





# TABLE OF CONTENTS

## sidewinds loan proposal

<b>executive introduction</b>	<b>4</b>
mission statement	4
executive summary	4
<b>product descriptions</b>	<b>5</b>
Ear Mitts®	5
neck warmers	5
<b>marketing</b>	<b>6</b>
overview	6
survey results	7
differential advantage	10
SWOT analysis	10
competitor analysis	11
product promotions	12
distribution strategy	12
marketing timeline	13
<b>finance</b>	<b>14</b>
financial strategy	14
projected income statement	15
departmental expense report	16
projected cash budget	17
break-even analysis	18
loan proposal summary	19
<b>information systems</b>	<b>20</b>
online presence	20
<b>operations</b>	<b>21</b>
manufacturer information	22
operations procedures	22
<b>service</b>	<b>23</b>
organizational chart	24
<b>appendix a</b>	<b>25</b>
executive council qualifications	25
organizational chart	27
<b>appendix b</b>	<b>28</b>
accounting internal controls	28
base inventory controls	29
operations sales/retail controls	29
interdepartmental management	30
legal issues	30
<b>appendix c</b>	<b>31</b>
sales ledger	31
sign in/out sheets	32
weekly sales sign-up sheet	33
comments/complaints log	34
discrepancy report	35

# SIDEWINDS

## weather protection. stylish perfection.

### mission statement

Sidewinds, an IBC company, is a student-operated entity dedicated to glorifying the name of Jesus Christ through sound business principles. As a company, we stand resolved in the belief that through the integration of ethical and effective business practices we can serve the Cedarville University community with Ear Mitts® & neck warmers, both of which are exciting and functional products providing exceptional winter weather protection.

### executive summary

Sidewinds is a student-led business made up of 25 Cedarville University business students that operates within the Integrated Business Core (IBC). The purpose of the IBC is to get students out of the classroom and into hands-on, real-life business applications. In concordance with the IBC, the students receive instruction through three courses: Principles of Management, Principles of Finance, and Principles of Marketing. Through this unique combination of course work and real-world experience, students leave the IBC equipped to meet the challenges of the business world with the skills necessary to become competent, ethical business leaders for the future.

Our company seeks to introduce a unique product to the Cedarville market. Through extensive consumer research, our marketing team determined that the harsh Cedarville winters, where wind-chills often fall below zero, provide a unique opportunity for user-friendly, functional, winter-weather products. Our research indicates that a product designed to protect one's ears and face from the fierce "horizontal" weather could be successful. We eventually determined that the best products to fill these needs are the "Ear Mitts®" and customized Cedarville University neck warmers. Ear Mitts® are a form of band-less earmuffs with an innovative design, and are coupled with proven Thinsulate™ technology that provides unprecedented winter protection for one's ears. The neck warmers will be made from high quality fleece and will feature an embroidered Cedarville University logo. Through continued market analysis, we are confident that Ear Mitts® and neck warmers will be met with success in the Cedarville marketplace.

In order to ensure product quality and price, our Operations and Accounting/Finance divisions have provided analysis on suppliers and shipping rates, and have determined that the company with the most competitively priced product for the Ear Mitts® is the original manufacturer of the Ear Mitt®. We've negotiated a per-unit cost of \$8.10, which would allow us to sell them for \$15. Members of Sidewinds will manufacture the neck warmers at a per-unit cost of \$3.50. The Ear Mitts® will be packaged in a carrying box that will feature a Cedarville University logo, which is included in the per-unit cost. We feel confident that based upon the research compiled from our Marketing, Operations, and Finance departments, we can sell 400 units of Ear Mitts® and 200 units of neck warmers at prices of \$15 and \$10, respectively. Furthermore, we determined that we could sell the products in a combined package for a discounted rate of \$20. Based upon these selling prices, we project a total net income of \$1,975, which represents a 40% return on investment.

Within the life of Sidewinds, every employee will complete 10 hours of service to an organization of our choice. This simple practice on our part serves to reaffirm our dedication to the community and to the word of Christ. Furthermore, all profits made through the sales of our products will be donated to a faith-based non-profit microfinance organization. While the members of Sidewinds receive no personal monetary gain, we remain committed to maintaining profit-maximizing business practices in accordance with our company's mission statement.

Sincerely,



Joe Gallagher  
CEO Sidewinds

# PRODUCT DESCRIPTIONS

## Ear Mitts®

### basic description of Ear Mitts®

- 1.) Dimensions: 3" x 3.75"
- 2.) Band-less earmuffs
- 3.) Winter ear protection
- 4.) Portability: pockets/purses/bags
- 5.) Non-obtrusive: can still talk on the phone

### color options

- 1.) Black
- 2.) Navy blue
- 3.) Gray

### packaging and presentation

- 1.) 4"x4"x2" white high gloss box
- 2.) Cedarville label on top
- 3.) Blue and yellow ribbon

## neck warmers

### basic description of neck warmers

- 1.) Cut-off turtleneck
- 2.) Winter neck protection
- 3.) Less bulky than scarves
- 4.) Soft, comfortable, and warm fleece

### color and pattern options

- 1.) Navy blue
- 2.) Black
- 3.) Gray

### embroidered CU emblem

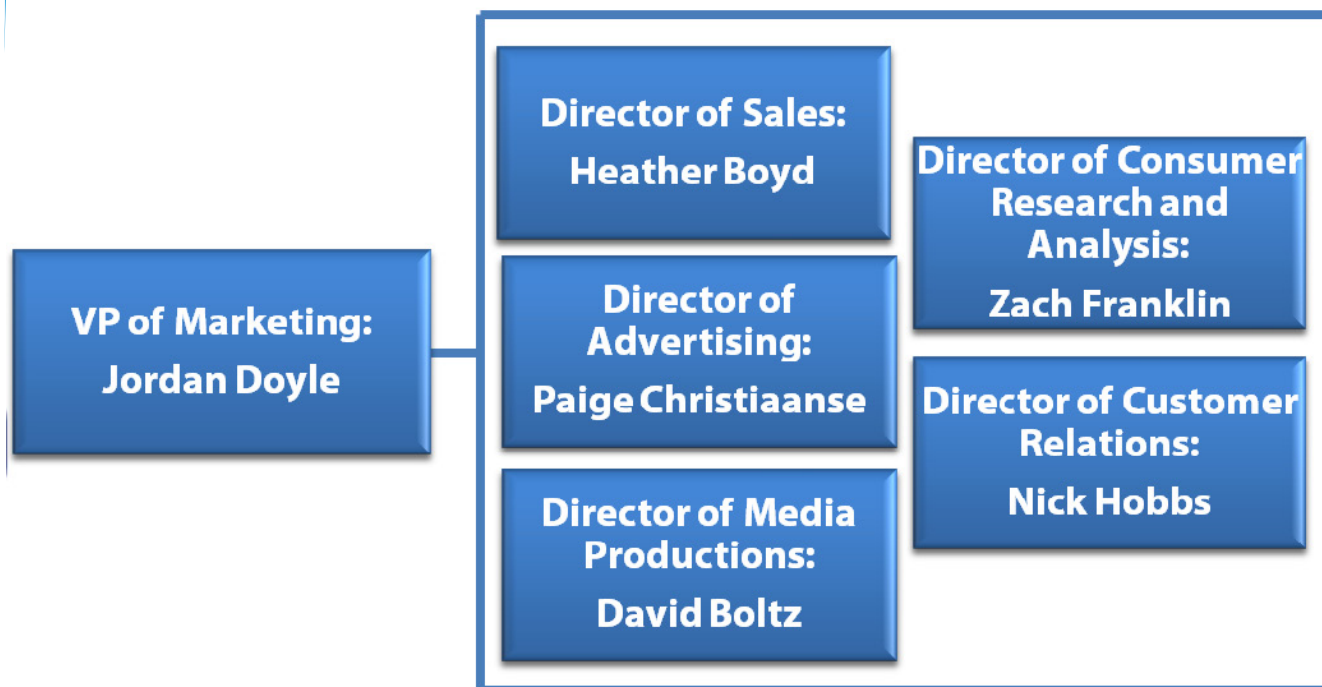
# MARKETING

## overview

### department description

The strategy of the marketing department is to create campus-wide product awareness of our innovative Ear Mitts® and neck warmers through creative promotional campaigns. We will work closely with the rest of our company's departments, especially the information systems department, to facilitate product sales and promotions. The information on the following pages will provide more detailed information concerning our marketing strategy.

