



“Home Meal replacement means total meal solutions, the kind of wholesome, nutritious food people would cook for themselves – if only they had the time.”

-Restaurant Business, August 1, 1997-



This business plan is intended solely for informational purposes to assist you in determining if you wish to proceed with a due diligence investigation of this project. The information contained herein is believed to be reliable, but the management team makes no representations or warranties with respect to this information. The financial projections that are part of this plan represent estimates based on extensive research and on assumptions considered reasonable, but are not guaranteed. The contents of this plan are confidential and are not to be reproduced without written consent.

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EXECUTIVE SUMMARY



Sweet Basil will be a new entrant into the Home Meal Replacement industry. We will specialize in preparing hand-made, fresh Italian take-home meals including: entrees, pastas, sauces, breads, soups and salads. Our store will focus on providing high quality items that require minimal cooking time. We will be located in The Meadows Shopping Center in Boulder, Colorado. We anticipate opening in June 1998.

Boulder is an excellent location because of its attractive demographics. Sweet Basil will be targeting three main segments: DINKS (double-income no kids), harried families, and college students. These groups account for 63% of Boulder's population and all have a need for convenient, nutritious, high quality meals they can enjoy in their homes.

In order to promote our business, we will undertake active marketing programs prior to opening. This strategy will be implemented through newspaper advertisements, coupon and flyer distribution, as well as free samples to local businesses and college students. Once open, we will gain customer support through word-of-mouth. In addition, we will invest in the community through involvement with local schools and charities.

Sweet Basil will compete with other Home Meal Replacement specialty stores, supermarkets, restaurants, and fast food chains, primarily based on quality and timeliness. We will ensure quality by preparing each item on a daily basis with the highest quality ingredients. The location and the lay-out of our store will provide customers with convenient and quick service. Furthermore, due to our low costs in overhead and ingredients, we will be able to be price competitive.

Sweet Basil will be established as a Sub Chapter S-Corporation. This will allow for limited liability on behalf of the owners. It will also give Sweet Basil a tax break because the company will be taxed as a partnership rather than a corporation.

The management team believes that the Sweet Basil concept provides an outstanding opportunity. Due to high industry growth and our personal commitments to the business, there is potential for success. All funds required to develop Sweet Basil will be raised from the four owners. We anticipate that pre-opening expenses will be roughly \$50,000. We will also contribute an additional \$20,000 as a cash cushion for early losses or unexpected expenses, for a total investment of \$70,000.

COMPANY OVERVIEW



Sweet Basil will be incorporated in the State of Colorado as a Sub Chapter S-Corporation. Our store will focus on providing high quality food and convenience for our customers. We will not be a restaurant, but rather a store that focuses on take-out meals only. We will accomplish this by entering into the Home Meal Replacement industry.

Sweet Basil will be run by four owner-managers who each have an equal stake in the business. Financially, our mission will be to create a business which will be sustainable and provide steady growth for many years to come. The four owner-managers will each be paid a weekly base salary of \$500, and the two assistant managers will each earn \$300 per week. The two assistants each have a profit-sharing stake in the business, each receiving 5% of Operating Earnings every

month. The four owner-managers will each receive 22.5% of Net Income, leaving 10% to be reinvested in the business every month.

Expansion plans for Sweet Basil include entering into the delivery and catering services, and opening up a second location. Catering and delivery are two areas that can be entered into easily by Sweet Basil. Both of these additional services will increase sales and profitability. Delivery will provide customers with added convenience, while catering will provide an opportunity to expand our customer base. The possibility of opening a second location exists, but this is at least four years down the road. Sweet Basil wants to first solidify its position in the Boulder market before venturing into new markets. To insure continuity the same management team will head the expansion to the second location.

PRODUCT AND SERVICE DESCRIPTION



Sweet Basil will specialize in preparing hand-made, fresh Italian take-home meals including: entrees, pastas, sauces, breads, soups, and salads (See Appendix A for menu). All food will be prepared on-site on a daily basis. Quality will be ensured through fresh ingredients and a one or two day shelf life. Quality will also be emphasized by the superior level of service by Sweet Basil's staff.

Sweet Basil will be a small, walk-in and take-out service for the harried customer who does not have time to prepare meals at home. Our store will have fresh foods prepared daily and arranged in numerous display cases. The customer can buy packaged food to take home, or he or she can customize an order to be packaged and taken home. The packaging will come in two forms: plastic containers used for items that will not be cooked within their

container, and disposal aluminum baking trays for items that will be cooked within their container. The items that are packaged in aluminum trays will be the entrées and appetizers, while all other items will be served in different sized plastic containers.

Sweet Basil will be laid out so that the customer will have ease of entry and exit; we plan to have the customer in and out in less than five minutes. Sweet Basil will be a replacement for the home meal, and it will be more than the customer expects. Sweet Basil will be located in the Meadows Shopping Center, which will provide the customer with ease and accessibility. This added convenience will bring repeat customers, and they will be the base of our business. Our staff will be trained in every area to create meals and serve the customers in the best way possible.

MANAGEMENT



The management team will share all of the main duties, such as cooking, cleaning, accounting, marketing, and customer relations. Since each manager will invest \$17,500, each will have equal ownership in the corporation and equal voting rights. However, if a controversial issue arises, Sweet Basil's CEO, David Wein, will have the swing vote. Compensation will also be equal for the management team. Each manager earns \$500 per week as a base salary, and receives a 22.5% dividend. The above conditions have all been included in the Sweet Basil partnership agreement.

Managers (See Appendix B for resumes)

CEO- David Wein is a candidate for a Bachelor of Science in Business Administration with an emphasis in Information Systems at the University of Colorado at Boulder in December, 1998. David has experience as a project leader and systems developer. He has been an avid amateur chef since early childhood.

CFO- Jillian Doman is a candidate for a Bachelor of Science in Business Administration with an emphasis in Entrepreneurship at the

University of Colorado at Boulder in December, 1997. Jillian has worked in the food service industry for over two years. She has experience in many areas of the restaurant business, including: office manager, server, bartender, hostess, expeditor, and prep cook.

COO- Lindsay Strodl is a candidate for a Bachelor of Science in Business Administration with an emphasis in Entrepreneurship at the University of Colorado at Boulder in December, 1997. Lindsay has experience in planning and administration as her current position requires this.

Vice President of Marketing- Amber Long is a candidate for a Bachelor of Science in Business Administration with a double-major in Marketing and Entrepreneurship at the University of Colorado at Boulder in May, 1998. Amber has two years experience as a supervisor in the food service industry. She has also performed multiple marketing and accounting functions for a local publishing company.



MARKETING AND SALES PLAN



Home Meal Replacement Industry

Due to the changing needs of consumers, the foodservice industry is seeing a new convenience-driven trend known as Home Meal Replacement (HMR). This trend has emerged because consumers are demanding "...complete homestyle meal solutions that are quick, varied, wholesome, convenient, preparation-free, and cost effective enough to eat everyday" (Food Channel, 1997). In other words, the HMR industry has found a new way to provide home-style meals that people would cook for themselves if only they had the time, skill, or motivation.

Industry Outlook

The National Restaurant Association (NRA) predicts that HMR may become an \$80-100 billion industry by the end of 1997 (Meatami, 1997). Clinton Associates, a consulting firm, believes that HMR has the potential to become the third largest segment in the food service industry, following the quick-service and the full-service segments. Ron Paul, president of the Chicago-based consulting firm Technomic says, "There's no question HMR is the fastest growing component of the food industry today, and this will continue to take share away from both supermarket grocery sales and traditional on-premise restaurant business" (Casper, 1997). As consumer trends of time poverty, lack of cooking skills, and the demand for convenient, quick, quality meal solutions continue to accelerate, the HMR category will explode.

Consumer Trends Driving Growth

Industry analysts have identified the increase in time poverty, a term used to describe the lack of time or energy to cook home meals, as a key factor in the growth of HMR. "People used to say they didn't have time to cook, so they'd go to a restaurant. Now, they say they don't have time to eat in a restaurant" (Food Channel, 1997). The rise of dual incomes in families has also created an opportunity for this industry. Focus groups have found that parents desire the nostalgic dinner table conversation they remember from their childhood, but they do not have time to prepare the necessary quality and nutritious meals (Casper, 1997). Now, however, HMR gives families the opportunity to enjoy good homestyle meals in the comfort of their own home.

Sweet Basil's Position

Sweet Basil will be a new entrant into the HMR industry. Sweet Basil will specialize in preparing hand-made, fresh Italian meals, including: entrees, pastas, sauces, breads, soups, and salads. Sweet Basil's store will focus on providing high quality items that require minimal cooking time. Quality will be ensured through fresh ingredients, a well trained staff, and a one or two day shelf life. Customers will be able to customize meals from numerous display cases, or have the option of choosing already prepared packaged meals. If desired, customers can make special requests by calling ahead to modify an item we already offer.



Target Market

Sweet Basil's Market

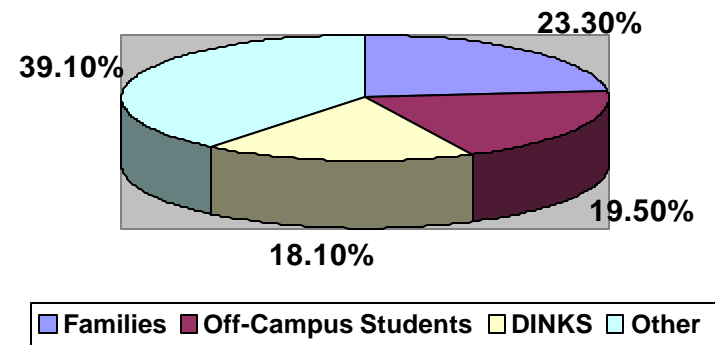
The following are Sweet Basil's target markets. These segments have a common characteristic: the need for convenient, nutritious, high quality meals that they can enjoy in their homes.

- DINK (double-income no kids) households in which both people have the disposable incomes to eat out.
- Families in which parents want nutritious meals for their kids, but don't have time to cook.
- Single, young people (particularly Generation X and college students) who have grown up on fast food and don't know how or want to cook, nor want to eat out every day.

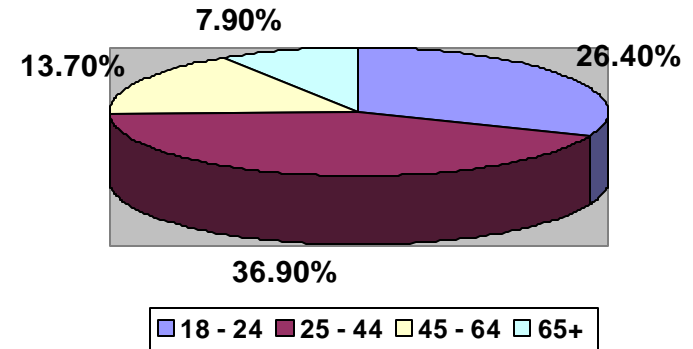
Boulder Demographics

In Boulder, there are 95,442 people within the ages of our three target markets accounting for 63% of the population. There are 22,173 people in families, which is 23.3% of the population. There are 18,644 college students not living in dorms, which accounts for 19.5% of the population. Finally there are 17,720 DINKS, an additional 18.1%.

