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and Format*

**Business Plan**

# Healthy Doughnuts

Address of Company  
City, State ZIP Code

Telephone Number  
Fax Number

Date of Plan Presentation

*You may also include:*

Presented to:  
Name  
Company

Name of Owner/Contact Person  
Address  
City, State zip  
Telephone  
e-mail

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## **Section I – Executive Summary**

*Complete this section after the rest of the business plan. Simply highlight the most important aspects of the plan.*

## **Section II – Mission, Goals and Objectives**

### ***General Description of Business***

*What business are you in? What are the key products or services of your business?*

Healthy Doughnuts is the latest addition to the food service industry. We are a provider of a variety of healthy choices of organic donuts made with the purest ingredients. Our products are made with whole wheat flour, fresh ingredients, no preservatives or chemicals.

*What market do you believe exists for these products or services? (Describe your current market).*

The market for Donuts has been steady if not growing for the past decade. However, we do believe that there is possible growth especially in the healthy segment of the market. Currently there are no known places that offer healthy organic yet delicious donuts. The public's love affair with donuts is unwavering as donuts have been a staple of American culture for many years. Nevertheless, customers are asking for healthier choices that fit their healthy lifestyles, particularly with the growing concern over obesity, heart disease, and diabetes.

*What is the location of your business? Why is this advantageous?*

Our flag store will be located in a busy upscale Santana Row shopping center adjacent to the 680 freeway in San Jose. This location is a prime location giving us access to the affluent neighborhood of South San Jose, the thousands of shoppers who flock to Santana Row on a daily basis and the work commuter who access the 680 freeway every day.

*How do you operate your business? Who is involved in the operations? How much of your time is spent in the business?*

Because we are in the business of providing fresh morning breakfast items and daily treats, we are operating our business seven days a week. The business will be operated by owner Homer Simpson with help from manager and partner Peter Griffin. The partners will each spend an equal amount of time tending to the business and managing operations during alternating weekends.

*In what stage of development is your business? (Development stage, first year of operations, stable or mature business, stagnant mature business, etc...)*

Healthy Doughnut is a new start-up business in the planning stages. We are currently working with investors on securing seed money to finance the operation. We have already secured a location and negotiated deals with suppliers to provide us with quality ingredients and raw materials.

*Is growth a part of your plan for your business? If so, describe what kind of growth you are projecting and how you think that growth will occur (adding products or services, expanding your market, changing your product or service mix, etc...)*

As a new start-up company, our main goal is establishing our business and focusing on survivability during the first year. As our store becomes well-established and we acquire a clientele, we will shift our focus towards growth and expansion. We plan to first expand our products and services including adding new bakery items with a focus on European pastries like croissant, tarts, and Brioches.

### **Mission Statement**

*What is the vision for the future of your business?*

As a provider of quality high-end healthy baked goods, our vision is to make Doughnuts the number one provider of healthy baked goods and provide our customers with a unique place to socialize and relax in a friendly and warm environment.

*What is the purpose of your business – internally and externally?*

Doughnuts main internal and external purposes is to provide a safe work environment for our employees, a healthy financial return for our investors, quality products for our customers, and support for our community.

*Include your Mission Statement*

Our goal is to be the Bakery house of choice for the local community, downtown business workers, tourists who visit the city and shoppers who patronize the Santana Row shopping center, by providing a higher quality experience than any competitor.

As such we intend to create a bakery that quickly achieves profitability and sustain an attractive rate of return for our investors.

We also plan to contribute to the welfare of the local community by supporting charitable and civic activities. We will also support local merchants, farmers, and suppliers.

## **Goals and Objectives**

*What are your short-term (within one year) and long-term (two to five years) goals and the objectives to reach your goals?*

Our short term goal within the first year will focus on customer acquisition, sales growth, and reaching profitability. Thereafter, we will look into opening new stores in similar affluent areas around the San Francisco Bay Area. As we expand our brand, we might incorporate and franchise our brand.

## **Section III – Background Information**

### **Industry Information**

*Identify your business industry. What are the current industry trends? Include growth patterns, niche markets and size of the market.*

Healthy Doughnuts is a food industry type of business. Unlike other industries that have suffered in the tough economy, the food industry has seen tremendous growth, especially in the comfort food market.

*What are the future industry trends?*

Because we specialized in providing high end quality products to a particular niche market, we anticipate that the healthy bakery market will continue to grow as more and more people are becoming health conscious.

## **Section IV – Organizational Matters**

### **Business Structure**

*Describe the legal structure of your business (sole proprietorship, partnership, corporation or limited liability company). Include in this the ownership of the business.*

Healthy Doughnuts will start as a general partnership between Homer Simpson and Peter Griffin. The two partners will invest an equal amount of money and time in the business. Alternately the partners will share in the profits equally and assume equal responsibility for debts and losses.

### **Management Team**

*Describe your management team. Include key positions and the qualifications (or needed qualifications) of employees.*

The management team of Healthy Doughnuts will consist of the two founders who will assume day to day operations including management, marketing, and finance. Mr. Simpson has extensive experience in sales and marketing including an MBA from Harvard University. Mr. Griffin is a former certified public

accountant and financial advisor with over fifteen years with Panera Bread. We will also hire a master baker who will be in charge of bakery operations and supplies acquisition.

