

How to Start a Flower Shop Business

By the BizMove.com Team

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1. Determining the Feasibility of Your New Business

A. Preliminary Analysis

This guide is a checklist for the owner/manager of a business enterprise or for one contemplating going into business for the first time. The questions concentrate on areas you must consider seriously to determine if your idea represents a real business opportunity and if

you can really know what you are getting into. You can use it to evaluate a completely new venture proposal or an apparent opportunity in your existing business.

Perhaps the most crucial problem you will face after expressing an interest in starting a new business or capitalizing on an apparent opportunity in your existing business will be determining the feasibility of your idea. Getting into the right business at the right time is simple advice, but advice that is extremely difficult to implement. The high failure rate of new businesses and products indicates that very few ideas result in successful business ventures, even when introduced by well established firm. Too many entrepreneurs strike out on a business venture so convinced of its merits that they fail to thoroughly evaluate its potential.

This checklist should be useful to you in evaluating a business idea. It is designed to help you screen out ideas that are likely to fail before you invest extensive time, money, and effort in them.

Preliminary Analysis

A feasibility study involves gathering, analyzing and evaluating information with the purpose of answering the question: "Should I go into this business?" Answering this question involves first a preliminary assessment of both personal and project considerations.

General Personal Considerations

The first seven questions ask you to do a little introspection. Are your personality characteristics such that you can both adapt to and enjoy business ownership/management?

1. Do you like to make your own decisions?
2. Do you enjoy competition?
3. Do you have will power and self-discipline?
4. Do you plan ahead?
5. Do you get things done on time?
6. Can you take advise from others?
7. Are you adaptable to changing conditions?

The next series of questions stress the physical, emotional, and financial strains of a new business.

8. Do you understand that owning your own business may entail working 12 to 16 hours a day, probably six days a week, and maybe on holidays?
9. Do you have the physical stamina to handle a business?
10. Do you have the emotional strength to withstand the strain?
11. Are you prepared to lower your standard of living for several months or years?

12. Are you prepared to lose your savings?

Specific Personal Considerations

1. Do you know which skills and areas of expertise are critical to the success of your project?
2. Do you have these skills?
3. Does your idea effectively utilize your own skills and abilities?
4. Can you find personnel that have the expertise you lack?
5. Do you know why you are considering this project?
6. Will your project effectively meet your career aspirations?

The next three questions emphasize the point that very few people can claim expertise in all phases of a feasibility study. You should realize your personal limitations and seek appropriate assistance where necessary (i.e. marketing, legal, financial).

7. Do you have the ability to perform the feasibility study?
8. Do you have the time to perform the feasibility study?
9. Do you have the money to pay for the feasibility study done?

General Project Description

1. Briefly describe the business you want to enter.

2. List the products and/or services you want to sell

3. Describe who will use your products/services

4. Why would someone buy your product/service?

5. What kind of location do you need in terms of type of neighborhood, traffic count, nearby firms, etc.?

6. List your product/services suppliers.

7. List your major competitors - those who sell or provide like products/services.

8. List the labor and staff you require to provide your products/services. _____

B. Requirements For Success

To determine whether your idea meets the basic requirements for a successful new project, you must be able to answer at least one of the following questions with a "yes."

1. Does the product/service/business serve a presently unserved need?
2. Does the product/service/business serve an existing market in which demand exceeds supply?
3. Can the product/service/business successfully compete with an existing competition because of an "advantageous situation," such as better price, location, etc.?

Major Flaws

A "Yes" response to questions such as the following would indicate that the idea has little chance for success.

1. Are there any causes (i.e., restrictions, monopolies, shortages) that make any of the required factors of production unavailable (i.e., unreasonable cost, scarce skills, energy, material, equipment, processes, technology, or personnel)?
2. Are capital requirements for entry or continuing operations excessive?
3. Is adequate financing hard to obtain?
4. Are there potential detrimental environmental effects?
5. Are there factors that prevent effective marketing?

C. Desired Income

The following questions should remind you that you must seek both a return on your investment in your own business as well as a reasonable salary for the time you spend in operating that business.

1. How much income do you desire?

2. Are you prepared to earn less income in the first 1-3 years?

3. What minimum income do you require?

4. What financial investment will be required for your business?

5. How much could you earn by investing this money?

6. How much could you earn by working for someone else?

7. Add the amounts in 5 and 6. If this income is greater than what you can realistically expect from your business, are you prepared to forego this additional income just to be your own boss with the only prospects of more substantial profit/income in future years?

8. What is the average return on investment for a business of your type? _____

D. Preliminary Income Statement

Besides return on investment, you need to know the income and expenses for your business. You show profit or loss and derive operating ratios on the income statement. Dollars are the (actual, estimated, or industry average) amounts for income and expense categories. Operating ratios are expressed as percentages of net sales and show relationships of expenses and net sales.

For instance 50,000 in net sales equals 100% of sales income (revenue). Net profit after taxes equals 3.14% of net sales. The hypothetical "X" industry average after tax net profit might be 5% in a given year for firms with 50,000 in net sales. First you estimate or forecast income (revenue) and expense dollars and ratios for your business. Then compare your estimated or actual performance with your industry average. Analyze differences to see why you are doing better or worse than the competition or why your venture does or doesn't look like it will float.

These basic financial statistics are generally available for most businesses from trade and industry associations, government agencies, universities and private companies and banks

Forecast your own income statement. Do not be influenced by industry figures. Your estimates must be as accurate as possible or else you will have a false impression.

1. What is the normal markup in this line of business. i.e., the dollar difference between the cost of goods sold and sales, expressed as a percentage of sales?

2. What is the average cost of goods sold percentage of sales?

3. What is the average inventory turnover, i.e., the number of times the average inventory is sold each year?

4. What is the average gross profit as a percentage of sales?

5. What are the average expenses as a percentage of sales?

6. What is the average net profit as a percent of sales?

7. Take the preceding figures and work backwards using a standard income statement format and determine the level of sales necessary to support your desired income level.

8. From an objective, practical standpoint, is this level of sales, expenses and profit attainable?

ANY BUSINESS, INC.
 Condensed Hypothetical Income Statement
 For year ending December 31

Item	Amount	Percent
Gross sales	773,888	
Less returns, allowances, and cash discounts	14,872	
Net sales	759,016	100.00
Cost of goods sold	589,392	77.65
Gross profit on sales	169,624	22.35
Selling expenses	41,916	5.52
Administrative expenses	28,010	3.69
General expenses	50,030	6.59
Financial expenses	5,248	0.69
Total expenses	125,204	16.50
Operating profit	44,220	5.85
Extraordinary expenses	1,200	0.16
Net profit before taxes	43,220	5.69
taxes	19,542	2.57
Net profit after taxes	23,678	3.12

E. Market Analysis

The primary objective of a market analysis is to arrive at a realistic projection of sales. after answering the following questions you will be in a better positions to answer question eight immediately above.

Population

1. Define the geographical areas from which you can realistically expect to draw customers.

2. What is the population of these areas?

3. What do you know about the population growth trend in these areas? _____

4. What is the average family size?

5. What is the age distribution?

6. What is the per capita income?

7. What are the consumers' attitudes toward business like yours?

8. What do you know about consumer shopping and spending patterns relative to your type of business?

9. Is the price of your product/service especially important to your target market?

10. Can you appeal to the entire market?

11. If you appeal to only a market segment, is it large enough to be profitable?

F. Competition

1. Who are your major competitors?

2. What are the major strengths of each?

3. What are the major weaknesses of each?

4. Are you familiar with the following factors concerning your competitors:

Price structure?

Product lines (quality, breadth, width)?

Location?

Promotional activities?

Sources of supply?

Image from a consumer's viewpoint?

5. Do you know of any new competitors?

6. Do you know of any competitor's plans for expansion?

7. Have any firms of your type gone out of business lately?

8. If so, why?

9. Do you know the sales and market share of each competitor?

10. Do you know whether the sales and market share of each competitor are increasing, decreasing, or stable?

11. Do you know the profit levels of each competitor?

12. Are your competitors' profits increasing, decreasing, or stable?

13. Can you compete with your competition?

G. Sales

1. Determine the total sales volume in your market area.

2. How accurate do you think your forecast of total sales is?

3. Did you base your forecast on concrete data?

4. Is the estimated sales figure "normal" for your market area?

5. Is the sales per square foot for your competitors above the normal average?

6. Are there conditions, or trends, that could change your forecast of total sales?

7. Do you expect to carry items in inventory from season to season, or do you plan to mark down products occasionally to eliminate inventories? If you do not carry over inventory, have you adequately considered the effect of mark-down in your pricing? (Your gross profits margin may be too low.)

8. How do you plan to advertise and promote your product/service/business?

9. Forecast the share of the total market that you can realistically expect - as a dollar amount and as a percentage of your market.

10. Are you sure that you can create enough competitive advantages to achieve the market share in your forecast of the previous question?

11. Is your forecast of dollar sales greater than the sales amount needed to guarantee your desired or minimum income?

12. Have you been optimistic or pessimistic in your forecast of sales? _____

13. Do you need to hire an expert to refine the sales forecast?

14. Are you willing to hire an expert to refine the sales forecast?

H. Supply

1. Can you make a list of every item of inventory and operating supplies needed?
2. Do you know the quantity, quality, technical specifications, and price ranges desired?
3. Do you know the name and location of each potential source of supply?
4. Do you know the price ranges available for each product from each supplier?
5. Do you know about the delivery schedules for each supplier?
6. Do you know the sales terms of each supplier?
7. Do you know the credit terms of each supplier?
8. Do you know the financial condition of each supplier?
9. Is there a risk of shortage for any critical materials or merchandise?
10. Are you aware of which supplies have an advantage relative to transportation costs?
11. Will the price available allow you to achieve an adequate markup?

I. Expenses

1. Do you know what your expenses will be for: rent, wages, insurance, utilities, advertising, interest, etc?
2. Do you need to know which expenses are Direct, Indirect, or Fixed?
3. Do you know how much your overhead will be?
4. Do you know how much your selling expenses will be?

Miscellaneous

1. Are you aware of the major risks associated with your product? Service Business?

2. Can you minimize any of these major risks?
3. Are there major risks beyond your control?
4. Can these risks bankrupt you? (fatal flaws)

J. Venture Feasibility

1. Are there any major questions remaining about your proposed venture?
2. Do the above questions arise because of a lack of data?
3. Do the above questions arise because of a lack of management skills?
4. Do the above questions arise because of a "fatal flaw" in your idea?
5. Can you obtain the additional data needed?

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2. Starting Your Business Step by Step

Things to Consider Before You Start

This guide will walk you step by step through all the essential phases of starting a successful retail business. To profit in a retail business, you need to consider the following questions: What business am I in? What goods do I sell? Where is my market? Who will buy? Who is my competition? What is my sales strategy? What merchandising methods will I use? How much money is needed to operate my store? How will I get the work done? What management controls are needed? How can they be carried out? Where can I go for help?

As the owner, you have to answer these questions to draw up your business plan. The pages of this Guide are a combination of text and suggested analysis so that you can organize the information you gather from research to develop your plan, giving you a progression from a common sense starting point to a profitable ending point.

What Is a Business Plan?

The success of your business depends largely upon the decisions you make. A business plan allocates resources and measures the results of your actions, helping you set realistic goals and make logical decisions.

You may be thinking, "Why should I spend my time drawing up a business plan? What's in it for me?" If you've never worked out a plan, you are right in wanting to hear about the possible benefits before you do the work. Remember first that the lack of planning leaves you poorly equipped to anticipate future decisions and actions you must make or take to run your business successfully. A business plan Gives you a path to follow. A plan with goals and action

steps allows you to guide your business through turbulent often unforeseen economic conditions.

A plan shows your banker the condition and direction of your business so that your business can be more favorably considered for a loan because of the banker's insight into your situation.

A plan can tell your sales personnel, suppliers, and others about your operations and goals.

A plan can help you develop as a manager. It can give you practice in thinking and figuring out problems about competitive conditions, promotional opportunities and situations that are good or bad for your business. Such practice over a period of time can help increase an owner-manager's ability to make judgments.

A second plan tells you what to do and how to do it to achieve the goals you have set for your business.

What Business Am I In?

