Freight Broker Business Plan Sample — Canada

This **freight broker business plan sample** presents **Cedar Span Freight Brokerage Inc.**, a fictional Canadian company proposed for Hamilton, Ontario. It is clearly labelled a **SAMPLE**: no real business, client engagement, operating result or investment offer is depicted. Use this example to understand how ten connected sections turn an operating idea into an evidence-based financing discussion. Return to the sample business plan hub to compare other models.

All company details, commercial prices, demand, capacity, costs and financial projections are illustrative assumptions. They are not observed market statistics, professional advice or promises of revenue, profit, occupancy or financing approval. The appendix distinguishes the fictional operating choices from official research starting points. Confirm current rules for the actual application and premises.

Table of contents

1. Sample executive summary
2. Sample company overview
3. Sample services and revenue model
4. Sample market analysis
5. Sample operations plan
6. Sample marketing and sales plan
7. Sample management and staffing
8. Illustrative financial projections
9. Sample funding request
10. Sample appendix and official-source register

Five frequently asked questions

1. Sample executive summary

Cedar Span Freight Brokerage Inc. proposes an independent freight brokerage arranging domestic dry-van loads in Hamilton, Ontario. The proposed scope is arranging Ontario-to-Ontario dry-van loads for manufacturers and wholesalers through independent carriers. The brokerage owns no trucks, employs no drivers and offers no customs brokerage, hazardous-goods or cross-border service. Confirm the applicable load-broker requirements, contractual obligations and insurance before accepting a load; no registration or approval is represented as obtained. The company, founder and all commercial inputs are fictional. No real client engagement or operating result is represented.

Illustrative opening capitalization is CAD $250,000: owner equity of $150,000 and requested borrowing of $100,000. Installed assets use $30,000, inventory is zero and opening cash is $220,000. This is financing-close cash before further launch expenses, deposits and operating losses. Funding remains conditional on actual quotations, permissions and underwriting.

Year 1 assumes 1,200 completed loads at CAD $300 in retained revenue per unit, producing $360,000 sales and net income of $45,600. Growth requires validated demand, paid staff capacity and sufficient cash. These figures demonstrate a connected model; they are not results, market averages or profit promises.

> *What a reviewer reads for: a specific offer, an achievable delivery model, a traceable funding requirement and clear conditions before spending. A polished narrative cannot replace verified demand or sufficient cash.*

2. Sample company overview

Cedar Span Freight Brokerage Inc. is a fictional Ontario corporation owned by Maya Vale, an invented founder with six years of shipper account and dispatch coordination experience. The biography asserts no actual credential, licence or customer relationship. Hamilton is the proposed office location; the name and premises are teaching assumptions.

The proposed scope is arranging Ontario-to-Ontario dry-van loads for manufacturers and wholesalers through independent carriers. The brokerage owns no trucks, employs no drivers and offers no customs brokerage, hazardous-goods or cross-border service. Confirm the applicable load-broker requirements, contractual obligations and insurance before accepting a load; no registration or approval is represented as obtained.

The founder will document ownership, signing authority, equity contributions and business banking before entering contracts. The fictional name is a teaching identifier and has not been checked for availability. Business receipts, customer obligations and owner funds must remain distinguishable in the accounting records. A founder's experience is relevant to execution but does not establish demand or replace competent help where the actual activity requires it.

Premises and major purchasing commitments follow due diligence rather than an unsupported opening date. A letter of intent should identify conditions, permitted use, landlord responsibilities and what happens if a necessary approval is refused. Installation, access, insurance, repairs and restoration terms affect the budget as well as the lease. The owner will obtain qualified advice on the actual structure and agreements before committing the reserve.

3. Sample services and revenue model

One unit is a completed load arranged as agent, with retained brokerage fees of CAD $300, $310 and $320 across 1,200, 1,500 and 1,800 annual loads. Net earned fee revenue is $360,000, $465,000 and $576,000. For the cash illustration each shipper invoice totals $1,800, $1,810 and $1,820 per load, including a $1,500 carrier settlement. The company does not earn that carrier portion. Gross shipper billings are $2,160,000, $2,715,000 and $3,276,000; carrier settlements are $1,800,000, $2,250,000 and $2,700,000. These are fictional commercial inputs, not freight-rate benchmarks.

