

Business Plan



Save Time, Enjoy the Experience

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Executive Summary

Who We Are

Empire is a company that offers clients various entertainment packages, including: sports games, music concerts and festivals, and theme parks. Fostered by our core values of solidarity and teamwork, Empire has created a professional environment that allows us to commit to producing high quality entertainment packages. Our company is dedicated to facilitating and serving our customers needs through commitment and excellence. We are a growing company seeking to expand worldwide.

What We Sell

Our company is dedicated to the production of multiple entertainment packages to ensure quality experiences. Ranging from sports games to music concerts and festivals to theme parks, our company is devoted to fulfilling the customer's entertainment needs. Each package consists of general admission to an event, dining reservations, and merchandise, including: hats, shirts, and bottles. Empire is also providing a service to the companies who are hosting the events as we are advertising their event and helping them increase their ticket sales.

Who We Sell To

Our company is targeting sport enthusiasts, music lovers, and thrill seekers in the United States. Empire is non gender specific and focuses primarily on consumers of the middle and upper economic classes. As the U.S. economy grows and stabilizes, our company has an ample opportunity to increase our market share in family oriented entertainment activities. Empire's intention is to capitalize these markets and increase profit by solidify our position as a mainstream entertainment company.

Growth Opportunity

We plan to seek outside investors to get started and grow to the next level. The next level plan will include expansion into production facilities to produce our merchandise in house. To move to the next level we are looking for support of venture capital first totaling \$250,000. Our business financial plan is to get a loan that will provide us with 75% of expenses. The other 25% will come from income generated by sales.



About the Company

Company Overview

Empire is continuing its second year of operations. Our company is a registered C Corp in the entertainment and marketing industry within the domestic United States. Our company is currently located at 1401 South Grand Ave, Santa Ana, CA 92701. Empire was founded in September of 2015. Founding partners Sandra Gutierrez (Chief Executive Officer) and Linbert Castelan (Chief Operations Officer), are co-owners with equal shares in the ownership of the corporation. No outside investors are involved at this point in time, though as the company grows we plan to expand opportunities for outside investment.

Company Description

Empire is a second year company dedicated to providing the United States with entertainment packages that will improve the consumer's experience. Empire was started in Santa Ana in September 2015. The idea for the company came to the owners after reflecting on our first year of operations and opportunities for improvement. Our company founders decided to provide tangible products for individual consumers instead of just providing services for business. This change will allow us to market our product to more consumers which will increase our sales and profit.

Mission Statement

Our mission is to supply high quality entertainment packages that will create unforgettable experiences for family and friends in the United States.

Planning

Our quality products are elaborated to function in a way that suits customers needs with excellent performance. As a company that wants to provide entertainment packages, we would like to be the "one stop" source for our customers' families and friends' entertainment activities. Our customers will save researching time and we will be offering competitive pricing packages to ensure our customer's satisfaction.



Directing / Controlling

Empire's management team consists of the two founders and owners of the company: Sandra Gutierrez (Chief Executive Officer) and Linbert Castelan (Chief Operations Officer). Our firm has been organized by the CEO and COO who divided employees in departments in order to meet objectives. The CEO oversees the Sales, Marketing, Arts and publications, and Digital Media departments while the COO oversees the Accounting, Communications, and Human Resources departments. Each department is assigned a Vice President. The Vice president is directed an assignment for their designated department, by the company officers. The Vice President then apportions the assignment with their department. Providing them with the information required to ensure high quality work and to meet the standards of Empire.

The company officers' possess updated strategic planning sheets of each Vice President and their departments, this allows the officers to verify if the Vice Presidents have completed the assignment assigned on time. On a monthly basis, CEO and COO will analyze and assess company's profitability and the Return on Investment (ROI) and make appropriate strategic planning adjustments to meet the company's goal.

Management Team (Officers)

Sandra Gutierrez, Chief Executive Officer.

Responsibilities: The day to day operations of all external business departments. This position supervises the marketing, sales, arts and digital media departments. Directs the business growth planning and business policies and procedures: general coordination and constant communication with the leadership team. Supervision of the overall operations involving marketing, advertising and sales. Facilitate weekly department meetings for all employees to address state of company.

Linbert Castelan, Chief Operations Officer.

Responsibilities: The day to day operations of all the internal business departments. This position will supervise the accounting, human resources and communications departments. Monitors the company finances, policies, and procedures. General coordination and constant communication with the leadership team. Supervision of the overall operations involving marketing, advertising and sales. Facilitate weekly department meetings to insure communication between all of the departments also holds weekly staff meetings for all employees to address the state of the company.

Maria Lucero, Chief Financial Officer.

Responsibilities: Maintain the day to day operations of the accounting department. Supervise a large team of employees as they work on their individual assigned accounting tasks. Monitor the company finances and bill payment. Create monthly financial statements, track the personal banking of employees. Establish company start up costs and apply for the business loan. Facilitate weekly department meetings to insure communication between all accounting staff. Collaborate with the sales department in developing the business contract. Prepare budgets and forecasts. Supervises all company and personal tax processes.



Management Team (Vice Presidents)

Andrea Valdes, Vice President of Human Resources.

