

# **Greenbelt Om, LLC**

## **Community Yoga**

**A Business Plan**

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## **1.0 Executive Summary**

The open-hearted, curious, physically active population in and near Greenbelt will be thrilled finally to have a dedicated yoga space near them.

We propose to use space within Pleasant Touch that is currently unfinished as a studio for Greenbelt Om Community Yoga. Pleasant Touch is a beautifully renovated Art-Deco styled day spa offering a variety of services including massage and other body work. It is located on the second floor of the historic shopping center overlooking Roosevelt Center in historic Old Greenbelt. Current clients at Pleasant Touch Spa will have an additional path to take for mind/body health, and those who have not yet visited the Pleasant Touch Spa will have a new reason to be welcomed there.

The yoga studio will have a full schedule of classes, to include several types of yoga. It is our belief that one's yoga practice is enhanced by doing multiple styles of yoga in different periods of life—and indeed, from day to day. We will therefore sell passes to students so that they may come to any yoga class they wish during a specified period of time, rather than signing up for a specific class at a specific time.

### **1.1 Objectives**

The objectives of Greenbelt Om Community Yoga are as follows:

- Sell 15,000 class hours, or units, by the end of the first year of operation.
- Increase sales to 20,000 class units by the end of the second year of operation.
- Completely sell out all 30,000 class units by the end of the third year of operation.
- Once we are operating near capacity, Greenbelt Om will look into space for an additional studio elsewhere in Roosevelt Center, keeping the original space in Pleasant Touch. (Currently, 1000 s.f. of space is available on the second floor over the Mini-Mart, and there is 8,000 s.f. available where the post office used to be.)

### **1.2 Mission**

The mission of Greenbelt Om is to provide a serene, dedicated space for the practice of yoga and meditation in historic Old Greenbelt. It is our intention to expose the students to a wide variety of styles and philosophies of yoga, in keeping with our belief that many paths in yoga can lead to a healthy peace in body and mind.

## **2.0 Company Summary**

Greenbelt Om will offer a variety of yoga classes plus workshops in related yoga and wellness topics. Some of these workshops will be presented in conjunction with Pleasant Touch Spa. Greenbelt Om will provide a home for a range of professional instructors, a

variety of teaching methods, a beautiful and peaceful atmosphere, and an ideal location. Greenbelt Om's goal is to build a large base of yoga students from the residents and business people living and working in Greenbelt and the surrounding areas of Beltsville, Berwyn Heights, College Park, Lanham, Glenn Dale, and Bowie. Greenbelt Om will be the first dedicated yoga studio in these areas.

## **2.1 Company Ownership**

Greenbelt Om is owned by Kim Kash and Michael Cooney. It operates as a limited liability corporation.

## **2.2 Start-up Summary**

(PROPRIETARY INFORMATION NOT INCLUDED AS PART OF THIS WRITING SAMPLE.)

## **2.3 Company Location and Facility**

Greenbelt Om Community Yoga is located in the historic Roosevelt Center, the downtown commercial district of Old Greenbelt. It shares an entrance and lobby with Pleasant Touch, a day spa whose success led them to move into larger space and renovate most of a large second-floor suite. Pleasant Touch is an elegantly appointed, Art Deco-styled salon and day spa, specializing in massage, body work, and various aesthetic services. About one-third of its space was not built out when they moved into this location two years ago; Greenbelt Om will renovate and occupy this space, sharing the lobby and restroom facilities with Pleasant Touch.

In addition to sharing a space with a day spa, the studio is located next to a somewhat "alternative" movie theater (with a recently renovated marquee and an interior renovation currently being planned), and it's across the central plaza from the New Deal Café, which serves healthy food and hosts live music.

The studio is nearly 800 feet, and will be renovated to coordinate with the Deco styles and colors used in Pleasant Touch, and appropriate to the 1938 building.

Greenbelt Om is within easy walking distance of much of Old Greenbelt, and there is plenty of foot traffic through Roosevelt Center. Parking is not a problem for those who drive to Greenbelt Om, as there is generous parking surrounding Roosevelt Center. Plus, Roosevelt Center is easily accessible by Metro bus and the University of Maryland shuttle.

The studio is the only dedicated yoga space in Greenbelt, Beltsville, Laurel, Berwyn Heights, College Park, Glenn Dale, Lanham, and Bowie. There are classes offered in various community centers, gyms, and private homes. However, in our experience it

makes a big difference in one's practice of yoga to have a dedicated, attractive space with a relaxing ambiance. Greenbelt Om will be a simple, elegant space that will inspire yoga practitioners to return to their practice—and to their own community yoga studio—frequently.

