

Siobhan Powers Business Plan ___ February 22, 2016

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Company

Siobhan Powers is to be a high-end Native (American) fashion house that allows consumers to represent Native success. Consumers will also contribute in empowering Native Designers to end cultural appropriation of Native American culture in fashion, provide employment to Native felons, and promote healing and self-expression through the creation of art.

Theory of Change			
Inputs	Metrics	Meaning	Impact
Native Fashion House	Example of Native Principles Applied to Business / Management of Resources (Mechanism for Positive Change)	Structure Based on Ancestral Teachings	Reduce occurrence of the effects of Historical Trauma (Native Issues)
Consumers (Sales)	Revenues	Represent Native Success	Self-worth shown to communities.
Product Lines	# of Featured Designers	Empower Native Designers – end cultural appropriation	Empowering Strong Leaders
Craftsmen	# of Employees	Employ Native Felons	Visible to Next Generation
Mentorship Program	# of Youth Mentored	Promote Healing & Self-expression through the creation of art.	Building of Strong Leaders
Products	Visual Representation of Success	Represent Native Success	Self-worth shown to communities.

Siobhan Powers is to be an example of Native American principles and world view shaped by the teachings of our ancestors applied to business. One such teaching is that those who can provide are to ensure the prosperity of the whole. Siobhan Powers is to be a mechanism to reduce the occurrence of the effects of Historical Trauma [A1].

Given the movement in the Native Community to reclaim our voice through fashion combined with efforts to heal historical trauma, there is great opportunity for a high-end Native fashion line to be a part of that voice. With the increasing number of financially successful Natives, there is need for a high-end Native fashion house to represent our demographic.

Creation of jobs for skilled Native Felons. Those with felony records are less likely to become re-incarcerated if they can find gainful employment. The ability for one to find stability through employment also allows for a reduced chance of relapse for those in recovery. Youth supported by a more stable environment are able to see its positive effects and are more likely to emulate this behavior thus allowing for positive growth of future generations. Creation of jobs for Natives in the inner city fighting poverty will also help in this growth.

Siobhan Powers aims to nurture Native youth interested in self-expression through the creation of fashion. Initially by means of a mentorship program, with a farther reaching goal of providing scholarships to Native youth to attend fashion schools of their choosing once revenues reach a necessary amount.

Industry

Direct Competitors: Other Native Designers, No

The combination of high-end fashion and Native fashion can be seen in the work of other Native designers [1]. Each designer has their unique aesthetic which is very different to that of Siobhan Powers and from each other. We are not in competition with each other, we are to work together for our combined goals to restore balance to the communities which we serve.

Indirect Competitors: Hermes, Michael Kors, Marc Jacobs

Quality craftsmanship is a differentiator for Hermes as it should be. Great care and effort is taken in the creation of each Birkin bag they produce. The design aesthetic of Michael Kors and Marc Jacobs are of closest similarity to Siobhan Powers. Of these three examples, none are built from Native fashion and therefore are indirect competitors.

Industry trends

Issues around cultural appropriation are coming to light as the mainstream media feature stories of Native success in fashion [2]. Not only are Native designers working for a voice in fashion, known high-end fashion houses are supporting this cause. Fashion is ready for a high-end Native fashion house.

Barriers to Entry – Low Overall

When specifically looking at Handbag, Luggage & Accessory Stores in the US one can make the most direct comparison to the initial product focus of Siobhan Powers. In this industry, the top four leaders account for 41.1% of the market share [3]. The rest of the market is highly fragmented with many specialty retailers. Brand loyalty and recognition allow the top players to be consolidated at the top giving the overall market a medium level of concentration. The barriers to entry within this category are low overall.

Value Proposition

Siobhan Powers aims to represent Native success, empower Native designers, nurture Native youth, and employ Native felons through the creation of high-end Native fashion.

There are many pains that currently affect our communities [4]. The strength of the community depends on the ability of its members to affect positive change. Successful Natives are able to lead by example – the fashion created by Siobhan Powers allows them to do this. It is a symbol of success and giving back to our communities. Siobhan Powers gives a voice to Native designers and mentored youth to use art as a mechanism for healing, and gives Natives previously incarcerated a means to provide stability for themselves and those they support.

The successes of our generation will be seen by future generations allowing for a cycle of healing to begin.

Market

Market Segments

The initial primary market segment focus is to be Native American women professionals which is a growing market segment [A2]. Adjacent market segments will include Native American women, women professionals, and women consumers of high-end fashion. Future market segments will expand to Native American professionals, Native American consumers, and consumers of high-end fashion.

