
Lorem Ipsum

Alexander Brown (adb9@aber.ac.uk)

Contents

1	Summary	2
1.1	Executive Summary	2
1.2	Business Detail	2
1.3	Key Personnel	2
2	Vision	4
2.1	Business Ideas	4
2.2	Business Goals	4
2.3	What the Business Does	4
2.4	What Makes the Business Different	4
2.5	Legal Status	5
3	Marketing	5
3.1	Market Research	5
3.2	Profiling Customers	6
3.3	Profiling Competitors	6
3.4	Managing Marketing Risks	7
4	Pricing	7
4.1	Promotion and Advertisement	7
4.2	Staff	7
4.3	Premises	7
4.4	Suppliers	8
4.5	Equipment	8
4.6	Managing Operational Risks	8
5	Finance	8

1 Summary

1.1 Executive Summary

Lorem Ipsum will sell Customer Relationship Management (CRM) software provided as a service, or as a privately hosted system. Our CRM software will be fully integrated with all modern mobile devices from smart-phones to tablets meaning our software can be accessed anywhere with a connection to the internet.

Our staff have had intimate knowledge of large scale, distributed systems in their past positions, as well as good knowledge into managing relationships and CRM software.

1.2 Business Detail

Company Name

Lorem Ipsum

Address

42 Lorem Ipsum,
Aberystwyth,
Ceredigion,
England

Telephone Number

+44 1234 987765

The Business Will

The business focuses on agile development of CRM software with a full suite of mobile apps.

1.3 Key Personnel

Details of Owners

Name: Alexander Brown

Position and Main Responsibilities: Director, Software Developer

Experience and Knowledge of our Industry: 3 years Experience with the Java programming language including mobile application and OSGi development. 1 year Linux administration.

Previous Employment: CICS L3 Service Tooling Engineer, IBM UK.

Key Skills Brought to the Business: Software Development and Server Administration.

Academic/Professional Qualifications: MEng Software Engineering, University of Aberystwyth; Java 7 Certification.

Other Key Personnel

Name: Mark Richards

Position and Main Responsibilities: Mobile Developer and Tester

Experience and Knowledge of our Industry: 5 years Software Development experience in Java, C# and Ruby.

Previous Employment: Lead Tester, BBC

Key Skills Brought to the Business: Software Testing and Architecture

Academic/Professions Qualifications: BSc (Hons) Computer Science, University of Kent

Name: Kate Howle

Position and Main Responsibilities: Systems Administrator and Support

Experience and Knowledge of our Industry: 7 years UNIX/Linux Administration experience.

Previous Employment: Senior System Administrator, Linux IT

Key Skills Brought to the Business: UNIX/Linux Administration

Academic/Professions Qualifications: BSc (Hons) Computer Science, University of Dublin; RedHat Certified Engineer

Name: Jay Hans

Position and Main Responsibilities: Marketing and Sales

Experience and Knowledge of our Industry: 2 years Marketing

Previous Employment: Business Analysis, IBM UK

Key Skills Brought to the Business: Marketing and Sales

Academic/Professions Qualifications: BSc (Hons) Business Computing, University of Berlin

To start off with we will have to keep salaries low, both mobile and systems developers will be paid a slightly lower salary than would be typical. However as the company grows we plan to offer a rapid increase in wage to increase loyalty.

Our support staff require slightly less skills and their salaries are slightly lower than full developers. They will also be responsible for the maintenance of our Linux servers on which the CRM software is hosted. Again we plan to increase this salary in year 2.

The sales team have a low salary but be working on commission. The marketing manager will be on a flat salary similar to the developers, again with the aim to rapidly increase this wage.

2 Vision

2.1 Business Ideas

Lorem Ipsum Inc. will sell Customer Relationship Management (CRM) software services with support for modern mobile platforms. We offer a good support network to ensure 99.9% uptime of all of our systems.

Customers will be able to run our CRM software on their own servers, for which we provide set up support, or on our own servers, where we guarantee the best possible availability.

Since working in industry we have noticed the poor quality or expense of CRM software which works whilst on the move. With the availability and prevalence of mobile internet it makes little sense not to leverage such technologies.

One thing we have also noticed is the lack of choice when it comes to CRM packages. Our aim is to provide what the customer wants and only charge the customer for what they want.

We will also provide help for any set up of the CRM system and the set up of mobile devices.

2.2 Business Goals

First Year of Business

By the end of the first year we will have a usable system with the basic features implemented and on sale to customers with support staff. We will also have started the advanced features of our CRM package, ready to release them by quarter 3 of year 2.

