



Proposed Acquisition of Tesla Motors Inc.
Apple Inc.

As of 12/5/2013

CONFIDENTIAL

Background:

Acquiring Tesla Motors Inc would contribute greatly to both companies. Tesla is proving itself to be one of the major players in the automotive industry. Apple has seen growth from leaps and bounds in terms of the personal computer, but longevity needs discontinuous innovation. It is the opinion of this committee that for long term viability, Apple should acquire Tesla Motors Inc. Apple and Tesla have introduced iOS onto Tesla vehicles already on the road and has shown to be a great partnership so far. This should be a sign of bigger and better things to come for both companies.

History of Tesla:

Tesla Motors was founded by Elon Musk, Martin Eberhard, and Marc Tarpennig. It is well known as a high end electric car maker. It was founded in 2006 and has recently filed for IPO. Not only has it reached IPO status, it has also turned around and finally made profit in the last quarter. This is remarkable for a automotive brand based in Silicon Valley. Their most popular vehicle on the road today is the Model S, with a range of over 250 miles. It is being sold worldwide and production has ramped up in the Tesla Factory producing this vehicle. Future plans include the Model X.

Strengths:

Tesla has position itself as a company prided on innovation and corporate responsibility. Establishing a car company in Silicon Valley is reflected with their love of technology and blurring lines for traditional business models. Their distribution channels also avoids the middle man (car dealerships) and sells direct to their customers.

Competitors & Other factors:

Although Tesla has seen acclaim for their cars, recent accidents and subsequent fires have been reported causing widespread criticism for the company. Investors are weary to invest in such a new technology. With so much attention on Tesla, the negative press is bound to follow. Many other car companies are starting to venture into all-electric, even luxury brands such as Fisker, Lexus, and GM.

Goals & Objectives:

- 1) All information will be kept confidential until the official Apple Press Release.
- 2) The formation of an acquisition committee to facilitate and manage the acquisition and to relay information between both companies.
- 3) Secure funding.
- 4) Minimize lay-offs and maintain Tesla's complete workforce.
- 5) Abide by all rules, regulations, and laws both domestically and internationally
- 6) Close the deal within 120 days upon ratification of agreement.

Apple will be the parent company of Tesla and own 80% stake in common stock.

Company Profile

Management Team:

Elon Musk is the CEO of Tesla as well as Space X. He is known as one of the greatest innovators as well as for his commitment to greener, more efficient technologies. He is a mainstream icon and has drawn comparisons to Steve Jobs. His net-worth is estimated at \$8.8 billion.

JB Straubel is the CTO. He graduated from Stanford. He is in charge of overseeing production and third party accountability. He was listed as one of the top 35 innovators under 35.

Product Line:

Roadster

The Tesla Roadster is the first production car produced by Tesla. It is considered a high end luxury sports car and is able to go from 0 to 60 in less than four seconds. It's range is about 100 miles per gallon
Approx cost: \$100,000

Model S

The Tesla Model S is a five-door luxury hatchback. It is by far the most popular model and has an estimated range of 260 miles per charge. It appeals to sports car enthusiasts as well as the normal. Stylish and sleek, it is not only a viable option as a weekend car, but also one of that as a daily commuter.
Approx cost: \$70,000 (starting)

Future releases: Model X (2014)

Financial Information:

Income Statement:

Income Statement		Get Income Statement for: <input type="text"/> <input type="button" value="GO"/>			
View: Annual Data Quarterly Data		All numbers in thousands			
Period Ending	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	
Total Revenue	431,346	495,139	561,792	306,332	
Cost of Revenue	328,476	304,656	465,472	282,476	
Gross Profit	102,870	100,483	96,320	23,857	
Operating Expenses					
Research Development	56,352	52,312	54,859	68,832	
Selling General and Administrative	77,072	59,963	47,045	45,908	
Non Recurring	-	-	-	-	
Others	-	-	-	-	
Total Operating Expenses	-	-	-	-	
Operating Income or Loss	(30,554)	(11,792)	(5,584)	(90,883)	
Income from Continuing Operations					
Total Other Income/Expenses Net	(693)	1,707	17,101	830	
Earnings Before Interest And Taxes	(31,247)	(10,085)	11,517	(90,053)	
Interest Expense	6,471	20,116	118	26	
Income Before Tax	(37,718)	(30,201)	11,399	(90,079)	
Income Tax Expense	778	301	151	(148)	
Minority Interest	-	-	-	-	
Net Income From Continuing Ops	(38,496)	(30,502)	11,248	(89,931)	
Non-recurring Events					
Discontinued Operations	-	-	-	-	
Extraordinary Items	-	-	-	-	
Effect Of Accounting Changes	-	-	-	-	
Other Items	-	-	-	-	
Net Income	(38,496)	(30,502)	11,248	(89,931)	
Preferred Stock And Other Adjustments	-	-	-	-	
Net Income Applicable To Common Shares	(38,496)	(30,502)	11,248	(89,931)	

Stock Price:

-As of today (12/9/13), the stock price is **\$137/share**. The total market cap is estimated at \$17.36 billion.

