

Wayne Tech Business Start-Up Plan

Team Project
CPET 581 e-Commerce
Prof. Paul Lin
Cesar Ruiz
Mengwei Li
Sayed N. Hassan



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Executive Summary

- ◆ Wayne PC Tech, LLC will offer computer technology services: computers, network and mobile (repairs, training, networking and upgrade service) to mid-sized, small businesses as well as residential customers. The main focuses at Wayne PC Tech will be on quality, affordable prices, marketing, fast turnaround repair, great customer service to create and retain customer relations.
- ◆ Wayne PC Tech, LLC was created in August, 2011 as a sole proprietorship. It's a home office start-up computer services company, services done in the home garage and the spare room in the owner's home. Wayne PC Tech serves Fort Wayne customers, surrounding areas as well as national and international (mainly Mexico) through remote assistance. Within a year, Wayne PC Tech will move into a leased office space and hire 2 technicians and as customer demand increase, will hire additional technicians.

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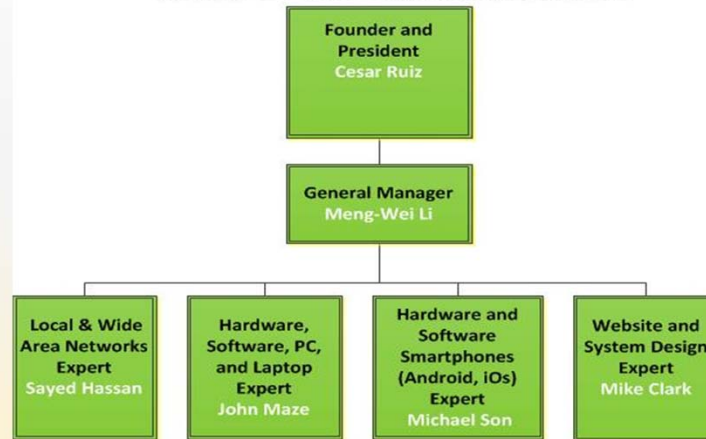
Wayne PC Tech Description

- ◆ Wayne PC Tech is an Limited Liability Company located in Fort Wayne, IN. owned by Cesar Ruiz. Currently, is only one-employee company based in the owner's garage and spare room, but plans to grow in one year from a one-employee, home-office based repair shop to a profitable, 3 to 4 employees business on a leased location.
- ◆ Wayne PC Tech was initially offering computer services from the owner's home. However, referrals, market demand and feedback from our marketing research, we have predicted that within the next year; sales should be higher than originally imagined. Therefore, within the first year, a lease location, a mobile website, a company vehicle and company cell phones will be necessary to accommodate customer demand.
- ◆ The owner, Cesar Ruiz, has over 10 years of experience in the technology fields and IT support, networking, computer training and repair and over 2 years on Mobile support. Cesar Ruiz also has a Business Minor, a Network Certification, Bachelors Degree in Computer Information System from Purdue and currently pursuing his Masters In Information Technology from Purdue as well.

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Future Leadership

Wayne PC Tech Organizational Chart



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Mission Statement

- ◆ Our mission is to go above the standards for off-site and on-site computer services by providing a fast, off-site/on-site service and response. We are constantly striving to provide better service for our valued customers, therefore, our customers will be treated with respect and will receive the highest quality of customer service available, all the problems will be explain on easy-to-understand non-technical language and will always receive individual attention at a very affordable price. The employees will be treated with respect, receive extensive training, fun atmosphere, good pay and incentives to encourage them to use their own good judgment to solve customers' problems and to treat customers to their best...

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Company Goals

- ◆ To become the number one computer services provider with affordable prices, quick and on-demand service, and provide the best customer services.

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Company Strengths and Core Competencies

- ◆ Free Onsite visits and free diagnose
- ◆ Flat rate fee
- ◆ No waiting time
- ◆ Free of cost follow-up services
- ◆ 90-days warranty
- ◆ Bi-lingual service
- ◆ Professional service, well skilled and knowledge personnel
- ◆ On-demand and after hours service

