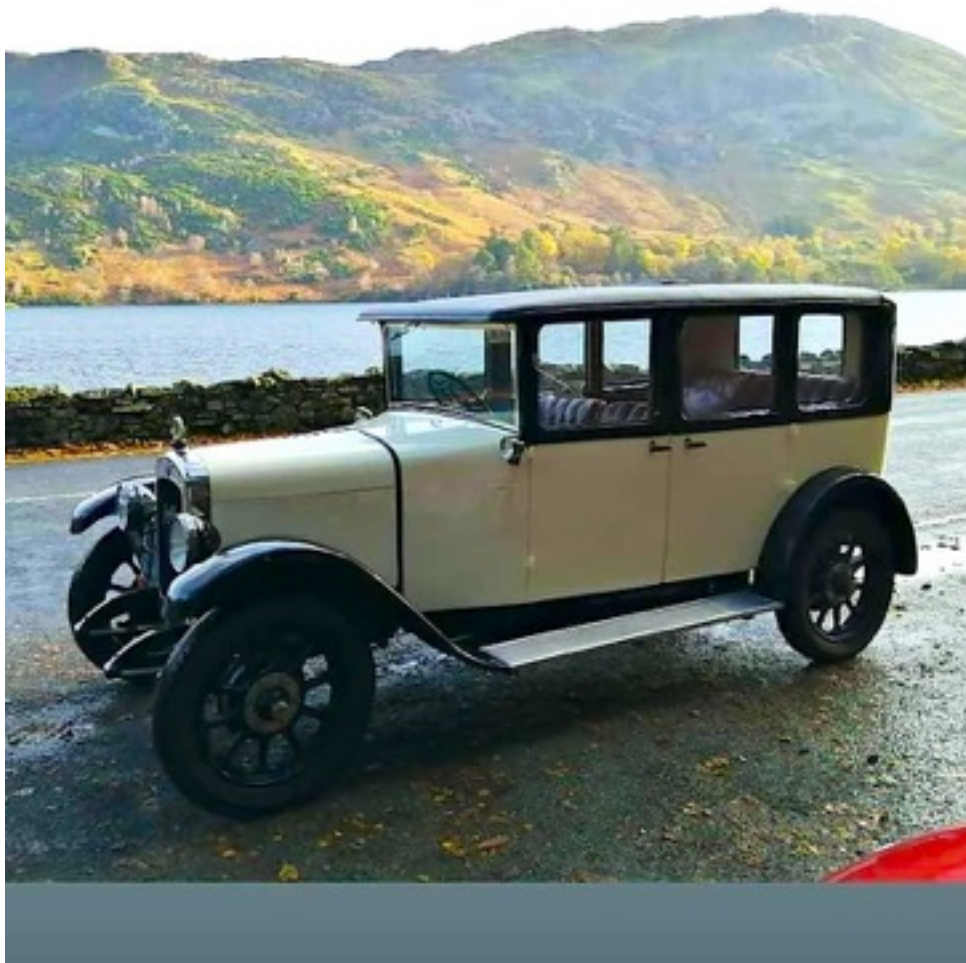


Vintage Lakeland Tours

Business Plan

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About Me:

Michael Heaps

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

I've lived and worked in the south lakes area all my life , except for 5 years from the age of 16 - 21 when i served in the Army with the 5th Royal Inniskilling Dragoon Guards. Since leaving the forces in 1992 , i worked in outdoor retail for 9 years and have spent the last 19 years working at James Cropper plc from which i have just taken voluntary redundancy to pursue this venture.

Growing up in Milnthorpe i was immersed in the world of vintage vehicles ,which became a hobby and a passion through which i have been very lucky to own a number of vintage and classic cars and motorcycles over the years.

My second passion is The Lake District , it has a magic all of its own , which i am fortunate enough to call " Home" with my wife and daughter for over 27 years . I've had a dream for over 15 years of combining both my passions and offering guided tours of the Lakes and Dales using a vintage car , but sadly life got in the way , but now the opportunity has arisen for me to make this a reality and i fully intend to see it through.

The Idea :

To provide a totally unique experience which is unlike anything currently available within the Lake District National Park or the Yorkshire Dales National Park . Providing a fully guided private tour using a 1928 Austin Heavy 12/4 Windsor Saloon . The vehicle will be operated on a “ Executive Private Hire “ basis .

We will provide a combination of full / half day tours / experience tours / mystery tours and wedding car hire services . Operating on this basis is ideal , everything is pre-booked , private hire allows us to make tours more personal and bespoke , giving the client the option of building their own tour itinerary.

