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**EXECUTIVE SUMMARY:**

[Houser Vending Company] is a startup company based in [Atlanta, Georgia] that offers snack and beverage vending packages. The company considers universities and corporate offices as target customers. It will utilize [search engine optimization] (SEO) and social media platforms to market its services.

The company aims to attract more clients and increase its revenue in the next [three] years.

**COMPANY OVERVIEW:**

**Mission Statement: [**Houser Vending Company] satisfies customer needs by providing them with the best vending experience possible.

**Philosophy: [**Houser Vending Company] takes pride in everything it does. Its employees deliver excellent service with customer convenience as its topmost priority.

**Vision: [**Houser Vending Company] is the leading vending company in [Atlanta, Georgia].

**Outlook:** The vending machine operators industry has experienced a crisis in recent years but there is still a demand for [vending services] among schools and offices. The company takes advantage of such market demand and aims to increase the number of customers in the next [three] years.

**Type of Industry: [**Vending Machine Operators Industry]

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, [Michael Houser]

**Start-Up Summary**: [Houser Vending Company’s] total startup cost of [265K] USD is to be shouldered by the [sole proprietor]. This fund covers payment for initial operating disbursements such as [rent, insurance, legal fees, and payroll].

|  |
| --- |
| **Start-Up Funding** |
| Start-Up Expenses | $157,125 |
| Start-Up Assets | $107,875 |
| **Total Funding Required** | **$265,000** |
|  |
| Assets |  |
| Non-Cash Assets from Start-Up | $80,000 |
| Cash Requirements from Start-up | $9,000 |
| Additional Cash Raised | $17,875 |
| Cash Balance on Starting Date | $1,000 |
| **Total Assets** | **$107,875** |
|  |
| Capital |  |
| Planned Investment |  |
| Owners | $265,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$265,000** |
| Loss at Start-Up (Start-Up Expenses) | -$157,125 |
| **Total Capital** | **$107,875** |
| Liabilities | $0 |
| **Total Capital and Liabilities** | **$107,875** |
|  |
| **Start-Up** |
| Requirements |  |
| Start-Up Expenses |  |
| Rent - 6 Months | $59,625 |
| Advertising | $2,500 |
| Legal Fees | $3,500 |
| Staff Training | $8,500 |
| Insurance | $3,000 |
| Other | $80,000 |
| **Total Start-Up Expenses** | **$157,125** |
|  |
| Start-Up Assets |  |
| Cash Required | $10,000 |
| Start-Up Inventory | $25,000 |
| Other Current Assets | $17,875 |
| Long-Term Assets | $55,000 |
| **Total Assets** | **$107,875** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$265,000** |

**MANAGEMENT TEAM:**

|  |  |  |
| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| Michael Houser | General Manager | Communication, Leadership, Decision-Making, Problem-Solving |
| Paula Hodges | Finance Manager | Analytical, Attention to Detail, Communication, Team Management |

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

|  |  |
| --- | --- |
| **Short-Term Goals** | **Milestones** |
| Hire sufficient personnel to deliver the company’s services | The company recruited about [50%] of the needed personnel as of [December 5, 2018]. |
| Partner with snack and beverage companies for inventory  | The company recently closed a deal with a multi-national beverage company.  |
| **Long-Term Goals** | **Milestones** |
| Attract more schools and offices to avail of the company’s services | The company presented its proposal to about 5 schools and 5 offices in Atlanta, Georgia.  |
| Obtain a solid online market presence  | The company created its own website for customers to browse through.  |

**PRODUCTS AND SERVICES**

**Product/Service Description: [**Houser Vending Company] provides snack and beverage [vending service] packages to schools and offices in [Atlanta, Georgia].

**Value Proposition: [**Houser Vending Company] makes it a point to deliver and enhance the convenience that vending machines give to consumers.

**Pricing Strategy: [**Houser Vending Company] uses both price bundling and competitive pricing methods. The company refers to its competitors’ rates when pricing its vending service packages.

**EXECUTION**

**Marketing Plan: [**Houser Vending Company] plans to make its website and its content land on the top search results in various search engines through [SEO]. The company also wants to make its business known on social media channels like [Facebook and Instagram].

**Market Research:** The [vending machine operators industry] has struggled with a decrease in revenue in the past [five] years. Even so, there is still a continuous demand for vending machines in establishments such as universities and corporate offices as shown in the chart below.



|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| Houser Vending Company | Provides premium quality vending service packages at affordable rates | Very limited market coverage  | Growing demand for vending machines among schools and offices  | Market influence of established vending machine operators |
| The Vending Corp. | Considered as a global vending machine operator | Highly expensive charge for its services | Upgrades in machines through advanced technology | Affordable pricing in vending services of emerging companies |
| Atlanta Vending Express | Offers quick and efficient vending machine services | Very limited choice of goods | Constant change in preference of consumers on vending machine goods | Preference of consumers in common snack/beverage choices |

**Marketing Strategy: [**Houser Vending Company] will use its website to market its vending service packages. The company will also open accounts on [Facebook and Instagram] to post content about its services and to heighten its social media presence. The table below shows the activities recently started to accomplish these strategies.

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Optimize website through SEO | Hire an SEO company to handle website optimization | January 20, 2019 | Hired SEO company and completed the optimization during the first quarter of 2019 |
| Heighten social media presence | Open Facebook and Instagram accounts | January 10, 2019 | Created accounts generate about 5,000 followers in the month of January 2019 |

**ORGANIZATIONAL STRUCTURE:**

[Houser Vending Company] follows a [divisional organizational structure] with [Michael Houser] as the President. The company’s divisions are assigned with different sales, marketing, and finance teams.

