



Magic City Battlegrounds

COMPETE. EAT. SHOP

Compete.





Shop.



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Business plan by: Jared A. Frerichs

Executive Summary

Magic City Battlegrounds is an innovative entertainment venue set to launch in Billings, Montana, offering a unique blend of competitive gaming, retail, and dining experiences. Our mission is to create a vibrant hub for gamers, food enthusiasts, and entertainment seekers, providing a one-stop destination for social interaction, competition, and leisure.

Business Concept: Our venue will feature state-of-the-art gaming stations for individual and group play, host regular esports tournaments, and offer a curated retail space for gaming merchandise and accessories. Complementing these services, our in-house restaurant will serve gourmet comfort food and beverages, catering to both gamers and general diners.

Market Opportunity: With the rising popularity of esports and a growing demand for unique social experiences, Magic City Battlegrounds is positioned to capture a significant market share in Billings. Our target demographic includes gamers aged 16-35, families seeking entertainment options, and young professionals looking for after-work social venues.

Competitive Advantage: Our key differentiators include:

1. Comprehensive entertainment experience combining gaming, retail, and dining
2. Focus on community building through regular events and tournaments
3. High-quality food and beverage offerings that appeal beyond the gaming community
4. Knowledgeable staff providing excellent customer service across all business segments

Financial Projections: We project first-year revenues of \$750,000, growing to \$1.5 million by year three. Profitability is expected by the end of the second year of operations. The business requires an initial investment of \$360,000, including \$350,000 in external funding and \$10,000 contributed by owner Jared A. Frerichs.

Management Team: Led by founder Jared A. Frerichs, our management team brings together expertise in gaming, hospitality, and retail management. We are committed to creating a successful and sustainable business that becomes a cornerstone of the Billings entertainment scene.

Future Growth: Our long-term vision includes expanding our online presence, potentially franchising the concept to other mid-sized cities, and continuously evolving our offerings to stay ahead of gaming and entertainment trends.

Magic City Battlegrounds represents an exciting opportunity to tap into the growing gaming and experiential entertainment markets while providing a unique social hub for the Billings community. We are poised to become the premier destination for gaming enthusiasts and entertainment seekers in the region.

Company Description

Legal Structure

Member-managed Limited Liability Corporation

Mission Statement

Magic City Battlegrounds is dedicated to fostering a vibrant, competitive community through an immersive entertainment experience that combines exceptional dining, retail, and gaming. We strive to create an electrifying atmosphere where passion, skill, and camaraderie converge, empowering individuals to challenge themselves and connect with like-minded enthusiasts in the heart of our city.

Vision

Magic City Battlegrounds envisions a world where every major city, from Billings to Boston to Baghdad, hosts a premier entertainment destination that unites competitive gaming, exceptional dining, and cutting-edge retail. We aim to become the global leader in immersive gaming experiences, fostering vibrant communities and pushing the boundaries of interactive entertainment across cultures and continents.

Key Management Personnel

Chef

Event Coordinator

Retail Manager

Product/Service Description

Magic City Battlegrounds offers a comprehensive gaming experience with the following key features:

1. **Gaming Space:** Our facility boasts dedicated play areas designed to accommodate a wide variety of tabletop games, historical martial arts, and electronic sports providing the perfect environment for both casual and competitive play.
2. **Sanctioned Tournaments:** We host regular, officially sanctioned tournaments for popular games, attracting competitive players and fostering a thriving gaming community.
3. **Open Gaming:** Casual gamers and groups are welcome to enjoy our open play areas, perfect for impromptu gaming sessions or trying out new titles.
4. **Retail Store:** Our on-site store offers a carefully curated selection of electronics, swords, armor, games, miniatures, accessories, and branded apparel, catering to both newcomers and seasoned competitors.
5. **High-End Amenities:** We elevate the gaming experience with comfortable seating, private rooms, themed décor, and convenient food and beverage services, ensuring a pleasant and immersive atmosphere for all patrons.

This combination of features positions Magic City Battlegrounds as a premier destination for gaming enthusiasts, offering a unique blend of competitive play, casual gaming, retail, and hospitality.

Value Proposition

Magic City Battlegrounds offers a unique, all-encompassing gaming experience that combines competitive play, casual gaming, retail, and hospitality. We solve multiple pain points for our target audience:

1. Community and Social Interaction: Problem: Gamers often struggle to find like-minded individuals and a sense of community. Solution: Our dedicated gaming spaces and regular tournaments foster a vibrant community where players can connect, compete, and form lasting relationships.
2. Accessibility to Gaming: Problem: Many potential players lack access to a wide variety of games or proper gaming spaces. Solution: Our open gaming areas and extensive retail store provide easy access to diverse gaming options, allowing customers to try before they buy and enjoy games without significant upfront investment.
3. Competitive Outlet: Problem: Serious gamers seek legitimate competitive environments. Solution: Our sanctioned tournaments offer a professional, fair platform for competition, attracting skilled players and providing opportunities for growth and recognition.
4. Quality Gaming Environment: Problem: Home setups or typical game stores often lack comfort or proper gaming amenities. Solution: Our high-end amenities, including comfortable seating, themed décor, and food and beverage services, create an optimal gaming environment that enhances the overall experience.
5. One-Stop Gaming Destination: Problem: Gamers often need to visit multiple locations for playing, shopping, and socializing. Solution: Magic City Battlegrounds consolidates all gaming needs under one roof, offering play spaces, retail, tournaments, and social areas in a single, convenient location.
6. Elevated Gaming Experience: Problem: Gaming can be perceived as a solitary or low-key activity. Solution: We transform gaming into a premier entertainment experience, comparable to other high-end leisure activities, making it more attractive to a broader audience.

7. Skill Development: Problem: Players may struggle to improve their skills or learn new games. Solution: Our community-focused environment, along with tournaments and open gaming, provides opportunities for learning, skill development, and mastery across various game systems.

By addressing these key customer pain points, Magic City Battlegrounds positions itself as more than just a gaming venue. We're a comprehensive solution for the gaming community's needs, offering an unparalleled blend of competition, casual play, retail, and socializing in a premium environment.

This value proposition not only highlights the unique aspects of our business but also demonstrates a deep understanding of our target market's needs and desires. It sets Magic City Battlegrounds apart as a pioneering concept in the gaming and entertainment industry, with potential for global appeal through our franchising vision.

Competitive Advantage

Magic City Battlegrounds boasts several key competitive advantages that position it as a leader in the gaming entertainment industry. Our primary strength lies in our comprehensive approach, offering a unique blend of competitive gaming, casual play, retail, and hospitality all under one roof. This integrated model creates a synergistic environment that caters to a wide range of gaming enthusiasts, from casual players to serious competitors.

Our commitment to hosting sanctioned tournaments sets us apart, attracting skilled players and establishing our venues as hubs for competitive gaming. This not only drives foot traffic but also enhances our reputation within the gaming community. The high-end amenities we provide, including comfortable seating, themed décor, and quality food and beverage services, elevate the gaming experience beyond what traditional game stores or home setups can offer. This premium environment appeals to a broader demographic, potentially attracting customers who might not typically engage with gaming venues.

