

BAGEL MANIA
BAKEN PARK
RAPID CITY, SD 57702
(605) 555-1234
May 1996

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Table of Contents

Executive Summary.....1

Industry Analysis.....3

Description of Venture.....4

Company.....4

Product.....4

Marketing Plan.....6

Competition.....7

Management.....11

Personnel.....12

Financial Papers.....14

Appendices.....29

Executive Summary

The business venture described in this plan is a fast-food style bagel shop that specializes in offering a variety of real New York style bagels served with a wide assortment of cream cheese spreads, bagel sandwiches, soups, salads, muffins, cookies, and gourmet coffees and tea. It primarily caters to early morning commuters and the breakfast and lunch crowds. Bagel Mania will have a drive-up window to help us cater to the fast-paced lifestyle. The business will be located in the Baken Park area in west Rapid City. Bagel Mania's concept is a fresh opportunity that capitalizes on our society's turn towards healthier eating habits. Bagel Mania is poised to take advantage of the "bagel boom." Bagel Mania is an S-Corporation consisting of three shareholders.

A fresh New York style bagel will be served with a variety of toppings. The bagel will be offered in a variety of flavors that is sure to please everyone. Bagel Mania will be the only fresh bagel shop located in west Rapid City. The customer will be attracted to Bagel Mania because of the unique drive-up window and attractive signage.

The target market will be people living and working in Rapid City. The early morning commuters and breakfast and lunch crowds will be the primary customers. B & L Bagels will be our main competitor. They are the only other specialty bagel shop in Rapid City. Our primary strengths are our ability to capture the commuters traveling east on West Main Street, the convenience of our drive-up window, ample parking for those who want to come inside and enjoy a bagel, and our slightly lower prices. We feel the market is large enough that we can capture enough of the competition to break even in the second year.

The business will be run by the three owners. Each owner has specific qualities that will help to build a successful business. [REDACTED] has a Master's Degree in Business Management and she also has experience in the restaurant business that will prove to be a great asset to Bagel Mania. [REDACTED] will be the full-time manager for Bagel Mania. [REDACTED] currently owns a successful fitness center in Rapid City. She has experience in all of the aspects of starting a business. [REDACTED] obtained her Law Degree and will be the legal consultant for Bagel Mania.

[REDACTED] will each be investing \$21,000 into Bagel Mania. We are asking for a loan of \$90,000 to help cover our start-up costs.

Bagel Mania is an excellent opportunity in a relatively untapped market. Bagel Mania recognizes that today's discriminating consumers are demanding more variety, value, quality, and convenience in their breakfast and lunch experiences. It is in sync with current and projected consumer trends and offers a fresh, healthy, high quality, moderately priced food item and menu that will appeal to a wide range of market segments and income and age groups. Additionally, Bagel Mania believes that its operational excellence, ability to match consumer expectations, total commitment to its customers and

employees, and its customer service oriented culture will further differentiate it from any competitors.

Industry Analysis

The bagel industry has grown in leaps and bounds and according to *Nation's Restaurant News* there is wide-open opportunity in the relatively untapped segment. Furthermore, fresh bagel sales are growing at a 30% plus annual pace, reports the research firm *Information Resources*. The average American ate nearly one pound more of bagels in 1993 than was consumed five years ago according to the *U.S. Department of Commerce*. In 1995 alone, sales of bagels reached \$3 billion. Once considered an ethnic food difficult to find outside of New York, bagels are now found in supermarkets, fast-food chains, specialty bakeries and restaurants. According to the *New York Times* "buoyed by its healthful, low-fat, high carbohydrate nature,...and relatively low cost, the bagel is poised for its own...(success)...story." Although bagels have traditionally been a breakfast food, this is also changing. Bagels are also being widely purchased for lunch, dinner, or a snack. As a restaurant open throughout the day and into the evening Bagel Mania is positioned to take advantage of the development of these industry segments. Bagels appeal to all age groups, thus enjoying the largest possible market place.

The west Rapid City market is ready. Most supermarkets now sell fresh and frozen bagels, but in west Rapid it is virtually impossible to get a fresh-baked traditional bagel. B & L Bagels has proven how successful a new bagel shop can be in Rapid City. They will be our biggest competitor, but we feel a bagel shop is needed on the opposite side of town to capture all of the Rapid City market.