The Business in 5 Years

In 5 years we will have a full suite of CRM software packages available with hosting on our own hardware. We will continuously develop our products based on customer feedback in an Agile methodology to continue to give customer satisfaction.

2.3 What the Business Does

Product/Service	Features	Benefits
Contract Monitoring System	Monitoring and Tracking of every stage of the sale process	Streamlines the sale process
Forecasting System	Forecasts into opportunities, territories and sales	Sales forecasts
Social Media Services	Social Media presence to track and communicate with customers	Improves cooperate image
Mobile and Tablet set-up	Set up for mobile devices	On the move access to any of our systems

2.4 What Makes the Business Different

We provide software, support, hosting and set up. We do not restrict the customer and work to improve our software to suit their needs.

Our support staff are friendly and knowledgeable and are able to liaise with our developers to get any problems sorted as quickly as we can.

2.5 Legal Status

Lorem Ipsum is a private limited company.

3 Marketing

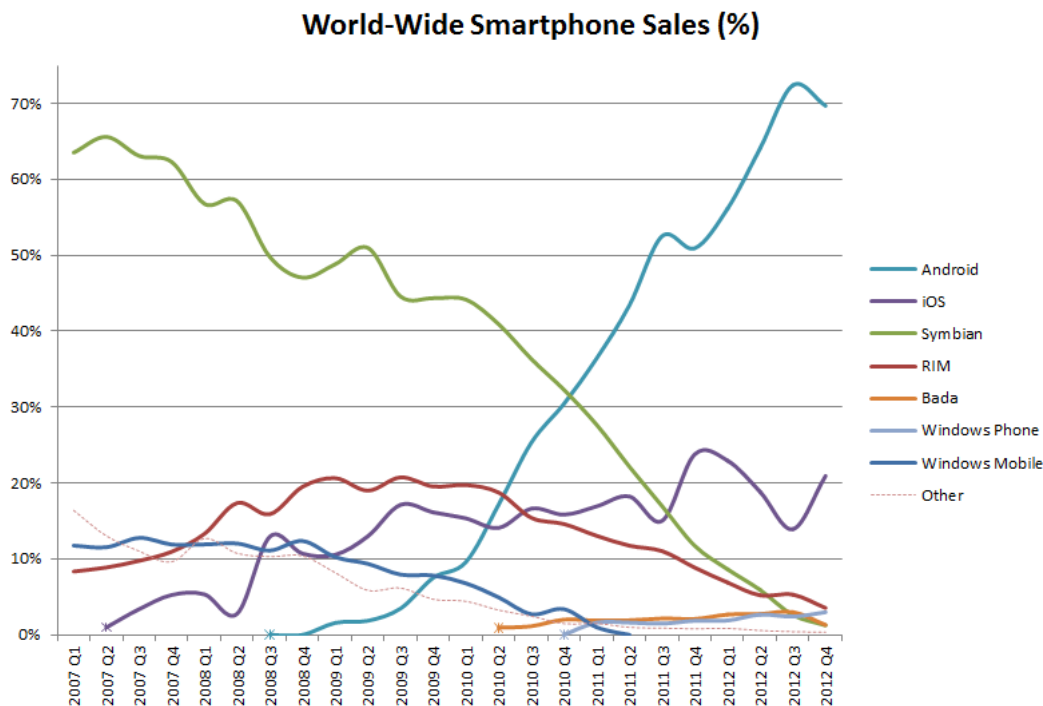
3.1 Market Research

Our market research has shown that cloud-based CRM services will continue to gather popularity. Cloud is an increasingly popular technology in today's market, especially with the influx of mobile devices and roaming data.

Our research also shows that customers prefer a clean, customisable interface on which to interact with CRM software. Again with mobile devices this is especially important with screen real-estate being a premium.

Social Networking is a great tool to provide our customers to better communicate across the whole CRM system and with their customers. A large social presence is key to being successful.

These days Google's Android phone operating system is one of the more popular phone operating systems, iOS from Apple is another very popular phone OS. Emerging OSes like Microsoft Windows Phone and Firefox OS are also a market to consider for the not-too-distance future.



From: http://en.wikipedia.org/wiki/File:World_Wide_Smartphone_Sales_Share.png

Figure 1: *World-Wide Smartphone Sales (%)*

Figure 1 show the percentage market share of smartphone OSes; from this it is fairly obvious our main market should be the Android OS, followed by iOS. However, most businesses will likely have slightly older phones, so RIM (Blackberry) will also be considered. Using an Agile

methodology will also help ease this as we will be able to respond to customers needs rather than what we believe to be our customers needs.

3.2 Profiling Customers

Initially our customers will be small to medium sized businesses that are in the IT industry, though we aim to gain popularity and begin to sell our software to larger businesses, while still catering to smaller ones too.

