



Online Government Contract Service

BUSINESS PLAN

U.S. CONSULTING - GOV.COM

10 Weldy Ave.
Jenkintown, PA 19046

With the astounding increase in the number of businesses doing business on the Internet, new markets are arising quickly. Gov.Com is a response to one of those markets. Businesses interested in doing business with the government is a growing market, with the rise of small businesses. U.S. Consulting offers its online government contract service to small businesses interested in contracting for the government. A need that previously was not being met, is now being met through Gov.Com.

- EXECUTIVE SUMMARY
- BUSINESS DESCRIPTION
- MARKETING STRATEGY
- OPERATIONAL PLAN
- MANAGEMENT AND STAFFING
- FUNDS NEEDED AND THEIR USES
- FINANCIALS

EXECUTIVE SUMMARY

The government bulletin board service, Gov.Com, is a new computer bulletin board system planned for introduction in 1996 by Pennsylvania-based U.S. Consulting, Inc. The purpose of this service is to provide individuals and small businesses in the U.S. access to information about how to do business with the government.

Although the federal government spends over \$ 100 billion with private businesses annually, few firms are aware of the opportunity to bid on those goods and services that the government buys. So they miss out on lucrative contracts.

In fact, there are contracts set aside specifically for small businesses on which only individuals and small businesses may bid. The value of those contracts alone is more than \$30 billion per year.

Over the next few years, the government will increasingly contract out for services as it downsizes its operations. This means that there will be increasing opportunities for individuals and small businesses.

And while some companies are aware of the opportunities to have the U.S. government as a regular customer, there are still a majority who don't know how to begin or where to go for assistance in bidding on government work. Receiving a Request for Proposal from a government agency can be a daunting experience.

Источник бизнес-плана: <http://www.referenceforbusiness.com>



Gov.Com aims to provide the needed information regarding procurement opportunities, give advice on successful bidding and proposing, and guide businesses through the maze of paperwork by way of an online computer service. Individuals and companies worldwide will be able to access Gov.Com via a computer and modem.

There are a number of published sources for this contract information which individuals may subscribe to, but subscription costs range from several hundred to \$10,000 per year. Few individuals and small businesses could afford such information. But Gov.Com will provide access to all of those reports for just \$350 per year.

There is currently no other online service providing this type of information or support regarding government contract opportunities. Gov.Com will be the only one in existence.

Although millions of small businesses and individuals are potential users of this bulletin board system, U.S. Consulting has conservatively based its financial projections on just 5,000 members for each of the first five years of operation for a total subscriber base of 25,000 at the end of the fifth year.

By comparison, in its first year of operation, Big Co. gained 1,000,000 subscribers, Internet had 500,000, and Online Runs had 350,000. U.S. Consulting believes that with an effective promotional program to a market that is even more familiar now with the benefits of online systems, it will easily surpass its goal of 5,000 subscribers.

Subscribers to Gov.Com will dial into the service via a computer modem, review new contract opportunities everyday, and download information regarding projects they would like to bid on. Assistance in preparation of the bids will be available online as well, through correspondence and instruction using electronic mail.

The company's founder, Pierre Phillips, has personally administered more than 150 federal, state, and municipal contracts. Through this experience he recognized that small businesses needed assistance in pursuing government contracts.

Funding is needed in the amount of \$300,000 to renovate an existing facility now owned by U.S. Consulting, purchase computers and communications equipment to operate the bulletin board service, acquire furniture and other fixtures, as well as implement an aggressive marketing program for the service.

Projected Income Statement	1996	1997	1998	1999	2000
Enrollment Fees	\$750,000	\$1,500,000	\$2,250,000	\$3,000,000	\$3,750,000
Total Expenses	\$500,000	\$750,000	\$900,000	\$1,000,000	\$1,000,000
Net Income	\$250,000	\$750,000	\$1,350,000	\$2,000,000	\$2,750,000

Projected Income Statement	1996	1997	1998	1999	2000
Enrollment Fees	\$750,000	\$1,500,000	\$2,250,000	\$3,000,000	\$3,750,000
Total Expenses	\$500,000	\$750,000	\$900,000	\$1,000,000	\$1,000,000
Net Income	\$250,000	\$750,000	\$1,350,000	\$2,000,000	\$2,750,000

BUSINESS DESCRIPTION

Service Description

U.S. Consulting will establish Gov.Com to provide up-to-date information on federal, state, and municipal government contract opportunities. This information can be accessed through a computer and modem 24 hours a day by subscribers who pay \$350 per year for the service.

