



BUSINESS PLAN 2022



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The undersigned reader of the ██████████ Business Plan hereby acknowledges that the information provided is entirely confidential. Therefore, the reader agrees not to disclose anything found in the business plan without the express written consent of the Business Owners.

It is also acknowledged by the reader that the information to be furnished in this business plan is in all aspects confidential in nature, other than information that is in the public domain through other means, and that any disclosure or use of the same by the reader may cause serious harm and or damage to ██████████, Business Plan.

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This is a business plan. It does not imply an offer of any securities.

Signature

Printed Name



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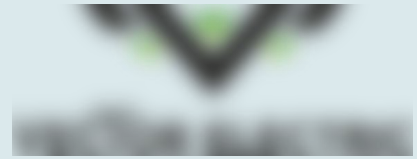
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Executive Summary

██████████ LLC will be a licensed and standard US-based high-voltage contractor services company. We specialize in transmission, distribution construction and maintenance, and emergency restoration of power lines. We will provide our services in the state of Kansas. Our target market includes consumers, power companies, and the government in a state of emergency.

We will provide a range of services under one roof, including high-voltage contracting, medium/high voltage splicing, medium/high voltage terminating, medium voltage terminations, power pole installation, pole setting, pole line inspection, power line inspection, resistograph testing, pole testing, cable pulling/splicing, underground cable installation, and emergency response.

We aim to become the most reliable high-voltage contractor company in Kansas and the surrounding areas. Our workers will be selected from a pool of certified and highly experienced electrical technicians and foremen, each expert in their field. We will ensure that we take all the members of our workforce through the required training that will position them to meet the expectation of the company and compete with leading electrical contractor services companies in the US. Our client's best interest will always be our top priority, and our values and professional ethics will guide everything we do.

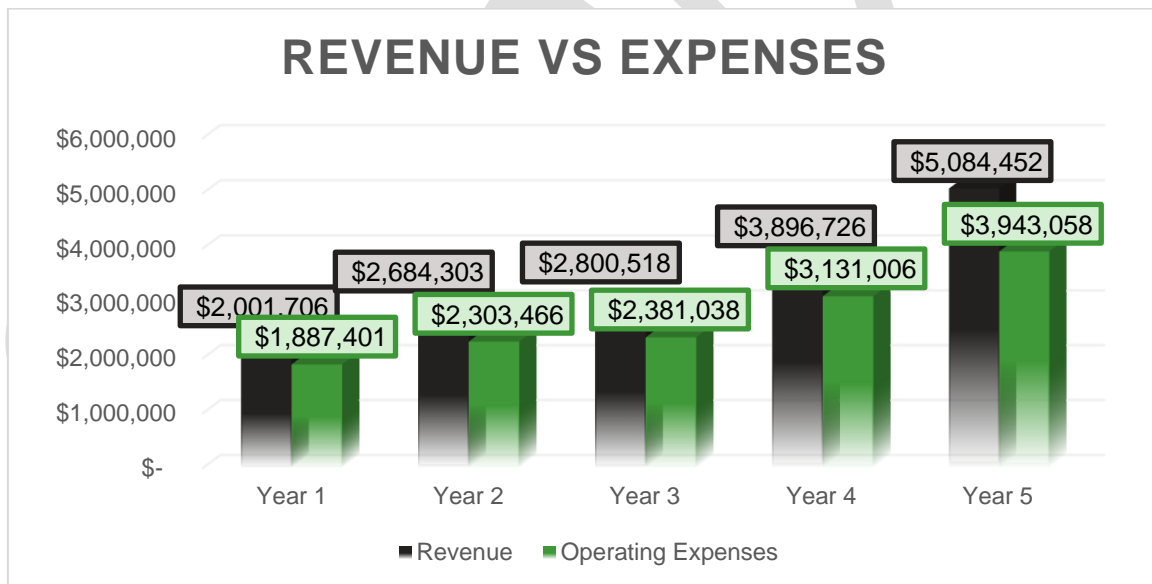
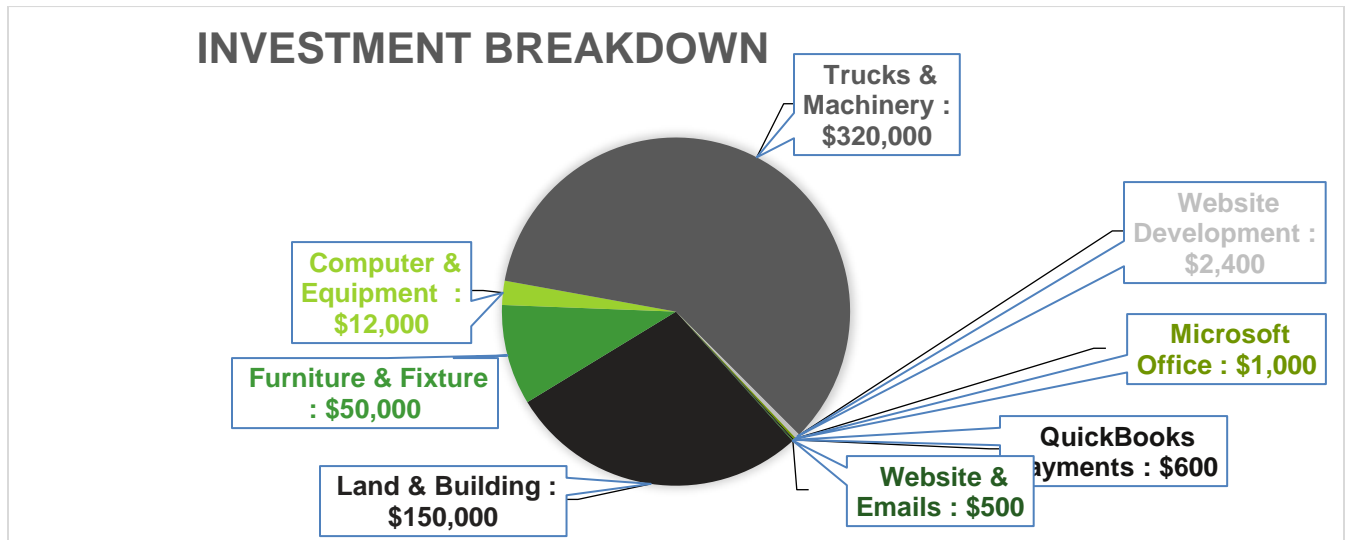
We have identified potential in the electric power industry. Our market analysis indicates promising growth over the coming years. Our experience and industry knowledge will allow us to compete with the very best in the industry. Our unique value proposition is our guaranteed safety.

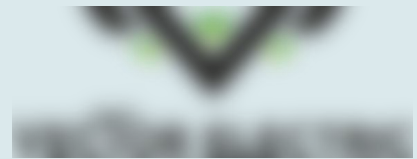
As competition for clients increases, it will be necessary for us to adopt different marketing strategies. Ideally, digital marketing will be a big part of our marketing efforts because this is the best way to attract a broad audience. Online marketing is cost-effective and wide-reaching. We will update blogs with informative, updated, and relevant content on our website. We will also market through our vans and uniforms. We will drop our business cards with every project we complete.

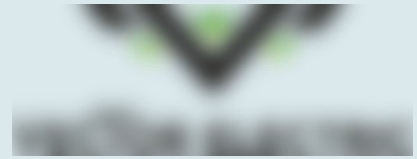
We have identified several critical approaches to strategic development and marketing efforts, assessed alternatives, and developed a series of executable, cohesive, and independent action

categories to aid the business in its primary overarching goals. The business plan is intended to demonstrate the business model's viability and to show investors the business's requirements.

Financial Highlights







Business Overview

Business Description

██████████ will be a women-owned high-voltage contractor company in Kansas, USA, dedicated to providing complete electric solutions. We have extensive experience in transmission, distribution construction and maintenance, and emergency restoration of power lines. We aim to offer our customers a full suite of power line contracting services, including immediate emergency and storm response, distribution, transmission, and more. Our company will deliver an exceptional client experience through expertise, on-time, and accurate service. We aim to build a strong expertise and network, enabling us to offer the best inland electric power services available on the market.

We aim to provide excellent and safe services to all our clients and want to become a well-reputed high-voltage contractor company in Kansas that people can trust. Everyone needs power for their homes and work, so we have a huge target market to serve. Vector Electric will provide services to the government in case of emergencies such as hurricanes, tornadoes, fires, etc. We will also be a business resource to power companies and consumers.

Our staff will be essential in helping us become a trusted brand name in the industry. We will create a qualified team with expertise in their respective fields. Our responsibility is to ensure that every employee understands how their job contributes to the overall operation and directly affects the customer. Through our in-field expertise, knowledge, and experience, we will continue to make significant contributions to our client's problems.

Mission Statement

Vision

To become a reliable and renowned high-voltage contractor company in ██████████ and surrounding areas.

Mission

To provide first-class service by exceeding industry standards. As our guiding principles, we employ hard-working team members for safety, excellence, and integrity. We are proud of the hard work, sincerity, and transparency our company demonstrates daily.



Purpose

To provide excellence, integrity, and safety in all our services

Target Market & Location

We will lease an office located at [REDACTED].

We will provide our services to the residents of Kansas for now. Our target customer is anyone who needs power, repair, maintenance, testing, and installation services.

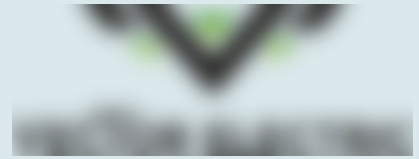
Kansas Demographics

"The population of Kansas has reached 2,911,641. Kansas currently has a growth rate of 0.57% annually, ranking 31st among all 50 states. Situated in an almost central location in the United States, Kansas is the 15th largest state in the country with regards to the pure surface area, but in terms of population, sparsely spread numbers mean that it is only the 33rd most populous US state. From an overall surface area of 82,277 square miles (213,096 square kilometers), there is an average of 34.9 people per square mile. That makes Kansas the 40th most densely populated state in the US.

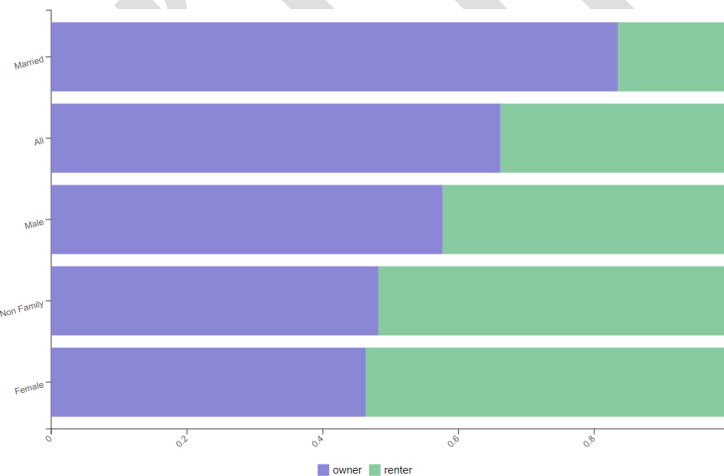
The center of population is in Chase County, three miles north of Strong City, although the most populous city is Wichita, with a population of over 389,000, followed by Overland Park (186,515), Kansas City (151,306), and Topeka (127,265).

The population under 18 is estimated at around 25%, while the percentage of persons 65 years and over is currently 14.6%. The median age in Kansas is approximately 36.2 years, with a slight gender gap in the population with 50.3% females and 49.7% males.

