

**PGDM-RM (2018-20)**  
**ENTREPRENEURIAL MINDSET**  
**Subject Code: RM 504**

**Trimester V End Term examination, December 2019**

Time allowed: 2 hrs 30 min

Max Marks: 50

Roll No: \_\_\_\_\_

**Instruction:** Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. In case of rough work please use answer sheet.

**Section A**

**Attempt any three.**

**Word limit: 300 words**

**M M = 10 \*3= 30**

1. How does an entrepreneur contribute to the growth of the society and the economic growth of a country? Discuss in detail (CILO-1)  
Or  
What do you think are the major reasons for the growth in entrepreneurship in India. Discuss in detail. (CILO-1)
2. List ten characteristics/ skills required to become a successful entrepreneur/intrapreneur. Critically examine each one of them to explain how they are of importance to success. ( CILO -3)  
Or  
What are the advantages or disadvantages of being the first in the market with a radical new product or service? Explain with examples. (CILO -3)
3. According to John Mullins 7-Domains Model, what are the seven questions that help in evaluating a business idea? Explain each dimension in detail ( CILO -2)  
Or  
What, according to Collin and Porras, are B-HAGs? How many types of B-HAGs are there? Explain each in detail with examples. (CILO -2)

**Section B**

**M M= 10\* 2 =20**

**Case Study is compulsory and is for 20 marks.**

# Seaside Organics

## Introduction:

On the evening of November 6, 2015, Sara Norton, majority owner of Seaside Organics, a leading producer of organic skincare products, was weighing the options before her. She and Seaside's CEO, Lisa Mackintosh, had met earlier that day to evaluate a proposal from Suriala, the supplier of an organic makeup line to Seaside. While Norton and Mackintosh had decided not to accept the proposal, they had found themselves in a heated discussion about what course Seaside should take next.

**The meeting with Suriala** had reignited Norton's excitement about launching an organic cosmetics line, an idea she had begun to explore earlier in the year. She knew, however, that it would have to be a line of Seaside's own. As she said to Mackintosh,

I have never promoted a product that was not conceived and created by my company, but I think we need to move quickly into organic cosmetics because we can become a leader in this space in just a few years. Who else has our current reputation and brand recognition in organic personal care? We have to act now to grab early market share, or someone will beat us to it!

For Norton, the excitement of envisioning a new venture was back. She asked Mackintosh if they could meet at 4 p.m. Then she sat and ran the numbers. Within a few hours, Norton had a rudimentary business plan. If they maintained their current year-over-year growth rate, raised prices on Seaside's premium skincare line by 10% and on the lower-tiered line by 5%, the company could fund the development of the new cosmetics line. With the price increases, the continued market trajectory, and the cosmetics launch, she believed Seaside could see a 75% increase in revenues in the coming year.

Norton was not prepared for Mackintosh's reaction to this proposal. Pacing in front of Norton's desk, Mackintosh told her that she thought the decisions to launch the cosmetics line right away and to raise prices could prove disastrous. Mackintosh then collected herself and said more calmly,

The cosmetics product line has merit down the road, but not now. We must catch up to the growth of the last few years and do some careful strategic planning. We can do both, and increase next year's revenues by 25%, if we focus on expanding retail distribution of our existing

products. We might expand internationally, but jumping into cosmetics now could drain our resources and dilute the brand we've worked so hard to build. The initial research we did in January made clear how fragmented the organic personal care market is. Further, our research suggested a price hike would alienate many of our current customers. We can't afford to do that.

When Mackintosh left her office, Norton closed her eyes. She had hired Mackintosh for her steady, deliberate approach to company management and growth, but those exact qualities might now hold back Seaside from an amazing opportunity. Was she herself overestimating the potential rewards? Norton knew that Lynne Shelton, her VP of marketing, would share Mackintosh's view. Lynne always demanded three to six months in order to verify an opportunity and test a product. Norton looked out the window at the darkened buildings and late-night traffic. Was this the time for her to consider cashing in on her personal stake and exiting gracefully so that Seaside could assume a life of its own? Her instincts had served her well in the past, but what was the right course of action now?

