

**A BUSINESS PLAN AND STRATEGY FOR
TASTE ST LOUIS CATERING AND VENDING**

by

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A THESIS

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ABSTRACT

This thesis is the plan used to outline a business plan for a prospective business, TASTE ST LOUIS. While working toward my MAB Degree, I realized there were many things I could implement from the program into the business that would help this new business venture to succeed. I was able to research the food service industry to gain a better understanding of how to market and plan for the success of this venture. After I started the research on this business venture, I soon found that we needed a business plan that would answer many questions we had regarding the success of our business.

The first part of the thesis is a brief summary of the food service businesses in St. Louis and the geographic analysis that became the deciding factor in locations. The second part of the thesis is an explanation of TASTE ST LOUIS. This section gives the history of the business and explains the development and start-up. The third portion, of the thesis is the small- business plan and pro forma financial statements.

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CHAPTER I: INTRODUCTION

1.1 Purpose of the Thesis

The food service and restaurant business is highly competitive. There is a tremendous amount of entry into and exit out of this industry as many have high hopes of owning a successful restaurant, but fail. New restaurants opened in major cities have a success rate of 39%-41% (Parsa). Success in the food service business depends not just on excellent execution, but also on choosing the style, location and type of food demanded. The majority of money spent on food being eaten away from home comes from discretionary spending. With this being said, it becomes imperative for a food service business to address a need that customers want fulfilled. The success of the business depends on the ability of management to develop the right product offered at the right location to meet the demands of the customer.

Developed in January 2008, TASTE ST LOUIS (TSL) was the creative idea of Mike Prindiville. The idea of TSL grew and developed as he researched his concept and developed a sourcing network. By March 2008 the initial business began to take shape with the purchase and outfitting of a recreational vehicle (RV) to serve as the first retailing facility. The novelty of the TSL concept is for the business to be a street vendor selling, mostly, famous St. Louis food items that can be sourced from the producer and sold out of a customized RV at several locations in the St. Louis metro area. The owner decided that he had identified enough such foods that could be sold through a street vendor to become a profitable business.

Although there was a rush to start the business, there are major benefits to having a written business plan. With the financial backing in place, the owners wanted to make some solid decisions regarding a time frame for growth and development, have a working operating manual and a financial plan to address future expansion. The business also needs measurable goals with which to judge success before adding more vending vehicles and/or possibly franchising the concept in other metro areas. The marketing and expansion decisions will be based on sound strategies that will bring an acceptable return on the assets. The focus of the work here is to develop a business plan to guide the current business to development and to provide a plan for future expansion and development.

1.2 Executive Summary

TASTE ST LOUIS is a street vending company designed to offer food unique to St. Louis. Two things differentiate this business from other street vendors in the St. Louis metro area: the vending locations are in industrial parks where food service is hard to find and the heart of the food is made up of well-established local favorites from the St. Louis area. The concept is to maintain a set schedule for each workday noon. On Mondays the vending operation will be at location 1. On Tuesdays it will be at location 2 and so on for each of the five business days. The objective is for TSL to offer a quality, quick option to the fast-food, mini-market food or restaurant experience. The majority of selected vending locations are in industrial parks, near the outskirts of town, where it is difficult to buy a fast lunch nearby. In the St Louis market the weather can be extreme with temperatures over 100 degrees in the summer months and where winter lows of 20 degrees are not uncommon. With such extremes just walking out of your office building to purchase lunch

to take back to your office can be appealing. There would be no need to consume gasoline, nor the thought of jumping into a car that is too hot or too cold in order to go to a restaurant. The other appeal is to have local favorites as well as soft drinks, snow cones, candy and other snack items: all at reasonable prices.

TSL will focus on two types of consumers: factory workers (hourly employees) and front office (salaried) workers. It is judged that the factory worker would not wish to spend more than seven dollars while the front- office employee would be willing to spend more than that. Both would be attracted to the vending site because of the convenience. Being at the site only one day a week means that the offering will be seen as a treat to be purchased just once a week. As a mobile, food vending business, TSL will be available at different locations each day of the week, but regularly scheduled so that customers can trust that the vendor will be there on the appointed day. The vending business will run from a customized RV. With the mobility of the RV, the business will be available for weekend fairs and picnics on request.

TSL financial picture is quite promising. It will be a cash business, reselling ready to eat items. That helps keep down the initial investment and fixed cost. With proper management, the inventories can be kept low. It is anticipated that TSL's initial costs for all equipment and products will be \$38,219.00. This includes working capital and the first month of business expenses, which includes salaries for two employees. The working profit will be put into an account (retained earnings) which will be used for future expansion of additional vehicles and to pursue franchising.

The pro forma profit and loss statement estimates a cash profit for first year of \$117,125.00. The estimate is that net profits from the first operating vehicle will reach \$77,025.00. The second vehicle is scheduled to open in St. Louis by September 2008. Once the second vehicle has been placed in operation it is estimated profits will increase by an additional \$40,000. With the addition of two vehicles, year two profits are estimated at \$550,000.00. This number is based on the first and second vehicles operating for a full year, and the addition of vehicle #3 in April 2009 and vehicle #4 in August 2009. TSL plans to open its first mobile services in April 2008. The location decisions were based on availability of a site, demand, and licensing permission.

1.3 Innovation in Food Service

Every major city throughout the United States boasts favorite restaurants as well as local favorites. Some cities (such as New Orleans) have street vendors selling hot dogs and beverages. The target customer of the street vendor is the walking traffic. For example, on a busy street corner in New Orleans one could find a hot dog shaped vendor cart selling hot dogs and drinks. Prime lunch hours are 10:00 am-2:00 pm. TSL will be operating during this time period.

There are also catering companies that drive catering trucks to work sites and sell breakfast, lunch, beverages and snacks to construction workers. As proposed TSL is a combination of these businesses. The objective of this venture will be to bring foods that are local favorites to the consumer. The initial idea was to take this vehicle to sites where tourists gather and snacks and lunch could be sold. The biggest obstacle with this idea was that the majority of tourist attractions are located within the St. Louis City limits. This is an

obstacle because the City of St. Louis has available 10 vendor licenses for the entire City of St. Louis. As of March 2008 all such vendor contracts were filled. The attention of TSL then turned to the St. Louis metropolitan area. The St. Louis metro area is divided into small (suburban) communities that operate independently of St Louis City. St. Louis County and Jefferson County government offices had favorable response regarding this new business venture.

Figure 1.1 shows a map of the St. Louis Metropolitan Area. The map shows the limits of the City of St. Louis, which is not available to the business at this time, and a larger area outside of the City of St. Louis in St. Louis County and Jefferson County.

St Louis County with a 2007 population of 1,168,300 has the highest per capita income and largest population of all Missouri counties. St Louis County is the heart of the St. Louis region with a strong and diversified economy and workforce. (St. Louis County Government). The decision was made to operate the business near large office and business parks where the ability to purchase lunch and snacks was either not available or very limited. Figure 1.1 Map Overview of St. Louis Metro Area

Day	Location
Monday:	Kenworth/Fenton, MO (St. Louis County)
	<ul style="list-style-type: none"> • 900 employees (potential customers) • 1 convenience store within a 1 mile distance
Tuesday:	Industrial Park/Arnold (Jefferson County)
	<ul style="list-style-type: none"> • 950 employees (potential customers) • 0 convenience or fast-food restaurants within 3 miles
Wednesday:	Wolff Shoe/Fenton (St. Louis County)
	<ul style="list-style-type: none"> • 1200 employees (potential customers) • 2 fast-food restaurants within 2 miles
Thursday:	Clayton Corp/Fenton (St. Louis County)
	<ul style="list-style-type: none"> • 1250 employees (potential customers) • 2 fast-food restaurants within 2 miles
Friday:	Convergys/Arnold (Jefferson County)
	<ul style="list-style-type: none"> • 1500 employees (potential customers) • 6 fast-food restaurants within 1 mile