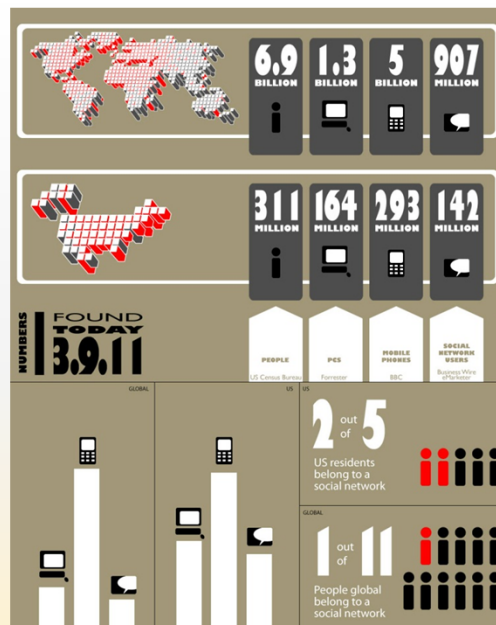
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The Market

- Worldwide and particularly in Indiana, the computing and mobile technology usage is constantly growing. According to the internet research from Nielsen at March and September 2011; the US Statistics of Mobile, PC Ownership are:

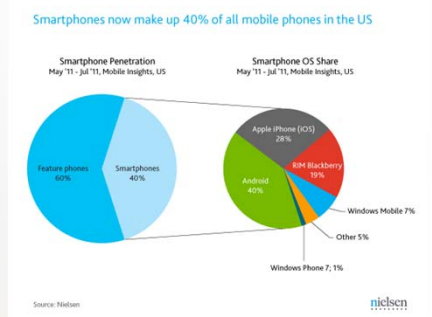
US Population (million)	PCs	Mobile phones	Smartphones
311	164	293	117.2

- Table 2 - The statistics of Mobile and PC ownership in USA [6] (<http://www.census.gov/population/www/popclockus.html>)



(<http://www.mdurwin.com/2011/03/global-v-us-statistics-mobile-social-network-pc-ownership>)

- Other than that, 40 Percent of U.S. Mobile Users Own Smartphones. From the data, we are able to estimate the size of the market in Fort Wayne.



(<http://blog.nielsen.com/nielsenwire/?p=28790>)

Fort Wayne Population	PCs	Mobile phones	Smartphones
0.25 (million)	0.13	0.23	0.09

- Overall, in Fort Wayne, about half of the population owns a PC, 9 out of 10 have a cell phone, and average 2.5 out of 10 owns a Smartphone.

Market (Cont.)

- Wayne PC Tech, will focus on three market segments: mid-sized, small business and home PC users. The main focus will be more on mid-sized business and residential users. As Mid-sized business typically do not have fulltime IT personnel, Wayne PC Tech will offer quick service, affordable prices, on-demand service and maintenance agreements for these customers. For residential customers, Wayne PC Tech same service as for mid-sized customers, but adding extra helpful service and a very flexible schedule to meet their needs. The target market will focus on Fort Wayne, IN. and the surrounding areas.

Trade-off of website hosting at our location VS. Co-hosting solution

	Hosting your own website	Co-Hosting (outsourcing)
Advantages	<ul style="list-style-type: none"> ✓ Complete control over the hosting. This can be a major advantage to those who would like to constantly monitor everything about the website and the web hosting. ✓ Those who would like to make regular changes to the hosting setup (and want to do it themselves) will benefit from hosting their own site. In some circumstances it can be cost effective to host your own site but only if you have the requirements to have your own server. This is because you won't have to pay another company to do it for you. ✓ the potential for an extra income stream, because if you are hosting your own website you may have the equipment and expertise to host websites on behalf of others as well. 	<ul style="list-style-type: none"> ✓ Leaving it in the hands of experts, which allows you to focus on your core business. ✓ Most hosting companies offer 24/7 support. This support means your site is being watched around the clock . ✓ If shared hosting is adequate then you can share servers with the hosting company's other customers which will be cheaper than having your own server. ✓ Colocation can also take away one of the disadvantages of outsourcing: that you have no control. With Colocation you own and maintain your own server but rent rack space at a Colocation centre which will cost less than hosting it yourself as you are sharing bandwidth and other variable with other customers. ✓ With outsourcing you can purchase Managed Hosting. Managed Hosting means all your hosting is completely managed for you.

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Trade-off of website hosting at our location VS. Co-hosting solution

	Hosting your own website	Co-Hosting (outsourcing)
Disadvantages	<ul style="list-style-type: none"> ✘ The majority of the time it is more expensive to host your website yourself. You may have to hire staff just for this purpose, and the relevant expertise can be costly. ✘ You will also have to have you own server and other equipment, and if you don't have the requirements to use this to its capacity you will still be paying for it. If you don't have the necessary expertise it can pose obvious problems, especially if something goes wrong. It is also another area you have to worry about, and can distract you from the rest of your business. 	<ul style="list-style-type: none"> ✘ You don't have the same control if you are outsourcing. To an extent things are dictated to you by the limitation of the hosting package you choose and the operations of the hosting company. ✘ If something goes wrong with the hosting company, for example if they go out of business or make a mistake, you could have a problem. ✘ There could also be a potential security risk if confidentiality is a major issue. For the majority of businesses, outsourcing is the better option. Most do not have the expertise to host their own website, and can make use of the support an established hosting company can offer. In the end it all comes down to the hosting needs and hosting knowledge of each individual business.

