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**CIGAR EMPORIUM
BUSINESS PLAN**

Mateo Wilson

CEO

Cigar Emporium

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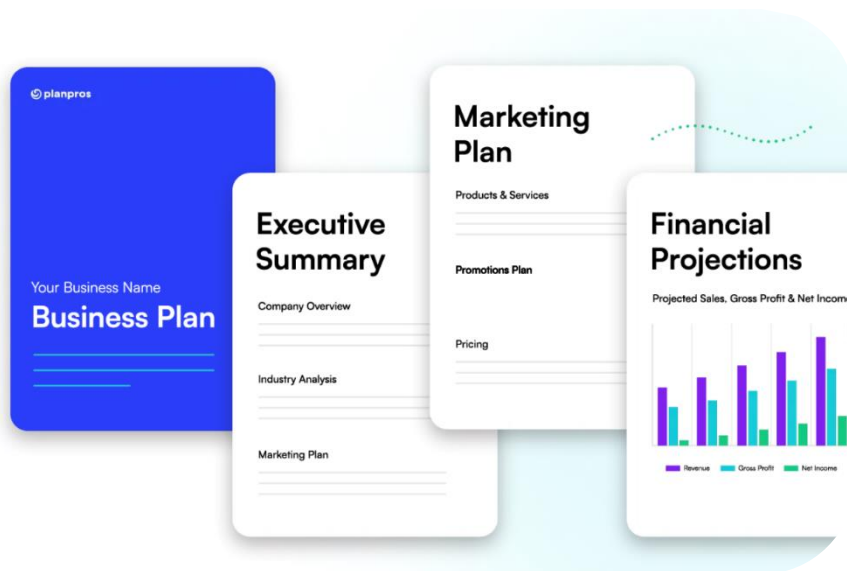
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Cigar Shop Business Plan Template

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I. Executive Summary

Company Overview

Our venture, Cigar Emporium, is a premium cigar shop located in the heart of Augusta-Richmond County, GA. We are dedicated to offering an exceptional selection of premium cigars, accessories, and related products to cigar aficionados and casual smokers alike. By creating a welcoming atmosphere for both seasoned enthusiasts and those new to the world of cigars, we aim to become a central hub for the local cigar community. Our location is not just a store but a destination where customers can explore a wide range of cigar varieties, learn about different brands, and enjoy the rich culture surrounding cigar smoking.

Success Factors

Our success is driven by our deep understanding of the cigar market and our commitment to providing high-quality products and services. Key accomplishments include curating a diverse inventory that caters to both traditional preferences and modern tastes, establishing strong relationships with suppliers to ensure the availability of rare and sought-after cigars, and fostering a community around our brand through events and tastings. These efforts have positioned us as a go-to destination for cigar lovers in Augusta-Richmond County and beyond, setting us apart from competitors and building a loyal customer base.

Industry Analysis

The cigar industry has shown resilience and growth, driven by a rising interest in premium cigars among both young adults and seasoned smokers. Trends indicate a preference for luxury and boutique cigar brands, reflecting a broader desire for quality and craftsmanship. Regulatory changes and increased taxation pose challenges, yet the industry's adaptability and the cultural shift towards viewing cigar smoking as a sophisticated leisure activity continue to fuel its expansion. Our strategic location in Augusta-Richmond County, with its vibrant community of cigar enthusiasts, places us in an ideal position to capitalize on these trends and navigate the regulatory landscape.

Customer Analysis

Our primary focus is on local residents of Augusta-Richmond County, GA, a community with a notable number of cigar enthusiasts who appreciate premium cigars for personal enjoyment or as special gifts. We cater to their varied tastes with a comprehensive selection, from classic favorites to rare finds.

Additionally, we attract tourists and business travelers seeking unique cigar experiences unavailable in their home regions. Our offerings are also tailored for aficionados and collectors, who value the exclusivity and story behind each cigar. Through events, tastings, and membership privileges, we aim to build a loyal community and make our shop a must-visit destination for all cigar lovers.

