

FUSE

Community Work Hub

A Business Plan

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With support from:

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Capacity Building Consulting Inc.

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FUSE Community Work Hub is an enterprise that emerged out of The REACH Initiative led by:



with support from:



and in partnership with:

- One Straw Society
- District of Sechelt
- Sunshine Coast Arts Council
- Intelligence Services Cluster Sunshine Coast
- Coast Community Builders Association
- Sunshine Coast Tourism
- Coast Cultural Alliance

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The Executive Summary

Business Description

FUSE Community Work Hub is a co-working space for creative and social entrepreneurs on the Sunshine Coast—but it is much more than that. FUSE provides the framework necessary—from space to services to programming—for diverse creative and social enterprise to collectively build a stronger more resilient Sunshine Coast community.

To fulfill this vision, FUSE Community Work Hub requires two phases of development:

Phase One – Pilot Space

Phase Two – Permanent Space

Phase One is required to build up a sufficient core group of tenants, investors and funders to launch Phase Two. It is designed to foster an understanding of the added value FUSE provides for the users and for the local community at large. Phase One will consist of two small spaces, in Sechelt and Gibsons, renovated to offer a taste of the FUSE vision to users and visitors. These pilot spaces will provide a professional sophisticated environment, community building programming, and a convening tool for the development of our core group of FUSE supporters.

FUSE will provide the following services for Phase One:

- Standard office hours and a 24/7-access option
- Funky and functional open and closed spaces
- Fixed Desk: flat monthly fee to have a fixed desk in the open space, filing storage, receptionist, mailbox, mail and courier services
- Hot Desk: purchase a set number of hours per month
- Drop In: pay per hour or per day
- Animation of space through networking events and programming
- WiFi Internet access
- Capacity building workshops and seminars
- Meeting space
- Communal space
- Pay per use services: projector, screen, printer, scanner, storage

Phase Two will see the opening of a new and/or renovated building to support, enhance and ‘fuse’ the work of a diverse range of creative and social entrepreneurs in our community – from freelancers to small businesses to community organizations and more. FUSE will not only provide professional services and space at an affordable rate to creative and social entrepreneurs but it will also enable them to build a stronger more resilient community collectively through its ongoing community building programming.

FUSE will provide all of the above services in the permanent space along with:

- Open concept kitchen (potentially commercial)
- High-end office, kitchen and communal space furnishings
- Administrative services for hire: marketing assistance, file organization, campaigns, bookkeeping and data entry

- Community Gardens

Ownership

Deer Crossing the Art Farm will manage Phase One of FUSE (2013-15) with the goal of owning or co-owning the enterprise in Phase Two (2016+), legal entity tbd. Potential shared owners include: Community Futures Sunshine Coast, Sunshine Coast Tourism, and One Straw Society.

Competitive Advantages

The competitors to FUSE are the comforts of home offices and the existing office-spaces for commuters in the Lower Mainland area. In the recent study on coworking spaces, Deskmag’s 2nd Global Coworking Survey identified that “just over half of all coworkers (58%) transitioned from working at home. One in four (22%) were regular office workers, and only 4% are reformed café workers”¹. Surveys of our own network revealed that over 80% of our potential tenants currently work out of offices in their own home. Likewise, there are over 1500 commuters living in the SCRD. As of June 2012 there were no other coworking spaces of this type on the Sunshine Coast. This is both an advantage and a challenge, as education will take time.

FUSE will build a service package that is consistent with the strengths present in the existing spaces world wide while also addressing their weaknesses by:

1. Designing a space that is large and flexible enough to ensure diverse workers do not feel cramped or unwelcome.
2. Providing ongoing community-building programming and project development
3. Providing 24/7 access to members at a certain level.
4. Keeping membership fees accessible
5. Offering affordable private, fixed desk, hot desk, and drop in options.

Summary of Financial Projections

FUSE’s two-year income projections are:

	2013	2014
Revenue	\$ 137,925	\$ 162,728
Less: Operating Expenses	\$ 136,030	\$ 153,665
Net Profit	\$ 1,895	\$ 9,063

What is FUSE?

FUSE Community Work Hub is a shared work space for one of the fastest growing sectors on the Sunshine Coast: creative and social entrepreneurs. Entrepreneurs from this diverse group spanning multiple sectors—including tourism, arts and culture, intelligence services, green building & design and local food—sell innovation, technology, ideas, products and services that are unique, restorative and socially conscious. Building capacity for this sector addresses a number of Sunshine Coast issues directly:

1. The Demographic Deficit
2. A dwindling resource economy
3. Geographic isolation
4. Insufficient scale for large initiatives

Concern is growing about how to attract, retain and employ the younger generations (under 55) on the Sunshine Coast. In 2000, less than 12% of our population was within the 55 - 64 age group – in 2010, that number had risen to 20%. Concurrently, our local economy can no longer rely on traditional resource industries for employment. Forest resources are dwindling, fisheries shutting down and mining operations slowing their pace of production. To this end, we have seen a steady rise in independent entrepreneurship over the last decade. The vast majority of these independent entrepreneurs work in the five sectors identified above, are creativity-focussed and/or socially conscious, and are between the ages of 20 and 55. Due to the Sunshine Coast geography - a ribbon community with two municipalities and six regional areas stretched out over 150 km of shoreline - these creative and social entrepreneurs are isolated from each other and their community. Many ad-hoc groups have formed within independent sectors. These groups facilitate networking events that draw their member entrepreneurs into the community. On several occasions, these ad-hoc groups have attempted shared space/service initiatives for their independent sectors. These initiatives have consistently been grounded by lack of resources, time, leadership, and financial viability: the numbers of potential tenants/clients are not sufficient to justify the shared space itself.

Between January and July of 2012, an initiative entitled REACH (“Re-integrating Existing Assets into Community Hubs”) brought together a group of approximately 80 individuals representing local businesses, government, non-profit organizations and community groups for a series of strategic planning sessions to design a structured framework for leadership, planning, realization and sustainability of a shared space for multiple sectors on the coast. Out of these planning sessions, a steering committee was struck to negotiate the transitions from strategic plan to business plan to start-up. The steering committee decided on a name ‘Fuse Community Work Hub’ for the enterprise. The committee and project management felt the name best captured the mission and vision of FUSE:

FUSE Mission

To collectively design, construct and operate a shared work space that builds capacity for one of the most promising growth sectors on the Sunshine Coast: creative and social entrepreneurs.

FUSE Vision

A physical space that reflects the common values of creative and social entrepreneurs with regards to green building, creative and adaptive design, surrounded and inspired by our local artists with a strong connection to nature, both inside and out.

Financially and operationally sustainable, this space will offer tangible value to stakeholders – new opportunities for work-based collaboration and economic development as well as a place where people from different sectors can feel connected, energized and inspired.

A successful FUSE Pilot will achieve the following goals:

1. Engage a core user-base for the enterprise
2. Educate the local community on the value of the community work hub concept
3. Attract sufficient capital through investment, financing and sponsorship to lease/own and renovate/build a permanent location by 2016

Community Futures Sunshine Coast has agreed to incubate a FUSE pilot in Sechelt, providing access to affordable flexible space to pilot the shared space concept.

Managed by Deer Crossing the Art Farm for both phases, FUSE Community Work Hub will:

- Attract and retain creative and social entrepreneurs (in large part, younger generations) to the coast
- Connect creative and social entrepreneurs (and their work) with the wider community
- Boost the local economy by supporting and nurturing creative and social entrepreneurs
- Allow local creative and social entrepreneurs the chance to compete in the global market through increased access to innovative technologies and collective marketing

FUSE Community Work Hub

FUSE Community Work Hub is a warm open and inviting shared work space for creative and social entrepreneurs. The design and operations of the space functions as a convener, it draws people together. Hot desks are side by side. Separated offices, studios, and meeting rooms provide privacy with enough windows to remain connected to the space. Communal kitchen, dining and garden areas attract workers to each other and to their independent projects. Shared administrative support, technologies and marketing increases the likelihood of success for these projects. Community building programming—social events, performances, and collaborative community projects—bonds the creative and social entrepreneurs together and shares their projects with the wider community. *FUSE brings people together to get work done and build resilience in their community at the same time.*

Market research tells us that in order to realistically achieve this vision, FUSE must provide the following services:

1. Standard office hours and a 24/7 access option: *The majority (47%) have 24-hour access, while just over a third utilize traditional office hours.*ⁱⁱ
2. Drop in and monthly coworking options: *Only one out of ten members pay by the day or the week – the majority are on monthly plans.*¹
3. Fixed and hot desking options: *There's a fairly even divide between the number of coworkers who like to have their own reserved desk (47%), and those who like to use flexible desks that they must clear at the end of each day (51%).*²
4. Open and closed spaces: *Members want it both ways, a mix of open and closed spaces (40%), or open spaces with some private areas (35%).*³ *Most important for coworkers is interaction with other people (84%).*⁴
5. A funky and functional space: *At the top of the coworkers' wish list is workspace layout and design (24%). The ideal is to involve members in decisions about the interior design.*⁵ *Office infrastructure and kitchen and food are also high on the list (23% each). Some would like to have more input into the events program (18%) and opening times (13%).*

The statistics above were supported by phone calls to four co-working spaces across Canada. Results from these phone calls are outlined in appendix v.

