



**THE APPIAN  
WAY  
DEALERSHIP INC.**

*Business Development Plan*

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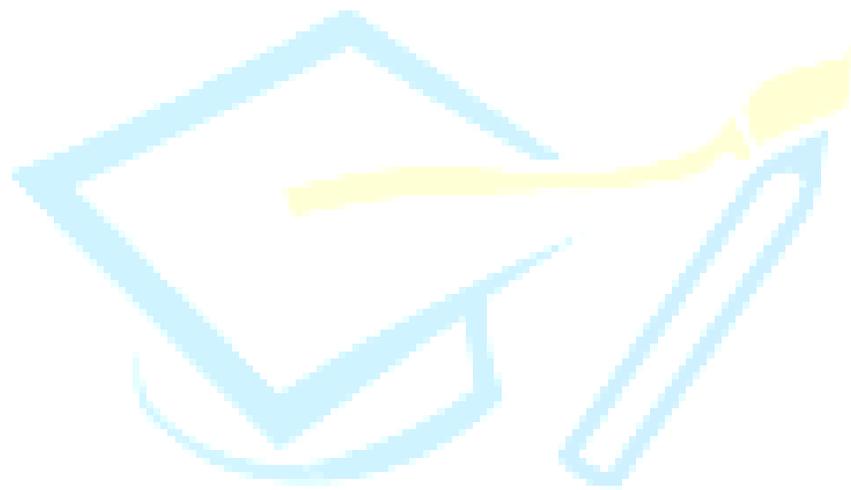
## EXECUTIVE SUMMARY

The Appian Way Dealership Inc. is situated at 10 Yorkville Avenue, Toronto Ontario (main office) and anticipates having corporate offices in Los Angeles and Washington D.C (United States). The companies mission statement, “The original Appian Way was the queen of roads, the new Appian Way is the queen of luxurious driving” appropriately captures our objective and business focus. The Appian Way Dealership Inc. will rent, repair, lease and sell luxurious and rare vehicles to individuals and businesses and our ideal customers are wealthy individuals (with incomes of >\$750,000) and large scale businesses (businesses with valuations exceeding \$1billion and revenues greater than \$10 million dollars).

We look forward to differentiating ourselves from our competition by first providing our valued clients with high quality vehicles. Moreover, we will provide our premium clients with rewards with they can redeem discounts, entry into bonanzas and raffle draws. Finally, we aim to provide our clients with the best possible customer service experience because we believe that providing clients with the best experience is the best marketing technique. The Appian Way Dealership Inc. will be equitably managed by both founding partners, Phillip John Baker and Gwen Sellers. Mr. Baker has been a veteran in the automobile industry for the past 15 years. He has extensive experience trading vehicles to clients from all parts of the world. On the other hand, Mrs. Sellers is an experienced fund manager in the financial services industry with great interests in the automobile industry. Our founding partners and managing heads are indeed best qualified and well equipped to ensure the success of the Appian Way.

With the possible advent of self-driving cars within the next three to five years, we are making preparations ahead in order to keep up with the industry. We have already reached agreements

with companies pioneering in this direction (Tesla, Google, Uber and Toyota) so we can be amongst the first to order these vehicles when they are officially rolled out on the market.



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## **PART 1: INTRODUCING THE CONTEMPORARY BUSINESS WORLD**

### **Business Name**

The Appian Way Dealership Inc.

### **Description of Business**

The Appian Way Dealership Inc. will rent, repair, lease and sell luxurious and rare vehicles to individuals and businesses

### **Form of Business Ownership**

The Appian Way Dealership will be administered and run as a Canadian (Federal) Incorporated Company run by two principal partners, Phillip John Baker and Gwen Sellers. This form of ownership best allows us to equitably run the dealership in proficient manner.

### **Ideal Customer**

Our ideal customers are wealthy individuals (with incomes of >\$750,000) and large scale businesses (businesses with valuations exceeding \$1billion and revenues greater than \$10 million dollars).

### **Our Advantages**

We have critically studied our market and we have surmised that not many firms provide luxury and rare vehicles to wealthy clients and businesses (who have a high demand for them). Though we do concede having some competition, we aim to undercut this competition first and foremost by providing our clients with high quality vehicles. Moreover, we aim to establish a referral system that would award our current customers with points for referring every customer. These points can accumulate and therefore help customers to unlock discounts, free rides in premium vehicles and entry in our grand monthly bonanza for a chance to win \$150,000 in cash.

