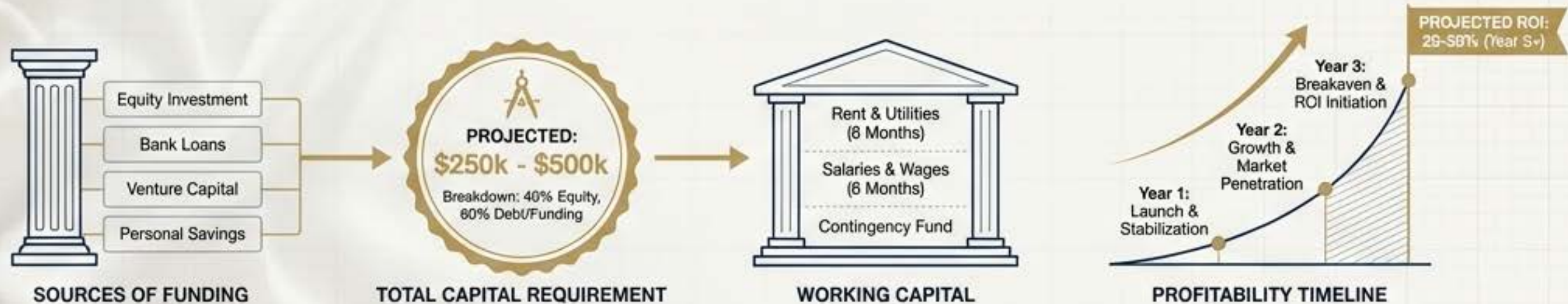
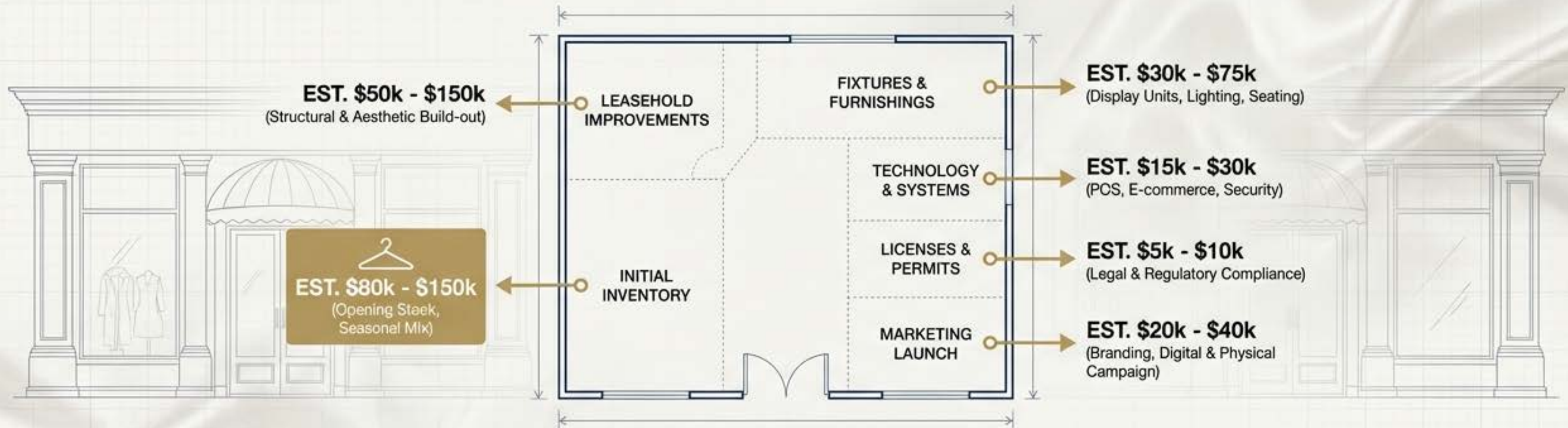