Competitive Analysis

Top competitors include local cigar shops and lounges that offer a range of cigars and smoking accessories. Despite this competition, Cigar Emporium's competitive advantage lies in our curated selection of premium and hard-to-find cigars, knowledgeable staff, and the creation of a community around our brand. Our emphasis on customer experience, from the shop's ambiance to the events we host, sets us apart and fosters customer loyalty.

Marketing Plan

Our marketing strategy focuses on showcasing our extensive product range, including premium cigars, accessories, and limited editions, complemented by competitive pricing to cater to a wide customer base. We will employ a dynamic promotions plan that encompasses social media marketing to engage with our community online, targeted advertising to reach potential customers, and in-store events to create memorable experiences. Special offers, loyalty programs, and partnerships with local businesses will further enhance our visibility and attract a diverse clientele to Cigar Emporium.

Operations Plan

Key operational processes at Cigar Emporium include diligent inventory management to maintain a diverse and desirable stock, exceptional customer service to educate and engage our clients, and effective sales and promotion strategies to drive business growth. We prioritize shop cleanliness and the maintenance of optimal conditions for our products. Financial management and compliance with regulatory standards are fundamental to our operations. Additionally, we are committed to community engagement, aiming to strengthen our local presence and build a loyal customer base. Milestones include the launch of our online store, expansion of our product line, and the establishment of Cigar Emporium as a premier destination for cigar aficionados.

Management Team

Our management team comprises individuals with extensive experience in retail management, marketing, and the tobacco industry. This blend of skills ensures a comprehensive approach to business operations, customer engagement, and product selection. Our team's passion for cigars and commitment to creating an inviting atmosphere for our customers are the driving forces behind Cigar

Emporium's success.

Financial Plan

To achieve our growth goals, Cigar Emporium requires a strategic infusion of capital. This funding will be allocated towards expanding our inventory, enhancing our store's physical space, investing in marketing to reach a wider audience, and developing our online presence. By securing the necessary financial resources, we are poised to enhance our market position, attract a larger customer base, and ensure the long-term success of our business.

Summary

Below is an overview of our expected financial performance over the next five years:

	FY 1	FY 2	FY 3	FY 4	FY 5
Revenues	\$2,473,311	\$2,678,176	\$2,900,009	\$3,140,218	\$3,400,323
Direct Expenses	\$1,039,284	\$1,092,231	\$1,147,875	\$1,206,354	\$1,267,812
Gross Profit	\$1,434,026	\$1,585,944	\$1,752,134	\$1,933,863	\$2,132,510
Gross Profit (%)	58%	59.2%	60.4%	61.6%	62.7%
Other Expenses	\$97,085	\$100,030	\$103,065	\$106,192	\$109,414
EBITDA	\$1,336,941	\$1,485,913	\$1,649,068	\$1,827,670	\$2,023,095
Depreciation	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400
Amortization	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$10,300	\$10,300	\$10,300	\$10,300	\$10,300
Income Tax Expense	\$461,384	\$513,524	\$570,628	\$633,139	\$701,538
Net Income	\$856,856	\$953,688	\$1,059,739	\$1,175,831	\$1,302,857

II. Company Overview

Cigar Emporium is a new Cigar Shop that has proudly opened its doors to serve the aficionados of Augusta-Richmond County, GA. As a local cigar shop, we've recognized a gap in the market for high-quality cigars and related accessories, and we are here to fill that void. Our commitment is to elevate the smoking experience of our customers by providing an unmatched selection of products in a welcoming environment.

At Cigar Emporium, our product range is carefully curated to cater to the diverse preferences of our customers. Our selection includes a wide array of premium cigars, ensuring that both novice smokers and connoisseurs can find something to their liking. In addition to cigars, we offer a comprehensive range of cigar accessories, including humidors to preserve the freshness and quality of your cigars, cigar ashtrays, and an assortment of pipe tobacco and accessories. Our ambition is to be your one-stop shop for all your smoking needs.

Located in the heart of Augusta-Richmond County, GA, Cigar Emporium is ideally situated to serve the local community as well as visitors to the area. Our strategic location is not just about convenience; it's about creating a hub for cigar lovers to gather, share their passion, and enjoy the finest selection of products we have to offer.