Figure 1.2 Office Site Example

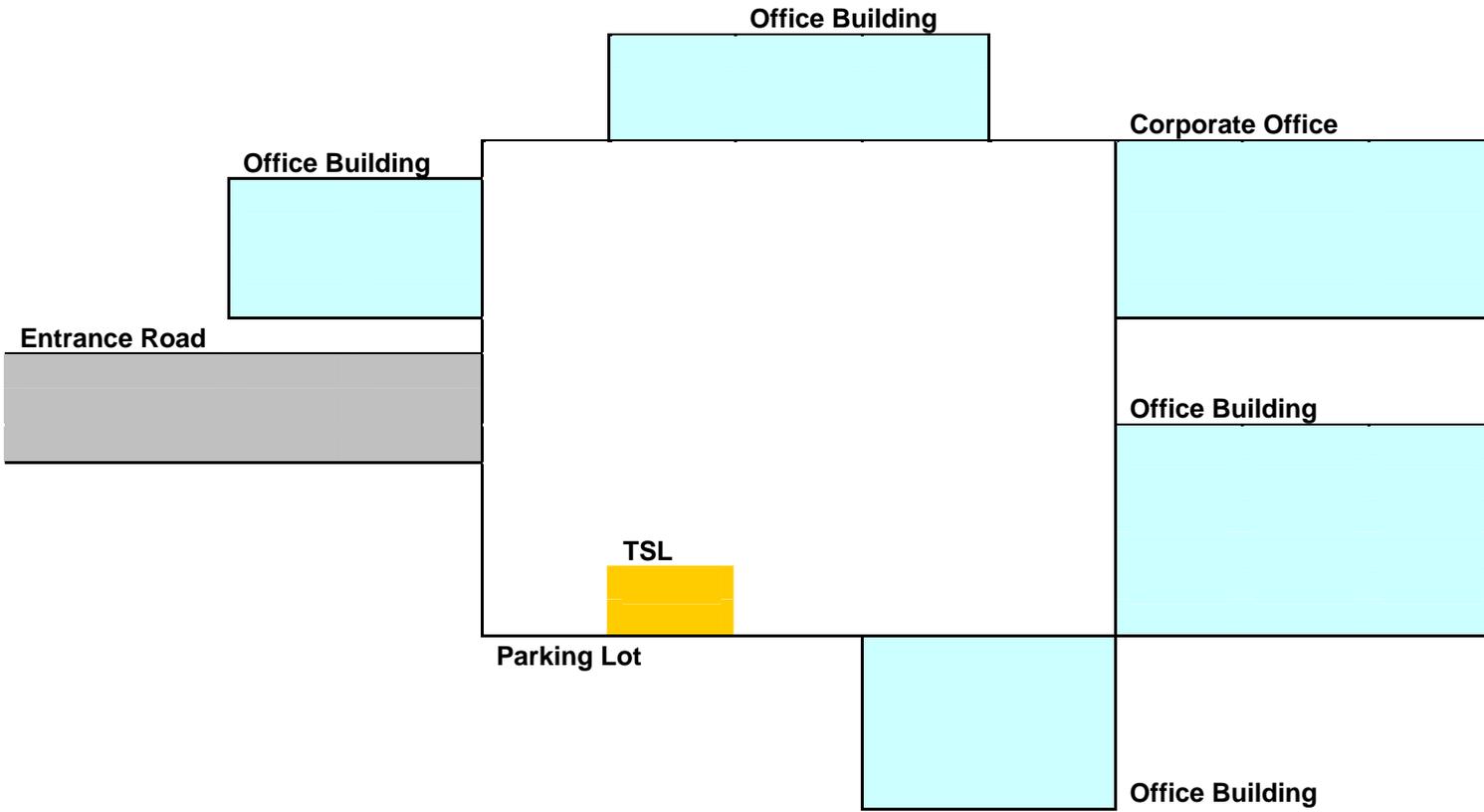


Figure 1.3 illustrates the proximity of the TSL vehicle to numerous office buildings within a complex. In every case the TSL vehicle will be located on a large parking area with parking and drive-up availability for the employees/customers. This illustration shows the large potential customer base and can better understand the convenience factor.

1.4 Objectives

TSL has established three company objectives it wishes to achieve by the end of year three:

1. Operate four TSL mobile units working in the Greater St Louis market by the end of the third year.
2. Gross profit margin of 40% or more.
3. Net after-tax profit at or above 35% of sales.

1.5 Mission Statement

TASTE ST LOUIS aims to consolidate the favorite eats and treats from the St. Louis area and bring them conveniently to our customers. While consistently maintaining our principles of quality, service, and convenience, TSL plans on becoming the premier lunch alternative for our working-class customer base.

1.6 Key Success Factors

TSL has four key success factors. Three of the factors are virtually the same as for any foodservice business, while the fourth is unique to this business.

1. Great locations – large customer base potential, visibility
2. The favorite local flavors –A selection of a wide variety of St. Louis’s favorite foods. Prepared and ready to eat
3. Excellent customer service – cheerful, fun and professional staff
4. Lunch available right outside your business or office building, in the parking lot, convenient with no delivery charges or tipping required.

CHAPTER II: COMPANY SUMMARY

2.1 Company Summary

TASTE ST LOUIS is a privately held corporation owned by Mike (chief operating officer) and Paula (chief financial officer) Prindiville. Each has 50% ownership. Their vision is to offer an excellent service that will have good demand such that it will employ the COO full-time, ultimately in the sole capacity of COO. Initially the other co-owner and CFO will work as accountant on a voluntary basis. Ultimately, she will fill the CFO position on a salary basis. The owners' vision is to franchise the TASTE concept to other cities sometime in the future. The challenge will be to develop a successful model in St. Louis and extend it to another city before an imitator does, as the concept might be readily imitated. A challenge for the owners is to develop distinctive competencies that are efficient and effective, but not readily copied.

2.2 Production and Procurement

Production and procurement will be the responsibility of the chief operating officer (COO). One employee will be hired to work a flexible schedule for the first mobile unit. After negotiating with numerous vendors and small businesses in St. Louis the owners have obtained working agreements or strategic alliances with the following companies.

- Gus' Pretzels

1620 Arsenal St. Louis, MO 63118 (314) 664-4010

- Pomodoro's

3613 Jeffco Blvd. Arnold, MO 63010 (636) 464-1600

- Ted Drewes

6726 Chippewa, St. Louis, MO 63109 (314) 481-2652

- Bandanas

11750 Gravois Blvd. St. Louis, MO 63127 (314) 849-1162

- Dad's Cookie Company

3854 Louisiana St. St. Louis, MO 63118 (314) 772-3662

- Maria & Sons

4201 Hereford St. Louis, MO 63109 (314) 481-9009

These vendors will produce the perishable products that will be sold. The vehicle will keep the products at their optimal holding temperature and sell these products from the customized kitchen side of the vehicle.

2.3 Start-up Summary

TSL start-up expenses should total \$38,219.00. The start-up amount includes the first RV vehicle with customization and equipment, payroll expenses and all health department and county regulatory fees. Over half of the start-up costs are being used on the vehicle, customization, equipment and insurance (\$20,900.00). Another \$2,500.00 will be spent on license fees, city fees, health department required classes and fees. Food and paper goods

for the first two weeks are estimated at \$4,500.00. The additional \$9,500.00 will be used to set-up a business account, payroll and taxes.

TSL anticipates the need for roughly \$13,300 monthly for operating expenses which includes payroll expenses.

Table 2.1 Start-Up Expense Sheet

Expense Sheet

RV	\$10,000.00		
RV taxes/plates	\$1,000.00		
RV Customizing	\$2,000.00		\$17,400.00
RV painting	\$1,000.00		
Lettering	\$1,000.00		
Service equipment	\$2,400.00		
RV insurance/umbrella	\$3,500.00	6 months	\$3,500.00
Accountant	\$400.00		
Incorporating	\$400.00		
Domain name	\$15.00		
App for Mobile unit	\$135.00	St Louis County	\$2,310.00
Residential business license	\$400.00	Arnold	
Permit fee	\$210.00	St Louis County	
Annual permit	\$150.00	Arnold	
Health Dept	\$200.00	St Louis County	
Health Dept	\$110.00	Arnold	
Health Dept	\$250.00	Jefferson Co	
Shots	\$40.00		
Salary (hourly)	\$2,000.00		
Salary (Management)	\$5,000.00		\$9,100.00
RV parking/trash disposal	\$100.00	1 month	
Business account	\$2,000.00		
Cleaning Products	\$100.00		
Paper Products	\$400.00		\$950.00
Cash Register	\$400.00		
Condiments	\$50.00		
Bonds			
Food (2 weeks)	\$3,958.72	(1979.36) weekly	\$3,958.72
Total to Start	\$37,218.72		

CHAPTER III: PRODUCTS

3.1 Products

TSL will provide their customers the local favorite eats and treats, such as frozen custard from Ted Drewes and toasted ravioli from Maria & Sons. In addition there will be assorted beverages and candy adding a wider variety to the menu.

