



Unleash the Wags



ABOUT THE BUSINESS

Services

Daycare, boarding, professional grooming, self-serve bathing, and puppy obedience classes, are Toys N' Tails' main streams of revenue. They are sold separately, as well as various bundles, and memberships. Each service includes amenities at no extra cost, including photography, staff cuddles, room service, exercise equipment, and a bone-shaped pool.

Bundles and Memberships

Basic Beagle,
Premium Poodle, and
GOLDen Retriever

Save
20%

Daycare packages varying in length of stay, and priced by half-day rates
\$101 - \$840

Toy Bundle

Save
40%

Includes 190 toys from retail shop
\$1500

Starter Bundles

Save
15%

For new dog owners, includes training classes and starter products.
Puppies: \$2500
Adults: \$2500

Paws Deluxe

Save
40%

All inclusive membership ranging from: 1 month, 6 months, & 1 year.
\$450 - \$4500

Retail Products



- Sustainable dog collars, leashes, and harnesses made from recycled plastic by Lupine
- Interactive toys and snuffle mats
- USDA organic, 100% natural shampoos by 4Legger
- Environmentally friendly bamboo brushes and towels by AtEase and Tushy
- Real ingredient food and treats
- Orthopedic foam sofa beds by FurHaven

Company Overview

After constant companionship, the lifting of COVID restrictions, and owners returning to their busy work schedules, dogs are suffering from pathophysiological distress. Toys N' Tails has established a one-stop doggie shop, where busy owners can leave their beloved pet while they are on business or vacation. With less than 100 employees, Toys N' Tails is incorporated as an S corporation to bypass double taxation, and is established in southwest Bakersfield, California. Through extensive employee screening at the firm, the health and safety of every dog is of primary concern. Providing a reliable care facility for consumers is essential to the premium management catered to nurturing each pet.

Company Organization

Toys N' Tails consists of 28 petpreneurs, spread out across six departments each overseen by a director, and all delegated by three chief officers. Toys N' Tails follows a hierarchical organizational structure, with defined levels of leadership to establish clear promotional prospects and team-oriented culture, boosting long-term success.

Mission Statement

Toys N' Tails one-stop doggie center pampers each loyal companion as its own with attention, comfort, and kindness. Through luxurious care, Toys N' Tails is committed to prioritizing every dog, one paw at a time.



Problem Statement

Nationally deteriorating health motivated 1 in every 5 households to acquire a pet since the COVID-19 crisis began and approximately 87% of dog owners are not considering rehoming and would prefer to find alternative methods to care for their dog while they are busy (American Society for the Prevention of Cruelty to Animals.) At-home schedules have never been more unstable, leaving millions of pets in a state of distress.

Company Goals



Solution Statement

Toys N' Tails creates a safe environment that mirrors the comfort of home for every breed and size to enjoy. The mission is to help combat separation-linked anxiety and pet negligence through unique one-stop, all-inclusive services. Clients can feel comfort and confidence in knowing that their pets are being cared for with the highest level of attention possible, allowing owners to focus on taking one day at a time.

Corporate Social Responsibility

Toys N' Tails has a joint affiliation with the non-profit rescue ranch, **Marley's Mutts**. Marley's Mutts delivers rescued dogs to Toys N' Tails, where adoption clinics are hosted once a month, helping these lost souls find their happiness and forever homes. Toys N' Tails donates excess dog hair to **Matter of Trust**, an organization converting dog hair to mats that seep up oil spills that harm ecosystems. Toys N' Tails hosts biweekly vaccination clinics at a local park in collaboration with Bakersfield's local non-kill animal shelter, **SPCA**, so owners have the opportunity to get the necessary vaccinations to bring their dog to daycare at a low-cost.

Target Market

Primary: Millennial canine owners ages 25-40, living in suburban or rural areas, from double-income homes, and spend extensive time away. According to Statistica in 2021, Millennials have been defined as the most common dog owners and dog care spenders.

Secondary: 17-24-year-olds. Almost two-thirds of this age group plan to acquire a pet in the next five years, driving a 14 percent increase (Morgan Stanley). Toys N' Tails takes advantage of this by marketing to busy young adults through popular social media platforms and selling at trade shows, attracting a substantial amount of Virtual Enterprise students in particular.

Psychographic: Those who are interested in enhancing their dog's physical, social, and emotional health, in a convenient way, and take pleasure in seeing their dogs happy and energetic and value familial bonds. This audience are more likely to invest their money into a dog that is their alternative to the companionship of a child.

Industry Analysis

The Pet industry displays a bright a positive outlook for Toys N' Tails future. According to Pet Industry Joint Advisory Council, California's direct pet service sales have grossed approximately 943.9 Million dollars in 2019 alone. Additionally, the global pet industry is expected to grow at an annual rate of 8.7 percent until 2027.

