



Business Plan

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Executive Summary

Opportunity Statement: UM Valet aims to fill the existing market gap regarding finding convenient parking spots at the University of Miami. Our service will be catered to meet the necessities of UM students, faculty and guests who look for efficiency and convenience when parking their vehicles.

Business Concept and Product or Service: UM Valet is a partnership company owned by three Business students at the University of Miami based in Coral Gables, Florida. The concept of the company was developed as a result of a market gap amongst students at the University of Miami, as there are more students than nice parking spots at the University. Hence, the idea of UM Valet is to satisfy the needs of students, faculty and guests at the University who wish to avoid having to walk from the other side of campus to get to the location they wish to. Our service would be implemented through the use of available parking spots at the University of Miami where the Valet employees would park customer's cars, and they would request it through the UM Valet app.

Description of the Target Market: To segment a target market, you divide your potential customers into different groups. For our service it will be students, employees and visitors. The different targeting ages would be Millennial, Generation X and baby boomers. Our segment is both large enough and it's worth targeting due to the wide different groups we reach out to. We

will make sure our service is market good and easy for people to reach and find when they enter the campus.

Competitive Advantage: For us to get a competitive advantage we need to be different and unique in the marketplace. A valet service like ours do not exist, so we are already unique.. Even though this is true, buyers tend to stay with what they know, being first to a market is a risk and it might take time to gain market acceptance to our service. We are using the “first-mover advantage” and introducing something not currently available to our customers. We have two competitors on the school campus, but their service is very different from ours. You can either park yourself on the side of the road and pay buy phone or coins for it, or you can buy the yearly parking permit which allows you to park at a certain area on campus. We don’t really view them that much as competition since their service is so different to what we will provide.

Essence of Marketing Approach: We would focus highly on all the student advertisement we have on campus. We will be posting news on the Student Newspaper, TheMiamiHurricane.com. The orange Umbrella would be doing a lot of publicity for us with putting up posters and spreading the word. Every month before the new sales of the monthly tickets you can buy, we would have UMTV announce it for us. By having multiple channels to advertise from, and multiple student-based channels, we will be able to reach out to a lot of students regularly on a short time notice. A sales tactic is any action you take to put your sales strategy into action. It is how you deliver your message to consumers. One of our sales tactics will be to conduct a

pre-sale appraisal before we open, we will do this to be able to aim a sort of understanding of how many might be using our service for the next semester. Other sales requires we will use are:

- Free First Trail
- Free Gifts
- Digital Marketing
- Special Seasonal Pricing

Economics: The profit margins of the business will tend to be above or equal 20% for every year. As for volume, the amount of customers will increase exponentially every year reaching max capacity in year 5. In addition, UM Valet's break-even will occur the first year as profit will exceeds expenses. Furthermore, costs in the business will be more fixed as variable. However, the major fixed costs will occur in the first year of business.

Technology and Operational Issues: The technological aspect of our service is the UM Valet app, where customers will be able to request their cars and see the time they will take to arrive. Meanwhile, employees will have iPads to keep track of what customers are using in the App to increase efficiency in the whole process. The main issues we can encounter with the development of our app are finding a competent software engineer to develop our platform the way we conceptualized. Furthermore, the Operational Issues we could encounter would be not finding enough parking spots so that our service can be delivered and the cost of insurance to run a business dealing with cars.

The Team: Our management team is comprised of three founders, Giancarlo Bombardelli, Barbara Queiroz and Sofie Nicola Rasmussen, and each account for 33.33% of the company. As University of Miami Business students we seek to develop our entrepreneurial skills and innovative ideas by improving the convenience of students at campus. We would have UM personnel responsible for the Parking & Transportation sector as part of our Board of Advisors, and for future growth, we hope to have a potential faculty member and possible investors in our Board of Directors.

Financial Highlights: UM Valet's break-even will occur the first year as profit will exceeds expenses. Even though, earnings from operations, in the first year will be negative, the net profit will be \$25,805. In addition, the level of profits the business will tend to achieve is above 20%. In the Income Statement, the financials demonstrate how we plan to execute and achieve it. The level of potentials sales we want to achieve after 5 years in business is above 40%.

Financing Needs and How the Entrepreneur or Team Proposes to Raise the Money: Based on our operating expense and COGS, we will need \$100,000 as our initial investment. This is due to the fact that our first year is the year that the capital investment is the greatest. We plan on raising capital by partnering with UM, this way UM will be providing the financing for the business. In addition, as an incentive for UM, we proposed a 5% commission on gross profits. Potentially, in a long term strategy, UM will be making more profit than selling their own parking permits. Furthermore, in a future, we are willing to sell some equity in exchange of

capital investment, preferably from a business faculty member at UM. The ROI will be 33.33% return every year for the lapse of three years.

Section I - The Industry

A. Industry, Its Size and Growth Rate

The Valet Parking Management Industry is a vast one, as the Valet establishments can basically be part of any business, such as shopping malls, hotels, restaurants, events, parties, convention centers, airports and more. Furthermore, as the number of car owner increases, this open more space for there to be an industry growth in the following years. MarketsandMarkets, which tracks global high growth markets and follows the “Growth Engagement Model” (GEM) estimated the industry to be valued at USD 3.03 billion in 2016, and mentions the industry is propensed to grow to 5 billion by 2021.¹ Issues with traffic congestion are increasing around the world and according to industry data, 30% of traffic occurs due to drivers struggling to find parking space². Hence, having assisted parking solutions improve the difficulties present through such situations. Valet parking at university campuses is still not popular, however, due to the rapid growth of the industry, more campuses are adopting the concept.

