



Blue Sanibel

An Eco-Minded Apparel Company

Business plan
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Contact Information

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Executive Summary

Opportunity

Problem

Blue Sanibel is a surf-lifestyle brand that promotes Sanibel's conservation initiatives while simultaneously raising awareness for red tide mitigation strategies. The underlying problem we are seeking to address is the increased propensity of harmful algal blooms along Florida's gulf shore and the factors that exacerbate the severity of blooms. Blue Sanibel will advocate for climate change education and stress the threats rising ocean temperatures and fertilizer runoff pose for our aquatic ecosystems.

Solution

Blue Sanibel will donate 10% of net proceeds to organizations that are mitigating the impacts of red tide on coastal ecosystems and livelihoods, most notably – the Florida Fish and Wildlife Conservation Commission, and the Mote Marine Laboratory. Furthermore, we will employ sustainable business practices to minimize any undesirable environmental impacts our products' life cycle will have on the environment, which includes the efficient and careful use of natural resources and encouraging more sustainable consumption patterns.

Market

The fashion and retail industries are largely youth-centric, relying on the engagement and spending habits of the millennial generation. It is estimated that by the year 2020, millennials will represent 30 percent of total retail sales, spending roughly \$1.4 trillion annually ([source](#)). Furthermore, in a poll conducted by Nielsen in 2015 (encompassing 30,000 consumers from 60 different countries), 73 percent of millennials are willing to pay more for sustainable products. We will capitalize on the current environment of conscious consumerism to raise both awareness and monetary support for the elimination of red tide epidemics. My research suggests that Sanibel is the ideal location for the creation of a social enterprise, with a pool

of roughly 4.9M potential customers per year that are directly impacted by the harmful effects of red tide.

Market segments:

- Individuals who reside and work on Sanibel and Captiva,
- Students at local universities,
- Tourists.

Competition

Blue Sanibel faces two major types of competitors in our immediate area: beach-inspired boutiques that sell similar merchandise, and other social enterprises located in Lee County that address water quality issues and sustainable fashion. As we expand and grow our online reach, our competition will adjust accordingly to encompass other sustainable clothing lines and environmentally-conscious surf lifestyle brands.

Why Us?

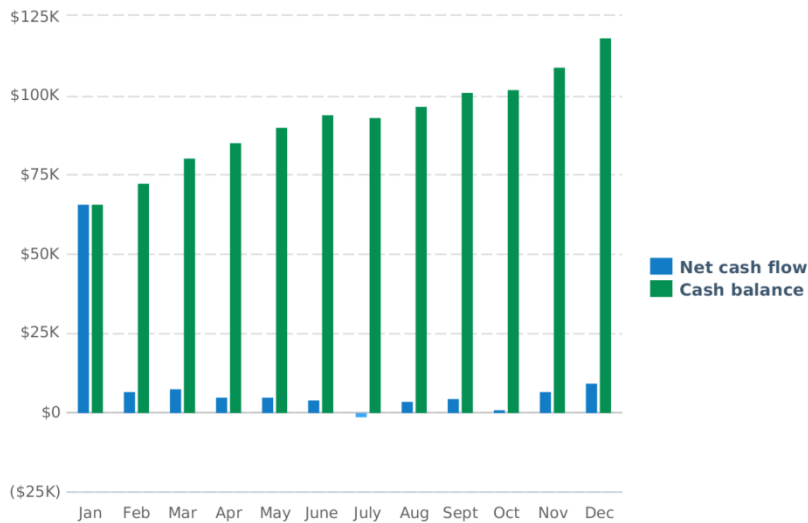
Our founder, Dahlia Lilleslatten, is a young and passionate social entrepreneur hailing from Sanibel Island, Florida. Throughout her collegiate education, she studied the fundamentals of social entrepreneurship and effective leadership and has a substantial breadth of experience building corporate brand image, managing social media outreach, and developing sponsorship campaigns. Furthermore, she was recently awarded the title of "Social Entrepreneur of the Year" as her team *AquaCulture* placed first in the Rollins College Ideas for Good Challenge hosted by the Social Innovation and Entrepreneurship Hub. Blue Sanibel is her first social business and seeks to explore the relationship between identity and the physical environment. Our company has an inherent sense of place that is entirely driven by the natural beauty of Florida's wildlife.

Expectations

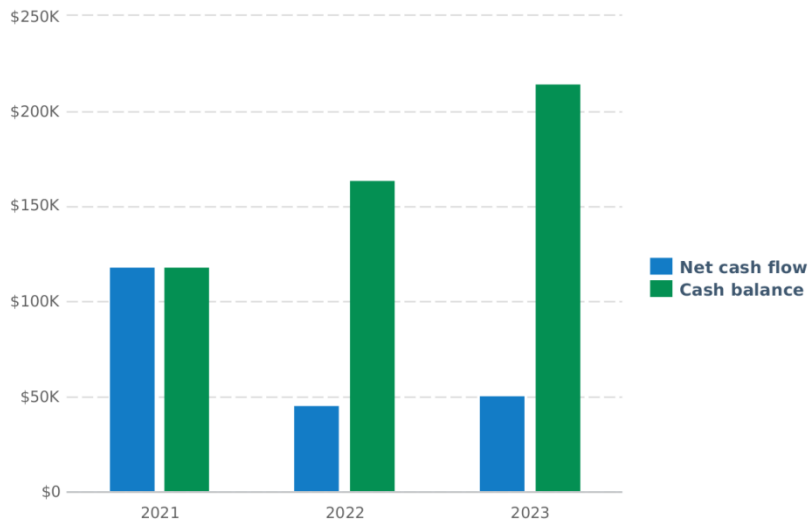
Forecast

Blue Sanibel will earn revenue through the online sale of graphic t-shirts, tote bags, accessories, and other merchandise. We will additionally partner with local retailers and boutique stores throughout Florida to promote our merchandise to a larger audience. The income statement (below) illustrates our first-year income projections based on industry standards and pricing estimates obtained online. Our gross profit margin is projected at \$162,270 BOS (before owner salary and expenses). If Blue Sanibel's growth trajectory remains consistent to current trends, our net profit is projected to reach \$39,694 by year three.

