

**Index**

Executive Summary                                                                                                                  [PAGE NUMBER]  
  
Company Overview                                                                                                                  [PAGE NUMBER]  
  
Products and Services                                                                                                              [PAGE NUMBER]  
                  
Execution                                                                                                                                    [PAGE NUMBER]  
  
Operational Plan                                                                                                                       [PAGE NUMBER]  
   
Financial Plan                                                                                                                             [PAGE NUMBER]

**EXECUTIVE SUMMARY:**

[C. Y. Membership] Shopping is a membership-based shopping center in [Jacksonville, Florida]. The store provides members with premium quality goods packed in affordable bundles. The store targets employees from neighboring corporate offices.

[C. Y. Membership] Shopping will use conventional advertising strategies aggressively to gain new members. The store anticipates an increase in members with the growing spending confidence among consumers in the market.

**COMPANY OVERVIEW:**

**Mission Statement: [**C. Y. Membership] Shopping brings customers to a wholesome membership shopping experience through its provision of best quality products.

**Philosophy: [**C. Y. Membership] upholds the values of integrity, professionalism, and excellence when providing its services.

**Vision: [**C. Y. Membership] Shopping becomes the leading membership-based shopping club in [Jacksonville, Florida].

**Outlook:** The growing consumer confidence, particularly of the working population, contributes to the demand for membership shopping. The store expects [1,000] new members by the end of the second quarter.

**Type of Industry: [**Merchandising Industry]

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, [Charles Young]

**Start-Up Summary**: The total startup cost of [C. Y. Membership] Shopping amounts to [250K USD]. The fund covers payment for initial operating expenses like [rent, insurance, legal fees, and payroll].

|  |  |
| --- | --- |
| **Start-Up Funding** | |
| Start-Up Expenses | $141,200 |
| Start-Up Assets | $108,800 |
| **Total Funding Required** | **$250,000** |
|  | |
| Assets |  |
| Non-Cash Assets from Start-Up | $75,800 |
| Cash Requirements from Start-up | $8,500 |
| Additional Cash Raised | $23,000 |
| Cash Balance on Starting Date | $1,500 |
| **Total Assets** | **$108,800** |
|  | |
| Capital |  |
| Planned Investment |  |
| Owners | $250,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$250,000** |
| Loss at Start-Up (Start-Up Expenses) | -$141,200 |
| **Total Capital** | **$108,800** |
| Liabilities | $0 |
| **Total Capital and Liabilities** | **$108,800** |
|  | |
| **Start-Up** | |
| Requirements |  |
| Start-Up Expenses |  |
| Rent - 6 Months | $38,700 |
| Advertising | $2,500 |
| Legal Fees | $3,500 |
| Staff Training | $8,500 |
| Insurance | $3,000 |
| Other | $85,000 |
| **Total Start-Up Expenses** | **$141,200** |
|  | |
| Start-Up Assets |  |
| Cash Required | $10,000 |
| Start-Up Inventory | $20,800 |
| Other Current Assets | $23,000 |
| Long-Term Assets | $55,000 |
| **Total Assets** | **$108,800** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$250,000** |

**MANAGEMENT TEAM:**

|  |  |  |
| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| Charles Young | Store Manager | Communication, Leadership, Problem-Solving, Team Management |
| Belle Clark | Finance Manager | Analytical, Communication, Data Interpretation |

**SHORT- AND LONG-TERM GOALS AND MILESTONES:**

|  |  |
| --- | --- |
| **Short-Term Goals** | **Milestones** |
| Recruit competent store personnel | Hired two more store staff to man the frozen food section last December 1, 2018 |
| Partner with the best local and state suppliers | Signed a contract with a supplier for fresh vegetables last December 20, 2018 |
| **Long-Term Goals** | **Milestones** |
| Close a deal with international suppliers | Emailed potential suppliers from the UK |
| Establish a solid market base | Planned conventional advertising strategies to appeal to the target market |

**PRODUCTS AND SERVICES**

**Product/Service Description: [**C. Y. Membership] Shopping provides its members with a wide selection of premium quality goods in value-packed sizes to cater to their personal needs. The products sold include the following:

* Fresh Food
* Non-Food
* Wines and Spirits

**Value Proposition: [**C. Y. Membership Shopping] works as an intermediary between suppliers and consumers for low-cost high-quality goods necessary for everyday living.

**Pricing Strategy: [**C. Y. Membership Shopping] uses the price bundling approach to sell its products. As for the membership fee, the store prefers to use a competitive pricing strategy.

