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Campus Consignment

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Campus Consignment

Consume, Conserve, Consign

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I. Executive Summary

Campus Consignment will enter into the resale segment of the retail industry as a consignment store that is nonprofit in nature. The consignment store will provide consumers with an outlet through which they can recycle items, by selling those that they no longer use and purchasing products that have been previously owned. Along with its environmental benefits, the business will present creative designers with the chance to sell their original work. The store will also offer options to make extra money and to find new items at reasonable prices.

Campus Consignment was designed with many goals in mind. Primarily, the business will be an opportunity for students to learn, practice, or enhance those skills they are learning in the classroom by taking on a major role in the implementation of the business. Campus Consignment will allow for real learning to take place through allowing the student to take ownership of his or her own education. This venture will be a quintessential example of applied education. Through extensive market research, it has become clear that there is a market for a consignment store on campus and students are eager and willing to participate in the student organization, the Campus Consignment Club, which will run the business and determine its future. The target market for this business includes students, faculty and staff at the University of Rhode Island's Kingston campus.

The most important advantages that Campus Consignment has over its competition are its location and its positioning. Market research was conducted to better understand the wants and needs of the target population throughout the university. This research will be used in guiding the implementation of the business to ensure that Campus Consignment's operations reflect the needs of its university community. A staple of Campus Consignment will be its positive environmental impact. The store will not only promote awareness for the benefits of a globally conscious community, but it will also take action by making donations to local charitable organizations. Campus Consignment will also offer new and unused brand name items at competitive prices, enabling the business to compete with other local consignment stores and discount stores.

Campus Consignment will be run by a team of students who will make up the Campus Consignment Club, a student organization to be created for the sole purpose of running this business. The Campus Consignment Club will provide value to those involved through emphasizing the importance of the environment, education and conducting business responsibly and in a way that is favorable and valuable to all.

Campus Consignment is a business opportunity that has plenty of room for growth. Through ongoing evaluation, the store will have the ability to realize expansion into other target markets and other avenues of business. By maintaining focus and keeping its operations in line with its overall mission, the business will prosper for years ahead.

II. Mission Statement & Company Goals and Objectives

A. Mission statement.

Campus Consignment was designed specifically to meet the diverse needs of an evolving small university community. Inspired by the need for environmental responsibility, the business combines promoting environmental awareness and an educational experience for students to provide customers with a valuable business experience.

B. Company goals and objectives.

The main goal that Campus Consignment wishes to achieve is to be established as a unique business opportunity, providing value to its customers through conducting business responsibly – both in terms of education and the environment. Campus Consignment strives to become a successful business and an attractive feature of the campus for prospective students by emphasizing service and social responsibility. Performance and success of the store will not be measured solely by sales and profits, but also by number of products recycled and donated.

III. The Industry and the Company and Its Product(s) or Service(s)

A. The industry.

The resale industry, consisting of resale, consignment and thrift stores, is one of the fastest growing segments of retail. The industry attracts consumers from all economic levels. According to the National Association of Retail and Thrift Shops (NARTS), there are currently 25,000 resale, consignment and thrift stores operating in the United States. The industry has experienced growth of about 5% each year for the past three years. America's Research Group, a consumer research firm, has found that 12-15% of Americans will shop at a consignment or resale store during a given year. This compares to 11.4% of Americans who will shop in factory outlet malls, 19.6% in apparel stores and 21.3% in major department stores (NARTS.org, 2009).

Clustering, a current trend among resale stores, refers to the increasing popularity of resale, consignment and thrift stores opening in close proximity to each other, taking advantage of existing traffic (NARTS.org, 2009). The promotion of environmental awareness and sustainability has led to an increase in the importance of reusing and recycling. The resale industry provides both the eco-conscious and value-conscious consumer with ways to recycle their products at a return. The resale industry is also one of the few segments of retailing that has not been affected by the current recession (NARTS.org, 2009).

Recycling products is an important concept in the resale industry. According to the Council for Textile Recycling, "post-consumer textile waste consists of any type of garments or household article, made of some manufactured textile, that the owner no longer needs and decides to discard" (TextileRecycle.org, 2009). This post-consumer textile waste is created through improper disposal of consumer products. The Secondary Materials and Recycled Textiles Association (SMART) has found that the average American throws away about 68 pounds of clothing and textiles per year. The resale industry has enabled both businesses and consumers to responsibly dispose of their unused products through reusing and ultimately recycling.

Members of the National Association of Retail and Thrift Shops have reported increases in both sales and incoming inventory (NARTS.org, 2009). A study was conducted to look at the fourth quarter 2008 sales figures as compared to those of 2007, in which 185 NARTS members participated. The results showed that 71.4% of respondents said that sales increased with an average increase of about 30%, and 82.3% of stores recognized an increase in new customers. In terms of store volume and inventory, the study showed that 46.7% of stores experienced an increase in the volume of suppliers. When reporting on quality of incoming inventory, 84.5% of participants realized higher quality than previously or quality of about the same level. Even through the poor economy, stores within the resale industry have used aggressive advertising to reach both current and prospective customers. While other

segments of the retail industry are suffering, resale, consignment and thrift stores are thriving.

B. The company and the concept.

Campus Consignment will enter into the resale segment of the retail industry as a consignment store. A consignment store, by definition, is a second-hand store that offers previously owned goods, both used and unused, for a lower price than that of new products. Consignment stores provide consumers with an outlet through which they can recycle items, by selling those that they no longer use and purchasing products that have been previously owned. Along with their environmental benefits, these businesses present creative designers with the chance to sell their original work. These stores also offer options to make extra money and to find new items (clothing, accessories, housewares, etc) at reasonable prices.

Campus Consignment will carry both new and used brand name clothing, accessories, artwork, house wares and a selection of previously owned DVDs. The philosophy behind this product selection is one that is in keeping with the target market of students and faculty who would be on campus from day to day. The store will offer quality products at competitive prices.

C. The product(s) or service(s).

As previously mentioned, Campus Consignment's product line will include new and used brand name items. All items will be in good condition, gently used (if at all) and will be backed by a solid guarantee. Clothing that is accepted for consignment will be clean, seasonal and without stains, holes and major defects. Those accessories to be offered may include, but are not be limited to, shoes, handbags, scarves, ties, hats, etc. House wares may include items such as alarm clocks, reading lamps, home furnishings, etc. Products will be priced at roughly half their original manufacturer suggested retail price (MSRP).

The store will provide student and local artists the opportunity to sell their original artwork and/or designs. It will promote a strong cultural community for students, faculty members and other local consignors. Campus Consignment will allow consignors to use its services in selling their own items in a location that facilitates greater accessibility for their product.

Campus Consignment will provide customers and consignors with the ability to recycle clothing rather than dispose of it in local landfills and dumps. Campus Consignment has set forth the terms of consignment in its contract (A. Appendix 1). Under these terms, consignors will be given account numbers. Items brought in by consignors will be priced and placed on sale for 30 days. Both the consignor and Campus Consignment will receive 50 percent of the price that an item is sold for. After 30 days items will be discounted to half price, and after 60 days items will be

put on clearance (at which point items will belong to the store). What doesn't sell, the consignor has the option to take back into his or her possession or to donate through the store to a local charity such as the Jonnycake Center or to a local high school theater department/club.

Possible drawbacks of the product and service provided include a lack of consignors to provide inventory and a lack of quality products. It also may be difficult for the product to meet the demands of the consumer if products are outdated or if they do not function properly. Products, particularly DVDs and small electronics and house wares, will be tested to ensure the highest quality.