FUSE Community Work Hub planned service offerings:

Phase One (pilot space):

- Fixed Desk: flat monthly fee to have a fixed desk in the open space, filing storage, mailbox, mail and courier services
 - Hot Desk: purchase a set number of hours per month
 - Drop In: pay per hour or per day
-

- Private meeting, conference and board-room space
- Pay per use services: projector, screen, printer, scanner, storage
- Communal space
- WiFi Internet access
- Animation of space through networking events and programming
- Capacity building workshops and seminars

Phase Two (permanent space) – all of the above plus:

- Private office, studio and work space
- Community Gardens
- Open concept kitchen (potentially commercial)
- High-end office, kitchen and communal space furnishings
- Shared marketing and book-keeping support

Benefits to Users:

- **Value:** Inexpensive work space only when needed (hot desk or fixed desk) that offers members an opportunity to find quality connections and leads, enabling them to network everyday from their place of work.
- **Community of like-minded professionals:** Provide access to an expanding network of like-minded professionals. Productivity spikes when you're working alongside other entrepreneurs experiencing quality social interactions; idea sharing, testing and skills exchange.
- **Programs & Activities:** Monthly events to support learning and foster new connections between members and the wider community. Events and programming created will be unique, cutting edge, practical and collaborative in nature.
- **Inside the Building:** Provide access to the things workers need, when they need them; infrastructure and amenities like business equipment, wired/wireless internet, receptionist, meeting spaces, storage, kitchen, lounge, a printer, scanner, photocopier, fax machine, telephone line, and projectors for presentation use. Also a shared open concept kitchen (espresso machine!), communal meeting area and high-end furnishings. Potentially: a commercial grade kitchen, sophisticated green and digital technologies.
- **Outside the Building:** Community gardens that provides space for reflection and fresh produce to the shared kitchen. Never forget your lunch again!
- **Virtual Network:** An on-line network that introduces and connects users to each other, keeping members and the public up-to-date on individual and organization activities/progress.
- **Atmosphere:** Natural light, historic character, a hip, modern aesthetic; energetic buzz of activity and quiet focused work where desired; high-end furnishings and design inaccessible to the average worker.

Industry Analysis

There are currently more than 1100 coworking spaces worldwide. “The coworking movement has roughly doubled in size each year since 2006.”ⁱⁱⁱ The number one growth area is in large cities with more than one million people. The second biggest area of growth was in locations with fewer than 50,000 inhabitants, which saw more new coworking spaces than even mid-sized cities.⁶ This finding was further supported with statistics showing that one in eight new coworking spaces last year opened in a city with 20,000 inhabitants or less.⁷ It is important to note that these statistics are findings from a global survey conducted by Deskmag.

The cost of setting up a leased coworking space with a maximum capacity of up to 30 members is reported to cost around US\$45,000⁸ or CDN\$46,500. Deskmag reports that 72% of coworking spaces become profitable after two years in operation.⁹ The revenue breakdown for coworking spaces has been identified as 61% by renting out desks¹⁰, 10% from renting out meeting rooms and 10% for renting out event spaces.¹¹ With an average space hosting around 38 members across 44 desks.¹² Seventy percent of all privately operated coworking spaces that serve 50 or more members run a profit. Coworking spaces with between 10 and 49 members have a profitability rate of about 40% - close to the overall average.¹³ It is anticipated that the profitability rate of coworking spaces will only increase because coworking spaces open less than 2 years are reporting an average growth of about 30%.¹⁷

Economic Drivers

The identified growth in smaller locations can be attributed to a number of factors, which include the younger generation looking for new opportunities in regions where real estate prices are affordable and aging boomers who are either looking to retire or for alternative work models that complement their lifestyle choice as they approach the end of their careers.

The coming demographic shift will see the aging population of entrepreneurs looking to decrease their work hours if working in a traditional work environment or will look to sell their businesses over the next five years. Those looking for a more balanced lifestyle may look for alternative workspaces in their local communities. The need to sell businesses, however, will create an increased risk of more small business closures across rural BC. Over the next five years Canada will see its work force drop by half, with the retirement of the boomers. Rural BC businesses are largely owned and operated by this group, only 10% with a plan to pass the business on to family. The other 90% will be looking to young entrepreneurs to purchase or take over their existing businesses. Rural BC communities must support this succession planning process if they hope to see their communities continue to be vibrant.

“It is widely acknowledged that entrepreneurs are the sparkplugs of economic activity. At the most elemental level — they get things started. Entrepreneurial activity benefits all Canadians. It is not only good for entrepreneurs themselves; it is also a powerful force driving innovation, productivity, job creation and economic growth.”^{iv}

A shared workspace can provide an opportunity to increase social capital, which is crucial to successful enterprises. Social capital is the stock of trust, relationships and networks that support civil society. Investments in bridging social capital are those that lead to unprecedented conversations, shared experiences, and connections between otherwise unconnected individuals and groups.^v Coworking spaces build social capital through their ability to support and nurture forward-thinking socially progressive entrepreneurs from all generations. Building connections between generations is imperative to the survival of rural communities. Coworking spaces provide the opportunity for the young entrepreneur and the aging boomer to share ideas and build relationships that may result in businesses changing hands and ensure the survival of the economic vitality of the rural community. Succession planning for current rural businesses does not have to be limited to private citizens alone. Enterprising non-profits, charities and organizations, given the right skills and support, are also viable business owners.

Coworking spaces have proven to be economic drivers for those working in these spaces and for the local communities that they operate in. Members who work in existing coworking spaces have indicated that by working in a collaborative workspace, they expand their professional networks and 40% report higher incomes.^{vi} Providing a space that fosters new working relationships for members that result in increased income means we keep their money, talent, and enthusiasm in the local economy.^{vii} These small businesses are the lifeblood of our local economy. “When a community is connected and open to sharing, people save money, learn new skills, and reduce their impact on the environment. New ideas emerge, problems are solved in creative ways, and the community at large reaps all the rewards of a happy independent workforce.”^{viii}

With the current (and growing) demographic deficit on the Sunshine Coast – there is a significant demographic gap in the age-group 20-44 – coworking spaces also provide a unique and viable option for the urban-based family with portable careers. This demographic has been identified by local government as a key market to attract in order to build a sustainable economy on the Sunshine Coast. These individuals are looking for the quality of life the Sunshine Coast offers and the meaningful work that Vancouver offers. This is evident in that a recent report by the Sunshine Credit Union, *The Future Business Environment of the Sunshine Coast* which states that “the relatively high component of persons working outside the [Sunshine Coast Regional District] (SCRD) and in Metro Vancouver speaks to the location attributes of the SCRD such as a high quality of life and relatively lower housing costs. Transportation is an issue but today’s technology and more flexible work arrangements can mitigate some of this negative aspect.”^{ix} A great deal of work is being done to encourage economic development through business attraction and retention as proven in *The Future Business Environment of the Sunshine Coast* report which indicates that the strongest industry performers with the highest local growth effects were other services, health services and business services from a low base.^x Coworking spaces will attract, retain and grow this emerging sector of home-office and telecommuters.