Boulder Population by Category



Boulder Population by Age





Competition

Currently, there are many players in the HMR. The basic segments include:

- Specialty stores
- Supermarkets
- Convenience stores
- Restaurants
- Fast Food Restaurants

Sweet Basil's Competition

Supermarkets

Sweet Basil's main competition will come from major supermarkets in Boulder. Consumers are used to shopping at grocery stores, and since 94% of them offer ready-to-cook entrees, supermarkets already have their potential HMR customers in their store. The major supermarkets in Boulder include:

- Safeway: Meadows Shopping Center; 28th and Arapahoe
- King Sooper's: 30th and Arapahoe; Broadway and Table Mesa
- Albertson's: 30th and Iris
- Alfalfa's: Broadway and Arapahoe
- Wild Oats: Broadway and Baseline; 19th and Pearl
- Leever's: 30th and Walnut

Although supermarkets are major competitors, Sweet Basil still has an advantage as a specialty store. Supermarket HMR sales only account for \$8.5 billion of the total industry sales (approximately 10%), while specialty stores (particularly Boston Market), account for almost 50% of the total industry sales (Restaurant Business). Also, supermarkets do not provide the high quality meals Sweet Basil will, nor do they have quick service since there are usually long lines at the check-outs.

Specialty Stores

In Boulder, there is only one Italian specialty store serving HMR meals, The Pasta Market. Sweet Basil has an advantage for the following reasons:

- The Pasta Market's menu is limited in comparison with Sweet Basil's. For example, they do not serve a variety of pre-packaged dinners such as Chicken Marsala or Beef Manicotti.
- The Pasta Market is not in a convenient location. Their store is located in North Boulder on a side street with limited exposure to the majority of traffic.
- Sweet Basil is focusing on the strength of HMR, quick take-out service, while The Pasta Market has a sit-down section.

Restaurants

In Boulder, there are hundreds of restaurants where take-out is available, and as consumer trends for convenience and time-deprivation grow, more restaurants may adopt a take-out service. However, because Sweet Basil is focusing exclusively on take-out, we will have a competitive advantage in this area. This advantage is



due to the fact that Sweet Basil emphasizes quick service through prepackaged meals, store layout, and a convenient location.

Fast Food Restaurants

Although these quick service restaurants focus on take-out and stress convenience, they do not serve high quality nor nutritious meals. Also, they are not usually "family style" meals like consumers are demanding. As a result, they are not major competition for Sweet Basil.

Competitive Advantages

Building and maintaining competitive advantages is essential to the success of Sweet Basil. In order to do this, we will compete on the basis of convenience as well as high quality food and service. According to the Food Channel (1997), "the convenience factor is crucial for the success of an HMR host, and basic to the nature of what HMR is supposed to offer." Sweet Basil's convenience will be emphasized in the layout of the store. By offering multiple registers, full-service and self-service display cases, we will ensure that customers complete their shopping in less than five minutes. Parking and location will be another factor of convenience for the customer. Sweet Basil's anticipated location in the Meadows Shopping Center is a highly accessible area with ample parking spaces.

Sweet Basil defines the quality of our food as homestyle meals made from the freshest available ingredients. A Just-In-Time system will be implemented to ensure freshness of meats, poultry, vegetables, and dairy. Also, our products will have short shelf-lives of only one or two days. We will provide high quality service by having a well educated and trained staff so that we may offer advice and make

suggestions to customers. The staff will be able to answer any questions the customers may have about recipes or cooking instructions.

Risks

The success of Sweet Basil is dependent on our ability to overcome several risks:

- Low barriers to entry into the HMR industry
- Loyalty of customers at existing restaurants and supermarkets that offer take-out in Boulder
- Suppliers not delivering products on time
- Lack of flexibility of customization

Ways To Combat Risks

Sweet Basil will combat these potential risks in the following ways:

- Differentiate ourselves through our menu, the quality of our food and service, our atmosphere, and our convenient location.
- Gain name recognition so consumers will identify Sweet Basil as an HMR provider rather than a restaurant.
- Maintain contracts with our suppliers and develop strong relationships to ensure proper delivery.
- Offer the chance to call ahead to customize orders.

Promotion and Advertising

Sweet Basil will promote and advertise its concept and products through a plethora of mediums (See financials for costs).

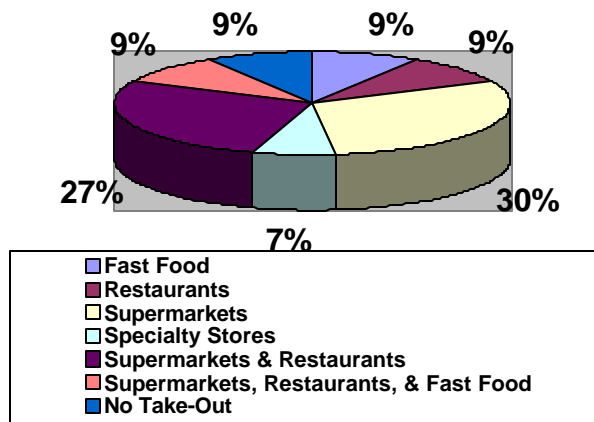


Test Marketing

During the development stage, Sweet Basil will need to test market its menu and concept in the Boulder area (See Appendix C for survey). These tests will determine which of our target markets buy HMR meals, how often, and from which sources. On November 2, 5, and 7, the owners surveyed 50 potential customers at four local grocery stores. The results are summarized below.

- 75% said that they would shop at a store like Sweet Basil if it were open in Boulder
- 40% said that they bring home take-out at least once a week
- On average, respondents spend about \$20 a week on take-out

Take-Out Sources - Survey Results



Samples

Sweet Basil will test its concept and products through sampling in the local community. Sampling will provide us with input on existing products and help identify areas for improvement. The sampling will be directed towards Sweet Basil's target markets:

- Local Businesses
- Boulder Valley Schools
- The University of Colorado at Boulder
- Local Events (e.g. Farmer's Market, Boulder Creek Festival)

Newspapers

Advertising will be on a large scale in the beginning, and will stabilize after our first four months of operation. Sweet Basil will advertise in the following newspapers:

- Daily Camera- daily ads
- Colorado Daily- Monday, Wednesday, and Weekends
- Boulder Planet- once a week
- Boulder Weekly- once a week
- The Onion- once a week



Donations

Sweet Basil desires to develop a strong relationship with the local community. In order to do so, we will make donations on a regular basis to the following:

- The Boulder Shelter for the Homeless
- Boulder Community Food Share
- Boulder Valley Public Schools
- Youth Organizations (e.g. Boy Scouts of America)

Flyers

Sweet Basil will distribute numerous flyers monthly around the Boulder community. The primary locations for distribution are:

- Meadows Shopping Center
- Office Buildings
- The University of Colorado Campus
- “The Hill”



DEVELOPMENT PLAN

DEVELOPMENT



Overview

Sweet Basil will require five months of development prior to opening. Sweet Basil will be locating in Boulder, Colorado in the Meadows Shopping Center at Foothills and Baseline. This is an ideal location because there is ample parking, and it is at the corner of two major streets. Also, Blockbuster Video, Safeway, 1st Bank, and other businesses are located there, which creates high foot traffic near our store.

Schedule

The following phases break our development into five distinct parts: Current Development, Preparation, Finalizing, Opening and Growth, and Expansion.

Phase One: Current Development (1 month)

- Secure location and lease
- Obtain Boulder demographics
- Survey potential customers
- Develop marketing plan
- Identify costs to open
- Hire attorney and architect
- Menu development
- File Articles of Incorporation

Phase Two: Preparation (3 months)

- Store remodeling and renovation
- Identify and purchase equipment
- Implement marketing plan
- Identify and contract with suppliers

Phase Three: Finalizing (1 month)

- Obtain permits and licenses
- Finalize menu design
- Install and test equipment
- Building inspection
- Private opening
- Public opening

Phase Four: Opening and Growth

- Build customer base
- Track and understand customer buying habits
- Establish Sweet Basil as the HMR alternative

Phase Five: Expansion

- Delivery
- Catering
- Second location



Critical Costs of Development

The numerous costs that are incurred during development are outlined in the following sections.

Facility and Lease

The following costs are associated with obtaining a lease in the Meadows Shopping Center. These costs are based on a 2,187 square foot area that will fit our store, kitchen, and office. Sweet Basil will be 100 x 22 feet (See Appendix D for store layout). This is a triple net lease with an annual \$17 per square foot base rent and a common area cost of \$4.09 per square foot.

Lease	\$3,844
Gas and Utilities	\$388
Telephone (3 lines)	
-one time installation cost	\$210
-long distance	\$30
-monthly charge	<u>\$170</u>
Total Facility/Lease Costs	<u>\$4,642</u>

Permits and Licenses

These costs are incurred only once at the inception of Sweet Basil.

Boulder City Sales Tax License	\$25
County Sales Tax License	\$16
Food Service Fee	\$100
Health Department Fee	<u>\$75</u>
Total Permits/Licenses Costs	<u>\$216</u>

Menu Development

Developing Sweet Basil's menu will be a critical milestone for numerous reasons. The founders will need to spend large amounts of time perfecting recipes, testing packaging, and sampling each item ourselves and with potential customers. This process will help determine which items are on the final menu. The costs for this are our time, food supplies, printing menus and creating internal signage.

Total Menu Preparation Costs	<u>\$2,000</u>
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Remodeling and Renovation

Due to the fact that our site was previously occupied by a food service establishment, our costs will be small. The management team will remodel the store with the help of one of the founder's brother, Jason Strodl, an architect.

Architect Fee	\$100
Renovation Supplies	<u>\$3,000</u>
Total Renovation Costs	<u>\$4,100</u>



Equipment

In order to open and operate our business, we will purchase equipment and supplies (See Appendix E for a detailed list).

Kitchen Equipment	\$6,800
Office Equipment	\$10,400
Front-of-House Equipment	<u>\$10,000</u>
Total Equipment Costs	\$27,200

Attorney Services

We will hire an attorney for the purpose for incorporation and legal advice. We will hire David Spurlock, a family friend of the management team.

Attorney Fee	\$100
Incorporation Fee	\$100
Other	<u>\$100</u>
Total Attorney Costs	\$300

Insurance

Sweet Basil will be insured by State Farm Insurance Company, based on their "General Fast Food Insurance Plan." The total cost is \$1825 annually. The plan includes the following coverages:

General Contents	\$100,000
Inventory	\$10,000
Liability	\$1,000,000
On Premise Cash	\$4,000
Off Premise Cash	\$2,000
Sign Coverage	\$3,000
Temperature Change	\$5,000
Deductible	\$1,000

Marketing

Pre-opening marketing will take many forms. The following outlines the costs associated with each marketing activity (See Marketing and Sales Plan and marketing costs for more details).

Newspaper Advertisements	\$1,339
Samples	\$600
Flyers	\$96
Pre-Opening Party	<u>\$500</u>
Total Marketing Costs	\$2,535

Total Development Costs (January – May 1998)

Facility and Lease	\$9,074
Permits and Licenses	\$216
Menu Development	\$2,000
Remolding and Renovation	\$3,100
Equipment	\$27,200
Attorney Services	\$300
Insurance	\$1,825
Marketing	<u>\$2,535</u>
Total Development Costs	\$46,250

Expansion

Three possible areas of expansion exist for Sweet Basil depending on demand.