Our confidence in the success of Cigar Emporium is rooted in several key factors. Firstly, our founder brings invaluable experience from previously running a successful cigar shop. This experience is instrumental in understanding our customers' needs and preferences. Secondly, our competitive edge lies in our superior product quality and the variety of cigars we offer. Compared to our competitors, we believe that our selection is unparalleled in the area.

Since our inception on January 2, 2024, Cigar Emporium has been on a steadfast journey towards establishing itself as a premier destination for cigar enthusiasts. We are a Sole Proprietorship, and our accomplishments to date include the development of our unique logo, the creation of our company name, and securing a prime location for our shop. These milestones are just the beginning of our journey, and we are excited about the future of Cigar Emporium in Augusta-Richmond County, GA.

III. Industry Analysis

The Cigar Shop industry in the United States is currently valued at approximately \$2.3 billion, with steady growth expected in the coming years. Market research indicates that the industry has been experiencing a positive trajectory, driven by an increase in disposable income and a growing interest in luxury goods among consumers. With more people looking for unique and high-quality products, the demand for premium cigars is on the rise, making it a lucrative market for entrepreneurs like Cigar Emporium.

One of the key trends in the Cigar Shop industry is the shift towards experiential retail, where customers are looking for more than just a product but a unique and personalized shopping experience. Cigar Emporium, with its focus on providing a cozy and inviting atmosphere for customers to relax and enjoy their purchases, is well-positioned to capitalize on this trend. By offering a wide selection of premium cigars, knowledgeable staff, and a comfortable lounge area, Cigar Emporium can attract and retain customers looking for a memorable shopping experience.

Another trend in the Cigar Shop industry is the growing popularity of cigar bars and lounges, where customers can not only purchase cigars but also enjoy them on-site. This trend presents a great opportunity for Cigar Emporium to differentiate itself from competitors and create a loyal customer base. By offering a space for customers to socialize, network, and unwind, Cigar Emporium can become a go-to destination for cigar enthusiasts in Augusta-Richmond County, GA, and beyond. With the right marketing strategies and a focus on customer satisfaction, Cigar Emporium is poised for success in the thriving Cigar Shop industry.

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IV. Customer Analysis

Below is a description of our target customers and their core needs.

Target Customers

We will target local residents as our primary customer base, understanding that the culture and lifestyle within Augusta-Richmond County, GA, have a significant number of cigar enthusiasts. This group is comprised of individuals seeking quality, premium cigars for their personal enjoyment or as gifts for friends and family. Our offerings will cater specifically to their tastes and preferences, ensuring a wide range of options from classic brands to unique, hard-to-find selections.

Beyond local residents, we will also focus on visitors to Augusta-Richmond County who are looking for an exceptional cigar experience. Many tourists and business travelers enjoy exploring local cigar shops as part of their visit, seeking out premium cigars that may not be available in their home regions. Our inventory will be curated to appeal to these discerning customers, providing them with a memorable experience that encourages repeat visits.

In addition to these segments, we will tailor our services and products towards aficionados and collectors, a niche market with a keen interest in rare and limited-edition cigars. This customer segment values not only the quality but the story and exclusivity behind each cigar. By hosting events, tastings, and offering membership privileges, we will create a community around our brand, turning our shop into a destination for those passionate about cigars.

Customer Needs

Cigar Emporium provides high-quality cigars to residents who desire premium smoking experiences. Customers can expect a wide selection of products that cater to both aficionados and novices alike, ensuring everyone finds something that suits their taste and level of expertise. This focus on quality and variety meets the demand for exceptional smoking experiences in the community.

Aside from offering premium cigars, Cigar Emporium also creates a welcoming atmosphere for enthusiasts to gather, share stories, and enjoy their purchases. The shop facilitates a sense of community among cigar lovers, making it more than just a place to buy cigars. Customers can enjoy a comfortable setting where they can relax, meet other enthusiasts, and deepen their appreciation for cigar culture.

In response to the needs of its customers, Cigar Emporium ensures knowledgeable staff are available to assist with selections, provide recommendations, and share insights about the latest trends in the

cigar industry. This level of personalized service enhances the shopping experience, ensuring customers feel valued and well-informed. With a commitment to customer satisfaction, Cigar Emporium stands out as a premier destination for cigar enthusiasts in the area.