**EXECUTION**

**Marketing Plan: [**C. Y. Membership Shopping] plans to be aggressive in using traditional marketing strategies. The store targets employees from offices near its location.

**Market Research:** There has been an increasing demand for membership-based shopping marts, mostly from employees of corporate offices. Increases in the employees’ purchasing power contributed greatly to the growing market demand.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| C. Y.  Membership Shopping | Offers affordable product bundles of premium quality goods to members | Weak market position | Growing demand for membership shopping among employees bringing in new members | Market influence of established stores that offer a wholesome membership shopping experience |
| Jacksonville Big Mart | Provides excellent customer service to its members | Highly expensive membership fees | Increasing consumer spending confidence | New membership shopping areas that offer affordable membership fees |
| Florida Supermarket | Recognized as one of the largest membership-based supermarkets in Florida | Poor customer service | Unchanging consumer preference as they rely on established stores | Emerging shopping marts providing excellent customer services |

**MARKETING STRATEGY**

[C. Y. Membership Shopping] will visit neighboring offices and invite them to avail of the membership with discount coupons and gift cards. The table shows the tasks to be accomplished to effectively implement these strategies.

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Office visits | List all offices for the planned visits | January 31, 2019 | The store completes its office visits by the end of February 2019. |
| Distribute discount coupons and gift cards | Print attractive discount coupons and gift cards suitable for employees | ASAP | The store gains 500 new members by February 2019. |
| -- | -- | -- | -- |

**ORGANIZATIONAL STRUCTURE:**

[C. Y. Membership Shopping] follows a flat organizational structure with the [owner, Charles Young, as the store manager]. The finance manager and all the store personnel directly report to the store manager. There are different assignments designated for each store employee as provided by the store manager.

**OPERATIONAL PLAN:**

**Location and Facilities**

[C. Y. Membership Shopping] operates in a [9,670 square foot] commercial space in [127] Monument Rd, [Regency, Jacksonville, FL 32277, USA]. The store has rows of display racks arranged in a way that provides members ease when they shop.

**Tools and Equipment Checklist**

|  |  |
| --- | --- |
| **Software** | **Quantity** |
| Point of Sale System | 8 |
| Accounting Software | 1 |
| **Hardware** | **Quantity** |
| Computers and Counters | 8 |
| Display Racks | 15 |

**IT Infrastructure**

The table below presents the IT infrastructure of [C. Y. Membership Shopping].

|  |  |  |
| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| POS System | Y | The store has installed an effective POS System. |
| Website | N | The store does not own a website. |
| Latency | Y | The store did not encounter any delay in the processing time. |
| Downtime | N | The store did not experience any interruptions in business operations caused by the network. |

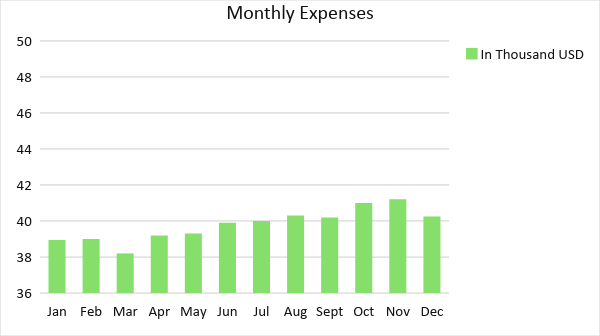
**FINANCIAL PLAN**

**Assumptions**

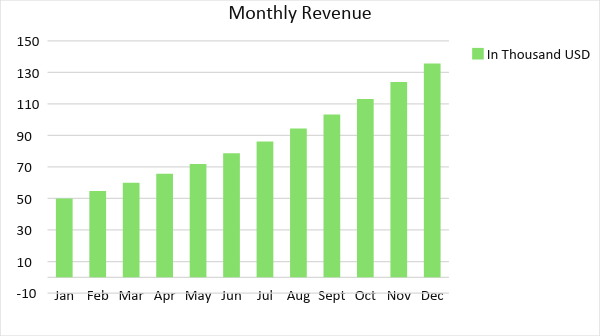
[C. Y. Membership Shopping] prepared its projected financial statements with the following financial assumptions:

* The prevailing market interest is [2.5%]. Tax amount comes from [15%] of the total compensation amount.
* The store anticipates a [35%] increase in revenue beginning the second year of operations.
* There is no expected inflation on goods but an imposed [1.5%] VAT takes effect by the start of the [third year].

