



Runaway Tracking

Business Plan

Runaway Tracking Pty Ltd

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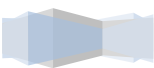


Contents

1. Introduction	3
1.1 Executive Summary	4
1.2 Vision Statement	4
1.3 Mission Statement	5
2. Business Profile	5
2.1 General Outline	5
2.2 Product Information	5
2.3 Support Options and Customer Usage	7
2.4 Trading Hours	7
2.5 Location	8
2.6 Staffing and Employees	9
3. Legal Information	9
3.1 Legal Structure	9
3.2 Licenses & Registration	10
4. Financial Plan	10
4.1 Budget	10
4.1.1 Funding and Financing	10
4.1.2 Start-Up Expenditure	11
4.1.3 12-Month Sales Forecast	11
4.1.4 Expenses Budget	11
4.1.5 12-Month Cash Flow Statement	12
4.1.6 Breakeven Analysis	12



5. Marketing Plan	13
5.1 Target Market	13
5.2 Market Segmentation	13
5.3 Advertising	13
5.4 Competitors	14
6. Conclusion	15
7. Appendices	
7.1 Start-Up Expenditure	
7.2 12-Month Sales Forecast	
7.3 Expenses Budget	
7.4 12-Month Cash Flow Statement	
7.5 Market Survey Results	
7.6 SWOT Analysis	



1. Introduction

1.1 Executive Summary

Runaway Tracking is a company providing GPS tracking solutions for numerous uses. In a modern technological world, where Global Positioning Systems are primarily used by civilians as navigation tools, Runaway Tracking can provide peace of mind to consumers on their runaways.

One of our primary products will be GPS Tracking Collars for pets. It is known that pets love to roam the local suburb only to have its owner finding their pet is missing! The GPS Tracking Collar will allow the pet owner to track their pet's movements through the subscription website with fine accuracy. The Tracking Collar is capable of working world-wide so you can be confident when taking your pet overseas.

As Australians, we love to have household pets as companions and family members in our homes and it is in our culture to own a pet. As a very outdoor active society, we benefit with interacting with friends and family, including pets such as dogs and cats in the vibrant Australian community. Based on the latest data from the ABS¹, there was an estimated 17.8 million household pets within the Australian community, providing a large potential customer base for Runaway Tracking.

After extensive research and viability assessments, Runaway Tracking Pty Ltd has decided to launch a chain of GPS Tracking Solutions starting with Pet Tracking Collars considering the uniqueness of the product in Western Australia. This business plan details Runaway Tracking's intended operations, legal and financial information as well as other necessary information. The company will operate under the trading name of Runaway Tracking.

It is with great pleasure that I present to you, the Business Plan for Runaway Tracking.

1.2 Vision Statement

"Runaway Tracking aspires to provide the opportunity for every pet owner in Western Australia to enjoy peace of mind and confidence when it comes to their pet's location and security."

¹ Australian Bureau of Statistics – Australian Social Trends -
<http://www.abs.gov.au/Ausstats/abs@.nsf/2f762f95845417aeca25706c00834efa/5ef8016f420622a3ca2570ec00753524!OpenDocument>



1.3 Mission Statement

Our Mission:

Runaway Tracking's mission is to establish a strong presence and compete in the GPS tracking market by:

- Offering quality and reliable products to consumers
- Establishing the lowest prices and beating competitor prices
- Providing a high-level of service to customers with free support
- Having a strong customer base and a good long-standing reputation with the Perth and broader community
- Managing and reducing the environmental impact of decisions made in all aspects of the business

2. Business Profile

2.1 General Outline

Runaway Tracking will be run primarily as an assembler and distributor of GPS tracking products. The primary product, the GPS Tracking Collar, will be sold through veterinary clinics, pet stores, the Runaway Tracking Head Office and the Runaway Tracking interactive website at www.runawaytracking.com.au

Runaway Tracking will have two main sources of income:

1. The sale of GPS products such as the Tracking Collar which will make the bulk of the company's revenue
2. The annual subscription fee for customers to use the 'Customer Area' of the Runaway Tracking interactive website which provides the live tracking feature of the product

2.2 Product Information

In the United States, there are several existing tracking devices available on the market. However, the majority of these *promote* the product's use of "mobile-phone pairing" which requires a mobile phone service to transmit the location of the device to the owner. However, pets do not own mobile phones and will not be with their owner when they have runaway. Runaway Tracking's collars will be more based on the "push for information" technology. The "push" method revolves around on a time-based interval of data. Once every time period, the GPS device will "push" its location co-ordinates to an internet server to be downloaded. Usually, devices are set to "push" the data in long



time intervals, resulting in long start-up times to get an accurate GPS signal. However, the architecture of our GPS Tracking Collar will feature an “always-on” system that leaves the receiver at an optimal level of operation when not required and is ready to be activated in a short period of time. The advanced power-management feature allows it to consume a minimal amount of power.