Direct transaction inputs are five per cent of retained fee revenue: $18,000, $23,250 and $28,800. They cover modeled load-board, payment and shipment-document transaction costs. Payroll and overhead are separate. Carrier settlements are excluded from direct costs because this illustration presents earned brokerage fees net; actual principal-versus-agent treatment requires review of the actual contracts and control of the service.

Written customer terms will identify the unit sold, what is included, what costs extra, when delivery occurs and how a complaint or change is handled. A large sales total is useful only if the company retains enough contribution to cover paid work and overhead. Management will maintain a cost sheet for each offer showing net selling price, purchased inputs, staff time and the constraint that limits delivery. Included products are not counted again as add-on revenue.

The forecasts describe completed, earned sales rather than every enquiry received. Refunds, discounts, credits and uncollectible balances require explicit treatment. Growth in a secondary channel needs its own demand evidence, staffing and cash; it is not an automatic reward for primary sales. Before adding an offer, management

will revisit training, insurance, stock, permissions and working capital so the new line does not weaken delivery of the original promise.

Reconcile each shipper invoice to the carrier payable and retained fee by shipment ID. Record accessorial approvals, credits, cancellations and disputes before recognizing earned fees. The cash and balance-sheet model deliberately retains gross shipper receivables and unsettled carrier obligations; showing revenue net does not remove the need to fund a carrier before a shipper pays. No factor advance or hidden revolving facility is assumed.

4. Sample market analysis

Interview purchasing and shipping managers at Hamilton-area manufacturers and wholesalers about recurring lanes, tender frequency, documentation problems, claims and payment terms. Compare direct carrier relationships, other brokers and shipper-managed load platforms. No interviews, tender awards or shipper commitments have occurred in this sample. A proposed Year 1 base of 20 active shippers averaging five completed loads monthly yields 1,200 loads; neither account count nor frequency is researched demand.

The proposed positioning is a small Ontario dry-van lane desk with named shipment contacts and clear exception reporting. It competes on reliable coordination rather than an unsupported lowest-price promise. A shipper concentration limit of twenty per cent of earned fees is a fictional management policy. Confirm a broader qualified pipeline before allowing one account to determine payroll or carrier-payment capacity.

The evidence register will separate observed information from management assumptions. A supplier quotation supports purchase cost; it cannot prove customer demand. An interview describes that respondent's circumstances; it is not a representative market survey without a suitable method. Competitor prices require a date, scope and tax basis. National industry revenue cannot establish how many customers this particular operation can reach and serve profitably.

Use the TAM, SAM and SOM glossary to distinguish broad opportunity, reachable customers and the smaller share that practical launch capacity supports. Build the obtainable case from units, service time, buying frequency and net price. For each material forecast input, the owner will record its definition, evidence, uncertainty and next review date. Evidence that contradicts the concept should change the plan rather than be discarded to preserve the original revenue target.

> *Adaptation note: support the chosen customer, geography and delivery capacity with dated evidence. Keep fictional demand assumptions separate from researched facts.*

5. Sample operations plan

The founder, one shipment coordinator and part-time administrative cover provide two and a half paid service equivalents, budgeted at 1,400 productive hours each in Year 1. At two staff hours per completed load, 1,200 loads require 2,400 hours against 3,500 available, leaving time for exceptions and credit control. Later 1,500 and 1,800 loads require 3,000 and 3,600 hours; add paid relief within the higher payroll envelopes. Carrier transport capacity is separate and cannot be inferred from office staffing.

The CAD $30,000 opening asset allowance covers office fit-out, secure workstations and purchased communications equipment. Software subscriptions sit in overhead. Before tendering, verify carrier identity through independent contact details, operating authority where applicable, insurance scope and expiry, and who may accept payment changes. Confirm coverage directly and document rechecks rather than relying only on emailed certificates.

The operating sequence is shipper credit approval, written load tender, verified carrier acceptance, pickup confirmation, exception tracking, proof of delivery, invoice approval and settlement reconciliation. Prohibit undisclosed rebrokering and independently verify changes to bank details. Written agreements must allocate cargo claims, service failures and dispute handling. Customer credit limits and a weekly aged-receivables review control new tenders when payment deteriorates.

Opening follows named readiness gates: a viable operating site, acceptable contractual terms, required authorization, installed and tested systems, trained staff and a funded cash calendar. Each unresolved condition has an owner and a decision point. Rent, payroll preparation and finance charges can continue while a gate is delayed. A commercial launch announcement does not make an unresolved permission or supplier commitment disappear.