Atmospherics is a term that may be used to describe the atmosphere and intangibles of a retail store. This may include lighting, smell, music, and the physical characteristics and influence that are used to create an overall image. The appropriate use and combination of atmospherics can be used to attract customers. Market research shows that respondents within the target market indicated a concern regarding used items, particularly clothing. The majority of respondents who said they would not be willing to purchase used clothing, specified that it was due to the fact that they would view these items as damaged, dirty and/or worn out. This points to the critical importance of conveying a clean, up-to-date fashion forward, eco-conscious image. Since atmospherics contributes to the overall experience a customer has in a retail store, it is especially important that attention be paid to these elements within the consignment store on campus. Special care will be placed on the lighting as making it brighter will be more welcoming to potential customers. Also, attention to details such as trendy, unique decorations, relaxing music, smell, etc. is important.

D. Entry and growth strategy.

The start-up of this business will require heavy advertising and promotion of the store and its offerings. The student organization, Campus Consignment Club, will be a catalyst for the promotions process. The store will likely be located in the Memorial Union, which is a high traffic area. The Union attracts a number of different personalities, from current students and faculty and staff to prospective students and their parents (who may also be members of the local communities). The location alone will encourage people to see what the store offers, to potentially purchase items and to even learn how to consign and the benefits that come of it.

The store will implement a start-up strategy in which donations of appropriate items (brand name quality clothing, accessories, housewares, DVDs, etc.) will be taken. These donations may come from members of the university community and the surrounding towns. Donations may also be made at the end of the spring semester when students are packing to go home and moving out of their dorm rooms for the summer. The store may consider organizing a pick-up system in which items to be donated are picked up from dorms and nearby student apartments. These items will be priced and displayed and will allow the business the opportunity to make money

while at the same time trying to encourage potential consignors to sell their quality items with the help of the store's service provided.

In terms of growth, Campus Consignment could expand in a number of different ways. As detailed in later parts of the business plan, ongoing market evaluation may lead to expansion of the business into an e-tailer as well as a retailer. Expanding the business online would allow it to grow outside of its local market to reach customers on the Internet. The store would have the ability to increase its product offering and to sell higher quality products. Going online would solve issues involving increased inventory and lack of floor space within the store.

Recycling clothing that goes unsold in the store will become an important responsibility of the consignment store on campus. Partnerships will enable the store to responsibly dispose of unwanted items. Recycling centers, including the center in South Kingstown, will contribute to the growth of the business through providing services that will encourage the recycling of clothing, electronics, and other textiles. The business may grow in terms of recycling through partnering with trade associations such as the Secondary Market and Recycled Textiles (SMART), one of the most established of the recycling industries (Council for Textile Recycling, 2009). Teaming with associations such as this one will help the store maintain its focus on environmental awareness and sustainability. SMART has found that "while few communities have textile recycling programs, approximately 85 percent of post-consumer textile product waste goes to landfills." Taking advantage of the recycling programs that are provided locally will advance the efforts toward creating a "green society."

As the store becomes established in its location, the focus will become more about the student organization that is running it. Since Campus Consignment will be nonprofit in nature, the profits that are earned through the sale of consigned items will be "recycled" back into the business and the Campus Consignment Club. This student organization that is created for the sole purpose of running this business will use the profits as money for educational purposes. The money may be used to fund activities and promotions for both the store and the student club as well as to promote the importance of environmental awareness and recycling. Activities may include speeches and talks by inspirational and motivational speakers who may come to campus to discuss the importance of recycling as well as URI alumni who may be invited to talk about their experiences and successes in business. Money may also fund the promotions and contests that may be used for advertising. The purpose of these activities and promotions will be to create a positive image for the store by encouraging students to become more active on campus and to work toward a common goal and cause.

IV. Market Research and Analysis

A. Primary market research.

Primary research was conducted to determine the target market for Campus Consignment and the needs and wants of those customers.

Methodology

The target population that was studied in this market research consisted of students and faculty members at URI's Kingston campus. Exploratory research was used to uncover some of the feelings toward a potential consignment store on campus. Interviews were first conducted to determine major issues regarding the topic. These interviews provided information that was used to develop questions and design a detailed survey. A web-based, 22 item survey was developed using Survey Monkey, a popular website that enables users to create surveys and analyze results (See D. Appendix 4). These surveys were then administered to the target population, providing more quantifiable data for simpler analysis. Participants were recruited to take the survey through Facebook and WebCT messages, Listserv emails sent to faculty in the College of Business Administration, and other networking opportunities.

Findings

A total of 80 students and faculty members were surveyed for this research. Sixty-six percent of respondents were female and the remaining 34% were male. Seventy-five percent of those surveyed were graduate and undergraduate students, while 25% were faculty members. The majority of those surveyed were upperclassmen who lived off campus.

The research shows that there is a market for the type of business that a campus consignment store can offer. Since the target population studied in this research consists of URI students and faculty members, the population was determined by adding total students (15,904) and faculty (589) for a total of 16,493. The research indicates that, on average, the population of the campus community spends approximately \$106 each month on clothing and accessories. This information together can be used to determine the total size of the market, which is discussed later in the market research.

According to the research, 44% of the population surveyed said that they were likely to shop at a consignment store on campus. This number is significantly higher than the national average of 12-14%. Of the 44%, 61% are likely to sell, indicating that there is a market for this business on campus and that it would be widely accepted by both customers and consignors. At the same time, 55% of participants said that they are likely to consign at a store on campus and of those respondents, 24% said that

they have consigned previously. Considering past behavior is important in determining whether the business idea is expected to be profitable or not. From this data, it can be gathered that the reported results are likely to prove true. Overall, 66% of the target population is interested in either buying or selling at a consignment store on campus.

Participants in the survey reported that they are most likely to shop at discount stores and department stores. Sixty-three percent of the population said that they are most likely to shop at discount stores, while 54% said they are likely to shop at department stores. It can be implied that discount stores such as Marshall's will be Campus Consignment's largest competitor outside of other local consignment stores. Of those who said that they were likely to shop at a consignment store on campus, 75% said that they are most likely to shop at discount stores. This may be a direct result of the location, accessibility, and product variety that stores such as the Marshall's in Narragansett offers its customers. When asked what products they are most likely to spend their money on, 84% and 45% of the general population said they are most likely to spend their money on clothing and accessories, respectively. Of those who said they are likely to shop consignment on campus, 89% said they are most likely to spend their money on clothing. This is important when considering the products to be accepted for consignment by Campus Consignment.

Many of the participants reported that brand names, both in general and in clothing, are important to them. Sixty percent of the general population said that they agree that brand names in general are important, while 53% said that brand name clothing is important to them. This is taken into consideration when determining the positioning of the store. Since the majority of the target population cares about brand names, Campus Consignment will carry brand name clothing and accessories. While 54% of the target population is likely to purchase used clothing, 75% of those who are likely to shop at a consignment store on campus would be willing to purchase used clothing. The barriers that may keep some potential customers from shopping at Campus Consignment include the idea that used clothing is dirty and worn out. Of those who said that they would not be willing to purchase used clothing, 62% said it was because they thought the items would still be dirty and 54% said they thought items would be worn out. These barriers would be addressed by considering atmospherics when deciding on the layout and overall look and mood of the store. Overall, greater than 80% of those surveyed that they would be willing to purchase used items in general.

When asked if they had ever shopped at a consignment store, 89% of the population said they had. Seventy-three percent of those who said that they would likely shop consignment on campus said that they had shopped previously. There is room for growth as many people said that they are not interested in shopping in a consignment store on campus but have shopped consignment before. This provides Campus Consignment the opportunity to convince those who say they are not interested through advertising and promotions, as well as word of mouth awareness. Of those who said that they have purchased items at a consignment store, 69% said they

bought clothing and 53% said that they bought accessories. This reinforces the need for clothing and accessories in the product line of the store. At the same time, 72% of those who said they are likely to shop consignment on campus also said that they have not consigned items before. This provides the store with another opportunity for growth through convincing shoppers to consign. Of those who have consigned products previously, 90% said that they sold clothing.