In addition to learning of lucrative government projects, subscribers to the service will also be able to receive advice and guidance on bidding on such contracts through the service. CEO Pierre Phillips will be available to answer online queries regarding government contracts.

During Year 1, the president will respond to requests for assistance by email, helping subscribers increase their



chance of winning government bids.

During Year 2, a consulting staff will be in place to provide ongoing support and guidance to subscribers for an hourly fee.

Potential Subscribers

Individuals and small business owners who are interested in selling their goods and services to the U.S. government are potential users of the service.

Some of the many products and services needed include:

- Hotel and motel space
- Watches
- Writing and editing
- Computers and computer services
- Food services
- Teaching services
- Advertising
- Actors and actresses
- Sports officials
- Consulting
- Computer programming
- Fine art
- Teachers
- Ministers
- Therapists
- Doctors
- Veterinarians
- Printing
- Research
- Technical Writing
- Mail processing
- Public relations services
- Well drilling

Location

Gov.Com will operate out of a currently unoccupied building in Jenkintown, Pennsylvania. Although renovations will be required before the business can move into the space, the owner has quit-claimed the deed to U.S. Consulting.

Approximately \$ 150,000 of the total \$300,000 needed for start-up capital will be applied towards renovating the building for occupancy.

Legal Structure and Ownership

U.S. Consulting is a corporation located in the state of Pennsylvania which is wholly owned by Pierre Phillips.



MARKETING STRATEGY

Target Customers

Any individual or small business owner interested in doing business with the government is a prospective customer. While it would be difficult to identify and locate persons with this interest, it will be relatively easy to reach modem owners, computer owners, and current users of online services. These criteria will be used to qualify potential subscribers.

Market Size

In 1993 over 624,000 individuals purchased modems and computers. All of these individuals are potential users of the bulletin board because of their interest in communication via modem.

There are now over 78,000 computer BBS's in existence. Over 300 new ones are created each week. This service will be promoted on each of these services.

There are also more than 3 million current subscribers to the 3 major online services - all of which are potential subscribers to Gov.Com.

These figures do not even take into account the huge number of small businesses and corporations with computers and modems who will have an interest in this service because it will save both time and money.

Pricing

The subscription price of \$350 per year was set by examining the costs of comparable industry guides and by reviewing operating costs.

Other leading contract reports cost more and are time-consuming to review on a daily basis. Gov.Com will be organized into sections to make it easy for subscribers to identify which contracts are of interest and which are not.

Competitive Published Resources

In addition to being time-consuming to review and difficult to follow, existing government contract reports and newsletters are expensive. Since most are distributed through the U.S. mail, the information can also become obsolete by the time that it arrives. The following are subscription prices for leading publications:

The Financial Statement	\$260
York Reports	\$575-1,600
Invest Today	\$450-1,100
U.S. Rates	\$650-1200

The Financial Statement	\$260
York Reports	\$575-1,600
Invest Today	\$450-1,100
U.S. Rates	\$650-1,200

By providing updated information on a daily basis that subscribers can access 24 hours a day, users will be kept current on opportunities.

Marketing Methods

In order to reach individuals and small business owners who are potential subscribers to Gov.Com, several methods will be used.



Direct Mail

A mailing list of current online subscribers will be purchased and a direct mail flyer will be mailed to alert them that Gov.Com is now available to assist them.

Recent purchasers of modems will also be sent literature regarding the new bulletin board.

Typical direct mail response rates are 2-3% of the total mailing. For a planned mailing of 3 million pieces, that would yield 60,000-90,000 subscribers. However, U.S. Consulting has conservatively estimated just 30,000 subscribers during the first five years.

Inserts

U.S. Consulting intends to approach modem manufacturers and communications software manufacturers to propose having Gov.Com subscription literature enclosed with the product. Materials similar to the direct mail literature would inform the purchaser of the existence of the new service and invite them to subscribe.

Online Marketing

Ads and messages will be posted on all major online services, as well as on many of the private bulletin boards around the country to alert individuals already familiar with online services of the existence of this special interest service.

OPERATIONAL PLAN

Operating Process

Data technicians will be responsible for updating bulletin board information on a daily basis from the computer system at U.S. Consulting headquarters.

The CEO will respond to subscriber email regarding contract opportunities and advice on a daily basis.

Data entry clerks will enter new contract data as it arrives at U.S. Consulting offices.

The service will begin with 10 phone lines for subscribers to use in dialing into the service 24 hours a day. Lines will be added as demand increases so as not to frustrate or discourage subscribers trying to access the service.