Delivery

Delivery increases the convenience of Sweet Basil's products to its customers. Also, delivery generates profits from those customers



who do not have transportation or who are too busy to drive to Sweet Basil. On days with inclement weather, delivery provides an added benefit to customers. We plan on hiring two delivery drivers in January 1999 and two in January 2000.

Catering

Based on the experiences of other business catering increases profit margins. Sweet Basil could cater to local businesses and homeowners who are currently in our customer base. Also, catering could bring new customers like the university, (including fraternities

and sororities) and others who plan major events (wedding coordinators and conference planners).

Second Location

Sweet Basil could open a second store outside the Boulder area. This other location will expand our customer base and increase overall business profits. Our original management team will develop this second location as we did the first. This continuity will ensure the same quality level.



OPERATIONS PLAN



The Sweet Basil Experience

From the moment a customer walks into Sweet Basil, it will be obvious that we are a different kind of establishment. The store is filled with the aroma of freshly sautéing vegetables, sauces, and homemade soup, the kind of smell that makes you hungry even if you have just eaten. Customers are welcome to browse, looking at the various sauces, soups, and pastas that are on our shelves and in our refrigerators. The walls are lined with story boards which explain to the customer the menu, where their food came from, and what Sweet Basil is about. They may also try several of the samples we have prepared. Once they decide on a sauce, dish, or complete dinner, which we will be happy to help them with, we will assist them with a speedy check out process and provide them with any instruction they may need or want in preparing their food. All customers are welcomed and encouraged to fill out a comment and suggestion card if their time permits.

Behind the Scenes

In the first year of operation, Sweet Basil will have a staff of six; however, only four will work in the store at a time. The nature of our business requires almost no waste of time or resources. As each area of operations is defined, efficiency and effectiveness are stressed without sacrificing the ultimate goals of Sweet Basil. The following sections outline the main areas of operations.

Purchasing & Raw Materials Inventory

Although we will be producing almost all of our finished goods in-house, we still need suppliers for our ingredients and packaging. Our ingredients break down into four basic categories: meats and poultry,

vegetables, dairy, and non-perishables. The frequency of deliveries, quantities purchased, and shelf-lives will vary greatly from product to product. However, we plan on implementing a Just-In-Time system for the majority of our inventory.

- Meats and Poultry Four times per week
- Vegetables Four times per week
- Dairy Three times per week
- Non-perishables Once per month (or as needed)
- Packaging Twice per month (or as needed)

Cooking

Most of the time involved in cooking is doing the prep work. Since many of our dishes will require the same prep work, we will take an assembly line approach in our food preparation. For example, Manicotti and Stuffed Shells are identical in recipe, except for the type of pasta used. The filling for both can be made at one time. All of the pastas will come from the same base, which is flour and egg, so large portions of that can be made at once and then broken into small amounts for individual types of pasta. Items such as Fried Chicken Breast, Chicken Parmesan, and Eggplant Parmesan all use the same mixture for the batters. Making large portions of these mixtures will reduce the time involved in making any single one of them.

In the morning before we open, the majority of the prep work will be done. The morning is a good time to chop vegetables and do some of the cooking for the coming day of business. The owners will also spend time after we close to do additional prep work, such as making batter or dough for pasta.



Finished Food Inventory

Since Sweet Basil will focus on freshness and quality, we will have to have short shelf-lives on our products. Reducing shelf-lives will result in an increase because of our JIT system. The maximum shelf life for entrees, pastas, breads, and salads will be one day. Sauces and soups that are jarred will remain on the shelf for two days. Any food left after its shelf-life will be donated to charity. This will ideally be a very small amount, but waste will be a major problem until we can more closely predict our customers' buying habits.

Personnel

In the first year of operation, Sweet Basil will have a staff of six people, including the four owner-managers. The two additional employees will be Assistant Managers who both have a profit-sharing stake in the business; each receiving 5% of Operating Income. This structure is important because of Sweet Basil's dedication to high quality service. It will give each Assistant Manager an incentive to contribute to the prosperity of the business.

In order to provide the highest quality service, Sweet Basil will need to have four employees in the store at all times. Each one of the owner-managers will be equally trained to perform any task that is required at Sweet Basil. These duties include: cooking, cleaning, operations management, and customer relations. The two Assistant Managers will be trained to handle mostly cooking, cleaning, and customers, but they will also possess some knowledge of operations management. Sweet Basil intends to hire two cashiers and two delivery drivers in the second year, and more employees if necessary. As the staff grows, it will be necessary to develop a formal training program which will be designed by the four owner-managers.

Point-of-Sale System

In order to aid our efficiency, Sweet Basil will use a completely integrated point-of-sale (POS) system.

Software

The software component will be custom designed during our early development phases by the principals, and will assist us in the following ways.

- Maintain information regarding our suppliers, including their performance
- Track all sales at the registers, including items purchased, price, method of payment, and which items were purchased together
- Track inventory and alert us to any problems
- Print purchase orders when necessary
- Track cost of goods sold
- Pinpoint busy times and customer buying habits: this will aid in knowing how much of which items to produce, and is critical in reducing waste
- Act as a time clock
- Print financial reports



Hardware

The hardware component of the system consists of the following items:

- Two check-out systems, each consisting of: a terminal, a display, a cash draw, a credit card reader and barcode scanner, and a receipt printer
- A system in the kitchen to track production
- A server in the office which is connected to the check-out and kitchen systems



FINANCIALS

SUMMARY OF FINANCIALS



Capital Requirements:

The owners of Sweet Basil have each committed to invest \$17,500 for a total investment of \$70,000. This initial investment will cover the pre-opening expenses of \$49,340, and allow for a cash cushion for early losses or unexpected expenses.

Key Financial Assumptions:

- Assets are expensed when purchased
- Sales double by August 1998
- Sales grow 7% September to December 1998
- Sales grow 10% quarterly for 1999 and 2000
- Sales grow 10% annually for 2001 and 2002
- COGS is 34.4% of sales
- Profit-sharing is 10% of Operating Income
- Dividends are 90% of Net Income

Financial Statements:

- Pre-Opening Expenses
- Monthly Expenses
- Expected Sales Month One
- Year One Marketing Costs (1998)
- Year One Income Statement (1998)
- Five Year Income Statement (1998-2002)
- Year One Balance Sheet (1998)
- Five Year Balance Sheet (1998-2002)
- Year One Cash Flow Statement (1998)
- Five Year Cash Flow Statement (1998-2002)
- Monthly Breakeven Analysis

Financial Charts:

- Year One Income Statement (1998)
- Five Year Income Statement (1998-2002)
- Year One Cash Flow Statement (1998)
- Five Year Cash Flow Statement (1998-2002)
- Year One Profit-Sharing and Dividend Payouts (1998)
- Five Year Profit-Sharing and Dividend Payouts (1998-2002)
- Monthly Breakeven Analysis

Pre-Opening Expenses

Expense	Jan	Feb	Mar	Apr	May	TOTAL
Store lease (\$1.75/sq ft.)				3,844	3,844	7,688
Store remodeling			100	2,000	1,000	3,100
Various Licenses (tax, food service,...)					216	216
Utilities (including installation)				798	588	1,386
Menu Development	400	400	400	200	600	2,000
Kitchen Equipment				5,300		5,300
Kitchen Supplies					1,500	1,500
Front-of-House Equipment				7,500		7,500
Initial Ingredients Inventory					500	500
Promotion and Advertising				216	2,319	2,535
Outdoor Sign					2,500	2,500
Attorney Services		300				300
Office furniture, supplies	3,200				300	3,500
POS System					6,900	6,900
Insurance (\$152 / month)				1,825		1,825
Assistants (2 @ 300 / wk)					2,598	2,598
TOTAL	\$ 3,600	\$ 700	\$ 500	\$ 21,683	\$ 22,865	\$ 49,348

Assumptions: Retail space previously occupied by a food service establishment.
Remodeling work will be done by the four owners.

Monthly Expenses

Expense	Monthly
Owner Salaries (4 @ \$500 / wk)	8,660
Assistants (2 @ \$300 / wk)	2,598
Store lease (\$1.75/mo/sq ft)	3,844
Utilities (Phone, Electric, Gas, Water)	588
Office Supplies	100
Repairs and Maintenance	300
Miscellaneous	150
Total Fixed Operating Expenses	\$ 16,240

Month One Sales Projection (June 1998)

Item	Quantity (weekly)	Quantity (monthly)	Price (per unit)	Cost per unit for		Cost	Margin	Monthly	Monthly	Gross
				packaging	ingredients	(% of sales)	per unit	revenue	COGS	profit
Fresh Pasta (lbs)	80	346	2.75	0.10	0.20	10.91	2.45	953	104	849
Fresh Sauces (quarts)	60	260	4.00	0.30	1.00	32.50	2.70	1,039	338	701
Soup (quarts)	30	130	6.00	0.30	1.25	25.83	4.45	779	201	578
Pasta Salads (lbs)	45	195	3.50	0.10	0.50	17.14	2.90	682	117	565
Regular Salads (lbs)	60	260	3.00	0.30	0.50	26.67	2.20	779	208	572
Appetizers (avg per serving)	180	779	3.00	0.40	0.75	38.33	1.85	2,338	896	1,442
Entrees (avg per serving)	320	1386	5.00	0.40	1.65	41.00	2.95	6,928	2,840	4,088
Drinks (avg)	150	650	1.00	0.00	0.25	25.00	0.75	650	162	487
Total								14,148	4,867	9,281

Assumptions: \$12 average ticket price
40 customers per day

Year One Marketing Cost Projection (1998)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Newspapers													
Daily Camera	-	-	-	-	590	590	590	590	590	590	590	590	4,720
Colorado Daily	-	-	-	-	702	1,202	702	702	702	702	702	702	6,116
Boulder Planet	-	-	-	-	16	16	16	16	16	16	16	16	128
Boulder Weekly	-	-	-	-	16	16	16	16	16	16	16	16	128
The Onion	-	-	-	-	15	15	15	15	15	15	15	15	120
Donations													
Schools	-	-	-	-	-	-	-	-	50	50	50	50	200
Shelters	-	-	-	-	-	1,000	800	600	400	200	200	200	3,400
Miscellaneous	-	-	-	-	-	50	50	50	50	50	50	50	350
Samples	-	-	-	200	400	800	400	100	100	100	100	100	2,300
Flyers	-	-	-	16	80	80	40	80	80	40	40	40	496
Coupons	-	-	-	-	-	60	30	80	80	20	20	20	310
Pre-Opening Party	-	-	-	-	500	-	-	-	-	-	-	-	500
Total	-	-	-	216	2,319	3,829	2,659	2,249	2,099	1,799	1,799	1,799	18,768

Assumptions: Daily advertisements in Daily Camera
Monday, Wednesday, and Weekend advertisements in Colorado Daily
Weekly advertisements in Boulder Planet, Boulder Weekly, and The Onion
Coupon redemption rate is 15% for June & July; 20% for August & September; 10% for the remainder of 1998

