**Grass Wizard**

Business Plan

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**Executive Summary**

Our mission here at The Grass Wizard Company is to provide a state-of-the-art robotic lawnmower for all homeowners alike. Our goal is to relieve the annoyance of having to cut your lawn and instead sit back and relax while the Grass Wizard does it for you.

Our company is owned by four college students who all have equal ownership. The company is in the southeastern part of Virginia in the Norfolk/Virginia Beach area. All four owners have experience in lawn care through mowing and maintaining the lawn. Each one of us is equally as responsible as the next when it comes to day-to-day operations.

All customers that purchase a Grass Wizard product can expect a technologically advanced robot that will mow their lawn with ease. Our services include an in-home service where we will come to your house and fix any issues that may arise when using Grass Wizard such as improper mowing, trouble shooting, and programming.

The market for the Grass Wizard is relatively large as the population of the Norfolk/Virginia Beach area is around 1.8 million people as of 2022. If we cut that number in half, we can get our middle-class population. 900,000 middle class citizens are what we are targeting here at Grass Wizard. If we assume most of these middle/high-class citizens are homeowners, then are market for potential buyers is huge.

There are a wide variety of lawn mowing brands that the Grass Wizard will have to compete with such as John Deere, Cub Cadet, Ryobi, Kubota, and Troy-Bilt just to name a few. The difference between our company and our competitors which puts us above them all is that our mower requires no manual labor. All other mowers require to be pushed or driven to work but our mower does it all on its own. Another thing that sets us apart from our competitors is the Grass Wizard is ecologically friendly, instead of running on gas like almost every mower does, our mower runs solely on electricity.

Based on the large size of our targeted market the Grass Wizard company estimates that no less than 75 units are sold in the first month that the product is put on the market. This puts the company making $150,000 in sales and $112,500 in gross profits. Grass Wizard expects a growth rate of 10% per year after the first year's launch.

Grass Wizard hopes to achieve these numbers through the marketing process that we have decided appeals to our target. As we are reaching the individuals who have begun a family and labor outside, we see the average age range between 25-34 years old. This range is largely involved on the social platforms that we have picked: Facebook, Instagram, YouTube, and Google. We also intend to get our product on shelves of top sellers like Walmart, Home Depot, Lowes, and Tractor Supply, along with online sellers. Another large market method revolves around our website where viewers will enter their email addresses to receive updates and promotions accordingly.

Next steps for Grass Wizard are to implement ourselves in the hands of lawncare professionals. We also will be taking feedback and suggestions and coming up with solutions to problems that may present themselves in the first year and get them sorted out. The feedback we receive from customers will help us create new opportunities for the Grass Wizard in many forms such as, new models released periodically to keep up with trends, and attachments that can be equipped to the original mower to increase the functionality of the product.

Grass Wizard is asking investors for a $300,000 investment to further exploration. The start-up process venture of this lawnmower has already been fully funded by the founders. The money that we are now searching for is intended to go towards a faster production process and future stock, development of future models and parts, ever-going operating expenses, and marketing research and funding.

**Company Description**

Grass Wizard is a robotic lawn mowing company. We sell lawnmowers that run themselves and are programmed via our Grass Wizard Lawnmower mobile app. We target busy families that do not have the time in their day to mow their yard. This product comes with a higher cost and is aimed at middle/high class families.

Grass Wizard is a new business just about to enter the market. This robotic lawnmower has been years in the making and planning. We have taken thoughtful measures to ensure that the Grass Wizard becomes all that we pictured from the thought’s conception.

We are located out of the Virginia Beach/Norfolk area of Virginia. We have a physical manufacturing facility and testing zone. We are currently working on partnering with large retailers to get our products on store shelves. You can certainly find the Grass Wizard lawnmower online through our personal website and our affiliate partner, Amazon.

As a company with a purpose, Grass Wizard’s mission statement is, “Our mission is to create an easy option for a time-consuming chore with the help of technology and advanced robotics. We strive to serve busy families and lawn-care lovers with our innovative qualities that manicure a lawn to desirability.”

