

# HBP Batting Helmets



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Andrew Kinn, CEO  
607 Aspen St., South Milwaukee, WI 53172  
Website TBD  
414-531-1011  
AKinn12@cornellcollege.edu

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## Executive Summary

HBP Batting Helmets will provide a safer batting helmet made out of carbon fiber for our customers. The reason we have decided to tinker with the hard shell of the batting helmet is that it is an easy way to use a different material that will absorb more force that will not increase the weight of the helmet or make it too bulky to be comfortable. The increased absorption of force through the carbon fiber will lead to a lower number of injuries, especially concussions, on baseball fields across America every year.

In order to test our idea, we will develop two or three prototypes using carbon fiber and standard batting helmet padding. We will then test our helmet against our competitors at the University of Wisconsin-Madison physics lab by using a pitching machine to fire a ball that will hit the helmet. A force meter placed inside the head of a mannequin to simulate the brain will record the force it encounters. After designing a helmet that is safer, we will test our product in the field through our Little League connections so we can receive feedback as to how to improve our product.

Our direct competition is Rawlings, Wilson, and Easton, as they are the main manufacturers of batting helmets for teams in the U.S. Our indirect competition are companies such as Trek, Strategic Sports Limited, and even the U.S. Military, as they are constantly looking for safer helmet designs to protect their target market. Our main differentiation from our direct competition is the increased safety of our helmets, while our indirect competition has a different target market, so there will not be much sales competition. The concern with our indirect competition is that they will stumble onto the technology before we can patent it.

The target market of HBP Batting Helmets is the parents of Little League and High School baseball players, as they make the decisions on gear for the majority of baseball players

in the U.S. Our marketing plan includes conducting demos at baseball clinics, providing free samples of products to teams for free advertising, online advertising, and using Twitter and YouTube for viral advertising campaigns. We will use the increased safety of our product to differentiate ourselves from our competitors.

We have an outstanding management team that has all the necessary characteristics and experience to successfully implement this start up business. They have experience with team building, sales, and computers, which will allow us to create an excellent work environment, turn a profit, and market and distribute our product efficiently and effectively.

HBP Batting Helmets will help create safer baseball players through the implementation of carbon fiber batting helmets, and it has all the pieces necessary to advertise its product and generate sales, along with a profit.

### Mission Statement

HBP Batting Helmets will create an increased feeling of safety on the baseball field through the design and implementation of a safer batting helmet, which will increase participation in the game of baseball and increase both its popularity as well as the number of children joining extracurricular activities and athletics, keeping them active and healthy.

### Our Name

Our name, HBP Batting Helmets, has a number of significances. First, HBP stands for hit by pitch in baseball lingo, and this represents exactly what we are trying to protect against so that players will be safer. However, for our company, HBP will also stand for Hardy Batter Protection. This will serve a few purposes. First, hardy has an association with something that is durable and long lasting, so this will create an impression of our product as something that is going to last a long time after purchase, which is always attractive to potential customers.

Second, hardy also contains the word “hard”, which will signify what we have changed about the batting helmet, in the hard outer shell, in order to make it a safer and better product than what our competitors are selling. As for batter protection, it signifies what our company is about: making baseball players, especially those in the batter’s box, safer, through additional protection, so everyone can enjoy the game of baseball to the full extent. For a viewing and explanation of our logo, see the Appendix.

#### Product/Service

HBP Batting Helmets will provide a batting helmet that is safer and will do a better job of preventing concussions than the batting helmets currently used by all levels of baseball. In order to avoid creating a bulkier helmet that will not be accepted by players, we will look at changing the hard shell of the helmet rather than the inside padding. The current plan is to investigate the use of carbon fiber, rather than plastic, for the outside shell, as we think this material will absorb more of the impact force, thereby decreasing the amount of force absorbed by the brain and head. The use of carbon fiber will increase the cost of the helmet, but in the long run it will save the consumer both money and physical trauma, as a concussion or other brain or head injury can cost thousands of dollars in medical treatments and indescribable trauma costs both on the consumer and their family or friends. The new batting helmets designed by HBP Batting Helmets will allow players to feel safer in the batters box, as they will reduce the force of impact after being hit by a pitch, leading to a lower number of total injuries as well a reduction in the extent of injuries that will inevitably occur.

With regards to expansion, HBP Batting Helmets will look to improve the safety of other areas on the baseball field and other sports. The first area of expansion will be to open a line of better softball facemasks, looking at better visibility while maintaining the safety aspect. The

other area we would like to look at on the baseball diamond is the pitcher. There are horrifying clips shown on ESPN and available on YouTube that show pitchers getting hit in the head by line drives, and they have no way to defend themselves. So another area we would like to look into for expansion is a reinforced hat for the pitcher, since baseball rules prevent pitchers from wearing helmets on the field. A final area to look into for expansion are football helmets, as there is a lot of controversy right now as to how to better prevent concussions from playing football, so football helmets are another large market to look into for creation of safer helmets after we have established our initial product.

### Product Development

In order to test the idea of building a batting helmet out of carbon fiber, we will need to develop a prototype of our model. We will have to create a batting helmet whose main protective material is the carbon fiber, either by creating a mold or by creating a shell using an existing batting helmet to form the shell. The hard shell of our prototype will be the same thickness as the currently used batting helmets, in order to keep the thickness constant in our test. Then we will add the padding on the inside of the helmet, again the same thickness and in the same places as the currently used batting helmets, and then our prototype will be ready for testing.