## organization chart



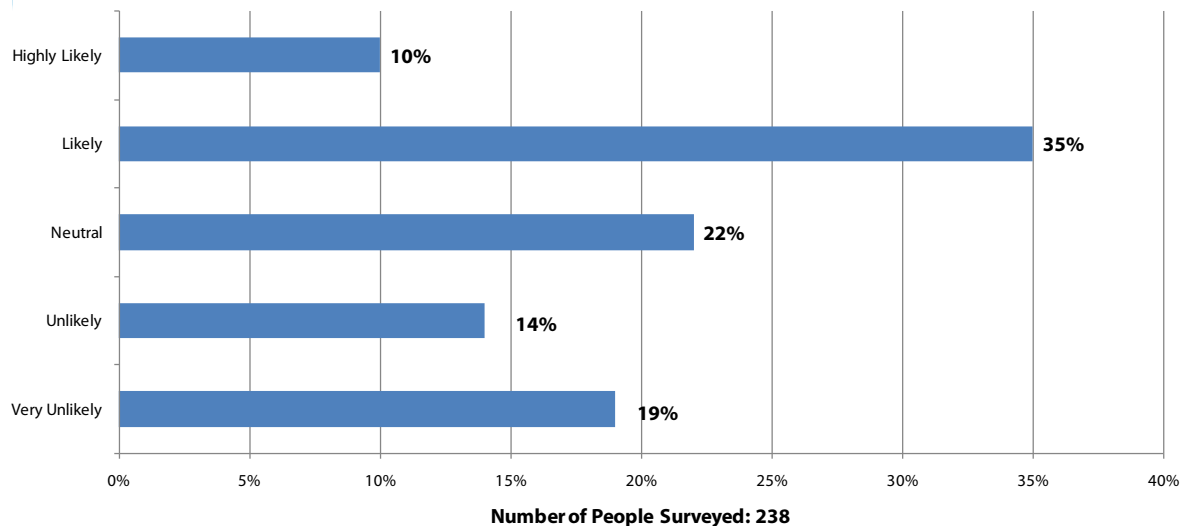
# MARKETING

## Ear Mitts® survey results

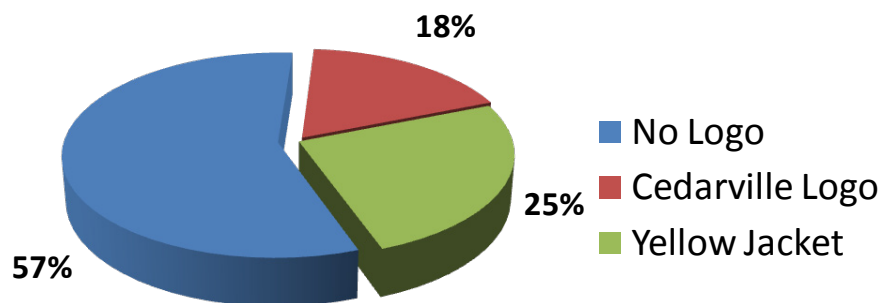
What is your gender and status on campus?

Gender		Status	
Male	47%	Student	202
Female	53%	Faculty/Staff	36

How likely would you be to purchase an innovative new product designed to keep your ears warm that are easy to use, easy to store and won't mess up your hair?



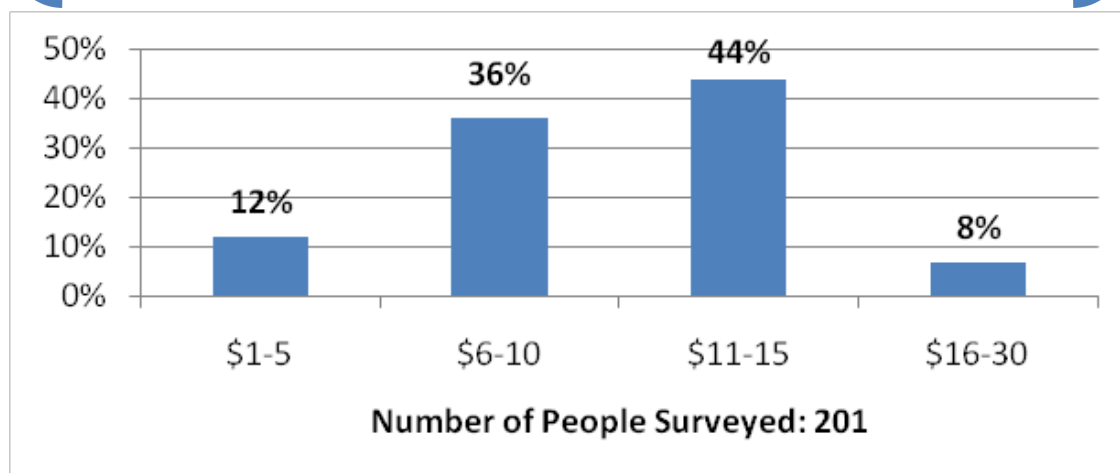
What would you like to see on your Ear Mitts®?



# MARKETING

## Ear Mitts® survey results

*Knowing that they are manufactured of the highest quality and are made with Thinsulate™ for added warmth, how much might you be willing to pay for the Ear Mitts®?*

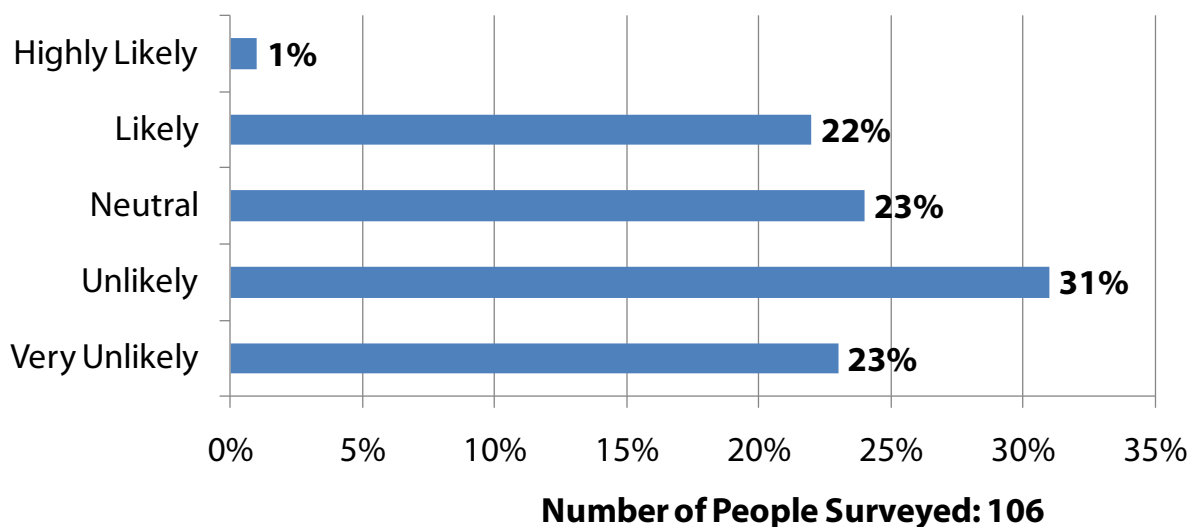


## neck warmers survey results

*What is your gender and status on campus?*

Gender		Status	
Male	47%	Student	202
Female	53%	Faculty/Staff	36

*How likely are you to purchase a quality product that protects your neck and face from the harsh winter elements?*