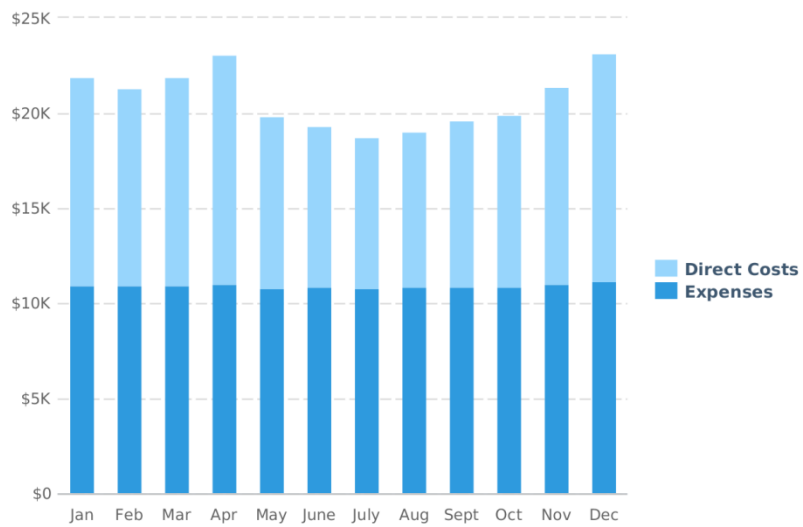
Cash Flow by Month



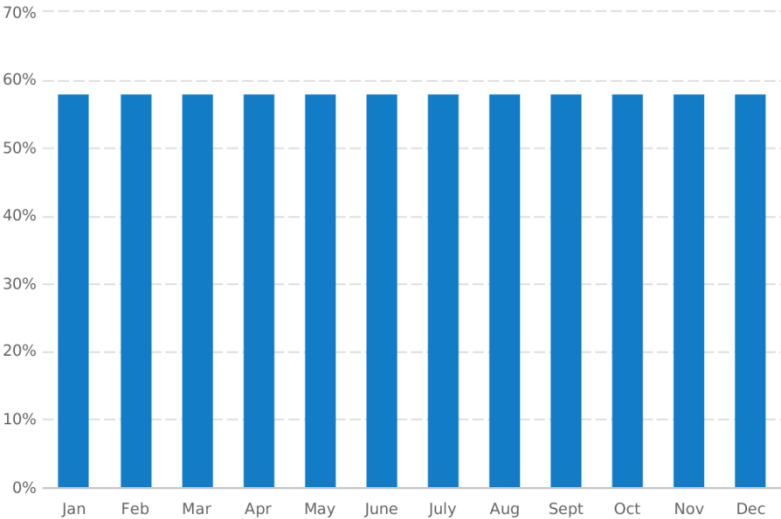
Cash Flow by Year



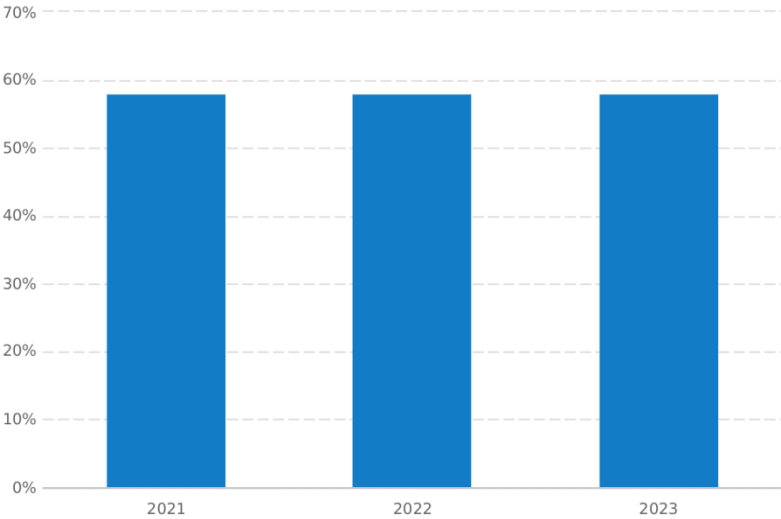
Expenses by Month



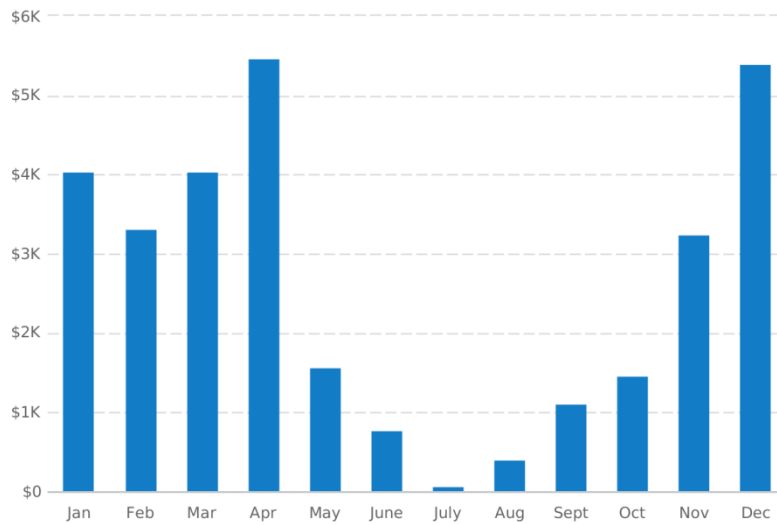
Gross Margin by Month



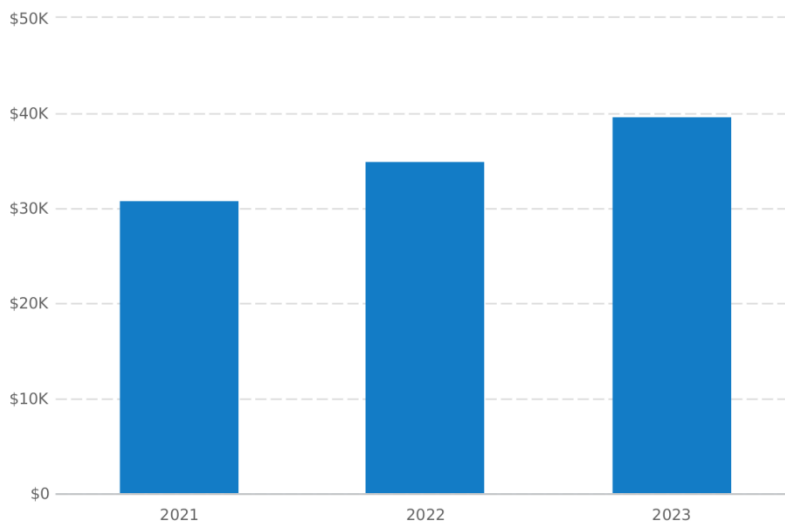
Gross Margin by Year



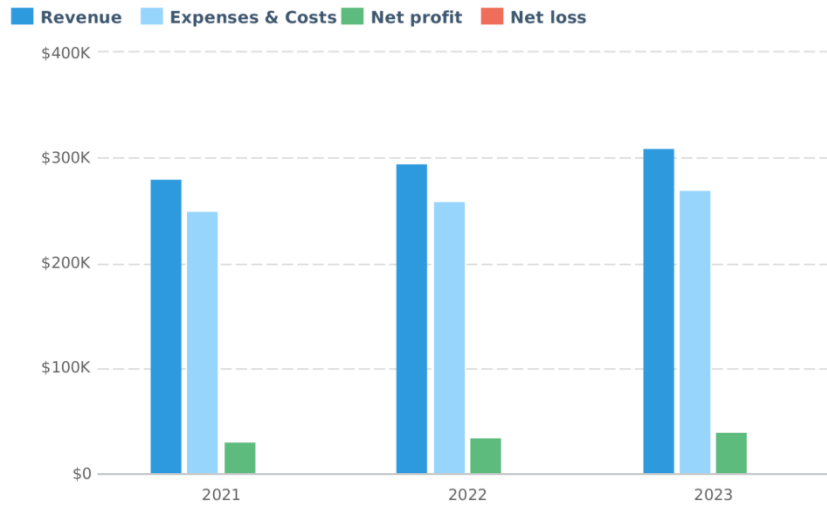
Net Profit (or Loss) by Month



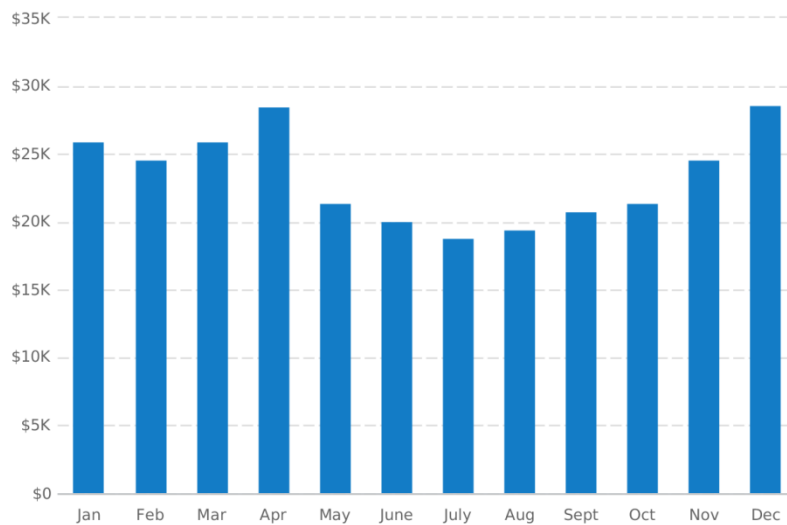
Net Profit (or Loss) by Year



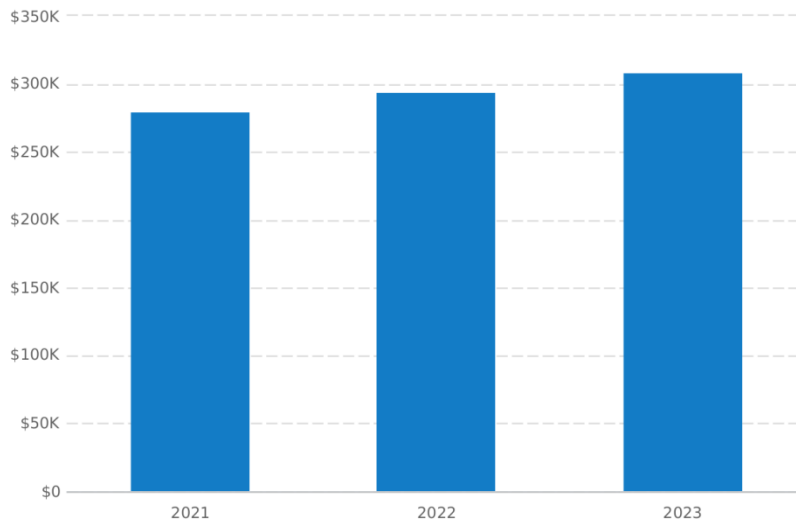
Financial Highlights by Year



Revenue by Month



Revenue by Year



Financing Needed

I am offering 15 percent of my company for an initial investment of \$60,000. While I will lose sole ownership of my company, I ultimately selected "angel investing" as my primary source of financing due to the fact it is much less risky than debt financing, invested capital does not have to be paid back in the event of business failure, and angel investors can provide me with valuable knowledge and connections to grow my business. I additionally looked up the average amount raised in kickstarter campaigns (\$23,000) which will fund my first year of business. During the subsequent 2022 and 2023 periods, I will rely on crowdfunding campaigns of \$10,000 to keep my business profitable. This figure is roughly based on the statistic: "\$9,237.55 is the average amount a nonprofit crowdfunding campaign raises" ([Nonprofit Source](#)).

Opportunity

Problem & Solution

Problem Worth Solving

Red tide is a harmful algal bloom concentrated in the Gulf of Mexico caused by excess nutrient build-up and high concentrations of microscopic alga called dinoflagellates. The issue of red tide has persisted for years in Southwest Florida, and has already claimed the lives of thousands of marine animals while posing a severe health hazard to human inhabitants living along the coast. Red tide is exacerbated by rising ocean temperatures and the fertilizer runoff epidemic in Florida. It is believed that three key factors play an important role in creating a bloom: salinity, temperature, and wind. Massive fish kills, shellfish contamination, the inhalation of air-borne toxins, and marine mammal mortalities are just a few of the frightening results of a red tide bloom. Local businesses have additionally reported \$90 million in tourism losses, and it is currently unclear as to what the long-term health effects of breathing air-borne toxins may be.

This is where Blue Sanibel comes in - an innovative apparel company that combines trendy, island-inspired designs with state of the art manufacturing technologies to ensure that our products have a minimal environmental impact. Our designs will promote Sanibel's conservation initiatives while additionally raising awareness for red tide mitigation strategies and the role we, as consumers, play in advocating for the protection of natural resources. There is a palpable shift occurring in consumerism as more individuals are choosing to claim conscious responsibility for the degradation of scarce resources. After conducting a thorough examination of Sanibel Island's history of environmental conservationism, in addition to the role already-established social enterprises play in Southwest Florida, I am convinced that there is a great market opportunity for Blue Sanibel and the mission we promote.

Our solution

Blue Sanibel is an eco-apparel company that sells colorful island-inspired apparel, including: t-shirts, swimsuits, and accessories. Blue Sanibel will predominantly concentrate sales online, relying on e-commerce and traffic generated from social media campaigns and micro-ambassador programs. While our goal is to one day open a brick and mortar boutique, plans for expansion will rely on sales and the amount of interest generated through advertising and online brand engagement. Blue Sanibel will donate 10% of proceeds to organizations that are mitigating the impacts of red tide on coastal ecosystems and livelihoods, including the Mote Marine Laboratory (Mote) and the Florida Fish and Wildlife Conservation Commission (FWC).

