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Universal Laundromat

1.0 Executive Summary

Universal Laundromat is a full-service coin-op laundry (washing, drying, and optional folding) service dedicated to consistently providing high customer satisfaction by rendering reliable machines and furnishing a clean, enjoyable atmosphere at a competitive price/value relationship.

Our Mission: To provide convenient, clean, and friendly laundry service.

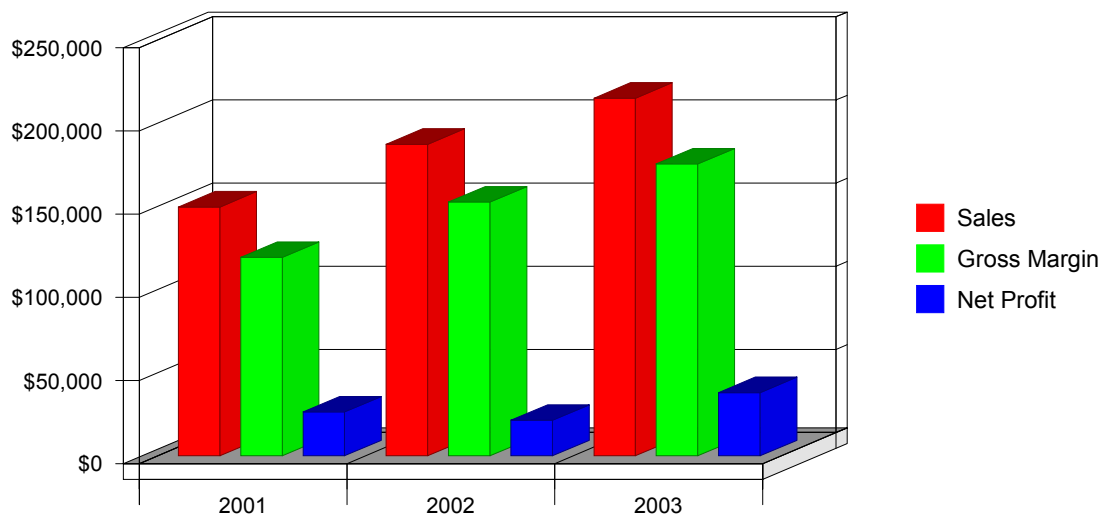
Our Motto: "Professional, convenient, friendly service and competitive pricing"

The timing is right for starting this new venture. After patiently searching for two months for the perfect location, one was finally found. The demand of laundry service, the ambitions of the owner to one day start his own laundry business, and knowledge to support the venture, has made it a business opportunity with great potential.

Currently, Mr. Mihn Doung owns a small permanent shop in 7th Berryessa Flea Market selling power tools every weekend. That store brings in approximately \$4,500/month on average in revenue. The profit averages out to approximately \$2,500/month. Considering the potentiality in the coin-op laundromat industry, he'd like to take on further challenges by starting another venture.

To achieve this objective, Universal Laundromat is seeking \$150,000 in additional loan financing. This loan will be paid by the cash flow from both the shop at the Flea Market and the laundry business, and will be collateralized by the assets of the business and steady income it brings along with an initial \$75,000 down payment, and backed by the character, experience, and personal guarantees of the owner.

Highlights (Planned)

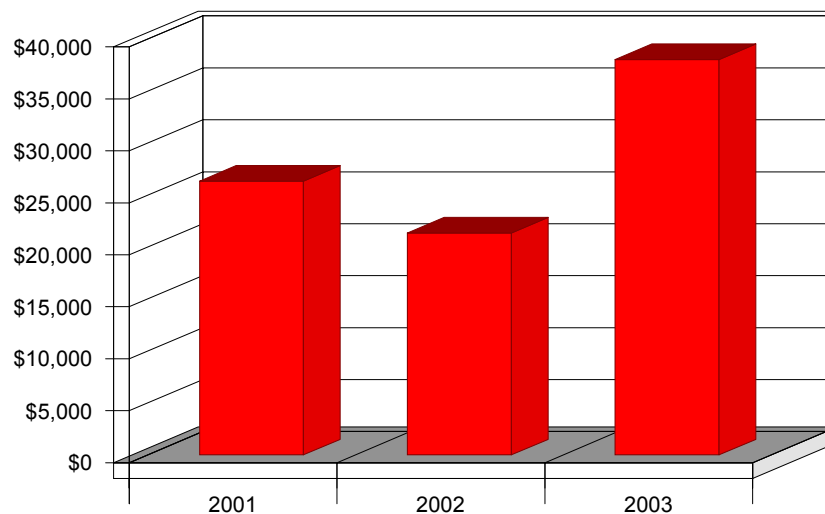


Universal Laundromat

1.1 Yearly Profit Potential

It is very important to note that the minimum monthly amount of loan payback should decrease as principal decreases. Furthermore, the profit projected in the table is after all expenses and monthly loan payback have been subtracted. All net profit will then be paid as an additional sum to greatly shorten the term of the loan.

Profit Yearly (Planned)



1.2 Keys to Success

The keys to success in our business are:

- **Location:** the potential business is to be located in a nice small shopping center of a poor to lower-middle class, ethnically Mexican neighborhood, where it's the closest and most convenient place to get services. In addition, there are two apartment complexes located nearby. In addition to being the sole laundromat in this neighborhood and surrounded by residences, there is no potential for a competitor.
- **Convenience:** offering clients services ranging from full-service washing and drying to optional folding, and extended business hours.
- **Environment:** providing an environment conducive to giving clean, friendly, and professional service.
- **Reputation:** long-term reputation resulting from friendly, professional service will encourage customers to return.