The operating workbook will translate annual capacity into weeks and months, allowing for training, absence, downtime and cancellations. At least one trial of the full delivery process will test the assumptions before volume commitments expand. The manager will keep a continuity file with supplier contacts, backup responsibilities, system recovery and customer communication procedures. Alternatives count as usable capacity only when their availability, cost and scope are confirmed.

6. Sample marketing and sales plan

Allocate CAD $12,000 of Year 1 overhead to a small prospecting programme, lane-specific educational material and introductory meetings. A fictional funnel of 100 qualified shipper prospects, 40 trial discussions and 20 retained active accounts is a test hypothesis, not an achieved conversion rate. Stop or revise spending if completed loads and collected contribution do not support the acquisition cost.

Track qualified enquiries, accepted orders, completed delivery and collected cash separately. Review repeat purchases and contribution after direct costs; a campaign that produces volume below sustainable margin must be revised.

The sales register distinguishes an enquiry, a qualified prospect, an agreed order or booking, completed delivery and collected cash. Forecasting every enquiry as a sale hides both conversion risk and the collection delay. Management reviews the cost of acquiring customers against contribution after delivery costs, not against gross receipts alone. Repeat business is tracked separately from new acquisition so existing accounts do not make an unproven advertising campaign look effective.

Campaigns have spending limits and review points. If an offer attracts demand for a time, product or service the team cannot deliver, that demand is not usable revenue. The owner will record the reason for lost business, customer credits and cancellations and adjust scope or scheduling accordingly. Proposed partnerships remain prospects until their obligations are agreed. Published claims must reflect actual service and evidence rather than invented reviews or endorsements.

7. Sample management and staffing

Maya Vale controls shipper credit, carrier onboarding exceptions and the weekly cash calendar. Payroll envelopes of CAD $180,000, $210,000 and $240,000 include paid founder work, coordinator hours, administrative relief and employer costs. Year 1 includes an illustrative $70,000 owner compensation envelope; no unpaid founder labour or additional owner distribution is assumed.

The coordinator manages shipment status and proof of delivery; administrative cover reconciles carrier statements and flags overdue accounts. A second approver checks payment-detail changes. External accounting, legal and insurance advisers are proposed support, not retained partners. Protect shipper rates and customer contact records through access controls and documented backup responsibilities.

The payroll envelope must become a roster of paid positions, hours, wages, employer costs, leave and relief coverage before the plan is used. Contractor status requires an assessment of the real working relationship. The model does not assume that giving someone a contractor label removes employment responsibilities. Sensitive staff and customer records have role-based access, a retention policy and a response procedure appropriate to the actual operation.

A weekly management review compares delivered units, net price, direct cost, paid hours, overdue balances, cash and upcoming commitments. Each material variance receives a cause, an action and a responsible person. Increasing sales cannot repair a persistent collection failure, and cutting maintenance can make a capacity problem worse. The founder will delegate routine authority and identify who can approve urgent decisions during an absence rather than assume the owner is always available.

A carrier failure, cargo dispute, identity fraud or delayed shipper payment can exhaust cash even when fee margins remain positive. Suspend new tenders where credit limits are breached, preserve shipment evidence and maintain an alternative verified-carrier list. The brokerage cannot promise carrier capacity until a specific tender is accepted. Compare this asset-light agency model with the linked trucking and logistics franchise samples before borrowing their cost assumptions.

8. Illustrative financial projections

All amounts are illustrative CAD assumptions, excluding collected sales taxes. Years 1–3 are the first three operating years, not calendar-year forecasts or benchmarks. Annual totals do not establish monthly liquidity. Opening capitalization is at financing close before further legal work, deposits, training and launch expenses; itemize and classify those uses in the monthly workbook before committing funds.

Illustrative opening sources and uses

Use	Amount	Source	Amount
Office equipment and fit-out	$30,000	Owner equity	$150,000
Opening inventory at cost	$0	Requested borrowing	$100,000
Opening cash and reserves	$220,000	Grants assumed	$0
Total uses	$250,000	Total sources	$250,000

Illustrative financing-close capitalization, CAD

Illustrative revenue drivers

Line	Year 1	Year 2	Year 3
Primary annual units	1,200	1,500	1,800
Net earned revenue per primary unit	$300	$310	$320

Line	Year 1	Year 2	Year 3
Primary revenue	$360,000	$465,000	$576,000
Secondary revenue	$0	$0	$0
Total revenue	$360,000	$465,000	$576,000

