****

**Franchise Business Plan**

**<organization>**

**<street>**

**<city>,<state>**

**<zip/postal code>**

**<business phone>**

**<business fax>**

**<e-mail address>**

**<date>**

**<version #>**

**<copy 1 of 20>**

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Purpose Statement

We intend to provide fresh coffee and other items for the Flagstaff Area. The goal of the coffee shop is to provide great products at an affordable price. We serve all loyal customers throughout the day. The purpose and philosophy behind Dunkin Donuts is to serve affordable coffee and other items at a reasonable price. We also have to keep the customer in mind and always will do what it takes to make sure that we keep the customer satisfied.

## Startup Goals

|  |  |  |
| --- | --- | --- |
| **Goal** | **How to accomplish goal** | **Date to have goal completed by** |
| Find location for franchise | Look at the different commercial buildings for lease in the Flagstaff area | May 15th, 2011 |
| Hire employees/ training | Hire 10 employees by posting ads in the local newspaper and start training with them. | May 30th, 2011 |
| Opening day | Have all employees trained up and open this day. | June 7th, 2011 |
| Financial goals for the next three years | Show consistent and improving profit margins this year, and for the next three years | June 7th, 2012  June 7th, 2013  June 7th, 2014 |

## Loan Information

The amount of money that we will need to borrow to open a Dunkin’ Donuts franchise is going to be $600,000. This is the amount that we are going to receive from our angel investor, Nicholas Jones. Between the four of us (Nick, Cathy, Brad, and John) we have been able to pull together about $300,000 in capital. We have an agreement with Mr. Jones that we will pay off his loan within the first five years of operation. The amount of interest that we give him will depend on the amount of profit that the franchise makes. The purpose of the loan is to cover all the different expenses that we will encounter during the start-up of the franchise. For example, just to get a franchising license with Dunkin’ Donuts you have to pay $12,000. Because we found an angel investor, we are not putting up any collateral on the loan.

Executive Summary

Company Name

Dunkin’ Donuts  
  
Location

Flagstaff, Arizona, USA

History

History of Dunkin’ Donuts

Founded in 1950, today Dunkin’ Donuts is the number one retailer of hot regular coffee-by-the-cup in America, selling 2.7 million cups a day, nearly one billion cups a year. Dunkin’ Donuts is also the largest coffee and baked goods chain in the world and sells more hot regular coffee, iced coffee, donuts, and bagels than any other quick service restaurant in America. Dunkin’ Donuts’ have more than 8,835 Dunkin’ Donuts stores worldwide, including 6,395 franchised restaurants in 34 UnitedStates and 2,440 international shops in 31 countries (Dunkin' Donuts, 2011).

History of Franchisees

**Brad Smith** (owner) was born in Prescott, Arizona and went to Prescott High School and graduated in 2008. After high school he attended Yavapai Community College where he studied business. After two years, he transferred to Arizona State University where he is currently studying Supply Chain Management. Brad has always had the entrepreneurial spirit and has a history of starting and running different businesses.

**Cathy Windsor** (accountant) was born in Chandler, Arizona. She attended Dobson High School. She got a scholarship to attend Arizona State University where she is an accounting major. Brad and Cathy met in ENG 302 where Brad told Cathy about how he was starting a Dunkin’ Donuts franchise and was in need of an accountant. Brad recognized Cathy’s determination and her ability to work hard, and therefore he decided that she was qualified for the job.

**John Johns** (manager) was born in El Paso, Texas and graduated from Franklin High School. He then went on to El Paso Community College where he got an Associate’s Degree in Business. John then transferred to Arizona State University where he is currently pursuing a Bachelor’s Degree in Business Communication at the W.P. Carey School of Business. John was also in ENG 302 with Brad and Cathy and because of his skill and management experience at Andre’s Pizza and GameStop, he was asked to manage the franchise.

