

**INDEX**

|  |  |
| --- | --- |
| EXECUTIVE SUMMARYCOMPANY OVERVIEWPRODUCTS AND SERVICESEXECUTIONOPERATIONAL PLANFINANCIAL PLAN | [INSERT PAGE NO.][INSERT PAGE NO.][INSERT PAGE NO.][INSERT PAGE NO.][INSERT PAGE NO.][INSERT PAGE NO.] |

**EXECUTIVE SUMMARY**

[Hastings Paralegal Services] will offer paralegal services in the city of [New York]. This startup firm focuses on providing services related to commercial law and the preparation of legal documents and cases filed within the jurisdiction of the small claims court.

[Hastings Paralegal Services] will employ online marketing strategies in order to reach a larger market at a lower cost. The firm aims to expand in the next two to five years.

**COMPANY OVERVIEW**

**Mission Statement:** The mission of [Hastings Paralegal Services] is to provide efficient, professional paralegal services, including legal document preparation, in a specific field of law.

**Philosophy:** [Hastings Paralegal Services] upholds itself to the highest standards of professionalism, confidentiality, trust, and accountability in the provision of services.

**Vision:** The vision of [Hastings Paralegal Services] is to provide clients with sound legal advice in a timely and efficient manner.

**Outlook:** There are different marketing and income-generating methods that the legal industry uses. These include social networking, legal process outsourcing, virtual law servicing, and other alternative legal service delivery models which have shown positive results to law firms. Hastings Paralegal Services aims to work around these methods to sustain its business for a longer period of time.

**Type of Industry:** Legal Industry

**Business Structure:** Partnership

**Ownership:** Partnership, [James Hastings] and [Darrell Jenkins]

**Start-Up Summary**: The start-up cost worth [100K USD] is to be provided by the owners and to be used mainly for the operational costs of the firm.

|  |
| --- |
| **Start-Up Funding** |
| Start-Up Expenses | $40,000 |
| Start-Up Assets | $60,000 |
| **Total Funding Required** | **$100,000** |
|  |
| **Assets** |  |
| Non-Cash Assets from Start-Up | $20,000 |
| Cash Requirements from Start-up | $15,000 |
| Additional Cash Raised | $5,000 |
| Cash Balance on Starting Date | $20,000 |
| **Total Assets** | **$60,000** |
|  |
| **Capital** |  |
| Planned Investment |  |
| Owner | $100,000 |
| Other | $0 |
| Additional Investment Requirement | $0 |
| **Total Planned Investment** | **$100,000** |
| Loss at Start-Up (Start-Up Expenses) | -$40,000 |
| **Total Capital** | **$60,000** |
| Liabilities | **$0** |
| **Total Capital and Liabilities** | $60,000 |
|  |
| **Start-Up** |
| Requirements |  |
| Start-Up Expenses | $3,000 |
| Rent - 1 year | $12,000 |
| Advertising | $3,500 |
| Legal Fees | $3,500 |
| Staff Training | $8,000 |
| Insurance | $5,000 |
| Other | $5,000 |
| **Total Start-Up Expenses** | **$40,000** |
|  |
| Start-Up Assets |  |
| Cash Required | $15,000 |
| Start-Up Inventory | $20,000 |
| Other Current Assets | $5,000 |
| Long-Term Assets | $20,000 |
| **Total Assets** | **$60,000** |
| **Total Requirements (Total Start-Up Expenses + Total Assets)** | **$100,000** |

**Management Team:**

|  |  |  |
| --- | --- | --- |
| **Management Team** | **Role/Function** | **Skills** |
| James Hastings | Managing Partner | Leadership, effective management, communication, planning, and negotiation skills |
| Darrell Jenkins | Managing Partner |

**Short- and Long-Term Goals and Milestones:**

|  |  |
| --- | --- |
| **Short-Term Goals** | **Milestones** |
| Find an office space by February 28, 2019 | The managing partners already signed a lease contract on March 1, 2019. |
| Hire a secretary for the firm | The managing partners already hired a secretary on March 15, 2019. |
| **Long-Term Goals** | **Milestones** |
| Expand the firm and hire at least two paralegals by the end of 2020 | 50% of the firm’s profit will be restricted for the expansion |
| -- | -- |

**PRODUCTS AND SERVICES**

**Product/Service Description:** [Hastings Paralegal Services] will prepare and file legal documents for family, civil, and criminal law cases. It also prepares basic contracts and tends to matters to meet the jurisdictional limits of small claims court. [Hastings Paralegal Services] will work on the following legal matters:

* Civil complaints
* Small claims petitions
* Internal and external memoranda
* Prenuptial agreements
* Business agreements
* LLC formation and filing of legal requirements

**Value Proposition:** Outsource legal matters with [Hastings Paralegal Services]. Clients benefit from the expertise of paralegal professionals who high-quality work to relieve them from any legal matters.

