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Bedside Manor Reservation Service



A Business Plan Written By

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This sample *NxLevel™* Entrepreneur Business Plan was originally written by a class participant, and subsequently modified to protect proprietary information. As it is primarily a student's work, it is not represented to be a "perfect" business plan, although the presentation is in keeping with the *NxLevel™* format and content. It can be used as a sample of what a business plan might contain, and as a model for constructing the various sections.

Your instructor may ask that you review certain sections and suggest improvements, modifications or additions. The purpose of each individual business plan may be different, with varied intended readers. You may also be asked to discuss what information might need to be included or deleted based on the purpose of the plan.

The author of this plan gave permission to use her real name and phone number. Feel free to contact her regarding her *NxLevel™* experience.

To The Reader:

This business plan was written with the intention of broadening the product line of my current company, Jones Enterprise Development International. Jones Enterprises is a highly successful business consulting, marketing and public relations firm located in Midtown, Wyoming. It was started in 1992 with little money and a brief business plan. From my background working with the Wyoming Division of Tourism, I became involved in the Bed and Breakfast industry in Wyoming. I have always enjoyed staying in a B&B and the industry in Wyoming was in its infancy. Over the years I have watched the numbers grow and its participants become more sophisticated in operations and marketing.

While developing this consulting business, I stayed involved in the state association. It was run by a friend of mine and needed marketing help badly. I exchanged an associate membership for marketing work and the association was a source of marketing clients and a way to market my business by associating with theirs. Their association grew and so did my business.

By 1997, I wanted to expand my product line of services and the organization was in need of a reservation service. There were 85 members in the state association, a person in Idaho wanted to sell her reservation service clients (she was retiring), and western South Dakota B&B's were interested. Another person in Wyoming approached me to market and make reservations for the B&B's on the internet. The time seemed right to start a service in Wyoming.

The opportunity to take NxLevel became available and this plan took shape. About half-way through, I got the "entrepreneurial gut feeling" that this idea wasn't going to work and the numbers proved my feelings right. Even using optimistic numbers due to my great networking and connections, *I have chosen not to expand my business* using this additional service. The return is very slow and not great enough for the labor intensive business this is. With the consulting business taking up so much of my time, it would have been a burden on the other business and family that was not worth the effort.

Also, the industry in Wyoming is changing. Fourteen B&B's in Jakesville broke off and created their own service, a travel agent in Clarktown is trying to get started with a service, and the firm in Idaho wanted more money than what the service was worth to buy them out. The internet provider has been slow to introduce his product and is using an answering machine for manpower. Also, after making a personal pitch at the spring association meeting, I got a half-hearted reception from the members. I clearly did not have enough support. What I felt the industry needed, they clearly did not.

All-in-all, I would not have passed up this NxLevel learning experience. It saved me countless sleepless nights and saved me from a black hole in which to throw cash flow. Additionally, rather than start a line of my business that would be unsuccessful, I have chosen to contract with additional help and expand the profitable consulting business, with a *new business plan* in hand!



While this may be unusual, I have a few people I would like to thank for this NxLevel™ opportunity.

First, the Wyoming Small Business Development Center. They gave me the opportunity to take this course in the first place. They have made me a better business person and counselor, which I'm sure they will use to help their services.

To Arlene Soto who helped when I got stuck on the financials
and Cindy Davis when I needed research assistance.

Second, Helen Sumner, instructor extraordinaire!
I wanted to take this course from the best, and I did.

Third, my faithful labrador, Drake. He was the one who stayed with me in the office while I typed this plan and studied for this course. I did *not* say he *stayed up* with me.

He certainly got plenty of hours of rest sleeping at my feet.

Fourth, to my daughter who lives in Maryland.
There was always an encouraging word when needed.
She has a vested financial interest in making sure I do well.

And fifth and most important, my husband.
He endured the long hours of studying and typing, the late nights from class, the dinners he fixed and the laundry he washed. He has stuck with me through thick and thin and encouraged me along the way. He has contributed his business expertise as well as his patience beyond belief. As I got discouraged, he reminded me that *I said* this training would be good for me and the business. And he makes me coffee *every* morning and lets me sleep late on Saturdays!

(Please Note: Lynn gave permission to Western Entrepreneurial Network to use her real name, business name and phone number so that you, the reader, could feel free to call her regarding her NxLevel experience.)

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Section I. Executive Summary

Vision/Mission

The vision/mission of the Bedside Manor Reservation Service is to provide a consumer oriented bed and breakfast reservation service with prompt response, accessible hours of operation and customer satisfaction in their tourism experience. To its bed and breakfast suppliers of rooms, it will provide prompt bookings, exceptional marketing and honesty and integrity in its dealings.

Company Overview

Legal Business Description

The legal name of Bedside Manor Reservation Service will be trademarked with the State of Wyoming. The legal form of Bedside Manor Reservation Service will be a corporation.

The business location of Bedside Manor Reservation Service will be in Midtown, Wyoming serving the states of Wyoming, Idaho and South Dakota. Expansion may be developed further into the Rocky Mountain region.

Management Team

The management team consists of the owner, Lynn P. Jones and one part-time employee for assistance. Additionally, our outside management advisors provide tremendous support for management decisions and creativity.

Service Strategy

Current Service

The service will be a bed and breakfast reservation service concentrating in bed and breakfast and ranch recreation properties in Wyoming. Some Idaho and South Dakota properties have also shown interest. It will attract international and domestic guests through extensive promotional strategies. It will attract potential room providers, bed and breakfasts and ranch recreation properties, by the use of the owner's extensive contacts and by providing excellent service and convenience in booking guests.

Market Analysis

Market Definition

There are currently over 100 bed and breakfasts in the state and over 80 belong to the state bed and breakfast association, Wyoming Homestay and Outdoor Adventure (WFOA.). The reservation service could also include Idaho, as the current service there is up for sale. Western South Dakota bed and breakfasts have also shown interest.

Adventure package reservations (rafting, fishing, etc.) could be included later to provide full services to the vacationing consumer.

Customer Profile

Bedside Manor's target market includes young couples, empty nesters, and senior travelers. The most typical customer of our service travel mainly as couples, do not bring children, 92.8% have attended college, and 50% have incomes over \$75,000.

Competition

There is little or no competition currently in the Wyoming market..

Marketing Plan

Bedside Manor's marketing strategy is to enhance, promote and support the fact that our reservation service will provide a prompt, helpful and convenient service to the vacationing consumer and provide accurate and increased bookings for the lodging supplier.

Sales Strategy

Bedside Manor will enter the market with a lower price-high quality strategy. The anticipated fee schedule will be a 15% charge to the lodging providers per room booking with no annual or inspection fee.

Advertising and Promotion

Our advertising and promotion strategy is to position Bedside Manor as the leader in the bed and breakfast reservation industry in the Rocky Mountain west through carefully placed ads, trade show participation, direct mail, and personal contact and appearances.

Public Relations

Bedside Manor intends to use public relations to the full extent since advertising funds are limited and the owner's consulting business is public relations and marketing.

Financial Plan

Our objective, at this time, is to propel the company into a prominent market position with a small start-up cost and extensive promotion.

Capital Requirements

According to the opportunities and requirements for Bedside Manor Reservation Service described in this business plan, and based on what we feel are sound business assumptions, our initial capital requirement is \$10,000. The loan will be used to purchase computer equipment, reservation software and provide working capital.

Conclusion

Bedside Manor Reservation Service will assist the bed and breakfast industry with extensive public relations and marketing of the bed and breakfast vacation opportunities in the west and provide a reservation service to the vacationing public.

Section II. Mission, Goals and Objectives

General Description of the Business

Jones Enterprise Development International (JEDI) was founded in 1992 by its owner and president, Lynn P. Jones. JEDI is a marketing, public relations and business consulting firm specializing in developing small business enterprises by providing marketing and business expertise that contributes to the overall growth of the client's business. JEDI is in a fast-growth stage looking to diversify its service offerings. JEDI currently offers consulting services, teaching, guest speaking, developing and writing business and marketing plans, and downtown development assistance.

One of those service offerings being considered for expansion is a bed & breakfast reservation service. JEDI has extensive contacts and organizational ties with this industry and there is currently no such state-wide service in Wyoming. There are currently over 100 B&B's and ranch recreation facilities in Wyoming. This business plan will explore the feasibility of adding this service to JEDI.

Mission Statement

Bedside Manor Reservation Service will provide a consumer oriented Bed and Breakfast reservation service with prompt response, accessible hours of operation and customer satisfaction in their tourism experience. To its B&B clients, it will provide prompt bookings, exceptional marketing and honesty and integrity in its dealings.

Goals and Objectives

1. Services: By May 31, 1997, will have explored the feasibility of starting a B&B reservation service by completing NxLevel instruction, attending the Wyoming Governor's Conference on Tourism, and the spring Wyoming Homestay and Outdoor Adventures conference. The profitability of this service will be compared to the current services offered by JEDI and will have analyzed the feasibility of this service blending with the current JEDI services.
2. Technical: By March 15, 1997, will get assistance to be connected with the internet and get an e-mail address; collect information on setting up a web-page on the internet. If the new reservation service proves feasible, by June 1, 1997 expand the current line-of-credit or use JEDI financial resources to purchase a new computer with sound card, CD capability, and reservation software.
3. Employee: By March 1, 1997, hire a short-term contract research assistant to help with the current JEDI work load. By July 1, 1997, hire a part-time employee to assist in launching the new reservation system, fulfill JEDI's expanding work load and sell and promote JEDI services as well.
4. Location: By March 15, 1997, will explore the costs of office space and relocation expenses from current office in Midtown.
5. Other goals:
 - a. Better understand current customers and their needs/problems
 - b. Continue to keep watch on competition
 - c. Better understand our client's industry through research
 - d. Transition from one-person shop to employees and hire the best people
 - e. Continue to balance company life with personal life.

Section III. Background Information

The Industry

Background Industry Information

Europeans have made a business out of renting temporary rooms in their homes or inns to travelers for hundreds of years; and when immigrants came to America, they brought their bed and breakfast tradition with them. It is no surprise that bed and breakfast inns date back to the guest homes and boardinghouses of America's frontier times. Often the companionship and news guests brought to isolated settlers during that time, were as valuable as the supplementary income. While today's hosts of B&B's don't depend on their visitors for a connection with the outside world, the desire to befriend and provide a homey place for travelers remains a strong characteristic of B&B hosts.

