



# UA'nd We

Student company report

Teachers: Epp Vodja & Madis Vodja  
Ukraine 2022

# 1. Executive Summary



## *You and We Together!*

**Product:** Ukrainian national cuisine for the Estonian market.

**Mission statement:** To share our love towards good food and Ukraine.

**Slogan:** You and We Together!

**Summary statement of activities:** Even though we started a student company not in Ukraine but in the foreign market and in the last days of April, we've reached outstanding results. The dishes were sold at 5 trade fairs for more than 400 customers. Our successful experience showed Estonians are eager to buy Ukrainian dishes as well as tourists so we can scale this idea up. There are already large orders from major international companies stationed in Estonia. The time has switched to this direction only a few days ago, and we have already sold 75 jars of pre-packaged borsch.

**Key financials:** Turnover €2,037.87, Profit €1,606.52, Corporate sales €305.



Picture 1. Kalamaja Fair

## Table of Content

1. Executive Summary
2. Our Story and Beginning
3. The Team and Motivation
4. Product
5. Sales
6. Marketing
7. Results & Finances
8. Learning Experiences
9. Future
10. Thanks

## 2. Our Story and Beginning

4 months ago all of us were living in 6 different Ukrainian cities and none of us knew each other. Now we live in Estonia.

7 weeks ago we hadn't heard about the student company programme or Junior Achievement. Now we have a company that has produced and sold products every week since then.

5 weeks ago none of us had any real selling experience. Now we have a turnover of over 2000 EUR.

This is the story of UA'nd We.

### Starting out

UA'nd We got its start when JA Estonia introduced the student company programme shortly (30 minutes) on the 26. of April to our class. Besides talking about JA Company Programme in general they said that if we would team up and very quickly create student companies then the best of those companies could represent Ukraine at the GEN-E in Tallinn.

It is worth saying that by then we had been in class with fifty other refugees only for one month. We really did not know each other personally.

Out of the 50 students around 15 hands went up when asked who would like to participate.

The first meeting was held on the 28th of April, just 2 days later. 11 people of the 15 turned up.

We were taught some basics of economics (none of us had any schooling in that area). We did some brainstorming on the idea and we decided to choose the exact product, name and positions next week.

The next meeting was on May 3rd - 5 days later. 8 people of the 11 turned up.

We decided to make one single joint company. Starting our Student Company was different than others who do it in their own country. We started it in extraordinary circumstances and had a lot of challenges to overcome:

- ⚙ We were total strangers to each other.
- ⚙ We would start our company not in the domestic market but in a foreign one.

- ⚙ We did not know customers or their habits.
- ⚙ We didn't have any role models as we had never heard about Company Programme.
- ⚙ We did not have any business contacts in Estonia.
- ⚙ Our time for going through the programme is 8-10 months shorter than others have and it means a very big working load.
- ⚙ We did not have time for even market research (instead we needed to do a market fit analysis based on first trade fairs - try to sell and see what customers tell you).
- ⚙ Not all our members speak fluent English neither do all of our customers. None of us has had time to learn Estonian, so we cannot address all our potential customers.
- ⚙ And to top it all off: our knowledge of entrepreneurship was almost missing, only Dasha's father and Alina's uncle had a business in Ukraine. It was something completely new for most of us.



Picture 2. Our team after the first meeting

All of this seemed such a big mountain to climb. We were in a way fortunate not to know all this back in April - by now we have discovered how little we actually knew. But working on it step by step has helped us to overcome a lot of these problems.

Only 8 days had passed since first contact with the company programme. We had already heard about our first sales possibility another 6 days later. But to actually sell anything there we needed to find a product and divide the responsibilities amongst ourselves. We'll get to the team first.

### 3. The team and motivation

As already said the team consists of 8 members. From the very beginning we decided to be completely democratic. As we hadn't had much contact with each other as classmates and got acquainted just at the first meeting with JA, we had to really trust each other when dividing responsibilities.

One thing worked in our favour: everybody who was still there at the end of that second meeting was **daring and bold enough to start a company** only after a short introduction. Good beginning and it really did turn out to be a perfect team.

#### COMPANY STRUCTURE

When deciding on who gets what position we tried to a) anticipate what work needs to be done (what positions should we create) and b) who feels more comfortable with what. For instance who is bold enough to take the responsibility of the CEO? Who has any selling experience? Who knows how to draw? Can anybody handle finances?

