**Plan de Negocios**

**Ubilet**

Octubre, 2013

**Tabla de Contenidos**

1. Introduction 4

2. Executive Summary 4

3. Mission, Strategies, etc. (Company, Strategy and Management Team) 5

3.1. Vision 5

3.2. Mission 5

3.3. Objectives/Goals 5

3.4. Keys to Success 5

3.5. Strengths, Weaknesses, Opportunities and Threats (SWOTs) 6

3.6. Strategies 7

4. Products and Services 8

5. Revenue Sources 8

5.1. Paid Per Click Advertising – Google AdSense 8

5.2. Affiliate Program – Amazon.com 9

5.3. Affiliate Program – <Affiliate Name > 9

6. Future Growth Opportunities 10

6.1. Live Online Teachers 10

6.2. Classroom Lessons 10

6.3. Video Lessons 10

6.4. Books – Short Stories 10

6.5. Printed Lesson Materials 10

7. Marketing Plan 10

7.1. Market Analysis 11

7.2. Competition 11

7.3. Customer Profile 11

7.4. Market Size, Sales & Share Projections 12

7.5. Strategies for reaching or exceeding your targeted sales levels 12

7.6. Sales Strategy 13

7.7. <Website 1> 13

7.8. <Website 2> 13

7.9. <Website 3> 13

7.10. Advertising and Public Relations 13

8. Operations Plan 14

8.1. Location 14

8.2. Production 14

9. Management & Administration (Organization Plan) 14

9.1. Company Ownership 15

9.2. Managerial Style 15

9.3. Management 15

9.4. Administration 16

10. Financial Plan 17

10.1. Projected Cash Flow 17

10.2. Start-up and Operating Budgets 17

10.3. Operating Budget 18

10.4. Accounting and Inventory Control System 18

10.5. Cash Flow Projections 18

10.6. Funding Requirements 20

# ¿Qué es Ubilet?

Es una plataforma en línea para la comercialización, intercambio y obsequio de tickets para eventos y espectáculos de cualquier categoría, como conciertos, deportes, fiestas, clubes, etc. a través de una aplicación móvil. Dicha aplicación estará disponible para dispositivos basados en iOS y Android, en primeras fases.

La idea es proveer un servicio donde el usuario tenga acceso a información de los eventos que le rodean, basado en sus intereses, gustos y disponibilidad de tiempo, y pueda adquirir tickets para dichos eventos sin tener que realizar largas filas, e incluso sin necesidad de que deba dejar el confort de su hogar, ahorrando tiempo, dinero y esfuerzo. **Ubilet** permitirá de forma rápida y simple reservar, pre-ordenar, comprar, vender u obsequiar boletos, acceder a promociones, visualizar eventos destacados por interés o ubicación y recibir notificaciones acerca de eventos de interés.

**Ubilet** pretende no solo facilitar las transacciones de boletos, sino también convertirse en parte de la experiencia de ser parte de los eventos a los que asiste el usuario, a través de características que permitan invitar amigos, armar grupos (con los que se puede tener acceso a promociones especiales y/o rebajas en el costo de los boletos), y compartir contenido (fotos, video) y opiniones. En un futuro, y a través de conceptos como gamification, se puede apoyar en la creación de usuarios que influencien el mercado.

El equipo que se encuentra detrás de este producto está conformado por jóvenes emprendedores localizados en Ciudad de Panamá, Panamá, con experiencia y orientación al desarrollo de nuevas tecnologías, y modelos de negocio basados en aplicaciones web y móviles.

# Propuesta de Valor

Todos tenemos intereses que nos gustaría compartir con otras personas que tengan los mismos gustos, ya sea asistiendo a conciertos, conferencias, fiestas, entre otros eventos, que enriquecen y aportan valor a nuestra experiencia personal. Sin embargo, es una fuente de constante frustración el enterarse de un evento de interés a última hora, lo que generalmente hace que sea más difícil y costoso conseguir las entradas, o en los peores casos, que se pierda la asistencia por completo. También sucede que al no enterarnos de evento a tiempo, tengamos chance de comprar entradas, pero no sea posible aprovechar determinadas promociones limitadas que ofrecen los organizadores del evento.

