



THE COTTONWOOD EQUINE CENTER

BUSINESS PLAN

BY

MARK AND ABBY MORELAND

June 2021

CONFIDENTIALITY AGREEMENT.

The undersigned readers of THE COTTONWOOD EQUINE CENTER'S business plan hereby acknowledge that the information provided is entirely confidential. Therefore, the reader agrees not to disclose anything found in the business plan without the express written consent of MARK AND ABBY MORELAND.

It is also acknowledged by the reader that the information to be furnished in this business plan is in all aspects confidential in nature, other than information that is in the public domain through other means, and that any disclosure or use of the same by the reader may cause serious harm and or damages to THE COTTONWOOD EQUINE CENTER.

Upon request, this business plan document will be immediately returned to MARK AND ABBY MORELAND.

Applicable Laws.

This Business plan shall be governed by the laws of The United States and any applicable federal laws.

Signature.

Printed Name

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PURPOSE OF THE PLAN

The purpose of this business plan is to provide investors and financial institutions with the information necessary to evaluate the scope and future growth of THE COTTONWOOD EQUINE CENTER. In addition to serving as a roadmap for management, this plan will show that: a significant market opportunity exists when analyzing the current market demands and competitive landscape; the management team set in place is qualified to execute on a well-thought-out operational, marketing, and sales strategy and the correct capital structure will allow for a long-lasting, profitable business.

To achieve the company's objectives. The company seeks \$750,000 (SEVEN HUNDRED-FIFTY THOUSAND DOLLARS) either through grants or loans, which intended use is to maintain the center, marketing, promotion, and working capital.



1.0 EXECUTIVE SUMMARY

The Cottonwood Equine Center is a fully customizable, Western-style event venue. With a hands-on staff and plenty of experience, it's structured to make event planning stress-free and easy. The Cottonwood is located on a Montana ranch with a four-bedroom, five-bathroom lodge for on-location preparation and stays, making it perfect for equine events such as roping, barrel racing, horse shows, concerts, and more. It has more than enough room for livestock housing and event attendees.

Our strategic location here in Joliet-Montana has many potential clients, especially as the area is attractive to many new homeowners due to its proximity to land that is not only public but suitable for horseback riding. Also, the public land frequently holds horse shows and competition, which gives us the edge we need over our competitors, especially as there are only a few of our kind that offers the same services as we do.

We plan to advertise the equine center business through various conventional and unconventional means such as via our website, offline directories such as yellow pages, tack stores, Facebook page, pasting of flyers at local feed stores, and other avenues where horse owners visit.

Because we take our business structure very seriously, we intend to go the extra mile in ensuring that we hire only competent and professionals to handle all the various roles and services offered by our equine center. Also, our employees are committed and understand our core values, and are willing to ensure that we attain our desired goals and objectives.

We intend to ensure that our employees have great welfare packages better than those in similar start-ups such as ours in the industry. We know that ensuring that our employees are well paid will allow them to become more committed to ensuring that we achieve our intended goals and objectives.

Also, our employees will work in an environment that is conducive and easily accessible. We also intend to ensure that they go for continuous training that will enhance their skills and make them better than their peers in the same industry, but it will also improve the productivity rate and grow our business.

The cottonwood equine center is owned and managed by Mark and Abby Moreland. Mark is the Chief Executive Officer and makes all the decisions that affect the equine center, whereas Abby is the chief Equine Manager and manages the horses on the property. Both have years of experience in the horse industry and have several certifications and qualifications to ensure that the business attains its desired goals and objectives.

1.1 MISSION STATEMENT

Center: To provide an unforgettable, top-notch venue where everyone feels like a champion by hosting various fun events, maintaining quality facilities with the best ground, and offering a worry-free professional experience while extending a home where relationships are fostered, and lasting memories made.

Conditioning Facility: To provide unforgettable, top-notch equine care by providing top-level care to condition and rehabilitate their equine partner to increase performance and stand out as champions in their field.

1.2 VISISON STATEMENT.

Center: To Create an Unforgettable, Top-notch venue where everyone feels like a champion.

Conditioning Facility: A top-notch service that provides safe and reliable programs to condition a horse for championship runs as well as rehabilitating injured equine champions to be able to perform at the highest level for their injury.

1.3 OBJECTIVES.

- ❖ To become a leader in the equine industry.
- ❖ To create a one-of-a-kind experience for all our clients.

- ❖ \$145,000 gross revenue as base point for budget by 2022.
- ❖ Rebooking events two years out
- ❖ Max capacity clearly defined by year end 2022.
- ❖ Create maximum returns for our Stakeholders.
- ❖ Maintain tight control of Operations, Costs, and cash flow through Meticulous Management and Automatic computer control.
- ❖ Empower our employees to grow and excel.
- ❖ Develop strategic partnerships with our clients.
- ❖ Foster dialogue with our clients to address their needs
- ❖ Establish an efficient, Dependable, and Sustainable service delivery capacity.
- ❖ Construct the brand by creating remarkable and memorable clients' experiences.
- ❖ Expand Equine Services

1.4 CORE VALUES

- ❖ **COMMUNITY** We have a group of enthusiastic equine lovers determined to work together to achieve a common goal.
- ❖ **OPPORTUNITY** For equine owners and staff to be able to expand their knowledge to work with horses to fulfill their purpose
- ❖ **DEPENDABILITY** We are trustworthy and reliable
- ❖ **WESTERN** The go and help your neighbor out atmosphere and have fun while doing it
- ❖ **TURN-KEY FACILITIES** A ready to use equine facility with process and procedures set so everyone brings the highest quality to customers
- ❖ **ATTRACTIVENESS** A pleasing and appealing equine center.
- ❖ **EXCELLENCE.** We are committed to outstanding and excellent service delivery



