

[NAME OF BUSINESS]

BUSINESS PLAN

[date business plan issued]

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Business Plan Copy No. _____

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by [NAME OF BUSINESS] in this business plan is confidential. Therefore, the undersigned reader agrees not to disclose any of such information without the express written permission of [NAME OF BUSINESS].

It is hereby acknowledged by the undersigned that the information to be furnished in this business plan is in all respects confidential in nature (other than such information which is already in the public domain through other means) and that any disclosure or use of same by the undersigned may cause serious harm or damage to [NAME OF BUSINESS].

Upon request, this document is to be immediately returned to [NAME OF BUSINESS].

Signature

Print Name

Date

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**[NAME OF BUSINESS]
BUSINESS PLAN**

EXECUTIVE SUMMARY

(NOTE: The Executive Summary is the section of the business plan in which you give an overview of the business, its present status and future direction, and highlight the key points and the purpose of your business plan. This section should be written after the rest of the business plan, and should not exceed 3 pages in length - that's why it's called a "summary".)

Background

[NAME OF BUSINESS] (the "Business") is a sole proprietorship owned and operated by _____ (the "Principal"). The Principal has ____ years experience as an automotive mechanic and holds _____ [set out the licensing, certification etc. held by the principal.] The Business will operate as an auto repair and towing business in _____ [location].

Objectives

The Business's long-term goals are (i) to provide high quality services to our customers in an efficient and expedient manner, so as to encourage repeat business and create a loyal customer base; (ii) to generate sufficient profits to finance future growth and to provide the resources necessary to achieve the other objectives of the Business and its owner; and (iii) to grow at a steady and manageable rate.

The short-term objective is to start up the Business quickly and inexpensively, with a minimum of debt.

The Market

[briefly outline the market and available customer base in the area, the number of competitors already servicing that market, and the reason(s) why customers will choose your business over the competitors]

Capital Requirements

The purpose of the business plan is to secure a loan in the amount of \$_____. The loan proceeds will be used to _____.

I. OBJECTIVES

(NOTE: This section sets out the corporate objectives, mission statement, current phase of your business, and the Business' goals and objectives for future growth.)

1.1 Goals & Objectives

[In this section, set out the Business' goals (desired achievements / sales levels / etc) and objectives (steps necessary in order to reach the goals).]

The Business' goals are:

- revenues of \$_____ by the end of Year 1, and \$_____ by the end of Year 3 of the Plan;
- gross margin of at least ____%;
- positive net worth by the end of Year ____;
- [other]

In order to attain the above goals, the Business will carry out the following specific objectives:

- [list objectives and dates by which they will be accomplished in order to reach the stated goals]

1.2 Mission Statement

The Business will provide high-quality, efficient, expedient and experienced services to local residents, businesses and farmers. By providing top level services and communicating effectively with our customers, the Business will generate enough repeat customers to provide a stable client base and generate sufficient profits to meet the needs of the Business and the financial goals of the owner. By _____ [year], the Business will be well positioned and recognized as a leader in the automotive repair field, with sales in excess of \$_____.

1.3 Factors for Success

The keys to the Business' success are:

- marketing and networking, creating a brand;
- quick response times;
- provision of high-quality reliable service;
- developing good long-term relationships with customers and suppliers.

1.4 Risk Factors

The Business has identified the following risk factors which could hamper its success:

- problems generating visibility and positioning;
- overly aggressive and debilitating actions by competitors;
- loss of a key supplier;
- changes in federal or state / provincial legislation applicable to the industry;
- *[include any other risk factors]*

Worst case scenarios would include:

- determining that the business cannot support itself on an ongoing basis;
- having to liquidate equipment or intellectual property to cover liabilities;
- *[include any other "worst case" situations]*

II. THE BUSINESS

(NOTE: Use this section to describe the history, structure, purpose, operations, board of directors, outside consultants and strategic alliances of the business. If you are starting up a new company, describe the proposed structure, and set out the reasons for starting up the business.)

2.1 Background & Structure

The Business will be a sole proprietorship, owned and operated by _____ (the "Principal"). The Principal has ____ years experience as an automotive mechanic and holds _____ [set out the licensing, certification etc. The Principal will inject \$_____ of his/her own capital into the Business as start-up capital.

While initially a sole proprietorship, incorporation may be explored as a later option.

2.2 Outside Consultants & Professional Advisors

At present, no outside consultants or professional advisors have been retained. [if outside consultants have been retained, list them and their credentials:] The Business' outside consultants and professional advisors provide tremendous input and support to enable management to make well-informed, creative and appropriate decisions:

- [accountant/cpa]
- [legal counsel]
- [others]

2.3 Suppliers

Having a dependable and economic supply of parts in the vehicle repair business is extremely important. The Business has developed a solid relationship with _____, a major supplier based in _____ [location]. Their parts and warranty are equal to brand name parts at ____% of the cost. This supplier also offers 30 day terms for payment, which is advantageous for cash flow and saves on COD charges.