At the heart of the Tracking Collar will be the state-of-the-art GPS receiver. The SiRFstarIV architecture² is the latest series on the market and features the new SiRFaware Technology. The architecture has been specifically designed for an always on use, while consuming a minimal amount of power and having a small form factor. It also has significantly reduced noise, resulting in a quieter experience for the pet. Most importantly, the SiRFstarIV is designed for both *indoor and outdoor* use by sensing changes in satellite signals, temperature and context and making calculated adjustments to its position until it receives an unobstructed sky view, rather than providing no data.



To bundle our product with our interactive website, we will also be using the specifically designed Software Package which works in unison with the SiRFstarIV. The SiRF Location Manager is bundled with the product and works in synchronisation with the SiRFaware Technology. We will be employing this Manager on our servers to allow our customers to access the location of their pet via an internet connected computer or mobile phone.

Besides the core of our Tracking Collar, we also have several other essential components. Because we know that many household pets will not always be clean and tidy and enjoy getting wet and dirty, the entire tracking device will be sealed in a plastic housing. There will be also room for engraving of the identity of the pet, as well as methods to contact the owner, acting as a backup if all else fails.



The product will be mainly constructed from parts outside Australia. We will have an agreement with SiRF directly to reduce costs from a third-party distributor. SiRF is based in the United States. We intend to ship the few components required to construct the GPS Tracker from the US into Australia to be constructed at the Runaway Tracking Head Office. Runaway Tracking will also house its own servers on-site

² <http://www.sirf.com/products/SiRFstarIV%20Brochure.pdf>



2.3 Support Options and Customer Usage

Customers will be able to utilise the product in the following manner. Once a customer has purchased the Tracking Collar, they are able to either utilise the technology with any other service provider or bundle it with a yearly tracking subscription. The yearly tracking subscription gives the customer access to view the location of the device from virtually anywhere in the world via the interactive website. They will be issued a unique username and password linked to their individual tracking device. Customers will also be able to view the location of the device plotted on a map over the last 48 hours to view the travelled area.



To continue our commitment of customers to provide a “high level of service”, Runaway Tracking will offer free business hours support to all customers with an existing and active tracking subscription. Customers who do not have access to the internet to track their pet can call the Runaway Tracking office to get a representative provide details over-the-phone for a more personalised experience.

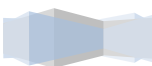
All purchases will be covered by a one-year warranty to provide additional peace-of-mind with the product and can be returned to an authorised retailer or through their purchasing retailer.

2.4 Trading Hours

As Runaway Tracking provides a 24/7 active service via an interactive website, the Head Office does not always need to be open. Runaway Tracking will aim to open every business day of the year with the following trading hours:

Monday	9:00am – 5:00pm
Tuesday	9:00am – 5:00pm
Wednesday	9:00am – 5:00pm
Thursday	9:00am – 6:00pm
Friday	9:00am – 5:00pm
Saturday & Sunday	Closed
Public Holidays	Closed

Runaway Tracking will provide a 24-hour telephone hotline for urgent and emergency calls and services. However, calls made after business hours will incur additional fees.



2.5 Location

The proposed location for establishing the business 7b Watts Place, Bentley Technology Park, Bentley, Western Australia. It is a stand-alone double storey building with 434m² of space.

The premises only 6 kilometres (direct line) or 12 minutes from the Perth CBD and is within easy access to a majority of consumers.

The location was chosen because of a number of factors:



- Located within a Technology Park also provides its benefits with other businesses in the same IT-driven field.
- Located within walking distance to Curtin University and Penrhos College which could be key target markets during the initial stages of marketing and selling.
- Can be sub-let, with Runaway Tracking occupying one floor and another business occupying the other, providing beneficial rental income during the start-up years.
- Allows for future expansion of the business. Runaway Tracking could occupy the entire building after stable operations have commenced and the business has established strong exposure.
- The building is open-planned on the ground floor which allows flexibility when planning the areas for office, storage and meeting rooms.
- The building is IT-connected which is essential for Runaway Tracking
- Has ample parking and has a private roller-door for the manager/owner.
- Is near the entrance of Bentley Technology Park and easily located.
- Is within the metropolitan area and 25 minutes drive to Perth Airport, where foreign/inter-state deliveries will arrive from.

The rental rate for the premises will be \$86,800 per annum, based on \$200/sqm



2.6 Staffing and Employees

Runaway Tracking will have four full-time employees as the initial base and will continue to employ more staff as demand increases on the business.