Our curated retail selection complements our gaming spaces, allowing customers to seamlessly transition from trying games to purchasing them. This convenience, coupled with expert staff who can provide advice and insights, creates a superior shopping experience. The community-focused design of our spaces fosters social interaction and relationship-building among patrons, addressing the often-overlooked social needs of gamers.

Furthermore, our vision for global franchising from Billings to Boston to Baghdad demonstrates our ambition and scalability. This expansion plan not only provides growth opportunities but also allows us to create a worldwide network of gaming communities, potentially leading to international tournaments and events. The combination of local community building and global reach gives Magic City Battlegrounds a unique position in the market.

Lastly, our diverse management team, including experienced professionals in culinary arts, event coordination, and retail management, ensures that each aspect of our business is overseen by industry experts. This multifaceted expertise allows us to maintain high standards across all our offerings, further distinguishing us from competitors who may excel in one area but fall short in others. These competitive advantages collectively position Magic City Battlegrounds as a pioneering and comprehensive solution for the gaming community's diverse needs.

Market Analysis

Industry Overview

1. Competitive Electronic Gaming (Esports):

Size: The global esports market has seen substantial growth, with revenues estimated to exceed \$1.5 billion in 2024. The audience for esports has expanded significantly, with global viewership surpassing 500 million.

Growth Rate: The industry has been growing at a compound annual growth rate (CAGR) of around 15-20% in recent years, with projections suggesting continued strong growth through the latter half of the 2020s.

Market Trends:

- Increased mainstream acceptance and recognition of esports as a legitimate sport
- Growing involvement from traditional sports organizations and celebrities
- Rise of mobile esports, particularly in Asia
- Expansion of esports betting markets
- Integration of virtual and augmented reality technologies
- Increasing focus on diversity and inclusion initiatives

2. Tabletop War Gaming:

Size: While smaller than the video game market, tabletop gaming has seen a resurgence. The global board games market, which includes war gaming, was valued at over \$15 billion in 2023.

Growth Rate: The tabletop gaming market has been growing at a CAGR of 7-10% in recent years, with war gaming being a significant contributor to this growth.

Market Trends:

- Integration of digital elements into traditional tabletop games
- Rise of crowdfunding platforms for new game development
- Increased focus on narrative-driven and legacy games
- Growing popularity of miniature painting and customization
- Expansion of organized play and tournament circuits
- Emphasis on more inclusive themes and representation in game design

3. Buhurt (Medieval Combat Sport):

Size: Buhurt remains a niche sport, but it has been growing in popularity. While exact market size is difficult to determine due to its specialized nature, the number of participants and events has been steadily increasing.

Growth Rate: Although specific figures are not widely available, anecdotal evidence suggests strong year-over-year growth in terms of participants and spectators.

Market Trends:

- Increasing international recognition and standardization of rules
- Growing number of national and international tournaments
- Rising interest in historical European martial arts (HEMA) contributing to Buhurt's popularity
- Improved safety equipment and practices enhancing the sport's accessibility
- Increasing media coverage and documentary features
- Cross-pollination with other historical reenactment communities

Overall Market Impact:

The growth in these sectors reflects a broader trend of increasing interest in immersive, community-driven entertainment experiences. This trend aligns well with Magic City Battlegrounds' business model, which combines elements of all these sectors under one roof.

The COVID-19 pandemic initially disrupted in-person gaming events but also drove increased interest in gaming as a form of entertainment and social connection. As restrictions have eased, there has been a strong resurgence in demand for in-person gaming experiences, benefiting businesses that can offer safe, engaging environments for these activities.

The overlap between these markets – particularly between video gaming and tabletop gaming – presents opportunities for businesses that can cater to multiple gaming communities. The rising popularity of streaming and content creation around gaming

activities also offers potential additional revenue streams and marketing channels for gaming-focused businesses.

Target Market Segmentation

Billings, Montana's largest city, has a median age of approximately 37 years, slightly below the national average. The gender distribution is nearly even, with women comprising about 51% of the population and men 49%. The median household income falls in the range of \$60,000 to \$65,000 annually, aligning closely with the national median. Educationally, Billings boasts a well-educated populace, with 93% of residents holding at least a high school diploma and about 30% possessing a bachelor's degree or higher.

Market Segmentation Analysis for Billings:

1. Young Professionals (25-40): This segment includes college graduates and those establishing careers. They have disposable income and are likely to seek social entertainment options.
2. Families (30-50): Parents with children who are looking for family-friendly activities and educational entertainment.
3. College Students: With Montana State University Billings and Rocky Mountain College in the area, there's a significant student population seeking affordable entertainment and social spaces.
4. Blue-Collar Workers: Given the mix of industries in Billings, there's a substantial blue-collar workforce looking for relaxation and entertainment after work.
5. Retirees: While Billings skews younger, there's still a retiree population that may be interested in brain-stimulating activities and social interaction.
6. Gaming Enthusiasts: A niche but passionate group spanning various age ranges, interested in both electronic and tabletop gaming.

How Magic City Battlegrounds Caters to its Target Demographic:

Magic City Battlegrounds is well-positioned to cater to several key segments in Billings. The venue's diverse offerings appeal particularly to young professionals and college students, who are likely to be interested in both electronic and tabletop gaming. The social aspect of the business, including tournaments and open gaming areas, addresses the desire for community and interaction among these groups. For families, Magic City Battlegrounds can offer educational gaming experiences and family-friendly events, tapping into the well-educated population's interest in intellectual pursuits. The high-end amenities and food services cater to those with disposable income, particularly young professionals and established families. The retail component appeals to gaming enthusiasts across age groups, providing a local source for their hobby needs. By offering various price points and experiences, from casual open gaming to competitive tournaments, Magic City Battlegrounds can attract both blue-collar workers looking for affordable entertainment and higher-income individuals seeking premium experiences. The venue's multifaceted nature allows it to be a versatile entertainment option in Billings, capable of attracting a wide swath of the local demographic while particularly excelling with younger, socially-oriented, and gaming-interested segments of the population.

Competitor Analysis

In the Electronic Sports sector, Billings has a few key players. The local GameStop store likely hosts some gaming events and sells gaming equipment. Montana State University Billings may have an esports program or gaming club that organizes competitions. Additionally, there might be internet cafes or small-scale gaming centers that offer spaces for competitive gaming. However, there doesn't appear to be a major dedicated esports venue in the city.

For tabletop gaming, the main competitors are likely to be local game stores. Stores such as Splash Page Comics & Games and Dragon Egg Games are known to host tabletop gaming events and sell related products. These venues typically offer space for casual play and may organize small tournaments. Libraries and community centers in

Billings might also host board game nights or similar events, providing indirect competition.

Regarding Buhurt, this medieval combat sport is quite niche, and organized competitions in Billings are likely limited. There may be historical reenactment groups or martial arts clubs in the area that practice similar activities, but they probably don't constitute direct competition. The Montana Renaissance Festival, while not located in Billings, might feature Buhurt-like activities and attract enthusiasts from the region.