In making your business plan, the first question to consider is: What business am I really in? At first reading, this question may seem silly. "If there is one thing I know," you say to yourself, "it is what business I'm in." Hold on and think. Some owner-managers have gone broke and others have wasted their savings because they did not define their businesses in detail. Actually they were confused about what business they were in.

Look at an example. Mr. Jet maintained a dock and sold and rented boats. He thought he was in the marina business. But when he got into trouble and asked for outside help, he learned that he was not necessarily in the marina business. He was in several businesses. He was in the restaurant business with a dockside cafe, serving meals to boating parties. He was in the real estate business, buying and selling lots. He was in boat repair business, buying parts and hiring a mechanic as demand rose. Mr. Jet was trying to be too many things and couldn't decide which venture to put money into and how much return to expect. What slim resources he had were fragmented.

Before he could make a profit on his sales and a return on his investment, Mr. Jet had to decide what business he really was in and concentrate on it. After much study, he realized that he should stick to the marina format, buying, selling, and servicing boats.

Decide what business you are in and write it down - define your business.

To help you decide, think of answers to questions like: What do you buy? What do you sell? Which of your lines of goods yields the greatest profit? What do people ask you for? What is it that you are trying to do better or more of or differently from your competitors? Write it down in detail.

Planning Your Marketing

When you have decided what business you are in, you are ready to consider another important part of your business plan. Marketing. Successful marketing starts with the owner-manager. You have to know the merchandise you sell and the wishes and wants of your customers you can appeal to. The objective is to move the stock off the shelves and display racks at the right price and bring in sales dollars.

The text and suggested working papers that follow are designed to help you work out a marketing plan for your store.

Determining the Sales Potential

In retail business, your sales potential depends on location. Like a tree, a store has to draw its nourishment from the area around it. The following questions should help you work through the problem of selecting a profitable location.

In what part of the city or town will you locate?

In the downtown business section?

In the area right next to the downtown business area?

In a residential section of the town?

On the highway outside of town?

In the suburbs?

In a suburban shopping center?

On a worksheet, write where you plan to locate and give your reasons why you chose that particular location.

Now consider these questions that will help you narrow down a place in your location area.

What is the competition in the area you have picked?

How many of the stores look prosperous?

How many look as though they are barely getting by?

How many similar stores went out of business in this area last year?

How many new stores opened up in the last year?

What price line does competition carry?

Which store or stores in the area will be your biggest competitors?

Again, write down the reasons for your opinions. Also write out an analysis of the area's economic base and give the reason for your opinion. Is the area in which you plan to locate supported by a strong economic base? For example, are nearby industries working full time? Only part time? Did any industries go out of business in the past several months? Are new industries scheduled to open in the next several months?

When you find a store building that seems to be what you need, answer the following questions:

Is the neighborhood starting to get run down?

Is the neighborhood new and on the way up? (The local Chamber of Commerce may have census data for your area. Census Tracts on Population, published by the Bureau of Census, may be useful. Other sources on such marketing statistics are trade associations and directories).

Are there any super highways or through-ways planned for the neighborhood?

Is street traffic fairly heavy all day?

How close is the building to bus lines and other transportation?

Are there adequate parking spaces convenient to your store?

Are the sidewalks in good repair (you may have to repair them)?

is the street lighting good?

Is your store on the sunny side of the street?

What is the occupancy history of this store building? Does the store have a reputation for failures? (Have stores opened and closed after a short time)?

Why have other businesses failed in this location?

What is the physical condition of the store?

What service does the landlord provide?

What are the terms of the lease?

How much rent must you pay each month?

Estimate the gross annual sales you expect in this location.

When you think you have finally solved the site location question, ask your banker to recommend people who know most about location in your line of business. Contact these people and listen to their advice and opinions, weigh what they say, then decide.

How to Attract Customers

When you have a location in mind, you should work through another aspect of marketing. How will you attract customers to your store? How will you pull business away from your competition?

It is in working with this aspect of marketing that many retailers find competitive advantages. The ideas that they develop are as good as and often better than those that large companies develop. The work blocks that follow are designed to help you think about image, pricing, customer service policies, and advertising.

Image

A store has an image whether or not the owner is aware of it. For example, throw some merchandise onto shelves and onto display tables in a dirty, dimly lit store and you've got an image. Shoppers think of it as a dirty, junky store and avoid coming into it. Your image should be concrete enough to promote in your advertising and other promotional activities. For example, "home-cooked" food might be the image of a small restaurant.

Write out on a worksheet the image that you want shoppers and customers to have of your store.

Pricing

Value received is the key to pricing. The only way a store can have low prices is to sell low-priced merchandise. Thus, what you do about the prices you charge depends on the lines of

merchandise you buy and sell. It depends also on what your competition charges for these lines of merchandise. Your answers to the following questions should help you to decide what to do about pricing.

In what price ranges are your line of merchandise sold

High _____, Medium _____, or Low _____?

Will you sell for cash only?

What services will you offer to justify your prices if they are higher than your competitor's prices?

If you offer credit, will your price have to be higher than if all sales are for cash? The credit costs have to come from somewhere. Plan for them.

If you use credit card systems, what will it cost you? Will you have to add to your prices to absorb this cost.

Customer Service Policies

The service you provide your customers may be free to them, but you pay for it. For example, if you provide free parking, you pay for your own parking lot or pick up your part of the cost of a lot you share with other retailers.

Make a list of the services that your competitors offer and estimate the cost of each service. How many of these services will you have to provide just to be competitive? Are there other services that would attract customers but that competitors are not offering? If so, what are your estimates of the cost of such services? Now list all the services you plan to offer and the estimated costs. Total this expense and figure out how you can include those added costs in your prices without pricing your merchandise out of the market.

Planning Your Advertising Activities

Advertising was saved until the last because you have to have something to say before advertising can be effective. When you have an image, price range, and customer services, you are ready to tell prospective customers why they should shop in your store.

When the money you can spend for advertising is limited, it is vital that your advertising be on target. Before you think about how much money you can afford for advertising, take time to determine what jobs you want to do for your store. List what makes your store different from your competitors. List the facts about your store and its merchandise that your advertising should tell shoppers and prospective customers.

When you have these facts listed and in hand, you are ready to think about the form your advertising should take and its cost. Ask the local media (newspapers, radio and television, and printers of direct mail pieces) for information about the services and results they offer for your money.

How you spend advertising money is your decision, but don't fall into the trap that snares many advertisers who have little or no experience with advertising copy and media selection. Advertising is a profession. Don't spend a lot of money on advertising without getting professional advice on what kind and how much advertising your store needs.

The following work sheet can be useful in determining what advertising is needed to sell your strong points to prospective customers.

Form of Advertising	Size of Audience	Frequency of Use	Cost of a single ad	Est. Cost
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
			Total	_____

When you have a figure on what your advertising for the next twelve months will cost, check it against what similar stores spend. Advertising expense is one of the operating ratios (expenses as a percentage of sales) that trade associations and other organizations gather. If your estimated cost for advertising is substantially higher than this average for your line of merchandise, take a second look. No single expense item should be allowed to get way out of line if you want to make a profit. Your task in determining how much to spend for advertising comes down to the question, "How much can I afford to spend and still do the job that needs to be done?"

In-store Sales Promotion

To complete your work on marketing, you need to think about what you want to happen after prospects get inside your store. Your goal is to move stock off your shelves and displays at a profit and satisfy your customers. You want repeat customers and money in your cash register.

At this point, if you have decided to sell for cash only, take a second look at your decision. Don't overlook the fact that Americans like to buy on credit. Often a credit card, or other system of credit and collections, is needed to attract and hold customers. Customers will have more buying confidence and be more comfortable in your store if they know they can afford to buy. Credit makes this possible.

To encourage people to buy, self-service stores rely on layout, attractive displays, signs and clearly marked prices on the items offered for sale. Other stores combine these techniques with personal selling.

List the display counters, racks, special equipment (something peculiar to your business like a frozen food display bin or a machine to measure and cut cloth), and other fixtures. Figure the cost of all fixtures and equipment by listing them on a worksheet as follows:

Type of equipment	Number	X Unit Cost	= Cost
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Draw several layouts of your store and attach the layout that suits you to the cost worksheet. Determine how many signs you may need for a twelve month operation and estimate that cost also.

If your store is a combination of self-service and personal selling, how many sales persons and cashiers will you need? Estimate, I will need _____ sales persons at \$ _____ each week (include payroll taxes and insurance in this salaries cost). In a year, salaries will cost: _____.

Personal attention to customers is one strong point that a store can use as a competitive tool. You want to emphasize in training employees that everyone has to pitch in and get the job done. Customers are not interested in job descriptions, but they are interested in being served promptly and courteously. Nothing is more frustrating to a customer than being ignored by an employee. Decide what training you will give your sales people in the techniques of how to greet customers, show merchandise, suggest other items, and handle customer needs and complaints.

Buying

When buying merchandise for resale, you need to answer questions such as:

Who sells the line to retailers? Is it sold by the manufacturer directly or through wholesalers and distributors?

What delivery service can you get and must you pay shipping charges?

What are the terms of buying?

Can you get credit?

How quickly can the vendor deliver fill-in orders?

You should establish a source of supply on acceptable terms for each line of merchandise and estimate a plan for purchasing as follows:

Name of Item	Name of Supplier	Address Supplier	Disc. Offered	Delv. Time(1)	Freight Costs(2)	Fill-in Policy(3)
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

(1) How many days or weeks does it take the supplier to deliver the merchandise to your store.

(2) Who pays? You, the buyer? The supplier? Freight or transportation costs are a big expense item.

(3) What is the supplier's policy on fill-in orders? That is, do you have to buy a gross, a dozen, or will the supplier ship only two or three items? How long does it take for the delivery to get into your store?

Stock Control

Often shoppers leave without buying because the store did not have the items they wanted or the sizes and colors were wrong. Stock control, combined with suppliers whose policies on fill-in orders are favorable to you, provides a way to reduce "walkouts".

The type of system you use to keep informed about your stock, or inventory, depends on your line of merchandise and the delivery dates provided by your suppliers.

Your stock control system should enable you to determine what needs to be ordered on the basis of: (1) what is on hand, (2) what is on order, and (3) what has been sold. Some trade associations and suppliers provide systems to members and customers, otherwise your accountant can set up a system that is best for your business. Inventory control is based upon either a perpetual or a periodic method of accounting that involves cost considerations as well as stock control. When you have decided what system you will use to control stock, estimate its cost. You may not need an extensive (and expensive) control system because you do not need the detailed information such a system collects. The system must justify its costs or you will just waste money and time on a useless effort.

Stock Turnover

When an owner-manager buys reasonably well, you can expect to turnover stock several times a year. For example, the stock in a small camera shop should turnover four times to four and a half times a year. What is the average stock turnover per year of your line of merchandise? How many times do you expect your stock to turnover? List the reasons for your estimate.

Behind-the-Scenes Work

In a retail store, behind-the-scenes work consists of the receiving of merchandise, preparing it for display, maintaining display counters and shelves, and keeping the store clean and attractive to customers. The following analytical list will help you decided what to do and the cost of those actions.

First list the equipment (for example a marking machine for pricing, shelves, a cash register) you will need for: (1) receiving merchandise (2) preparing merchandise for display, (3) maintaining display counters and shelves, and (4) keeping the store clean. Next list the supplies you will need for a year, for example, brooms, price tags, and business forms.

Use this format to figure these costs:

Name of Equip./Supplies	Quantity	X Unit Cost	= Cost
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Who will do the back-room work and the cleaning that is needed to make a smooth operation in the store? If you do it yourself, how many hours a week will it take you? Will you do these chores after closing? If you use employees, what will they cost? On a worksheet describe how you plan to handle these tasks. For example:

Back-room work will be done by one employee during the slack sales times of the day. I estimate that the employee will spend _____ hours per week on these tasks and will cost _____ (number of hours times hourly wages) per week and _____ per year.

I will need _____ square feet of space for the back-room operation. This space will cost _____ per square foot or a total of _____ per month.

List and analyze all expense items in the same manner. Examples are utilities, office help, insurance, telephone, postage, accountant, payroll taxes, and licenses or other local taxes. If you plan to hire others to help manage, analyze these salaries.

