

*** Graffiti Removal Business & Tech Course ***

Starting A Graffiti Removal Company

Welcome to the start of your new company. Making it this far is probably the toughest step as an entrepreneur. Working for yourself and being your own boss has a lot of upside to it, but it does come with more responsibility than working for someone else. This course is designed to help you work through the tough times quickly and help you begin as an entrepreneur.

You will have to make a lot of decisions when starting a business. Modules 1-9 will help you to make these important decisions with confidence, professionally remove graffiti, generate sales, and teach you how to safely operate your company.

MODULE 1 - Setting Up Your Business

- 1.1 Business Plan
- 1.2 Insurance, Business Structure, & Regulations
- 1.3 Safety Plan



1.1 Business Plan

Starting a new business has a lot of moving parts, but think of it like something that you will grow with. No soon-to-be parent ever said parenting will be simple when they think of the responsibility of a new born baby, but once they've done it for 4, 14, or 24 years, they probably have a different idea of it. They grew as a parent and learned valuable life skills along the way that can be applied throughout all ages. Not knowing who your customers are going to be, or what the financial situation of your company is forecasted to be can seem scary, but you've gotten this far, so you're probably more ready than most people.

A new company will come with some growing pains, but being prepared can help alleviate fear of the unknown by having a plan already in place. Making a business plan can help assess whether or not you want to run this kind of business, if you can foresee a lot of growth, or what you'll do in certain situations. This plan is very important to have as it is your own handmade playbook for what is ahead. Of course things will change along the way. Pandemics, economic changes (good and bad), and other unforeseen activities can all happen and reroute the path you forecast in your business plan, but without a starting point you'll feel less grounded until something big changes it for you.

To start a business plan, you need to take a realistic look at what you intend to do. Try to leave the bright flashy lights of being your own boss behind and dig into the reality of running a company.

You need to ask yourself the following questions to begin the process of starting a new business.

1. Who will be my customers? And where are they?

This is an important question because your whole business hinges on it. As a successful graffiti removal company we can tell you this answer, but it might be better to work on it yourself first. Who knows, you might come up with an even better answer that will bring everyone in the industry more customers. Don't worry, we'll give this answer in other Modules.

2. What price will people pay for my service?

This question can take some creative research, but it is attainable. Across Canada there is a range of prices that customers are willing to pay. The variables depend on city size, placement of graffiti, and content of graffiti. This will be covered more closely in Module 8.

3. How much or how often will my customers spend with me?

This can depend on your relationship building, quality of work, safety record, promptness, and competition. These first 4 topics should be what you strive for excellence in. They are what will bring your customers back time after time.

4. Who are my competitors?

This is relatively easy to figure out, but essential to being successful. If the market is jam packed already with companies in your industry, it might be worth looking at a niche within the industry, or maybe it's time to pivot before entering it all together. Knowing your competition is very useful for knowing what the market will also pay for your service. If you're the only company in the graffiti removal industry within your city, you might not have to compete on price as much as if it were flooded with competition.

5. How will I be different than my competitors?

Once you know who they are, you can research them deeper and see where your philosophies match or differ. If they offer 5 other services than graffiti removal, they might be more reactive to customers than proactive in finding sales. If they use the colour yellow, you might want to use a different colour/brand. Find a way to stand out above your competition and work on that. Mimicking a company isn't going to make you surpass whatever they're doing, it's only going to make you be like them, but 2 years late.

Once you have these 5 answers and want to move forward, which hopefully you do, you'll be ready to start your business plan.

Business Plan Guideline

The following is a list of items to work on, but is not limited to only these topics. Search for other topics online or ask people who have started companies for advice. Most entrepreneurs will be happy to give advice on what helped them the most in the early years of their company. The main purpose for taking this course is to skip the hardest times by learning from people who have already found ways to succeed or have made errors and learned from them.

Build your business plan with the Business Plan Template and complete it as you work through the Modules.

Mission Statement: Your mission statement is a short and brief outline of what you sell, who you sell it to, and why you are better than your competition. It should also contain your primary goal as a company through a philosophy (i.e. environmental focus, customer service, etc...) or

a pointed goal. This will be the mantra of your company and your guide for the broad direction you want your company to strive for. It will help assist your other sections of the company as well, such as the Marketing Plan in Module 2.

Executive Summary: Often written at the end of the plan, but placed at the beginning. It provides a 1 or 2 page overview of the business plan.

Services Offered: Lists the exact services that your company will provide.

Industry Overview: A brief history of the industry is good to start with because you will have to learn about how the industry became what it is today. Being an expert takes knowing the full history of something, along with the changes that made the industry evolve, and knowing where it stands today. You don't want to jump into something you have no idea about. This section should hopefully show you some holes within the industry from an outside perspective as well.