Responsibilities: Direct and supervise the hiring process of all employees. Leads the development of an employee manual and dissemination of company policies and regulations to all employees. Development, implementation and administration of salary structure and benefits. Creation of the company employee relations and evaluation process training and development, and performance management. Track weekly management employee evaluations. Advises management personnel in appropriate courses of action in policy matters concerning company policies and procedures and maintains employee personnel files. Leads the development of concise job descriptions for all positions in the company. Maintains accurate records of employee attendance in the office. Develop strategies to build company morale and promote greater productivity in the company. Conduct weekly meetings with your department personal. Develop a monthly employee recognition program to recognize an employee who has stood out the most in the company.

Eden Cruz, Vice President of Sales.

Responsibilities: Development of the company product line and a business to business contract. Works with chief officers in the sales components of the business plan. Oversees the development of all company sales and promotional literature. Supervise a team of sales associates through by monitoring and evaluating their work performance. Trains the company employees in how to conduct a sale to live customers. Develop the procedure and order forms for all sales done in the company. Supervise the development of email sales campaigns through constant contact or mailchimp. Develop sales promotions for each trade show the company participates in. Track monthly sales reports. Maintain a current inventory of products and reorder through wholesale marketplace. Establish a product numbering system for all company products. Track sales commissions of all sales people. Develop a follow-up invoicing and thank you procedure for all sales to customers. Assign regional responsibilities to your sales associates. Hold bi-weekly sales meetings with your sales team. Create a business sales contract with assistance of the CFO.

Jessica Cortez, Vice President of Arts and Publications.

Responsibilities: Delegation of responsibilities with department in creation of company projects. Oversees the development of all company sales and promotional literature. Supervise a team of art associates through the monitoring and evaluation their work performance. Development of the company image & branding so that all materials reflect the company style. Development of the company logo, banner and impact marketing advertisements for competition. Creation and development of the company products catalog in both printed and digital formats. Design and creation of company business cards for all employees. Serve on the company leadership team. Design and produce company name badges for business conferences and trade shows. Design of company stationery. Oversee the artistic components of the business plan and annual report. Design the company chain of command diagram.



Daisy Antolin, Vice President of Digital Media.

Responsibilities: Delegation of responsibilities with your team in creation of company projects. Work with both CEO and the Vice President of Sales to develop company product line. Supervise a team of digital media associates through the monitoring and evaluation their work performance. Support of the company image established by marketing so that all online resources reflect the company style. Creation and design of the company video commercial. Design and the development of the company ecommerce website and domain name. Photograph all company employees for photo archives. Maintain the photo archives for company employees and product images. Create the Year in Review DVD for all the events of the year. Supervise the photographic and video recording of all company events throughout the year. Serve on the company leadership team.

Jennifer Lucero, Vice President of Marketing.

Responsibilities: Development of the Strategic Marketing Plan component of the company business plan. Leads the process of developing a company image and branding through the leadership team. Develop company uniform ideas and lead the process of selection of these ideas. Present the marketing plan to the company and possible investors. Supervise a team of marketing associates through the monitoring and evaluation their work performance. Develop and implement the concept for the professional company trade show booth. Attend all required trade shows and supervise the booth set up. Develop signs and images for the trade show booth. Gather products and props for the trade shows through donations or support for related real businesses. Develop sales promotions for each trade show the company participates. Develop fundraising ideas for the company raise money for events and supplies. Conduct market surveys to determine company effectiveness. Supervise the development of a video marketing plan presentation.

Erica Rodriguez, Vice President of Communications.

Responsibilities: Design and production of a two-four pages monthly employee newsletter. Establishment and maintenance of the company e-mail and email communications with employees. Design, maintain and update the company communication bulletin board. Establish and maintain daily company related social media, including twitter, Facebook and Instagram. Provides the digital media department with digital newsletter and materials for the web site. Conduct weekly meetings with your department personnel. Development of news releases on company successes. Coordinate the preparation for company events and trade shows and maintains the company mailboxes.



SWOT Analysis

Strengths: (Internal)

The strengths of our company include the following:

- Focused marketing campaign with clear goals and strategies
- Strong company core values
- Limited competitors
- Wide variety of products
- Specific target market

Weaknesses: (Internal)

The weaknesses of our company include the following:

- Less experience than other companies in our market
- Don't offer VIP packages to sports games and music events
- Don't offer seating options for venues or stadium events

Opportunities: (External)

Empire's opportunities include the following:

- Include transportation to event
- Include hotel reservations for consumers planning to travel to event
- Expand to Broadway plays and theater
- Expand to worldwide events outside the United States

Threats: (External)

The threats of our plan include the following:

- Consumers might just want to purchase tickets instead of entire entertainment package



External Environment

Current Economic Conditions

The current economic conditions in the United States has proven to be favorable based on employment rate which is currently 5 % of the working population, and has enhanced since 2009 by an estimate of 5.1%, the latest inflation rate for July of 2016 was published to be 0.8% demonstrating to be beneficial for the economy and encouraging the population to buy goods and services offered as well as borrowing money due to the fact that during low inflation rates, prime rates are maintained low, currently at 0.5%, linking to the increase of 1.1% on gross domestic product, but unfavorable on balance of trade. However, overall it has proven to be advantageous and have most likely a positive outcome for new business.