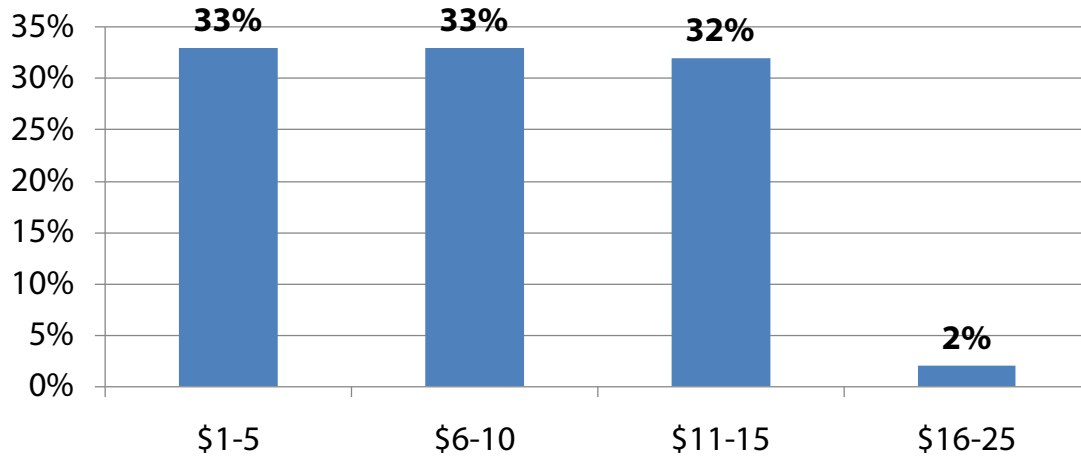




# MARKETING

## neck warmers survey results

*How much are you willing to pay for a good quality neck warmer?*



Number of People Surveyed: 82

# MARKETING

## differential advantage

Everyone who has lived in this part of the Miami Valley area for any length of time knows that the winters can be harsh. The below-freezing temperatures, the icy wind, and the snowstorms are simply unrelenting. Students, faculty, and staff who have experienced these arctic conditions know that Cedarville's campus can be unbearably cold. Each of us does our best to bundle up and protect ourselves from the elements while traversing across campus. Whether it means putting on a hat, headband, scarf, or a pair of earmuffs, we all try to protect our ears.

The cozy combination of Ear Mitts® and comfortable fleece neck warmers offers the perfect weather protection for individuals on campus. Ear Mitts® are extremely easy to use, and serve as a quick and effective solution to the cold. Unlike common winter apparel, Ear Mitts® are unique, providing reliable protection without affecting one's hairstyle. The inherent design of the product itself emphasizes its ease of use and warm protection. Ear Mitts® simply pop on to one's ears within seconds, and are lined with Thinsulate™ to provide extra warmth and protection for one's ears. Likewise, our comfortable fleece neck warmers are made from quality materials, and provide the added warmth of a traditional scarf, minus the mess.

To our advantage, Ear Mitts® are not offered in easily accessible ways to those on Cedarville's campus. Since they are not available in retail stores, the only way to purchase a pair is by ordering them online.

As an IBC company, we recognize that our differential advantage comes from our products' distribution and our unique Cedarville-themed packaging. Our company will make these products available to individuals on Cedarville's campus as the definitive solution to their winter weather woes. Also, the Ear Mitts® will be sold in a Cedarville-themed box and ready for gift giving. In addition, our neck warmers will feature a Cedarville-themed emblem, adding further to our product's uniqueness.

## SWOT analysis

### strengths:

- 1.) Unique product
- 2.) Superior quality
- 3.) Unique Cedarville packaging for storage and portability
- 4.) Durable
- 5.) Competitive pricing
- 6.) Strong differential advantage

### weaknesses:

- 1.) Limited sales period
- 2.) Low experience levels of employees
- 3.) Higher priced product relative to previous ibc products

### opportunities:

- 1.) Large market (student body, community, faculty/staff, alumni, and family)
- 2.) Create a differential advantage
- 3.) Provide products that sell themselves
- 4.) Offer lasting products for the university

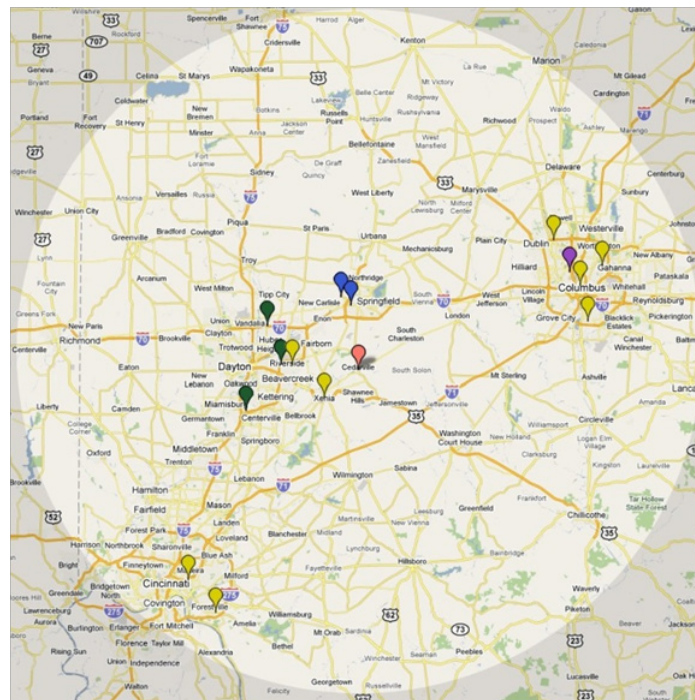
### threats:

- 1.) Competition from other companies

# MARKETING

## competitor analysis

This map represents stores within a fifty-mile radius of Cedarville that sell similar products to our Ear Mitts® and neck warmers. We searched extensively for competitors selling Ear Mitts®, Ear Mitt® substitutes, neck warmers, and neck warmer substitutes, and concluded that only one store within a fifty-mile radius of Cedarville sold Ear Mitts®. This store is represented by a purple mark. Substitutes like 180's can be purchased at Target and Dick's Sporting Goods, which can be seen by a blue mark. Three different stores within the fifty-mile radius sell neck warmers, which are indicated by the green marks. One of these stores is Dick's Sporting Goods, which sells its neck warmer at \$22. The yellow marks denote stores such as Wal-Mart and Target, which sell neck warmer substitutes, such as scarves. We have concluded that within a fifty-mile radius of Cedarville, there are not many places that sell our products or our products' substitutes. However, the stores that do sell them cannot compete with our prices.



- Peach = Cedarville
- Purple = Retailer who sells Ear Mitts®
- Blue = Retailers who sell Ear Mitt® alternatives
- Green = Retailers who sell Neck Warmers
- Yellow = Retailers who sell Neck Warmer substitutes (i.e. scarves)

# MARKETING

## product promotions

To attract the attention of potential customers, we will be using various forms of advertising and media to promote the Ear Mitts® and neck warmers. Our campaign will begin with the process of setting up promotional posters across campus prior to the arrival of our inventory of Ear Mitts® and neck warmers. This will provide our target market with an opportunity to preview our products, with the goals of advancing product awareness and interest.

