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Chatham Central High School
Business Plan
North Carolina FBLA
2015-2016
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Executive Summary:

*Accurate Orthodontics* is a revolutionary orthodontics company that began in Greensboro, North Carolina. *Accurate* Orthodontics plans to utilize modern technology and a more customer-based service to create an experience that is far superior to any competitors. The office is a 2,800 square foot leased building located in a rapidly expanding area of Greensboro. The property consists of five offices, a waiting facility, two bathrooms, and an operating room. The offices will be used to house the financial analysis department; the x-ray department, the moldings department, and each orthodontist will have a personal office. This location makes the business easily accessible to a large number of potential customers. The central location offers another advantage over the competition.

*Accurate Orthodontics* operates as an LLC, allowing the business owners protection for their personal assets. The owners of *Accurate Orthodontics* believe that hard work and dedication will help them to conquer the local market. Their dedication to excellence will enable them to continually grow their target market. As the business gains more clients, it is expected that many patients will pass on information about the excellent services. *Accurate Orthodontics* sees potential to expand and provide their services to the entire Piedmont-Triad area. The three owners serve as the management. Since they own the company, they have a vested interest in the direction of the company.

The three owners have acquired world-class training from prominent schools and work to combine their knowledge to offer superb services. The owners, Tanner Henson, Victoria Collins, and Nick Oldham, are all esteemed orthodontists. Henson graduated from the University of North Carolina at Chapel Hill as a D.D.S and completed two additional years of orthodontics training. Collins graduated from the esteemed Harvard University with a D.D.S. degree. Oldham obtained his doctoral degree from the University of Michigan and is a licensed D.M.D.

The *Accurate Orthodontics* office employs three successful orthodontists from three highly regarded universities. Tanner Henson completed a four-year business degree along with his biology degree. This expertise has allowed him to directly handle many of the complex legal ends of running a business. The hygienist, financial consultants, secretaries, and the X-ray technician are paid based upon a set annual salary. The entire workforce of *Accurate Orthodontics* is dedicated to providing quality service at an affordable price. The owners believe that by keeping costs minimal, (Building an office to eliminate rent payment and limiting initial profit margins) the business will be able to reach out to families that have not yet been able to justify a major expenditure for braces. *Accurate Orthodontics* hopes to combine world-class skills with innovative technology in order to provide a unique and superior experience.
Accurate Orthodontics is seeking a loan to aid in initial purchase of a permanent location. Accurate Orthodontics hopes to purchase real estate and a building rather than continuing leasing their current location. Long term, owning the land and building will prove to be beneficial to the business finances. Once the building is paid for, only minimal upkeep costs will remain. In addition, the business will have acquired an increased value due to owning an office and real estate. Accurate Orthodontics is seeking a basic 7 (a) loan in the amount of $565,500. The loan is to acquire interest at a rate of 3.5%. The loan will be repaid over a ten-year period. The three owners of the business have agreed to provide funding for any equipment expenses from personal means. The loan will allow Accurate Orthodontics to become more profitable quickly. The owners at Accurate Orthodontics consulted with multiple business advisors at BB&T and J.P. Morgan to ensure that purchasing a building is the best long-term strategy.
Company Profile

Description of Business

Legal Structure-
Accurate Orthodontics is set up as a limited liability company (LLC). This structure allows for stable distribution of management, profits, and losses. The LLC allows for the business to benefit from the same tax system as smaller partnerships. Also, the business is protected from liabilities similar to a corporation. An LLC is perfect for Accurate Orthodontics because it combines the best portions of multiple types of businesses.

Effective Date of Business-
Accurate Orthodontics opened for business, July 3, 2015. The business has since operated without interruption. The office has been closed twice, for a week, since opening for business. Accurate Orthodontics observes all federal holidays and was closed a week for Christmas and a week for Thanksgiving. At Accurate Orthodontics, the staff and doctors understand the importance of spending time with family and friends. This is why the business will allow closure on federal holidays.

Company Mission Statement/Vision-
Accurate Orthodontics will be the leading orthodontics business in North Carolina. We at Accurate Orthodontics strive to maintain excellence in our services, patient care, and quality staff-patient relations. Accurate orthodontics will do it is best to care for patients in a safe, family friendly environment. The business will use state of the art technology, such as Damon braces and cone beam x-ray technology, to help create the best and most effective care possible. The mission of Accurate Orthodontics is to give customers the best orthodontic treatment possible, while providing access to state of the art technology. Accurate Orthodontics works to ensure that every patient enjoys time spent in our office. We also hope that they enjoy interactions with our friendly staff.

Company Governance-
Company owners, Tanner Henson, Victoria Collins, and Nick Oldham govern Accurate Orthodontics. Each owner holds different leadership roles within the company. The owners and staff at Accurate Orthodontics make decisions to keep the company up to date with changing protocol and regulation standards. Our policies include:

- Patient needs
- Quality of treatment provided
- Accrateness in treatment
- Extraordinary patient relationships
- Satisfaction of patients
Tanner Henson obtained a Doctoral Degree in Dental Surgery from the University of North Carolina at Chapel Hill. Henson graduated in the top five percent of his dental class and was noted for his exemplary achievements. His job at Accurate Orthodontics is to provide quality orthodontic care to his patients while managing the day-to-day operations of the business. As mentioned before, Tanner obtained a business degree from the University of North Carolina at Chapel Hill along with his biology degree. This has allowed him the knowledge to make critical business decisions regarding expansion and patient policies. Also, he makes important decisions involving the financial aspects of the business. Tanner makes all final decisions regarding purchases outside of day-to-day needs.