Plants, Equipment, Land

- The company has multiple plants under leases. The biggest is the Tesla Factory, formerly NUMMI located in Fremont, CA.
- Company doesn't have any franchisees and sells their cars directly to the customer.

Cash Reserves

The company has sufficient assets to cover itself for 10 years under current operating budgets. Average account payables are paid off every 15 days and average account receivables are 30 days

Profit:

-Tesla earned a profit of \$.12/share compared to a loss of \$.76 a share almost a year ago.

Projected costs:

- Costs: \$20 billion cash
- Stocks: 100,000,000 Common stock of Apple
- Goodwill: \$15 billion
- Overall acquisition costs: \$50 billion as of 12/9/2013

With the acquisition, 500 million of the costs are depreciate, and acquisition also generates \$1 billion in clean energy tax credits per year.

How we can leverage?:

We can utilize Apple's large cash reserves and resources to help expand the Tesla brand. With what they had to work with, Tesla has made great achievements in

the automotive industry, showing that corporate responsibility, innovation, and profit can all be achieved in today's marketplace. Margins are decreasing among many product categories as competition increases. Automobiles have higher margins and thus can sustain growth for both Apple and Tesla for many years to come. As electric cars are still gaining mainstream acceptance, companies have not fully committed to the technology as much as Tesla.

Acquisition Plan:

Planning Manager/Legal Team:

The acquisition will be managed by the law firm Brown & Associates. It is in our opinion that Tesla will not sell their company for less than \$50 billion. These costs primarily will cover the initial funding and leases of current property, equipment, and land. The next big budget item is taxes and transfer fees. Attorney fees will also be about \$30 million.

Finance:

Peter Oppenheimer, our CFO, has decided to convert bonds over 15 years and liquidate them for this acquisition. That will free up approximately \$20 billion and the rest will be paid in stock incentives to Tesla's stockholders and executive team.

Operations:

Tim Cook, CEO, will look over an acquisition committee that will oversee the smooth transition of Tesla Motors into Apple ownership. This committee will include industrial design, marketing, executive, research and development, as well as legal members to facilitate the take over.

Branding:

Tesla will be a sub-brand of Apple. All vehicles will come with Apple technology as well as insignia. For example: Tesla Model S by Apple.

Marketing:

Our Marketing department will work to emphasize the melding of the two brands. Marketing materials will look and feel like Tesla but through the Apple brand of products.

Retail:

Some stand alone Apple stores will be able to show sample vehicles . Much like how Tesla has it set up where it is a showroom and cars are delivered. Apple Geniuses will be able to help customers order a Model S from inside the Apple Store.

Research & Development:

Tesla will have the whole Apple Research and Development team to their disposal. This access to labs, patents, and cutting edge technology will help grow Tesla by leaps and bounds. With the possibility of driver-less cars, car-driver interfaces, integrated audio and video. The possibilities are endless.

Manufacturing:

Through existing distribution channels. Production is up to about 500 cars a week. After acquisition we expect this to double.

Executives:

Elon Musk will become VP for Apple's new automobile division. His leadership is a key asset and we look forward to having him as part of our team.

Summary:

Company Name: Tesla Motors Inc.

Location: Palo Alto, CA

Projected Value (estimates): \$100 billion in 5 years

Brief: Tesla has positioned itself as the premier of all electric luxury car brands.

Conclusion:

It is the opinion of this committee that acquiring Tesla be completed as soon as possible. The best thing about Tesla is that it has recently generated profit for the first time in the company's history. It has already proved itself that there is a demand, it is a sustainable market, and there is definite potential for growth that we expect to last decades. In the market of cell phones and computers, automobiles are next in line for a digital makeover.

Sources: Tesla public filing (IPO) www.teslamotors.com

Proposal 1b

BluthBags

RFP for United States Retail Store Launch

RFP Prepared: December 8, 2014

Proposal Deadline: February 1, 2014 before 5 p.m. PST

First Round - Decision announced: March 1, 2014

Final Decision announced: April 1, 2014

Project dates: June 1, 2014 - June 31, 2015

Proposal 1b

RFP for United States Retail Store Launch

- Overview -

BluthBags is seeking an agency to create and execute marketing and strategic communications plan to launch the BluthBags brand in the United States.

The company will be launching 5 new American stores and is seeking proposals from agencies that will generate sales and help to build the BluthBags Brand in the US market. The proposal should include the events, dates and other details that are detailed below.

The budget for the campaign is \$10 million and the proposal is due on February 1, 2014.

- Introduction: Background -

Founded in 1888, BluthBags is a France-based luxury handbag and luggage company that designs, creates and delivers exceptional products for the technology, fashion and celebrity communities. BluthBags is committed to creating bags that consumers love and that merge seamlessly with the lifestyle and needs of today's consumer.

BluthBags currently employs over 3,000 people and has over 50 stand-alone stores in cities around the world, including Tokyo, Mumbai, Milan, Bangkok and Hong Kong. The company's products are available in over 500 retail outlets and the company expects to do over \$100 million in sales in 2014.

