**NAME: ODEBOWALE OLADAPO.A**

**COLLEGE: SCIENCES**

**DEPARTMENT: COMPUTER SCIENCE**

**LEVEL: 200**

**MATRIC NUMBER: 18/SCI01/059**

**COURSE TITLE: GST 212**

**EXECUTIVE SUMMARY**

Objectives

The objectives for the first three years of operation include:

* To create a service based company whose primary goal is to exceed customer’s expectation.
* To increase the number of clients served by 20% per year through superior service.
* To develop a sustainable start up business.
* To develop enough cash flow to pay all salaries as well as grow the business.

**MISSION**

Tasty caterings mission is to provide the customer with the finest tasty catering. We exist to attract and maintain customers. When we adhere to this maxim, everything else will fall into place. Our services will exceed the expectations of our customers.

**KEYS TO SUCCESS**

The key to success is to meet and exceed the customer’s needs in terms of quality of food and excellence of service.

**COMPANY SUMMARY**

PA will offer high-end tasty catering to the Lagos community.  Tasty Catering will serve parties of 25-300 people with high-end tasty foods that are currently only available in Lagos.  Tasty Catering will offer a large menu repertoire, from traditional favorites to creative inventions.  All of the food and drink items served will be done under strict supervision of the Orthodox Rabbinic authority.

Tasty will rent space for the office and kitchen in an industrial area of Lagos Renting in the industrial area will significantly lower the cost. Since the space will be used for food production it is not relevant for the store front to be aesthetically pleasing, or in a nice neighborhood. Tasty Catering is forecasted to generate $395,000 in revenues for year three.

**START UP SUMMARY**

Tasty Catering will incur the following start-up costs:

* Two commercial stoves with ovens.
* Dishwasher.
* Two sets of cookware.
* Two sets of dishware.
* One van with rolling racks built in (a rolling rack is a wheeled rolling cart system that is insulated for both hot and cold food).
* Assorted serving trays and utensils, knives and cutting boards (two each).
* Desk and chair.
* Computer with printer, CD-RW, Microsoft Office, and QuickBooks Pro.
* Copier and fax machine.

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| **START-UP REQUIREMENTS** | | |
| Start-up Expenses | |  |
| Legal | | $500 |
| Stationery etc. | | $150 |
| Brochures | | $150 |
| Rent | | $0 |
| Other | | $0 |
| **TOTAL START-UP EXPENSES** | | **$800** |
| Start-up Assets | |  |
| Cash Required | | $36,700 |
| Other Current Assets | | $0 |
| Long-term Assets | | $32,500 |
| **TOTAL ASSETS** | | **$69,200** |
| Total Requirements | | $70,000 |
| **START-UP FUNDING** | | |
| Start-up Expenses to Fund | $800 | |
| Start-up Assets to Fund | $69,200 | |
| **TOTAL FUNDING REQUIRED** | **$70,000** | |
| Assets |  | |
| Non-cash Assets from Start-up | $32,500 | |
| Cash Requirements from Start-up | $36,700 | |
| Additional Cash Raised | $0 | |
| Cash Balance on Starting Date | $36,700 | |
| **TOTAL ASSETS** | **$69,200** | |
| Liabilities and Capital |  | |
| Liabilities |  | |
| Current Borrowing | $0 | |
| Long-term Liabilities | $0 | |
| Accounts Payable (Outstanding Bills) | $0 | |
| Other Current Liabilities (interest-free) | $0 | |
| **TOTAL LIABILITIES** | **$0** | |
| Capital |  | |
| Planned Investment |  | |
| Susan | $35,000 | |
| Family and friends | $35,000 | |
| Other | $0 | |
| Additional Investment Requirement | $0 | |
| **TOTAL PLANNED INVESTMENT** | **$70,000** | |
| Loss at Start-up (Start-up Expenses) | ($800) | |
| **TOTAL CAPITAL** | **$69,200** | |
| **TOTAL CAPITAL AND LIABILITIES** | **$69,200** | |
| Total Funding | $70,000 | |
|  |  | |

**COMPANY OWNERSHIP**

Tasty catering is a sole proprietorship owned by ODEBOWALE OMOTOLA

**SERVICES**

Tasty Catering will provide Lagos with high quality kosher catering.  The catering service will be for weddings, Bar/Bat Mitzvahs, and other assorted parties.