Tenemos la idea de que la experiencia de ir a un evento no debe ser disminuida por la logística de las cosas que suceden antes del mismo. Enterarte de los eventos que te interesan no debería depender de que estés en el momento justo en el lugar preciso, más bien debería ser tan fácil como que los eventos lleguen a ti de la manera más sencilla. Con **Ubilet,** queremos brindarle comodidad y conveniencia a toda persona que quiera asistir a toda clase de evento, de forma que siempre estén enterados de los eventos que les interesan, consigan las mejores ofertas para los boletos de los mismos, y que todo siempre esté al alcance del toque de un dedo. En el mismo espíritu, queremos apoyar la promoción de eventos de cualquier categoría, para que sin importar la cobertura que se le dé en otros medios, siempre estén disponibles dentro de las opciones de entretenimiento de los usuarios de **Ubilet.**

A través de la app, podrás adquirir boletos de forma simple, cómoda y segura, invitar a amigos (social media), estar enterados de los eventos que te interesan y pre-ordenar para no esperar hasta el ultimo momento.

Al igual que myspace esta aplicación busca posicionar su éxito en las pequeñas bandas que ofrecen conciertos en locales nocturnos y que de encontrar aquí una forma de comercializar sus covers y promocionarse.

# Visión, Misión y Objetivos

## Visión

Queremos ser una empresa altamente centrada en nuestros usuarios; convertirnos en la referencia para eventos a nivel de Latinoamérica, donde los usuarios puedan encontrar y descubrir eventos de su interés, además de comprar boletos para los mismos con mínimo esfuerzo. Queremos acompañar y aportar valor al usuario en la experiencia de asistir en un evento.

## Misión

* Encontrar eventos que sean de disfrute para el usuario.
* Situarnos como un servicio de primera clase en la experiencia de comprar boletos en línea, a lo largo de América Latina, en países como Argentina, Brasil, Colombia, México, Panamá y Venezuela.
* Ofrecer un servicio de primera calidad, con alto grado de satisfacción y confianza de nuestros clientes y proveedores, ofreciendo:
* Seguridad y confianza en la plataforma de compra en línea.
* Experiencia personalizada de búsqueda, compra y obsequio de boletos.
* Valorar altamente la opinión y feedback de los usuarios
* Gestión transparente del negocio. No queremos dar la imagen de que existen pagos ocultos. (NdC: No queremos ser como ticketmaster)
* Ser una de eventos y compra de boletos, en América Latina, y posteriormente en el mundo. Queremos que el primer recurso que use el usuario para la consulta de eventos, y para la compra de boletos sea **Ubilet**.

## Objectives/Goals

The business objectives are statements defining the tangible deliverables of the business and what they are expected to achieve. The objectives should be concisely written so they can be evaluated at a later date to see whether they were achieved and to the extent they were achieved. When writing the objectives be sure that they are specific, measurable, attainable, realistic and time bound. Start out by stating the overreaching objective of the business (the primary reason for chartering the project), then follow it up with the more specific detailed objectives of the business.

You should also include any objectives which are excluded from the business. For example, someone may expect that by deploying a new helpdesk system that the productivity of the people working the helpdesk will increase, when in actuality it will not.

## Keys to Success

In this section you need to identify the keys to success for your business. What will make your business more likely to succeed than other comparable businesses? What makes your business special?

