FUSION TOMO Business Plan

# Executive Summary

This business plan outlines the strategy for sales of enterprise software planning solutions to medium-sized companies and franchises. Fusion Tomo Incorporated (FTI) will act as the direct sales arm of a software manufacturing firm based in North Dakota. We expect a high degree of profitability based on our plan to key in on businesses that have already expressed the need for such services and products to the software manufacturer. Our management expertise in dealing with corporate decision makers and our partner's reputation will be the cornerstone of our success.

## 1.1 Objectives

* Market a business planning software package to corporate managers and achieve $60K in commission fees in year one.
* Customize the software to the individual needs of each client.
* Provide training and follow-up service to each client.

## 1.2 Mission

The employees of FTI recognize that information is vital for management and presenting that information in an efficient and easily understood framework is crucial. Also, not every business manager requires similar tools; what works for a service based company might be useless for a manufacturer. That's why we market an already proven third-party software planning tool which we will customize to the client's individual needs. Although we recognize the intimate relationship between profitability and quality products, we know that our success is ultimately dependent on the well-being of our employees. (Blom, 1984)

## 1.3 Keys to Success

The success of our company is dependent on our ability to:

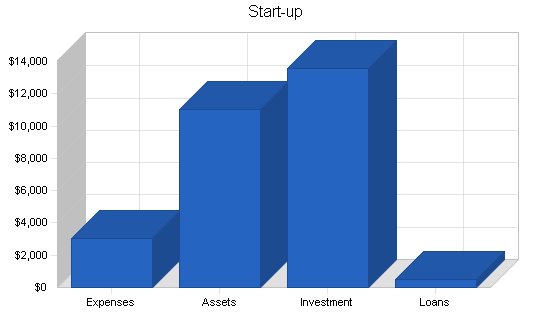
* Anticipate client’s needs.
* Adapt software solutions to these needs.
* Identify industries/corporations that need planning tools.

# Company Summary

FTI provides enterprise-corporate planning software solutions. We identify companies' planning needs and work with a third-party manufacturer to create software to address these needs. Although the actual software is produced out-of-house, we guarantee the customer the right solution.

## 2.1 Start-up Summary

Start-up expenses, which cover phone calls, office furniture, letterhead and business cards come to $3,050. We also need $11,000 of cash on hand. These costs will either be financed by owner investment or through financing from the software manufacturing partner. (Minko, 2005) Details and assumptions are summarized in the following chart and table.



## 2.2 Company Locations and Facilities

The company will be located in an office in Fargo, North Dakota. This location is ideal, as it is close to the software manufacturer's facilities and several of the first potential clients' home offices.

# Products and Services

FTI will provide medium- and large-sized companies with enterprise-wide collaborative planning solutions. We will also provide consulting services by helping companies recognize opportunities for using technology to streamline their business processes. Finally, we will provide complete training for the use of solutions purchased from us.

## 3.1 Product and Service Description

Software   
FTI software products consist of a business planning software package that is proven in the consumer market. In fact, this product is the top-rated and best-selling small business planning package. The enterprise version will be similar to the consumer version; however, it will be modified to fit the needs of different clients. The product will allow corporate sales forces and franchises to use planning tools to achieve tremendous efficiencies in their business processes.

Consulting   
FTI will perform an analysis of all potential clients' planning strategies and tactics as well as their degree of aptitude with planning software and information technology. The goal of this analysis is to ensure that all clients get a solution that best fits their needs and capabilities. Whether they decide to purchase the product or not they will have an expert analysis of their planning strategies.

Training   
FTI will provide further value to our customers, and ease the customer service burden on our partner, by ensuring that all product users are properly trained in the use of all software solutions.

## 3.2 Competitive Comparison

Alternative products do not offer a complete package of tools. For example, to get similar results from another product(s) the client would have to integrate complex spreadsheets, word processing software, instructions and Web based collaboration themselves.

## 3.3 Technology

The software package runs on Windows 95, 98, 2000, Windows NT, and Macintosh platforms.

# Market Analysis Summary

We operate in the business-to-business segment of e-commerce which recent research estimates transactions in excess of $160 billion (www.e-commerceguide.com). Our market is further segmented into companies with sales forces greater than 100 people and companies with branches, divisions or franchises in excess of 100 units.

## 4.1 Market Segmentation

We segment our market by size of sales force and number of company subunits. Our target customers will have sales operations in excess of 100 direct sales representatives or more than 100 organizational subdivisions or franchises.

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Market Analysis** | | | | | | | |
|  |  | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |  |
| Potential Customers | Growth |  |  |  |  |  | CAGR |
| Sales Companies | 3% | 500 | 515 | 530 | 546 | 562 | 2.97% |
| Franchises | 2% | 800 | 812 | 824 | 836 | 849 | 1.50% |
| Other | 5% | 200 | 210 | 221 | 232 | 244 | 5.10% |
| Total | 2.49% | 1,500 | 1,537 | 1,575 | 1,614 | 1,655 | 2.49% |

## 4.2 Target Market Segment Strategy

Our strategy is designed to target:

* Medium- to large-size organizations whose sales forces provide their clients with proposals that the client either collaborates on, or would benefit from collaboration.
* Companies that sell franchise rights and take an active role in the success of their franchises.
* Larger clients that will provide greater revenues through a larger volume of software licensing sales and greater chance of selling client interface solution.

### 4.2.1 Market Trends

The most significant trend affecting our company is the growth of business-to-business e-commerce. More and more firms recognize the need to take advantage of the exchange of information over the Internet and our products and services rely on this.

### 4.2.2 Market Growth

The fastest growing segment of the e-commerce industry is the business-to-business sector. This segment has gone from less than $50 billion to more than $160 billion in three years.

### 4.2.3 Market Needs

Customization-products that strengthen their brand and address their differences:

* We will "Private Label" the solution so as to further strengthen the clients' brand.
* We recognize that different clients will have varying levels of sophistication and we will design different product templates for each customer.

Speed, efficiency and information:

* Our product will allow the client to make better and faster business decisions and receive quicker feedback from their end-customer.
* Managers will have the ability to monitor the progress and profitability of their staff.

## 4.3 Service Business Analysis

Customers tend to buy enterprise software solutions based on reputation, price and reliability. Also, compatibility with existing or legacy systems is very important. With this in mind, the key decision makers and influencer(s) will be the companies' chief financial officer and chief information officer.

### 4.3.1 Business Participants

There are currently several companies that provide business planning software for desktop applications, but as yet none of these offer enterprise-wide solutions. Additional competitors are companies which provide word processing, spreadsheet and collaborative planning software, as well as publishers of business planning literature.