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_____, LLC
DBA
“Flipping Cars”

Used Car Dealership Business Plan

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Executive Summary

“Flipping Cars” (Name of your Business) is a registered pre-owned car dealership shop that is located in beautiful City, FL in City County, which is one of the largest counties in “STATE.” We have been able to lease a facility/lot that is large enough to fit into the design of the kind of standard used car dealership that we intend launching and the well paved car lot is located in a properly zoned commercial area near a *major road*.

[Site Approval: The site is approved by the Bureau of Motor Vehicle Field Operations Regional Office, by the City of _____ Business Tax Authority and by the local zoning authority]

“Flipping Cars” buys used cars from auctions, wholesalers and private sellers and then sell to customers in the state of Florida, the whole continental United States and abroad. We are set to service a wide range of clientele in and around central Florida and beyond.

We are aware that there are several large and small online and offline car dealerships all around central Florida, which is why we spent time and resources to conduct a thorough an internal feasibility study and market survey so as to be well positioned to favorably compete with all our competitors. We have an online service option for our customers, and our car lot is well secured.

“Flipping Cars” will ensure that all our customers are treated with respect, greeted with great appreciation for allowing us to cater to them and be given first class treatment whenever they visit or communicate with our dealership. We have a **Customer relationship management (CRM) software** in conjunction with our **dealership software** with F&I (Finance and Insurance) integration that will enable us to manage a one on one relationship with our customer base no matter how small or large they may be.

“Flipping Cars” will at all times demonstrate their commitment to sustainability, both individually and as a firm, by actively participating in our communities and integrating sustainable and professional business practices wherever possible. We will ensure that we hold ourselves accountable to the highest standards by meeting our customers’ needs precisely and completely whenever they communicate with us and wish to purchase our pre-owned vehicles.

“Flipping Cars” is a family and customer-centered business that is owned by _____, LLC and managed by _____ (Your name). Although the business is launching out with just one outlet in City, Florida; _____, LLC has plans to open other outlets all around major cities in Florida.

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Our Product Offering

“Flipping Cars” is in the pre-owned car dealership industry to service a vast range of clients and to generate a profit, which is why we will ensure we do our very best to make available a wide range of high quality pre-owned cars from top manufacturing brands in the United States and other countries of the world.

We will ensure that we do all that is permitted by the law of the state of FL and of the United States to achieve our aim and objectives of starting very prosperous and successful business.

Our Vision Statement

Our vision is to operate a car dealership that is customer-centered and driven to provide our clientele with high quality pre-owned vehicles at the most competitive prices. The needs of our customers are paramount and we will do our ultimate best to satisfy their needs with integrity on a personable and approachable level.

Our Mission Statement

Our mission is to establish a world-class pre-owned car dealership that will make available a wide range of vehicles from top manufacturing brands at affordable prices. We promise to always put the customer first, to treat everyone with the utmost respect and make the car buying experience as easy and simple as possible. Our ultimate goal is complete customer satisfaction and to provide you with a vehicle that you will truly be happy with and enjoy to drive. We love our customers and we welcome them into our family.

Business Structure

Our intention of starting a pre-owned car dealership business is to build a high quality and customer-centered business model with the focus of getting our clientele affordable vehicles in a hassle free and comfortable environment. We have plans to grow this business model and become the most competitive pre-owned car retailer in the nation.

We will ensure that we hire people that are qualified, honest, customer centric and are ready to work to help us build a prosperous business that will benefit all the stakeholders and all of our future lifelong customers. Our services will be state of the art and will implement evolving

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systems that will continue to keep the customer in mind and their valued time throughout the car research and buying experience.

Our plans is to keep our overhead costs low in order to keep our vehicles at the lowest and the most competitive prices in any region.

We also will implement strategies to increases management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives; assigning accountabilities; planning, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.