These lawnmowers are designed to manicure a lawn according to the customers liking. In the app, one can adjust the blade height, set the lawn parameters, select a mowing time, choose the “self-feeding” option, that will seed bare spots in a yard if selected, and it will alert you of the mower’s whereabouts, charge, estimated mow time, and hole detection. The lawnmower can run up to an hour depending on the battery chosen. It will mow a minimum of half an acre per default charge.

Grass Wizard is recognized as a Limited Liability Company. The ownership is split equally between four individuals, 25% for each. We have already drafted our Operating Agreement, which explains how our business is run. We have obtained our registration for the states of Virginia, general business license, sales tax permit, local business license for the Norfolk/Virginia Beach area, fictitious business name permit, EIN, zoning and land permits for our testing yard, environmental permit for waste and disposal of the lawnmower, and our health and safety permit for the testing of the mower. As an LLC, we are exempt from federal income taxes and our personal finances are protected.

We are a starting company that has been born from the ambition and vision of four college students. We each are business majors that focus on management and have a love for lawncare. With our abilities put together, we were able to form this idea, turn it into a plan, and now make it a reality. We were inspired by the need we see around us. We see so much busyness and often hear how little time people have to take care of necessary home upkeep. That is what drove us to create something that would relieve the worry and free up time.

We have hit milestones that we had only before dreamed of. We have a physical product, a warehouse, affiliations, a website, and now we are making a pitch. Our final step is to launch. We are most confident this robotic lawnmower will be a success, and we look forward to seeing it fulfill its purpose.

**Business Model**

Our business, Grass Wizard, is a huge ordeal we have created to help busy homeowners. We offer a user-friendly, Bluetooth enabled grass mower that allows homeowners to control their mowing experience remotely via a smartphone app. Our company provides advanced features such as scheduling, real-time monitoring, and customizable mowing patterns to enhance convenience and efficiency to our customers. We value our customers and their opinions to make mowing the lawn more efficient and easier.

This item is for homeowners with small, medium, and large lawns who seek innovative gardening solutions to save time and effort as well as money. This is a way to eliminate a lawncare professional’s help and save the owner the hassle of worrying about their lawn not being done exactly the way they envisioned.

We are looking to improve operational efficiency and customer satisfaction with our Grass Wizards. A lot of customers are interested in the technology and efficiency this item brings to those who love their lawns. This is the perfect tool for one who is interested in having a perfectly manicured lawn through innovative and ground-breaking technology.

To buy a Grass Wizard, customers can use direct sales of the Grass Wizard through online apps and websites. They will also soon be able to find our products in stores. Our company offers a special subscription model for premium features in the mobile app (such as advanced analytics on lawn health and maintenance reminders for how much seed or sunlight your grass is getting, and the best time to let the Wizard do its job). Through our app a customer can purchase replacement parts, as well as find any assistance they may need with navigating the Grass Wizard. Our app offers exclusive deals on parts, accessories, batteries, blades, warranties, and monthly plans.

While creating the Grass Wizard, we wanted to make sure the blades aligned correctly to do the best of the best of lawns. Why want a landscaper when you can have your own Grass Wizard? We sat down with collected and integrated research on each of the items in the Grass Wizard to guarantee that we were providing the innovative and efficient qualities we promise. We, as a team, wanted to improve mower technology and improve mower technology functionality for the good of the community we serve.

Grass Wizard promises to always keep our customers aware of the new updates and features that come out as they develop, and to make sure our robots are operating smoothly with the most updated technology. Our robots are manufactured in a local facility, where customers are welcome to see the ins and outs of production. We promise high-quality suppliers for our high-quality products, our motors, batteries, and blades.

Grass Wizard’s team spent much time collaborating with each other, surveying, and researching to decide what is worth it to our customers. The cost for our mower is at a mid-price due to us adding the best products to our Wizard in hopes of creating something the community will find useful to the highest extent. We value our customers' thoughts and ideas, and that is why we are confident our product will be popular. Our customers come first, and we have created something top tier for them.

