

Safe Travels Inc

Sample L-1 Visa Business Plan

CONTACT INFORMATION

Wise Business Plans
[Email address]

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Executive Summary

Safe Travels International Joint Venture Company Limited (also referred to as “the Parent Company”) is a travel and tour company in Vietnam. In 2019, Articles of Incorporation were filed with the Secretary of State of California, establishing the U.S. subsidiary Safe Travels Inc. (also referred to as the “Subsidiary Company”) to expand its business internationally. The parent company is located in Hanoi, Vietnam, but it will seek to transfer one of its key employees, Mr. John Smith, to manage the operations of Safe Travels Inc. in Fresno, California. Apart from a package tour, airline, and hotel booking services, the Subsidiary Company will also explore ancillary services such as concierge, real estate investment, and Airbnb rental services from year 2. The company has secured an office in Fresno, California 93726. Mr. Smith will initially be supported by VP Operations and Secretary. The Company plans to hire three employees in year one and plans to increase staffing to 13 employees (excluding L-1 transferee) by year five.



Safe Travels Inc. is registered in the state of California and headquartered in Fresno.

Relocating Executive

Upon approval of an L-1 visa, the Parent Company will transfer Mr. John Smith, one of its co-founders, to direct the operations of the US entity in the capacity of CEO. His business development, marketing, and tour operation management roles at the Parent Company will ensure the sound operation of the Subsidiary Company business in the US. With several years of travel and tour industry experience, Mr. D ng has a long history of success and leadership in the travel and tourism sector. As such, Mr. D ng’s leadership will be critical to spearheading the growth and success of the U.S. Subsidiary Company.

Market Size

According to market research firm IBISWorld, the Tour Operators in the US has seen an average annual growth rate of 3.1% over the last five years, positioning industry revenue to be around \$7.8 billion in 2019. The industry is projected to see an average annual growth rate of 2.4% over the next five years, placing industry revenue at \$8.7 billion in 2024. Over the next five years, both domestic and outbound travel by US residents and inbound trips by foreigners are expected to continue increasing, boosting demand for tour packages, and rising profit margins.

Target Market

The Company will continue creating promotional connections with travel agents in Vietnam to provide inbound tourism from Vietnam to the United States. Statistics from the United States Tour Operators Association (USTA) indicate that an estimated 57% of targeted customers are aged 51 years and older, 22% of clients are aged 36 to 50 years old. Older citizens represent the most significant consumer segment as they generally have more time and disposable income and are more inclined to travel.

Competition and Competitive Advantages

The Subsidiary Company will face competition from several companies, with the most notable being Pro Travel Fresno, Moriah’s Travel, and Elite Global Journeys. However, despite a competitive field, the Subsidiary Company has a significant advantage over other tour operators in the market. These competitive advantages include:

- Flexible tour packages
- A relocating Chief Executive with outstanding industry knowledge and decades of proven successful executive business management practice experience
- Competitive pricing
- A Parent Company with long-standing travel and tourism industry relations and strong client sales funnel to market and promote its new travel and tour services in the U.S.
- A Parent Company with a team of experienced travel consultants with the ability to design and localize inbound and outbound U.S. package tour services suitable for Vietnamese tourist
- An in-house team of IT developers who have developed a proprietary Advance Passenger Information (API) search engine to enable both B2C and B2B customer access air travel and hotel booking deals from different travel consolidators operating through the travel GDS

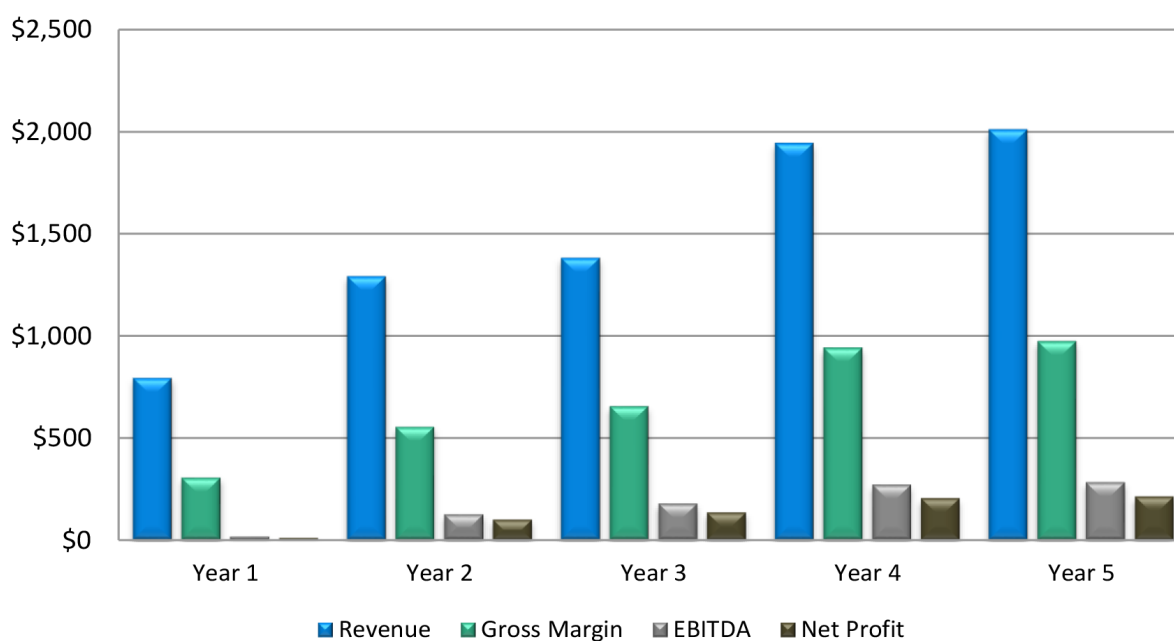


Financial Objectives

Safe Travels Inc.'s financial model shows consistent growth for the brand over the next five years. Plans call for the Company to achieve \$2.3 million in annual gross revenue, with a net profit of over \$348K by year five. The following graph illustrates the financial goals of Safe Travels Inc. within the next five years.

Financial Highlights (\$1,000's)																	
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	Y1	Y2	Y3	Y4	Y5
Revenue	28	47	56	74	84	84	84	84	93	93	102	102	930	1,499	1,601	2,231	2,310
Gross Margin	11	18	21	29	32	32	32	32	36	36	39	39	357	639	756	1,074	1,110
Operating Expenses	42	21	21	21	21	21	21	21	21	21	21	21	272	396	452	650	669
EBITDA	-31	-3	1	8	11	11	11	11	15	15	18	18	86	243	311	437	455
Net Profit	-31	-3	1	8	11	11	9	9	12	12	15	15	67	192	240	335	348
Gross Margin/Revenue	38%	38%	38%	38%	38%	38%	38%	38%	38%	38%	38%	38%	38%	43%	47%	48%	48%
EBITDA/Revenue	-112%	-6%	1%	10%	13%	13%	13%	13%	16%	16%	18%	18%	9%	16%	19%	20%	20%
Net Profit/Revenue	-112%	-6%	1%	10%	13%	13%	11%	11%	13%	13%	14%	14%	7%	13%	15%	15%	15%
Net Cash Flow	59	-1	0	11	11	7	8	62	15	9	18	12	213	131	121	270	354
Cash Balance - Ending	59	58	58	70	80	87	95	157	173	182	201	213	213	344	465	735	1,089

Projected Operating Highlights By Year (\$1,000's)



Start-Up Summary

The purpose of this plan is to provide USCIS with the information necessary to evaluate the scope and future growth of Safe Travels Inc. in the marketplace. In addition to serving as a roadmap for management, the plan will show that:

1. The parent company will invest \$95,000 in the Subsidiary Company.
2. A significant market opportunity exists when analyzing current market demands and competitive landscape.
3. The correct capital structure will allow for the sustainable growth and profitability of the Subsidiary Company.

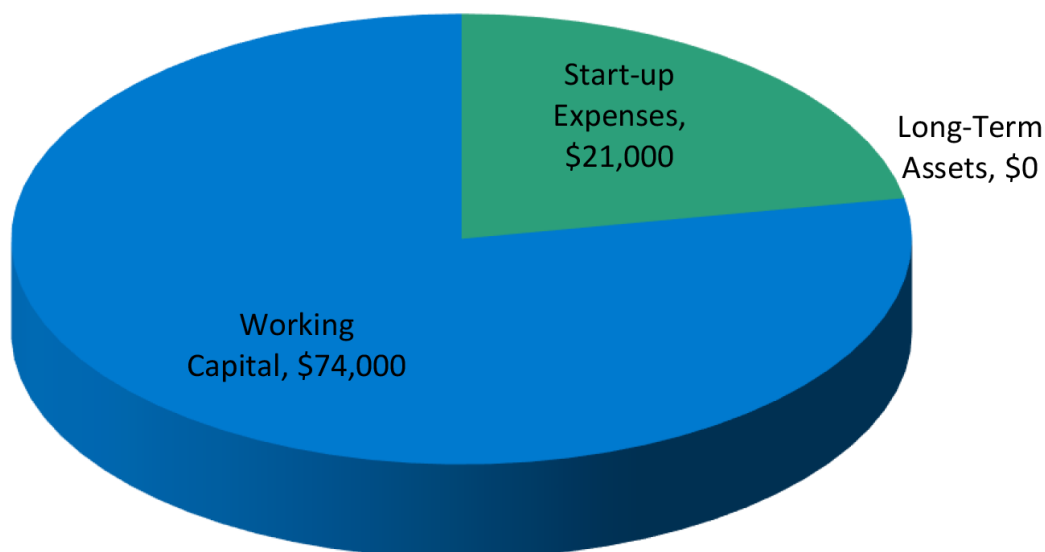
The following tables and graphs predict the funding the Subsidiary Company will need to bring the vision to fruition.

Use of Start-up Funding	
Expenses	
Legal Fees	\$5,000
Website Development	\$3,000
Branding & Office Supplies	\$2,500
Office Renovation	\$7,500
Prepaid Insurance	\$3,000
Total Start-up Expenses	\$21,000

Short-Term Assets	
Working Capital	\$74,000
Other Assets	\$0
Total Short-Term Assets	\$74,000

Total Expenses & Assets	
Total Start-up Expenses	\$21,000
Total Start-up Assets	\$74,000
Total Funding Requirements	\$95,000

As shown in the charts above, the Parent Company will commit a total of one hundred thousand dollars (\$95K) in start-up capital to fund this venture. As depicted above, the Parent Company estimates that approximately twenty-four thousand (\$21K) will be used for start-up expenses, leaving a remaining balance of approximately seventy-six thousand (\$74K) to be used for working capital.



About The Parent Company - Safe Travel International Joint Venture Company Limited

Safe Travel International Joint Venture Company Limited (also referred to as “the Parent Company”) is based in Vietnam. The Parent Company is currently headquartered in Hanoi. Following are the owners/founders of the Parent Company:

Owners/Founders

Owners	Shareholding %
Mr. Principal of Parent Company	50%
Mr. John Smith	50%
Total	100%

Partners Network

Global Distribution System



Hotel Reservation Systems



Airline Carriers



Trade Association



International Air Transport Association

Services



As a travel and tour company, the Company provides the following services (under registered trademark SAFE TRAVELS):

- Tour Packages: Group tours and packages are entirely tailor-made to suit customers' requirements. This include:
 - Group tours
 - Independent packages
- Air Ticketing
- Visa Services: This includes documentation services related to the US and European Visa for tourists.
- Travel API Services: Online flight booking and Travel package Booking Engine

Travel API is essentially a set of web services to access travel deals from different travel consolidators. GDS, third party flight APIs, hotel APIs — all are used by travel agencies to access the travel deals online. Inventory is the heart and soul of any travel agency.

