

[Your business name] — Business Plan

Auto repair shop in [Your city] · Startup plan

Executive summary

[Your business name] is a new auto repair shop in [Your city] offering diagnostics and check-engine-light repairs; brakes, suspension and steering; oil changes, fluids and scheduled maintenance; and engine, cooling-system and A/C repair. The model is honest, same-day general repair from a two-bay shop, billed on a written estimate with labor and marked-up parts, and growth through reviews and referrals from customers who were told the truth.

Startup budget: \$70,600 across 9 items, with funding still to be decided.

Twelve months from now, success looks like this: [What success looks like twelve months from now]

Products and services

[Your business name]'s core service is diagnostics and check-engine-light repairs. Every car gets a digital inspection with photos, a written estimate the customer approves before work starts, parts delivered same-day from two suppliers, and a call the moment it's ready.

- Diagnostics and check-engine-light repairs
 - Brakes, suspension and steering
 - Oil changes, fluids and scheduled maintenance
 - Engine, cooling-system and A/C repair
-

Market analysis

The customers are car owners with a warning light, a noise or a failed inspection, families who want one shop for every vehicle, drivers with older cars priced out of the dealership, and small businesses with a few vans that need maintenance on a schedule.

- Car owners with a check-engine light, a noise or a failed inspection who want a straight answer
- Families with two or three cars who want one shop they trust for every service
- Drivers priced out of the dealership on an older, out-of-warranty vehicle
- Small businesses with a few vans or trucks that need fleet maintenance on a schedule

Marketing strategy

Most customers will find [Your business name] on Google and through word of mouth — searching for a mechanic near them, or asking the neighbor who finally found an honest shop. Reviews on the Google Business Profile, a visible shop with clear signage, referrals from tow operators and tire shops, and a website with services, reviews and a book-an-appointment form turn that into full bays.

- Google Business Profile and Google Maps — “mechanic near me” and “auto repair” plus your city
- Word of mouth and referrals from customers you told the truth about a repair they didn't need
- A visible shop on a busy road with clear signage and a clean waiting area
- Tow operators, used-car dealers, tire shops and fleet managers who send work
- A website with services, photos of the shop, reviews and a book-an-appointment form

Operations plan

The owner turns wrenches, writes estimates and answers the phone in year one, keeps parts flowing on supplier accounts, handles disposal through licensed haulers, and hires a technician and then a service writer once two bays are busy four days a week.

- A written estimate approved by the customer before any work starts, with labor, parts and shop fees on it
- Parts on account from two suppliers with same-day delivery so cars don't sit in a bay waiting
- A diagnostic scan tool with current subscriptions and a labor-time guide to price jobs consistently
- Used-oil, coolant, battery and tire disposal through licensed haulers, with the records kept
- A digital inspection with photos on every car — it sells the repair honestly and earns the review

Startup costs

What it will take to open the doors, with funding still to be decided.

Startup costs

ITEM	AMOUNT
Shop lease deposit, first months and build-out (two bays)	\$19,000
Two-post lifts, one or two, installed	\$10,000
Tools, toolboxes, diagnostic scan tool, air compressor and jacks	\$16,500
Working capital: rent, parts and your own pay before the bays fill	\$15,000
Garage liability and garagekeepers insurance (first year)	\$5,500
Starter parts and shop supplies: filters, fluids, brake pads, fasteners	\$4,000
Business registration, LLC, EIN, repair-shop registration and EPA certification	\$600
Website and Google Business Profile	\$0
Shop-management, estimating and invoicing software (first year)	\$0
Total	\$70,600

Typical range to start an auto repair shop in the US: \$35,200–\$108,700. Your list is what you decided to spend — replace estimates with real quotes as you get them. Website and Google Business Profile: Your Zarla plan includes the website with your services, shop photos and a book-an-appointment form and walks you through your Google Business Profile — a designer typically charges \$1,500 or more to build one. Shop-management, estimating and invoicing software (first year): Your Zarla plan includes appointment booking, invoicing and customer management with the website — you'll still want a labor-time guide and a diagnostic subscription.

Financial plan

The numbers below come from your own startup list and typical monthly costs for an auto repair shop in the US. Rent, lifts and insurance are the fixed costs; parts and labor scale with every repair order, so billed hours per bay decide whether the margin survives.