Finally, a thriving creative sector is a proven economic driver for a region. Richard Florida's creative capital theory of economic development argues that the presence of three elements; technology, talent and tolerance fosters the creative process which generates economic vitality.^{xi} Coworking spaces support these three elements by fostering innovation and creativity through their design and animation programming. They support, nurture and build capacity for creative entrepreneurs by connecting them to other entrepreneurs that can use their services or provide them with the services they need. Research has proven that in regions where the creative sector is nurtured and developed, economic resilience has followed. The Economic Research Service identifies "that the top quarter [US] counties, ranked by the percentage of workers in creative occupations as of 1990, experienced faster employment growth in 1990-2004 than counties in the bottom three-quarters of this scale... The difference in growth rates is considerably larger in non-metro areas." It is through the development of cluster consciousness that this success can be achieved. Individuals that make up a cluster must develop a cluster consciousness in which individuals "understand that there are some interests in common and that they are not simply individual actors doing some similar activities, but they are a community."^{xii} Achieving this cluster consciousness typically involves assistance from outside; it is the development of the coworking space that will provide this outside assistance in developing a cluster consciousness on the Sunshine Coast once established. "Without a consciousness as a cluster, and the willingness of potential members to define their identify as being within that cluster, then it is unlikely that the economic benefits of cluster development will be realized."^{xiii}

Market Analysis

Our Competitors

The competitors to FUSE have been identified as the comforts of home offices and Vancouver-based offices for commuters living on the Sunshine Coast. These competitors are non-traditional and harder to research. However, in the recent study on coworking spaces, Deskmag's 2nd Global Coworking Survey identified that "just over half of all coworkers (58%) transitioned from working at home. One in four (22%) were regular office workers, and only 4% are reformed café workers". A FUSE sponsored survey to our network of potential tenants indicated that over 80% of our market currently works out of their home office for all or most of their work week. The biggest competition, therefore, to a coworking space on the Sunshine Coast is the home office. The Sunshine Coast is also unique in that it has a higher proportion of regular commuters travelling over 1.5 hours to and from work in the greater Vancouver area. The 2009 Annual Report of the Sunshine Coast Community Foundation estimates there are 1596 commuters living in the SCR. Therefore, we anticipate over time a higher percentage of workers transitioning from a regular office in the city. For the purpose of this plan, FUSE marketing will focus on individuals who currently work from their home office and commuters who are travelling into the greater Vancouver area to work from an office there.

Pros and Cons of the home office^{xiv}

Pros:

- Flexibility, can set own work schedule
- No commuting
- Low overhead
- Low expenses

Cons:

- Too easy to procrastinate, it takes a lot of discipline to stay focused
- Easy to overwork, long hours with no breaks
- Work in isolation
- Lack of a professional front

Pros and Cons of the Vancouver-based office

Pros:

- Working with your peers
- Professional
- Access to everything you need
- Focussed attention on your work
- Close to many other businesses in the city

Cons:

- Long commuting time
- Long working hours
- Loss of work life balance
- Commuting is expensive

For what others are doing in the Lower Mainland and Canada, please see appendix v.

FUSE will build a service package that is consistent with the strengths and addresses the weaknesses of existing Canadian co-working spaces by:

6. Providing 24/7 access to members at a certain level
7. Keeping fees accessible by offering a one time membership/activation fee
8. Designing a space that is large and flexible enough to ensure diverse workers do not feel cramped or unwelcome
9. Providing ongoing community-building programming
10. Offering affordable private, fixed desk, hot desk, virtual office, and drop in options

Customer Analysis

FUSE Community Work Hub has identified four market segments for the pilot locations in Gibsons and Sechelt. These segments all represent a growing need for creative and social entrepreneurs on or visiting the Sunshine Coast: a space and mechanism for drawing diverse sectors together to build capacity, inspire collaboration and generate business. These market segments include entrepreneurs from multiple sectors including: tourism, arts & culture, green building & design, intelligence services and local food. They are consultants, designers, festival organizers, tour operators, farmers, producers, executive directors, programmers, film-makers and more.

The market segments are listed in order of importance.

Market Segments

Segment One (<60% of users):

- Reside in Gibsons and Roberts Creek for the Gibsons location and Sechelt or Halfmoon Bay for the Sechelt location (this also includes Wilson Creek and Davis Bay which are considered Sechelt).
- Are between the ages of 20-55. This is in line with the age range of Canadian Entrepreneurs in 2007^{xv}:

Less than 30	3%
30-39 years	12%
40-49 years	28%
50-64 years	45%
65+ years	13%

- Deskmag supports this finding stating that the average coworker is 34 years old, of which two thirds of them are men, and every twelfth coworker today is over fifty.^{xvi}
- This age group represents:

1715 ^{xvii}	Gibsons
785 ^{xviii}	Roberts Creek
3355 ^{xix}	Sechelt
130 ^{xx}	Halfmoon Bay

- Are self-employed with 0-4 staff.

Segment Two (>20% of users):

- Reside in Gibsons and Roberts Creek for the Gibsons location and Sechelt or Halfmoon Bay for the Sechelt location (this also includes Wilson Creek and Davis Bay which are considered Sechelt).
- Currently commute and/or telecommute into the greater Vancouver area to work full or part time. Remote work is no longer an experiment or a last resort solution. It is a business model. In fact, if you consider all types of remote work; travelers, telecommuters, and people who get more work done at night, than in the office, it is reasonable to say that most intelligence service workers are mobile workers at least part of the time.^{xxi}
- Are between the ages of 20-55. The typical teleworker is a college-educated 35 to 54 years-old, non-union employee working in telecommuting-compatible professions such as accounting, graphic design, engineering, computer programming, journalism/copywriting, administrative support or customer service.^{xxii}

Segment Three (>10% of users):

- Non-profit boards with full or part time staff. There are currently 385 non-profit organizations on the Sunshine Coast. Approximately 140 have paid staff that work either full or part time.
- Businesses or institutions that have more than one staff that could use office space.
- Businesses, institutions or government agencies that only need space part-time.

Segment Four (>10% of users):

- Reside in the greater Vancouver area and own a second home on the Sunshine Coast (Gibsons to Halfmoon Bay).

- Are tourists to the Sunshine Coast with a focus on those who reside in the greater Vancouver area. This is consistent with Tourism BC's findings that identify that 90% of business travellers to the Sunshine Coast were British Columbian residents.^{xxiii}
- There are a total of 222,500 self employed (those without paid help) in BC and 99,300 micro-businesses, those with 1-4 employees. Greater Vancouver accounts for about 59 per cent of the province's small businesses^{xxiv} totaling 131,275.
- Are high-income earners with household incomes of \$65,000 to over \$100,000 annually.^{xxv}
- Are between the ages of 20-55. This is in line with the age range of travellers to the Sunshine Coast identified by Tourism BC, the largest proportion of travellers (44%) were between 35 and 54 years old, another third (34%) were 55 years old or older and just over a fifth (22%) were under 35 years old.¹⁴

Marketing Strategy

FUSE Community Work Hub pilot space will use content and relationship marketing tactics to reach the identified target markets to achieve **\$22,925** in gross sales by the end of its first year in business. The first year marketing budget is, including start-up, is \$7,500.

Positioning Statement

FUSE Community Work Hub is a sophisticated work environment aimed at building capacity for the biggest collective growth sector on the Sunshine Coast, British Columbia: creative and social entrepreneurs. Entrepreneurs from this emerging sector sell innovation, technology, ideas, products and services that are unique, restorative and socially conscious.

