

DISCOVER

ANNUAL REPORT | 2019/2020

LEADING TEACHER:

JAROMÍR RŮŽIČKA

MENTOR:

ONDŘEJ SITA



A little something from the CEO:

Ladies and gentlemen,
I am truly honored to be able to present to you the annual report of the company - DIScover. Our company has been through a lot during the time of its existence. It was not always easy and we did have to work really hard to create this product and even though some days were harder than others, we successfully managed to overcome every obstacle that was thrown our way and create something that makes us all very proud.. As a team, we learned all the basics of running a company and we are so grateful that we had the opportunity to do this and I am sure that everything we have learnt over this period, we will be able to use in our later life.

Klaudia Szofer
CEO of DIScover



Our Values:

Safety

Comfort

Individual Approach

Uniqueness

Company Profile:

Name: DIScover

Founded: September 2019

Members: Eight students from Gymnazium Kojetin

Base: 752 01 Kojetín, Svatopluka Čecha 683

Website: www.navlekydiscover.eu

Social media: Instagram :

www.instagram.com/discovercompany2019/

Facebook - www.facebook.com/discovercompany2019/

E-mail: discovercompany2019@seznam.cz

Phone number: +420739365905

Product:

We here at DIScover understand that people spend a lot of their life in a car, not only can it be dangerous and stressful however it can also be very uncomfortable due to the seat belt strains on the chest. That's why we have created a multifunctional seat belt that not only can potentially save your life but it can also make the journey much more comfortable and stress free.

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Financial Summary:

Turnover: 3672 crowns
Profit: 1749 crowns
Profit margin: 25%

Company Structure:

DIScover was created by eight member from Gymnazium Kojetin. The team was split up based on their abilities, their personality and what they wanted to learn from this project.



CEO: Klaudia Szofer

Vicepresident: Martin Zdrahal



Marketing: Adam Trumpeš
Štěpán Horák



Finance: Petr Dynžík



Production: Denisa Páleníková
Jan Petlach
Lukáš Vitásek

Goals:

At the very beginning of our journey we established what goals what we wanted to achieve and what our vision was.

The goals set were the following:

- To create an unique and innovative product
- To come up with a solution on real problems of our crust
- To fill a hole on the Czech market

Looking back at our results, we believe we have been able to achieve all the goals that we have set for our company.. We have managed to create an original seat belt cover, which is not yet on the Czech market, which can help the medical team know everything they need about the customer. We have been able to do this due to the hard work of each of our members.

Summary Statement of Company Performance:

- We created a product that saves lives by making it so much easier for the medical team to know all the basic information that is required when saving someone's life in the case of an emergency
- We have managed to form a very strong team which has the same goal
- We presented our product on multiple occasions, for example, open days at our school and we received feedback which we used to make our product even better
- We were able to educate people about the danger of car accidents, the potential causes and how to act in one

Our Journey:



September 2019 -
Establishment of our
company



October 2019 -
Product idea



November 2019 -
Market research
and first prototype



December 2019 -
Final product created



January 2020 -
First product sold



February 2020 -
Propagation of our
product



March 2020 -
Launch of our website,
workshops



April 2020 -
Preperation for
JA Student
Company finals



May 2020 -
Creating more
partnerships

DIScover:

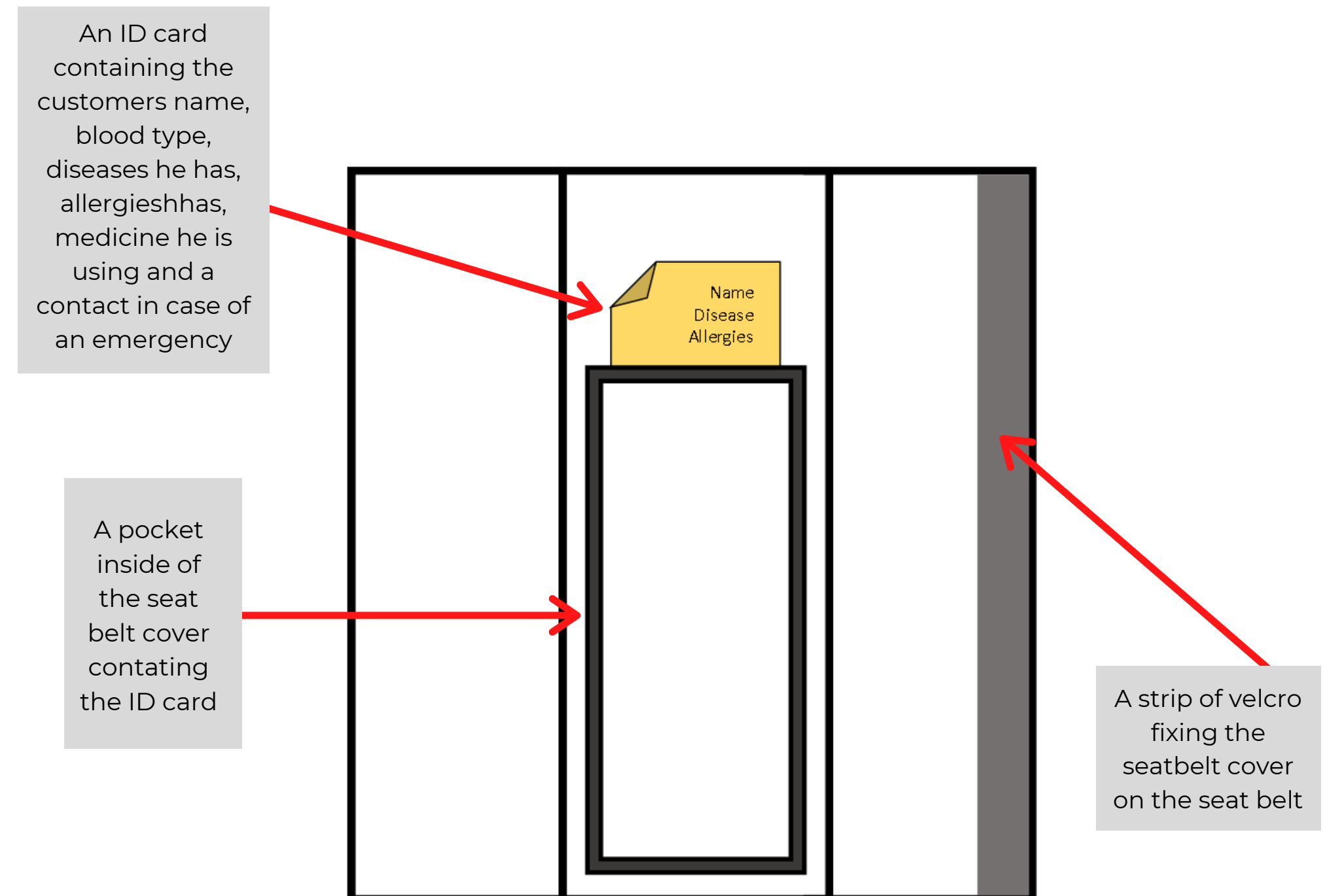
DIScover seat belt cover is a unique seat belt cover that helps the medical team in case of an accident. The exterior features a simple and elegant design chosen by the customer from a variety of designs that we offer instructing how to use it. The interior however is what makes our seat belt cover very different from the rest on the market as it consists of a pocket with an identification card. The ID card has all the basic, however, necessary information needed in case of an emergency on the road. Each ID card is created for the customer specifically, there we offer an individual approach.