Description of Venture

COMPANY:

Bagel Mania will be an excellent quality, fast-food restaurant that specializes in offering a variety of fresh bagels (served with a wide assortment of cream cheese spreads and other toppings), bagel sandwiches, salads, muffins, fresh-brewed coffee, juices, soda, and other specialty foods for eating in or taking out. It primarily caters to early morning commuters, and the breakfast and lunch crowds. Bagel Mania will also appeal to the late crowd wanting to take something home for the next mornings breakfast or even a late night snack.

The site of Bagel Mania is in the vicinity of Baken Park. The site will be easily accessible to everyone and will have a drive-up window making it very convenient to the morning commuters taking West Main and Mountain View. Road. For those wanting to come inside there will be plenty of seating and parking available.

Bagel Mania will have seating capacity for approximately fifty people with counter service ordering. The interior decor will provide a warm, casual atmosphere and will be designed to attract health conscious, cost-conscious, and time sensitive consumers who are looking for an alternative to the typical, everyday fast-food environment. Bagel Mania is in sync with current and projected consumer trends and offers a fresh, healthy, high quality, moderately priced product and menu that will appeal to a wide range of market segments, and income and age groups.

PRODUCT:

The bagels at Bagel Mania will be baked fresh from scratch every morning and throughout the day. The product will be "New York Style" meaning that they are boiled briefly immediately before they are baked which makes for a shiny surface and a flavorful, thick, and just slightly chewy product. The recipe has no oil, preservatives or artificial ingredients and offers a healthy breakfast, lunch, and snack alternative. The shop will offer various flavors of bagels and will have gourmet cream cheeses that are prepared fresh according to special recipes. Although bagels are best the day they are baked, day old bagels will be sold at discount prices or made into bagel chips which are seeing a sales spurt at grocery stores and bagel shops throughout the United States. Since bagel chips are new to the area they will be a great taste test for those who want to sample our newest products.

Bagels will be priced at \$0.49 each or a dozen for \$4.99. The bagels will be available in many different flavors and we may even test new flavors when need arises. Different types of bagels will include plain, blueberry, cranberry, cinnamon-raisin, apple-cinnamon,

multi-grain, chocolate chip, garlic, onion, vegetarian, rye, wheat, and we'll even be offering a bagel with "a little bit of everything. Toppings available will include butter or margarine, regular or gourmet cream cheese, preserves, peanut butter, cinnamon-sugar, honey, or any combination there of.

A variety of wholesome bagel sandwiches will be offered as well as soups and salads. Low fat muffins and cookies and a complete selection of aromatic, gourmet coffees will also be available. A variety of beverages including juices, waters, milk, teas, and sodas will be offered.

Flour required is high gluten durham wheat flour available at several mills in the geographical area.

All cream cheeses will be prepared using large bricks of Kraft light cream cheese. Sandwich fixings will be purchased from one of several of the vendors serving this area.

Marketing Plan

The customer base for Bagel Mania will consist of those individuals who live in or are visiting the Rapid City area. The most frequent visitor will be professionals that work in the area along with high school students. Local store marketing will be the company's primary form of advertising. Beverage and/or bagel punch cards will be distributed to encourage repeat customers. Bagel bites will be offered for a free sample of a particular kind of bagel. A variety of specials will also be offered to entice repeat business. Various advertising methods will be used in order to reach the target market as need arises. *2 actually - vague*

Marketing efforts will also be directed towards businesses and companies that may purchase bagels for breakfasts or conferences. The bagel business is in an enormous growth period. Consumers in all parts of the country are turning to bagels as a healthy alternative to muffins, croissants, and other breakfast foods. Equally important, bagel restaurants have elevated the product into a desirable lunch item. We will tap this market by making a variety of bagel sandwiches for those wanting to stop in for lunch. Recognition for bagels has taken a wide geographic turn, thanks to product introductions by such nationally known companies as Sara Lee and Lenders at the supermarket level and Dunkin' Donuts in the food service area.