The positions, duties and responsibilities of each staff member are outlined below:

Position	No. Of Staff	Duties & Responsibilities
Grade 3 Clerical Officer	1 Full Time (38 Hours)	Receptionist, Clerical Duties, Communication
Salesperson	1 Full Time (38 Hours)	Sells Products, Customer Relations
Grade 2 Electronics Technician	1 Full Time (38 Hours)	Oversees/Participates in Construction and Manufacture of GPS Trackers
Assembler	1 Full Time (38 Hours)	Participates in Construction and Manufacture of GPS Tracker Collar
Total	4 Full Time	

3. Legal Information

3.1 Legal Structure

Runaway Tracking will be owned and operated by Runaway Tracking Pty Ltd, a privately owned proprietary company. Based on the planned structure:

- The company will be a separate, new entity that is independent.
- The company shareholders will have limited liability
- The company can continue upon the death of a shareholder
- The company does not have to disclose financial details or report private information to the general public.
- The company will be subject to the Corporations Act of 2001
- The company will be GST registered
- The company will be subject to the 30% company tax rate



3.2 Licenses & Registration

Based on the information provided by the Government of Western Australia: Business License Information Service (BLIS) for the local government of Town of Victoria Park, Runaway Tracking will need to obtain the following licenses:

- Business Name Registration
- Australian Business Number
- Permission to Import
- Commercial Advertising Signs
- Employer Requirements – Superannuation
- Occupational Health & Safety Requirements
- Worker’s Compensation Insurance
- Goods and Services Tax (GST) Registration

Depending on the success of the business and the Tracking Collar, Runaway Tracking may also look into obtaining the following:

- Grant of a Patent
- Registration of a Design
- Registration of a Trade Mark
- Export Controls

4. Financial Plan

4.1 Budget

Runaway Tracking has prepared several documents in order to project its start-up expenses, twelve month sales forecast, expenses budget, cash flow statement.

4.1.1 Funding and Finance

For Runaway Tracking to be successful, the initial stages are crucial. To establish and operate the business, there will be one capital investment from the main shareholder and one sub-rental income payment:

Shareholder Investment:	\$60,000
Sub-Rental Income:	\$4,166

As Runaway Tracking will not require the entire office space provided at 7b Watts Place, Bentley, it will be sub-leasing the premises until its operations increase.



4.1.2 Start-Up Expenditure

The Start-Up Expenditure of Runaway Tracking covers the cost of Furniture (Office Equipment), Computer Equipment (including workstations and server), White Goods for Staff Use and any associated Legal and Accounting Fees to set-up the business.

The largest Start-Up Expenditure comes from furniture and office equipment, closely followed by Computer Equipment which forms a strong basis of Runaway Tracking's product.

The Start-Up Expenditure is attached in the Appendices.

4.1.3 12-Month Sales Forecast

The 12-Month Sales Forecast was based on a rough estimate supported through research. Although Runaway Tracking hopes that its increase in Marketing during its second month of operation will stimulate more sales, we are only projecting a 20% increase in sales for the first 4 months, which will then slow down to 10%.

The 12-Month Sales Forecast also assumes that when a customer purchases a Tracking Collar (\$150), they will also bundle it with a 1-Year Subscription Fee (\$75). Seeing as the two products work in conjunction with each other, it is almost a requirement that the subscription fee be purchased.

Runaway Tracking estimates, that in the first year of operation (Year Ending 2010), it will take in a total of \$567,000 in revenue.

The 12-Month Sales Forecast is attached in the Appendices.

4.1.4 Expenses Budget

The Expenses Budget allows for a significant price increases and fluctuations throughout the 12-month period. For example, the Cost of Sales (i.e. the cost to produce the Tracking Collar) is set at \$100 per Tracking Collar. Runaway Tracking believes that the cost of producing the Tracking Collar will initially be in that field, but as production processes are refined and more stock is purchased in bulk-orders, the eventually cost of production in the latter months of 2010 are to decrease. However, the Expenses Budget does not assume this, maintaining a \$100 production cost all throughout the year.

The Expenses Budget is attached in the Appendices.



