PROSKILLS DRIVING SCHOOL

Business Plan

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1.PROJECT PROFILE AND DEVELOPMENT STRATEGY

1.1.   Outline of the project

This business plan provides for the implementation of a project to create a **'Proskills driving school'.**

To this end, a legal entity will be established in State of New York, and additional personnel will be hired, headed by the project owner/founder - ****** ****.** For the purposes of this project, the proponent will establish a company in Q1 2024.

The ProSkills Driving School is dedicated to empowering individuals with the skills and knowledge needed for safe, confident, and responsible driving. The offerings are meticulously crafted to empowering individuals with driving skills, safety awareness, and responsibility while emphasizing the commitment to road safety.

Through the driving school programs, the company empower students to navigate the roadways with competence, understand and adhere to traffic laws, and prioritize safety for themselves and others.

The ProSkills Driving School is committed to fostering a culture of responsible driving and ensuring that road safety remains a top priority. The mission is to empower individuals with the skills and confidence to navigate any road, in any condition, while upholding the highest standards of safety and ethics.

COMPANY'S SERVICES

The mission of the company is to empower individuals with the knowledge, skills, and confidence to become responsible drivers. The company is dedicated to delivering high-quality driver education, fostering a culture of road safety, and preparing students to navigate the roadways with competence and integrity.

The aim is to educate and prepare individuals to be skilled, and responsible drivers, fostering a culture of road safety and responsible driving behaviors. This includes equipping them with the knowledge and skills needed to navigate the roadways, make informed decisions, and contribute to overall road safety.

The driving school takes pride in offering an innovative learning experience through the dedicated mobile application. Designed to empower the students with valuable resources and support, the app is available for purchase, enabling them to review covered topics and enhance their preparedness before their examinations.

The application serves as a comprehensive study companion, allowing students to revisit course materials, practice tests, and essential concepts at their convenience. It houses a comprehensive library of resources, including course materials, practice tests, video lessons, and interactive simulations. It provides a

convenient and accessible platform for reviewing key information, honing their skills, and bolstering their confidence as they prepare for their exams.

Learning doesn't stop when students leave the classroom. The app empowers students to continue their education anytime, anywhere. Whether they're commuting, waiting for an appointment, or simply have a spare moment, they can dive into their driver education materials right from their mobile devices.

For a more immersive learning experience, the app offers AR-enabled lessons and simulations. This cutting-edge technology allows students to visualize complex concepts and scenarios, making learning both informative and fun.

In essence, the driving school's mobile application is more than just a learning tool; it's a dynamic, interactive, and ever-evolving platform that empowers students to become safe, confident, and responsible drivers. With the app in hand, students have the resources they need to succeed in their driver education journey and beyond.

With the driving school's mobile application, the company extend the commitment to fostering a successful learning journey for the students. It exemplifies the dedication to harnessing technology to provide the tools and resources necessary for their success in achieving their driving goals.

The driving school distinguishes itself in several significant ways:

1 Proprietary technology integration

The driving school leverage cutting-edge technology and their own innovative applications to enhance the learning experience. The driving school's mobile app, equipped with a comprehensive suite of resources, provides students with unparalleled convenience and flexibility in their preparation.

2 Customized curriculum

The driving school's curriculum is meticulously tailored to meet individual learning needs. The driving school's recognize that each student is unique, and the instructors adapt their teaching methods to ensure that every student receives personalized, effective instruction.

3 Focus on safety and innovation

Safety is the cornerstone of the driving school's approach. The driving school prioritize not only teaching the rules of the road but also instilling a strong sense of responsibility and defensive driving techniques. The driving school's commitment to innovation means that the students are exposed to the latest advancements in driver education.

4 State-of-the-art vehicle fleet

The driving school boasts a modern and well-maintained vehicle fleet, each equipped with advanced safety features. The vehicles are not just means of transportation but are also educational tools, fostering a controlled and secure environment for practical training.

5 Experienced instructors

The driving school's team of instructors brings a wealth of experience and expertise to the table. They are not just educators but mentors who guide students through every step of their driving journey, instilling confidence and competence.

6 Comprehensive exam preparation

The driving school go the extra mile in preparing the students for their examinations. The driving school's mobile app provides a wealth of practice tests and review materials, ensuring that students are well-prepared and confident when it's time to take their exams.

7 Innovative learning environment

The driving school's classrooms are equipped with modern technology to facilitate interactive and engaging learning experiences. The company prioritize a dynamic and immersive learning environment that keeps students motivated and invested in their education.

8 Community engagement

The driving school believe in giving back to the community. The driving school is not just a business but an active participant in community initiatives and safety programs, contributing to the well-being of local neighborhoods.

In summary, the driving school's unique blend of technology, personalized instruction, safety focus, and community engagement sets them apart as a driving education leader. The driving school are not merely a school but a partner in the students' journey to becoming responsible and skilled drivers.

In essence, the mission of 'Proskills driving school' is aligned with national imperatives related to road safety, adherence to traffic regulations, and accident prevention. By imparting clients with the skills and resources gained from the training courses, the company contribute not only to the safety of individuals but also to the well-being of businesses, organizations, and the broader community.

Transitioning to **Proskills driving school** offers a multitude of **benefits**:

1 Reduced accident rates

Graduates of safety-focused driving schools tend to have lower accident rates, contributing to overall road safety in the community.

2 Better decision-making

A focus on safety includes teaching students to make informed, responsible decisions on the road, reducing the risk of accidents.

3 Positive impact on community

Producing safe, responsible drivers contributes to a safer community with fewer accidents and injuries.

4 Environmental responsibility

Safety-focused driving schools often emphasize eco-friendly driving practices, promoting fuel efficiency and reducing environmental impact.
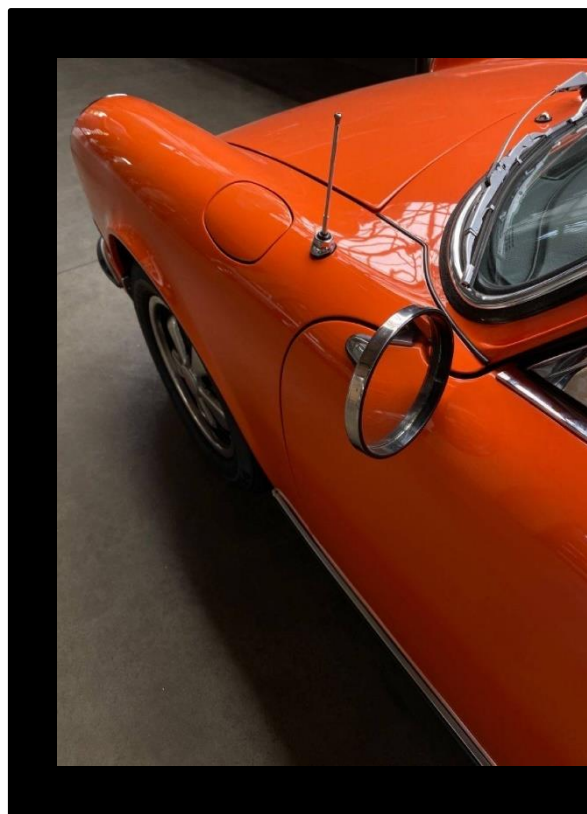
Below are several **key services** that the company is poised to offer:

1 5-hour pre-licensing course certificate

This service provides clients with access to a comprehensive 5-hour pre-licensing course designed to equip new drivers with the knowledge and skills needed to pass their driving tests and become responsible, safe drivers. Upon completion of the course, clients will receive a certificate that fulfills state requirements and allows to proceed with licensing process.

2 Driving package (practical lessons)

The company's driving package offers hands-on, practical driving lessons with experienced instructors who will guide clients through the essential skills and techniques required to become a proficient and confident driver. These lessons are tailored to individual needs and are a crucial component of clients' journey towards obtaining a driver's license.

3   Providing a vehicle for the DMV road test

The company take the stress out of scheduling and preparing for DMV road test by providing a vehicle for clients' examination. The company's vehicles meet all required standards, ensuring that clients have the best possible chance of passing the test and obtaining a driver's license.

4   Driver training app - Basic package

The company's Basic Package offers an excellent starting point for new drivers. Clients will gain access to:

- Access to practice tests.
- Progress tracking.
- Eco-friendly driving habits.

This package is ad-supported.

5   Driver training app - Standard package

In addition to practice tests and progress tracking, clients will gain access to:

- Access to a limited number of video lessons.
- Gamification system.
- Progress tracking with detailed analytics.
- Community forum access.

This package is ad-free for uninterrupted learning.

6   Driver training app - Premium package

Clients will gain access to:

- Full access to video lessons library.
- AR-enabled lessons and simulations for a more immersive learning experience.
- Early access to new content and updates.
- Access to a premium community forum with expert moderators.

