

## Business plan A drought resistant plant Nursery

*ISI “Duca degli Abruzzi” – Padova*  
*DrPNursery*

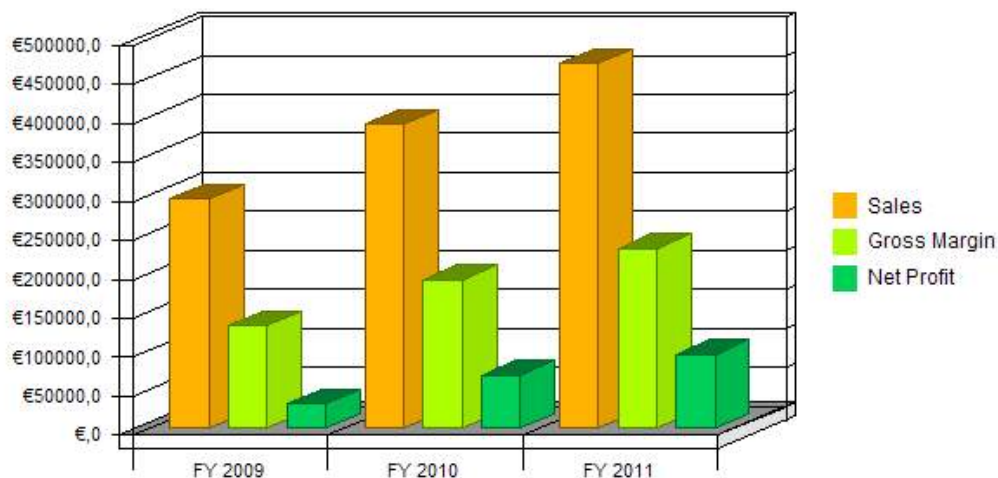


### Our objectives

1. Maintain an average gross margin of 40%.
2. Generate an average of €450 of sale each business day of each month.
3. Realize an annual growth rate of 10% in the year 2008

### Mission

*DrPNursery* is dedicated to providing a wide variety of drought-resistant plants for gravel and scree gardens in an aesthetic setting. Our nursery is different from the others because our aim is saving an important resource like water. Customer service is also extremely important. We want each customer to have a pleasant shopping service, and it is the intention of our staff to answer questions with expertise and to offer advice when we feel it is needed.



### Keys to Success

We will base the success of our company on the factors listed below:

- Sell products of the highest quality with excellent customer service and support.
- Retain customers to generate repeat purchases and make referrals.
- Continue to expand daily sales by adding new varieties of plants to our catalogue.
- Communicate with our customers through creative advertising.
- Create a web site with a catalogue and some sample project to allow customers buy plants via internet.

## Company ownership

- Luca Meloni, Giovanni Fucigna and Andrea Rizzato are the owners and the operators of *DrPNursery*.
- They have attended a school of Agriculture specialized in growing flowers and garden plants and have worked in Vanin Nursery near Treviso.
- Luca Meloni is the owner of the land. The regular rental fee is €500 a month.

<b>Start-up</b>	
<b>Requirements</b>	
<b>Start-up Expenses</b>	
<b>Legal</b>	€800
<b>Insurance</b>	€500
<b>Rent</b>	€500
<b>Expensed equipment</b>	€65.000
<b>Brochures</b>	€2.100
<b>Total Start-up Expenses</b>	€68.900
<b>Start-up Assets</b>	
<b>Cash Required</b>	€20.000
<b>Start-up Stock</b>	€27.400
<b>Other Current Assets</b>	€0
<b>Fixed Assets</b>	€0
<b>Total Assets</b>	€47.400
<b>Total Requirements</b>	<b>€116.300</b>

## Products

*DrPNursery* will offer a wide variety of drought resistant plant like perennials plants, grasses, cactus plants and bulbous.

Most of the plants will be grown on-site in state-of-the-art greenhouse.

Initially though, we will buy full grown plants for our first few months of inventory.

<b>Market Analysis</b>							
		2008	2009	2010	2011	2012	
<b>Potential Customers</b>	Growth						CAGR
<b>Residential</b>	10%	55.000	60.500	66.550	73.205	80.526	10,00%
<b>Commercial contractors</b>	10%	50	55	61	67	74	10,30%
<b>Other</b>	5%	10.000	10.500	11.025	11.576	12.155	5,00%
<b>Total</b>	<b>9,28%</b>	<b>65.050</b>	<b>71.055</b>	<b>77.636</b>	<b>84.848</b>	<b>92.755</b>	<b>9,28%</b>

Giovanni will be responsible for advertising and marketing.

