

Glavidia Hair Studios LLC BUSINESS PLAN

Prepared by:

Glavidia Alexis

119 NE 2nd Ave
Delray Beach, Florida 33444
5614147483
glavidiaalexis@yahoo.com

www.glavidiaalex.com

I. EXECUTIVE SUMMARY

Glavidia Hair Studios LLC (referred to from hereon in as the "Company") was established as a Limited Liability Company at 119 NE 2nd Ave, Delray Beach, Florida 33444 with the expectation of rapid expansion in the beauty salon industry. The Company solicits financial backing in order to be able to introduce its new service (described below).

Business Description

The Company was formed on 11/26/2012 as Limited Liability Company under Florida state laws and headed by Glavidia Alexis.

Born in West Palm Beach, Florida of Haitian descent, Glavidia Alexis knew as a child that she was destined for high fashion and the beauty arts. Glavidia's mother, an artisan, inspired her to be a fashion artist and utilize unique textures and color patterns. Glavidia went on to graduate from the "The Art Institute of Fort Lauderdale and studied abroad in Firenze, Italy and London, England. Glavidia took her love of fashion to New York, working as a protégé to some of the top stylists there. In 2008, she designed her first fashion collection which was a sophisticated yet edgy Victorian approach to women's luxury apparel. With a Masters in Business and Entrepreneurship "I love to make women feel and look great. I enjoy using my imagination as they're no limits to what inspires me." Glavidia's collections consist of a creative and sophisticated palette, strong foundations, soft feminine silhouettes and beautiful textures and colors. "I take great pride in my work and understand that being truly an exceptional Fashion Designer and Master Hairstylist requires more than the artistic talent and technique. It requires vision, patience, listening skills, professionalism and the love of people. I will continue to design for that fashion forward confident woman, who wants to exude sex appeal yet maintain true elegance." In 2015, Glavidia's brand includes Glavidia Alexis Fashions and Glavidia Hair Studios based in downtown Delray Beach, FL.

over the year we have a 3-5% annual rates for new clients and customer retention as well as referrals. .

The Company currently employs 2 full-time employees and 1 part-time employees.

Business Mission

"Most of my Inspiration comes from cultural lifestyles, national-cultural origins, Religious, Linguistic and Geographical Infrastructures, just to list a few. The use of strong ethnic prints and colors enable me to create beautiful textures and ensures fabric manipulations through out my collections. Providing a complex yet sleek and sophisticated, effortless hair. Our customer is usually one who is confident and has a refined knowledge of the way the world is cultivated, and intellectually appealing to the eye".

New Service

The Company is prepared to introduce the following service to the market:

Hair Salon: Glavidia Hair studios is a full service salon that offers personal hair care services,

facials, wax, hair extensions application, lash extensions, nail services, makeup application, custom fashion design clothing. We also sell hair care products, facial after care essentials, hair extensions, fashion clothing, makeup, and hair accessories.

Funding Request

The Company requests a total loan of \$50,000.00 over the course of 10 years and \$416.00 per month, to be used for the following purposes:

The salon design needs are to add lighting fixtures, crown moldings, wall storage fixtures, interior painting, signage, interior plumbing, exterior signage, interior design permitting, & plumbing mechanical engineering, improvements and fees, interior toilet, hot water heater, salon sink cabinets, countertop, interior permanent fixtures, HVAC, interior & exterior lighting fixtures and related electrical work. Marketing, product development, packaging research and development, and operations.

Purpose	Loan Amount
Marketing	\$25,000.00
production of the Hair extensions line,	\$20,000.00

Long-term debt payment is a key feature of the Company's financial plan. We expect to break even within a 4 years time period following the introduction of our service. Financial predictions suggest a minimum 25%% return on investment by the conclusion of the financing period.

