

CARBON CANYON

Elizabeth Gehman, Desiree Rivera, Olivia
Deignan, Matthew Gunning, Ryan Shepherd



ALL ABOUT US!

A Cycler's Most Ubiquitous Material

Think Global, Be Local

Est. 2023
West Chester, Pa

- Multi-purpose Carbon Fiber Bikes
 - Unmatched comfort, efficiency, strength, and quality
 - Wide range of product: Mountain, Speed, and Recreation
-
- Features including precision breaks, full suspension, up to 24 speed gears, hybrid comfort tires, extra grip pedals, repair kits, and more!
 - Open locations featuring Toronto, NYC, Amsterdam, and Naibori
 - Over \$2.1 in sales this year!

FINANCIAL PERFORMANCE

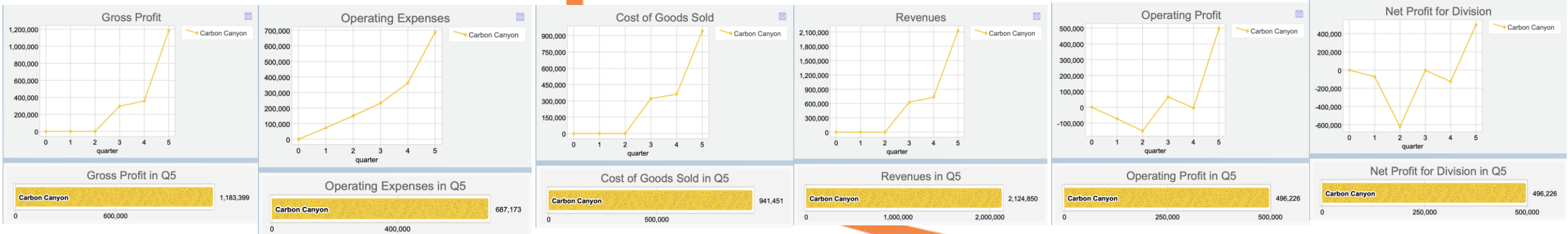
Pros

- Increasing Gross Profits
- Generated more than 2 million in sales during quarter 5
- Increasing Cost of Goods Sold
- Increasing Revenues and Operating Profits

Cons

- High Operating Expenses
- Poor Ad Judgement/Lost Marketing Research

Division Profitability					
Profit	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5
Gross Profit					
Revenues	0	0	626,825	734,075	2,124,850
- Rebates	0	0	8,550	16,060	0
- Cost of Goods Sold	0	0	321,516	361,209	941,451
= Gross Profit	0	0	296,759	356,806	1,183,399
Expenses					
Store Leases	0	0	95,000	105,000	150,000
+ Sales and Service Personnel Expense	0	0	56,282	61,217	215,506
+ Brand Promotions	0	0	0	0	0
+ Special Programs	0	0	0	0	0
+ Ad Creation/Revision	0	0	18,000	18,000	30,000
+ Point of Purchase Display Expenses	0	0	400	800	1,200
+ Advertising Expenses	0	0	19,902	23,214	118,747
+ Internet Marketing Expenses	0	0	2,000	2,700	21,720
+ Engineering Cost for New Brands	0	150,000	0	90,000	90,000
+ Market Research	72,800	0	40,000	60,000	60,000
= Operating Expenses	72,800	150,000	231,584	360,931	687,173
Operating Profit	-72,800	-150,000	65,175	-4,125	496,226
Miscellaneous Income and Expenses					
+ Other Income	0	0	0	0	0
- Other Expenses	0	0	0	0	0
- Research and Development Costs	0	0	0	0	0
- Set Up Costs for New Stores	0	470,000	67,000	122,000	0
= Net Profit for Division	-72,800	-620,000	-1,825	-126,125	496,226
Cumulative Net Profit for Division	-72,800	-692,800	-694,625	-820,750	-324,525