1.5 THE BRAND STORY.

Let's just be honest - when you're producing an equine event, the stakes are high. You have to find a quality venue in an accessible location that's appropriate for your event, all while still making a profit. The process can be stressful, time-consuming, and emotionally exhausting. The good news is this: At The Cottonwood Equine Center, we've been in your shoes, and we know how to make any event a success. As attendees, competitors, and producers, we possess a unique 360 perspective on equine events. By utilizing that background, we produce worry-free professional experiences for events of all shapes and sizes. Cottonwood is committed to providing an unforgettable, top-notch venue where everyone feels like a champion. Here, you can rest assured that you're getting quality facilities with the best ground and providing a memorable, fun experience for competitors and attendees alike. Sure, you could risk the reputation and growth of your business on another venue. Or, you could have the confidence of knowing that, with The Cottonwood, your event will always be a success.

When you're looking for a fun, safe place to spend time with your family and friends, where do you go? In a world where NC-17 is the new PG and violence dominates the local news, is there anywhere left to truly let your guard down and enjoy time with the people you love? At The Cottonwood, we know how hard it is to find a comfortable, family-friendly environment with a wide range of entertainment - and that's precisely why we're so passionate about what we do.

From equine events to concerts and everything in between, The Cottonwood Equine Center is ready to be your home away from home, ensuring a fun, authentic Montana experience for all who pass through. With facilities unlike

anywhere else in the area, a commitment to safety, a focus on excellence, and a dedication to providing an all-around worry-free experience,

The Cottonwood is THE place to be. Quit jumping from venue to venue, chasing a variety of events with lackluster facilities and mediocre memories. Choose to become a part of the Cottonwood family, knowing that you'll always feel safe, entertained, comfortable, and ideally at home.

2.0 COMPANY SUMMARY

The cottonwood equine center is located in Joliet – Montana. It intends to offer our various services to horse owners and lovers who seek quality and well-run quality instruction and equine center. The horse industry is stable but is said to be progressing as more people are showing interest either in learning to ride a horse or owning one for whatever reasons they might think is possible.

2.1 COMPANY OWNERSHIP

MARK AND ABBY MORELAND own THE COTTONWOOD EQUINE CENTER.

2.2 COMPANY LOCATION.

THE COTTONWOOD EQUINE CENTER is located in JOLIET MONTANA, USA.

COMPANY NAME	THE COTTONWOOD EQUINE CENTER
BUSINESS ADDRESS	11 CC Lane JOLIET MONTANA, USA.
FOUNDER	MARK AND ABBY MORELAND
LEGAL STATUS	LLC
WEBSITE	www.cottonwoodequinecenter.com
EMAIL	mark@thecottonwood.org
PHONE NUMBER	307-751-4447

2.3 GROWTH PLAN

GROWTH PLAN
YEAR 1
Receive Funding
Aggressive Marketing
Recruitment of Staff and Equine Specialist
YEAR 2
\$200,000 gross revenue by year end 2022 For the conditioning department
Recruitment of More staff and Equine Specialist
Increase the number of clients served by at least 20%
YEAR 3
Streamline Process for Maximum capacity
Form Alliance with complementary brands (ie, Grooming Supplies and nutrition)
Pay off all investments within 5 years
20-25 horses monthly and three full time staff by 2023 year end

3.0 SERVICE DESCRIPTION

At The cottonwood Equine Center, we offer our different customers the core service of training horses from our farm, our permanent location here in Joliet – Montana. At a fully customizable, Western-style event venue. With a hands-on staff and plenty of experience, it's structured to make event planning stress-free and easy.

Because we intend to create multiple sources of income to boost our bottom line, we will add other services to our core service here at The Cottonwood Equine center. Our intention of generating revenue and making a profit will be according to the permissible laws of the United States of America.

Therefore, some of the services we intend to offer are;

- ❖ Boarding
- ❖ Breeding and raising horses
- ❖ Training
- ❖ Veterinarian Guided Care

In addition, by the end of 2021

- ❖ Equine Spa
- ❖ PEMF
- ❖ Aqua Treadmill
- ❖ Panel Walker
- ❖ Solarium
- ❖ Full horse Rehab and conditioning facility to support equine athletes to perform at their highest ability.



4.0 BUSINESS MODEL

The Cottonwood Equine Center is an American-owned business-to-customer (B2C) Equine Company with a fully customizable, Western-style event venue. With a hands-on staff and plenty of experience, it's structured to make event planning stress-free and easy. With the latest Technology, Experienced owners, and well-trained staff.

The Cottonwood Equine Center will generate its revenue from Equine-related services.

Our business and revenue model- can be sustainable, highly competitive, and scalable.



4.1 BUSINESS MODEL CANVAS: Current Cottonwood Equine Center

KEY PARTNER	KEY ACTIVITIES	VALUE PROPOSITION	CUSTOMER RELATIONSHIP	CUSTOMER SEGMENT
<p>Farm/ ranch supplies</p> <p>Equine Participant and Producer.</p> <p>Marks Equine Connections</p>	<ul style="list-style-type: none"> • Execution • Marketing • Communication • Customer service • Scheduling • Property prep • Culture • Sales • Event completion <p>KEY RESOURCES.</p> <ol style="list-style-type: none"> 1. Reliable running equipment 2. Safe property-ample parking, safe stalls for horses 3. Communication 4. Staff 5. Salesflow 	<p>We provide an unforgettable, top-notch venue where everyone feels like a champion by hosting various fun events, maintaining quality facilities with the best ground, and offering a worry-free professional experience while extending a home where relationships are fostered and lasting memories made.</p>	<ul style="list-style-type: none"> • Personal Get Kit Grow <p>CHANNELS.</p> <p>Facebook Text Emails Website Calls FB messenger</p>	<p>Horse Owners</p> <p>Barrel Racers</p> <p>Team Ropers</p> <p>Horse Shows</p> <p>Hunter Jumpers</p> <p>Other equine eventing barns</p>
<p>COST STRUCTURE.</p> <p>Utilities, supplies, fuel, Stall cleaning, Garbage disposal, equipment maintenance, property maintenance, Staff Salary.</p>			<p>REVENUE STREAMS.</p> <p>Arena rentals: \$50 per hour</p> <p>Event rentals: \$1000 per day/ \$100 per hour</p> <p>Stall Rentals: \$35/25/15</p> <p>Pasture Boarding \$350 per horse</p>	