Keys to success for <Business Name> are:

* **High Quality Content.** All websites will emphasise content which is of the highest quality to the target audience.
* **Value.** People will only go to websites which offer something of value. All of our websites will emphasise value in the content and services provided.
* **Community.** The success of this business depends greatly on the building of communities on the web. Because the revenue sources are from advertising maximizing traffic on the websites is critical to its success. By building communities around these topic specific websites the sites will generate traffic and links from other sites.
* **Credibility.** Since the websites being developed are in specialized fields and targeted towards professionals and students, credibility is a key success factor.
* **Reputation.** The websites need to generate organic traffic on the Internet through referrals and word of mouth. Establishing a reputation as subject matter experts and providing high quality services and products is key to the success of this business.
* **Usability.** Providing products and services people want, even if it’s free, only works if the users can easily find what they’re looking for. Ensuring the usability of the websites adds to the likelihood of success in the business.

## Strengths, Weaknesses, Opportunities and Threats (SWOTs)

For many of us entrepreneurs it’s difficult to identify their strengths and weaknesses; especially our weaknesses. We like to think that we are capable of most anything we put our minds to and that we’re experts on most everything. However, successful entrepreneurs have a common character where they are able to objectively identify their weaknesses and seek outside help accordingly. By identifying our weaknesses we determine where we need to improve ourselves, but most importantly for what areas we should look to outsource to someone more qualified. Retrospectively, by identifying our strengths we then know what can be leveraged to build the business and ensure success.

**Strengths:**

* Principals have a combined total of 9 years of experience in website development and generating traffic (HTML Coding, Website Design, SEO, Link Building and Article Writing and Distribution).
* Experience and knowledge in the subject matters on which the websites will be developed. These subject matters are; <Subject Matter 1>, <Subject Matter 2> and <Subject Matter 3>.
* The Principals hold the following certifications; <Certification 1>, <Certification 2>, <Certification 3> and <Certification 4>.

**Weaknesses**

* Funding is limited for this start-up.

**Opportunities**

* There are a limited number of websites which have similar content.
* Content based websites is still at its infancy, this is a growing field in profiting from the Internet.

**Threats**

* Larger and better funded companies can duplicate our products and services easily.

## Strategies

The strategies section is where you sit down and develop a high level map of how you’re going to build your business. The strategies should be developed from a 15,000 foot view. You’ll use this section as your roadmap to building the business.

In order focus the development of the business, the following strategies will be followed.

* Develop websites with key search terms in the URL.
* Develop content for websites. Leverage freelancers through sites such as [www.elance.com](http://www.elance.com/) to develop content.
* Build links through reciprocal links, linkbuilding campaigns, article distribution, newsletters and blog advertising. One way inbound linking campaigns will be sourced out through [www.elance.com](http://www.elance.com/). Blog links will be developed through sites such as [www.smorty.com](http://www.smorty.com/). Articles which we don’t write ourselves will be outsourced through [www.elance.com](http://www.elance.com/) and will be circulated through various article distribution websites and newsletters.
* Build opt-in email subscription lists through enrolments on each of the websites and distribute monthly or quarterly newsletters.
* Continually add new content.
* Continually add new services, features and products.

# Products and Services

Every business produces some sort of product or service. In this section you will identify and describe the product and/or service your business will provide.

Since the business model is to generate advertising revenue from websites, <Company Name> will provide products for free. In order for these free products to attract traffic to the website they must be of the highest quality. The products the business will provide are:

* **Document Templates.** High quality templates for widely wanted documents which are easily understood and applied to the visitors needs and circumstances. The document templates will include instructions and explanations, standard verbiage and real-life examples.
* **Language Lessons.** One of the websites will provide online Chinese lessons. The lessons will include both audio and written versions, printable flash cards, online practice program and detailed breakdown and explanations of the Chinese characters. The unique approach to these lessons will be to give the student both insight into the language and the tools they need to learn it.
* **Articles.** Articles which offer advice and guidance to users in relevant topics. These articles will be located on the websites and distributed through means such as newsletters and article distribution sites.
* **Product Reviews.** Reviews of products such as books, tools and other products will be provided on the websites.

# Revenue Sources

The primary reason to start a business is to make money. In this section you will identify how your business will generate revenues.

