



High Q International

Shantel Taylor

Charlene Singleton

Curtis Hubbard

Esmira Gheisary

Trent Vincent

Tiffany Hallback

01. Executive Summary

High Q International is an intercontinental start-up merchant company that sells high end fashion products. Louis Vuitton, Marc Jacobs, Christian Dior, Armani, and Thomas Pink are some of the brands that our company carries in stock just to name a few. The global fashion industry is an industry worth 900 million dollars, so we are eager to enter that market.

Product and Services

High Q International is a department store that has the capability to transport our goods to places that would otherwise not have access to them at our prices. This magnificent strategy allows us to dominate in the emerging fashion markets abroad as our department store competitors limit themselves. Our product provides quality to our customers.....

Management Team

High Q's management team will focus on providing affordable merchandise and exceptional customer service by ensuring that all products are shipped, received and stocked in a timely manner. Our management team will consist of smart, innovative individuals who bring a wide range of experience to the overall function and operation of our corporation. The management team consists of college classmates with experience in accounting, marketing, merchandising, and warehousing. Our collective experience along with our drive will promote a profitable and sustainable business operation that meets customer needs. Our management structure will consist of a General Manager (GM), Senior Managers (SM), and Floor Supervisors (FS). The General Manager will plan, direct, coordinate operations in the store and drive sales for profit. Senior Managers- will plan and direct the work of a specified High Q department (shipping, receiving, packaging, storage and store operations), monitor their work and make changes when necessary. Floor Supervisors- Will implement the goals and ideas of senior management and maximizes employee skills. Managers must exhibit leadership and team building skills.

Marketing

02. Management Team

Esmira Gheisary, CEO, is a senior Business Management major at Savannah State University. She is from Kazakhstan, Almaty and adapted easily to the American culture. This is evidenced in her strong oral and written communication skills in both the Russian and English languages. She has a superior leadership and teamwork skills developed through student organizations that she has participated in such as: KIMEP PIE, where she served as a financial coordinator for her university newspaper, and the International Student Association where she served as treasure for the organization. She also helped implement fundraising activities as well. In addition, Ms. Gheisary is an athlete as well. She represents Savannah State University as a member of women's tennis team. Being a part of this team has allowed her to apply her leadership skills, further understand the dynamics of working in a team, and also help her improve her time management.

Charlene Singleton, CFO, is a senior Accounting major at Savannah State University. She worked for the largest Publix Super Market store in Savannah for five years as an accountant; Charlene accepted an offer to be an accountant for the Jewish Educational Alliance in Savannah, GA in 2011 until the present. In both capacities, Charlene has accounted for receivables and assisted in auditing, budgeting, and payables. As the chief financial operating officer of High Q International, she will lead and manage financial budgeting, organization, and planning.

Curtis Hubbard, COO, is a senior Business Management major at Savannah State University. He has 7 years of operating experience. From 2005-2007 he worked at RU Wood Distribution Center where his job

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responsibilities included: being a warehouse worker, creating spools and reels for wiring companies, and also applying proper barcode and store identification products. From 2006-2007 he worked at Wal-Mart Distribution Center where his job responsibilities included: being a perishable shipping warehouse worker, in charge of selecting orders via barcodes and a headset to be sent to Wal-Mart stores. Orders include perishable items that must be kept at a required temperature (40 degrees or cooler) such as milk, ice cream and juice. From 2007-2008 he worked at United Parcel Service (UPS) where his job responsibilities include: being shipping dock employee where he scanned barcodes for accuracy to confirm that all mail is shipped to the correct ports and that all freight can be tracked in UPS database. He also was in charge of loading trailers to capacity and securing trailers once closed with identification seal. From 2007-2008 he worked at Icon Health and Fitness where his job responsibilities include: being a receiving dock employee, unload merchandise and ensure that all products have bar codes for identification in the warehouse. From 2008-Present he worked at Target Distribution Center where his job responsibilities include: being shipping department trainer, ensure that all shipping employees have the knowledge and training to perform job functions safely and efficiently. He was also a sorter operator where he was in charge of communicating hourly updates for freight shipped out of the distribution center from the Receiving, Depal, and Break Pack departments. He was Depal Point of Contact where he was in charge of a team that processes freight from the inbound and warehousing storage department to shipping department, shipping closer, ensured that all trailers are full to capacity and does not exceed the 44,000 pound weight requirement, Safety team, discussed safety issues and create ideas that warrant a safe work place, Emergency Response Team, first responders whenever a safety incident occurs in the warehouse

