



DEUTSCH
— 3PL GROUP —

Table of Contents

1.0 Executive Summary	4
2.0 The Financing	7
2.1 Funds Required	7
2.2 Management and Investor Equity	7
2.3 Exit Strategies	7
3.0 Operations	8
4.0 Overview of the Organization.....	9
4.1 Registered Name	9
4.2 Commencement of Operations	9
4.3 Mission Statement.....	9
4.4 Vision Statement.....	9
4.5 Organizational Objectives.....	9
5.0 Market and Industry Analysis.....	10
5.1 External Environmental Analysis	10
5.2 Industry Analysis	10
5.3 Customer Profile	10
5.4 Competitive Analysis.....	12
6.0 Key Strategic Issues	12
6.1 Sustainable Operations.....	13
6.2 Basis of Growth	13
7.0 Marketing Plan.....	14
7.1 Marketing Objectives.....	14
7.2 Revenue Forecasts	14
7.3 Revenue Assumptions.....	14
7.4 Marketing Strategies	15
8.0 Organizational Plan.....	16
8.1 Organizational Hierarchy.....	16
8.2 Personnel Costs	17
9.0 Financial Plan.....	18

9.1 Underlying Assumptions	18
9.2 Financial Highlights.....	18
9.3 Sensitivity Analysis	18
9.4 Source of Funds	18
9.5 Financial Proformas	19
A) Profit and Loss Statement.....	19
B) Common Size Income Statement.....	20
C) Cash Flow Analysis	21
D) Balance Sheet.....	22
9.6 Breakeven Analysis	23
9.7 Business Ratios	23
Appendix A – SWOT Analysis.....	24
Appendix B – Critical Risks	25
Appendix C – Expanded Profit and Loss Statements	26
Appendix D – Expanded Cash Flow Analysis.....	32

1.0 Executive Summary

The purpose of this business plan is to secure \$500,000 for the development of a logistics enterprise based in King County, Washington. Deutsch 3PL Group LLC (“the Company”) was founded by Matthew Deutsch, and revenue generating operations will commence in the fourth quarter of this year. The Company will specialize and providing end-to-end logistic solutions spanning freight arrangement, warehousing, last mile delivery, and related supportive services for the needs of product distribution businesses within the greater Seattle area and King County.

Operations

The business will generate the vast majority of its profits from warehousing, last mile delivery, and supportive services. These are high margin revenue centers for Deutsch 3PL Group. The Company intends to work with small to medium size product distribution businesses within this market in order to fulfill these needs.

Although not the largest profit center for the business, the highest grossing segment of the Company’s operations will come from its freight arrangement service services. Among clients that have product stored at the Company’s facilities, the business can arrange for all facets of shipment to their domestic and international destinations. The Company will achieve contribution margins of 20% on the services.

The third section of this logistics business plan will further document the operations of the business.

The Financing

At this time, the Company is seeking a \$500,000 private investment in order to commence operations.

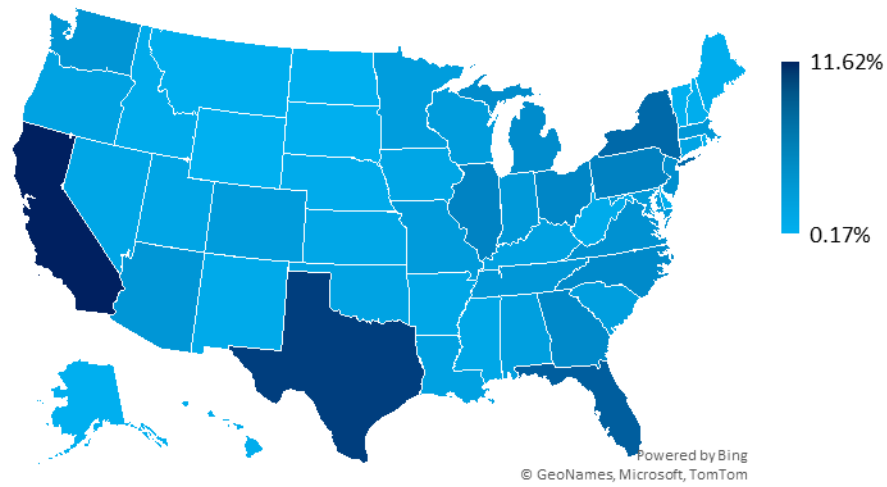
Given the highly predictable streams of revenue that will be generated from all facets of operation, Deutsch 3PL Group would be an excellent capital candidate for ongoing expansion funding on an as-needed basis. The Company could easily secure additional funding if additional locations are to be established throughout Washington State in order to provide logistic solutions for a greater number of clients.

The Future

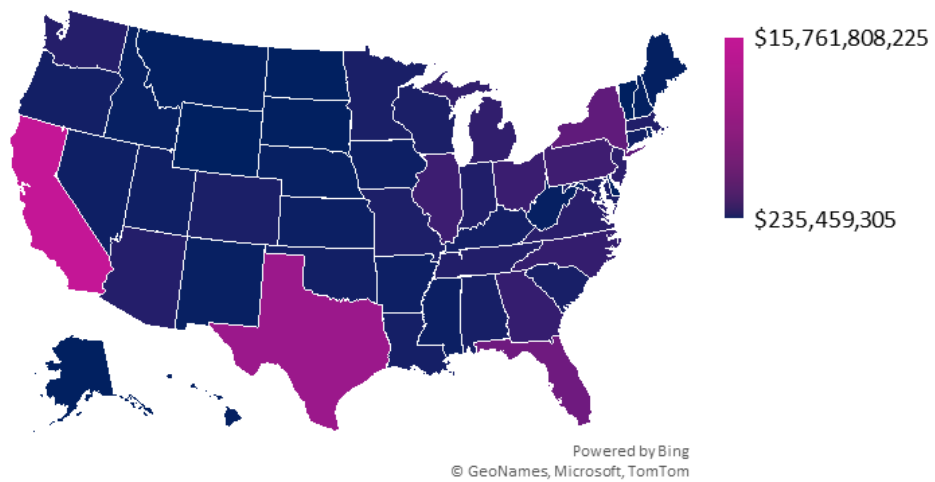
Of utmost importance of the Company’s growth will be the ongoing expansion of its last mile delivery services and warehousing operations. The business will continue to hire logistics personnel as well as warehouse support personnel in order to onboard a greater number of clients within King County and Seattle. The business may also establish additional locations once the initial warehouse location has reached maximum capacity.

National Market Overview

Target Market Size by State



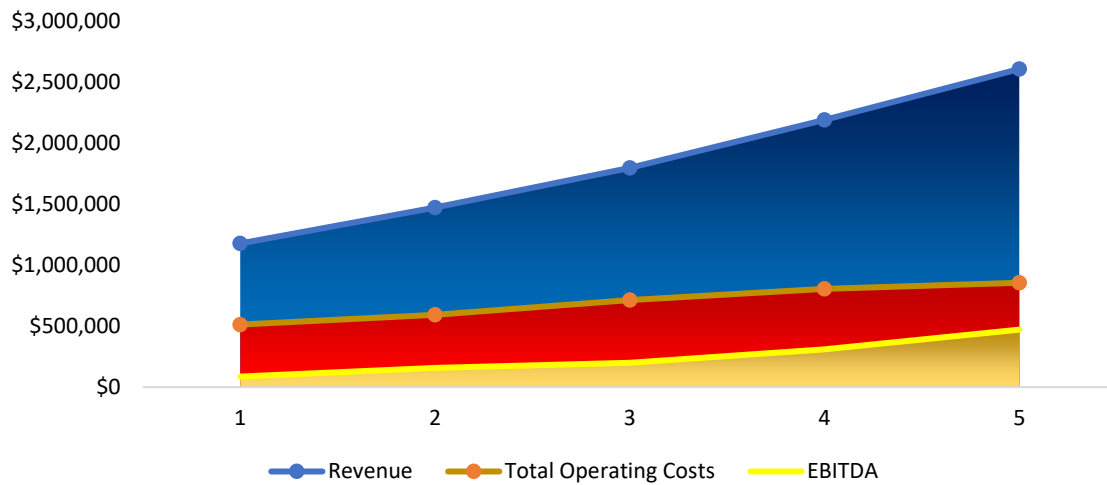
State Based Demand for 3PL



Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	\$1,178,100	\$1,472,625	\$1,796,603	\$2,191,855	\$2,608,308
Cost of Revenue	\$578,655	\$723,319	\$882,449	\$1,076,588	\$1,281,139
Gross Profit	\$599,445	\$749,306	\$914,154	\$1,115,267	\$1,327,168
Total Operating Costs	\$512,849	\$591,853	\$713,366	\$805,409	\$855,862
EBITDA	\$86,596	\$157,453	\$200,788	\$309,858	\$471,307

