

BUSINESS PLAN

“GREEN SIDE” FAST FOOD

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I. Description of the project, market analysis

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In France, a growing part of the population is rejecting the American model of fast-food, and this sometimes leads to extreme acts (French politician José Bové being the instigator of the destruction of a McDonald restaurant). However, proposing another kind of fast food avoiding junk food could be more appropriate and meet the new needs of people.

→ New kind of fast food : proposing as often as possible locally produced food, food of good quality and avoiding disposable items :

“GREEN SIDE” restaurant

- Opening hours : from Monday to Saturday 11:00 – 21:00

I. Description of the project, market analysis

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□ Public :

- Teenagers : lot of them are fed up with school meals and want to eat outside. They are mainly looking for :
 - Quick and cheap food : Interesting price required
 - Attractive place : possibility to play your own music during the opening hours, decoration, couches

- People/Grown-up concerned by their health and the origin of their food.

I. Description of the project, market analysis

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□ Location : Rue Vaillant, Center of Dijon, main city of Burgundy, 200 000 inhabitants



- Commercial street with lots of shops and working places
- Between different high schools and universities (4 high schools within 600 m radius)
- Nice places to have lunch close by (squares and an open place)

I. Description of the project, market analysis

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- Size : considering the size of the city, 100 meals should be sold each day
- Competition : other fast foods like Mc Donalds, pizzerias, restaurants but all of them quite expensive or not tasty
However people are interested in improving their food and avoiding : there are many AMAP (association to promote local agriculture) in Dijon
- Prices : lower than usual fast foods. Average price for a whole meal in Mc Donalds is around 6 euros.

II. Definition of production techniques, licenses needed and state of the art

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- Each menu will include a sandwich or a mixed salad, a drink and a dessert.
- Sandwich :
 - Baguette
 - Salad + 2 other vegetables
 - Meat or cheese
- All food coming from all around Dijon : a lot of different market gardeners are available (vegetables depending on the season), as well as farmers and slaughterhouses for the meat. The cheese chosen is also typical from Burgundy.

II. Definition of production techniques, licenses needed and state of the art

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- Music : a piano and amplifiers can be used by the customers. They only play their own music so no copyright and no fees paid to the SACEM (French professional association collecting payments of artists' rights)



II. Definition of production techniques, licenses needed and state of the art

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- Advertisement : People are also encouraged to use eco-cups. Marketing will be done this way because the eco-cups will bear the “Green Side” logo. This is mostly done in France in festivals so it is quite trendy and attractive.



DEVIS

Décret le : 21/12/2011
Contact : Marine PLAUCHU
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Evènement : Evènement
le 09/02/2012
Référence : V201112311595

DESCRIPTION DES PRODUITS

Désignation	Quantité	Prix unitaire	Total HT
ECO 30 (25 cl) (vert)	500	0,345 €	172,50 €
Impression couleur 1	500	0,06 €	30,00 €
Fraistechnique couleur 1	1	60,00 €	60,00 €
		Transport	29,69 €
		Total HT	292,19 €
		TVA	57,27 €
		Total TTC	349,46 €

III. Definition of the capacities

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The fast food will be opened 312 days per year.

Basis : 100 meals per day

More people for lunch because of high school students : 60 meals around 12 and 40 in the evening, not eating at the same time exactly

- ➡ Seats for 30 persons at the same time (maximum)
- ➡ Only 10 tables needed

IV. Calculation of investments

Initial costs

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Investments

Building		Unit Cost	Total Cost (euros)	Depreciation	Cost of Depreciation
Shop 100 m ²		20000	70000	20	3500
Investment in technical equipment					
	Qty	Unit Cost	Total Cost (euros)	Depreciation	Cost of Depreciation
Music Sound System	1	2300	2300	5	460
Fire Extinguisher	1	49	49	5	9,8
Lightning system	4	2000	8000	5	1600
Marshall amplifiers	2	100	200	5	40
Decoration	1	1000	1000	5	200
Kitchen					
Refrigerator	2	1100	2200	5	440
Dishwascher	1	615	615	5	123
Freezer	1	1000	1000	5	200
Microwave Oven	1	100	100	5	20
Coffee Machine	1	300	300	5	60
Total technical equipment			15764		3152,8