The Business also has a relationship with a number of other suppliers, for tires and other items. A list of these suppliers is attached in the Appendixes.

III. DESCRIPTION OF PRODUCTS & SERVICES

(NOTE: In this section, describe your current products and services, the unique features, prices, etc that you offer, current and future R&D plans, enhancements, production and distribution strategies. Include data on proprietary processes, patents, copyrights, etc, which make your products unique.)

3.1 Products & Services

[describe the Business' products and services in detail, and discuss why customers will purchase your products / services over those of your competitors]

The Business will provide repair services for cars, trucks, farm machinery and recreation vehicles, as well as tire and muffler service. We have the skills and knowledge to work on all makes and models of domestic and foreign vehicles.

In addition, we will offer 24-hour towing service within a ____-[mile / kilometer] radius of _____ [location]. This service will be beneficial to the Business, both as a source of additional income and as a value added service to customers of the shop. The Principal believes that it is both impractical and costly to rely on other towing companies to tow vehicles to the repair shop. With as much as ____% of the towing fee going to pay for fuel, profits will not be large, however, management feels it is a much needed service that will complement the business.

3.2 Warranty

The Business will offer a 90-day full labor warranty on repair work. Parts warranty is generally 90 days. The Business will not charge a customer labor when replacing defective parts.

3.3 Contingency Plan

If the Principal is injured or ill and temporarily unable to work, the Business will hire a mechanic on piecework to assure continuity of service. The Principal can secure the services of ___ experienced mechanics in case of emergency, to keep the Business running and ensure that there is no downtime.

3.4 Facilities & Operations

The Business will [purchase / lease] a _____ square foot shop, with enough space to hold _____ repair bays. The shop has large overhead doors which will allow repair of trucks and large machinery in addition to cars, vans and recreational vehicles. The shop has up-to-date repair and diagnostic equipment, including _____.

The building has a cement floor, a grease pit with hoist, and [natural gas] heating and is in relatively good condition. There is also an office area, a small customer area and bathroom facilities. Some renovations are required before business can commence in the location. These include _____. Management estimates renovation costs will be approximately \$_____ and will take about _____ weeks to complete.

The building has been inspected by _____ [insert name of government department or authority] to ensure that it passes all environmental requirements. Used oil and antifreeze storage contains and pick-up service will be provided by _____.

Hours of operation will be from ____ AM to _____ PM Monday through _____. The shop will be closed on [weekends / Sundays] and on holidays. During the months of _____, the Business will extend its hours to meet the needs of rural customers.

The Business [has purchased / leased OR will purchase / lease] the following computer and office equipment: [list office equipment owned, leased or in the process of being purchased / leased]

IV. MARKET ANALYSIS & MARKETING PLAN

(NOTE: Use this section to identify your current market (if an existing business) and/or your target market (for new or expanding businesses), the growth potential of the market, market share, competitors and their products and services, factors which impact your business (such as seasonal sales, niche markets, etc). This section will also be where you outline your marketing plan (sales, advertising, PR).)

4.1 Industry Analysis

[Market research will be required for this section. Discuss the industry in general, and specifically in your area, growth or lack of growth, current trends, etc]

The auto repair industry is very competitive and fragmented. Many shops offer either repair services or parts inventory. Only a few, typically major national chains, offer both. The remainder are usually privately-owned establishments.

The large chains are engaged principally in the retail sale of automotive parts, tires and accessories, automotive maintenance and service, and the installation of parts. Larger competitors have adopted the "supercenter" store model, a freestanding, "one-stop" shopping automotive warehouse that features start-of-the-art service bays. These shops carry thousands of stock-keeping units and serve the automotive aftermarket needs of the "do-it-yourselfer", smaller automotive service shops, tire and buy-for-resale customer sectors. They generally carry a large inventory of tires, batteries, new and remanufactured parts for domestics and imports, as well as automotive tools, electronics and accessories. Their repair departments typically handle routine maintenance, such as oil changes, tire replacement and rotation, and tune-ups.

4.2 Target Market

[set out demographics for your target market - age range, gender, education level, income level, etc - to create a profile of your target market segments.]

The target market for the Business are people who own automobiles, heavy equipment or recreational vehicles, and who want quality repair work done in a timely fashion at reasonable prices. For the most part, these customers will come from the immediate area, however, a small percentage will travel from fringe areas, attracted by a quality operation.

There are _____ households within a ___-mile radius of the shop's location. Statistics show that these households spend an average of \$_____ per year on repairs and service. This translates into a potential market of \$_____. If the Business is able to capture a 10% share of this market, it would garner \$_____ in annual sales.

In addition, there are approximately _____ businesses in the area which operate trucks or heavy machinery, that require ongoing repairs and maintenance. These potential customers represent an estimated \$_____ in annual sales. The Principal has done repair work for several of these businesses in the past, including _____. The Business has received letters of intent from _____, indicating that they intend to utilize our services once the shop is operational.

THIS IS A 20-PAGE DOCUMENT. THE FOREGOING IS A SAMPLE PREVIEW.