**Nicholas Jones** (investor) was born and raised in Folsom, California. As he grew into a strapping young man he played varsity sports all through high school and helped contribute his time and effort towards bettering his community, church, and high school sports program. Soon after graduation Nick attended his local junior college in pursuit of his accounting degree. He was accepted into Arizona State University as a junior transfer student. The summer before his junior year Nick won the lottery and came into a rather

comfortable fortune. Now that Nick is currently enrolled in the W.P. Carey School of Business at ASU, he has decided to invest his fortune wisely among his peers. He now poses as an Angel Investor for the new opening of the Dunkin’ Donuts in Flagstaff, Arizona.

Products

Coffee, Espresso, Cappuccino, Latte, Donuts, Bagel Twists, Breakfast Sandwiches, Hash Browns, Muffins  
  
Management

Brad Smith – Owner

John Johns – Manager

Cathy Windsor - Accountant

Nicholas Jones – Investor

Growth Projections

The growth projections for the company are to expand financially and to watch the company’s profit margins grow. We expect to have a 6-8% yearly profit growth. We are looking forward to expanding the Dunkin’ Donuts company and plan to make a positive contribution to the company’s reputation. Another way that we are going to expand the business is to have a Dunkin’ Donuts truck that will go around the Northern Arizona University campus and sell donuts and beverages to the college students.  
  
Personal Contact  
Brad Smith  
Fax: 480-555-1212  
Cell: 480-555-2045  
Brad@Dunkin’Donuts.com

Business Information

## Personal Financial Statement

Amount of capital that we are starting out with - $300,000

Amount of cash that will need to be borrowed from our Angel Investor – $600,000

## Business Description

We are opening a Dunkin’ Donuts is Flagstaff, Arizona. Dunkin’ Donuts is a franchise and we plan on expanding the company by adding a store to a location where coffee is in high demand. We are leasing a building in a very busy and popular area of town. At this location, we will have services inside the building, as well as a drive through for those customers in a hurry. We also will have a Dunkin’ Donuts truck that will be on the campus of Northern Arizona University. This truck will be mobile and will also be used at other events thoughout town.

## Our Keys to Success

Great Customer Service – We take care of every one of our customers and treat them as if they were family.

Quality Coffee – we always make the coffee fresh and we get some of the best coffee beans in the world.

Affordable Prices – Our coffee and other items are priced realistically because we have the customer in mind.

## Hours of operations

4:00AM – 9:00PM

## Daily Operations

The employees will arrive in the morning at 3:30 AM to get the products ready, and also to prepare the store for customers. There will also be a manager on shift at all times. John will be the main manager that oversees all of the managers. Employees will have varied shifts, which the managers will be in charge of organizing. The employees will stay until the store closes at 9:00 PM. They will then clean the store before clocking out and going home.

## Business History

It all started in 1946 when William Rosenberg (founder of Dunkin’ Donuts and also the International Franchise Association) invested $5,000 to form Industrial Luncheon Services, a company that delivered meals and coffee break snacks to customers in the outskirts of Boston, Massachusetts. The success of Industrial Luncheon Services led Rosenberg to open his first coffee and donut shop, the "Open Kettle". Then, in 1950, Rosenberg opened the first store known as Dunkin’ Donuts in Quincy, Massachusetts (Dunkin' Donuts Web site, 2011).

## The First Dunkin’ Donuts Location

The first Dunkin’ Donuts shop was opened in Quincy, Massachusetts in 1950. The company began franchising five years later. By 1963, there were over 100 Dunkin’ Donuts shops open and by 1979 over 1000 locations open (Daszkowski, 2009).

Personnel and Organization

## Nick, Angel Investor

Nick is a business student at Arizona State University. He has recently won the lottery and because he a smart, financially savvy business student, he is looking to invest his money in our Dunkin’ Donuts franchise in order to expand his portfolio. His job in this franchise will be to provide the financial support for the startup costs.

## John, Manager

John is currently attended Arizona State University where he is studying Business Communication. His job in the company is to be the main manager who manages all the other subordinate mangers and also oversees all of the operations. He has experience in managing at other companies such as Game Spot and Andre’s Pizza.

