

THE WAVE GROUP BUSINESS PLAN

I. EXECUTIVE SUMMARY

The Wave Group, (hereinafter "Business") is intended to be formed as a Surf Firm located at 400 spartan dr., salem, Virginia, 24153, poised for rapid growth in the Consumer Design industry. The Business seeks funding to take advantage of a window of opportunity for introducing a new Surf style products product, which has the potential to dominate the market.

Business Description. The Business is to be organized as a Surf Firm, promoted by Rick Nielsen. Rick Nielsen has a business degree from Roanoke College. He participates in all of the activities that our products have to do with..

New Product. The Business has developed a Surf style products product which has the following specifications:

The products we would create are more aimed toward people of youthful lifestyles. We would create attire, sports wear, action sport gear, surf/long boards, and small offroad vehicles

The Business has a window of opportunity to introduce its products and gain a significant piece of the market share.

Funding Request. The total funding request is for a \$80,000.00 loan for a 5 years period. The funding proceeds will be used as follows:

\$15,000.00 for Marketing

This amount is earmarked for effectively marketing the products as described below in the Marketing Summary section of the Business Plan.

\$60,000.00 for Staffing

This portion of funding is intended for hiring employees to produce the products and assist marketing and sales efforts.

\$5,000.00 for Product Build

To build the products

The Business is looking for long-term debt funding. Financial projections forecast a break-even point in less than 1 year after product introduction. Conservative estimates show at least a 101 return on the investment by the end of the financing period.

II. BUSINESS SUMMARY

The business is a start-up business, providing clients with Surf style products. The products we would create are more aimed toward people of youthful lifestyles. We would create attire, sports

wear, action sport gear, surf/long boards, and small offroad vehicles

Industry Overview. There is a pretty big industry for our products, as there are many possible customers.

Seasonal Factors. The Business is influenced greatly by the seasonal factor. This factor has been carefully considered and utilized while making projections and estimations for revenue and sales.

Position in the Industry. The Wave Group will be open to all ages and it will be advertised in popular places to get a good out reach.

Legal Issues. The promoters have secured the required patents and trademarks for the products and processes of the business in accordance with the statutory requirements.

III. MARKETING SUMMARY

Target Markets. The main target markets for the business include:

- Off-road, surfing, hiking

It is estimated that there are 3,600,000 potential customers within the Business defined trading area that are estimated to spend \$26,000,000.00. To seek the most profitable market segments in the target markets overall, the Business will focus on the following areas within the target market:

- Our plan is to be very professional and freindly so that our company will be trusted and well thought of.

Competition. Customer choice of services in this industry is based on Quality of products, price, and necessity. Our main competitors would be stores like Pacsun, Gander Mt, and cabella's

Services. The Business intends to provide exceptional, personalized service, which will be the crucial factor in building and protecting the Business's brand within the community. The Business intends to handle customer concerns and issues with a customer oriented focus with the intent of providing timely resolution and preventing the loss of customers.

IV. STRATEGY AND IMPLEMENTATION SUMMARY

The Business plans the following tactics as part of sales promotion:

- Develop a list of businesses in the neighborhood and send brochures by direct mail to the list.
- Internet marketing

In addition, the Business will also engage in the following marketing campaigns:

- As a marketing campaign we would allow the first 200 customers to have

a 50% off sale.

V. FINANCIAL PLAN

The Funding Request in this Business Plan outline the major start-up costs associated with this business. Other costs include repair and maintenance, sales and production expenses. Regular monthly expenses are estimated at \$5,000.00 for paying the employee salaries and other regular business expenses. The Business is expected to generate \$3,500,000.00 in the first year and gross profit is expected to be \$3,000,000.00.