Industry Analysis

The entertainment and marketing industries are dynamic and constantly responding to changing consumer habits. The entertainment industry alone represents a third of the global industry in the U.S. and is the largest market worldwide reaching revenues of \$632 billion in 2015. It is expected that by 2019 the entertainment industry will reach revenues of \$771 billion according to PriceWaterhouseCoopers (PWC). The marketing industry has reached a revenue value of \$103.72 billion and is expected to reach \$220.55 billion by 2018.

Competitive Analysis

Some of our real world competitors include:

- Costco Travel is one of Empire's greatest threat considering it's well renowned reputation and packages that include transportation and hospitality. It's inexpensive prices attract a larger crowd of potential consumers; however, Costco Travel is only available to Costco members and doesn't offer dining reservations or admission to events such as sports games, music concerts and festivals, and theme parks.
- PriceLine is a company that sells vacation packages and theme park packages similar to our company. This company is dedicated to putting together packages that require travel not so much local like our company. Unlike PriceLine, Empire's packages include dining reservations and merchandise.
- AAA, Automobile Club of America is a company that offers travel packages and tickets to theme parks; however, unlike our company, AAA doesn't offer merchandise and dining reservations and is only available to members.

Some of our virtual world competitors include:

- B Gone Travel provides travel packages to specific locations in the United States; however, these packages don't include tickets to events, dining reservations, or merchandise.



Marketing Plan

Target Market

Empire's main target market focuses on sports enthusiast, music admirers, and entertainment seekers that range from the ages of 17 to 35 in the United States. Our goal is to provide fun and valuable family experiences to the middle and upper income level consumers. In order to maximize profit, our packages and pricing strategies are specifically designed to serve these targeted markets. Market Segmentation is also implemented to serve upper income level consumers by offering luxurious options such as dinners and lodging in upper level hotels and restaurants.

Marketing Mix: Products and Services

Empire provides bundles that include tickets and essentials to desired sports, amusement parks and music events. Men and women of the ages of 17 to 35 will enjoy our company because our customers want great first hand experience in the entertainment business. Our Disney package consist of a two day park ticket, two night stay in the luxury Disney hotel ,100 dollar food voucher, a complete backstage pass(meet characters, participate in parade etc.) and parking pass. Our Disney package is expandable and luxurious which makes it more appealing to Upper class consumers such as Ceos, Mayors,exc. Our two most threatening competitors are Cost2Coast and Goldstar. Our VEI competitor Coast2Coast, only provides you with the entrance ticket while we provide you with a ticket and other essentials. Goldstar requires a membership while here in Empire we allow you to purchase without needing a membership.

Sports					Musical Events					Theme Parks				
Hockey					Drake Concert					Six Flag				
Product #	Sales Price	Cost	Gross Profit		Product #	Sales Price	Cost	Gross Profit		Product #	Sales Price	Cost	Gross Profit	
Ticket	HT101	\$86.00	\$43.00	\$43.00	Ticket	DT501	\$149.00	\$74.50	\$74.50	Ticket	ST701	\$80.00	\$40.00	\$40.00
Lanyard	HL102	\$7.00	\$3.50	\$3.50	Concert T-Shirt	DT502	\$10.00	\$5.00	\$5.00	Theme Park Bottle	SB702	\$16.00	\$8.00	\$8.00
NHL T-shirt	NHL103	\$25.00	\$12.50	\$12.50	Hat	DH503	\$10.00	\$5.00	\$5.00	2 Photo (6x8)	SPH703	\$14.00	\$7.00	\$7.00
Stadium Foods	HST104	\$25.00	\$12.50	\$12.50	Concert Food	DCF504	\$20.00	\$10.00	\$10.00	Food	SF704	\$20.00	\$10.00	\$10.00
Total	SHPAC	\$143.00	\$71.50	\$71.50	Total	MDPAC	\$189.00	\$94.50	\$94.50	Total	SFPAC	\$130.00	\$65.00	\$65.00
Basket Ball					Coachella					Disney Land				
Product #	Sales Price	Cost	Gross Profit		Product #	Sales Price	Cost	Gross Profit		Product #	Sales Price	Cost	Gross Profit	
Ticket	BBT201	\$77.00	\$38.50	\$38.50	Ticket (3days)	CT601	\$400.00	\$200.00	\$200.00	Ticket (One park)	DLT801	\$95.00	\$47.50	\$47.50
NBA T-Shirt	NBAT202	\$25.00	\$12.50	\$12.50	Camp Space	CCS602	\$10.00	\$5.00	\$5.00	Parking	DLP802	\$18.00	\$9.00	\$9.00
Lanyard	BBL203	\$7.00	\$3.50	\$3.50	T-shirt	CTS603	\$15.00	\$7.50	\$7.50	Hat	DLH803	\$20.00	\$10.00	\$10.00
Sports Bottle	BBB204	\$10.00	\$5.00	\$5.00	Hat	CH604	\$10.00	\$5.00	\$5.00	Lanyard	DLL804	\$10.00	\$5.00	\$5.00
Stadium Foods	BBST205	\$25.00	\$12.50	\$12.50	Sun Glasses	CSG605	\$5.00	\$2.50	\$2.50	Food (Pizza Press)	DLF805	\$30.00	\$15.00	\$15.00
Total	SBBPAC	\$144.00	\$72.00	\$72.00	Total	MCPA	\$440.00			Total	DLPAC	\$173.00	\$86.50	\$86.50
Football										Universal Studios				
Product #	Sales Price	Cost	Gross Profit							Product #	Sales Price	Cost	Gross Profit	
Ticket	FT301	\$33.00	\$16.50	\$16.50						Ticket	UT901	\$105.00	\$52.50	\$52.50
NFL T-Shirt	NFLT302	\$35.00	\$17.50	\$17.50						Theme Park T-Shirt	UTS902	\$20.00	\$10.00	\$10.00
Hat	FH303	\$30.00	\$15.00	\$15.00						Theme Park Cup	UP903	\$15.00	\$7.50	\$7.50
Foam Finger	FFF304	\$25.00	\$12.50	\$12.50						Food (Hard Rock Café)	UF905	\$30.00	\$15.00	\$15.00
Stadium Food	FST305	\$30.00	\$15.00	\$15.00						Total	USPAC	\$170.00	\$85.00	\$85.00
Total	SFPAC	\$153.00	\$76.50	\$76.50										
Baseball										Knotts				
Product #	Sales Price	Cost	Gross Profit							Product #	Sales Price	Cost	Gross Profit	
Ticket	BT401	\$50.00	\$25.00	\$25.00						Ticket	KT#01	\$50.00	\$25.00	\$25.00
T-Shirt	MLBT402	\$30.00	\$15.00	\$15.00						Theme Park Bottle	KB#02	\$11.00	\$5.50	\$5.50
Hat	BH403	\$20.00	\$10.00	\$10.00						Hat	KH#03	\$25.00	\$12.50	\$12.50
Foam Finger	BFF404	\$10.00	\$5.00	\$5.00						Food	KF#04	\$30.00	\$15.00	\$15.00
Stadium Food	BST405	\$20.00	\$10.00	\$10.00						Total	KNPAC	\$116.00	\$58.00	\$58.00
total	SBPAC	\$130.00	\$65.00	\$65.00										