After our products arrive, we will hold a photo competition, called “Ugly Alternatives to Ear Mitts®,” in which participants will submit a picture of themselves or friends wearing winter apparel that is out of style or unattractive. Prizes will include gift cards for the best submissions. This event will specifically promote Ear Mitts® as the perfect stylish solution to keeping your ears warm.

In addition, we will be adopting a unique strategy for selling our products. One of our ideas is to establish an outdoor sales table during days with cold weather, in order to encourage potential consumers to experience our products’ quality before purchasing them.

The marketing department’s media production staff will use videos as another creative means to market our products. Throughout the selling period, we will feature multiple product promotional videos online, at the sales table, and during chapel. By being both informative and humorous, our product advertising strategy will strongly appeal to our consumers. We will use popular campus personalities in our videos and in our visual campaigns to generate product awareness.

Our company’s information systems department is working closely with the marketing team to create online promotions. We are also planning to develop an advertisement depicting our service project and company products in an upcoming publication of Cedars so that our consumers will understand the purpose behind our efforts.

## distribution strategy

For our products’ distribution we will primarily be selling at the Stevens Student Center, which is the most densely populated place on campus. This process will include placing a table inside, possibly a table outside, and giving out cups of hot chocolate as a promotion. Cedarville’s special events will also be a market opportunity on which we could capitalize. These would include outdoor sporting events like the NCCAA Cross Country Championship and CU Fridays, when prospective students come visit campus. Another way we will market our product is via door to door sales. We will market our product through the various dorms on campus. Also, we will visit the offices of the departments on campus such as the Athletic Department, Physical Plant, Admissions, Alumni Relations, and Residence Life. Lastly, we will market to the faculty and staff through personal interaction during their monthly department meetings.

# MARKETING

## marketing timeline

- Oct 18-23 – Promotional Campaign
- Oct 25 – Sales Begin
- Oct 29 – CU Friday – First Promotional Video Release
- Nov 5 – Junior Chapel Advertising
- Nov 12 – Department Meetings
- Nov 13 – Parents/Grandparents Weekend
- Nov 13 – NCCAA Cross Country Championship
- Nov 19 – CU Friday – Second Promotional Video Release
- Nov 20 – Business Day
- Nov 24 – Thanksgiving Break

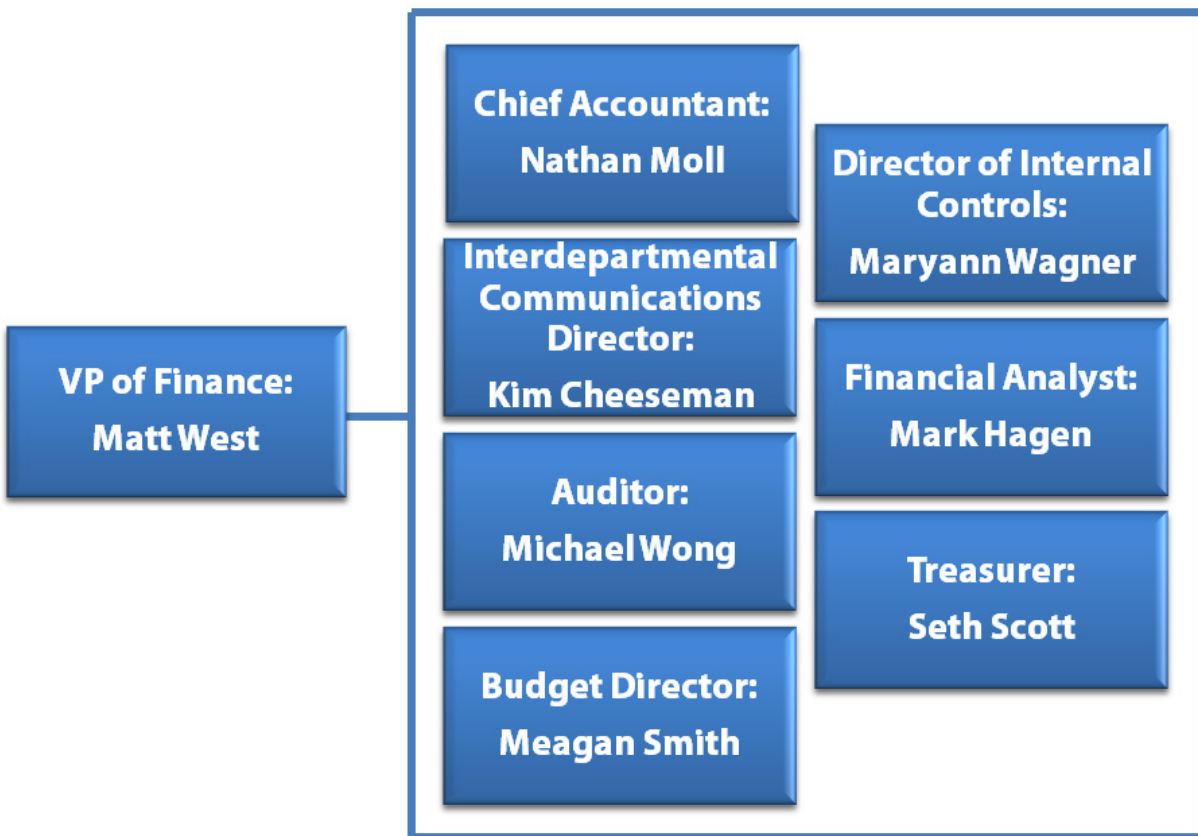


# **FINANCE**

## strategy

The objective of the Sidewinds finance/accounting department is to provide accurate and relevant information for efficient and effective decision-making for use throughout the company's life. Our department is committed to reporting all financial and accounting information with the utmost standards of quality, honesty, and integrity. To accomplish this goal, the department has adopted a set of financial controls to serve as a safeguard against theft and unnecessary loss. The information on the following pages is a conservative estimate of departmental expenses, revenues, break-even analysis, and net income. These estimates will serve as a basis for our loan request.

## organizational chart



**FINANCE**

## projected income statement

Projected Net Income				
	# of Units	Sales Price/Unit		
Revenue				
Ear Mitts Sales***	400	\$	14.08	\$ 5,632.00
Neck Warmers Sales***	200	\$	9.39	\$ 1,878.00
Less: Discounts (Package Deals)***	75	\$	(4.69)	\$ (351.75)
<i>Total Sales Revenue</i>				\$ 7,158.25
Cost of Goods Sold				
Ear Mitts Inventory	400	\$	8.10	\$ 3,240.00
Neck Warmers Inventory	200	\$	3.50	\$ 700.00
Shipping				\$ 100.00
<i>Total Cost of Goods Sold</i>				\$ 4,040.00
Gross Profit				\$ 3,118.25
Operating Expenses				
Marketing Expense				\$ 500.00
Selling Expense				\$ 135.00
<i>Total Operating Expenses</i>				\$ 635.00
Operating Income				\$ 2,483.25
<i>Total Other Expenses</i>				\$ 507.91
<b>Projected Net Income</b>				<b>\$ 1,975.34</b>

\*\*\* Sales tax not included in revenue (\$15 point of sale, etc.)