Guests who are traveling for business or leisure purposes find the home-like (or better-than-home-like) atmosphere and conveniences to be a main part of the attraction. The advantages to B&B guests are numerous and promoted heavily by smart B&B operators. Because of the personalized treatment and variety in decor, each B&B offers a different experience. For the traveler weary of the constancy and sterility of the motel/hotel environment, this can be a welcome change. Customers can enjoy the convenience of such no-cost extras as a library, play room or fireplace.

The B&B attracts a range of people in need or want of unique, personalized surroundings. To many out-of-towners, particularly women, the availability of a host-friend at the B&B gives a feeling of security while on alien turf, and the host may open doors in the community for business purposes. Frequently, a B&B is located in an area of natural splendor, a tourist attraction, or close to hospitals, nursing homes, or churches to accommodate visiting friends and relatives.

B&B's are not a get-rich-quick business. Annual profit from renting rooms is a product of many factors, including how well located the B&B is, how hard the innkeeper and the reservation service (s) promote the inn, how well the guests are treated, and how well the innkeeper controls costs.

The income potential to hosts and the savings to guests over motel/hotel lodging are mainly responsible for the explosive growth of B&B homes and inns across the county. In Wyoming, the Wyoming Homestay and Outdoor Adventures (WHOA) represents the bed and breakfast and ranch recreation industry. In their February 1993 newsletter they reported 52 paid members. By February 1997, they reported 84 members, not exactly "explosive" growth, but an upward trend.

The institutionalization and expansion of reservation services for the B&B has greatly boosted the business, linking prospective guests with appropriate hosts in any region of the nation. Additionally, a growing number of articles, books, and guides on B&B lodging has extended its popularity as well as enhanced the business opportunities. However, there is still no reservation service in Wyoming.

A firm from Idaho had started a service but did little to promote it and was selective to whom she sent clients (mostly to her friends.) She also owns a B&B herself, so conflict of interest could be possible. A group of 10 in Clarktown has started a reservation service for condo and rental houses, but has excluded the B&B industry. No one in that group wants to maintain the service on a regular basis. A group in Buffalo promoting internet sites for

reservations is trying to get started, but has no local contacts. A group in Jakesville is considering starting a service, but just for Jakesville.

As of this writing, the firm in Idaho wants me to buy their service, the 10 in Clarktown could be absorbed, and the firm in Buffalo desperately wants to partner up due to my extensive contacts in the industry. All of these options will be explored later in the business/financial analysis.

In Wyoming, B&B owners tend to be small firms. Most do this as a secondary income with either themselves and/or a spouse having another "real" job. Most are fiercely independent and afraid of competition. Most are just learning the benefits of marketing and have little budget for it. They run on very tight margins or at a loss and are just learning the benefits a reservation service can bring. The "sell" for a reservation service will have to be in proving it benefited another B&B in their area. With increasing costs and upgrading of B&B's as their client needs become greater, the profit margins will probably not increase soon. Jakesville has the largest number and the most expensive B&B's in the state. Average occupancy in Wyoming for all lodging is about 70% year-round. Most B&B's average occupancy is about 40%. Indeed, there is room for improvement..

Current and Future Trends

According to PAII (Prof. Assoc. of Innkeepers Int'l) only 5% of *all* travelers stay in a B&B. Good food is essential; 92.8% of guests have attended college; about 1/2 have income in excess of \$75,000; and guests travel mainly as couples. 17% of guests are returning to the same inn a second time; 15% use B&B guidebooks; 14% rely on a friend's recommendation of an inn; and 2% use a reservation service.

By the same survey 10% of guests use paid ads; 9% use Chambers of Commerce; 6% use the advice of other inns; 5% use brochures; 4% use AAA; 4% use state brochures; and 3% use a travel agent. So, it would seem the places to market a reservation service would be with the Chambers of Commerce, other inns, brochures, AAA, state tourism, and travel agents.

In a speech by Gene Bryan, then the Director of the State of Wyoming Division of Tourism, tourism will be different by the year 2000.

- Wages will decline with no increase in spending capacity
- People will be in a time squeeze
- The work year will be one month longer than in 1980
- Families will have staggered vacation times
- Trips will be shorter; weekends with packages offering lots of activity
- Motels will offer activities like horseback riding
- Knowledge will double every 11 months
- Every business day 5 new products will be introduced
- Regional tourism will increase

Consumer trends will be:

- They will be smarter and will spend when they perceive value
- People will use personal travel planners and computer programs to plan trips
- They will be looking for non-traditional, nostalgic, environmentally correct experiences
- Graying empty-nesters on vacation will increase (Motel room bookings are now 32% seniors)
- People will be looking for a high level of personal service

Some Wyoming B&B growth is attributed to better advertising and promotion, particularly in international markets. 82% of Wyoming's B&B's had international guests, with most coming from England and Germany. Europeans are more used to the B&B experience. As stated above, consumers in the future will use computer programs to plan trips, therefore, the link-up with the internet reservation service company might be a prudent business decision.

Regulation

Under Wyoming's definition, the primary difference between a bed and breakfast and a ranch recreation business is that B&B's offer only one meal daily, while ranch recreation providers generally serve three meals daily due to their isolation. Wyoming is a model because it is the only state in the region requiring licensing prior to operation. Water must be tested annually, smoke detectors are required and sewage systems are inspected when appropriate in the rural areas. Under Wyoming law, a private residence cannot be inspected by the state for fire code violations, but the B&B and ranch recreation rules make that safety inspection possible. Licensing inspections are conducted by state employees or county/city health inspectors.

Rules for the industry allow for each business to have no more than an average of 8 guests daily during a 30-day period. That means an individual B&B could have more than eight guests on weekends, as long as they have fewer numbers at other times.

Inspections occur prior to opening and then only if complaints are received. Besides the state and county health inspections, WHOA requires an annual operations review of member businesses. New members aren't accepted until they are inspected.

Considerations for a reservation service is whether to include any B&B that is licensed with the state or only WHOA members, as their standard is higher and more routinely inspected. If a first time enrollment visit is done, should those visits reoccur and how often? One could spend all their time visiting B&B's, which could be nice but time consuming. What about surrounding states standards, if my service should ever want to expand? If the reservation service from Idaho is bought, what standards should be used for those existing clients? Should they be grand-fathered in?

Current Industry Service Available

Wyoming's tourism industry is very seasonal with 42% of stays being in the summer, 17% in the fall, 14% in the winter, and 27% in the spring. 24% of each tourism dollar is spent on lodging. In Wyoming only 2% of those lodging dollars are spent at B&B's compared to the national rate of 5% as stated earlier. 33% of Wyoming visitors stay in the Jackson Hole area and 64% visit Yellowstone.

A B&B or ranch recreation reservation is currently made with each individual property. Until recently, even the state Division of Tourism didn't pay attention to B&B's. WHOA has come a long way in promoting this industry and developing operation standards.

There is still a growth trend in the Wyoming B&B industry, but some markets are becoming saturated and some locations of individual B&B's are very poor and off the beaten travel path. Most owners are unsure of where to market their properties and run on low profit margins so they don't market at all. WHOA has held many educational seminars on marketing and the knowledge level is increasing. Some have hired outside consultants to help and have made some progress.

Statistics show that Wyoming tourism runs in 15 year cycles. We have been in the upswing for a long time and may be headed for the downside. Factors such as economic conditions,

length of school sessions, the National Park Service shortening Yellowstone seasons and closing some facilities, have an extreme effect on Wyoming tourism. The Highway Department's lengthy repairs on the road from Clarktown to Yellowstone has hurt the Clarktown tourism business for the third straight year in a row. While the B&B's have caught the upswing of the tourism cycle and have grown, those that have not yet spent any money and established their market have found themselves looking for ways to capture business. To put it bluntly, it is getting very hard to find customers. Without grouping together to market, marketing to find the new customers will become cost-prohibitive to the individual B&B.

The tourism industry is also changing to consumer demands and is looking for "packages." A "package" includes lodging, meals, sometimes transportation, and some adventure all put together for one low "package" price. For example a B&B package could include a room, breakfast, transportation to a museum, lunch arranged at a local restaurant, and white-water rafting in the afternoon. Unless the B&B owner reaches out to these other community tourism options and puts together the "package," he loses to the hotel that does do this or he loses a chance to keep his B&B client for more than one night. Some owners have already tried this strategy with some success, but a reservation service could put these "packages" together more easily. This will satisfy the end-user *and* provide the B&B's with longer stays and multiple room nights. The reservation service could become more than just used for B&B's.

Business "Fit" in the Industry

Jones Enterprise Development International has been in business since 1992 and last year increased gross sales by 27%. It was in the JEDI business plan that this was the year to expand and diversify JEDI's offerings of services. While a current long-term contract with the Shytown Downtown Development Authority has its advantages, like all contracts, that will in all likelihood not go on forever and a business must always develop in advance a new strategy for the future. Also as I have been traveling to Shytown from Midtown (95 miles round-trip) almost 8 years now, it would be nice to develop future strategies so that I can stay closer to Midtown on a regular basis.

In Midtown, I also have the advantage of the College to draw upon for interns and students that I can hire as necessary. This gives me a well-educated work pool. Since I am also very busy with the consulting and teaching under JEDI, this "branch" of the reservation service will allow me to hire help for secretarial and promotional purposes for JEDI's other clients. At least part-time office help is becoming a necessity very quickly. For this business to grow it needs another person or persons beside myself. I would like other consultants doing work under the JEDI name.

The reservation service would fill an unmet need and help solve a problem for the B&B owners. Marketing as Wyoming's B&B reservation service would increase the marketing for everyone. Better targeted marketing, done by an expert, will increase room nights. It can help overcrowded areas spread the travelers around and can increase off-season business by marketing to untapped niches. Since it will be the only one, travelers will only have one phone number and one service to deal with. We can also put together individualized "packages" at a client's request.

Bedside Manor Reservation Service can be a leader in the industry. The Idaho service wants to sell to me because she knows I will take "her service" to greater heights. The internet providers know I have extensive contacts in Wyoming and the global tourism industry. The 10 owners in Clarktown really don't want the hassle of administering the service. With my marketing, public relations and global tourism experience, I know I can bring this service to a long and profitable life.

Section IV. Organizational Matters

A. Business Structure, Management and Personnel

Business Structure

The legal name of the business is Jones Enterprise Development International, owned 100% as a sole proprietorship by Lynn P. Jones.

