

Plant and Equipment Unit

(Part of the Standard Question and Answer Business Plan)

Building Site

Do you currently own and/or occupy a building/space?

- How well does it rate in the location analysis below?
- Have you compared this option with one of the other options (rent, build or purchase) below?

Are you planning to build a facility?

- Will this be an integral part of this business plan or be treated as a separate project?
- Will you include the listings of the location analysis below in your building plans?
- Will you be seeking advice from engineers, architects, tradespeople and business associates?

Are you planning to purchase a building?

- Will you include the listings of the location analysis below in your purchase plans?
- Will you be seeking advice from engineers, architects, tradespeople and previous tenants?
- Have you considered your cubic footage requirements?
- Are their adequate conduits installed for HVAC (hydro, ventilation, air-conditioning?)
- Is there an adequate electrical supply?
- Are the appropriate electric meters installed?
- Are water meters installed and used?
- What is the strength and load capacity of floors and ceilings?
- What are the costs for removal or use of existing fixtures?
- What is the strength of structure and permission for sign erection?
- Is there a need for protection from neighboring (restaurant, food storage) pests?
- Are there any indications of leaking roofs?
- What is the current adherence to fire regulations?

Are you planning to lease a building or rent space within one?

- Do the lease terms match your business plans?
- Will the landlord grant a reasonable rent holiday?
- Will this grace period be beneficial to your startup or transition stage?

Have you visited the facilities of businesses similar to yours?

- Can you improve on what you have observed?
- Do you have a clear understanding why the sites of others have succeeded or failed?

Are you seeking a permanent or temporary location?

- Do these decisions have short and long term dimensions?
- Are you aware of the important contribution location has to a business success or failure?
- Have you heard of the marketing definition for success: location, location, location?

Do you know the minimal, optimal or ideal location requirements for your type of operation?

- What is your authority (experience, advice, observation) for this knowledge?

Do you have a guide summary for reference when listening to an agent or landlord?

- Does this summary provide you convenient space for notes specific to each location?
- Is your data organized for decision-making or for efficient presentation?

Which of these location criteria are essential for your business?

- What are the Lease / Purchase terms?
- Are the zoning regulations compatible with your operations?
- Are the rental / purchase costs within your budget?
- Are there any extraordinary occupation costs?
- What is your position within the overall site?
 - Will you be on the floor appropriate to your business?
 - Do you require and have direct access from the street, etc.?
 - Will there be adequate access for handicapped persons?
- Do you require to be above the first floor for security purposes?
- Is there space and facilities for all your functions and equipment needs?
 - Are the offices large enough to accommodate your office furniture?
 - Is there a lunchroom area?
 - Is there space for copiers, fax machines, computer servers, network printers, etc.?
 - Will you require counter space for assembling printed documents?
 - Do you have need for a meeting or board room?
 - Are there sound-proof areas for meetings requiring privacy?

- Do you have need for moveable walls to accommodate large gatherings?
- How many parking spaces are available?
 - Is there convenient access for you and your staff?
- Is there adequate space for your requirements?
- Does the location have visibility for promotional opportunities?
- How will the location enhance your image?
- Will the walk-by traffic (potential drop-ins) match your needs?
- Are bus routes and stops convenient for your customers and staff?
- Will the drive-by traffic match your needs?
 - Will it afford easy access to your premises?
 - Will it afford opportunities for signage if permitted by local bylaws?
- Can you display your merchandise to passing traffic?
- What is the condition of the site?
 - Is it ready for immediate occupancy with alterations?
 - What type / costs of leasehold improvement are required now or later?
- Are there any store hour opening constraints or obligations?
- Is there room for future expansion?
- Will you be able to achieve a layout efficiencies?
- Is the landlord/seller cooperative?
- Do the neighboring businesses enhance your image?
- Are the neighbors cooperative with each other?
- What is the proximity to your target market(s)?
- Are the shipping and freight facilities compatible?
- What is the proximity to your competition?
- Are there any security or safety concerns?
- What is the proximity and access to your specific labor resources?
- What municipal services are present or lacking?
- What is the option to buy probability?
- Is the history of the location a factor?
- What is the life cycle or trend of the area?
- Is there an anchor tenant?
 - What is the status or compatibility of the anchor in relation to your business?

Leasehold Improvement Requirements

- Is there a list of the improvements including the cost estimates?
- What are the expected start and finish dates of the improvements?
- What is the life expectancy of the improvements?
- Are there any associated maintenance and repair costs?
- What proportion of costs are contributed by the landlord?
- Can any improvements be considered moveable?
- Will the amortization schedule match your business plan?
- How are these related to the terms of your lease?

Equipment

- Have you explored the options of purchasing, leasing and renting of equipment?
- What are the merits of using service bureaus on a need basis?
- Have you investigated and evaluated all financial / taxation ramifications of major acquisitions?
 - Is there a calculation of return on each major expenditure alternative?
- What are the alternative uses of funds expended on equipment?
- Will the expenditures be funded by investment capital, loans or operating revenue?
- Is there an option to share usage of some or all equipment with others?

Office Furniture

- Have you considered purchasing used furniture temporarily?
- Are you able to borrow under-utilized furniture from a friend?
- Are you able to manufacture some units from raw materials?
- Do you have a list of basic needs for the startup period?
- Are there alternatives for the costly items such as a reception desk?

Office Equipment

- How many additional features are needed for the photocopier?
- Will the fax machine be a stand-alone or incorporated in computer network?
- How many of which type of office desks, chairs and file cabinets are required?
- Will you be referring to the Computer Systems Unit of the QnA Business Plans?
- Will you need individual lines or a complete inter-office telephone system?
 - Will a telephone system reduce the need for outside lines?

Lunchroom Equipment

- What types and how many coffee machine will be appreciated?
- What types and how many microwave ovens will be appreciated?
- What type of refrigerator will be necessary?

Manufacturing Equipment

- What consulting resources are available for gathering and evaluating data on this equipment?
- What is the utilization expectancy for each piece, or class, of equipment?
- Is your decision information independent from that of the suppliers?
- Will you respond specifically to the questions at the top of this unit on equipment?
- Will your data include the expected revenue from the output of this equipment?

- Will your data include life expectancy and repair costs?
- What are the carrying costs (space rental, power, operator wages, repairs) based on utilization rates?

Need Help With Your Business Plan?

Whatever your situation or budget - let's discuss it!

For a FREE consultation with NO obligations, send a brief request to:

BPCoach@UncleMaxSays.com

or visit

<http://www.unclemaxsays.com/businessplancoaching/bpcoaching.php>