


# BUSINESS PLAN [YEAR]




## Bike Shop

Always keeps your life moving like a bicycle

 John Doe

 10200 Bolsa Ave, Westminster, CA, 92683

 (650) 359-3153

 info@upmetrics.co

 <https://upmetrics.co>

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

# Table of Contents

---

<b>Executive Summary</b>	4
Mission Statement	5
Vision Statement	5
Keys To Success	6
Objectives	6
<b>Company Summary</b>	7
Business Structure	8
Startup summary	8
Startup cost	9
Chart	9
<b>Products and services</b>	12
Retail Sales	13
Bikes	13
Accessories	13
Clothing	13
Parts	13
Service	13
<b>Market Analysis</b>	15
Market Trends	16
Target Market	16
<b>SWOT Analysis</b>	17
<b>Strategy &amp; Implementations</b>	20
Advertising Strategy	21
Pricing Strategy	21
<b>Financial Plan</b>	22
Important Assumptions	23
Break-even Analysis	23
Projected Profit and Loss	24
Profit Yearly	25
Chart	25
Gross Margin Yearly	25
Chart	25
Projected Cash Flow	26
Projected Balance Sheet	28



# Easy to use Business Plan Software

Get started using a business plan template is always the fastest way to write your business plan, but as you know, you can't just fill in the blanks along with a template. You will need a collaborative tool that guides you on every step of your planning.

**Upmetrics** can help. With Upmetrics, you can easily bring your team to write a professional business plan with automated financial forecasts. You can also do:



## 200+ Sample business plans

Get access to hundreds of sample business plans covering almost all industries to kick start your business plan writing. This helps you to get an idea how the perfect business plan should look like.

[View Sample Business Plans](#)



## Step-By-Step Guide

You'll receive step-by-step instruction as soon as you select any business plan template. We made business planning easy with prompt help and examples on every step of your business plan writing.

[See How It Works](#)



## Conduct accurate financial projections

Do not worry about not having accounting skills. With Upmetrics, Simply enter your sales and costs figures, and we'll prepare all of your monthly/quarterly and yearly financial projections.

[See How It Works](#)



**Need professional business plans faster?**  
Upmetrics is easy to use business planning tool for over 50K businesses

**Create your business plan today!**



# 1.

## Executive Summary

Mission Statement

Vision Statement

Keys To Success

Objectives



#### REMEMBER

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

To unlock help try Upmetrics!



#### TIP

Maxwell Bike Shop, Inc. is a standard and registered Bike dealership and repair shop that will be located in one of the busiest streets in Detroit - Michigan. We have been able to lease a facility that is big enough to fit into the design of the kind of standard Bike dealership and repair shop that we intend launching and the facility is located in a corner piece

To unlock help try Upmetrics!

*Start Writing here...*

## Mission Statement



#### TIP

Our mission is to establish a world-class Bike dealership and repair shop business that will make available a wide range of Bike and accessories from top Bike manufacturing brands at affordable prices to the residence of Detroit - Michigan and other key cities in the United States of America and Canada where we intend opening of chains of Bike dealerships

To unlock help try Upmetrics!

*Start Writing here...*

## Vision Statement



#### TIP

Our vision is to become one of the leading brands in the Bike dealership and repair shops industry in Michigan and to establish a one-stop Bike dealership and repair shop in Detroit - Michigan and in other key cities in the United States of America and Canada.

To unlock help try Upmetrics!

*Start Writing here...*

## Keys To Success



TIP

- Our premier, high visibility location immediately adjacent to the State University in Detroit has been critical to our success as the Bike sales and service purveyor of choice to the university community.
- The continuance of established accounts pay...  
co-op advertising resources by suppliers of Bi...

To unlock help try Upmetrics!

*Start Writing here...*

## Objectives



TIP

The objectives for Maxwell Bike Shop Works are:

1. Continue to provide the high quality of sales and services that Maxwell Bike Shop Works is known for.

To unlock help try Upmetrics!

*Start Writing here...*

# 2.

## Company Summary

Business Structure

Startup summary





TIP

Maxwell Bike Shop, Inc. is a family business that is owned by John Moore and his immediate family members. John Moore has a B.Sc. in Business Administration from the University of Southern Maine – Portland, with well over 5 years of experience in the Bike dealership and repair shops industry, working for some of the leading brands in the United States.

