

## **SAMPLE BUSINESS PLAN SUBMITTED FOR ENC 3250, PROFESSIONAL WRITING**

**NOTE: While this sample is well-written, it is not flawless. One important element it is missing is a table that summarizes all major financial information for the business. This should appear near the end, under “Business Plan Assumptions.” The format seen here for title, headings, text, footer, and similar features should be followed for your own business plan.**

**The format for the major headings can be seen by consulting FORMAT menu => STYLE menu in MS Word (with the document open on your computer). You will note that each major heading is preceded and followed by 12-point leading (vertical spacing), and the heading itself is 14-point, boldface, upper/lower case, single-spaced, with a long rule underneath (the rule is formed by selecting it in the FORMAT => BORDERS menu; DO NOT USE AN UNDERSCORE). If you have a question, please contact me. Do not merely guess at what you think is right.**

**IMPORTANT: The business plan option is open only to students with knowledge and experience in business accounting, marketing, management, and/or entrepreneurial investment. Send me proof of this along with the outline.**

[student name withheld]  
ENC 3250 – Mr. Roberts  
Assignment 4 / 20 Apr 2009

### **Business Plan for Lakewood Premium Florist**

#### **1. Executive Summary**

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Lakewood Premium Florist is a single retail store with a variety of fresh and artificial flowers, plants, and a limited variety of small gift accessories. The store will be located in Lakewood Ranch, Florida and cater to the needs of local customers as well as customers wiring in orders from out of state. The atmosphere will be quite intriguing once you step in with the aroma and beauty of flowers. We will encourage customers to visit the store to view catalogs and pre-made arrangements. Our products will be available for purchase by placing an order via phone or internet. This flower shop will always carry a wide array of unique and traditional flowers that can be immediately made for a customer or for a future event. We will focus our efforts on our

fresh flowers by our floral arrangements or the exceptional varieties of flowers that can be bought by the stem for customers who like build their own bouquets. Because we love having our customers keep coming back, we intend to provide a customer loyalty program to let our customers know we appreciate their business. Lakewood Premium Florist will hold weekly promotions for those customers who need to save a little extra cash but want long-lasting beautiful flowers. We pride ourselves on guaranteeing fresh long-lasting flowers and plan to meet that promise with each customer.

Lakewood Premium Florist will establish its name and reputation within Lakewood Ranch as well as surrounding areas in Sarasota and Bradenton by creating an atmosphere and service at an exceptional level. Our efforts to get the business running will be preceded by advertising in order to get our recognition in the community.

The goal of this retail store is to become the number-one florist shop in the Sarasota and Bradenton area. Lakewood Premium Florist has established the following goals in order to achieve this:

- Carrying a large variety of fresh flowers by the stem
- Allowing customer to build their own bouquets to get exactly what they want
- Ensuring that customers are satisfied with each visit and encounter with our shop
- Making the atmosphere unique, friendly, and visually appealing
- Guaranteeing our products
- Providing excellent customer service.

## **2. Introduction**

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Lakewood Premium Florist will allow each customer individual time with a designer if needed whether it is over the phone or in person. We want service to be personalized for each individual

and we will do just that for our customers. Our services will include our own arrangements from experienced designers or products from our wire services including FTD and Teleflora products because of customers' familiarity with their products. A walk in self-serve cooler will be available for customers to view the different types of flowers we sell by the stem and to see what specific flowers would look appropriate with others. We will carry small gift accessories including different types of pots and planters, baby items, small trinkets, and other gift items such as picture frames. We will also carry a variety of green and blooming plants.

Lakewood Premium Florist will be a single store owned by [Student name withheld]. In order to start this business I have received a personal loan from a family member to cover the start-up costs. The loan money will be used to get a building in place, secure insurance, help purchase products and supplies, advertising, and start payroll. A future date has yet to be chosen for the opening, but we are strongly suggesting that the month of November will be appropriate to start off the holidays with Thanksgiving.

### **3. Industry Analysis**

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The overall floral industry includes foliage, fresh-cut flowers, blooming plants, bedding plants, and cultivated greens. Floriculture is the third-largest US agriculture crop and thus much larger than some may think (AboutFlowers). The entire floral industry includes approximately 60,000 small businesses in the United States. Among these are retailers such as our planned business, as well as wholesalers, distributors, and importers (AboutFlowers). The floriculture industry has been estimated to represent annual revenues of approximately \$19.4 billion which averages out to about \$55 a person as stated by the U.S. Department of Commerce's Bureau of Economic

Analysis (BEA). The floral retail industry sales totaled \$6.597 billion and included 113,929 employees in the retail floral business in 2008 (Society of American Florists).