The use of a vintage car makes this not only a Unique experience but Fun and Memorable also , which given time could make it an “Attraction” in its own right. We also intend to utilise existing attractions on our tours for example : boat trips , steam train trips , afternoon tea / drive and dine options etc...

Tour Options :

3 x Full day tour options , 2 based in the LDNP and 1 tour option of YDNP . These tour options also offer and include additional excursions e.g. boat trips / steam train / cave tour .

2 x 1/2 Day tour options , both based in the LDNP , each separate tour covers the Northern and Southern Lakes respectively.

2 x Mystery tour options , as the above 1/2 day tour options , just more condensed with no major stops.

2 x Experience tours , these tours are based around a short 1 hour tour followed by Afternoon Tea / Lunch or Dinner. This will be run with affiliations to Hotels / Guest Houses / Tea Rooms and Restaurants . Ideally offering a choice of a minimum of 10 different venues spread across the district.

The Market :

Tourism - Over 15.6 million visitors annually
6.6 million stay overnight
Average stay 3 - 5 Days

Local - 20,000 local Residents

Corporate Opportunities - James Cropper plc ,
Mardix , Billerud , BAE Systems.

My Customer :

Will generally be middle aged with older children or older persons visiting the area with friends of a similar age . The Full and Half Day tours will appeal to the out of area visitor who is staying over for a few days , these tours will also appeal to the corporate sector when entertaining customers and potential clients. Would also be of interest to the overseas visitor especially the Japanese tourist on the Beatrix Potter trail.

The Experience Tours ,will appeal to all 3 categories , but i envisage it being bought as a gift idea , so would be more appealing to the local resident or the out of area visitor celebrating a Birthday or Anniversary.

My Service is aimed at those smaller groups and couples looking for something more than just a mini-bus tour , they're looking for a more personal and private tour where your not bound by time restraints or waiting on someone else , they're looking for a memorable , immersive , fun and unique tour experience which is the ultimate goal of Vintage Lakeland Tours .

Wedding car hire is an area of huge potential both locally and for the out of area visitor wishing to get married in the Lake District , this is also another outlet for creating strong business links to many local hotels and guest houses .

My Competition :

Mountain Goat tours & English Lakes Tours

Both are very well established , with good business contacts , offering a wide range of tour options. They also offer other service options such as Airport Services , scheduled tours and private hire . Both operate using 8 & 16 seater mini-buses.

Strengths : Medium sized business , well established , good tour options , good business contacts , fleet of vehicles.

Weaknesses : High overheads , nothing Unique , doesn't create excitement , covid 19 has hit them hard .

Comparable Services : Private hire tours .

Pricing : Depending on the tour £250 - £500

Lakeland Vintage Tours :

Strengths : Lower overheads , unique experience , bespoke tours , easily managed , smaller groups more personal , competitive on price

Weaknesses : Small size , seasonal , possible vehicle breakdown , initially only one vehicle

Opportunities : Form strong business links , expand tour options , expand the business , gift ideas , corporate days out and wedding hire

Threats : Established competition , extreme poor weather , covid 19 , taxation increases due to covid .

Marketing :

This is the most important part of the business after SAFETY and QUALITY . There will be 3 distinct areas that we will focus on ...

1. Digital :

The main marketing tool will be our website , which is built and is live , this works in conjunction with a dedicated Facebook , Twitter and Instagram pages all designed to direct browsers to our website.

Third party associations websites i.e Hotels , Guest Houses , Holiday letting companies , Restaurants , local cruise companies , Haverthwaite Railway , White Scar Cave's etc... we will have links directing customers to their websites and theirs to ours.

2. Physical :

This would employ various methods , Discreet sign writing on the rear of the car itself , leaflets and business cards to be distributed around local Tourist Information Centres , Holiday Letting Agencies and any associated businesses .

Trade fairs both Tourist and Wedding based and finally the very best advertising there is Word of Mouth , which in turn will generate more business and interest and hopefully a very strong Trip Advisor following linking it back to digital marketing.

3. Local Press :

This is very important if I'm to tap into the local market . It is this platform that i will use to initially do a business launch feature with , ideally with the Westmorland Gazette and Local Choice magazine and subsequently this is where i will advertise any special offers / gift experience's for birthdays , anniversaries etc...

Between these 2 publications i could make it through the front door of every resident in the south lakes area .

In the north of the District i would be looking at utilising the Cumberland News , so i can achieve full coverage of the local area.