Year One Income Statement Projection (1998)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sales Revenue	-	-	-	-	-	14,148	21,222	31,834	34,062	36,446	38,998	41,727	218,438
COGS Expense	-	-	-	-	-	4,867	7,300	10,951	11,717	12,537	13,415	14,354	75,141
Gross Margin	-	-	-	-	-	9,281	13,922	20,883	22,345	23,909	25,583	27,373	143,296
Pre-Opening Expense	3,600	700	500	21,683	22,865	-	-	-	-	-	-	-	49,348
Operating Expenses	-	-	-	-	-	16,240	16,240	16,240	16,240	16,240	16,240	16,240	113,680
Marketing Expense	-	-	-	-	-	3,829	2,659	2,249	2,099	1,799	1,799	1,799	16,233
Operating Earnings	(3,600)	(700)	(500)	(21,683)	(22,865)	(10,788)	(4,977)	2,394	4,006	5,870	7,544	9,334	(35,965)
Profit Sharing	-	-	-	-	-	-	-	239	401	587	754	933	2,915
Income Before Taxes	(3,600)	(700)	(500)	(21,683)	(22,865)	(10,788)	(4,977)	2,155	3,605	5,283	6,789	8,401	(38,879)
Income Tax Expense	(1,224)	(238)	(170)	(7,372)	(7,774)	(3,668)	(1,692)	733	1,226	1,796	2,308	2,856	(13,219)
Net Income	(2,376)	(462)	(330)	(14,311)	(15,091)	(7,120)	(3,285)	1,422	2,379	3,487	4,481	5,545	(25,660)
<i>Cummulative N.I.</i>	<i>(2,376)</i>	<i>(2,838)</i>	<i>(3,168)</i>	<i>(17,479)</i>	<i>(32,570)</i>	<i>(39,690)</i>	<i>(42,974)</i>	<i>(41,552)</i>	<i>(39,173)</i>	<i>(35,686)</i>	<i>(31,205)</i>	<i>(25,660)</i>	<i>(25,660)</i>

Assumptions:	34.0%	tax rate
	34.4%	weighted average cost of goods sold
	50.0%	sales growth July and August
	7.0%	sales growth September to December
	10.0%	of operating earnings paid as profit sharing

Five Year Income Statement Projection (1998 - 2002)

	1998	1999				2000				2001	2002
	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Year	Year
Sales Revenue	218,438	137,700	151,470	166,617	183,279	201,607	221,768	243,945	268,339	1,180,692	1,298,761
COGS Expense	75,141	47,368	52,105	57,315	63,047	69,352	76,287	83,915	92,307	406,151	446,766
Gross Margin	143,296	90,332	99,366	109,302	120,232	132,255	145,481	160,029	176,032	774,541	851,995
Pre-Opening Expense	49,348	-	-	-	-	-	-	-	-	-	-
Operating Expenses	113,680	58,073	58,073	63,269	63,269	67,426	67,426	67,426	67,426	269,702	269,702
Marketing Expense	16,233	5,397	5,397	8,095.50	5,397	5,397	5,397	8,095.50	5,397	21,588	86,352
Operating Earnings	(35,965)	26,862	35,896	37,938	51,566	59,433	72,658	84,508	103,209	483,251	495,941
Profit Sharing	2,915	2,686	3,590	3,794	5,157	5,943	7,266	8,451	10,321	48,325	49,594
Income Before Taxes	(38,879)	24,176	32,306	34,144	46,410	53,490	65,393	76,057	92,889	434,926	446,347
Income Tax Expense	(13,219)	8,220	10,984	11,609	15,779	18,186	22,233	25,859	31,582	147,875	151,758
Net Income	(25,660)	15,956	21,322	22,535	30,630	35,303	43,159	50,198	61,306	287,051	294,589
<i>Cummulative N.I.</i>	<i>(25,660)</i>	<i>(9,704)</i>	<i>11,618</i>	<i>34,153</i>	<i>64,783</i>	<i>100,087</i>	<i>143,246</i>	<i>193,443</i>	<i>254,750</i>	<i>541,801</i>	<i>836,390</i>

Assumptions:

- 34.0% tax rate
- 34.4% weighted average cost of goods sold
- 10.0% quarterly sales growth years 2 and 3
- 10.0% annual sales growth years 4 and 5
- 10.0% of operating earnings paid as profit sharing

Hire two cashiers (\$10/hr/ea) and two delivery drivers (\$8/hr/ea) Q1, 1999
Hire two cashiers (\$10/hr/ea) Q3, 1999
Hire two delivery drivers (\$8/hr/ea) Q1, 2000

Year One Balance Sheet Projection (1998)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
ASSETS												
Cash	1,400	700	200	2,144	18,931	10,692	7,066	10,206	12,221	14,946	18,312	22,346
Accounts Receivable	-	-	-	-	-	1,981	2,971	4,457	4,769	5,102	5,460	5,842
Prepaid Expenses	-	-	-	1,673	1,521	1,369	1,217	1,065	913	761	609	457
Inventory	-	-	-	-	500	989.13	1,233.69	1,285.05	1,340.00	1,398.80	1,461.72	1,547.31
Current Assets	1,400	700	200	3,817	20,952	15,031	12,488	17,013	19,243	22,208	25,842	30,192
Gross Fixed Assets	3,200	3,200	3,200	14,500	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300
Accumulated Depreciation	3,200	3,200	3,200	14,500	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300
Net Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	1,400	700	200	3,817	20,952	15,031	12,488	17,013	19,243	22,208	25,842	30,192
LIABILITIES												
Accounts Payable	-	-	-	-	-	4,867	7,300	10,951	11,717	12,537	13,415	14,354
Accrued Expenses	-	-	-	300	300	300	300	300	300	300	300	300
Income Tax Payable	(1,224)	(1,462)	(1,632)	(9,004)	(16,778)	(20,446)	(22,138)	(21,406)	(20,180)	(18,384)	(16,075)	(13,219)
Total Liabilities	(1,224)	(1,462)	(1,632)	(8,704)	(16,478)	(15,279)	(14,538)	(10,155)	(8,163)	(5,546)	(2,360)	1,435
OWNER'S EQUITY												
Capital Stock	5,000	5,000	5,000	30,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Dividends	-	-	-	-	-	-	-	1,280	3,421	6,559	10,592	15,583
Retained Earnings	(2,376)	(2,838)	(3,168)	(17,479)	(32,570)	(39,690)	(42,974)	(42,832)	(42,594)	(42,245)	(41,797)	(41,243)
Total Equity	2,624	2,162	1,832	12,521	37,430	30,310	27,026	27,168	27,406	27,755	28,203	28,757
Total Liabilities and Equity	1,400	700	200	3,817	20,952	15,031	12,488	17,013	19,243	22,208	25,842	30,192

Assumptions: 60% Sales on Credit Card / Check
7 Days to receive cash from Cash / Check Sales
Supplier are paid net 30

Five Year Balance Sheet Projection (1998 - 2002)

	1998	1999				2000				2001	2002
	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Year	Year
ASSETS											
Cash	22,346	33,359	45,927	55,163	63,845	71,332	79,527	89,950	103,713	139,404	171,593
Accounts Receivable	5,842	6,426	7,069	7,775	8,553	9,408	10,349	11,384	12,522	13,775	15,152
Prepaid Expenses	457	-	1,369	913	457	-	1,369	913	457	457	457
Inventory	1,547	1,658	1,774	1,901	2,041	2,195	2,365	2,551	2,756	2,982	3,230
Current Assets	30,192	41,443	56,138	65,752	74,896	82,935	93,610	104,799	119,449	156,618	190,432
Gross Fixed Assets	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300
Accumulated Depreciation	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300	26,300
Net Fixed Assets	-	-	-	-	-	-	-	-	-	-	-
Total Assets	30,192	41,443	56,138	65,752	74,896	82,935	93,610	104,799	119,449	156,618	190,432
LIABILITIES											
Accounts Payable	14,354	15,789	17,368	19,105	21,016	23,117	25,429	27,972	30,769	33,846	37,230
Accrued Expenses	300	300	300	300	300	300	300	300	300	300	300
Income Tax Payable	(13,219)	(4,999)	5,985	11,609	15,779	18,186	22,233	25,859	31,582	36,969	37,939
Total Liabilities	1,435	11,090	23,653	31,014	37,095	41,604	47,962	54,131	62,651	71,115	75,470
OWNER'S EQUITY											
Capital Stock	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
Dividends	15,583	29,943	49,133	69,415	96,982	128,755	167,598	212,776	267,952	526,298	791,427
Retained Earnings	(41,243)	(39,647)	(37,515)	(35,262)	(32,199)	(28,668)	(24,352)	(19,333)	(13,202)	15,503	44,962
Total Equity	28,757	30,353	32,485	34,738	37,801	41,332	45,648	50,667	56,798	85,503	114,962
TOTAL LIABILITIES AND EQUITY	30,192	41,443	56,138	65,752	74,896	82,935	93,610	104,799	119,449	156,618	190,432

Assumptions: 60% Sales on Credit Card / Check
7 Days to receive cash from Cash / Check Sales
Suppliers are paid net 30

Year One Cash Flow Projection (1998)

Account	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cash Flows from Operating Activities												
Net Income	(2,376)	(462)	(330)	(14,311)	(15,091)	(7,120)	(3,285)	1,422	2,379	3,487	4,481	5,545
Changes in operating cycle												
Assets and Liabilities:												
Accounts receivable increase (decrease)	-	-	-	-	-	1,981	990	1,486	312	334	357	382
Inventory increase (decrease)	-	-	-	-	500	489	245	51	55	59	63	86
Prepaid expense increase (decrease)	-	-	-	1,673	(152)	(152)	(152)	(152)	(152)	(152)	(152)	(152)
Accounts payable increase (decrease)	-	-	-	-	-	4,867	2,433	3,650	767	820	878	939
Accrued expenses increase (decrease)	-	-	-	300	-	-	-	-	-	-	-	-
Income Taxes Payable increase (decrease)	(1,224)	(238)	(170)	(7,372)	(7,774)	(3,668)	(1,692)	733	1,226	1,796	2,308	2,856
Operating Cash-Flow Before Depreciation	(3,600)	(700)	(500)	(23,056)	(23,213)	(8,239)	(3,626)	4,420	4,157	5,863	7,399	9,024
Depreciation expense	3,200	-	-	11,300	11,800	-	-	-	-	-	-	-
Cash Flow from Profit-Making Operations	(400)	(700)	(500)	(11,756)	(11,413)	(8,239)	(3,626)	4,420	4,157	5,863	7,399	9,024
Cash Flows from Investing Activities												
Purchases of PP&E	3,200	-	-	11,300	11,800	-	-	-	-	-	-	-
Cash Flows from Financing Activities												
Capital Stock issues	5,000	-	-	25,000	40,000	-	-	-	-	-	-	-
Dividend Payment	-	-	-	-	-	-	-	1,280	2,142	3,138	4,033	4,990
Increase (Decrease) in cash	1,400	(700)	(500)	1,944	16,787	(8,239)	(3,626)	3,140	2,015	2,724	3,366	4,034
Cummulative Cash	1,400	700	200	2,144	18,931	10,692	7,066	10,206	12,221	14,946	18,312	22,346

Five Year Cash Flow Projection (1998 - 2002)

