



Jacobs Woodworking Shop


Business Plan


2020-21


Carving out excellence.


Information provided in this business plan is unique to this business and confidential; therefore, anyone reading this plan agrees not to disclose any of the information in this business plan without prior written permission of the Company

Prepared By

 John Doe

 (650) 359-3153

 10200 Bolsa Ave, Westminster, CA, 92683

 support@upmetrics.co


 <https://upmetrics.co>

Table of Contents

Executive Summary	3
Business Overview	3
Objectives	3
Mission	3
Products And Services	4
Management	4
Customers	4
Operating Summary	6
3 Year profit forecast	6
Business Description	7
Company Owner	7
Purpose of starting a business	7
Legal Structure	7
Start-up Summary	8
Startup Cost	8
Startup Requirements	8
Products and Services	11
Products and services	11
Market Analysis	13
Market Trends	13
Target Market	13
Marketing Segmentation	14
Marketing Share	14
Product Pricing	14
Strategy and Implementation Summary	15
Competitive Analysis	15
Sales Strategy	15
Sales Yearly	16
Sales Forecast	17
Detailed Sales Forecast	18
Management Summary	19
Personnel Plan	19
Average Salary	20
Financial Plan	21

Important Assumptions	21
Brake-even Analysis	21
Projected Profit and Loss	22
Profit Yearly	23
Gross Margin Yearly	24
Projected Cash Flow	25
Projected Balance Sheet	26
Business Ratios	27

Executive Summary



REMEMBER

Before you think about how to start Woodworking services, you must create a detailed Woodworking business plan. It will not only guide you in the initial phases of your startup but will also help you later on.

[Read More](#)

Business Overview



TIP

Jacobs Woodworking Shop, Inc. is a registered woodworking company that will be located in Reno – Nevada; in an ideal location highly suitable for the kind of business we want to establish. We have been able to lease a facility that is big enough (a 10 thousand square foot facility) to fit into the kind of standard woodworking company that we intend to launch.

[Read More](#)

Start Writing here...

Objectives



TIP

The objectives of the Jacobs Woodworking Shop are:

- Capture the majority of the garden carpentry business in the Old Town area.
- Offer our customers a superior service, at a low price.

[Read More](#)

Start Writing here...

Mission



TIP

The mission of Jacobs Woodworking Shop is to become the primary resource for residential garden carpentry in the Old Town area.

[Read More](#)

Start Writing here...

Products And Services



TIP

Jacobs Woodworking Shop will be involved in the carving of woods, cabins, and also a wide range of household furniture (living room, dining room, and bedroom furniture, upholstered, coffee tables, sofa tables, end tables, sofas, love seats, chairs, bookshelves, ottomans, display cabinets, consoles and TV stands and otherwise), outdoor and office furniture (Desks and home office goods, lamps, recliners, rugs, and outdoor furniture). We will ensure

[Read More](#)

Start Writing here...

Management



TIP

Jacobs Woodworking Shop, Inc. is a family business that is owned by Nathaniel Jacobs and his immediate family members. Nathaniel Jacobs holds a Bachelor of Arts degree from Western College in Art that she obtained while working full-time in the construction field, working for some of the leading brands in the United States.

[Read More](#)

Start Writing here...

Customers



TIP

The majority of the people decorate their property like decks, terrace, staircases, lawns, balcony, and kitchens, etc. with wooden adornments. Many just buy beautiful wooden pieces and decorations for placing inside their houses. As the Strip is the center of entertainment palaces and luxury hotels, so our customers will not only be the residents of the city but also the tourists and the managers of resorts and palaces.