Due to our success, we will continue to maintain an aggressive expansion strategy. Although we currently have a retail presence throughout Asia and Europe, we have not yet launched in the United States. We have no stand-alone stores nor are we in American retail outlets.

We have 5 confirmed store openings in the United States planned over the next 12 months. We want to make a strong impression in the American marketplace and are soliciting proposals from agencies in the United States to help us do so.

- Introduction: Objectives -

There are 2 primary objectives for this campaign -- brand building and generate sales.

Through this campaign, we seek to develop brand recognition and awareness of BluthBags within our U.S. target demographic

Proposal 1b

This campaign should drive traffic to our US based store locations thereby increasing sales for BluthBags.

The BluthBags brand and company was built and has thrived without the use of advertising. We are seeking a campaign built solely around public relations and non-traditional marketing and events.

We are looking for an agency that can execute all aspects of the campaign including public relations strategy, event planning and production, etc.

- Project Description -

Your proposal should be comprised of the following components.

Part 1: Plan

Please write a 13-month PR plan for BluthBags that will achieve the above objectives. The plan should begin in June 2014 and continue until the end of June 2015. The plan should include as much detail as possible, including a month-to-month plan with public relations, events and marketing strategies.

I've detailed below the initiatives that we already have in the works. Please incorporate these initiatives and store opening dates into your plan.

1. July 2014 / Pop-up stores in New York and San Francisco. These temporary stores will serve as test locations that will give us the opportunity to iron out kinks with distribution, pricing, staffing. These pop-up stores should each open with small influencer events and be supported with strong public relations support. Both Stores will close in early September.
2. August 2014 / Damien Hirst collaboration. We are collaborating with this famous American artist to use his artwork on a collection of limited edition handbags. The bags will be sold exclusively in the BluthBags pop-up stores in New York and San Francisco.
3. September 2014 / New York store opening. The 5,000 square foot store will be located at 123 Broome Street in SoHo. The store will serve as our United States flagship store and the opening event will be attended by the Bluth family and many of our top executives. The store will open in time for September's New York Fashion week.

Proposal 1b

4. October 2014 / San Francisco store opening. The 3,000 square foot store will open on 456 Valencia Street in the Mission District. There has been some anti-luxury sentiment expressed among the local San Franciscans. Therefore, we believe that the launch event should not be too lavish.
5. November - December 2014 / Holiday Season. This is our largest selling time of the year. Please incorporate holiday gift guide strategies to your plan.
6. December 2014 / Miami Pop-up Store and Art Basel. To generate word of mouth buzz about the upcoming Miami store opening, BluthBags will create a pop-up store that will launch during the Art Basel. The store will feature limited edition bags created in collaboration with young artists that are participating in Art Basel next year.
7. January 2015 - Atlanta store opening. The 3,000 square foot store will open on 789 Peachtree Street in downtown Atlanta. The store should open with a launch event.
8. February 2015 - New York Fashion Week. We would like to have a presence at New York Fashion week in February and are looking for creative ideas from you to do so.
9. March 2015 - Miami store opening. The 2,000 square foot store will open on 555 Ocean Drive in the South Beach area. The pop-up store will close at this time.
10. March 2015 - Academy Awards. BluthBags will have a 'swag suite' at the Chateau Marmont hotel for academy award nominees. All nominees will be invited to the suite over the course of a weekend to choose a complimentary bag from BluthBags. This event should serve as an opportunity to start publicizing the upcoming Los Angeles store opening.
11. April 2015 - Tribeca Film Festival. BluthBags will be sponsoring the
12. June 2015 - Los Angeles Store Opening. The 2,000 square foot store will open on 555 Rodeo Drive in Beverly Hills.

Part 2: Company information

Please provide the following information about your agency in the proposal:

- Company overview. This section should include company history, list of capabilities and current client roster.

Proposal 1b

- Account team members. This section should include bio and experience of the team members that that would work on BluthBags account.
- Case studies. This section should include three (3) case studies of work that is similar to the requirements of this initiative
- Reports. Please supply a sample report that your firm uses to report results to your clients.
- References. Please provide a list of three (3) client references.

Part 3 - Budget

Our budget for this campaign in \$5 million for all components, including agency fees, event production, event sponsorships, celebrity endorsements, etc. In your proposal, please include a detailed breakdown of how your company would deploy this budget on all aspects of the campaign.

- The Market -

The target demographic for this campaign is women between 22 and 35 years old with a high disposable income. The target consumer is an early adopter and is quick to catch on to trends, whether it be in fashion, art, music, technology, media, etc.

- Timeline and Next Steps -

Proposals are due by February 1, 2014 before 5 p.m. PST

Lindsay Bluth
Vice President, Marketing
BluthBags
+33 1 42 44 50 00

Via email: lindsay@BluthBags.co.fr
Via office delivery: 239 Rue Saint-Honoré, 75001 Paris, France

Agency selection will be based on the creativity, expertise and other factors that are specified elsewhere in this RFP.