It's worth noting that Magic City Battlegrounds' unique combination of electronic sports, tabletop gaming, and potentially Buhurt-related activities under one roof, along with retail and dining options, likely sets it apart from these existing competitors. The business appears to be creating a new category of entertainment venue in Billings, potentially filling a gap in the market for a comprehensive gaming and combat sports destination. However, for the most accurate competitive analysis, it would be advisable to conduct on-the-ground research in Billings to identify any recent additions to the competitive landscape.

Marketing and Pricing Strategy

1. Community-Centric Approach:

- Host regular community events, such as game nights, tournaments, and meet-ups, to foster a sense of belonging among local gamers.
- Collaborate with local colleges (Montana State University Billings and Rocky Mountain College) to organize inter-college gaming tournaments and offer student discounts.
- Engage with local gaming clubs and hobby groups to build relationships and attract enthusiasts.

2. Digital Marketing:

- Develop a strong social media presence on platforms popular with gamers, such as Twitch, Discord, Instagram, and TikTok.

- Create engaging content including game tutorials, staff picks, and behind-the-scenes looks at tournaments and events.
 - Utilize targeted social media advertising to reach gaming enthusiasts in the Billings area.
 - Implement an email marketing campaign to keep customers informed about upcoming events, new game releases, and special promotions.
3. Influencer Partnerships:
- Collaborate with local gaming influencers and streamers to promote Magic City Battlegrounds.
 - Invite regional or national gaming personalities for special events or tournaments to attract a wider audience.
4. Cross-Promotion:
- Partner with local businesses, particularly those catering to young professionals and families, for cross-promotional opportunities.
 - Offer package deals combining gaming experiences with local attractions or restaurants to appeal to tourists and locals alike.
5. Loyalty Program:
- Implement a tiered loyalty program rewarding frequent visitors with perks such as discounts, early access to new games, or exclusive event invitations.
6. Educational Workshops:
- Organize workshops and classes on various gaming topics, appealing to both beginners and experienced players.
 - Host "Learn to Play" sessions for popular games to attract new customers and expand the local gaming community.
7. Family-Focused Events:
- Create family game nights and parent-child tournaments to appeal to the family demographic in Billings.
 - Develop age-appropriate gaming packages for birthday parties and group events.
8. Corporate Packages:

- Offer team-building packages for local businesses, leveraging gaming as a unique corporate event option.
9. Local Media Engagement:
- Cultivate relationships with local media outlets for coverage of major tournaments and events.
 - Contribute expert gaming articles or segments to local publications and radio shows.
10. Seasonal Promotions:
- Align promotions with local events, holidays, and the academic calendar to maximize relevance and appeal.
11. In-Store Experience:
- Train staff to provide exceptional customer service and knowledgeable game recommendations.
 - Create an welcoming atmosphere for newcomers while maintaining an exciting environment for experienced gamers.
12. Online Sales Channel:
- Develop an e-commerce platform for the retail component, allowing local customers to browse and purchase games for in-store pickup or local delivery.

Sales Approach:

- Emphasize the unique, all-in-one nature of Magic City Battlegrounds, highlighting how it fills a gap in Billings' entertainment landscape.
- Train staff to upsell by recommending complementary products or services (e.g., suggesting a meal package with a gaming session).
- Implement a consultative sales approach in the retail section, helping customers find the perfect games based on their interests and skill levels.
- Offer flexible pricing options, including pay-per-play, hourly rates, and membership plans to cater to different customer preferences and budgets.

By implementing these strategies, Magic City Battlegrounds can effectively reach and engage its target audience in Billings, building a loyal customer base and establishing itself as the premier gaming destination in the area. This approach leverages the city's demographic profile, addresses the needs of various market segments, and capitalizes on the unique positioning of the business in the local entertainment landscape.

Market Entry Strategy

Regulatory requirements present a significant hurdle. The business will need to navigate local zoning laws to ensure its mixed-use concept (gaming, retail, and food service) is permissible in its chosen location. Obtaining the necessary licenses for food and beverage service, as well as any special permits required for hosting large events or tournaments, will be crucial. If alcohol is to be served, acquiring and maintaining a liquor license adds another layer of complexity and cost. Additionally, ensuring compliance with gaming regulations, particularly for any cash prize tournaments, will be essential to avoid legal issues.

Competition, while not overwhelming in Billings, still poses a challenge. Existing game stores, bars, and entertainment venues may not offer the exact same services, but they compete for the same discretionary spending. Magic City Battlegrounds will need to clearly differentiate itself and prove its value proposition to attract customers away from established alternatives. The business may also face competition from home gaming setups and online gaming platforms, which have become increasingly sophisticated.

Cultural differences and local preferences could present another barrier. Billings, as a mid-sized city in Montana, may have different entertainment preferences compared to larger urban areas where similar gaming concepts have found success. The business will need to adapt its offerings to suit local tastes and interests, which may differ from national gaming trends. Additionally, educating the local market about the concept of a comprehensive gaming venue and its value may require significant effort and resources.

Financial barriers are also significant. The initial capital investment required to create a high-end gaming space with quality equipment, comfortable amenities, and a well-

stocked retail section is substantial. Securing funding in a smaller market like Billings may be challenging, especially for a novel business concept. The business will need to demonstrate a clear path to profitability to attract investors or secure loans.

Staffing could present another challenge. Finding employees with the right mix of gaming knowledge, customer service skills, and technical abilities may be difficult in a smaller labor market. Training and retaining staff to maintain the high-quality experience the business aims to provide will be crucial.

Technological barriers must also be considered. Maintaining cutting-edge gaming equipment and ensuring robust, high-speed internet connectivity for online gaming and tournaments can be complex and costly, especially in a location that may not have the same level of technological infrastructure as larger cities.

Seasonality and economic fluctuations in Billings could impact the business. With harsh winters potentially affecting foot traffic and the local economy's ties to industries like agriculture and energy, Magic City Battlegrounds may face periods of reduced customer activity.

Lastly, building and maintaining a community around the business will be challenging but essential. Creating a welcoming environment for all skill levels and interests, while also catering to serious competitors, requires a delicate balance. Fostering a sense of community and loyalty among customers in a smaller market will be crucial for long-term success.

Addressing these barriers will require careful planning, local market research, community engagement, and potentially a phased approach to implementation. However, if navigated successfully, these challenges also represent opportunities for Magic City Battlegrounds to establish itself as a unique and valuable addition to Billings' entertainment landscape.

Organization and Management

Ownership and Management Team

The Event Coordinator is responsible for planning, organizing, and executing a diverse range of gaming events and tournaments that form the core of Magic City Battlegrounds' community engagement strategy. This role involves creating a dynamic event calendar that caters to various gaming interests, from electronic sports to tabletop games and potentially Buhurt-related activities. The Event Coordinator will work closely with game publishers, local gaming groups, and national organizations to organize sanctioned tournaments, attracting competitive players and elevating the venue's reputation. They will also develop casual gaming events and workshops to engage a broader audience, including families and newcomers to gaming. Their expertise in event management will be crucial in ensuring that each event runs smoothly, enhances customer experience, and contributes to building a vibrant gaming community in Billings.

