

ELITE SPORT SOCCER **STORE**

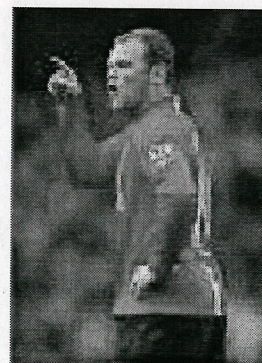
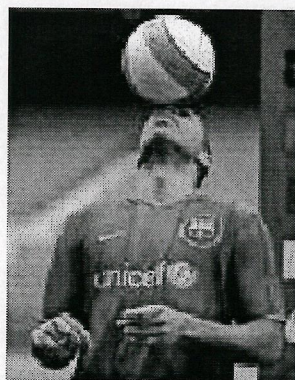
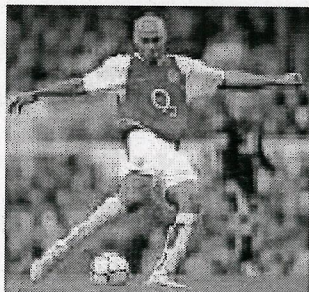


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Executive Summary

Business Concept

Our business, Elite Sport Soccer Store, supplies soccer apparel for on and off the playing field, and equipment for games and practice. We also sell books to help the reader learn about the game. Another service we offer is running soccer camps for children who want to learn how to play. At Elite Sport Soccer Store, we believe that along with a good product, the customer deserves helpful and friendly advice. Our store sells merchandise from a variety of businesses from around the world. Our business has no other store, but we have been selling our products via the internet, having them delivered to the buyer from our warehouse.

Plan Objective

We don't need a business loan because we have all of our products in our warehouse in Mississauga Ontario. We don't need a loan for the store either because of the profit we made from selling our products online for numerous years. We hope to make around \$108,000 of profit from our store yearly, with \$230,000 in income.

Management

The aspects of training we have up to date are keyboarding skills, simple business education, a knowledge of the game of soccer, and basic skills in many computer programs including designing websites and Microsoft office. The traits we have that will help our business move forward are organizational skills and communication skills. I am friendly, bilingual, and have the ability to make good decisions. I plan to take business management courses and accounting courses to expand my knowledge of the business world. This is a partnership business.

Contact:

Neil Baskerville-Bridges
Shane Spoor

734 Caledonia Avenue
Victoria B.C.
Canada

(250) 652-1337
Elitesportsoccer.com
Elitesportsoccer@gmail.com

Key Products and Services

Products

- Clothes: We sell a variety of shirts, shorts and other clothing for on and off the field.
- Equipment: We stock game and practice equipment such as goals and nets, soccer balls, training equipment, bags, and benches.
- Soccer apparel: Along with our versatile jerseys and shorts, we also sell a number of more soccer-specific clothes, such as cleats, shin pads, athletic supporters and goalie gloves.
- Our products, though not different than those of other businesses, are more reasonably priced (we buy directly from the manufacturer, and pass the savings on), can be bought using our convenient online purchasing system, and have an extended warranty at purchase for no extra cost.
- We sell brand name products with the respective companies' permission only.

Services

- Camps: We teach kids from ages 7-17 how to play, technique, and some of the fundamental strategies for success (including proper nutrition and sleeping habits).

Product Risk

- Though people may be injured using our products, they assume all responsibility unless the product is proven to have been defective at the time of the injury. Other companies can sell the same products as we do, but we offer them at a lower price, ship all over the country, and offer an extended warranty along with our products.

Industry and Market Research

Industry Research

- Our business falls in the category of sports equipment and training. We sell sports equipment and clothing while also offering camps to improve one's skill.
- This is a stable, mature industry but it's also fairly competitive. The average soccer store in Canada makes about \$250,000.00 annually (depends on size and location), and has about 3400 customers annually.
- The soccer businesses in Canada are growing and becoming more successful and will continue to do so for many years. The customers that are interested in the soccer business are usually younger, (7-17), when they are just starting soccer, or growing into new equipment.
- We also have products usable for older customers, but we don't expect to sell as many in that category.
- The number of people is always growing and people are trying to become more and more fit, and getting their children into sports.
- Soccer is a terrific sport for exercise. Some risks in joining this field of business is that businesses could demolish fields for playing to make room for buildings and more businesses.
- If a smaller business grows faster than us, they could take a large number of our customers.