Kashrut is a specific, ritual/set of rules that applies to certain sects of Judaism in regards to food/drink preparation and consumption.  A kitchen or catering service must be specially set up to provide kosher meals.  The explanation below regarding the prohibition of dairy and meat served together or made in the same kitchen by the same pots and utensils is the reason that Tasty Catering will require two sets of everything, including two stove top ranges and ovens.

The Hebrew word kosher means fit or proper as it relates to dietary (kosher) laws. It means that a given product is permitted and acceptable. The sources for the laws of kashruth are of Biblical origin and expounded in rabbinic legislation.  These laws are codified in the Shulchan Aruch (Code of Jewish Law).  Though a hygienic benefit has been attributed to the observance of kashruth, the ultimate purpose and rationale is simply to conform to the Divine Will as expressed in the Torah.

**MARKET ANALYSIS**

The Lagos tasty catering market is an interesting one.  There are several caters that offer services that are quite similar to each other in terms of price and menu options.  For whatever reasons, there has been little demand by consumers to get caters to innovate their menu.  This is not too say that consumers would not welcome new kosher menu items, it is just that people have incorrectly made the assumption that kosher meals have to be boring. Tasty will occupy a niche in the kosher catering market that offers new, creative menu items, broadening people's conception of kosher food.  This market consists of two target segments that are differentiated by household income.

**Market Segmentation**

Tasty Catering has two distinct target populations:

1. Middle class tasty clients. This group of people does not have huge amounts of disposable income, recognizes that it is costly to sponsor a kosher dinner party, and is willing to incur the expenses, but will try to minimize them.
2. Upper class tasty clients. This group has intertwined kosher values throughout their lives and is willing to spend whatever it takes to throw a high-end kosher dinner function.  Typically, this group is characterized by a wealthy one-income family where the male works and the female does not.  The female of the household typically thoroughly enjoys the planning of these events.

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| **MARKET ANALYSIS** | | | | | | | |
|  |  | **YEAR 1** | **YEAR 2** | **YEAR 3** | **YEAR 4** | **YEAR 5** |  |
| Potential Customers | Growth |  |  |  |  |  | CAGR |
| Middle-class tasty customers | 8% | 120,547 | 130,191 | 140,606 | 151,854 | 164,002 | 8.00% |
| Upper-class tasty customers | 9% | 80,457 | 87,698 | 95,591 | 104,194 | 113,571 | 9.00% |
| Other | 0% | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Total | 8.40% | 201,004 | 217,889 | 236,197 | 256,048 | 277,573 | 8.40% |

### Target Market Segment Strategy

The target market segment strategy will not be significantly different to address the two different groups. Both groups, regardless of income typically belong to the same group of religious congregations. Therefore, to reach the different groups does not require a distinctly different strategy. What differentiation it will require is different menu offerings needed to satisfy the different groups. The upper-end menu items are cost prohibitive for the middle class target segment.

### Service Business Analysis

The tasty catering business in Lagos is fairly unique.  At the low- to mid-price point of the cost spectrum, there are four other tastyr caters.  These caterers tend to serve the part of the market that must have tasty food served at an occasion due to religious beliefs, but struggle to able to afford the cost variance between standard and kosher catering.  All four of these caters have fairly standard menu offerings.  There is a fifth caterer that also serves the lower end of the market (defined as middle class) but serves the high end of the market as well.  Although there is a large wealthy population in Lagos that follows the laws of kashrut, they have been underserved.

