

Drink
halm

Drinkhalm

BG | BRG Mössinger, Carinthia, Austria

Supervision: MMag. Susanne Raab

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1. Executive Summary



Soft drinks: many people love them – no matter whether they taste sour, fruity or sweet – they all have one thing in common: they are mainly offered in plastic bottles.

Millions of litres of beverages are thus transported in plastic wrappings over hundreds of kilometres and do mostly not even get recycled but are simply dumped in some garbage bin, or worse pollute our environment.

1.6 bill.
plastic bottles
are being sold each
year only in Austria =

Therefore, we made it our business to develop an alternative environmentally friendly packing for beverages.

Drinkhalm the drink that comes in a straw

For those who seek a bubbly and refreshing experience but reject plastic bottles.

“Drinkhalm” – a hybrid of the English “Drink” and the latter half of the German word “Strohalm”, meaning straw, is a paper straw filled with drinking powder – it first serves as a wrapping and can then be used to enjoy the refreshment. From 0 to 100% in 1.8 seconds – faster than any sports car – an invigorating and fruity drink emerges the moment the powder blends with water, soda, or prosecco.

Our corporate year in review

Ranging from challenges concerning product development at the beginning to magnificent achievements and success stories at the end, the last eight months were like a rollercoaster of emotions: the mission was to spread the message of our vision of a future without single-use plastic in the world, while at the same time to continue developing and improving our product.

Our major challenge was time, we invested, as well as a significant sum of money in order to ensure Drinkhalm’s progress, which started without warranty of success. Still, we were taught better – all the hard work and trust in our vision eventually paid off. After a short period of time, we were able to successfully launch our own online store and were soon awarded the Online Marketing Award at the virtual Junior Trade Fair 2022, which resulted in a wide-ranging media coverage of our company.

The proverbial cherry flavour on our drink-cake was our win at the Carinthian Regional Championships and the thus earned qualification for the National Finals in Vienna. We also won this competition and can now call ourselves “Junior Company of The Year 2022 – Austria” and we are proud to be able to represent our country at the European competition in Estonia in July 2022. Additionally, we participated in the “Fifteen Seconds Festival 2022”, an international event for innovation and creativity in Graz – Austria, where we have already made numerous promising contacts. Even now that our joined corporate year unfortunately draws to an end, we are still full of ideas for further improvements.

In retrospect of the past corporate year, the most valuable achievement is not the generated profit, but especially the feeling of having slightly changed the world as a team.



2. Enterprise



Founding history & product development

Plastic bottles over plastic bottles – as far as the eye can see.

No, we are not standing amidst a waste disposal site, only in front of a vending machine like the one you can find in almost every school.

One thing we had in common from the start. We love refreshing drinks, plastic bottles on the other hand rather evoke the exact opposite emotion. Therefore, we embarked on our quest in search of answers to the question of how to bottle drinks more effectively, practically, and most importantly more space-saving, in order to save resources and emissions resulting from transportation simultaneously.

At first we pursued the idea of combining various ingredients into cubes that can then be put into glasses to make some sort of cocktail. However, as we planned to do without any additives, the drink-cubes would not stay in their intended shape and always dissolve into powder, which is why that approach turned out to be a dead end. What remained was a fizzy powder that bubbled to our satisfaction but lacked the desired taste.

Our breakthrough came with the idea of **packing the powder in a wrapping that would then serve as a straw**, which does technically not make any packaging at all. This idea was accompanied by a new challenge: the straws needed to be carefully sealed, while at the same time being easy to reopen.

Gluing was no option for the alimentary branch: an acquainted watch-manufacturer came up with the idea to seal the paper straws with the aid of presses and thankfully lent us an appropriate device. Later we invested in a machine of our own because it allowed us to food-safely seal the straws.

With newly gained motivation we spent two months developing the fizzy drink powder. This sort of powder exists since the early 20th century but turned out to be a fad and is not that widespread anymore. With fruity and partially exotic flavours we intend to re-establish this handy powder, as we were bored by the standard flavours like orange or raspberry. Instead, we came up with 7 refreshing and fruity creations of our own throughout the course of our corporate year.

After a long developing phase, we were finally able to produce four market-ready flavours in larger quantities and launched them in January 2022.

As customer satisfaction is our top priority and we always want to enjoy the best tastes ourselves, **we decided to completely change our recipe again** in March 2022. Thanks to our customers' ample feedback we could directly respond to their requests. That's why all flavours taste fruitier and slightly sweeter since April this year.



3. Market Analysis

The market for beverages is gigantic, every flavour, no matter how special, can be found. Soft drinks are a dime a dozen. Environmentally friendly and, more importantly, plastic-free wrappings on the other hand are way harder to find.