## Brad, Owner

Brad is also a student at Arizona State University who is pursuing a degree in Supply Chain Management. He has had experience with starting other various businesses and also has an entrepreneur sprit and is willing to work hard in order to succeed. Brad ultimately is in charge of business operations, and will have the final say on all decisions.

## Cathy, Accountant

Cathy is an Accounting Major at Arizona State University. She has extensive experience in the accounting field. She will be in charge of all accounting and finances in the company.

## Department Organization

|  |  |  |
| --- | --- | --- |
| **Department** | **# of Employees** | **Responsibilities** |
| Kitchen | 2-3 | Preparing the products as well as keeping the area clean |
| Cashiering | 2-3 | Taking orders and managing the cash register |
| Management | 2-3 | Overseeing the other employees and handling the daily finances |

## Training Program

* Learning all the different names of the donuts
* Training on the different machines
* Lessons on using a cash register
* Know all of the items on the menu

## Advancement Program

Crew Member

Crew Members are responsible for executing to the Dunkin’ Donuts’ operational standards. Responsible for working as part of a team to meet the needs of our guests while providing a hospitable environment.

Shift Coordinator

The Shift Coordinator is responsible for the profitability and overall operation of the restaurant according to Dunkin’ Donuts' operational standards in the absence of the Restaurant Manager. A majority of time is spent leading the team to meet guest expectations, recruiting, hiring, and training new crew members as required. The Shift Coordinator will be creative in building sales programs to leverage business opportunities and will create a competitive spirit and atmosphere of pride. This individual will be proficient in making logical and timely decisions.

Assistant Restaurant Manager

The Assistant Restaurant Manager is responsible for the profitability and overall operation of the restaurant according to Dunkin’ Donuts’ operational standards in the absence of the Restaurant Manager. A majority of time is spent leading the team to meet guest expectations, recruiting, hiring, and training new crew members as required. The Assistant Restaurant Manager will be creative in building sales programs to leverage business opportunities and will create a competitive spirit and atmosphere of pride. This individual will be proficient in making logical and timely decisions.

Restaurant Manager

The Restaurant Manager is responsible for the profitability and overall operation of the restaurant according to Dunkin’ Donuts' operational standards. A majority of time is spent leading the team to meet guest expectations, recruiting, hiring, and training new crew members as required. The Restaurant Manager will be creative in building sales programs to leverage business opportunities and will create a competitive spirit and atmosphere of pride. This individual will be proficient in making logical and timely decisions.

Network Trainer (Field Trainer)

Responsible for being an expert in execution of all training and development programs throughout the network, to include development and facilitation of Dunkin’ Donuts restaurant systems and tools, new product roll-outs, food safety and any programs specific to the Franchisee network. Maintains communication with the Franchisee and Operations to ensure adequately trained Managers and Crew are actively executing standards and procedures in the restaurants. Partnering with Operations to identify and develop internal candidates and succession planning.

Multi-Unit Manager

Oversees recruiting, training, management, budget compliance, and overall operations of 4-7 Dunkin’ Donuts/Combo restaurants to ensure excellent customer service, high quality foods, crew development, food safety, store cleanliness, and maximum profitability. Maintains communication, acts as a liaison with Dunkin’ Operations Manager, and provides a positive focus on the network culture and values: high quality food, excellent customer service, and an inviting atmosphere in the restaurants. He is responsible for building a strong team through hiring, training, and developing Restaurant Managers; providing clear, consistent direction, and recognizing individual and team contributions.

Franchise Owner

A Dunkin’ Donuts® franchisee is an independent business owner who invests in one of the top ten franchisors in the country. As a franchisee, you are in business for yourself, but not by yourself. Dunkin’ Donuts franchisees are passionate about the brand and want to be an active participant in operating a successful quick serve restaurant, satisfying consumers who seek quality, convenience and value.