<b>Personnel Plan</b>			
	FY 2009	FY 2010	FY 2011
<b>Owners</b>	€4.000	€7.000	€8.000

Part-time employee	€9.600	€9.900	€10.100
Total People	4	4	4
Total Payroll	€33.600	€66.900	€68.100

### Financial Plan

The financial plan contains these essential factors:

- A growth rate in sales of about 20% for the year 2009 and beyond.
- Average in sales per business day (305 days per year) of € 450.

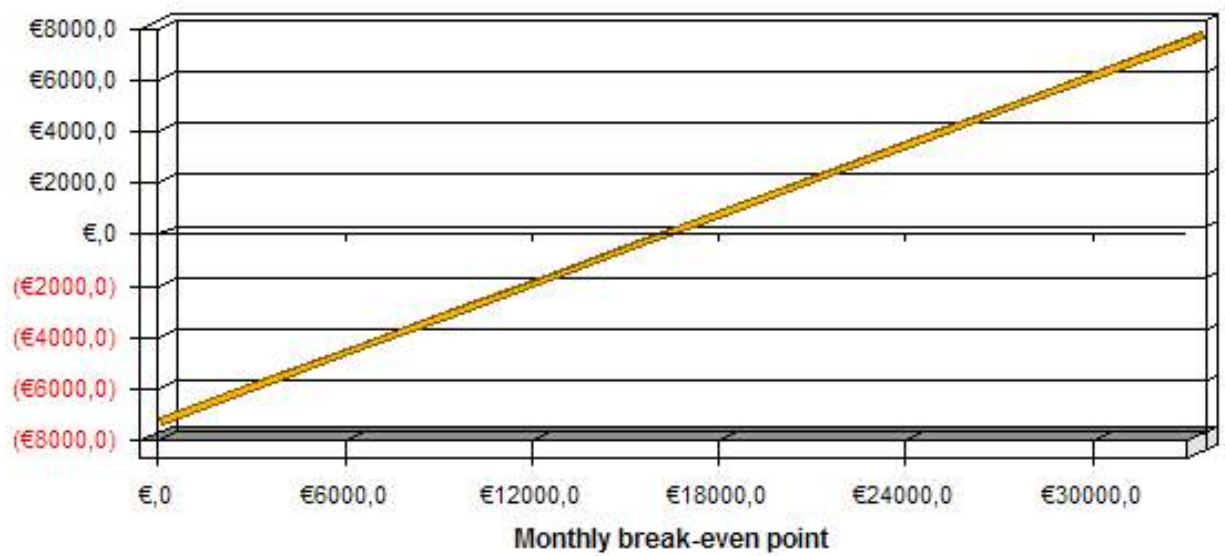
### Difficulties and Risks

- Slow sales resulting in less-than projected cash flow.
- Overly aggressive and debilitating actions by competitors.
- A parallel entry by a new competitor.
- Sluggish economic conditions.

<b>Start-up Funding</b>	
Start-up Expenses to Fund	€68.900
Start-up Assets to Fund	€47.400
Total Funding Required	€116.300
<i>Assets</i>	
Non-cash Assets from Start-up	€27.400
Cash Requirements from Start-up	€20.000
Additional Cash Raised	€0
Cash Balance on Starting Date	€20.000
Total Assets	€47.400
<i>Liabilities and Capital</i>	
<b>Liabilities</b>	
Current Borrowing	€0
Fixed Liabilities	€0
Accounts Payable (Outstanding Bills)	€0
Other Current Liabilities (interest-free)	€0
Total Liabilities	€0
<i>Capital</i>	
Planned Investment	
Owner	€116.300
Investor	€0
Additional Investment Requirement	€0
Total Planned Investment	€116.300
Loss at Start-up (Start-up Expenses)	(€68.900)
Total Capital	€47.400
Total Capital and Liabilities	€47.400
Total Funding	€116.300

### Break even analysis

Monthly Revenue Break-even	€16.319
Assumptions:	
Average Percent Variable Cost	55%
Estimated Monthly Fixed Cost	€7.318



Break-even point = where line intersects with 0

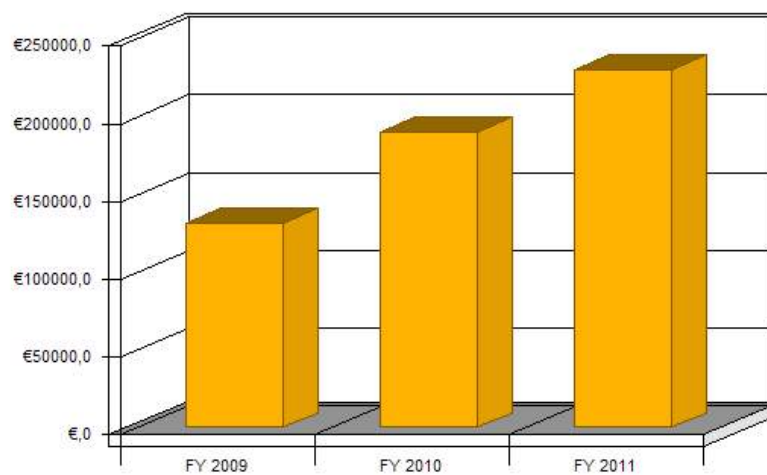
### Projected Profit and Loss

The following represents the projected profit and loss for *DrPNursery* based on sale and expenses, for 2008 and beyond.