### Testing the Prototype

Our prototype will go through a simple test to measure the impact of the force it allows on the head of a player. First, our team will place force impact sensors in the middle of the head of a mannequin to simulate brain placement. We will then place our prototype over the head of the mannequin and use a pitching machine to fire a pitch that will hit the mannequin's helmet. The pitching machine will be used so we can keep velocity constant. The force of impact will be measured through the sensor. The team will then repeat this process with our competitor's

helmets in order to compare the forces of impact of our product to theirs to see if our batting helmet absorbs more impact, thereby lessening the impact felt by the brain and head. We will also look to have the testing be done through a University of Wisconsin student writing a thesis under the supervision of a professor, to give our testing data more credibility when presenting our ideas to parents.

### Field Testing of the Prototype

Field testing of our prototype will take place in South Milwaukee Little League, as a member of HBP Batting Helmets management team has connections with their baseball program. A team will be give our new and improved batting helmets to wear for one season as a trial run. The players, managers, parents, and Little League executives will then provide us feedback about our product, including but not limited to comfort, weight, safety, design, what can be improved, what should be different, and what can be eliminated from our design. We will then take the feedback and look at how we can improve our helmet design to meet the needs of baseball players so that our product can be of the highest quality. After we have designed and tested a safer prototype, the field test will be critical for HBP Batting Helmets so we can create a product that is comfortable and works for baseball players, as they will be the ones using our product. We will also use a positive experience between our product and South Milwaukee Little League for testimonials for future customers.

### Competition

The direct competitors for HBP Batting Helmets are Rawlings, Wilson, and Easton sporting goods companies, as they are the three biggest suppliers of batting helmets in the nation.

Rawlings Sporting Goods is headquartered in St. Louis, Missouri, and is a company with about 1,700 employees. The company is a subdivision of the consumer products manufacturer

Jarden. Rawlings makes and distributes gear for all team sports, but their main source of revenue is through baseball products, as they are the official supplier of MLB batting helmets. They sell their product through a wide range of sporting goods retailers, as well as online. The differentiation between Rawlings products and HBP Batting Helmets products is in safety, as Rawlings batting helmets are made out of plastic, while our carbon fiber helmets will absorb more force, reducing the number of concussions experienced by baseball players. Also, our smaller company will allow us to interact on a more personal level with customers, adding a human element missing from larger companies.

Wilson Sporting Goods Co. is located in Chicago, Illinois, and has approximately 2,500 employees. The company is owned by Amer Sports, and serves customers in over 100 countries, making it an international supplier of sporting goods. This is attributable to a heavy emphasis on soccer products, but Wilson makes and distributes products for other team sports as well as golf and racquet sports. Besides soccer products, Wilson is also known primarily for their volleyballs, as well as their racquet products. The main difference between Wilson and HBP Batting Helmets is safety again, as our carbon fiber helmets will keep baseball players safer than the helmets manufactured by Wilson. Also, our smaller company will provide a higher level of customer service. Finally, HBP Batting Helmets, as evidenced by the title, specializes in baseball products, making our staff extremely knowledgeable about how our product will better a baseball player's experience. Coupling this with our small staff, we will provide a better customer service experience than Wilson, as we will be able to provide a level of personal touch and baseball expertise that a big company such as Wilson cannot match.

Easton is headquartered in Van Nuys, California, and has 31 facilities around the world. They sell a wide range of products, from team sports to individual sports to fitness gear. Net

sales for 2008 were \$775.5 million. Easton looks to provide custom gear for players as a way to differentiate their product. HBP Batting Helmets will counteract this by having a small staff that is customer service oriented so that we can best develop our product according to customer expectations. Again, our main product differentiation is through safety, as Easton uses the same material in their batting helmets as our other main competitors, and HBP Batting Helmets' carbon fiber helmets will be safer than other leading brands. Finally, looking at Easton's website, there is a large emphasis on hockey products, leading to our belief that Easton specializes in hockey gear, meaning that our staff will be more knowledgeable in our specialized field, baseball gear.

Our indirect competition is companies such as Trek, Strategic Sports Limited, and even the U.S. Military, as all of these institutions are looking to create safer helmets for their customers. The main difference is in the target markets of HBP Batting Helmets and our indirect competitors.

Trek Bicycle Corporation has headquarters are in Waterloo, Wisconsin. The company has about 1,200 employees. Trek focuses on bicycle gear, including helmets and race clothing. The main concern, and the reason they are indirect competition, is because they could potentially stumble upon the innovative carbon fiber technology being developed by HBP Batting Helmets. This would lead to Trek developing carbon fiber biking helmets to put on the market, as they would be safer than currently used helmets. This might lead to our direct competition looking into carbon fiber technology for their helmets, rendering our company irrelevant. We are looking into filing a provisional patent to prevent this from becoming an issue.

Strategic Sports Limited is primarily a motorcycle helmet manufacturer. They manufacture their helmets in America and China. Strategic Sports Limited also distributes

recreational helmets, such as rock climbing helmets. Again, the main reason they are indirect competition is because they could stumble upon HBP Batting Helmets' carbon fiber technology, and a launch of carbon fiber motorcycle helmets could spur our direct competitor's to create a carbon fiber batting helmet. Again, our provisional patent will allow us to have a claim on the carbon fiber batting helmet, which will negate this concern once it is acquired.