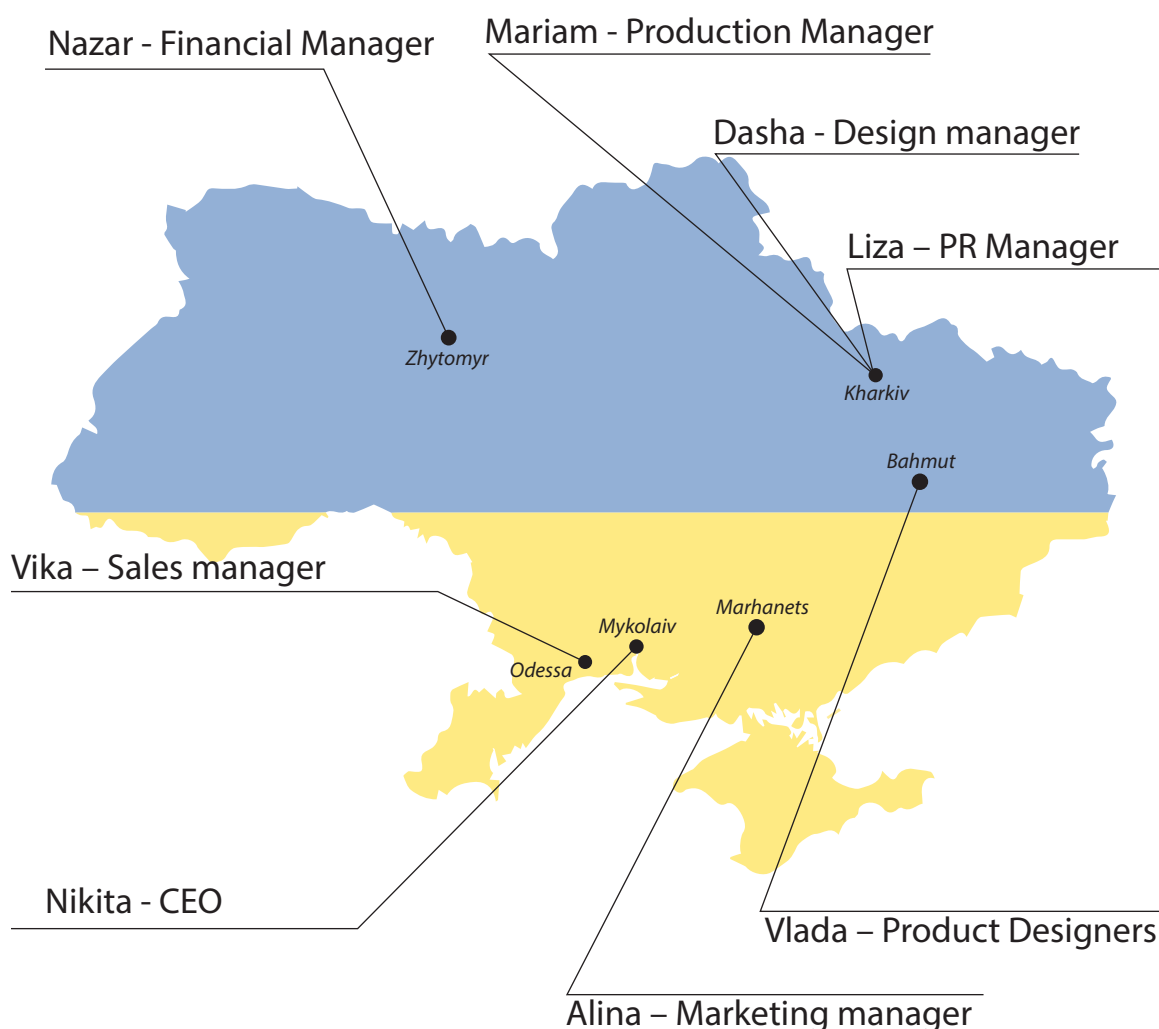
Our estimates turned out to be mostly correct. We have had to change a few titles since there turned out to be other areas that needed attention more than those we first thought.

All managers are expected to know and help out most in their area. But for major decisions we have always tried to reach a consensus and so far succeeded in it.