The Retail Manager oversees the crucial retail component of Magic City Battlegrounds, which serves as both a revenue stream and a means to support the gaming community. Their responsibilities include curating a diverse and appealing selection of games, accessories, and merchandise that caters to the varied interests of the customer base. The Retail Manager will need to stay abreast of gaming trends, manage inventory efficiently, and develop pricing strategies that balance profitability with customer value. They will also train staff to provide knowledgeable recommendations and excellent customer service, enhancing the overall shopping experience. Additionally, the Retail Manager will be instrumental in developing cross-promotional strategies that integrate the retail offerings with gaming events and the venue's other services, maximizing sales opportunities and customer engagement.

The Chef plays a pivotal role in differentiating Magic City Battlegrounds from typical gaming venues by elevating the food and beverage offerings to create a comprehensive entertainment experience. Their responsibilities include developing a menu that not only complements the gaming atmosphere but also stands on its own as a draw for customers. The Chef will need to create offerings that cater to various dietary needs and preferences, potentially incorporating themed dishes that align with popular games or events. They will oversee kitchen operations, ensure food quality and safety

standards are met, and manage food costs to maintain profitability. The Chef's expertise will be crucial in creating a dining experience that enhances customer satisfaction, encourages longer visits, and contributes significantly to the venue's overall revenue.

These key roles work synergistically to create a cohesive and exceptional experience at Magic City Battlegrounds. The Event Coordinator drives community engagement and foot traffic, the Retail Manager ensures customers have access to the latest gaming products and memorabilia, while the Chef provides the sustenance and additional sensory enjoyment that transforms gaming sessions into comprehensive entertainment experiences. Their combined efforts are essential in establishing Magic City Battlegrounds as a premier gaming destination in Billings and beyond.

Operations Plan

Physical Facilities

The 3000 square foot space will be efficiently divided to accommodate various functions essential to Magic City Battlegrounds' operations. The largest portion will be dedicated to the gaming areas, which will include spaces for historical martial arts, electronic and tabletop gaming. This area will feature a mix of comfortable seating arrangements, gaming tables, and dedicated stations for electronic gaming. A separate section will be allocated for tournament play, with a slightly elevated platform for featured matches. The retail section will occupy a significant portion of the space, showcasing a wide range of games, accessories, and merchandise. A compact but well-equipped kitchen will be installed to support the food and beverage service, along with a bar area for drink preparation and service. A small office space will be incorporated for administrative tasks and staff operations. The layout will also include restroom facilities and storage areas for equipment and inventory.

In terms of equipment and technology, Magic City Battlegrounds will require a substantial investment to create a state-of-the-art gaming environment. For the electronic gaming section, high-performance gaming PCs and consoles (such as the latest PlayStation and Xbox systems) will be necessary, along with high-resolution

monitors and comfortable gaming chairs. A robust, high-speed internet connection with professional-grade routers and switches will be crucial to support online gaming and streaming. For tabletop gaming, a variety of gaming tables, including some with built-in digital features, will be required. The space will also need a high-quality sound system and large display screens for tournaments and events.

The retail section will need display shelving, glass cases for valuable items, and a point-of-sale system. For the food service area, commercial-grade kitchen equipment including ovens, grills, refrigerators, and food prep stations will be necessary. The bar area will require appropriate equipment for beverage preparation and storage.

Throughout the space, a sophisticated lighting system will be installed to create the right ambiance and to highlight different areas effectively. Security cameras and an alarm system will be implemented to protect the valuable equipment and merchandise. An inventory management system will be crucial for tracking retail stock and gaming equipment.

For events and tournaments, portable staging equipment, additional seating, and professional-grade streaming equipment (cameras, mixers, encoding hardware) will be necessary. A central control system for managing the various technology components throughout the space will help streamline operations.

This comprehensive setup within the 3000 square foot space will allow Magic City Battlegrounds to offer a full range of services to its patrons, from casual gaming to competitive tournaments, retail shopping, and dining, all within a technologically advanced and comfortable environment.

Production or Service Delivery Process

Magic City Battlegrounds' operational process revolves around creating a seamless, immersive gaming experience for patrons. This process begins with customer entry and extends through gaming sessions, retail interactions, food and beverage service, and event participation. Each step is designed to enhance the overall customer experience,

foster community engagement, and drive business growth. The process involves careful coordination between different areas of the business, including the gaming spaces, retail section, food service, and event management. Staff training and customer service play crucial roles throughout, ensuring that patrons receive knowledgeable assistance and a high-quality experience at every touchpoint.

Key operational steps:

1. Customer Entry and Orientation: • Greet customers and assess their needs (casual gaming, tournament participation, retail shopping, etc.) • Provide an overview of available services and current events • Guide new customers through membership options or day-pass procedures • Conduct a brief orientation for first-time visitors, explaining the layout and available amenities
2. Gaming Space Allocation and Setup: • Assign appropriate gaming spaces based on customer preferences (electronic gaming, tabletop, casual or competitive) • Ensure all necessary equipment is set up and functioning correctly • Provide any required game materials, rulebooks, or accessories • Assist with game selection and rules explanation if needed
3. Retail Service: • Maintain an organized and appealing display of games, accessories, and merchandise • Provide knowledgeable recommendations to customers based on their interests and skill levels • Process sales transactions efficiently • Manage inventory and restock popular items regularly
4. Food and Beverage Service: • Take and prepare food and drink orders • Deliver orders to customers in gaming areas without disrupting gameplay • Maintain cleanliness and adhere to food safety standards • Offer themed menu items that complement the gaming experience
5. Tournament and Event Management: • Set up tournament areas with necessary equipment and seating • Register participants and organize brackets or game rotations • Officiate matches and resolve any disputes • Manage live streaming equipment for online viewers • Coordinate prize distribution and recognition of winners

6. Community Building and Engagement: • Facilitate introductions between gamers with similar interests • Organize and promote regular community events (game nights, learning sessions, etc.) • Maintain communication with customers through social media and email newsletters • Gather feedback and implement improvements based on customer suggestions
7. Maintenance and Upkeep: • Regularly clean and sanitize gaming equipment, tables, and common areas • Perform routine checks on electronic equipment and promptly address any technical issues • Update software and games to ensure the latest versions are available • Maintain the aesthetic appeal of the space through regular touch-ups and repairs
8. Closing Procedures: • Assist customers with check-out processes, including any final purchases or membership renewals • Securely store valuable equipment and merchandise • Reconcile daily sales and update inventory records • Prepare the space for the next day's operations

Each of these steps contributes to creating the comprehensive Magic City Battlegrounds experience, ensuring that customers enjoy high-quality gaming, retail, and dining services in a welcoming and well-managed environment.

Supply Chain Management

For gaming equipment and retail stock, Magic City Battlegrounds could partner with major distributors such as Alliance Game Distributors or ACD Distribution for tabletop games, miniatures, and accessories. These distributors offer a wide range of products from various publishers and manufacturers. For electronic gaming equipment, suppliers like CDW or Newegg Business could provide high-performance gaming PCs, consoles, and peripherals. Suppliers such as Ultra PRO or BCW Supplies could be sources for gaming accessories like card sleeves, dice, and storage solutions. To cater to the collectible card game market, distributors like Southern Hobby Supply or GTS Distribution could be valuable partners. For Buhurt and historical combat equipment, specialized suppliers like Medieval Extreme or Forge of Svan might be considered.