V. Competitive Analysis

Direct Competitors

Cigar Emporium's competitors include the following companies:

Top Shelf Cigar & Tobacco Shoppe offers a wide range of premium cigars, tobacco products, and smoking accessories. The shop caters to aficionados with a selection of high-end cigars and limited editions, alongside a variety of pipes, humidors, and cutters. Price points at Top Shelf Cigar & Tobacco Shoppe range from affordable to premium, accommodating both casual smokers and serious collectors. The shop operates in a prime location accessible to customers in Augusta-Richmond County, GA, and attracts a diverse customer base, from young adults exploring cigar culture to seasoned smokers. A key strength of Top Shelf is its knowledgeable staff and personalized customer service. However, its premium focus might limit its appeal to budget-conscious customers.

Marcella's Fine Cigars & Tobaccos specializes in a broad assortment of cigars, including both popular brands and exclusive lines. In addition to cigars, they offer tobacco products, smoking accessories, and gifts. With a cozy lounge area, Marcella's provides an inviting ambiance for customers to enjoy their purchases on-site. Located in a convenient area within Augusta-Richmond County, GA, Marcella's serves both locals and visitors looking for a high-quality smoking experience. Their customer segments include both novice smokers and experienced aficionados. The main strengths of Marcella's include its wide product selection and comfortable lounge. However, its weakness lies in potential overcrowding during peak hours, which can affect the overall customer experience.

Bucksnort's Cigar Lounge stands out with its extensive range of cigars, smoking lounges, and event hosting services. They offer a variety of cigars from budget-friendly to premium, catering to a wide spectrum of tastes and preferences. The lounge areas are designed for relaxation and socializing, making Bucksnort's a popular destination for both individual smokers and groups. This lounge is situated in a notable location within Augusta-Richmond County, GA, making it accessible to a broad customer base. Bucksnort's targets customers seeking both quality cigars and a comfortable place to enjoy them, including younger adults and professionals. Strengths include its vibrant social atmosphere and versatile event spaces. A notable weakness is the potential for noise and crowding, which may not appeal to those seeking a quieter smoking experience.

Competitive Advantages

At Cigar Emporium, we pride ourselves on offering a superior selection of cigars that sets us apart from the competition. Our commitment to quality ensures that each customer has access to the finest

cigars available in the market. We understand that cigar enthusiasts look for exclusive and high-quality products, and our inventory reflects that. By carefully curating our selection, we ensure that we sell better cigars than our competitors, catering to both seasoned aficionados and newcomers to the cigar world. This focus on quality not only allows us to meet but exceed our customers' expectations.

Furthermore, our variety is unmatched. We boast an extensive range of cigar varieties, providing options that cater to every palate, preference, and occasion. This diversity in our product line means that customers can always find something new and exciting at our shop, encouraging repeat visits and fostering a loyal customer base. Our knowledgeable staff are always on hand to guide customers through our vast selection, making personalized recommendations based on the customer's tastes and preferences. This personalized service, combined with our unparalleled variety, positions us as a leading destination for cigar enthusiasts in the region.

In addition to our superior product range and variety, our strategic location and community engagement further strengthen our competitive advantage. We actively participate in local events and host cigar tasting sessions, creating a strong sense of community among our customers. This approach not only enhances our reputation within the area but also attracts a steady stream of new customers, solidifying our position as the go-to cigar shop. With these competitive advantages, we are confident in our ability to provide an unmatched shopping experience for cigar lovers.

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VI. Marketing Plan

Our marketing plan, included below, details our products/services, pricing and promotions plan.

Products, Services & Pricing

Cigar Emporium offers a sophisticated selection of products catering to the refined tastes of cigar enthusiasts and novices alike. At the heart of its offerings are premium cigars, available in a wide range of brands, sizes, and flavors to suit various preferences. Customers can expect to find cigars priced on average from \$5 for a basic selection to over \$30 for rare or limited edition items, ensuring a choice for every budget.

Understanding the importance of proper cigar maintenance and usage, Cigar Emporium also provides an extensive array of cigar accessories. This includes cutters, lighters, and cases, with prices typically ranging from \$10 to \$100. These accessories are selected for their quality and durability, offering customers the tools needed to enhance their smoking experience.

