole new designs.

Disassembly

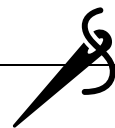
- Our new design offerings for apparel companies are made for ease of disassembly.
- We have skilled sewers who can make garment disassembly easier and efficient.

Supply chain

- We will develop a supply chain where garments are easily shipped back to us for repair.
- We even bring the “supply chain” to our consumer through our “Mobile Mend” program.

Waste

- We are significantly reducing the amount of apparel and textile waste in the world through garment repair.



- Reducing waste by offering design ideas from the beginning, where garments can be disassembled or reduce waste in its production.

PEOPLE: Actions and issues that affect all aspects of society, including poverty, violence, injustice, education, healthcare, safe housing, labor and human rights.

Impacts

- We are creating Green Jobs.
- We are bringing jobs in general back to the US.

Conflicts

- Are our working conditions good for employees?
- Are we being kind to our local environment, i.e. no water pollution.

Desirability

- We offer good blue collar jobs to those who may be less educated.
- We care a great deal about upskilling staff to grow in their careers.

Need / use

- By repairing garments, we create uniqueness, appealing to individuality.
- By extending the life of a garment, we address emotion attachments one may have to a special item.

Long view

- Bringing jobs back to the US to reduce reliance on overseas production.
- By creating Green Jobs, we are aiding in reducing the affects of climate change.



ECONOMY: Actions and issues that affect how people and organizations meet their basic needs, evolve and define economic success and growth.

Systemic view

- We look to create opportunities for companies to make profit, without creating and pushing new products
- By creating “refreshed” garments, we still acknowledge the idea of trend in the industry.

Metrics

- A company can still make profits on products that have already been made.
- Paying attention to a clients reduced amount of loss (in damaged goods, unsold inventory, etc.).

Benefits

- Saves money.
- Reduces resource use.

Transparency & truth

- We can share data on how many pounds of textiles we have diverted from the landfill.
- Being transparent on our company culture and working conditions. Showing blue collar jobs are good jobs to have when done well.

Waste=food

- Material sharing between clients.
- Even cut fabric scraps can be saved for other industries such as house insulations. We strive to use any and all materials from the process.



From product to service

- We offer the services of repairing garments.
- We offer the services of sustainable design and logistics consulting.

CULTURE: Actions and issues that affect how communities manifest identity, preserve and cultivate traditions, and develop belief systems and commonly accepted values.

Visions

- Valuing of the emotional attachment that can be had with a garment, therefore embracing its longevity.
- Education on how much apparel waste there is in the world.

Meanings & reactions

- An emphasis on individual expression in clothing through creating one of a kind pieces.
- Acknowledging that some consumers are still not ready for the second hand clothing market.

A systemic view

- Embracing the artistic expression that comes with apparel.
- Redefining what and how trend is determined.

Diversity

- By repurposing garments and working with clients from all over the country, we are not limiting ourselves to one type of consumer or culture.
- Bringing diversity into our workforce.



Production

Production techniques and costs:

Here at SewSaved we have 3 production facilities located each in the Eastern, Western, and Central United States. We collect garments from around the country from retail stores and individual consumers that are damaged or simply not selling. Rather than letting these garments otherwise be disposed of, we “refresh” and repair the garments using our inventory of materials to make new again. Additionally, we have our experienced sewers travel around the country in our “Mobile Mend” van, and also repair garments on a smaller scale through this method. Customers pay per item, by weight of batch shipments, or by a subscription model.

Quality control:

We maintain quality control through keeping a close watch on our production floor. Our goal as a brand is to extend the life of garments, so therefore quality is key to what we output.

Customer service:

The key to our customer service is to get garments back to our clients within a reasonable amount of time (it is dependent on several factors), and to send back garments that are new in its design, or repaired to be worn again like new. We strive to have our consumer be pleasantly surprised at the results, and begin to see upcycled apparel in a new way, while recognizing its feasibility.

Inventory control:

We maintain our inventory control through careful tracking and logging of the product we receive from customers. Not only to we track what is received, but any materials reclaimed also are then carefully logged into our material library system. We also have the ability to ship and share materials across our three locations.

Product development:

Our product development methods are based in the work of our skilled designers and sewers. Once we receive reclaimed product from our consumers, our talented designers creatively come up with ways to repair or “refresh” the garment through the use of in house material library. Our



skilled sewing technicians are able to quickly and efficiently disassemble garments when needed, and have a well rounded understanding of garment construction for the new repairs and updates. For our consulting services, our designers also have a clear understanding of how to make apparel more sustainable from the onset of its inception, through techniques such as zero waste patternmaking and design for disassembly.