Despite such progress, the retail bagel industry remains highly undeveloped. Bagel Mania will be one of the first of its kind in Rapid City and the first on the west side of town. Bagel Mania will meet the following customer needs:

- ◆ A place to buy a "real" fresh-baked bagel.
- ◆ Quick friendly service.
- ◆ Convenience of a drive-up window.
- ◆ A snack/lunch for a reasonable cost.
- ◆ A healthy alternative to take home for breakfast, sandwiches, etc.
- ◆ A popular product to keep "up with the times."

The customer base for Bagel Mania will consist of those individuals who live and work in Rapid City or are visiting the area. Most customers will be from the middle to upper income population, have some college education, and be a professional person. Females tend to visit bagel shops more frequently than males. Bagel Mania will target a wide age group ranging from 15-60 years old. *west rapid?*

The location chosen is the Baken Park area. The west side of town was chosen because our main competition (B & L Bagels) is located in the downtown area. Traffic is substantial in this area, especially in the morning and late afternoon. These individuals will be drawn to the restaurant due to the signage that will be visible from West Main and Mt. View Rd. There will be a drive-up window targeted for the morning commuters on their way to work. Also, sufficient parking will be available and readily accessible for those wanting to come inside and enjoy the atmosphere.

Since the business will be new, the customer will be curious to visit the establishment. Once they are inside, it is the management's responsibility to ensure that the individuals wish to become regular customers. Moderate reliance will be placed on strong repeat customer base and delivery will be incorporated during the second year of business. The management will make continuous efforts to stimulate and expand its market to include the entire Black Hills region as well as the tourist and convention visitor.

Many customers will be those that stop and buy bagels by the bag full to take home. Mornings will be a busy time with commuters stopping on the way to work. The lunch crowd will also be a target market. Sioux San Hospital, banks, realtors, Steven's High School, several office buildings, several outdoor mini-malls, and several law offices are in the nearby area. Evenings will be mainly people coming to take bagels home for that night and the next morning.

Future considerations include selling wholesale to cafeterias as well as development of additional "drop shops" with the present facility serving as a central baking commissary. Although Bagel Mania does not plan to sell wholesale during the first year of business, in the future bagels may be sold wholesale to school, college, and company cafeterias. A minimum purchase of 15 dozen per week will be required in order to buy at the wholesale price. The owners of Bagel Mania believe the company will be in a position to expand as they will be willing to open shops in towns such as Spearfish and Belle Fourche.

The approach of Bagel Mania is to differentiate itself from other establishments by promoting bagels as a great tasting, low fat alternative to bread whether it is for breakfast, in a sandwich or as a snack. In addition to a fresh, great tasting product, we will offer a pleasant, clean, friendly atmosphere and excellent customer service.

COMPETITION:

The analysis of the region reveals only one major competitor, B & L Bagels, in the fast-food bagel restaurant. However, bagels are also available at supermarkets in the Rapid City area: Albertson's, Dan's Supermarket, Safeways, Sooper Dooper, and Family Thrift Centers, as well as the two bread outlet stores. Our bagels will be similar to B & L Bagels as they will be freshly baked. The supermarket bagels are considered "institutional bagels" and do not compare to the homemade fresh-baked product so they will not be considered a major competitor.

*Safeway &
Albertson's
make bagels
daily!*

Although several restaurants in the area have bagels on their breakfast menu, none are authentic fresh baked and most are not fast-food. However, Hardee's does have breakfast bagels and provides fast-food service. The Hardee's bagels are of marginal quality and are only sold in the morning.

In analyzing the restaurant industry in the nearby area, the majority of eating establishments were scrutinized. At breakfast and lunch every fast food restaurant could be considered competition as could any full-service restaurant in the Baken Park area.