Proposal 1b

BluthBags will invite the representatives from the top 3 agencies to meet with BluthBags company executives in our Paris office during the 2nd week of March. In this meeting, each agency is expected to present their proposal. The meeting will also include a question and answer session.

BluthBags will make its selection and notify agencies on or before April 1, 2014.

Contract Period: June 1, 2014 - June 31, 2015

To: Jennifer Davidson, Director, Human Resource Division

From: Charisse Thomas Finance Division

Date: December 10, 2013

Subject: Wellness Program at ViTec Corporation

Keeping your workforce healthy is extremely important to reduce turnover, absentee rates and insurance costs. Since 2006, ViTec has seen explosive growth in hiring over 2,000 employees. With the increase in the number of employees, ViTec will have an increase in healthcare insurance costs. To keep healthcare costs at a minimal, ViTec will need to insure that employees are healthy and in shape. Proven benefits of regular physical exercise include a reduction in employee stress, combats health conditions and diseases, improves ones mood, boots energy, and promotes better sleep habits.

I am proposing that ViTec directors promote physical exercise in the workplace by establishing a wellness program. The wellness program will focus on employee fitness and healthy eating habits. The wellness program will have great benefits for the company. The benefits include:

- Enthusiastic employees
- Health conscious workforce
- Team bonding
- Lower insurance costs
- Proactive workforce

Current Status at ViTec

A health survey has been passed around the office in regards to weight loss, fitness, and healthy eating habits. The results from the survey state that most employees feel that they are overweight due to high levels of stress at work. The high levels of stress are due to long hours during peak season and lack of flexibility in the workplace. Employees also stated that due to long hours and lack of flexibility they are unable to spend time working out after work. Most employees felt that they would like to improve their fitness habits but have not had the time to reach their fitness goals. In regards to eating habits, most employees went out to lunch and did not bring their own lunch. Looking at the selection of food provided to employees in nearby restaurants, 60% of the food was unhealthy and may cause weight gain.

Proposal 1c

Pilot Program

I would like to implement a pilot wellness program at work. This will allow employees at ViTec the ability to determine if they are comfortable with the program or if they have any suggestions. The pilot program will incorporate a company called Healthrageous. Healthrageous is bay area company that promotes health awareness and provides fitness activities for company's that are looking to promote fitness among employees. Healthrageous has been rank top 10 for implementing the best fitness habit in employees. Healthrageous is willing to work in a partnership with ViTec on a trial basis for no additional costs. Healthrageous has been a strong supporter for VicTec and believes in our company values and morals. Thus, Healthrageous would like us to try a pilot program with them at no additional costs.

Pilot Program Schedule

The pilot program will officially start on February 1, 2014. Setting up the project will take about a month. Healthrageous will need to use some of our office space to set up equipment that is used to measure employee fitness. The equipment will consist of a scale, measurement system, blood pressure monitor, glucose, and heart rate system. Healthrageous staff will set up and monitor the equipment so it is ready for employee screening.

Once equipment is set up, Healthrageous will have employees from each department schedule a time to come in for initial screening process. The initial screening process will consist of Healthrageous registering information for each employee regarding weight, height, and fitness. After registration is complete, employees will have access to their health chart online. The health chart will give details on their health and tips to improve the health results. The online program will give motivation quotes to employee's everyday and have an online chat room for employee communication throughout the program.

The program duration is 8 months. During the 8 months, employees are required to keep track of progression and highlight goals that have been met. Employees who have exceeded or met their goals will receive a reward from Healthrageous. After the program is completed, employees will have a chance to rate the program and decide if they would like to continue working with healthrageous to improve their health goals. If employees decide that Healthrageous is not beneficial in helping them reach their fitness goals Healthrageous will not partner ViTec. If employees decide that Healthrageous offers a great fitness program then Healthrageous will meet with the CFO Brian Chung in regarding to setting up a payment plan with Healthrageous.

Pilot Program Activities

Healthrageous has implemented numerous fitness activities in organizations but with ViTec, Healthrageous has decided to implement the stepper program. The stepper program is an entry-level fitness program that is user friendly and offers quick fitness results for ViTec employees.

The stepper program consists of every member having a stepper. A stepper is a tracking system, which counts the number of steps you have taken. The stepper can be attached to an employees shoe or hip to count the accurate amount of steps. For employees to see the number of steps taken they will need to stop by an upload station. The upload station will be located in lobby of every floor in the building. Once the data has been uploaded employees are able to look at the number of steps taken online through the Healthrageous website. On the Healthrageous website employees are able to set goals for themselves see the statistics of fellow employees. Every two weeks Healthrageous will increase the number of steps required for the day. The number of steps will increase every two weeks to challenge the employees to constantly keep improving their fitness goals. Employees can receive bonus points if their stepper is used during an intense workout session such as running, aerobics, jogging, or boxing. Once the program is completed, employees who have consistently met their fitness goals will receive a monetary reward.

