

# Urban Working Clothes

UWC

Business plan

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Urban Working Clothes



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Attachments:



## 1. Founders and name of the company

Our company's name is Urban working clothes. We're also using abbreviation UWC.

Industry is clothing store.  
Company form is LLC (limited liability company)  
Our store is located in Vantaa, Finland.

Founder members are:

Sanna Rautiainen  
Graduate of a commercial institute  
I'm eager to set up my own company. Our company's work is enough creative and interesting to me.

Paula Rinta-Harri  
Graduate of a commercial institute  
I want to set up my own company with my own idea and start to be a businessman.

## 1. Business idea

### 1.1. Products

We're selling individual, modern and low priced working clothes. Our collection includes different working clothes and casual wears like jackets, blouses, skirts and t-shirts. All our high-quality clothes are made in Finland. Our speciality in this business is that customers can design their own prints to the clothes if they want. The print can be for example customer's own company logo or something else, anything from the ground to heaven really! Then we print that picture in the clothes which they have been ordered from us. Customers can have our professional help for designing their prints if they want. We have some example prints to choose if customer doesn't want to design her/his own in some reason. Our clientele includes also private persons who can order the clothes they want with their own picture and design ideas.

### 1.2. Target group

Our main target group includes small companies, associations, clubs and many different service industry professionals. Our target group includes also mainly young private persons who are looking for personality. At the same time as new companies and clubs are setting up we will have new customers of them. Old customers reform their working clothes in certain intermissions and when they're hiring new staff they need also new working clothes.

### 1.3. Course of action

Our store's location is in Tikkurila, which is on the right distance from the capital city. There is a lower price level than Helsinki but customers are still near and connections are excellent. Our business premises are rented and it includes a little store room, warehouse and printing room where we are doing some of the prints.

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We have different clothes from our collection showing in our store and customers can try them on and choose the products they want. We are keeping small quantity of clothes in our warehouse. We will order clothes right from the manufacturer if we've bigger orders. Our business premises include sale desk, cash register, sofa, small designing desk with four chairs and clothes hangers. In the printing room we have all necessary tools for making prints to the smaller orders. Staff includes both founders of company who are taking care of sale and company's finance. Staff includes also two other employees who are making the smaller orders' prints on the spot. They are professionals on that industry so they have all the needed education and good working motivation. Bigger orders we handle from certain bigger printing company.

#### 1.4. Image

We are trendy and modern company and our business premises are decorated to image that. Our working clothes are from our own collection of course.

We stand out from the other printing companies and clothing stores because we plan prints just like customer wants and we make our best to execute their own ideas. We want to service our customers personally and individually, not only through our websites. We also prefer domestic (Finland) and we value good quality.

#### Products

- We're selling individual, modern and high quality working clothes.
- All our clothes are made in Finland.
- Customers can design their own print to our clothes if they want.
- Customers can have our professional help for designing their prints if they want.

#### Target group

- Small companies
- Associations
- Clubs
- Different service industry professionals.
- Also mainly young private persons who are looking for personality.

#### Course of action

- Location: Vantaa, Tikkurila
- Business premises are rented and it includes a little store room, warehouse and printing room where we print some of the clothes.
- Unit: sale desk, cash register, sofa, small designing desk with four chairs and clothes hangers. In the printing room we have all necessary tools for making prints.
- Staff: both founders of company who are taking care of sale, company's finance and marketing. Staff includes also two other employees who are making the smaller order's prints on the spot.

#### Image

- We are trendy and modern company
- We plan prints just like customer wants and we make our best to execute their own ideas.
- We want to service our customers personally and individually.
- We also prefer domestic and we value good quality.

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## 2. Marketing

### 2.1. Product

Our product assortment is large but it's well thought and carefully chosen. Customers must be able to find right working clothes for them. Collection of product groups is not so large because we handle most of deliveries with the same manufacturer. So we don't have similar products in many brands or qualities.

### 2.2. Price

Prices can't be very low as the costs in Finland are high and we try to keep our business profitable. Price can change by size of the print that customer wants and by size of the order. Customers can have discount if the order is big enough. It is a good way to make sure that our customers are happy and we will get more orders.

### 2.3. Availability

Our store is in Vantaa's Tikkurila, and it's on very good spot. We have a good and large parking lot near our store and it's easy to come there on the car. Also train station and busses are near. Opening hours are planned to make sure that working people have time to visit our store. We have a big sign with our company's name and logo in front of the store, so it's easy to notice.

We think inside availability for product's deployments and signs. Products are located clearly and logically so customers can easily find clothes they want. We have signs for different product groups etc in the store.

### 2.4. Communication

Marketing is important so we are taking part in exhibitions and we advertise our business in newspapers and on Internet.

Our company has own websites and Facebook page where interested customers can take a closer look at our products and supply. There is a lot of information about our company, products, services, prices, opening hours etc. Internet is important way to spread knowledge about our company and get new customers.

