

TRACE

EXECUTIVE SUMMARY

ABOUT THE BUSINESS

Trace is a technology company that provides safety for children, and peace of mind for parents in the form of an unassuming bracelet. This bracelet AKA “*Tracelet*” is equipped with state of the art tracking technology an SOS button, and an app with features such as live location, and a virtual perimeter or “*Trace Space*” which alerts you if the bracelet leaves the radius. With all these features and a line of products designed for pets and the elderly on the way. **Trace** is coming into the market ahead and will continue to grow with each passing day.

“TRACE’S MISSION IS TO USE THE EVER GROWING FIELD OF TECH TO HELP PARENTS ACROSS THE WORLD ENSURE THE SAFETY OF THEIR KIDS, AND OUR FUTURE.”

LEGAL OWNERSHIP

Founded in September 2023, **Trace** is a C Corp which operates out of *Yeshiva Gedolah of Waterbury in Durham, Connecticut*. We decided that a C-corporation is the most suitable for our company since we plan on raising capital through investors, and a C-corp is the most attractive for investors since there's no pass-through taxation on shareholders. Additionally, we want to invest a large margin of our profits back into our company, and a C-corp will allow us to do that without being double-taxed.



ORGANIZATION STRUCTURE

Trace operates under a functional organizational structure, encouraging collaboration and open communication between the company’s five departments: marketing, sales, finance, human resources, and technology. **Trace** has 16 employees, with its Chief Executive Officer at the core, followed by a Chief Operating Officer and Chief Marketing Officer. These executives, along with a Vice President of Operations, direct the vision of the company and delegate ideas outwards to their fellow employees. This provides a direct chain of command that combats internal issues, such as potential communication difficulties.

BUSINESS RATIONAL

CUSTOMER EMPATHY

At **Trace**, we deeply understand the fear and stress parents experience when it comes to the safety of their children. We recognize the worry of a child getting lost or kidnapped. Safety is a top priority for every parent, and that's where Trace steps in with our advanced tracking bracelets.

Our heartfelt empathy stems from our shared concern that parents feel about the well-being of their loved ones. Research indicates* that immediate action can be crucial in locating a missing child, and this is where Trace's tracking technology comes into play. Our bracelets not only offer a sense of security but also empower parents with a powerful tool to locate their child swiftly.

PROBLEM STATEMENT

Life nowadays can be daunting, especially with some little ones in tow. It's hard enough to balance work and home life, without worrying about whether your five year old is safe with the sitter. According to the Pew Research Center**, 59% of parents are at least somewhat worried about their child being kidnapped, half of those being, "extremely worried." They also showed 57% feared their child being hurt or attacked. And they are not wrong. The CCPSC*** reports that every 40 seconds a child goes missing or is abducted in the U.S. alone. We need to go back to a time when we felt safe letting our little ones play in the yard or go over to a friends' house.



SOLUTION STATEMENT

Trace is here to solve these problems. We've combined GPS tracking, a panic button, and customizable geofence perimeters, into one simple affordable, stylish "*tracelet*," to ease the burden on parents and maximize protection for their little ones. Whether they got lost in the bathroom, and hit that button, or heaven forbid get kidnapped, you can immediately locate your child and assist them however necessary. Our geofence allows you to set an area that if your kid leaves, you get a notification right away, helping keep your child safe without needing to constantly check up. **Trace** is committed to partner with communities to help save little children. That's why we donate \$1 for each bracelet sold, to National Center for Missing & Exploited Children.



GOALS

SHORT TERM

- 1) Grow brand recognition through social media.
- 2) Break even, which will allow us to invest more capital into our company.

MID TERM

- 1) Begin to expand our product line to include pet services.
- 2) grow our target markets to include geriatrics.

LONG TERM

- 1) Partner with local organizations nationwide to directly ensure children's safety.
- 2) Expand to smart home security, and dominate the security tech market space.

MARKETING PLAN

TARGET MARKET

Primary

Our primary target market is Millennial parents of children. The reason we chose this group, is because we designed our product with kids in mind, and Millennials are the majority of parents of kids in the US. Additionally, they command over 300 billion dollars in spending power.

Secondary

Although Our primary target market is parents, safety goes beyond just one group of individuals. Therefore we widened our pool to include all ages from Generation Z. Gen Z has become increasingly aware of “rape culture” and other dangers to teenage and college students, and we know that our technology can make a real difference across the country. Research shows that 83%**** of this younger generation want companies to align with their values, and as a firm ran by other teens, we believe we’re a perfect fit.