Revenue, Operating Costs, EBITDA



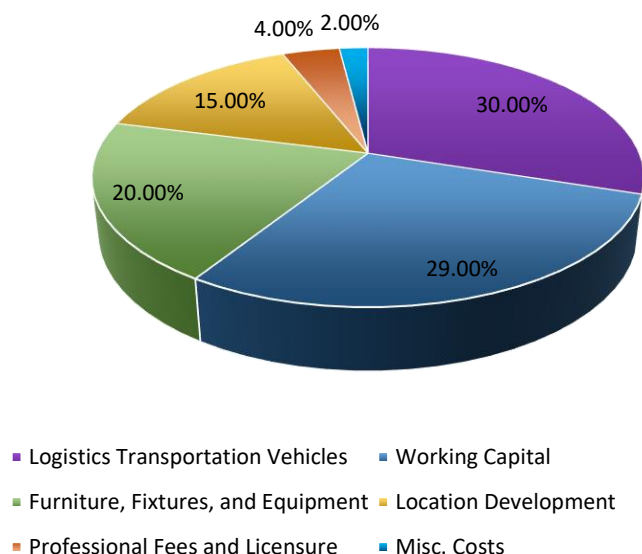
2.0 The Financing

2.1 Funds Required

The private investment discussed in this document will be allocated as follows:

Use of Funds	
Logistics Transportation Vehicles	\$150,000
Working Capital	\$145,000
Furniture, Fixtures, and Equipment	\$100,000
Location Development	\$75,000
Professional Fees and Licensure	\$20,000
Misc. Costs	\$10,000
Total	\$500,000

Use of Funds Overview



2.2 Management and Investor Equity

An investor can expect to receive a 50% ownership interest in Deutsch 3PL Group.

2.3 Exit Strategies

As these businesses are economically stable, there is an immense demand among large scale logistics providers to continually acquire smaller entities. In this event, the Company will work with a qualified business broker that will work with a larger logistics firm in order to absorb the operations of Deutsch 3PL Group. Based on the historical sales price of businesses that operate as an end-to-end logistics provider, the business could have evaluation of \$1.3 million by the fifth year.

3.0 Operations

As noted, the executive summary, Deutsch 3PL Group is being developed to provide comprehensive end-to-end logistic solutions that meet the demanding needs of a wide range product distribution businesses. As it relates to freight related services, the Company will be able to arrange for all assets of product distribution through trucks, air freight, and ocean freight. On each order, the Company anticipates contribution margins of 20%. The Company has already sourced a number of major carriers that will work with the business in order to provide timely delivery of client' products.

In order to provide comprehensive solutions, the business will also engage in last mile delivery among regional clients. This will be an exceptionally high grossing margin aspect of the Company's operations. Among smaller scale businesses that carry a significant amount of inventory, the Company will also provide bespoke warehousing solutions so that their products can be stored on site prior to their delivery and shipment. The Company will produce highly recurring fees of revenue from the ongoing storage of goods among a wide range of product distribution businesses based in King County.

It should be noted that the Company will directly employ its warehouse and logistics staff in order to maintain full control over their operations. The business will acquire several box trucks that will be used during the course of last mile delivery operations.

4.0 Overview of the Organization

4.1 Registered Name

Deutsch 3PL Group LLC. The business is registered as a limited liability company in the State of Washington.

4.2 Commencement of Operations

The Company will start operations in the fourth quarter of this year.

4.3 Mission Statement

To provide comprehensive third-party logistics solutions to a wide range of companies on a cost-effective basis.

4.4 Vision Statement

To become recognized as one of their premier third-party logistics firms within the State of Washington.

4.5 Organizational Objectives

- Properly onboard highly qualified staff that will render logistics and warehousing services for the Company's clients.
- Conduct extensive direct outreach with product distribution businesses that are principally based in Seattle and the greater King County area.
- Maintain fiscally sound protocols so that the business can remain profitable even during high energy pricing periods.
- Implement the latest and best practices as it relates to all aspects of logistics process.
- Use state-of-the-art technology for all facets of operation to ensure that all client goods are properly managed and dispatched to their destinations.
- Provide upwardly mobile employment opportunities for the Company's staff.

5.0 Market and Industry Analysis

5.1 External Environmental Analysis

This section will logistics business plan will discuss the current economic climate, the industry, the demographics of companies using Deutsch 3PL Group's services, and the ongoing competition of the business will face.

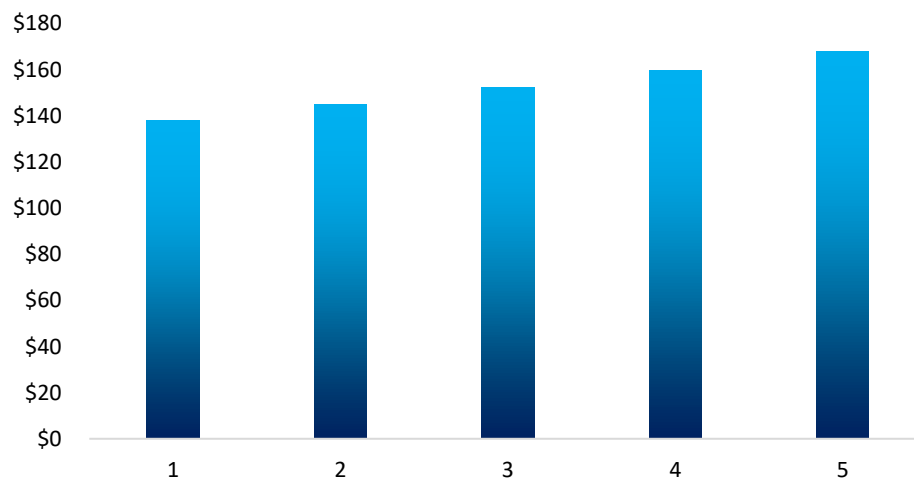
The current economic climate in the United States is moderate. Due to changing trade policies, as well as evolving fiscal policy, there has been a significant degree of inflation introduced into the market. It should be noted that numerous government agencies are taking the appropriate steps to assist with the reduction of inflation.

Even during challenging economic climates, the demand for Deutsch 3PL Group services will remain relatively strong. It is far more cost-effective to outsource certain aspects of logistics to third-parties like the Company in order to ensure a higher profit margin. The end-to-end logistic solutions provided by the business will allow its clients to operate with a higher degree of probability and as such a higher degree of economics stability.

5.2 Industry Analysis

There are 75,000 companies that operate in a third-party logistics capacity. These business businesses generate \$140 billion a year of revenue providing jobs for 470,000 people.