Target Market

- The Primary target market for our company is mainly younger children (7-17) that are starting soccer.
- We offer equipment, camps to improve their skill and also clothing. The secondary target market for our business is anyone else interested in buying soccer equipment or clothing. We are also looking to sell some equipment such as goals to the local soccer associations.

Consumer Market

Business Markets

Who is the consumer?

The consumers for our products are people of all ages interested in the sport of soccer.

The consumers for our services are children who are interested in improving their soccer skills or just to have fun.

Where are the customers?

When do they buy?

What do they buy?

- Ages – Any for our products, and children 7 to 17 for our camps
- Gender – Any
- Income – Greater than \$10,000 annually
- Family Status – Anyone, but mostly families.
- 194,000

As we have a website that offers products to be shipped country wide, our area is rather large. We plan to open a retail store in Victoria, so our consumers will have a store in to buy products directly.

Most of the sales from our retail store will be just before or during the soccer season (Late August to April). There are also camps during the summer, so there is potential there. Our website offers products throughout the year as well.

They buy either soccer equipment or apparel for on and off the field. They might also get involved in one of our camps to improve their skill, knowledge of the game or just to have fun.

- Industry type – Sporting goods and service
- Size of Customer – 194,000
- Annual Sales – \$234,200.00
- About 10 companies are using yellow pages.

There are soccer and sports stores world wide, but there aren't too many in the Victoria region.

All the other businesses that sell soccer equipment and apparel will also be trying to sell their products at that time of year.

Inventory items.

Why do they buy?

Our products improve the quality of their soccer experiences and also give them comfortable clothes to wear. Our products also give them skills to play the game itself.

We could supply local businesses with specialty items that they do not have access to.

How much do they buy?

About \$107,000.00 annually

Businesses use teams, and sponsor them on uniforms and boards near the fields.

Sources:

www.Yellowpages.ca

Mr. Ritchie

www.bestats.gov.bc.ca

Competitive Analysis

Competitors in our general Market Area

- Soccerworld
- Sport Chek
- Sports Traders
- Sport Mart

Indirect competitors

We don't have any indirect competitors; no one offers "substitute" products.

Competitors who have gone out of business

No competitors have gone out business so far, suggesting that this is a lucrative industry. This is definitely due mostly to the fact that it is possible to play soccer in any season, thus providing business year round.

How will we compete?

Our competitors are located in different locations than we are, for one thing; the people in the area of our store will definitely get us the customers of that area. Our prices are lower than everyone else's, and most of the stores that compete with us only offer some of the products we offer.

Marketing Strategy

Price Strategy

- Prices
 - Bags: \$29.99-\$39.99
 - Cleats: \$23.99-\$174.99
 - Shin guards: \$9.99-\$34.99
 - Pump: \$9.99
 - Goals: \$49.99-\$2959.99
 - Bench: \$159.99
 - Training cones: \$5.99-\$7.99
 - Training hurdles: \$11.99
 - Goalie gloves: \$49.99-\$99.99
 - Goalie pants: \$26.99-\$35.99
 - Books: \$7.99-\$16.99
 - Soccer balls: \$6.99-\$49.99
 - Jerseys: \$9.99-\$45.00
 - Jackets: \$40.00
 - Sweater: \$40.00
 - Posters: \$4.99-\$14.99