Universal Laundromat

2.0 Company Summary

Universal Laundromat will, upon commencement of operations, supply full washing, drying, and optional folding services. We will also provide quality products to ensure clean washing of clothes as well as household retail products to meet the demand for easy access for the neighborhood. What will set Universal Laundromat apart from the competition is our commitment to providing professional, friendly, prompt, and, most importantly, convenient services.

2.1 Start-up Summary

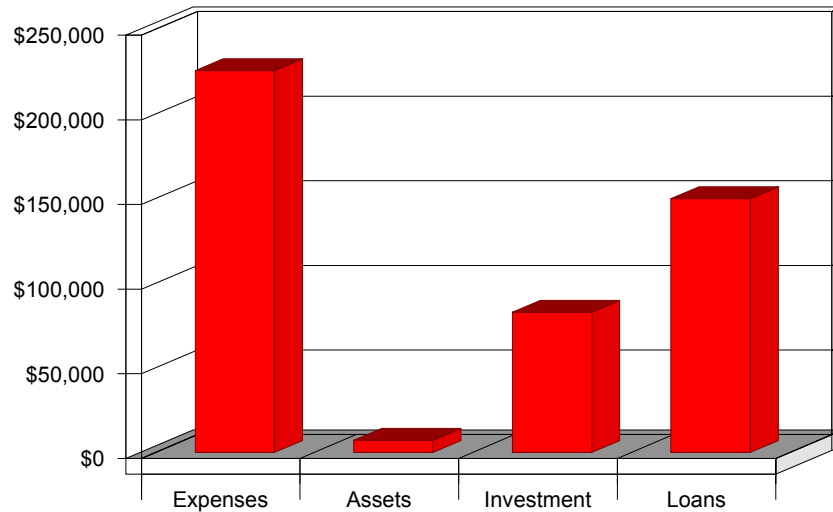
This laundromat is a rare business opportunity that not many people can get. Having an excellent proven track record of steady income, the current owner is reluctant to sell. However, in desperation of a large sum of money to pay back loans before his retirement, he is, in a way, forced to sell. Nevertheless, this sale has not been announced or listed to the public yet. Priority is given to acquaintances before being given to the public. Being an acquaintant, Minh has first priority to the business opportunity.

Table: Start-up

Start-up	
Requirements	
Start-up Expenses	
Rent Deposit	\$0
Misc.	\$500
Cost of Business Acquisition	\$225,000
Total Start-up Expense	\$225,500
Start-up Assets Needed	
Cash Balance on Starting Date	\$7,262
Other Short-term Assets	\$0
Total Short-term Assets	\$7,262
Long-term Assets	\$0
Total Assets	\$7,262
Total Requirements	\$232,762
Funding	
Investment	
Minh Duong	\$82,762
Other	\$0
Total Investment	\$82,762
Short-term Liabilities	
Accounts Payable	\$0
Current Borrowing	\$0
Other Short-term Liabilities	\$0
Subtotal Short-term Liabilities	\$0
Long-term Liabilities	\$150,000
Total Liabilities	\$150,000
Loss at Start-up	(\$225,500)
Total Capital	(\$142,738)
Total Capital and Liabilities	\$7,262

Universal Laundromat

Start-up



2.2 Financial Picture of Current Laundromat

A few tips from the expert:

- In the laundromat industry, we should always consider an established venture.
- The estimated value of the business should be 50 times the net profit; the investor should regain investment in 3 years or less.
- In the laundromat business, size doesn't matter. Only NET PROFIT (income) does.

Financial Picture of T. Le Super Wash laundromat:

REVENUE	
Laundromat Sales (On Average)	\$12,000
Supplies and Game Arcade Sales	\$1,100
Subletting Revenue	\$500
Total Monthly Revenue	\$13,600
OPERATIONAL ADMINISTRATIVE EXPENSES	
Rent	\$1,975
Garbage and Sewage	\$50
Business Insurance (\$1,000,000 Liability)	\$107
Utilities (Gas, Electric, and Water)	\$2,300
Machine Maintenance	\$70
Payroll Expense	\$600
Direct Cost of Sales (Supplies, Miscellaneous)	\$300
Total Monthly Expenses	\$5,402
NET PROFIT (On Average)	\$8,198

2.3 Company Locations and Facilities

The laundromat is located in San Jose, California. It will utilize 1,500 square feet. The location is strategically situated on one of the busiest streets in East San Jose. More specifically, it's located in a small attractive shopping center next to the poor to lower-middle class homes; therefore, there is NO possible competitor (after very careful examining). In addition, there are two apartment complexes located nearby. Surrounding it, there is a Mexican neighborhood whose residents get most of their services and needed goods in this plaza where the laundromat is located.

3.0 Services

Universal Laundromat is considered a full-service laundry service. There are 34 washers and 20 dryers. We offer a wide range of services, including:

- Washing
- Drying
- Folding (potentially)
- Game arcade
- Laundry supplies
- Retail household products

3.1 Competitive Comparison

Universal Laundromat would like to set itself apart from other laundromats that may offer only one or two services. Although the focus of Universal Laundromat is a washing and drying service, we do wish to offer our clients the convenience of these other services in one location. Those services include folding and potentially pick-up/delivery service, as well as online reservation and membership for pick-up and delivery. Most importantly, it's our convenience that sets us apart from the competition.