Blue Sanibel will use manufacturing processes that aren't detrimental to our lives or the life of our planet. The aim of sustainable fashion is to "minimize any undesirable environmental effect of the product's life cycle by: (a) ensuring efficient and careful use of natural resources (water, energy, land, soil, animals, plants, biodiversity, ecosystems, etc); (b) selecting renewable energy sources (wind, solar, etc) at every stage, and (c) maximizing repair, remake, reuse, and recycling of the product and its components" ([source](#)).

SWOT Analysis

Strengths - both organizational and individual.

- Proficiency in the Adobe Creative Cloud Suites along with a strong foundation in fashion design and textiles.
- Online retail reduces many costs typically associated with brick-and-mortar businesses, including utilities and the need to hire multiple employees.
- Large and growing consumer base - Millennials and Gen-Z consumers rally around causes that impact them personally and those they care about. They are passionate about sustainability and expressing their support for organizations that hold themselves to lofty ethical standards.
- Previous industry experience in social media advertising and marketing will prove to be an asset as much of our product promotion is concentrated online.

- A void in the market for socially-minded companies that promote red tide awareness.

Weaknesses

- A relatively untested market for products that raise awareness for the crippling red tide epidemic.
- Niche market may result in lower volumes of sales than initially anticipated (see income statement above).

Opportunities

- The current dynamic environment of conscious consumerism is taking the world by storm. People are proud and vocal for the causes they support, and they want to display their values in a visual way. Thus, we see the emergence of a prominent field of eco-apparel companies that rally consumers to join their movement. One notable example, 4ocean Bracelets, describe the community-centric appeal of their products: “Wearing the 4ocean Bracelet instantly identifies you as a member of the clean ocean movement” (4ocean.com).
- Establishing a brick and mortar boutique in Southern Florida if sales trends indicate long-term profitability.

Threats

- To produce apparel at the current magnitude we are anticipating, our corporation will require a significant amount of start-up capital in order to cover incurred costs, the price of merchandise, and production.
- Other socially-minded ocean conservation apparel companies in the industry.

Target Market

Throughout the past 15 years, the sustainable fashion industry has grown exponentially as the popularity of social media has provided eco-apparel brands with a platform from which to reach a passionate consumer base consisting

of predominantly millennials and Gen Z individuals. An article in [Forbes](#) notes that "online searches for 'sustainable fashion' tripled between 2016 and 2019" with the number of sustainable apparel items available worldwide surging from 58,144 SKUs in 2016 to around 353,817 SKUs in 2018 (up 508%) ([source](#)). We expect our strongest market segments to consist of individuals who reside and work on Sanibel and Captiva who are directly impacted by red tide, informed students at the local universities (FGCU & FSW) in Fort Myers, and tourists who flock to the islands during major holidays. Additional target market segments include successful island retailers who will sell our products and local conservation organizations that will partner with Blue Sanibel to raise awareness for the threats posed by toxic algae blooms.