This original form was chosen for several reasons:

- No outside capital investment was needed.
- It was an easy form of operation for a start-up consulting firm.
- Little paperwork was needed to be filed with the state.
- No business income tax.
- Owner could control all operational/financial decisions.
- Monthly draw was not based on a set salary.

As the business has grown, it will become financially prudent in the next year to establish a "close" corporation in the State of Wyoming. Last year's gross sales of \$50,000 and this year's projected increase, will make it a necessity to look for a different tax structure to temper the increasing personal tax burden. Also, as the family increases its holdings of property, it becomes necessary to protect those possessions in case of a liability action. A corporate structure will allow protection from liability and tax increases. The business is doing well enough now that a set salary draw will be realistic and allow more income to be invested in the business as it expands its product line.

Management

So far Jones Enterprises has been a one person operation. Mr. Jones, with 25 years of sales and marketing experience, has been an advisor and second legal position in financial matters. Jones Enterprises will continue to be managed by the sole proprietor. Lynn Jones has many years experience in the tourism industry and is very involved in the B&B network in Wyoming. (See Resume in appendix.)

The management philosophy has always been customer satisfaction. Any consulting job has been done at a fair price, in the expected time frame, and to the customer's satisfaction. As Jones Enterprises expands into a reservation service, customer satisfaction is still most important. This will require management of any personnel to be handled in a fair and respectful manner, with above minimum wages, flexible hours, and job enhancement training. This person(s) will work with direct supervision by the owner.

Personnel

The reservation service will require additional personnel, as the owner cannot physically stay stationary in an office setting with the prior contract and teaching commitments. Also part of the exceptional service is a "real voice" at the other end of the reservation phone to answer questions and best recommend the correct B&B lodging.

New employment needs will start with one part-time employee, expanding to another as business warrants. Part-time will be more financially sound and allow flexibility of hours.

Two part-time employees will be ideal as these hours can be rotated around the owner's availability rather than one full time employee. There will also be less benefits to be paid with part-time employees.

Position description: Sales and Office Associate

Responsible for office assistance in the following areas:

- ⊙ Answer phone/Sales
- ⊙ Make reservations from customer
- ⊙ Confirm reservation with B&B
- ⊙ Send confirmation to both customer and B&B
- ⊙ Billing
- ⊙ Organization
- ⊙ Upkeep of current B&B client list and current information
- ⊙ Marketing research

Skills required:

- ⊙ Some natural sales ability or marketing
- ⊙ Confidence and professionalism in manner and appearance
- ⊙ Elementary computer skills, data entry and some typing ability
- ⊙ Organization
- ⊙ Basic billing ability
- ⊙ Timeliness and prompt attention to detail
- ⊙ Telephone etiquette
- ⊙ Conflict resolution
- ⊙ Research skills with direction
- ⊙ Willingness to learn new things
- ⊙ Flexibility (especially with work hours)

Because Jones Enterprises is located in Midtown, we have access to a large pool of well educated workers from the College. Our connection to the School of Business gives us a continuous flow of flexible workers. Students studying marketing and/or small business skills seem well-suited. A student in a masters program or a student close to graduation would provide the perfect worker. These persons are flexible in their time schedules, willing to work at a lower wage for good training, and readily available. Should a particular person prove exceptional, they could be hired full-time as the business expands. Many of these students would love to find a permanent job in Wyoming and stay close to their families. At various times in her career the owner has worked with, trained and mentored students. Many still stay in touch with her today. This type of student employee would suit both the business and the owner's style of management very well.

Not to be overlooked would be a single parent, a person returning to the workforce after an absence or a semi-retiree. These workers are also flexible and looking for training. Screening can be done through the University, with background and reference checks, computer/typing proficiency tests, careful interviewing, and some "gut-feel".

Training will be on-the-job by the owner. This will start fairly basic with job responsibility added as it becomes necessary. Retraining and upgrading skills will be continuous and expected with a student workforce, but they always have great enthusiasm to learn new things and help out.

Outside Services/Advisors

Jones Enterprises has always had a well-rounded group of advisors since its inception. Since the owner cannot and does not want to be an expert in everything, these outside service persons have helped with many decisions.

Accountant:

Mr. Tom Smith is a CPA and financial advisor. He was one of the first advisory persons *before* Jones Enterprises was started. He has been our tax accountant for 5 years even though we now do our own monthly bookkeeping. He did, however, help us set-up that system. We ask Tom the financial consequences of every business and personal decision we make. He is easy to reach on the phone and provides advice in understandable language. With the new business, Tom will do a monthly compilation, payroll processing and continue income tax preparation.

Financial Advisor:

Ms. Arlene Soto of the Wyoming Small Business Development Center has also been a financial advisor and sounding board, as Jones Enterprises is a client of the SBDC. Arlene provides a broader view of financial decisions as she can also see the business consequences.

Financial Advisor:

Jones Enterprises also uses Mr. Jake Mars of WeHelp Financial Services to provide advice and direction on stock investments for the long-term.

Lawyer:

Mr. Matt Skiller is used for legal matters. He has looked over contracts and large purchases. No other legal matters have been necessary so far. His firm specializes in taxes and tax planning, contracts, corporations, business law, employment law, and wills and trusts. He will be used if Jones Enterprises goes to a corporate structure. He is also willing to let the owner do the up-front paperwork and just review, to save costs.

Banker:

Mr. Bob Lender of My Bank holds the business account and line of credit for Jones Enterprises. I have known Bob and upper management at My Bank for 3 years and they know my business. I hope with the banking changes the account can be kept at My Bank with the same personal attention, as a new computer will be needed for the reservation service.

The other banker is Wyolend Credit Union. Most all other personal accounts are here, but they did finance the original computer system on a personal loan as Jones Enterprises was started. However, we prefer to keep the accounts as separate as possible.

Jones Enterprises also holds a Diners Club credit card for overseas and domestic travel. There is no monthly balance carryover.

Insurance:

Business:

Business liability (consultant) insurance is held with ABC Insurance. They had a very fair price for this type of insurance and checks each year for any changes in the business. It also includes extra coverage for the business equipment.

Health:

Health insurance is provided through owner's husband's work insurance.

Life:

Life insurance is bought through an independent agent. He has been a family friend

and advisor for 9 years. The owner's coverage is large, since it is the principal family income.

Home:

Obtained with the mortgage but does not really cover the business equipment. The business could sustain itself in another location.

Auto:

Auto insurance is through Auto Insurance Services, Inc. It is held at a very high rate due to the contract with Shytown. They have also been advisors for 9 years.

Not currently held is disability insurance or a will. Both of these are being investigated. All of the above advisors will be consulted with the change in Jones Enterprises for the new reservation system.

Risks

Insurance services against risk have been reviewed in the advisor list above.

Inside risks include death or disability of the owner. If death should occur, the consulting business would cease and so would the reservation service most likely. Enough insurance has been provided to settle all personal affairs. William Jones has neither the desire or skill to continue consulting and enjoys his own choice of career. Depending on the stage of the reservation service, it could be sold. This is also another reason for the change to the professional monthly accountant services. If the reservation service needed to be sold, it could more easily be evaluated for a buyer with monthly accountant compilations.

Should disability occur, the consulting and reservation service could continue if physically possible. A dip in income due to adjustment would be felt..

Outside risk factors are slight. Increased competition is the most threatening. There is no other organized reservation service at this time. There are two other entities in Wyoming looking into a type of this service; one on the internet and one city-specialized in short-term rental property. This is the time to move to beat competitors to the marketplace.

To get a jump on direct competition and establish a state-wide market, strong ties have been established and maintained with the Wyoming Homestay and Outdoor Adventure organization. Strong ties have been maintained with the Wyoming Division of Tourism and the state tourism industry in general. Not only would we like the Division of Tourism to recommend our service but someday provide a direct line to transfer calls directly to our service without the customer having to dial another number. This will ensure a high entry level to other competition. Other states are using this technology, but it has not yet been explored in Wyoming.

Should a natural disaster occur, the business could be set-up again in a reasonable time frame for computer replacement and phone service. Location is not relevant to this business.

B. Operating Controls

Record Keeping Functions

Since Bedside Manor Reservation Service will start with one part-time employee and the owner, the owner will continue to have the duties of record keeping. As the business grows, an employee may be trained to help with these duties. An accountant will be retained to handle the payroll duties, state and federal payroll reports and a monthly balance sheet. This will keep the owner actively involved as the business starts out.

Other Operational Controls

Other operational controls will have to be put in place as Bedside Manor grows. Security of the office will be a factor with new computer equipment. As the owner travels and checks from B&B commissions come in, they will have to be deposited or stored in a safe until they can be deposited by the owner. Control of the credit card machine and slips must be monitored. Customer's credit card numbers must also be secured. Office supplies must be inventoried and accounted for.

Since this will be a new business, all of these controls must be developed and put in place before the employee is hired. Since the owner has 20 years retail experience, she is familiar with the policies and procedures needed as they are similar in retail work. All of the above operational controls affect cost control and the honest reputation of the business.

Control Efforts

- ◇ Background and reference checks on employee
- ◇ Policy and procedures manual in place and followed
- ◇ Thorough training on expected duties
- ◇ Understanding of security measures and the reasons behind those measures
- ◇ Periodic inventory of supplies and equipment
- ◇ Notice of "unusually" high expense category
- ◇ Cross-checking of deposits, withdrawals, check numbers, deposit dates, etc.
- ◇ Work hour overages without noticeable differences in productivity
- ◇ Spot checks of owner showing up unannounced
- ◇ Periodic training checks
- ◇ Sequential numbers on customer credit card slips
- ◇ Checks or money safely locked
- ◇ Owner monitoring of financial statements

Section V. The Marketing Plan

A. The Service

Service Description

Bedside Manor Reservation Service is a bed & breakfast reservation service concentrating in bed & breakfast and ranch recreation properties in the State of Wyoming. It will attract international and domestic guests through extensive promotional strategies. It will attract potential bed & breakfast providers by the use of the owner's extensive contacts and by providing excellent service and convenience in booking those guests.

Features of Bedside Manor Reservation Service

- There is no other reservation service at this time in Wyoming for bed & breakfast and ranch recreation properties.
- The owner also owns and directs a marketing and public relations consulting firm which allows for exceptional marketing experience and channels.
- The reservation service will feature a person to answer the phone, not a machine.
- Costs of doing business in Wyoming are low.

