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## Fresh: A Catering Company

Erin Potter

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# fresh

*a catering company*

Erin Potter  
USF Honors College Thesis  
Business Plan: **fresh**  
Spring 2012

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# 1. Company Details

## a. Founder Profile:

Founder Erin Potter had a passion for food ever since her mother let her stir the chocolate chips into the cookie dough each time they prepared their famous “Potter Chocolate Chip Cookies” for family occasions and celebrations. In high school, Erin began to prepare nightly meals for her family, creating her own dishes, exploring different ingredients, and perfecting dishes that have been passed down her family for generations. It was not long until Thanksgiving became “her” holiday leaving the planning, creating, and executing entirely in her hands.

She discovered her love for baking at a young age. Each holiday creating a new dish that captures the flavor and spirit of the day. Her apple pie became a staple at family gatherings and in the households of families she began to sell to. With simple beginnings, her passion for cooking, baking, and creating ignited.

Her interests were reinforced during her collegiate years. Erin catered an annual event “Tapas at Tri Delta” a social event for all members of sororities to come eat and mingle with one another. This experience in carrying events from beginning to end reinforced her serious interest to pursue a career in the catering industry.

## b. Company History:

**fresh** was born to fill a void in the industry. Being healthy will never go out of style, and just because a party is thrown or a dinner is served does not mean we need to sacrifice our health or our enjoyment in the food. People can both eat nutritiously and enjoy what they are eating. **fresh** focuses in food that is both good and good for you, providing an enjoyable, guilt-free experience for our clients and our guests.

## c. Vision:

**fresh** will provide every client a custom experience with quality ingredients and quality service.

## Mission:

It shall be the mission of **fresh**: a catering company to use the finest ingredients to prepare tasty, made-from-scratch products for our clients. Innovative recipes and event planning styles will compliment the healthy, flavorful products tailored specifically to our clients’ needs.

## *Values:*

**HEALTH** Our food and beverages are prepared from the finest ingredients. We create innovative dishes that are full of flavor and nutrition. We provide alternatives for dishes that are typically indulgent, but based on client needs we can create dishes using any method requested.

**CUSTOMER INDIVIDUALIZATION** It is our goal to provide each and every customer with an experience tailored to their wants and needs. We are able to do so by preparing every dish from scratch and providing ample planning time with our client to understand their needs. We create dishes specific to events and go beyond a standard menu of items/services to choose from.

**INTEGRITY** This can mean many things to our clients. Each event we cater will have all details executed by our team. The client will always enjoy their event as they can be assured all details will be followed through by **fresh**. Services from entertainment, bartending, and clean up will be executed by the **fresh** team. What is agreed upon between client and company will always be delivered upon.

## 2. Strategic Direction

### YEAR ONE GOALS AND INITIATIVES:

- 🎯 **Acquire Food Handling License and Certifications.**
- 🎯 **Focus in Building and Maintaining Client Base.**
  - Follow the strategies outlined in Section 3 Advertising and Promotion to begin.
  - Seek out clients and events through word of mouth on a part time basis.
  - During the first two years of beginning the business part time focus heavily on building relationships with returning large scale clients. Take on new clients as available. If at time within the first two years the demand exceeds the supply, begin the transition to full time.
- 🎯 **Identify Agency to Supply Servers and Bartenders.**
  - Contact local model and talent agencies to find the right employees to uphold the company image. Network through professional and fraternity/sorority network to find young, healthy, *fresh* personalities.
- 🎯 **Conduct SWOT Analysis.**
  - Essential to evaluating the needs, directions, and focus areas for the business first evaluate Strengths, Weaknesses, Opportunities, and Threats
- 🎯 **Business Structure:**
  - Owner/Chef
  - Part-time serving and bartending staff – hired as needed, hourly rate compensation

### YEAR THREE GOALS AND INITIATIVES:

- 🎯 **Transition to Full Time Business.**
  - Evaluate the specific time to launch the company full time and create a timeline. The timeline must be known well in advance to promote efficiently.
  - Upgrade food certifications and licenses.
- 🎯 **Occupy Kitchen and Office Space.**
- 🎯 **Hire Fulltime Sous Chef.**
  - The first full time staff member shall require technical training, a culinary degree, and embrace the values of *fresh*.
- 🎯 **Establish Prominent Partnerships.**
  - Meet with corporate client base established within the first two years to present the new services now offered with the transition. This will ensure long term, large scale commitments and open doors to expand our client base and increase market structure. Focus on fitness industry.
- 🎯 **Business Structure:**
  - Owner/Head Chef
    - Sous Chef
  - Part-time serving and bartending staff – hire as needed, hourly rate compensation. A database of past employees will be established to ensure we continue to higher staff repeatedly and build consistency with clients.

