

I. Executive Summary

My name is **Jacquelyn Currier** and I am a first year marketing student who joined the DECA club chapter at Monarch High School. This year I am a competitor in the International Marketing Event. I chose the International Business Plan Event for the very reason that I am very interested in the affairs of business. One day I want to manage a hospitably based company where I can provide interested persons with an all inclusive vacation of a lifetime.

The service that I have created is a touring business located in Costa Rica called “Isla Paraiso Tours.” It is a tour that allows people from all over the world to come and experience the wonders of the Costa Rican islands and jungles. My business will be an all inclusive business that groups together with hotel chains as well as local business to give the customers the greatest vacation of their lives.

Costa Rica is an independent country located in the middle of the Central American isthmus. To the North, Costa Rica borders Nicaragua and to the South Panama. It is a tropical country with lots of mountains, jungles, and tropical rainforests. Costa Rica is also home to the greatest density of wild life in the world.

Costa Rica is currently working on building up its economy. Its greatest area of concentration is agriculture due to the country’s very large amount of rich deposits. The country encourages all investments made into the economy, so the business will benefit from the tax cuts and exemptions made from the creation of the company. Also, with one of the highest rates of tourism in the world, Isla Paraiso Tours will thrive from the vast income of tourists into the country.

II. Introduction

- The proposed business of creation is a Costa Rican touring company in Manuel Antonio called **Isla Paraiso Tours**. Travelers from all over the world can experience an all inclusive visit of one of the world's most fascinating countries. The travelers will be escorted from the airport in San Jose to their destination in either Manuel Antonio or Adrenal. There, travelers will have the ability to go on tours through the jungles, neighboring cities, and gorgeous local beaches. This vacation will be unlike anything the traveler has ever experienced before.

The country in which the business will be located will be Costa Rica. In this country there are tropical jungles, volcanoes, hot springs, interesting cities, and there is an abundant amount of wildlife to be seen. The main country of promotion will be the United States, with interests of promotion among the European Countries as well. The main office will be located in Manuel Antonio with assisting traveling agencies in the United States.

- **Rational:** Many people from all over the world come to explore the country of Costa Rica. *Isla Paraiso* will have rates for 5-star travelers who demand luxury and chic accommodations, as well as travelers who are on a budget. There will be all inclusive packages for the tour as well as individually priced experiences where tourists can pick and choose the activities they wish to attend. The business will group together with local four star hotels such as Hotel Parador and Hotel Villa to make planning easier for the traveler. Advertising for the business will be mainly to Americans and Europeans. I will have travel agencies like Orbitz and Priceline throughout different states and countries advertise for the business through major travel months during the year.
- **Trade Barriers:** In 2007, Costa Rica joined **CAFTA** which allows for a liberal, bilateral trading policy with the United States and the countries of Central America. Costa Rica has

instated import and export taxes, however in recent years they have lowered the tariffs. Also, Costa Rica provides tax exemptions for those willing to invest in the country, so the business will prosper from the tourism as well as the tax exemptions. Also, both the United States and Costa Rica are trying to promote each other within the countries, so the creation of the touring business will be promotion for Costa Rica in United States territory.

- Sources of Information :

http://en.wikipedia.org/wiki/Costa_Rica

<http://www.visitcostarica.com/ict/paginas/home.asp?ididioma=2>

http://www.wto.org/english/tratop_e/tpr_e/tp282_e.htm

http://www.sice.oas.org/ctyindex/USA/ftbcr2004_e.pdf

http://www.vacationscostarica.com/all_inclusive.htm

III. Analysis of the International Business Situation

A. Economic, political, and legal analysis of the trading country

1. Costa Rica has a **democratic economic structure**. In this type of structure the people have a lot of rights, like the people of the United States. In Costa Rica the people can own and operate their own business and their land.