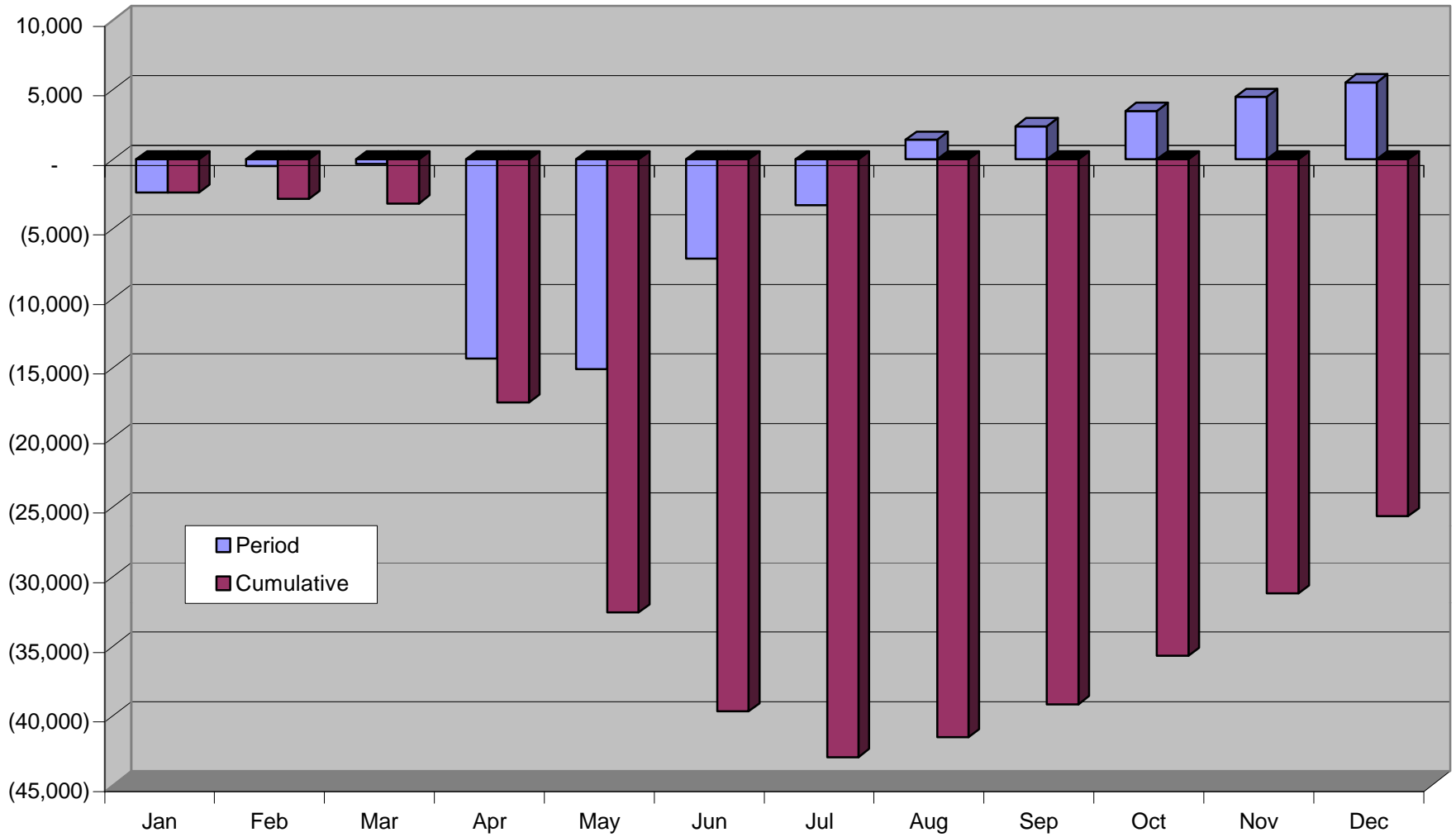
Account	1998	1999				2000				2001	2002
	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Year	Year
Cash Flows from Operating Activities											
Net Income	5,545	15,956	21,322	22,535	30,630	35,303	43,159	50,198	61,306	287,051	294,589
Changes in operating cycle											
Assets and Liabilities:			(86)								
Accounts receivable increase (decrease)	382	584	643	707	778	855	941	1,035	1,138	1,252	1,377
Inventory increase (decrease)	86	111	116	127	140	154	170	186	205	226	248
Prepaid expense increase (decrease)	(152)	(457)	1,369	(456)	(456)	(457)	1,369	(456)	(456)	-	-
Accounts payable increase (decrease)	939	1,435	1,579	1,737	1,911	2,102	2,312	2,543	2,797	3,077	3,385
Accrued expenses increase (decrease)	-	-	-	-	-	-	-	-	-	-	-
Income taxes payable increase (decrease)	2,856	8,220	10,984	5,624	4,170	2,407	4,047	3,626	5,723	5,387	971
Operating Cash-Flow Before Depreciation	9,024	25,374	31,758	29,518	36,250	39,259	47,038	55,601	68,939	294,036	297,318
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-
Cash Flow from Profit-Making Operations	9,024	25,374	31,758	29,518	36,250	39,259	47,038	55,601	68,939	294,036	297,318
Cash Flows from Investing Activities											
Purchases of PP&E	-	-	-	-	-	-	-	-	-	-	-
Cash Flows from Financing Activities											
Capital Stock issues	-	-	-	-	-	-	-	-	-	-	-
Dividend Payments	4,990	14,361	19,190	20,282	27,567	31,773	38,843	45,178	55,176	258,346	265,130
Increase (Decrease) in cash	4,034	11,013	12,568	9,236	8,682	7,487	8,195	10,423	13,763	35,691	32,189
Cummulative Cash	22,346	33,359	45,927	55,163	63,845	71,332	79,527	89,950	103,713	139,404	171,593

Monthly Breakeven Analysis (1998)

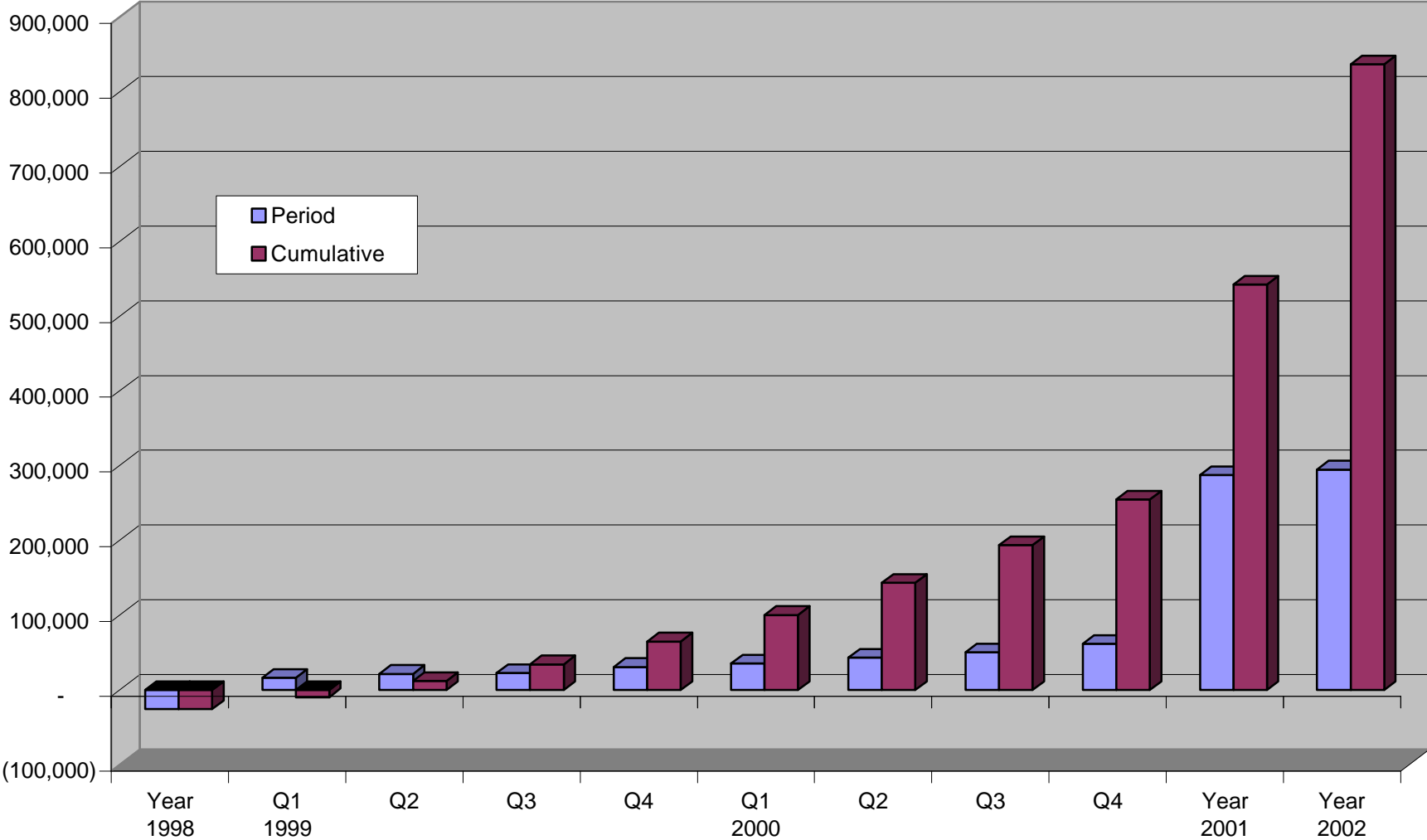
avg customers per day	Average Ticket Price								
	\$8	\$9	\$10	\$11	\$12	\$13	\$14	\$15	\$16
40	9,600	10,800	12,000	13,200	14,400	15,600	16,800	18,000	19,200
45	10,800	12,150	13,500	14,850	16,200	17,550	18,900	20,250	21,600
50	12,000	13,500	15,000	16,500	18,000	19,500	21,000	22,500	24,000
55	13,200	14,850	16,500	18,150	19,800	21,450	23,100	24,750	26,400
60	14,400	16,200	18,000	19,800	21,600	23,400	25,200	27,000	28,800
65	15,600	17,550	19,500	21,450	23,400	25,350	27,300	29,250	31,200
70	16,800	18,900	21,000	23,100	25,200	27,300	29,400	31,500	33,600
75	18,000	20,250	22,500	24,750	27,000	29,250	31,500	33,750	36,000
80	19,200	21,600	24,000	26,400	28,800	31,200	33,600	36,000	38,400
85	20,400	22,950	25,500	28,050	30,600	33,150	35,700	38,250	40,800
90	21,600	24,300	27,000	29,700	32,400	35,100	37,800	40,500	43,200
95	22,800	25,650	28,500	31,350	34,200	37,050	39,900	42,750	45,600
100	24,000	27,000	30,000	33,000	36,000	39,000	42,000	45,000	48,000
105	25,200	28,350	31,500	34,650	37,800	40,950	44,100	47,250	50,400
110	26,400	29,700	33,000	36,300	39,600	42,900	46,200	49,500	52,800

Assumptions: Breakeven point is \$28,287
 Monthly costs are an average of June - December