B. Industry Structure

The Valet Parking industry is not considered to be a conservatively competitive industry, as most establishments only offer one valet service. Specifically, having Valet parking at the University of Miami would certainly not be competitive, as services of this type still do not exist on campus. However, the possible competition that exists is students preferring to enroll in the

¹ <https://www.thevaletspot.com/parking-management-market-forecast-2016-2021/>

² <https://www.thevaletspot.com/parking-management-market-forecast-2016-2021/>

semester or annual parking permits over the valet service. However, even so, students who are enrolled in the monthly plan might chose to still use valet parking whenever they need to, even if not in a regular basis.

C. Industry Trends

The Valet market is growing exponentially, costs in the Parking Management Industry are currently increasing, as the demand for the service is also becoming larger. Even though people want to spend less, circumstances show that the need for assisted parking is becoming more necessary.

Technological advances are also a trend in the industry, as most Valet parking companies today have evolved to providing paperless valet services. Because a vast majority valet customers today have smartphone apps, resigning from the paper claim ticket strategy is more practical, trustworthy and cost-efficient. One of the most used trends at the moment is smartphone parking Mobile Applications, which are efficient and more easily controllable. Customers have the ability to pull up the app and request the car to be picked up, preventing them to wait till their car arrives. Furthermore, the app also excludes the need to pay with cash or even having to pick up your wallet, as customers are able to pay through their smartphones. Another trending service offered by Valet parking companies is incorporating SMS, where customers can request their car to be picked up through an interactive link provided through text messaging.

D. Key Success Factors

The most significant key success factors for the Parking Management Industry are definitely trustworthiness and efficiency. Through training and preparation of employees, a Valet

business definitely prepares employees that demonstrates to customers their care and reliance, also being attentive and productive while providing the service. Furthermore, utilizing technological advances such as an App or incorporating SMS is also a key success factor, as it adds facility to the valet parking service. Customers wouldn't have to worry about waiting too long for their car to arrive and w about having cash on them, as their payments would be made throughout the Mobile Application.

Section II - The Company, Concept and Product(s) or Service(s)

A. Company and the Concept

UM Valet is a partnership company owned by three Business students at the University of Miami based in Coral Gables, Florida. The concept of the company was developed as a result of a market gap amongst students at the University of Miami, as there are more students than nice parking spots at the university. Hence, the idea of UM Valet is to satisfy the needs of students, faculty and guests at the university who wish to avoid having to walk from the other side of campus to get to the location they wish to. UM Valet will be offered in 3 main locations at the university, and vehicles will be ordered beforehand through the UM Valet app to ensure the agility as well as the safety of the service. It will be targeted to meet the expectations of students, faculty and guests. The company's mission statement is simply to improve the convenience of students at the University of Miami.

B. The Product(s) or Service(s) Mix

UM Valet would specifically offer its service through the use of about 250 of UM's parking spots available. Cars would be delivered by customers when requested through the UM

Valet app. The service would basically be uncompetitive, as there are no services similar to a Valet at campus. However, our competition would end up being the regular parking permits and the Pay by Phone option available. Our service would be an object of value both for students and the university. It would generate jobs for students, which it is also a factor of high demand at campus. Finally, it would improve the organization and facility at UM, as students often complain about not having decent parking spots and being late to class as well as having to walk big distances in order to get to class. Comparing to the parking permits at the university, our Valet would cost about \$45 per month, and this would certainly be a better option to customers in regards to cost and time, as a regular parking permit at the University of Miami costs about 50 dollars per month looking at a 10 month period.

Possible drawbacks that would enable us to achieve a favored or entrenched position in the industry would simply be not receiving approval by the University of Miami. However, we intend to then use our business model and possibly expand it to other universities in the Miami area.

C. Entry and Growth Strategy

UM Valet wishes to start recruiting and continue planning its business Spring 2019, and wishes to have it already implemented fall 2020. As a first step, the business intends to start its operations at the Richter Library and at the Watsco Center, which are two areas very frequented at campus and that are far away from each other. Depending on the demand and requests for valets in other locations, a possible expansion would take place. In five years, UM Valet hopes to have its services offered at University of Miami's different campus locations.

Section III - Market Analysis

A. Definition of our relevant market

We are providing a particular service for a particular area, therefore estimation our relevant market is very clear. In the business meaning, a relevant market is a market in which a particular service is sold. We are University of Miami Valet Parking, so our service will be sold and provided at our campus. This is our intersection of a relevant service and a relevant geographic market. We will have certain stations around the campus where we will provide you with the service.

B. Market size and trends

Located in Southern Florida, the University of Miami has an ideal location for students to life and study. University of Miami is settled in the suburb and has a campus the size of 239 acres. Its is a large campus and our service is needed and is possible to perform here. We a total undergraduate enrollment of 10,832, and around 5,000 grad students, we there is definitely a good market size for our service. That is around 17,000 students and then we also will provide our service to all the employees and visitors as well. Due to trends and annual campus events, we will have times during the year where our service will be highly requested.

C. Buyer Demographics and buyer behavior

Demographics are clearly tied to subculture and segmentation. Consumer behavior can be affected by several factors. It can be different from person to person based on his age, income, sex, education and marital status. Our buyer demographics will be everyone entering the campus, it doesn't matter if you work, study or are just visiting. Our buyer demographics are therefore very spread and we will have many different types of buyers with different behaviors and needs.