The results show that students and faculty members feel that recycling items is a very important reason (41%) for selling items at a consignment store. It is also shown that the target population feels that saving money is a very important reason (56%) for purchasing items at a consignment store. Since Campus Consignment's mission focuses on the importance of education and recycling, the target population's reasons for purchasing and selling are in line with the overall mission of the business.

Campus Consignment's operations are dependent on what is convenient and appropriate for the target population on campus. The market research shows that 47% of the population would shop afternoons and 44% would shop between classes. Based on these numbers, the store would be open five days a week (Monday through Friday) from 10am to 4pm. These hours would not only be appropriate for students and customers, but also for those members of the student organization who will be working in the store. In terms of advertising, the store would advertise through its own website, through email, and with the help of flyers and posters across campus. Over 44% of participants said that these three means of communication would be ideal for finding out about information regarding the store on campus.

Participation in the student organization, the Campus Consignment Club, is essential to the life and future of the consignment store on campus. Twenty-four percent of the target population is interested in participating in such an organization. Considering the number of participants in the survey, this number suggests that there will be a significant number of students and faculty members that will help in starting and maintaining a consignment store on campus. Those who are interested in participating in the club want to participate in order to raise money, to help a cause, to have fun and fulfill an interest, and to develop and build experience for their resume. However, most said that helping a cause and building experience for the resume were most important.

One of the valuable opportunities that Campus Consignment will provide is for local artists to sell their original creations in the store for a profit. Of the total population surveyed, 34% said that they would sell their original work in a consignment store on campus. Of those who said that they would be likely to shop consignment on campus, 39% said that they would sell original work. Seventy-five percent of those who said they would likely shop at a consignment store on campus said that they would purchase original artwork, clothing designs, or jewelry. With fewer consignors selling original work, Campus Consignment will be able to maintain a steady flow of inventory while attracting those customers who are interested more in unique designs and new or never used products.

Since Campus Consignment will be run by a student organization, it is important that the store focus on the core values that it will provide to its customers and consignors as well as the URI campus community. The services that the business would provide to its users include selling unused items and helping a cause. Overall, approximately 95% of those surveyed reported that sustainability and environmental awareness, recycling, saving money, donating locally and supporting student organizations are all important to them. This not only supports the idea that there is a market on URI's campus for a consignment store, but it also proves that students are concerned about those issues for which Campus Consignment will promote awareness and those that the store wishes to address.

B. Customers.

The customers for the products offered at Campus Consignment include male and female full-time and part-time undergraduate and graduate students (both traditional and nontraditional) attending the University of Rhode Island. According to URI's Institutional Research fall 2008 facts, most URI students come from Rhode Island (61.3%). This is followed by students from Massachusetts, New Jersey, Connecticut, and New York. IR also states that URI degree-seeking undergraduates are 21 years old, while 9 percent are 25 or older. More than one half, or 54%, of students who live in dorms at URI are freshmen. The total number of students attending URI as of fall 2008 was reported as amounting to 15,904. Of these 15,904 students, 12,793 are undergraduates and 2,535 are graduate students; 87.6% are full-time and 12.4% are part-time. Customers also include faculty members and staff at URI.

The university community of the surrounding area will also be included in the target market for the store. Other institutions that will benefit from the products will be local charitable organizations who will receive consigned goods that were not sold within the store. The majority of purchasers for the products will be found in the South County region of Rhode Island. This may include the towns of South Kingstown, North Kingstown, Narragansett, and Charlestown.

C. Market size and trends.

The primary market research that was conducted for the purpose of this business plan indicates a market for a consignment store on campus. The following equation shows the calculations used to determine the size of the market.

	\$106	(Average monthly spending on clothing and accessories)
x	16,493	(Total population = 15,904 undergraduate and graduate students + 589 faculty members)
	<hr/>	
	\$1,748,258	(Average spent by total population, assuming all is spent on clothing and accessories)
x	44%	(% of campus community that is likely to shop consignment)
	<hr/>	
	\$769,234	(Total average expenditures on clothing and accessories by target population)

x	5%	(Assuming 5% is spent on consignment)
	\$38,462	(Amount spent on consignment by target population)
x	10%	(Assuming the goal is to capture 10% of the market)
	\$3,846	(Average monthly sales for Campus Consignment)

This equation states that an average of approximately \$3,800 of monthly sales could expectedly be generated by Campus Consignment. This number is based on the idea that the business would be able to capture 10% of the market. The 44% was determined in the market research as the percentage of the campus community that indicated that they would be likely to shop at a consignment store on campus. As previously stated, this number is significantly higher than the national average, implying that there is definite market potential for this type of business.

Market growth for this business will be positively affected by the current economic recession. As stated previously, the resale industry is one of the few recession proof segments of retail. While other retailers in the industry are seeing negative numbers, resale, consignment and thrift stores are reporting increasing sales and inventory. Clustering is also affecting market growth as existing consignment stores are finding a number of new competitors opening up nearby. This allows stores the opportunity to take advantage of existing traffic. The resale industry has provided bargain shoppers with an opportunity to find quality clothing, accessories, and house wares for less money. For fashion-conscious shoppers, particularly females, vintage and quality used clothing has become more widely accepted and even popular.

D. Competition and competitive edges.

A number of local competitors offer similar products, both in the form of retail stores as well as other consignment and thrift stores. The feature that gives Campus Consignment a competitive edge is its convenient location and unique business model.

The following is a list of stores in neighboring towns that will offer alternatives to customers.

1. Narragansett/Wakefield
 - a. Phoenix Resale – vintage clothing, accessories
 - b. One More Time – men’s and women’s clothing, jewelry, accessories
 - c. Marshall’s – discount retailer; men’s, women’s, children’s clothing; shoes, accessories, house wares
2. North Kingstown
 - a. Consignment Goods – furniture
 - b. Corner Cupboard – house wares, furniture; limited clothing (scarves, coats, accessories, shoes, handbags)
 - c. Jazzy – designer clothing, accessories, jewelry; furs; vintage
3. Warwick

- a. Savers – thrift (no consignment), retail chain; vintage clothing, shoes, accessories, jewelry
- 4. Richmond
 - a. Classy Closet Consignment – clothes (clean), no specific brands, house wares

In general, these competitors offer product lines that are similar to Campus Consignment, including clothing, accessories, jewelry, shoes, house wares, and small furniture. Store hours for locally owned consignment stores typically run from 10am to 5pm or 5:30pm, while some have alternate hours on the weekends. For chain stores such as Savers and Marshall’s, hours of operation usually run from 10am until 9pm. Parking is accessible for all competitors, providing customers with convenient access to stores. The location for almost all of the competition is central and has high awareness.

Campus Consignment’s largest competitor is Marshall’s, a retail discount store chain with a location in Narragansett, RI. As reported in the survey results, respondents from the sample population said that they are most likely to shop at discount stores such as Marshall’s. The location and convenience of Marshall’s as well as their product selection and low prices are what makes the retailer stand out as the main competition for the campus consignment store.

Respondents also stated that they are likely to shop at department stores. This may indicate that the survey population is interested in product variety and reasonable prices. Campus Consignment would offer students and faculty the same product variety as provided by discount retailers and department stores, except at lower prices and at a more convenient location.

The fundamental value that is added by the products and services offered is the monetary value provided to customers through the sale of their consigned products. One of the unique aspects of this consignment store is its emphasis on social and environmental responsibility.

E. SWOT Analysis

Campus Consignment presents a strong business opportunity to the university. At the same time, there are a number of weaknesses and threats that the store would have to work to improve and eliminate. The following table explains the strengths, weaknesses, opportunities and threats that Campus Consignment faces.