Pricing

Initial one-time activation fee: \$100 (waived for the first 30 members and for first drop-in)

Private Office: \$500/mth

- 24/7 access
- File storage
- 20 hrs. of meeting room time
- Virtual Office: mailbox and receptionist

Fixed Desk: \$350/mth

- 24/7 access
- File storage
- 10 hrs. of meeting room time
- Weekly mail and courier service

Hot Desk: \$75 – \$250/mth

- Workspace 9am – 6pm access
 - Packages:
-

	Package 1 \$75	Package 2 \$125	Package 3 \$175	Unlimited \$250
Desk Time	25	50	100	Unlimited
Meeting Room	2	4	6	8
Virtual Office 1	Not included	Not included	Included	Included
Hours	9am-6pm	9am-6pm	9am-6pm	24/7

Drop In: \$7/hr. or \$30/Day

- Workspace 9am – 6pm access

Meeting Room Rental: \$10/hr. (first 3 hrs.) - \$5/hr. (additional)

- Seats up to 12
- Includes use of projector and screen

Pay Per Use:

- Projector & screen (included in meeting room fee)
- Printer & scanner \$.10/page
- Storage \$10/mth
- Kitchen: coffee, tea (included)
- Workshops (tbd)

Sales Goals

Based on research and capacity the following sales projections apply for the first year at each pilot location. *Please see cash flow statements in appendix i for details

FUSE Pilot	ANNUAL
Fixed Desk	\$7,700
Hot Desk 1	\$6,000
Hot Desk 2	\$2,625
Hot Desk 3	\$1,400
Hot Desk 4	\$4,000
Drop in	\$600
Misc. Services	\$600
TOTAL:	\$22,925

Promotional Strategy

FUSE Community Work Hub will use content and relationship marketing tactics to reach their identified target market segments. Relationship marketing has already begun by engaging the community members in the process of developing a strategic plan. This has continued through on-going communication with the participants using an e-newsletter. Once the strategic plan was complete, a steering committee made up of local community members and experts in the greater Vancouver area was established to assist with the development of the FUSE business plan. This group meets monthly and is also engaged in communication via the e-newsletter. As FUSE continues to

develop, more involved relationship and content marketing will take place.

To launch FUSE, the e-newsletter will continue and efforts will be made to deliver content to members and prospects that fosters interest in each other's work and the co-working movement world wide. A project website and Facebook page will be developed to engage the community leading up to the openings of the pilot locations. The e-newsletter, website, facebook page and other marketing materials (rack card, brochures) will to assist the Project Manager in securing fixed desk and hot desk members for both locations prior to opening. Having these members in place will create an atmosphere at the outset. A local print campaign followed by a grand opening event will lead up to the official openings of the pilot spaces (Sechelt: Jan 2013, Gibsons: Jan 2014).

After opening each location, the annual marketing plan will be launched, which includes community programming, a promotional you tube video of the spaces, paid advertising in the NewCoaster, Zoom, and Boottales, on going use of social media, website links on partner and like-minded websites, and partner support through cross-promotion. This will be supported by press release information sent to local and greater Vancouver's newspapers and radio stations. The community programming and outreach will bring FUSE members together with the wider community on collaborative projects (ie. an Idea Fair with students and seniors) It is important to note that the FUSE pilots themselves will be the most important marketing tool of all, as they will provide a taste of what a larger space would look and feel like for potential long-term prospects heading into Phase 2.

Key Messages

Building relationships with potential and existing customers will be integral to building interest in the space before and after opening. The use of community gatherings, programming and social media will be important to fostering this relationship. On going conversations with users that provides them with an opportunity to provide input will help to develop a sense of ownership and pride in the project. Individuals will become the projects word of mouth champions, our strongest form of advertising.

The following key messages will be basis of all messaging used in the marketing and communications tactics that will reach the identified four market segments,

Key Message One: A funky functional and professional work environment at an affordable cost close to where you live.

Key Message Two: Your community gets things done here – this is the place where visions are realized.

Prospecting Process

The Project Manager (PM) will initially be responsible for prospecting and signing up fixed and hot desk members prior to the launch of the pilot locations. The PM will do this by developing a list of non-profits, organizations, businesses and individuals who might be interested in a coworking space. This list will be developed with the help of all partner organizations (see list below). An initial email will be sent informing these identified contacts of the space, its' benefits to users, member pricing, and an invitation to an open house prior to opening. A follow up call will be made asking if they have

any questions and if they intended to come to the open house and ask them to bring a friend. If they cannot make the open house a request to meet at another time is recommended. The open house will be used to introduce potential users to the space and sign up as many people as possible. The space will be completely set up to ensure potential users get a full appreciation of the space.

All contacts will be tracked in a spreadsheet to ensure they are followed up on in a timely fashion. This will also help to ensure that anyone who was not interested initially is contacted later once the space is more established. All contacts will be added to the e-newsletter list so they receive the monthly newsletter of community programs and stay informed of the happenings of the coworking spaces.

On going marketing will include the continuation of all community engagement and outreach programming mentioned in the section above.

All users and program attendees will be asked to sign in as they come into the space. They will be required to give their name, email address, member number if they have one, and asked how they heard about FUSE. This will allow us to keep track of the success of our marketing tactics.

Sales Process

FUSE members will sign up by completing a new member form, paying their activation fee and selecting their initial membership package, i.e. fixed desk, hot desk package or drop in. All hot desking and drop in packages can be used at both locations. Once the website is developed they will be able to complete this online and pay using paypal (bank or credit card). Each new member will be provided a member card which has their member ID that will be used for quick sign in when visiting the coworking spaces or signing on to the member area on the website.

Payment of activation fee and one-month packages will be required at the time of sign up. Members can pay using cash, debit or credit cards. Paypal will be set up once the website is active. All packages are non-refundable. However, if a member is looking to upgrade their package while their current package is active a credit of the remaining time will be made to the upgraded amount.

All member forms will be filled out and used to track types of members and their history of usage at the spaces. The Operations Manager will track this information in a spreadsheet of current users, their usage and expiry. Upon expiry of a member's package a customer satisfaction survey will be sent out and they will be asked if they are looking to purchase another package. The questions asked will look for satisfaction with the sign up process, payment options, and space satisfaction. The Operations Manager will send the survey using Survey Monkey and will complete all responses and required follow up.

For a detailed look at the Marketing Plan and Budget, please refer to appendix ix.

Management Plan

Management Structure

Deer Crossing the Art Farm will manage the FUSE pilot phase. As FUSE aims to nurture and build capacity for creative and social entrepreneurs in our community, the management structure will aim to model functional social enterprise management and growth.

Deskmag’s 2nd Global Coworking Survey reported that on average, 2.8 people are involved as the founders of an emergent coworking space. Even in small spaces with an opening capacity of less than ten members, the average number of founders is 2.2.^{xxvi}

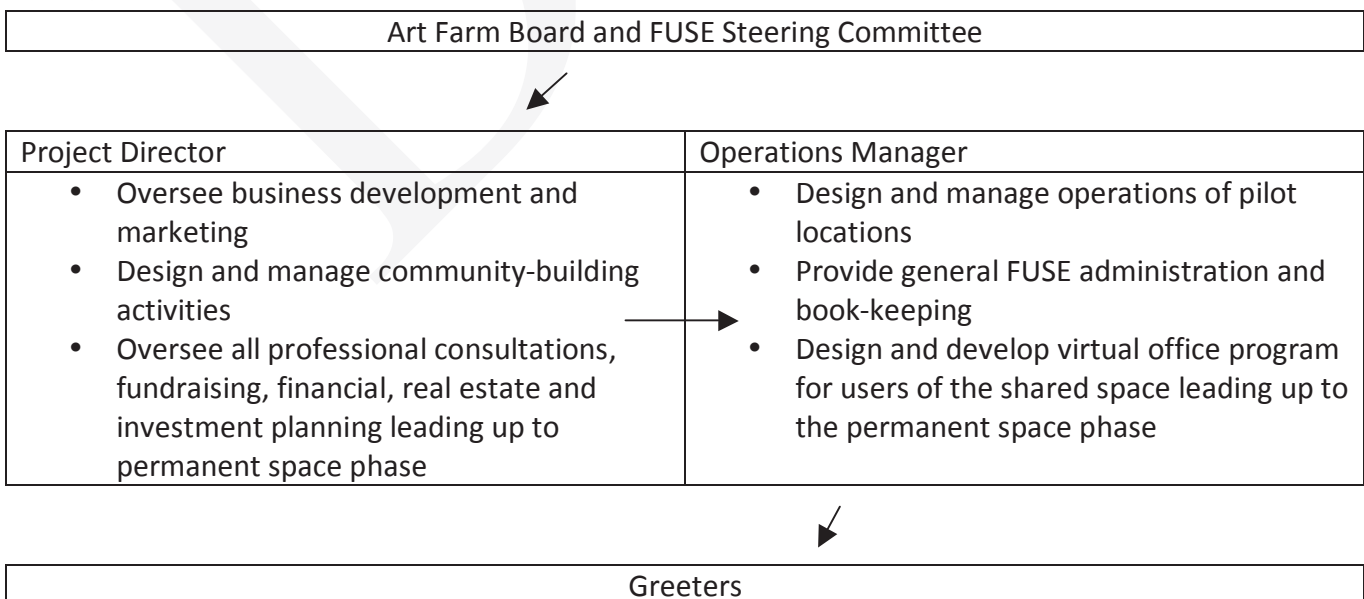
The art farm board and project steering committee will act as founders for FUSE Community Work Hub. They will continue to provide the necessary framework, expertise, support and guidance for FUSE to emerge. The Project Manager and Director of Operations will remain accountable to both the board and the steering committee throughout the pilot phase and beyond. A detailed list of board and steering committee members can be found in appendix x.