The advantages of the DIScover seat belt cover are the following:

- 1) **COMFORTABLE:** The seat belt cover itself is created out of a very pleasant material and provides comfort while traveling. In addition, it prevents the belt from putting excessive and sharp pressure on the passenger.
- 2) **SAFETY:** When travelling in a car with the DIScover seatbelt cover, you automatically feel safer. In the case of an accident, the medical team or anyone who happens to stop by will know exactly who you are and what diseases you are. In a case that you are epileptic and get a seizure, people will know exactly how to act towards you and will not mistake your disease for a posttraumatic shock for example
- 3) **ELEGANCE:** The seatbelt cover is not only something that can potentially save your life.. It is also something that can combine comfort and elegance into one. We offer a range of designs that the customer can choose from so they are bound to find something that catches their eye. All designs are special in one way and are very easy to use thanks to the instructions on the front.
- 4) **CERTANITY:** The ID card inside of the seatbelt cover features a contact in case of an emergency so you can be sure that a loved one will be contacted in a matter of minutes.

DIScover is:

✓ **Comfort** ✓ **Safety** ✓ **Elegance** ✓ **Certanity**



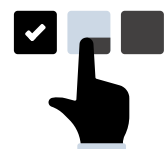
The Process:

The whole process is really quick and easy and easy for the customer. First he or shee chooses a design that suits them best from the variety that we offer. We understand that not everyone has the same taste so it can not everyone might like the designs that we offer. In a case that not a single design from our website attracts the cutomer, we have an option 'to do it yourself'. This involves the customer seding us what they would want on their seatbealt cover instead and our tech team creates the design that the customer wants instead.

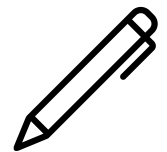
After this step, the customer fills out a form which includes all the details that they want on their identification card. In a case that the customer does not want to share their personal information with our team, we send out an empty ID card that the customer can then fill out themselves. After all of this is done and the payment goes through, we create the seat belt cover. Once it is created, we send it to the customer and let them enjoy a safer and more peacefull car journey.

The Price:

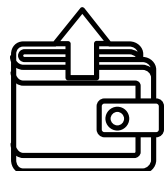
All prices listed are in Czech crowns	
Seatbelt cover	62.-
Design	40,-
Pocket	10,-
ID card	5,-
Travel bag	22,-
Product assembly	10,-
Total	149,-
Selling price	199,-
Profit	50, - (25%)