Responsibilities of Management:

- Management will be responsible for fixing prices and signing business deals
- Responsible for providing direction for the business
- Creates, communicates, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization
- Establishing Admin and HR Manager
- Responsible for overseeing the smooth running of HR and administrative tasks for the organization
- Maintains office supplies by checking stocks; placing and expediting orders; evaluating new products.
- Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
- Enhances department and organization reputation by accepting ownership for accomplishing new and different requests; exploring opportunities to add value to job accomplishments.
- Defining job positions for recruitment and managing interviewing process
- Carrying out staff induction for new team members

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- Responsible for training, evaluation and assessment of employees
- Responsible for arranging travel, meetings and appointments
- Oversee the smooth running of the daily office and business activities.

Automotive Technician/Mechanic:

- To keep our customers prices the lowest possible, mechanical work will be done through an independent mobile mechanic/automotive technician or contracted non-affiliated automotive specialist.
- Customers will have the option of having any future work done by the same unaffiliated mechanic for future mechanical needs.
- Customers also have the option of having an independent mechanic evaluate the vehicle (at their own expense) prior to purchasing to give them the piece of mind that the vehicle that they are purchasing meets the necessary standards and to feel comfortable and confident that they are getting a quality vehicle.

Sales and Marketing Personnel Responsibilities:

- Manages external research and coordinate all the internal sources of information to retain all of the organizations' customers, get referral from our previous costumers and to attract new clientele.
- Models demographic information and analyze the volumes of transactional data generated by customer purchases
- Identifies, prioritizes, and reaches out to new independent or contractual partners, and business opportunities
- Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with clients
- Develops, executes and evaluates new plans for expanding sales
- Documents all customer contact and information
- Represents the company in strategic meetings
- Helps to increase sales and growth for the company

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Accountant/Bookkeeping:

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports
- Responsible for financial forecasting and risks analysis
- Performs cash management, general ledger accounting, and financial reporting
- Responsible for developing and managing financial systems and policies
- Responsible for administering payrolls
- Ensuring compliance with taxation legislation
- Overviews financial transactions for the organization
- Serves as internal auditor for the organization

Client Service Specialist

- Ensures that all contacts with clients (e-mail, walk-Ins, SMS or phone) provides the client with a personalized customer service experience of the highest level
- Through interaction with customers on the phone, uses every opportunity to build client's interest in the company's products and services
- Manages administrative duties assigned by the administrative manager(s) in an effective and timely manner
- Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information is supplied to customers when they make enquiries
- Provides information about warranties, manufacturing specifications, care and maintenance of merchandise and delivery options

Cleaners:

To keep our overhead cost as low as possible as to extend to our costumers the most competitive prices we will divert all Detailing of the vehicles to a Mobile Detailing service. They will be an independent entity responsible for cleaning and washing all the cars upon the request of management.

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Used Car Dealership Business Plan – SWOT Analysis

Our intention of opening our first used car dealership in City, FL is to establish a strong and formidable pre-owned car dealership, build an impressive and impeccable business model for a period of 2 to 5 years to further build capital to invest more money, expand the business and then open other outlets in other cities in Florida.

We are quite aware that there are several used car dealership garages all over City County and even a few miles near the same location where we intend locating our dealership, which is why we are following the due processes of establishing a strong business with an impressive and affordable portfolio of vehicles and an approachable sales team and management. We know that if a proper SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) is conducted for our business, we will be able to position our business to maximize our strength, leverage on the opportunities that will be available to us, mitigate our risks and be well equipped to confront our threats.

We plan to cyclicly seek the services of expert HR and Business Analyst with bias in car dealership business to help us conduct a thorough SWOT analysis and to help us create a business model that will further help us achieve our business goals and objectives.

An internal assessment of our SWOT analysis that was conducted for Athali Motorsports demonstrates:

Strength:

Our location, business model (we will operate both a physical dealership and online store/presence), varieties of payment options, wide range of used cars from different manufacturing brands and models and our excellent customer service culture will definitely count as a strong strength for “Flipping Cars”. Also, our team of highly qualified and dedicated customer-centered staff is also a plus for our organization.

Weakness:

A major weakness that may count against us is the fact that we are a new small business/pre-owned car dealership in CITY and we don’t yet have the financial capacity to compete with multi – million dollar used car garages when it comes to retailing at extremely low prices.

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Opportunities:

We will strive to always provide our customers with the most competitive dealership prices, especially within a 150 mi radius.

