



COMPANY REPORT

Carducation



2022

JUNIOR
Wirtschaft erleben



**JA
Europe**

Member of
JA Worldwide

Germany
Eichendorffschule
Kelkheim (Hessen)



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2. EXECUTIVE SUMMARY

In the formative stage of our company, „The source of all good lies in play.“ This popular quote by the pedagogue Friedrich Fröbel in the 19th century, still applies today. After intensive brainstorming, we - 15 students of the 11th grade at the Eichendorffschool in Kelkheim - quickly agreed to the following key idea: We wanted to take up social and political problems and illustrate them in a playful way. We quickly came up with climate change - one of the undisputed biggest problems of our age. In order to counteract it in the long term, everyone needs to not only know about it but really understand the problem in its complexity. Therefore, we made it our mission to provide education that is easy to comprehend. What better way to do that than with a game? Save the world at the kitchen table, learn something new and have fun at the same time! From now on it is our ambition to follow our motto, to be „problem solving, [and] mind evolving“. The naming on our company was influenced by the decision to develop card games. The composite of the two words „Card“ and „education“ emerged as the most popular suggestion, as it best embodies the core idea of our company. The name of our first game was derived from this: Ecucation, a combination of „Eco“ (=Ecology) and „Education“. Now the production team was in full swing: Cards and rules were worked out from scratch, revised, partially discarded, and started over again. The marketing

team worked hard on our corporate design and so many posts were created for our social media channels as well as a high-quality website. 90 stocks were sold, some of them also to political celebrities such as our Federal Minister of the interior Nancy Faeser - including a photo. Press releases were written and published, reporters and a professional game developer visited us in our meetings. A short time later, development entered the hot phase. We found two local advertising partners the „Taunus-Sparkasse“ and „Mainova“, further we obtained several offers from local print shops. Our premise: sustainable production with the FSC certificate. Once we had a first prototype, we entered the testing phase! Afterwards the optimized game went to print. A short time later the game was presented to the public at our release party. The search for distribution partners was also successful: Six regional retailers offered the game for sale. In addition, the Junior-Marketplace and weekly markets were key distribution channels to sell our product. Shortly after the first copies were sold, the production team took care of the translation for an English version and the development of a new game on the subject of conspiracy theories. Whether the company will be continued after our year at Junior? Quite conceivable, with all of our ideas! After all, the source of all good lies in the play.



D Rodin

Dennis Rodin,
Chief Executive Officer



Ben Herrigt

Ben Herrigt,
dpty. Chief Executive Officer

3. OUR TEAM

We as a team analysed and contrasted each individual strengths and weaknesses at the beginning of the project. After fully analysing every company member, we shaped and sharpened the departments. Because of the intersections between departments duties, a perfect communication between each other

is needed. We have to function as a team.

In the following, you can have a look at any of our board members and discover individual strengths.



Dennis Rodin
Chief Executive Officer

strengths:
confident appearance
excellent team coordination
optimal conflict resolution



Ben Herrigt
dpty. Chief Marketing Officer

strengths:
outstanding quality work
strong time management
creative problem solving



Eliana Illy
Chief Marketing Officer

strengths:
responsible
communicative
organizational talent



Tomas Fonseca
Chief Financial Officer

strengths:
versatile thinking
determined
dedicated



Larissa Dierl
Chief Technical Officer

strengths:
highly proactive teamwork
collaborative work skills
organizational talent



Winona Best
Chief Communications Officer

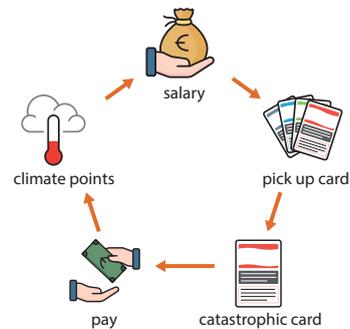
strengths:
self-confidence
rhetorical talent
flexible mind