Several computers and communications systems will be needed in order to operate and maintain the bulletin board system. These include:

Equipment

- Minicomputer
- Microcomputers (2)
- Laptop computer
- Local area network with 10 nodes
- Optical backup system for BBS
- Scanner
- UPS
- Laser printer
- Modem
- Telephone system
- WATS service with 11 lines



A software package designed for managing profitable bulletin board systems will be purchased. Several are under consideration at this point, including Comp, CST, Randog, and Powerun.

In addition, software to manage inbound and outbound telephone calls is needed, as well as a mail order management package for accounting and billing, to help keep track of subscribers and bills.

MANAGEMENT AND STAFFING

Current Staff

U.S. Consulting currently provides business and financial tax consulting to individuals and businesses in the Jenkintown, Pennsylvania area.

The establishment of Gov.Com will require additional personnel to assist in the daily operations of the service.

Chief Executive Officer

Pierre Phillips will serve as CEO of U.S. Consulting and will be responsible for managing the day-to-day operation of the service.

His years of experience in government contracting and successful bidding on government contracts has given him first-hand experience in identifying and winning business from the U.S. government. He has personally administered over 150 government contracts ranging from painting, flooring, hazardous waste removal, janitorial services, laundry, office supplies, and many others. The value of these contracts ranged from as little as \$3,000 to as much as \$2,900,000.

Because of his familiarity with all facets of doing business with the federal government he now administers contracts for himself as well as for other businesses, as a consultant.

The bulletin board will enable Mr. Phillips to extend his expertise to a wider audience of potential government contractors.

Through his work as a tax consultant he has become extremely familiar with electronic filing and modem communications. This knowledge will be applied in setting up the communications system to run the bulletin board service.

Future Hires

During the start-up phase Pierre Phillips will be the only full-time employee of U.S. Consulting. However, two additional staff members will be needed in order to input and process contract information on a daily basis.

A full-time data technician and a part-time data entry clerk will be hired to manage the tasks of entering data into the system and monitoring the use of the service.

Two additional individuals will be hired during the second year to serve as consultants. These employees will provide guidance to subscribers in winning and meeting the terms of government contracts in return for an hourly consulting fee.

FUNDS NEEDED AND THEIR USES

A total of \$300,000 is needed to establish Gov.Com. The funds will be used in the following manner:

Facility renovation	\$125,000
Computer and communications equipment	\$35,000
Marketing and promotion	\$100,000
Working capital	\$35,000
Furniture and fixtures	\$5,000
Total	\$300,000



Facility renovation	\$125,000
Computer and communications equipment	\$35,000
Marketing and promotion	\$100,000
Working capital	\$35,000
Furniture and fixtures	\$5,000
Total	\$300,000

The service will be profitable by the end of the first year in business.

FINANCIALS

Cash Out Plan for Investors

For the first three years of operation, the investor shall receive forty five percent (45%) of the net operating income of the bulletin board as a dividend.

At the end of year three, the service will go public. Sufficient stock will be sold to raise the sum of five million dollars (\$5,000,000). Forty-five percent of the proceeds of the offering will be awarded to the investor as a buyout. In the event the offering fails to raise the five million dollars, investors shall have the option of receiving forty five percent of the amount raised by the offering or 45% of the stock itself.

The foregoing will become part of the corporate minutes and official records upon commitment of the investor to the seed capital sought and shall be an irrevocable pledge.

Projected Balance Sheet

	1996	1997	1998
ASSETS			
Current Assets			
•Cash	2,367,269	6,827,380	12,182,169
•Prepaid Expenses	3,000	3,000	3,000
Total Current Assets	2,370,269	6,830,380	12,185,169
•Leasehold Improvements	150,000	150,000	150,000
•Furniture & Fixtures	15,000	15,000	15,000
•Equipment	75,000	75,000	75,000
•Intangible Assets	500,000	500,000	500,000
Total Assets	\$3,110,269	\$7,570,380	\$12,925,169
LIABILITIES AND OWNERS EQUITY			
Current Liabilities			
•Accounts Payable	5,261	11,850	26,689
•Accrued Expenses	4,758	5,670	9,758
•Income Taxes Payable	373,855	592,345	719,180
Total Current Liabilities	383,874	609,865	755,627
Long Term Liabilities	0	0	0
Total Liabilities	383,874	609,865	755,627
Owner's/Shareholder's Equity	0	0	0
Paid In Capital	300,000	300,000	300,000
Contributed Capital	500,000	500,000	500,000
Retained Earnings	0	1,926,395	6,160,515
Net Income	1,926,395	4,234,120	5,209,027
Total Liabilities & Owners Equity	\$3,110,269	\$7,570,380	\$12,925,169