Benefits of Bedside Manor Reservation Service (to the owner of the bed & breakfast or ranch recreation property)

- By our exceptional marketing and public relations experience, we can increase your marketing efforts many times over.
- By pooling resources under a reservation service, we can market to niches that the B&B could not afford alone, such as travel agents and international.
- We provide services a small property can not, such as fax machines and the internet.
- We can provide extra guests through better and more efficient marketing strategies.
- We can spread guests throughout a city during peak times, such as Cheyenne Frontier Days and summer months in Jackson, without them doing the phone calls.
- We can provide credit card services that a small property can not.
- We can provide ease in financial booking transactions by collecting deposits or full amounts of services, if requested.
- The B&B has less/or no time on the phone convincing a prospective guest.
- We can screen guests to "fit" their property better.
- The B&B spends less time marketing.
- The B&B spends less money marketing.
- The B&B owner's energy can be spent on the guests that come, not in finding new ones. The B&B owner's expertise is used where it should be, on the guests.
- We can provide friendly, real voice reservation services, when the property owner is out of town, with a guest or not a convenient time to talk.

- We can take care of the brochure follow-up to the guest following a reservation booking.
- Since we will have a larger guest database, we can do surveys and customer analysis to spot trends and more carefully target market.
- We can provide customer satisfaction results.
- We can suggest to a guest to try a less-traveled location to spread the guests around to Wyoming's more rural areas.

Benefits of Bedside Manor Reservation Service (to the guests)

- The guests have one number to call for complete service:
 - Recommendation of a property to fit their specific needs
 - Assurance of standards through WHOA or other industry leaders (AAA)
 - Ease of booking
 - Able to handle any type of financial transaction
 - A person on the other end of the phone, not a machine
 - Able to provide other tourist information
 - Able to handle any type of booking service; phone, fax, or internet
- Reservation service is easy to find due to marketing and contacts.
- Convenience.
- Time saver.
- Safety and security needs are met.
- Ease of reservation for business travelers.

Benefits of Bedside Manor Reservation Service (to the Wyoming tourism industry and economic development in Wyoming)

- Another marketing campaign with different venues than the state campaign increases consumer awareness of Wyoming vacation opportunities.
- The consumer is better served by private industry with longer hours of operation (including weekends) and specific knowledge of B&B properties.
- Possible increase in lodgings with increases in lodging taxes, increases in sales taxes through consumer spending, increases in employment from increased earnings and bookings in the B&Bs and increased local spending of the B&B owners as the business increases.

Life Cycle

The life cycle of the reservation service in Wyoming is at the new product stage. There is no other service provider at this time. There is a firm in Idaho that has worked in the Wyoming market but is going to discontinue business. There is another firm wanting to do reservations by internet, but they will have an answering machine to answer requests.

However, the life cycle of reservation services outside of Wyoming is at the maturity stage. Most other states have had reservation services for many years.

This is definitely the time to enter the market. There is little competition and we have competitive advantage over those that are looking to start up.

Seasonality

Reservations, like tourism, has a definite seasonality. This has a role in the business planning for cash flow, advertising schedules, peak periods needed for employment or longer hours, and availability to book reservations in certain cities at certain times of the year.

A typical tourism season starts in June. All arrangements have been made for the current season and with the summer ahead of them booked, properties start to look at the new year.

June: Properties start to look at the new year, possibly adding a few new reservations for the current summer. Most owners consider the current season promotion finished at this time. They start to look at the next summer and base promotion decisions on what worked this year with a look into some new possibilities. Most advertising is due in August and September. They take any new promotional photos at this time and look for new advertising venues. This is the time to physically set-up Bedside Manor; office, phone lines, computer, employees, etc. This is also the time to start promotion to catch any last minute summer business and practice for the upcoming season and get the "bugs" worked out. We might get a few last minute Cheyenne Frontier Days reservations.

July: Summer season is in full swing. Decisions are on-hold and all attention is paid to customers. Bedside Manor can continue to follow its promotion schedule and get in full swing on operations.

August: Advertising decisions are almost finalized and promotional photos are finished. Next year's promotional budget is based on the strength of summer season sales. Major advertising is due; AAA, B&B directories, atlas/maps, etc. Bedside Manor can continue operations and follow its promotion schedule.

September: The traveling season has become extended and many properties have stayed busy into October. This is due to empty-nesters, seniors, and business travelers. Wyoming weather is still great in many areas in the fall. Travel trade shows for consumer and trade also start in the fall. Bedside Manor should have most of its advertising placed or future advertising booked and operations running smoothly.

October: The season takes a definite drop by the third week in October. Most owners take a break at this time and even Jackson takes a break between its winter and summer season. Most large hotels give their staff 4-6 weeks off and keep a skeleton crew only. Wyoming Homestay and Outdoor Adventures (WFOA), the Wyoming association, holds its fall convention/meeting during October. Bedside Manor should attend the convention and book display space. This will be a major push to the industry to join. By this time we should also have a few success stories. The Division of Tourism also sets its advertising and promotion schedule by this time. Bedside Manor can use this information to book "piggy-back" ads and promotions to look bigger and more successful in the consumer's mind.

November: In some areas the ski season is starting to kick in. Most other properties are slow but may have some business stays. Bedside Manor should send brochures to World Travel Market in London the second week of November. This is "the" premier travel show for Europe. All countries attend. Promotion should be well set and functioning.

December: Most ski areas are busy. There are no travel shows during this time. Bedside Manor should have some boost in business depending on the amount of clients in the ski areas. Promotions should continue. This might be a good time to promote to other markets such as Chambers of Commerce. The Division of Tourism usually does a press promotion trip in early December and Bedside Manor can join this if financing allows.

January: Ski areas stay busy and travel shows start again. The consumer starts thinking about summer travel plans. Bedside Manor should have reservations for the ski areas and start direct promoting to any B&B's that have not yet joined. This would also be a good time to reexamine operational activities and costs as we will have been in business for six months.

February: The ski season will still be in high season. Reservations for summer should start to increase. Bedside Manor should attend the Wyoming Governor's Conference on Tourism and set-up a booth. This is also the place to talk to the magazine sponsors that attend. They each send an advertising representative and we can collect data on new ad rates, demographics and new advertising venues. The conference also gives statistical information on last year's tourism season, trends, and brings in informational speakers. Consumer travel shows also continue during February.

March: Ski season is starting to taper. Summer reservations should feel the first increase and we should be well placed with the Division of Tourism ads. Bedside Manor should send brochures to ITB (International Tourism Bourse) held the first week of March in Berlin, Germany. This is the largest European show and is attended by Germans as well as those that did not attend World Travel Market. Also during March, PAII (Professional Association of Innkeepers International) holds its national convention. We should have a booth here and they also accept speakers for their program.

April: Ski season has ended but the summer reservations should be at peak. Bedside Manor might need additional seasonal personnel at this time. WHOA holds its spring meeting in April. We need to set-up a booth here for last minute and new sign-ups of B&B's. Advertising should be optimal in this month.

May: Reservations should continue at peak as consumers are booking later in the year. Bedside Manor should send brochures to Travel Pow Wow. It is the largest domestic travel show and has large international attendance. The international operators check on last minute summer reservations and look for new product for next year.

Service Growth Description

Jones Enterprise Development International intends to add Bedside Manor Reservation Service to its current product line of marketing and public relations consulting services. The owner felt Jones Enterprises should not rely just on consulting to grow the business. A reservation service, while seasonal, can be a year-round business concern. While servicing an existing contract in Shytown with an employee, the owner can start the reservation service and allow additional time for more profitable consulting and expanded sales.

June is the best month to start a service such as this, as shown by the yearly schedule above. The owners current extensive training will be completed by May and they will have time to set-up the new business. The reservation service fits very well in Jones Enterprises. The owner has very good connections in the B&B/tourism industry, the Chambers, and economic development and business organizations.

B. The Market Analysis

Customer Analysis

General Analysis:

- ❖ Only 5% of *all* travelers stay in B&B's
- ❖ 92.8% of guests have attended college
- ❖ 50% have incomes in excess of \$75,000
- ❖ Guests travel mainly as couples
- ❖ Most guests do not bring children

Guest Customer Profile 1 - Young Couples

- Gender: Female is usually the vacation decision maker
- Age: 25-35 years
- Income level: Up to \$50,000
- Occupation: Upcoming professional
- Location: Larger city, doesn't have the house in the suburbs yet
- Family status: Married
- Children: None or few yet
- Education level: College
- Buying motivation: Status, fun, special occasion getaway, honeymoon, wedding
- Other: Could also be a female business traveler

Guest Customer Profile 2 - Empty Nesters

- Gender: Female is the vacation decision maker
- Age: 40-55 years
- Income level: \$50,000 - \$100,000
- Occupation: Professional, self-employed
- Location: City or urban
- Family status: Married
- Children: None left at home, almost grown
- Education level: College
- Buying motivation: Status, fun, special occasion getaway, special anniversaries, comfort, escape from pressure, luxury, wife traveling with husband on business
- Other: Could also be a female business traveler

Guest Customer Profile 3 - Senior/Retirees

- Gender: Female is the vacation decision maker
- Age: 50-75 years
- Income level: \$50,000, comfortable
- Occupation: Retired, past-professional, part-time consulting
- Location: City or urban
- Family status: Married
- Children: None left at home, grandchildren
- Education level: College
- Buying motivation: Fun, special occasion getaway, special anniversaries, comfort, luxury, exploring new travel destinations, light adventure, has time to relax
- Other: Could be two groups; early seniors and early retirees and older seniors

B&B Customer Analysis (Supplier):

- ❖ Gender: Both involved in business, usually one spouse has outside occupation
- ❖ Age: 40-70 years
- ❖ Income level: \$40,000, comfortable
- ❖ Family Status: Married
- ❖ Ownership: Owns their B&B, usually in their home
- ❖ Children: Almost grown or gone, grandchildren
- ❖ Location: City or rural
- ❖ Education level: High school and some college
- ❖ Occupation: Retired or one spouse still professional
- ❖ Other: Both city B&B's and rural ranch recreation properties

Competitive Analysis

There seem to be two B&B reservation services that service Wyoming; B&B Direct and Bed and Breakfast Western Adventure. One is located in Idaho and the other location is unknown but location does not seem to make too much difference. In talking personally with several B&B owners, competitors do not seem to be performing very well. The other competitive factor is guests that book direct due to individual B&B marketing strategies. A large percentage of reservations are booked direct with the individual property, which would be the biggest direct competition.