### **3.0 Products and Services**

Many yoga studios—particularly studios opened by yoga instructors—focus on the particular style of yoga in which the teacher has been certified. Kim's experience has been that there is unique value in a very wide variety of yoga styles. For this reason, Greenbelt Om will be home to a range of yogic philosophies and practices. Over 20 classes will be offered each week by 10 different yoga teachers.

Greenbelt Om will also offer a variety of weekend workshops, to include partner yoga; yoga for health professionals; yoga for musicians; yoga for seniors; and a repeating series on healthy cooking and eating (held at the Community Center kitchen).

We will also explore the possibility of putting together workshops on various healing modalities (Reiki, Alexander Technique, Feldenkreis, etc.). When Pleasant Touch practitioners have expertise in the subject, the workshops will be jointly presented by Greenbelt Om and Pleasant Touch. This would build both businesses and encourage cross-over between the two.

### **4.0 Market Analysis Summary**

Greenbelt was built during the 1930s by the WPA, one of three planned “Green” towns in the country designed specifically to be walkable and community oriented. In recent years Greenbelt has become a diverse, artistic community of politically and environmentally concerned people with a wide range of professions and income levels. NASA Goddard Space Flight Center is in Greenbelt, and the Beltsville Agricultural Research Center borders it. The University of Maryland in College Park is close enough to Greenbelt that their shuttle bus service has a route through town. Housing is relatively affordable here, so many young families, artists, and older people choose to locate in Greenbelt. Greenbelters will be Greenbelt Om's primary market. However, the entire surrounding area will also benefit from Greenbelt Om's location. With the exception of one small yoga studio in Hyattsville, Greenbelt Om is the only yoga studio in the thriving northern portion of Prince George's County.

The wide range of yoga styles and instructors at Greenbelt Om will also be a draw. Each instructor will bring her own following to the studio; then, because of our flexible pass system, those students will have the opportunity to be exposed to different styles and instructors as they branch out and try other classes on our schedule.

#### 4.1 Market Segmentation

Greenbelt Om's primary market will be Greenbelt residents. Its secondary market will be residents of the surrounding area. The table below shows the population of Greenbelt, as compared to national percentages of people who practice yoga by age range.

<b>Geographic Area / Age Range</b>	<b>Greenbelt</b>	<b>% of Age Range who practice yoga</b>	<b>Total number of potential Greenbelt Om students</b>
<b>&lt; 25</b>	7,381	13.20%	974
<b>25-44</b>	8,389	20.45%	1,716
<b>45+</b>	5,686	22.90%	1,302
<b>Total population by geographic area</b>	<b>21,456</b>		<b>3,992</b>

The table below shows the population of Greenbelt Om’s entire market area—primary and secondary—as compared to national percentages of people who practice yoga by age range.

Geographic Area / Age Range	Greenbelt	Beltsville	Berwyn Heights	Glenn Dale	Laurel	College Park	Bowie	Total population in all geographic areas	% of Age Range who practice yoga	Total potential Greenbelt Ohm students
< 25	7,381	5,319	930	4,741	6,108	15,238	16,388	56,104	13.20%	7,406
25-44	8,389	5,413	974	4,060	8,563	4,882	17,544	48,723	20.45%	9,964
45+	5,686	4,942	1,041	3,808	5,269	4,562	16,287	43,404	22.90%	9,940
<b>Total population by geographic area</b>	<b>21,456</b>	<b>15,690</b>	<b>2,942</b>	<b>12,609</b>	<b>19,960</b>	<b>24,657</b>	<b>50,269</b>	<b>148,231</b>		<b>27,309</b>

As these tables show, Greenbelt Om’s potential market is much larger than our 30-person studio. With 20 class offerings per week, we can potentially sell a maximum of 30,000 class units in a year (or more, given that students won’t necessary use every class they’re entitled to when they buy a pass).

#### 4.2 Target Market Segment Strategy

Yoga is an ancient and varied discipline that explores, develops, and integrates the body, mind, and spirit. Greenbelt Om will be an oasis for our community to come and explore what yoga might mean for them. The focus of Greenbelt Om’s business, then, will be on excellent and varied yoga instruction, with an emphasis on being responsive to our local population (principally, to Greenbelt’s population.) We will continually solicit feedback from students about the kinds of yoga practices they are interested in trying, and the teachers they’d like to see in our studio. We intend to be the location for an ongoing exploration of yoga and meditation practice, with classes shifting and responding to the expressed interests of students. To that end, we will solicit feedback and suggestions on our web site, and also in a book kept in the yoga studio, and teachers will encourage students to participate in this feedback. In effect, we will be the place in Greenbelt to get “locally grown” yoga.