Strengths

- Convenient location for URI students / faculty (easy access for students without cars)
- Campus Consignment Club would allow students to gain hands-on experience for resume

- Affordable items for the college student's budget
- Provide students with the opportunity to make money and give back to URI / the community
- 50% of profits of sold items will go to CCC to run the store and to fund other club activities
- CCC would attract students from all backgrounds and all fields of study (Business, TMD, Arts, etc.)
- Excellent warranty and guarantee on all products

Weaknesses

- Consignment may be a new concept for many students (students may be unaware of the idea and hesitant to accept it)
- Students may be more likely to consign than to shop
- The Memorial Union may be an unattractive location to potential consignors
- Limited parking (45 minute parking, limited number of spots)
- Campus Consignment Club may not appeal to students (no pay / credits)
- Dependent on space availability in Memorial Union
- Students would likely consign only at ends of semesters / move out days

Opportunities

- Location in Memorial Union would allow for fewer expenses incurred by Campus Consignment Club
- Donating unsold items would provide URI with a positive source of PR / service
- Campus Consignment could be viewed as eco-friendly / good cause
- URI could gain attention from local residents that may increase value of the school; attract prospective students
- Students could fund activities that include networking and meeting local businesspeople
- TMD students would have the opportunity to sell their designs for money
- The poor economy may encourage more people to consign and shop at the Campus Consignment Store
- Much of the competition does not accept electronics for consignment

Threats

- Great deal of competition in the area; might discourage outside consignors from shopping/consigning at Campus Consignment
- Small Business Management Club and other student organizations may be more appealing to students
- URI yard sale = competition

F. Estimated market share and sales.

Products to be offered at Campus Consignment will be worth more than just their face value. Consigned products will offer both consignors and customers the ultimate experience in recycling. The store will offer high quality brand name products at competitive prices. The products will reflect the importance of both environmental awareness and the education provided to the URI students and community. Campus Consignment's inventory will add value to the overall business through the help of these students and the community.

As previously discussed, there is a definite market for a consignment store on the URI Kingston campus. Looking at the table can confirm this again.

	\$106	(Average monthly spending on clothing and accessories)
x	16,493	(Total population = 15,904 undergraduate and graduate students + 589 faculty members)
		(Average spent by total population, assuming all is spent on clothing and accessories)
x	\$1,748,258	
	44%	(% of campus community that is likely to shop consignment)
		(Total average expenditures on clothing and accessories by target population)
x	\$769,234	
	5%	(Assuming 5% is spent on consignment)
		(Amount spent on consignment by target population)
x	\$38,462	
	10%	(Assuming the goal is to capture 10% of the market)
	\$3,846	(Average monthly sales for Campus Consignment)

By using the number for potential average monthly sales for Campus Consignment, projected sales for five years out can also be calculated. The following table shows projected sales for five years with an annual growth rate of 10 percent.

GROWTH	YEAR	GROSS ANNUAL	PER MONTH	PER DAY	# ITEMS SOLD/DAY
	Year 1	\$ 46,152	\$ 3,846	\$ 128	13
	payout	\$ 23,076			
	revenue	\$ 23,076			
10%	Year 2	\$ 50,767	\$ 4,231	\$ 141	14
	payout	\$ 25,384			
	revenue	\$ 25,384			
10%	Year 3	\$ 55,844	\$ 4,654	\$ 155	16
	payout	\$ 27,922			
	revenue	\$ 27,922			
10%	Year 4	\$ 61,428	\$ 5,119	\$ 171	17
	payout	\$ 30,714			
	revenue	\$ 30,714			
10%	Year 5	\$ 67,571	\$ 5,631	\$ 188	19
	payout	\$ 33,786			

revenue \$ 33,786

Payout and revenue each account for 50% of total annual sales. This is based on the terms agreed in the consignor contract (A. Appendix 1). Sales per month and per day are calculated in order to determine the number of items that must be sold in a given day to achieve the sales goals. The number of items sold per day is based on the idea that each sale will average approximately ten dollars, a rough estimate based on the pricing strategy that is discussed later.

G. Ongoing market evaluation.

Campus Consignment will continue to evaluate the target market with the help of Liberty4 Consignment, a software package provided by Resaleworld. Features of the Liberty4 software include account management, inventory management, and point of sale, paying consignors, and generating reports or emails. Liberty4 is management software that encompasses the accounting and financials of the business. It also offers reports that will help track sales figures that will offer the opportunity to evaluate the success of product categories and other marketing statistics. The software is a point of sale software for the computer that allows users to create accounts for customers, process transactions, and keep track of cash flow in terms of sales and payouts. The term payout refers to the issuing of money to a consignor whose items have sold and who is owed money. This software will track sales to provide easily accessible data that shows which products are more commonly sold within the store. It will also allow users to access each consignor's individual account to determine which products each consignor has sold and purchased in the store's history.

The store will also regularly request customer feedback about the products sold in the store, as well as the store layout and the atmosphere. Campus Consignment will poll customers to determine the extent to which the business is successful or not in terms of products offered, pricing, location, operations and accessibility. Customer feedback as well as employee/volunteer feedback will play a large role in the operations of the business. Since the goal of the store is to provide an educational experience to students and a valuable business experience for customers, Campus Consignment's position within the market and its operations will be evaluated regularly to ensure that the mission statement and the vision are being realized.

The feedback provided by customer surveys will help to determine whether expansion would be a potentially profitable opportunity. If the business proves to be successful, possible opportunity for expansion into an online retailer could be considered. Expansion into e-tailing would allow the store to offer higher quality products that would otherwise not be sold in the Campus Consignment store location. Similar to Craigslist and eBay, Campus Consignment online would allow customers to shop at their convenience without visiting the actual store. This would benefit the business if there is a significant increase in incoming inventory or if there is a demand reported in customer feedback and surveys for a more personal and convenient

shopping experience. This option may be considered if criticisms about the store's size, atmospherics or location arise.

V. The Economics of the Business

A. Fixed, variable and semivariable costs.

A number of initial expenses will be incurred in order to get the business established and operating. These expenses include those required for renovation, store materials, advertisement and miscellaneous. Expenses were calculated based on the assumption that the space would be approximately 350 square feet. They were also estimated based on basic research done online to determine general figures for items. Many of the items that are essential for the startup will be recycled or refurbished, keeping in line with the mission of the store as well as cutting costs and saving the business money. Refurbished items include the cash register and potentially the counter(s). Both the paper necessary for flyers/posters for advertisements and the boxes to be used for accepting consignments will be recycled by faculty and collected for use in the store.

The following table itemizes the specific expenses and the respective costs to be incurred by Campus Consignment initially.

<u>Initial Expenses</u>	
*Based on 350 sq. ft.	
<u>Renovation</u>	<u>Price</u>
Carpet 350 sq. ft (installed)	\$ 139
4 gallons of <i>BioShield</i> Paint	\$ 120
Hangers	\$ 300
Shelving	\$ 80
Racks (clothing)	\$ 300
	\$ 939
<u>Store Materials</u>	
Cash Register (Refurbished)	\$ 200
Generic Stereo System	\$ 100
Counter/Glass case	\$ 200
Dell Computer	\$ 2,000
<i>Dell Printer/Scanner</i>	-
Office supplies	\$ 100
Software	\$ 1,000
	\$ 3,600
<u>Advertisement</u>	
Good 5 Cent Cigar full page ad	
Limited number of flyers	\$ 20
	\$ 20

Other Necessary Expenses

Cash (petty)	\$	100	
Insurance	\$	400	per year
Boxes		-	
Security Deposit	\$	1,000	
Business Lic App	\$	30	
			<u>\$ 1,530</u>
Total Expenses / Initial Investment			\$ 6,089

A total of \$6,089 in total fixed costs will be required for initial investment in the business. Other ongoing costs will be incurred by the store as well. These include rent, utilities and insurance. Both monthly and annual expenses are calculated in the following table.