# FINANCE

## departmental expense report

Sidewinds	
Projected Expense Report	
<b>Operations Expenses:</b>	
Inventory Expense	
Ear Mitts (400 at \$7.50)	\$ 3,000.00
Boxes (400 at \$0.50)	\$ 200.00
Box Add-ons (400 at \$.10)	\$ 40.00
Neck Warmers (200 at 3.50)	\$ 700.00
Shipping	\$ 100.00
<i>Total Operations Expenses</i>	<i>\$ 4,040.00</i>
<b>Marketing Expenses:</b>	
Promotions	\$ 200.00
Samples	\$ 100.00
Advertising	\$ 200.00
<i>Total Marketing Expense</i>	<i>\$ 500.00</i>
<b>Accounting/Finance Expenses:</b>	
Loan Closing Fee	\$ 25.00
IBC Reserve Fund (5%)	\$ 357.91
Interest Expense	\$ 60.00
Credit Card Expense	\$ 50.00
<i>Total Accounting/Finance Expense</i>	<i>\$ 492.91</i>
<b>Other Expenses:</b>	
Publication	\$ 150.00
<b><i>Total Expenses</i></b>	<b><i>\$ 5,182.91</i></b>



**FINANCE**

## projected cash budget

Sidewinds Projected Cash Budget For the Life of Sidewinds				
	<u>Purchasing Period</u> Oct. 4 - Oct. 24	<u>Selling Period</u> Oct. 25 - Dec. 10	<b>Summary</b>	
<b>Cash Receipts</b>				
Sales Receipts	\$ -	\$ 7,158.25	<b><u>\$ 7,158.25</u></b>	
<b>Cash Payments</b>				
Initial Inventory	\$ 3,940.00	\$ -	\$ 3,940.00	
Shipping Expense	\$ 100.00	\$ -	\$ 100.00	
Marketing Expense	\$ 300.00	\$ 200.00	\$ 500.00	
Credit Card Expense	\$ -	\$ 50.00	\$ 50.00	
CU Overhead Expense	\$ -	\$ 357.91	\$ 357.91	
Interest Expense	\$ -	\$ 60.00	\$ 60.00	
Publication Expense	\$ -	\$ 150.00	\$ 150.00	
Loan Closing Fee	\$ 25.00	\$ -	\$ 25.00	
<b>Total Expenses</b>	\$ 4,365.00	\$ 817.91	<b><u>\$ 5,182.91</u></b>	
<b>Ending Cash Balance</b>			<b><u>\$ 1,975.34</u></b>	

# FINANCE

## break-even analysis

Break-Even Analysis - Ear Mitts																																												
Number of Units																																												
Selling Price	350	375	400																																									
13	300	318	336																																									
14	278	295	312																																									
15	260	276	<b>291</b>																																									
16	244	258	273																																									
<table> <tr> <th colspan="2">Fixed Costs</th><th colspan="3">Variable Costs</th></tr> <tr> <td>Merchandise Inventory</td><td>\$8.10 x quantity</td><td>IBC Reserve Fund (5%)</td><td></td><td>5.0%</td></tr> <tr> <td>Shipping</td><td>100</td><td>Sales Tax (6.5%)</td><td></td><td>6.5%</td></tr> <tr> <td>Marketing</td><td>300</td><td>Credit Card Expense</td><td></td><td>2.5%</td></tr> <tr> <td>Publication</td><td>75</td><td>Per Unit % Cost</td><td></td><td>14.0%</td></tr> <tr> <td>Interest</td><td>30</td><td></td><td></td><td></td></tr> <tr> <td>Loan Start-Up fee</td><td>12.5</td><td></td><td></td><td></td></tr> <tr> <td><b>Total less inventory cost</b></td><td><b>517.5</b></td><td></td><td></td><td></td></tr> </table>					Fixed Costs		Variable Costs			Merchandise Inventory	\$8.10 x quantity	IBC Reserve Fund (5%)		5.0%	Shipping	100	Sales Tax (6.5%)		6.5%	Marketing	300	Credit Card Expense		2.5%	Publication	75	Per Unit % Cost		14.0%	Interest	30				Loan Start-Up fee	12.5				<b>Total less inventory cost</b>	<b>517.5</b>			
Fixed Costs		Variable Costs																																										
Merchandise Inventory	\$8.10 x quantity	IBC Reserve Fund (5%)		5.0%																																								
Shipping	100	Sales Tax (6.5%)		6.5%																																								
Marketing	300	Credit Card Expense		2.5%																																								
Publication	75	Per Unit % Cost		14.0%																																								
Interest	30																																											
Loan Start-Up fee	12.5																																											
<b>Total less inventory cost</b>	<b>517.5</b>																																											

Break-Even Analysis - Neck Warmers																																															
Number of Units																																															
Selling Price	150	175	200	225	250																																										
8	122	135	148	161	173																																										
9	109	120	131	143	154																																										
10	98	108	<b>118</b>	128	139																																										
11	89	98	108	117	126																																										
<table> <tr> <th colspan="2">Fixed Costs</th><th colspan="4">Variable Costs</th></tr> <tr> <td>Merchandise Inventory</td><td>\$3.50 x quantity</td><td>IBC Reserve Fund (5%)</td><td></td><td></td><td>5.0%</td></tr> <tr> <td>Marketing</td><td>200</td><td>Sales Tax (6.5%)</td><td></td><td></td><td>6.5%</td></tr> <tr> <td>Publication</td><td>75</td><td>Credit Card Expense</td><td></td><td></td><td>2.5%</td></tr> <tr> <td>Interest</td><td>30</td><td>Per Unit % Cost</td><td></td><td></td><td>14.0%</td></tr> <tr> <td>Loan Start-Up fee</td><td>12.5</td><td></td><td></td><td></td><td></td></tr> <tr> <td><b>Total less inventory cost</b></td><td><b>317.5</b></td><td></td><td></td><td></td><td></td></tr> </table>						Fixed Costs		Variable Costs				Merchandise Inventory	\$3.50 x quantity	IBC Reserve Fund (5%)			5.0%	Marketing	200	Sales Tax (6.5%)			6.5%	Publication	75	Credit Card Expense			2.5%	Interest	30	Per Unit % Cost			14.0%	Loan Start-Up fee	12.5					<b>Total less inventory cost</b>	<b>317.5</b>				
Fixed Costs		Variable Costs																																													
Merchandise Inventory	\$3.50 x quantity	IBC Reserve Fund (5%)			5.0%																																										
Marketing	200	Sales Tax (6.5%)			6.5%																																										
Publication	75	Credit Card Expense			2.5%																																										
Interest	30	Per Unit % Cost			14.0%																																										
Loan Start-Up fee	12.5																																														
<b>Total less inventory cost</b>	<b>317.5</b>																																														