Shantel Taylor, Director of Research and Development, is a junior, majoring in Business Management. She serves as the President of Yearbook Club at her University, Project Manager for her organization Sisters Striving for Excellence, Incorporated, Treasurer of Tiger Ambassadors, she is a Quality Enhancement Plan Student Ambassador for her University as well, and she is also a member of the College of Business Administration Student Advisory Council. She often volunteers in her spare time as community service is something that is important to her. She recently completed a marketing internship with a State Farm Insurance Franchise, and since January 2012 she has been employed by Savannah State University within the Housing and Residential Services Department where she serves as Head Residential Assistant for her living facility. She was previously employed as Event Coordinator of the Jump Off and a Human Resources Assistant for Hyde Leadership. In her past experience, Shantel was responsible for enforcing policies, facilitating various programs, providing customer service, administrative duties, planning and coordinating, but most relevant finding ways to solicit new clients. As Director of Research and Development, Shantel will conduct and direct research to support the marketing goals of the organization.

Trent Vincent, Chief Marketing Officer, is a senior, majoring in Business Administration with a concentration in Management. He has recreational expertise in marketing, management, planning, and organizing as he is a member of Outta Control Entertainment which is a promotion team in Atlanta that host parties at different venues as well as promote various artists. He will be responsible for prioritizing product marketing efforts, planning and executing sales activities to drive product growth and generate revenue.

Tiffany Hallback, Chief Information Officer, Tiffany Hallback is senior; Business Management Major from Austell, Ga. Miss Hallback has been involved in numerous campus organizations such as the Student Government Association, the College of Business Administration Student Advisory Council, Residential Life as a former Residential Assistant in the Freshmen Living Learning Center, just to name a few. She has also served in leadership positions as a Black Executive Exchange Program Ambassador as a Cigna Scholar, Chair of EcoTigers, Tiger Ambassador Historian, and a Financial Literacy Peer Educator. She is now the Chair of Queens Coalitions as Miss Savannah State University 2012-2013; where she serves on her platform, "Adding Value One C.A.R.A.T at a Time," through Campus Outreach to Advance, Recognize, and Amplify Timeless Tradition in the Community. In addition to her campus involvement, she is an academic scholarship recipient of the Savannah State University Student Support Service Scholarship, GASPP Scholarship, the Cascade United Methodist Church Academic Scholarship, and the Ronald McDonald House Charities Future

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Achievers Scholarship. On her spare time, she passionately enjoys serving the Savannah community through several community outreach projects by volunteering with the Coastal Empire Habitat for Humanity Savannah, Junior Achievement Program at Thunderbolt Elementary School and by mentoring a girls group at Beach High School. She has also volunteered with the SSU Health & Wellness Focus Group, SCLC Voting Rights in Selma, AL, and Toys for Tots.

03.

04.

1. Mission Statement

- A. "To be the premiere distributor of quality and affordable high fashion merchandise both domestic and abroad."
- B. Our business is unique because we will expand our services to countries such as Russia who do not so easily have access to these products as Americans do.
- C. This is also the source of our competitive advantage.
- D. Our business is unique because we will expand our services to countries such as Russia who do not so easily have access to these products as Americans do. Americans are fortunate enough to purchase name brand clothing at discounted prices at stores such as Marshalls and TjMaxx. Her brilliant idea to expand that accessibility of high fashion pieces abroad essentially became the basis of our company.

2. Company History

- A. High Q Int'l was founded on August 24, 2012 by Esmira Gheisary in a meeting with her group members Curtis Hubbard, Charlene Singleton, Trent Vincent, and Shantel Taylor. Initially there was a little controversy about the name of the organization, but eventually there was a decision made on a name that sounded sleek and matched the fashionistic concept of the high end company. Gheisary shared with her group members the lack of affordable high end clothing in her country and those similar surrounding areas
- B. Our most significant achievement those far is our acquisition of the Mega Center. With its central location we are able to attract a large crowd of people who are willing to invest their earnings into our company by purchasing our products. Moreover, we have hired personnel to fill our management team positions and have high hopes for future expansion and business endeavors.