We advertise our company in our industry's trade journals. We have asked our local newspaper to make a small article about us. We've also designed and ordered leaflets about our company which we can give to customers. We've sent leaflets to potential new companies and clubs. We have also taken contact straight to the new companies and other potential customers and ask if they were interested to cooperation with us. Our staff also has their own business cards which they are giving to customers.

We take part in our industry's fairs where are a lot of potential customers, competing business and potential cooperation partners. We can make new connections there and our business gets more visibility.



3. Financing and profitability

4.1 Profitability calculation

	Monthly	Annual
<b>My net profit target</b>	2 000 €	24 000 €
Loan amortization	1 000 €	12 000 €
Taxes (government + municipality)	500 €	6 000 €
Loan interest	<u>200 €</u>	<u>2 400 €</u>
<b>Required operating margin</b>	<b>3 700 €</b>	<b>44 400 €</b>
<b>Fixed expenses excl. VAT</b>		
Employees' wages	7 200 €	86 400 €
Ancillary costs of wages	2 160 €	25 920 €
Leases and rent	700 €	8 400 €
Electricity and water	100 €	1 200 €
Telephone and fax	100 €	1 200 €
Office expenses	100 €	1 200 €
Car and travel expenses	0 €	0 €
Newspapers	20 €	240 €
Repairs, waste collection and disposal	100 €	1 200 €
Bookkeeping	0 €	0 €
Marketing and entertainment	2 500 €	30 000 €
Training	500 €	6 000 €
Self-employed person's pension insurance (YEL)	1 000 €	12 000 €
Other insurance	1 500 €	18 000 €
Self-employed person's unemployment insurance contribution	<u>500 €</u>	<u>6 000 €</u>
<b>Fixed expenses in total</b>	<b>16 480 €</b>	<b>197 760 €</b>
<hr/>		
Required sales margin	20 180 €	242 160 €
Purchases of materials and supplies	<u>5 000 €</u>	<u>60 000 €</u>
Revenue	25 180.00 €	302 160.00 €
VAT 23%	<u>5 791.40 €</u>	<u>69 496.80 €</u>
<b>Total sales or billing</b>	<b>30 971.40 €</b>	<b>371 656.80 €</b>

**Write the length of the invoicing period here:**

Month(s) per year      12  
 Day(s) per week        5  
 Hour(s) per day         8

Based on the information above, your invoicing target is:  
 30 971 €/month

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1 549 €/day  
 194 €/hour

4.2 Financial plan

Start-up costs	2 500 €		
Property and buildings	500 €		
Machinery and equipment	7 000 €		
Movable property and furnishings	1 000 €		
Initial advertising	2 000 €		
Leases	700 €		
Wages	7 200 €		
Initial inventory and cash	10 000 €		
Other	<u>0 €</u>		
<b>Total money needed</b>	<b>30 900 €</b>		

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**These are the sources of money**

Own investments	15 000 €
Borrowed capital needed	<u>15 900 €</u>
<b>Sources of money in total</b>	<b>30 900</b>

4. Risks

4.1. Business risks

Financial

- weak demand of products
- customers' purchase behaviour changing and discontent
- competitors
- marketing failing
- problems of getting financing

Technical

- difficulties of product manufacturing or too much costs
- problems of product designing
- technical problems
- bad materials
- deliveries' delaying

Social

- lack of staff
- lack of staff's know how
- cooperation problems

Political

- lama
- dept crisis

For avoiding business risks we take care of staff's motivation and professional level so we can work with the best resources. We make all our contracts on

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the paper and this way we avoid misunderstandings. We follow carefully timetables and contracts which we are agreed by ourselves. We familiarize and obey laws and standards. We keep our eyes on our cooperation partners' credits regularly and we keep up good networking. We prepare ourselves to plan changes.

#### 4.2. Damagerisks

##### Person

- staff gets sick
- staff gets tired, burnout
- data seepage

##### Property

- burglary
- vandalism
- fires, water accident

##### Responsibility

- flawed product
- environment damages; chemicals, wastes
- covenant mistakes

For avoiding damage risks we take care of our staff's health and motivation. On this way possibility of making risks gets smaller. For avoiding property damages we have to get insurances and we take care of maintenance equipments and furniture.

#### 4.3. Riskcontrol

We try to avoid transactions which have too big risks. We think carefully number of risks before action and we are careful of all our business. We don't try to go shortcuts and we don't want to go too far. We make risk possibility smaller for damage controlling, carefully planning and taking care of contracts. We try to be many-sided company so we don't consider all our business for one big customer but we prefer many small customers. Big risks we transform to insurance company.

For risk controlling we apply three traditional rules:

1. Don't take bigger risk than you can handle.
2. Don't take big risk for getting small benefit.
3. Think about different possibilities.