## **YEAR FIVE GOALS AND INITIATIVES:**

### **🎯 Hire Head Chef/ Transition to Owner/Creative Director.**

- The Head Chef would be responsible for executing menus and food service with the staff. Head Chef would coordinate with the Owner for menu planning, creating new dishes, and overall food production and service.
- The Owner/Creative Director is responsible for managing accounts, meeting with clients to prepare for events, and event services, as well as preparing products and services for events with the staff.
- This transition allows the business to expand services beyond food and beverage alone. *fresh* will become available for planning events from aesthetics to food and entertainment.

### **🎯 Introduce Cooking Classes.**

- Within the facility, sell seats to small cooking courses ranging from Italian to sushi making, to cake decorating.
- Benefits: no added overhead costs, clients will bring new potential clientele, added use of the space when the kitchen would usually be empty.

### **🎯 Conduct SWOT Analysis.**

- Conduct a formal SWOT with staff to ensure the company is capitalizing on strengths and taking advantages of opportunities.

### **🎯 Revisit Strategic Direction for Next 5 Years.**

- Evaluate the next steps and new initiatives to move the company forward. Determine changes, old practices to remove and new initiatives to plan for the ensured future.

### **🎯 Business Structure:**

- Owner/Creative Director
  - Head Chef
  - Sous Chef
  - Serving and Bartending staff – compensated hourly rate.

### 3. Marketing

#### a. Market Research

Based on trends in the food industry, health industry, and local environment **fresh** will market and cater to a specific niche of clientele. Two primary groups serve as the target audience.

Our first target audience focuses on women in the 30-50 age group. Trends show that especially as women age, they are concerned with their health just as much as they are with their weight and outward appearance. **fresh** provides seasonal, fresh, healthy ingredients incorporated into any recipe or menu to ensure that the meal will be guilt-free and delicious. Thus providing an experience that the client and their guests will want to repeat. While health trends are on the rise, healthy eating and alternatives will always be in demand.

The second half of the target audience is local and corporate businesses. Partnerships provide a steady and more reliable source of income. Targeting local departments, event planning companies that do not supply catering, and other business that regularly need of catering or entertaining. The companies targeted should share the value of a healthy lifestyle. These can be found in surveys like “healthiest places to work” and the fitness industry. Services can also be provided to the company wellness plan.

#### b. Advertising and Promotions

Prior to opening the business full time, there are certain goals that must be met. In the food and catering industry, as with many other industries, the best form of advertising is word of mouth. In order to build a client/customer base that will sufficiently grow the business, **fresh**: a catering company will launch as a part time business for the first 1-2 years. In this time these are the goals and initiatives that will be executed.

**BLOG:** A blog will be maintained with weekly updates and entries focusing on different everyday recipes, alternative uses for ingredients, nutritional information of ingredients, event styles and themes, and party planning tips. All posts will be products and services offered by our company. Not all recipes will be released but techniques and tips will. This builds a following of loyal customers that understand our values. All parties may not be able to afford our services for every event they hold but we will become a household name and “go-to” service when they want an event catered.

**HOLIDAY SPECIALS:** On our blog, mailing list, and through print advertisements we will sell holiday desserts. Custom cakes, cupcakes, pies, or other traditional deserts can be ordered as well as our signature holiday dessert we will create each year per holiday. Signature desserts will be placed in local specialty stores for sale.

**EVENTS and PRIVATE DINNERS:** Throughout the years part time, we will provide full services based on requests and availability.

Other initiatives for advertising and promotion after launching the business full time are as follows.

**SOCIAL MEDIA CAMPAIGN:** We will directly link our blog to our Facebook account, Twitter account, and website. However, we will not launch our website until the business transitions from part time to full time. During this time we will also launch a



campaign to gain more followers and clientele offering discounts on our services for the first month.

**PRINT CAMPAIGN:** Because print advertisements can be highly priced, we have a strategic placement of our ads. Always advertising before major holidays and in local magazines that focus on food and wine. We will only advertise in materials distributed to our target audience of clients.

**PROMOTIONS:** At local farmers markets we will be present the first weekend in the month to sell our baked goods and sample some new dishes created with the ingredients in season at the time. This will provide us a chance to sell our products, network regarding our services, and have potential clients sample our dishes. A presence at other local festivals and events showcasing wine and food will be expected of our company.

### c. Visual Standards

When promoting or advertising **fresh** the following visual standards must be followed. All materials and use of our logo must be approved by the owner.

