

**A Business Plan For:**  
**The Fidelity Group, Inc.**  
July 1994

## **Statement of Purpose**

THE FIDELITY GROUP, a closely held company incorporated under the laws of Arizona, is seeking investment capital of \$150,000 to purchase inventory and office equipment, as well as six months' operating capital. This capital will allow us to maintain sufficient capital to successfully expand an existing consulting firm.

The sum, together with \$47,000 equity investment of the principals, will be sufficient to finance the transition through the expansion phase so that this recently started consulting business can operate as an ongoing, profitable enterprise.

## **Marketing Information**

Leaders Development Group (LDG)—The Fidelity Group (TFG) recently purchased LDG in April 1993 to offer our clients an additional dynamic service. With this important acquisition, TFG developed a new system, "Triple-Tiered Corporate Engineering System," which allows us to take a client through the three most important stages of startup or expansion. These phases are (1) marketing; (2) financing; (3) management improvement and sales force training.

The Traveling Associates—TFG developed the business plan and marketing package for funding of a large project in the tour and travel business. To date, we have arranged an investment package of \$500,000 with a local investment group. TFG also has consulted with management and members of the sales force and has been instrumental in increasing overall time management and organizational development. TFG is currently still consulting with The Traveling Associates.

Absolute Financial Group (AFG)—As a consultant to AFG, TFG developed a successful marketing campaign that increased sales 18 percent during a twelve-month period. The radio ad campaign and company brochure were instrumental in the increase of sales.

Execubuild, Inc.—The marketing campaign developed for this construction company proved to be very successful. During a 60-day period, our marketing division brought 12 clients to Execubuild for the construction of custom homes.

D.R. Construction—Our marketing division engineered a very successful campaign for Bullhead City, Arizona. This company will build 150 homes during the next year. The business plan developed by TFG enabled D.R. Construction to raise \$325,000.

Mesa Chamber of Commerce—TFG helped the Chamber develop a system to increase membership sales by fabricating a credit card system for discounts issued to Chamber members by Chamber members.

Business Showcase 1994—The principals of The Fidelity Group serve on the Board of Directors for the Annual Trade Show of the Mesa Chamber of Commerce. Brian Smith is this year's Chairman. Expected attendance in October is 8,000 people. TFG has increased participation for the event by forming a series of committees and subcommittees to handle the enormous task of developing a successful trade show. Due to the influence of TFG, a few members of the Phoenix Cardinals will attend the event.

Chilton Corporation—Brad Stevenson was instrumental in developing a successful marketing campaign for the Short Stop Convenience Stores of Phoenix. Brad's creative expertise helped increase sales 22 percent over the previous year's sales.

Christmas Trade Fair 1994—The product of the creative imagination of The Fidelity Group team of consultants. This trade show will be a "welcome back" to our Winter Visitor Friends.

We will have booth space for 90 participants. The public will enjoy a “one-stop-shopping place” for Christmas shopping, and be entertained by the Big Band Society of Arizona. TFG will sponsor the event, and a portion of the proceeds will go to Junior Achievement for the development of young entrepreneurs.

XL Enterprises, Inc.—TFG has contracted with this San Diego, California, company to market NFL, limited edition, pewter beltbuckles. This will be a local, national, and international campaign, involving direct response, television, and mail-order advertising. Since the inception of this company, no one has marketed the beltbuckles quite like TFG. For this reason we expect to sell all 10,000 buckles for the Phoenix Cardinals in a 3-week time frame.

ABC Chiropractic—This local Chiropractic Clinic has reduced turnover and increased billing procedures as a direct result of the Paul Jones engineering and eight-week time management course offered to eight staff members of the clinic. We are presently developing a comprehensive marketing campaign for ABC Chiropractic.

Happy Vanilla—Brad Stevenson has been instrumental in taking this company offshore to have its product packaged and funded. A project that has been in development for three years will become an instant success, once developed marketing channels are totally open.

Seventy Seven Systems—A Tempe-based company that approached TFG about our “Triple-Tiered Corporate Engineering System.” We are presently developing the organizational marketing and sales force divisions to be able to take this company public through stock purchases.