**FINANCE**

## loan proposal summary

**Loan Request**

**Projected Revenues:** **\$ 7,158.25**

Cost of Goods Sold \$ 4,040.00

Marketing and Advertising Expense \$ 500.00

Selling Expense \$ 135.00

Other Expenses \$ 507.91

**Projected Expenses:** **\$ 5,182.91**

**Net Income** **\$ 1,975.34**

**Return on Investment** **40%**

**Amount of Loan Requested:** **\$ 5,000**

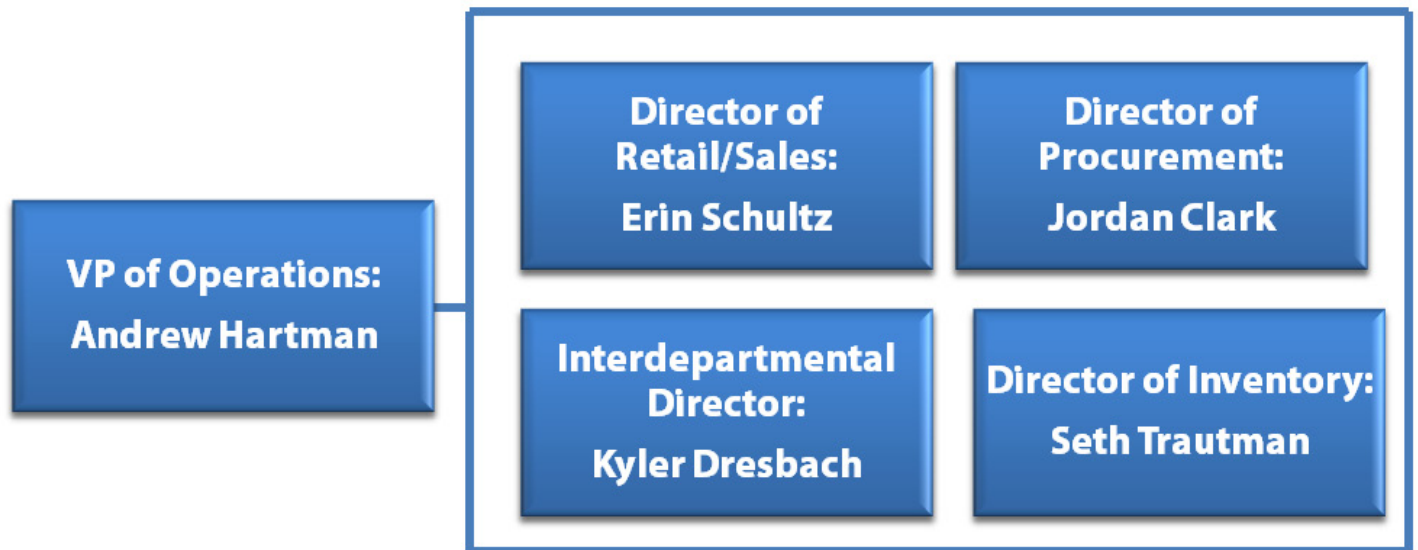


# OPERATIONS

## department description

The choices are endless when it comes to the operations of Sidewinds – whether it's picking our suppliers, or making decisions based on financial budgets. Our main focus at the time is finding suppliers that will work within the confines of our budgets, as well as setting up protocol for future inventory and sales procedures. The operations team is excited and determined to tackle the day-to-day problems that the operations of Sidewinds will encounter throughout the life of the company.

## organizational chart



## per unit cost

### Ear Mitts®

Regular size: fleece \$7.50

Boxes from Paper Mart™

\$0.59 per box 4"x4"x3" (without sticker)

Stickers from UPrinting

\$0.08 per sticker

**unit cost: \$8.17**



### neck warmers

\$4-\$6 per yard, 1 yd = 3 neck warmers, 200 units = about 70 yards

\$1.75 cost of fleece per neck warmer

Embroidery thread = \$200 for 200 units

Sewing thread = \$10 for 200 units

**unit cost: about \$3.00**



\* Accounting recognizes \$3.50 per neck warmer, \$0.10 per sticker, and \$0.50 per box

# OPERATIONS

## manufacturer information

### Ear Mitts®

Ear Mitts® are the perfect way to stay warm during our cold and windy winters, and we are excited to be working with this manufacturer over the duration of this semester. One of the great things about Ear Mitts® is that they can be worn under any type of headgear our customers might be wearing. They fit under glasses, goggles, helmets, and hats. They also can easily fit into a pant pocket. Ear Mitts® are made up of three layers, and are lined on the inside with Thinsulate™ material in order to keep one's ears warm and block out the wind. They are also infused with DuPont™ Teflon® material in order to protect the fabric, which acts as a repellant from snow, sleet, dirt, and oily stains. The people at Ear Mitts® have been very helpful up to this point, and we are looking forward to continuing our relationship with them as we move forward with our plans.

### boxes - Paper Mart™

For our unique Cedarville-themed gift box packaging of the Ear Mitts®, Sidewinds has chosen to purchase 400 boxes from the largest and most complete packaging store, Paper Mart™. This company has more than 15,000 items in stock and provides very quick shipping. Our company had to purchase the lids and the bases separately, but due to the fact that our combined order was greater than \$300, we were given a nice discount that greatly impacted our cost. This company has been very cooperative with us and we are looking forward to seeing the end results.



### sticker - UPrinting.com

For creating our gift boxes' Cedarville-themed stickers, we will be using UPrinting.com. Boasting over 25 years of experience, UPrinting.com has grown to become one of the top online printing companies has become a trusted leader for printing projects worldwide. UPrinting will be supplying Sidewinds with the stickers we are using on our packaging for the Ear Mitts®. We can easily upload the art of our choice to UPrinting.com and they will program it into their state-of-the-art printing presses, creating a quality sticker. We look forward to working with a company so impressive as UPrinting, which strives to meet the needs of small businesses like Sidewinds, even though they deal with thousands of customers daily.

### neck warmers

As a company, we have decided to manufacture the neck warmers ourselves. Not only is it more cost effective, but we also have access to the resources necessary to produce a quality product at a very low cost. The product will bear the Cedarville University logo, and the embroidery will be done on state-of-the-art Husqvarna machines owned by Sami SanGregory's grandparents. Materials will consist of anti-pill fleece and special embroidery-specific Sulky thread. Our company looks forward to working together to produce a high-quality, Cedarville-themed neck warmer.

## procedures

The Sidewinds operations department will be responsible for communicating with our company's supplier, Ear Mitts®, and will be talking with them to establish a price and ensure that they understand exactly what we are looking for, as a company. Our department will also make sure that the contract meets all requirements, and finally confirm the order with Ear Mitts®. Should there be any problems upon receipt of our order, it will be our department's responsibility to contact our supplier and take care of the problem.

# SERVICE plan

Realizing that real-world impact is only achieved through the work of Christ, Sidewinds endeavors to see business and service represented in the community as Christ would have it. The two terms, "leadership" and "servant" are not a typical combination by today's cultural standards, but they are a necessary combination for those who genuinely seek the well-being of others. Each one of us at Sidewinds has the ambition to sincerely help others in need within this broken world by being leaders who humbly serve. Servant leadership is something that Jesus Christ exemplified perfectly, and His atoning work on the cross enables His followers to live out that example.

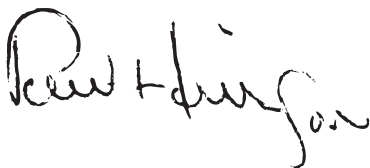
Bearing this in mind, Sidewinds will engage in business with a redemptive mission seeking to be servant-leaders within the company itself, the community, and the world around us. Along with participating in service projects in the surrounding area, Sidewinds has teamed up with an organization called Opportunity International. Opportunity International is the largest faith-based microfinance organization in the world and their mission is "to empower people to work their way out of chronic poverty, transforming their lives, their children's futures and their communities." Their method is microfinance services including savings, lending, insurance, and transformational training to those in need worldwide. Sidewinds is excited to join hands with an organization that has integrated business so deeply within its cause and shares the same motivation based on the work of Christ.

Sidewinds has the capacity to generate substantial revenue and contains twenty-five constituents within the company who are willing and able to tangibly serve the community. This capability will not be taken lightly, and through the rigorous pursuit of servant leadership, our efforts will not be in vain. Each of us at Sidewinds recognizes the biblical and social responsibility to steward our income and services in a manner that positively affects society leaving it better than it was before.

*"Do nothing from rivalry or conceit, but in humility count others more significant than yourselves. Let each of you look not only to his own interests, but also to the interests of others. Have this mind among yourselves, which is yours in Christ Jesus, who, though he was in the form of God, did not count equality with God a thing to be grasped, but made himself nothing, taking the form of a servant, being born in the likeness of men. And being found in human form, he humbled himself by becoming obedient to the point of death, even death on a cross. Therefore God has highly exalted him and bestowed on him the name that is above every name, so that at the name of Jesus every knee should bow, in heaven and on earth and under the earth, and every tongue confess that Jesus Christ is Lord, to the glory of God the Father."*

*Philippians 2:3-11*

Sincerely,



Rob Harrison  
Vice President of Services  
Sidewinds, An IBC Company





# **SERVICE**

## organizational chart





# APPENDIX A

## executive council qualifications

### **Chief Executive Officer: Joe Gallagher (Columbus, OH)**

Joe is a junior finance and marketing major who enjoys serving as a leader, as seen through his involvement in a variety of organizations over the course of his time at Cedarville University. In high school, he was the president of both the speech and debate teams, as well as president of his local 4-H club. During the 2009-2010 academic year, Joe served as a member of Cedarville's SIFE Regional Competition Team, and he plans to continue his involvement in SIFE this year. He is also currently a member of the cheerleading squad. Joe hopes to use business as his mission field, specifically by using microfinance to minister to those in developing countries. After graduating from Cedarville, Joe plans to pursue a law degree.