Victoria Collins obtained her Doctoral Degree in Dental Surgery from Harvard University in Boston, Massachusetts. Her job is to provide quality orthodontic care to her patients at Accurate Orthodontics while overseeing the marketing of the business. She also organizes the free weekend activities for patients that are held every few months. (Baseball games, tickets to the Zoo, etc.). Victoria also works closely with many of the insurance companies in the Triad Region. This allows for new patients to transition into the phase of braces with limited financial restraints. Victoria’s knowledge of the insurance industry has greatly reduced the time needed for reimbursements to occur.

Nick Oldham has a Doctorate of Dental Medicine degree from the University of Michigan. His job is to provide quality orthodontic care to his patients at Accurate Orthodontics. He also works to integrate new technologies into the business. Nick works directly with the director of technology to integrate state of the art equipment. Nick also maintains up to date patient files. Accurate Orthodontics believes that maintain up to date records of each individual patient will allow for all questions to be answered more precisely. Also, it will aid in showing improvement throughout the treatment process.

**Company Location**
The main Accurate Orthodontics office is to be located at 5314 W Friendly Ave, Greensboro, NC, 27410. This locality is central to Winston Salem, Greensboro, Asheboro, and High Point. Winston Salem is only a short drive of twenty-six minutes from the office location. Asheboro is roughly a thirty-two minute drive from the office and High Point is only a twenty-three minute drive. This central location would allow the Accurate Orthodontics to service patients from multiple different communities.
**Immediate Developmental Goals**-
In the near future, Accurate Orthodontics’ goal is to construct a permanent location in Greensboro, North Carolina. Currently, the business has been in a lease agreement with a landlord. However, the owners of Accurate Orthodontics feel that moving to establish a permanent location will build equity for the business through ownership and using depreciation to reduce taxes. The funding that is currently being used to pay the monthly lease will be applied to a payment on a permanent location so that interest and depreciation will help reduce taxes. Accurate Orthodontics is in the process of applying for a loan to make this goal into a reality.

**Overview of Company’s Financial Status**-
Accurate Orthodontics expects to experience increasing profits throughout the coming year. During the company's first three months in business, Accurate Orthodontics created a profit of $259,650.37. Throughout the entire course of operations, Accurate Orthodontics has remained profitable and has operated in the black throughout the entire course of business. Over the next year, Accurate Orthodontics expects profits to increase as more people become aware of the business. Also, expenses will be lower as the business gets fully operational. The company expects to increase profit margins as they become able to expand and create a larger clientele. As the clientele expands, it will become feasible to raise overall profits while continuing to maintain cost effectiveness for patients. As other orthodontics businesses in the area close, Accurate Orthodontics hopes to take over their share of the local market. This will make the business significantly more profitable. However, Accurate Orthodontics understands that this is a goal, not necessarily a reality. By creating a treatment that is more personally based and technologically superior to that of other offices, Accurate Orthodontics feels that it will increase market share potential.

**Initial Startup**-
The initial start up costs of the business are to be provided through a loan. An initial loan of around $500,000 is to be sought to aid in the purchase of a permanent location. The funding will be used to build the initial office and to purchase needed equipment. The business will also have initial advertisement costs. The loan, if granted through BB&T, would have an expected fixed interest rate of 3.5% over a ten-year period.
Industry Analysis

Description of Industry

Beginning in the early 1900s, the orthodontic industry began to explode. In America, orthodontics has grown into nearly a $13 billion industry according to IBIS World, a leading publisher of business intelligence. This makes orthodontics one of the largest and most rapidly expanding medical fields in the United States, as well as the single largest dental specialty. In the United States alone approximately 9,500 orthodontist currently practice. About four million Americans wear braces on an annual basis; 25% of these individuals are adults. Upwards of 75% of all teenagers are unsatisfied with their teeth at some point in their lifetime. If they do not undergo the treatment, many of these teenagers will develop problematic teeth. The United States department of Commerce projects a potential annual growth rate for the orthodontic industry of 5.5%.

Industry Trends/Opportunities

The 21st century has commonly been referred to as the “Age of Cosmetics.” This has resulted in the rapid expansion of the orthodontic industry over the past few decades. Increased public awareness of orthodontic treatment has also contributed to this expansion. In addition, more adults, who did not have the chance to have their teeth straightened in their youth, have been seeking orthodontic treatment. The emergence of new technologies, new devices, and modern approaches have decreased the number of cases requiring aggressive treatment or dental surgery. These additions, and other modernizations within the industry, have led to a massive reduction in the duration of treatment length. As the treatment process is shortened, orthodontic care becomes more economical. In order to continue reaching potential patients, there has been a shift in advertising towards website and social media ads. Accurate Orthodontics feels that revolutionary and modern advertising will give them a substantial edge against the competition.
Target Market

Target Market Defined/Orthodontic Survey

*Accurate Orthodontics* conducted a mail-in survey in the greater Greensboro area requesting information on how potential patients, and parents of patients, would choose an orthodontist office. The consumers surveyed were asked the following questions: Would you prefer the services of an office with one doctor or multiple doctors that can offer different approaches? Would you prefer a specific practice if it incorporated technological innovations into its treatment? Any respondents were given the opportunity to receive a coupon redeemable for a free consultation in the Greensboro office. About 12,000 responses were received.