**LOGO:** Our logo may be used with or without the green backing. If the logo is placed on any background other than white, the light green backing must be used.



#### **FONTS:**

**jk adobe:** only to be used in the logo “*fresh*”

*Blackjack:* subtitle in the logo, and title font for any documents the company releases

Adobe Garamond Pro: main font used in all documentation or text in marketing materials

**COLORS:** The following RGB codes must be used in all coloring. The colors in the logo may never be inverted or switched. All other colors can be combined and use according to what is most visually appealing and as approved by the owner.



Light Green: R- 200, G- 224, B- 159



Dark Green: R- 58, G- 81, B- 21



Brown: R- 78, G- 52, B- 0



White: R- 255, G- 255, B- 255

## 4. Finances

### a. Initial Cost Structure

| Start Up Costs                |          |
|-------------------------------|----------|
| Inventory and Supplies        | \$2,500  |
| Legal fees and Certifications | \$4,000  |
| Technology Costs              | \$200    |
| Administrative Costs          | \$500    |
| Sales and Marketing Costs     | \$2,000  |
| Cash Balance Needed           | \$10,000 |
|                               |          |
| Total Start Up Expenses       | \$19,200 |

### b. Pricing Structure

Fresh utilizes a custom pricing structure. Each event a client prepares for will be tailored based on the style of the event and needs of the client. Due to heavy use of seasonal ingredients and commitment to customer individualization this method will serve best. Fixed per plate and per platter prices will be quote-based and determined per individual event.

#### Mark Up Structure

$$\text{Food Cost} \times 3.5 = \text{Final Menu Cost}$$

Typically our prices will follow above markup. With this markup **fresh** will operate on about a 72% margin on food. Given the quality ingredient, the client's willingness to pay, and the fluctuation of the industry, this mark up will provide steady revenue. Note this figure does not include extra fees for special requests and services.

### c. Projections

| Projections- Year 1       |          |
|---------------------------|----------|
|                           |          |
| <b>Expenses:</b>          |          |
| Inventory and Supplies    | \$1,000  |
| Cost of Food              | \$10,000 |
| Wages                     | \$7,000  |
| Administrative Costs      | \$3,000  |
| Sales and Marketing Costs | \$2,000  |
|                           |          |
| Total Projected Expenses  | \$23,000 |
|                           |          |
| <b>Revenues:</b>          |          |
| Total Projected Revenues  | \$42,000 |

\* Revenues based on \$10,000 x 3.5 markup = \$35,000 + \$7,000 additional fees = \$42,000

\* To reach the projected revenue, at least one event per week should be scheduled totaling \$1,200 per event.

| Projections- Year 5       |           |
|---------------------------|-----------|
|                           |           |
| <b>Expenses:</b>          |           |
| Inventory and Supplies    | \$4,000   |
| Cost of Food              | \$50,000  |
| Wages                     | \$60,000  |
| Rent                      | \$20,000  |
| Insurance                 | \$3,000   |
| Administrative Costs      | \$20,000  |
| Sales and Marketing Costs | \$10,000  |
|                           |           |
| Total Projected Expenses  | \$167,000 |
|                           |           |
| <b>Revenues:</b>          |           |
| Total Projected Revenues  | \$200,000 |

\* Revenues based on \$50,000 cost of food x 3.5 = \$175,000 + \$25,000 misc. fees = \$200,000

\* To reach the projected revenue approximately \$5,555 should be coming in weekly. Broken down into one large event weekly, or smaller events and programs catered.

## 5. Research

**The sources of research to prepare this Business Plan are as follows:**

Futrell, Charles M. *ABC's of Relationship Selling through Service*. New York: McGraw-Hill Irwin, 2011.

Kerin, Roger A., and Robert A. Peterson. *Strategic Marketing Problems: Cases and Comments*. Custom for USF ed. Boston: Pearson Learning Solutions, 2011.

Manning, Marilyn, and Patricia Haddock. *The Nafe Guide to Starting your Own Business: A Handbook for Entrepreneurial Women*. Quebecor Book Press, 1996.

Retz, Lori. Telephone interview. 20 Feb. 2012.

- Personal references and experiences
- Recommended start up timeline
- Market research and target audience

*StartUp Nation*. StartUp Nation LLC., 2012. Web. 2 Apr. 2012.  
<<http://www.startupnation.com/>>.

*TheFoodServiceWarehouse*. 2006. Web. 2 Mar. 2012.  
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Vandenburghs Chartered Accountants. *The Focused Business Plan*. England: Gower, 1992.