### **Chief Communications Officer: Samantha SanGregory (Xenia, OH)**

Sami has a passion for anything that is logical and orderly, as may be implied by her major in accounting. She worked in a public library for two and half years in high school and now works as a shift leader in the Centennial Library on campus. Since coming to Cedarville in 2008, Sami has been a member of the SIFE marketing team and women's choir. Currently she serves as Vice President of the Student Academic Advisory Board, and is involved in the alumni relations' organization, Delta Alpha Epsilon. Sami's greatest passion is helping others, whether that is through secretarial duties, or by taking care of the needs of others as they arise. In the future, she hopes to become a CPA and eventually work from home.

### **Vice President of Operations: Andrew Hartman (Delaware, OH)**

Andrew is a die-hard soccer player, as well as a dedicated finance major. His impressive experience includes working as a sales intern for Towlift, a business intern for the Columbus Crew, a business intern for Carriage Towne Chrysler Jeep Dodge, and an employee and business intern for SuperKick. After graduating from Cedarville, Andrew hopes to get his MBA and eventually own his own business.

### **Vice President of Information Systems: Joshua Muller (Somerset, NJ)**

Josh is an information systems major, and is known by many as a tech-savvy individual. His experience in the field of IT includes his past three summers of work during his internship as an IT assistant at the Rutgers University Division of Intercollegiate Athletics, his current employment as a computer technician at Cedarville University's Department of Computer Services, and his past 10 years of fascination and experience with computers and technology. He currently serves as the Treasurer for Cedarville University's student chapter of the Association of Information Technology Professionals (AITP). After graduation, he desires to work in an IT-related field and eventually work full-time as a self-employed stock trader. In addition to helping others with computers, Josh enjoys playing the piano on the worship team at his home church, trading stocks, juggling beanbags, playing PC games, and composing music on the piano.

### **Vice President of Finance: Matthew West (Brandon, FL)**

An accounting major from Brandon, Florida, Matt is an expert at bagging groceries, but currently serves as Treasurer for Epsilon Pi Lambda, a History/Government student organization on campus. Last year, he had the experience of teaching business principles to fourth graders as a part of SIFE's "Ready, Sell, Dough" program. He is passionate about the Civil War, fish aquariums, Tennessee football, and intramural tennis. He also loves reading books and watching Castle, Community, and White Collar. In the future, Matt desires to become a CPA, work for a law enforcement branch of a government agency (preferably the FBI) or an auditing firm, and live in a big coastal city.

# APPENDIX A

## executive council qualifications

### **Vice President of Service: Rob Harrison (Northport, NY)**

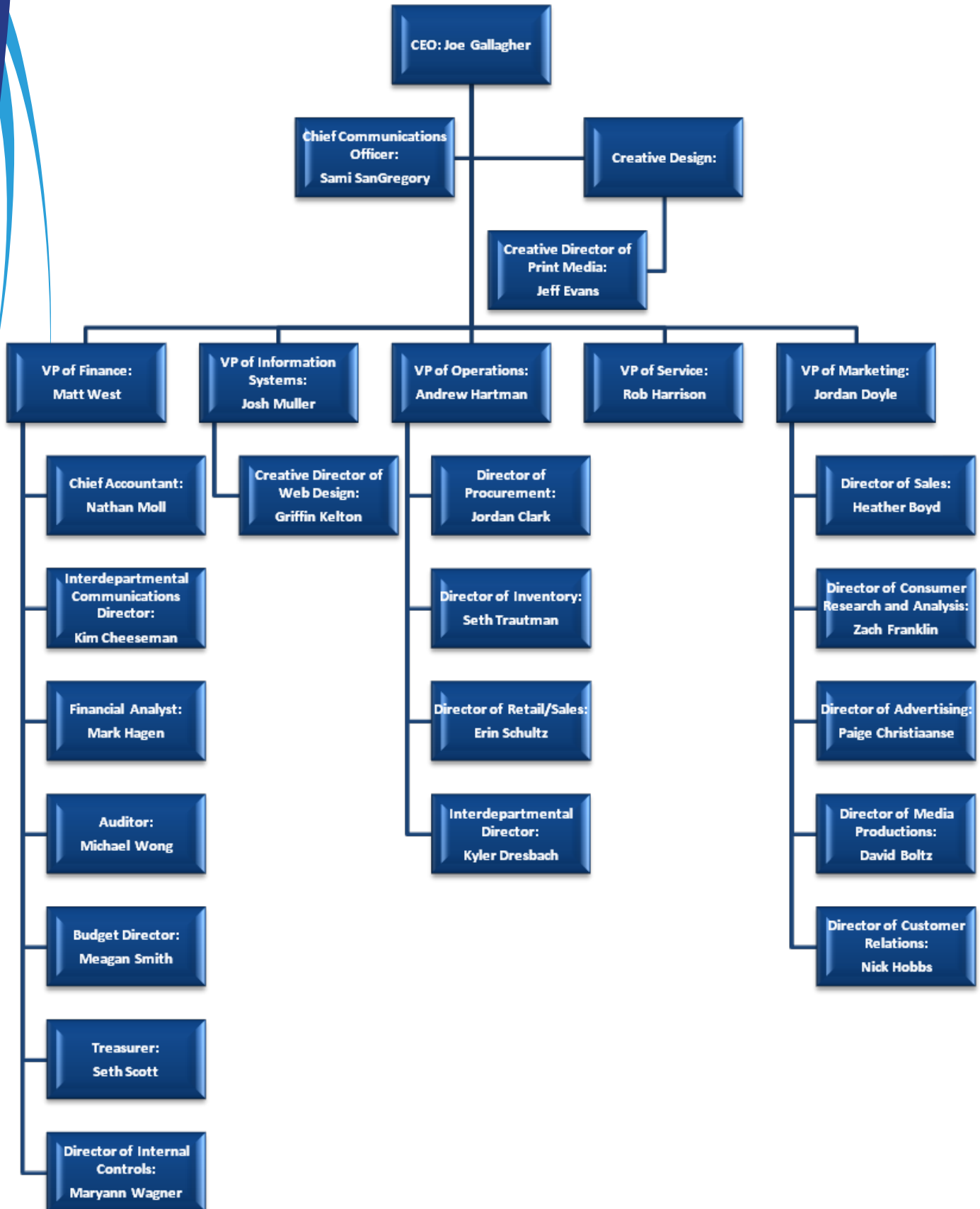
Rob, a marketing major, and proficient in Spanish, is a certified Long Islander and a lefty. He has traveled to Latin America, specifically, El Salvador, multiple times for various missions trips. His relevant experience also includes working with a Christian service-related organization in New York City. Rob is currently serving as a residence assistant for the Lawlor men's dormitory, and is also a member of OPE, a men's service organization on campus. His many interests include a unique passion for Christ-exalting hip-hop, being adventurous, and sports such as soccer. In the future, Rob hopes to work in microfinance or something else business-related in Central or South America.

### **Vice President of Marketing: Jordan Doyle (North Rose, NY)**

Jordan is a marketing major from upstate New York, where he grew up on Doyle Farms Inc., a family-operated company. Because of his exposure to business from a young age, Jordan has gained extensive experience in the areas marketing and management. He has a wide variety of interests, including photography and music. During his time at Cedarville, he has been deeply involved in several choirs, including the Men's Ensemble and the One Voice Gospel Choir, as well as numerous plays and musicals. Next summer, Jordan is planning to intern with the New York Apple Board to help market apples and other fresh fruit to consumers both locally and worldwide.