4.2 Business Model Canvas: Proposed Equine and Conditioning Facility

KEY PARTNER	KEY ACTIVITIES	VALUE PROPOSITION	CUSTOMER RELATIONSHIP	CUSTOMER SEGMENT
Casey Gruber Equine Participant and Producer. Marks Equine Connections	<ul style="list-style-type: none"> • Customer Service. • Knowledge of Horses. • Knowledge of Equipment. • Marketing. • Referrals. <p><u>KEY RESOURCES.</u></p> <ol style="list-style-type: none"> 1. Reliable and safe Equipment 2. Strong Education 3. Horse Knowledge 4. Safe boarding facility 	<ul style="list-style-type: none"> • Bringing the Champion out of your horse. • Creating a stronger team • Unlocking the strength in your horse 	<ul style="list-style-type: none"> • Personal Get Kit Grow <p><u>CHANNELS.</u> Social Media Referrals Event Guest Word of Mouth Google Newspaper Announcement</p>	<p>Horse owners</p> <p>Veterinarians</p> <p>Stable owners</p>
<p>COST STRUCTURE.</p> <p>Pulse \$22,000 Spa \$95,000 Treadmill \$200,000 Solarium \$5,000 Panel Walker \$50,000</p> <p>OTHERS COST POTENTIAL. Grooming Kits, Shavings, Hay, Stall Care, Ongoing Certification, Staff Salary.</p>			<p>REVENUE STREAMS. Pulse \$75-100 Per session 20min. Spa \$50-70 15min Treadmill \$50-100 up to 30min Solarium \$10/10min Panel Worker \$15/15min.</p>	

4.3 COMPETITIVE ANALYSIS

The market can support another player, but it will take time, money, and effort to become one of the key players in the United States.

Below is a list of some of Cottonwood's local equine venue competitors.

Miller's Horse Palace | Billings, MT

<https://www.millershorsepalace.org>

Miller's Horse Palace is a family-owned equine facility that hosts rodeos, team roping's, barrel races, cuttings, and weddings. They have indoor and outdoor arenas for rent as well as boarding and training services.

- ***Facebook: 3,767 likes***

Windmill Equestrian Center | Billings, MT

<https://horseboardingbillings.com>

Windmill Equestrian Center is a full-service horse boarding facility. Their services include box stalls & outdoor boarding, boarding training show sales, indoor & outdoor arenas, shows, and training..

- **Facebook: 163 likes**

High Plains Stables | Billings, MT

<http://highplainsstables.com>

High Plains Stables is a boarding & training facility specializing in 3-day events. Their facilities feature a 20-stall barn with connected turnout pens, heated tack-up area & wash stall, 75x200' indoor arena, 85x225' outdoor sand arena, and access to bridle paths and galloping tracks. Pricing for boarding ranges from \$350 to \$450 per month.

- **Facebook: 489 likes**
- **Instagram: 374 followers**

Warfield Equestrian Park | Billings, MT

<https://warfieldpark.org>

Warfield Equestrian Park is a private, 120-acre equestrian facility available for use through annual membership. They host the Arrowhead Horse Trials.

- **Facebook: 414 likes**

Epona Equestrian Center | Belgrade, MT

<https://eponaequestriancenter.com>

Epona Equestrian Center is a full-service horse boarding, training, and riding facility that regularly hosts events and clinics. Horses are mainly pasture boarded.

- **Facebook: 753 likes**

In the Equine Conditioning and Rehab Industry:

Keyser Creek

<https://keysercreekarena.com>

Keyser Creek Arena has 88 stalls and is the 1st in the region, with Equine Conditioning and rehab opened in 2014. They currently partner with Montana Equine to rehab and prepare horses for breeding. Located in Columbus, Montana..

- **Facebook Likes: 2,138**

Nirvana Equine

<http://www.nirvanaequine.com/>

Nirvana Equine offers a multitude of equine housing opportunities to meet every horses' needs. Nirvana Equine is the only in-ground hydro-therapy facility in Wyoming. The gated and heated facility houses a 46 foot-controlled heated aqua tread with massage jets, wash racks, 15 indoor Priefert stalls, ten covered turnouts with automatic waterers, pastures, an indoor panel walker, feed-room, office, and an indoor and lighted outdoor arena.

- **Facebook Likes: 1,180**

Rocking Horse Therapy Rehab

<https://www.facebook.com/rockinghorsetherapyrehab>

A small facility located in Meeteetse, Wyoming. There is an aqua treadmill. Six-horse panel walker and a solarium. There are no indoor stalls. There are several outdoor covered runs at the facility.

- **Facebook Likes: 1,537**

5.0 INDUSTRY ANALYSIS

The equine season follows a similar pattern to the event season. The most popular event times are late spring to early fall, although the majority of the events occur during the summer. Championships and competitions are often held from March to April, according to the SEC Equestrian Championship schedule.

The equine event industry is subject to the FEI rules and regulations (International Federation for Equestrian Sports). The regulations vary depending on the event and competition level. You can learn more about some of these regulations on the United States Equestrian Federation website.