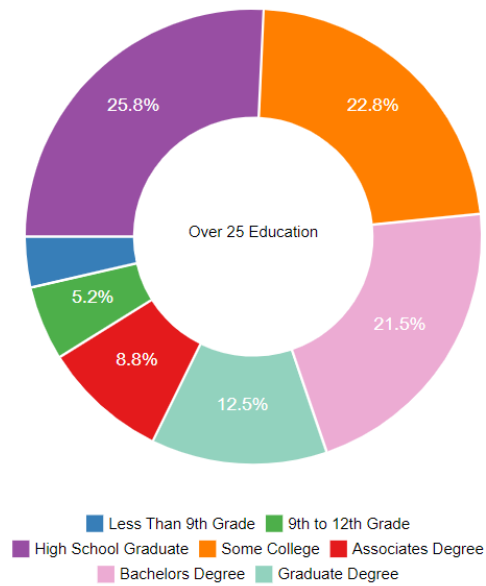
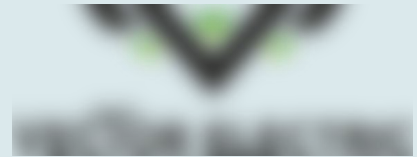
The image below shows Kansas' Population by Age:



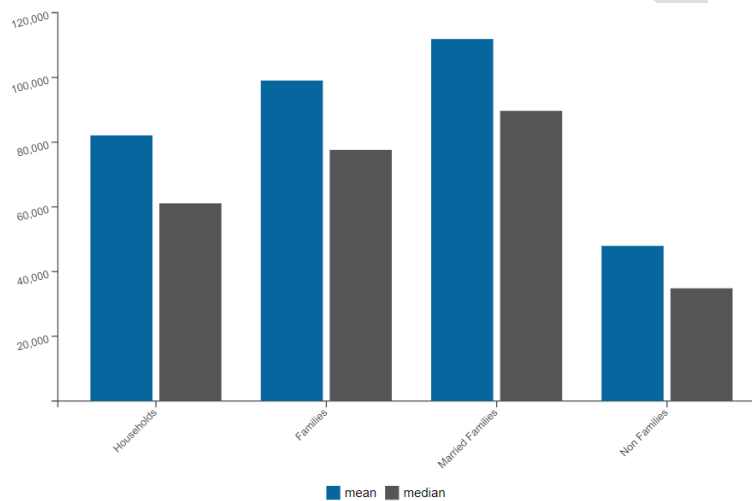
The image below shows Kansas' Households and Families:



The image below shows Kansas' Educational Attainment by Sex:

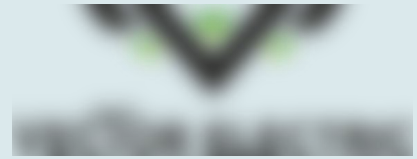


The image below shows Kansas' Income by Household Type:



(World Population Review, 2022)¹

¹ <https://worldpopulationreview.com/states/kansas-population>



The Potential Opportunity

"As temperatures warm up in the months ahead, so does the risk of possible blackouts across the country. A new report said Kansas is at an elevated risk of blackouts this summer. If blackouts happen this year, they'll happen on the hottest days when energy demand is highest.

Power grid operators have to prepare for higher demand than ever before. Power grids might not be able to meet that demand in some areas. (DeMars, 2022)"²

"Kansas' most common natural disasters include severe storms, floods, tornadoes, winter storms, wildfires, power outages, and landslides. Other less significant disasters include droughts and earthquakes. Between 1953 and 2019, Kansas declared 74 major disasters, of which severe storms and floods happened the most.

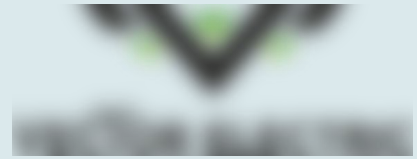
Severe thunderstorms can happen year-round, but they're more likely to occur during the spring and summer seasons— especially between June and July. Kansas experiences approximately 50 thunderstorms per year. These storms are generally localized events that include heavy rainfall, high winds, baseball-sized hail, lightning, and supercells (rotating thunderstorms).

Kansas is located in the heart of Tornado Alley and averages between 88 and 96 tornadoes yearly. Tornado season in Kansas begins in April and lasts through June, with another minor peak between October and November. The months of May and early June have the most tornadoes in the state. However, the strong and more violent tornadoes tend to occur between late April and early May. The peak times for tornado activity are between 4 to 8 pm CST. And the least likely hour, according to records of previous tornadoes, is between 7 and 8 am CST.

Every natural disaster puts the electrical systems at risk of failure. Two of the most common causes of power outages are storms and controlled (rolling outages) due to the high electricity demand. (Crisis Equipped, 2022)"³

² <https://www.kwch.com/2022/05/19/report-kansas-elevated-risk-blackouts-this-summer/>

³ <https://crisisequipped.com/what-natural-disasters-occur-in-kansas/>



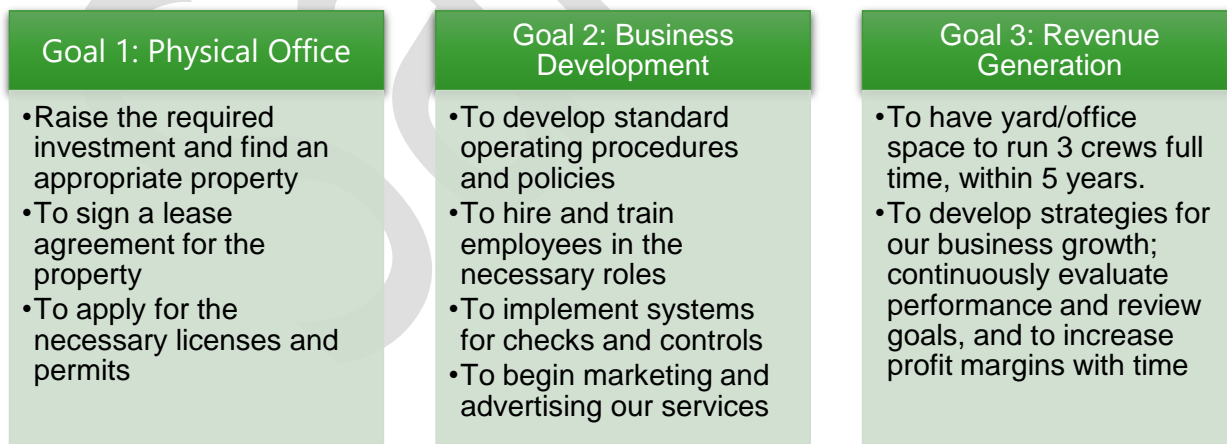
Company Ownership & Legal Status

██████████ is owned by ██████████. We will be registered as a Limited Liability Company, having met all the requisite official registration formalities. The company will be located at ██████████

Our Way To Success



Our Way To Success





Products & Services

Overview

██████████ LLC specializes in transmission line construction and maintenance, as well as power line emergency restoration, High-voltage contracting, medium/high-voltage splicing, medium/high-voltage terminating, medium-voltage termination, power pole installations, pole setting, pole line inspection, pole line inspection, seismograph testing, pole testing, cable pulling, cable splicing, underground cable installation, and emergency response are just a few of the services we offer. All of our clients can expect quality and safe service from us. Integrity is something we value the most.

██████████ LLC operates as a business-to-business, business-to-consumer, and business-to-government model. We will assist the government in disasters such as hurricanes, tornadoes, fires, and other natural disasters. Our market research indicates that growth in the coming years will be encouraging.

Products and Services

Transmission, Distribution Construction, And Maintenance

██████████ will provide a full scope of construction and maintenance services for electrical transmission and distribution systems. Our service teams have the expertise and equipment to efficiently install and maintain transmission systems of any configuration, length, and voltage in any region and through any terrain. Our highly trained professionals will provide expertise from the point of generation through the point of consumption in residences and businesses.

We work to support energy & power production and power delivery, providing safe, high-quality engineering, construction, and maintenance services that drive operational efficiency and support continuous improvement across the private and public sectors.

Emergency Restoration of Power Lines

██████████ will provide solutions for emergencies leading to power cuts or voltage issues. Natural disasters caused by high-speed winds or cyclones, floods, changes in the course of a river, landslides, and earthquakes may cause the failure of transmission towers. Unfortunately, weather conditions are getting more extreme in all parts of the world. This will make electricity grids more vulnerable in developed and developing countries. Permanent restoration of tower failures takes several weeks, resulting in interruption of power supply to the public and



substantial monetary losses to the power companies. The service offered by ██████████ provides a solution in such times. Our efficient team analyses the situation and implements the necessary measures to control the situation and restore the situation.

Other services offered by the Vector Electric are:

Medium / High voltage splicing	Medium /High voltage terminating	Medium voltage terminations	Power pole installation
Pole setting	Pole line inspection	Power line inspection	Resistograph testing
Pole testing	Cable pulling/splicing	Underground cable installation	Emergency Response

Strategies

- Utilizing the best technology and systems to provide comprehensive and reliable services
- Spending on maintaining and updating the facilities and services
- Investing in our team and improving their strengths
- Understanding the core needs of our customers
- Promoting the elements of teamwork and the essence of community
- Review customer comments and feedback regularly.

Our suppliers

We will partner with the Border States for all our equipment needs.

Border States



- **Sector:** Industrial
- **Industry:** Industrial Products

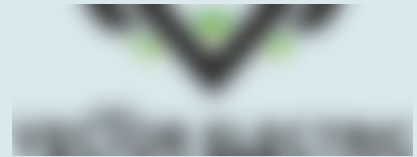


- **Sub-Industry:** Electrical Equipment
- **Incorporated:** 01/06/1961
- **Address:** 105 25th Street N Fargo, ND 58102 United States
- **Website:** www.borderstateselectric.com

Border States Industries, Inc. was founded in 1984. The company's line of business includes the wholesale distribution of electrical apparatus and equipment wiring supplies. They offer a wide range of products to businesses and organizations dealing with large-scale projects.

Pricing

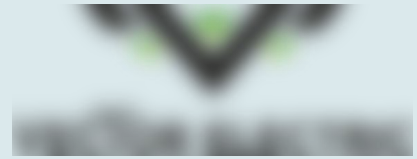
Equipment	Hourly Rate
Pole Trailer	\$15/Hr
Pickup Truck (32 Gal Fuel Tank)	\$25/Hr
Squirtboom Truck (40 Gal Fuel Tank)	\$75/Hr
Bucket Truck (50 Gal Fuel Tank)	\$75/Hr
Digger Truck (50 Gal Fuel Tank)	\$75/Hr
Labor	Hourly Rate
General Foreman	\$54.61/Hr + \$10/Day Benefit Funds
Foreman	\$50.85/Hr + \$10/Day Benefit Funds
Journeyman Lineman	\$47.08/Hr + \$10/Day Benefit Funds
Apprentice	\$42.37/Hr + \$10/Day Benefit Funds
Groundman	\$26.78/Hr + \$10 Benefit Funds
Material	Rate



Job Materials	\$100,000
One-Time Charge To Load Each Truck With Necessary General Tools/Hand Tools	\$20,000

Value Proposition





SWOT Analysis

The SWOT analysis below represents the strengths, weaknesses, opportunities, and threats of our company:

Strengths

- ➔ Experienced founder
- ➔ Qualified and licensed team
- ➔ Strong work ethics
- ➔ Strong Business Model with Potential to Grow Organically
- ➔ Relationship-building Approach with all clients
- ➔ Marketing, PR, and Influencers Network
- ➔ Providing all high-voltage contracting services under one roof
- ➔ Dealing with multiple types of consumers

Weaknesses

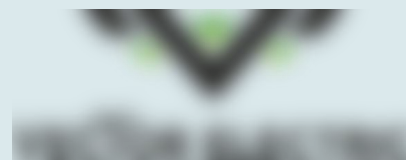
- ➔ Need to invest in marketing and attracting investors
- ➔ Need to build business relations within the industry

Opportunities

- ➔ Growing demand and market for electrical power in Kansas
- ➔ Ongoing public and real-estate construction in Kansas
- ➔ An increasing number of electrical repairs needed by households and organizations
- ➔ Kansas is prone to natural disasters, which require backup electric power maintenance

Threats

- ➔ The market, economic and legal risks for business
- ➔ Established Competitors with a significant market share



Market Analysis

Electricity Transmission & Distribution Market

"The electric power generation, transmission, and distribution market was expected to grow from \$4,091.77 billion in 2021 to \$4,433.15 billion in 2022 at a compound annual growth rate (CAGR) of 8.3%. The market is expected to reach \$5,932.43 billion in 2026 at a CAGR of 7.6%. (Markets, 2022) ⁴

"Electricity transmission and distribution are stages of carrying electricity from power stations to end-users. Transmission of electricity refers to the movement of electricity from power generation sites to substations near the localities of electricity demand. The end-users receive electricity from these substations by distribution lines. Transmission lines are generally present on towers and are used to transport electricity over 100 kV. Transmission and distribution stages vary in voltage ratings and have separate stages on the grid.

