STREET WASTE

Josh Ludden & Akemi Fujii
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II. General Company Description

Our business will be similar to a moving service while at the same time redistributing the secondhand goods to students around the Western area. We will establish some sort of way for customers to contact us (email/text-in) which will lead to them scheduling a time for one of our pickup teams to come out to them.

Mission Statement: The goal of this business will be to clean-up the large furniture items off the streets in the neighborhoods surrounding the Western campus. The representatives of these neighborhoods have made it known that this is an issue that needs to be solved swiftly and in a sustainable matter, hence the redistribution of useable items.

Company Goals and Objectives: One of the goals we have in implementing this business is to see a vast reduction in the amount of furniture that people leave on the curb. If people actually contact us and use our service that would be a huge step in the right direction. Many of the pieces left out are still useable but quickly become a victim of the Washington weather and end up becoming useless. One of our primary objectives is to make it so there is a noticeable reduction in these types of items on the street. The largest sign of success would be students not only using our service to dispose of their goods but also coming into a storefront to possibly purchase or exchange pieces of furniture.

Business Philosophy: Great customer service is definitely one of the main philosophies for our business. Since we are going to be doing the majority of our work face to face it is a MUST that we understand how to properly interact with different kinds of people.

To whom will you market your products? Our program will be marketed to students and renters in the neighborhoods surrounding Western. IF we are able to secure a storefront location then our market should expand to anyone seeking secondhand furniture.

Describe your industry: The industry related to our business is a very stable one that shows no signs of either shrinking or disappearing. Since the neighborhoods around Western are primarily student renters there is always going to be a market for a business like ours. If effective we believe that this business will be able to sustain a high level of success over a long term period of time. In order to gain a competitive edge on other companies we have to make it known that we are the best solution to the renters problems. We have to ensure that they know it’s illegal to leave items on the curb and that it leaves them eligible for fines from the city. By doing this it almost leaves them with no other options besides disposing of their items by themselves.
III. Products and Services

We strive to be a reliable source for student renters and regular renters alike to dispose of their unwanted furniture. Many times people have couches of desks that they no longer have use for and put it out on the street hoping to someone will come along and take it.

Our service is being developed from the prominent issue of renters leaving their unwanted furniture and other household items out on the side of the street. After surveying renters, we found that the main reasons that these people are leaving their things on the side of the road is due to them wanting to help out other people who may want these pieces of furniture, and because they don’t have the means to transport these large items. So, our service is tailoring to these two main roadblocks to renters by providing a pickup service and then an exchange system. Depending on the demand, we are going to set up two trucks (maybe more) in teams of two. When renters call our service, we will send one of the teams to go pick up the furniture for a flat fee. If the item is in good conditions, we will take it back our warehouse where it will be sold again, and if it is not in good conditions it will be taken to the dump.

On our survey, renters were adamant on mentioning that they were afraid of the high cost of properly disposing of these big items. We asked renters what they would be willing to pay for our service and most renters said $20. Therefore, we have decided to make this our flat rate. It is cheaper than any other service, and it is also the most convenient. This gives our service the upper hand while also taking part in a problem that most students are adding to. Not only that but it saves the city thousands of dollars by hiring us to do the dirty work for them.
IV. Marketing Plan

**Market research - Why?** After many complaints from different neighborhood representatives it became quite prevalent just how big of an issue this was. There were couches and desks littering the streets giving off a very dirty, negative feel which is not what Bellingham is.

**Market research - How?** After becoming aware of exactly what the issue was we figured it would be best to gather more information about why it’s happening in the first place. Alongside a handful of City of Bellingham and Western Washington University employees we developed a survey that was gauged to find the behaviors and attitudes of the student renters surrounding our campus. In total we collected over 700 individual responses that gave us a very good idea of how we might combat this issue. The result

**Economics**

Facts about your industry:

- Above 10,000 possible individuals (Western student renters, regular city renters)
- Possess the ability to corner market and be the primary business for our specific niche of a pick-up/exchange service
- Current demand is undetermined but estimated to be at a fair level due to amount of renter turnover in the area
- Market is not going anywhere. As long as there are still student renters, the problem will persist
- Opportunity to expand is a large possibility. If all goes well it’s feasible to start selling other secondhand items
- Possible Barriers:
  - General funding
  - Getting our company brand recognized
  - Finding a storefront location

- To overcome these barriers we will need help from the City of Bellingham, Western Washington University or possibly both. A fully funded 1 year pilot program would be the best option to see if the service will be able to stay afloat without too much external help.
V.  Product and Customers

Product
From our customers point of view we will be a furniture removal/exchange service. We will provide convenient pick-up of unwanted items and possess the ability to revitalize and resell them to the community. For the items that are not resellable we would like to dispose of them in the most sustainable way possible. We will break down the items and try to sort the materials in order to avoid the use of a landfill as much as possible.

