



# **Business Plan**

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## I. Executive Summary

Colleges nationwide require all the students living in on campus housing to move their belongings out and clean their dorm room at the end of each academic year. Students struggle with finding a way to move everything out at the end of the school year and back in at the beginning of the following academic year. WeHaula has identified an opportunity to solve this problem by providing moving, storage, and cleaning services tailored to customers that utilize university housing. Costs are reduced so that these services become an affordable alternative for college students rather than an unattainable luxury.

WeHaula is a moving, storage, and cleaning service company specializing in providing these services to university students. WeHaula is current seeking investment to begin operations in April of 2014 on the University of Montana campus in Missoula, MT. WeHaula is seeking entrance into the niche market of the moving, storage, and cleaning market for college students. WeHaula differs from competitors by designing services specifically for students. Competitors quote prices on a case-by-case basis for students who live in the dorms. They assume that each student will require a special visit in order to provide service and they quote their prices accordingly. WeHaula focuses its marketing and service effort on college dorms, allowing multiple services for hundreds of students to be performed simultaneously. This allows WeHaula to set prices at a point that will drive out competitors and increase company profitability.

At WeHaula's pilot project at The University of Montana, student housing capacity is 2,285 students each year. Residence Life offers 235 storage units. Thus, there is potential for 2,000 students who need summer storage and cleaning services. By launching a pilot project in the Missoula market, WeHaula will be able to gather valuable data on actual customer demand, which will be used to evaluate demand on campuses nationwide.

Based on a BizRate discounted cash flow company valuation tool, WeHaula has an estimated value of \$350,000. Cash Flows are expected to dramatically and continually increase in years two through five of operations.

Management at WeHaula is seeking an equity investment of \$52,000 split evening over the first two years of operations. Based on the above proposed value, this \$52,000 investment is in exchange for a 25% equity stake in all company profits, which are expected to increase significantly in years 3, 4 and 5 of operations. Dividing the initial equity investment of \$52,000 by the company valuation of \$350,000 gives an equity percentage of approximately 14.8%, the remaining 10.2% of equity represents a risk premium for the investor. Please see the appendix for additional information concerning company valuation, investment sought, and information concerning ROI.

## II. The Business

### Industry Overview

#### Understanding Dorm Room Moving, Storage, and Cleaning

Every college student has a dorm room full of personal belongings and every college requires students to move their belongings out and clean their dorm room at the end of the school year. Whether it's books, clothes, or other items; every college student struggles with finding a way to move their personal belongings out of the dorms at the end of the school year and move them back in at the beginning of the next. This leaves students and their parents with a dilemma so common that it has become a part of American tradition.



Currently students solve this problem in a variety of different ways. If they have a vehicle, many students pack it with everything that will fit, rent storage for the rest, and make the road trip home. If they don't have a vehicle they might rent a U-Haul or have their parents bring a vehicle to help them. If they fly home, they take what they can with them on the plane and they rent a U-Haul and storage for the rest.

All of those options require students to move their belongings themselves and afterwards they have to clean their dorms on top of having to pay for rentals and storage. If the student's parents help with the move they have to take time off of work, pay for gas both ways, and a hotel room. All of these options take time and money. Students and their parents weigh their options and choose what route is best for them based on their individual circumstances. Most cases, paying for a moving or cleaning service is out of the question because the price for these services is almost always more than what a student is willing to pay for the convenience.

There has never been an affordable one size fits all solution for college students because there has never been a moving, storage, and cleaning services company that specifically caters to university housing.

## Market Competition

### **Moving and Cleaning Services**

Most moving and cleaning service companies quote prices on a case-by-case basis, they assume they will be providing a service to one customer at a time and each customer will have different needs. These companies usually quote prices based on an hourly rate of an estimated amount of time it will take them to complete. When quoting prices for college dorm rooms they do the same. They assume that they will be moving or cleaning one persons dorm room. They quote based on the estimated amount of time it will take to make a special trip to the dorms just to complete the one service. They do this because they rarely get two people that want the same service on the same day. Even if a moving service wanted to do more than one move at a time they would have a lot of trouble keeping peoples belongings separate once they were packed together into a truck.



WeHaula has researched seven moving companies near The University of Montana in Missoula, MT. It was found that the average price for a moving service is \$98.14/hour with the lowest price quoted at \$94/hour and the highest quoted at \$105/hour. All companies researched quoted a time estimate of either two or three hours to complete a dorm room move from The

University of Montana to an area storage facility. That means that at the average price of \$98.14/hour it will cost between \$196.28 and \$294.42 for a moving service to move student's belongings one way and between \$392.56 and \$588.84 for a round trip.

In research done on five cleaning service companies in the Missoula, MT area it was found that no cleaning service companies offer dorm cleaning services to The University of Montana.

### **Storage**

Many students turn to storage units in dorms to store items over the summer, but storage space is limited on college campuses nationwide. Floor space on most any college campus is considered too valuable to devote to storage. If there are enough units available, often times those units are so small that they cannot accommodate the storage needs of today's college student. Storage units big or small often sell out quickly leaving thousands of students without a place to store their belongings over the summer.

In research done on The University of Montana, it was found that there are 235 storage units available to students on the Missoula campus at the price of \$24/month. These units sell out months before summer break sometimes even as early as February. Many of these units sit empty for most of the school year even when all the units are sold out. This is because students who have experience moving out of the dorms know that it is much better to secure an on campus storage unit early and pay for months without using it rather than waiting until they need it just to find out they are sold out.



The Missoula area has dozens storage facilities. The problem with these facilities, they are not close to campus. Students have to drive across town in their own vehicle or if they do not have one they would have to rent one or borrow a friend's vehicle just to store their personal belongings. For a student to find time to pack and move their belongings across town during their busy finals week schedule is almost impossible.

WeHaula has researched a sample of six storage facilities in the Missoula area. It was found that the average price of the cheapest storage offered by each of those companies is \$53.33/month

## **The Opportunity**

On college campuses nationwide students face this same problem, they have to find a place to move their belongings and also clean their dorm room before summer break.

- Studying for final exams takes up much of a student's free time. Students many times only have a day or two to move and clean their dorm after finals.
- Most students live in dorms with multiple floors; with every student in the building moving out at the same time the elevators work overtime. In some buildings students are lucky if they only wait 15 minutes to catch a ride.
- Most students that live in campus housing do not have a vehicle to move their belongings. One of the main advantages of living on campus is the need to not have a car to get where you need to be.
- More than ever before, students are bringing more of the comforts of home to their dorm rooms. Everything from big screen TVs to refrigerators are becoming commonplace in dorm rooms these days.
- Every student collects at least a few items throughout the school year. Many times these items, when added to the load that a student started with, prove to be too much to transport using the same method that the student used to move to school in the first place.

- If a student does have a car they often pack it so full it makes driving unsafe.
- Moving out of the dorms takes time, money, and/or energy any way you look at it.
- College finals week can be one of the most stressful times in a person's life. Students have to study for some of the most important tests in their academic career. Then students are left to figure out what to do with their belongings. On top of all that, they must fully clean their room.
- In most cases, paying for a moving or cleaning service is out of the question because the price for these services is almost always more than what a student is willing to pay for the convenience.