The government of Costa Rica interferes very little in the matters of business. The economy is slowly rising and the government is allowing it to flow smoothly, to keep the economy on the rise. The country thrives mainly off foreign trade and investment. The country is considered to be one of Latin America's most successful economies because it works well with its imports and exports. It **exports** mainly agricultural items like bananas, and imports manufactured items and chemicals. Tourism is the country's main source of investment and that

is why the *Isla Paraiso* touring company will thrive in Costa Rica. The touring industry contributed 8.1% to the Costa Rica's GNP, estimating to around \$2.2 billion per year.

2. The **governmental structure** of Costa Rica is **democratic**, leaving the citizens free with rights as those comparable to the citizens of the United States. With years of uninterrupted democracy, the country is seen as one of the most stable in the Latin American region. The government is broken up into three main branches and two political parties. There is the legislative branch, executive branch, and the judicial branch. The political parties are like those of the United States with two main sides, which they call the left and the right sides, each having very different political beliefs. Also, when it comes to elections all persons over the age of 18 are required to vote.

3. Costa Rica recently joined CAFTA (Central America Free Trade Agreement). This allows for free trade without any obligations between the countries of the United States and Central America. This means that all countries joined can enjoy liberal trading within each other. This is good for the business I am creating because this allows for no barriers to the items I can bring into the country. Of course, their laws require that there are no allowances of illegal substance; however that would not hinder the touring company's succession. On the other hand the only hindrance for possible quests would be the **tourist tax**. This is a tax instated in Costa Rica, where upon departure all tourists must pay a fee for visiting the country. Due to the recent joining of CAFTA, Costa Rica is currently resetting their labor laws. The agreement calls for an enforcement of already instated labor laws but also a revision of them. The CAFTA agreement stated that all countries should try to make the working environment better for the working people as well as better protection of their rights as workers. Through new laws dealing with

child labor, working conditions, labor inspection systems, and public awareness of worker's rights, Costa Rica is making a new wave in labor laws.

B. Trade Area and Cultural Analysis

1. **Geographic Information** - Costa Rica is an independent country located in **Central America** between Nicaragua and Panama. This country is covered in volcanic soil, which grows plants easily and very quickly. Therefore, the country is covered with tropical rainforests and jungles, mountains, volcanoes, and hot water springs. **Demographic Information** - Costa Rica has a population of approximately **4 million people**. It is hard to say where the indigenous people came from because Costa Rica's culture is a stopping point between Mesoamerica and South America. White and mestizos make up about 95% of the population with the remaining 5% making up the Chinese, Portuguese, and Africans Americans. Costa Rica's **cultures** are very varied because of the range of different kinds of people. Many of the traditions and original customs of Costa Rica have changed drastically with the movement of Spaniards into Costa Rica. The Spanish has brought in a lot of new culture including food and fashion. **Dancing** is a main tradition in Costa Rica, along with the playing of the guitar. Salsa, Soca, Bachata, and the Merenge are among the most popular of the dances. Old **religious** traditions have been replaced with Catholicism and Buddhism. The Spaniards have brought over a lot of the traditions of the Catholics including religious holidays while the Asians and Middle Easterners have brought over the festivals of the Buddhist religion.

Costa Rica is most popular for its rainforests and animal life; this is why tourism is a major industry in the country. This is an advantage for the touring company because it would thrive off the income of worldwide tourists visiting the country. However, the only issue would

be the immense competition with local touring companies. On the other hand, my company's excellent service and location will only help the company on its road to success.

2. **The Market Segment Analysis Target Market** - Costa Rica has a decent population of around 4 million. The target market customers will be from countries excluding Costa Rica. The ideal age for the customers would be **15-70** years old. Physical condition would not matter, for the company has vast activities for different eligible people. The target income would be mainly middle to **upper income** people from all types of nationalities from all over the world. The targeted language would include English and Spanish. Most tourists would come from the United States and Europe. The two main languages in these countries are **Spanish** and **English**. For the people in these countries, a trip to Costa Rica would be ideal for the convenience. Trips from Europe would comprise of a long flight, but however may also consist of a cruise around the Costa Rican islands. For Americans, the flight time from all over the country, with a direct flight would be less than six hours. For instance a trip from Miami to San Jose, the direct flight time is around two hours.