## Sara Norton: Background

In 1992, Sara Norton, a former soccer star, was thirty years old and working for a sports marketing company when she launched an organic snack bar for athletes. Unable to find what she was looking for—a convenient, tasty, all-natural protein-rich snack—Norton created one and bootstrapped the early stages of product development and manufacture. By 1998, she had grown the company, WellBar, into the one of the top five producers in the \$200 million health bar market. Norton recalled,

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Luck and timing contributed to WellBar's success. I created the product when the market was in its infancy, just before consumer interest in "power" snacks climbed sharply. I also benefited from a priceless connection. The father of a teammate was an executive at a large supermarket chain in the Midwest. He became my mentor, and made some key introductions that helped me to attract venture capital investment and receive my first purchasing order earlier than expected.

Norton's success came with significant stress: her quest for the perfect product had her involved in every aspect of the product's development. She reviewed all packaging designs and advertisements and sometimes worked through the night with graphic designers to craft a new one. Despite WellBar's rapid growth, Norton met each supplier to evaluate its trustworthiness before contracting with it. She also tasted and rejected many iterations of each product that the product development team had approved. Her deep involvement meant long and draining days and weekends for herself and her employees. Norton's personal life suffered. She had little time for friends, her commitment to exercise flagged, and her energy waned. Nonetheless, Wellbar thrived due to product excellence, increasing consumer awareness, and two exclusive distribution agreements with leading organic supermarkets.

In 1999, Norton rejected a product proposal that her senior management team had endorsed. Frustrated, half of her senior managers left the company for good. Within the same year, three of WellBar's competitors were acquired by large conglomerates. In 2000, WellBar was approached by a food conglomerate, Kaner Foods. Norton, pressured by the venture capitalists who controlled the board, eventually agreed to sell the business at a 25% premium. She earned \$16 million from the sale.

## Industry Overview

The last quarter century had seen significant growth and change in the organic food industry. The market for organic foods in the United States was roughly \$1 billion<sup>1</sup> in 1990 and \$39 billion in 2014.<sup>2</sup> In 2002, the U.S. government implemented standards for verifying whether a product was organic; prior to 2002, manufacturers could use the terms *organic* and *natural* in marketing and labeling efforts with little consequence if false.

The increase in demand prompted major changes in availability and exposure. In the early 1990s, 68% of organic products in the United States were sold in natural food stores, and just 7% were sold in conventional markets.<sup>3</sup> (Other venues included farm shares and farmers markets.) By 2000, 48% of organics products were sold in natural food stores, and 49% were sold in conventional markets.<sup>4</sup>

This growth began to spill over into the non-food market. As swaths of consumers learned of the potential dangers associated with repeated exposure to chemicals in everyday products, they became interested in organic health, skin, and beauty products. By 2013, the estimated global market had skyrocketed to \$8.4 billion, with the U.S. market alone contributing \$2.5 billion.<sup>5</sup> Continued growth of roughly 10% per year was projected for organic skin care globally through 2020.<sup>6</sup> The market for organic cosmetics lagged behind that for organic skin care, but growth forecasts were similar.

## Company History

### Early Development and Growth (2002-2007)

Late in 2002, Norton visited a small spa in Sonoma County, California, where she purchased an organic seaweed mud mask and an organic seaweed exfoliating scrub that were produced by a local company, Seaside Organics. Seaside limited its distribution to spas and natural grocers in California and Oregon. In addition to the mask and scrub, Seaside also offered a face cream derived from organic seaweed and other natural ingredients then in development.

Norton was interested in Seaside's use of local and organic ingredients; the company incorporated algae from seaweed along the northern California and Oregon coasts in its products. After learning more about Seaside and its young CEO, Lara Green, Norton called Green to offer advice as a former entrepreneur and potential mentor. Green welcomed Norton's business insights. Norton recalled,

When I met Lara, she was starving for guidance. She'd bootstrapped the company's initial stages with her own savings, plus investments from friends and family. By 2003, Seaside was on track to generate \$300,000 in revenues, but she felt overwhelmed. With only four employees, Lara was always putting out fires instead of focusing on the future. She didn't have a vision for growing Seaside. She also admitted that her passion was waning, despite the company's profitability.

With the consumer interest in this space, I grew convinced that Seaside had huge potential to grow, and I became excited to help shape its development. I missed working, and my experience in growing and running an organics business aligned with Seaside. Lara welcomed my insights, so the foundation for a good working relationship was there right from the start.

