

Clothing Retail Business Plan

Executive Summary

Mahogany Western Wear is a new apparel store that caters to the African-American cowboy community in Houston, Texas. As our name suggests our focus is to provide western wear apparel and accessories, and position ourselves as the top retail store servicing this particular market.

We are the first and only African-American owned western apparel store in the city of Houston. Our intentions are to obtain 80% market share and become a central hub of shopping activity for the local African-American cowboy population as well others who enjoy wearing western apparel.

Mahogany Western Wear will be located at 13328 1/2 Almeda Rd., Houston, TX in southwest Houston, TX. Mahogany Western Wear has centralized itself directly in position to the residential location and social activities of our target market. We believe that this is critical to our initial success and long-term growth.

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1.1 Objectives

To create a shopping environment that caters to the apparel needs of the urban African-American cowboy and cowgirl.

To earn 80% market share and become the number one ethnic western wear apparel store in southwest Houston, TX and achieve name recognition in the local cowboy community.

To receive a 50% profit margin within the first year.

To have a customer base of 1,000 by the end of the first operating year.

To achieve a net profit of \$75,000 by year two and \$100,000 by year three.

To be an active and vocal member in the community supporting agricultural events, and equestrian organizations working with children.

1.2 Mission

Mahogany Western Wear's mission is to offer quality, name brand western wear in an assortment of sizes and styles to accommodate all varying body styles and shapes.

1.3 Keys to Success

In order to succeed in the western wear apparel industry Mahogany Western Wear must:

Carry an assortment of sizes to fit the more ample frames of their African-American target customer base.

Provide customers with top notch personalized customer service in an atmosphere of southern hospitality.

Advertise and promote in areas that our target customer base will learn about our store.

Continuously review our inventory and sales and adjust our inventory levels accordingly.

Company Summary

Mahogany Western Wear is organized as a partnership among the two partners of Chandra E. Miller and Derrick L. McCoy.

We will be located at 13328 1/2 Almeda Rd, Houston, TX, being the epi-center of the African-American cowboy community on the south side of Houston.

The hours of operation will be Monday - Tuesday 10 a.m. - 6 p.m., Wednesday - Saturday 10 a.m. - 8 p.m., and Sunday 12 p.m. - 6 p.m. There will be extended special hours designated during The Houston Livestock Show & Rodeo season and during the Christmas holiday shopping season.

All merchandise will be purchased according to the company's mission and customer focus of outfitting all sizes including women's plus sizes and men's big and tall.

2.1 Company Ownership

Mahogany Western Wear is organized as a partnership among the two partners of Chandra E. Miller and Derrick L. McCoy. Chandra E. Miller will handle all administrative and managerial duties while Derrick L. McCoy acts as a silent partner.

2.2 Start-up Summary

Mahogany Western Wear's incorporation costs are listed below. The company will start with three months inventory on hand for apparel and accessories as this is the main revenue generator. The majority of the company's assets will reside in inventory. The opening days cash on hand balance will be \$384.

The purpose of this business plan is to secure a \$16,700 ACCION loan. This supplemental financing is required to work on site preparation, inventory, and operational expenses. The loan amount appears in the long-term liability row of the start-up summary. Other financing will include an owners investment of \$5,100 and a short term revolving line of credit of \$2,000 for inventory replenishment during months of high receipts.

Successful operation and building a loyal customer base will allow Mahogany Western Wear to be self sufficient and profitable in year two.