Sustainability Certifications:

Here at SewSaved, we are a certified B-Corp. Additionally we operate under the ISO 14000 certification.

Location

As mentioned, here at SewSaved, we have three production facility locations, one in Los Angeles, Denver, and New Jersey.

Physical space:

Our needed warehouse space is anywhere from 25,000- 50,000 square feet. This allows for ample room to store inventory, as well as have sewers on the production floor, and a few offices for other staff.

Type of building & zoning:

Our warehouse buildings will be LEED Certified, additionally we strive to have our buildings be a part of an industrial ecology zone to further our sustainability efforts. Our buildings will also be 100% solar, and carefully monitor our water intake and output.

Access

As we are a production facility, walk in hours and access are not required for our clients. However, each of our three production facilities has a beautiful conference room space for meetings with potential clients once meetings are scheduled. The purpose to having three locations is to 1) be located near the countries main fashion hubs, and 2) to reduce costs of shipping for the consumer by being able to send to the closest regional location.



Cost

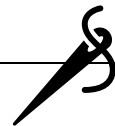
General costs needed to address:

- Salaries
- Warehouse space rent
- Vans for “mobile mend”
- Sewing machines and equipment
- Utilities
- Insurance
- Remodeling

Legal Environment

Since SewSaved is operating within the apparel industry, below is a list of the following standard US apparel regulations we will be required to follow, which includes guidelines by the FTC (Cheng 2022):

- Flammable Fabrics Act (FFA)
- General Certificate of Conformity (GCC)
- Federal Hazardous Substances Act (FHSA)
- CPSIA: Children's Clothing.
- Substantial Product Hazard List (16 CFR Part 1120) – Drawstrings in Children's Upper Outerwear.
- ASTM Textiles Standards.
- Textile, Wool and Fur Acts and Rules
- Care Labeling of Textile Wearing Apparel & Certain Piece Goods
- Guides for Select Leather and Imitation Leather Products
- California Proposition 65
- Country of Origin Marking
- Clothing Lab Testing



Green Claims in Apparel:

ACM provides guidelines in the form of five simple “rules of thumb” for sustainability claims in the apparel industry, and aims to hold companies accountable to them (Loeb & Loeb LLP 2022). They are as follows:

- Make clear what sustainability benefit the product offers.
- Substantiate your sustainability claims with facts, and keep them up to date.
- Comparisons with other products, services or companies must be fair.
- Be honest and specific about your company’s efforts with regard to sustainability.
- Make sure that visual claims and labels are useful, not confusing, to consumers.

Personnel

Types of jobs needed to fill:

- Patternmakers (one per location): to draft patterns and cut fabrics
- Head designers (one per location): design the upcycled pieces, both internally per location and on a contract basis for companies.
- Sewing technicians (at least two per location): ones on the ground taking apart garments, storing materials, and sewing new garments per design instructions.
- Mobile mend sewers (one per region): talented sewers willing to travel to sew in certain locations.
- Mobile mend drivers (one per region): drive the mobile mend vans
- Digital marketing expert: someone who is focused on digital marketing, and also has skills in graphic design for promotional efforts.
- Accountant: someone to manage company finances, including accounts payable and receivable.
- Warehouse/supply chain manager (one per location): someone who oversees daily warehouse operations and supply chain of incoming and outgoing products.
- Sales manager (one per region): someone who will recruit new business and manage that account.
- IT: individual to address all company wide technical concerns.



-Customer service manager: someone to answer customer emails and calls.

These individuals would all be salaried based, with the exception of the sewers who would be hourly. Many of these individuals will have some sort of higher level education for their fields, also except the sewers, however we will seek sewers with a great level of work experience. We will upskill and hire professional training as needed for these sewers.

Inventory

Our general inventory will include materials unused from taken apart garments, such as fabric scraps, buttons, zippers, etc. We will always have certain supplies on hand that are common needs, such as trims in basic colors, basic denim or black and white fabrics. In order to build up our initial inventory, we may look for clothing donations. Our business model is to take existing products from the customer and upgrade them. Therefore since we do not make our own products, inventory is not an issue. Time that we retain the product for the consumer to upgrade is dependent on the complexity of the repair/upgrade.

Suppliers

Our suppliers are mainly our customers, as our business model is to take existing products from the customer and upgrade them. For our additional supplies we keep on hand, such as fabrics and trims, we will work with well-known industry standard suppliers such as YKK for zippers. There are many fabrics mills out there to work with, and our goal will be to work with a domestic supplier as it fits with our ethos and business model.