Competitor Weaknesses

- Don't work on weekends, limited hours for prospective guests to call
- B&B must fax reservation service with the bookings they do direct
- Don't respond to e-mail
- Have 800# but faxes are not free
- Charge a monthly fee plus commission
- Commission too high - 18%-20%
- "They don't do squat!!" - translation, no marketing
- Any reservation they made has been messed up (wrong day, wrong number of rooms, etc.) Then it costs too much time and effort to straighten it out.
- They put commission on top of room rate that is charged to guest. They say people expect to pay more when they use a reservation service. B&B's thinks that is unfair.
- Don't allow B&B to talk direct to guests before the stay to get proper directions, diet restrictions, guest preferences, etc.
- No bookings or very few. Maybe bookings the first year and then nothing
- If marketed, number just listed, no *real* marketing effort

Competitor Strengths

- Have booked a little business for some B&B's
- A little marketing
- All travel agents can book through B&B Direct through the travel agents computer
- Already established and experienced

Bedside Manor's Competitive Advantage

- Personally know most of the B&B owners and have stayed in or seen their properties
- Owner has a well-respected reputation in the tourism industry
- Owner has been a member of WHOA for 4 years
- Located in Wyoming

- Owner knows the state very well to provide other tourism information
- Could be a direct reservation link with the Division of Tourism
- Could provide reservation service as a WHOA member benefit, so *all* WHOA members would automatically be registered with the service
- Could buy clients of Idaho service
- Could get all clients on internet as part of the reservation service
- Be able to take credit cards smaller B&B's cannot afford
- Charge a reasonable fee (15% seems good to everyone), no upfront or monthly fee
- Room rate is the same either direct or through service
- Knows how to MARKET the service
- Let B&B talk direct to prospective guest and mail out their brochures
- Keep B&B informed

Market Potential

Current Trade Area

The trade area for suppliers (properties) will start out in Wyoming. This is the supplier area that is best known by the owner. But, it is possible to add the clients of the Idaho service that is for sale and South Dakota is under-served, especially in the western part of the state. As for potential guests, they can come from anywhere in the world.

Market Size and Trends

There are currently about 85 WHOA members, but there are another 20(+) B&B's that do not belong to WHOA. The reservation service could include Idaho and South/North Dakota and small guest ranches. Larger ranches have the Dude Ranchers Association and Colorado has many reservation services. Adventure packages (rafting, fishing, etc.) could be included at a later date to provide full services to the guests.

The market size in Wyoming seems to be growing slightly as new B&B's open every year but at the same time some get discouraged and drop from the market. Idaho and North/South Dakota seem very under-served by a reservation service. If the arrangement with the Wyoming state association (WHAOA) can be worked out as a part of membership, the same arrangement might possibly work out with other state associations.

Market Potential - Annual Sales Volume Projection

Annual Sales Volume Equals \$25,200.00

Figures based on the following assumptions:

- * Each B&B books an average of 400 room nights, all rooms combined (the average B&B has 3 rooms X 365 days X 40% occupancy)
- * Average B&B occupancy is 40% (figured low to be conservative)
- * A reservation service could provide 5% of those reservations or 20 room nights per year
- * There are 80 B&B participants in Wyoming (WHAOA membership), 20 B&B participants from South Dakota (have expressed desire to join) and 20 B&B participants from Idaho (clients of B&B service for sale) = 120 B&B's
- * Room rates average \$70.00 per night
- * 15% commission is charged

Therefore,

- * 120 B&B's X 400 room nights = 48,000 room nights
- * 48,000 room nights X 5% from reservation service = 2,400 bookings

- * $2,400 \text{ bookings} \times \$70 \text{ average rate} \times 15\% \text{ commission} = \$25,200.00$
gross sales volume for reservation service

C. Marketing Strategies

Location/Distribution

Currently, Jones Enterprises is a home-based business. The location was chosen to be low cost, convenient and more efficient. A consulting business is not dependent on location, as the owner always goes to the client's location. To help market a business, the owner needs to see their business location anyway.

The decision to start or take over a reservation service requires an employee for assistance. Current City of Midtown regulations restrict the use of an employee in a home-based situation, therefore the need for office space. It might be possible to run the reservation service from a home-based situation for a few months, but if office space is eventually needed, advertised addresses and phone numbers become essential. Most tourism advertising for the next year is due in August (guidebooks, AAA, etc.); with this type of service it would not be prudent to change addresses and phone numbers after a few months. The best situation is to start with and keep the same numbers.

Price/Quality Relationship

After researching the B&B reservation service industry, commissions run from 10-20% per room booking. Some may also have a monthly charge plus an inspection fee or an annual membership fee. Of course, the B&B owners I spoke with all felt the fees were too high no matter what they were charged. But, as explained earlier, the dissatisfaction came from the B&B owner feeling the reservation service did not perform to an acceptable level of service, not necessarily the fee itself. If the reservation provided adequate levels of service, the fee seemed justified.

Bedside Manor Reservation Service will enter the market with a lower price-high quality strategy. The anticipated fee schedule will be 15% per room booking with no annual or inspection fee. There are several reasons for this price strategy.

First, the owner is well-known to the B&B industry in Wyoming. Most initial sales of the service could be done on the phone or at the spring WHOA meeting, thereby reducing sales costs by a large percentage. Also the owner has contacted the Board of Directors of WHOA (the Wyoming B&B Association) to make the reservation service a member benefit of the association. If that is approved, all 85 WHOA members will become automatic clients of Bedside Manor.

Second, with the owner's good reputation and State tourism experience, the Wyoming Division of Tourism will probably shift its B&B inquiries to this service. This will be a large competitive advantage to entice non-WHOA members to use this service.

Third, WHOA members are already held to an upper level of standards for the industry, so inspection is unnecessary. Non-WHOA members could be inspected if unknown to the owner.

Fourth, the owner intends to have a fee "menu" for different services. All B&B's will require a different level of service depending on their marketing budget or how much time they wish

to put in themselves. Bedside Manor could provide brochure mailing, credit card services, etc. to assist the B&B at the level they choose. Each service would have a fee schedule and be charged separately.

Fifth, in Wyoming's business climate, a lower fee and time to prove your business seems to be a workable strategy. B&B owners do not mind a fee increase if you have proven you can do the job adequately. Consulting for this industry started at a \$40 per hour fee and has risen to \$50 per hour without consequence.

Promotional Strategies

Packaging

Packaging a service will depend on the owner's image as well as the "paper" image provided.

The owner already possesses a professional image in the consulting part of Jones Enterprises. Most B&B owners already know the owner personally or have used Jones Enterprises for marketing or brochure assistance. The owner has a good reputation for service, experience and industry knowledge. The owner owns a new vehicle and keeps it clean and presentable.

The "paper" image of Bedside Manor should be separate from Jones Enterprises. It should have its own logo and slogan of service. This should be carried on all business cards, stationery, brochures, flyers, etc. Color or theme should be consistent on all print material.

Advertising copy should be to-the-point; the phone number and the area of reservation service. A bright color and/or combined with black attracts attention to a small ad on a large page.

Brochures to the public should be attractive but explain services and charges thoroughly (see example of Western Adventure B&B Service in appendix.) Brochures to the B&B owners should be attractive and spell out services and charges but do not necessarily need to be in color. A sales kit can be used to attract new B&B's and those unknown to the owner. This kit should be as attractive as possible and stay at a reasonable cost.

Public Relations

Bedside Manor intends to use public relations to the full extent in getting the word out about the new reservation service in Wyoming. Since Jones Enterprises is a public relations and marketing firm, its contacts are extensive in getting material published. Also this is a high-effort but low-cost strategy. With the expense of setting up an office, new computer and software, and employee, Bedside Manor will rely heavily on public relations and announcement press releases.

Every major travel magazine and related magazines will be sent an announcement of the new service. Most of these magazines are used by the State Division of Tourism, so the contact has already been established. Also all industry (B&B exclusive publications) will be sent an announcement of the service. All 50 B&B associations will be asked to include this in their newsletters and in the Division of Tourism newsletter. Jones Enterprise expansion can be included in the SBDC newsletter also. The State's international tourism offices can be given copies of the press release and they will distribute it to their press contacts in each country.

The owner travels extensively in the consulting business and word-of-mouth will be used with visits to newspapers in those cities when appropriate. A press release will also be sent to all Wyoming newspapers. Both business tabloids for this region will be notified; Today's Business and The Business Report.

Advertising and Other Paid Marketing Strategies

Since advertising is expensive in travel publications, paid ads will be kept to a minimum. An AAA ad is important as many people read the AAA Tour Book relating to each state and it is proven that reservations are booked from AAA ads. A small 1/8-1/4 page ad, with spot color, will be about \$3,000 but will be read past one-year and worth the expense.

Small, repetitive ads could be placed in travel agent magazines and other western theme publications. This would require another \$2,000 for coverage. The ads would run for 6 months, December through May, the "high-booking" season. Many B&B travel guides have free listings – names of these can be obtained through PAll, the national association and from WHOA members.

Direct mail will be sent to all Wyoming and immediate region area Chambers of Commerce and Convention and Visitors Bureaus. This will include a small, bright colored "card" to be placed by the phones. This mailing could include members of the Wyoming restaurant association as well. All State information centers and all major attractions will receive the phone card. Other State Divisions of Tourism can receive the phone card and a press release sent to their newsletters.

Direct fax and e-mail can be sent to the larger tour operators and receptive agents both nationally and internationally. The State's international offices will be notified and they will distribute flyers to operators in their respective countries, if the flyers are supplied. Flyers can be sent to regional and national trade shows with the Hilly County Tourism Board and the Division of Tourism.

Flyers can also be sent to the large international shows for distribution for \$150 instead of costly personal attendance.

Lonely Consulting, in Stone, Wyoming, has approached the owner to join forces and market the reservation service, all member B&B's and Jones Enterprises on the internet. All B&B sites would be connected with the owners reservation service either by phone or e-mail. Lonely would design and maintain the sites. Details are currently being discussed.

The advertising/direct mail/internet/fax and phone budget will be high the first year for introduction of a new service. With gross revenue of the projected \$16,800, 35% is equal to \$5,880. This should cover the first year costs. As the service gets known and gross sales increase, the percentage will decline without sacrificing coverage.

Measuring Effectiveness

The only way to know what advertising and public relations is effective is to ask every caller. The Division of Tourism asks each of 350,000 callers per year! As an inquiry comes in, a form will have to be filled out anyway to determine which B&B is best for the client. It will be easy to ask one more question about where they saw the phone number.