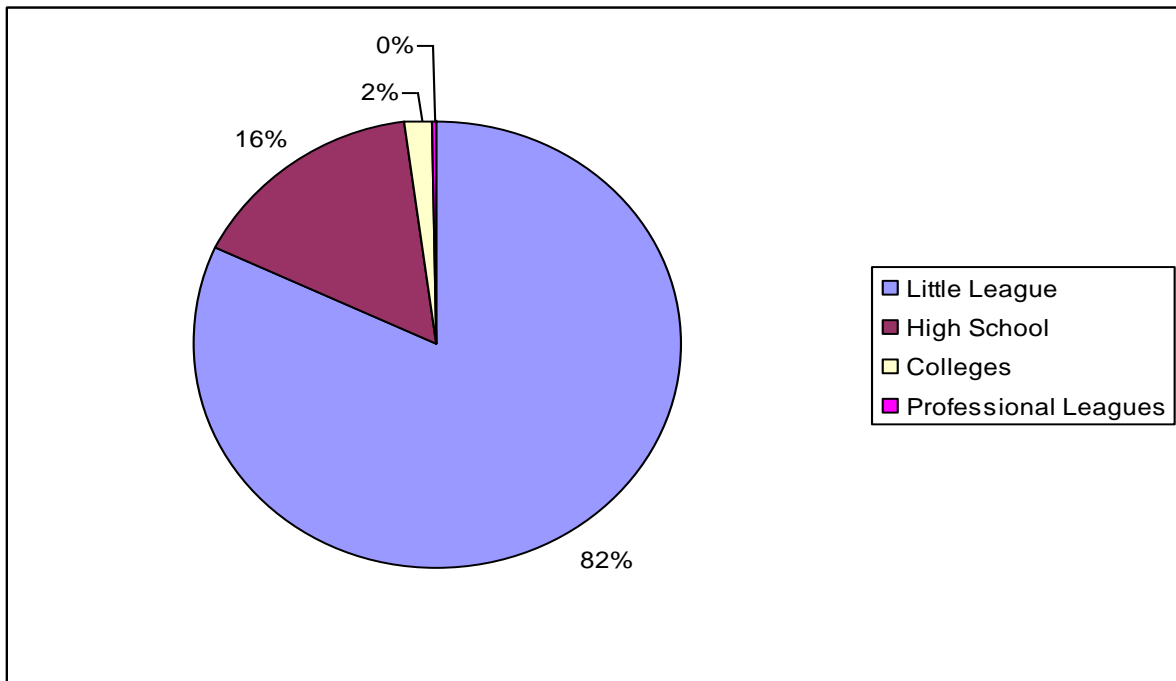
Finally, the U.S. Military is constantly looking for better quality helmets to protect their soldiers. Again, there is the chance that while researching, they could come across carbon fiber as a possible helmet material, which will allow the direct competitors of HBP Batting Helmets to release a carbon fiber batting helmet. This will impact our company greatly, so we are taking steps, like obtaining a provisional patent, to insure our intellectual property is protected. Another factor that makes the military an indirect competitor is that they are looking for heavy duty helmets to protect soldier, while we are looking for lightweight materials for players, so they would likely be looking into sturdier materials than carbon fiber.

### The Market

<b>League</b>	<b>Number of Players</b>
Little League	2,300,000
High School	455,000
NCAA	25,100
NAIA	9,600
Junior College	13,400
Independent Leagues	1,100
Minor and Major Leagues	5,370

Our market is anyone who plays baseball, including but not limited to Little League, high school teams, NCAA teams, NAIA teams, junior college teams, Independent leagues, minor league teams, and MLB teams. The raw numbers above illustrate how many players play in each league.

Most people, when they think of batting helmets, think of MLB players, because they are the players that are most often visible wearing them. However, HBP Batting Helmets has chosen a different market to target for our safer batting helmets. The governing powers of NCAA and MLB baseball teams are the decision makers for college and pro teams, while independent league players have their own helmets and therefore are the decision makers in what helmets they wear. Since college and professional leagues have contracts with Rawlings to supply helmets, it will be very difficult to penetrate the market with our product at the current time. However, in Little League and high school, the primary decision makers when it comes to the gear for a player are parents. As demonstrated by this chart, 98% of baseball players in America are playing either Little League or high school baseball, which means their parents make the decisions about their gear.



Due to the high volume of baseball players whose gear purchases are influenced by their parents, the parents of Little League and high school players will be the target market of HBP Batting Helmets.

### Marketing Plan

Since parents are extremely concerned about the safety of their children on the baseball field, our marketing strategy will be centered on the main aspect that differentiates our batting helmet from our competitors: the increased safety for baseball players that comes along with the helmets created by HBP Batting Helmets. Among the points that will be in our marketing strategy for parents are:

- Data of force impact from our prototype tests
- Concussions are the most common head injury and build in severity with successive incidences
- Savings on medical costs due to marginal increase in safety

According to Linda Paulson, who wrote an article *Sports Technology Helps Prevent Injuries*, concussions are caused by any event that causes the head to accelerate at more than 10 grams. We will attempt to design our helmet so that the speed of the pitch relative to the strength of helmet will not cause the head to accelerate faster than this rate, meaning that our helmets will not allow concussions to happen from being hit by a pitch. The data of force impact from our testing will provide the proof of this. We will then show that, according to John Powell, who wrote *Cerebral Concussion: Causes, Effects, and Risks in Sports*, the concussion is the most common head injury in the sporting world, and that the effects of a concussion worsen with increased frequency. Finally, we will show that the average doctor visit costs \$60, while the average visit to the E.R. costs \$383, so one saved doctor visit due to the purchase of our helmets

will mean that the helmet has already paid for itself, and that does not even include the cost of future medical bills due to concussions. Our general marketing strategy for parents is to present them with this data so that they learn what a difference even a marginal increase in batting helmet safety can save them monetarily and what they can save in terms of physical toll for their children, which we believe will create huge demand for our product amongst parents.