J & B Construction (JBC)—Recently contacted by JBC, The Fidelity Group was asked to apply its “Triple-Tiered Corporate Engineering System” for the further development of this construction firm.

## **Introduction**

The Fidelity Group, Inc., is one of the first companies to combine years of research on marketing, financing, and leadership development. TFG is proud to announce the dynamic “Triple Tiered Corporate Development System” and the formation of a corporation dedicated to the development, improvement, and overall success of entrepreneurial-minded companies.

“Fidelity,” according *The Synonym Finder*, is explained as “strict observance or faithfulness to promises and duties; obedience, devotedness, accuracy, the degree of exactness, constancy, loyalty, allegiance.” We are building TFG step by step to ensure that we render creative and professional attention to our client’s varying needs.

The founders of TFG, Brian Smith, Paul Jones, and Brad Stevenson, have created an unequalled system of corporate development that is fast becoming recognized as the “system” to use for developing a million-dollar business. Their combined talents in management, marketing, sales, and entrepreneurialism form the corporate nucleus and are supported with additional talent and resources. The vision of a new, dynamic, and innovative consulting company will establish a stronghold in the marketplace.

As we move forward to establish our consulting firm in a competitive marketplace, it is important that we stress integrity and commitment. We feel integrity is the main ingredient in running a company. When you do what’s right, everyone benefits. That’s the difference in long-term thinking and short-term thinking. TFG is in business for the long haul. When we work with clients, we are doing more than building a business, we are building our reputation.

We trust you will join us in our vision for the future, and the growth of our dynamic company.

## **Business Overview**

### **Company**

#### **The Fidelity Group, Inc.**

### **Business Concept**

The intention is for The Fidelity Group to be one of the leading corporate consulting companies in the world. TFG is developing and marketing services and products that increase overall profitability and efficiency in the complex world of business.

### **Market**

TFG services and products are marketed for self-development, management and organizational improvement, and maximizing corporate businesses with emphasis on companies in existence 3 years or less. TFG is expanding to market products nationally and internationally.

### **Capital Required**

The Fidelity Group requires \$150,000 to meet expansion costs for additional office space, equipment, inventory, and personnel. The investment will be used to equip and staff offices, and for six months' operation capital. The six-month investment schedule is as follows:

Months 1-2	\$ 75,000
Months 3-4	40,000
Months 5-6	35,000
Total	\$150,000

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## **Capitalization and Risk Considerations**

### **Purpose of Business Plan**

The major purpose of this Business Plan is to:

Explain and define in detail the uses of One Hundred Fifty Thousand Dollars (\$150,000) or more of capital funds for a startup corporation. The name of the corporation is The Fidelity Group, Inc., which hereinafter will be referred to as TFG.

### **Capitalization**

It is the primary intent of TFG to capitalize the company in the amount of One Hundred Fifty Thousand Dollars (\$150,000) or more, which may be in the form of debt, equity, or a combination of debt and equity financing. TFG is willing to pursue a stock offering of preferred and common stock or debenture offering.

The Business Plan, however, does not constitute an offer to sell or a solicitation of an offer to buy securities, nor does it constitute an offer to sell or a solicitation of an offer to buy from any person in any state or other jurisdiction in which such offer would be unlawful. Offers for the purchase of securities must be made by prospectus, which, if not exempt, has been duly registered with the Securities and Exchange Commission, Section 4 (2) of the Securities Act of 1933, as amended. The offer, purchase, and sale of any security is expressly conditioned on compliance with the appropriate federal and state security laws.

Resale of the securities discussed in this Business Plan may not be made unless the securities are registered under the Securities Act of 1933, as amended, or unless the resale is exempt from the registration requirements of the Securities Act of 1933, as amended.

Neither the delivery of this Business Plan, at any time, nor any sale hereunder shall in any way or through any circumstances create implication that the information contained herein is correct as of any time subsequent to its date.

Offers and sales will only be made to persons who have the knowledge and experience to evaluate the risks and merits of the investment and who have the economic means to afford the potential value of the securities offered hereby.