Equine event attendance and participation are subject to economic fluctuation. When the economy is terrible, people purchase fewer horses due to their high cost and high maintenance. People also do not travel to competitions when the economy is low due to travel and entry costs. As of 2018, Quarter Horse News reported that the industry is currently growing.

According to a recent economic impact study, the \$122 billion equine industry is also a growing segment of the US economy, employing 1.74 million people. This study found that 38 million (or 30.5% of American households) contain at least one-horse enthusiast. Approximately 80 million acres of land in the US is reserved for horse-related activities. The three top economic drivers in this industry are recreation, racing, and competition.

According to Quarter Horse News, the recreation sector of the equine industry supports more than 162,000 jobs and adds 7.5 billion dollars in direct value to the US economy. The competition sector of the industry comes in a close second by contributing \$11.8 billion in value to the economy.

The racing sector of the industry has the most considerable economic value, supporting more than 241,000 direct jobs and contributing \$15.6 billion to the economy. A large amount of this profit is made through wagering and entry fees.

The business of running a horse farm/stable or teaching riding lessons seems to be continuing on an upward trend based on the results of the Stable Management 2018 Fall Business Survey.

THE MOST PROFITABLE SERVICES IN 2018 RANKED BY THIS SURVEY WERE AS FOLLOWS:

1. Boarding
2. Lessons
3. Training
4. Equine-assisted therapy
5. Rehab/retirement
6. Breeding
7. Camp programs
8. Sales (tied)
9. Rescue (tied)
10. Competitions/events (tied)
11. Trail rides (tied)
12. Racing

INDUSTRY LEADERS

Below are some of the industry leaders in equine events in the country.

Florida Horse Park | Ocala, FL

<https://flhorsepark.com>

Florida Horse Park is a 500-acre park that hosts local, national, and international equine events.

They are known for their year-round good weather and their 79,500-square-foot arena.

Governor James B. Hunt Horse Complex

Raleigh, NC

<https://www.ncstatefair.org/>

Hunt Horse Complex

The Governor James B. Hunt Horse Complex has a traditional feel with modern amenities. The complex has a main arena of 81,000 square feet, a large show ring, show offices, and seats 4,748.

Brown land Farm | Franklin, TN

<https://www.brownlandfarm.com>

Brown land Farm is the second oldest facility for equine events in the country. It's beautiful, historical, and is known as the "friendliest complex." It offers some of the finest shows and competitions in the equestrian world.

The Colorado Horse Park | Parker, CO

<https://chp.coth.com>

The Colorado Horse Park is the largest horse farm west of the Mississippi. It hosts 11 competition arenas, 100 boarding stalls, two covered arenas, an RV park, and 300 permanent stalls.

Churchill Downs | Louisville, KY

<https://www.churchilldowns.com>

Louisville, KY, is the number one place for equestrian culture in the country. It's also

home to one of the most famous and well-known racetracks: Churchill Downs, host of the

Kentucky Derby.

6.0 PESTEL ANALYSIS

POLITICAL FACTORS

The Equine industry faces strong political forces in the United States. The government ensures that staffs have fair work conditions and thus, in turn, affects the profit margin of an equine company like the Cottonwood Equine Center. Due to the need to meet up with standard requirements and regulations. Introduction of tax new laws and policies review may also affect the growth of the business.

ECONOMIC FACTORS.

In the United States, the economic situation is on the bright side. Therefore, the Equine industry will continue to experience growth. The economic downturn could affect consumer buying patterns as many would go for alternative centers.

SOCIOCULTURAL FACTORS.

Technological advancement and social acceptance provide opportunities for equine centers; social media also plays a significant role in the industry, as customers are more likely to post their experience on their social media platforms, spreading brand awareness quickly.

TECHNOLOGICAL FACTORS.

Social media is one of the tools provided by technology to proclaim the industry. Additionally, mobile apps and websites are also paving the way for this industry, encouraging customers to get reasonably priced services over the internet.

Payment (for services) is now accessible due to integrating several payment gateways to the respective online platforms. The evolution of faster internet service is also expanding the network of equine centers.

ENVIRONMENTAL FACTORS.

This rapid expansion of equine centers has come with significant growth of the industry. Acts like boarding, training, and breeding horses other horse activities positively impact the environment.

LEGAL FACTORS.

The equine industry is ever dynamic; laws and policies are susceptible to changes. Companies also need to comply with regulations to avoid massive fines and litigation against the equine center.

6.1 PORTER'S FIVE FACTORS

COMPETITIVE RIVALRY: Competition is high in this industry; brands also diversify and expand to other markets to increase competitiveness.

THE THREAT OF SUBSTITUTES: The threat of substitutes is high in the industry; there are provisions for the alternative equine center. nevertheless, for the cottonwood equine center, the threat of substitute is low because we offer a **UNIQUE VALUE PROPOSITION**

THE THREAT OF NEW ENTRANT: The barriers to entry are high as anyone can get trained in the industry; the challenges come up when it's time to scale up the business to stay competitive and have a significant share of the market, top players in this industry will fight hard against new entrant. This discourages investors who intend to support the latest business; therefore, the threat posed by the new entrant is **LOW**.

BARGAINING POWER OF THE BUYER: The demand for an equine center is high, and there are unmet needs. The bargaining power of the consumer is moderately high owing to intense competition. The switching cost to another brand is also low. Therefore, consumers have several alternatives. Consumers are also well informed in the industry.

BARGAINING POWER OF SUPPLIER: The supplier's power is low at this stage. There are several qualified horse trainers and other staff that the cottonwood equine center can recruit. However, the switching cost of the supply side is low for The Cottonwood Equine Center.