DRILL DOWN BALANCED SCORECARD STRENGTHS

Color Code

Strengths	1st	2nd	3rd	4th
Weaknesses	1st	2nd	3rd	4th

QUARTER 4

Advanced Balanced Scorecard

Advanced Balanced Scorecard	Like Bikes	Pedal Pushers	Cycle Craft	CLLJ	Carbon Canyon	Power on Pedals	Gear 1	Group 8 Bikes
Total Performance	65.867	0.000	0.000	0.442	14.098	0.000	10.373	17.052
Financial Performance	18.821	-33.245	-4.776	2.028	10.398	-63.738	11.627	16.243
Market Performance	0.740	0.100	0.150	0.100	0.300	0.095	0.175	0.235
Marketing Effectiveness	0.750	0.658	0.670	0.303	0.695	0.618	0.743	0.728
Investments in the Firm's Future	10.474	24.850	13.472	11.701	12.112	27.361	10.378	12.913
Creation of Wealth	0.602	0.398	0.563	0.616	0.537	0.348	0.662	0.476

QUARTER 5

Advanced Balanced Scorecard

Advanced Balanced Scorecard	Like Bikes	Pedal Pushers	Cycle Craft	CLLJ	Carbon Canyon	Power on Pedals	Gear 1	Group 8 Bikes
Total Performance	73.664	14.541	0.000	2.755	0.000	0.000	18.202	17.564
Financial Performance	29.908	21.319	-25.282	11.168	-0.562	-15.527	26.928	24.739
Market Performance	0.790	0.235	0.090	0.090	0.170	0.105	0.195	0.230
Marketing Effectiveness	0.765	0.755	0.748	0.553	0.668	0.753	0.733	0.745
Investments in the Firm's Future	4.262	8.134	8.414	11.787	7.728	10.572	7.666	5.404
Creation of Wealth	0.956	0.473	0.528	0.421	0.590	0.467	0.617	0.767

QUARTER 6

Advanced Balanced Scorecard

Advanced Balanced Scorecard	Like Bikes	Pedal Pushers	Cycle Craft	CLLJ	Carbon Canyon	Power on Pedals	Gear 1	Group 8 Bikes
Total Performance	14.100	0.000	4.833	9.680	14.957	0.000	24.375	0.000
Financial Performance	20.760	-41.674	16.443	20.041	23.353	-66.470	34.192	-28.756
Market Performance	0.185	0.375	0.080	0.170	0.245	0.040	0.225	0.180
Marketing Effectiveness	0.765	0.765	0.783	0.610	0.738	0.753	0.763	0.763
Investments in the Firm's Future	7.208	4.383	6.390	9.139	3.857	26.118	4.043	4.758
Creation of Wealth	0.666	0.264	0.735	0.510	0.919	0.082	1.028	0.697