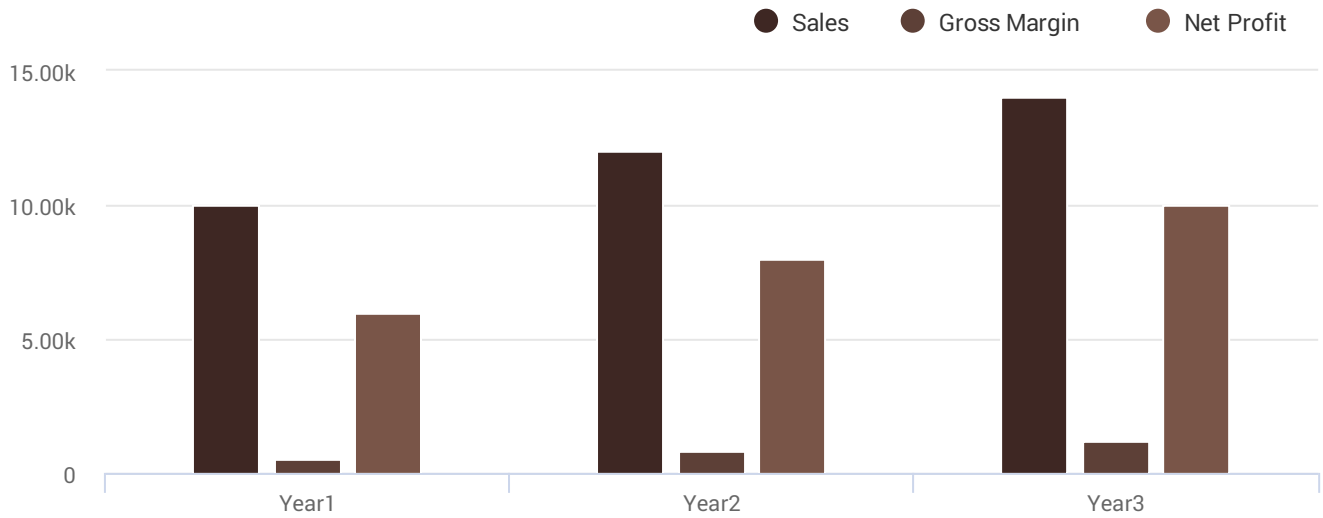
[Read More](#)

Start Writing here...

Operating Summary

Our 3 year financial profit forecast is as follow:

3 Year profit forecast



Financial Year	Sales	Gross Margin	Net Profit
Year1	10000	500	6000
Year2	12000	800	8000
Year3	14000	1200	10000

Business Description

Company Owner



TIP

Nathaniel Jacobs will be the owner of the company. Jacobs is a famous interior designer, crafting unique items of wood is Jacobs's hobby, even some of his handmade wooden sculptures were kept in the International Woodworking Fair last year.

[Read More](#)

Start Writing here...

Purpose of starting a business



TIP

Jacobs has been related to making designs, and artifacts since his childhood. He is called by various shows and programs to give interior design ideas. By starting a woodwork business, Jacobs wants to use his experience, skill, and passion on a larger scale to earn a profit.

[Read More](#)

Start Writing here...

Legal Structure



TIP

Jacobs Woodworking Shop is a sole proprietorship.

[Read More](#)

Start Writing here...

Start-up Summary



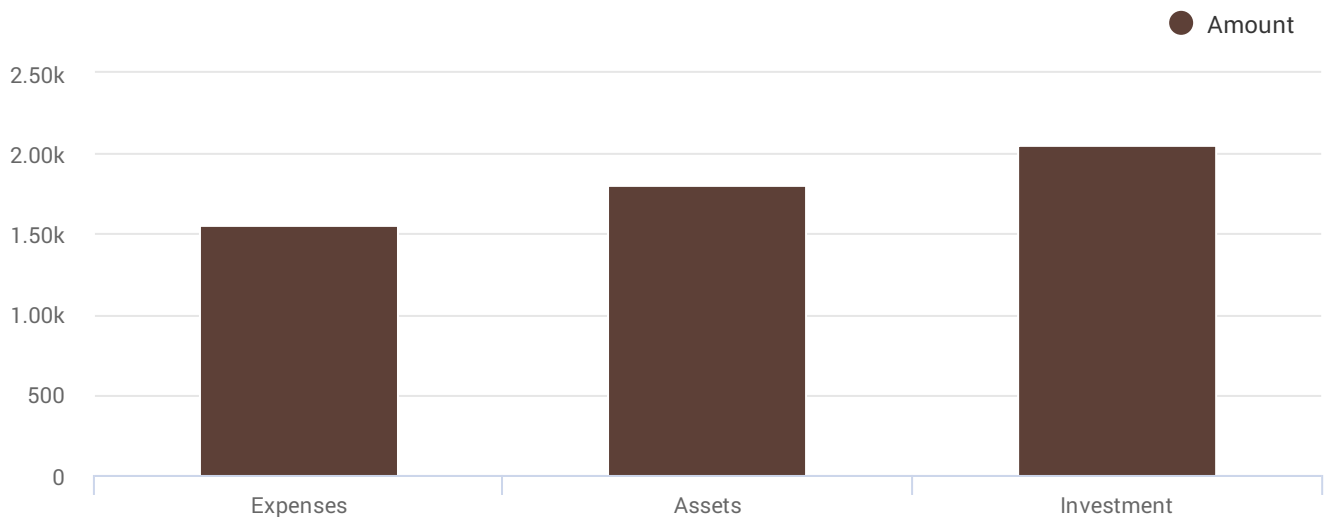
TIP

Jacobs will provide the major investment in starting Jacobs Woodworking Shop. Jacobs will also secure an SBA loan. The following table and chart show the projected initial start-up costs for Jacobs Woodworking Shop.

