

Executive Summary

Who We Are

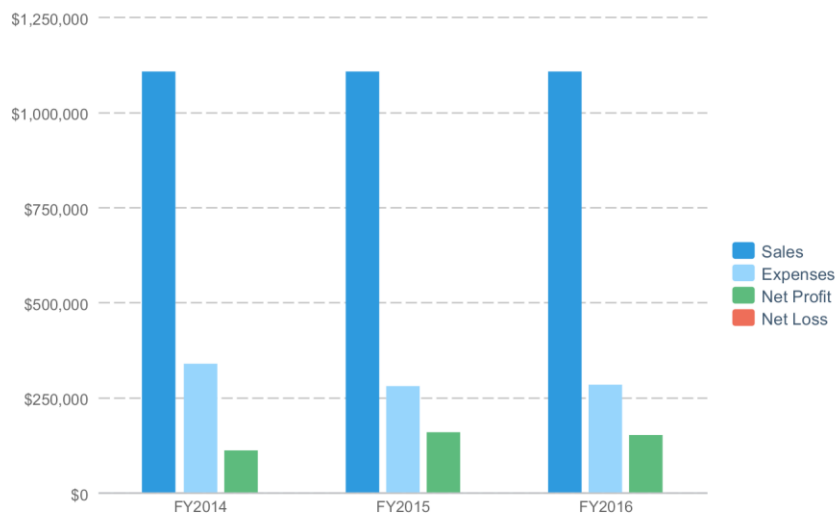
What We Sell

Who We Sell To

Financial Summary

Financial Highlights

Financial Highlights by Year



Company

Company Overview

Company Overview

JSB Industrial Solutions is a start up opportunity that will manufacture barbeque grills for large distributors and custom manufacture components for larger industries in need of a reliable supply chain where quality and in-time solutions are a necessity. Through innovative techniques such as Lean Manufacturing practices and implementation of Just In Time philosophies, JSB Industrial Solutions will provide high quality barbeque grills and customized components for industries that are high in quality with very low reject rates assisted by statistical controls.

The company's philosophy will be to satisfy the needs of distributors and larger industries. Purchase orders are in place with 2 large distributors for barbeque charcoal grills that will last for 4 years if all specs are met. Larger manufacturers need a reliable supply chain to support their needs through delivery of certain components. Large manufacturers do not want the additional costs of specializing a certain group to do tasks and perform work that may be time consuming, cost prohibitive, and quality critical, therefore they look to find providers that can accomplish their needs in a timely manner. JSB Industrial Solutions' approach will be to fill that gap and provide the necessary tools to be a frontline provider to fill this requirement without having the hassles of international business such as time zone and language barriers.

The business will be managed by Jonathan Shane Wallingford who has 19 years of manufacturing experience in process controls, project management, process development, and machine design, assembly, and start-up. He has held various positions in heavy industrial environments working with a variety of equipment including but not limited to heavy equipment, conveyor systems, pumps, gear boxes, lube oil systems, Program Logic Control (PLC) and chemicals. He holds a Bachelor of Science in Technology Management and a Masters Degree in Engineering and Technology Management from Morehead State University. The company will be an LLC entity with one member and will employ 5 to 7 people including the owner.

Management Team

The Management Team will consist of one individual, J. Shane Wallingford. Shane will direct the workflow, sales, and priority of each item on day to day basis. The culture that the management team is looking to establish is a Team Concept environment that requires cross-training and excellent communication skills. Each individual within the organization will have multiple responsibilities and procedural criteria to their tasks while ensuring quality product as the end result. Team work and individual ownership of their perspective duties will enhance a culture whereas the operators of the equipment will be the frontline in quality assurance, time managed, and solutions to possible issues that may occur.

Products and Services

Products and Services

JSB Industrial Solutions offers both products and services in a wide range of opportunity. Its mission will be to manufacture the high quality barbeque charcoal grill and offer solutions in area industry for specialized needs and certain components while providing excellence in engineering.

The product line will be metal and steel components for construction of charcoal, barbeque grills. A contract to two different large distributors has been signed totaling 1 million dollars in annual sales.