3.2 Product Description

Customers of TSL will be able to customize their own lunch choosing from a variety of a la carte entrees ranging in price from \$1.50-\$4.00. The a la carte entrees will include: hot pretzels, sub sandwiches, pulled pork sandwiches, chili, toasted ravioli with sauce, nachos with cheese, hot dogs, chili dogs and pretzel covered sausages and hot dogs. In addition the menu will feature potato salad, baked beans, assorted cookies, frozen custard and snow cones. Beverage choices will include bottled water, bottled tea and canned soft drinks.

3.3 Competitive Comparison

What will make TSL stand apart will be the convenience brought to the consumer and the unique selection of local favorite foods. To assure high standards and quality control on a daily basis the products will be produced by the vendor and kept at optimal holding temperatures in the RV. As a result no cooking will be necessary. Products will be fresh from the vendor daily, which will result in the best available product to sell.

The competition that TSL will face is from fast-food chains and restaurants in the area where the RV will be located. The advantage of TSL is the rotating schedule they entertain

on a weekly basis. The customer will become familiar with the particular day of the week the RV is scheduled. The customer will look forward to TSL's delicious menu and the opportunity for a new lunch option.

3.4 Sourcing

TSL will be using a variety of local vendors. Paper goods, condiments, chips, beverages, snacks and breads will be purchased from Sam's Wholesale Club. The Restaurant Depot will be the source for foam boxes as well as initial equipment needed for the RV. C. R. Frank is the source for concession supplies such as snow cone machine and pretzel warmer. Shop & Save will be used for the purchase of hot dogs, sausages and bottled water. All prepared foods will be cooked by the participating vendors.

- Maria and Sons: An agreement was reached for the purchase of toasted ravioli and marinara sauce. The raviolis are purchased fully cooked and frozen. The marinara sauce and raviolis will be warmed separately in roasting pans. The raviolis will be served with sauce on the side in quantities of 6.
- Gus's Pretzels: Founded in 1920, Gus is a pretzel maker located in the City of St. Louis near Anheuser Busch Brewery Headquarters. Gus produces pretzels of many flavors and also pretzel covered sausages and hot dogs. Bavarian twist pretzels and pretzel covered meats will be purchased daily. The meats will be wrapped in parchment and foil and kept in a warmer and the pretzels will be kept in a pretzel case, warmed with the option of cheese.

- **Bandanas:** The products from this popular BBQ restaurant will be the slow cooked pulled pork which will be mixed with their house sauce. In addition to the pork, potato salad and baked beans will be purchased in a catering sized quantity, and then divided into side dishes. The sandwiches will be served on buns. It will be necessary to refrigerate the salad, but the other two items will be served on demand from the roasting pans.
- **Ted Drewes:** Ted Drewes frozen custard has been a staple in the St. Louis area since 1947. Frozen single servings of custard will be purchased in 3 flavors and kept frozen in the mobile unit. The original custard stand is located on Route 66 and is open from Memorial Day to Labor Day, hence the demand. TSL plans to extend their Ted Drewes offering past standard seasonal availability which should increase demand.
- **Dad's Cookies:** Dad's Cookie Company was founded in 1938. Fresh cookies will be purchased weekly and stored in a large glass canister. The cookies are crunchy and they will remain fresh for 12 days.
- **Pomodoro's:** This local, family owned restaurant makes their own unique sweet bread which is the base for their submarine sandwiches. Sixteen inch sandwiches will be purchased daily and cut into 4" sections. The sandwiches will be refrigerated, cut and parchment paper wrapped to serve. It is important that this sandwich be purchased daily since the softness of the bread is a quality standard of the restaurant.

3.5 Technology

The efficiency of the TSL vehicle will be in the customization of the interior of the RV.

The interior has been customized to accommodate two to three adults, refrigeration, freezer, cash register, sinks and also electric warming dishes. All equipment in the facility meets health code and safety regulations. The health codes and safety regulations must be met for licensing. Figure 3.1 illustrates the interior of the RV which has been approved by the Missouri Health Department and figure 3.2 and 3.3 illustrate photographs of the interior of the mobile unit.

Once the website is fully operating it is anticipated that call-ahead lunch options may become available. The advantage of an office calling ahead with an order would also be advantageous for the vehicle. Knowing a specific time when a large order would be picked up would help the flow of potential customers enhancing a faster transaction time frame.

The office has acquired QuickBooks and will be using this software for all bookkeeping, financial statements, bill paying and payroll. All business analysis reports can be created from this software.

Figure 3.1 Floor Plan of Customized Interior

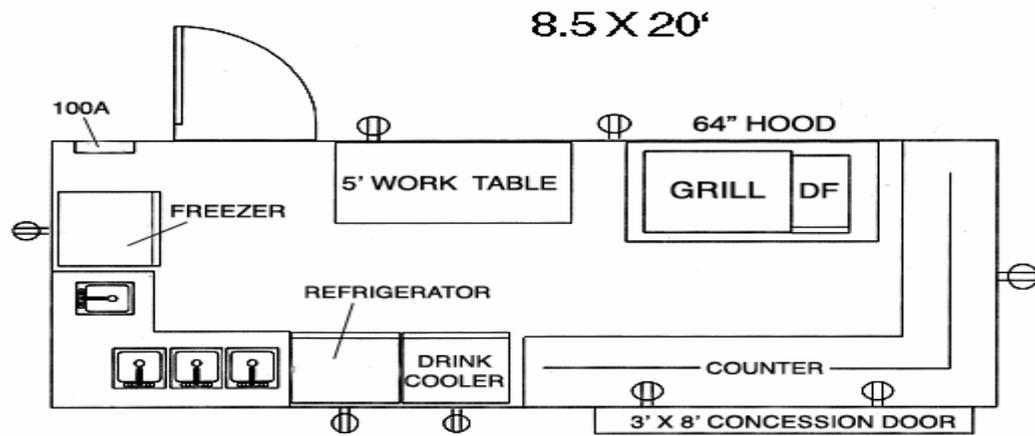


Figure 3.2 Example of Mobile Kitchen Interior



Figure 3.3 Example of Mobile Kitchen Customization



3.6 Future Products

There will be a consistent need for product analysis to ensure that the right selections of products are offered. To do that will require a method or standard for removing poor performing products and to determine the introduction of new products. Poor performing products will be removed from the menu if it is determined after one month of sales they are not profitable. New products will only be introduced after the elimination of poor-sellers.

CHAPTER IV: MARKET ANALYSIS SUMMARY

4.1 Market Analysis Summary

The potential customer at the chosen sites will have limited lunch options. Currently the potential customer can only choose from fast-food, on site vending machines, or bringing their lunch from home.

TASTE ST LOUIS will focus on two types of employees/customers:

1. Factory Worker – an employee with a short lunch break that is looking for convenience, value and has a minimum of discretionary spending available.
2. Front office –a salaried employee who appreciates the convenience but has more discretionary spending available.

4.2 Market Segmentation

TASTE ST LOUIS will focus on several individual market segments. To access both demographics it is necessary to offer a wide assortment of lunch and snack options ranging in price up to \$4.00.

