

# [Instructions](https://assignbuster.com/instructions-essay-samples-2/)

[Business](https://assignbuster.com/essay-subjects/business/), [Management](https://assignbuster.com/essay-subjects/business/management/)

Overall schedule Plan of Action. April – May Have the questionnaires on the current of vending machines filled and analyzed, intense research done and demanding issues identified.
May – June 2014
Work plan of starting the company drawn, analyzed and expectations made in case of any eventuality.
July- Aug 2014
Sourcing for permanent and critical financing, advertising shares to be sold if necessary and welcoming supportive ideas.
Sep – Nov 2014
Have the company’s main factory working in subsequent with renting of offices and office facilities around the towns.
Hiring the management team including IT professionals, technicians, and the non-staff and stationing them at strategic locations.
Dec 2014
Incorporating the venture and assessing its suitability, completion of prototypes and testing of the machines efficiency.
Dec 2014
Hire working force to help in advertising and showcasing our company through road shows, magazines, journals and the broadcasting media.
Carrying out advertisements.
Jan 2015
Starting mass production of both the vending machines and related accessories.
Place and allow orders of chips accessories.
Feb 2015
Obtaining the first sale, analyzing the returns, comparing the input and output relationship.
March 2015
Increasing the working force, extending the services to all other towns within South Miami.
Financial Projections.
The management team of GG Vending Company intends to invest $ 7 million of personal equity to start the company. The amount will be used in building the company’s premises, fast tracking the issuance of orders, hiring the required workforce and advertising the company’s products (Leiber, 61).
In turn, the company will seek additional funds amounting to $250, 000 equivalent to 25% of the company’s shares from venture capitalist including banks and selling of shares and derive some cash from the our yearly continuous cash flow to expand the business to every corner of South Miami.
The total fixed costs during the first 6 years of operation will sum to approximately $10 million per year, therefore, $ 1million will be used for maintenances, and $ 696, 000 used as salary annually, $ 10, 000 legal fee, $ 2 million will be used as cushion annually and the remaining amount set for expansion of our services and other uses (Leiber, 56).
At the end of 6 years, the management team will have met the capitalists demand and be able to buy the equity stake of the venture capitalists at a cost of $ 10 million, equivalent to 1000% increment. From the first year of incorporating the company, we will experience a loss in the total fixed income but will tremendously grow as the company takes ground and advances in its sales and increase in the number of shareholders and the local consumers.
Most of the income will be accrued through selling of company’s products and buying of machines on monthly installments as up to 5% of the original cost will be generated as profit per machine.
Work Cited
Leiber, Nick. " Selling Healthy Snacks in Schools - BusinessWeek." BusinessWeek – Business News, Stock Market & Financial Advice. Web. 26 Oct. 2011.