The other side of the coin presents asset utilization. The same equipment can be utilized to manufacture large industrial duct work and hood systems. Engineering will work with manufacturing and power companies to be a provider for such components.

Competitors

In 100 mile radius of the proposed location and market, there is no direct competition for the product line. Since the two contracts for the barbeque grills make up 80% of the total sales for the product in a 500 mile radius, then the product line is secure. Through trade shows in the industry, advertising and asset utilization the company will look for other avenues to manufacture goods with existing equipment to diversify the line of products and services that are in the portfolio of goods manufactured and sold. This will be essential to assure growth and prosperity for the future of the company.

The asset utilization plan calls for partnerships with contractors in the area that install this type of equipment, but do not have the tooling required to manufacture it themselves. They are relying on sources outside of the immediate area to get the components formed and shipped to them for construction. That eliminates the

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competition due to immediate, just-in-time manufacturing standards for this business.

Target Market

Market Overview

The market for barbeque grills was \$100 million last year in the U.S. and Europe. The market area that the company has contracts for was \$5 million and the contracts are with distributors that hold 80% of that market for a sale value of \$4 million. If a 5% growth in sales evolves over the next 3 years, which is a \$200,000 increase in revenue.

The asset utilization plans calls for manufacturing hood systems and other heavy industrial applications. With government funded spending and excess capital in the hands of area conglomerates, this will also grow as time goes on. The key to this aspect is advertising the capabilities to area contractors to let them know that the service is available locally.

Market Needs

The marketing of the service side of the business is totally customer based. Given that the area has 4 power plants and several other large manufacturers in the 100 mile radius along with the proximity to Cincinnati and Ashland, JSB Industrial Solutions will be a full service provider for unique, quality products that are currently being manufactured in other parts of the region, state, country or outside of the U.S.

Strategy and Implementation

Marketing Plan

Overview

Positioning

Pricing

Promotion

Distribution

Milestones

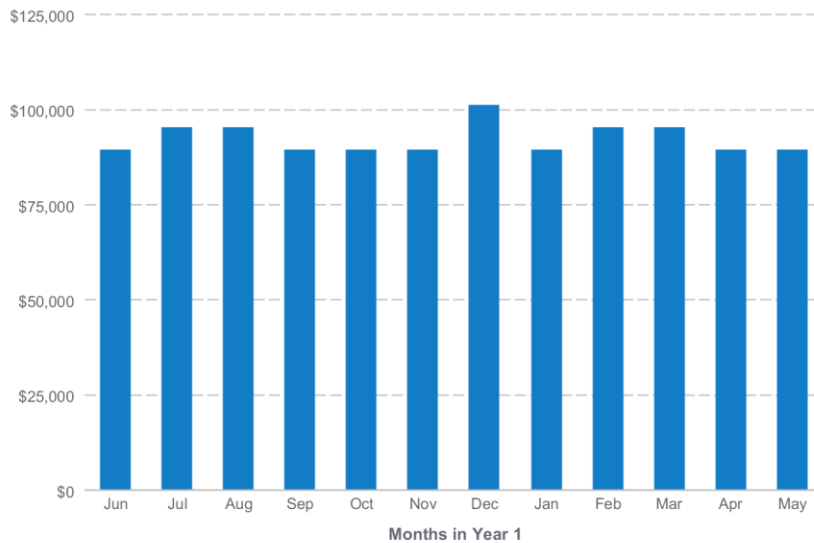
Financial Plan

Sales Forecast

Sales Forecast

	FY2014	FY2015	FY2016
Unit Sales			
Barbeque Grills	22,500	22,500	22,500
Hood Systems and duct work	18	18	18
Price Per Unit			
Barbeque Grills	\$44.50	\$44.50	\$44.50
Hood Systems and duct work	\$6,000.00	\$6,000.00	\$6,000.00
Sales			
Barbeque Grills	\$1,001,250	\$1,001,250	\$1,001,250
Hood Systems and duct work	\$108,000	\$108,000	\$108,000
Total Sales	\$1,109,250	\$1,109,250	\$1,109,250
Direct Cost per Unit			
Barbeque Grills	\$25.15	\$25.15	\$25.15
Hood Systems and duct work	\$3,600.00	\$3,600.00	\$3,600.00
Direct Cost			
Barbeque Grills	\$565,875	\$565,875	\$565,875
Hood Systems and duct work	\$64,800	\$64,800	\$64,800
Total Direct Cost	\$630,675	\$630,675	\$630,675
Gross Margin	\$478,575	\$478,575	\$478,575
Gross Margin %	43%	43%	43%