Consumer behavior is affected by several factors, chief among them being age, sex, income and education. The buying behavior will differ among the seasons. We will have constant buyers during the whole year, but for special events like graduation, we will have to provide more and have enough employees on work. Factors like finals week, hurricane season will effect if people choose to park themselves or to valet. Therefore we must always be prepared. These factors can have a deep impact on how people buy and spend and how marketing must be done to achieve higher sales.

D. Market segmentation and Targeting

To segment a market, you divide your potential customers into different groups. For our service it will be students, employees and visitors. The different targeting ages would be Millennial, Generation X and baby boomers. Our segment is both large enough and it's worth targeting due to the wide different groups we reach out to. We will make sure our service is market good and easy for people to reach and find when they enter the campus. This is our most important part of the targeting, we need to have a clear marketing strategy so we know we are reaching out and are visible for people entering the school. We want to make sure that we focus on "benefit segmentation", we want them to feel like they benefit from using our service compared to others or parking themselves.

E. Competition and Competitive Edges

For us to get a competitive edge we need to be different and unique in the marketplace. A valet service like ours do not exist, so we already have a good start. Even though that is true, buyers tend to stay with what they know, being first to a market is a risk and it might take time to gain market acceptance to our service. Our service will be as know "first-mover

advantage”, our service, brand and position has to be unique to success. Currently we have two competitors on the school campus, but their service is very different from ours. You can either park yourself on the side of the road and pay buy phone or coins for it, our you can buy the yearly parking permit which allows you to park at a certain area on campus. The parking permit does not promise you that it will be available parking for you and you also have to park your car yourselves. Our service as you can read, is very different and therefore we will have a competitive advantage over our current competition.

F. Estimate market share and sales figure

The Parking Management Market is estimated to grow from \$3.03 billion in 2016 to \$5.00 billion by 2021, at an estimated CAGR of 10.6%. An increase in the number of vehicles across the world is impelling the demand for an effective system to find solutions for parking concerns. The issues of traffic congestion are rising at alarming rates across the world, impelling the need for effective and flexible park-assist solutions. Today’s intelligent parking management systems are capable of providing convenience to the drivers, as well as simplifying and automating the business operation and administrative functions of the parking site owners. For, UM Valet, we have 100% market share as we have the first mover advantage over the market. As for an estimate sales figure, we plan on increase the net sales percentage on a yearly basis.

G. Ongoing market evaluation

University of Miami is a school that keeps growing and developing for its better in any possible way. Now is the right time to start our service. It will be a request for the ongoing market if we don’t develop this service soon. To improve and better our school, they should take advantage of our service and implement it with us. The consumer market in Miami and in the

world in general is looking for more convenient and luxurious services, which is what we will serve UM.

Section IV - The Economics of the Business

A. Revenue Drivers and Profit Margins

Our company's major revenue drivers are the Valet monthly plans and the daily rates that our service would provide. The profit margins of the business will tend to be above or equal 20% for every year. As for volume, the amount of customers will increase exponentially every year reaching max capacity in year 5. In addition, UM Valet's break-even will occur the first year as profit will exceeds expenses..

B. Fixed and Variable Costs

Costs in the business will be more fixed as variable. However, the major fixed costs will occur in the first year of business as shown in the data below.

Alocation of Operating Exp between:					
Variable	\$4,365	\$4,650	\$4,800	\$4,950	\$5,220
Fixed	\$14,750	\$2,750	\$2,750	\$2,750	\$2,750
Total	\$19,115	\$7,400	\$7,550	\$7,700	\$7,970

C. Operating Leverages and Its Implication

Our cost would be predominantly variable. Our fixed costs would compromise of our initial costs such as the materials (the booths and the iPads) required to implement our service and the App developments. However, our variable costs would involve the permits provided by the University of Miami, the wages and the costs of maintaining the App. because we don't have a high operating leverage, our venture suggests itself to be less risky initially. However, a risk could be increasing variable costs, and the possibility that the University of Miami would want to

charge more for our use of their parking spots when our service starts having a higher demand. However, because we have high probability of growing our business in the future, we hope to have our own parking lot, thus avoiding the risk of the variable cost increasing.

D. Start Up Costs

Start-up expenses					
Legal	\$2,000	\$0	\$0	\$0	\$0
Permits Operate in UM	\$1,500	\$200	\$200	\$200	\$200
Materials (Booths & I-Pads)	\$2,500	\$0	\$0	\$0	\$0
App Development	\$12,000	\$0	\$0	\$0	\$0
Total	\$18,000	\$200	\$200	\$200	\$200

E. Overall Economic Model

Liquidity will always be available from the first year in business and will increase exponentially over the 5-year calculation. Since the start-up investment is relatively low compared to other start-ups, no debt is needed, therefore, we can reduce costs and maximize our profit margins. The estimates of our liquidity, profits, sales and costs were calculated based on 250 parking spaces/