II. BUSINESS SUMMARY

Industry Overview

In the United States, the beauty salon industry presently makes 0 dollars in sales.

social media marketing materials, variety in different forms of hair extensions example:

Seamless Tape extensions are also very popular r now. This method is applied with tape flat against the client's hair or sandwiched the hair for a flat seamless finish. Lace frontals and Closures are usually used when applying the full head of sew-in machine or hand-tied weft extensions. Client's hair is secure underneath and the hair extensions are sewn on with a needle and thread to secure the base of the hair and also the lace frontal and closure. This gives a realistic hairline and non-detectable appearance. Also can be simultaneously with glue and tape as well. I- Tip hair extensions are individually applied with a machine heated wand like device, that sandwiches the hair extension which was previously pre bonded with keratin glue, and then heated simultaneously with the clients own hair along with the hair extension. Then it's rolled and merged together and cooled by the a few seconds while hardening. Both the boned hair a clients hair looks like clusters of hair, this you will feel and they appear to look like tiny little bumps or beads close to the scalp and you can feel them. It's not visible however to the naked eye when properly attached and it is flexible and allows movement and mobility, very natural looking, all extension tends to last one to about three months. Micro link hair extensions are individual strand of the clients hair to be looped through a cylinder bead and also using a pre-tip bond of clusters of hairs and then they are clamp down together with pliers specifically use for this technique of application. Weft hair extensions can come in two different forms both machine weft and hand-tied. Hand-tied hair extensions are one that has been very popular in my salon for years. This is a weft of hair that has been hand-tied individually and single drawn hair is then applied with both micro link beads or sewing thread. The Hair is not as dense as machine weft hair so its more comfortable for the client. All of these techniques will required some form of additional educational from the salon professionals to insure a seamless and clean application thus making in comfortable for the clients and as well as aesthetically pleasing.

Research shows that consumers in this industry primarily focus on the following factors when making purchasing decisions:

Hair extensions

Most hair extension lines are cost driven and is mass production causing poor quality.

It is prominent that we ensure good quality hair and services to our best abilities. Customers make complaints on frustrations with the Shedding of Weft Hair, Non- Reusable hair, lack of Luster, Natural textures, Truest of Hair colors, Moisturized hair and Pliability. Most of this research has been conducted by a series of surveys and questionnaire as well as scientific research. GHS will have to out source hair manufactures as well as hair laboratories to conduct proper analysis for the related problem with the existing hair in todays market. Some of the research will determine the level of equality between fibers, surface tension and energy, contact angle of hair care products when applied to the hair, the effects of different shampoos and conditioners. How they affect the hair and or hair extensions. Finding chemical ingredients and formulas that affect the surface of the hair. Looking at the different coloring techniques to ensure soft and the integrity of the hair, this will test the elasticity and strength of the hair. Also realign the cuticles of the hair and ensuring a friz-free hair and less discomfort for the client and consumer. Skin weft hair extensions are hairs that appear to have a scalp like finish, and is then

applied directly to the scalp with professional hair extension tape or glue. These pieces tend to be reusable.

Non-Detectable hair extensions are seamless flat and easy to wear as well as apply hair extensions. They will cater to all hair types and have a variety of colors and shades. This will enable soft blending of colors. The hair is human hair and Yaki hair for relaxed texture, predominantly used on African American women. The European blondes will have a variety of blonde shades ranging from dark blonde to strawberry, golden, very light, platinum blonde. We will also have Russian hair in browns and reds. The Indian hair is going to be the bulk of the inventory seeing how this is the middle of the road textured and very soft to the touch. This is an ideal and very desirable texture currently used in today's market. I personally have been using this texture for over ten years. The business model is to create luxury hair extensions at an affordable price while maintaining quality human hair.

