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**Plan Prepared November 1999  
by the Corporate Officers**  
(Private and Confidential)

# *A Complete Business Plan*

## **Dayne Landscaping, Inc.**

Written by  
Robin Dayne, rtd Marketing International, Inc.

The business plan presented on the following pages was written and printed using our software, *Automate Your Business Plan 6.0 for Windows*. The plan is based on current research for a landscaping and snow removal business in New Hampshire. It was developed by international marketing specialist, Robin Dayne, President of rtd Marketing International, Inc. in Nashua, New Hampshire. Robin wrote this plan specifically for you (the readers of, *Anatomy of a Business Plan* and the users of our **Automate Your Business Plan** software). It will show you how you can follow our format and write a winning business plan for your own company.

### **Dayne Landscaping, Inc. Scenario**

Dayne Landscaping, Inc. is a fictitious one-year old business that provides landscaping and snow removal services in Nashua, New Hampshire. The business had a successful first year (1999) and is planning to expand its customer base and purchase its present site (currently leased) for \$375,000. In order to purchase the location, Dayne Landscaping, Inc. will use \$100,000 of its own funds and seek a loan for the remaining \$275,000 .

### **How is this business plan organized?**

The Organizational and Marketing Plans for Dayne Landscaping, Inc. reflect the company's current status and its plans for its future expansion. It is extremely important that the marketing plan be strong enough to convince the lender of the company's ability to increase its market share (and revenues) enough to insure that it can repay the loan and interest and still maintain its profitability.

Financial Documents need to reflect the company's history and project its future. This company has been in business for one year (1999) and is seeking a loan. Therefore, the financial documents need to begin with a summary of financial needs and dispersal of loan funds statement. The next section includes projections and historical financial statements for the 1999 business year. They will show how well the company met its original projections and what its current financial status is. The third area to be covered in financial documents will address the company's projections for the future—projected cash flow for 2000, three-year income projection, and projected balance sheet. The final pages of the financial section contain a financial statement analysis of the company's history and future projections. Utilizing previously developed financial information, ratios are computed and matched against industry standards.

### **This plan can help you.**

As you proceed with the writing of your own plan, it may help you to look at Dayne Landscaping, Inc.'s business plan to see how Robin handled each of the corresponding sections. Some of the research material has been condensed and we have not included all of the necessary supporting documents. We have also chosen to omit any business or personal financial history that the writer or lender may wish to include in copies of the business plan.

***Warning!** This plan is to be examined for Ms. Dayne's handling of content only. It has been used as an example in our book and software because we feel it is a fine example of business plan organization. There is no judgment inferred as to appropriateness or financial potential for lenders or investors. Do not use it as a source of research for your own company.*

We are very pleased that Robin Dayne has provided us with this excellent example of a business plan for inclusion in *Anatomy of a Business Plan* and **Automate Your Business Plan**. We hope that Dayne Landscaping, Inc.'s plan will be of benefit to you. We thank Robin for being so generous and for allowing us to share her business planning interpretation of our process with our readers.

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**Robin Dayne** is an international marketing consultant who specializes in creating increased revenues through Customer Base Management™. Through her firm, rtd Marketing International, Inc., any company can have its customer base analyzed and have a marketing plan and strategy designed to fit the needs of the business. If you would like to contact Robin for information on her services, you can write to her at: rtd Marketing International, Inc., 81 Walden Pond Drive, Nashua, NH 03060 Tel: (603) 880-0136

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*\* Note: We have included only part of the supporting documents in this sample business plan.*

# Dayne Landscaping Inc.



## Statement of Purpose

Dayne Landscaping, Inc. is a one-year-old landscaping and snow-removal company established in January of 1999. The company is located at 22 San Carlos Ave., Nashua, New Hampshire. The currently leased location is available for sale at \$375,000. Dayne Landscaping, Inc. has \$100,000 to invest and is seeking a \$275,000 loan to complete the purchase. By owning the facility, the company can increase its equity for an amount equivalent to the current rental expense.

Dayne Landscaping has established its niche in the landscaping and snow removal business during 1999. Projections for 2000 show that it is reasonable to expect expansion of customer base to new markets and territories. Cash Flow projections support the assumption that the company will have sufficient funds to purchase equipment and hire additional employees to support implementation of the marketing programs.

Today the business services 100 residential accounts, 15 small business accounts, and currently no large corporate accounts. The services include: landscaping and design, lawn care and maintenance, snow plowing and removal, and tree maintenance and removal. The success of the company has been a direct result of our ability to provide personal service at a competitive rate, thus creating a dedicated customer base. Currently, the average cost for lawn maintenance of a residential home is \$25-30 per hour, small business accounts \$50-100 per hour, and large corporate accounts are negotiated on a per contract basis. Due to the seasonal changes in New Hampshire, snow removal becomes an important part of the business to maintain the company's revenues during the slower winter months of December, January, February, and March.

The projected growth rate for the landscaping industry, based the previous years is 28%. We will be expanding our business with new equipment, marketing, and additional employees to meet and exceed that demand. We are expecting to grow our customer base by 50% based on our first year's track record, our unique offering, and planned marketing activities.

The \$275,000 in loan funds will be required for April 2000 closing. Repayment of the 15-year loan, plus interest, can begin promptly in May. Early retirement of the loan is anticipated, possibly by the end of tax year 2003. In addition to the property and facility, itself, the loan can further be secured by the owner's home equity which is currently \$167,000.

# Dayne Landscaping Inc.



## I. The Organizational Plan

### Description of the Business

Dayne Landscaping, Inc., established in January 1999 as a corporation, handles landscaping, lawn maintenance and snow removal, of residential homes, and small businesses in New Hampshire. It began with 20 residential accounts and 2 small business accounts. As of November 1999, it has grown to 100 residential accounts and 15 small business accounts, totaling \$750,000 in revenue, a growth of 520%.

The company has been very successful due to the high standard of service and care provided to the customer and because of its reputation for quick response times during snow storms. The company also offers a unique service of oriental garden design landscaping, the only one in the tri-state area. Today that service is offered in New Hampshire only. Twenty-five of the 115 accounts have contracted for these unique gardens. Our plan is to open markets in Connecticut and Massachusetts over the next 3 years. It is important to note that these gardens are not only a unique service; they are also our premium high ticket service and provide a larger profit margin, directly impacting the company's bottom line.

The company's growth strategy is to buy out smaller landscaping companies as we expand the business in to Massachusetts and Connecticut and increase our Large Corporate accounts for snow removal. Currently, with local corporations "downsizing", "out-sourcing" these services to local businesses has become prevalent.

The company currently leases a 20,000 sq. ft. area, which includes a 4,000 sq. ft. building for the main office, a large attached garage for trucks, maintenance equipment and supplies, two large lots, one fenced in for parking equipment, plows, flatbeds, and storage of trees, shrubs, and plants.

## **Legal Structure**

Dayne Landscaping, Inc. is a corporation filed under the same name.

The legal and financial advisors recommended a corporation as the most efficient structure based on the plan to purchase pre-existing small landscaping companies in the tri-state area over the next two years. There have been 300 shares of stock applied for, and 100 issued to the sole shareholder (President) at the time of incorporation. This will leave the flexibility of having additional shares on hand should we need to use them in negotiations of larger landscaping company buy-outs.

The officers of the company, a President, Vice President, Treasurer, and Secretary, determine the direction of the corporation through its board meetings.

Additionally, there is an incentive plan for board members to acquire company stock based on set profit goals.

It should be noted that the President is the only officer working in the day-to-day business. All other officers interact at the monthly board meetings. This allows the company to have access to expertise and advice at large cost savings, which has a direct impact on the bottom line and growth of the company.

## **Products and Services**

Dayne Landscaping offers three categories of landscaping services to three varieties of customers. The customers consist of residential homes, small businesses, and large corporations. Each group has the option of purchasing the same types of services. Lawn care, which includes, mowing, weeding, planting, re-sod, pest control, and tree and shrub maintenance. Customized landscape design can be purchased on a contract basis, including specialties in oriental gardens, tree sculpture, and complete landscape design. The third service offered is snow plowing and removal.

All the plantings are high quality and are purchased from a local nursery who has been in the business for over 35 years. We also have an arrangement to use the nursery as a consultant when there is a need for it.

## *Products and Services (cont.)*

### **Customer Profiles**

The following are descriptions of the three types of customer and the services that are typically purchased by each.

- 1. Residential homes** in mid- to high-income areas, typically purchase lawn care that consists of mowing, weeding, pest control, and tree/scrub maintenance. There are two people assigned per job: two part-time college students, over-seen by a supervisor. This job can take an average of two hours to complete. Each home receives a contract for two visits per month unless there is a special need, which is an additional cost to the basic contract. These lawn contacts run from March - Nov. Additionally, 50% of the residential customers also purchase winter snow removal for their driveways, and these customers are charged a minimal flat fee and a per call fee, with an up-front deposit to insure they get priority service.
- 2. Small business account or office park** is the second type of customer. They typically consist of banks, or small office buildings and require shrub and landscaping care, weed and pest control and minimal lawn mowing. The average time required to service this type of account is three to four hours with one supervisor and two or three part-time employees. All the small business accounts have a contract for snow removal. A pre-determined amount for the contract is negotiated in Oct. for the four months November - February, with a per call fee for the month of March, which can have unpredictable snow storms. These customers require quick response times and are charged for that level of service, as they need to accommodate their own customers during business hours.
- 3. Large corporate account or condo complex** are the third type of customer. They require the same services as the small corporate account, but require many more hours, employees, and equipment. Additionally, included in their lawn maintenance is routine watering. The accounts that are being targeted will require an average of one week of maintenance per month. This is the area to be expanded over the next three years. To support the watering needed every other day during the summer months, one part-time worker is hired and dedicated to watering for every two companies. Corporate account contracts are negotiated individually, and range from 60K to 350K per year depending on the amount of square footage and specific landscaping requirements. These customers also require immediate response times, especially in winter during the snow season.

# **Management & Personnel**

## **Management**

At present, Robin Dayne, is the President and sole shareholder in Dayne Landscaping, Inc. Robin has five prior years of experience in the landscaping business, working for a local competitor. Previously she worked in a variety of service industries selling and marketing products and services.

Dayne Landscaping, Inc. has been incorporated for almost one year, realizing a 520% growth rate between January to November. The growth rate is attributed to high standards set for customer service. Many customers shifted from the prior company because of their loyalty to Robin Dayne. She has set up an incentive plan for her employees, that rewards them for outstanding customer service, based on year-end survey results, or when contracts are renewed or new business is closed.

Under Ms. Dayne's management, a strong team of very dedicated people who love to work with nature has been formed. As manager her role is to identify new business, develop and implement marketing activities, and to negotiate and close new contracts.

The four supervisors manage the accounts and part-time workers. They also determine staffing and equipment needed to maintain the account. There are also two design specialists, one of which is specifically trained in oriental garden design and tree topiaries.

## **Corporate Officers**

The corporate officers are:     Robin Dayne, President  
  Bob Sanborn, Vice President and Accountant  
  Fred Ryan, Treasurer  
  Trudy St. George, Secretary and Legal Counsel

The VP/Accountant, Secretary/Legal Counsel, and Treasurer do not interact in the day-to-day business of the company. Their services are used as needed.

## **Personnel**

There are three full-time office employees - one office manager and two administrative assistants. Four supervisors and two design specialists work in the field. The remainder are part-time workers, numbering from four to twenty-five or more, depending on the time of the year and work load.

1. Owner-President: 1999 Guaranteed Salary \$65,000 with yearly increases justified by profitability.
2. Design Specialists: 2 in 2000; Salaries @ \$25,000 + 5% commission on new business contracts.
3. Four Supervisors: Salaries @ \$15,000 + 3% bonus per contract for any excellent customer surveys at year end.
4. Office Manager: Salary @ \$22,000 per year
5. Administrative Assistants (1 in 1999, 2 in 2000): Salaries @ \$15,000 per year.
6. Part-time workers: 5-25 @ \$7 per hour; (more added as volume increases).