F. Breakeven Chart and Calculation

UM Valet					
Cost of Goods and Services					
Years 1 to 5					
	Year 1	Year 2	Year 3	Year 4	Year 5
Units Sold (Member & Non-Member)	225	235	240	245	250
Revenue	\$87,300	\$93,000	\$96,000	\$99,000	\$104,400
Directs Costs					
Labor Cost per Hour (5 hours per day & 2 Employees & 9 Months)	\$24,570.00	\$24,570.00	\$24,570.00	\$24,570.00	\$24,570.00
App Development (Start-Up)	\$12,000.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials (Booths & I-Pads)	\$2,500.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Direct Costs per Unit	\$25,009.00	\$24,570.00	\$24,570.00	\$24,570.00	\$24,570.00
Total Direct Costs	\$25,009.00	\$24,570.00	\$24,570.00	\$24,570.00	\$24,570.00
% of Revenue	\$0.87	\$0.26	\$0.26	\$0.25	\$0.24
Indirect Costs					
Insurance Costs	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00	\$2,750.00
UM Commission	\$4,365.00	\$9,300.00	\$9,600.00	\$9,900.00	\$10,440.00
Total Indirect Costs	\$7,115.00	\$12,050.00	\$12,350.00	\$12,650.00	\$13,190.00
% of Revenue	\$0.08	\$0.13	\$0.13	\$0.13	\$0.13
Cost of Goods & Services	\$32,124.00	\$36,620.00	\$36,920.00	\$37,220.00	\$37,760.00
% of Revenue	37%	39%	38%	38%	36%

G. Profit Durability

Our profit seems to be solid, even though our profit margin will be negative in the first year. However, because we have the advantage to being the only company with this service on the market, we believe it will not be difficult to create a barrier to entry. Furthermore, the UM community is growing, so our market is expected to be bigger throughout the years.

Section V - The Marketing Plan

A. Overall Marketing Strategy

A marketing strategy is a long-term, forward looking way to planning the fundamental goals to achieving a sustainable competitive advantage. As said earlier, UM Valet would partner with the University to get parking spots, where cars would be parked and delivered when requested through the UM Valet app. For us to achieve our long-term goals we have to offer perfect customer service so our consumers are satisfied and will return to our service. Our largest consumers right now would be all the students that normally come late to school due to lack of parking and traffic, but for future goals, we would want everyone to prefer our service to others. Our service is supposed to be a to-go-to solution to eliminate the stress and inconvenience of parking on the University. Every year when the sales for the permit tickets come out, we would be promoting our product and service ahead of time, so the students would think about our product before buying a permanent ticket. Even if students would buy parking tickets, they would still be able to benefit from our service. In future goals, we want everyone to use our service compared to parking their cars themselves. We would like to offer a monthly parking at our valet service, it would be a monthly parking spot just for you, but we park it for you and

bring it back. One of our strategies is to hire workers that are students, so they are able to work next to their studies. The job is on campus, so it is very convenient and appealing for many students that are in need of a part time job. Since we are growth-minded businesses, we need to populate multiple marketing channels with brand messaging. In practice, multichannel means embracing a mixture of online and offline message pipelines, based on the places your customers go for information, and this will all be provided on our app.

B. Pricing and the celling cycle

Our celling cycle is very simple, every month you can buy a spot at our valet parking. This service you can rebuy every month, and it secures you a spot. If you don't buy a spot, you can still use the service everyday, but because of our new business and lack of parking, if our service becomes popular, we might be full at certain times for non-monthly members. We would have a price for our monthly parking service that would be about the same or less then the competitive parking permits you can buy, but the difference is that we are providing an easier service to consumers. The average parking permit at UM costs around \$500 for the year, technically we are only on campus for 9 months a year, so that averages out to be around \$56 a month. For our service, you would only pay \$45 for a parking spot and you can choose which month you want our not since it's only binding for a short term. For consumers that would just take advantage of our service randomly when they feel in need for it, our prices would be \$5 from 0-2 hours, 2-10 hours it would be \$10 and if you stay overnight it would be a higher cost at \$25. Since it is mostly students who will be using our service, it is important that the prices are realistic. They do not need to use any cash and can pay through our app.

C. Advertising and Publicity

Advertisement and Publicity is one of our key strengths. This is a student-based company, we will have mostly student hired staff. Because of this, we have the students at UM supporting us and spreading the word about us. We would focus highly on all the student-based advertisement organizations we have on campus. We will be posting news on the Student Newspaper, TheMiamiHurricane.com. The orange Umbrella would be doing a lot of publicity for us with putting up posters and writing about our news and special sales. The Orange Umbrella is an organization on UM campus that focuses on giving opportunities to students to develop network and professionalism, they celebrate small businesses and producing real clients. This is the perfect for us since UM student-based organization would partner with us to achieve working experience and learn from us, as well as they would be promotion our company. Every month before the new sales of the monthly tickets you can buy, we would have UMTV announce it for us. By having multiple channels to advertise from, and multiple student-based channels, we will be able to reach out to a lot of students regularly on a short time notice. Students would be our first consumers, therefore in the beginning it is mostly important for us to reach out to them.

D. Customer Service

The most important part of the marketing plan is our customer service. We are a service providing company and if the service we provide is not perfect, then why would anyone use our service compared to what currently exists. We will have staff of students that we will train and make sure they know how to both park a car correctly and be polite promoting good energy to our consumers so that they want to come back. After the first months of our service opening, we will have a survey for the students at UM to take, this is for us to get a better understanding of what they think is good and what could get improved. In our app, it will be possible to write

complaints if you have any, these will be taken serious by us always. We cannot afford unhappy consumers due to our competition of the parking permits they can buy. For loyal consumers that come often and have had any months of membership, we would offer great deals and different small promotions due to their customer loyalty. This is a way for us to show them our service and how much we care about out customers.