**OPERATIONAL PLAN:**

**Location and Facilities**

[Houser Vending Company] operates in a [4,500 square foot property] in [719 Miami Cir NE Lindbergh – Morosgo], [Atlanta, GA 30324, USA]. The company has a spacious area to store vending machines and inventory.

 **Tools and Equipment Checklist**

|  |  |
| --- | --- |
| **Software** | **Quantity** |
| Inventory Management System | 3 |
| Customer Database System | 1 |
| **Hardware** | **Quantity** |
| Computers | 5 |
| Vending Machines | 10 |

**IT INFRASTRUCTURE**

The following table shows the IT infrastructure of [Houser Vending Company].

|  |  |  |
| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| Website | Y | The company owns a website.  |
| Latency  | Y | The company encounters quick response and processing time from the network.  |
| Zero Downtime | Y | The company experiences network interruptions.  |

**FINANCIAL PLAN**

**Assumptions**

[Houser Vending Company] used the following financial assumptions to create its projected financial statements:

* The company projects a [40%] increase in revenue in the second year of operations.
* The prevailing market interest is [4%] and the tax rate for compensation is [12%].
* There is an expected [5%] inflation in the next [two years].

**Monthly Expense**

****

**Monthly Revenue**

****

**BUSINESS FINANCING**

The [sole proprietor] generated the funds to initially operate the [Houser Vending Company] through a short-term loan amounting to [265K USD]. The said loan is payable within [18 months].

**STATEMENTS**

|  |
| --- |
| **Profit and Loss Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Sales | $495,000.00 | $693,000.00 | $970,200.00 |
| Direct Cost of Sale | $222,750.00 | $311,850.00 | $436,590.00 |
| Other Cost of Sale | $2,500.00 | $2,625.00 | $2,756.25 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $269,750.00 | $378,525.00 | $530,853.75 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $225,250.00 | $314,475.00 | $439,346.25 |
| **Gross Margin % (Gross Profit/Sales)** | **45.51%** | **45.38%** | **45.28%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $119,250.00 | $119,250.00 | $119,250.00 |
| Insurance | $7,500.00 | $7,500.00 | $7,500.00 |
| Utilities | $8,000.00 | $8,160.00 | $8,323.20 |
| Salary (Including Tax) | $65,000.00 | $65,000.00 | $65,000.00 |
| Maintenance & Supplies | $7,000.00 | $7,175.00 | $7,354.38 |
| **Total Operating Expenses** | **$206,750.00** | **$207,085.00** | **$207,427.58** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $63,000.00 | $171,440.00 | $323,426.18 |
| Depreciation | $1,000.00 | $1,000.00 | $1,000.00 |
| Interest Expense | $10,600.00 | $10,600.00 | $10,600.00 |
| Taxes Paid | $7,800.00 | $7,800.00 | $7,800.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$100.00** | **$88,990.00** | **$213,518.68** |

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| --- |
| **Balance Sheet Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Cash | $15,250.00 | $102,990.00 | $305,883.68 |
| Accounts Receivable | $75,000.00 | $105,000.00 | $147,000.00 |
| Inventory | $25,000.00 | $31,250.00 | $39,062.50 |
| Other Current Assets | $17,875.00 | $20,556.25 | $23,639.69 |
| **Total Current Assets** | **$133,125.00** | **$259,796.25** | **$515,585.86** |
|  |  |  |  |
| Long-Term Assets | $55,000.00 | $63,250.00 | $72,737.50 |
| Accumulated Depreciation | $1,000.00 | $2,000.00 | $3,000.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $54,000.00 | $61,250.00 | $69,737.50 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$187,125.00** | **$321,046.25** | **$585,323.36** |
|  |  |  |  |
| Accounts Payable | $57,000.00 | $52,000.00 | $47,000.00 |
| Notes Payable | $45,000.00 | $51,750.00 | $59,512.50 |
| Other | $5,000.00 | $5,000.00 | $5,000.00 |
| **Total Liabilities** | **$107,000.00** | **$108,750.00** | **$111,512.50** |
|  |  |  |  |
| Paid-in Capital | $80,000.00 | $80,000.00 | $80,000.00 |
| Retained Earnings | $100.00 | $89,090.00 | $302,608.68 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$80,125.00** | **$212,296.25** | **$473,810.86** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **133.54%** | **51.23%** | **23.54%** |

|  |
| --- |
| **Cash Flow Projection** |
|  | **FY2019** | **FY2020** | **FY2021** |
| Operating Cash Beginning | $10,000.00 | $15,250.00 | $102,990.00 |
|  |  |  |  |
| **Sources of Cash** | $8,500.00 | $10,625.00 | $13,281.25 |
| Receivables | $75,000.00 | $105,000.00 | $147,000.00 |
| Sales | $125,000.00 | $175,000.00 | $245,000.00 |
| Others | $3,500.00 | $4,200.00 | $5,040.00 |
| **Total Cash** | $222,000.00 | $310,075.00 | $513,311.25 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $119,250.00 | $119,250.00 | $119,250.00 |
| Insurance | $7,500.00 | $7,500.00 | $7,500.00 |
| Utilities | $8,000.00 | $8,160.00 | $8,323.20 |
| Salary (Including Tax) | $65,000.00 | $65,000.00 | $65,000.00 |
| Maintenance & Supplies | $7,000.00 | $7,175.00 | $7,354.38 |
| **Total Expenditures** | $206,750.00 | $207,085.00 | $207,427.58 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$15,250.00** | **$102,990.00** | **$305,883.68** |