3. Business and Industry Profile (Trent)

4. Business Strategy

- A. High Q International will become a leader in the off-price high-fashion retailer industry. Bring a positive image of integrity of our business, employees and low-cost products. HighQ International will have a significant impact on customers by providing products and services globally and within U.S. market.

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B. SWOT analysis

1. Strength – Our major strength is that we buy clothes from famous designers for low cost and sell it to our customers for affordable prices. This increases a demand for our products. Furthermore, a supply will be high too due to a brand stores will have an overstock of older collections. Also our products are in a good quality either it's old collection or new, as we are buying direct collection too.
2. Weakness – One of our major weakness is that some of our products are unseasonable and being old. As we are not producing clothes, we don't have control of inventory. Moreover, due to split prices of advertising between High Q International and brand-designers, we cannot advertise directly name of each brand.
3. Opportunity - Our new market potentially gives us an edge in pricing over our competitors and create for people new jobs.
4. Threat – Our threat is a trade barriers such as languages, different cultures and various currencies. The other threat is being limited to inventory, and not get enough clothes for our stores around the world.

C. Competitive Strategy

1. Our high end clothing will be less expensive than any other company.
2. The sale of different high-end brands will decrease the costs of advertising, affording discounted prices.
3. High Q International will extend it's products and services globally.

High Q International will become a leader in the off-price high-fashion retailer industry. Bring a positive image of integrity of our business, employees and low-cost products. High Q International will have a significant impact on customers by providing products and services globally and within U.S. market.

Our major strength is that we buy clothes from famous designers for low cost and sell it to our customers for affordable prices. This increases a demand for our products. Furthermore, a supply will be high too due to a brand stores will have an overstock of older collections. Also our products are in a good quality either it's old collection or new, as we are buying direct collection too. Due to international market, we will have an advantage of exchange rate.

One of our largest weakness is that some of our products are unseasonable and being old. As we are not producing clothes, we don't have control of inventory. Moreover, due to split prices of advertising between High Q International and brand-designers, we cannot advertise directly name of each brand. As prices on clothes already low, we do not offer any more discounts and sells.

During a SWOT analysis, we would like to mention that High Q International will face major opportunities such as new market, which potentially gives us an edge in pricing over our competitors, and create for people new jobs.

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On the other side our biggest external threat is a trade barriers such as languages, different cultures and various currencies. The other threat is being limited to inventory, and not get enough clothes for our stores around the world.

Step 7.

Our strategy is to provide for customers fashion and modern clothes from high quality and known brands.

We will sign profitable contract with designers, where we buying overstock and keep it until the end without returning it back to them. Also we offer online store via internet, where customers can find good deals. In "hot spots" our stores will work until 12 am due to people like to walk at night after good dinner.

High Q International is fun for our customers, they can find good and affordable deals while doing shopping at our stores with their friend's and/or family. It is also an interesting and exciting game for them while they are shopping online. Due to limit inventory at our online stores, they will compete with each other, to get the cloth first. Every 6 months a lottery for customers, to get 3 clothes free at our stores, not exceed \$1000 amount.

We guarantee that our products will have a high quality. Due to our high quality products and services, we allow to our customers to return back damaged clothes in 7 business days since the first day of purchase.

Our Unique Selling Proposition: "Buy it now, then it's gone" It is important for our customers to buy products as soon as they can do, in other case it will not exist anymore, due to limit inventory.

