



Independent Business Plan

Bloom Box



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January 23, 2023





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I. EXECUTIVE SUMMARY

Description of Product

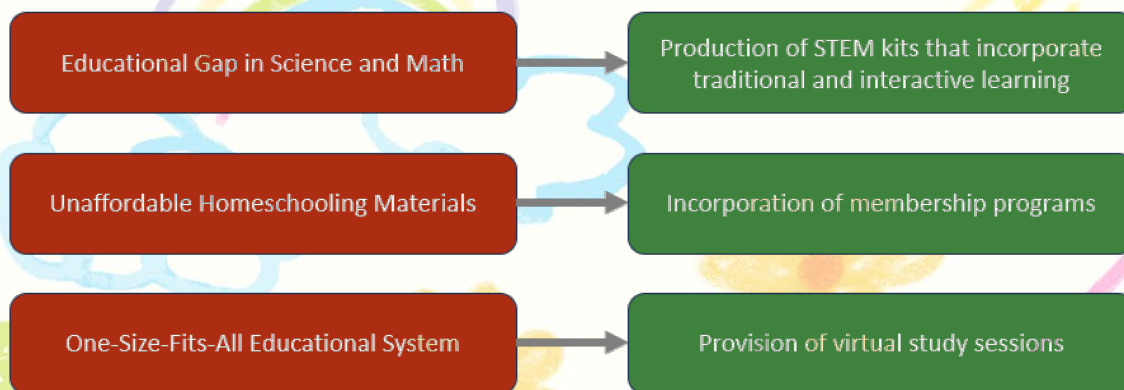
According to the U.S. Department of Education, the number of **homeschooled students in the US doubled** from 1.1 million in 2003 to 2.3 million in 2020. In fact, if properly executed, homeschooling is effective and **advantageous** in many ways compared to traditional schooling. This method helps students foster family bonds, provides flexibility in scheduling, and ensures that students study in a suitable environment that can **maximize their learning process**.

Our company, **Bloom Box**, strives to provide **affordable hands-on kits** and **personalized educational programs** for homeschooled students. Our products are designed to accommodate the basic needs of all homeschooled students, and these resources are not limited to homeschooled students; any parents or individuals who want to have immersive learning experiences can easily reach out to us thanks to the affordable and engaging nature of our products.

Product	Recommended/Estimated Purchase Frequency	Yearly Total Cost
Special Packet	5 per year	\$150
Part-Time Homeschooler	1 subject: 1 per month, 12 per year 2 subjects: 2 per month 24 per year	1 subject: \$360 2 subjects: \$720
Full-Time Homeschooler	1 subject: 2 per month, 24 per year 2 subjects: 4 per month 48 per year	1 subject: \$720 2 subjects: \$1440

Services	Recommended/Estimated Purchase Frequency	Yearly Total Cost
Membership Program	1 per year	\$200 – product discount
Virtual Group Study Session	3 per year	\$90
Virtual Individual Support Session	4 per year	\$80

Problems and Solutions



Unique Value Proposition

“EVERY CHILD HAS A CHANCE AT SUCCESS”



Bloom Box provides products that are **educational, affordable, and engaging**. We help guide parents through the process to improve the ease of crucial parent engagement in a child’s education so that **every child has a chance at success**.

Customer Segments

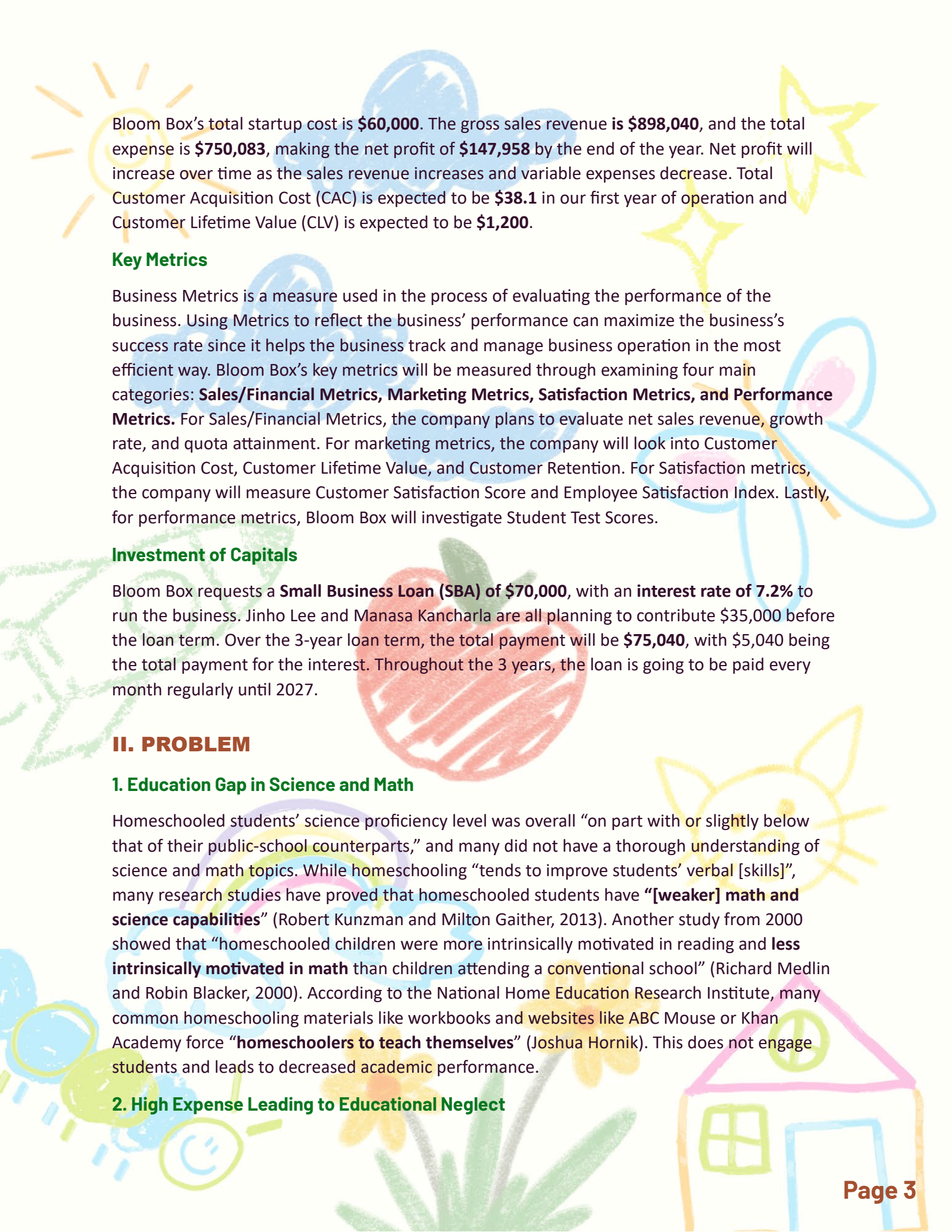
Bloom Box is focused on serving **primarily elementary homeschooled students** living in the **King County Area**. Given the fact that our company’s product is designed to provide materials that are affordable, income for the parents can be as low as **\$35,000** and as high as **\$100,000**. Each of the identified customers would be long-term customers as they would be understanding the importance of interactive learning for their children. Bloom Box will build a relationship with the customer that enables the company to increase sales and improve the Customer Lifetime Value (CLV).

Channels

Using marketing strategies, Bloom Box plans to connect with the customers in a variety of ways through **channels of promotion and distribution**. Channels of promotion will include setting up pop-stores in the local community, setting up booths in school fairs, and using social media to engage with cyber users. Channels of distribution will include shipping products through contacting the company’s website and partnering with 3rd party corporations to showcase our business.