PRODUCT

Trace offers a powerful security tool hidden inside an unassuming small bracelet. This bracelet can provide constant updates to a person of your choice, as well as allow you to notify them in case of an emergency. We encased our design in a silicone band, making it perfect for everyday use for all ages.



PLACEMENT

Our sales are made primarily through our website and through Ve online and in person trade shows.

PROMOTION

We raise brand awareness through heavily marketed social media campaigns, trade shows, and outreach.

PRICE

Our price ranges from \$39.99 down to \$32.99 decreasing as you scale your order. Our chosen prices help us ensure the affordability of our product, while still maintaining a healthy profit margin.

POSITIONING

Trace has positioned itself as a leading company in the Tech and Safety fields. As the world gets more uncertain and less safe, we offer security and assurance to individuals across the globe.

RISK

unethical use of our product.

SOLUTION

our product must be charged weekly, making it difficult to improperly use without constant access.

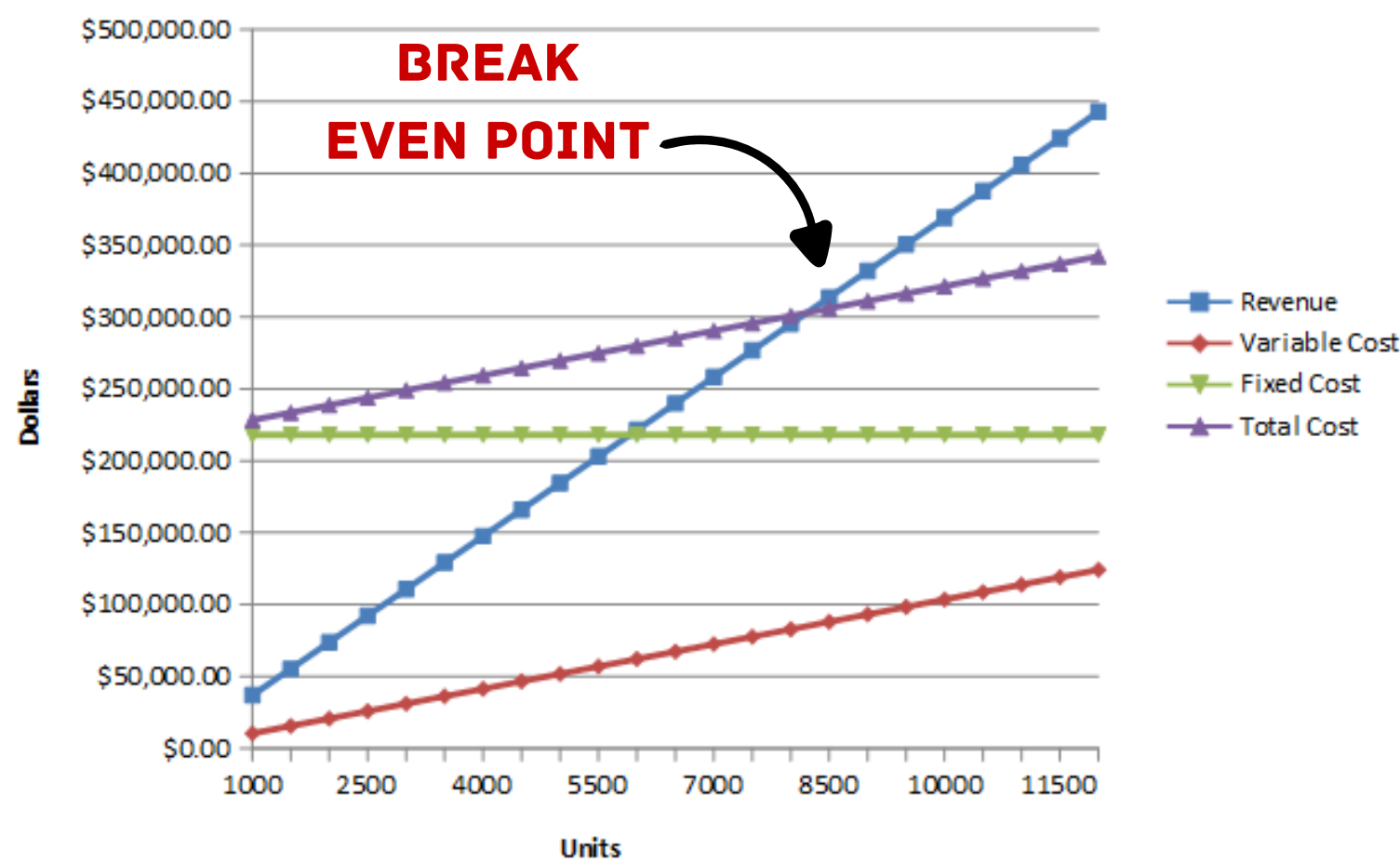
RISK

Cyber Security risks.