### **Ethical Issues**

As a fledging business, we are obliged to uphold the highest possible ethical standards towards our clients and the community at large. We look forward to doing this enforcing the Canadian Consumer Protection Act during all our transactions with our valued clients, fitting all vehicles with the latest catalytic converters thereby safeguarding the health of our clients and the integrity of the environment and servicing all our vehicles every 6 weeks and discarding defective vehicles.

### **Social Responsibility**

We aim to be a socially responsible business by investing between 1%-2.5% of our net annual profits back into society. We aim to do this through sponsorship of charities, food banks and cure for cancer initiatives. We are also actively exploring partnership opportunities with Uber to promote ridesharing thereby decreasing emissions into our already polluted city street atmospheres.

## **Global Issues**

Being a dealership, our distribution range past the Canadian borders are quite limited.

Nevertheless, we predict that about 25% of our clients would come from outside our borders. In the near future, we foresee the distribution of our vehicles on a purchase, lease or temporary ownership program to countries in the Americas, Europe and the Middle East.



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## **PART 2(a): THE BUSINESS OF MANAGING**

### **Mission Statement**

The original Appian Way was the queen of roads, the new Appian Way is the queen of luxurious driving.

### **Business Goals**

Within our first year of business, we look forward to securing approximately 27,000 new customers (individuals and businesses), grossing \$2.7 million in profits and securing shipments of approximately 8,500 brand new Aston Martins, Ferraris, Lamborghinis and Jaguars.

### **SWOT Analysis**

#### **Strengths**

1. High demand for luxury cars amongst Canada's wealthy
2. Extensive and varied inventory and luxury & rare vehicles
3. Location in Toronto's plush Yorkville enclave, a residential hub for the wealthy
4. Financial investment cushion from our partners and venture capital firms

**Weaknesses**

1. Lack of penetration into the luxury vehicle market
2. Lack of an established brand reputation

**Opportunities**

1. Proliferation in the manufacture of luxury vehicles
2. Tax reductions for dealerships providing rental and leasing services

**Threats**

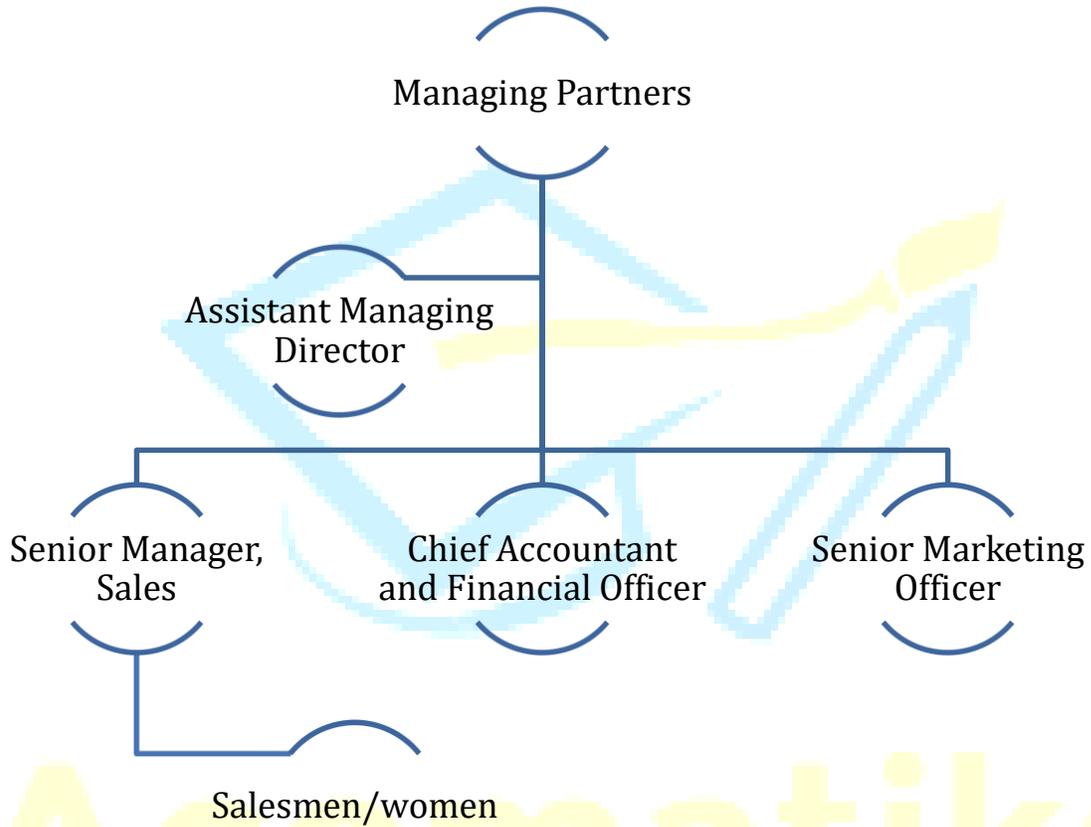
1. Negative campaign from established competitors
2. Lawsuits due to accidents, thefts, injury and death.