[Read More](#) ▾

Start Writing here...

Startup Cost



Cost distribution

Amount

Expenses	1550
Assets	1800
Investment	2050

Startup Requirements

The detailed start-up requirements and liabilities as forecast by experts is given below:

Start-up Expenses	Amount
Legal	\$55,300
Consultants	\$0
Insurance	\$32,750

Start-up Expenses	Amount
Rent	\$32,500
Research and Development	\$32,750
Expense Equipment	\$32,750
Signs	\$1,250
TOTAL START-UP EXPENSES	\$187,300
Start-up Assets	\$0
Cash Required	\$332,500
Start-up Inventory	\$32,625
Other Current Assets	\$232,500
Long-term Assets	\$235,000
TOTAL ASSETS	\$121,875
Total Requirements	\$245,000
START-UP FUNDING	\$0
START-UP FUNDING	\$273,125
Start-up Expenses to Fund	\$11,875
Start-up Assets to Fund	\$15,000
TOTAL FUNDING REQUIRED	\$0
Assets	\$23,125
Non-cash Assets from Start-up	\$18,750
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$18,750
Cash Balance on Starting Date	\$21,875
TOTAL ASSETS	\$0
Liabilities and Capital	\$0
Liabilities	\$0
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
TOTAL LIABILITIES	\$0
Capital	\$0
Planned Investment	\$0
Investor 1	\$332,500

Start-up Expenses	Amount
Investor 2	\$0
Other	\$0
Additional Investment Requirement	\$0
TOTAL PLANNED INVESTMENT	\$695,000
Loss at Start-up (Start-up Expenses)	\$313,125
TOTAL CAPITAL	\$251,875
TOTAL CAPITAL AND LIABILITIES	\$251,875
Total Funding	\$255,000

Products and Services



REMEMBER

Before starting a woodworking business, you must take many things into consideration such as you must consider what types of wood services will you be providing to your customers. Deciding your services is extremely important since it helps you plan other components of your business so make sure to consider it before you think about how to start a woodworking business.

[Read More](#)



TIP

Jacobs Woodworking Shop, Inc. is in the woodworking industry to service a wide range of clients and of course to make profits, which is why we will ensure we go all the way to give our clients and potential clients options. The products and services that Jacobs Woodcraft will keep at the shop are:

[Read More](#)

Start Writing here...

Products and services



Beautifully carved wooden decoration pieces and sculptures



Designated wooden chests



Designated wooden cradles



Wooden toys



Wall to wall woodworking



TIP

Jacobs Woodcraft's major serving will be adorning the stage and sets with beautiful woodwork in events and programs. The company will also take orders on doing interior wood designing in residential or commercial buildings.

[Read More](#)

Start Writing here...

Market Analysis



REMEMBER

The most significant part of developing a woodworking business plan is its accurate market analysis. Knowing the customers' demand before you start your own woodworking business is really helpful in deciding your services and sales strategy.

Before writing a carpentry business plan, you must go through some of the best woodworking business plans available online. However, if you want

[Read More](#)

Market Trends



TIP

If you are conversant with the trends in the Woodworking Industry, you will quite agree that the changes in disposable income, consumer sentiment, ever-changing trends, and of course the rate of homeownership are major growth drivers for this industry.

No doubt, a massive rise in consumer confidence has also contributed to helping the industry experienced remarkable growth, but uneven re

[Read More](#)

Start Writing here...

Target Market



TIP

We are fully aware that there is indeed a large national and international market for products made from wood hence we have positioned our woodworking company to service wood-related construction companies, households, and other manufacturing companies all around Reno – Nevada, and every other location where we intend distributing our products.

We have conducted our market research and feasibility studies on

[Read More](#)

