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**Business Plan on the startup of oliveyard cakes & confectioneries  
prepared by Odususi consultant for Oliveyard limited.**

Address: No. 27, opposite ALF, The bells drive, Ota, Ogun state.

Name of principal: Bolanle Oliveyard

Nature of Business: The business is a partnership involving two members.

Statement of financial need: capital needed to start the business= N22,000,000

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## **EXECUTIVE SUMMARY**

The name of this business is Oliveyard confectioneries. Oliveyard Confectioneries will provide a unique and distinctive service that will provide its customers with confectioneries that will attract a growing repeat customer base.

The business is located at No. 27, opposite Alf, the bells drive, Ota, Ogun State. The business operates a partnership with one other partner. The business requires a capital of N22,000,000. The net profit per annum is N30,578,000.

NAME OF COMPANY: **OLIVEYARD CONFECTIONERIES.**

The stated name has been registered with the Corporate Affairs Commission (CAC)

**PRODUCTS:** This includes various Confectioneries such as candy bars, chocolate bars, fruit balls, brownies, milk cookies, marzipan and many others.

## **OBJECTIVES OF THE BUSINESS**

The keys to success in this business are:

- Creating a high level of customer satisfaction in our service and products, which will lead to customer retention each month.
- Marketing: getting our name out to the public, primarily through an intensive marketing campaign driven by our customers (word of mouth) with a supplemental vehicle of standardized and conventional marketing tactics.
- Great product quality and variety that will be used to aid in customer retention and growth.
- Finances: as our customer base increases we will be better able to lower our supply costs by buying more in bulk through food service distributors.
- Variety of menus offered based on seasons, trends and customer preferences.

- Exceeding our customers' expectations by offering them a higher quality of confectioneries for a competitive price.

## **DESCRIPTION OF BUSINESS/ MISSION STATEMENT**

Oliveyard Confectioneries will allow families and busy professionals the ability to enjoy a variety of snacks quickly in a fun atmosphere, away from home, thus giving people more of what they are looking for – time. Products can also be taken out and delivered thereby giving room for more comfortable enjoyment of the confectioneries

Oliveyard Confectioneries will employ 4 individuals full time within 3 years, and will hit net profit goals of N40,000,000 by the end of its second year of existence.

In short, we will be in the business of helping our customers to relieve their daily stresses of what to fix for themselves for lunch breaks during work hours or after school hours for kids by providing them with a great menu choice of snacks that we will prepare.

These Confectioneries will be chosen from a set menu designed by us and the Confectioneries will be prepared in our location.

## **INDUSTRY ANALYSIS**

Confectionary stores are not new in Nigeria. However, it is not a saturated business idea. The demand for such products are not met with enough supply as people living around the region where the store is located have to place orders to the next state (Lagos State) before they can satisfy their cravings. The store is also located in a busy area of Ogun state where lots of offices and residential homes are located. This makes it easier for customers' demands to be met adequately by the store.

At the inception of Oliveyard Confectioneries, there will be no type of company like ours in the area, thus giving us the overwhelming competitive advantage of first entry.

## **COMPETITOR ANALYSIS**

Even though Oliveyard Confectioneries has no direct competitors, we will set up our business as if we are entering an already aggressive and hostile market. This is aimed at helping us to become successful through a constant drive for increased service model efficiencies and marketing effectiveness.

By setting ourselves at the lower end of our pricing range, we will not only gain the attention of the vast majority of our target markets, but we will also be able to start our revenue streams off with an upward growth pattern. The price that we will choose will be reasonable for our customers and be adequate for the business to maintain a gross margin around 25%.