E. Sales Tactics and Sales Promotion

Because we have so many multiple channels for marketing and advertising, we will be able to reach out to many students with our sales promotions and tactics. A sales tactic is any action you take to put your sales strategy into action. It is how you deliver your message to consumers. One of our sales tactics will be to conduct a pre-sale appraisal before we open, we will do this to be able to aim so sort of understanding of how many might be using our service for the next semester. We will be focusing a lot on sales promotion in the beginning to get our service talked about, and most important, talked about positively. Sales promotion is a marketing that is used to entice customers to purchase a product. The promotions typically last for a set period of time and are used to achieve a specific purpose, such as increasing market share or unveiling a new product. The common technique that we would use is:

Free Trial→ The first time you take our service in use, it will be free. This is a technique used to introduce our new products to the marketplace. This free ride will give the consumer a chance to see how well they like our service or try something they otherwise would not normally do. It is a way for us to get the students break out from their usual habits.

Free Gifts→ Free gifts entice consumers to make a purchase by including a bonus along with the product. In the start of our introduction of our service, we will hand out small free gifts, like car

air freshener for the cars that will have our logos on it. This will help us to promote our self, and while the students have this in their car, they will think of us everyday when they drive to school

Special Pricing→ We will use this to offer consumers a lower price for a period of time or to purchase in multiple quantities. This will appeal to the students and make them buy it because they feel like they are getting a good deal.

Digital Marketing → Olds directly into other promotional strategies by providing a different avenue, online display ads or direct marketing, to advertise other consumer-centric efforts. The digital marketing process will be important for us; it is here we will reach out to the students about our free trials, free gifts and special pricing promotion.

Section VI - Design and Development Plan (R&D)

A. Development Status and Tasks

The technology aspect we wish to implement in our business is the UM Valet app (Appendix A), an app where customers will be able to request their cars and pay through their mobile applications, increasing efficiency and trustworthiness in the whole process. Customers would be able to see how long it would take for their car to arrive, which would definitely be a factor of time efficiency for them. The general structure of the service and the outline of how it will work is already overseen by our team, however, we hope to hire a professional mobile application development service with the approval of the University of Miami. We would need approval from them to accept the development of our mobile application, which would need a 1 of about \$10,000-12,000 to be implemented.

Because we intend to have our service started on Fall 2019, we hope to be interacting with the University of Miami personnel who will be involved in our planning to oversee the design of the app together with our team and our mobile application developer. Since we hope to have our Mobile Application ready for use by Fall 2019, we hope to have it ready for testing by mid-Summer 2019. We intend to have our Board of Advisors, technology experts and whoever is and wishes to be involved with us to test our mobile application so they can be be opinionated about it, providing our team with critiques

B. Technical Difficulties and Risks

The major design and development challenge our team can oversee is not receiving approval from the University of Miami to develop our app. A possible approach to resolve this would be Kickstarting our idea and trying to fundraising for it.

C. Costs

From analysis of mobile applications that were created and present similarity to what we hope to accomplish, we believe our budget will be around \$10,000-\$12,000, including the cost of who will design it and the technological needs for it to be implemented.

Section VII - Operations Plan

A. Operations Model and Cycle

Our Valet service will be implemented in 3 main locations at the University of Miami: The Richter Library, Stanford Circle and the Watsco Center. However, on the first semester we hope to only have it implemented on 2 locations. Our service would work from 10am-4pm from Monday through Friday. The quality consistency issues that could possibly take place would be not having someone present in one of the booths, however, we will resolve this by having two

Valet employees per booth, ensuring that there will always be someone with the customers while another employee is parking or picking up cars.

B. Geographic Location

The location we chose to implement our business was the University of Miami, specifically, the Richter Library, the Stanford Circle and the Watsco Center. We chose these 3 locations because they are the center for student life at the University of Miami. The Richter Library and the Stanford Circle are the areas near most classroom buildings, studying areas, the Student Center, the Bookstore, the food court and many other high-frequented locations by the University of Miami students. The Watsco Center is where most Basketball games and events such as graduations take place, so it would be a good area to attract customers. The University of Miami would also be an excellent place in regards to label, as UM students would definitely want to become our employees due to the high demand for campus jobs, something that facilitate our recruitment process.

C. Facilities, Equipment and Improvements

The equipments we need to keep forth with our business are employee's uniforms, stainless steel podiums, umbrellas and key holders. We would also need iPads to keep up with our UM Valet implementation. We plan to acquire these equipments before our service is actually implemented. Furthermore, our other cost will be what the University of Miami gains in form of commission from our service, as we will be using their available parking spots.

D. Capacity Levels and Inventory Management

We hope to have an estimate of about 20 cars per day using our services and 50 cars in the Monthly plan (Estimate). In order to keep up with that, we hope to have employees and

Labor that will assist in us accomplishing our capacity. Our iPads that would display our UM Valet app would keep track of all cars that would be using our service and we would have two employees, who would keep track of customers who visit our stands and of parking and getting the cars.

E. Legal Issues Affecting Operations

A legal issue regarding our operation would be the legal constraints required to operate at the University of Miami, we would probably have to go through a regulatory session and receive approval. Furthermore, we would need consent from the University to use their name, and to develop our service at campus, also using their available parking spots.