Market Research

Initial focus will be within the Handbag, Luggage & Accessory categories which currently product an annual revenue of \$14.3 billion with handbags accounting for \$3.78 billion alone [A3]. Specific to the high-end handbag market, sales have risen by 10.5% in 2013 with 51% of women having bought at least one handbag in the last year. Quality is the most influential factor for making a high-end handbag purchase for all ages [5].

Ethnographic research conducted thus far has shown great interest from Native consumers to items in fashion that reflects their own culture. Items have included purses, clothing and jewelry. Further research is set to begin to customize design of initial line to cater to the target consumer.

Marketing Strategy

Branding

Siobhan Powers is to be a local, Native Owned and Operated company representative of Native values. The consumer is to feel their purchase has a positive impact for the Native community and is an example of superior quality.

Channels

Initial channels will be through powwow and craft vendor sales direct to the consumer. This will be for creation of visibility throughout Native communities. Majority of sales will be directed to occur online for order placement for bags. Future channels include casino gift shops for further visibility primary utilized for marketing purposes and once necessary revenues are achieved retail location in New York which has the highest concentration of Native Americans of any urban location [6].

Pricing Strategy

Pricing of Siobhan Powers bags are expected to begin in the \$300 to \$3000 range, increasing in price as development occurs. Final goals will include bags in suit with the prices of Hermes Birkin bags that can range from \$12,000 up to \$200,000 for more intricate designs made from highly coveted materials.

Siobhan Powers bags will not be marked down in price. This is the practice for the pricing of Louis Vuitton and is an indication of product authenticity [A4]. Pricing of lines specific to casino retail locations will be marked up to the discretion of the casino location. These lines will be designed to only sell in the casino retail locations and will not be found in other locations to differentiate within the pricing strategy.

Siobhan Powers jewelry will utilize tiered pricing to allow consumers to make purchases at their buying levels and increase spending as purchasing power increases from increases in income.

Business Development

Siobhan Powers will grow as it reaches milestones outlined below.

Milestone 1: Product Line Launch – Bag

Summer, 2016 – Initial Design & Fabrication. Bags will be designed within a made-to-order model. No bag will be created without a consumer purchase for the initial line.

Milestone 2: Possibility to employ fabricators – Job by Job basis

Dependent on growth rate, this milestone would exist once there is a need to fill orders that require hiring on a job by job basis.

Milestone 3: Employ fabricators and administration

Supply of orders large enough to be sustaining.

Milestone 4: Commission / Feature Native Designers (Creation of Native Fashion House)

Native Designers to be commissioned to represent their respective tribes / communities.

Milestone 5: Nurture Native Youth Designers (Mentorship Program by Featured Native Designers)

End Goal: Fashion House able to give back 10% to community including scholarships for Native Youth Designers

About the Designer

The designer has almost a lifetime of experience in the creation of Native jewelry based on traditional beadwork. She has years of experience in industry with an advanced understanding of design for fabrication, manufacturing, research and development and scalability for mass production. With a Master in Mechanical Engineering and the current pursuit of a Master in Business Administration, she has many advisors to help her in this journey.

Mentors and Advisers

The support of many come from a variety of areas:

Carlson School of Management, Entrepreneurship – University of Minnesota,
Acara, Impact Entrepreneurship – University of Minnesota,
College of Design – University of Minnesota,
Native Community: A past Native business owner, Native beader, Native seamstress, and members of non-profit boards for which the designer is also a member of the board.

To Name a Few:

Melissa Kjolsing Lynch

Assistant Program Director

Strategic Management and Entrepreneurship

Carlson School of Management – University of Minnesota

Toby Nord

Senior Lecturer and Carlson Venture Enterprise Director

Strategic Management and Entrepreneurship

Carlson School of Management – University of Minnesota

Megan Voorhees

Co-Director – Acara, Impact Entrepreneurship

Institute on the Environment – University of Minnesota

Leo Sharkey

Co-Director – Acara, Impact Entrepreneurship

Institute on the Environment – University of Minnesota

Fred Rose

Co-Director – Acara, Impact Entrepreneurship

Institute on the Environment – University of Minnesota

Revenue Generation

Revenue generation will be centered on sales of bags initially catering to Native American Women Professionals. Projections are specific to bags, while jewelry will provide another revenue stream. Future revenue streams will be from business accessories, clothes, and suits also catering to Native American Women Professionals. As the number of featured designers increases so will the number of product lines and thusly will create additional revenue streams.