The rapidly increasing electricity demand in far-off remote locations is anticipated to enhance the market growth. To satisfy the needs of the increasing population, the growing industries are expected to propel market dynamics further.

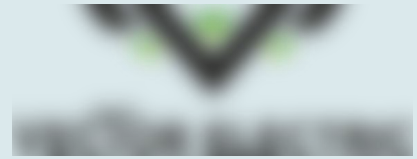
North America is a developed region in terms of electricity usage. Due to the high rate of urbanization in the United States, almost 88%, the region is the largest electricity transmission and distribution market". (Fortune Business Insights, 2021)⁵

Overview

"The electric power generation, transmission, and distribution market consist of electric power sales by entities (organizations, sole traders, and partnerships) that generate, transmit, and distribute electric power. This market establishes operating generation facilities that produce

⁴<https://www.globenewswire.com/en/news-release/2022/03/17/2404992/28124/en/Global-Electric-Power-Generation-Transmission-and-Distribution-Market-Forecast-to-Reach-5-932-Billion-in-2026-at-a-CAGR-of-7-6.html>

⁵ <https://www.fortunebusinessinsights.com/electricity-transmission-and-distribution-market-106366>



electric energy, operating transmission systems that convey the electricity from the generation facility to the distribution system or operating distribution systems that convey electric power received from the generation facility or the transmission system to the final consumer. The electric power generation, transmission, and distribution market are segmented into electric power transmission, control and distribution, and power generation.

The power generation industry is expected to see increased investment activity in the forecast period. Investments in microgrid technology, renewables, and other advanced technologies are expected to drive the market. The USA is expected to see about \$12.5 billion in microgrid investments in the forecast period. Renewable energy investments are expected to reach \$ 1,000 billion in the USA during the forecast period.

Market Drivers

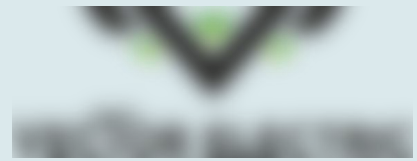
Rise in Investments in Renewable Energy Sources

"There is an increasing awareness about the harmful environmental impact of CO₂ emissions and greenhouse gases worldwide. This has triggered interest in renewable energy sources compared to conventional coal or fossil fuel sources. To cater to the rising demand for electric power, market players are focusing on integrating renewable energy sources in their energy generation policies in many developing countries worldwide. Increasing initiatives by governments of various countries to promote the usage of energy generated through renewable energy sources are driving the market.

Rapid Urbanization and Industrialization

The market is majorly driven by urbanization and industrial growth across the globe. This has boosted the demand for electricity in the world. Emerging economies in the power transmission and distribution equipment segment are expected to fuel the expansion of the transmission & distribution market. In contrast, the U.S. and European nations are expected to remain significant contributors due to their tremendous need for electrical power. The global electricity demand is expected to increase during the forecast period. This is a factor attributable to the rapid expansion of the global transmission & distribution market. Increasing investments in grid technologies and smart meters are expected to drive the market during the forecast period.

Various developing regions and countries are likely to experience strong growth in the electric power transmission industry, as governments of most countries are upgrading and expanding the transmission & distribution infrastructure. This market is further projected to grow as



economies continue investing heavily in electricity generation, transmission, and distribution networks.". (Transparency Market Research, 2020)⁶

Transmission Line Construction Market Size

"The transmission line construction market size was USD 81.39 billion in 2020. The market is expected to grow from USD 86.88 billion in 2021 to USD 138.99 billion in 2028 at a growth rate of 6.9% in the 2021-2028 period.

Key Market Trend

Increasing Energy Demand

The main reasons behind the substantial increment in power consumption, the growth of the manufacturing sector, economic development, increasing population, and data centers led to the rapid increase in transmission line construction and repair sector. Industrialization and urbanization, along with the rising living standard of people, increase the demand for electricity generation. Developing regions, particularly, are experiencing high electricity demand due to infrastructure expansion and development.

As many countries across the world are witnessing a rapid increase in electricity demand, so to fulfill such demand, these countries are increasing their power generating capacity either by expanding the generating capacity of existing ones or by installing new plants. In addition, pollution is also widely increasing, for which governments in many countries imposed stringent carbon emission norms. Therefore, the focus on the renewable sector is increasing, particularly on line generation. These factors drive the growth of the market from 2021 to 2028.

Market Driver

Expansion of Smart Grids and Micro-grids Network Propel Growth in Market

Smart grids are expanding worldwide as the investment in intelligent networks is increasing widely. Governments are also focusing on innovative grid expansion in several countries. The investment in cross-border grid networks is also increasing across the world. Along with the

⁶ <https://www.transparencymarketresearch.com/electrical-transmission-distribution-market.html>



smart grid, the micro-grid network is expanding immensely worldwide. The increasing power consumption surges the demand for network infrastructure for electricity worldwide". (Fortune Business Insights, 2022)⁷

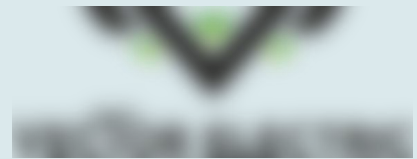
Increasing Investments In R&D Across Transmission And Distribution Networks

"The power transmission lines market from high-temperature conductors is anticipated to grow at a CAGR of over 5% through 2028. Efficient electrical conductivity, lower tensile strength, large-scale monitoring, and control technology deployment across power transmission networks will complement the business dynamics. For instance, in January 2019, the company introduced the E3X technology as a standard feature on its ACCC bare overhead transmission conductors. The E3X is a durable and thin coating that reduces the operating temperature of the conductor by increasing the heat dissipation rate from the unit's surface and minimizing the solar energy absorption.

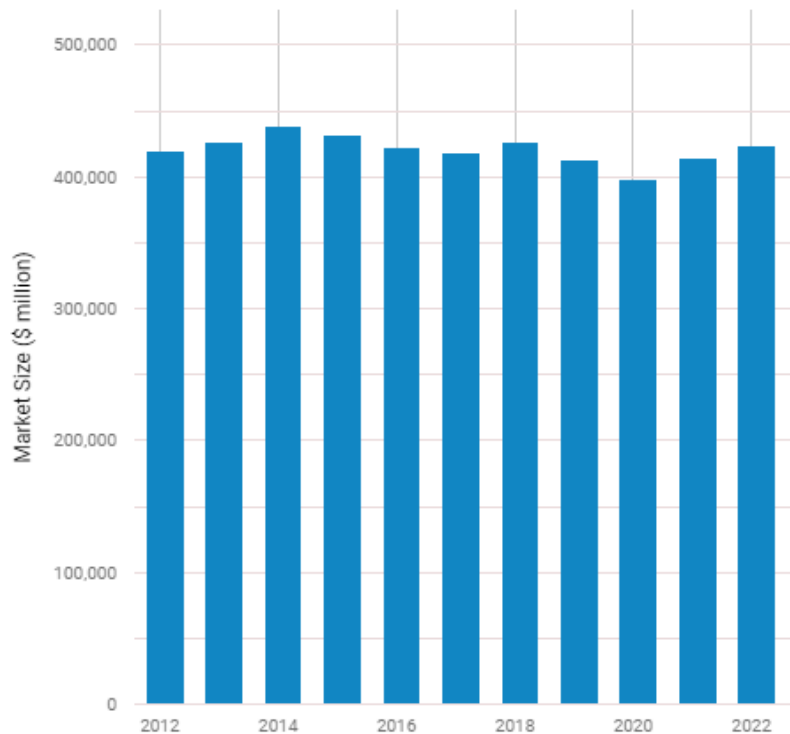
PVC units are expected to surpass an annual installation of over 43 '000 km by 2028. The ability to easily recycle and process compared to thermoplastic and thermoset technologies will enhance the industry's potential. Fire retardancy, adequate mechanical strength, lightweight, UV-resistant, high resistance to water & chemicals, the ability to withstand a maximum temperature, and abrasion resistance will positively influence product implementation". (Gminsights, 2021)⁸

⁷ <https://www.fortunebusinessinsights.com/transmission-line-market-106347>

⁸ <https://www.gminsights.com/industry-analysis/power-transmission-lines-and-towers-market>



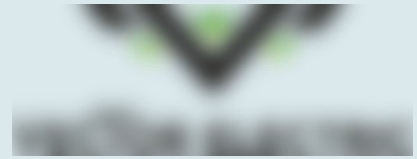
Electric Power Transmission In The US



"The market size, measured by revenue, of the Electric Power Transmission industry is \$423.7bn in 2022. The US Electric Power Transmission industry grew slower than the Utility sector overall.

The Electric Power Transmission industry is expected to increase by 2.3% in 2022. The Electric Power Transmission industry in the US is the 1st ranked utility industry by market size and the 28th largest in the US.

The market size of the Electric Power Transmission industry in the US has grown 0.2% per year on average between 2017 and 2022. To end customers, all electricity must be transmitted through the Electric Power Transmission industry's transmission and distribution networks. Therefore, electric power consumption typically matches industry demand and revenue. However, if consumption increases too slowly, it can harm industry revenue. Electric power



consumption is expected to increase in 2021, representing a potential opportunity for operators". (IBISWorld., 2021)⁹

"In 2019, the operating revenue associated with the generation, transmission, and distribution of electricity from the electric power sector in the United States was estimated at 472.7 billion U.S. dollars, slightly up from 471 billion dollars a year earlier. This was the highest figure registered in the indicated period". (Alvee, 2021)¹⁰

Statistics And Facts

"The market size of the Electric Power Transmission industry in the US has grown 0.2% per year on average between 2017 and 2022. The market size of the Electric Power Transmission industry in the US has grown slower than the economy overall.

The Electric Power Transmission industry in the US is the 1st ranked utility industry by market size and the 28th largest in the US.

The U.S. grid loses about 5 percent of all the electricity generated through transmission and distribution—enough to power all seven Central American countries four times. Separately, grid congestion, like traffic congestion, leads to waste and costs consumers approximately \$6 billion annually in higher energy bills. At the same time, many transmission lines are underused, even at peak hours.