For aficionados interested in preserving their cigars in the optimal condition, Cigar Emporium features a variety of humidors. These range from small, portable options to larger, more elaborate models. Depending on the size and craftsmanship, customers can expect to find humidors priced from \$50 for basic models to upwards of \$500 for luxury editions crafted from fine woods and equipped with advanced humidity control systems.

Cigar ashtrays are another essential product line available at Cigar Emporium. These are not only functional but also serve as decorative pieces. The selection includes simple designs as well as more intricate models made from materials like glass, metal, and ceramic. Prices for cigar ashtrays start at around \$15 and can go up to \$100 for specially designed pieces.

Lastly, for those who appreciate the art of pipe smoking, Cigar Emporium offers a selection of pipe tobacco and accessories. This includes a variety of tobacco blends, pipes, cleaners, and tampers. Prices for pipe tobacco start at approximately \$10 per pouch, while accessories range from \$5 for basic tools to \$50 for high-end pipes.

Overall, Cigar Emporium is dedicated to providing customers with high-quality products at various price points to cater to both casual enthusiasts and serious collectors. Whether you're looking to enjoy a casual smoke or invest in premium cigar care accessories, Cigar Emporium has something to offer.

Promotions Plan

At Cigar Emporium, we understand the importance of a well-rounded promotional strategy to attract a diverse customer base. Our approach combines traditional methods with innovative online marketing techniques to create a strong presence in the Augusta-Richmond County, GA area. By leveraging the power of digital platforms alongside community engagement, we anticipate building a loyal following of cigar aficionados and newcomers alike.

Online marketing stands at the forefront of our promotional efforts. We will utilize social media platforms such as Instagram, Facebook, and Twitter to connect with our audience. Regular posts featuring new arrivals, special promotions, and educational content about cigars will engage our followers and attract new customers. Moreover, we will implement targeted advertising campaigns on these platforms to reach potential customers based on their interests and behaviors. Email marketing will also play a crucial role, allowing us to send personalized offers and news directly to our subscribers' inboxes, encouraging repeat visits and fostering a community around our brand.

In addition to online marketing, we will harness the power of Search Engine Optimization (SEO) to increase our visibility on search engines. By optimizing our website with relevant keywords related to cigars and our local area, we expect to attract customers actively searching for premium cigar experiences in Augusta-Richmond County. This strategy will ensure that when potential customers are looking for a cigar shop, Cigar Emporium appears at the top of their search results.

But our efforts won't stop at the digital frontier. We will engage in community events and sponsor local gatherings to introduce our brand to the community. Participation in local festivals, charity events, and business expos will allow us to showcase our products and knowledge, establishing Cigar Emporium as a key player in the local cigar scene. Additionally, hosting cigar tasting events and educational workshops at our shop will provide an immersive experience for our customers, further cementing our reputation as the go-to destination for cigar enthusiasts in the area.

Lastly, partnerships with local businesses and influencers will amplify our reach and lend credibility to our brand. Collaborating with nearby restaurants, bars, and clubs to offer exclusive cigar nights can introduce our products to a wider audience. Similarly, working with influencers who share our passion for cigars can help us tap into new networks and attract followers who trust their recommendations.

By integrating online marketing with community engagement and strategic partnerships, Cigar Emporium will not only attract customers but also create a vibrant community of cigar lovers in Augusta-Richmond County. Our comprehensive approach to promotion is designed to elevate the cigar shopping experience, making Cigar Emporium a beloved destination for both seasoned aficionados and curious newcomers alike.

VII. Operations Plan

Our Operations Plan details:

1. The key day-to-day processes that our business performs to serve our customers
2. The key business milestones that our company expects to accomplish as we grow

Key Operational Processes

To ensure the success of Cigar Emporium, there are several key day-to-day operational processes that we will perform.

- **Inventory Management:**

- Monitor stock levels to ensure a consistent supply of popular cigar brands and accessories.
- Conduct regular inventory audits to minimize shrinkage and manage reordering in a timely manner.
- Update inventory records to reflect new shipments, sales, and returns accurately.