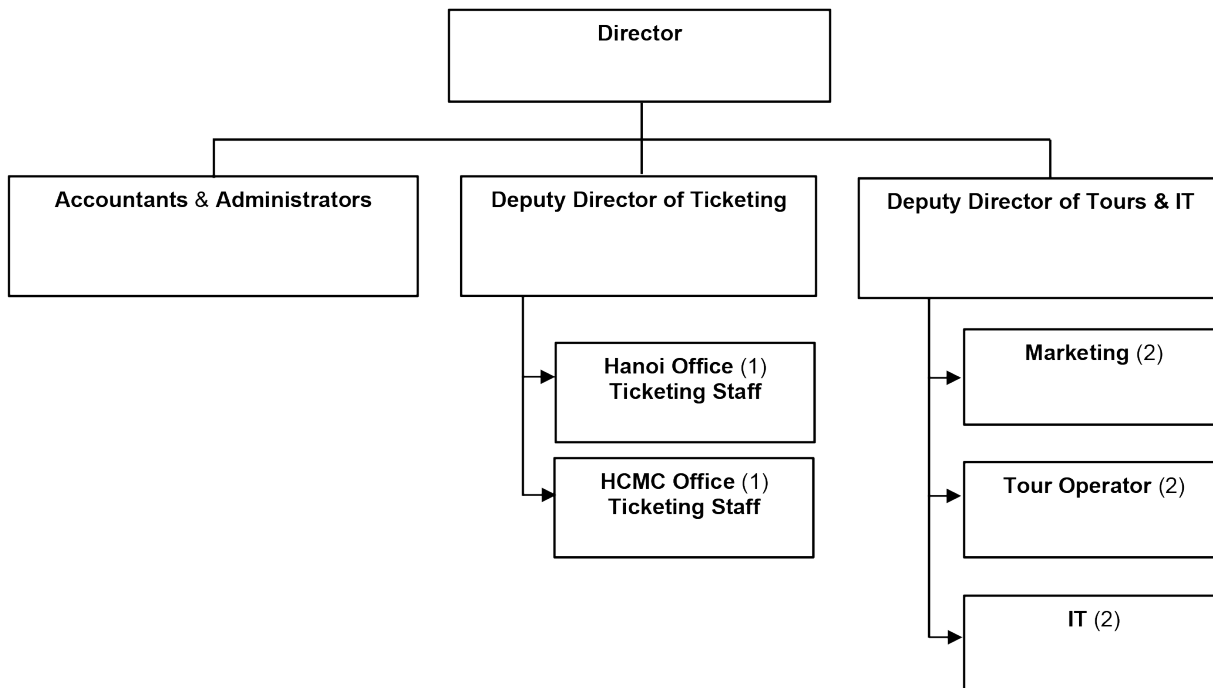
The parent company has created travel services booking application that allows Safe Travels clients to check and book flights at best prices directly from the parent company website. Mobile versions of the application are available in Vietnam and internationally. In the U.S., the application is available on both Android and Apple IOS mobile platforms.

Revenues from the app are generated from commissions received from air ticket booking and airline tickets issued using the GDS platform. In addition to air-ticketing capabilities, the app provides the following facilities:

- Air ticketing and hotel booking for package tours
- Travel visa purchasing services
- Travel insurance purchasing services

Using B2B strategy-company licenses use ticketing applications to other travel agents, who do not have the IT development teams to develop such applications in-house, permitting competing travel agents to offer the same type of “one-stop-shop” travel planning and purchasing experience to visitors and customers on their websites as well.

Organizational Chart



Role Of Us Company - Safe Travels Inc.

Safe Travels Inc. is a C-Corp registered in the State of California and headquartered in Fresno. Safe Travels Inc. is a wholly-owned subsidiary of Safe Travels International Joint Venture Company Limited. The Company has secured an office in Some Place, Zip code, CA.

To diversify the business and expand the market reach, the parent company has founded Safe Travels Inc. to market its travel and tour services in the US. The management has decided to relocate John Smith as a Chief Executive Officer.

Services



The Company will offer the following services:

Sightseeing Tours: The Subsidiary Company will provide travel services to meet the needs of inbound U.S. tourism for Vietnamese tourists visiting the US. As such, the Subsidiary Company will generate revenues by organizing and managing inbound package tour services in the United States promoted by the Parent Company in Vietnam. Thereby, the Subsidiary will also help support U.S. Hotels, transportation services providers, restaurants, retail shopping, recreation, and entertainment venues.

Trade Promotion Tours: To promote trade and investment opportunities in the US for Vietnamese enterprises, the Subsidiary Company plans to provide Services to include; trip arrangements, accommodation, translation, and U.S. business partner referrals. These activities will not only help the Subsidiary Company expand its important customer U.S. business network, but it will also contribute to the development of the U.S. business community. Thereby, the Subsidiary Company intends to support the U.S. economy by fostering trade and investment between the U.S. and businesses and investors from Vietnam.



Educational Services: The Subsidiary Company plans to provide introductory programs to promote U.S. study and education opportunities. The Subsidiary intends to organize travel tours for students and parents from Vietnam to visit U.S. schools and universities to help Vietnamese students identify qualifying opportunities for future U.S. study and cultural exchange. As such, the Subsidiary



Company will contribute to the U.S. economy by attracting international students from Vietnam.

Tour Operations: Tour operations include arranging and assembling packaged tours, whether group or individual. The Company has plans to achieve a profit of \$50 per air ticket and \$150 per package tour based on a group size of 20. For Meetings, Incentives, Conventions, and Exhibitions (aka, “MICE” tours), a profit of \$300 per tour package can also be achieved based on a group size of 10 or more.

Hotel Booking and Visa Services: The Company will also provide hotel bookings and visa services.

Concierge Services: The client will have 24/7 access to the top concierges. The Subsidiary company will provide a personalized assistant who knows the customer and his/her preferences to help curate the best U.S. travel experiences possible. Under the concierge services, the Company will offer, among others, the following services:

- Transportation
- Reservations/Tickets
- Travel

Additional Revenue Streams And Investment

Real Estate Investment For Rental Income

Beginning in Year-2, the Subsidiary Company intends to intelligently diversify its business via real estate investment and management services. The Subsidiary Company plans to acquire and manage condos in California to generate additional consistent streams of revenue. The Subsidiary Company plans to partner with Airbnb to leverage its online marketplace and hospitality brokerage services to provide alternative lodging options in addition to its primary hotel booking services.



IT Solution

The parent company’s IT team has experience developing and deploying IT projects with the largest Global Distribution Systems (GDS) to check flights, book and issuing air tickets, issuing travel insurance, and checking and booking hotels, including Galileo and Amadeus (used for International flights); Abacus/Travelport (used for airlines in Russia and offer travel insurance); and Sabre (use to issue tickets for Vietnam airlines).

The proposed IT solutions for Vietnam and the US market include:

- API search engine air ticket servers via the Amadeus GDS network
- Online travel data service
- B2B IT travel application development services for other travel agencies and air ticketing service providers
- Connecting clients to travel-related provider services, including both traditional travel and online travel agencies, website booking and booking website owners, hotel website owners, travel insurance companies, and customers via its proprietary search engine and mobile applications.

About The L-1 Beneficiary

Mr. John Smith will become the CEO of the Safe Travels Inc. pending issuance of his L-1A visa. Mr. John Smith's resume is capitulated below:

Professional Summary

Growth-minded analyst with extensive experience creating efficient operational structures and insightful process improvements. A solid history of identifying opportunities and streamlining processes to maximize resources and boost productivity. Repeatedly recognized for improving workflows, operational performance and best practices while contributing towards an organization's strategic objectives.

Core Skills And Knowledge

Project Management | Process Implementation | Data Analysis | Operations Performance Resource Planning | Reporting & Presentations | Documentation Management | Quality Assurance Continuous Improvements | Technical Writing | KPI Dashboards & Scorecards | Process Analysis

Technical Tools

Microsoft Office Suite, Visio, SharePoint, Access, Business Objects, Jira, Citrix Environments

Work Experience

Business Analyst | Large Company – Somewhere, TX January 2019 – Present

- Designing and enhancing workflow automation within a highly visible process area.
- Identifying and analyzing process gaps and system defects, proposing tangible solutions and implementation.
- Creating visual dashboards for monitoring workflow, current business processes and system performance for business partners and leadership teams.
- Documenting technical design for workflows, creating standard operating procedures (SOPs), presentations and job aids for the operations team, using tools such as Microsoft Visio, Excel, Word and PowerPoint; managed documents within SharePoint.
- Experienced with using SQL for data analysis, data verification and ad-hoc reporting.
- Acting as a functional and technical liaison between Product Line Management and operations.

Digital Marketing Analyst | Friend's Veterinary Hospital – Working Remote, TX February 2017 – January 2019

- Established social media image through the creation of online marketing and promotional materials.
- Proactively monitored metrics (total site visits, traffic by sources, sessions by device, etc.), reviewing analytics and providing recommendations for enhancing effectiveness.
- Optimized Google Analytics and AdWords, Bing AdCenter and Facebook to maximize ROI.

Project Analyst / Business Analyst | Promotion from Big Name Insurance Co Nowhere, SP July 2013 – October 2016

- Executed on the development, implementation and coordination of projects consisting of root-cause and impact analysis, trending data and identifying opportunities for cost savings, contributing towards a yearly departmental savings goal of \$850 million.
- Created effective strategies in workflow and operational structure, resulting in a 15% increase in production across the organization.
- Involved with software development projects using methodologies such as Waterfall and Agile.
- Partnered with stakeholders to identify, collect and analyze key factors and business requirements for technical projects, process improvements and system changes.
- Performed functionality testing, integration testing, regression testing and user acceptance testing (UAT); provided analysis and insight to QA Team with defects and bug tracking.

- Gathered system and functional requirements by conducting interviews with business users, stakeholders and subject matter experts (SME).
- Conducted gap analysis by identifying existing technologies, created and documented current state (As-Is) and future state (To-Be) business processes to better understand existing systems.
- Researched, created and revamped workflow diagrams, flowcharts, procedures and reference guides with tools such as Microsoft Visio, Excel and Word; managed documents in SharePoint
- Acted as functional and technical liaison between cross functional groups to communicate needs, issues and concerns within the department.

Claims Auditor | Different Big Name Health Insurance Company – Nowhere, SP February 2010 – June 2013

- Coordinated internal audits on issues involving claims operations with adherence to state and federal regulatory policies, HIPAA compliance and standard operating procedures.
- Saved the company \$36 million in claim overpayments through detailed audits with an emphasis on trend analysis, fraud prevention and overutilization practices.
- Created and maintained workload inventory reports to ensure proper staffing levels and resource allocation; updated data related to key performance indicators (KPI) and dashboards.
- Optimized resources while managing workload inventory for multiple teams, reducing late payment penalties by 48%.

Application Support Specialist | Small Tech Company – Nowhere, SP February 2009 – August 2009

- Analyzed performance data from applications and generated reports for executive staff and management.
- Provided recommendations to C-level executives by interpreting user data and identifying critical insights, patterns and trends that led to improvements to application performance.
- Collaborated with software engineers and development team to design, execute test cases and troubleshoot critical issues with applications in a timely manner.

Workflow Coordinator | Big Name Health Insurance Company – Nowhere, SP May 2008 – January 2009

- Delivered deep-dive analysis of workforce and provided reporting of operations management statistics.
- Accurately forecast the hiring of 30 additional full-time employees to meet growing business demands.
- Performed data analysis of key performance indicators (KPI) such as employee capacity, task completion rate, overtime worked and provided key metrics to management with standard and ad-hoc reports.

Enrollment Specialist | Big Name Health Insurance Company – Nowhere, SP June 2004 – April 2008

- Reviewed employer group submissions and verified benefits prior to new case installation and renewals.
- Streamlined existing enrollment systems, realizing a monthly cost savings of \$25,000.
- Created and modified master templates utilized by the audit and enrollment teams.

Education And Certifications

Bachelor of Science in Psychology, cum laude | Some State University, Nowhere SP

Continuing Education in Accounting | Another University, Nowhere, SP

Microsoft Office Specialist Certification | Completion in Summer 2019

Certified Associate Project Management (CAPM) Candidate | Project Management Institute

As a Deputy Director of the Parent Company, his responsibilities include the following:

- General responsibility for operating, monitoring and business and marketing activities;
- Advising, proposing policies and regulations to markets, customers, after-sales services to the Director.
- Planning and developing human resources in business.
- Organizing the instruction, training, and management of business throughout the Company
- Ensuring the company's strategic objectives and plans have been set and are being met.
- Appointing and hiring senior managers
- Responsibility for achieving sales, profitability, and cash flow, objectives;
- Leading, supervising, and communicating the company's goals and objectives to subordinate departmental heads;
- Ensuring company policies and procedures are followed by each department;
- Identifying and leading new business opportunities;
- Identifying ways to increase revenues;
- Monitoring the preparation of operating budgets;
- Ensuring highly productive relationships and partnerships for the benefit of the Company;
- Setting goals, monitoring the work of managerial personnel and evaluating results to ensure that departmental and organizational objectives and operating requirements are met and are in line with the needs and mission of the Company.