![Preferred Treatment Location and Methods](image)

Size

The orthodontic industry in America has grown into nearly a $13 billion industry according to IBIS World. This makes orthodontics one of the most rapidly expanding medical fields in the United States. About four million Americans wear braces on an annual basis, 25% of which are adults. Based on the responses from the survey, the target market of *Accurate Orthodontics* is located within the 30-mile anticipated radius encompassing multiple cities. The Piedmont Triad metropolitan area has a population of over 1.6 million people. People of almost all ages frequently get braces in the area, and upwards of 75% of all teens experience problems with their teeth. The size of the market around this area is upward of 100,000 individuals currently. This allows *Accurate Orthodontics* opportunity for significant growth.
Growth Potential

The Triad is one of the fastest growing metropolitan areas of the country with many new families moving there. Advances in orthodontic technology reduce treatment time and lead to greater profits. Orthodontics also enjoys a 3.1% annual growth rate of the industry. This allows for great expansion potential for Accurate Orthodontics. The growth will also lead to higher profits in years to come. The future growth of the area and the industry will allow for the expansion of the business to multiple locations creating increased revenues.

Needs

In the current evolving and updating society, the desire and demand for beautiful smiles has been ever rising. People want to show their pearly whites in all of their pictures and have the best smiles possible. People are often self-conscious and want to have the best smiles possible. Accurate Orthodontics will help today’s society accomplish this goal. It will meet the demand for having the perfect smiles and give patients the highest quality of care possible using state of the art technology including: Damon braces, cone beam CT scanners and 3-d computer modeling among many other advancements. In doing this, Accurate Orthodontics, will help people to feel better about themselves and be proud of their smiles.

“I have so much fun at Accurate Orthodontics. Dr. Henson is so much fun to talk to. I love going to the weekend activities. I have been to ball games and bowling. I never want to have my braces taken off!”

-Chase Smith
(12 years old)
Analysis of Market Potential, Patterns, and Sensitivities

Market Potential

The potential of the market is based on the demand for straight teeth and beautiful smiles. With more babies being born on a daily basis, the potential growth for orthodontics is consistently growing because many teens and adults need braces. Over 75% of teens report being unsatisfied with their natural smiles. Accurate Orthodontics can provide the quality care and treatment that these people are looking for. As the industry continues to expand, Accurate Orthodontics will be able to meet the needs of an expanding clientele in Greensboro, North Carolina.

Current Patterns

The market has currently been expanding at a rate of 15% annually. This expansion has been relatively steady over the course of the past twenty years. Profit has also been experiencing a steady increase, especially over the past decade. Average profits have increased by approximately $10,000 every year. This growth will allow Accurate Orthodontics to operate and experience increasing profit margins. North Carolina has experienced some of the most dramatic expansion within the orthodontic industry. Over the past ten years, North Carolina has nearly doubled in the amount of orthodontists practicing within the state. Also, North Carolina orthodontists see an annual profit that is far greater than the national average. North Carolina orthodontists see profits that are annually $55,000 greater than the national averages. If these patterns continue, Accurate Orthodontics will remain a thriving business.

Sensitivities

The major sensitivity that Accurate Orthodontics faces is its current competitor, Mitchell & Bartlett Orthodontics, which is located within ten miles of Accurate Orthodontics in Greensboro, North Carolina. But, with our extraordinary patient care and the quality of our treatment, Accurate Orthodontics has been able to largely outcompete rivaling businesses. Currently, the market in Greensboro is large enough to support both businesses. Accurate Orthodontics has begun to out compete its competitor by offering innovative technologies and creating a more personal relationship with its clients. Also, the company will invest in heavy advertisement. Accurate Orthodontics realizes the risks involved with their investments in advertising and modern technology. If Accurate Orthodontics is unable to obtain a significant portion of the local market, the business may go into the red and lose money. This said, the business is only relocating approximately three miles and believe it likely that they will retain their current clientele. The new location will also likely allow for the patronage of Accurate Orthodontics to expand.
**Competition**

**Key Competitors**

There are no less than twenty orthodontist offices within the area of *Accurate Orthodontics*’ target market. *Mitchell and Bartlett Orthodontics* is currently the largest competitor. They employ two doctors and have two separate locations. Only one of which is within Accurate Orthodontics’ target market. Although none stand out, there are multiple other practices in downtown Greensboro and the surrounding neighborhoods. However, none of these offices employs the same usage of Damon braces and modern X-ray techniques that *Accurate Orthodontics utilizes*. This renders them less of a direct threat.

**Competitors’ Strengths/Weaknesses**

All of the competitors have a current foothold within the market. They have an established clientele that takes up part of that which *Accurate Orthodontics* hopes to possess. These offices are already established in the community and have presumably built relationships with the dentists there. This is a major strength of the established offices. Specifically, *Mitchell and Bartlett Orthodontics* is a larger business with a good reputation and community support. They have a high rate of satisfaction among patients and they maintain a perfect five star rating. *Mitchell and Bartlett Orthodontics* does not engage in the modern practices that *Accurate Orthodontics* will employ. This is a major weakness of most orthodontic offices in Greensboro. Most of the offices in the surrounding area only approach treatments with conventional, outdated methods. They are not motivated to engage in new techniques because they already have an established portion of the market. Additionally, many offices do not interact with their patients through social media, events, or in any way outside of the treatment process.