To unlock help try Upmetrics!

Start Writing here...

## Business Structure



TIP

Maxwell Bike Shop, Inc. does not intend to start a Bike dealership and repair shop business like the usual mom and pop business around the street corner; our intention of starting a Bike dealership and repair shop business is to build a standard and one-stop Bike dealership and repair shop outlets in Detroit – Michigan and other key cities in the United States o

To unlock help try Upmetrics!

Start Writing here...

## Startup summary



TIP

The current owner, John Moore, has sold the business to Hub for \$140,000. To help determine this price, a business valuation specialist was hired. This professional-priced existing store fixtures, tools, and mobile leasehold improvements. These included Bike wall racks, display cases, track lighting, repair and assembly tools, supply cabinets and stor

To unlock help try Upmetrics!

Start Writing here...

## Startup cost



### Cost distribution

### Amount

<b>Expenses</b>	50000
-----------------	-------

<b>Assets</b>	80000
---------------	-------

<b>Investment</b>	35000
-------------------	-------

Start-up Expenses	Amount
Legal	\$75,500
Consultants	\$0
Insurance	\$62,750
Rent	\$22,500
Research and Development	\$42,750
Expensed Equipment	\$42,750
Signs	\$1,250
<b>TOTAL START-UP EXPENSES</b>	<b>\$247,500</b>
Start-up Assets	\$0
Cash Required	\$322,500
Start-up Inventory	\$52,625
Other Current Assets	\$222,500
Long-term Assets	\$125,000

Start-up Expenses	Amount
TOTAL ASSETS	\$121,875
Total Requirements	\$245,000
START-UP FUNDING	\$0
START-UP FUNDING	\$273,125
Start-up Expenses to Fund	\$121,875
Start-up Assets to Fund	\$195,000
TOTAL FUNDING REQUIRED	\$0
Assets	\$203,125
Non-cash Assets from Start-up	\$118,750
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$118,750
Cash Balance on Starting Date	\$121,875
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	\$312,500
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	\$221,875

<b>Start-up Expenses</b>	<b>Amount</b>
TOTAL CAPITAL AND LIABILITIES	\$221,875
Total Funding	\$265,000

# 3.

## Products and services

Retail Sales

Service

## Retail Sales



TIP

We sell new Bikes, predominantly in the speed bike style, retro-cruiser is a close second, and sport/touring/racing road bikes a distant third. We also sell some used bikes which we take in on trade as a service to our customers who are buying new bikes.

To unlock help try Upmetrics!

## Bikes

Start writing here...



TIP

We offer a wide variety of accessories. Locks, computer speedometers, fenders, cargo racks, comfortable seats, headlights, helmets, water bottles, panniers/backpacks/messenger bags, child seats and trailers, bike storage racks, and auto roof rack systems all fall in this category. It is not possible to carry every possible accessory, so we try to careful

To unlock help try Upmetrics!

## Accessories

Start writing here...



TIP

Clothing appeals to all Bikes, whether it is a logo-emblazoned T-shirt or a piece of waterproof rainwear. At Maxwell Bike Shop Works, we rotate our clothing based on the season. Just before the autumn rains, we stock jackets and Gore-Tex. Come winter we offer helmet covers and liners, insulated jerseys and pants, gloves, and shoe covers. And when spring

To unlock help try Upmetrics!

## Clothing

Start writing here...



TIP

Parts generally refer to pieces or materials necessary to the basic functioning of the Bike. Generally, parts are installed during service [see below] and are an additional charge beyond the service fees. Some, like cranksets, pedals, tires, derailleurs, or brakes, are both integral parts and upgrade accessories. Others such as headset, bottom brackets, spokes, chains

To unlock help try Upmetrics!

## Parts

Start writing here...

## Service



**TIP**

Maxwell Bike Shop Works is a full-service specialized Bike shop. Our service offering includes, but is not limited to:

- Free 30-day/100-mile tune-up with every new purchase.

To unlock help try Upmetrics!