Our business model for the Grass Wizard lawn mower outlines our clear path from our innovative ideas to our customers who want convenient lawn care and the ability to control their own lawn when time may not allow for physical presence. Grass Wizard believes we have created a beneficial product and app to help those, like us, who are always busy and never have enough time. With this in mind, our company has tremendous potential to attract diverse customer bases and generate many streams of revenue.

**Competitive Analysis**

Lawn mowers are essential when it comes to maintaining a pristine yard and they also happen to be very practical. This is the reason there are hundreds of different lawn mower models and brands on the market. Even dating back to the 1800s when the first recorded lawn mower was created by a man of the name Edwin Budding. For almost 200 years the lawn mower industry has steadily been improving by becoming more efficient and effective.

Riding lawn mowers and push mowers of all brands will be the main competitors for the Grass Wizard. Some of these companies that we will be going head-to-head against are Cub Cadet, John Deere, Toro, Honda, and many others. All these companies have become well established inside the lawn care market and have cemented themselves in the homes of millions across the world.

The Grass Wizard looks to implement itself into the lawn care market which is saturated with well-known brands.

One of the top brands we will be competitive with is John Deere. John Deere has many different models of mowers from riding lawn mowers to push mowers. One thing that our competitor John Deere does very well is their types of lawn mowers and how they break them down. Their mowers are broken down into four main “series” that all perform at different levels and mower. aspects: they include the 100, 200, X300 select, and X500 select series. These four series are then broken down further into different models. They are so successful in the lawn care business because they have so many models that are tailored to each customer's needs. They are continuing each and every year to create and pump out the next best mower. Another reason John Deere lawn mowers are considered one of the best brands out there is because of the reliability, durability, and ease of use of these mowers.

The average run of the mill lawn mower tends to have a life span of around 450-500 hours which last around 5-6 years depending on how often the customer mows the grass but when we look at John Deere mowers, they can have a life span of 1000-1500 hours which will last the user well of ten years with proper maintenance.

However, John Deere is not without its fair share of weaknesses which include limited awareness and technological complications. John Deere has been around for over 180 years since it is a farming company. Despite the longevity of this company their brand awareness is very limited and poor. Even though John Deere has a dominant 40% market share in North America its global awareness is extremely poor when compared to other industry leaders such as Honda who also makes lawn mowers.

Another weakness that John Deere has is its technological complications. Each new mower that John Deere has created has become more and more technologically advanced, which is not necessarily bad in itself but for the customers. Advancements in technology mean that its customers that are not tech savvy are falling further behind. Typically, the older customers are the ones who are using the mowers, and this demographic is not the best with technology so looking for better ways to help their customers could be beneficial in the long run.

John Deere faces many threats just as everyone does eventually and some of the threats the company faces is ever changing laws and labor/employment problems. The economic, political, and ecological environment of the United States and foreign countries are ever changing. With numerous different climate regulations, government regulations, and environmental regulations this could pose a huge threat for John Deere. They also face threats coming from their labor and workforce. John Deere, being as big of a company requires a huge number of employees and with such a large workforce comes a lot of training, meetings, and maintenance. This becomes a threat to the company because it is nearly impossible to have all employees work together in harmony and can cause a whole host of issues from inside the company.

After analyzing our top competitor, the Grass Wizard company knows what to do and not do when entering the market. Grass Wizard is now knowledgeable about many different aspects of the lawn mower market and believes that it can become one of the top mower companies in the world.

**Marketing Strategy**

Grass Wizard targets the market of busy families. We understand that life gets to be too much sometimes, and our goal is to help reduce the added chore of mowing the yard. This product is geared toward middle to upper class families with its starting price at $2000. We believe that this is a fair price for all the hassle Grass Wizard eliminates. We do understand that price can be high for some families, so we aim to target higher income as we start our venture. In addition, we also keep in mind the lawn-care professionals that may find our product to be helpful. That being said, our second target market is the professional landscaping industry.