Logistics Industry Revenues (billions)



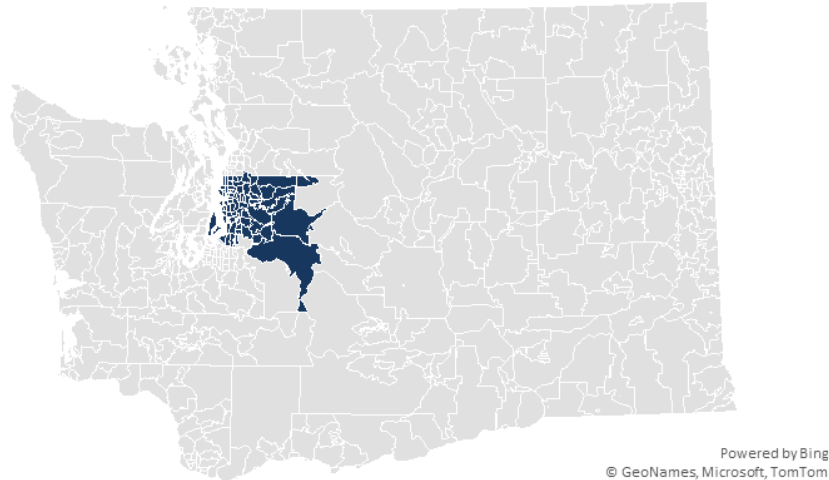
The growth profile for this industry is positive. As there are significant cost savings associated with using third-party logistics firms, Deutsch 3PL Group will be able to capitalize on this among entities within Seattle and King County that are principally engaged in the distribution of products. Additionally, the Company will use state of the art technology as it relates to tracking all inventory and every shipment manage by the business.

5.3 Customer Profile

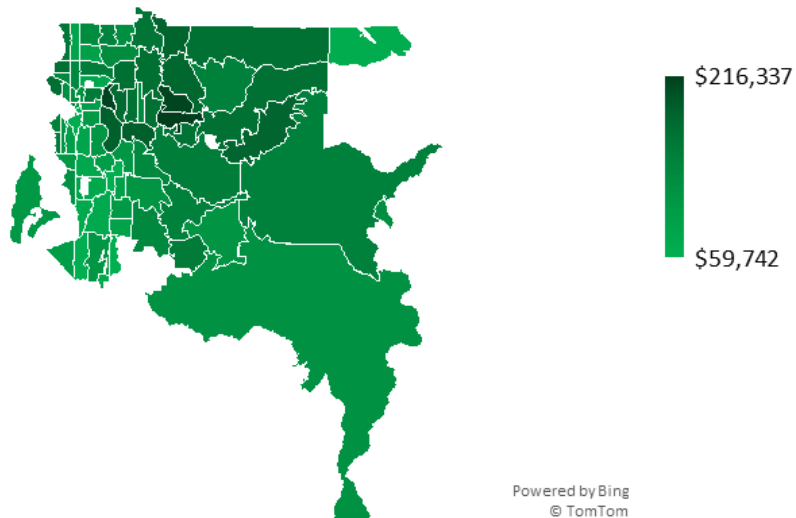
The business will use the following profile for the Company's marketing operations:

- Annual revenues of \$250,000 to \$3 million+
- Will spend \$2,500 to \$20,000 per month with the Company
- Operates within 100 miles of the Deutsch 3PL Group location

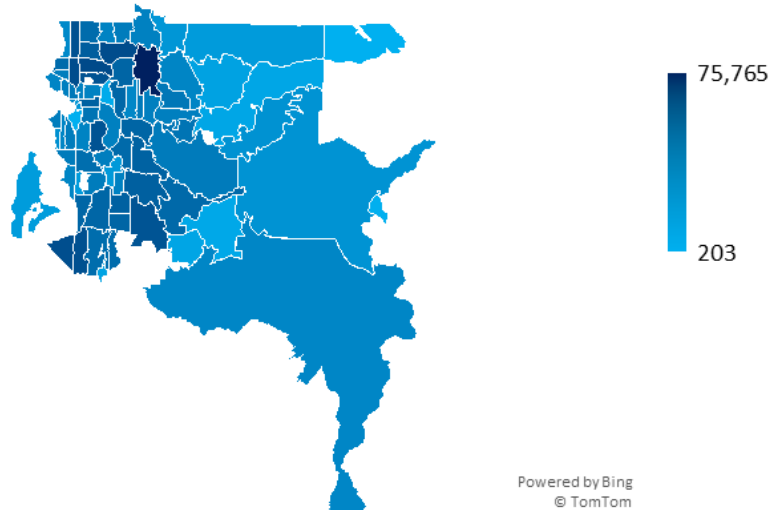
Target Market Area



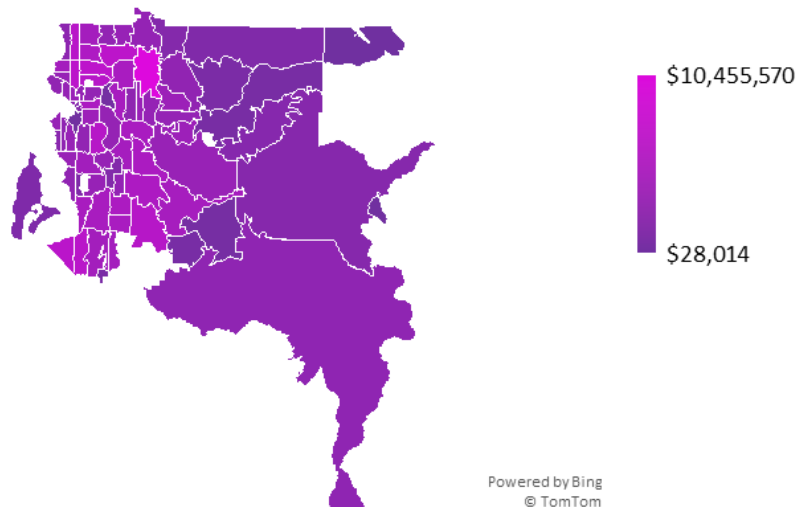
Target Market Area Household Income



Target Market Area Population



Target Market Area Demand



5.4 Competitive Analysis

The ongoing competition that Deutsch 3PL Group will face is moderate within the greater King County market. The business will maintain a significant differentiating factor by being able to provide freight forwarding, last mile delivery, as well as warehousing. This symbiotic ecosystem will allow for substantial cost savings for the Company's clients which will be highlighted through throughout all marketing messages.

6.0 Key Strategic Issues

6.1 Sustainable Operations

Deutsch 3PL Group will have sustainable operations as a result of the following:

- The ability to operate as an end-to-end solutions provider, including last mile delivery will provide a significant advantage for Deutsch 3PL Group.
- Strong demand in Seattle and the greater King County market given the wealth and population density of this area.
- A highly experienced Founder and CEO, Matthew Deutsch, that has extensive experience in the field of third-party logistics.
- The Company can easily scale its operations for the acquisition of additional operating assets as well as the development of additional warehousing locations.

6.2 Basis of Growth

The Company will expand via the following methods:

- Continued expansion of the number of clients that the business has with a focus on entities that are engaged in the product distribution among stable industries.
- Expansion the number of warehousing facilities that are maintained within Washington State.
- Continued expansion of the Company's last mile delivery operations as this produces highly recurring reams of revenue.

7.0 Marketing Plan

7.1 Marketing Objectives

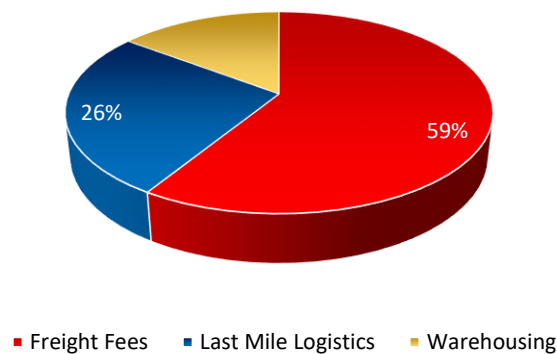
- Properly develop a sales team that will be able to approach entities that are engaged in product distribution.
- Use multiple forms of online marketing in order to have the business found quickly when online searches are completed.
- Enroll among organizations that are specific for the third-party logistics industry, which will elevate the brands profile.