Working in an Agile fashion we will be able to quickly respond to customer requirements.

3.3 Profiling Competitors

Competitor Name	Strengths	Weaknesses
ACT!	Contract Management Low cost of investment Easy to use Calendar Management Sales Tracking Email Merging	Entry-level Limited number of users Separate Website add-on
GoldMine	Sale force automation Integration Capability Reports and analysis Automated workflows Project Management Customer service and support Telemarketing scripting	Complex interface Limited number of users Complex set up
Sage CRM	Ease of use Scalability Adaptable and Customisable Customer service management Campaign planning and management Performance Reports	Purely website based Cost
Microsoft CRM	Automated tools Embedded with Outlook Reporting Analytics Scalability Adaptable and Customisable	Cost Embedded with Outlook

3.4 Managing Marketing Risks

<ul style="list-style-type: none">• Adapting to Customers Feedback• Modularity• Price	<ul style="list-style-type: none">• Inexperience• Unknown brand
<ul style="list-style-type: none">• Emerging Market• Mobile Access and Roaming Data	<ul style="list-style-type: none">• Big brands (e.g. Microsoft)• Recession

4 Pricing

Product/Service	Your Price(s)	Range of Competitor Prices (per unit)
CRM Software	75 per month (+ extras)	280-1134, 26-29 per user per month
Mobile Set Up	100	N/A
Small Business CRM Package	250	280-1134
Social Media Presence	40 per month	Included in CRM Software or N/A
Forecasting System	100 per month	Included in CRM Software or N/A

4.1 Promotion and Advertisement

We will mainly focus on marketing our product through networking with potential customers and presenting at shows and seminars. Targeted online advertisement will also be used to expand our clientele beyond these ranges.

We will also make full use of social media networks to maintain links between new and existing customers conveniently.

4.2 Staff

Role	Total Cost	Necessary Experience	Specialist Skills or Experience
Director	20,000	Java, Project management	Large-scale web-based systems
Systems Developer	24,000	Java, C, REST	Enterprise systems
Mobile Developer	24,000	Java, C#	Mobile device application development
Support	20,000	Java, C#	Communication
Marketing Manager	24,000	Marketing, distribution	
Sales Team	13,000	Sales	

4.3 Premises

	Cost (£)
Premises required at start-up:	6000 (PA)

4.4 Suppliers

Supplier	Product	Credit
Lenovo	ThinkPad S430	770
Google	Nexus 10	320
Apple	iPad	400
Apple	Developer License	67 (PA)

4.5 Equipment

We will need at least one computer per employee. In today's age it is advantageous to use laptop computers rather than static desktop machines. This will allow staff to work from any place with internet access (namely at home or in another office) without inconvenience. We will also invest in peripheral devices for these machines too.

We will also need to invest in a number of servers on which to host project management software and, eventually, customer CRM systems. To start with we will rent this from other companies, with aims to buy our own hardware a few years into the business.

We will try to use Open Source software where possible to minimise the cost. Eclipse, for example, is a free IDE which is the preferred tool for writing Android applications. Our servers will run Enterprise Linux (likely RHEL or Cent OS) for which our System Administrator(s) will maintain.

4.6 Managing Operational Risks

Lack of management skill. We will counter this by getting a mentor from our business advisor.

We will have little trading experience, as such it may be difficult to get credit or borrow money, so we will need to get stakeholders so we can finance the business initially.

Due to a limited number of staff we may come to over-rely on certain members of staff. To begin with there is no solution to this, but encouraging communication between teams and rotations will help to ease this in the long run.