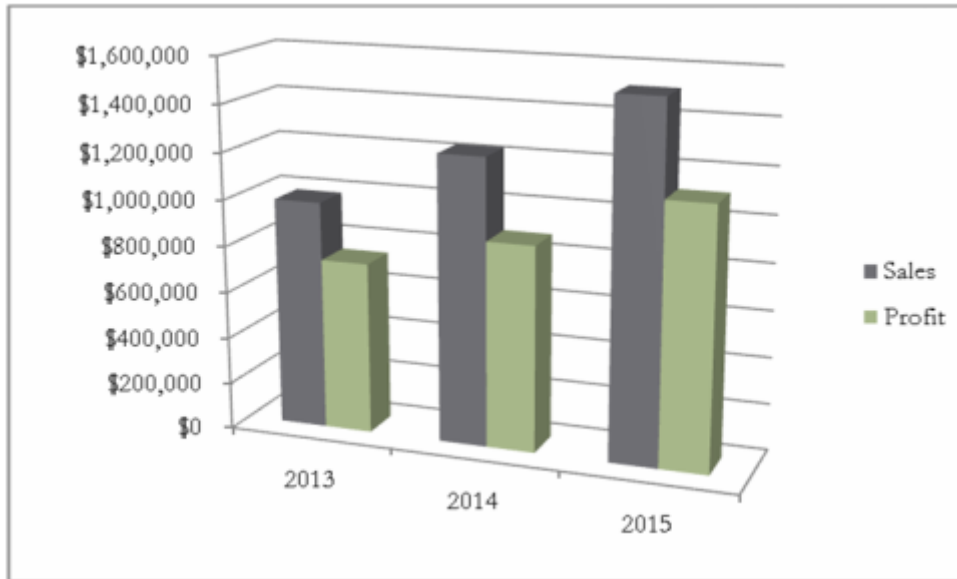
Financial Pursuit

High Q International is seeking \$250,000 in investing capital to implement our plan.

Financial Projections

Pro forma financial statements are included in our business plan to reflect the first 3 years of our business. Aggressive competition through strategic pricing will show that High Q International will incrementally grow in sales. Sales increases will be observed within the first year of business. The graph below forecasts the sales of the fiscal years of 2013, 2014, and 2015.

Forecast of Sales and Profits



Financial Goals

1. Keep expenses at a minimum to maximum profits
2. Increase sales by 25% each year
3. Control attractive prices for merchandise
4. Maintain a net profit margin above 35 %
5. Establish a solid ROI above 15%

Start-Up Plans

The management team has designed a plan to fund a physical store and an online store to merchandise men's and women's apparel clothing. We have estimated the first year's expenses of a typical clothing store. Our plan will begin with a physical store in Savannah, GA. After 3 years of the successful operation of our store in Savannah, we will have the funds to distribute merchandise world-wide.

We have decided on a property leasing for \$3,000 monthly. The location of the store is set in downtown Savannah within walking distance to tourist attractions and restaurants. It will suffice as a store, warehouse, office space, and distribution for ecommerce activity. .

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Each member of the management team will invest \$7,000 to satisfy the requirements of the initial cash balance. An additional investment of \$250,000 will be required start the business.

Start-up Costs	
Expenses	
Legal Fees	\$900
Insurance	20,000
Rent	36,000
Equipment	3,700
Utilities	<u>5,000</u>
Total Start Up Expenses	\$65,600
Start-up Assets	
Cash Investments	
CEO-Esmira G.	\$7,000
" "-Curtis Hubbard	7,000
CFO- Charlene Singleton	7,000
" "- Shantell Taylor	7,000
" "-Tiffany H.	7,000
" "-Trent Vincent	<u>7,000</u>
Total Cash	\$42,000

Descriptions of Management Team

A. Key Managers and employees.

The General Manager will plan, direct, coordinate operations in the store and drive sales for profit. She/he will formulate policies, manage daily operations, plan the use of materials and human resource and compensation and benefits packages. Candidates must have proven success in operations and business to business sales environment. Candidates must have excellent account management skills, strong organizational skills and ability to multi-task. In addition, a GM must be an expert in Microsoft Office, Word, Excel, Power Point and Outlook.

Senior Managers- will plan and direct the work of a specified High Q department (shipping, receiving, packaging, storage and store operations), monitor their work and make changes when necessary. Have the power to hire, fire and promote employees in their department. Candidates must have 6 or more years of management experience. A master's degree is required. Candidates must have strong organizational skills and ability to multi-task. A SM must be an expert in Microsoft Office, Word, Excel, Power Point and Outlook.