## **Training**

1. All employees receive training from the President and the Supervisor in the following areas:

### **Given by the President**

- a. Company policies and procedures regarding the customers and company standards
- b. Landscaping orientation at the time they are hired
- c. Liability and safety procedures
- d. Equipment care and theft policies

### **Given by the Supervisors**

- a. Overview of each account assignment
- c. Equipment assignment and training - operation of mowers, tools, and supplies
- d. Chemicals precautions

## **Personnel Duties**

### **1. President/Owner**

- a. Sets company policies and trains all new employees
- b. Solicits, interviews and hires new employees
- c. Assigns accounts to Supervisors
- d. Negotiates new and large contracts
- e. Approves the purchases of equipment and supplies
- f. Handles customer service issues that can not be satisfied by Supervisor
- g. Reviews and signs all checks
- h. Follows up on Supervisor sales leads

### **2. Four Supervisors - reports to President**

- a. Manages on average 25 residential accounts and 4 small business accounts
- b. Will be managing 1-2 Large Corporate accounts
- c. Responsible for training part-time help on account profiles and equipment
- d. Forecasts supplies needed for each account
- e. Forecasts and manages work schedules
- f. Conducts second round of interviews of part-timers and approves
- g. Handles account problems related to service and quality issues
- h. Solicits new business leads to President.
- i. Responsibility for inventory and equipment assigned to their team

*Personnel Duties (cont.)*

**3. Office Manager - reports to president**

- a. Manages account scheduling
- b. Supports Supervisors - back-up supplies misc.
- c. Takes account calls and passes to supervisors
- d. Performs yearly customer survey
- e. Answers phone
- f. Dispatches and is in “beeper” contact with supervisors
- g. Assigns and maintains equipment for supervisors

**4. Administrative Assistant - reports to president**

- a. Responsible for Bookkeeping functions of:
  - 1. Daily sales reconciliation
  - 2. Accounts receivable
  - 3. Accounts Payable
  - 4. Payroll
  - 5. General Ledger
- b. Computer Typing - 60 WPM, with software knowledge - WP/Excel/D-Base
- c. 10- key adding machine
- d. Access to safe
- e. Tracks orders placed for equipment and supplies

**5. Part-time Employees - reports to supervisor**

- a. Assigned to work specific accounts
- b. Mows, weeds, does manual labor
- c. Identifies any problems
- d. Follows instructions from supervisor
- f. Manages inventory of supplies

**Employee Profile**

All employees must be:

- a. Hard working
- b. Like working outdoors
- c. Good communicators
- d. Team workers
- e. Educated for full-time work with a minimum HS degree, or in College
- f. Neat in appearance
- g. Able to follow directives and be a quick learner
- h. Dedicated to doing an outstanding job
- i. Responsible, regarding safety

## Methods of Recordkeeping

All bookkeeping is kept on computer on a regular basis by the Administrative Assistant on the software “Quickbooks” from Intuit. At the end of the year the files are printed and passed to the accountant Bob Sanborn, CPA who has been a personal friend for many years and has 35 years experience as a CPA. His fees are reasonable and there is a high level of trust in his input to the business as he is the Vice President for the corporation as well.

The customer base and prospect database is kept on the software “ACT” from Contact Software International, that allows us to keep precise timelines of our scheduling and manage our accounts accurately. “Office” from Microsoft allows us to perform WP, develop customized Spreadsheets, and develop proposals and presentations to larger accounts. All the above programs are “off-the-shelf” and are easy to get support for at very reasonable prices.

## Insurance

Carrier: Primercia  
111 Shoe St  
Manchester, New Hampshire

Agent: Sam Bickford

Type of Insurance:

Business/personal	600,000
Deductible	4,000
Liability	1,000,000
Equipment	40,000
Deductible	500
Liability	2,000,000
Vehicles	150,000
Deductible	1,000
Liability	1,000,000

Annual Premium	8,000
Monthly Premium	670
Workers Comp.	1.43 per/1k gross Payroll

# **Security**

## **Problems situations to be considered and protective measures to be taken:**

### **1. Internal theft - Employee Dishonesty**

- a. Shoplifting - of supplies - (4) closed circuit cameras in garage recording 24 hours
- b. Cash Theft - petty cash limit of \$600. Daily receipt drop-off to bank of all receivable
- c. Falsifying signatures - all checks signed by President at the end of the day
- d. Employee orientation - to reduce theft and stress security procedures
- e. Monthly Inventory - responsibility of the Supervisors

### **2. External**

- a. Walk-in theft Cameras at each doorway exits (2)
- b. Cameras in garage and on parking area, and fenced in plant lot
- c. Break-in theft/robbery - Alarms set nightly and connected directly to local Police station

# Dayne Landscaping, Inc.



## II. Marketing Plan

### Target Market

#### *Target #1*

#### Large Corporate Facilities and Condominiums

**Who:** Corporations that are “outsourcing “ the landscaping maintenance of their facilities to outside vendors, and condominium complexes. There are approximately 75 accounts that are potential customers within a 50 mile radius. Our goal is to secure 5 in 2000.

**What:** : Tell-market for background information, and send a direct mail with telemarketing follow-up. Describe landscaping, lawn maintenance, pest control and all other landscaping services, such as tree removal and replacement, landscaping design and care, and snow plowing and removal from their parking lots and driveways. Provide a guarantee for the services and show competitive comparison pricing from local companies.

**When:** Begin January to determine the bidding process and RFP schedule to determine the timing of proposals. Call each account to determine the timing and arrange for an on-site inspection, to determine the amount of work needed and special needs to develop an estimate. If possible inquire what the previous years costs were and if the customer was satisfied with the work of their current landscaper.

**Where:** Position joint services with local garden stores for promotions and advertising.

## *Target Market (cont.)*

### ***Target #2***

#### **Small Businesses or Office Parks**

**Who:** All small businesses and office parks that have outdoor grounds that want to save money, or are unhappy with their present landscaping company. In the 50 mile radius there are approximately 125 accounts that are potential customers. Our goal is to add 15 new contracts in this category in 2000.

**What:** Telemarket for background information and send a direct mail with telemarketing follow-up. Describe all the same landscaping services and snow plowing, referencing exciting satisfied customers. Provide a guarantee for services rendered, show the cost savings using Dayne Landscaping, Inc., and develop a plan for continued snow and landscape maintenance. Offer the company's quality guarantee, and comparison chart of competitive pricing.

**When:** Begin January to determine when existing contracts expire and provide information on the company and services. Request an on-site evaluation to determine costs and uncover any problem areas needing work.

**Where:** Position joint services with local garden stores for promotions and advertising. Advertise in the local papers, Yellow Pages and Business to Business Directory.

### ***Target #3***

#### **Residential Homes**

**Who:** Target all residential homes in the 50 mile radius that are in mid to high income areas and over 3+ acres. Contact all existing customers with satisfaction survey, and solicit at the same time for:

- a. Additional business - renew contracts for next year
- b. New customers - referrals

**What:** Develop and send company brochure that targets the residential homes supplying them with information on all services offered by Dayne Landscaping, Inc. with price comparisons.

**When:** Develop brochure in January and mail in February prior to Spring and Summer contracts. Follow-up with existing customers and potential customers in Sept. for the snow plowing contracts.

**Where:** Position joint services with local garden stores for promotions and advertising

## Competition

Dayne Landscaping currently has two competitors in the local area: The Garden Shop, and Landscaping Plus. While they have been in the New Hampshire area for several years, they are family-owned businesses that have a limited number of clientele and the same number of accounts year after year. They also have no type of Landscaping specialty. Only the Garden Shop offers snow removal. Landscaping Plus has only three snow plows that are active during the winter months.

## Methods of Distribution

Dayne Landscaping sells directly to the customer, is primarily a service business, with the exception of selling the landscaping plants and shrubs, which come from a local nursery wholesaler.

## Promotional Activities

**Paid Advertising** - We currently participate in several forms of advertising:

**1. Newspaper ads:** All ad copy is identical, and include information required by the newspaper:

- A. Ad information:**
1. Ad size: The ad is two column x 3 ins.
  2. Timing: Monthly
  3. Section: Garden section

**B. Ad location, Contact and fees:**

Nashua Telegraph  
P.O. Box 1008  
Nashua, NH 03061-1008

Contact: Mark Potts  
Circulation: 50,000  
Fee: \$126.00

Manchester Union Leader  
100 William Loeb Drive  
Manchester, NH 03109

Contact: Ken Coose  
Circulation: 125,000  
Fee: \$171.99

Lowell Sun  
15 Kearney Square  
Lowell, MA 01852-1996

Contact: Carol McCabe  
Circulation; 75,000  
Fee: \$153.00

Hartford Daily news  
100 Main St.  
Hartford, CT 10002

Contact: Sue Betz  
Circulation: 150,000  
Fee: 190.00

*Paid Advertising (cont.)*

**2. Phone books - Yellow pages and directories**

**A. NYNEX Phone Book - Yellow Pages**

Ad Information:

Coverage:	So. NH area
Yearly Fee:	\$650.00
Ad Size:	1/4 page
Renewal date:	February 1st
Contact:	Sam Moore

**B. Business to Business Directory (NH only)**

Ad Information

Coverage:	All NH
Yearly Fee:	\$250.00
Ad Size:	1/4 page
Renewal Date:	January 1st
Contact:	Karl Hess

**3. Local Cable Channels**

**A. Channel 13 - Local Nashua station reaching all of So. NH**

Ad Information:

Length of ad "spot":	60 seconds
Development costs:	\$250.00 (one time fee)
Length of campaign:	3 mos.
Runs per month:	Three times per day, everyday
Cost for 3 mos.:	\$300.
<b>Total campaign cost:</b>	<b>\$550.</b>

**B. Weather Channel "tag line" - reaching 400,000 homes**

Ad Information:

Length of ad "spot":	15 seconds
Development costs:	\$100. (one time fee)
Length of campaign:	3 mos.
Runs per month:	20 times per day, everyday
Cost for 3 mos.:	\$900.
<b>Total campaign cost:</b>	<b>\$1000.</b>

## **Direct Mail**

**Note:** There was no direct mail done in the first year of business. With the development of the Marketing plan, two direct mail pieces will need to be developed to target our three potential customer bases for 2000. (see detailed plan of this activity)

### **Direct mail #1**

Designed for: Target market #1- large corporations and condominiums  
Target market #2 - small business and office parks.

Creative Strategy: Design needs to be glossy, appropriate for corporate, professional environment.

Highlight:

- Customer service - testimonials
- Quick response time
- All services
- Guarantee
- Free evaluation

### **Direct mail #2**

Designed for: Target market #3 - residential homes

Creative Strategy: Design should be a tri-fold brochure “self-mailer” (no envelope required) Direct highlights for the homeowner.

Highlight:

- Customer service - testimonials
- Quick response time
- All services
- Guarantee
- Free evaluation

## **Community Involvement**

Member of the Chamber of Commerce in Nashua. Board Member of the local Garden Club, involved with teaching kids about plants and nature, as well as involved with the “Beautification of Nashua” program.

**Note:** In this sample plan, we have included the promotion for target market #1 only. All target markets should have their own separate plan using the same format.

# Worksheet for Individual Marketing Promotion

**Market:** Large Corporate or Condo Landscaping    **Date:** 02/00

**Program Name:** Corporate Promo    **Media:** Direct Mail & Telemarketing

## Program Objectives:

- \* Generate a minimum of 500k in additional revenue in 2000
- \* Increase corporate account base by 5 new accounts
- \* Establish Dayne Landscaping as a landscaping provider to large corporations and condominiums

## Audience:

### Direct Mail

**Who** - the 70 identified accounts consisting of condominiums and large corporations.

**What** - Send direct mail (company brochure) to Corporate and Condo contacts listing services and benefits of Dayne Landscaping. Position money back guarantee as an added promotion.

**Where** - in the New Hampshire, and Massachusetts areas (50 mile radius).

**When** - Drop mail in mid- January.

## Telemarketing (Prior to mailing):

**Who** - Call all accounts to identify landscaping contact in the large corporation, or property management company of the condominium.

**What** - Find out the contract renewal dates and bid submission dates for each prospect.

**When** - Make phone calls first two weeks of January.

**Where** - NA

## *Marketing Worksheet (cont.)*

### **Telemarketing (Post Direct Mail):**

**Who** - Call all contacts and confirm bid dates

**What** - ask if they received the direct mail and offer a free landscaping consultation

**When** - Calling begins 5-8 working days after the direct mail is received

**Where** - NA

### **List source:**

The list was taken from the library in the “New Hampshire Corporate Directory”, and “Massachusetts Corporate Directory” as well as the Realty listing of Condominiums.

### **Creative Strategy - for Direct Mail:**

- \* Position Dayne Landscaping, Inc. as a leader in quality service
- \* Position Guarantee
- \* Leverage existing customer base with success stories
- \* Position against the competition
- \* Position “free” consulting offer
- \* The telemarketing call back in a week

### **Creative Strategy - for Telemarketing:**

- \* Develop script with the same messages as the direct mail will have
- \* If possible position - Company and Promotional offer

### **Components of mailing:**

#### **Tri-fold brochure - components**

- \* Self-mailer, with reply card
- \* Address hand written on the backside

*Marketing Worksheet (cont.)*

**Timing:**

**Pre- Mailing Telemarketing**

<u>% Called</u>	<u>Location</u>	<u>Call dates</u>
50%	New Hampshire	1/2 - 1/9
50%	Massachusetts	1/9 - 1/18

**Direct Mail**

<u>% Mailed</u>	<u>Location</u>	<u>Mail date</u>
50%	New Hampshire	Jan. 1/12
50%	Massachusetts	Jan. 1/19

**Post- Mailing Telemarketing**

<u>% Called</u>	<u>Location</u>	<u>Call dates</u>
50%	New Hampshire	1/22
50%	Massachusetts	1/29

**Call to action:**

Reply card to be sent to office or and #800 number can be called

**Lead criteria:**

“**Hot**” leads are classified as anyone getting a proposal, evaluation, or call back from the mailing or telemarketing. They have the potential of closing in 2000.

“**Warm**” leads are any accounts that are interested and can not do anything until 2001 due to their current contracts.

“**Cold**” leads are those accounts who are not interested at all, and have no revenue potential in the future.

## **Marketing Worksheet (cont.)**

### **Training:**

**Employees in the field** - will be given an overview of the entire promotion to prepare them for customers asking questions, while on the job.

**Office staff** - will receive training and instructions on how to answer to phone and track the responses from the #800 and mailer. They will also be assisting on the pre and post telemarketing activities.

**Expenses:** Will not exceed \$3000. for the entire promotion.

### **Measurement:**

Revenue Goal	500k
Expenses	3K
Total # (list)	70
# or responses	TBD
# of leads	TBD
Cost/ per Response	TBD
Cost/ per Lead	TBD
Revenue/Expense ratio	TBD

TBD - To be determined at the end of the program.