America's grid carries electricity from over 7,700 power plants across 707,000 miles of high-voltage lines and through millions of miles of low-voltage lines and transformers to millions of customers. Hundreds of billions of electricity are being lost route to their homes and businesses every year, but fortunately, solutions are available. (Chen, 2019)¹¹

⁹ <https://www.ibisworld.com/industry-statistics/market-size/electric-power-transmission-united-states/>

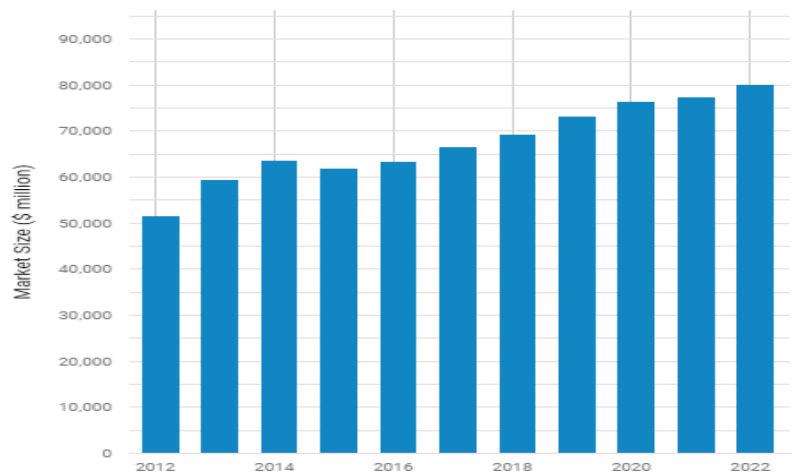
¹⁰ <https://www.statista.com/statistics/619935/generation-transmission-and-distribution-operating-revenue-electric-power-in-the-us>

¹¹ <https://www.nrdc.org/experts/jennifer-chen/lost-transmission-worlds-biggest-machine-needs-update>



The AEF Committee has assumed that 40 percent of the expenditures should be made before 2020, with the remaining 60 percent between 2020 and 2030". (National Academies Press, 2019)¹²

Transmission Line Construction Market Size In The US



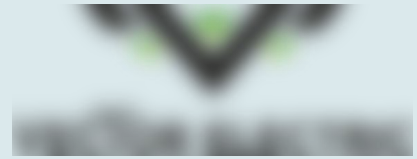
"The market size, measured by revenue, of the Transmission Line Construction industry, is \$80.1bn in 2022. The market size of the Transmission Line Construction industry is expected to increase by 3.6% in 2022. The transmission Line Construction industry in the US has grown 3.8% per year on average between 2017 and 2022.

The market size of the Transmission Line Construction industry in the US increased faster than the economy overall. The Transmission Line Construction industry in the US is the 10th-ranked Construction industry by market size and the 146th largest in the US.

Opportunity

Electric power consumption represents the total amount of electricity consumed in the United States. Electricity demand is driven by households, manufacturers, and industrial producers. Any

¹² <https://nap.nationalacademies.org/read/12091/chapter/13>



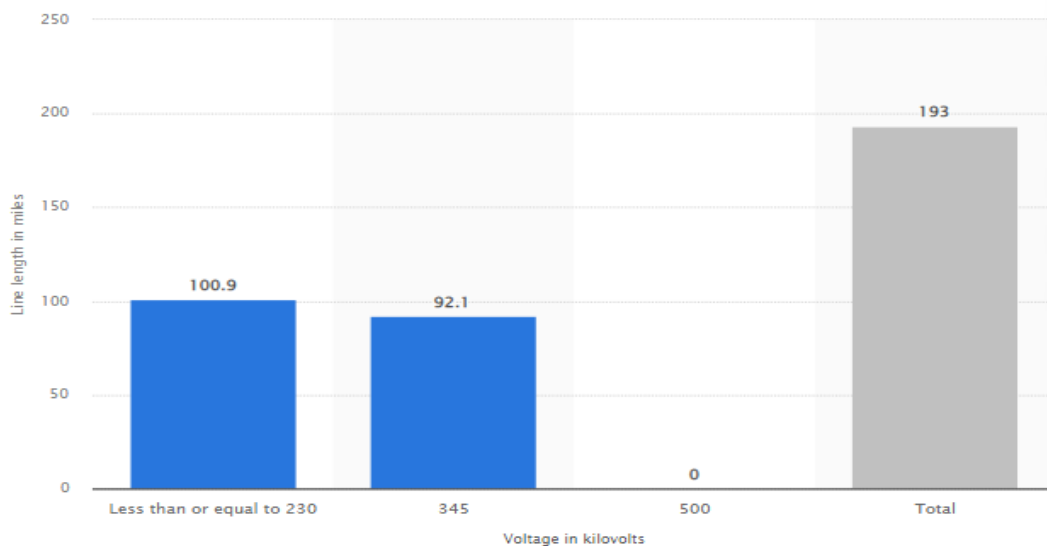
expansion in demand from these entities drives up electricity consumption. As these downstream markets demand higher amounts of electricity, industry operators are projected to benefit as the economy hinges on proper and consistent power delivery. Electric power consumption is anticipated to rise in 2021, representing a potential opportunity for the industry". (IBISWorld, 2021)¹³

Market Driver

Rising Retrofit and Refurbishment of Existing Infrastructure Augmented

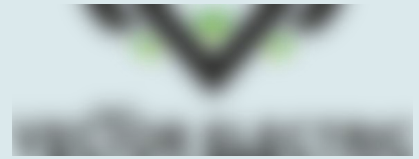
"This increases the demand in the market as the existing infrastructure is aging, and it somehow does not provide maximum efficiency. Refurbishment or retrofit of the existing infrastructure helps increase efficiency and extend the life of infrastructure. This refurbishment and retrofit of an existing infrastructure drive the market's growth". (Fortune Business Insights, 2022)¹⁴

Electric Transmission Projects Completed In The United States



¹³ <https://www.ibisworld.com/industry-statistics/market-size/transmission-line-construction-united-states/>

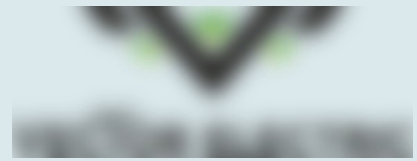
¹⁴ <https://www.fortunebusinessinsights.com/transmission-line-market-106347>



"In 2021, less than 200 miles of electricity transmission lines were completed in the United States. Projects with a voltage up to 230 kilovolts accounted for roughly 52 percent of the length completed that year. No projects with a voltage of 500 kilovolts were completed". (Alves, 2022)¹⁵

Sample

¹⁵ <https://www.statista.com/statistics/551519/us-line-length-of-electricity-transmission-projects-completed/>



Competitor Analysis

Compititors

PAR Electrical Contractors, LLC



- **Industry:** Construction
- **Company Size:** 1,001-5,000 employees

PAR was founded in 1954 in Kansas City, Missouri, in the United States. The Company offers a full range of construction services for substations, overhead and underground distribution and transmission lines, engineering, design, maintenance, and startup. The company generates revenue of \$500 Million per year.

Services:

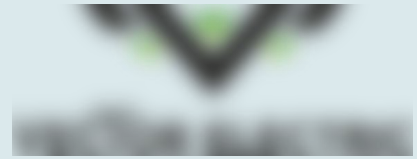
PAR operates as an electrical plant contracting company that constructs, installs, repairs, designs, and helps its clients to maintain the infrastructure required to deliver their electrical power to customers on time.

Solutions:

- Transmission
- Distribution
- Substation
- Foundations
- Energized Services
- Engineering & Design
- Program Management
- Emergency Response

Environmental Management Program:

- Corporate Stewardship
- Sustainability
- Community Involvement



Projects:

- Aeolus–Jim Bridger 500 kV/345 kV Transmission Line Foundations
- Multi-Value Project 7
- Falcon Ridge Substation EPC Project
- Whaleback Emergency Fire Repairs

Specialties:

Transmission Line Construction, Distribution Line Construction, Substation Construction, Storm Restoration Services, and Engineering Services. (Par Electrical Contractors, Inc., 2022)¹⁶

Capital Electric Line Builders



- **Industry:** Construction
- **Company Size:** 501-1,000 employees

Capital Electric Line Builders was founded in 1967 in Riverside, Missouri, in the United States. They provide a full range of electrical services to their customers. The company also offers installations and high-voltage transmission lines and deals with commercial electrical work. The company generates revenue of \$60,299,646 per year.

Services:

- Transmission
- Distribution
- Substation
- Emergency Restoration

¹⁶ <http://www.parelectric.com>



- Signals & Lighting – Kansas City
- Signals & Lighting – Dayton

Projects:

- Amelia Earhart Memorial Bridge
- Hurricanes Harvey & Irma
- Huber Heights Citywide Traffic Signals
- Dayton Streetlight Replacement
- Leavenworth Road Signalization
- North Woodland Street Lighting
- Kansas City Street Lighting
- Traffic Signal Truss Installation
- Paola to Ottawa Phase 1

Specialty:

Installing and Maintaining, Underground Transmission and Distribution, Systems, Substations, Traffic Signalization, Roadway, and Area Lighting.

Sturgeon Electric Co Inc



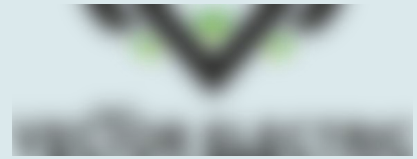
- **Industry:** Construction
- **Company Size:** 1,001-5,000 employees

"Sturgeon Electric Co INC was founded in 1912 and is located in Henderson, Colorado, in the United States. The company offers electrical construction services to its clients throughout the western United States. It generates revenue of \$329.14 million per year.

Services:

The company is an electricity provider that offers industry electrical transmission, commercial and industrial, and renewable energy services.

Capabilities:



- Transmission Construction
- Distribution Construction
- Substation Construction
- Commercial & Industrial
- Transportation Construction
- Clean Energy
- Emergency Restoration
- Telecom
- Fabrication
- Fleet Resources
- Labor Resources

Projects:

- Denver International Airport (Den)
- Transmission Harry Allen to El Dorado 500kv Transmission Line
- Central 70 Project". (STURGEON ELECTRIC CO INC, 2022)

RS Electric Construction



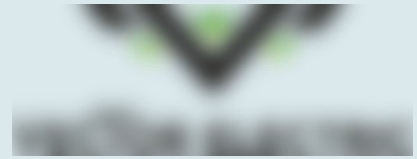
- **Industry:** Facilities Services
- **Company Size:** 201-500 employees

"RS Electric Construction was founded in 1932 and is located in North Kansas, Missouri, in the United States. The company offers services to relocate equipment or system. Kevin Snyder runs the company.

The company disconnects the equipment or system to relocate to another place as an e-commercial electrical contracting company. It generates a revenue of \$511,622 per year.

Services:

The company also provides Design-Build, Classroom/OJT Trained, Troubleshooting (PLC Proficient), and Electrical Maintenance Services.



Services:

- Manufacturing
- Industrial
- Healthcare
- Pharmaceutical
- Grain Elevators
- Water Treatments
- Institutional

Specialties:

Professional Electrical Contracting and Design-Build Services for Mission-Critical systems.

Torgeson Electric

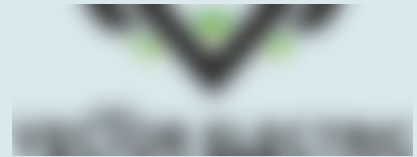


- **Industry:** Construction
- **Company Size:** 51-200 employees

Torgeson Electric was founded in 1973 in Topeka, KS, United States. The company is an Electrical Contractor that provides solutions in all fields of electricity. It generates a revenue of \$105 million per year. The Service Department of the company has a team who provides its services daily to the customers in the surrounding areas of Topeka, KS.