Illustrative earned sales, CAD; units defined in section 3

Illustrative three-year pro-forma income statement

Line	Year 1	Year 2	Year 3
Revenue	$360,000	$465,000	$576,000
Direct transaction and booking inputs	$18,000	$23,250	$28,800
Gross contribution before employee payroll	$342,000	$441,750	$547,200
Employee payroll including owner and employer costs	$180,000	$210,000	$240,000
Other operating overhead	$95,000	$105,000	$115,000
EBITDA	$67,000	$126,750	$192,200
Depreciation	$3,000	$3,000	$3,000
Interest	$7,000	$6,300	$5,600
Pretax income / (loss)	$57,000	$117,450	$183,600
Illustrative tax provision	$11,400	$23,490	$36,720
Net income / (loss)	$45,600	$93,960	$146,880

Illustrative annual income statement, CAD

Office assets depreciate by $3,000 annually, with $900 replacements in Years 2 and 3. Interest is seven per cent of opening annual debt; principal repayment is $10,000 annually, or ten per cent of original debt. These are teaching conventions, not offered loan terms. Interest and tax are paid in the year charged. A hypothetical twenty per cent provision applies only to positive pretax income without loss carryforwards; it is not a statutory rate. No dividends, new borrowing or grants are assumed.

Illustrative working capital and cash flow

Gross shipper receivables are assumed at $180,000, $225,000 and $270,000, representing about thirty days of gross annual billings. Carrier payables are $108,000, $135,000 and $162,000, about twenty-two days of carrier settlements. These closing balances are explicit fictional timing assumptions, not a stated percentage of net revenue. Shipper collection is slower than carrier payment. Other direct inputs are paid within the year. All receivables and payables open at zero; no inventory is held. Working-capital cash movement is the increase in carrier payables less the increase in gross shipper receivables. Build the monthly forecast from actual invoice dates and due dates.

Line	Year 1	Year 2	Year 3
Opening cash	$220,000	$186,600	$254,660
Net income / (loss)	$45,600	$93,960	$146,880
Add back depreciation	$3,000	$3,000	$3,000
Working-capital cash movement	($72,000)	($18,000)	($18,000)
Operating cash flow	($23,400)	$78,960	$131,880
Capital replacements paid	$0	$900	$900
Loan principal paid	$10,000	$10,000	$10,000
Closing operating cash	$186,600	$254,660	$375,640

Illustrative annual cash flow, CAD; capital and principal rows are outflows

Illustrative year-end balance sheets

Line	Year 1	Year 2	Year 3
Cash	$186,600	$254,660	$375,640
Accounts receivable	$180,000	$225,000	$270,000
Inventory at cost	$0	$0	$0
Office equipment and fit-out, net	$27,000	$24,900	$22,800
Total assets	$393,600	$504,560	$668,440
Carrier settlement payables	$108,000	$135,000	$162,000

Line	Year 1	Year 2	Year 3
Loan outstanding, total	$90,000	$80,000	$70,000
Owner share capital / contributed equity	$150,000	$150,000	$150,000
Cumulative retained earnings / (deficit)	$45,600	$139,560	$286,440
Total liabilities and equity	$393,600	$504,560	$668,440

Illustrative pro-forma balance sheets, CAD

Cash rolls forward from the cash-flow statement; net assets equal original cost plus replacements less accumulated depreciation. Retained earnings accumulate net income with no distributions. The debt line combines current and longer-term portions; classify these using actual repayment dates. Prepare a monthly cash model covering payroll, launch delay, taxes and the lowest cash point before judging repayment capacity.

Illustrative break-even, repayment and combined downside

Year 2 contribution before payroll is 95 per cent. Fixed payroll and overhead of $315,000 imply EBITDA break-even sales of about $331,579. Adding interest and principal gives a simplified sales threshold of $348,737, before tax, replacements and working-capital changes. Operating cash flow plus interest divided by principal plus interest gives illustrative debt-service coverage of 5.23 times before replacement capital; this is a calculation convention, not a lender requirement.

A combined ten per cent Year 2 sales reduction at unchanged prices and ten per cent payroll overrun leaves EBITDA of $61,575. Direct inputs vary with sales while overhead remains fixed. A further fifteen-day delay collecting Year 2 gross shipper billings ties up about $111,575 ($2,715,000 × 15 ÷ 365), without postponing carrier obligations. Net brokerage revenue alone would understate this cash risk. Test these stresses together in a monthly workbook and revise scope or commit additional funding if cash falls below the operating minimum.