DRILL DOWN BALANCED SCORECARD WEAKNESSES

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RESULTS 2ND TOTAL

Above Avg in financial performance, market performance, and wealth

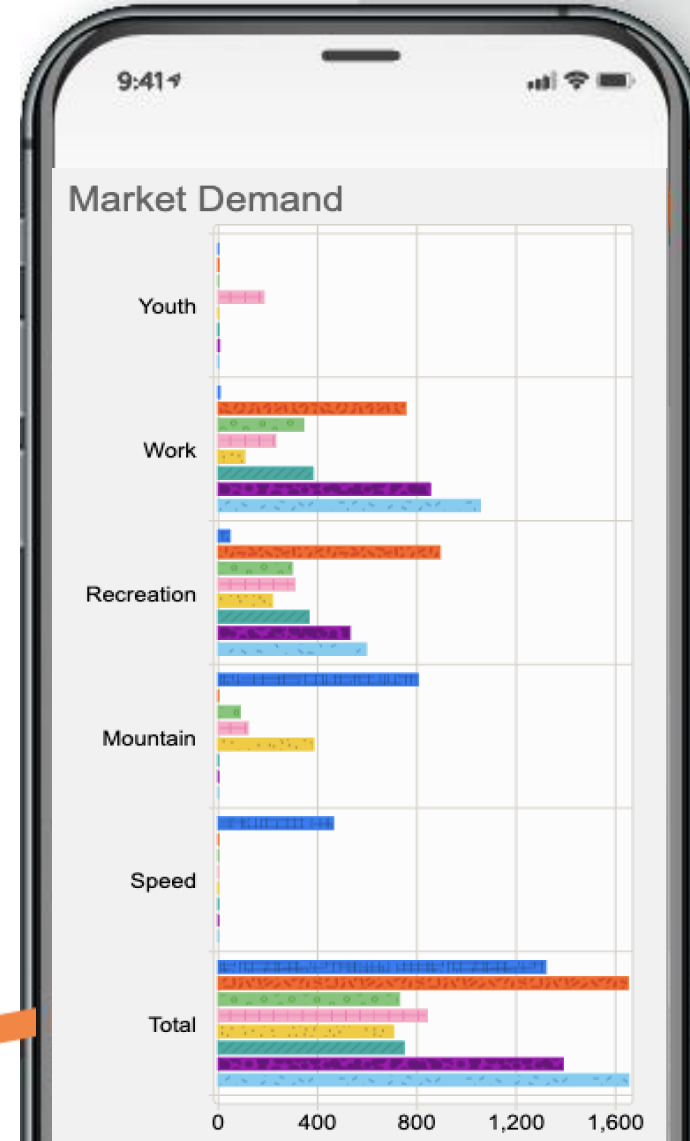
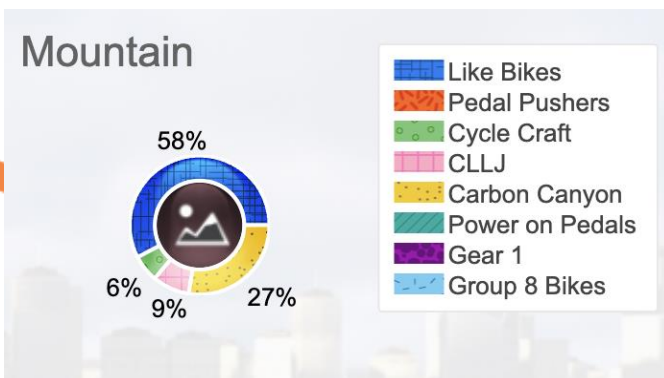
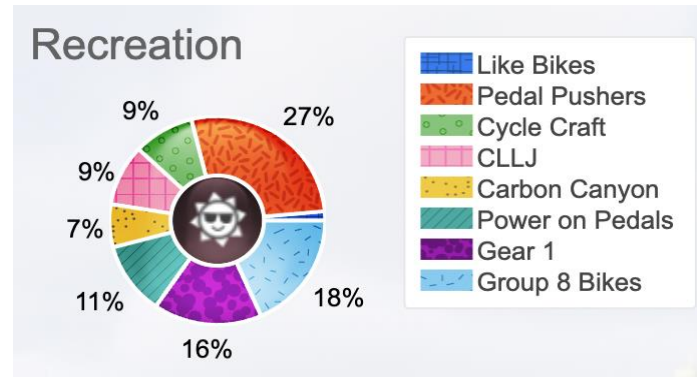
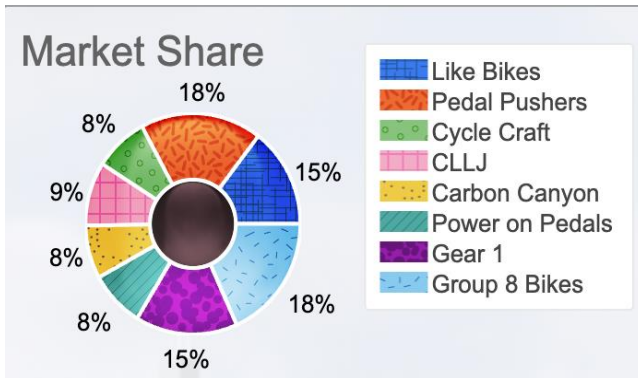
Sales - Total

Brand	Units Sold	Sales Revenue	Rebates	Cost of Goods Sold	Gross Margin
 CC Shred	947	1,065,375	0	523,442	541,933
 CC X Speed	451	612,075	0	256,613	355,462
 CC Flexile	223	200,550	0	77,702	122,848
 CC Rover	248	246,850	0	83,694	163,156
Total	1,869	2,124,850	0	941,451	1,183,399