(Career Path, 2011)

Marketing Information

Our market that Dunkin’ Donuts competes in could be considered the fast-food breakfast industry as well as the coffee shop industry. This puts a rather unique twist on our market of customers and competition due to the large variety of food and drinks items Dunkin’ Donuts provides for its customers. We serve coffee, donuts, and breakfast items.

## Market Analysis

The market is in our favor right now for the Dunkin’ Donuts franchise to open up a new location in Flagstaff, Arizona. Though there are several coffee shops in Flagstaff, there are no Dunkin’ Donuts anywhere within the area. The Dunkin’ Donuts franchise is very much desired among customers around the world, and with the coffee craze at an all-time high, there will be no chance for failure. We project that our sales will start slow and then peak once the students at NAU and the residents of Flagstaff realize that the Dunkin’ Donuts is open for business.

## Competitors

|  |  |  |
| --- | --- | --- |
| Competitor | Strengths | Weaknesses |
| Starbucks | * World-wide corporation with hundreds of locations just in the US * Popular trend amongst consumers, particularly college-age adults | * Relatively expensive * Overpowering lack of variety of products |
| Macy’s European Coffee Shop | * Offers vegetarian/vegan options * Has a strong laidback feel | * It does not have a diverse menu due to its vegan/ vegetarian emphasis * No drive through option so it lacks convenience |
| Late for the Train Coffee & Tea | * Quick and friendly staff * Attracts a diverse customer pool | * Expensive for the college campus |

(Late for the Train Coffee & Tea, 2011), (Macy's European Coffee House & Bakery, 2011)

## Our Company

Strengths

* Assortment of donuts (possible 52 varieties)
* On the go fast food that is easy to pre-order and order online
* Solid franchise background with over 3 million customers a day
* Global presence with franchises in 30 countries world-wide

Weaknesses

* Starbucks is a competitor
* Viewed as unhealthy fast food

Advantages

* Dunkin’ Donuts has a much larger variety of breakfast items, coffee, tea, and donuts than any other coffee shop around the Northern Arizona University campus.
* Dunkin’ Donuts is a sold franchise with state of the art supply chain system and management system that enables our company to thrive even in a recession.
* Our menu is priced cheaper than competitors, making us more desirable.

## Market Segments

We chose the city of Flagstaff for a very obvious reason. It is the coldest place in Arizona. Most of our beverages and food items are served hot right out of the oven. This colder climate will make our product line in general more appealing because the people of Flagstaff will be looking for a hot treat on those cold winter days. We will also strategically place our Dunkin’ Donuts right next to Northern Arizona University. We hope to entice the majority of the student population with our delicious food, great customer service, and low prices.

## Marketing Mix Strategy

Our company will use any means necessary to get our company name out to the people of Flagstaff. We will have a state-of-the-art Dunkin’ Donuts restaurant complete with wireless internet, comfortable seating areas, and an outside patio that can be either heated or cooled depending on the seasons. Along with our restaurant we will also have the Dunkin’ Donuts Truck. This truck will be equipped with a Dunkin’ Donuts paint job, 50” plasma screen televisions to help display our advertised products, a custom front and rear suspension to offset the truck from any other truck on the road. A trailer will be towed containing the most popular items from the Dunkin’ Donuts menu.

## Products/Services

Coffee: Hot Coffee, Iced Coffee, Espresso

Coolatta: Coffee, Strawberry, Tropicana, Vanilla Bean

Donuts: Sprinkled, Glazed, Maple, Chocolate

Breakfast food items: Bagels, Big N’ Toasty, Muffins, Hash Browns

Our customer service plan will follow that of a fast food restaurant. However our market positioning will be advertised and displayed as a coffee shop type business. Our inventories will be taken every week and will all be allotted into a monthly report at the end of each month. Only the highest quality of food, safety, and standards will be practiced to keep our customers happy.