IV. Calculation of investments

Initial costs

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Furniture

	Qty	Unit Cost	Total Cost (euros)	Depreciation	Cost of Depreciation
Counter	1	1000	1000	10	100
Tables	10	300	3000	10	300
Couches	5	555	2775	10	277,5
Chairs	15	56	840	10	84
Piano	1	1369	1369	10	136,9
Shelves	4	100	400	10	40
Total furniture			9384		938,4

Other

	Qty	Unit Cost	Total Cost (euros)	Depreciation	Cost of Depreciation
Plates	60	5	300	4	75
Dish set	5	100	500	4	125
Eco cups (Package of 500)	1	349,46	349,46	4	87,365
Total Other			1149,46		287,365

TOTAL COST DEPRECIABLE

96297,46

7878,565

IV. Calculation of investments

Initial costs

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Non depreciable		
Licences	No longer needed in France since June 2011 when no alcohol is sold	0
Cash flow		1000
TOTAL COST NON DEPRECIABLE		1000

TOTAL depreciable and non depreciable

97297,46

Unexpected (10%)

TOTAL INVESTMENT

107027,206

IV. Calculation of investments **Annual** costs

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	kg per sandwich	Number of meals	Quantity (kg)	Price per kg	Total cost
Bred	0,15	7800	1170	3,5	4 095,0 €

Vegetables

Winter	Chicory	0,02	7800	156	2	312,0 €
	TOMATOES	0,04	3900	156	1,5	234,0 €
	CARROTS	0,04	3900	156	0,63	98,3 €
	White cabbage	0,04	3900	156	0,5	78,0 €
	Onions	0,04	3900	156	0,15	23,4 €
Spring	Lettuce	0,02	7800	156	0,9	140,4 €
	TOMATOES	0,04	3900	156	1,5	234,0 €
	Asparagus	0,04	3900	156	7	1 092,0 €
	Radish	0,04	3900	156	3,95	616,2 €
	Spring onions	0,04	3900	156	0,15	23,4 €
Summer	Lettuce	0,02	7800	156	0,9	140,4 €
	Tomatoes	0,04	3900	156	1	156,0 €
	Red cabbage	0,04	3900	156	0,48	74,9 €
	Carrots	0,04	3900	156	0,42	65,5 €
	Onions	0,04	3900	156	0,15	23,4 €
Autumn	Lamb's lettuce	0,02	7800	156	1,4	218,4 €
	Tomatoes	0,04	3900	156	1	156,0 €
	Carrots	0,04	3900	156	0,42	65,5 €
	Beetroots	0,04	3900	156	2	312,0 €
	Green cabbage	0,04	3900	156	0,67	104,0 €
Total vegetables						4 167,8 €

IV. Calculation of investments Annual costs

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Meat and cheese		Number of slices		Price of slice	Total cost
Beaf		4457,14		0,9	4 011,4 €
Jam		4457,14		0,22	980,6 €
Chicken		4457,14		0,66	2 941,7 €
Minced meat		4457,14		0,87	3 877,7 €
Bouton de culotte		4457,14		0,8	3 565,7 €
Epoisse de Bourgogne		4457,14		1,01	4 501,7 €
Emmental		4457,14		0,55	2 451,4 €
		31200		Total meat and cheese	22 330,3 €
Drinks		L for each meal	Number	Quantity (L)	Price per L
Sparkling drinks	0,25	15600	3900	2	7 800,0 €
Juice	0,25	15600	3900	4,1	15 990,0 €
Drinks stock					2 379,0 €
		31200		Total drinks	26 169,0 €
Desserts		Number			
Apple		10400		0,23	2 392,0 €
Cake		10400		0,8	8 320,0 €
Yoghurt		10400		0,3	3 120,0 €
		31200		Total desserts	13 832,0 €

IV. Calculation of investments **Annual costs**

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Service expenses

EDF, GDF, water	4500	4 500,0 €
Renovation, reparation	4000	4 000,0 €
Advertisement	Cf eco-cups	- €
Total service expenses		8 500,0 €

Labor

Owners	2	2000	4 000,0 €
Total labor			4 000,0 €
TOTAL ANNUAL COSTS			83 913,3 €

IV. Calculation of investments **Financing** costs

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Total investment		107 027 €
40% own capital funds (shareholders equity)		42 811 €
60% outside financing (bank loan)		64 216 €