Section VIII - Management Team

A. Key Management Personnel and Responsibilities

Our mission statement is to make customers feel welcomed & cared for everywhere we serve. We accomplish this by committing to our company values and by consistently delivering services for our customers that are exceptional in terms of quality and satisfaction. In addition, we invest heavily in the training and development of our workforce in order to deliver an unmatched level of service and quality in the parking industry. Below are a few of the key elements of our quality assurance.

B. Organization Structure

Candidate Selection Criteria

Qualifications such as training and experience are necessary, but above all we select individuals who have a "service heart" attitude. We then give these employees the tools they

need to succeed and meet the needs and expectations of our clients. We view candidate selection as the most important step of our quality assurance process.

Recruiting

We only want individuals who thrive and excel in front-line hospitality positions. Our company uses various job boards and websites such as handshake.com to source the right candidates. We would also work with University of Miami faculty to recruit and hire qualified UM students as part of our paid internship program.

C. Management Compensation and Ownership

Compensation and ownership will be divided into 33.33%, which consists on the number of founders.

D. Other Partners and Current Investors

Current Investors are the three founders.

E. Employment and Other Agreements, Stock Option and Bonus Plans

Interviewing

UM Valet uses behavioral based interviewing techniques by asking questions which will uncover the candidate's strengths and passions. Candidates are evaluated based on not only their attitude but also their fit within our company culture. Most candidates go through at least two interviews with different team members and executives who then make a consensus decision.

Background Screening

Once a candidate has been chosen, we conduct thorough background screening to confirm our selection. Our required background screening process consists of:

- Mandatory 3-Year Motor Vehicle History Report

- Previous Employment Reference Checks
- Third Party Background Screening which Criminal Background History Drug Screening Program (if required)

If an employee passes our background screening process, they are offered a position, contingent on meeting other legal eligibility requirements and submitting all required documentation.

On-Boarding

A positive on-boarding experience is essential in making new employees feel comfortable and valued as a member of our team. Once an employee has accepted an offer of employment, we seek to immediately inspire the newest members of our team. Our on-boarding process consists of:

- Welcome packet including all information they need to know regarding their management team and new employee orientation, training times, dates, and locations.
- New Employee Orientation and Company Culture Training.
- Designated Mentor who will be available anytime to answer their questions as they join the company and begin training.
- Training Evaluation Forms completed by site supervisor.
- 30 day Recap to evaluate the on-boarding experience.

Training

UM Valet provides advancement training to help employees further their careers. Every new team member who joins UM Valet is automatically enrolled UM Valet Training, our in-house training program. For team members looking for advancement opportunities, the

Management Advancement Program (MAP) is available as the next step to help further their career at Signature Parking.

- Each Signature Parking employee receives up to 25+ hours of intensive training during their 1st year with us including:
- New Hire Orientation
- Customer Service Training
- Safety Training
- Recurrent Annual Training and Evaluations Bi-Annual Employee Development Reviews

F. Board of Directors

Three founders, with possibility in the future of adding a UM faculty-business member in the board.

Section IX - Overall Schedule

- January 2019:
 - Apply for partnership with University of Miami to implement our service and create an agreement for the future years.
 - Start making arrangements with person responsible for Parking & Transportation at the University of Miami as part of our board of advisors
- February 2019:
 - Providing surveys for students to fill out. Based on the answers from the surveys we will adapt and make sure that when we have all required aspects that fill in the the gaps in the marketplace.

- Decide on the software engineer person/company that would develop the UM Valet app
- Start deciding on how we will implement our recruitment process and designing our application
- Start marketing our recruitment process, mentioning when applications will be open and available to apply for
- March 2019:
 - Start working on our marketing strategy and campaign so it can be released to the UM population in the following months
 - Start discussing with software engineers our view on how we want the app to function
 - Open applications in newspapers, craigslist and handshake specifically for University of Miami students.
 - Deciding on how our employee training would work
- April 2019:
 - Read over the survey responses to adapt to the customer's requests
 - Start marketing our service on campus through fliers and e-mails
 - Finish all design and functionalities of the App together with our software engineer and the UM advisor.
 - Read employee applications and do interviews and review applicant's legal and driving backgrounds
- May 2019:

- Continue marketing in depth and to properly promote and advertise our service to the UM Market
- Release announcements mentioning our Pre-sale in June
- Engage in close talks with software engineer to finalize the aspects of the app
- Start the employee training process
- June 2019:
 - Have a pre-sale of tickets for people to buy before they come back for the new semester.
 - This we will do for the reasons to get an estimation of how popular our service might be when we open. We will from the presale see if we need to make adjustments regarding improving our promotion process.
 - Continue with employee training process
- July 2019:
 - Start selling UM Valet monthly membership permits
 - Finalize our employee training process
- August 2019:
 - Launch our service in the two main locations starting Orientation week.

“Ramp up”

- Management personnel: Start with 3 founders. Try to find a potential faculty member to work side-by-side with us, and eventually find a Technician to maintaining the essentials of our Valet iPads to work simultaneously with our mobile App.

- Have our necessary equipment comprised of iPads, employee's uniforms, stainless steel podiums, umbrellas and key holders. Promote ourselves during the spring semester and be ready to launch in August.

Section X - Possible risks, problems and assumption:

There are not too many risks for us to look for in our service. Since we are not selling a product, we don't have to worry about producing something that won't sell and sitting with a lot of leftover storage and products. For us, the main risk will be if University of Miami do not give us enough parking spots for us to do our service. We might end up with a too high request of our service compared to what we can provide. Another risk is when the customers leave their cars with us, we will be responsible for their cars. An important factor that compliments this risk is that our employees need to be good drivers. They need proper driver license and experience for us to hire them. If not, the risks of them maybe scratching into something is high. We will have clear rules and directions for our employees to lessen the risks of anything happening.