Strategic Partnerships

FUSE will be actively engaging a number of strategic partners during the pilot phase. These partners will play an essential role in both phases of development. See appendix viii for a detailed list and description of roles.

Human Resources Needs

Pilot Phase



- Greet and settle in drop-ins at pilot locations
- Provide support with basic in-house technologies (photocopier, telephone, internet access and projector)

Project Director: Chad Hershler

Qualifications: Experience in project management, non-profit and social enterprise development, skilled communicator and writer, understanding of emerging social investment opportunities and social purpose real estate, creative and engaging facilitator.

Operations Manager: Janice Morgan Rafael

Qualifications: experience in non-profit and business development and management, skilled with computers and interactive technologies, comfortable with sales and marketing, adaptable and creative.

Greeters: volunteer members at both pilot locations

Contractors and Service Providers: Please see Cash Flow projections in appendix i for a detailed list

Operating Plan

Physical Location

Due to the vast spread of the population on the Sunshine Coast two pilot locations will be launched at the two most populated towns on the lower Sunshine Coast, Gibsons and Sechelt. The pilots themselves will be phased in. In January 2013, FUSE will officially launch the Sechelt pilot. In January 2014, FUSE will launch the Gibsons location. This timing and these locations were chosen for a few reasons:

1. Research shows that two-thirds of the coworking space members commute 20 minutes or less to get to their space, and one in four take just ten minutes.^{xxvii} Having a pilot location in Sechelt and Gibsons offers the opportunity to expand the reach of members to as far as Madeira Park.
2. A phased approach allows for marketing to focus on one area at a time.
3. Sechelt Community Futures has extended a reduced rental rate for the pilot period
4. The two locations will act as guides for which location is most suitable for the permanent space.

Two pilot locations:

Community Futures: Teredo St., Sechelt

Open space, TBD: Lower Gibsons

General

FUSE will be open for drop ins from 9am – 5pm and accessible 24 hours a day, 7 days a week to hot and fixed desk members. Twenty-four hour access is limited to fixed office and unlimited hot-desk

members only. It is achieved through issuing keys or pass codes. Office opening times 9-5 will have volunteers as welcomers/greeters/admin support. Paid staff based in either Sechelt or Gibsons will be available on-call and will pop in and/or have some part-time desk space at the facility. A special tier will be established for members who use the space consistently and volunteer as greeter on occasion. FUSE will emphasize a co-operative working environment - where it is understood and communicated explicitly that everyone helps out each other if necessary - a community environment is essential.

For the Pilot phase, billing, mail service and recycling will be covered primarily by the Director of Operations backed up by the Project Manager. Repairs and maintenance will be outsourced where need requires. Cleaners will be hired twice a month. Garbage pick-up is included in the lease.

For a detailed look at our Implementation Plan, please see appendix xi

Risk & Contingency Plan

The risks identified below as high probability and high impacts are; less than projected sales and grants achieved. These high probability risks must have a complete contingency plan to minimize their potential effects.

Initial interest less than projected: The year one sales projections are educated guesses and as a result it is imperative that sales, customer satisfaction and marketing efforts are monitored closely. This can be done through bi-weekly or monthly reporting of new sales, summary of customer satisfaction survey's, and reporting on how new and existing customers heard about the space and the number of visits to the website and where these visits are coming from. Google analytics will be an important tool to have installed on the website from the onset. Survey Monkey will be used to conduct the customer satisfaction survey. Customers can opt to receive an email with a link to the survey or they can complete a paper version and staff can enter the results into Survey Monkey. New sales and customer usage will be track by on site staff using a sign in sheet. This information will be transferred to an excel spreadsheet for proper information storage and reporting. With these systems in place a timely and informed decision on needed changes can be made, reducing the risk of less than projected sales and the impact on this new business.

Sustained interest / perceived value in community less than projected: The grants, sponsorship funds and business growth projections are based on research and current relationships. Business growth projections must be verified by marketing and monitoring efforts as described above. Funder, sponsor and investor relationships must continue to be cultivated with events, recognition and one-on-one meetings. Current support from municipal, provincial and federal programs will be leveraged for more support in the coming years. If perceived value is less than expected, the marketing and community-building strategy will be re-assessed and modified accordingly

Less than Project Grants Received: The year one grant revenue projections are optimistic. This optimistic projection was set because of the successful results already seen by the Project Manager. Over \$35,000 was raised for phase one, which was 90% of the total amount asked for. Having this Project Manager continue, as the lead grant writer is imperative to reducing the likelihood of this

identified risk. The quality of the writing, dedication to the project and proven success indicates that the existing Project Manager is key. It will also be important to identify additional granting options for this project in the event that the identified grants provide less revenue than anticipated. Creating a master list of grants with deadlines will assist the Project Manager in ensuring no deadlines are missed.

For a table outlining our Risk and Contingency Plan, please see Appendix xii

Draft

Financial Plan

Start-up Expenses

Cash	\$16,000
Available Credit	\$10,000
Leasehold Improvements	\$12,750
Marketing	\$3,500
Equipment	\$5,000
Total Owner's Investment	\$5,000

Projected Income Statement

	2013	2014
Revenue	\$ 137,925	\$ 172,728
Less: Operating Expenses	\$ 136,030	\$ 153,665
Net Profit	\$ 1,895	\$ 19,063

We have attached three pro-forma cash flows for the next five years for base-case, slow-growth and fast-growth scenarios (appendices i and ii).

Base-case pro-forma assumptions:

1. Grant revenue refers to applications currently in process and/or at second-stage with confirmation of project fit from program managers
2. Fee-for-service is a melding of similar fee-for-service costs in co-working spaces across Canada along with Sunshine Coast survey results
3. Growth rate of fee-for-service is based on average annual growth rate for co-working spaces (30%)
4. Permanent Space fee-for-service income in year 4 combines pilot income from year 3 + average annual growth (30%)
5. Financing from Community Futures (year 1 and 2) and Vancity (year 4) go directly towards start-up capital expenses (year 1 and 2) and combined start-up and working capital (year 4)
6. Sponsorship is a combination of in-kind and cash donations. In-kind donations will come from start-up expenses, contractor fees, rent leniency and marketing. Cash donations will come from shared space sponsors
7. Permanent Space income in years 4 and 5 refer to combined incomes from pilot spaces in Year 3 + 30% + 4 anchor tenant private offices @ \$500/month each
8. Business Development expenses include community engagement programming (workshops, events and outreach)
9. Business Development expenses decrease once permanent space is built, as community engagement programming infrastructure is in place

10. Contract fees decrease once permanent space is built as design, architecture and legal fees will diminish, along with the need to pay for a greeter
11. Salaries increase with size and scope of project
12. Marketing expenses go towards advertising, print costs, video documentation and website enhancement
13. Start-up expenses for pilot go towards design, furnishings and technology to enhance shared spaces
14. Start-up expenses for permanent space go towards renovations, furnishings and technology for shared space
15. Pilot space expenses include rent, supplies, internet/phone, repair/maintenance, security, cleaning, insurance and bank fees
16. Permanent space expenses include a base rent of \$3000/month + the above
17. Pilot spaces will be closed when Permanent space opens

Fast-growth assumptions same as above except:

1. Faster traction with sponsors and users allows for earlier start date for Gibsons Pilot and financing/renovations for permanent space
2. Capital costs from Year 3-5 refer to tenant improvements (furnishings, renovations, technology) for permanent space
3. Less sponsorship necessary for launch of permanent space – more time and resources spent on attracting users to the permanent space

Slow-growth assumptions same as above except:

1. Slower traction with sponsors, funders and users leads to a later start date for Gibsons Pilot (Year 3) and financing/renovations for permanent space (Year 5)
2. Gibsons pilot will only open once we have reached base-case revenue for Sechelt pilot year 1
3. With-out grant funding, community engagement programming is cut from business development expenses
4. Significant time and resources go into key local funders, such as in-kind sponsors, SCCF, local government ED support to attract investment and sponsorship in later years
5. Organization gaming funds will support project for first five years
6. Reduced contract fees in years 4 and 5 due to the end of design/architecture/legal consultant contracts
7. Reduced expenses in years 1 and 2 are result of reduced direct costs (less users + rent) and reduced salaries

Appendices

- Appendix i: Slow Growth Financial projections**
- Appendix ii: Fast Growth Financial Projections**
- Appendix iii: About Deer Crossing the Art Farm**
- Appendix iv: REACH Initiative Strategic Plan**
- Appendix v: Research on Canadian Co-working Spaces**
- Appendix vi: E-survey of Sunshine Coast network**
- Appendix vii: Art farm board and FUSE Steering Committee**
- Appendix viii: Strategic Partnerships**
- Appendix ix: Marketing Plan**
- Appendix x: Phase Two Human Resource needs**
- Appendix xi: Implementation Plan**
- Appendix xii: FUSE Risk and Contingency Plan**
- Appendix xiii: FUSE Sechelt Pilot renderings**
- Appendix xiv: FUSE Branding Package**
- Appendix xv: Endnotes**

Appendices available upon request

	Opening	Year 1	Year 2	Year 3	Year 4	Year 5
Sources of Cash						
Revenue						
Vancouver Foundation		25,000	25,000	25,000		
Vancity Community Foundation		30,000	25,000	20,000		
District of Sechelt		10,000	10,000			
Town of Gibsons			10,000	10,000		
Sunshine Coast Community Foundation		5,000	5,000	5,000		
BC Gaming	5,000	5,000	5,000			
Capital Improvement Grant						
FUSE Pilot 1 Income		22,775	29,608	38,490		
FUSE Pilot 2 Income			22,775	29,608		
FUSE Permanent Space					112,526	146,284
Misc. Sponsorship (in-kind and cash)	16,000	40,000	40,000	24,000	35,000	25,000
Total Income	21,000	137,775	172,383	152,097	147,526	171,284
Expenses						
Salaries & Benefits		42,660	53,225	66,530	76,510	84,160
Contract fees		21,700	23,200	25,200	10,000	10,000
Administration		3,000	3,000	3,000	1,000	1,000
Business Development		20,000	20,000	20,000	10,000	10,000
Marketing		8,000	8,000	8,000	10,000	5,000
FUSE Pilot Expenses		19,600	41,600	41,600		
FUSE Permanent Space Expenses					45,000	45,000
Total Expenses	0	114,960	149,025	164,330	152,510	155,160
Excess of Revenue over Expenses	21,000	22,815	23,358	-12,233	-4,983	16,124
Financing Proceeds						
Loans	10,000	10,000			50,000	
Equity						
Total Financing Proceeds	10,000	10,000	0	0	50,000	0
Total sources of cash	31,000	32,815	23,358	-12,233	45,017	16,124
Uses of cash						
Capital Cost						
Tenant Improvement Expenses	12,750	12,750			30,000	
Initial Inventory of Supplies	5,000	5,000			15,000	
Move in costs	1,000	1,000			5,000	
Web Development	2,500	0			2,000	
Total Capital Cost	21,250	18,750	0	0	52,000	0
Financing costs						
Loan Payments	0	2,320	2,320	2,320	2,320	2,320
loan interest rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
					11,600	11,600
Total Financing costs	0	2,320	4,640	4,640	16,240	16,240
Total Uses of Cash	21,250	21,070	4,640	4,640	68,240	16,240
Increase (decrease) in net project cash flows	9,750	11,745	18,718	-16,873	-23,223	-116
Opening cash position	0	9,750	21,495	40,213	23,340	117
Closing cash position	9,750	21,495	40,213	23,340	117	1

FUSE Permanent Space Income for Year 4 is equal to 30% increase of combined Pilot Spaces PLUS 4 anchor tenant offices at \$500/month

FUSE Permanent Space Income for Year 5 is equal to 30% increase from year before

	Opening	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Annual
Sources of Cash														
Revenue														
Vancouver Foundation		25,000												25,000
Vancity Community Foundation					30,000									30,000
Sunshine Coast Community Foundation							5,000							5,000
District of Sechelt		10,000												10,000
Town of Gibsons														0
BC Gaming		5,000									5,000			5,000
FUSE Pilot Income		1,050	1,250	1,750	2,525	2,525	2,600	1,725	1,600	1,950	2,300	2,300	1,200	22,775
Misc. Sponsorship (Cash and In-kind)		16,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000	40,000
Total Income		21,000	38,050	3,250	3,750	34,525	4,525	9,600	3,725	3,600	3,950	9,300	4,300	137,775
Expenses														
Salaries & Benefits		3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	3,555	42,660
Contract fees		1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	1,808	21,700
Administration		1,000			2,000									3,000
Business Development		500	500	2,000	2,000	6,000	2,000	0	0	2,000	2,000	1,500	1,500	20,000
Marketing		2,000	2,000	1,000	1,000	250	250	250	250	250	250	250	250	8,000
FUSE Pilot Expenses		1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	1,633	19,600
Total Expenses		0	10,497	9,497	9,997	11,997	13,247	9,247	7,247	9,247	9,247	8,747	8,747	114,960
Excess of Revenue over Expenses		21,000	27,553	-6,247	-6,247	22,528	-8,722	353	-3,522	-3,647	-5,297	53	-4,447	22,815
Financing Proceeds														
Loans		10,000												0
Equity														0
Total Financing Proceeds		10,000	0	0	0	0	0	0	0	0	0	0	0	0
Total sources of cash		31,000	27,553	-6,247	-6,247	22,528	-8,722	353	-3,522	-3,647	-5,297	53	-4,447	22,815
Uses of cash														
Capital Cost														
Tenant Improvement Expenses		12,750												0
Initial Inventory of Supplies		5,000												0
Move in costs		1,000												0
Web Development		2,500												0
Total Capital Cost		21,250	0	0	0	0	0	0	0	0	0	0	0	0
Financing costs														
Loan Payments		0	193	193	193	193	193	193	193	193	193	193	193	2,320
loan interest rate														0
Total Financing costs		0	193	193	193	193	193	193	193	193	193	193	193	2,320
Total Uses of Cash		21,250	193	193	193	193	193	193	193	193	193	193	193	2,320
Increase (decrease) in net project cash flows		9,750	27,360	-6,440	-6,440	22,335	-8,915	160	-3,715	-3,840	-5,490	-140	-4,640	10,260
Opening cash position		0	9,750	37,110	30,670	24,230	46,565	37,650	37,810	34,095	30,255	24,765	24,625	19,985
Closing cash position		9,750	37,110	30,670	24,230	46,565	37,650	37,810	34,095	30,255	24,765	24,625	19,985	30,245

FUSE Pilot 1 Income

Unit \$	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	ANNUAL	
Fixed	350	350	350	700	1050	1050	1050	350	350	700	700	350	7700	
Hot Desk 1	75	225	300	450	450	450	525	600	600	600	450	450	5850	
Hot Desk 2	125	125	250	250	250	250	250	125	125	125	375	0	2625	
Hot Desk 3	175	0	0	0	175	175	175	175	175	175	175	0	1400	
Hot Desk 4	250	250	250	250	500	500	500	250	250	500	500	0	4000	
Drop in	25	50	50	50	50	50	50	50	50	50	50	50	600	
Misc Services	10	50	50	50	50	50	50	50	50	50	50	50	600	
TOTALS:		1050	1250	1750	2525	2525	2600	1725	1600	1950	2300	2300	1200	22775

FUSE Pilot 1 Expenses

ANNUAL	
Rent	9600
Office Supplies	1500
Internet/Phone	2000
Repair/Maintenance	1000
Security	1000
Cleaning	2000
Insurance	2000
Bank Fees	500
TOTAL:	19600

Contract Fees

ANNUAL	
Bookkeeper	2000
Greeter	4200
Lawyer	3000
Accountant	2500
Architect	2500
Designer	5000
Marketing Consultant	2500
TOTAL:	21700

Salaries and Benefits

ANNUAL	
Operations Manager	20000
Project Manager	20000
EI	880
CPP	1380
WCB	400
TOTAL:	42660

