

FINANCIAL ANALYST TEAM (150)

REGIONAL – 2019

TOTAL POINTS _____ (170)

Failure to adhere to any of the following rules will result in disqualification:

- 1. Contestant must hand in this test booklet and all printouts. Failure to do so will result in disqualification.**
- 2. No equipment, supplies, or materials other than those specified for this event are allowed in the testing area. No previous BPA tests and/or sample tests or facsimile (handwritten, photocopied, or keyed) are allowed in the testing area.**
- 3. Electronic devices will be monitored according to ACT standards.**

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Golden Goddess Enterprises began 60 years ago when its founder, Donna Lowenstein, began selling her organic shampoo and conditioner in her local drugstore in Columbus, OH. Over the years, Golden Goddess has grown to be a multi-million dollar corporation, with their products being sold in stores across the Midwest as well as online.

Ten years ago Golden Goddess expanded its product line and began producing a line of natural sunscreens. While the haircare lines are manufactured at the same facility, the sunscreen is manufactured at a separate facility.

Both the shampoo lines and sunscreen lines have been profitable, while the conditioner line continues to struggle. Golden Goddess's Board of Directors is considering several possible scenarios and has hired your financial consulting company to analyze the data and make a recommendation. Possible recommendations could include (but are not limited to):

- 1) Drop the conditioner line since it is unprofitable and focus resources on expanding the shampoo and sunscreen lines
- 2) Drop the sunscreen line and refocus resources on their core haircare lines.
- 3) Keep all three lines as currently produced.

Shampoo Line	2014	2015	2016	2017	2018
Net Sales Revenue	\$131,439,255	\$136,489,361	\$137,451,522	\$140,975,920	\$143,560,000
Manufacturing Costs:					
Variable	46,758,450	50,386,261	52,871,207	56,007,635	58,039,000
Fixed	55,200,000	55,350,000	55,500,000	55,500,000	55,500,000
Selling & Administrative Costs:					
Variable	12,497,533	12,977,708	13,069,193	13,404,300	13,650,000
Fixed	7,575,000	7,575,000	8,285,000	8,285,000	8,285,000
Conditioner Line					
Net Sales Revenue	128,201,340	131,758,828	133,494,253	130,620,600	\$131,940,000
Manufacturing Costs:					
Variable	54,366,870	56,048,320	57,367,779	58,538,550	59,430,000
Fixed	55,350,000	55,350,000	55,500,000	55,500,000	55,500,000
Selling & Administrative Costs:					
Variable	12,070,009	12,404,943	12,568,331	12,297,780	12,422,000
Fixed	7,575,000	7,575,000	8,285,000	8,285,000	8,285,000
Sunscreen Line					
Net Sales Revenue	226,812,548	241,959,194	256,584,511	254,094,386	\$251,007,000
Manufacturing Costs:					
Variable	72,500,865	77,677,945	81,517,415	81,516,600	82,340,000
Fixed	116,320,000	116,320,000	116,320,000	116,320,000	116,320,000
Selling & Administrative Costs:					
Variable	18,970,063	20,455,103	21,691,520	21,481,006	21,220,000
Fixed	15,000,000	15,830,000	15,830,000	15,830,000	15,830,000