How Much Money Will You Need

At this point, take some time to think about what your business plan means in terms of dollars. This section is designed to help you put your plan into dollars.

The first question concerns the source of dollars. After your initial capital investments in a retail store, the main source of money is sales. What sales volume do you expect to do in the first twelve months? Write your estimate here _____, and justify your estimate.

Start-Up Costs:

List the following estimated start-up costs:

Fixtures and equipment*	_____
Starting inventory	_____
Decorating and remodeling	_____
Installation of equipment	_____
Deposits for utilities	_____
Legal and professional fees	_____
Licenses and permits	_____
Advertising for the opening	_____
Accounts receivable	_____
Operating cash	_____
Total	_____

*Transfer your figures from previous worksheets.

Whether you have the funds (say in savings) or borrow the money, your new business will have to pay back start-up costs. Keep this fact in mind as you work on estimating expenses and on other financial aspects of your plan.

Expenses

In connection with annual sales volume you need to think about expenses. If, for example, you plan to do sales amounting to \$100,000, what will it cost you to do this amount of business? How much profit will you make? A business must make a profit or close.

The following exercise will help you to make an estimate of your expenses. To do this exercise you need to know the total cost of goods sold for your line of merchandise for the period (month or year) that you are analyzing. Cost of goods sold is expressed as a percentage of sales and is called an operating ratio. Check with your trade association to get the operating ratios for your business's. The following is the format for an Income Statement with operating ratios substituted for dollar amounts.

**Summary of Operating Ratios
of 250 high Profit Hardware Stores**

Sales		Percent of sale
Cost of Goods Sold		100.00
		-64.92
Margin		<hr/> 35.08
Expenses		
Payroll and other employee expenses	16.23	
Occupancy expenses	3.23	
Office supplies and postage	0.40	
Advertising	1.49	
donations	0.08	
Telephone and telegraph	0.24	
Bad Debts	0.30	
Delivery	0.47	
Insurance	0.66	
Taxes (other than real estate and payroll)	0.46	
Interest	0.61	
Depreciation (other than real estate)	0.57	
Supplies	0.37	
Legal and accounting expenses	0.31	
Dues and subscription	0.08	
Travel, buying, and entertainment	0.19	
Unclassified expenses	0.64	
	<hr/>	
Total operating expense		-26.33
Net operating profit		8.75
Other income		1.65
		<hr/>
Net profit before income taxes		10.40

Now using your operating ratio for cost of goods sold and your estimated Sales Revenue, you can breakdown your expenses by substituting your ratios and dollar amounts in the Income Statement.

Notice that Gross Margin must be large enough to provide for your expenses and profit.

	Expressed in Percent	Expressed in dollars	Your Percentage	Your Dollars
1. Sales	100	\$100,000	100	\$ ___
2. Cost of Goods Sold	-66	-66,000	___	-\$ ___
3. Gross Margin	<hr/> 34	<hr/> \$34,000	<hr/> ___	<hr/> \$ ___

and continue to fill out the entire Income Statement. Work out statements monthly or for the year.

Cash Forecast

A budget helps you to see the dollar amount of your expected revenue and expenses each month. Then from month to month the question is: Will sales bring in enough money to pay for

the store's bills? The owner-manager must prepare for the financial peaks and valleys of the business cycle. A cash forecast is a management tool that can eliminate much of the anxiety that can plague you if your sales go through lean months. Use the following format.

Estimated Cash Forecast

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
(1) Cash in Bank (Start of Month)	---	---	---	---	---	---	---	---	---	---	---	---	---
(2) Petty Cash (Start of Month)	---	---	---	---	---	---	---	---	---	---	---	---	---
(3) Total Cash (add (1) and (2))	---	---	---	---	---	---	---	---	---	---	---	---	---
(4) Expected Accounts Receivable	---	---	---	---	---	---	---	---	---	---	---	---	---
(5) Other Money Expected	---	---	---	---	---	---	---	---	---	---	---	---	---
(6) Total Receipts (add (4) and (5))	---	---	---	---	---	---	---	---	---	---	---	---	---
(7) Total Cash and Receipts (add (3) and (6))	---	---	---	---	---	---	---	---	---	---	---	---	---
(8) All Disbursements (for month)	---	---	---	---	---	---	---	---	---	---	---	---	---
(9) Cash Balance at end of Month in Bank Account and Petty Cash (subtract (8) from (7))*	---	---	---	---	---	---	---	---	---	---	---	---	---

*This balance is your starting figure for the next month

Is Additional Money Needed? Suppose at this point that your business needs more money than can be generated by present sales. What do you do? If your business has great potential or is in good financial condition, as shown by its balance sheet, you will borrow money (from a bank most likely) to keep the business operating during start-up and slow sales periods. The loan can be repaid during the fat sales months when sales are greater than expenses. Adequate working capital is needed for success and survival; but cash on hand (or the lack of it) is not necessarily an indication that the business is in bad financial shape. A lender will look at your balance sheet to see the business's Net Worth of which cash and cash flow are only a part. The balance sheet statement shows a business's Net Worth (financial position) at a given point in time, say at the close of business at the end of the month or at the end of the year.

Free Retail Business Plan How To.

Even if you do not need to borrow money you may want to show your plan and balance sheet to your banker. It is never too early to build good relations and credibility (trust) with your banker. Let your banker know that you are a manager who knows where you want to go rather than someone who merely hopes to succeed.

Control and Feedback

To make your plan work you need feedback. For example, the year-end profit and loss (income) statement shows whether your business made a profit or took a loss for the past twelve months.

Don't wait twelve months for the score. To keep your plan on target you need readings at frequent intervals. An income statement compiled at the end of each month or at the end of each quarter is one type of frequent feedback. Also you must set up management controls that help you insure that the right things are done each day and week. Organization is needed because you as the owner-manager cannot do all the work. You must delegate work, responsibility, and authority. The record keeping systems should be set up before the store opens. After you're in business it is too late.

The control system that you set up should give you information about stock, sales, receipts and disbursement. The simpler the accounting control system, the better. Its purpose is to give you current useful information. You need facts that expose trouble spots. Outside advisers, such as accountants can help.

Stock Control

The purpose of controlling stock is to provide maximum service to your customers. Your aim should be to achieve a high turnover rate on your inventory. The fewer dollars you tie up in stock, the better.

In a store, stock control helps the owner-manager offer customers a balanced assortment and enables you to determine what needs ordering on the basis of (1) what is on hand, (2) what is on order, and (3) what has been sold.

When setting up inventory controls, keep in mind that the cost of the stock is not your only cost. There are inventory costs, such as the cost of purchasing, the cost of keeping stock control records, and the cost of receiving and storing stock.

Sales

In a store, sales slips and cash register tapes give the owner-manager feedback at the end of each day. To keep on top of sales, you need answers to questions, such as: How many sales were made? What was the dollar amount? What were the best selling products? At what price? What credit terms were given to customers?

Receipts

Break out your receipts into receivables (money still owned such as a charge sale) and cash. You know how much credit you have given, how much more you can give, and how much cash you have with which to operate.

Disbursement

Your management controls should also give you information about the dollars your company pays out. In checking on your bills, you do not want to be penny-wise and pound-foolish. You should pay bills on time to take advantage of supplier discounts. Your review systems should also give you the opportunity to make judgments on the use of the funds. In this manner, you can be on top of emergencies as well as routine situations. Your system should also keep you aware that tax monies, such as payroll income tax deductions, must be set aside and paid out at the proper time.

Break-Even Analysis

Break-even analysis is a management control device that approximates how much you must sell in order to cover your costs with no profit and no loss. Profit comes after break-even.

Profit depends on sales volume, selling price, and costs. Break-even analysis helps you to estimate what a change in one or more of these factories will do to your profit. To figure a break-even point, fixed costs (like rent) must be separated from variable costs (like the cost of goods sold).

The break-even formula is:

$$\text{Break-even point (in sales dollars)} = \frac{\text{Total fixed costs}}{1 - \frac{\text{Total variable costs}}{\text{Corresponding sales volume}}}$$

Sample break-even calculations: Bill Mason plans to open a shoe store and estimates his fixed expenses at about \$9,000 the first year. He estimates variable expenses of about \$700 for every \$1,000 of sales. How much must the store gross to break-even?

$$\text{BE point} = \frac{\$9,000}{1 - \frac{700}{1,000}} = \frac{\$9,000}{1 - 0.70} = \frac{\$9,000}{0.30} = \$30,000$$

Is Your Plan Workable?

Stop when you have worked out your break-even point. Whether the break-even point looks realistic or way off base, it is time to make sure that your plan is workable.

Take time to re-examine your plan before you back it with money. If the plan is not workable, better to learn it now than to realize six months down the road that you are pouring money into a losing venture.

In reviewing your plan, look at the cost figures you drew up when you broke down your expenses for the year (operating ratios on the income statement). If any of your cost items are too high or too low, change them. You can write your changes above or below your original entries on the worksheet. When you finish making your adjustments, you will have a revised projected statement of sales and expenses.

With your revised figures, work out a revised break-even analysis. Whether the new break-even point looks good or bad, take one more precaution. Show your plan to someone who has not been involved in working out the details with you. Get an impartial, knowledgeable second opinion. Your banker, or other advisor may see weaknesses that failed to appear as you went over the plan details. These experts may see strong points that your plan should emphasize.

Put Your Plan Into Action

When your plan is as thorough and accurate as possible you are ready to put it into action. Keep in mind that action is the difference between a plan and a dream. If a plan is not acted upon, it is of no more value than a wishful dream. A successful owner-manager does not stop after gathering information and drawing up a business plan, as you have done in working through this Guide. use the plan.

At this point, look back over your plan. Look for things that must be done to put your plan into action. What needs to be done will depend on your situation and goals. For example, if your business plan calls for an increase in sales, you may have to provide more funds for this expansion. Have you more money to put into this business? Do you borrow from friends and relatives? From your bank? From your suppliers (through credit terms?) If you are starting a new business, one action may be to get a loan for fixtures, stock, employee salaries, and other expenses. Another action will be to find and to hire capable employees.

Now make a list of things that must be done to put your plan into action. Give each item a date so that it can be done at the appropriate time.

To put my plan into action, I must:

1. Do (action) _____ By _____(date)
2. etc.

Keep Your Plan Current

Once you put your plan into action, look out for changes. They can cripple the best business no matter how well planned. Stay on top of changing conditions and adjust your business plan accordingly. Sometimes the change is within your company. For example, several of your sales persons may quit. Sometimes the change is with the customers whose desires and tastes shift and change or refuse to change. Sometimes the change is technological as when products are created and marketed.

In order to adjust your plan to account for such changes, you the owner-manager, must:

Be alert to the changes that come about in your line of business, in your market, and in your customers.

Check your plan against these changes.

Determine what revisions, if any, are needed in the business plan.

The method you use to keep your plan current so that your business can weather the changing forces of the market place is up to you. Read trade and business papers and magazines and review your plan periodically. Once each month or every other month, go over your plan to see whether or not it needs adjusting. Certainly you will have more accurate dollar amounts to work with after you have been in business for a time. Make revisions and put them into action. You must be constantly updating and improving. A good business plan must evolve from experience and the best current information. A good business plan is good business.

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3. Complete Flower Shop Business Plan Template

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1.0 Executive Summary

COMPANY NAME

OWNER'S NAME

INSERT ADDRESS

Phone:

Email:

Introduction

COMPANY NAME provides flower and gift delivery to the Williamsburg, VA area. Upon receipt of grant funding, the Company will launch a wholesale floral operation in Hampton, Virginia.

Location

COMPANY NAME retail location is in Williamsburg, VA 23185.

The Company

The Company offers a large variety of fresh cut flowers, arrangements and gifts. COMPANY NAME is a sole proprietorship owned 100% by INSERT NAME. INSERT NAME has been in the floral business since 1999. COMPANY NAME is committed to quality and service. The Company's 100% Satisfaction Guarantee is our personal commitment to creating long term relationships with our customers.

Our Services

COMPANY NAME will offer a variety of floral products and services including; fresh cut flowers, flower arrangements, flower vases/containers, gifts, delivery and internet ordering.