The company offers its services in these industries:

- Technology
- Industrial
- Commercial
- Residential



Competitor Comparison

	[REDACTED]	Par Electrical Contractors, Inc	Capital Electric Line Builders	Sturgeon Electric Co Inc	RS Electric Construction	Torgeson Electric
Began Operations	Soon	1954	1967	1912	1932	1973
Emergency Restoration	✓	✓	✓	✗	✗	✗
Voltage Contractor	✓	✗	✗	✗	✗	✗
Transmission Construction	✓	✓	✓	✓	✗	✗
Service Area	Kansas, USA	Kansas City, Missouri	Riverside, Missouri	Henderson, Colorado	North Kansas, Missouri	Topeka, KS
Resistograph Testing	✓	✗	✗	✗	✗	✗



Organization & Management

Business Leader

██████████ - Owner/CEO

██████████ is independent and original in her thoughts. She has an open-minded approach to new ideas and welcomes creativity. She has also worked in different organizations exposing her to vast scenarios and gaining diverse knowledge and experience. ██████████ believes in the team and not individuality. Her principles of trust, loyalty, and faith will become an emblem and example for the entire organization.

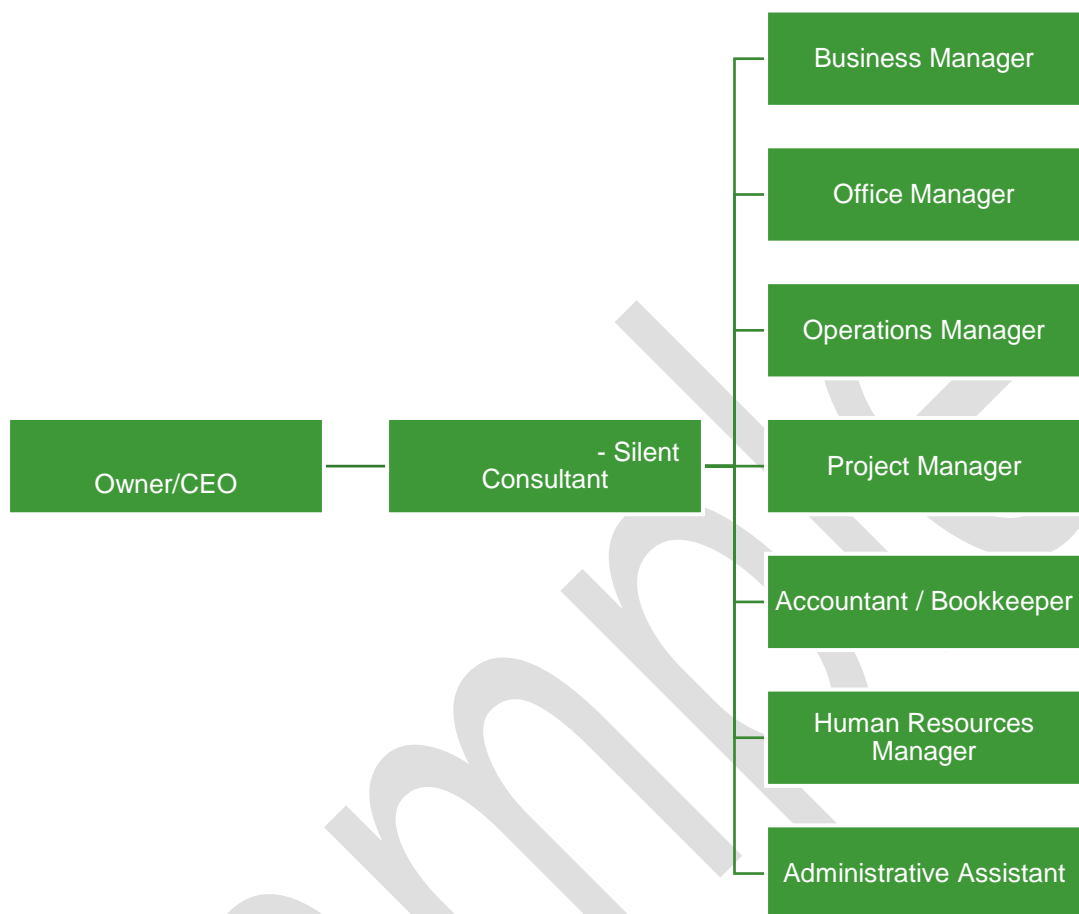
██████████ quickly assesses customer needs, diffuses escalated issues, and follows through to resolution. She aims to achieve performance that outpaces competitors by recruiting and cultivating high-performing teams. She has a collaborative style that leads to identifying and developing key opportunities. Executives recognize her for her approachable style, ability to relate to concerns/issues, and exceptional listening skills.

██████████ - Silent Consultant

██████████ is a Silent Consultant of the company. He is a dedicated, passionate, and intelligent individual. His dynamic Approach and broad-minded thinking ability to explore and understand the industry from a broader perspective. His opinion is greatly valued in the decision-making process. In addition, his background knowledge and previous work experience demonstrate his sound judgment, effective communication, planning, and consultancy skills.



Organizational Structure

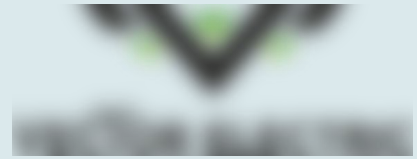


Roles and Responsibilities

Roles	Responsibilities
CEO	<ul style="list-style-type: none">• Provide inspired leadership company-wide.• Make high-level decisions about policy and strategy.• Develop and implement operational policies and a strategic plan.• Act as the primary spokesperson for the company.
Business Manager	<ul style="list-style-type: none">• Develop goals and objectives that focus on growth and prosperity• Design and implement business plans and strategies to promote the attainment of goals



	<ul style="list-style-type: none">• Ensure that the company has adequate and suitable resources to complete its activities (e.g., people, materials, equipment, etc.)• Organize and coordinate operations in ways that ensure maximum productivity• Supervise the work of employees and provide feedback and counsel to improve efficiency and effectiveness
Office Manager	<ul style="list-style-type: none">• Schedule meetings and appointments• Organize the office layout and order stationery and equipment• Maintain the office condition and arrange necessary repairs• Partner with HR to update and maintain office policies as necessary• Organize office operations and procedures• Coordinate with IT department on all office equipment• Ensure that all items are invoiced and paid on time• Manage contract and price negotiations with office vendors, service providers, and office lease
Operations Manager	<ul style="list-style-type: none">• Ensure all operations are carried on in an appropriate, cost-effective way• Improve operational management systems, processes, and best practices• Purchase materials, plan inventory, and oversee warehouse efficiency• Help the organization's processes remain legally compliant• Formulate strategic and operational objectives
Project Manager	<ul style="list-style-type: none">• Coordinate internal resources and third parties/vendors for the flawless execution of projects• Ensure that all projects are delivered on time, within the scope, and within budget• Developing project scopes and objectives, involving all relevant stakeholders, and ensuring technical feasibility• Ensure resource availability and allocation• Develop a detailed project plan to track progress



	<ul style="list-style-type: none">• Use appropriate verification techniques to manage changes in project scope, schedule, and costs• Measure project performance using appropriate systems, tools, and techniques• Report and escalate to management as needed
Accountant / Bookkeeper	<ul style="list-style-type: none">• Record day-to-day financial transactions and complete the posting process• Verify that transactions are recorded in the correct day book, suppliers ledger, customer ledger, and general ledger• Bring the books to the trial balance stage• Perform partial checks of the posting process• Complete tax forms• Enter data, maintain records and create reports and financial statements• Process accounts receivable/payable and handles payroll promptly
Administrative Assistant	<ul style="list-style-type: none">• Organize and schedule appointments• Plan meetings and take detailed minutes• Write and distribute email, correspondence memos, letters, faxes, and forms• Assist in the preparation of regularly scheduled reports• Develop and maintain a filing system• Update and maintain office policies and procedures• Order office supplies and research new deals and suppliers• Maintain contact lists
Human Resources Manager	<ul style="list-style-type: none">• Consistently recruiting excellent staff.• Maintaining a smooth onboarding process.• Training, counseling, and coaching our staff.• Resolving conflicts through positive and professional mediation.• Conducting performance and wage reviews.• Developing clear policies and ensuring policy awareness.• Creating clear and concise reports.• Giving helpful and engaging presentations.



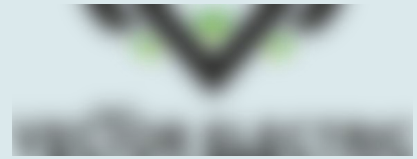
Hiring

With the need to expand and develop the business, we will need the right mix of talent, vision, and creativity for all critical roles. We will set up a process to hire young minds as interneers and experienced professionals to take the business to the next level. A thorough process will ensure only the best candidates are selected. Furthermore, we will instill a beneficial training program to develop and nurture employees. The training programs will ensure that the employees are living up to the standards and expectations of our brand.

The business will use the IBEW local hall 304 to hire General Forman, two Journey-man Lineman, Apprentice, and a Groundman for a five-person legal crew. The people hired by the IBEW are certified in all required fields. Furthermore, the business plans to hire:

- An Account / Book Keeper
- Managers
- Office Staff
- Administrative Assistant

Position	Salary
CEO	\$100,000/year
Business Manager	\$75,000/year
Office Manager	\$50,000 / year
General / Operations / Project Manager	\$75,000/year
Accounting / bookkeeper	50,000 /year
Human Resources Manager	\$60,000/year
Administrative Assistant	\$40,000/year



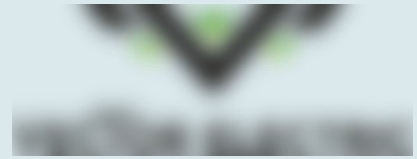
HR Policy

We believe in maintaining a team of talented personnel capable of adding value to our business. For this purpose, we will constantly evaluate our employee performance through appraisals. The employees will be provided with SOPs and detailed job descriptions to understand their role in our organization.

Training and Employee Development

We believe in providing the required training for career growth for our human resources. We will ensure that our employees can compete in a highly dynamic environment through various training. Training will be conducted according to the employee's career growth requirements. Training goals and objectives include:

1. Increase in job satisfaction and morale among employees.
2. Increase in employees' motivation.
3. Increase efficiencies of processes, resulting in financial gain.
4. Increase incapacity to adopt new technologies and methods.
5. Innovation through new business strategies and products.
6. Responsible representation of the company name
7. Diversity training



Marketing & Sales

Strategies and Tactics

The current marketing plan includes the following channels for marketing, promotion, sales, and distribution:

- Online Advertising & Promotion
- Offline Advertising & Promotion
- Relationship building with clients
- Events

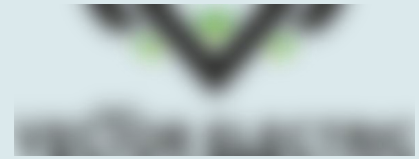
Website

We have launched our website [██████████.com/](#) to create a digital footprint. Our website contains details of our business and contact details. Our website also shows our past projects through a photo gallery.

Photo Gallery



Our website has a contact section where potential clients can email or chat with us directly for their queries.



Contact us

Name


Email*

Message

SEND

This site is protected by reCAPTCHA and the Google [Privacy Policy](#) and [Terms of Service](#) apply.

info@vectorelectric-ks.com



Our website also contains a section for individuals/businesses to register and subscribe to newsletters and email updates from our company.

Objectives

- ➔ Create brand awareness in the target market
- ➔ Create appealing and relatable ads
- ➔ Create informational content
- ➔ Create an email list

Activation Tactics

- ➔ Create Call-to-action landing pages for the potential clients interested in our email registry
- ➔ Collect and post client testimonials

Email Marketing

We will use emails to reach potential customers. Marketing automation has made it possible for ██████████ to adopt email-marketing strategies and define their target market and client segments so that the designed content is suitable for them and helps deliver the right message /information /newsletter. It also helps in building PR and building a channel of communication.

The emails contain our website link, newsletters, information-based content, and service details. An email list will allow us to deliver updates and content to the user base and create more awareness.