4.0 Marketing Strategy

It's been shown that the best method of advertising is through word-of-mouth. No major newspaper ad campaign is planned. However, we shall run weekly specials. In addition, we shall have an incentive program for referrals. Those customers who refer someone else to the store will be rewarded with two free washes, and the referee will receive an introductory gift of a free wash. In addition, we will ensure a clean environment, reliable machines, and friendly, prompt services.

Universal Laundromat

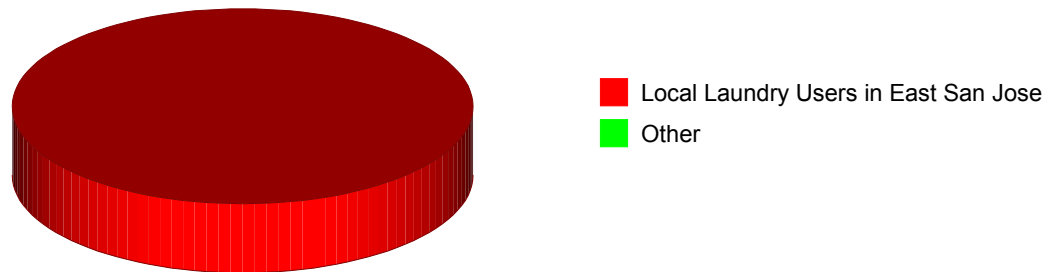
4.1 Target Market

Universal Laundromat's target market is every household that needs laundromat services within the immediate area of east San Jose. There is no market segmentation strategy associated with this potential market. The Market Analysis table indicates the estimated number of potential customers and their growth rate.

Table: Market Analysis

Market Analysis	Growth	2000	2001	2002	2003	2004	CAGR
Potential Customers							
Local Laundry Users in East San Jose	2%	6,434	6,531	6,629	6,728	6,829	1.50%
Other	0%	0	0	0	0	0	0.00%
Total	1.50%	6,434	6,531	6,629	6,728	6,829	1.50%

Market Analysis (Pie)



5.0 Management Summary

The business is managed by the owner, who has extensive leadership and management skills as well as an innovative and creative character. Unlike most laundromat businesses, Universal Laundromat will have an on-site staff person (Maintenance/Cashier) dedicated not only to store and machine maintenance but who also acts as a cashier to the retail business within the laundromat. As part of the management philosophy, this Maintenance/Cashier person will be carefully evaluated for friendliness, professionalism, efficiency, and honesty. The salaries are shown in the personnel plan table. As Mr. Mihn Duong already has a steady income from his power tool shop, his salary will be less than what would be expected if this was his sole source of income.

Universal Laundromat

5.1 Management Team

Minh Duong is an ambitious, hardworking, philosophical leader and businessman. He has extensive business experience, and knowledge in various fields including retail sales, service and the Internet industry. Over the years, he has started various small businesses ranging from offline retail sales of a wide variety of products and services to online hosting services. He has extensive leadership skills as he had been elected to be President of five different clubs in High School. In college, Minh had founded two organizations at the University of California, Berkeley. In addition, he had also been elected to various leadership roles such as President and Vice-president of three different large organizations with membership over 500 members. School-wide, Minh had been fortunate to be elected by the student body of the university to be a Senator in the student government. During his term of office, he headed the Finance Committee that dealt with over \$500,000 in student fund allocation. Moreover, he also headed the Student Affairs Committee as well as the Computing Facilities of the student government. Realizing his service and efficiency, fellow senators elected him to the board of directors of the Berkeley Student Foundation, the largest scholarship foundation for minority students sponsored by the Associated Students of the University of California. There, Minh dealt with the decision process of fund allocations to top high school minority students throughout the country. In the business world, Minh currently owns a permanent Flea Market Power Tools Shop at the Berryessa Flea Market in San Jose, CA. He is also the President/CEO of a small start-up Internet company providing business solutions to other businesses. He is currently working with five other colleagues at his college on that business. In academia, he is currently working with Professor Bradford DeLong, a former Bill Clinton's Foreign Policy Advisor Committee member, as a Research Assistant on a book titled, A Time Series of Changes Due to Globalization. Independently, he is currently working on a research paper titled, "Is Chinese Reform Sustainable? Is It Different?"

Minh is currently a fifth year Pre-med, Pre-MBA student with a triple major in Economics, Mathematics, and Statistics. He is currently 22 years old. He came to the U.S. on Nov. 7, 1990 from Viet Nam. After finishing his college education, he plans to achieve an MBA from Harvard Business School and an MD from John Hopkins Medical School.

5.2 Personnel Plan

There will be one Attendant/Cashier employee whose duties include store and machine maintenance, and being a cashier/retailer for the small retail business in the laundromat. As time progresses, we will expand to include full folding service. Depending on the demand for the service, we might add more personnel. The current salary for the existing personnel is \$700/mo. With the added duties and responsibilities, it's reasonable and possible to increase salaries.

As for machine maintenance, this will be outsourced at Xuan Repair Services. This is an on-call independent repair service. They have been known within the community, as one of the reliable and prompt repair services. They usually service within the same day. It's been estimated to cost approximately \$150 per month for maintenance.