	1996	1997	1998
ASSETS			
Current Assets			
•Cash	2,367,269	6,827,380	12,182,169



	1996	1997	1998
•Prepaid Expenses	3,000	3,000	3,000
Total Current Assets	2,370,269	6,830,380	12,185,169
•Leasehold Improvements	150,000	150,000	150,000
•Furniture & Fixtures	15,000	15,000	15,000
•Equipment	75,000	75,000	75,000
•Intangible Assets	500,000	500,000	500,000
Total Assets	\$3,110,269	\$7,570,380	\$12,925,169

LIABILITIES AND OWNERS EQUITY

Current Liabilities

•Accounts Payable	5,261	11,850	26,689
•Accrued Expenses	4,758	5,670	9,758
•Income Taxes Payable	373,855	592,345	719,180
Total Current Liabilities	383,874	609,865	755,627
Long Term Liabilities	0	0	0
Total Liabilities	383,874	609,865	755,627
Owner's/Shareholder's Equity	0	0	0
Paid In Capital	300,000	300,000	300,000
Contributed Capital	500,000	500,000	500,000
Retained Earnings	0	1,926,395	6,160,515
Net Income	1,926,395	4,234,120	5,209,027

Total Liabilities & Owners Equity	\$3,110,269	\$7,570,380	\$12,925,169
--	--------------------	--------------------	---------------------

	January	February	March	April	May	June	July
Cash On Hand	\$0	\$115,943	\$242,635	\$386,303	\$548,655	\$731,569	\$937,116
REVENUES							
Net Sales	\$157,500	\$173,250	\$190,575	\$209,633	\$230,596	\$253,656	\$279,022
Total Inflows	\$157,500	\$289,193	\$433,10	\$595,936	\$779,251	\$985,225	\$1,216,138
EXPENSES							
Cost of Goods Sold	\$7,000	\$9,500	\$9,675	\$9,862	\$10,062	\$10,276	\$10,505
Promotion	\$16,580	\$16,580	\$16,580	\$16,580	\$16,580	\$16,580	\$16,580
Telephone	\$1,991	\$1,991	\$1,991	\$1,991	\$1,991	\$1,991	\$1,991
Office Salaries	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Utilities	\$591	\$591	\$591	\$591	\$591	\$591	\$591
Supplies	\$927	\$927	\$927	\$927	\$927	\$927	\$927
Payrolltax	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Real estate tax	\$375	\$375	\$375	\$375	\$375	\$375	\$375
Repairs	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,733
Legal and professional	\$767	\$767	\$767	\$767	\$767	\$767	\$767
Travel	\$1327	\$1327	\$1327	\$1327	\$1327	\$1327	\$1327
Total Expenses	\$34,557	\$37,057	\$37,232	\$37,419	\$37,619	\$37,833	\$38,795
Net Cash	\$115,943	\$126,693	\$143,668	\$162,352	\$182,915	\$205,547	\$229,722
Cash at End of Period	\$115,943	\$242,635	\$386,303	\$548,655	\$731,569	\$937,116	\$1,166,838

Projected Cash Flow For 1996

	January	February	March	April	May	June	July
Cash On Hand	\$0	\$115,943	\$242,635	\$386,303	\$548,655	\$731,569	\$937,116
REVENUES							
Net Sales	\$157,500	\$173,250	\$190,575	\$209,633	\$230,596	\$253,656	\$279,022

**Projected Cash Flow For 1996**

Total Inflows \$157,500 \$289,193 \$433,210 \$595,936 \$779,251 \$985,225 \$1,216,138

EXPENSES

Cost of Goods Sold \$7,000 \$9,500 \$9,675 \$9,862 \$10,062 \$10,276 \$10,505

Promotion \$16,580 \$16,580 \$16,580 \$16,580 \$16,580 \$16,580 \$16,580

Telephone \$1,991 \$1,991 \$1,991 \$1,991 \$1,991 \$1,991 \$1,991

Office Salaries \$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$1,500

Utilities \$591 \$591 \$591 \$591 \$591 \$591 \$591

Supplies \$927 \$927 \$927 \$927 \$927 \$927 \$927

Payroll tax \$2,500 \$2,500 \$2,500 \$2,500 \$2,500 \$2,500 \$2,500

Real estate tax \$375 \$375 \$375 \$375 \$375 \$375 \$375

Repairs \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,000 \$1,733

Legal and professional \$767 \$767 \$767 \$767 \$767 \$767 \$767

Travel \$1,327 \$1,327 \$1,327 \$1,327 \$1,327 \$1,327 \$1,327

Total Expenses \$34,557 \$37,057 \$37,232 \$37,419 \$37,619 \$37,833 \$38,795

Net Cash \$115,943 \$126,693 \$143,668 \$162,352 \$182,915 \$205,547 \$229,722

Cash at End of Period \$115,943 \$242,635 \$386,303 \$548,655 \$731,569 \$937,116 \$1,166,838