Using the Kansas State Survey System, five hundred current undergraduate students and MAB students were surveyed. In addition to the Kansas State students the survey was copied and emailed to potential office buildings where an email address was available. A marketing student at The University Missouri distributed 300 surveys to business students for additional data. All were queried on which items they would purchase for lunch. Each student was asked to complete the survey based on their current financial situation. Using

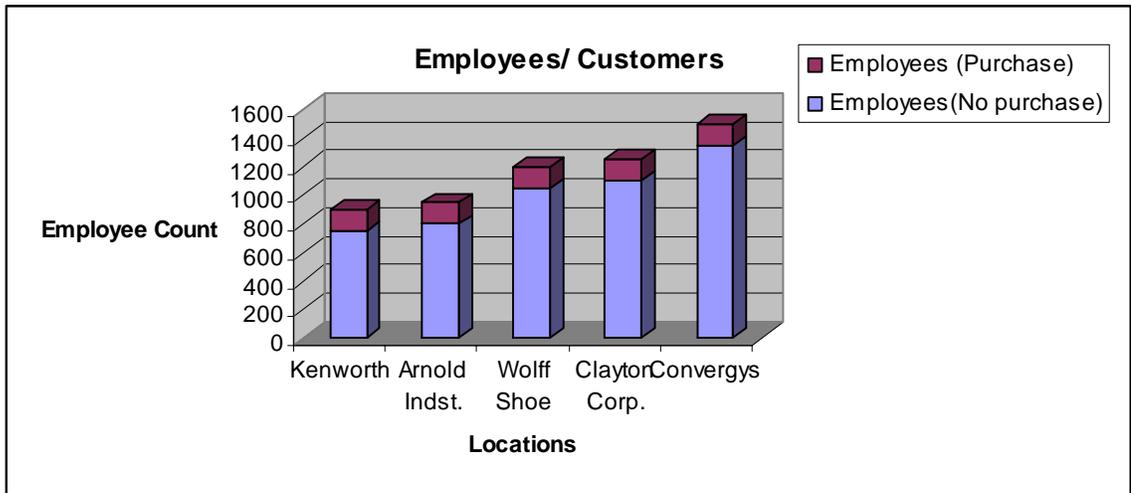
these criteria as a base for completing the survey and paying for their purchases with cash 12% responded.

With 126 responses the average sale for an undergraduate student at Kansas State was \$5.85. For the MAB students, MU students and emails received the average sale was \$7.21. The average sale is determined to be \$6.03. Using this figure of \$6.03 as an average sale it is determined that 150 daily customers at sales of \$6.03 each amounts to daily sales of \$900.00. The target market seems to fit with the survey analysis quite well. The MAB students surveyed are professionals with a substantial income and spending habits. The student population that was surveyed can be described as having similar attributes to the factory worker category. They have a limited amount of discretionary spending and want a fast lunch, high on quantity and low on price.

The owner has estimated that the optimal sales time frame will be 11:30 a.m. - 1:00 p.m. During this 90 minute window the owner anticipates the ability to serve 2 customers every minute. During the 90 minute window it is anticipated that 180 potential customers could be served.

TASTE ST LOUIS is marketing their products for two similar but different demographic groups. The factory employee has limited discretionary spending and will be more likely to get lower priced items. The front office employee will have more discretionary spending, may have a higher income or just the ability to spend more on lunch and will be more likely to spend additional money at lunch.

Table 4.1 Employee to Customer Ratio



The employees (potential customers) are considered to be captive consumers meaning that the consumer is tethered to an office or work environment where lunch options are either limited, or the business location makes it difficult to get to and return from fast-food restaurants quickly or easily.

Opportunities will arise due to the visibility of the RV. The RV will be available on a per request basis for additional weekend business.

4.3 Analysis of Customer Psychographics

The TASTE ST LOUIS target market is the customer who wants good food fast. Coming directly out of the workplace, the customer will have the convenience of food with no delivery charges. The added advantage is the quality of foods well-known in the St. Louis area. The highlights of food choices are derived from favorite local restaurants and companies that are not convenient to the workplace.

The expected advantage is that the customer would be willing to choose this lunch option once a week. Since the vehicle will only be at each location one day each week, the same day weekly, the customer will look forward to this lunch option. The customer will not quickly tire of the lunch options given to them. There will always be an enthusiastic attitude from the employees when the TASTE ST LOUIS vehicle is on their premises. TSL is committed to expanding the customer base.

4.4 Industry History

Since the mid 1970's there has been a steady decline in hourly wage increases. More mothers began working outside the home to supplement family income. In 1975 about 1/3 of all US mothers with young children were considered working mothers. By 2007 almost 2/3 of mothers were employed outside of the home. A generation ago three-quarters of the money used to buy food in the US was spent to prepare meals at home. Today, about half of the money used to buy food is spent in restaurants. In 1968 McDonald's had 1,000 restaurants; by 2007 it had 30,000 with 2,000 being added each year. (Farber, Yates)

Adults with busy schedules and commitments are looking for convenient options for lunch. Purchasing lunch on site or at a nearby business becomes a necessity.

4.5 Market Summary

The market for TSL consists of customers who have busy schedules and a desire for a convenient, quality lunch. Some employees might prefer a nice restaurant. Many times a short lunch break makes this impossible. Thirty minute lunch breaks do not allow for leisurely lunches. TASTE ST LOUIS not only caters to the employee with a limited lunch break, but also offers the employee a selection of local favorites.

There are convenience stores offering lunch sandwiches and entrees that require a microwave oven. Many customers that frequent a convenience store for this type of lunch want convenience, and quick service. A typical lunch customer will spend \$6.50 on their daily lunch. (Schlosser) Many times a customer wants the opportunity to eat in their own vehicle and smoke a cigarette (Smoking inside restaurants is prohibited in the St. Louis metro area). At TSL the customer can make their purchase quickly and take it to their own vehicle, listen to the radio or smoke a cigarette with their lunch.

The St. Louis market is primed for the introduction of a company that offers well-known, quality products, in a convenient location at a reasonable price.

4.6 Market Growth

In a recent issue of Restaurants and Institution Magazine it was reported that nearly one-third of those surveyed purchased lunch out every workday. (Schlosser) Using this calculation could offer amazing opportunities for TSL.

The key to the success of TSL will be the advertising and publicity that will be required so the potential customers know when they will have the availability to purchase.

Growth will come from the site location building a larger customer base. The city of St. Louis is researching the potential of licensing, TSL as a mobile catering vehicle instead of a vendor. Once the decision is made for licensing a mobile unit would then be approved for St. Louis city. The actualization of a second vehicle within the St. Louis City limits would bring extreme growth to the business as a whole. Any additional units added into the St

Louis metro area would allow TSL to become even larger with the possibilities of expanding or franchising into other cities.

4.7 Competition and Buying Patterns

There are three competitors in the TSL market. They are nationally recognized fast-food chains, convenience stores or typical restaurants.

Patrons to McDonalds or any other fast-food restaurant are looking for quick and easy lunch options. They have drive-through, fast and easy numbered selections and know the quality of the products they are buying. These options may not always be the highest quality or most reasonably priced but the consumer believes this experience to be fast and fairly reliable.

Patrons of the convenience store experience are looking for quick and easy but without the drive-through waiting period. Usually over the lunch time period the convenience stores such as Quiktrip, sell as many as 100 lunch sandwiches, hot dogs and microwaveable entrees.

Patrons of a typical restaurant need at least 45 minutes to enjoy their lunch. A typical restaurant is a competitor for the employee with the time. With the option of food being delivered to the office one day each week, TSL will be an attractive alternative to the typical restaurant experience.

4.8 Main Competitors

When measuring head-to-head competitors there are currently no other businesses like TSL in the St. Louis metro area. TASTE ST LOUIS will be the first mobile catering and food service restaurant available in the metro area. There will still be significant competition from fast-food, convenience stores and other restaurants.

CHAPTER V: TRATEGY AND IMPLEMENTATION SUMMARY

5.1 Strategy and Implementation Summary

TASTE ST LOUIS will penetrate the office and manufacturing customer base by having vehicles located in accessible areas. The vehicles are designed to be located on the parking lot of a business, near a higher traffic area. The vehicle will remain stable for each day that it is scheduled per each site location. The vehicle is brightly painted and customized with an awning covering the ordering window. The customers will be able to place their order and the food will be fresh and hot.

TSL has identified its market as busy people looking for a lunch alternative that is convenient, reasonably priced with an already established “local flavor favorite factor!”

In addition to the assigned schedule, TSL will be available for company picnics, community fairs or other community activities upon request.

5.2 Tactical Goals

The strategy of TSL is to show their customers that they offer favorite foods, convenience and good pricing. To execute this strategy TSL will be placing the vehicles initially in five strategic locations. Each location has the potential customer base that is necessary for 150 sales, daily. TSL is pricing its products competitively and training the staff to be excellent salespersons with great customer service. Through advertising and word of mouth TSL would like to build the business into franchise opportunities for other cities.