7,00% interest

10 years running time

Year	Balance of debt	Interest rate(%)	Interest Costs Paid p.a.	Paying back loan p.a.
1	64 216 €	7%	4 495 €	6 422 €
2	57 795 €	7%	4 046 €	6 422 €
3	51 373 €	7%	3 596 €	6 422 €
4	44 951 €	7%	3 147 €	6 422 €
5	38 530 €	7%	2 697 €	6 422 €
6	32 108 €	7%	2 248 €	6 422 €
7	25 686 €	7%	1 798 €	6 422 €
8	19 265 €	7%	1 349 €	6 422 €
9	12 843 €	7%	899 €	6 422 €
10	6 422 €	7%	450 €	6 422 €
11	- 0 €		- €	- €
Total interest paid			24 723 €	
Total repayment				64 216 €

V. Self costs

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	1	2	3	4	5	6	7	8	9	10	11
Depreciation costs	7 879 €	7 879 €	7 879 €	7 879 €	7 591 €	4 438 €	4 438 €	4 438 €	4 438 €	4 438 €	3 500 €
Financing costs	4 495 €	4 046 €	3 596 €	3 147 €	2 697 €	2 248 €	1 798 €	1 349 €	899 €	450 €	- €
Labour costs	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €
Utilisation of capacity	0,7	0,8	0,9	1	1	1	1	1	1	1	1
Raw material costs	55 939 €	63 931 €	71 922 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €
Sum of costs	72 313 €	79 855 €	87 397 €	94 938 €	94 202 €	90 599 €	90 150 €	89 700 €	89 251 €	88 801 €	87 413 €
Price of each meal	3,31 €	3,20 €	3,11 €	3,04 €	3,02 €	2,90 €	2,89 €	2,88 €	2,86 €	2,85 €	2,80 €

VI. Price definition

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- The self costs for the production of one meal is:
 - 3,31€ in the first year
 - 2,85 € after 10 years
- We decide to sell the chocolate at 4,00 EUR (VAT included)

VII. Cash flow calculation

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	1	2	3	4	5	6	7	8	9	10	11
Revenue	87360	99840	112320	124800	124800	124800	124800	124800	124800	124800	124800
Depreciation costs	7 879 €	7 879 €	7 879 €	7 879 €	7 591 €	4 438 €	4 438 €	4 438 €	4 438 €	4 438 €	3 500 €
Financing costs	4 495 €	4 046 €	3 596 €	3 147 €	2 697 €	2 248 €	1 798 €	1 349 €	899 €	450 €	- €
Labour costs	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €	4 000 €
Utilisation of capacity	0,7	0,8	0,9	1	1	1	1	1	1	1	1
Raw material costs	55 939 €	63 931 €	71 922 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €	79 913 €
Sum of costs	72 313 €	79 855 €	87 397 €	94 938 €	94 202 €	90 599 €	90 150 €	89 700 €	89 251 €	88 801 €	87 413 €
Profit before taxes	15 047 €	19 985 €	24 923 €	29 862 €	30 598 €	34 201 €	34 650 €	35 100 €	35 549 €	35 999 €	37 387 €
Taxes (TVA 5,5%)	828 €	1 099 €	1 371 €	1 642 €	1 683 €	1 881 €	1 906 €	1 930 €	1 955 €	1 980 €	2 056 €
Profit after taxes	14 219 €	18 886 €	23 553 €	28 219 €	28 916 €	32 320 €	32 745 €	33 169 €	33 594 €	34 019 €	35 330 €
Cash flow (net profit+depreciation)	22 098 €	26 765 €	31 431 €	36 098 €	36 507 €	36 758 €	37 183 €	37 608 €	38 032 €	38 457 €	38 830 €
Debt Payment	6 422 €	6 422 €	6 422 €	6 422 €	6 422 €	6 422 €	6 422 €	6 422 €	6 422 €	6 422 €	0
Dividend	15 676 €	20 343 €	25 010 €	29 676 €	30 085 €	30 336 €	30 761 €	31 186 €	31 611 €	32 036 €	38 830 €

VII. Cash flow calculation

Total dividend

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- Total dividend accumulated over 10 years :
276 720 euros