




Lawn Care


Our grass is always greener

Business Plan 2021-22

Prepared By

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Table of Contents

Executive Summary	3
Objectives	4
Mission statement	4
Vision Statement	5
Keys to Success	5
Financial Summary	5
3 Year profit forecast	6
Company Summary	7
History	8
Business Structure	8
Startup Summary	8
Startup cost	9
Products and services	12
Market Analysis	14
Industry Analysis	15
Market Trends	15
Market Segmentation	15
SWOT Analysis	17
Strategy & Implementations	19
Sales Strategy	20
Advertising Strategy	20
Social Media/ Online Marketing	20
Publications	20
Major Publications	21
Commute Advertising	21
Direct Mail	21
Ongoing Customer Communications	21
Milestones	22
Financial Plan	23
Important Assumptions	24
Break-even Analysis	24
Projected Profit and Loss	25
Profit Yearly	26
Gross Margin Yearly	26

Projected Cash Flow	27
Projected Balance Sheet	28
Business Ratios	29

1.

Executive Summary

Objectives

Mission statement

Vision Statement

Keys to Success

Financial Summary



REMEMBER

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

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TIP

Moore Lawn Care and Landscape Company is a licensed company that will be based in Detroit, Michigan but will operate in other cities in Michigan, United States of America. We are in the business of helping our clients take proper care of their lawns, as well as create the kind of environment and aesthetic that will give them joy.

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Objectives



TIP

Our objectives for the first three years of operation are to:

- Create a service-based company whose primary goal is to exceed customers' expectations.
- Obtain contracts for yard service in at least 30 different resid

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Mission statement



TIP

The mission of Moore Lawn Care and Landscape is to provide top-quality residential and commercial yard care service. We will strive to attract and maintain customers by providing services in the most timely manner to provide 100% customer satisfaction. Our services will exceed the expectations of our customers.

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Vision Statement



TIP

Our Vision at Lawn Care and Landscape Company is to become the preferred choice of homeowners, property managers, and the government when it comes to lawn care and landscaping services in Detroit and other cities in Michigan.

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Keys to Success



TIP

1. An experienced landscaper with excellent customer service skills.
2. Commitment to high quality and professionalism in every task and encounter.