**Management**

The Appian Way Dealership Inc. will be equitably managed by both founding partners, Phillip John Baker and Gwen Sellers.

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**Organization Chart**



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## **PART 2(b): THE BUSINESS OF MANAGING**

### **Corporate Culture**

Our corporate culture will be founded three major axioms; service towards customers, integrity and loyalty. We hope to live out these axioms in our work activities by warmly welcoming all customers to our location, offering them free test rides in any luxury vehicle of their choice and setting an automated mailing/telephone system to wish them “A Happy Birthday” on their birthdays. We also aim to keep all our transactions transparent by being very upfront with them and also keeping their information and identity in high confidentiality.

### **Leadership Philosophy**

Though both founding partners make the final judgements on all decisions, we aspire to coordinate and inspire our employees in a collaborative fashion. Hierarchies indeed do exist for formality sake. Nevertheless, we do not anticipate enforcing rigid rules on our employees such that it stifles their morale and creativity. We firmly believe that via this collaborative work fashion, we can inspire everyone towards contributing their best for the success of the Appian Way.

### **Job Descriptions**

#### **Assistant Managing Director:**

- Deputize and assume the mantle of interim managing director on the incapacitation or absence of both managing partners

- Channeling down instructions from the managing partners to lower ranking employees
- Resolution of customer-employee conflicts
- Human resource recruitment and management

#### **Senior Manager, Sales**

- Responsible for defining and implementing sales strategy
- Ensuring all employees meet their sales quota
- Providing sales recommendations and projections to managing partners for consideration.

#### **Chief Accountant and Financial Officer**

- Creation and maintenance of corporate financial reports and accounts
- Performing audits on all accounts in a timely fashion
- Issuing payments to employees and on behalf of the company to corporate clients
- Filing of the company's taxes

#### **Senior Marketing Officer**

- Defining and implementing the marketing strategy of the company
- Ensuring the success of all marketing campaigns
- Running the company's promotions scheme

#### **Salesman/woman**

- Pitching and providing more information about vehicles, insurance policies and financing plans to customer

- Answering all customer queries in a timely fashion as well as addressing immediate customer complaints

### **Job Specifications**

#### **Assistant Managing Director**

- Masters of Business Administration, Marketing, Finance, Organizational Behaviour or other related field
- Minimum of 5 years' experience in a similar role
- Extensive interests, familiarity and knowledge about the automobile industry
- Ability to address and motivate a team towards achieving sustainable results
- References from past executives

#### **Senior Manager, Sales**

- Bachelor/Masters of Business Administration, Sales, Marketing, Finance or other related field
- Minimum of 5 years' experience in a similar role
- Extensive experience working on and motivating sales teams to achieve high quota (in millions of dollars annually)

#### **Chief Accountant and Financial Officer**

- Masters in Finance, Accounting, Economics or other related field
- Extensive experience in tax procedures and law
- Minimum of 5 years' experience in a similar role
- Extensive experience in the preparation of financial reports

### **Senior Marketing Officer**

- Masters in Marketing or other related field
- Minimum of 5 years' experience in a similar role
- Extensive experience in leading marketing teams towards success
- Proven marketing track record

### **Training Employees**

We plan on providing all newly hired employees with vestibule training to sharpen their skills and ease their transition into our work activities.

### **Compensation**

Our employees will be provided compensation in the form of basic wages and commissions. The basic wages will reflect their daily work contributions whilst paid commissions will reflect their extraordinary efforts in achieving or surpassing their sales quota.