Financial Overview

Bloom Box plans to generate sales revenue through selling the STEM Packets (SP) and Individual Special Packets (ISP), providing Virtual Individual Support Session (VISS) and Virtual Group Study Sessions (VGSS), and offering membership program for the customers. SP and ISP constitute of graphic novels and experimental kits, VISS and VGSS are designed for students who wish to learn certain topics in-depth with teachers and peers, and membership program is intended to reduce the financial burden of the customers who wish to make long-term business relationship with the company. Through selling such products, Bloom Box is expected to make **net profit of \$147,958** by the end of the first fiscal year.



Bloom Box's total startup cost is **\$60,000**. The gross sales revenue is **\$898,040**, and the total expense is **\$750,083**, making the net profit of **\$147,958** by the end of the year. Net profit will increase over time as the sales revenue increases and variable expenses decrease. Total Customer Acquisition Cost (CAC) is expected to be **\$38.1** in our first year of operation and Customer Lifetime Value (CLV) is expected to be **\$1,200**.

Key Metrics

Business Metrics is a measure used in the process of evaluating the performance of the business. Using Metrics to reflect the business' performance can maximize the business's success rate since it helps the business track and manage business operation in the most efficient way. Bloom Box's key metrics will be measured through examining four main categories: **Sales/Financial Metrics, Marketing Metrics, Satisfaction Metrics, and Performance Metrics**. For Sales/Financial Metrics, the company plans to evaluate net sales revenue, growth rate, and quota attainment. For marketing metrics, the company will look into Customer Acquisition Cost, Customer Lifetime Value, and Customer Retention. For Satisfaction metrics, the company will measure Customer Satisfaction Score and Employee Satisfaction Index. Lastly, for performance metrics, Bloom Box will investigate Student Test Scores.

Investment of Capitals

Bloom Box requests a **Small Business Loan (SBA) of \$70,000**, with an **interest rate of 7.2%** to run the business. Jinho Lee and Manasa Kancharla are all planning to contribute \$35,000 before the loan term. Over the 3-year loan term, the total payment will be **\$75,040**, with \$5,040 being the total payment for the interest. Throughout the 3 years, the loan is going to be paid every month regularly until 2027.

II. PROBLEM

1. Education Gap in Science and Math

Homeschooled students' science proficiency level was overall "on par with or slightly below that of their public-school counterparts," and many did not have a thorough understanding of science and math topics. While homeschooling "tends to improve students' verbal [skills]", many research studies have proved that homeschooled students have "**[weaker] math and science capabilities**" (Robert Kunzman and Milton Gaither, 2013). Another study from 2000 showed that "homeschooled children were more intrinsically motivated in reading and **less intrinsically motivated in math** than children attending a conventional school" (Richard Medlin and Robin Blacker, 2000). According to the National Home Education Research Institute, many common homeschooling materials like workbooks and websites like ABC Mouse or Khan Academy force "**homeschoolers to teach themselves**" (Joshua Hornik). This does not engage students and leads to decreased academic performance.

2. High Expense Leading to Educational Neglect

The expensive nature of homeschooling kits causes **educational neglect**. All of our competitive companies, such as Home Science Tools, KiwiCo, Sunlight, and The Learning House, provide homeschooling kits that could facilitate homeschooled students’ learning process. Their educational kits provide materials and items that help students conduct labs or engage in activities that would deepen their understanding of study topics. However, most of the products they promote are expensive for many given the fact that most of the retail prices of their kits are around \$200-\$300. Considering the fact that a single kit designed to teach few topics **exceeds \$200**, many **customers cannot afford kits**. In other words, while these kits are essential in a sense that it could help students navigate their learning in a meaningful way, the expensive nature of such materials prevents parents from providing useful tools for their children, ultimately contributing to the educational neglect that caused homeschooled students to “report that they were **expected to educate themselves without support or resources**” (Coalition for Responsible Home Education).

3. One-Size Fits all Education System

Websites and online platforms such as Open Educational Resources (OER), edX, and OpenStax etc. provide accessible resources that homeschooled students could use to guide their learning experiences. However, according to the University of Maryland Global Campus Asia (UMGC), resources provided by OER and similar institutions “**may not be relevant or accurate**” (UMGC). Moreover, given the fact that open resources are intended for self-learning individuals, “they [people who use these platforms] will miss out on the discussion and instructor feedback that characterize for-credit classes and that make such classes useful and valuable” (UMGC). Most of the resources provided by such places neither provide personalized learning materials nor interactive activities that can **enhance the understanding of certain topics**, making such platforms outdated and ineffective tools to navigate learning process. In other words, the self-learning method limits family engagement in students’ education, which is crucial to academic success.

III. CUSTOMER SEGMENTS

Customer 1: Full Time Home Schooler

Guardian Age	27-40
Household Income	35,000-100,000
Child Age	1 st -5 th Grade (Elementary School)
Past Schooling Experience	Kid was unmotivated to learn Family didn’t know how to help and what child was doing Couldn’t afford the expensive curriculum Disliked traditional school environment
Family Values	Exploring non-traditional school Education quality is their top priority More flexible lifestyle Aim to engage with their child’s education

Benefits Sought	More affordable homeschooling
Brand Loyalty	High brand loyalty

While traditionally good homeschooling has only been accessible by upper class families, many middle- and lower-income families in the states are increasingly displaying interest in homeschooling. Cost, however, is still a big barrier. Our target demographic's primary focus is on **the quality of education**, which has been the fastest growing reason for homeschooling, growing at 246% according to the National Center for Educational Statistics.

Customer 2: Part Time Home Scholar/ Supplemental

Guardian Age	25-38
Household Income	27,000-80,000
Child Age	1 st -5 th Grade (Elementary School)
Past Schooling Experience	Tutoring hasn't helped student Child is behind in class Lack of engagement in a classroom environment
Family Values	Exploring non-traditional school Education quality is their top priority More flexible lifestyle Aim to engage with their child's education
Benefits Sought	Want to help their child get ahead and be prepared for elementary school, and considering homeschooling in the future if it works
Brand Loyalty	High brand loyalty

Customer 3: Occasional Buyer

Guardian Age	25-45
Household Income	25,000-100,000
Child Age	3-12
Family Values	Education is important Want to engage with their child's learning
Benefits Sought	Want their child to have education toys Simple activities to do with and engage child
Brand Loyalty	Low brand loyalty