The information set forth herein is believed by the incorporators to be reliable. However, it must be recognized that the predictions and projections as to the Corporation's future and no warranty of such projections are expressed or implied hereby. All corporate documents relating to this investment will be made available to an offeree and/or offeree representative upon request to TFG.

TFG shall be under no obligation whatsoever to sell or issue any securities purchase agreement between TFG and the purchaser thereof.

## **Executive Summary**

### **Four Essentials of TFG**

TFG is a consulting firm dedicated to showing individuals and businesses how to achieve their financial goals. Our motto explains our objective: "The Fidelity Group—Arizona's Consulting Firm for Developing Million-Dollar Businesses." With this in mind, our concept is based on four key principles:

#### ***1. Low Risk***

Too many businesses "bet the farm" on a business venture that, in many cases, fails. Others never get around to taking advantage of million-dollar opportunities because they feel they don't have the personal and financial resources to do it effectively.

The philosophy of TFG is that most good ideas never come to fruition because of fear of failure. We teach businesses the secrets of how to take a good idea, start small, and earn highly-leveraged returns. We specialize in showing businesses how to make money without taking major risks. There are a number of ways to create a profitable enterprise by teaching correct principles of leadership development, marketing, product or service development, financing, and time management.

#### ***2. Effective Marketing Strategies***

Companies that learn how to strategically market their products and services become profitable in virtually every endeavor they enter. This is no accident. It is the result of applying

some basic step-by-step principles of leverage that we teach our clients. TFG teaches companies to employ the strategies of successful marketers around the world. Our resource center is a consortium of consultants and business owners highly skilled in the areas of marketing, management, sales, and finance.

### 3. *Financing*

There is an ever-present need for qualified professionals who can serve both business and individuals in securing financing. This need is constantly growing as funds become more difficult to arrange through conventional sources and as interest rates fluctuate widely from quarter to quarter. There are two related needs in this regard: First, the need to help prospective borrowers approach conventional lending institutions in the correct way. Second, the need to help them approach nontraditional lending sources such as venture capitalists or other lenders in a way that can vastly improve their chances of obtaining the money they seek.

Conditions in the money market mean the financial broker must have an uncommon understanding of modes of financing, both conventional and innovative. We are prepared to offer these important services to our clients and supply them with forms, letters, applications, formats of proposals, and, most important, contacts.

### 4. *Mentoring*

The final secret that will make all of this work so effectively is a principle that has been the subject of a feature article in the *Harvard Review* under the headline, "Everyone Who Makes It Has a Mentor." Intense research has disclosed that highly successful people hardly ever make it on their own. They succeed because they enlist the help of experienced people who can lead them and guide them every step of the way—people to whom they can turn for counsel, for motivation, for key techniques and strategies that minimize risk and maximize success.

TFG is succeeding in assisting companies to build their "Million Dollar Businesses." Our goal is to help thousands of small, medium, and large companies become more profitable by offering concrete *solutions* to everyday business challenges.

## Overview of Separate Divisions

The unique edge TFG has over its competition is that it is capable of helping a company in so many different areas. These areas include:

1. Marketing—Campaign Development
2. Personal and Management Self-Improvement Systems
3. Financial Planning
4. Investment and Venture Capital Sources
5. Sales Force Training Programs
6. Computerized Profile Reports for Hiring and Promoting Employees

Our objective when working with clients is to lead them through our four-part system, using a systematic approach for developing a million-dollar business. The first step is to assist our clients with *marketing*, beginning with their business plans. We have developed a comprehensive, step-by-step synopsis of how to write a business plan that gets funded. We want our clients to do the research and write the plan so that they will understand the intricate design of their businesses. They then can move into step two—*financing*.

Step two involves contacting investors about the particular business venture. TFG will contact investment groups and assist our clients to negotiate the best possible terms and repayment of the loan.

Step three consists of *leadership development*, management improvement, and sales force training. This step is included in our system to inspire individuals of the company to seek out and achieve personal as well as corporate goals.