### **Incentives**

Incentives we provided which we intend to motivate employee performance with include performance bonuses, three luxury vehicles awarded to the top performing employees for the year, health, travel and insurance benefits.

## **PART 3: MANAGING OPERATIONS AND INFORMATION**

### **IT Resources**

Our business will inevitably require desktop computers, internet connection, database, customer tracking and accounting software. Our computers will be acquired from Dell Canada whilst our computing software will be acquired from Microsoft Canada. Our website will be hosted on Amazon Web Services because of the high efficiency and excellent scalability options that this arrangement provides us.

### **Customer Services**

We will keep track of our customer orders using customer tracking software we've obtained from our contractual agreement with Microsoft and our databases will be acquired from Amazon Inc.

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**Cost of Doing Business**

<b>Expenses</b>	<b>Expected Monthly Cost</b>	<b>Expected Yearly Cost</b>
Rent	\$85,000	\$1,020,000
Salaries and Wages	\$120,000	\$1,440,000
Supplies: Technological, Equipment, and Furniture (computers, software, copy machine, desks, chairs, etc.), other	\$45,000	\$540,000
Advertising and Other Promotions	\$35,000	\$420,000
Utilities: Heat, Electricity, etc.	\$3,000	\$36,000
Telephone and Internet	\$2,500	\$30,000
Insurance	\$75,000	\$900,000

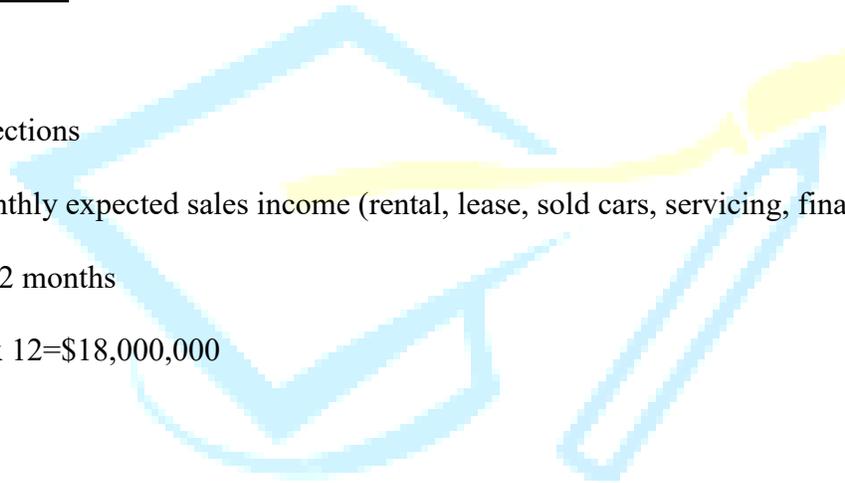
Other (specify)	0	0
Total	\$365,500	\$4,386,000*

**Expected Revenue**

Revenue Projections

=Average monthly expected sales income (rental, lease, sold cars, servicing, financing, and insurance) x 12 months

