**Grade 9 Business**

**Starting Your Own Business**

Starting a Clothing Store

NOTE: This is your final project. It is worth 20% of your grade. It will take some time, but you need to make sure you complete all parts to the best of your ability.

***Starting a Clothing Store* Project**

You must submit an individual project that reflects your own work.

**Guidelines for the *Starting a Clothing Store* Project**

In this project you are an entrepreneur who is starting up a clothing store in a city.

**In doing this project the following scenarios and requirements apply:**

1. Employees must be scheduled for a minimum 4-hour shift.

An unpaid lunch or dinner break must be provided for a shift or longer than 5-hours. This break is 30-minutes long.

Employees must be paid time-and-a-half for any hours worked over 8 hours in a day or 40 hours in a week.

2. Either you or a manager must be scheduled at all times to oversee the employees.

3. A minimum of two people must be scheduled at all times. The first employees of the day

will start ½ hour before the store opens to prepare and set-up. The employees at the end of

the day will finish ½ hour after the store closes for clean-up and organizing.

4. Hourly wages must meet or exceed

$12.00 for regular employees

$15.00 for managers

5. Vacation pay will be paid to each employee on their pay cheque at the rate of 5% of his or

her gross wages.

6. Remitted to the government is the employer’s contribution to CPP, EI, and Worker’s

Compensation at a rate of 15% of gross wages, including vacation pay.

7. Your cost for the clothes is 50% of its selling price. (100% mark up)

**Directions for the *Starting a Clothing Store* Project**

**Your business plan must include**

* choice of store location based on profitability numbers and/or other considerations
* **justification** of assumptions and decisions made in completing your project -- this means you will have to **show** the numbers you came up with to make your decisions. **You will need to do the math for ALL options before deciding which option you prefer.**
* a work schedule for one week, and the amount it will cost you to have an employee for an 8 hour shift complete with deductions, vacation pay, etc.
* a projected month’s budget (REMEMBER: the amount of clothes you sell is not the amount of money you will make -- refer to the requirements above)
* a detailed description of the marketing/advertising strategies you will use. You must find at least 3 internet sources to research regarding marketing strategies, and then you will use that information to decide the best way for you to advertise. You will likely need to use more than one type. Keep in mind cost, location, and the amount and type (age, gender, etc) of people viewing your advertisements, etc.
	+ types might include billboards, internet, social media, transportation (buses, taxis, etc), flyer, magazines/newspapers, etc.
	+ You MUST include a Works Cited page for these 3 sources with PROPER citations (that means a URL will NOT be acceptable).
* Create (not copied and pasted from Google images!) one advertisement and state which type of advertisement it is (where it would appear)
* Afterwards, you will participate in mock interviews.

**Your completed project must**

be well organized and clearly presented with an introduction and conclusion

* keep it short and sweet -- be concise with your information and **don't** read long paragraphs from the projector.

**Project Resource Package**

**This resource package includes:**

a description of three possible locations

a listing of telephone options

a template for scheduling workers

**Steps to Complete Project**

1. Figure out math for all location options:
	1. Figure out total costs for location:
		1. Rent
		2. Utilities
		3. Insurance
		4. miscellaneous
			* = total cost
	2. Figure out what you would earn on average:
		1. Add up the number of people that pass by in a week = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
		2. Figure out how many of these people will enter the store =\_\_\_\_\_\_\_\_\_\_\_\_\_
		3. Figure out how many of these people will make a purchase =\_\_\_\_\_\_\_\_\_\_\_\_
		4. \_\_\_\_\_\_ people make a purchase x average $$ of purchase = \_\_\_\_ amount of good sold
		5. Amount of goods sold subtract cost for clothing (50%)
		6. = \_\_\_\_\_\_\_\_\_\_ profit
	3. Total profit – total costs = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (you need to find this for each store)
2. Figure out which telephone plan you will use
3. Create a schedule for one week, keeping in mind the guidelines above
4. Figure out the cost to pay 1 employee for an 8 hour shift, including deductions, holiday pay, etc.
5. Create a budget for 1 month, outlining all expenses and profits
6. Create a marketing plan by researching different types of advertisements and their effectiveness as well as cost. Explain which you would use and why. Create a Works Cited for your sources.
7. Create an advertisement for your store and state which type of advertisement it is
8. Prepare your presentation

**Possible Locations**

**Location No. 1: Shopping Mall**

**Space:**

980 square feet located as the eighth store from a major department store. Enclosed single

washroom in back storage area with sink. Metal storage shelves are provided in storage area.

Storage area is approximately 380 square feet. Electrical supply for cash register and additional

lighting, etc., should be sufficient and if not, will be added by the building owners at no extra

cost to you.

**Rent and utilities:**

$15 000 per month. Electricity and water are paid by the mall. Occupant is

responsible for their own telephone costs. Insurance is included in the rent.

**Miscellaneous:**

Miscellaneous items such as: pens, cash register tape, debit and credit card capabilities, cash

register rental, hangers, etc., will cost $2 000 per month.