Electing a Wellness Chair

In every wellness program there will need to be an elected wellness chair. The wellness chair is someone who is responsible for all fitness related activities in the office. The wellness chair is an liaison between Healthrageous and ViTec employees. Wellness chair is elected to help employees with any fitness advice or take suggestions on programs employees are interested in joining. The wellness chair is a non-paid, volunteer position. The wellness chair should be active for a term of one year and then elections can be held for the next wellness chair.

Pilot Program Results

The pilot program results are shown once every employee has completed their screening process at the end of the program. The end of the year screening process determines the overall performance of the employee over the 8-month period. The screening process will include weigh-in, glucose testing, and blood pressure. If the employee passes the screening process, they will qualify to win an award from Healthrageous. If the employee does not pass the screening test, they will not receive an award from Healthrageous but will be recognized for their hard work and commitment to the program.

Proposal 1c

Employee Feedback

At the end of the 8-month stepper program, the employees at ViTec will be able to take survey, which they can give feedback on the program. The survey will consist of multiple choice and write-in response. If the majority of employees think the program is beneficial, ViTec will partner with Healthrageous and determine the long-term approach and solution for employee needs at ViTec.

If the majority of employees feel that the Healthrageous program is not beneficial then the program will be no longer be available at ViTec. The survey will include a section that asks the employees what improvements they want to see with Healthrageous and any suggestions they might have for future programs.

Long-term partnership with Healthrageous

If Healthrageous is a success with ViTec then the company will need to establish a long-term partnership with Healthrageous. The long-term partnership will create positive outcome for employees, as their fitness goals will be met. This partnership will create a collaborative, positive, health conscious work force at ViTec. This is crucial aspect in today's workforce because there is high turnover with employees only staying a year or two in a specific job. ViTec establishing a long-term partnership will encourage employees to stay at ViTec because of opportunity to establish fitness goals, have a collaborative and positive work environment.

Starting the partnership, Healthrageous will need to contact the Finance department to create a solid budget for the program. Healthrageous has already stated they are willing to give a 20% discount for the 5-year contract. Estimate cost per year to partner with Healthrageous is \$170,000 per year; the 20% discount is not included in the estimate. Once financials have been determined, Healthrageous will need a permanent space in the ViTec building to establish their workspace. Once a workspace has been designated, employees at Healthrageous can create their workspace to answer the needs of the employees at ViTec. Every year Healthrageous will develop a new fitness program for employees at ViTec. Healthrageous will take into consideration the employees at ViTec opinions on new programs. Healthrageous will also give a one on one consultation with employees who need help meeting their fitness goals.

Ai-Werq-2-Much proposal

Appearance Modification Services and Training Grant Proposal

Cover Page

December 8, 2013

**Enhancing the Social Services to Mentally Disabled and Chronically Homeless
Population of San Francisco to Increase the Effectiveness of Social Reintegration**

Sample Student

Affiliation: Ai-Werq-2-Much

Position: Representative

Email: -----@[mail.sfsu.edu](mailto:-----@mail.sfsu.edu)

Address: 1234 Mission Street, San Francisco CA 94103

Phone: 415-123-4567

I. Proposal

The homeless population in San Francisco can be identified in many forms, varying from occupying street space, being lazy, ostracized, barred or even ushered from buildings where non-homeless people may not experience the same response from the public. This population consists of people who may not have access to showering facilities, to supportive clothing facilities, and to supportive employment locations. The shunning effect can easily be triggered by physical appearance.

Our agency, Ai-Werq-2-Much, proposes to train and to provide styling services, including grooming and appearance maintenance, to the mentally disabled and chronically homeless population of San Francisco.

II. Organization Description and History

For more than 50 years, Ai-Werq-2-Much has provided effective, community-based resources for San Francisco's vulnerable adults living with serious mental illness. Every day, clients working with our skilled team find healthy pathways to recovery, and those resources — including a combination of counseling, treatment, programs and other services — in order to self-manage chronic medical and mental illnesses.

Each year, Ai-Werq-2-Much serves more than 1,600 adults by:

- Creating welcoming, caring and empowering communities
- Fostering personal insight into illness and recovery
- Promoting long-term independent living; providing access to secure, well-maintained housing
- Helping our clients understand and negotiate the public mental health and health systems of care
- Restoring hope

Ai-Werq-2-Much owes its history of successful innovation to the pioneering work of Ela Mikuch (1921-2004). This visionary social worker saw the need for transitional housing alternatives when adults no longer needed institutionalization, but had no place to go. She came to understand that appropriate housing, though essential, was not enough to bring about long-term stability and reintegration into the community.

Founder Ela Mikuch, her mentor Ai-Werq Rhei and other charter members of the Ai-Werq-2-Much board were pioneers in the "deinstitutionalization movement," proponents of the "consumer movement," as well as innovators among "psycho-social rehabilitation" (PSR) service providers.