=\$1,500,000 x 12=\$18,000,000



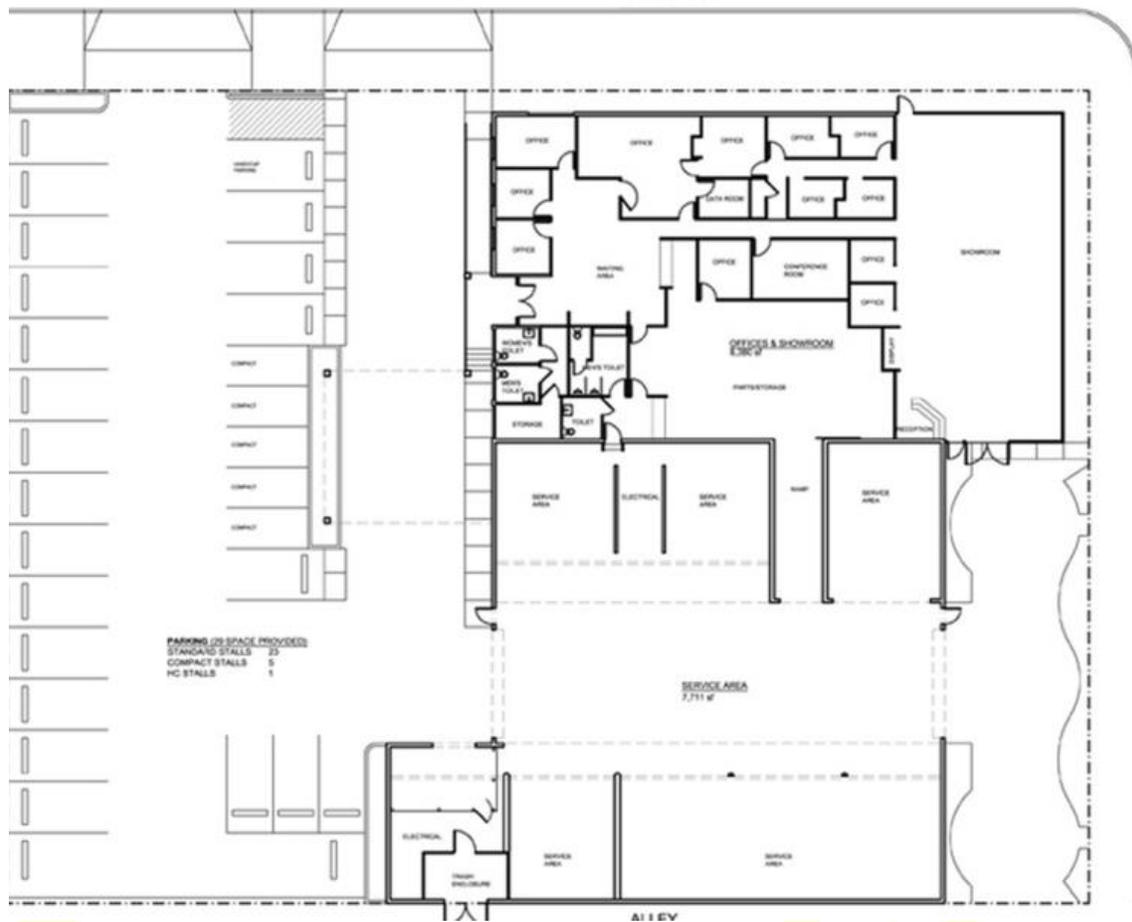
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## Balance Sheet

<b>Balance Sheet</b>	
<b>Assets</b>	
<b>Current Assets</b>	
Cash in Bank	\$3,200,000
Cash Value of Inventory	\$7,535,000
Prepaid Expenses (insurance)	\$900,000
<b>Total Current Assets</b>	<b>\$11,635,000</b>
<b>Fixed Assets</b>	
Machinery & Equipment	\$150,000
Furniture & Fixtures	\$122,000
Real Estate / Buildings	
<b>Total Fixed Assets</b>	<b>\$272,000</b>
<b>Total Assets</b>	<b>\$11,907,000</b>
<b>Liabilities &amp; Net Worth</b>	
<b>Current Liabilities</b>	
Accounts Payable	\$180,000
Taxes Payable	\$555,769
Notes Payable (due within 12 months)	
<b>Total Current Liabilities</b>	<b>\$735,769</b>
<b>Long-Term Liabilities</b>	
Bank Loans Payable (greater than 12 months)	\$1,300,000
Less: Short-Term Portion	
<b>Total Long-Term Liabilities</b>	<b>\$1,300,000</b>
<b>Total Liabilities</b>	<b>\$2,035,769</b>
<b>Owners' Equity (Net Worth)</b>	<b>\$9,871,231</b>
<b>Total Liabilities &amp; Net Worth</b>	<b>\$11,907,000</b>

