



Medical Marijuana Dispensary Business Plan Template

Outline

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Executive Summary

[Company Name] will be located [Location] in Scranton, PA We have been able to lease a facility for 5 years with the option of acquiring the property once the property is put up for sale.

The facility is well positioned and it matches the ideal picture of a community dispensary store. We are not going to spend much to face lift the facility. Before taking over the facility, it was used as a retail shop and remains in good condition. The business will be launching with just one outlet in Scranton, but we have plans to open other outlets in key locations around Pennsylvania.

[Company Name] will be involved in the retailing of medical marijuana and in future other prescription drugs and over-the-counter drugs once we are able to secure the required license.

We are in medical marijuana dispensary business to retail medical marijuana as permitted by the law in Pennsylvania to our customers at the lowest prices they can get anywhere in the United States of America. Our employees are well trained and qualified to handle the wide range of customers that we are positioned to serve. We will engage in the sale of prescriptions at reduced prices both at the counter and online orders.

[Company Name] plans to operate a 24 hours 7 days a week dispensary store. We are in business to service both walk – in customers and mail

order customers and shipping provisions have been finalized. Our work force is going to be well trained to operate within the framework of our company's corporate culture and also to meet the needs of all our customers.

[Company Name] will ensure that all our customers are given first class treatment whenever they visit our store. We have a CRM software that will enable us manage one on one relationships with our customers no matter how large the number of our customer base grows. In regards to prescription drugs and over-the-counter drugs, we will ensure that we get our customers involved in the selection of brands that will be on our racks. We will additionally ask for customer input in some business decisions.

[Company Name] is a family business that is owned and managed by [Name] and Family. [Name] is going to be the Chief Executive Officer of the business; he/she has a degree in Pharmacy and an MBA from Harvard University. He/she has well over 12 years of experience working as a pharmacist and medical researcher with the United States' government.

Our Products

Aside from the dispensary of medical marijuana which is or core products, [Company Name] will retail a wide range of prescription drugs from different manufacturing brands to customers who are based in [Location] and every other city where our outlets will be opened. We will also engage in the sale of [Additional Products].

Our Vision Statement

Our vision is to become the largest medical marijuana dispensary store in the whole of Pennsylvania and also amongst the top 5 leading medical marijuana dispensary stores in the United States of America.

Our Mission Statement

Our mission is to establish a first class medical marijuana dispensary store that will not only retail medical marijuana but also make available a wide range of generic and branded prescription drugs from top pharmaceutical manufacturing brands at affordable prices to the residence of [Location] and other Cities in Pennsylvania.

Business Structure

[Store Name] is a business that will be built on a solid foundation. From the outset, we have decided to recruit only qualified people to man various job positions in our organization. We are quite aware of the rules and regulations governing the pharmaceutical industry, which is why we decided to recruit experienced and qualified employees to be the foundational staff of the organization. We hope to leverage on their expertise to build our business brand as a premiere medical marijuana dispensary within the United States.

When hiring, we will look for applicants that are not just qualified and experienced, but honest, customer centric and willing to put in the hours it takes to help us build a prosperous business that will benefit all stake holders (the owners, workforce, and customers). As a matter of fact, profit-sharing arrangement will be made available to all of our management staff and it will be based on their performance for a period of three years or more.

Market Analysis

Market Trends

The market trend in the retail pharmacy industry of which the medical marijuana dispensary business falls under is directly influenced by a country's healthcare reform policies. The fact that the pharmaceutical industry is highly regulated means that any entrepreneur who wants to run a medical marijuana dispensary business must be ready to play by the book or they will be booted out of business.

Several other factors influence market trends in the industry and it is normal to see bigger medical marijuana dispensary stores (especially those with chains of outlets) weather the storm whenever there are major shakes in the industry. In essence, the easiest way to build a solid and highly profitable medical marijuana dispensary business is to engage in opening various outlets in key cities around the U.S.