7.0 MANAGEMENT SUMMARY

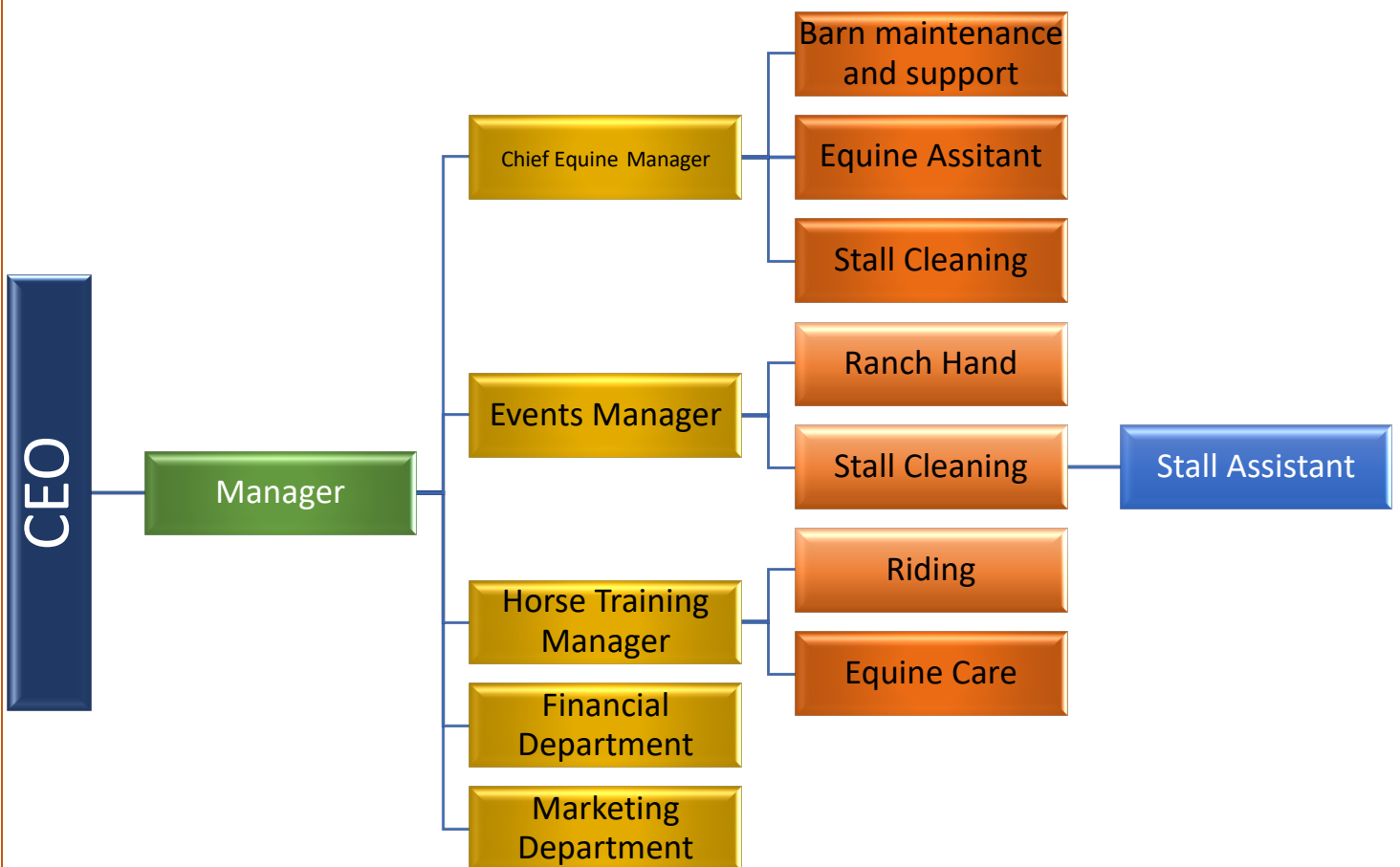
To a more significant extent, the success of any business depends on the business structure of the organization and the people who occupy the available roles. Therefore, The Cottonwood Equine Center will work with a business structure that will give room to employees to explore their creativity, feel belonged, and grow through the corporate ladder of the organization.

We will ensure that we put the suitable structures to support the kind of growth that we have in mind while setting up the business. We will ensure that we hire qualified, honest, customer-centric people and are ready to help us build a prosperous business that will benefit all the stakeholders.

We have decided to hire qualified and competent hands to occupy the following positions;

- ❖ Chief Executive Officer
- ❖ Training Instructor
- ❖ Accountant/cashier
- ❖ Manager
- ❖ Barn Farrier
- ❖ Marketing Team
- ❖ Customer Care Executive
- ❖ Security Guard
- ❖ Truck Driver
- ❖ Cleaner

7.1 ORGANIZATIONAL STRUCTUR



8.0 MARKET ANALYSIS

The potential customers of Cottonwood would-be event planners, producers, and competitors in the equestrian community. As far as competitors go, 38% of equine participants are under the age of 18, according to Quarter Horse News. So, event planners/producers and parents of competitors would be more accessible.

The market is rather sizable. The United States Equestrian Federation, American Quarter Horse Association, National Reining Horse Association, and United Professional Horsemen's Association licensed approximately 6,313 competitions throughout 2016, utilizing 1,654 competition managers.

A potential moneymaker in the market is trail riding. Nearly 13 million American households have participated in trail riding events.

The average horse owner demographics are as follows:

Horse Owner Demographics*

- ◆ 85% Recreational rider
- ◆ 30% Participate in competitive events
- ◆ 11% Breed horses
- ◆ 10% Manage a horse facility
- ◆ 9% Groom or exercise horses
- ◆ 7% Are professional trainers
- ◆ 2% Own race horses



The best way to reach out to the market would be through digital marketing to reach across the US. Also, through word of mouth at events. Equine centers may also consider utilizing equine facility resources such as EquineNow.com, GoHorse, and other business listings.

