

## **Business Plan Sample**

### **Smart's Motorcycle Detailing**

#### **A & E. Executive Summary**

Smart's Motorcycle Detailing will offer quality detailing service to a growing market of motorcycle hobbyists. Smart's Motorcycle Detailing will offers excellent value for a service that will not bust the customer's budget.

Over the past ten years, biking has developed an entirely new customer base among the Baby-boomer population, ages 55 to 70. Last year, motorcycle sales for this same group were twice that of other demographics. In Ridingtown, motorcycle sales exceeded \$1 million in 2012 and sales are predicted to grow by 15% this year.

Ridingtown is a city of 250,000 residents with an average income of \$58,000. The city has seven motorcycle organizations and sponsors an annual cycling event as part of the city's spring celebration.

Bob Smart, owner of Smart's Motorcycle Detailing is one of the most respected motorcyclists in Ridingtown. Bob was the president of the largest motorcycle organization in the city with over 100 members in 2009. Last year, Bob organized the motorcycle parade during the city's spring celebration.

Bob's connection with the motorcycling community will make Smart's Motorcycle Detailing one of the most popular shops in town.

## **B & E. Company Description**

Smart's Motorcycle Detailing will offer quality cleaning and detailing motorcycles to a growing market of motorcycling hobbyists. Bob Smart will manage the daily operations of the shop.

Besides Bob Smart, Smart's Motorcycle Detailing will have one additional employee.

The objectives of Smart's Motorcycle Detailing are:

Capture the majority of the clientele in Ridington that utilize motorcycle cleaning and detailing services. Offer our customers a superior service, at a low price.

### *Mission*

The mission of Smart's Motorcycle Detailing is to become the primary resource for cleaning and detailing motorcycles in Ridington.

The keys to success for Smart's Motorcycle Detailing are:

→Customer referrals.

→Exceeding the customer's expectation for quality, timeliness and price.

## **Company Ownership**

Smart's Motorcycle Detailing is solely owned by Bob Smart.

### **C. Market Analysis**

Over the past ten years, biking has developed an entirely new customer base among the Baby-boomers population, especially men ages 55 to 70. Last year, motorcycle sales for this age group were twice that of other demographics. In Ridington, motorcycle sales exceeded \$1 million in 2012 and future sales are predicted to grow by 15% this year. The city has seven motorcycle organizations and sponsors an annual cycling event as part of the city's spring celebration. The demographics suggest that there is a large market for cleaning and detailing motorcycles especially among experienced bikers. This is particularly important because the experienced customer will seek out a shop where the owner has a reputation for quality and service in the motorcycle community.

#### *Market Segmentation*

Smart's Motorcycle Detailing will focus on two customer groups:

→Baby-boomers, ages 55 - 70

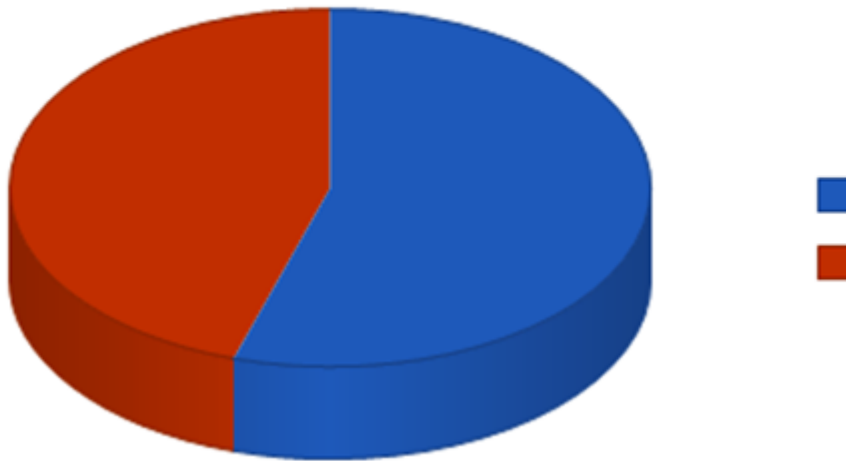
→Other populations

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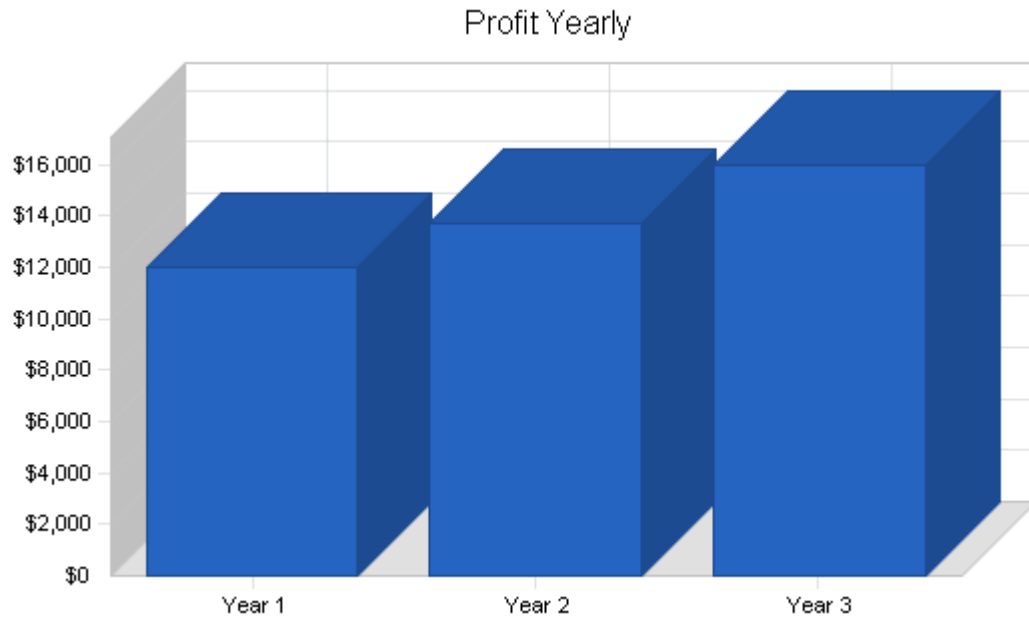
Blue=Baby Boomers

Orange=Other Populations

Market Analysis (Pie)



	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>		
<b>Potential Customers</b>			<b>Growth</b>			<b>CAGR</b>	
Baby-boomers	6%	85,000	90,100	95,506	101,236	107,310	6.00%
Other populations	5%	70,000	73,500	77,175	81,034	85,086	5.00%
<b>Total</b>	<b>5.55%</b>	<b>155,000</b>	<b>163,600</b>	<b>172,681</b>	<b>182,270</b>	<b>192,396</b>	<b>5.55%</b>