Once TSL can accomplish these objectives, they have:

1. Provided customers with a quality product at a competitive price
2. Provided customers with a convenient method for obtaining their desired product
3. Provided customers with friendly service, just the way they would like to be treated

5.3 Value Proposition

The mobile facility will provide a substantial value proposition. Employees will not have to get in their car, drive, find a parking spot, wait in line, drive back to their office and park again. After these steps their food is now cold. Most importantly the savings on gasoline would be a value. TASTE ST LOUIS will offer customers a delivered lunch experience without the waiting time, no tip or delivery charges involved.

5.4 Competitive Edge

TASTE ST LOUIS has a simple competitive edge. TSL provides a high quality product at a competitive price in an environment that will save time and money for the customer.

TSL will offer a variety of otherwise inaccessible St. Louis city favorites.

5.5 Marketing Strategy

First and foremost, TSL has chosen the first five locations based on potential customers, visibility and demand. They will be located in areas that have a large potential customer base. Also with vivid colors on the vehicle itself it will draw the customer's attention. The initial locations were chosen by a preliminary visit. The initial visits entailed delivering a menu to the office complexes and testing the demand for the products. After the customers

were enthusiastic about the products the attention was then focused on the metropolitan area itself, for licensing and regulations.

TASTE ST LOUIS will be implementing a low cost advertising/promotion campaign which will involve flyers and menu distribution. There will be a legal sized laminated/magnetic menu distributed to each location with the schedule attached.

5.6 Positioning Statement

TASTE ST LOUIS has chosen local menu favorites for busy people whose time is already at a premium but desires a great lunch or snack.

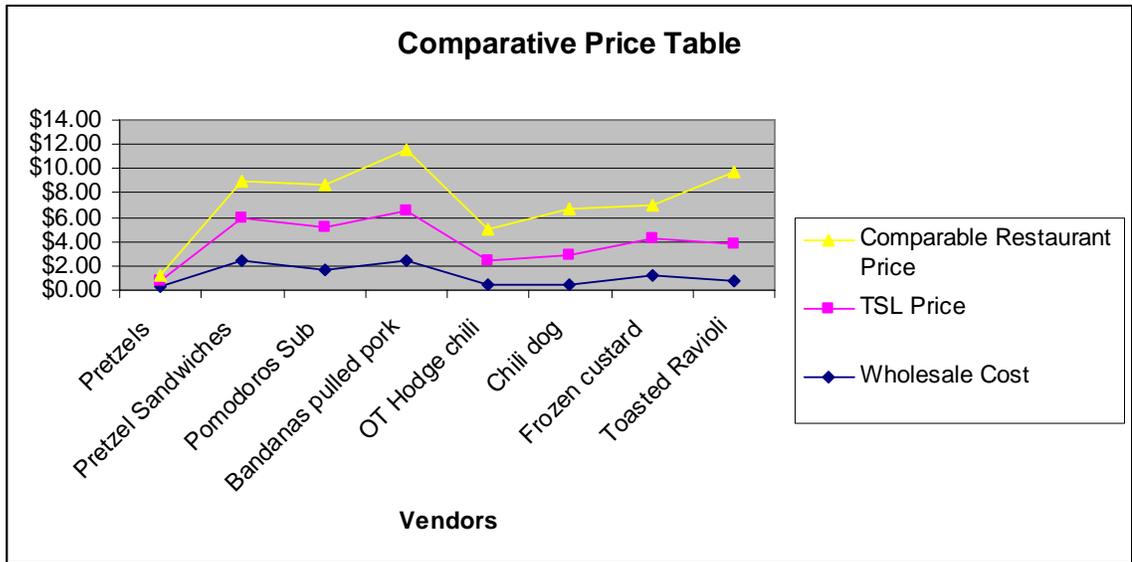
5.6.1 Pricing Strategy

TSL will be comparable to the competition, but with the economic and convenience added value. The following table represents our pricing structure.

Table 5.1 Pricing Table for Local Vendors

Product	Wholesale Cost	TSL Price	Comparative Restaurant Price	Markup %
Pretzels	\$0.25	\$0.50	\$.50	100%
Pretzel Sandwiches	\$2.50	\$3.50	\$3.00	71%
Pomodoros Sub	\$1.75	\$3.50	\$3.50	100%
Bandanas pulled pork	\$2.50	\$4.00	5.00 w/sides	60%
OT Hodge chili	\$0.50	\$2.00	\$2.50	200%
Chili dog	\$0.40	\$2.50	\$3.75	315%
Frozen custard	\$1.25	\$3.00	\$2.75	120%
Toasted Ravioli	\$0.78	\$3.00	\$6.00	192%

Table 5.2 Comparative Pricing



5.6.2 Promotion Strategy

The short-range goal is to gain enough visibility to leverage the product line into other regions within the St Louis market. The long-range goal is to attract investors that would be interested in franchising opportunities for other cities. To do these TASTE ST LOUIS needs:

- Foot traffic distribution of numerous flyers and menus promoting TASTE ST LOUIS to the locations. It is anticipated that the regular schedule and visibility of the TSL vehicle will bring in and establish the initial customer base.
- Advertising will be gifted to TSL for the first six months by the investor. The advertising will consist of articles within the local newspapers and magazines. Along with this initial advertisement there will be radio and television interviews set up with the local media. The flyers will be made and distributed locally.

- Additional advertising will be done on the TSL website.
- www.tastestlouisstl.com
- The website will have necessary information for weekend events and the schedule for weekly lunch business. The site will also have any necessary contact information and a current menu.

5.6.3 Distribution Strategy

TASTE ST LOUIS will locate the mobile vehicle in high traffic and visible locations. Employees looking for lunch alternatives will have the convenience of TSL. Arrangements for the TSL vehicle for community fairs, picnics or private functions such as company picnics will be available upon request. A fundraising event is planned for April 26, 2008 for the Jefferson County Mastodon Society which expects 2500 attendees. The TSL mobile unit will be on the fundraising site for this event.

5.6.4 Marketing Programs

Distinctive Unit:

The mobility of TSL will allow continuous visual advertising every day that the vehicle is on the road or at a location. The colors of black and metallic gold are being used for the vehicle. The coloring of the vehicle is meant to have a clean look with just enough color punch to draw attention. Separating the two tones on the vehicle will be a waving design. The coloring and design are personal favorites of the owners. The waving pattern is an

illustrator's version of the waves on the beach and the coloring of black and metallic gold have the significance to the owners of the University of Missouri Tigers school colors.

Advertising and Promotions:

During the first year TSL plans to spend less than \$12,000.00 on advertising and promotions. Some advertising, being donated by the investor will be done through Dent Wizard, International. This advertising, along with flyers, menus and car flyers will begin early April which will be 2 weeks prior to opening. Promotional materials during the first crucial months will be available at each location. Businesses will receive new customer packs which will contain paper menus with pricing, a magnetic laminated menu to be posted in the office or lunch room area of these locations and two \$7.00 lunch coupons. The new customer packs will be the owners' way of thanking the businesses for their commitment and support of TASTE ST LOUIS.

After six months TASTE ST LOUIS will reevaluate with plans to establish \$1,500.00 to be used monthly on a consistent advertising budget. Once there are multiple vehicles operating in the metropolitan area the investment monthly will have a greater impact.

A website is under development. The anticipated launch of the website is June 1, 2008.

The primary function of the website will be to increase awareness, offer a viewable menu and receive customer feedback. Along with the website, TSL is looking to start a voluntary mailing list for personal customer feedback.

5.7 Sales Strategy

There will be several sales strategies put into place, including posting specials on high-profit items at the order window. Another sales strategy utilized will be a general “barker” type sales strategy. The owner, having numerous years of sales career experience will entice the customers and “suggestive sell” items that are possible slow sellers for the day. Generally the owner will invite customers to try new menu items.

5.7.1 Sales Forecast

TASTE ST LOUIS anticipates having two vehicles working in the St. Louis metro area by September 2008. The first vehicle will be on the road by May 5, 2008. This vehicle will support Jefferson County in Missouri and some smaller communities in St. Louis County. It is estimated that the first vehicle will generate approximately \$170,000.00 in sales. The addition of the second vehicle it is expected to bring in sales of \$120,000.00, in 2008 making total 2008 sales revenue of \$290,000.00.