8.1 TARGET MARKET.

Quality, space, and price are the essential aspects to most event producers and attendees. The event space must have room for horse boarding, parking, and spectators.

There is a strong sense of customer loyalty in the equine community. If an event goes well, it is very likely that both producers and spectators will come back or spread good press by word of mouth.

TARGET CUSTOMERS

Customer #1: Event Producers

- Looks Like: 30-50yrs, male & female, white/native
- Income: \$50,000 to \$150,000
- Cares About: Profit, providing a fun event, the ground, community, attendees have positive experience, professionalism, organization, equipment/tools, accessibility, flow, quality, clear expectations, smooth planning/execution
- Occupations: Full-time producers, machinery sales, retired, varied
- Interests: Equine activities, family, golf, rodeos, community events, travel
- Needs: Clear/easy communication, met expectations, follow-through, fun atmosphere, clean, excellent space, expertise, exceptional service, everyone treated with kindness & respect, continual improvements.

Customer #2: Event Attendees

- Looks Like: 0-80yrs, mostly local, all demographics
- Income: \$30,000 to \$150,000
- Cares About: Having fun, family, safety, ground, competing, accessibility, environment, aesthetic, parking, amenities, community, well-run, friendships/connection
- Occupations: Varied

Interests: Equine events, golf, travel, shopping • Needs: Merch, stress-free experience, home, family, memories, excellent ground, safety, signage, personable, easy flow.

Sources

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9.0 SWOT ANALYSIS

	STRENGTH	WEAKNESS	OPPORTUNITY	THREAT
Product/ Service Offering	There are not many conditioning facilities in our state. There are 130,000 plus registered horses in Montana. We work closely with vets and have a trust built with them.	Knew in the equine conditioning industry	With correct learning and structure, we could become the premier equine facility to condition and heal equines in the region.	If someone wants a college educated and multi year program we are not the fit
Brand/Marketing	We have a strong brand in all our business that will easily carry over to the conditioning side of things. We will be able to add a link to our website and create new facebook soon	This is a new addition and being able to keep things clear and clean will be the goal	We can share horse health easily	Confusion on the part of it being added to another business
Staff/HR	This is an amazing service and those that love horses will have a desire to	Be able to afford good staff and meet the budget/ timing of hiring	We will be able to really find those that have a true heart to work and serve horses	We may miss skilled staff that is fully capable to manage due to

	work hard and dedicate time while we increase revenue	new staff and how to make it all work with our other events		now being able to be competitive in pay.
FINANCE	We are driven to get a high ROI for our businesses and have had two businesses succeed and start to increase in revenue throughout a pandemic	Bringing in horses, and filling the schedule is a priority and may take a few months to get the word out and fill the schedule	\$228,000 Gross Revenue possible	Will take a few months to get up to the 19 horse First goal max
Operation/Management	Asana, and simple systems, equity stable management,	Dedicated staff willing to help build the organization		
MARKET	There are 130,000 registered horses in Montana.	Knowing the market of the horse owners that will pay for conditioning their horses		

10.0 MARKETING PLAN

MARKETING GOAL

- ❖ Increase our business visibility in the Equine Space.
- ❖ Create mass awareness of our business and Services Offerd.
- ❖ To attract customer from our target market.

10.1 PRE-LAUNCH

TWO MONTHS BEFORE LAUNCH	<p>Develop a Landing Page: Develop a landing page with the caption "coming soon" to capture emails of prospective customers.</p> <p>Brochure Design: Create a professional company brochure that presents The Cottonwood Equine Center in a pleasing way.</p>
ONE MONTH BEFORE LAUNCH	<p>Banners and Flyers: Distribute Banners and flyers to specific locations. Introducing The Cottonwood Equine Center and its VALUE PROPOSITION.</p>
TWO WEEKS BEFORE LAUNCH	<p>Banner Ads: Pay for Banner ads on relevant sites and blogs with a caption like "coming soon."</p> <p>Influencer Marketing: connect with influencer marketers with the relevant audience to help create awareness for the brand.</p>
ONE WEEK TO LAUNCH DATE	<p>Flyers for Promotion: Design attractive flyers to be distributed to passersby on the launch date.</p> <p>Email Marketing: Send Personalized Email messages to the target</p>

	<p>audience to remind them of the brand launch date.</p> <p>Social Media Marketing: Open accounts using the brand name as a handle on Twitter, Instagram, Facebook, YouTube, and other platforms.</p> <p>Create Hashtags on Twitter and Instagram to increase brand visibility.</p> <p>Post feeds at regular intervals to keep the audience engaged.</p> <p>Connect with influencers on these platforms, which can drive brand engagement for The Cottonwood Equine Center</p>
FEW DAYS TO LAUNCH	<p>Create a Yelp Profile: We will create a business profile on Yelp and link it to the Play stores to download our app.</p> <p>Provide information on Launch dates, Special Deals, and Coupons as well.</p> <p>Start Outreach Activities to inform customers about our business.</p>

10.2 LAUNCH DAY

- ❖ Launch branded caravans, t-shirts, Souvenirs, etc. and offer discounts and promotion via ads to people in our business environment.

- Distribute printed t-shirts with ads to people in our business environment.
- Launch Facebook sponsored ads based specific demographic information.
- Be actively present on social media platforms to attend to quarries, comments etc.