Food and beverage supplies could be sourced from local or regional restaurant supply companies. In Montana, companies like Food Services of America or Sysco Montana could be potential partners for bulk ingredients and kitchen supplies. For specialized gaming-themed food items or locally sourced produce, partnering with local farms or specialty food producers in the Billings area could add a unique touch to the menu.

For furniture and fixtures, companies like Game Theory Tables or Game Tables Online could supply gaming-specific tables and chairs. Office and general furniture could be sourced from national suppliers like Wayfair Business or local office supply stores.

Technology needs, including point-of-sale systems and networking equipment, could be met by companies like CDW or Best Buy Business. For event and tournament supplies, companies like Everest Team Events or Trophy Central could provide medals, trophies, and other recognition items.

It's important to note that while these are potential suppliers based on the business needs described, Magic City Battlegrounds should thoroughly research each option, compare prices and terms, and possibly seek local alternatives where available. Building strong relationships with suppliers, especially those providing gaming products, will be crucial for staying current with new releases and potentially securing favorable terms or exclusive products.

Operational Processes

1. Order Processing:

- Point of Sale (POS) system: Square or Toast for restaurants and retail
- Online ordering platform: Shopify for retail, ChowNow for restaurants
- Inventory management: Lightspeed or Revel Systems

2. Customer Service:

- Customer Relationship Management (CRM): Salesforce or HubSpot
- Help desk software: Zendesk or Freshdesk

- Live chat: Intercom or LiveChat
3. Billing and Payments:
- Payment gateway: Stripe or PayPal
 - Invoicing software: QuickBooks or Xero
 - Subscription management: Chargebee or Recurly (for gaming subscriptions)
4. Competitive Gaming Management:
- Tournament organization: Battlefy or Smash.gg
 - Streaming platform: Twitch or YouTube Gaming
 - Game server hosting: AWS GameLift or Google Cloud Game Servers
5. Reservation and Table Management (for restaurant):
- OpenTable or Resy
 - Table management software: TableUp or Eat App
6. Employee Management:
- Scheduling software: When I Work or Deputy
 - Payroll system: ADP or Gusto
 - Time tracking: TSheets or Clockify
7. Marketing and Promotion:
- Email marketing: Mailchimp or Constant Contact
 - Social media management: Hootsuite or Sprout Social
 - Loyalty program: LoyaltyLion or Fivestars
8. Inventory and Supply Chain Management:
- Inventory tracking: TradeGecko or Fishbowl
 - Supplier management: SAP Ariba or Procurify

9. Analytics and Reporting:

- Business intelligence: Tableau or Microsoft Power BI
- Financial reporting: Adaptive Insights or Prophix

10. Security and Compliance:

- Surveillance system: Verkada or Arlo
- PCI compliance: Trustwave or SecurityMetrics

These processes and technologies will help streamline operations, improve customer experience, and enhance overall efficiency in your multi-faceted business. Would you like me to elaborate on any specific area?

Legal and Regulatory Considerations

To establish Magic City Battlegrounds in Billings, Montana, you must navigate various legal and regulatory processes at the local, state, and federal levels. Begin by registering your business with the Montana Secretary of State, selecting an appropriate structure such as an LLC or corporation. Obtain a federal Employer Identification Number (EIN) from the IRS and register for state taxes with the Montana Department of Revenue. For your restaurant operations, secure a food service license from the Yellowstone City-County Health Department, which involves health inspections and ensuring staff have food handler certifications. If you plan to serve alcohol, apply for a liquor license through the Montana Department of Revenue's Liquor Control Division, noting that these licenses can be expensive and limited in availability.

For the retail aspect, acquire a general business license from the City of Billings. You may need additional permits for signage or renovations. The competitive gaming component requires careful consideration of Montana's gambling laws. Consult with the Montana Department of Justice's Gambling Control Division to understand permissible activities and necessary licenses. Comply with federal and state labor laws, including minimum wage requirements, overtime regulations, and OSHA workplace safety

standards. Register with the Montana Department of Labor & Industry for unemployment insurance and workers' compensation insurance.

Ensure your establishment meets local zoning requirements and building codes, potentially requiring certificates of occupancy or special use permits. Consider intellectual property protections for your brand, possibly including trademark registration with the U.S. Patent and Trademark Office. Given the complexity of your business model, it's advisable to consult with a local business attorney and accountant to ensure full compliance with all applicable laws and regulations, as requirements may change or have specific nuances relevant to your unique business combination.

Financial Analysis

Attached

SWOT Analysis

Strengths:

1. Unique business concept combining entertainment, competitive gaming, retail, and dining
2. Diverse revenue streams from multiple business segments
3. Potential for strong customer engagement and loyalty through gaming community
4. Synergy between different business aspects (e.g., gamers can shop and dine on-site)
5. First-mover advantage in Billings for this type of comprehensive gaming entertainment venue

Weaknesses:

1. Complex business model requiring expertise in multiple industries
2. High initial investment costs for equipment, technology, and venue setup

3. Potential for operational inefficiencies due to managing diverse business segments
4. Dependence on technology which may require frequent updates and maintenance
5. Limited experience in some or all of the business segments

Opportunities:

1. Growing popularity of esports and competitive gaming
2. Potential for hosting regional gaming tournaments and events
3. Expansion into online retail and game streaming platforms
4. Partnerships with game developers or esports organizations
5. Development of a franchise model for expansion to other locations

Threats:

1. Rapidly changing gaming trends and technologies
2. Potential new competitors or established businesses expanding into gaming
3. Economic downturns affecting discretionary spending on entertainment and dining
4. Regulatory changes in gaming laws or food service regulations
5. Cybersecurity risks associated with gaming networks and customer data

Funding Request

Magic City Battlegrounds is seeking \$350,000 in initial funding to establish and launch our unique entertainment venue in Billings, Montana. This funding will be allocated as follows:

1. Venue Lease and Renovations: \$150,000
 - Secure and renovate a suitable location to accommodate gaming areas, restaurant, and retail space
2. Equipment and Technology: \$100,000

- Purchase gaming consoles, computers, servers, and networking equipment
 - Install restaurant kitchen equipment and POS systems
- 3. Inventory and Supplies: \$50,000
 - Initial stock for retail store
 - Food and beverage inventory for restaurant
- 4. Marketing and Branding: \$25,000
 - Develop website and social media presence
 - Local advertising and grand opening promotion
- 5. Legal and Licensing Fees: \$15,000
 - Obtain necessary permits and licenses
 - Legal consultation for compliance
- 6. Working Capital: \$10,000
 - Cover initial operational costs and cash flow

In addition to this \$350,000 funding request, Jared A. Frerichs will be contributing \$10,000 at start-up. This personal investment demonstrates the owner's commitment to the project and will be used to cover any unforeseen expenses during the initial setup phase or to supplement the working capital.

The total initial funding of \$360,000 (\$350,000 requested + \$10,000 from Jared A. Frerichs) will provide Magic City Battlegrounds with a solid financial foundation to launch operations, establish our presence in the Billings market, and position ourselves for future growth and success.