5 Finance

Profit and Loss Year 1

		January	February	March	April	May	June	July	August	Sptmber	October	November	December
Sales													
Mobile Platform Set-Up (OTC)	100	0	0	15	17	21	25	33	50	75	50	75	75
Social Media Presence (MLC)	40	0	0	1	1	2	3	5	8	13	21	34	55
Small Business Package (OTC)	250	0	0	10	15	15	20	22	25	28	32	36	42
Basic CRM (MLC)	75	0	0	5	12	15	20	23	35	50	65	90	125
Forecasting System (MLC)	100	0	0	0	0	0	0	0	5	9	14	27	35
Total Sales		0	0	4415	6390	7055	9120	10725	14695	19670	20115	27310	33075
Overhead Costs													
Director	20,000	1	1	1	1	1	1	1	1	1	1	1	1
System Developer	26,000	1	1	1	1	1	1	1	1	1	1	1	2
Mobile Developer	24,000	1	1	1	1	1	1	1	1	1	1	1	1
Support	23,000	1	1	1	1	1	1	2	2	2	2	3	3
Marketing Manager	24,000	1	1	1	1	1	1	1	1	1	1	1	1
Sales Team	13,000	1	1	1	1	1	1	1	1	1	2	2	2
Salaries		10,833	10,833	10,833	10,833	10,833	10,833	12,750	12,750	12,750	13,833	15,750	17,917
On-Costs	15%	1,625	1,625	1,625	1,625	1,625	1,625	1,913	1,913	1,913	2,075	2,363	2,688
Rent	6000	500	500	500	500	500	500	500	500	500	500	500	500
Telephone	540	45	45	45	45	45	45	45	45	45	45	45	45
ISP	384	32	32	32	32	32	32	32	32	32	32	32	32
Electricity	600	50	50	50	50	50	50	50	50	50	50	50	50
Gas	288	24	24	24	24	24	24	24	24	24	24	24	24
Legal	672	56	56	56	56	56	56	56	56	56	56	56	56
Accountants	486	42	42	42	42	42	42	42	42	42	42	24	42
Bank Charges	360	30	30	30	30	30	30	30	30	30	30	30	30
Travel	2160	180	180	180	180	180	180	180	180	180	180	180	180
Advertising	5400	450	450	450	450	450	450	450	450	450	450	450	450
Loans	4200	350	350	350	350	350	350	350	350	350	350	350	350
Insurance	2400	200	200	200	200	200	200	200	200	200	200	200	200
Employer Liability	600	50	50	50	50	50	50	50	50	50	50	50	50
Server Rental	1,800	75	75	75	75	150	150	150	150	225	225	225	225
Depreciation (Computer)	2050	2050											
Depreciation (Mobile Hardware)	1147.5	1,148											
Depreciation (Software)	2500	2500											
Total Costs		20,240	14,542	14,542	14,542	14,617	14,617	16,822	16,822	16,897	18,142	20,329	22,838
P/L		-20,240	-34,782	-44,910	-53,062	-60,624	-66,122	-72,218	-74,345	-71,571	-69,598	-62,617	-52,380

Cash Flow Year 1

		January	February	March	April	May	June	July	August	Sptmber	October	November	December	
Sales														
Pre VAT		0	0	0	0	4,415	6,390	7,055	9,120	10,725	14,695	19,670	20,115	
VAT		0	0	0	0	883	1,278	1,411	1,824	2,145	2,939	3,934	4,023	
Loans		100,000												
Investment		25,000												
Total Cash In		125,000	0	0	0	5,298	7,668	8,466	10,944	12,870	17,634	23,604	24,138	
Overhead Costs														
Director	20,000	1	1	1	1	1	1	1	1	1	1	1	1	
System Developer	26,000	1	1	1	1	1	1	1	1	1	1	1	2	
Mobile Developer	24,000	1	1	1	1	1	1	1	1	1	1	1	1	
Support	23,000	1	1	1	1	1	1	2	2	2	2	3	3	
Marketing Manager	24,000	1	1	1	1	1	1	1	1	1	1	1	1	
Sales Team	13,000	1	1	1	1	1	1	1	1	1	2	2	2	
Salaries	0	10,833	10,833	10,833	10,833	10,833	10,833	12,750	12,750	12,750	13,833	15,750	17,917	
On-Costs	0	1,625	1,625	1,625	1,625	1,625	1,625	1,913	1,913	1,913	2,075	2,363	2,688	
Rent	6,000	500	500	500	500	500	500	500	500	500	500	500	500	
Telephone	540	45	45	45	45	45	45	45	45	45	45	45	45	
ISP	384	32	32	32	32	32	32	32	32	32	32	32	32	
Electricity	600	50	50	50	50	50	50	50	50	50	50	50	50	
Gas	288	24	24	24	24	24	24	24	24	24	24	24	24	
Legal	672	56	56	56	56	56	56	56	56	56	56	56	56	
Accountants	486	42	42	42	42	42	42	42	42	42	42	24	42	
Bank Charges*	360	30	30	30	30	30	30	30	30	30	30	30	30	
Travel	2,160	180	180	180	180	180	180	180	180	180	180	180	180	
Advertising	5,400	450	450	450	450	450	450	450	450	450	450	450	450	
Loans*	4,200	350	350	350	350	350	350	350	350	350	350	350	350	
Insurance*	2,400	200	200	200	200	200	200	200	200	200	200	200	200	
Employer Liability*	600	50	50	50	50	50	50	50	50	50	50	50	50	
Server Rental	1,800	75	75	75	75	150	150	150	150	225	225	225	225	
Computer Equipment	10,750	7,750		250		1,250				1,500				
Mobile Hardware	2,550	1,750		150				350					300	
Software	2,500	2,500												
Total VAT	5,688	2,242	242	309	242	463	255	313	255	517	267	264	317	
Total Cash Out		28,785	14,785	15,251	14,785	16,331	14,872	17,485	17,076	18,914	18,410	20,593	23,456	
To VAT					-2,794			1,201			4,295			
Cash Balance		96,215	81,431	66,179	54,188	43,156	35,952	25,732	19,600	13,556	8,486	11,497	12,180	10,047