**Future of Competition**

As orthodontics is a rapidly expanding industry, there will be future competitors that arise and try to capture a portion of the target market. This encroachment into *Accurate Orthodontics*’ share of the business will be dealt with by constant modernization. In the initial years of operation, the company plans to occupy a spot in the target market that will be fueled by the rapid growth within the industry. Other businesses will likely wait to go into operation until a significant increase within the population of the city expands the market. During this time, *Accurate Orthodontics* will be expanding and building a customer base that will not, and cannot, be won over by any competing practices. The patients will be satisfied with their treatment and experience to a point where there is no foreseeable reason they would ever be persuaded to change to another office. Through exceptional customer service, *Accurate Orthodontics* will out compete their neighboring competitors.
Marketing Plan and Sales Strategy

Key Message

The initial impression Accurate Orthodontics hopes to make on our potential patients is an image of structure, success, and modernization. These characteristics are critical to the message that Accurate Orthodontics hopes to portray. Accurate Orthodontics hopes that the initial visit gives patients a vision of just how satisfied they will be when they begin treatment. The business hopes to communicate that customer satisfaction is exceedingly important. Through the usage of cutting edge techniques, providing top-notch care, and above all, connecting with them on a more personal level than any other orthodontist prior.

Options for Message Delivery

More so now than in times past, social media has become a major medium for marketing and message delivery. Accurate Orthodontics plans to use social media outlets as the keystone for its marketing campaign. The company is set apart from other marketers because of the realization that most patients, and prospective patients, are highly involved with social media accounts. These accounts are used on a daily basis and are beginning to dominate their free time. Accurate Orthodontics will encourage staff to follow their patients on Facebook, Instagram, and Twitter. When patients receive “likes” on a post or a happy birthday comments on their pages, it will demonstrate the level of commitment and care that Accurate Orthodontics feels towards them. These social interactions make a statement about the company and will help draw in new patients. The social media pages also serve as a platform to showcase the new techniques being utilized in the office, as well as updates about the staff and other patients. Accurate Orthodontics realizes that while social media may be the future, it is still necessary to advertise in the conventional methods. Some prospective patients are more likely to be reached through radio ads or billboards, especially the older individuals.
Sales Procedures

In order to make the services at Accurate Orthodontics unequivocal to that of the competition, many sales strategies are employed. The procedure that results in the best circulation of our brand, as well as the best customer/doctor relations, is the sponsoring of school activities. Accurate Orthodontics plans to hold competitions among school age patients with the incentive of winning a sponsored field day event. These events will highlight the involvement of Accurate Orthodontics and result in an increased satisfaction of the customers, as well as circulation for promotional materials. With information placed in the schools, many children will pick it up and take it home to their parents. Once parents realize the many benefits that Accurate Orthodontics can afford their children they will likely bring them in for a consultation. Other promotions such as free evaluations, no interest payment plans, and “refer a friend” programs will provide a financial motive for doing business with Accurate Orthodontics. Many dentist offices in Greensboro are also willing to enter into referral agreements with orthodontic offices. If they see that services at Accurate Orthodontics are far superior to that of competitors, they will recommend them to their patients.
Operations

Business Facilities Described
The Accurate Orthodontics building is comprised of a waiting room, a main treatment area, offices and various other rooms necessary for operating an orthodontic office. Services are offered all year, Monday through Thursday, 8:00 a.m. to 5:00 p.m. All federal holidays will be observed.

Waiting Room-
The waiting room is a warm and inviting place that offers plenty for adults, as well as children/teenagers, to read. Comfortable seating around the room gives patients a place to wait for a hygienist to become available, and they also provide anyone accompanying them a place to wait. The waiting room also includes televisions and computers to keep waiting parents occupied. The reception area will be connected to the waiting room. This is where the receptionists are stationed behind the front desk. The receptionist are there to help patients check in and handle scheduling and phone calls.

Main Treatment Area
All three doctors share the main treatment room. The room is comprised of ten individual chair stations. Each doctor attends to his or her respective clients here. The shared main area allows for increased communication between the doctors. It also allows for second opinion involving complicated situations. Accurate Orthodontics believes that many patients are more comfortable in a room with other patients. These are some of the major advantages of a shared main treatment area.

Consultation Rooms
Each doctor also has a separate consultation room. These rooms are utilized in determining the treatment option that best fits each individual patient. The rooms contain various models to aid in demonstrating treatment options. The rooms have layers of radiation shielding to protect individuals from potentially harmful X-rays. The rooms contain X-ray devices.
**Sterilization Room**

This room will function as a combination of a lab, a sterilization facility, and a molding room. Here, the orthodontists can clean all of their tools and store excess supplies. The room will also contain the molding equipment and store the moldings of patients’ teeth. Proper sterilization is critical to maintaining a good reputation within the industry.