We will then use parent demand for our product to push organizations that are funded by parent's money to buy our product. We will go to Little Leagues and traveling teams around the country to both demonstrate the increased safety of our product and the high parent demand, which will drive these organizations to purchase our product in order to satisfy parents, which is their main source of revenue. Selling our products in bulk to these organizations will increase our sales, revenues, and guarantee that our products will have a market.

However, we cannot solely depend on parents to push demand for our product, so we will use other marketing methods to get our product known nationally. One other way that we will demonstrate the effectiveness of our product is to go to baseball clinics around the country, such as Bucky Dent Baseball School in Florida, to demonstrate how our product is safer than those already on the market. Our hope is that these demonstrations will convince the owners and operators of these baseball clinics that our product will increase the safety of baseball players. They can then purchase our product to stock on their shelves, as parents of the children who participate in these baseball clinics are again the driving forces in the purchase of their gear. In this instance, however, we are relying more on those who own the clinics to buy into our product so that they will make the purchase directly from us, and then sell it to make a profit themselves, while at the same time creating a safer baseball field.

To get our product in the eyes of high school teams, we will give one high school team in some baseball-heavy areas in the U.S. our product to test run and advertise for us. The locations we are looking at to give out a line of helmets are California, Florida, Georgia, and Texas, and the reason we chose these areas was because Baseball America has them listed as some of the baseball hot beds of the U.S. By giving one team an exciting new product, it will generate interest amongst other teams. The team with our product will then be a source of free advertising for us, as they will be able to tell other teams about the comfort, weight, and added safety. Our sponsored team will also be able to direct them to our website where they can look at the benefits of purchasing our product and place an order. One way to generate a lot of interest in our product is to allow one area team to use it and advertise it for us to other teams, as this will increase interest in safer helmets in baseball hot beds of the U.S., which will then lead to our product exploding on a national scale.

HBP Batting Helmets also needs to generate some low cost, viral marketing to really make our product take off nationally. Two ways to do this are through YouTube and Twitter. We can use YouTube to show off actual tests of our product compared to tests performed on our competitor's products, and this will demonstrate the increased safety in our product. Our videos on YouTube will also have a link to our website as a way to steer traffic towards the site with actual order forms. We will also use the YouTube links to give prospective customers a chance to view our product in action before they implement it on their fields, creating a level of trust and comfort with our better batting helmets. Twitter is a way that we will be able to communicate easily with our customers, as they can Tweet ideas to improve our product, criticism, or the things they love about our batting helmets, and this is a way to generate a lot of interest in the product for relatively low cost. We can also use Twitter as a way to promote special deals or

announce the release of new products. YouTube and Twitter are two inexpensive ways to virally advertise our product and get our name into the minds of millions of customers all over America.

We will also look at online advertising on blogs and forums that are specific to our target market, such as High School Baseball Web, to generate parent interest in our product. The website BlogAds.com will be an excellent resource for us in this respect, as it will allow us to find a very small, but at the same time intense niche in the market to advertise our product too. The parents that are on these types of websites are the ones who are interested in having their child pursue baseball in the long term, and will want gear of the highest quality and safety to give them every advantage they can. Our product will be advertised heavily on these sites, emphasizing the safety, to generate a lot of parent interest, and this interest will hopefully drive sales to their local Little Leagues or high schools.

Finally, we also need to make this product into something that baseball players will want to wear and advertise freely for us. In order to do this, we mainly need to consider comfort and design. For comfort, we will keep standard padding, as it has already been shown to be acceptable for baseball players, while the carbon fiber is light enough to not increase the overall weight of the batting helmet substantially. As for the design, once we come up with a working prototype, we will work on the design to make it appealing for our customers, and we will use current baseball players to give us input into what would make the most appealing helmet visually. This will help create a helmet that players will love and want to advertise for HBP Batting Helmets.

#### Website and Distribution

The website of HBP Batting Helmets will be designed and maintained by Alex Miller, a member of the management team. It will contain vital information that will make it obvious to

the customer how much safer our helmet is than those of our leading competitors. It will also feature links to our YouTube videos and Twitter account so customers can sign up to become followers. The main attraction of the website will be its coherent organization and the fact that it will be easy to use. Our product will be displayed online for sale, and it will also include an order form so that customers can make their purchases online. This will make it convenient for customers to place an order right from their homes, without the hassle of using a phone. Once the order is shipped, there will be a tracking feature so that they will know exactly when their product is supposed to arrive. Our easy to use website will increase the customers comfort level with our product due to the displayed statistics proving the increased safety of our product, as well as provide a convenient location for the customer to make an order and follow shipping, and our website will be the driving force for sales.

With regards to distribution, we will package and ship our product from home in order to cut down on costs. Using FedEx standard shipping will allow us to have fairly fixed shipping costs; while we will include the price of shipping in the customer cost, we will have to pay it out of our company's profits until we receive payment from the customer. By shipping the product ourselves through FedEx, we will save on distribution costs and keep our expenses down.