As a CEO of the Subsidiary Company, Safe Travels Inc., Mr. Ding's main objectives will be:

Year - 1	CEO - Duties & Responsibilities		% Time
	• Work with Safe Travels International Joint Venture Company Limited on the initial setup of Safe Travels Inc.		50%
	• Engage with Board of Directors to achieve the Company's objectives		15%
	• Execute Board of Directors directives		10%
	• Evaluate the performance of executive and managerial personnel		10%
	• Review and analyze activities, cost operations, and forecast data		5%
	• Review activity reports and financial statements to determine progress and status in attaining objectives		5%
	• Stay abreast of demands in the Travel and related industry sectors		5%

Year -2	CEO - Duties & Responsibilities		% Time
	• Work with Safe Travels International Joint Venture Company Limited on the initial setup of Safe Travels Inc.		0%
	• Engage with Board of Directors to achieve the Company's objectives		50%
	• Execute Board of Directors directives		15%
	• Evaluate the performance of executive and managerial personnel		15%
	• Review and analyze activities, cost operations, and forecast data		10%
	• Review activity reports and financial statements to determine progress and status in attaining objectives		5%
	• Stay abreast of demands in the Travel and related industry sectors		5%

Other New Positions To Be Hired

The following new job positions will be created:

Sales Manager - Tour Operations

Sales Manager - Tour Operations (Bachelor's or Master's Degree in Sales & Marketing)		% Time
• Assist in the development and achievement of annual strategic sales action plans.		10%
• Establish average rate goals based on the marketing plan and overall objectives.		15%
• Evaluate, solicit, sell, and confirm business in the assigned market area to meet overall budgeted sales and profitability.		35%
• Maintain up-to-date knowledge of the competition, new developments, and sales techniques in the tour and travel industry to maximize sales volume and profitability.		10%
• Prepare reports as requested to develop a more informative database for improved management decision making and critical evaluation of work activities. Analyze data and develop or recommend programs to meet client's needs.		15%
• Coordinate special sales activities, promotions, or trade shows, as requested.		10%

Sales Associates - Tour Operations

Sales Associates - Tour Operations (Associate or Bachelor's Degree)		% Time
• Deliver excellent customer service that ensures ongoing sales and high levels of custom		20%
• Generating leads to closing sales.		50%
• Work with customers to determine their needs and then recommend the right package.		
• Develop and cultivate strong buying relationships with customers.		10%
• Use company literature and available training resources to stay up to date on products and packages.		10%
• Use experience and ongoing training to strengthen sales skills.		10%

Administrative Assistant

Administrative Assistant (Associate Degree having basic computer literacy)		% Time
• Provides administrative support to top-level executive and other staff		10%
• Oversees and administers the day-to-day activities of the office; develops policies, procedures, and systems that ensure productive and efficient office operation.		20%
• Provides assistance and support to the office principal in problem-solving, project planning and management, and development and execution of stated goals and objectives.		10%
• Oversees and facilitates resource management and administration procedures and documentation for the executive and staff.		10%
• Performs research and analysis on specific issues, as required, and independently prepares non-routine letters and reports, which may be highly sensitive and confidential.		10%

• Organizes and facilitates meetings, conferences, and other special events.	10%
• Coordinates the disposition and resolution of individual problems and disputes involving staff and members of the general public, as they arise.	10%
• Oversees the operation of office accounts, and plans and monitors expenditures; as appropriate, develops and coordinates budgets for the office and associated accounts.	10%
• Provides and oversees the provision of staff support to the office, handling day-to-day problems and situations, and provision of secretarial support.	10%

Concierge

Concierge (Associate Degree having basic computer literacy)		% Time
• Attentively communicating with guests.	80%	
• Attending to the wants and needs of guests.		
• Communicating with guests and others over the phone, the internet, and in person.		
• Providing information about the facilities and the surrounding areas, such as the best possible routes from one point to another, whether by taxi, foot, private vehicle, or public transportation.		
• Booking guests for different events, making reservations, or helping them purchase tickets.		
• Making appointments or creating guest itineraries.		
• Record service hours		5%
• Use company literature and available training resources to stay up to date on products and packages.		5%
• Use experience and ongoing training to strengthen skills.		10%

Driver

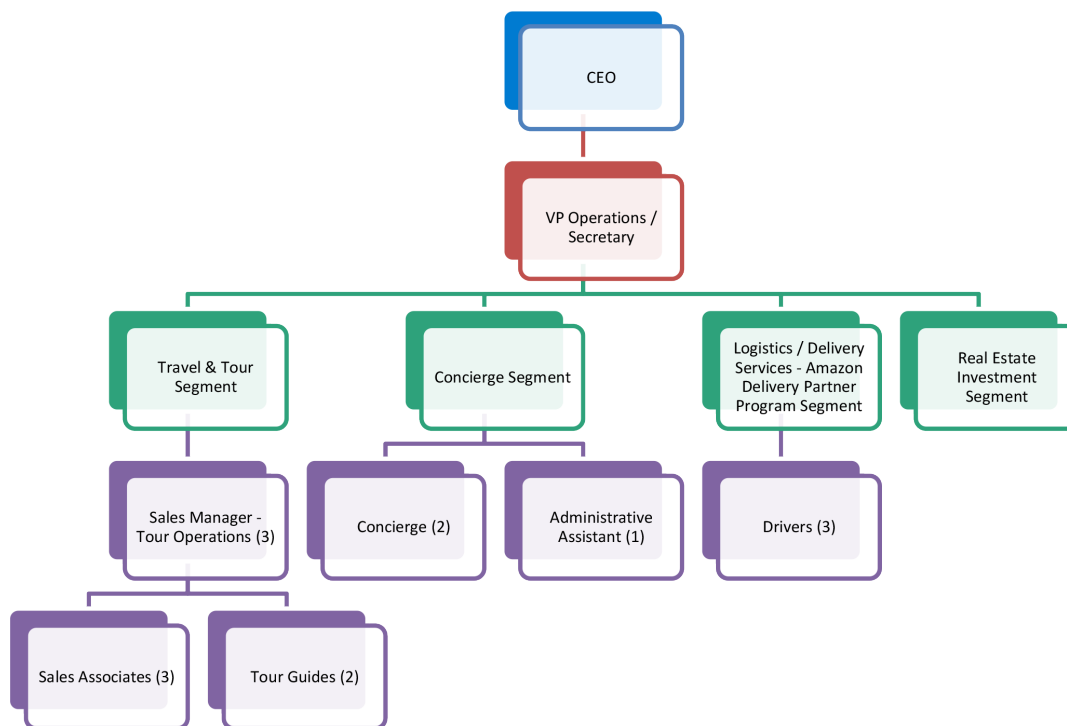
Driver (Basic education having a driving license)		% Time
<ul style="list-style-type: none"> Duties & Responsibilities include: <ul style="list-style-type: none"> - Loading, transporting, and delivering items to clients or businesses in a safe, timely manner. - Reviewing orders before and after delivery to ensure that orders are complete, the charges are correct, and the customer is satisfied. - Assisting with loading and unloading items from vehicles. - Providing excellent customer service, answering questions, and handling complaints from clients. - Adhering to assigned routes and following time schedules. - Abiding by all transportation laws and maintaining a safe driving record. 	75%	
• Preparing reports and other documents relating to deliveries.		10%
• Use company literature and available training resources to stay up to date on products and packages.		5%
• Use experience and ongoing training to strengthen skills.		10%

Tour Guide

Tour Guide (High School Diploma or Vocational Qualification)		% Time
• Greeting and welcoming customers to the tour.	80%	
• Informing customers about the itinerary for each tour.		
• Planning itineraries by weather forecasts and the length of each tour.		
• Scheduling visits and purchasing tickets to museums, galleries, protected parks, and other attractions ahead of time, if required.		
• Planning alternate activities if cancellations, closures, or weather prohibit you from attending scheduled events.		
• Gathering and maintaining the requisite equipment for each tour.		
• Familiarizing yourself with the layout and history of the region or establishment in which you will be working.		
• Familiarizing customers with each region or establishment.		
• Record service hours	5%	
• Adherence to prescribed safety codes.	5%	
• Use experience and ongoing training to strengthen skills.	10%	

Organizational Chart

The following organizational chart presents the organizational structure of the Company by year 5.



Personnel Forecast

The personnel forecast below shows the staffing needs for the next five years.

Personnel Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Staff Count					
CEO	1	1	1	1	1
VP Operations	1	1	1	1	1
Sales Manager - Tour Operations	1	2	2	3	3
Sales Associates - Tour Operations	0	1	2	3	3
Administrative Assistant	1	1	1	1	1
Concierge	0	1	1	2	2
Driver	0	1	1	3	3
Tour Guide	2	2	2	2	2
Total Personnel	6	10	11	16	16
Staff Salaries					
CEO	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
VP Operations	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Sales Manager - Tour Operations	\$34,560	\$35,597	\$36,665	\$37,765	\$38,898
Sales Associates - Tour Operations	\$31,680	\$32,630	\$33,609	\$34,618	\$35,656
Administrative Assistant	\$28,800	\$29,664	\$30,554	\$31,471	\$32,415
Concierge	\$26,880	\$27,686	\$28,517	\$29,373	\$30,254
Driver	\$0	\$28,000	\$28,840	\$29,705	\$30,596
Tour Guide	\$28,000	\$28,840	\$29,705	\$30,596	\$31,514
Staff Salaries - Total					
CEO	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
VP Operations	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Sales Manager - Tour Operations	\$34,560	\$71,194	\$73,329	\$113,294	\$116,693
Sales Associates - Tour Operations	\$0	\$32,630	\$67,219	\$103,853	\$106,968
Administrative Assistant	\$28,800	\$29,664	\$30,554	\$31,471	\$32,415
Concierge	\$0	\$27,686	\$28,517	\$58,745	\$60,507
Driver	\$0	\$28,000	\$28,840	\$89,116	\$91,789
Tour Guide	\$42,000	\$57,680	\$59,410	\$61,193	\$63,028
Total Payroll	\$195,360	\$339,554	\$383,350	\$556,016	\$572,696

Personnel Assumptions: (1) Costs are based on average wages.

Market Analysis Summary

Tour Operators In The US

Key Statistics Snapshot

Revenue

\$7.8bn

Profit

\$535.3m

Annual Growth 14–19

3.1%

Wages

\$1.6bn

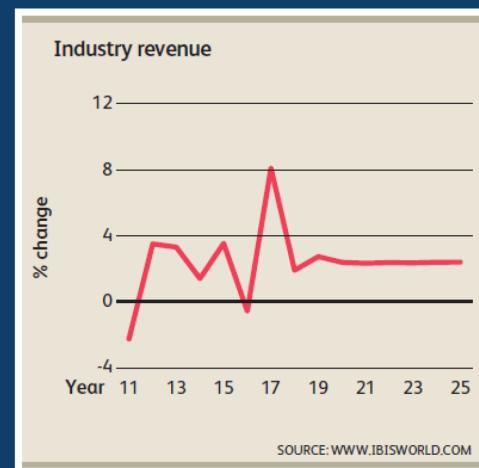
Annual Growth 19–24

2.4%

Businesses

9,060

The Tour Operators industry has benefited from rising disposable income levels and a strengthening global economy over the past five years. Due to the discretionary nature of leisure travel, the frequency of travel and the amount consumers spend while traveling largely depend on disposable income. Operators cater to foreign and domestic clients, so as the domestic and global economies have grown, consumers' disposable income levels and spending have risen. With more money in their pockets, consumers have traveled at rising rates during the period. Consumers indulged in everything from bus tours throughout the United States and luxurious European vacations to food, beverage, and historical tours in cities worldwide, many of which were arranged and booked by industry operators.



However, certain factors have mitigated the growth experienced by industry operators. There has been an influx of online research platforms that have enabled consumers to plan trips on their own. As a result of increased competition from online services and mobile applications that assist consumers with planning for vacations, tour operators have diversified their brand portfolios to target specific consumer segments better and lowered prices to draw in more customers. Consequently, IBISWorld anticipates industry revenue to have increased an annualized 3.1% to \$7.8 billion over the five years to 2019, including expected growth of 2.7% in 2019.