- **Customer Service:**

- Train staff to be knowledgeable about all products, enabling them to offer personalized recommendations and educate customers about cigar varieties and accessories.
- Implement a customer feedback system to gather insights and improve service quality.
- Manage customer inquiries and complaints promptly and effectively to maintain high customer satisfaction.

- **Sales and Promotion:**

- Utilize point-of-sale (POS) systems to process transactions efficiently and accurately.
- Develop and execute promotional strategies, including discounts, loyalty programs, and events, to attract and retain customers.
- Maintain an online presence through social media and a website to reach a wider audience and provide information about products and events.

- **Maintenance and Cleanliness:**

- Ensure the shop, including the display areas and lounge (if applicable), is clean, well-organized, and inviting to customers.
- Regularly inspect and maintain humidors and other equipment to ensure cigars are stored in optimal conditions.
- Adhere to health and safety regulations to provide a safe environment for employees and customers.

- **Financial Management:**

- Track daily sales and expenses to monitor the financial health of the business.

- Prepare and review financial reports regularly to identify trends, manage budgets, and plan for future investments.
- Manage payroll, vendor payments, and other financial obligations in a timely manner.
- **Compliance:**
 - Stay informed about and comply with local, state, and federal regulations related to tobacco sales and business operations.
 - Ensure all employees are of legal age to sell tobacco products and trained on laws regarding the sale to minors and ID verification processes.
 - Obtain and renew necessary licenses and permits to operate legally.
- **Community Engagement:**
 - Participate in local events and collaborations with other businesses to increase brand visibility and community involvement.
 - Support local charities or host events to strengthen community ties and promote a positive business image.
 - Encourage customer engagement through social media, events, and in-store experiences to build a loyal customer base.

Milestones

Cigar Emporium expects to complete the following milestones in the coming months in order to ensure its success:

- **Secure a Prime Location:** Identify and lease a storefront in a high-traffic area within Augusta-Richmond County, GA, that is accessible and appealing to our target demographic. This location should also comply with local zoning laws for tobacco sales.
- **Obtain Licenses and Permits:** Successfully apply for and receive all necessary licenses and permits required to legally sell cigars and tobacco products in Georgia, including a tobacco license, business license, and any other local permits required for operation.
- **Build Out and Design the Shop:** Complete the interior design and build-out of the Cigar Emporium, ensuring a comfortable, inviting atmosphere that appeals to cigar aficionados. This includes purchasing display cases, humidors, seating, and decor.
- **Establish Relationships with Suppliers:** Negotiate and secure contracts with premium cigar and tobacco product suppliers to ensure a diverse and high-quality inventory. This also involves setting up a reliable supply chain that can adapt to changing inventory needs.
- **Launch Marketing and Branding Campaigns:** Develop and launch a comprehensive marketing campaign to build brand awareness and attract customers. This includes digital marketing, social media presence, local advertising, and potentially hosting a launch event.
- **Hire and Train Staff:** Recruit, hire, and train knowledgeable and customer-friendly staff who are passionate about cigars. Training should focus on product knowledge, customer service, and

compliance with local laws regarding tobacco sales.

- **Launch Our Cigar Shop:** Officially open Cigar Emporium to the public, ensuring that all products, staff, and operational elements are in place for a successful launch.
- **Develop a Loyal Customer Base:** Implement loyalty programs, customer appreciation events, and other strategies to retain customers and build a strong, loyal community around the shop.
- **Monitor and Adjust Operations Based on Feedback and Sales Data:** Regularly review customer feedback, sales data, and operational efficiency to make necessary adjustments to inventory, marketing strategies, and customer service practices.
- **Get to \$15,000/month in Revenue:** Focus on achieving a monthly sales milestone of \$15,000, which may involve expanding product lines, hosting events, or increasing marketing efforts to boost sales and ensure profitability.

VIII. Management Team

Our management team has the experience and expertise to successfully execute on our business plan.

