

# Paw Prints on My Heart

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*Paw Prints on*



*My Heart*

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## **Executive Summary**

My business "Paw Prints on My Heart" is an animal hospice and palliative care center. As a pet owner, my belief is that our animals are part of our family and deserve the best treatment possible. This extends to the difficult time in our lives when our beloved pets come to the end of their lives. I know firsthand how heartbreaking and stressful it is to make sure that your pet lives its last days as comfortably as possible. My business as a palliative care center is to commit to the total care of an animal patient with a life limiting illness that is not responding to curative treatments, and has progressed to the point where death is likely to occur within days or weeks. My hospice provides support and care for animal patients and their families so that the pet lives its last phase of life as comfortably as possible and transitions to the afterlife knowing it is loved. We provide euthanasia administered by a veterinarian at the request of family to spare animals of unnecessary pain. My business is also committed to easing the pain of the family by providing pet removal from the home and cremation services. We also provide pet memorial items that give the families a lasting memory of their beloved pet.

My business would be a local business that would operate here in San Antonio. It would have a web page that would outline all services my business offers, location, hours of operation, rates, and my personal bio. My personal bio would tell my personal reason why this business means a lot to me and how I can relate to my customers. My cats have left permanent paw prints on my heart and I have comfort in knowing that they knew they were loved until the day they passed over the rainbow bridge.

## **Purpose/ Company Overview**

### **Mission Statement:**

Our mission is to provide respectable and compassionate care for beloved pets with clinically challenging illnesses, which include providing the best palliative care for these patients and to increase the quality of life leading to the ultimate transition and to provide family with transparent services to enable them to have the best peace of mind that their loved one is cared for.

### **Corporate Vision:**

As a small business with an ultimate goal of becoming a large household name, our vision for the company is to eventually become a successful and healthy business that also embraces community unity. Within a year we will be expanding our customer basis and have a foundation in the community. The goal of the company was never to expand but to provide a hospitable environment that has more of a home feeling rather than corporate venture.

### **Corporate Values:**

As a small care business we embrace family values. We adopt the values that push for people to stand for the ones who have no voice, to be generous, honest and volunteer time to the community. As a company we protect the passion of the people who embark on fair and open-minded prospects that create a brighter future.

### **Goals and Objectives:**

- Achieve first year sales above \$750,000. This is ~80% of a full capacity operation.
- Maintain a healthy average gross margin.
- Develop a business model that is favorable to expansion.

## **Business Description**

### **What is the Need? Why this Business?**

In the San Antonio area there is a need for my business. There are only a few pet hospice businesses but they do not offer all the same services as my business. My primary competitors are veterinarian clinics. Most veterinarians do provide overnight stays for sick animals but the accommodations are not as comfortable as the rooms that we are proposing in our hospice. The difference would be between a cage kennel in a veterinarian clinic and an aesthetically pleasing hospital room at our facility. The veterinarian clinics and the other hospice care facilities for pets in San Antonio provide euthanasia but do not provide palliative care. My business believes that a beloved pet deserves to be kept comfortable for as long as possible utilizing palliative treatments which include medication, hygienic treatments, and physical therapy. Once it is determined that the pet is in extensive pain and is not responding to any more treatments, at the owner's request, the pet may be euthanized under the most humane and comfortable atmosphere. My business believes that the owner should not be hurried into making that decision and when the time comes they are not rushed out of an office. There are some competitors that also provide cremation services and the pickup of remains. My business provides the owner with transporting the remains back to them along with any memorial items after cremation.

My business offers services to owners of pets that are afflicted with a non-treatable disease state and who require extra care that the owner is unable to provide without help. The services include travel to and from the patient's house with and without the accompaniment of a licensed veterinarian. General animal care such as feeding, medication administration, grooming, and placement of the animal in the home will be provided by animal care specialists. Veterinary house calls for evaluation and emergency care will be services also available. The removal of deceased pets from the house as well as crematory services are included along with transporting of ash remains back to the owner. Products will be available for purchase by the owner for the care of the animal and memorial products as remembrances.

