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**COMPUTER SCIENCE**

**200LVL**

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BUSINESS PLAN FOR SMALL FOOD BUSINESS

 **Executive Summary**

 I have been interested in the food industry for several years. I have always dreamed of having my restaurant since 2010 . Although praised for my variety of interest and cooking ,i have attained a special notoriety for their desserts. After years of requests for my flavored whipped cream toppings from my fam , i have decided to pursue marketing these products.

 I have developed several recipes for flavored whipped cream topping. Which include chocolate, raspberry, cinnamon almond, and strawberry. These flavored dessert toppings have been used in special family event over the past 10 years, and have been well received . I estimated shelf life of the product is 21 days at refrigeration temperatures and up to six months when frozen. The Beans intend to market this product in its frozen state in 8 and 12-ounce plastic tubs. They also intend to have the products available in six ounce pressurized cans. Special attention has been given to developing an attractive label that will stress the gourmet/specialty nature of the products.

 Distribution of Fancy’s Foods Whipped Dream product will begin in the local Abuja area.

Financial analyses show that the company will have both a positive cash flow and profit in the first year. The expected return on equity in the first year is 10.88% .

**Description of Products**

I have developed several recipes for flavored whipped cream topping. Which include chocolate, raspberry, cinnamon almond, and strawberry. These flavored dessert toppings have been used in special family event over the past 10 years, and have been well received, and will be produced in large quantities. I intend to market this product in its frozen state in 8 and 12-ounce plastic tubs. I also intend to have the products available in six ounce pressurized cans.

 **Market Description**

The flavored whipped toppings that Fancy’s Foods will market will fall into two distinct categories: Dairy products and gourmet/specialty foods. This business plan will look at these two markets separately.

Dairy Products: While the overall consumption of dairy products in the Nigeria declined from 2009-2016, the market has seen a slight increase in the past four years (Research expects the consumption of dairy product in the world to continue a modest increase of 1.5-2% per year, which is significant in this $268 billion annual market. This is attributed in part to more sophisticated processing techniques which have increased the variety of dairy products available, as well as the increased awareness of the benefits of a calcium rich diet (Moore et al, 1998).

 Gourmet/Specialty Products: Kalorama Information LLC, a market research firm based in New York, indicates that the gourmet/specialty foods market will continue a fast paced growth well into the next decade. This $39-billion domestic industry has doubled since 1992, and is expected to continue double-digit growth through 2002. While demographic information indicates that this sector of the industry is strongest in metropolitan areas, there are also growth opportunities in smaller communities. Packaging and point of purchase marketing efforts are especially important in this market, and special attention will be given to these aspects of Whipped Dream. Most these which will duely be shipped.

 **Competition**

There are several brands of whipped topping available in mainstream retail outlets. In the grocery stores in Abuja area, all of the ready-to-eat varieties are produced by large players, specifically Coldstone. There are also dry mixes available, but these are not direct competition for Whipped Dream. According to sales figures at grocery outlets in Abuja , approximately 65% of the national brand prepared whipped topping is sold in frozen tub form, while the remaining 35% is in pressurized can form.

The strengths of these products are their market shares and distribution channels. They are available in virtually any retail grocery outlet, and have gained strong market acceptance. They are also distributed with other refrigerated and frozen dairy products. Finally, they are priced at N500-N1000 per 8-ounce tub or 6-ounce pressurized can, an advantage when compared to the suggested retail price of Whipped Dream.

The weakness of these products is in the lack of variety. None of these companies produce or market a flavored topping. Several of the products are also classified as ‘whipped topping’, but are actually not dairy based.

**Marketing Strategies**

Distribution of Fancy’s Foods Whipped Dream product will begin in the local Abuja area. After Whipped Dream debut in Abuja and surrounding towns, Fancy’s Foods intends to participate in the “Made in 9ja” Demonstration Program administered by the Abuja of Agriculture and Pratt’s Foods in Maitama. This program will enable me to introduce Whipped Dream into the Abuja under more favorable market conditions.

Special attention has been given to developing an attractive label that will stress the gourmet/specialty nature of the products. A copy of the label is attached in the appendices. Linda Byford, a business planning and marketing specialist at the Abuja and Agricultural Products Research and Technology Center assisted with developing the label, and conducted a focus group study to evaluate the image projected by the label as well as the packaging.

 **Manufacturing Plans**

Fancy’s Foods has a 50-gallon high speed mixer, a pressurized tank in which the product can be gassed with nitrous oxide, and a 10-foot by 10-foot walk-in freezer, enabling them to both produce and store frozen tubs of Whipped Dream. This process is already established on a commercial scale. They are in fact already making Whipped Dream for use in their restaurant, and storing it in the freezer.

I feel that the specialty nature of the product will lend itself well to the pressurized can, and this was confirmed by the focus group conducted at Oklahoma State University. To pursue that opportunity, Fancy’s Foods has contracted production of the pressurized 6-ounce cans with Farm Fresh, an Abuja dairy processing firm. A non-competition/non-disclosure agreement is in place, and a copy of this document is included in the appendices.

**Financial Projections**

The following pages include multi year projections for income, cash flow, balance statement, as well as estimated financial ratios. These projections are for the Whipped Dream division of Fancy’s Foods LLC only. Historical financial information on Fancy’s Foods restaurants is available upon request.

Fancy's Foods LLC

Pro Forma Income Statement

January 2020 - December 2020

Net Sales : N10,000,000

Less: Cost of Goods Sold N5,000,000

Gross Income $5,000,000

Operating Expenses Labor N1,000,000

Utilities N300,000

Insurance N500,000

Sales Promotion N1,200,000

Delivery and Transportation N600,000.

Miscellaneous N800,000

Total Expenses $7,550,000