#### 5. Analysis of the environment

We follow actively our environment and it is important to know what happens in the world. We don't underestimate the makers of our operational environment like competitions, development of technology or values of society. We make our best to respond all challenges and adapt our action in them.

##### 5.1. Competing situation

We have some competing companies but our business idea is very different than theirs. We keep an eye on our competitions' marketing tactics and make

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our decisions by them. We don't approve of cartels because they are illegal and blocking free competition.

## 5.2. Demand

Our products should get demand at the same time as new companies are setting up. Also old companies have to reform their working clothes in certain intermissions so they will come to our clients. With our professional help they can show their indivisibility and personality.

[Woimapaino Oy](#) is a textile printing company which is also in Tikkurila and it has been started in year 1988. Company is specialized in "fast and good quality deliveries". Firm has many different printing systems and they can make prints also in difficult textiles. Woimapaino Oy is working with clubs, companies and communities. Websites seems to be very simple, boring and old-fashioned. There is some examples of the prints they've made and information of company's history. There is not any information of prices, size of the company or larger knowledge of products.

Our benefits compared with Woimapaino Oy are clear. Our websites are modern, diverse and easy to use. We have different and clearer clientele than them. We don't have head start of location because both of us are working in same city. Woimapaino Oy can be a little bigger than our company but they don't have any information about the size of their firm so we don't know for sure.

[Image Wear](#) is in year 1989 started innovative company. They design, manufacture and sell comfortable and safe working clothes to almost every business areas. Image Wear's goal is to make sure that everybody have a good and workable working clothes. They also wish they were the first choose for working clothe customers in every situations. Company sells working clothes to restaurants, service industry, health industry and manufacturing industry. Their product assortment includes also shoes, protective devices and accessories. They have about 24 places of business all around Finland and comprehensive websites.

Image Wear is large and well-known company. They have larger target group and product assortment than us. Company is one of our biggest competitors. They have comprehensive websites and business premises also in Vantaa. Our company offers clothes a little different areas and our business idea is also different. They don't have any Information of the product prices in their websites.

[Tekstiilipaino Paitamyly Oy](#) is a company which is situated in Helsinki and they're specialized in printings. They print t-shirts, hoodies, bags etc. They promise fast delivery and steady quality also for bigger entries. Websites look good and sterling but there is not any information about size of the staff. There is a link to a price list but it seemed to be quite complicated. But they have also a possibility to ask offers.

Company's doable printing clothing assortment isn't so large than ours but they have better location. There is not any information about size of their

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company and their special area isn't making prints to working clothes like ours.

### 5.3. Law and values

We don't accept child labor so we choose our products by that. We don't buy our products from firms who are using child labor and we try to avoid cooperation with them. We try to manufacture our products by ourselves so they strain environment as less as possible. We prefer domestic, endurance and high quality. We want to make sure that our function runs easily and smoothly so we follow and obey all laws. We consider different cultures in our international function.

We want to make sure that our clients get best quality and honest, positive customer service. Professional skills and positive attitude should be showing always in final results. Our values are things like creativity, high-quality, trustworthy and honestly, customer satisfaction and positive attitude.

### 5.4. Good business usage

We always follow good business usages so we don't denigrate or sabotage our competitions' working. We don't do dirty advertising or any damage to the other companies. We either do illegal contracts or fool our customers or cooperation partners of making contracts.

### 5.5. Technology

We invest in good and modern technology because we profit from it a long time. We do accounting, billing, calculation of salaries and other financial management by ourselves. We follow actively our government's doings like taxation, employment and economic policy.

## 6. SWOT-analysis

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"><li>• Professional and well motivated staff</li><li>• Good service</li><li>• Good location</li><li>• Cosy business premises</li><li>• High-quality products</li><li>• Websites with a lot of information</li></ul>	<ul style="list-style-type: none"><li>• Only one store</li><li>• Marketing failing→</li><li>• Too less customers→</li><li>• Small incomes</li></ul>

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### Possibilities

- New stores all around Finland
- Moving head store to Helsinki
- Getting more cooperation partners

### Threats

- Closure (if selling doesn't success like we've planned)
- Competitors
- Universal finance situation

## 7. Development

In future one of our goals is to get some Finnish designers aboard with us and use clothes they have designed. So we would like to work with (young) Finnish designers!

In future we are going to increase our business for opening a few new main positions closer Helsinki and setting up new side positions. At the same time we would get more staff.

We want to develop our staff's professional skills so we would give them changes to take part in our business area's trainings and events.

Our main goal is to get well-known and popular company who many people know. And customers want to recommend us to other people who are looking for working clothes and other personal clothes. We're going to increase and develop our marketing for example having commercial on the radio.

To make sure that our company gets success we need to develop our working process all the time and follow all changes which are happening around us. We need to get ready for financial and plan our business activity carefully.