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Annual
Sources of Cash													
Revenue													
Vancouver Foundation	25,000												25,000
Vancity Community Foundation				25,000									25,000
Sunshine Coast Community Foundation						5,000							5,000
District of Sechelt	10,000												10,000
Town of Gibsons										10,000			10,000
BC Gaming													5,000
FUSE Pilot Income	2,490	2,950	4,025	5,808	5,808	5,980	3,968	3,680	4,485	5,290	5,290	2,760	52,533
Misc. Sponsorship (Cash and In-kind)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000
Total Income	39,490	4,950	6,025	32,808	7,808	12,980	5,968	5,680	6,485	22,290	7,290	20,760	172,533
Expenses													
Salaries & Benefits	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	4,435	53,225
Contract fees	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	1,933	23,200
Administration	1,000			2,000									3,000
Business Development	500	500	2,000	2,000	6,000	2,000	0	0	2,000	2,000	1,500	1,500	20,000
Marketing	2,000	2,000	1,000	1,000	250	250	250	250	250	250	250	250	8,000
FUSE Pilot Expenses	3,467	3,467	3,467	3,467	3,467	3,467	3,467	3,467	3,467	3,467	3,467	3,467	41,600
Total Expenses	13,335	12,335	12,835	14,835	16,085	12,085	10,085	10,085	12,085	12,085	11,585	11,585	149,025
Excess of Revenue over Expenses	26,155	-7,385	-6,810	17,972	-8,278	895	-4,118	-4,405	-5,600	10,205	-4,295	9,175	23,508
Financing Proceeds													
Loans	10,000												10,000
Equity													0
Total Financing Proceeds	10,000	0	0	0	0	0	0	0	0	0	0	0	10,000
Total sources of cash	36,155	-7,385	-6,810	17,972	-8,278	895	-4,118	-4,405	-5,600	10,205	-4,295	9,175	33,508
Uses of cash													
Capital Cost													
Tenant Improvement Expenses	12,750												12,750
Initial Inventory of Supplies	5,000												5,000
Move in costs	1,000												1,000
Web Development													0
Total Capital Cost	18,750	0	0	0	0	0	0	0	0	0	0	0	18,750
Financing costs													
Loan Payments	387	387	387	387	387	387	387	387	387	387	387	387	4,640
loan interest rate													0
Total Financing costs	387	387	387	387	387	387	387	387	387	387	387	387	4,640
Total Uses of Cash	19,137	387	387	387	387	387	387	387	387	387	387	387	23,390
Increase (decrease) in net project cash flows	17,018	-7,772	-7,197	17,585	-8,665	508	-4,505	-4,792	-5,987	9,818	-4,682	8,788	10,118
Opening cash position	30,245	47,263	39,491	32,294	49,879	41,215	41,723	37,218	32,426	26,439	36,257	31,575	30,245
Closing cash position	47,263	39,491	32,294	49,879	41,215	41,723	37,218	32,426	26,439	36,257	31,575	40,363	40,363

FUSE Pilot 1 Income

SAME AS YEAR 1 X 30%

Unit \$	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
TOTALS:	1365	1625	2275	3282.5	3282.5	3380	2242.5	2080	2535	2990	2990	1560

FUSE Pilot 2 Income

SAME AS PILOT 1 Year 1

Unit \$	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Fixed	350	350	350	700	1050	1050	1050	350	350	700	700	350
Hot Desk 1	75	300	375	450	450	450	525	600	600	600	450	750
Hot Desk 2	125	125	250	250	250	250	250	125	125	375	375	0
Hot Desk 3	175	0	0	0	175	175	175	175	175	175	175	0
Hot Desk 4	250	250	250	250	500	500	500	250	250	500	500	0
Drop in	25	50	50	50	50	50	50	50	50	50	50	50
Misc Services	10	50	50	50	50	50	50	50	50	50	50	50
TOTALS:	1125	1325	1750	2525	2525	2600	1725	1600	1950	2300	2300	1200

FUSE Pilot 1 Expenses

ANNUAL

Rent	9600
Office Supplies	1500
Internet/Phone	2000
Repair/Maintenance	1000
Security	1000
Cleaning	2000
Insurance	2000
Bank Fees	500
TOTAL:	19600

FUSE Pilot 2 Expenses

ANNUAL

Rent	12000
Office Supplies	1500
Internet/Phone	2000
Repair/Maintenance	1000
Security	1000
Cleaning	2000
Insurance	2000
Bank Fees	500
TOTAL:	22000

Contract Fees

ANNUAL

Bookkeeper	3000
Greeter	4200
Lawyer	3000
Accountant	3000
Architect	2500
Designer	5000
Marketing Consultant	2500
TOTAL:	23200

Salaries and Benefits

ANNUAL

Operations Manager	25000
Project Manager	25000
EI	1100
CPP	1725
WCB	400
TOTAL:	53225

Simple Interest Loan Calculator CapacityBuild Consulting Inc.

Borrower: Company Name

[HELP](#)

Loan Information	
Loan Amount	\$ 10,000
Annual Interest Rate	6.00%
Term of Loan in Years	5
First Day Interest Accrues	01/03/2010
Payment Frequency	Monthly
Days in Year	365
Extra Monthly Payment	\$ -

Summary	
Daily Interest Rate	0.0164384%
Number of Payments	61
Total Payments	\$ 11,605.46
Total Interest	\$ 1,605.46

Payment Frequency Options

Frequency	Payments/yr	Months
Annual	1	12
Semi-Annual	2	6
Quarterly	4	3
Bi-Monthly	6	2
Monthly	12	1
Semi-Monthly	24	0.5
Bi-Weekly	26	n/a
Weekly	52	n/a
Chosen:	12	1

Monthly Payment \$193.33 (rounded up)

Amortization Schedule

This schedule does not including rounding

Pmt No.	Date	Payment	Interest Accrued	Interest Balance	Principal Balance	Total Owed
	28/02/2010			\$ 10,000	\$ 10,000	10,000
1	4/1/10	193.33	52.60	0.00	9,859.27	9,859.27
2	5/1/10	193.33	48.62	0.00	9,714.56	9,714.56
3	6/1/10	193.33	49.50	0.00	9,570.74	9,570.74
4	7/1/10	193.33	47.20	0.00	9,424.61	9,424.61
5	8/1/10	193.33	48.03	0.00	9,279.30	9,279.30
6	9/1/10	193.33	47.29	0.00	9,133.26	9,133.26
7	10/1/10	193.33	45.04	0.00	8,984.97	8,984.97
8	11/1/10	193.33	45.79	0.00	8,837.43	8,837.43
9	12/1/10	193.33	43.58	0.00	8,687.68	8,687.68
10	1/1/11	193.33	44.27	0.00	8,538.62	8,538.62
11	2/1/11	193.33	43.51	0.00	8,388.80	8,388.80
12	3/1/11	193.33	38.61	0.00	8,234.08	8,234.08
13	4/1/11	193.33	41.96	0.00	8,082.71	8,082.71
14	5/1/11	193.33	39.86	0.00	7,929.24	7,929.24
15	6/1/11	193.33	40.41	0.00	7,776.32	7,776.32
16	7/1/11	193.33	38.35	0.00	7,621.34	7,621.34
17	8/1/11	193.33	38.84	0.00	7,466.85	7,466.85
18	9/1/11	193.33	38.05	0.00	7,311.57	7,311.57
19	10/1/11	193.33	36.06	0.00	7,154.29	7,154.29
20	11/1/11	193.33	36.46	0.00	6,997.42	6,997.42
21	12/1/11	193.33	34.51	0.00	6,838.60	6,838.60
22	1/1/12	193.33	34.85	0.00	6,680.12	6,680.12
23	2/1/12	193.33	34.04	0.00	6,520.83	6,520.83
24	3/1/12	193.33	31.09	0.00	6,358.58	6,358.58
25	4/1/12	193.33	32.40	0.00	6,197.66	6,197.66
26	5/1/12	193.33	30.56	0.00	6,034.89	6,034.89
27	6/1/12	193.33	30.75	0.00	5,872.31	5,872.31
28	7/1/12	193.33	28.96	0.00	5,707.94	5,707.94
29	8/1/12	193.33	29.09	0.00	5,543.70	5,543.70
30	9/1/12	193.33	28.25	0.00	5,378.62	5,378.62
31	10/1/12	193.33	26.52	0.00	5,211.82	5,211.82
32	11/1/12	193.33	26.56	0.00	5,045.04	5,045.04
33	12/1/12	193.33	24.88	0.00	4,876.59	4,876.59
34	1/1/13	193.33	24.85	0.00	4,708.11	4,708.11
35	2/1/13	193.33	23.99	0.00	4,538.78	4,538.78
36	3/1/13	193.33	20.89	0.00	4,366.34	4,366.34
37	4/1/13	193.33	22.25	0.00	4,195.26	4,195.26
38	5/1/13	193.33	20.69	0.00	4,022.62	4,022.62
39	6/1/13	193.33	20.50	0.00	3,849.79	3,849.79
40	7/1/13	193.33	18.99	0.00	3,675.44	3,675.44
41	8/1/13	193.33	18.73	0.00	3,500.84	3,500.84
42	9/1/13	193.33	17.84	0.00	3,325.35	3,325.35
43	10/1/13	193.33	16.40	0.00	3,148.42	3,148.42
44	11/1/13	193.33	16.04	0.00	2,971.13	2,971.13
45	12/1/13	193.33	14.65	0.00	2,792.45	2,792.45
46	1/1/14	193.33	14.23	0.00	2,613.36	2,613.36
47	2/1/14	193.33	13.32	0.00	2,433.34	2,433.34
48	3/1/14	193.33	11.20	0.00	2,251.21	2,251.21
49	4/1/14	193.33	11.47	0.00	2,069.35	2,069.35
50	5/1/14	193.33	10.21	0.00	1,886.23	1,886.23
51	6/1/14	193.33	9.61	0.00	1,702.51	1,702.51
52	7/1/14	193.33	8.40	0.00	1,517.58	1,517.58
53	8/1/14	193.33	7.73	0.00	1,331.98	1,331.98
54	9/1/14	193.33	6.79	0.00	1,145.44	1,145.44
55	10/1/14	193.33	5.65	0.00	957.76	957.76
56	11/1/14	193.33	4.88	0.00	769.31	769.31
57	12/1/14	193.33	3.79	0.00	579.77	579.77
58	1/1/15	193.33	2.95	0.00	389.40	389.40
59	2/1/15	193.33	1.98	0.00	198.05	198.05
60	3/1/15	193.33	0.91	0.00	5.63	5.63
61	4/1/15	5.66	0.03	0.00	0.00	0.00