**All mall stores are open:**

Monday–Friday 9:30 a.m. – 9:00 p.m.

Saturday 10:00 a.m. – 6:00 p.m.

Sunday 12:00 p.m. – 6:00 p.m.

**The shopping mall has approximately the following number of people pass through each day:**

Monday Tuesday Wednesday Thursday Friday Saturday Sunday

6 000 6 500 7 200 8 300 9 000 10 900 8 000

A store can expect approximately 20% of these people will enter the store.

**Sales projections:**

Approximately 5% of the people through your doors will make a purchase averaging $30.

**Location No. 2: Strip Mall**

**Space:**

1 025 square feet located as the third store from the end of the strip. Enclosed single washroom

with sink in back storage area. Metal storage shelves are provided in storage area. Storage area is

approximately 350 square feet is extra. Electrical supply for cash register and additional lighting, etc., should be sufficient and if not, will be added by the building owners at no extra cost to you.

**Rent and utilities:**

$5 per square foot per month for base rent plus $.50 per square foot for utilities and insurance.

You are responsible for your own telephone costs.

**Miscellaneous:**

Miscellaneous items such as: pens, cash register tape, debit and credit card capabilities, cash

register rental, hangers, etc., will cost $1 500 per month.

**Strip mall hours are:**

Monday–Friday 10:00 a.m. – 9:00 p.m.

Saturday 10:00 a.m. – 6:00 p.m.

Sunday 12:00 p.m. – 6:00 p.m.

**The strip mall has approximately the following number of people pass through the parking**

**lot each day:**

Monday Tuesday Wednesday Thursday Friday Saturday Sunday

2 000 3 000 3 300 3 800 4 500 6 000 4 000

Approximately 12% of these people will enter the store

**Sales projections:**

Approximately 20% of the people through your doors will make a purchase averaging $20.

**Location No. 3: Stand-Alone Store**

**Space:**

1000 square feet located on a busy street heading into downtown Winnipeg. There is a washroom at the back. Electrical supply for cash register and additional lighting, etc., should be sufficient and if not, will be added by the building owners at no extra cost to you.

**Rent and Utilities:**

Monthly rent is $1 000. Insurance costs $100 per month. You must pay for all the utilities (per

month): gas $85, hydro $80, water $20, alarm monitoring $70, and telephone.

**Miscellaneous:**

Miscellaneous items such as: pens, cash register tape, debit and credit card capabilities, cash

register rental, hangers, etc., will cost $500 per month.

**Other stores in the area are typically open:**

Monday–Friday 10:00 a.m. – 8:00 p.m.

Saturday 10:00 a.m. – 5:00 p.m.

Sunday 12:00 p.m. – 5:00 p.m.

**The following people pass by your store each day (based on typical hours):**

**In cars - % who enter the store On foot - % who enter the store**

Monday 5 000 2% 500 5%

Tuesday 5 000 2% 500 5%

Wednesday 5 000 2% 500 5%

Thursday 5 000 2% 500 6%

Friday 5 000 2% 500 6.5%

Saturday 3 500 5% 700 8%

Sunday 2 000 5% 600 8%

**Sales projections:**

Approximately 20% of the people through your doors will make a purchase averaging $50.

**Telephone Options**

**Basic Business Package:**

One-line phone with 6 pre-dial buttons. Hold feature

and invisible answering machine. ................................. $155.00 per month

**Cordless Business Package:**

One-line phone with 9 pre-dial buttons. Hold feature

and built-in answering machine. The cordless has a

range of up to 100 feet from its base............................. $168.00 per month

**Ultimate Business Package:**

Three-line phone with 10 pre-dial buttons. Hold

feature, intercom capability and built-in answering

machine. As an added bonus a cordless phone is

included to allow you to have mobility around your

business. ........................................................................ $199.00 per month

RUBRIC

|  |  |  |
| --- | --- | --- |
| Choice of location | Is logical, includes reasoning |  /5 |
| One week schedule | Logical schedule, required number of employees with required breaks |  /5 |
| Cost to keep 1employee for 8 hours | Number is correct and all deductions were taken into consideration |  /5 |
| 1 month budget | Includes all necessary expenses, is logical |  /5 |
| Marketing plan  | Describes marketing strategies you will use and why you chose to advertise that way. Refer specifically to cost and the amount and type of people who will see your advertisements. |  /5 |
| Advertisement | Create a sample of one advertisement you would use and state which kind it is |  /5 |
| Works Cited | Proper citations for all 3 (or more sources) |  /3 |
| Presentation | Concise (to the point), informative, includes required information |  /5 |
| Presentation Style | Clear voice, easily heard, eye contact, body language |  /7 |
| TOTAL |  |  /40 |

RUBRIC

|  |  |  |
| --- | --- | --- |
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| Presentation | Concise (to the point), informative, includes required information |  /5 |
| Presentation Style | Clear voice, easily heard, eye contact, body language |  /7 |
| TOTAL |  |  /45 |