### SWOT Analysis

#### Strengths:

The batting helmets designed by HBP Batting Helmets will be safer than those currently used by all levels of baseball. The use of a carbon fiber shell will reduce the force of impact from a batter being hit by a pitch, which will reduce the number of serious injuries incurred by baseball players at all levels. The reduction of impact force will also lower the number of concussions occurring on baseball fields every year, and due to the long term effects concussions can have on a person's health, this will be beneficial to all players. The main strength of the new

batting helmets being developed by HBP Batting helmets will be the increased safety of all baseball players. A second strength of the product is the fact that it will still be light enough that baseball players should not recognize much of a difference in weight, as carbon fiber sheets are fairly light. Due to the fact that we are designing a safer batting helmet through the outer shell, rather than the inside padding, the helmet will be similar in size to the batting helmets that are currently used, meaning players will not complain about bulkiness, which is the main issue with the batting helmets designed to be safer through extra padding. So not only will our helmets be safer, but they will also be light and slim enough that players will not recognize much of a difference, if they recognize any at all.

#### Weaknesses:

The biggest weakness with the safer batting helmets that HBP Batting helmets will be developing is cost. Our materials, while much safer, are more expensive, which will result in an increased retail cost for our helmets. However, as outlined above, our helmets will allow for long term savings, as the medical bills to deal with concussions and their effects on the brain and a player's health can be tremendous. Another weakness with the plan is that we do not have access to the mold for a batting helmet, so we need to find a way to create the outer shell with carbon fiber. We can use a pre-existing batting helmet to either create a mold for ourselves or to use as a base for our shell to fit around, so those are two possible ways to avoid incurring the high costs of getting access to a mold. There is also the possibility that our idea may need a patent, which means that our start up costs would increase tremendously, and would also likely increase the retail price of our helmets. Again, however, we would look to offset increase costs by providing additional safety with the batting helmets.

#### Opportunities:

Right now in the athletic world, there is a major emphasis on concussions and the harmful long-term effects they can have on a person's physical state as they age. Football and baseball are the main forces driving investigations into the effects of concussions, and baseball has already looked at alternative helmets with additional padding to increase player's safety. So right now, there is a major opportunity in the world of sports for the creation of batting helmets that will decrease the effects of players being hit by pitches but at the same time are not too heavy or bulky to affect a player's performance, and HBP Batting Helmets is looking to take advantage of that opportunity through the implementation of our product. The increased specialization in sports that happens earlier for children will also help drive our product, as parents will want high-tech gear of the highest quality for their children in order to give them the best chance to succeed. The increased safety and higher cost will prove that HBP Batting Helmets are the highest quality available, which will lead parents of baseball players to our product. There is also a new market being created every year, as kids who are finally old enough to start playing baseball enter Little Leagues and need the necessary equipment, which includes a batting helmet, so there will be a new market for our product every year.

Threats:

Our main threat will be from established companies such as Rawlings, Wilson, and Easton, as there is the chance that they will try to use our technology even if we have a patent, and then fight a war of attrition with us through the legal system. As a start up company, we will have fewer resources and will have to come up with creative ways to fight back so that we do not lose our idea and technology to the established companies. Another threat is gaining acceptance into the market. We will have to market aggressively and have solid evidence and data to back up our claims of safer helmets in order to gain acceptance in the target market. There is also a

growing concern among management at the highest levels in baseball that the game is declining in America in favor of faster paced sports like football and basketball, so we will have to believe in safer batting helmets leading to more parents pushing their children towards playing the “safer” game of baseball. Another concern for our product is that baseball rules committees will not accept our product, but we believe that increased safety for baseball players will always be something that rules committees will be in favor of. There is also the possibility our patent application will not get accepted. Finally, there is the possibility that our initial prototypes will not work like we expect. In this case, we will continue to tinker with both shell materials and their thickness until we come up with a design that increases the safety of batting helmets.

#### Management Team

The management team at start up will consist of three people: Andrew Kinn, the CEO, Alex Miller, the Webmaster, and Scott Aiosa, the Sales Director.

Andrew Kinn has an excellent background to serve as the CEO of HBP Batting Helmets. He is an Economics/Business and Spanish double major at Cornell College, and has taken classes in entrepreneurship, so he knows the challenges faced by start up businesses and strategies to help alleviate those difficulties. As the Chair of Sponsorship Committee for Colleges Against Cancer he has gained experience of the best way to choose committee members in order to foster a strong team. It has also taught him how to make a sales pitch over the phone, something start up companies must do often in order to push their products. His work as a manager in Sodexo food services has taught him how to create a positive work environment for his employees. His workers may not always be excited to attend work on a daily basis due to the somewhat monotonous work, but Andrew has created an atmosphere that allows his employees to be productive, yet enjoy being with one another. Andrew’s ability to appreciate and utilize a

part of each staff member's personality to form his perfect team ensures his ability to create a positive culture in the workplace.

He is also the treasurer on Cornell's lacrosse team which affords him the opportunity to manage peers in a much different setting, still with the goal of producing an effective team environment. Part of his duties, besides being a team leader, is to write a budget for the team for the upcoming school year to be proposed to Student Senate so that the team can have funding, and he also manages the checkbook and is responsible for making payments. Through his work with the lacrosse club, Andrew has learned how to manage money, set a budget, and make decisions about how money will be allocated, all of which are essential elements for a successful CEO.

