

Lantern & Vetiver Perfumes — Business Plan

Perfume business in Savannah, GA · Startup plan

Executive summary

Lantern & Vetiver Perfumes is a new perfume business in Savannah, GA offering a line of six eau de parfum in 50 mL bottles; sample sets of 2 mL vials of the whole line; travel sizes and refills; custom scents for weddings and gifts; wholesale to boutiques and gift shops; and scent workshops and blending classes. The model is one maker's own-label line: eau de parfum blended by weight in a home studio from perfumer's alcohol and fragrance materials, bottled at 50 mL with 2 mL sample sets, and sold online, at markets and pop-ups and to boutiques.

Startup budget: \$12,085 across 12 items, funded from savings. Target: \$10,000 in monthly sales.

Twelve months from now, success looks like this: Six fragrances in the line and about \$10,000 a month of sales by the end of the first year — eighty 50 mL bottles at \$85 and 160 sample sets at \$20 — online, at two markets a month and through the stockists the sample sets bring in

Products and services

Lantern & Vetiver Perfumes' core product is a line of six eau de parfum in 50 mL bottles. Every scent is formulated by weight and logged by batch, labelled to the FDA's cosmetic rules, macerated and filtered before bottling, and sold with a sample set first so no customer buys blind; wholesale orders go out with a line sheet and net-30 terms.

- A line of six eau de parfum in 50 mL bottles
 - Sample sets of 2 mL vials of the whole line
 - Travel sizes and refills
 - Custom scents for weddings and gifts
 - Wholesale to boutiques and gift shops
 - Scent workshops and blending classes
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Market analysis

The customers are people who want a scent nobody else is wearing; gift buyers who want a local, handmade bottle with a story; fragrance enthusiasts who buy sample sets from every indie house; couples who want a custom wedding scent; and boutiques, gift shops and hotel shops that stock local makers.

- People who are tired of department-store perfume and want something nobody else is wearing
 - Gift buyers who want a local, handmade bottle with a story on the box
 - Fragrance enthusiasts who buy sample sets from every indie house they find online
 - Couples who want a custom wedding scent, and brides who want it as the bridesmaids' gift
 - Boutiques, gift shops and hotel shops that stock local makers
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Marketing strategy

Most bottles will sell to people who tried the sample set first — online, at a market, by word of mouth or through a reviewer; the rest find Lantern & Vetiver Perfumes on Google — “perfume near me”, “handmade perfume” plus the city — so Instagram, the email list, the Google Business Profile, the markets and a website with the sample set and online ordering decide whether a sniff becomes a bottle; the boutiques come from the markets, with a line sheet.

- Instagram and TikTok — the bottle, the materials, the blending bench, the unboxing — and the email list they feed
 - Sample sets: the \$20 set is the ad — the plan assumes one sampler in four comes back for a bottle
 - Markets, pop-ups and craft fairs, where people can smell before they buy
 - Fragrance reviewers and forums — a sample sent to a reviewer with a following
 - Wholesale to boutiques and gift shops found at the markets, with a line sheet
 - A website with the scents, the notes, the sample set, online ordering and your story
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Operations plan

The owner is the perfumer, the bottler, the packer and the market stall in year one: the alcohol is bought under the TTB user permit, every material carries a safety data sheet, every batch is logged, every parcel ships ground as a limited quantity, and the adverse-event file is kept whether or not a customer ever needs it.

- Every scent formulated by weight on a 0.01-gram scale, logged batch by batch, and left to macerate before it is filtered and bottled
- Perfumer's alcohol bought by the gallon under a free TTB industrial alcohol user permit; the fragrance materials bought from suppliers who provide a safety data sheet and an IFRA certificate for each
- Labels with the ingredient list, the net contents, the flammable warning and your address, written to the FDA's cosmetic rules
- Shipped ground as a limited quantity — the hazmat marking on the box, absorbent packing inside, never air mail
- Adverse-event reporting and safety records kept, as MoCRA requires of every brand, exempt or not
- Orders filled from the home studio; wholesale orders invoiced with net-30 terms

Startup costs

What it will take to open the doors, funded from savings.

Startup costs

ITEM	AMOUNT
Perfumer's alcohol and your first fragrance materials	\$1,043
Bottles, sprayers, sample vials and labels: 300 bottles and 1,000 samples	\$2,105
Boxes, tissue, sample cards and mailers	\$650
A 0.01-gram scale, beakers, pipettes, funnels, filters and storage	\$400
Safety data sheets, IFRA certificates and a formula review	\$250
Product liability insurance (first year)	\$786
Business registration (LLC), EIN and a seller's permit	\$170
Hazmat shipping setup: limited-quantity labels and absorbent packing	\$200
Product photography and launch marketing	\$900
Website with online ordering and Google Business Profile	\$0
First market and pop-up booth fees, a table display and a tester tray	\$750
Working capital: two months of running costs	\$4,831
Total	\$12,085

Typical range to start a perfume business in the US: \$6,557–\$19,611. Your list is what you decided to spend — replace estimates with real quotes as you get them. Website with online ordering and Google Business Profile: Your Zarla plan includes the website — the scents, the notes, the sample set, online ordering and your story — and walks you through your Google Business Profile. Having one built typically costs \$1,000 to \$2,000 from a freelancer.

Financial plan

The numbers below come from your own startup list and typical monthly costs for a one-maker perfume line in the US. Startup is small — alcohol, materials, glass, insurance and the first markets — and the materials in a bottle are a fraction of its price; the monthly lines are materials, packaging, insurance and marketing, and the sample-to-bottle rate decides what is left.

Typical monthly operating costs for a perfume business: \$1,722–\$3,807 a month, before the owner's own pay.

