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The Stabilizer
Innovation Sports

Brace Yourself Inc.

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Impact Analysis Report

Brace Yourself
The Stabilizer
Innovation Sports

Abstract

Brace Yourself proudly presents a new brand of wrist brace: The Stabilizer. This new age wrist brace provides comfort without irritation or pain. This has been accomplished eliminating the irritating and sometimes painful metal support bar commonly placed over the palm. Instead, we have developed a brace made of two pieces of firm carbon titanium covered in polyurethane that provides for superior support. The hinge between the pieces is a triangular piece of spandex, which allows for the brace to mold fitting the patient. The polyurethane layer on The Stabilize makes for a hypoallergenic covering that does not irritate. Unlike the ace bandage and other braces like it, there is no rough cloth that gives the wearer a friction rash. We know that The Stabilizer is the best possible product to put on the market!

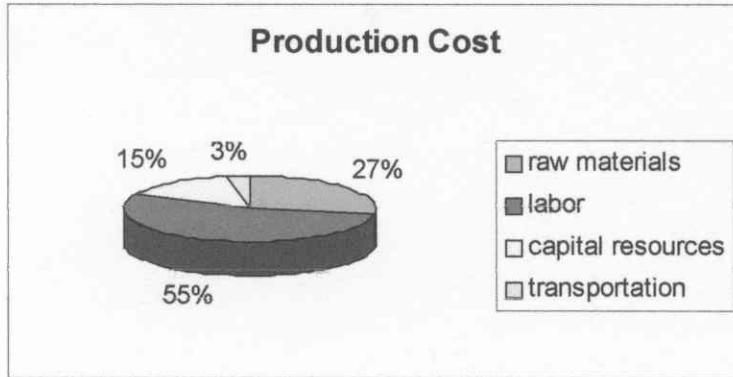
1.0 Product analysis

1.1 The Stabilizer uses the same manufacturing methods as the CTi and CTi2 knee braces. The Same machinery will be fitted with attachments to form The Stabilizer brace. With help and effort from doctors and the consultant team at Brace Yourself, Matt Keane has designed The Stabilizer.

1.2 The Stabilizer is a prescription product that will be sold through doctors. Because it is a prescription product, we will need a 510K, which we will get through the FDA (Kendrick).

1.3 Brace Yourself, Inc. has put many hours into determining the start up fees for The Stabilizer. We have organized the costs as illustrated in this graph.

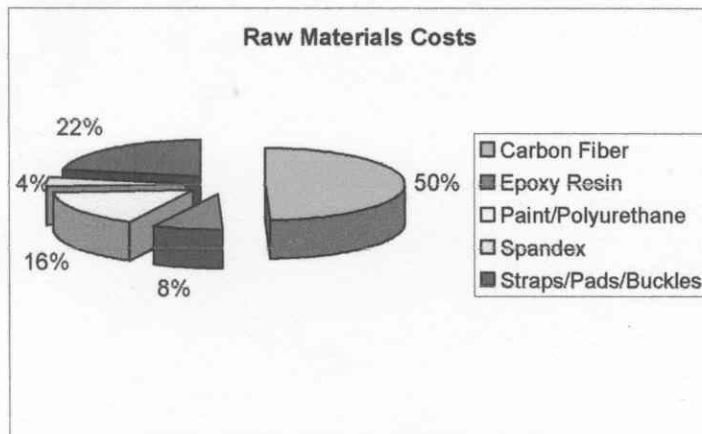
Category	# of units	Cost per unit	Total cost
Raw materials	2000	\$18.25	\$36,500.00
Labor	2000	\$36.50	\$73,000.00
Capital resources	2000	\$10.00	\$20,000.00
Transportation	2000	\$2.00	\$4,000.00
Total production cost	2000	\$66.75	\$133,500.00



2.0 Operation Analysis

2.1

Raw Materials	Per Unit	Annually
Carbon Fiber	\$9.00	\$18,000.00
Epoxy Resin	\$1.50	\$3,000.00
Paint/Polyurethane	\$3.00	\$6,000.00
Spandex	\$0.75	\$1,500.00
Straps/Pads/Buckles	\$4.00	\$8,000.00
Total	\$18.25	\$36,500.00