Monthly Expenses

		<i>Union</i>	<i>Emporium</i>	<i>Average</i>
Fixed				
Rent	\$	900	\$ 600	\$ 750
Insurance	\$	400	\$ 400	\$ 400
	\$	1,300	\$ 1,000	\$ 1,150
Variable				
Utilities (Electric heat = one bill)	\$	400	\$ 400	\$ 400
	\$	1,700	\$ 1,400	\$ 1,550

Annual Expenses

		<i>Union</i>	<i>Emporium</i>	<i>Average</i>
Fixed				
Rent	\$	10,800	\$ 7,200	\$ 9,000
Insurance	\$	4,800	\$ 4,800	\$ 4,800
	\$	15,600	\$ 12,000	\$13,800
Variable				
Utilities (Electric heat = one bill)	\$	4,800	\$ 4,800	\$ 4,800
	\$	20,400	\$ 16,800	\$18,600

These expenses are based on numbers that were reported from occupants of commercial space in the Union as well as at the emporium. Estimates for both locations are provided, and averages have been calculated. Annual rent for the space in the Memorial Union included both rent and utilities. These were separated based on the assumption that utilities accounted for one-third of the total rent expenses. In this case, insurance is basic and covers the business if anything falls and injures a

customer and if anything is stolen. Monthly expenses were determined and totaled, and annual expenses were calculated from those numbers.

B. Months to breakeven.

To determine the breakeven point, it is assumed that fixed costs include rent and insurance since these expenses are expected to remain at the same rate over time. Utilities are assumed to be characterized as variable costs. Since there are no direct labor or materials costs involved, it is difficult to determine the breakeven point. Labor costs are not incurred because students representing a student organization will run the store (discussed later). Also, material costs are not incurred as nothing is being manufactured or produced. Refer to the previous tables for discussion of fixed and variable costs.

To calculate Campus Consignment’s breakeven point, the total expenses must be calculated by adding initial expenses, variable expenses and fixed expenses together. Dividing this number by the average monthly sales will arrive at a number that indicates how many months it will take for sales to cover expenses. The following table projects annual and monthly expenses, assuming that there is a 10% increase each year as a result of increased rent, insurance and utilities.

GROWTH	YEAR	ANNUAL EXPENSES	MONTHLY EXPENSES
	Year 1	\$ 18,600	\$ 1,550
10%	Year 2	\$ 20,460	\$ 1,705
10%	Year 3	\$ 22,506	\$ 1,876
10%	Year 4	\$ 24,757	\$ 2,063
10%	Year 5	\$ 27,232	\$ 2,269

Considering the projected sales is important in determining breakeven since profits are expected to cover expenses. The following table compares the expenses to the projected sales for five years ahead.

INITIAL EXPENSES	MONTHLY EXPENSES	PROJECTED SALES
\$ 5,689	\$ 1,896	\$ 3,446
\$ 5,689	\$ 1,896	\$ 3,601
\$ 5,689	\$ 1,896	\$ 3,772
\$ 5,689	\$ 1,896	\$ 3,959
\$ 5,689	\$ 1,896	\$ 4,166

This table shows total initial expenses and divides them evenly across five years. It also shows the yearly initial expenses and the monthly expenses combined to compare total monthly expenses with projected sales for any given month. As these numbers are projected further into the future, the gap between the total monthly expenses and the projected sales gets larger, indicating that sales will likely cover those expenses incurred. Paying off initial expenses over five years would allow the business to make a profit while leaving room for unexpected costs and expenses that

may be incurred. If the store paid off all initial expenses as soon as possible, it would take approximately two months to breakeven. This number would be calculated the following way.

Initial expenses	\$5,689
+ Avg monthly expenses	<u>\$1,550</u>
Total expenses	\$7,239
÷ Projected monthly sales (YR1)	<u>\$3,846</u>
Months to breakeven	1.88 → 2 months

From this information, it can be assumed that by three months the business will reach positive cash flow.

VI. Marketing Plan

A. Overall marketing strategy.

The main focus of Campus Consignment's marketing strategy will be to keep marketing in line with the mission statement. As a consignment store competing on quality and price, Campus Consignment will utilize a marketing strategy that allows it to maximize profits for the overall store as well as for the customers and consignors.

Seasonal trends will affect the business both positively and negatively. The poor economy will be expected to have some positive influence on how well the store competes against other discount stores and consignment stores. The school calendar creates a seasonal trend of an influx of students during the spring and fall semesters. During these times, students are rarely on campus to shop. This also introduces an issue with staffing during these times since many of the students who would otherwise be helping in the store are home. On the other hand, during the summer months and winter and spring breaks, the absence of students and faculty on campus will negatively affect the store and its performance. To promote sales out of season, the store may consider being open during campus tours and other events that are held in the Union. The store may also consider changing its hours of operations during these times to keep the cost of utilities low.

B. Pricing.

Campus Consignment will implement a flexible pricing strategy that will vary based on product category and brand name. Products will generally be priced at half of the item's original value, or MSRP.

The following table displays the price ranges for the different product categories to be sold within the store.

PRODUCTS	PRICE RANGE PER PRODUCT
Clothing	
Pants/Jeans	\$7.98 - \$14.98
Shirts	\$5.98 - \$10.98
Blouses	\$6.98 - \$12.98
Sweaters	\$8.98 - \$20.98
Jackets	\$10.98 - \$32.98
Accessories	
Shoes	\$10.98 - \$24.98
Handbags	\$10.98 - \$45.98
Scarves	\$5.98 - \$21.98
Ties	\$5.98 - \$15.98
Hats	\$10.98 - \$35.98
Artwork	\$15.98 - \$59.98
Housewares	\$3.98 - \$39.98

DVDs \$5.98 - \$14.98

These numbers are estimated based on the levels of quality of products that are consigned. The numbers were also determined based on experience and observation of prices at other consignment stores in Massachusetts and Rhode Island. At the lower end will fall items with popular brand names and affordable prices at new (GAP, Old Navy, Macy's, etc). Products that will be priced on the higher end may include high quality, expensive brand names such as Lucky Brand, Juicy, Guess, Crate & Barrel, and similarly positioned stores in the retail market. The market alone will dictate the prices of products sold in the store.

These prices will be comparable to other consignment stores in the South County area. Since college students, in general, are aware of brand names, willingness to purchase these products at higher prices will be realized. Prices offered at Campus Consignment will be slightly higher than the competition in order to cover overhead costs and to create awareness and attract potential customers and consignors. The competitive prices offered will allow Campus Consignment to get its products and service accepted by students and faculty members, as well as members of the local community. Providing quality products, both new and used, at affordable prices will encourage customers to purchase. With prices that are similar to that of the competition and a convenient location for students and faculty members already on campus, Campus Consignment will be able to maintain its market share and produce profits once it is an established business.

C. Sales tactics.

Customer service and personal sales within the store will be emphasized as key sales tactics for Campus Consignment. Its own sales force will run the store and all its operations, while creating a pleasant experience for customers and consignors. Over time, the sales force is expected to increase as students and faculty become more aware of the store and the opportunities it provides to the campus community. The sales force will be built up at no particular rate as it is dependent on students' interest and willingness to participate in the student organization, Campus Consignment Club.

D. Service and warranty policies.

There will be no service and warranty policies provided by Campus Consignment since the store will not be the manufacturer of the products sold. The return policy for the store consists of money credited to customers' accounts for the sale of broken or defective products that were overlooked by staff.

E. Advertising and promotion.

Market research shows that the target population wishes to be reached primarily through the use of email, a website specific to Campus Consignment, advertising in the Good 5 Cent Cigar and flyers/posters around campus. These channels through which the store will communicate to its customers are effective and inexpensive.