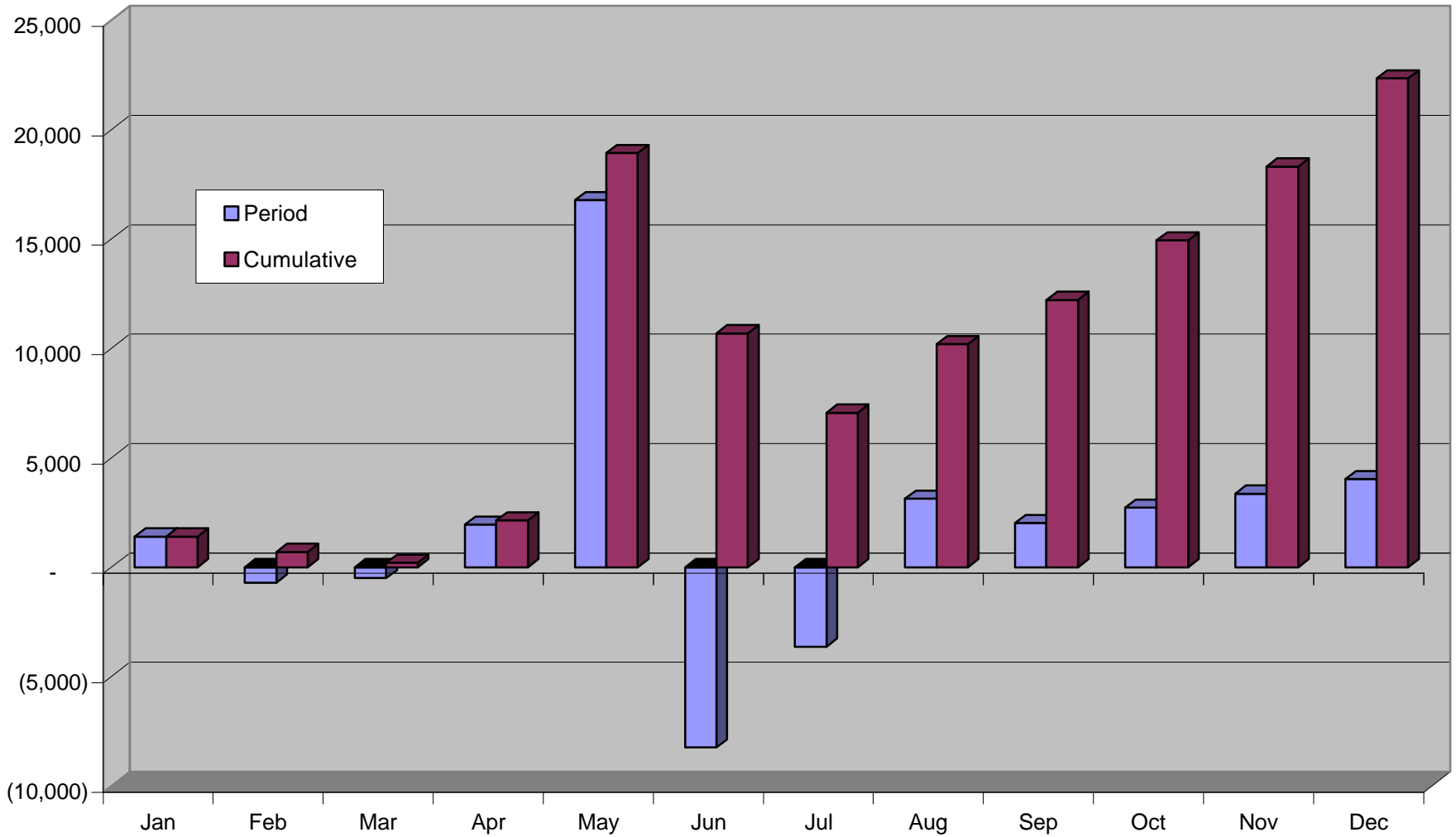
Year One Net Income Projection (1998)



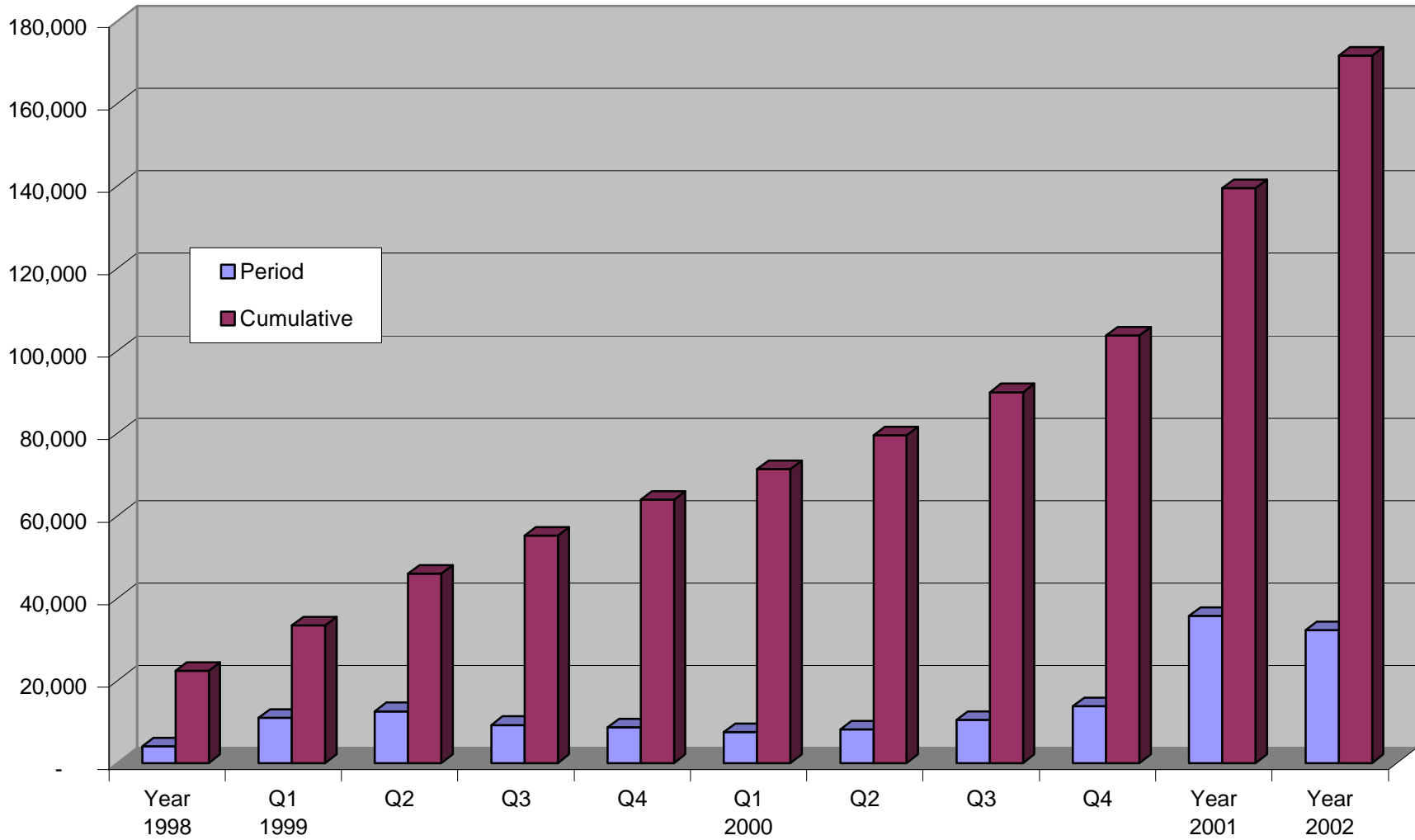
Five Year Net Income Projection (1998 - 2002)



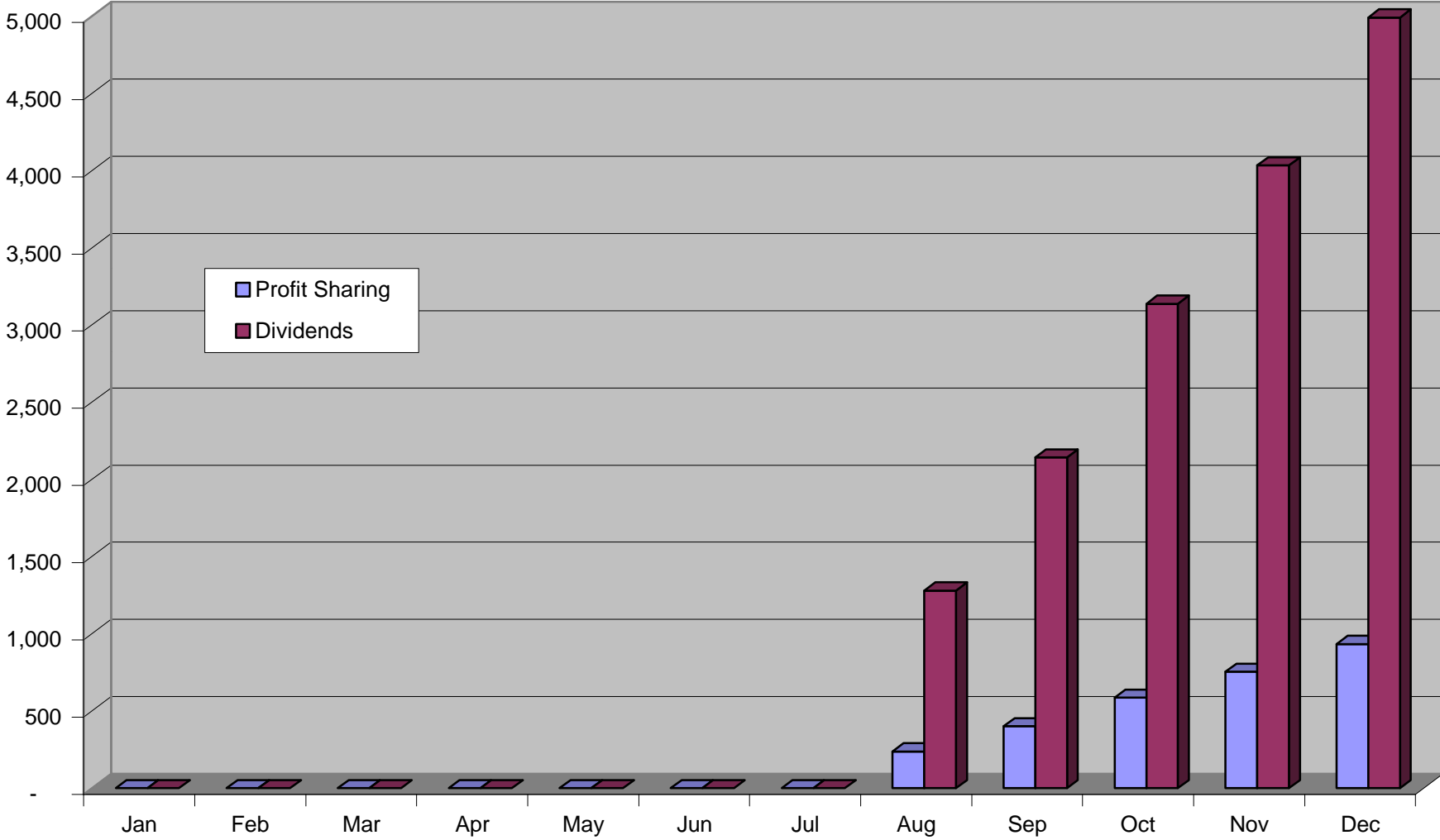
Year One Cash Flow Projection (1998)