Simple Interest Loan Calculator CapacityBuild Consulting Inc.

Borrower: Company Name

[HELP](#)

Loan Information	
Loan Amount	\$ 50,000
Annual Interest Rate	6.00%
Term of Loan in Years	5
First Day Interest Accrues	01/03/2010
Payment Frequency	Monthly
Days in Year	365
Extra Monthly Payment	\$ -

Summary	
Daily Interest Rate	0.0164384%
Number of Payments	61
Total Payments	\$ 58,027.30
Total Interest	\$ 8,027.30

Payment Frequency Options

Frequency	Payments/yr	Months
Annual	1	12
Semi-Annual	2	6
Quarterly	4	3
Bi-Monthly	6	2
Monthly	12	1
Semi-Monthly	24	0.5
Bi-Weekly	26	n/a
Weekly	52	n/a
Chosen:	12	1

Monthly Payment \$966.65 (rounded up)

Amortization Schedule

This schedule does not including rounding

Pmt No.	Date	Payment	Interest Accrued	Interest Balance	Principal Balance	Total Owed
	28/02/2010			\$ 50,000	\$ 50,000	50,000
1	4/1/10	966.65	263.01	0.00	49,296.36	49,296.36
2	5/1/10	966.65	243.11	0.00	48,572.82	48,572.82
3	6/1/10	966.65	247.52	0.00	47,853.69	47,853.69
4	7/1/10	966.65	235.99	0.00	47,123.03	47,123.03
5	8/1/10	966.65	240.13	0.00	46,396.52	46,396.52
6	9/1/10	966.65	236.43	0.00	45,666.30	45,666.30
7	10/1/10	966.65	225.20	0.00	44,924.85	44,924.85
8	11/1/10	966.65	228.93	0.00	44,187.13	44,187.13
9	12/1/10	966.65	217.91	0.00	43,438.39	43,438.39
10	1/1/11	966.65	221.36	0.00	42,693.10	42,693.10
11	2/1/11	966.65	217.56	0.00	41,944.01	41,944.01
12	3/1/11	966.65	193.06	0.00	41,170.42	41,170.42
13	4/1/11	966.65	209.80	0.00	40,413.57	40,413.57
14	5/1/11	966.65	199.30	0.00	39,646.22	39,646.22
15	6/1/11	966.65	202.03	0.00	38,881.60	38,881.60
16	7/1/11	966.65	191.74	0.00	38,106.69	38,106.69
17	8/1/11	966.65	194.19	0.00	37,334.23	37,334.23
18	9/1/11	966.65	190.25	0.00	36,557.83	36,557.83
19	10/1/11	966.65	180.29	0.00	35,771.47	35,771.47
20	11/1/11	966.65	182.29	0.00	34,987.10	34,987.10
21	12/1/11	966.65	172.54	0.00	34,192.99	34,192.99
22	1/1/12	966.65	174.24	0.00	33,400.59	33,400.59
23	2/1/12	966.65	170.21	0.00	32,604.14	32,604.14
24	3/1/12	966.65	155.43	0.00	31,792.92	31,792.92
25	4/1/12	966.65	162.01	0.00	30,988.28	30,988.28
26	5/1/12	966.65	152.82	0.00	30,174.45	30,174.45
27	6/1/12	966.65	153.77	0.00	29,361.57	29,361.57
28	7/1/12	966.65	144.80	0.00	28,539.72	28,539.72
29	8/1/12	966.65	145.44	0.00	27,718.50	27,718.50
30	9/1/12	966.65	141.25	0.00	26,893.10	26,893.10
31	10/1/12	966.65	132.62	0.00	26,059.08	26,059.08
32	11/1/12	966.65	132.79	0.00	25,225.22	25,225.22
33	12/1/12	966.65	124.40	0.00	24,382.97	24,382.97
34	1/1/13	966.65	124.25	0.00	23,540.57	23,540.57
35	2/1/13	966.65	119.96	0.00	22,693.88	22,693.88
36	3/1/13	966.65	104.45	0.00	21,831.68	21,831.68
37	4/1/13	966.65	111.25	0.00	20,976.29	20,976.29
38	5/1/13	966.65	103.44	0.00	20,113.08	20,113.08
39	6/1/13	966.65	102.49	0.00	19,248.93	19,248.93
40	7/1/13	966.65	94.93	0.00	18,377.20	18,377.20
41	8/1/13	966.65	93.65	0.00	17,504.20	17,504.20
42	9/1/13	966.65	89.20	0.00	16,626.75	16,626.75
43	10/1/13	966.65	81.99	0.00	15,742.09	15,742.09
44	11/1/13	966.65	80.22	0.00	14,855.66	14,855.66
45	12/1/13	966.65	73.26	0.00	13,962.27	13,962.27
46	1/1/14	966.65	71.15	0.00	13,066.78	13,066.78
47	2/1/14	966.65	66.59	0.00	12,166.71	12,166.71
48	3/1/14	966.65	56.00	0.00	11,256.06	11,256.06
49	4/1/14	966.65	57.36	0.00	10,346.77	10,346.77
50	5/1/14	966.65	51.03	0.00	9,431.15	9,431.15
51	6/1/14	966.65	48.06	0.00	8,512.56	8,512.56
52	7/1/14	966.65	41.98	0.00	7,587.89	7,587.89
53	8/1/14	966.65	38.67	0.00	6,659.90	6,659.90
54	9/1/14	966.65	33.94	0.00	5,727.19	5,727.19
55	10/1/14	966.65	28.24	0.00	4,788.79	4,788.79
56	11/1/14	966.65	24.40	0.00	3,846.54	3,846.54
57	12/1/14	966.65	18.97	0.00	2,898.86	2,898.86
58	1/1/15	966.65	14.77	0.00	1,946.98	1,946.98
59	2/1/15	966.65	9.92	0.00	990.25	990.25
60	3/1/15	966.65	4.56	0.00	28.16	28.16
61	4/1/15	28.30	0.14	0.00	0.00	0.00