The key to marketing to our target customers is a unique blend of both traditional advertising and social media presence. Traditional advertising outlets include local newspapers such as "The Island Sun," and regional magazines like "Gulfshore Life." These advertising outlets will provide us with the greatest brand visibility and reach for our target segment consisting of Sanibel and Captiva locals (market size: approx. 7,000+). Building a strong social media presence will help us appeal to the two latter categories (students at local universities and tourists). The two universities combined have a student body size of 30,447 students, about two thirds of whom live on campus or in off-campus housing near downtown. Tourists who visit Sanibel are harder to quantify, but based on a 2019 Lee County report entitled "Visitor Tracking, Occupancy & Economic Impact Study," the Beaches of Fort Myers & Sanibel attracted 4,926,400 visitors in CY 2019 with a total economic impact of \$542,989,900 spent on shopping ([source](#)).

Competition

Current alternatives

In the geographic area that Blue Sanibel occupies, we face two major types of competitors. The first is other beach-inspired boutiques, including the *Paradise Boutique of Sanibel*, which sells a variety of Sanibel Island t-shirts, sweatshirts, and gifts. While island boutiques sell similarly-themed products to my company, they lack an integral social mission and thus are solely motivated by profit and marketing to tourists. Furthermore, these designs are missing a distinct

sense of place and identity because they are generically-produced in vacation destinations to appeal to tourists (e.g., think neon tank-tops, rudimentary designs, emblazoned sweatshirts).

The second category of competitors consists of other social enterprises located in Lee County that promote water quality reform. While there is not a strong presence of social entrepreneurship in Southwest Florida, one notable alternative is "Captains For Clean Water," a 501(c)3 organization dedicated to protecting Florida's most valuable resource: water. Captains for Clean Water sells a range of apparel, including: hats, t-shirts, and engraved water bottles. However, it is important to note that Captains for Clean Water has a vastly different business model than Blue Sanibel; while we share a similar objective of restoring and protecting marine ecosystems for future generations, Captains for Clean Water is a non-profit that primarily relies on donations and membership fees to advance their social cause. Thus, the design and sale of apparel is a supplementary income stream for their enterprise and the majority of their activities consist of advocacy, education, and community-engagement initiatives.

Another example of a social business located on Sanibel Island is Eileen Fisher, a pioneering retail giant known for their luxury garments and dedication to human rights and sustainability. While Blue Sanibel will emulate many of Eileen Fisher's successful strategies (i.e.: using recycled/sustainable fibers, offsetting carbon emissions, developing a water management strategy, and partaking in certified-green dye processes), we will appeal to a younger age demographic and our clothing designs will be reflexive of current trends in beachwear. Furthermore, Blue Sanibel will devote a portion of proceeds to the Sanibel and Captiva Conservation Foundation to contribute to their mission of mitigating red tide blooms along Florida's coast.

When discussing prominent competitors, it is important to critically examine how Blue Sanibel can transform competition into key partnerships. A newly-formed company based in Florida, MANG®, is restoring coastal marine habitats through planting 'mang'roves for every product sold. While this business model can potentially deter customers from purchasing Blue Sanibel products, I can counteract this obstacle by transforming MANG from a competitor into an ally. This can be achieved by offering joint products and forming a marketing alliance with

MANG to allow my small business to sell products on their digital platforms – platforms that typically have greater traffic and visibility. Forming strategic business partnerships in the early phases of my company's proceedings will be imperative to our ultimate success. The primary intent of Blue Sanibel is to incite systemic change and educate the population about water quality reform in Florida. Thus, partnering with similarly-motivated enterprises will actually place us one step closer to achieving our social mission and can provide our brand with important visibility and traction which will drive profits and increase website traffic.

Our advantages

Blue Sanibel offers a unique value proposition unmatched by rivals in the Southwest Florida marketplace. After conducting a detailed analysis of preexisting social businesses in Lee County, I noticed a prominent absence of socially-driven enterprises, particularly those in the apparel industry. While sustainable clothing stores are taking off worldwide (see: *Everlane, Alternative Apparel, Reformation, Eileen Fisher, H&M Conscious, etc.*), what most brands lack is a sense of place. Blue Sanibel is entirely inspired and motivated by the beauty of Florida's sun-kissed barrier islands and promoting the unique history of conservationism that is ingrained into life on Sanibel. The simplest way to describe our company's identity is a surf lifestyle brand that promotes eco friendly, innovative designs.

Sanibel Island has long been a popular travel destination for tourists worldwide, and through my brand I hope to promote the deep-rooted pride islanders feel for the unspoiled beauty of the ocean and coastal ecosystems. Another competitive edge our enterprise has to competitors is the prevalence of social media usage amongst tourists that visit Sanibel and Captiva. During the year 2018, the beaches of Fort Myers and Sanibel had a total of 98,612,013 social media impressions with 1,163,080 social media engagements. We will capitalize on this highly cost-effective way to advertise our apparel and disseminate our brand's mission to a wide and highly diversified audience.

Execution

Marketing & Sales

Marketing Strategy

To increase brand awareness, generate a higher margin of sales, and improve Blue Sanibel's ability to cater to our intended consumer base, I incorporated my knowledge of the *Process of Behavior Change Framework* to draft an appropriate marketing, sales, and financial strategy. This framework is an indispensable component to effective social marketing because it helps marketers generate a segmentation and prioritization rationale and will also aid Blue Sanibel in the establishment of a concisely-defined target demographic.

The *Process of Behavior Change Framework* will help my company achieve widespread social change through the implementation of strategic insight and understanding of desired behaviors. By studying trends in human behavior, we can determine the most effective strategies for product development, pricing, and marketing channels accessible to community members in Southwest Florida. Our marketing plan will include a mix of strategic social marketing and operational marketing tools. Operational marketing is used in campaign and program development and focuses primarily on capturing the attention of the target demographic to effectively sell a product and generate revenue. Operational social marketing additionally deals with specific behavioral issues and is predominantly centered on the elements of implementation and delivery. Thus, it is often regarded as a short-term solution because it relates mainly to product, service, and communication development and enables one to address the immediate needs and motivations of a segmented population.

Strategic social marketing, on the other hand, is utilized to design intervention strategies and achieve desired outcomes. Thus, strategic marketing encompasses both policy and strategy development and attempts to ensure that the policies that are crafted are a realistic reflection of people's lives, consequently making policy goals more achievable. This will enable my company to target resources cost-

effectively and select interventions based on the impact they will have over an extended period of time.

Through an informed segmentation process, Blue Sanibel can compile research reports and use the information we have gathered on various target demographics to refine behavioral change strategies. Examples of potential customer/beneficiary segments:

- Socially-aware customers (predominantly in Southwest Florida) that are attracted to companies with strong core values of environmental conservationism and a powerful mission. This segment encompasses individuals who reside and work on Sanibel and Captiva who are directly impacted by red tide and informed students at the local universities (Florida Gulf Coast University & Florida SouthWestern State College) in Fort Myers;
- Individuals looking for attractive clothing garments that reflect the laid-back qualities of a beach/surfing-inspired lifestyle;
- Tourists who flock to the islands during major holidays;
- Successful island retailers attracted by our cohesive pricing strategy, profitability potential, and eye-catching visuals;
- Local conservation organizations seeking to partner with an apparel company to disseminate their messaging and raise awareness for the threats posed by toxic algae blooms.

Finally, it is important to analyze the significance of the vocabulary used in my future marketing efforts. The tension in vocabulary directly correlates with the intended audience and this can have important implications on the architecture of thinking and resulting actions taken by individuals impacted by red tide.

Marketing Plan

We will promote our products through the use of an aggressive yet highly strategic marketing plan. This will entail local media coverage in Southwest Florida (the epicenter of several red tide outbreaks), print advertising, and social media campaigns. We aim to limit our marketing budget to no more than 8% of Blue Sanibel's gross annual sales, and we will partner with local organizations such as

the Sanibel/Captiva Chamber of Commerce and the Sanibel-Captiva Conservation Foundation Marine Laboratory.