<Business Name> will generate revenues through advertisements on the websites and in newsletters. This section identifies the advertising sources along with an estimate of the annual revenues generated by each advertising source.

Based on the three primary websites identified in this business plan, the total expected annual revenues starting after the first year is $157,000. This projection is a rough estimate and will depend greatly on the effectiveness of building traffic to the three websites. Additional revenue can be generated in the future as other services and products are developed which leverage the websites.

## Paid Per Click Advertising – Google AdSense

Pay-per-click advertising through Google AdSense is expected to generate about $128,000 per year in revenues. Relevant ads are generated by AdSense based on the content of the website. The bids for relevant ads vary according to the topic. We have based the following revenue estimates based on a pilot of each of the three websites and determining overall traffic on similar websites. The calculations for CPM are based from actual effective Cost Per Thousand earnings as measured through test pages with similar content to what the live websites will contain.

<Website 1>

Page Views per Day: 22,000

Effective CPM: $2.50

**Annual Revenue: $20,000**

<Website 2>

Page Views per Day: 4,000

Effective CPM: $28.75

**Annual Revenue: $42,000**

<Website 3>

Page Views per Day: 10,000

Effective CPM: $18.21

**Annual Revenue: $66,000**

## Affiliate Program – Amazon.com

Amazon is often referred to as the founder of the online affiliate program. They developed and perfected it at a time when online retail was at its infancy. On each of the three websites we will include a books section where we will provide book reviews along with the opportunity for people to purchase the books from Amazon.

As we didn’t have a method to create a pilot to determine projected revenues for Amazon, we based our estimates on what other people have measured from their websites. On average, actual revenues where Amazon.com affiliate program earns about 1/5 of Google AdSense. Based on this we project Amazon revenues to be approximately $25,000.

## Affiliate Program – <Affiliate Name >

<Affiliate Name> has a generous affiliate program with 30 day cookies and 10% commissions on movies. Commission for other products vary; however, Chinese language DVD’s are what we will be promoting. Reading various blogs online there are some people who claim that this is their top earning affiliate program; however, we don’t have a basis for an actual estimate. Working with a conservative estimate we calculated an average sale of 40 DVD’s per week at an average cost of $20 each. With a 10% commission this projects $4,000 in annual revenue for the Chinese language website.

# Future Growth Opportunities

We entrepreneurs know that business is dynamic and in order to succeed we need to be able to make changes to the business according to market demands. This section identified areas which the business can expand into.

## Live Online Teachers

Providing online live teachers for one on one sessions. The going price for online live teachers is $10 to $15 per hour; whereas, the going rate in the States is $40 per hour. Teachers would be located overseas in order to take advantage of the lower salaries. Concern is with time zones, as I need to have teachers available during American and European daytime and weekend hours.

## Classroom Lessons

Leverage the teachers from the live online lessons to provide classroom lessons to small groups of students. Classrooms would be located in the country of that language and would offer an immersion experience. Possibly include tourist activities and/or travelling.

## Video Lessons

Create DVD’s for lesson groups (i.e. Lesson 1 through 10). Each DVD would be about 60 minutes. DVD’s could sell online and also be distributed to stores. This would require a large upfront production cost.

## Books – Short Stories

Books of lesson material can be created along with short story books for beginner readers. There are no good books on the market for beginner readers other than children’s books. One example of such a good beginner’s book is, “Graded Chinese Reader 1”. This book includes around 2000 words based on the 1033 words of Level A and some of Level B from the HSK outline. Our books would start with short stories with words from the first 10 lessons and advance by blocks of 10 lessons at a time.

## Printed Lesson Materials

Books of lesson material can be created along with high quality glossy flash cards. The books would include more graphics and content than the online lessons.

# Marketing Plan

Marketing is key to the success of this business. The company’s operations will center around the marketing and image plans. Through our marketing, we will strive to be visible. This will be accomplished by investing in our image and building equity in it. The company will set standards which will be adhered to, through these standards the company will become credible. Becoming visible and credible are the two main goals of our marketing plan.

