

Budget Case Study – Dove Bunting

The Ventura Brief asks you to work within a production budget of £1,400. Here are the real costings for the Design Ventura winning product Dove Bunting from 2010.

As you can see the final production budget exceeded £1,400. This was to create “economies of scale” (i.e. the more you make, the cheaper they are to produce) in order to maximise potential for profit.

Dove Bunting Projection Budget

Product:	Item	Supplier	Description	Unit Cost	Quantity	Total Cost
Materials	Ribbons	Midpac / online	85 x 20m	£3.95	85	£335.75
	Stickers	Marsh Labels	Graphics for front & back of bag	£330	800	£330
	Inks	Inkmasters	Printing inks	£10	4	£40
	Paper	Rymans	Info insert slips	£5	2	£10
Manufacturing	Clear, round seals	Midpac / online	For sealing bags	£13.35	1	£13.35
	Printing and die-cutting 'doves'	Generation Press	Printing and die-cutting on recycled card	£1.77	400 x sheets (16 x doves per sheet)	£705
Labour (hours to assemble each product)		Design Ventura winning student team + museum staff	Assembling final product, packing bags, attaching stickers etc	free	400 x products assembled	£0

Marketing	Dove Bunting graphic identity	Build Graphic Design Studio	Graphics packaging and brand identity	One off cost	1	£200
	Product photography	Build studio	Website photography	One off cost	1	£15
Other costs (Transport of component parts to Design Museum)	Boxed components to Design Museum for assembly	Relevant suppliers	Printed doves, ribbons, stickers, bags, clear seals, printed insert slips	One off cost	Total parts ordered	£45
Total production budget						£1,830.00

Dove Bunting Project Summary

Number of products you propose to sell	400
Production cost of each product: + VAT @ 20 % Cost of each product including VAT: Total costs:	£4.58 (£1,830 / 400 products) 92p per product £5.50 £2,200 (£5.50 x 400 products)
Retail price of each product: (roughly double the cost price)	£9.95
Total retail income from sales: (retail price x the number of products)	£3,980 (£9.95 x 400)
Total PROFIT you expect to make through sales: (total retail sales minus total costs)	£1,780 (£3980 - £2,200)