Threat:

One of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing/spending power. Another threat that may likely confront us is the arrival of another new used car dealership outlet in the same location where our dealership is located. Also, unfavorable government policies, tariffs and increase in taxes may also pose a threat to businesses such as ours.

Market Analysis and Trends:

Experts projected that in 2017, the used car dealership shops industry is expected to profit from growing global economic conditions. Per capita income levels have scaled across the globe and the growing middle class in emerging economies have looked to purchase their own cars. As the demand for used cars increase, used car dealership garages will make more sales. A decline in demand for new automobiles has stimulated an increase in the sale of used cars.

One notable trend in the used car dealership industry is that most used car dealers are leveraging an online store to sell their cars to a larger market.

Lastly, in recent time, the used car dealership garage landscape has seen tremendous changes in the last 20 years; it has grown from the smaller outlets to a more organized and far reaching venture. The introduction of franchise and online car dealership garage makes it easier for a used car dealership to reach out to a larger market far beyond the areas where the physical establishment is located.

Our Target Market

- “Flipping Cars” target market is all encompassing, it cuts across all genders who are above 18 years old with the financial means and who desire to own a high quality, competitively priced pre-owned vehicle.
- In view of that, we have positioned our pre-owned car dealership to service the residents of City County and all the other cities and municipalities in Florida. We have conducted our

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market research and feasibility studies and we have ideas of what our target market would be expecting from us.

- We are in business to retail a wide range of pre-owned vehicles to the following groups of people:
- Upper middle Class Families
- Middle Class Families
- Low Earners
- Retirees

*Note: Public or Private School Teachers/Veterans/Active Military: **Will get an automatic 5% discount on all of our vehicles with proper identification. Why, because we appreciate our true heroes.** *****

Our Competitive Advantage

A close study of the used car dealership garage industry reveals that the market has become much more intensely competitive over the last decade. As a matter of fact, you have to be highly creative, customer centric and proactive if you must survive in this industry. We are aware of the stiff competition and we are well prepared to compete favorably with other leading pre-owned car dealership in City County.

“Flipping Cars” is launching an exceptional pre-owned car dealership that will indeed become the preferred choice of residents in City County and it’s surrounding counties and every other future location where our outlets will be opened in Florida.

One thing is certain; we will ensure that we have a wide range of high quality pre-owned car brands and models from leading manufacturers available in our dealership at all times. Once our customers visit our location they will easily see the care and love we put into our vehicles.

One of our business goals is to make “Flipping Cars” the premier pre-owned car dealership in the region, provider excellent customer service, conducting ourselves with the highest sense of integrity and treating our customers like family with the utmost respect and having transparent and honest business practices. Our excellent customer service culture, online presence, various payment options and secured location will serve as a competitive advantage for us.

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Lastly, our employees will be the best in class, well trained, approachable, respectful and hold our customers' privacy with the highest regard. Our employees will share in our vision and mission and be a critical part in always accomplishing our set goals and achieving all our aims and objectives. We will provide safe and comfortable working conditions and provide salaries/commissions that are incentive driven so everyone may share the profits and grow internally with our company.

Sales and Marketing Strategy

Sources of Income:

“Flipping Cars” is in business to retail a wide range of high quality pre-owned cars to the residents of City County and surrounding region. In essence, our source of income will be the retailing of our hand-picked pre-owned vehicles from different well sought after car manufacturing brands.

Sales Forecast:

We are well positioned to take on the available market in City County and we are quite optimistic that we will meet our set target of generating enough profits from the first twelve months of operation and grow the business and our clientele base.

We have been able to critically examine the used car dealership industry, we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. The sales projections are based on information gathered on the field and some assumptions that are peculiar to startups in Florida.