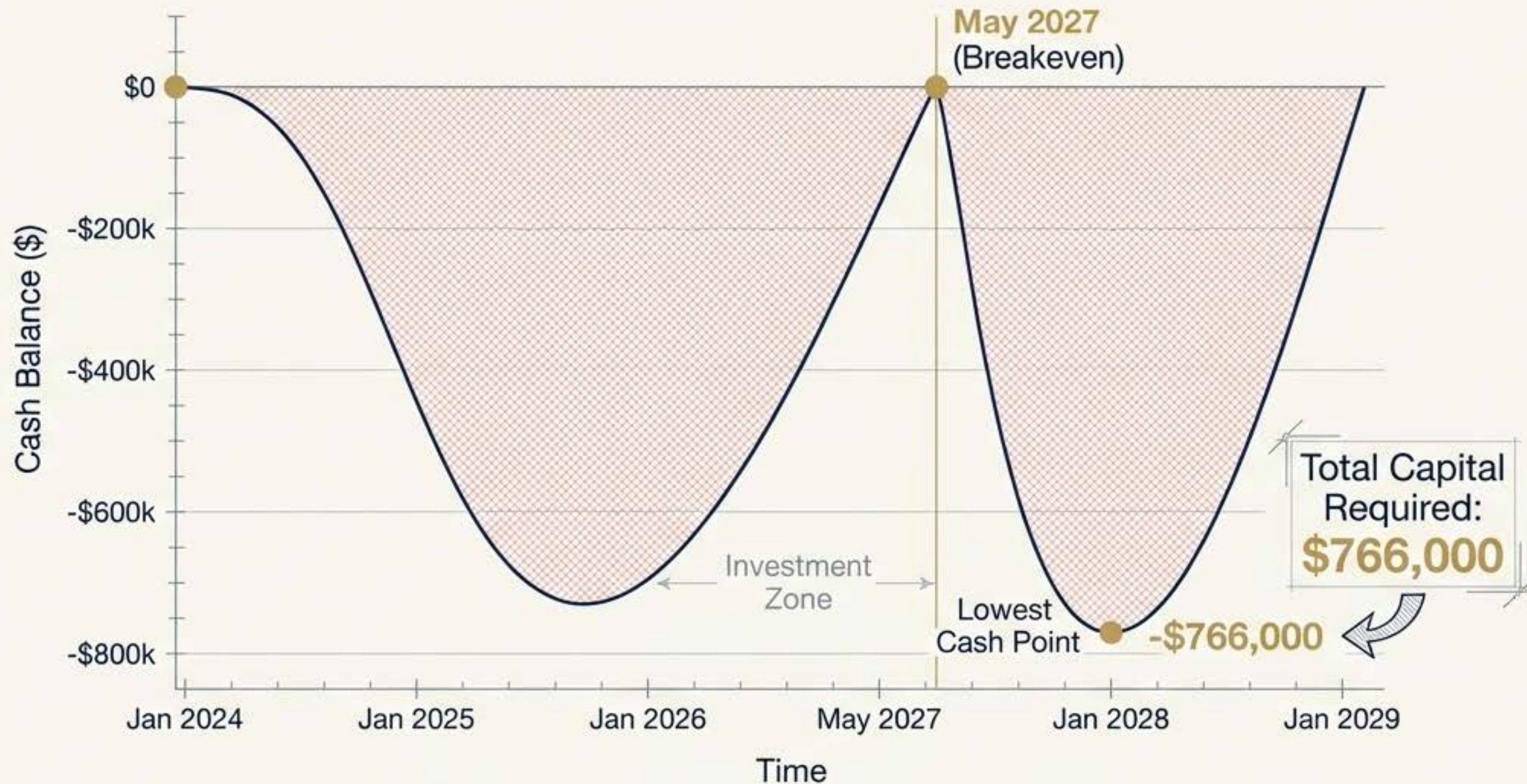
Clothing Boutique: Startup Costs & Capital Requirements

A Strategic Blueprint for Funding, Launching, and Sustaining Operations to Profitability