	Minimum	Maximum	Average	Carbon Canyon
Cumulative Total Performance	0.000	48.298	9.367	6.542
Cumulative Financial Performance	-48.578	24.249	0.331	11.063
Cumulative Market Performance	0.080	0.572	0.221	0.238
Cumulative Marketing Effectiveness	0.488	0.760	0.701	0.700
Cumulative Investment in Future	3.857	26.118	8.237	3.857
Cumulative Wealth	0.082	1.028	0.613	0.919

Our Brand & Ad Judgement

- Tied for the lowest percentage of 8% in the overall market share
- In our primary segment: Mountain, we are holding 27%
- In our secondary segment: Recreation, we are holding the lowest percentage of 7%
- Lowest overall market demand



CUSTOMERS

- Focusing in four cities: Toronto, New York City, Nairobi and, Amsterdam
- Our target market is upper- and middle-class individuals that prioritize mountain and recreational bikes.
- Our top three products include the CC X Shred (Mountain), CC Flexile (Recreation) and, CC X Rover (Recreation)



WHAT CARBON CANYON HAS TO OFFER

PRICE JUDGEMENT

Throughout all quarters, Carbon Canyon has continued to have perfect price judgment in all areas of expertise (speed, recreation, mountain)

AVERAGE PRICE FOR EACH BRAND

NORAM:

MT: CC SHRED: \$ 1,125

SPEED: CC X SPEED: \$ 1,375

REC: CC ROVER/FLEXILE~ \$900

EUROPE:

MT: CC SHRED: \$ 1,125

SPEED: CC X SPEED: \$ 1,375

REC: CC ROVER \$950

MEA:

MT: CC SHRED: \$ 1,125

SPEED: CC X SPEED: \$ 1,375

REC: CC ROVER/FLEXILE~ \$900

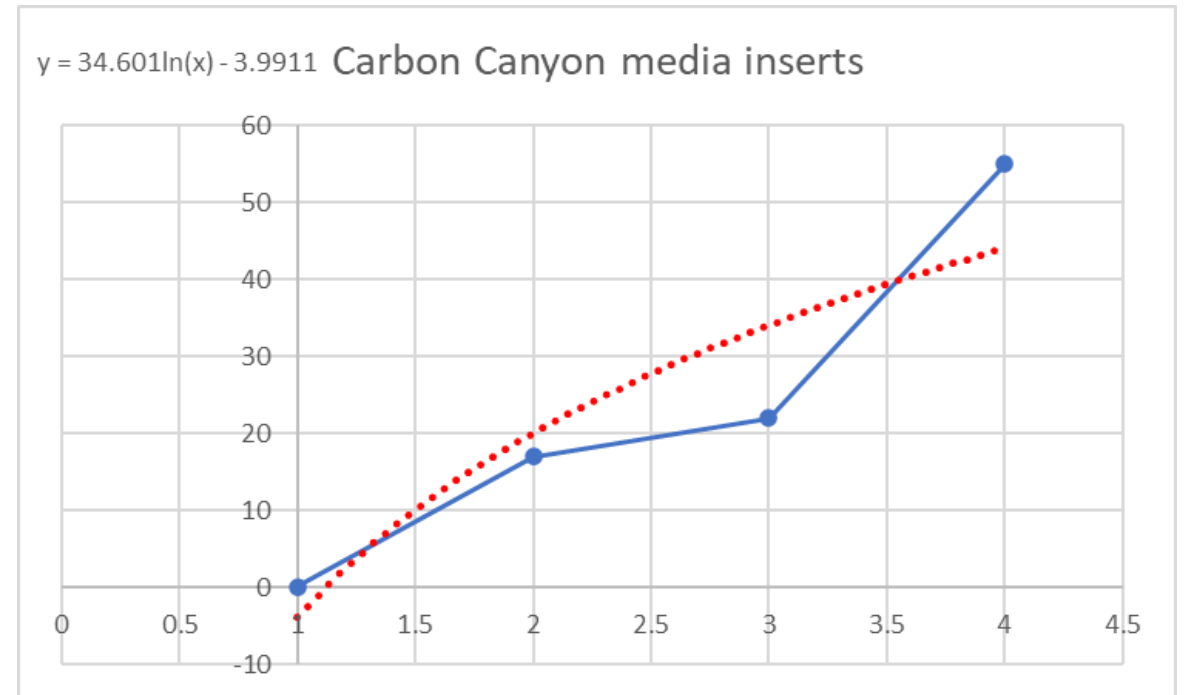
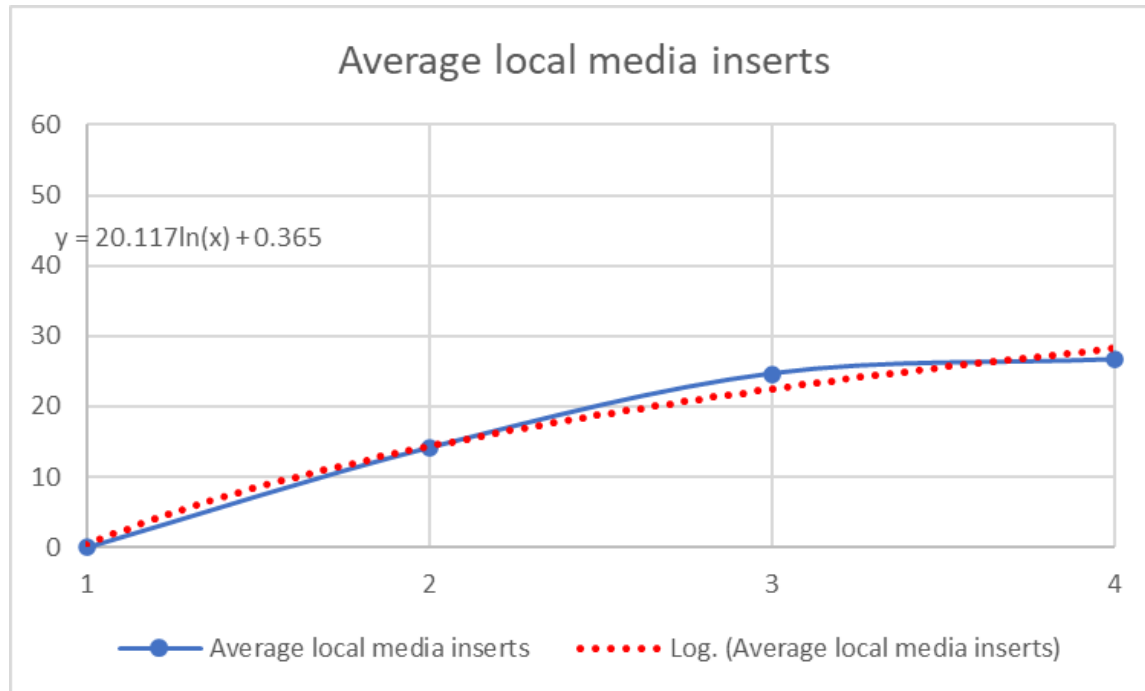
PRICE WILLING TO PAY: NORAM, MEA, EUROPE

	Youth ⇅	Work ⇅	Recreation ↘	Mountain ⇅	Speed ⇅
New York City	705	843	1,054	1,327	1,498
Toronto	656	794	1,006	1,174	1,433
Amsterdam	698	813	987	1,254	1,411
Nantes	683	777	985	1,198	1,491
Seville	709	832	970	1,159	1,419
Portland	659	746	913	1,157	1,274
Warsaw	636	768	902	1,094	1,284
Mexico City	644	680	863	1,069	1,254
Nairobi	593	679	855	973	1,235
Marrakech	588	691	816	1,016	1,194
Konya	573	647	809	1,112	1,192
Johannesburg	662	733	805	1,106	1,261

- NORAM: Toronto, NYC
- EUROPE: Amsterdam
- MEA: Nairobi

LOCAL MEDIA VS. COMPETITION

- The next average number of local media inserts is estimated to be around 28.25
- In comparison our media inserts are expected to be around 43.98