Projected Earnings			
	YR 1	YR 3	YR 5
Estimated QTY's	55	225	1100
# of Craftsmen	1	3	12
Revenue	82,500	333,000	1,670,000
COGS	24,000	97,000	490,000
Gross Margin	58,500	236,000	1,180,000
Labor	25,000	100,000	500,000
Admin & Other Exp	27,500	111,000	555,000
EBIT	6,000	25,000	125,000

The projected earnings are estimated from an average expected bag price. Salary and marketing expenses are accounted for under "Admin & Other Exp."

Financing

Initial funds have been granted through the Sands Fellowship awarded through the Carlson School of Management of the University of Minnesota. Further funding is being sought through Acara. Future funding will be sought through grants and fellowships.

Funds will be used for the following:

- Cost to attend events within the Native communities in the local and surrounding areas.
 - Creation of items to sell (ex. Jewelry & accessories) at events.
 - Establishment of retail channels through casino gift shops.
- Prototyping of new lines and market research.
- Website and general administration expenses.
- Labor expenses.
- Research.

Appendix

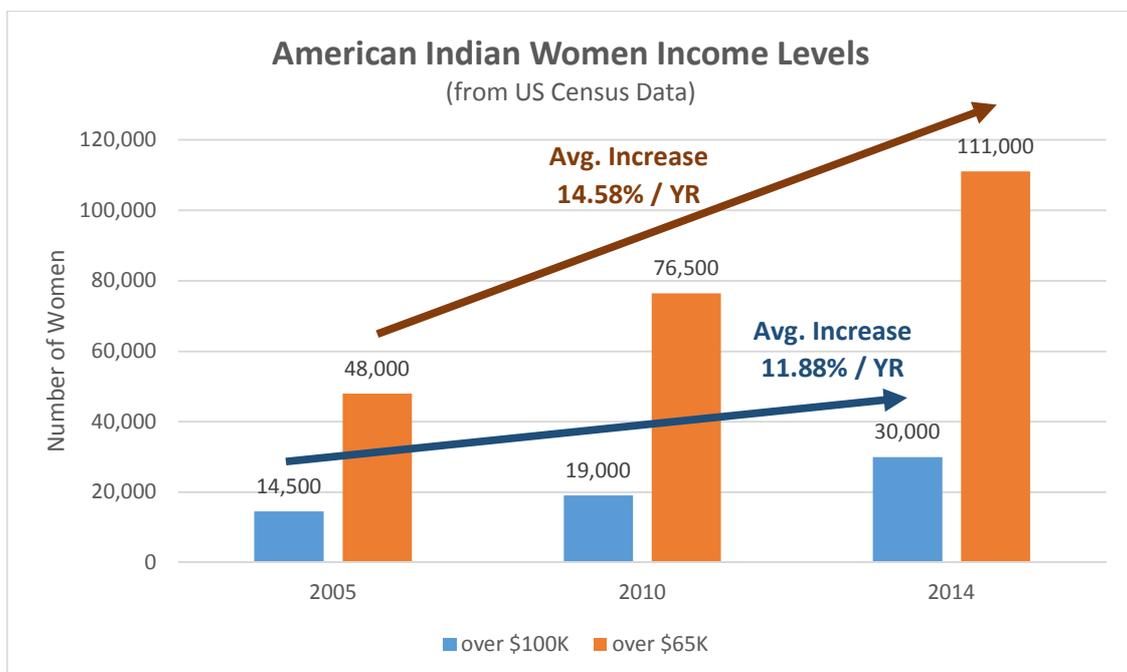
[A1] Historical Trauma

“Historical trauma (HT) is cumulative emotional and psychological wounding over the lifespan and across generations, emanating from massive group trauma experiences; the historical trauma response (HTR) is the constellation of features in reaction to this trauma. The HTR often includes depression, self-destructive behavior, suicidal thoughts and gestures, anxiety, low self-esteem, anger, and difficulty recognizing and expressing emotions. It may include substance abuse, often an attempt to avoid painful feelings through self-medication. Historical unresolved grief is the associated affect that accompanies HTR; this grief may be considered fixated, impaired, delayed, and/or disenfranchised. This article will explain HT theory and the HTR, delineate the features of the HTR and its grounding in the literature, offer specific Native examples of HT and HTR, and will suggest ways to incorporate HT theory in treatment, research and evaluation. The article will conclude with implications for all massively traumatized populations.” [7]