## **Location**

The facility will provide boarding for pets with families that are unable to leave their pets at home. It will provide an atmosphere that can be medically controlled and can be viewed by family at any time. The business provides 24 hour service. Most families wish to have their pet transition in the comfort and familiarity of the home. Certified animal care specialists will be provided for house calls to clean, groom, administer medication, and comfort patients. A veterinarian will be provided to the house for euthanasia services. The animal care specialist or technician will, at the family's request, remove the animal's remains for transportation to cremation services. The cremation remains can either be picked up at the facility or can be delivered by a facility courier.

The pet hospice, palliative care, and crematorium center is a 4000 square foot facility that is separated into two sections. The 3000 square foot section is the hospice and boarding part of the business to include the lobby area, consultation room, and other common areas. The remaining 1000 square foot section is for the crematorium services. Upon entering the facility there is a lobby. Here, the front desk takes patient and family information. Information includes patient photo, immunization records, medical records, and primary veterinarian contact information. An individual cubical provides privacy for the business office to explain the contracts between the business and the client. All financial business consultation and payment is done at this site. Payment is taken prior to services rendered. The hospice center provides offices for contract veterinarians. There are also two patient examination rooms for animal exams, and ten boarding rooms for patients. Five reserved for canines and five reserved for felines. The boarding facilities are rooms the sizes of 10 x 10 bedrooms. Each room has a small comfortable bed, an area for waste, and an area for eating and drinking. Each room has a chair provided for visitors and for animal care specialists. There needs to also be enough room for medical equipment and oxygen chambers. All rooms will have an outdoor decor to provide a peaceful atmosphere to patients and visitors. All rooms will be outfitted with cameras that can be accessed by family members to view a live feed as they go about their daily lives at work and school. Access to the crematorium will be limited to authorized personnel. It is to be used strictly for crematory operations. It will operate in strict accordance with state and local ordinances.

The location can be built but this will require that a large initial investment be made. An alternative is to build out the needed facility from an existing building structure. The existing building structure can be leased. In our business plan we are proposing that we lease a building structure with approximately 4000 sq. ft. at \$22 per sq. ft.

### **Start Up Summary**

In order to establish my business it would be beneficial but not necessary to have a degree in business with a concentration in entrepreneurship. It would be beneficial to have knowledge of business contracts, finance, and accounting. Knowledge of state and local ordinances and laws is necessary. Insurance, tax and labor laws are important to understand as well. A lawyer would be most necessary to contract with to ensure all legalities of this business.

In order to indicate professional commitment and expertise, I would need to gain certification in the field of animal hospice and palliative care as well as cremation. The International Association for Animal Hospice provides an Animal Hospice and Palliative Care certification. It is a non-governmental organization that provides a certification to individuals that demonstrate a high level of knowledge, skill, and ability. Another certification is through the International Boarding and Pet Services. It offers specialty certifications for both canine and feline care specialties. The National Association of Professional Pet Sitters covers animal behavior, pet care, health, nutrition, and first aid skills. In order to operate a pet crematorium one must have the Crematory Operators Certification. I, as well as all pet care techs and specialists would need to have most of these certifications. Only the crematorium specialists would need to be certified with the crematory certification.

My business would be subject to the laws and ordinances of the state of Texas and city of San Antonio. According to the state of Texas, the crematorium would need to have a state Air Quality Standards Permit for Animal Carcass Incinerators (Pet Crematories). According to San Antonio regulations 2017, section 5-2, animal care services facilities, maintenance, and euthanasia services need to be under supervision of a director and inspected to be a suitable building for kennels. It must be inspected to have sanitary conditions,

all animals provided clean food and water, and treated humanely. The facility would be considered the designated caretaker of all animals upon intake in the facility. My business would need to abide by zoning regulations to have a boarding and cremation facility in regards to location in the city. I would need a Commercial Boarding Kennels license. A licensed veterinarian would be needed to perform euthanasia services and would be able to determine the pet's end of life.