Section VI. Financial Plan

Documents Included:

Cash Flow in 1997

Cash Flow in 1998

Cash Flow for 5 years

Income Statement for 1997

Income Statement for 1998

Income Statement for 5 years

Balance Sheet for 5 years

Amortization Table for Start-up Loan Amount

Assumptions

Based on the attached financial projections, *Bedside Manor Reservation Service* should not be attempted. Having to borrow \$10,000 for start-up, rent paid to the service from JEDI for use of facilities, the labor intensive operations and the impact on the consulting business and family, would not make this business profitable enough to justify the effort.

Monthly Cash Flow Projections - Year One - Bedside Manor

Monthly Cash Flow Projections for Bedside Manor Reservation Service - Year One - 1997														
Months	January	February	March	April	May	June	July	August	September	October	November	December	Yearly Total	Notes
Cash Balance	0	0	0	0	0	1,500	4,510	3,452	2,596	1,639	707	625	1,500	
Cash Receipts														
Cash Sales						700	700	700	700	700	1,400	1,400	6,300	
Other Income (rent from JEDI)						400	400	400	400	400	400	400	2,800	
Total Cash Receipts						1,100	1,100	1,100	1,100	1,100	1,800	1,800	9,100	
Cash Disbursements														
Salaries/Benefits						730	730	730	730	730	730	730	5,110	#5
Outside Services-Legal Fees						150			150			150	450	#3
<i>Accounting Fees</i>						100	100	100	100	100	100	100	700	#4
Insurance						200						200	400	#6
Sales/Marketing-Advertising													0	#16
<i>Trade Shows</i>										150			150	#15
<i>Travel</i>						200	100	50	50	50	50	50	550	#14
<i>Brochures</i>						3,000							3,000	#13
Occupancy Exp.-Office Rent						400	400	400	400	400	400	400	2,800	#1
Telephone & Fax						250	250	250	250	250	250	250	1,750	#12
Gas & Electric						50	50	50	50	50	50	50	350	#1
Misc. Expenses - Postage						300	200	100	50	50	50	50	800	#2
<i>Subscriptions/Memberships</i>						0							0	#8 & #9
<i>Supplies/Misc.</i>						210	110	60	60	35	35	35	545	#7
Purchase of Fixed Assets						2,500							2,500	#10
Debt Payment (Old) - <i>Interest</i>													0	
<i>Principle</i>														
Total Cash Disbursement						8,090	1,940	1,740	1,840	1,815	1,665	2,015	19,105	
Net Cash Flow						(6,990)	(840)	(640)	(740)	(715)	135	(215)	(10,005)	
Adjustments to Net Cash Flow														
New Debt						10,000	0	0	0	0	0	0	10,000	
New Owner Investment													0	
New Debt - Interest payments						0	92	90	89	88	87	86	532	
New Debt - Principal payments						0	126	126	128	129	130	132	771	
Adjusted Net Cash Flow						3,010	(1,058)	(856)	(957)	(932)	(82)	(433)	(1,308)	
Ending Cash Balance						4,510	3,452	2,596	1,639	707	625	192	192	

Monthly Cash Flow Projections - Year Two - Bedside Manor

Monthly Cash Flow Projections for Bedside Manor Reservation Service - Year Two - 1998														
Months	January	February	March	April	May	June	July	August	September	October	November	December	Yearly Total	Notes
Cash Balance	192	(3,281)	(3,613)	(3,145)	(2,377)	(1,609)	(1,341)	(573)	194	(1,189)	(721)	47	192	
Cash Receipts														
Cash Sales	1,400	2,100	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	31,500	
Other Income (rent from JEDI)	400	400	400	400	400	400	400	400	400	400	400	400	4,800	
Total Cash Receipts	1,800	2,500	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	36,300	
Cash Disbursements														
Salaries/Benefits	730	730	730	730	730	730	730	730	730	730	730	730	8,760	#5
Outside Services-Legal Fees	0	0	150	0	0	150	0	0	150	0	0	150	600	#3
<i>Accounting Fees</i>	100	100	100	100	100	100	100	100	100	100	100	100	1,200	#4
Insurance	0	0	0	0	0	200	0	0	0	0	0	200	400	#6
Sales/Marketing-Advertising	3,000	500	500	500	500	500	500	500	500	500	500	500	8,500	#16
<i>Trade Shows</i>	0	150	0	0	0	0	0	0	0	150	0	0	300	#15
<i>Travel</i>	200	200	50	50	50	200	50	50	50	200	50	50	1,200	#14
<i>Brochures</i>	0	0	0	0	0	0	0	0	2,000	0	0	0	2,000	#13
Occupancy Exp.-Office Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800	#1
Telephone & Fax	250	250	250	250	250	250	250	250	250	250	250	250	3,000	#12
Gas & Electric	50	50	50	50	50	50	50	50	50	50	50	50	600	#1
Misc. Expenses - Postage	50	50	100	100	100	100	100	100	100	100	100	100	1,100	#2
Subscriptions/Memberships	240	150	150	0	0	0	0	0	0	0	0	0	540	#8 & #9
Supplies/Misc.	35	35	35	35	35	35	35	35	35	35	35	35	420	#7
Purchase of Fixed Assets													0	#10
Debt Payment (Old) - Interest	85	83	82	81	79	78	77	76	75	73	72	71	932	
Principle	133	134	135	136	138	139	140	142	143	144	145	147	1,676	
Total Cash Disbursement	5,273	2,832	2,732	2,432	2,432	2,932	2,432	2,433	4,583	2,732	2,432	2,783	36,028	
Net Cash Flow	(3,473)	(332)	468	768	768	268	768	767	(1,383)	468	768	417	272	
Adjustments to Net Cash Flow														
New Debt													0	
New Owner Investment													0	
New Debt - Interest payments													0	
New Debt - Principal payments													0	
Projected Taxes on Income												220	220	
Adjusted Net Cash Flow	(3,473)	(332)	468	768	768	268	768	767	(1,383)	468	768	197	52	
Ending Cash Balance	(3,281)	(3,613)	(3,145)	(2,377)	(1,609)	(1,341)	(573)	194	(1,189)	(721)	47	244	244	

Annual Statement of Cash Flows (Changes in Financial Position) - Bedside Manor - Years 1997 - 2001

Annual Cash Flows (Statement of Changes in Financial Position) Years 1997 - 2001)					
Sources of Cash:	1997	1998	1999	2000	2001
<i>Operations during the year:</i>					
Net Income After Taxes	(\$8,317)	\$1,248	\$1,757	\$2,311	\$2,886
<i>Add items not decreasing cash</i>					
Depreciation	\$280	\$480	\$480	\$480	\$480
Increase in Accounts Payable	\$0	\$0	\$0	\$0	\$0
Increase in Other Payables	\$0	\$0	\$0	\$0	\$0
Increase in Accrued Liabilities	\$0	\$0	\$0	\$0	\$0
<i>Deduct items not increasing cash</i>					
Increase in Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Increase in Inventory	\$0	\$0	\$0	\$0	\$0
Cash from Operations	(\$8,037)	\$1,728	\$2,237	\$2,791	\$3,366
<i>Financing & Other:</i>					
Sale of Stock	\$0	\$0	\$0	\$0	\$0
Proceeds from Short Term Loans	\$0	\$0	\$0	\$0	\$0
Proceeds from Long Term Loans	\$10,000	\$0	\$0	\$0	\$0
Sale of Investments	\$0	\$0	\$0	\$0	\$0
Collection of Notes Receivable	\$0	\$0	\$0	\$0	\$0
Reduction of Other Current Assets	\$0	\$0	\$0	\$0	\$0
Reduction of Other Assets	\$0	\$0	\$0	\$0	\$0
Cash from Operations & Financing	\$1,963	\$1,728	\$2,237	\$2,791	\$3,366
<i>Applications of Cash:</i>					
Payment of Dividends	\$0	\$0	\$0	\$0	\$0
Purchases of Fixed Assets	\$2,500	\$0	\$0	\$0	\$0
Repayment of Short Term Loans	\$0	\$0	\$0	\$0	\$0
Repayment of Long Term Loans	\$771	\$1,676	\$1,871	\$2,087	\$2,329
Purchase of Investments	\$0	\$0	\$0	\$0	\$0
Increase in Notes Receivable	\$0	\$0	\$0	\$0	\$0
Increase in Other Current Assets	\$0	\$0	\$0	\$0	\$0
Increase in Other Assets	\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) in Cash	(\$1,308)	\$52	\$366	\$704	\$1,037
<i>Change in Cash Balance</i>					
Beginning Cash Balance	\$1,500	\$192	\$244	\$610	\$1,314
Increase/(Decrease) in Cash	(\$1,308)	\$52	\$366	\$704	\$1,037
Ending Cash Balance	\$192	\$244	\$610	\$1,314	\$2,351

Income Statement for Bedside Manor (1997 by Month)

*** INCOME STATEMENT (1997 by month) ***									
Revenues									% of Total Sales
Sales	Jun-97	Jul-97	Aug-97	Sep-97	Oct-97	Nov-97	Dec-97	1997	
Sales	\$700	\$700	\$700	\$700	\$700	\$1,400	\$1,400	\$6,300	69.23%
Rent from JEDI	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$2,800	30.77%
Total Sales	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,800	\$1,800	\$9,100	100.00%
Selling Expenses									
Cost of Sales (Sales & Marketing Expenses)									
Advertising	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Trade Shows	\$0	\$0	\$0	\$0	\$150	\$0	\$0	\$150	1.65%
Travel	\$200	\$100	\$50	\$50	\$50	\$50	\$50	\$550	6.04%
Brochures	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	32.97%
Total Cost of Sales	\$3,200	\$100	\$50	\$50	\$200	\$50	\$50	\$3,700	40.66%
% of Total Sales	290.91%	9.09%	4.55%	4.55%	18.18%	2.78%	2.78%	40.66%	
Gross Profit	(\$2,100)	\$1,000	\$1,050	\$1,050	\$900	\$1,750	\$1,750	\$5,400	59.34%
% of Total Sales	-190.91%	90.91%	95.45%	95.45%	81.82%	97.22%	97.22%	59.34%	
General and Administrative Expenses									
Accounting	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$700	7.69%
Administrative Salaries	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$5,110	56.15%
Insurance	\$200	\$0	\$0	\$0	\$0	\$0	\$200	\$400	4.40%
Legal Fees	\$150	\$0	\$0	\$150	\$0	\$0	\$150	\$450	4.95%
Supplies	\$200	\$100	\$50	\$50	\$25	\$25	\$25	\$475	5.22%
Office Rent	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$2,800	30.77%
Telephone and Fax	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$1,750	19.23%
Gas	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$175	1.92%
Electricity	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$175	1.92%
Postage	\$300	\$200	\$100	\$50	\$50	\$50	\$50	\$800	8.79%
Memberships	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Subscriptions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Miscellaneous	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$70	0.77%
Depreciation	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$280	3.08%
Total Operating Expenses	\$2,430	\$1,880	\$1,730	\$1,830	\$1,655	\$1,655	\$2,005	\$13,185	144.89%
% of Total Sales	220.91%	170.91%	157.27%	166.36%	150.45%	91.94%	111.39%	144.89%	
Income From Operations	(\$4,530)	(\$880)	(\$680)	(\$780)	(\$755)	\$95	(\$255)	(\$7,785)	-85.55%
% of Total Sales	-411.82%	-80.00%	-61.82%	-70.91%	-68.64%	5.28%	-14.17%	-85.55%	
Interest Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Interest Expense	\$0	\$92	\$91	\$88	\$88	\$87	\$86	\$532	5.85%
Income before Taxes	(\$4,530)	(\$972)	(\$771)	(\$868)	(\$843)	\$8	(\$341)	(\$8,317)	-91.40%
Taxes on Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Net Income After Taxes	(\$4,530)	(\$972)	(\$771)	(\$868)	(\$843)	\$8	(\$341)	(\$8,317)	-91.40%
% of Total Sales	-411.82%	-88.36%	-70.09%	-78.91%	-76.64%	0.44%	-18.94%	-91.40%	