IV. UNIQUE VALUE PROPOSITION



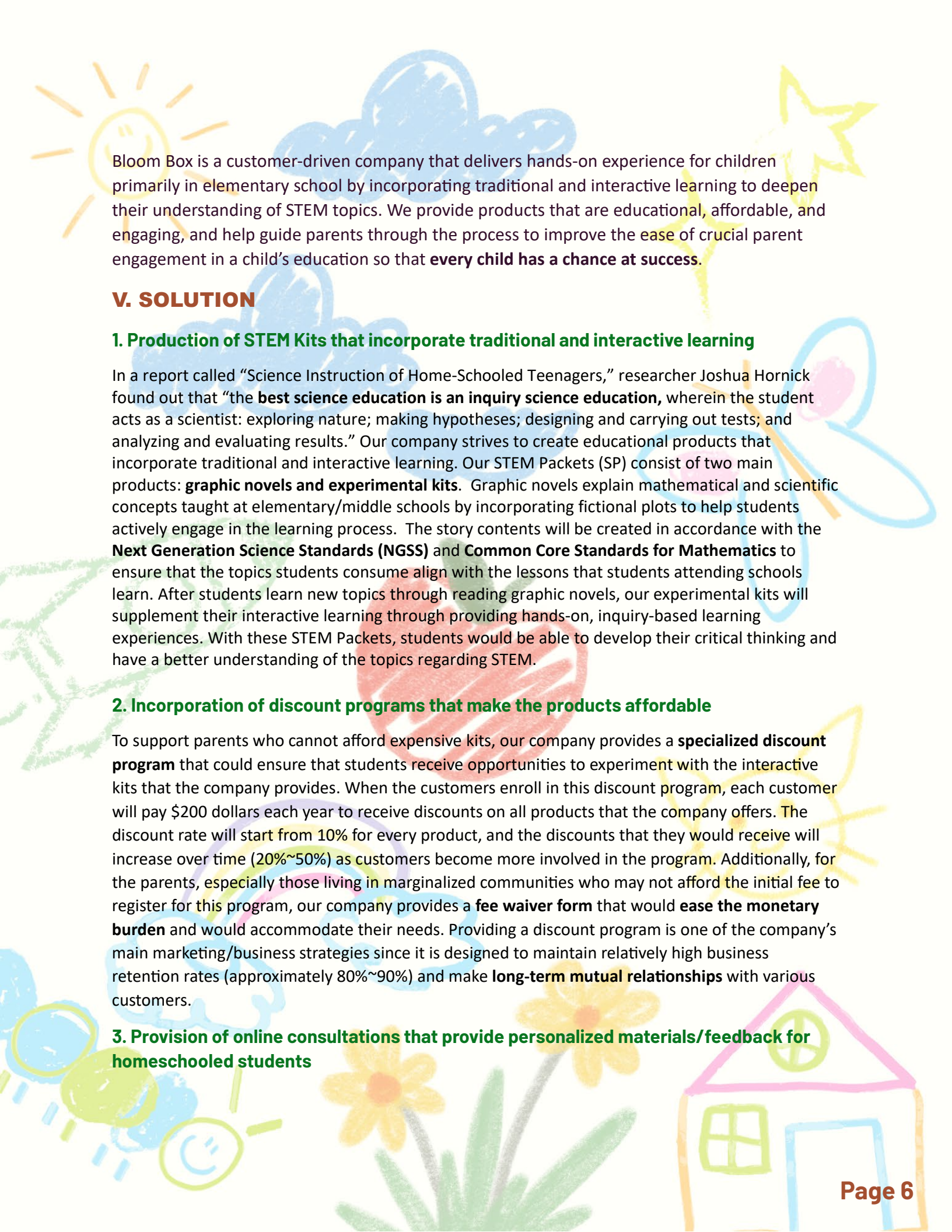
EDUCATIONAL



AFFORDABLE



ENGAGING



Bloom Box is a customer-driven company that delivers hands-on experience for children primarily in elementary school by incorporating traditional and interactive learning to deepen their understanding of STEM topics. We provide products that are educational, affordable, and engaging, and help guide parents through the process to improve the ease of crucial parent engagement in a child's education so that **every child has a chance at success**.

V. SOLUTION

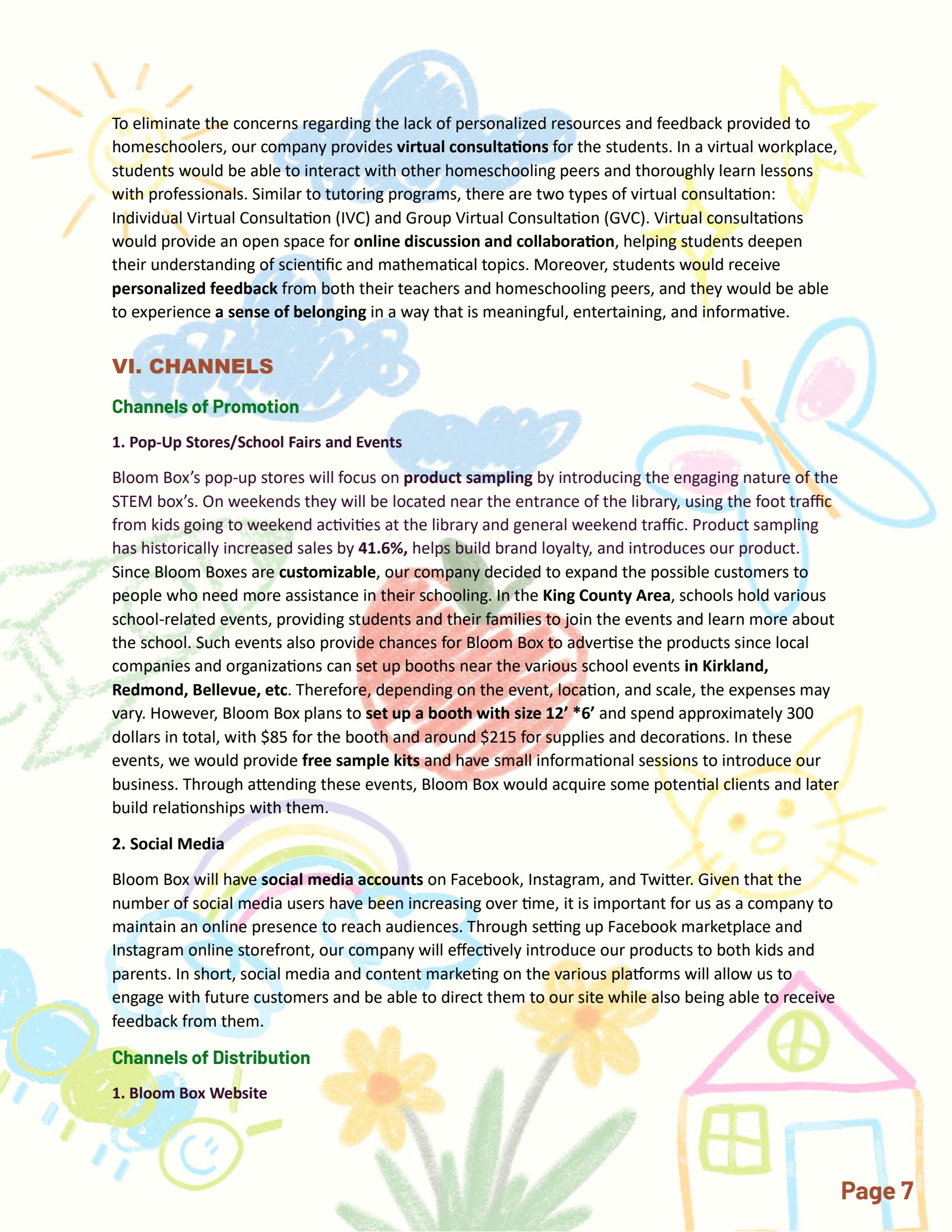
1. Production of STEM Kits that incorporate traditional and interactive learning

In a report called "Science Instruction of Home-Schooled Teenagers," researcher Joshua Hornick found out that "the **best science education is an inquiry science education**, wherein the student acts as a scientist: exploring nature; making hypotheses; designing and carrying out tests; and analyzing and evaluating results." Our company strives to create educational products that incorporate traditional and interactive learning. Our STEM Packets (SP) consist of two main products: **graphic novels and experimental kits**. Graphic novels explain mathematical and scientific concepts taught at elementary/middle schools by incorporating fictional plots to help students actively engage in the learning process. The story contents will be created in accordance with the **Next Generation Science Standards (NGSS)** and **Common Core Standards for Mathematics** to ensure that the topics students consume align with the lessons that students attending schools learn. After students learn new topics through reading graphic novels, our experimental kits will supplement their interactive learning through providing hands-on, inquiry-based learning experiences. With these STEM Packets, students would be able to develop their critical thinking and have a better understanding of the topics regarding STEM.