We project that this funding will sustain operations until the business becomes cash flow positive, which we anticipate occurring within the first 18 months of operation. Our diverse revenue streams from gaming, retail, and dining operations will contribute to a stable financial outlook and strong potential for return on investment.

Appendix A – Expanded PNL

SOURCES & USES OF FUNDS

SOURCES OF FUNDS

Investment of Cash by Owner (equity)	<u>\$ 10,000</u>
Investment of Non-cash Assets by Owner (lower of market value or cost)	<u> </u>
Bank Loan to Business - Long Term	<u>\$ 350,000</u>
Gap Loan to Business - Long Term	<u> </u>
TOTAL SOURCES OF FUNDS	<u><u>\$ 360,000</u></u>

USES OF FUNDS

Rent (First & Last Month)	<u>\$ 40,000</u>
Equipment	<u>\$ 100,000</u>
Furniture and Fixtures	<u>\$ 100,000</u>
Signage	<u>\$ 5,000</u>
Marketing & Website	<u>\$ 20,000</u>
Inventory	<u>\$ 50,000</u>
Insurance	<u>\$ 600</u>
License and Permits	<u>\$ 1,400</u>
Education & Training	<u>\$ 2,000</u>
Non-cash Assets Contributed by Owner (equipment)	<u> </u>
Working Capital	<u>\$ 10,000</u>
TOTAL USES OF FUNDS	<u><u>\$ 329,000</u></u>



Magic City BattleGrounds
Sales Projections
2025

**Only fill in the BLUE boxes, others will self calculate and flow to another sheet

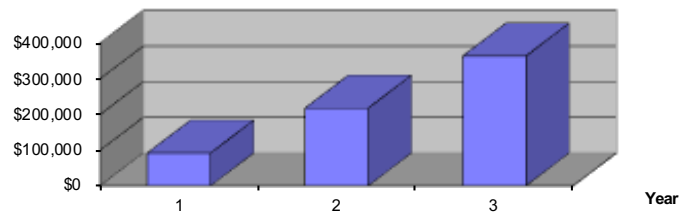
TOTAL SALES GOAL												\$ 1,000,000
5.333%	7.333%	8.333%	9.333%	8.333%	9.333%	9.333%	8.333%	7.333%	8.333%	10.333%	8.333%	100.00%
JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
Percent of Sales Per Month												
Table rental												
Percent of Total Sales	30%											
Total Sales		15,999	21,999	24,999	27,999	24,999	27,999	27,999	24,999	21,999	24,999	299,988
Less: Cost of Goods Sold	0%											
GROSS PROFIT		15,999	21,999	24,999	27,999	24,999	27,999	27,999	24,999	21,999	24,999	299,988
Price Per Unit		\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	
# Units Sold per month		640	880	1,000	1,120	1,000	1,120	1,120	1,000	880	1,000	12,000
per day - 24 day/mo		667	917	1,042	1,167	1,042	1,167	1,167	1,042	917	1,042	
Gaming console rental												
Percent of Total Sales	10%											
Total Sales		5,333	7,333	8,333	9,333	8,333	9,333	9,333	8,333	7,333	8,333	99,996
Less: Cost of Goods Sold	5%	267	367	417	467	417	467	467	417	367	417	5,000
GROSS PROFIT		5,066	6,966	7,916	8,866	7,916	8,866	8,866	7,916	6,966	7,916	94,996
Price Per Unit		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	
# Units Sold per month		1,067	1,467	1,667	1,867	1,667	1,867	1,867	1,667	1,467	2,067	19,999
per day - 24 day/mo		44	61	69	78	69	78	78	69	61	86	
Food												
Percent of Total Sales	20%											
Total Sales		10,666	14,666	16,666	18,666	16,666	18,666	18,666	16,666	14,666	16,666	199,992
Less: Cost of Goods Sold	30%	3,200	4,400	5,000	5,600	5,000	5,600	5,600	5,000	4,400	5,000	59,998
GROSS PROFIT		7,466	10,266	11,666	13,066	11,666	13,066	13,066	11,666	10,266	11,666	139,994
Price Per Unit		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	
# Units Sold per month		107	147	167	187	167	187	187	167	147	207	2,000
per day - 24 day/mo		4	6	7	8	7	8	8	7	6	9	
Sports betting kiosk												
Percent of Total Sales	0%											
Total Sales		-	-	-	-	-	-	-	-	-	-	-
Less: Cost of Goods Sold	30%	-	-	-	-	-	-	-	-	-	-	-
GROSS PROFIT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Price Per Unit		-	-	-	-	-	-	-	-	-	-	-
# Units Sold per month		-	-	-	-	-	-	-	-	-	-	-
per day - 24 day/mo		-	-	-	-	-	-	-	-	-	-	-
Retail (game pieces, merchandise)												
Percent of Total Sales	16%											
Total Sales		8,533	11,733	13,333	14,933	13,333	14,933	14,933	13,333	11,733	13,333	159,994
Less: Cost of Goods Sold	30%	2,560	3,520	4,000	4,480	4,000	4,480	4,480	4,000	3,520	4,000	47,998
GROSS PROFIT		5,973	8,213	9,333	10,453	9,333	10,453	10,453	9,333	8,213	9,333	111,996
Price Per Unit		\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	
# Units Sold per month		114	156	178	199	178	199	199	178	156	178	2,133
per day - 24 day/mo		5	7	7	8	7	8	8	7	7	9	
Beverage												
Percent of Total Sales	12%											
Total Sales		6,400	8,800	10,000	11,200	10,000	11,200	11,200	10,000	8,800	10,000	119,995
Less: Cost of Goods Sold	30%	1,920	2,640	3,000	3,360	3,000	3,360	3,360	3,000	2,640	3,000	35,999
GROSS PROFIT		4,480	6,160	7,000	7,840	7,000	7,840	7,840	7,000	6,160	7,000	83,997
Price Per Unit		\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	
# Units Sold per month		1,280	1,760	2,000	2,240	2,000	2,240	2,240	2,000	1,760	2,480	23,999
per day - 24 day/mo		53	73	83	93	83	93	93	83	73	103	
Club Membership												
Percent of Total Sales	5%											
Total Sales		2,667	3,667	4,167	4,667	4,167	4,667	4,667	4,167	3,667	4,167	49,998
Less: Cost of Goods Sold	0%	-	-	-	-	-	-	-	-	-	-	-
GROSS PROFIT		2,667	3,667	4,167	4,667	4,167	4,667	4,667	4,167	3,667	4,167	49,998
Price Per Unit		\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	
# Units Sold per month		13	18	21	23	21	23	23	21	18	21	250
per day - 24 day/mo		1	1	1	1	1	1	1	1	1	1	
Tournament entry fees												
Percent of Total Sales	2%											
Total Sales		1,067	1,467	1,667	1,867	1,667	1,867	1,867	1,667	1,467	1,667	19,999
Less: Cost of Goods Sold	0%	-	-	-	-	-	-	-	-	-	-	-
GROSS PROFIT		1,067	1,467	1,667	1,867	1,667	1,867	1,867	1,667	1,467	1,667	19,999
Price Per Unit		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	
# Units Sold per month		125	15	17	19	19	19	19	17	15	17	314
per day - 24 day/mo		5	1	1	1	1	1	1	1	1	1	
AI research												
Percent of Total Sales	5%											
Total Sales		2,667	3,667	4,167	4,667	4,167	4,667	4,667	4,167	3,667	4,167	49,998
Less: Cost of Goods Sold	0%	-	-	-	-	-	-	-	-	-	-	-
GROSS PROFIT		2,667	3,667	4,167	4,667	4,167	4,667	4,667	4,167	3,667	4,167	49,998
Price Per Unit		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
# Units Sold per month		-	-	-	-	-	-	-	-	-	-	-
per day - 24 day/mo		-	-	-	-	-	-	-	-	-	-	-
Product Name												
Percent of Total Sales	0%											
Total Sales		-	-	-	-	-	-	-	-	-	-	-
Less: Cost of Goods Sold	0%	-	-	-	-	-	-	-	-	-	-	-
GROSS PROFIT		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Price Per Unit		-	-	-	-	-	-	-	-	-	-	-
# Units Sold per month		-	-	-	-	-	-	-	-	-	-	-
per day - 24 day/mo		-	-	-	-	-	-	-	-	-	-	-
TOTAL SALES												
100.00%	53,330	73,330	83,330	93,330	83,330	93,330	93,330	83,330	73,330	83,330	103,330	999,960
Less: Cost of Goods Sold	14.90%	7,946	10,926	12,416	13,906	12,416	13,906	13,906	12,416	10,926	12,416	148,994
GROSS PROFIT	85.10%	45,384	62,404	70,914	79,424	70,914	79,424	79,424	70,914	62,404	87,934	850,966