What began in 1960 as a "therapeutic halfway hostel," Ai-Werq-2-Much today is a spectrum of programs and services designed to support, rather than direct, our client's plans for recovery. We continue to be guided by founding principles of PSR — least restrictive, community-based, independent living; individual capacities, abilities and

Ai-Werq-2-Much proposal

strengths define resources; a focus on the whole person, environment and functional behavior; and, the essential partnership between client and treatment provider.

In addition to incorporating well-known services models — Residential Treatment, Supportive Housing, Supportive Employment, Money Management and Harm Reduction — we continue to innovate. The integration of principles of PSR and best practices in self-management of chronic medical conditions creates an approach we are calling Community-Supported Self-Management (CSSM).

III. Background: Stigma

Geral Falk, a professor of Sociology at SUNY Buffalo, classified stigma into two types, first existential and second achieved. The first form is people judged for things they have no control or decision over, such as age and race. The second form of stigma, Falk distinguished, is people being judged for their chosen life-style induced behaviors that deviate from the norms, such as prostitution, criminals and immigrants.

Falk explored the causation factors of homelessness and its stigma, another achieved form. He theorized racial inequalities, mental illness, age, and most concerning poverty are leading factors that impact the condition of homelessness, i.e. cause, severity and recovery. Due to poverty, rent becomes too high, food accessibility decreases, and health care becomes an unnecessary drain of money.

Falk's tone towards the achieved form versus the existential form is less sympathetic. This sentiment resonates in San Francisco towards the homeless community. *SFGate* reminds us of the various behaviors towards the mentally disabled homeless, where “we trip over them on the sidewalk every day. We curse, hand them a dollar, or don't. We feel pity, sorrow, guilt and rage at their presence.” (SFGate, 2013). Falk wrote the “stigma of homelessness is such that the homeless are indeed invisible in that hardly anyone even wants to know that the homeless exists” (Falk, 2001, 244).

Jo Phelan and colleagues wrote in the *Social Psychology Quarterly* on the blame and stigmatization towards the impoverished and homeless. They reported from their findings:

- 1) The homeless man is blamed no less than the domiciled man and generally is stigmatized more severely
- 2) The strength of the stigma attached to the “homelessness” label equals that for mental hospitalization
- 3) The stigmas of harmlessness and mental hospitalization are independent of one another

Therefore, in addition to the hardships of being homeless, homeless people suffer from stigmatization by their fellow citizens (Phelan et. al, 1997).

IV. Background: Discrimination

Stigma takes on a silent form of bias and judgment. It gives way to discrimination, the active transformation of stigma. Judging is as intuitive and prevalent as the senses ascribed to a human being: taste, touch, smell, hear, and sight. Humans have learned to

Ai-Werq-2-Much proposal

judge through the senses, giving us the ability to make sense of the world and things in it. A lion's roar would indicate danger to man. The smell of smoke could indicate fire. A grasp of fire would cause pain and burn. A sour taste from mold may lead to stomach illness. The sight of a homeless, mentally ill, or substance abuser would conjure what types of judgment? Unfortunately, there are many stereotypical identifiers of a homeless person, the stench, the lack of grooming, the occupation of public spaces and the hygiene.

A homeless person may lack access to cleaning facilities and basic acquisitions of grooming tools. In addition to the lack of basic needs, a mental health disorder would de-prioritize the need to self-care and groom. Despite the level of acceptance, social rejection is a pervasive feature of social life (Kurzban & Leary, 2001).

“Through the process of stigmatization, certain individuals are systematically excluded from particular sorts of social interactions because they possess a particular characteristic or are a member of a particular group” (Kurzban & Leary, 2001).

In 2006, the case of *Jespersen v. Harrah's Operative Co., Inc.*

“the Ninth Circuit held that the employer's appearance standards did not impose unequal burdens on males and females...also rejected the gender stereotype, stating that if it recognized a claim under these facts, [they] would come perilously close to holding that every grooming, apparel, or appearance requirement that an individual finds personally offensive, or in conflict with his or her own self-image, can create a triable issue of sex discrimination” (Corbett, 163).

This ruling was proclaimed after the employer terminated Jespersen for refusing to wear facial makeup, because she believed it conflicted with her self image, thus leading her to file a lawsuit suing Harrah's for sex discrimination.

The case presented shows the effect of a person's appearance on their vocational position, let alone entry into a position. Ken Sundheim reported in *Forbes.com* “looks matter in business as much as in the rest of life, even if the professional influence tends more to the subliminal” (Sundheim, 2013). It correlated self-esteem to ones appearance. The strength of a person's appearance can have a profound impact on their ability to attain a job. While an abled person may find difficulty honing their appearance skills, a disabled and homeless person may find it severely difficult.

V. Current Conditions and Services in San Francisco

The City of San Francisco has established efforts to re-integrate people suffering from mental health disorders and homelessness back into the social community. There are programs such as substance abuse treatment, supportive housing, mental health, vocational, legal aids, food services and domestic abuse. All of these services seek to address the basic needs that Maslow stated forms a person's needs hierarchy. Meeting the foundational physiological need is necessary before meeting other higher needs. However, the revolving door effect persists, where the person continues to cycle through the system. There are cases of successful reintegration, but those cases are one too few.