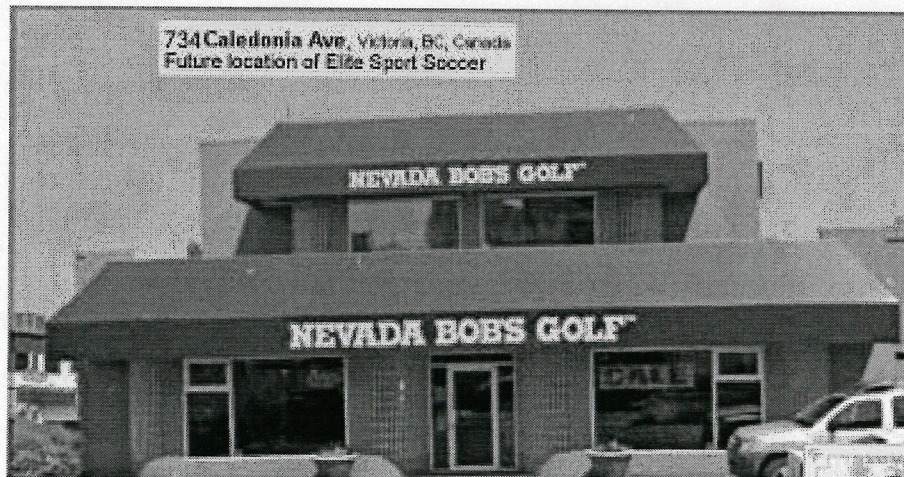
- Our prices are based on the standard industry markup for the items we stock, minus our everyday four percent discount (industry markup-4% of original price).
- We offer a number of packages to both consumers and other businesses. If a customer buys over \$200 worth of merchandise, then we give them a 5% discount (individual items over \$200 in value already have the 5% discount included in the price). We also sell in bulk to smaller businesses for a lower price than the listed price of individual items (the price depending on the item and the quantity). In addition, we sell specific items (jerseys, soccer balls and goal posts) to soccer associations for a lower price.
- Our prices range from low to medium, but they will always be the best deal out there. The usual markup on the products we sell is high enough that we can make a considerable profit by keeping our prices lower than everyone else.
- Our prices are lower than the competition, and we are willing to match any price, if the customer can give us evidence.
- Though we don't have sales often, when we do, we will lower our items to the point where they are no less than 10% more than the cost of buying them from the manufacturer. Instead of lowering certain items by a lot, we lower all of the items in the store by the same percentage. We also sometimes offer special deals which are displayed at the front.

Physical Distribution

- Our business is a hybrid distributor. We have a website that sells the same products that we will sell in our store. On our website, customers can purchase any items (no services) and they will be shipped to them from our warehouse located in Mississauga Ontario.
- We will sell products directly to customers from our store, and sometimes to other businesses. We will also sell some package deals to local soccer teams that include goals, soccer balls, and team jerseys with our logo on them.

Location

- We plan to open our retail store in downtown Victoria at 734 Caledonia Avenue.
- Traffic is fairly busy around this part of Victoria, assuring a large number of customers.
- The population of Victoria is around 330,000 people, of which many travel through town daily.
- This address is on a city block with a few other businesses. There is also a fair amount of parking available to the public.
- The other business in the block are “Soprano’s Karaoke and Sports Bar”, “White Spot Restaurant”, “Traveler’s Inn”, “Terry’s Tile and Wall Coverings”, “Agilis”, “Forward Automotive” and “Telus Sound Advice”.
- Inside of our building, we’ll have signs on the inside of the store’s windows, facing out, advertising our store. We will also have signage around Victoria to advertise.
- The only location risk for our future location is the fact that there might be too much traffic, causing back-ups.



Advertising Plan

- We will be using a number of advertising techniques to attract the attention of potential consumers.
 - Internet advertising: We will advertise on www.usedvictoria.com, as part of our local advertising scheme. For the rest of Canada, we will advertise on Facebook, MySpace, and Google (which also includes YouTube).
- Cost of advertising
 - Google: \$3 CPM (cost per thousand impressions) X 5000 impressions per day = \$15 per day = \$450 per month
 - Facebook: \$3 CPM X 5000 impressions per day = \$15 per day = \$450 per month
 - MySpace: \$3 CPM X 5000 impressions per day = \$15 per day = \$450 per month
 - Used Victoria: \$27 per day (static banner, 160X600 pixels) = \$489 per month
 - TV listings channel = \$10 per showing = 15 times per day = \$4500 per month
 - Posters: 10¢ per poster: 100 posters initially + 20 poster per month replacement: \$10 the first month, \$2 every month after
 - TOTAL ADVERTISING COST PER MONTH: \$6341