Sales by Month



About the Sales Forecast

Personnel Plan

Personnel Table

	FY2014	FY2015	FY2016
Machinist	\$25,000	\$25,750	\$26,523
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Machinist	\$25,000	\$25,750	\$26,523
Shipping / Receiving Clerk	\$21,000	\$21,630	\$22,279
Office Clerk	\$25,000	\$25,750	\$26,523
Management	\$30,000	\$31,500	\$33,075
Total	\$151,000	\$156,130	\$161,446

About the Personnel Plan

The personnel plan shows full-time personnel only.

A full-time administrative assistant keeps the books for the business and processes A/R and A/P.

There will be 3 machinists to manufacture and assemble componentry. These employees will be paid salary with a 3% increase annually until the business gets established. There is also a shipping and receiving clerk.

Sales calls will be done by the CEO/ owner.

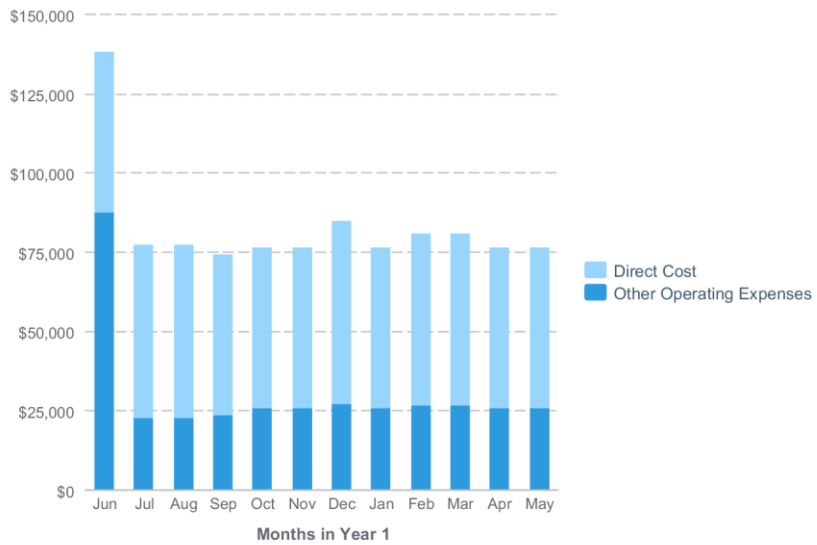
The personnel forecast reflect modest raises for all staff each year. The CEO and COO will be primarily compensated through profits. It is expected that lower-level staff may turn over, but the positions will be systematized to an extent that this does not disrupt the business.

Budget

Budget Table

	FY2014	FY2015	FY2016
Operating Expenses			
Salary	\$151,000	\$156,130	\$161,446
Employee Related Expenses	\$30,200	\$31,226	\$32,291
Marketing & Promotion	\$22,188	\$22,185	\$22,185
Rent	\$12,000	\$12,000	\$12,000
Utilities	\$24,000	\$24,000	\$24,000
Office Supplies	\$2,400	\$2,400	\$2,400
Insurance	\$12,000	\$12,000	\$12,000
Telephone	\$4,200	\$4,200	\$4,200
Computer / Internet	\$1,800	\$1,800	\$1,800
Interest	\$13,800	\$13,800	\$13,800
Start Up Expenses Building	\$40,000	\$0	\$0
Start Up Costs Office Equipment	\$10,000	\$0	\$0
Set Up Costs Computer Software	\$15,000	\$0	\$0
Total Operating Expenses	\$338,588	\$279,741	\$286,122