MARKETING PLAN



Placement

In-store and Website: Sells both goods and services directly to the end customer.

Yelp: Potential of reaching 178 million unique visitors monthly, and recruits loyal clientele.

Trade Shows: Expects to make 50% of sales through trade shows with larger bundles and memberships.

REDEEM PAWPOINTS!

Promotion

Social Media: Increases community involvement through #UnleashTheWags on Instagram, YouTube, and Facebook.

Loyalty Reward Program: Customers can accumulate PawPoints that can be redeemed for discounted products. PawPoints can be collected by creating an optional online "Pet Profile."

Trade Shows: Takes advantage of networking prospects to develop professional relationships.

#UNLEASHTHEWAGS

SWOT Analysis

Strengths

- Strong community involvement
- Extensive service list
- Highly qualified staff
- Well positioned location within demographics

Weaknesses

- Small beginning clientele
- Targets primarily affluent customers

Opportunities

- Massive influx of recent dog owners
- High forecasts for pet industry spending
- Lack of all-inclusive pet resources in Bakersfield

Threats

- Potential insurance liabilities
- COVID-19 regulations
- Competition with mainstream dog retail shops

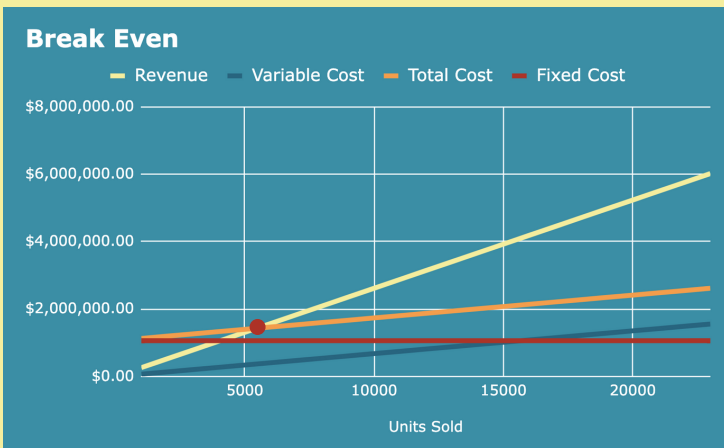
Company Risks

Combative dogs: Dogs can naturally be unpredictable because of their canine instinct. Toys N' Tails prioritizes safety by requiring consultations with any dog deemed harmful, staff on deck to monitor all dogs at the resort, obedience training when needed, and a nurturing environment to prevent aggression.

Supplier chain issues: The supply chain which Toys N' Tails heavily relies on can be easily impacted by COVID-19 economic conditions. However, Toys N' Tails keeps the product line up to stock by purchasing extra supplies in bulk to store in a warehouse. Additionally, all of Toys N' Tails products are made in America, therefore, avoiding prevalent international supply chain management challenges.

FINANCIAL HIGHLIGHTS AND PROJECTIONS

Break-Even Analysis

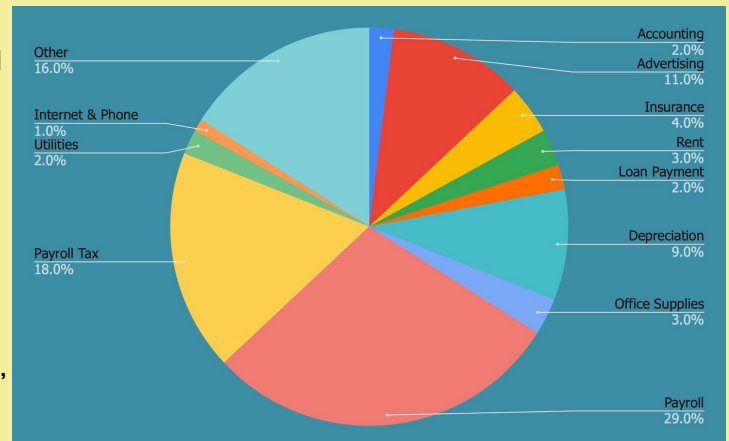


Toys N' Tails met and surpassed the break-even point of 5,462 units and \$1,429,197 sold on December 9, 2021.

Conducting a Break-Even Analysis is very crucial, especially for a start-up company like Toys N' Tails. By creating a formula in which 62% of sales come from memberships, 27% come from bundles, 9% come from services and 2% come from individual products, Toys N' Tails determined that the price point of one unit would be worth \$260. With an average selling price per sale of \$262, an average cost of goods per sale of \$68, an average profit rate of 74%, and an annual fixed cost of \$1,357,589, Toys N' Tails was expected to break-even at 5,462 units sold.