The Tour Operators industry is expected to experience consistent growth over the next five years as domestic and international trips made by Americans and foreigners continue to increase. Improving disposable income levels will likely support this growth, as households spend more on discretionary purchases such as tour packages and vacations. A trend toward premium tours is also anticipated to boost revenue growth as more baby boomers retire and seek luxurious travel options moving forward. Additionally, despite the price-based competition that typified the past five years for operators, growing demand and rising purchase costs will cause prices to inch upward, helping boost industry performance. However, the industry will also be subject to increasing external competition. Consumers, which comprise the largest market for industry operators, will increasingly use online trip planning resources, to the detriment of tour operators.

Additionally, the online competition will cause travel agents to continue demanding competitive commission rates. However, these factors will not inhibit industry growth. Consequently, industry revenue is expected to grow at an annualized rate of 2.4% to \$8.7 billion over the five years to 2024.

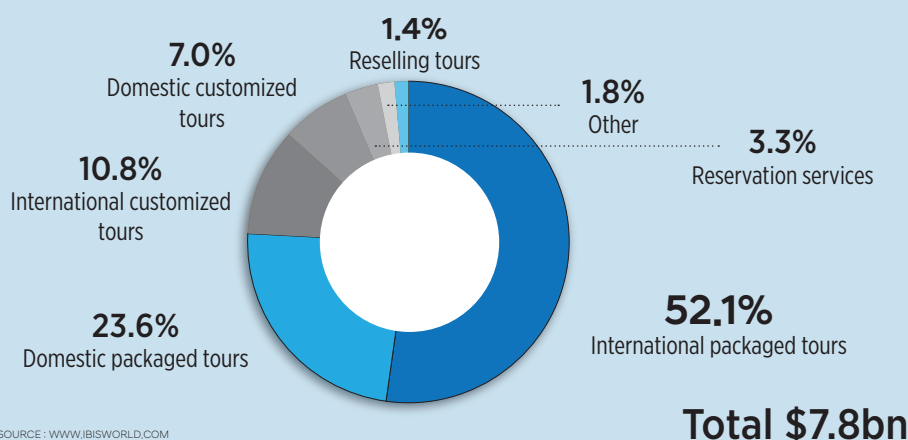
Services Segmentation

Packaged tours

Tour operators and wholesalers earn 75.7% of their revenue by arranging, assembling, and marketing packaged tours. The majority of this segment is accounted for by international tours, which are usually more expensive than domestic tours. In 2019, prepackaged international tours were expected to account for 52.1% of industry revenue, compared with 23.6% for domestic tours.

Both domestic and international packages often include accommodation, meals, sightseeing, land transportation, and other modes of transportation. Tour prices also include the services of a professional tour manager or guide that ensures that all aspects of the tour run smoothly and that the guests are satisfied with the services. According to the United States, Tour Operators association, the most popular domestic and international destinations in 2018 were Australia and California.

Product and service segmentation 2019



Customized tours

Tour operators and wholesalers' second most-popular product is customized tours, which account for an estimated 17.8% of industry revenue in 2019. Customized tours are arranged, assembled, and given by industry operators to customers with specialized interests or needs, both at the domestic and international levels. Domestic customized trips and international customized trips are expected to account for an estimated 7.0% and 10.8%, respectively. Customized tours enable clients to stray outside of the more tourist-centric locations or activities and can charge a premium for these tours. Some of these tours are interest-based, such as food, beverage, or historical tours. While packaged tours have outpaced this segment, it still has slightly increased as a share of revenue, and inbound trips by non-US residents and international and domestic trips by US residents have all increased.

Reservation services

Reservation services accounted for 3.3% of total industry revenue in 2019. This segment includes commissions and fees that are received from reserving lodging, transportation services, and entertainment tickets. Fee and commission rates have weakened over the past five years due to the growing popularity of websites that let consumers directly reserve services with transportation and accommodation providers. However, operators still benefit from receiving cancellation fees when customers cancel planned trips. Overall, this segment's share of industry revenue has declined over the past five years.

Market Analysis Summary

Travel Agencies In The US

Key Statistics Snapshot

Revenue

\$42.0bn

Profit

\$3.2bn

Annual Growth 13–18

5.2%

Wages

\$13.2bn

Annual Growth 18–23

2.4%

Businesses

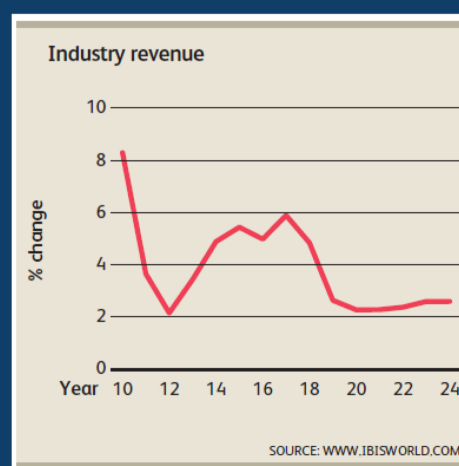
53,589

The Travel Agencies industry comprises two distinct segments, which have grown at significantly different rates over the five years to 2018. The first, online travel websites, has been growing quickly, as consumers increasingly move online to plan and book travel. Meanwhile, many traditional brick-and-mortar travel agencies have been struggling due to fierce price competition from their online counterparts. This difference in segment performance has changed the business model of travel agencies over the past five years. Now, travel agents rely more heavily on service fees charged to clients, rather than vendor commissions, meaning they have to offer higher quality service to justify the fees they charge.

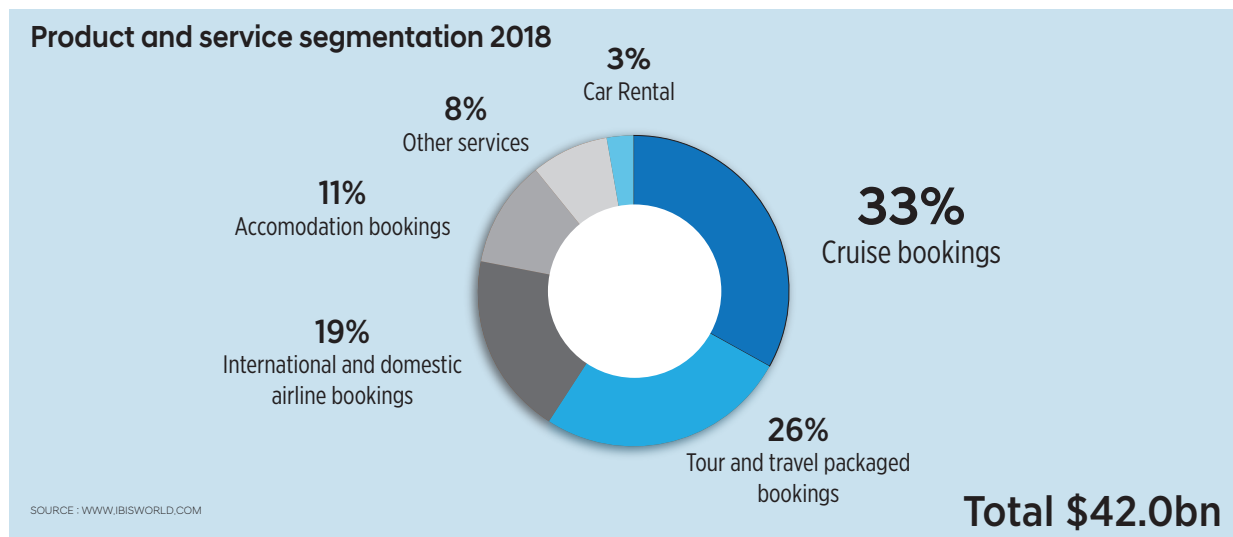
Furthermore, both online and brick-and-mortar operators experience stiff competition from travel service providers such as airlines and hotels, which have made a concerted effort to direct customers to their websites to make bookings.

Overall, industry revenue is expected to grow at an annualized rate of 5.2% over the five years to 2018. This growth rate is indicative of rising demand and robust gains in corporate profit, as well as overall consumer spending on travel. In 2018 alone, industry revenue is anticipated to rise by 4.8%, totaling \$42.0 billion.

Over the five years to 2023, the Travel Agencies industry will continue to experience significant challenges and changes to its structure. Online operators such as Expedia Group Inc. and Booking Holdings Inc. are likely to continue to increase their market share at the expense of brick-and-mortar counterparts. Therefore, traditional travel agencies will likely target niche markets, such as catering to wealthy adventure tourists that pay agents a premium for organizing complex travel needs. Demand for niche travel is anticipated to increase during the coming five-year period, albeit at a slower pace than the online segment. Furthermore, recent global uncertainty could potentially affect industry performance moving forward. As many countries across the globe grapple with geopolitical unrest or experience terrorism, the number of locations for leisure travel diminishes. This uncertainty may discourage domestic travelers from taking international trips, affecting the industry's largest source of revenue. Nevertheless, the number of international trips by US residents is expected to continue to grow over the five years to 2023, keeping industry revenue rising at a consistent rate. Overall, industry revenue is projected to rise an annualized 2.4% to \$47.4 billion over the next five years.



Market Segmentation



Tours and packaged travel: Tours and vacation package bookings account for the second-largest share of industry revenue at 26.0%. Tour operators continue to pay agents' commissions due to the highly fragmented nature of the industry and the wide variety of packages available. Tour companies are typically small and hard to find, so setting up deals with travel agents enables them to establish a steady business from travelers. Also, packaged tours require more time, meaning higher labor costs for travel agents, enabling them to upcharge for these services. Sales of customized packages are increasing at a faster rate than standard packages and have become the industry's most lucrative business. Over time, this segment has decreased as a share of total industry revenue, as commissions from other forms of travel have declined.

Airline travel: Revenue from airline reservations has fallen over time as commissions have been reduced or eliminated on some types of flights by airlines. Falling airline ticket prices and the development of airlines' direct booking websites during the period have also exacerbated the situation. Travel agents now receive commissions only on high-value tickets, such as first-class or business-class tickets. Travel agents focused on corporate clients still earn the majority of their revenue through airline bookings due to the high-value fares they are booking for clients. Airline travel is forecast to represent 19.0% of industry revenue in 2018.

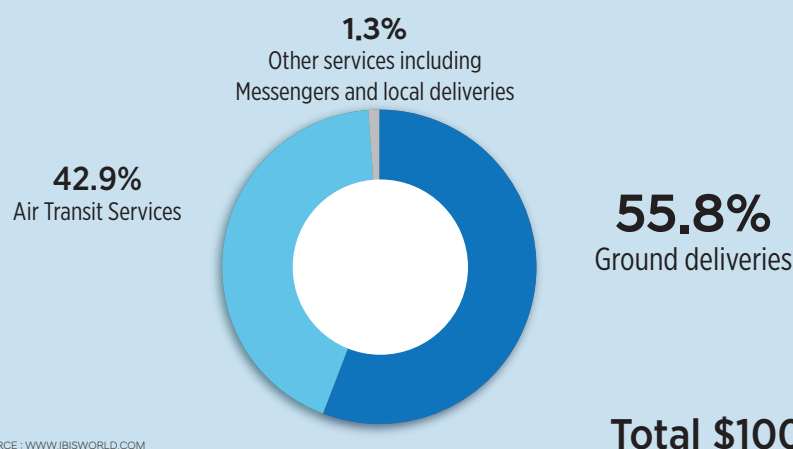
Accommodation bookings: While booking travel, agents can still generate significant commission from accommodation services, especially for international locations. As many domestic travelers are unfamiliar with foreign destinations, they are more likely to use a travel agent to help them find appropriate accommodations. However, people traveling domestically are increasingly booking directly with travel operators, or with travel sites that provide side-by-side comparisons of hotel rates for various destinations. For this reason, the accommodation segment has declined as a proportion of industry revenue over the past five years to 11.0% in 2018.

Market Analysis Summary

Local Delivery Services In The US

Demand for this industry largely depends on consumer spending, corporate profit, and e-commerce. Over the past five years, consumer spending has trended upward due to an increase in per capita disposable income and a decrease in unemployment. The industry also benefited from a fall in oil prices during the period.

Product and service segmentation 2018



In 2018, ground delivery services were expected to account for 55.8% of industry revenue, i.e., \$56 billion. This segment has not fluctuated much in the past five years. The surface segment is the largest in the industry because most origin-destination volumes are within the US borders. Further, the surface segment is crucial to pick-up and delivery functions of courier services. Most courier providers in this segment have more than one line of business. For example, industry operators include bus lines, messenger services, armored car services, business-only couriers, food product delivery companies, bicycle courier companies, specialized bank document couriers, and couriers that provide in-house services for business clients within a single office building. As consumer preferences move away from more expensive air and express services, IBISWorld expects this segment to benefit in the next five years.