Marketing Mix: Pricing

To determine the pricing of our products, we analyze the pricing of our competitors. Our prices are ideal for our customers due to the fact that they are affordable. We buy our products from a manufacturer and sell each package with a 100% markup based on the cost of the cost of goods, resulting in 5% of our gross margin.

Here at Empire we believe that having an efficient pricing strategy will give our company the greatest opportunity to succeed. We are confident that by using different strategies will have a greater outcome: pricing at a premium, pricing for market penetration, price skimming, and bundle pricing are the strategies we hope to use to build our company.

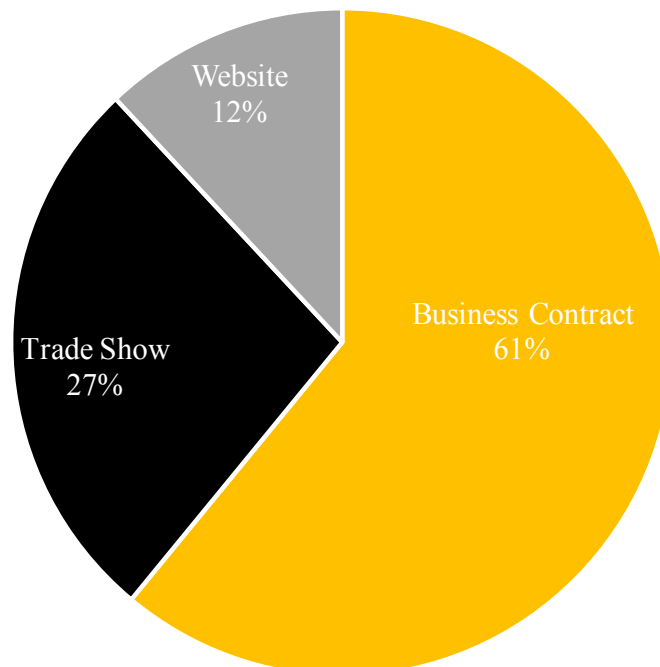
The Disney premium package that we offer is a unique package that can only be purchased at Empire. We are using this bundle to sell at a higher price purposefully targeting an upper class market. By targeting the upper class we are isolating them into a different category that everyone will want to be a part of therefore, many people from the upper class and middleclass will want to purchase this bundle.

Market penetration and price skimming allows us to lower our bundle prices on our products to separate us from our competition then allows us to higher our product price after we become a well known entertainment company. By lowering our prices we build a relationship with our customers by showing them that we understand what they are going through economically. Our customers will build a bond with us that they can not build with our competitors therefore when we bring up the price they will trust us and keep purchasing.

Empire's bundle pricing is our fundamental pricing strategy. Bundle pricing permits us to sell multiple products at once for a lower price. We are utilizing this strategy through selling ticket bundles and including other essential you may need for that day(depending in which event). This allows our customers to believe they are receiving a great benefit by saving money which increases sells.

Marketing Mix: Placement

The main source of profit for Empire will be coming from our business contract with Ticketmaster as a 61%, online sales will complement 12% and 27% for tradeshow sales.