2. Incorporation of discount programs that make the products affordable

To support parents who cannot afford expensive kits, our company provides a **specialized discount program** that could ensure that students receive opportunities to experiment with the interactive kits that the company provides. When the customers enroll in this discount program, each customer will pay \$200 dollars each year to receive discounts on all products that the company offers. The discount rate will start from 10% for every product, and the discounts that they would receive will increase over time (20%~50%) as customers become more involved in the program. Additionally, for the parents, especially those living in marginalized communities who may not afford the initial fee to register for this program, our company provides a **fee waiver form** that would **ease the monetary burden** and would accommodate their needs. Providing a discount program is one of the company's main marketing/business strategies since it is designed to maintain relatively high business retention rates (approximately 80%~90%) and make **long-term mutual relationships** with various customers.

3. Provision of online consultations that provide personalized materials/feedback for homeschooled students



To eliminate the concerns regarding the lack of personalized resources and feedback provided to homeschoolers, our company provides **virtual consultations** for the students. In a virtual workplace, students would be able to interact with other homeschooling peers and thoroughly learn lessons with professionals. Similar to tutoring programs, there are two types of virtual consultation: Individual Virtual Consultation (IVC) and Group Virtual Consultation (GVC). Virtual consultations would provide an open space for **online discussion and collaboration**, helping students deepen their understanding of scientific and mathematical topics. Moreover, students would receive **personalized feedback** from both their teachers and homeschooling peers, and they would be able to experience a **sense of belonging** in a way that is meaningful, entertaining, and informative.

VI. CHANNELS

Channels of Promotion

1. Pop-Up Stores/School Fairs and Events

Bloom Box's pop-up stores will focus on **product sampling** by introducing the engaging nature of the STEM box's. On weekends they will be located near the entrance of the library, using the foot traffic from kids going to weekend activities at the library and general weekend traffic. Product sampling has historically increased sales by **41.6%**, helps build brand loyalty, and introduces our product. Since Bloom Boxes are **customizable**, our company decided to expand the possible customers to people who need more assistance in their schooling. In the **King County Area**, schools hold various school-related events, providing students and their families to join the events and learn more about the school. Such events also provide chances for Bloom Box to advertise the products since local companies and organizations can set up booths near the various school events in **Kirkland, Redmond, Bellevue, etc.** Therefore, depending on the event, location, and scale, the expenses may vary. However, Bloom Box plans to **set up a booth with size 12' *6'** and spend approximately 300 dollars in total, with \$85 for the booth and around \$215 for supplies and decorations. In these events, we would provide **free sample kits** and have small informational sessions to introduce our business. Through attending these events, Bloom Box would acquire some potential clients and later build relationships with them.

2. Social Media

Bloom Box will have **social media accounts** on Facebook, Instagram, and Twitter. Given that the number of social media users have been increasing over time, it is important for us as a company to maintain an online presence to reach audiences. Through setting up Facebook marketplace and Instagram online storefront, our company will effectively introduce our products to both kids and parents. In short, social media and content marketing on the various platforms will allow us to engage with future customers and be able to direct them to our site while also being able to receive feedback from them.

Channels of Distribution

1. Bloom Box Website

One of the keys to showcase our business is through the business's official website. Bloom Box will be the primary channel to create a portal that enables all ranges of customers to view and purchase items that we offer. The **user interface will be easy** to use so the clients can **effectively communicate** with the company and contact us if they need assistance. Alongside all the products, the customers will have the ability to contact the design team through this channel which will allow them to request customized kits that they would purchase.

2. Partnership with Homeschooling-related organizations and Retail Corporations

Bloom Box will partner with various homeschooling-related organizations and online forums to showcase our business to many target audiences. Through contacting online forums such as The Well-Trained Mind Community and The Homeschool Lounge, the company will **collaborate with organizations** that host virtual homeschooling conventions with **workshops and seminars**. Moreover, through partnering with the Home School League Defense Association (HSLDA), we will set temporary booths in public spaces such as libraries to offer advice to Homeschooling kids and support their learning process. Moreover, Bloom Box will contact retail corporations such as Amazon, Walmart, Facebook Marketplace, and Etsy **to showcase our products online** and put specialized kits in **retail stores** such as Target, Costco, Walmart as the company is projected to generate revenues.



VII. REVENUE STREAMS

Recurring Revenue

Membership Program

Only members who commit to Bloom Box's full-time member subscription are eligible for the Membership Program. When the customers enroll in this membership program, each customer will pay a **\$200 membership fee** annually to receive discounts on all products that the company offers. The discount rate will start from **10% for every product**. Every year they continue to be a member the discount will **increase by 5%** until they reach the **30% max discount**. Signing up for the membership program would also give them **one free Special Packet** on their anniversary of becoming a member to further incentive customers and remind them to renew the membership. This means that students who are in our full-time program for all 5 years for all subjects will **save \$440**. This money is also used as capital to further invest and improve in Bloom Box's products.

Transactional Revenue

Product	Recommended/Estimated Purchase Frequency	Yearly Total Cost per
Special Packet	5 per year	\$150
Part-Time Homeschooler	1 subject: 1 per month, 12 per year 2 subjects: 2 per month 24 per year	1 subject: \$360 2 subjects: \$720
Full-Time Homeschooler	1 subject: 2 per month, 24 per year 2 subjects: 4 per month 48 per year	1 subject: \$720 2 subjects: \$1440

STEM Packets: \$30 per Packet

Bloom Box’s goal is to create immersive learning experiences at the center of our mission is **our STEM Packets**, which act as our **primary source of revenue**. Within these packets are a combination of **graphic novels** that serve as an **alternative to traditionally dense workbook**, while helping make difficult content seem more approachable and applicable. And a combination of **activity kits**, for example when students learn fractions they’ll be given a pizza. As they read the graphic novel the characters will guide them to utilize them. Additionally, Bloom Box will continue to improve the existing curriculum in the boxes and add more diverse activities that make a personalized education experience and help students engage and interact with learning. The rest of our services revolve around making these packets a more effective tool for a child’s education.

Science Packets:

Studies have shown that students learn best by “**discovering**”, making interactive learning a crucial part of science classes. Bloom Box’s science packets are designed to exceed the guidelines of the **Next Generation Science Standards (NGSS)**, which “provide all students an internationally benchmarked science education” throughout grade levels. Our packets follow a cohesive pathway that builds up **packets by packets**, and with the combination of graphic novel workbooks and experiment kits students are able to ‘discover’ science too.

Math Packets:

Bloom Box’s math curriculum follows the **Common Core Standards**. Our math packets also have a graphic novel textbook and an activity kit that helps students see math in their everyday life. For example, the graphic novel would bring the students to a pizza place to learn fraction, and the activity kit would have a Velcro pizza slices that can help them conceptualize and learn all about fractions. Similar to the science packets, the math packets also follow a **structured order** that builds up to each packet.

Special Packets: \$30 per Packet

Each special packet is priced at \$30 regardless of the content and includes a **graphic novel textbook** and the **activity kit** just like the STEM packet. These special packets are targeted toward people who want to either try out the product or as a one-time purchase for a fun activity. These packets contain a **variety of subjects** including but not limited to, connect the dots to teach how to draw different perspectives, history graphic novels with figures to show how famous inventions were created, and letter cutouts to practice English phonetics and spelling.

Service Based Revenue

Services	Recommended/Estimated Purchase Frequency	Yearly Total Cost
Virtual Group Study Session	3 per year	\$90
Virtual Individual Support Session	4 per year	\$80

Virtual Group Study Session: \$30 per session (1 hour)

Each Group study session will have 5-7 people in order to maximize meaningful interaction. Bloom Box brings together students at similar places in the curriculum and gives them **the vital social interaction** needed for the child’s cognitive development. This also creates a community around homeschooling with Bloom Box that families can join, making homeschooling easier for families. They would join these calls through Bloom Box’s website. One of Bloom Box’s teachers can be requested in order to facilitate **virtual labs** and **online discussions**.