Step four is making certain that our clients are turning a *profit*. Our consultants will monitor the progress of a company and teach it how it can become self-sufficient by using the proprietary strategies and techniques developed by TFG.

In addition to the expertise of the principals and associates of TFG, we have also invested capital to have the Consulting Divisions of the McKinley Institute on retainer. The McKinley Institute is directed by a National Council of Mentors comprising six millionaire achievers and 21 expert consultants who have agreed to make their success stories and strategies available to TFG.

### Sales and Profit Projections

To date (July 1994) we are working with 16 companies in the four areas previously mentioned. We are experiencing tremendous success, and our clients are referring new prospects daily.

We are focusing 80 percent of our efforts on three specific projects. These projects and profit projections are as follows:

1. *Leaders Dynamic Group*—A division of TFG, focusing on leadership development, management, improvement, and sales force training. Paul Jones will be in charge of its operation.

	Sales	Gross Profits
1st Quarter	\$ 87,000	\$ 37,080
2nd Quarter	91,350	38,934
3rd Quarter	95,700	40,788
4th Quarter	100,050	42,642
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1st Year (subtotal)	\$ 374,100	\$ 159,444
2nd Year	435,000	185,400
3rd Year	522,000	222,480
4th Year	609,000	259,560
5th Year	783,000	333,720
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TOTAL	\$2,723,100	\$1,160,604

2. *Light and Hearing Co., Inc.*—A client of TFG that has developed a portable light and sound unit, which provides a portable means for reduced anxiety and improved concentration, memory, and creativity. The unit provides whole-brain synchronization. TFG will be part of the management team of L&R, and will be in charge of marketing and sales force training. In return, TFG will receive a percentage of sales.

The financial forecast of management fees paid to the Fidelity Group over a five-year period will be as follows (These figures represent gross fees based on projections of Light and Hearing Co. See Light and Hearing Co., Inc., business plan.):

<b>Fiscal Year One</b>		<b>Year Two</b>	<b>Year Three</b>	<b>Year Four</b>	<b>Year Five</b>
First Quarter	\$46,563				
Second Quarter	46,563				
Third Quarter	50,144				
Fourth Quarter	50,144				
<b>TOTAL</b>	<b>\$193,414</b>	<b>\$281,042</b>	<b>\$385,333</b>	<b>\$414,528</b>	<b>\$496,395</b>
TFG Fees	\$5,802	\$8,431	\$11,560	\$12,435	\$14,892
<b>Five-Year Total</b>					<b>\$1,770,712</b>

3. *Direct Response Advertising Projects*—The Fidelity Marketing Group (FMG) offers several business opportunities for entrepreneurs who are seeking financial vehicles or programs that will enable them to reach their financial goals. FMG will be marketing such opportunities, giving a step-by-step structured plan for the novice and the professional. These programs will range in price from \$15 to \$500 and will be marketed through direct mail and direct response advertising.

Brad Stevenson will lead the project team that has developed the complete marketing program. The projected financial forecast over the next five years is as follows:

The figures listed are conservative and are based on the sale of a \$15 program with one half of 1 percent response. These figures are also based on the placement of one local ad and one national ad. To see quarterly projections, these figures must be multiplied by 3, because we will be starting our campaign with 3 local and 3 national ads.

The first quarter figures are projected test results. Should our test results be favorable, we will increase the number of ads we place on a local and national basis. The second-, third-, and fourth-quarter figures are based on favorable results. The gross sales of local and national ads placed should be multiplied by 3 to reflect gross sales for the first quarter. Second-, third-, and fourth-quarter profits are based on a 30% increase per quarter.

