

[Business Name]

[Address]

[Phone number]

[Alt phone number]

[Email]

[Place Logo Here]

“Everything you
need for your
champion”

Management Team

[Student Name], Owner

Industry

Livestock Feed

Livestock Supplies

Horse Tack

Projected Year 1 Revenue

2017 Sales

\$7,000 per month

\$84,000 a year

Projected Break-even

Fixed Costs	\$4,181
Variable Cost per Unit	\$2,650
Selling Price per Unit	\$18.75 average for feed bag \$20 average for small tack items \$75 average for mid-range tack items \$950 average for high end tack items
Monthly Break-Even	Total Costs \$6831 Must Sell 200 Bags of Feed at \$18.75 1 High End Tack at \$950 20 Mid-Range Tack at \$75 32 Small Tack at \$20

Funding Sought

\$22,500 Financed

\$7,500 Owner Funds

Use of Funds

Setup Store, First Month

Expenses, Beginning Inventory

Business Description:

[Business Name] will be a convenient tack and feed shop for all livestock animals, specializing in show livestock and horses. [Business Name] will offer anything one needs to show and take care of show livestock and horses. It will offer feed that provides the ingredients that help show livestock and horses as opposed to other commercial feed. [Business Name] will offer *HighNoon*® feed for show livestock that includes programs for pigs, goat, cattle, and sheep. The store will also sell *Weaver*® and *Sullivan Supply*® for show and tack supplies. These name brands are known worldwide for their cool designs and high quality products. [Business Name] will concentrate on supplies for the western rider and expand to the English rider in the future. It will also provide anything from grooming to saddles, headstalls, halters, saddle pads, ropes, anything for people showing horses to people competing in rodeos. On the show livestock side, I will have show boxes, fans, stall dividers, all grooming tools such as brushes and animals' hair products such as paint, hair dye, and other miscellaneous products. The uniqueness of [Business Name] is that there is no competition near Colby and that is a one stop shop for those needing feed and tack with high-end, well-known products.

Legal Structure:

[Business Name] will be operated by a sole proprietorship. This structure will be the best for the risk involved in starting a tack and feed dealership business. [Student Name] will be the owner, manager, and overseer of [Business Name]. He has connections from showing horses and livestock throughout the years and is informed of the needs in this business. He will continue to be at shows to help the customers. If [Business Name] grows, a partner may be included in the future. He may expand and hire additional employees in the future. [Student Name] is currently a *HighNoon*® Dealer and may apply for a dealership with *Weaver*® and *Sullivan Supply*®.

Location:

[Business Name] will be located at [Address]. It will be easily located by exiting off Interstate I-70 at exit 53 and turning south to find the red roof shops. It will be less than two blocks from the interstate. [Business Name] will rent Suite #4. The store will be surrounded by many other local businesses at the Southwind Plaza and its location will be perfect for travelers coming through on the interstate and highway 25. [Business Name] will be located in a rural community with a population of 5,400. The community is an agricultural economy that supports 4-H, a local community college that supports equine and livestock programs, and hosts several events involving livestock and equine such as the college rodeo and equestrian team horse show.

Marketing Plan:

Farm Supply Store Market Research Report from www.ibisworld.com

- Revenue of 14 billion, Annual Growth (10-15) 2.9%, Employment 71,377
- Farm supply stores sell a variety of livestock and crop products. This would be similar in nature to my business, but focus overall on ag needs versus show livestock and tack needs.

Animal Care and Service Workers Career Report from www.bls.gov/ooh

- Number of jobs 241,600, Job Outlook 2014-24 11% faster than average
- The jobs and workers of these careers will utilize the supplies from my store for the care of their animals.

Kansas 4-H Enrollment Trends Report from www.kansas4-h.org

- 2015 has 86,719 participants in 4-H
- The above group are possible customers to show livestock feed and tack for their projects and events they attend.

Colby Community College Equestrian and Rodeo report from www.colbycc.edu

- Rodeo team has 11 scheduled rodeos for the 2015-2016 school year that includes one in Colby.
- The Equestrian Team has 15 shows scheduled for the 2015-2016 school year that includes two shows in Colby.

[Business Name] will get their name out to the public through newspapers, trade shows, social media, and a website. The livestock and horse industry has a lot of events; I believe its very important to have a booth for advertising at these events as it will get the business name out the fastest. Social media and a website are very important to get information out when a person becomes interested in the business. I will use newspaper the least as I find this method of advertising the least useful.

Production: There is a demand for show livestock and equine supplies in Northwest Kansas. In the local area, more people are becoming interested in horses and livestock events as a hobby. I know from showing horses and livestock myself people always forget things when they come to shows. With that being said, we would be the go to store when Colby has shows. [Business Name] will be everyone's stop for all their equine and livestock supplies. The customers that will be interested in my business are the people who show horses or livestock at county, state, and national levels. A main target locally will be the 4-H members, FFA members, the Colby Community College Rodeo and Equestrian team members. I will also serve the occasional local commercial livestock producer that may need feed or basic supplies for their operation. I will also have customers who are traveling to their next competition who stop at [Business Name].