Over the five years to 2023, the Local Delivery Services industry is expected to benefit from growth in consumer spending and an expansion in the number of businesses. Forecast growth in consumer confidence and greater access to credit are further expected to reflect an overall improvement in the economy, which will benefit industry operators. As a result, IBISWorld expects industry revenue to increase at an annualized rate of 4.6% to \$70.2 billion over the five years to 2023.

Real Estate Investment In California

According to a housing and economic forecast by the California Association of Realtors:

- Projected growth in the U.S. Gross Domestic Product of 2.4 percent in 2019, after a projected gain of 3.0 percent in 2018. With California's nonfarm job growth at 1.4 percent, down from a projected 2.0 percent in 2018, the state's unemployment rate will remain at 4.3 percent in 2019, unchanged from 2018's figure but down from and 4.8 percent in 2017.
- The average for 30-year, fixed mortgage interest rates will rise to 5.2 percent in 2019, up from 4.7 percent in 2018 and 4.0 percent in 2017, but will still remain low by historical standards.
- The California median home price is forecast to increase 3.1 percent to \$593,450 in 2019, following a projected 7.0 percent increase in 2018 to \$575,800.

The top 5 fastest-growing rents at this end of the year are dominated by California markets Fresno, Riverside, and Long Beach with growth rates of 5.7%, 5.6%, and 5.5%, respectively.

	Oakland	Sacramento	East Los Angles	Hawthorne	Arden-Arcade
Percentage of renter households	60.20%	52.70%	67.00%	73.50%	57.10%
Number of renter households	96,048	95,780	21,384	21,661	23,471
Median property price	\$653,250	\$312,650	\$469,500	\$648,944	\$359,000
Median rent	\$3,127	\$1,693	\$2,334	\$2,851	\$1,779
Price-to-rent ratio	19.45	15.94	16.43	18.86	17.14
Annual rental income	\$37,524	\$20,316	\$28,008	\$34,212	\$21,348
Gross rental yield	5.74	6.5	5.97	5.27	5.95

Freddie Mac Multifamily 2019 Outlook

In its Multifamily 2019 Outlook report, Freddie Mac predicts that multifamily originations will set another record 2019, growing 3.9% from \$305 Billion in 2018 to \$317 billion in 2019. They state this is driven by solid market fundamentals and strong investor demand for multifamily properties.

Freddie Mac's report on renter's profiles last spring stated that 67% of renters view renting as more affordable than owning a home, and that includes 73% of Baby Boomers. They said 67% of renters would keep renting for financial reasons, which is up 8% from 2 years ago.

With unit numbers growing, rent prices slightly rising, cap rates rising, employment rates remaining high, the Company will optimize revenue and profits by diversifying its investment portfolio in rental properties.

Target Market

The primary target markets for the services are:

Individuals: Individuals are the major target market of Safe Travels Inc. Individuals have increasingly been researching travel plans by themselves online and researching tour information on their own. Information from the United States Tour Operators Association (USTA) indicates that an estimated 57.0% of clients are aged 51 years and older, 22.0% of clients are aged 36 to 50 years old. Older citizens represent the largest consumer segment because they have more time and disposable income than the average American. Furthermore, this segment will become more important in the coming years as more baby boomers retire and turn to industry operators to provide affordable travel packages. More interestingly, according to the USTA, 46.0% of annual travelers were traveling alone.

As indicated above, the baby boomer demographic is a significant market segment. Baby boomer travelers have a high proportion of free time and are affluent, with a comparatively large portion earning over \$100,000 per year. Baby boomers represent the fastest-growing demographic group for tours. The AARP reported that baby boomers plan to spend an estimated \$6,395 on travel plans in 2018. Travelers over the age of 55 use tours because they offer convenience and security. To increase market share among younger, independent travelers, the Company will assemble packages that offer more free time and adventurous activities.

Corporate: The secondary target market includes corporate customers. Businesses make up the third-largest market for tour operators. Businesses can buy tour packages for retreats or vacations for employees. Corporate operators are often more likely to purchase tour packages from downstream travel agents than tour operators themselves, but as customizable packages have become more popular and businesses have been able to more specifically cater their tours to their own needs and the interests of their business and its employees, corporate clients have increasingly purchased tours directly from tour operators. This has resulted in this segment's growth over the past five years.

Marketing Objectives

Safe Travels Inc. will strive to meet the following objectives as it accomplishes specific keys to success:

- Become a recognized tour operator and traveling agency in California.
- Develop a strong customer service model.
- Remain flexible in providing customized tour packages.
- Offer competitive pricing
- To create, communicate, and deliver value for consumers through marketing campaigns.
- Remain attuned to the marketplace and integrate products into the business mix that meet the needs of the targeted audience

Keys To Success

- **Access to a multi-skilled and flexible workforce**

Employees are expected to travel extensively, speak multiple languages, and cope with any problem a tour group may have calmly and professionally.

- **Having a good reputation**

Tour operators that have a good reputation among consumers are more likely to attract customers and benefit from increased revenue.

- **Accessibility to consumers/users**

Establishing offices in major tourist areas exposes tour operators to more travelers. Also, internet marketing has become particularly important as more consumers have begun to book trips online.

- **Having an exclusive sales contract**

Many tour operators exclusively sell tour packages to hotels and airlines. Operators benefit from establishing relationships and securing contracts with institutional customers that provide a steady stream of revenue.

- **Membership in an industry organization**

Membership in an industry organization, such as the USTOA, enables tour operators to stay abreast of new regulations and industry trends. A member of IATA will allow the Company to distribute air tickets in the global market regardless of where the travel agency is located.

- **Experienced workforce**

Tour operators need to know a region and the particular tour they are selling to provide the best experience for customers.

Marketing Campaigns

Safe Travels Inc. will mainly utilize networking, print, social media, and internet marketing channels.

Networking

- Networking at industry events.
- Attend trade shows related to tour operator expo by the United States Tour Operators Association.
- Promotional connections with travel agents in Vietnam for reciprocal marketing opportunities.



Internet (Website & Social Media)

- The website serves as the primary selling channel of the tour packages and other services. The Company's website features all the information about the tour packages, booking information, and contact info.
- The website will further be promoted by Search Engine Optimization (SEO). SEO campaigns help the Company gain better rankings in search engine result pages, which translates to more targeted visits and more clients.
- Generate brand awareness and maintain a presence on social media websites such as Facebook, Twitter, and Instagram.



- A YouTube channel will be created and optimized with the benefits of SEO, which will accelerate the process of reaching targeted customers. (Based on existing YouTube channel with hundreds of thousands of views since its release one year ago - <https://www.youtube.com/SafeTravelsvn>)
- YouTube and video blogging will be used by the Company to drive sales by posting relevant and informative videos on YouTube or video blogs of individual, group and family tours as well as their video testimonials during their travel.
- Social media has the potential to reach millions of potential consumers across the United States. The company will use social media to communicate with reliable followers, keeping them abreast of upcoming events and any special package offers.
- The company currently owns more than 30 forums for the Vietnamese community in countries and a series of forums for international students in the US and around the world. Besides, the company also sponsors servers for many other social networking forums and groups for the Vietnamese community everywhere Vietnamese people are living. These activities help the Company to have more information distribution channels and reach customers. See the list of the Company's operating and sponsored forums here: <https://SafeTravels.vn/p/danh-sach-dien-dan-duoc-bao-tro-boi-SafeTravels.html>
- Online advertising programs such as Google AdWords, Facebook Ads, or Twitter are often used as distribution channels directed to the audience in each campaign performed.

The Company's App

- Promote travel service bookings, find and expand the number of customers by providing an app named Safe Travels – a booking engine for the air ticket and travel package on both Android and iOS platforms. The apps were published and allow customers to download on the beginning of August 2019 on Google Play and Apple Store

Others

- Digital and Traditional Media: The Company will make sure to be marketed and appear in specialized and general interest magazines catering to the target market. Gaining media coverage will have instant benefits for the Company as it will boost its visibility and credibility. Being present in the media lets customers know about the Company, what it offers, and how it differs from the competition. The Company will also send emails to potential clients with a link to the downloadable tour packages and offering catalog.
- Word of Mouth: In addition to investing in traditional and digital marketing campaigns, the Company will rely on reputation, knowing that this is of the utmost importance within the industry. The Company's dedication to exceeding the expectations of end-users will bring recommendations that will bring new customers.
- Printed Material: The Company will print promotional material to distribute at expo, conferences, and trade shows. The material will promote Company tour packages.

Competitive Analysis

The identified competitors are described below:



PRO TRAVEL FRESNO

Website:	www.protravelfresno.com
Serving Area:	Fresno, Clovis, Visalia, Hanford, Lemoore, and Tulare to the south, Madera a Merced to the north.
Services:	Specializes in travel tours, vacation packages, hotels, resorts, cruises, and flights



Moriah's Travel

Location:	3588 W Vartikian Ave Fresno, California
Founded in:	2005
Website:	www.moriahstravel.com
Specializing:	Specialize in a concierge type travel service offering a complete vacation package for families and individual, hotel booking, flight booking, car rentals, cruise, and river cruising.



Elite Global Journeys

Location:	7468 N. Fresno Street Fresno, CA 93720
Website:	www.eliteglobaljourneys.com/
Specializing:	Elite Global Journeys is proud to be the only Virtuoso full-service agency in Central California and specializes in luxury travel — including customized land tours, upscale cruises, and preferred hotel reservations

Major Industry Players

Company	Market Share	Description
Apple Leisure Group	12.8%	<p>Apple Leisure Group was founded in 1969 as a way to serve North American travelers visiting Mexico and the Caribbean. It has grown to be the only vertically integrated travel, hospitality, and leisure management company in North America. In 2016, the Apple Leisure Group was acquired by KSL Capital Partners and KKR. There are currently 14 brands operating under the Apple Leisure Group, which the company segments into five different categories. The segments include vacations, resort brand management, loyalty club, destination management services, and technology solutions. Over 50,000 travel agents are operating within the network, which serves an average of 3.2 million customers per year. The company's industry-specific brands include Apple Vacations, Blue Sky Tours Hawaii, Funjet Vacations, Mark International, Travel Impressions, Southwest Vacations, and United Vacations. The company's extensive range of brands enables Apple Leisure Group to target niche consumer segments, making the company less susceptible to regional and seasonal downturns and competitive pricing. The company is highly focused on packaging vacations for travel agents and using the Vacation Access (VAX) internet leisure travel and booking portal. Trisept Solutions, also operating under Apple Leisure, is the technology company that runs VAX, which has more than 88,000 registered travel agents. Apple Leisure has also provided agents with tools to compete directly with online retailers. Fully commissionable booking links are offered for free to travel agencies, which lets the agent's customers book online. Meanwhile, the agent receives a full commission for the sale and gains control of the customer's information. Over the five years to 2019, domestic revenue is estimated to increase at an annualized rate of 8.2% to \$993.9 million.</p>
The Travel Corporation	10.5%	<p>The Travel Corporation (TTC), also known as TravCorp, is a travel and leisure company that operates in more than 70 countries in an estimated 40 offices around the world. With more than 10,000 employees, the company operates more than 25 escorted touring, independent travel, and transport brands including Trafalgar, Brendan Vacations, African Travel, Travel Corporation Asia, and Evan Evans Tours, among others. In recent years, the company has focused on expanding its business in Asia, with more than 20.0% of its annual revenue currently generated in this region. With the expansion of Trafalgar and Insight Vacations into China and Japan, TTC anticipates Asia to account for an estimated 40.0% of total company revenue by 2019. TTC offers a range of services and vacation packages through these brands. For instance, Contiki specifically targets consumers aged 18 to 35 with a mix of sightseeing, free time, cultural events, and opportunities to socialize with other travelers. Conversely, Trafalgar Tours is a luxury service that offers business class flights, premium hotels in the best locations, and expert tour guides in Europe, the Mediterranean, North America, and India. IBISWorld estimates its industry-specific revenue has grown at an annualized rate of 3.4% to \$815.5 million over the five years to 2019.</p>

Flight Centre Travel Group Ltd.	8.2%	Headquartered in Brisbane, Flight Centre Travel Group Ltd. (Flight Centre) are Australia's leading travel company and one of the largest travel agencies in the world. The company operates in 23 countries through more than 40 brands, including Cruiseabout, Liberty Travel, GOGO Worldwide Vacations, and Student Flights. Employing more than 19,000 people around the world, the company divides its business into five operating segments, including Australia, the United States, the United Kingdom, the rest of the world, and others. Flight Centre's five operating segments earned a combined revenue of \$2.9 billion in fiscal 2018. Flight Centre participates in the Tour Operators industry in the United States primarily through its Liberty Travel brand. The company acquired this domestic travel agency, along with GOGO Worldwide Vacations. Liberty Travel is a leisure vacation leader based in Ramsey, NJ, and has 170 offices and over 2,000 employees across 14 states.
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Competitive Advantages

The following is a listing of the primary competitive advantages of the Company upon entering the market.