Objectives

- ➔ Create brand awareness in the target market
- ➔ Create appealing and relatable content for emails

Activation Tactics

- ➔ Design the emails by adding useful media
- ➔ Use automation tools to create newsletter campaigns

Online-Ads

We will use online ads for search engine marketing and strengthen our online presence to gain traffic. PPC and sponsored ads will be designed for people who fall into our target market and search for relevant content online.

Online marketing efforts will also allow us to measure market statistics quickly and inexpensively. Almost all aspects of an Internet marketing campaign can be tracked, measured, and tested using an ad server and various methods, such as pay per impression, pay per click, pay per play, and pay per action.

Objectives

- ➔ Raise brand awareness through online ads
- ➔ Promote the services through ads
- ➔ Generate leads from click-through

Activation Tactics

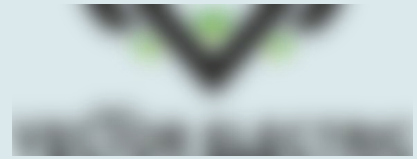
- ➔ Google AdWords
- ➔ SEO- search engine optimization

Social Media Marketing

Social networking has become an effective marketing tool. It is no longer about communication; rather, it has evolved into a medium through which people share their experiences, ideas, and thoughts. In addition, social media allows brand knowledge to be passed on by word-of-mouth. People tend to rely on these sources more than other marketing methods.

We will create social media pages on different channels, including Instagram and Facebook. A comprehensive social media marketing plan will be developed and implemented with the following social media marketing goals to increase our followers and spread awareness about our new project.

- **Broad Audience:** Make our brand visible to a broader audience



- **Strengthen Customer Loyalty and Support:** Our achievements will be posted on our social media pages to keep the target market updated.
- **Giant Network:** Our presence on social media will play a vital role in increasing brand awareness and generating referrals and leads

We will conduct the following activities

- Upload photos/videos that demonstrate our values, philosophy, and beliefs
- Sending out messages to our email subscribers with an incentive to follow our pages
- Post engaging articles and tips on various subjects to garner attention
- Analyze and understand which posts are getting the most hits, likes, and shares
- Be active and responsive on Instagram and Facebook.
- Respond to comments and feedback on posts/profile
- Publish online ads regularly
- We will also add social media badges on our website as well
- Post one image per day while adding other information to the story

Objectives

- ➔ Create followers through influencers' network
- ➔ To create word-of-mouth marketing
- ➔ Accumulate feedback and testimonials
- ➔ Direct communication with clients

Activation Tactics

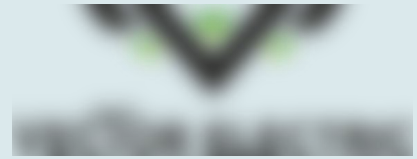
- ➔ Use Instagram and Facebook
- ➔ Post content regularly that is engaging

Search Engine Optimization

Search Engine Optimization (SEO) and pay-per-click (PPC) ads support our website and our company name to rank in search engine results. We prefer to stay competitive on Google, Bing, and Yahoo search engines. SEO helps us stay competitive and effective as a business entity in the virtual market. We will develop our website using popular methods that fulfill organic traffic generation needs by using strong content and keywords.

Objectives

- ➔ To improve website and content search engine ranking
- ➔ Improve online brand visibility



Activation Tactics

- ➔ Outsource to someone that specializes in SEO

Print Advertising

Paper advertisements will attract publicity, achieving a more significant impact on the target audience. We will create public awareness and knowledge through Print advertising, reaching a broader target audience, attracting attention, and creating brand recognition.

We will use prints to inform the public and create a campaign to help promote our firm's name. The campaigns would also assist in providing relevant knowledge about the beliefs and aims of our company. These releases will include newspapers, magazines, posters, and future billboards.

Local newspaper publishers work hard to create positive relationships with community members to build a loyal customer base. By advertising with a trusted local newspaper, we will build a positive reputation in the community through this association. Print advertising is cost-effective as well.

We will display our company name on our trucks and wear customized hats and shirts to attract our target audience. We will also distribute business cards to potential clients.



Financial Plan

Capital Requirements

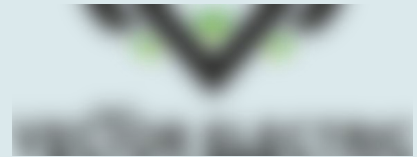
Financing	
Particular	Value
Owner Equity	\$ 100,000
Bank Loan	\$ 964,150
Total	\$1,064,150

Bank Loan	
Particular	Value
Loan Amount	\$ 964,150
Tenure (Months)	60
Interest Rate (Annual)	6.25%

Financing Breakdown	Value
Land & Building	\$ 150,000
Furniture & Fixture	\$ 50,000
Computer & Equipment	\$ 12,000
Trucks & Machinery	\$ 320,000
Website Development	\$ 2,400
Microsoft Office	\$ 1,000
QuickBooks Payments	\$ 600
Website & Emails	\$ 500
Legal and Accounting	\$ 2,000
Material & Supplies	\$ 200,000
License & Permits	\$ 650
Salaries (First 6 Months)	\$ 225,000
Working Capital	\$ 100,000
Total	\$1,064,150

Revenue Assumptions

- Number of jobs in the First Operational Month: 2
- Monthly JOBS
 - 2 new jobs for every 2 Months in Year 1
 - 3 new jobs for every 2 Months in Year 2
 - 3 new jobs for every 2 Months in Year 3
 - 4 new jobs for every 2 Months in Year 4
 - 5 new jobs for every 2 Months in Year 5



Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>No of Jobs/Projects</i>	14	18	18	24	30
Total Jobs /Project	14	18	18	24	30

Equipment

- Equipment:
 - Hours
 - Pole Trailer :45
 - Pick Up Truck :45
 - Squirtboom Truck :45
 - Bucket Truck :45
 - Digger Truck :45
 - Per Hourly Rate
 - Pole Trailer : \$15
 - Pick Up Truck: \$25
 - Squirtboom Truck: \$75
 - Bucket Truck: \$75
 - Digger Truck : \$75
 - Annual Growth Rate in Hourly Rate:5%

Equipment

Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>No of Jobs</i>	14	18	18	24	30

Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Pole Trailer</i>	630	810	810	1,080	1,350
<i>Pick Up Truck</i>	630	810	810	1,080	1,350
<i>Squirtboom Truck</i>	630	810	810	1,080	1,350
<i>Bucket Truck</i>	630	810	810	1,080	1,350
<i>Digger Truck</i>	630	810	810	1,080	1,350
Total Hours	3,150	4,050	4,050	5,400	6,750

Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Pole Trailer</i>	\$ 9,450	\$ 12,758	\$ 13,395	\$ 18,754	\$ 24,614
<i>Pick Up Truck</i>	\$ 15,750	\$ 21,263	\$ 22,326	\$ 31,256	\$ 41,023
<i>Squirtboom Truck</i>	\$ 47,250	\$ 63,788	\$ 66,977	\$ 93,768	\$ 123,070
<i>Bucket Truck</i>	\$ 47,250	\$ 63,788	\$ 66,977	\$ 93,768	\$ 123,070
<i>Digger Truck</i>	\$ 47,250	\$ 63,788	\$ 66,977	\$ 93,768	\$ 123,070
Total Revenue	\$ 166,950	\$ 225,383	\$ 236,652	\$ 331,312	\$ 434,847



Labour

- Labour:
 - Hours
 - General Foreman: 50
 - Foreman:50
 - Journeyman Lineman:50
 - Apprentice:50
 - Ground Man:50
 - Per Hourly Rate
 - General Foreman: \$54
 - Foreman:\$51
 - Journeyman Lineman:\$47
 - Apprentice:\$42
 - Ground Man:\$27
 - Annual Growth Rate in Hourly Rate:5%

Labour Month

No of Jobs

Year 1	Year 2	Year 3	Year 4	Year 5
14	18	18	24	30

Month

General Foreman

Foreman

Journeyman Lineman

Apprentice

Ground Man

Total Hours

Year 1	Year 2	Year 3	Year 4	Year 5
700	900	900	1,200	1,500
700	900	900	1,200	1,500
700	900	900	1,200	1,500
700	900	900	1,200	1,500
700	900	900	1,200	1,500
3,500	4,500	4,500	6,000	7,500

Month

General Foreman

Foreman

Journeyman Lineman

Apprentice

Ground Man

Total Revenue

Year 1	Year 2	Year 3	Year 4	Year 5
\$ 37,800	\$ 51,030	\$ 53,582	\$ 75,014	\$ 98,456
\$ 35,595	\$ 48,053	\$ 50,456	\$ 70,638	\$ 92,713
\$ 32,956	\$ 44,491	\$ 46,715	\$ 65,401	\$ 85,839
\$ 29,659	\$ 40,040	\$ 42,042	\$ 58,858	\$ 77,251
\$ 18,746	\$ 25,307	\$ 26,572	\$ 37,201	\$ 48,827
\$154,756	\$208,921	\$219,367	\$307,113	\$403,086



Material

- Material:
- Job Materials Cost: \$100,000
- One Time Charge To each truck with Necessary general Tools/Hand Tools: \$20,000
 - Annual Growth Rate in Job Materials:5%

Materials

Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>No of Jobs</i>	14	18	18	24	30

Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Job Materials Cost</i>	\$1,400,000	\$1,890,000	\$1,984,500	\$2,778,300	\$3,646,519
<i>One Time Charge to Load Truck</i>	\$ 280,000	\$ 360,000	\$ 360,000	\$ 480,000	\$ 600,000
Total Revenue	\$1,680,000	\$2,250,000	\$2,344,500	\$3,258,300	\$4,246,519

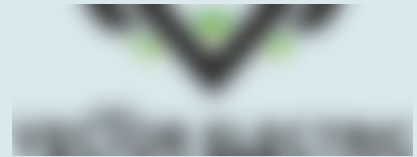
Revenue Summary

Month	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Revenue (Equipment)</i>	\$ 166,950	\$ 225,383	\$ 236,652	\$ 331,312	\$ 434,847
<i>Revenue (Labour)</i>	\$ 154,756	\$ 208,921	\$ 219,367	\$ 307,113	\$ 403,086
<i>Revenue (Material)</i>	\$1,680,000	\$2,250,000	\$ 2,344,500	\$ 3,258,300	\$ 4,246,519
Total Revenue	\$2,001,706	\$2,684,303	\$ 2,800,518	\$ 3,896,726	\$ 5,084,452

Operational Assumptions

Payroll

Employee Data				
Designation	Monthly Salary	Annual Salary	Annual Increment	Hiring Month
CEO	\$ 8,333	\$ 100,000	2%	1
Business Manager	\$ 6,250	\$ 75,000	2%	1
Office Manager	\$ 4,167	\$ 50,000	2%	1
Operations Manager	\$ 6,250	\$ 75,000	2%	1
Accountant / Bookkeeper	\$ 4,167	\$ 50,000	2%	1
Human Resource Manager	\$ 5,000	\$ 60,000	2%	1
Administrative Assistant	\$ 3,333	\$ 40,000	2%	1



Hiring Cost (Salary)	Year 1	Year 2	Year 3	Year 4	Year 5
CEO	\$ 100,000	\$ 101,500	\$ 103,023	\$ 104,568	\$ 106,136
Business Manager	\$ 75,000	\$ 76,125	\$ 77,267	\$ 78,426	\$ 79,602
Office Manager	\$ 50,000	\$ 50,750	\$ 51,511	\$ 52,284	\$ 53,068
Operations Manager	\$ 75,000	\$ 76,125	\$ 77,267	\$ 78,426	\$ 79,602
Accountant / Bookkeeper	\$ 50,000	\$ 50,750	\$ 51,511	\$ 52,284	\$ 53,068
Human Resource Manager	\$ 60,000	\$ 60,900	\$ 61,814	\$ 62,741	\$ 63,682
Administrative Assistant	\$ 40,000	\$ 40,600	\$ 41,209	\$ 41,827	\$ 42,455
Total Salaries	\$ 450,000	\$ 456,750	\$ 463,601	\$ 470,555	\$ 477,614