Licenses and Permits

- Apply for SS-4 EIN at www.ksrevenue.org/ss4.html
- Apply Sales Tax Number at www.ksrevenue.org/

Dealer Partnerships

- *HighNoon®*, Bird City, KS 67731
Home: 785-734-2743, www.highnoonfeeds.com, Dealer price, must sell 5 tons
- *Weaver Leather LCC®*, 7540 CR 201PO Box 68, Mt. Hope, Ohio 44660
 - (330) 674-7548, www.weaverleather.com,
 - Livestock Supplies Dealership Requirements-opening order of \$2,000 and minimum \$1,000 yearly, must have a store and catalog
 - Tack Dealership Requirements - Opening order of \$2,000 and minimum \$1,000 yearly, must have a store with regular hours
- *Sullivan Show Supplies®*, 701 Iowa Ave, Dunlap, IA 51529
 - (712) 643-5902, www.sullivansupply.com, to keep yearly dealership must order \$750 a year

Competition:

- *Orscheln Farm and Home®* 1915 S Range Ave, Colby, KS 67701
- *Lester Sims Saddlery®* 1304 Western Plains Drive Hays, Kansas 67601
- *Crazy House®* 2510 US-50, Garden City, KS 67846

The above competition would not play a factor in my sales due to location and offerings. The *Lester Sims Saddlery®* and *Crazy House®* are over 100 miles from my location. The local *Orscheln Farm and Home®* does not sell specialized show feed and show tack. Therefore, my store will be unique and not directly competing with anyone in the area.

Management: I, [Student Name], will be the owner and manager of [Business Name]. After the business has a steady income, I will consider hiring one or two employees who have shown livestock and/or ride horses so that we will be able to have the best customer service. Starting my first year, I will be the only employee. In the job, I will be stocking shelves, checking inventory, customer service, and the typical business upkeep. I will also be on call as I understand how important that certain "tool" or piece of tack can be when showing an animal. I have had much training and won many

awards in the horse showing world. I have completed the two-year-old colt training class at Colby Community College, placed in the top 20 of speed events at the Kansas State Fair, won many local shows, all-around senior rider at my local fair, and was all around speed events at the Thomas County Fair 3 times. On the livestock show side of things, I have been showing steers since I was twelve. I am a part of the National Bison judging team in 2015 where I placed 6th individually, Kansas State FFA horse judging I placed 8th individually. By participating in these competitions, I have created connections with major livestock and horse resources.

Financial Plan: *[Business Name]* will require \$30,000 in start-up funding. These start-up costs include \$10,242.73 for office equipment and shelving, \$4,331 first month expenses, and \$15,426.27 for beginning inventory. I will invest \$7,500 into the business but I will be seeking additional funds for the required \$22,500 in start-up funding. The start-up equipment and supplies will include items such as cash register-\$600, service counter-\$179, wall shelving's- \$2,760, pegboard towers-\$195, saddle stands-\$344.24, saddle pad rack-\$214.48, display tables-\$550, business sign-\$500 to \$5,000, and other office supplies-\$400.

[Business Name] projects year one sales as \$84,000. Total expenses for year one are projected at \$51,972, for a projected net income of \$2028. By the end of year three, the team has projected an increase for sales to \$10,000 per month, expenses of \$120,000, for a projected income of \$20,784.

Basic Financial Information

Startup Capital Required	\$10, 242.73 Office Equipment and Shelving \$4,331 first month expenses \$15,426.27 beginning inventory
Projected Number of Units Sold	200 Bags of Feed at \$18.75 1 High End Tack at \$950 20 Mid-Range Tack at \$75 32 Small Tack at \$20
Average Price Per Feed Unit	\$18.75 average for feed bag
Average Price Per Tack Unit	\$20 average for small tack items \$75 average for mid-range tack items \$950 average for high end tack items
Competitor's Price Per Unit	\$20 average for small tack items \$75 average for mid-range tack items \$950 average for high end tack items Comparable, but <i>[Business Name]</i> has local Target Market
Cost of Goods Sold Per Unit	*varies depending on feed versus tack and quality of product

Break-Even Analysis 2017 per Month

Fixed Costs (Operating Expenses, Rent, Salary, Insurance, Telephone, Payroll Taxes)	\$4,181
Variable Cost per Unit (Cost of Goods, Advertising, Office Expenses)	\$2,650
Selling Price per Unit	\$18.75 average for feed bag \$20 average for small tack items \$75 average for mid-range tack items \$950 average for high end tack items
Monthly Break-Even	Total Costs \$6831 Must Sell 200 Bags of Feed at \$18.75 1 High End Tack at \$950 20 Mid Range Tack at \$75 32 Small Tack at \$20

The prices will vary depending on what product I sell to the customer; we would like to at least make 20% markup on products.

3 Year Projected Income: The following three-year projected income statement demonstrates the potential profitability

	2017	2018	2019
Sales	\$84,000 a year	\$96,000 a year	\$120,000 a year
Cost of Goods Sold	\$30,000 per month	\$36,000 per year	\$42,000 per year
Gross Profit	\$54,000 per year	\$60,000 per year	\$84,500 per year
Operating Expenses	\$6,000 a year	\$6,000 a year	\$6,000 a year
Rent	\$9,000 per year	\$9,000 per year	\$9,000 per year
Salary	\$20,000 per year	\$20,000 per year	\$25,000 per year
Advertising	\$1,200 per year	\$1,200 per year	\$1,200 per year
Insurance	\$1,000 per year	\$1,000 per year	\$1,000 per year
Office Expenses	\$600 per year	\$600 per year	\$600 per year
Telephone	\$1,200 per year	\$1,200 per year	\$1,200 per year
Miscellaneous Expenses (payroll tax)	\$1,980 per year	\$1,980 per year	\$2,220 per year
Total Expenses	\$51,972 per year	\$51,972 per year	\$57,216 per year
Net Income	\$2,028 per year	\$8,028 per year	\$20,784 per year