There are several very fine, serious yoga studios in the DC metro area that specifically focus on one kind of yoga or another. In these studios, students can do very advanced work and become certified as instructors in these specific traditions. This is not what Greenbelt Om is aiming for. Instead, Greenbelt Om will be a place for beginning and moderately advanced students to try a range of yoga styles, and to practice in a beautiful setting, near their home, with their neighbors.

### 4.3 Competition

Currently there are only two other “yoga” studios in the immediate area (College Park & Beltsville); both are franchises of a Korean style of movement called Yoga Dahn. Yoga Dahn’s program is not at all like traditional yoga. Students are told what class they should be in, and they advance through ranks similar to martial arts. Some movements are borrowed from yoga, others from Tai Chi and other traditions. In recent mass media news stories, the organization has been likened to a cult, and several lawsuits have been filed against it.

Other than that, the only other yoga classes in the area are being offered in community centers, gymnasiums, fitness centers, and office buildings. Greenbelt Om will strive to attract these teachers to its facility, which will offer the relaxing ambiance that is so important to the discipline.

### 5.0 Marketing and Sales Strategy and Implementation

Greenbelt Om will use a mixture of paid advertising, flyers, cross-over promotions with Pleasant Touch, T-shirt giveaways, and work of mouth for marketing. We will also announce special events and studio news on the extremely active Yahoo! Greenbelters group.

#### 5.1 Sales Forecast

The sales forecast outlines sales of instruction time, or class units.

(PROPRIETARY INFORMATION NOT INCLUDED AS PART OF THIS WRITING SAMPLE.)

#### 5.2 Milestones

The following are target dates for accomplishing the major milestones for opening Greenbelt om:

Milestone	Time Frame	Target Completion Date
secure funding	15-Sep - 15-Nov	completed
sign lease		completed
build out studio	19-Nov - 23-Dec	Inspections pending
hire teachers & finalize schedule	15-Oct - 15-Dec	completed
schedule the first three workshops	15-Oct - 15-Dec	completed
create branding and marketing material	15-Oct - 15-Nov	completed
pre-opening publicity, marketing & advertising	15-Nov - 15-Jan	completed
Greenbelt Om opens		10-Feb-07
opening celebration		17-Feb-07

### **5.3 Marketing Strategy**

The key to the marketing strategy is to direct all of it with the message that Greenbelt Om is a community business, a local resource, a friendly and non-threatening place to take a wide range of yoga classes. The logo, the look and feel of the marketing materials, and the tone of the marketing message will be sophisticated but friendly and local.

Greenbelt Om's paid advertising will focus on the local newspapers (*Greenbelt News Review*, *Beltsville News*, *Bowie Blade*, *Laurel Leader*) and on the largest of the "alternative" lifestyle publications, *Pathways*.

We intend to distribute flyers regularly to the many medical practices in Greenbelt East, particularly when we have relevant weekend workshops. We are also posting flyers at Smile Herb Shop and the Berwyn Café, at My Organic Market in College Park, and other "alternative" businesses in our secondary market region.

We will give have a presence at all Greenbelt community fairs.

Through Kim's contacts in the Greenbelt community and also the yoga community, we believe that much of Greenbelt Om's business will come from word of mouth.

## 6.0 Risk Analysis

The greatest risks Greenbelt Om could face are a shortage of students, a shortage of teachers, price resistance in the market, and the lack of management should Kim be absent.

In order to achieve positive cash flow, the studio must sell half of the total available class units. Given the aggressive, ongoing marketing campaign that will be in place in our primary and secondary markets, we actually believe the more serious difficulty is going to be the small size of the studio space. The room can only accommodate 30 people. More space is available in other parts of Roosevelt Center, so if expansion becomes necessary, it may be possible to have “satellite” studios elsewhere on the plaza.

We have built in to our startup costs sufficient funds to completely cover three months of expenses. If sales are considerably less than we project, we will be able to use that reserve. Kim’s salary is also a flexible figure early on in the enterprise, as is the loan repayment for the money Michael and Kim are loaning to Greenbelt Om. Additionally, we are negotiating into the lease an “escape clause” at the end of year one of the lease, and also at the end of years 3 and 5. So if business does not take off as we anticipate, we will be liable only for the startup costs and one year of rent payments. The settling of all of Greenbelt Om’s debts after one year of operation is something that Michael and Kim could personally shoulder, should it come to that.