Target group

As our capacity as students is limited, an appropriate target group was to be detected in our proximity. Our school supplies a sufficient amount of tap water, if one is looking for an alternative, however, one needs to pay the horrendous prices of the school cafeteria or visit the nearest vending machine – in both cases one will get a plastic bottle. No wonder that garbage bins are filled with plastic bottles, even though they need to end up in a recycling facility. The generally growing consciousness for our environment can be detected in society after all. The demand for new and alternative wrapping options is therefore rising accordingly.

The option of enjoying Drinkhalm together with prosecco opens up the possibility for an additional and also significantly more substantial adult target group. Very easily, one can prepare refreshments for surprise guests in a matter of moments, without any ingredients or recipes.

USP

The innovative wrapping alongside with new flavours are what makes the difference between Drinkhalm and the competitors, like the market leader "Ahoj-Brause". Furthermore, our product allows the customer to choose whether the full taste should be revealed, or one wants to enjoy a more subtle flavour depending on the dosage. Especially when it comes to our younger audience, our Drinkhalms also serve as sweets by simply not adding any liquid and consuming the powder on its own.



Pricing

At first tastings, we convinced our customers with the slogan "One drink – One Euro!", which then resulted in our special "Buy 3 get one extra for free"-offer and allowed us to stabilize our position on the market.

Thus, we are able to compete with the plastic bottle drinks that are usually in trade when it comes to prices.



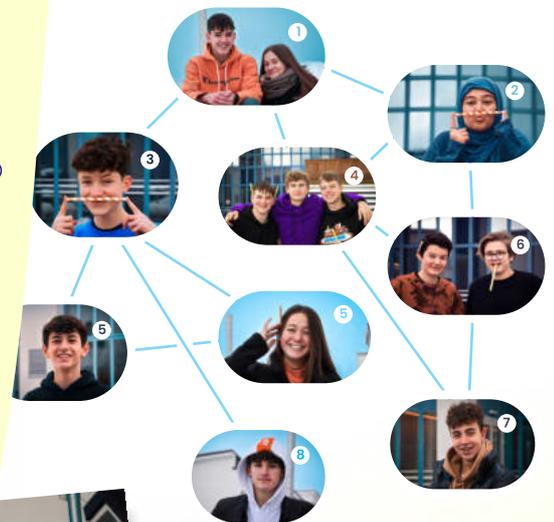
4. Our Team

Together we are 13 students of the 10th grade of the BG|BRG Mössinger in Klagenfurt, Austria – a big team for such a small company. This made it even more important for us to pursue good organisation and communication so that everybody could bring one’s respective strong suits to the mix. At the beginning, when the product developing phase seemed to continue for ages, we unfortunately lost our prior motivation. Still holding on to our idea, even though we kept spending money and did not earn any, raised some doubts. There were conflicts revolving around the question if our product would ever get finished. During these hard but also crucial times, a small team formed that would then continue to primarily focus on the development of our product. We changed our organisation and the division of responsibilities. With time it showed that this strategy with three sectors that have one respective executive officer was the right one to achieve our goals. It was essential, of course, to remain flexible, to cooperate beyond one’s sector during difficult times, and to work as a team.

When the first Drinkhalm were sold in a matter of a few moments, motivation and a positive outlook returned and raised our spirits. In retrospect, we can proudly announce that our minor and major differences did not bring us apart, but firmed our bond as team members.

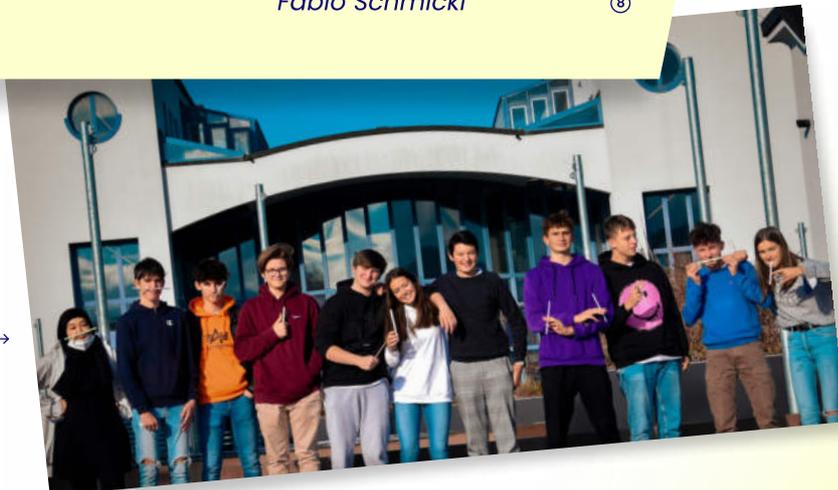
The Recipe for a strong Team

2oz	Executive office:	Luca Zeitler & Friederike Reichmann	①
1	Slice of Organisation:	Matina Hossaini	②
16g	Design & Marketing:	Paul Trieb	③
3oz	Production:	Timo Ropp, Luca Umile & Fabian Sprachmann	④
20g	Sales:	Helen Fiorilli & Baran Ak	⑤
2oz	Stock & Purchases:	Lukas Egger & Luca Ebner	⑥
15ml	Finances:	Michael Noe	⑦
5g	IT:	Fabio Schmickl	⑧



Graph of organisation

This is us



5. Our Product

Flavours

Sour like lemons or limes, sweet berry or fruity like a mango – we got something for everybody!