### **Assumptions:**

- \* Average value per contract = 100K
- \* Response rate = 2.0 % on the Direct mail and 15-20% on the telemarketing or 1.5 responses on the direct mail, and 10- 14 on the telemarketing.
- \* “Hot” lead rate = 0.5% on the direct mail and 5%- 7% on the telemarketing or 3.5 leads on the direct mail and 3.5-5 leads on the telemarketing

### **Lead tracking Process:**

- \* All Direct mail responses will be tracked
- \* All Phone calls will be logged when responding on the # 800.
- \* All regular calls will be screened “are you calling regarding our direct mail promotion?”

**Program review:** 30 days after last tell-marketing follow-up call.

# Dayne Landscaping Inc.



## III. Financial Documents

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## **Summary Financial Needs**

- I. Dayne Landscaping, Inc. is seeking a loan to increase its equity capital through real estate investment:
  - A. By purchasing the buildings currently being leased by the company.
  - B. By purchasing the parcel of land on which the buildings now stand.
- II. Dayne Landscaping, Inc. has \$100,000 in cash to invest. An additional amount of \$275,000 in loan funds is needed to complete the purchase.

## **Loan Fund Dispersal Statement**

### **1. Dispersal of Loan Funds**

Dayne Landscaping, Inc. will utilize the anticipated loan in the amount of \$275,000 to purchase the facility (land and buildings) that it currently leases. The full purchase price is \$375,000. The present owner of the premises is John S. Strykker. The parcel and accompanying buildings located at 22 San Carlos Drive in Nashua, New Hampshire are currently owned by John S. Strykker.

### **2. Back-Up Statement**

- a. The land is currently appraised at \$200,000. Attached buildings appraise at \$175,000. The owner, Mr. John S. Strykker is agreeable to close of escrow on or about April 15, 2000.
- b. Dayne Landscaping, Inc. has appropriated \$100,000 in retained earnings to be used as a capital investment in the facility. The additional \$275,000 in loan funds will make up the full purchase amount of \$375,000.
- c. The buildings sit on a 20,000 square foot parcel of land, centrally located in Nashua, New Hampshire. The land is currently appraised at \$200,000 and the buildings at \$175,000. There are two large lots. One is fenced in for parking equipment and also serves as a storage area for trees, shrubs and plants. There is a 4,000 square foot building that serves as the main office and a large attached garage to house trucks, maintenance equipment and supplies.
- d. The \$275,000 in loan funds are needed by April 1 in order to proceed with escrow. Loan repayment can begin promptly on May 1st for a 15-year period. The company has a strong cash flow and a rapidly-growing market. Early payoff is anticipated.
- e. Dayne Landscaping is currently paying \$2850 in monthly rental expense. Payments on the anticipated \$275,000, 15-year loan @ 9% would amount to \$2,789. Purchase of the land and buildings will enable Dayne Landscaping, with no additional expense, to repay the loan + interest and to divert the current rental expense into equity growth.

# 1999 Cash To Be Paid Out Projections

## *Dayne Landscaping, Inc.*

**Time Period Covered: January 1, 1999 to December 31, 1999**

<b>1. START-UP COSTS</b>		<u>12,550</u>
a. Business License	<u>150</u>	
b. Corporation Filing	<u>250</u>	
c. Legal Fees	<u>650</u>	
Other startup costs:	<u>0</u>	
(1) Lawn Equipment	<u>6,500</u>	
(2) Office Equipment	<u>5,000</u>	
(3) Security Deposit - Office Rental	<u>5,700</u>	
<b>2. INVENTORY PURCHASES</b>		<u>98,000</u>
<i>Cash out for goods intended for resale</i>		
a. Fertilizer	<u>20,000</u>	
b. Pesticide	<u>10,000</u>	
c. Plants/Shrubs	<u>18,000</u>	
d. Salt/Sand	<u>5,000</u>	
e. Seed	<u>45,000</u>	
<b>3. VARIABLE EXPENSES (SELLING)</b>		
a. Design Specialist Salary/Payroll Taxes	<u>20,000</u>	
b. Machinery, Tools, Equipment	<u>5,000</u>	
c. Marketing	<u>5,411</u>	
d. Part-time Worker Salaries/Payroll Taxes	<u>150,000</u>	
e. Sales Bonuses	<u>1,500</u>	
f. Sales Commission	<u>8,000</u>	
g. Supervisor Salaries/Payroll Taxes	<u>60,000</u>	
h. Travel expense	<u>9,500</u>	
i. Miscellaneous Selling Expense	<u>1,000</u>	
<b>Total Selling Expense</b>		<u>260,411</u>
<b>4. FIXED EXPENSES (ADMIN)</b>		
a. Administration Fees- Legal/Acct.	<u>2,000</u>	
b. Insurance - Liability, Casualty, Fire, Theft	<u>11,600</u>	
c. Licenses and Permits	<u>4,200</u>	
d. Office Equipment	<u>1,200</u>	
e. Office Salaries/Payroll Taxes	<u>42,000</u>	
f. Owner Guaranteed Payments	<u>65,000</u>	
g. Rent Expense	<u>34,200</u>	
h. Utilities	<u>4,320</u>	
i. Miscellaneous Administrative Expense	<u>200</u>	
<b>Total Administrative Expense</b>		<u>164,720</u>
<b>5. ASSETS (LONG-TERM PURCHASES)</b>		<u>18,719</u>
a. Machinery, Equipment, Trucks, Large Mowers	<u>17,333</u>	
b. Interest Expense on Assets	<u>1,386</u>	
<b>6. LIABILITIES</b>		
<i>Cash outlay for retiring debts, loans and/or accounts payable</i>		
		<u>0</u>
<b>7. OWNER EQUITY</b>		<u>0</u>
<i>Dividends to be paid to stockholders</i>		
<b>TOTAL CASH TO BE PAID OUT</b>		<b>\$ <u>554,400</u></b>

# 1999 Sources of Cash Projections

## *Dayne Landscaping, Inc.*

Time Period Covered: From January 1, 1999 thru December 31, 1999

<b>1. CASH ON HAND</b>		\$ <u>0</u>
<b>2. SALES (REVENUES)</b>		
Product Sales Income		<u>4,000</u>
Misc. Accessories	<u>4,000</u>	
Services Income		<u>564,000</u>
Landscaping - Residential	<u>185,000</u>	
Lanscaping - Small Business	<u>65,000</u>	
Landscaping - Customized	<u>174,000</u>	
Snow Removal - Residential	<u>15,000</u>	
Snow Removal - Small Business	<u>125,000</u>	
Deposits on Sales or Services		<u>5,000</u>
5% up-front for snow removal contracts		
Collections on Accounts Receivable		<u>0</u>
<b>3. MISCELLANEOUS INCOME</b>		
Interest Income		<u>1,250</u>
5% of \$25k savings		
Payments to be Received on Loans		<u>0</u>
<b>4. SALE OF LONG-TERM ASSETS</b>		<u>0</u>
<b>5. LIABILITIES</b>		<u>0</u>
<i>Loan Funds (to be received during current period; from banks, through the SBA, or from other lending institutions)</i>		
<b>6. EQUITY</b>		
Owner Investments (Sole Prop/Partners)		<u>0</u>
Paid-in (Corporation)		<u>25,000</u>
Sale of Stock (Corporation)		<u>0</u>
Venture Capital		<u>0</u>
<b>TOTAL CASH AVAILABLE</b>	<b>A. Without Product Sales =</b>	<b>\$ <u><u>595,250</u></u></b>
	<b>B. With Product Sales =</b>	<b>\$ <u><u>599,250</u></u></b>

# 1999 Cash Flow Statement

## One-Year Cash Flow Projection and Cash Flow History

### *Dayne Landscaping, Inc.*

For the Year 1999

	Projected for: 1999	Historical for: 1999
<b>BEGINNING CASH BALANCE (January 1, 1995)</b>	<b>0</b>	<b>0</b>
<b>CASH RECEIPTS</b>		
<b>A. Sales/Revenues</b>	<b>\$573,000</b>	<b>\$777,864</b>
1. Landscaping - Residential	185,000	216,000
2. Landscaping - Small Business	65,000	160,700
3. Landscaping - Customized	174,000	199,374
4. Snow Removal - Residential	15,000	18,250
5. Snow Removal - Small Business	125,000	167,100
6. 5% Snow Removal contracts	5,000	8,500
7. Sale of Miscellaneous Accessories	4,000	7,940
B. Receivables	0	0
C. Interest Income	1,250	1,250
D. Sale of Long-Term Assets	0	0
<b>TOTAL CASH AVAILABLE</b>	<b>\$574,250</b>	<b>\$779,114</b>
<b>CASH PAYMENTS</b>		
<b>A. Cost of goods to be sold</b>		
1. Fertilizer	20,000	19,000
2. Pesticide	10,000	11,000
3. Plants/Shrubs	18,000	23,000
4. Salt/Sand	5,000	8,030
5. Seed	45,000	45,000
<b>Total Cost of Goods</b>	<b>\$98,000</b>	<b>\$106,030</b>
<b>B. Variable Expenses (Selling)</b>		
1. Design Specialist Salary/Payroll Taxes	20,000	20,000
2. Machinery, Tools, Equipment	11,500	11,000
3. Marketing	5,411	5,400
4. Part-time Worker Salaries/Payroll Taxes	150,000	182,000
5. Sales Bonuses	1,500	2,000
6. Sales Commissions	8,000	10,800
7. Supervisor Salaries/Payroll Taxes	60,000	60,000
8. Travel Expense	9,500	10,400
9. Miscellaneous Selling Expense	1,000	1,200
<b>Total Variable Expenses</b>	<b>\$266,911</b>	<b>\$302,800</b>
<b>C. Fixed Expenses (Administrative)</b>		
1. Administrative Fees (Legal/Accounting)	3,050	3,050
2. Insurance (Liability, Casualty, Fire, Theft)	11,600	11,600
3. Licenses and Permits	4,200	4,200
4. Office Equipment	5,700	7,700
5. Office Salaries/Payroll Taxes	42,000	42,000
6. Owner's Guaranteed Payment	57,000	65,000
7. Rent Expense + Security Deposit	39,900	39,900
8. Utilities	4,320	4,320
9. Miscellaneous Administrative Expense	200	500
<b>Total Fixed Expenses</b>	<b>\$167,970</b>	<b>\$178,270</b>
D. Interest Expense	1,386	5,535
E. Federal and State Income Tax	7,196	65,220
F. Other Uses	0	0
G. Long-term Asset Payments	17,334	15,081
H. Loan Payments	0	0
I. Capital Distributions	0	0
<b>TOTAL CASH PAID OUT</b>	<b>\$558,797</b>	<b>\$672,936</b>
CASH BALANCE/DEFICIENCY	15,453	106,178
LOANS TO BE RECEIVED	0	0
CAPITAL CONTRIBUTION	25,000	25,000
<b>ENDING CASH BALANCE (December 31, 1999)</b>	<b>\$40,453</b>	<b>\$131,178</b>