Subsequent meetings ensued and Norton invested \$100,000 in the company in return for a 25% stake and role as its president. Seaside's revenue model was simple: it made small batches of product and shipped only after clients placed orders. There was minimal sales outreach and no distributor. At times, products sold out and clients had to wait until a new batch was completed.

Norton was quickly entrenched in product development and operations, and focused on expanding the company's product line and team. Under her direction, the consumer line expanded to include face creams, and hand and body lotions.

With Seaside, Norton vowed to do a better job of balancing her own professional and personal goals and values. Instead of creating a distinct line between the two, she pledged to incorporate her priorities and personal beliefs into the company culture. Seaside would embrace eco-friendly approaches to product design, manufacturing, distribution, and operations. She observed,

Aligning my personal beliefs with company operations wasn't easy, but I was committed to "do good and do well." While that often meant choosing a path that was less profitable in the short term, the longer term benefits included strong customer loyalty, selective press opportunities, and, most importantly, a contribution to our collective environmental health.

Beginning in 2004, Norton made a series of provocative statements that catapulted her into the national spotlight and cast her, informally, in the role of spokeswoman for her industry. The first comment came while she was participating on an industry panel. She criticized Berger Industries, a large consumer products corporation, for using petrochemicals in its over-the-counter skin products, even though its marketing efforts implied those products were "natural." Norton explained, "I have a really hard time keeping my views to myself when I care deeply about something that is blatantly wrong. I made some enemies in the industry, but any PR is good PR. The press attention we received contributed to Seaside's revenue trajectory in those early years."

Michael Williams, founder of an organic trade association, noted that, "As an industry spokesperson, Norton helped shift organics from fringe to mainstream. Here was an accomplished entrepreneur who made socially impactful choices in her personal life as well as her professional life. She was a sophisticated, worldly professional, which, at the time, went against many consumers' perceptions of the customer base for organic products."

Norton continued to invest in Seaside; and, in 2005, Lara Green elected to sell her stake to Norton and focus thereafter on her passion for travel. Norton became CEO. By 2007, Seaside produced 10 products under the Seaside Organics brand, and the company was fueled entirely by its own earnings.

CEO Norton remained heavily involved in all product-related decisions, from product brainstorming and prototype testing to supplier evaluation, manufacturing and packaging. She believed in "products first," and explained that, "A great product is more powerful than great marketing. If we maintain the highest standards within all facets of the company, and if we create only organic skin products that meet or exceed the quality of competitors' offerings, consumers and retailers will find us. A great product sells itself; no amount of flashy marketing can build long-term success for a mediocre product."

Mark Stacken, a product manager who joined Seaside in 2007, described Norton's management style by saying,

Sara was a gifted innovator but a relentless micromanager. Once, when touring the test lab, she noticed some dust and grime on a machine's exterior casing. She interrupted the lab manager's presentation to ask for a sponge, and, while everyone watched, cleaned the casing herself. Sometimes her involvement delayed processes and stymied morale. I wasn't alone in feeling like I didn't have much ownership in my role as product manager.

Demand for Seaside's products grew by reputation, favorable press, and targeted marketing. Leading beauty and fashion magazines favored its products, and often included the brand in annual product rankings and "editor's picks" lists. Sales jumped significantly after a well-known talk show host cited a Seaside moisturizer as one of her "favorite things." Norton's reputation as an organics entrepreneur and industry pundit only strengthened the company's image.

### **Product Evolution: Design, Packaging, and Trademark**

Norton's initial advice to Seaside's founder had focused on three areas: expanding product lines, updating packaging to make it more environmentally friendly, and applying for trademark protection of the name "Seaside Organics."

When Norton tried Seaside's first face cream while it was still in development, she saw room for improvement. She found its consistency too fluid and its scent displeasing. She recalled,

Seaside's target market was women over forty years old who sought long-lasting hydration. I asked if I could hijack Seaside's production manager for a few weeks to help me experiment with the existing ingredient amounts in the small onsite test lab. We worked twelve-hour days for months, experimenting with different combinations of ingredients. Eventually we created a formula with higher amounts of seaweed algae. The cream was thicker, lasted longer, and offered enhanced anti-aging benefits due to the algae.