Marketing Mix: Promotion

As an online based company, we serve our customers via social media and our own company website to generate sales and provide customer service. Empire has different tactics in promoting our company such as instagram, twitter, facebook, billboards, commercials, fliers, sporting events, follow ups, and commercial areas.

As an online based company, our biggest form of promotion is through social media due to the acceptance of the internet as a marketing medium for customer service as well as sales online is rapidly increasing.

Marketing Mix: Positioning

For music, festivals, and sport enthusiasts who desire intense first hand experience, Empire is a company that provides customers with both products and services to enhance the quality of their experience. Empire does not acquire memberships nor extra fees, because we understand that customers need affordability. Empire does have combinations of pleasant conveniences, bundles, and great product quality to guarantee our customers to safe and enjoy the experience.

Business Risks

As a new company, Empire's main business risk is fluctuating consumer demand and spending habits due to seasonal activity preferences. Our plan to address this issue consists of strategically changing the pricing of products to get inventory selling.

Financial Planning

Financial Forecast

Empire's goal in order to 'break even' and keep the company running for a month is to sell 259 bundles that are worth \$440.00, not including tax. This bundle is one of our most profitable and is projected to be our best-selling packet.

Key Assumptions

Empire has reorganized the company structure, as well as our product line. Our focus is shifted to family's and friend's entertainment events. Due to the positive economic factors, we believe that our customers would spend more money on entertainment of all sorts. These bundles are projected to sell more efficiently than our previous promotion and advertising products because the target market is more diverse and widely ranged. With many other marketing strategies, we expect our company to grow in popularity. We project that within a year, we shall expand on our product line.



Income Statement: Profit and Loss Statement

	BUSINESS NAME		Empire		
	Time Periods		September, 2016 - May 2017		
Category (hover over term for more information)	End of Year 1	End of Year 2 (Projected)		End of Year 3 (Projected)	
Sales	\$ 243,210.38	\$ 328,334.01	100%	\$ 443,250.93	100%
Cost of Goods Sold	\$ 85,123.63	\$ 156,627.01	48%	\$ 146,223.46	33%
GROSS PROFIT	\$ 158,086.75	\$ 171,707.01	52%	\$ 297,027.46	67%
Operating Expenses					
Salary (Office & Overhead)	\$ 108,093.00	\$ 98,272.84		\$ 98,272.84	
Payroll (taxes, etc.)	\$ 27,444.95	\$ 16,765.14		\$ 16,765.17	
Outside Services	\$ 1,005.00	\$ 1,005.00		\$ 1,005.00	
Supplies	\$ 45.00	\$ 45.00		\$ 45.00	
Repairs & Maintenance	\$ -	\$ -		\$ -	
Advertising	\$ 200.00	\$ 200.00		\$ 200.00	
Car, Delivery, Travel	\$ -	\$ -		\$ -	
Accounting Expenses	\$ -	\$ -		\$ -	
Legal Expenses	\$ -	\$ -		\$ -	
Rent	\$ 1,325.00	\$ 1,325.00		\$ 1,325.00	
Telephone	\$ 852.50	\$ 852.50		\$ 852.00	
Utilities	\$ 1,441.00	\$ 1,441.00		\$ 1,441.00	
Insurance	\$ 1,069.00	\$ 1,069.00		\$ 1,069.00	
Taxes (real estate, etc)	\$ -	\$ -		\$ -	
Interest	\$ 46.85	\$ 46.85		\$ 46.85	
Depreciation	\$ 657.39	\$ 657.39		\$ 657.39	
Other Expenses:					
Miscellaneous					
(other 2)					
(other 3)					
TOTAL OPERATING EXPENSES	\$ 142,179.69	\$ 121,679.72		\$ 121,679.25	
NET PROFIT/LOSS BEFORE TAXES	\$ 15,907.06	\$ 50,027.29		\$ 175,348.21	
Income Taxes					
NET PROFIT/LOSS AFTER TAX	\$ 15,907.06	\$ 50,027.29		\$ 175,348.21	
Owner draw or dividends					
RETAINED EARNINGS	\$ 15,907.06	\$ 50,027.29		\$ 175,348.21	