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Floor Supervisors- Will implements the goals and ideas of senior management and maximizes employee skills. Managers must exhibit leadership and team building skills. Candidate must be knowledgeable in Microsoft Office, Word, Excel, Power Point and Outlook. Supervising or management experience is a plus, but not necessary. Candidates must have a College degree.

Employees-

Cashier- Receive and disburse money using electronic scanners, cash registers, or related equipment. Also involves processing credit or debit card transactions and validating checks. Candidate must pass a basic math skills test. Must be able to bend, stoop and twist body and lift 25 pounds. Must exhibit great customer service skills and have a high school diploma.

Stock clerk- Receive, store, and issue sales floor merchandise. Stock shelves, racks, cases, bins, and tables with merchandise and arrange merchandise displays to attract customers. May periodically take physical count of stock or check and mark merchandise. Must be able to communicate with clerks and supervisor, be able to bend, stoop and twist and be able to lift at least 40 pounds. Candidate must also pass physical. High school is a plus, but not necessary.

XI. Plan of Operation

A. Form of management chosen and reasoning

High Q will start out as a partnership. All partners will contribute \$5,000 to satisfy start-up costs. As our company grows High Q will transition to a corporation. We chose corporation to limit our liabilities when unable to pay creditors. Corporations are easier to sale, because prospective owners are not personally liable for wrongdoings of previous owners. Owners will not be personally liable for taxes and the corporation is able to take advantage of tax deductions. Corporations can raise capital by taking on investors. Corporations are a separate but equal entity and have a limitless life.

B. Company Structure



C. Compensations Packages.

Total Compensation Package- Wages, medical plan, retirement plan, social security, family medical leave of absence, workers compensation, short-term disability, 401(K), Pension, Unemployment insurance, Education Reimbursement, promotion opportunities and employee discounts.

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Step 6 Company goals and objectives

Goals:

- To become the world's leading distributor of high end fashion merchandise.
- To run a profitable operation
- To have high employee retention
- To be efficient in our business operation and increase productivity
- To go international
- To promote a profitable and sustainable business activity that meets customer needs.

Objectives:

- Gain awareness by placing print ads in 4 regions and radio advertisements in three major markets.
- Attract new customer by offering a \$500 gift card to be used on our online store.
- Develop leads by offering a 5% discount to customers that fill out membership cards.
- Develop leads by offering a 2% discount to customers that provide an e-mail address to someone that may be interested in our clothing and/or merchandise. We will do this during months when business may be slow (January, Feb, Sept and October).
- To gain a competitive advantage by providing excellent customer service
- Implement employee reviews. Employees will tell us how they feel about their job and current management and what can we do to improve their experience. This will be done during a semi-annual survey on the company's database.
- To encourage our employees, grow the self-esteem our employees and improve morale of the workplace. We will offer awards monthly to outstanding employees.
- To implement teamwork in the workplace by offering weekly team player awards.

Personnel Plan

High Q International has designed a personnel plan to employ management as full time operators to conduct the business. As income increases, we are able to employ additional part time employees as shown in the graph below. By the third year, the business will be able to employ additional employees. Additionally, the budgeting salary for senior managers is increased by the second and the third year of business.

Budgeted Personnel Plan

	2013	2014	2015
CEO	\$ 24,000	\$ 30,000	\$ 40,000
COO	\$ 24,000	\$ 30,000	\$ 40,000
CFO-Charlene Singleton	\$ 24,000	\$ 30,000	\$ 40,000
""	\$ 24,000	\$ 30,000	\$ 40,000
""	\$ 24,000	\$ 30,000	\$ 40,000
""	\$ 24,000	\$ 30,000	\$ 40,000
Part-Time Employees	\$ 12,000	\$ 12,000	\$ 12,000
Part-Time Employees	\$ 7,000	\$ 12,000	\$ 12,000
Part-Time Employees	\$ -	\$ 12,000	\$ 12,000
Part-Time Employees	\$ -	\$ -	\$ 12,000
<i>Total People</i>	8	9	10
Wages Payable	\$ 163,000	\$ 216,000	\$ 288,000

Important Assumptions

As a beginning business, we are frugally proceeding to ensure a well-defined return on investments while carrying out our mission to provide quality clothing at reasonable prices. The management team of High Q International will revise our financial plans as external and internal factors evolve throughout the duration of the life and growth of the business. Basing our actual sales and operations, we will continuously research and re-work our strategies to reach to our highest potential.