However, we feel that they are all indirect competition since we are the only eatery in the area specializing in fresh-baked bagels and bagel sandwiches. Because of similar menu items, prices, type of restaurant, or similar target market, the following businesses were found to be our main competitors:

B&L Bagels
Hardee's
Schlotzky's Deli
Subway
Millstone
McDonald's

B & L Bagels is located on Main Street and is a specialty bagel shop. They are open throughout the day during the week and have limited hours on Saturday and Sunday. They serve many of the same items we will be serving. They will be our major competitor. It's strength is the downtown location with many businesses that will be regular customers, as it may only be around the corner from their place of employment. Another one of their strengths is the traffic on Main Street. It's major weakness is missing the early commuters going east on St. Joseph Street as most bagels are sold in the morning. Other weaknesses are their lack of a drive-up window and the limited parking available in front of their building. We feel that the market in Rapid City is large enough for two specialty bagel shops and that we will be able to compete with B & L Bagels.

Good ↓
Schlotzky's Deli is located on 2520 West Main and is a specialty sub sandwich and pizza restaurant and is open every day of the week. It's strength is its repeat business, strong lunch crowd, weekend patronage, and relatively quick service. Weaknesses may be the small sitting area and the lack of parking. Schlotzky's Deli does not serve bagels so the main competition with them will be the lunch crowds.

Subway is located on West Main and Kirkeby Lane. Its hours are from 9 AM to 11 PM on weekdays and 9 AM to 2 AM on weekends. Their advantage would be the loyalty of their customers, their nationally known name, and their quick service. They sell sub sandwiches and soup and a few dessert items, but they do not carry any breakfast items. Our clientel is predicted to be somewhat different so they should not pose a serious threat to Bagel Mania.

Hardee's is located across from the Baken Park Shopping Center at 2300 West Main. From observance, the drive-up is backed up every morning with commuters getting some breakfast on their way to work. It's a very popular nationally recognized fast food restaurant. Their weakness is that they are not as healthy as we are and their bagels will not be as fresh as ours as theirs must come off of a truck.

McDonald's is located at 2223 West Main, just west of the Baken Park Shopping Center. McDonald's is also a very popular national chain and from observance their drive-up window is even more popular than Hardee's. This may be due to the large traffic crowd

going east to work on West Main Street. McDonald's does have a breakfast menu, but they do not sell bagels. Their menu would not appeal to the typical health conscious person.

The Millstone restaurant is located at 2010 West Main and is open daily with extended hours. Their major advantage would be the fact that they do carry bagels and they have a large breakfast menu. The weaknesses of the Millstone would be their lack of quick service and the quality of their bagels served. Our clientel is also projected to be different than the Millstone's.

Happy Chef is located right beside the Baken Park Shopping Center. Their menu and hours are similar to the Millstone's. They do not appear to be a major threat to Bagel Mania.

Several other eating establishments are in the Baken Park area; however, most are the fast-food chains and do not carry a breakfast menu. These fast-food establishments include:

Arby's
Kentucky Fried Chicken
Taco Bell
Taco John's
Wendy's
Burger King

Other restaurants in the area are not quick service restaurants and some are a bar type atmosphere. These restaurants include:

Shooters
Kelly's Sports Bar & Lounge
Pizza Hut

you're primary adv. is a quick, ~~not~~ convenient healthy lunch. shouldn't you also consider veggies?

We feel these are all indirect competition since we are the only restaurant specializing in fresh baked bagels and bagel sandwiches. Bagel Mania will be able to compete with other eating establishments in Rapid City not only because of our unique product, but due to its appeal to discriminating consumers of all ages. All menu items will be carefully selected and prepared to ensure freshness, good taste, and nutritional value. This upscale, casual cafe is designed to attract health-conscious, cost conscious and time sensitive consumers who are looking for an alternative to the typical everyday fast food environment while still being able to get a good breakfast or lunch fast. We recognize that today's consumers are demanding more variety, value, quality, and convenience in their breakfast, lunch, and snack experiences. Bagel Mania is in sync with current and projected consumer trends and offers a fresh, healthy, high quality, moderately priced menu that will appeal to a wide range of market segments, and income and age groups. Furthermore, we believe that

operational excellence, its ability to match consumer expectations, and its commitment to excellent customer service will further differentiate it from its competitors.

Management

The business to be formed is an S-Corporation consisting of three share holders. [REDACTED], [REDACTED], and [REDACTED] each with 1/3 of the company.

[REDACTED] was born and raised in Gettysburg, South Dakota. She graduated from South Dakota School of Mines & Technology with a Bachelor of Science degree in Industrial Engineering and from the University of Nebraska in Lincoln with a Masters degree in Business Management.