August September October November December 1996

\$1,166,838 \$1,423,971 \$1,711,271 \$2,031,771 \$2,388,806

\$306,924 \$337,616 \$371,378 \$408,516 \$449,368 \$3,368,034

\$1,473,762 \$1,761,587 \$2,082,649 \$2,440.37 \$2,838,174

\$10,750 \$11,013 \$11,294 \$11,595 \$11,917 \$123,449

\$16,580 \$16,580 \$16,580 \$16,580 \$16,580 \$198,961

\$1,991 \$1,991 \$1,991 \$1,991 \$1,991 \$23,887

\$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$18,000

\$591 \$591 \$591 \$591 \$591 \$7,087

\$927 \$927 \$927 \$927 \$927 \$11,129

\$2,500 \$2,500 \$2,500 \$2,500 \$2,500 \$30,000

\$375 \$375 \$375 \$375 \$375 \$4,500

\$1,733 \$1,733 \$1,733 \$1,733 \$1,733 \$1,856

\$767 \$767 \$767 \$767 \$767 \$9,200

\$1,327 \$1,327 \$1,327 \$1,327 \$1,327 \$15,924

\$39,040 \$39,303 \$39,584 \$39,885 \$40,207 \$458,535

\$257,134 \$287,380 \$320,500 \$357,036 \$397,244

\$1,423,971 \$1,711,271 \$2,031,771 \$2,388,806 \$2,786,050

August September October November December 1996

\$1,166,838 \$1,423,971 \$1,711,271 \$2,031,771 \$2,388,806

\$306,924 \$337,616 \$371,378 \$408,516 \$449,368 \$3,368,034

\$1,473,762 \$1,761,587 \$2,082,649 \$2,440.37 \$2,838,174

\$10,750 \$11,013 \$11,294 \$11,595 \$11,917 \$123,449

\$16,580 \$16,580 \$16,580 \$16,580 \$16,580 \$198,961

\$1,991 \$1,991 \$1,991 \$1,991 \$1,991 \$23,887

\$1,500 \$1,500 \$1,500 \$1,500 \$1,500 \$18,000

\$591 \$591 \$591 \$591 \$591 \$7,087

\$927 \$927 \$927 \$927 \$927 \$11,129

\$2,500 \$2,500 \$2,500 \$2,500 \$2,500 \$30,000



August	September	October	November	December	1996
\$375	\$375	\$375	\$375	\$375	\$4,500
\$1,733	\$1,733	\$1,733	\$1,733	\$1,733	\$1,856
\$767	\$767	\$767	\$767	\$767	\$9,200
\$1,327	\$1,327	\$1,327	\$1,327	\$1,327	\$15,924
\$39,040	\$39,303	\$39,584	\$39,885	\$40,207	\$458,535
\$257,134	\$287,300	\$320,500	\$357,036	\$397,244	
\$1,423,971	\$1,711,271	\$2,031,771	\$2,388,806	\$2,786,050	

	January	February	March	April	May	June
Cash On Hand	\$2,388,806	\$2,908,025	\$3,427,244	\$3,946,463	\$4,465,682	\$4,984,901
REVENUES						
Net Sales	\$592,573	\$592,573	\$592,573	\$592,573	\$592,573	\$592,573
Total Inflows	\$2,981,379	\$3,500,598	\$4,019,817	\$4,539,036	\$5,058,255	\$5,577,474
EXPENSES						
Cost of Goods Sold	\$15,392	\$15,392	\$15,392	\$15,392	\$15,392	\$15,392
Promotion	\$29,774	\$29,774	\$29,774	\$29,774	\$29,774	\$29,774
Telephone	\$3,575	\$3,575	\$3,575	\$3,575	\$3,575	\$3,575
Office Salaries	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Utilities	\$842	\$842	\$842	\$842	\$842	\$842
Supplies	\$1,325	\$1,325	\$1,325	\$1,325	\$1,325	\$1,325
Payroll tax	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Real estate tax	\$0	\$0	\$0	\$0	\$0	\$0
Repairs	\$321	\$321	\$321	\$321	\$321	\$321
Legal and professional	\$350	\$350	\$350	\$350	\$350	\$350
Travel	\$2,383	\$2,383	\$2,383	\$2,383	\$2,383	\$2,383
Total Expenses	\$57,962	\$57,962	\$57,962	\$57,962	\$57,962	\$57,962
Net Cash	\$519,219	\$519,219	\$519,219	\$519,219	\$519,219	\$519,219
Cash at End of Period	\$2,908,025	\$3,427,244	\$3,946,463	\$4,465,682	\$4,984,901	\$5,504,120