Undoubtedly, the industry will continue to grow and become more profitable due to the aging baby-boomer generation in the United States which is projected to drive increasing demand for medical marijuana and prescription drugs.

Medical marijuana dispensary stores are now making use of technology to effectively manage their business by plugging financial leakages which happens to be one of the biggest challenges that retail businesses face. The use of technology, i.e. CRM software is very effective in helping retail businesses manage their clientele base.

Our Target Market

[Company Name] is in business to service a wide range of customers. We will ensure that we target self – pay customers (who do not have drug plans), mail order customers, and walk in customers.

Generally, those who need medical marijuana range from those suffering from severe pain, insomnia, anxiety, glaucoma, HIV/AIDS, epilepsy, nausea, cancer, and any other ailment that the physician deems the use of medical marijuana is fit for.

The fact that we are going to open our doors to a wide range of customers does not in any way stop us from demanding and screening prescriptions as required by the law. Our staff is trained to effectively service our customers and still play by the rules governing the industry.

Our customers can be categorized into the following categories;

- Households
- Corporate Executives
- Business People
- Elderly people
- Expectant Mothers
- Sports Men and Women
- Students
- Middle aged people – who are usually working stressed from work and may have insomnia

- The aged who may suffer from severe joint pains or any other category that falls under the conditions listed by the physician

Our Competitive Advantage

In every business there is competition, however, we believe we possess several strengths that will allow us to remain visible on the business radar at all times. The retail pharmacy industry is known to be highly competitive in the U.S and in most parts of the world. The industry is growing and there are alternative ways through which clients / patients can get their medications / prescriptions / drugs. There are alternative provide methods like mail-order firms, grocery chains, mass merchants and dollar stores; these are the real competitors in the industry. These competitors ensure that they do all that lies within their power to gain a favorable market share of the available market in any given region.

In this industry, most of the competitive dynamics center around the quality of cannabis dispensed, the service offered, the location where the dispensary is at, discounts offered for the products, and to some extent, the branding of the business plays a significant role. Even though competition is stiff especially from the big, well-backed enterprises, smaller enterprises can still get their fair share of the market if they stay true to the competitive dynamics.

It is a fact that small medical marijuana dispensaries / retail pharmacy store will always struggle with larger medical marijuana dispensaries / pharmacy chains when it comes to pricing power and brand recognition which is why smaller retail pharmacy store always go out of their ways to deliver excellent customer service. It is through top notch customer service that they can secure a fair share of the available market.

Smaller retail pharmacies ensure that each order carries a printout. The printout accompanies the medications providing directions on how patients are expected to take the medications, other drugs that should be avoided concurrently, and other useful information.

[Company Name] is entering into the market well prepared to favorably compete in the industry. Our store is well positioned and visible. We have

plenty of parking space available with good security. Our management staff is well groomed in retail pharmacy and all of our employees are trained to provide customized customer service to all of our clients.

We are going to be one of the few medical marijuana dispensary stores in [Location] that will be open 24 hours a week and 7 days a week. We have enough staff ready to run a shift system.

Organization & Management

The following positions will be available at [Company Name];

- CEO (pharmacy owner, superintendent pharmacist and supervising pharmacist)
- Pharmacist (Manager)
- Merchandize Manager
- Pharmacist technician (3)
- Information Technologist (Contract)
- Sales agents (3)
- Cashier (Counter Agent).
- Cleaners

Roles and Responsibilities

The responsibilities of each position within the dispensary will be broken down as detailed below.