Robotic lawnmowers have been on the market for years, but Grass Wizard offers something unique that the competitors are missing. Some points of differentiation include Grass Wizard being fully operational when no one is around. Because it is connected through an app, the customer can be away from the yard and still schedule a time for the lawnmower to act. Our lawnmower also includes detectors that alert the owner of undesirable spots in the yard. This includes bare, grassless spots and holes. Furthermore, the Grass Wizard has an “Feeding” option included. The customer can fill the mower with grass seed, and when a bare spot is detected, the mower will automatically seed the ground. Our competition does not provide the innovative and useful qualities that you get with our first model version.

Marketing is the key to selling. We understand that we are not targeting the youth, but that does not eliminate social media from our list. Apps such as Facebook, Instagram, YouTube, and Google will display our ads. Statistically, these platforms are used heaviest by individuals between the ages of 25 and 34. This is also the prime age of busy parents, who we expect to utilize our product the most. Beyond that, we are also nearing the end of our website creation. A website is essential for any business, but especially those that are online sellers. We intend to sell through our website and are partnered with other online sellers, like Amazon, while introducing our product to physical retailers such as Lowes, Home Depot, Tractor Supply, and Walmart. When entering the website, you will be prompted to enter your email address (if you wish), this will give us the ability to continue promoting through emails, which is also widely used by the targeted generation. This gives us the opportunity to receive feedback, as well. Lastly, we still believe in the old-fashioned method of fliers! Our dream audience of professional landscapers is outside workers. They are likely to take the occasional break in a diner, gas station, or community center. If our digital methods do not work on this audience, these physical measures are sure to do the trick.

We are all about helping our community! Because the professional landscaping business is our most anticipated target, we plan to offer promotional benefits to anyone who buys three or more mowers. When you are working the large scale that a professional does, or if you have a great deal of residential land, the more lawnmowers, the better. We want our customers to be satisfied with our service, so we intend to promote this by giving them what they want – a discount. We do not find this as a loss if we are gaining returning customers by doing so. This is our way of encouraging larger purchases and keeping our customers dialed in for the future models. We understand that our largest market will likely be the busy families, so we do not want them to feel left out. When purchasing a mower and two or more upgraded batteries from Grass Wizard, these customers will get a discount on the batteries that will enhance activity time and decrease charging time.

Now, when we have reached the stage of awareness, we will turn the potential customers into paying customers. Through the marketing process of social media and our website, we will be able to gain emails and phone numbers, if provided. This will give us an outlet to reach out to interested customers. To ensure that we are chasing customers that are ready to make the purchasing commitment, we must do the research and contacting to find out if the mower is exactly what they are looking for, if it is in their budget, and if the particular customer is authorized to make the purchase themselves. Once we are in contact with our potential customer, it is important to us that we show our expertise, make the processes easy for the customers, answer questions, and show our commitment. We ensure emotional and conversational intelligence that will help us handle any customers’ objections and negative feedback. We will have the occasional follow-up if a purchase has not been made at this point. After this, we hope to have displayed enough professionalism and value to close the sale. Following the sale, it is important to us that we have a check-in with the customer, and that we gain as many referrals as possible.

**Financial Projections and Needs**

#### **Key Assumptions**

The financial projections for Grass Wizard are based on the following assumptions:

1. **Sales Volume**:
   1. Initial monthly sales: **75 units** in Month 1 under the realistic scenario.
   2. Growth rates:
      1. Year 1: **15% monthly growth**.
      2. Year 2: **25% annual growth**.
      3. Year 3: **25% annual growth**.
2. **Pricing**:
   1. Unit price: **$2,000**, based on the market average for similar products.
3. **Cost of Goods Sold (COGS)**:
   1. Per-unit production cost: **$500**.
4. **Operating Expenses**:
   1. Fixed costs, including warehouse lease and other operational requirements: **$264,000 annually**.
5. **Tax Rate**:
   1. Assumed to be **6%**, with the LLC taxed as a corporation.
6. **Initial Investment**:
   1. Total startup costs: **$35,000**, covering business registration, legal fees, materials, and setup.
7. **Cost of Capital**:
   1. Discount rate for NPV and IRR calculations: **9%**.