Credit Policies

Managing Accounts Receivable:

Here at SewSaved, our (larger) business model is to buy products out of the inventory of stores, repair/upgrade those products, and sell them back to the retailer. In that situation, there will be predetermined contract set in place where the retailer agrees to buy back the products.

Therefore, we would expect payment within 30 after their receipt of their repaired/upgraded product. This is not operating under credit, per se, but we understand that we will deliver the





goods back to the retailer prior to being paid for our services. Every 30 days that a payment is late, we will charge a 1% late fee. We will both call and send a email notification about past due balances.

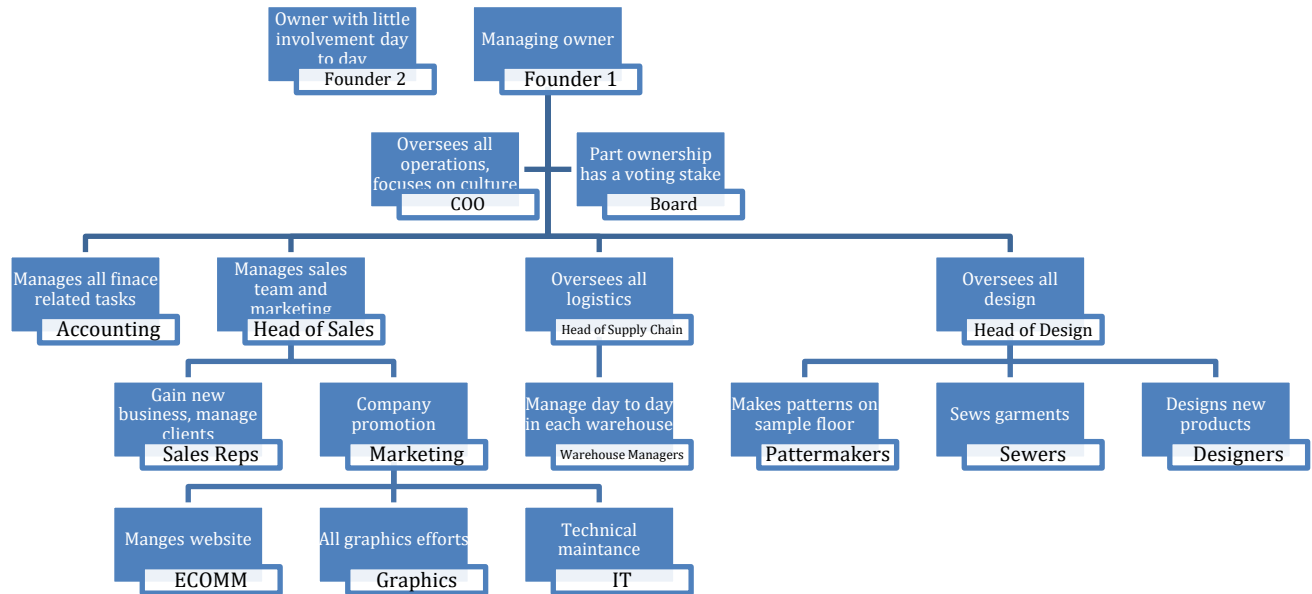
Managing Accounts Payable:

Since our business is constantly working on product year round and we are not limited to a season cycle, we expect to be able to deal with our accounts payable on a monthly basis as well.

MANAGEMENT AND ORGANIZATION

The management of our organization includes the executive team that oversees all operations of the company. Each of the three locations will have overseeing management of daily operations for their location, and communicate daily with the other two locations as needed for material sharing. Below is SewSaved's internal organizational chart:





Professional and Advisory Support

Below is a list of our top advisors for the organization:

- Founders**: One of our founders is very much involved with the day to day operations, whereas another founder is more for financial support. COO reports directly to Founders
- Board of Directors**: Includes part owners. Has a voting stake in business operations, communicates regularly with COO and founders.
- Company Attorney**: Works with founders and COO for all legal matters, and legal vetting.
- Bankers**: Works directly with COO and Accounting for money management.
- HR Consulting**: Outside third party to manage payroll, benefits, and HR related issues.



STARTUP EXPENSES AND CAPITALIZATION

Below is an overview of the startup expenses and capitalization needed for SewSaved to launch.

Start-up Expenses

Some of the general start-up expense we will need include, cost to rent our warehouse spaces, money to pay employees, shipping and advertising budgets, sewing equipment, initial materials, and our mobile mend vans. The below chart includes assumptions for totals based on the provided sources.