<b>Type</b>	<b>Circulation</b>	<b>Response</b>	<b>Revenue</b>		
Classified two-step ad	50,000/mo.	1/2%	2500		
			x 3 ads = 7,500		
			x 3 mo. = 22,500/qtr.		
Classified two-step ad	250,000/mo.		6,250		
			x 3 Ads = 18,750		
			x 3 Mo. = 56,250		
<b>Fiscal Year</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
First Quarter	78,550				
Second Quarter	102,150				
Third Quarter	132,749				
Fourth Quarter	172,988				
	486,437	726,250	1,200,850	1,769,850	2,252,770
<b>Total—Five Years (Gross Sales)</b>					<b>\$6,436,157</b>



## Future of the Consulting Industry

The world is full of persons referring to themselves as "consultants." There are consultants in virtually all types of industries, and the competition is always growing. At TFG, we understand that there are companies and individuals who already have a "head start" on us. However, our market analysis shows that only two other companies offer competent advice and counseling in most of the areas of our focused markets. Currently, in Phoenix Metropolitan East areas of business, there are two other consulting firms that offer similar services to TFG.

Business Group and Management Resources International conduct seminars and offer one-on-one consultation in the areas of tax planning, business and personal finance, marketing, and sales training. These two companies have a very good system of consulting practice. A few other services they provide include discounts on business- and consumer-related products and public-speaking skills training. These consulting firms will be our main competitors in the East Valley of Metro-Phoenix.

We feel our management and marketing skills and our products are superior to those of our competitors. These three strengths will be outlined further throughout the plan.

## Trends

Valley National Bank published the *Valley Statistical Review*, which indicated a census of selected service industries. According to their statistics, there are 3175 business-related service firms in Arizona with established payrolls. This number can be further broken down into six separate kinds of services: Advertising and marketing, 149; property managers, 561; computer services, 245; management, consulting, and public relations, 649; equipment rental and leasing services, 276; other, 1295.

Our analysis was focused on management, consulting, and public relations. There are currently 228 business consulting firms in the Metropolitan Phoenix area. Of these, eight are general business consultants, four are educational consultants, three are financing consultants, and 106 are considered marketing consultants.

Western Savings and Loan's "Forecast '87" points out that "it has often been suggested that the United States may lose its leading role in manufacturing, but it can maintain its world leadership in services industries. United States employment in services has been growing at a much more rapid rate than manufacturing employment." However, it is also quick to point out that "there is no safe haven in a competitive world economy, either in manufacturing or in services." We understand this principle. In Phoenix alone we will be faced with extensive competition, but our carefully tested companies will be able to offer professional services to virtually any type of business. The remainder are computer-related consulting services.

Let's refer again to the *Valley Statistical Review*, which points out that receipts paid in the consulting industry are very high. In 1984 receipts in Arizona totaled more than \$161 million. Current figures are not available.

Also, according to *Entrepreneur Magazine's* catalog of new opportunities, the consulting business is "booming," and it is "time to cash in on the exploding consulting industry." It further states that it is very common "to make \$900 a day giving advice to corporate presidents. Since the average consultant bills an average of 14 days a month to clients, this can put nearly \$13,000 gross fees in your pocket every month."

Therefore, we are confident that TFG will turn a handsome profit in the months and years ahead. Our confidence comes from expertise. Our consultants and board of directors have

many years of experience in management, marketing, sales force training, product development, and financial consulting. The most important area is people. We are in the "people business," just like every other company. However, the big difference between us and our competition is that we recognize that our business is *people*.

## Profile of the TFG

### Brief History

TFG is a newly formed Arizona corporation. However, two of our companies have been in operation since 1984 on a part-time basis. In January 1987, Leadership Development Group (LDG) began operating as a licensed, full-time entity in Mesa, Arizona. Due to the success of LDG, its management, and its dynamic products, TFG recently purchased LDG. Following is a description of the individual entities that make up TFG.

### Individual Companies

*Fidelity Marketing Group (FMG)* has counseled businesses on marketing techniques and strategies for two years in Phoenix.

TFG offers professional marketing strategies to businesses through FMG. TFG will sponsor business seminars and workshops, which will be marketed by FMG. Other services provided will include:

- Writing business and marketing plans.
- Strategies for expanding a product or service.
- Developing a marketing campaign for startups and expansions.
- Developing effective advertising mediums.

FMG will be publishing and marketing a comprehensive "Entrepreneur's Survival Kit." The kit encapsulates the most aggressive concepts, philosophies, doctrines, and psychologies of modern business. The kit is a dynamic plan of action that gives a step-by-step analysis of management, product, and financing.