Balance Sheet Year 1

Fixed Assets	
Computer Equipment	8,700
Mobile Hardware	1,403
Software	0
	10,103
Current Assets	
Cash	12,180
Accounts Receivable	60,385
	72,565
Current Liabilities	
VAT	10,047
	10,047
Net Current Assets	62,518
Total Assets – Current Liabilities	
	72,620
Long Term Liabilities	
Loan	100,000
	100,000
Net Assets	
Capital	25,000
Retained Profit	-52,380
	72,620

Profit and Loss Year 2

		January	February	March	April	May	June	July	August	Sptmber	October	November	December
Sales													
Mobile Platform Set-Up (OTC)	100	100	90	90	95	100	105	110	125	100	100	100	150
Social Media Presence (MLC)	40	89	144	150	165	175	200	225	250	255	265	275	300
Small Business Package (OTC)	250	52	53	50	30	40	50	60	40	20	40	40	30
Basic CRM (MLC)	75	175	180	200	225	250	250	275	280	290	300	310	350
Forecasting System (MLC)	100	50	75	75	80	80	85	85	90	90	95	95	100
Total Sales		44685	49010	50000	48475	53750	58250	64125	62500	55950	62600	63750	70750
Overhead Costs													
Director	22,000	1	1	1	1	1	1	1	1	1	1	1	1
System Developer	29,000	2	2	2	2	2	2	2	2	2	2	2	2
Mobile Developer	27,000	1	1	1	1	1	1	2	2	2	2	2	2
Support	25,000	3	3	3	3	4	4	4	4	4	4	4	4
Marketing Manager	24,000	1	1	1	1	1	1	1	1	1	1	1	1
Sales Team	15,000	2	3	3	3	3	3	3	3	3	3	3	3
Salaries		19,667	20,917	20,917	20,917	23,000	25,250	25,250	25,250	25,250	25,250	25,250	25,250
On-Costs	15%	2,950	3,138	3,138	3,138	3,450	3,788	3,788	3,788	3,788	3,788	3,788	3,788
Rent	1,500	500	500	500	500	500	500	500	500	500	500	500	500
Telephone	540	45	45	45	45	45	45	45	45	45	45	45	45
ISP	384	32	32	32	32	32	32	32	32	32	32	32	32
Electricity	600	50	50	50	50	50	50	50	50	50	50	50	50
Gas	288	24	24	24	24	24	24	24	24	24	24	24	24
Legal	672	56	56	56	56	56	56	56	56	56	56	56	56
Accountants	486	42	42	42	42	42	42	42	42	42	42	24	42
Bank Charges	600	50	50	50	50	50	50	50	50	50	50	50	50
Travel	2,160	180	180	180	180	180	180	180	180	180	180	180	180
Advertising	5,400	450	450	450	450	450	450	450	450	450	450	450	450
Loans	4,200	350	350	350	350	350	350	350	350	350	350	350	350
Insurance	2,400	200	200	200	200	200	200	200	200	200	200	200	200
Employer Liability	600	50	50	50	50	50	50	50	50	50	50	50	50
Server Rental	1,800	75	75	75	75	150	150	150	150	225	225	225	225
Depreciation (Computer)		2,090											
Depreciation (Mobile Hardware)		1,424											
Depreciation (Software)		1,250											
Total Costs		29,484	26,158	26,158	26,158	28,629	31,217	31,217	31,217	31,292	31,292	31,274	31,292
P/L		-37,179	-14,328	9,514	31,831	56,952	83,986	116,894	148,178	172,836	204,145	236,621	276,080

Cash Flow Year 2

[illegible]

Balance Sheet Year 2

Fixed Assets	
Computer Equipment	8,860
Mobile Hardware	1,679
Software	0
	10,539
Current Assets	
Cash	294,620
Accounts Receivable	134,500
	429,120
Current Liabilities	
VAT	38,579
	38,579
Net Current Assets	390,541
Total Assets – Current Liabilities	
	401,080
Long Term Liabilities	
Loan	100,000
	100,000
Net Assets	
Capital	25,000
Retained Profit	276,080
	401,080