Business Goals and Objectives

Short Term:

Glavidia Hair Studios (GHS) is a brand that currently exists and is looking to branch out and grow, by offering hair extensions. We currently offer all of these services and it only makes sense to add and sell our own products at the same time customizing and enhancing what is already in the market. We will be reinventing the application process cutting time for both the client and the professional through a series of tips and tutorials. This will be implemented via web base and DVD's the research styles will be of intensive Exploratory, looking through the data that is already there and reinventing new ways for applying hair extensions and adjusting the formulas of the existing hair care products. Also using the designs of Qualitative and Quantitative research. Theoretically driven and flexible research design can be applied, I am in the business of Health and Beauty they have guidelines to follow when both applying chemicals and products on customers skin and scalp to follow. GHS will need a team of knowledgeable people to help change and improve products in this industry.

Long Term:

Continue to grow and maintain a lucrative business that is financially sound and to create a franchise, and job opportunities for other prospects to grow. Thus ultimately creating a household brand and retail products.

Legal Issues

The Company affirms that its promoters have acquired all legally required trademarks and patents.

III. MARKETING SUMMARY

Target Markets

The Company's major target markets are as follows:

GHS is for women with hair loss as well as men. For whatever the cause, and supplying hair extensions that cater to their specific needs. Whether it be for volume, length, pop of color, or permanent hair loss. These will be very natural looking and color blending is key. The structure cost of an average ounce of hair is \$45.00 USD this is very high. The cost of human hair is fairly high however we will cater to lifestyle consumers how will opt for quality over quantity. So retail will be \$120.00-\$590.00 per pounce and for professionals \$75.00 per ounce. The price includes packaging and labor for the processing and shipping. The competitive strategy is basically for the brand to create a buzz for quality and luxury. Once that happens then we have tapped into our niche market. On year 4-5 GHS hope that there is a buzz and will open additional salon Boutiques in similar demographics in posh upscale downtown areas in the United States. Allowing room for franchising and licensing agreements to be made with other professionals.

The estimated number of potential clients within the Company's geographic scope is 20.

Pricing Strategy

The Company has completed a thorough analysis of its competitors' pricing. Keeping in mind our competition's pricing and the costs of customer acquisition, we have decided on the following pricing strategy:

The structure cost of an average ounce of hair is \$45.00 USD this is very high. The cost of human hair is fairly high however we will cater to lifestyle consumers how will opt for quality over quantity. So retail will be \$120.00-\$590.00 per pounce and for professionals \$75.00 per ounce

Promotional Strategy

The Company will promote sales using the following methods:

Marketing is estimated to take up 1-2 years via social media and 3-4 on TV shopping network like HSN, QVC, also a Value/Supply Chain. Once a relationship is established and we make a great amount of sales they are more likely to invite the brand back and obtain a new customer base. Will have one salon as of right now and that is the companies only overhead. GHS is going to avoid this for the next 3-4 years that way the profits will go back into the company for more add on supplies and services, cutting cost in outsourcing in the future.

SWOT Analysis

Strengths

Strength:

Our location, the business model we will be operating on both (physical store and online store), varieties of payment options, wide range of wigs and hair extensions. Also realign the cuticles of the hair and ensuring a friz-free hair and less discomfort for the client and consumer. Skin weft hair extensions are hairs that appear to have a scalp like finish, and is then applied directly to the scalp with professional hair extension tape or glue

Weaknesses

highly saturated and competitive industry, outsourcing over seas, will be expensive due to Covid 19 travels and importing restrictions.

Opportunities

GHS has a client base of over 700 customers, and this can serve as an advantage. existing customers will feel more comfortable to try our products.

Threats

Obvious major threats are that we don't succeed and that we are likely going to face is economic downturn which will have a negative affect on economic downturn purchasing & spending power. other hair extension brands, both big and small brands.