## Market Analysis

A market analysis has not been performed, this is not required initially since we will be selling products which are already on the market. We will perform market analysis for new product lines which we will be developing. Market analysis for these products will include surveying stores in our area, surveying consumers, and researching demand for items through other sources.

## Competition

An analysis of the competition has not been performed. During the initial start-up of the business, an analysis of the competition will be performed. Information to include in the analysis includes;

* Identify the five nearest direct competitors.
* How do they advertise?
* What are their strengths and weaknesses?
* How does their product differ from ours?

We will maintain a file on each of the five competitors. In this file we will keep copies of their advertising and promotional materials, their pricing strategy, and any other information which can be collected.

## Customer Profile

Each of the three websites will target a different customer with no overlapping of customers between the sites. Here we provide a high level profile of the customers for each of the websites.

**<website 1>**

This website targets those who want to learn Chinese. The target customer is:

**Adults** who are not students currently enrolled in school such as high school or college

**Business People** who do business in China or with Chinese speaking people

**Travellers** planning a trip to China

**<website 1>**

This website targets project managers. The target customer is:

**Project Managers** who are managing projects according to the PMI PMBOK model

**PMP Certified** project managers

**Professionals** whose job requires them to develop a project plan and are looking for a starting point to develop the project documents

**<website 3>**

This website targets small to medium sized business persons and managers. The target customer is:

**Start-up Business Owners** who are planning to start a new business

**Established Business Owners** who own and operate small to medium sized businesses

**Managers** both of businesses and corporations

## Market Size, Sales & Share Projections

Describe the size of the market in which your business will be competing. Talk about sales and market share projections for your company.

The market size for home products such as pictures and other small furnishings is virtually unlimited. In dealing with items which most people have in their homes, we are allowing for large growth over time. Our market share growth will be limited by two factors; market demand, and our ability to provide a high level of service to our customers.

## Strategies for reaching or exceeding your targeted sales levels

Our primary method of gaining new customers for wholesale sales will be through trade shows. Secondary methods to gain new customers is through magazine classified advertising, networking, word of mouth, charity associations, and local chamber of commerce. The primary method to gain new retail customers will be through the Internet using retail sites such as Amazon, Yahoo, and eBay, along with using search engines leading potential customers back to our web site.

Repeat wholesale business will be earned by providing our customers with excellent service, repeated direct contact between us and them, and direct marketing. To our existing customers we will continue to plug our name using promotional items such as posters, calendars, and t-shirts, all with our company name and logo.

Repeat retail business will be earned providing our customers with excellent service, discount offers, and direct marketing (catalogs, brochures, fliers, sale letters).

## Sales Strategy

Sales Strategy is where we discuss what methods we are going to use to reach clients, what resources we have available and will use, and our competitive edge over the competition. For some it may be difficult to think of a sales strategy in a content based web service where the business model is to provide free content. However, to ensure success of this business we must think of how we’re going to sell people on our free content.

Sales strategy is the planning of sales activities: methods of reaching clients, competitive differences and resources available. Tactics involves the day-to-day selling: prospecting, sales process, and follow-up.

## <Website 1>

This website will generate the majority of its customers through web searches. However, it will also include targeted advertising on websites with similar content.

## <Website 2>

This website will generate the majority of its customers through web searches. However, it will also include targeted advertising on websites with similar content.

## <Website 3>

This website will generate the majority of its customers through web searches. Additionally, it will target customers through industry related advertisements (trade journals) and advertising on websites with similar content and interest groups.

## Advertising and Public Relations

The advertising budget will be well funded. Advertising will consist of online registration with search engines, email and direct mail to established customers, trade magazine advertisements,

# Operations Plan

<Company Name> will operate out of the house of two of the principals of the corporation. This base of operations is located at <Address>. Since this is an online business, this facility will house only the computer equipment needed to reach the Internet and the company records.