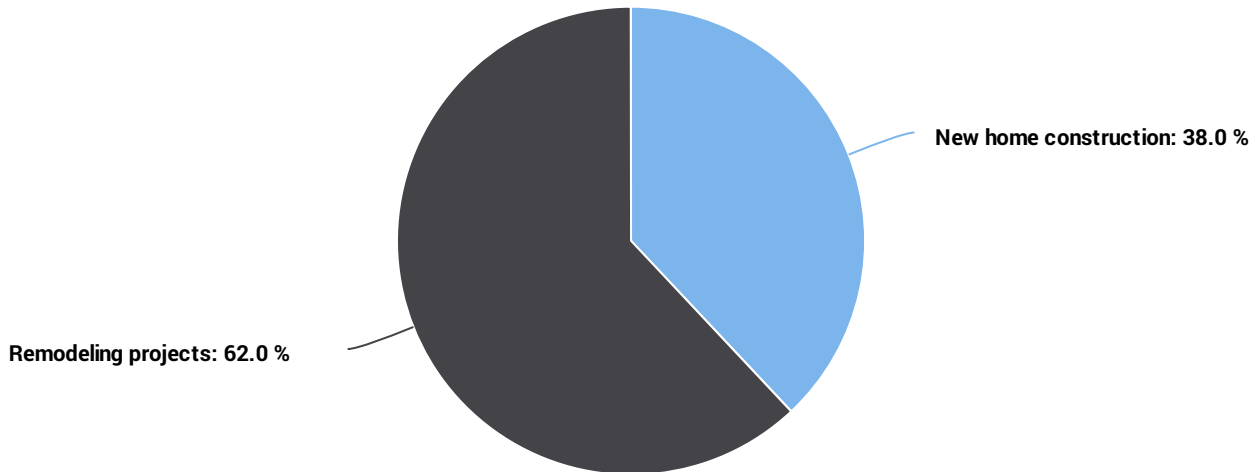
Start Writing here...

upmetrics.co

Marketing Segmentation

Jacobs Woodworking Shop will focus on two significant customer groups:

Marketing Share



Segments

Market share

New home construction

38

Remodeling projects

62

Potential Customers	Growth	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR
New Home Construction	7%	2,000	2,140	2,290	2,450	2,622	7.00%
Remodeling Projects	5%	3,000	3,150	3,308	3,473	3,647	5.00%
Total	5.82%	5,000	5,290	5,598	5,923	6,269	5.82%

Product Pricing



TIP

Setting the prices of products and services is undoubtedly the most challenging part while starting a new business, as it is difficult in the initial stages to earn a profit while keeping low prices. You can have an idea of the wooden product prices by going through any woodworking business plan example available on the web. In this woodworking business plan sample, we are providing the pricing scheme of Jacobs Woodcraft.

[Read More](#)

Start Writing here...

Strategy and Implementation Summary



REMEMBER

The most important part after starting a small woodworking business is to advertise your services to let your target customers know about you. In fact, there are more chances of a startup to end as a failure if its owner failed to market his products and services. After starting a woodworking shop, you must pay attention to make an effective sales strategy to increase your sales and profit.

[Read More](#)

Competitive Analysis



TIP

Nathaniel Jacobs' reputation for quality work and excellent customer skills has been a hallmark of his work history in construction. Starting his own company is just another step in his quest to deliver services to customers that were second to none. As a woman in the male-dominated construction profession, it has always been Jacobs's competitive edge that has pushed him ahead with customers and employers. His focus on creative integrated deck s

[Read More](#)

Start Writing here...