Expenses by Month



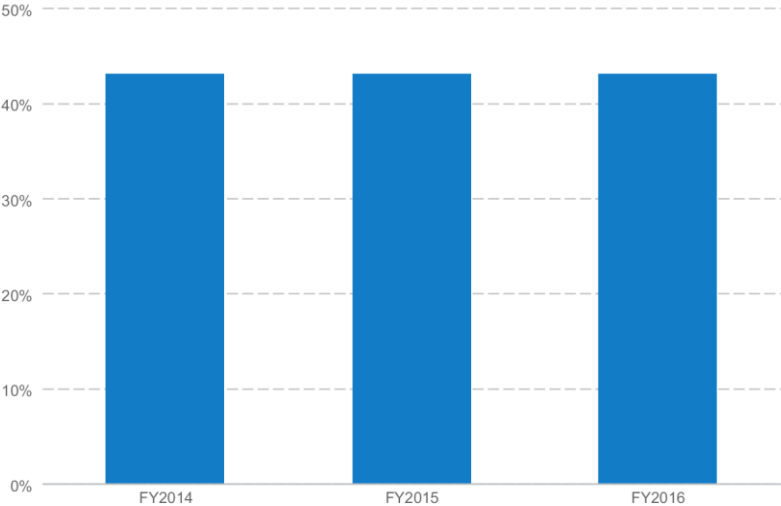
Profit and Loss Statement

Profit and Loss Statement

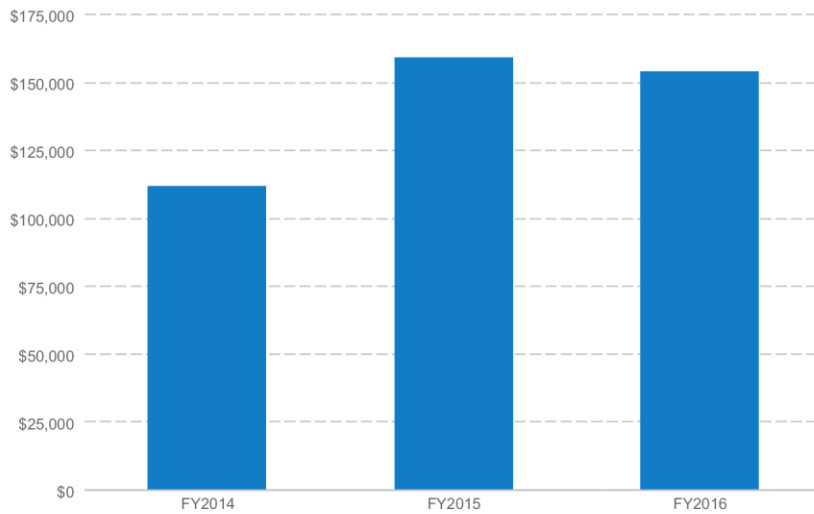
	FY2014	FY2015	FY2016
Revenue	\$1,109,250	\$1,109,250	\$1,109,250
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Interest	\$13,800	\$13,800	\$13,800
Start Up Expenses Building	\$40,000	\$0	\$0
Start Up Costs Office Equipment	\$10,000	\$0	\$0
Set Up Costs Computer Software	\$15,000	\$0	\$0
Total Operating Expenses	\$338,588	\$279,741	\$286,122
Operating Income	\$139,987	\$198,834	\$192,453
Income Taxes	\$27,997	\$39,767	\$38,491

Total Expenses	\$997,260	\$950,183	\$955,288
Net Profit	\$111,990	\$159,067	\$153,962
Net Profit / Sales	10%	14%	14%

Gross Margin by Year



Net Profit (or Loss) by Year



About the Profit and Loss Statement

Appendix

Sales Forecast

Sales Forecast Table (With Monthly Detail)