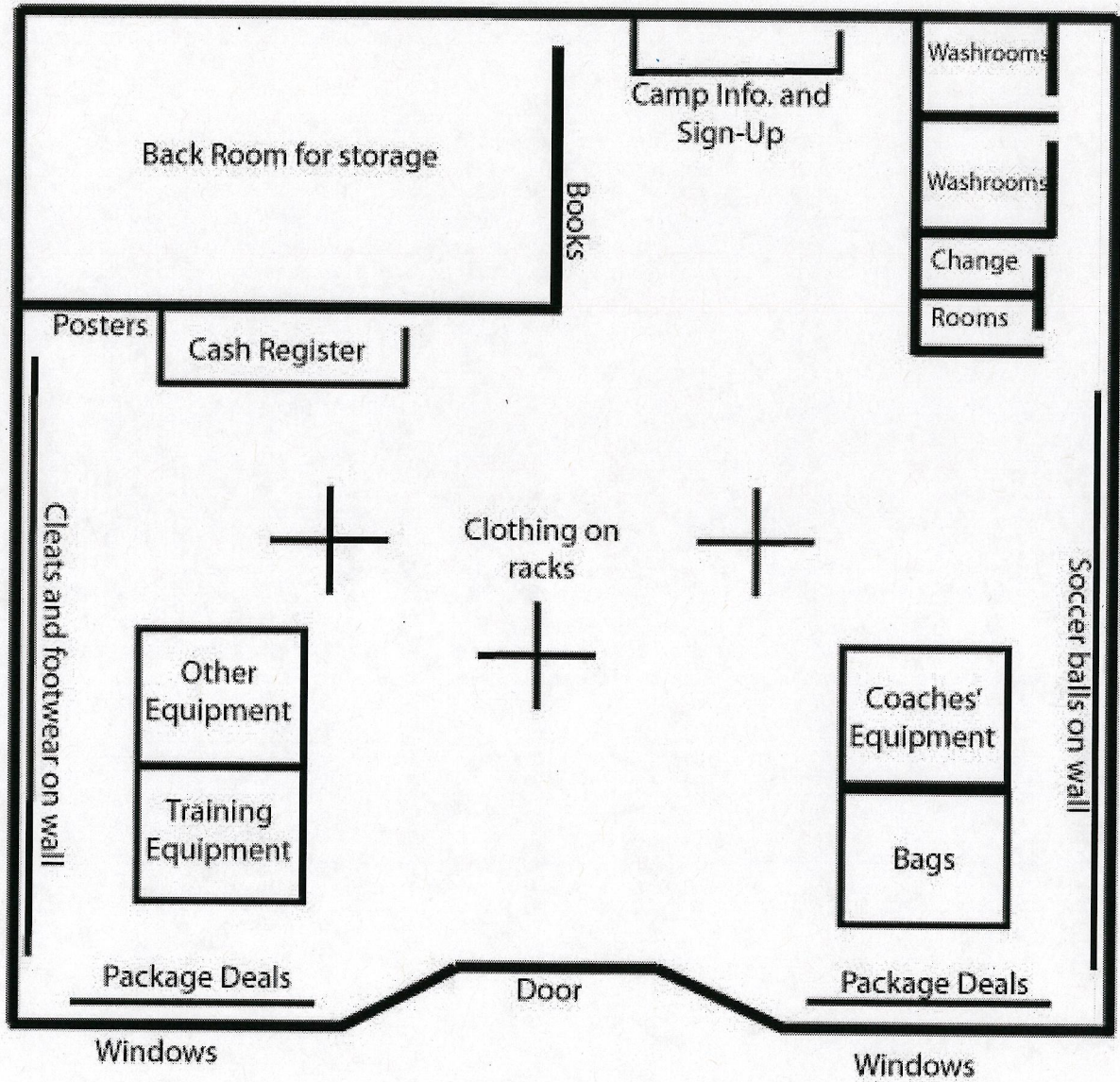
Public Relations

- We will use the Internet, television, posters and word of mouth to promote our business.
- Because our customers are mostly online, we have a customer service representative, and the customer may arrange a live chat with them if necessary. We have no need for a public relations firm, because all of our purchases that aren't made online can be dealt with by our friendly and knowledgeable staff.

Personal Selling Plan

- Our strategic advertisements will attract our customers.
- Our advertisements are designed to first catch the attention of the viewer, and then briefly inform them about our operation. In this way, our potential customers are already aware of our business practices when they enter our store.

We don't attach any conditions to our sales; all of our products may be returned within 30 days, as long as the customer gives us their name (we keep sales records for this purpose). We do, however, have a legal document absolving our business of all responsibility in the event of an injury in our training camp, or from defective equipment.