The individual motivation for joining the company was quite similar.

For instance:

money LIFESKILLS  
Presentation skills  
FINANCES Business English  
**PROMOTION OF UKRAINIAN  
CULTURE**





## 4. Product

Our starting point for choosing the product was that European customers probably are willing to buy products that represent Ukraine the best. Different ideas were proposed, such as T-shirts, wooden organisers, badges, and even decoupage kits. Eventually we realised that there's nothing more Ukrainian like national cuisine. Another major bonus was that it was possible to start selling it in a short time: we already had our first trade fair lined up in 6 days. After that decision we faced new, food related

challenges:

- ⚙ We did not even know the taste preferences of Estonians and had to hope for the best at the first fair; later we could take customer feedback into account but we couldn't do a proper market research - we had to act QUICK!
- ⚙ We did not have any experience in cooking in large amounts.
- ⚙ Our home conditions did not fit to the demands of producing food products for selling.
- ⚙ We simply did not have time to deal with getting necessary certificates for food production.

We were lucky to find a diner that was willing to let us cook there starting from our second week (and second trade fair). So some of our first problems got solved quite efficiently - we had a professional work space with all the necessary health certificates.

We decided to use our family recipes. Many of our members had prepared food at home and we thought that cooking will be as easy. It turned out NOT to be the case.

Cooking in big quantities turned out to be much more challenging than home cooking. For instance, we spent 9 hours to produce 1000 vareniks and at least 6 hours to boil 50 litres of borsch. Anyway, the whole process is getting quicker and quicker as we are constantly optimising it. Now we can cook the same amount of borsch in 4 hours. We also have gotten used to a professional cooker, dishwasher, oven, marmite and grating machine.



Picture 3. Our product

Deciding on the product range was hard as well. We were unsatisfied with selling just bakery as it doesn't represent our overall approach of Ukrainian national cuisine well. When our team got the kitchen the members felt daring enough to prepare borsch, one of the most complicated Ukrainian dishes, and vareniki in 3 afternoons.

We have been experimenting with our food range: lemonade, raspberry cake "Dybrowa", Stefania's cornflake dessert and so on. Additionally we started to package cold borsch in glass jars. This way it doesn't have to be eaten on the spot but can be enjoyed later on.

Since we've had trade fairs on all weekends since starting the company then we've also had many opportunities to try producing a bit differently. We are constantly trying to improve the recipes.



Picture 4. Hygiene and security demands were followed

## 5. Sales

### Trade fairs

By the time this report is being written our company is 6 weeks old. We've been operating during 5 weekends and have sold on 5 trade fairs.

Our first trade fair, which also served as our market research or market fit analysis, took place only 8 days after establishing the company. It was even not in Tallinn, but in a rural area, where finding clients becomes much more difficult. Our members went there just to figure out taste preferences of Estonians and also to try our sales techniques that actually fit a market that is foreign to us. For the first market everything - cookies and popsicles - was prepared at home. We sold out in a couple of hours. We have earned our first income for product development and got answers to our concerns about potential customers. The start of our business had been successful.



Picture 5. Our first trade fair is Nõmmiku farm

Then things started to be more serious. During the second trade fair which took place a week later in the "hipster" region Kalamaja that was visited by almost 10,000 people, we served almost 30 portions of different food. Besides being a great selling experience, this event taught us a lot about preparation in advance. The first fair took only one day of cooking, but this time we brought 50 liters of borsch and 750 vareniks, spending 3 days making them. It was the most exciting fair and we earned almost 800 EUR after 2 days of trading.

Ukrainian Cultural Day provided us with important contacts. We got to know Ukrainian tailors and poets, as well as a national restaurant chef. The national Estonian broadcaster valued our efforts in their reportage.

We participated in two student company fairs: one

of them in a suburb of small town and another in the Old Town of Tallinn. We learned a lot from other student companies. They conveyed everything they had discovered during several months of preparation: how to work with customers, about the most convenient means of communication with them, and what is important to make our stand attractive.

### "Corporate" sales

The ready made and served hot soup has turned out to be a great selling article. But it takes a lot of time to sell it and this is a product only for trade fairs; you cannot sell it at other times. That is why we started experimenting with pre-packaged borsch during our last trade fair.

