

Executive Summary

Given the promising market in the spa industry, this business plan aims at establishing Synergy in order to maximize the existing demand for spa services in Denver. The proposed company will offer unique spa services especially through massage, facial treatment as well as body treatment services to Denver and surrounding area residents. However, the company will perfect certain services in order to acquire and retain the customers. It will be located close to other businesses in order to acquire raw materials as well as enjoy the existing infrastructure. It's appropriate to realize that Synergy will employ advertisements as the main marketing strategy and prices charged for various services will be determined through price mechanism.

Monthly Financial Considerations

Synergy, being a spa, will operate in the service industry whereby the quality of services offered to the clients are the main factors that will attract and retain the clients. In this case, the monthly financial considerations include the salaries and wages payable to various workers within the company as well as the other monthly recurrent expenditures such as rent. It's appropriate to realize that the aestheticians and therapists working in the company will be contracted and paid on commission basis and this will be an issue to consider on monthly basis. Given that advertisement is the company's marketing strategy, the costs associated with the advertisement will be considered on monthly basis to increase their efficiency. Being a young company, rent arrears will be considered on monthly basis. However, the miscellaneous funds will also be considered on monthly basis.

In implementing this business plan, adequate funds are required. This funds entails the business's startup capital. It's appropriate to realize that the funds will be inform of loans from various partners given the huge sums required in acquiring qualified professionals as well as the

required compliance with the authorities in Denver (Dusseau & Brennan, 2010). In this business plan, a total of \$500,000 is required in implementing it. The loans will supplement the available personal investments. Furthermore, the company will employ debt financing as the main source of startup capital from DePaul investment group. De Paul investment group will provide the 50% while the other 50% will come from personal investments. This financier is one of the best in the industry given the low interests charged on their loans as well as the reasonable time allocated in paying back the loan.

The expected revenue and expenses are essential considerations in guaranteeing the overall growth and development of this company. It's appropriate to realize that the fees charged to various clients seeking the company's services represent the company's main source of revenue. Given that the living standards of Denver residents as well as the demand for massage services are rising, the company will be able to realize at least 1.5 million dollars within the first financial year. The overall market is growing at 25% annually and the company will realize this figure given the favorable prices set for the clients as well as high quality services which will attract them. However, the salaries, rent arrears and taxes represent some of the company's expenses. These expenses will definitely vary according to the policies regulating the company's operations (Cohen & Bodeker, 2008).

The company's gross income is expected to range from 2.5 up to 3 million dollars depending on the prevailing tax rates and inflation levels. This figure will be subject to tax deductions which will alter the financial returns each financial year. In this case, the net income will vary from 1.5 to 2 million dollars. The taxes will range from 1 to 2.5 million dollars in each financial year. This figure will be influenced by the government's rules and regulations but it's expected to be low within the next three years given the speculated economic growth by the

federal government (Gruteser & Grunwald, 2003). In Denver, the authorities offer affordable terms and conditions in registering a company and its one of the most promising regions in terms of economic prosperity.

References

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