Sales Strategy



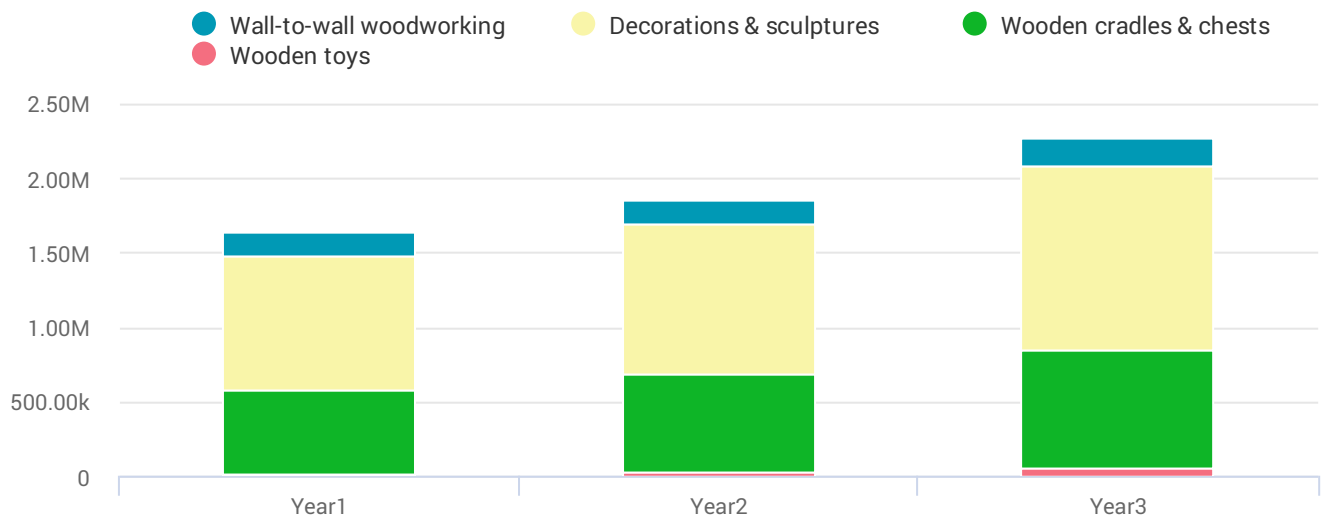
TIP

Considering the market demand and the beauty of our products, our sales pattern is expected to increase with years. Our experts have forecasted the following sales on a yearly basis which are summarised in the column charts.

[Read More](#)

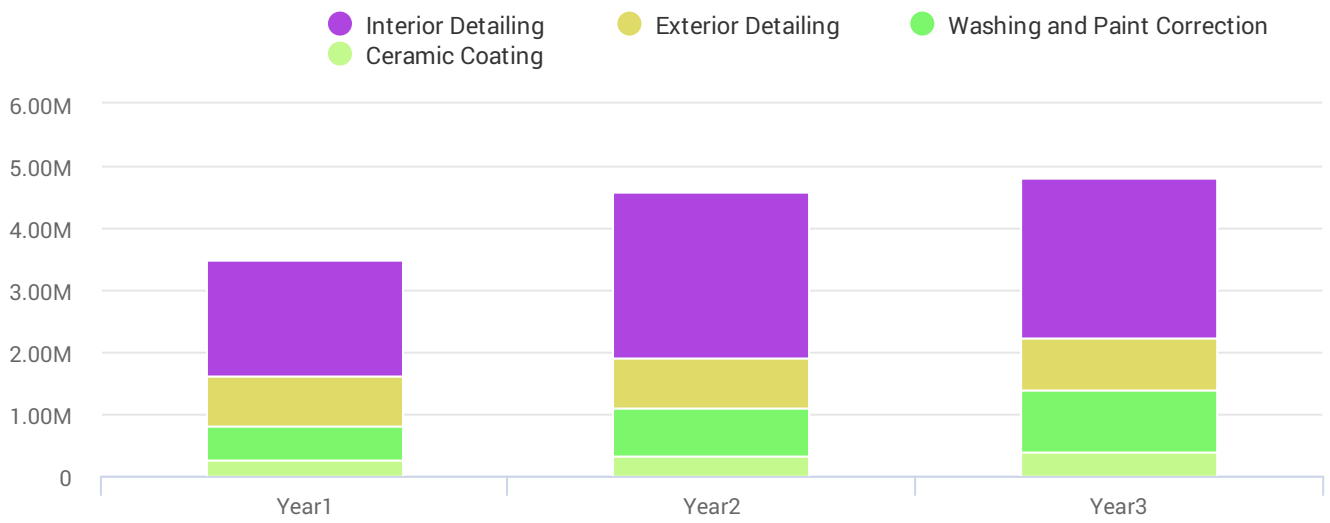
Start Writing here...

Sales Yearly



Financial Year	Wall-to-wall wood...	Decorations & scu...	Wooden cradles &...	Wooden toys
Year1	158745	895665	568654	12451
Year2	164548	1004512	658457	24578
Year3	186541	1245587	784512	56452

Sales Forecast



Financial Year	Interior Detailing	Exterior Detailing	Washing and Pain...	Ceramic Coating
Year1	1887030	802370	539320	265450
Year2	2680320	815430	770230	322390
Year3	2588240	823540	1002310	393320

Detailed Sales Forecast

Start Writing here...

	Year 1	Year 2	Year 3
Unit Sales			
Wall-to-wall woodworking	1,887,030	2,680,320	2,588,240
Decorations & sculptures	802,370	815,430	823,540
Wooden cradles & chests	539,320	770,230	1,002,310
Wooden toys	265,450	322,390	393,320
TOTAL UNIT SALES	3,494,170	4,588,370	4,807,410
Unit Prices			
Wall-to-wall woodworking	\$140.00	\$150.00	\$160.00
Decorations & sculptures	\$600.00	\$800.00	\$1,000.00
Wooden cradles & chests	\$700.00	\$800.00	\$900.00
Wooden toys	\$650.00	\$750.00	\$850.00
Sales			
Wall-to-wall woodworking	\$2,149,800	\$2,784,000	\$3,383,200
Decorations & sculptures	\$120,050	\$194,500	\$268,500
Wooden cradles & chests	\$50,110	\$71,600	\$93,000
Wooden toys	\$139,350	\$194,600	\$249,850
Direct Unit Costs			
Wall-to-wall woodworking	\$0.70	\$0.80	\$0.90
Decorations & sculptures	\$0.40	\$0.45	\$0.50
Wooden cradles & chests	\$0.30	\$0.35	\$0.40
Wooden toys	\$3.00	\$3.50	\$4.00
Direct Cost of Sales			
Wall-to-wall woodworking	\$989,300	\$1,839,000	\$2,679,700
Decorations & sculptures	\$66,600	\$119,900	\$173,200
Wooden cradles & chests	\$17,900	\$35,000	\$52,100
Wooden toys	\$19,400	\$67,600	\$115,800
Subtotal Direct Cost of Sales	\$1,294,100	\$1,699,400	\$2,104,700

