Logistics Franchise Business Plan Sample — Canada

This **sample business plan for logistics franchise** presents **Maple Relay Logistics 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.

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1. Sample executive summary

Maple Relay Logistics Inc. proposes a fictional franchised parcel-collection, packing and local business-dispatch centre. Its initial customers are nearby small online sellers and professional offices that need packing, tracked dispatch and a predictable collection routine. The proposed Hamilton, Ontario location is fictional; no specific premises, supplier agreement or customer contract has been secured. The launch will remain within a defined scope and expand only when delivery resources and cash support the extra work.

The illustrative opening capitalization is CAD $250,000, comprising $100,000 owner equity and $150,000 requested borrowing. Installed assets use $120,000, stock $10,000 and opening cash $120,000. The reserve is held at financing close before additional pre-opening operating expenses. The request is conditional on actual quotations, due diligence, permissions and lender underwriting. No unapproved grant fills a funding gap.

Year 1 illustrates revenue of $360,000 and net income / (loss) of $14,800. Sales are driven by the units and prices in section 3, with paid owner work included in payroll. Management must validate demand, reconcile the first-year monthly cash schedule and resolve launch conditions before making commitments. These numbers teach the relationship between operations and capitalization; they are not forecasts for an actual company.

> *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

Maple Relay is a fictional Ontario corporation owned by Jordan Singh, an invented founder with six years of parcel-depot supervision experience. It proposes one Hamilton dispatch centre operating under the invented "Parcel Lantern" franchise concept. Neither the business nor the franchisor is a real company or a recommendation. The model assumes a conditional franchise agreement; it does not claim that a territory or carrier account has actually been granted.

The centre will pack customer goods, arrange carrier dispatch and coordinate a limited local collection route. It does not operate a long-haul trucking fleet, buy customer inventory or provide customs brokerage. This distinction keeps the business separate from the library's existing trucking sample. The owner will obtain legal review of the proposed franchise disclosure, agreement, territorial rights, purchasing restrictions, renewal conditions and exit obligations before any binding commitment.

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

Net handling and dispatch-service fees are assumed at 24,000, 30,000 and 36,000 consignments with average retained fees of CAD $10, $10.50 and $11. That produces $240,000, $315,000 and $396,000. Secondary packing and account-service revenue is $120,000, $150,000 and $180,000. Management must check the actual principal-versus-agent accounting treatment before showing gross carrier collections as turnover. This teaching model records only retained dispatch fees as primary revenue.

Direct costs are 30 per cent of retained dispatch fees plus 60 per cent of packing and account-service revenue, giving $144,000, $184,500 and $226,800. These include transaction-related carrier administration, route subcontracting and packing materials, but exclude employee payroll. A fictional franchise royalty of six per cent of modeled revenue and a two per cent brand-fund contribution sit within overhead, not direct costs. No real franchisor fee or promised franchise earning is represented.

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.

4. Sample market analysis

The proposed service area is the Hamilton neighbourhoods reachable from the single centre and its scheduled collection route. Research will focus on sellers shipping recurring parcels, nearby offices and businesses whose packing needs are poorly served by self-service shipping portals. Competing alternatives include carrier depots, independent pack-and-ship stores, direct account collection and customers doing their own packing.

The launch research schedule calls for 30 owner interviews, five timed route trials and a dated comparison of service scope at alternative counters. These are planned tasks, not completed research or evidence of signed customers. The owner will record parcel dimensions, collection windows, claims experience and willingness to pay for handling. A high parcel count is not enough if the shipments leave little retained contribution after packing time and collection expense.

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

Year 1 assumes 250 trading days and 96 consignments a day, rising to 144 in Year 3. One counter team, an owner-supervised packing station and a scheduled collection service must cover that throughput. The centre will test scan time, customer queueing, label corrections, packaging and end-of-day carrier handover before promising cut-off times. Nominal counter opening hours do not equal productive packing hours.

Every parcel receives an acceptance record linking the customer, declared contents, selected carrier service, packing instruction, tracking number and handover. Staff reject restricted or unsupported goods rather than guess at carrier rules. A daily exception list follows delayed collections, damaged packaging, address problems and claims. Customers retain the relevant carrier terms and declared-value choices; the centre does not promise universal delivery guarantees or coverage.

