# [Your business name] — Business Plan

Electrical business in [Your city] · Startup plan

## Executive summary

[Your business name] is a new electrical business in [Your city] offering troubleshooting and electrical repairs; panel upgrades and service changes; EV-charger installation; lighting, outlets and ceiling fans; whole-home and partial rewiring; and generator hookups and surge protection. The model is licensed, permitted work priced up front, a van stocked for the common jobs, and customers who call back for the next project and tell their neighbors.

Startup budget: $34,975 across 11 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 troubleshooting and electrical repairs. Every job starts with a service-call fee and a price the customer approves before the work begins, the common jobs are flat-rate, and every job that needs a permit gets one.

- Troubleshooting and electrical repairs
- Panel upgrades and service changes
- EV-charger installation
- Lighting, outlets and ceiling fans
- Whole-home and partial rewiring
- Generator hookups and surge protection

## Market analysis

The customers are homeowners with electrical problems or new loads — an EV charger, a heat pump, a bigger panel — home buyers and sellers working through an inspection report, and general contractors, remodelers and property managers who need a licensed electrician.

- Homeowners with a breaker that keeps tripping, dead outlets or lights that flicker
- Homeowners buying an electric car, a heat pump or a hot tub who need a bigger panel or a new circuit
- Home buyers and sellers with a list of electrical items from the inspection report
- Remodelers, general contractors and property managers who need a licensed electrician they can rely on
- Small businesses that need lighting, repairs and code corrections done after hours

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## Marketing strategy

Most work will come from Google and word of mouth. People search for an electrician nearby when something stops working and call the first one that looks licensed and reviewed, so a Google Business Profile and a website with the license number, reviews and a booking form do the heavy lifting; contractors and repeat customers supply the rest.

- Google Business Profile and Google Maps — “electrician near me” is how most service calls start
- Word of mouth and repeat customers — an electrician who shows up on time is remembered
- General contractors, remodelers, property managers and real-estate agents who send steady work
- EV dealers, solar installers and HVAC companies who need a licensed electrician for their installs
- A website with your services, service area, license number, reviews and an online booking or quote form

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## Operations plan

The owner works as the licensed master in year one, running service calls and installs from one van, with an apprentice once the calendar is full. Permits are pulled for every job that needs one, the van is restocked weekly, and invoices are paid by card on the day.

- A licensed master electrician (you, or one you employ as the qualifier) on the license, the permits and the inspections
- A service-call fee plus flat-rate pricing for common jobs, so customers approve the price before the work starts
- Permits pulled and inspections booked for every job that needs one — never skipped to save a day
- The van stocked with the parts for the ten jobs you do most, restocked every week
- An apprentice hired once the calendar is full, trained on your jobs and registered with the state
- Invoices sent from the job and paid by card before you leave the driveway

## Startup costs

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

### Startup costs

| ITEM | AMOUNT |
| --- | --- |
| Working capital: materials, fuel and your own pay while the calendar fills | $5,000 |
| Used cargo van with shelving and ladder racks, or a deposit on a financed one | $15,000 |
| Tools and test equipment: meters, testers, benders, drills, fish tapes | $6,500 |
| Starting van inventory: wire, breakers, devices, boxes and fittings | $1,250 |
| State contractor license application, exam fees and business registration | $1,125 |
| Contractor license bond, where your state or city requires one (yearly premium) | $850 |
| General liability for electrical work (first year) | $1,350 |
| Commercial auto for the van (first year) | $2,750 |
| Estimating, scheduling, invoicing and customer records (first year) | $0 |
| Website and Google Business Profile | $0 |
| Logo, van lettering, business cards and launch marketing | $1,150 |
| **Total** | **$34,975** |

Typical range to start an electrical business in the US: $13,350–$61,600. Your list is what you decided to spend — replace estimates with real quotes as you get them. Estimating, scheduling, invoicing and customer records (first year): Your Zarla plan includes online bookings, quotes, invoicing and customer management — you may still want field-service or estimating software as you grow. Website and Google Business Profile: Your Zarla plan includes the website with your services, service area, license number and a booking form, and walks you through your Google Business Profile — a designer typically charges $2,000 or more.

## Financial plan

The numbers below come from your own startup list and typical monthly costs for an electrical business in the US. The biggest costs are the van, the tools, the inventory and insurance, and what needs planning is contractor work that pays a month or two after the materials were bought.

Typical monthly operating costs for an electrical business: $1,350–$4,950 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 |
| --- | --- |
| Van payment, fuel and upkeep | $300–$1,000 |
| General liability, commercial auto and bond | $300–$500 |
| Materials not yet billed back to jobs | $500–$2,000 |
| Scheduling, invoicing and customer records (included with Zarla) | $0–$250 |
| Local advertising, yard signs and your domain | $100–$500 |
| Phone, bookkeeping, accounting, license renewals and continuing education | $150–$450 |
| Workers' comp, once you hire an apprentice | $0–$250 |

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

- Electrical mistakes start fires and hurt people — shortcuts on permits, grounding or load calculations are what end careers, not just businesses
- Working without the right license, or outside your license's scope, can void your insurance and your right to be paid
- Contractor and builder work often pays 30 to 60 days after the invoice, so the materials are on your card before the money arrives
- Underpricing is the classic first-year mistake — an hourly rate that forgets drive time, the van and callbacks
- Busy months and slow months swing with new construction and the weather, so the service work has to carry the gaps

## 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.

- Business registration, EIN and a local business license — Most electrical contractors form an LLC; state filing fees and a city or county business license are usually a few hundred dollars. The EIN from the IRS is free.
- An electrical contractor license, or a licensed master who qualifies the business — Most US states license electrical contractors; a few — Illinois, Indiana, Kansas, Missouri, New York and Pennsylvania — leave it to cities and counties, so you may license town by town. To hold the license you — or a master electrician you employ as the qualifying party — usually need a journeyman's license, years of supervised experience and a state exam on the National Electrical Code. Check your state licensing board, and your city's, before you bid.
- A journeyman or master electrician license for everyone doing the work — In licensing states, anyone wiring for pay holds a license or works as a registered apprentice under one. A journeyman's license typically follows about four years (around 8,000 hours) of supervised work and an exam; a master's usually needs another 4,000 to 8,000 hours as a journeyman — Texas asks 12,000 hours and two years as a journeyman.
- Permits and inspections for the work the code covers — Panel changes, new circuits and rewiring usually need a permit from the city or county — about $100 to $400 for a panel upgrade — and an inspection before the walls close. Pulling the permit is the licensed contractor's job.
- General liability insurance and a contractor bond — Customers, general contractors and many permit offices ask for the certificate; many states and cities require a license bond, commonly $10,000 to $25,000 (California's is $25,000), bought for a yearly premium.
- Workers' compensation — Required in almost every US state once you hire, including an apprentice.

## Milestones: the next 30 days

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

- Confirm your contractor license — or line up the licensed master who will qualify the business — with your state board and your city
- Register the business, take the free EIN and open a business bank account
- Get general liability, commercial auto and any bond your state requires
- Set your service-call fee, your hourly rate and flat prices for your ten most common jobs
- Stock the van with the parts for those jobs and set up a supplier account
- Set up a free Google Business Profile with your service area and put your website live with a booking form
- Letter the van and order business cards and yard signs
- Call every general contractor, remodeler and property manager you know and ask for the first job
- Finish the first job, send the invoice from the driveway and ask for a Google review

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## 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
- Your contractor and master electrician licenses
- A month-by-month 12-month cash-flow projection
- Quotes for the van, tools or equipment the loan would buy
- Your certificates of insurance and bond
- 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.

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