**Pricing Strategy:** [Hastings Paralegal Services] bills clients by the number of hours it has spent in the preparation of the legal documents, and the fee per hour may vary according to the service that it provides. The firm also takes into consideration the expertise of the paralegals to determine its hourly fees.

**EXECUTION**

**Marketing Plan:** [Hastings Paralegal Services] aims to expand and hire more paralegals. It will use online marketing strategies to reach a larger market at a lesser expense.

**Market Research:** Different trends have emerged in the legal industry as lawyers, paralegals, and other legal professionals position themselves to survive the economy. These trends have shown positive results to law firms and have helped legal organizations become more efficient, productive, and competitive in the market.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **SWOT Analysis** | **Strengths** | **Weaknesses** | **Opportunities** | **Threats** |
| Hastings Paralegal Services | The firm has paralegals who have a vast experience in their specific fields of law | As a new firm, it expends billable hours to a large number of pro bono cases  | Many companies avail of the firm’s service because of its focus on commercial law  | The merger of a competitor law firm with an international law firm |
| Better Paralegal Services | The firm uses the latest technology to communicate with clients  | The firm has employee management issues that affect the productivity of each employee  | Media attention that the firm gets can attract new clients | Presence of other legal services at affordable rates |
| Legalese Paralegals | The firm offers online paralegal services | The firm has faulty billing systems that may discourage clients to repeat business | Growing number of companies and individuals who would rather avail of the legal services online | Stricter laws and regulations on online legal servicing |

**Marketing Strategy:** [Hastings Paralegal Services] plans to focus on online marketing strategies in order to reach a larger market at a lesser expense. Its online marketing strategies include the creation of the website, establishment of social media accounts, and the publication of reviews online.

The team has kicked-off various activities to move the marketing strategies forward. Here are some of the updates:

|  |  |  |  |
| --- | --- | --- | --- |
| **Marketing Strategy** | **Activities** | **Timeline** | **Success Criteria** |
| Creation of website | The firm has contacted several IT companies  | March 5, 2019 | The firm will enter into an agreement with an IT company for the creation and maintenance of the website by March 1, 2019 |
| Establishment of social media accounts | The partners had a meeting and decided to establish Facebook, Instagram, Pinterest, and LinkedIn accounts | March 20, 2019 | All the social media accounts are fully operational by March 15, 2019 |
| Publication of reviews | The partners made a list of its clients and ask them for a review | April 10, 2019 | The clients will have provided reviews on the firm by April 1, 2019 |

**Organizational Structure:**

[Hastings Paralegal Services], being a startup paralegal firm, has not yet hired any paralegals as both partners are paralegals and have a combined experience of 30 years. It has only hired a secretary to assist the partners in the administrative function of the firm.



**OPERATIONAL PLAN**

**Location and Facilities**

[Hastings Paralegal Services] rents an office space located at [Blair Building, 964 Pride Avenue, New York City, New York]. The office space has 3 separate rooms, one restroom, and a front desk.

**Tools and Equipment Checklist**

|  |  |
| --- | --- |
| **Software** | **Quantity** |
| Abacus Next | 1 |
| Bill4Time | 1 |
| **Hardware** | **Quantity** |
| Personal computer | 3 |
| Laptop | 2 |

**IT Infrastructure**

The following table reflects [Hastings Paralegal Services] IT infrastructure.

|  |  |  |
| --- | --- | --- |
| **Infrastructure** | **Existing (Y/N)** | **Description** |
| Social Media | Y | The firm has Facebook, Instagram, Pinterest, and LinkedIn accounts. |
| Website | N | The firm has contacted several IT companies for the creation and maintenance of the website. |

**FINANCIAL PLAN**

**Assumptions**

The financial forecast is based mainly on the current trends in the legal industry. The firm assumes that it will have [$100K] revenues for the first year, and will have a [20% and 25%] increase in revenue for the year [2020 and 2021], respectively. Most of its expenses will be on the payroll, maintenance and supplies, business insurance, and rent.

**Monthly Expense**

The chart shows the projected monthly expenses for [2019].



**Monthly Revenue**

The chart depicts the projected monthly revenues for [2019].



**Business Financing**

The funding for the business mainly comes from a business loan worth [$100,000.00]. The major expenses will go to business insurance, rent, salaries, supplies, and maintenance.