In the second year, two more vehicles are planned. The estimated addition of these vehicles would increase prospective sales to \$1.15 million. These figures do not reflect potential outside weekend business, which can only add advertising and volume to the sales.

Vehicle #1 will operate from April 15, 2008 through year end. The estimated sales on this unit are \$170,000. The goal is 9 months (37 weeks) with sales each week at \$4,500. The 2008 sales also reflect special events totaling \$3,500. It is anticipated vehicle #2 will operate September 1, 2008 through yearend. Vehicle #2 will produce higher daily sales

volume than #1 since it will operate within St. Louis city limits with a larger potential customer base. The 2008 estimated sales for vehicle #2 are \$120,000. The total sales goal was based on \$6,700 weekly sales for 18 weeks.

In 2009 with the operation of 4 vehicles the estimates are based on vehicle #1 producing \$5,000 weekly for 52 weeks and vehicle #2 producing \$7,500 for 52 weeks. It is anticipated that vehicle #3 will begin operation in March 2009 and vehicle #4 in June 2009. Sales goals for the last two vehicles are based on 43 weeks of selling at \$5,000 and 32 weeks of selling at \$5,000 weekly, respectively. The additional amounts from vehicles #3 and #4 are special event sales. Sales from lunch business would be \$210,000 and \$160,000 respectively with an addition of \$13,000 in sales for special events. The addition of all special events is focused on vehicles #3 and #4, but it is likely this sales amount will come from a combination of all four vehicles. Most likely a category will be necessary to determine the sales coming from special events.

In 2010 it is anticipated that with addition of a sales and marketing director there will be a 43% increase in sales with the inclusion of special and weekend events.

Table 5.3 Sales Forecast

Sales Forecast	2008	2009	2010
Unit Sales			
Vehicle #1	\$170,000.00	\$260,000.00	\$373,043.00
Vehicle #2	\$120,000.00	\$390,000.00	\$559,565.00
Vehicle #3		\$250,000.00	\$358,695.00
Vehicle #4		\$250,000.00	\$358,695.00
Total Mobile Sales	\$290,000.00	\$1,150,000.00	\$1,650,000.00
Average Sale			
Vehicle #1	\$6.03	\$6.51	\$6.90
Vehicle #2	\$6.03	\$6.51	\$6.90
Vehicle #3		\$6.51	\$6.90
Vehicle #4		\$6.51	\$6.90

5.8 Milestones

The Milestone table reflects critical dates for establishing the four mobile units. TASTE ST LOUIS also defines their break-even month, the website launch and other key markers that will help measure the success in time and accomplishments.

Table 5.4 Milestones

Milestone	Start Date	Budget	Manager	Department
First Mobile Unit	04/15/2008	\$38,000.00	COO	Administration
Website Open	06/01/2008	\$500.00	COO	Marketing
Second Mobile Unit	09/01/2008	\$35,000.00	COO	Administration
Initiate Advertising Plan	08/01/2008	\$1,500.00	COO	Marketing
First Break-even Month	01/01/2009	\$0.00	COO	Finance
Third Mobile Unit	03/01/2009	\$35,000.00	COO	Administration
Forth Mobile Unit	05/01/2009	\$35,000.00	COO	Administration
Second Break-even Month	09/01/2009	\$0.00	COO	Finance
Open First Franchise	05/01/2010	\$0.00	COO	Finance
Totals		\$145,000.00		

CHAPTER VI: MANAGEMENT SUMMARY

6.1 Management Summary

TASTE ST LOUIS is a relatively flat organization. Overhead for management will be kept to a minimum and senior managers will also be “hands-on” workers. There is no intention of having management drain the profits from the company.

Initially, management will consist of chief operating officer and chief financial officer. In these capacities the COO will be a ‘hands-on’ member of the mobile unit. The CFO position will operate part-time on the mobile unit and complete all necessary financial records and business analysis. At the end of the three-year plan, an executive position will be added. The director of franchise operations (DFO) will be added as well as mobile unit managers.

6.2 Organizational Structure

There are four functioning groups within the company: procurement, production, sales and marketing, and general and administrative.

Procurement involves not only selection and purchasing of products necessary to operate the business, but also the vendor participation products that are an essential part of TASTE ST LOUIS. This position will also entail making the purchases from the participating vendors. Production involves manning the mobile units and serving the eats and treats. Sales and marketing will handle the promotion and scheduling of the mobile units, as well

as the promotion of community events or special events. General and administrative will manage the equipment, inventory, payroll, finances and other basic, operational processes.

The position of COO will be held by the owner Mr. Michael Prindiville. Mike has a highly entrepreneurial spirit and a tremendous amount of sales experience. Additionally, he has been the chairman for the past 12 years of the largest community picnic/event in the Jefferson County area. This event has required food service, organizational skills, volunteer recruitment and management and handling numerous licensing and health department regulations. Combining his spirit, desire for success and contacts that he has acquired with years of business contacts, Mike will be an aggressive leader for TSL.

Mrs. Paula Prindiville will fulfill the responsibilities of bookkeeper and office manager. Paula will also establish standard operating procedures, banking, and customer service standards for TSL. Paula has over 18 years experience in the retail and consumer industry with 3 years of corporate training and development Paula will be completing her Master of Agribusiness (MAB) degree through Kansas State University and the knowledge she has gained will be a tremendous benefit to TSL. In the initial stages Paula will be working part-time in connection with another full-time job.

6.3 Management Team

TASTE ST LOUIS understands that to become successful it will take several experienced individuals in the next stages of development. Once the second mobile unit begins operation it will be necessary to add a full time manger. A full-time management employee will operate the second mobile unit with a part time employee. Once the two mobile units

have been operating and the third and fourth units are added it is foreseen that each unit will have a full-time manager and a part time employee. When four mobile units are operating in the St. Louis market there will be a total of 4 full time and 5 part time employees.

The vision is that Paula will eventually run the general administration portion of the business full-time. Mike will eventually run the company in the capacity of chief operating officer full-time. Mike would oversee all mobile units to ensure the operations success.

6.4 Personnel Plan

By May 2008 TSL anticipates the beginning of the sales operation. There will be two paid employees at this time. Mike (COO) will manage and work the first vehicle along with one part-time employee. The employee count by December 2008 is expected to be: one operating manager and two part-time employees. These four positions will constitute a salary of \$37,000.00.

After the addition of vehicles three and four in the second year it will be necessary to add three management positions and three additional part-time/full-time non-management employees. The headcount in the second year will increase to 9 with a payroll of \$176,000.00.

The expectation in year three is for TSL to open franchise opportunities in other cities. An experienced director of franchise, Kevin Beattie (Dent Wizard International) will handle any franchise inquiries.

Table 6.1 Personnel Plan

Procurement &Procurement Personnel	2008	2009	2010
Mobile Unit #1	\$10,000.00	\$47,000.00	\$50,000.00
Mobile Unit #2	\$27,000.00	\$52,000.00	\$55,000.00
Mobile Unit #3	\$0.00	\$47,000.00	\$50,000.00
Mobile Unit #4	\$0.00	\$30,000.00	\$50,000.00
 Subtotal	 \$37,000.00	 \$176,000.00	 \$205,000.00
 Sales & Marketing Personnel			
Director of Marketing	\$0.00	\$0.00	\$15,000.00
Corporate Events/Sales	\$0.00	\$0.00	\$15,000.00
Subtotal	\$0.00	\$0.00	\$30,000.00
 General & Administrative Personnel			
Office Administrator	\$0.00	\$12,000.00	\$12,000.00
Subtotal	\$0.00	\$12,000.00	\$12,000.00
 Other Personnel			
Chief Operating Officer	\$38,000.00	\$52,000.00	\$62,000.00
Chief Financial Officer	\$0.00	\$25,000.00	\$30,000.00
Director of Franchising	\$0.00	\$0.00	\$30,000.00
Subtotal	\$38,000.00	\$77,000.00	\$122,000.00
 Total Employees	 6	 12	 15
 Total Payroll	 \$75,000.00	 \$265,000.00	 \$369,000.00

CHAPTER VII: FINANCIAL PLAN

7.1 Financial Plan

The financial picture for TASTE ST LOUIS is quite promising. Since it will operate a cash business, the initial start up cost is significantly less than many businesses today. There will be a minimum of inventory kept on hand so that the product will remain fresh and eliminate waste that might occur with an overstock of inventory.