3. San Jose is Costa Rica's main city for tourism. This is the city with the major airport and major locations. Right outside of San Jose, on the water is Manuel Antonio. The trip from the airport in San Jose to Manuel Antonio is not far when you are traveling with an escorted car, rather than a public bus. However in Manuel Antonio there are national parks and gorgeous lengthy beaches. Residing on the water, tourist can enjoy the beauty of nature and the luxury of the beach. Many tourists come to explore the eco-economical country. Vast in rainforests, this country exceeds everyone's expectations.

Costa Rica's main exports come from its agricultural significance. Thriving off the exports of bananas, coffee, and pineapples this country provides a gorgeous landscape. The soil

is so fertile it provides for the growth of some of the world's most gorgeous wilderness. Starting a company in Manuel Antonio is one of the smartest moves on any person's life route.

The only document needed to enter and leave the country of Costa Rica is a passport. The passport provides information including; the country the person is from, their eye and hair color, where they live, if they are a legal citizen of the country or not, along with a picture identification of the person. Most countries require a passport in order to enter and leave the country.

Creating a touring company called Isla Paraiso in the country of Costa Rica will provide a service that allows everyone in the world to experience the wonderful beauty of nature. Due to the huge investment of tourism in the economy, the company will thrive. The United States encourages investment in Costa Rica, because now the two countries are friendly and trade openly with each other. Isla Paraiso will work well in Manuel Antonio due to the landscape, the eco-friendly economy, and the people who travel the world to come experience the country of Costa Rica.

IV. Planned Operation of the Proposed Business/Service

A. Proposed Organization

The proposed business will be established in Costa Rica. The type of ownership for *Isla Paraiso Tours* will be a **sole-proprietorship**. The sole-proprietorship will include only one person, Jacquelyn Currier. In a sole-proprietorship one person is the sole owner and boss of the business. He/she takes on the risks, responsibilities, and costs of running the business.

Some **advantages** for a sole-proprietorship are that they are easy to establish; the business is easy to start up, as well as discontinue. Also, the owner takes home all the profits of the business. Continuing, the owner has full autonomy with regards to business decisions, and the business is subject to fewer regulations relative to other businesses. The business is also not

subject to corporation taxation; the owner pays self employment taxes, which in the end makes accounting much simpler. The only **disadvantage** to this type of ownership is the startup capital needed to begin the business. This is often hard to get when there is only one person saving up for the business.

In order to **start up** the business, the location of the main office is essential. At this point, all of the money needed for the first year will be saved up and put into bonds to make multiple off of interest. The money will be put into stocks for gold companies. The main office of the company will be located in Manuel Antonio, right along the beach. Therefore, it is at least near one of the hotels that are included in the touring company. This is where the managers will be working from. Each will have their own office where they can work and direct from. The office will be started up from a rentable building. Once the main office is found and rented, forming mergers with the two chosen hotels will be next. The owners of the businesses will work together to offer exceptional hotel and touring services.

The business will need numerous **employees** ranging from transportation management to tour guides.

| Office Personnel | Requirements |
|-------------------------|--|
| Owner | (1) Oversee all aspects of the company. Review all financial papers and documents. Always establish all rules for the touring and abide by all Costa Rican laws for business. Hire and fire high end employees. |
| General Manager | (1) Oversee day to day aspects of the company. Handle all customer complaints. Review finances at the end of each day. Make sure all employees are working accordingly. Go on random tours and do employee reviews. Hire and fire with owner approval all other employees. Also, this person will also be in charge of marketing the company, with the help of the owner. They will make sure that |

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|--|---|
| | advertisements are paid for and up and running. |
| Assistant Manager | (2) Will assist general manager with day to day aspects and running of the company. There will always be an assistant manager on shift. |
| Tour Guides | (10) There will be two tour guides per tour. There are five different tours involved in the company. This way the tours can be separated and each tour guide will not be overwhelmed. |
| Drivers/ Transportation Directors | (3) In charge of picking up all guests from the airport and bringing them to the hotel of their choosing and any other places they need to be taken to. |
| Office Representatives / Reservationists | (3) Will answer all telephone calls and make all appropriate reservations for guests. The guests will call and purchase tours desired and set up an itinerary with the call reps. |