4.1.5 12-Month Cash Flow Projection

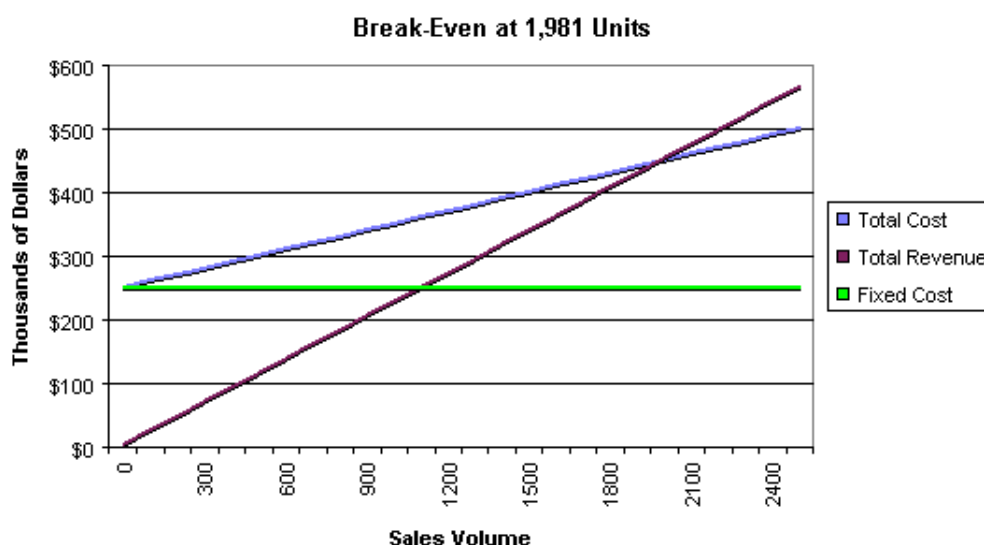
The 12-Month Cash Flow Projection is based on the assumption that Runaway Tracking will commence business operations in January 2010. The Sales figures are based on the calculations from the 12-Month Sales Forecast. The Sub-Rental Income is calculated on sub-leasing 200sqm of the premises at a rental rate of \$250/sqm providing an approximate \$50,000 of revenue each year. However, we estimate that we will not be able to sub-leasing the property in the first month, so the rental income will begin in February 2010, reducing the rental income to \$45,833 for the year ending 31 December 2010.

The Cash Flow Projections indicate that Runaway Tracking will maintain a positive bank balance, even in some of the more difficult months of the year, particularly June/July 2010 when the Council and Water Rates are to be paid. At the end of the year, Runaway Tracking is in its best position, with a bank balance of \$86,978.41. With this amount, the business does not require any further capital injection or a bank loan. However, it may be necessary during the June/July period to take out an overdraft.

4.1.6 Break Even Analysis

Based on current calculations, Runaway Tracking will break even at 1,981 units. This assumes that:

- The Production Cost for each unit is \$100.00
- The Sales Price for each unit is \$225.00 (\$150 collar, \$75 subscription)
- The Fixed Costs are \$274,704
- Runaway Tracking will sell 2,520 units in the first year



Runaway Tracking will break even in November 2010 and will become profitable from then onwards.



5. Marketing Plan

5.1 Target Market

Runaway Tracking's Market Survey results demonstrate a large target market and a strong and keen interest in the area of GPS tracking for pets. Our results show that 68% of respondents are from households with a married couple and at least one dependent child, which is our target market. Additionally, Runaway Tracking will be targeting the Single Adult and Married Couples market, which has a strong potential of pet ownership. Our results also returned a high rate of 75% pet ownership, which provides for a very large customer base. Data obtained from the Australian Bureau of Statistics also indicates that there are over 17.8 million household pets³ nationwide and 60% of households owning pets (one or more).

5.2 Market Segmentation

Geographic:	Within the Perth Metropolitan Area and Broader Community
Demographic:	Families with Children, Married Couples and Single Adults, middle and above income groups, all levels of education from all social groups and ethnic backgrounds that are pet owners
Psychographic:	Pet Owners who are passionate about their animal friend and want security, peace of mind and ease of access to the location of their pet

5.3 Advertising

Runaway Tracking aims to develop three main stages of advertising based on what we view to be viable, financially acceptable and provides the largest exposure for the enterprise. It aims to create awareness of the product, promote its benefits and provide information to the unaware consumer through several media mediums.

The three stages are as follows:

Pre-Launch Awareness: Before Runaway Tracking commences full business operations, it will commence low-key advertising within the local community. Particularly, it will target local schools, community newspapers, the Classifieds in the State newspaper and mail drops in the surrounding area of the business. This stage attempts to provide a

³ Australian Bureau of Statistics – Australian Social Trends
<http://www.abs.gov.au/Ausstats/abs@.nsf/2f762f95845417aeca25706c00834efa/5ef8016f420622a3ca2570ec00753524!OpenDocument>



foundation base for the company, exposing it to the public and readying the anticipated launch of the product.

Product Launch: Once Runaway Tracking has received positive feedback from the local community, it will start to commence full business operations. When this occurs, a large-scale media campaign will be launched to establish a broader knowledge of the company alongside the ability to examine and even purchase the product. Utilizing media forms including an interactive website, search engine ads, newspaper ads, TV ads, radio advertisements and billboards. There will be strong emphasis on the suitability and essentiality of the product as well as the discounted price offers and promotional “freebies” that are packaged for early customers.

Periodic Product Exposure: After the Product Launch, Runaway Tracking’s advertising campaign will be geared down in an effort to reduce costs. While maintaining the interactive website, there will be fewer newspaper advertisements and television ads will be phased out. From time to time, there will be large-scale media advertising, particularly around animal-based events such as The Royal Show and Pet Expos. Vet Clinics and Pet Stores will maintain a strong product exposure campaign with flyers and posters to attract the more potential customers.

