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**EXECUTIVE SUMMARY**

[Bay Green Dental] provides affordable dental services to [midtown San Francisco]. The clinic targets people of all ages in the lower to upper-middle income bracket. The company plans to market its services through email, social media, word of mouth, bundle offers, loyalty discounts, and referral programs.

**COMPANY OVERVIEW**

**Mission Statement:** [Bay Green Dental] seeks to empower people by providing access to affordable and reliable dental health services.

**Philosophy:** [Bay Green Dental] believes that health care services should be accessible to the people who needed them most.

**Vision:** [Bay Green Dental] creates a world where all people have access to affordable dental health services.

**Outlook:** The gap in dental care use between children in the low-income and the high-income bracket has narrowed in recent years. This has been driven by the increase in Medicaid and Children’s Health Insurance Program coverage among children. However, the gap has widened in seniors while in adults, it has remained distant. [Bay Green Dental] realizes that expensive dental care and lack of insurance coverage may be the reason for this occurrence. The company then strives to create more affordable services and aims to give more access to low-income individuals.

**Type of Industry:** Dental Industry

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, [Dr. Declan Fuller]

**Start-Up Summary**: The cost of the start-up worth [$90,000] comes completely from the owner. It will be used for the initial supplies, rent, maintenance, and payroll.

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| **Start-Up Funding** |
| Start-Up Expenses | $20,000 |
| Start-Up Assets | $70,000 |
| **Total Funding Required** | **$90,000** |
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| Assets |  |
| Non-Cash Assets from Start-Up | $30,000 |
| Cash Requirements from Start-up | $10,000 |
| Additional Cash Raised | $20,000 |
| Cash Balance on Starting Date | $10,000 |
| **Total Assets** | **$70,000** |
|  |
| Capital |  |
| Planned Investment |  |
| Owner | $90,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$90,000** |
| Loss at Start-Up (Start-Up Expenses) | -$20,000 |
| **Total Capital** | **$70,000** |
| Liabilities | $0 |
| **Total Capital and Liabilities** | **$70,000** |
|  |
| **Start-Up** |
| Requirements |  |
| Start-Up Expenses |  |
| Rent - 5 Months | $8,000 |
| Advertising | $5,000 |
| Legal Fees | $1,500 |
| Staff Training | $3,500 |
| Insurance | $1,000 |
| Other | $1,000 |
| **Total Start-Up Expenses** | **$20,000** |
|  |
| Start-Up Assets |  |
| Cash Required | $10,000 |
| Start-Up Inventory | $30,000 |
| Other Current Assets | $20,000 |
| Long-Term Assets | $10,000 |
| **Total Assets** | **$70,000** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$90,000** |

**PRODUCTS AND SERVICES**

**Product/Service Description:** [Bay Green Dental]’s services include dental examinations and check-ups, dental cleanings, x-ray services, fillings, and extractions.

**Value Proposition:** [Bay Green Dental] provides highly affordable services to low and upper-middle income bracket population in midtown San Francisco. The clinic is eminently accessible to the people living at the center of the city.

**Pricing Strategy:** [Bay Green Dental] utilizes competitive pricing and bundled pricing strategy. The clinic attracts more people if it packages its services in a more favorable price.

**MARKETING ANALYSIS**

The global dental industry is a multi-billion dollar industry. There has been an increase in global revenue for the industry driven by several factors such as a recovering economy, aging global population, increased knowledge of oral health, and an increase in the demand for cosmetic dentistry. Profitability for clinics has consequently improved over the past years because of the increase in visiting patients who either pay in cash or use their medical insurance to cover for the expenses.

**Market Segmentation**

[Bay Green Dental]’s target market is divided into three age groups; children and youth ages [2-18], young and old adults ages [19-60], and senior citizens ages [61] and older. The company will create its marketing strategies carefully to adjust to each group’s pain points. The team will focus on reaching out to clients through email and social media platforms.