Alex Miller has all the qualities necessary to serve as our Webmaster. He is a Computer Science and Computer Engineering double major at the University of Wisconsin Madison, and all his life he has been working on computers, so he knows how to best design and implement a website for our company. As someone who has worked on computers extensively, he is definitely qualified to start up, operate, and maintain our website. He will also manage the content, and his experience through his Computer Science major will help him create the most appealing and easily accessible website so that our company is technology friendly for the customers. Alex will also take care of online marketing. His extensive computer background will allow him to make the best choices about where and how to market online most effectively. A final note on the computer side is that Alex will be responsible for managing online order forms and shipment tracking, and again his experiences with computers will help him manage this effectively. Alex has a long history with computers, which makes him the ideal candidate to handle manage our website and handle the maintenance.

Alex has also worked as a door to door window salesman. In order to successfully sell products door to door, one must be self motivated and have an excellent work ethic. These characteristics, which Alex displays, will allow him to be someone who has the ability to motivate himself along with others when difficulties arise in the prototype creation process. Also, as a door to door salesman, Alex has experience in giving sales pitches and convincing customers they need the product he is selling. These are ideal attributes in a member of the management team of a start up company like HBP Batting Helmets, as the team will be driving sales early in the process.

Scott sold his Pepperidge Farm franchise, but his work there taught him many skills that will make him a successful Director of Sales. As the franchisee, his entire profit was based on the amount of sales revenue he generated, so Scott has lots of experience in sales, both in person and over the phone. He has learned how to pitch his products effectively and create a need in the mind of the customer. He was also in charge of negotiating sales displays, which will give us access to another method of marketing for our product in displays. His franchise had yearly average yearly sales of \$450,000, so it is obvious that Scott has extensive experience in making sales and knows how to successfully sell a product, and sale of our product is essential to HBP Batting Helmets.

Another area where Scott will be a major asset to the company is that he has inside access to our target market. Scott was a Little League volunteer and coach in South Milwaukee, WI for eight years and knows everyone of importance in South Milwaukee Little League. He will allow us to test our product on an actual playing field through his connections, giving us valuable feedback for product improvement. This connection will also give us an initial business opportunity if our product is successful, which will then give us a reference for future sales

pitches. Scott's experiences with South Milwaukee Little League will give us access to free field testing for our product as well as a first customer that will allow us to have a reference for future customers. Finally, Scott did the accounting for his franchise, so he will be able to save us the money of hiring an accountant by doing the accounting for HBP Batting Helmets.

### Personnel

HBP Batting Helmets will initially be run by the management team, and compensation will be doled out based on equity. As CEO, Andrew Kinn will have a 40% stake in the company, while Alex Miller and Scott Aiosa will each have a 30% stake. By basing compensation on equity, this will encourage our management team to work as hard as possible to make the company successful. The better our company does financially, the higher sales and revenue we generate, the higher the compensation for our management team, and this will motivate them to do everything in their power to make HBP Batting Helmets the best company it can be.

If we grow quickly enough that we have to hire salespeople, they will be paid on commission. Again, the reason for this is so that they have the motivation to work hard for the company, as their success in sales is what is going to get them the best possible income.

Since we are looking to file a provisional patent, HBP Batting Helmets will need to find an attorney to help us out with that. We will look to hire someone who specializes in patent applications at a reasonable price, and we will also look into finding someone we know and trust to help us out with the patent application.

### Start up costs

Carbon Fiber: \$157.49 for 11x32 inch sheet. We will likely need about five of these to make two or three prototypes and to account for mistakes:  $5 \times \$157.49 = \$787.45$

Mannequins:  $4 \times \$15 = \$60.00$

Impact Sensors: A member of the management team attends the University of Madison and he has access to the Physics lab there. Students are allowed to use this lab for free, so we could test our prototypes in the University's Physics lab for free.

Pitching Machine: We would look to borrow one, but if we have to rent (estimated cost \$300) we would have to look at batting cages in the area where we are testing. Buying one would cost \$1239.99.

Safety Glasses for cutting carbon fiber: 12 pack for \$10.80

Safety Gloves: 4 pairs x \$12.99=\$51.96

Competitor's Batting Helmets:

Easton: \$24.95

Rawlings: \$29.99

Wilson: \$24.99

Batting Helmet Pads: \$27.95 each, and we are looking at 2 or 3 prototypes, so  $\$27.95 \times 3 = \$83.85$

Provisional Patent: \$1,000.00

Website through GoDaddy.com: \$100.00

Total Estimated Start Up Costs:

Borrowed Pitching Machine:  $\$2173.99 + 50\% \text{ Development Expenses} = \$3260.99$

Rented Pitching Machine:  $\$2473.99 + 50\% \text{ Development Expenses} = \$3710.99$

Bought Pitching Machine:  $\$3413.98 + 50\% \text{ Development Expenses} = \$5120.97$

### Retail Price

If we can make 3 helmets out of every sheet of carbon fiber, our helmets will cost \$80.44 to make, meaning we would have to retail them at \$94.99 to show our customers we have higher quality helmets and to make a profit.

### Financials

HBP Batting Helmets has estimated a worst case scenario for their projected income statements. In year one, the worst case scenario for our company is only one Little League buying our product for all of their teams. In this year, we will take a loss, but it will be a fairly low loss of about \$2600. We at the very least we will have one Little League buy our product to

test out the safety and comfort. For year two, we think that we can increase sales to at least three Little Leagues purchasing helmets for all of their teams, and in this year we will turn a profit. In year three, we think we can expand to five Little Leagues, and our profits will continue to increase. Again, this is the worst case scenario for our company, as we think we can do substantially better than this, but we wanted to be conservative in our projections because it is so difficult for start up companies to establish themselves. See the Appendix for the three projected Income Statements for HBP Batting Helmets.

