

### Business Acquisition Series (BAS): Part 3

**Business Product:** Pre-tied wool scarf

**Business Idea:** Winter is approaching and this winter season in Korea is supposed to be one of the longest and coldest on record. As an office man, I hate tying my scarf since it looks goofy sometimes. I wanted to market a product which protects exposed skin, such as the face, ears, neck. It is difficult to cover the face and ears, in a fashionable way, especially for office workers. The best product looked like a scarf and a scarf for those who feel awkward tying them. Similar to a pre-tied bowtie.

**Demographic:** Male, 20-40, office worker; salary KRW 20K-40K

**Google Search Result:** Could not find competing products. Rightly so? A guy who is clumsy enough to not be able to tie a wool scarf would be less likely to search for the wool scarf online. He is oblivious of the fashion world.

**Product highlight:** Design is key, since they will match the clothes with the design. Simple black works well, or grayish tone, for a matching look.

**Distribution:** Local delivery services. Been considering local flea markets. I love flea markets. They have so much life and energy. However, it is not a great site to market products, since many people visit for people gazing than purchasing items. Sure, some may like vintage clothing but for the most part, I would say 80% of the visitors are there for a good time. Goods sold in flea markets are assumed to be used, discontinued, or flawed goods. The pre-tied scarf idea is not a luxury, novelty item. It is for the common man, so we are not going to write off flea markets.

**Financing:** Should buy at least 3000 non-labeled scarfs. Need at least \$30,000 for the wool scarfs alone and maybe another \$500 for the tying mechanism and admin related cost. \$1000 total.

**Ownership burden:** A lot of time, but it can be less burdensome once the first few supplier contracts are signed with retail stores.

**Client base:** Manage/operate online store, flea market and sell wool scarves directly to retail stores.

**Economically feasible?**

Cost: \$1-\$5 for the scarf

\$5 for the tying mechanism

Retail Price: \$20-\$30

**Valuation:** Due to the seasonal nature of the product, we can only profit for 3 months out of the year. We haven't seen zipper, or pre-tied wool scarves so we think it could take off. If we sell 1000/month grossing \$10 each, that is still \$10,000, or \$30,000 for a \$30,000 investment. A 100% return.

**Prototype:** Zipper Scarf



**Conclusion:** Not a valid business idea. Economically unfeasible, too much work to market/distribute.