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Financial Summary



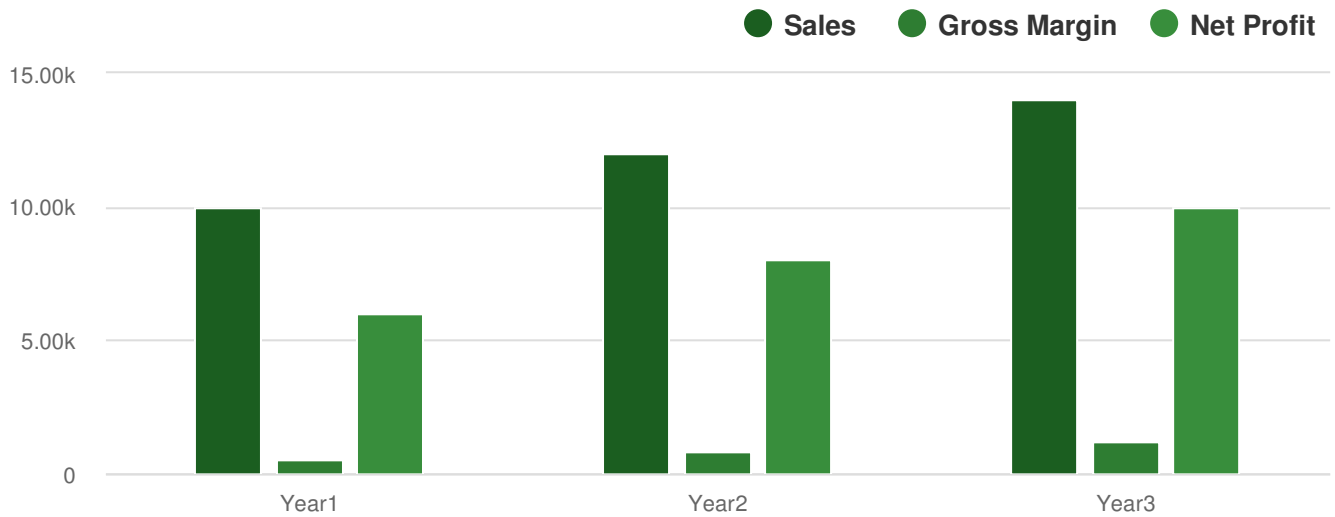
TIP


Moore Lawn Care and Landscape is seeking total funding of \$295,000 of debt capital to launch. The capital will be used for funding capital expenditures and location build-out, purchasing equipment, and materials needed, hiring initial employees, marketing expenses, and working capital.

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3 Year profit forecast





TIP

Financial Summary	Year 1	Year 2	Year 3
Revenue	\$965,742	\$1,878,611	\$2,718,300

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2.

Company Summary

History

Business Structure

Startup Summary



TIP

Moore Lawn Care and Landscape Company is a private registered company that is owned by John Moore and their family. The company will be fully and single-handedly financed by the owner – Mr. John Moore. Before starting Moore Lawn Care and Landscape Company, he has worked in the industry for well over 10 years and he has a good working relationship with res

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History



TIP

John Moore, the founder of Moore Lawn Care and Landscape started very young in the landscaping and lawn care business. Ever since John was still in his college years, he was working part-time in a small landscaping company and earning a few bucks off of the lawnmower he has borrowed from his neighbor. Only in 2015, did he realize that this is what he wanted to

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Business Structure



TIP

Moore Lawn Care and Landscape Company is a privately owned and managed company. It is a small-scale business which is why we have decided to only retain a handful of employees and if we secure more contracts than our present workforce can handle, we will recruit contract employees (workers) to help us take care of the jobs. Below is the business structure of Moore Law

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Startup Summary



TIP

Moore Lawn Care and Landscape's start-up costs include:

- Home office equipment: file cabinet, the computer system (including printer, scanner, and fax software)

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Startup cost



Cost distribution

Amount

Expenses	50000
Assets	80000
Investment	35000

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

Start-up Expenses	Amount
TOTAL ASSETS	\$121,875
Total Requirements	\$245,000
START-UP FUNDING	\$0
START-UP FUNDING	\$273,125
Start-up Expenses to Fund	\$121,875
Start-up Assets to Fund	\$195,000
TOTAL FUNDING REQUIRED	\$0
Assets	\$203,125
Non-cash Assets from Start-up	\$118,750
Cash Requirements from Start-up	\$0
Additional Cash Raised	\$118,750
Cash Balance on Starting Date	\$121,875
TOTAL ASSETS	\$0
Liabilities and Capital	\$0
Liabilities	\$0
Current Borrowing	\$0
Long-term Liabilities	\$0
Accounts Payable (Outstanding Bills)	\$0
Other Current Liabilities (interest-free)	\$0
TOTAL LIABILITIES	\$0
Capital	\$0
Planned Investment	\$0
Investor 1	\$312,500
Investor 2	\$0
Other	\$0
Additional Investment Requirement	\$0
TOTAL PLANNED INVESTMENT	\$695,000
Loss at Start-up (Start-up Expenses)	\$313,125
TOTAL CAPITAL	\$221,875

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

3.

Products and services



TIP

Moore Lawn Care and Landscape Company is committed to excellent and timely service delivery and to give its customers value for their money. We know that our customers are the reason why we are in business and we will ensure that we make them our number one priority. These are the services that Moore Lawn Care and Landscape Company will be offering:

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Lawn mowing/maintenance



Sod installation/hydro – seeding



Weeding or fertilizer and/or pest control application



Landscape care/maintenance services



Landscape design/contracting services



Landscape architecture services



Weekly lawn cut



Weeding Beds



Spring Cleanup



Trimming Landscaping



Fall Cleanup



Chemical Treatment



Snow Plowing



Consultancy and Advisory Services

4.