Important statistics that affirm the viability of our marketing strategy include:

Social Media Usage in 2018:

- *TOTAL SOCIAL MEDIA IMPRESSIONS: 98,612,013*
- *TOTAL SOCIAL MEDIA ENGAGEMENTS: 1,163,080*
- *Blue Sanibel will integrate the use of "micro-influencers" on social media to reach a broader target market. Micro-influencers are best described as "every-day" people with social media audiences of about 2,000 - 50,000 followers. Thus, they designate a relatable, real, and personalized approach to product promotion.*
 - *10.5M 2018 INFLUENCER IMPRESSIONS*

Traditional Media Presence in 2018:

- *OVER 677M GROSS IMPRESSIONS*
- *APPROXIMATELY \$2.2M IN ADDED-VALUE MEDIA*
- *OVER 84M IN CO-OP MARKETING IMPRESSIONS*

Another form of marketing Blue Sanibel will pursue is newsletters, because developing a strong email database is perhaps one of our company's most valuable assets. This is largely due to the fact that email marketing sparks more dialogue/conversions than social and search (source: Monetate). Without a subscription form on my website, I will miss important opportunities to connect with prospective consumers interested in my brand to later turn them into valuable paying customers. Features I will need to research further include content, subscribing, design, timing and split testing. Key features of a good newsletter include: social media shares, increases in traffic to our site, and the generation of leads.

Digital ads and ad placements typically fall into the following categories: search, display, local search ads, and YouTube. My company will prioritize Google Ads, a form of paid Google advertising, which will help secure more website visitors and consequently sell more apparel items. This is because Blue Sanibel will be displayed

on the first page of Google search results for our pre-selected keywords. However, it is important to note this can be costly as established competitors have a larger budget they can devote to advertising expenses. Thus, I will also explore advertising on Sanibel-related websites that attract a substantial amount of traffic yet do not come with the sizable price-tag.

Lastly, an important marketing strategy my company will utilize is "point of purchase displays." While we will not be getting full retail value when we sell our products through partnering boutiques, investing in point of purchase displays and forming alliances with brick-and-mortar retailers will boost our overall sales and branding. While designing for end users is of heightened importance, the products must also be designed to appeal to brick-and-mortar retailers. We will not target an organization the same way we target an individual, and will emphasize key features that appeal to them: high margins, and stop-and-stare visuals. To calculate changes to my revenue streams, I researched the standard markup for this business which is 2.2, 2.5 (source: [Inc.](#)). Thus, boutiques will typically sell products at more than double their overall cost. As a supplier, we will factor in these added costs into our pricing equation.

(Statistics above are derived from the [2018 Value of Tourism Report](#).)

Sales Plan

Our company will generate revenue from the sale of graphic t-shirts, tote bags, accessories, and other island-inspired merchandise. Our sales will be concentrated in online retail and partnerships with local boutiques throughout FL. This will help with the elimination of costs typically associated with brick-and-mortar businesses. Once our business becomes more liquid, we will pursue plans for expansion with the overarching goal of opening a boutique on Sanibel Island before growing into the Miami market.

Operations

Due to the fact that Blue Sanibel's sales will primarily be concentrated online during our preliminary years of existence, we will require a point-of-sale system to take payments, an e-commerce engine for our website, marketing tools for generating leads (i.e., Google Analytics), QuickBooks Online for our bookkeeping, Gusto for our payroll processing, MailChimp to send email newsletters, and the standard social media sites (Facebook, Instagram, etc.) to connect with our customers and solicit feedback.

Milestones & Metrics

Because our prices are fixed, we are focused on maximizing unit sales (*i.e.: how many types of each apparel – graphic t-shirts, button-ups, swim shorts, bikinis, etc. – can we sell?*). Likewise, because our prices have such a wide range, we want to keep a close eye on our mix of sales and push for the sale of button-up shirts which are our largest stream of revenue. With regards to our key impact metrics, we will use a multi-indicator approach to assess 5 different impact areas – namely, climate change, resources, freshwater withdrawal, ecosystem quality and human health – to ensure a balanced corporate assessment on multiple fronts. When fulfilling our red tide advocacy obligation (donating 10% proceeds to organizations that mitigate the impact of harmful algal blooms in SWFL), we aim to raise \$28,033 in fiscal year 2021 to fund continued research and education operations in our community.

Company

Overview

Blue Sanibel is registered as a Benefit corporation in the state of Florida. B-Corps are companies that balance purpose with profit and use business as a driving force for good in the community. This structure is best suited to Blue Sanibel's integral mission because we will utilize the current environment of conscious consumerism to raise both awareness and monetary support for the elimination of red tide epidemics.

Our founder, Dahlia Lilleslatten, currently has sole ownership of the social enterprise, and no outside investors are involved at this point in time. However, it is important to note that we will look for angel investors as a stream of funding as the business grows.

Team

Management team

Blue Sanibel will initially have a staff of three individuals:

- Clothing designer and marketing strategist (myself),
- Customer service representative,
- Accountant.

As Blue Sanibel scales operations, it will be a fascinating challenge to incorporate new team members without losing the corporate identity that has allowed the brand to grow and prosper within the community. Future team members must display a commitment to sustainability and exemplify the core values of our enterprise.

Advisors

Dahlia (founder & owner) will partner with family friend and business associate Neliana Fuenmayor who serves as a mentor figure to the Blue Sanibel brand. Neliana is an award-winner designer, creative entrepreneur, and consultant who pioneers sustainable innovation and advocates for transparency in fashion. Furthermore, she has developed a new Blockchain technology that will help Blue Sanibel accredit all stages within our supply chain as ethical. Neliana won the coveted *Kering Award for Sustainable Fashion* in 2015 working for Stella McCartney and is the founding director of 'A Transparent Company,' a consultancy for sustainability, innovation & communication strategy in London.

Furthermore, Dahlia will also benefit from the helpful guidance of several professors and mentors who will provide valuable insight and advice into business challenges. Dr. Tonia Warnecke is George D. and Harriet W. Cornell Chair of Social Entrepreneurship, Professor, and Department Director (Social Entrepreneurship) at Rollins College. Warnecke is an economist specializing in international development processes and policy and her expertise in global development, social entrepreneurship, and microfinance will help Blue Sanibel strategically plan business operations and undertake community development initiatives.

Lastly, Blue Sanibel will prosper from the mentorship and guidance of Ms. Fiona Robinson, a Visiting Assistant Professor in the Department of Social Entrepreneurship at Rollins from Winnipeg, Manitoba. Professor Robinson has a wide breadth of entrepreneurial experience and will channel her expertise running a design and marketing agency into the process of providing corporate consulting and coaching for Blue Sanibel. Prof. Robinson received her Masters in Environmental Design from the University of Calgary and is currently completing her Doctorate in Social Sciences at Royal Roads University (with a focus on self-sufficiency and creative entrepreneurship).