**Offices**

There are three personal offices for each orthodontist. There is also a separate office that houses the accountant and the financial department. The orthodontists use their offices to handle sensitive personal information. The finance department handles the intake of money and pays out the bills of the company.

**Floor Plan/Main Office Building**
Production Plan

Orthodontists work by aligning teeth through the usage of braces. Braces are directly attached to the teeth through the usage of bonding cement. Braces work to align teeth through a systematic appliance of pressure. The pressure is generated through wire that is held in place by the brackets. Different gauges of wire are inserted to apply different amounts of pressure, thus moving the teeth in different manners. Orthodontist also frequently utilize rubber bands to align teeth. Orthodontist also oversee frequent checks over their patients to ensure proper teeth alignment. Typically, orthodontist visits are needed on a four to six week schedule during the treatment phase. The dental assistants work to assist the orthodontists during the patient check ups. They often carry out much of the treatment process and are only checked by the orthodontist.

Workforce Analyzed

The Accurate Orthodontics staff consists of three orthodontists, five dental assistants, two receptionists, an accountant, and an X-ray technician. Each of the three orthodontists and three of the dental assistants work full time. The X-ray technician also works full time. It is frequently necessary to take X-rays of a patient to determine the direction that the treatment needs to take. X-rays are also used to clearly demonstrate the progress that the treatment has made to the patient and the patient’s family. Two dental assistants work part time. They rotate schedules, one works one week and another the next. This allows Accurate Orthodontics to maintain four assistants on the grounds at all time. The two receptionists both work part time, alternating morning and evening shifts during the week. The orthodontist and the five dental assistants work inside the operation areas. Here they facilitate the treatment process. The X-ray technician works in the X-ray room when needed but is also a trained hygienist. The X-ray technician serves as an extra assistant when no X-rays are being produced or processed. The accountant works in the finance office. The office handles the incoming money and collects all payments. Also, the department handles the out paying of bills. The receptionists work at the front desk and handle incoming phone calls and scheduling of patient visits.
Impact of Technology

Accurate Orthodontics has recently began a pioneering study into the field of Damon braces. These braces have doors on each bracket that allow for insertion and changing of wire virtually pain free. These braces no longer have to be tightened and are significantly less painful to the patient. Accurate Orthodontics also employs the use of In-. These scanners allow orthodontist a much more useful image of the jaw. The scanner creates a three-dimensional image rather than a typical X-ray. This allows the orthodontist much great precision during the planning phase of treatment. Accurate Orthodontics is also proud to offer the newly designed clear braces. The brackets for clear braces are nearly invisible. They allow patients to go through the entire phase of braces and seldom be noticed. As you can see here, the braces are nearly invisible. The clear braces appeal to the older patients of Accurate Orthodontics. Many of these patients would be embarrassed by wearing normal braces. The cutting edge technology employed by Accurate Orthodontics allows them to largely outcompete nearby orthodontic practices.

Cone Beam X-Ray Technology creates a three-dimensional image rather than a typical X-ray. This allows the orthodontist much great precision during the planning phase of treatment.
Management and Organization

Key Employees

The key employees of Accurate Orthodontics include Tanner Henson, Victoria Collins, and Nick Oldham. These three are the three orthodontists that work at Accurate Orthodontics. Each of these play a critical role in running and maintaining the business. The work that each of these people do is more accurately defined in the management portion of this report. The dental assistants also play a critical role within the business. They greatly enhance the speed at which patients can be seen for their checkups. This allows the office to see an increased number of patients on a daily basis. The receptionists, accountant, and the X-ray technician positions are also critical to the success of the business.

Board of Directors/Advisory Committee

Tanner Henson, Victoria Collins, and Nick Oldham all serve as members of the Board of Directors for Accurate Orthodontics. Tanner Henson is the Chairman of the Board. He makes the other members aware of rising issues and concerns that he and patients of Accurate Orthodontics have expressed. Victoria and Nick both serve as inside informants to the board because they both treat patients and receive information at Accurate Orthodontics. They also are influential in running the business. The board is made up of an endorsing dentist, an advertisement proposer, and an orthodontic technology expert. Accurate Orthodontics also has an Advisory Committee. Members of the Advisory Committee include: (Certified Public Accountant) Debbie Brower, Ron Johnson (Johnson’s Dentistry), Rick Peddrick (Chief Financial Officer), Allen McDonald (Human Resources), and Mark Hyman (DDS, Moses H. Cone Memorial Hospital).

Management

The management personnel within Accurate Orthodontics include Tanner Henson, Victoria Collins, and Nick Oldham. Tanner Henson is the president. He oversees all day-to-day operations to make sure the business is operating effectively and remaining profitable. He also oversees the financial department. Victoria and Nick are each vice presidents. Victoria is the staff manager as well as the public relations manager. She works to ensure employee productivity and works to establish a positive reputation for the business. Nick is the asset and technology manager. He makes sure Accurate Orthodontics is a leader in the field of orthodontic technology. He also manages the quality of the services offered. He ensures that all of the supplies needed for operation are properly maintained.
**Tanner Henson, President**

Tanner Henson serves as the president of Accurate Orthodontics. He coordinates business deals and directs the staff. In addition to handling company relations as president, he is responsible for overseeing the financial department. He ensures the finance department is running well and maintaining profitability. He ensures the business stays in the black. Henson serves as chairman of the board and also conducts the quarterly meetings with the advisory committee.