WeHaula has identified an opportunity to solve these problems by providing moving, storage, and cleaning services tailored to those that utilize university housing. The unique design of university housing and the move out policies that govern them allow WeHaula to perform multiple services for hundreds of students simultaneously. This allows WeHaula to set prices at a point that will drive out competitors and increase profitability.

Costs can be reduced considerably by providing more than one service at a time and by providing those services to multiple customers at a time. College dorms provide a unique opportunity for this.

By focusing on cost reduction and passing that savings onto customers, WeHaula is confident that there is a future opportunity to drop the price of moving, storage, and cleaning services to a point that make these services an affordable alternative for college students rather than a high priced luxury.

What makes WeHaula a great opportunity is the ability to reduce costs while tailoring a service to a specialized customer base. Contributing to this opportunity is the immense amount of customer data collected by WeHaula and the management team's ability to use that data to gain strategic advantage and dynamically grow the business. At this price moving, storage, and cleaning services become an affordable alternative for college students rather than a high priced luxury.

Assuming the parents live 400 miles away, they have a vehicle that gets 20 miles per gallon, and gas prices are \$3.30/gallon. The gas cost of traveling to pick up their students belongings and bring them back home would be \$132. The average cost for a Missoula area two star hotel is \$90 on move out day (May 17) as researched via Google hotel finder. That means that parents would have to pay \$223 in costs alone just to pick up their students belongings. Assuming it would cost the same to take the students belongings back, the total cost is \$443 for these parents to help students move out at the end of the semester and back in at the beginning of the next. That means that parents would actually pay more to help students move than they would to have WeHaula do it for them and that is under optimal conditions. A vehicle capable of hauling all of a student's belongings would likely get less than 20 miles per gallon and paying \$90 for a hotel on college move out day in Missoula would only afford you a budget two star hotel at best even booking ahead of time. Not considering money lost from time off work.

This means that hiring WeHaula saves students and parents not only time and energy, but money as well. The options for these parents are:

- A.** Spend \$443 just to drive a total of 1600 miles, spending a minimum of 21 hours driving given a constant speed of 75 miles per hour. Just to clean a dorm room spotless, pack all of their kids belongings into a vehicle or residence a total of four times and sleep in a budget hotel twice with the possibility of having to take four days off work.
- B.** Spend \$415 to hire WeHaula and do nothing.

WeHaula's services have an unbelievably strong economical selling point for many and a very strong convenience selling point for almost all university students living on college campuses. By focusing on reducing costs and passing that savings onto customers WeHaula is confident that their is a considerable amount of profit to be made in this opportunity.

What makes WeHaula a good opportunity is tailoring to customers that utilize university housing and at the same time reducing costs. The opportunity stems from the immense amount of data available and the management team's ability to use that data to gain strategic advantage and dynamically grow the business.

Starting with a pilot project at the University of Montana will provide WeHaula with valuable data on the real demand for their services. Once this data is gathered it will be utilized to determine which colleges provide the best opportunity and the best way to approach that opportunity before investment is made in expanding services to other college campuses.

## **Market Size**



The University of Montana's campus housing has enough capacity to house 2,285 students each year. Thus, there is a potential to have over 2000 students needing storage at the end of summer. Residence Life offers 235 storage units in the dorms on a first-come first-serve basis for its students. This still leaves about 2000 students without storage easily available to them. By the end of the school year, college students have accumulated many new personal belongings. Some of these personal belongings can be

thrown away or donated, but a large portion of the student's personal belongings must be kept. In a survey of current dorm residents at The University of Montana, 56% of students would use WeHaula's services if they were offered. WeHaula can estimate that about 1000 potential students would be willing to use this service. There is a demand for a moving/storage service at The University of Montana, and WeHaula will serve that demand.

## **Trends Influencing the Market**

Upon speaking with the Assistant Director of Residence Life, WeHaula learned that about 650-700 current dorm residents will be returning to live in the dorms for Fall 2013 semester. All of these students are potential customers because these students will be returning in the fall. The students will need to clean out their current room and then move it all back in August.

There have been talks of Residence Life increasing the price they charge for a storage unit to \$26/mo. The increase in price may make students hesitate when deciding to rent a unit, allowing other students to get the unit first, leaving many students who want storage with no on-campus storage options.

According to the Residence Life Office, in an average year, 40% of those living in the dorms are out-of-state students. Out-of-state students may be more inclined to use a storage facility in Missoula due to the challenges of moving their personal belongings back to their home state.

## **Mission Statement**

WeHaula provides shipping, storage, and cleaning services for customers that utilize university housing. WeHaula offers convenient moving services to students at competitive prices. Our services ease difficulties that arise with the semiannual transfer of personal goods during transition to and from universities.

## **Company Overview**

WeHaula will address the opportunity in dorms by providing truly useful services that will directly target and solve the problems brought on by dorm move out policies.

These solutions will solve the following problems:

1. The need for students to move their things out on their own.
2. The need for a vehicle to transport items
3. Students need to clean their dorm room themselves.
4. Need for students to move their things back into their dorms.
5. Students need for storage.

WeHaula is a moving, storage, and cleaning service company. WeHaula specializes in providing these services in college dorms to college students. Currently WeHaula is in the startup phase of business development with a plan to launch their pilot project on The University of Montana college campus in Missoula, MT.

WeHaula was founded for college students, by college students. The team at WeHaula knows the needs of our target market because they have been in the target customer's position before. WeHaula has experienced the pain of moving and cleaning dorm rooms and they bring together the skills and abilities necessary to solve that problem for college students nationwide.

Dorm move out day is the day that all students must have their belongings moved out and have their dorm completely clean in order to get their deposit back. Every college makes it widely known when their move out day will be. Using this information WeHaula is able to identify when and where thousands of students will be facing the same problem of what to do with their belongings once the semester is over.

Knowing when and where students will have this problem gives WeHaula an opportunity to solve the problem when and where it occurs. However, It does not give away which colleges provide the best opportunity for doing so. That is where data available on student housing, student survey data, the pilot project, and any other data will come into play.

The data available on student housing comes from the Residence Life Office of a university. This data shows how many students live on a college campus and gives some demographic information about those students.

Students survey data comes from surveys given to students by WeHaula. When averaged together, surveys responses form a representative sample of students on a campus will show the opinion of the campus as a whole. It is difficult to know if the sample of students surveyed is representative of the entire campus or if survey answers represent actual student opinions and behavior. However, surveys are good for getting ballpark figures and for benchmarking similar surveys given to multiple campuses.