The Market

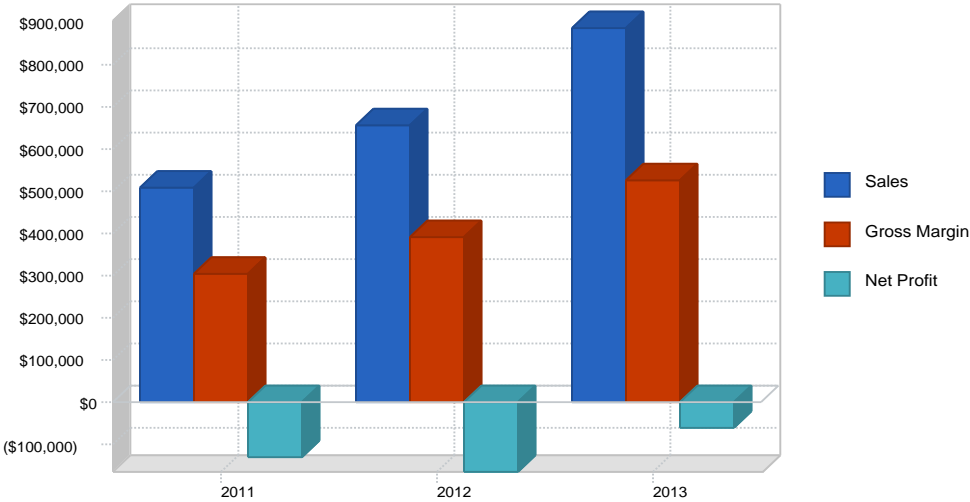
COMPANY NAME retail store is located in Williamsburg, Virginia. The wholesale operation will be located in Hampton, Virginia. The Company will target households and floral shops in Williamsburg and Hampton, Virginia and the surrounding City and County areas.

Financial Considerations

The current financial plan for COMPANY NAME is to obtain grant funding in the amount of \$600,000. The grant will be used to launch our wholesale division including leasehold improvements, purchase coolers and display cases, purchase of office furniture, fixtures and equipment, purchase of Company vans and cars, upgrading our website, hiring employees and launching an advertising campaign.

Chart: Highlights

Highlights



1.1 Objectives

COMPANY NAME has the following objectives:

1. To exceed our customers' expectations with quality, value and professional service
2. Build a loyal satisfied customer base
3. Expand operations in the Williamsburg and surrounding areas
4. Launch a wholesale floral operation in Hampton, Virginia
5. Launch an advertising campaign in the first quarter of 2011
6. Hire employees to help with unemployment in our area
7. Financial stability and future growth using grant funds over the next three years

1.2 Mission

COMPANY NAME mission is to provide quality customer services and 100% guarantees on all products and services. To give back to the community by providing needed services and promote quality of life.

1.3 Keys to Success

COMPANY NAME's keys to success are:

1. On time delivery and quality of products
2. The Company's 100% Satisfaction Guarantee

3. The Company's personal commitment to creating long term relationships with our customers

4. Staff training and knowledge

5. Community service

2.0 Company Summary

COMPANY NAME

OWNER'S NAME

INSERT ADDRESS

Phone:

Email:

COMPANY NAME provides flower and gift delivery to the Williamsburg, VA area. The Company offers a large variety of fresh cut flowers, arrangements and gifts. The goal is to exceed our customers' expectations with quality, value and professional service. COMPANY NAME is a sole proprietorship owned 100% by INSERT NAME. INSERT NAME has been in the floral business since 1999.

Our Services and guarantee:

1. 100% Satisfaction Guaranteed
2. The Customer's Satisfaction is Our #1 Concern
3. Committed to Quality and Service
4. Flowers & Gifts for All Occasions
5. Personalized Care with Each Order
6. Enjoy the Convenience of Ordering Online

COMPANY NAME is committed to quality and service. The Company's 100% Satisfaction Guarantee is our personal commitment to creating long term relationships with our customers. The customer's satisfaction is our Number One priority, not just because it's our job, but because we care.

We choose only the freshest, highest quality flowers and our shop has a professional and caring staff to serve all your floral needs. Your gift will arrive beautifully presented and personalized with your message. Our experienced staff of designers will help customers choose the perfect flowers for the occasion.

Upon receipt of grant funding, the Company will launch a wholesale floral operation in Hampton, Virginia. Due to the time in business and the relationships INSERT NAME has cultivated, the Company will be able to purchase flowers directly from growers and master distributors. This will enable the Company to service the existing florists in the State of Virginia.

2.1 Company Ownership

COMPANY NAME is a sole proprietorship for tax purposes, 100% owned by INSERT NAME, an African-American woman. INSERT NAME has been in the floral business since 1999 and is responsible for all operational and administrative aspects of the business.

2.2 Company History

INSERT NAME, owner of COMPANY NAME, started in the floral business in 1999 in Chesapeake, Virginia. INSERT NAME has developed key business contacts allowing her to grow the business substantially in the last year from sales of \$21,832 in 2009 to estimated sales of \$85,000 for 2010. INSERT NAME has developed relationships with growers and major suppliers of flowers and upon receipt of grant funding will launch a wholesale operation.

The 2010 Profit and Loss Statement is estimated based on the actual activity through September 30, 2010. As the Company is a sole proprietorship, the Balance Sheet for year end 2010 is estimated based on average balances at the end of each month for cash, amount of inventory in stock, accounts payable and fixed assets which are fully depreciated.

The Company's growth will come from its strength's; 100% customer guarantee, commitment to quality and service, design and arrangement capabilities, experience and a loyal satisfied customer base.

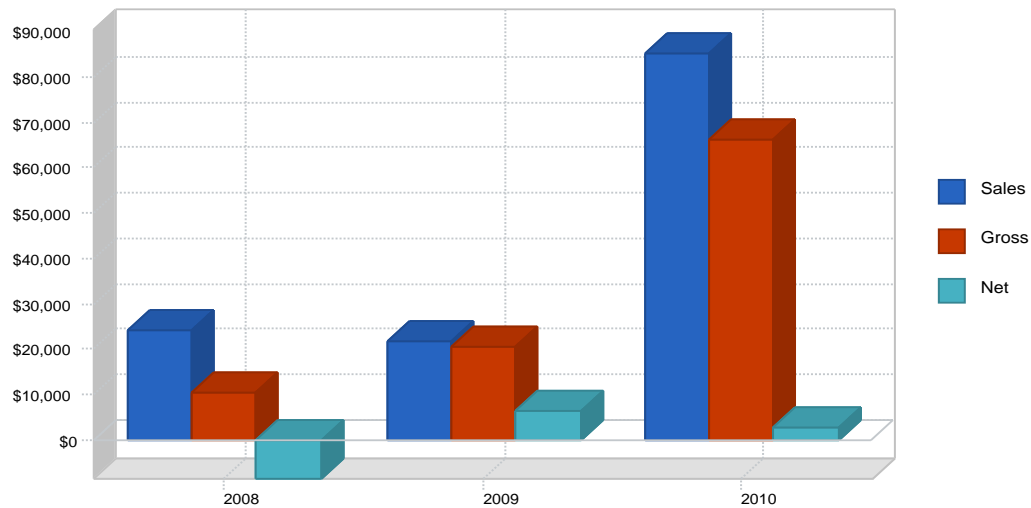
Table: Past Performance

<i>Past Performance</i>			
	2008	2009	2010
Sales	\$24,056	\$21,832	\$85,000
Gross Margin	\$10,556	\$20,542	\$66,300
Gross Margin %	43.88%	94.09%	78.00%
Operating Expenses	\$19,077	\$13,925	\$63,600
Inventory Turnover	0.00	0.00	9.35
Balance Sheet			
	2008	2009	2010
Current Assets			
Cash	\$0	\$0	\$500
Inventory	\$0	\$0	\$4,000
Other Current Assets	\$0	\$0	\$0
Total Current Assets	\$0	\$0	\$4,500
Long-term Assets			
Long-term Assets	\$0	\$0	\$6,000
Accumulated Depreciation	\$0	\$0	\$6,000
Total Long-term Assets	\$0	\$0	\$0
Total Assets	\$0	\$0	\$4,500
Current Liabilities			

Accounts Payable	\$0	\$0	\$1,400
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities (interest free)	\$0	\$0	\$0
Total Current Liabilities	\$0	\$0	\$1,400
Long-term Liabilities	\$0	\$0	\$0
Total Liabilities	\$0	\$0	\$1,400
Paid-in Capital	\$100	\$100	\$100
Retained Earnings	\$8,421	(\$6,717)	\$300
Earnings	(\$8,521)	\$6,617	\$2,700
Total Capital	\$0	\$0	\$3,100
Total Capital and Liabilities	\$0	\$0	\$4,500
Other Inputs			
Payment Days	0	0	30

Chart: Past Performance

Past Performance



3.0 Products

COMPANY NAME will offer a variety of floral products and services.

PRODUCTS

- * Fresh Cut Flowers - The Company will have a variety of fresh cut flowers daily.
- * Original Floral Designs - Using a Wide Mix of Flowers while each floral arrangement will be a natural, original work of art. The company is committed to making each arrangement unique and custom-designed based on each customer's needs. The Company's floral arrangements will feature a wide range of seasonal flowers. All sample arrangements in the store will be available for purchase.
- * Unique Containers - The Company will select and offer distinctive vases for the discretionary buyer or for a special occasion, as well as affordable options for routine purchases.
- * Green and Flowering House Plants - The Company may occasionally offer a selection of seasonal green and flowering house plants.
- * Floral accessories - Balloons, bears, candy etc.
- * Wedding and Funeral arrangements
- * Special event arrangements for commercial businesses
- * Variety of prices - The Company will offer a variety of arrangement sizes, and will always create a unique arrangement to meet anyone's stated budget.

* Hand-tied Bouquets - For customers who prefer to use their own vases, the Company will offer hand-tied bouquets.

SERVICES

Delivery in the Williamsburg County and surrounding County areas

Commercial Account Program including:

* Free initial consulting. For retail and office tenants who are interested in a weekly delivery program, the Company will conduct an initial free, on-site visit to the customer's office or store to determine the optimum floral design plan.

* Priority delivery program. The Company will work with each commercial customer to determine a weekly delivery schedule, and will assure that arrangements are delivered on the same day each week at the same time.

Gift Cards - The Company will offer \$25, \$50, \$75 and \$100 gift certificates and gift cards

Surveys/Comment Cards. The Company will use in-store comment cards as well as occasional surveys to ensure products and services are meeting customers' expectations.

4.0 Market Analysis Summary

COMPANY NAME retail store is located in Williamsburg, Virginia. The wholesale operation will be located in Hampton, Virginia.

Hampton is an independent city in Virginia, and therefore not part of any Virginia county. As one of the seven major cities that comprise the Hampton Roads metropolitan area, it is on the southeastern end of the Virginia Peninsula. As of the census of 2000, there were 146,524 people, 53,887 households, and 35,888 families residing in the city.

Williamsburg is an independent city located on the Virginia Peninsula in the Hampton Roads metropolitan area of Virginia. As of the census of 2000, there are 11,998 people, 3,619 households, and 1,787 families residing in the city.

York County - As of the census of 2000, there were 56,297 people, 20,000 households, and 15,880 families residing in the county.

James City County - As of the 2000 census there were 48,102 people, 19,003 households, and 13,986 families residing in the county.

Norfolk is an independent city in the Commonwealth of Virginia - As of the census of 2000; there were 234,403 people, 86,210 households, and 51,898 families residing in the city.

Portsmouth is an independent city located in the Hampton Roads metropolitan areas of the U.S. Commonwealth of Virginia - As of the census of 2000; there were 100,565 people, 38,170 households, and 25,497 families residing in the city.

Virginia Beach is an independent city located in the Hampton Roads metropolitan area of Virginia - As of the census of 2000; there were 425,257 people, 154,455 households, and 110,898 families residing in the city.

Poquoson is an independent city located on the Virginia Peninsula, in the Hampton Roads metropolitan area - As of the census of 2000; there were 11,566 people, 4,166 households, and 3,370 families residing in the city.

Chesapeake is an independent city located in the South Hampton Roads portion of the Hampton Roads metropolitan area of Virginia - As of the census of 2000; there were 199,184 people, 69,900 households, and 54,172 families residing in the city.

Newport News is an independent city in the Hampton Roads metropolitan area of Virginia - As of the census of 2000; there were 180,150 people, 69,686 households, and 46,341 families residing in the city.