Financial :

The initial funding for this start up is through my voluntary redundancy package and a personal loan from from a friend . All initial costs will be paid in full and the only debts the company is liable for is the cost of the car (detailed below) to myself and Mr David Rainbow .

Initial costs :

Car (£10,000 me / £7500 David)	£17500.00 (loan to company)
Insurance	£ 2000.00
PHV (personal)	£ 208.93
PHV (operator)	£ 360.63
PHV (vehicle)	£ 185.77
Plates (exec ph)	£ 180.16
DBS	£ 54.00
LTS	£ 120.00
MOT x 3	£ 180.00
Medical	£ 66.37
Total	£20,855.86

Additional Costs :

Servicing & Spares	£700.00
Stationary	£300.00
Website	£217.00
Sundries	£300.00
Accountant	£250.00
Total	£1767.00

Grand Total £ 22622.86

(Loan repayment to D Rainbow over 36 months @ £208.33
Loan repayment to myself over 60 months @ £ 166.66 .
Ideally Loan to Mr D Rainbow repaid in full after 24 months)

1st Year Costs

Description	Annual	Monthly
Loan	£4499.88	£374.99
Insurance	£2000.00	£166.67
Fuel	£2300.00	£191.67
Licensing	£989.49	£82.46
LTS	£120.00	£10.00
MOT	£180.00	£15.00
Medical	£66.37	£5.53
Servicing / Spares	£700.00	£58.33
Stationary	£300.00	£25.00
Website	£217.00	£18.08
Sundries	£300.00	£25.00
Marketing	£2400.00	£200.00
Accountant	£250.00	£20.83
Total	£14322.74	£1193.56

3rd Year Costs

Description	Annually	Monthly
Loan	£4499.88	£374.99
Insurance	£2200.00	£183.33
Fuel	£2700.00	£225.00
Licensing	£0	£0
LTS	£0	£0
MOT	£180.00	£15.00
Medical	£0	£0
Servicing / Spares	£500.00	£41.67
Stationary	£350.00	£29.17
Website	£220.00	£18.33
Sundries	£300	£25
Marketing	£2400.00	£200.00
Accountant	£275.00	£22.92
Total	£13624.88	£1135.41

1st Year Projections

	Wedding	Full Day	Half Day	Mystery	A Tea D Dine
Avg Price	£300.00	£483.33	£337.50	£250.00	£100.00
Mar	0	0	0	2	1
Apr	0	1	2	2	1
May	1	2	4	3	3
June	1	4	5	4	5
July	1	5	6	4	6
Aug	1	5	6	4	6
Sept	1	4	5	3	5
Oct	0	3	4	2	2
# Tours	5	24	32	24	29
Value £	1500.00	11599.92	10800.00	6000.00	2900.00
- Fuel	-100.00	-648.00	-640.00	-360.00	-290.00
- Tickets	0	-1920.00	0	0	0
Total	1400.00	9031.82	10160.00	5640.00	2610.00

Grand total = £28,957.82 minus costs (excluding fuel , already deducted) £12,022 leaves a 1st year operating profit of

£16,935.82

3rd Year Projections

	Wedding	Full Day	Half Day	Mystery	A Tea D Dine
Avg Price	£300.00	£483.33	£337.50	£250.00	£100.00
Mar	0	0	0	2	2
Apr	0	1	2	3	2
May	2	3	4	5	5
June	3	4	6	6	8
July	3	8	8	6	8
Aug	3	8	8	6	8
Sept	3	6	6	5	6
Oct	2	4	4	4	4
#Tours	16	34	38	37	43
Value £	4800.00	16422.00	12825.00	9250.00	4300.00
- Fuel	-320.00	-918.00	-641.06	-616.64	-430.00
- Tickets	0	-2750.00	0	0	0
Total	4480.00	12754.00	12183.94	8633.36	3870.00

Grand total = £41921.30 minus costs (excluding fuel , already deducted) £10924.88 leaves a 3rd year operating profit of **£30996.42**

Exit Strategy:

In the event of the company not meeting its financial goals then the exit plan is quite simple , the value of the company is in the vehicle itself . Due to the nature of the vehicle being a vintage car i do not foresee its value depreciating , in fact its value should increase over time. The vehicle currently has an agreed valuation with the insurance company of £18,000 , should it be damaged beyond repair or stolen .

As the company is starting with no debts to any third party other than Mr Rainbow and myself , i do not anticipate any further debt liability on the company's behalf . In the event of closing the business any outstanding monies owed to Mr Rainbow would be paid immediately upon sale of the vehicle. The current value of the vehicle on the open market is between £18000 and £22000 .