*Start Writing here...*

# 4.

## Market Analysis

Market Trends

Target Market





### REMEMBER

The most important component of an effective Bike Shop's business plan is its accurate marketing analysis. If you are starting on a smaller scale, you can do marketing analysis yourself by taking help from this Bike Shop business plan sample or other Bike Shop business plans available online.

To unlock help try Upmetrics!

## Market Trends



### TIP

The Bike Dealership and Repair Shop Industry, just like most businesses in the retailing industry, depend on strong consumer spending to spur the demand for industry products. Over the last half a decade, the economy has begun recovering from recessionary declines with both the Consumer Confidence Index and disposable income increasing.

To unlock help try Upmetrics!

*Start Writing here...*



## Target Market



### TIP

Possibly it will be safe to submit that the Bike dealership and repair shops industry has a wide range of customers; every individual and corporate organization (bike clubs) who own Bikes would at one point or the other call for repair and replacement of parts.

To unlock help try Upmetrics!

*Start Writing here...*

# 5.

## SWOT Analysis



TIP

Our plan of starting with just one outlet of our Bike dealership and repair shop in Detroit - Michigan is to test run the business for a period of 2 to 5 years to know if we will invest more money, expand the business and then open other chains of outlets all over major towns in Michigan and key cities in the United States and Canada.

To unlock help try Upmetrics!

Start Writing here...

## Strengths

The location of our shop, the business model we will be operating on both (a physical store and online store), varieties of payment options, a wide range of Bikes from different manufacturers, and our excellent customer service culture will definitely count as a strong strength for Maxwell Bike Shop, Inc. So also our team of highly qualified staff members is also a plus for us.

S

## Weaknesses

A major weakness that may count against us is the fact that we are a new Bike dealership and repair shop outlet in Detroit - Michigan and we don't have the financial capacity to compete with multi-million dollar Bike dealership and repair shop outlets when it comes to retailing at rock bottom prices for all their tires.

W

## Opportunities

The fact that we are going to be operating our Bike dealership and repair shop in one of the busiest streets in Detroit - Michigan coupled with the rising number of people and households switching to bikes as against driving provides us with unlimited opportunities to sell our Bikes to a large number of individuals and corporate organizations.

We have been able to conduct thorough feasibility studies and market surveys and we know what our potential clients will be looking for when they visit our Bike dealership and repair shop outlets; we are well-positioned to take on the opportunities that will come our way.

O

## Threats

Just like any other business, one of the major threats that we are likely going to face is an economic downturn. It is a fact that the economic downturn affects purchasing/spending power. Another threat that may likely confront us is the arrival of a new Bike dealership and repair shop outlet in the same location where ours is located. So also, unfavorable government policies may also pose a threat to businesses such as ours.

T

# 6.

## Strategy & Implementations

Advertising Strategy

Pricing Strategy



### REMEMBER

After identifying the market demand, market trends, and the potential customers of the startup, the next step is to define an effective strategy for attracting those customers. Like marketing analysis, sales strategy is also an important component of a Bike Shop business startup and must be properly planned before you think about starting your own Bike Shop.

To unlock help try Upmetrics!

## Advertising Strategy



### TIP

Despite the fact that our shop is well located, we will still go ahead to intensify publicity for the business. We are going to explore all available means to promote our Bike dealership and repair shop.

Maxwell Bike Shop, Inc. has a long-term plan of opening more outlets. To unlock help try Upmetrics!

*Start Writing here...*



## Pricing Strategy



### TIP

Aside from quality, pricing is one of the key factors that gives leverage to retailing businesses such as Bike dealerships and repair shops. It is normal for consumers to go to places (Bike dealership shop outlets) where they can get Bikes, Bike spare parts, and accessories at a cheaper price.

To unlock help try Upmetrics!

*Start Writing here...*

# 7.

## Financial Plan

Important Assumptions

Break-even Analysis

Projected Profit and Loss

Projected Cash Flow

Projected Balance Sheet

Business Ratios



#### REMEMBER

The last component of the Bike Shop 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 startup. To unlock help try Upmetrics!



#### TIP

The company will be financed by John himself and he will control the direction of the business to make sure that it is expanding at the forecasted rate. As for the Bike Shop business start-up, no equity funding or outside loans will be required. With the help of financial experts, John has developed the following financial plan for his start-up business, which outlines the financial strategy. To unlock help try Upmetrics!