# 1999 Quarterly Budget Analysis

## Dayne Landscaping, Inc.

For the Quarter Ending: December 31, 1999

BUDGET ITEM	THIS QUARTER			YEAR-TO-DATE		
	Budget	Actual	Variation	Budget	Actual	Variation
<b>SALES/REVENUES</b>	<b>95,900</b>	<b>121,050</b>	<b>25,150</b>	<b>573,000</b>	<b>777,864</b>	<b>204,864</b>
Landscaping - Residential	17,800	24,000	6,200	185,000	216,000	31,000
Landscaping - Small Business	9,600	14,000	4,400	65,000	160,700	95,700
Landscaping - Customized	0	0	0	174,000	199,374	25,374
Snow Removal - Residential	4,200	3,950	(250)	15,000	18,250	3,250
Snow Removal - Small Business	58,300	70,300	12,000	125,000	167,100	42,100
5% Snow removal contracts	6,000	8,500	2,500	5,000	8,500	3,500
Miscellaneous Accessories	0	300	300	4,000	7,940	3,940
<b>Less Cost of Goods</b>	<b>3,520</b>	<b>(1,000)</b>	<b>4,520</b>	<b>98,000</b>	<b>101,030</b>	<b>(3,030)</b>
a. Fertilizer	0	0	0	20,000	19,000	1,000
b. Pesticide	0	0	0	10,000	11,000	(1,000)
c. Plants/Shrubs	0	0	0	18,000	23,000	(5,000)
d. Salt/Sand	3,520	4,000	(480)	5,000	8,030	(3,030)
e. Seed	0	0	0	45,000	45,000	0
Less Ending Inventory (12/31)	0	5,000	0	0	5,000	(5,000)
<b>GROSS PROFITS</b>	<b>92,380</b>	<b>122,050</b>	<b>29,670</b>	<b>475,000</b>	<b>676,834</b>	<b>201,834</b>
<b>VARIABLE EXPENSES</b>						
a. Design Specialist Salary/Taxes	5,000	2,500	2,500	20,000	20,000	0
b. Machinery, Tools, Equipment	0	0	0	11,500	11,000	500
c. Marketing	1,350	1,000	350	5,411	5,400	11
d. Part-time Worker Salaries/Taxes	18,700	33,000	(14,300)	150,000	182,000	(32,000)
e. Sales Bonuses	0	0	0	1,500	2,000	(500)
f. Sales Commission	1,450	1,750	(300)	8,000	10,800	(2,800)
g. Supervisor Salaries/Payroll Taxes	15,000	15,000	0	60,000	60,000	0
h. Travel Expense	2,000	1,600	400	9,500	10,400	(900)
i. Miscellaneous Variable Expense	0	0	0	1,000	1,200	(200)
j. Depreciation Expense	3,801	3,801	0	15,200	15,200	0
<b>FIXED EXPENSES</b>						
a. Administration Fees- Legal/Acct.	500	501	(1)	3,050	3,050	0
b. Insurance (Liab, Cas, Fire, Theft)	2,900	2,898	2	11,600	11,600	0
c. Licenses and Permits	1,050	0	1,050	4,200	4,200	0
d. Office Equipment	300	400	(100)	5,700	7,700	(2,000)
e. Office Salaries/Taxes	10,500	10,500	0	42,000	42,000	0
f. Owner's Guaranteed Payment	16,250	16,248	2	65,000	65,000	0
g. Rent Expense + Security Deposit	8,550	8,550	0	39,900	39,900	0
h. Utilities	1,080	1,080	0	4,320	4,320	0
i. Miscellaneous Fixed Expense	0	0	0	200	500	(300)
<b>NET INCOME FROM OPERATIONS</b>	<b>3,949</b>	<b>23,222</b>	<b>16,773</b>	<b>16,919</b>	<b>180,564</b>	<b>163,645</b>
INTEREST INCOME	347	312	(35)	1,250	1,250	0
INTEREST EXPENSE	2,400	348	(2,052)	1,386	5,535	4,149
<b>NET PROFIT (Pretax)</b>	<b>1,896</b>	<b>23,186</b>	<b>21,290</b>	<b>16,783</b>	<b>176,279</b>	<b>159,496</b>
TAXES (Federal and State)	1,282	12,549	(11,267)	7,196	65,220	(58,024)
<b>NET PROFIT (After Tax)</b>	<b>614</b>	<b>10,637</b>	<b>10,023</b>	<b>9,587</b>	<b>111,059</b>	<b>101,472</b>

#### NON-INCOME STATEMENT ITEMS

1. Long-term Asset Repayments	4,335	3,883	452	17,333	15,081	2,252
2. Loan Repayments	0	0	0	0	0	0
3. Dividend Payments	0	0	0	0	0	0
4. Capital Contribution	0	0	0	25,000	25,000	0
5. Inventory Assets	0	5,000	(5,000)	0	5,000	(5,000)

#### BUDGET DEVIATIONS

	This Quarter	Year-To-Date
1. Income Statement Items:	\$ 10,023	\$ 101,472
2. Non-Income Statement Items:	\$ (4,548)	\$ (2,748)
<b>3. Total Deviation</b>	<b>\$ 5,475</b>	<b>\$ 98,724</b>

# 1999 Profit & Loss (Income) Statement

## *Dayne Landscaping, Inc.*

Beginning: January 1, 1999

Ending: December 31, 1999

			% Total Revenues
<b>INCOME</b>			
<b>1. Sales/Revenues</b>		<b>\$ 777,864</b>	<b>100.00%</b>
Landscaping - Residential	216,000		27.77%
Landscaping - Small Business	160,700		20.66%
Customized Landscaping	199,374		25.63%
Snow Removal - Residential	18,250		2.35%
Snow Removal - Small Business	167,100		21.48%
5% Snow Removal Contracts	8,500		1.09%
Miscellaneous Accessories	7,940		1.02%
<b>2. Cost of Goods Sold (c-d)</b>		<b>101,030</b>	<b>12.99%</b>
a. Beginning Inventory	0		0.00%
b. Purchases	106,030		13.63%
(1) Fertilizer	19,000		2.44%
(2) Pesticide	11,000		1.41%
(3) Plants/Shrubs	23,000		2.96%
(4) Salt/Sand	8,030		1.03%
(5) Seed	45,000		5.79%
c. C.O.G. Avail. Sale (a+b)	106,030		13.63%
d. Less Ending Inventory (12/31)	5,000		0.64%
<b>3. Gross Profit on Sales (1-2)</b>		<b>\$ 676,834</b>	<b>87.01%</b>
<b>EXPENSES</b>			
<b>1. Variable (Selling) (a thru l)</b>		<b>318,000</b>	<b>40.88%</b>
a. Design Specialist Salary/Payroll Taxes	20,000		2.57%
b. Machinery, Hand Tools, Equipment	11,000		1.41%
c. Marketing	5,400		0.69%
d. Part-time Worker Salaries/Payroll Taxes	182,000		23.40%
e. Sales Bonuses	2,000		0.26%
f. Sales Commission	10,800		1.39%
g. Supervisor Salaries/Payroll Taxes	60,000		7.71%
h. Travel Expense	10,400		1.34%
i. Miscellaneous Variable Expense	1,200		0.15%
j. Depreciation (Selling Assets)	15,200		1.95%
<b>2. Fixed (Administrative) (a thru l)</b>		<b>178,270</b>	<b>22.92%</b>
a. Administration Fees- Legal/Acct.	3,050		0.39%
b. Insurance - Liability, Casualty, Fire/Theft	11,600		1.49%
c. Licenses and Permits	4,200		0.54%
d. Office Equipment	7,700		0.99%
e. Office Salaries/Payroll Taxes	42,000		5.40%
f. Owner's Guaranteed Payment	65,000		8.36%
g. Rent Expense	39,900		5.13%
h. Utilities	4,320		0.56%
i. Miscellaneous Fixed Expense	500		0.06%
j. Depreciation (Administrative Assets)	0		0.00%
<b>Total Operating Expenses (1+2)</b>		<b>496,270</b>	<b>63.80%</b>
<b>Net Income from Operations (GP-Exp)</b>		<b>\$ 180,564</b>	<b>23.21%</b>
Other Income (Interest Income)	1,250		0.16%
Other Expense (Interest Expense)	5,535		0.71%
<b>Net Profit (Loss) Before Taxes</b>		<b>\$ 176,279</b>	<b>22.66%</b>
<b>Provision for Income Taxes</b>			
a. Federal	51,999		6.68%
b. State	13,221	65,220	1.70%
c. Local	0		0.00%
<b>NET PROFIT (LOSS) AFTER TAXES</b>		<b>\$ 111,059</b>	<b>14.28%</b>

# 1999 Profit & Loss (Income) Statement

## *Dayne Landscaping, Inc.*

Page 1 (January thru June + 6-Month Totals)

**For the Year: 1999**

	Jan	Feb	Mar	Apr	May	Jun	6-MONTH TOTALS	% of Total Revenues
							AMOUNT	PERCENT
<b>INCOME</b>								
<b>1. Sales/Revenues</b>	<b>71,200</b>	<b>39,700</b>	<b>139,150</b>	<b>90,230</b>	<b>77,080</b>	<b>71,250</b>	<b>488,610</b>	<b>100.00%</b>
Landscaping - Residential	0	0	55,000	33,000	28,000	22,000	138,000	28.24%
Landscaping - Small Business	0	0	37,000	23,000	22,000	22,000	104,000	21.28%
Landscaping - Customized	0	0	46,000	32,000	26,000	26,250	130,250	26.66%
Snow removal - Residential	8,250	5,550	500	0	0	0	14,300	2.93%
Snow removal - Small Business	62,850	33,950	0	0	0	0	96,800	19.81%
Miscellaneous Accessories	100	200	650	2,230	1,080	1,000	5,260	1.08%
5% Snow Removal Contracts	0	0	0	0	0	0	0	0.00%
<b>2. Cost of Goods to be Sold</b>	<b>2,530</b>	<b>500</b>	<b>30,800</b>	<b>17,700</b>	<b>21,000</b>	<b>18,500</b>	<b>91,030</b>	<b>18.63%</b>
a. Beginning Inventory	0	0	0	0	0	0	0	0.00%
b. Purchases	2,530	500	30,800	17,700	21,000	18,500	91,030	18.63%
(1) Fertilizer	0	0	7,000	0	6,000	0	13,000	2.66%
(2) Pesticide	0	0	0	3,500	0	4,500	8,000	1.64%
(3) Plants/Shrubs	0	0	8,800	6,200	5,000	2,000	22,000	4.50%
(4) Salt/Sand	2,530	500	0	0	0	0	3,030	0.62%
(5) Seed	0	0	15,000	8,000	10,000	12,000	45,000	9.21%
c. C.O.G. Available for Sale	2,530	500	30,800	17,700	21,000	18,500	91,030	18.63%
d. Less Ending Inventory	0	0	0	0	0	0	0	0.00%
<b>3. GROSS PROFIT</b>	<b>68,670</b>	<b>39,200</b>	<b>108,350</b>	<b>72,530</b>	<b>56,080</b>	<b>52,750</b>	<b>397,580</b>	<b>81.37%</b>
<b>EXPENSES</b>								
<b>1. Variable (Selling) Expenses</b>								
a. Design Specialist salary	0	0	2,500	2,500	2,500	2,500	10,000	2.05%
b. Machinery, Hand Tools, Equip.	5,000	0	0	2,000	0	2,000	9,000	1.84%
c. Marketing	315	650	925	650	350	315	3,205	0.66%
d. Part-time Worker Salaries	12,000	9,000	12,000	12,500	13,000	13,750	72,250	14.79%
e. Sales Bonuses	0	0	500	500	500	500	2,000	0.41%
f. Sales Commission	600	300	800	2,100	1,000	1,500	6,300	1.29%
g. Supervisor Salaries	5,000	5,000	5,000	5,000	5,000	5,000	30,000	6.14%
h. Travel expense	800	700	1,100	1,900	1,150	1,050	6,700	1.37%
i. Miscellaneous Selling Expense	200	100	250	350	0	0	900	0.18%
j. Depreciation (Variable Assets)	1,266	1,266	1,266	1,266	1,267	1,267	7,598	1.56%
<b>Total Variable Expenses</b>	<b>25,181</b>	<b>17,016</b>	<b>24,341</b>	<b>28,766</b>	<b>24,767</b>	<b>27,882</b>	<b>147,953</b>	<b>28.23%</b>
<b>1. Fixed (Administrative) Expenses</b>								
a. Admin. Fees- Legal/Acct.	1,216	166	167	166	167	166	2,048	0.42%
b. Insurance (Liab, Cas, Fire,Theft)	967	967	967	967	967	967	5,802	1.19%
c. Licenses and Permits	100	200	1,250	2,500	150	0	4,200	0.86%
d. Machinery, Tools, Equipment	1,500	2,250	750	950	650	600	6,700	1.37%
e. Office Salaries	3,500	3,500	3,500	3,500	3,500	3,500	21,000	4.30%
f. Owner's Guaranteed Payment	5,417	5,417	5,417	5,417	5,417	5,417	32,502	6.65%
g. Rent Expense + Security Dep.	8,550	2,850	2,850	2,850	2,850	2,850	22,800	4.67%
h. Utilities	360	360	360	360	360	360	2,160	0.44%
i. Miscellaneous Fixed Expense	0	0	100	100	100	100	400	0.08%
j. Depreciation (Fixed Assets)	0	0	0	0	0	0	0	0.00%
<b>Total Fixed Expenses</b>	<b>21,610</b>	<b>15,710</b>	<b>15,361</b>	<b>16,810</b>	<b>14,161</b>	<b>13,960</b>	<b>97,612</b>	<b>19.98%</b>
<b>Total Operating Expense</b>	<b>46,791</b>	<b>32,726</b>	<b>39,702</b>	<b>45,576</b>	<b>38,928</b>	<b>41,842</b>	<b>245,565</b>	<b>48.21%</b>
<b>Net Income From Operations</b>	<b>21,879</b>	<b>6,474</b>	<b>68,648</b>	<b>26,954</b>	<b>17,152</b>	<b>10,908</b>	<b>152,015</b>	<b>33.16%</b>
Other Income (Interest)	105	104	104	104	104	104	625	0.13%
Other Expense (Interest)	507	499	490	482	474	466	2,918	0.60%
<b>Net Profit (Loss) Before Taxes</b>	<b>21,477</b>	<b>6,079</b>	<b>68,262</b>	<b>26,576</b>	<b>16,782</b>	<b>10,546</b>	<b>149,722</b>	<b>32.69%</b>
Provision for Income Taxes								
a. Federal	3,222	912	16,694	10,156	6,545	4,113	41,642	8.52%
b. State	1,611	456	5,120	1,993	1,259	791	11,230	2.30%
<b>NET PROFIT (LOSS) AFTER TAXES</b>	<b>16,644</b>	<b>4,711</b>	<b>46,448</b>	<b>14,427</b>	<b>8,978</b>	<b>5,642</b>	<b>96,850</b>	<b>21.87%</b>

# 1999 Profit & Loss (Income) Statement

## *Dayne Landscaping, Inc.*

Page 2 (July thru December + 12-Month Totals)