### **Business Operations**

The business starts with an initial consultation with pet owner. The contracted veterinarian will review medical records from the patient's primary veterinarian. A course of care and treatment will be discussed with the owner based on the advancement in disease state and individual needs of the pet patient and owners need for help. A determination will be made and the owner will enter a contract outlining the course of care agreed upon. Changes to the course of action may be amended if the owner sees fit or if the patient's needs change. If the patient needs to be placed in hospice care at the facility, the patient will be admitted into a hospice room equipped for that pet's individual needs. Both cats and dogs will be placed in individual rooms. These rooms will have live camera feeds accessible via internet to the owner. Animal care employees will feed, monitor, clean, and administer medication and any palliative care requirements.

If the owner prefers to keep the pet at home, an animal care specialist will drive to the residence. The animal care employee will feed, clean, water change, monitor, medicate, and administer any palliative care requirements at the home of the pet. These in house services require a minimum of 2 hours. Payments will be based on mileage and on emergency calls. A veterinarian assessment will be made at residence if any changes are noted by the animal care employee or at the owner's request.

At such time as the owner feels the pet is suffering and upon veterinarian assessment, the owner decides to euthanize their pet, a veterinarian will be administering euthanasia drugs. This may be done at the facility or at the residence. This will be a 24 hour service so as not to prolong the suffering of any patient. Both in office and at home patients will be euthanized in the presence of the owner.

During the course of hospice treatment and at initial consultation, a cremation service will be decided on and any memorabilia will be chosen and paid for in advance. At the time of death, the at home patients will be transported to the facility for cremation. This will also be a 24hr service. After cremation, the ashes of the remains will be transported back to the owner along with any purchased memorial items.

Memorial items will be purchased wholesale from a distributor. Items such as locketts, frames, religious pet poems, and plaster paw print casts will be available for purchase. Paw prints will be obtained during the hospice care unless decided upon after death. At that time, the cremation specialist will make paw print casts.

### **Sales Literature**

Sales literature for our business will include mainly brochures on services offered and flyers for promotion. Through these advertisements, information such as the address, phone number, hours of operation, etc. will be given to potential customers. Through these advertisements, we will be able to reach new customers and begin to create an awareness of our business and what the business has to offer.

Sales literature can be provided to veterinarian clinics, pet hospitals, pet shows, and to pet stores.

### **Future Services**

Although our business intends on having only one location, we think that this concept can lead to multiple locations around the city. The concept can be franchised across the country to generate additional revenue.

The business could also provide cremation services to other veterinary clinics/hospitals. This will allow for a quicker return on investment on the incinerator used to perform cremations and can supplement incoming income.

Even though the business is mainly focused on cats and dogs, there is an opportunity to branch out to other pets if the need arises. This can be determined by service inquiries for other types of pets.

### **Target Market**

#### **Industry Overview:**

The following spending statistics are gathered by the American Pet Products Association (APPA) from various market research sources.

Actual Sales within the U.S. Market in 2016 (See End Notes)

In 2016, \$66.75 billion was spent on our pets in the U.S.

#### **Breakdown:**

Food	\$28.23 billion
Supplies/OTC Medicine	\$14.71 billion
Vet Care	\$15.95 billion
Live animal purchases	\$2.1 billion
Pet Services: grooming & boarding	\$5.76 billion

Estimated 2017 Sales within the U.S. Market

For 2017, it estimated that \$69.36 billion will be spent on our pets in the U.S.

#### **Estimated Breakdown:**

Food	\$29.69 billion
Supplies/OTC Medicine	\$14.93 billion
Vet Care	\$16.62 billion
Live animal purchases	\$2.01 billion
Other Services	\$6.11 billion

**Projected Clientele:**

The customers that I anticipate would use my business are owners who cherish their pets and treat them as family. They want what is best for their pet in medical care and realize that the inevitable end result will be transitioned in a way that is respectful and sympathetic for both the patient and the family. The end care for a beloved pet should be a reflection of the families love. My business would encompass compassion and trust in all services rendered. This service can be considered a luxury service and we will need to target individuals with financial means.