4. BUSINESS CONCEPT

In the formative stage of our company, we realized that we wanted to develop a product that would help raise people's awareness of various social and political issues. However, we were faced with two questions: What specific issues should we address? And how do we manage to convey the information in a sustainable way? That's how we came up with the idea of developing games. Because not only do children learn better by playing, but adults can also be reached through games. This feature connects generations. After many considerations, our product idea specialized on card games. These are not only cheaper to produce and therefore sell than board games, they are also easier to handle and therefore suitable for travel. This is how the name "Carducation" formed. We knew that the first game to be launched would be the flagship of our company. So, it had to deal with one of the most important issues of our time: climate change. This issue determines today's life and the future of current and future generations. The particular challenge was to fit this complex topic into a card game that would not only educate but also be fun. We began to ask ourselves a wide variety of questions about the topic: - Who or what is causing climate change? - How can we stop climate change? - Is this still possible at all? - What are the conflicting factors? It was very important to us to remain as close to reality as possible. We didn't want to embellish or simplify anything in order to make the game easier to develop. Keeping the game from becoming too complicated turned out to be more

difficult than we thought. Therefore, we had to do it without various factors such as political aspects and could only incorporate them indirectly through trade options between players. The players act as states, but they do not represent any particular state. They pursue the common goal of reducing global warming, because the consequences will get more extreme, when the temperature rises. Nevertheless, they act selfishly, since all countries have to make their decisions based on their interests and keep an eye on their finances. Step by step, we arrived at a game structure with four stacks of cards as well as a DisasterScale which shows the state of global warming.



The concept of the game was ready, but during the test phase it turned out that a good theoretical idea is not always as easy to put into practice. Over the next few weeks, we repeatedly adjusted values and discarded game instructions in order to make the game more reliable in its execution. A great help was Frank Heeren from the game publisher Feuerland from Eppstein, who helped us with advice and his own experience reports. Furthermore, we would like to thank all the of volunteers who helped us optimize Education with their feedback and ideas during our week-long rehearsal phase. The many hours of work were worth it, because in the end we created a game that explains the relationship between climate and economy, shows how investing in innovative ideas can help and illustrates why there is no alternative to taking action on climate change now.



5 MARKETING

First of all, the marketing department dealt with the topic of logo design. In sketches we had different elements such as cards, a tree, glasses, a light bulb or the earth, which could stand for our card games. After our ideas became more and more precise, we started to digitize them, but we lacked the know-how, so we passed our sketches on to a graphic designer. In several meetings we tried out different colour and shape combinations. The result: Our logo consists of a dark blue ellipse in the background. The two words which form the company name are separated by a break. Behind the „U“ we placed the playing cards as a design element. The „U“ can also be interpreted as „you“ and is intended to

address the players directly. A mortar-board symbolises education.

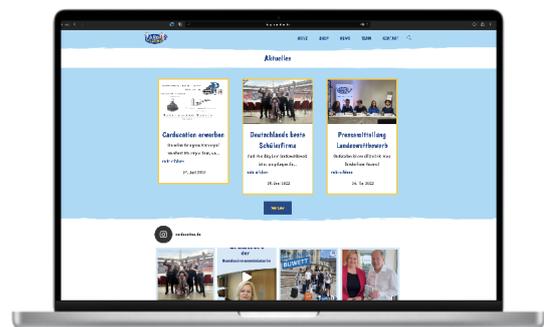
To increase awareness of our start-up and to give potential shareholders compact information, we printed flyers that draw attention to us and our idea. After the release of the game, new flyers and a roll-up were created. In collaboration with a motion pictures student from the Darmstadt college an image film was created, which we use to present ourselves. For the official market launch, a release party was organised to which shareholders, the press and other interested parties were invited. To celebrate the day, a cake in corporate design was served.

5.1 ONLINE-MARKETING

We see online marketing as the greatest opportunity to draw attention to our company and to sell our product. It was clear to us that we could reach a large number of people almost free of charge. In doing so, it was important to us to establish a brand. We implemented our corporate design consistently throughout our content. This design received a great amount of positive feedback.