Using a pilot project, WeHaula will identify proformas for determining which colleges provide the best opportunity and the best way to approach that opportunity before investment is made in expanding services to other college campuses. These proformas may include:

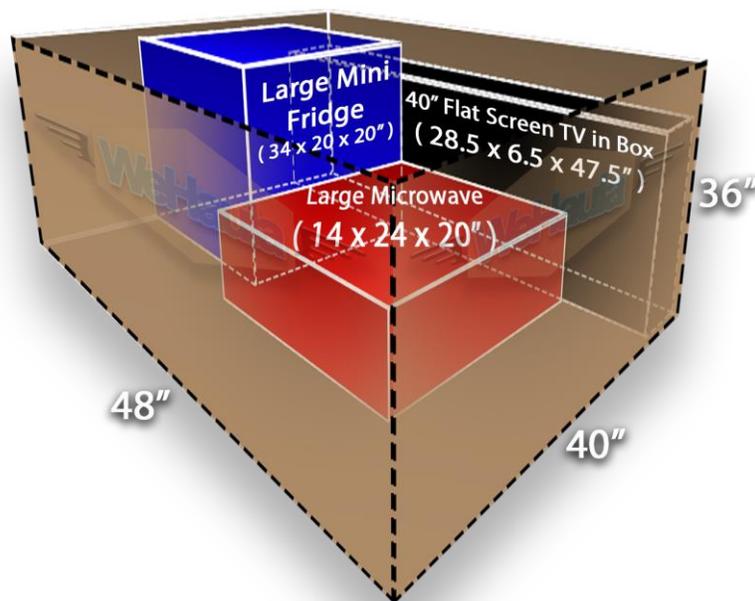
- The accuracy of surveys when used to calculate demand.
- How the number of students who live in university housing affects demand.
- How the ratio of in state to out of state students affects demand.
- How the availability of on campus storage affects demand.

Each of these proformas affects the demand for WeHaula's services in some way. It is important to note that this performance may or may not be the ones used to evaluate expansion opportunities. Once WeHaula has identified the key proformas most useful in forecasting demand, those proformas will be used to determine which colleges provide the best opportunity for expansion.

The pilot project gives WeHaula the opportunity to analyze performance data to optimize advertising strategies, narrow down the target demographic, and develop lean processes before moving into the next stage of business development.

## Service Overview

The moving, storage, and cleaning services that WeHaula offers are specifically designed for, and only available to students living in the dorms. All three of the services offered by WeHaula are designed to be purchased together as a package at a flat rate. These packages are the key to WeHaula's business model. The flagship package offered by WeHaula is the Storage Container Package (SCP) with cleaning. This package includes all three of the services offered by WeHaula. When students order this package they are delivered a huge 48x40x36" box to pack their belongings in.



WeHaula's shipping and storage service could be compared to Pods but on a much smaller scale. The box is large enough to hold most everything that a dorm room might have including a 40" TV, a mini fridge and a microwave with plenty of room to spare for everything else a student might have, minus a couch.

Students schedule a time during finals week for the box to be picked up. On that day a WeHaula employee with a wheeled cart arrives at the students dorm room, which he cleans before taking the box to storage. Once the summer is over, the student contacts WeHaula and requests delivery to their new place of residence. On move in day WeHaula delivers their box simple as that.

In this process, WeHaula has huge cost savings resulting from the following:

- By providing move out services only during finals week WeHaula has to make minimal trips to the dorms to pick up boxes. Dozens can be taken to the storage facility in a single trip.
- The large box that WeHaula will use provides enough room for almost everything in a dorm room and it can be moved by only one employee in one trip with a wheeled cart. These boxes can be stacked and students items can be kept track of more easily minimizing warehousing expenses.
- Moving, storage, and cleaning can all be completed all at the same time by a single employee. Heavy lifting is eliminated by utilizing a wheeled cart and a truck lift gate.
- Delivering all the boxes on move in day is the same as picking them up on move out day.

This process minimizes costs while eliminating the need for students to do work themselves. This service does not fit the needs of all potential customers. WeHaula also offers these services individually at adjusted prices.

# III. Marketing Plan

## Understanding the Customers

Our primary customers will be college students who live in on-campus housing at The University of Montana and need help moving out of their dorm rooms. There are currently 2,285 students who can live on The University of Montana campus. These customers are expected to pay a valued price in exchange for the packing, moving, storing, and cleaning of their dorm rooms. The value being offered to customers is all the services will be bundled into a fixed price. Students know what it costs up front so they do not have to guess what an hourly rate will add up to.

Initial customers will consider their time as highly valuable. They will be inclined to hire others to do manual labor for them, enabling them to focus on areas that are deemed more important. These customers are expected to be planners and procrastinators. It is likely that these customers will live out-of-state or at a distance from The University of Montana.

Key influencers in this purchasing decision are parents and financial support. The service provided will not be attainable unless a customer has the resources to pay for it. Parents will most likely be paying for the service even though the college students are initiating it. If customers are paying on their own then they are expected to have a job.

## Target Customer Profile

**The demographics of our primary target customer are:**

- 18-20 years old
- College student
- Resides on-campus housing
- Male and Female
- In-state and out-of-state

Note: these target customers will consist of returning residents and residents who are moving off campus. Those who move off campus will have their belongings shipped to their new address at an additional cost.

## Service Strategy

WeHaula's service is differentiated from its competitors due to the bundled services not yet being offered to college students quite like WeHaula offers. There are other moving, storage, and cleaning services in Missoula, but these do not apply to people living in dorms. All of WeHaula's services are unlike anything available to college students in Missoula. The target market will want to use WeHaula's services due to its value and

convenience. It is convenient because all the services are found in one business and requires minimal manual labor.

## **Pricing Strategy**

Market-oriented and value pricing were used to determine WeHaula’s prices. Here prices are set based upon analysis and research of the market and competitors. WeHaula is more cost effective than the leading competitor in Missoula, MT. Competitors in the area charge by the hour. About \$100/hr for moving, \$50/month for an average storage unit, plus any additional supplies and fees. WeHaula on the other hand charges a flat rate of \$415 for all services including cleaning. Competitors do not do this.

WeHaula’s price is a flat rate of \$350 for supplies, moving, and summer storage. It costs \$415 with the cleaning service. It is highly cost effective for customers. Their dollar will be further stretched with WeHaula’s prices.

Please keep in mind that all prices are fixed unless stated otherwise.

<b>Package</b>	<b>Price</b>
Storage Container Package	\$350
Storage Container Package with Cleaning	\$415

<b>Storage Container Package (SCP)</b>	
Initial Price for a Container	\$50
Any Additional Containers	\$25
Moving and Packing Service	\$200
Transportation Service	\$15
Storage per Month	\$20
Packing and Storage Supplies (w/ one container)	\$12.50
<b>Dorm Cleaning</b>	
Cleaning Cost with SCP	\$75
Cleaning Cost without SCP	\$125
Cleaning Cost Monthly Package	\$25

# Distribution Strategy

WeHaula will have 100% of sales come from direct-to-the-customer channels. These channels include the mail, phone, and Internet. It is anticipated that the Internet is the primary source of revenue, and mail and phone channels are secondary sources of revenue.

