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FEASIBILITY STUDY OF BELLS BAKERY

This plan is to start Bells Bakery and this is the title or cover page that provides a brief summary of the business plan contents. The name of the enterprise is Bells Bakery and it is located at No.7 Adams close, Maitama, Abuja. This name has been registered with CAC. The principals of this business are Miss Eferemo Ohwahwa and her address is No. 4 Brights Avenue, Wuse, Abuja and Mr John Alatishe and his address is No 8 Adamu crescent, Maitama, Abuja. Eventually, as the company becomes established, BELLS BAKERY will be trading as Indulge Wema Services Ltd, Which will be the parent company of BELLS BAKERY. Indulge Wema Services Ltd is a registered limited liability company with Corporate Affairs Commission of Federal Republic of Nigeria on Twenty-Eight day of September, 2009. The financial means of this business is loans from banks. This business plan is a confidential intellectual property, therefore the reader should not disclose it to a third party without the express written permission of the promoters of the proposed business.

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Executive summary

Awareness of high quality baked goods is on the rise. Good bread is a rare combination of nutrition, convenience, and luxury. Today's consumer has less time to create wholesome, handmade bread, but increasingly appreciates the nutritional and sensory benefits it provides. Good bread provides fiber and carbohydrates in a convenient, low fat form that is portable and delicious. Good bread never goes out of style. Bells Bakery will produce and sell high quality, handmade breads to the residents and tourists of Maitama and even Abuja. The Company will focus on European Style; naturally leavened breads, baguettes and other pastries made with high quality ingredients.

Bells bakery is a business idea that was thought about because of the little amount of bakeries in

Maitama. Most people that live around there usually go to bakeries in Wuse or another area because of the poor quality of products in that area. Bells Bakery will be producing bread, cakes, doughnuts, meat pie, puff puff and every other pastry made from flour. The other bakeries in Maitama just produce bread but Bells bakery would be producing different varieties of bread such as plain white bread, wheat bread, sweet bread, burger bread and various pastries therefore attracting plenty customers and meeting high demands.

The name of the company is BELLS BAKERY AND IT HAS BEEN REGISTERED. This company will produce all types of pastry. It will be located at No.7 Adams close, Maitama and this is just opposite Gravity Mall. Gravity mall is a key landmark in locating the area.

INDUSTRY ANALYSIS.

The baking industry in Maitama is very poor because they only produce bread, therefore making residents go to other areas to get pastries. The number of bakeries are very few. There is a gap in the baking industry. Bells bakery's aim is to produce pastries for all residents of Maitama at affordable prices.

MARKET ANALYSIS.

The area of concentration is Maitama and the demand is very high due to low production. Also, there are schools; both boarding and day in Maitama, instead of them going to Wuse or other areas to get pastries for their students, Bells bakery would be a better and easier option. The possible threats this business might have is the mindset by the residents that bells bakery would just have limited products therefore a slow start. Bell Bakery's main competition includes a health food store, three pastry shops and three supermarkets in the area. Its advantage lies in the high quality of its products due to specialization and artisan manufacturing.

One of the strengths is that the population of people in Maitama is much. Even people from other areas would have access to the bakery. As the business grows. Everyone in Abuja should know about bells bakery and we can take it outside Abuja. After establishing the operation, the company will explore the possibility of making takeout sandwiches. Delivering wholesale bread and baked goods to area restaurants and specialty retailers will also be considered

HUMAN RESOURCES

The take off staff should be about 14. The positions would be manager/ supervisor, sales/ marketing officer, accountant, bakers, cleaners, cashiers and security.