Watermelon

the taste of summer

Lemon Lime Grapefruit

sour's what gets the party started

Wild Berries

a wild combination

Mango

Passion Fruit
fruity like summer

Pineapple

Coco
pretty exotic

New

Lately we got two additional flavours:



Hop Lemon

refreshing and non-alcoholic

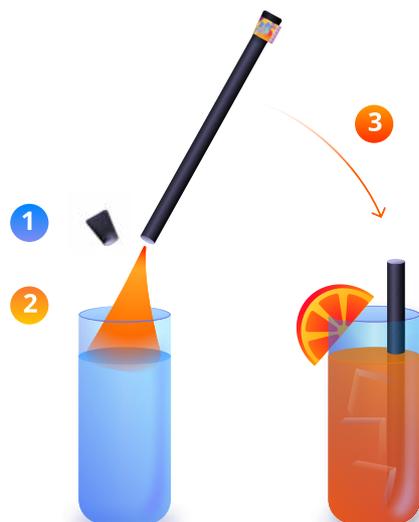


Cola

a classic one – now available in straws

How it works:

- 1 Simply tear off one end of your Drinkhalm
- 2 Poure the contained powder into water, soda or prosecco and let it fizz
- 3 Use the Drinkhalm handily as a straw



6. Production



The final package includes four drinks out of the straw.

Procedure

A Drinkhalm gets diligently manufactured in 4 steps:

- 1 At first the powder is produced with the desired flavour according to our self-developed formula and subsequently portioned with 2 grams each.
- 2 Step Two is to carefully fill the powder with special little funnels into the straws that are already sealed on one side .
- 3 After the filling, the other end is also sealed with the aid of a special press, a so-called rolling mill.
- 4 Finally, every Drinkhalm gets a sticker on the upper end indicating its flavour. The Drinkhalm is now put into packages that contain four straws each and are ready to make the world a little bit fruitier and fresher.



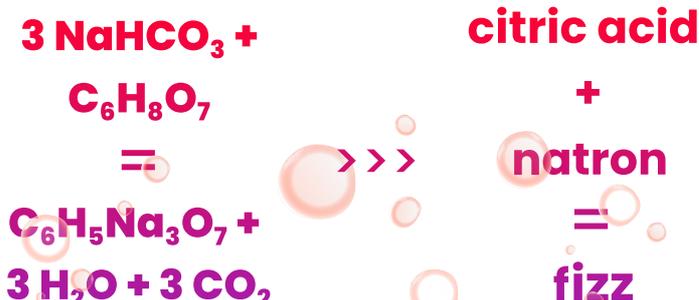
This machine is being used for the food-safe sealing of the straws without using any glue.

Wrapping

As we focus on the easy recyclability of all our resources, each Drinkhalm is made of paper that originates from FSC-certified sources. At four pieces each, they are wrapped in protective foil that is made of cellulose which has again been extracted from wooden material. The colourful stickers are produced in a print shop in our hometown Klagenfurt.

Ingredients

Fizz in the form of carbonic acid emerges during the reaction of citric acid and natron or sodium hydrogen carbonate. Together with sugar, natural colouring agents and aromas, a bubbly refresher is created when water is added. We relinquish all other additives and preservatives, which are often contained in conventional beverages and types of sherbet powder.



7. Marketing

Getting people in touch with our vision of a future without one-way plastic and to present our product to them have been our two main goals.

Starting with the brand's name and logo, we combined the words "Drink" and "Strohalm", which is German for "straw", to receive "Drinkhalm", which again resembles a synonym of "Strohalm", namely "Trinkhalm". The straw hidden on the logo along with the dynamic tilt provide an additional recognition value.

Our corporate identity mirrors the fruity and refreshing flavours through bright colours and fresh fruits and ranges from our online store www.drinkhalm.at, via social media right up to product design. An atmosphere of "fun", "freedom", and "the mood for party" is supposed to connect our product with the customers – with positive side effects for our environment.



Our online shop provided an essential sales platform.