The driving school is dedicated to providing a comprehensive driver education experience through the state-of-the-art driver training app. Whether clients choose the company's Basic, Standard, or Premium Package, clients will have access to essential resources, practice tests, progress tracking — all designed to empower clients with the knowledge and skills needed to become a safe and responsible driver.

The above-listed services will not be launched simultaneously. The list of services will rather be expanded gradually in 2024-2029 along with the expansion of staff and competencies.

In the realm of mobile app development, a robust foundation of programming languages and technologies is paramount.

1 Programming languages and technologies
Mobile app (client):

For iOS: Swift for native development.
For Android: Kotlin for native development.
Server backend:

Node.js for server-side development.
Database management using PostgreSQL for structured data and MongoDB for unstructured data.
RESTful APIs for communication between the client and server.

2 Scalability and load balancing
To accommodate an increasing user base, the architecture will incorporate scalability measures: load balancing and cloud-based hosting.

3 Data security
The app will prioritize data security and privacy. User data will be encrypted during transmission and storage. User authentication and authorization will be implemented using industry-standard protocols.

4 Content delivery
Content delivery will be optimized through Content Delivery Networks (CDNs) to enhance the app's performance, especially for media-rich content like videos and podcasts.

5 Monitoring and analytics
Monitoring tools will be integrated to track app performance, identify bottlenecks, and ensure high availability. Analytics tools will provide insights into user behavior and content engagement.
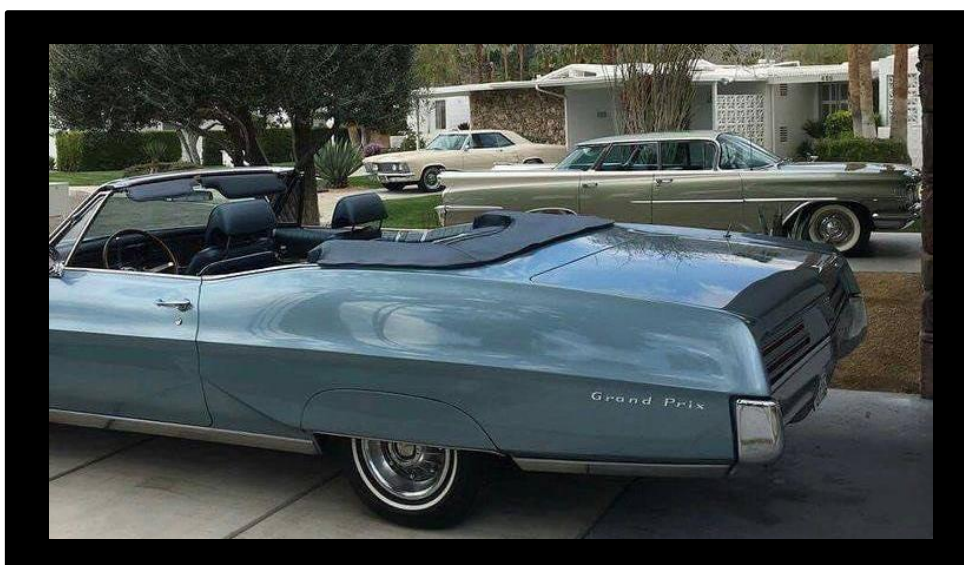
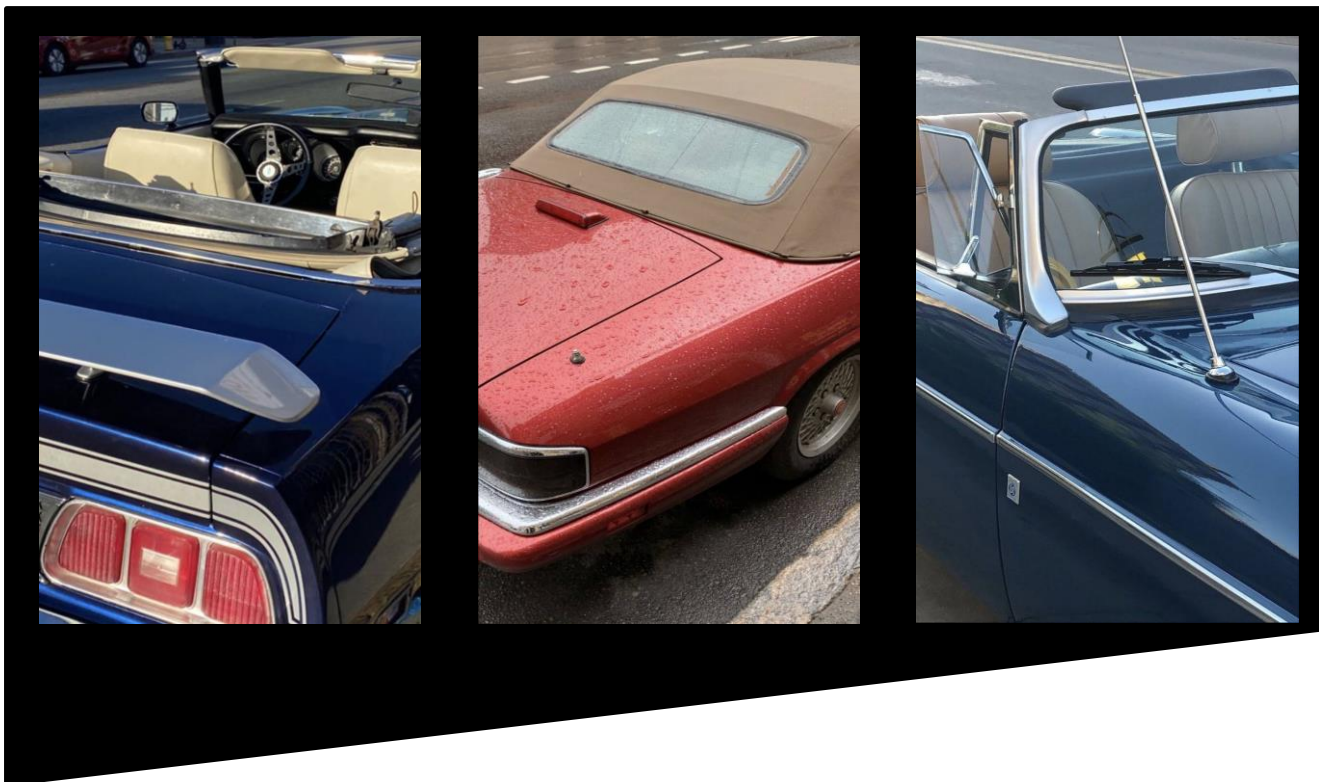Introducing the **Proskills driving school**, a groundbreaking innovation that sets new standards in the world of driving training industry. This company is not just cool but a game-changer for several compelling reasons:

1 Cutting-edge approach
The company adopt a cutting-edge approach to driving education, integrating the latest technology, teaching methodologies, and industry insights to create a dynamic and engaging learning experience.

2 Safety-centric philosophy
The company instill a safety-centric philosophy in every aspect of the training, ensuring that each student becomes a responsible and vigilant driver.

3 Comprehensive curriculum
The curriculum is exceptionally comprehensive, covering a wide range of topics, from basic driving skills to advanced maneuvers and defensive driving techniques, providing students with a well-rounded education.

4 Industry expertise
The team comprises seasoned professionals with extensive experience in the driving industry.

5 Flexible learning options
Whether clients prefer in-person classes, online learning, or a hybrid approach, The company offers flexible learning options that fit clients' schedule and preferences.

The Proskills driving school is more than a training provider. It's a catalyst for change, setting the bar higher for driving training standards and empowering clients to thrive in a safer and more compliant world.

NATIONAL IMPORTANCE

A project centered on safety driving training indeed holds significant national importance for several compelling reasons:

1 Reducing accidents and fatalities

Safety driving training directly contributes to reducing road accidents and fatalities, making the U.S. roadways safer for everyone.

2 Economic impact

Fewer accidents and safer roads result in reduced healthcare costs, lower insurance claims, less property damage, which positively impact the national economy.

3 Environmental benefits

Responsible driving habits, such as eco-friendly driving techniques, contribute to reduced emissions and air pollution, aligning with national and global environmental goals.

4 National reputation

A nation known for its commitment to road safety and comprehensive safety driving training will earn a positive reputation on the global stage.

5 Youth development

Teaching safe driving habits to the younger generation not only keeps them safe but also fosters a culture of responsibility from a young age.

6 Community well-being

Safer roads contribute to the overall well-being of communities, as residents can enjoy a higher quality of life without the constant fear of accidents.

7 Reduced law enforcement burden

When drivers are well-educated in safety, law enforcement agencies can allocate resources more efficiently and focus on other critical matters.