The Bottom Line: The \$766,000 Survival Requirement

The Cash Valley



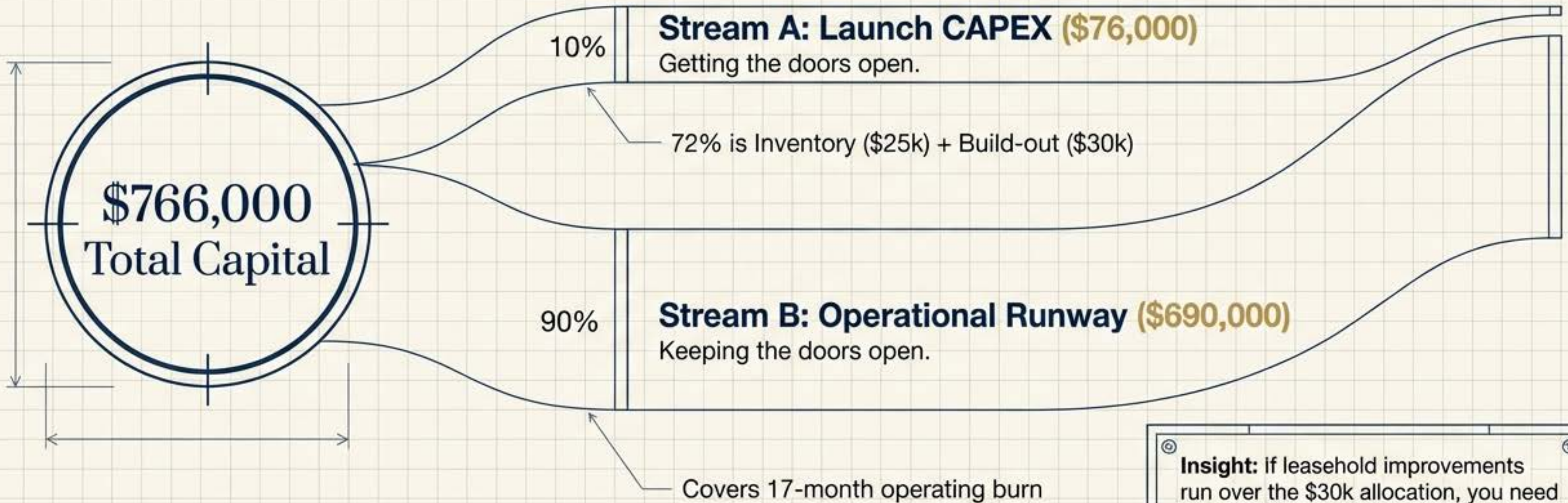
17 Months
to Breakeven

39-Month
Payback Period

Jan 2028:
Maximum
Cash Need

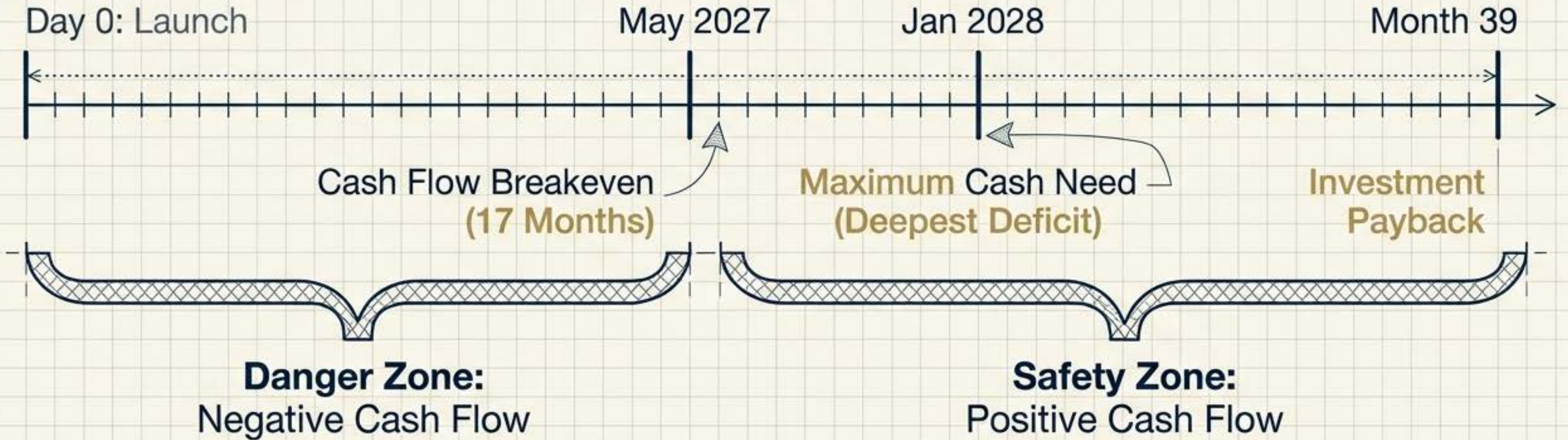


The Investment Split: Launch CAPEX vs. Operational Runway



Insight: If leasehold improvements run over the \$30k allocation, you need immediate bridge financing. Cash flow planning must account for this tight initial allocation.

The Timeline to Profitability



Budget Lock 2: Initial Inventory Strategy



Budget Lock 3: Fixtures & Visual Merchandising

The ROI Argument:

Good mannequins boost featured item sales by 20%.

The Spend:

Durable racks, shelving, professional mannequins.



Optimization Strategy



Buy Used: Source from local liquidators.



Go Modular: Systems that flex with rotating designers.



Avoid: Cheap fixtures that signal low quality.

