****

**DJ Z’s Entertainment**

**Executive Summary**

*Creating Memories Since 2010*

|  |  |
| --- | --- |
| **Company Background** | **Contact Information**  Zachary Barletta  860 377 1605  zackbarletta@djzsentertainment.com  DJ Z’s Entertainment  195 Bascom Road  Lebanon, CT  06249  **Year Founded**  2010  \_\_\_\_\_\_\_\_\_\_\_\_\_  **Annual Operating Costs**  $360  **Annual Sales**\*  $13,650  **Annual Profit**\*  $5,850  **Breakeven Units/Month**\*  .02 or 1 Event  *\*Projected* |
| Business Description: DJ Z’s Entertainment is a sole proprietorship within the service industry. One of our units is defined by an event where we provide or deliver a service. |
| Business Model: The definition of one unit from DJ Z’s Entertainment is a booked event (BE). Every BE consist of a different setup and different needs based on the setup provided, extra services approved, and distance traveled. |
| Mission Statement:DJ Z’s works towards providing great service for small, medium, and large events, for guest of all ages. Using an experienced event team, and taking advantage of others in the industry, DJ Z’s Entertainment vows to stop at nothing in order to provide our clients with the best services. |
|  |
| **Market Opportunity** |
| Opportunity: Based on information gathered from surveys, and venue visits, I found that local school districts in the area host 5-6 events per year where DJ Z’s Entertainment can provide service. |
| Target Market: As a business, I am targeting school systems and parents of teens within Connecticut, who would like to pass the responsibility of entertainment off to someone else. |
| Industry Overview: DJ Z’s Entertainment operates within the Events & Entertainment industry. This industry generates $4 billion of revenue each year |
| Market Research By combining the amount of parents with teenaged children, and public school systems within my geographical market, my market size is 150 thousand potential clients. |
|  |

Qualifications: Zack Barletta is an experienced DJ who has DJed for over 5 years, and has been involved with music for even longer. He has taught numerous classes on sound production and media to middle school children, and has completed many courses in digital media himself. With his combined knowledge of music, sound, and lighting as well as the business knowledge from the NFTE program, he is well suited to run his own company and execute events both large and small.

Business Opportunity {1.1}

Business Opportunity: Based on information gathered, there is a large need for entertainers and DJs for teen events across the state of Connecticut. Across the 3 counties I cover, there are 150,000 potential customers within my market.

Problem/Unmet Need: DJs are not showing up prepared to provide a memorable event for their customers, and the guest they’re hosting. As a result, the event becomes boring, the guest are unhappy, and the client’s event will not be remembered by the guest.

Solution: The solution is a business that can create an event that is unique, entertaining, and memorable for their clients and customers. DJ Z’s Entertainment uses an elegant and unique lighting and sound setup to ensure that customers and guest leave happy and satisfied with the service provided. To do this, we have paired with different companies, (i.e. AFR Furniture Rentals; Concerts Unlimited) to provide additional services to ensure that your event is complete.

Type of Business {1.2}

Type of Business: DJ Z’s Entertainment is a service business. I chose this type of business because it created a way for me to make money using music. Creating music and making money off of it is hard, but using my passion for music, I was able to create a successful service I can provide for customers. I also created a service business because it provided me with an opportunity to have repeat customers. You can sell a product once, but provide a service to the same customer multiple times.

Type of Business Ownership {1.3}

Business Ownership: DJ Z’s entertainment is a sole proprietorship. I chose to be a sole proprietorship because it was the easiest way for me to start my business independently. The original capital came from my personal finances.

Mission Statement {1.4}

Mission Statement: DJ Z’s works towards providing great service for small, medium, and large events, for guest of all ages. Using an experienced event team, and taking advantage of others in the industry, DJ Z’s Entertainment vows to stop at nothing in order to provide our clients with the best services.

Our Specialty: DJ Z’s Entertainment specializes in the entertainment of teens at school hosted, and family hosted teen events. We do this by creating an environment where teens feel relaxed, and experience something new using music and lighting.

Social Responsibility {1.5}

DJ Z’s Social Responsibility: DJ Z’s Entertainment is dedicated to assisting non-profit organizations both locally, and across the state of Connecticut. In order to give back to the community, DJ Z’s does low to no cost work for non-profit organization. Organizations could use DJ Z’s Entertainment for free, or for a small fee depending on the event.

Qualifications {1.6}

Qualifications: Zack Barletta is an experienced DJ who has DJed for over 5 years, and has been involved with music for even longer. He has taught numerous classes on sound production and media to middle school children, and has completed many courses in digital media himself. With his combined knowledge of music, sound, and lighting as well as the business knowledge from the NFTE program, he is well suited to run his own company and execute events both large and small.

My Team: Although I am very experienced in running events, I cannot do it on my own. I use an experienced team to assist me in setting up, and running the event setup. My team provides me with a diverse set of skills to work with ranging from sound and lighting engineering, to setup and equipment transportation.