For the Year: 1999

	Jul	Aug	Sep	Oct	Nov	Dec	12-MONTH TOTALS	% of Total Revenues
							AMOUNT	PERCENT
<b>INCOME</b>								
<b>1. Sales/Revenues</b>	<b>60,330</b>	<b>51,012</b>	<b>56,862</b>	<b>38,200</b>	<b>32,800</b>	<b>50,050</b>	<b>777,864</b>	<b>100.00%</b>
Landscaping - Residential	18,000	14,000	22,000	24,000	0	0	216,000	27.77%
Landscaping - Small Business	16,500	10,900	15,300	14,000	0	0	160,700	20.66%
Landscaping - Customized	25,150	24,912	19,062	0	0	0	199,374	25.63%
Snow removal - Residential	0	0	0	0	950	3,000	18,250	2.35%
Snow removal - Small Business	0	0	0	0	23,250	47,050	167,100	21.48%
Miscellaneous Accessories	0	0	0	0	8,500	0	8,500	1.09%
5% Snow Removal Contracts	680	1,200	500	200	100	0	7,940	1.02%
<b>2. Cost of Goods to be Sold</b>	<b>4,000</b>	<b>6,000</b>	<b>1,000</b>	<b>0</b>	<b>1,000</b>	<b>(2,000)</b>	<b>101,030</b>	<b>12.99%</b>
a. Beginning Inventory	0	0	0	0	0	0	0	0.00%
b. Purchases	4,000	6,000	1,000	0	1,000	3,000	106,030	5.79%
(1) Fertilizer	0	6,000	0	0	0	0	19,000	2.44%
(2) Pesticide	3,000	0	0	0	0	0	11,000	1.41%
(3) Plants/Shrubs	1,000	0	0	0	0	0	23,000	2.96%
(4) Salt/Sand	0	0	1,000	0	1,000	3,000	8,030	1.03%
(5) Seed	0	0	0	0	0	0	45,000	5.79%
c. C.O.G. Available for Sale	4,000	6,000	1,000	0	1,000	3,000	106,030	5.79%
d. Less Ending Inventory	0	0	0	0	0	5,000	5,000	0.64%
<b>3. GROSS PROFIT</b>	<b>56,330</b>	<b>45,012</b>	<b>55,862</b>	<b>38,200</b>	<b>31,800</b>	<b>52,050</b>	<b>676,834</b>	<b>87.01%</b>
<b>EXPENSES</b>								
<b>1. Variable (Selling) Expenses</b>								
a. Design Specialist salary/P.Tax	2,500	2,500	2,500	2,500	0	0	20,000	2.57%
b. Machinery, Hand Tools, Equip.	1,000	0	1,000	0	0	0	11,000	1.41%
c. Marketing	206	650	339	400	300	300	5,400	0.69%
d. Part-time Worker Salaries	25,250	25,250	26,250	10,000	12,500	10,500	182,000	23.40%
e. Sales Bonuses	0	0	0	0	0	0	2,000	0.26%
f. Sales Commission	400	1,100	1,250	250	1,000	500	10,800	1.39%
g. Supervisor Salaries/Payroll Tax	5,000	5,000	5,000	5,000	5,000	5,000	60,000	7.71%
h. Travel Expense	850	650	600	620	480	500	10,400	1.34%
i. Misc. Variable Expense	100	200	0	0	0	0	1,200	0.15%
j. Depreciation (Variable Assets)	1,267	1,267	1,267	1,267	1,267	1,267	15,200	1.95%
<b>Total Variable Expenses</b>	<b>36,573</b>	<b>36,617</b>	<b>38,206</b>	<b>20,037</b>	<b>20,547</b>	<b>18,067</b>	<b>318,000</b>	<b>40.88%</b>
<b>1. Fixed (Administrative) Expenses</b>								
a. Admin. Fees- Legal/Acct.	167	167	167	167	167	167	3,050	0.39%
b. Insurance (Liab, Cas, Fire,Theft)	967	967	966	966	966	966	11,600	1.49%
c. Licenses and Permits	0	0	0	0	0	0	4,200	0.54%
d. Machinery, Tools, Equipment	100	200	300	200	100	100	7,700	0.99%
e. Office Salaries	3,500	3,500	3,500	3,500	3,500	3,500	42,000	5.40%
f. Owner's Guaranteed Payment	5,417	5,417	5,416	5,416	5,416	5,416	65,000	8.36%
g. Rent Expense	2,850	2,850	2,850	2,850	2,850	2,850	39,900	5.13%
h. Utilities	360	360	360	360	360	360	4,320	0.56%
i. Miscellaneous Fixed Expense	100	0	0	0	0	0	500	0.06%
i. Depreciation (Fixed Assets)	0	0	0	0	0	0	0	0.00%
<b>Total Fixed Expenses</b>	<b>13,461</b>	<b>13,461</b>	<b>13,559</b>	<b>13,459</b>	<b>13,359</b>	<b>13,359</b>	<b>178,270</b>	<b>22.92%</b>
<b>Total Operating Expense</b>	<b>50,034</b>	<b>50,078</b>	<b>51,765</b>	<b>33,496</b>	<b>33,906</b>	<b>31,426</b>	<b>496,270</b>	<b>63.80%</b>
<b>Net Income From Operations</b>	<b>6,296</b>	<b>(5,066)</b>	<b>4,097</b>	<b>4,704</b>	<b>(2,106)</b>	<b>20,624</b>	<b>180,564</b>	<b>23.21%</b>
Other Income (Interest)	105	104	104	104	104	104	1,250	0.16%
Other Expense (Interest)	457	449	441	432	423	415	5,535	0.71%
<b>Net Profit (Loss) Before Taxes</b>	<b>5,944</b>	<b>(5,411)</b>	<b>3,760</b>	<b>4,376</b>	<b>(2,425)</b>	<b>20,313</b>	<b>176,279</b>	<b>22.66%</b>
Provision for Income Taxes								
a. Federal	2,318	(\$2,110)	1,466	1,707	(\$946)	7,922	51,999	6.68%
b. State	446	(\$406)	282	328	(\$182)	1,523	13,221	1.70%
<b>NET PROFIT (LOSS) AFTER TAXES</b>	<b>3,180</b>	<b>(2,895)</b>	<b>2,012</b>	<b>2,341</b>	<b>(1,297)</b>	<b>10,868</b>	<b>111,059</b>	<b>14.28%</b>

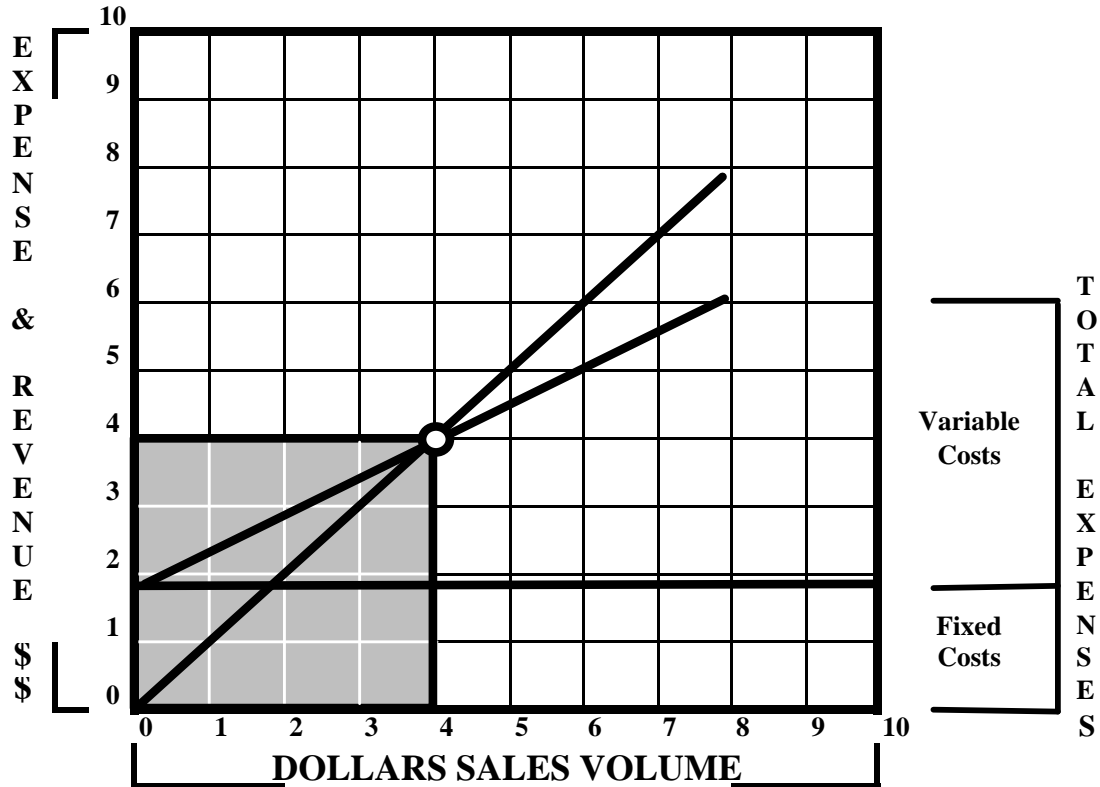


# Break-Even Analysis

Based on 1999 Financial Statements - Not a Projection

*Dayne Landscaping, Inc.*

Date of Analysis: December 31, 1999



NOTE: Figures shown in hundreds of thousands of dollars (Ex: 1 = \$ 100,000)

$$\text{B-E POINT (SALES)} = \text{Fixed costs} + [(\text{Variable Costs} / \text{Revenues}) \times \text{Sales}]$$

$$\text{B-E Point (Sales)} = \$ 183,805 + [ (\$ 419,030 / \$ 777,864 ) \times \text{Sales} ]$$

## *Dayne Landscaping, Inc.*

### BREAK-EVEN POINT CALCULATION

<b>FC (Fixed Costs)</b>	=(Administrative Expenses + Interest)	<b>\$ 183,805</b>
<b>VC ( Variable Costs )</b>	=(Cost of Goods + Selling Expenses)	<b>\$ 419,030</b>
<b>R ( Revenues )</b>	=(Income from sale of products and services)	<b>\$ 777,864</b>
<b>BREAK-EVEN POINT =</b>		<b>\$ 398,444</b>

# 2000 Pro Forma Cash Flow Statement

Page 1 (January thru June)

## Dayne Landscaping, Inc.

For the Year 2000

	Jan	Feb	Mar	Apr	May	Jun
<b>BEGINNING CASH BALANCE</b>	<b>131,178</b>	<b>137,633</b>	<b>140,273</b>	<b>139,746</b>	<b>45,856</b>	<b>115,074</b>
<b>CASH RECEIPTS</b>						
<b>A. Sales/Revenues</b>	<b>123,850</b>	<b>89,100</b>	<b>184,400</b>	<b>169,200</b>	<b>200,600</b>	<b>192,900</b>
1. Landscaping - Residential	0	0	41,000	21,000	23,000	24,000
2. Landscaping - Small Business	0	0	56,500	50,500	40,000	39,500
3. Landscaping - Large Corporations	0	0	73,500	57,200	55,100	51,000
4. Customized Landscaping	0	0	13,400	40,500	82,500	78,400
5. Snow Removal - Residential	11,050	5,700	0	0	0	0
6. Snow Removal - Small Business	66,900	53,000	0	0	0	0
7. Snow Removal - Large Corporations	45,900	30,400	0	0	0	0
8. 5% Snow Removal Contracts	0	0	0	0	0	0
B. Interest Income	108	110	109	110	109	110
C. Sale of Long-Term Assets	0	0	0	0	0	0
<b>TOTAL CASH AVAILABLE</b>	<b>255,136</b>	<b>226,843</b>	<b>324,782</b>	<b>309,056</b>	<b>246,565</b>	<b>308,084</b>
<b>CASH PAYMENTS</b>						
<b>A. Cost of goods to be sold</b>						
1. Fertilizer	0	0	10,700	12,800	9,800	3,100
2. Pesticide	0	0	6,250	2,400	5,500	3,500
3. Plants/Shrub	0	0	16,100	13,000	3,500	3,200
4. Salt/Sand	5,375	0	0	0	0	0
5. Seed	0	0	21,000	41,500	24,500	5,000
<b>Total Cost of Goods</b>	<b>5,375</b>	<b>0</b>	<b>54,050</b>	<b>69,700</b>	<b>43,300</b>	<b>14,800</b>
<b>B. Variable Expenses</b>						
1. Design Specialists (2 w/taxes & benefits)	5,834	5,834	5,834	5,834	5,834	5,834
2. Machinery, Tools, Equipment	350	6,000	0	500	500	1,000
3. Marketing	3,500	6,500	6,500	3,500	3,500	5,000
4. Part-time Worker Salaries (w/ taxes)	23,500	30,000	37,600	40,000	39,000	38,033
5. Sales Bonuses	0	2,000	2,500	500		
6. Sales Commissions	0	0	1,100	5,750	2,250	1,500
7. Supervisor Salaries (w/taxes & benefits)	7,500	7,500	15,000	15,000	15,000	15,000
8. Travel expense	550	850	1,200	1,300	1,200	860
9. Miscellaneous Selling Expense	500	500	500	500	500	500
<b>Total Variable Expenses</b>	<b>41,734</b>	<b>59,184</b>	<b>70,234</b>	<b>72,884</b>	<b>67,784</b>	<b>67,727</b>
<b>C. Fixed Expenses</b>						
1. Administration Fees - Legal/Acct.	509	508	508	2,250	508	508
2. Insurance (Liab, Casualty, Fire/Theft, W Comp)	704	714	735	739	737	736
3. Licenses and permits	100	200	750	2,350	1,300	1,025
4. Office Equipment	1,750	8,650	1,100	900	825	525
5. Office Salaries (w/taxes & benefits)	5,250	5,250	5,250	5,250	5,250	5,250
6. Owner's Guaranteed Payment	6,833	6,833	6,833	6,833	6,833	6,833
7. Rent Expense	2,850	2,850	2,850	0	0	0
8. Utilities	480	463	360	376	247	378
9. Miscellaneous Administrative Expense	200	200	200	200	200	200
<b>Total Fixed Expenses</b>	<b>18,676</b>	<b>25,668</b>	<b>18,586</b>	<b>18,898</b>	<b>15,900</b>	<b>15,455</b>
D. Interest Expense (Vehicles, Equipment)	406	397	389	380	371	362
E. Interest Expense (Land & Buildings)	0	0	0	0	2,062	2,057
F. Federal Income Tax	0	0	33,249	0	0	33,249
G. State Tax	0	0	7,199	0	0	7,199
H. Capital Asset Purch, Cash (Land & Buildings)*	0	0	0	375,000	0	0
I. Capital Asset Purch, Cash (Vehicles, Equipment)**	50,000	0	0	0	0	48,000
J. Loan Repayment (1996) (Land & Buildings)	0	0	0	0	727	732
K. Loan Repayment (1995) (Vehicles, Equipment)	1,312	1,321	1,329	1,338	1,347	1,356
<b>TOTAL CASH PAID OUT</b>	<b>117,503</b>	<b>86,570</b>	<b>185,036</b>	<b>538,200</b>	<b>131,491</b>	<b>190,937</b>
<b>CASH BALANCE/DEFICIENCY</b>	<b>137,633</b>	<b>140,273</b>	<b>139,746</b>	<b>(229,144)</b>	<b>115,074</b>	<b>117,147</b>
LOAN TO BE RECEIVED (Land & Buildings)	0	0	0	275,000	0	0
EQUITY DEPOSITS	0	0	0	0	0	0
<b>ENDING CASH BALANCE</b>	<b>137,633</b>	<b>140,273</b>	<b>139,746</b>	<b>45,856</b>	<b>115,074</b>	<b>117,147</b>