FY2014	Jun '13	Jul '13	Aug '13	Sep '13	Oct '13	Nov '13	Dec '13	Jan '14	Feb '14	Mar '14	Apr '14	May '14
Unit Sales												
Barbeque Grills	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875	1,875
Hood Systems and duct work	1	2	2	1	1	1	3	1	2	2	1	1
Price Per Unit												
Barbeque Grills	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50	\$44.50
Hood Systems and duct work	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00
Sales												
Barbeque Grills	\$83,438	\$83,437	\$83,438	\$83,437	\$83,438	\$83,437	\$83,438	\$83,437	\$83,438	\$83,437	\$83,438	\$83,437
Hood Systems and duct work	\$6,000	\$12,000	\$12,000	\$6,000	\$6,000	\$6,000	\$18,000	\$6,000	\$12,000	\$12,000	\$6,000	\$6,000
Total Sales	\$89,438	\$95,437	\$95,438	\$89,437	\$89,438	\$89,437	\$101,438	\$89,437	\$95,438	\$95,437	\$89,438	\$89,437
Direct Cost Per Unit												
Barbeque Grills	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15	\$25.15
Hood Systems and duct work	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00	\$3,600.00
Direct Cost												
Barbeque Grills	\$47,156	\$47,156	\$47,156	\$47,157	\$47,156	\$47,156	\$47,156	\$47,157	\$47,156	\$47,156	\$47,156	\$47,157
Hood Systems and duct work	\$3,600	\$7,200	\$7,200	\$3,600	\$3,600	\$3,600	\$10,800	\$3,600	\$7,200	\$7,200	\$3,600	\$3,600

Total Direct Cost	\$50,756	\$54,356	\$54,356	\$50,757	\$50,756	\$50,756	\$57,956	\$50,757	\$54,356	\$54,356	\$50,756	\$50,757
Gross Margin	\$38,682	\$41,081	\$41,082	\$38,680	\$38,682	\$38,681	\$43,482	\$38,680	\$41,082	\$41,081	\$38,682	\$38,680
Gross Margin %	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%

	FY2014	FY2015	FY2016
Unit Sales			
Barbeque Grills	22,500	22,500	22,500
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Gross Margin %	43%	43%	43%

Personnel Plan

Personnel Table (With Monthly Detail)

FY2014	Jun '13	Jul '13	Aug '13	Sep '13	Oct '13	Nov '13	Dec '13	Jan '14	Feb '14	Mar '14	Apr '14	May '14
Machinist	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,084	\$2,084	\$2,084	\$2,084
Machinist	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,084	\$2,084	\$2,084	\$2,084
Machinist	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,084	\$2,084	\$2,084	\$2,084
Shipping / Receiving Clerk	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750
Office Clerk	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,084	\$2,084	\$2,084	\$2,084
Management	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Total	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,586	\$12,586	\$12,586	\$12,586

	FY2014	FY2015	FY2016
Machinist	\$25,000	\$25,750	\$26,523
Machinist	\$25,000	\$25,750	\$26,523
Machinist	\$25,000	\$25,750	\$26,523
Shipping / Receiving Clerk	\$21,000	\$21,630	\$22,279
Office Clerk	\$25,000	\$25,750	\$26,523
Management	\$30,000	\$31,500	\$33,075
Total	\$151,000	\$156,130	\$161,446

Budget

Budget Table (With Monthly Detail)

FY2014	Jun '13	Jul '13	Aug '13	Sep '13	Oct '13	Nov '13	Dec '13	Jan '14	Feb '14	Mar '14	Apr '14	May '14
Operating Expenses												
Salary	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,586	\$12,586	\$12,586	\$12,586
Employee Related Expenses	\$2,514	\$2,514	\$2,514	\$2,514	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518
Marketing & Promotion	\$1,789	\$1,909	\$1,909	\$1,789	\$1,789	\$1,789	\$2,029	\$1,789	\$1,909	\$1,909	\$1,789	\$1,789
Rent	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Utilities	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Office Supplies	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Insurance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Telephone	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350
Computer / Internet	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Interest	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
Start Up Expenses Building	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Start Up Costs Office Equipment	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Set Up Costs Computer	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$87,735	\$22,855	\$22,855	\$22,735	\$22,739	\$22,739	\$22,979	\$22,739	\$22,863	\$22,863	\$22,743	\$22,743