Management Team Members

Cigar Emporium management team, which includes the following members, has the experience and expertise to successfully execute on our business plan:

Mateo Wilson, CEO

Mateo Wilson, CEO, brings a wealth of experience to Cigar Emporium, underscored by a proven track record in the cigar industry. His journey began with the successful management of a local cigar shop, where he demonstrated a keen understanding of the market, customer preferences, and the intricacies of managing a specialty retail operation. Mateo's leadership at this establishment not only led to significant growth in revenue but also established the shop as a go-to destination for aficionados in the area. His expertise in selecting the finest cigars, coupled with his knack for creating an inviting atmosphere for clients, underpins his ability to steer Cigar Emporium towards becoming a market leader. Mateo's entrepreneurial spirit, combined with his in-depth knowledge of the cigar business, makes him exceptionally qualified to guide Cigar Emporium in achieving lasting success and building a loyal customer base.

IX. Financial Plan

Summary

Below is an overview of our expected financial performance over the next five years:

	FY 1	FY 2	FY 3	FY 4	FY 5
Revenues	\$2,473,311	\$2,678,176	\$2,900,009	\$3,140,218	\$3,400,323
Direct Expenses	\$1,039,284	\$1,092,231	\$1,147,875	\$1,206,354	\$1,267,812
Gross Profit	\$1,434,026	\$1,585,944	\$1,752,134	\$1,933,863	\$2,132,510
Gross Profit (%)	58%	59.2%	60.4%	61.6%	62.7%
Other Expenses	\$97,085	\$100,030	\$103,065	\$106,192	\$109,414
EBITDA	\$1,336,941	\$1,485,913	\$1,649,068	\$1,827,670	\$2,023,095
Depreciation	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400
Amortization	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$10,300	\$10,300	\$10,300	\$10,300	\$10,300
Income Tax Expense	\$461,384	\$513,524	\$570,628	\$633,139	\$701,538
Net Income	\$856,856	\$953,688	\$1,059,739	\$1,175,831	\$1,302,857

Funding Requirements/Use of Funds

To accomplish our growth goals, Cigar Emporium needs \$103,000 in funding. Key uses of this funding will be as follows:

Capital Investments	
Location Buildout	\$20,000
Furniture	\$5,000
Equipment	\$10,000
Machines	\$5,000
Computers and Software	\$2,000

Non Capital Investments	
Working Capital	\$20,000
Initial Rent/Lease (3 months)	\$3,000
Staff Salaries (First 3 Months)	\$30,000
Initial Marketing and Advertising	\$5,000
Supplies	\$2,000
Insurance	\$1,000

Financial Projections



5 Year Annual Income Statement

		FY 1	FY 2	FY 3	FY 4	FY 5
Revenues						
	Revenues	\$2,473,311	\$2,678,176	\$2,900,009	\$3,140,218	\$3,400,323
Total Revenues		\$2,473,311	\$2,678,176	\$2,900,009	\$3,140,218	\$3,400,323
Direct Costs						
	Direct Costs	\$1,039,284	\$1,092,231	\$1,147,875	\$1,206,354	\$1,267,812
Total Direct Costs		\$1,039,284	\$1,092,231	\$1,147,875	\$1,206,354	\$1,267,812
GROSS PROFIT		\$1,434,026	\$1,585,944	\$1,752,134	\$1,933,863	\$2,132,510
GROSS PROFIT %		58%	59.2%	60.4%	61.6%	62.7%
Other Expenses						
	Salaries	\$72,814	\$75,023	\$77,299	\$79,644	\$82,060
	Marketing Expenses	\$6,067	\$6,251	\$6,441	\$6,637	\$6,838
	Rent/Utility Expenses	\$6,067	\$6,251	\$6,441	\$6,637	\$6,838
	Other Expenses	\$12,135	\$12,503	\$12,883	\$13,274	\$13,676
Total Other Expenses		\$97,085	\$100,030	\$103,065	\$106,192	\$109,414
EBITDA		\$1,336,941	\$1,485,913	\$1,649,068	\$1,827,670	\$2,023,095
	Depreciation	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400
	Amortization	\$0	\$0	\$0	\$0	\$0
EBIT		\$1,328,541	\$1,477,513	\$1,640,668	\$1,819,270	\$2,014,695
	Interest Expense	\$10,300	\$10,300	\$10,300	\$10,300	\$10,300
PRETAX INCOME		\$1,318,241	\$1,467,213	\$1,630,368	\$1,808,970	\$2,004,395
	Net Operating Loss	\$0	\$0	\$0	\$0	\$0
	Use of Net Operating Loss	\$0	\$0	\$0	\$0	\$0
	Taxable Income	\$1,318,241	\$1,467,213	\$1,630,368	\$1,808,970	\$2,004,395
	Income Tax Expense	\$461,384	\$513,524	\$570,628	\$633,139	\$701,538
NET INCOME		\$856,856	\$953,688	\$1,059,739	\$1,175,831	\$1,302,857
	Net Profit Margin (%)	34.6%	35.6%	36.5%	37.4%	38.3%