It turned out to be a hit and that is why we've decided to go a new direction: besides the trade fairs we are contacting large and successful Estonian companies to sell our borsch to their employees.

The selling system is easy: we send an email and ask companies to convey our offer to their employees. If more than 5 jars of borsch are ordered then we deliver the jars to them. This way we can reach hundreds of people through one email.

We only started doing this approach on the first week of June but the results are VERY promising. In a very short time we've managed to sell pre-packaged borsch to 3 companies. Emails have been sent to an additional 6 and we're making a delivery of 61 jars on the 17th of May.

We believe this to be the key to our future: the soup can even be produced by other chefs (according to our recipes). Our profit margin would be lower but we could concentrate on selling on a much larger scale.



Picture 6. Student Company trade fair in Old Tallinn



## 6. Marketing

We wanted to have all of our marketing follow a single concept - name, logo, colour scheme, materials and designs, etc.

We decided that this central concept would be very much tied to Ukraine itself. This served two purposes. First it gives us strength and hope during these difficult times. At the same time we realised that this is something the Estonian (and wider European) market is ready to embrace. It draws the public's attention and helps overcome the first sales barriers.

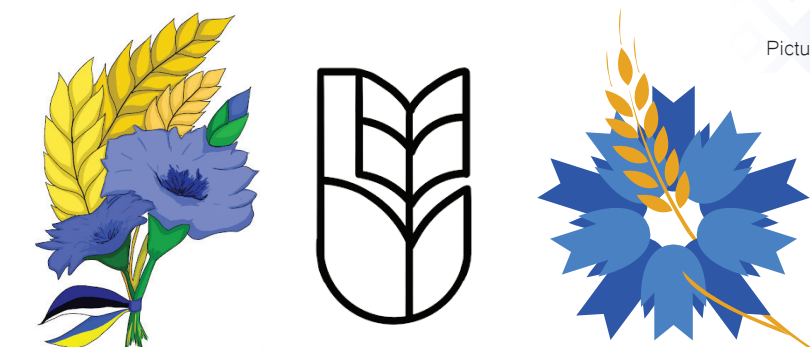
### Name

Our first step in marketing was to choose a name, UA'nd We. It was our marketing manager Alinas idea (therefore showing that it was 100% the right choice to give her this responsibility). The key was to touch our clients' souls with a sense of community: "A" is a part of abbreviation UA (meaning Ukraine), but at the same time "A" is also the letter of the word "And" - the connection between our customers - U, and our team - We. It should be pronounced as "You and We".

### Corporate identity, logo and colours

From the very beginning we were confident to use blue and yellow in the corporate identity. These colours not only recall the Ukrainian national flag and are a significant part of our culture, but are popular with European customers as well. We use them in the symbols of company: an Estonian cornflower and Ukrainian wheat. Choosing such plants organically complements the sense of connection provided by our name.

We never fought, but quite often we had different opinions and then we discussed until the problem was solved and everybody happy with the solution. Choosing a logo was the hottest argument. The current version is a less detailed version of our first ideas.



Picture 7. Evolution of Logo

### Hand Drawn materials

All of our posters and other designs have been hand drawn from the very first trade fair. At first there were two very simple explanations for it:

- ⚙ Time
- ⚙ Money

Namely - we had neither. For the first trade fair we needed a poster that could be done quickly and cheaply. Our design manager Dasha - another complete success in her role - draw the first poster for the first trade fair. We had plans to redo it digitally to get a more "professional" look.

But after the first trade fair we understood something: we would have got NO more customers if we had a printed poster and design. So why waste money and time on something that gives you no extra income? We decided that we would use hand drawn posters (we needed a bigger one) for next events as well.

Actually the first printed materials we had were the labels for the jars. The next one will be for the trade fair during GEN-E. And that is all.

