

**1 Year**

**or Annual Business Plan**



**Business Plan For Fiscal Year 2019**

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**EXECUTIVE SUMMARY**

[Meta Palette] is a graphics design company that helps medium-sized companies find and build their own brand image. The company helps position other companies to be brand leaders in their own industries. [Meta Palette] uses tools and resources that enhance its use of insights and analytics, strategy and positioning, and brand engagement in elevating one's brand image and visibility.

The company will also help brands adapt to the new trends in their industry by implementing new strategies developed by the company’s highly creative and innovative marketing team.

**COMPANY OVERVIEW**

**Mission Statement**

[Meta Palette] seeks to create a powerful brand image to its clients through its use of smart, innovative tools and creative resources.

**Philosophy**

[Meta Palette] adopts a client-centric approach in all of its activities. The company’s top priority is always the success of its clients.

**Vision**

[Meta Palette] vision is to be the leading design innovator that takes the success of brands into the future.

**Outlook**

[Meta Palette] will continue to distinguish itself as an innovator in graphics design and brand management in the marketing industry as many brands continue to look for agencies that are experts in a specific discipline. Agencies of such are highly valued in a space where there is a high saturation of companies that are knowledgeable of many trades but are masters of none. Having a specialty niche can create an abundance of opportunities for the company along with the rise of the overall spending on digital ads which amounted to $[93.75 billion] in [2018].

**Type of Industry:** Graphic Design Industry

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, [Dominic Doyle]

**Start-Up Summary**

The company’s start-up cost is $[50,000] which is funded by the owner. It is mainly used for rent, insurance, salary, maintenance, and marketing materials.

|  |  |
| --- | --- |
| **Start-Up Funding** | |
| Start-Up Expenses | $15,000 |
| Start-Up Assets | $35,000 |
| **Total Funding Required** | **$50,000** |
|  | |
| **Assets** |  |
| Non-Cash Assets from Start-Up | $12,000 |
| Cash Requirements from Start-up | $5,000 |
| Additional Cash Raised | $13,000 |
| Cash Balance on Starting Date | $5,000 |
| **Total Assets** | **$35,000** |
|  | |
| Capital |  |
| Planned Investment |  |
| Owner | $50,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$50,000** |
| Loss at Start-Up (Start-Up Expenses) | -$15,000 |
| **Total Capital** | **$35,000** |
| **Liabilities** | $0 |
| **Total Capital and Liabilities** | **$35,000** |
|  | |
| **Start-Up** | |
| Requirements |  |
| Start-Up Expenses |  |
| Rent - 5 Months | $4,500 |
| Advertising | $2,000 |
| Legal Fees | $900 |
| Staff Training | $1,500 |
| Insurance | $1,100 |
| Other | $5,000 |
| **Total Start-Up Expenses** | **$15,000** |
|  | |
| Start-Up Assets |  |
| Cash Required | $23,000 |
| Start-Up Inventory | $5,000 |
| Other Current Assets | $3,000 |
| Long-Term Assets | $4,000 |
| **Total Assets** | **$35,000** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$50,000** |

**Management Team:**

|  |  |  |
| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| [Micheal B. Burns] | Accounting Manager | Accuracy, Timeliness, Organizational, and Keen Attention to Detail |
| [William W. Pope] | Creative Director | Strategic Thinking, Problem-solving, People Management, and Clent Communication |

**Short- and Long-Term Goals and Milestones:**

|  |  |
| --- | --- |
| **Short-Term Goals** | **Milestones** |
| Hire an accounting manager and a creative director before the end of the first quarter | Done hiring last [January 17, 2019] |
| Establish a strong marketing team within [six months] | Has hired a marketing officer who also has a solid background in graphic design |
| **Long-Term Goals** | **Milestones** |
| Increase the number of clients by [50]% within the current fiscal year | The marketing campaign will be started before the end of the second quarter |
| Increase production output by [20]% by the end of the year | Continue hiring highly-skilled graphic designers |

**PRODUCTS AND SERVICES**

**Product/Service Description**

[Meta Palette] creates designs for brands that help them convey the right messages to their audience to boost sales, increase profit, and improve brand visibility. It also provides companies with insights and analytics, positioning strategies, and brand engagement strategies to help enhance each brand’s marketing campaigns.

**Value Proposition**

[Meta Palette] not only helps companies craft effective designs, but it also provides them with the essential strategies on how to best position their brands in the market and give them a competitive edge over other players in their respective industries.