5.4 Competitors

As previously outlined, the pet tracking market is a relatively untapped one in Western Australia. However, as our world becomes more connected, goods can be purchased over the internet and be used within the state. Therefore, our competitors have the possibility of operating out of state or even overseas. One of Runaway Tracking’s potential competitors is the PetTrack by Corteo. The company has a similar product but has several key downfalls:

- The PetTrack is reliant on the Telstra GSM network to broadcast its location
- The PetTrack costs \$299.00 – far more expensive
- Corteo is based in Victoria



6. Conclusion

The relatively untapped market of GPS Tracking for pets in Western Australia presents a unique opportunity. By establishing a business that is in a field of its own, there are no competitors and every customer will be a first-time customer. The advantage that this provides is enormous, and will allow for a solid foundation base for any thriving enterprise.

Runaway Tracking's operation may seem complex, with international shipments coming through and a very IT-based product. However, with continuing advancements in technology, operations will become easier and more efficient. Runaway Tracking also requires a minimal shareholder investment, requiring only \$60,000 to remain cash positive for the entire year, without the burden of a bank loan.

Once Runaway Tracking commences stable business operations, there will be a large return for shareholders. Like any other business, the initial journey is tough, with product testing to go through and exploring a new market, but without any sacrifice, there will be no gain for the company.

In the future, Runaway Tracking will aim to expand into the broader GPS market, including asset and vehicle tracking while maintaining a high standard of quality and low competitive prices.





Runaway Tracking

Appendices

7.1 Start-Up Expenditure

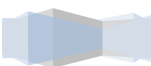
7.2 12-Month Sales Forecast

7.3 Expenses Budget

7.4 12-Month Cash Flow Statement

7.5 Market Survey Results

7.6 SWOT Analysis





Runaway Tracking

Start-Up Expenditure

Sources of Capital

SHAREHOLDER INVESTMENTS

Shareholder 1 - 100%	\$60,000.00
Total Shareholder Investments	<u>\$60,000.00</u>

<u>TOTAL SOURCES OF CAPITAL</u>	<u>\$60,000.00</u>
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Start-Up Expenses

CAPITAL AND OTHER EQUIPMENT

Furniture (Office Equipment)	\$10,000.00
Computer Equipment (Server and 3 Workstations)	\$4,500.00
White Goods (Kitchen Appliances inc. Fridge)	\$3,500.00
Total Capital and Other Equipment	<u>\$18,000.00</u>

ADMINISTRATIVE EXPENSES

Legal and Accounting Fees	\$5,000.00
Total Administrative Expenses	<u>\$5,000.00</u>

<u>TOTAL START-UP EXPENSES</u>	<u>\$23,000.00</u>
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Summary

<u>Total Sources of Capital</u>	\$60,000.00
<u>Total Start-Up Expenses</u>	\$23,000.00
<u>TOTAL EXCESS FUNDS</u>	<u>\$37,000.00</u>

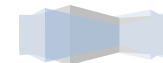




Runaway Tracking

Projected Sales Forecast

	January	February	March	April	May	June	July	August	September	October	November	December	2010 Total
Pet Tracking Collars	100	120	140	160	180	200	220	240	260	280	300	320	2,520
Sale Price per Unit	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	
	\$15,000.00	\$18,000.00	\$21,000.00	\$24,000.00	\$27,000.00	\$30,000.00	\$33,000.00	\$36,000.00	\$39,000.00	\$42,000.00	\$45,000.00	\$48,000.00	\$378,000.00
1 Year Subscription Fee	100	120	140	160	180	200	220	240	260	280	300	320	2,520
Sale Price per Unit	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	\$75.00	
	\$7,500.00	\$9,000.00	\$10,500.00	\$12,000.00	\$13,500.00	\$15,000.00	\$16,500.00	\$18,000.00	\$19,500.00	\$21,000.00	\$22,500.00	\$24,000.00	\$189,000.00
Total Sales Forecast	\$22,500.00	\$27,000.00	\$31,500.00	\$36,000.00	\$40,500.00	\$45,000.00	\$49,500.00	\$54,000.00	\$58,500.00	\$63,000.00	\$67,500.00	\$72,000.00	\$567,000.00