[REDACTED] has worked in and managed a breakfast restaurant before as a cook, waitress, and cashier. She has had experience in both management and restaurant work. She has also had experience in purchasing inventory and supplies and creating and pricing menu items. [REDACTED] has also had some experience as a secretary where it was necessary to keep accounts up to date. [REDACTED] has the enthusiasm, drive, and business skills necessary to start and maintain this business.

[REDACTED] was born and raised in Norfolk, Nebraska. She also graduated from South Dakota School of Mines & Technology with a Bachelor of Science degree in Industrial Engineering. She practiced in the engineering field for Andersen Consulting for two years. She then married a professional football player. Her husband was forced to retire from the sport of football due to a career ending injury. They decided to make their home in Rapid City, S.D. Together they started their own fitness center in Rapid City where [REDACTED] is teaching aerobics.

While in college [REDACTED] competed on the varsity basketball team. For her leadership skills she was chosen captain of the team her senior year. She also earned many honors such as N.A.I.A. Division II Second Team Basketball All-American, South Dakota Intercollegiate Conference Most Valuable Player, and was ranked second nationally for assists in the N.A.I.A.

[REDACTED] is very familiar with the accounting and finance portion of a business. [REDACTED] also has management experience, as she has managed swimming pools, while having the responsibility of being a lifeguard. With the business [REDACTED] has already started she has developed the accounting and management experience necessary to be a successful entrepreneur. [REDACTED] has the drive, leadership, management skills, and competitiveness that is needed to succeed in a business.

[REDACTED] was born and raised in Bowman, North Dakota. She graduated from South Dakota School of Mines and Technology with a Bachelors degree in Industrial Engineering. She then went on to obtain her Law degree from the University of North Dakota. She has been practicing as a lawyer for Jackson, Jacobs, and Izzarelli in the Rapid City area for several years.

While attending the South Dakota School of Mines and Technology, [REDACTED] participated in numerous activities. She was a member of the Alpha Delta Pi sorority where she held

many leadership positions and also served as an officer for the Order of Omega. She also has obtained management skills by managing an Olympic size swimming pool. In her duties there, she had extensive interaction with the public as she coordinated many events that were taking place at or around the premises of the swimming pool and recreation center. [REDACTED] has the drive, leadership, competitiveness, and desire that are needed to succeed in business.

Statement
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or invest
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exper

All three women are healthy and energetic. All three are familiar with hard work and extended hours. All three have been successful in their chosen careers and feel they are very compatible in a work environment. [REDACTED] has shown she can succeed in developing a running a business while [REDACTED] both have experience in management and supervisory practices. [REDACTED] has the restaurant background which will be a great help in running the business. [REDACTED] has the legal background needed in starting and maintaining any type of business. All three women enjoy challenges and new adventures and have the desire to learn the necessary skills to succeed in the bagel business.

Between the three of them, they have spent hundreds of hours gathering information on the bagel industry. Whether it be visiting bagel shops in the Midwest or searching the Net for information on the industry, they were on top of it.

The target date for the opening of Bagel Mania will be June 1, 1996. With [REDACTED] experience in the restaurant field and her knowledge of business management skills, she will be the manager who will spend most of her time at Bagel Mania. [REDACTED] will be giving her two week notice to her present employer in order to dedicate most of her time to Bagel Mania. Her only income will be from Bagel Mania so she will receive the greatest portion of the money allocated for management. But no one on the management team will receive any money for the first three months (except the legal fees) in order to enable the business to pay off start-up costs.

[REDACTED] will be available on a part time basis as she will still instruct aerobics at her fitness center. She plans to schedule her aerobics classes in the afternoon in order to be available at Bagel Mania for the morning rush. Her hours at the fitness center are flexible which will allow her to dedicate the time needed to start a new business.

[REDACTED] will receive legal fees that have been set aside for her compensation. [REDACTED] will spend most of her time working on the legal aspects of the business. While the legal issues are top priority, [REDACTED] will also work behind the counter at Bagel Mania.