Florida is one of the top five states for floriculture production sales, and the industry has increased each year over the past few years (NASS). Many people are skeptical about how well this business could handle the declining economy, but this won't necessarily be a major challenge. Flowers are meant to make people feel good and are visually appealing to most. Unless people's taste for flowers changes and they no longer believe flowers to be a great gift, most observers believe the industry should continue to grow.

Lakewood Premium Florist will focus our efforts on the immediate locals of Lakewood Ranch and on the high-end customer who is not necessarily looking for everyday grocery-store flowers. Our customers will be able to come to our store and pick out flowers for themselves and take them home or pick out flowers for another and have them delivered to give them that extra surprise. Our services will cater to any event or occasion.

#### **4. Organization**

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Lakewood Premium Florist will be a single retail store owned by the sole proprietor and will be organized as a Limited Liability Company (LLC). The shop will be located in a strip shopping plaza with other stores such as a grocery store and other small stores in Lakewood Ranch, Florida. Our primary market is the local upscale customers of Lakewood Ranch who will purchase flowers for themselves as well as for others as gifts. The store will carry weekly specials on flowers for those customers who are on a modest budget and are willing to come and

pick up the flowers. We also carry our normal everyday selection any day of the week for those customers who don't worry about how much of their disposable income they're spending on flowers.

Every person who is hired at Lakewood Premium Florist will be required to fill out an application and take a drug test. Our delivery drivers will be required to carry a valid license while also completing a background check because of their contact with customers. Our designers will be required to have experience in the field and be willing to take on many new challenges and really demonstrate their creativity while working here. We will not require designers to earn any kind of degree as long as their work is acceptable, creative, and unique. Every worker will also be required to complete a safety class due to the everyday work hazards that employees are likely to encounter along the way.

We will need to obtain a business license in Manatee County to run the floral shop. As stated previously, we will not require any specific licensing for the designers or delivery drivers with the exception of the valid license for the drivers. The shop will be located in a strip mall which requires certain fees to rent the space provided in that area. The flower shop must be registered with the state of Florida; this is an easy process that can be completed online.

There will be several types of insurance needed to run the business. Property insurance will be needed for the actual building in case anything should happen to the structure. General liability insurance will be required. We also will have wholesalers coming in and out who will need to be covered in case of injury. Workman's compensation is needed if an employee should have an

unfortunate event while at work. We will offer health insurance only to those employees who work 40 plus hours a week including designers and delivery drivers. A business auto policy will be in place to ensure our delivery drivers and delivery vehicles are covered. An umbrella policy will also be purchased to provide any additional coverage needed.

## **5. Management/Human Resources**

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[Student name withheld] will handle all the financials and oversee all production for the shops.

The other employees that must be present in order to make this business run are the designers and delivery drivers. One of the top floral designers who is a full-time employee will hold a managerial position and there will be one full-time delivery driver. All other employees below these managerial positions will hold no authority or make executive decisions.

All full-time employees will have access to a benefit plan that will include the following attributes.

- 1 paid day off for the employee's birthday.
- 3 paid days off for any sicknesses.
- 1 week paid vacation is available after 1 year and will continue until 5 years. After 5 years the employee will receive 2 weeks paid vacation and at 10 years will receive 3 weeks vacation.
- Health insurance will be available.
- Dental insurance will be available.

The two managerial positions available for a designer and a delivery driver will hold the same

authority over other employees whether part-time or full-time, but hold somewhat different

managerial duties. The floral designer manager will be responsible for making any product

decisions regarding ordering of new inventory, customer issues that are mainly in-store,

assigning tasks to other employees, and ensuring the overall operations are running smoothly and

efficiently. The delivery driver manager will be responsible for assigning and organizing routes

for each driver, customer issues that are mostly over the phone regarding delivery times and customer concerns, and ensuring that delivery drivers are running the most efficient and safest routes possible.

The manager-level positions will start at \$15 dollars an hour plus \$5 for every arrangement made for the floral designer and an extra \$5 for every delivery made for the delivery manager. The rest of the employees whether full-time or part-time will start at an hourly wage of \$9 an hour with the possibility of earning \$3 for every arrangement made in a designer's case and another \$3 for every delivery made by a driver.