The scent, though, was still a liability. I didn't know a thing about fragrances, but a friend of a friend was a chemistry professor who specialized in olfaction. I hired him as a consultant to mask the lotion's malodorous scent with lavender. He worked offsite and presented three usable options four months later. I chose one and saved the others for future products.

When Norton first purchased her own Seaside product, she noted that it used four distinct layers of packaging. She believed that although eco-friendly packaging was more expensive, it would reflect the company's commitment to the environment and appeal to socially conscious consumers. Shortly after her arrival at Seaside, Norton researched recyclable packaging options and proposed packaging that was 85% recyclable, but 20% more expensive. She decided to use it without seeking any input.

The trademark issue was more complicated. Norton explained, "Seaside was the first company to use organic seaweed algae as an anti-aging agent in a hand, body, or face lotion, but our formula wasn't patentable. We instead consulted a trademark lawyer and, in 2003, obtained 15-year trademark protection for our brand, Seaside Organics, and for the design and color of our environmentally friendly packaging."

### *Product Manufacturing*

At WellBar, Norton had learned about the challenges of manufacturing a product internally. While she had not wanted to relinquish control of process, product, or manufacturing operations, the toll of maintaining facilities, managing production-line employees, and paying for machinery fixes had drained financial and managerial resources. Norton did not want to make the same mistake twice. Seaside would never be an expert in manufacturing. She contacted Westwood Organics, a manufacturer that held organic certification in edibles and non-edibles, and, together, they created manufacturing processes that aligned with Norton's social and environmental goals.

### *Product Distribution*

Norton also grew the sales team in order to secure shelf space in high-end spas and salons in all

major U.S. markets. The company had an online presence, but to avoid direct competition with its spa partners, Seaside did not sell its products to customers through its website. She also negotiated retail agreements with two national luxury department stores with 160 outlets. She observed,

Our products were expensive relative to over-the-counter products, but we had a loyal following of high-income women in their forties and fifties. More than 75% of our customers lived in major metropolitan markets. We'd focused on products for the luxury segment, and succeeded through product excellence, selective distribution, and positive press. I'm obsessed with quality. Our products and brand and were worthy of the growth I had anticipated.

**Effects of the Economic Recession (2008-2009)**

In 2007, as Norton was busy expanding the product line and establishing distribution channels into new regions, the U.S. economy was faltering. By late 2008, consumers at all income levels reined in spending in anticipation of layoffs and declines in savings. Demand for luxury goods and services plunged as consumers sought affordable alternatives. Amy Warren, Seaside's vice president of finance, described the situation:

In late 2007, we began to struggle to collect accounts receivable in a timely manner from many clients. By 2009, our depleted cash reserves threatened to disrupt our production cycle. That was a very stressful time for all of us. Sara was optimistic, but never communicated a long-term strategy to me or the leadership team. We operated in a vacuum. We did not know about Norton's plans to hire Lisa Mackintosh as CEO until after she had signed her contract.

Norton shared her own view of that time:

Consumers became more price sensitive, demand fell, and our accounts receivable ballooned. I was distracted and overwhelmed by the decisions facing me. I lost focus, and worried that the effects of one poor decision could devastate my employees and their families. Yet I kept all this to myself; I didn't want to expose my employees to fear or uncertainty. So I called my former colleague Lisa Mackintosh, who had been WellBar's CFO from 1995 until the sale.

Lisa is a gifted operational and financial manager whose strengths complement mine. She doesn't make decisions until she is ready, after extensive analysis. If Seaside survived the financial crisis, I knew Lisa would lead us responsibly into the future. We agreed that, as CEO, Lisa would have ultimate control of Seaside's daily operations. I would remain at the company as president and strategic advisor, and navigate the company's future path. I could once again focus on product, and plot future development and production cycles.

**Strategic Change and Expanding the Market (2010-2015)**

Norton believed that Seaside needed to expand into new customer segments in order to survive. Mackintosh, in contrast, did not want to fund a new product line with company resources during the recession, and worried about brand dilution. Norton's relentless pitches eventually won her over, and Mackintosh agreed to support the expansion *if* certain sales metrics were achieved.

By 2010, the company was ready to launch the first two products in the "Everyday" line, a lower priced alternative targeted to younger and less affluent consumers. Retail prices for Everyday averaged 30% of the original line's prices. Cost savings were attributable to less expensive ingredients, production, and packaging, as well as a business model that sacrificed higher margins (on most products) for broader distribution. Mackintosh leveraged struggling suppliers to negotiate favorable long-term pricing contracts for Everyday's lotion ingredients and packaging, while Norton sought competitive manufacturing bids.