- Customer service
- Financial and human resources support from the Parent Company
- Strong cash-flow support from parent company
- Having more than fifteen years in the tourism industry in the US & European market
- The convenience of service and 24/7 availability through a web portal
- Customized packages
- Competitive pricing

Barriers To Entry

Barriers to entry for the Tour Operators industry are medium and steady. This is based on the level of initial capital investments required to begin operating. Major costs include those associated with securing contracts with hotels and airlines, purchasing computers and software to manage websites and bookings made online. Furthermore, for scenic tours, many industry operators purchase or rent buses, boats, and other forms of mobile travel used for the operation.

Barriers to Entry checklist

Competition	High
Concentration	Low
Life Cycle Stage	Mature
Capital Intensity	Low
Technology Change	Low
Regulation and Policy	Medium
Industry Assistance	Medium

SOURCE: WWW.IBISWORLD.COM

There are also substantial costs associated with business liability insurance and association memberships. The USTOA requires a bond or letter of credit to the value of \$1.0 million as consumer protection against bankruptcy. There is also a high level of labor costs associated with the industry due to the hands-on approach most companies use. Employees visit many potential vacation spots throughout the world and speak to hotel and airline representatives in person, further driving wage costs up. Finally, many large operators have existing deals with the leading hotels, resorts, and airline companies, making it difficult for new entrants to secure long-term contracts with these providers.

Despite the high initial capital investments needed to enter the industry, other factors lower the barriers to entry. For instance, the industry is fragmented, and few major companies control substantial market share. This provides new entrants with the ability to negotiate exclusive deals with accommodation and transport providers. Moreover, the increasing use of the internet as a booking and research tool reduces start-up and marketing costs. However, smaller operators that plan and arrange tours that they will often give need to obtain licenses to give tours in certain cities. For example, in New York City, a tour guide must pass a background check and an exam testing knowledge of the city before they can take customers to locations of note for a fee.

Finally, there is a relatively high level of differentiation among the types of tours and travel packages that are offered by companies. There are a variety of elements, such as outdoor activities and restaurants, that operators can include in their packages to differentiate their services with competitors. Consequently, there are always opportunities for niche operators to target specific consumer segments. These niche packages also tend to offer a variety of unique and personal travel experiences. Barriers to entry in these tours are relatively high, as the operator has to have a wealth of specific knowledge to provide customers a unique tour. IBISWorld anticipates these factors to help maintain the moderate level of barriers to entry for this industry through 2024.

Swot Analysis

The following is a listing of the key strengths and weaknesses of Safe Travels Inc., as well as the opportunities and threats that exist within the marketplace.

S

Strengths

- Experience and knowledge of the leadership team and founder.
- Customer service commitment.
- Customized tour packages.
- Multiple revenue streams.
- Robust management information system.
- The relocating executive has 20 years of experience in the travel and tourism business
- Competitive pricing.
- Financial and managerial support from the parent company.
- Owning multiple channels of sales and expanding marketing faster.

W

Weaknesses

- As a new business, the Company must build its credibility
- There has been an influx of online research platforms that have enabled consumers to plan trips on their own.
- The industry is sensitive to geopolitical instability, which can deter people from traveling to a certain location.

O

- Increase in per capita disposable income.
- Increase in inbound trips by the non-US resident.
- Increase in the domestic trip by US residents.
- Increase in time spent on leisure activity.
- Growth among demographic segments.

T

- The instability of the US economy leads to unpredictable market activity.
- Larger companies have more resources and the ability to reach deeper into the market.
- Decrease in consumer confidence index will pose a threat.

Revenue volatility of the Tour Operators industry has been low to moderate over the five years to 2019, achieving growth each year besides 2016. As a result, industry revenue declined as little 0.6% in 2016 and increased as much as 8.1% in 2017. Demand for tour packages depends on travel trends, namely movements in the number of inbound trips by non-US residents and domestic trips by US residents, both of which are also dependent on several factors. Consumer Spending and disposable income also greatly affects travel trends. The price of travel can vary depending on the international price of fuel, competition between airlines, weather conditions, and exchange rates. In turn, the price of travel affects tourist demand and travel budgets. Noneconomic conditions also determine industry demand. As seen in the early 2000s, the industry is vulnerable to changes in the geopolitical environment, as war and terrorism affect demand—natural disasters, which can destroy or severely debilitate tourist infrastructure, affect demand as well. Finally, the industry is vulnerable to an outbreak of flu or other diseases. However, the high number of factors affecting this industry has depressed volatility slightly. When one driver goes up, another may go down, and vice versa, leading to relatively moderate growth. For example, there has been some uncertainty regarding foreign markets and the stability of some economies around the world. This level of uncertainty would stand to depress travel rates, some, but domestic disposable income levels have grown, and the strengthening of the US dollar has made traveling abroad more affordable on the whole. These countervailing factors have stabilized volatility.

The risks involved with Safe Travels Inc. will be minimal. To face the risks as a new business in the marketplace, the Company must implement a highly effective marketing campaign, build industry connections and communicate its value to potential customers while focusing on how it uniquely fills a market need. Therefore, the Company stands as a viable business opportunity that has the potential to deliver significant returns to any investor or lending institution.

Milestones

The tentative milestones are shown below. Management reserves the right to make changes to this schedule as needed.

March 2020 - November 2020– Relocate Mr. John Smith, as Chief Executive Officer to manage the operations of US Company.

December 2020 – January 2021– Hire Sales Manager – Tour Operations and Administrative Assistant. Develop procedures, incentives, and policies and sign an employment contract.

December 2021 - Prepare year to the date performance report. Review performance results. Develop the calendar year 2020 budgets, goals, and forecasts.

January 2021 - Hire Additional Sales Manager – Tour Operations, Sales Associates – Tour Operations and Concierge and sign an employment contract.

January 2021 – Hire concierge assistant and Initiate concierge services.

January 2022 – Hire additional Sales Associates – Tour Operations

January 2022 – March 2022 – Real estate research and apartment acquisition

December 2022 - Prepare year to the date performance report. Review performance results. Develop the calendar year 2022 budgets, goals, and forecasts.

January 2023 – March 2023 – Hire a Sales Manager and Sales Associates for tour operations, Hire a Concierge Assistant

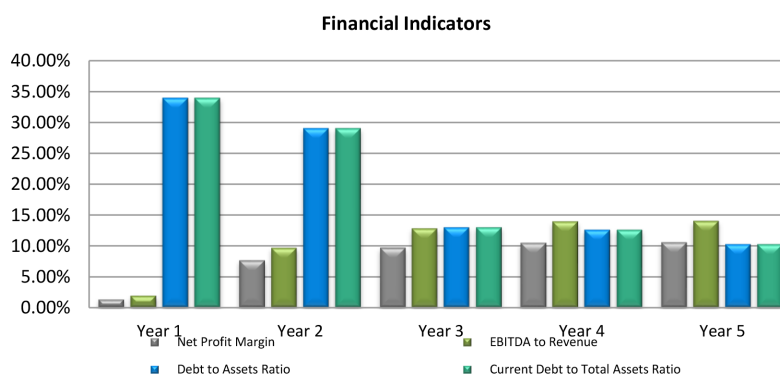
February 2023 – April 2023 – Purchase two additional vans for DSP and hire two drivers

Continue to execute sales and marketing activities — review performance results in every quarter.

Financial Indicators

The following table summarizes Safe Travels Inc.'s projected financial performance with standardized measurement indicators used to evaluate the profitability, leverage, asset turnover, and liquidity. As with any long-range projection, accuracy is based on reasonable estimates of return on investment and past performance. The Company believes the following numbers are attainable and reasonable. However, actual results will vary.

Financial Indicators					
	Year 1	Year 2	Year 3	Year 4	Year 5
Profitability %'s:					
Gross Margin	38.42%	42.62%	47.20%	48.13%	48.06%
Net Profit Margin	7.21%	12.81%	14.98%	15.01%	15.08%
EBITDA to Revenue	9.23%	16.22%	19.44%	19.59%	19.68%
Return on Assets	15.00%	29.29%	29.16%	28.18%	22.61%
Return on Equity	21.93%	38.55%	32.52%	31.21%	24.51%
Activity Ratios:					
Accounts Payable Turnover	4.05	5.46	9.95	10.04	10.04
Asset Turnover	2.08	2.29	1.95	1.88	1.50
Leverage Ratios:					
Debt to Equity	0.46	0.32	0.12	0.11	0.08
Debt to Assets Ratio	31.59%	24.01%	10.32%	9.71%	7.76%
Liquidity Ratios:					
Current Ratio	3.17	3.97	8.89	9.35	12.04
Current Debt to Total Assets Ratio	31.59%	24.01%	10.32%	9.71%	7.76%
Additional Indicators:					
Revenue to Equity Ratio	3.04	3.01	2.17	2.08	1.63



Revenue Forecast

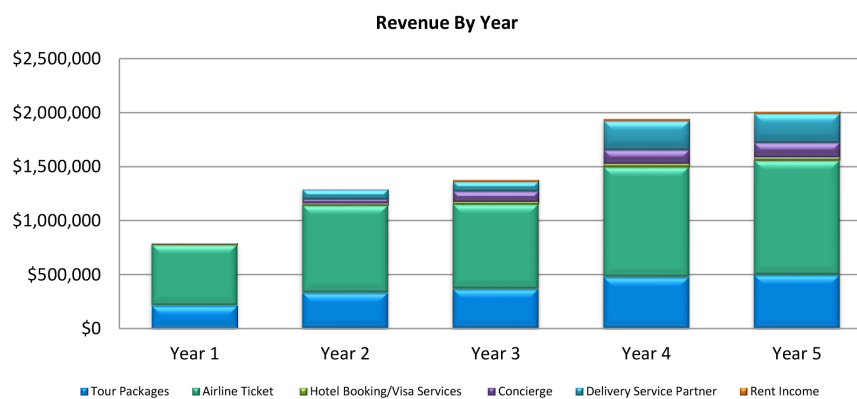
The following is a five-year revenue and direct cost forecast.