**Victoria Collins, Vice President, Staff and Public Relations Manager**

As staff manager, Victoria assigns work schedules, works to train new employees, and works to recruit prospective employees. She makes sure all employees are working at a level to achieve their full potential. She also serves as the public relations manager. She coordinates endorsements and partnerships with local dentist offices in order to promote Accurate Orthodontics' services. These partnerships are critical to the overall success of the business. Victoria also works to organizes the patient appreciation events. She has recently worked to organize a patient night at the Greensboro Grasshoppers. Frequently, Accurate Orthodontics hosts patient appreciation nights at bowling alleys and at the zoo.

**Nick Oldham, Vice President, Supplies and Technology Manager**

Nick is the supplies manager, and as such, he keeps supplies in stock and organizes the storage and preservation of tools. He also works after the office has closed to track the volume of product that remains. He also places the orders for new equipment and supplies when needed. In order to keep Accurate Orthodontics ahead of the game, he constantly researches new techniques and technologies for the doctors to explore and adopt. He keeps Accurate Orthodontics on the cutting edge of the industry.

**Plan for Recruiting Employees**

Accurate Orthodontics is currently not hiring. The business was able to quickly fill all needed positions based upon prior contacts. The three orthodontists had long contact lists from time spent in training and hired dental assistants and the X-ray technician quickly. The business posted help wanted for the accountant and receptionist positions. Accurate Orthodontics received multiple applications for each position. The three orthodontist, along with the board of directors deliberated and examined each application carefully before filling the positions. Anyone who applied was required to submit a resume to be considered for the job. The owners of Accurate Orthodontics and the board of directors held an interview session with anyone who was seeking the accountant and receptionist positions. Tanner, Victoria, and Nick each conducted a separate interviewing session with each potential employee. Following the interviews the three owners deliberated and awarded the job to the individual they saw best fit with the environment at Accurate Orthodontics. Whenever Accurate Orthodontics seeks to employ new people, they will employ the same strategy during the hiring process.
Employee Compensation/Incentives

Accurate Orthodontics will employ an hourly pay scale for the receptionists, dental assistants, X-ray technician, and the accountant. The three doctors will receive their compensation following the payout of wages and bills. A portion of the leftover profits will go to compensating the orthodontists. The remainder will be invested into the company or saved for future expansion. Any employee who is hurt on the job will receive worker's compensation. These benefits will allow the employee to have funding while they recover from their injury. Orthodontic offices rarely encounter injuries so worker’s compensation is not expected to be frequently utilized. Some employee incentives include a holiday bonus. Accurate Orthodontics realizes the importance of holidays such as Easter, Thanksgiving, and Christmas. Accurate Orthodontics provides $100 bonuses to every staff member for the holidays of Easter and Thanksgiving. Before Christmas, Accurate Orthodontics has an annual profit sharing bonus. This bonus allows each employee to receive approximately 5% of his or her annual salary as an additional bonus at Christmas time. This bonus generally exceeds $1,500. Accurate Orthodontics also sponsors a New Year’s retreat for business employees and their families. The retreat rotates from Myrtle Beach, South Carolina, to Boone, North Carolina. Accurate Orthodontics rents a mountain chateau where employees will be staying together. All of expenses incurred will be handled by Accurate Orthodontics.

“Everyone at Accurate Orthodontics is amazing! I was very impressed with my daughter's dental work. Every staff member and doctor is so nice and friendly. My daughter received nothing but the best care.” - Mrs. Calan Elkins
Long-Term Development

Goals

Expansion Goals - Accurate Orthodontics hopes to build two more offices following the construction of the main office. Also, the business will seek to repay their initial loan before considering expansion. Following the completion of the two additional offices, each of the owners will run one of the locations. One office will be built in Cary, North Carolina, and the other office will be built in Winston Salem, North Carolina. Tanner Henson will run the business in Greensboro, while Victoria Collins will run the business located in Winston Salem. Nick Oldham will run the business in Cary. The following positions will be hired to work at the other two locations:

- Receptionist (1 for Winston Salem and 1 for Cary)
- Part Time Receptionist (1 for Winston Salem and 1 for Cary)
- Dental Assistant (3 for Winston Salem and 3 for Cary)
- Part Time Dental Assistant (2 for Winston Salem and 2 for Cary)
- Financial Manager (1 for Winston Salem and 1 for Cary)