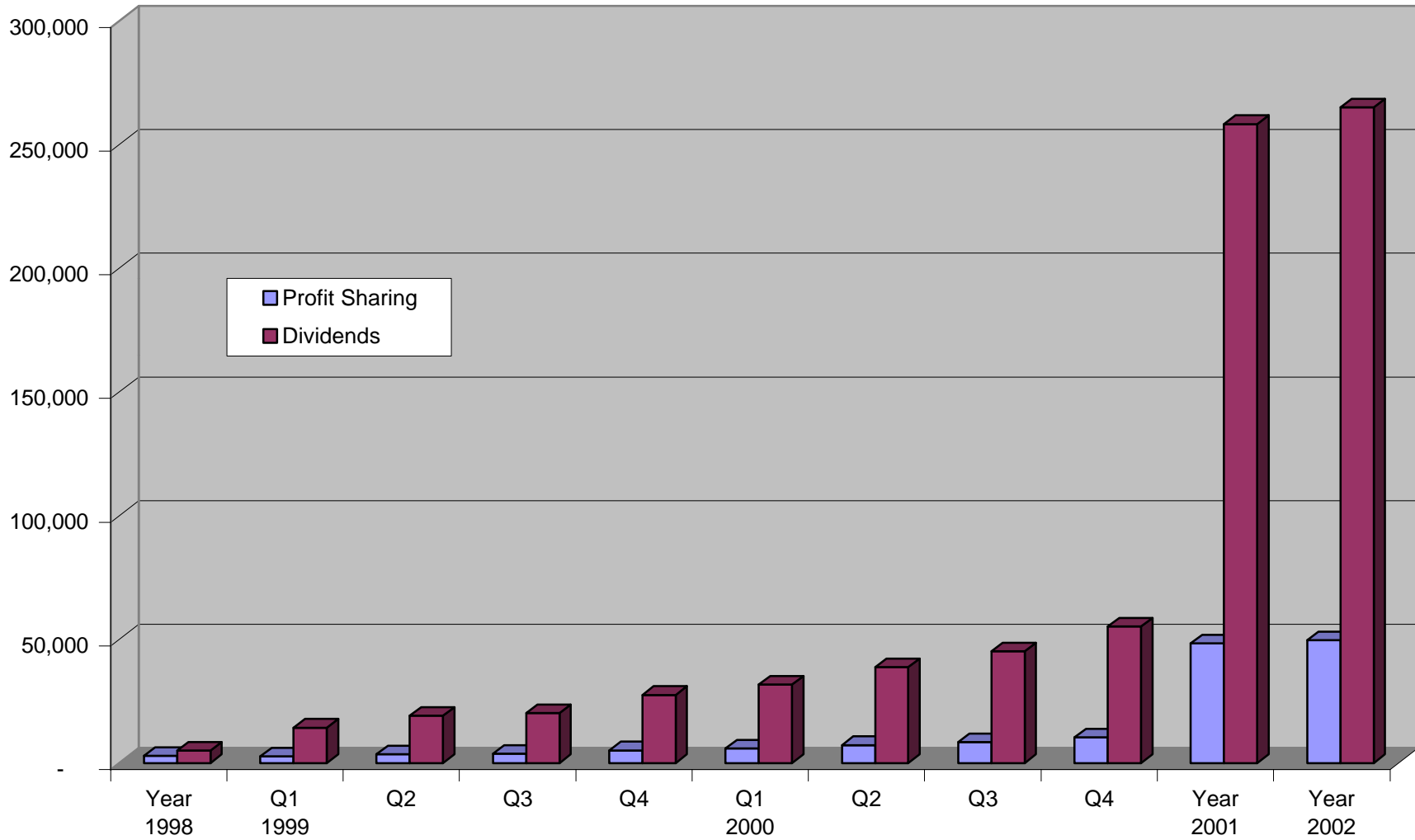
Five Year Cash Flow Projection (1998 -2002)



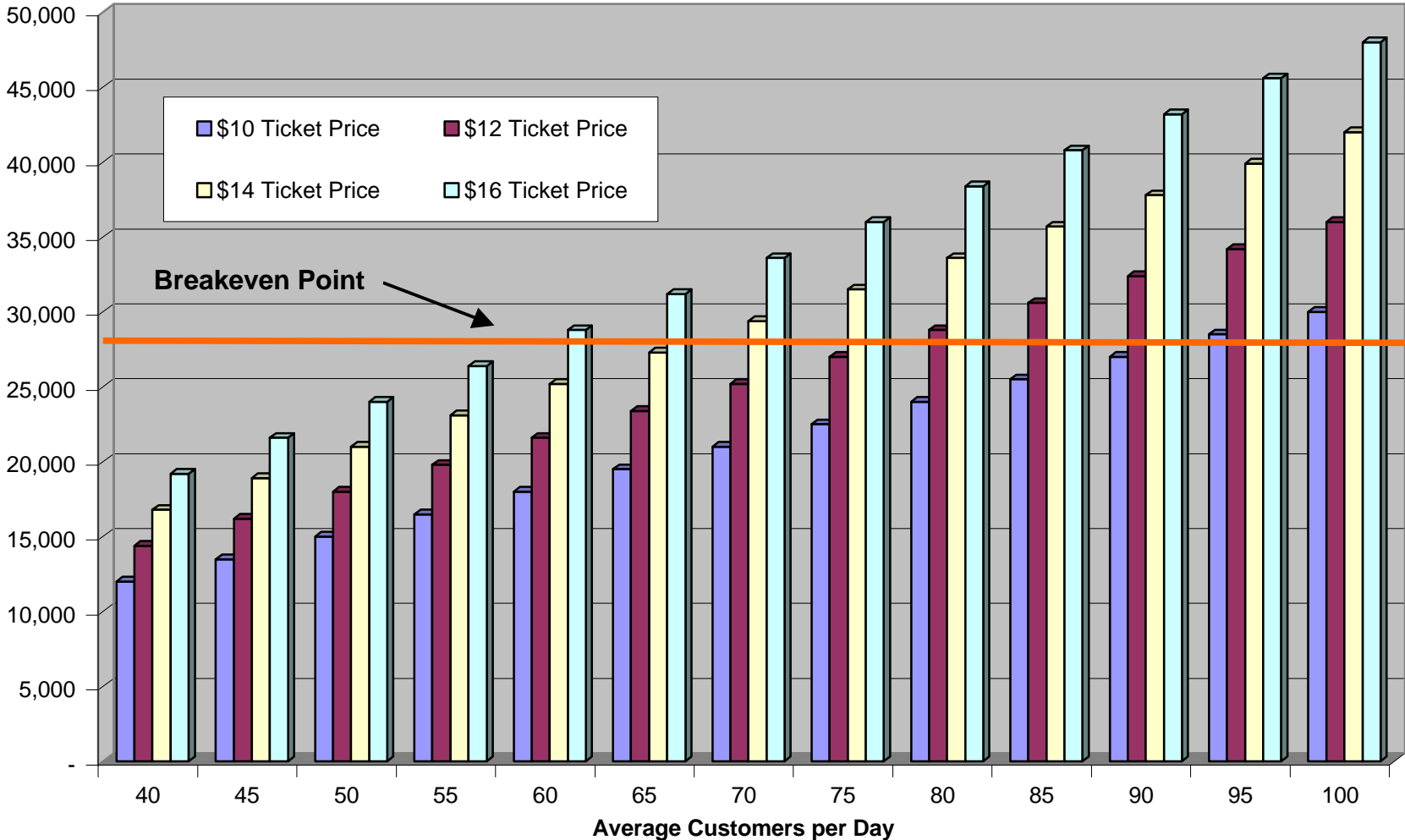
Year One Profit Sharing and Dividend Payout Projection (1998)



Five Year Profit Sharing and Dividend Payout Projection (1998 - 2002)



Monthly Breakeven Analysis (1998)



Sweet Basil

The logo for 'Sweet Basil' features the word 'Sweet' in a red, cursive font at the top. Below it, two red tomatoes are depicted with green basil leaves. The word 'Basil' is written in a red, cursive font at the bottom, with the tomatoes and leaves positioned between the two words.

APPENDICES

APPENDIX A – SAMPLE MENU



Appetizers:

Artichoke Dip	\$4.00
Bruschetta (4)	\$3.00
Stuffed Mushrooms (6)	\$3.00
Stuffed Peppers (2)	\$4.50
Stuffed Tomatoes (2)	\$4.00

Salads:

Pasta	\$3.50 /lb.
Salad Bar	\$3.00 /lb.

Soup:

	\$6.00/qt	\$2.00/bowl
Chicken Tortellini		
Minestrone		
Tomato		

Entrees:

	<i>Serving Tray</i>	
Chicken Parmesan	\$5.25	\$19.00
Eggplant Parmesan	\$4.50	\$16.00
Chicken Marsala	\$5.00	\$18.00
Lasagna	\$4.75	\$17.00
Stuffed Shells	\$4.50	\$16.00
Manicotti	\$4.75	\$17.00
Basil Chicken	\$4.50	\$16.00
Chicken Alfredo	\$5.00	\$18.00
Baked Ziti	\$4.50	\$16.00
Ziti with Diced Chicken	\$5.50	\$21.00

Kid's Stuff:

Macaroni and Cheese	\$3.50
Spaghetti and Meatballs	\$3.50

Pasta:

	\$2.75 /lb.
Spaghetti	Angel Hair
Fettuccini	Linguine
Radiatore	Ziti

Specialty Pasta:

	\$3.50/lb.
Tomato Basil	
Spinach	
Tortellini (Cheese or Beef)	
Ravioli (Cheese or Beef)	

Sauces:

Marinara	\$3.50 /qt
Bolognese	\$4.00 /qt
Fra Diavlo (Spicy)	\$3.50 /qt
Alfredo	\$3.75 /qt
Pesto	\$3.00 / 8 oz.