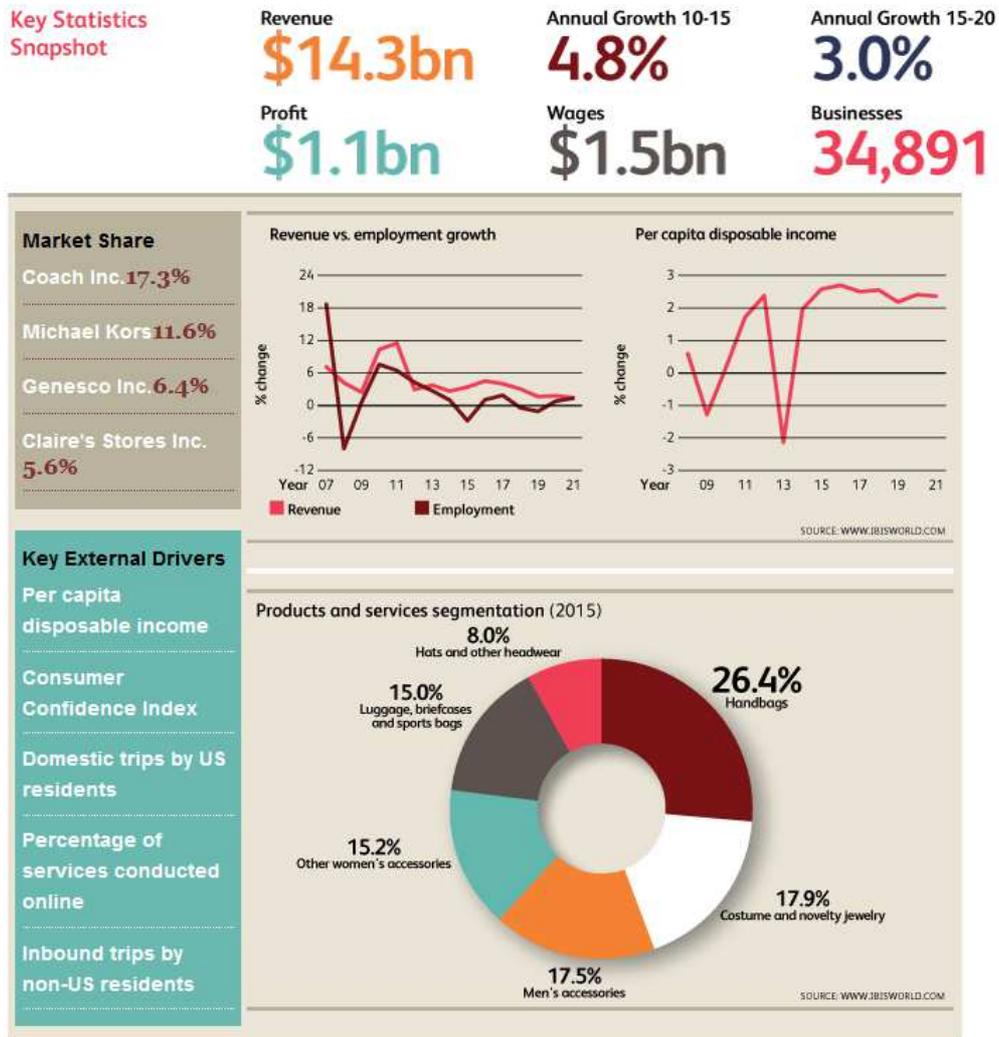
“Many Indigenous peoples continue to experience residual trauma at a cellular level. Yet as survivors of this intergenerational violence, many now seek to move from surviving to thriving.” [8]

[A2] US Census Data – American Indian Women Income Levels

The number of American Indian women with income levels above \$65,000 per year and above \$100,000 per year has been increasing at a rate of 14.58% and 11.88% per year respectively.



[A3] Handbag, Luggage & Accessories [3]



[A4] Pricing

"Outlet stores claiming to sell authentic Louis Vuitton handbags are not associated with Louis Vuitton. Louis Vuitton products are sold exclusively in official Louis Vuitton stores and on the Louis Vuitton official website www.louisvuitton.com. It is also important to know that Louis Vuitton never marks down its prices, so unless they are secondhand, discounted Louis Vuitton items found online are highly suspicious of being counterfeit." [9]

References

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- [7] “The Historical Trauma Response among Natives and Its Relationship with Substance Abuse: A Lakota Illustration”, Journal of Psychoactive Drugs, Volume 35, Issue 1, 2003 – Special Issue: Morning Star Rising: Healing in Native American Communities
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- [8] Workshop on Historical Trauma: Dr. Maria Yellow Horse Brave Heart, May 23 12:30 PM, at UC Santa Barbara
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- [9] Louis Vuitton Website
www.louisvuitton.com