**Monthly Expense**



**Monthly Revenue**



**BUSINESS FINANCING**

The owner used debt financing to generate the initial operating funds for [C. Y. Membership Shopping] amounting to [250K USD]. The business loan is payable within four years.

**STATEMENTS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Profit and Loss Projection** | | | |
|  | **FY2019** | **FY2020** | **FY2021** |
| Sales | $615,000.00 | $830,250.00 | $1,120,837.50 |
| Direct Cost of Sale | $184,500.00 | $249,075.00 | $341,295.02 |
| Other Cost of Sale | $5,000.00 | $5,000.00 | $5,075.00 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $425,500.00 | $576,175.00 | $774,467.48 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $189,500.00 | $254,075.00 | $346,370.02 |
| **Gross Margin % (Gross Profit/Sales)** | **30.81%** | **30.60%** | **30.90%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $77,400.00 | $77,400.00 | $77,400.00 |
| Insurance | $10,000.00 | $10,000.00 | $10,000.00 |
| Utilities | $7,500.00 | $7,500.00 | $7,500.00 |
| Salary (Including Tax) | $70,000.00 | $70,000.00 | $70,000.00 |
| Maintenance & Supplies | $7,500.00 | $7,500.00 | $7,500.00 |
| **Total Operating Expenses** | **$172,400.00** | **$172,400.00** | **$172,400.00** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $253,100.00 | $403,775.00 | $602,067.48 |
| Depreciation | $100.00 | $100.00 | $100.00 |
| Interest Expense | $6,250.00 | $6,250.00 | $6,250.00 |
| Taxes Paid | $10,500.00 | $10,500.00 | $10,500.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$350.00** | **$64,925.00** | **$157,220.02** |

|  |  |  |  |
| --- | --- | --- | --- |
| **Balance Sheet Projection** | | | |
|  | **FY2019** | **FY2020** | **FY2021** |
| Cash | $22,100.00 | $97,125.00 | $256,813.75 |
| Accounts Receivable | $55,000.00 | $63,250.00 | $72,737.50 |
| Inventory | $60,000.00 | $60,900.00 | $61,813.50 |
| Other Current Assets | $55,000.00 | $42,000.00 | $42,000.00 |
| **Total Current Assets** | **$192,100.00** | **$263,275.00** | **$433,364.75** |
|  |  |  |  |
| Long-Term Assets | $87,000.00 | $87,000.00 | $87,000.00 |
| Accumulated Depreciation | $100.00 | $200.00 | $300.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $86,900.00 | $86,800.00 | $86,700.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$279,000.00** | **$350,075.00** | **$520,064.75** |
|  |  |  |  |
| Accounts Payable | $212,500.00 | $150,000.00 | $87,500.00 |
| Notes Payable | $2,000.00 | $2,100.00 | $2,205.00 |
| Other | $1,000.00 | $1,000.00 | $1,000.00 |
| **Total Liabilities** | **$215,500.00** | **$153,100.00** | **$90,705.00** |
|  |  |  |  |
| Paid-in Capital | $62,500.00 | $125,000.00 | $187,500.00 |
| Retained Earnings | $350.00 | $65,275.00 | $222,495.02 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$63,500.00** | **$196,975.00** | **$429,359.75** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **339.37%** | **77.73%** | **21.13%** |

|  |  |  |  |
| --- | --- | --- | --- |
| **Cash Flow Projection** | | | |
|  | **FY2019** | **FY2020** | **FY2021** |
| Operating Cash Beginning | $10,000.00 | $22,100.00 | $97,125.00 |
|  |  |  |  |
| **Sources of Cash** | $5,000.00 | $6,000.00 | $7,200.00 |
| Receivables | $55,000.00 | $74,250.00 | $100,237.50 |
| Sales | $120,000.00 | $162,000.00 | $218,700.00 |
| Others | $4,500.00 | $5,175.00 | $5,951.25 |
| **Total Cash** | $194,500.00 | $269,525.00 | $429,213.75 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $77,400.00 | $77,400.00 | $77,400.00 |
| Insurance | $10,000.00 | $10,000.00 | $10,000.00 |
| Utilities | $7,500.00 | $7,500.00 | $7,500.00 |
| Salary (Including Tax) | $70,000.00 | $70,000.00 | $70,000.00 |
| Maintenance & Supplies | $7,500.00 | $7,500.00 | $7,500.00 |
| **Total Expenditures** | $172,400.00 | $172,400.00 | $172,400.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$22,100.00** | **$97,125.00** | **$256,813.75** |