Management Summary



REMEMBER

The management plan is also an important component of a woodworking business plan since it gives you an estimate of the staff required for your startup as well as the costs incurred on their salaries. So, make sure to duly consider it before thinking about how to start a woodworking business. The personnel plan of Woodworking Business is as follows.

[Read More](#)



TIP

Jacobs Woodworking Shop will be managed by Nathaniel Jacobs. Jacobs is a talented professional who holds a Bachelor of Arts degree from Western College in Art that she obtained while working full-time in the construction field. Jacobs entered the world of construction in 1981 as a means to pay for his education. She quickly gained a reputation for quality and creative work. She started his apprenticeship and early training as a carpenter soon after

[Read More](#)

Start Writing here...

Personnel Plan

Jacobs is all-in-all in carving wooden products and making unique designs, he needs staff for working on his ideas, so he has decided to be in the production center and not be the manager himself. He'll hire the following persons:

- 1 General Manager to manage the operations
- 2 Accountants to maintain financial records
- 3 Artists/Designers for presenting and drawing new designs
- 8 Carpenters for woodworking
- 4 Salespersons to operate display centers
- 3 Sales and Marketing Executives responsible for delivering products to retailers and discover new ventures
- 2 Technicians for maintaining machines
- 2 Drivers for transporting wood and other material
- 1 Front Desk Officer to act as a receptionist for receiving interior design orders
- 2 General Workers for routine tasks

Average Salary

	Year 1	Year 2	Year 3
Accountants	\$85,000	\$95,000	\$105,000
General Manager	\$45,000	\$50,000	\$55,000
Carpenters	\$550,000	\$650,000	\$750,000
Artists/ Designers	\$410,000	\$440,000	\$480,000
Salespersons	\$152,000	\$159,000	\$166,000
Sales Executives	\$145,000	\$152,000	\$159,000
Technicians	\$50,000	\$55,000	\$60,000
Drivers & Workers	\$187,000	\$194,000	\$201,000
Front Desk Officer	\$42,000	\$45,000	\$48,000
Total Salaries	\$562,000	\$599,000	\$646,000

Financial Plan



REMEMBER

The last component of a woodworking business plan is an in-depth financial plan. The financial plan crafts a detailed map of all the expenses needed for the startup and how these expenses will be met by the earned profits. It is recommended that you use [our financial planning tool](#) for guiding you through all financial aspects needed to be considered for starting a woodworking business.

[Read More](#)

Important Assumptions

The financial projections of the company are forecast on the basis of the following assumptions. These assumptions are quite conservative and are expected to show deviation but to a limited level such that the company's major financial strategy will not be affected.

	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10,00%	11,00%	12,00%
Long-term Interest Rate	10,00%	10,00%	10,00%
Tax Rate	26,42%	27,76%	28,12%
Other	0	0	0