Virtual Individual Support Session: \$20 per session (1 hour)

Despite the personalization students may still struggle, which is why Bloom Box has ‘Subject-Specific Teacher’ who can give **one-to-one support** to students and help where they may be struggling. After assessing where the student is at the teacher will give unique activities and tailored explanation, keeping in mind our goal of engaging the student. Families can also join in and ask teachers how they can best support their kid. Or how they can help use Bloom Box to motivate their child to learn.

Customer Lifetime Value

*Average Value of Sale * Number of Repeated Transactions * Retention Rate = CLV*

Customer Lifetime Value (CLV) is a metric used to calculate the total revenue that a business can gain from one customer through maintaining business relationships. For Bloom Box, CLV is attained through measuring average value of sale (Recurring revenue), total number of transactions, and service the company provided (Service Based Revenue) within a year. Using this equation, Bloom Box’s CLV was determined to be **\$1,200** for the first year.

VIII. COST STRUCTURE

Customer Acquisition Cost

Customer Acquisition Cost (CAC) -> The cost related to acquiring a new customer

$$\frac{\text{Total Marketing Expenses}}{\text{Total Customers Acquired}}$$

Customer Acquisition Cost (CAC) is the estimation for how much a company spends to get a new customer. Since marketing through channels is directly related to customer acquisitions, Bloom Box estimates the CAC by dividing net marketing expense in a year by total customers acquired in a year. According to our projection analysis, Bloom Box’s first year of CAC will be **38.1**.

Property Cost

Bloom Box will lease a workplace in **Redmond, Washington**. To store various products that the company offers, Bloom Box will rent an office that is 800 square feet and costs \$11.64 per square foot, which will make the monthly rent expense for the office \$9312. As Bloom Box expands its business operation, the company will lease a bigger office to accommodate the need to store large quantities of supplies.

Merchandise Cost

According to our three-year projection model, estimated merchandise cost encompasses manufacturing expense, marketing expense, and delivery expenses. The products sold will increase over time, and the total merchandise cost will also increase over time to accommodate the increase in production. The detailed information about the merchandise cost is shown in the Twelve-Month Cash Flow graph in the Detailed Financials Section.

Human Resources

	2025	2026	2027
Human Resource Number of Personnel			
Logistics Coordinators (Full-Time)	1	2	2
Content Producers (Part-Time)	5	2	2
Information Technology Specialist (Part-Time)	3	2	2
Subject-Specific Teachers (Part-Time)	2	3	5
Sales Representative (Full-Time)	2	3	5
Marketing Managers (Part-Time)	2	2	1
Human Resource Costs			
Logistics Coordinators (Full-Time)	\$35,091	\$70,182	\$70,182
Content Producers (Part-Time)	\$127,255	\$50,902	\$50,902
Information Technology Specialist (Part-Time)	\$94,350	\$62,900	\$62,900
Subject-Specific Teachers (Part-Time)	\$5,040	\$2,520	\$12,600
Sales Representative (Full-Time)	\$54,821	\$91,368	\$91,368
Marketing Managers (Part-Time)	\$32,565	\$32,565	\$16,283
Total-Human Resource Cost	\$349,122	\$310,437	\$304,235

Bloom Box will hire content producers in creating the company's products. For maintaining website and study sessions, the company will hire logistics coordinators, information technology specialists, and subject-specific teachers from both local and different locations through virtual interview process. The human resource cost may vary as the number of employees changes over time in accordance with the change in number of customers. For the first three years of business operation, logistics coordinators and sales representatives will work on fixed salaries full-time while others will be part-time workers, meaning that they will get paid based on how many hours they worked in total.

Operational Costs

Operating Costs	2025	2026	2027
Payroll Taxes (7.65%)	\$26,758	\$23,819	\$23,794
Money Transfer Fee	\$4,529	\$14,523	\$35,114
Insurance-General Liability	\$8,200	\$9,300	\$9,500
Insurance -Professional	\$735	\$856	\$920
Website Hosting Fee	\$1,711	\$2,712	\$3,560
Basic Utilities	\$38,920	\$41,920	\$41,920
Office Supplies	\$30,000	\$400	\$400
Total-Operating Costs	\$110,853	\$93,530	\$115,208
Average Monthly Cost	\$9237.75	\$7,794.17	\$9,600.67

*Payroll Taxes include FICA taxes (7.65%) and FUTA unemployment taxes (0.06% of first 7,000 per employee)

Additional Costs

Most of the additional costs come from **marketing and business operation expenses**. Marketing tools such as pamphlets and videos are produced regularly throughout the year to gain a wider range of customers, and the company also invests in business maintenance to consistently provide services that customers need.

Weekly Running Costs		
Product Quality Inspection	Once in 2 weeks	\$250
Business Operational Meetings	Every other day	\$300
Storage Maintenance	1 time per week	\$50

Production Costs		
Pamphlets	2,000 pieces	\$85
Promotional Videos	\$1.50 per video	\$7.50
Product Samples	\$3 per sample	\$120

IX. DETAILED FINACIALS



1. Projected Annual Balance Sheet

Assets

Current Assets

Cash in bank	\$70,000
Accounts receivable	\$510,080
Liability Insurances	\$8,935

Total Current Assets	\$589,015
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Fixed Assets

Buildings and Improvements	\$3,811
Supplies	\$30,000
Depreciation on all fixed assets	\$3,906

Total fixed assets	\$37,411
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Total assets	\$626,426
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Liabilities and Equity

Current Liabilities and Equity

Accounts Payable	\$61,650
Salaries	\$310,437

Total Current Liabilities	\$372,087
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Long-term Liabilities

