

*A Plan for
the Growth of
Dedicated Associates*

Dedicated Associates, Inc.
1784 Big Sky Blvd.
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Summary

Dedicated Associates, Inc. provides graphic design and marketing communications services.

The firm has three full-time employees in addition to the full-time participation of its two principals.

Gross income in 2006 was \$0,000,000.

The Company is a subchapter S Montana corporation chartered in October, 1995, and has been operating without interruption since. Fifty-one percent of the Company's outstanding stock is held by Sally J. Dedicated; forty-nine percent by Joseph H. Dedicated.

This plan outlines the business activities, projections and opportunities for Dedicated Associates, and details the need for additional capital in 2007 to finance growth.

Principals

Dedicated Associates was founded by Mr. and Ms. Dedicated shortly after their marriage in 1995. Their objective was to utilize the skills they had developed in New York City to found a stable business offering Montana companies and organizations the same high-level design and marketing communication services usually associated only with larger metropolitan areas.

Prior to founding Dedicated Associates, Ms. Dedicated was a senior account executive and group vice president at Dernbach, Dones & Dale advertising, where she worked primarily on the advertising campaigns of Freedom Equity Fund, Big Pit Copper Products, and Machismo Trucks. She began her career as a writer in the Chicago advertising agencies of Hand, Triangle & Gelding. In her ten years at that firm she worked on a variety of client communications problems. She is a graduate of Oxford University.

Mr. Dedicated was a senior designer and vice president of Imperious Design where he worked with such clients as National Accounting Machines, Regional Airlines, Analog Computers, and Gamble and Doctor. Before joining Imperious Design he worked for nearly ten years in various design capacities for several well-known New York graphic design firms. He is a graduate of the Montana Academy of Design.

Facilities and Staff

Dedicated Associates occupies 2,000 square feet of office space in the Cattleman's Bank Building. The space is leased through March 2008, and is adequate for the growth projected.

The firm owns miscellaneous office furniture and equipment valued at approximately \$0,000 including several Macintosh Computers, software, and peripheral devices with current market value of over \$00,000. All equipment is appropriate for the growth projected, but will need to be supplemented.

Dedicated's staff consists of five individuals with a variety of appropriate talents, experiences, and functions. No additional staffing is projected in the short-term.

Freelance talent—writers, illustrators, and photographers—is also contracted as business volume requires.

Services Provided

Dedicated Associate's business is offering graphic design and marketing communications services. We conceive, design and produce corporate identity programs, Internet sites, trade show exhibits, packages, signs, booklets, annual reports, and print advertising.

We are among the top five firms in Montana providing these services, and have clients throughout the region, including the State of Montana. We are the recipients of many state and national awards for excellence. We also enjoy a reputation as being an innovation leader, and have received national recognition for some of our operating procedures.

Several of the services we offer to our clients—primarily sophisticated software programming—are contracted out to specialty suppliers.

The Market

The traditional market for graphic design and marketing communications has been expanding for decades as more organizations appreciate the bottom-line benefits of quality services. This expansion has been considerably accelerated in the past decade by the introduction of new, computer-driven technologies, especially the Internet.

The overall growth of the market, and particularly the growth made possible by computer-driven technologies, has enabled our firm to prosper in Montana. The “New York” quality we can bring to our clients at Montana prices simply would not have been possible a decade ago.

Now the continued development of technology makes it possible for us to enter a new, dynamic, and profitable market segment.

Opportunity

Our new opportunity is providing full-capability Internet (Web) site preparation and hosting for the Big Sky market.

There is no other firm offering this capability, the closest competitor is in Helena, nearly 100 miles away. By providing it, we will be able to offer local convenience when helping clients assess their needs, local service addressing any problems that arise, and the quality control that comes only from site preparation and hosting. We anticipate success in marketing this service to the many smaller firms needing Internet site preparation and hosting that have recently located in the Big Sky area.

Our projections indicate that we can handle this expansion with no increase in facilities or staff, and only a moderate and manageable increase in equipment.

As the financial projections indicate, we believe this opportunity will be a highly profitable market extension. We also believe it is a natural and timely one. We are unique in having a combination of staff, equipment, experience, and clients that will allow us to establish a primary position in a still-developing technology before there is serious competition in our market.

Financial Need

To supplement our present Internet site-preparation capabilities with hosting services it will be necessary to obtain a more powerful computer server, high speed telecom lines, and additional software programs. The total outlay is approximately \$00,000 as outlined below.

Software (type and description here)	\$ 000
High speed telecom lines (type and description here)	\$ 000
Computer server (model number and description here)	<u>00,000</u>
	Total \$ 00,000

We wish to finance the purchase of this capability with a five-year loan.

Summary Profit Projection

Detail on the financial position of Dedicated Associates can be obtained from the Company's Corporate Tax Returns and the Annual Statement of Financial Condition prepared by Barney & Smith, CPAs. Both are attached. This page summarizes the specific financial projections upon which the loan request is made.

<u>Monthly income</u>	
Present (12-month, 2006 average)	\$00,000
Additional Web site preparation	
0 new sites at \$00,000 each	0,000
New Web site hosting	
00 clients at \$000 each	<u>0,000</u>
Projected income	\$00,000
<u>Monthly expenses</u>	
Present labor (December 2006)	\$ 0,000
Present overhead (12-month, 2006 average)	0,000
Loan payment and interest***	<u>000</u>
Projected costs	\$00,000
Additional profit	\$ 0,000
Profit as a percent of additional sales	00 percent

***Assumes a five-year note for \$00,000 @ x.x percent interest.