	FY2014	FY2015	FY2016
Operating Expenses			
Salary	\$151,000	\$156,130	\$161,446
Employee Related Expenses	\$30,200	\$31,226	\$32,291
Marketing & Promotion	\$22,188	\$22,185	\$22,185
Rent	\$12,000	\$12,000	\$12,000
Utilities	\$24,000	\$24,000	\$24,000
Office Supplies	\$2,400	\$2,400	\$2,400
Insurance	\$12,000	\$12,000	\$12,000
Telephone	\$4,200	\$4,200	\$4,200
Computer / Internet	\$1,800	\$1,800	\$1,800
Interest	\$13,800	\$13,800	\$13,800
Start Up Expenses Building	\$40,000	\$0	\$0
Start Up Costs Office Equipment	\$10,000	\$0	\$0
Set Up Costs Computer Software	\$15,000	\$0	\$0
Total Operating Expenses	\$338,588	\$279,741	\$286,122

Profit and Loss Statement

Profit and Loss Statement (With Monthly Detail)

FY2014	Jun '13	Jul '13	Aug '13	Sep '13	Oct '13	Nov '13	Dec '13	Jan '14	Feb '14	Mar '14	Apr '14	May '14
Revenue	\$89,438	\$95,437	\$95,438	\$89,437	\$89,438	\$89,437	\$101,438	\$89,437	\$95,438	\$95,437	\$89,438	\$89,437
Direct Cost	\$50,756	\$54,356	\$54,356	\$50,757	\$50,756	\$50,756	\$57,956	\$50,757	\$54,356	\$54,356	\$50,756	\$50,757
Gross Margin	\$38,682	\$41,081	\$41,082	\$38,680	\$38,682	\$38,681	\$43,482	\$38,680	\$41,082	\$41,081	\$38,682	\$38,680
Gross Margin %	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%	43%
Operating Expenses												
Salary	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,582	\$12,586	\$12,586	\$12,586	\$12,586
Employee Related Expenses	\$2,514	\$2,514	\$2,514	\$2,514	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518	\$2,518
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Utilities	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Office Supplies	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Insurance	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Telephone	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350
Computer / Internet	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
Interest	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150	\$1,150
Start Up Expenses Building	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

JSB Industrial Solutions, Inc

Start Up Costs Office Equipment	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Set Up Costs Computer Software	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$87,735	\$22,855	\$22,855	\$22,735	\$22,739	\$22,739	\$22,979	\$22,739	\$22,863	\$22,863	\$22,743	\$22,743
Operating Income	(\$49,053)	\$18,226	\$18,227	\$15,945	\$15,943	\$15,942	\$20,503	\$15,941	\$18,219	\$18,218	\$15,939	\$15,937
Income Taxes	\$0	\$0	\$0	\$669	\$3,189	\$3,188	\$4,101	\$3,188	\$3,644	\$3,644	\$3,187	\$3,187
Total Expenses	\$138,491	\$77,211	\$77,211	\$74,161	\$76,684	\$76,683	\$85,036	\$76,684	\$80,863	\$80,863	\$76,686	\$76,687
Net Profit	(\$49,053)	\$18,226	\$18,227	\$15,276	\$12,754	\$12,754	\$16,402	\$12,753	\$14,575	\$14,574	\$12,752	\$12,750
Net Profit / Sales	(55%)	19%	19%	17%	14%	14%	16%	14%	15%	15%	14%	14%

JSB Industrial Solutions, Inc

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Start Up Costs Office Equipment	\$10,000	\$0	\$0
Set Up Costs Computer Software	\$15,000	\$0	\$0
Total Operating Expenses	\$338,588	\$279,741	\$286,122
Operating Income	\$139,987	\$198,834	\$192,453
Income Taxes	\$27,997	\$39,767	\$38,491
Total Expenses	\$997,260	\$950,183	\$955,288
Net Profit	\$111,990	\$159,067	\$153,962
Net Profit / Sales	10%	14%	14%