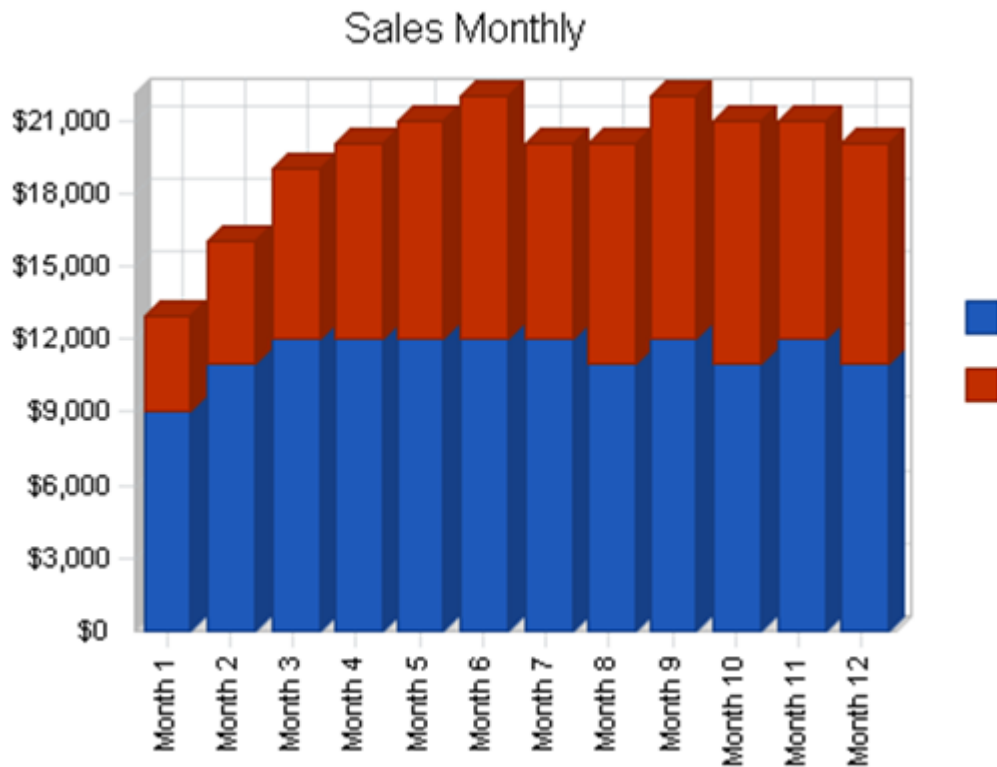
### *Competitive Edge*

Bob Smart, owner of Smart's Motorcycle Detailing is one of most respected and best known motorcyclist in Ridington. He has been a motorcycle hobbyist for 15 years and has built a reputation for quality cleaned and detailed motorcycles. For the past five years, Bob has served as a resource in keeping up with the cleaning and detailing for hobbyists.

Smart's Motorcycle Detailing competitive edge is Bob's visibility in the motorcycling community.

### **F. Sales Strategy**

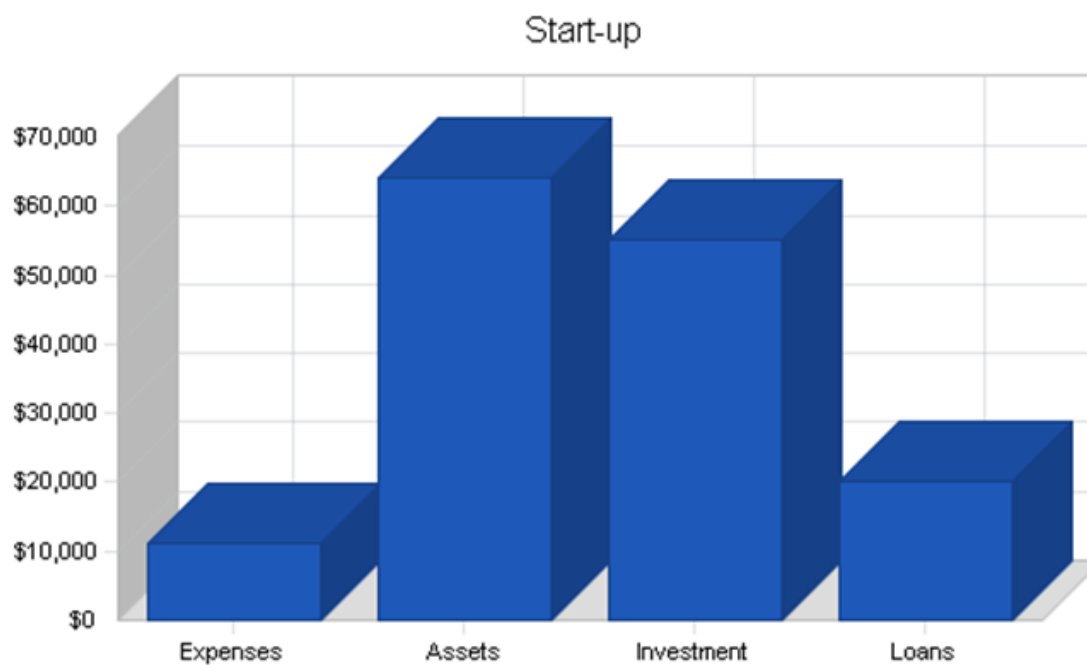
During the first month of operation, Smart's Motorcycle Detailing will offer a 15% discount on all services over \$100. Bob will also offer a standard 10% discount to members of the city's motorcycle organizations.



### G. Funding Request

Bob Smart will invest \$20,000 in Smart's Motorcycle Detailing. Bob will also secure a \$58,000 loan.

The following table and chart show projected initial start-up costs for Smart's Motorcycle Detailing.



### Start-up Requirements Expenses

Legal	\$1,000
Stationery etc.	\$200
Insurance	\$500
Rent	\$1,300
Display Equipment	\$3,000
Expensed Equipment	\$5,000
<b>Total Start-up Expenses</b>	<b>\$11,000</b>

### Start-up Assets

Cash Required	\$4,000
Start-up Inventory	\$10,000
Other Current Assets	\$0

Long-term Assets	\$15,000
<b>Total Assets</b>	<b>\$29,000</b>
<b>Total Requirements</b>	<b>\$40,000</b>