7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Freight Fees	\$693,000	\$866,250	\$1,056,825	\$1,289,327	\$1,534,299
Last Mile Logistics	\$311,850	\$389,813	\$475,571	\$580,197	\$690,434
Warehousing	\$173,250	\$216,563	\$264,206	\$322,332	\$383,575
Total	\$1,178,100	\$1,472,625	\$1,796,603	\$2,191,855	\$2,608,308

Gross Profit					
Year	1	2	3	4	5
Total	\$599,445	\$749,306	\$914,154	\$1,115,267	\$1,327,168

Revenue Generation



7.3 Revenue Assumptions

Year 1

- The business will establish its operations in the fourth quarter of this year.
- Revenue will reach \$1.1 million.

Year 2

- The Company will onboard a greater number of product distribution businesses.
- Revenues will reach \$1.4 million.

Years 3-5

- By Year 5, the Company will generate \$2.6 million.
- At this time, the business may establish additional warehouse locations.

7.4 Marketing Strategies

Management and the sales team will use a number of marketing strategies that will create significant awareness for the comprehensive third-party logistics solutions offered by Deutsch 3PL Group. The Company intends to onboard independently contracted sales staff that will directly approach product distribution businesses within Seattle, King County, and the State of Washington in order to showcase the capabilities of the business. These sales agents will be given a commission each time that a new client is on boarded.

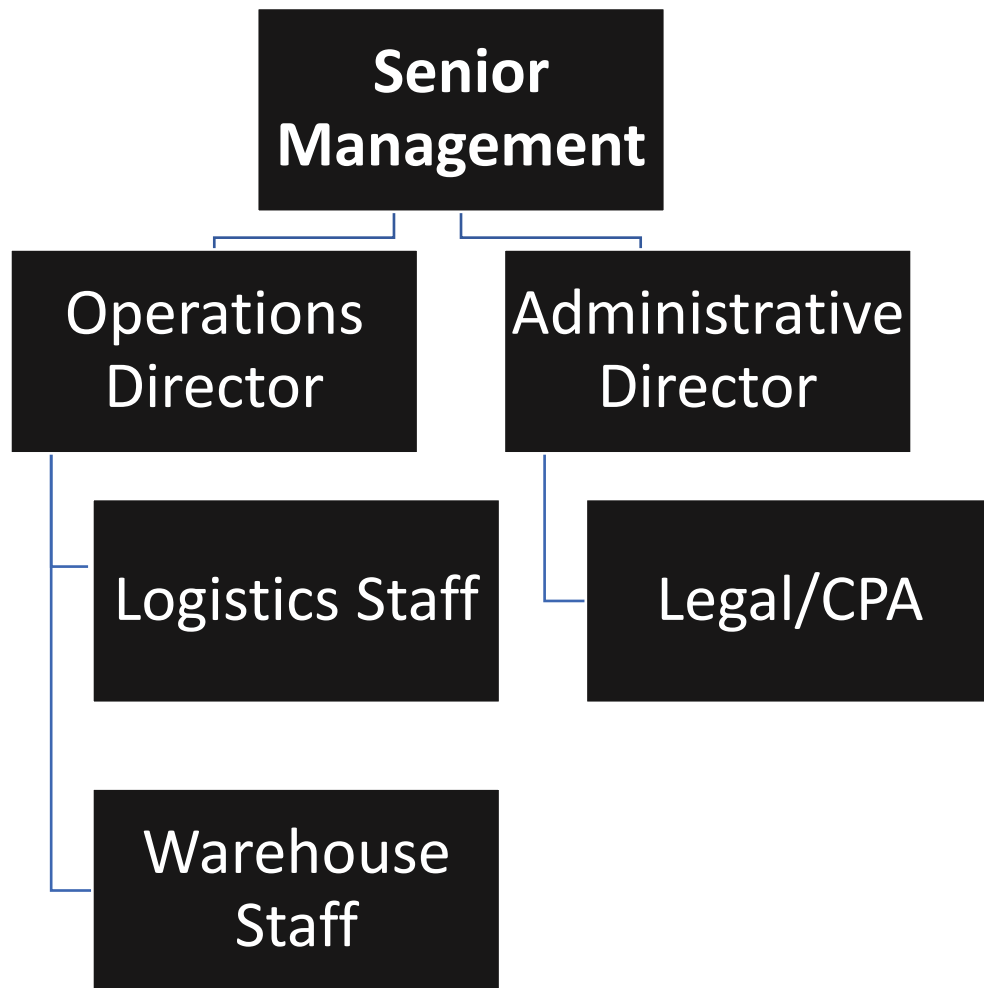
For the Company's online presence, the business will have a proprietary platform that showcases the wide-ranging logistics capabilities of the company. This website will undergo search engine optimization specific for Seattle, King County, and selected markets within Washington state.

For social media, the business will focus heavily on establishing a widely visible presence on LinkedIn. Here, the company will use specialized advertising that will bring the attention of the business to logistics managers at product distribution firms within the target market. The business will frequently post articles regarding issues that are faced within the logistics industry to further build trust.

The Company will also maintain ongoing relationships with other entities that are based in the field of third-party logistics. Given the end-to-end nature of the Company's services, Management sees a significant opportunity for developing referral relationships that will be mutually beneficial in the coming years.

8.0 Organizational Plan

8.1 Organizational Hierarchy

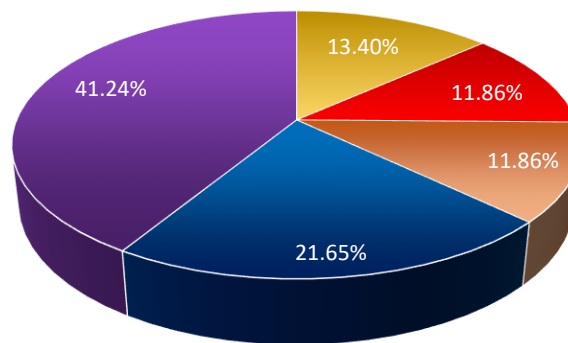


8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Senior Management	\$65,000	\$65,650	\$66,307	\$66,970	\$67,639
Operations Director	\$57,500	\$58,075	\$58,656	\$59,242	\$59,835
Administrative Director	\$57,500	\$58,075	\$58,656	\$59,242	\$59,835
Warehouse Staff	\$70,000	\$70,700	\$107,111	\$108,182	\$109,263
Logistics Staff	\$80,000	\$121,200	\$163,216	\$206,060	\$208,121
Total	\$330,000	\$373,700	\$453,945	\$499,696	\$504,693

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Senior Management	1	1	1	1	1
Operations Director	1	1	1	1	1
Administrative Director	1	1	1	1	1
Warehouse Staff	2	2	3	3	3
Logistics Staff	2	3	4	5	5
Total	7	8	10	11	11

Personnel Summary



- Senior Management
- Operations Director
- Administrative Director
- Warehouse Staff
- Logistics Staff

9.0 Financial Plan

9.1 Underlying Assumptions

- Deutsch 3PL Group will acquire a private investment of \$500,000 to establish operations.
- The business will achieve contribution margins of 50% on an aggregated basis.
- The company will have a compounded annual growth rate of 22%.

9.2 Financial Highlights

- On warehousing and logistics services, the business will achieve contribution margins of 95%.
- Freight forwarding operations will have a profit margin of 20%.

9.3 Sensitivity Analysis

The Company will be able to maintain this profitability even during times of recession. As has been one of the themes throughout this document, the demand for third-party logistics tends to remain strong given that this is a cost saving measure implemented by numerous product distribution businesses. Furthermore, the Company is operating in a population dense market, which is less swayed during challenging economic climate.