Universal Laundromat

Table: Personnel (Planned)

Personnel Plan			
Production Personnel	2001	2002	2003
Maintenance Contractor	\$1,650	\$1,650	\$1,650
Other	\$0	\$0	\$0
Subtotal	\$1,650	\$1,650	\$1,650
Sales and Marketing Personnel			
None	\$0	\$0	\$0
Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
General and Administrative Personnel			
Owner	\$22,000	\$24,000	\$24,000
Maintenance/Cashier	\$7,700	\$8,400	\$8,400
Subtotal	\$29,700	\$32,400	\$32,400
Other Personnel			
None	\$0	\$0	\$0
Other	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0
Total Headcount	2	2	2
Total Payroll	\$31,350	\$34,050	\$34,050
Payroll Burden	\$4,703	\$5,108	\$5,108
Total Payroll Expenditures	\$36,053	\$39,158	\$39,158

5.3 Handling of Money

Money from machines will be collected twice a week by Minh Duong. It will be counted by a counting machine and deposited directly into the bank account. The collection time will vary to maximize security of revenue.

6.0 Financial Plan

In this business, it is expected that the revenue is 30% more in the winter due to more machine-drying and less hang-drying. Conversely, it's also expected that revenue is 30% less in the summer due to hang-drying in the sunlight. Furthermore, with the potential in this particular laundromat and the management confidence, it's expected that growth should be at least 15% annually. It should be noted again that monthly profit shown has already taken into account the minimum monthly loan payback amount. It's planned that all remaining profit will be paid towards loan as additional payback.

6.1 Payback Plan for a 10-year Term Loan

Plan of Payback for a 10-year term loan:

Total amount of loan	\$150,000
Monthly payback including interest	\$2,109
Additional payback amount from monthly net profit	\$2,838
Monthly net profit (\$13,100 - \$5402 - \$2617.25)	\$5,081
Total monthly payback	\$4,946

Universal Laundromat

For \$4,946/month loan payment, the 10-year term loan (11.5% interest rate) will be shortened to less than 36 months (three years). If the interest rate is lower, then the loan will be paid off sooner. Also, if the business does better than usual, then the loan term will be further shortened. The motive here is to pay off the loan as soon as possible to reduce cost of interest paid on the loan. Based on the cash flow and profitability projections in this plan, this accelerated payment scheme could be started at the beginning of FY2002.

6.2 Factors Minimizing Risk of Loan Default

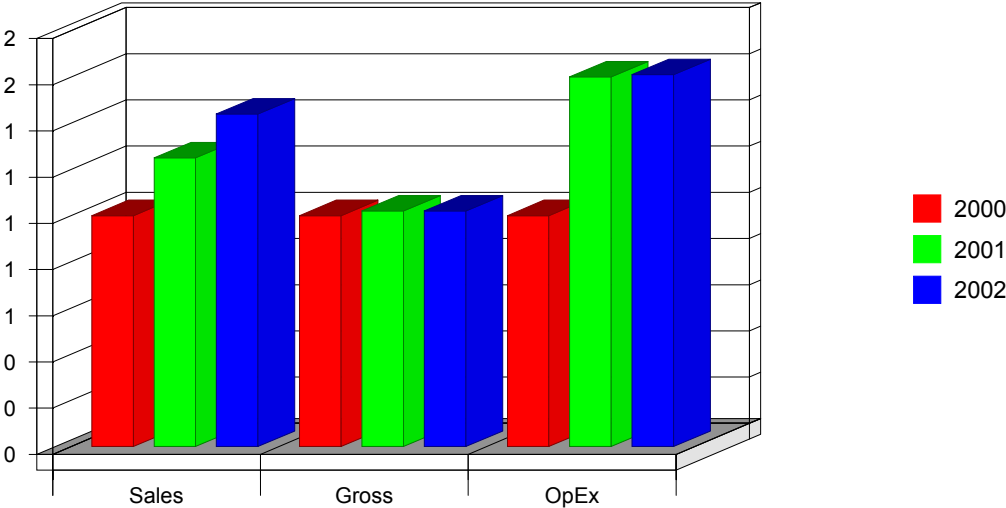
Factors that minimize risk of default on a loan:

- Proven steady net profit from laundromat; it is a reliable source of proof of net steady income.
- Utility bills are the best estimators since no laundromat has income statement due to tax disadvantage reasons.
- Current owner is someone Minh's known for five years in value and trust.
- Current owner sincerely expressed his belief in the accuracy of net income and reassured it by his living next door to the laundromat and first year property tax coverage along with free three months machine maintenance.
- Current owner is also confident that if the business doesn't produce what he claims it has, even without improvement of current store condition, he is willing to carry an interest-free loan up to \$20,000 to help keep it up to speed if necessary. This is to ensure the accuracy on the numbers he claimed about Net Income.
- Current owner also covers any raise in rent for the first 2 years at the time of signing a new 10-year lease.
- Additional payback amount will be supplemented from the business' monthly net profit. This will shorten a 10-year loan to less than 36 months. Therefore, this will be a major contributing factor in minimizing risk to a loan.
- Minh owns a Flea Market Power Tools shop. This could be used as a secondary source of capital support to the laundry venture if business doesn't go well.
- Minh will put up \$80,000 out-of-pocket investment. According to California Coin Laundry Association, the formula for estimating the value of the business is 50 times the net profit. Since the business brings an average net profit of \$7000 or more, the market value for the business if it was to be sold according to this standard is 47 times (multiplier subtracted because of some older machines) $\$7,000 = \$329,000$. Fortunately, the business is under sold (very much below market price) for \$225,000, a difference of \$104,000.
- Non-depreciation market value of business. In the worst case scenario, if the business doesn't prosper, then it could be sold for at least the amount invested in. Let's say even worse, if the business loses \$20,000 after the business is sold, then the loan would be paid in full and Minh will absorb the loss of the amount.
- History has shown that there's NOT a local competitor. In addition, there are two apartment complexes located nearby. Surrounding it, there is also a poor Mexican neighborhood where residents get most of their services and needed goods in this plaza where the laundromat is located.
- In the case of Minh's death, the loan will be insured by his 10-year term, \$250,000 life insurance. The bank shall be the primary beneficiary. The insurance policy shall begin once the loan is approved by the bank.