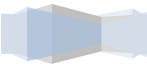




Runaway Tracking

Expenses Budget

	January	February	March	April	May	June	July	August	September	October	November	December	2010 Total
Wages	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$85,392.00
Superannuation (9%)	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$7,685.28
Electricity			\$300.00			\$300.00			\$300.00			\$300.00	\$1,200.00
Cost of Sales	\$10,000.00	\$12,000.00	\$14,000.00	\$16,000.00	\$18,000.00	\$20,000.00	\$22,000.00	\$24,000.00	\$26,000.00	\$28,000.00	\$30,000.00	\$32,000.00	\$252,000.00
Landline Rental and Phone Calls	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$720.00
Water Rates						\$1,000.00							\$1,000.00
Council Rates						\$7,022.00							\$7,022.00
Rent	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$84,000.00
Worker's Compensation	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$3,415.68
Gas	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Stationery	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00
Advertising	\$2,000.00	\$7,500.00	\$5,000.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$37,000.00
Insurance	\$6,000.00												\$6,000.00
Website and Server Hosting	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Website and Tracking System Initial Setup	\$5,000.00												\$5,000.00
Faults, Services, Repairs, Damaged Stock	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000.00
Internet Connection	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$720.00
Cleaning (\$18 per hour)	\$90.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$750.00
Total Expenses	\$38,901.08	\$35,371.08	\$35,171.08	\$34,371.08	\$36,371.08	\$46,693.08	\$40,371.08	\$42,371.08	\$44,671.08	\$46,371.08	\$48,371.08	\$50,671.08	\$499,704.96





Projected Cash Flow 12-Month Forecast (2010)

Projected for 1 January 2010 to 31 December 2010

Runaway Tracking

	January	February	March	April	May	June	July	August	September	October	November	December	2010 Total
ANTICIPATED RECEIPTS													
Capital Investment	\$60,000.00												\$60,000.00
Sub-Leasing Income		\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$4,166.67	\$45,833.37
Sales	\$20,000.00	\$24,000.00	\$28,000.00	\$32,000.00	\$36,000.00	\$40,000.00	\$44,000.00	\$48,000.00	\$52,000.00	\$56,000.00	\$60,000.00	\$64,000.00	\$504,000.00
Total Receipts	\$80,000.00	\$28,166.67	\$32,166.67	\$36,166.67	\$40,166.67	\$44,166.67	\$48,166.67	\$52,166.67	\$56,166.67	\$60,166.67	\$64,166.67	\$68,166.67	\$609,833.37
ANTICIPATED PAYMENTS													
Establishment Assets	\$23,000.00												\$23,000.00
Business Name Registration	\$150.00												\$150.00
Wages	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$7,116.00	\$85,392.00
Superannuation (9%)	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$640.44	\$7,685.28
Electricity			\$300.00			\$300.00			\$300.00			\$300.00	\$1,200.00
Cost of Sales	\$10,000.00	\$12,000.00	\$14,000.00	\$16,000.00	\$18,000.00	\$20,000.00	\$22,000.00	\$24,000.00	\$26,000.00	\$28,000.00	\$30,000.00	\$32,000.00	\$252,000.00
Landline Rental and Calls	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$720.00
Water Rates						\$1,000.00							\$1,000.00
Council Rates						\$7,022.00							\$7,022.00
Rent	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$84,000.00
Workers Compensation (4%)	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$284.64	\$3,415.68
Insurance	\$6,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,000.00
Stationery	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$600.00
Advertising and Marketing Costs	\$2,000.00	\$7,500.00	\$5,000.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$37,000.00
Website/Computing Costs	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$1,200.00
Website and Tracking System Initial Setu	\$5,000.00												\$5,000.00
Faults, Services, Repairs, Damaged Stoc	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	
Internet Connection	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$720.00
Cleaning	\$90.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$750.00
Total payments	\$62,051.08	\$35,371.08	\$35,171.08	\$34,371.08	\$36,371.08	\$46,693.08	\$40,371.08	\$42,371.08	\$44,671.08	\$46,371.08	\$48,371.08	\$50,671.08	\$522,854.96
CASH FLOW CALCULATIONS													
CASH IN FOR THE MONTH	\$80,000.00	\$28,166.67	\$32,166.67	\$36,166.67	\$40,166.67	\$44,166.67	\$48,166.67	\$52,166.67	\$56,166.67	\$60,166.67	\$64,166.67	\$68,166.67	
CASH OUT FOR THE MONTH	\$62,051.08	\$35,371.08	\$35,171.08	\$34,371.08	\$36,371.08	\$46,693.08	\$40,371.08	\$42,371.08	\$44,671.08	\$46,371.08	\$48,371.08	\$50,671.08	
NET CASHFLOW FOR THE MONTH	\$17,948.92	-\$7,204.41	-\$3,004.41	\$1,795.59	\$3,795.59	-\$2,526.41	\$7,795.59	\$9,795.59	\$11,495.59	\$13,795.59	\$15,795.59	\$17,495.59	
CASH POSITION FROM PREV. MONTH	\$0.00	\$17,948.92	\$10,744.51	\$7,740.10	\$9,535.69	\$13,331.28	\$10,804.87	\$18,600.46	\$28,396.05	\$39,891.64	\$53,687.23	\$69,482.82	
CASH POSITION - END OF MONTH	\$17,948.92	\$10,744.51	\$7,740.10	\$9,535.69	\$13,331.28	\$10,804.87	\$18,600.46	\$28,396.05	\$39,891.64	\$53,687.23	\$69,482.82	\$86,978.41	