Budget Lock 4: Commercial Lease Deposits

$$\begin{array}{l} \$3,500 \\ \text{Rent} \end{array} \times \begin{array}{l} 3 \\ \text{Months} \end{array} = \begin{array}{l} \$10,500 - \\ \$14,000 \\ \text{Upfront Cash Trap} \end{array}$$



The Calculation:

Standard requirement is 3 months rent + security.



The Negotiation Tactic:

Trade a longer lease term for a reduced 2-month deposit.



Timing:

Align rent commencement exactly with store opening.

Budget Lock 5: Technology & POS Systems



Smart Scaling

- Start with 2 terminals, not 5.
- Negotiate annual contracts to reduce rates.
- Avoid custom integrations in early stage.

Upfront Hardware

\$3,000 (Terminals, Install)

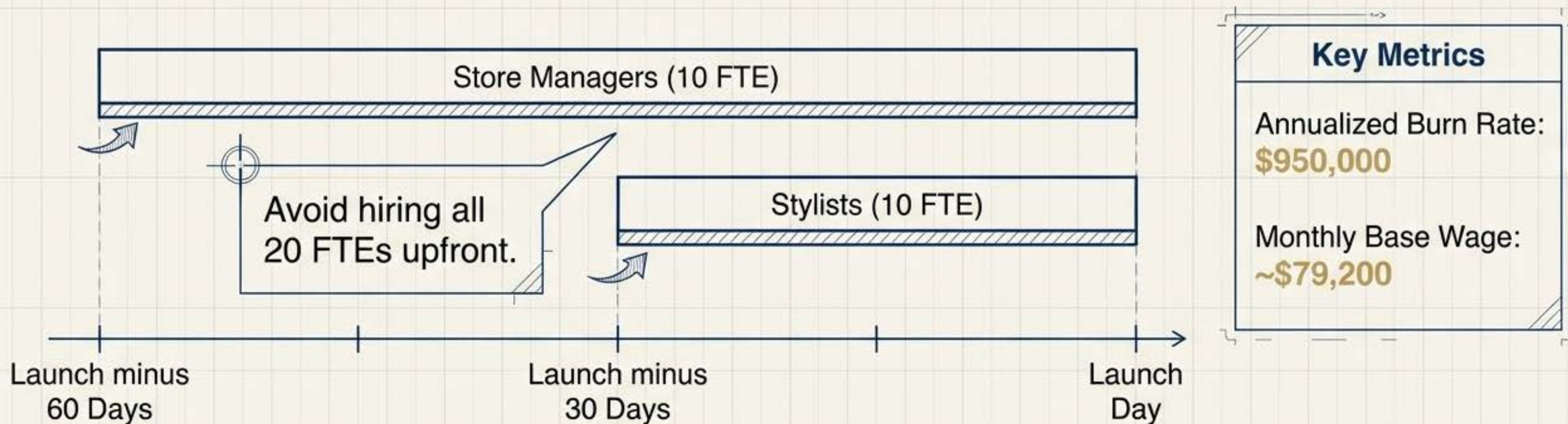
Recurring Software

\$100/month (Subscription)

Reliability is key. Downtime = Zero Revenue.

Budget Lock 6: Pre-Opening Labor Burn

Staggered Hiring Strategy



Defer benefits enrollment until Day 1.

Hiring too early burns cash before revenue exists.

Budget Lock 7: The Working Capital Buffer



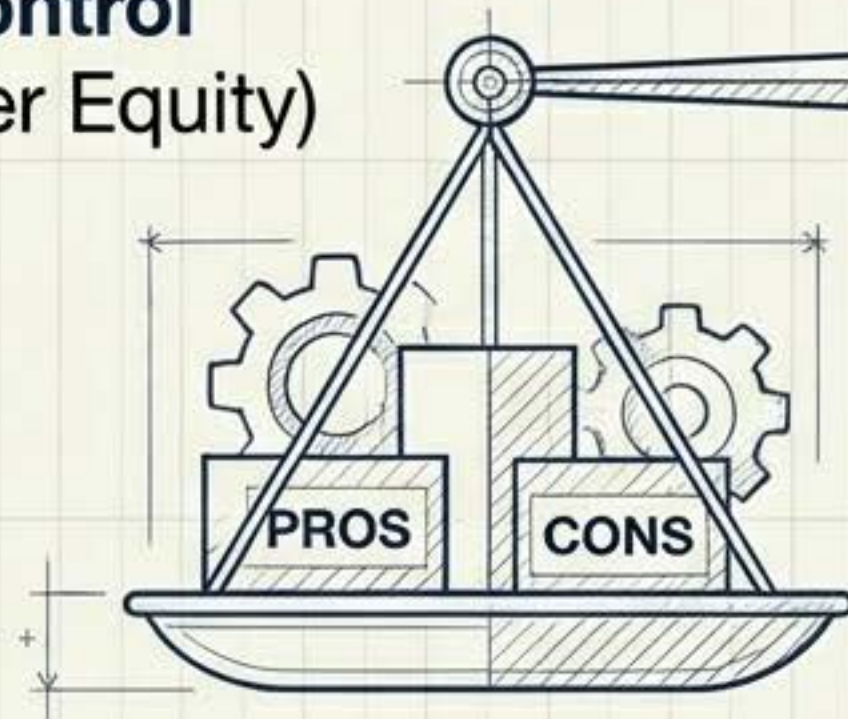
- **Target:** Specific buffer to cover operating deficit for 17 months.
- **Monthly Burn Calculation:** \$4,600 (Fixed OPEX) + \$9,083 (Wage Gap) = \$13,683.
- **Criticality:** Non-negotiable for survival until stabilization.