Section XI-Financial Plan

A. Highlights of the Financial Statements

UM Valet financials shows how the business will be profitable from the start, if UM provides us with 250 parking spaces for our services. As any start-up, the greatest investment occurs in the first year. Most start-up businesses don't make profit till their second or third year in business; for us this is not the case. This means our break-even will occur the first year as net profit will be made. Even though, earnings from operations, in the first year will be negative the net profit will be \$25,805. This is due to the fact that our app development and the developer's salary is implemented in the first year. This is our biggest costs in a span of five years.

In addition, liquidity will always be available from the first year in business and will increase exponentially over the 5-year calculation. Since the start-up investment is relatively low compared to other start-ups, no debt is needed, therefore, we can reduce costs and maximize our profit margins. As for equity, the equity will be distributed in a 33.33% for the three founders. Currently, the Parking Management Market is estimated to grow from \$3.03 billion in 2016 to \$5.00 billion by 2021, at an estimated CAGR of 10.6%. This potentially will affect our business as an increase in demand will occur, therefore, increasing our profit and sales margins. As for financials in the balance sheet, it demonstrates how in the debt-to-equity ratio, equity exceeds the debt by an exponentially difference. In addition, we have a 100% inventory turnover as an advantage.

B. Cost Controls

Once everything is established such as equipment and personnel, our main costs will be to monitor our two employees. They will be paid in an hourly base rate (\$9). We will ensure they are providing the best customer service possible. In addition, we have established a 5% commission of our gross profit with UM to increase the university incentive to partner with us. Monitoring constant bookings and maintaining the percentage rate fixed is crucial for our profitability. Most of the information will be obtained by profit and cost analysis and just overlooking the management process.

C. Documents (Cash Flow & Balance Sheet)

UM Valet						
Cash Flow Statement						
Years 1 to 5						
	Begin	Year 1	Year 2	Year 3	Year 4	Year 5
OPERATING ACTIVITIES						
Net Earnings		\$25,805	\$19,054	\$21,068	\$23,083	\$26,709
Working Capital Changes						
(Increase)/Decrease Accounts Receivable		(\$4,365)	(\$285)	(\$150)	(\$150)	(\$270)
(Increase)/Decrease Inventories		(\$873)	(\$57)	(\$30)	(\$30)	(\$54)
(Increase)/Decrease Other Current Assets		(\$873)	(\$57)	(\$30)	(\$30)	(\$54)
Increase/(Decrease) Accts Pay & Accrd Expenses		\$4,365	\$285	\$150	\$150	\$270
Increase/(Decrease) Other Current Liab		\$1,746	\$114	\$60	\$60	\$108
Net Cash Provided by Operating Activities		\$25,805	\$19,054	\$21,068	\$23,083	\$26,709
FINANCING ACTIVITIES						
Increase/(Decrease) Short Term Debt		\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) Long Term Debt		\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) Common Stock		\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) Preferred Stock		\$0	\$0	\$0	\$0	\$0
Dividends Declared		\$0	\$0	\$0	\$0	\$0
Net Cash Provided / (Used) by Financing		\$0	\$0	\$0	\$0	\$0
INCREASE/(DECREASE) IN CASH		\$25,805	\$19,054	\$21,068	\$23,083	\$26,709
CASH AT BEGINNING OF YEAR		\$0	\$25,805	\$44,859	\$65,927	\$89,010
CASH AT END OF YEAR	\$0	\$25,805	\$44,859	\$65,927	\$89,010	\$115,718