Chief Executive Officer – CEO:

- Responsible for providing business direction
- Responsible for creating, communicating, and implementing the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy
- Responsible for fixing prices and signing business deals

- Responsible for recruitment
- Responsible for payment of salaries
- Responsible for signing checks and documents on behalf of the company
- Evaluates the success of the organization

Pharmacist (Manager):

- Responsible for managing the daily activities in the company (dispensary store)
- providing advice about health issues, symptoms and medications in response to customer enquiries
- Responsible for recruiting, training and managing staff
- Responsible for processing prescriptions and dispensing medication
- Responsible for ordering, selling and controlling medicines and other stock
- Responsible for meeting medical representatives
- Responsible for managing the organizations' budgets
- Responsible for keeping statistical and financial records
- Responsible for preparing publicity materials and displays
- Handles marketing services
- Interfaces with third – party providers (vendors)
- Controls the sales floor inventory
- Supervises the entire sales staff and workforce
- Handles any other duty as assigned by the CEO

Merchandize Manager

- Manages vendor relations, market visits, and the ongoing education and development of the organizations' buying teams
- Helps to ensure consistent quality of drugs and products on our rack
- Responsible for the purchase of goods and products for the organizations
- Responsible for planning sales, monitoring inventory, selecting the merchandise, and writing and pricing orders to vendors

- Ensures that the organization operates within stipulated budget

Pharmacy Technician

- Ensures that the store facility is in tip top shape and conducive enough to welcome customers (This includes turning on equipment such as computers, scales, printers and fax machines)
- Ensures that goods and products are properly arranged
- Responsible for processing prescriptions
- Responsible for sterilizing the counter tops, scales, pill counting trays, and other medication measuring devices
- Handles administrative and bookkeeping tasks, inventory control, stocking shelves, and data entry
- Performs monthly inventory counts, file paperwork, and stock inventory
- Handles any other duty as assigned by the floor manager (Pharmacist)

Sales Agents

- Manages external research and coordinates all the internal sources of information to retain the organizations' best customers and attract new ones
- Models demographic information and analyzes the volumes of transactional data generated by customer purchases
- Sources for clients for the company
- Responsible for promoting the company's image
- Responsible for creating marketing and sales strategies, etc.
- Represents the organization in some strategic business meetings
- Handles any other duty as assigned by the floor manager (Pharmacist)

Information Technologist

- Manages the organization website
- Handles ecommerce aspect of the business

- Responsible for installing and maintenance of computer software and hardware for the organization
- Manages logistics and supply chain software, Web servers, e-commerce software and POS (point of sale) systems
- Manages the organization's CCTV
- Handles any other technological and IT related duties

Cashier (Counter Agent):

- Receives payments on behalf of the organization
- Issues receipt to customers
- Prepares financial report at the end of every working week
- Handles financial transaction on behalf of the company
- Interfaces with our bankers
- Responsible for payment of tax, levies and utility bills
- Handles any other duty as assigned by the floor manager (Pharmacist)

Cleaners:

- Responsible for cleaning the store facility at all times
- Ensures that toiletries and supplies don't run out of stock
- Cleans both the interior and exterior of the pharmacy facility
- Handles any other duty as assigned by the floor manager (Pharmacist)

Products

Our core product as a medical marijuana dispensary will be medical marijuana which will come in a variety of different strains. Aside from the dispensary of medical marijuana, [Company Name] will retail a wide range of prescription drugs from different manufacturing brands to customers who

are based in [Location] and every other city where our outlets will be opened. We will also engage in the sale of [Additional Products].

At [Company Name], we will ensure that we have a wide range of products (prescription drugs and over-the-counter drugs. It will be difficult for customers to visit our store and not find the product that they are looking for. One of our business goals is to make our medical marijuana dispensary store a one stop shop.

Marketing

The marketing and sales strategy of [Company Name] will be based on generating long-term personalized relationships with customers. In order to achieve that, we will ensure that we offer medications at lower prices compared to what is obtainable in Los Angeles. We will also ensure that we have a wide range of drug supplies in stock for both quick shipment and store front pick up.

All of our employees will be well trained and equipped to provide excellent and knowledgeable customer service. We know that if we are consistent with offering high quality medical marijuana, drugs and excellent customer service, we will increase the number of our customers by more than 25% for the first year and then more than 30% subsequently.

Before choosing a location for our medical marijuana dispensary store, we conducted a thorough market survey and feasibility studies in order for us to be able to penetrate the available market and become the preferred choice for residence of [Location]. We have detailed information and data that we were able to utilize to structure our business to attract the numbers of customers we want to attract at a given time.