**Target Market Segmentation Strategy**

Children and Youth [(2-18)]

* The marketing strategy for children basically targets their adult parents first. The company makes sure that its clinic and staff are child-friendly and the prices of its services are affordable to parents.

Young and Old Adults [(19-60)]

* [Bay Green Dental] will be reaching out to adult customers through email and social media. The team will email them directly reminding them of how important oral health is. This will somehow encourage them to make regular visits to their dentists.

Seniors [(61 above)]

* The idea for attracting senior customers is basically the same as for adults although the approach is different. The team will posts memes and share relevant articles on social media that will deeply resonate to these segment.

**STRATEGY AND IMPLEMENTATION**

**Target Market Strategy**

The company aims to increase its customer and client retention rate. This will be done by creating marketing materials that resonate to each of the market segments.

**Competitive Edge**

[Bay Green Dental] is one of the most affordable dental clinics in the city of [San Francisco].

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| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| Bay Green Dental | * A customer-centric approach to dental care
* Well-trained staff
 | Weak cash flow for the first two to three years | The market for the dental industry is expanding remarkably | Possible increase in malpractice insurance |
| San Francisco Dental Clinic | - Affordable | Understaffed | An increase in people’s awareness of oral hygiene | Loss of clients because of poor services |
| Sourire Dental Care | Low operational cost | Has a weak marketing strategy | Systemization of its process that leads to a more efficient service | Increased competition as the market continues to grow |

**Sales Strategy and Forecast**

With its specialized approach to email marketing and social media marketing, [Bay Green Dental] aims to hit the following monthly sales:



**Marketing Strategy**

[Bay Green Dental] would like to utilize social media and email marketing to reach out to clients. The company will create social media accounts and will communicate with their customers by sending direct messages, sharing articles, and uploading attention-seeking memes. Each market segment will be treated differently and each material will be tailored according to their pain points. The same approach will also be applied to email marketing.

Other strategies will also be implemented to attract customers, such as loyalty discounts, referral programs, and promo packages.

The team has started several activities to drive the marketing strategies forward. Here are the updates:

**Milestones**

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Social media marketing | Contents (articles and memes) are already prepared | March 5, 2019 | Contents uploaded regularly on social media accounts garner enough number of customer reactions and shares. |
| Discounts and promos | The team will be printing promotional materials next week. | March 30, 2019 | Clinic receives at least 10 customers availing the promotional offers. |

**MANAGEMENT AND PERSONNEL**

Below is the organizational structure of the company:

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**FINANCIAL PLAN**

The financial plan includes the projected break-even analysis, profit and loss, balance sheet, and cash flow.

**Break-Even Analysis**

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| --- | --- | --- | --- | --- |
| **Fixed Costs** | **Average Price** | **Variable Costs** | **Contribution Margin** | **Break-Even Units** |
| $150.00 | $60.00 | $30.00 | $30.00 | 5.00 |
|  |  |  |  |  |
| **Fixed Costs** | **Amount** |  | **Variable Costs** | **Per Unit Amount** |
| Rent | 3,500 |  | Advertising | 8 |
| Insurance | 1,000 |  | Legal Fees | 5 |
|  |  |  | Staff Training | 15 |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| **Total** | **4,500** |  | **Total** | **28** |

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| **Fixed Costs** |
| Business Lease - Rent | $3,500 |
| Insurance | $1,000 |
| **Total Fixed Costs** | **$4,500** |
|  |
| **Total Units Sold in 1 Month** | **500** |
|  |
| **Variable Costs (Total Units Sold/Cost per Unit)** |
| Advertising | $63 | $8 |
| Legal Fees | $100 | $5 |
| Staff Training | $33 | $15 |
| **Total Variable Cost (Per Unit)** | **$28** |
|  |
| **Break-Even** |
| **Selling Price Per Unit** | **$60.00** |
| Break-Even Point Per Unit [Fixed Costs/(Sales Price Per Unit - Variable Cost Per Unit)] | 150 |
| 31.91 |
|  |
| **Break-Even Point in Units** | **5** |
|  |
| **Contribution Margin (Selling Price - Total Variable Cost)** | **$31.91** |