PERSONNEL:

Personnel in a service-oriented business can be a critical factor in the success or failure of the business. Being aware of that fact, one of the owners will always be on-site during the hours of operation. The majority of personnel at Bagel Mania will be part-time. The management hope to draw on the high school and college students as a source of potential employees. It is estimated that counter help will be needed as follows:

6:30 AM - 5:30 PM	Monday - Friday
7:00 AM - 3:00 PM	Saturday
8:00 AM - 2:00 PM	Sunday
11:00 AM - 2:00 PM	Daily

Pay will be \$5.00 per hour for part-time counter help. A full time, salaried baker will be hired and will be required to work approximately 45-50 hours per week.

No further employees are planned for unless business grows more rapidly than anticipated.

Marketing plan is not very well defined,
Executive summary (except for last pg)
is very good.




Make sure you justify sales figures somehow -
you will probably experience cash flow
#15 2-3 months before you ever see
a sale.

46
50

BAGEL MANIA
FINANCIAL
PAPERS

BAGEL MANIA

SOURCES OF FUNDING:

Personal Investment	
	\$21,000
	\$21,000
	\$21,000
Request from Bank	\$90,000
TOTAL	\$153,000

BAGEL MANIA
Notes on Year 1 Pro-forma

EXPENSES

Goal

1. Salaries and Payroll Expenses

*Full-time Baker (salaried approx. 50 hrs/wk)	\$18,000
5:30 AM - 1:30 PM 6 days/wk	
	Taxes and Benefits (30%) \$5,400

***Part-time Counter Help**

6:30 AM - 5:30 PM	5 days/wk 11 hr/day @ \$5/hr	\$14,300
7:00 AM - 3:00 PM	Sat. 8 hr/day @ \$5/hr	\$2,080
8:00 AM - 2:00 PM	Sun. 6 hr/day @ \$5/hr	\$1,560
Additional		
11:00 AM - 2:00 PM	3 hr/day 7 day/wk @ \$5/hr	\$5,460
		<hr/>
		\$23,400
	Taxes and Benefits (15%)	\$3,510

Manager Full-time Salaried

	\$20,000
	Taxes and Benefits (30%) \$6,000

Benefits Based Upon:

FICA 7.6% of wages up to \$53,400
1.45% of wages over \$53,400
SD Unemployment 2.5%
Federal Unemployment 0.8%
Workman's Comp 2% of wages

Total Wages	\$61,400
Total Taxes and Benefits	\$14,910
Total Expense	<hr/> \$76,310

2. Outside Services

None at this time

3. Supplies

Based on 3.5% of sales - paper, plastic, and cleaning, etc.

4. Maintenance and Repair

Routine preventive maintenance and repair as needed to equipment and fixtures

5. Advertising

Based on 2% of gross. Plan to use mostly word of mouth and in store promotions

6. Accounting and Legal

Retainers to attorney and accountant used to smooth out cash flow otherwise occasion large bills would distort monthly income projections even though use of these services is spread evenly over the year

7. Rent

Based on 2000 sq ft X \$9.60/sq ft

8. Telephone

One line, basic service used for sales and contacting suppliers

9. Utilities

Based on:	\$1.10/sq ft electricity	\$40/month sewer/water
	\$1.70/sq ft gas	\$54/month garbage pick-up

10. Insurance

Includes liability and property insurance

11. License Fees

Required by state and local authorities

12. Office Expenses

Checks, envelopes, cash register tapes, miscellaneous office supplies

13. Loan Payment

\$90,000 borrowed at 10.25%

14. Depreciation

Furniture, fixtures, and equipment
Straight-line over 7 years

15. Miscellaneous

Operating expenses too small to be itemized

BAGEL MANIA NOTES ON YEAR 1 PRO-FORMA

This pro-forma is based on the following information:

Shop will be open 362 days/year 30.16 days/month

Hours - 6:30 am to 5:30 pm Monday-Friday

7:00 am to 3:00 pm Saturday

8:00 am to 2:00 pm Sunday

need to justify these some how

SALES and FOOD COSTS

June, July, August

PRODUCT	# SOLD	AVE. \$	AVE. FOOD COSTS			AVE. SALES	
			EACH	DAILY	MONTHLY	DAILY	MONTHLY
Bulk Bagels	200	\$0.45	\$0.08	\$16	\$483	\$90	\$2,714
Bagel/Cream Cheese	60	\$1.40	\$0.35	\$21	\$633	\$84	\$2,533
Sandwiches	30	\$3.25	\$1.30	\$39	\$1,176	\$98	\$2,941
Tea/Coffee/Juice	65	\$0.89	\$0.27	\$18	\$529	\$58	\$1,745
Misc.	35	\$1.00	\$0.34	\$12	\$359	\$35	\$1,056
Soda Pop	15	\$0.89	\$0.20	\$3	\$90	\$13	\$403
TOTALS				\$108	\$3,270	\$378	\$11,392

Sept, Oct, Nov, Dec, Jan, Feb

PRODUCT	# SOLD	AVE. \$	AVE. FOOD COSTS			AVE. SALES	
			EACH	DAILY	MONTHLY	DAILY	MONTHLY
Bulk Bagels	300	\$0.45	\$0.08	\$24	\$724	\$135	\$4,072
Bagel/Cream Cheese	75	\$1.40	\$0.35	\$26	\$792	\$105	\$3,167
Sandwiches	50	\$3.25	\$1.30	\$65	\$1,960	\$163	\$4,901
Tea/Coffee/Juice	75	\$0.89	\$0.27	\$20	\$611	\$67	\$2,013
Misc.	40	\$1.00	\$0.34	\$14	\$410	\$40	\$1,206
Soda Pop	25	\$0.89	\$0.20	\$5	\$151	\$22	\$671
TOTALS				\$154	\$4,648	\$532	\$16,030

March, April, May

PRODUCT	# SOLD	AVE. \$	AVE. FOOD COSTS			AVE. SALES	
			EACH	DAILY	MONTHLY	DAILY	MONTHLY
Bulk Bagels	400	\$0.45	\$0.08	\$32	\$965	\$180	\$5,429
Bagel/Cream Cheese	90	\$1.40	\$0.35	\$32	\$950	\$126	\$3,800
Sandwiches	70	\$3.25	\$1.30	\$91	\$2,745	\$228	\$6,861
Tea/Coffee/Juice	85	\$0.89	\$0.27	\$23	\$692	\$76	\$2,282
Misc.	45	\$1.00	\$0.34	\$15	\$461	\$45	\$1,357
Soda Pop	40	\$0.89	\$0.20	\$8	\$241	\$36	\$1,074
TOTALS				\$201	\$6,055	\$690	\$20,803

Average Daily Sales = \$533
 Average Monthly Sales = \$16,074
 Average Yearly Sales = \$192,762
 Yearly Food Purchase = \$55,866

Gross Profit = \$136,896

BAGEL MANIA
NOTES ON YEAR 2 PRO-FORMA

This pro-forma is based on the following information:

Shop will be open 362 days/year 30.16 days/month
 Hours - 6:30 am to 5:30 pm Monday-Friday
 7:00 am to 3:00 pm Saturday
 8:00 am to 2:00 pm Sunday

PRODUCT	# SOLD	AVE. \$	EACH	AVE. FOOD COSTS			AVE. SALES		
				DAILY	MONTHLY	YEARLY	DAILY	MONTHLY	YEARLY
Bulk Bagels	500	\$0.45	\$0.09	\$45	\$1,357	\$16,280	\$225	\$6,786	\$81,450
Bagel/Cream Cheese	100	\$1.40	\$0.38	\$38	\$1,146	\$13,756	\$140	\$4,222	\$50,680
Sandwiches	75	\$3.25	\$1.41	\$106	\$3,189	\$38,282	\$244	\$7,352	\$88,238
Tea/Coffee/Juice	100	\$0.89	\$0.29	\$29	\$875	\$10,498	\$89	\$2,684	\$32,218
Misc.	50	\$1.00	\$0.37	\$19	\$568	\$6,697	\$50	\$1,508	\$18,100
Soda Pop	50	\$0.89	\$0.22	\$11	\$332	\$3,982	\$45	\$1,342	\$16,109
TOTALS				\$247	\$7,457	\$89,505	\$792	\$23,694	\$286,795