Assumptions ensuring our success are:

- Reducing expenses through the use of efficient budgeting
- Immediately responding to threats and weaknesses of the market
- Proactively ceasing opportunities that arise
- Strategically hiring minimal personnel
- Attracting investors that will best contribute to the vision of our company

Investment Proposal

The international accessibility of High Q provides a great opportunity for profit and has potential to flexibly meet the approval of the company's customers the world over. We seek investors or partners that can offer reliability, consistency, and experience in the retailing market. Assistance in the areas of finance, legal matters, and distribution will add value to our company. Investors will afford opportunities in ownership and will be able to conjunctively make key decisions with top management.

Sales Forecast Table

	2013	2014	2015
Sales	\$965,073	\$1,206,341	\$1,507,926
Profit	\$961,373	\$1,202,641	\$1,504,226
Profit Margin	36.7%	33.8%	31.5%

Break Even

Our break-even analysis considers all yearly direct and indirect overhead costs including the acquisition and distribution of the clothing. Because, we will mostly be buying assorted merchandise in bulk, the cost of the clothing will greatly vary. After extensive research of overstocking distributors and manufacturing prices, we have determined that the average cost of each piece of clothing we buy will be approximately \$17.67. We must sell 40,884 units yearly or 3,407 pieces of clothing a month. Our table and graph below give further supplementation.

Break-Even Analysis Chart

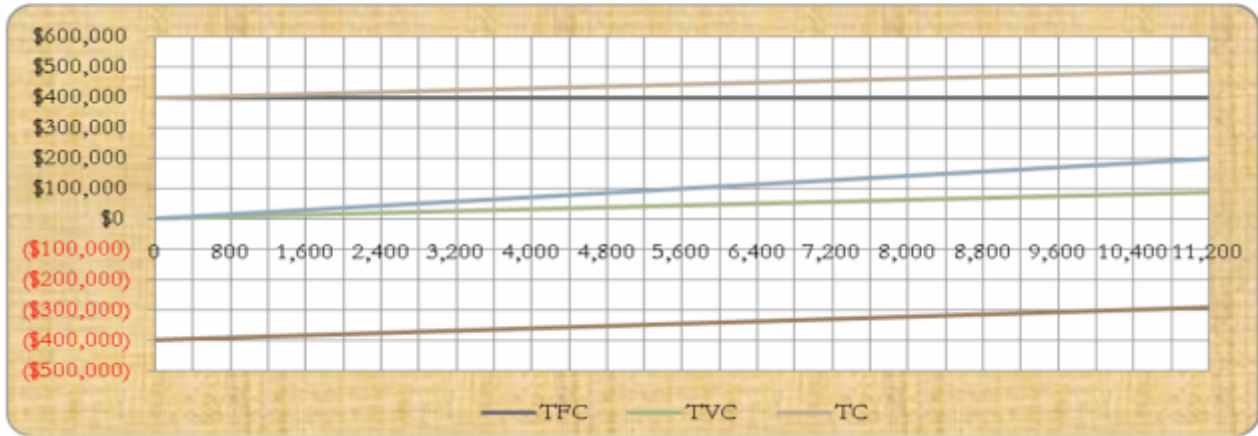
Price Per Unit	\$17.67			
Number of Units Sold	10000			
Total Sales	\$983,620	100%		
Less: Variable Production Costs	\$0	0%		
Less: Variable Selling Costs	\$439,000	45%		
Total Variable Costs	\$439,000	45%	\$7.89	Per Unit
Contribution Margin	\$544,620	55%		
Less: Fixed Production Costs	\$110,700	11%		

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Less: Fixed Selling and Administrative Costs
Total Fixed
Costs
Income
Before
Taxes