Risk Analysis - As a business, it is essential that Accurate Orthodontics considers potential risks to success. A major risk that is posed by the location is the potential for future competitors to steal market share. If another orthodontic office opens soon after Accurate Orthodontics completes their move they may have to fight over a small share of the market. This could lead to problems for both businesses. Also, Accurate Orthodontics must ensure that they stay on the cutting-edge of technology. Remaining modernized will allow Accurate Orthodontics to stay ahead of the competition. Accurate Orthodontics must also remain profitable throughout the course of relocation. They must continue to be able to make payments on their building loan or they could risk bankruptcy. The social media approach to advertising is also unproven. While the owners and board of directors feel it will be successful, they realize the potential risks involved. The owners plan for expansion also relies on the ability to pay off the business loan quickly. If it takes longer than expected profit margin will not increase until later in the company’s life cycle.
Strategy for Achieving Goals- Accurate Orthodontics will achieve its goals by staying advanced and constantly incorporating the most modern technology. This will ensure that Accurate Orthodontics is able to maintain an ever-growing portion of the local target market. Also, Accurate Orthodontics strives to repay the loan as quickly as possible. This will allow for quick expansion and a nearly doubled, and later tripled, profit margin. As profit margins expand it will become easier for the business to achieve its goals. Accurate Orthodontics also hopes to establish a positive reputation within the community. It will do this by being involved with the local school systems and by maintaining excellent quality of services. By providing customers with an appreciable experience, the business will be able to grow and to increase its clientele. Customer satisfaction is the key to success within the orthodontic industry. Accurate Orthodontics hopes that the unique experience provided will establish great relations with patients and patient families. If good relations are maintained with customers word of mouth will help to greatly boost business at Accurate Orthodontics. This will increase sales and help Accurate Orthodontics capture a substantial size of the local market. It is also important for Accurate Orthodontics to keep in front of their local competitors.

Financials

Accounting Systems

Accurate Orthodontics will apply for a business loan from BB&T. Accurate Orthodontics also has an established account with the local branch of BB&T. Accurate Orthodontics will utilize the cash method of accounting in order the maintain a larger hand in the financial reporting of the company.

Rationale for choosing Financial Institution

The Rationale for choosing BB&T for the loan is because they have the best loan rate and are a Fortune 500 Company. They also had the lowest interest rate of 3.5%. Accurate Orthodontics applied for a small business, 7 (a) loan, to be repaid in ten years. This loan will be used in the purchase of a permanent locality for Accurate Orthodontics. All three of the owners of Accurate Orthodontics have held personal accounts at BB&T for many years. This established positive credit will help the business owners obtain the needed funding. BB&T is also a SBA (Small Business Approved) approved bank. These loans allow small businesses to acquire property. Also, a local branch of BB&T is located within a mile of Accurate Orthodontics. This will allow financial matters to be more easily handled.
# Monthly Cash Flow

<table>
<thead>
<tr>
<th>MONTH</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Cash Income</strong></td>
<td>$163,598.67</td>
<td>$147,543.89</td>
<td>$136,388.13</td>
<td>$145,861.77</td>
<td>$132,845.93</td>
<td>$122,956.43</td>
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<tr>
<td><strong>Sales Receipts</strong></td>
<td>$24,563.98</td>
<td>$34,671.48</td>
<td>$29,674.94</td>
<td>$32,987.56</td>
<td>$26,450.83</td>
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<tr>
<td><strong>Expenses</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
</tr>
<tr>
<td>Labor</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
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<tr>
<td>Overhead</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
</tr>
<tr>
<td>Salaries</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>Rent</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
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<tr>
<td>Insurance</td>
<td>$250.50</td>
<td>$250.50</td>
<td>$250.50</td>
<td>$250.50</td>
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<td>$250.50</td>
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<tr>
<td>Office Equipment</td>
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<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
</tr>
<tr>
<td>Advertising</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
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<tr>
<td>Telephone</td>
<td>$75.00</td>
<td>$75.00</td>
<td>$75.00</td>
<td>$105.00</td>
<td>$105.00</td>
<td>$105.00</td>
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<tr>
<td><strong>Total Expenses</strong></td>
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<td>$69,031.35</td>
<td>$69,031.35</td>
<td>$69,061.35</td>
<td>$69,061.35</td>
<td>$69,061.35</td>
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<tr>
<td><strong>NET CASH FLOW</strong></td>
<td>$119,131.30</td>
<td>$113,184.02</td>
<td>$97,031.72</td>
<td>$109,787.98</td>
<td>$90,235.41</td>
<td>$73,534.48</td>
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<tr>
<td><strong>CASH SURPLUS</strong></td>
<td>$44,467.37</td>
<td>$34,359.84</td>
<td>$39,356.28</td>
<td>$36,073.79</td>
<td>$42,610.52</td>
<td>$49,421.95</td>
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</tbody>
</table>
## First Year Monthly Income Statement