### Competition and Buying Patterns

As stated in the previous section, there are four other tasty caterers that serve the low to middle end of the market.  These caterers compete to some degree on cost (due to budget constraints of some clients), but more so on service.  The quality and the serving of the food are the main areas of service that the caterers compete on.

There is one high-end caterer who will compete with tasty.  This caterer, while serving the upper-end market, does not provide its clients with upper-end service. This company is not a strong competitor because of their overpriced service offerings relative to the service provided, and its business has been declining over the last few years. Lastly, one competitor for the high-end market is tasty caterers from Lagos.  When cost is no object, there are many people that are willing to pay the additional cost of bringing in the caterer from Lagos.

## Strategy and Implementation Summary

Tasty Catering will gradually gain market share in the tasty catering market by leveraging its competitive edges. These edges are superior attention to detail and innovative nouveau cuisine kosher meals. The edges that tasty will leverage are areas that have been ignored in this market for some time now. These competitive edges coupled with a targeted advertising campaign and networking will be tasty game plan for increasing their market share.

### Marketing Strategy

Tasty marketing strategy will be based on developing visibility among Lagos tasty community.  This will be accomplished through two ways. The first method is a targeted advertising campaign.  Advertisements will be placed in various Jewish newsletters. There are a couple of Philadelphia-wide newsletters. Additionally, tasty will advertise in a few Synagogue-specific newsletters. These advertisements should yield a decent amount of service inquiries since they are fairly targeted toward the target population that utilizes tasty catering.

### Competitive Edge

Tasty Catering's competitive edge is its attention to servicing customers and inventive approach to tasty cuisine. Tasty customer attention differentiates them in the world of tasty catering which is dominated by several companies that have plenty of demand.  The consequence of market demand is a decreased pressure to accommodate customers. Tasty is approaching the market as if there was significant competition between the different service providers.  By making customer satisfaction a priority, over time, local customers will come to appreciate the attention that their needs are given and form a long lasting relationship with tasty Catering.

**Milestones**

Tasty Catering will have several milestones early on:

1. Business plan completion.  This will be done as a roadmap for the organization.  This will be an indispensable tool for the ongoing performance and improvement of the company.
2. Kitchen and office set up.
3. The first catering job.
4. Profitability.

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| --- | --- | --- | --- | --- | --- |
| **MILESTONES** | | | | | |
| Milestone | Start Date | End Date | Budget | Manager | Department |
| Business plan completion | 1/1/2001 | 2/1/2001 | $0 | ABC | Marketing |
| Kitchen and office set up | 1/1/2001 | 2/1/2001 | $0 | ABC | Department |
| The first catering job | 1/1/2001 | 3/1/2001 | $0 | ABC | Department |
| Profitability | 1/1/2001 | 12/1/2001 | $0 | ABC | Department |
| Totals |  |  | $0 |  |  |

### Sales Strategy

Tasty sales strategy will use a combination of superior customer attention and a comprehensive repertoire of dishes for the menu to turn information seekers into customers.  Susan recognizes when a prospective customer calls to get information about tasty, it is Susan's main opportunity to turn them into a customer.  She will do this by spending as much time on the phone as necessary.

Another benefit that OMOTOLA will leverage to develop sales is her comprehensive menu.  In addition to all of the traditional kosher dishes, OMOTOLA will offer many innovative nouveau cuisine tasty items that she has developed over her years spent in the culinary industry.  An innovative available menu should be seen as a large benefit.  There is no intuitive or logical reason that people who adhere to tasty are any less adventurous when it comes to food other than the fact that they have been raised that way.

## Management Summary

OMOTOLA ODEBOWALE, the founder and owner received her Bachelor of Arts from Bowen University.   After college, OMOTOLA went to work in the restaurant industry because it was a good source of money.  While serving at an upscale restaurant in Lagos Nigeria, OMOTOLA befriended one of the chefs there who began to teach her cooking techniques.  OMOTOLA began to find this instruction very interesting and enjoyable.  After six months of this tutoring, OMOTOLA decided that she wanted to remain in the restaurant industry, but wanted to learn the skills needed to be a chef.  dOMOTOLA decided to enter the Pennsylvania Culinary Institute, a well-regarded training school for chefs.  OMOTOLA completed the one year program and graduated near the top of her class.