## **6. Operations**

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We will use three main wholesalers when ordering flowers for the shop. The first main wholesaler will be Cortez Flowers. This company provides the best prices with quality flowers and is able to make frequent deliveries if needed to our shop. The second wholesaler we will do business with is B & M Wholesale Flowers. The quality of their flowers is exceptional, but their prices are not quite as competitive as those of Cortez Flowers. The third company we will work with is Quality Floral and Supply. We will obtain some mainstream fresh cut flowers from this company, but will focus on getting our greens and floral supplies from them.

The order-taking system is a fairly new system that FTD installs on all computers in the shop (FTD). This advanced system allows us to retain prior customer history to make the shop more efficient. This system will also have an area that will enable us to keep track of inventory levels whether it is for vases, special-order products, or certain other miscellaneous supplies. A

website for Lakewood Premium Florist will be available for customers to place orders. The website will truly benefit the shop due to the increased use of the internet for shopping. The website contains available products, store and sale updates, and designers will be available via e-mail through a link on the website.

Wire services will be a huge component of becoming the most used florist in the Sarasota/Bradenton area. We will use the wire services with FTD and Teleflora. This service will allow customers to come into our shop and send flowers to a loved one in another state. We send the order to another florist shop to complete and deliver. The florists with this service will also carry the same catalogs so that customers know what they are ordering and continue to get reliable service.

The building size will be approximately 10,000 square feet. We will need to ensure there is ample space for the cooler, seating area for customers, customer service counter, work areas, and an office area.

## **7. Competitive Analysis**

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Lakewood Premium Florist will have a local, friendly, upscale atmosphere. The shop will be located in Lakewood Ranch but will serve all Bradenton and Sarasota residents. There are other flower shops serving the same area, but none of the shops will be carrying the same products or using the same store layout and plans as us. The location of our shop will serve mostly an upscale clientele. The locations of our competitors will put them at a disadvantage. We will have many competitors in the Sarasota/Bradenton area, where there are approximately 30 other shops.

However, only three of those shops will resemble ours in size or product selection, and none of them will, we believe, match our shop in customer service.

## **8. Marketing**

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Lakewood Premium Florist will take various measures in order to get the word out about the new shop. Word of mouth is the least expensive way to do this, but we will also use other means. We will hold a grand opening for customers to see what products we will carry, what kind of environment we have created, and what kind of people will be working here. We will be placing flyers and promotional coupons for a free rose throughout the town at local businesses. We will also run a daily ad in local papers, list our company in the national florist directory, and promote our new business through the internet.

The advertising will consist of the ad in the daily newspaper for the grand opening and repeat advertising for a month or two after the initial opening. We will air a radio commercial on a local radio station. Flyers will be hung in local businesses all over town. Other limited coupons will be distributed for a free bouquet of flowers. Our budget for advertising will total approximately \$10,000 for the first year. Business results will determine whether that amount needs to be adjusted in the future.

The pricing for our products will vary greatly. Our fresh flowers will sell by the stem and range anywhere from \$1 to \$35. Our designed arrangements and plants will start at \$35.00 and can increase well beyond that. We will require a minimum order of \$35 in order to send a delivery.

Delivery charges will vary according to the distance our drivers must travel to complete the delivery. Our gift accessories will be in the price range of \$5 to \$85.

## **9. Business Plan Assumptions**

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**ORGANIZATION.** Lakewood Premium Florist insurance costs will include FICA at 7.65%, FUTA at .08%, and MCARE at 1.45%.

**MANAGEMENT/HUMAN RESOURCES.** Lakewood Premium Florist will employ 10 people including 6 designers and 4 delivery drivers. Our hours of operation will be 9:00 a.m. to 6:00 p.m. Monday through Friday, Saturday from 8:00 a.m. to noon, and closed on Sundays. Most major holidays we will be closed.

**OPERATIONS.** Every month Lakewood Premium Florist will be responsible for monthly payments for rent on the building, insurance related to the business, and utilities. We will also have weekly expenses specifically for supplies.

**MARKETING.** The grand opening of Lakewood Premium Florist will require approximately \$2,500 for marketing and advertising expenses. After the grand opening we plan to assign \$6,500 annually for marketing.

**FINANCIALS.** [This is where the writer should include a proforma financial statement in standard accounting format.]

## **Sources Consulted**

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