Projected Cash Flow For 1997

	January	February	March	April	May	June
Cash On Hand	\$2,388,806	\$2,908,025	\$3,427,244	\$3,946,463	\$4,465,682	\$4,984,901
REVENUES						
Net Sales	\$592,573	\$592,573	\$592,573	\$592,573	\$592,573	\$592,573
Total Inflows	\$2,981,379	\$3,500,598	\$4,019,817	\$4,539,036	\$5,058,255	\$5,577,474
EXPENSES						
Cost of Goods Sold	\$15,392	\$15,392	\$15,392	\$15,392	\$15,392	\$15,392
Promotion	\$29,774	\$29,774	\$29,774	\$29,774	\$29,774	\$29,774
Telephone	\$3,575	\$3,575	\$3,575	\$3,575	\$3,575	\$3,575
Office Salaries	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Utilities	\$842	\$842	\$842	\$842	\$842	\$842
Supplies	\$1,325	\$1,325	\$1,325	\$1,325	\$1,325	\$1,325
Payroll tax	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Real estate tax	\$0	\$0	\$0	\$0	\$0	\$0
Repairs	\$321	\$321	\$321	\$321	\$321	\$321
Legal and professional	\$350	\$350	\$350	\$350	\$350	\$350
Travel	\$2,383	\$2,383	\$2,383	\$2,383	\$2,383	\$2,383
Total Expenses	\$57,962	\$57,962	\$57,962	\$57,962	\$57,962	\$57,962
Net Cash	\$519,219	\$519,219	\$519,219	\$519,219	\$519,219	\$519,219

**Projected Cash Flow For 1997****Cash at End of Period** \$2,908,025 \$3,427,244 \$3,946,463 \$4,465,682 \$4,984,901 \$5,504,120

July	August	September	October	November	December	1997
\$5,504,120	\$6,023,339	\$6,542,558	\$7,061,777	\$7,580,996	\$8,100,215	
\$592,573	\$592,573	\$592,573	\$592,573	\$592,573	\$592,573	\$7,110,874
\$6,096,693	\$6,615,912	\$7,135,131	\$7,654,350	\$8,173,569	\$8,692,788	
\$15,392	\$15,392	\$15,392	\$15,392	\$15,392	\$15,392	\$184,705
\$29,774	\$29,774	\$29,774	\$29,774	\$29,774	\$29,774	\$357,283
\$3,575	\$3,575	\$3,575	\$3,575	\$3,575	\$3,575	\$42,904
\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000
\$842	\$842	\$842	\$842	\$842	\$842	\$10,104
\$1,325	\$1,325	\$1,325	\$1,325	\$1,325	\$1,325	\$15,898
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$321	\$321	\$321	\$321	\$321	\$321	\$3,850
\$350	\$350	\$350	\$350	\$350	\$350	\$4,200
\$2,383	\$2,383	\$2,383	\$2,383	\$2,383	\$2,383	\$28,597
\$57,962	\$57,962	\$57,962	\$57,962	\$57,962	\$57,962	\$695,541
\$519,219	\$519,219	\$519,219	\$519,219	\$519,219	\$519,219	
\$6,023,339	\$6,542,558	\$7,061,777	\$7,580,996	\$8,100,215	\$8,619,434	