Runaway Tracking

Market Survey

24 responses received

Summary

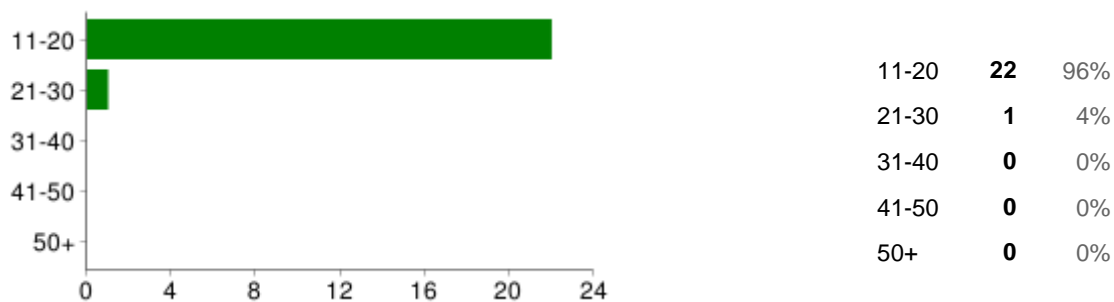
Survey compiled using Google Docs

Personal Information

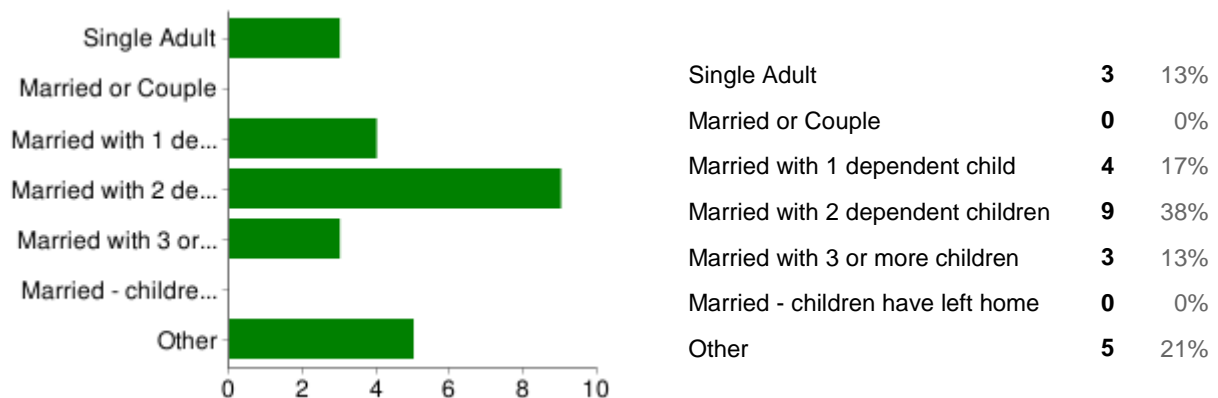
What is your name?

Information has been censored by Runaway Tracking for privacy reasons.

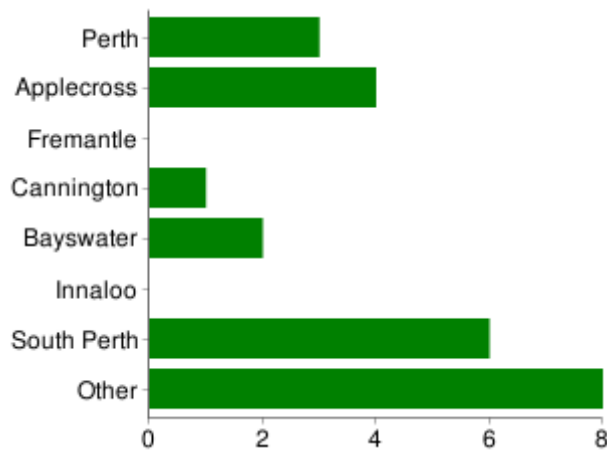
How old are you?



What best describes your household?



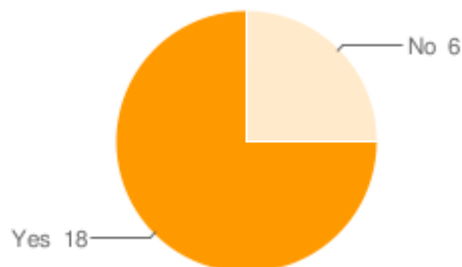
What suburb do you live in?



Perth	3	13%
Applecross	4	17%
Fremantle	0	0%
Cannington	1	4%
Bayswater	2	8%
Innaloo	0	0%
South Perth	6	25%
Other	8	33%

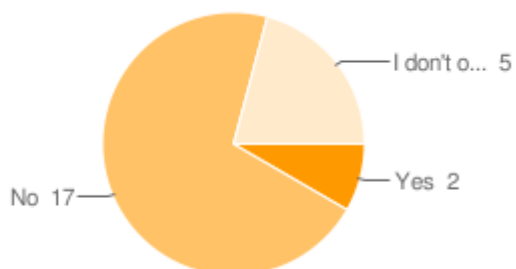
Product Information

Do you own a household pet?

