



**Harvard  
Business  
School**

Club of New York  
Small Business Partnership Initiative

**ONE STORE FINANCIAL MODEL**

Size of store (square feet; 000):

	Y1	Y2	Y3	Y4	Y5
<b>INCOME STATEMENT</b>					
<u>Revenues</u>					
SKU#1 (Tan Boots)	\$ 1,290,000	\$ 1,835,000	\$ 4,215,000		
SKU#2 (Black Boots)	\$ 545,000	\$ 1,835,000	\$ 1,835,000		
SKU#3 (Army Slides)	\$ 175,000	\$ 617,500	\$ 800,000		
SKU#4 (AirForce Slides)		\$ 467,500	\$ 390,000		
SKU#5 (Navy Slides)			\$ 640,000		
SKU#6 (SpaceForce Slides)					
SKU#7 (Coast Guard)					
Manufacturing Other Brands					
Complimentary/ promos	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total net sales</b>	\$ 2,010,000	\$ 4,755,000	\$ 7,880,000	\$ -	\$ -
<u>Direct costs</u>					
Cost of goods sold	\$ 1,250,000	\$ 2,952,400	\$ 4,897,200	\$ 9,562,850	\$ 12,417,350
SKU#1 (Tan Boots)	\$ 1,290,000				
SKU#2 (Black Boots)	\$ 545,000				
SKU#3 (Army Slides)					
SKU#4 (AirForce Slides)	\$ 175,000				
SKU#5 (Navy Slides)					
SKU#6 (SpaceForce Slides)					
SKU#7 (Coast Guard)					
<b>Total cost of goods sold</b>	\$ 1,250,000	\$ 2,952,400	\$ 4,897,200	\$ 9,562,850	\$ 12,417,350

<b>Gross margin</b>	\$ 760,000	\$ 1,802,600	\$ 2,982,800	\$ (9,562,850)	\$ (12,417,350)
<u>Operating expenses</u>					
Salaries and benefits					
CEO and Founder	\$ 60,000	\$ 66,000	\$ 72,000	\$ 79,200	\$ 87,120
Marketing Manager/Social Media	\$ 24,000	\$ 26,000	\$ 30,000	\$ 34,000	\$ 38,000
VP of Creativity/Sales	\$ 50,000	\$ 55,000	\$ 60,000	\$ 65,000	\$ 70,000
Government Liason	\$ -	\$ 36,000	\$ 40,000	\$ 44,000	\$ 48,000
Sales Assistant			\$ 45,000	\$ 49,000	\$ 53,000
Office Rent	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
<b>Utilities (Wifi, Electric, Water)</b>	\$ 800				
Marketing/ advertising	\$ 36,000	\$ 40,000	\$ 44,000	\$ 50,000	\$ 55,000
<b>Content Creater</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>PR</b>			\$ 48,000	\$ 52,000	\$ 60,000
Website Maintenance costs	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Attorney Fees	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
<b>Trademark</b>					
<b>Copyright</b>					
<b>Doing Business</b>					
<b>Government Contracts</b>					
License Fees	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
<b>US Army</b>					
<b>US Navy</b>					
<b>US Airforce/SpaceForce</b>					
<b>US Coast Guard</b>					
<b>NASA</b>					
Trade Shows	\$ 1,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 10,000
<b>Shot Show</b>					
<b>NYFW Footwear Tradeshow</b>					
<b>Atlanta Shoe Show</b>					
Sales Commissions					
<b>Northeast</b>					
<b>Midwest</b>					
<b>South</b>					
<b>West</b>					

Business Insurance	\$ 1,500	\$ 2,000	\$ 2,000	\$ 3,000	\$ 3,000
Association Fees					
<b>ALA</b>					
Social Media Ad Spend					
<b>Content Creater</b>					
<b>Graphic Design</b>					
<b>Email Marketing Fees</b>					
<b>Ads Spend</b>					
<b>Samples</b>					
<b>Travel to Factory (China, Portugal, Italy)</b>					
<b>Last Structure</b>					
<b>Shoe Boxes</b>					
<b>20% Production for Marketing</b>					
Combat Boot Testing	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
OHIO					
NADICK Labs					
Other store <i>(excluding maintenance - see below)</i> <sup>1</sup>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total operating expenses</b>	\$ 206,500	\$ 260,200	\$ 378,200	\$ 414,400	\$ 457,320
<u>Operating Income before tax</u>					
Operating Income before tax	\$ 553,500	\$ 1,542,400	\$ 2,604,600	\$ (9,977,250)	\$ (12,874,670)
	<i>Percent of net sales</i> 28%	<i>Percent of net sales</i> 32%	<i>Percent of net sales</i> 33%	<i>#DIV/0!</i>	<i>#DIV/0!</i>
Depreciation / amortization	\$ -	\$ -	\$ -	\$ -	\$ -
Interest expense	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Profit before tax</b>	\$ 553,500	\$ 1,542,400	\$ 2,604,600	\$ (9,977,250)	\$ (12,874,670)
<b>RATIOS AND METRICS</b>					
<u>Sales and rent</u>					
Annual growth rate	n/a	#REF!	#REF!	#REF!	#REF!
Net sales per sq. ft. (\$)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Rent per sq. ft. (\$)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
<u>Percent of sales</u>					
Cost of goods sold	62%	62%	62%	#DIV/0!	#DIV/0!

Gross Margin	38%	38%	38%	#DIV/0!	#DIV/0!
Operating expenses	10%	5%	5%	#DIV/0!	#DIV/0!
Salaries and benefits	0%	0%	0%	#DIV/0!	#DIV/0!
Rent	0%	0%	0%	#DIV/0!	#DIV/0!
Marketing/ advertising	2%	1%	1%	#DIV/0!	#DIV/0!
Other store (including maintenance)	2%	1%	0%	#DIV/0!	#DIV/0!
Pre-tax profit	28%	32%	33%	#DIV/0!	#DIV/0!

<sup>1</sup> "Other store costs" - detail what is included here:

Item A	\$	-	\$	-	\$	-	\$	-	\$	-
Item B	\$	-	\$	-	\$	-	\$	-	\$	-
Item C	\$	-	\$	-	\$	-	\$	-	\$	-
etc.	\$	-	\$	-	\$	-	\$	-	\$	-
etc.	\$	-	\$	-	\$	-	\$	-	\$	-
TOTAL	\$	-	\$	-	\$	-	\$	-	\$	-

**Note – this document is meant to be accompanied by oral commentary from a Harvard Business School alumni coach.**