SOLUTION

We do not store customer information on our servers, and we constantly upgrade our cyber defenses.

BREAK EVEN ANALYSIS



Trace's forecasted break-even analysis is based on a unit price averaged amongst our various packages. The average unit price is \$36.9. Trace's estimated cost of goods sold is \$10.35 per unit, yielding an estimated gross profit margin of 71.9%. Trace's fixed costs over the first fiscal year are forecasted at \$217,980. Trace's total break-even point in sales dollars is forecasted at \$302,955. The number of units sold required to break even will be 8,210.

We understand that for all startups, it is important to keep track of our income and expenses. We have constructed our projected income statement for the fiscal year ending April 2024. Trace's income statement shows that we are projecting sales of \$553,500. The majority of our sales come from online sales (55%). Our expenses come to a total of \$236,980. The largest expense is for salaries which make up 70%. After all expenses and taxes, we are projecting a net profit of \$127,403. We then conducted an analysis and found that our payroll is 30% of our sales,

making it inside the safe zone according to Marc Holliday Sr. Product Marketing Manager at Oracle NetSuite****. As a startup company, we have placed ourselves in a successful financial position.

P & L PROJECTED THROUGH APR. 30 2024

Sales	
Online Sales	\$300,000.00
Trade Show Sales	\$253,500.00
Total Sales Revenue	\$553,500.00
Costs of goods sold	
Online	\$84,145.00
Trade Show	\$71,103.00
Total C.O.G.	\$155,248.00
Gross profit	\$398,250.00
Operating expenses	
Salaries	\$168,000.00
Office Rent (All Inclusive)	\$8,200.00
Fica (Medicare)	\$12,852.00
Buisness Insurance	\$4,500.00
Utilities	\$4,200.00
App Develepment & Maintenance	\$6,000.00
Workers Comp Insurance	\$3,228.00
Charitable donation (\$1 per)	\$15,000.00
Trade Shows	\$15,000.00
Total Operating Expenses	\$236,980.00
Net Income Before C.T.	\$161,270.00
Corporate Tax	\$33,866.70
Net Income After C.T.	\$127,403.30

Balance Sheet as of Nov. 30th

Current Assets	
Cash	\$126,591.13
Supplies (included in rent)	\$0.00
Total Current Assets	\$126,591.13
Fixed Assets	
Office Equipment	\$0.00
Inventory	\$0.00
Total Fixed Assets	\$0.00
Total Assets	\$126,591.13
Liabilities	
Sales Tax Payable	\$2,667.06
Payroll Tax Payable	\$2,856.00
Accounts Payable	\$103.50
Corprate Tax Payable	\$0.00
Salaries Payable	\$9,333.30
Total Liabilities	\$14,959.86
Stockholders Equity	
Common Stock \$10 Par Value	
# Shares Sold 15,000	\$150,000.00
Additional Paid in Capital	\$0.00
in Excess of Par Value	\$0.00
Retained Earnings	-\$38,368.73
Total Stockholders Equity	\$111,631.27
Total Liabilities + Stockholders Equity	\$126,591.13



The balance sheet allows us to visually understand how our assets and liabilities are connected, and how they affect our finances. According to our November 30th, 2023 balance sheet, we received equity financing in order to fund Trace. First, we received \$50,000 in seed money from VE, and then \$100,000 from angel investors in exchange for common stock. Our total assets are \$126,591 and our total liabilities equal \$14,959. Our largest and only asset is cash due to the fact that our rent includes all supplies and furniture. We have no inventory because we employ just-in-time methods of fulfillment. With our balance sheet, we have established a current ratio of 8.4. Our ratio is so high because, as we slowly grow our sales, we need the additional capital to pay off debts we will incur. (payroll, rent, etc.) By ensuring our ability to cover debts, as well as slowly scale, we have placed ourselves in a position of financial strength, and able to meet our financial obligations.

*Checklist: What You Should Do When Your Child Is First Missing

***Missing and Abducted Children | Child Crime Prevention ...

*****How Much of Sales or Gross Revenue Should go Toward my ...

**Parenting in America - Pew Research Center

**** 5WPR's 2020 Consumer Culture Report.