### **Personnel**

*Describe the positions in your company, the job responsibilities and skills (or needed skills) of employees.*

We plan to hire two employees with baking experience who will work the early morning shift under the tutelage of our master baker. We will also hire two employees to mend the registers, serve the customers, stock supplies, and keep the store clean and organized.

## **Section V – Marketing Plan**

### **Products/Services**

*Describe each product/service you will sell. List each quarterly.*

Healthy Doughnuts will offer an assortment of freshly-baked fresh donuts, muffins, danishes, and cookies. Our main products donuts will come in a variety of flavors, toppings, and fillings. Among many flavors, we plan to offer mocha infused donuts, raspberry filled donuts with a dark chocolate ganache, and lemon glazed donuts.

Our muffins will also come in a variety of flavors from the most popular ones like chocolate, blueberry, and poppy seed to more exotic flavors like pumpkin berry, currant, java chips, and peanut butter.

*What is special or unique about the product/service you offer?*

What makes our products unique and special is the fact that we only use natural and organic ingredients that are free from any preservatives, dyes, high fructose corn syrup, and chemicals. We also offer a variety of healthy choices including whole wheat flour options and vegan choices.

*What benefit does the customer get from your product/service?*

Customers who come to our bakery are assured a healthy product that is not only tasty but also healthy. Our customers no longer have to worry about high sugar content, saturated Fat and trans Fat, or cholesterol in their donuts and baked goods.

*Who will your primary suppliers be? Will you have credit terms with them?*

We are pledging to purchase most of our ingredients, raw materials, and supplies from local suppliers and merchants. We will also use local farmers to purchase milk, eggs, and flour to bake our goods. We plan on having good relationship with our suppliers and if needs be we will have credit term with them.

## **Customer Analysis**

*Describe the people buying or who are most likely to buy product/service. (If you have more than one target market, describe each). HINT: Resist the urge to say "everyone". Some people will use the products/service more often or in larger quantities than others.*

Our target market is mainly comprised of customers who are health conscious, value good quality products, and are willing to pay small premium for healthy products.

*Provide a customer profile including: gender, age, income, occupation, education and family status, or if selling to other business, provide an organizational profile including: purchasing decisions and procedures for buying.*

Our target customers are well-educated men and women, with an established career, and good disposable income. They follow a healthy diet, live a fit life, and exercise regularly. They are well-rounded individuals who have an active social life and enjoy spending time with friends and family.

## **Competitive Analysis**

*List your strongest three to five competitors and where they are located. What customer profiles are they targeting?*

Our three main competitors are Cocola Bakery located in the heart of Santana Row, Kara's Cupcakes located on Olin Avenue, just few blocks for Santana Row, and Boudin Sourdough Bakery located on Stevens Creek Blvd. All three Bakeries offer high quality baked items; however, none of them have any healthy offerings as we do.

*What are their strengths and weaknesses? Include the following factors: products, price, quality, location, selection, customer service, expertise, reliability, reputation, management and advertising.*

Cocola Bakery has a good reputation in the area; they offer a wide-selection of high quality expensive cakes and pastries. They cater to high-end customers who enjoy the delights of European pastries.

Kara's Cupcakes offers good quality expensive cupcakes made with rich ingredients. Kara's customers are mainly affluent parents who are willing to pay premium price to purchase small cupcakes for their children.

Boudin Sourdough Bakery is a well-known San Francisco based bakery chain that offers fresh baked sourdough breads and other pastry treats; they also sell a variety of fresh-made sandwiches.

*What are your key competitive advantages? Explain why customers will buy from you rather than your competition.*

Our key competitive advantage is our ability to offer high quality healthy products at competitive prices. Once they come to our stores and purchase our products, our customers will see the difference between our products and those of our competitors, not only in terms of quality but also in terms of prices.

### **Market Potential**

*Describe your geographic trade area.*

*Describe the size of your market in terms of potential customers. Include whether this market is growing, stable, declining and why.*

*What is your market potential in terms of total potential sales? This should be based on market size, target market size, number that will be actual customers, average order size and number of orders per year.*

### **Pricing**

*How will you price products/services? If necessary, include price strategy chart. Make sure you have considered your cost of goods.*

*How does this pricing position you in the market?*



## **Promotional Strategies**

### **Advertising**

*What advertising tools will you use and why did you choose these? Tools could include: newspaper, magazines, direct mail, yellow pages, radio, TV, Internet, business cards and brochures.*

*How often and how much will you spend on your advertising budget?*

*What are your customer service policies?*

**Equipment and inventory List.**

List all equipment, furniture, technology, supplies and inventory that you will use or need in your business.

**Complete the table below (Answer all that apply)**

Name and Quantity	Description	Cost (researched)
1 Industrial Oven	Commercial oven to bake the donuts	\$10,000
2 Glass Display Cases	Glass cases to display and preserve donuts	\$2,500
2 Prep Tables	Commercial tables to prepare the dough	\$2,200
6 Tables		
15 Chairs		
<b>Total</b>		