

Business Plan

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[LS 301 Entrepreneurship & Business Ethics](#)

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TNP TRANSPORT

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Executive Summary

Mission Statement

Our goal is to provide the highest level of freight and car shipping transportation services. To deliver safe, time-definite, damage-free, deliveries, with fair and competitive pricing while providing a safe workplace for our employees and maintaining integrity, fairness and honesty with our customers and business partners.

Objective of Business Plan

To secure a business loan in the amount of \$50,000 which will be used for startup capital. The return investment is projected to be \$50,000 within a 12-month period. The original loan would be paid back in 24 months from the borrowed date.

Business Description

TNP will be located in Georgia and is a new enterprise. It will be a 24-hour operation. Our legal structure is incorporated. Most of their business will be derived from the automotive and freight industry. Transport vehicles individually or part of a fleet but limited to 3 cars at a time.

Business Description

Product or Service Description

TNP is a 24-hour State-to-State Hauling Transport Company

- 1.) Car shipping for both individuals and companies.
- 2.) Hauling small freight, less than a truck load, such as building materials, steel, engines, and equipment.

Facility Structure

TNP will provide administrative support from a home-based office. The square footage of the office space is..... The home base will also serve as the parking lot for the company truck when not in use.

Personnel Description

Owner Nicole Paige, BA Business Leadership, with over 14 years of office administration experience will be responsible for all back office administrative task to include, scheduling of shipment, dispatch, shipping and hauling quotes, bookkeeping, customer service, logistics, and collections.

Tony Paige, holder of a valid class A CDL, U.S. Veteran, with over 24 years in transportation services both in state and OTR will be responsible for truck driving of commercial vehicle safely within a regional area, delivery/pickup of loads, load and unload freight/cars and ensuring compliance with federal and state laws.

Marketing Plan

Market Analysis

Historical Information

“Before 1900, most freight transported over land was carried by trains using railroads. Trains were highly efficient at moving large amounts of freight, but could only deliver that freight to centralized urban centers for distribution by [horse-drawn transport](#). The few trucks that existed at the time were mostly novelties, appreciated more for their advertising space than for their utility. The use of range-limited electric engines, lack of paved rural roads, and small load capacities limited trucks to mostly short-haul urban routes. Since 2006 there are over 26 million trucks on America's roads, hauling over 10 billion short tons (9.1 billion long tons) of freight, and representing nearly 70% of the total volume of freight.”

Targeted Audience

Any business or individual in need of:

- 1.) Auto transport and vehicle shipping. For example, New and Used Auto dealerships, Auto Auctions, Auto Brokers, Individuals moving to another state, Classic/Antique/Exotic show car companies, [Automobile wholesaling](#), [Motorcycle dealerships](#).
- 2.) “Freight Less than truckload- designed for transporting commodities, goods larger than parcel but not large enough to require the space of a full truckload trailer.”

Competitors

Other transport brokers and auto haulers.

Market Size

Annual Growth 2012-2017

2.2%

Employment

56,914

Businesses

4,455

Marketing Strategy and Sales Plan

Pricing

Transporting a small van, truck or SUV from California to New York may cost **\$800** to **\$1,070**.

Shipping a Sedan from New York to Florida costs about \$650 to **\$850**, on average, and **\$800** to **\$1,100** for larger vehicles.

Advertising and Promotions

\$1000.00 of the start-up cost will be budgeted for advertising, specifically to targeted audiences that need freight and Auto delivery services. We will Develop our own brochures and be responsible for creating and updating the TNP website. In addition, TNP will pay several directories that even allow freight and brokerage companies to see our website URL and allow them to connect with us via email. We will partner with freight board companies both free and paid. However, making sales calls and building our own customer list is the guaranteed preferred method.

Lastly, we will create an online presence, taking full advantage of social media platforms like Facebook, Twitter, Google-Plus and LinkedIn, and an offline presence, participating in local events, exhibitions, seminars, etc. in the hauling trade.

