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**Executive Summary:**

[Coin Wash Express] is a laundromat purposely intended for university students and working professionals in Denver, Colorado. The company also employs laundry assistants to aid customers every time they needed help. Providing self-service laundry, the company hopes to attract customers who prefer to use coin-powered washing machines and dryers.

[Coin Wash Express] aims to establish a good brand and reputation as a laundry service provider in Denver, Colorado by utilizing both traditional and online advertising strategies.

**Company Overview:**

**Mission Statement:** [Coin Wash Express] delivers cost-efficient laundry services to university students and working professionals by providing high-quality and efficient coin-operated machines and affordable laundry essentials.

**Philosophy:** [Coin Wash Express] strives to deliver customers’ laundry needs through dedication to service and commitment to provide customer satisfaction.

**Vision:** [Coin Wash Express] aims to become the most patronized laundromat among university students and working professionals.

**Outlook:** The laundromat industry is currently declining with the increase in purchasing power among high-income households. However, an opportunity arises with the growing demand for laundry services among university students and working professionals. The company expects a [25-40%] increase in profit during its first years of operation due to its strategic location.

**Type of Industry:** Laundromat Industry

**Business Structure:** Sole Proprietorship

**Ownership:** Sole Proprietorship, Cheryl Downing

**Start-Up Summary**: [Coin Wash Express]has a total start-up cost of [750K] USD. The owner assumes the responsibility of paying for the company’s initial funds.

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| --- |
| **Start-Up Funding** |
| Start-Up Expenses | $117,700 |
| Start-Up Assets | $632,300 |
| **Total Funding Required** | **$750,000** |
|  |
| Assets |  |
| Non-Cash Assets from Start-Up | $509,300 |
| Cash Requirements from Start-up | $15,000 |
| Additional Cash Raised | $98,000 |
| Cash Balance on Starting Date | $10,000 |
| **Total Assets** | **$632,300** |
|  |
| Capital |  |
| Planned Investment |  |
| Owners | $750,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$750,000** |
| Loss at Start-Up (Start-Up Expenses) | -$117,700 |
| **Total Capital** | **$632,300** |
| Liabilities | $0 |
| **Total Capital and Liabilities** | **$632,300** |
|  |
| **Start-Up** |
| Requirements |  |
| Start-Up Expenses |  |
| Rent - 6 Months | $11,000 |
| Advertising | $3,500 |
| Legal Fees | $1,000 |
| Staff Training | $4,500 |
| Insurance | $2,700 |
| Other | $95,000 |
| **Total Start-Up Expenses** | **$117,700** |
|  |
| Start-Up Assets |  |
| Cash Required | $25,000 |
| Start-Up Inventory | $109,300 |
| Other Current Assets | $98,000 |
| Long-Term Assets | $400,000 |
| **Total Assets** | **$632,300** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$750,000** |

**Management Team:**

|  |  |  |
| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| Cheryl Downing | General Manager | Leadership, Decision-Making, Communication, Conflict Management |
| Ann Ward | Marketing Associate | Planning and Organization, Market Awareness, Attention to Detail, Time Management |

**Short- and Long-Term Goals and Milestones:**

|  |  |
| --- | --- |
| **Short-Term Goals** | **Milestones** |
| Install washing machines and dryers | Completed installation of laundry equipment last June 1, 2020. |
| Hire customer assistants and maintenance personnel | Scheduled final interviews for the shortlisted applicants. |
| **Long-Term Goals** | **Milestones** |
| Establish a good brand and reputation as a laundromat | Secured a strategic location to open the business |
| Secure a solid customer base | Distributed flyers to people living near the business location |

**Products and Services**

**Product/Service Description:** [Coin Wash Express] provides coined laundry services to university students and working professionals within the area. The customer may choose to do self-service laundry or to request an assistant to do the laundry in his/her stead for an affordable price.

**Value Proposition:** [Coin Wash Express] ensures customers of invaluable and cost-efficient laundry services in a well-maintained area.