Owners that would definitely benefit from such services are elderly and disabled owners. It is very difficult to care for a pet and much harder once the pet is ill. Elderly and disabled owners benefit from having pets in their lives but once the pet becomes ill they are almost helpless to become the caregivers. Sick animals require frequent veterinary visits. These owners find it difficult to kennel and physically carry animals that are not moving much on their own. Administering medication is quite a chore. Sick animals often refuse medication and need to be physically manipulated for proper administration. Some animals require help eating and drinking water. Pet care specialists would assist with these needs as well as cleaning up after the pet patient in regards to general grooming and biological waste. Upon the pets end transition, these owners are virtually helpless in removing the remains and making arrangements. My business would have an employee remove the deceased and transport the remains to our crematorium. At that time the owner could decide what memorial they wish to purchase. Once the remains are prepared, the service would deliver them back to the owner with any memorial purchased. These memorials would include paw prints in ink, plaster print impressions, lockets with hair, and picture frames.

The elderly and disabled are not the only customers that would benefit from my business. The working family and single pet parent would as well. Every day we leave our pets at home and travel to work, school, and events. We are reassured our pets are more than capable of taking care of themselves while we are away. When a pet family member becomes ill, this is not the case. Employers and educational systems do not recognize time off for the care of pets. It is very stressful to worry about a sick pet all day while away, and wonder how the pet will be when you finally arrive home. A veterinary office will board sick pets

but not in the same style as my business. Busy families could have the option of having a pet care specialist care for their pet at their home or at our hospice. The hospice is not the standard gated kennels. These are individual rooms equipped with bedding, medical monitoring equipment, soothing scenery, outdoor sensory sounds, and a 24 hour camera. The camera allows worried owners to view their beloved pet at any time. They can also rest assured that they are being provided constant monitoring throughout the day as well as being fed, cleaned, and made comfortable. A status update would be texted to the owner every hour. In the event that the beloved pet becomes critical or suddenly passes, the owner would be immediately notified. The owner can also be assured that their loved one transitioned as comfortably as possible with an attendant with them. Peace of mind is a guarantee for my customers.

**Operations Continued: The Service and Product**

Paw Prints on My Heart offers the following services at the listed prices.

**Pricing for Services:**

<b>Items</b>	<b>Price</b>
Phone consultations	no charge
Initial visit, physical exam, medical record review, Subcutaneous fluid administration to aid in hydration if indicated Family training, Pain management	
At home	\$ 400
Office	\$ 250
Pet care specialist home visit, Medication administration, Feeding, Grooming	
At home	\$75 /2hr min \$ 20 each additional hour
Aggressive pets additional	\$100
Medical supplies and medication	priced separately
In home euthanasia	\$325 price includes medication
<b>Travel fee:</b>	
0-10 miles	\$25



## Marketing Strategy

### Strengths

- Few locations where these services are the core business
- Interior Design, soothing atmosphere for hospice
- Family oriented

### Weaknesses

- Mostly centered around cats and dogs
- Price – Luxury service

### Opportunities

- Get to know customers
- Can expand to multiple locations
- Franchise business
- Improve services

### Threats

- Other veterinary clinics/hospitals
- Copy cats

## Financial Requirements

The money for my business can be funded through business loans with the bank, and by possibly entering into partnerships with veterinarians that would like to invest in the business for an equity stake. My business plan will rely on a small business loan for \$150,000 at 6% for 5 years. This loan will cover the initial startup costs with a buffer for incidental expenses.

<b>Expenses Checklist</b>	
<b>Item</b>	<b>Cost</b>
<b>Equipment Supplies (Monthly)</b>	
Cleaning supplies	\$100.00
Complimentary items - water, snacks	\$60.00
Disposable medical supplies	\$200.00
Office supplies	\$75.00
Pet food	\$150.00
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	<b>\$585.00</b>

**Startup Costs (One time only)**

Break room - build out	\$3,000.00
Computers, Printers, Office equipment	\$10,000.00
Design elements - Lobby	\$5,000.00
Design elements - Rooms	\$5,000.00
Exam tables - qty 2	\$2,000.00
Food inventory	\$2,000.00
Furniture - desks/chairs	\$8,000.00
Incinerator - cremation	\$50,000.00
Medical equipment	\$10,000.00
Medical supplies	\$5,000.00
Memorial inventory	\$3,000.00
Office software	\$500.00
Phones	\$3,000.00
Room Cameras	\$1,500.00
Security system	\$3,000.00
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	<b>\$111,000.00</b>