6.3 Key Financial Indicators

This financial indicator shows the potential changes such as growth. This is based on the annual sales, and operating expenses as measured in gross amounts (gross margin is in percentage terms).

Benchmarks (Planned)

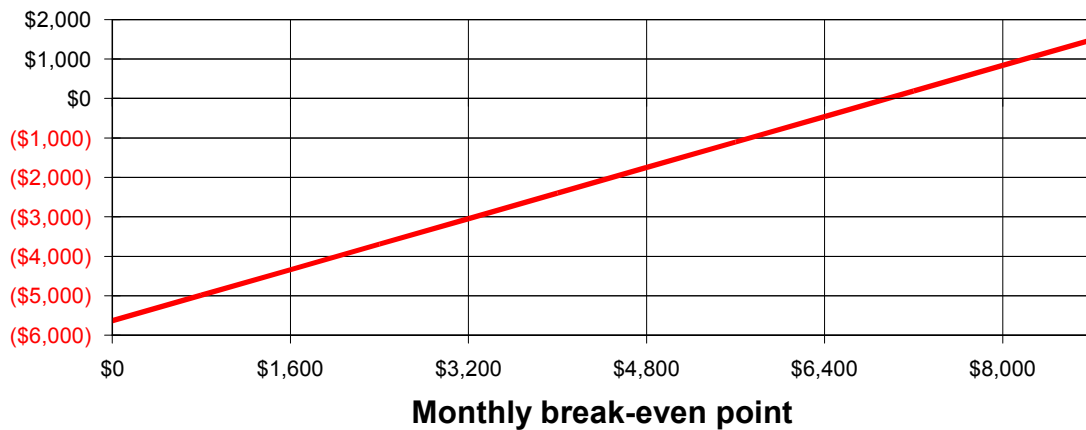


Universal Laundromat

6.4 Break-even Analysis

The break-even analysis shows that Universal Laundromat has a good balance of fixed costs and sufficient sales strength to remain healthy. Our break-even point is only 871 customers a month. This was derived by using an average revenue of \$8 per customer, and fixed costs of \$5,633 (including loan payback amount). This also includes the cost of products for retail sales and all other costs such as payroll, maintenance, garbage, utilities, and insurance.

Break-even Analysis



Break-even point = where line intersects with 0

Table: Break-even Analysis

Break-even Analysis:	
Monthly Units Break-even	871
Monthly Sales Break-even	\$6,965
Assumptions:	
Average Per-Unit Revenue	\$8.00
Average Per-Unit Variable Cost	\$1.53
Estimated Monthly Fixed Cost	\$5,633

Universal Laundromat

6.5 Sales Forecast

The following table and chart illustrate the sales forecast. The first year is an accurate description of the current sales condition based on the last two years of growth. The company's cost of sales or variable cost consists of the company's utility expenses, which are dependant on the number of customers. This is normally a fixed cost for most companies.

Table: Sales Forecast (Planned)

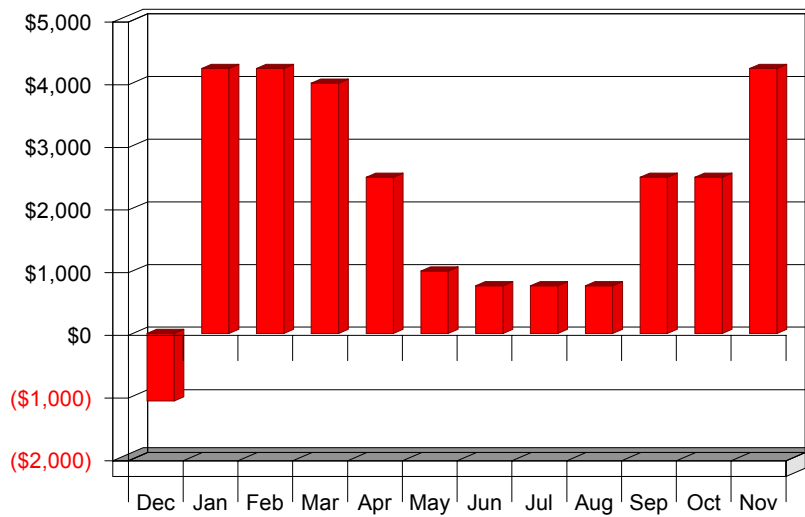
Sales Forecast	2001	2002	2003
Sales			
Sales of Laundry Service	\$132,000	\$165,600	\$190,440
Subletting Sale	\$5,500	\$6,600	\$7,200
Sales of Retail Products and Games	\$12,100	\$15,180	\$17,457
Total Sales	\$149,600	\$187,380	\$215,097
Direct Cost of Sales	2001	2002	2003
Sales of Laundry Service	\$25,300	\$29,095	\$33,459
Subletting Sale	\$0	\$0	\$0
Sales of Retail Products and Games	\$3,300	\$4,000	\$4,500
Subtotal Direct Cost of Sales	\$28,600	\$33,095	\$37,959

Universal Laundromat

6.6 Projected Profit and Loss

It is very important to note that the minimum amount of loan payback should decrease as principal decreases. Furthermore, the profit projected in the table is after all expenses and monthly loan payback have been taken into account. All net profit will then be paid as an additional sum to greatly shorten the term of the loan.

