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Executive summary

Ini's sport club will be a full-service multisport complex situated in Brains and Hammers, Apo in Abuja, Nigeria . There are currently no other sports facilities like this one anywhere in the Alley. This plan will be used to define the scope of our services, as well as a means of gaining the necessary investments to open the facility.

The keys to success for Ini's sport club is our ability to market effectively, creating a conducive atmosphere where people will like to carry out their workout and sporting activities, and hiring qualified and knowledgeable staff and trainers to aid in the running of our programs and activities.

The sports and fitness club industry is a booming business that produced over \$10 billion in the previous years and is projected to continue its current trend according to speculations and analysis. The club is conservatively projecting a strong net profit in its first year of operation with this number increasing significantly by the end of year three. This plan will show what the business needs to start its successful venture, and how we plan on doing it. It shows that even using conservative projections, the company will have positive cash flows, tremendous gross margins of over 50%, and steady/solid growth. We will show a modest profit in the first year, and our profits increase steadily. Our projections are based on the past performance of the business. Based on these conservative projections, we will be ahead of the industry standard in almost every aspect.

Introduction

The Ini's sport club is a multisport and fitness complex designed to be used by the residents of Henderson and the surrounding areas. It is our mission to provide the best programs, staff, and equipment, to fully meet the various sports and fitness needs of our members, while generating a profit for the owners and investors. Besides providing an excellent value to our customers, Inis sport club is determined to create an unmatched sporting atmosphere that will add to the enjoyment of every member and employee of the facility. Dedicated to the community, The Supreme Courts strives to support and sponsor community events, as well as host them

whenever possible. Our hope is that through the use of our facility, members' enjoyment and appreciation for sports, fitness, and for life will be enhanced.

Objectives and services

The main objectives for The Ini's sport club are as follows:

- To Sell about 700 memberships in year one, 1,100 by the end of year two, and 1,500 by the end of year three.
- Providing the users of the facility with knowledgeable and qualified staff who show genuine concern for the patrons, people will feel comfortable and confident that The Supreme Courts can meet all of their sport and fitness needs
- Full-service locker rooms for both men and women that will accommodate up to 120 lockers. Large shower areas, benches, sinks, and bathroom facilities will all be included as well.
- A large childcare area that will allow users to access the facility at their convenience. The childcare will be on the first level of the complex and have a large play area that will be continuously monitored by our childcare staff.
- An administrative area housing various offices and a conference room will be located on the main floor of the facility.
- Organize and develop various sports leagues/competitions and market them effectively so as to fill them to capacity (i.e. seven leagues running twice a year with 8-12 teams per league).
- Sponsor and/or support community events in our first year of operation.
- Show at least a 5% return to investors in the first year of operation which will increase overtime.
- Providing an excellent value to customers
- Food services
- Massage Therapy
- Advance a balance between informal and formal sporting and physical activity opportunities by providers

Industrial analysis

Ini's sport club is a new multisport complex that will provide both members and casual users an opportunity to participate in a variety of sports and leisure programs and activities. It will be a Limited Partnership corporation that will be privately owned. Ini Okopido and Ryan Potts will own 42% of the company each, while 12 other limited partners will each own 4%. In the long run, an expansion strategy would be put in place. We projected that after three years of a successful business, various branches and sub-branches would be established in different states and cities of the country.

Marketing analysis

The higher the number of registered members, the higher our market structure. We must make the sports club a common name in the Brains and hammers alley and creatively promote our Market our services to each of our market segments. Because of the diversity in the activities and programs available, our market segments vary from dedicated workout junkies to people who just want a few hours of fun and recreation. This is to say that Our market will include various segments some of which include;

Gym Rats: This people who love to be in a gym. Usually associated with basketball, gym rats seek to find places to play, practice, or just hang out, usually at a very reasonable price. The better the atmosphere, and the more people to watch them, the more gym rats are attracted to a facility.

Families: this is a smaller, but important market segment for our facility. We have "something for everyone" and that will attract families that want to become members of the facility as well as families who simply want a few hours of fun every now and again. These people will also be the main target for summer camps and activities that allow for fun and education for the children while the parents enjoy some relatively cheap babysitting.