In summary, a project focused on safety driving training has far-reaching implications that extend beyond individual drivers. It positively impacts national safety, the economy, the environment, public health.
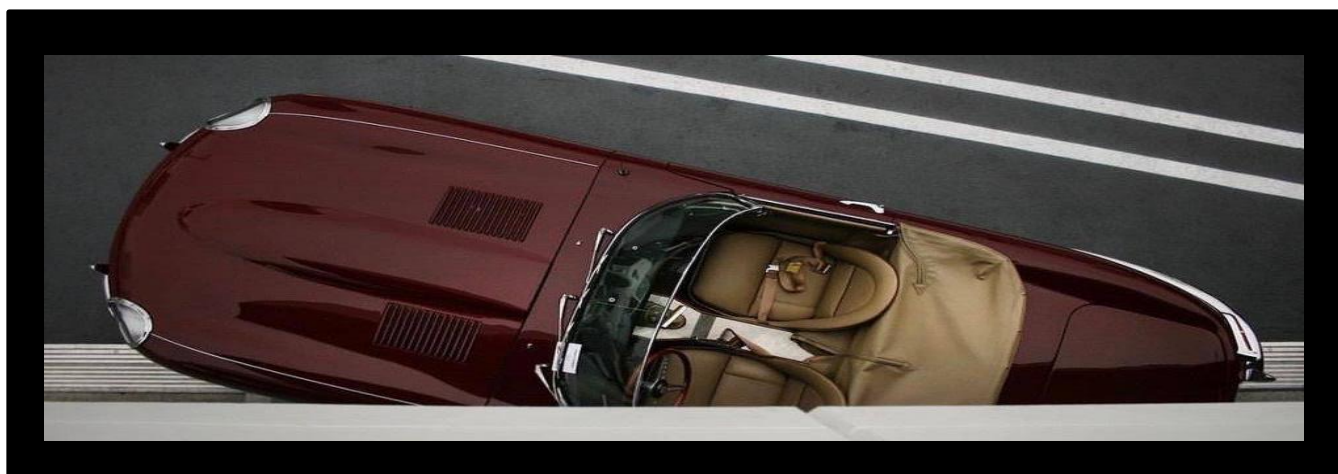
1.2. Owners of the project

As mentioned earlier, the key project owner and CEO is **** ****.

At the initial phase of the company's operations the services will be rendered under the direct supervision of ***, who will head the first work team.

EDUCATION

****

WORK EXPERIENCE

****

****'s personal qualities that can help the development of the project:
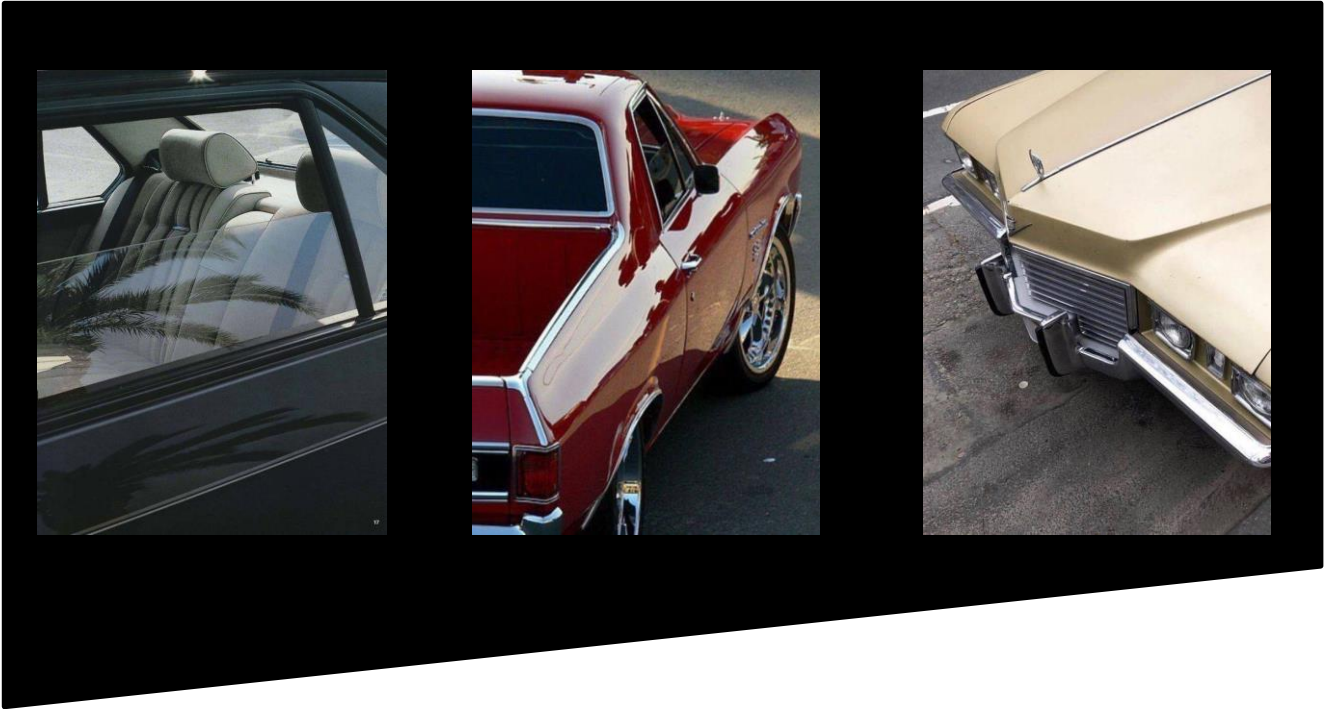
1 Strong leadership skills

As the founder and leader of the company **** will need to inspire and motivate team, set a clear vision, and make strategic decisions that align with company's goals and values.

2 Excellent communication skills

Effective communication skills are crucial for building relationships with clients, understanding their needs. Additionally, he'll need to communicate effectively within team to ensure everyone is aligned and working towards the same objectives.

3 Problem-solving abilities

Business development involves identifying challenges and finding creative solutions. Developing strong problem-solving skills will enable **** to address obstacles that arise along the way and find innovative ways to help clients.

4 Adaptability and flexibility

The business landscape is constantly evolving, and being adaptable and open to change is crucial. Stay updated on industry trends, consumer preferences, and emerging sustainable practices to ensure business remains relevant and responsive.
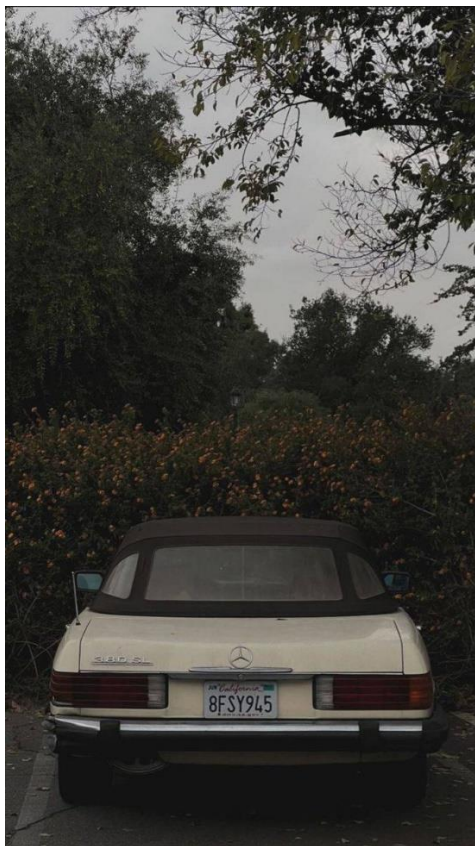
MARKET ANALYSIS MARKETING STRATEGY

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2.   MARKET ANALYSIS. MARKETING STRATEGY
2.1.   The U.S. driving schools market

In modern life, the skill of driving a car is essential and highly important. Owning a car or having the ability to drive one provides individuals with a high level of independence and mobility. It allows people to conveniently travel to their desired destinations without relying on public transportation schedules or the availability of taxis. Driving is also essential in emergency situations. In emergencies such as accidents, natural disasters, or urgent medical needs, being able to drive can save lives and provide aid to others.

Furthermore, having the skill of driving a car increases one's employability and opens up more job prospects, as it demonstrates the ability to take on responsibilities and fulfill job requirements that involve commuting or transportation of goods. The mentioned factors directly contribute to the expansion of the driving schools market in the USA and create favorable conditions for the successful execution of the proposed project.

The U.S. driving schools market refers to the industry that provides driving education and training to individuals seeking to obtain their driver's license. It is a significant and growing sector in the country due to the increasing demand for driving lessons and the legal requirement for individuals to pass a driving test before obtaining a license.