Profit Monthly (Planned)



Universal Laundromat

Table: Profit and Loss (Planned)

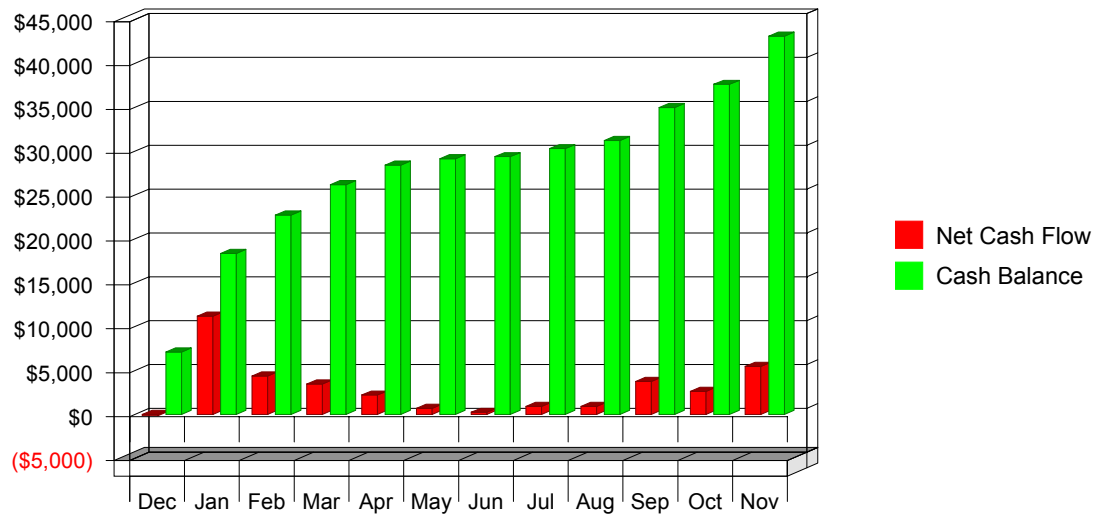
Pro Forma Profit and Loss	2001	2002	2003
Sales	\$149,600	\$187,380	\$215,097
Direct Cost of Sales	\$28,600	\$33,095	\$37,959
Production Payroll	\$1,650	\$1,650	\$1,650
Other	\$0	\$0	\$0
	-----	-----	-----
Total Cost of Sales	\$30,250	\$34,745	\$39,609
Gross Margin	\$119,350	\$152,635	\$175,488
Gross Margin %	79.78%	81.46%	81.59%
Operating Expenses:			
Sales and Marketing Expenses:			
Sales and Marketing Payroll	\$0	\$0	\$0
Business Insurance	\$1,177	\$1,177	\$1,177
Miscellaneous	\$0	\$0	\$0
	-----	-----	-----
Total Sales and Marketing Expenses	\$1,177	\$1,177	\$1,177
Sales and Marketing %	0.79%	0.63%	0.55%
General and Administrative Expenses:			
General and Administrative Payroll	\$29,700	\$32,400	\$32,400
Payroll Burden	\$4,703	\$5,108	\$5,108
Depreciation	\$1,733	\$1,890	\$1,890
Bank Loan Payback (\$150,000)	\$7,381	\$42,096	\$42,096
Garbage/Sewage	\$550	\$550	\$550
Rent	\$21,725	\$23,700	\$24,300
	-----	-----	-----
Total General and Administrative Expenses	\$65,791	\$105,744	\$106,344
General and Administrative %	43.98%	56.43%	49.44%
Other Expenses:			
Other Payroll	\$0	\$0	\$0
Others	\$0	\$0	\$0
	-----	-----	-----
Total Other Expenses	\$0	\$0	\$0
Other %	0.00%	0.00%	0.00%
	-----	-----	-----
Total Operating Expenses	\$66,968	\$106,921	\$107,521
Profit Before Interest and Taxes	\$52,382	\$45,715	\$67,968
Interest Expense Short-term	\$0	\$0	\$0
Interest Expense Long-term	\$17,250	\$17,250	\$17,250
Taxes Incurred	\$8,783	\$7,116	\$12,679
Extraordinary Items	\$0	\$0	\$0
Net Profit	\$26,349	\$21,348	\$38,038
Net Profit/Sales	17.61%	11.39%	17.68%

Universal Laundromat

6.7 Projected Cash Flow

The following is a chart and table showing the cash flow and cash balance every month. The cash flow is the net income after all expenses have been paid. The cash balance shows the accumulation of cash in the business over the periods. The main point of this chart and table is to show the excess cash flow that could be used as additional payback on the loan. Therefore, after such additional payback takes place, all bars should be stabilized and cash flow should be down to zero because none of the profit is withdrawn.