Financial Plan

Forecast

Key assumptions

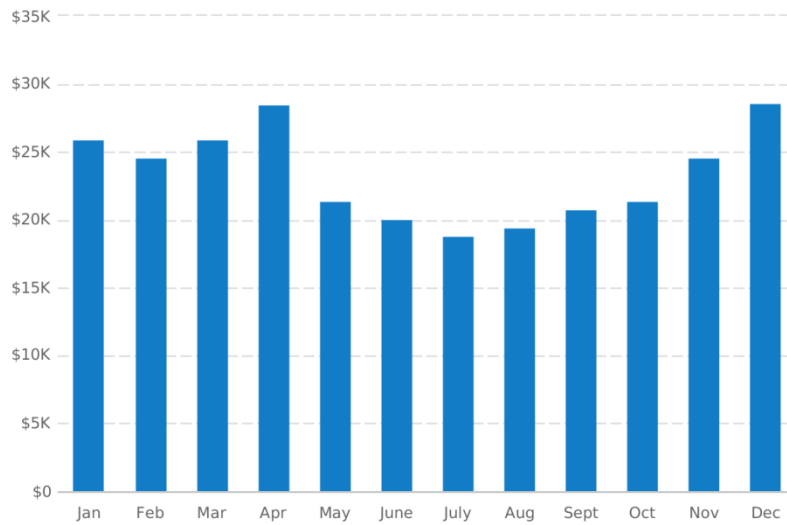
We expect to sell the following units of apparel per year:

- Graphic T-shirts: 2,160
- Recycled Neoprene Bikinis: 480
- Button-up Shirts: 2,232
- Tote Bags: 288
- Swim Shorts: 540

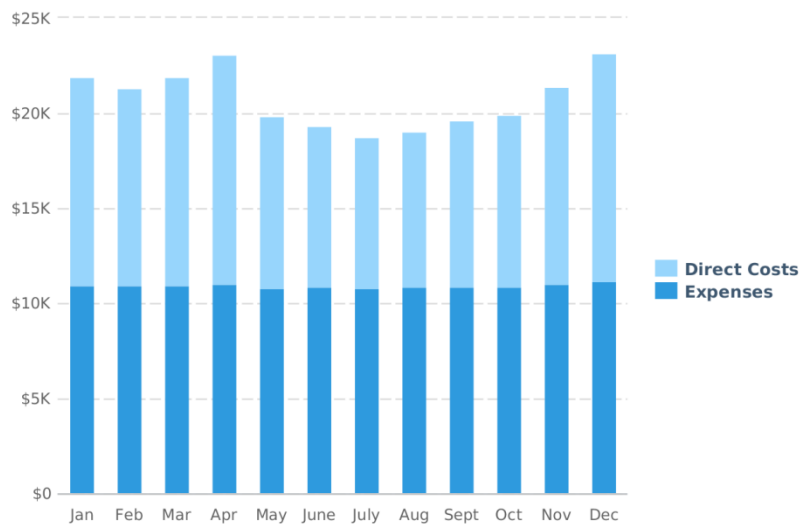
Due to the fact that our fabrics are derived from eco-friendly and recycled resources, our prices will be slightly elevated to compensate for the additional incurred expenses that result from lowering our resource use, decreasing pollutants and waste, and ensuring an ethical supply chain.

In our first fiscal year, we are projecting \$280,326 in revenue with a 11% net profit margin. In spite of the fact that we are beginning business operations with a small staff and a largely subcontracted workforce, we expect salaries & wages to be a top expense. As we scale our business and expand to new markets, we will hire a more extensive design team, additional managerial staff, greater technical assistance, and a marketing analyst. We will have a modest advertising budget of \$6,000, and the majority of our marketing will occur through sponsored social media posts (which help us selectively target the university student and tourist demographics). Lastly, we will require a minimal amount of equipment (\$2,000: electronics) as the manufacturing and printing of apparel will be conducted through a third-party print shop.

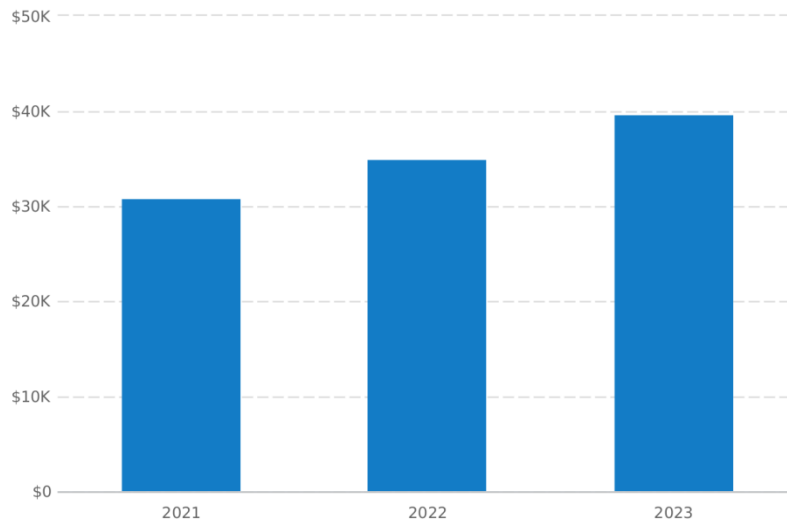
Revenue by Month



Expenses by Month



Net Profit (or Loss) by Year



Financing

Use of funds

The income statement illustrates our first-year income projections based on industry standards and pricing estimates obtained online. The biggest expense Blue Sanibel will incur is the cost of raw materials used to manufacture our clothing designs – i.e., direct costs. In order to uphold the values of sustainability and environmental conservation upon which Blue Sanibel was founded, we will partner with the eco-friendly print company Jakprints, Inc. to produce and screen-print our apparel. The aforementioned direct costs are represented by a percentage deducted from our total revenue, and it is important to note that Jakprints will be responsible for acquiring raw materials and transforming them into finished pieces of apparel.

Jakprints is a collection of independent printers who tailor their services to meet the needs of graphic designers across the country, serving a total of over 100,000 clients to date. They have instituted several progressive initiatives from within their organization, including: drastically reducing production waste through the

implementation of internal recycling programs, switching to organic cleansers and vegetable-based offset inks, and using eco-friendly and organic apparel.

Furthermore, for each order that is purchased, they will plant one tree; to this day, they have planted a cumulative total of over 500,000 trees that are reducing carbon emissions to combat climate change ([source](#)).

Sources of Funds

In order to launch successfully, we will need to make significant personal investments and rely on government/community grants to fund our social venture. We will additionally look to angel investors and equity financing in order to obtain start-up funds that are necessary for purchasing inventory, renovations, and daily operating expenses (i.e.: rent and payroll). We will offer 10 percent of our company for \$60,000.

After conducting further research into the red tide epidemic and the available grants for social entrepreneurs, we discovered that the previous governor of Florida, Rick Scott, has allocated \$13M in grant amendments and new grants that target red tide and blue-green algae growths. The breakdown of grant allocation, based on different counties in Florida, is as follows:

- Lee County: \$3,000,000
- Manatee County: \$750,000
- Sarasota County: \$1,478,671.51
- Charlotte County: \$333,705
- Collier County: \$190,240
- Pinellas County: \$3,300,000

Our business endeavors will largely be concentrated in Lee County before we expand initiatives to encompass surrounding areas in Florida and beyond. Partnering with local retail shops will allow us to increase our overall impact, mitigate costs, and extend our social impact campaign to reach a larger share of our target demographic. Furthermore, my company will explore crowdfunding mechanisms, kickstarter campaigns, and social good loans to transform the way we raise start-up capital and simultaneously increase brand awareness. The Blue Sanibel crowdfunding page will essentially become a marketing campaign as

we measure the success of our customer segmentation and advertising strategies, gain valuable feedback, and determine the overall strength of the market for my products.