Market Analysis

Industry Analysis

Market Trends

Market Segmentation



REMEMBER

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

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Industry Analysis



TIP

The Lawn Care industry is dependent on the health of the housing and property markets, both of which have grown steadily over the past five years. Additionally, because landscaping services are often discretionary, industry demand is dependent on levels of per capita disposable income and, thus, the high-income demographic, which generates a healthy portion of its

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Market Trends



TIP

One of the common trends in the lawn care and landscaping industry is that it takes consistent effort to convince homeowners to hire the services of lawn care and landscaping companies. The truth is that homeowners who have enough time can actually take care of their lawn; all they need is just a little training.

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Market Segmentation

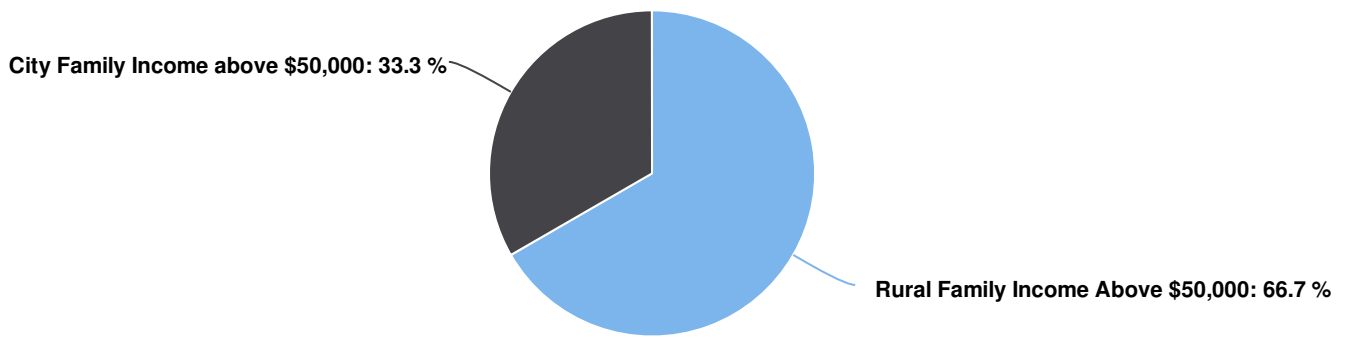



TIP

Moore Lawn Care and Landscape will be targeting families with annual income over \$50,000. The median income of \$50,000 and above are targeted because they tend to have more disposable income for the care of their lawn, whereas lower-income families will tend to provide their own lawn care.

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 TIP	Potential Customers	Growth	Year1	Year2	Year3	Read More 
<i>Start Writing here..</i>						

5.

SWOT Analysis



TIP

Moore Lawn Care and Landscape Company do not intend to launch out on a trial and error basis, hence the need to conduct a proper SWOT analysis and prepare a lawn care marketing plan. We know that if we get it right from the outset, we would have succeeded in creating the foundation that will help us build a strong and reliable Lawn Care and Landscape business.

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Strengths

Our strength as a lawn care and landscape company is the fact that we have healthy relationships with loads of homeowners (residents) within the area where our business is located. We have some of the latest equipment that will help us deliver neat and excellent jobs.

Aside from our relationship (network) and equipment, we can confidently boast that we have some of the qualities that are in high demand in the lawn care and landscaping line of business which are trust, honesty, and relationship management.

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Weaknesses

Our weakness could be that we are a new lawn care and landscaping company in Detroit, Michigan and it will require consistency for us to gain the confidence of our prospective clients (homeowners, property managers, and even the government).