Average Daily Sales = \$792

Average Monthly Sales = \$23,884

Average Yearly Sales = \$286,795

Yearly Food Purchase = \$89,505

Gross Profit = \$197,290

EXPENSES	MONTHLY	YEARLY
Rent (2000 sq ft. X \$9.60/sq ft.)	\$1,600	\$19,200
Legal and Accounting	\$165	\$1,980
Insurance	\$150	\$1,800
Salaries/Wages:		
Part-time counter help	\$2,633	\$31,596
Full-time Salaried Baker	\$1,583	\$18,996
Full-time Salaried Manager	\$1,833	\$21,996
Taxes and Benefits	\$1,420	\$17,040
Supplies	\$875	\$10,500
Advertising (2% of gross)	\$500	\$6,000
Trash/Utilities	\$732	\$8,784
Office Expenses	\$75	\$900
License Fees	\$30	\$360
Telephone	\$100	\$1,200
Repair and Maintenance	\$83	\$996
Delivery Van	\$1,833	\$21,996
Fax	\$42	\$504
Depreciation	\$793	\$9,516
Miscellaneous	\$125	\$1,500
TOTAL	\$14,572	\$174,864

Net Profit = \$22,426

Loan Payment
 \$90,000 @ 10.25%

MONTHLY **YEARLY**
 \$1,500/mo \$18,360

BAGEL MANIA
NOTES ON YEAR 3 PRO-FORMA

This pro-forma is based on the following information:
 Shop will be open 362 days/year 30.16 days/month
 Hours - 6:30 am to 5:30 pm Monday-Friday
 7:00 am to 3:00 pm Saturday
 8:00 am to 2:00 pm Sunday

PRODUCT	# SOLD	AVE. \$	EACH	AVE. FOOD COSTS			AVE. SALES		
				DAILY	MONTHLY	YEARLY	DAILY	MONTHLY	YEARLY
Bulk Bagels	500	\$0.50	\$0.11	\$55	\$1,659	\$19,910	\$250	\$7,540	\$90,500
Bagel/Cream Cheese	100	\$1.45	\$0.41	\$41	\$1,237	\$14,842	\$145	\$4,373	\$52,490
Sandwiches	75	\$3.30	\$1.50	\$113	\$3,393	\$40,725	\$248	\$7,465	\$89,595
Tea/Coffee/Juice	100	\$0.90	\$0.30	\$90	\$905	\$10,860	\$90	\$2,714	\$32,580
Misc.	50	\$1.10	\$0.39	\$20	\$688	\$7,059	\$55	\$1,659	\$19,910
Soda Pop	50	\$0.90	\$0.25	\$13	\$377	\$4,525	\$45	\$1,357	\$16,290
TOTALS				\$271	\$8,158	\$97,921	\$633	\$25,108	\$301,365

Average Daily Sales = \$633
 Average Monthly Sales = \$25,108
 Average Yearly Sales = \$301,365
 Yearly Food Purchase = \$97,921

Gross Profit = \$203,444

EXPENSES	MONTHLY	YEARLY
Rent (2000 sq ft X \$9.60/sq ft)	\$1,600	\$19,200
Legal and Accounting	\$165	\$1,980
Insurance	\$150	\$1,800
Salaries/Wages:		
Part-time counter help	\$2,633	\$31,596
Full-time Salaried Baker	\$1,666	\$19,992
Full-time Salaried Manager	\$1,833	\$21,996
Taxes and Benefits	\$1,420	\$17,040
Supplies	\$875	\$10,500
Advertising (2% of gross)	\$750	\$9,000
Trash/Utilities	\$732	\$8,784
Office Expenses	\$75	\$900
License Fees	\$30	\$360
Telephone	\$100	\$1,200
Repair and Maintenance	\$150	\$1,800
Delivery Van	\$1,833	\$21,996
Fax	\$42	\$504
Depreciation	\$793	\$9,516
Miscellaneous	\$125	\$1,500
TOTAL	\$14,972	\$179,664

Net Profit = \$23,780

Loan Payment
 \$90,000 @ 10.25%
 MONTHLY YEARLY
 \$1,530/mo. \$18,360