July	August	September	October	November	December	1997
\$5,504,120	\$6,023,339	\$6,542,558	\$7,061,777	\$7,580,996	\$8,100,215	
\$592,573	\$592,573	\$592,573	\$592,573	\$592,573	\$592,573	\$7,110,874
\$6,096,693	\$6,615,912	\$7,135,131	\$7,654,350	\$8,173,569	\$8,692,788	
\$15,392	\$15,392	\$15,392	\$15,392	\$15,392	\$15,392	\$184,705
\$29,774	\$29,774	\$29,774	\$29,774	\$29,774	\$29,774	\$357,283
\$3,575	\$3,575	\$3,575	\$3,575	\$3,575	\$3,575	\$42,904
\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000
\$842	\$842	\$842	\$842	\$842	\$842	\$10,104
\$1,325	\$1,325	\$1,325	\$1,325	\$1,325	\$1,325	\$15,898
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$321	\$321	\$321	\$321	\$321	\$321	\$3,850
\$350	\$350	\$350	\$350	\$350	\$350	\$4,200
\$2,383	\$2,383	\$2,383	\$2,383	\$2,383	\$2,383	\$28,597
\$57,962	\$57,962	\$57,962	\$57,962	\$57,962	\$57,962	\$695,541
\$519,219	\$519,219	\$519,219	\$519,219	\$519,219	\$519,219	
\$6,023,339	\$6,542,558	\$7,061,777	\$7,580,996	\$8,100,215	\$8,619,434	



	January	February	March	April	May	June
Cash On Hand	\$8,619,434	\$8,495,615	\$8,371,796	\$8,247,976	\$8,124,157	\$8,000,337
REVENUES						
Net Sales	\$755,623	\$755,623	\$755,623	\$755,623	\$755,623	\$755,623
Total Inflows	\$8,619,434	\$8,495,615	\$8,371,796	\$8,247,976	\$8,124,157	\$8,000,337
EXPENSES						
Cost of Goods Sold	\$25,902	\$25,902	\$25,902	\$25,902	\$25,902	\$25,902
Promotion	\$53,468	\$53,468	\$53,468	\$53,468	\$53,468	\$53,468
Telephone	\$6,422	\$6,422	\$6,422	\$6,422	\$6,422	\$6,422
Office Salaries	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Utilities	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Supplies	\$1,890	\$1,890	\$1,890	\$1,890	\$1,890	\$1,890
Payroll tax	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Real estate tax	\$0	\$0	\$0	\$0	\$0	\$0
Repairs	\$407	\$407	\$407	\$407	\$407	\$407
Legal and professional	\$350	\$350	\$350	\$350	\$350	\$350
Travel	\$4,279	\$4,279	\$4,279	\$4,279	\$4,279	\$4,279
Total Expenses	\$97,917	\$97,917	\$97,917	\$97,917	\$97,917	\$97,917
Net Cash	\$631,803	\$631,803	\$631,803	\$631,803	\$631,803	\$631,803
Cash at End of Period	\$8,495,615	\$8,371,796	\$8,247,976	\$8,124,157	\$8,000,337	\$7,876,518

Projected Cash Flow For 1998

	January	February	March	April	May	June
Cash On Hand	\$8,619,434	\$8,495,615	\$8,371,796	\$8,247,976	\$8,124,157	\$8,000,337
REVENUES						
Net Sales	\$755,623	\$755,623	\$755,623	\$755,623	\$755,623	\$755,623
Total Inflows	\$8,619,434	\$8,495,615	\$8,371,796	\$8,247,976	\$8,124,157	\$8,000,337
EXPENSES						
Cost of Goods Sold	\$25,902	\$25,902	\$25,902	\$25,902	\$25,902	\$25,902
Promotion	\$53,468	\$53,468	\$53,468	\$53,468	\$53,468	\$53,468
Telephone	\$6,422	\$6,422	\$6,422	\$6,422	\$6,422	\$6,422
Office Salaries	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Utilities	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200
Supplies	\$1,890	\$1,890	\$1,890	\$1,890	\$1,890	\$1,890
Payroll tax	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Real estate tax	\$0	\$0	\$0	\$0	\$0	\$0
Repairs	\$407	\$407	\$407	\$407	\$407	\$407
Legal and professional	\$350	\$350	\$350	\$350	\$350	\$350
Travel	\$4,279	\$4,279	\$4,279	\$4,279	\$4,279	\$4,279
Total Expenses	\$97,917	\$97,917	\$97,917	\$97,917	\$97,917	\$97,917
Net Cash	\$631,803	\$631,803	\$631,803	\$631,803	\$631,803	\$631,803
Cash at End of Period	\$8,495,615	\$8,371,796	\$8,247,976	\$8,124,157	\$8,000,337	\$7,876,518



July	August	September	October	November	December	1998
\$7,876,518	\$7,752,698	\$7,628,879	\$7,505,060	\$7,381,240	\$7,257,421	
\$755,623	\$755,623	\$755,623	\$755,623	\$755,623	\$755,623	\$9,067,474
\$7,876,518	\$7,752,698	\$7,628,879	\$7,505,060	\$7,381,240	\$7,257,421	