**Personnel Plan**

Besides utilizing OMOTOLAS'S skills full time, tasty Catering will require the following personnel:

* Rabbi: a part-time position where the Rabbi serves as masgiach (supervisor) to inspect and confirm that all of the ingredients and preparation follow the rules of kashrut.
* Servers: two will be hired.  The servers will be the people who serve the food at the events as well as clear the plates and help with set up and take down of the event.  In the event of a large party, the back end kitchen people will be trained to help out with serving.
* Cooks: two will be hired to prepare the dishes that omotola has developed.
* Back kitchen help: these two people will be used to help clean up in the kitchen as well as assist at functions.

## Financial Plan

The following sections will outline important financial information.

### 7.1 Important Assumptions

The following table details important financial assumptions.

|  |  |  |  |
| --- | --- | --- | --- |
| **GENERAL ASSUMPTIONS** | | | |
|  | **YEAR 1** | **YEAR 2** | **YEAR 3** |
| Plan Month | 1 | 2 | 3 |
| Current Interest Rate | 10.00% | 10.00% | 10.00% |
| Long-term Interest Rate | 10.00% | 10.00% | 10.00% |
| Tax Rate | 30.00% | 30.00% | 30.00% |
| Other | 0 | 0 | 0 |

### Projected Cash Flow

|  |  |  |  |
| --- | --- | --- | --- |
| **PRO FORMA CASH FLOW** | | | |
|  | **YEAR 1** | **YEAR 2** | **YEAR 3** |
| Cash Received |  |  |  |
| Cash from Operations |  |  |  |
| Cash Sales | $178,439 | $367,535 | $395,008 |
| **SUBTOTAL CASH FROM OPERATIONS** | **$178,439** | **$367,535** | **$395,008** |
| Additional Cash Received |  |  |  |
| Sales Tax, VAT, HST/GST Received | $0 | $0 | $0 |
| New Current Borrowing | $0 | $0 | $0 |
| New Other Liabilities (interest-free) | $0 | $0 | $0 |
| New Long-term Liabilities | $0 | $0 | $0 |
| Sales of Other Current Assets | $0 | $0 | $0 |
| Sales of Long-term Assets | $0 | $0 | $0 |
| New Investment Received | $0 | $0 | $0 |
| **SUBTOTAL CASH RECEIVED** | **$178,439** | **$367,535** | **$395,008** |
| Expenditures | Year 1 | Year 2 | Year 3 |
| Expenditures from Operations |  |  |  |
| Cash Spending | $132,120 | $158,400 | $162,400 |
| Bill Payments | $75,198 | $160,615 | $175,363 |
| **SUBTOTAL SPENT ON OPERATIONS** | **$207,318** | **$319,015** | **$337,763** |
| Additional Cash Spent |  |  |  |
| Sales Tax, VAT, HST/GST Paid Out | $0 | $0 | $0 |
| Principal Repayment of Current Borrowing | $0 | $0 | $0 |
| Other Liabilities Principal Repayment | $0 | $0 | $0 |
| Long-term Liabilities Principal Repayment | $0 | $0 | $0 |
| Purchase Other Current Assets | $0 | $0 | $0 |
| Purchase Long-term Assets | $0 | $0 | $0 |
| Dividends | $0 | $0 | $0 |
| **SUBTOTAL CASH SPENT** | **$207,318** | **$319,015** | **$337,763** |
| Net Cash Flow | ($28,879) | $48,521 | $57,245 |
| Cash Balance | $7,821 | $56,342 | $113,586 |

**CONCLUSION**

The business is recommended for funding because it creates employment opportunities.