1) Choice of design



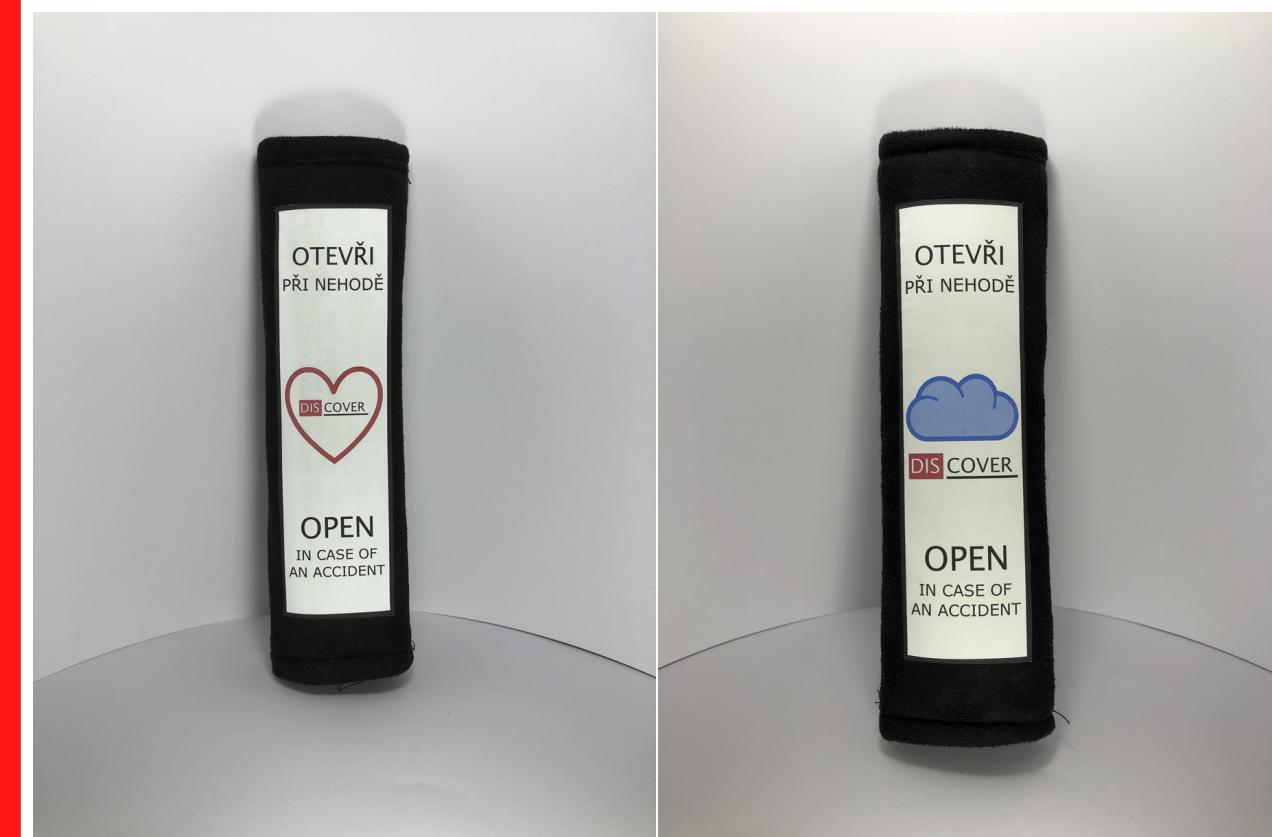
2) Filling out the ID form



3) Payment



4) Delivery of the product



Target Group:

Once we completed our market research, one group of people particularly stood out to us. People who have a disease that makes saving their life in case of an accident that much harder. From research, we learned that diseases that fall under this category are: diabetes, epilepsie, cardiovascular disease ect. Another group of people we were aiming to reach were families with children. When you have a child who has a serious disease, you want to make sure that the medical team know how to handle the child in the case that the parent is unable to inform the medical team about this. Our seatbelt cover makes sure that the parents travelling with their child can feel safe knowing that their child will be well cared for and given the help that is required.

Market Research:

When we started imagining our product, we knew exactly what we wanted to include and what we believed would be useful to include. However, that's not enough. Therefore, during our market research, we asked the general public what details they would like to include, everyone agreed with the diseases, medicine and allergies option that we suggested. We even received feedback that we should include a contact in case of emergency and that's exactly what we did. We conducted our market research by asking the general public about our product, showing them our first prototype and asking for general feedback. Most of the feedback we received was positive. We started our market research at an open day at our school in November, continued with going into the streets in Kojetin and asking people we met and then finished with another open day at our school in January. All the results that we received we took into consideration and we gave the opportunity to people who were really interested in the product to write down their email and we contacted them in January when we officially started selling our product.

Competition Analysis

The basis of success is to know your options and get to know your opponents. We took great care with this part, because it is not possible to offer something that is not of interest or that already exists and to strive for weak competition. During our research, it turned out that in the Czech Republic there are ideal conditions for doing business in this field. We learnt that in the Czech Republic, there is no-one that is doing seatbelt cover featuring the details that we included. The only competition we had were arm bands that also feature this information. On the international field however there is competition. On the internet, there are shops that also create this product like in the UK or America and they have also received a very big interest from the public, no-one however offers a version that is translated into Czech so our company has a big advantage. As a part of our research, we asked a paramedic who is related to a member of our team. He stated that our product in fact would make his job easier as he wouldn't need to spend minutes looking for the documents of the injured person, those minutes he could invest into saving the person's life and he would know right away what treatment the person requires. In addition, it guarantees the customer production within the Czech Republic, so the customer can be sure that it supports local entrepreneurs. Furthermore, we can guarantee the coherence and simplicity of the system it offers, because the appearance of the product refers exactly to the purpose of the product (open in case of an accident), which tells everyone what to do and when. In addition, thanks to the peer to peer principle, the number of users will increase.

Approximately 1.35 million people die each year as a result of road traffic crashes.