## Promotions

We will have numerous amounts of promotions providing customers with discounts on certain items within our store. We will display these promotions through flyers around NAU and the city of Flagstaff. We will also use the media to our advantage by displaying our ads and promotions through commercials, street billboards, and numerous “fun-runs” in the Dunkin’ Donuts truck. Dunkin’ Donuts also see that we are involved in the community and the lives of our nation’s individuals. We will donate annual amounts of money to different fund-raisers and companies who’s goals are to better the lives of the general population.

## Building Possibilities and Distribution

Floor Plan: There will be an inviting atmosphere inside our doors with a closed off outdoor patio area with various heating and/or cooling devices depending on the season.

Parking: There will be a parking lot outside our store with more than enough parking for customer cars. It will provide a sufficient amount of area for outside promotional activities.

Location: Intersection of South Milton Road and South Plaza Way

Distribution: Our Dunkin’ Donuts store will provide a variety of distribution opportunities. Customers will have the options of walk-in, drive through window, truck on campus, or call in order to receive their meals.

## Pricing

We will be using the official Dunkin’ Donuts menu pricing. Refer to Appendix A.

## Suppliers

We plan to purchase the majority of our supplies from the following companies:

* Dunkin’ Brands: Located at 130 Royall Street, Canton, Massachusetts, 02021. Phone number: (781) 737-3000. We will mandatorily purchase baked goods and baking supplies from them due to the agreement between Dunkin’ Brands and any Dunkin’ Donuts franchise (Dunkin' Donuts Web site, 2011).
* The Northeast DCP: Located throughout the New England states. This is an independent supplier for more than 2,200 Dunkin’ Donuts restaurants in the New England territory and an exclusive supplier for nearly 6,000 Dunkin’ Donuts restaurants worldwide (Home, 2010).
* Sysco: Located at 1390 Enclave Parkway, Houston, Texas, 77077. Phone number: (281) 584-1390. We plan to purchase a variety of eating and drinking utensils, food preparations supplies, napkins, cleaning products, etc. from Sysco (Contact Us, 2010).

## Marketing Goals

Our marketing goals include:

* Increase customer base through advertising, by the end of 2012
* Increase customer satisfaction, survey at the end of each year
* Increase average consumer spending by 6-8%, measured by keeping track of the consumer spending average

Financial Information

## Use of Loan Money for Startup Costs

We plan to startup our Dunkin’ Donuts franchise through obtaining a loan that will be acquired from an angel investor, Nick Jones. The loan that will be taken out will cover startup costs. The net worth of the franchisees that will be opening up the location is $300,000. There is a cash reserve requirement of $150,000 for the individuals who open the franchise location as well. The kitchen equipment is one of the major costs at about $130,000. The Dunkin’ Donuts franchise startup fee for Arizona will be a mean amount of $12,000. The money that will be used for the loan will be for kitchen equipment, the startup fee, the cash reserve, and miscellaneous fees associated with utensil items. In total the loan that will be issued will be $600,000.

|  |  |  |
| --- | --- | --- |
| **Use** | **Description** | **Amount** |
| Cash Reserve | Dunkin’ Donuts requires franchisees to always have a cash reserve in case of emergencies | $150,000 |
| Kitchen Equipment | Industrial size equipment for the kitchen | $130,000 |
| Franchise Startup Fee | State of Arizona’s franchise license fee for Dunkin’ Donuts | $12,000 |
| Miscellaneous Inventory | Other purchases that will need to be made including startup supplies, store décor, etc. | $300,000 |

## Cash Flow Information

At the beginning of the business period we would start off with about $600,000 that we received from a loan that was provided by Nicholas Gust, our angel investor. Throughout the business year we will have about $75,000 worth of accounts receivable that will be credited to us from certain customers due to their form of payment. We will then have about $300,000 in accounts payable that we will still owe to companies that were involved with various building costs. There will be a projected $30,000 dollars in depreciation expenses from various equipment failures in the near future that will be tacked on. The net cash flow from operating activities will be $837,726.