**Pricing Strategy:** [Coin Wash Express] uses penetration pricing as its strategy. The company prices its laundry services at [$5] per standard load of laundry. For its self-service coined laundry, the company charges [$2.75] for washing machines and [$ 1.50] for dryers.

**Execution**

**Marketing Plan:** [Coin Wash Express] plans to create a good brand and reputation as a laundromat in Denver, Colorado. The company aims to secure a customer base among university students and working professionals using both conventional and online marketing strategies.

**Market Research:** The demand for laundromats is slightly decreasing among high-income households but is increasing among university students and working professionals in Denver, Colorado. The chart below shows the company’s market survey results.



|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| Coin Wash Express | Inexpensive charge for use of laundry supplies and machines | Lack of presence in the market | Students and professionals are looking for an affordable laundry service provider | The immense influence of established laundry businesses in the market |
| Denver Express Laundry | Current trusted brand of working professionals for laundry services  | Highly expensive charges | There are people who avail of their service despite the high cost | Emerging laundry service businesses that offer lower charges |
| Coined Laundromat Express | Known coined laundry express among university students | Inefficiency in machine maintenance | The increase in demand for coined laundromats enables such businesses to expand | Tight competition among starting and small laundry businesses |

**Marketing Strategy:** [Coin Wash Express] plans to use conventional and online marketing strategies. The company will distribute flyers near the business location and will use social media platforms to advertise its services.

The following table shows the tasks needed to be accomplished to complete the aforementioned strategies.

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Flyer Distribution | Distribute and post flyers in universities and offices  | August 10, 2020 | Print 1,000 flyers by July 20, 2020 |
| Social Media Advertising | Post content about the company’s affordable laundry services | September 1, 2020 | The company’s affordable services are posted on its Facebook and Instagram accounts on July 15, 2020 and onward |

**Organizational Structure:**

The owner, Cheryl Downing, will manage the day-to-day operations of [Coin Wash Express]. Ann Ward, the marketing associate, will assist the owner in entertaining customers and in advertising the company’s services. The assistants and maintenance personnel to be employed will directly report to the owner for their assignments.

**Operational Plan:**

**Location and Facilities**

[Coin Wash Express] will operate in a [2,070] square foot commercial space in [2076] S University Blvd, University Park, Denver, CO [80210], USA. About[8] washing machines and [6] dryers will occupy the space aside from the counter where the laundry supplies will be displayed.

**Tools and Equipment Checklist**

|  |  |
| --- | --- |
| **Software** | **Quantity** |
| Inventory Management | 2 |
| Point of Sale System | 1 |
| **Hardware** | **Quantity** |
| Computer | 2 |
| Washers and Dryers | 14 |

**IT Infrastructure**

The following table shows the current condition or status of the company’s IT infrastructure.

|  |  |  |
| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| Social Media | N | The company has yet to open its social media accounts. |
| Latency | Y | There are delays in the processing and response time of the network. |
| Downtime | N | There are no connection disruptions encountered. |

**Financial Plan**

**Assumptions**

[Coin Wash Express] prepared its projected financial statements based on market trends. Its financial assumptions are as follows:

* The company expects a profit of [25%] during its first year of operations and [40%] in the succeeding years.
* The prevailing market interest is [4%] and the tax amount equals [15%] of the total compensation recorded for the year.
* There are no drastic increases in the price of laundry supplies in the market.

**Monthly Expense**

The chart below shows the projected monthly expenses of [Coin Wash Express] for [2020].



**Monthly Revenue**

The chart below shows the projected monthly revenues of [Coin Wash Express] for [2020].



**Business Financing**

The owner, Cheryl Downing, generated funds for [Coin Wash Express] by acquiring a business loan amounting to [750K] USD payable in [8] years. The initial funds cover disbursements pertaining to equipment, payroll, inventory, supplies, rent, and maintenance.

