

LANDSCAPING START-UP BUSINESS PROPOSAL

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Introduction to the Project

- ▣ 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.

Review and Background

- ▣ 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
- ▣ ¾ Ton Pickup
- ▣ Dump-trailer
- ▣ Small Trencher
- ▣ Misc (shovels, picks, drills, etc.)

Pricing

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

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.

Benchmark Yard Installed

Materials	Costs	Charges by Business
6500 sq. ft. sod	\$3250	\$3575
4 tons river rock	\$88	\$252
3 trees	\$585	\$525
6 sprinkler zones	\$1800	\$4200
500 ft. fence	\$11500	\$13500
Totals	\$17223	\$22052

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.