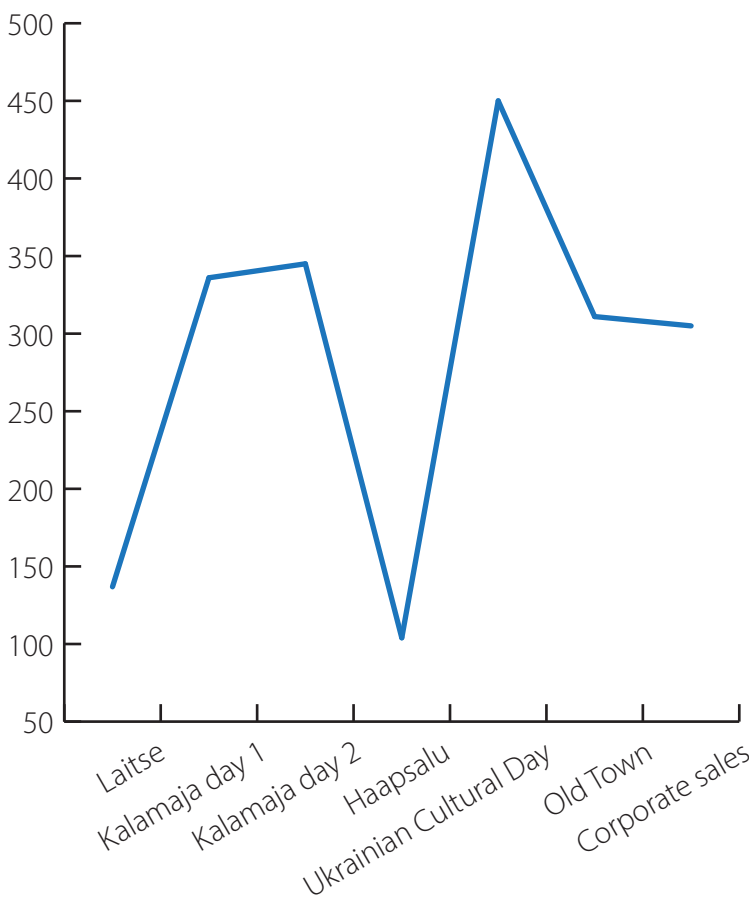


Picture 8. Hand painted posters

# 7. Results & Finances

Money has been a significant problem since the first day as UA'nd We's team wholly consists of refugees. Due to this reason we started with 50 EUR as starting capital and a bit later added 150 EUR more. It was a relatively tight budget: we needed to try our products before selling. Nevertheless, our members coped with this task and cooked everything for almost 20 EUR. The first trading experience instantly gave us the needed impulse: we gained 137 EUR to scale up the amount of food. Since that, we have tried to keep the 1:5-1:7 loss-to-profit ratio in our dishes.

The first month of UA'nd We's activity was bewilderingly effective. Our enthusiasts have served approximately 1000 portions of different dishes, which has brought us 1732.87 EUR income and took 306.3 EUR for preparations. Considering that, the Ukrainian team could earn 17,000 EUR for ten months of doing business. These calculations demonstrate the impressive potential of our company.



Profit and Loss Statement 05.05.2022 - 15.06.22	EUR
Sales Income	2037.87
Materials (purchases)	393.60
Production Wages	0
Cost of Sales	393.60
Gross Profit	1644.27
Salaries, commissions and Bonuses	0
Transportation	0
Delivery	0
Marketing cost	37.75
Total Expenses	37.75
Operating profit	1606.52
Net Profit	1606.52
Corporatate tax (0 in Estonia)	0
Dividends	0
Reinvested profit	1606.52

Balance Sheet 15.06.2022 (EUR)			
Current Assets		Liabilities	
Stock	0	Bank Overdraft	0
Debtors	0	Loans	0
Cash in Bank	1391.28	Creditors	0
Cash in hand	414.24	Total Liabilities	0
Total Current Assets	1806.52	Share Capital	200
Fixed Assets	0	Profit	1606.52
Current Assets		Liabilities	
Total Assets	1806.52	Total Liabilities and Owners' Equity	1806.52



## 8. Learning experiences

**Nikita:** I've learnt that the best way to motivate people for doing something significant takes your own example at first. Obviously, I knew the basics of economics, management; I've developed my entrepreneur mindset as well. But there's nothing as pleasant as an acknowledgement of moving forward with folks.

**Dasha:** English, financial topic, selling and cooking.

**Alina:** One month later after the starting of our student company I could say that I got a lot of positive team-working experience. It's kind of a surprise because I usually prefer to work by myself. But we acted in harmony ( we had some arguments, but quickly dealt with that). Furthermore, I improved my English skills. I can operate in this language better than earlier and use more difficult phrases because of speaking and writing practices. Of course, I also learned a lot of the new information about marketing, finances and even design. At the end, I got some experience of cooking at the huge amounts

**Mariam:** I gained a good experience in going business, practicing my English, started talking to different people and traveling around Estonia (for example, we went to Haapsalu and different districts of Tallinn).