We are anticipating a steady increase in sales trough April, May and June.

Business is expected to slow during the winter season.

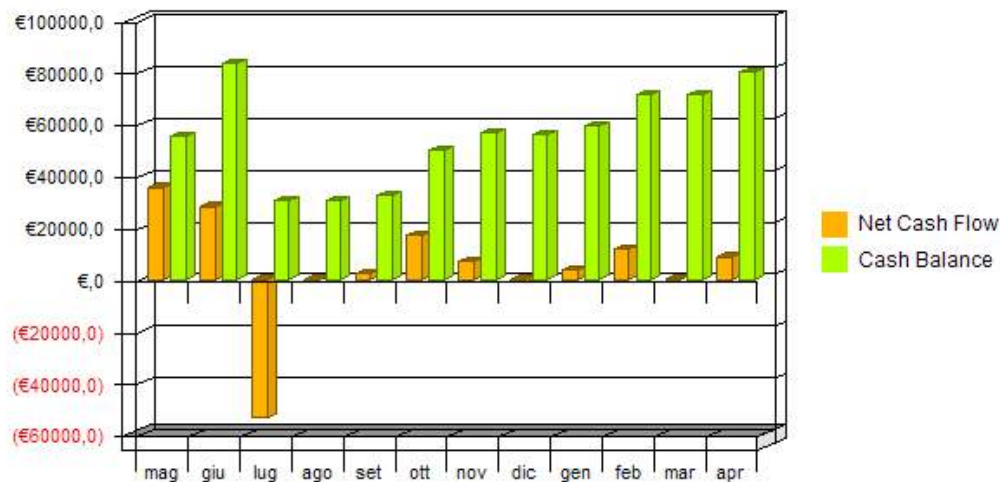
### Gross Margin Yearly



## The cash flow projections are outlined below.

These projections are based on our basic assumptions with revenue generation factors carrying the most significant weight regarding the outcome.

We are anticipating that we will have a steadily increasing cash flow as the business continues to grow.



Pro Forma Balance Sheet			
	FY 2009	FY 2010	FY 2011
<b>Assets</b>			
<b>Current Assets</b>			
Cash	€80.270	€120.916	€10.312
Stock	€56.400	€69.490	€82.685
Other Current Assets	€2.970	€0	€0
<b>Total Current Assets</b>	<b>€139.640</b>	<b>€190.406</b>	<b>€292.997</b>
<b>Fixed Assets</b>			
Fixed Assets	€0	€0	€0
Accumulated Depreciation	€0	€0	€0
<b>Total Fixed Assets</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>
<b>Total Assets</b>	<b>€139.640</b>	<b>€190.406</b>	<b>€292.997</b>
<b>Liabilities and Capital</b>			
<b>Current Liabilities</b>			
Accounts Payable	€61.517	€44.047	€52.418
Current Borrowing	€0	€0	€0
Other Current Liabilities	€0	€0	€0
<b>Subtotal Current Liabilities</b>	<b>€61.517</b>	<b>€44.047</b>	<b>€52.418</b>
<b>Fixed Liabilities</b>	<b>€0</b>	<b>€0</b>	<b>€0</b>
<b>Total Liabilities</b>	<b>€61.517</b>	<b>€44.047</b>	<b>€52.418</b>
<b>Paid-in Capital</b>	<b>€16.300</b>	<b>€16.300</b>	<b>€16.300</b>
<b>Retained Earnings</b>	<b>(€8.900)</b>	<b>(€8.177)</b>	<b>€30.059</b>
<b>Earnings</b>	<b>€30.723</b>	<b>€68.236</b>	<b>€94.220</b>
<b>Total Capital</b>	<b>€78.123</b>	<b>€146.359</b>	<b>€240.579</b>
<b>Total Liabilities and Capital</b>	<b>€139.640</b>	<b>€190.406</b>	<b>€292.997</b>

Students : Giovanni Fucigna, Luca Meloni, Nicola Penzo, Filippo Spiller, Andrea Rizzato  
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