*Leaders Development Group (LDG)* has a philosophy based on the premise that men and women have an unlimited potential to make themselves whatever they choose—their only real limitations are self-imposed. It will be our task to prepare individuals and businesses to meet the challenge of becoming more successful. Our approach will be geared toward attitude change. LDG programs inform, motivate, and inspire participants and encourage them to seek out and achieve their personal goals, as well as experience growth in areas important to them.

*Fidelity Investment Group (FIG)* was formed to provide investment and venture capital to our clients. Currently, FIG relies on outside sources to find business and nonprofit ventures. However, it is our intention to establish a strong reputation and profitable enterprise to form our own venture capital group.

### Principals of TFG

*Brian Smith* is president of TFG. At the age of nine, he began working for his father in their family-owned real estate and construction company. He became manager of maintenance and managed six employees at the age of 17. Brian started a landscaping company, and soon landed

sizable contracts with two of the largest construction companies in Utah. During the four-year history of his company, "B. L. Smith Landscaping," Brian built up a very successful and profitable enterprise. Before moving to Arizona, he sold his landscaping business for a profit.

Mr. Smith received a bachelor's degree in Business Finance from Arizona State University, and a Masters of Business Administration degree from The University of Phoenix.

TFG was given its name for specific reasons. Brian could see that there were very few companies that offered "strict observance to promises and duties," as the word "fidelity" implies.

*Paul Jones*, cofounder of TFG, serves as executive vice president of Leaders Development Group. Paul developed his work ethic and independent spirit while growing up on the family farm in Idaho. During high school, Paul excelled in both athletics and academics. He was a member of the National Honor Society. He served on the student council and was elected Associated Men's Student Body President in his Sophomore year.

After graduating from Ball State College, Paul served three years in the military, including combat duty as an Infantry Officer in Vietnam, where he received the Combat Infantryman's Badge and Purple Heart as well as other decorations. At Fort Ord, California, Paul competed with 1000 soldiers for the American Spirit Honor Medal, which he was awarded by the commanding general.

From 1971 to 1972, Paul worked with a successful construction company headquartered in Ohio. He was vice-president and general manager responsible for construction projects and supervision of subcontractors, as well as the regular duties of managing a company of more than 70 employees. In 1976 Paul began a real estate business and purchased a Century 21 franchise to gain experience in the management and marketing of a franchise operation.

In 1984 Paul purchased a Leadership Inc. distributorship to expand his personal and management development skills. That decision led to a change of direction in his professional life. Because of his desire to help others develop their talents and abilities, Paul has put his full-time efforts into building the Leaders Development Group.

*Brad Stevenson* serves as executive vice-president of FMG.

As a young man growing up in New Mexico, Brad became very involved in student government, academics, and athletics. He was elected student body president his senior year, was a member of the National Honor Society, and received two scholarships from Brigham Young University: an academic leadership scholarship and a basketball scholarship.

Brad's educational background includes four years of college, where he studied Marketing and Business Administration. In 1980 Brad received a Certificate of Business Administration from the Center of Entrepreneurial Management. In 1984 he was awarded the Certificate of Entrepreneurial Management from New Mexico Technical College.

At the age of 19, Brad opened a chain of Discount Dry Cleaning Centers. The discount price of 99 cents per garment cleaned and pressed and the concept of "high volume, low prices" quickly became very popular. Within a two-year period, Brad had opened 5 stores. His stores were featured in *Entrepreneur Magazine*, and today there are hundreds like his in operation across the country. After operating this business for four years, Brad sold his company.

In early 1987, Brad and his family moved to Mesa, Arizona. To gain further experience in marketing, he went to work for the Chilton Corporation as the marketing director for a 45-store chain of convenience markets. Under Chilton employ, he developed successful marketing strategies that increased retail sales by 20 percent in a 6-month period.

## **Operational Details**

We have anticipated that our company will grow quickly and we would like to be in an environment conducive to our growth. The executive suite we are presently leasing simply has become too small and is not suitable for expansion. Our 90-day projections include the remainder of our current lease agreement. We have already begun negotiation for a larger and more efficient office facility within a corporate center that has more space for expansion.