Senior Citizens: this market segment will be our fastest growing market as more senior citizens are retiring to Brains and hammers than any other group. When provided with health promoting programs, senior citizens are willing to participate due to the new focus on physical activity and the constant encouragement from family and physicians.

Business Travelers: another small market segment, travelers to the City of will be attracted to use this facility for various purposes without the pressure or hassle of a required membership. The simple daily walk-in fee will make the club a very attractive place to workout for these people.

Tourists: another small market segment for the club will be the tourists who are attracted to the facility because of its size and appearance. Fabric structures often become tourist attractions because of their different and interesting appearance.

Financial analysis

We are assuming start-up capital of \$336,500 and a long-term (20 year) bank loan of \$1,250,000. The remainder of the necessary financing will come through investors. The financial plan depends on important assumptions, most of which are annual assumptions. The monthly assumptions are included in the appendix. From the beginning, we recognize that collection days are critical, but not a factor we can influence easily. At least we are planning on the problem, and dealing with it. Interest rates, tax rates, and personnel burden are based on conservative assumptions.

Some of the more important underlying assumptions are:

We assume a strong economy, without major recession.

We assume the rate of growth for the number of sport and fitness club memberships will continue.

Start-up requirements

| | |
|------------------------------|-----------|
| Legal | \$30,000 |
| Air Structure | \$415,000 |
| Hardwood Floors | \$160,000 |
| Basketball Rims, Stands... | \$55,000 |
| Exercise Equipment and Misc. | \$150,000 |
| Stucco | \$8,000 |
| Block Fence | \$90,000 |
| Concrete Footings and Slab | \$185,000 |

| | |
|--------------------------------------|--------------------|
| Site Preparation | \$20,000 |
| Consultants | \$3,500 |
| Mechanical | \$25,000 |
| Second Floor Development and Offices | \$210,000 |
| Office Equipment | \$65,000 |
| Paving and Landscaping | \$112,000 |
| Management Fee | \$100,000 |
| Promotional Costs | \$40,000 |
| Design Fees | \$30,000 |
| Land | \$465,000 |
| TOTAL START-UP EXPENSES | \$2,163,500 |

Start-up Assets

Cash Required. \$336,500

TOTAL ASSETS \$336,500

Profit and loss

| YEAR 1 | YEAR 2 | YEAR 3 | |
|---|---------------|---------------|-------------|
| Sales | \$835,270 | \$1,028,880 | \$1,256,836 |
| Direct Cost of Sales | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 |
| TOTAL COST OF SALES | \$0 | \$0 | \$0 |
| Gross Margin | \$835,270 | \$1,028,880 | \$1,256,836 |
| Gross Margin % | 100.00% | 100.00% | 100.00% |
| Expenses | | | |
| Payroll | \$360,900 | \$438,845 | \$516,692 |
| Sales and Marketing and Other Expenses | \$85,392 | \$87,170 | \$65,068 |
| Depreciation | \$0 | \$0 | \$0 |

| | | | |
|---|-----------|-----------|-----------|
| Leased Equipment | \$48,000 | \$50,400 | \$50,400 |
| Repairs and Maintenance | \$4,800 | \$5,040 | \$5,292 |
| Landscape Maintenance | \$3,600 | \$3,780 | \$3,969 |
| Accounting Fees | \$4,800 | \$5,040 | \$5,292 |
| Legal Fees | \$2,400 | \$2,520 | \$2,646 |
| Telephone | \$3,000 | \$3,150 | \$3,307 |
| Utilities (Gas, Electric, Water, Sewer) | \$54,000 | \$56,700 | \$59,535 |
| Insurance | \$12,000 | \$12,600 | \$13,230 |
| Rent | \$0 | \$0 | \$0 |
| Payroll Taxes | \$54,135 | \$65,827 | \$77,504 |
| Other | \$0 | \$0 | \$0 |
| Total Operating Expenses | \$633,027 | \$731,072 | \$802,935 |
| Profit Before Interest and Taxes | \$202,243 | \$297,808 | \$453,901 |
| EBITDA | \$202,243 | \$297,808 | \$453,901 |
| Interest Expense | \$125,000 | \$125,000 | \$125,000 |
| Taxes Incurred | \$21,135 | \$25,921 | \$53,446 |
| Net Profit | \$56,108 | \$146,887 | \$275,455 |
| Net Profit/Sales | 6.72% | 14.28% | 21.92% |