We have hired experts who have a solid understanding of the retail industry to help us develop marketing strategies that will allow us to achieve our business goal of winning a larger percentage of the available market in [Location]. We do not view hiring the best hands in marketing as a waste of

money; rather we see it as a wise investment that will guarantee a large return within a short period of time.

In summary, [Company Name] will adopt the following sales and marketing approach to win customers over;

- Introduce our business by sending introductory letters to residence, business owners and organizations
- Advertise our business in community based newspapers, local TV and local radio stations
- List our business on yellow pages ads (local directories)
- Leverage on the internet to promote our business
- Engage in direct marketing
- Leverage word of mouth marketing (referrals)
- Enter into business partnership with hospitals, health care provider and health insurance companies.
- Attend pharmaceutical related exhibitions / expos

Publicity and Advertising Strategy

Regardless of the fact that our medical marijuana dispensary store is well located in [Location], we will attempt to intensify the publicity for our business. We are going to explore all available conventional and non – conventional means to promote our retail business.

[Company Name] has a long term plan of opening outlets in various locations all around Pennsylvania which is why we will deliberately build our brand to be well accepted in [Location] before venturing out. As a matter of fact, our publicity and advertising strategy is not solely for winning customers over but to effectively communicate our brand to the general public.

Here are the platforms we intend on leveraging in order to promote and advertise [Company Name];

- Place adverts on both print (community based newspapers and magazines) and electronic media platforms

- Sponsor relevant community programs
- Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + et al to promote our brand
- Install Bill Boards at strategic locations around [Location]
- Engage in road show from time to time
- Distribute our fliers and handbills in target areas
- Position our Flexi Banners at strategic positions in the location where our retail store is located

Our Pricing Strategy

It would be wrong to fix pricing without first determining other factors that surround costing. This is one of the reasons why we will work towards ensuring that all of our products (medical marijuana, prescription drugs and over-the-counter drugs, etc.) are offered at highly competitive prices compared to what is obtainable in The United States of America.

The fact that we are going to be offering our products at cheaper prices than our competitors does not in any way mean that we will sell sub – standard products. Selling our products at a lower price than what is obtainable in our competitors’ stores means that we will only reduce our profit margin and gain sales margin.

Payment Options

At [Company Name], our payment policy is all inclusive because we are quite aware that different people prefer different payment options as it suits them. Here are the payment options that will be available in all of our outlets;

- Payment by cash
- Payment via Point of Sale (POS) Machine
- Payment via online bank transfer (online payment portal)
- Payment via Mobile money
- Check (only from loyal customers)

In light of the above, we have chosen banking platforms that will help us achieve our payment plans without any hitches. This is very vital so that we do not lose focus.

Growth

It is the wish of any business to become so successful that there is a good succession plan to act upon. More often than not, having a good succession plan will help you know the direction your business is headed. As such, the future of a business lies in the number of loyal customers, the capacity and competence of the employees, their investment strategy and the business structure. If all of these factors are missing from a business (company), then it won't be long before the business closes shop.

One of our major goals in starting [Company Name] is to build a business that will survive off its own cash flow without the need for injecting finances from external sources once the business is officially up and running. We know that one of the ways of gaining approval and winning customers over is to sell our product cheaper than what is currently obtainable in the market. We are well prepared to survive on lower profit margin.

[Company Name] will make sure the correct foundation, structures and processes are put in place to ensure that our staff is well taken of. Our company's corporate culture is designed to drive our business to greater heights and training and re – training of our workforce is top of mind. As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of three years or more. We know that with this policy, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.

Financial Projections

Sources of Income

We know that it is vital to state and act on the ways through which we have decided to raise funds. Our source of income will be primarily in the retailing of medical marijuana and the retailing of prescription drugs and over-the-counter drugs.

[Company Name] will also generate income from the sale of [Additional Products].