With the aid of social media, we were able to arouse curiosity of many potential customers, as we could reach a wide range of people. Primarily using online marketing was the safest way to address a vast audience during the partly unsettled times of the pandemic in January 2022. Thanks to influencer-marketing we managed to authentically show our enthusiasm on multiple displays, as we endowed Austrian influencers with our product, whereby they, in return, advertised Drinkhalm and expanded our audience. In order to reach our main target group, we would also use traditional types of media, such as posters and flyers.

All in all, we put a lot of time and energy into our outward representation and communication, because a good idea on its own does not make a good product.

The marketing bore fruit, in the truest sense of the word, as we were awarded with the "Online Marketing Award" of the virtual Junior Trade Fair 2022.

Our Instagram feed mirrors our concept of colours in images >>> [@drinkhalm](https://www.instagram.com/drinkhalm)



8. Business Results

At the beginning of our corporate year, we sold 75 share certificates for the price of 10€ each. Therefore, we could start with a budget of 750€. The average production costs for one package containing four straws of any flavour amounts to **0.98€**. Due to the fact that we spent a lot of time and money on product development and a production machine of our own, we exceeded our budget, which raised the **break-even point** from 115 to 193 sold units (packages). For the final payoff of the wages, we agreed on a flat model with three pay grades. The total sum of all gross salaries is set at 750€, which is way too small considering the many hours that we spent on this project. We are, however, aware that one needs to invest time and money in the early stages of the start-up to then reap the fruit of one's labour.



Annual accounts

Expenses

personnel costs 1 st term	€	0,00
personnel costs 2 nd term	€	795,00
material issues and other expenses 1 st term	€	472,82
material issues and other expenses 2 nd term	€	846,75
Junior insurance	€	10,00
total sum expenses (net)	€	2124,57

Earnings

net income 1 st term	€	274,59
net income 2 nd term	€	2118,57
total sum earnings (net)	€	2393,16

total sum earnings	€	2393,16
total sum expenses	€	2124,57
preliminary profit/loss (excl. taxes)	€	268,59
JUNIOR corporate tax (10%)	€	26,86
final profit/loss	€	241,73

Junior success distribution

final profit/loss	€	241,73
number of issued share certificates	pcs.	75
profit/loss per share certificate	€	3,22
face amount per share certificate	€	10,00
sum to be paid per share certificate	€	13,22

Martin Ungericht
Signature of Junior Consultant

Our target to be able to reimburse the invested money of our shareholders with a little profit margin was fulfilled. The profit share per share certificate tallies up to a considerable **32%**.

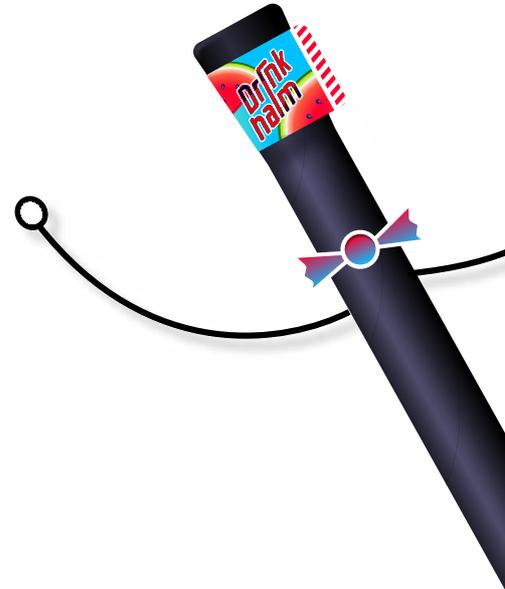


9. Future Outlook



3500
plastic bottles
saved

About that many drinks have we packed in paper straws instead of plastic bottles up to now.



Potentials for the future

After a successful corporate year, we came to learn that there is a lot of demand, a thirst for innovative ideas. This is mirrored in the positive feedback of our customers, teachers, received via social media, but also that of our investors.

To give an outlook into the future and to tinker with the idea of the possibilities and possible challenges of an expansion, we talked with acquainted students at a secondary vocational school with a focus on technical professions in Klagenfurt to validate the realisation of a fully automated production plant with their technical knowledge and our know-how. During this conversation, many ideas emerged that revolve around speeding up production with the help of machines and making it more efficient. In doing so, our range of flavours could easily be extended to many new products – countless ideas for new flavours already exist. A profitable and economical scaling would thus be theoretically viable, we would, however, still need the financial support of investors to realise this vision. Our business model does, in this regard, definitely offer potential, as the demand for plastic-free alternatives and solutions for the future keeps rising – and that in every aspect of daily life.

One thing is for sure: The countless experiences did not only allow us to grow as a team, but also showed how exciting and fulfilling it can be to take the first steps to entrepreneurship.

The team of Drinkhalm