START-UP COSTS						
SewSaved	December 11, 2022					
COST ITEMS	MONTHS	COST/MONTH	ONE-TIME COST	TOTAL COST	ASSUMPTIONS	Source
Advertising/Marketing	12	\$26,800		\$321,600	10% of projected revenue, averaged montly revenue	(Leone 2022)
Employee Salaries	12	\$175,000		\$2,100,000	28 employees averaging 75K/year	
Rent/Lease Payments/Utilities	12	\$22,500		\$270,000	\$1.5/sq x 50,00sq x3 locations	(Pang 2022)
Postage/Shipping	12	\$1,000		\$12,000		(William J. Dennis 2002)
Sewing Equipment	1		\$21,000	\$21,000	7 machines x3 locations x \$1000/machine	(SilverBobbin 2022)
Mobile Mend Vans	1		\$150,000	\$150,000	3 vans with highest options	(True Car 2022)
Initial Materials	1		\$1,000	\$1,000	Bulk cost \$20/yd x 50yds	(Nick of Time Textiles 2022)
ESTIMATED START-UP BUDGET				2875600		

Capitalization

There are two founders for this organization each sharing a 45% ownership share. We are looking for investors for the remaining 10% available ownership share. Our Cap Table is managed by our company attorney with help from our company Accountant

SewSaved Cap Table		
100,000,000 Shares		% Ownership
Founder 1	4,500,000	45%
Founder 2	4,500,000	45%
Options Pool	1,000,000	10%





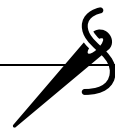
FINANCIAL PLAN

Below is a start to SewSaved's Financial Plan, which includes a 12-month profit and loss projection, a cash-flow projection, a projected balance sheet, and a break-even calculation to paint a picture of SewSaved's financial future.

12-Month Profit and Loss Projection

The below 12-month profit and loss projection is based on the previous information on the suggested sales forecast, and the proposed startup costs.

Due to the high startup costs, we are at a loss the first 5 months of year one, but then with the projected sales revenue we expect to be profitable.



Key Assumptions: (Ready Ratios n.d.)

-Industry standard Gross Profit Margin is 55%

- Gross Profit Margin = Gross Profit / Revenue
- Setting Revenue equal to \$1.00 equates to an expected gross profit of \$0.55 per \$1.00 of revenue generated
- Thus, we can assume Cost of Goods Sold (COGS) will approximate \$0.45 for every dollar of revenue earned

-Net operating margin industry standard 10% or 10 cents for every Dollar of revenue.

- Net Operating Margin = EBIT / Revenue
- Setting Revenue equal to \$1.00 equates to an expected EBIT of \$0.10 per \$1.00 of revenue generated.
- Thus, we can reasonably concluded operating expenses will equate to approximately \$0.45 for every dollar of revenue generated.
 - EBIT = Revenue – COGS – Operating Expenses
 - \$0.10 = \$1.00 - \$0.45 - \$0.45

-For every dollar earned approximately 45 cents reflects operating costs.