B. Proposed Product/Service

1. Details of the product/service

There are two hotels for the guests of the Isla Paraiso Tours to choose from depending on their budget. One of these hotels is called **Hotel Parador**, located in Manuel Antonio, Costa Rica. This resort and spa is rated four stars and would be a place to stay if the customer does not have a budget. It is completely self contained, located on a bluff overlooking the Pacific Ocean, and surrounded by 400 acres of rain forest. The resort has hundreds of wild animals roaming the hotel grounds of which include three toad sloths, porcupines, Capuchin monkeys, and hundreds of tropical birds. Luxuries of Hotel Parador include a Jacuzzi, pool, and a swim up bar. Also included in the hotel are restaurants, tennis courts, a health club and free wireless internet. All rooms in Hotel Parador include a balcony or terrace, a mini bar if so requested, room service, cable television, as well as a coffee maker. All room rates are in U.S dollars, year round including a surcharge. Rates are per night per room, ranking from luxury to room size.

Depending on the type of room requested the rates start at **\$140 a night** and range to **\$300 a night**.



Hotel Parador: Manuel Antonio, Costa Rica

Another hotel available to guests of Isla Paraiso Tours is called **Arenal Paraiso** located in San Carlos, Costa Rica. This resort and spa rated three out of five stars is located at the base of Arenal Volcano, a stopping point during a part of the touring business. This hotel is available for not only customers without a budget but also for those who are looking to save a little money out of the vacation. Here guests can relax and enjoy nature alongside hot springs from the Arenal Volcano. The resort offers a SPA, a sauna, a gym, a wet bar, and internet service. Also, the resort has eight swimming pools with 100% natural hot springs water, five swimming pools with natural water and restaurants for the guests choosing as well. The resort also offers to its guests extra activities including tours of the volcano, the hot springs, and the nature surrounding the resort. Also, it is one of the best places for horseback riding through the countryside. Rated a four star resort, Arenal Paraiso has room rates per night per room and takes U.S currency as well. The rates come in both Costa Rican currency rates and U.S currency rates. Rates per room

starting at basic packages range from **\$60 a night** to fully loaded stay packages from around **\$300 a night**.



Arenal Paraiso Hotel: San Carlos, Costa Rica

Through these hotels Isla Paraiso Tours offers exceptional touring through each city the resorts are located in. Also, the guests can go from the airport in San Jose to either of the hotels and then travel to the other for another experience. The touring company will provide tours through these two cities which include transportation from the airport to the hotel and from there the guests can choose which activities they would like to participate in, according to time and location. Isla Paraiso Tours will include each of the following activities:

1. One tour offered by Isla Paraiso Tours will be a **Volcano Hiking Tour**. This tour will be conducted in Arenal at the base of the Arenal Volcano. Guests will be asked to bring hiking boots and proper hiking attire. Walking sticks will be available to purchase as well. This tour will bring guests up close and personal with the Arenal Volcano. The rainforests surrounding the volcano will also be a part of the tour experience.

2. An additional activity available is a **Baldi Hot Water Springs Tour**. As part of the Arenal Volcano National Park, guests can go from the hiking tour right into Arenal's hot water

springs. These springs offer a relaxing escape from the guest's hectic everyday lives. The hot water springs are all natural water springs, offered to provide a little mini escape into nature.

3. One more activity available through *Isla Paraiso Tours* is **Zip lining or Canopy Tours**. This is an activity, located in Arenal, where guests can ride along zip lines through the jungles and rainforests. This is a very exciting and liberating experience, where only those who are healthy enough can enjoy. Those who have outstanding heart conditions shouldn't risk their health, for the zip lines are heart racing.



A happy customer enjoying the zip lining tour

4. Another activity available is an **Eco Hiking Tour**. This is similar to the Volcano Hiking Tour; however, it is not at the base of the volcano. This tour goes through the thick parts of the rainforests of Arenal, Costa Rica to the Arenal hanging bridges. The guests will experience the history of Costa Rica, with the oldest known infrastructure available. Also, along this tour, guests will experience firsthand the wildlife of Costa Rica and the gorgeous nature that resides there.

