



2014-1-HU01-KA203-002367

INTERNATIONAL SOCIAL INNOVATION COMPETITION

**Project title or
name of the social enterprise:** REDACT

Keywords (max. 5) describing
your social business idea:

1) DOWN SYNDROME
3) FURNITURE
5) CREATIVITY

2) SOCIAL INCLUSION
4) RECYCLING

**Name of the
team representative:** COLORFUL STEPS

Team members: Dora Perić

Represented country: Croatia



EXECUTIVE SUMMARY OF PROJECT

<REDACT>

Today's world is facing a host of social challenges and problems that simply cannot be ignored. As students, we are aware that we must not be passive observers of what is happening around us, but we need to use our energy and ideas to improve the quality of life in our community. Social issues such as unemployment, poverty, a gap between the rich and the poor cannot be fully addressed without the cooperation of all stakeholders. Furthermore, young people should be the initiators of positive social changes and equal participants in solving problems in their community. One of the major social problems faced by almost all countries is the insufficient inclusion of people with certain behavioral disorders, and the same applies to Croatia. The awareness of this problem prompted us to launch a business venture that would contribute to the inclusion of such persons, but also address other important challenges such as ecological disposal of used furniture and prolonging its life. People with certain behavioral disorders are often younger, so we believe that this proposed venture recognizes their needs and provides activities that are aimed at solving their problems.

Social need recognized by this venture is the inclusion of persons with behavioral disorders, or more specifically, people with Down syndrome. In addition to the social inclusion of persons with Down syndrome, proposed venture addresses another important challenge and that is ecological disposal of furniture and extending the life of that furniture. The inclusion will be achieved in a way that we will employ work instructors who will train persons with Down syndrome to perform specific tasks such as honing the furniture, cutting the materials, working at a cash register, etc. In such way, persons with Down syndrome will be able to generate economic as well as social benefits, and contribute to the development of their local community. Prospective international dimension of this venture relates to including designers from foreign universities to visit our town and participate in a design camp. The intention is to organize design camp as an annual event that will bring together foreign designers and our employees in workshops related to new trends in design and furniture transformation. Besides, the goal is to make this business model replicable on an international level. Since the problem of inclusion of persons with behavioral disorders is widely spread, we believe that this venture has the potential to address this issue in other communities as well.

Our venture will meet social needs in a way that people with Down syndrome, who live in our area, will be provided with employment opportunity, their parents will get hope that their children will become equal participants in our society, residents of our area will get a chance to donate their old furniture which will also reduce amount of furniture that's been dumped at inappropriate places. Employers from our region are not aware of the potential that people with Down syndrome possess, they have prejudices about people with behavioral disorders in general and avoid to engage them. It is our endeavor to contribute to their involvement so that they can become fully engaged members of their communities. This will be achieved through specific set of activities involving carpenters working with people with Down syndrome to help them master simple tasks and gain valuable skills that ultimately lead to getting a job.

Material resources needed for this project are working space, carpentry equipment, fabric, paint, delivery vehicle, cash register, computer equipment, computer system. Working space will be provided by an NGO from Belisce "Zvono", which will reduce the fixed costs. At the very beginning of the project, we would use our own car as a delivery vehicle, and all other equipment necessary for the work we intend to obtain from our own resources - our savings. Total cost of working equipment and materials will amount to HRK 7.700 (scrapers, drills, saws, carpentry chisels, screwdrivers, clamps, brushes, sanding discs and other materials).



Besides, to lower our costs even more, we plan to buy used equipment. We will use our own personal computer, while expected cost of operating system and fiscal cash register is in the neighborhood of HRK 100 per month. Based on conversation with acquaintances developers, it will take app HRK 3.000 initial investment in development of a web page.

Equipment	Cost (in HRK*)
Scraper	100
Drills	390
Saws	500
Carpentry chisels	1.000
Screwdrivers	100
Clamps	10
Brushes	50
Sanding discs	50
Brushes	200
Various materials	1.000
Other equipment	200
Fiscal cash register	100
Website development	4.000
TOTAL	7.700

Table 1: Expected initial investment in materials and equipment in the first month of the venture

Non-material resources needed for this venture are knowledge and skills related to restoration of old furniture and design. Business students and all others included in the project have knowledge and experience in branding and commercialization of finished products, as well as a significant social capital. Additionally, in an interview with several occupational therapists, furniture restorers, but also students of art academies, which are very fond of the project idea, we got the feedback that they would be willing to volunteer to participate in the project.