## Location

Initially the business will be located at <Business Address>. It will be located in the residence of the primary principal, thus minimizing the startup costs.

As the business grows, there is no geographic advantage to locating it at one location over another. This is because the business is a completely online business with no requirements to be tied to a specific physical location. As such, it can be managed and operated from any global location.

## Production

Explain how you will produce the product or service your business is providing.

In order to conserve funds, where possible we will be producing our products in-house. In areas where we have limited skills, or where it can be performed more efficiently elsewhere we will outsource to freelancers.

* **Website Development and Updates.** HTML based websites will be developed in-house, PHP based websites will be outsourced through Elance. The Chinese language website will be PHP based; whereas, the other two websites will be coded in HTML.
* **Search Engine Optimization (SEO).** All SEO activities will be performed in-house except for link building. Link building will be outsourced through Elance at a cost of $200 per 50 inbound one-way links.
* **Chinese Lesson Development.** The development of the Chinese language lessons will be outsourced at the cost of $2,000 per 10 lessons. This includes the complete lesson along with an audio version. Lessons will be developed at a rate of five lessons per month.
* **Document Templates.** All document templates will be developed in-house.
* **Articles.** All articles will be developed in-house.

# Management & Administration (Organization Plan)

This section covers the ownership and management structure of the company. It is okay to have the same person fill multiple roles as this is common with many small businesses.

The management team consists of the two partners of the business; <Name 1> and <Name 2>. The management team makes up the entire staff for the company. Due to the nature of the company, hiring additional staff will not be necessary.

During the initial start-up period for the company the owners will not receive salaries or benefits. Salaries will be determined based on cash profitability and at no time will salaries exceed fifty percent of the company’s profit. The remainder of the profit will be reinvested into the company and used to pay off any outstanding debt. Salaries will be equal for all officers of the company. Benefits will be evaluated after the company becomes profitable, this will likely be outsourced to an Human Resource type company.

## Company Ownership

The corporation is owned equally by two persons; <Name 1> and <Name 2>. Upon initial incorporation each person will be granted 5,000 shares of company stock at a par value of $0.01 each. Transfer of ownership can be made as either a sale or gift. All costs associated with transferring ownership will be incurred by the person from the ownership is being transferred. First choice to purchase ownership will be given to existing principals.

## Managerial Style

**Decisions Making.** <Name> will be the final decision maker for all business decisions.

**Project Management.** Project management will be according to the PMI PMBOK standards and will follow that process. Gantt charts will be used for schedule management.

**Record Keeping.** We will use QuickBooks to manage our financial records. Other electronic means will be used to track records which cannot be captured in QuickBooks. Whenever possible, all records should be made web accessible.

**Communication.** Communication within the company will be primarily oral or through emails. For any communications for which a record is desired will be made through emails. Communication external to the company will be primarily through emails.

## Management

The management team consists of the two principals of the company. <Name 1> is the President, Director of Finance, Director of Marketing and Director of Information Technology; <Name 2> is the Director of Operations.

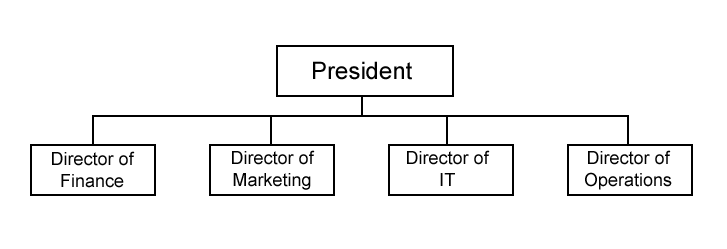
The President is responsible for overseeing the overall operation of the company. The President ensures that the company’s vision is pursued, that goals are set and followed and the company’s strategy is followed. The President reviews the Business Plan periodically to confirm that the plan is current, still applies to the company’s needs, and that the company is following the plan.