Market Research {2.1}

My Industry: DJ Z’s Entertainment operates within the Events and Entertainment Industry. We fit into this industry because we provide a service to entertain the guest at events. We are also a resource for event planners to add onto their events.

Size of the Industry: The events and entertainment industry generates over 4 billion dollars each year. There are approximately 179,944 active businesses within the industry today, and an estimated 192,834 employees working in the industry.

Source: http://www.ibisworld.com/industry/party-event-planners.html

My Target Market: There are approximately 150,000 people within my target market. I arrived at this number using population data gathered about Connecticut. I then broke those numbers down to focus on the New London, Windham, and Greater Hartford areas. By combining the amount of public school districts within those areas, and the amount of families with teenage children, I arrived at a potential target market of 150,000 potential customers

Target Market {2.2}

Demographics: Demographically, I am mostly looking for school systems, and parents with teenaged children due to my specializing in teen events.

Geographics: Geographically, I am looking for customers within the New London County, Windham County, and the Greater Hartford Area.

Psychographics: Psychographically, I am looking for an event host who would rather pass the responsibility of entertaining guest to someone else so they can enjoy their event.

Buying Patterns: A potential customer of mine would be a school system with a student entertainment budget, or parents with discretionary funds.

Competitors {2.3}

My Competition: There are two main business that I compete with, Boppers Entertainment, and Sounds in Motion DJs.

Boppers: Boppers is a large entertainment company with a large pool of resources and equipment. They have been in business for over a decade, and have developed relationships within the industry with large event venues and has become an exclusive vendor for many different companies, event planners, and venues. They also operate not just in Connecticut, but also within Rhode Island, Massachusetts, New York, and New Jersey.

Sounds in Motion DJs: Sounds in Motion DJs has been around for over a decade as well, and is based out of Franklin, Connecticut. Because of how close in vicinity they are to me, we operate within the same area, making us head to head competitors. They provide services for weddings, and teen events. They have created business relationships within the industry creating a large amount of repeat business.

Competitive Advantage {2.4}

|  |  |  |  |
| --- | --- | --- | --- |
|  | Your Business | Sounds in Motion | Boppers |
| Factor 1:  Quality | High quality events and equipment | Older equipment and older setups | Large pool of resources = High quality events |
| Factor 2:  Unique Factors | Specializes in teen events | Specializes in Weddings | Provide a large amount of resources for any event |
| Factor 3:  Reputation | In business for 5 years | In business for over a decade | In business for over a decade |

Business Growth {2.5}

Steps for Growth: Even though I am up and running, there is always room to grow. One of my goals in the future is to build DJ Z’s Entertainment into a full service entertainment company so that I can provide other enhancements for events such as food machine and inflatables for events. To do this, I will need to acquire large contracts with school districts and rec centers to expand my market and earn the funds I would need to purchase the proper equipment.

Challenges {2.6}

Industry Challenges: One major challenge that I will experience within my industry is that it is extremely saturated. There are large amounts of event companies owned by people of all ages, and experiences throughout the state of Connecticut, and even more nationwide. This provides a large amount of competition for me. In addition, I will run into challenges because of school systems. As schools budgets deplete, the amount of student events they hold will go down with it.

Definition of One Unit {3.1}

One Unit of Sale: One unit of sale from my business is one event. It is hard to specify one unit due to every event being different. Generally, it is one event in which we provide a service.

Delivery of Service {3.2}

|  |
| --- |
| Description of Process Steps |
| 1. Customer gives information to me so I can price and evaluate the event. Customer is given a temporary price until venue inspection is complete. |
| 1. Part of the event team from DJ Z’s goes to the venue, evaluates the size and calculates a necessary setup and builds the customer a price. |
| 1. The work order is made, contract signed, countdown to event starts. |
| 1. 3 Days prior to event, customer receives a confirmation email that they can use to confirm the upcoming event. |
| 1. Event day: Trucks are loaded, equipment is transported, setup complete by setup team, and event is executed and completed. Takedown, reload, and offload occurs within the same night. |
| 1. The following day: Rental equipment is returned, team receives their payments, and client receives a post event survey. |

Variable Expenses {3.3}

|  |  |  |
| --- | --- | --- |
| Labor | | |
| Cost of Labor per Hour | Time (in hrs) to make one unit | **Total Labor Costs per Unit** |
| $10.00 | 3 hour per person | **$30 per person** |
|  | | |
| EOU | | |
| Material Costs | Labor Costs | **TOTAL EOU** |
| $100 | $100 | **$200** |