**Statements**

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| --- |
| **Profit and Loss Projection** |
|  | **FY2020** | **FY2021** | **FY2022** |
| Sales | $323,000.00 | $452,200.00 | $633,080.00 |
| Direct Cost of Sale | $145,350.00 | $203,490.00 | $284,886.00 |
| Other Cost of Sale | $1,500.00 | $1,530.00 | $1,560.60 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $176,150.00 | $247,180.00 | $346,633.40 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $146,850.00 | $205,020.00 | $286,446.60 |
| **Gross Margin % (Gross Profit/Sales)** | **45.46%** | **45.34%** | **45.25%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $22,000.00 | $22,000.00 | $22,000.00 |
| Insurance | $8,100.00 | $8,100.00 | $8,100.00 |
| Utilities | $5,000.00 | $5,100.00 | $5,202.00 |
| Salary (Including Tax) | $75,000.00 | $75,000.00 | $75,000.00 |
| Maintenance & Supplies | $15,000.00 | $15,300.00 | $15,606.00 |
| **Total Operating Expenses** | **$125,100.00** | **$125,500.00** | **$125,908.00** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $51,050.00 | $121,680.00 | $220,725.40 |
| Depreciation | $1,000.00 | $1,000.00 | $1,000.00 |
| Interest Expense | $10,000.00 | $10,000.00 | $10,000.00 |
| Taxes Paid | $11,250.00 | $11,250.00 | $11,250.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$500.00** | **$58,270.00** | **$139,288.60** |

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| **Balance Sheet Projection** |
|  | **FY2020** | **FY2021** | **FY2022** |
| Cash | $29,900.00 | $83,150.00 | $203,479.50 |
| Accounts Receivable | $20,000.00 | $27,000.00 | $36,450.00 |
| Inventory | $109,300.00 | $135,532.00 | $168,059.68 |
| Other Current Assets | $98,000.00 | $98,000.00 | $98,000.00 |
| **Total Current Assets** | **$257,200.00** | **$343,682.00** | **$505,989.18** |
|  |  |  |  |
| Long-Term Assets | $400,000.00 | $400,000.00 | $400,000.00 |
| Accumulated Depreciation | $1,000.00 | $2,000.00 | $3,000.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $399,000.00 | $398,000.00 | $397,000.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$656,200.00** | **$741,682.00** | **$902,989.18** |
|  |  |  |  |
| Accounts Payable | $50,000.00 | $45,000.00 | $40,000.00 |
| Notes Payable | $3,000.00 | $3,600.00 | $4,320.00 |
| Other | $1,000.00 | $2,000.00 | $2,500.00 |
| **Total Liabilities** | **$54,000.00** | **$50,600.00** | **$46,820.00** |
|  |  |  |  |
| Paid-in Capital | $750,000.00 | $750,000.00 | $750,000.00 |
| Retained Earnings | $500.00 | $58,770.00 | $198,058.60 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$602,200.00** | **$691,082.00** | **$856,169.18** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **8.97%** | **7.32%** | **5.47%** |

|  |
| --- |
| **Cash Flow Projection** |
|  | **FY2020** | **FY2021** | **FY2022** |
| Operating Cash Beginning | $25,000.00 | $29,900.00 | $83,150.00 |
|  |  |  |  |
| **Sources of Cash** | $15,000.00 | $18,750.00 | $23,437.50 |
| Receivables | $20,000.00 | $28,000.00 | $39,200.00 |
| Sales | $90,000.00 | $126,000.00 | $176,400.00 |
| Others | $5,000.00 | $6,000.00 | $7,200.00 |
| **Total Cash** | $155,000.00 | $208,650.00 | $329,387.50 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $22,000.00 | $22,000.00 | $22,000.00 |
| Insurance | $8,100.00 | $8,100.00 | $8,100.00 |
| Utilities | $5,000.00 | $5,100.00 | $5,202.00 |
| Salary (Including Tax) | $75,000.00 | $75,000.00 | $75,000.00 |
| Maintenance & Supplies | $15,000.00 | $15,300.00 | $15,606.00 |
| **Total Expenditures** | $125,100.00 | $125,500.00 | $125,908.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$29,900.00** | **$83,150.00** | **$203,479.50** |