5. The final activity available is **Whitewater Rafting** located in Manuel Antonio on the Naranjo River. This is available for all guests who are at least twelve years old and in good physical condition. This gives guests a nice rush of adrenaline while riding the rivers toiling

waves. This is a half day activity, available once in the early morning and once in the early afternoon.



A white water rafting group taking on the river

Isla Paraiso Tours offers only the finest accommodations and activities for its guests. When on vacation, guests want to feel perfectly at ease and know that they are well taken care of. Hospitality comes first in my book and Isla Paraiso Tours takes care of its guests and offers nothing but the best and most exciting for its customers.

2. Transportation for the Company

When tourists come to experience Isla Paraiso Tours, there will be a few requirements before entering the country of Costa Rica. Mainly, the guests need at obtain a passport and all necessary legal papers in order to leave their country and enter Costa Rica. Also, it is recommended to make hard copies of all important documents in case they are lost or stolen; including licenses, visas, passports, and birth certificates. Continually, it is pertinent that all guests undergo a physical from the physician to make sure they are healthy enough to enter another country and also to receive all vaccinations their physician finds relevant. The weather in Costa Rica is hot and humid, and because it is located in a rainforest, there are a lot of tropical bugs. So, if a guest is sensitive to the sun and insects, proper sunscreen and bug spray is a must

for this vacation. Depending on the types of activities the guest would like to engage in, proper footwear and clothing is required. Bathing suits, wet suits, and boots are necessary to certain tours. U.S currency is the most common in Costa Rica. There are ATM's everywhere, and if one feels the need, before leaving for the vacation, exchange some money for Costa Rican currency which is the colon. Types of transportation in Costa Rica are taxis, public buses and vans, internal flights, and private jets. It is suggested however, to take jets and planes to the locations desired. The infrastructure in Costa Rica is not as modern as the United States and Europe and therefore it is a little difficult to get anywhere quickly. Before arrival in the country, it is recommended to make all travel arrangements ahead of time that way it is a breeze once one enters the country. Bring insurance cards with you and vaccination papers and records just in case.

Transportation will cost approximately the following prices.

| Airline | Price For Roundtrip Ticket / Per Person |
|-------------------|--|
| American Airlines | \$245.00/person roundtrip |
| Taca Airlines | \$458.00/person roundtrip |
| Mexican Airlines | \$469.00/person roundtrip |

If any guests does not follow these guidelines, Isla Paraiso tours is not responsible for any injuries or accidents that may happen while on the tour.

C. Proposed Strategies

1. Pricing Policies

The Costa Rican currency is the colon and exchanges as one (1\$) U.S. dollar for every 520 colon. There are no restrictions for exchanging currency in Costa Rica, for it favors the use of both currencies equally. U.S currency is commonly accepted everywhere, except for little huts and stores that are indigenous to the area. It is highly recommended that any money exchange be done in a bank; therefore one is guaranteed liability and security. Also, it is important to know that because Costa Rica's main currencies are the U.S dollar and the colon, exchanges of other types of currencies may be more difficult.

Each of the five tours available will be priced out individually as well as in packages. Isla Paraiso Tours has available several exciting activities to choose from :

| TOUR | PRICE (including tax) |
|--|--|
| Arenal Volcano Hiking Tour (3 hours) Available Times: 7:00 a.m. – 10:00 a.m. 2:00 p.m. – 5:00 p.m. (groups of 15 at a time : 2 Groups at a time) | \$30.00/ person \$50.00/party of two |
| Hot Water Springs Tour (1 Hour tour / 2 hours luxury time) Available Times: 9:00 am – 10.00 a.m. 3:00 p.m. – 4:00 p.m. 6:00 p.m. – 7:00 pomp (groups of 25 at a time) | \$20.00/ person \$30.00/party of two |
| Zip-Lining/ Canopy Tour (3 Hours) Available Times: 8:00 a.m. – 11:00 am 1:00 pomp – 4:00 p.m. (groups of 10 at a time : 2 Groups at a time) | \$40.00/ person \$70.00/party of two |
| Eco Hiking Tour (3 Hours) Available Times: 8:00 a.m. – 11:00 a.m. 1:00 p.m. – 4:00 p.m. | \$20.00/ person \$35.00 / party of two |
| White Water Rafting (5 hours) Available Times : | \$50.00/ person \$80.00/ party of two |