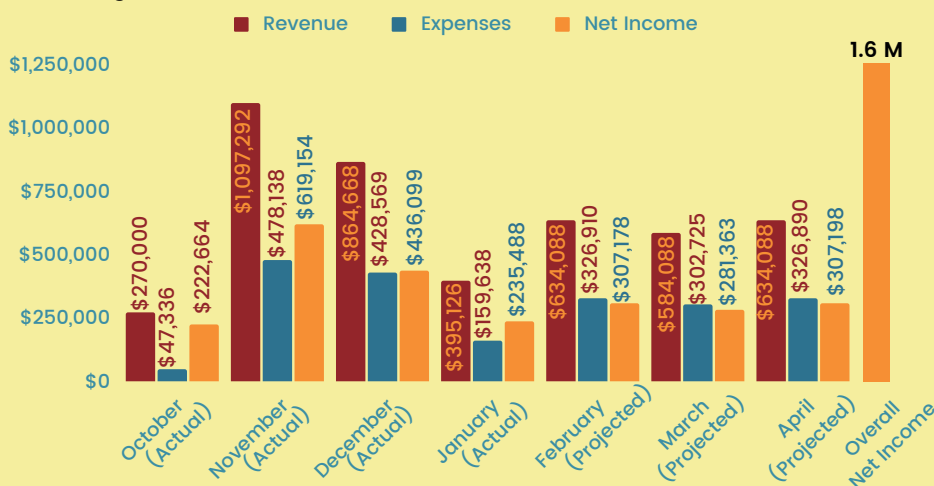
Operational Expenses

Understanding where monthly expenses are going and how much of it is going to a certain area is important for any company. According to Toys N' Tails' income statement, monthly fixed expenses add to a total of 151,418 dollars a month. 29% of this goes to paying hard-working partners and 18% goes toward payroll taxes. The rest of the monthly expenses are directed towards accounting, advertising, insurance, rent, loan payment, depreciation, office supplies, utilities, internet, and other important costs such as website costs, security, maintenance, and repairs.



Projected Profit & Loss Statement

**Expenses include cost of goods



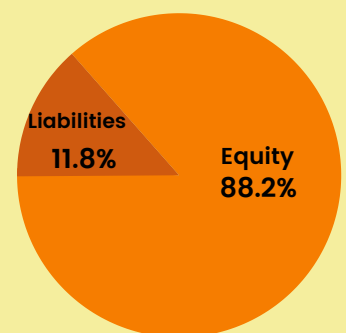
As of April 30, 2022, Toys N' Tails projected a total of \$4,779,350 in revenue, with 29% of that coming from a business contract, and 71% resulting from website sales, online trade shows, in-person trade shows, seed money, angel investors, and a bank loan of \$150,000. With a gross profit of \$3,769,066 and total operating expenses equaling \$1,059,923, it was calculated that the net income of the fiscal year would be \$2,709,143 before taxes.

The projected annual profit and loss statement allows Toys N' Tails to keep track of where the company is at the moment and the changes between the months of the fiscal year.

Balance Sheet

**As of December 2021

Assets	Credit	Debit	Liabilities	
Current Assets:			Short Term Liabilities:	
Cash	1,650,393.14		Accounts Payable	22,418.00
Inventory	87,123.11		Accruals:	
Accounts Receivable	234,088.00		Current portion of loan	2,847.90
Total Current Assets	1,971,604.25		Payroll	43,285.00
Long Term Assets:			Payroll Taxes	26,687.50
Furniture & Fixtures	30,934.00		Total Current Liabilities	95,238.40
Less Accumulated Depreciation	(533.00)		Long Term Liabilities:	
Equipment- Office & Computers	5,606.00		Loan (Balance of loan)	145,607.12
Less Accumulated Depreciation	(97.00)		Total Long term Liabilities	145,607.12
Equipment- Warehouse	29,000.00		Total Liabilities	240,845.52
Less Accumulated Depreciation	(500.00)		Equity	
Total Fixed Assets	64,410		Shareholder's Equity	380,000.00
Total Assets	2,036,014.25		Retained Earnings	1,415,168.73
			Total Equities	1,795,168.73
			Total Liabilities & Equity	2,036,014.25



Ratio

Toys N' Tails' balance sheet gives a further understanding of the company's current financial stability. As of January 31, 2022, Toys N' Tails' liabilities value \$240,845 and its equity values \$1,795,168, matching the total assets at \$2,036,014. With \$1,971,604 in current assets and \$95,238 in current liabilities, Toys N' Tails has a very high liquidity rate of 19.7%, making it the perfect time for someone to invest in our company. The Finance Department has decided to use a part of these cash reserves to begin implementing first-year expansion goals, including a mobile grooming van.