The majority of the investment activities will involve costs of kitchen equipment that will be priced very high. The kitchen equipment varies from dough mixer to mixing bowls. In total the costs for these investments will be $126,240. We will also have acquired about $120,000 in short term debt in which we are happy to say is not larger than our cash equivalents. We are also proud to say that we acquired about $750,000 in common stock throughout the year. Due to the fact that our franchise is still growing, we will only have to give back about $120,000 in cash dividends of common stock. So in total we made about $350,000 in financing activities alone. In total for the business year our cash equivalents with the exception of the loan came out to about $1,000,000.

Financial Projections

## Growth Projections

Our Dunkin’ Donuts franchise will start with a simplified menu. We expect to have a reduced customer pool at the beginning and so we plan to expand our menu as our customers increase. As our sales increase, we will compensate for the increased work with more personnel. We hope to grow in both sales and personnel in the next 4 years. These growth projections are completely dependent on the following factors:

* Geographic location and gross domestic income
* University of Arizona academic calendar [whether or not school is in session]
* Current market status
* Sales and promotions

## Assumptions

When making projections for a company, it is common to assume things regarding the market, economy, and target customer pool. The following projections were made using realistically ideal circumstances. These assumptions were made:

* the economy of the United States will continue to improve
* the demand for coffee and donuts will not increase/decrease
* the supply of coffee beans and donut ingredients will not become increasingly more scarce
* the popularity of our store will increase causing sales to increase

## Monthly Financial Projections

Monthly financial projections can be found in Appendix C. Essentially, we hope to increase in unit sales by 6-8% each year. We plan to broaden our profit margin due to the increased revenue from those sales.

Appendices

## Appendix A: Full Dunkin’ Donuts Menu

## 

## 

(Campus Dining Services)

## Appendix B: Statement of Cash Flows

|  |  |  |
| --- | --- | --- |
| **Cash and Cash Equivalents at the Beginning of the Period** | | **$582,726** |
|  |  |  |
| **Cash Flow from Operating Activities** | |  |
|  |  |  |
| **Net Income** | | **$582,726** |
|  | Adjustments to Net Income to produce net cash flows from operating activities |  |
|  | Depreciation Expense | $30,000 |
|  | Net Change to Accounts Receivables | ($75,000) |
|  | Net Change to Accounts Payable | $300,000 |
|  | **Total Adjustments to Operating Income** | **$255,000** |
|  |  |  |
| **Net Cash Flow Provided by Operating Activities** | | **$837,726** |
|  |  |  |
| **Cash Flows from Investing Activities** | |  |
|  | Hobart Dough Mixer VI401 31-1288-440 Hobart Mixer 140 QTcapacity | ($50,000) |
|  | Cutomat Sheeter 48" | ($11,500) |
|  | EQD Water Chiller SC340-04 SS901130 WaterChiller | ($1,200) |
|  | EQD Proofer PC151DD 24-1019714 Dehumidifying Baxter Proofer | ($4,500) |
|  | EQD Proofer PC151DD 24-1019713 Dehumidifying Baxter Proofer | ($4,500) |
|  | Butcher Block wood | ($200) |
|  | Manual Donut Mach Type B W53902 Belshaw Donut Machine | ($16,000) |
|  | Misc Plungers/Parts Fren Crul, Plain, hopper,10 parts | ($150) |
|  | Pitco Gas Fryer 24RUFM-H GO3CE10250 Gas Fryer w/filter , Nat Gas | ($12,000) |
|  | Pitco Gas Fryer 24RUFM-H GO3CE10144 Gas Fryer w/filter , Nat Gas | ($12,000) |
|  | Glazer Belshaw HG24 EZ DD 854 NHNA Semi-Automated Glazer | ($650) |
|  | S.S. Bowl 80 QT VML 80 used Hobart Stain. SteelMixer Bowl | ($495) |
|  | S.S. Bowl 40 QT VMLHP40 used Hobart Stain. SteelMixer Bowl | ($525) |
|  | Bowl Truck 80 QT 6861-4 used Dolly that mixer bowl sits in | ($625) |
|  | Dough Hook 80QT For Mixer | ($345) |
|  | Microwave 2100w NE2157A Panasonic Qty 3 | ($3,500) |
|  | EQD Water Meter SP600M3AB Baxter | ($2,500) |
|  | Blodgett Oven DFG-100 Convection Oven | ($1,750) |
|  | Gemini Oven DC12-DD Deck Oven | ($3,800) |
|  |  |  |
| **Net Cash Used in Investing Activities** | | **($126,240)** |
|  |  |  |
| **Net Cash Flows from Financing Activities** | |  |
|  | Increase in Short Term Debt | $120,000 |
|  | Redemption of Long Term Debt | ($400,000) |
|  | Issuance of Common Stock | $750,000 |
|  | Cash Dividends on Common Stock | ($120,000) |
|  |  |  |
| **Net Cash Provided by (Used in) Financing Activities** | | **$350,000** |
|  |  |  |
| **Net Increase / Decrease in Cash and Cash Equivalents** | | **$1,061,486** |
|  |  |  |
| **Cash and Cash Equivalents at the End of the Period** | | **$1,644,212** |