When Seaside's production manufacturer resisted Norton's request to renegotiate its production costs, arguing that the changes needed to achieve a lower cost structure would reduce product quality, Norton turned to Chris Roland, who had founded an upstart manufacturer of organic personal care products. Although Norton was wary of giving so much business to an untested company, Roland

persuaded her to agree to a three-month trial partnership with no commitment. If not satisfied, Seaside could abandon the partnership at no cost. Norton agreed.

Roland's gamble paid off; his company worked overtime to figure out how to meet Seaside's requirements. Norton respected Roland's entrepreneurial drive to resolve manufacturing challenges independently and his company's use of technology to monitor product quality and waste. Seaside eventually shifted all its production to Roland in 2012, reducing manufacturing costs.

Mackintosh began analyzing the potential benefits of third-party distribution for the Everyday line, and concluded that this approach was necessary because she believed Seaside lacked the logistics capabilities to scale to the level of distribution required to reach a broader customer base. Norton, however, opposed this approach. Seaside's distribution had always been under direct company control. She commented,

I felt strongly that we should not relinquish control of distribution, and appealed to Lisa to leave that function in-house. I learned this lesson the hard way at WellBar, when a distributor mistakenly placed our products in a discount supermarket. Luckily, we discovered the error before the bars made it to the shelves. We've been very selective in whom we choose to sell our product, because we want our values to align with those of everyone in our distribution chain.

To distribute the new line of Everyday products across the United States, Seaside signed contracts with two national, high-end groceries whose customers fit the Seaside customer's demographic profile. The first was Hayfield Grocery, which focused on organic food and all-natural products, with more than 350 stores across the United States. Its customers paid premium prices for convenient access to wholesome, locally sourced food and all-natural, non-edible products. The second was Connie's Cocina, a grocery with an international focus and a strong mission to sell only products from companies with socially minded products and principles. Connie's Cocina had 400 outlets nationwide. Connie, the grocery's founder, was a Seaside Organics customer.

By 2015, the company produced 19 distinct products under two brands, "Seaside Organics" and "Everyday, by Seaside Organics." (See **Exhibit 1** for a list of Seaside products and associated retail prices.) The Everyday line was in more than 1,000 stores nationwide. Seaside also sold Everyday through two online retailers. It relied on a combination of its own trucks and contracted shipping services to transport its products to retailer distribution facilities across the country.

## Looking Ahead

In 2015, Seaside had 400 employees and more than \$89 million in revenue. (See **Exhibit 2** for a financial summary, and **Exhibit 3** for income statements.) Norton owned 58% of Seaside, while the remaining 42% was allocated to existing employees and to a pool for an employee stock purchase plan, which valued the company at five times earnings. With no outside investors, and only an informal board of advisors, the company was completely under Norton's control. She observed,

Entrepreneurs are motivated by creation, the challenge of building something new, and the reward of its widespread acceptance. Finance, marketing, and management are essential, but can be picked up on the fly. They are ancillary to passion and drive for product development.

An entrepreneur's hands-on, haphazard—sometimes messy—management style can work for smaller companies. I ran WellBar in this manner when revenues were \$500,000; I was involved in nearly all company decisions, so there was consistency across all functions. I thought of new products, I designed the packaging, I paid bills, I put out fires, and I hired new people. But what worked at \$500,000 no longer worked at \$5 million. The number of employees tripled, and I had too many decisions to consider. Fatigue led me to make bad decisions, such as the rejection of my team's recommendation in 1999, and that caused resentment and a loss of talent.

This said, Norton was excited by Seaside's possible future in cosmetics, but Mackintosh's resistance gave her pause. She felt trapped by the burdens of management, by the incessant operational challenges, and by the rising tension between her and her senior managers. She was not sure that



Seaside was prepared for the growth she projected. (See Exhibit 4 for Norton's 2016 projections.) She also considered hiring a new team of leaders with cosmetics experience. If she did, would Mackintosh accept them or sideline their efforts? More importantly, how long did Norton want to remain involved with Seaside? Should she retire and fully embrace the life she had intended when she sold WellBar? Would this possibility fulfill Norton, or would she regret losing the opportunity to bring environmentally friendly, health-conscious products to market?