\$289,300	29%		
\$400,000	41%	\$7.19	Per Unit
\$144,620	15%	\$2.60	Per Unit

Break-Even Graph



Break-Even Analysis

Break-even points (Units)	Break-Even points (\$)
40.884	\$722,427
Total Fixed Costs	\$400,000
Variable Cost per Unit	\$7.89
Sales Price per Unit	\$17.67

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Statement of Cash Flows

Year Ending	2013	2014	2015
BEGINNING CASH	\$48,755	\$476,891	980,658
Operations			
Sales	965,073	1,206,341	1,507,926
Cash paid for			
Inventory purchases	(321,691)	<u>\$ (382,575)</u>	(502,642)
Operating Expenses	(107,000)	(107,050)	(107,100)
Wage expenses	(163,000)	(216,000)	(288,000)
Interest	(19,391)	(12,205)	(4,344)
Income taxes	(67,555)	(84,444)	(105,555)
NET CASH FLOW FROM OPERATIONS	286,436	404,067	500,285
Investing Activities			
Cash paid for			
Purchase of equipment	3,700	3,700	3,700
Net CASH FLOWS FROM INVESTING ACTIVITIES	3,700	3,700	3,700
Cash receipts from			
Issuance of Stock	42,000		
NET CASH FLOW FROM FINANCING ACTIVITIES	96,000	96,000	93,940
Net Increase in Cash	138,000	96,000	93,940
Ending Cash	428,136	503,767	597,925

Projected Balance Sheet

Our pro-forma balance sheets show the ending balances of accounts on the end of the fiscal years of 2013, 2014, and 2015. Our first years estimates of the first sales is based on the assumption that we sell 75% of our inventory. Each years' sales are increased by 25%. Our goal is to increase sales by 25%, but we can also justify the increase by the trend of ecommerce highlighted in the U.S. Census Bureau's findings. The Bureau has concluded that ecommerce sales has been increasing 21-26% for the past three years.

Our sales, assets, and margin are projected to be incrementally increasing.

Balance Sheet	2013	2014	2015
Assets			
Cash	\$ 476,891	\$ 980,658	\$ 1,578,583
Inventory	\$ 80,422	\$ 421,113	\$ 502,642
Accounts Receivables	\$ 14,306	\$ 42,129	\$ 744,767
Other Current Assets	\$ 107,000	\$ 107,050	\$ 107,100
Fixed Assets	\$ 3,700	\$ 3,700	\$ 3,700
Total Assets	\$ 682,319	\$ 1,133,537	\$ 2,936,792
Current Liabilities			
Interest Payable	\$ 19,391	\$ 32,205	\$ 796,855
Accounts Payable	\$ 53,834	\$ 276,780	\$ 388,000
Taxes Payable	\$ 16,755	\$ 84,444	\$ 205,555
Long Term Liabilities			
Notes Payable (Loans)	\$ 250,000	\$ 173,391	\$ 89,596
Total Liabilities	\$ 339,980	\$ 566,820	\$ 1,480,006
Equity			
Owner's Equity	\$ 342,339	\$ 566,717	\$ 1,456,786
Liabilities and Equity	\$ 682,319	\$ 1,133,537	\$ 2,936,792

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Business Ratios

The following table includes business ratios such as profit margins, debt to assets ratio, debt to equity ratio, and a percentage measuring High Q International's ROI. Our company's goal is to maintain a net profit margin above 30% . We also plan to maintain a debt to assets ratio above 50%, while ensuring that the debt equity ratio is above 100%. Increasing sales and better minimizing our liabilities can improve the debt ratios. Our return on invest is not high, however it is steadily increasing.

	2013	2014	2015
Profitability Analysis			
Sales	\$965,073	\$1,206,341	\$1,507,926
Cost of Sales	\$3,700	\$3,700	\$3,700
Gross Profit	\$961,373	\$1,202,641	\$1,504,226
Income from Operations	\$354,432	\$407,432	\$475,432
Net Income	\$606,941	\$795,209	\$1,028,794
Gross Profit Margin			
Operating Profit Margin	99.6%	99.7%	99.8%
Net Profit Margin	36.7%	33.8%	31.5%
Debt Ratios	62.9%	65.9%	68.2%
Total Assets			
Total Liabilities	\$682,319	\$1,133,537	\$2,936,792
Total Owners' Equity	\$339,980	\$566,820	\$1,480,006
Debt to Assets	49.8%	50.0%	50.4%
Debt to Equity	99%	100%	102%
Investment Return			
Net Income	\$383,283	\$473,882	\$636,287
Total Assets	\$2,075,534	\$2,075,534	\$2,075,534
Return on Investment	\$383,283	\$473,882	\$636,287

*Our Pro-Forma Income Statement has proved beneficial in each table and graph given in this plan. This financial statement is included in the appendices.