Our project is beneficial for several group of stakeholders. Persons with Down syndrome will get an opportunity for an employment, local residents will get an opportunity to prolong life of the old furniture they no longer need, and local community will get a change to support (by purchasing the furniture) and participate in the project to contribute to better life within a community and nicer and cleaner environment. End users of our project are families of persons with Down syndrome, the local community, the City of Belišće, Osijek-Baranja County, and the Republic of Croatia as it is our desire to create a unique brand of furniture that will be recognized within the country. To achieve our goals we need to develop a website to promote our services and products by creating a unique communication strategy and visual identity. Our desire is to create a brand that will in itself have a national character to make prospective customers aware of the fact that such unique furniture carries a story from our country. Also, the intention is to develop a brand that will be globally recognized among the population that wants and appreciates the unique items, and are supporters of a different approach in the production of furniture. The basis for the creation of our brand will be the quality and uniqueness of the product, but also an individual approach to each customer.

As part of our marketing communication channels, we plan to form a partnership with interior design magazines to raise an awareness of our products and develop a website that will be used as a platform for presenting stories behind every piece of furniture and a person who redecorated it. In the future, we plan to present our venture in TV shows as well. In terms of reaching local community, we plan to talk to the stakeholders and use means of guerilla marketing to promote our activities.



We plan to build a venture that is market-oriented as we primarily rely on the sales to fund our future activities. Financial stability will be assured through focus on customers without compensating on achieving our social mission which is inclusion of persons with Down syndrome.

Turning our idea into reality is very likely since we have a great passion and a desire to develop fully this venture. To increase chances of accomplishing our goals, we have created a partnership with NGO "Zvono" that can contribute to our venture by sharing their experience of working with people with behavioral disorders, and providing the space. From the conversation with the carpenter, we learned that the average cost of a chair restoration is 100 HRK, restoration of a two-seater is 500 HRK, and restoration of a sofa 700 HRK, while the cost for the restoration of wooden furniture such as a chest of drawers depends on the number of working hours. Average market price of a chair is 300 HRK and more, depending on the material and functions. Under the assumption that our initial costs are 9.000 HRK, overhead costs around 3.000 HRK, the minimum wage of working instructors and employees in the first period is 2.400 HRK, it all sums up to a total of 24.700 HRK in the first month of operations. Initially, one work instructor will be working with three persons with Down syndrome, and one person will be in charge of organizing and controlling. We will start with the group of 9 persons with Down syndrome. All revenues earned in the venture will be reinvested in the business (in equipment, salaries of new employees, etc.).

Cost	Amount (in HRK)
Initial costs	9.000
Utilities	3.000
Salaries	2.400x4=9.600
Fees	1.000
Other costs	2.100
Total	24.700

Table 2: Total expected costs in the first month of a venture

For the purposes of this project we decided to create an average price of 500 HRK per share, which will vary depending on the complexity of restoration. In order to cover costs we have to sell 50 products on the average price of 500 HRK each month. In the case that we in one year have expenses in the amount of 296.400 HRK we would have to sell 592 products at the price of 500 HRK in order to settle the costs. Since we anticipate that we will collect 1.000 pieces of furniture in one year, and will sell it on the average price of 500 HRK, we will receive income of 500.000 HRK. After payment of the costs and taxes we would achieve a profit of 162.880 HRK and that shows profitability of our venture. Growth of revenues will have a positive impact on the increase in salaries and fees for our members.

Revenues	500 000
Expenses	296.400
Tax	40.720
Total	162.880

Table 3: projections of revenues and expenses for the first year of operations

The innovative aspect of our venture is represented in its business model as such. It is a business model that incorporates inclusion of persons with Down syndrome and ecological approach to furniture disposal to create new and unique brand of furniture. The model is replicable as it uses resources available in most geographical regions. Besides, market-oriented strategy will lead to financial sustainability.



2014-1-HU01-KA203-002367