9.4 Source of Funds

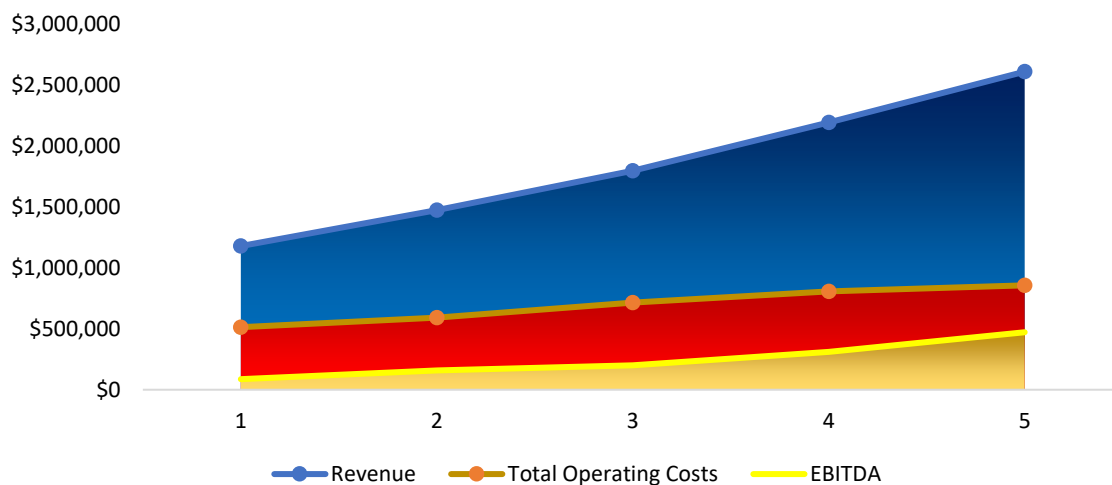
Financing	
Equity	
Equity Capitalization	\$500,000.00
Total Equity Financing	\$500,000.00
Banks and Lenders	
Total Debt Financing	\$0.00
Total Financing	\$500,000.00

9.5 Financial Proformas

A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
Revenue	\$1,178,100	\$1,472,625	\$1,796,603	\$2,191,855	\$2,608,308
Cost of Revenue	\$578,655	\$723,319	\$882,449	\$1,076,588	\$1,281,139
Gross Margin	50.88%	50.88%	50.88%	50.88%	50.88%
Gross Profit	\$599,445	\$749,306	\$914,154	\$1,115,267	\$1,327,168
Expenses					
Payroll	\$330,000	\$373,700	\$453,945	\$499,696	\$504,693
Facility Costs	\$25,000	\$25,250	\$25,503	\$25,758	\$26,015
General and Administrative	\$17,672	\$22,089	\$26,949	\$32,878	\$39,125
Professional Fees and Licensure	\$6,000	\$6,060	\$6,121	\$6,182	\$6,244
Insurance	\$13,472	\$16,840	\$20,545	\$25,065	\$29,827
Marketing	\$11,781	\$14,726	\$17,966	\$21,919	\$26,083
Fuel	\$74,844	\$93,555	\$114,137	\$139,247	\$165,704
Misc. Costs	\$8,836	\$11,045	\$13,475	\$16,439	\$19,562
Payroll Taxes	\$25,245	\$28,588	\$34,727	\$38,227	\$38,609
Total Operating Costs	\$512,849	\$591,853	\$713,366	\$805,409	\$855,862
EBITDA	\$86,596	\$157,453	\$200,788	\$309,858	\$471,307
Federal Income Tax	\$16,249	\$33,113	\$43,122	\$69,540	\$109,027
State Income Tax	\$3,250	\$6,623	\$8,624	\$13,908	\$21,805
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$21,600	\$25,000	\$28,300	\$31,700	\$35,200
Net Profit	\$45,497	\$92,717	\$120,742	\$194,711	\$305,275
Profit Margin	3.86%	6.30%	6.72%	8.88%	11.70%

Revenue, Operating Costs, EBITDA



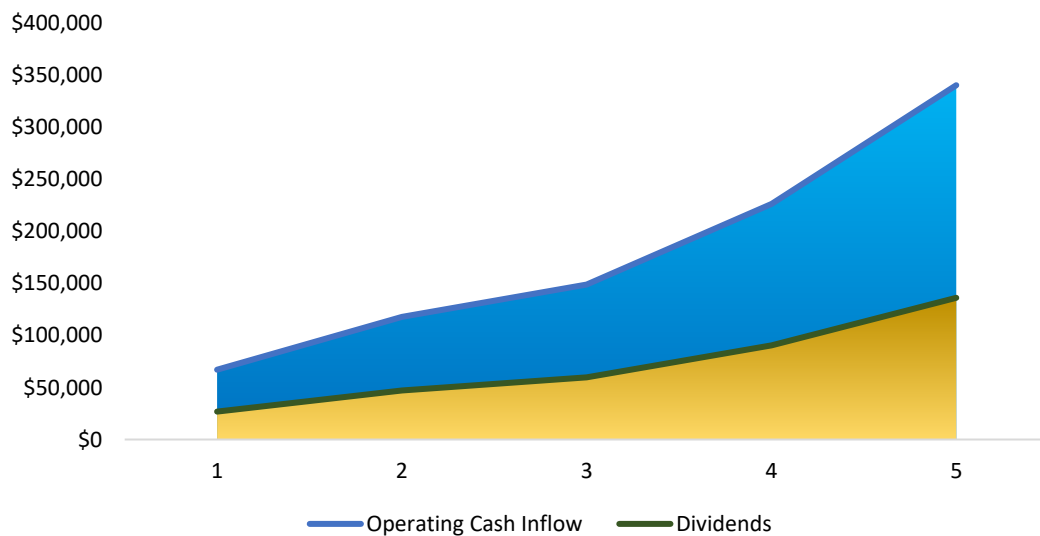
B) Common Size Income Statement

Proforma Profit and Loss (Common Size)					
Year	1	2	3	4	5
Revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	49.12%	49.12%	49.12%	49.12%	49.12%
Gross Profit	50.88%	50.88%	50.88%	50.88%	50.88%
Expenses					
Payroll	28.01%	25.38%	25.27%	22.80%	19.35%
Facility Costs	2.12%	1.71%	1.42%	1.18%	1.00%
General and Administrative	1.50%	1.50%	1.50%	1.50%	1.50%
Professional Fees and Licensure	0.51%	0.41%	0.34%	0.28%	0.24%
Insurance	1.14%	1.14%	1.14%	1.14%	1.14%
Marketing	1.00%	1.00%	1.00%	1.00%	1.00%
Fuel	6.35%	6.35%	6.35%	6.35%	6.35%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	2.14%	1.94%	1.93%	1.74%	1.48%
Total Operating Costs	43.53%	40.19%	39.71%	36.75%	32.81%
EBITDA	7.35%	10.69%	11.18%	14.14%	18.07%
Federal Income Tax	1.38%	2.25%	2.40%	3.17%	4.18%
State Income Tax	0.28%	0.45%	0.48%	0.63%	0.84%
Interest Expense	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation Expenses	1.83%	1.70%	1.58%	1.45%	1.35%
Net Profit	3.86%	6.30%	6.72%	8.88%	11.70%