Cash (Actual)



Universal Laundromat

Table: Cash Flow (Planned)

Pro Forma Cash Flow	2001	2002	2003
Cash Received			
Cash from Operations:			
Cash Sales	\$149,600	\$187,380	\$215,097
From Receivables	\$0	\$0	\$0
Subtotal Cash from Operations	\$149,600	\$187,380	\$215,097
Additional Cash Received			
Extraordinary Items	\$0	\$0	\$0
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 Short-term Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
Capital Input	\$0	\$0	\$0
Subtotal Cash Received	\$149,600	\$187,380	\$215,097
Expenditures			
Expenditures from Operations:			
Cash Spent on Costs and Expenses	\$8,547	\$12,498	\$13,601
Wages, Salaries, Payroll Taxes, etc.	\$36,053	\$39,158	\$39,158
Payment of Accounts Payable	\$69,142	\$108,890	\$121,407
Subtotal Spent on Operations	\$113,741	\$160,546	\$174,165
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 Short-term Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
Adjustment for Assets Purchased on Credit	\$0	\$0	\$0
Subtotal Cash Spent	\$113,741	\$160,546	\$174,165
Net Cash Flow	\$35,859	\$26,834	\$40,932
Cash Balance	\$43,121	\$69,955	\$110,887

Universal Laundromat

6.8 Business Ratios

Business ratios for the years of this plan are shown below. Industry profile ratios based on the Standard Industrial Classification (SIC) code 7215, Coin-Operated Laundries and Cleaning, are shown for comparison.

Table: Ratios (Planned)

Ratio Analysis	2000	2001	2002	Industry Profile
Sales Growth	0.00%	25.25%	14.79%	5.30%
Percent of Total Assets				
Accounts Receivable	0.00%	0.00%	0.00%	12.90%
Inventory	0.00%	0.00%	0.00%	5.30%
Other Short-term Assets	0.00%	0.00%	0.00%	37.50%
Total Short-term Assets	104.19%	105.46%	105.23%	55.70%
Long-term Assets	-4.19%	-5.46%	-5.23%	44.30%
Total Assets	100.00%	100.00%	100.00%	100.00%
Other Short-term Liabilities				
Other Short-term Liabilities	0.00%	0.00%	0.00%	30.00%
Subtotal Short-term Liabilities	18.79%	17.15%	11.75%	16.90%
Long-term Liabilities	362.42%	226.13%	142.35%	24.00%
Total Liabilities	381.21%	243.28%	154.10%	40.90%
Net Worth	-281.21%	-143.28%	-54.10%	59.10%
Percent of Sales				
Sales	100.00%	100.00%	100.00%	100.00%
Gross Margin	79.78%	81.46%	81.59%	0.00%
Selling, General & Administrative Expenses	62.17%	70.06%	63.90%	71.70%
Advertising Expenses	0.79%	0.63%	0.55%	2.40%
Profit Before Interest and Taxes	35.01%	24.40%	31.60%	4.50%
Main Ratios				
Current	5.54	6.15	8.96	1.97
Quick	5.54	6.15	8.96	1.48
Total Debt to Total Assets	381.21%	243.28%	154.10%	54.00%
Pre-tax Return on Net Worth	-59.83%	-66.25%	-149.50%	6.90%
Pre-tax Return on Assets	168.24%	94.92%	80.87%	15.00%
Business Vitality Profile				
	2000	2001	2002	Industry
Sales per Employee	\$74,800	\$93,690	\$107,549	\$0
Survival Rate				0.00%
Additional Ratios				
	2000	2001	2002	
Net Profit Margin	17.61%	11.39%	17.68%	n.a
Return on Equity	0.00%	0.00%	0.00%	n.a
Activity Ratios				
Accounts Receivable Turnover	0.00	0.00	0.00	n.a
Collection Days	0	0	0	n.a
Inventory Turnover	0.00	0.00	0.00	n.a
Accounts Payable Turnover	9.89	9.89	9.89	n.a
Total Asset Turnover	3.61	2.82	2.04	n.a
Debt Ratios				
Debt to Net Worth	0.00	0.00	0.00	n.a
Short-term Liab. to Liab.	0.05	0.07	0.08	n.a
Liquidity Ratios				
Net Working Capital	\$35,344	\$58,582	\$98,510	n.a
Interest Coverage	3.04	2.65	3.94	n.a
Additional Ratios				
Assets to Sales	0.28	0.35	0.49	n.a
Current Debt/Total Assets	19%	17%	12%	n.a
Acid Test	5.54	6.15	8.96	n.a

Universal Laundromat

Sales/Net Worth	0.00	0.00	0.00	n.a
Dividend Payout	\$0	0.00	0.00	n.a

Appendix

Appendix Table: Personnel (Planned)

Personnel Plan	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Production Personnel	\$0	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Maintenance Contractor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$0	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Sales and Marketing Personnel												
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General and Administrative Personnel												
Owner	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Maintenance/Cashier	\$0	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700	\$700
Subtotal	\$0	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700
Other Personnel												
None	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Headcount	2	2	2	2	2	2	2	2	2	2	2	2
Total Payroll	\$0	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850	\$2,850
Payroll Burden	\$0	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428
Total Payroll Expenditures	\$0	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278

Appendix

Appendix Table: Sales Forecast (Planned)

Sales Forecast		Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Sales													
Sales of Laundry Service	\$0	\$15,000	\$15,000	\$14,000	\$12,000	\$10,000	\$9,000	\$9,000	\$9,000	\$12,000	\$12,000	\$15,000	
Subletting Sale	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Sales of Retail Products and Games	\$0	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
Total Sales	\$0	\$16,600	\$16,600	\$15,600	\$13,600	\$11,600	\$10,600	\$10,600	\$10,600	\$13,600	\$13,600	\$16,600	
Direct Cost of Sales													
Sales of Laundry Service	\$0	\$2,990	\$2,990	\$2,300	\$2,300	\$2,300	\$1,610	\$1,610	\$1,610	\$2,300	\$2,300	\$2,990	
Subletting Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Retail Products and Games	\$0	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Subtotal Direct Cost of Sales	\$0	\$3,290	\$3,290	\$2,600	\$2,600	\$2,600	\$1,910	\$1,910	\$1,910	\$2,600	\$2,600	\$3,290	