Isle of Wight County is a county located in the Hampton Roads metropolitan area of the Commonwealth of Virginia - As of the census of 2000; there were 29,728 people, 11,319 households, and 8,670 families residing in the county.

Suffolk is an independent city located in the Hampton Roads metropolitan area of Virginia - As of the census of 2000; there were 63,677 people, 23,283 households, and 17,718 families residing in the city.

Gloucester County is within the Commonwealth of Virginia in the Hampton Roads metropolitan area - As of the 2005 census, there were 38,293 people, 15,663 households, and 9,884 families residing in the county.

4.1 Market Segmentation

COMPANY NAME has the following market segments:

1. Households in Williamsburg, Virginia and the surrounding Cities and Counties for direct product purchases from the Company's retail store
2. Florists - The Company will wholesale fresh cut flowers and arrangements to florists in the Williamsburg, Virginia and the surrounding Cities and Counties.
3. Internet Sales - The Company will update their website with the ability to tie-into social media websites.

The Company will aggressively advertise during the peak selling holiday seasons; Valentine's Day, Mother's Day, Thanksgiving and Christmas.

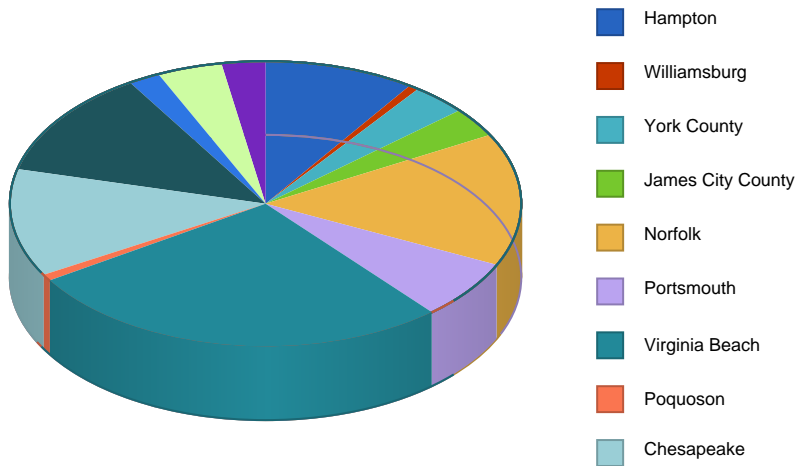
COMPANY NAME's market segmentation scheme is fairly straightforward, and focuses on the target market, households in the Williamsburg, Virginia and the surrounding Cities and Counties. The information contained in the market analysis table, displays the Company's main markets.

Table: Market Analysis

Market Analysis							
		2011	2012	2013	2014	2015	
Potential Customers	Growth						CAGR
Hampton	2%	53,887	54,965	56,064	57,185	58,329	2.00%
Williamsburg	1%	3,619	3,655	3,692	3,729	3,766	1.00%
York County	1%	20,000	20,200	20,402	20,606	20,812	1.00%
James City County	1%	19,003	19,193	19,385	19,579	19,775	1.00%
Norfolk	2%	86,210	87,934	89,693	91,487	93,317	2.00%
Portsmouth	2%	38,170	38,933	39,712	40,506	41,316	2.00%
Virginia Beach	2%	154,455	157,544	160,695	163,909	167,187	2.00%
Poquoson	1%	4,166	4,208	4,250	4,293	4,336	1.00%
Chesapeake	1%	69,900	70,599	71,305	72,018	72,738	1.00%
Newport News	1%	69,686	70,383	71,087	71,798	72,516	1.00%
Isle of Wight County	1%	11,319	11,432	11,546	11,661	11,778	1.00%
Suffolk	1%	23,283	23,516	23,751	23,989	24,229	1.00%
Gloucester County	1%	15,663	15,820	15,978	16,138	16,299	1.00%
Total	1.59%	569,361	578,382	587,560	596,898	606,398	1.59%

Chart: Market Analysis (Pie)

Market Analysis (Pie)



4.2 Target Market Segment Strategy

COMPANY NAME will target its market segments as follows:

Households - The Company will launch an aggressive advertising campaign in the Williamsburg, Virginia and surrounding areas. This will be done with direct mailers, door hangers, yellow pages, newspaper advertising, and radio advertising. Additionally the Company will update their website with the ability to tie-into social media websites.

Wholesale to Floral shops - The Company will wholesale fresh cut flowers and arrangements to florists in the Williamsburg and surrounding areas. The Company will send a media kit to all of the florists in the targeted areas and the owner will visit shops as a personal touch and relationship will have to be formed for Florist to trust and use our service.

4.3 Industry Analysis

Holiday purchases traditionally drive the florist industry. The holidays, along with birthdays and anniversaries, are ideal dates for purchases of fresh flowers and floral arrangements.

For reference, the following chart ranks floral purchases by holiday:

Holiday	Purchase %
Valentine's Day	36%
Mother's Day	27.4%
Christmas & Hanukkah	15.1%
Easter & Passover	8.9%
Thanksgiving Day	7.4%
Sweetest Day	1.2%
Administrative Professional's Day	1.1%
St. Patrick's Day	0.9%
Grandparent's Day	0.9%
Halloween	0.5%
Father's Day	0.4%
Boss' Day	0.2%

Source: American Floral Endowment Consumer Tracking Study

Capturing Valentine's Day Business:

Valentine's Day ranks number one in single-day holiday cut flower purchases, capturing 34 percent of transactions and 36 percent of dollar volume. Eighty percent of consumers who buy floral arrangements for the romantic holiday purchase cut flowers. According to the International Mass Retailers Association (IMRA), men are more likely to give flowers than women, and men plan to spend \$95 on the average, while women plan to spend \$60. The average amount spent per household is approximately \$94.50, and the trend is an upward one.

To maximize Valentine's Day revenue with add-on sales, COMPANY NAME will offer special, seasonal gourmet chocolates in addition to the store's normal gourmet chocolates. Chocolates account for 75% of Valentine's Day candy sales, which totaled

an estimated \$1.1 billion in 2002. A survey conducted by the Chocolate Manufacturers Association revealed that 50 percent of women are likely to give a gift of chocolate to a man for Valentine's Day.

4.3.1 Competition and Buying Patterns

Profile of Traditional Buyers of Floral Arrangements:

Which households buy fresh cut flowers, how often and how much do they spend? According to the American Floral Endowment Consumer Tracking Study, consumer spending is on the rise. For example, the percentage of U.S. households making at least one fresh cut flower purchase during the year continues to increase. The frequency of consumer flower purchases is also remaining consistent.

- 27.7% of all US Household purchased fresh cut flowers at least once per year.
- The average floral purchase per buying household was 3.7 times.
- The average purchase price per buying household was \$62.63.
- The most frequent purchases are women over 35, with incomes in excess of \$30,000 who live in metropolitan areas with populations greater than 2.5 million.
- Seventy percent of floral buys are planned purchases.

Source: American Floral Endowment Consumer Tracking Study.

COMPANY NAME has three different types of competitors:

Retail Stores - There are many retail florist shops in the Williamsburg County and surrounding County areas. These are small operations that rely on walk-in local business. Most local florists do not deliver giving COMPANY NAME an advantage.

Wholesale Florists - There are few wholesale Florists in the County. The Company's advantage is the personal relationship the owner has cultivated with growers and master distributors enabling the Company to purchase a wide variety of fresh flowers at an advantageous price.

On-line Florists - In addition to traditional florists, floral arrangements can be purchased via the Internet. Such services are offered by FTD.com, 1-800-Flowers, etc. Orders are then given to local florist to deliver. When the floral arrangements arrive, they require

arranging, and often the finished product may not match the photo that drove the purchase. Deliveries present another challenge if the gift recipient isn't home. The flowers are either returned to the shipper's distribution center where they remain in a box, or they are left in the box on a doorstep for an undetermined amount of time. In either situation, the quality of the live, perishable flowers is reduced. The Company's internet marketing advantage is its ability to control the buying process; from the point of order to design, arrangement and delivery to the customer.

5.0 Web Plan Summary

COMPANY NAME current website offers current information on service offerings, company background, product offerings, a shopping cart, discounts and specials. The Company will use grant funds to update their website, create a website for the wholesale division and social media marketing.

Currently, the Company has been in conversation with several persons qualified to provide an attractive and exciting web page; however, the Company hasn't made a final decision. The Company is focusing on web designers that are residents of the Williamsburg County community. The Company feels very strongly in keeping its funds within the community. The website is another method to generate steady business in its area.

5.1 Website Marketing Strategy

Our website will be promoted on all of our marketing materials. We will advertise our site on our business cards as well as in other industry related publications.

As numerous studies have documented, most people buy based on the conversation and recommendations of trusted friends, family and colleagues. Finding the people that influence their peers' decisions where to shop and what to buy has long been viewed as the Holy Grail of marketing. Increasingly, online social networks are being seen as venues for locating these influencers. The Company plans to tie-into social media sites to expand our presence on the web to our targeted customers.

5.2 Development Requirements

COMPANY NAME website is an attractive, simple and informative internet focused website. The Company will update their website and will make sure that its very user friendly and effective. The Company plans to tie-into social media sites to expand our presence on the web to our targeted base.

6.0 Strategy and Implementation Summary

COMPANY NAME has clearly defined the target market and has differentiated itself by offering a solid solution to fulfilling its customers' needs. Reasonable sales targets have

been established with an implementation plan designed to ensure the goals set forth below are achieved.

6.1 SWOT Analysis

COMPANY NAME

The SWOT analysis aids in displaying the internal strengths and weaknesses that COMPANY NAME must address. It allows us to examine the opportunities presented to COMPANY NAME as well as potential threats. The Company's **strength** will help it to succeed. These strengths are:

1. Experience - INSERT NAME has been in the floral business over 10 years
2. Floral Designs - The Company has a strong background and training in floral design and arrangements
3. Customer Service - our goal is to exceed our customers' expectations with quality, value and professional service
4. Customer Base - The Company has a strong loyal satisfied customer base

Strengths are valuable, but it is also important to realize the **weaknesses** COMPANY NAME must address. These weaknesses include the lack of funding to expand and grow the business. The Companies strengths will help it capitalize on emerging **opportunities**. These opportunities include, but are not limited to:

1. Opening additional retail operations in the surrounding County areas
2. Expand wholesale service throughout the State of Virginia
3. Increasing the number of clients substantially with internal efficiencies and marketing strategy
4. Growing market with a significant percentage of our target market still not knowing we exist
5. Strategic alliances offering sources for referrals and joint marketing activities to extend our reach.

Threats that the company should be aware of include, the economy, fuel costs and the cost of purchasing and importing flowers.

6.1.1 Strengths

COMPANY NAME Strengths are:

1. Experience - INSERT NAME has been in the floral business over 10 years

2. Floral Designs - The Company has a strong background and training in floral design and arrangements

3. Customer Service - our goal is to exceed our customers' expectations with quality, value and professional service

4. Customer Base - The Company has a strong loyal satisfied customer base

6.1.2 Weaknesses

COMPANY NAME weaknesses come from the lack of funding to expand and grow the business from a retail and wholesale basis. Grant funds will be used to launch our wholesale division including leasehold improvements, purchase coolers and display cases, purchase of office furniture, fixtures and equipment, purchase of Company vans and cars, upgrading our website, hiring employees and launching an advertising campaign.

6.1.3 Opportunities

Opportunities for COMPANY NAME include:

- 1. Opening additional retail operations in the surrounding County areas**
- 2. Expand wholesale service throughout the State of Virginia**
- 3. Increasing the number of clients substantially with internal efficiencies and marketing strategy**
- 4. Growing market with a significant percentage of our target market still not knowing we exist**
- 5. Strategic alliances offering sources for referrals and joint marketing activities to extend our reach**

6.1.4 Threats

COMPANY NAME's threats are a bad economy, fuel costs and cost of purchasing and importing flowers.

6.2 Competitive Edge

COMPANY NAME competitive edge is the skill, caring and talent that INSERT NAME brings to the Company. Her design talent and creativity are well known by her customers. The Company has an honest and trustworthy reputation in the community. The Company will maintain an equally talented staff to assist INSERT NAME.