9. Sample funding request

The fictional request is CAD $100,000 borrowing plus $150,000 owner equity. Office equipment and fit-out use $30,000; no sale inventory is held. Opening cash is $220,000 before additional launch expenses and deposits. The request assumes no unapproved grant, factor advance, unsigned contract or uncommitted facility.

The lender will review actual borrower evidence, site and operating conditions, supplier terms, payroll assumptions, equity sources and monthly cash forecasts. The seven per cent interest convention is purely illustrative; actual amortization, fees, security and guarantees require written terms. No future grant or unsigned contract fills a repayment gap. If the real costs exceed the envelope, management must revise scope or commit additional equity before accepting obligations.

Funding release should follow the actual readiness gates and dated invoices. Do not buy equipment that cannot be installed, promise service before qualified coverage exists or consume the reserve while an essential condition remains unresolved. If a lender offers less than the requested amount, the owner must reconcile the revised sources and uses and prove the smaller launch can work before accepting the facility.

A business plan cannot guarantee approval. The lender evaluates the actual borrower, evidence, repayment, security and its current requirements. The requested route and the owner’s commercial ambition do not

establish program eligibility. For help connecting your verified operating evidence and financial schedules, explore our business plan writing services; scope and deliverables need to be agreed for the real project.

10. Sample appendix and official-source register

The appendix makes the operating and financial case reviewable. Organize ownership and signing records, relevant resumes, premises terms, itemized supplier quotations, insurance, applicable permissions, staffing and training records, customer terms and the monthly workbook. Reference each attachment from the section it supports. Keep sensitive personal and commercially confidential documents in the receiving institution's designated secure channel rather than publishing them with a sample plan.

Maintain an assumptions index recording the input, unit, source, date, owner, uncertainty and review trigger. Mark each item as verified evidence, provisional quotation or management estimate. When a price, volume or payment term changes, update the narrative, financial statements and funding request together. A quote can expire, a premises condition can change and a prospective customer can decline; the evidence register should make those changes visible.

The official links below are research starting points for the stated topics, not a claim that this fictional operation has been licensed or that every current requirement has been verified. No regulatory fee, approval timeline, statutory tax rate or entitlement is reproduced. Confirm the current rules for the actual location, activities and transaction with the responsible authority and qualified advisers before relying on the plan.

- Ontario Truck Transportation Act — Starting point for reviewing the load-broker provisions and current applicability with qualified counsel.
- Ontario commercial vehicle operator safety manual — Research carrier responsibilities and verification questions; this brokerage is not modeled as a fleet operator.
- CRA GST/HST for businesses — Confirm invoicing, registration and tax treatment for actual brokerage arrangements.

Details deliberately left for verification include the actual site, product or service permissions, employment treatment, transaction taxes, financing conditions and the current official requirements. This sample quotes no regulatory rate or automatic approval entitlement. Use the related planning guide to frame further research, while keeping the company's assumptions separate from rules governing the actual application.

Final adaptation checks: confirm the exact scope and premises, verify demand, cost the roster, obtain current supplier terms, classify opening expenses and deposits, reconcile all three statements and test the lowest monthly cash point. Resolve any condition preventing lawful delivery before taking unconditional commitments. The PDF reproduces this sample; a real submission requires the business's own evidence and the receiving lender's current checklist.

Frequently asked questions

What does this freight broker business plan sample include?

It presents Cedar Span Freight Brokerage Inc., a fictional company in Hamilton, Ontario, ten connected sections, operating assumptions, linked three-year CAD statements, a conditional funding request and an appendix. All business details and people are invented.

How much funding does the fictional business need?

The illustrative opening capitalization is CAD $250,000, with $150,000 owner equity and $100,000 requested borrowing. This is a teaching scenario, not a typical startup cost.

How does a freight broker differ from a trucking company?

This fictional freight broker arranges transport through independent carriers and earns retained fees. It owns no trucks and employs no drivers. A trucking company operates transport capacity. Carrier-payment obligations still create working-capital needs for the broker, and actual contracts determine gross-versus-net revenue presentation.

Are the financials a forecast or profit promise?

No. All commercial inputs are illustrative. Replace them with evidence, reconcile all statements and test monthly cash. Neither profit nor financing approval is assured.

Can I download and adapt this freight broker example?

Yes. The PDF reproduces the online sample. Replace every fictional detail, verify current requirements and obtain actual quotations before using a plan for a real decision.

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