WeHaula's target customers are more likely to use the Internet to purchase the services. It is more likely for customers to use the Internet to check a company's website as opposed to calling for more information. WeHaula will gain access to this channel by creating a website, [www.WeHaula.com](http://www.WeHaula.com). At WeHaula.com, it will provide an easy to use experience so the customer can easily understand what they receive from the service. All information will be readily available and will be easy to find. The website will have a cohesive message, be easy to access, navigate, and be mobile friendly. This allows customers to promptly find all information available from photos to descriptions and pricing. The website will include photos of the Gaylord boxes with dimensions, the warehouse size and location, the staff and a description of services. Customers will be able to sign up for any of the services offered. Credit and debit cards will be accepted via PayPal.

## Example of Website



# Communication Strategy

## Overview

In the first year of the communication strategy, WeHaula will focus on targeted marketing that is directly related to sales. It will focus on traditional and nontraditional tactics to raise awareness and generate new customers. These marketing strategies will as a result build the brand.

**Objective #1:** Raise awareness of WeHaula for students living on campus by 50%.

**Objective #2:** Create a customer base of 200 students in the first year of operation.

The following strategies will be implemented in order to complete Objectives #1 and #2:

## Advertising

Two advertising campaigns will be implemented to raise awareness and generate WeHaula's customer base: radio ads and flyers. Radio advertising will allow WeHaula to reach the target market at specific times in a day. Three slots will be most effective at reaching customers in the course of a day: 1) the morning drive from 6am-10am, 2) the afternoon from 2pm-5pm, and 3) at night from 7pm-10pm. At these times it is suspected that customers will more likely be near a radio on their way to and from school or at night while driving home from work. The radio blitzes will be 30 seconds long with three different stations being used to maximize exposure. An overview of the business, pricing strategy, and contact points will be shared.

The second advertising campaign is to use flyers on UM's campus to generate exposure and be effective. Flyers will be designed with loud and bright colors to stand out against mundane advertisements. The placement of flyers will be all over UM's campus. It is crucial to place flyers on car windows in parking lots and inside Resident Halls. Parking lots next to Residents Halls should be targeted due to a majority of cars in those lots belong to students that reside in that dorm or ones nearby. All other parking lots on campus will additionally be targeted too. Inside Resident Halls, permission needs to be issued before WeHaula can solicit and market its services. Once this is done, flyers will be placed here and directly target potential customers. Other areas to position on campus will include the University Center (1<sup>st</sup> and 2<sup>nd</sup> floors), the Business Building's lounges, and campus wide Café's and food courts. The cost of making flyers is minimal. It will cost \$140 to make 2,000 copies of colored ink and papered flyers.

Example Flyer

# WeHaulA

"You Calla, WeHaulA!"



**An all in one Moving, Storage, and Cleaning Service!**

WeHaulA provides shipping, storage, and cleaning services aimed towards customers that utilize on-campus housing. Our services ease difficulties that arise from transferring personal goods during the transition to and from universities.

- Fast and Affordable
- Convenient
- Hassle Free

**406.650.7995**  
**www.WeHaulA.com**

WeHaulA  
406.650.7995

## **Sales Promotions**

A relatively new trend has emerged where coupons are driving business for companies, especially service-oriented businesses. WeHaula should promote its service through coupons and the Campus Special coupon book. The Campus Special is a book handed out in the beginning of every semester at Universities across the country. WeHaula should aim at becoming a part of this book. It gives local deals to restaurants and stores in the area. A majority of WeHaula's customers have access to these books. It is cost effective to market to.

An additional coupon strategy is to partner up with a local business and give out each other's coupons with each purchase. WeHaula should partner up with the Bridge on Higgins. When a customer goes to the Bridge and orders a meal, they receive a coupon for WeHaula. It works the same way when a customer buys WeHaula's service, they will receive a coupon for the Bridge. This enables businesses to work together, raise awareness and gain new customers in the community.

## **Word-of-Mouth**

WeHaula will rely on word-of-mouth in the beginning stages of the business. It will take a year to generate word of mouth. There are little to no costs due to its viral marketing concept. WeHaula needs to get the word out in the public about its services, which will spread from student to student. A snowball effect will generate more clientele. Resident Assistants and 20-50 students should be targeted to get the buzz started. In order to do this, WeHaula needs to approach college students living in the dorms and tell them about its services. From there, the idea is that they will go and tell their friends.

## **The Internet**

To insure WeHaula is found effectively on Google it will research keywords, purchase ad-clicks, and banner advertising. Keep in mind different keywords will be used for storage, moving, and cleaning. Prices will vary depending on how often people click through ads and which words are being used. It is recommended that the payment schedule fluctuate to match the seasons of operation. Since there is a seasonal demand for storage, it is important to spend heavily on ad-clicks and banners during the months of April, May, November and December then cut back on the following months when the season is low. For cleaning, the summer and winter months will see decreased spending from customers since students typically go home during these times.

## Social Media

A Facebook page will be created and used to gain a social media presence. WeHaula's target customers are college students which on average are very active online with social media. This medium will be used to actively update what is going on this business and community. It will engage people by posting on its pages 3-5 times a week. This allows for the business to be top of mind and relevant with its customer base.

### Example of Facebook Page



## Sales Strategy

The sales strategy will be passive. Customers will come to WeHaula. When a customer recognizes a need for WeHaula's service, they will seek out WeHaula. WeHaula will make customers recognize a need for its service by using advertisements. Products will be sold online through the website WeHaula.com, on the phone, or through written orders. For written orders, applications will be placed in mailboxes at on-campus Residence Halls. This will require WeHaula to work with Resident's Life to reach an agreement to allow the soliciting of its service in the dorms.

## IV. Operations

WeHaula's services take multiple forms, our primary core functions are: Packing, Shipping, Storage, and Cleaning. In addition, WeHaula will perform all administrative and office related tasks to include accounting in-house. Certain secondary operations will be performed by contract with local businesses. These will include vehicle maintenance and pallet acquisition.

Teams of qualified, contract employees will conduct packing, shipping, and storage. Utilizing self-employed temporary staff will allow WeHaula to maintain higher labor efficiency more appropriate for a seasonal operation. In addition, these contractors will reduce the over-head created by secondary labor cost. Cleaning services will be offered in conjunction with packing, shipping and storage services or as an individual operation.

**Core Functions:** Contract Labor  
Moving, Storage, Cleaning

**Secondary Functions:** Management Team  
Administrative tasks

**Tertiary Functions:** On Contract  
Vehicle Maintenance, Legal Services

### **Core Functions** - Primary Employees (Contracted)

Employees will be compensated at \$12 per hour. Forecasts indicate two employees at three hours per room, complete, economies of scale apply and discount for experience will be realized. In addition, multiple jobs per work order will increase process efficiency and reduce cost per job. The use of contract employees versus full time employees allows WeHaula more flexible employee acquisition and reduced costs.