Sales Forecast

One of the true marks of an effective entrepreneur is being able to forecast sales based on the magnitude of work that has been put into the business. It is important to state that our sales forecast is based on the data gathered during our feasibility studies, market survey, and also some of the assumptions readily available in the field.

Below are the sales projections that we were able to come up with for the first three years of operations;

First Year-: \$100,000 (From Walk – in customers): \$150,000 (From Mail Order customers)

Second Year-: \$250,000 (From Walk – in customers): \$270,000 (From Mail Order customers)

Third Year-: \$500,000 (From Walk – in customers): \$550,000 (From Mail Order customers)

N.B: This projection is done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown or natural disasters within the period stated above. Please note that the above projection might be lower, but may also be higher.

Start – Up Expenditure (Budget)

From research, it can be deduced that starting a medical marijuana dispensary business isn't something that comes cheap, neither is it for

those that are faint of heart. The first set of money to be spent just to make an application before entering this business is usually non-refundable, and is always in thousands of dollars. The start-up cost also depends on the requirements of the state one would be operating in. Some states require that you have a cultivation location while others do not.

The items listed below are the basics that we would need when starting our own medical marijuana dispensary business in the United States, although costs might vary slightly;

- The Total Fee for Registering the Business in Pennsylvania – [Dollar Amount]
- Legal expenses for obtaining licenses and permits – [Dollar Amount]
- Marketing promotion expenses for the grand opening of [Company Name] in the amount of [Dollar Amount], as well as, flyer printing ([Number] flyers at [Dollar Amount] per copy) for the total amount of [Dollar Amount].
- Cost for hiring Consultant – [Dollar Amount]
- Cost for Computer Software (Accounting Software, Payroll Software, CRM Software, Microsoft Office, QuickBooks Pro, drug interaction software, Physician Desk Reference software) – [Dollar Amount]
- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium – [Dollar Amount]
- Cost for payment of rent for 12 month at [Dollar Amount] per square feet in the total amount of [Dollar Amount]
- Cost for Shop remodeling (construction of racks and shelves) – [Dollar Amount]
- Other start-up expenses including stationery [Dollar Amount] and phone and utility deposits [Dollar Amount]
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – [Dollar Amount]
- The cost for Start-up inventory (stocking with a wide range of products) – [Dollar Amount]
- Storage hardware (bins, rack, shelves,) – [Dollar Amount]

- The cost for counter area equipment (counter top, sink, ice machine, etc.) – [Dollar Amount]
- Cost for Supplies (Assorted bottles, boxes, envelopes, etc. for dispensing and shipment)- [Dollar Amount]
- Cost for store equipment (cash register, security, ventilation, signage) – [Dollar Amount]
- Cost of purchase and installation of CCTVs: [Dollar Amount]
- The cost for the purchase of furniture and gadgets (Computers, Printers, Telephone, TVs, tables and chairs et al): [Dollar Amount]
- The cost of Launching a Website: [Dollar Amount]
- The cost for our opening party: [Dollar Amount]
- Miscellaneous: [Dollar Amount]

We would need an estimate of [Dollar Amount] to successfully set up our medical marijuana dispensary store in [Location]. Please note that this amount includes the salaries of all of the staff for the first month of operation.

Generating Funding / Startup Capital for [Company Name]

[Company Name] is a privately held business that is solely owned and financed by [Name] and family. They do not intend to welcome any external business partners which is why he/she has decided to restrict the sourcing of the start – up capital to 3 major sources.

These are the areas [Company Name] intends to generate start – up capital;

- Generate part of the start – up capital from personal savings
- Source for soft loans from family members and friends
- Apply for loan from my Bank

N.B: We have been able to generate about [Dollar Amount] (Personal savings [Dollar Amount] and soft loan from family members [Dollar Amount]) and we are at the final stages of obtaining a loan facility of [Dollar Amount] from our bank. All of the papers and documents have been signed and submitted, the loan has been approved, and any moment from now our account will be credited with the amount.