Customer Service

Exceptional customer service expectations will be the standard of every employee; however, complaints will be handled by the owner, Nicole Paige. TNP will measure customer service performance by the feedback received from each client. Either by comment cards, post follow-up phone calls, email correspondence or customer survey.

Operating and Management Plan**Recruitment/Management of Employees**

During the start-up phase, approximately the first full calendar year. TNP will be a two-person operation. Owner Nicole Paige, BA Business Leadership, with over 14 years of office administration experience will be responsible for all back office administrative task to include, scheduling of shipment, dispatch, shipping and hauling quotes, bookkeeping & taxes, customer service, logistics, and collections.

Tony Paige, holder of a valid class A CDL, U.S. Veteran, with over 24 years in transportation services both in state and OTR will be responsible for truck driving of commercial vehicle safely within a regional area, delivery/pickup of loads, load and unload freight/cars and ensuring compliance with federal and state laws. After the first year 1 P/T administrative clerk and 1 full time drivers will be employed as independent contract employees.

Potential administrative employees will require intermediate computer skills, Microsoft office suites, the ability to be trained as dispatchers, customer service agents and receptionist.

Potential Drivers will require updated physical exam card, drug test, background Check, CDL, 6 months and Motor Vehicle Reports.

Outside Professional Services

We will be smart and “meet with a CPA who specializes in small businesses” and have them help us make the best financial choices. “The visit may cost \$100 – \$300, but it is money well spent. And it will help TNP make more money overall.”

Load Board Dispatch Companies have a \$40 monthly fee and are proven to be a reliable source’s for entry in the business, leads and trustworthy clientele.

Financial Plan

PROJECTED BALANCE SHEET			
TNP TRANSPORT			
ASSETS			
CURRENT ASSETS			
Cash in bank	Historical \$20,000.00	Projected \$150,000.00	
Inventory	\$55,000.00	\$50,000.00	
Other current assets	\$15,000.00	\$25,000.00	
TOTAL CURRENT ASSETS	\$90,000.00	\$225,000.00	
FIXED ASSETS			
Machinery and equipment	Historical \$29,000.00	Projected \$33,729.00	
Furniture and fixtures	\$1,000.00	\$1,000.00	
(LESS accumulated depreciation on all fixed assets)	\$20,000.00	\$20,000.00	
TOTAL FIXED ASSETS (NET OF DEPRECIATION)	\$50,000.00	\$54,729.00	
OTHER ASSETS			
TOTAL OTHER ASSETS	\$0.00	\$0.00	
TOTAL ASSETS	\$140,000.00	\$279,729.00	
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Accounts payable	Historical \$17,000.00	Projected \$17,000.00	
Interest payable	\$500.00	\$500.00	
Taxes payable	\$3,000.00	\$3,000.00	
Notes, short-term (due within 12 months)	\$1,000.00	\$1,000.00	
Current part, long-term debt	\$10,600.00	\$13,509.00	
Other current liabilities	\$9,000.00	\$9,000.00	
TOTAL CURRENT LIABILITIES	\$41,100.00	\$44,009.00	
LONG-TERM DEBT			
Bank loans payable	Historical \$29,900.00	Projected \$36,489.00	
LESS: Short-term portion	\$29,300.00	\$34,576.00	
TOTAL LONG-TERM DEBT	\$600.00	\$1,913.00	
TOTAL LIABILITIES	\$41,700.00	\$41,700.00	
ASSETS AND LIABILITIES			
OWNERS' EQUITY			
Invested capital	Historical \$50,000.00	Projected \$59,666.00	
Retained earnings - beginning	\$26,500.00	\$35,963.00	
Retained earnings - current	\$16,700.00	\$10,142.00	
TOTAL OWNERS' EQUITY	\$93,200.00	\$105,771.00	
TOTAL LIABILITIES AND EQUITY	\$134,900.00	\$147,471.00	