Appendix

Appendix Table: Profit and Loss (Planned)

Pro Forma Profit and Loss

	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Sales	\$0	\$16,600	\$16,600	\$15,600	\$13,600	\$11,600	\$10,600	\$10,600	\$10,600	\$13,600	\$13,600	\$16,600
Direct Cost of Sales	\$0	\$3,290	\$3,290	\$2,600	\$2,600	\$2,600	\$1,910	\$1,910	\$1,910	\$2,600	\$2,600	\$3,290
Production Payroll	\$0	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost of Sales	\$0	\$3,440	\$3,440	\$2,750	\$2,750	\$2,750	\$2,060	\$2,060	\$2,060	\$2,750	\$2,750	\$3,440
Gross Margin	\$0	\$13,160	\$13,160	\$12,850	\$10,850	\$8,850	\$8,540	\$8,540	\$8,540	\$10,850	\$10,850	\$13,160
Gross Margin %	0.00%	79.28%	79.28%	82.37%	79.78%	76.29%	80.57%	80.57%	80.57%	79.78%	79.78%	79.28%
Operating Expenses:												
Sales and Marketing Expenses:												
Sales and Marketing Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Insurance	\$0	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Sales and Marketing Expenses	\$0	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107	\$107
Sales and Marketing %	0.00%	0.64%	0.64%	0.69%	0.79%	0.92%	1.01%	1.01%	1.01%	0.79%	0.79%	0.64%
General and Administrative Expenses:												
General and Administrative Payroll	\$0	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700
Payroll Burden	\$0	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428	\$428
Depreciation	\$0	\$158	\$158	\$158	\$158	\$158	\$158	\$158	\$158	\$158	\$158	\$158
Bank Loan Payback (\$150,000)	\$0	\$671	\$671	\$671	\$671	\$671	\$671	\$671	\$671	\$671	\$671	\$671
Garbage/Sewage	\$0	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Rent	\$0	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975	\$1,975
Total General and Administrative Expenses	\$0	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981	\$5,981
General and Administrative %	0.00%	36.03%	36.03%	38.34%	43.98%	51.56%	56.42%	56.42%	56.42%	43.98%	43.98%	36.03%
Other Expenses:												
Other Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Others	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Operating Expenses	\$0	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088	\$6,088
Profit Before Interest and Taxes	\$0	\$7,072	\$7,072	\$6,762	\$4,762	\$2,762	\$2,452	\$2,452	\$2,452	\$4,762	\$4,762	\$7,072
Interest Expense Short-term	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Expense Long-term	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438	\$1,438
Taxes Incurred	(\$359)	\$1,409	\$1,409	\$1,331	\$831	\$331	\$254	\$254	\$254	\$831	\$831	\$1,409
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Profit	(\$1,078)	\$4,226	\$4,226	\$3,993	\$2,493	\$993	\$761	\$761	\$761	\$2,493	\$2,493	\$4,226
Net Profit/Sales	0.00%	25.46%	25.46%	25.60%	18.33%	8.56%	7.18%	7.18%	7.18%	18.33%	18.33%	25.46%

Appendix

Appendix Table: Cash Flow (Planned)

Pro Forma Cash Flow	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Cash Received												
Cash from Operations:												
Cash Sales	\$0	\$16,600	\$16,600	\$15,600	\$13,600	\$11,600	\$10,600	\$10,600	\$10,600	\$13,600	\$13,600	\$16,600
From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash from Operations	\$0	\$16,600	\$16,600	\$15,600	\$13,600	\$11,600	\$10,600	\$10,600	\$10,600	\$13,600	\$13,600	\$16,600
Additional Cash Received												
Extraordinary Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Received	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of other Short-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Input	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$0	\$16,600	\$16,600	\$15,600	\$13,600	\$11,600	\$10,600	\$10,600	\$10,600	\$13,600	\$13,600	\$16,600
Expenditures												
Expenditures from Operations:												
Cash Spent on Costs and Expenses	\$108	\$894	\$894	\$817	\$767	\$717	\$640	\$640	\$640	\$767	\$767	\$894
Wages, Salaries, Payroll Taxes, etc.	\$0	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278	\$3,278
Payment of Accounts Payable	\$32	\$1,206	\$8,045	\$8,022	\$7,339	\$6,889	\$6,431	\$5,764	\$5,764	\$5,802	\$6,904	\$6,942
Subtotal Spent on Operations	\$140	\$5,378	\$12,217	\$12,117	\$11,384	\$10,884	\$10,349	\$9,682	\$9,682	\$9,846	\$10,949	\$11,114
Additional Cash Spent												
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Other Short-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adjustment for Assets Purchased on Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Spent	\$140	\$5,378	\$12,217	\$12,117	\$11,384	\$10,884	\$10,349	\$9,682	\$9,682	\$9,846	\$10,949	\$11,114
Net Cash Flow	(\$140)	\$11,222	\$4,383	\$3,483	\$2,216	\$716	\$251	\$918	\$918	\$3,754	\$2,651	\$5,486
Cash Balance	\$7,122	\$18,344	\$22,728	\$26,211	\$28,427	\$29,143	\$29,393	\$30,312	\$31,230	\$34,984	\$37,634	\$43,121