LANDSCAPING START-UP BUSINESS PROPOSAL

By: Jesse Cooper
Provide services that include sod laying, lawn irrigation, laying rock, and building privacy fence.

Research:
Cost of materials and equipment, charges for services provided, expenses (fuel, labor, etc.), and funding.

Question:
Would a start-up landscaping business be able to generate enough profits to sustain itself and the entrepreneur?
Importance of the Topic

- Can benefit almost any college student.
- Can benefit almost any young person who wants to start a business.
Interest began when I started working construction jobs.

Inquiries to other similar companies.
Methods of Analysis

- Recent pricing.
- Cash Flow of business.
- SWOT analysis.
Assumptions

- 90 day work period
- Young labor
- 10,000 sq. ft. lot
- Entrepreneur would have $25,000 to start
Borrowed Capital

- Obtain $50,000 in capital
  - Cost of Debt = 8% over 5 years
  - Yields payments = $1,014 per month
  - Yearly payments = $12,180 total.
Equipment Needed

- Skid-steer and attachments
- 3/4 Ton Pickup
- Dump-trailer
- Small Trencher
- Misc (shovels, picks, drills, etc.)
## Pricing

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Man Hours/Mark up</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 ton River Rock</td>
<td>$23 per ton</td>
<td>1 man hour</td>
<td>$63 per ton</td>
</tr>
<tr>
<td>1 Deciduous Tree</td>
<td>$195 per tree</td>
<td>2 man hours</td>
<td>$275 per tree</td>
</tr>
<tr>
<td>1 Sprinkler Zone</td>
<td>$300 per zone</td>
<td>$400 mark up</td>
<td>$700 per zone</td>
</tr>
<tr>
<td>1 line ft. Fence</td>
<td>$20 per foot</td>
<td>$7 mark up</td>
<td>$27</td>
</tr>
<tr>
<td>10 sq. ft. Sod</td>
<td>$5 per roll</td>
<td>10% mark up</td>
<td>$5.50</td>
</tr>
</tbody>
</table>
Benchmark Yard

- 6,500 sq. ft. of sod.
- 500 sq. ft. of rock and trees = 4 tons of rock.
- 500 line ft. of privacy fence.
- 6 irrigation zones.
<table>
<thead>
<tr>
<th>Materials</th>
<th>Costs</th>
<th>Charges by Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>6500 sq. ft. sod</td>
<td>$3250</td>
<td>$3575</td>
</tr>
<tr>
<td>4 tons river rock</td>
<td>$88</td>
<td>$252</td>
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<tr>
<td>3 trees</td>
<td>$585</td>
<td>$525</td>
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<tr>
<td>6 sprinkler zones</td>
<td>$1800</td>
<td>$4200</td>
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<tr>
<td>500 ft. fence</td>
<td>$11500</td>
<td>$13500</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>$17223</strong></td>
<td><strong>$22052</strong></td>
</tr>
</tbody>
</table>

**Profit (per yard)** $4829
Total Yards

- 12 week work period
- 3 days per yard
- Totals 20 yards per summer = $96,580
Expenses

- $432 labor per job ($500 accounted for)
- $200 fuel per job
- $12,180 in loan payments ($2,180 interest)
- Leaves $70,400
SWOT Analysis

- Strengths
- Weaknesses
- Opportunities
- Threats
Final Consideration

- Redo jobs
- Possibly cost $30,000
- Work would take place in other months
Recommendations

- Great time to buy equipment for business
- Not so great for acquiring contracts.
- Start planning for future.