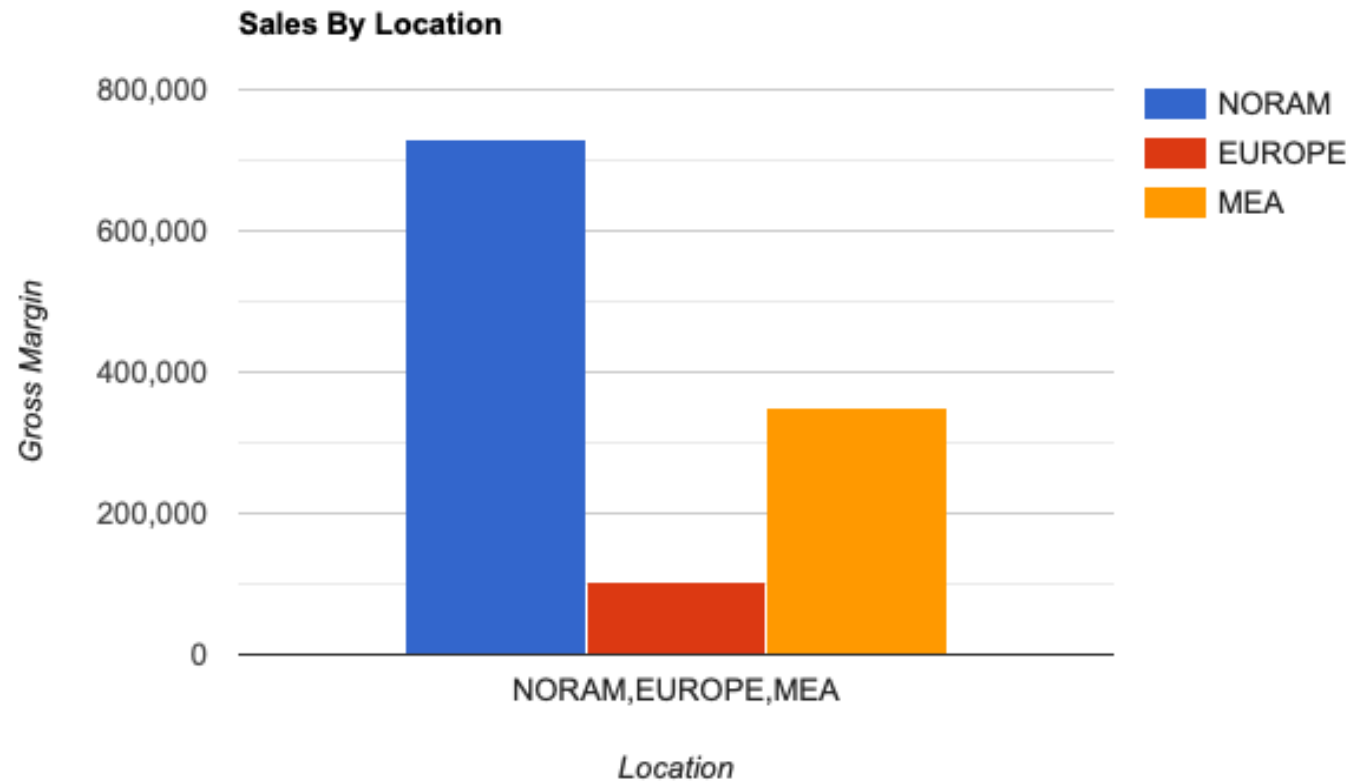


SWOT ANALYSIS

Strengths	Financial performance (23.353) Market Performance (0.245) Total Performance (14.957)
Weaknesses	Ad judgement High operating expenses Creation of Wealth (0.919)
Opportunities	We are number 3 in the market, and we have the ability to take over and work to push to number 1.
Threats	We have several competitors in the mountain industry (Like Bikes, Gear 1, and CLLJ), and we have poor advertising and marketing research