**Statements**

|  |
| --- |
| **Profit and Loss Projection** |
|  | **FY 2019** | **FY 2020** | **FY 2021** |
| Sales | $150,000.00 | $180,000.00 | $225,000.00 |
| Direct Cost of Sale | $30,000.00 | $35,000.00 | $40,000.00 |
| Other Cost of Sale | $3,000.00 | $5,000.00 | $7,500.00 |
| **Total Cost of Goods Sold or COGS (Sales - Direct Cost of Sale - Other Cost of Sale)** | $33,000.00 | $40,000.00 | $47,500.00 |
| **Gross Profit (Sales-Total Cost of Goods Sold)** | $117,000.00 | $140,000.00 | $177,500.00 |
| **Gross Margin % (Gross Profit/Sales)** | **78.00%** | **77.78%** | **78.89%** |
|  |  |  |  |
| **Operating Expenses** |  |  |  |
| Rent | $12,000.00 | $12,000.00 | $12,000.00 |
| Insurance | $5,000.00 | $5,000.00 | $5,000.00 |
| Utilities | $5,000.00 | $5,750.00 | $7,200.00 |
| Salary (Including Tax) | $30,000.00 | $45,000.00 | $60,000.00 |
| Maintenance & Supplies | $8,000.00 | $9,000.00 | $10,000.00 |
| **Total Operating Expenses** | **$60,000.00** | **$76,750.00** | **$94,200.00** |
|  |  |  |  |
| EBITDA (Total Cost of Sale-Total Operating Expenses) | $57,000.00 | $63,250.00 | $83,300.00 |
| Depreciation | $2,000.00 | $2,000.00 | $2,000.00 |
| Interest Expense | $4,000.00 | $5,000.00 | $6,000.00 |
| Taxes Paid | $5,700.00 | $6,325.00 | $8,330.00 |
| **Net Profit (Gross Profit - Operating Expenses - Taxes - Interest)** | **$47,300.00** | **$51,925.00** | **$68,970.00** |

|  |
| --- |
| **Balance Sheet Projection** |
|  | **FY 2019** | **FY 2020** | **FY 2021** |
| Cash | $261,000.00 | $294,750.00 | $351,800.00 |
| Accounts Receivable | $60,000.00 | $69,000.00 | $82,800.00 |
| Inventory | $1,000.00 | $2,000.00 | $3,000.00 |
| Other Current Assets | $3,000.00 | $5,000.00 | $8,000.00 |
| **Total Current Assets** | **$325,000.00** | **$370,750.00** | **$445,600.00** |
|  |  |  |  |
| Long-Term Assets | $20,000.00 | $20,000.00 | $20,000.00 |
| Accumulated Depreciation | $5,000.00 | $10,000.00 | $15,000.00 |
| **Total Long-Term Assets (Long-Term Assets-Accumulated Depreciation)** | $15,000.00 | $10,000.00 | $5,000.00 |
| **Total Assets (Total Current Assets + Total Long-Term Assets)** | **$340,000.00** | **$380,750.00** | **$450,600.00** |
|  |  |  |  |
| Accounts Payable | $84,000.00 | $85,000.00 | $95,000.00 |
| Notes Payable | $35,000.00 | $37,000.00 | $40,000.00 |
| Other | $8,500.00 | $9,000.00 | $11,000.00 |
| **Total Liabilities** | **$127,500.00** | **$131,000.00** | **$146,000.00** |
|  |  |  |  |
| Paid-in Capital | $100,000.00 | $114,750.00 | $135,850.00 |
| Retained Earnings | $112,500.00 | $135,000.00 | $168,750.00 |
| **Total Owner's Equity (Total Assets - Total Liabilities)** | **$212,500.00** | **$249,750.00** | **$304,600.00** |
| **Total Liabilities & Equity (Total Liabilities/Total Owner's Equity)** | **60.00%** | **52.45%** | **47.93%** |

|  |
| --- |
| **Cash Flow Projection** |
|  |
|  | **FY 2019** | **FY 2020** | **FY 2021** |
| Operating Cash Beginning | $20,000.00 | $25,000.00 | $30,000.00 |
|  |  |  |  |
| **Sources of Cash** |  |  |  |
| Receivables | $60,000.00 | $69,000.00 | $82,800.00 |
| Sales | $300,000.00 | $345,000.00 | $414,000.00 |
| Others | $1,000.00 | $1,500.00 | $2,000.00 |
| **Total Cash** | $381,000.00 | $440,500.00 | $528,800.00 |
|  |  |  |  |
| **Expenditures** |  |  |  |
| Rent | $12,000.00 | $12,000.00 | $12,000.00 |
| Insurance | $5,000.00 | $5,000.00 | $5,000.00 |
| Utilities | $5,000.00 | $5,750.00 | $7,200.00 |
| Salary (Including Tax) | $30,000.00 | $45,000.00 | $60,000.00 |
| Maintenance & Supplies | $8,000.00 | $9,000.00 | $10,000.00 |
| **Total Expenditures** | $60,000.00 | $76,750.00 | $94,200.00 |
| **Net Income/Loss (Total Cash - Total Expenditures)** | **$321,000.00** | **$363,750.00** | **$434,600.00** |