2.2 There is an existing deal between Innovation Sports and FedEx that we will utilize in shipping our materials.

2.3 There will be \$20,000 per year that will be set aside to pay for the equipment retooling and repairs.

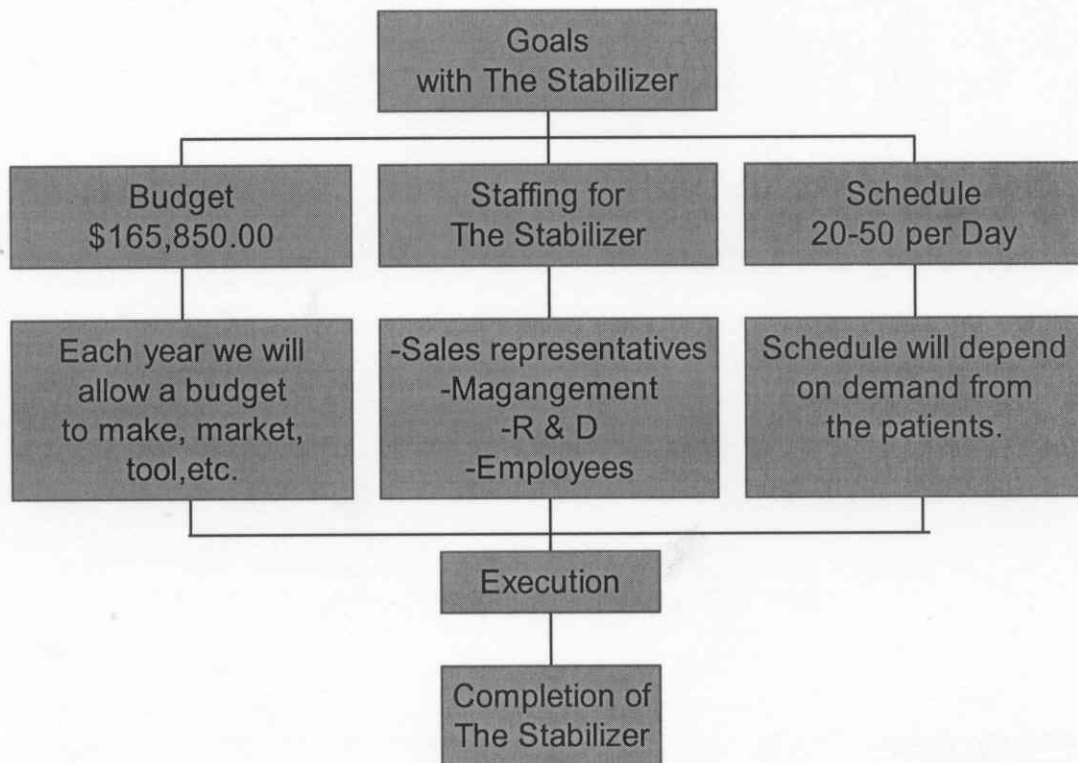
2.4 The equipment at the Innovation Sports production facility will be fitted with attachments to allow for production of wrist braces.

2.5 We plan to have approximately 10-20 units produced per day, but if there is a demand up to 50 can be produced daily without interfering the knee brace production.

2.6 Currently Innovation Sports keeps there projected rejection rate a little less than one percent for established products and one percent for products that are new to the market.

2.7we will establish our own team that will handle all of The Stabilizer’s production needs. The massive excess of storage space does this. The paint room shall be already provided and the doctors will be told about us through the already established innovation sports line sales representatives.

Organizational Flow Chart



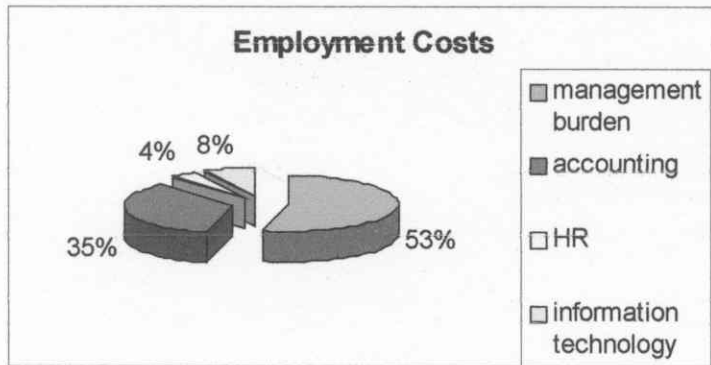
2.8 the inventory will be controlled by the specialists that innovation sports currently have working for them. This will provide no extra costs and we know the job will be done correctly.

2.9 Orders will be taken through commissioned doctors.

2.10 The existing contract between FedEx and I-Sports will be used for transporting the raw materials and the final product.

2.11

Employment Costs	Cost
Management burden	\$7,000.00
Accounting	\$4,500.00
HR	\$500.00
Information technology	\$1,000.00
Total	\$13,000.00



3.0 Sales analysis

3.1 The Stabilizer is going to be a doctor prescribed product and will be ordered directly through the doctor. All doctors will be paid a commission of 10%.