Competition

In the beauty salon industry, customers make choices based upon hair extensions most hair extension lines are cost driven and is mass production causing poor quality. it is prominent that we ensure good quality hair and services to our best abilities. customers make complaints on frustrations with the shedding of weft hair, non- reusable hair, lack of luster, natural textures, truest of hair colors, moisturized hair and pliability. most of this research has been conducted by a series of surveys and questionnaire as well as scientific research. ghs will have to out source hair manufactures as well as hair laboratories to conduct proper analysis for the related problem with the existing hair in todays market. some of the research will determine the level of equality between fibers, surface tension and energy, contact angle of hair care products when applied to the hair, the effects of different shampoos and conditioners. how they affect the hair and or hair extensions. finding chemical ingredients and formulas that affect the surface of the hair. looking at the different coloring techniques to ensure soft and the integrity of the hair, this will test the elasticity and strength of the hair. also realign the cuticles of the hair and ensuring a friz-free hair and less discomfort for the client and consumer. skin weft hair extensions are hairs that appear to have a scalp like finish, and is then applied directly to the scalp with professional hair extension tape or glue. these pieces tend to be reusable.

non-detectable hair extensions are seamless flat and easy to wear as well as apply hair extensions. they will cater to all hair types and have a variety of colors and shades. this will enable soft blending of colors. the hair is human hair and yaki hair for relaxed texture, predominantly used on african american women. the european blondes will hair a variety of blonde shades ranging from dark blonde to strawberry, golden, very light, platinum blonde. we will also have russian hair in browns and reds. the indian hair is going to be the bulk of the inventory seeing how this is the middle of the road textured and very soft to the touch. this is an ideal and very desirable texture currently used in today's market. i personally have been using this texture for over ten years. the business model is to create luxury hair extensions at an affordable price while maintaining quality human hair..

The primary competitors for the business are the following: The major players in the market include:

Great Lengths
Balmain
Hair Dreams

Easihair
Socap
Donna Bella
Cinderella
Hairlocs
Klix Hair Extension
UltraTress
Racoon
Hair Addictionz
FN LONGLOCKS
VivaFemina
Femme Hair Extension
LocksandBonds
Godrejcp
Anhui Jinruixiang
Ruimei
Xuchang Penghui
Shengtai
Yinnuohair
Xuchang Haoyuan
Meishang
Rebecca
Evergreen Products Group

Services

First-rate service is intended to be the focus of the Company and a cornerstone of the brand's success. All clients will receive conscientious, one-on-one, timely service in all capacities, be they transactions, conflicts or complaints. This is expected to create a loyal brand following and return business.

IV. FINANCIAL PLAN

12-Month Profit and Loss Projection

Monthly expense for salaries and overhead (projected):	\$1,300.00
Revenue and sales for upcoming year of business (projected):	\$20,304.00
Gross profit for upcoming year of business (projected):	\$1,692.00

Item D

Three-year financial projections of property operations/maintenance

Revenue model will be booth and commission base.

25 % of booth will be rented each month and are looking to double this number annually.

Booth rent is \$800.00-\$1000.00 per month.

I will have 3 booths available for rental.

Commission base is another option for employee(s) who do not have a large following base. And the commission will be 60/40 the house (GHS) will take 40 percent of service sales and 60 percent will be paid to the employee.

- 1) monthly marketing budget is 1000.00.
- 2) Advertising costs for a new customer is \$100.00.
- 3) Customers that come from word-of-mouth averages about 1 per month.
- 4) 50% of new customers have an active retention rate and become regulars, thus referring other customers.
- 5) Regular clients come anywhere from once a week for weekly blow-drys or they come every 4 to 6 weeks for single process color and 8 to 10 weeks for hair extension applications.
- 6) average point of sale ranges from \$40.00-\$75.00

Based on previous profit and loss there is an annual increase in revenue buy 10%

Unfortunately do to COVID-19 we have had no revenue for months until reopening. Should we continue to practice safe social distancing.

Based on the projections of lasts three months of reopening GHS unfortunately we still are in a deficit \$-68,406.00. However, we have maintained a steady cash flow and increased sales from 0- \$16,648.00 while maintaining operating costs. I anticipate that three-year predictions are as follows.

2020 \$66,592.00 estimate based on third quarter sales.

2021 \$73,251.20

2022 \$80,576.32

2023 \$88,633.95