Note: \* Building/Land purchased in April for \$375,000 (\$100,000 cash + bank loan for \$275,000)

\*\* Two 4x4 trucks purchased in January and August @ \$50,000 cash each; Four U-hauls purchased for cash (July and August) @ \$10,000 each)

# 2000 Pro Forma Cash Flow Statement

Page 2 (July thru December + 6 & 12-month Totals)

## *Dayne Landscaping, Inc.*

6-MONTH TOTALS	Jul	Aug	Sep	Oct	Nov	Dec	12-MONTH TOTALS
<b>131,178</b>	<b>117,147</b>	<b>122,610</b>	<b>104,184</b>	<b>100,611</b>	<b>119,509</b>	<b>110,104</b>	<b>131,178</b>
<b>960,050</b>	<b>149,400</b>	<b>138,000</b>	<b>122,000</b>	<b>83,900</b>	<b>67,090</b>	<b>87,760</b>	<b>1,608,200</b>
109,000	24,000	24,000	24,000	24,000	0	0	205,000
186,500	33,400	32,000	30,000	28,000	0	0	309,900
236,800	28,000	35,000	30,500	12,900	0	0	343,200
214,800	64,000	47,000	37,500	9,000			372,300
16,750	0	0	0	0	5,000	6,750	28,500
119,900	0	0	0	0	30,000	42,410	192,310
76,300	0	0	0	0	25,090	38,600	139,990
0	0	0	0	10,000	7,000	0	17,000
656	109	109	109	110	110	110	1,313
0	0	0	0	0	0	0	0
<b>1,091,884</b>	<b>266,656</b>	<b>260,719</b>	<b>226,293</b>	<b>184,621</b>	<b>186,709</b>	<b>197,974</b>	<b>1,740,691</b>
36,400	7,600	4,000	0	0	0	0	48,000
17,650	4,500	1,850	0	0	0	0	24,000
35,800	1,700	2,700	2,300	1,500	0	0	44,000
5,375	0	0	0	0	4,700	5,000	15,075
92,000	2,000	2,000	0	0	0	0	96,000
<b>187,225</b>	<b>15,800</b>	<b>10,550</b>	<b>2,300</b>	<b>1,500</b>	<b>4,700</b>	<b>5,000</b>	<b>227,075</b>
35,004	5,834	5,834	5,834	5,834	5,834	5,834	70,008
8,350	10,000	650	0	0	350	475	19,825
28,500	3,500	3,500	3,500	6,500	6,500	3,500	55,500
208,133	42,000	39,400	38,000	14,000	19,000	21,500	382,033
5,000					500	500	6,000
10,600	500	500	0	2,500	5,000	2,500	21,600
75,000	15,000	15,000	15,000	15,000	15,000	15,000	165,000
5,960	940	1,130	970	400	400	600	10,400
3,000	500	500	500	500	500	500	6,000
<b>379,547</b>	<b>78,274</b>	<b>66,514</b>	<b>63,804</b>	<b>44,734</b>	<b>53,084</b>	<b>50,409</b>	<b>736,366</b>
4,791	508	508	509	508	508	509	7,841
4,365	742	741	739	705	712	716	8,720
5,725	1,175	500	405	295	200	100	8,400
13,750	250	450	350	200	200	200	15,400
31,500	5,250	5,250	5,250	5,250	5,250	5,250	63,000
40,998	6,833	6,833	6,834	6,834	6,834	6,834	82,000
8,550	0	0	0	0	0	0	8,550
2,304	457	432	286	329	360	387	4,555
1,200	250	250	250	250	250	250	2,700
<b>113,183</b>	<b>15,465</b>	<b>14,964</b>	<b>14,623</b>	<b>14,371</b>	<b>14,314</b>	<b>14,246</b>	<b>201,166</b>
2,305	353	344	335	325	316	306	4,284
4,119	2,051	2,046	2,040	2,035	2,029	2,023	16,343
66,498	0	0	33,249	0	0	33,249	132,996
14,398	0	0	7,199	0	0	7,200	28,797
375,000	0	0	0	0	0	0	375,000
98,000	30,000	60,000	0	0	0	0	188,000
1,459	738	743	749	754	760	766	5,969
8,003	1,365	1,374	1,383	1,393	1,402	1,412	16,332
<b>1,249,737</b>	<b>144,046</b>	<b>156,535</b>	<b>125,682</b>	<b>65,112</b>	<b>76,605</b>	<b>114,611</b>	<b>1,932,328</b>
(157,853)	122,610	104,184	100,611	119,509	110,104	83,363	(191,637)
275,000	0	0	0	0	0	0	275,000
0	0	0	0	0	0	0	0
<b>117,147</b>	<b>122,610</b>	<b>104,184</b>	<b>100,611</b>	<b>119,509</b>	<b>110,104</b>	<b>83,363</b>	<b>83,363</b>

# Three Year Income Projection

## Dayne Landscaping, Inc.

Updated: December 31, 1999

	YEAR 1 2000	YEAR 2 2001	YEAR 3 2002	TOTAL 3 YEARS
<b>INCOME</b>				
<b>1. SALES/REVENUES</b>	<b>1,608,200</b>	<b>2,010,250</b>	<b>2,311,788</b>	<b>5,930,238</b>
a. Landscaping - Residential	205,000	256,250	294,688	755,938
b. Landscaping - Small Business	309,900	387,375	445,481	1,142,756
c. Landscaping - Large Corporations	343,200	429,000	493,350	1,265,550
d. Customized Landscaping	372,300	465,375	535,181	1,372,856
e. Snow Removal - Residential	28,500	35,625	40,969	105,094
f. Snow Removal - Small Business	192,310	240,388	276,446	709,143
g. Snow Removal - Large Corporations	139,990	174,988	201,236	516,213
h. 5% Snow Removal Contracts	17,000	21,250	24,438	62,688
<b>2. Cost of Goods Sold (c-d)</b>	<b>222,075</b>	<b>273,844</b>	<b>323,420</b>	<b>819,339</b>
<i>Cost of Goods (as a Percentage of Sales)</i>	<i>13.81%</i>	<i>13.62%</i>	<i>13.99%</i>	<i>13.82%</i>
a. Beginning Inventory	5,000	10,000	20,000	5,000
<b>b. Purchases</b>	<b>227,075</b>	<b>283,844</b>	<b>326,420</b>	<b>837,339</b>
(1) Fertilizer	48,000	60,000	69,000	177,000
(2) Pesticide	24,000	30,000	34,500	88,500
(3) Plants/Shrubs	44,000	55,000	63,250	162,250
(4) Salt/Sand	15,075	18,844	21,670	55,589
(5) Seed	96,000	120,000	138,000	354,000
c. C.O.G. Avail. Sale (a+b)	232,075	293,844	346,420	842,339
d. Less Ending Inventory (12/31)	10,000	20,000	23,000	23,000
<b>3. GROSS PROFIT ON SALES (1-2)</b>	<b>1,386,125</b>	<b>1,736,406</b>	<b>1,988,367</b>	<b>5,110,898</b>
<i>Gross Profit (as a Percentage of Sales)</i>	<i>86.19%</i>	<i>86.38%</i>	<i>86.01%</i>	<i>86.18%</i>
<b>EXPENSES</b>				
<b>1. VARIABLE (Selling) (a thru j)</b>	<b>772,933</b>	<b>916,341</b>	<b>1,027,822</b>	<b>2,717,097</b>
<i>Selling Expenses (as a Percentage of Sales)</i>	<i>48.06%</i>	<i>45.58%</i>	<i>44.46%</i>	<i>45.82%</i>
a. Design Specialist Salaries/Payroll Taxes	70,008	77,000	84,700	231,708
b. Machinery, Tools, Equipment	19,825	15,000	17,000	51,825
c. Marketing	55,500	55,000	55,000	165,500
d. Part-time Worker Salaries/Payroll Taxes	382,033	477,541	549,172	1,408,747
e. Sales Bonuses	6,000	13,500	18,500	38,000
f. Sales Commission	21,600	24,000	27,000	72,600
g. Supervisor Salaries/Payroll Taxes	165,000	181,500	199,650	546,150
h. Travel expense	10,400	12,000	14,000	36,400
i. Miscellaneous Selling Expense	6,000	8,000	10,000	24,000
j. Depreciation (Product/Service Assets)	36,567	52,800	52,800	142,167
<b>2. FIXED (Administrative) (a thru j)</b>	<b>209,916</b>	<b>246,967</b>	<b>290,467</b>	<b>747,350</b>
<i>Admin. Expenses (as a Percentage of Sales)</i>	<i>13.05%</i>	<i>12.29%</i>	<i>12.56%</i>	<i>12.60%</i>
a. Administration Fees- Legal/Acct.	7,841	7,800	7,800	23,441
b. Insurance - Liab., Casualty, Fire/Theft, W.Comp.	8,720	10,500	12,000	31,220
c. Licenses and Permits	8,400	10,300	12,200	30,900
d. Office Equipment	15,400	30,800	45,200	91,400
e. Office Salaries/Payroll Taxes	63,000	77,000	91,000	231,000
f. Owner's Guaranteed Payment	82,000	90,000	100,000	272,000
g. Rent Expense	8,550	0	0	8,550
h. Utilities	4,555	5,500	6,500	16,555
i. Miscellaneous Administrative Expense	2,700	3,400	4,100	10,200
j. Depreciation (Facility, Admin. Assets)	8,750	11,667	11,667	32,084
<b>TOTAL OPERATING EXPENSES (1+2)</b>	<b>982,849</b>	<b>1,163,308</b>	<b>1,318,289</b>	<b>3,464,447</b>
<b>NET INCOME OPERATIONS (GPr - Exp)</b>	<b>403,276</b>	<b>573,098</b>	<b>670,078</b>	<b>1,646,452</b>
<i>Net Income Operations (as a Percentage of Sales)</i>	<i>25.08%</i>	<i>28.51%</i>	<i>28.99%</i>	<i>27.76%</i>
OTHER INCOME (Interest Income)	1,313	1,378	1,447	4,138
OTHER EXPENSE (Interest Expense)	20,627	28,105	25,844	74,576
<b>NET PROFIT (LOSS) BEFORE TAXES</b>	<b>383,962</b>	<b>546,371</b>	<b>645,681</b>	<b>1,576,014</b>
<b>TAXES</b>				
1. Federal, S-Employment	132,996	196,335	235,066	564,397
2. State	28,797	40,978	48,426	118,201
3. Local	0	0	0	0
<b>NET PROFIT (LOSS) AFTER TAXES</b>	<b>222,169</b>	<b>309,058</b>	<b>362,189</b>	<b>893,416</b>
<i>Net Profit (Loss) (as a Percentage of Sales)</i>	<i>13.81%</i>	<i>15.37%</i>	<i>15.67%</i>	<i>15.07%</i>