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Opportunities

The opportunities that are available to us cannot be quantified; we know that there are loads of homeowners, property managers, and government establishments that will require our services in Detroit and other cities in Michigan.

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Threats

Some of the threats that we are likely going to face as a lawn care and landscaping company are global economic downturn that can impact negatively on household spending and the arrival of a competitor (a company that offers the same service as we do) within the same location. There is hardly anything we could do as regards these threats other than to be optimistic that things will continue to work for our good.

T

6.

Strategy & Implementations

Sales Strategy

Advertising Strategy

Milestones



REMEMBER

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

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Sales Strategy



TIP

Moore Lawn Care and Landscape's sales strategy will be based on one-on-one communications with potential customers. By going door to door in his own neighborhood, Red can become more familiar to these folks and take advantage of his outgoing personality.

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Advertising Strategy



TIP

With the majority of the people now online, the company will invest resources in online ads for different social media platforms to reach potential clients. We will create ads that will successfully create positive conversions. A company website will also be developed. This website should be able to direct traffic from search engines as much as possible. In order to do this, the c

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Social Media/ Online Marketing

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TIP

Moore Lawn Care and Landscape will place print advertisements in key local publications, including newspapers, area magazines, and local sports programs. Additionally, the Company will print brochures and place them in specific locations frequented by target individuals, such as supermarkets and real estate offices.

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Publications

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TIP

We will make careful use of advertising in selected larger publications. ABC News has a circulation of XYZ and we can expect to reach a wider geographic region of customers on a limited basis. Advertisements with major publications will be used selectively, based on cost-effectiveness. These ads will include discount coupons so that responses to the ads can be tracked.

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Major Publications

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TIP

We will drive attention toward Moore Lawn Care and Landscape by hiring workers to hold signs alongside highways. Advertising on heavily traveled commute routes is an opportunity to alert large numbers of working individuals with disposable income of our opening.

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Commute Advertising

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TIP

Moore Lawn Care and Landscape will blanket neighborhoods surrounding its locations with direct mail pieces. These pieces will provide general information on Moore Lawn Care and Landscape, offer discounts, and/or provide other inducements for people to purchase our services.

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Direct Mail

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TIP

Moore Lawn Care and Landscape will maintain a website, social media accounts, and publish a monthly email newsletter to tell customers about new events, products, and more.

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Ongoing Customer Communications

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Milestones



TIP

We have established some basic milestones to keep the business plan priorities in place. Red is in charge of all goals directly related to yard care and employee practices, while Kikuyu will oversee our marketing materials – brochures, business cards, ads, etc.

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7.

Financial Plan

Important Assumptions

Break-even Analysis

Projected Profit and Loss

Projected Cash Flow

Projected Balance Sheet

Business Ratios



REMEMBER

The last component of a lawn care service business plan is an in-depth financial plan. The financial plan crafts a detailed map of all the expenses needed for the startup and how these expenses will be met by the earned profits. It is recommended that you use [our financial planning tool](#) for guiding you through all financial aspects needed to be considered for starting

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TIP

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

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Important Assumptions

The financial projections of the company are forecast on the basis of the following assumptions. These assumptions are quite conservative and are expected to show deviation but to a limited level such that the company's major financial strategy will not be affected.

	Year 1	Year 2	Year 3
Plan Month	1	2	3
Current Interest Rate	10,00%	11,00%	12,00%
Long-term Interest Rate	10,00%	10,00%	10,00%
Tax Rate	26,42%	27,76%	28,12%
Other	0	0	0