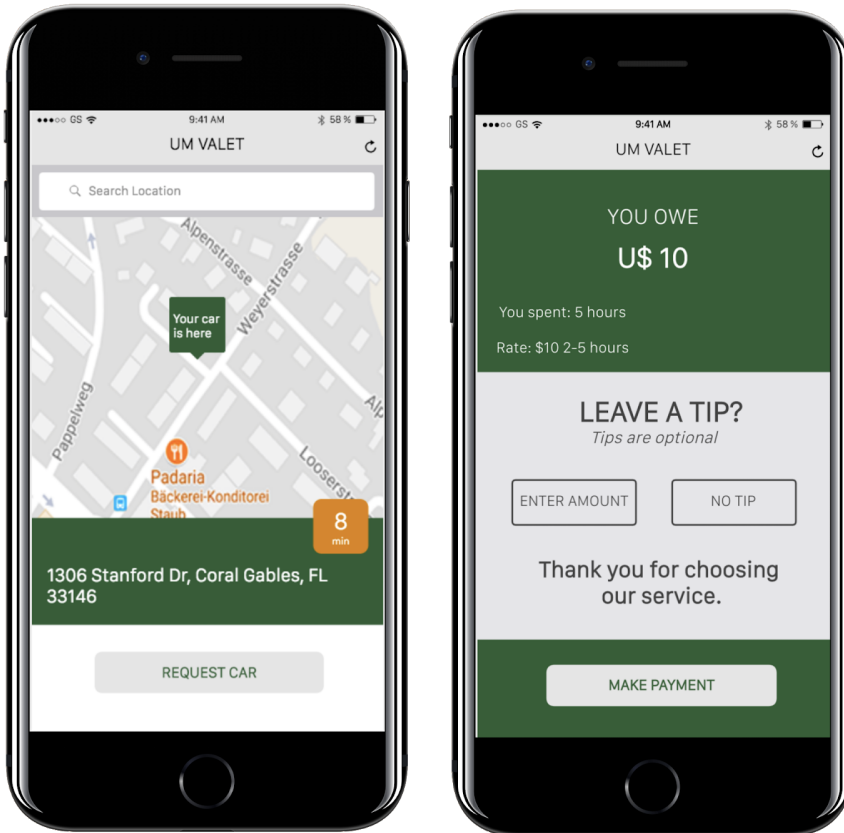
UM Valet						
Balance Sheet						
Years 1 to 5						
	Begin	Year 1	Year 2	Year 3	Year 4	Year 5
ASSETS						
CURRENT ASSETS						
Cash		\$25,805	\$44,859	\$65,927	\$89,010	\$115,718
Accounts Receivable		\$4,365	\$4,650	\$4,800	\$4,950	\$5,220
Inventories		\$873	\$930	\$960	\$990	\$1,044
Other Current Assets		\$873	\$930	\$960	\$990	\$1,044
Total Current Assets	\$0	\$31,916	\$51,369	\$72,647	\$95,940	\$123,026
TOTAL ASSETS	\$0	\$31,916	\$51,369	\$72,647	\$95,940	\$123,026
LIABILITIES & SHAREHOLDERS' EQUITY						
CURRENT LIABILITIES						
Short Term Debt	\$0	\$0	\$0	\$0	\$0	\$0
Accounts Payable & Accrued Expen		\$4,365	\$4,650	\$4,800	\$4,950	\$5,220
Other Current Liabilities		\$1,746	\$1,860	\$1,920	\$1,980	\$2,088
Total Current Liabilities	\$0	\$6,111	\$6,510	\$6,720	\$6,930	\$7,308
LONG TERM DEBT	\$0	\$0	\$0	\$0	\$0	\$0
STOCKHOLDERS' EQUITY						
Common Stock	\$0	\$0	\$0	\$0	\$0	\$0
Preferred Stock	\$0	\$0	\$0	\$0	\$0	\$0
Retained Earnings		\$25,805	\$44,859	\$65,927	\$89,010	\$115,718
Total Equity	\$0	\$25,805	\$44,859	\$65,927	\$89,010	\$115,718
TOTAL LIABILITIES & EQUITY	\$0	\$31,916	\$51,369	\$72,647	\$95,940	\$123,026
	\$0	\$0	\$0	\$0	\$0	\$0

Section XII- Proposed Company Offering

In the Income Statement, the financials demonstrate how we plan to execute and achieve our short-term and long-term objectives. The level of potential sales we want to achieve after 5 years in the business is above 40%. Based on our operating expense and COGS we will need \$100,000 as our initial investment. We plan on raising capital by partnering with UM, this way UM will provide the financing for our business. UM Valet is looking for a long-term strategic partnership with UM to secure financing; it will be considered a loan. As collateral, UM Valet will offer the business ownership to UM if failed to pay back the loan in a span of three years. In addition, as an incentive for UM, we proposed a 5% commission on gross profits. In the future, we are willing to sell some equity (15% to 20%) in exchange of capital investment, preferably from a business faculty member at UM. As for the balance sheet, it shows how in the debt-to-equity ratios, equity exceeds the debt by an exponential difference. Monitoring constant bookings and maintaining the percentage rate fixed is crucial for our profitability.

APPENDICES:

Appendix A



Appendix B

UM Valet										
Summary										
Years 1 to 5										
	Year 1	Year 2	Year 3	Year 4	Year 5	Industry				
Summary Financials							Note: Industry figures from Ratio Analysis sheets			
Revenue	\$87,300	\$93,000	\$96,000	\$99,000	\$104,400					
Gross Profit	\$12,791	\$56,380	\$59,080	\$61,780	\$66,640					
EBIT	\$32,665	\$24,119	\$26,669	\$29,219	\$33,809					
Net Earnings	\$25,805	\$19,054	\$21,068	\$23,083	\$26,709					
Net Cash from Operating Activities	\$25,805	\$19,054	\$21,068	\$23,083	\$26,709					
Dividends	\$0	\$0	\$0	\$0	\$0					
Cash	\$25,805	\$44,859	\$65,927	\$89,010	\$115,718					
Total Equity	\$25,805	\$44,859	\$65,927	\$89,010	\$115,718					
Total Debt	\$0	\$0	\$0	\$0	\$0					
Growth										
Revenue Growth Rate - CAGR:		7%	3%	3%	5%					
Net Earnings Growth Rate - CAGR:		-26%	11%	10%	16%					
Ratios										
Current Ratio	5.2	7.9	10.8	13.8	16.8					
Debt to Capital (LT Debt + Equity)	0.1	0.0	0.0	0.0	0.0					
Profitability										
Gross Profit %	14.7%	60.6%	61.5%	62.4%	63.8%					
Operating Expenses %	56.6%	34.9%	34.0%	33.1%	31.6%					
Net Earnings %	29.6%	20.5%	21.9%	23.3%	25.6%					
Returns										
Return on Assets	80.9%	37.1%	29.0%	24.1%	21.7%					
Return on Equity	100.0%	42.5%	32.0%	25.9%	23.1%					
Return on Capital (LT Debt + Equity)	93.7%	40.8%	31.1%	25.4%	22.7%					