On our Instagram and Facebook profiles, we not only provide information about our current developments, but also continue our philosophy of educating people through fun and games. We regularly upload information-posts about the topics of our cards. For example, there was an information-post about one of our disaster-cards with the theme of floods. On three slides we summarised how floods occur, which effects they have

and which consequences such disasters can have for us humans. Our goal is to give social media users a positive impression of Carducation, since they just learned something new. Intuitively, they then associate something good with Carducation. In addition to information-, Behind the Scenes- and further posts we also inform our 348 followers about our stock sales. Another component of our online marketing is our website Carducation.de (the company's digital flagship), which is linked to the Junior Marketplace and the Instagram feed. Our marketing team has invested a lot of time in the design and acquired new skills in the use of website construction kits and programming.



5.2 PRESS

First of all, the marketing department Even in the earliest stage of development, before we even held the physical product in our hands, the regional newspaper „Höchster Kreisblatt“ visited one of our meetings with great interest in our eager work. From then on, we made it a habit to regularly release press announcements and send them to various media, mostly newspapers, some of which even continue to print them word for word. This enabled us to gain a very

good amount of public interest, which was very local at first until recent events like our release-party and the winnings of the state- and national competitions made our range grow wider and wider. Lately, some of the biggest German media outlets who were proud to report on our start-up were Radio Frankfurt, Hessenschau and Hr broadcast – two of which even had us as their guests in their live shows.



5.3 DISTRIBUTION

With very new idea for a new product arises the same old question again: How do we best gain attention of potential customers and get them to buy our games? To answer that, we first need to define our target group. We define our target group to be very wide-ranged and heterogeneous, since more than one third of all Germans enjoy playing party games. Therefore, the game was deliberately designed for young and old. However, reaching younger generations is most important to us; on one hand, because they are most exposed to dangers and consequences of climate change and yet don't always fully understand the causes, on the other hand, because according to studies, learning playfully helps with the development of a deep and lasting understanding of complex issues.

Selling our game at local retailers is part of our company philosophy, since those have suffered greatly due to the pandemic and the strong growth of online shopping sites. We view book-, toy- and stationary stores as the most suitable distribution partners and have already gathered six of them and designed our very own shop windows at their stores. These partners receive the game at a net price. Additionally, we regularly present ourselves at local weekly markets, where we directly approach potential customers and also offer credit card payment. Nevertheless, we realize that we cannot do without a solid online store in the digital age. Therefore, we rely on our Instagram shop and the Junior Marketplace. When people order our game via one of these options, they are able to choose between self-pickup and home delivery.

6. TESTIMONIALS

Many politicians from the federal, state, and local levels purchased shares from us, most of whom visited our team meetings and, in some cases, also tested the game. This motivated the team and generated a lot of media exposure.

We managed to win two mayors, a district administration, as well as two members of the federal state parliament.

Thanks to good networking, we extended our connections further and personally met Norbert Altenkamp and Kor-

dula Schulz-Asche, two representatives of the "Bundestag". Especially the latter helped us to extend our influence. Her enthusiasm for the game led her to distribute it in her political circle. This is how our game found its way to Nancy Faser Minister of the Interior and Robert Habeck our Minister of environment and economy and Vice Chancellor. Nancy Faser in particular was so impressed by our innovation, that she gifted Education to our Chancellor Olaf Scholz.