## Floor Plan

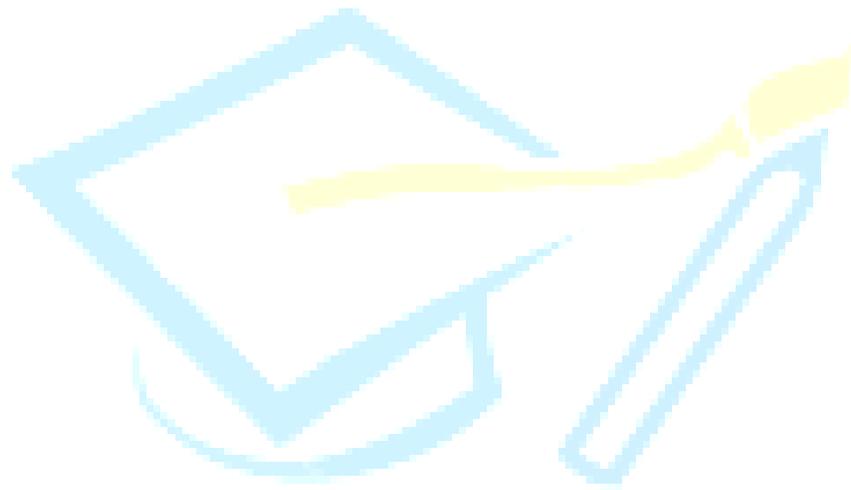


## Raw Materials and Supplies

All our vehicles will be acquired from the original manufacturing plants in Canada and the United States (Ford, Cadillac, Chrysler, Chevrolet, and Lincoln), the United Kingdom (Aston Martin, Jaguar), Italy (Bugatti, Ferrari, and Lamborghini), France (Renault), Germany (Mercedes, Porsche) and Japan (Toyota, Honda)

## **Quality Assurance**

All our vehicles are directly obtained from the original manufacturer and thus we provide a customer guarantee of obtaining vehicles in top notch condition. Nevertheless, we maintain close connections with these parent manufacturing companies in cases of vehicle recalls.



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## **PART 4: MANAGING MARKETING**

### **Target Market**

Our target market is mainly focused on high net worth individuals ( $\$ > 750,000$ ) and businesses generating greater than \$10 million in revenue.

### **Service (Product) Features and Benefits**

Our suite of services include;

- Rentals
- Purchases
- Leases
- Financing and servicing
- Repairs
- Vehicle consultation
- Insurance arrangements

### **Service (Product) Differentiation**

We look forward to differentiating ourselves from our competition by first providing our valued clients with high quality vehicles. Moreover, we will provide our premium clients

with rewards with they can redeem discounts, entry into bonanzas and raffle draws.

Finally, we aim to provide our clients with the best possible customer service experience because we believe that providing clients with the best experience is the best marketing technique.

### **Pricing**

We will actively explore and deploy penetration pricing once we enter the market and we will mark up our prices once we have gained solid traction within the market.

### **Place (Distribution) Issues**

Customers will gain information about our services mainly via visiting us in-house, reaching out to current referring customers and also by accessing our website.

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## **Advertising**

We will advertise to our target markets through the following means;

1. Social media advertisements on Facebook, Twitter and Instagram
2. Radio and television advertisements
3. Posters
4. Word of mouth (referral advertisements)
5. Affiliate marketing

## **Promotions**

On an annual basis, we will run a grand bonanza which will award the winning customer a free vehicle of their choice under \$900,000. On a monthly basis, we will also run mini bonanzas where winning participants can gain prizes such as vehicle purchase and rental discounts and cash prizes under \$300,000.

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## PART 5: FINANCIAL ISSUES

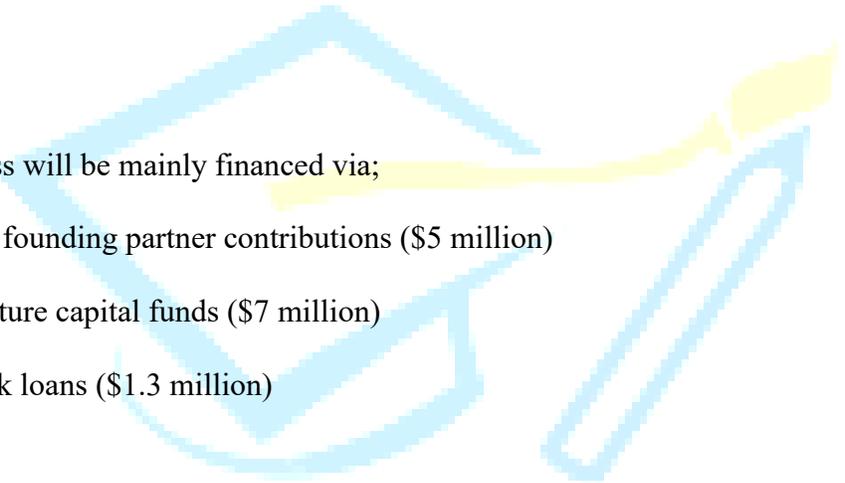
### Start-Up Costs

We will require \$13.3 million dollars to start-up the business

### Financing

Our business will be mainly financed via;

1. Our founding partner contributions (\$5 million)
2. Venture capital funds (\$7 million)
3. Bank loans (\$1.3 million)



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