Constant Contact, an email marketing service, allows users to create emails to be sent to customers on a specific email list. This service would be beneficial for Campus Consignment in keeping in line with its mission of promoting environmental awareness. Not only will the store be creating awareness for its brand and its products, but it will be encouraging students and faculty to “go green” by going paperless (See C. Appendix 3). Flyers and posters will be made with recycled paper and displayed indoors in high traffic areas across campus, including the library, the Memorial Union, Ballentine Lounge and Hope Commons. Displays in windows will also act as advertisements for attracting potential customers to the store. Creating well-designed displays will help in convincing students and faculty who might otherwise not shop consignment to purchase or consign in the store.

Campus Consignment will market itself using promotions that emphasize the value provided to customers and the importance of recycling, education and the ability to raise money for a cause by selling unused items. Ideas for recycling promotions may include hosting design contests for a new store logo to be used on a reusable item, such as a shopping bag. This would encourage students and faculty to get involved in the start up of the business while learning about sustainability and environmental awareness. It would also create awareness among the target population. Other promotions may include display design and visual merchandising contests, inspirational information sessions about important issues regarding environmental sustainability, and a “create-your-own-recycled garment,” in which students with talent would be able to produce a piece of clothing, jewelry, or product of their choice that is environmentally safe, yet clean and fashionable. All promotions will focus on creating awareness for the store and for the issues that are outlined in the company’s mission statement.

F. Distribution.

Campus Consignment will donate items that go unsold after 90 days to local charitable organizations in need. The store will recycle these items if they are not accepted as donations at these organizations. Distribution for Campus Consignment involves picking up donations from dorms and other buildings in which collections are being taken. Students and faculty members on campus will have the opportunity to donate any unused items that they do not care to consign. This will offer the university a chance to promote environmental awareness campus wide. It also involves dropping off donations to local charitable organizations and recycling centers. Charities to which Campus Consignment will donate include the Jonnycake Center (Peace Dale), the Salvation Army (Newport, North Kingstown), and Big Brothers & Big Sisters (Cranston, East Providence). Items donated will be determined by the organization accepting them. According to its website, the Jonnycake Center can only accept seasonal items due to storage and space issues. The organization would be interested in “clean and gently used women’s and men’s clothing, handbags, boots, shoes, jewelry, and accessories” (JonnyCakeCenter.org, 2009). Any other items may be donated to the Salvation Army and Big Brothers & Big Sisters of Rhode Island. Those items that are not

appropriate and not accepting by these organizations will be brought to textile recycling.

The disposition strategy for Campus Consignment will involve biweekly pickups of donations. Those charitable organizations mentioned will have the opportunity to pick up items that went unsold. This will allow the store to maintain a healthy level of both inventory and storage. If items are refused by these organizations, they will be delivered to local recycling centers for textile recycling.

While initial donations will be necessary to get the business started, consignors will eventually bring items in for consignment. As the store takes donations, increased awareness of the store will attract both customers and consignors. For the first two weeks, consignments will be accepted daily between the hours of 11am and 4pm (also the regular hours of operation for the store). Consignors can bring in as many items as they would like to consign, but they will also be aware that items will be inspected and refused if they do not meet the acceptable criteria. If there is enough inventory in the store after two weeks, consignment hours will be Monday through Wednesday from 12pm until 2pm. This will allow for a steady level of inventory in order to prevent overflow and a cluttered store. If there is not enough inventory after two weeks, then consignments will be accepted as necessary until a sufficient amount of inventory is realized.

VII. Management Team

A. Organization.

Since Campus Consignment will be nonprofit in nature, the overall organization of the business will differ greatly from its major competition. Campus Consignment will be run by a student organization to be named the Campus Consignment Club.

The following statement will be used in the Student Senate Organization Application for Recognition (B. Appendix 2).

“The goal of this club and of the store is to provide motivated students with an avenue to gain hands-on experience establishing and maintaining all aspects of a successful business. The club will uniquely benefit the URI Community by handling the operations and business functions of the Campus Consignment store. It will provide students and faculty with a resource through which they can learn about environmental awareness and sustainability. It will benefit the community through providing a profitable business opportunity and service for the club, the customers and the consignors. The key value proposition of both the club and the store is focused on the student, their learning and the business.”

The Campus Consignment Club will provide value to those involved through emphasizing the importance of the environment, education and conducting business responsibly and in a way that is favorable and valuable to all. The Campus Consignment Club will likely be recognized as a Level III club, which would provide the organization with a contingency grant to cover basic expenses and free space in the Union for meetings as well as use of the Ball Room when necessary. The club will have to be active for two semesters before receiving an office, which would then be used by all members of the organization but run primarily by a faculty adviser.

B. Key management personnel.

Since Campus Consignment will be run by students, it is important that those involved in running the store become educated and experienced in all aspects of the business. Students will be responsible for handling every function of business, including finance, accounting, marketing and advertising, business management and entrepreneurship, and customer relationship management. Students who are business students will first become familiar with the function of business for which they are taking classes. From there, they will be encouraged to explore the other functions of business while learning the basics from fellow students and faculty members and applying what they've learned to improve the overall business. All students will be responsible for maintenance, inventory, and customer service.

To start, students may be required to contribute at least half of a given day to working in the store. Schedules for the store may be developed over time based on the class schedules of those students involved. Since it is more of a learning experience for

students, no true management positions will be established until the business is running efficiently. Students may wish to delegate positions based on seniority or skill.

C. Management compensation and ownership.

Faculty advisors would be necessary for this organization and business to be established and maintained. Students will not receive compensation for their work in the Campus Consignment store. The ultimate goal for the club and the store is for both to be recognized as an established business opportunity and an opportunity for students to receive internship credits. Faculty members who serve as advisors would eventually be rewarded as if they were teaching a regular course.

D. Other investors, supporting professional advisors and services.

Other investors may include the university itself along with banks and other institutions through which funding would be provided to the business as needed. No outside professional advisors and services would be utilized in running this business.

VIII. Critical Risks, Problems and Assumptions

Start-up companies face critical problems. The idea of clustering can pose problems for new consignment stores in areas in which other consignment stores already exist and operate. The fact that Campus Consignment will be a nonprofit organization will help the business become established and accepted in the URI community. This aspect of overall business will allow the store to differentiate itself from the competition in the South County area. Since Campus Consignment will not incur many operating expenses in terms of labor and material costs and because the overall goal of the business is not to maximize profit, the store will be able maintain competitive pricing and being undercut by those businesses already established in the area will not be a concern.

Another potential for problems is the lack of student interest in organizing and running the business itself. The business will need to maintain an adequate amount of dedicated and talented employees at all times in order to succeed. This concern is legitimate; however through market research and observation it is clear Campus Consignment will be met by students of all different majors and personalities with enthusiasm and determination. Market research shows that there is interest in the idea and with increased awareness among the URI student population along with the power of word of mouth, students will be more accepting of the business idea and more willing to contribute. In addition, due to the current economic situation, the skills students will learn while participating in this club will be invaluable. Ideally, when the store is recognized as a profitable business idea for customers and as an educational experience for students, it will attract students from other colleges at the university outside of the College of Business and the TMD department.

Industry, market, or economic trends will affect the business, posing critical risks and problems in terms of sales for the store. Campus Consignment will have quality faculty advisors and will inherently be run by dedicated students. As industry statistics have proven, consignment stores and other stores within the resale business are not as affected by a poor economy. The potential threats or problems that Campus Consignment faces are important to consider, but are not expected to have a strong negative effect on the store and its performance. With a solid business model, dedicated staff, and most importantly, its global concern, the business will thrive as an opportunity for the URI campus community to work together.