In 2022 analysts at IBISWorld estimated that **the driving school market in the United States was worth $*** billion**. Over the period from 2018 to 2022, the market has experienced an annual growth rate of 0.7%. According to the analytical company's findings, there were 21,428 driving schools operating in the US in 2022 (projected to increase to 28,468 in 2023), employing a total of 34,644 individuals (projected to reach 41,112 in 2023).

The U.S. driving schools market is primarily composed of private driving schools and public driving institutions. Private driving schools are usually run by independent businesses or franchised chains and cater to a wide range of customers, including teenagers, adults, and elderly individuals. Public driving institutions, on the other hand, are usually government-run entities or affiliated with public high schools and colleges. They primarily focus on providing driver's education programs for students.

The states of California (299 companies), New York (269 companies), and Texas (208 companies) emerge as the leaders in terms of the number of driving schools in the USA. The driving school industry in the USA exhibits low market concentration, with no companies holding a market share exceeding 5%. It is anticipated that by 2023, the capacity of the American driving school market will reach approximately *** billion USD (+1.8% from 2022).

The U.S. driving schools market is highly competitive, with many small and medium players operating across the country. These schools differentiate themselves based on factors such as reputation, quality of instruction, pricing, and additional services offered, such as defensive driving courses or online learning options.

Key market trends in the U.S. driving schools market:

1. Increasing demand for driver's education. With an expanding population and a rising number of individuals reaching driving age, there is a growing demand for driver's education services.

2. Adoption of online driver's education. Advancements in technology and digital platforms have made it easier for individuals to access driver's education materials and courses online.

3. Integration of advanced driving technologies. The introduction of advanced driving technologies, such as autonomous vehicles, driver-assistance systems is transforming the driving landscape.

4. Rising focus on road safety and defensive driving. Increasing concerns about road accidents and fatalities have led to a greater emphasis on road safety and defensive driving skills.

5. Partnerships with insurance companies. Driving schools are increasingly forging partnerships with insurance companies to offer discounted insurance rates for individuals who complete their training programs.

6. Diversification of services. Many driving schools are now expanding their services to include advanced driver training programs and specialized courses.

7. Growing emphasis on eco-friendly driving. There is a trend towards incorporating eco-friendly driving practices into driver's education programs.

Currently, the market for driving schools in the United States is witnessing a significant shift towards a rise in **popularity of online driving schools.** This change in consumer preference has been made possible by advancements in technology and wider internet availability.

One of the factors driving the growth of the online driving schools market is convenience. Online courses enable learners to complete their driver's education at their own pace and from the comfort of their homes. This flexibility appeals to busy individuals, students, and those residing in remote areas where in-person driving schools may not be readily available.

Online driving schools often provide a combination of interactive videos, simulations, quizzes, and practice tests to deliver comprehensive driver's education. These digital resources not only engage learners but also allow them to gain practical knowledge and experience in a virtual environment.

The proposed project, based on an online driving education platform, fully corresponds to the current market trend of driving schools in the United States described above and has prospects for further development. The project plans to organize comprehensive driving education services in the United States, including the following business directions:

1. installing special software on existing driving schools in the USA in order to organize remote learning processes (theory and exams), provide necessary consultations to clients, and attract new students;
2. organizing the operation of the own driving school based on the proposed technology, initially in the state of New York, with subsequent expansion throughout the United States;
3. providing assistance in organizing the operation of a driving school based on a franchise with marketing support.

Each of the business directions selected by the project has its own competitors, and a brief description of them is presented in the table below.

Table 2.1. Description of some competitors in the U.S. driving schools market

Business direction	Online driving school app	Own driving school (New York)			Driving school franchise
Competitor	DriversEd.com	Drive Rite Academy	Pierre Paul Driving	Revolution Driving Schools	911 Driving School
Logo	DE DriversEd.com	DriveRite ACADEMY		REVOLUTION DRIVING SCHOOL	9-1-1 DRIVING SCHOOL
HQ	California, Oakland	New York, Staten Island	New York, Brooklyn	New York, Long Island City	Washington, Issaquah
Year of foundation	1997	2014	2011	2016	2005
Site	driversed.com	driveriteny.com	pierrepauldriving.com	revolutiondrivingschools.com	911drivingschool.com
Number of monthly site visits, Aug	747.3K	41.6K	104.3K	4.9K	119.2K

Business direction	Online driving school app	Own driving school (New York)			Driving school franchise
Competitor	DriversEd.com	Drive Rite Academy	Pierre Paul Driving	Revolution Driving Schools	911 Driving School
2023 (similarweb.com)					
Bounce rate [1] (similarweb.com)	61.94%	49.34%	68.55%	26.18%	59.42%
Number of employees (zoominfo.com)	76	<25	<25	<25	<25
Estimated revenue, USD million (zoominfo.com)	***	***	***	***	***
Self-positioning and concept description of the service	Effective online drivers ed and in-car driving lessons	Innovative approach to driving that focuses on a wide range of knowledge and skills	Fully licensed driving school: from classroom training, road test simulation and practical road test driving	Best Driving School in Manhattan, Queens LIC and Brooklyn	Driving school based on franchising scheme
Services	• Teen Drivers Ed • Adult Drivers Ed • Defensive Driving • Practice Permit Tests	• 5 Hour Class • Online Courses • Driving Lessons • Driving Packages • Road Test	• 5-Hour Driving Course • Driving Lessons • Road Test Packages	• 5-Hour Driving Course • Driving Lessons • Defensive Driving	• Teen Drivers Education • Defensive Driving • Adult Drivers Education • Mature Drivers Course
Course Fee, USD	25 and more (depends on the state and the product)	25 and more (depends on the product)	25 and more (depends on the product)	30 and more (depends on the product)	n/a
Number of trained drivers	13M +	n/a	n/a	n/a	n/a
Number of serviced states	30	1	1	1	6 (offline) / 50 (online)
Average Rate (yelp.com)	***	***	***	***	***

The key competitor in the first business direction, DriversEd.com, despite having a fairly high website traffic and serving a large number of states, has a high percentage of visitors who leave after viewing only one page of the site (bounce rate) and an average rating from student reviews. Among the most well-known

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[1] Average percentage of visitors who view only one page before leaving the website

driving schools in New York State (Drive Rite Academy, Pierre Paul Driving, Revolution Driving Schools), the majority of them started operating around 10 years ago and offer similar prices for their services. For the competitor in the franchising direction, there is a high bounce rate, as well as a low rating among Yelp users.

The project proposes the organization of comprehensive driving education services in the US market, including multiple business directions. Comparing this project to existing competitors in the market confirms its high competitiveness. The implementation of the project will contribute to increasing the accessibility of driving education among US residents, enhancing employment in the industry, improving road safety, and enhancing population mobility.

2.2. Marketing strategy

The marketing strategy of a company determines its long-term and medium-term behavior in the market. From a marketing perspective, in its traditional interpretation, all activities of the company in the market should be aimed at satisfying the wants and needs of consumers.

The project aims to diversify its business by tapping into multiple areas within the driving education industry, including the implementation of an online training platform for existing driving schools in the United States, the establishment of driving school, and the creation of a network of similar institutions based on a franchising scheme. The target consumers will consist of existing driving schools (the first business direction), migrants and students (the second business direction), as well as businessmen aiming to open their own driving school (the third business direction). Initially, the project will be implemented in the state of New York, with potential expansion to other states.

Table 2.2. Short description and key customers of the project

Business direction	Online driving school app	Own driving school	Driving school franchise
Short description	The implementation of the application within existing driving schools in the USA is a strategic move to introduce a fresh educational product that aims to attract and train new students.	The plan involves starting a new driving school in the US, utilizing a unique technology, and later expanding through a franchising system.	The company offers comprehensive support to individuals interested in starting new driving schools in the US market through a franchise arrangement. This assistance includes guidance on obtaining necessary licenses, facilitating the purchase and preparation of vehicles, arranging leases for classroom spaces, and assisting

Business direction	Online driving school app	Own driving school	Driving school franchise
			with recruitment of qualified staff.
Potential customers	Current driving schools in the USA, and businessmen who want to open a driving school.	Migrants, students, and all people who want to obtain driver's licenses.	Businessmen who want to open a driving school.
Market	All states, especially New York		

The sales strategy proposed by the project includes activities such as increasing the volume of service provision and maximizing company profits, satisfying consumer demand for quality service and related services, gaining presence in selected sales markets, entering new regional and national sales markets, increasing the number of clients.

The marketing strategy of the project will target both businesses (B2B sector) and individuals (B2C sector). There are several marketing tools that can be used to promote services of the project and attract customers:

1. Website
A well-designed website is fundamental for any business. It serves as a central hub where potential customers can learn about the driving school, its instructors, available courses, testimonials, pricing, and contact information. The website should be visually appealing, mobile-friendly, and optimized for search engines to ensure high visibility online.