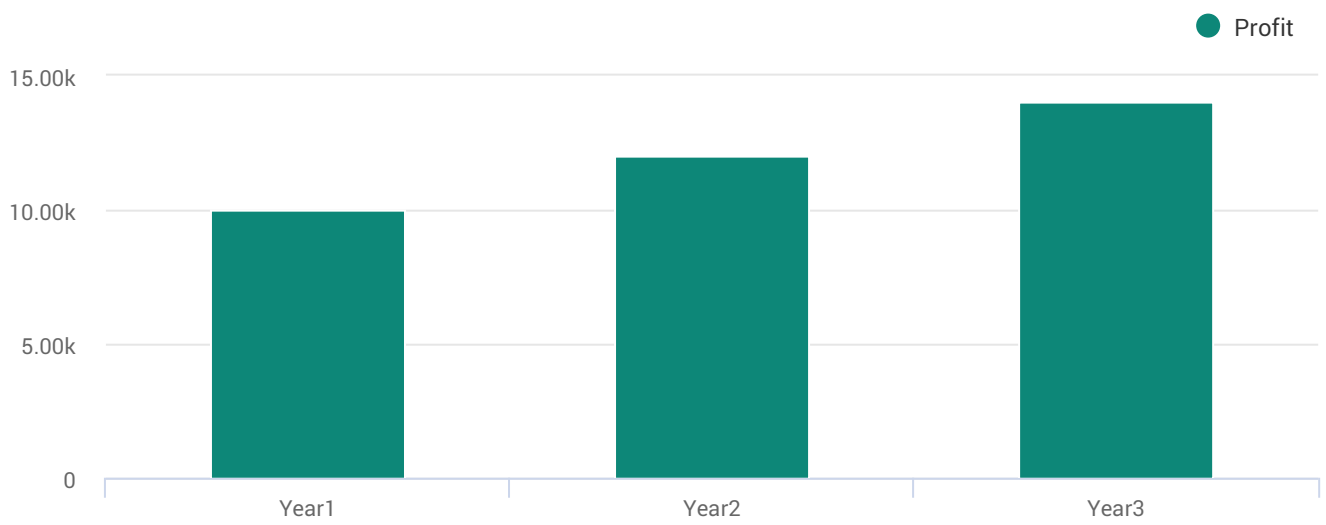
Brake-even Analysis

Monthly Units Break-even	5530
Monthly Revenue Break-even	\$159 740
Assumptions:	
Average Per-Unit Revenue	\$260,87
Average Per-Unit Variable Cost	\$0,89
Estimated Monthly Fixed Cost	\$196 410

Projected Profit and Loss

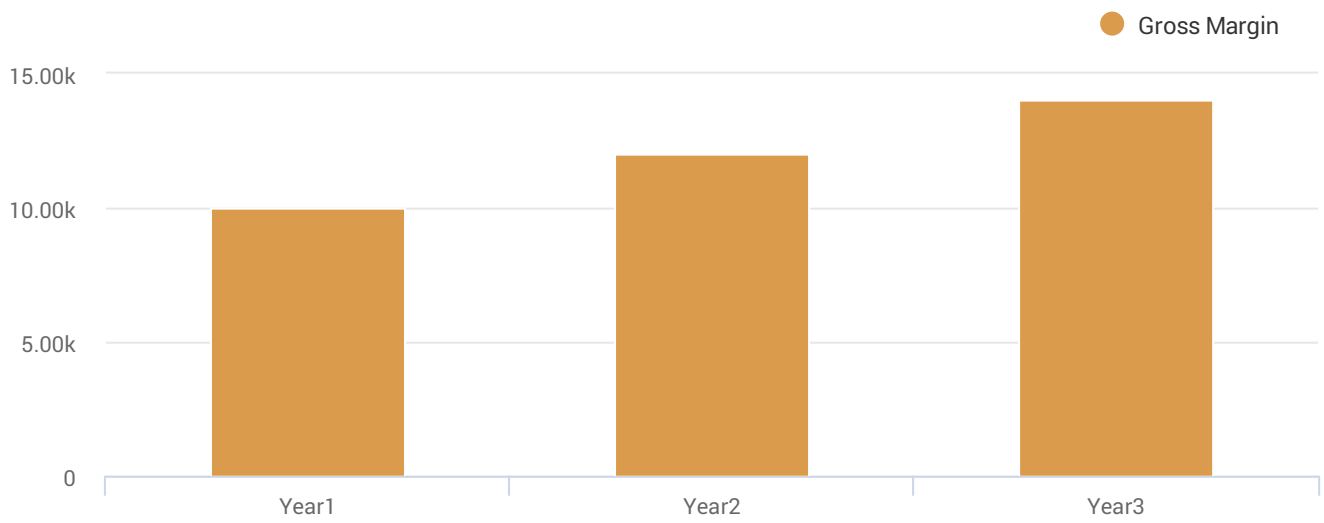
	Year 1	Year 2	Year 3
Sales	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
Expenses			
Payroll	\$138 036	\$162 898	\$187 760
Sales and Marketing and Other Expenses	\$1 850	\$2 000	\$2 150
Depreciation	\$2 070	\$2 070	\$2 070
Leased Equipment	\$0	\$0	\$0
Utilities	\$4 000	\$4 250	\$4 500
Insurance	\$1 800	\$1 800	\$1 800
Rent	\$6 500	\$7 000	\$7 500
Payroll Taxes	\$34 510	\$40 726	\$46 942
Other	\$0	\$0	\$0
Total Operating Expenses	\$188 766	\$220 744	\$252 722
Profit Before Interest and Taxes	\$105 205	\$146 040	\$186 875
EBITDA	\$107 275	\$148 110	\$188 945
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$26 838	\$37 315	\$47 792
Net Profit	\$78 367	\$108 725	\$139 083
Net Profit/Sales	30,00%	39,32%	48,64%