Direct Costs

- Direct Cost (Equipment):20%
- Direct Cost (Labour):50%
- Direct Cost (Material):60%

Direct Cost	Year 1	Year 2	Year 3	Year 4	Year 5
Direct Cost (Equipment)	\$ 33,390	\$ 45,077	\$ 47,330	\$ 66,262	\$ 86,969
Direct Cost (Labour)	\$ 77,378	\$ 104,460	\$ 109,683	\$ 153,557	\$ 201,543
Direct Cost (Material)	\$ 1,008,000	\$ 1,350,000	\$ 1,406,700	\$ 1,954,980	\$ 2,547,911
Total Direct Cost	\$ 1,118,768	\$ 1,499,537	\$ 1,563,714	\$ 2,174,799	\$ 2,836,424

Overheads

Operating Expenses			
	Monthly	Annual	Annual Increase
Marketing Expense	5%	As a Percentage of Revenue	
Utilities	\$ 417	\$ 5,000	10%
Legal & Accounting	\$ 167	\$ 2,000	10%
Repairs and Maintenance	\$ 333	\$ 4,000	10%
Administrative Expenses	\$ 667	\$ 8,000	10%
Microsoft Office	\$ 83	\$ 1,000	10%
QuickBooks Payments	\$ 50	\$ 600	10%
Website & Emails	\$ 208	\$ 2,500	10%
Licenses & Permits	\$ 650	One Time	
Other General Expenses	\$ 83	\$ 1,000	10%



Loan	Year 1	Year 2	Year 3	Year 4	Year 5
Opening Balance	\$ 964,150	\$ 794,583	\$ 614,108	\$ 422,026	\$ 217,588
Scheduled Payments	\$ 225,024	\$ 225,024	\$ 225,024	\$ 225,024	\$ 225,024
Interest	\$ 55,457	\$ 44,550	\$ 32,941	\$ 20,586	\$ 7,436
Principal	\$ 169,567	\$ 180,474	\$ 192,083	\$ 204,438	\$ 217,588
Closing Balance	\$ 794,583	\$ 614,108	\$ 422,026	\$ 217,588	\$ -

Net Present Value

The financial model was developed to assess the net present value using assumptions over five years using a discount factor of 10%.

Discounted Cash flows	0	1	2	3	4	5	Terminal Value
Revenue		\$ 2,001,706	\$ 2,684,303	\$ 2,800,518	\$ 3,896,726	\$ 5,084,452	
Operating Expenses (Inc Tax)		\$ (1,887,401)	\$ (2,303,466)	\$ (2,381,038)	\$ (3,131,006)	\$ (3,943,058)	
Net Profit After Tax		\$ 114,305	\$ 380,838	\$ 419,480	\$ 765,720	\$ 1,141,395	
Add: Depreciation		\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440	
Add: Changes in Working Capital		\$ (91,266)	\$ (134,800)	\$ (141,433)	\$ (211,665)	\$ (287,702)	
Deduct: Capital Outflow	\$ (534,400)	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Free Cash Flows	\$ (534,400)	\$ 76,479	\$ 299,478	\$ 331,487	\$ 607,495	\$ 907,132	\$ 9,596,503
Present Value (10%)	\$ (534,400)	\$ 69,526	\$ 247,502	\$ 249,051	\$ 414,927	\$ 563,258	\$ 5,958,674

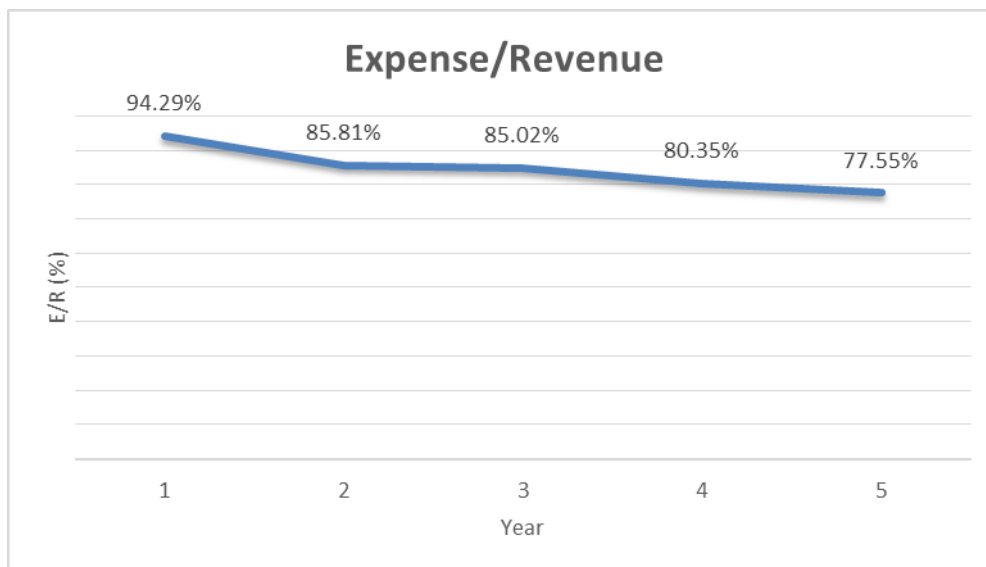
Net Present Value \$ 6,968,538



We are able to retain profits in our first year of operations and year 2 and onwards throughout the forecast period. Performance during the first year will be optimal; however, the company will



generate lucrative profits as we gain market recognition. The revenue is expected to grow, indicating a healthy cash position and robust business model.

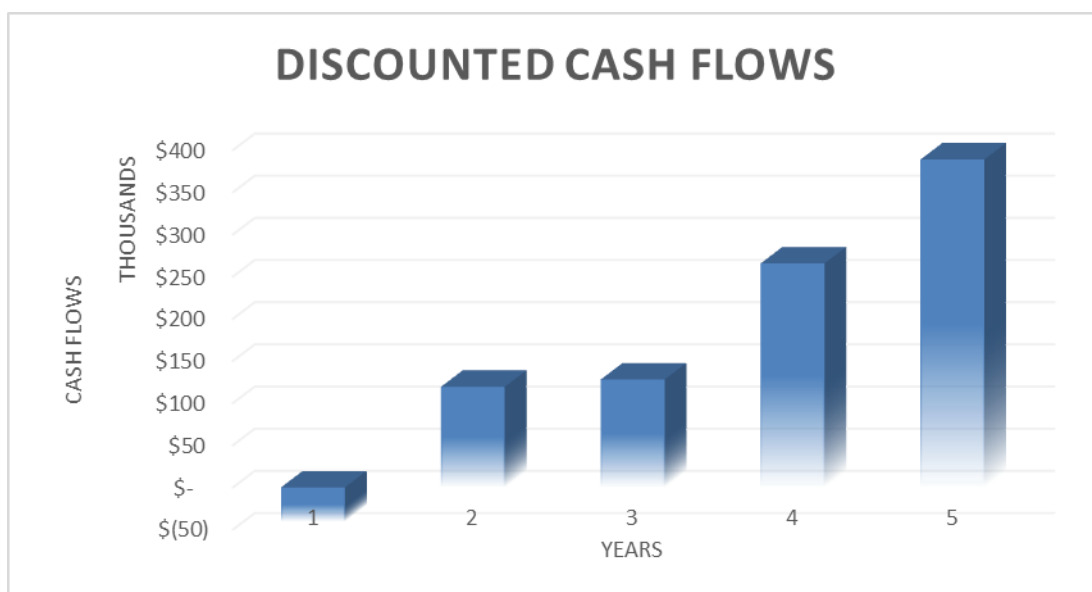


The chart above shows that the company operates at a high operating margin. The graph indicates that we can maintain this position and earn better margins. The graph demonstrates a decline in the ratio throughout the remaining forecast, indicating that we can push down our costs and earn higher profit margins.

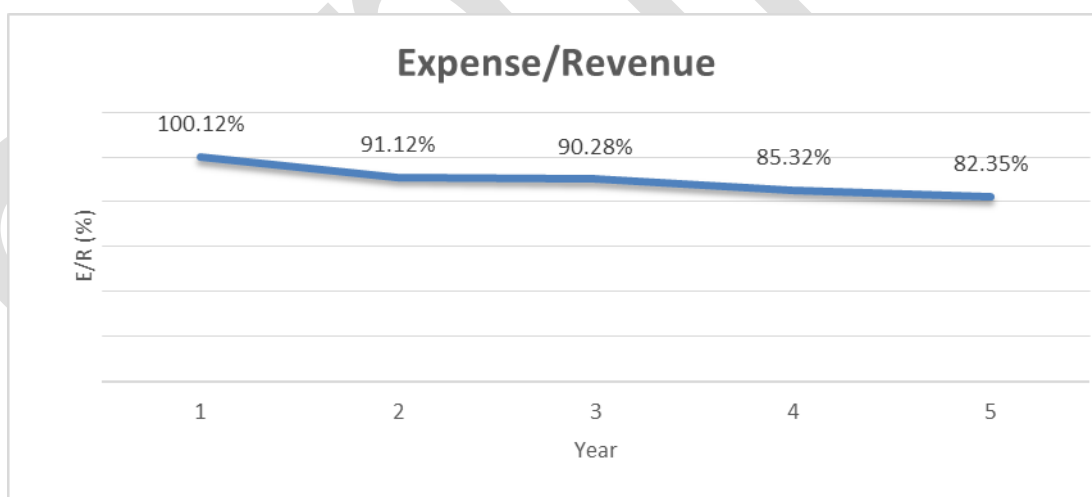
Sensitivity Analysis

The slightest changes in conditions can have a detrimental impact on cash flows. Given the initial assumptions, however, if revenue is 3% less than expected while expenses rise by 3%, the following situation arises:

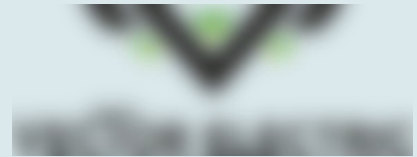
Discounted Cash flows	0	1	2	3	4	5	Terminal Value
Revenue	\$ -	\$ 1,941,655	\$ 2,603,774	\$ 2,716,503	\$ 3,779,824	\$ 4,931,919	
Operating Expenses (Inc Tax)	\$ -	\$ (1,944,023)	\$ (2,372,569)	\$ (2,452,469)	\$ (3,224,936)	\$ (4,061,349)	
Net Profit After Tax	\$ -	\$ (2,368)	\$ 231,205	\$ 264,034	\$ 554,888	\$ 870,569	
Add: Depreciation	\$ -	\$ 51,837	\$ 51,837	\$ 51,837	\$ 51,837	\$ 51,837	
Add: Changes in Working Capital	\$ -	\$ (94,004)	\$ (138,844)	\$ (145,676)	\$ (218,015)	\$ (296,334)	
Deduct: Capital Outflow	\$ (550,432)	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Free Cash Flows	\$ (550,432)	\$ (44,536)	\$ 144,198	\$ 170,194	\$ 388,710	\$ 626,073	\$ 6,623,189
Present Value (10%)	\$ (550,432)	\$ (40,487)	\$ 119,172	\$ 127,869	\$ 265,494	\$ 388,742	\$ 4,112,479
Net Present Value	\$ 4,422,837						