Below are the sales projections for “Flipping Cars”, it is based on the location of our business and other factors as it relates to used car dealership garage startups in the United States;

A very conservative Projected Margin of Profit for each Vehicles is Between 50-60%

1st Fiscal Year: \$70,000-\$100,000--Selling Approximately 5 cars per month with an average profit of \$1,500-\$2,000 per vehicle

2nd Fiscal Year: \$240,000--Selling Approximately 10 vehicles a month with an average profit of \$1,500-\$2,000 profit with each vehicle

3rd Fiscal Year: \$360,000

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4th Fiscal Year: \$480,000

5th Fiscal Year: \$1/2 Million

6th Fiscal Year: \$2/3 Million

This projection was done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown and any major competitor within our market space. Please note that the above projection might be lower and at the same time it might be significantly higher.

Before choosing a location for "Flipping Cars" we conduct a thorough market survey and feasibility studies in order for us to penetrate the available market and become the preferred choice for residents of City County and will do intense online marketing via our dealer software, website, Cars.com, CarGuru, Autotrader, Facebook--Marketplace, Instagram, Youtube, Craigslist, Offer-Up, and LetGo. We have detailed information and data that we were able to utilize to structure our business to attract the number of customers we want to attract and keep them as returning loyal customers and develop an exclusive **well compensated referral program**.

We have researched well developed marketing strategies that will help us achieve our business goal of winning a larger percentage of the available market in City County and surrounding region and even penetrate distant regions throughout Florida.

Our Pricing Strategy

The payment policy adopted by "Flipping Cars" is all inclusive because we are quite aware that different customers prefer different payment options as it suits them, but at the same time, we will ensure that we abide by the financial rules and regulation of the state of Florida and the United States of America.

Here are the payment options that "Flipping Cars" will make available to their clients;

Payment with CASH

Payment via credit or debit cards / Point of Sale Machines: NEVER FOR Down Payments or Purchase***

Payment via online bank transfer

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Payment via cashier's check--***NO personal checks (NEVER)***

Payment via Money Order: To be bought after the test drive at a Nearby Western Union or Amscot

Payment via bank draft

Buy Here Pay Here Payment Option with Acceptable NON-Negotiable Down Payment

In view of the above, we have chosen banking platforms that will enable our clients to make payments or fully purchase our preowned cars without any stress on their part.

In summary:

- “Flipping Cars” will adopt a well strategically planned sales and marketing approach to gain the confidence and trust of our customers
- Establish a pre-owned car dealership with a mind-set, process and system that puts our costumers not only first but in the center of our business approach.
- Introduce our pre-owned car dealership to the community with an effective and smart advertisement campaign with a heavy online presence.
- Ensure that we have a wide range of popular high quality pre-owned cars from different brands at all times.
- Make use of attractive and honest offers to the consumers that incentives them to purchase our vehicles, enough so to refer their friends or loved ones; and come back to continue to do business with us.
- Position our signage to be visible and coherent.
- Position our greeters/customer service specialists to welcome and direct potential customers
- Create a loyalty plan that will enable us to reward our regular customers
- Engage on roadshows within our neighborhood to create awareness for our business
- List our business and products on Google Ads, Facebook Ads, Yelp
- Leverage on the internet to promote our business
- Engage in direct marketing and sales
- Encourage the use of word of mouth marketing (referrals)
- Continually upgrade and Evolve our Pre-Owned Car Dealership Business Plan

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- We will intensify publicity for the business by joining business groups and the Chamber of Commerce.****
- “Flipping Cars” has a long-term plan of opening outlets in various locations all around key cities in Florida, which is why we will deliberately build our brand to be well accepted in Florida before venturing out.
- The ultimate goal of our publicity and advertising strategy is to exceedingly and continually win customers over and to effectively communicate our brand.

Startup Expenditure (Budget)

- The total fee for registering the business in the state of FL within the Unites States of America – \$1,000
- Legal expenses for obtaining licenses and permits as well as the accounting services (software, P.O.S machines and other software) – \$2,250
- Marketing promotion expenses for the grand opening in the amount of \$250
- The cost for hiring business consultant/bookkeeping – \$600
- Insurance (general liability, workers’ compensation and property casualty) coverage at a total premium – \$2,400
- The cost for payment of rent for 12 months: \$24,000**
- The cost for lot/office remodeling/painting – \$1,500
- Other start-up expenses including stationery (\$500) and phone and utility deposits (\$500)
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – \$1,500
- The cost for start-up inventory (stocking with a wide range of used cars from different manufacturing brands) – \$5,000
- The cost for counter area equipment – \$250
- The cost for store equipment (signage) – \$750
- The cost of purchase and installation of ADT Security: \$500
- The cost for the purchase of office furniture and gadgets (Computers, Large monitor, Printers, Telephone, TVs, Sound System, tables and chairs et al): \$2,500