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| **Profit and Loss Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Sales | $150,000.00 | $200,000.00 | $220,000.00 |
| Direct Cost of Sale | $120,000.00 | $150,000.00 | $200,000.00 |
| Other Cost of Sale | $2,000.00 | $5,000.00 | $10,000.00 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $28,000.00 | $45,000.00 | $10,000.00 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $122,000.00 | $155,000.00 | $210,000.00 |
| **Gross Margin % (Gross Profit/Sales)** | **81.33%** | **77.50%** | **95.45%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $30,000.00 | $35,000.00 | $40,000.00 |
| Insurance | $8,000.00 | $9,000.00 | $10,000.00 |
| Utilities | $10,000.00 | $12,000.00 | $13,000.00 |
| Salary (Including Tax) | $50,000.00 | $60,000.00 | $75,000.00 |
| Maintenance & Supplies | $1,500.00 | $2,500.00 | $4,000.00 |
| **Total Operating Expenses** | **$99,500.00** | **$118,500.00** | **$142,000.00** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | -$71,500.00 | -$73,500.00 | -$132,000.00 |
| Depreciation | $2,000.00 | $2,500.00 | $3,500.00 |
| Interest Expense | $0.00 | $0.00 | $0.00 |
| Taxes Paid | $1,000.00 | $2,000.00 | $3,000.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$21,500.00** | **$34,500.00** | **$65,000.00** |

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| **Balance Sheet Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Cash | $100,000.00 | $150,000.00 | $180,000.00 |
| Accounts Receivable | $5,000.00 | $6,000.00 | $10,000.00 |
| Inventory | $13,000.00 | $15,000.00 | $17,000.00 |
| Other Current Assets | $20,000.00 | $21,000.00 | $25,000.00 |
| Total Current Assets | **$138,000.00** | **$192,000.00** | **$232,000.00** |
|  |  |  |  |
| Long-Term Assets | $10,000.00 | $13,000.00 | $15,000.00 |
| Accumulated Depreciation | $5,000.00 | $6,000.00 | $8,000.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $5,000.00 | $7,000.00 | $7,000.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$143,000.00** | **$199,000.00** | **$239,000.00** |
|  |  |  |  |
| Accounts Payable | $15,000.00 | $15,000.00 | $17,000.00 |
| Notes Payable | $20,000.00 | $30,000.00 | $31,000.00 |
| Other | $1,500.00 | $2,500.00 | $3,500.00 |
| Total Liabilities | **$36,500.00** | **$47,500.00** | **$51,500.00** |
|  |  |  |  |
| Paid-in Capital | $50,000.00 | $60,000.00 | $70,000.00 |
| Retained Earnings | $100,000.00 | $110,000.00 | $120,000.00 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$106,500.00** | **$151,500.00** | **$187,500.00** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **34.27%** | **31.35%** | **27.47%** |

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| **Cash Flow Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Operating Cash Beginning | $120,000.00 | $130,000.00 | $190,000.00 |
|  |  |  |  |
| **Sources of Cash** | $50,000.00 | $60,000.00 | $70,000.00 |
| Receivables | $25,000.00 | $30,000.00 | $35,000.00 |
| Sales | $100,000.00 | $120,000.00 | $130,000.00 |
| Others | $7,000.00 | $8,000.00 | $9,000.00 |
| **Total Cash** | $302,000.00 | $348,000.00 | $434,000.00 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $30,000.00 | $35,000.00 | $40,000.00 |
| Insurance | $8,000.00 | $9,000.00 | $10,000.00 |
| Utilities | $10,000.00 | $12,000.00 | $13,000.00 |
| Salary (Including Tax) | $50,000.00 | $60,000.00 | $75,000.00 |
| Maintenance & Supplies | $1,500.00 | $2,500.00 | $4,000.00 |
| **Total Expenditures** | $99,500.00 | $118,500.00 | $142,000.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$202,500.00** | **$229,500.00** | **$292,000.00** |