-World Health Organisation

Relationship with the customer:

Our company relies on a personal approach and communication, which really sets us apart from other companies in this industry. Due to our personal approach, our customers kept recommending us to their close ones and kept returning to us for seat belt covers for their loved ones, some were even so pleased, that they ended up ordering a family bundle for their whole family. For this exact reason, in the last quarter, we introduced a loyalty program for families of new customers, which provides a discount on a family purchases on our e-shop. This loyalty program has provided us with a jump in sales to families compared to the previous period and has been growing for a long time.

Sales:

Our main and most important form of promotion and sales was our DIScover official website. The website formed as a platform through which most direct sales took place and at the same time served as the mainstream of the company's promotion and activities.

As a secondary promotional channels, we used personal contact with potential customers during our lectures at the driving school, promotion during the open days of our school, peer to peer users who spread their experience with our company among other potential entities in their area and communication with customers.

Another channel that helped us sell our products was Instagram and Facebook of course. We used these channels to keep our customers informed about what was going on in our company and our latest and hottest news.

Promotions:

Our plan is to focus on promotion using Instagram and YouTube influencers, which in the context of today is proving to be the most suitable and effective form of advertising. We have already started partnership with two YouTube influencers, that contains mutual cooperation. During we send them free seatbelt cover for free and they promote us.

Furthermore, promotion in the form of articles in newspapers and magazines for motorists can bring an increase in interest and therefore higher sales. That's place, where we want to focus more in next months.

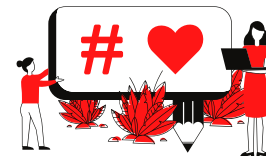
We would also like to expand sales in the form of partners in motorcycle shops and automotive parts stores. There is also the possibility of long-term cooperation with larger e-shops, but we leave this in the phase of reflection until the stabilization of current sales channels.

1. E-shop



2, Personal Contact

3, Social Media



*Looks so Good on the Outside,
It'll Make You Feel Good Inside.*

Our goal from the very beginning is not to just sell the product and profit from it, our main goal is to save lives. We figured that selling our seat belt cover was not enough to help with the problems of car accidents, we needed to do something more.

Lectures:

In order to help with this, we partnered up with 'Autoskola Sirek' which is a driving school in our hometown Kojetin. Here, the driving instructor let us do lectures on the topic "How to behave in a car accident". These lectures lasted from January to February and the students were very satisfied with this. We decided to start teaching them about these problems since they were the new generation of drivers and road traffic injuries are the leading cause of death for children and young adults aged 5-29 years. They were at very big risk of getting into a car accident. Our lectures made them more aware of how to act in one if they saw it or what to do if they got into one..



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-World Health
Organisation*

Our partner:

Autoškola Šírek

Autoškola Šírek is a driving school that resides in Kojetin, just like our company. The students that attend this driving school are not only from Kojetin, they are also from neighbouring cities. This partner was crucial in the fact that he gave us a chance to teach the students about the importance of safety in cars as well as providing us a space where we were able to give lectures to the students.



Sub-suppliers:

Nažehli.si.cz

Nažehli.si.cz is a Czech company that creates papers with your design that you can then iron-on. We chose this company as a company that supplies us with our iron-on designs for our seat belt covers. We chose this company due to the fact that members of our team have had a positive experience with this company, therefore it was recommended to us.



Inter Cars

Inter Cars is a distributor of parts and accessories for cars and motorcycles all over the Czech Republic. This company was a crucial provider for us as due to the fact that they supplied us with the seat belt cover itself. We chose them as they provided us with the best price, best customer service as well as the best quality of the product.



Organisation chart:

We split the team up right after establishing the company. The president took each person and asked them what position they want. Each person took a role that they thought they would learn the most from, so they can use this knowledge in their later life and in their career. After this, the team as a whole took into consideration the persons personality, what they would be suitable for and then we decided democratically.