Ai-Werq-2-Much proposal

The population Ai-Werq-2-Much serves consists primarily of people suffering from mental health disorders that contribute to their substance use and further lead to their homeless condition. This population is eligible and is receiving Supplemental Security Income (SSI) support.

In California, the max amount of benefits from SSI, a taxpayer contribution to an aged or disabled individual person, is \$866.40 a month (Social Security Administration, 2013). Not all SSI recipients receive the max amount. In San Francisco, and especially within the population served by our agency, the typical amount is about \$835.00 a month.

In San Francisco, a Single-Room Occupancy (SRO) hotel would charge a person at least \$600 a month, where generally monthly rent would be \$from \$650-\$700 or more. Food from a grocery store could be frugally approximated to about \$20 a week, which is about \$80 a month. San Francisco Disabled MUNI monthly pass costs \$21 a month. Dependency on federal programs would leave the individual relying on federal funds no expense to progress in San Francisco, even if that person carefully and frugally plans their recovery in the city of San Francisco.

The City of San Francisco continues to spend and cut spending on programs providing services to this population, in the forms of hospitalizations, incarcerations, and entry/reentry to supportive service programs. The long-lasting form of recovery is reintegration into society, as an income earning, product consuming, and taxpaying citizen. This will promote self-esteem for the individual in homeless/mental health recovery, which will help towards their mental stabilization and provide a positive outlook towards the city's problem of homelessness that trips people and reduces the attractiveness of its streets.

VI. Plan

The financial barrier is a reality to the homeless and mentally disabled population of San Francisco, who, as *SFGate* reminded us that they could be obstacles which pedestrians trip over. They have become invisible, not only visually but also mentally.

Our plan is to dispel the stigma and discrimination through appearance modification, promoting visibility. There are existing services that ranged from legal to housing to mental support. However, many of these programs' services are specified by the approved contract. Vocational services provide work training, and provide a small amount of funding to an individual to purchase supplies related to the job. However, the support offers no insight on how to effectively spend the fund. There are no known services that provide targeted appearance support.

Maslow's Hierarchy of Needs, physiological needs are at the foundation of ascending needs of safety, love/belonging, esteem and self-actualization. Hygiene, grooming, and appearance are physiological needs that are often overlooked. *Forbes.com* reported the effectiveness of appearance on self-esteem and acquisition of a vocational position, but ultimately, reintegration back into society.

Ai-Werq-2-Much proposal

A new pilot program will carefully work with 10 clients over a two-year period. The clients will be from Ai-Werq-2-Much population pool because the existing mental health, housing, and financial management services offered will reduce the amount of fund needed to provide appearance modification and training to the 10 clients. We request from the City of San Francisco Department of Public Health an amount of \$110,000 for the two-year pilot program.

The program will hire a stylist with experience working with the mentally disabled and chronically homeless population, providing the stylist with an annual income of \$40,000. Each client will be eligible for a max of \$1,500 annually for style related purchases, e.g. clothing and grooming. Each client will receive vocational training, including interview etiquettes, social etiquettes, extensive education on socially accepted norms, grooming techniques, make-up/style training, and clothing style support.

	Annual Expenditure	Two-Year Expenditure
Stylist 40hr/wk	\$40,000	\$80,000
Client Fund per client	\$1,500 (\$15,000 per 10 clients)	\$3,000 (\$30,000 per 10 clients)
Total	\$55,000	\$110,000

VII. Measurement – Follow-up

The program will indicate its effectiveness by showing an increase to the number of job acquisitions by the clients in the group served by 50%. The number of hospitalizations and/or incarceration will also reduce by 75%. The indication of self-esteem measured by mental health treatment providers will show an increase from before entering this pilot program.

Throughout the two-year, monthly check-ins with each client by treatment providers currently in our agency will provide mental support to improve the effectiveness of this long-term recovery project.

VIII. Resources

- Corbett, William R. (2007). The Ugly Truth About Appearance Discrimination and the Beauty of Our Employment Discrimination Law. *Faculty Scholarship*. Paper 39. http://digitalcommons.law.lsu.edu/cgi/viewcontent.cgi?article=1038&context=faculty_scholarship
- Falk, Geral. (2001, June 1). *Stigma: How We Treat Outsiders*. New York: Random House, Inc.
- Kurzban, Robert & Leary, Mark R (2001). Evolutionary Origins of Stigmatization: The Functions of Social Exclusion. *Psychological Bulletin*, Vol. 127, No. 2, 187-208.
- Phelan, J., Bruce, L., Moore, R., Stueve, A. (1997). The Stigma of Homelessness: The Impact of the Label 'Homeless' on Attitudes Toward Poor Persons. *Social Psychology Quarterly*. Vol 60, Issue 4, 323-337.
- SFGate (2013). Shame of the City. *SFGate*. Retrieved from <http://www.sfgate.com/homeless/>
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- Sundheim, Ken (2013, May 29). Good Looks and Lucrative Business – What You Should Know. *Forbes.com*. Retrieved from <http://www.forbes.com/sites/kensundheim/2013/05/29/good-looks-and-lucrative-business-what-you-should-know/>

STUDEBAKER CONSULTING

Introduction

Studebaker Consulting is pleased to submit this proposal of our professional consulting and software solutions to address Redline Technologies' RFP regarding the transition to the Starliner Business Suite. Studebaker Consulting is a subsidiary of Studebaker Technologies, developer of the Starliner Business Suite and a leader in the Business Enterprise Software industry.