## **MARKET ANALYSIS**

The marketing strategy is to focus on the 4P's of marketing (Product, Price, Place, and Promotion). The first consideration in serving the target customer is the product. The

product will serve the target customers by offering a varied selection to appeal to different personal tastes. The college student's taste will include items such as chocolate coffee beans and chocolate covered fruits and nuts

Oliveyard Confectioneries has three distinct target populations:

Family households with children under 18 years old. This group of people is generally more in demand of such confectioneries as most children love to have sweet snacks such as our products. This provides them with a desire to provide their families with good Confectioneries and free time to enjoy being together.

Work places. This group of people will require products from our store during lunch breaks. Most people wouldn't want to eat heavy meals during their work break so as not to slow down their productive process. Such persons can just walk up to the store or place orders for confectioneries they want at the time.

Also, confectioneries will be needed for conferences or seminars held by different organizations and Oliveyard Confectioneries will be readily available for such supply

General public. This is anyone who might just be craving anything sweet and could just come to the store to buy any of our products or place an order from the comfort of their homes.

## **ORGANIZATIONAL / MANAGEMENT PLAN**

The Oliveyard Confectioneries management team will initially consist of the founders/owners themselves, Bayo and Bola Odususi and two other employees to help with cleaning/dishwashing and deliveries. We do not anticipate the need to hire anyone else on a full time basis during the first year, because all of the services that a normal small business needs will be outsourced. These services include the e-commerce infrastructure, accounting, marketing, and legal services.

## **PRODUCTION/OPERATIONAL PLAN**

### **Sales Strategy**

In the food service business, as in any customer service intensive business, sales revenue is our lifeblood. The way in which we present ourselves to our customers and deal with the public will determine the success of our business.

We will be selling our service to our current customers each time they come, in order to have repeat business and new business through their word of mouth.

- Good variety of menus from which to choose
- The best quality of snacks
- Creating a fun and social atmosphere for our customers, so they want to return

### **ASSESSMENT OF RISKS**

In our research efforts, some of the noticed potential risks include possibilities of danger such as robberies, fire outbreak, and natural disasters. Therefore to curtail these, the business will take up insurance policies.

Also there is the risk of having leftover products made which were not sold during the day. The plan to curtail these is ensuring we study the average demands made per day and produce the snacks based on the findings of the research and to also make these confectioneries with effective ingredients that will prevent the products from perishing.

## FINANCIAL PLAN

Oliveyard Confectioneries expects strong sales, based on research into our target market, similar businesses in other parts of the country, lack of direct competition, and the experience, reputations, and know-how of its owners/managers. By holding down costs, we will generate a net profit midway through the first year and increase net worth dramatically by year 3. Our major fixed expenses are payroll and rent.

## USE OF FUNDS

Items	Amount
Renovations ( Leasehold Improvements)	5,832,000
Rent pre-payment	567000
Utility down payment	180000
Insurance pre-payment	180000
Advertising	108000
Sheet Pan/Racks	324000
Freezer/Refrigerator combo	1440000
POS System	288000



Stainless Steel Prep Tables	324000
Commercial Stove	1080000
Large Mixer	144000
Commercial Sink	288000
Storage Containers	144000
Pans/utensils/decorating supplies	324000
Shelving Units	288000
Confectionary Display Cases	1260000
Décor	612000
Supplies-Perishable (edible)	720000
Supplies-Non-Perishable (paper)	1080000
Product for sale	4509000
Cash on hand	1440000
Miscellaneous	400000
<b><i>Total uses</i></b>	<b>22000000</b>

The sales forecast for the first year results in an estimated N47,059,200 in revenue and N34,512,480 (73% of revenue) gross margin after costs of sales are deducted. For the first year, a net income of N9,443,520 is expected and it is expected that net income will rise by 26% in Year 2 and 32% in Year 3.

GENERAL ASSUMPTIONS			
	YEAR 1	YEAR 2	YEAR 3
Plan Month	1	2	3
Current Interest Rate	7.00%	7.00%	7.00%
Long-term Interest Rate	7.00%	7.00%	7.00%
Tax Rate	24.00%	24.00%	24.00%
Other	0	0	0