Klaudia Szofer -
President of the
company



Štěpán Horák-
Account Manager



Martin Zdrahal-
Vicepresident



Petr Dynžík-
Economic
manager



Adam Trumpeš-
PR Manager



Jan Petlach-
Developer



Denisa
Páleníková-
Design Manager



Lukáš Vitásek-
Web Manager

Learning Outcomes:

Each person took something from this experience, whether it was how to present in front of people, how to contact companies and partners or just simply how to manage a successful company. We believe that all the skills we have learnt will be very helpful in our later lives.

Klaudia Szofer: 'Thanks to this project, I learnt how to be the best boss. I learnt that everything takes time and I also learnt to be more patient with my team mates and that even though not everything always goes to plan how we expect, we have to find a solution to our problems and get through all obstacles that come our way.'

Martin Zdrahal: 'The JA Student Company project has really taught me a lot about the 'real world'. When we first started, I did not realise how much work actually goes into something like this. I also learnt a lot about team work. At the beginning, it was very hard for me to learn how to manage a team and at the same time, be friends with everyone. Thankfully, I learnt this at the beginning so we were able to create something I am so proud of.'



Adam Trumpeš: 'I am so thankful for this opportunity. This company has taught me how to be successful at presenting. I always had a problem with presenting in front of big crowds but this taught me how to present and also raised my self-esteem.'

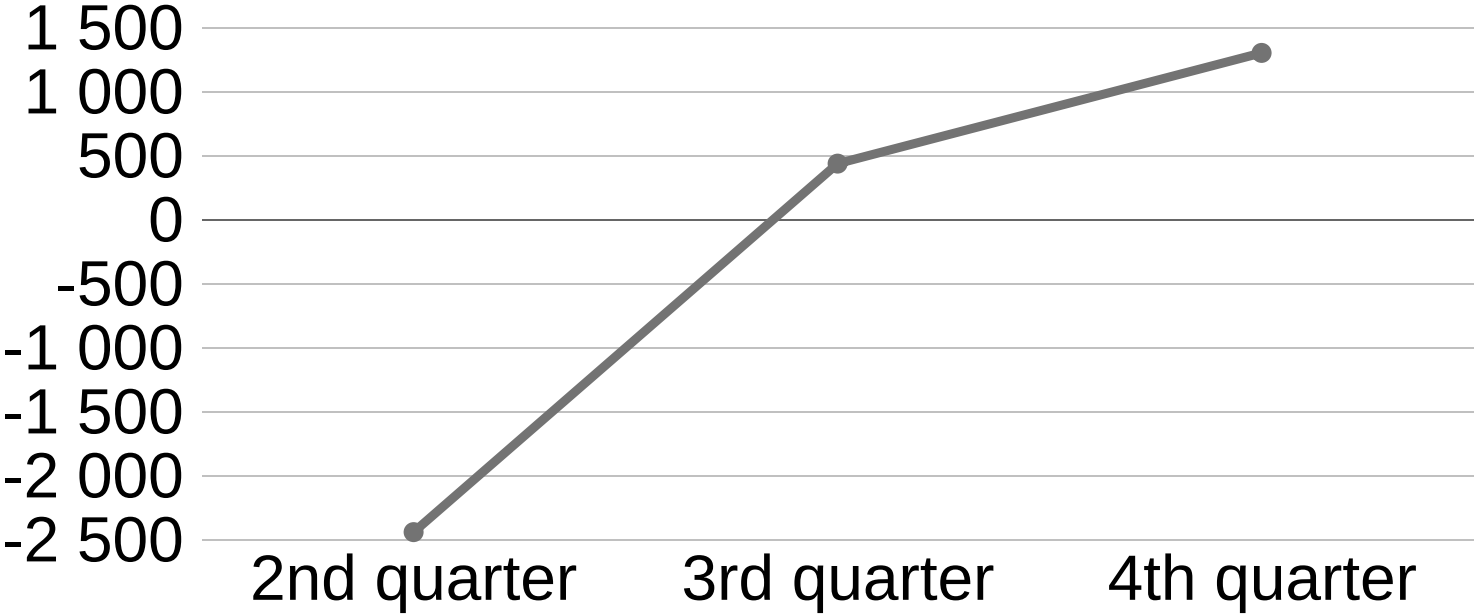
Course of profits:

In the fourth quarter of 2019, when we started our business, the goal was to develop and optimize the product itself for production. This proved to be successful, but time consuming. For this reason, we were forced to start sales in the first quarter of 2020. For these reasons, we ended 2019 with a loss of 2437 CZK, however, everything was invested in the development, advertising and production of the original series. With the beginnings of the sale, the cash flow leveled off and began to turn black. Initial sales exceeded our expectations, when we were able to sell 18 sleeves, which exceeded our expectations more than twice.

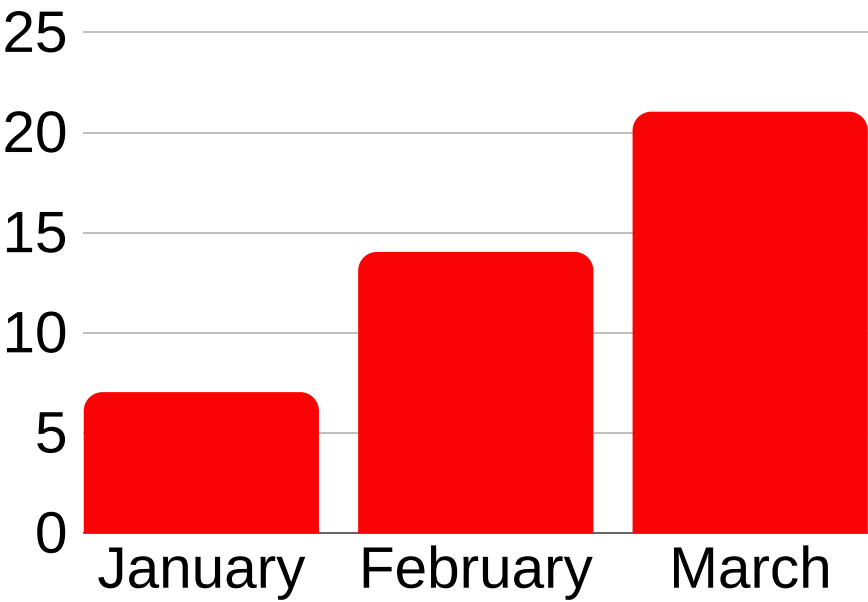
The following months were in the same spirit, during which we sold over 42 pieces of sleeves, thanks to which we believe that due to the long-term expansion of the circle of customers, we can continue to increase sales numbers.

Upon liquidation of the company at the end of the entire project, according to these tendencies, the company could report a profit that covers the initial investment investment itself and also pays all its members co-ownership percentages as a reward for the work done.

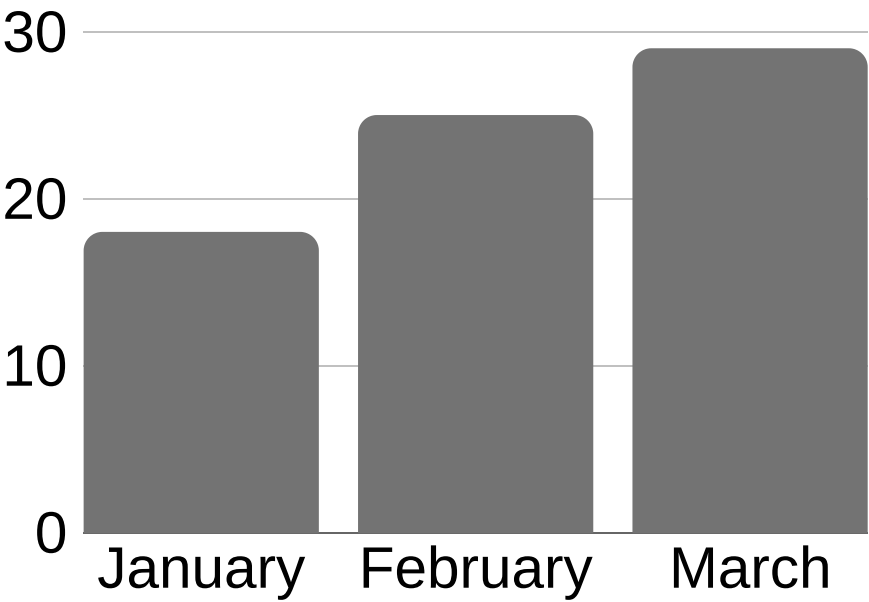
Profits:



Predictions:



Sales:



INCOME

Cover production - repeated	
Margin	51,-
Net profit on one piece of cover 51,-	

Occasional profits - one-time

Sponzorský dar - Mototechna	3000,-
Founding contribution of company members	3600,-
Total profits for the operation of the company	6600,-

OUTCOME

Cover production - repeated	
Cover	62,-
Design	40,-
Pocket	10,-
Identification card	5,-
Transport bag completion	22,-
	10,-
Total cost per sleeve	149,-

Long-term investments - one-off

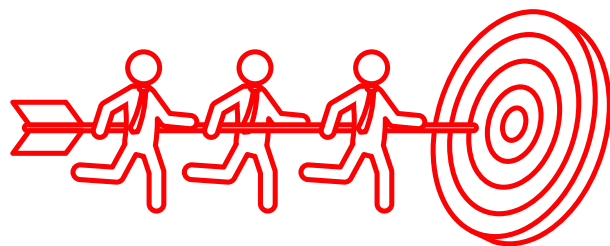
Internet advertising	1500,-
Promotional material	2700,-
Total promotion costs	4200,-

Primary goal:

As the primary goal of our company until the next year, we are planning to continue with our business plan, i.e. the termination of the student company and the establishment of a limited liability company (s. R. O.)

A matter of course for the success of every eshop is to have the shortest possible delivery time of all products. Hence the need to have as many products in stock as possible or to deliver them in the shortest possible time. Due to the principle of the necessary personalization of our product for each individual customer, unfortunately we can not guarantee 100% finished product in stock, however, partial parts of each order. The assembly of both the seat belt cover itself and the personalization of the card will take significantly less time and we will be able to ship faster. With the growing capital and size of the company, we will also be able to have a large number of semi-finished products of the sleeves, designs, advertising bags and other promotional items in stock for a long time. Future growth is directly connected with the expansion of the portfolio of sleeve designs or limited edition designs.

In connection with the separation from the student company and our school, there are also formal and personnel changes within our company. Out of the nine current members of our company, four of us will be registered under the official company, which means more work for us, but also more profit, more motivation and passion for success, the possibility of personal development and a chance to leave a legacy.



Long term goal:

The longer-term goal is to expand our market to the area of Poland and Slovakia, where we are able to offer better quality and clarity compared to competing companies, which means for us due to not so high costs of expanding the area. We would also like to focus on working with car accident safety agencies to not only increase demand and awareness, but also to find a stable long-term partner in business and saving lives. In the next few years, we want to work on connecting other projects of a similar nature and focus our range on motorcyclists as well. With this step, we would be able to move away from the competition and bring a new industry to market. Our vision is wooden identification marks for bikers for handlebars, which with the vision of long-term cooperation she proposed to us and committed to create the company "JR Wood Design". Expansion of the portfolio to bikers, we would be able to increase the possibility of action again, achieve higher profits, but above all increase the percentage saved in accidents. We believe that further possible cooperation in this sector will bear fruit. With our business strategy and growing demand, we see the next six months as an investment, which would mean lower profits for us in the short term, but a long-term expansion of operations and higher sales potential. Thanks to a larger amount of stock, higher production series, lower purchase price thanks to a quantity discount and optimization of production, we would be able not only to reduce production costs, but also to eliminate the direct impact of human resources, thus reducing the selling price of the product.

*Road traffic crashes cost most countries 3% of their gross domestic product.
-World Health Organisation*

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