Long-term Debt	\$60,000
Loan Payments	\$15,040

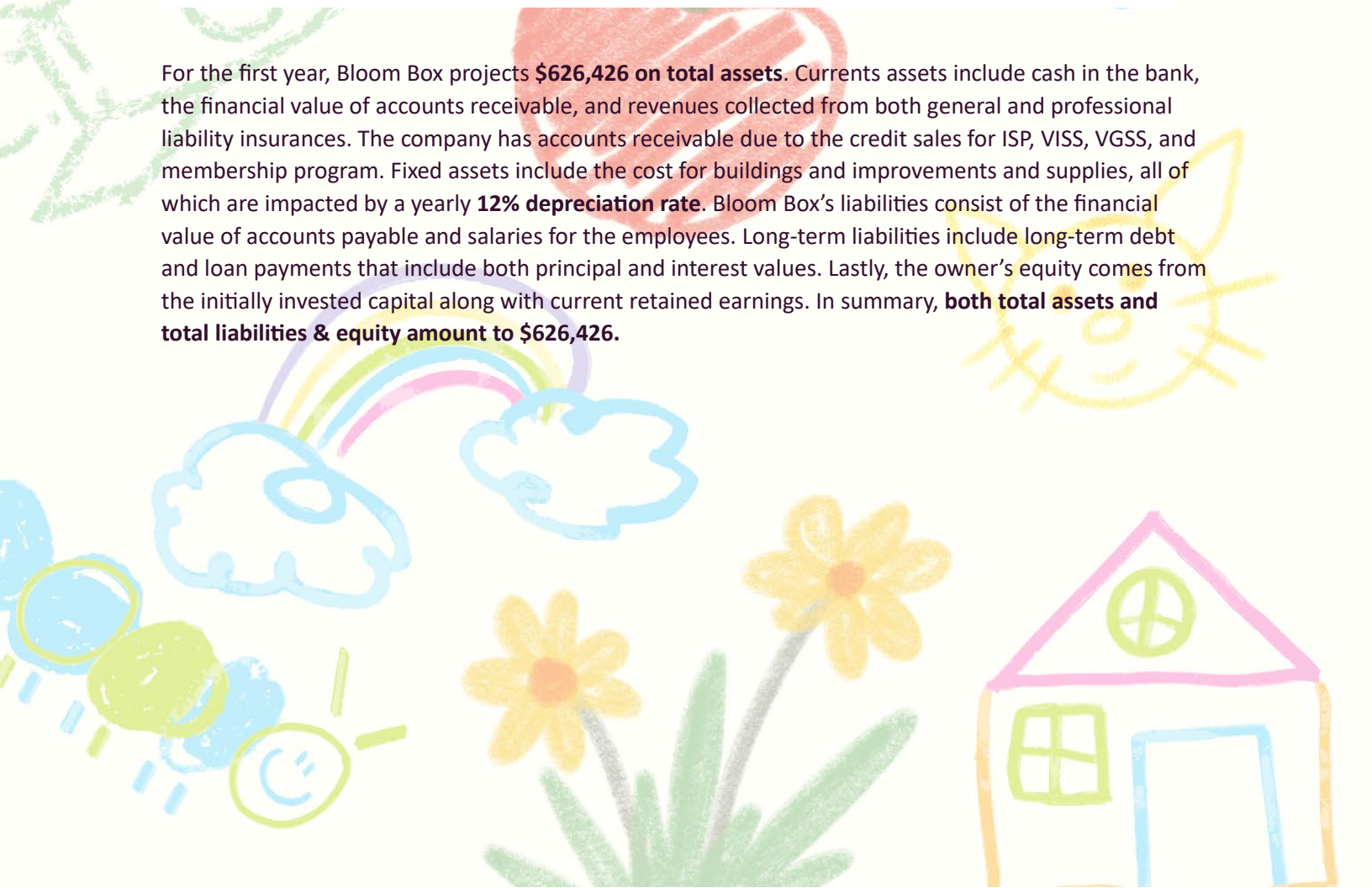
Total Long-term Liabilities	\$75,040
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Owner's Equity

Invested Capital	\$70,000
Retained Earnings-Current:	\$109,299

Total Owner's Equity	\$179,299
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Total Liabilities & Equity	\$626,426
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For the first year, Bloom Box projects **\$626,426 on total assets**. Currents assets include cash in the bank, the financial value of accounts receivable, and revenues collected from both general and professional liability insurances. The company has accounts receivable due to the credit sales for ISP, VISS, VGSS, and membership program. Fixed assets include the cost for buildings and improvements and supplies, all of which are impacted by a yearly **12% depreciation rate**. Bloom Box's liabilities consist of the financial value of accounts payable and salaries for the employees. Long-term liabilities include long-term debt and loan payments that include both principal and interest values. Lastly, the owner's equity comes from the initially invested capital along with current retained earnings. In summary, **both total assets and total liabilities & equity amount to \$626,426**.

2. Projected Monthly Cash Flow (First Year of Operation)

Monthly Income	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Cash Balance	\$60,000	\$3,759	(\$52,002)	\$103,858	(\$152,862)	\$223,910	(\$258,957)	(\$282,110)	(\$278,443)	(\$227,580)	(\$126,153)	\$10,093	\$179,299
Revenues													
STEM Packets (SP)	\$570	\$1,110	\$2,380	\$3,890	\$6,890	\$11,690	\$18,390	\$34,900	\$53,490	\$71,090	\$85,090	\$98,470	\$387,960
Individual Special Packets (ISP)	\$360	\$690	\$1,110	\$1,670	\$1,940	\$2,490	\$3,980	\$5,240	\$6,630	\$7,390	\$8,580	\$9,830	\$49,910
Virtual Individual Support Sessions (VISS)	\$0	\$80	\$210	\$330	\$760	\$910	\$1,190	\$2,980	\$5,430	\$7,560	\$10,930	\$21,930	\$52,310
Virtual Group Study Sessions (VGSS)	\$0	\$0	\$180	\$360	\$620	\$980	\$1,540	\$2,440	\$3,680	\$4,230	\$5,790	\$7,380	\$27,200
Membership Program (MP)	\$0	\$0	\$197	\$982	\$4,119	\$7,011	\$16,823	\$26,890	\$49,880	\$78,974	\$92,942	\$102,842	\$380,660
Gross Revenue From Sales	\$930	\$1,880	\$4,077	\$7,232	\$14,329	\$23,081	\$41,923	\$72,450	\$119,110	\$169,244	\$203,332	\$240,452	\$898,040
Total Cash Available	\$60,930	\$5,639	(\$47,925)	(\$96,626)	\$167,191	(\$200,829)	(\$217,034)	(\$209,660)	(\$159,333)	(\$58,336)	\$77,179	\$250,545	
Expenses													
<i>Variable Expenses</i>													
Manufacturing Expense	\$3,728	\$4,033	\$5,470	\$5,493	\$6,116	\$8,005	\$13,004	\$15,340	\$15,975	\$14,987	\$13,410	\$13,610	\$119,171
Payroll Expense	\$29,094	\$29,087	\$27,093	\$27,093	\$27,093	\$27,093	\$28,092	\$29,093	\$29,102	\$30,210	\$31,056	\$35,016	\$349,122
Marketing Expense	\$4,500	\$4,500	\$3,300	\$3,300	\$3,000	\$2,500	\$3,200	\$3,500	\$2,500	\$2,000	\$2,000	\$2,000	\$36,300
Delivery Expense	\$1,300	\$1,470	\$1,520	\$1,800	\$1,960	\$1,980	\$2,230	\$2,300	\$2,120	\$2,070	\$2,070	\$2,070	\$22,890
Total Variable Expenses	\$38,622	\$39,090	\$37,383	\$37,686	\$38,169	\$39,578	\$46,526	\$50,233	\$49,697	\$49,267	\$48,536	\$52,696	\$527,483
<i>Fixed Expenses</i>													
Rent Expense	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$9,312	\$111,744
Operational Expense	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$9,238	\$110,856
Total Fixed Expenses	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$18,550	\$222,600
Total Expenses	\$57,172	\$57,640	\$55,933	\$56,236	\$56,719	\$58,128	\$65,076	\$68,783	\$68,247	\$67,817	\$67,086	\$71,246	\$750,083
Cash Position	\$3,759	(\$52,002)	\$103,858	(\$152,862)	\$223,910	(\$258,957)	(\$282,110)	(\$278,443)	(\$227,580)	(\$126,153)	\$10,093	\$179,299	
Net Profit	(\$59,970)	(\$55,760)	(\$51,856)	(\$49,004)	(\$42,390)	(\$35,047)	(\$23,153)	\$3,667	\$50,863	\$101,427	\$136,246	\$169,206	\$147,958