Profit Yearly



Financial Year	Profit
Year1	10000
Year2	12000
Year3	14000

Gross Margin Yearly



Financial Year	Gross Margin
Year1	10000
Year2	12000
Year3	14000

Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
SUBTOTAL CASH FROM OPERATIONS	\$47 143	\$53 651	\$59 359
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
SUBTOTAL CASH RECEIVED	\$47 143	\$53 651	\$55 359
Expenditures from Operations			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
SUBTOTAL SPENT ON OPERATIONS	\$35 296	\$39 549	\$43 582
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
SUBTOTAL CASH SPENT	\$35 296	\$35 489	\$43 882
Net Cash Flow	\$11 551	\$13 167	\$15 683
Cash Balance	\$21 823	\$22 381	\$28 239

Projected Balance Sheet

Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$184 666	\$218 525	\$252 384
Accounts Receivable	\$12 613	\$14 493	\$16 373
Inventory	\$2 980	\$3 450	\$3 920
Other Current Assets	\$1 000	\$1 000	\$1 000
TOTAL CURRENT ASSETS	\$201 259	\$237 468	\$273 677
Long-term Assets			
Long-term Assets	\$10 000	\$10 000	\$10 000
Accumulated Depreciation	\$12 420	\$14 490	\$16 560
TOTAL LONG-TERM ASSETS	\$980	\$610	\$240
TOTAL ASSETS	\$198 839	\$232 978	\$267 117
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$9 482	\$10 792	\$12 102
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$9 482	\$10 792	\$12 102
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$9 482	\$10 792	\$12 102
Paid-in Capital	\$30 000	\$30 000	\$30 000
Retained Earnings	\$48 651	\$72 636	\$96 621
Earnings	\$100 709	\$119 555	\$138 401
TOTAL CAPITAL	\$189 360	\$222 190	\$255 020
TOTAL LIABILITIES AND CAPITAL	\$198 839	\$232 978	\$267 117
Net Worth	\$182 060	\$226 240	\$270 420

Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
Percent of Total Assets				
Accounts Receivable	5,61%	4,71%	3,81%	9,70%
Inventory	1,85%	1,82%	1,79%	9,80%
Other Current Assets	1,75%	2,02%	2,29%	27,40%
Total Current Assets	138,53%	150,99%	163,45%	54,60%
Long-term Assets	-9,47%	-21,01%	-32,55%	58,40%
TOTAL ASSETS	100,00%	100,00%	100,00%	100,00%
Current Liabilities	4,68%	3,04%	2,76%	27,30%
Long-term Liabilities	0,00%	0,00%	0,00%	25,80%
Total Liabilities	4,68%	3,04%	2,76%	54,10%
NET WORTH	99,32%	101,04%	102,76%	44,90%
Percent of Sales				
Sales	100,00%	100,00%	100,00%	100,00%
Gross Margin	94,18%	93,85%	93,52%	0,00%
Selling, General & Administrative Expenses	74,29%	71,83%	69,37%	65,20%
Advertising Expenses	2,06%	1,11%	0,28%	1,40%
Profit Before Interest and Taxes	26,47%	29,30%	32,13%	2,86%
Main Ratios				
Current	25,86	29,39	32,92	1,63
Quick	25,4	28,88	32,36	0,84
Total Debt to Total Assets	2,68%	1,04%	0,76%	67,10%
Pre-tax Return on Net Worth	66,83%	71,26%	75,69%	4,40%
Pre-tax Return on Assets	64,88%	69,75%	74,62%	9,00%
Additional Ratios	Year 1	Year 2	Year 3	
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.
Activity Ratios				
Accounts Receivable Turnover	4,56	4,56	4,56	N.A.
Collection Days	92	99	106	N.A.
Inventory Turnover	19,7	22,55	25,4	N.A.
Accounts Payable Turnover	14,17	14,67	15,17	N.A.

	Year 1	Year 2	Year 3	Industry Profile
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
Debt Ratios				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
Liquidity Ratios				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	0,45	0,48	0,51	N.A.
Current Debt/Total Assets	4%	3%	2%	N.A.
Acid Test	23,66	27,01	30,36	N.A.
Sales/Net Worth	1,68	1,29	0,9	N.A.
Dividend Payout	0	0	0	N.A.