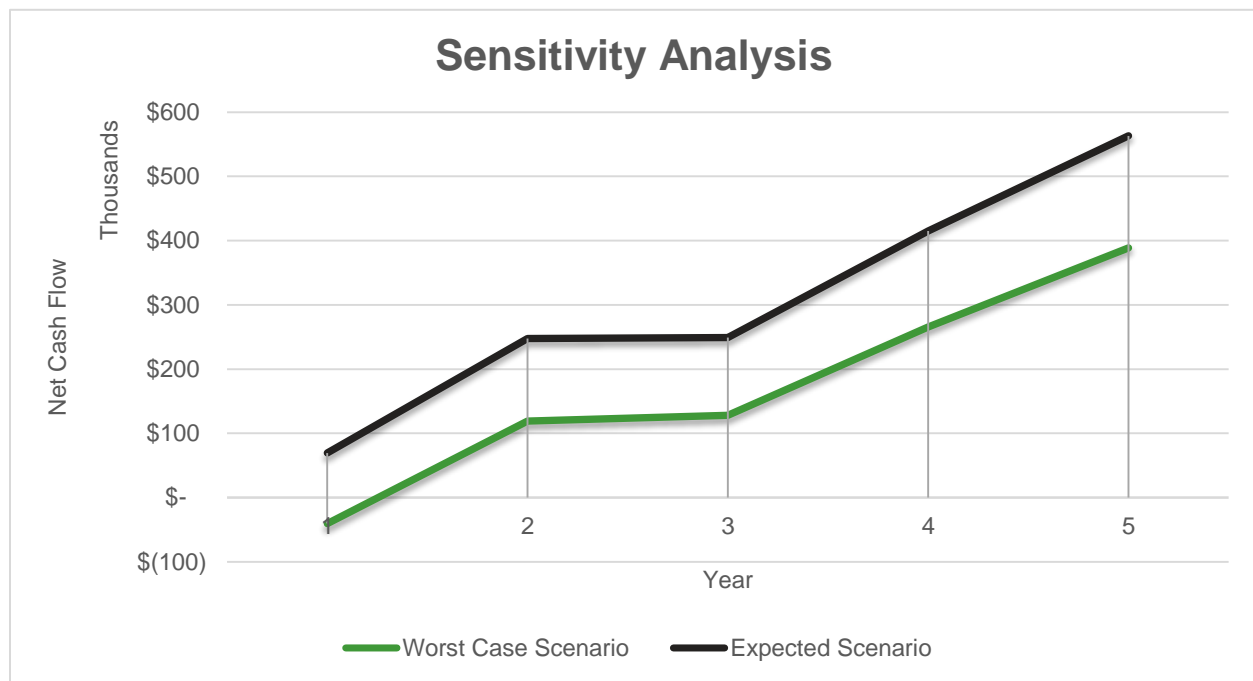
We are more than capable of maintaining a positive cash flow position and retaining healthy profits in the years to come. We can break even in Year 2 and gradually progress throughout the forecast period in an adverse situation. The net present value is positive, indicating that the company is a beneficial investment. This demonstrates the viability of the business model and its propensity to perform even when performance is lower than expected.



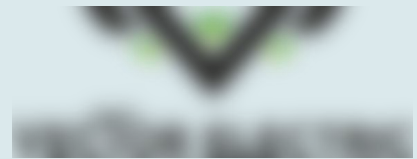
The expense/revenue is expected to be higher in this situation. However, like the first scenario, the company can push down costs and earn better margins.



Comparison



Both scenarios indicate a similar pattern, indicating a steady incline in profitability as the business grows.



Appendix

Appendix A – Five-Year Income Statement Pro Forma

Income Statement for the period ended	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$ 2,001,706	\$ 2,684,303	\$ 2,800,518	\$ 3,896,726	\$ 5,084,452
Less Direct Costs	\$ 1,118,768	\$ 1,499,537	\$ 1,563,714	\$ 2,174,799	\$ 2,836,424
Gross Profit	\$ 882,938	\$ 1,184,766	\$ 1,236,805	\$ 1,721,926	\$ 2,248,028
Operating Expenses					
Staff Salaries	\$ 450,000	\$ 456,750	\$ 463,601	\$ 470,555	\$ 477,614
Marketing Expense	\$ 90,077	\$ 120,794	\$ 126,023	\$ 175,353	\$ 228,800
Utilities	\$ 5,000	\$ 5,500	\$ 6,050	\$ 6,655	\$ 7,321
Legal & Accounting	\$ 2,000	\$ 2,200	\$ 2,420	\$ 2,662	\$ 2,928
Repairs and Maintenance	\$ 4,000	\$ 4,400	\$ 4,840	\$ 5,324	\$ 5,856
Administrative Expenses	\$ 8,000	\$ 8,800	\$ 9,680	\$ 10,648	\$ 11,713
Microsoft Office	\$ 1,000	\$ 1,100	\$ 1,210	\$ 1,331	\$ 1,464
QuickBooks Payments	\$ 600	\$ 660	\$ 726	\$ 799	\$ 878
Website & Emails	\$ 2,500	\$ 2,750	\$ 3,025	\$ 3,328	\$ 3,660
Licenses & Permits	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650
Other General Expenses	\$ 1,000	\$ 1,100	\$ 1,210	\$ 1,331	\$ 1,464
Bank Loan Interest	\$ 55,457	\$ 44,550	\$ 32,941	\$ 20,586	\$ 7,436
Depreciation	\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440
Net profit before tax (EBIT)	\$ 209,215	\$ 482,073	\$ 530,988	\$ 969,265	\$ 1,444,803
Provision for Income Tax	\$ 94,909	\$ 101,235	\$ 111,507	\$ 203,546	\$ 303,409
Net Profit after tax	\$ 114,305	\$ 380,838	\$ 419,480	\$ 765,720	\$ 1,141,395



Appendix B – Five-year Balance Sheet Pro Forma

Balance Sheet as at	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Current Assets:					
<i>Cash and Cash equivalents</i>	\$ 436,661	\$ 555,665	\$ 695,069	\$ 1,098,126	\$ 1,787,671
<i>Inventory</i>	\$ 82,849	\$ 193,808	\$ 309,427	\$ 470,111	\$ 679,528
<i>Accounts Receivable</i>	\$ 54,841	\$ 128,384	\$ 205,110	\$ 311,870	\$ 451,170
Total Current Assets	\$ 574,352	\$ 877,857	\$ 1,209,607	\$ 1,880,107	\$ 2,918,369
Non - Current Assets					
<i>Land & Building</i>	\$ 135,000	\$ 120,000	\$ 105,000	\$ 90,000	\$ 75,000
<i>Furniture & Fixture</i>	\$ 45,000	\$ 40,000	\$ 35,000	\$ 30,000	\$ 25,000
<i>Computer & Equipment</i>	\$ 10,800	\$ 9,600	\$ 8,400	\$ 7,200	\$ 6,000
<i>Trucks & Machinery</i>	\$ 288,000	\$ 256,000	\$ 224,000	\$ 192,000	\$ 160,000
<i>Website Development</i>	\$ 2,160	\$ 1,920	\$ 1,680	\$ 1,440	\$ 1,200
Total Non Current Assets	\$ 480,960	\$ 427,520	\$ 374,080	\$ 320,640	\$ 267,200
Total Assets	\$ 1,055,312	\$ 1,305,377	\$ 1,583,687	\$ 2,200,747	\$ 3,185,569
Liabilities and Equity					
Equity:					
<i>Capital Stock</i>	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<i>Retained Earnings</i>	\$ 114,305	\$ 495,143	\$ 914,623	\$ 1,680,343	\$ 2,821,737
Non - Current Liabilities					
<i>Bank Loan</i>	\$ 794,583	\$ 614,108	\$ 422,026	\$ 217,588	\$ -
Current Liabilities:					
<i>Accounts Payable</i>	\$ 46,424	\$ 96,126	\$ 147,038	\$ 202,817	\$ 263,831
<i>Bank Overdraft</i>	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities and equity	\$ 1,055,312	\$ 1,305,377	\$ 1,583,687	\$ 2,200,747	\$ 3,185,569



Appendix C – Five-year Cash Flow Pro Forma

Cash Flow Statement for the period ended	Year 1	Year 2	Year 3	Year 4	Year 5
Net Profit after tax	\$ 114,305	\$ 380,838	\$ 419,480	\$ 765,720	\$ 1,141,395
Non Cash Items					
Total Depreciation	\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440
Add: Changes to Working Capital					
<i>Dec/(Inc.) in Accounts Receivable</i>	\$ (54,841)	\$ (73,543)	\$ (76,727)	\$ (106,760)	\$ (139,300)
<i>Dec/(Inc.) in Inventory</i>	\$ (82,849)	\$ (110,959)	\$ (115,619)	\$ (160,683)	\$ (209,417)
<i>Inc/(Dec.) in Accounts Payable</i>	\$ 46,424	\$ 49,702	\$ 50,913	\$ 55,778	\$ 61,015
Cash Flow From Operations	\$ 76,479	\$ 299,478	\$ 331,487	\$ 607,495	\$ 907,132
Cash Flow From investing activities					
<i>Land & Building</i>	\$ (150,000)	\$ -	\$ -	\$ -	\$ -
<i>Furniture & Fixture</i>	\$ (50,000)	\$ -	\$ -	\$ -	\$ -
<i>Computer & Equipment</i>	\$ (12,000)	\$ -	\$ -	\$ -	\$ -
<i>Trucks & Machinery</i>	\$ (320,000)	\$ -	\$ -	\$ -	\$ -
<i>Website Development</i>	\$ (2,400)	\$ -	\$ -	\$ -	\$ -
Cash Flow From Investing activities	\$ (534,400)	\$ -	\$ -	\$ -	\$ -
Cash Flow From financing activities					
<i>Issue of Equity (Capital Funding)</i>	\$ 100,000	\$ -	\$ -	\$ -	\$ -
<i>Bank Loan</i>	\$ 964,150	\$ -	\$ -	\$ -	\$ -
<i>Bank Loan Repayments</i>	\$ (169,567)	\$ (180,474)	\$ (192,083)	\$ (204,438)	\$ (217,588)
Cash Flow From Financing Activities	\$ 894,583	\$ (180,474)	\$ (192,083)	\$ (204,438)	\$ (217,588)
Add: Opening Cash Balance		\$ 436,661	\$ 555,665	\$ 695,069	\$ 1,098,126
Closing Cash Balance	\$ 436,661	\$ 555,665	\$ 695,069	\$ 1,098,126	\$ 1,787,671

Appendix D– Ratio Analysis

Discounted Cash flows	0	1	2	3	4	5	Terminal Value
Revenue		\$ 2,001,706	\$ 2,684,303	\$ 2,800,518	\$ 3,896,726	\$ 5,084,452	
Operating Expenses (Inc Tax)		\$ (1,887,401)	\$ (2,303,466)	\$ (2,381,038)	\$ (3,131,006)	\$ (3,943,058)	
Net Profit After Tax		\$ 114,305	\$ 380,838	\$ 419,480	\$ 765,720	\$ 1,141,395	
Add: Depreciation		\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440	\$ 53,440	
Add: Changes in Working Capital		\$ (91,266)	\$ (134,800)	\$ (141,433)	\$ (211,665)	\$ (287,702)	
Deduct: Capital Outflow	\$ (534,400)	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Free Cash Flows	\$ (534,400)	\$ 76,479	\$ 299,478	\$ 331,487	\$ 607,495	\$ 907,132	\$ 9,596,503
Present Value (10%)	\$ (534,400)	\$ 69,526	\$ 247,502	\$ 249,051	\$ 414,927	\$ 563,258	\$ 5,958,674
Net Present Value	\$ 6,968,538						