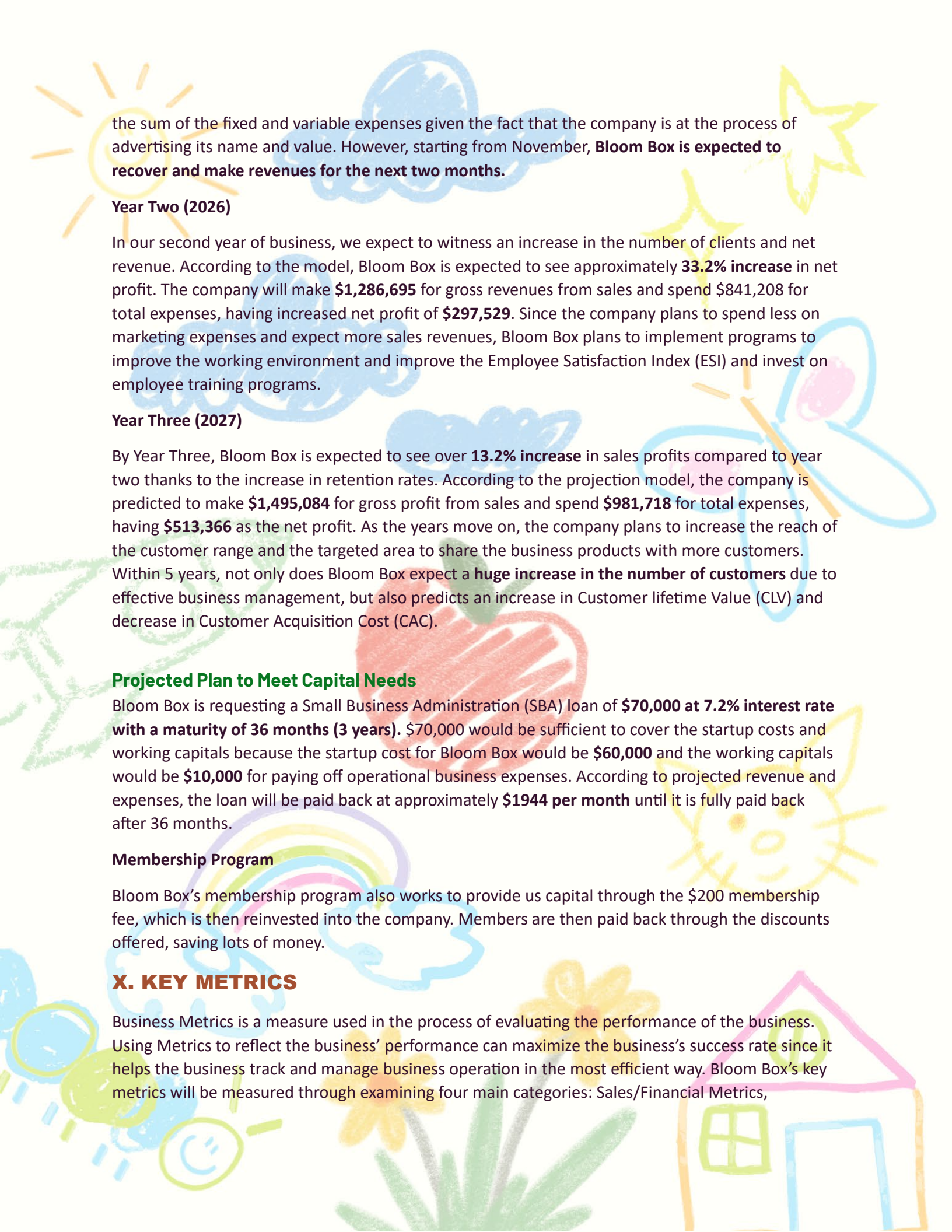
3. Three Year Profit Projection

Three Year Projection	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)
Revenues			
STEM Packets	\$387,960	\$586,670	\$624,694
Individual Special Packets	\$49,910	\$78,560	\$85,796
Virtual Individual Support Sessions (VISS)	\$52,310	\$65,550	\$72,434
Virtual Group Study Sessions (VGSS)	\$27,200	\$35,570	\$54,340
Membership Program (MP)	\$380,660	\$520,345	\$657,820
Gross Profit from Sales	\$898,040	\$1,286,695	\$1,495,084
Expenses			
Manufacturing Expense	\$119,171	\$243,524	\$355,665
Payroll Expense	\$349,122	\$310,437	\$304,235
Marketing Expense	\$36,300	\$45,200	\$45,200
Delivery Expense	\$22,890	\$27,749	\$35,430
Rent Expense	\$111,744	\$120,768	\$125,980
Operational Expense	\$110,856	\$93,530	\$115,208
Total Expenses	\$750,083	\$841,208	\$981,718
Net Profit Before Taxes	\$147,958	\$445,487	\$513,366
Profit Goal	\$100,000	\$250,000	\$500,000

Year One (2025)

In Year One, Bloom Box's main objective is to introduce our business to families living in the King County Area. Through increasing the marketing expenses and hiring more content producers, the company anticipates to accrue potential clients in the local regions.

According to the detailed One Year Projection model, Bloom Box is expected to accrue **\$898,040** for gross revenue from sales with an annual cash position of **\$179,299** and spend **\$750,083** for total expenses, having **\$147,958** as the net profit before taxes. For the majority of the operation, the company is speculated to experience a loss since the total gross revenue from sales does not exceed



the sum of the fixed and variable expenses given the fact that the company is at the process of advertising its name and value. However, starting from November, **Bloom Box is expected to recover and make revenues for the next two months.**

Year Two (2026)

In our second year of business, we expect to witness an increase in the number of clients and net revenue. According to the model, Bloom Box is expected to see approximately **33.2% increase** in net profit. The company will make **\$1,286,695** for gross revenues from sales and spend \$841,208 for total expenses, having increased net profit of **\$297,529**. Since the company plans to spend less on marketing expenses and expect more sales revenues, Bloom Box plans to implement programs to improve the working environment and improve the Employee Satisfaction Index (ESI) and invest on employee training programs.

Year Three (2027)

By Year Three, Bloom Box is expected to see over **13.2% increase** in sales profits compared to year two thanks to the increase in retention rates. According to the projection model, the company is predicted to make **\$1,495,084** for gross profit from sales and spend **\$981,718** for total expenses, having **\$513,366** as the net profit. As the years move on, the company plans to increase the reach of the customer range and the targeted area to share the business products with more customers. Within 5 years, not only does Bloom Box expect a **huge increase in the number of customers** due to effective business management, but also predicts an increase in Customer lifetime Value (CLV) and decrease in Customer Acquisition Cost (CAC).

Projected Plan to Meet Capital Needs

Bloom Box is requesting a Small Business Administration (SBA) loan of **\$70,000 at 7.2% interest rate with a maturity of 36 months (3 years)**. \$70,000 would be sufficient to cover the startup costs and working capitals because the startup cost for Bloom Box would be **\$60,000** and the working capitals would be **\$10,000** for paying off operational business expenses. According to projected revenue and expenses, the loan will be paid back at approximately **\$1944 per month** until it is fully paid back after 36 months.

Membership Program

Bloom Box's membership program also works to provide us capital through the \$200 membership fee, which is then reinvested into the company. Members are then paid back through the discounts offered, saving lots of money.

X. KEY METRICS

Business Metrics is a measure used in the process of evaluating the performance of the business. Using Metrics to reflect the business' performance can maximize the business's success rate since it helps the business track and manage business operation in the most efficient way. Bloom Box's key metrics will be measured through examining four main categories: Sales/Financial Metrics,

Marketing Metrics, Satisfaction Metrics, and Performance Metrics For Sales/Financial Metrics, the company plans to evaluate net sales revenue, growth rate, and quota attainment. For marketing metrics, the company will look into Customer Acquisition Cost, Customer Lifetime Value, and Customer Retention. For Satisfaction metrics, the company will measure Customer Satisfaction Score and Employee Satisfaction Index. Lastly, for performance metrics, Bloom Box will investigate Student Test Scores.