#### **Profitability Metrics**

1. **Net Present Value (NPV)**: Using a discount rate of **9%**, the present value of cash flows over three years is:
   1. **Year 1**: $2,508,463
   2. **Year 2**: $8,496,717
   3. **Year 3**: $29,919,359

**Total NPV**: $40,924,540. After subtracting the initial investment of $35,000, the NPV is **$40,889,540**.

1. **Internal Rate of Return (IRR)**: The calculated IRR under the realistic scenario is **8,081%**, demonstrating the strong profitability potential of Grass Wizard.

#### **Sensitivity Analysis**

Grass Wizard’s performance was evaluated under three scenarios:

1. **Realistic Scenario**:
   1. Sales growth: 15% in Year 1, 25% annually in subsequent years.
   2. Three-year revenue: **$70,334,000**.
   3. NPV: **$40,889,540**.
2. **Best Case Scenario**:
   1. Sales growth: 18% in Year 1, increasing to 33% by Year 3.
   2. Three-year revenue: **$205,994,000**.
   3. NPV: **$158,129,269**.
3. **Worst Case Scenario**:
   1. Sales growth: 7% annually.
   2. Three-year revenue: **$6,802,000**.

#### **Financial Highlights**

Grass Wizard demonstrates significant potential for scalability and profitability, with projected net profits growing from $3,117,000 in Year 1 to $38,746,500 by Year 3. The business's high NPV and IRR underscore its viability as a sustainable and lucrative venture.

***Needs***

Grass Wizard, as a company, has funded a large majority of this venture. We are asking investors for a $300,000 investment. This is not to pay for anything in the start-up process, rather it is to help fund further exploration.

The largest portion of this investment, forty percent, we intend to put towards speeding production and building future stock. Development will take up thirty percent of this investment. Grass Wizard will use the development money to research further innovation and features that we find helpful. Twenty percent of this investment will go towards operating expenses as the company anticipates growth. Lastly, ten percent of the investment will be applied to marketing expansions and expenses to further spread the word of Grass Wizard.

Based on the projections, Grass Wizard expects to break-even no later than year two. Furthermore, starting in year three, investors will be receiving ten percent profits from the company. This is a beneficial investment all around, as the company founders have taken upon themselves the risk of startup funding. This investment we ask is simply for greater return at a faster rate.

**Team Profiles**

**Delaney Rudolph – Co-Founder**

Delaney is experienced in the business management setting, earning her degree in business administration and majoring in management at Old Dominion University. She has prior worked for a small business and understands the behind-the-scenes action that goes into running a successful start-up. Delaney has used her skills of organization, managing, and her long-term vision to assist in the founding and opening stages of Grass Wizard.

**Shane Wolfe – Co-Founder**

Shane Wolfe has experience in the business management setting through earning his business management degree at Old Dominion University. Shane has worked as a manager for a large car wash company in Florida and understands how a business runs and how to run it successfully. Shane also has many years of experience in the lawn care business as he has multiple yards he tends to each year and knows basic maintenance of the mowers. Shane's experience behind the scenes as a manager and in the field, experience will help bring the Grass Wizard vision to life.

**Kimora Brown – Co-Founder**

Kimora Brown is an ambitious entrepreneur and a senior at Old Dominion University, majoring in Business Marketing. With a strong background in innovative business concepts and a passion for efficiency, she helped develop Grass Wizard to revolutionize lawn care. Grass Wizard provides cutting-edge automated lawnmower services, offering a hassle-free, eco-friendly solution for modern homeowners. Kimora’s vision is to simplify yard maintenance while promoting sustainability and technological advancement in everyday tasks. Her dedication to innovation and customer satisfaction sets Grass Wizard apart as a leader in smart lawn care solutions.

**Juliana Major - Female Entrepreneur (Co-Founder)**

Juliana Major has experience in the business management setting, working for the navy as a procurement specialist. Juliana buys specific and the best of the best products for the navy that are required, Juliana has background in choosing the best quality and efficient materials for the items needed for products. Juliana’s vision is to help those including young adults who tend to stay busy with school, friends, and home life while maintaining social life. Juliana Majors background in looking for the best products have made our product and business strive in the best ways possible. Julianas experience with business management has led our business being unstoppable.