# Projected Balance Sheet

**Business Name:**

*Dayne Landscaping, Inc.*

**Projected for: December 31, 2000**

ASSETS		% of Assets	LIABILITIES		% of Liabilities
<b>Current Assets</b>			<b>Current Liabilities</b>		
Cash	\$ <u>83,363</u>	12.41%	Accounts Payable	\$ <u>0</u>	0.00%
Petty Cash	\$ <u>0</u>	0.00%	Notes Payable	\$ <u>27,337</u>	8.72%
Accounts Receivable	\$ <u>0</u>	0.00%	Interest Payable	\$ <u>0</u>	0.00%
Inventory	\$ <u>10,000</u>	1.49%	Pre-Paid Deposits	\$ <u>0</u>	0.00%
Short-Term Investments	\$ <u>0</u>	0.00%	Taxes Payable		
<b>Long-Term Investments</b>			Accrued Federal Income	\$ <u>0</u>	0.00%
	\$ <u>0</u>	0.00%	Accrued State Income Tax	\$ <u>0</u>	0.00%
<b>Fixed Assets</b>			Accrued Payroll Tax	\$ <u>0</u>	0.00%
Land (valued at cost)	\$ <u>200,000</u>	29.77%	Accrued Sales Tax	\$ <u>0</u>	0.00%
Buildings	\$ <u>163,050</u>	24.27%	Payroll Accrual	\$ <u>0</u>	0.00%
1. Cost	<u>175,000</u>		<b>Long-Term Liabilities</b>		
2. Less Acc. Dep.	<u>11,950</u>		Notes Payable to Investors	\$ <u>0</u>	0.00%
Improvements	\$ <u>0</u>	0.00%	Notes Payable Others	\$ <u>286,281</u>	91.28%
1. Cost	<u>0</u>		<b>TOTAL LIABILITIES</b>		
2. Less Acc. Dep.	<u>0</u>		\$ <u>313,618</u>	100.00%	
Equipment	\$ <u>92,833</u>	13.82%	<b>NET WORTH (EQUITY)</b>		
1. Cost	<u>104,000</u>		<b>Proprietorship</b>		
2. Less Acc. Dep.	<u>11,167</u>		\$ <u>0</u>	0.00%	
Furniture	\$ <u>0</u>	0.00%	or		
1. Cost	<u>0</u>		<b>Partnership</b>		
2. Less Acc. Dep.	<u>0</u>		1. (Name 1), ___% Equity	\$ <u>0</u>	0.00%
Autos/Vehicles	\$ <u>122,600</u>	18.25%	2. (Name 2), ___% Equity	\$ <u>0</u>	0.00%
1. Cost	<u>160,000</u>		or		
2. Less Acc. Dep.	<u>37,400</u>		<b>Corporation</b>		
<b>Other Assets</b>			Capital Stock	\$ <u>20,000</u>	5.58%
1.	\$ <u>0</u>	0.00%	Surplus Paid In	\$ <u>5,000</u>	1.40%
2.	\$ <u>0</u>	0.00%	Retained Earnings	\$ <u>333,228</u>	93.02%
3.	\$ <u>0</u>	0.00%	<b>TOTAL NET WORTH</b>		
<b>TOTAL ASSETS</b>			\$ <u>358,228</u>	100.00%	
			Assets - Liabilities = Net Worth and Liabilities + Equity = Total Assets		

1. See Financial Statement Analysis for ratios and notations

# FINANCIAL STATEMENT ANALYSIS SUMMARY

The following is a summary of Dayne Landscaping, Inc. 1999 and 2000 financial statement analysis information, as developed on the next 5 pages of spreadsheets (pages 35-39) :

*\*Author notation:*

*Writer must research industry standards.*

	<u>1999</u> <u>HISTORICAL</u>	<u>2000</u> <u>PROJECTED</u>	<u>INDUSTRY</u> <u>STANDARD</u>	
1. Net Working Capital	\$119,846	\$66,026	\$80,000	+ or -
2. Current Ratio	8.34	3.42	2.0	+
3. Quick Ratio	8.03	3.05	1.0	+ or -
4. Gross Profit Margin	87.01%	86.19%	85.0%	
5. Operating Profit Margin	23.21%	25.08%	25.0%	
6. Net Profit Margin	14.28%	13.81%	14%	
7. Debt to Assets	30.93%	46.68%	33.0%	-
8. Debt to Equity	44.77%	87.55%	100%	-
9. ROI (Return on Investment)	56.38%	33.07%	24%	+
<b>10. Vertical Income Statement Analysis *</b>				
Sales/Revenues	100.00%	100.0%		
Cost of Goods	12.99%	13.81%	15.0%	+ or -
Gross Profit	87.01%	86.19%	85.0%	
Operating Expense	63.80%	61.11%	62.0%	+ or -
Net Income Operations	23.21%	25.08%	23.0%	+ or -
Interest Income	0.16%	0.08%	N/A	Variable
Interest Expense	0.71%	1.28%	4.0%	Variable
Net Profit (Pre-Tax)	22.66%	23.88%	19.0%	+ or -
* All items stated as % of Total Revenues				
<b>11. Vertical Balance Sheet Analysis *</b>				
Current Assets	69.14%	13.90%	18.0%	+
Inventory	2.54%	1.49%	2.0%	
Total Assets	100.0%	100.00%		
Current Liabilities	8.29%	4.07%	15.0%	-
Total Liabilities	30.93%	46.68%	50.0%	-
Net Worth	69.07%	53.32%	50.0%	+
Total Liabilities + Net Worth	100.0%	100.00%		

\* All Asset items stated as % of Total Assets;

Liability & Net Worth items stated as % of Total Liabilities + Net Worth

## **Notes:**

Dayne Landscaping, Inc. has taken advantage of a rapidly-increasing marketplace, and has also neatly incorporated snow removal services to increase revenues significantly during winter months. The company earned an unusually high 1999 net profit for a start-up service business (\$111,059). Debt Ratios (Debt:Assets, 30.93% and Debt:Equity, 44.77%) are better than industry average. A 2000 beginning cash balance of \$131,178, with no current liabilities other than \$16,332 of notes payable on a previous loan, give the company sufficient marketing funds to expand services into the corporate landscaping and design areas. The purchase of their present facility, currently under a lease agreement (using \$100,000 cash + \$275,000 loan funds) will not raise the Debt to Equity Ratio (projected at 87.55%) beyond a safe limit. Projections indicate high sales growth with the acquisition of new personnel, vehicles, and equipment to service the increased customer base. The company is experiencing rapid, but controlled growth. Financial projections indicate that the company will be more than able to fulfill its obligations to repay the \$275,000 loan with interest and still maintain good cash flow and increased profitability.

# Financial Statement Analysis Ratio Table

## Dayne Landscaping, Inc.

Type of Analysis	Formula	Historical: 1999	Projected: 2000	
<b>1. Liquidity Analysis</b>	<b>Balance Sheet</b> $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ <b>a. Net Working Capital</b>	Current Assets <span style="float: right;">136,178</span> Current Liabilities <span style="float: right;">16,332</span> <b>Net Working Capital</b> <span style="float: right;"><b>\$119,846</b></span>	Current Assets <span style="float: right;">93,363</span> Current Liabilities <span style="float: right;">27,337</span> <b>Net Working Capital</b> <span style="float: right;"><b>\$66,026</b></span>	
		<b>Balance Sheet</b> $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ <b>b. Current Ratio</b>	Current Assets <span style="float: right;">136,178</span> Current Liabilities <span style="float: right;">16,332</span> <b>Current Ratio</b> <span style="float: right;"><b>8.34</b></span>	Current Assets <span style="float: right;">93,363</span> Current Liabilities <span style="float: right;">27,337</span> <b>Current Ratio</b> <span style="float: right;"><b>3.42</b></span>
		<b>Balance Sheet</b> $\frac{\text{Current Assets minus Inventory}}{\text{Current Liabilities}}$ <b>c. Quick Ratio</b>	Current Assets <span style="float: right;">136,178</span> Inventory <span style="float: right;">5,000</span> Current Liabilities <span style="float: right;">16,332</span> <b>Quick Ratio</b> <span style="float: right;"><b>8.03</b></span>	Current Assets <span style="float: right;">93,363</span> Inventory <span style="float: right;">10,000</span> Current Liabilities <span style="float: right;">27,337</span> <b>Quick Ratio</b> <span style="float: right;"><b>3.05</b></span>
<b>2. Profitability Analysis</b>	<b>Income Statement</b> $\frac{\text{Gross Profits}}{\text{Sales}}$ <b>a. Gross Profit Margin</b>	Gross Profits <span style="float: right;">676,834</span> Sales <span style="float: right;">777,864</span> <b>Gross Profit Margin</b> <span style="float: right;"><b>87.01%</b></span>	Gross Profits <span style="float: right;">1,386,125</span> Sales <span style="float: right;">1,608,200</span> <b>Gross Profit Margin</b> <span style="float: right;"><b>86.19%</b></span>	
		$\frac{\text{Income From Operations}}{\text{Sales}}$ <b>b. Operating Profit Margin</b>	Income From Ops. <span style="float: right;">180,564</span> Sales <span style="float: right;">777,864</span> <b>Operating Profit Margin</b> <span style="float: right;"><b>23.21%</b></span>	Income From Ops. <span style="float: right;">403,276</span> Sales <span style="float: right;">1,608,200</span> <b>Operating Profit Margin</b> <span style="float: right;"><b>25.08%</b></span>
		$\frac{\text{Net Profits}}{\text{Sales}}$ <b>c. Net Profit Margin</b>	Net Profits <span style="float: right;">111,059</span> Sales <span style="float: right;">777,864</span> <b>Net Profit Margin</b> <span style="float: right;"><b>14.28%</b></span>	Net Profits <span style="float: right;">222,169</span> Sales <span style="float: right;">1,608,200</span> <b>Net Profit Margin</b> <span style="float: right;"><b>13.81%</b></span>
<b>4. Debt Ratios</b>	<b>Balance Sheet</b> $\frac{\text{Total Liabilities}}{\text{Total Assets}}$ <b>a. Debt to Assets</b>	Total Liabilities <span style="float: right;">60,919</span> Total Assets <span style="float: right;">196,978</span> <b>Debt to Assets Ratio</b> <span style="float: right;"><b>30.93%</b></span>	Total Liabilities <span style="float: right;">313,618</span> Total Assets <span style="float: right;">671,846</span> <b>Debt to Assets Ratio</b> <span style="float: right;"><b>46.68%</b></span>	
		$\frac{\text{Total Liabilities}}{\text{Total Owners' Equity}}$ <b>b. Debt to Equity</b>	Total Liabilities <span style="float: right;">60,919</span> Total Owners' Equity <span style="float: right;">136,059</span> <b>Debt to Equity Ratio</b> <span style="float: right;"><b>44.77%</b></span>	Total Liabilities <span style="float: right;">313,618</span> Total Owners' Equity <span style="float: right;">358,228</span> <b>Debt to Equity Ratio</b> <span style="float: right;"><b>87.55%</b></span>
<b>4. Measures of</b>				
<b>a. ROI</b> <i>(Return on Investment)</i>	<b>Balance Sheet</b> $\frac{\text{Net Profits}}{\text{Total Assets}}$	Net Profits <span style="float: right;">111,059</span> Total Assets <span style="float: right;">196,978</span> <b>ROI (Return on Invest.)</b> <span style="float: right;"><b>56.38%</b></span>	Net Profits <span style="float: right;">222,169</span> Total Assets <span style="float: right;">671,846</span> <b>ROI (Return on Invest.)</b> <span style="float: right;"><b>33.07%</b></span>	
<b>5. Vertical Financial Statement Analysis</b>	<b>Balance Sheet</b> 1. Each asset % of Total Assets 2. Liability & Equity % of Total L&E  <b>Income Statement</b> 3. All items % of Total Revenues	NOTE:  <i>See Attached</i>  <b>Balance Sheet and</b> <b>Income Statement</b>	NOTE:  <i>See Attached</i>  <b>Balance Sheet and</b> <b>Income Statement</b>	
		NOTE:  <b>Horizontal Analysis</b> <b>Not Applicable</b>  <b>Only one year in business</b>	NOTE:  <b>Horizontal Analysis</b> <b>Not Applicable</b>  <b>Only one year in business</b>	
<b>6. Horizontal Financial Statement Analysis</b>	<b>Balance Sheet</b> 1. Assets, Liab & Equity measured against 2nd year. Increases and decreases stated as amount & %  <b>Income Statement</b> 2. Revenues & Expenses measured against 2nd year. Increases and decreases stated as amount & %	NOTE:  <b>Horizontal Analysis</b> <b>Not Applicable</b>  <b>Only one year in business</b>	NOTE:  <b>Horizontal Analysis</b> <b>Not Applicable</b>  <b>Only one year in business</b>	