\$25,902	\$25,902	\$25,902	\$25,902	\$25,902	\$25,902	\$310,824
\$53,468	\$53,468	\$53,468	\$53,468	\$53,468	\$53,468	\$641,620
\$6,422	\$6,422	\$6,422	\$6,422	\$6,422	\$6,422	\$77,065
\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000
\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,398
\$1,890	\$1,890	\$1,890	\$1,890	\$1,890	\$1,890	\$22,677
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$407	\$407	\$407	\$407	\$407	\$407	\$4,881
\$350	\$350	\$350	\$350	\$350	\$350	\$4,200
\$4,279	\$4,279	\$4,279	\$4,279	\$4,279	\$4,279	\$51,344
\$97,917	\$97,917	\$97,917	\$97,917	\$97,917	\$97,917	\$1,175,009
\$631,803	\$631,803	\$631,803	\$631,803	\$631,803	\$631,803	
\$7,752,698	\$7,628,879	\$7,505,060	\$7,381,240	\$7,257,421	\$7,133,601	

July	August	September	October	November	December	1998
\$7,876,518	\$7,752,698	\$7,628,879	\$7,505,060	\$7,381,240	\$7,257,421	
\$755,623	\$755,623	\$755,623	\$755,623	\$755,623	\$755,623	\$9,067,474
\$7,876,518	\$7,752,698	\$7,628,879	\$7,505,060	\$7,381,240	\$7,257,421	
\$25,902	\$25,902	\$25,902	\$25,902	\$25,902	\$25,902	\$310,824
\$53,468	\$53,468	\$53,468	\$53,468	\$53,468	\$53,468	\$641,620
\$6,422	\$6,422	\$6,422	\$6,422	\$6,422	\$6,422	\$77,065
\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000
\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$14,398
\$1,890	\$1,890	\$1,890	\$1,890	\$1,890	\$1,890	\$22,677
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000
\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$407	\$407	\$407	\$407	\$407	\$407	\$4,881
\$350	\$350	\$350	\$350	\$350	\$350	\$4,200
\$4,279	\$4,279	\$4,279	\$4,279	\$4,279	\$4,279	\$51,344
\$97,917	\$97,917	\$97,917	\$97,917	\$97,917	\$97,917	\$1,175,009
\$631,803	\$631,803	\$631,803	\$631,803	\$631,803	\$631,803	
\$7,752,698	\$7,628,879	\$7,505,060	\$7,381,240	\$7,257,421	\$7,133,601	



Projected Income Statement

	1996	1997	1998
Revenue	\$3,368,034	\$7,110,874	\$9,067,474
Cost of Good Sold	\$128,710	\$184,705	\$310,824
Communications	44,710	100,705	226,824
Salaries	84,000	84,000	84,000
Gross Profit	\$3,239,324	\$6,926,169	\$8,756,650
Operating Expenses			
Promotion	198,961	357,283	641,620
Telephone	23,887	42,904	77,065
Office salaries	18,000	18,000	18,000
Utilities	7,087	10,104	14,398
Supplies	11,129	15,898	22,677
Payroll tax	30,000	30,000	30,000
Real estate tax	4,500	0	0
Repairs	1,856	3,850	4,881
Legal and professional	9,200	4,200	4,200
Travel	15,924	28,597	51,344
Total Expenses	\$320,544	\$510,836	\$864,185
Net Profit Before Taxes	\$2,918,780	\$6,415,333	\$7,892,465
Taxes	\$992,385	\$2,181,213	\$2,683,438
Net Income	\$1,926,395	\$4,234,120	\$5,209,027

	1996	1997	1998
Revenue	\$3,368,034	\$7,110,874	\$9,067,474
Cost of Good Sold	\$128,710	\$184,705	\$310,824
Communications	44,710	100,705	226,824
Salaries	84,000	84,000	84,000
Gross Profit	\$3,239,324	\$6,926,169	\$8,756,650
Operating Expenses			
Promotion	198,961	357,283	641,620
Telephone	23,887	42,904	77,065
Office salaries	18,000	18,000	18,000
Utilities	7,087	10,104	14,398
Supplies	11,129	15,898	22,677
Payroll tax	30,000	30,000	30,000
Real estate tax	4,500	0	0
Repairs	1,856	3,850	4,881
Legal and professional	9,200	4,200	4,200
Travel	15,924	28,597	51,344
Total Expenses	\$320,544	\$510,836	\$864,185
Net Profit Before Taxes	\$2,918,780	\$6,415,333	\$7,892,465
Taxes	\$992,385	\$2,181,213	\$2,683,438
Net Income	\$1,926,395	\$4,234,120	\$5,209,027