Collection subcontractors need documented service windows, insurance evidence and backup arrangements. The route is costed by hours, stops and vehicle constraints, with a failed-collection process. A carrier system outage requires secure holding, customer notification and controlled label recovery. Management will review business registration, premises permissions, employment coverage and the franchise agreement separately from the carrier's operating permissions.

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

The first-year acquisition plan uses a small group of local business accounts rather than assuming walk-in traffic fills the counter immediately. The owner will demonstrate the packing workflow, offer a written account scope and price collections according to actual stop density. Any trial discount expires on a specified date and is measured against retained contribution. A franchise brand name does not establish local demand.

Illustrative overhead contains $6,000 of local marketing in Year 1, separate from the modeled brand-fund contribution. Account reporting tracks active shippers, consignments per account, net fee per shipment, collection cost and overdue balances. Customer lists and service information must be handled under the actual franchise and privacy arrangements. No fictional franchisor testimonial, earnings disclosure or promised lead volume is used as evidence.

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

Jordan supervises carrier reconciliation, account sales and service exceptions. Counter and packing employees cover the published service hours, while a trained relief lead can complete the carrier manifest without the owner. Year 1 payroll of $95,000 includes $42,000 for working-owner compensation and $53,000 for employee wages and employer costs. Collection subcontractor cost is in direct cost and is excluded from this payroll envelope.

The owner will build a weekly roster showing counter coverage, breaks, receiving and packing time. Two people cannot simultaneously cover a full collection route and an open counter unless paid relief is scheduled. The bookkeeper reconciles funds owed to carriers separately from earned service income. The owner approves credits and reviews aged account receivables weekly, with payment limits set before offering business credit.

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.

Carrier concentration, changes to franchise fees, territory disputes and a loss of collection capacity can erase the expected retained margin. The owner will maintain a contract obligations register and test whether the shop remains viable at lower parcel volume. Claims are logged by cause and recovery status rather than assumed to be reimbursed. If a franchise agreement is not acceptable after legal review, management will stop the project and recost any independent alternative rather than carry the same revenue assumptions forward.

8. Illustrative financial projections

All financial amounts, prices, volumes, percentages and projections below are illustrative assumptions, not market benchmarks, approved credit terms or promised results. Years 1–3 mean the first three operating years after an authorized opening. Annual totals do not establish adequate monthly liquidity. Sales exclude collected sales taxes; actual tax collected, recoverable purchase taxes and remittances require separate control accounts. Nonrecoverable taxes belong in the real cost quotes.

The opening schedule describes financing close before additional pre-opening operating expenses. Cash reserves must therefore cover actual legal work, hiring, training, deposits, advertising and carrying costs as well as the operating ramp. The model does not pretend those costs disappear. Itemize them before launch, determine whether they are expenses, deposits or assets, and replace the opening balances accordingly. The illustrative opening model has no receivables, supplier payables or customer deposits.

Illustrative opening sources and uses

Use	Amount	Source	Amount
Fit-out and equipment	$120,000	Owner equity	$100,000
Opening inventory at cost	$10,000	Requested borrowing	$150,000
Opening cash and reserves	$120,000	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	24,000	30,000	36,000

Line	Year 1	Year 2	Year 3
Net revenue per primary unit	$10.00	$10.50	$11.00
Primary revenue	$240,000	$315,000	$396,000
Secondary revenue	$120,000	$150,000	$180,000
Total revenue	$360,000	$465,000	$576,000

Illustrative earned sales, CAD; units are 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 supplies, merchandise and channel costs	$144,000	$184,500	$226,800
Gross contribution before employee payroll	$216,000	$280,500	$349,200
Employee payroll, owner work and employer costs	$95,000	$118,000	$140,000
Rent and occupancy	$30,000	$31,500	$33,000
Other operating overhead	$50,000	$60,000	$72,000
EBITDA	$41,000	$71,000	$104,200
Depreciation	$12,000	$12,000	$12,000
Interest	$10,500	$9,450	$8,400
Profit / (loss) before tax	$18,500	$49,550	$83,800
Hypothetical tax provision	$3,700	$9,910	$16,760
Net income / (loss)	$14,800	$39,640	$67,040

Illustrative annual income statement, CAD

Direct costs follow the industry-specific assumptions in section 3. Employee payroll includes paid owner work and employer costs and is presented separately to avoid counting the same labour twice. Other operating overhead is an envelope for insurance, marketing, professional support, software, maintenance and activity-specific

administration. Itemized quotes must replace it before a financing decision. No unpaid founder labour is used to make the business appear sustainable.