Since we've had a lot of different items to sell then the following table sums up our performance best.

Product (order based on popularity)	Sold on how many fairs	Average costs	Price per unit	Profitability %	Comment
Borsch (ready to eat)	4	€1.30	€4	67.5%	Average profitability; great demand from customers; trade fair sales take a lot of time.
Borsch (pre-packaged)	1	€2.05	€5	59%	Average profitability; huge demand; much larger opportunities to sell outside trade fairs
Lemonade	2	€0.09	€1	91%	Great profitability; average demand high competition.
Cakes (only occasionally now)	1	€ 0.5	€2	75%	Average profitability; average demand; high competition.
Bakery (discontinued)	1	€0.26	€1.5	83%	Great profitability; average demand; huge competition
Lollipops (discontinued, NOT UKRAINIAN)	1	€0.02	€0.5	96 %	Great profitability; average interest; huge competition. Problems with recipe.
Boiled vareniki (discontinued)	3	€ 0.35	€1	65%	Average profitability; average demand; medium competition. Production time is too high.
Frozen vareniki (discontinued)	2	€ 0.25	€0.75	67%	Average profitability; lower demand; almost no competition; production time is too high.
Stefania's dessert (discontinued)	2	€1.65	€4	59%	Average profitability; lower than average demand, unknown product.
Future:					
Borsch (pre-packaged, outsourced production)		€ 2.50	€5	50%	Average profitability; huge demand and market; low competition

## 9. Future

It is hard to consider the future in the midst of work, but even now, our team has started to divide into those who want to go on and those who are just for the contest. Nevertheless, there are a lot of objective issues we would probably face:

- ✿ Most of us are too young to establish their own companies.
- ✿ We are still unfamiliar with the local tax law and can't determine if ruling the real company is profitable.
- ✿ Competition gets harder as your company is not a student one.

Our plan for the nearest weeks is to widen the quantity of production as well as try corporate online sales. Making our business scalable and finding loyal clients (companies among them) could give us a good start as a real company. But gaining new experience prevails on the ambitions now.

On the one hand, prospects for the farther future are not predictable: we don't even know if and when some of us can return to Ukraine. On the other hand, close cooperation with our current partners seems promising. Members of UA'nd We have already received an offer to continue working as employees at the leased kitchen. If everything keeps going well, it will be possible to establish a real food and beverage firm as soon as one of us turns 18.

We are absolutely sure that we want to continue promoting Ukrainian cuisine. And we feel that there will continue to be a strong market demand for it. We feel that it is a recipe for future success as well.

The farther future depends a lot on how long the war is lasting in our home country. Can we return soon or must we use our obtained competence here in Estonia.

### Timeline/roadmap from the beginning to the current point + potential future plans. One more year of student company - we start



## 10. Thanks

We are so grateful to have gotten this experience. First we would like to thank JA Ukraine for starting the programme in our country. Unfortunately due to understandable reasons we haven't been able to be in touch with them very much during this time. But without their staff starting JA Ukraine we wouldn't be here.

The same goes for JA Estonia and its staff who helped us start this company and gave us advice on different topics: starting from what a student company even is to the finer details in business. We would especially like to mention Epp Vodja and Madis Vodja who have been with us during this whole journey. Ott-Kaarel Vään has immensely helped turn our design materials more professional.

Next we would like to extend our gratitude to our English teacher Yuliya Ivanova and business mentor Hendrik Hindov, who have advised us in their respective fields. Hendrik's office of AnsonBaer was also the place where we held all our business meetings. We hope we didn't disturb his people too much.

We are also thankful to all our customers, event organisers and other partners who have made this journey possible.

And last - but definitely not least - we are extremely grateful to Tiit Jõgi and Sander Võsa of the diner "Üks Köök". We would have been totally stuck without their professional help and "tough love". They never did the work for us. Instead they patiently taught us again and again on how to operate in this business.

### CUSTOMER PROFILE



Thank you all.

We want to thank also SEB - our biggest corporate customer.



ANSON | BAER