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| 7:00 a.m. – 12:00 p.m. 2:00 p.m. – 6:00 p.m. | |
| PACKAGE : ANY 4 – Combined | \$140.00/person \$175.00/party of two |

2. Proposed Promotional Program

Isla Paraiso tours will market for one year comparing this touring company to others, showing the differences in price and opportunity through local media.

The business is targeting those mainly in both the middle and upper income levels. Therefore, the business will advertise in South Florida and focus on newspapers, television, billboards, and on the internet through travel sites. This will insure the company that all types of prospective customers will be reached from teenagers to senior citizens. The following is an organized chart showing the types of advertisement used per month and the cost per month of such advertising.

The types of media chosen were mainly as to advertise to people in the United States, mainly in South Florida due to the mix of ethnic backgrounds and the internet advertisements would reach European vacationers. The media chosen includes; Travelocity, Radio Station 940 WINZ, billboards on South Florida Highways, and USA today newspaper.

| Month | Media | Price of Media | Total Price |
|----------|--|------------------------------|-------------|
| January | 1. Travelocity 2. Radio 940 (30 sec) Every Tuesday (6 p.m. block) | 1. \$650.00 2. \$1,400.00 | \$2,050.00 |
| February | 1. Radio 940 (30 sec) Every Tuesday (6 p.m. block) | 1. \$1,400.00 | \$1,400.00 |
| March | 1. Radio 940 (30 sec) Every Tuesday (6 p.m. block) | 1. \$1,400.00 | \$1,400.00 |

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|-----------|--|---|-------------|
| | | | |
| April | 1. Travelocity | 1. \$650.00 | \$650.00 |
| May | 1. Travelocity 2. Radio 940 (30 sec) Every Tuesday (6 p.m. block) 3. Sun Sentinel & USA Today | 1. \$650.00 2. \$1,400.00 3. \$4,800.00 | \$ 6,850.00 |
| June | 1. Travelocity 2 Radio 940 (30 sec) Every Tuesday (6 p.m. block) 3. Sun Sentinel & USA Today | 1. \$650.00 2. \$1,400.00 3. \$4,800.00 | \$ 6,850.00 |
| July | 1. Travelocity 2. Sun Sentinel & USA Today 3. Billboards (2 total) | 1. \$650.00 2. \$4,800.00 3. \$8,000.00 | \$13,450.00 |
| August | 1. Travelocity 2. Radio 940 (30 sec) Every Tuesday (6 p.m. block) 3. Sun Sentinel & USA Today | 1. \$650.00 2. \$1,400.00 3. \$4,800.00 | \$6,850.00 |
| September | 1. Travelocity 2. Radio 940 (30 sec) Every Tuesday (6 p.m. block) 3. Sun Sentinel & USA Today | 1. \$650.00 2. \$1,400.00 3. \$4,800.00 | \$6,850.00 |
| October | 1. Travelocity 2. Radio 940 (30 sec) Every Tuesday (6 p.m. block) 3. Sun Sentinel & USA Today | 1. \$650.00 2. \$1,400.00 3. \$4,800.00 | \$6,850.00 |
| November | 1. Travelocity 2. Sun Sentinel & USA Today 3. Billboards | 1. \$650.00 2. \$4,800.00 3. \$8,000.00 | \$13,450.00 |

| | | | |
|----------|---|---|------------|
| | (2 total) | | |
| December | 1. Travelocity 2 Radio 940 (30 sec) Every Tuesday (6 p.m. block) 3. Sun Sentinel & USA Today | 1. \$650.00 2. \$1,400.00 3. \$4,800.00 | \$6,850.00 |

TOTAL ADVERTISING COST: \$73,500.00

I believe that the advertising plan is correct and very accurate. It seeks out the most popular traveling times and displays the most advertisement. After the first year the business is running, the advertising will be paid for and the profit can go towards the next year's advertisement. The touring business will become very successful due to all the exposure through the advertisement.