9.3 POST LAUNCH.

- Continue with paid ads on social media platforms where our audience hand out with emphasis on Facebook and Instagram.
- **Content Marketing.** Craft insightful and unique contents and post on websites and blogs.
- Public relation and media, share our stories through local publications.
- Participate in local events.
- Utilize traditional marketing strategies such as advertising our brand in popular magazines, newspaper, etc, in the community.
- **A/B Split Testing.** Define the key performance indicators. Analyze marketing strategies, checkup monitor the success rates of the strategies, determine the effective strategy and optimize.

11.0 FINANCIAL PLAN

The financial plan will consist of the funds required to keep up our business, along with the projected income statement and statement of financial position. The company raises funds through investment or bank loans in year zero for business expansion, business operation, and working capital.

CAPITAL RAISED	
Debt	\$700,000
Equity	\$50,000
Total	\$750,000

11.1 FINANCIAL ASSUMPTIONS

1. The company is looking to raise a loan of \$750,000 in capital funding
2. The capital raised will cover Business expansion, Costs, miscellaneous, marketing and promotions to cover first year operational expenses.
3. The business will operate seven days in a week
4. The operational expenses increased in proportion yearly along with the revenue streams
5. The forecasted cost of equity is 4.3%
6. The forecasted loan interest rate is 4.3%
7. The capital structure is 80% Debt and 10% Equity.

11.2 REVENUE ASSUMPTION.

1. The Company would generate its revenue from Sales both al la carte as well as through weekly (\$500) and monthly (\$1699) stays with boarding and sessions with the PEMF, Equine Spa, Aqua Treadmill, Solarium, and Panel walker.
2. We have forecasted
 - a. \$75 per session for PEMF.
 - b. \$50 for a spa session.
 - c. \$50 for the Aqua treadmill session.
 - d. \$10 for solarium session
 - e. \$15 for panel walker session
3. Our Projection is based on a minimum 6000 annual sales at an average of \$50 per sale.
4. We also forecasted 10% increase in monthly sales.

REVENUE

REVENUE BASE	RATE
Pulse	\$75/30min
Spa	\$50/15min
Treadmill	\$50/30min
Solarium	\$10/10min
Panel Walker	\$15/15
Weekly Boarding	\$500
Monthly Boarding	\$1699

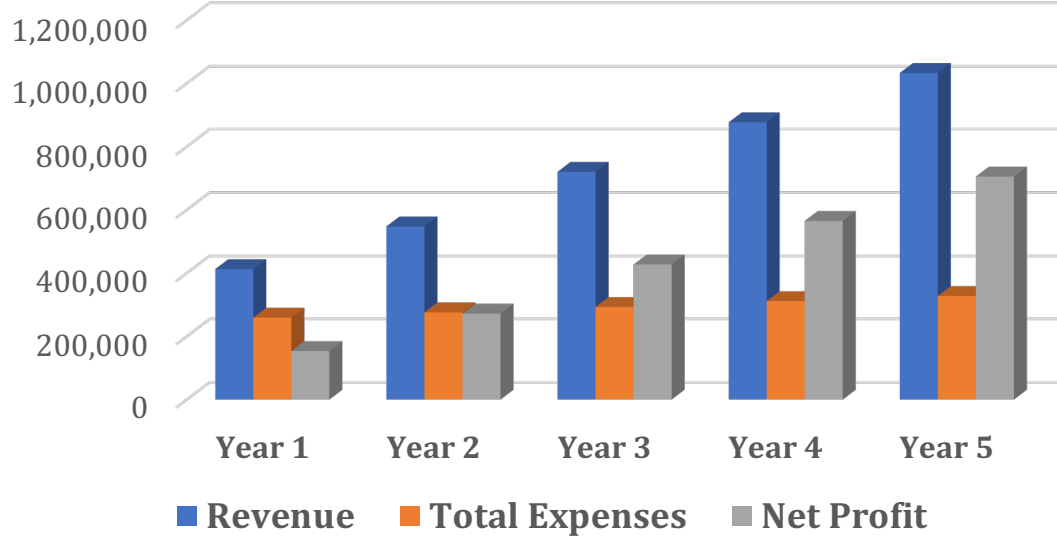
11.3 MONTHLY OPERATING EXPENCES.

OPERATIONAL EXPENSES	PER MONTH
Insurance	\$1,500
Miscellaneous	\$3,000
Marketing	\$5,000
Wages & Salary	\$4,000
Lease Payment	\$5,000
Utility Bills	\$1,500