### Year One

<table>
<thead>
<tr>
<th>Monthly Projection</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Revenue</td>
<td>$132,600.00</td>
<td>$126,500.00</td>
<td>$145,750.00</td>
<td>$132,500.00</td>
<td>$127,800.00</td>
<td>$167,250.00</td>
</tr>
<tr>
<td><strong>Fixed Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Loan</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
</tr>
<tr>
<td>b. Salaries</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
</tr>
<tr>
<td>c. Advertising</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
</tr>
<tr>
<td>d. Equipment</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
</tr>
<tr>
<td>e. Utilities</td>
<td>$1,950.50</td>
<td>$1,897.20</td>
<td>$1,801.55</td>
<td>$1,695.98</td>
<td>$1,602.27</td>
<td>$1,576.23</td>
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<tr>
<td><strong>Flexible Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Landscaping/Upkeep</td>
<td>$-</td>
<td>$-</td>
<td>$250.00</td>
<td>$500.00</td>
<td>$1,000.00</td>
<td>$2,200.00</td>
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<tr>
<td><strong>Total Expenses</strong></td>
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<td>$51,102.46</td>
<td>$51,256.81</td>
<td>$51,401.24</td>
<td>$51,807.53</td>
<td>$52,981.49</td>
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<tr>
<td>Projected Profit</td>
<td>$81,444.24</td>
<td>$75,397.54</td>
<td>$94,493.19</td>
<td>$81,098.76</td>
<td>$75,992.47</td>
<td>$114,268.51</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Projection</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Revenue</td>
<td>$163,598.67</td>
<td>$147,543.89</td>
<td>$136,388.13</td>
<td>$145,861.77</td>
<td>$132,845.93</td>
<td>$122,956.43</td>
</tr>
<tr>
<td><strong>Fixed Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Loan</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
<td>$5,587.05</td>
</tr>
<tr>
<td>b. Salaries</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
<td>$37,916.67</td>
</tr>
<tr>
<td>c. Advertising</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
<td>$1,200.95</td>
</tr>
<tr>
<td>d. Equipment</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
<td>$4,500.59</td>
</tr>
<tr>
<td>e. Utilities</td>
<td>$1,367.03</td>
<td>$1,443.54</td>
<td>$1,503.78</td>
<td>$1,509.34</td>
<td>$1,675.87</td>
<td>$1,891.76</td>
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<tr>
<td><strong>Flexible Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Landscaping/Upkeep</td>
<td>$3,450.00</td>
<td>$2,350.00</td>
<td>$1,250.00</td>
<td>$2,175.00</td>
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<td>$2,500.00</td>
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<td><strong>Total Expenses</strong></td>
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<td>$51,959.04</td>
<td>$52,889.60</td>
<td>$51,881.13</td>
<td>$53,597.02</td>
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<tr>
<td>Projected Profit</td>
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<td>$94,545.09</td>
<td>$84,429.09</td>
<td>$92,972.17</td>
<td>$80,964.80</td>
<td>$69,359.41</td>
</tr>
</tbody>
</table>
Yearly Income Statements (Year One, Three, and Five)-

**Year One**
- Braces Payments: $5,800.00/day
- Refreshment Sales: $40.00/day
- Additional X-Ray Fees: $675.00/day
- Broken Bracket Fees: $25.00/day
- Missed Appointment Fees: $90.00/day
**Total:** $6,630.00/day

x 220 days (average working year) = $1,458,600 revenue

**Year Three**
- Braces Payments: $8,955.75/day
- Refreshment Sales: $120.00/day
- Additional X-Ray Fees: $1,250.60/day
- Broken Bracket Fees: $75.00/day
- Missed Appointment Fees: $270.00/day
**Total:** $10,671.35/day

x 220 days (average working year) = $2,347,697.00 revenue

**Year Five**
- Braces Payments: $10,436.25/day
- Refreshment Sales: $275.00/day
- Additional X-Ray Fees: $2,124.30/day
- Broken Bracket Fees: $125.00/day
- Missed Appointment Fees: $345.00/day
**Total:** $13,305.55/day

x 220 days (average working year) = $2,927,221.00 revenue

**Planned Expenditures**

Listed below are the expected monthly expenditures for Accurate Orthodontics.

Loans: $5,587.05
Employee Salaries: $37,916.67
Lawn Care/Grounds Maintenance: $1,389.58
Utilities: $1,659.59
Company Vehicle Payment: $625.75
Advertisement: $1,200.95
Braces/Equipment Purchases: $4,500.59
Refreshments for Patients/Parents: $500.00
**Total:** $53,380.18
Accurate Orthodontics expects to generate a monthly revenue of approximately $116,000. Accurate Orthodontics expects to treat roughly twenty new patients every month. The base price for braces is $5,800. After expenses, this leaves a monthly profit of $62,508.90. Expenses are approximate and may vary within a $1,500 range.

Financial Assumptions
Financial data was computed based upon on average from orthodontist offices in the area. Also, extra costs and revenue was added due to variations in Accurate Orthodontics. Accurate Orthodontics plans to sell snacks and refreshments to raise additional revenue. Personal from BB&T contributed the loan rate and monthly payment. Salary for Accurate Orthodontics was determined based upon the North Carolina average for each particular occupation.

Plan for Loan Repayment
Accurate Orthodontics will repay the loan at a rate of $5,587.05 a month. This totals $67,044.60 annually. The loan will be fully repaid in ten years. The owners have also agreed to pay additional amounts when profits allow. This will allow for repayment of the loan at an earlier date. Accurate Orthodontics understands the importance of repaying the loan as rapidly as possible. This will allow for quicker expansion and an increased profit.

Projections for Future Company Stability
Even while Accurate Orthodontics works to repay the loan, they will remain a profitable business. With projected annual profits of $750,106.80, Accurate Orthodontics will look to save a third of annual profits. This will allow for over $1,000,000 to be saved within four years. This money will be used to construct an additional property in Winston Salem, NC. The remainder of the profits will be split between the three owners of the business. After ten years, Accurate Orthodontics will be loan free and will look to open a second and third office in Winston Salem, NC, and Cary, NC. These additional offices will serve to nearly triple the projected profits for Accurate Orthodontics. The business plans to conduct frequent surveys of customers to determine how to properly gear advertisement. This will allow for better marketing and increased patronization.
Supporting Documents

Works Cited-


Sample Degrees and License

University of Michigan

The University of North Carolina at Chapel Hill

HARVARD UNIVERSITY

Board of Dental Examiners

Richard Montgomery Curtis

Diplomate

[Signatures]