<http://amarhall.wrytestuff.com/swa607010-Advantages-And-Disadvantages-Of-Hosting-Your-Own-Website-And-Outsourcing.htm>

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Cost of website hosting at our location VS. Co-hosting solution

	Hosting your own website	Co-Hosting (outsourcing)
Human resources	\$25,000 (For 1 IT)	FREE (included)
Equipment	\$1,500~\$2,000 (Lenovo ThinkServer RD120)	FREE (included in monthly fee)
other capital	\$1,500 (ISP rental)	Monthly fee (\$8.00)
Software Tools	Varies (MS Sever 2010, Website design software Adobe Dreamweaver, Photoshop)	Varies (Website design software Adobe Dreamweaver, Photoshop)
Maintenance Fee	\$2,000 per year (estimate)	FREE (included)
Total Cost	About \$35,000 annually	About \$1,590 annually

Base on the information above, we decided that it will be cheaper for us to co-host our website with a hosting company.

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Risk Analysis Matrix

Item	Knowledge and experience risk	Mitigations
K1	an issue outside of the scope	Pre-Testing to identify issues
K2	Human error	System backup
K3	highly intricate UNIX issues	Increase expertise by certifications
K4	consequences due to issues resolution by trial and error	System backup
Item	Budget	Mitigations
B1	Inadequate allowance for inflation	Careful budgeting
B2	Underassessment of service demands from customers	outsource
B3	Unexpected increased cost of Partnership Arrangements	Redundant partners
B4	Increased/unexpected competition	Vigilant pricing policy
B5	Downturn in the economy	Adjust prices
Item	Technology	Mitigations
T1	technology being obsolete	Keep updated with latest trends
T2	no compatibility of current software and very high up-gradation fees	
T3	Hardware out of date	Schedule timely up-gradations
T4	High cost of certifications to service operating system	
T5	Intrusion of hackers into system infrastructure	Firewalls, secure shell, close insecure ports
T6	Technical failure	Redundancy
Item	Team factor	Mitigations
F1	Conflicts	Synergy
F2	High turnover ratio	Career oriented jobs, create redundancy in skill set

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Risk Analysis Matrix

	Impossible	Improbable	Remote	Occasional	Probable	Frequent
1. Catastrophic			T6		T5	
2. Critical		B5,F2	K3,K4,T1	K2, B4	B3,T2,T4	
3. Marginal		B1,F1	K1,B2,T3			
4. Negligible						

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Start-up Cost

- ◆ The total start-up cost includes setting up the business (registering the business with the Secretary State of Indiana), initial expenses for establishing our website, and also doing our initial advertising. Our exact allocations are shown in the table below.
- ◆ Wayne PC Tech initial start-up expenses include the diagnostic and repair equipment need it, some of the initial equipment will be provided by the owner from his own current materials. The equipment is considered as assets because is expected to last at least three years and then we will resale it. There will be money assign to buy additional equipment in year two.
- ◆ The total start-up cost will be funded by the owner investment, and small loans from family members and friends. We should be able to easily repay this loan within three years, even with a much lower sales revenue than projected. (See the Cash Flow table for projected repayment.)

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Start-up Cost (Cont)

Start-up Requirements	
Start-up Expenses	
Legal	\$500
Website	\$1,590
Advertising	\$1,200
Business Cards	\$120
Total Start-up Expenses	\$3,410
Start up Assets	
Cash	\$1,000
Equipment	\$4,000
Total Assets	\$5,000

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Start-up Cost (Cont)

- ◆ **Website**

Domain name registration	\$10.00
Hosting	\$90.00 per year
ISP	\$1,500 per year
Total	\$1,590
- ◆ **Advertising**

Allocate on Cost Per Click (CPC) with GoogleAdwords and Facebook ads
- ◆ **Business Cards**