Statements

Projected Profit and Loss

	2021	2022	2023
Revenue	\$280,326	\$294,356	\$309,042
Direct Costs	\$118,056	\$123,964	\$130,147
Gross Margin	\$162,270	\$170,392	\$178,895
Gross Margin %	58%	58%	58%
Operating Expenses			
Salaries & Wages	\$58,000	\$59,250	\$60,563
Employee Related Expenses	\$6,600	\$6,600	\$6,600
Freelance Accounting & Legal Fees	\$3,600	\$3,600	\$3,600
Advertising and Cost Per Mile for Instagram advertising (the average CPM for Instagram is \$5.14 per 1000 visits)	\$6,000	\$6,000	\$6,000
Insurance	\$1,000	\$1,000	\$1,000
Interest and Bank Charges	\$5,150	\$5,150	\$5,150
Printing and stationery (for product packaging and labels)	\$2,000	\$2,000	\$2,000
Wix Website: Business Unlimited Premium Plan	\$324	\$324	\$324
Training for employees	\$1,000	\$1,000	\$1,000
Misc. Expenses	\$4,000	\$4,000	\$4,000
Technical Support Specialist	\$4,000	\$4,000	\$4,000
Storage Unit -10-by-15-feet	\$525	\$900	\$900
Retailers - 60% of Sales	\$33,636	\$35,322	\$37,085
Red Tide Advocacy - 10% of Net Proceeds	\$3,408	\$3,870	\$4,383
Total Operating Expenses	\$129,243	\$133,016	\$136,605

Operating Income	\$33,027	\$37,376	\$42,291
Interest Incurred			
Depreciation and Amortization	\$286	\$285	\$286
Gain or Loss from Sale of Assets			
Income Taxes	\$1,801	\$2,040	\$2,310
Total Expenses	\$249,385	\$259,306	\$269,348
Net Profit	\$30,941	\$35,050	\$39,694
Net Profit / Sales	11%	12%	13%

Projected Balance Sheet

	2021	2022	2023
Cash	\$118,509	\$164,021	\$214,490
Accounts Receivable	\$0	\$0	\$0
Inventory			
Other Current Assets			
Total Current Assets	\$118,509	\$164,021	\$214,490
Long-Term Assets	\$2,000	\$2,000	\$2,000
Accumulated Depreciation	(\$286)	(\$571)	(\$857)
Total Long-Term Assets	\$1,714	\$1,429	\$1,143
Total Assets	\$120,224	\$165,450	\$215,632
Accounts Payable	\$0	\$0	\$0
Income Taxes Payable	\$1,801	\$2,040	\$2,310
Sales Taxes Payable	\$4,478	\$4,415	\$4,633
Short-Term Debt			
Prepaid Revenue			
Total Current Liabilities	\$6,279	\$6,455	\$6,943
Long-Term Debt			
Long-Term Liabilities			
Total Liabilities	\$6,279	\$6,455	\$6,943
Paid-In Capital	\$83,004	\$93,004	\$103,004
Retained Earnings		\$30,941	\$65,991
Earnings	\$30,941	\$35,050	\$39,695
Total Owner's Equity	\$113,945	\$158,995	\$208,689
Total Liabilities & Equity	\$120,224	\$165,450	\$215,632

Projected Cash Flow Statement

	2021	2022	2023
Net Cash Flow from Operations			
Net Profit	\$30,941	\$35,050	\$39,694
Depreciation & Amortization	\$286	\$286	\$286
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory			
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$1,801	\$239	\$270
Change in Sales Tax Payable	\$4,478	(\$63)	\$218
Change in Prepaid Revenue			
Net Cash Flow from Operations	\$37,505	\$35,512	\$40,468
Investing & Financing			
Assets Purchased or Sold	(\$2,000)		
Net Cash from Investing	(\$2,000)		
Investments Received	\$83,004	\$10,000	\$10,000
Dividends & Distributions			
Change in Short-Term Debt			
Change in Long-Term Debt			
Net Cash from Financing	\$83,004	\$10,000	\$10,000
Cash at Beginning of Period	\$0	\$118,509	\$164,021
Net Change in Cash	\$118,509	\$45,512	\$50,468
Cash at End of Period	\$118,509	\$164,021	\$214,490

Appendix

Profit and Loss Statement (With monthly detail)

2021	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21
Total Revenue	\$25,960	\$24,641	\$25,960	\$28,556	\$21,452	\$20,102	\$18,852	\$19,421	\$20,761	\$21,390	\$24,650	\$28,581
Total Direct Costs	\$10,927	\$10,375	\$10,928	\$12,027	\$9,037	\$8,461	\$7,948	\$8,176	\$8,748	\$9,013	\$10,378	\$12,038
Gross Margin	\$15,033	\$14,266	\$15,033	\$16,529	\$12,415	\$11,641	\$10,905	\$11,245	\$12,012	\$12,377	\$14,272	\$16,543
Gross Margin %	58%	58%	58%	58%	58%	58%	58%	58%	58%	58%	58%	58%
Operating Expenses												
Salaries and Wages	\$4,833	\$4,833	\$4,833	\$4,833	\$4,833	\$4,833	\$4,833	\$4,833	\$4,834	\$4,834	\$4,834	\$4,834
Employee Related Expenses	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550	\$550
Freelance Accounting & Legal Fees	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Advertising and Cost Per Mile for Instagram advertising (the average CPM for Instagram is \$5.14 per 1000 visits)	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Insurance	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$84	\$84	\$84	\$84
Interest and Bank Charges	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$430	\$430

Printing and stationery (for product packaging and labels)	\$166	\$166	\$166	\$166	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167
Wix Website: Business Unlimited Premium Plan	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27
Training for employees	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$84	\$84	\$84	\$84
Misc. Expenses	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$334	\$334	\$334	\$334
Technical Support Specialist	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$333	\$334	\$334	\$334	\$334
Storage Unit -10-by-15-feet						\$75	\$75	\$75	\$75	\$75	\$75	\$75
Retailers - 60% of Sales	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803	\$2,803
Red Tide Advocacy - 10% of Net Proceeds	\$284	\$284	\$284	\$284	\$284	\$284	\$284	\$284	\$284	\$284	\$284	\$284
Total Operating Expenses	\$10,724	\$10,724	\$10,724	\$10,724	\$10,725	\$10,800	\$10,800	\$10,800	\$10,805	\$10,805	\$10,806	\$10,806
Operating Income	\$4,309	\$3,541	\$4,309	\$5,805	\$1,690	\$841	\$104	\$445	\$1,208	\$1,572	\$3,466	\$5,737
Interest Incurred												
Depreciation and Amortization	\$24	\$24	\$23	\$24	\$24	\$24	\$24	\$23	\$24	\$24	\$24	\$24
Gain or Loss from Sale of Assets												
Income Taxes	\$236	\$193	\$236	\$318	\$91	\$45	\$5	\$23	\$65	\$85	\$190	\$314
Total Expenses	\$21,911	\$21,316	\$21,911	\$23,093	\$19,877	\$19,330	\$18,777	\$19,022	\$19,643	\$19,926	\$21,398	\$23,181
Net Profit	\$4,049	\$3,325	\$4,049	\$5,463	\$1,575	\$772	\$76	\$398	\$1,119	\$1,463	\$3,252	\$5,400

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Net Profit / Sales	16%	13%	16%	19%	7%	4%	0%	2%	5%	7%	13%	19%
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	2021	2022	2023
Total Revenue	\$280,326	\$294,356	\$309,042
Total Direct Costs	\$118,056	\$123,964	\$130,147
Gross Margin	\$162,270	\$170,392	\$178,895
Gross Margin %	58%	58%	58%
Operating Expenses			
Salaries and Wages	\$58,000	\$59,250	\$60,563
Employee Related Expenses	\$6,600	\$6,600	\$6,600
Freelance Accounting & Legal Fees	\$3,600	\$3,600	\$3,600
Advertising and Cost Per Mile for Instagram advertising (the average CPM for Instagram is \$5.14 per 1000 visits)	\$6,000	\$6,000	\$6,000
Insurance	\$1,000	\$1,000	\$1,000
Interest and Bank Charges	\$5,150	\$5,150	\$5,150
Printing and stationery (for product packaging and labels)	\$2,000	\$2,000	\$2,000
Wix Website: Business Unlimited Premium Plan	\$324	\$324	\$324
Training for employees	\$1,000	\$1,000	\$1,000
Misc. Expenses	\$4,000	\$4,000	\$4,000
Technical Support Specialist	\$4,000	\$4,000	\$4,000
Storage Unit -10-by-15-feet	\$525	\$900	\$900
Retailers - 60% of Sales	\$33,636	\$35,322	\$37,085
Red Tide Advocacy - 10% of Net Proceeds	\$3,408	\$3,870	\$4,383
Total Operating Expenses	\$129,243	\$133,016	\$136,605
Operating Income	\$33,027	\$37,376	\$42,291
Interest Incurred			