**Exhibit 1 Seaside Products**

Year	Product	Price (\$)	Size (oz)
2002	Seaweed Exfoliating Scrub	35	8
	Seaweed Face Mask	25	6
2003	Seaside Organics Facial Moisturizer	56	4
	Seaside Organics Body Lotion	35	8
2004	Seaside Organics Hand Lotion	18	2
2005	Seaside Organics Eye Cream	62	2
	Seaside Organics Lip Balm	16	0.5
2006	Seaside Organics Facial Moisturizer (oily skin)	46	4
	Seaside Organics Facial Cleanser	36	8
2007	Seaside Organics Facial Serum	52	1
2010	Everyday by Seaside Organics Facial Moisturizer	16	8
	Everyday by Seaside Organics Body Lotion	14	8
2012	Everyday by Seaside Organics Eye Cream	18	4
	Everyday by Seaside Organics Facial Cleanser	12	8
2014	Everyday by Seaside Organics Facial Moisturizer (oily)	16	8
	Everyday by Seaside Organics Exfoliant	13	8
	Everyday by Seaside Organics Lip Balm	6	0.5
	Everyday by Seaside Organics Hand Cream	10	2
2015	Everyday by Seaside Organics Facial Serum	20	1

**Exhibit 2 Seaside Organics Financial Summary**

	Gross Sales	Net Income
2003	\$ 302,500.00	\$ 15,125.00
2004	\$ 335,100.00	\$ 23,457.00
2005	\$ 420,120.00	\$ 46,213.20
2006	\$ 252,651.49	\$ 37,897.72
2007	\$ 1,486,185.21	\$ 271,971.89
2008	\$ 2,124,789.54	\$ 86,408.15
2009	\$ 3,002,394.36	\$ 180,143.66
2010	\$ 7,505,985.90	\$ 525,419.01
2011	\$ 10,722,837.00	\$ 643,370.22
2012	\$ 18,487,650.00	\$ 554,629.50
2013	\$ 24,650,200.00	\$ 1,446,843.49
2014	\$ 45,404,609.84	\$ 3,740,843.49
2015	\$ 89,250,383.23	\$ 7,628,096.06

**Exhibit 3 Income Statement 2013-2015**

	2015	2014	2013
Net Sales	\$ 89,250,383.23	\$ 45,404,609.84	\$ 24,650,200.00
Cost of Sales	\$ 48,195,206.94	\$ 24,972,535.41	\$ 14,050,614.00
Gross Profit	\$ 41,055,176.29	\$ 20,432,074.43	\$ 10,599,586.00
Operating Expenses	\$ 25,015,129.74	\$ 11,646,282.42	\$ 8,373,672.94
Operating Profit	\$ 16,040,046.55	\$ 8,785,792.00	\$ 2,225,913.06
Income Tax	\$ 8,411,950.49	\$ 3,075,027.20	\$ 779,069.57
Net Income	\$ 7,628,096.06	\$ 5,710,764.80	\$ 1,446,843.49
Retained Earnings – year start	\$ 9,451,608.29	\$ 3,740,843.49	\$ 2,294,000.00
<b>Retained Earnings - year end</b>	\$ 17,079,704.35	\$ 9,451,608.29	\$ 3,740,843.49

**Exhibit 4 Sara Norton's 2016 Projected Earnings for Seaside Organics**

<b><u>Sales</u></b>	
Seaside Organics	\$ 85,662,841.00
Seaside Everyday	\$ 66,972,766.60
Cosmetics	\$ 3,115,012.40
<b>Total Sales</b>	<b>\$ 155,750,620.00</b>
Cost of Sales	\$ 78,744,568.00
<b>Gross Profit</b>	<b>\$ 77,006,052.00</b>
Profit Margin	49%
<b><u>Operating Expenses</u></b>	
Sales & Marketing	\$ 15,478,186.42
Distribution	\$ 5,339,746.42
General & Administrative	\$ 12,437,386.42
Research & Production	\$ 10,354,854.35
<b>Total Operating Expenses</b>	<b>\$ 43,610,173.61</b>
<b>Operating Profit</b>	<b>\$ 33,395,878.39</b>
Operating Profit Margin	21%