### Social Business

At this point, HBP Batting Helmets is a social business to an extremely limited extent according to Yunis' definition. The increased safety of baseball players and decrease in concussions and serious injuries obviously provides a social good, but this is a social good limited to baseball players. However, there will also be social good provided in the form of lessening medical payments, both out of pocket for families and from insurance companies, leading to more money being available for other families who have health issues that cannot be prevented. Also, there will be more working staff available to help with issues in doctor's offices or hospitals, as they will not be devoted to dealing with injuries that could have been prevented. So there will be a social good to a small extent in that there will be less money and working hours devoted to concussion injuries and effects, which will provide more insurance money and availability of hospital staff to help out with injuries that could not be prevented. However, Yunis' second part of the definition of a social business is that it is not for profit, and this does not apply to HBP Batting Helmets.

However, HBP Batting Helmets would like to increase the social good that it provides once our product is established nationally. We would like to design a partnership with our major

competitors to provide baseball gear to inner city children at a cost that will allow us to cover expenses without making additional profit, similar to the yogurt provided by Grameen and Dannon. Our hope is that this will do multiple good things for children dealing with hardships and baseball as a sport. By providing baseball gear at a low cost, our hope is that there will be more inner city children that get outside and play baseball with their friends. This will keep them from watching TV or playing videogames, and will also allow them to make more friends through neighborhood games. The partnership and supply of baseball gear will also keep them active physically. Our other hope is that this increase in inner city kids playing baseball will lead to an increase in organized baseball programs in the inner cities, and the partnership can help with this aspect by building parks where Little Leagues can be started at little to no cost. The final hope is that all of this will lead to a growth in baseball players at all levels, and bring baseball back to its former popularity in U.S. culture. By forming this partnership, HBP Batting Helmets, while it will not be a perfect social business, will be a social business to a larger extent, as we will provide multiple social goods and have a not for profit area in our company.

### Sources

#### Start Up Costs

- [http://www.amazon.com/dp/B000YMOLF4/ref=asc\\_df\\_B000YMOLF41065935?smid=A1...](http://www.amazon.com/dp/B000YMOLF4/ref=asc_df_B000YMOLF41065935?smid=A1...)
- [http://www.sears.com/shc/s/p\\_10153\\_12605\\_00642662000P?vName=Fitness+&psi...](http://www.sears.com/shc/s/p_10153_12605_00642662000P?vName=Fitness+&psi...)
- <http://industrialsavings.com/hard-hats/PY-S4110S.html>
- [http://www.target.com/gp/detail.html/176-0495085-7175030?asin=B0017OEC34&AFID=Froogle\\_df&LNM=|B0017OEC34&CPNG=accessories&ref=tgt\\_adv\\_XSG10001](http://www.target.com/gp/detail.html/176-0495085-7175030?asin=B0017OEC34&AFID=Froogle_df&LNM=|B0017OEC34&CPNG=accessories&ref=tgt_adv_XSG10001)
- [http://www.onlinesports.com/pages/I,SCH-288100S.html?srcid=frgl&utm\\_sour...](http://www.onlinesports.com/pages/I,SCH-288100S.html?srcid=frgl&utm_sour...)
- Rawlings
- Wilson
- Easton
- GoDaddy.com

#### Marketing

- [http://www.littleleague.org/media/newsarchive/03\\_2006/06participation.htm](http://www.littleleague.org/media/newsarchive/03_2006/06participation.htm)

- [http://www.hsbaseballweb.com/inside\\_the\\_numbers.htm](http://www.hsbaseballweb.com/inside_the_numbers.htm)
- Baseball America
- <http://www.blogads.com/>

#### Marketing Data

- <http://web.ebscohost.com/ehost/detail?vid=5&hid=103&sid=feb17633-ef00-4c9c-94d3-01c1c3c68f81%40sessionmgr114&bdata=JnNpdGU9ZWwhvc3QtbGl2ZQ%3d%3d#db=aph&AN=19450731>
- <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC155423/>
- <http://www.bcbstx.com/employer/hccc/topic6.htm>

#### Competition

- Google Finance
- Hoover's
- Rawlings
- Easton
- Wilson
- Trek
- Strategic Sports Limited
- U.S. Military

#### Acknowledgements

##### David Burgess

- Providing inspiration and motivation when writing got difficult
- A major source of ideas
- My devil's advocate
- Guidance through the process of writing a business plans
- Showing the Bplans for Humanity portal

##### Entrepreneurship Class

- Another main source of ideas
- Asked questions that helped me write a better business plan
- Found mistakes or flaws that needed fixing

##### Taylor Koch

- Logo design
- Editing

##### Alex Miller

- For agreeing to be a part of the management team
- Provided a resume
- Computer and internet expertise

##### Scott Aiosa

- For agreeing to be a part of the management team
- Provided a resume
- Little League connections
- Sales expertise

Allen Kinn

- Helped me formulate my initial idea through discussion

Cornell College Librarians

- Helping me with research for the business plan

Heather Hayes

- Ideas for softball expansion

## Appendix

### **Our Logo:**

- The red and white font was chosen to go on the outside of the helmet to display our belief that our helmets will protect baseball players from hospital visits (red and white are typically associated with hospitals).
- The words around the outside are meant to appear as a shield, again representing that our helmets are safer as they protect against hit by pitches.