2. Search Engine Optimization (SEO)
SEO techniques help improve the visibility of a project's website in search engine results. By optimizing the website's content, incorporating relevant keywords, building quality backlinks, and ensuring fast load times, the school can attract organic traffic from individuals actively searching for driving programs in the area.

3. Pay-per-click (PPC) Advertising
Targeted PPC campaigns using platforms like Google Ads or social media platforms like Facebook allow driving schools to display ads to specific demographics. By bidding on keywords related to driving education, these ads can appear prominently in search results or social media feeds, driving traffic to the school's website and increasing brand awareness.

4. Social Media Marketing
Establishing a strong presence on popular social media platforms like Facebook, Instagram, and X (exc. Twitter) can be highly effective in promoting driving school services. Sharing engaging and informative content, such as driving tips, success stories, student testimonials, and updates on course offerings, helps foster brand loyalty and engagement with potential customers.

5. Email Marketing
Building an email subscriber list allows driving schools to stay in touch with potential customers and nurture leads effectively. Regular newsletters or email campaigns can share updates on upcoming courses, special offers, or success stories, ultimately encouraging recipients to enroll in driving programs.

6. Local Advertising

To target a specific geographic area, driving schools can leverage traditional advertising methods such as print media, flyers, or outdoor advertising in busy areas. This ensures that individuals within the local community are aware of the school's services and location.

7. Referral Programs

Implementing a referral program can help drive word-of-mouth recommendations. By offering incentives or discounts to existing customers who refer new students, driving schools can encourage satisfied customers to spread positive experiences, thus attracting more potential customers.

8. Partnership and Collaboration

Collaborating with local businesses, such as vehicle dealerships, community centers, or insurance agencies, can create mutually beneficial relationships. Partnerships can involve cross-promotion, hosting joint events, or offering discounts to each other's customers, expanding the driving school's reach and attracting new customers.

9. Online Reviews and Ratings

Encouraging satisfied customers to leave positive reviews and ratings on platforms such as Google Maps, Yelp, or social media plays a crucial role in building trust and credibility. Prospective students often rely on these reviews to make informed decisions and are more likely to choose a driving school with a strong reputation.

By utilizing these marketing tools in a strategic and targeted manner, project can effectively promote their services, generate customer interest, and increase enrollment rates. It is important to continuously measure the effectiveness of each tool and adapt marketing strategies accordingly to ensure the best possible results.

MONETIZATION
PROGRAM

3

3.   MONETIZATION PROGRAM

3.1.   Project monetization

The project **monetization program** is based on building a unit economics for each monetization type considering the following indicators and factors:
- Expected sales market sizes;
- Number of project teams under the project;
- Number of cars;
- New app users in period;
- Subscription cost;
- Month of work per period.

The key indicators of the project monetization:
- Service launch: **Q1 2024**;
- Average check (without inflation):

5-hour Pre-Licensing course certificate – USD/ person **
The company's 5-hour pre-licensing course is designed to equip new drivers with the knowledge and skills required to pass their driver's license exams and become responsible, safe drivers. Upon successful completion of this course, clients will receive a certificate that fulfills state requirements, enabling them to proceed with their licensing process confidently.

Driving package (Practical lessons) – USD/ person **
The company's practical driving lessons package provides clients with hands-on, real-world driving experience with experienced instructors. These lessons are tailored to individual needs, helping develop the necessary skills and confidence to navigate the road safely and pass a road test with flying colors.

Providing a vehicle for the DMV road test – USD/ person **
The company's vehicles meet all the required standards, ensuring that clients will have the best possible chance of passing a road test and obtaining a driver's license.

Basic package – USD/ person **
The company's Basic Package offers an excellent starting point for new drivers. With this package, clients will gain access to practice tests, allowing them to evaluate knowledge and readiness for licensing exams. Clients can also track their progress and learn eco-friendly driving habits. This package is ad-supported, making it a cost-effective choice for learners.

Standard package – USD/ person **

The company's Standard Package includes access to a limited number of video lessons. The company's gamification system adds a fun and engaging element to a learning journey, while detailed progress tracking and analytics help clients monitor their development. Additionally, clients will have access to the company's community forum to connect with fellow learners and exchange valuable insights. The best part is that this package is ad-free, ensuring uninterrupted learning.

Premium package – USD/ person **

The company's Premium Package offers the most comprehensive and immersive driver education experience. Clients will enjoy full access to the company's extensive video lessons library and benefit from augmented reality (AR)-enabled lessons and simulations for an interactive and engaging learning adventure. As a Premium member, clients will have early access to new content and updates, ensuring they stay ahead of the curve. Plus, clients will gain exclusive access to the company's premium community forum, where expert moderators provide guidance and support throughout the learning journey.

Table 3.1. Unit economics of the project

Indication	Unit m-t	2024	2025	2026	2027	2028	2029
Prices							
Basic plan							
average check	USD/person	**	**	**	**	**	**
Medium plan		**	**	**	**	**	**
average check	USD/person	**	**	**	**	**	**
Premium plan		**	**	**	**	**	**
average check	USD/person	**	**	**	**	**	**
Driving package (practical lessons)		**	**	**	**	**	**
average check	USD/person	**	**	**	**	**	**
5 hour pre-licensing course certificate		**	**	**	**	**	**
average check	USD/person	**	**	**	**	**	**
Providing a vehicle for the DMV road test		**	**	**	**	**	**
average check	USD/person	**	**	**	**	**	**
Average eCPM for mobile devices							
average check	USD	2.8	3.0	3.1	3.3	3.5	3.7
Months of work per year		12	12	12	12	12	12
Number of cars		1	2	3	4	5	6
Number of working teams		1	2	3	4	5	6
Sales volume plan							
Basic plan							
average check	projects	**	**	**	**	**	**
Medium plan							
average check	projects	**	**	**	**	**	**
Premium plan							
average check	projects	0	0	216	288	360	432
Driving package (practical lessons)							
average check	projects	**	**	**	**	**	**
5 hour pre-licensing course certificate							
average check	projects	**	**	**	**	**	**
Providing a vehicle for the DMV road test							

Indication	Unit m-t	2024	2025	2026	2027	2028	2029
average check	projects	240	480	720	960	1200	1440
Average eCPM for mobile devices							
average check	projects	1296	1872	2592	3456	4320	5184
Earnings	**th. USD**						
Basic plan							
average check	th. USD	38.9	59.5	87.4	123.5	163.6	208.1
Medium plan							
average check	th. USD	**	**	**	**	**	**
Premium plan							
average check	th. USD	**	**	**	**	**	**
Driving package (practical lessons)							
average check	th. USD	**	**	**	**	**	**
5 hour pre-licensing course certificate							
average check	th. USD	**	**	**	**	**	**
Providing a vehicle for the DMV road test							
average check	th. USD	**	**	**	**	**	**
Average eCPM for mobile devices							
average check	th. USD	**	**	**	**	**	**
Earnings		**	**	**	**	**	**
Gain	*%*		*114.2%*	*59.8%*	*41.3%*	*32.5%*	*27.2%*

A detailed calculation of the above-mentioned unit-economic indicators throughout the forecast period is shown in Table 3 of Annex 1 to this paper.
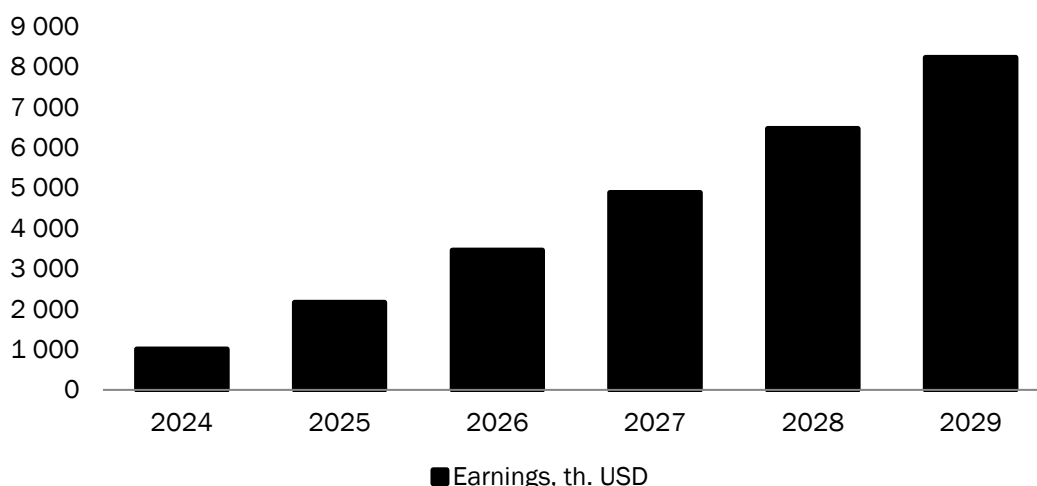

Figure 3.1. Trends in project sales revenue, USD'000

Therefore, the company plans to raise its earnings to **th. USD ******/year by 2029.