Depreciation is an illustrative accounting charge equal to ten per cent of the original installed asset pool annually; it is not a statutory tax allowance. Capital replacements start in Year 2 at three per cent of that original pool and are included in net assets. Interest is calculated on each year's opening debt solely for this simplified illustration. Actual monthly interest and amortization will differ. Principal is a cash outflow and does not reduce accounting profit.

A hypothetical twenty per cent provision is applied only to positive annual pretax income, with no modeled loss carryforward. It is a teaching convention, not a statutory rate or tax opinion. The scenario assumes the company is taxed at entity level for this illustration; the actual entity, elections, owner obligations and jurisdiction require professional review. Taxes and interest are assumed paid in the year charged. There are no dividends, new borrowing, grants or asset-sale proceeds after financing close.

Illustrative working capital and cash flow

Year-end receivables are assumed at 8 per cent of earned revenue and supplier payables at 10 per cent of direct costs. Interest is assumed at 7 per cent of each year's opening debt, with CAD $15,000 of annual principal. These inputs are fictional commercial timing and debt conventions, not approved credit terms or industry benchmarks.

Working capital follows the explicit assumptions below. Receivables are earned but uncollected sales; stock is carried at cost, not selling price. Supplier payables are obligations, not free revenue. Opening inventory stays unchanged at the end of Year 1, then rises to fifteen per cent and thirty per cent above the opening stock balance in Years 2 and 3. Those are stock-planning assumptions, not regulatory ratios or evidence of optimum inventory.

The working-capital cash movement equals the increase in supplier payables less increases in receivables and inventory. A positive movement supplies cash; a negative movement consumes it. This model assumes no customer deposits or trust balances. A real business taking advance customer money must schedule the corresponding service obligation rather than classify every deposit as additional earned sales. Cash must be reconciled to the bank and to restricted obligations before it is described as available to spend.

Line	Year 1	Year 2	Year 3
Opening cash	$120,000	$117,400	$144,590
Net income / (loss)	$14,800	$39,640	$67,040
Add back depreciation	$12,000	$12,000	$12,000
Working-capital cash movement	($14,400)	($5,850)	($6,150)
Operating cash flow	$12,400	$45,790	$72,890
Capital replacements paid	$0	$3,600	$3,600
Loan principal paid	$15,000	$15,000	$15,000
Closing operating cash	$117,400	$144,590	$198,880

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

Illustrative year-end balance sheets

Line	Year 1	Year 2	Year 3
Cash	$117,400	$144,590	$198,880
Accounts receivable	$28,800	$37,200	$46,080
Inventory at cost	$10,000	$11,500	$13,000
Fit-out and equipment, net	$108,000	$99,600	$91,200
Total assets	$264,200	$292,890	$349,160
Supplier payables	$14,400	$18,450	$22,680
Loan outstanding, total	$135,000	$120,000	$105,000
Owner share capital / contributed equity	$100,000	$100,000	$100,000
Cumulative retained earnings / (deficit)	$14,800	$54,440	$121,480
Total liabilities and equity	$264,200	$292,890	$349,160

Illustrative pro-forma balance sheets, CAD

The loan line combines current and longer-term portions to keep the teaching balance sheet compact. A lender submission should classify them using actual repayment dates. Retained earnings equal cumulative modeled net income with no distributions. Net assets equal original installed cost plus replacements less cumulative depreciation; cash comes directly from the cash-flow statement. These links are necessary checks, not a substitute for a complete accountant-reviewed financial package.

The monthly workbook must show the sequence hidden by annual totals: pre-opening spending, trading ramp, customer collection, stock purchases, payroll, tax and debt payments. Test the lowest week of cash as well as year-end balances. A company can show annual profit while lacking money for next Friday's payroll. A negative cash point requires committed funding, a genuinely avoidable cost reduction or a redesigned launch before obligations are accepted.