Balance Sheet

	Company Name	Empire			
	Date	Aug. 30, 2016			
ASSETS					
		Year 1	Year 2 (Projected)	Year 3 (Projected)	
Current Assets					
Cash in Bank		\$ 328,457.00	\$ 428,457.00	\$ 385,000.00	
Accounts Receivable		\$ 78,543.00	\$ 106,033.05	\$ 143,144.62	
Inventory		\$ 2,000.00	\$ 92,275.00	\$ 124,571.25	
TOTAL CURRENT ASSETS		\$ 409,000.00	\$ 626,765.05	\$ 652,715.87	
FIXED ASSETS					
Machinery & Equipment		\$ 35,627.41	\$ 35,627.41	\$ 35,627.41	
LESS: Accumulated Depreciation - Machinery & Equipment		\$ 2,327.88	\$ 2,327.88	\$ 2,327.88	
Furniture & Fixtures		\$ 19,399.00	\$ 19,399.00	\$ 19,399.00	
LESS: Accumulated Depreciation - Furniture & Fixtures		\$ 2,327.88	\$ 2,327.88	\$ 2,327.88	
TOTAL FIXED ASSETS (net of depreciation)		\$ 50,370.65	\$ 50,370.65	\$ 50,370.65	
OTHER ASSETS					
TOTAL OTHER ASSETS		\$ -	\$ -	\$ -	
TOTAL ASSETS		\$ 459,370.65	\$ 677,135.70	\$ 703,086.52	
LIABILITIES & EQUITIES					
Current Liabilities					
Accounts Payable		\$ 6,713.26	\$ 4,699.28	\$ 2,685.30	
Interest Payable		\$ 339.56	\$ 339.56	\$ 339.56	
Taxes Payable		\$ 27,444.95			
TOTAL CURRENT LIABILITIES		\$ 34,497.77	\$ 5,038.84	\$ 3,024.86	
Long Term Debt					
Bank Loans Payable		\$ 7,322.98	\$ 4,759.94	\$ 3,093.96	
TOTAL LIABILITIES		\$ 34,497.77	\$ 5,038.84	\$ 3,024.86	
Owner's Equity					
Common Stock		\$ 424,926.88	\$ 424,926.88	\$ 424,926.88	
Retained Earnings		\$ -	\$ (40,031.11)	\$ 45,000.00	
TOTAL OWNER'S EQUITY		\$ 424,926.88	\$ 384,895.77	\$ 469,926.88	
TOTAL LIABILITIES & EQUITIES		\$ 459,424.65	\$ 389,934.61	\$ 472,951.74	



Cash Flow



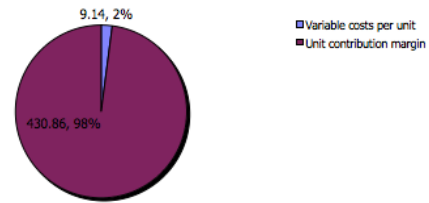
STATEMENT OF CASH FLOWS		Pre Start Up Estimate												Apr-17	Total Item Estimate
Business Name	Empire	May-16	Jun-16	Jul-16	Aug-16	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
5/1/15	12/31/15														
Cash on Hand	\$ 325,043.89	\$ 325,043.89													\$ 650,087.78
Cash Receipts															
Cash Sales															
Collections from credit accounts															
Cash from Loans or other outside sources															
TOTAL CASH RECEIPTS															
Total cash available															\$ 325,043.89
Cash Paid Out															
Purchases															
Gross Wages															
Outside Services															
Supplies															
Repairs & Maintenance															
Advertising															
Car, Delivery, Travel															
Accounting Services															
Legal Services															
Rent															
Telephone															
Utilities															
Insurance															
Taxes (real estate, etc.)															
Income Taxes Paid															
Interest															
Other Expenses															
SUBTOTAL															
Loan Principal Payment															
Capital Purchase															
Total Cash Paid Out															
Cash Position															

Break-Even Analysis

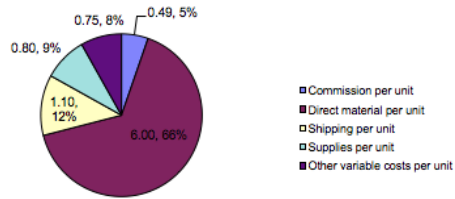
Amounts shown in U.S. dollars

Sales		
Sales price per unit	440	
Sales volume per period (units)	259	
Total Sales		114,127.68
Variable Costs		
Commission per unit	0.49	
Direct material per unit	6.00	
Shipping per unit	1.10	
Supplies per unit	0.80	
Other variable costs per unit	0.75	
Variable costs per unit	9.14	
Total Variable Costs		2,370.74
Unit contribution margin	430.86	
Gross Margin		111,756.94
Fixed Costs Per Period		
Administrative costs	108,093.00	
Insurance	1,441.00	
Property tax	150.00	
Rent	1,325.00	
Other fixed costs	750.00	
Total Fixed Costs per period		111,759.00
Net Profit (Loss)		-2.06

