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INSERT **1 hour 30 minutes**

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INFORMATION

- This insert contains the case study.
- You may annotate this insert and use the blank spaces for planning. **Do not write your answers** on the insert.

This document has **4** pages. Any blank pages are indicated.

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J & J's Fashion Show

The background

Jacob is a new member of the fundraising committee for his village. Each year this committee organises events to raise money for charities. Jacob has noticed that the committee organises the same events every year. As a person with enterprise capability, Jacob thinks that the committee should use more creative ideas for their events. This may raise more money for the charities.

The fundraising committee has formal meetings. Jacob received a notice of meeting and an agenda for the first meeting he would attend. Jacob contacted the chairperson to ask if he could add his ideas to the agenda.

The fundraising committee meeting

Jacob listened carefully to the suggestions made by each of the other committee members at the meeting. When it was his turn to speak, Jacob suggested an idea that the younger people in the village might like. Jacob thought that the committee should organise a fashion show. A fashion show would be low-cost if it was in the school, which would be free to use. This would mean that most of the revenue from the fashion show would be profit.

The response to Jacob's suggestion was not positive. Many committee members said that it would take too much time to organise. One committee member, Jyoti, supported Jacob's idea. At school, she had helped to organise a fashion show. The clothes were donated by local shops and the students had acted as models. The event had been a great success and it had raised a large amount of money for charity. Jacob has friends who would be willing to help with the fashion show.

The committee members agreed to consider the fashion show idea. They asked Jacob and Jyoti to produce a detailed plan. Discussion of the idea would be added to the agenda for the next meeting.

The research

After the committee meeting, Jacob and Jyoti produced an action plan, shown in Fig. 1.

Action Plan				
Activity	**Person responsible**	**Start date/ timings**	**Completion date**	**Monitoring**
Negotiate for the use of the school.	Jacob			
Organise clothes for the event.	Jyoti			
Research costs of: • marketing • printing tickets.	Jacob			
Prepare a budget and a projected income statement.	Jacob			
Complete market research to identify how many people would pay US$5 a ticket.	Jyoti			

Fig. 1

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The next fundraising committee meeting

At the next meeting, Jyoti presented the results of her research. This showed that 150 people would be willing to buy tickets for the fashion show. Jacob's projected income statement predicted that if all of the tickets were sold, the profit would be large. Jyoti had also identified clothes shops willing to donate clothing for the show. The clothes shop owners understood that there were both advantages and disadvantages of donating clothing.

The decision

Although some members of the committee were impressed with the results of the research, the majority of members voted against the fashion show proposal. These members said that it would require too much organisation and planning. The fashion show idea, therefore, was not accepted.

The next step

After completing their research, Jacob and Jyoti thought that this could be a profitable enterprise. They were determined to continue. They decided to organise the fashion show without the help of the committee. They would donate the profit earned to charity.

Jacob and Jyoti identified two potential problems that would need to be solved before the fashion show could be held. Firstly, they would need to find start-up funding to pay for the cost of advertising and printing tickets. Secondly, Jacob was concerned that people may not believe that the profit earned would be donated to charity and so they might be less willing to buy tickets for the show. He wondered if it would help people to trust the enterprise if a formal business organisation was set up.

Jacob and Jyoti decided to meet soon to consider what they should do next.

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