The Company will use its strengths to compete in the local market:

1. 100% Satisfaction Guaranteed
2. Your Satisfaction is Our #1 Concern
3. Committed to Quality and Service
4. Flowers & Gifts for All Occasions
5. Personalized Care with Each Order
6. Delivery to all of our areas serviced

The Company has a loyal base of satisfied customers to draw business from as word of mouth is an important factor in the retail floral trade. COMPANY NAME is known as a warm, friendly and inviting place to shop for your floral arrangements.

6.3 Marketing Strategy

COMPANY NAME marketing strategy is to continue to expand services into the Williamsburg and surrounding areas by utilizing an aggressive advertising campaign and website social media advertising.

The Company will target households with Direct Mailers, newspaper & magazine advertising and through social websites. INSERT NAME plans on contacting/introducing/expanding its wholesale business. A personal touch will be needed for this effort as a trust will have to be formed to secure customers.

6.4 Sales Strategy

The owner of COMPANY NAME believes strongly in customer service, friendly, courteous and timely customer service. Making sure the customer is satisfied not only with the flowers and arrangements they purchased with the customers service provided and shopping experience.

The Company will use grant money to launch our wholesale operation and improve the internal environment for a more upscale shopping experience. The Company will also increase their inventory of product for sale giving the customer a wider variety of goods for purchase.

Currently, Day Dreamers OBV is working on an Advertising Campaign starting in the first quarter of 2011 that will include the following:

1. Direct Mailers and Door Hangers

2. Newspaper Advertising

3. Radio Advertising

4. Develop and launch Website and social media advertising.

The Advertising Campaign will give the Company new customer leads in Williamsburg and the surrounding areas.

6.4.1 Sales Forecast

The sales forecast table is broken down into two main revenue streams:

Retail Sales: The Company has a retail store location in Williamsburg, VA. The Company estimates sales for 2011 of \$160,000 with a 25% increase for 2012 and 2013 due to the advertising campaign, website social media advertising and the increase in the variety of flowers and products offered due to the launch of the wholesale operation. Cost of sales is estimated at 15%.

Wholesale Sales: The Company has secured contacts for the import of flowers enabling the Company to launch wholesale operations. The Company estimates sales of \$350,000 during 2011, first year of operations with a 30% increase for 2012 and a 40% increase in sales for 2013. Cost of Sales is estimated at 30%.

Table: Sales Forecast

Sales Forecast			
	2011	2012	2013
Sales			
Retail Sales	\$160,000	\$200,000	\$250,000
Wholesale Sales	\$350,000	\$455,000	\$637,000
	\$0	\$0	\$0
Total Sales	\$510,000	\$655,000	\$887,000
Direct Cost of Sales	2011	2012	2013
Retail Sales	\$24,000	\$30,000	\$37,500
Wholesale Sales	\$105,000	\$136,500	\$191,100
	\$0	\$0	\$0
Subtotal Direct Cost of Sales	\$129,000	\$166,500	\$228,600

Chart: Sales Monthly

Sales Monthly

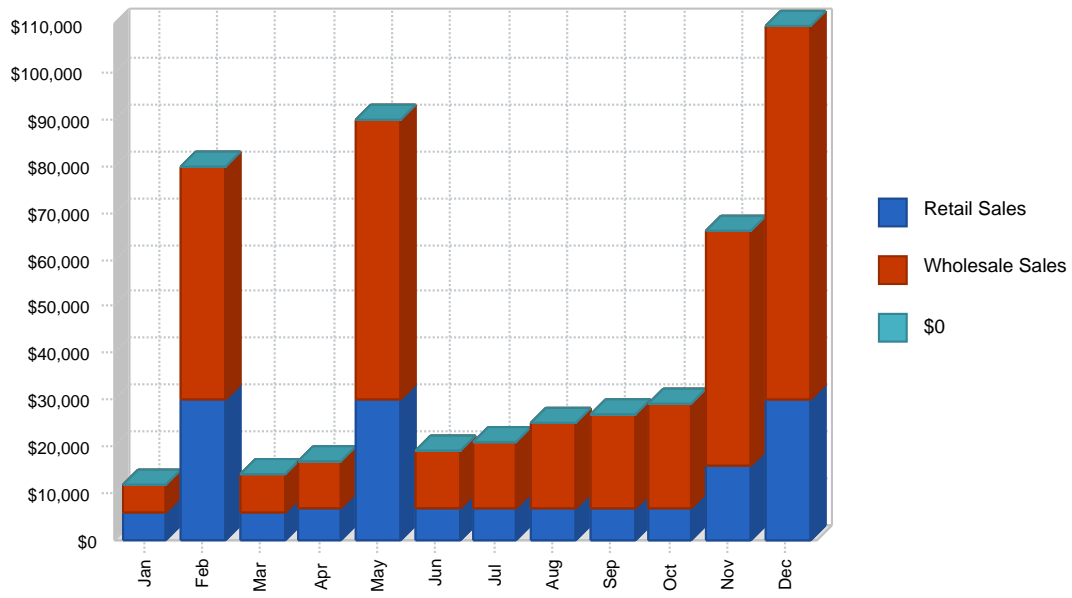
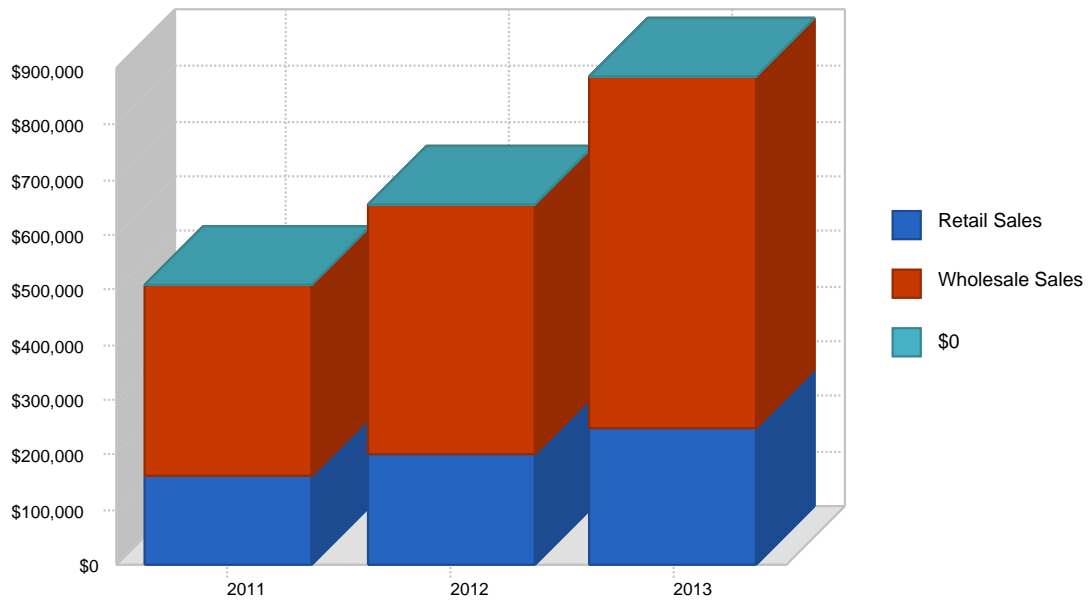


Chart: Sales by Year

Sales by Year



6.5 Milestones

In order to achieve the growth and marketing goals that have been outlined in this business plan, the Company has the following deadlines to meet and ideas to implement. Some of these are outlined below:

1. Obtain Funding to expand, grow and improve the business.
2. Secure a location in Hampton, Virginia to launch our wholesale operation.
3. Construction/Leasehold Improvements in the Company's wholesale location
4. Purchase five energy efficient Coolers for flowers and arrangements
5. Purchase Display Cases
6. Purchase computers, office equipment, office furniture and fixtures
7. Purchase four fuel efficient Delivery Vans, two with cooling systems
8. Purchase two fuel efficient Company vehicles
9. Hire employees, the Company will look to hire minorities, veterans, disabled persons and the unemployed
10. Update our website and social media
11. Launch an advertising campaign
12. Working Capital to support operation until cash flow profitability

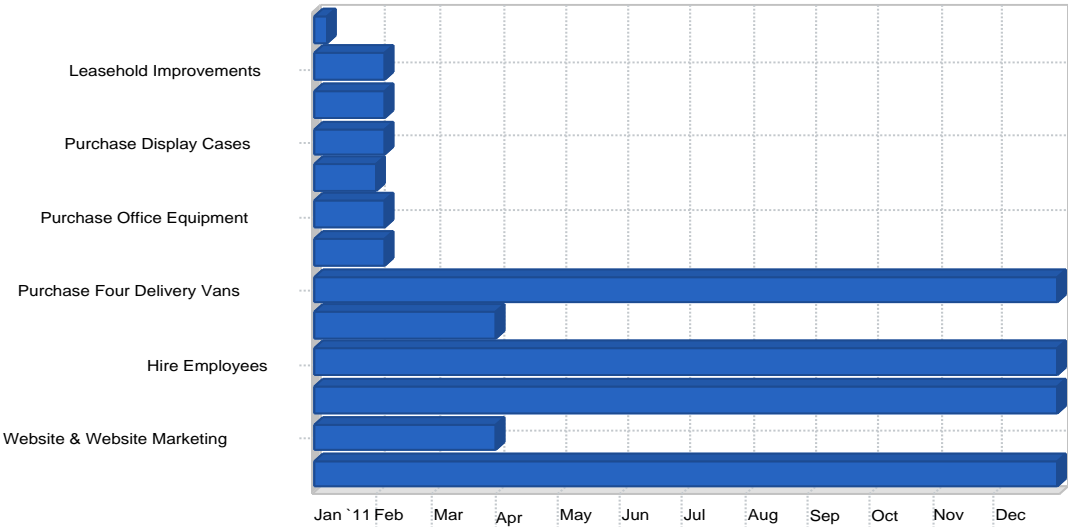
Table: Milestones

Milestones					
Milestone	Start Date	End Date	Budget	Manager	Department
Building Lease Deposits	1/1/2011	1/7/2011	\$6,000	Owner	Operations
Leasehold Improvements	1/1/2011	2/5/2011	\$20,000	Owner	Operations
Purchase Five Coolers	1/1/2011	2/5/2011	\$50,000	Owner	Department
Purchase Display Cases	1/1/2011	2/5/2011	\$10,000	Owner	Department

Purchase Office Computers	1/1/2011	1/31/2011	\$20,000	Owner	Department
Purchase Office Equipment	1/1/2011	2/5/2011	\$4,000	Owner	Department
Purchase Office Furniture	1/1/2011	2/5/2011	\$25,000	Owner	Department
Purchase Four Delivery Vans	1/1/2011	12/31/2011	\$104,000	Owner	Department
Purchase Two Autos	1/1/2011	3/31/2011	\$36,000	Owner	Department
Hire Employees	1/1/2011	12/31/2011	\$205,000	Owner	Department
Launch Advertising Campaign	1/1/2011	12/31/2011	\$12,000	Owner	Department
Website & Website Marketing	1/1/2011	3/31/2011	\$3,000	Owner	Department
Working Capital	1/1/2011	12/31/2011	\$105,000	Owner	Department
Totals			\$600,000		

Chart: Milestones

Milestones



7.0 Management Summary

COMPANY NAME is owned and operated by INSERT NAME. INSERT NAME is responsible for all operational and administrative aspects of the business. INSERT

NAME has been in the Floral business since 1999 and has a loyal satisfied customer base. Additionally, she has been able to develop relationship with growers around the world to enable the Company to launch a wholesale division to sell to florist in Virginia.

INSERT NAME will be assisted by an administrative assistant who will be responsible for the day-to-day operations of the wholesale division.

7.1 Personnel Plan

The table below contains the details of our personnel plan. The owner, INSERT NAME has not taken a salary in 2010 and received distributions from cash profit as the Company is a sole proprietorship. INSERT NAME will receive compensation of \$40,800 in 2011.

COMPANY NAME has a retail store with an internet employee, design employee and two part-time sales clerks. The Wholesale operation will have an administrative assistant, internet employees, design employees, sales clerks and salesman.

Additionally, the Company will have delivery drivers on an on-call basis, shown as Other Cost of Sales for statement purposes.