# 1999 Historical Vertical Income Statement Analysis

*Dayne Landscaping, Inc.*

Historical For the Year: 1999		Begin: January 1, 1999 End: December 31, 1999	
	AMOUNT		% Total Revenues
<b>INCOME</b>			
<b>1. Sales/Revenues</b>		\$ 777,864	100.00%
a. Landscaping - Residential	216,000		27.77%
b. Landscaping - Small Business	160,700		20.66%
c. Customized Landscaping	199,374		25.63%
d. Snow Removal - Residential	18,250		2.35%
e. Snow Removal - Small Business	167,100		21.48%
f. 5% Snow Removal Contracts	8,500		1.09%
g. Miscellaneous Accessories	7,940		1.02%
<b>2. Cost of Goods Sold (c-d)</b>		101,030	12.99%
a. Beginning Inventory	0		0.00%
b. Purchases	106,030		13.63%
(1) Fertilizer	19,000		2.44%
(2) Pesticide	11,000		1.41%
(3) Plants/Shrubs	23,000		2.96%
(4) Salt/Sand	8,030		1.03%
(1) Seed	45,000		5.79%
c. C.O.G. Avail. Sale (a+b)	106,030		13.63%
d. Less Ending Inventory (12/31)	5,000		0.64%
<b>3. Gross Profit on Sales (1-2)</b>		\$ 676,834	87.01%
<b>EXPENSES</b>			
<b>1. Variable (Selling) (a thru j)</b>		318,000	40.88%
a. Design Specialist Salary/Payroll Taxes	20,000		2.57%
b. Machinery, Hand Tools, Equipment	11,000		1.41%
c. Marketing	5,400		0.69%
d. Part-time Worker Salaries	182,000		23.40%
e. Sales Bonuses	2,000		0.26%
f. Sales Commission	10,800		1.39%
g. Supervisor Salaries/Payroll Taxes	60,000		7.71%
h. Travel Expense	10,400		1.34%
i. Miscellaneous Variable Expense	1,200		0.15%
j. Depreciation (Product/Services Assets)	15,200		1.95%
<b>2. Fixed (Administrative) (a thru j)</b>		178,270	22.92%
a. Administration Fees - Legal/Accounting	3,050		0.39%
b. Insurance (Liab, Casualty, Fire/Theft)	11,600		1.49%
c. Licenses & Permits	4,200		0.54%
d. Office Equipment	7,700		0.99%
e. Office Salaries/Payroll Taxes	42,000		5.40%
f. Owner's Guaranteed Payment	65,000		8.36%
g. Rent Expense	39,900		5.13%
h. Utilities	4,320		0.56%
i. Miscellaneous Fixed Expense	500		0.06%
j. Depreciation (Administrative Assets)	0		0.00%
<b>Total Operating Expenses (1+2)</b>		496,270	63.80%
<b>Net Income from Operations (GP-Exp)</b>		\$ 180,564	23.21%
Other Income (Interest Income)	1,250		0.16%
Other Expense (Interest Expense)	5,535		0.71%
<b>Net Profit (Loss) Before Taxes</b>		\$ 176,279	22.66%
<b>TAXES:</b>			
a. Federal	51,999		6.68%
b. State	13,221	65,220	1.70%
c. Local	0		0.00%
<b>NET PROFIT (LOSS) AFTER TAXES</b>		\$ 111,059	14.28%

# 1999 Historical Vertical Balance Sheet Analysis

(All Asset percentages = % of Total Assets; All Liability or Equity percentages = % of Total Liabilities + Total Equity)

Analysis of Historical Balance Sheet			Date of Balance Sheet: December 31, 1999																																																																																																																																																																																								
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# 2000 Projected Vertical Income Statement Analysis

*Dayne Landscaping, Inc*

Projected For the Year: 2000		Begin: January 1, 2000 End: December 31, 2001	
	AMOUNT		% Total Revenues
<b>INCOME</b>			
<b>1. Sales/Revenues</b>		<b>\$ 1,608,200</b>	<b>100.00%</b>
a. Landscaping - Residential	205,000		12.75%
b. Landscaping - Small Business	309,900		19.27%
c. Customized Landscaping	343,200		21.34%
d. Snow Removal - Residential	372,300		23.15%
e. Snow Removal - Small Business	28,500		1.77%
f. Snow Removal - Large Corporations	192,310		11.96%
g. 5% Snow Removal Contracts	139,990		8.70%
h. Miscellaneous Accessories	17,000		1.06%
<b>2. Cost of Goods Sold (c-d)</b>		<b>222,075</b>	<b>13.81%</b>
a. Beginning Inventory	5,000		0.31%
b. Purchases	227,075		14.12%
(1) Fertilizer	48,000		2.98%
(2) Pesticide	24,000		1.49%
(3) Plants/Shrubs	44,000		2.74%
(4) Salt/Sand	15,075		0.94%
(1) Seed	96,000		5.97%
c. C.O.G. Avail. Sale (a+b)	232,075		14.43%
d. Less Ending Inventory (12/31)	10,000		0.62%
<b>3. Gross Profit on Sales (1-2)</b>		<b>\$ 1,386,125</b>	<b>86.19%</b>
<b>EXPENSES</b>			
<b>1. Variable (Selling) (a thru j)</b>		<b>772,933</b>	<b>48.06%</b>
a. Design Specialists Salary/Payroll Taxes	70,008		4.35%
b. Machinery, Hand Tools, Equipment	19,825		1.23%
c. Marketing	55,500		3.45%
d. Part-time Workers Salaries	382,033		23.76%
e. Sales Bonuses	6,000		0.37%
f. Sales Commission	21,600		1.34%
g. Supervisor Salaries/Payroll Taxes	165,000		10.26%
h. Travel Expense	10,400		0.65%
i. Miscellaneous Variable Expense	6,000		0.37%
j. Depreciation (Products/Services Assets)	36,567		2.27%
<b>2. Fixed (Administrative) (a thru j)</b>		<b>209,916</b>	<b>13.05%</b>
a. Administration Fees - Legal/Accounting	7,841		0.49%
b. Insurance (Liability, Casualty, Fire/Theft)	8,720		0.54%
c. Licenses & Permits	8,400		0.52%
d. Office Equipment	15,400		0.96%
e. Office Salaries/Payroll Taxes	63,000		3.92%
f. Owner's Guaranteed Payment	82,000		5.10%
g. Rent Expense	8,550		0.53%
h. Utilities	4,555		0.28%
i. Miscellaneous Fixed Expense	2,700		0.17%
j. Depreciation (Administrative Assets)	8,750		0.54%
<b>Total Operating Expenses (1+2)</b>		<b>982,849</b>	<b>61.11%</b>
<b>Net Income from Operations (GP-Exp)</b>		<b>\$ 403,276</b>	<b>25.08%</b>
Other Income (Interest Income)	1,313		0.08%
Other Expense (Interest Expense)	20,627		1.28%
<b>Net Profit (Loss) Before Taxes</b>		<b>\$ 383,962</b>	<b>23.88%</b>
<b>TAXES:</b>			
a. Federal	132,996		8.27%
b. State	28,797	161,793	1.79%
c. Local	0		0.00%
<b>NET PROFIT (LOSS) AFTER TAXES</b>		<b>\$ 222,169</b>	<b>13.81%</b>

# 2000 Projected Vertical Balance Sheet Analysis

(All Asset percentages = % of Total Assets; All Liability or Equity percentages = % of Total Liabilities + Total Equity)

Projected for: December 31, 2000			Date of Projection: December 15, 1999																																																																																																																																																																																								
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# Dayne Landscaping, Inc.



## IV. Supporting Documents

**Competition Comparison**

**Owner's Resume**

**Letter of Reference**

**Business Plan Assumption Sheet**

*Note: For purposes of brevity, we have chosen to include only a portion of the supporting documents that would be found in Dayne Landscaping, Inc's business plan.*

# Competition

Vendor      Garden Shop      Landscaping Plus      Dayne Landscaping

<b><u>Landscaping</u></b>				
Design	Yes	Yes	Yes	
Oriental design	No	No	Yes	
Maintenance	Yes	Yes	Yes	
Pest control	No	No	Yes	

<b>Snow Services</b>				
Plowing	Yes	Yes	Yes	
Removal	No	No	No	
Response time	Whenever	Whenever	Designated	
Guarantee	No	No	Yes	

<b>Servicing</b>	NH only	NH, MA	NH, MA, CT	
<b>Price per hour</b>	\$25-30	\$30-35	<b>\$20- 30</b>	

**Robin T. Dayne**  
181 Thoreaus Landing  
Nashua, NH 03060  
603-888-2020 (W) 603-889-2293 (H)

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### **Summary**

Five year's experience in the Landscaping Industry. Skilled in sales, support and operations of new accounts for an established landscaping company. Managed an office of 10 employees related to customer service. Proficient in managing and workings of the landscaping service industry. Knowledgeable in landscaping design, and planning.

### **Experience**

#### **Landscaping, Nashua, NH**

**1993-1998**

##### **Office Manager, Jan. 1996-1998**

Managed 10 employees that sold and serviced customer accounts. Responsible for planning scheduling, and managing inventory (equipment and tools) for the ten employees. Implemented the first "customer satisfaction survey" over the phone, to the entire base of customer's.

- Developed a tool "check-in" process saving the company \$10,000 a year in lost inventory.
- Organized the telemarketing necessary for the customer survey resulting in additional sales revenue of \$25,000
- Implemented and managed service issue "hot line" for dissatisfied customers.
- Responsible for all major accounts and employees that worked at the sites

##### **Account Supervisor, Dec. 1995- Dec. 1996**

Managed 20 assigned accounts for landscaping and snow maintenance. Responsible for reporting to the President all account updates and potential revenue opportunities.

- Maintained the 20 accounts by scheduling all part-time workers
- Trained part-time employees in proper lawn care maintenance
- Managed the inventory, equipment and supplies of each worker
- Managed all customer service issues and received excellence award for all accounts at the end of the year.
- Scheduled all snow removal and coordinated snow emergencies

**Account Landscaping Specialist, June 1993- Nov. 1995**

- Worked the landscaping contract of a large corporate account
- Recommended landscaping design changes and secured additional contract with company
- Provide snow removal during storm and emergencies
- Learned the operation of all landscaping equipment, tools and vehicles

**Equipment Rental, Inc. Jan. 1988- May 1993**

**Service Desk Manager, 1984-1989**

- Responsible for handling any service issues related to the renting of the companies equipment or machinery
- Managed all bill disputes to resolution
- Interfaced with office manager on large account problems
- Recommended improvements in the problem solving process that resulted in speedy results for the customers

**Personal Strengths**

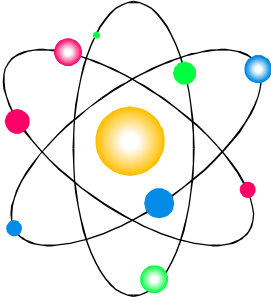
- Organized
- Excellent communication skills
- Strong management training and experience
- Dedicated to customer service excellence
- Strong knowledge of landscaping industry

**Education**

Completed Bachelors Degree in Horticulture at the University of New Hampshire. Independent studies at the Institute for Higher Learning majoring in Environmental Protection.

**Affiliations and Interests**

Board member of the Nashua Chamber of Commerce. Committee member of the City's "Beautification Program". Volunteer at Community Services of Nashua.



rtd Marketing International, Inc. 81 Walden Pond Ave., Nashua, NH 03060

November 22, 1999

Dear Prospective Investor,

I am delighted to have the opportunity to write this letter of recommendation for Robin T. Dayne.

We have had a contract with Dayne Landscaping, Inc. since February. We came to them initially for snow removal because the company we were using could not guarantee our facility would be plowed by 7:00 am, which we needed in order for our employees to park for work. Dayne Landscaping was able to provide us that guarantee and did an excellent job of fulfilling their commitment, during some very tough storms.

We have since contacted with them for landscaping maintenance and have found the same quality of service. They recommended changes that would save us money and our property hasn't looked this good in years.

Recently we secured their services to install an Oriental garden, which is unique and attractive. Our international clientele has even commented on our unique landscaping and in our business, first impressions can mean everything.

I would recommend them highly, based on their level of service, quality of work and commitment as well they should be considered for the funding they seek.

If you have further questions, feel free to contact me. I can be reached on my private number 603-882-2221, during business hours.

Cordially,

*Heather Pope*

Heather Pope  
President

# Assumptions

## Dayne Landscaping, Inc. Business Plan

### Seeking Bank Loan

- **Purpose:** To purchase land and facilities currently leased by Dayne Landscaping, Inc.
- **Projected Terms:** \$275,000 for 15 Years @ 9%; need funding by April 1, 1999, repayments can begin on May 1, 1999 (see amortization schedule C)

### Financial Assumptions

- \$25,000 initial capital contribution by owner in corporation (not a loan).
- 5% required up front fees for all snow contracts.
- 5% Sales Commission to be paid to sales representatives..
- Bonuses of \$500 each to be paid for landing new corporate accounts.
- Salaries for (4) Supervisors @ \$15,000, totaling \$60,000. (+ benefits & payroll taxes)
- Salary for the President to be guaranteed @ \$65,000 for 1999; projected raise to \$82,000 for 2000.
- Salary for the Office Manager @ \$22,000 (+ benefits & payroll taxes).
- Salary for Administration Assistants (1 in 1999, 2 in 2000) @ \$15,000 (+ payroll taxes and benefits).
- Salary for part time people at \$7.00 per hour. Hired as needed to meet volume
- Licensing permit fees with City and State during the year.
- Rent deposit at \$5,700 for first and last month.
- Heat and Electricity at \$60 per sq. ft, totaling \$360 per month, and \$4,320 per year.
- Fire and Liability Insurance at \$50 per sq. ft, totaling \$300 per month, and \$3,600 per year.
- All insurance at \$8,000 per year. The total cost of insurance at \$11,600.
- 2 Trucks purchased with 1999 loan: \$60,000 @ 8%; interest 5-year period = \$12,995.05 (see amortizing schedule A)
- 4 Large Mowers purchased with 1999 loan: \$16,000 @ 8%; interest 3-year period = \$2,049.79 (see amortizing schedule B)
- State Income Taxes charges at 7.5% of net profits.
- Federal Income Taxes based on Federal Corporation Tax Schedule (15%-25%-34%-39% of net profits)
- Estimated Taxes paid on schedule quarterly, based on actual and projected net profits for 1999 and 2000.
- Ending inventory: 1999 = \$5,000; 2000 projected at \$10,000