

Pennies 4 Progress Business Plan - NCSU

UNC Social Business Conference

“Empowering Pennies. Engaging Businesses. Strengthening Communities.”



pennies 4 progress

Social Problem Addressed

Not every company is a social business but every company can give back to society. Raleigh is one of the fastest growing cities in the country and many businesses are sprouting up that want to make this world a better place. Making a long-term impact requires a lot of time and energy, which these businesses do not have. There is an entire sector of the local economy that can contribute to building our local and global community, but there is not an effective method to easily make a social impact.

Proposed Solution: Business Model & Service

“Pennies for Progress” (P4P) is a not for profit making it easy for any business to make a positive social impact in their local community and abroad. A penny is virtually worthless to an individual American consumer, but abroad our daily purchases can move mountains. Through P4P, businesses add on a one-cent donation from the customers to the total of every transaction at their store. This penny supports micro-finance (MFIs) partners abroad, and once the initial loan is repaid, supports local community projects (i.e. food drives, community gardens, hospitals, etc.). Every transaction makes an impact at home and abroad.

By enabling the everyday consumer to make an impact on the world, P4P enables consumerism to drive social progress. P4P supports itself by using 5% of donations after loans are repaid at 3% to cover our overhead and expansion of the brand.

Market Analysis and Strategy

Our partners are for-profit businesses who want to make this world a better place in the most efficient and effective way possible. P4P targets local business, small and large, in the Raleigh/Wake County community. We focus on developing our brand as the leader in charitable giving by highlighting our ability to make each donation twice as powerful. P4P partners with powerful voices in the local community like North Carolina State University and the Food Bank of Central and Eastern NC.

While working with businesses that wish to be a part of Pennies 4 Progress, our initial targets are grocery stores. The comparative advantage is their high volume of individual transactions. The grocery store chain Food Lion is an example of an ideal partner. Their entire company contributes about 1.4% of their net profit to Corporate Social Responsibility (CSR) in 2009, and what we offer is, in essence, free CSR directly from empowered consumers. Each store could contribute around \$3,650 per year, meaning that Food Lion stores in Raleigh alone would contribute \$76,650. If this innovation were applied to all their North Carolina Stores, we would raise \$1.8 million to contribute to abroad and in our backyards. We received good feedback and interest from the Food Lion regional CSR department, and they are only one of nine grocery store chains in North Carolina.

The US ‘supermarket’ market alone has the potential to raise \$133 million/year.

pennies 4 progress

Pennies 4 Progress Business Plan - NCSU

UNC Social Business Conference

“Empowering Pennies. Engaging Businesses. Strengthening Communities.”



pennies 4 progress

Financial Plan & Sustainability

Pennies 4 Progress has an initial startup capital of approximately \$5,000 from enrichment stipends, grants, and personal contributions. After this foundation, we can cover all of our startup cost including but not limited to legal incorporation as a 501c3 non-profit organization and initial marketing cost to connect to local businesses and supermarkets.

Year	1	2	3	4
Stores	2	21	250	503
Donations	\$7,300	\$76,650	\$912,500	\$1,835,950
MFI Returns	\$7,960	\$83,580	\$995,000	\$2,001,940
Marketing Expense	\$200	\$4,200	\$50,000	\$100,600
Personnel	\$637	\$6,686	\$79,600	\$160,155
Cash Reserves	\$398	\$4,179	\$50,000	\$50,000
Community Donation	\$6,725	\$72,694	\$865,400	\$1,741,185

Pennies 4 Progress is sustainable on an accrual basis and in the long term, will grow to additional firms. We will structure our secondary giving program in such a way that we are able to operate off of the interest revenue from MFI loan returns.

Social Impact

Empowering every business to contribute to social business, we strive to start a revolution of innovative financing. P4P will fund solutions to the world’s biggest problems one penny at a time.

Raleigh Food Lion stores (with local donations supporting the Food Bank)

STORES	LOANS DISTRIBUTED	MEALS PROVIDED
20	\$75,000	300,000

North Carolina Food Lion stores

STORES	LOANS DISTRIBUTED	MEALS PROVIDED
500	\$1.8 million	7,300,000

Team

Ryan O'Donnell, CEO - Chief Executive Officer

Ryan has worked closely with universities and grocery stores, like Food Lion and Wal-Mart. By leading the NCSSM Food Drive, he has raised over \$100,000 and 900,000 pounds of food by using social media and forming strategic partnerships with the NC network of Food Banks.

Brandon Narybouth, CFO - Chief Financial Officer

Brandon has worked in the accounting department at Charlotte Douglas Airport, and as a financial analyst intern at The Futures Company in NYC. He also holds a portfolio of investments in numerous companies within the tech sector that have had capital gains through the recession.

Kevin Miller, CIO - Chief Innovation Officer

Kevin has worked at the Unreasonable Institute, a social entrepreneurship incubator dedicated to solving the world’s biggest problems, is a founding member of the non-profit Que Lo Que working to build relationships in the Dominican Republic and promote global citizenship in the US.