Human Resources

Employees

- Managers
- Accountants
- Website Manager
- Shipping Manager
- Coaches/Trainers for camps
- Camp information booth attendant
- Cashiers
- Mascot

Job Descriptions

- Managers → Manage the business and make sure everything is working well.
- Accountants → Manage all of the expenses and income for the business.
- Website Manager → Updates and manages our website that sells our products.
- Shipping Manager → Assures that all products bought online reach their destination through a shipping company.
- Coaches/Trainers for camps → Teach the camps and are in charge of the children.
- Camp information booth attendant → Gives out information about the camps and signs people up if they want to sign up.
- Cashiers → In charge of making taking our customer's money after a purchase.
- Mascot → Dances outside the store to encourage people to stop by.

Job Specifications

- Managers → Lots of previous business experience, knowledge of soccer.
- Accountants → Basic or advanced accounting skills.
- Website Manager → Website design skills. Organizational skills.
- Shipping Manager → Communication skills.
- Coaches/Trainers for camps → Communication skills. Soccer skills.
- Camp information booth attendant → Communication skills. Microsoft Excel.
- Cashiers → Cash register skills. Communication skills. Knowledge of our products.
- Mascot → People skills. Dancing skills.

Recruiting

If we are in need for a certain job position, we will advertise in schools and list requirements. After the applicants have applied, they go through questioning and interviews from a manager. We then take the most qualified person if they seem like the hard-working and social type.

Management

These employees will be treated like family. They will be well respected and encouraged to do a good job. They will be paid a decent salary that is debatable if they have reasonable supporting information and examples. They will have a limited amount of days off per year that will increase over the time they have worked there.

Compensation

The salaries will range from \$10-\$30 per hour. These amounts will have a bonus added to them on holidays. The amount each employer is paid differs from job to job.

Operations

Procurement

- We have numerous sources of supply for our products in Germany, India and Kazakhstan. Each one takes a different amount of time to ship to our warehouse (usually between 4-7 days for Germany, 7-12 days for India, and 6-9 days from Kazakhstan). Because of the varied shipping times, we order in bulk, and restock our items whenever their stock falls below 60 (with exceptions for goals).
- Terms and Conditions
 -
 - If the item was destroyed because of physical damage, we may only return a portion of the money, depending on the severity of the damage, and all items that were shipped may be returned to the store or shipped back to the warehouse (although this will cost the customer the shipping fee).
 - None of our camps are refundable after the first 3 sessions.
 - Any item bought from our store may be returned within 30 days of purchase, as long as the customer provides us with their and phone number.
- Although our suppliers in the listed countries are our main suppliers, we do have a number of other European companies with whom we have done business in the past and stock the same products at the same price, and they are ready to sell us products if another company can't.
- We record the number of products from each shipment. In our retail store, we have a barcode system that allows us to keep track of the items sold; after each purchase, the stock is automatically updated. Online, when an item is successfully shipped, our stock is automatically updated for the warehouse (as when we receive shipments or ship to the retail store, as the store and warehouse stocks are kept separately).

Financial Plan

Income Statement

Elite Sport Soccer Store

Revenue

Bags	(\$550 per week x 52 weeks)	\$28,600.00
Equipment	(\$1300 per week x 52 weeks)	\$67,600.00
Practice Equipment	(\$550 per week x 52 weeks)	\$28,600.00
Clothing	(\$700 per week x 52 weeks)	\$36,400.00
Books	(\$20 per week x 52 weeks)	\$ 1,040.00
Camp	(\$150 per person x 24 camps)	\$72,000.00

Total Revenue \$ 234,240.00

Expenses

Electricity	(\$800 per year)	\$ 800.00
Salaries	(\$1250 per week x 52 weeks)	\$65,000.00
Rent	(\$2000 per month x 12 months)	\$24,000.00
Products	(\$2500 per month x 12 months)	\$30,000.00
Advertising	(\$500 per month x 12 months)	\$ 6,000.00
Furniture	(\$750 per year)	\$ 750.00

Total Expenses \$ 126,550.00

Annual Profit \$ 107,690.00

Startup Costs

Elite Sport Soccer Store

Startup Costs

Furniture	\$3,000
Store (building)	\$500,000
Renovations	\$4,500
Painting	\$200
Electronics	\$500
Shipping from warehouse to store	\$450
Total Startup Costs	\$508,650