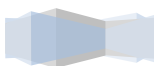


Yes	18	75%
No	6	25%

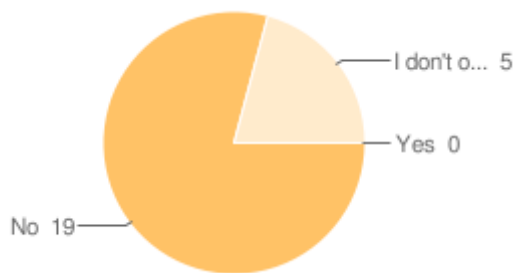
Does your pet have an identity chip (not a tracking device)?



Yes	2	8%
No	17	71%
I don't own a pet	5	21%

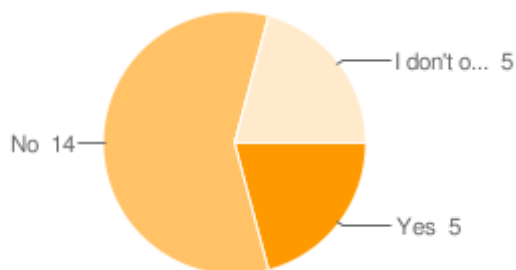


Does your pet have a GPS tracking device?



Yes	0	0%
No	19	79%
I don't own a pet	5	21%

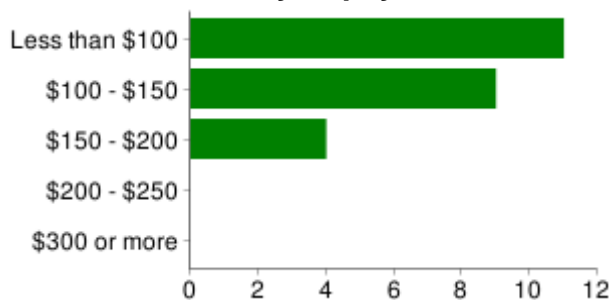
Has your pet ever run away or gotten lost before?



Yes	5	21%
No	14	58%
I don't own a pet	5	21%

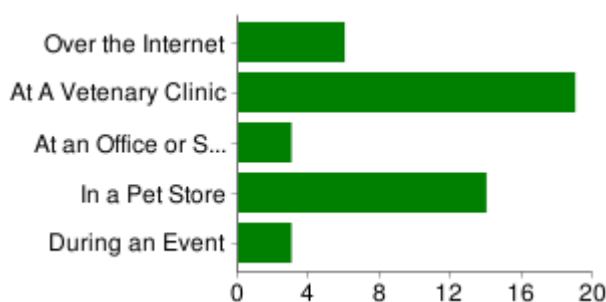
Product Information

How much would you pay for a GPS tracking device?



Less than \$100	11	46%
\$100 - \$150	9	38%
\$150 - \$200	4	17%
\$200 - \$250	0	0%
\$300 or more	0	0%

If you were to purchase a GPS Tracker, how would you prefer to purchase it?



Over the Internet	6	25%
At A Veterinary Clinic	19	79%
At an Office or Showroom	3	13%
In a Pet Store	14	58%
During an Event	3	13%

SWOT Analysis

Strengths:

- Capable of being sold through retailers and the Internet
- No actual shopfront store required, with Runaway Tracking's primary role of being a manufacturer and distributor, no retail branches are required
- Runaway Tracking requires minimal space to operate, with a small base of operations, telephone centre and a small production area (small product)
- The product is unique, being different to current GPS Tracking on market. It is based more around "pet tracking" rather than "asset management".
- Pricing of \$150 for the device is relatively cheaper than the Eastern States competitors (which start at \$450)

Weaknesses:

- Outsourcing product components and initial construction may be difficult
- Initial set-up of GPS technology, satellite links and website may be tedious, costly and time-consuming
- Relatively untapped market, no backing market research – lack of experience in product field (in Western Australia)
- Possibility of "product theft" from consumer – no security from being stolen

Opportunities:

- Untapped Market
- Good Marketing Opportunity – pets are considered family members and are loved dearly. Many families will go to great lengths for their security
- Strong Australian Dollar provides excellent purchasing power for product components made in the United States
- Possible Approval, Recognition or Support from Pet Societies and Associations such as the RSPCA

Threats:

- Privacy Laws – if Runaway Tracking decides to expand beyond Pet Tracking, there may be conflicts in privacy when tracking vehicles or assets
- Large Corporations have the ability to mass-produce factory made products, with cheaper production costs
- The Global Economic Crisis has led to a downfall in consumers spending money and may have an impact on initial business operations
- Initial Product Exposure and Trust will be minimal. The community will take time to accept and purchase such a new product into their homes