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X. Appendices

A. Appendix 1: Consignment Form

Campus Consignment

150 Lower College Rd.
Kingston, RI 02882
(401)000-0000

_____ Consignment Contact Number

Date_____

The following are the conditions under which consigned articles are received:

1. All articles must be in good condition and clean. Clothing must be current style
2. All consignors must be willing to abide by the decisions of Campus Consignment as to accessibility and pricing of articles.
3. Articles will be placed on sale for 60 days from the date of consignment and will be discounted by 50% of the original price after 30 days.
4. Any article not sold or reclaimed during the 60 day period will be donated to charity. Consignors are responsible for monitoring the expiration dates of any items they may wish to reclaim before the 61st day.
5. Each consignor has an account number. Please check on your articles and stop by at any time to collect money due you. Campus Consignment does not mail checks. Consignor receives 50% of the selling price.
6. Campus Consignment will take the best possible care of articles consigned, however, everything is left at the owner's risk. Campus Consignment is not responsible for loss by fire, theft, water, or negligent handling.
7. Articles are accepted for consignment on _____.
There will be a 30 item limit per visit (may change upon space constraints).
8. Accounts inactive for two years are automatically canceled and the number will be reassigned.

B. Appendix 2: Student Senate Application Forms

**STUDENT SENATE ORGANIZATION
APPLICATION FOR RECOGNITION**

Revised 05/06

This Application Must be Completely Filled Out before it can be considered by the
S.O.A.R.C. Committee!

1. Organization name: _____

2. Membership:

Number of URI Undergraduate Student members _____

Number of Associate (faculty, graduate, staff, etc.) members _____

3. Does your organization have an office? () yes () no -- If "yes", where? _____

Does your organization have a phone? () yes () no -- If "yes", #? _____

4. Please give contact information for your organization:

Name of student contact person: _____

Contact phone number: _____

Contact Email address: _____

May we publish this contact information? () yes () no

5. Does your organization have an advisor? () yes () no

Please give contact information for your organizations Advisor:

Name of advisor: _____

Contact phone number: _____

Contact Email address: _____

6. Please explain how your organization will uniquely benefit the URI Community. This will be used in publications if the organization receives recognition. Attach an additional sheet, if necessary

7. On a separate sheet of paper, please submit a TYPED list of names, e-mail addresses and phone numbers of all the organization's members. (This is EXTREMELY important; do not forget!!!)
8. Please list all of the officers, in accordance with your constitution (the model constitution provides for four **required** positions):

A. Position held: President Name: _____
 Mailing address: _____
 E-mail address: _____
 Phone number: _____

B. Position held: Treasurer Name: _____
 Mailing address: _____
 E-mail address: _____
 Phone number: _____

C. Position held: _____ Name: _____
 Mailing address: _____
 E-mail address: _____
 Phone number: _____

D. Position held: _____ Name: _____
 Mailing address: _____
 E-mail address: _____
 Phone number: _____

9. Certification: **By signing this document, I certify that all of the information on this application is true and accurate to the best of my knowledge. If there is a change in any of the information provided, I understand that notification must be given to the SOARC chairperson within one week. Failure to report any changes may result in the suspension of recognition of this organization.**

Preparer: _____ Phone #: _____ Date: _____
 (please print)

Signature: _____ Email address: _____

(To be completed by SOARC):
 SOARC Chairperson's Signature _____ Date Signed _____

**UNIVERSITY OF RHODE ISLAND
STUDENT SENATE ORGANIZATION**

MODEL CONSTITUTION

Note: This document **must** be signed by the President *and* Treasurer of your organization before it may be recognized by Student Senate. The signing lines are on the bottom of Page 5 of this document.

Date effective: _____ / _____ / _____

Article I. NAME

The name of this organization shall be the _____

Article II. PURPOSE

Section A. The purpose of this organization shall be to _____

Section B. All activities of this organization shall be non-profit in nature.

Section C. This organization accepts and understands that acts of the URI Student Senate shall take precedence over those of any recognized student organization of the University of Rhode Island, including this organization.

Article III. MEMBERS

Section A. Each person who is a full member shall enjoy all rights and privileges of membership including but not limited to the right to be present and to make and second motions at meetings of the membership, to vote on questions and elections before the membership, and to hold office when duly elected. Each person who is an associate member shall enjoy all rights of a full member except the right to vote, hold office, or receive special benefits paid for with student activities dollars, (i.e., subsidized trips, etc.) To be considered a member of a student organization, an individual must attend at least one organization meeting or event per month during the academic year. In addition, full members are required to:

And associate members are required to:

Section B. Any undergraduate student of the University of Rhode Island who is required to pay the Student Activities Tax shall be eligible to full membership in this organization. Non-matriculated students, graduate students, faculty and other members of the URI community shall be eligible for associate membership. This organization shall not discriminate against any person on the basis of race, color, sex, sexual orientation, age, handicap, national origin, religious affiliation, or religious belief.

Section C. Any member may be expelled for any negligent or malicious act which is detrimental to the purposes and principles of this organization by two-thirds (2/3) vote of the full members present at any meeting after careful consideration of the facts and after hearing the response of the accused member in person at a meeting of the membership not less than two weeks after written notice of the charges preferred has been received by the accused. Negligent acts include, but are not limited to, violations of the laws of the State of Rhode Island, and URI Student Senate and memorial Union Board of Directors policies. All expulsions may be appealed by the expelled member to SOARC but, until the appeal is decided, the accused shall not enjoy the rights or privileges of membership.

Article IV. OFFICERS

Section A. The officers of this organization shall be the President, the Vice President, the Secretary, and if this organization is funded or collects dues, the Treasurer. The organization must have two elected officers with signatory power at all times. One of these must be the President, and if the organization has a budget, the other must be the Treasurer. These officers shall perform the duties prescribed by this constitution and by parliamentary authority adopted by this organization. If your organization has a position (or positions) other than those listed above, please attach a copy of the title and a description of the duties of each.

Section B. Officers must be elected each year in the spring semester by April 1st unless special privileges are granted by SOARC.

Section C. These officers shall serve for a term of one year beginning at the close of the annual meeting or until their successors are elected. Each officer may be re-elected to the same office any number of times.

Section D. If any office becomes vacant as a result of resignation, removal, or other cause, the members shall fill the vacancy at the next regular meeting after the vacancy

arises. The remaining officers may, by majority vote, designate any eligible full member to act in the capacity of the vacant office until the vacancy is filled.

Section E. No person shall hold more than one office at a time within the same organization.

Article V. MEETINGS AND QUORUM

Section A. The regular meetings of this organization shall be held at least once a month from September to April, inclusive, at a time and place to be adopted by majority vote of the full members at any meeting. The Secretary shall give at least ten days notice of any change in the time of regular meetings.

Section B. The regular meeting held during the month of April shall be known as the annual meeting and shall be for the purpose of electing the officers for the following year and for any other business that may arise.

Section C. Special meetings may be called by the President and shall be called upon the written request of five (5) full members of this organization. The purpose of the meeting shall be stated in the call and no business not mentioned in the call may be transacted. The Secretary shall give at least two (2) days notice of any special meeting to be held.

Section D. The requirement for notice of recruitment meetings will be deemed to be met by classified ad or other advertisement in the campus newspaper and one other manner, but such advertisement shall not be necessary or required for general meetings.

Article VI. COMMITTEES

Section A. Standing and special committees shall be created by majority vote of the full members at any meeting of the organization as deemed necessary to carry out its purposes.

Section B. If no manner of selecting the members of a committee is specified at the time of its creation, then the President shall appoint its members subject to the approval of the organization by majority vote. Membership on a committee shall expire at the beginning of the annual meeting.

Section C. The Chairperson of each committee shall be elected in the same manner as that prescribed for officers.

Article VII. FINANCES AND ASSETS

Section A. All financial expenditures and commitments shall be jointly authorized by the signatures of the President and Treasurer. It shall be the duty of the Treasurer to maintain accurate records of the financial status of the organizations.

Section B. All organizational money for groups in Levels 1, 2, and 3 shall be held by the Student Senate accounting system, without exception. Level 4 organizations may keep money in private group accounts.