The compensation package for a five-year structure is on the table below:

Title	Year 1	Year 2	Year 3	Year 4	Year 5
Manager/ Supervisor	1	1	1	1	1
Sales/ Marketing officer	3	3	3	3	3
Accountant	2	2	2	2	
Baker	5	6	7	8	9
Cashier	1	2	2	3	4
Security	2	3	3	4	5

PROJECTED TOTAL COMPENSATION PACKAGE PER ANNUM

Manager/ Supervisor - 370,000

Sales/ Marketing Officer - 310,000

Accountant - 250,000

Baker - 160,000

Cashier - 97,000

Security - 73,000

PRODUCTION PLAN

Bells Bakery's breads will stand out from the competition due to their uniqueness and outstanding quality. Most of the breads are European in style, including Sourdough, Miche (a traditional French whole wheat bread), and Sourdough Rye. These breads are made by the sourdough method which uses no added yeast. This method imparts a rich flavor, which can be tangy or mild, as well as a toothsome inner crumb and a crackly crust. By using this method, a skilled baker can create truly delicious breads without added fats or sugars, making many of Bell Bakery's products 100% fat free. Sourdough breads also have an extended shelf life, remaining fresh for days without the use of preservatives. Bells Bakery will also offer specialty breads, which will be made in the sourdough way with the addition of such luxurious ingredients as Parmagian cheese with fresh ground pepper and dried Michigan cherries with roasted pecans. Spent Grain Bread, made with barley leftover from beer brewing, is another unique product that Bells Bakery will offer. Two varieties of French style baguettes will be offered fresh daily, a high demand product that is available nowhere else in the area. Bells Bakery will also produce White and Wheat Sandwich Breads with soft crust and a tender crumb for traditional American Style sandwiches. As the needs of the customer change, so will the lineup of Bells Bakery's products. The bakery equipment is chosen with versatility in mind.

Raw ingredients will be ordered for twice a month delivery from Kings farm., at which time a two-week production schedule will be drawn up by the proprietor/baker. Ingredients will be stored in a dry storage area and in a walk -in cooler (already on the proposed premises).

Scheduling will begin with three large bakes per week (Monday, Wednesday, Friday) and two small bakes (Tuesday, Thursday). Due to the extended shelf life of sourdough breads, product can be sold for two days before staling. Each bake day the baker will bake breads in a deck oven. The oven provides intense, even heat and a controllable amount of steam injection, allowing tremendous control of crust crispness. Everything from soft white sandwich breads to thick crusted, dense savory breads to sweet baked goods can be perfectly baked in this oven. While breads are baking, the baker will begin mixing the long fermenting doughs to be baked off the next day. Labour saving equipment including a dough divider and a bread moulder makes this

possible. Hot breads will begin coming out of the oven by 7:00 AM, and all baking will be finished by 10:00 AM.

The storefront will open at 9:00 AM and close at 6:00 PM Monday through Friday. Saturday hours will be 9:00 AM to 4:00 PM for sales only. Part time employees will work the counter and assist with store maintenance during peak hours while the baker is baking. A beverage cooler and coffee machine will encourage convenience sales at the register. Bells Bakery will economize on bookkeeping costs by handling its payroll duties in house. Year end bookkeeping will be handled by a professional accountant.

MARKETING PLAN

Bells Bakery wants to establish a large regular customer base, and will therefore concentrate its business and marketing on local residents, which will be the dominant target market. This will establish a healthy, consistent revenue base to ensure stability of the business. In addition, tourist traffic is expected to comprise approximately 35% of the revenues. High visibility and competitive products and service are critical to capture this segment of the market. The main marketing focus will be an eye-catching sign, the scent of fresh bread wafting out of the storefront, and periodic printed advertisements. The company will sample its products liberally. A loaf of bread will cost 350.00. Bread and other product sales will be slightly higher during the non-rainy season since more people will be outdoors. Bread and pastry sales will be higher in Easter, December, Eid Kabir because of food oriented holidays. We anticipate constant sales of Iced Beverages all year round especially during the dry sunny months. We expect a huge volume mostly on weekends when people are at home.