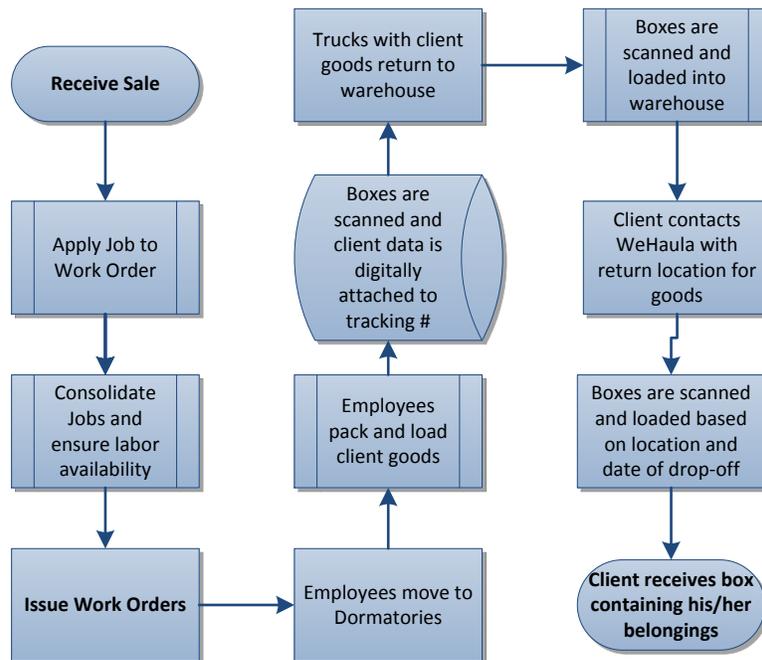
### **Secondary Functions** - Management Team

The WeHaula management team will handle all internal administration functions of the organization. These include but are not limited to: sales, revenue collection, job order tracking, work order tracking, efficiency management, employee team assignments, scheduling, implementation of work orders, box tracking and storage planning.

### **Tertiary Functions** - On Contract

All essential tasks will be contracted through local sources. These tasks may include but are not limited to: vehicle maintenance, legal services, tax preparation.

## Operations Procedures for Packing, Moving, and Storage



1. Receive Sale – Apply job to work order (efficiency tracking sheet) – Consolidate jobs for similar dormitories and calendar days – Ensure labor available for work order – Issue work order and assign tracking numbers for boxes
2. Employees arrive at dormitory room – client goods are packed and scanned as loaded into truck – all rooms on work order are completed – truck moves to warehouse – boxes are scanned and placed in warehouse via scheduled release date
3. Client contacts WeHaula with delivery location. – delivery jobs are consolidated into work order – boxes from work order are loaded into truck and scanned - boxes are delivered to appropriate locations and scanned when delivered – feedback is requested from client

## Operation Procedures for Cleaning Services

1. Receive sale – Apply job to work order and cross reference with (P) work orders – consolidate for similar dormitories and calendar days – ensure labor is available for work order – issue work order
2. Cleaners arrive at specified dormitories – complete cleaning work – complete cleaning checklist – all rooms on work order are completed – contact customer for feedback

# V. Expansion Plan

In order to maintain significant market share and increase gross revenues, WeHaula will expand its operations following success in year one. By year two, WeHaula will replicate the flourishing plan utilized at the University of Montana and broaden its market to four additional colleges. This expansion will continue through year three by compounding to a total of 10 universities. Current projections indicate market saturation will be reached at each individual university by year three. For WeHaula to maintain a consistent growth, expansion to five new universities will continue from year four into the indefinite future. This allows for significant maturation while maintaining a realistic and less vulnerable growth rate.

The following chart indicates which university campuses that WeHaula will expand into based by growth year.

<b>Year</b>	<b>Universities Served</b>	<b>Total Campuses Served</b>
<b>1</b>	University of Montana	<b>1</b>
<b>2</b>	University of Montana, Washington State University, Eastern Washington University, Western Washington University, Central Washington University	<b>5</b>
<b>3</b>	University of Montana, Washington State University, Eastern Washington University, Western Washington University, Central Washington University, Boise State University, University of Idaho, Idaho State University, Montana State University, Carroll College	<b>10</b>
<b>4</b>	University of Montana, Washington State University, Eastern Washington University, Western Washington University, Central Washington University, Boise State, plus 5 additional colleges	<b>15</b>
<b>5</b>	University of Montana, Washington State University, Eastern Washington University, Western Washington University, Central Washington University, Boise State, plus 10 addition colleges	<b>20</b>

## VI. Critical risks

**Market** – University Storage, local self-storage style

**Copycats** – Due to the low overhead, simple style of the business model, and generous margin potential, we expect copycats within two years of our introduction to the market place. We will combat this eventuality with increased advertising to enhance name recognition and rapid expansion during Phase 2.

**Loss/Damage of Customer Goods** – As with any storage/shipping company WeHaula is subject to a limited amount of financial liability for customer goods in our possession. The company will carry the appropriate insurance, ensure proper training of all employees, and create a culture within the organization that takes pride in the service they provide their customers.

**Sales Forecasts Lower than Expected** – WeHaula will maintain the ability to shift labor costs and sales strategy rapidly to minimize this risk. In addition, due to the low overhead necessary for success, WeHaula will maintain adequate cash to sustain considerable fluctuations in sales forecasts.

## VII. Team

**Gregory McDonnell**: WeHaula's Chief Executive Officer is a two time combat veteran who in his most recent deployment served as leadership to over twenty-five soldiers. Mr. McDonnell brings his leadership and organizational management experience to WeHaula. Mr. McDonnell's academic accomplishments integrate well with his military background and make him the ideal leader for WeHaula.

**Kyle Marshall**: Chief Financial Officer and finance major, Mr. Marshall has a proven record in the collegiate financial world, serving as the Vice President of finance for the highly respected Sigma Phi Epsilon Fraternity and Vice President of The Order of Omega Greek Honor Society. His dedication to organization and his skills with project management make him a valuable member of the team.

**Joseph Wienke**: Mr. Wienke Serves as the Chief Operating Officer for WeHaula and brings with him an established resume that includes years of experience in internet sales development, implementation and support. His team successes include portal development for the Montana Justice Foundation and website construction for the Sustainable Business Council. Mr. Wienke's skills and experience make him a benefit to the team.

**Heather Davidson**: As Chief Marketing Officer for WeHaula, Ms. Davidson provides the organization with a diverse skill set including a clear vision for the future. With top marks in Division 1 sports including a full academic and athletic scholarship to The University of Montana, Ms. Davidson brings a determined and realistic balance to the team. Most who have interacted with her describe Ms. Davidson as "amazing."

**Jake Dunn**: Brings multiple years of experience to the position of Chief Information Officer. Having worked in residence life for over two years, Jake gained important insight into campus housing and its client base. In addition, Jake's academic major in the field of Management Information Systems makes him an important resource in the WeHaula family.

## VIII. Appendix

### FINANCIAL PLAN:

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#### **Basis of Presentation:**

This appendix contains five-year projected financial information for the WeHaula college moving, cleaning, and temporary storage service. Our management team believes that the ensuing assumptions and projections are reasonable, but there can be no absolute assurance that our estimated results can be realized or that results will meet management expectations. WeHaula's first projected month of sales is estimated to be April of 2014, allowing three months of operational ramp-up beginning in January 2014.