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Depreciation and Amortization	\$286	\$285	\$286
Gain or Loss from Sale of Assets			
Income Taxes	\$1,801	\$2,040	\$2,310
Total Expenses	\$249,385	\$259,306	\$269,348
Net Profit	\$30,941	\$35,050	\$39,694
Net Profit / Sales	11%	12%	13%

Balance Sheet (With Monthly Detail)

2021	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21
Cash	\$65,784	\$72,720	\$80,504	\$85,345	\$90,239	\$94,203	\$93,149	\$96,677	\$101,047	\$102,278	\$109,140	\$118,509
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inventory												
Other Current Assets												
Total Current Assets	\$65,784	\$72,720	\$80,504	\$85,345	\$90,239	\$94,203	\$93,149	\$96,677	\$101,047	\$102,278	\$109,140	\$118,509
Long-Term Assets	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Accumulated Depreciation	(\$24)	(\$48)	(\$71)	(\$95)	(\$119)	(\$143)	(\$167)	(\$190)	(\$214)	(\$238)	(\$262)	(\$286)
Total Long-Term Assets	\$1,976	\$1,952	\$1,929	\$1,905	\$1,881	\$1,857	\$1,833	\$1,810	\$1,786	\$1,762	\$1,738	\$1,714
Total Assets	\$67,760	\$74,673	\$82,433	\$87,250	\$92,120	\$96,060	\$94,983	\$98,487	\$102,833	\$104,040	\$110,878	\$120,224
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Taxes Payable	\$236	\$429	\$665	\$983	\$1,074	\$1,119	\$1,124	\$1,147	\$1,212	\$1,297	\$1,487	\$1,801
Sales Taxes Payable	\$1,558	\$3,036	\$4,594	\$1,713	\$3,000	\$4,206	\$1,131	\$2,297	\$3,542	\$1,284	\$2,763	\$4,478
Short-Term Debt												
Prepaid Revenue												
Total Current Liabilities	\$1,794	\$3,465	\$5,259	\$2,696	\$4,074	\$5,325	\$2,255	\$3,444	\$4,754	\$2,581	\$4,250	\$6,279
Long-Term Debt												
Long-Term Liabilities												

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Total Liabilities	\$1,794	\$3,465	\$5,259	\$2,696	\$4,074	\$5,325	\$2,255	\$3,444	\$4,754	\$2,581	\$4,250	\$6,279
Paid-In Capital	\$61,917	\$63,834	\$65,751	\$67,668	\$69,585	\$71,502	\$73,419	\$75,336	\$77,253	\$79,170	\$81,087	\$83,004
Retained Earnings												
Earnings	\$4,049	\$7,374	\$11,423	\$16,886	\$18,461	\$19,233	\$19,309	\$19,707	\$20,826	\$22,289	\$25,541	\$30,941
Total Owner's Equity	\$65,966	\$71,208	\$77,174	\$84,554	\$88,046	\$90,735	\$92,728	\$95,043	\$98,079	\$101,459	\$106,628	\$113,945
Total Liabilities & Equity	\$67,760	\$74,673	\$82,433	\$87,250	\$92,120	\$96,060	\$94,983	\$98,487	\$102,833	\$104,040	\$110,878	\$120,224

	2021	2022	2023
Cash	\$118,509	\$164,021	\$214,490
Accounts Receivable	\$0	\$0	\$0
Inventory			
Other Current Assets			
Total Current Assets	\$118,509	\$164,021	\$214,490
Long-Term Assets	\$2,000	\$2,000	\$2,000
Accumulated Depreciation	(\$286)	(\$571)	(\$857)
Total Long-Term Assets	\$1,714	\$1,429	\$1,143
Total Assets	\$120,224	\$165,450	\$215,632
Accounts Payable	\$0	\$0	\$0
Income Taxes Payable	\$1,801	\$2,040	\$2,310
Sales Taxes Payable	\$4,478	\$4,415	\$4,633
Short-Term Debt			
Prepaid Revenue			
Total Current Liabilities	\$6,279	\$6,455	\$6,943
Long-Term Debt			
Long-Term Liabilities			
Total Liabilities	\$6,279	\$6,455	\$6,943
Paid-In Capital	\$83,004	\$93,004	\$103,004
Retained Earnings		\$30,941	\$65,991
Earnings	\$30,941	\$35,050	\$39,695
Total Owner's Equity	\$113,945	\$158,995	\$208,689

Total Liabilities & Equity	\$120,224	\$165,450	\$215,632
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Cash Flow Statement (With Monthly Detail)

2021	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21	July '21	Aug '21	Sept '21	Oct '21	Nov '21	Dec '21
Net Cash Flow from Operations												
Net Profit	\$4,049	\$3,325	\$4,049	\$5,463	\$1,575	\$772	\$76	\$398	\$1,119	\$1,463	\$3,252	\$5,400
Depreciation & Amortization	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24	\$24
Change in Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Inventory												
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Income Tax Payable	\$236	\$193	\$236	\$318	\$91	\$45	\$5	\$23	\$65	\$85	\$190	\$314
Change in Sales Tax Payable	\$1,558	\$1,478	\$1,558	(\$2,881)	\$1,287	\$1,206	(\$3,075)	\$1,166	\$1,245	(\$2,258)	\$1,479	\$1,715
Change in Prepaid Revenue												
Net Cash Flow from Operations	\$5,867	\$5,020	\$5,867	\$2,924	\$2,977	\$2,047	(\$2,970)	\$1,611	\$2,452	(\$686)	\$4,945	\$7,452
Investing & Financing												
Assets Purchased or Sold	(\$2,000)											
Net Cash from Investing	(\$2,000)											

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Investments Received	\$61,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917
Dividends & Distributions												
Change in Short-Term Debt												
Change in Long-Term Debt												
Net Cash from Financing	\$61,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917	\$1,917
Cash at Beginning of Period	\$0	\$65,784	\$72,720	\$80,504	\$85,345	\$90,239	\$94,203	\$93,149	\$96,677	\$101,047	\$102,278	\$109,140
Net Change in Cash	\$65,784	\$6,937	\$7,784	\$4,841	\$4,894	\$3,964	(\$1,053)	\$3,528	\$4,369	\$1,231	\$6,862	\$9,369
Cash at End of Period	\$65,784	\$72,720	\$80,504	\$85,345	\$90,239	\$94,203	\$93,149	\$96,677	\$101,047	\$102,278	\$109,140	\$118,509

	2021	2022	2023
Net Cash Flow from Operations			
Net Profit	\$30,941	\$35,050	\$39,694
Depreciation & Amortization	\$286	\$286	\$286
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory			
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$1,801	\$239	\$270
Change in Sales Tax Payable	\$4,478	(\$63)	\$218
Change in Prepaid Revenue			
Net Cash Flow from Operations	\$37,505	\$35,512	\$40,468
Investing & Financing			
Assets Purchased or Sold	(\$2,000)		
Net Cash from Investing	(\$2,000)		
Investments Received	\$83,004	\$10,000	\$10,000
Dividends & Distributions			
Change in Short-Term Debt			
Change in Long-Term Debt			
Net Cash from Financing	\$83,004	\$10,000	\$10,000
Cash at Beginning of Period	\$0	\$118,509	\$164,021
Net Change in Cash	\$118,509	\$45,512	\$50,468
Cash at End of Period	\$118,509	\$164,021	\$214,490