5 Year Annual Balance Sheet

		FY 1	FY 2	FY 3	FY 4	FY 5
ASSETS						
	Cash	\$810,365	\$1,759,612	\$2,813,690	\$3,988,410	\$5,180,382
	Other Current Assets	\$212,300	\$229,884	\$248,926	\$261,684	\$283,360
	Total Current Assets	\$1,022,665	\$1,989,497	\$3,062,616	\$4,250,095	\$5,463,742
	Intangible Assets	\$0	\$0	\$0	\$0	\$0
	Acc Amortization	\$0	\$0	\$0	\$0	\$0
	Net Intangibles	\$0	\$0	\$0	\$0	\$0
	Fixed Assets	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000
	Accum Depreciation	\$8,400	\$16,800	\$25,200	\$33,600	\$42,000
	Net fixed assets	\$33,600	\$25,200	\$16,800	\$8,400	\$0
	Preliminary Exp	\$0	\$0	\$0	\$0	\$0
TOTAL ASSETS		\$1,056,265	\$2,014,697	\$3,079,416	\$4,258,495	\$5,463,742
LIABILITIES & EQUITY						
	Current Liabilities	\$96,408	\$101,151	\$106,131	\$109,378	\$114,768
	Debt outstanding	\$103,000	\$103,000	\$103,000	\$103,000	\$0
	Total Liabilities	\$199,408	\$204,151	\$209,131	\$212,378	\$114,768
	Share Capital	\$0	\$0	\$0	\$0	\$0
	Retained earnings	\$856,856	\$1,810,545	\$2,870,285	\$4,046,116	\$5,348,973
	Total Equity	\$856,856	\$1,810,545	\$2,870,285	\$4,046,116	\$5,348,973
TOTAL LIABILITIES & EQUITY		\$1,056,265	\$2,014,697	\$3,079,416	\$4,258,495	\$5,463,742

5 Year Annual Cash Flow Statement

		FY 1	FY 2	FY 3	FY 4	FY 5
CASH FLOW FROM OPERATIONS						
	Net Income (Loss)	\$856,856	\$953,688	\$1,059,739	\$1,175,831	\$1,302,857
	Change in Working Capital	(\$115,891)	(\$12,841)	(\$14,061)	(\$9,510)	(\$16,285)
	Plus Depreciation	\$8,400	\$8,400	\$8,400	\$8,400	\$8,400
	Plus Amortization	\$0	\$0	\$0	\$0	\$0
	Net Cash Flow from Operations	\$749,365	\$949,247	\$1,054,077	\$1,174,720	\$1,294,971
CASH FLOW FROM INVESTMENTS						
	Fixed Assets	(\$42,000)	\$0	\$0	\$0	\$0
	Intangible Assets	\$0	\$0	\$0	\$0	\$0
	Net Cash Flow from Investments	(\$42,000)	\$0	\$0	\$0	\$0
CASH FLOW FROM FINANCING						
	Cash from Equity	\$0	\$0	\$0	\$0	\$0
	Cash from Debt financing	\$103,000	\$0	\$0	\$0	(\$103,000)
	Net Cash Flow from Financing	\$103,000	\$0	\$0	\$0	(\$103,000)
	Net Cash Flow	\$810,365	\$949,247	\$1,054,077	\$1,174,720	\$1,191,971
	Cash at Beginning of Period	\$0	\$810,365	\$1,759,612	\$2,813,690	\$3,988,410
		\$810,365	\$1,759,612	\$2,813,690	\$3,988,410	\$5,180,382

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