Choosing Studebaker provides the following benefits to Redline: we provide expert consulting and customer service that exceeds the vendor requirements, we build and customize software solutions to meet all customer software needs, and we provide hands-on training for employees to aid your company's transition to the Starliner Suite.

Because we are the software implementation branch of Studebaker Technologies, we have extensive experience implementing Starliner Business Suite seamlessly across many types of businesses and can advise on the full range of the Starliner functionality. Any additional software needs can be quickly identified and met with little to no downtime in comparison with other implementation consultants.

Because of these advantages, choosing Studebaker Consulting will ensure a superior business solution experience for Redline Technologies.

Description of Work

Overview

Studebaker understands Redline is seeking expertise in customization and implementation of the Starliner Business Suite. As outlined in the RFP, Redline wishes to complete the project within a timeframe of 12 months or less, with the overall aim of increased functionality, security and flexibility in regards to financial reporting, order management, and customer relationship management. Our experts are well versed in each aspect of Starliner's flexible applications.

To meet the project timeline Studebaker will provide a team of business software consultants, programming analysts and training experts to accomplish the transition within a proposed timeline of 8 months.

The primary deliverables for this engagement will include, but are not limited to, the following requirements.

- Analysis on business processes.
- Consultation on recommended modules and applications.

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- Establishment of transition workgroup to aid in data migration, testing, and knowledge transfer.
- Development and Building of custom Starliner Business Suite.
- Documentation of process workflows and training to Redline staff.
- Provide active testing and troubleshooting with documentation.
- Develop and advise corrective action to correct any gaps in functionality.

In support of the project deliverable goals, Studebaker Consulting will provide documentation of all processes consistent with Redline Technologies' goals and objectives based on industry best practices, and in compliance with the requirements set for in the Request for Proposal dated November 20, 2013.

Project Deliverables

Studebaker Consulting will provide the required project deliverables:

- Documentation of Business Processes....
- Recommendation on Software
- Establishment of thorough timeline
- Data Migration Plan
- Software Build
- Training processes and Documentation
- Documented problems and recommended solutions
- Final Build

Expected Duration

Based on information provided in the RFP and our professional experience with companies similar to Redline, Studebaker Consulting estimates this project will be completed in 8 Months as outlined in the timeline table. During the course of the project, time required for completion may differ as additional information is revealed. Any expected changes to this timeline will be discussed and addressed by Redline's CFO and the Studebaker Project Lead.

Consulting and Implementation Team

Studebaker will provide the following team, with the requisite skill to complete this project: two Senior Consultants, two Programming Analysts, and one Training Specialist. Of the two Senior Consultants, one will take the role of Project Manager. Consultation, Data Migration, Training, and Software Testing will occur primarily onsite. Software building and additional support may be performed both on and offsite

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Title/Role	Quantity	Description
Senior Business Software Consultant	2	Deliver comprehensive analysis of business processes and software recommendations. One consultant will act as project lead, providing management and oversight
Programming Analyst	2	Provide technical expertise and recommendations, software building, troubleshooting, aid in data migration.
Training Specialist	2	Document new process workflows, lead training and instruction sessions for employees.

Estimated Charges and Comparison

The estimated charges and costs are based on information provided in the RFP and professional experience with similar situations. Any expected change in projected costs will be discussed prior to engagement of work.

Task	Studebaker Charges	3 rd Party Consultant Charges
Starliner Business Suite Software Licensing	\$120,000	\$125,000
Consulting and Implementation	\$330,000	\$346,500
	\$450,000	\$471,500

The cost of the Starliner Business Suite Software is direct pricing from our parent company, and is therefore without additional markup charged by other providers. The consulting and implementation costs are calculated at \$100 per billable hour for

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each Studebaker Team Member. This rate is below the market rate of \$105 per billable hour charged by third party software consultants.

Initiation of Work

Initial consulting for the project is projected to commence January 2014 as required by the RFP. In order to meet the projected start date, Studebaker Consulting must receive the signed and executed Letter of Engagement and Accompanying Documentation by Dec 18, 2013. If the required documents are received after this deadline, Studebaker will commence the project approximately two weeks after receipt of required documents. The initial consultation meeting will mark the official start of the project.

Billing

Invoices will be submitted to Redline on a monthly basis starting from the initial consultation until final implementation of the project. These invoices will be net due net 30 days upon issuance. Invoices will cover software licensing and billable hours for consultation and implementation.