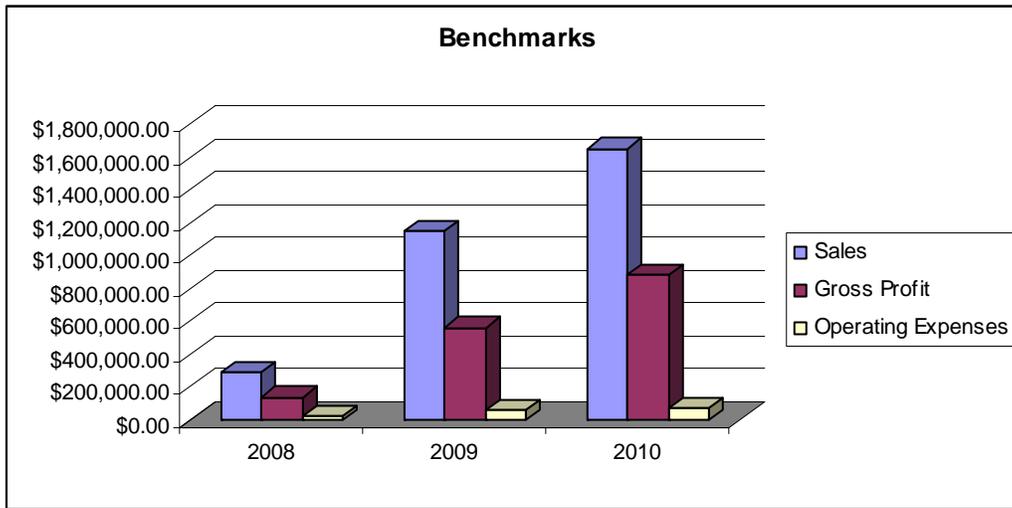
TSL anticipates no need for any debt investment until the purchase of the second vehicle. The initial investment of \$38,219.00 is expected to be adequate for the first phase of the business.

7.2 Benchmarks

The projection is for TASTE ST LOUIS to show a 297% increase in sales by the end of the second year. This extreme growth is the result of two more units in operation. By the end of the third year the projection is a 43% increase over the previous year. By the third year TSL anticipates to hire a sales and marketing director. With the addition of this position, community events and corporate functions would be booked with the mobile units. The growth during year three is anticipated to come from these outside events.

The expectation is for TSL to keep gross profit margins at or above 40%. TASTE ST LOUIS expects to keep gross margin above 42% the first year. The current projections for 2009 and 2010 reflect operating expenses to increase by 20%. The increase in flour pricing has already had an impact on the wholesale costs of cookies and bread products.

Table 7.1 Benchmark Chart



7.3 Break –even Analysis

To arrive at the average monthly fixed costs, TASTE ST LOUIS calculated the fixed costs for the first mobile unit to be \$13,000.00. The calculation that was used to determine the break even analysis was estimated price per transaction, less the average cost of goods sold per transaction, divided into the fixed costs of operation. TSL concludes that 3,213 transactions will be necessary to reach the break-even each month. The expectation is that TSL will attract a minimum of 150 employee/customers daily. Based on the employees at each location this would be 10%-17% of the employees. These calculations are based on the figure of \$6.03 per transaction. The owner believes that by utilizing his sales experience he will be able to increase the sales transaction. By raising the average sale or amount of customer sales daily, the break-even time frame will shorten.

Table 7.2 Break-even Analysis

	Vehicle #1
Monthly Transactions to Break-even	3212
Monthly Revenue to Break-even	\$19,368.00
Assumptions:	
Average Per-Transaction Sale	\$6.03
Average Per-Transaction Cost	\$1.98
Estimated Monthly Fixed Costs	\$13,000.00

7.4 Projected Profit and Loss

TASTE ST LOUIS is expecting some dramatic growth in the next three years. The hope is to reach \$290,000.00 in sales and a 45% Gross Profit Margin by the end of the first year.

Expenses during the first year are expected to be \$172,875.00, which would leave a net of \$117,125.00 after the first year. This projection uses the sales from vehicle #1 (April-December) and vehicle #2 (September-December).

Aside from cost of goods which represents approximately 39%, the largest projected expenditure will be payroll. Payroll is projected at an expenditure of 26%.

The projected sales for 2009 would increase by nearly 300%. The second year of business would account for four mobile units in the St. Louis market. By the year 2010 the projection is a 43% increase in sales. The estimate is based on four mobile units and the addition of a sales and marketing position which would increase sales by booking outside events.

Table 7.3 Pro Forma Profit and Loss

	2008	2009	2010
Sales	\$290,000.00	\$1,150,000.00	\$1,650,000.00
Cost of Goods	\$76,000.00	\$322,000.00	\$400,000.00
Payroll	\$75,000.00	\$265,000.00	\$369,000.00
Cost of Goods Sold	\$171,000.00	\$587,000.00	\$769,000.00
Gross Profit	\$139,000.00	\$563,000.00	\$881,000.00
Gross Profit Margin %	48%	48.95%	53.39%
Operating Expenses			
Payroll/Banking	\$0	\$250.00	\$250.00
Sales & Marketing	\$1,000.00	\$2,500.00	\$5,000.00
Insurance	\$4,500.00	\$12,000.00	\$20,000.00
Parking/Trash Disposal	\$1,000.00	\$1,500.00	\$2,000.00
Payroll Taxes	\$21,875.00	\$45,250.00	\$69,926.00
Total Operating Expenses	\$21,875.00	\$61,500.00	\$97,176.00
Operating %	8%	5.34%	5.88%
Net Profit	\$117,125.00	\$501,500.00	\$783,824.00
Net Profit/Sales %	40.4%	43.6%	47.5%

7.5 Projected Cash Flow

Cash flow will need to be carefully monitored, as in any business, but TASTE ST LOUIS is also the beneficiary of operating a cash business. Since the initial investment and start-up costs are covered, the business will become relatively self-sustaining.

TSL anticipates no cash flow shortfalls during the initial few months. Once the second mobile unit opens, it may be necessary to review financial options such as short-term loans.

Table 7.4 Pro Forma Cash Flow

Projected Cash Flow	2008	2009	2010
Cash Received			
Cash Sales	\$290,000.00	\$1,150,000.00	\$1,650,000.00
Subtotal from Cash Sales	\$290,000.00	\$1,150,000.00	\$1,650,000.00
Additional Cash Received			
Sales Tax	\$0.00	\$0.00	\$0.00
New Short-Term Loans	\$0.00	\$50,000.00	\$0.00
Other Liabilities	\$0.00	\$0.00	\$0.00
Long-Term Liabilities	\$0.00	\$0.00	\$0.00
Subtotal Cash Received	\$290,000.00	\$1,200,000.00	\$1,650,000.00
Expenditures from Operations			
Payroll	\$75,000.00	\$265,000.00	\$369,000.00
Bill Payment	\$86,000.00	\$300,000.00	\$338,000.00
Subtotal Spent on Operations	\$161,000.00	\$565,000.00	\$707,000.00
Additional Cash Spent			
Short-Term Loan Repayment	\$0.00	\$25,000.00	\$25,000.00
Purchase of Long-Term Assets	\$33,000.00	\$60,000.00	\$0.00
Subtotal Cash Spent	\$194,000.00	\$673,000.00	\$732,000.00
Net Cash Flow	\$96,000.00	\$550,000.00	\$918,000.00

7.6 Projected Balance Sheet

The projected balance sheet for TSL shows an increase in net worth of slightly more than \$200,000 after the first year. With the addition in 2009 of two more mobile units the net worth would grow substantially. These figures do not include any franchise acquisitions which would supplement the assets.