Our office is currently located at 1990 South Tree House Road, Suite 205, in Mesa, Arizona. Since this is a very good location for our targeted markets, we plan to stay in the general area.

We need the services of a secretary/receptionist immediately. With a sales staff of three, three principals of TFG, and an outside consultant, a secretary/receptionist is necessary to help organize the office.

## **Marketing Plan**

### **Strategies**

For the first 90 days, TFG will focus mainly on Leaders Development Group (LDG). LDG will become an immediate profit center. The products, training, financial planning systems, and established client base make LDG our obvious choice to market most heavily initially. We feel it is our quickest moneymaker to establish cash flow. However, as we are building LDG, there are opportunities to provide service to clients in the areas of marketing and investment capital.

Because of our drive to properly position LDG in the marketplace, we have written a condensed marketing plan about its purpose and overall operation. We feel that the concept of TFG as an operation of separate consulting service companies will allow each company to complement the others.

Paul Jones originally purchased the franchise in 1984. (Due to the enormous success of Leadership Inc., the franchise fee today is \$20,000.) In what we feel is a tremendous opportunity to become a "total service" consulting firm, TFG purchased Leaders Development Group in July.

### **Profile of Leaders Development Group (LDG)**

LDG's ability to provide a vehicle to help individuals and businesses realize more of their potential will tremendously enhance the present and future growth of TFG.

Every LDG program is designed to promote development of an expanding, positive self-image. The programs promote more meaningful goals. Clients discover that they have a great deal of control over their own destinies.

The goal of LDG is to assist clients to achieve their greatest potential in every area of life. Our methods are practical and have been demonstrated to be workable and successful.

### **Program Marketed by LDG**

LDG offers a wide range of programs for children, teenagers, adults, and businesses. Our plans are to market these programs through a trained sales force. Before we outline how our sales force will operate, here is a brief overview of the dynamic programs we offer our clients.

*Personal Leadership*

Personal leadership is our basic motivation program. It provides personal motivation for every individual in any walk of life. The program recognizes that leadership is essentially an internal disposition, and through a comprehensive goals program, the dynamics of personal leadership help the individual develop the attitudes and confidence that provide that internal disposition.

*Motivational Management*

Motivational management is a motivational training program designed specifically for the manager. Its purpose is to develop the manager's ability to achieve results through other people by improving expertise in communication, human relations, and the application of effective management principles.

*Supervision*

The Supervision program is designed for those who, whether they are called managers, supervisors, or foremen, directly supervise the activities of other people. It not only teaches management and supervisory skills but encourages personal growth and development.

*Organizational Goal Setting*

Organizational Goal Setting guides the members of a management team in developing and implementing a complete system of organizational goals. When used first with the executive management team and then with departmental managers and supervisors, it gives all key personnel in the organization the skills and the information necessary to maximize personal and organizational productivity.

*Growth in Children*

Growth in Children builds a child's success and happiness in the critical years from six through twelve by teaching personal responsibility. It aids in setting goals and forming values and attitudes for success.

*Champions Are Made*

Champions Are Made is designed for young athletes from junior high through college age. It promotes development of the attitudes and habits necessary for reaching the desired level of achievement in athletics. The program is suitable for participants in team or individual sports and for those who want a career in athletics or who merely want to enjoy a sport for the contribution it makes to the total quality of life.

*Executive Time Management*

Executive Time Management offers executives, managers, and supervisors practical procedures for increasing their productivity and that of their people by improved management of time resources.

*Selling Strategies*

Selling Strategies is designed to build on, and to bring out, all of those natural positive qualities that lay comparatively dormant in every individual. It provides a vehicle to make use of one's inner strengths at a much faster rate than one is likely to achieve on one's own initiative. The unique plan of action activates internal motivation to develop the attitudes and habits necessary to achieve one's sales goals.