Income Statement - Bedside Manor (1998 by Month)

*** INCOME STATEMENT (1998 by month) ***															
Revenues														% of Total	
Sales	Jan-98	Feb-98	Mar-98	Apr-98	May-98	Jun-98	Jul-98	Aug-98	Sep-98	Oct-98	Nov-98	Dec-98	1998		Sales
Sales	\$1,400	\$2,100	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	\$31,500	86.78%
Rent from JEDI	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$4,800	13.22%
Total Sales	\$1,800	\$2,500	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$36,300	100.00%
Selling Expenses														% of Total	
Cost of Sales (Sales & Marketing Expenses)															
Advertising	\$3,000	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$8,500	23.42%
Trade Shows	\$0	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150	\$0	\$0	\$0	\$300	0.83%
Travel	\$200	\$200	\$50	\$50	\$50	\$200	\$50	\$50	\$50	\$200	\$50	\$50	\$50	\$1,200	3.31%
Brochures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000	\$0	\$0	\$0	\$2,000	5.51%	
Total Cost of Sales	\$3,200	\$850	\$550	\$550	\$550	\$700	\$550	\$550	\$2,550	\$850	\$550	\$550	\$12,000	33.06%	
% of Total Sales	177.78%	34.00%	17.19%	17.19%	17.19%	21.88%	17.19%	17.19%	79.69%	26.56%	17.19%	17.19%	33.06%		
Gross Profit	(\$1,400)	\$1,650	\$2,650	\$2,650	\$2,650	\$2,500	\$2,650	\$2,650	\$650	\$2,350	\$2,650	\$2,650	\$24,300	66.94%	
% of Total Sales	-77.78%	66.00%	82.81%	82.81%	82.81%	78.13%	82.81%	82.81%	20.31%	73.44%	82.81%	82.81%	66.94%		
General and Administrative Expenses														% of Total	
Accounting	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100		\$1,200
Administrative Salaries	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$730	\$8,760	24.13%
Insurance	\$0	\$0	\$0	\$0	\$0	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$200	\$400	1.10%
Legal Fees	\$0	\$0	\$150	\$0	\$0	\$150	\$0	\$0	\$150	\$0	\$0	\$150	\$150	\$600	1.65%
Supplies	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$300	0.83%
Office Rent	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$4,800	13.22%
Telephone and Fax	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	8.26%
Gas	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$300	0.83%
Electricity	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$300	0.83%
Postage	\$50	\$50	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,100	3.03%	
Memberships	\$225	\$150	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$525	1.45%	
Subscriptions	\$15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15	0.04%	
Miscellaneous	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$120	0.33%	
Depreciation	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$480	1.32%
Total Operating Expenses	\$1,895	\$1,805	\$2,005	\$1,705	\$1,705	\$2,055	\$1,705	\$1,705	\$1,855	\$1,705	\$1,705	\$2,055	\$21,900	60.33%	
% of Total Sales	105.28%	72.20%	62.66%	53.28%	53.28%	64.22%	53.28%	53.28%	57.97%	53.28%	53.28%	64.22%	60.33%		
Income From Operations	(\$3,295)	(\$155)	\$645	\$945	\$945	\$445	\$945	\$945	(\$1,205)	\$645	\$945	\$595	\$2,400	6.61%	
% of Total Sales	-183.06%	-6.20%	20.16%	29.53%	29.53%	13.91%	29.53%	29.53%	-37.66%	20.16%	29.53%	18.59%	6.61%		
Interest Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Interest Expense	\$84	\$83	\$82	\$81	\$80	\$78	\$77	\$76	\$75	\$73	\$72	\$71	\$932	2.57%	
Income before Taxes	(\$3,379)	(\$238)	\$563	\$864	\$865	\$367	\$868	\$869	(\$1,280)	\$572	\$873	\$524	\$1,468	4.04%	
Taxes on Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$220	\$220	0.61%	
Net Income After Taxes	(\$3,379)	(\$238)	\$563	\$864	\$865	\$367	\$868	\$869	(\$1,280)	\$572	\$873	\$304	\$1,248	3.44%	
% of Total Sales	-187.72%	-9.52%	17.59%	27.00%	27.03%	11.47%	27.13%	27.16%	-40.00%	17.88%	27.28%	9.50%	3.44%		

Comparative Income Statements - Bedside Manor - Years 1997 through 2001

*** INCOME STATEMENT (Years 1997 - 2001) ***										
Revenues		% of Total		% of Total		% of Total		% of Total		% of Total
Sales	1997	Sales	1998	Sales	1999	Sales	2000	Sales	2001	Sales
Sales	\$6,300	69.23%	\$31,500	86.78%	\$35,280	86.78%	\$39,514	86.78%	\$44,255	86.78%
Rent from JEDI	\$2,800	30.77%	\$4,800	13.22%	\$5,376	13.22%	\$6,021	13.22%	\$6,744	13.22%
Total Sales	\$9,100	100.00%	\$36,300	100.00%	\$40,656	100.00%	\$45,535	100.00%	\$50,999	100.00%
Selling Expenses										
Cost of Sales (Sales & Marketing Expenses)										
Advertising	\$0	0.00%	\$8,500	23.42%	\$9,520	23.42%	\$10,662	23.42%	\$11,942	23.42%
Trade Shows	\$150	1.65%	\$300	0.83%	\$336	0.83%	\$376	0.83%	\$421	0.83%
Travel	\$550	6.04%	\$1,200	3.31%	\$1,344	3.31%	\$1,505	3.31%	\$1,686	3.31%
Brochures	\$3,000	32.97%	\$2,000	5.51%	\$2,240	5.51%	\$2,509	5.51%	\$2,810	5.51%
Total Cost of Sales/% of Sales	\$3,700	40.66%	\$12,000	33.06%	\$13,440	33.06%	\$15,053	33.06%	\$16,859	33.06%
Gross Profit	\$5,400	59.34%	\$24,300	66.94%	\$27,216	66.94%	\$30,482	66.94%	\$34,140	66.94%
General and Administrative Expenses										
Accounting	\$700	7.69%	\$1,200	3.31%	\$1,344	3.31%	\$1,505	3.31%	\$1,686	3.31%
Administrative Salaries	\$5,110	56.15%	\$8,760	24.13%	\$9,811	24.13%	\$10,989	24.13%	\$12,307	24.13%
Insurance	\$400	4.40%	\$400	1.10%	\$448	1.10%	\$502	1.10%	\$562	1.10%
Legal Fees	\$450	4.95%	\$600	1.65%	\$672	1.65%	\$753	1.65%	\$843	1.65%
Supplies	\$475	5.22%	\$300	0.83%	\$336	0.83%	\$376	0.83%	\$421	0.83%
Office Rent	\$2,800	30.77%	\$4,800	13.22%	\$5,376	13.22%	\$6,021	13.22%	\$6,744	13.22%
Telephone and Fax	\$1,750	19.23%	\$3,000	8.26%	\$3,360	8.26%	\$3,763	8.26%	\$4,215	8.26%
Gas	\$175	1.92%	\$300	0.83%	\$336	0.83%	\$376	0.83%	\$421	0.83%
Electricity	\$175	1.92%	\$300	0.83%	\$336	0.83%	\$376	0.83%	\$421	0.83%
Postage	\$800	8.79%	\$1,100	3.03%	\$1,232	3.03%	\$1,380	3.03%	\$1,545	3.03%
Memberships	\$0	0.00%	\$525	1.45%	\$588	1.45%	\$659	1.45%	\$738	1.45%
Subscriptions	\$0	0.00%	\$15	0.04%	\$17	0.04%	\$19	0.04%	\$21	0.04%
Miscellaneous	\$70	0.77%	\$120	0.33%	\$134	0.33%	\$151	0.33%	\$169	0.33%
Depreciation	\$280	3.08%	\$480	1.32%	\$480	1.18%	\$480	1.05%	\$480	0.94%
Total Operating Expenses	\$13,185	144.89%	\$21,900	60.33%	\$24,470	60.19%	\$27,349	60.06%	\$30,574	59.95%
Income From Operations	(\$7,785)	-85.55%	\$2,400	6.61%	\$2,746	6.75%	\$3,133	6.88%	\$3,566	6.99%
Interest Income	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
Interest Expense	\$532	5.85%	\$932	2.57%	\$738	1.82%	\$522	1.15%	\$280	0.55%
Income before Taxes	(\$8,317)	-91.40%	\$1,468	4.04%	\$2,008	4.94%	\$2,611	5.73%	\$3,286	6.44%
Taxes on Income	\$0	0.00%	\$220	0.61%	\$250	0.61%	\$300	0.66%	\$400	0.78%
Net Income After Taxes	(\$8,317)	-91.40%	\$1,248	3.44%	\$1,758	4.32%	\$2,311	5.07%	\$2,886	5.66%