3.2. Expenses on the product sales

The overall project cost estimate is shown in Table 4 of Annex 1 to this business plan.

The following items of the **operating expenses** of the organization were taken into account:

- Payroll expenses;
- Depreciation;
- Marketing costs;
- Insurance;
- Fuel and energy resources;
- Administrative expenses;
- Office rent;
- Other operational costs.

Therefore, payroll (with deductions) are responsible for the largest shares in expenses: Payroll expenses ***% and Fuel and energy resources ***% in overall 2029 expenses, accordingly:
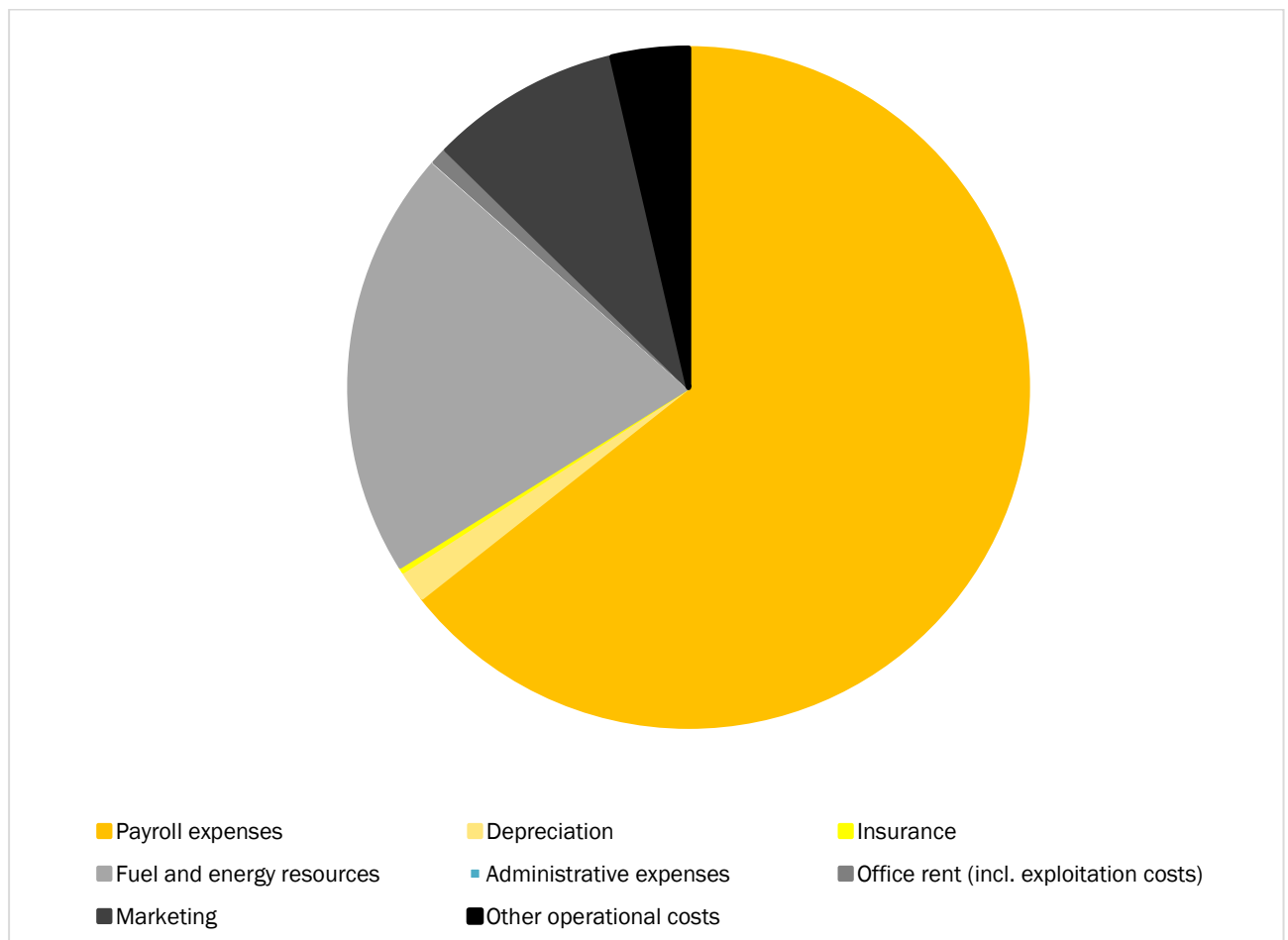

Figure 3.2. Breakdown of the platform expenses (2029), %

ORGANIZATIONAL PLAN

4

4. ORGANIZATIONAL PLAN

4.1 Personnel

The project staff numbers were estimated on the basis of:
- recommendations made by the project participants and industry experts;
- specific aspects of the project support, development and operation;
- industry-specific aspects and requirements to personnel.

This meticulous approach ensures that the project benefits from a well-rounded and proficient team capable of effectively addressing the project's unique challenges and requirements.

The general labor remuneration in the enterprise, including wages of hired personnel, will be on the average US level.

The company's development plan calls for the creation of new jobs.

Table 4.1. The company staff breakdown by key categories, throughout the planning horizon

Indicator	Unit m-t	2024	2025	2026	2027	2028	2029
Number of staff		**	**	**	**	**	**
CEO	FTE	**	**	**	**	**	**
Manager	FTE	**	**	**	**	**	**
Marketing Manager	FTE	**	**	**	**	**	**
Lector	FTE	**	**	**	**	**	**
Instructor	FTE	**	**	**	**	**	**
Software developer	FTE	**	**	**	**	**	**
UX/UI-designer	FTE	**	**	**	**	**	**
QA	FTE	1	1	1	1	1	1
Accountants	FTE	0	0	1	1	1	2
Other specialists	FTE	0	0	0	1	1	1
Average monthly wages							
CEO	USD	**	**	**	**	**	**
Manager	USD	**	**	**	**	**	**
Marketing Manager	USD	**	**	**	**	**	**
Lector	USD	**	**	**	**	**	**
Instructor	USD	**	**	**	**	**	**
Software developer	USD	**	**	**	**	**	**
UX/UI-designer	USD	**	**	**	**	**	**
QA	USD	**	**	**	**	**	**
Accountants	USD	**	**	**	**	**	**
Other specialists	USD	**	**	**	**	**	**
Payroll fund	th USD	600	996	1 326	1 777	2 332	2 927
CEO	th USD	**	**	**	**	**	**
Manager	th USD	**	**	**	**	**	**
Marketing Manager	th USD	**	**	**	**	**	**
Lector	th USD	**	**	**	**	**	**
Instructor	th USD	**	**	**	**	**	**
Software developer	th USD	**	**	**	**	**	**
UX/UI-designer	th USD	**	**	**	**	**	**

Indicator	Unit m-t	2024	2025	2026	2027	2028	2029
QA	th USD	**	**	**	**	**	**
Accountants	th USD	**	**	**	**	**	**
Other specialists	th USD	**	**	**	**	**	**
Gain in payroll fund	*%*		*-*	*-*	*-*	*6.0%*	*6.0%*

Therefore, the project will create (in 2024-2029) at least **** jobs** for the development and scaling of the company.

4.2 Schedule of the project implementation

According to the project development plan, at the initial stage platform development will be launched by the project owner/founder ****.

To further implement the project, a legal entity in the state of New York will be created and additional staff will be hired to provide services (according to Table 4.1).

Stage 1: Preparatory phase (Q4 2023)
- ****
- ****
- ****
- ****
- ****
- ****

Stage 2: Service launch (2024)
- ****
- ****
- ****
- ****

Stage 3: Expansion of the company (2024 - 2029)
- Explore expansion opportunities.
- Conduct market research.
- Establish partnerships.
- Recruit additional specialists.

The company is embarking on the establishment of a pioneering driving school in order to build a foundation of excellence. The initial phase involves rigorous development and the demonstration of tangible results. Subsequently, the

company envision a strategic evolution towards a Franchise scheme, a blueprint for expansion that aims to invite and empower new entrepreneurs to enter the driving education market.

The franchise scheme will offer a proven and replicable business model, enabling new entrants to leverage the company's technology, know-how, and brand recognition.

By embracing these strategies, the company can adapt to changing market dynamics, explore new growth opportunities, and continue to make a positive impact on the industry while supporting client's goals.