Loan Repayment

Below is our plan to repay the \$250,000 based on an interest of 9%. Under the proposed payment terms it will take 36 more payments or 3 years to pay off the remaining balance. Interest will amount to \$35,940.

Year	Beginning Balance	Interest	Annual Payment	Ending Balance
1	\$250,000	\$19,391	\$96,000	\$173,391
2	173,391	12,205	96,000	89,596
3	89,596	4,344	93,940	0

Exit Strategy

Managing partners acknowledge that economic pressures and the lack of continuous engagement with our customers would most likely provide the exit of our company. We will strive to continue to use marketing research to learn more about consumers, as well as finding strategic incentives to attract and retain loyal customers.

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APPENDIX

Balance Sheet 1/1/2013

Assets	
Cash	\$ 48,755
Inventory	\$ 321,691
Accounts Receivables	\$ -
Other Current Assets	\$ 107,000
Fixed Assets	\$ 3,700
Total Assets	\$ 481,146
Liabilities	
Interest Payable	\$ 19,391
Accounts Payable	\$ 163,000
Taxes Payable	\$ 6,755
Long Term Liabilities	
Notes Payable (Loans)	\$ 250,000
Total Liabilities	\$ 439,146
Equity	
Owner's Equiry	\$ 42,000
Lia + SHE	\$ 481,146

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Income Statements for 2013, 2014, and 2015

	2013	
Income Statement		
Net Sales Revenue		\$ 965,073
Beginning Inventory, 1/1/13	\$ -	
Add Purchases	<u>\$ 321,691</u>	
Goods available for Sale	\$ 321,691	
Deduct Ending Inventory, 12/31/13	<u>\$ 80,422</u>	
Cost of Goods Sold		\$ 3,700
<i>Gross Profit</i>		\$ 961,373
Expenses		
Advertising	\$ 60,000	
Insurance	\$ 30,000	
Salaries	\$ 163,000	
Legal	\$ 1,000	
Utilities	\$4,432	
Interest Expenses	<u>\$96,000</u>	\$ 354,432
Net Income		<u>\$ 606,941</u>

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	2014	
Income Statement		
Net Sales Revenue		\$ 1,206,341
Beginning Inventory, 1/1/14	\$ 80,422	
Add Purchases	<u>\$ 382,575</u>	
Goods available for Sale	\$ 462,997	
Deduct Ending Inventory, 12/31/14	<u>\$ 77,759</u>	
Cost of Goods Sold		\$ 3,700
<i>Gross Profit</i>		\$ 1,202,641
Expenses		
Advertising	\$ 60,000	
Insurance	\$ 30,000	
Salaries	\$ 216,000	
Legal	\$ 1,000	
Utilities	\$4,432	
Interest Expenses	<u>\$96,000</u>	\$ 407,432
Net Income		<u>\$ 795,209</u>

Savannah State University: College of Business Administration
High Q Int'l Business Plan

	2015	
Income Statement		
Net Sales Revenue		\$ 1,507,926
Beginning Inventory, 1/1/15	\$ 77,759	
Add Purchases	<u>\$ 427,744</u>	
Goods available for Sale	\$ 475,000	
Deduct Ending Inventory, 12/31/15	<u>\$ 71,250</u>	
Cost of Goods Sold		\$ 3,700
<i>Gross Profit</i>		\$ 1,504,226
Expenses		
Advertising	\$ 60,000	
Insurance	\$ 30,000	
Salaries	\$ 288,000	
Legal	\$ 1,000	
Utilities	\$4,432	
Interest Expenses	<u>\$92,000</u>	\$ 475,432
Net Income		<u>\$ 1,028,794</u>