Features and Benefits

- Pick-Up Service:
  - We will be able to come out to the customer at a time convenient to them and take their unwanted item off their hands. This is something that no other second-hand stores do which makes it a specialized area for our business. The most obvious benefit it convenience of service but we also make it so that people have a way to get rid of items even if they don’t have the proper transportation to get it somewhere (i.e. Goodwill Stores).

- Reselling Process:
  - For items that we deem to still be in a sufficient condition, we will clean them up and resale them for a ‘cheap’ price. This allows people within the community to purchase affordable furniture and keeps

Customers Demographics

- 16 and older
- All genders may participate
- Bellingham neighborhoods around Western Campus
- All income levels accommodated
VI. Operational Plan

Explain the daily operation of the business, its location, equipment, people, processes, and surrounding environment.

Production
Explain your methods of:

- Service: Two trucks in teams of two
- Quality Control: setting certain standards to items in order for them to be resold
- Customer service: Students helping students
- Inventory control: Date how long an item has been in our shop ➔ extreme discount ➔ take to Goodwill
- Location: To be determined

Our ideal location would need to be a big lot with a big door (garage door for example), front pull in area for trucks to drop off the larger items and bring them in our shop, also with walk in access for our customers. Also, having it be in downtown Bellingham is what we are shooting for because it is a central location and close to renters for easy access.

Location
Possible Locations:

- 100 E Maple Street
  - It's close to campus so students will have easy access and our traveling expense won't be unnecessarily high. According to (http://www.loopnet.com/Listing/17841472/100-E-Maple-St-Bellingham-WA) we can secure the location for $9.58/square foot/year which equates to about $47,500.

- 405 E Champion St
  - Lot used to be a car dealership so there is a lot of area that can be used for a large kickoff event, etc.
VII. Budget

The largest portion of our budget is going to be focused mainly on securing a location for storage and reselling purposes. As stated above we are still currently in the process of finding a final location with the costs from spot to spot varying quite a bit. We want to be in a location that is close to the problem neighborhoods and is easily accessible for people wanting to purchase our goods.

Next we will have to purchase some sort of small business insurance which we would have to get a specific quote on, but is estimated to be anywhere from $500 to $10,000 (https://www.trustedchoice.com/business-insurance/compare-coverage/cost/).

The spreadsheet below shows estimated calculations for the pick-up service portion of our business. The inputs (orange) can be customized to preferred levels changing the outcomes of cost per delivery, employee wage etc. We envision a base pay of somewhere close to minimum wages with commission incentives for each pick-up in order to ensure that employees are working to their full potential.

In total:  \( X + \text{INSURANCE} + 6 \text{EMPLOYEES (2 DAYS PER WEEK, 3 MONTHS)} \)

\[
(6,000) + (4,000) + (6,000) = 16,000
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VIII. Appendices

Service Business

- Competitive factors include recognition of company as well as keeping up with already established businesses
- Flat rate (TBD) pick-up service will create equality for all possible customers
- Production begins with picking up items in the community, sorting them by overall state of quality, and finally reselling items that meet requirements
- Quality control will inspect items to ensure they are clean and safe for re-use
- Labor productivity will be based upon amount of pick-ups per day
- Will accept cash and debit as forms of payment
- In order to keep client base we need to have great customer service and be able to contact with minimal effort

Retail Business

- **Company Image:**
  - Sustainable and affordable community furniture collection/exchange
- **Pricing:**
  - Our prices will be determined by the overall quality of the item on hand. Things such as stains, tears, and/or cracks will cause prices to be established at a lower mark-up
  - Prices will be kept relatively low when compared to the average cost of purchasing similar items
- **Inventory:**
  - Will be determined by amount and quality of items collected. We will only resell items that we would use in our own homes, holding us to a higher standard of quality
- **Customer service policies:**
  - Friendly and helpful interactions in order to ensure customers will leave happy and recommend to peers
- **Location:**
  - A location in downtown Bellingham makes it very accessible for nearly all renters in the different neighborhoods
- **Promotion:**
  - Methods include fliers and yard signs that will direct possible customers to our webpage containing the necessary information about our business. The cost is undetermined at the moment but does not seem likely to be very high