Table 7.5 Pro Forma Balance Sheet

Projected Balance Sheet

	2008	2009	2010
Assets			
Cash	\$96,000.00	\$550,000.00	\$918,000.00
Inventory	\$5,000.00	\$20,000.00	\$30,000.00
Mobile unit	\$40,000.00	\$80,000.00	\$80,000.00
Accumulated Depreciation	\$7,200.00	\$11,200.00	\$6,800.00
Total Assets	\$133,800.00	\$638,800.00	\$1,021,200.00
Liabilities & Capital			
Accounts Payable	\$0.00	\$24,675.00	\$38,750.00
Current Borrowing	\$0.00	\$48,000.00	\$42,600.00
Other Current Liabilities	\$0.00	\$0.00	\$0.00
Current Liabilities	\$0.00	\$72,675.00	\$81,350.00
Retained Earnings	\$0.00	\$96,000.00	\$550,000.00
Net Worth	\$133,800.00	\$662,125.00	\$1,489,850.00

7.7 Exit Strategy

Unfortunately in any business there is risk and with that risk is the possibility of failure of the business sales goals and profits. The exit strategy for TSL is one that can be dissolved fairly quickly. With minimal inventory and paper goods kept on hand there will be a process of selling all remaining inventories. The equipment in the vehicles will be able to be sold to Sessions, a local restaurant supply company. The RV's can be sold for return on some of the initial cost of customizing investment.

7.8 Conclusion

TASTE ST LOUIS has several competitive advantages. The elements necessary for success in the food service industry are quality, price, location and service. To remain a competitor in this industry TSL must stay on the pulse of the best local flavors that are available. By negotiating aggressive wholesale cost prices TSL will continue to offer their

customers economical retail pricing. The owners bring to the business sales experience and customer service training from previous careers. The high standards that the owners possess will ensure high quality of friendliness and service to customers. The final factor determining the competitive advantage of TSL is its location strategy. Each location where TSL will operate has need for a food service during the lunch time frame. The sites were strategically chosen based on number of employees/potential customers. The advantage TSL has over other more conventional food service is mobility. Restaurants are not economically feasible in the chosen locations. Industrial parks have a tremendous amount of employees on a regular work schedule (Monday-Friday 8-5pm). Any conventional food service that would establish a business in an industrial park would have a difficult time making a profit any other time during the week.

Currently there is no direct competitor in this unique market sector. The hope is that TSL will distinguish itself favorably in the St. Louis market, with the capability of adding several mobile units. There is a possibility that the success of TSL will lead to imitators. The name and website for TASTE ST LOUIS has been licensed but a competitor could duplicate the general concept. Any imitators that TSL would have would be competition. The owners believe by following their objectives and values for TSL they will have the edge over their competition. With numerous fast-food restaurants available to today's consumers there is room for variety in the food service market.

TASTE ST LOUIS has high hopes of making accurate business decisions and growing into a successful business venture.

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APPENDIX A: COST OF GOODS

Product	Supplier	Cost	Units per pack	Cost per unit	Retail	% increase	Added Extras	New Cost	Retail	
Beverages										
Water										
1 ltr bottles	Sams	\$6.44	15	\$0.43	\$2.00	78.50%				
1 pt 7.7 oz	Sams	\$7.44	28	\$0.27	\$1.00	73.00%				
8 oz	Sams	\$6.84	48	\$0.15	\$0.50	70.00%				
Vess Soda	Shop N Save	\$5.16	24	\$0.22	\$0.50	56.00%				
Can Soda	Sams	\$6.82	24	\$0.28	\$0.75	62.11%				
Meat										
Bar S Sausages	Shop N Save	\$4.99	16	\$0.32	\$2.00	84.00%	\$0.27	\$0.59	\$2.00	70.50%
Bar S Jumbo Hot Dogs	Shop N Save	\$6.99	20	\$0.35	\$1.00	65.00%	\$0.27	\$0.62	\$1.50	58.67%
Pretzel Brats	Gus	\$2.50	1	\$2.50	\$3.50	28.57%	\$0.03	\$2.53	\$3.50	27.71%
Pretzel hot dog	Gus	\$2.50	1	\$2.50	\$3.50	28.57%	\$0.03	\$2.53	\$3.50	27.71%
Pretzel salsiccia	Gus	\$2.50	1	\$2.50	\$3.50	28.57%	\$0.03	\$2.53	\$3.50	27.71%
Sub sandwich	pomodoros	\$7.50	4	\$1.88	\$3.50	46.43%	\$0.13	\$2.01	\$3.50	42.71%
Pulled Pork Sandwich	Bandanas	\$9.00	4	\$2.25	\$4.00	43.75%	\$0.23	\$2.49	\$4.00	37.75%
Toasted Ravioli	Maria & Sons	\$12.00	120	\$0.60	\$3.00	80.00%	\$0.08	\$0.68	\$3.00	77.33%
Side Items										
Pretzels	Gus	\$0.25	1	\$0.25	\$0.75	66.67%	\$0.02	\$0.27	\$0.75	64.00%
Baked Beans	Bandanas	\$20.00	35	\$0.57	\$1.25	54.29%	\$0.05	\$0.62	\$1.25	50.40%
Potato Salad	Bandanas	\$20.00	35	\$0.57	\$1.25	54.40%	\$0.05	\$0.62	\$1.25	50.40%
Chili	Edmonds	\$15.00	20	\$0.75	\$2.00	62.50%	\$0.05	\$0.80	\$2.00	60.00%
Nachos w/cheese	Sams	\$12.50	36	\$0.35	\$2.50	86.11%	\$0.04	\$0.39	\$2.50	84.40%
Variety Chips	Sams	\$9.73	50	\$0.19	\$0.50	61.08%				

Yogurt	Sams	\$6.88	15	\$0.46	\$1.00	54.13%	\$0.02	\$0.48	\$1.00	52.00%
Snack Crackers	Sams	\$4.88	45	\$0.11	\$0.35	69.02%				
Dill Pickles	Sams	\$3.19	18	\$0.20	\$1.00	80.00%				
Dill spears	Sams	\$3.97	55	\$0.07	\$0.25	72.00%				
Chili Dog								\$1.15	\$2.00	42.50%
Chili Cheese Dog								\$1.20	\$2.25	46.67%
Desserts										
Frozen Custard	Ted Drewes	\$1.35	1	\$1.35	\$2.50	46.00%	\$0.02	\$1.37	\$2.50	45.20%
Cookies	Dad's			\$0.12	\$0.25	52.00%				
Snow Cones										
Cinnamon Bread	Pomodoros	\$2.50	4	\$0.63	\$1.25	50.00%				

APPENDIX B: SURVEY INSTRUMENT

AXIO SURVEY

What would you buy for lunch?

Opening Instructions

Given your current financial state.....Select a lunch that you would purchase from the following menu. Please be realistic, taking into account the amount of money that you would spend.

Page 1

Question 1

The following lunch menu will be available to you without a delivery charge or tip involved. Which items might you order for yourself for lunch. You would be paying for these items with cash. You may select as many as you would be interested in eating.

- Hot Dog.....\$2.00
- Chili Dog.....\$2.50
- Chili.....\$2.00
- Nachos w/cheese.....\$2.50
- 6" Sub sandwich.....\$3.50
- Toasted ravioli (6) w/sauce.....\$3.00
- Pulled Pork sandwich on bun.....\$3.50
- Pretzel wrapped hot dog.....\$3.50
- Pretzel wrapped bratwurst.....\$3.50
- Warm baked pretzel.....\$.75
- bag of chips.....\$.75
- Side of baked beans.....\$.75
- Side of potato salad.....\$.75

Further comments about your response:

Question 2

Would you purchase any of the following drinks to go along with this lunch?

- Bottled Water 8 oz.....\$.50
- Bottled Water 16.9 oz.....\$.75
- Bottled Water 1Ltr.....\$1.25
- Plastic Bottle Green or White tea.....\$1.00
- Can soda.....Pepsi, Diet Pepsi, Coke, Diet Coke, Dr. Pepper, Sprite, Orange,Mt. Dew.....\$.75
- Other:

Question 3

Including the lunch you just purchased would you purchase any of the following?

- Frozen custard (3 flavors).....\$3.00
- Snow Cones (3 sizes, 8 flavors).....\$.50-\$1.00
- Mints.....\$2.00
- Snack Crackers.....\$.50
- Other:

Closing Message

Thank you for your help! This information is being used to determine what an average student might spend on lunch.

- End of Survey -

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