Olaf Scholz
Federal Chancellor



Robert Habeck
Federal Minister for Economics



Nancy Faeser
Federal Minister of the Interior



Kordula Schulz-Asche
Member of German Parliament



7. FINANCES

At the beginning of the business year, we sold 90 shares at 10 € each. After obtaining the first quotes from various print-factories, we quickly realized that the 900 € share capital would not be enough to cover production costs. The costs for the playing cards, play money and packaging alone amount to around 1,515 € net. The strained global paper market is currently

currently causing higher costs and wide fluctuations. The offers we received could therefore only be guaranteed for a short period of time, resulting in greater time pressure for us. However, at the end of February, the printing order for a first edition of 500 games could be placed. To cover the costs, we therefore had to find advertising partners. Therefore, we sent inquiries to various companies and received two offers. We received 750 € from "Taunus-Sparkasse" in return for printing their logo on our packaging. We found another advertising partner, our energy supplier "Mainova AG". For a total of 1,100 €, we printed their logo on our packaging and designed a special playing card on the subject of hydrogen mobility in cooperation, which can be found as an exclusive card in our first Education edition.

In addition to the printing costs, there are marketing expenses of around 100 € net, as well as personnel costs. All in

all, the entire team had worked around 580 hours by the end of Mai. This implies that approx. 137 € were spent on Staff in the past months.

After calculating several financial planning scenarios, we decided to sell Education at a price of 9.99 €. This keeps us below the psychologically important threshold of 10 €.

Assuming that we sell all 500 exemplars, we expect a turnover of around 4,200 €. By the reference date, 131 exemplars had been sold. With variable costs of 3.08 € per game and remaining stock of 369 games, this results in an inventory value of around 1,136.00 €. The profit margin is 5.31 €, which is why the fixed costs were covered fast and the break-even point quickly reached. This means that the break-even point will be reached even without the advertising partner shares required for prefinancing. The book value of the share on the reporting date is 18.20 €. To do our bit for the environment, we will plant a tree via „growmytree“ with the sale of every ten games. This would correspond to 48 cents per game, reducing the profit by 240 €. After deducting anticipated costs for staff (approx. 110 €) and Marketing (approx. 50 €), we expect a profit of approx. 3,600 € before tax or approx. 3,000 € after deduction of 15% corporation tax. The expected book value of a share would be around 44 €.

PROFIT AND LOSS	
sales	2,872.62 €
personnel cost	
salaries	-299.25 €
income tax + social contributions	-171.00 €
cost of materials or other	
expenses	- 1,611.56 €
liabilities	- 0.00 €
inventory	+1,136.00 €
PROFIT BEFORE TAX	= 1,962.81 €
corporate tax	-289.02 €
PROFITE AFTER TAX	= 1,637.79 €

BALANCE SHEET			
inventory	1,136.00 €	share capital	900.00 €
receivables Junior	0.00 €	annual net profit	1,637.79 €
receivables customers	0.00 €	provisions for corporate tax	289.02 €
cash	1,704.04 €	liabilities Junior	13.23 €
		liabilities suppliers	0.00 €
SUM	2,840.04 €	SUM	2,840.04 €

8. COMPANYS FUTURE

In view of rising sales in the parlour games industry, we are optimistic, that we will be able to print a second edition. With the feedback we have received about the first edition, we want to optimise the second edition. We translated our game to English so that we can sell it to non-German speakers as well as in non-German speaking countries. Our partner schools abroad can be the first distribution partners. In Hessian schools, the climate change is an integral part of the curriculum. Education has already been tested in some classes of our school in politics & economics lessons. Due to the invariably positive feedback, we have set ourselves the goal of cooperation with other schools, to teach the importance of climate change to as many students as possible through our game. Hopefully, GenE 2022 will support our international marketing, by expanding our global network. For Carducation, however, it should not remain just one

game. We use what we have learned so far about design, time management and division of labour to improve the development of our next card game about conspiracy theories. In recent years, and especially during the corona pandemic, there has been an extreme increase in hoaxes, fake news and conspiracy theories. Our next game is preoccupied with the different ways this false information is spread and why people get infected by it. The federal ministry of the interior already showed interest and proposed a cooperation, which might lead to financial support. But besides climate change and conspiracy theories, there are a lot more social and political problems for us to cover, like the refugee situation – the reasons and ways to cope - or communication gaps between generations, which lead to misunderstandings. There are always going to be problems, but expressing them leads to understanding and change.