Revenue Forecast					
	Year 1	Year 2	Year 3	Year 4	Year 5
Total					
Tour Packages	1,661	2,592	2,877	3,741	3,892
Airline Ticket	3,323	4,753	4,603	5,986	6,227
Hotel Booking/Visa Services	554	864	959	1,247	1,297
Concierge	0	432	1,151	1,496	1,557
Delivery Service Partner	0	12	12	36	36
Rent Income	0	0	12	12	12
Price					
Tour Packages	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
Airline Ticket	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
Hotel Booking/Visa Services	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Concierge	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Delivery Service Partner	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00
Rent Income	\$1,250.00	\$1,250.00	\$1,287.50	\$1,326.13	\$1,365.91
Revenue					
Tour Packages	\$249,150	\$388,800	\$431,550	\$561,150	\$583,800
Airline Ticket	\$664,600	\$950,600	\$920,600	\$1,197,200	\$1,245,400
Hotel Booking/Visa Services	\$16,620	\$25,920	\$28,770	\$37,410	\$38,910
Concierge	\$0	\$43,200	\$115,100	\$149,600	\$155,700
Delivery Service Partner	\$0	\$90,000	\$90,000	\$270,000	\$270,000
Rent Income	\$0	\$0	\$15,450	\$15,914	\$16,391
Total Revenue	\$930,370	\$1,498,520	\$1,601,470	\$2,231,274	\$2,310,201
Direct Cost					
Tour Packages	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Airline Ticket	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
Hotel Booking/Visa Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Concierge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Delivery Service Partner	\$2,250.00	\$2,250.00	\$2,250.00	\$2,250.00	\$2,250.00
Rent Income	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Direct Cost of Revenue					
Tour Packages	\$0	\$0	\$0	\$0	\$0
Airline Ticket	\$498,450	\$712,950	\$690,450	\$897,900	\$934,050
Hotel Booking/Visa Services	\$0	\$0	\$0	\$0	\$0
Concierge	\$0	\$0	\$0	\$0	\$0
Delivery Service Partner	\$0	\$27,000	\$27,000	\$81,000	\$81,000
Rent Income	\$0	\$0	\$0	\$0	\$0
Subtotal Cost of Revenue	\$498,450	\$739,950	\$717,450	\$978,900	\$1,015,050

Revenue Assumptions

Revenue Assumptions			
	Display	Search	Monthly Total
Social Media / Google AdWord Marketing Campaign			
Monthly Cost	\$1,000	\$1,000	\$2,000
CPC	\$0.44	\$1.53	-
Ad Visitors	2,272,727	653,595	2,926,322
Avg. Click-Through Rate	0.47%	4.68%	-
Conversion	2.50%	3.50%	-
Customers Order	267	1,071	1,338
Annual Orders	3,205	12,847	16,052

Revenue Assumptions					
	Year 1	Year 2	Year 3	Year 4	Year 5
Number of Employees	1	3	4	6	6
Annual Orders	16,052	16,533	17,029	17,540	18,066
Sales Target Achievement	34.50%	34.85%	35.19%	35.55%	35.90%
Total Orders	5,538	8,642	9,589	12,470	12,972
Tour Packages	30.00%	30.00%	30.00%	30.00%	30.00%
Airline Ticket	60.00%	55.00%	48.00%	48.00%	48.00%
Hotel Booking/Visa Services	10.00%	10.00%	10.00%	10.00%	10.00%
Concierge	0.00%	5.00%	12.00%	12.00%	12.00%
Tour Packages	1,661	2,592	2,877	3,741	3,892
Airline Ticket	3,323	4,753	4,603	5,986	6,227
Hotel Booking/Visa Services	554	864	959	1,247	1,297
Concierge	0	432	1,151	1,496	1,557

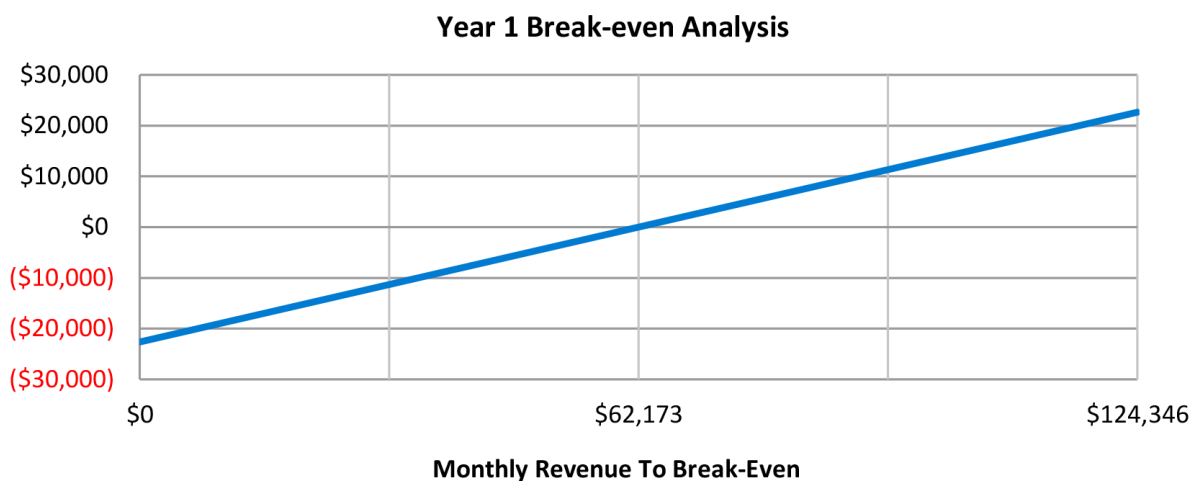


Break-even Analysis

The following break-even analysis shows the revenue necessary to break-even in the first year of operation. Break-even is where revenue equals expenses. As shown below, the Company is expected to incur average monthly fixed costs of \$22,638 in Year 1. To cover fixed costs and variable costs, which rise and fall with revenue, the Company must, on average, achieve revenue of \$62,173 per month to break-even.

Year 1 Break-even Analysis	
Monthly Revenue Break-even	\$62,173
Assumptions:	
Average Monthly Revenue	\$77,531
Average Monthly Variable Cost	\$49,300
Estimated Monthly Fixed Cost	\$22,638

Break-even Analysis



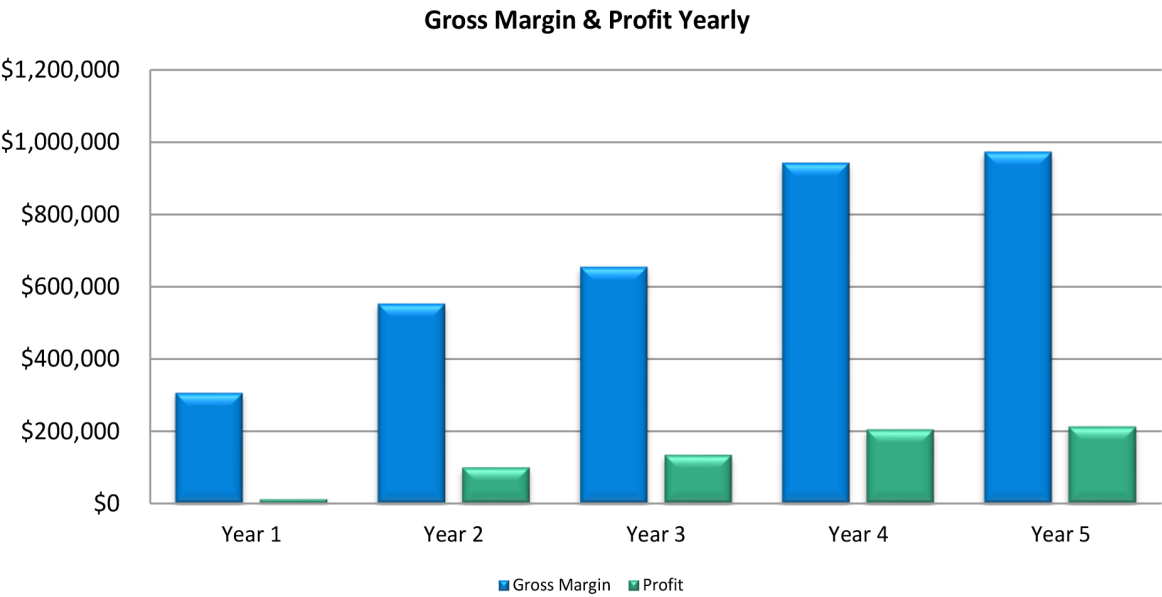
Projected Income Statement

The Subsidiary Company intends to deploy its funding to maximize growth and profitability. Below is the five years projected income statement of Safe Travels Inc.:

Pro Forma Income Statement					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$930,370	\$1,498,520	\$1,601,470	\$2,231,274	\$2,310,201
Subtotal Cost of Revenue	\$498,450	\$739,950	\$717,450	\$978,900	\$1,015,050
Sales Commission	\$74,430	\$119,882	\$128,118	\$178,502	\$184,816
Total Cost of Revenue	\$572,880	\$859,832	\$845,568	\$1,157,402	\$1,199,866
Gross Margin	\$357,490	\$638,688	\$755,902	\$1,073,872	\$1,110,335
Gross Margin/Revenue	38.42%	42.62%	47.20%	48.13%	48.06%
Expenses					
Rent	\$5,280	\$5,412	\$5,547	\$5,686	\$5,828
General Insurance Liability	\$3,600	\$3,690	\$3,782	\$3,877	\$3,974
Website Hosting/Updates	\$1,200	\$1,230	\$1,261	\$1,292	\$1,325
Marketing & Advertising	\$30,000	\$30,750	\$31,519	\$32,307	\$33,114
Supplies	\$4,200	\$4,305	\$4,413	\$4,523	\$4,636
Professional Services	\$1,800	\$1,845	\$1,891	\$1,938	\$1,987
Travel & Fuel	\$3,000	\$3,075	\$3,152	\$3,231	\$3,311
Startup Expenses	\$21,000	\$0	\$0	\$0	\$0
Depreciation & Amortization	\$0	\$0	\$7,500	\$13,100	\$13,650
Payroll Taxes & Benefits	\$20,222	\$34,645	\$39,431	\$58,584	\$60,342
Total Personnel	\$181,360	\$310,714	\$353,645	\$525,420	\$541,182
Total Operating Expenses	\$271,662	\$395,666	\$452,141	\$649,958	\$669,349
Profit Before Interest and Taxes	\$85,829	\$243,022	\$303,761	\$423,914	\$440,986
EBITDA	\$85,829	\$243,022	\$311,261	\$437,014	\$454,636
Taxes Incurred	\$18,724	\$51,035	\$63,790	\$89,022	\$92,607
Net Profit	\$67,104	\$191,988	\$239,971	\$334,892	\$348,379
Net Profit/Revenue	7.21%	12.81%	14.98%	15.01%	15.08%

Income Statement Assumptions: (1) Depreciation is based on 10 years; (2) Start-up cost is amortized over 3 years; (3) Total payroll taxes are 11.15%; (4) Company taxes are based on 21%. (5) Sales commission is 8%.

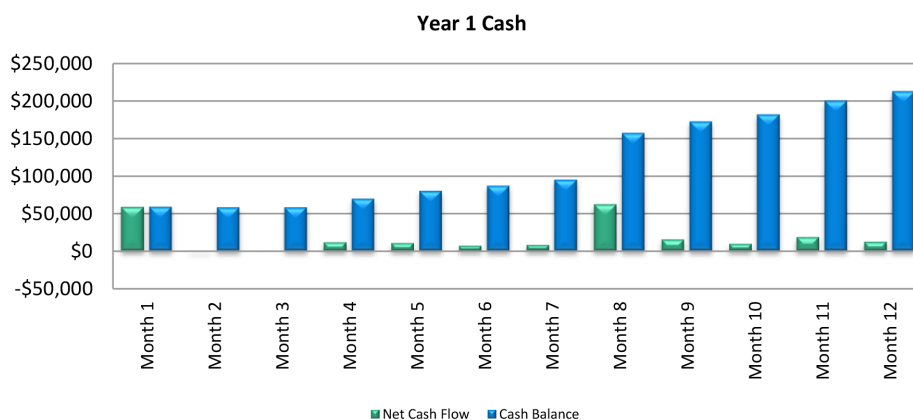
The chart below represents the total revenue for the next five years. The chart illustrates the percentage of revenue allocated to cost of goods (COG), operating expenses, taxes, and interest. The net income piece represents revenue less the aforementioned expenditures.



Projected Cash Flow

The following is a depiction of Safe Travels Inc. projected cash flow:

Pro Forma Cash Flow					
	Year 1	Year 2	Year 3	Year 4	Year 5
Cash Received					
Revenue	\$930,370	\$1,498,520	\$1,601,470	\$2,231,274	\$2,310,201
Owner Contribution	\$95,000	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$947,839	\$1,451,174	\$1,592,891	\$2,178,790	\$2,303,624
Expenditures					
Expenditures from Operations					
Total Personnel	\$181,360	\$310,714	\$353,645	\$525,420	\$541,182
Bill Payments	\$588,242	\$979,764	\$1,072,796	\$1,327,498	\$1,402,817
Subtotal Spent on Operations	\$769,602	\$1,290,479	\$1,426,441	\$1,852,918	\$1,944,000
Additional Cash Spent					
Start-up Costs	\$21,000	\$0	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$30,000	\$45,000	\$56,000	\$5,500
Subtotal Cash Spent	\$734,956	\$1,320,479	\$1,471,441	\$1,908,918	\$1,949,500
Net Cash Flow	\$212,883	\$130,696	\$121,450	\$269,872	\$354,124
Cash Balance	\$212,883	\$343,578	\$465,029	\$734,901	\$1,089,025



Projected Balance Sheet

The following is a balance sheet of Safe Travels Inc.

