

# Statement of Purpose Example 1

## Statement of Purpose

Finestkind Seafoods, Inc. seeks loans totaling 120,000 to purchase equipment and inventory; purchase property and buildings at 123 Main Street: perform necessary renovations and improvements; and maintain sufficient cash reserves to provide adequate working capital to successfully expand an existing wholesale/retail seafood market. This sum along with an additional equity investment of the principals will finance transition through the expansion phase so that our business can operate at a higher level of profitability.

## Description of Business

Finestkind Seafoods, Inc. is a fish market specializing in selling extremely fresh (no more than one day old from the boat) seafood to local retail and wholesale customers. At present, about 60% of sales are retail. Finestkind plans to concentrate more heavily on the wholesale trade (restaurants and grocery chains) in the future. Although profit margins are lower in the wholesale trade, profits are higher due to lower personnel costs and faster inventory turnover.

Finestkind began business in September 2012. The store is open seven days a week from 10:00 am to 6:30 pm (6:00 pm in the winter) for retail business from 6:30 am to 8:30 pm year-round for wholesale.

The retail demand is seasonal and fluctuates according to the weather (the store is located on a tourist route). The wholesale demand is constant and increasing. We feel that the latter can be improved by more direct selling efforts. Our customers agree (see letter from clambakes in supporting documents). The quality of our seafood is exceptional, and because Mr. Swan is a former fisherman with many personal friends in the fishing industry, we do not anticipate trouble maintaining good relations with our suppliers. We have made a policy of paying premium price in cash at dockside for the best, freshest seafood.

# Statement of Purpose Example 2

3 Painted Ladies, LLC, a newly launched recycled paint facility in Northern Colorado.

With a motto of when you throw something away, remember – there is no “away,” 3 Painted Ladies chose a product that can be recycled and reclaimed through a committed business mission to protect Colorado’s environment and provide affordable, high quality paint – a full life cycle product.

Recycled paint is an emerging eco-friendly market and research indicates there are approximately 30 recycle paint manufacturing facilities currently operating in the U.S. No company has dominated the market in Colorado. Research has shown there is 1.2 million gallons of leftover paint annually in Colorado. Northern Colorado represents 20% of the state’s population and we project by the of 2013 will collect over 100,000 gallons/year of paint in Northern Colorado.

3 Painted Ladies is equally owned by three women with a winning formula for success.

- We believe in eco-friendly businesses and believe our renewed paint facility will protect the environment, offer affordable paint and be a rewarding and profitable way to earn an income.
- We will focus on providing quality paint, building relationships and providing excellent service.
- KB, DG and KS are three experienced business women with combined 70 years business experience in retail, operations, marketing and small business ownership. We have a proven record of commitment, determination and success with a get-it-done approach and can-do attitude.

3 Painted Ladies Does It Right. We began collecting paint in the 2<sup>nd</sup> quarter of 2012 and project to complete five paint drives in 2013, along with our ongoing paint collection from Northern Colorado painters, paint stores and individuals. The second year, project to add an additional seven community paint drives, for a total of twelve paint drives – each with an option for a fundraising component.

We will begin selling paint in the 4<sup>th</sup> quarter, 2014. Through our marketing efforts, we already have commitments from twelve retailers to sell our paint, including six Ace Hardware stores, three JAX stores, McGuckins in Boulder and two locations in the Denver area. At year-end 2015, we project OCF margin at 3.3% and by year-end 2016, 26.1% projected OCF margin.

Our seven-year plan includes ongoing paint sales growth in Northern Colorado and the launching of a franchise operation – selling franchise licenses, marketing materials and support.