**Pricing Strategy**

[Meta Palette] prices its products per package. And each project inside the package is priced according to its difficulty and estimated timeline.

Formula:

Profit Margin = 1- (Expenses/Net Sales)

[Meta Palette]

Profit Margin = 1 - ($154,000/$176,000)

= 1-0.875

= 0.125 or 12.5%

**EXECUTION**

**Marketing Plan**

[Meta Palette] plans to attract its clients through online and printed mediums and increase its customer base by [50]%. The team will start to print advertising materials and spread it within the headquarters. The bulk of the marketing efforts will focus on spreading awareness through online means by way of social media marketing, Google advertisements, blogging on the company website, and social media advertising.

**Market Research**

There is no better time for the graphic design business than today as tens of billions of dollars are spent annually on digital ads and digital contents. Last year, over $[93 billion] was spent on digital advertisements, and it was noted that the budget for such spending will increase by [50]% this year. In addition, more and more brands are looking for agencies that have specialized services such as SEO, social media, and graphic design.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| [Meta Palette] | * Creative designs, innovative ideas, and effective strategies * Experienced owner in terms of branding and design | * The owner is inexperienced in terms of running a business * Still lacking employees | * Increased demand for digital ads and content | * Highly-competitive and highly-saturated marketplace * Ghosting among employees |
| [Compounded Designs] | * Has talented and creative designers * Creates good quality products and designs | * Still new to the business | * The expanding industry brings new clients and projects to the company | * Other companies that are offering the same packages at a lower price range |
| [The Merger] | * Has over four years of experience in the business | * Has a high employee turnover rate | * The changes in market demands can give the company the opportunity to get ahead of the curve and obtain a huge part of the market share as a result | * Other companies that are innovative and are competitive in being the first to ride the trend |

**Marketing Strategy**

In a year, [Meta Palette] aims to increase its client base by [50]%. The company plans to achieve this goal through its intensive marketing campaigns throughout the year. It will make use of printed materials in spreading brand awareness offline while the majority of the company’s marketing efforts will be made online.

The bulk of the marketing budget will be spent on social media marketing and advertising, Google advertisements, website optimization, and content creation.

Other efforts will be focused on networking and customer referral. This type of strategy will heavily rely on the quality of the company’s output. So the managers must ensure that all employees ensure the consistency of high-quality designs.

The team has started performing key tasks to drive the marketing strategy forward. Here are some of their accomplishments so far:

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Offline advertising materials | Created designs for fliers, banners, and leaflets | March 1, 2018 | The materials will be distributed all over the city. |
| Website set-up and optimization | Hired a developer and an SEO specialist | March 25, 2019 | The website will be ready for launching and relevant content will be uploaded. |

**Organizational Structure:**

****

**OPERATIONAL PLAN**

**Location and Facilities**

Provide a sketch or blueprint of the facility.

Provide photos or images of the location/facility.

**Tools and Equipment Checklist**

|  |  |
| --- | --- |
| **Software** | **Quantity** |
| Adobe Illustrator | 3 |
| Adobe Photoshop | 3 |
| **Hardware** | **Quantity** |
| Laptop | 5 |
| Desktop computer | 1 |
| Router | 1 |
| CCTV | 4 |
| Office Tables | 5 |

**IT Infrastructure**

The following table reflects [Meta Palette’s] IT infrastructure.

|  |  |  |
| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| CCTV | Y | Enhances the security of the office |
| Router | Y | Allows multiple devices to access the Internet |

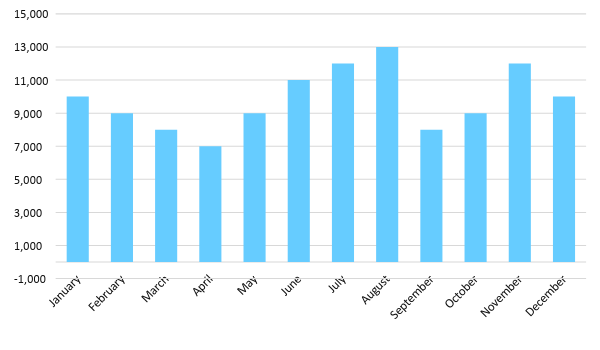
**FINANCIAL PLAN**

**Assumptions**

The following forecasts are based on the current market demands, the movement of the economy, and the latest trends within the industry. The company will focus this year’s efforts on increasing its client’s base through offline and online marketing methods. Most of the company’s expenses will be on supplies, maintenance, insurances, permits, salary, and rent.