INVESTMENT
PLAN

5

5   INVESTMENT PLAN

The specifics of the project involve constant investment in the project due to the development of the platform associated with the project scale-up.

The investment phase, primarily concentrated in *Q4 2023*, is pivotal to the realization of this vision.

The primary source of investment for this project is a combination of the founder's own financial commitment.

Therefore, the company's development will comprise the following cost categories:

*Acquisition and equipping of vehicles (th. USD ***)*

This essential phase underscores the company's commitment to establishing a comprehensive and efficient driving school. It involves a process of procuring vehicles, followed by their meticulous preparation and outfitting to meet the stringent safety and instructional requirements demanded by educational programs.

*Office equipment for workplaces (th. USD ***)*

Common equipment includes computers, printers, scanners, telephones, and furniture. It also encompasses tools like shredders, projectors, and conference room equipment for presentations and meetings.

Table 5.1. Volume and financing of the project investment expenses, USD'000

Indicator	Unit m-t	2024	2025	2026	2027	2028	2029
Investment expenses							
Acquisition and equipping of vehicles	th USD	***	***	***	***	***	***
Office equipment for workplaces	th USD	***	***	***	***	***	***
Capital expenses	**th USD**	***	***	***	***	***	***
Gain in net working capital	th USD	0.0	0.7	5.2	4.0	3.9	5.8
TOTAL investment cost	**th USD**	***	***	***	***	***	***
Funding sources							
Equity	**th USD**	***	***	***	***	***	***
Founders' equity	th USD	***	***	***	***	***	***
Project funds re-invested in the project	th USD	***	***	***	***	***	***
TOTAL funding sources	**th USD**	***	***	***	***	***	***

Therefore, at least USD *** will be invested throughout the planning horizon (2024-2029) including CAPEX of USD ***. This investment phase ensuring that it can offer a comprehensive and accessible range of driving school services to clients.

FINANCIAL AND BUSINESS FORECASTS

6

6 FINANCIAL AND BUSINESS FORECASTS

6.1 General

The project's financial results were estimated in view of an assessment of the current economic situation in the U.S.A., the government foreign exchange and price regulation policies, investments required for successful implementation of this project, funding sources and terms.

The planning process covered estimations of the project's expected financial results, cash flows, financial and economic indicators, as well as the viability of the entity's financial plan.

The business plan includes an assessment of the financial and economic activities of the investment project in general, taking into account taxes and duties.

The financial model of the project is shown in Annex 1 to this business plan.

The projections are based on the following assumptions:

1. Business plan date: ***.
2. Unit of account used in the business plan: USD.
3. Assumed forecast period: 5 years (2024-2029).
4. Table data increment: 1 year.
5. The estimates were based on the expected inflation rate of 6,0% per annum.
6. Taxes and other payments to the government budget and off-budget funds were estimated in accordance with the current tax regulations. The jurisdiction assumed for the project is the U.S.A. **(New York).**

6.2 Tax environment

The key taxes payable by the entity are listed in Table 6.1.

Table 6.1. Taxes payable under the project (U.S.A./ New York)

Taxes from revenue		
Sales tax (combined)	8,52%	
Business & occupation tax	0%	
Taxes from profit		
Corporate income tax	federal tax – 21.0% state tax – 6.5%	
Taxes, duties and charges referred to payroll budget		
Social Security Tax	6.20% of wages	-
Medicare	1.45% of wages	
State Unemployment Insurance Tax	3.13% of wages	

6.3   Financial results of the project

A project's financial results are defined by the sum of earnings and profit margin. An estimate of the net profit from the project product sales is shown in Table 7 of Annex 1.

Thus, starting from 2024, the company's profit will grow permanently.

The net profit trends in the project period are shown in Figure 6.1.
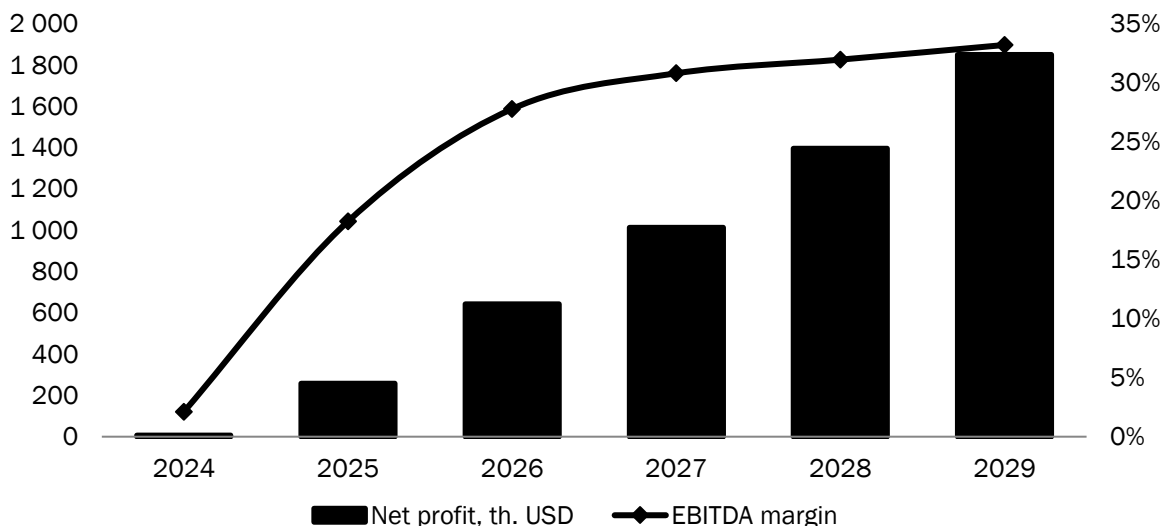

Figure 6.1. Trends in the project net profit, USD'000

The project cash flow projections show cash flows from all activities: financial, investment and operating, throughout the project years.

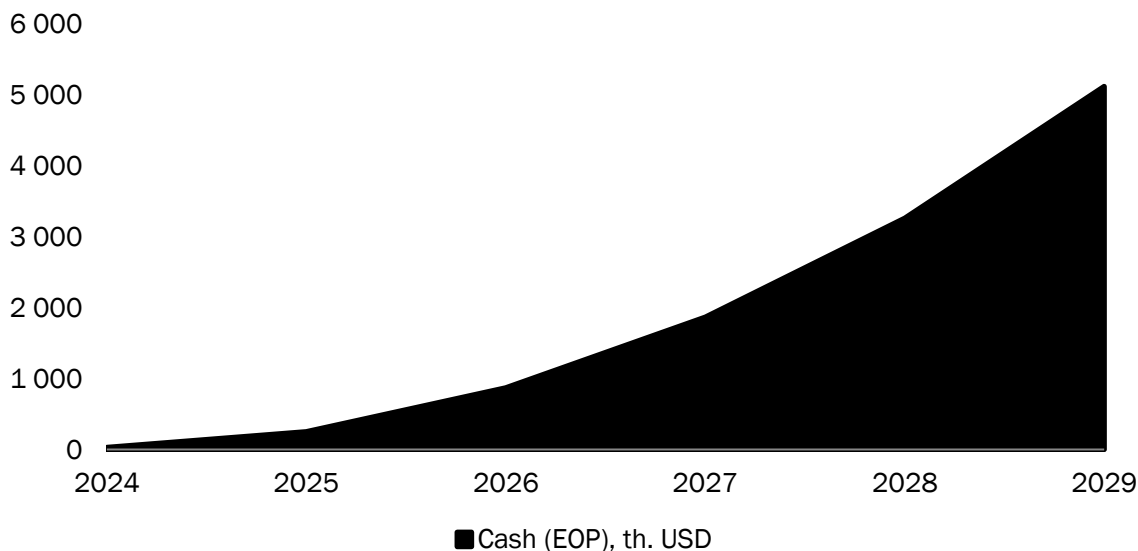Cash flow estimates with and without the project are shown in Table 8 of Annex 1.

Figure 6.2. Trends in the project cash flows, USD'000

Therefore, the financial and economic indicators and cash flow estimate show that the raised Founder's equity and proceeds from the project operations will cover all expenses related to the entity's activities including ongoing payments, taxes, deductions and charges levied according to the current regulations. They will also provide for generation of a net profit sufficient for scaling up and development of the company.