Section C. The organization may charge dues to each member per semester, or financially compensate members for fulfilling position duties, subject to the discretion of SOARC.

Article VIII. ELECTIONS

Section A. All elections for officers and for committee chairpersons shall be decided by majority vote of the full membership and shall be conducted by secret ballot. Write-in votes shall be permitted on the ballot and shall be deemed valid if the intent to vote for a specific candidate for a specific position is clear.

Section B. Any member may nominate any eligible member for any office or elected position. In the case of regular elections, nominations shall be opened at the last regular meeting before the annual meeting and shall be closed at the annual meeting. In the case of an election to fill a vacancy, nominations shall be opened at the first regular membership meeting after the vacancy occurs and shall be closed at the next regular membership meeting thereafter.

Section C. Immediately upon the close of nominations, an election shall be held. If any election has only one candidate, that person must still face election by ballot, and shall be liable to defeat by write-in votes. If no candidate receives a majority on the first ballot there shall be no election and the ballot shall be repeated as many times as is necessary until a candidate is elected by majority. Each ballot after the first shall include the name of all nominees who do not themselves withdraw.

Section D. The rules contained in the current edition of Robert's rules of Order Newly Revised shall govern the organization in all cases to which they are applicable and in which they are consistent with this constitution and any special rules of order the organization may adopt.

Article X. AMENDMENT

This constitution may be amended at any regular meeting of the organization by a two-thirds (2/3) vote of the full members, provided that the amendment has been submitted in writing at a previous regular meeting at least one week earlier. All such amendments shall become effective only upon approval by the Student Organization Advisory and Review Committee (SOARC) of the Student Senate.

This constitution adopted on _____ / _____ / _____

President's signature

Treasurer's signature

C. Appendix 3: Screen Shot of Email Advertisement



D. Appendix 4: Web-based Survey

1. Default Section

*** What is your gender?**

- Female
- Male

*** Which of the following describes your relationship to the university?**

- Undergraduate student
- Graduate student
- Faculty

*** In the past month, how many times did you visit the Memorial Union?**

- 0 times
- 1 time
- 2 - 3 times
- 5 times
- More than 5 times

*** Where on campus are you most likely to spend free time?**

- Union
- Hope Commons
- Emporium
- Library
- Office
- Other (please specify)

*** Do you live on campus or off campus?**

- Off campus
- On campus

2.

*** If off campus, how often do you come to campus each week?**

- 1 time
- 2-3 times
- 5 times
- More than 5 times

3.

*** Last month how much money did you spend on _____? (Enter whole numbers only, omit dollar signs)**

Accessories	<input type="text"/>
Clothing	<input type="text"/>
Music	<input type="text"/>
Electronics	<input type="text"/>
Games	<input type="text"/>

*** How much money do you spend for entertainment and personal extras each week? (May include activities, going out, luxury products, etc)**

4.

*** Where are you most likely to shop? (Check all that apply)**

- Warehouse/Big box stores (i.e. Sam's Club, BJ's)
- Boutiques
- Specialty clothing stores
- Department stores (i.e. Macy's)
- Discount stores (i.e. Marshall's)
- Electronics stores (i.e. Best Buy)
- Factory outlet stores (i.e. Wrentham Outlets)

5.

*** On what products are you most likely to spend your money? (Check all that apply)**

- Housewares
- Music
- Sports gear
- Video games
- DVDs
- Clothing
- Jewelry
- Electronics (iPods, cell phones, etc.)
- Artwork
- Accessories (including shoes, handbags, scarves, ties, hats, etc.)

Other (please specify)

*** Do you pay for these products on your own?**

- Yes
- No

6.

*** Where do you get the money to pay for these items? (Check all that apply)**

- Full-time job at school
- Part-time job at school (20 hours or less)
- Parents/guardian/family
- Summer job savings
- Scholarships/Grants
- Gifts
- Paid internship

7.

*** To what extent do you agree that brand names, IN GENERAL, are important to you?**

- Strongly disagree Disagree Agree Strongly agree

*** To what extent do you agree that brand name CLOTHING is important to you?**

- Strongly disagree Disagree Agree Strongly agree

*** To what extent do you agree that brand name ELECTRONICS are important to you?**

- Strongly disagree
 Disagree
 Agree
 Strongly agree

8.

*** Would you be willing to purchase used clothing?**

- Yes
 No

9.

*** If no, which of the following reasons would explain why you would not be willing to purchase used clothing? (Check all that apply)**

- Outdated styles
- Damaged
- Worn out
- You think items are dirty
- Other

10.

*** Would you be willing to purchase used music/DVDs/games?**

No

Yes

*** Would you be willing to purchase used electronics?**

Yes

No

*** Would you be willing to purchase used items in general?**

No

Yes

11.

*** A consignment store is a second-hand store that sells used and previously owned items at a lower price than new products. Have you ever shopped at a consignment store?**

No

Yes

12.

*** If yes, which of the following have you purchased?**

DVDs

Accessories (including shoes, handbags, scarves, ties, hats, etc.)

Jewelry

Electronics (iPod, cell phone, etc.)

Housewares

Video games

Clothing

Music

Sports gear

Artwork

Other (please specify)

13.

*** Have you ever sold items at a consignment store?**

Yes

No

14.

*** If yes, what products have you sold?**

- Accessories (including shoes, handbags, scarves, ties, hats, etc.)
- Artwork
- Video games
- Electronics (iPod, cell phone, etc.)
- DVDs
- Sports gear
- Housewares
- Jewelry
- Music
- Clothing
- Other (please specify)

15.

*** How likely would you be to shop at a consignment store on campus?**

- Very unlikely Unlikely Likely Very likely

*** How likely would you be to consign (sell your used or unused items) at a consignment store on campus?**

- Very unlikely Unlikely Likely Very likely

*** When would you be most likely to shop at a consignment store on campus? (Check all that apply)**

- Evenings (after 5pm)
- Weekends
- Between classes
- Afternoons
- Mornings before class
- Other (please specify)

16.

*** Please rank the following reason(s) for SELLING items at a consignment store in order of importance.**

	Very important	Important	Unimportant	Very unimportant
Help a student club	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Get rid of unused items	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recycle items	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Make money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*** Please rank the following reason(s) for PURCHASING items at a consignment store in order of importance.**

	Very important	Important	Unimportant	Very unimportant
Convenience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help a student club	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recycle items	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Save money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

17.

*** How would you like to find out about information regarding a consignment store on campus? (Check all that apply)**

- Flyers/Posters
- Facebook
- Email
- Website
- The Good 5 Cent Cigar
- Other (please specify)

*** Would you be more likely to purchase items from a consignment store on campus if they were new?**

- No
- Yes

*** How interested would you be in participating in a student organization that runs a consignment store on campus?**

- Not interested
- Interested

18.

Interested, for what reason(s) would you participate in the club? (Check all that apply)

- Raise money
- Help a cause
- Fun / interest
- Experience for resume

19.

* Would you be willing to purchase items from a consignment store on campus if they were new?

- Yes No

* Would you be willing to purchase used items from a consignment store on campus?

- No Yes

20.

* If no, why not?

21.

* If you were to SELL items at a consignment store on campus, how likely would you be to SELL original artwork / clothing designs / jewelry / etc?

- Very unlikely Unlikely Likely Very likely

* If you were to PURCHASE items at a consignment store on campus, how likely would you be to PURCHASE original artwork / clothing designs / jewelry / etc?

- Very unlikely Unlikely Likely Very likely

22.

* To what extent do you agree that sustainability and environmental awareness is important?

- Strongly disagree Disagree Agree Strongly agree

* To what extent do you agree that recycling is important?

- Strongly disagree Disagree Agree Strongly agree

* To what extent do you agree that saving money is important?

- Strongly disagree Disagree Agree Strongly agree