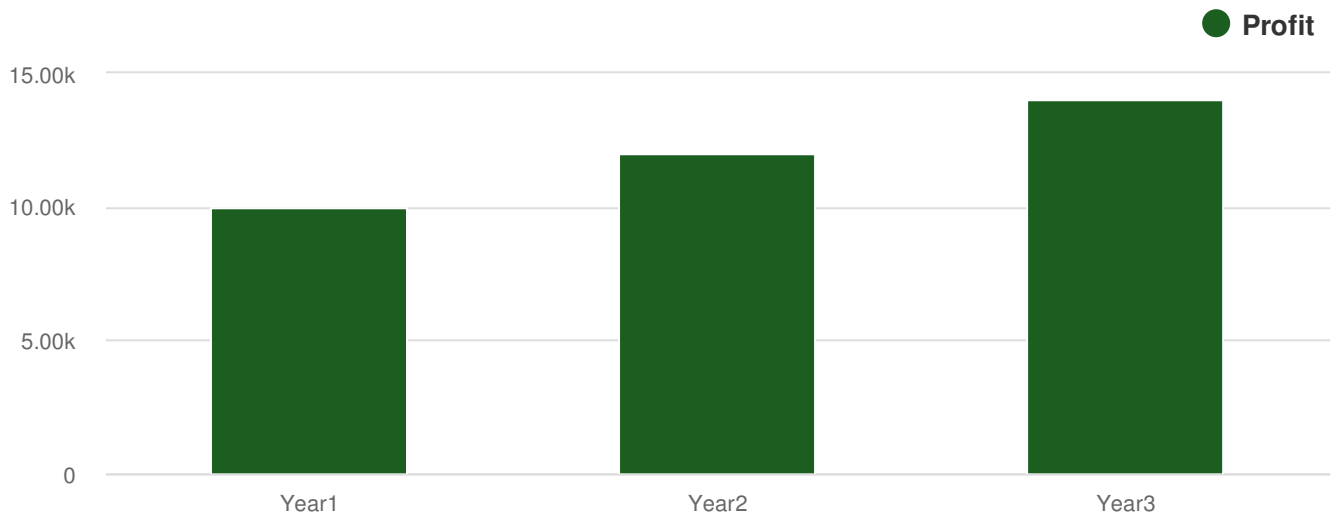
Brake-even Analysis

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

Projected Profit and Loss

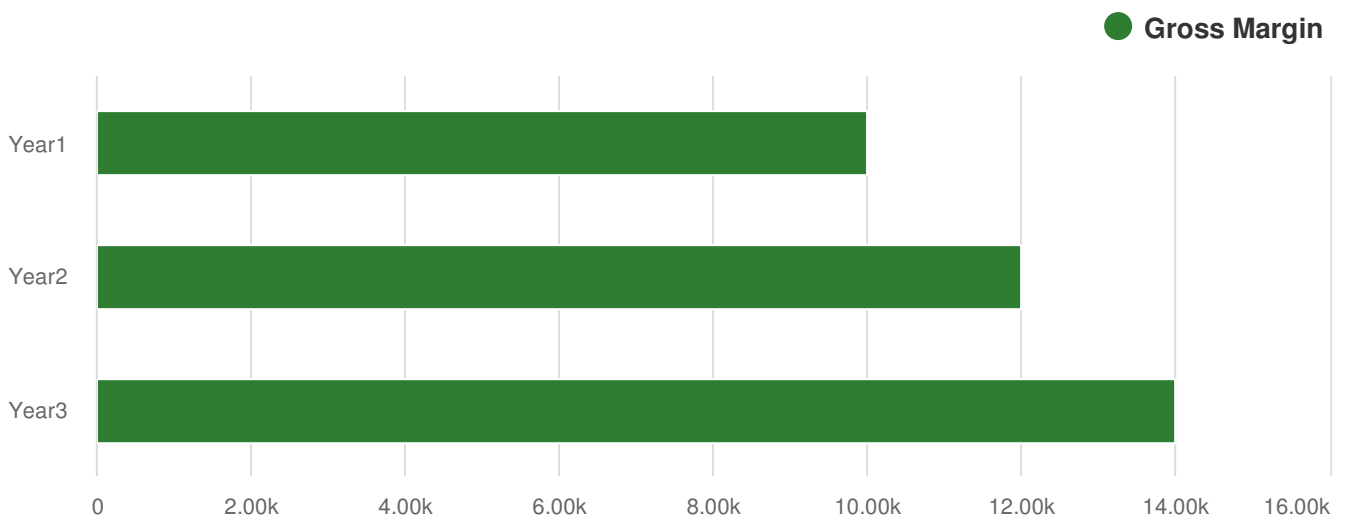
	Year 1	Year 2	Year 3
Sales	\$309 069	\$385 934	\$462 799
Direct Cost of Sales	\$15 100	\$19 153	\$23 206
Other	\$0	\$0	\$0
TOTAL COST OF SALES	\$15 100	\$19 153	\$23 206
Gross Margin	\$293 969	\$366 781	\$439 593
Gross Margin %	94,98%	94,72%	94,46%
Expenses			
Payroll	\$138 036	\$162 898	\$187 760
Sales and Marketing and Other Expenses	\$1 850	\$2 000	\$2 150
Depreciation	\$2 070	\$2 070	\$2 070
Leased Equipment	\$0	\$0	\$0
Utilities	\$4 000	\$4 250	\$4 500
Insurance	\$1 800	\$1 800	\$1 800
Rent	\$6 500	\$7 000	\$7 500
Payroll Taxes	\$34 510	\$40 726	\$46 942
Other	\$0	\$0	\$0
Total Operating Expenses	\$188 766	\$220 744	\$252 722
Profit Before Interest and Taxes	\$105 205	\$146 040	\$186 875
EBITDA	\$107 275	\$148 110	\$188 945
Interest Expense	\$0	\$0	\$0
Taxes Incurred	\$26 838	\$37 315	\$47 792
Net Profit	\$78 367	\$108 725	\$139 083
Net Profit/Sales	30,00%	39,32%	48,64%