#### **Financial Statement Assumptions:**

WeHaula has three primary revenue streams: revenues collected from the sale of packing and summer storage for University students, academic year-end dorm room cleaning services, and monthly contractual dorm cleaning services. Since operations begin in April but ramp-up including extensive marketing begins in January, management is confident that sales can be expected to be at or near 100% of total expected sales volume by April and May of 2014. As temporary storage is seasonal for college students and occurs primarily during the summer, we expect the largest sales volume to occur in April and May, at the end of the academic year when students are moving out of their dorm rooms and returning to their permanent homes for the summer months. Monthly dorm cleaning services are expected to be steady throughout the academic year. Finally, miscellaneous moving and storage services will comprise a minimal amount of revenues during the off-season months.

The University of Montana in Missoula, Montana will serve as the initial campus for the WeHaula business model. Upon initial success at UM, WeHaula will expand aggressively to other college campuses. Please see the body of the written business plan for further description of expansion plans.

Residence Halls at The University of Montana contain 1,175 total dorm rooms and are expected to house 2,285 students per semester for the 2013-2014 academic year. Of these students, WeHaula's on-campus student surveys and subsequent student body analysis projections show that approximately 202 students would utilize a year-end moving service, of which approximately 50% would utilize a year-end dorm, apartment, or rental house cleaning service. Surveys went on to show that of the UM student population, approximately 12.5% would utilize a monthly cleaning service at our \$25/month contractual price, leading to an estimated client base of 286 students for this revenue stream.

The following pages are best representations of WeHaula's financial position in year's one through five of operations. These financial statements include income statements for years one through five, statements of cash flows for years one through five, and projected balance sheets for years one through five. Additional information displays

required initial capital outlays, basic expense and revenue assumptions on a per sale basis, and executive compensation.

### Exhibit 2.1: Gross Profit Analysis

Gross Profit Analysis			
	Storage Container Sale	Year-End Dorm Cleaning Sale	Monthly Dorm Cleaning
Revenue Per	\$250.00	\$75.00	\$25.00
Expenses Per	\$101.90	\$41.00	\$17.00
Profit Per	\$148.10	\$34.00	\$8.00

### Exhibit 2.2: Initial Capital Outlays Breakdown

Initial Capital Outlays				
	Variable		Fixed	Total
	Quantity	Rate		
Legal Expenditure (Business Establishment, Contracts, E			\$500.00	\$500.00
Inventory Management System	1	\$1,675.00		\$1,675.00
Pallet Inventory	150	\$7.00		\$1,050.00
Forklift	1	\$5,195.00		\$5,195.00
Pallet Jack	2	\$300.00		\$600.00
Office Furniture & Fixtures	1		\$3,000.00	\$3,000.00
Initial Office Computer Equipment & Software			\$3,000.00	\$3,000.00
			<b>TOTAL:</b>	\$15,020.00

### Exhibit 2.3: Executive Compensation, Years 1-5

Executive Compensation, Years 1-5						
Title	Name	Year 1	Year 2	Year 3	Year 4	Year 5
CEO	Greg McDonnell	\$ -	\$ 15,000	\$ 30,000	\$ 60,000	\$ 135,000
CFO	Kyle Marshall	\$ -	\$ 15,000	\$ 30,000	\$ 60,000	\$ 115,000
COO	Joey Weinke	\$ -	\$ 15,000	\$ 30,000	\$ 60,000	\$ 115,000
CMO	Heather Davidson	\$ -	\$ 15,000	\$ 30,000	\$ 60,000	\$ 100,000
CIO	Jacob Dunn	\$ -	\$ 15,000	\$ 30,000	\$ 60,000	\$ 100,000
	<b>TOTAL</b>	\$ -	\$ 75,000	\$ 150,000	\$ 300,000	\$ 565,000

## **Request for Capital Investment**

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### **WeHaula Valuation:**

Valuation for capital investment analysis of WeHaula was performed using a multiple of earnings of 2.3 on a weighted three-year average of earnings for a total valuation of \$350,895. This company valuation was estimated using the BizEx Business Valuation Calculation tool.

At this time, WeHaula management is confident that based on projections of revenues and expenses for years one through five, WeHaula has an immediate value of investment of **\$350,895**.

### **WeHaula Initial Investor Need:**

WeHaula's initial need will allow operations to begin with a balance sheet at startup of \$15,000 cash, \$4,000 inventory, and \$13,000 in fixed assets for a total initial balance sheet asset value of \$32,000. These assets will be balanced with \$27,000 of capital investment equity and \$5,000 in initial management contributions.

In the second year of operations, a second capital infusion of \$25,000 will be necessary in order to allow aggressive expansion to four additional campuses in year two, five additional campuses in year three, five additional campuses in year four, and five additional campuses in the fifth year of operations. Please see the body of our written business plan for further information concerning our aggressive intent to expand.

### **WeHaula Request for Capital Investment:**

Based on the above valuation of WeHaula, management is seeking an initial capital investment of \$27,000 and a second capital infusion of \$25,000 in the second year of operations for rapid growth and expansion. Total capital investment of \$52,000 will be in exchange for a 25% equity stake in all net profits for WeHaula<sup>1</sup>. Additionally, upon further negotiation, the capital investor may choose to sell their stake in WeHaula in year five of operations for \$260,000, a five times multiple of initial investment.

The following pages contain estimated proformas for years one through five of WeHaula's operations including income statements, statements of cash flows, and balance sheet projections.

We appreciate your time and consideration.

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<sup>1</sup>  $\$52,000 / \$350,895 = 14.81\%$  equity investment, the offered 25% equity investment is a premium of 10.19% over the estimated value of WeHaula.