Risk: Every month past the 17-month breakeven requires an additional \$13,683 injection.



Funding Strategy: Structuring the Capital

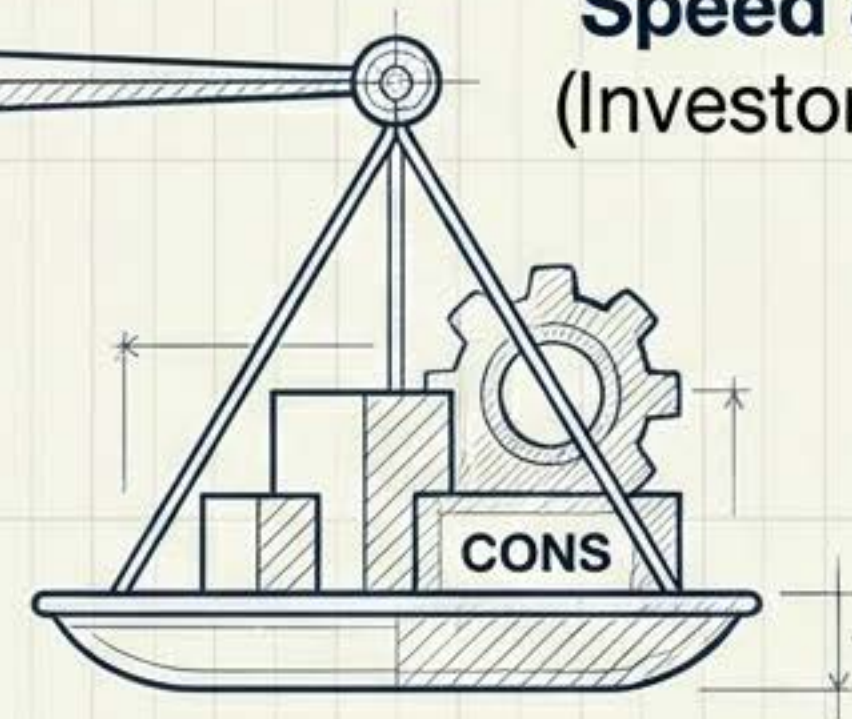
Control
(Owner Equity)



Pros: Full Control

Cons: Drains personal liquidity;
limits investment size.

Speed & Scale
(Investor Capital)



Pros: Supports high-burn
20 FTE model.

Cons: Dilution of ownership.

Context: 39-Month
Payback Period.



Structured Debt: Dangerous if sales are slow;
fixed repayments start immediately.



Launch Readiness Checklist

An architectural drawing of a clipboard with a checklist on it. The drawing shows the top view of the clipboard with a clip on the left side. The checklist is written on a piece of paper that is slightly offset from the top edge of the clipboard. The drawing includes various dimension lines and symbols, such as a north arrow in the bottom right corner. The checklist items are: Capital Secured, Renovations, Lease, Inventory, and Staffing. The text is in a bold, sans-serif font. The background of the drawing is a light gray grid.

punch list

- Capital Secured:** Is the full **\$766,000** buffer committed?
- Renovations:** Are quotes binding and capped at **\$30,000**?
- Lease:** Has the deposit been negotiated down to 2 months?
- Inventory:** Is the initial buy optimized (**\$25k**) with correct mix?
- Staffing:** Is the hiring timeline staggered to preserve cash?

The Final Word

“Success lies in the runway.
Secure the **capital** to survive the
first 17 months, and the **gross
margins** will sustain the future.”

84%

Gross Margin

\$80

Average Order Value