Please note:
Only enter data into the blue fields. The remaining portion of the data will populate as a result of these inputs.

Not intended for commercial use					Owners			Address					Date	Year 1	Year 2	Year 3
Month\Year	Pre-Project	1 Jan	2 Feb	3 Mar	4 Apr	5 May	6 Jun	7 Jul	8 Aug	9 Sep	10 Oct	11 Nov	12 Dec	TOTAL	TOTAL	TOTAL
Revenue:	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Beginning Cash	\$10,000	\$21,000	(\$14,379)	(\$13,337)	(\$4,086)	\$3,375	\$12,627	\$30,088	\$47,549	\$56,800	\$57,842	\$67,093	\$82,764	\$21,000	\$92,016	\$217,833
Cash Sales		\$53,330	\$73,330	\$83,330	\$93,330	\$83,330	\$93,330	\$93,330	\$83,330	\$73,330	\$83,330	\$103,330	\$83,330	\$999,960	\$1,049,958	\$1,102,456
Loan #2																
Loan #1	\$ 350,000.00															
Total Cash Receipts	\$350,000.00	\$53,330	\$73,330	\$83,330	\$93,330	\$83,330	\$93,330	\$93,330	\$83,330	\$73,330	\$83,330	\$103,330	\$83,330	\$999,960	\$1,049,958	\$1,102,456
Total Cash Available	\$360,000	\$74,330	\$58,951	\$69,993	\$89,244	\$86,705	\$105,957	\$123,418	\$130,879	\$130,130	\$141,172	\$170,423	\$166,094	\$1,020,960	\$1,141,974	\$1,320,289
Operating Expenses																
Purchases\Inventory		\$7,946.17	\$10,926.17	\$12,416.17	\$13,906.17	\$12,416.17	\$13,906.17	\$13,906.17	\$12,416.17	\$10,926.17	\$12,416.17	\$15,396.17	\$12,416.17	\$148,994	\$156,444	\$164,266
Gross Wages		\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$240,000	\$248,400	\$257,094
Payroll Expense .15% of wages		\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$36,000	\$37,260	\$38,564
Advertising/Marketing	\$5,000				\$10,000.00							\$10,000.00		\$20,000	\$20,700	\$21,425
Accounting																
Credit Card Service .03% of sales		\$1,599.90	\$2,199.90	\$2,499.90	\$2,799.90	\$2,499.90	\$2,799.90	\$2,799.90	\$2,499.90	\$2,199.90	\$2,499.90	\$3,099.90	\$2,499.90	\$29,999	\$31,049	\$32,135
Education & Training	\$2,000	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$12,000	\$12,420	\$12,855
Insurance	\$638	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$638.00	\$7,656	\$7,924	\$8,201
Office Expenses		\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,400	\$2,484	\$2,571
Professional Fees																
Permit & Fees	\$1,400															
Rent		\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$20,000.00	\$240,000	\$248,400	\$257,094
Repairs and Maintenance	\$5,000	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000	\$6,210	\$6,427
Supplies	\$500	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000	\$6,210	\$6,427
Tax & License	\$500	\$20,000.00												\$20,000	\$20,700	\$21,425
Telephone/internet	\$100	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$2,400	\$2,484	\$2,571
Travel/mileage/fuel																
Utilities NW/MDU/Water																
Subtotal	\$15,138	\$75,584.07	\$59,164.07	\$60,954.07	\$72,744.07	\$60,954.07	\$62,744.07	\$62,744.07	\$60,954.07	\$59,164.07	\$60,954.07	\$74,534.07	\$60,954.07	\$771,449	\$800,684	\$831,055
Loan Payment #1		\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$5,455.18	\$65,462	\$65,462	\$65,462
Loan Payment #2																
Capital Purchases																
Reserve for taxes		\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$4,669.44	\$56,033	\$57,994	\$60,024
Owners Withdrawal		\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$36,000		
Total Cash Paid	\$15,138	\$88,708.69	\$72,288.69	\$74,078.69	\$85,868.69	\$74,078.69	\$75,868.69	\$75,868.69	\$74,078.69	\$72,288.69	\$74,078.69	\$87,658.69	\$74,078.69	\$928,944	\$924,141	\$956,541
Cash Position	\$344,862	(\$14,379)	(\$13,337)	(\$4,086)	\$3,375	\$12,627	\$30,088	\$47,549	\$56,800	\$57,842	\$67,093	\$82,764	\$92,016	\$92,016	\$217,833	\$363,747