Also, we are borrowing money from some sources using interest-only payment terms, due annually. In this way, our debt servicing will be less of a burden at first, when cash may be tight. If our projections are correct, we will be sufficiently profitable to pay off the loans early. It is our intention to do so if possible, to avoid paying five years of loan interest.

Greenbelt Om’s unique philosophy of gathering lots of different yoga teachers into one practice will require that we contract with six or more teachers. Three have already committed to teaching at the studio, and we are having positive conversations with many other teachers, all of whom recommend still more teachers to call. In this region, the problem seems to be a shortage of studio space, not a shortage of teachers.

Currently Greenbelt residents can take a one-hour Vishwayatan yoga class at the Greenbelt Community Center for less than \$10 per class. Initial price resistance may exist for those students in the Community Center classes. However, the classroom at the Community Center has fluorescent lighting, it cannot be personalized in any way, and it is only available in one-hour time slots. The Greenbelt Om studio will have dimmable lighting and a distinctive “Bombay Deco” look (simple, floor-length drapes made from sari fabric, yoga mats and blocks kept in a tall Art Deco armoire, satin eye pillows stored in champagne buckets). Plus, many of Greenbelt Om’s classes will be 1 1/2 hours long, and the schedule has been designed with 30 minutes between classes, so that students and teachers don’t feel rushed. So there is more value in Greenbelt Om’s class, to correspond

with its higher price tag. Our pricing is in line with other yoga studios in the D.C. metro area.

Kim's presence each and every day at the studio is not, strictly speaking, necessary. She doesn't teach yoga, so her time will be spent taking care of the marketing, professional networking, and back-office functions of the business. Once the studio has been up and running long enough to iron out the logistical wrinkles inherent in any new enterprise, then Kim's focus will be on long-term business planning, the ongoing recruitment of workshop presenters and workshop logistics, and administrative management.

It is Kim's intention to get her yoga teaching certification at some point in the future so that she can stand in as a substitute teacher. However, from the start Greenbelt Om will have a roster of substitute teachers, compiled from Kim's contacts and those of the yoga teachers on the schedule. Plus, teachers who commit to offering classes at Greenbelt Om will be asked to identify a substitute for themselves—one who is familiar with their style of yoga. Substituting is a popular method for new teachers to gain experience, and many new teachers look for venues in which to substitute, and get their foot in the door.

## **7.0 Personnel Plan**

Kim Kash has a background in marketing and advertising, journalism and community theater management. Currently she is the assistant to the president at Daedalus Books, a wholesale, direct mail, and retail seller of publishers' overstock. She manages a staff of four in the production of catalogs, advertising and marketing materials; oversees payment of approximately \$1.3 million in monthly payables; assists in purchasing inventory; negotiates domestic and overseas freight contracts; and handles freight logistics for a 200,000 s.f. distribution facility.

Kim serves on Greenbelt Homes, Inc.'s Sustainable Design and Practices Committee, and has just been invited to join the Green Ribbon Task Force, which will map out GHI's plans for maintaining a sustainable community in the future.

Kim was the theater manager at the Greenbelt Arts Center during the renovation of their lobby into a visual arts gallery, and she scheduled and facilitated the first season of artists' shows. Also during her tenure, she produced perhaps the only play in the Greenbelt Arts Center's history that was the *Washington City Paper's* arts and entertainment Pick of the Week.

Kim's work as a reporter for the *Los Angeles Times*, and for a Los Angeles-based advertising agency, have given her an education in how to get editorial coverage and how to design and implement effective ad campaigns.

She began practicing yoga in 1999, and currently pieces together a yoga practice that includes three very different, scattered yoga classes per week. One of them is a lunchtime yoga class that Kim has organized in a spare room at Daedalus Books.

Kim will be the full-time manager of Greenbelt Om During the first year. She will make use of Pleasant Touch desk staff (partially funded by Greenbelt Om) for some clerical duties. In year 2, Kim will evaluate the workload and the finances, and decide whether to hire an assistant.

Yoga instructors will be hired as independent contractors, teaching in their particular style at times which suit them.

## **8.0 Financial Plan**

(PROPRIETARY INFORMATION NOT INCLUDED AS PART OF THIS WRITING SAMPLE.)