Start Writing here...

## 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

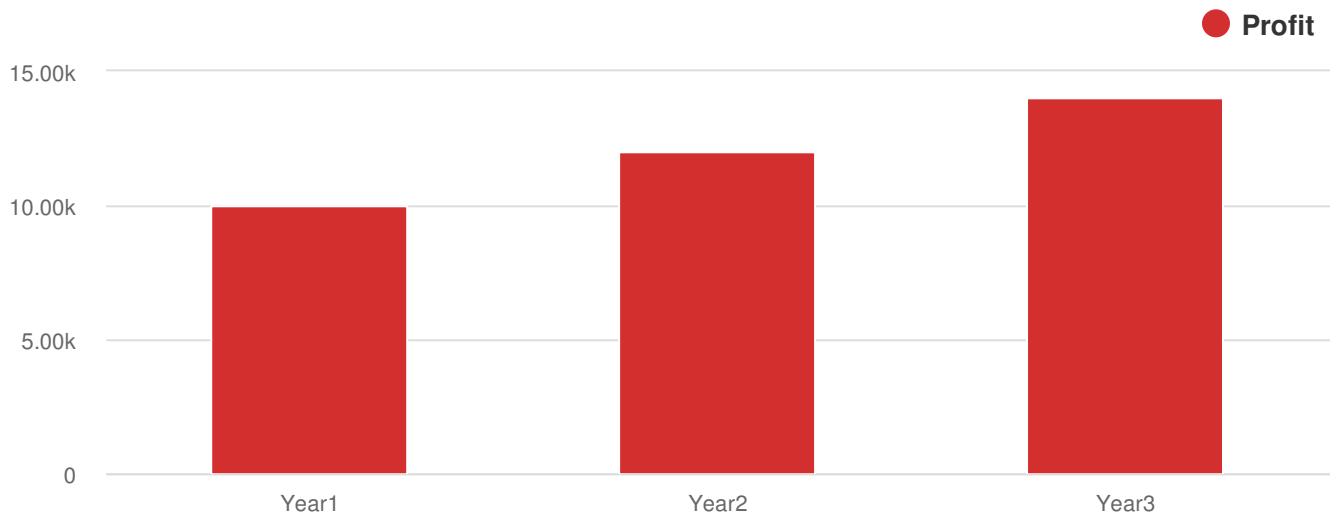
Monthly Units Break-even	5530
Monthly Revenue Break-even	\$159 740
<b>Assumptions:</b>	
Average Per-Unit Revenue	\$260,87
Average Per-Unit Variable Cost	\$0,89
Estimated Monthly Fixed Cost	\$196 410

## Projected Profit and Loss

	Year 1	Year 2	Year 3
<b>Sales</b>	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
<b>TOTAL COST OF SALES</b>	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
<b>Expenses</b>			
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
<b>EBITDA</b>	\$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
<b>Net Profit/Sales</b>	30,00%	39,32%	48,64%