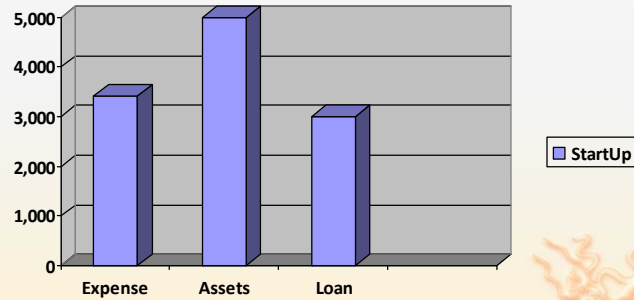
2,000 color both sides business cards
- ◆ **Equipment**

Equipment includes computers, monitors, printers, cables, hard drives, and diagnostic tools

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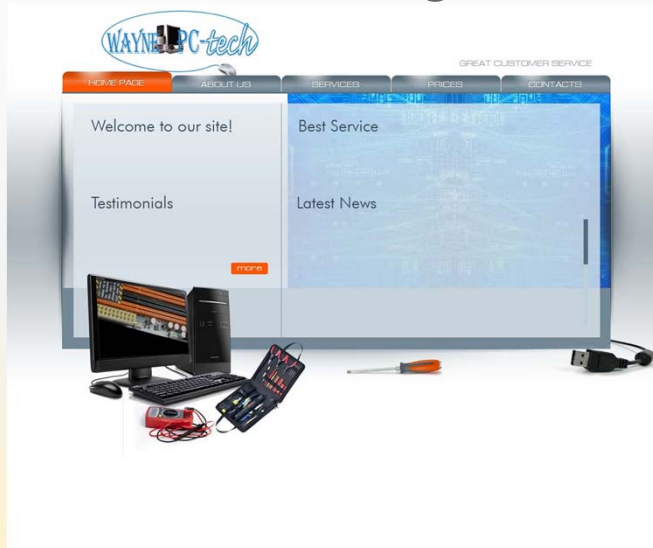
Start-up Cost (Cont)

Start-up Requirements	
Start-up Loan	
Loan from friends and Family	\$3,000



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Web Design



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Project Schedule Task

- ◇ **1.1.0.0 Conception Phase (01/24/2012 - 01/31/2012)**
- ◇ 1.1.1.0 Research (01/24/2012 - 01/27/2012)
- ◇ 1.1.1.1 Competitor Websites (01/24/2012 - 01/27/2012)
- ◇ 1.1.1.2 Website Design Articles (01/27/2012)
- ◇ 1.1.2.0 Website Development Criteria
 (01/27/2012 - 01/31/2012)
- ◇ 1.1.3.0 End Conception Phase

- ◇ ***We all work together on the conception phase***

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Project Schedule Task

- ◇ **1.2.0.0 Study Phase (02/01/2012 - 02/07/2012)**
- ◇ 1.2.1.0 E-commerce Infrastructure, Create Diagrams, User Cases
 (02/01/2012 - 02/03/2012)
- ◇ 1.2.2.0 Website Design: Investigate Potential Pitfalls and Problem Areas
 (02/03/2012 - 02/05/2012)
- ◇ 1.2.2.1 HTML/Flash, JavaScript's, Eclipse & CSS programming Study (02/03/2012 - 02/07/2012)
- ◇ 1.2.3.0 End Study Phase

- ◇ ***We all work together on the Study phase***

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Project Schedule Task

- | | | | |
|---|----------------|----------------------------------------------|----------------------------------|
| ◆ | 1.3.0.0 | Design Phase | (02/08/2012 - 02/14/2012) |
| ◆ | 1.3.1.0 | Website Design | (02/08/2012 - 02/14/2012) |
| ◆ | 1.3.1.1 | Website Analysis | (02/08/2012 - 02/11/2012) |
| ◆ | 1.3.1.2 | Initial Content and Layout | (02/11/2012 - 02/14/2012) |
| ◆ | 1.3.1.3 | Company Information & Contact Us Pages | (02/15/2012 - 02/16/2012) |
| ◆ | 1.3.1.4 | Services and Prices Pages | (02/17/2012 - 02/22/2012) |
| ◆ | 1.3.1.5 | Form Creation for User Data Input | (02/23/2012 - 02/24/2012) |
| ◆ | 1.3.2.0 | Website Testing (Team) | (02/25/2012) |
| ◆ | 1.3.2.0 | Website Testing (Utilizing an Outside Group) | (02/27/2012) |
| ◆ | 1.3.2.1 | Debug System | (02/28/2012 - 03/09/2012) |
| ◆ | 1.3.3.0 | End Design Phase | |
| | 1.4.0.0 | Implementation Phase | (03/12/2012 - 3/23/2012) |

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Questions/Comments

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