Profit Yearly



Financial Year	Profit
Year1	10000
Year2	12000
Year3	14000

Gross Margin Yearly



Financial Year	Gross Margin
Year1	10000
Year2	12000
Year3	14000

Projected Cash Flow

Cash Received	Year 1	Year 2	Year 3
Cash from Operations			
Cash Sales	\$40 124	\$45 046	\$50 068
Cash from Receivables	\$7 023	\$8 610	\$9 297
SUBTOTAL CASH FROM OPERATIONS	\$47 143	\$53 651	\$59 359
Additional Cash Received			
Sales Tax, VAT, HST/GST Received	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0
New Other Liabilities (interest-free)	\$0	\$0	\$0
New Long-term Liabilities	\$0	\$0	\$0
Sales of Other Current Assets	\$0	\$0	\$0
Sales of Long-term Assets	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0
SUBTOTAL CASH RECEIVED	\$47 143	\$53 651	\$55 359
Expenditures from Operations			
Cash Spending	\$21 647	\$24 204	\$26 951
Bill Payments	\$13 539	\$15 385	\$170 631
SUBTOTAL SPENT ON OPERATIONS	\$35 296	\$39 549	\$43 582
Additional Cash Spent			
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$0
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$0	\$0	\$0
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$0	\$0	\$0
Dividends	\$0	\$0	\$0
SUBTOTAL CASH SPENT	\$35 296	\$35 489	\$43 882
Net Cash Flow	\$11 551	\$13 167	\$15 683
Cash Balance	\$21 823	\$22 381	\$28 239