11.4 PROFIT AND LOSS STATEMENT Projection

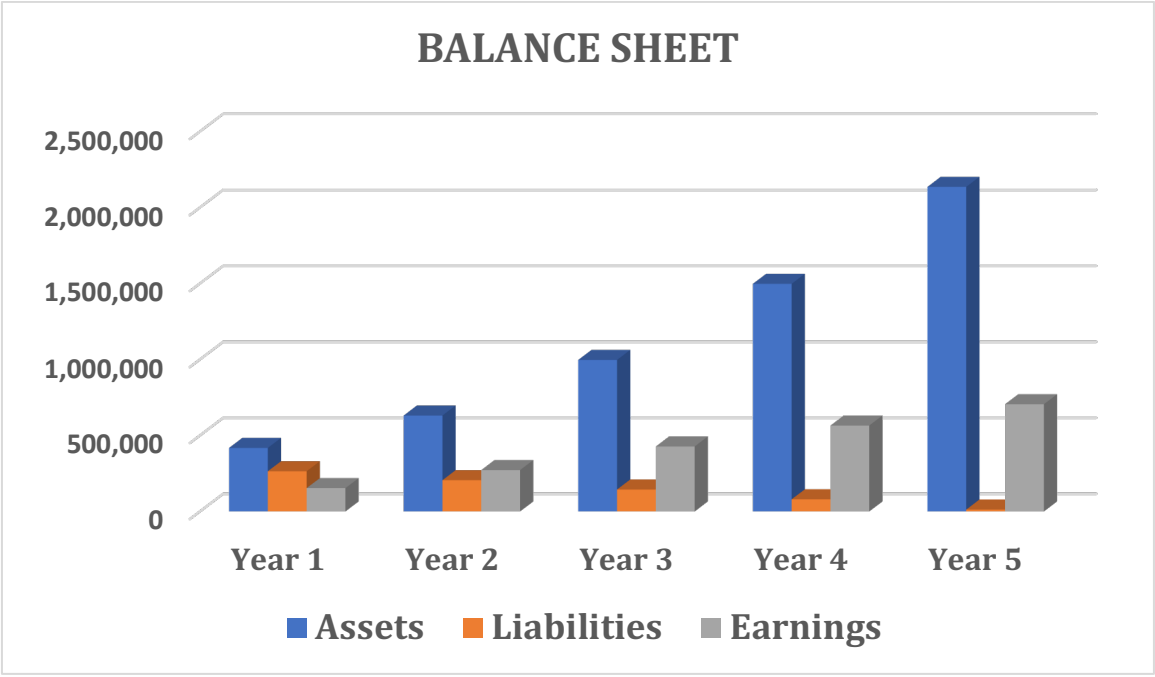
PROFIT AND LOSS STATEMENT					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	\$	\$	\$	\$	\$
Revenue	412,704	547,720	720,320	876,680	1,033,040
Gross Margin	412,704	547,720	720,320	876,680	1,033,040
Gross Margin%	100%	100%	100%	100%	100%
Operating Expenses	240,000	252,000	265,000	280,000	292,000
Insurance	18,000	20,000	22,000	24,000	26,000
Miscellaneous	36,000	37,000	39,000	41,000	42,000
Marketing	60,000	62,000	64,000	68,000	70,000
Wages & Salary	48,000	50,000	52,000	54,000	56,000
Lease Payment	60,000	63,000	66,000	69,000	72,000
Utility Bill	18,000	20,000	22,000	24,000	26,000
Operating Income	172,704	295,220	445,320	596,680	740,540
Interest Expenses	12,015	10,583	7,832	4,954	1,944
Income Tax	7,231	12,809	20,137	26,627	33,237
Total Expenses	259,246	275,892	292,969	311,581	327,681
Net Profit	153,458	271,828	427,351	565,099	705,359
Net Profit %	37%	50%	59%	64%	68%

PROFIT AND LOSS STATEMENT



11.5 PROJECTED BALANCE SHEET

BALANCE SHEET					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	\$	\$	\$	\$	\$
Assets	418,021	630,932	996,897	1,497,599	2,135,565
Current Assets	418,021	630,932	996,897	1,497,599	2,135,565
Cash	418,021	630,932	996,897	1,497,599	2,135,565
Account Receivable	0	0	0	0	0
Liability \$ Equity	418,021	630,932	996,897	1,497,599	2,135,565
Liabilities	264,563	205,646	144,260	79,863	12,470
Current Liabilities	62,044	65,771	69,907	74,042	12,470
Account Payable	0	0	0	0	0
Income Tax Payable	603	1,073	1,684	2,223	2,775
Sales Tax Payable	1,548	2,054	2,701	3,287	3,874
Short Term Dept	59,893	62,644	65,522	68,532	5,821
Long Term Dept	202,519	139,875	74,353	5,821	0
Equity	153,458	425,286	852,637	1,417,736	2,123,095
Retained Earning	0	153,458	425,286	852,637	1,417,736
Earnings	153,458	271,828	427,351	565,099	705,359



11.6 CASH FLOW STATEMENT

CASH FLOW ANALYSIS					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	\$	\$	\$	\$	\$
Net Cash from Operations	155,609	272,804	428,609	566,224	706,498
NET Profit	153,458	271,828	427,351	565,099	705,359
Change in Account Receivable	0	0	0	0	0
Change in Account Payable	0	0	0	0	0
Change in income Tax Payable	603	470	611	549	552
Change in Sales Tax Payable	1,548	506	647	586	586
Net Cash from Financing	262,412	(59,893)	(62,644)	(65,522)	(68,532)
Changes in Short Term Dept	59,893	2,751	2,878	3,010	(63,711)
Changes in Long Term Dept	202,519	(62,644)	(65,522)	(68,532)	(5,821)
Cash at the Beginning of Period	0	418,021	630,932	996,897	1,497,599
Net Change in Cash	418,021	212,911	365,965	500,702	637,966
Cash at the end of Period	418,021	630,932	996,897	1,497,599	2,135,565

11.7 FINANCIAL ANALYSIS

REVENUE. It can be observed that in the first year, THE COTTONWOOD EQUINE CENTER has an annual revenue of 412,704 in its first year of operations; in its second year, annual revenue will amount to 547,720. Seven hundred twenty thousand three hundred twenty in the third year, revenue further increased to 876,680 in the fourth year and 1,033,040 in the fifth year.

EXPENSES.

The operational cost incurred by the business in year one was 259,458, year two being 275,892 years three 292,969. The figure increase to 311,581 in years four and five total expenses is 327,681.

CASH FLOW

The cash flow statement shows the movement of cash from and to the business. The first year recorded a closing balance of 418,021, year two 630,932 years three 996,897. Year four and five experienced an increase to 1,497,599 and 2,135,565, respectively.

12.0 CLOSING STATEMENT.

Dear reader,

We at THE COTTONWOOD EQUINE CENTER thank you for taking the time to read our business plan. We hope the business plan has been able to enlighten and showcase the viability of the business and hope you would want to be part of it.

We have the passion and talent to provide the industry's best quality standard products and services and do so with sustained dedication.

Thank you once again.

MARK AND ABBY MORELAND.