Income Statement

TNP TRANSPORT
08/01/17-08/1/18

Financial Statements in U.S. Dollars

Revenue

Gross Sales	200000	
Less: Sales Returns and Allowances	0	
Net Sales		200000

Cost of Goods Sold

Beginning Inventory		
Add: Purchases		
Vehicle		
Direct Labor		
Indirect Expenses		
Inventory Available		0
Less: Ending Inventory		
Cost of Goods Sold		0
 Gross Profit (Loss)		 200000

Expenses

Advertising	1000	
Bank Charges	300	
Charitable Contributions	10080	
Commissions		
Depreciation	20000	
Dues and Subscriptions	550	
Employee Benefit Programs	20000	
Insurance	5000	
Interest	350	
Legal and Professional Fees	400	
Licenses and Fees	150	
Office Expense		
Payroll Taxes	500	
Repairs and Maintenance		
Supplies		
Telephone	1200	
Travel	500	
Utilities	12000	
Vehicle Expenses		
Wages	50000	
Total Expenses		122030
 Net Operating Income		 77970

Other Income

Gain (Loss) on Sale of Assets		
Interest Income		
Total Other Income		0
 Net Income (Loss)		 77970

**Small Business Cash Flow Projection
TNP TRANSPORT**

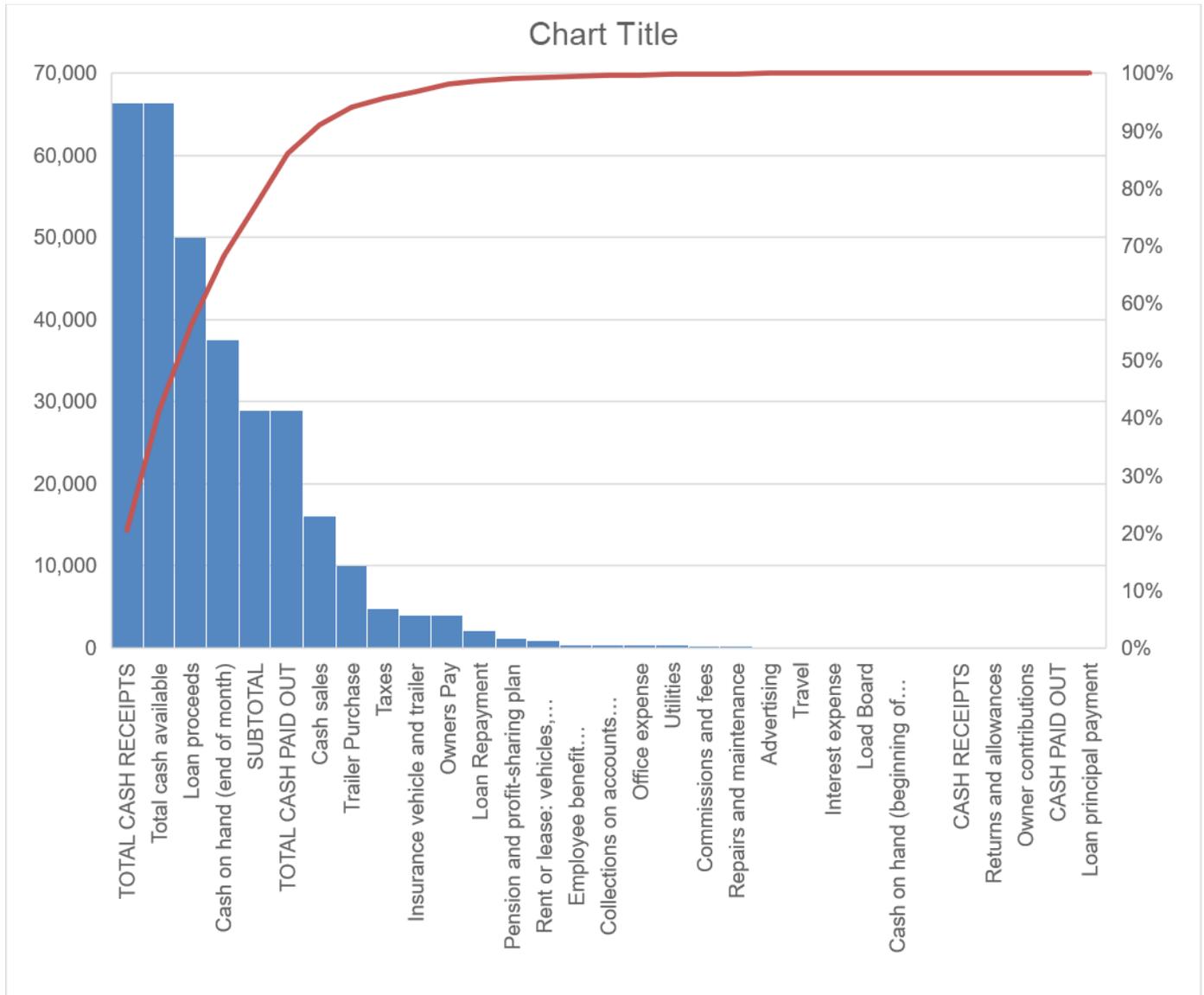
Starting date	Aug-17													
Cash balance alert minimum	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000