C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$67,097	\$117,717	\$149,042	\$226,411	\$340,475
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$67,097	\$117,717	\$149,042	\$226,411	\$340,475
Other Cash Inflows					
Equity Investment	\$500,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
Total Other Cash Inflows	\$501,000	\$1,050	\$1,103	\$1,158	\$1,216
Total Cash Inflow	\$568,097	\$118,767	\$150,144	\$227,568	\$341,690
Cash Outflows					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$325,000	\$50,000	\$50,500	\$51,005	\$51,515
Dividends	\$26,839	\$47,087	\$59,617	\$90,564	\$136,190
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$352,539	\$97,822	\$110,888	\$142,380	\$188,556
Net Cash Flow	\$215,558	\$20,945	\$39,256	\$85,189	\$153,134
Cash Balance	\$215,558	\$236,504	\$275,759	\$360,948	\$514,082

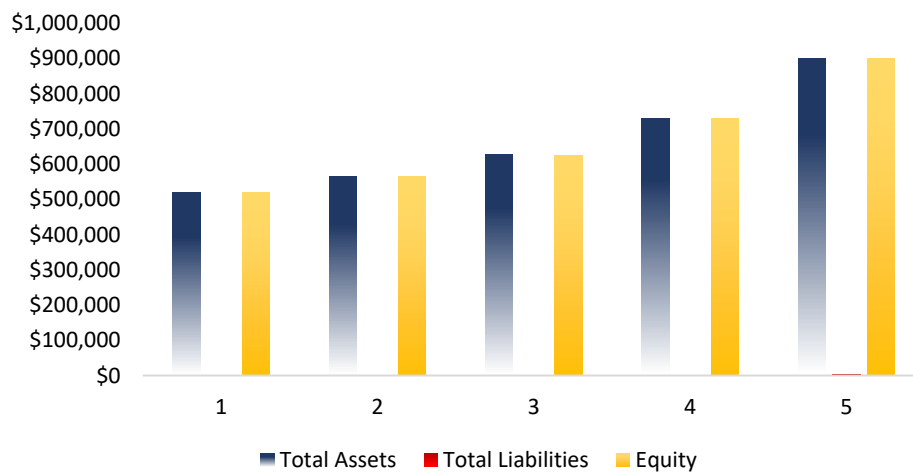
Cash Flow Analysis



D) Balance Sheet

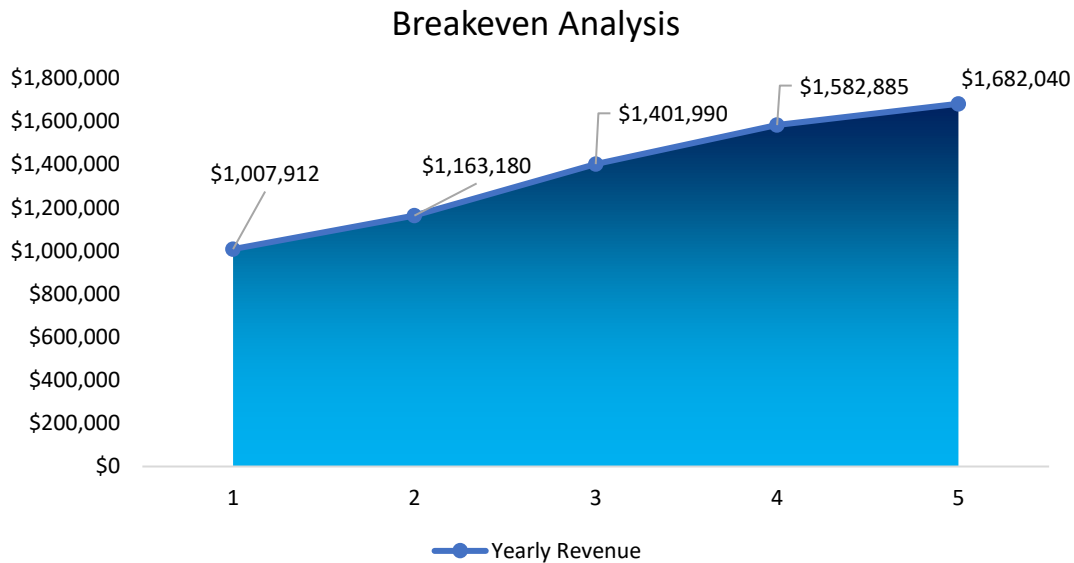
Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
Assets					
Cash	\$215,558	\$236,504	\$275,759	\$360,948	\$514,082
Fixed Assets	\$325,000	\$375,000	\$425,500	\$476,505	\$528,020
Accumulated Depreciation	(\$21,600)	(\$46,600)	(\$74,900)	(\$106,600)	(\$141,800)
Total Assets	\$518,958	\$564,904	\$626,359	\$730,853	\$900,302
Liabilities and Equity					
Accounts Payable	\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities	\$0	\$0	\$0	\$0	\$0
Other Liabilities	\$0	\$0	\$0	\$0	\$0
Total Liabilities	\$300	\$615	\$946	\$1,293	\$1,658
Equity	\$518,658	\$564,289	\$625,413	\$729,560	\$898,645
Total Liabilities and Equity	\$518,958	\$564,904	\$626,359	\$730,853	\$900,302

Balance Sheet



9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	\$83,993	\$96,932	\$116,833	\$131,907	\$140,170
Yearly Revenue	\$1,007,912	\$1,163,180	\$1,401,990	\$1,582,885	\$1,682,040



9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
Revenue					
Sales Growth	0.0%	25.0%	22.0%	22.0%	19.0%
Gross Margin	50.9%	50.9%	50.9%	50.9%	50.9%
Financials					
Profit Margin	3.86%	6.30%	6.72%	8.88%	11.70%
Assets to Liabilities	1729.86	918.54	662.29	565.22	543.11
Equity to Liabilities	1728.86	917.54	661.29	564.22	542.11
Assets to Equity	1.00	1.00	1.00	1.00	1.00
Liquidity					
Acid Test	718.53	384.56	291.58	279.15	310.12
Cash to Assets	0.42	0.42	0.44	0.49	0.57

Appendix A – SWOT Analysis

Strengths

- The Company will have the ability to scale operations once profitability is achieved.
- The seamless integration of freight forwarding, warehousing, and last mile delivery services will create a significant differentiating factor.
- Limited competition within the greater King County market among logistics firms that offer all services showcase in this document.

Weaknesses

- In regards to last mile delivery, unusual spike in energy prices can impact profits.
- General operational complexities given the number of facets of operation.

Opportunities

- Potential development of additional warehousing and logistics management locations throughout Washington and the Pacific Northwest.
- Expansion of the types of logistic services that can be sourced through Deutsch 3PL Group.
- Natural growth through increased marketing and direct outreach initiatives.

Threats

- Ongoing issues with inflation could cause certain underlying operating cost to increase, especially as it relates to last mile delivery operations.
- An extremely severe economic recession could impact demand, although this matter is limited for the reason discussed in this document.

Appendix B – Critical Risks

Development Risk – Low

The comprehensive end to end logistic service architecture has already been developed by Matthew Deutsch. The primary matter that needs to be addressed to securing the private investment discussed in this document.

Financing Risk – Moderate

A significant portion of the \$500,000 required to launch the operations of Deutsch 3PL Group will be used for the acquisition of vehicles, location development, and operating assets associated with the Company's warehouse. The risks of this financing are reduced by the multiple revenue center showcase in this business plan.

Marketing Risk – Low

The Company will use several direct outreach techniques in order to establish relationships with product-based businesses within Seattle and King County. This will be complemented by the use of high impact on online driven marketing campaigns.

Management Risk – Low

Matthew Deutsch is a highly experienced competent business professional that will be able to render the wide range of services showcase in this logistics business plan.

Valuation Risk – Low

The valuation risk is offset by:

- Significant demand for 3PL services in King County.
- The business will generate substantial contribution margins from warehousing and last-mile delivery.
- The Company can seamlessly scale its operations to include multiple warehouses throughout Washington State.