# APPENDIX A

## organizational chart



# **APPENDIX B**

## accounting internal controls

### **sales controls**

- 1) A finance/accounting department member accompanied by the first sales associate of the day will retrieve the cash box and corresponding folder from the storage location and will take them to the sales location.
- 2) At the sales table, the sales associate will record beginning inventory, as well as petty cash in the cash box on the sales ledger. If there is a discrepancy between the pre-determined amount of daily beginning cash or inventory, the sales associate must file a Discrepancy Report.
- 3) At the beginning of the shift, the sales associates must record the date, time in, and time out on the sales ledger. Only one associate will be responsible for collecting and handling cash transactions with the customers.
- 4) When a sale is made, the sales associates must record the customer's name, product ID, quantity, payment method, sale, and obtain the customer's signature. Another transaction will not begin until a completed record of this information is on file. All checks must be endorsed and labeled "for deposit only."
- 5) All sales are final.
- 6) When the next sales associates arrive, one of the new sales associates and a prior sales associate, who did not previously handle the cash, will fill out the remainder of the current sales ledger, making sure that ending inventory, total inventory sold, sales tax, ending cash and the over/shortage are accurate (none of the sales associates may leave until the new sales associates arrive). Then, both associates will fill out the beginning of the new sales ledger as outlined in steps 2 and 3. The prior sales associates must sign in the bottom right hand corner before leaving to verify the accuracy of the document.
- 7) At the end of each sales day, the sales associates will complete the closing sales ledger. At this point, a member of the finance/accounting department accompanied by one other sales associate will deposit the sales revenue at the Cashier's Office. A pre-determined amount of cash will remain in the cash box, and then it will be returned to the storage location, where it is locked away for the next day's beginning cash balance.

### **financial reporting controls**

#### **annual report**

- 1) The VP of Finance and at least two other members of the finance/accounting department will review the documents together. The VP of Finance will sign his approval, followed by the CEO.

#### **monthly reports**

- 1) The auditor and the VP of Finance will review the documents together; they will then sign their approval.

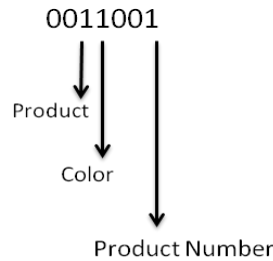
#### **general ledger**

- 1) If a member of the finance/accounting department discovers a mistake, he or she should report it to the VP of Finance, who will authorize the change.
- 2) The auditor will review the ledger weekly to confirm the accuracy of the information.

## APPENDIX B

### base inventory controls

When the Director of Procurement receives the inventory, it will be brought to our storage facilities in Milner 104. There, on the night of the receipt, the inventory will be packaged for sale and entered into the system log. Each piece of inventory will be affixed with an inventory label and will be scanned into the system to record that it is physically in our possession. The label will contain a barcode that will follow this seven number format:



As sales are made, individuals at the sales table will then write down the barcode number on the sales ledger to keep a physical record of the inventory sold. They will also scan the barcode, and as a result, the product will be flagged in Excel as having been “sold,” and no longer in our possession. At the end of every sales day, the Excel inventory report will be updated by the Director of Inventory and will be sent to the Vice President of Operations. At the end of every week, the inventory report will be physically checked against the inventory to ensure that we are in possession of the inventory we have not sold.

## operations sales/retail controls

After we figure out when and where we want to sell our product, it is our responsibility to put together a sign-up sheet with shifts for employees to pick shifts. It is our responsibility to make sure that all shifts are filled.

### Sales Procedures

- 1.) Employees must sign in at the beginning of a shift.
- 2.) A minimum of two employees must be present at any time a transaction takes place.
- 3.) One person will be in charge of the cash box, the other person will be in charge of the inventory.
- 4.) A record sheet will be present to record inventory number, quantity, amount paid, and sold by whom at what time.
- 5.) A record of sales will be recorded after every selling shift as well as at the end of the day.
- 6.) At the end of the day, we will verify that the dollar amount sold equals our profit for that day.
- 7.) Verify that inventory matches inventory sold.

# **APPENDIX B**

## interdepartmental management

Sidewinds places a strong emphasis on the importance of checks and balances within the company. This is a necessary component to improve functionality between the various jobs within our company, allowing us to provide help where needed. For example, since there are only five individuals working in the operations department, assistance from individuals from other departments will definitely be required. Operations needs to be in constant contact with other departments within our company, so this position is important. This position changes its responsibilities daily, and is based on different areas of concern or lack of help, not only in operations department, but within the others as well.

### legal issues

- 1.) We will follow all of Cedarville University's financial rules and controls as confirmed by Cedarville's VP of Finance Phil Grafton.
- 2.) We will follow all rules for selling in other locations and adhere to any related consignment fees.
- 3.) We will follow all US Copyright and Advertising laws in all aspects throughout the life of our company.
- 4.) Customers will pay a 6.5% sales tax.
- 5.) Professors will approve all transactions of the company.
- 6.) All financial statements will be considered secondary to Cedarville University's statement.
- 7.) Cedarville University has the final pronouncement of what is the accurate and final record.
- 8.) Ear Mitts® Band-less Ear Muffs is a registered trademark.
- 9.) Thinsulate™ is a trademark of 3M.
- 10.) Teflon® is a registered trademark of DuPont used under license.

## APPENDIX C

### sales ledger

Beginning Inventory	
Beginning Cash	

Date:	/
Time In:	
Time Out:	

[illegible]

Total Sales: \_\_\_\_\_

Total Inventory Sold:	
Ending Inventory:	
Sales Tax @ 6.5%:	
Ending Cash:	
Over/shortage:	

Signatures:

(Cash Handler)





# APPENDIX C

## sales sign-up chart

Sales Sign-up Chart					
Week of:					
Location	Time Slots	Sales Associates	Location	Time Slots	Sales Associates
Date:			Date:		
	11:00-12:00			11:00-12:00	
	12:00-1:00			12:00-1:00	
	1:00-2:00			1:00-2:00	
Date:			Date:		
	11:00-12:00			11:00-12:00	
	12:00-1:00			12:00-1:00	
	1:00-2:00			1:00-2:00	
Date:			Date:		
	11:00-12:00			11:00-12:00	
	12:00-1:00			12:00-1:00	
	1:00-2:00			1:00-2:00	



# APPENDIX C

## discrepancy report

(For all discrepancies between cash box and inventory records)

Date of  
Incident:     /     /

Names of Cashiers working during accident  
event:

\_\_\_\_\_

Names of Members reporting the  
accident:

\_\_\_\_\_

Explanation of Incident:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### Inventory Discrepancy

Number of Beginning  
Inventory:     \_\_\_\_\_

Number of Inventory Sold:     \_\_\_\_\_

Number of Ending  
Inventory:     \_\_\_\_\_

Difference in Inventory :     \_\_\_\_\_

### Cash Discrepancy

Anticipated Sales Revenue:     \_\_\_\_\_

Cash in Box:     \_\_\_\_\_

Difference in dollar  
amount:     \_\_\_\_\_

Signatures of Cashiers  
Involved:

\_\_\_\_\_

Signatures of Reporting Members:

\_\_\_\_\_

Signature of VP of Finance verifying situation: \_\_\_\_\_  
(for cash discrepancies)

Signature of VP of Operations verifying  
situation: \_\_\_\_\_  
(for inventory  
discrepancies)

(VP of Finance/Operations will immediately report any incidents to the CEO and Dr.  
Fawcett)