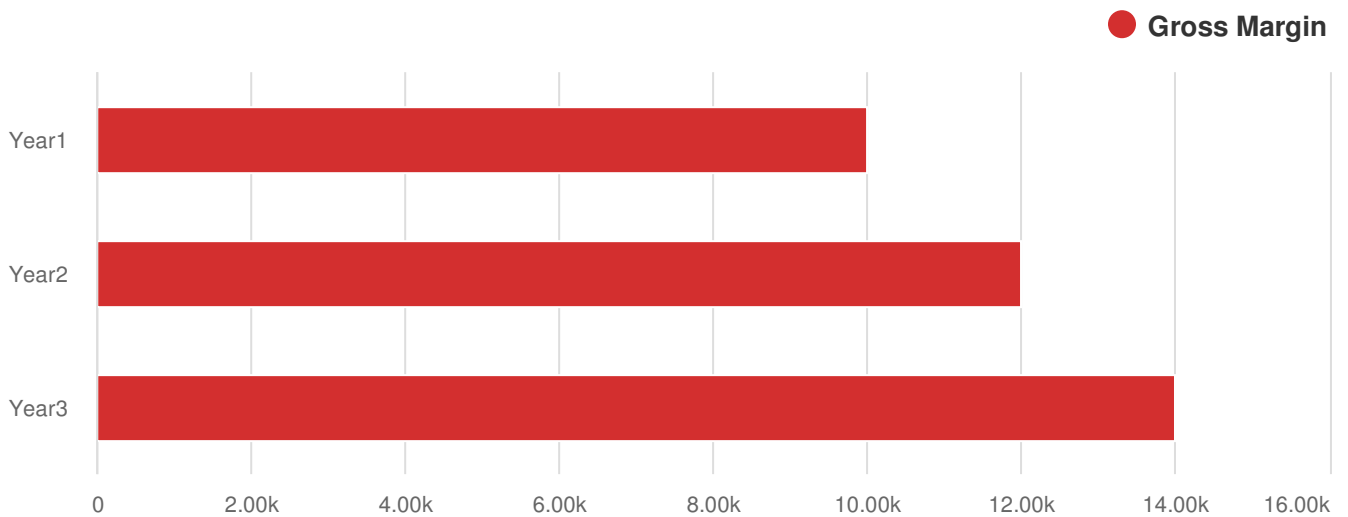


## Profit Yearly



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
<b>Cash from Operations</b>			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
<b>SUBTOTAL CASH FROM OPERATIONS</b>	<b>\$47 143</b>	<b>\$53 651</b>	<b>\$59 359</b>
<b>Additional Cash Received</b>			
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
<b>SUBTOTAL CASH RECEIVED</b>	<b>\$47 143</b>	<b>\$53 651</b>	<b>\$55 359</b>
<b>Expenditures from Operations</b>			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
<b>SUBTOTAL SPENT ON OPERATIONS</b>	<b>\$35 296</b>	<b>\$39 549</b>	<b>\$43 582</b>
<b>Additional Cash Spent</b>			
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
<b>SUBTOTAL CASH SPENT</b>	<b>\$35 296</b>	<b>\$35 489</b>	<b>\$43 882</b>
<b>Net Cash Flow</b>	<b>\$11 551</b>	<b>\$13 167</b>	<b>\$15 683</b>

<b>Cash Received</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Cash Balance</b>	\$21 823	\$22 381	\$28 239

## Projected Balance Sheet

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

## Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
<b>Percent of Total Assets</b>				
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%
<b>Percent of Sales</b>				
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%
<b>Main Ratios</b>				
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%
<b>Additional Ratios</b>				
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.

	Year 1	Year 2	Year 3	Industry Profile
<b>Activity Ratios</b>				
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.
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
<b>Debt Ratios</b>				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
<b>Liquidity Ratios</b>				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
<b>Additional Ratios</b>				
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.

# Want to make it more presentable?

## Want help tips on each section?

You'll save time and can write your professional business plan effectively and faster with Upmetrics' business plan software.

- Every feature you need to convert your great business idea into a reality.
- Write your plan easily and faster without any hassles.
- Structure your idea and create stunning pitches that awe your investors.
- Get access to Upmetrics software, invite your team members and start writing your business plan.

### 1. Get tried and tested tips

Upmetrics business plan builder gives you everything you need to stay in sync and guides you on every step of your business plan writing.

### 2. Write an interactive plan

Use our business plan sections - competitive Analysis, comparison tables, SWOT Analysis, charts, timelines, milestones, etc to create a visually impactful business plan.

### 3. Stunning business plan cover pages

Upmetrics business plan builder comes with beautifully designed cover pages. Choose professional, creative cover pages to make your business plan stand out.

### 4. Financial forecasting

With Upmetrics you don't have to worry about navigating complex spreadsheets. Just input your numbers and we'll provide you with well-structured financial reports that you and your investors understand.

### 5. Share easily with anyone

Upmetrics plans are easily shareable in pdf and word documents. And if either doesn't work, you can share it with a quick link too and track the reader's activity!

### 6. Real-time and Collaborative

Invite your team members to initiate conversations, discuss ideas and strategies in real-time, share respective feedback, and write your business plan.

Join over 100k+ entrepreneurs who have used Upmetrics to create their business plans.

Start writing your business plan today