Illustrative break-even, repayment and combined downside

Using Year 2's channel mix, contribution before employee payroll is $280,500 divided by $465,000, or 60.3 per cent. Fixed operating expenses are $209,500. Dividing those costs by the contribution fraction gives EBITDA break-even revenue of about $347,299 annually. Adding Year 2 interest and principal gives a simplified cash debt-service sales threshold of about $387,832, before tax, replacement capital and working-capital movements. The staffing and capacity plan must support that activity; the calculation itself is not evidence of demand.

For a separately defined repayment cross-check, Year 2 operating cash flow after modeled tax, interest and working-capital movements is $45,790. Adding back $9,450 interest gives $55,240 before debt service and replacement capital. Dividing by $24,450 of principal plus interest gives illustrative coverage of 2.26 times.

Deducting $3,600 replacement capital would leave $51,640 before debt service. This is a disclosed teaching calculation, not an SBA standard or a lender's required definition or threshold.

A combined ten per cent Year 2 sales reduction at the same mix and ten per cent payroll overrun reduces EBITDA by approximately $39,850, leaving $31,150 before remedial action. This assumes direct costs vary with sales while scheduled payroll and other fixed costs do not fall automatically. Also test an opening delay, slower collections and the specific risks in section 7. Rebuild monthly cash under the stressed assumptions rather than subtracting a profit variance from annual cash and assuming timing is harmless.

9. Sample funding request

The fictional request is CAD $150,000 borrowing alongside $100,000 cash equity. Installed counter, packing and information-system assets total $120,000, opening materials $10,000 and cash reserves $120,000. No franchise purchase price is silently treated as an asset: the scenario has no upfront franchise fee. A real agreement introducing an initial fee, deposits or compulsory purchases requires a revised budget and accounting treatment.

The lender file will include the franchise and carrier agreements, legal review, premises terms, equipment quotes, equity evidence, collection-service quotations and a monthly cash schedule. The seven per cent annual interest convention is not a franchise finance offer. Borrowing eligibility, security, guarantees and actual payment dates remain lender decisions. The owner must revise the plan if debt availability or the signed agreement differs from these assumptions.

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 — Franchises — Starting point for reviewing Ontario franchise obligations with qualified counsel; this sample gives no disclosure deadline or legal conclusion.

- Canada Post — Non-mailable matter — Reference for acceptance research; the operator must separately check each actual carrier and service.

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 logistics franchise business plan sample include?

It includes Maple Relay Logistics Inc., a fictional company in Hamilton, Ontario, ten connected plan sections, an operating model, linked three-year CAD income statements, cash flow and balance sheets, a conditional funding request and a supporting-source register. Replace all fictional details with your own evidence.

How much funding does this fictional business need?

The scenario uses CAD $250,000 of opening capitalization: $100,000 owner equity and $150,000 requested borrowing. That is a teaching scenario, not a typical startup cost. Actual quotes, launch expenses, staffing and payment delays determine the real requirement.

Why is dispatch revenue shown net of carrier charges?

This illustration models retained service fees and separately earned packing revenue. Money collected for a carrier is not automatically the centre's earned sales. Actual contracts and principal-versus-agent accounting determine the correct presentation; reconcile carrier settlements and customer receivables before relying on the model.

Are the three-year financials a forecast or profit promise?

No. Every commercial input and statement is illustrative. The tables show how revenue drivers, costs, working capital, debt payments and capitalization connect. Neither profit nor financing approval is assured. Prepare a detailed monthly model and the further forecast horizon requested by the lender.

Can I download and adapt this logistics franchise example?

Yes. The linked PDF reproduces the online sample. Use it as a structural reference, replace fictional company details and every commercial assumption, obtain current quotations and official confirmations, and reconcile the operating narrative and financial model before using the plan for a real decision.

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Written by Atul Jagga, CPA Ontario

Founder of The Biz Plans, Toronto. MBA Finance & Strategy (UBC); 20+ years in corporate finance and consulting involving RBC, BMO, and CIBC. Since 2016, Atul has written bank-financing and investor business plans for Canadian startups and small businesses. About Atul · Professional plan writing services

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