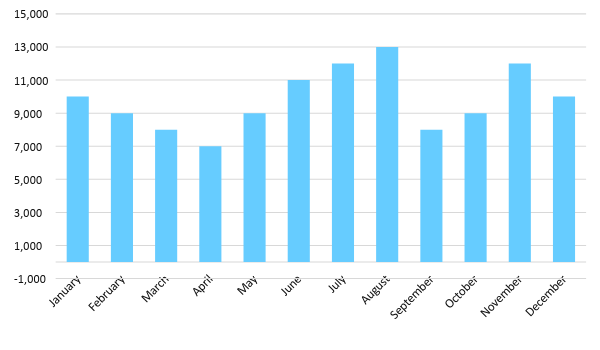
**Monthly Expense**

The chart shows [Meta Palette’s] projected monthly expense for [2019].



**Monthly Revenue**

The chart depicts the projected monthly revenue for [2019].



**Business Financing**

The business is mainly funded by the owner with a total amount of $[50,000]. Majority of the expenses will be on rent, supplies, maintenance, business permits, insurance, and payroll.

**Statements**

|  |  |  |
| --- | --- | --- |
| **Profit and Loss Projection** | | |
|  | **FY2019** | **FY2020** |
| Sales | $780,000.00 | $800,000.00 |
| Direct Cost of Sale | $165,000.00 | $180,000.00 |
| Other Cost of Sale | $11,000.00 | $10,000.00 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $604,000.00 | $610,000.00 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $176,000.00 | $190,000.00 |
| **Gross Margin % (Gross Profit/Sales)** | **22.56%** | **23.75%** |
|  |  |  |
| **Operating Expenses** |  |  |
| Rent | $45,000.00 | $45,000.00 |
| Insurance | $9,000.00 | $9,000.00 |
| Utilities | $15,000.00 | $16,000.00 |
| Salary (Including Tax) | $80,000.00 | $90,000.00 |
| Maintenance & Supplies | $5,000.00 | $6,000.00 |
| **Total Operating Expenses** | **$154,000.00** | **$166,000.00** |
|  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $450,000.00 | $444,000.00 |
| Depreciation | $3,000.00 | $3,500.00 |
| Interest Expense | $0.00 | $0.00 |
| Taxes Paid | $5,000.00 | $1,000.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$17,000.00** | **$23,000.00** |

|  |  |  |
| --- | --- | --- |
| **Balance Sheet Projection** | | |
|  | **FY2019** | **FY2020** |
| Cash | $160,000.00 | $180,000.00 |
| Accounts Receivable | $20,000.00 | $25,000.00 |
| Inventory | $15,000.00 | $15,000.00 |
| Other Current Assets | $10,000.00 | $10,000.00 |
| Total Current Assets | **$205,000.00** | **$230,000.00** |
|  |  |  |
| Long-Term Assets | $50,000.00 | $60,000.00 |
| Accumulated Depreciation | $3,000.00 | $3,500.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $47,000.00 | $56,500.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$252,000.00** | **$286,500.00** |
|  |  |  |
| Accounts Payable | $35,000.00 | $35,000.00 |
| Notes Payable | $6,000.00 | $7,000.00 |
| Other | $4,000.00 | $5,000.00 |
| Total Liabilities | **$45,000.00** | **$47,000.00** |
|  |  |  |
| Paid-in Capital | $10,000.00 | $15,000.00 |
| Retained Earnings | $150,000.00 | $160,000.00 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$207,000.00** | **$239,500.00** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **21.74%** | **19.62%** |

|  |  |  |
| --- | --- | --- |
| **Cash Flow Projection** | | |
|  | **FY2019** | **FY2020** |
| Operating Cash Beginning | $150,000.00 | $160,000.00 |
|  |  |  |
| **Sources of Cash** | $13,000.00 | $14,000.00 |
| Receivables | $15,000.00 | $15,000.00 |
| Sales | $50,000.00 | $55,000.00 |
| Others | $10,000.00 | $8,000.00 |
| **Total Cash** | $238,000.00 | $252,000.00 |
|  |  |  |
| **Expenditures** |  |  |
| Rent | $45,000.00 | $45,000.00 |
| Insurance | $9,000.00 | $9,000.00 |
| Utilities | $15,000.00 | $16,000.00 |
| Salary (Including Tax) | $80,000.00 | $90,000.00 |
| Maintenance & Supplies | $5,000.00 | $6,000.00 |
| **Total Expenditures** | $154,000.00 | $166,000.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$84,000.00** | **$86,000.00** |