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**COURSE CODE: GST 212**

**COURSE TITLE: INTRODUCTION TO ENTREPRENEURSHIP**

**QUESTION**

Using a company or business of your choice, write a good and customized business plan, covering all relevant aspects and analyses.

**INFINITY ART**  
**ART SUPPLY AND GALLERY BUSINESS PLAN**  
**SAHARA STREET, AHMADU BELLO STREET, OFF CRESCENT CITY**  
**MAITAMA, ABUJA.**

**PLAN OUTLINE**

- 1) Executive Summary: Objectives and Mission**
- 2) Company Summary**
- 3) Services**
- 4) Market Summary**
- 5) Management Summary**
- 6) Financial Summary**
- 7) Undertaking**
- 8) Conclusion**

## **EXECUTIVE SUMMARY**

Infinity Art (IA) is the place where artists meet, blend and emerge greater. IA is a specialty retail store offering a large array of artists' materials and supplies, crafters' needs, a gallery, and an education center. IA will provide a pleasant facility that will inspire and support amateurs, professionals and crafters in the Nigerian art community. IA will sponsor art shows and competitions, art and craft fairs, scholarships for artists to continue their formal education, and other community events. IA will facilitate, organize and offer creative workshops and classes in a variety of techniques and media.

## **OBJECTIVES**

1. Customer Satisfaction: To create a shopping environment that caters to the needs of the art and craft community of Abuja by offering knowledgeable and professional customer service. Customer satisfaction will be measured through repeat business (our goal is that 50% of our customers will return within 6 months for an additional purchase) and multiple sales (our goal is that 30% of sales are accompanied by an additional purchase).
2. To earn 80% market share and become the number one art and craft supplier in the state.
3. To achieve a 50% profit margin within the first year.
4. To be an active and vocal member in the community and to provide continual re-investment through sponsorship of community activities and celebrations, including: supporting art and craft events, hosting classes, providing scholarships.
5. To develop, in year two and three, Project Eden. In this program we would arrange local accommodations and materials rental for visiting/vacationing artists.

## **MISSION**

IA's mission is to support and contribute to the community of artists and crafters by offering quality, name brand supplies to accommodate customer needs; by hosting and supporting shows, events, classes and contests; and by promoting the city as an artist's oasis and destination.

We will strive, constantly, to supply what the consumer is asking for; we will continually review what is available in the marketplace. We will provide new products and services to the

areas of need. We will maintain IA as a place for artists to gather and sell their works. Success will ultimately be measured by our customers choosing us because of their belief in our ability to meet or exceed their expectations of price, service, and selection.

### **COMPANY SUMMARY**

Infinity Art is a start up to go into business in the summer of this 2021 as the coronavirus is still an unpredictability. We will offer a large variety of art and craft supplies, focusing on those items that are currently unavailable in the city. The internet will continue to be a competitor, as artists use websites to buy familiar products.

We will expand the store into an art center including: A fine art gallery, offering original art at, or near, wholesale prices; musical instruments/studio space, classrooms for art/music lessons, art/music books, live music/coffee bar, do-it-yourself crafts such as specialty t-shirts, signs, cards, ceramics for the tourist trade.

### **START SUMMARY**

Infinity Art's start-up costs are listed below. The company will start with 10 months inventory on hand as this is the main revenue generator. The majority of the company's assets will reside in inventory. There will be other normal business costs such as a liability umbrella, rent, interior design costs, and opening day promotions.

Current (short-term) assets, acquired during interior build-out, shelving, slot wall, fixtures, signage, display cases, etc., come to N9,360,000.

The operating capital cash on hand balance will be N11,178,000.

The purpose of this business plan is to drive the company direction in accord with its vision and to secure a N75,000,000 loan. This supplemental financing is required to work on site preparation, inventory, and operational expenses. Other financing will include the owner's investment of N729,000,000 and a short-term revolving line-of-credit for inventory replenishment during months of high receipts.

<b>STARTUP REQUIREMENTS</b>	
Legal	N180,000

Stationary	N72,000
Insurance	N1,152,000
Land	N3,600,000
Art Supplies	N2,000,000
Advertising	N360,000
Phone System	N360,000
Security System	N540,000
POS System	N720,000
Computers	N1,800,000
Travel	N1,260,000
Other	N0
<b>TOTAL</b>	<b>N12,044, 000</b>

Startup Inventory	N46,000,000
Other Current Assets	N9,360,000
Long Term Assets	N14,400,000
Total Assets	N69.360,000
<b>TOTAL REQUIREMENTS</b>	<b>N81,404.000</b>

## **SERVICES**

Infinity Art will provide a wide variety of products of interest to artists and crafters such as art supplies, 3D printers, easels etc. There are thousands of products available, we will offer many that are unusual, or new, as well as the basics that every artist needs on a regular basis. We will offer lines to include bargain, mid-range and professional quality products.

## **MARKET SUMMARY**

In Nigeria, the art community of Ancient Art in Lagos, Ondo and Oyo, as well as Calabar and Kano in are three communities with large artist populations and galleries. In Lagos, the Fela Foundation for Arts and Culture, the Society for Oyo Education and Art, the Lekki Village Artists,

the Kano Arts Center, the Oyo Arts Center and other well-established non-profit groups offer arts classes and instruction in various media year-round to children and adults.

Infinity Art will market to four primary customers:

1. Professional artists.
2. Amateur artists and crafters, including hobbyists.
3. Businesses, such as architects, graphic designers, interior designers, or direct mail advertisers.
4. Teachers and students.

### **MANAGEMENT SUMMARY**

Infinity Art is managed by the owners/founders and a select number of employees. We will open with the two owners operating the store. As our business expands, we will hire additional employees, our projections include six employees, with the owners managing the store and cold-call selling. Employees will be encouraged to work within their creative, physical, and intellectual boundaries. All duties will be divided and delegated according to strengths and weaknesses.

At Infinity Art we will expect a high degree of customer service skills and personality as this is essential to our success.

### **FINANCIAL SUMMARY**

The growth of IA will be moderate and the cash balance will always be positive.

Being a retail environment we will not be selling on credit. We will accept cash, checks, Visa and MasterCard.

Marketing and advertising will remain at or below 5% of sales.

We will finance growth mainly through cash flow. We recognize that this means we will have to grow slowly. It should be noted that the owners of Infinity Art do not intend to take any profits out of the business until the long-term debt has been satisfied. Whatever profits remain after the debt payments will be used to finance growth, mainly through the acquisition of additional inventory.

## **UNDERTAKING**

The undersigned reader acknowledges that the information provided in this business plan is a confidential intellectual property; therefore the reader agrees not to disclose it to a third party without the express written permission of the promoters of the proposed business.

It is acknowledged by the reader that information furnished in this business plan is in all respect confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by the reader, may cause serious harm or damage to the promoters of the proposed business.

Upon request, this document is to be immediately returned to the promoters of the proposed business

Signature:

Name:

Date:

## **CONCLUSION**

The project is technically feasible and commercially viable. It is therefore recommended for funding and support from government agencies for smooth running.