	Beginning	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Total
Cash on hand (beginning of month)	0	0	36,401	36,816	37,702	38,744	38,329	41,360	42,494	45,514	46,618	46,933	49,938	

CASH RECEIPTS														
Cash sales		16,010	12,859	14,024	13,054	12,658	15,215	14,245	16,458	15,999	15,012	16,201	16,999	178,734
Returns and allowances														0
Collections on accounts receivable		350	3,256	2,567	3,698	2,596	3,486	2,563	2,227	768	1,005	2,508	845	25,869
Loan proceeds		50,000												50,000
Owner contributions														0
TOTAL CASH RECEIPTS		66,360	16,115	16,591	16,752	15,254	18,701	16,808	18,685	16,767	16,017	18,709	17,844	254,603
Total cash available	0	66,360	52,516	53,407	54,454	53,998	57,030	58,168	61,179	62,281	62,635	65,642	67,782	

CASH PAID OUT														
Advertising		125	125	125	125	125	125	125	125	125	125	125	125	1,500
Trailer Purchase		10,000												
Commissions and fees		250												250
Employee benefit programs (health)		416	416	416	416	416	416	416	416	416	416	416	416	4,992
Insurance vehicle and trailer		5,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	1,083	16,996
Loan Repayment		2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	24,996
Interest expense		62	53	58	63	22	23	27	18	16	55	57	43	497
Owners Pay		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Office expense		350	350	350	350	350	350	350	350	350	350	350	350	4,200
Pension and profit-sharing plan		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
Rent or lease: vehicles, equipment		900	900	900	900	900	900	900	900	900	900	900	900	10,800
Repairs and maintenance		250	250	250	250	250	250	250	250	250	250	250	250	3,000
Taxes		4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	57,600
Travel		100	100	100	100	100	100	100	100	100	100	100	100	1,200
Utilities		300	300	300	300	300	300	300	300	300	300	300	300	3,600
Load Board		40	40	40	40	40	40	40	40	40	40	40	40	480
SUBTOTAL		29,959	15,700	15,705	15,710	15,669	15,670	15,674	15,665	15,663	15,702	15,704	15,690	202,511
Loan principal payment		0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL CASH PAID OUT		29,959	15,700	15,705	15,710	15,669	15,670	15,674	15,665	15,663	15,702	15,704	15,690	202,511
Cash on hand (end of month)	0	36,401	36,816	37,702	38,744	38,329	41,360	42,494	45,514	46,618	46,933	49,938	52,092	

Appendix



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