Business Metrics	Purpose	Formula	Goal
<i>Sales/Financial Metrics</i>			
Net Sales Revenue	Measures the overall performance	Gross Sales-Discounts>Returns-Costs associated with discounts and returns	2025: \$898,040 2026: \$1,286,695 2027: \$1,495,084
Growth Rate	Indicates the health of the business	$(\text{Current year revenue} - \text{Previous year revenue}) / \text{Previous year revenue} * 100$	2026: 40.2% 2027: 40.1%
Quota Attainment	determines whether the sales met the sales target	Amount of sales achieved by a particular rep or region/ Goal for that region	2025: 0.78 2026: 0.89 2027: 0.71
<i>Marketing Metrics</i>			
Customer Acquisition Cost (CAC)	the cost related to acquiring a new customer	Total Marketing Costs/Total Customers Acquired	2025: 38.1:1 2026: 10.9:1 2027: 5.9:1
Customer Lifetime Value (CLV)	evaluate customers' worth to the business	Average purchase value * Average purchase frequency rate	2025: \$1,200 2026: \$1,400 2027: 1,800
Customer Retention	measures the percentage of existing customers that stay during a specific period of time	$(\text{Customers at end of a period} - \text{Customer added during period}) / \text{customers at beginning of period}$	2024: 75% 2025: 82% 2026: 84%
<i>Satisfaction Metrics</i>			
Customer Sastisfaction Score (CSAT)	Measures the overall satisfaction of customers with a product, service, or interaction with a company	$((\text{Number of satisfied respondents}) / (\text{Total number of respondents})) * 100$	2025:75 2026:85 2027:90
Employee Satisfaction Index (ESI)	Asseses and quantifies the overall satisfaction of employees within an organization	$(\text{Sum of overall Scores}) / (\text{number of surveyed employees})$	2025:65 2026:80 2027:85
<i>Performance Metrics</i>			
Student Test Scores	Measures how much students' math and science proficiency improved over time	$(\text{Average test score of math and science after using our products}) - (\text{Average test score of math and science before using our products})$	2025:3.2 2026:4.5 2027:13.5



Evaluating each of this indicator would help the **business reflect on the operational systems** and analyze the areas that our company can improve on. Bloom Box plans to update and analyze these indicators frequently **to maximize our opportunities to grow** and make changes to the business if needed.

XI. COMPETITIVE ADVANTAGE

Affordability

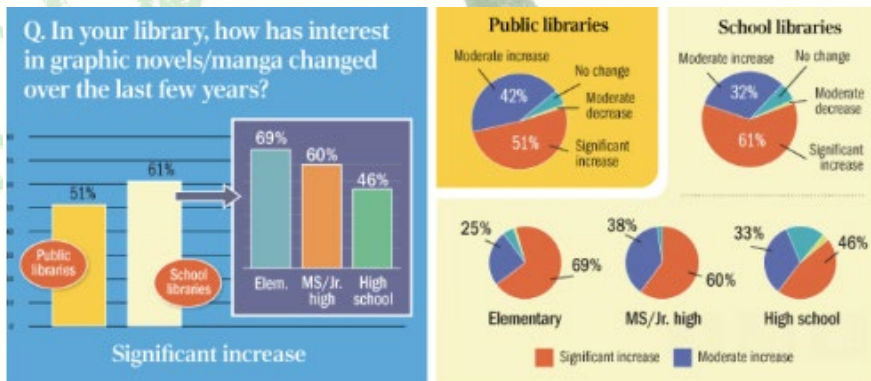
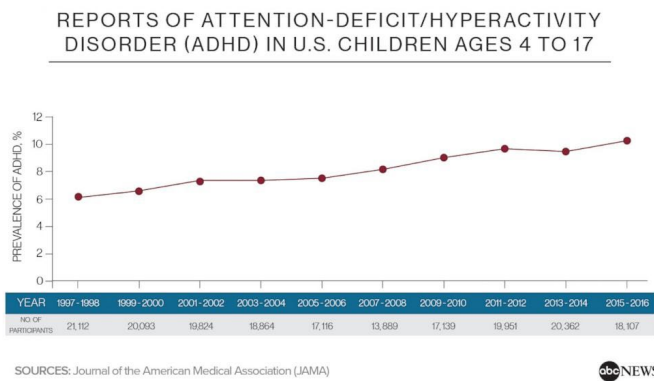
73% of homeschoolers say their **biggest obstacle to homeschooling was the price**. The average homeschooling kit is around **\$200-\$300**. According to Investopedia, educational materials for homeschooling totaled \$3,540 per student. When many families decide to homeschool, they tend to lose a source of income in order to have an adult with the child, making quality homeschooling out of reach for most families. Bloom Box's packets cost \$30 per lesson, and for all subjects full-time and extra 1-1 tutoring and group session, the average Bloom Box customer only around \$1,530. With extra sessions every month this number goes to \$1,740, which is all not including the membership program. Bloom Box is able to achieve this by hiring a dedicated team of content creators and simplifying our logistics by streamlining items in our boxes that aren't relevant, saving costs in the long run. So, Bloom Box customers **save over \$2,000**.

Adaptability

Most companies follow a set course list that students have to complete each lesson one after another, even if the child has a good understanding and does not need further instruction or if it is the opposite and the child needs more support in conceptualizing the content. That is why all Bloom Box customers are given a **survey** when they make a business relationship with Bloom Box. This helps to see where the child's academic levels are at and find a good point to start their courses. Additionally, if the content is too easy or the child is struggling, Bloom Box will send different packets to help engage them. Our affordable and accessible individual and group sessions take adaptability a step further by **giving one-to-one support and changing teaching strategies** on the spot. Following a session, the teachers will recommend packets based on the child's learning and come up with creative activities that can **maximize their learning**. As students fully realize how teachers teach them and find out lists or tasks they have to do, they will develop their own self-directed learning skills and improve their learning ability.

Engagement

Homeschooling methods usually include lengthy textbooks and extensive workbooks, however, children who have shorter attention spans, less motivation to work, or do not find the purpose in the material have a harder time learning with this material. According to an article called “Prevalence and Trends in Diagnosed ADHD Among US Children and Adolescents, 2017-2022,” “an analysis of the National Health Interview Survey (NHIS) reported that the prevalence of **ADHD among children increased** from 6.1% in 1997 to 1998 to 10.2% in 2015 to 2016. Similarly, the National Survey of Children’s Health showed a 42.0% increase from 2003 to 2011” (Li, Yan). Therefore, Bloom Box incorporates fun graphic novels and experimental kits in the products to maximize the children’s learning process. **Graphic novels are especially engaging** and effective because according to Stanford News, “graphic novels can accelerate critical thinking and capture nuance and complexity of stories” (De Witte). In summary, given that Bloom Box’s products are engaging and **specifically designed for Gen Z students**, Bloom Box has a high potential to thrive in this considerably competitive educational industry.



XII. CONCLUSION

Financial Position

At Year one, Bloom Box will take out a loan of \$70,000. With \$60,000 going for startup cost and \$10,000 going for working capital, the cash position will be **\$3,759** by the first month of the year and **\$179,299** by the end of the year. According to the Three-Year Projection, Bloom Box is estimated to make a net profit of **\$147,958** in the first year, **\$445,487** in the second year, and **\$513,366** for the third year of the business.

Request for Financing



Bloom Box needs a loan of \$70,000 to manage the startup costs and total expense so that the company can sustain until the company starts to make the net profits and grow. The loan will have a **fixed three-year amortization period starting from January 19th, 2025 with an interest rate of 7.2%**. Bloom Box's Three-Year Projection demonstrates that the company's revenue will be enough to pay the principal and the interest of the loan **within 36 months**.

Summary of Key Points

Bloom Box strives to help elementary students, especially homeschooled students, to have access to **interactive learning activities** and **personalized materials** to maximize their learning experiences. Our company strives to maintain long-term relationships with diverse customers and provide them with **affordable yet engaging materials** to resolve existing problems that are limiting the clients' educational opportunities or essential support that they need. The company envisions to create communities where the customers' abilities are not restricted due to the educational and financial barriers. Given the fact that the Bloom Box's financial projection model indicates that the company will grow every year, Bloom Box is on the track of becoming a **successful business** in the educational industry.

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