## Exhibit 2.4: Income Statement, Year 1

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
<b>REVENUES</b>	0	0	0	16,135	48,405	1,000	1,000	1,788	3,575	7,150	7,150	7,150	<b>93,353</b>
Less Uncollectibles	0	0	0	(161)	(484)	(10)	(10)	(18)	(36)	(72)	(72)	(72)	<b>(934)</b>
Customer Refunds	0	0	0	(161)	(484)	(10)	(10)	(18)	(36)	(72)	(72)	(72)	<b>(934)</b>
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,812</b>	<b>47,437</b>	<b>980</b>	<b>980</b>	<b>1,752</b>	<b>3,504</b>	<b>7,007</b>	<b>7,007</b>	<b>7,007</b>	<b>91,485</b>
<b>COST OF SALES</b>													<b>0</b>
Materials	0	0	0	1,575	4,724	98	98	174	349	698	698	698	<b>9,111</b>
Direct Labor	0	0	0	4,647	13,941	288	288	515	1,030	2,059	2,059	2,059	<b>26,886</b>
<b>Total COS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,222</b>	<b>18,665</b>	<b>386</b>	<b>386</b>	<b>689</b>	<b>1,379</b>	<b>2,757</b>	<b>2,757</b>	<b>2,757</b>	<b>35,997</b>
<b>GROSS PROFIT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,591</b>	<b>28,772</b>	<b>594</b>	<b>594</b>	<b>1,062</b>	<b>2,125</b>	<b>4,250</b>	<b>4,250</b>	<b>4,250</b>	<b>55,489</b>
<b>EXPENSES</b>													
Accounting and Legal	0	0	500	0	0	0	0	0	0	0	0	0	<b>500</b>
Advertising (See Income1)	50	50	450	1,200	150	0	0	0	0	0	100	100	<b>2,100</b>
Delivery Truck	728	728	728	728	728	728	728	728	728	728	728	728	<b>8,736</b>
Travel Expense	0	0	0	0	0	0	500	500	500	1,000	1,000	1,000	<b>4,500</b>
Depreciation	250	250	250	250	250	250	250	250	250	250	250	250	<b>3,000</b>
Insurance	300	300	300	300	300	300	300	300	300	300	300	300	<b>3,600</b>
Misc. Expenses	100	100	100	100	100	100	100	100	100	100	100	100	<b>1,200</b>
Payroll	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>
Payroll Expenses	0	0	0	316	948	20	20	35	70	140	140	140	<b>1,828</b>
Property Taxes - Real Estate	0	0	1,500	0	0	0	0	0	0	0	1,500	0	<b>3,000</b>
Rent/Lease	850	850	850	850	850	850	850	850	850	850	850	850	<b>10,200</b>
Repairs & Maintenance	80	80	80	80	80	80	80	80	80	80	80	80	<b>960</b>
Supplies	50	50	50	50	50	50	50	50	50	50	50	50	<b>600</b>
Telephone	70	70	70	70	70	70	70	70	70	70	70	70	<b>840</b>
<b>Total Expenses</b>	<b>2,478</b>	<b>2,478</b>	<b>4,878</b>	<b>3,944</b>	<b>3,526</b>	<b>2,448</b>	<b>2,948</b>	<b>2,963</b>	<b>2,998</b>	<b>3,568</b>	<b>5,168</b>	<b>3,668</b>	<b>41,064</b>
<b>NET PROFIT</b>	<b>(2,478)</b>	<b>(2,478)</b>	<b>(4,878)</b>	<b>5,647</b>	<b>25,246</b>	<b>(1,853)</b>	<b>(2,353)</b>	<b>(1,901)</b>	<b>(873)</b>	<b>682</b>	<b>(918)</b>	<b>582</b>	<b>14,425</b>
<b>INCOME TAXES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET PROFIT A/TAX</b>	<b>(2,478)</b>	<b>(2,478)</b>	<b>(4,878)</b>	<b>5,647</b>	<b>25,246</b>	<b>(1,853)</b>	<b>(2,353)</b>	<b>(1,901)</b>	<b>(873)</b>	<b>682</b>	<b>(918)</b>	<b>582</b>	<b>14,425</b>

## Exhibit 2.5: Income Statement, Years 2-5

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>REVENUES</b>	497,548	1,099,865	1,783,864	2,536,263
	0	0	0	0
Less Uncollectibles	(4,975)	(10,999)	(17,839)	(25,363)
Customer Refunds	(4,975)	(10,999)	(17,839)	(25,363)
<b>Total Revenues</b>	487,597	1,077,868	1,748,187	2,485,538
<b>COST OF SALES</b>	0		0	
Materials	48,561	107,347	174,105	247,539
Direct Labor	143,294	316,761	513,753	730,444
	0	0	0	0
<b>Total COS</b>	191,854	424,108	687,858	977,983
<b>GROSS PROFIT</b>	295,742	653,760	1,060,329	1,507,555
<b>EXPENSES</b>				
Accounting and Legal	2,500	5,000	6,650	8,313
Advertising (See Income1)	10,500	21,000	27,930	34,913
Delivery Truck	52,416	104,832	139,427	174,283
Travel	2,000	8,000	20,000	40,000
Depreciation	5,000	10,000	13,300	16,625
Insurance	18,000	36,000	47,880	59,850
Misc. Expenses	7,200	14,400	19,152	23,940
Payroll	75,000	150,000	300,000	565,000
Payroll Expenses	14,844	31,740	55,335	88,090
Property Taxes - Pers PRP	9,180	18,360	24,419	30,524
Property Taxes - Real Estate	18,000	36,000	47,880	59,850
Rent/Lease	51,000	102,000	135,660	169,575
Repairs & Maintenance	5,760	11,520	15,322	19,152
Supplies	3,600	7,200	9,576	11,970
Telephone	5,040	10,080	13,406	16,758
Utilities	10,800	21,600	28,728	35,910
<b>Total Expenses</b>	290,840	587,732	904,665	1,354,752
<b>NET PROFIT</b>	4,902	66,028	155,664	152,803
<b>INCOME TAXES</b>	0	0	0	0
<b>NET PROFIT A/TAX</b>	4,902	66,028	155,664	152,803

## Exhibit 2.6: Statement of Cash Flows, Year 1

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
<b>CASH ON HAND</b>	15,435	13,207	10,979	6,356	6,764	18,715	34,963	34,944	33,955	33,091	33,523	33,730	
<b>CASH RECEIPTS</b>													
Cash Sales	0	0	0	8,068	24,203	500	500	894	1,788	3,575	3,575	3,575	46,676
Collections	0	0	0	0	7,261	22,347	2,306	969	849	1,681	3,361	3,504	42,277
Loans		0	0	0	0	0	0	0	0	0	0	0	0
Owners Contribution			5	1,000									1,005
<b>Total Cash Receipts</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>9,068</b>	<b>31,463</b>	<b>22,847</b>	<b>2,806</b>	<b>1,863</b>	<b>2,637</b>	<b>5,256</b>	<b>6,936</b>	<b>7,079</b>	<b>89,958</b>
<b>Total Cash Avible</b>	<b>15,435</b>	<b>13,207</b>	<b>10,984</b>	<b>15,424</b>	<b>38,227</b>	<b>41,562</b>	<b>37,768</b>	<b>36,806</b>	<b>36,592</b>	<b>38,347</b>	<b>40,459</b>	<b>40,808</b>	
<b>EXPENSES</b>													
Material Purchases	0	0	0	157	1,811	4,104	329	105	188	375	680	698	8,448
Direct Labor	0	0	0	4,647	13,941	288	288	515	1,030	2,059	2,059	2,059	26,886
Sales Returns	0	0	0	161	484	10	10	18	36	72	72	72	(934)
Accounting and Legal	0	0	500	0	0	0	0	0	0	0	0	0	500
Advertising (See Income1)	50	50	450	1,200	150	0	0	0	0	0	100	100	2,100
Delivery Truck	728	728	728	728	728	728	728	728	728	728	728	728	8,736
Insurance	300	300	300	300	300	300	300	300	300	300	300	300	3,600
Misc. Expenses	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Payroll	0	0	0	0	0	0	0	0	0	0	0	0	0
Payroll Expenses	0	0	0	316	948	20	20	35	70	140	140	140	1,828
Property Taxes - Real Estate	0	0	1,500	0	0	0	0	0	0	0	1,500	0	3,000
Rent/Lease	850	850	850	850	850	850	850	850	850	850	850	850	10,200
Repairs & Maintenance	80	80	80	80	80	80	80	80	80	80	80	80	960
Supplies	50	50	50	50	50	50	50	50	50	50	50	50	600
Telephone	70	70	70	70	70	70	70	70	70	70	70	70	840
<b>Subtotal</b>	<b>2,228</b>	<b>2,228</b>	<b>4,628</b>	<b>8,660</b>	<b>19,512</b>	<b>6,600</b>	<b>2,825</b>	<b>2,851</b>	<b>3,501</b>	<b>4,824</b>	<b>6,729</b>	<b>5,247</b>	<b>67,964</b>
Income Taxes			0			0			0			0	0
Owner Withdrawal												5,000	5,000
<b>Total Cash Paid Out</b>	<b>2,228</b>	<b>2,228</b>	<b>4,628</b>	<b>8,660</b>	<b>19,512</b>	<b>6,600</b>	<b>2,825</b>	<b>2,851</b>	<b>3,501</b>	<b>4,824</b>	<b>6,729</b>	<b>10,247</b>	<b>74,832</b>
<b>CASH POSITION</b>	<b>13,207</b>	<b>10,979</b>	<b>6,356</b>	<b>6,764</b>	<b>18,715</b>	<b>34,963</b>	<b>34,944</b>	<b>33,955</b>	<b>33,091</b>	<b>33,523</b>	<b>33,730</b>	<b>30,562</b>	