Pro Forma Balance Sheet					
	Year 1	Year 2	Year 3	Year 4	Year 5
Assets					
Current Assets					
Cash	\$212,883	\$343,578	\$465,029	\$734,901	\$1,089,025
Account Receivable	\$77,531	\$124,877	\$133,456	\$185,939	\$192,517
Other Current Assets	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990
Total Current Assets	\$447,404	\$625,446	\$755,475	\$1,077,831	\$1,438,532
Long-term Assets					
Long-term Assets	\$0	\$30,000	\$75,000	\$131,000	\$136,500
Accumulated Depreciation	\$0	\$0	\$7,500	\$20,600	\$34,250
Total Long-term Assets	\$0	\$30,000	\$67,500	\$110,400	\$102,250
Total Assets	\$447,404	\$655,446	\$822,975	\$1,188,231	\$1,540,782
Liabilities and Capital					
Current Liabilities					
Accounts Payable	\$141,350	\$157,404	\$84,962	\$115,325	\$119,498
Subtotal Current Liabilities	\$141,350	\$157,404	\$84,962	\$115,325	\$119,498
Total Liabilities	\$141,350	\$157,404	\$84,962	\$115,325	\$119,498
Paid-in Capital	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000
Retained Earnings	\$100,950	\$168,054	\$360,042	\$600,013	\$934,905
Earnings	\$67,104	\$191,988	\$239,971	\$334,892	\$348,379
Total Capital	\$306,054	\$498,042	\$738,013	\$1,072,905	\$1,421,284
Total Liabilities and Capital	\$447,404	\$655,445	\$822,975	\$1,188,230	\$1,540,781
Net Worth	\$306,054	\$498,042	\$738,013	\$1,072,905	\$1,421,284

Sensitivity Analysis

The sensitivity analysis below assumes that revenues are 10% higher or 10% lower than the figures projected earlier in this business plan.

Best Case Scenario (Revenue Increases by 10%)					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$1,023,407	\$1,648,372	\$1,761,617	\$2,454,401	\$2,541,221
Cost of Goods	\$630,168	\$945,815	\$930,124	\$1,273,142	\$1,319,853
Gross Margin	\$393,239	\$702,557	\$831,493	\$1,181,259	\$1,221,368
Gross Margin/Revenue	38.42%	42.62%	47.20%	48.13%	48.06%
Operating Expenses	\$271,662	\$395,666	\$452,141	\$649,958	\$669,349
Net Profit	\$89,470	\$242,444	\$299,688	\$419,728	\$436,095
Cash Flow	\$235,248	\$181,152	\$181,166	\$354,708	\$441,840
Cash Balance	\$290,894	\$472,046	\$653,212	\$1,007,920	\$1,449,761
Net Profit/Revenue	8.74%	14.71%	17.01%	17.10%	17.16%

Worst Case Scenario (Revenue Decreases by 10%)					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$837,333	\$1,348,668	\$1,441,323	\$2,008,146	\$2,079,181
Cost of Goods	\$515,592	\$773,848	\$761,011	\$1,041,662	\$1,079,879
Gross Margin	\$321,741	\$574,820	\$680,312	\$966,484	\$999,301
Gross Margin/Revenue	38.42%	42.62%	47.20%	48.13%	48.06%
Operating Expenses	\$271,662	\$395,666	\$452,141	\$649,958	\$669,349
Net Profit	\$31,452	\$141,531	\$180,255	\$250,056	\$260,662
Cash Flow	\$177,231	\$80,239	\$61,734	\$185,036	\$266,407
Cash Balance	\$232,877	\$313,116	\$374,850	\$559,886	\$826,293
Net Profit/Revenue	3.76%	10.49%	12.51%	12.45%	12.54%

Financial Assumptions

The assumptions below provide growth rates, cash on hand, and the terms of funding based on an initial contribution from the Parent Company amount of \$95,000.

Financial Assumptions					
	Year 1	Year 2	Year 3	Year 4	Year 5
Growth Assumptions					
Total Revenue Growth		61%	7%	39%	4%
Total Expense Growth		46%	14%	44%	3%
Personnel Assumptions					
Average Salary Growth		3%	3%	3%	3%
Payroll Growth		71%	14%	49%	3%
Cash Assumptions					
Months of Cash on Hand	1	10	12	14	20
Bill Payment Term (Days)	32	32	32	32	32

Appendix: Year One Financials

Year 1 Revenue Forecast												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Total												
Tour Packages	50	83	100	133	149	149	149	149	166	166	183	183
Airline Ticket	100	166	199	266	299	299	299	299	332	332	366	366
Hotel Booking/Visa Services	17	28	33	44	50	50	50	50	55	55	61	61
Revenue												
Tour Packages	\$7,475	\$12,458	\$14,949	\$19,932	\$22,424	\$22,424	\$22,424	\$22,424	\$24,915	\$24,915	\$27,407	\$27,407
Airline Ticket	\$19,938	\$33,230	\$39,876	\$53,168	\$59,814	\$59,814	\$59,814	\$59,814	\$66,460	\$66,460	\$73,106	\$73,106
Hotel Booking/Visa Services	\$499	\$831	\$997	\$1,330	\$1,496	\$1,496	\$1,496	\$1,496	\$1,662	\$1,662	\$1,828	\$1,828
Total Revenue	\$27,911	\$46,519	\$55,822	\$74,430	\$83,733	\$83,733	\$83,733	\$83,733	\$93,037	\$93,037	\$102,341	\$102,341
Direct Cost of Revenue												
Airline Ticket	\$14,954	\$24,923	\$29,907	\$39,876	\$44,861	\$44,861	\$44,861	\$44,861	\$49,845	\$49,845	\$54,830	\$54,830
Subtotal Cost of Revenue	\$14,954	\$24,923	\$29,907	\$39,876	\$44,861	\$44,861	\$44,861	\$44,861	\$49,845	\$49,845	\$54,830	\$54,830

Year 1 Personnel Forecast												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Staff Count												
CEO	1	1	1	1	1	1	1	1	1	1	1	1
VP Operations	1	1	1	1	1	1	1	1	1	1	1	1
Sales Manager - Tour Operations	1	1	1	1	1	1	1	1	1	1	1	1
Administrative Assistant	1	1	1	1	1	1	1	1	1	1	1	1
Tour Guide	1	1	1	1	1	1	1	1	1	1	1	1
Total Personnel	5	5	5	5	5	5	5	5	5	5	5	5
Staff Salaries - Total												
CEO	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167
VP Operations	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333
Sales Manager - Tour Operations	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880	\$2,880
Administrative Assistant	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Tour Guide	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333	\$2,333
Total Payroll	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113

Year 1 Income Statement												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Revenue	\$27,911	\$46,519	\$55,822	\$74,430	\$83,733	\$83,733	\$83,733	\$83,733	\$93,037	\$93,037	\$102,341	\$102,341
Subtotal Cost of Revenue	\$14,954	\$24,923	\$29,907	\$39,876	\$44,861	\$44,861	\$44,861	\$44,861	\$49,845	\$49,845	\$54,830	\$54,830
Sales Commission	\$2,233	\$3,721	\$4,466	\$5,954	\$6,699	\$6,699	\$6,699	\$6,699	\$7,443	\$7,443	\$8,187	\$8,187
Total Cost of Revenue	\$17,186	\$28,644	\$34,373	\$45,830	\$51,559	\$51,559	\$51,559	\$51,559	\$57,288	\$57,288	\$63,017	\$63,017
Gross Margin	\$10,725	\$17,875	\$21,449	\$28,599	\$32,174	\$32,174	\$32,174	\$32,174	\$35,749	\$35,749	\$39,324	\$39,324
Gross Margin/Revenue	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%	38.42%
Expenses												
Rent	\$440	\$440	\$440	\$440	\$440	\$440	\$440	\$440	\$440	\$440	\$440	\$440
General Insurance Liability	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Website Hosting/ Updates	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
Marketing & Advertising	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Supplies	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350
Professional Services	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Travel & Fuel	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Startup Expenses	\$21,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Taxes & Benefits	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685	\$1,685
Total Personnel	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113
Total Operating Expenses	\$41,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888	\$20,888
Profit Before Interest and Taxes	(\$31,164)	(\$3,014)	\$561	\$7,711	\$11,286	\$11,286	\$11,286	\$11,286	\$14,861	\$14,861	\$18,435	\$18,435
Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$2,370	\$2,370	\$3,121	\$3,121	\$3,871	\$3,871
Net Profit	(\$31,164)	(\$3,014)	\$561	\$7,711	\$11,286	\$11,286	\$8,916	\$8,916	\$11,740	\$11,740	\$14,564	\$14,564
Net Profit/Revenue	-111.65%	-6.48%	1.00%	10.36%	13.48%	13.48%	10.65%	10.65%	12.62%	12.62%	14.23%	14.23%

Appendix: Year One Financials

Year 1 Cash Flow												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Additional Cash Received												
Revenue	\$27,911	\$46,519	\$55,822	\$74,430	\$83,733	\$83,733	\$83,733	\$83,733	\$93,037	\$93,037	\$102,341	\$102,341
Owner Contribution	\$95,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cash Received	\$95,000	\$37,215	\$49,620	\$66,677	\$77,221	\$79,392	\$80,632	\$81,407	\$90,194	\$90,763	\$99,634	\$100,085
Total Personnel	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113	\$15,113
Bill Payments	\$0	\$22,962	\$34,419	\$40,148	\$51,606	\$57,334	\$57,334	\$4,058	\$59,704	\$66,184	\$66,184	\$72,663
Additional Cash Spent												
Start-up Costs	\$21,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Spent	\$36,113	\$38,075	\$49,532	\$55,261	\$66,719	\$72,448	\$72,448	\$19,172	\$74,818	\$81,297	\$81,297	\$87,777
Net Cash Flow	\$58,887	(\$860)	\$87	\$11,415	\$10,502	\$6,944	\$8,184	\$62,236	\$15,377	\$9,466	\$18,337	\$12,309
Cash Balance	\$58,887	\$58,027	\$58,114	\$69,529	\$80,031	\$86,975	\$95,159	\$157,395	\$172,772	\$182,237	\$200,574	\$212,883

Year 1 Balance Sheet												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Current Assets												
Cash	\$58,887	\$58,027	\$58,114	\$69,529	\$80,031	\$86,975	\$95,159	\$157,395	\$172,772	\$182,237	\$200,574	\$212,883
Account Receivable	\$27,911	\$37,215	\$43,417	\$51,170	\$57,683	\$62,025	\$65,126	\$67,452	\$70,295	\$72,569	\$75,275	\$77,531
Other Current Assets	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990	\$156,990
Total Current Assets	\$243,788	\$252,232	\$258,522	\$277,690	\$294,704	\$305,990	\$317,276	\$381,837	\$400,057	\$411,797	\$432,840	\$447,404
Total Assets	\$243,788	\$252,232	\$258,522	\$277,690	\$294,704	\$305,990	\$317,276	\$381,837	\$400,057	\$411,797	\$432,840	\$447,404
Current Liabilities												
Accounts Payable	\$91,648	\$103,106	\$108,834	\$120,292	\$126,021	\$126,021	\$128,391	\$128,391	\$134,870	\$134,870	\$141,350	\$141,350
Subtotal Current Liabilities	\$91,648	\$103,106	\$108,834	\$120,292	\$126,021	\$126,021	\$128,391	\$128,391	\$134,870	\$134,870	\$141,350	\$141,350
Total Liabilities	\$91,648	\$103,106	\$108,834	\$120,292	\$126,021	\$126,021	\$128,391	\$128,391	\$134,870	\$134,870	\$141,350	\$141,350
Paid-in Capital	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000	\$138,000
Retained Earnings	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950	\$100,950
Earnings	(\$31,164)	(\$34,178)	(\$33,617)	(\$25,906)	(\$14,620)	(\$3,335)	\$5,581	\$14,497	\$26,237	\$37,976	\$52,540	\$67,104
Total Capital	\$207,786	\$204,772	\$205,333	\$213,044	\$224,329	\$235,615	\$244,531	\$253,446	\$265,186	\$276,926	\$291,490	\$306,054
Total Liabilities and Capital	\$299,434	\$307,877	\$314,167	\$333,336	\$350,350	\$361,636	\$372,921	\$381,837	\$400,056	\$411,796	\$432,840	\$447,404
Net Worth	\$152,140	\$149,126	\$149,687	\$157,398	\$168,684	\$179,969	\$188,885	\$253,447	\$265,187	\$276,926	\$291,490	\$306,054