Unit Contribution Margin



Variable Costs Per Unit



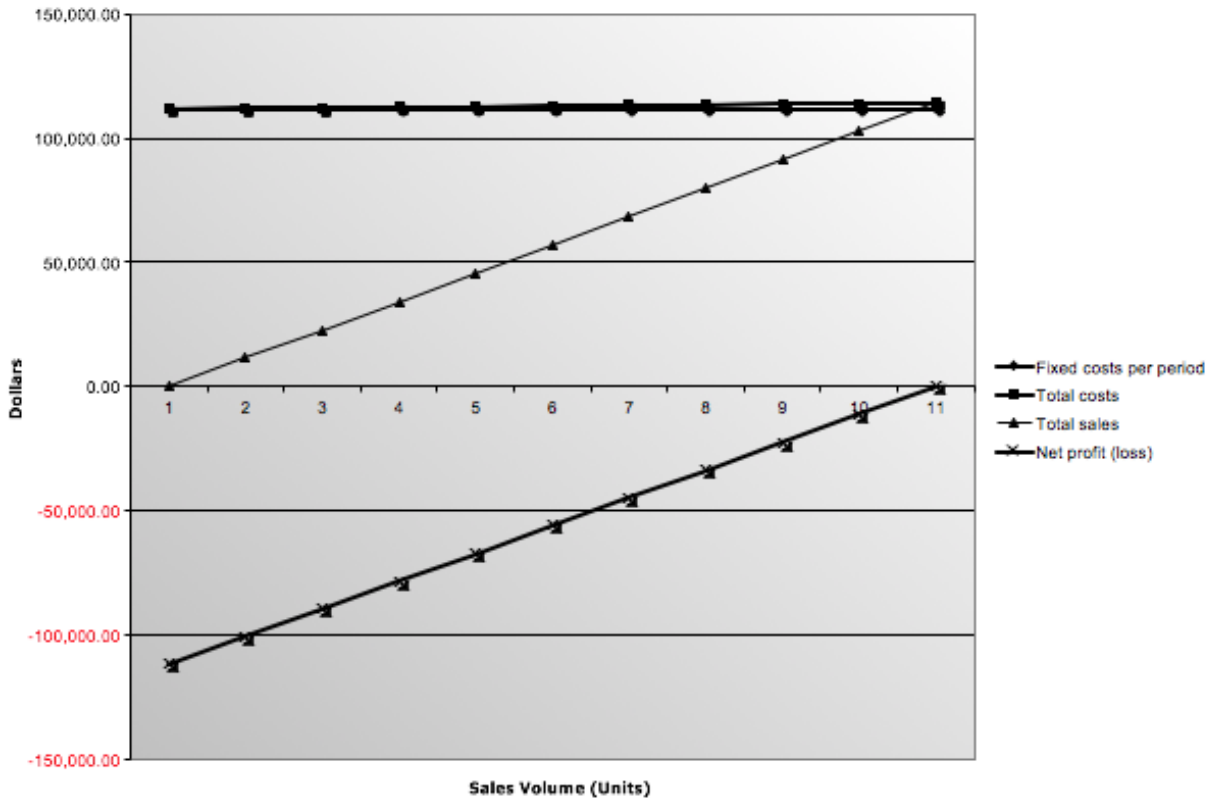
Results:

Breakeven Point (units): 259

Sales volume analysis:

Sales volume per period (units)	0	26	52	78	104	130	156	182	208	233	259
Sales price per unit	440.00	440.00	440.00	440.00	440.00	440.00	440.00	440.00	440.00	440.00	440.00
Fixed costs per period	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00	111,759.00
Variable costs	0.00	237.07	474.15	711.22	948.30	1,185.37	1,422.45	1,659.52	1,896.59	2,133.67	2,370.74
Total costs	111,759.00	111,996.07	112,233.15	112,470.22	112,707.30	112,944.37	113,181.45	113,418.52	113,655.59	113,892.67	114,129.74
Total sales	0.00	11,412.77	22,825.54	34,238.31	45,651.07	57,063.84	68,476.61	79,889.38	91,302.15	102,714.92	114,127.68
Net profit (loss)	-111,759.00	-100,583.31	-89,407.61	-78,231.92	-67,056.22	-55,880.53	-44,704.84	-33,529.14	-22,353.45	-11,177.75	-2.06

Break-even Analysis Chart



CONTRACT FOR THE PURCHASE AND SUPPLY OF GOODS

This Deed of Agreement is entered into as of the Effective Date identified below.

BETWEEN Empire of Santa Ana, California. To be known as Empire in this Agreement AND: Ticketmaster Corporation of West Hollywood, California. To be known as the Ticketmaster Corporation in this agreement.

WHEREAS Empire desires to enter into an agreement to supply Ticketmaster with various type of tickets such as sporting events, theme parks, and music festivals. To be known as Tickets in this Agreement.

NOW IT IS HEREBY AGREED that Empire and Ticketmaster shall enter into an agreement subject to the following terms and conditions:

1. Definitions and Interpretations

1.1 Price, Dollars, or \$ is a reference to the currency of the United States of America unless otherwise stated.

1.2 This agreement shall be governed by United States law, and the parties hereby agree to submit to the jurisdiction of the Courts of the United States with respect to this agreement.

2. Commencement and Completion

The commencement date is scheduled as September 1, 2016. The completion date is scheduled as April 30, 2017. The schedule may be modified by agreement as defined in Section 9. Effective date of this agreement: The thirtieth day of April, 2017.

Between:

Gregory Marzilli
Vice President of New Employee Training
The Outlets at Orange, 20 City Blvd W.
Orange, CA 92868

Maria Lucero
Chief Financial Officer
1401 S. Grand Avenue
Santa Ana, CA 92705

3. Purchase Orders

3.1 Ticketmaster Corporation shall follow the Empire's price lists.

3.2 Ticketmaster Corporation shall present Empire with a purchase order for the provision of Tickets within 7 days of the commencement date.

3.3 The purchase order shall nominate the method of delivery as defined in Section 4.

3.4 Purchase orders are to be sent electronically, and are to be interpreted under standards and guidelines outlined in Supplement A.

4. Delivery

4.1 Ticketmaster Corporation shall arrange for delivery to be made according to one of the following terms: (a) The shipping and insurance of the Tickets shall be the sole responsibility of and entirely at the expense of Ticketmaster Corporation. (b) The shipping and insurance of the Tickets shall be the responsibility of Empire. Ticketmaster Corporation shall provide Empire at least a 7 day notice and pay the carriage and insurance costs from Empire delivery price list.