At \$10,000 in monthly sales, Lantern & Vetiver Perfumes would clear \$6,193–\$8,278 a month before owner pay and tax, and recover the \$12,085 startup budget in roughly 2 months.

Typical monthly operating costs

COST	TYPICAL RANGE
Alcohol, fragrance materials, bottles and vials (about 80 bottles and 160 sample sets)	\$920–\$1,800
Boxes, mailers, absorbent packing and the postage you don't bill on	\$150–\$400
Product liability insurance	\$26–\$105
Email marketing, bookkeeping and the phone (included with Zarla)	\$30–\$100
Ads, samples to reviewers and giveaways	\$200–\$600
Market and pop-up booth fees	\$100–\$400
Card fees (on about \$10,000 of sales)	\$296–\$402

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 perfume business plan should say out loud what can go wrong. For Lantern & Vetiver Perfumes, the real risks are:

- Nobody buys a scent they haven't smelled — the sample set has to go out first, at a loss, and the plan's assumption that one set in four turns into a bottle is the number to watch
- A fragrance oil discontinued by the supplier is a scent that can't be made again until it is reformulated
- One box shipped by air, or without the limited-quantity mark, is a \$50 fee from the Postal Service and a lost parcel — and a repeat is a lost carrier account
- A skin reaction without a safety record and an adverse-event file is the brand's first and last complaint
- Markets are weather and foot traffic: a rained-out Saturday is a month's booth fee gone
- Holiday sales are half the year — the September to December stock has to be made in July

Licenses, permits and insurance

What Lantern & Vetiver Perfumes 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.

- FDA cosmetic rules and MoCRA — In the US perfume is a cosmetic: the Food and Drug Administration approves nothing before sale, and the Modernization of Cosmetics Regulation Act exempts a brand averaging under \$1,000,000 a year of US cosmetic sales over the previous three years from facility registration, product listing and the manufacturing-practice rules. The exemption does not cover the rest: serious adverse events reported to the FDA within 15 business days, records that substantiate each product's safety, and the labelling rules. There is no FDA fee either way. A business that fills other houses' fragrance into decant vials is manufacturing in the FDA's eyes too, not just relabelling.
- The label — In the US a retail cosmetic label carries the product's identity, the net contents, the name and place of business, any warning the product needs — alcohol-based perfume is flammable — and the ingredients in descending order of predominance, with the blend allowed to be listed as “fragrance” (21 CFR 701.3). The information must be prominent and in the required type sizes. Keep the batch record behind every label.
- Perfumer's alcohol — In the US perfumer's alcohol is specially denatured alcohol (formula SDA 40-B), a taxed-spirit product the Alcohol and Tobacco Tax and Trade Bureau regulates: anyone who uses it to make products for sale holds a TTB industrial alcohol user permit (Form 5150.22, no fee) before the first commercial batch. Samples of up to five gallons a calendar year may be obtained without a permit, but for experiments only — never for articles sold (27 CFR 20.251) — and Lab Alley asks for the permit documentation on any order of five gallons or more.
- Shipping a flammable liquid — In the US alcohol-based perfume is a Class 3 flammable liquid. The Postal Service carries it by ground only, as a limited quantity: each glass bottle no more than a pint, the parcel marked with the DOT limited-quantity surface mark, absorbent packing inside, no air service and no international mail (USPS Publication 52) — and an undeclared hazmat parcel costs a \$50 fee. UPS accepts limited-quantity ground packages without a hazmat contract. Products with 70% or less ethanol have a separate, looser rule.
- Trademark, claims and California's reporting — In the US the brand name and each scent's name are trademarks — \$350 a class to apply at the USPTO — and the Federal Trade Commission holds every claim on the box to proof: a perfume that “calms” or “heals” is a drug claim. In California, a brand that uses any ingredient on the state's hazard lists reports it to the Safe Cosmetics Program (no fee) and carries a Proposition 65 warning where one applies.
- Business registration, sales tax and insurance — In the US most makers form an LLC with their state — \$40 in Kentucky, \$300 in Texas, and California charges an \$800 yearly LLC tax on top of its filing fee — take a free EIN from the IRS and register for the state's sales tax before the first sale; the marketplaces and your own store collect it where the law puts it on them. Product liability insurance is not required but every boutique and market asks for a certificate — and check the policy covers alcohol-based products. Confirm the details with your accountant.

Milestones: the next 30 days

The first month's to-do list for Lantern & Vetiver Perfumes, in order:

- Decide the line — six scents, the concentration, the bottle — and write the price list: the bottle, the sample set, the wholesale price
- Form the LLC, take the free EIN, open a business bank account and register for sales tax
- Apply for the free TTB industrial alcohol user permit, then order the alcohol, the first materials with their safety data sheets and IFRA certificates, the scale and the glassware
- Formulate by weight, log every batch, and leave the first batches to macerate
- Write the labels to the FDA's rules — ingredients in order, net contents, the flammable warning, your address — and the batch record behind them
- Get product liability quotes that cover alcohol-based products
- Set up ground-only hazmat shipping: the limited-quantity marks, absorbent packing, a carrier account
- Put the website live with the scents, the sample set and online ordering, and claim your Google Business Profile
- Book two markets, send sample sets to five reviewers, and start the email list with the first fifty samplers

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 cash-flow projection showing the sample sets going out ahead of the bottles
- Your formulas' safety records and the product liability policy
- Wholesale orders or letters of intent from your first boutiques
- Your price list and the cost of goods per bottle, from receipts
- Your credit report

Sample plan for a fictional business, written by Zarla's free business plan generator. Every figure is a typical US range or calculated from the sample's own numbers — nothing is a market projection. Make it yours in five questions:

zarla.com/business-plan-generator?industry=perfume