COMPANY NAME estimates it will grow from five employees in 2010 to 16 employees in 2011, 18 in 2012 and 20 in 2013 with additional 6 to 12 drivers a year. The Company will look to hire veterans, minorities, disabled persons and the unemployed.

The Company anticipates a 3% increase per year for employee salaries. The Personnel Plan reflects the need to bolster our capabilities to match our positioning.

Table: Personnel

<i>Personnel Plan</i>			
	2011	2012	2013
INSERT NAME	\$40,800	\$42,024	\$43,285
Retail Store Employees:	\$0	\$0	\$0
Internet Employee	\$12,480	\$12,854	\$13,240
Design Employee	\$15,600	\$16,068	\$16,550
Two Sales Clerks	\$21,600	\$22,248	\$22,915
Wholesale Operation Employees:	\$0	\$0	\$0

Administrative Assistant	\$26,400	\$27,192	\$28,008
Design Employees	\$45,000	\$76,500	\$78,795
Internet Employees	\$37,500	\$63,000	\$64,890
Sales Clerks	\$22,500	\$32,800	\$38,800
Salesman	\$21,000	\$36,500	\$46,200
Total People	16	18	20
Total Payroll	\$242,880	\$329,186	\$352,683

8.0 Financial Plan

The current financial plan for COMPANY NAME is to obtain grant funding in the amount of \$600,000. The grant will be used to launch our wholesale division including leasehold improvements, purchase coolers and display cases, purchase of office furniture, fixtures and equipment, purchase of Company vans and cars, upgrading our website, hiring employees and launching an advertising campaign.

The following sections of this plan will serve to describe the Company's financial plan in more detail:

- General Assumptions
- Break-even Analysis
- Profit and Loss
- Cash Flow
- Balance Sheet
- Ratios

8.1 Important Assumptions

The table below presents the assumptions used in the financial calculations of this grant plan. COMPANY NAME is a Sole Proprietorship and is taxed accordingly, estimated at a 25% tax rate. Depreciation expense is based on the scheduled additions in the Milestones Table. Insurance, utilities and all other expenses assume a 3% increase due to inflation & other cost variables.

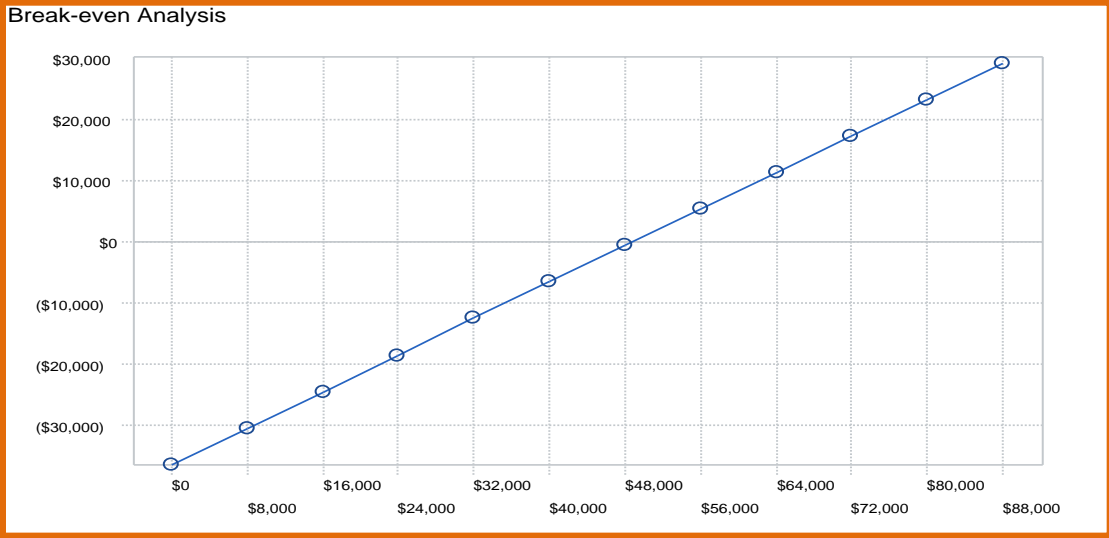
8.2 Break-even Analysis

For the Company's break-even analysis for 2011, the monthly revenue break-even is projected to be \$48,770. Sales are projected to increase 28% for 2012 and 35% in 2013 periods due to the internal expansion of the Company along with the advertising campaigns.

Table: Break-even Analysis

<i>Break-even Analysis</i>	
Monthly Revenue Break-even	\$48,770
Assumptions:	
Average Percent Variable Cost	25%
Estimated Monthly Fixed Cost	\$36,434

Chart: Break-even Analysis



8.3 Projected Profit and Loss

COMPANY NAME Pro Forma Profit and Loss statement was constructed based in large part on past performance over the 2010 period, the opening of a wholesale operation and investments in marketing and advertising.

The sales for 2011, 2012 and 2013 are \$510,000, \$655,000 and \$887,000, respectively. Gross Profit will be 59.71% in 2011, 59.58% in 2012 and 59.23% in 2013. The Company will show a Net Loss for 2011, 2012 and 2013 of (\$132,709), (\$166,183) and (\$61,333), respectively due to the internal expansion of the Company to launch the marketing, sales and operation efforts needed to take advantage of the market and growth in the future years. The Company will show a negative EBITDA of (\$105,539) in 2011, (\$123,183) in 2012 and (\$18,333) in 2013. The Operating expenses as a percentage of sales for this period were 85.73%, 84.95% and 66.14%, respectively. The percentages of the net profit to sales for this period were (26.02)%, (25.37)% and (6.91)%, respectively. The Operating Expenses and Net Profit to Sales for the 2011, 2012 and 2013 period are affected by the internal expansion of the Company. Gross Profit will remain in the 59% range in 2014/2015 and future years. Operating Expenses to Sales will continue to decrease and range in the 60% - 62% by the 2014/2015 and future years. The Company estimates a positive EBITDA in 2014 and a positive Net Profit in 2015. Net Profit and Net Profit to Sales Percentage will continue to rise in future years as the internal expansion and investments in Marketing and Advertising bear fruit.

Table: Profit and Loss

<i>Pro Forma Profit and Loss</i>			
	2011	2012	2013
Sales	\$510,000	\$655,000	\$887,000
Direct Cost of Sales	\$129,000	\$166,500	\$228,600
Other Costs of Sales	\$76,500	\$98,250	\$133,050
Total Cost of Sales	\$205,500	\$264,750	\$361,650
Gross Margin	\$304,500	\$390,250	\$525,350
Gross Margin %	59.71%	59.58%	59.23%
Expenses			
Payroll	\$242,880	\$329,186	\$352,683
Marketing/Promotion	\$12,000	\$12,360	\$12,731
Depreciation	\$27,170	\$43,000	\$43,000
Rent	\$75,600	\$77,868	\$80,204
Utilities	\$9,600	\$9,888	\$10,185
Insurance	\$12,400	\$18,000	\$18,540
Website Marketing	\$3,900	\$1,200	\$1,236
Phone/Fax/Internet	\$10,800	\$11,124	\$11,458
Fuel/Auto/Van Expense	\$15,000	\$18,000	\$18,540
Payroll Taxes	\$21,859	\$29,627	\$31,741
Other	\$6,000	\$6,180	\$6,365
Total Operating Expenses	\$437,209	\$556,433	\$586,683

Profit Before Interest and Taxes	(\$132,709)	(\$166,183)	(\$61,333)
EBITDA	(\$105,539)	(\$123,183)	(\$18,333)
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$0	\$0	\$0
Net Profit	(\$132,709)	(\$166,183)	(\$61,333)
Net Profit/Sales	-26.02%	-25.37%	-6.91%