5. Payment

5.1 The payment terms shall be in full upon receipt of invoice. Interest shall be charged at 8% on accounts not paid within 14 days of the invoice date. The prices shall be as stated in the sales order unless otherwise agreed in writing by Empire.

5.2 Payments are to be sent electronically, and are to be performed under standards and guidelines outlined in Supplement B.

6. Rejection

6.1 If the electronic devices and accessories do not comply with the Order or the Empire does not comply with any of the conditions, then Ticketmaster Corporation shall at its sole discretion be entitled to reject the Tickets and the Order. Ticketmaster Corporation shall return the rejected Tickets to the Empire at Ticketmaster Corporation risk and expense or notify Empire to collect the Tickets. Empire may use its discretion to replace the Tickets according to the invoice or refund any monies paid.

7. Termination

7.1 If Ticketmaster Corporation fails to carry out any of its obligations and duties under this agreement Empire may issue a notice specifying the breach and request that it be remedied within 14 days after receipt of such notice.

7.2 If Ticketmaster Corporation fails to provide adequate remedy within the specified 14 days the agreement may be terminated forthwith.

8. Disputes

8.1 Empire and Ticketmaster Corporation shall attempt to settle all disputes, claims or controversies arising under or in connection with the agreement through consultation and negotiations in good faith and a spirit of mutual cooperation.

8.2 This method of determination of any dispute is without prejudice to the right of any party to have the matter judicially determined by a United States Court of competent jurisdiction.

9. Amendment

9.1 This agreement may only be amended in writing signed by or on behalf of both parties.

SIGNATURES

In witness whereof Empire and Ticketmaster Corporation have caused this agreement to be entered into by their authorized representatives below:

Maria Lucero, Chief Financial Officer

Date

Gregory Marzilli, Vice President of New Employee Training

Date



Reference Files

Virtual Enterprises International Loan Amortization Table

Loan Information

Loan Amount (Principal)	200,000
Annual Interest Rate	4.75%
Term of Loan in Years	5
# of Payments per Year	12
Payment Type	end of period
Monthly Payment	(\$3,751.38)

Summary

Rate (per period)	
Number of Payments	
Total of Payments	
Total Interest	

No.	Principal	Interest for the Period	Total Balance Outstanding	Payment for the period	Principal Reduction
1	200,000	791.67	200,791.67	3751.38	2859.72
2	197040.28	778.95	197,820.24	3751.38	2871.43
3	194068.85	768.18	194,837.04	3751.38	2883.19
4	191085.68	758.38	191,842.04	3751.38	2895.00
5	188090.68	744.53	188,835.18	3751.38	3006.86
6	185083.80	732.62	185,818.42	3751.38	3018.76
7	182065.04	720.67	182,785.72	3751.38	3030.71
8	179034.33	708.68	179,743.01	3751.38	3042.70
9	175991.63	696.63	176,688.28	3751.38	3054.75
10	172938.88	684.54	173,621.42	3751.38	3066.84
11	169877.04	672.40	170,542.44	3751.38	3078.98
12	166791.08	660.21	167,451.27	3751.38	3091.17
13	163698.88	647.98	164,347.87	3751.38	3103.40
14	160598.48	635.68	161,232.18	3751.38	3115.69
15	157488.80	623.38	158,104.18	3751.38	3128.02
16	154352.78	610.98	154,963.78	3751.38	3140.40
17	151212.38	598.55	151,810.93	3751.38	3152.83
18	148058.54	586.07	148,645.61	3751.38	3165.31
19	144894.23	573.54	145,467.77	3751.38	3177.84
20	141718.38	560.98	142,277.35	3751.38	3190.42
21	138525.97	548.33	139,074.30	3751.38	3203.05
22	135322.91	535.65	135,858.57	3751.38	3215.73
23	132107.18	522.92	132,630.11	3751.38	3228.46
24	128878.73	510.14	129,388.87	3751.38	3241.24
25	125637.48	497.32	126,134.81	3751.38	3254.07
26	122383.42	484.43	122,867.88	3751.38	3266.95
27	119118.47	471.50	119,587.98	3751.38	3279.88
28	115838.60	458.52	116,295.12	3751.38	3292.86
29	112543.73	445.48	112,988.22	3751.38	3305.90
30	109237.84	432.40	109,670.24	3751.38	3318.98
31	105918.85	419.28	106,338.12	3751.38	3332.12
32	102588.73	406.07	102,982.81	3751.38	3345.31
33	99241.42	392.83	99,634.25	3751.38	3358.55
34	95882.87	378.54	96,282.41	3751.38	3371.85
35	92511.03	368.18	92,877.21	3751.38	3385.19
36	89125.83	352.78	89,478.62	3751.38	3398.59
37	85727.24	338.34	86,086.58	3751.38	3412.05
38	82315.18	325.83	82,641.03	3751.38	3425.55
39	78888.64	312.27	79,201.91	3751.38	3438.11
40	75450.53	298.68	75,749.19	3751.38	3452.72
41	71997.81	284.98	72,282.80	3751.38	3466.39
42	68531.42	271.27	68,802.89	3751.38	3480.11
43	65051.30	257.48	65,308.80	3751.38	3493.89





EMPIRE

1401 S. Grand Avenue Santa Ana, California 92705