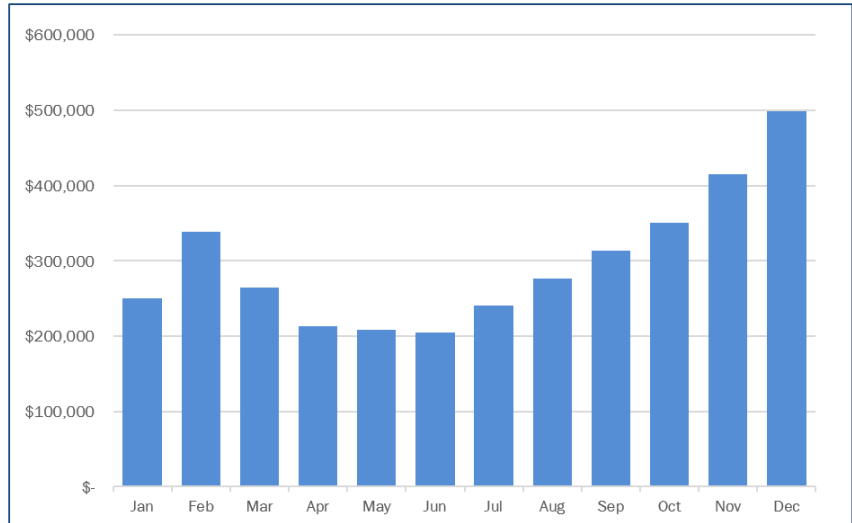
	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Total
INCOME													
Revenue	\$ 45,000.00	\$ 65,000.00	\$ 115,000.00	\$ 222,000.00	\$ 222,000.00	\$ 312,000.00	\$ 312,000.00	\$ 314,500.00	\$ 314,500.00	\$ 377,000.00	\$ 419,750.00	\$ 721,250.00	\$ 3,440,000.00
COGS	\$ 20,250.00	\$ 29,250.00	\$ 51,750.00	\$ 99,900.00	\$ 99,900.00	\$ 140,400.00	\$ 140,400.00	\$ 141,525.00	\$ 141,525.00	\$ 169,650.00	\$ 188,887.50	\$ 324,562.50	\$ 1,548,000.00
Gross Profit	\$ 24,750.00	\$ 35,750.00	\$ 63,250.00	\$122,100.00	\$122,100.00	\$ 171,600.00	\$ 171,600.00	\$ 172,975.00	\$ 172,975.00	\$ 207,350.00	\$ 230,862.50	\$ 396,687.50	\$1,892,000.00
EXPENSES													
Advertising	\$ 4,500.00	\$ 6,500.00	\$ 11,500.00	\$ 22,200.00	\$ 22,200.00	\$ 31,200.00	\$ 31,200.00	\$ 31,450.00	\$ 31,450.00	\$ 37,700.00	\$ 41,975.00	\$ 72,125.00	\$ 344,000.00
Employee Wages	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 900,000.00
Insurance	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00
Rent or lease	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 22,500.00	\$ 270,000.00
Repairs and maintenance	\$ 225.00	\$ 325.00	\$ 575.00	\$ 1,110.00	\$ 1,110.00	\$ 1,560.00	\$ 1,560.00	\$ 1,572.50	\$ 1,572.50	\$ 1,885.00	\$ 2,098.75	\$ 3,606.25	\$ 17,200.00
Taxes and licenses	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 4,500.00	\$ 54,000.00
Start Up Expenses	\$ 172,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$279,725.00	\$109,825.00	\$115,075.00	\$126,310.00	\$126,310.00	\$ 135,760.00	\$ 135,760.00	\$ 136,022.50	\$ 136,022.50	\$ 142,585.00	\$ 147,073.75	\$ 178,731.25	\$1,769,200.00
NET INCOME (LOSS)	\$ (254,975.00)	\$ (74,075.00)	\$ (51,825.00)	\$ (4,210.00)	\$ (4,210.00)	\$ 35,840.00	\$ 35,840.00	\$ 36,952.50	\$ 36,952.50	\$ 64,765.00	\$ 83,788.75	\$ 217,956.25	\$ 122,800.00



Projected Cash Flow

Below see projected cash flow chart based on the above 12-month P&L.

Month	Cash on Hand
January 2023	\$ 250,000.00
February 2023	\$ 339,025.00
March 2023	\$ 264,950.00
April 2023	\$ 213,125.00
May 2023	\$ 208,915.00
June 2023	\$ 204,705.00
July 2023	\$ 240,545.00
August 2023	\$ 276,385.00
September 2023	\$ 313,337.50
October 2023	\$ 350,290.00
November 2023	\$ 415,055.00
December 2023	\$ 498,843.75



Opening Day Balance Sheet

The two founders (myself and my partner) are starting this company with 250K of cash on hand, which we earned from a received inheritance.

YTD JANUARY 2023	
Current Assets	
Cash	\$78,000
Total Current Assets	\$78,000
Long Term Assets	
Equipment	\$21,000
Vans	\$150,000
Raw Materials	\$1,000
Total Assets	\$250,000
Total Liabilities	\$0
Shareholder Equity	\$422,000





Break-Even Analysis

For this break even analysis we are looking at year end totals assuming COGS are our variable costs, and our fixed costs are all other expenses. As noted above, our COGS are 45% of our total revenue.

Breakeven Sales = Fixed Costs / 1- Variable Costs

1,769,200 / 45% = **3,931,555**

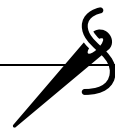
NEXT STEPS

Situation-Target-Proposal

Situation: Based on the projected financials, and the break even analysis, we would like to implement this plan. We believe that the industry and the economics of the US are ripe for this opportunity.

Target: To be fully operational come January 2024.

Path/Proposal: To achieve this goal, we will begin searching for the warehousing properties, acquire the necessary equipment and vans, begin recruiting, and start our beginning client list.



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APPENDIX

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