Not intended for commercial use		Year 1	Year 2	Year 3		
	Pre-Project					
Month\Year		TOTAL	TOTAL	TOTAL		
Revenue:	Estimate	Estimate	Estimate	Estimate		
Beginning Cash	\$10,000	\$21,000	\$92,016	\$217,833	5.00%	Year 2
Cash Sales		\$999,960	\$1,049,958	\$1,102,456	5.00%	Year 3
Loan #2					3.50%	Inflation
Loan #1	\$350,000					
Total Cash Receipts	\$350,000	\$999,960	\$1,049,958	\$1,102,456		
Total Cash Available	\$360,000	\$1,020,960	\$1,141,974	\$1,320,289		
Operating Expenses						
Purchases\Inventory		\$148,994	\$156,444	\$164,266		
Gross Wages		\$240,000	\$248,400	\$257,094		
Payroll Expense .15% of wages		\$36,000	\$37,260	\$38,564		
Advertising/Marketing	\$5,000	\$20,000	\$20,700	\$21,425		
Accounting						
Credit Card Service .03% of sales		\$29,999	\$31,049	\$32,135		
Education & Training	\$2,000	\$12,000	\$12,420	\$12,855		
Insurance	\$638	\$7,656	\$7,924	\$8,201		
Office Expenses		\$2,400	\$2,484	\$2,571		
Professional Fees						
Permit & Fees	\$1,400					
Rent		\$240,000	\$248,400	\$257,094		
Repairs and Maintenance	\$5,000	\$6,000	\$6,210	\$6,427		
Supplies	\$500	\$6,000	\$6,210	\$6,427		
Tax & License	\$500	\$20,000	\$20,700	\$21,425		
Telephone/internet	\$100	\$2,400	\$2,484	\$2,571		
Travel/mileage/fuel						
Utilities NW/MDU/Water						
Subtotal	\$15,138	\$771,449	\$800,684	\$831,055		
Loan Payment #1		\$65,462	\$65,462	\$65,462		
Loan Payment #2						
Capital Purchases						
Reserve for taxes		\$56,033	\$57,994	\$60,024		
Owners Withdrawal		\$36,000				
Total Cash Paid	\$15,138	\$928,944	\$924,141	\$956,541		
Cash Position	\$344,862	\$92,016	\$217,833	\$363,747		

3 Year Cash Position



Projected 3 Year Income Statement

Name Jared

Date July 18th, 2024

Address _____

	YEAR	Year 1	Year 2	Year 3	
INCOME					
Gross Receipts		\$999,960	\$1,049,958	\$1,102,456	
Cost of Goods Sold (COGS)		148,994	156,444	164,266	
Gross Profit		<u>\$850,966</u>	85% <u>\$893,514</u>	85% <u>\$938,190</u>	85%
EXPENSES					
Gross Wages / Payroll Exp.		276,000	285,660	295,658	
Advertising/Marketing		\$25,000	\$20,700	\$21,425	
Accounting					
Credit Card Service .03% of sales		29,999	31,049	32,135	
Education & Training		14,000	12,420	12,855	
Insurance		8,294	7,924	8,201	
Office Expenses		2,400	2,484	2,571	
Professional Fees					
Permit & Fees		1,400			
Rent		240,000	248,400	257,094	
Repairs and Maintenance		11,000	6,210	6,427	
Supplies		6,500	6,210	6,427	
Tax & License		20,500	20,700	21,425	
Telephone/internet		2,500	2,484	2,571	
Travel/mileage/fuel					
Utilities NW/MDU/Water					
Depreciation (consult your CPA)					
Interest loan #1		26,595	23,369	19,876	
Interest loan #2					
Total Expenses		<u>\$664,188</u>	66% <u>\$667,610</u>	64% <u>\$686,665</u>	62%
Net Profit Before Tax		\$186,778	19% \$225,904	22% \$251,525	23%
Taxes (consult your CPA)		56,033	30% 67,771	30% 75,458	30%
Net Profit after Tax (PAT)		<u>\$130,744</u>	13% <u>\$158,133</u>	15% <u>\$176,068</u>	16%

DCR (DSCR)

Cash Flow:

(available to service debt)	\$213,373	\$249,274	\$271,401
Debt Service	\$65,462	\$65,462	\$65,462
Total	\$147,911.06	\$183,811.44	\$205,938.73

Debt Coverage Ratio

3.26	3.81	4.15
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Target DCR minimum	1.25	1.25	1.25
difference	2.01	2.56	2.90

Amortization Table

A simple amortization table covering 24 payment periods of a loan.

1) To use the table, simply change any of the values in the "Initial data" area of the worksheet.

2) To print the table, just choose "Print" from the "File" menu. The print area is already defined.

Initial Data

LOAN DATA		TABLE DATA	
Loan amount:	\$350,000.00	Table starts at date:	
Annual interest rate:	8.00%	or at payment number:	1
Term in years:	7		
Payments per year:	12		
First payment due:	1/1/25		

PERIODIC PAYMENT

Entered payment:	\$0.00	<i>The table uses the calculated periodic payment amount unless you enter a value for "Entered payment".</i>
Calculated payment:	\$5,455.18	

CALCULATIONS

Use payment of:	\$5,455.18	Beginning balance at payment 1:	350,000.00
1st payment in table:	1	Cumulative interest prior to payment 1:	0.00

Table

No.	Payment Date	Beginning Balance	Interest	Principal	Ending Balance	Cumulative Interest
1	1/1/25	350,000.00	2,333.33	3,121.84	346,878.16	2,333.33
2	2/1/25	346,878.16	2,312.52	3,142.65	343,735.50	4,645.85
3	3/1/25	343,735.50	2,291.57	3,163.61	340,571.90	6,937.42
4	4/1/25	340,571.90	2,270.48	3,184.70	337,387.20	9,207.90
5	5/1/25	337,387.20	2,249.25	3,205.93	334,181.28	11,457.15
6	6/1/25	334,181.28	2,227.88	3,227.30	330,953.98	13,685.03
7	7/1/25	330,953.98	2,206.36	3,248.82	327,705.16	15,891.39
8	8/1/25	327,705.16	2,184.70	3,270.47	324,434.69	18,076.09
9	9/1/25	324,434.69	2,162.90	3,292.28	321,142.41	20,238.99
10	10/1/25	321,142.41	2,140.95	3,314.23	317,828.18	22,379.94
11	11/1/25	317,828.18	2,118.85	3,336.32	314,491.86	24,498.79
12	12/1/25	314,491.86	2,096.61	3,358.56	311,133.30	26,595.40
13	1/1/26	311,133.30	2,074.22	3,380.95	307,752.35	28,669.62
14	2/1/26	307,752.35	2,051.68	3,403.49	304,348.86	30,721.31
15	3/1/26	304,348.86	2,028.99	3,426.18	300,922.67	32,750.30
16	4/1/26	300,922.67	2,006.15	3,449.02	297,473.65	34,756.45
17	5/1/26	297,473.65	1,983.16	3,472.02	294,001.63	36,739.61
18	6/1/26	294,001.63	1,960.01	3,495.16	290,506.47	38,699.62
19	7/1/26	290,506.47	1,936.71	3,518.47	286,988.00	40,636.33
20	8/1/26	286,988.00	1,913.25	3,541.92	283,446.08	42,549.58
21	9/1/26	283,446.08	1,889.64	3,565.53	279,880.55	44,439.22
22	10/1/26	279,880.55	1,865.87	3,589.30	276,291.24	46,305.09
23	11/1/26	276,291.24	1,841.94	3,613.23	272,678.01	48,147.03
24	12/1/26	272,678.01	1,817.85	3,637.32	269,040.69	49,964.89

DESCRIPTION OF ASSUMPTIONS

INCOME

Gross Receipts

Cost of Goods Sold

EXPENSES

Gross Wages

Payroll Expense

Supplies (Office & Operating)

Repairs & Maintenance

Advertising

Car, Delivery, and Travel

Accounting and Legal

Rent

Telephone

Utilities

Insurance

Interest

Other Expenses

Miscellaneous

Depreciation