Chart: Profit Monthly

Profit Monthly

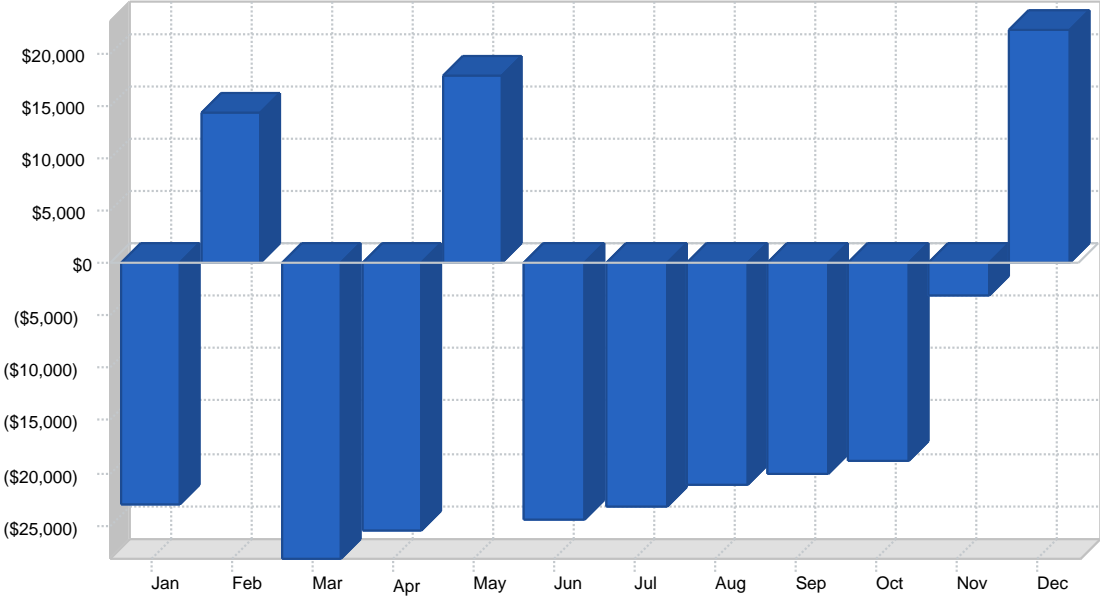


Chart: Profit Yearly

Profit Yearly

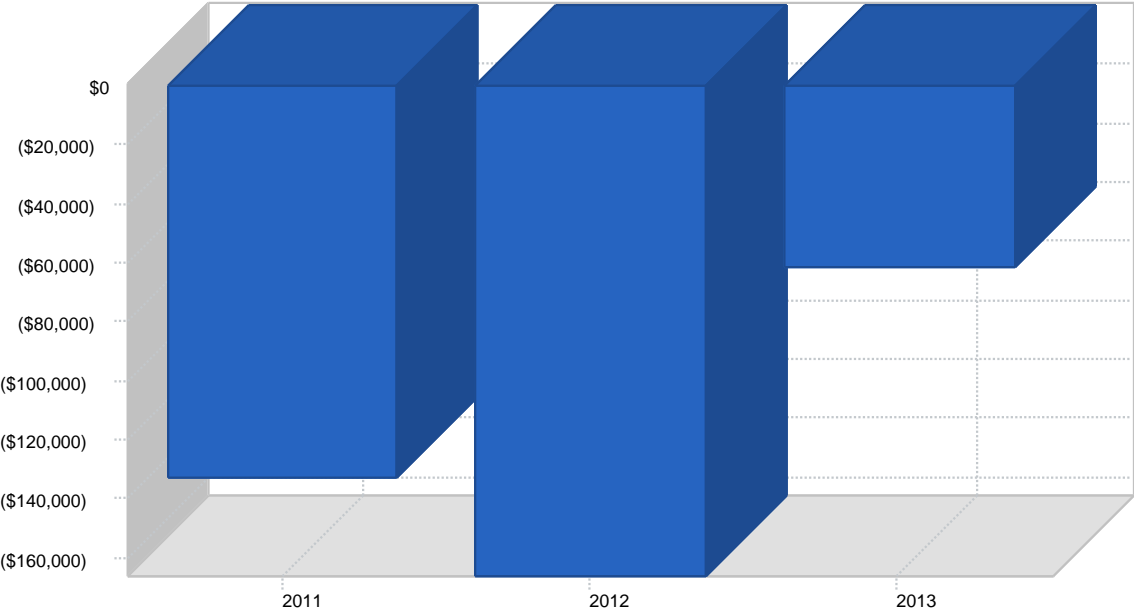


Chart: Gross Margin Monthly

Gross Margin Monthly

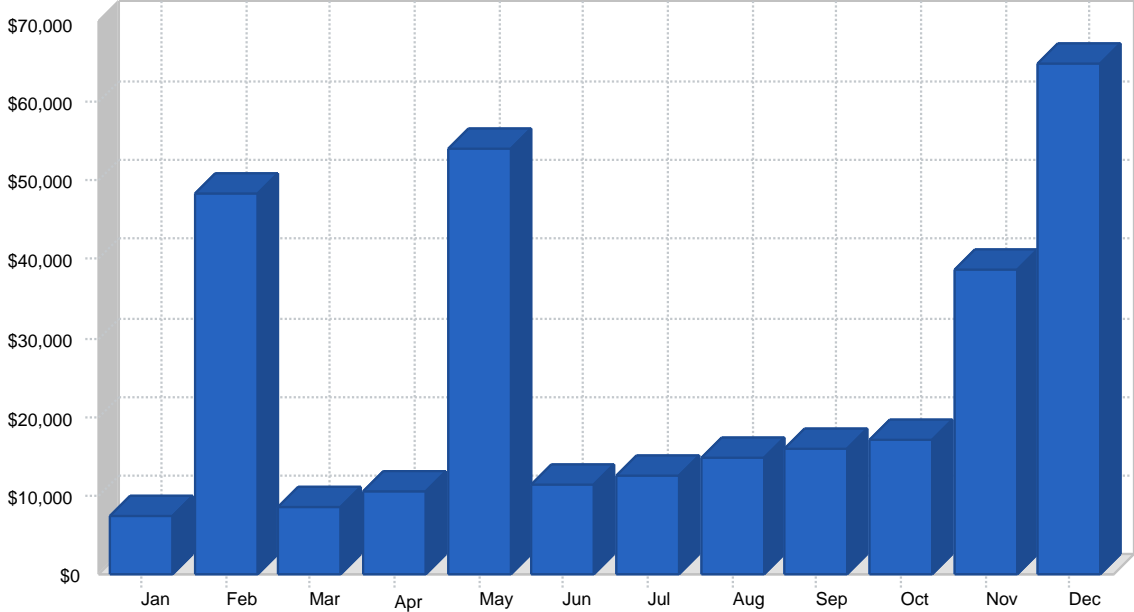
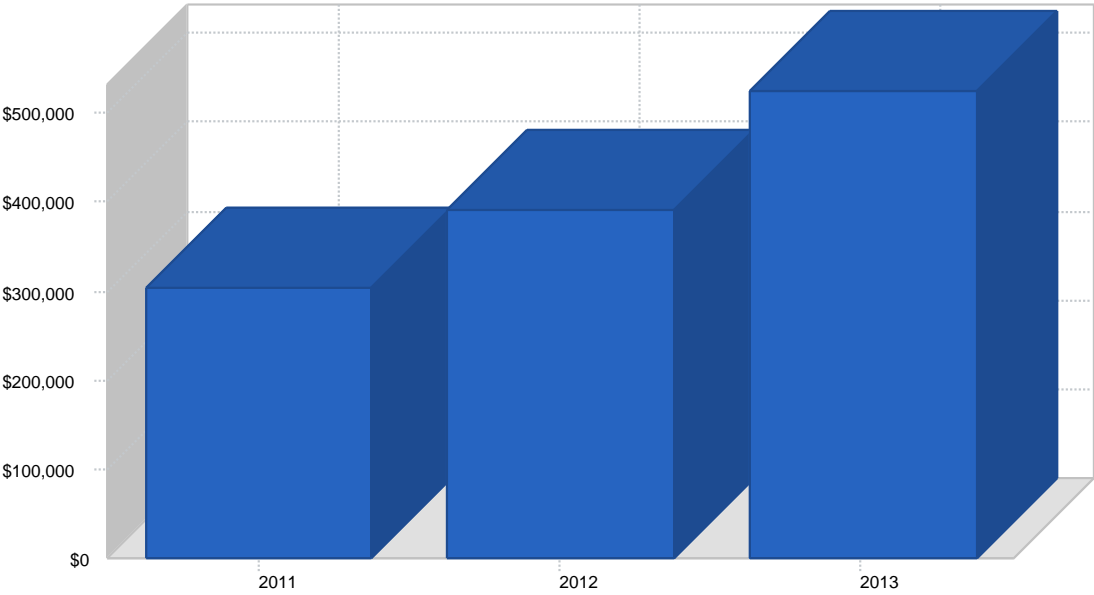


Chart: Gross Margin Yearly

Gross Margin Yearly



8.4 Projected Cash Flow

COMPANY NAME has applied for a grant of \$600,000. The Company forecast that it'll receive \$600,000 in the month of January 2011.

The following table displays the Company's cash flow, and the chart illustrates monthly cash flow in the first year. Monthly cash flow projections are also included in the appendix.

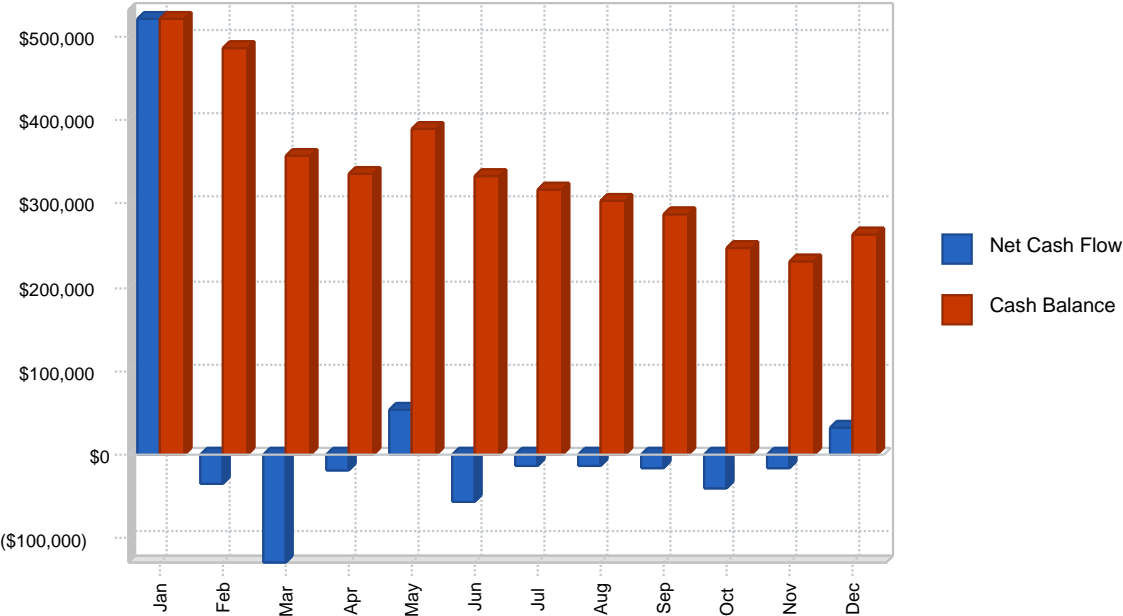
Table: Cash Flow

Pro Forma Cash Flow			
	2011	2012	2013
Cash Received			
Cash from Operations			
Cash Sales	\$510,000	\$655,000	\$887,000
Subtotal Cash from Operations	\$510,000	\$655,000	\$887,000
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$600,000	\$0	\$0
Subtotal Cash Received	\$1,110,000	\$655,000	\$887,000
Expenditures	2011	2012	2013

Expenditures from Operations			
Cash Spending	\$242,880	\$329,186	\$352,683
Bill Payments	\$321,350	\$471,517	\$548,209
Subtotal Spent on Operations	\$564,230	\$800,704	\$900,892
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$15,000	\$10,000	\$10,000
Purchase Long-term Assets	\$269,000	\$0	\$0
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$848,230	\$810,704	\$910,892
Net Cash Flow			
Net Cash Flow	\$261,770	(\$155,704)	(\$23,892)
Cash Balance	\$262,270	\$106,567	\$82,675

Chart: Cash

Cash



8.5 Projected Balance Sheet

COMPANY NAME net worth is \$470,391, \$304,208 and \$242,875 for 2011, 2012 and 2013, respectively. The Company's Total Assets at the end of 2011, 2012 and 2013 will be \$533,350, \$340,795 and \$288,691, respectively.

Table: Balance Sheet

<i>Pro Forma Balance Sheet</i>			
	2011	2012	2013
Assets			
Current Assets			
Cash	\$262,270	\$106,567	\$82,675
Inventory	\$14,250	\$10,398	\$15,186
Other Current Assets	\$15,000	\$25,000	\$35,000
Total Current Assets	\$291,520	\$141,965	\$132,861
Long-term Assets			
Long-term Assets	\$275,000	\$275,000	\$275,000
Accumulated Depreciation	\$33,170	\$76,170	\$119,170
Total Long-term Assets	\$241,830	\$198,830	\$155,830
Total Assets	\$533,350	\$340,795	\$288,691
Liabilities and Capital	2011	2012	2013
Current Liabilities			
Accounts Payable	\$62,960	\$36,587	\$45,817
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
Subtotal Current Liabilities	\$62,960	\$36,587	\$45,817
Long-term Liabilities	\$0	\$0	\$0

Total Liabilities	\$62,960	\$36,587	\$45,817
Paid-in Capital	\$600,100	\$600,100	\$600,100
Retained Earnings	\$3,000	(\$129,709)	(\$295,892)
Earnings	(\$132,709)	(\$166,183)	(\$61,333)
Total Capital	\$470,391	\$304,208	\$242,875
Total Liabilities and Capital	\$533,350	\$340,795	\$288,691
Net Worth	\$470,391	\$304,208	\$242,875

8.6 Business Ratios

The table below presents the projected business ratios from the Florists Industry as a reference with sales between \$500,000 and \$999,999.

Table: Ratios

Ratio Analysis				
	2011	2012	2013	Industry Profile
Sales Growth	500.00%	28.43%	35.42%	-5.48%
Percent of Total Assets				
Inventory	2.67%	3.05%	5.26%	37.64%
Other Current Assets	2.81%	7.34%	12.12%	33.12%
Total Current Assets	54.66%	41.66%	46.02%	82.46%
Long-term Assets	45.34%	58.34%	53.98%	17.54%
Total Assets	100.00%	100.00%	100.00%	100.00%
Current Liabilities				
Current Liabilities	11.80%	10.74%	15.87%	30.34%
Long-term Liabilities	0.00%	0.00%	0.00%	52.70%
Total Liabilities	11.80%	10.74%	15.87%	83.04%
Net Worth	88.20%	89.26%	84.13%	16.96%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	59.71%	59.58%	59.23%	41.75%
Selling, General & Administrative Expenses	85.73%	84.95%	66.14%	16.76%
Advertising Expenses	2.35%	1.89%	1.44%	1.60%
Profit Before Interest and Taxes	-26.02%	-25.37%	-6.91%	3.43%
Main Ratios				

Current	4.63	3.88	2.90	2.32
Quick	4.40	3.60	2.57	1.08
Total Debt to Total Assets	11.80%	10.74%	15.87%	83.04%
Pre-tax Return on Net Worth	-28.21%	-54.63%	-25.25%	85.01%
Pre-tax Return on Assets	-24.88%	-48.76%	-21.25%	14.42%
Additional Ratios				
	2011	2012	2013	
Net Profit Margin	-26.02%	-25.37%	-6.91%	n.a
Return on Equity	-28.21%	-54.63%	-25.25%	n.a
Activity Ratios				
Inventory Turnover	20.67	13.51	17.87	n.a
Accounts Payable Turnover	6.08	12.17	12.17	n.a
Payment Days	27	41	27	n.a
Total Asset Turnover	0.96	1.92	3.07	n.a
Debt Ratios				
Debt to Net Worth	0.13	0.12	0.19	n.a
Current Liab. to Liab.	1.00	1.00	1.00	n.a
Liquidity Ratios				
Net Working Capital	\$228,561	\$105,378	\$87,045	n.a
Interest Coverage	0.00	0.00	0.00	n.a
Additional Ratios				
Assets to Sales	1.05	0.52	0.33	n.a

Current Debt/Total Assets	12%	11%	16%	n.a
Acid Test	4.40	3.60	2.57	n.a
Sales/Net Worth	1.08	2.15	3.65	n.a
Dividend Payout	0.00	0.00	0.00	n.a

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