Competition Overview: Find out everything you can about your competition. When they started, how big they are, how many of them are there, what type of equipment do they use, who their main customers are, where they're located, what type of vehicles do they use, etcetera. This will give you a large advantage when talking to customers who may already use them on a regular basis. If you know their strengths and weaknesses, you'll be able to sell your services that much better.

Company Structure: Who will be the owner(s), how many employees will you have, where will your vehicles be stored, who will be in the office versus going to job-sites, how will payroll work, will there be commission on sales, and every small aspect of the company that can be thought of.

Budget: This is a forecast of your company's finances. It is designed to help you forecast how money you will need to earn and help allocate where money should be spent.

First, use the One-Off Costs Budget Template attachment in this Module, or create your own with a spreadsheet. Begin with listing your startup expenses in detail down the left side and how much everything will cost beside it. Throughout the course you will be able to complete this as many items will be covered in Module 4.

The second template, called the Annual Budget Template, will help you figure out what your monthly expenses will be in the 2 categories called Fixed Costs and Variable Costs. This will take some thoughtful forecasting, but many expenses will be easy enough to figure out as you go through this course. These numbers in detail, without anything missing, is important in order to move on to your Company Goals (next topic). This will help you know where your breakeven point is on your monthly balance sheet and when you will become profitable. It will also help you give sales targets to whoever is doing sales for your company. Marketing will need a budget as well and will be covered in Module 2.

Your Fixed Costs are your costs that will remain the same regardless of what happens with sales or how you conduct business. For example, your rent, insurance, bank fees, some professional fees, wages, and equipment lease/payment will always be the same throughout the year, and often for several years regardless of how much money your company earns. Your Fixed Costs added to your Variable Costs base will let you know how much you need to earn in order to keep your business profitable.

Your Variable Costs are your expenses that fluctuate, typically with your increase or decrease of sales. For example, some months will have a higher cost of fuel than others because you will end up driving more as you get more jobs. Your pressure washer will also be used more and you will need to purchase more products to complete the work, and if you pay someone on commission, then you will pay more as they get more sales for you.

Your marketing budget can be set prior to your marketing plan (not that it needs to be or is recommended) because if you have \$100/month or \$2,500/month to put into marketing, then you'll have to work within those numbers. In your company budget you cannot decide on what you want to spend in some situations, such as your phone bill, fuel, insurances, business license, and so on.

Your company budget will need to include everything that you will spend money on. No matter how small it may seem, it needs to be accounted for. If you don't, you can end up with \$700 of extra expenses each month, which means you won't have an extra \$8,400 at the end of the year. With wages needed to be paid, where does that money come from? In the categories below, you should have a detailed sublist of what exactly will be in each of them. For example, in Advertising & Promotions you should be including everything that is included with advertising, not only the cost of the ad. If it costs you money to have an ad created by someone, that cost should be included in the budget along with the cost of running the ad.

To create a budget effectively, you will need to know your expenses. Modules 1-4 will cover the majority of your expected expenses, but there will be other expenses that could come up over the course of your first year. Keep track of what you spend, plan on spending, and what you earn. You cannot spend more than you earn. The following years will be more predictable because you'll have a baseline of what you spent in the first year and you should be able to tell if it was enough, or too much.

The following is a list of expenses where you will need to allocate money. Not all of them require being paid up front, which is why having sales targets is important as you move along throughout the year. If you plan on spending \$10,000/month, then your sales should be over \$10,000/month. Numbers are fairly straight forward, but they are also black and white.

Budget Example - See Budget Templates for Monthly / Annual & One-Off Costs Spreadsheets.

FIXED COSTS	<i>Jan forecast</i>	<i>Jan actual</i>	<i>Feb forecast ...</i>
<i>Bank Fees</i>	\$ _____	\$ _____	\$ _____
<i>Insurance</i>	\$ _____	\$ _____	\$ _____
<i>Marketing Plan/Budget (Module 2)</i>	\$ _____	\$ _____	\$ _____
<i>Website Fees</i>			
<i>etc...</i>			
<i>Professional Fees</i>	\$ _____	\$ _____	\$ _____
<i>Rent</i>	\$ _____	\$ _____	\$ _____
<i>Salaries & Wages</i>	\$ _____	\$ _____	\$ _____
<i>Telephone</i>	\$ _____	\$ _____	\$ _____
<i>Landline</i>			
<i>Cellular</i>			
<i>Vehicle</i>	\$ _____	\$ _____	\$ _____
<i>Insurance</i>			
<i>Payments</i>			
Total Fixed Costs	\$ _____	\$ _____	\$ _____