The Director of Finance is responsible for maintaining all financial records, ensuring that the company complies with all tax laws and provides financial reports to management.

The Director of Marketing is responsible for the marketing of the company, it’s products. Marketing includes product development, creating and distributing newsletters, link building and any other marketing needs that arise.

Director of Information Technology (IT) is responsible for developing and maintaining all IT systems including; website, desktop/laptop computers, applications and search engine optimisation (SEO).

The Director of Operations is responsible for the day to day operations of the business. This includes ensuring that inquiries are answered, content is maintained on the websites and the overall operations of the business continues in an organized and proficient manner.



**Figure 9.1 *Organizational Chart***

## Administration

Since this business is being managed and operated by two persons, administrative responsibilities will overlap. Primary areas of responsibility and associated tools are listed in figure 9.2, Administrative Responsibilities.

**Figure 9.2 *Administrative Responsibilities***

|  |  |  |
| --- | --- | --- |
| Administrative Task | Administrator | Tools |
| Accounting and Inventory. | President | QuickBooks |
| Payroll and Taxes | Director of Finance | Outsourced |
| Product Development | Director of Marketing | MS Word |
| Link Building | Director of Marketing | Elance |
| Advertising | Director of Marketing | Google Adwords |
| Web Page Design | Director of Marketing | Dreamweaver |
| Web Page Development and Updates | Director of Information Technology (IT) | Dreamweaver & WS\_FTP |
| Web Server | Director of Information Technology (IT) | N/A |
| Content Updating on Web Site | Director of Operations | N/A |
| Day to Day Administrative Functions | Director of Operations | N/A |

# Financial Plan

This financial plan conservatively projects the overall finances of the corporation. Although many of the projections are based off pilot programs and statistical averages, the projections are merely approximations. The success of this business is determined by its ability to offer enough free products such that the websites generate enough traffic to result in substantial advertising revenue.

## Projected Cash Flow

The projected cash flow is based on the assumption that there are no sales in the first 12 months of business.

## Start-up and Operating Budgets

The company will be funded by an initial loan of $20,000 from the principal, <Name>. The costs associated with the start-up of the business is listed below in Figure 10.1, Start-up Budget.

|  |  |  |  |
| --- | --- | --- | --- |
| Item | Category | One Time Cost | Recurring Cost (per mo.) |
| Business Incorporation Filing | Legal | $200 |  |
| Register Internet Domain Names (2 years) | Marketing | $70 | $6 |
| QuickBooks Accounting Software | Software | $200 |  |
| Corporate Seal and Stock Certs. | Legal | $100 |  |
| Web Hosting | Web Hosting | $400 | $400 |
| Website Design Services | Web Hosting | $600 | $0 |
| Content for <website 1> - First 10 lessons w/ 5 lessons every six weeks following | Content | $2,000 | $667 |
| Link Building | Marketing |  | $300 |
| Programming (Chinese Website) | IT | $2,400 |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Total |  | $5,970 | $1,373 |

**Figure 10.1 *Start-up Budget***

## Operating Budget

The monthly operating budget is based on known operating expenses on a monthly basis. The costs associated with running the business is listed below in Figure 10.3, Monthly Operating Budget.

## Accounting and Inventory Control System

We will use QuickBooks Professional accounting software to maintain our accounting and inventory records.

## Cash Flow Projections

Cash flow projections presented here are based on known start-up and ongoing expenses. The cash flow projections does not project sales and the cost of the merchandise sold, rather it shows the financial operational health of the company. Expected cash flow projections are presented in graphical format in Figure 10.4, Cash Flow Projections.



**Figure 10.4 *12 Month Cash Flow Projection***



**Figure 10.4 *3 Year Cash Flow Projection***

## Funding Requirements

Funding for the start-up and first year of operations will be provided by the principals of the corporation. Initially <Name> will provide the $20,000 for the initial start-up. No additional funding will be required.