Therefore, the project will bring the following economic benefits to the country throughout the planning horizon:

- More than USD ** million in revenue in 2024-2029, at least USD ** million a year starting from 2029
- Jobs for U.S. residents (** FTE jobs by the end of 2029)
- Taxes paid throughout the project period (2024-2029):
  - Sales tax (combined): USD **
  - Corporate income tax: USD **
  - Social Security Tax: USD **
  - Medicare: USD 144,400
  - State Unemployment Insurance Tax: USD **
- CAPEX of USD ** throughout the project period

PROJECT PERFORMANCE INDICATORS

7
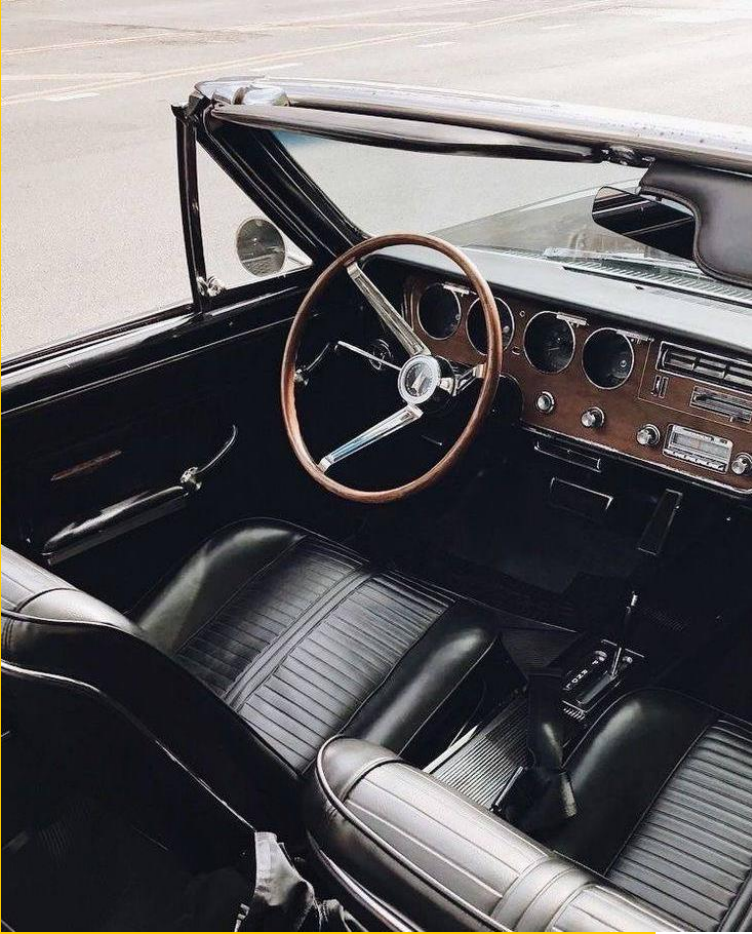
7 PROJECT PERFORMANCE INDICATORS

7.1 Estimation of the investment project efficiency

Investment efficiency is assessed by comparing the net profit expected from the project implementation and the capital invested in the project. It is based on a net cash flow estimate, which underlies estimates of the key indicators of investment efficiency.

The estimates of the net cash flow and project performance indicators are shown in Table 9 of Annex 1.

Future cash inflows and outflows were adjusted for the time of investment by the discounting method.

The key indicators of the general project investment efficiency (net present value, profitability index, discounted payback period) were calculated at the discount rate of **19.01%** (weighted average cost of capital (WACC)).

The project discount rate calculation is shown in the financial model of the project.

Table 7.1. – Performance indicators of the investment project

Indicator	U/m	Value
Net present value (NPV)	th. USD	2 593.3
Simple payback period of the project	years	**
Discounted payback period of the project	years	**
Internal rate of return (IRR)	%	**

Net present value **(NPV)** is the difference between discounted cash inflows and outflows under the project. The accumulated net present value under the project is **th. USD 2 593,3** by the end of the planning horizon, suggesting that the discounted inflows exceed the discounted outflows; therefore, the project is efficient.

A **project payback period** is the length of time, when the cash inflow from the project implementation covers investments in its implementation.

Simple project payback period is the length of time, after which net proceeds/profits exceed the volume of the project investments/expenses. The project payback period is **** years.**

Discounted payback period is estimated according to an accumulative discounted net cash flow. The discounted payback period is **** years.**

Internal rate of return (IRR) is the most common characteristic used for assessing the performance of an investment project. It represents the discount rate, when the net present value by the end of the estimation horizon is zero, i.e., when the sum of discounted cash inflows is equal to the sum of discounted cash outflows. Therefore, if the internal rate of return is less than the discount rate, the

project is ineffective, and vice versa: the higher the project's internal rate of return is, compared to the discount rate, the higher is the margin of safety of the project. The internal rate of return under this project is **%,** which defines it as having a high safety margin.

Therefore, the completed project analysis and marketing analysis of the existing sales markets, as well as the projected development values and indicators, allow concluding that the company's activities are efficient, cost-effective and have significant prospects for development and scaling.

7.2 Risk assessment

The implementation of this investment project entails the probability of various risks. In the completed analysis of main risks, their locations and conditions is was revealed the most substantial risks, assessed their probability and degree of their impact on the fulfillment of key projected indicators, and developed measures to prevent them and minimize their negative effects, if they occur.

The main risks of the investment project and recommended risk mitigation measures are shown in the Table below.
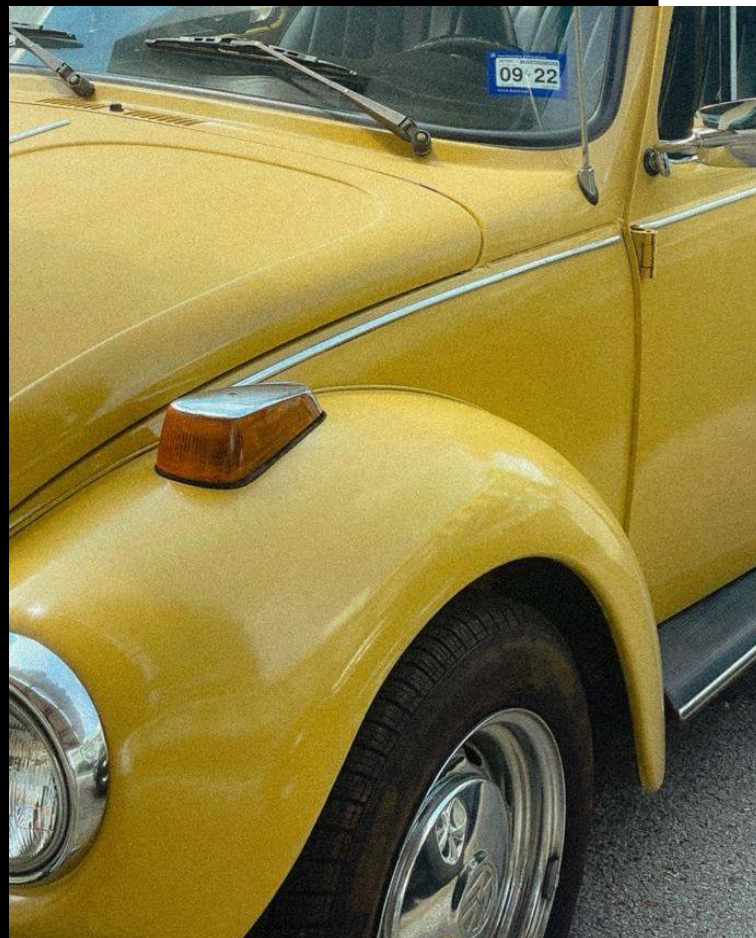
Table 7.2. List of the project risks and mitigation measures

Risks	Risk prevention and mitigation measures
Negative economic and political developments in the country and in the world *Low risk*	Monitor and forecast economic and political developments in the U.S.A. and in the world. The project nature does not require local attachment to in a particular industry or state, it allows for operational maneuvering of human and other resources. The project may be re-oriented to other types of services, it takes into account the consumer needs at various phases of economic cycles; therefore, macroeconomic shocks and upheavals will not substantially affect the activity of the industry and the company's customers.
Short- or medium-term prospect of the market curtailment, reduction in effective demand *Medium risk*	***
Opposition of competitors *High risk*	Develop corporate brands, optimize the service provision technology – identify and shape the company's competitive edge. It is necessary to constantly introduce new features to attract more clients.

Risks	Risk prevention and mitigation measures
Lack of working capital *Medium risk*	***
Lack of the project owner's equity capital *Low risk*	***
Inability to ensure profitable operation of the entity in specific economic conditions *Low risk*	***
Clients' inability to pay *Medium risk*	***
Lack of demand for the services *Medium risk*	***
Unfeasible concept of the project *Low risk*	***
Reputational risk *Low risk*	***
Talent retention *Low risk*	Invest in talent development and retention by providing competitive salaries and benefits, creating a positive work environment, offering opportunities for growth and development, and fostering a strong culture and sense of community.

FINANCIAL MODEL
OF THE PROJECT

Annex **1**