ORGANIZATIONAL PLAN

It is incorporated company form of ownership. Indulge Wema Services Ltd. Indulge Wema Services Ltd is a registered limited liability company with Corporate Affairs Commission of Federal Republic of Nigeria on Twenty-Eight day of September, 2009. We recognize the importance of good and experienced management; we have therefore assembled a storm management team. **Management& Staff List:**

A. Mr Ekoja-Obe Philip – Chairman/CEO

B. Mr John Alatishe Managing Director

C. Onyinye Chiedozie Director

D. Victoria Aru - General Manager

D. Emmanuel Ekett Master Baker

E. Charles Ogbonna Assistant Baker

F. Blessing Madu Sales Executive

G. Paul William Driver

H. O. Mahmud - Security Officer

The team is led by Mr Ekoja-Obe Philip. Philip comes to Bells Bakery with over 15 years' experience in management. In addition to her industry specific experience, he has been a Director of a security outfit in the UK for over 10 years with his friend, Mr John Alatishe. Ifeoma has a wealth of experience as she has a higher diploma in catering and hotel management. She worked in Lagos Sheraton Hotel, British Telecommunications restaurant in London, The Guardian News papers restaurant in London etc. BELLS BAKERY is an exciting opportunity that combines fresh baked goods and healthy option products addressing the recent need for these new products. Demand for these products is expected to grow exponentially as medical doctors and health professionals become more and more aware of food allergies Nigerians are afflicted with. Profitability is forecasted to occur by month 3. Through a combination of strong management team, a solid business model, and exciting market demanded products will allow Bells Bakery to quickly gain market penetration and cash richness.

RISKS

There are risks that the staff can go on strike or problems while baking the pastries, raw materials may be contaminated. A way to minimize risks is by even writing out a business plans and ensuring to buy raw materials from good sources, ensuring insurance is done against theft also making sure of correct measurement while baking. Even fidelity insurance can be done because of staff that might be lying or stealing. Very good supervision is needed to minimize risks and also a contingency plan. Latest technologies would be used at all times.

FINANCIAL PLAN

SALES FORECAST

	YEAR 1	YEAR 2	YEAR 3
SALES			
BREADS	N12,000,000	N16,000,000	N21,000,000
BEVERAGES	N6,000,000	N8,000,000	N10,500,000
SNACKS/SANDWICHES	N8,000,000	N10,400,000	N14,000,000
TOTAL SALES	N26,000,000	N34,000,000	N45,500,000

DIRECT COST OF SALES

	YEAR 1	YEAR 2	YEAR 3
BREADS	N3,000,000	N4,500,000	N6,500,000
BEVERAGES	N2,000,000	N2,666,000	N3,333,000
SNACKS/SANDWICHES	N1,600,000	N2,400,000	N2,800,000
TOTAL DIRECT COST OF SALES	N6,600,000	N9,566,000	N12,333,000

Start-up Expenses

Legal N50, 000

Stationary etc. N10, 000

Brochures N25, 000

Consultants N0.00

Insurance N50, 000

Mortgage N0.00

Research & Development N0.00

Bakery Ingredients N100, 000

Other N10, 000

Total Start Up Expenses N245, 000

Start-up Assets

Cash Required

N5, 000,000

Other Current Assets N0.00

Long Term Assets N5, 000, 000

Total Assets N10, 000,000

Total Requirements N10, 245,000

Start Up Funding

Start Up Expenses to Fund N245, 000

Start-up Assets to Fund N5, 000,000

Total Funding Required N5, 245,000

Assets

Non Cash Assets from Start up N5, 000,000

Cash Requirements from Start-up N5, 000,000

Additional Cash Raised N0.00

Cash Balance on Starting Day N5, 000,000

Total Assets N10, 000,000

Liabilities and Capital

Liabilities

Current Borrowing N0.00

Long term Liabilities N5, 000,000

Accounts Payable (Outstanding Bills) N0.00

Other Current Liabilities (Interest Free) N245, 000

Total Liabilities N5, 245,000

Capital - Planned Investment

Untied N0.00

John Alatishe N5, 000,000

Other N0.00

Additional Investment Required N0.00

Total Planned Investment N5, 000,000

Loss at Start up (Start-up Expenses N245, 000

Total Capital N4, 755,000

Total Capital and Liabilities N5, 245,000

Total Funding N10, 245,000