Exit Risk - Low

As noted earlier, there would be an immense demand for the acquisition of Deutsch 3PL Group by a private equity firm seeking to enter this market or an existing logistics firm that is seeking to expand through acquisition. This event is not expected to occur for significant period of time, and a formal valuation would be complete completed prior to marketing the business for sale.

Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
Revenue	\$93,500	\$94,350	\$95,200	\$96,050	\$96,900	\$97,750	\$98,600
Cost of Revenue	\$45,925	\$46,343	\$46,760	\$47,178	\$47,595	\$48,013	\$48,430
Gross Profit	\$47,575	\$48,008	\$48,440	\$48,873	\$49,305	\$49,738	\$50,170
Expenses							
Payroll	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500
Facility Costs	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083
General and Administrative	\$1,473	\$1,473	\$1,473	\$1,473	\$1,473	\$1,473	\$1,473
Professional Fees and Licensure	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Insurance	\$1,123	\$1,123	\$1,123	\$1,123	\$1,123	\$1,123	\$1,123
Marketing	\$982	\$982	\$982	\$982	\$982	\$982	\$982
Fuel	\$6,237	\$6,237	\$6,237	\$6,237	\$6,237	\$6,237	\$6,237
Misc. Costs	\$736	\$736	\$736	\$736	\$736	\$736	\$736
Payroll Taxes	\$2,104	\$2,104	\$2,104	\$2,104	\$2,104	\$2,104	\$2,104
Total Operating Costs	\$42,737	\$42,737	\$42,737	\$42,737	\$42,737	\$42,737	\$42,737
EBITDA	\$4,838	\$5,270	\$5,703	\$6,135	\$6,568	\$7,000	\$7,433
Federal Income Tax	\$1,290	\$1,301	\$1,313	\$1,325	\$1,336	\$1,348	\$1,360
State Income Tax	\$258	\$260	\$263	\$265	\$267	\$270	\$272
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
Net Profit	\$1,490	\$1,908	\$2,327	\$2,745	\$3,164	\$3,582	\$4,001

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
Revenue	\$99,450	\$100,300	\$101,150	\$102,000	\$102,850	\$1,178,100
Cost of Revenue	\$48,848	\$49,265	\$49,683	\$50,100	\$50,518	\$578,655
Gross Profit	\$50,603	\$51,035	\$51,468	\$51,900	\$52,333	\$599,445
Expenses						
Payroll	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500	\$330,000
Facility Costs	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$25,000
General and Administrative	\$1,473	\$1,473	\$1,473	\$1,473	\$1,473	\$17,672
Professional Fees and Licensure	\$500	\$500	\$500	\$500	\$500	\$6,000
Insurance	\$1,123	\$1,123	\$1,123	\$1,123	\$1,123	\$13,472
Marketing	\$982	\$982	\$982	\$982	\$982	\$11,781
Fuel	\$6,237	\$6,237	\$6,237	\$6,237	\$6,237	\$74,844
Misc. Costs	\$736	\$736	\$736	\$736	\$736	\$8,836
Payroll Taxes	\$2,104	\$2,104	\$2,104	\$2,104	\$2,104	\$25,245
Total Operating Costs	\$42,737	\$42,737	\$42,737	\$42,737	\$42,737	\$512,849
EBITDA	\$7,865	\$8,298	\$8,730	\$9,163	\$9,595	\$86,596
Federal Income Tax	\$1,372	\$1,383	\$1,395	\$1,407	\$1,419	\$16,249
State Income Tax	\$274	\$277	\$279	\$281	\$284	\$3,250
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$21,600
Net Profit	\$4,419	\$4,838	\$5,256	\$5,674	\$6,093	\$45,497

Profit and Loss Statement (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
Revenue	\$357,112	\$364,475	\$371,838	\$379,201	\$1,472,625
Cost of Revenue	\$175,405	\$179,021	\$182,638	\$186,255	\$723,319
Gross Profit	\$181,707	\$185,453	\$189,200	\$192,946	\$749,306
Expenses					
Payroll	\$93,425	\$93,425	\$93,425	\$93,425	\$373,700
Facility Costs	\$6,313	\$6,313	\$6,313	\$6,313	\$25,250
General and Administrative	\$5,357	\$5,467	\$5,578	\$5,688	\$22,089
Professional Fees and Licensure	\$1,470	\$1,500	\$1,530	\$1,560	\$6,060
Insurance	\$4,210	\$4,210	\$4,210	\$4,210	\$16,840
Marketing	\$3,571	\$3,645	\$3,718	\$3,792	\$14,726
Fuel	\$23,389	\$23,389	\$23,389	\$23,389	\$93,555
Misc. Costs	\$2,678	\$2,734	\$2,789	\$2,844	\$11,045
Payroll Taxes	\$6,933	\$7,076	\$7,218	\$7,361	\$28,588
Total Operating Costs	\$147,345	\$147,757	\$148,170	\$148,582	\$591,853
EBITDA	\$34,362	\$37,696	\$41,030	\$44,364	\$157,453
Federal Income Tax	\$8,030	\$8,196	\$8,361	\$8,527	\$33,113
State Income Tax	\$1,606	\$1,639	\$1,672	\$1,705	\$6,623
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$6,250	\$6,250	\$6,250	\$6,250	\$25,000
Net Profit	\$18,476	\$21,612	\$24,747	\$27,882	\$92,717

Profit and Loss Statement (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Revenue	\$435,676	\$444,659	\$453,642	\$462,625	\$1,796,603
Cost of Revenue	\$213,994	\$218,406	\$222,818	\$227,231	\$882,449
Gross Profit	\$221,682	\$226,253	\$230,824	\$235,395	\$914,154
Expenses					
Payroll	\$113,486	\$113,486	\$113,486	\$113,486	\$453,945
Facility Costs	\$6,376	\$6,376	\$6,376	\$6,376	\$25,503
General and Administrative	\$6,535	\$6,670	\$6,805	\$6,939	\$26,949
Professional Fees and Licensure	\$1,484	\$1,515	\$1,545	\$1,576	\$6,121
Insurance	\$5,136	\$5,136	\$5,136	\$5,136	\$20,545
Marketing	\$4,357	\$4,447	\$4,536	\$4,626	\$17,966
Fuel	\$28,534	\$28,534	\$28,534	\$28,534	\$114,137
Misc. Costs	\$3,268	\$3,335	\$3,402	\$3,470	\$13,475
Payroll Taxes	\$8,682	\$8,682	\$8,682	\$8,682	\$34,727
Total Operating Costs	\$177,858	\$178,180	\$178,503	\$178,825	\$713,366
EBITDA	\$43,825	\$48,073	\$52,321	\$56,569	\$200,788
Federal Income Tax	\$10,457	\$10,673	\$10,888	\$11,104	\$43,122
State Income Tax	\$2,091	\$2,135	\$2,178	\$2,221	\$8,624
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$7,075	\$7,075	\$7,075	\$7,075	\$28,300
Net Profit	\$24,201	\$28,191	\$32,180	\$36,170	\$120,742

Profit and Loss Statement (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
Revenue	\$531,525	\$542,484	\$553,443	\$564,403	\$2,191,855
Cost of Revenue	\$261,072	\$266,455	\$271,838	\$277,221	\$1,076,588
Gross Profit	\$270,452	\$276,029	\$281,605	\$287,181	\$1,115,267
Expenses					
Payroll	\$124,924	\$124,924	\$124,924	\$124,924	\$499,696
Facility Costs	\$6,439	\$6,439	\$6,439	\$6,439	\$25,758
General and Administrative	\$7,973	\$8,137	\$8,302	\$8,466	\$32,878
Professional Fees and Licensure	\$1,499	\$1,530	\$1,561	\$1,592	\$6,182
Insurance	\$6,266	\$6,266	\$6,266	\$6,266	\$25,065
Marketing	\$5,315	\$5,425	\$5,534	\$5,644	\$21,919
Fuel	\$34,812	\$34,812	\$34,812	\$34,812	\$139,247
Misc. Costs	\$3,986	\$4,069	\$4,151	\$4,233	\$16,439
Payroll Taxes	\$9,557	\$9,557	\$9,557	\$9,557	\$38,227
Total Operating Costs	\$200,772	\$201,159	\$201,546	\$201,933	\$805,409
EBITDA	\$69,681	\$74,870	\$80,059	\$85,248	\$309,858
Federal Income Tax	\$16,863	\$17,211	\$17,559	\$17,906	\$69,540
State Income Tax	\$3,373	\$3,442	\$3,512	\$3,581	\$13,908
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$7,925	\$7,925	\$7,925	\$7,925	\$31,700
Net Profit	\$41,520	\$46,292	\$51,064	\$55,836	\$194,711