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- The cost of launching a website: \$600
- Miscellaneous: \$1,000
- We would need an estimate of \$15,000-\$20,000 to successfully set up our standard used car dealership in City County

Generating Startup Capital for “Flipping Cars”:

As an LLC we are not entertaining at the moment any external business partner.

Sustainability and Expansion Strategy

The future of a business lies in the number of loyal customers that they have, the capacity and competence of their employees, their investment strategy and the business structure.

One of our major goals of starting “Flipping Cars” is to build a business that will survive off its own cash flow without injecting finance from external sources once the business is officially running. We know that one of the ways of gaining approval and winning customers over is to retail our wide range of used cars at an lower price than what is obtainable in the market and we are well prepared to survive on lower profit margin for a shared time.

“Flipping Cars” will make sure that the right foundation, structures and processes are put in place to ensure that our customer base is well established and our reputation is upheld at the highest standard. Our company’s corporate culture is designed to drive our business to greater heights and training and retraining of our workforce is of top priority.

Check List/Milestone

- Business Name Availability Check: Completed
- Business Registration: Completed
- Opening of Corporate Bank Accounts: Completed
- Securing Point of Sales (POS) Machines: Completed
- Opening Mobile Money Accounts: Completed
- Opening Online Payment Platforms: Completed
- Application and Obtaining Tax Payer’s ID: In Progress
- Application for business license and permit: Completed

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- Purchase of Insurance for the Business: Completed
- Leasing of facility and remodeling the garage: In Progress
- Conducting Feasibility Studies: Completed
- Generating capital from family members: Completed
- Applications for NO INTEREST Loan/Credit Card from the bank: In Progress*
- Writing of Business Plan: Completed
- Drafting of Employee's Handbook: Completed
- Drafting of Contract Documents and other relevant Legal Documents: In Progress
- Design of The Company's Logo: Completed
- Graphic Designs and Printing of Promotional Materials: In Progress
- Recruitment of employees: In Progress
- Purchase of the needed furniture, computers, electronic appliances, office appliances and Cameras: In progress
- Creating Official Website for the Company: In Progress
- Creating Awareness for the business both online and around the community: In Progress
- Health and Safety and Fire Safety Arrangement (License): Secured
- Employee Handbook: In Progress
- Compilation of list of used cars available in our garage: Completed
- Establishing business relationship with vendors – used cars auction houses and other used cars dealership garages: In Progress

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Notes:

When the application is complete, applicants should contact the Compliance Examiner or Bureau of Motor Vehicle Field Operations, Regional Office serving the locale to submit the application with the Division of Motorist Services. Applications should NOT be sent to the Dealer Licensing Section in Tallahassee.

At the same time, the fingerprint cards submitted with the application will be processed through the Florida Department of Law Enforcement and the Federal Bureau of Investigation.

Additional Checklist:

- Include necessary fees;
- Provide the required surety bond or irrevocable letter of credit;
- To provide garage liability or general liability insurance coupled with a business automobile insurance and personal injury protection of \$10,000;
- Provide a sales and service agreement or letter of intention from a manufacturer, distributor, or importer, where applicable;
- Attend training and provide a verification form;
- Register a fictitious trade name, when required;
- Provide corporate documents, when required;
- Obtain a federal employer's identification number, when required
- Obtain a sales tax number;
- Attach a true copy of a written lease, if applicable
- Submit fingerprints.

When a sole owner of a dealership expires, the spouse, children or immediate relative may run the dealership by submitting to the Bureau of Motor Vehicle Field Operations, Regional Office responsible for the dealership, a court order appointing them as the executor of the estate. Once the will is probated, a copy must be submitted to the Bureau of Motor Vehicle Field Operations, Regional Office responsible for the dealership with an application for a new license.