VARIABLE COSTS

<i>Advertising & Promotions</i>	\$ _____	\$ _____	\$ _____
<i>Meals & Entertainment</i>	\$ _____	\$ _____	\$ _____
<i>Office Supplies</i>	\$ _____	\$ _____	\$ _____
<i>Products</i>	\$ _____	\$ _____	\$ _____
<i>Repairs & Maintenance</i>	\$ _____	\$ _____	\$ _____
<i>Utilities</i>	\$ _____	\$ _____	\$ _____
<i>Vehicle</i>	\$ _____	\$ _____	\$ _____
<i>Fuel</i>			
<i>Maintenance</i>			
Total Variable Costs	\$ _____	\$ _____	\$ _____
Total Fixed & Variable Costs	\$ _____	\$ _____	\$ _____

ESTIMATED REVENUE

<i>Monthly or Annual Sales</i>	\$ _____	\$ _____	\$ _____
Profit/Loss {Sales - (Fixed + Variable)}	+/- \$ _____	+/- \$ _____	+/- \$ _____

As a semi-seasonal business it is very important to budget correctly and take your estimated revenue for the year into your budget. Your fixed expenses won't change throughout the colder/slower months, but your sales will. It is a good idea to make sure you have money set aside for these expenses to get through the slower months and not spend it just because you have it. Keep a close eye on your budget. If it isn't tracked, updated, and closely watched, your business can suffer or even fail.

Company Goals: Not only based on your budgetary expectations, but what else do you want to be accomplishing as a company within your community, province/state, or country? Social goals, employee happiness, repeat customers, 5 star reviews, are all goals that will contribute to the bottom line over time. Building a profitable company is good, but being a strong example within a community on top of that can be as equally rewarding.

Environment SWOT Analysis: This will describe what has control of your company for better or worse. The SWOT Analysis is commonly used to look at where you have control over and what you might need to have a back up plan for. The acronym stands for Strength, Weakness, Opportunity, and Threat.

Strengths & Weaknesses are both internal, or what you have control over. Make a list of all of your companies strengths, such as you may like building clientele and talking to customers (customer service), or you already know a lot of people in your area that own commercial buildings and so on. Weaknesses are the areas that you might find yourself out of your depth in, such as talking to customers or physical labour.

Opportunities & Threats are external to your company or control. These are things that could happen regardless of what you do within your company. An opportunity might be that there are major new developments being built in your city, or there was a new bylaw introduced that requires graffiti to be removed immediately. A threat might be new competition could show up any day, or there could be another pandemic.

Once you have a complete list for all categories in the SWOT, start to take a look and find holes that you can take control of. What is the plan if there is a major turn in the economy? What if there are 2 new competitors that show up next year in your area? How can you capitalize off of being good at customer service? This should help you with your goals, marketing plan, contingent plan, as well as give you a clearer direction of where you will need to be focussing as a business owner.

Contingency Plan: No matter how great your business is going, there can always be a turn of events that is out of your control. In 2008 and 2020 there were 2 major economic turns that not many people predicted. If you were able to see into the future in 2003 and knew they were going to happen, do you think you could have weathered them easier? I sure hope you said "Yes" to that question.

A contingency plan is forecasting the worst possible outcome and making sure you can get through it, or out of it, with little personal damage. Make a list of the possible issues that could happen as a business owner and then make a plan to deal with them both before they happen and after they happen.

For example, if you write down that you might get sued because of something you do, then the plan might be to have a better safety plan or higher insurance coverage in place. This is easy enough to do, so do it today. However, if one topic on the list says there is an economic melt down and nobody will pay for anything other than food like the 2020 pandemic, then maybe there needs to be a larger nest egg stashed away, or that the company can never carry more

debt than cash it has on hand, or you should have 5 months of saving to cover expenses. I'd suggest talking this over with a financial advisor or accountant, but at least you're making an effort to minimize your liability in all situations. Don't get caught without large supply of toilet paper again!!

Marketing Plan: The marketing plan will be covered in Module 2, but it is a key part of a business plan. It will cover what you should know about getting your name out to your customers, how you will get sales, and what your public image will be.

Safety Plan: A safety plan needs to include everything you will enforce within your company to be safe. It should include what to do in case of a fire at your job-site, what personal protective gear anyone working on a job-site should be wearing, what safety equipment should be readily available, how to drive a company vehicle (speed and maintenance), what needs to be reported, how fast things must be repaired, how to tag-out equipment if it requires repairs (prevent someone from using it), who to call if there is an emergency, where product Safety Data Sheets will be kept, how to use products safely, dress code, how to create a safe job-site, how to cone off an area, how to use a pressure washing machine, as well as government regulations.

This is not a complete or legal description of a safety list, so find out what your local Health and Safety Compliance regulations are and get a complete list (Safety Plan information links in Module 1.3). Many municipalities will require a safety program in order to work for them, so you should be able to get their handbook on requirements in order to meet their local standards, whether you do work for them or not.

Feel free to add topics to the business model that you think can help give you more insight to how you want your company to operate. It's up to you how much time and effort you put in and the results will show.