V. Planned Financing

A. and B. 1st Year Income Statement (U.S. \$)

| | Monthly | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter |
|-----------------------|----------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| GROSS INCOME | 60,000.00 | 180,000.00 | 220,000.00 | 260,000.00 | 300,000.00 |
| START- UP COSTS | 833.00 | 2,500.00 | 2,500.00 | 2,500.00 | 2,500.00 |
| RENT OR MORTGAGE | 1,000.00 | 3,000.00 | 3,000.00 | 3,000.00. | 3,000.00 |
| EMPLOYEE PAYROLL | 13,000.00 | 40,000.00 | 40,000.00 | 40,000.00 | 40,000.00 |
| OWNERS DRAW | 2,000.00 | 6,000.00 | 6,000.00 | 6,000.00 | 6,000.00 |
| UTILITIES | 1,000.00 | 3,000.00 | 3,000.00 | 3,000.00 | 3,000.00 |
| ADVERTISING | 6,129.00 | 4,850.00 | 14,300.00 | 27,200.00 | 27,200.00 |
| INSURANCE | 200.00 | 600.00 | 600.00 | 600.00 | 600.00 |
| WORKING CAPITAL | 8,000.00 | 18,000.00 | 22,000.00 | 26,000.00 | 30,000.00 |
| LEGAL/ACCOUNTING FEES | 100.00 | 300.00 | 300.00 | 300.00 | 300.00 |
| LICENSES & PERMITS | 33.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| SUPPLIES | 40.00 | 120.00 | 120.00 | 120.00 | 120.00 |
| TOTAL EXPENSES | 25,335.00 | 60,470.00 | 78,920.00 | 91,820.00 | 91,820.00 |
| NET INCOME OR LOSS | 34,665.00 | 119,530 | 150,080.00 | 177,180.00 | 217,180.00 |

C. Projected 3-Year Plan:

| Income | Year 1 | Year 2 | Year 3 |
|-----------------------|---------------|---------------|---------------|
| Gross Income | 960,000.00 | 1,080,000.00 | 1,296,000.00 |
| Start Up Costs | 10,000.00 | 0 | 0 |
| Rent | 12,000.00 | 12,000.00 | 12,000.00 |
| Employee Payroll | 160,000.00 | 176,000.00 | 193,600.00 |
| Owners Draw | 24,000.00 | 28,800.00 | 34,560.00 |
| Utilities | 12,000.00 | 13,200.00 | 14,520.00 |
| Advertising | 73,550.00 | 73,550.00 | 73,550.00 |
| Insurance | 2,400.00 | 2,400.00 | 2,400.00 |
| Working Capital | 96,000.00 | 105,600.00 | 116,160.00 |
| Legal/Accounting Fees | 1,200.00 | 1,350.00 | 1,500.00 |
| Licenses and Permits | 400.00 | 400.00 | 400.00 |
| Supplies | 480.00 | 504.00 | 530.00 |
| Total Expenses | 323,030.00 | 385,004.00 | 414,660.00 |
| Net Income/Loss | 663,970.00 | 694,996.00 | 881,340.00 |

The first year the business is running, the net income will be substantial. The business will do very well because of the location and the tourism percentage of the area. By the second year the gross income will rise by 5% and then by the third year it will jump to a rise of 20%. This increase will be due to the increase in the economy. The business will not suffer the first three years, because the income will outweigh the expenses. Each year, the net income will rise, providing great profits for the owner, allowing a pay raise for the following year for all employees. This touring business will succeed greatly and profit through its years of operation.

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VII: Appendix

“ISLA PARAISO TOURS”



A general map of Costa Rica



Jungles of Costa Rica.





Beaches of Costa Rica