## Appendix C: Monthly Financial Projections

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2011 | 2012 | 2013 | 2014 |
| UNIT SALES |  |  |  |  |
| Coffee | 8,200 | 9,800 | 10,500 | 11,200 |
| Donuts | 7,700 | 8,000 | 8,400 | 9,000 |
| Coolatta | 3,000 | 3,500 | 3,800 | 4,000 |
| Food Item (aside from donut) | 3,500 | 3,700 | 4,000 | 4,200 |
|  |  |  |  |  |
| REVENUE FROM SALES (in dollars) |  |  |  |  |
| Coffee | 21,320 | 25,480 | 27,300 | 29,120 |
| Donuts | 7,315 | 7,600 | 7,980 | 8,550 |
| Coolatta | 5,070 | 5,915 | 6,422 | 6,760 |
| Food Item (aside from donut) | 5,425 | 5,735 | 6,200 | 6,510 |
| Total Revenue | 39,130 | 44,730 | 47,902 | 50,940 |
|  |  |  |  |  |
| COST FROM SALES (in dollars) |  |  |  |  |
| Coffee | 6,150 | 7,350 | 7,875 | 8,400 |
| Donuts | 3,465 | 3,600 | 3,780 | 4,050 |
| Coolatta | 2,400 | 2,800 | 3,040 | 3,200 |
| Food Item (aside from donut) | 3,325 | 3,515 | 3,800 | 3,990 |
| Total Cost | 15,340 | 17,265 | 18,495 | 19,640 |
|  |  |  |  |  |
| PROFIT FROM SALES (in dollars) |  |  |  |  |
| Coffee | 15,170 | 18,130 | 19,425 | 20,720 |
| Donuts | 3,850 | 4,000 | 4,200 | 4,500 |
| Coolatta | 2,670 | 3,115 | 3,382 | 3,560 |
| Food Item (aside from donut) | 2,100 | 2,220 | 2,400 | 2,520 |
| Total Profit | 23,790 | 25,465 | 29,407 | 31,300 |

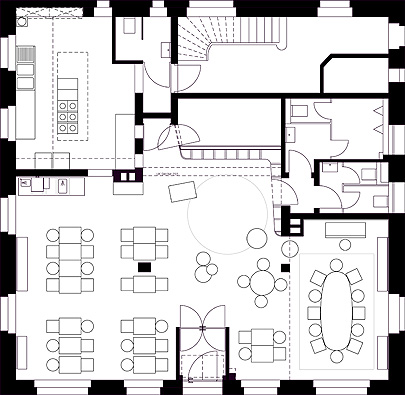
Projections template and sales estimates derived from:

(Christie, 2004), (Dunkin' Donuts Web site, 2011), (Free Sample Business Plans, 2011)

## Appendix D: Sample Income Statement

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## Appendix E:, Franchise Building Floorplan; Intersection of South Milton Road and South Plaza Way, Flagstaff, Arizona



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