Economics of One Unit {3.4}

|  |  |  |  |
| --- | --- | --- | --- |
| Selling Price per Unit |  |  | $350 |
| Variable Expenses per Unit |  |  |  |
| Costs of Goods Sold |  |  |  |
| Materials | $100 |  |  |
| Labor | $100 |  |  |
| Total Cost of Goods Sold |  | $200 |  |
| Other Variable Expenses |  |  |  |
| Commission |  |  |  |
| Packaging | N/A |  |  |
| Other |  |  |  |
| Total Other Variable Expenses |  | $25 |  |
| Total Variable Expenses |  |  | $100 |
| Contribution Margin per Unit |  |  | **$150** |

Fixed Expenses Per Month {3.5}

|  |  |  |
| --- | --- | --- |
| Expense Type | Monthly Cost | Explanation |
| Software License | $10 | Virtual DJ: Software suite for music control and event work |
| Record Pool | $10 | Open source for music. Pay monthly instead of by download |
| Web Hosting | $10 | Hosting for my website ([www.djzsentertainment.com](http://www.djzsentertainment.com)). Billed Annually. |
| Total Fixed Expenses | **$30** |  |

Income Statement for Forecasted Year of Operations {3.5}

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **REVENUE** |  |  |  | $13,650 |
| Gross Sales |  | $13,650 |  |  |
| Sales Returns |  | N/A |  |  |
| Net Sales |  |  |  | $13,60 |
| **VARIABLE EXPENSES** |  |  |  |  |
| Costs of Goods Sold |  |  |  |  |
| Materials |  | $75 |  |  |
| Labor |  | $100 |  |  |
| Total Cost of Goods Sold |  |  | $175 |  |
| Other Variable Expenses |  |  |  |  |
| Commission |  | N/A |  |  |
| Packaging |  | N/A |  |  |
| Other |  | $25 |  |  |
| Total Other Variable Expenses |  |  | $25 |  |
| Total Variable Expenses |  |  |  | $200 |
|  |  |  |  |  |
| **CONTRIBUTION MARGIN** |  |  |  | $200 |
|  |  |  |  |  |
| **FIXED OPERATING EXPENSES** |  |  |  |  |
| Software License | *cost of insurance* × *12 months* | $120 |  |  |
| Record Pool |  | $120 |  |  |
| Web Hosting |  | $120 |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Total Expenses |  |  |  | $360 |
|  |  |  |  |  |
| **PRE-TAX PROFIT** |  |  |  | $13,290 |
| Taxes (15%) |  |  |  | $1993.50 |
|  |  |  |  |  |
| **NET PROFIT** |  |  |  | **$11,296.50** |

Marketing Plan {4.1}

My Target Customers: My target customers are people within schools and communities looking to host an event for a teen or a group of teens within the New London and Windham county, as well as the Greater Hartford Area.

Features & Benefits: DJ Z’s Entertainment is an events company that is geared towards teens. By hiring us for a teen event you can ensure that the event will be executed in a way that teens will enjoy themselves. After all, you would not want a school dance executed like a wedding.

Where Will I Sell: In order to gain new customers, I will aim to sell my product within the school districts that fit within my market.

Price Determination: In order to determine my price, I got quotes from other DJs in the area that offer similar services, and found an average price. I then beat that by 5%. I do also do competitive rate matching to beat quotes from other DJs.

Promotion Plan {4.2}

Promotional Methods: In order to advertise my services I will utilize social media and venue visits. I chose social media because it is a free and easy way to advertise and customers can stay updated on what’s new with your services easily. I chose venue visits because it is a face to face method where you can gain a personal relationship with your potential customers. For visual promotions, I will use my logo that can be printed onto different items such as t-shirts and pens. For PR and philanthropy, I will use my work for non-profit agencies as a way of being exposed to more clients in more areas of CT.

Sales Methods {4.3}

Sales Methods: My overall personal selling strategy would be to work with schools to find a price that fits their budget. Schools currently are going through a time where budgeting is tight and they do not have the funds for extra activities for teens. By finding a price point that works for schools and fits the budget they currently have, we can ensure that kids will still have a safe place to see friends and have a social outlet in a safe place.

Sales Estimates {4.4}

Maximum Capacity: The maximum amount of units per month is roughly 8 units. This makes room for 2 each weekend.

Break Even Units: To break even and cover my fixed expenses each month, I will need to execute one event per month.

Market Analysis: After analyzing my market, I determined that I could sell approximately 40 units per year.

Seasonality: In my industry, the seasons offset sales. Summer months are the busiest due to the high volume of outdoor parties. Holiday seasons like Christmas, New Years, and Halloween are especially busy as well do to themed parties hosted by schools and families.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Month | Units | | Revenue | | |
| January | | 2 | | $700 |
| February | | 3 | | $1050 |
| March | | 1 | | $350 |
| April | | 2 | | $700 |
| May | | 2 | | $700 |
| June | | 6 | | $2100 |
| July | | 5 | | $1750 |
| August | | 4 | | $1400 |
| September | | 2 | | $700 |
| October | | 5 | | $1750 |
| November | | 2 | | $700 |
| December | | 5 | | $1750 |
| Annual Total | 39 | | $13,650 | | |