Profit and Loss Statement (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Revenue	\$632,515	\$645,556	\$658,598	\$671,639	\$2,608,308
Cost of Revenue	\$310,676	\$317,082	\$323,488	\$329,893	\$1,281,139
Gross Profit	\$321,838	\$328,474	\$335,110	\$341,746	\$1,327,168
Expenses					
Payroll	\$126,173	\$126,173	\$126,173	\$126,173	\$504,693
Facility Costs	\$6,504	\$6,504	\$6,504	\$6,504	\$26,015
General and Administrative	\$9,488	\$9,683	\$9,879	\$10,075	\$39,125
Professional Fees and Licensure	\$1,514	\$1,545	\$1,577	\$1,608	\$6,244
Insurance	\$7,457	\$7,457	\$7,457	\$7,457	\$29,827
Marketing	\$6,325	\$6,456	\$6,586	\$6,716	\$26,083
Fuel	\$41,426	\$41,426	\$41,426	\$41,426	\$165,704
Misc. Costs	\$4,744	\$4,842	\$4,939	\$5,037	\$19,562
Payroll Taxes	\$9,652	\$9,652	\$9,652	\$9,652	\$38,609
Total Operating Costs	\$213,283	\$213,738	\$214,193	\$214,648	\$855,862
EBITDA	\$108,555	\$114,736	\$120,917	\$127,098	\$471,307
Federal Income Tax	\$26,439	\$26,984	\$27,529	\$28,074	\$109,027
State Income Tax	\$5,288	\$5,397	\$5,506	\$5,615	\$21,805
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$8,800	\$8,800	\$8,800	\$8,800	\$35,200
Net Profit	\$68,029	\$73,555	\$79,082	\$84,609	\$305,275

Appendix D – Expanded Cash Flow Analysis

Cash Flow Analysis (First Year)								
Month	1	2	3	4	5	6	7	8
Cash From Operations	\$3,290	\$3,708	\$4,127	\$4,545	\$4,964	\$5,382	\$5,801	\$6,219
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$3,290	\$3,708	\$4,127	\$4,545	\$4,964	\$5,382	\$5,801	\$6,219
Other Cash Inflows								
Equity Investment	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83
Total Other Cash Inflows	\$500,083	\$83	\$83	\$83	\$83	\$83	\$83	\$83
Total Cash Inflow	\$503,373	\$3,792	\$4,210	\$4,629	\$5,047	\$5,466	\$5,884	\$6,302
Cash Outflows								
Repayment of Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$325,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$325,058	\$58	\$58	\$58	\$58	\$58	\$58	\$58
Net Cash Flow	\$178,315	\$3,733	\$4,152	\$4,570	\$4,989	\$5,407	\$5,826	\$6,244
Cash Balance	\$178,315	\$182,049	\$186,200	\$190,771	\$195,760	\$201,167	\$206,992	\$213,236

Cash Flow Analysis (First Year Cont.)					
Month	9	10	11	12	Year 1
Cash From Operations	\$6,638	\$7,056	\$7,474	\$7,893	\$67,097
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$6,638	\$7,056	\$7,474	\$7,893	\$67,097
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$500,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$1,000
Total Other Cash Inflows	\$83	\$83	\$83	\$83	\$501,000
Total Cash Inflow	\$6,721	\$7,139	\$7,558	\$7,976	\$568,097
Cash Outflows					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$325,000
Dividends	\$0	\$0	\$0	\$26,839	\$26,839
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$58	\$58	\$58	\$26,897	\$352,539
Net Cash Flow	\$6,663	\$7,081	\$7,499	-\$18,921	\$215,558
Cash Balance	\$219,899	\$226,980	\$234,479	\$215,558	\$215,558

Cash Flow Analysis (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$24,726	\$27,862	\$30,997	\$34,132	\$117,717
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$24,726	\$27,862	\$30,997	\$34,132	\$117,717
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$255	\$260	\$265	\$270	\$1,050
Total Other Cash Inflows	\$255	\$260	\$265	\$270	\$1,050
Total Cash Inflow	\$24,981	\$28,121	\$31,262	\$34,403	\$118,767
Cash Outflows					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$50,000	\$0	\$0	\$0	\$50,000
Dividends	\$0	\$0	\$0	\$47,087	\$47,087
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$50,178	\$182	\$186	\$47,276	\$97,822
Net Cash Flow	-\$25,197	\$27,940	\$31,076	-\$12,873	\$20,945
Cash Balance	\$190,361	\$218,301	\$249,377	\$236,504	\$236,504

Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$31,276	\$35,266	\$39,255	\$43,245	\$149,042
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$31,276	\$35,266	\$39,255	\$43,245	\$149,042
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$267	\$273	\$278	\$284	\$1,103
Total Other Cash Inflows	\$267	\$273	\$278	\$284	\$1,103
Total Cash Inflow	\$31,544	\$35,539	\$39,534	\$43,529	\$150,144
Cash Outflows					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$50,500	\$0	\$0	\$0	\$50,500
Dividends	\$0	\$0	\$0	\$59,617	\$59,617
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$50,687	\$191	\$195	\$59,815	\$110,888
Net Cash Flow	-\$19,144	\$35,348	\$39,339	-\$16,287	\$39,256
Cash Balance	\$217,360	\$252,707	\$292,046	\$275,759	\$275,759

Cash Flow Analysis (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$49,445	\$54,217	\$58,989	\$63,761	\$226,411
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$49,445	\$54,217	\$58,989	\$63,761	\$226,411
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$281	\$287	\$292	\$298	\$1,158
Total Other Cash Inflows	\$281	\$287	\$292	\$298	\$1,158
Total Cash Inflow	\$49,725	\$54,503	\$59,281	\$64,059	\$227,568
Cash Outflows					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$51,005	\$0	\$0	\$0	\$51,005
Dividends	\$0	\$0	\$0	\$90,564	\$90,564
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$51,202	\$201	\$205	\$90,773	\$142,380
Net Cash Flow	-\$1,476	\$54,303	\$59,076	-\$26,714	\$85,189
Cash Balance	\$274,283	\$328,586	\$387,662	\$360,948	\$360,948

Cash Flow Analysis (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$76,829	\$82,355	\$87,882	\$93,409	\$340,475
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
Operating Cash Inflow	\$76,829	\$82,355	\$87,882	\$93,409	\$340,475
Other Cash Inflows					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$295	\$301	\$307	\$313	\$1,216
Total Other Cash Inflows	\$295	\$301	\$307	\$313	\$1,216
Total Cash Inflow	\$77,123	\$82,656	\$88,189	\$93,722	\$341,690
Cash Outflows					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$51,515	\$0	\$0	\$0	\$51,515
Dividends	\$0	\$0	\$0	\$136,190	\$136,190
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
Total Cash Outflows	\$51,721	\$211	\$215	\$136,409	\$188,556
Net Cash Flow	\$25,402	\$82,446	\$87,974	-\$42,687	\$153,134
Cash Balance	\$386,350	\$468,796	\$556,770	\$514,082	\$514,082