Breads:

French	\$1.00
Garlic Bread	\$2.00
Bread Sticks (8)	\$2.00
Panepiasano	\$2.00
Focaccia	\$5.00

Drinks:

Coke, Diet Coke, Sprite	
Cans	\$0.60
Two Liter Bottles	\$1.50
Snapple	\$1.00

APPENDIX B - RESUMES



David Wein

EDUCATION:

University of Colorado at Boulder

Candidate for Bachelor of Science; December 1998
Business Administration with an emphasis in Information Systems
Overall GPA 3.03

EXPERIENCE:

Computer City, Westminster, CO 1996

- Handled sales of CPU's, Monitors, Peripherals, Software, and Accessories
- Led a pre-sale equipment inspection and a post-sale customer satisfaction program
- Weekly sales consistently among the top of the sales staff, ranging from \$25,000 to \$55,000
- Occasionally performed equipment upgrades such as RAM installations

NYU Medical Center, New York, NY 1995

- Designed and developed an application and database which tracked a large number of patient samples using a bar code system
- Designed PowerPoint presentations which were used to solicit grants
- Consulted on the purchase of computer related office equipment
- Installed desktop systems and software for OB/GYN staff

Banklink, Inc., New York, NY 1995

- Tested a windows based financial software package prior to release
- Worked closely with product managers in finalizing the GUI aspects of the application
- Led company in bugs found over the seven week test period



Jillian Doman

EDUCATION:

University of Colorado at Boulder

Candidate for Bachelor of Science; December 1997
Business Administration with an emphasis in Entrepreneurship
Overall GPA 3.2

EXPERIENCE:

Applebee's Grill and Bar, Boulder, CO October 1995-Present

- *Office Manager*- duties include: doing payroll, making server and hostess schedule, analyzing daily paperwork
- *Trainer*- duties include: training new employees in all positions I hold, updating employee files
- *Bartender*- duties include: opening/closing the bar, making drinks, customer relations
- *Server*- duties include: opening/closing the restaurant, customer relations
- *Hostess*- duties include: greeting/seating customers
- *Expediter/Prep Cook* - duties include: knowledge of how the Back-of-the-House runs

Lerner New York, Boulder, CO September 1994-December 1995

- *Sales Associate*- duties include: providing customer service by helping each customer with any questions, problems, or purchase decisions

Jimmy's Sports Bar, Hong Kong, June 1994-August 1994

- *Server*- duties include: opening/closing the restaurant, customer relations
- *Bartender*- duties include: opening/closing the bar, making drinks, customer relations

TRAVEL

EXPERIENCE:

Countries visited include:

- *Europe*- Austria, Belgium, Czech Republic, England, France, Germany, Greece, Hungary, Italy, Netherlands, Switzerland
- *Asia*- Bhutan, Hong Kong, India, Nepal, Thailand, Singapore
- *Other*- Australia, Mexico, New Zealand, Tahiti



Lindsay Strodl

EDUCATION:

University of Colorado at Boulder

Candidate for Bachelor of Science; December 1997
Business Administration with an emphasis in Entrepreneurship
Overall GPA 3.1

University of Colorado at Boulder

Candidate for Elementary Education Teaching Certificate, December 1998
Education GPA 4.0

EXPERIENCE:

State Farm Insurance, Las Vegas, Nevada May 1992-August 1995

- Administrative Assistant
- Aided in selling insurance to customers

Boulder Valley Public Schools, Boulder, Colorado August 1995-August 1997

- School aged child care assistant
- Cared for 50+ children on a daily basis
- Planned and facilitated activities and excursions

Collage Children's Museum, Boulder, Colorado September 1996-December 1996

- Volunteer experience
- Supervised set-up and coordination of exhibits
- Planned Piper Jaffray Auction Night

Campus Crusade for Christ, Boulder, Colorado September 1995-Present

Leadership Team

Servant Team

Night Life Coordinator

- Planned several study groups
- Coordinator for weekly meeting, Night Life
- Planning, budgeting, personnel consultant, and other administrative duties



Amber Long

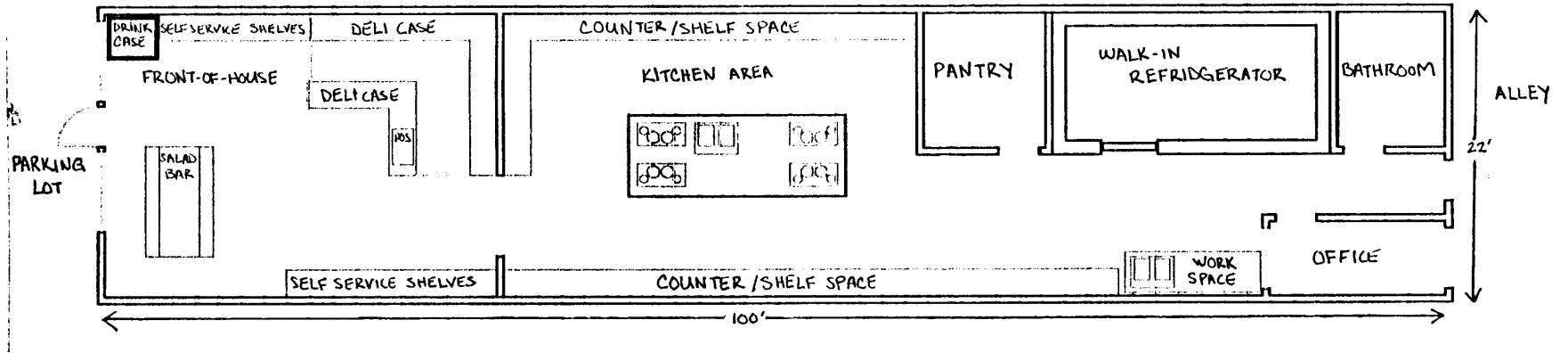
- EDUCATION:** **University of Colorado at Boulder**
Candidate for Bachelor of Science, May 1998
Business Administration: Marketing with an emphasis in Entrepreneurship
Overall GPA 3.3
- EXPERIENCE:** **Gloria Jean's Coffee Bean, Littleton, CO October 1991-August 1994**
- Shift Supervisor responsible for all closing activities and basic bookkeeping
 - Assisted with Monthly Inventory
 - Prepared and served coffee, espresso drinks as well as pastries
- Collegiate Calendar Company Internship, Boulder, CO Spring 1997-Present**
- Responsible for sales on 30 of the largest university campuses in the nation
 - Managed the creation and production of each individual advertisement.
 - Helped to create and implement a payroll and bookkeeping system.
- Enterprise Rent-a-Car Internship, Littleton, CO Summer 1996**
- Responsible for underwriting rental contracts
 - Trained in direct selling techniques
 - Participated in direct marketing to Enterprise accounts
- ACTIVITIES:** **Alpha Phi Omega**
Elected Pledge Chair Spring 1997
Elected Chapter President Fall 1996
Appointed Chancellor of Merit Badge University Fall 1996
Elected Treasurer Spring 1996
Fundraising Co-Chair Spring 1996
Elected Secretary Spring 1995
Pledge Class Vice President Fall 1994
- Created, monitored and implemented a \$1200 semester budget
 - Managed three financial accounts
 - Aided in the writing of a grant for a community outreach Program for Suicide Prevention.
 - Received Explorer Leadership Award for work as Merit Badge University Chancellor

APPENDIX C – SURVEY



1. What is your gender?
 Male Female
2. Which age group do you fall into? (circle one)
 18-24 25-35 36-44 45-60 60+
3. How many children do you have? _____
4. What are their ages? _____
5. How frequently do you purchase take-out food for home consumption?
 once a week twice a week three times a week
 four times a week five times a week six times a week
 seven times a week more than seven times a week
 once a month twice a month three times a month
 never other (specify)
6. Where do you purchase take-out food from? (Check all that apply)
 grocery store specialty store
 fast food restaurants restaurants
7. How many times a week do you purchase take-out from the following sources?
 grocery store specialty store
 fast food restaurants restaurants
8. About how much money do you spend weekly on each of the following sources?
 grocery store specialty store
 fast food restaurants restaurants
9. Which of the above do you prefer as a source of home meal replacement? _____
10. What expectations do you have for a home meal replacement specialty store?
- | | | | | | | | | | |
|-------------------------|---|---|---|---|---|---|---|---|------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Quality | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Convenience | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Speed of Service | | | | | | | | | |
11. What expectations do you have for a grocery store in terms of home meal replacement?
- | | | | | | | | | | |
|-------------------------|---|---|---|---|---|---|---|---|------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Quality | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Convenience | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Speed of Service | | | | | | | | | |
12. What expectations do you have for a fast food restaurant in terms of home meal replacement?
- | | | | | | | | | | |
|-------------------------|---|---|---|---|---|---|---|---|------|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Quality | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Convenience | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Low | | | | | | | | | High |
| Speed of Service | | | | | | | | | |
13. Would you take out home meal replacement solutions that offered a variety of home-made Italian entrees, pastas, sauces, breads, soups and salads?
 Yes No

APPENDIX D – STORE LAYOUT



APPENDIX E – EQUIPMENT LIST



Kitchen Equipment	\$6,800	Computer System	\$2,700
Pasta maker (2)	\$600	Document Scanner	\$200
Pasta Cooker (2)	\$400	Desk/Chair	\$300
Range and Stove (2)	\$2,730	Safe	\$150
Microwave	\$370	File Cabinet	\$150
Dishwasher	\$1,200	Miscellaneous Office Supplies	\$200
Cutlery	\$500		
Miscellaneous Cooking Equipment	\$1,000	Front-of-House Equipment	\$10,000
Office Equipment	\$10,400	Display Cases (2)	\$3,600
POS System	\$4,700	Refrigerator	\$2,000
Computer cash register	\$600	Dry Shelves	\$200
Label printer	\$600	Salad Bar	\$700
Laser Printer	\$800	Miscellaneous Equipment	\$1,000
		Outdoor Signage	\$2,500

APPENDIX F - SOURCES



Articles and Business Plans

Casper, Carol. *Some Place Like Home*. Restaurant Business. August 1, 1997. P. 63-92.

Benson, Mike, Brad Hahn, and Allison Hortsman. Communicafe Internet Solutions. Business Plan. November 15, 1996.

Neck, Heidi, Jillian Pitt, Ivars Spans, and Nadina Storyk. Lagniappe Café. Business Plan. November 15, 1996.

Internet

www.bcn.com - *Boulder Community Network*

www.directpos.com - *Direct POS*

www.fgminteractive.com - *Home Meal Replacement: The Evolution of Food Service*

www.foodchannel.com - *Home Meal Replacement: A Foodservice Evolution*

www.foodchannel.com - *The Evolution of Home-Meal Replacement*

www.fruitnet.com - *US Shoppers Want Convenience*

www.meatami.org - *Backgrounder: New Trends In Food Preparation and Eating*

www.meatami.org - *Fact Sheet: Home-Meal Replacement Revolutionizes the Meat Case*

www.rmc.com/foodservice - *Reynolds Packaging*

www.venus.census.gov - *US Census Home Page*

www.talbot.com - *Fancy Food*

Newspapers

Boulder Planet (303) 444 5761

Boulder Weekly (303) 494 5511

Colorado Daily (303) 442 1202

The Onion (303) 449 9785

Utilities

Public Service (303) 623 1234

US West (800) 603 6000

Western Disposal (303) 444 2037

Suppliers

Ameriserve (303) 296 7678

Coca Cola (303) 752 8220

Denver Cutlery (303) 433 6010

Office Depot (800) 685 8800

Robinson Dairy (303) 825 2990

Smith St. John (800) 477 1414

United Glassware and China (303) 296 1684

Yancey's Food Service (303) 629 7149

Permits and Licenses

Boulder Chamber of Commerce (303) 442 1044

Boulder County Department of Environmental Health Food Service Licensing (303) 441 1150



Professionals

Moran and Associates. *Las Vegas, Nevada*
Spurlock, David. Attorney. (702) 384 8424

Pacific Equity Partners LLC, Spectrum/RPS.
Bill Flagg. Leasing Agent. (303) 449 4888

State Farm Insurance Company. *Las Vegas, Nevada.*
Strodl, John. Agent. (702) 837 1309

Wells Pugsley and Associates. *Las Vegas, Nevada.*
Strodl, Jason. Architect. (702) 440-4228.