Personnel plan

| YEAR 1 | YEAR 2 | YEAR 3 | |
|----------------------|----------|----------|----------|
| Ini Okopido | \$60,000 | \$63,000 | \$66,150 |
| Bryan Potts | \$60,000 | \$63,000 | \$66,150 |
| Fitness Area Manager | \$36,000 | \$37,800 | \$39,690 |

| | | | |
|----------------------|-----------|-----------|-----------|
| Food Service Manager | \$30,000 | \$31,500 | \$33,075 |
| Book Keeper | \$21,600 | \$22,680 | \$23,814 |
| General Staff (7) | \$138,300 | \$145,215 | \$152,476 |
| Janitor | \$15,000 | \$15,750 | \$16,538 |
| Other | \$0 | \$59,900 | \$118,800 |
| TOTAL PEOPLE | 13 | 16 | 19 |
| Total Payroll | \$360,900 | \$438,845 | \$516,692 |

Competition

The Supreme Courts' competitive edge is a two way fold. First, The Club is the only multisport complex that offers three full-size basketball courts that are available for the members and the community to use and/or rent. On top of this, the scope and variation of the programs that will be run from this facility are unmatched by any other club in the area. The second part of our competitive edge is the location, size, and appearance of the facility that will attract many people into the complex.

By maintaining our focus in our strategy, marketing, program development, and fulfillment, Ini's sport club will be known as the top sports and fitness club in Brains and hammers . We should be aware, however, that our competitive edge may be diluted if we become complacent in our program development and implementation. It will be important for the club to keep up with the current trends in both sport and fitness programs.

Risk and problems

unlike the sport businesses and games we do not depend on the revenue from tickets, if a risk occurs and it affects the club greatly, we may not be able to meet our daily operations and you his will also affect our annual revenue estimate. The risks therefore greatly impact on the returns the sports organizations get. Some risks and problems the club may possibly face include:

- Disaster-related losses. A lawsuit or settlement from an injured or wounded customer can put tue club out of business.

- Injuries on treadmills. Treadmills are the number one injury risk in fitness centers. The average cost for a treadmill-related accident is \$250,000.
- Members who use them typically do other things at the same time; such as texting, talking, reading, or watching television. Make certain all members are properly trained to use the equipment and that the training is documented. Monitor treadmill use regularly and take action when risky behavior takes place.
- Breach of member data. Nearly half of all sport companies have experienced a data breach, Cyber-liability risk is especially high at fitness centers, because they typically have a large amount of personal and financial data on file.
- Personal trainers have been involved in liability suits for issues such as sexual harassment, and physical injuries. Some years back I'm Ontario, a trainer was found responsible for a member's death because of inappropriate dietary advice. When trainers are sued, so are the clubs they work at, as owners can be held liable for their trainers' behavior.
- Losses from emergencies. Explosions, acts of violence, shootings, sexual abuse and outbreaks of diseases have taken place at fitness centers. Such incidents can have a major financial impact and damage the reputation of the business.

Summary

The initial management team for Ini's sport club depends mainly on the general partners. Ini okopido and Bryan Potts will stay within their expertise in running the day-to-day operations of the facility such as scheduling, marketing, and promotions, along with running and developing various leagues and programs for the community. Back-up for the general partners will include staff members who will compensate for the founders lack of experience in each area. For example, qualified personnel will be hired for the food and beverage, massage therapy, and fitness areas. General help staff will be hired on a need basis as the users of the facility increase. There will also be a janitor hired for basic cleanliness and maintenance of the complex.

The Sports club will have a total staff of 13 people in the first year of operation. It is projected that an additional three people will be added each year for the next two years. The majority of the salaries are projected to raise 5% per year for the first three years. This estimate may be conservative.