3.2 Retail stores will not be used because the brace will be ordered directly through the doctors and delivered to the doctor's office.

3.3 The doctors that already sell the Innovation Sports braces will be informed that a new brace, The Stabilizer, has been added to the product line and that sales of the brace should start immediately. With this notice we will send a packet specifying how to fit a person to a brace.

3.4 We need a 510K registration to sell this as a prescription product. We finalized for this registration through the FDA.

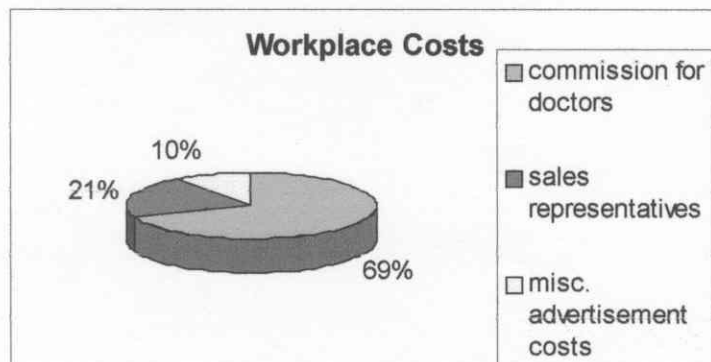
3.5 We have set aside \$6000 to produce the sales packet, which includes advertising materials.

3.6 We will promote our product through medical professionals who already distribute the Innovation Sports product line to the public.

3.7 Refunds will be handled on an individual customer basis. We will try and meet all their needs to the fullest of our capability. The goal is to satisfy the customer.

3.8

Workplace Costs	Cost
Commission for doctors	\$13,350.00
Sales representatives	\$4,000.00
Misc. advertisement costs	\$2,000.00
Total	\$19,350.00



4.0 Future Outlook

4.1 With our predicted sales of 2000 units and all costs taken into account the final selling price will be \$124.39. Here is a breakdown chart of the costs.

Total Manufacturing Costs Cost

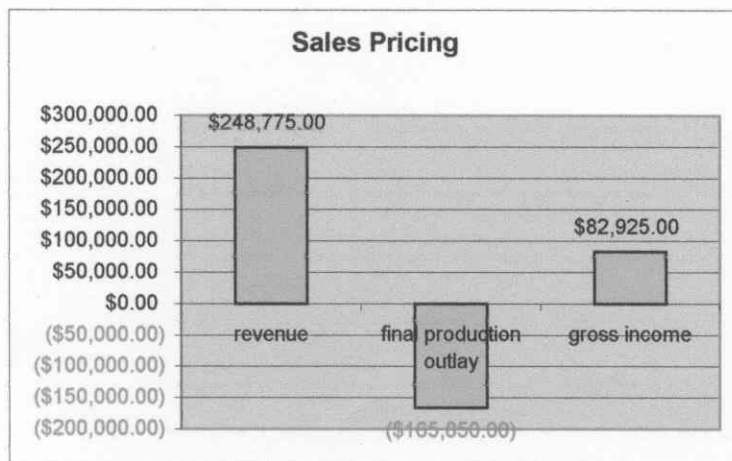
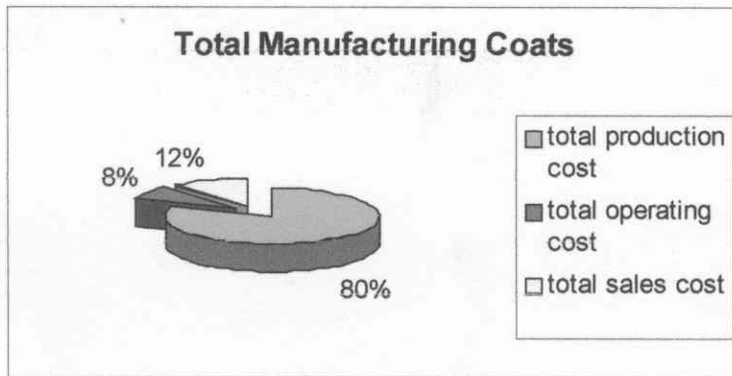
Total production cost	\$133,500.00
Total operating cost	\$13,000.00
Total sales cost	\$19,350.00
Final production outlay	\$165,850.00

Sales Pricing

Profit margin	50%
Revenue	\$248,775.00
Final production outlay	(\$165,850.00)
Net income	\$82,925.00