**Resumes** (for Alex Miller, see email attachment):

### **Andrew Kinn**

akinn12@cornellcollege.edu  
414-531-1011

810 Commons Circle #789

Mt. Vernon, IA 52314

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### **EDUCATION**

**Bachelor of Arts**, May 2012

Cornell College, Mt. Vernon, IA

Majors: **Economics and Business, Spanish**

GPA 3.76

### **LEADERSHIP EXPERIENCE**

**Peer Advocate**, New Student Orientation, Cornell College: 2009

- Led a diverse group of 13 students through orientation activities
- Planned group activities with students through December 2009

**President**, United Flood Operations, Living and Learning Community, Cornell College: 2009-present

- Participated in long term service projects to benefit communities surrounding Mt. Vernon
- Adopted a house in Cedar Rapids that was destroyed by the floods of 2008 and set a goal of raising \$10,000 dollars to help purchase supplies for house
- Organized a benefit concert and silent auction that raised over \$2,000

- Organize weekly planning meetings
- Coordinate on-campus events to get Cornell students engaged in service both on adopted house and in the community

Sponsorship Committee, Colleges Against Cancer, Cornell College

**Committee Co-Chair:** 2009-present,

- Managed a committee of 5 students
- Organized monthly meetings
- Called businesses and corporations soliciting donations
- Helped raise \$11,500 last year with the goal of raising \$12,000 this year

**Member:** 2008-present

### **ACTIVITIES**

Connect Floor, Living and Learning Community, Cornell College: 2008-2009

Lacrosse Club, Cornell College: 2008-Present: Treasurer 2009-present

Spanish Club, Cornell College: 2009-Present

Staff Writer for The Cornellian, school newspaper 2010-present

### **WORK EXPERIENCE**

**Lunchtime Dish Room Manager**, Sodexo, Cornell College January 2009-present

- Promoted from dish room worker in January 2009
- Create work schedule and manage 25 workers

**Maintenance Worker**, St. Camillus Milwaukee, WI: Summer 2008-2009

**Cashier and Utility Clerk**, Pick 'N Save South Milwaukee, WI: Summer 2006-Spring 2008

**RELATED Coursework:** ECB 274-Entrepreneurship

Scott L. Aiosa

607 Aspen Street, South Milwaukee, WI 53172

414-764-3785 414-881-3474

[sands0326@wi.rr.com](mailto:sands0326@wi.rr.com)

**Objective:** To obtain a challenging position which will allow me to demonstrate my abilities, experience, and interpersonal skills to their full potential; to work in a position that provides the potential for professional growth and advancement.

### **Employment:**

**Trifor Distributing, Inc. January 2008 – September 2009**

- Sales supervisor for the Southeastern Wisconsin and Northern Illinois areas
- Responsible for obtaining new accounts and increasing sales in established accounts
- Orders, displays, and re-sets product for accounts
- Establishes delivery routes and maintains inventory levels at all accounts

**Aiosa Distributing, Inc. 1994 – January 2008**

- Owner/Operator of distribution route for Pepperidge Farm products
- Distribution territories include Milwaukee's East Side, Menomonee Falls, Brookfield, Wauwatosa, Waukesha, New Berlin, Elm Grove, Pewaukee, Sussex
- Responsible for delivering and displaying product to all Pick 'n Save, Sentry, Jewel-Osco, Sendik's, V. Richard's, Grasc'h's, Fresh Market grocery stores/chains. Also deliver and distribute for mass distributors Target, Wal-Mart, and K-Mart. Past accounts have included Kohl's Food Stores, Cub Foods which are no longer in business
- Sales and service representative in charge of negotiating promotions and displays
- Effectively communicates with store management and store personnel to achieve harmonious working relationships that assist in maximum sales opportunities
- Managed and maintained three territories including daily direction of four employees
- Well-organized and able to multi-task
- Responsible for ownership and maintenance of all business related vehicles
- Manager of all financial accounting for business
- Current owner of largest distribution territory in Southeastern Wisconsin with average yearly sales of over \$450,000

**M & M /Mars 2006 (part-time)**

- Merchandising and plan-o-gram sets for C store accounts

**Crossmark 2005 (part-time)**

- Merchandising and plan-o-gram sets for mass distributor accounts (K-Mart, Wal-Mart)

**Mega-Mart Pick 'n Save 1990-1994**

- Store Manager for Racine (Green Bay Avenue), Whitnall (St. Francis), and West Allis branches
- Responsible for all store operations including but not limited to sales, payroll, profit & loss statement, hiring, advertising, plan-o-grams, sets, human resources
- Gross profit and sales increased an average of 10% yearly in all stores while under my management
- Yearly sales ranged from \$24,000,000 to \$45,000,000, dependent upon store location

**Albertson's (Florida) 1980-1990**

- Store Manager for four stores from 1986-1990
- Assistant Manager from 1980-1986
- Responsible for all facets of store operations
- Yearly sales ranged from \$17,000,000 to \$26,000,000, dependent upon store location

### **Education**

- Motivational speaker training, human resources training, public speaking classes, sales seminars, additional classes in retail management sponsored by employers
- Graduated 1976 from Seaford High School, Long Island, NY

### **References**

- Available upon request

**Income Statements:** See email attachments

