



Fencing Business Start Up Proposal

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Senior Thesis

Overview



Background
Goals & Objectives
Mission Statement

Methods

Marketing Plan
Project Data
Project Results
Break-Even Analysis
SWOT Analysis
Final Consideration

Mission Statement

- Primarily focus on barb wire fences
- Focus on Fencing for:
 - Ranchers
 - State & Federal Agencies
- Unique Characteristics
 - Efficiency
 - Quality of materials



http://image05.webshots.com/5/8/83/99/68688399ksXQQW_ph.jpg

Goals and Objectives

- Net Profit
- Quantity of Fence
- References
- Expanding



http://www.minihorse.net/2_ties.JPG

Methods

- Equity
- Seasonal
- Work Year
- Crew
- Costs



http://www.fotothing.com/photos/221/221cof50e81f2f88ef7dfi50a09bfc62_820.jpg

Marketing Plan

- Pricing
- Relationship
- Distribution



<http://www.stmarysauto.com/Fastline%20Gooseneck.jpg>

Project Data

- Sources
- Costs of Equipment
- Capital Availability
- Loan
- Payment
- Advertisement
- Labor



http://www.nebraskafarmequipment.com/danuser_phd_8900.jpg

Equipment and Tools



Equipment and Tools		
Item	Quantity	Price
Skid Steer w/ grapple	1	\$15,000
Post Hole Digger	1	\$4,500
Pallet Forks	1	\$800
Post Pounder	1	\$10,000
3500 Diesel Truck	1	\$15,000
2500 Gas Truck	1	\$10,000
Flatbed Trailer (30')	1	\$7,500
Car Trailer	1	\$2,500
Cutting Torch	1	\$300
Welder w/ generator	1	\$3,000
Air Compressor	1	\$500
Tool Box w/ Fuel Tank	1	\$750

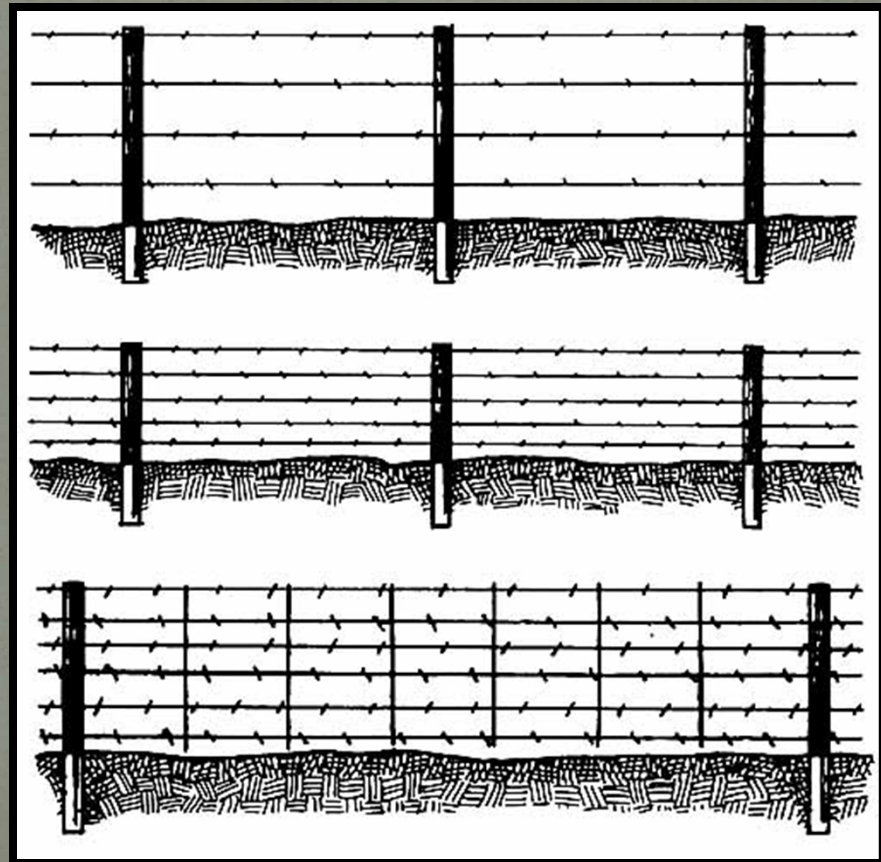
Payment Chart



Yearly Payments		
Year	Principle	Interest
1	10,000	1,123.60
2	10,000	1,123.60
3	10,000	1,123.60
4	10,000	1,123.60
5	10,000	1,123.60
6	10,000	1,123.60
Totals	60,000	6,741.60

Project Results

- Type of Fence
- Spacing
- How it is figured?
- Time it requires



<http://www.afence.com/BekaertBrochure.html>

Construction Costs



Construction Costs

Material	Required Amount	Cost/per unit	Total
Rail Road Tie	8	\$8.50	\$68.00
Treated Post	73	\$7.00	\$511.00
Steel Post (Clips Included)	218	\$4.00	\$872.00
Barb Wire Roll	16	\$48.00	\$768.00
Smooth Wire Roll	1	\$30.00	\$30.00
Staples	1	\$25.00	\$25.00
Labor (Estimated)	80	\$12.00	\$960.00
Fuel (Estimated)	65	\$2.40	\$156.00
Totals(Per Mile)			\$3,390.00

Break-Even Analysis



Miles	Charging	Gross Profit	Expense (per mile)	Other Expense	Net Income
50	\$6,800	\$340,000	\$169,000	\$19,123.60	\$151,876.40
40	\$6,800	\$272,000	\$135,200	\$19,123.60	\$117,676.40
30	\$6,800	\$204,000	\$101,400	\$19,123.60	\$83,476.40
20	\$6,800	\$136,000	\$67,600	\$19,123.60	\$49,276.40
10	\$6,800	\$68,000	\$33,800	\$19,123.60	\$15,076.40
8	\$6,800	\$54,400	\$27,040	\$19,123.60	\$8,236.40
6	\$6,800	\$40,800	\$20,280	\$19,123.60	\$1,396.40
5	\$6,800	\$34,000	\$16,900	\$19,123.60	-\$2,023.60

Break-Even Analysis Cont.



Charge	Miles	Gross Profit	Expense(50 miles)	Other Expense	Net Income
\$6,800	50	\$340,000	\$169,000	\$19,123	\$151,876
\$6,400	50	\$320,000	\$169,000	\$19,123	\$131,876
\$6,000	50	\$300,000	\$169,000	\$19,123	\$111,876
\$5,400	50	\$270,000	\$169,000	\$19,123	\$81,876
\$5,000	50	\$250,000	\$169,000	\$19,123	\$61,876
\$4,400	50	\$220,000	\$169,000	\$19,123	\$31,876
\$4,000	50	\$200,000	\$169,000	\$19,123	\$11,876
\$3,800	50	\$190,000	\$169,000	\$19,123	\$1,876
\$3,700	50	\$185,000	\$169,000	\$19,123	-\$3,123

SWOT Analysis



- Strengths
 - Knowledge
 - Low Debt
 - Owner
- Weaknesses
 - Demand
 - Contracts
 - Starting Up
- Opportunities
 - Demand
 - Price
- Threats
 - Competition
 - Economy

Final Consideration

- Redo Work
- When this will be done
- Cost
- Material



<http://images-o.redbubble.net/img/art/size:large/view:main/280078-10-barbed-wire-fence.jpg>

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