Projected Balance Sheet

Assets	Year 1	Year 2	Year 3
Current Assets			
Cash	\$184 666	\$218 525	\$252 384
Accounts Receivable	\$12 613	\$14 493	\$16 373
Inventory	\$2 980	\$3 450	\$3 920
Other Current Assets	\$1 000	\$1 000	\$1 000
TOTAL CURRENT ASSETS	\$201 259	\$237 468	\$273 677
Long-term Assets			
Long-term Assets	\$10 000	\$10 000	\$10 000
Accumulated Depreciation	\$12 420	\$14 490	\$16 560
TOTAL LONG-TERM ASSETS	\$980	\$610	\$240
TOTAL ASSETS	\$198 839	\$232 978	\$267 117
Current Liabilities			
Accounts Payable	\$9 482	\$10 792	\$12 102
Current Borrowing	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0
SUBTOTAL CURRENT LIABILITIES	\$9 482	\$10 792	\$12 102
Long-term Liabilities	\$0	\$0	\$0
TOTAL LIABILITIES	\$9 482	\$10 792	\$12 102
Paid-in Capital	\$30 000	\$30 000	\$30 000
Retained Earnings	\$48 651	\$72 636	\$96 621
Earnings	\$100 709	\$119 555	\$138 401
TOTAL CAPITAL	\$189 360	\$222 190	\$255 020
TOTAL LIABILITIES AND CAPITAL	\$198 839	\$232 978	\$267 117
Net Worth	\$182 060	\$226 240	\$270 420

Business Ratios

	Year 1	Year 2	Year 3	Industry Profile
Sales Growth	4,35%	30,82%	63,29%	4,00%
Percent of Total Assets				
Accounts Receivable	5,61%	4,71%	3,81%	9,70%
Inventory	1,85%	1,82%	1,79%	9,80%
Other Current Assets	1,75%	2,02%	2,29%	27,40%
Total Current Assets	138,53%	150,99%	163,45%	54,60%
Long-term Assets	-9,47%	-21,01%	-32,55%	58,40%
TOTAL ASSETS	100,00%	100,00%	100,00%	100,00%
Current Liabilities	4,68%	3,04%	2,76%	27,30%
Long-term Liabilities	0,00%	0,00%	0,00%	25,80%
Total Liabilities	4,68%	3,04%	2,76%	54,10%
NET WORTH	99,32%	101,04%	102,76%	44,90%
Percent of Sales				
Sales	100,00%	100,00%	100,00%	100,00%
Gross Margin	94,18%	93,85%	93,52%	0,00%
Selling, General & Administrative Expenses	74,29%	71,83%	69,37%	65,20%
Advertising Expenses	2,06%	1,11%	0,28%	1,40%
Profit Before Interest and Taxes	26,47%	29,30%	32,13%	2,86%
Main Ratios				
Current	25,86	29,39	32,92	1,63
Quick	25,4	28,88	32,36	0,84
Total Debt to Total Assets	2,68%	1,04%	0,76%	67,10%
Pre-tax Return on Net Worth	66,83%	71,26%	75,69%	4,40%
Pre-tax Return on Assets	64,88%	69,75%	74,62%	9,00%
Additional Ratios				
Net Profit Margin	19,20%	21,16%	23,12%	N.A.
Return on Equity	47,79%	50,53%	53,27%	N.A.
Activity Ratios				

	Year 1	Year 2	Year 3	Industry Profile
Accounts Receivable Turnover	4,56	4,56	4,56	N.A.
Collection Days	92	99	106	N.A.
Inventory Turnover	19,7	22,55	25,4	N.A.
Accounts Payable Turnover	14,17	14,67	15,17	N.A.
Payment Days	27	27	27	N.A.
Total Asset Turnover	1,84	1,55	1,26	N.A.
Debt Ratios				
Debt to Net Worth	0	-0,02	-0,04	N.A.
Current Liab. to Liab.	1	1	1	N.A.
Liquidity Ratios				
Net Working Capital	\$120 943	\$140 664	\$160 385	N.A.
Interest Coverage	0	0	0	N.A.
Additional Ratios				
Assets to Sales	0,45	0,48	0,51	N.A.
Current Debt/Total Assets	4%	3%	2%	N.A.
Acid Test	23,66	27,01	30,36	N.A.
Sales/Net Worth	1,68	1,29	0,9	N.A.
Dividend Payout	0	0	0	N.A.