**Overhead costs (Monthly)**

Accounting service - Payroll	\$200.00
Building lease	\$8,000.00
Business loan (5 year loan, 6%)	\$2,900.00
Electricity/water	\$2,000.00
Housekeeping service	\$400.00
Insurance	\$1,200.00
Internet service/Cable/Phone	\$600.00
Laundry service	\$200.00
Legal service	\$300.00
Personnel monthly cost	\$41,250.00
Pet hospital software service	\$200.00
	<hr/>
	<b>\$57,250.00</b>

### Personnel - yearly cost

Cremation technician	\$30,000.00
President	\$80,000.00
Secretary/clerk - 2	\$50,000.00
Technicians/assistants - 3	\$60,000.00
Pet care specialists -2	\$80,000.00
Veterinarian(s) - 2	\$195,000.00
	<hr/>
	<b>\$495,000.00</b>

### Performance

The success of the business will be measured in a couple of ways. Total monthly sales will be an indicator on the success of the business. Electronic surveys will be used to determine customer satisfaction and possible return customers. The number of new and returning customers will be reviewed as an indicator of growth and return business. The utilization of the hospice rooms will be an indication on whether the service is needed.

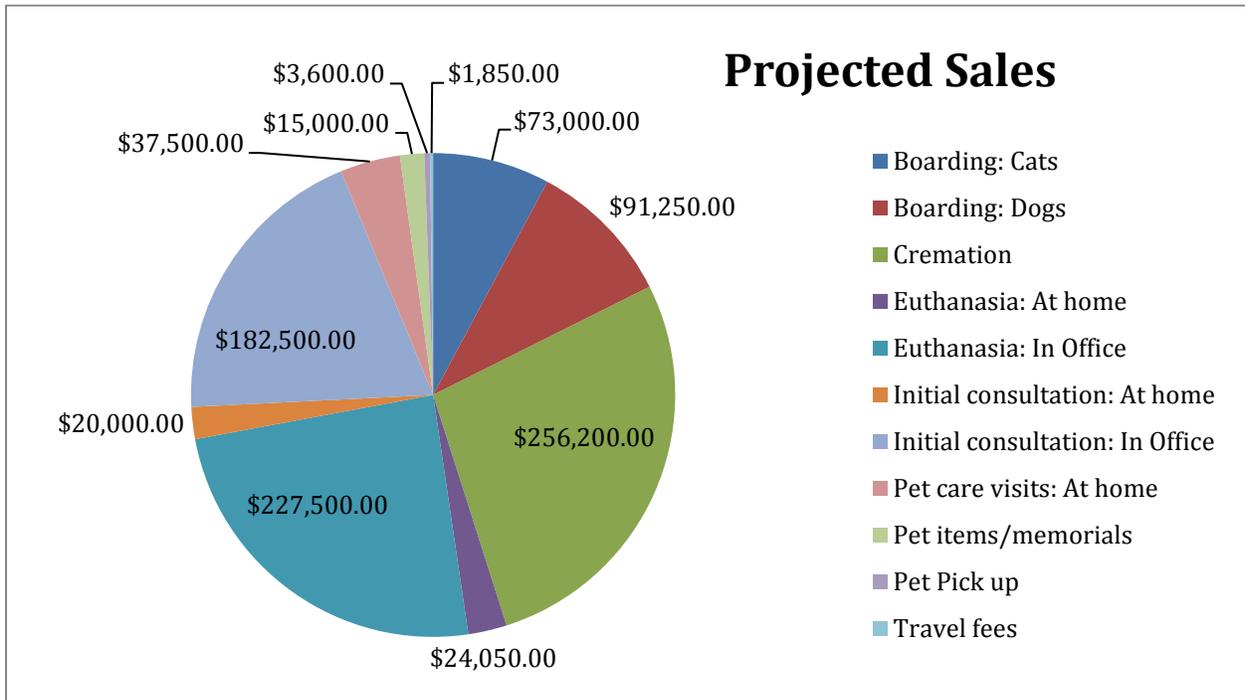
Methods to measure performance:

- Total sales
- Electronic surveys
- Tracking of new customers
- Tracking of returning customers
- Room utilization

The following lists the projected income for a facility that is fully operational. The assumptions are conservative and not all potential income is listed. For example, income for performing cremations for other businesses is not listed.