Typical monthly operating costs for an auto repair shop: \$8,050–\$42,000 a month, before the owner's own pay.

Add a monthly sales target and the plan will show how long it takes to recover the startup budget.

Typical monthly operating costs

COST	TYPICAL RANGE
Parts, fluids and shop supplies (scales with repair orders)	\$5,000–\$20,000
Shop rent, property taxes and common-area charges	\$2,000–\$6,000
Technician and service-writer wages (once you hire)	\$0–\$12,000
Garage liability, garagekeepers and workers' compensation	\$250–\$700
Utilities, compressed air, shop towels and uniforms	\$400–\$1,200
Shop-management, labor-guide and diagnostic subscriptions (included with Zarla)	\$0–\$300
Used-oil, coolant, tire and battery disposal plus tool-truck payments	\$200–\$800
Marketing, signage and review follow-up	\$200–\$1,000

US ranges for a small operation; replace with your own figures as you learn them. Lines marked (included with Zarla) are what those tools cost separately — with Zarla they are part of one monthly plan.

Risks and honest downsides

Every auto repair shop plan should say out loud what can go wrong. For [Your business name], the real risks are:

- A bay shop carries real fixed costs — rent, lifts, insurance — that don't pause when the phone is quiet
- Modern cars need expensive scan tools, subscriptions and training that go stale every model year
- One misdiagnosis or a comeback on a big job can wipe out a week's margin and cost the review
- Dealerships, chains and mobile mechanics all compete; an independent wins on trust, price and same-day turnaround
- You're liable for customers' cars while they're in your care — theft, a lift accident or a test-drive fender-bender lands on your insurance

Licenses, permits and insurance

What [Your business name] needs before it can legally trade in the US. Rules vary by state and city — confirm each item with your local licensing office and an accountant.

- Auto repair shop registration or license — Not uniform across the US — some states register every repair shop (California's Bureau of Automotive Repair, Michigan, New York, Florida and Connecticut among them), while many require only a local business license. Check your state's consumer-protection or motor-vehicle agency before you open.
- EPA Section 609 certification — Federal, in every U.S. state: anyone who services a vehicle's air-conditioning refrigerant must hold it, and suppliers won't sell refrigerant without it.
- Hazardous-waste and used-oil handling — Federal EPA rules plus state and local ones cover used oil, coolant, solvents, batteries and tires — use licensed haulers and keep the manifests.
- Garage liability and garagekeepers insurance — Expected everywhere in the US and required by most landlords; garagekeepers covers customers' cars while they're on your lot.
- Zoning and building permits — Repair shops are limited to industrial or commercial zones in most cities; lifts, compressors and paint work usually need permits and an inspection.
- Business registration and EIN — Most owners form an LLC; ASE certification isn't required by law, but customers and insurers expect it on the wall.

Milestones: the next 30 days

The first month's to-do list for [Your business name], in order:

- Check whether your state registers repair shops and get your EPA Section 609 certification
- Form the LLC, get an EIN and buy garage liability and garagekeepers insurance
- Find a two-bay space in a commercial zone and get a quote for lifts and a compressor installed
- Open parts accounts with two suppliers and ask about same-day delivery and terms
- Set your labor rate by calling three local independents and a dealership as a customer
- Set up a free Google Business Profile and put your website live
- Offer a free inspection to twenty friends, family and neighbors and ask them to spread the word
- Photograph every inspection, send the estimate before you start, and ask for a Google review at pickup

Appendix: what a lender will ask for

This plan tells the story and shows the numbers. If you take it to a bank, expect to be asked for these documents as well:

- Two years of personal tax returns and a personal financial statement
- A month-by-month 12-month cash-flow projection that shows the months before the bays fill
- A signed lease or letter of intent for the shop, with the build-out costs
- Quotes for lifts, tools and equipment if you're borrowing for them
- Your shop registration, EPA certification and certificates of garage insurance
- Your credit report and anything you can offer as collateral

Template: replace every [bracketed] line and every estimate with your own figures. Written with Zarla's free business plan generator — zarla.com/business-plan-generator writes it from five questions.

Written with Zarla · zarla.com/business-plan-generator