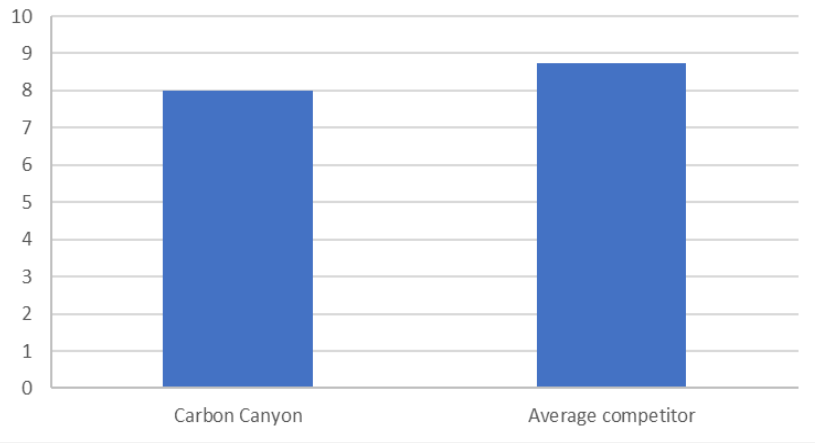
SALES STAFF AND OFFICE LOCATIONS

- NORAM: Toronto, NYC
- EUROPE: Amsterdam
- MEA: Nairobi

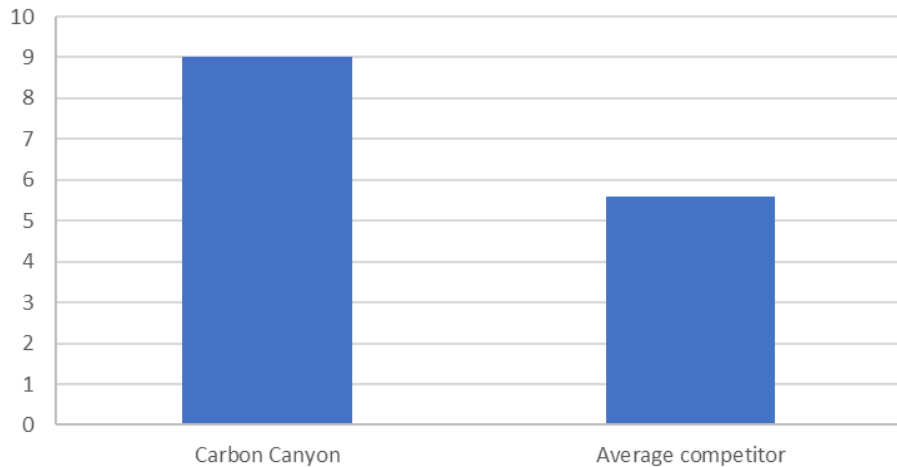


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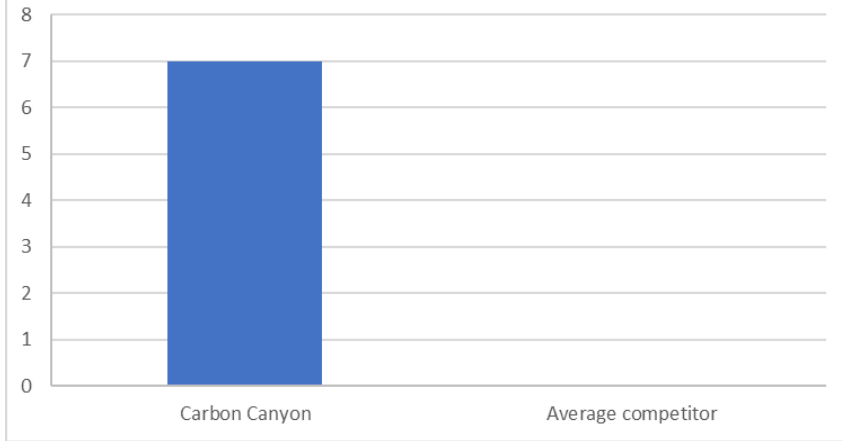
Sales staff in Amsterdam