### *Personal Profiles Extraordinaire*

Profiles is a program designed to help business owners and managers properly match individual talents with specific job classifications. Many companies literally spend thousands of dollars and enormous amounts of time selecting and training key employees—only to lose the individual months later due to inadequate screening of their skills and characteristics. The purpose of Profiles is to test the company's top personnel and establish a criterion for success. This pattern of success then serves as a basis when hiring other individuals, and clearly defines which person is best qualified to help the company reach its organizational goals.

Profiles is a personnel evaluation tool that meets all U.S. Government regulations. It measures six mental aptitudes, ten personality dimensions, and has two validity checks.

Comprehensive computer-generated reports include up to 28 pages of fully-graphic, job-related management information for any candidate for any job. Each user may choose the type of report, the amount of detail required, or the type of position in question. All reports are confidential and totally customized to the customer's requirements. The Profiles reports include:

- Hiring Reports  
(Whom to hire and why?)
- Succession Planning/Training Analysis Reports  
(Whom to promote and when?)
- Coaching Counseling/Training Analysis Reports  
(How can I/we increase productivity?)
- Personal Feedback  
(What does my Profile look like?)
- Career Planning Reports  
(What jobs am I suited for?)

This new product can be an additional tool to get associates into production and will help develop new clients. It will also generate add-on business. It can help our clients with hiring, training, and coaching decisions. Profiles can also assist us in hiring, training, and coaching our own associates.

When clients enroll in the Profiles program, they will receive a *Marketing Manual*, a *Reliability & Validity Manual*, and a complete price list of product and support materials.

We plan on targeting business schools, companies with sales staffs, misplaced executives, and housewives who suddenly have been shoved into the workforce due to divorce or death of a spouse. Our targeted markets will be contacted in the order listed.

This program will enable individuals to select a career best suited for their talents and characteristics. In addition, business owners will save thousands of dollars and eliminate the hours that might be spent training the wrong person for the job.

### **Sales Staff**

#### *Developing a Million-Dollar Distributorship*

We have developed a system to identify the reasons why salespeople do not reach individual and company goals.

Generally, persons in sales do not succeed for two specific reasons:

1. Lack of skills
2. Poor attitude

With our "Sales Problem Identifier" we will train our staff to overcome obstacles that sometimes lead to inferior results.

## **Financial Projections**

### **Capital Needs**

#### *Office Space*

Included in the marketing plan are projections for our current lease agreement. We have anticipated that the lease will be increased to \$550 a month for one office of 150 square feet. Since this facility is too small to meet our needs, we feel a much larger area is necessary. Therefore, we felt it necessary to negotiate for a larger space.

The office space we have targeted is the only space left in our complex that is left unbuilt. Fancy Properties is offering an allowance for build-out of \$4440. The square footage available is 1260 feet. We plan on building our offices beginning September 1, 1995. Obviously this allowance will help out, but our capital needs will also include additional office furniture, telephone system, a fax machine, copy machine, a more comprehensive inventory of programs for Leaders Development Group, and a computer system.

### **Operating Projections**

We have separated our operating projections into three separate areas, namely: 90 days, 12 months, and 15 months. The reason for this is because our move to a larger office space will increase our overhead after 90 days.

#### *Inventory Expense and Savings*

The average cost of an LDG program is \$175 (wholesale) plus 8.5 percent added for sales tax and shipping expense, for a total of \$189.88. Purchasing 20 programs at a time qualifies for a discount of 21 percent off the price of \$189.88 or approximately \$40 savings per program. Our savings per order would be about \$800 for each 20-program order. Having inventory in stock that has been purchased in large volume will allow rapid service for our clients, as well as substantial savings for our company.

#### *Twelve-Month Operating Projections*

### **Authors' Note:**

*As suggested earlier, the financial presentation portion of the business plan needs to be well prepared. If assistance is needed, contact a reputable accounting or other business firm that will be able to provide accurate, reasonable, and meaningful information.*

## Appendix

### Authors' Note:

*Put all supporting documentation in the appendix section as noted and referenced throughout your business plan.*

*In addition, this information should be clearly and neatly presented so the reader of your business plan can easily reference and understand the data being provided.*