<b>Projected Sales per Year</b>		
<b>Item</b>	<b>Days</b>	<b>Cost</b>
<b>Assumptions</b>		
Operating days	365	
Average days for pet stay	5	
Average days for pet home visits	5	
Number of clients per year	73	
Clients x 10 rooms	730	
Home clients per year	50	
Pet euthanasia per year	74	
<b>Initial consultations</b>		
At home		\$20,000.00
In Office		\$182,500.00
<b>Pet Care visits</b>		
At home		\$37,500.00
<b>Euthanasia</b>		
At home		\$24,050.00
In Office		\$227,500.00
<b>Boarding</b>		
Dogs		\$91,250.00
Cats		\$73,000.00
Cremation		\$256,200.00
Travel fees		\$1,850.00
Pet items/memorials		\$15,000.00
Pet Pick up		<u>\$3,600.00</u>
<b>Total Sales</b>		<b>\$932,450.00</b>

Total Monthly Sales	\$77,704.17
Monthly Overhead	\$57,250.00
Projected Monthly Income	<u>\$20,454.17</u>
Projected Yearly Income	<b>\$245,450.00</b>



## **Commitment**

As I mentioned earlier I am committed to this business and I think that it can grow and expand. With an aggressive marketing campaign I am willing to attend pet shows, visit other clinics, and pet stores to get the word out. I am willing to work long hours to help make the business a success. I will be hands on with the business so that I can demonstrate that this is more than a business but a passion of mine. For my clients, I would like to meet with most of them and let them know how much I care. This would give me a firsthand chance to build a personal relationship with my clients. I would also like to preserve the memory of each patient. I would accomplish this by placing a picture of all of my pet patients in scrap books and/or wall collages. I would ask each pet owner to write something about their pet's personalities. I would like this to be available for other clients to see and to remind my staff how much they are appreciated by the clients. This would honor the memory of my clients.

During rough times I am willing to decrease my salary to continue to operate the business. I also think that the business can aid other clinics/hospitals by providing cremation and boarding services as needed. The use of interns may be another method to reduce overhead costs in exchange for work experience.

## **End Notes**

1. Food total is based on PFI research consultant Davenport Co, Packaged Facts Pet Food in the U.S. 2015-2020, and petfoodindustry.com 2015 Industry Report, and Euromonitor International Pet Care in the US plus new information generated by the US Bureau of Labor Statistics (US BLS).
2. Supplies based on APPA historical, BCC Research-The Pet Industry, Fountain Agricounsel 2015-2016 Situation Analysis, Pet Product News, Packaged Facts Pet Supplies in the US 2016-2017, IBISWorld Industry Report Pet Stores in the US and Cleveland Research 2015 Forecast.
3. Veterinary care includes routine vet care and is based on AVMA, Newsweek, Brakke Consulting, Bain & Co, Fountain Agricounsel 2015 Situation Analysis Report and Packaged Facts Pet Supplies in the US 2016-2017.
4. Live Animal purchases based on APPA, AVMA, Fountain Agricounsel, Packaged Facts Pet Population and Ownership Trends and Euromonitor estimates
5. Other Services based on Packaged Facts, Euromonitor, APPA State of the Industry Report, Newsweek, Dillon Media Trends Report, and IBISWorld
6. Other Services include grooming, boarding, training, pet sitting, pet exercise, pet walking, miscellaneous
7. Pet insurance figures are included in Veterinary Care
8. Some items previously included in Supplies/OTC Med have been reformulated and are now included in Food.