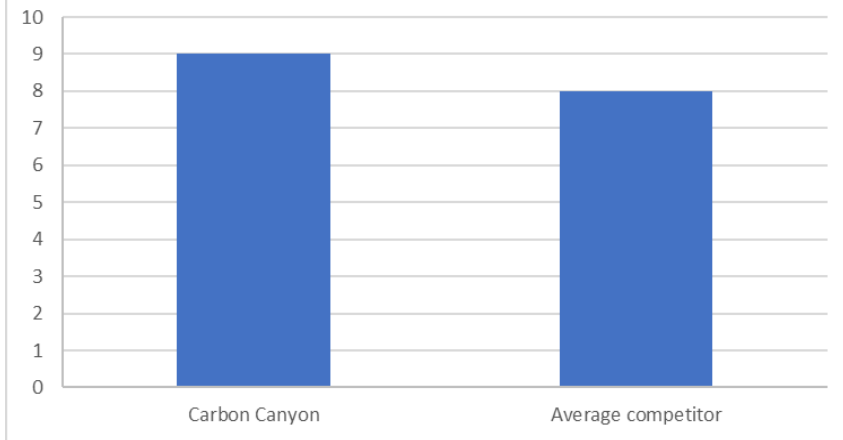
Sales staff in Toronto



Sales staff in Nairobi



Sales staff in New York City







WHAT WE CAN TAKE FROM THIS

- **What's next?** Carbon Canyon's key to providing success for our customer as well as our staff is to move forward by strengthening our core and emphasizing our mission statement. Our company wants to focus on the present by enhancing the existing services and products before widening our locations and target markets. We want what's best for our current people. As we say, "We value the need for a bicycle that fits your everyday leisure. Envision a powerful, deep-rooted product that has the ability to boost your health all the while of having fun!"
- **Marketing Strategy:** We will enhance our advertisements and dip into our funds to build our market research in our current locations. We can focus more on catering to each store itself to create global ads that support a countries needs/wants. We can look at behavioral patterns, lifestyle patterns, and more in NORAM, EUROPE, and MEA.
- **Sales Channel Strategy:** With increased utilization of our foreign markets through proper advertising as well as a properly staffed store, we plan to potentially close a store and to expand our more popular locations.
- **New financial strategy:** We are going to focus more on market research. This will help us gain a better understanding of what our customers want. Then, we can modify our advertisements to better attract our target audience.

FINANCIAL REQUEST

- Request \$150k to help our operating expenses
- Invest more in market research
- Invest more in advertisements
- Plan on focusing more on our lower performing bikes

 SPEED		
Good 	SpeedX 2.0 SpeedXTRA Excelor Speed	Like Bikes Like Bikes Power on Pedals Gear 1
Acceptable 	CC X Speed	Carbon Canyon
Poor 	<i>Poor ads, with an ad judgment of less than 70, are not listed. These ads did not contain the right mix of content to promote the benefits desired by this segment.</i>	

 RECREATION		
Good 	Weekend Rider Cruising Along Basic Comfort	Pedal Pushers Cycle Craft Group 8 Bikes
Acceptable 	Crusin around Choose Cruise CarbonXLeisure Power on Pedals Ultra Comfort	Pedal Pushers Cycle Craft Carbon Canyon Power on Pedals Group 8 Bikes
Poor 	<i>Poor ads, with an ad judgment of less than 70, are not listed. These ads did not contain the right mix of content to promote the benefits desired by this segment.</i>	
 MOUNTAIN		
Good 	MoutainXtra Reach the Sky Everest	Like Bikes Cycle Craft Power on Pedals
Acceptable 	ShredXCanyon	Carbon Canyon
Poor 	<i>Poor ads, with an ad judgment of less than 70, are not listed. These ads did not contain the right mix of content to promote the benefits desired by this segment.</i>	

PROFORMANCE CASH FLOW

- Steady increase
- 7 Million by Q6

Cash Flow					
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 5
Beginning Cash Balance	0	427,200	307,200	805,375	1,179,250
+ Investment from Corporate Headquarters	500,000	500,000	500,000	500,000	2,000,000
+ Net Profit for Division	-72,800	-620,000	-1,825	-126,125	496,226
+ Borrow Emergency Loan from Headquarters	0	0	0	0	0
- Repay Emergency Loan from Headquarters	0	0	0	0	0
Cash Balance, End of Period	427,200	307,200	805,375	1,179,250	3,675,475