**Exhibit 2.7: Statement of Cash Flows, Year 2-5**

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
<b>CASH ON HAND</b>	<b>30,562</b>	<b>15,698</b>	<b>38,402</b>	<b>194,252</b>
<b>CASH RECEIPTS</b>				0
Cash Sales	248,774	549,933	891,932	1,268,132
A/R Collections	240,163	544,915	955,763	1,110,530
Loans	0	0	0	0
Capital Infusion (Equity Percentage)	25,000	0	0	
<b>Total Cash Receipts</b>	<b>513,937</b>	<b>1,094,848</b>	<b>1,847,695</b>	<b>2,378,662</b>
<b>Total Cash Available</b>	<b>544,499</b>	<b>1,110,546</b>	<b>1,886,097</b>	<b>2,572,913</b>
<b>EXPENSES</b>				
Material Purchases	64,443	148,334	259,144	332,176
Direct Labor	143,294	316,761	0	0
Sales Returns	(4,975)	(10,999)	(17,839)	(25,363)
Accounting and Legal	2,500	5,000	6,650	8,313
Advertising (See Income 1)	10,500	21,000	27,930	34,913
Delivery Truck	52,416	104,832	139,427	174,283
Insurance	18,000	36,000	45,000	16,625
Misc. Expenses	7,200	14,400	19,152	23,940
Payroll	75,000	150,000	300,000	565,000
Payroll Expenses	14,844	31,740	55,335	88,090
Property Taxes - Real Estate	18,000	36,000	47,880	59,850
Rent/Lease	51,000	102,000	135,660	169,575
Repairs & Maintenance	5,760	11,520	15,322	19,152
Supplies	3,600	7,200	9,576	11,970
Telephone	5,040	10,080	13,406	16,758
Utilities	10,800	21,600	28,728	35,910
<b>Expenses Subtotal</b>	<b>477,421</b>	<b>1,005,468</b>	<b>1,085,371</b>	<b>1,531,192</b>
Capital Purchases	51,380	66,675	106,475	140,275
Income Taxes	0	0	0	0
Dividends Paid	0	0	250,000	250,000
Owner Withdrawal	0	0	250,000	250,000
Equity Withdrawal	0	0	0	0
<b>Total Cash Paid Out</b>	<b>528,801</b>	<b>1,072,143</b>	<b>1,691,846</b>	<b>2,171,467</b>
<b>CASH POSITION</b>	<b>15,698</b>	<b>38,402</b>	<b>194,252</b>	<b>401,446</b>

\* Dividends Paid and Owner Withdrawal are negotiable.

## Exhibit 2.8: Balance Sheet, Years 1-5

	STARTUP	END OF YEAR 1	END OF YEAR 2	END OF YEAR 3	END OF YEAR 4	END OF YEAR 5
<b>ASSETS</b>						
Current Assets						
Cash	15,435	30,562	15,698	38,402	194,252	401,446
Accounts Receivable	0	4,058	20,694	43,051	67,645	94,697
Inventory	3,720	3,720	22,320	66,960	115,301	267,344
<b>Total Current Assets</b>	<b>19,155</b>	<b>38,340</b>	<b>58,712</b>	<b>148,413</b>	<b>377,198</b>	<b>763,487</b>
Fixed Assets						
Fork Lifts	5,195	4,453	25,233	44,529	70,504	92,768
Less Depreciation	0	(742)	(1,484)	(7,421)	(11,132)	(14,843)
Pallet Jacks	600	514	2,914	5,571	8,143	10,714
Less Depreciation	0	(86)	(429)	(857)	(1,286)	(1,714)
Reusable Pallet Inventory	2,450	718	13,982	15,842	19,433	23,025
Less Depreciation	0	(1,732)	(8,658)	(17,317)	(25,975)	(34,633)
Furniture & Fixtures	3,000	2,400	15,600	27,000	39,000	51,000
Less Depreciation	0	(600)	(3,000)	(6,000)	(9,000)	(12,000)
Computer & Office Equip.	3,000	2,400	15,600	27,000	39,000	51,000
Less Depreciation	0	(600)	(3,000)	(6,000)	(9,000)	(12,000)
<b>Total Fixed Assets</b>	<b>14,245</b>	<b>6,726</b>	<b>56,757</b>	<b>82,347</b>	<b>119,687</b>	<b>153,317</b>
<b>TOTAL ASSETS</b>	<b>33,400</b>	<b>45,066</b>	<b>115,469</b>	<b>230,761</b>	<b>496,885</b>	<b>916,804</b>
<b>LIABILITIES</b>						
Current Debt						
Accounts Payable	0	663	3,381	7,034	11,052	15,472
<b>Total Current Debt</b>	<b>0</b>	<b>663</b>	<b>3,381</b>	<b>7,034</b>	<b>11,052</b>	<b>15,472</b>
Long-term Debt						
Loan 1	0	0	0	0	0	0
<b>Total Long-term Debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL DEBT</b>	<b>0</b>	<b>663</b>	<b>3,381</b>	<b>7,034</b>	<b>11,052</b>	<b>15,472</b>
<b>EQUITY</b>						
Common Stock	27,000	27,000	47,000	47,000	47,000	47,000
Retained Earnings	0	17,403	65,088	176,727	438,833	854,332
Owners Equity (if no stock issued)	6,400	0	0	0	0	0
<b>TOTAL EQUITY</b>	<b>33,400</b>	<b>44,403</b>	<b>112,088</b>	<b>223,727</b>	<b>485,833</b>	<b>901,332</b>
<b>TOTAL DEBT + EQUITY</b>	<b>33,400</b>	<b>45,066</b>	<b>115,469</b>	<b>230,761</b>	<b>496,885</b>	<b>916,804</b>

\* Retained Earnings varies based on Dividends Paid and Owner Withdrawals.

# Conclusion