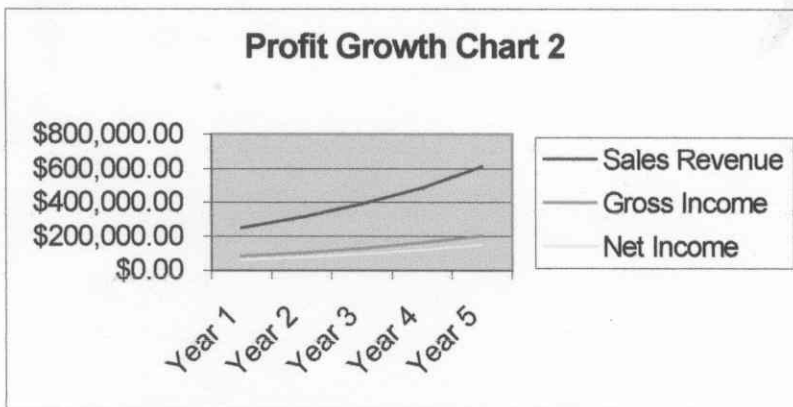
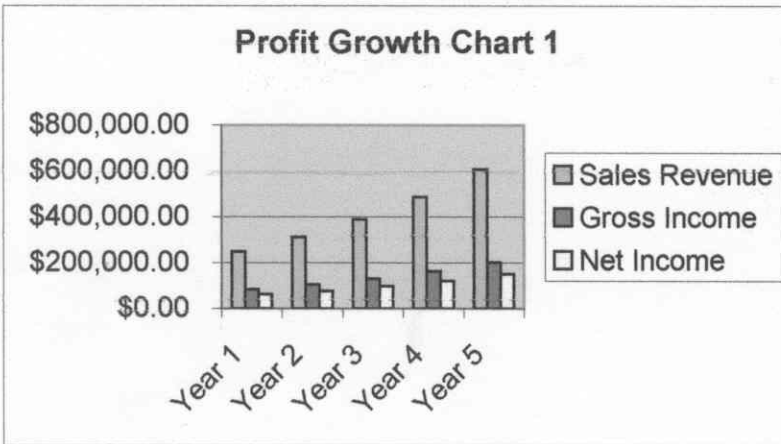
Final Price

Final selling price per unit	\$124.39
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4.2 We plan for Innovation Sports to increase their sales by one quarter of the previous year for the first five years as shown below.

Annual Estimates	Year 1	Year 2	Year 3	Year 4	Year 5
Sales Revenue	\$248,775.00	\$310,968.75	\$388,710.93	\$485,888.66	\$607,360.83
Total Production Outlay	(\$165,850.00)	(\$207,312.50)	(\$259,140.63)	(\$323,925.79)	(\$404,907.23)
Gross Income	\$82,925.00	\$103,656.25	\$129,570.31	\$161,962.89	\$202,453.61
Taxes (25%)	(\$20,731.25)	(\$25,914.06)	(\$32,392.58)	(\$40,490.72)	(\$50,613.40)
Net Income	\$62,193.75	\$77,742.19	\$97,177.74	\$121,472.17	\$151,840.21
Total Income	5 year total net income		\$510,426.06		



Resources Consulted

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Brace Yourself



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The Stabilizer

- **Revolutionary new brace!**
- **Eliminates the irritating metal support bar**
- **Made of sturdy carbon titanium (CTi)**
- **Has a adjustable spandex hinge**
- **Does not irritate the skin cause a rash**

Raw Materials Chart

Raw Material

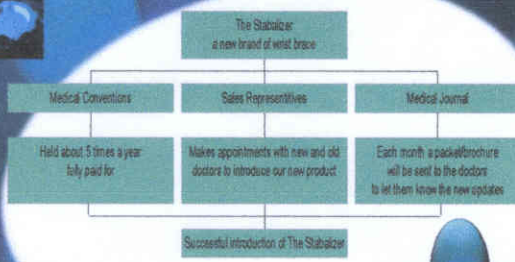


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Advantages

- **The doctors will receive 7.5% commission**
- **No retail stores, Stabilizer comes direct from Innovation Sports**
- **No added pricing**
- **Custom Fit**
- **Satisfaction guarantee**

Introduction Plan of The Stabilizer



The Stabilizer
 a new brand of wrist brace

Medical Conventions: Held about 5 times a year fully paid for.

Sales Representatives: Makes appointments with new and old doctors to introduce our new product.

Medical Journal: Each month a pamphlet/brochure will be sent to the doctors to let them know the new updates.

Successful introduction of The Stabilizer

Operations

- **Shipping - FedEx**
- **20,000/year for retooling & repairs**
- **Use existing equipment**
- **10-20 units per day**
- **1% rejection rate**
- **Lots of extra space for production and storage**

Brace Yourself Inc.