Comparative Balance Sheets for 1997 through 2001 - Bedside Manor

*** BALANCE SHEET (Years 1997-2001) ***					
As of the Year Ending:	1997	1998	1999	2000	2001
Assets					
<i>Current Assets</i>					
Cash	\$192	\$244	\$608	\$1,311	\$2,349
Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Inventory	\$0	\$0	\$0	\$0	\$0
Other Current Assets	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$192	\$244	\$608	\$1,311	\$2,349
<i>Fixed Assets</i>					
Land	\$0	\$0	\$0	\$0	\$0
Buildings	\$0	\$0	\$0	\$0	\$0
Building/Leasehold Improvements	\$0	\$0	\$0	\$0	\$0
Office Equipment	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Other Fixed Assets	\$0	\$0	\$0	\$0	\$0
(Less Accumulated Depreciation)	(\$280)	(\$760)	(\$1,240)	(\$1,720)	(\$2,200)
Total Fixed Assets	\$2,220	\$1,740	\$1,260	\$780	\$300
(A) Total Assets	\$2,412	\$1,984	\$1,868	\$2,091	\$2,649
Liabilities & Owners' Equity					
<i>Current Liabilities</i>					
Accounts Payable	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$0	\$0	\$0	\$0	\$0
<i>Long Term Liabilities</i>					
Long Term Debt	\$9,229	\$7,551	\$5,680	\$3,593	\$1,264
Other Long Term Liabilities					
Total Long Term Liabilities	\$9,229	\$7,551	\$5,680	\$3,593	\$1,264
(B) Total Liabilities	\$9,229	\$7,551	\$5,680	\$3,593	\$1,264
<i>Owner/Stockholder Equity</i>					
Common Stock	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Retained Earnings	(\$8,317)	(\$7,069)	(\$5,312)	(\$3,001)	(\$115)
Less Dividends Payable	\$0	\$0	\$0	\$0	\$0
(C) Total Owners' Equity	(\$6,817)	(\$5,569)	(\$3,812)	(\$1,501)	\$1,385
Total Liabilities (B) & Equity (C) (must equal A above)	\$2,412	\$1,982	\$1,868	\$2,092	\$2,649
*** RATIOS ***					
Current Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Quick Ratio (Acid Test)	#REF!	#REF!	#REF!	#REF!	#REF!
Total Debt to Total Assets	3.83	3.81	3.04	1.72	0.48
Total Debt to Owners' Equity	-1.35	-1.36	-1.49	-2.39	0.91

Loan Amortization Table - Bedside Manor

Initial Data						
LOAN DATA			TABLE DATA			
Loan amount:	\$10,000.00			Table starts at date:		
Annual interest rate:	11.00%			or at payment number: 1		
Term in years:	5					
Payments per year:	12					
First payment due:	7/1/97					
PERIODIC PAYMENT						
Entered payment:		The table uses the calculated periodic payment amount,				
Calculated payment:		\$217.42	unless you enter a value for "Entered payment."			
CALCULATIONS						
Use payment of:		\$217.42	Beginning balance at payment 1:		\$10,000.00	
1st payment in table:		1	Cumulative interest prior to payment 1:		\$0.00	
Table						
No.	Payment Date	Beginning Balance	Interest	Principal	Ending Balance	Cumulative Interest
1	7/1/97	10,000.00	91.67	125.75	9,874.24	91.67
2	8/1/97	9,874.24	90.51	126.91	9,747.33	182.18
3	9/1/97	9,747.33	89.35	128.07	9,619.26	271.53
4	10/1/97	9,619.26	88.18	129.24	9,490.01	359.71
5	11/1/97	9,490.01	86.99	130.43	9,359.58	446.70
6	12/1/97	9,359.58	85.80	131.62	9,227.95	532.50
7	1/1/98	9,227.95	84.59	132.83	9,095.12	617.09
8	2/1/98	9,095.12	83.37	134.05	8,961.06	700.46
9	3/1/98	8,961.06	82.14	135.28	8,825.78	782.60
10	4/1/98	8,825.78	80.90	136.52	8,689.26	863.50
11	5/1/98	8,689.26	79.65	137.77	8,551.49	943.15
12	6/1/98	8,551.49	78.39	139.03	8,412.45	1,021.54
13	7/1/98	8,412.45	77.11	140.31	8,272.14	1,098.65
14	8/1/98	8,272.14	75.82	141.60	8,130.55	1,174.47
15	9/1/98	8,130.55	74.53	142.89	7,987.65	1,249.00
16	10/1/98	7,987.65	73.22	144.20	7,843.45	1,322.22
17	11/1/98	7,843.45	71.90	145.52	7,691.92	1,394.12
18	12/1/98	7,691.92	70.56	146.86	7,551.06	1,464.68
19	1/1/99	7,551.06	69.22	148.20	7,402.86	1,533.90
20	2/1/99	7,402.86	67.86	149.56	7,253.29	1,601.76
21	3/1/99	7,253.29	66.49	150.93	7,102.36	1,668.25
22	4/1/99	7,102.36	65.10	152.32	6,950.04	1,733.35
23	5/1/99	6,950.04	63.71	153.71	6,796.32	1,797.06
24	6/1/99	6,796.32	62.30	155.12	6,641.20	1,859.36
25	7/1/99	6,641.20	60.88	156.54	6,484.65	1,920.24
26	8/1/99	6,484.65	59.44	157.98	6,326.67	1,979.68
27	9/1/99	6,326.67	57.99	159.43	6,167.24	2,037.67
28	10/1/99	6,167.24	56.53	160.89	6,006.35	2,094.20
29	11/1/99	6,006.35	55.06	162.36	5,843.98	2,149.26
30	12/1/99	5,843.98	53.57	163.85	5,680.13	2,202.83
31	1/1/00	5,680.13	52.07	165.35	5,514.77	2,254.90
32	2/1/00	5,514.77	50.55	166.87	5,347.90	2,305.45
33	3/1/00	5,347.90	49.02	168.40	5,179.50	2,354.47
34	4/1/00	5,179.50	47.48	169.94	5,009.55	2,401.95
35	5/1/00	5,009.55	45.92	171.50	4,838.05	2,447.87
36	6/1/00	4,838.05	44.35	173.07	4,664.97	2,492.22
37	7/1/00	4,664.97	42.76	174.66	4,490.31	2,534.98
38	8/1/00	4,490.31	41.16	176.26	4,314.05	2,576.14
39	9/1/00	4,314.05	39.55	177.87	4,136.17	2,615.69
40	10/1/00	4,136.17	37.91	179.51	3,956.66	2,653.60
41	11/1/00	3,956.66	36.27	181.15	3,775.50	2,689.87
42	12/1/00	3,775.50	34.61	182.81	3,592.69	2,724.48
43	1/1/01	3,592.69	32.93	184.49	3,408.20	2,757.41
44	2/1/01	3,408.20	31.24	186.18	3,222.01	2,788.65
45	3/1/01	3,222.01	29.54	187.88	3,043.13	2,818.19
46	4/1/01	3,043.13	27.81	189.61	2,844.51	2,846.00
47	5/1/01	2,844.51	26.07	191.35	2,653.16	2,872.07
48	6/1/01	2,653.16	24.32	193.10	2,460.06	2,896.39
49	7/1/01	2,460.06	22.55	194.87	2,265.19	2,918.94
50	8/1/01	2,265.19	20.76	196.66	2,068.53	2,939.70
51	9/1/01	2,068.53	18.96	198.46	1,870.06	2,958.66
52	10/1/01	1,870.06	17.14	200.28	1,669.78	2,975.80
53	11/1/01	1,669.78	15.31	202.11	1,467.66	2,991.11
54	12/1/01	1,467.66	13.45	203.97	1,263.69	3,004.56
55	1/1/02	1,263.69	11.58	205.84	1,057.85	3,016.14
56	2/1/02	1,057.85	9.70	207.72	850.13	3,025.84
57	3/1/02	850.13	7.79	209.63	640.49	3,033.63
58	4/1/02	640.49	5.87	211.55	428.94	3,039.50
59	5/1/02	428.94	3.93	213.49	215.45	3,043.43
60	6/1/02	215.45	1.97	215.45	0.00	3,045.40

Assumptions for Cash Flow Projections and Financial Statements - Bedside Manor Reservation Service

ASSUMPTIONS

General and Administrative

- 1 Office rent: Estimated cost \$300-\$500.
Projection at \$400 per month for 300-600 sf. Utilities estimated at \$25 for gas and \$25 for electricity.
- 2 Postage allows for June & July introductory promotional mailings.
- 3 Legal fees estimated at \$150 per hour with one hour per quarter budgeted.
- 4 Accounting fees estimated at \$100 per month for financial statement and payroll preparation. Owner will perform daily bookkeeping functions including check writing, balancing of checkbook and data entry.
- 5 Administrative salaries allow for one part time (20 hours per week) person at \$7.00 per hour plus benefits and taxes. Estimated to cost \$170 per week.
- 6 Insurance paid semi-annually.
- 7 Office setup is calculated to occur in June.
- 8 Memberships -- WHOA \$75.00; Wyoming State Tourism Conference \$150.00; South Dakota Tourism Conference \$150.00; Idaho Tourism Conference \$150.00.
- 9 Subscriptions include Inn Times Magazine
- 10 Equipment -- One computer plus two phones
- 11 Depreciation calculated based on straight line over 5 years.
- 12 Telephone and fax projections based on industry standards.

Sales and Marketing

- 13 Brochure costs include setup expenses and a one year supply.
- 14 Travel -- June and July for setup. January - March for state conferences.
- 15 Trade shows \$150 each for WTM - London and ITB - Berlin to send brochures to international market.
- 16 Advertising - \$3,000 for AAA ad \$500 per month for additional placements. Public relations costs are covered in phone/fax and postage expenses.

Estimate growth at 12% per year.

Appendix

List of Inclusions

(Please Note: All Appendix attachments were deleted from this plan for proprietary reasons. The list, however, provides a good example of the type of additional documentation that could be included in an Appendix section.)

- ❖ Resume of Owner
- ❖ Biography of Owner
- ❖ List of Services for Consulting Business
- ❖ Jones Enterprise Development International (JEDI)
- ❖ JEDI Client List
- ❖ Letter to Wyoming Homestay and Outdoor Adventures (WHOA) Board Members
(Opportunity to make reservation service a member benefit, precluding the need for this reservation service to convince every member individually)
- ❖ WHOA Standards
- ❖ Example of B&B Adventure Package
- ❖ Sample of Travel Reservation Service Advertising
- ❖ WHOA Brochure